



DALLAS | TX ★ 20-21 OCT 2016

**Treasurer**

*Bill Sandiford*

# Finance Committee Activities



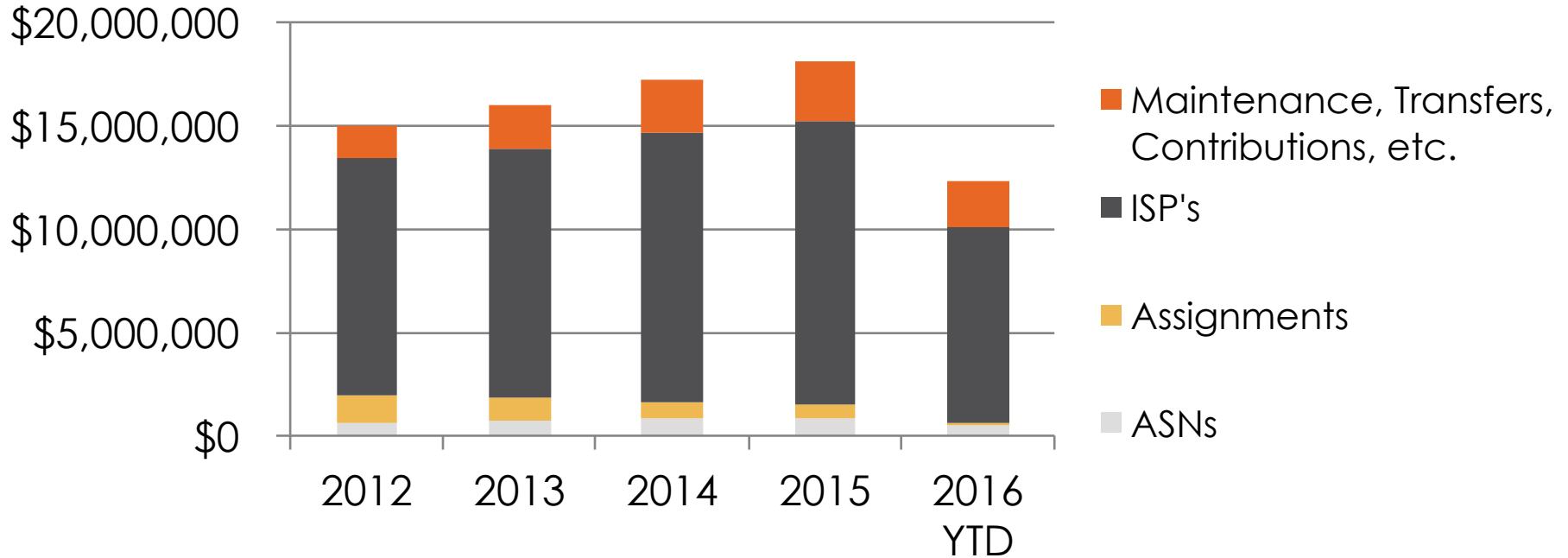
- 2015 IRS 990 & 990T Filing
- Investment Rebalancing

# Financial Results YTD through August 2016

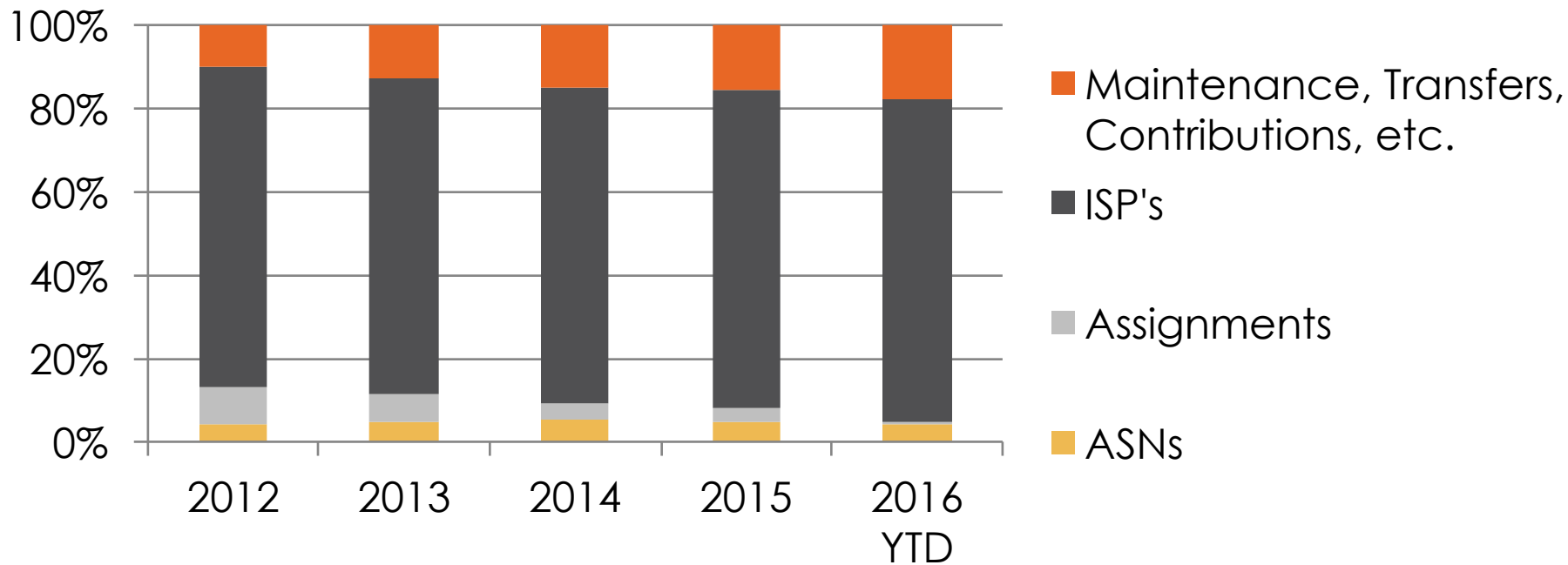


• 2016 – through August 31 <sup>st</sup>	
• Registration Revenue	<b>\$12,276,228</b>
• ISP Registrations	= \$9,460,642
• All Other	= \$2,815,586
• 2016 Expenses	<b><u>\$13,370,348</u></b>
• Operating Result	<b>(\$1,094,120)</b>
• 2016 Investment Result	<b>\$1,323,130</b>
• Net to Reserves	<b>\$229,010</b>

# Registration Revenue



# Registration Revenue by Mix%



# Financial Reserves Through August 31, 2016

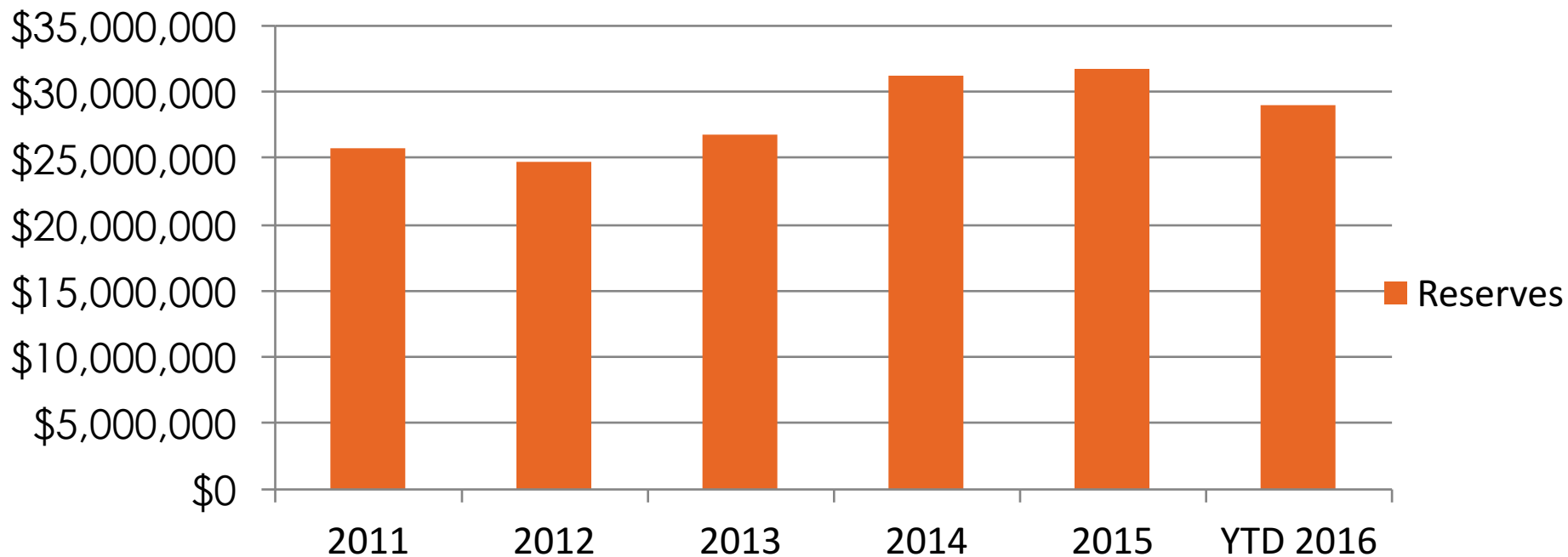


The Board of Trustees has designated net assets for the following purposes:

- **Legal Defense Reserve Fund** – To fund legal challenges as they arise. Balance at 08/31/16 \$2,113,056
- **Operating Reserve Fund** – To provide short-term financial stability for ARIN. Balance at 08/31/16 \$2,713,608
- **Long Term Reserve Fund** – To provide long-term financial stability for ARIN. Balance at 08/31/16 \$24,123,177 \*\*

\*\*Note: \$3m was withdrawn from this account for the construction of ARIN's new office (\$2m will be returned to this account from the tenant improvement allowance) and \$1m was withdrawn to fund the IETF Endowment.

# ARIN's Financial Reserves



# ARIN Reserves and Investment Guidelines



## LEGAL DEFENSE FUND

- The investment objectives of the fund are:
  - Liquidity
  - Preservation of capital
  - Optimize the investment return within the constraints of the policy
- Allowable Investments:
  - Interest bearing checking accounts
  - Money Market Funds
  - Federally insured certificate of deposits
  - Direct obligations of the US Government
  - Commercial paper rated A-1/P-1 by Standard & Poor's and Moody's
  - Corporate notes with a minimum rating of investment grade by one rating service
  - Mutual funds meeting the investment guidelines of the Legal Reserve Fund



# ARIN Reserves and Investment Guidelines



## Operating Reserve Fund

- The investment objectives of the fund are:
  - Liquidity
  - Preservation of capital
  - Optimize the investment return within the constraints of the policy
- Allowable Investments:
  - Money market funds that invest in government-backed securities
  - U.S. federally insured certificates of deposit not to exceed the insurable limit per Institution
  - Direct obligations of the U.S. Government, its agencies and instrumentalities

# ARIN Reserves and Investment Guidelines

## Long Term Reserve Fund

- The investment objectives of the fund are:
  - A long term goal of maximizing the returns without exposure to undue risk
- Allowable Investments:

Asset Class	Target Weight
U.S. Large Capitalization Stocks	33%
U.S. Mid Capitalization Stocks	7%
U.S. Small Capitalization Stocks	5%
International Stocks	15%
<b>TOTAL EQUITY</b>	<b>60%</b>
<b>FIXED INCOME</b>	<b>35%</b>
<b>ALTERNATIVE INVESTMENTS</b>	<b>5%</b>