

# 2009 IASA/IETF Budget Presentation Outline



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# 2009 Budget General Assumptions



- Large Interim Meetings (LIMs)
  - Represents an IESG experiment to accelerate standards development
  - Two meetings are assumed with 675 total paid attendees (300 & 375)
- IETF Meetings Attendance & Fees
  - Attendance is assumed to continue to decline (2% in line with current trends)  
Another 2% decline (80 annually) as an impact of the Large Interim Meetings
- Expenses are assumed to rise from 2008 levels
  - Normal recurring expenses budgeted to increase 5.5%
- The Budget includes an increased investment in tools
  - I-D tracker enhancement project
  - RFC Editor Software Development

## 2009 Revenue Assumptions



2009 Revenues - \$3.6m (compared to 2008 revenue of \$3.0m)

- Normal meeting attendance declines 4%
  - from 3,449 forecast in 2008 to 3,310 budgeted in 2009
- Registration Fee increases from \$635 to \$675 (6%)
- LIMs add \$382K in meeting registration revenue
- Host sponsorship
  - NOC sponsorships are fully subscribed (\$265K)
  - Meeting Room sponsorship revenue is up from \$249K to \$455K
    - see offsetting increase in Meeting Room Costs – Stockholm; Hiroshima
  - IETF 76 Reception and Host Sponsorship for both LIMs outstanding
    - Potential \$150K budget exposure
- New Revenues Sources are assumed to contribute \$115K



## 2009 Expense Assumptions

- 2009 Expense Budget - \$5.4m (compared to 2008 of \$4.6m)
  - Several extraordinary expenses impact total 2009 expenditures
    - \$261K in LIM expenses (see offsetting revenues)
    - \$160K increase in Capitalized Tools Development Costs (ID Tracker)
    - \$ 50K for IT Architect
  - Other Meeting Expenses rise \$338K
    - \$330K of which is meeting space cost increase - offset by Sponsorships
  - All other Expense Levels increase an average of 5.5%
    - Secretariat Contract Labor + \$77.8K
    - Managed Meeting Costs + \$36.5K
    - RFC Editor + \$13k
    - Special Projects + \$10k



## Proposed ISOC Contribution

The Proposed ISOC Contributions to IASA for 2009 include:

### - Direct Contribution

- \$1.7 million:
  - \$72K higher than 2008 Budget (4%)
  - The Budget increase is impacted by increases in:
    - Tools Development (non-recurring \$160K greater than 2008)
    - IT Architect (\$50K)

### - Indirect Contributions

- Host Sponsorships totaling \$770K
  - \$150K not committed (including \$100K recent LIMs Sponsorships)
- New Revenue Sources: \$115K (not yet committed)

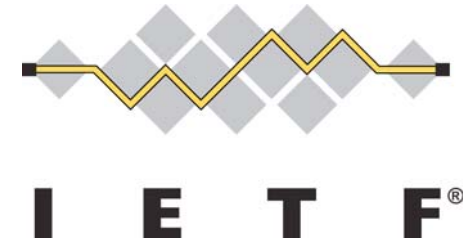
# 2009 Contingency Plans



Plans are based on global economic uncertainties

- Two Scenarios have been considered:
  - Meeting attendance falls short by 20% and 30%
  
- Expenses can be cut in some meeting-related areas:
  - Food & Beverage
  - Some equipment costs and support travel
  - Credit card fees
  
- Expenses cannot be substantially reduced in:
  - ISI contract for RFC Editor Services
  - AMS contract for Secretariat Services
  - NOC expenses for meetings
  - IETF Trust expenses
  
- Timing of moves to reduce expenses is important

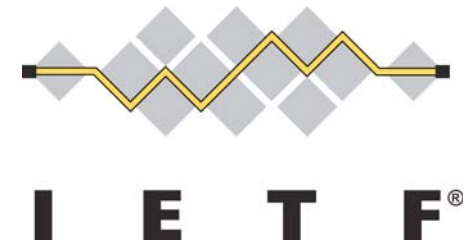
# Impacts of Contingency Expense Reductions



## Proposed expense reductions impact IETF operations for the short-term:

- **Reduction in copy edit services**
  - increases RFC Publication processing time
- **Elimination of development for enhancing ID Tracker management system & part time IT Architect position**
  - delays a needed upgrade from former Secretariat-developed system
- **Cut retreat support in half for IESG, IAB, and IAOC**
  - eliminates at least one of the retreats used to develop overall guidance
- **Elimination of special projects and non-capital tools development**
  - temporary freeze in miscellaneous systems enhancements
- **Elimination of NomCom phone support**
  - accelerates movement to Marratech and other solutions; possible Marratech cost increase to ISOC

# Contingency Plan Impact on ISOC Contribution



<b>2009 Contingency Budget Summary (000s)</b>			
	<b>2009 Budget</b>	<b>-20% Budget</b>	<b>-30% Budget</b>
<b>Revenue</b>	3,622	2,935	2,582
<b>Expenses</b>	5,347	4,708	4,579
<b>ISOC</b>	1,725	1,773	1,997
<b>ISOC Variance</b>		\$48	\$272

# 2009 Budget



Q & A

2009 Budget



# Supporting Materials

# Supporting Schedule Sources of Funds



9/28/08

## 2009 - 2011 Draft IETF Budget Revenue

	2008 Budget	2008 YEF	Variance	2009 Budget	\$ Change 2008 YEF	% Change 2008 YEF	2010 Advice	2011 Advice
<b>Revenues</b>								
Registration Fees	2,222.5	2,185.5	-37.0	2,220.1	34.6	0.0	2,193.7	2,113.2
Interim Registration Fees	0.0	0.0	0.0	261.8	261.8		274.8	288.6
Sponsorships	245.0	249.5	4.5	505.0	255.5	1.0	290.0	540.0
NOC Sponsorships	360.0	235.0	-125.0	265.0	30.0	0.1	410.0	430.0
Interim Sponsorships	0.0	0.0	0.0	100.0	100.0		105.0	110.3
Hotel Commissions	180.0	230.1	50.1	135.0	-95.1	-0.4	180.0	180.0
Interim Hotel Commissions	0.0	0.0	0.0	20.3	20.3		21.3	22.3
New Revenue	-25.0	-25.0	0.0	115.0	140.0	0.0	350.0	500.0
Miscellaneous	0.0	14.5	0.0	0.0	-14.5	0.0	0.0	0.0
<b>Total Revenue</b>	<b>2,982.5</b>	<b>2,889.5</b>	<b>-93.0</b>	<b>3,622.1</b>	<b>732.6</b>	<b>0.3</b>	<b>3,824.8</b>	<b>4,184.4</b>
<b>Anticipated ISOC Contribution IETF Ops</b>	<b>1,642.4</b>	<b>1,490.3</b>	<b>-152.2</b>	<b>1,713.9</b>	<b>223.6</b>	<b>0.2</b>	<b>1,339.1</b>	<b>1,353.5</b>
<b>Revenue</b>	<b>4,624.9</b>	<b>4,379.8</b>	<b>-245.1</b>	<b>5,336.0</b>	<b>956.2</b>	<b>0.2</b>	<b>5,163.9</b>	<b>5,537.9</b>

# Supporting Schedule Expenses



2009 - 2011 Draft IETF Budget Expenses								9/30/08
Expenses	2008	2008	Variance	2009	\$ Change	% Change	2010	2011
	Budget	YEF		Budget	2008 YEF	2008 YEF	Advice	Advice
RFC Editor/Edit Svcs	737.8	716.4	(21.39)	729.3	\$ 12.9	1.8%	590.0	\$ 620.0
Secretariat Contract - Labor Only	1,500.0	1,460.2	(39.83)	1,538.0	\$ 77.8	5.3%	1,614.9	1,695.6
Managed Meeting Costs (Variable)	919.6	855.0	(64.60)	891.5	\$ 36.5	4.3%	897.5	960.2
Other Secretariat Costs	6.0	31.0	25.00	21.0	\$ (10.0)	-32.3%	25.0	27.0
Other Meeting Expenses	236.6	210.4	(26.19)	549.2	\$ 338.8	161.0%	313.4	566.0
NOC Expenses	360.0	235.0	(125.00)	265.0	\$ 30.0	12.8%	410.0	430.0
Interim Meeting Costs	0.00	0.00	0.00	261.2	\$ 261.2		\$ 274.3	\$ 288.0
Transition Expenses	75.0	93.3	18.30	75.0	\$ (18.3)	-19.6%	75.0	50.0
General Meeting Contingency	50.0	50.0	0.00	50.0	\$ -	0.0%	50.0	50.0
Special Projects	35.0	25.0	(10.00)	35.0	\$ 10.0	40.0%	36.8	38.6
Admin (IASA,IETF, IAB, NomCom)	482.4	481.0	(1.42)	529.7	\$ 48.7	10.1%	540.8	570.7
IETF Trust	23.5	32.5	9.00	33.1	\$ 0.6	1.8%	33.4	33.8
ISOC G&A	95.0	95.0	0.00	98.0	\$ 3.0	3.2%	102.9	108.0
Capital Cost (Tools Development)	100.0	95.0	(5.00)	260.0	\$ 165.0	173.7%	200.0	100.0
<b>Total Expenses</b>	<b>4,620.9</b>	<b>4,379.8</b>	<b>(241.13)</b>	<b>5,336.0</b>	<b>\$ 956.2</b>	<b>21.8%</b>	<b>5,163.9</b>	<b>5,537.9</b>



## 2010 – 2011 Assumptions

- No increase in registration fees, except Students to \$250
- Continued decline in paid attendance (1.5% & 3.0% from 2009)
- ISOC direct contributions decline 20% from 2009
- RFC Editor expenses decline ~ 20% from 2009 to 2010
- New Revenues increase to \$350K in 2010 and \$500K for 2011