

Draft RIPE NCC Budget 2010

The industry will be going through a period of change, as the exhaustion of IPv4 addresses draws nearer. This is reflected by the development of policies and service introductions around this issue, some of which are expected to increase the workload for the RIPE NCC in the coming years.

As a result of this, the budgeted costs for 2010 are 15% higher than the budgeted costs for 2009. This is the result of the increased staff levels and greater operational expenses necessary to support the expected increase in the RIPE NCC's workload. For the particulars, please see: "Draft RIPE NCC Activity Plan 2010".

RIPE NCC Statement of Income & Expenditure

In kEUR	Budget		Latest	Difference	
Income	2010	2009	Estimate 2009	10/B 09	10/09
Service Fees	15,970	14,457	14,113	1,513	1,857
End User Fees	167	199	99	(32)	68
RIPE Meeting	280	255	231	25	49
Other Income	265	255	177	10	88
Total Income	16,682	15,166	14,620	1,516	2,062
Expenditure					
Personnel Expenses	9,158	8,232	8,368	926	790
General Operating Expenses	4,641	4,224	3,736	417	905
RIPE Meeting	810	606	631	204	179
Training Courses	405	399	306	6	99
Regional Meetings	171	190	270	(19)	(99)
Financial Expenses	98	85	86	13	12
Subtotal Operational Expenses	15,283	13,736	13,397	1,547	1,886
Miscellaneous Expenses	370	248	200	122	170
Depreciation	1,867	1,307	1,020	560	847
Total Expenses	17,520	15,291	14,617	2,229	2,903
Surplus/Deficit before interest income	(838)	(125)	3	(713)	(841)
Interest Income	600	855	800	(255)	(200)
Surplus / Deficit	(238)	730	803	(968)	(1,041)

Development of RIPE NCC Reserves

The table below summarises the RIPE NCC's capital development. The capital consists of the RIPE NCC reserves including the surplus/deficit for the year at issue.

Year	Surplus / Deficit	Capital at 31 December	Total expenses per year	% Capital of Expenses
2004	2,698	9,986	9,739	103%
2005	2,684	12,670	9,420	135%
2006	2,483	15,153	9,980	152%
2007	1,070	13,764*	11,674	118%
2008	2,623	16,387	11,765**	139%
Estimated 2009	803	17,190	14,617	118%
Budget 2010	(238)	16,952	17,520	97%

Note: *The capital in 2007 includes the member rebate of EUR 2.5 million.

**The total expenses 2008 include a payout from the Personnel Fund of EUR 1.5 million

Expenses per Activity

Overall, expense levels increase in 2010. For Membership Services, this increase is a result of enhanced registry services, such as Internet Number Resource Certification, and an increased focus on data quality. The substantial increase in expenses for Coordination Activities is due to the increased External Relations efforts and increased RIPE meeting expenses.

In 2009 substantial investments were made to improve Information Services. For 2010 certain areas continue to be further enhanced but the overall costs for Information Services will decrease with improvement projects being completed. Previously the table below was shown including miscellaneous expenses. These are costs like Bad Debts and Depreciation that are not directly attributable to any activity. Therefore for the Budget 2010 these have been excluded.

Amounts in kEUR	Budget 2010		Budget 2009		Difference	
	Amount	%	Amount	%	Amount	%
Membership Services	6,790	44%	6,301	46%	489	8%
Coordination Activities	6,435	42%	5,334	39%	1,101	21%
Information Services	2,058	14%	2,101	15%	(43)	(2%)
Total Operational Expenses	15,283		13,736		1,547	11%

The table below shows new or significantly developed activities for 2010. The figure presented is the direct allocated costs and does not include an overhead or management fee.

Activity	Direct costs	Capital Expenses
Support for Internet Number Resource Certification	64 kEUR	190 kEUR
Implementation of policy 2007-01	130 kEUR	-
Registration Data Quality	122 kEUR	-
RIPE Labs	161 kEUR	-
Information Services Development	252 kEUR	183 kEUR

Income and Fees per Billing Category (Based on the Proposed Charging Scheme 2010)

Income	No. of Local Internet Registries (LIRs)	Fee	Amount in kEUR
New members			
Sign-up Fee	723	EUR 2,000	1,446
Service Fee, Extra Small	726	EUR 1,300	588
Existing members			
Extra Small	1,306	EUR 1,300	1,698
Small	3,585	EUR 1,800	6,453
Medium	1,306	EUR 2,550	3,330
Large	263	EUR 4,100	1,078
Extra Large	66	EUR 5,500	363
Independent resources			1,014
Total Service Fees			15,970

Note: This is based on RIPE NCC Charging Scheme – Version A.

Income received from new members is estimated on the basis of the budgeted number of new Local Internet Registries (LIRs) per month multiplied by the pro rata annual service fee.