

# **Finance Committee Report**

**Mar del Plata, 7 April 2005**

# Finance Committee Members

**Raimundo Beca**

**Hagen Hultzsch (Chair)**

**Joichi Ito**

**Tom Niles**

**Mike Palage**

**Alejandro Pisanty**

# **Finance Committee Activities**

## **Telephone Conference in February**

- **Current Fiscal Year / Budget Status including Revenues and Expenses**
- **Planning for FY2005-2006**

## **Meeting in Mar del Plata on 3rd April**

- **Review of preliminary Operation Plan**
- **Review of preliminary Expenses and Revenue for FY2005-2006**

# Current FY Budget Status

**Revenue under-running plan by ~10%**

- **Three months lag due to invoicing**
- **Final budget agreement in 11-2004**

**ICANN reduced spending plan by ~17%  
to compensate for revenue shortfall**

- **Delayed hiring**
- **Reduced commitments and travel**
- **Deferred capital expenditures**

# **FY2005/2206 Budget Planning**

## **Expense Plan of 23.0 M\$**

- **Staff growth from 59 to 68 to accomplish operational plan objectives**
- **Security and Stability Program**
- **Developing Country Internet Community Program**

## **Revenue Plan of 23.5 M\$**

- **Registrar & Registry Fee structure constant**
- **Increase by new sTLD and .net agreements**

# Committee Recommendation

**As ICANN is increasing its global responsibilities the planned budget structure covers a good part of the strategic and most of the operational plan initiatives. The prioritized tasks are covered in this budget even though some elements including the provision of reserves had to be deferred. The Finance Committee takes this opportunity to stress the importance its members attach to the implementation of processes focused upon ICANN's stakeholder relations management.**