

## Draft RIPE NCC Budget 2011

The industry will go 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 2011 are 5% higher than the budgeted costs for 2010. This is a 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 2011".

### *RIPE NCC Statement of Income & Expenditure*

In kEUR	Budget		LE	Difference	
<b>Income</b>	2011	2010	2010	11/B 10	11/10
Service Fees	17,101	15,919	16,306	1,182	795
End User Fees	232	167	150	65	82
RIPE Meeting	250	281	245	(31)	5
Other Income	216	215	186	1	30
<b>Total Income</b>	<b>17,799</b>	<b>16,582</b>	<b>16,887</b>	<b>1,217</b>	<b>912</b>
<b>Expenditure</b>					
Personnel Expenses	10,201	9,259	9,581	942	620
General Operating Expenses	4,668	4,651	4,085	17	583
RIPE Meeting	779	809	812	(30)	(33)
Training Courses	383	337	308	46	75
Regional Meetings	215	160	162	55	53
Financial Expenses	108	98	100	10	8
<b>Subtotal Operational Expenses</b>	<b>16,354</b>	<b>15,314</b>	<b>15,048</b>	<b>1,040</b>	<b>1,306</b>
Miscellaneous Expenses	250	370	150	(120)	100
Depreciation	1,540	1,621	1,450	(81)	90
<b>Total Expenses</b>	<b>18,144</b>	<b>17,305</b>	<b>16,648</b>	<b>839</b>	<b>1,496</b>
<b>Surplus/Deficit Before Interest Income</b>	<b>(345)</b>	<b>(723)</b>	<b>239</b>	<b>378</b>	<b>(584)</b>
Interest Income	300	400	325	(100)	(25)
<b>Surplus/Deficit</b>	<b>(45)</b>	<b>(323)</b>	<b>564</b>	<b>278</b>	<b>(609)</b>
Capital expenditure	2,166	2,766	1,600	(600)	566

## 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
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%
2009	842	17,229	14,683	119%
Estimated 2010	564	17,793	16,648	107%
Budget 2011	(45)	17,748	18,144	98%

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

\*\*The total expenses 2008 include a pay back from the Personnel Fund of EUR 1.5 million

## Expenses per Activity

Overall, expense levels increase in 2011. For Membership Services, this increase is a result of the expected increase in the number of resource requests caused by RIPE policy Proposal 2009-03, Run Out Fairly. In addition, the RIPE NCC will further enhance its data quality and the procedures around its data quality and registration. For 2011, a continuous high level of Coordination Activities are planned to cater for all activities surrounding the depletion of the IPv4 address pool.

In line with one of the key strategies of the RIPE NCC to further the RIPE NCC as a trusted source of data, the cost for Information Services is increased in 2011. This increase is caused by the enhancement of the successful RIPE Labs platform and additional efforts will be made to further develop the RIPE Labs community. In 2010, the development of an active measurement network started, and in 2011 this development will continue. In mid-2011, the prototype will be analysed and a decision will be made on whether or not to develop a service from this prototype.

Amounts in kEUR	Budget 2011		Budget 2010		Difference	
	Amount	%	Amount	%	Amount	%
Membership Services	7,004	43%	6,623	43%	381	6%
Coordination Activities	6,416	39%	6,605	43%	(189)	-3%
Information Services	2,934	18%	2,086	14%	848	41%
Total Operational Expenses	16,354		15,314		1,040	7%

The table below shows new or significantly developed activities for 2011. The figure presented is the direct allocated costs and does not include an overhead or management fee.

Activity	Operational Expenses	Capital Expenses
Active Measurements	265 kEUR	110 kEUR

**Income and Fees per Billing Category (Based on the Proposed Charging Scheme 2011)**

Income	No. of Local Internet Registries (LIRs)	Annual Fee in EUR	Amount in kEUR
<b>New Members</b>			
Sign-up Fee	620	2,000	1,240
Service Fee, Extra Small	620	1,300	486
<b>Existing Members</b>			
Extra Small	1,589	1,300	2,066
Small	3,875	1,800	6,975
Medium	1,409	2,550	3,593
Large	282	4,100	1,156
Extra Large	70	5,500	385
Independent Resources			1,200
<b>Total Service Fees</b>			<b>17,101</b>

*Note: 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.*