

Treasurer's Report

Scott Bradner, Treasurer

Finance Committee

- **Accepted Audit Results**
- **Reviewed Insurance**
- **Lease Status**
- **First Quarter Actual vs. Budget**

Finance Committee

- **Fee Review**
- **Expense Categories**
- **Plan Next Year's Audit**
- **Reserve Status**

Audit Results- “Clean Audit”

- **Qualifying Letter from Auditor:**
 - **ARIN Conforms with Generally Accepted Accounting Principles, GAPP**
 - We (Goodman) **did not identify any internal deficiencies** in internal control that we consider to be material weaknesses.
 - We (Goodman) **encountered no significant difficulties** in dealing with management in performing and completing our audit.

2008 Statement of Financial Position

Current Assets	2008	2007
Cash and cash equivalents	682,126	374,277
Investments	19,752,964	26,276,735
Nontrade receivables	198,419	14,626
Prepaid expenses	615,620	277,211
Total current assets	21,249,129	26,942,849
Property and equipment - net	1,888,778	1,329,514
Other assets	41,533	20,500
Money market fund designed to meet ICANN liability	-	758,013
Security deposit	60,934	58,844
	23,240,374	29,109,720

2008 Statement of Financial Position

Current liabilities	2008	2007
Accounts payable & accrued expenses	1,109,530	1,155,690
Due to ICANN	146,420	755,434
Deferred rent	83,308	94,540
Other current liabilities	1,625	7,451
Deferred revenue	4,513,676	4,033,452
Total current liabilities	5,854,559	6,046,567
Unrestricted net assets	17,385,815	23,063,153
	23,240,374	29,109,720

Statements of Activities

Revenue and support	2008	2007
Registrations	9,889,400	9,498,769
IP end-user registrations	555,250	488,500
Maintenance fees	988,566	884,488
Contributions	11,035	39,747
Other revenue	3,836	7,467
Network transfers	94,245	85,000
Membership dues	31,500	64,800
Total revenue and support	11,573,832	11,068,771

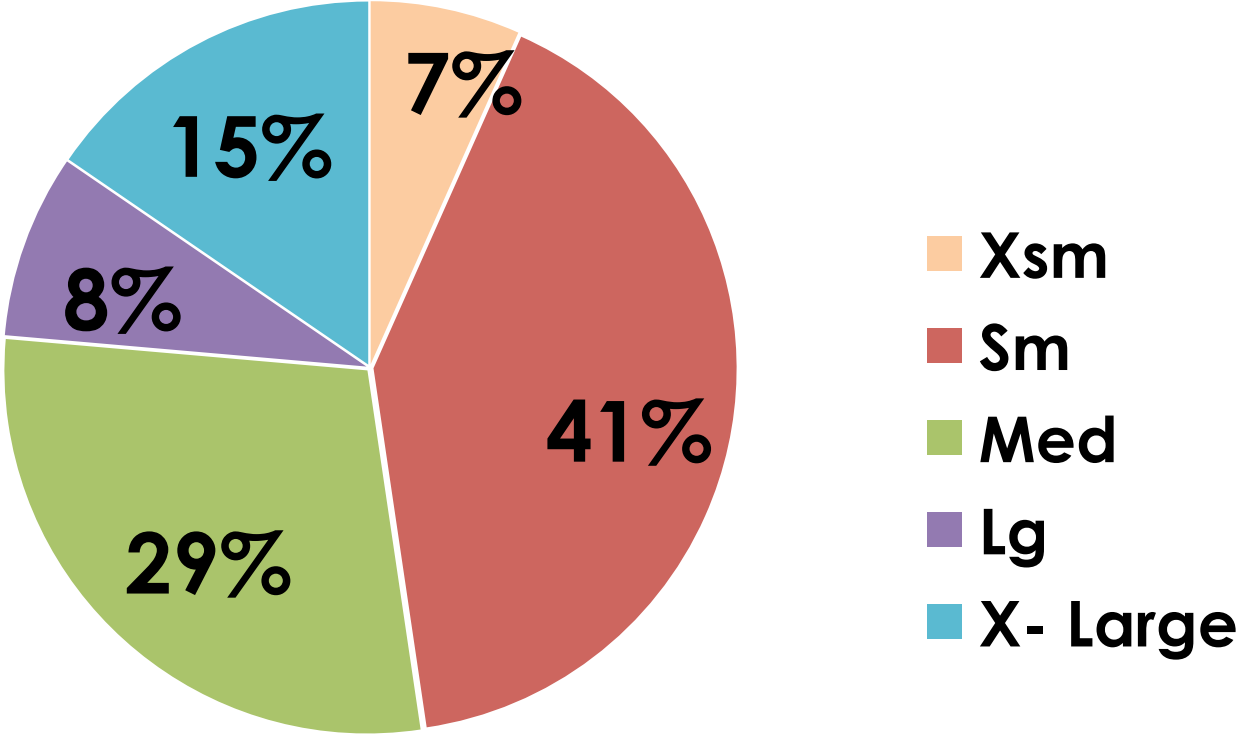
Statements of Activities

Operating expenses	2008	2007
<i>Program services</i>		
Engineering	4,535,564	3,758,677
Registration Services	1,914,918	1,925,622
Member Services	2,516,609	2,258,223
Outreach	415,078	-
Total program services	9,382,169	7,942,522
<i>Support services</i>		
General and administrative	1,874,487	1,882,967
Total operating services	11,256,656	9,825,489

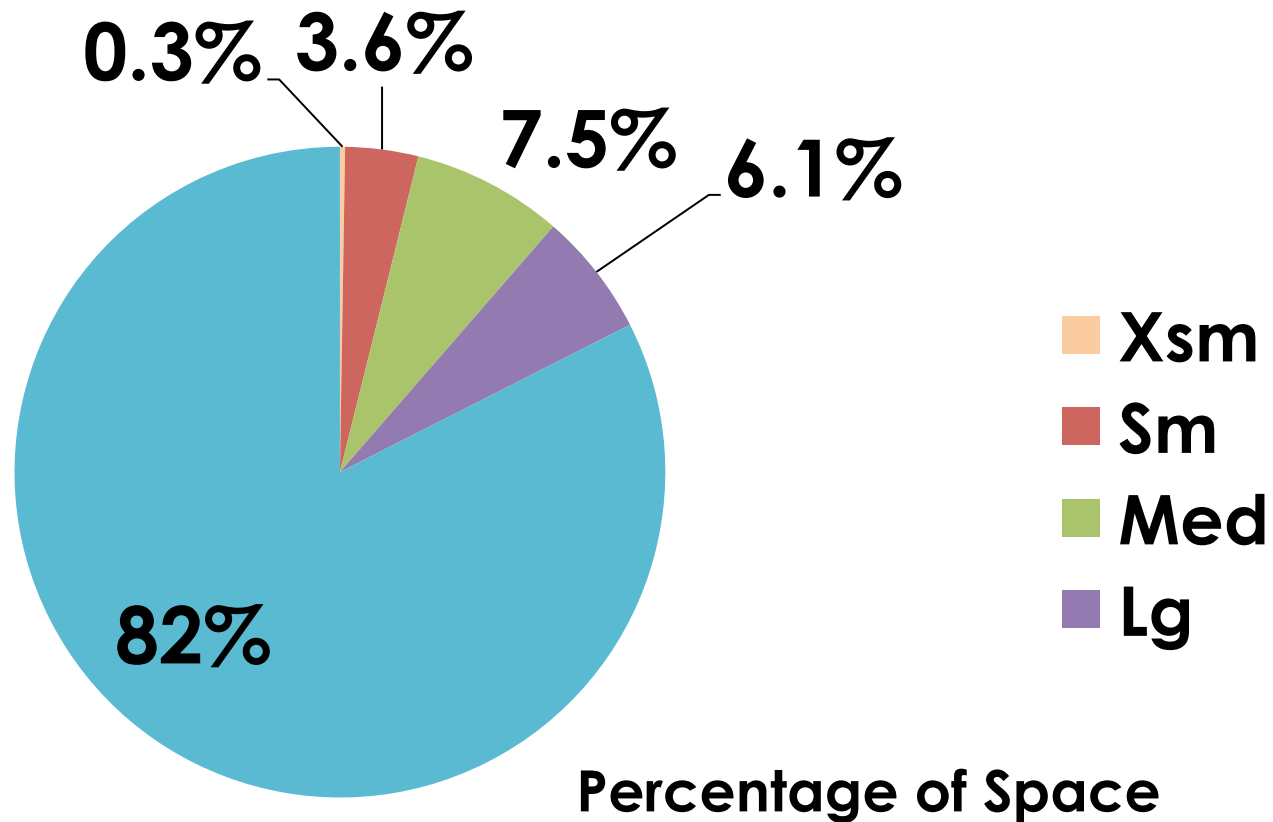
Statements of Activities

<i>Years Ended December 31,</i>	2008	2007
Change in net assets before investment activities	317,176	1,243,282
Interest and dividends	1,294,564	936,873
Realized and unrealized gain on investments	(7,289,078)	469,675
Change in net assets	(5,677,338)	2,649,830
Unrestricted net assets - beginning of year	23,063,153	20,413,323
Unrestricted net assets - end of year	17,385,815	23,063,153

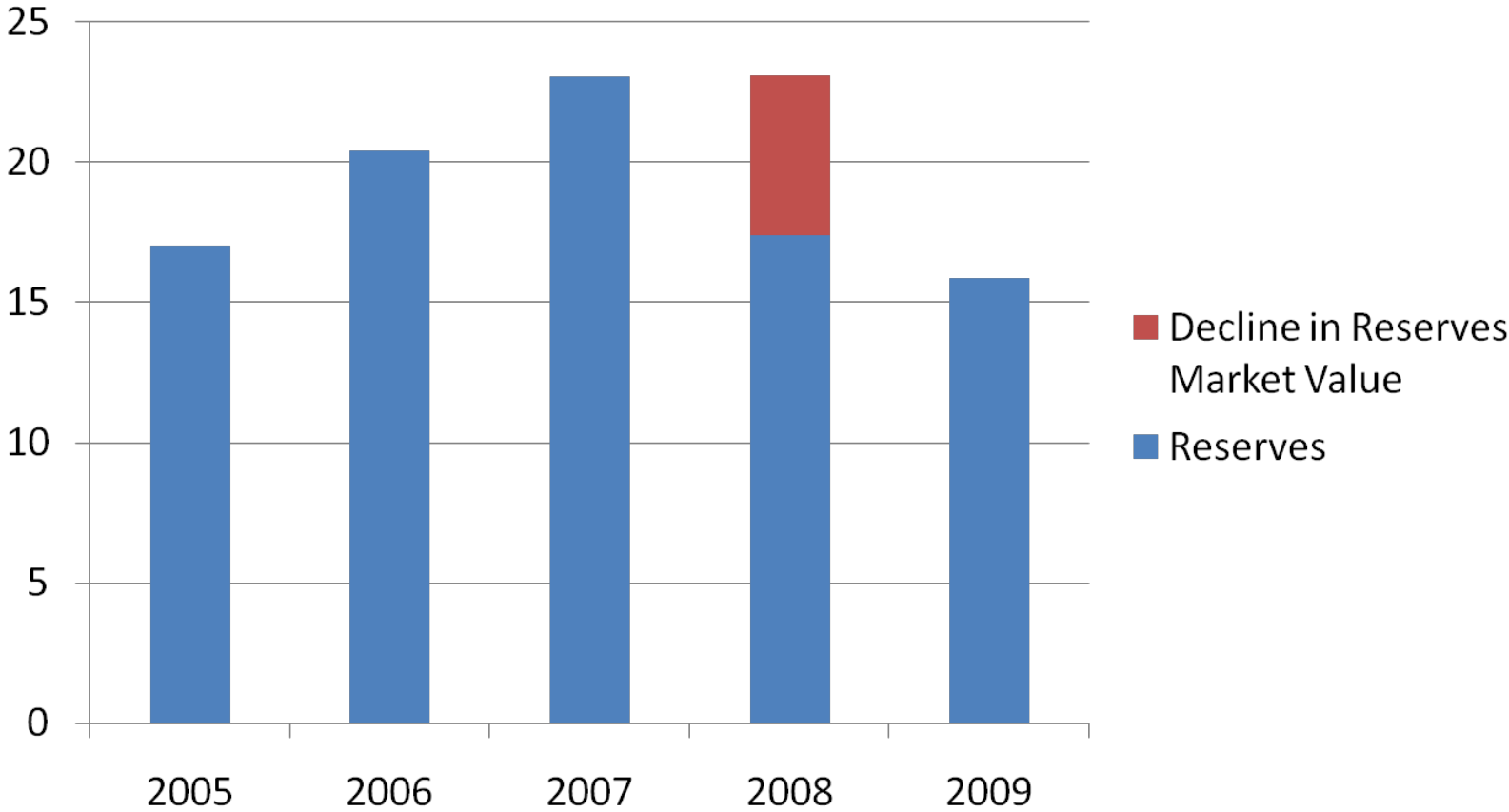
IPv4 Renewal 2008 Revenue by Size Category



Allocated IPv4 Space Allocated to Billing Categories – Cumulative since 1997



ARIN Reserves at Year End



2009 BUDGET

Category	Totals
Total Revenue	13,310,171
Personnel	6,888,308
Operations	2,474,043
Communications	990,496
Software & Equip Support & Licenses	445,375
Depreciation	1,038,172

2009 BUDGET

Category	Totals
General Office and Admin.	5,913,502
Professional Fees/Outreach	2,082,400
Contingency	120,000
General Office	458,503
Bad Debt Expense	232,800
Legal Fees	540,000
Legal Defense Fund	225,000
Members Meetings	416,958
Merit/NANOG Meeting Support	50,000
Rent & Occupancy	406,332
Travel	1,381,510

2009 BUDGET

Category	Totals
Internet Support	660,599
ICANN Support	247,723
Internet Research & Support	356,000
NRO Expenses	56,876
TOTAL EXPENSE	15,936,452
NET RESERVES	(2,626,282)

Thank You