

The 2017 Operating Costs Budgets have been built around the following:

- Maintain the 2017 operating costs in line with the total revenue for 2016.
 - Total revenue for 2016 was \$4.68M
 - Total budgeted expenses for 2017 (excluding the “Contingency” line) is \$4.64M, which is just a little less than 2016 income.
 - The “Contingency” line will not be spent if revenue is not sufficient.
 - The budgeted revenue for 2017 is \$4.9M, which includes a modest increase in income. Even if this increase does not materialise, expenses should not exceed revenue.
- Assume that new membership may slow down as a result of IPv4 exhaustion, with the Soft Landing exhaustion phase being reached during q1 2017. Only 130 new members have been projected for 2017 (actual figure for 2016 was 165 new members).
- To have an operating costs budget which will both promote the execution of the Strategic Plan and at the same time reflect caution with regards to uncertainty associated with the exhaustion; while maintain high standard of service level.
- An amount of \$ 250K has been included as a contingency line. In the event that total revenue does not exceed the budgeted \$4.93M, then the contingency line will not be spent. In the event that total revenue exceeds \$4.93M, then some part of the contingency line may be spent, but not more than is supported by the increased revenue, and not more than the budgeted \$250K

2016			FINAL
Estimate	Budget		BUDGET 2017
Actual		Administrative expenses	US\$
2,100,000	2,176,000	HR	\$2,340,000
50,000	59,220	Telecommunications	\$55,500
45,000	52,820	Computer expenses	\$93,000
224,000	224,300	Office Expenses	\$236,000
3000	4,690	Motor vehicle expenses	\$5,500
14,546	14,450	Insurance	\$12,000
15,000	16,600	Printing, postage & stationery	\$22,000
39,341	35,000	Bank charges	\$40,000
10800	10,800	Professional Fees	\$10,000
190,000	217,390	Depreciation	\$210,000
50,000	72,860	Consultancy Fees	\$95,000
2,741,687	2,884,130	Total Administrative expenses	\$3,119,000
		Distribution expenses	
7,000	36,480	Marketing & Comms expenses	\$50,000
40000	60,000	Bad debts	\$60,000
375,000	310,300	Meeting expenses	\$385,000
45,000	106,520	Members Training	\$80,000
500,000	525,400	Travelling expenses	\$525,000
7,500	7500	Research & Development	\$5,000
40,000	50,000	Oureach Initiatives	\$101,000
150,000	189,000	Community Support	\$262,000
20,000	20,000	Remote Sites Operations Costs	\$20,000
1,184,500	1,305,200	Total Distribution expenses	\$1,488,000
20,000	\$30,000	Other Costs	\$30,000
3,946,187	4,219,330	Operating expenses	\$4,637,000
		CONTINGENCY	\$250,000
3,986,187	4,279,330	Operating expenses	\$4,887,000
		REVENUE	
\$4,444,000	\$4,114,200	Fees Income	\$4,555,000
\$240,000	\$300,000	Other Income	\$375,000
\$4,684,000	\$4,414,200	TOTAL REVENUE	\$4,930,000
\$737,813	\$194,869	Budgeted Surplus	\$43,000

2017 CAPEX BUDGETS

IT & Engineering				
Infrastructure				
Data Centre Hardware				
Servers – DNS Projects	5	\$2,000	\$10,000	
Servers – 6Lab redundancy	4	\$2,000	\$8,000	
Monitors (NOC/Monitoring)	2	\$2,000	\$4,000	
Backup (redundant) HSM (DNSSEC/RPKI)	1	\$6,000	\$6,000	
Total:				\$28,000
Workstations				
Laptop Replacements (> 5 years)	16	\$2,000	\$32,000	
Laptop Replacements (failures/breakages)	2	\$2,000	\$4,000	
Laptops for new IT&E staff	1	\$2,000	\$2,000	
Monitors for new IT&E staff	1	\$500	\$500	
Other Hardware replacements			\$2,000	
Total:				\$40,500
Other				
Meeting Gear				
In-venue networking upgrade (Wifi Aps)	15	\$350	\$5,250	
In-venue networking upgrade (Switches)	4	\$1,500	\$6,000	
Total:				\$11,250
Multimedia				
Photo Camera repairs / upgrades				\$2,000
				\$81,750
Member Services				
Expenses	Unit	Qty	Unit \$	Amount \$
Laptop for additionnal IP analyst	Registratic	1	2500	\$2,500
Monitors + accessories for additionnal IP analys	Registratic	1	500	\$500
Others	Member S	1	2000	\$2,000
				\$5,000
HR & Administration				
Expense Group	Unit	Qty	Unit \$	Amount \$
Office Furniture				\$12,000
Office Reorganisation				\$10,000
Terrace Set-up				\$10,000
				\$32,000
Finance & Accounting				
Laptop Stands		3	300	900
Monitors		2	250	500
Shredder		1	500	500
Office Chairs		2	350	700
				\$2,600
Capacity Building				
Laptops - New Recruits		2	2,500	5,000
WiFi back up		2	200	400
				\$5,400
			TOTAL CAPEX BUDGET 2017	\$ 126,750
			TOTAL ACTUAL - 2016	\$ 35,488