The Framework for the FY11 Operating Plan and Budget
Framework for FY11 Operating Plan and Budget

Purpose of this discussion

- Kick off FY11 Operating Plan and Budget development process

- Over the next months, engage the community in FY11 operational priorities, and the budget resources required. Help ICANN make choices.

- Launch the process which culminates in final FY11 Budget submitted to Board in Brussels
Framework for FY11 -- Process

- Ops Plan/Budget follows Strategic Plan
  - Time for Feedback Built into Process
Highlights of the Framework

- Strat plan updated; FY11 Ops Plan follows
- Some growth: SSR, IANA, DNSSEC, policy, IT
- Resolve new gTLD and operational prep
- Little growth in revenue
- Cut and delay where possible
- Contributions of $2 million
- Community feedback
- Post draft by 17 May
- Submit FY11 Budget to Board in Brussels
ICANN Strategic Plan 2010 to 2013 - Four Strategic Focus Areas
Supporting... One World. One Internet. Everyone Connected.

Four Focus Areas

- DNS stability and security
- Consumer choice, competition and innovation
- IANA and core operations
- A healthy Internet eco-system

3 year Strategic Plan updated
Simplified with a “One Pager”

Key enablers across all

Multi-stakeholder – Collaborative – International – Transparent – Accountable
FY11 Budget Background

- Revenue increased 44.5% in 4 years; largely a result of contractual increases
  - FY11 revenue growth projected to be less than 3%
- New services and projects have caused expenses to grow at a level close to revenue
- Also during period:
  - Grew reserves to $45MM (+80%)
  - Reduced registrar fees from $0.25 to $0.18 (+28%)
- Challenge for Board, Community and staff in FY11 will be to prioritize existing and new work in low/no growth environment
Goals for developing plans in FY11, BFC

- Follow strategic plan
- Integrate with community desires
- Confirm revenue
- Take balanced approach to expenses
  - Careful consideration of operating requests
  - Any new activities will require trade-off
Growth areas
- IANA excellence
- Security focus
- DNSSEC project
- Policy
- Facilities

Reduced needs
New gTLD: delay where possible and some work completed!

Others flat or cut
Framework for FY11 Ops Plan and Budget

<table>
<thead>
<tr>
<th>(in US dollars)</th>
<th>FY11 FRAMEWORK</th>
<th>FY10 FORECAST</th>
<th>FY10 BUDGET</th>
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<tr>
<td>Revenue</td>
<td>$65,521,000</td>
<td>$62,918,005</td>
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<td>Operating Expenses</td>
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<td>Non Cash Expenses</td>
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<td>Contingency</td>
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<td>Change in Net assets</td>
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Multiple views of the Budget: Functional and EAG Views
FY11 Ops Plan / Budget -- Schedule

✓ Board approves strategic plan; Feb 2010
✓ Framework for FY11 Ops/Budget Posted; 15 Feb

- Community meetings; Nairobi
- Open Forum in Nairobi
  - *Wednesday 10 Mar 2010 1400 – 1500 Nairobi time*
- Community calls; as requested
- Online public fora for community feedback
- Post Draft FY11 Ops Plan and Budget; 17 May

- Community calls and meetings in Brussels
- Final FY11 Budget reviewed by BFC
- Final FY11 Budget submitted to Board; Brussels
Thank You