

COUNCIL MEETING MINUTES

Status:

[Draft-to-be-ratified]

Date:

22 March 2024 / 9:00am

Present:

Joy Liddicoat (President), Brenda Wallace (Vice President), Richard Hulse, Kate Pearce, Anthony Bow, Jeff Montgomery, Whetu Fala, Anjum Rahman, Alpana Roy and Stephen Judd.

In attendance:

InternetNZ: Vivien Maidaborn (Tumu Whakarae), Catherine Fenwick, Whitiaua Ropitini, Rose Jamieson and Michael Elwood-Smith (Pou Ārahi | Council Secretary).

Apologies:

Potaua Biasiny-Tule

Meeting opened:

9:40am

Section 1 - Meeting Preliminaries

1.1 Council only (in committee)

1.2 Council and CE alone time (in committee)

1.3 Karakia, apologies, agenda review

President Liddicoat opened the meeting with Karakia.

Cr Biasiny-Tule away on international travel.

Section 2 - Strategic Priorities and Discussion

2.1	<p>2024/25 Strategic Goals</p> <p>Vivien introduced Strategic Goals for 2024/25, outlining the development process over several months, including incorporating feedback from Council from the February meeting.</p> <p>Council were happy with the goals, and offered comments for further improvement in future years; to reduce the number of goals, focus on external measures, and tighten measures where appropriate.</p> <p>Council noted the collaborative work undertaken across Ipurangi Aotearoa, including with members to prepare the 2024/25 Strategic Goals and measures.</p> <p>RN14/24 That Council approve the 2024/2025 Strategic Goals.</p> <p>(President Liddicoat / Vice President Wallace)</p> <p style="text-align: right;">CARRIED / CARRIED U</p>
2.2	<p>2024/2025 Budget</p> <p>Vivien introduced the budget, which is focused on implementing the overall strategy through the strategic goals for 2024/25.</p> <p>The budget includes investment to achieve the product strategy approved in December, continuing efficiencies in operations, and development of a sustainable fund to continue public impact granting and strategic partnerships into the future.</p> <p>The budget is a three-year roadmap that balances short-term social impact and business needs with a long term vision for how InternetNZ achieves a robust and sound domain name operation and also continues to invest in the Internet community of Aotearoa NZ. The longer term funding roadmap supports a sustained effort in business-led growth as identified by Council in February 2024 as the preferred approach to financial sustainability.</p> <p>To ensure funding for public impact, it is proposed to create a fund initially from the balance sheet and to grow this over time. Interest generated from the fund is used to support public impact grants and strategic partnerships.</p> <p>Council was asked to consider three scenarios and determine the amount of public impact funding for 2024/25.</p> <p>Council discussed the impact of reducing public impact funding, the size of the fund initial contribution, the operational impact, and the value of working with strategic partners; also discussed were the budget assumptions and the requirement for regular reporting on how the assumptions are tracking.</p>

Reviewing the three scenarios presented, Council discussed the tensions of a) public impact funding in the current year, noting the community need for funding in the current environment, with b) the size of fund needed to generate adequate interest return, and to ensure long term sustainability and growth.

Council decided on;

- Setting the size of the initial fund contribution at \$11M,
- Setting public impact funding for 2024/25 at \$1M.

RN15/24 That Council **approve** for 2024/25 an operational expenditure budget limit of **\$14,560,058** and capital expenditure of **\$519,200**.

RN16/24 That Council **approve** the funding model with an initial contribution funding level of **\$11,000,000**.

RN17/24 That Council **approve** the distribution of **\$1,000,000** funding in 2024/25.

RN18/24 That Council **note** the Revenue target of **\$14,635,470**.

(Cr Montgomery / Cr Bow)

CARRIED / CARRIED U

Council further noted the importance of formally reserving the funds, and that the Audit & Risk Committee plan to include provision for this in the Treasury and Investment Policy, to be brought to Council.

AP05/24 Audit & Risk Committee to propose a reserves motion for the capital fund to Council.

2.3 DNCL Plan/Budget 2024/25

Vivien introduced the DNCL budget for approval of the management fee. The budget had been approved by the DNCL board at their last meeting, and is focused on the DNC strategic goals for 2024/25.

Council noted in particular the goal to *revitalise the DNC through centering Te Tiriti o Waitangi throughout our systems, culture and core functions*.

Vivien outlined how the budget deficit for the current financial year has been converted to a surplus by the work of the new Domain Name Commissioner in reviewing vendors and renegotiating prices.

The DNCL board has approved a budget deficit for 2024/25, with a clear message that the budget needs to break-even by next year.

	<p>RN19/24 That Council receives the budget for FY 2024/25 noting the three year projection.</p> <p>RN20/24 That Council approve the DNC Management fee for 2024/25 at \$1,650,000.</p> <p>(Cr Pearce / Cr Wallace)</p> <p style="text-align: right;">CARRIED / CARRIED U</p>
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Section 3 - Consent Agenda

3.2	<p>Minutes of the meeting 9 February 2024</p> <p>RN21/24 That Council approve the minutes of 9 February 2024.</p> <p>(Cr Rahman / Cr Roy)</p> <p style="text-align: right;">CARRIED / CARRIED U</p> <p>AP06/24 CE to bring a proposal for public report on progress towards SRR goals at the May Council meeting.</p>
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Section 4 - Other matters

4.1	<p>Meeting close (karakia or waiata)</p> <p>President Liddicoat led Council in a closing karakia.</p>
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