



INTERNATIONAL PACIFIC
HALIBUT COMMISSION

IPHC–2022-FAC098–00

Last Update: 23 January 2022

**98th Session of the IPHC Finance and
Administration Committee (FAC098) –
*Compendium of meeting documents***

24 January 2022, Bellevue, WA, USA

Commissioners

Canada	United States of America
Paul Ryall	Glenn Merrill
Neil Davis	Robert Alverson
Peter DeGreef	Richard Yamada

Executive Director

David T. Wilson, Ph.D.

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INTERNATIONAL PACIFIC
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IPHC–2022–FAC098–00



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**AGENDA FOR THE 98th SESSION OF THE IPHC
FINANCE AND ADMINISTRATION COMMITTEE (FAC098)**

Date: 24 January 2022

Location: Bellevue, WA, USA & Electronic

Venue: Hyatt Regency Bellevue & Adobe Connect

Time: 09:00-12:00

Chairperson: Mr Glenn Merrill (USA)

Vice-Chairperson: Mr Paul Ryall (Canada)

Notes:

- **Document deadline:** 25 December 2021 (30 days prior to the opening of the Session)
- All sessions are open to observers and the general public, unless the Commission specifically decides otherwise.
- All open sessions will be webcast. Webcast sessions will also take audience comments and questions as directed by the Chairperson of the Commission.

**AGENDA FOR THE 98th SESSION OF THE IPHC
FINANCE AND ADMINISTRATION COMMITTEE (FAC098)**

1. **OPENING OF THE SESSION**
2. **ADOPTION OF THE AGENDA AND ARRANGEMENTS FOR THE SESSION**
3. **UPDATE ON ACTIONS ARISING FROM THE 97th SESSION OF THE IPHC FINANCE AND ADMINISTRATION COMMITTEE (FAC097)**
4. **FINANCIAL STATEMENT FOR FY2021**
5. **ANNUAL INDEPENDENT AUDITOR'S REPORT (2021)**
6. **FY2022 BUDGET – UPDATE**
7. **BUDGET ESTIMATES: FY2023 (for approval); FY2024 and FY2025 (for information)**
8. **IPHC FINANCIAL REGULATIONS (2022) - Revisions**
9. **IPHC RULES OF PROCEDURE (2022) - Revisions**
10. **OTHER BUSINESS**
11. **REVIEW OF THE DRAFT AND ADOPTION OF THE REPORT OF THE 98th SESSION OF THE IPHC FINANCE AND ADMINISTRATION COMMITTEE (FAC098)**



**LIST OF DOCUMENTS FOR THE 98th SESSION OF THE IPHC
FINANCE AND ADMINISTRATION COMMITTEE (FAC098)**

Meeting documents	Title	Availability
IPHC-2022-FAC098-01	Agenda for the 98 th Session of the IPHC Finance and Administration Committee (FAC098)	✓ 15 Nov 2021
IPHC-2022-FAC098-02	List of Documents for the 98 th Session of the IPHC Finance and Administration Committee (FAC098)	✓ 15 Nov 2021 ✓ 17 Dec 2021 ✓ 22 Jan 2022
IPHC-2022-FAC098-03	Update on actions arising from the 97 th Session of the IPHC Finance and Administration Committee (FAC097) (D. Wilson)	✓ 13 Dec 2021
IPHC-2022-FAC098-04	Financial Statement for FY2021 (D. Wilson)	✓ 17 Dec 2021
IPHC-2022-FAC098-05	Report of the Independent auditors and Financial Statements (FY2021) (D. Wilson)	✓ 21 Dec 2021
IPHC-2022-FAC098-06 Rev_1	FY2022 Financial Budget – Update (D. Wilson)	✓ 17 Dec 2021 ✓ 22 Jan 2022
IPHC-2022-FAC098-07 Rev_1	Budget estimates: FY2023 (for approval), FY2024 and FY2025 (for information) (D. Wilson)	✓ 17 Dec 2021 ✓ 22 Jan 2022
IPHC-2022-FAC098-08	IPHC Financial Regulations (2022) - Draft (D. Wilson, D. Hayhurst)	✓ 15 Dec 2021
IPHC-2022-FAC098-09	IPHC Rules of Procedure (2022) – Draft (D. Wilson)	✓ 13 Dec 2021
Information papers		
Nil	Nil	Nil



Update on actions arising from the 97th Session of the IPHC Finance and Administration Committee (FAC097)

PREPARED BY: IPHC SECRETARIAT (D. WILSON; 13 DECEMBER 2021)

PURPOSE

To provide the FAC with an opportunity to consider the progress made during the inter-sessional period in relation to the direct requests for action by the FAC during the 97th Session of the IPHC Finance and Administration Committee (FAC097, January 2021).

BACKGROUND

At the 97th Session of the IPHC Finance and Administration Committee (FAC097), Contracting Parties agreed on a series of actions to be taken as detailed in [Appendix A](#).

DISCUSSION

Noting that best practice governance requires the prompt delivery of core tasks assigned to the IPHC Secretariat by the Commission, at each subsequent session of the Commission and its subsidiary bodies, attempts will be made to ensure that any recommendations for action are carefully constructed so that each contains the following elements:

- 1) a specific action to be undertaken (deliverable);
- 2) clear responsibility for the action to be undertaken (i.e. a specific Contracting Party, the IPHC Secretariat staff, a subsidiary body of the Commission, or the Commission itself);
- 3) a desired time frame for delivery of the action (i.e. by the next session of a subsidiary body, or other date).

This involves numbering and tracking all action items (see [Appendix A](#)) from the FAC, as well as including clear progress updates and document reference numbers.

RECOMMENDATION/S

That the FAC:

- 1) **NOTE** paper IPHC-2022-FAC098-03, which provided the FAC with an opportunity to consider the progress made during the inter-sessional period, in relation to the direct requests for action by the FAC during the 97th Session of the IPHC Finance and Administration Committee (FAC097, January 2021).

APPENDICES

[Appendix A](#): Update on actions arising from the 97th Session of the IPHC Finance and Administration Committee (FAC097: January 2021).

APPENDIX A

Update on actions arising from the 97th Session of the IPHC Finance and Administration Committee (FAC097)

97 th Session of the IPHC Finance and Administration Committee (FAC097)		
Action No.	Description	Update
RECOMMENDATIONS		
FAC097– Rec.01 (para. 11)	Financial Statements for FY2020 The FAC RECOMMENDED that the Commission NOTE the Financial Statements for FY2020, as detailed in paper IPHC-2021-FAC097-04 Rev 1 .	Lead: David Wilson Status/Plan: Completed IPHC-2021-AM097-R (para. 96) The Commission NOTED the Financial Statements for FY2020, as detailed in paper IPHC-2021-FAC097-04 Rev_1.
FAC097– Rec.02 (para. 14)	Annual independent auditor's report (2020) The FAC RECOMMENDED that the Commission accept the Independent External Auditors report for FY2020, as per Regulation 14 of the IPHC Financial Regulations (2020).	Lead: David Wilson Status/Plan: Completed (para. 97) The Commission NOTED and ACCEPTED the independent external auditors report for FY2020 (IPHC-2021-FAC097-05), as per Regulation 14 of the IPHC Financial Regulations (2020), by consensus. (para. 98) The Commission ACKNOWLEDGED the great strides that the IPHC Secretariat has taken over the past year to improve the transparency, accountability, and accessibility of the IPHC accounting systems and practices.
FAC097– Rec.03 (para. 25)	Budget estimates: FY2022 The FAC RECOMMENDED that the Commission AGREE for the two Contracting Parties to engage in inter-sessional discussions over the coming months to adopt a budget for FY2022 and the associated Contributions. In doing so, the Contracting Parties may consult with and request assistance from the IPHC Secretariat.	Lead: David Wilson Status/Plan: Completed IPHC-2021-AM097-R (para. 102)The Commission AGREED for the two Contracting Parties to engage in inter-sessional discussions over the coming months to adopt a budget for FY2022 and the associated Contributions. In doing so, the Contracting Parties may consult with and request assistance from the IPHC Secretariat.
FAC097– Rec.04 (para. 29)	IPHC Financial Regulations (2021) - Revisions The FAC RECOMMENDED that the Commission Endorse and Adopt the International Pacific Halibut Commission Financial Regulations (2021), as provided in IPHC-2021-	Lead: David Wilson Status/Plan: Completed

97 th Session of the IPHC Finance and Administration Committee (FAC097)		
Action No.	Description	Update
	FAC097-08 Rev 1 , with additional updates agreed to in-session, which will be presented to the Commission in paper IPHC-2021-AM097-INF04 Rev 3 for final review and potential adoption.	IPHC-2021-AM097-R (para. 104) The Commission ENDORSED and ADOPTED the IPHC Financial Regulations (2021) as provided in paper IPHC-2021-AM097-INF04 Rev_3 by consensus, and REQUESTED that the IPHC Secretariat finalise and publish them accordingly.
FAC097– Rec.05 (para. 31)	IPHC Rules of Procedure (2021) - Revisions The FAC RECOMMENDED that the Commission adopt the International Pacific Halibut Commission Rules of Procedure (2021), as provided in IPHC-2021-FAC097-09 .	Lead: David Wilson Status/Plan: Completed IPHC-2021-AM097-R (para. 106) The Commission ADOPTED the IPHC Rules of Procedure (2021), as provided in IPHC-2021-FAC097-09 by consensus, and REQUESTED that the IPHC Secretariat finalise and publish them accordingly.
REQUESTS		
FAC097– Req.01 (para. 22)	Budget estimates: FY2022 The FAC REQUESTED that the Commission NOTE the proposed FY2022 budget (financial period: 1 October 2021 to 30 September 2022; Appendix IV), presented by the IPHC Secretariat.	Lead: David Wilson Status/Plan: Completed IPHC-2021-AM097-R (para. 100) The Commission NOTED the proposed FY2022 budget (financial period: 1 October 2021 to 30 September 2022; Appendix IX), presented by the IPHC Secretariat.
FAC097– Req.02 (para. 23)	The FAC REQUESTED that the Commission NOTE the IPHC Secretariat proposed Contracting Party contributions for FY2022 as follows: a) Canadian Contribution: i. US\$945,427 for contributions to the IPHC General Fund; ii. US\$111,250 to cover IFC pension deficit payments. b) U.S.A. Contribution: i. US\$4,365,648 for contributions to the IPHC General Fund; ii. US\$139,424 to cover IFC pension deficit payments; iii. US\$475,000 to cover the IPHC Headquarters (lease and maintenance).	Lead: David Wilson Status/Plan: Completed IPHC-2021-AM097-R (para. 101) The Commission NOTED the IPHC Secretariat proposed Contracting Party contributions for FY2022 as follows: a) Canadian Contribution: i. US\$945,427 for contributions to the IPHC General Fund; ii. US\$111,250 to cover IFC pension deficit payments.

97th Session of the IPHC Finance and Administration Committee (FAC097)		
Action No.	Description	Update
		b) U.S.A. Contribution: <ul style="list-style-type: none">i. US\$4,365,648 for contributions to the IPHC General Fund;ii. US\$139,424 to cover IFC pension deficit payments;iii. US\$475,000 to cover the IPHC Headquarters (lease and maintenance).



Financial Statement for FY2021

PREPARED BY: IPHC SECRETARIAT (D. WILSON, 17 DECEMBER 2021)

PURPOSE

To provide the FAC with an end of year financial statement for FY2021 (financial period: 1 October 2020 to 30 September 2021).

1. STATEMENT OF FINANCIAL POSITION - APPENDIX I, BALANCE SHEET

The total Assets as year-end closing totaled **US\$4,799,210.69**.

The total equity or combined fund balance at year-end closing totaled **US\$2,624,142.89**.

Fund equity balances at year end:

- General Fund (10): **US\$161,560.31**
- Research Fund (20): **US\$72,288.19**
- Statistics Fund (30): **US\$108,439.49**
- FISS Fund (40): **US\$1,147,516.99**
- Reserve Fund (50): **US\$1,134,227.91** – The Reserve Fund carries the majority of the equity in the checking and saving cash accounts at Wells Fargo.

2. STATEMENT OF ACTIVITIES - APPENDIX II, INCOME STATEMENT

For FY2021, the IPHC total income received as **US\$12,693,895.96**, while the budgeted income was **US\$10,503,611.00**.

Carryover from the previous fiscal year by Fund was as follows:

- 10 - General Fund: \$275,872
- 20 - Research Fund: (\$5,397)
- 30 - Statistics Fund: \$1,324
- 40 – FISS Fund: \$535,352
- 50 - Reserve Fund: \$1,134,338 (funds from 40 – FISS)

The total carryover (included in income on the audited Statement of Activities: IPHC-2022-FAC098-05) was **\$1,941,489**.

3. STATEMENT OF FUNCTIONAL EXPENSES - APPENDIX II, BUDGET TO ACTUALS

The budget to actual report is provided in Appendix II.

The total expenditures were **US\$10,977,788.03** which provided for an excess in revenue over expenditures totalling **US\$1,716,107.93**.

4. NOTES TO FINANCIAL STATEMENTS

For FY2021 we refer the Commission to paper IPHC-2022-FAC098-05 Report of the Independent auditors and Financial Statement (FY2021) for annotations to the Financial Statement.

RECOMMENDATION/S

That the FAC:

- 1) **NOTE** paper IPHC-2022-FAC098-04 which includes the Financial Statements and supporting documentation for the financial period 01 October 2020 to 30 September 2021 (FY2021);
- 2) **RECOMMEND** that the Commission **NOTE** the Financial Statements for FY2021, as detailed in paper IPHC-2022-FAC098-04.

APPENDICES

Appendix I: Balance Sheet (FY2021)

Appendix II: Income Statement and Budget to Actuals (FY2021)

**Appendix I
Balance Sheet (FY2021)**

INTERNATIONAL PACIFIC



HALIBUT COMMISSION

International Pacific Halibut Commission
Balance Sheet
as of 09/30/2021

Account Number	Account Name	Amount
Assets		
10000	Cash in Bank (Wells Fargo)	\$ 3,465,593.84
10200	Investments - Certificate of Deposit	\$ 201,375.78
10900	Undeposited funds	\$ 11,682.66
11000	Accounts Receivable	\$ 942,097.80
11200	Grants Recievable	\$ 164,300.07
11300	Other Receivables	\$ 3,024.87
14000	Deposits	\$ 11,135.67
Total Assets		\$ 4,799,210.69
Liabilities		
20000	Purchase Card - US Bank	\$ 19,247.58
20100	Travel Card - US Bank	\$ 52,451.70
21000	Accounts Payable	\$ 369,984.57
21001	Accrued expenses	\$ 80,605.07
22000	Payroll Tax Liabilities	\$ 27,018.04
22100	Payroll Benefit Liabilities	\$ 1,615,879.35
22200	Manual Paychecks	\$ 6,594.97
22400	Accrued Payroll	\$ 3,286.52
Total Liabilities		\$ 2,175,067.80
Equity		
30100	10 - General	\$ 161,560.31
30200	20 - Research	\$ 72,288.19
30300	30 - Statistics	\$ 108,439.49
30400	40 - FISS	\$ 1,147,516.99
30500	50 - Reserve	\$ 1,134,337.91
Total Equity		\$ 2,624,142.89
Total Liabilities + Total Equity		\$ 4,799,210.69

Appendix II
Income Statement and Budget to Actuals (FY2021)



International Pacific Halibut
Commission
Budget: Year to Date
for the period of 10/01/2020
to 09/30/2021

Account Number	Account Name	Actual	Annual Budget	Annual Budget %
Income				
40000	Contracting Party Contributions	\$ 5,058,167.00	\$ 5,058,167.00	0%
40055	Headquarters (Lease & Maintenance)	\$ 470,717.00	\$ 470,717.00	0%
40060	Other Income	\$ 193,996.10	\$ 0.00	0%
40100	Grants, Contracts & Agreements	\$ 1,251,383.85	\$ 594,727.00	210.41%
40200	Interest Income	\$ 716.32	\$ 0.00	0%
40350	Fish Sales	\$ 5,717,693.04	\$ 4,380,000.00	130.54%
42000	Gain/Loss	\$ 1,222.65	\$ 0.00	0%
Total Income		\$ 12,693,895.96	\$ 10,503,611.00	120.85%
Expense				
50000	Salaries & Wages	\$ 4,239,488.73	\$ 4,074,772.09	104.04%
50100	Benefits	\$ 1,236,917.39	\$ 1,588,229.02	77.88%
50200	Training & Education	\$ 18,168.64	\$ 36,000.00	50.47%
50300	Personnel Related Expenses	\$ 10,557.96	\$ 4,604.26	229.31%
51000	Publications	\$ 5,466.75	\$ 15,000.00	36.45%
51100	Mailing and Shipping	\$ 136,519.18	\$ 117,300.00	116.38%
51200	Travel	\$ 131,147.28	\$ 152,749.35	85.86%
51300	Meeting and Conference Expenses	\$ 19,876.63	\$ 104,000.00	19.11%
51400	Technology	\$ 174,581.68	\$ 150,000.00	116.39%
52000	Professional Fees	\$ 266,809.86	\$ 134,750.00	198%
52100	Vessel Expenses	\$ 693,366.13	\$ 400,000.00	173.34%
52200	Other Fees and Charges	\$ 75,036.78	\$ 0.00	0%
52300	Leases and Contracts	\$ 2,310,774.99	\$ 2,744,773.00	84.19%
54000	Communications	\$ 36,395.14	\$ 17,000.00	214.09%
53000	Equipment Expense	\$ 57,367.27	\$ 86,010.00	66.7%
53100	Supplies Expense	\$ 967,578.90	\$ 871,083.00	111.08%
53200	Maintenance and Utilities	\$ 111,705.99	\$ 161,421.00	69.2%
53300	Facility Rentals	\$ 459,364.43	\$ 395,579.99	116.12%
55000	Budget Contingency	\$ 0.00	\$ 50,000.00	0%
55100	Other Expenses	\$ 21,851.53	\$ 0.00	0%
55300	GAAP conversion - Expense	\$ 1,024.57	\$ 0.00	0%
56444	AR Adjustments	\$ 3,788.20	\$ 0.00	0%
Total Expense		\$ 10,977,788.03	\$ 11,103,271.71	98.87%
Total		\$ 1,716,107.93	\$ (599,660.71)	-286.18%



Report of the Independent auditors and Financial Statement (FY2021)

PREPARED BY: IPHC SECRETARIAT (D. WILSON; 22 DECEMBER 2021)

PURPOSE

To provide the Commission with the process for completion of the Independent External Auditors Report for FY2021, as per Regulation 14 of the IPHC Financial Regulations (2021).

Regulation 14 – External Audit

“1. The accounts of the Commission shall be audited annually by external auditors recommended by the FAC and appointed by the Commission. The Auditors shall be appointed for a term of three (3) years, and may be reappointed to multiple terms.”

BACKGROUND

05 October 2021: The existing three (3) year contract with Moss Adams to undertake and complete annual Statement Audits, was confirmed for FY2021 through the signing of an Engagement Letter details the FY2021 professional services to be provided.

Included in the engagement letter are the Audit timings:

“We expect to begin our audit on approximately November 1, 2021, and issue our report no later than December 18, 2021.”

25 October 2021: In accordance with paragraph 2, Regulation 14, of the IPHC Financial Regulations (2021) (shown below) the IPHC Secretariat commenced the provision of the initial Provided By Client (PBC) list of items to the independent external auditor (25 days after the end of the FY2021 fiscal year and **35 days ahead of the deadline**).

*(para. 2) “The contents identified in the Auditors Provided By Client (PBC) list shall be submitted by the Executive Director to the Auditors appointed by the Commission not later than **sixty (60) days** after the end of a fiscal year.”*

01 November 2021: Moss Adams commenced their audit process.

21 December 2021: In accordance with paragraph 7, Regulation 14, of the IPHC Financial Regulations (2021) (shown below) the independent external auditors provided the final report to the IPHC Secretariat on 21 December 2021 (81 days after the end of the FY2021 fiscal year, **9 days ahead of the deadline set-forth in the IPHC Financial Regulations**, to ensure adequate review time).

*(para. 7) “The Auditors shall prepare a report on the accounts certified, and shall discuss their report with the Executive Director prior to submission to the FAC and Commission. The Auditors shall submit their report to the Commission, via the FAC, no later than **90 days** following the end of the fiscal year to which the accounts relate.”*

RECOMMENDATIONS

That the FAC:

- 1) **NOTE** paper IPHC-2022-FAC098-05 which provided the independent external auditors report for FY2021, as per Regulation 14 of the IPHC Financial Regulations (2021).

- 2) **RECOMMEND** that the Commission accept the independent external auditors report for FY2021, as per Regulation 14 of the IPHC Financial Regulations (2021).

APPENDICES

Appendix I: Report of the Independent Auditors and Financial Statement (FY2021) – Moss Adams



REPORT OF INDEPENDENT AUDITORS
AND FINANCIAL STATEMENTS

INTERNATIONAL PACIFIC HALIBUT COMMISSION

September 30, 2021

Table of Contents

	PAGE
Report of Independent Auditors	1-2
Financial Statements	
Statement of revenues and expenses (compared to budget) and fund balances – regulatory basis	3
Notes to financial statements	4-7



Report of Independent Auditors

To the Commissioners
International Pacific Halibut Commission

Report on the Financial Statements

We have audited the accompanying special purpose statement of revenues and expenses (compared to budget) and fund balances – regulatory basis, of the International Pacific Halibut Commission (a nonprofit organization), which comprise the statement of revenues and expenses (compared to budget) and fund balances – regulatory basis as of September 30, 2021, and the related notes to the financial statements.

Management’s Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting practices prescribed or permitted by the governments of the United States of America and Canada. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity’s preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the special purpose statement of revenues and expenses (compared to budget) and fund balances – regulatory basis referred to above presents fairly, in all material respects, the statement of revenues and expenses (compared to budget) and fund balances – regulatory basis of International Pacific Halibut Commission as of September 30, 2021, and for the year then ended, in accordance with the financial reporting practices prescribed or permitted by the governments of the United States of America and Canada as described in Note 1.

Other Matters

Basis of Accounting

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. As described in Note 1, these financial statements were prepared in conformity with the financial reporting practices prescribed or permitted by the governments of the United States of America and Canada, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the governments of the United States of America and Canada. Our opinion is not modified with respect to this matter.

Restriction of Use

Our report is intended solely for the information and use of the commissioners and management of International Pacific Halibut Commission and is not intended to be and should not be used by anyone other than these specified parties.



Everett, Washington
December 17, 2021

International Pacific Halibut Commission
Statement of Revenues and Expenses (Compared to Budget) and Fund Balances – Regulatory Basis
September 30, 2021

	Annual Budget	10 - General	20 - Research	30 - Statistics	40 - FISS	50 - Reserve	Total	Percent of Budget	Over (Under) Budget
Income									
Contribution from Canada	\$ 900,407	\$ 749,110	\$ 75,465	\$ 75,832	\$ -	\$ -	\$ 900,407	100%	\$ -
Contribution from the USA	4,157,760	3,459,122	348,470	350,168	-	-	4,157,760	100%	-
Headquarters (Lease and Maintenance)	470,717	470,717	-	-	-	-	470,717	100%	-
Fish Sales	4,380,000	3	-	-	5,717,690	-	5,717,693	131%	1,337,693
Grants, Contracts and Agreements	594,727	-	261,064	508,727	31,101	-	800,892	135%	206,165
Other Income	-	101,470	-	-	92,527	-	193,997	-	193,997
Interest Income	-	687	-	-	29	-	716	-	716
Foreign Exchange Rates	-	1,223	-	-	-	-	1,223	-	1,223
Total Income	10,503,611	4,782,332	684,999	934,727	5,841,347	-	12,243,405	117%	1,739,794
Carryover General Fund	-	275,872	-	-	-	-	275,872	-	-
Carryover Program Funds	-	-	(5,397)	1,324	535,352	-	531,279	-	-
Carryover Reserve Fund	-	-	-	-	-	1,134,338	1,134,338	-	-
Prior Period Adjustments	-	(617,550)	-	-	(1,373)	-	(618,923)	-	-
Transfers Between Funds	-	(761,130)	425,000	527,000	(190,864)	-	6	-	-
Total Funds Available	10,503,611	3,679,524	1,104,602	1,463,051	6,184,462	1,134,338	13,565,977	129%	3,062,366
General Expenses									
Salaries and Wages	4,074,772	1,558,786	497,351	912,257	990,163	-	3,958,557	97%	(116,215)
Payroll Taxes	-	108,423	38,179	62,795	71,535	-	280,932	-	280,932
Benefits	1,588,229	625,687	136,595	282,549	156,131	-	1,200,962	76%	(387,267)
Professional Fees	134,750	261,169	3,495	1,349	796	-	266,809	198%	132,059
Training and Education	36,000	16,700	-	-	1,468	-	18,168	50%	(17,832)
Personnel Related Expenses	4,604	5,493	-	4,103	962	-	10,558	229%	5,954
General Liability Insurance	-	42,098	-	-	-	-	42,098	-	42,098
Other Expenses	-	22,728	-	-	11,096	-	33,824	-	33,824
Total General Expenses	5,838,355	2,641,084	675,620	1,263,053	1,232,151	-	5,811,908	100%	(26,447)
Operating Expenses									
Meetings and Conferences	104,000	19,877	-	-	-	-	19,877	19%	(84,123)
Travel	152,749	45,961	5,787	19,829	59,570	-	131,147	86%	(21,602)
Publications	15,000	5,467	-	-	-	-	5,467	36%	(9,533)
Mailing and Shipping	117,300	5,781	3,239	4,048	123,451	-	136,519	116%	19,219
Technology	150,000	152,645	2,292	19,519	125	-	174,581	116%	24,581
Vessel Expenses	400,000	-	-	-	693,366	-	693,366	173%	293,366
Customs and Bait storage	-	-	-	-	25,780	-	25,780	-	25,780
Leases and Contracts	2,744,773	17,521	95,033	33,216	2,165,006	-	2,310,776	84%	(433,997)
Communications	17,000	32,044	-	3,424	928	-	36,396	214%	19,396
Capital Acquisitions	86,010	22,309	16,348	3,729	14,981	-	57,367	67%	(28,643)
Supplies	871,083	12,507	231,092	2,612	721,368	-	967,579	111%	96,496
Maintenance and Utilities	161,421	106,502	2,903	2,302	-	-	111,707	69%	(49,714)
Facility Rentals	395,578	456,265	-	2,880	219	-	459,364	116%	63,786
Total Operating Expenses	5,214,914	876,879	356,694	91,559	3,804,794	-	5,129,926	98%	(84,988)
Total Expense	\$ 11,053,269	\$ 3,517,963	\$ 1,032,314	\$ 1,354,612	\$ 5,036,945	\$ -	\$ 10,941,834	99%	\$ (111,435)
Excess Revenues over Expenditures		\$ 161,561	\$ 72,288	\$ 108,439	\$ 1,147,517	\$ 1,134,338	\$ 2,624,143		

International Pacific Halibut Commission

Notes to Financial Statements

Note 1 – Summary of Significant Accounting Policies

Nature of the organization – The International Pacific Halibut Commission (the Commission) is an International Organization (IO) created in 1923 by a convention between the United States of America and Canada to manage the Pacific halibut fishery. Each country appoints three Commissioners who in turn appoint an Executive Director to supervise the Secretariat staff.

The Commission conducts scientific studies on Pacific halibut and, after consultation with the industry, proposes annual regulations to the governments of Canada and the United States of America for the Pacific halibut fishery. Fishermen of both countries must comply with the adopted regulations under the supervision of the Federal enforcement agencies of their respective governments. All financial records are denominated in U.S. dollars.

The Commission has adopted a fiscal year ending September 30.

Basis of presentation – The Commission has adopted a basis of accounting agreed to by the governments of Canada and the United States of America. The basis of accounting differs in certain respects from generally accepted accounting principles and is known as “other comprehensive basis of accounting” OCBOA, which is a special purpose framework. The following are the most significant differences that do not include required disclosures under GAAP:

1. Historically, the Commission recorded revenues in the fiscal year when appropriated by the governments of Canada and the United States of America and expenditures were recorded in the fiscal year in which the funds are committed by the Commission. During the fiscal year ended September 30, 2021, the Commission began accruing income in the fiscal year of the activity and expenditures are recorded in the fiscal year in which they are incurred. Fund balance prior period adjustments reflected as of September 30, 2021, are a result of fund balance corrections to prior year grant receivable in the amount of \$450,492 and conversion to accrual basis for certain items in the amount of \$1,032,086, including \$996,688 of accrued leave and sick leave benefits not previously expensed. Carryover general, carryover program funds, and transfers between funds, are recognized as income.
2. Pension costs are charged to expense when funds necessary to fund the employer’s normal pension costs are paid.
3. Post-retirement health care and life insurance costs are charged to expense when the related premiums are paid.
4. Rent expense related to operating leases is expensed when paid and is not recognized on a straight-line basis over the life of the lease. Contributions of free rents are not recognized in the financial statements.

Equipment – Equipment is recorded at acquisition cost. Maintenance and repairs are charged to expenditures when incurred. The Commission generally capitalizes assets with a cost greater than \$5,000. Depreciation is computed using the straight-line method over the estimated useful lives of 5 years for equipment. The Commission does not currently have capitalized assets. There was no depreciation expense for the fiscal year ended September 30, 2021.

International Pacific Halibut Commission Notes to Financial Statements

Note 1 – Summary of Significant Accounting Policies (continued)

Income taxes – The Commission is exempt from U. S. Federal income taxes. The Commission files Form 990 annually.

Subsequent events – The Commission has performed an evaluation of subsequent events through December 17, 2021, which is the date the financial statements were available to be issued.

Note 2 – General and Program Funds

The Commission’s operations are funded by the governments of Canada and the United States of America. The Commission receives advances from each government during its fiscal year unless otherwise recommended by the Commission.

The Commission maintains the following funds:

20 Research – Research and development to study biological, historical aspects of the Pacific halibut species and the efficiency and conservation practices of fishing and processing industry.

30 Statistics – Gathering analysis and compilation of harvest data for fishery management.

40 FISS – Fishery-Independent Setline Survey revenues arise from the sale of fish, which are caught during research studies, and from external contracts and grants. The FISS Fund is used for specific scientific programs to assess biological movement and abundance of the Pacific halibut species.

50 Reserve – Provides funds to respond to unforeseen contingencies that cannot be met by the General Fund.

Changes in the Funds for the year ended September 30, 2021, are as follows:

	2021					Total
	10 - General	20 - Research	30 - Statistics	40 - FISS	50 - Reserve	
Fund balance, beginning of year	\$ 275,872	\$ (5,397)	\$ 1,324	\$ 535,352	\$ 1,134,338	\$ 1,941,489
Fund balance, prior period adjustment	(617,550)	-	-	(1,373)	-	(618,923)
Advances, net	4,208,232	423,935	426,000	-	-	5,058,167
IPHC headquarter maintenance	470,717	-	-	-	-	470,717
Grants, contracts and agreements	-	261,064	508,727	31,101	-	800,892
Interest	687	-	-	29	-	716
Other income	102,696	-	-	5,810,217	-	5,912,913
Commission expense	(3,517,963)	(1,032,314)	(1,354,612)	(5,036,945)	-	(10,941,834)
Fund transfers	(761,130)	425,000	527,000	(190,864)	-	6
Fund balance, end of year	<u>\$ 161,561</u>	<u>\$ 72,288</u>	<u>\$ 108,439</u>	<u>\$ 1,147,517</u>	<u>\$ 1,134,338</u>	<u>\$ 2,624,143</u>

International Pacific Halibut Commission

Notes to Financial Statements

Note 2 – General and Supplemental Funds (continued)

At year end September 30, fund balances were comprised of:

	2021					Total
	10 - General	20 - Research	30 - Statistics	40 - FISS	50 - Reserve	
Cash and equivalents	\$ 1,889,390	\$ 69,135	\$ (6,641)	\$ 589,564	\$ 935,829	\$ 3,477,277
Investments	-	-	-	2,867	198,509	201,376
Receivables	1,126	34,098	142,588	931,612	-	1,109,424
Prepaid expenses	9,971	-	1,165	-	-	11,136
Payroll liabilities	(1,625,407)	(599)	(9,545)	(17,227)	-	(1,652,778)
Payables	(113,519)	(30,346)	(19,128)	(359,299)	-	(522,292)
Fund balance	<u>\$ 161,561</u>	<u>\$ 72,288</u>	<u>\$ 108,439</u>	<u>\$ 1,147,517</u>	<u>\$ 1,134,338</u>	<u>\$ 2,624,143</u>

Note 3 – Employee Benefits

Most employees of the Commission participate in a multi-employer, participatory, defined benefit pension plan (the Plan). All employers participating in the Plan are required to remain fully funded. The contribution for the year ended September 30, 2021, was \$23,658. All new employees participate in an employee sponsored 403 (b) plan. The Commission contributes a base amount of 7% of salary, plus up to 5% additional matching funds. The total amount contributed for the year ended September 30, 2021, was \$364,717.

All employees of the Commission are eligible for post-retirement healthcare benefits, provided they have been continuously employed for the ten years immediately preceding their retirement. Expenses related to these post-retirement healthcare benefits for the year ended September 30, 2021, were \$103,594.

Note 4 – Commitments and Contingencies

Lease – The Commission leases its office and lab facility in Seattle, Washington, with an expiration date of September 30, 2025. Minimum future lease payments due are \$1,482,619 for the year ended September 30, 2021.

The Commission also leases office space in Homer and Sitka, Alaska, on a month-to-month basis.

Litigation – The Commission is involved in litigation arising from the normal course of business. In the Commission's management opinion, this litigation is not expected to have a material effect on the Commission's financial statements.

COVID-19 – In March 2020, the World Health Organization declared the novel coronavirus outbreak a pandemic. As of the date these financial statements were available to be issued, the Commission's operations have not been materially affected. However, the duration and severity of the pandemic could have an adverse impact on the financial position and cash flows of the Commission. The Commission will continue to monitor these events closely, but given the uncertainty, cannot estimate the potential impact to the financial statements.

International Pacific Halibut Commission

Notes to Financial Statements

Note 5 – Concentration of Credit Risk

The Commission places its cash and cash equivalents with financial institutions. At times, such balances may be in excess of the Federal Deposit Insurance Corporation insured limits. The Commission believes it is not exposed to any significant credit risk on its cash accounts.



MOSSADAMS



FY2022 Financial Budget - Update

PREPARED BY: IPHC SECRETARIAT (D. WILSON, 17 DECEMBER & 22 JANUARY 2022)

PURPOSE

To provide the FAC with an update on the approved FY2022 budget (financial period: 1 October 2021 to 30 September 2022) and suggest amendments to accommodate the move to full fund accounting.

BACKGROUND

At the 11th Special Session of the IPHC (SS011, 22 June 2021), the Commission adopted a FY2022 budget ([Appendix I](#))

SS011-(Para.11) *"The Commission ADOPTED the FY2022 budget (1 October 2021 to 30 September 2022), as detailed in Appendix IV, including the Contracting Party contributions to the General Fund as follows: "*

- *Canada: Contribution to the General Fund: US\$900,407*
- *U.S.A.: Contribution to the General Fund: US\$4,157,760*

The Commission also noted the extra-budgetary contributions due:

SS011-para12. *"The Commission NOTED the extra-budgetary (IFCP Fund deficit and Headquarters lease/maintenance) contributions from each Contracting Party for FY2022 as follows:*

- *Canada:*
 - *50% Contribution to the IFCP Fund deficit (former staff pension plan): US\$127,848*
- *U.S.A.:*
 - *50% Contribution to the IFCP Fund deficit (former staff pension plan): US\$127,848*
 - *Contribution to the headquarters building lease and maintenance costs: US\$475,000 "*

At the 97th Session of the IPHC Interim Meeting (IM097, November 2021), the Commission:

(IPHC-2021-IM097-R, para. 79.) *The Commission NOTED paper IPHC-2021-IM097-18, which provided the Commission with an update on the FY2022 budget (financial period: 1 October 2021 to 30 September 2022), including potential modifications based on the 2022 FISS sampling design.*

(IPHC-2021-IM097-R, para 80.) *The Commission NOTED the intention of the IPHC Secretariat to propose a revised FY2022 budget (financial period: 1 October 2021 to 30 September 2022) at the FAC098 to accommodate the final 2022 FISS design to be implemented, noting that there will be no change in the Contracting Party contributions due for FY2022.*

FY2022 BUDGET (US\$)

INCOME AND EXPENSES: The IPHC approved budget for FY2022 and expenditures as of 17 December 2021 are provided in [Appendix II](#). Current expenditure for the first quarter of FY2021 are in-line with the approved budget.

FY2022 FINANCIAL BUDGET – PROPOSED AS AMENDED (US\$)

At the 97th Session of the IPHC Interim Meeting (IM097), the Commission endorsed optimized design 1 for the 2022 FISS, with full sampling in IPHC Regulatory Area 4CDE. The design adopted resulted in modifications to the originally adopted Fund 40 – FISS budget from the 11th Special Session of the Commission (SS011). The revised FY2022 Fund 40 - FISS budget is provided at [Appendix III](#).

In addition, the FY2022 budget for all Funds has been updated to better reflect the Commission’s transition to Fund accounting. This has resulted in previously aggregated expenditures being re-allocated each of the 4 Funds. The reallocation has primarily been in the salaries & wages, and benefits account lines ([Appendix III](#)). The reallocation has not resulted in a change to the Contracting Party contributions.

RECOMMENDATION/S

That the FAC:

- 1) **NOTE** paper IPHC-2022-FAC098-06 which provided a 1st quarter update on the FY2022 budget (financial period: 1 October 2021 to 30 September 2022) as well as proposing a revised budget be adopted based on the final 2022 FISS design, and other amendments to continue the IPHC’s move to Fund accounting.
- 2) **RECOMMEND** that the Commission adopt the amended FY2022 budget (1 October 2021 to 30 September 2022), as detailed in [Appendix III](#), noting that the amendments do not change the previously adopted Contracting Party contributions for FY2022.

APPENDICES

[Appendix I](#): FY2022 Financial Budget (Adopted 22 June 2021)

[Appendix II](#): FY2022 Financial Statement – as of 17 December 2021

[Appendix III](#): FY2022 Financial Budget – Proposed as amended



APPENDIX I
FY2022 FINANCIAL BUDGET (ADOPTED 22 JUNE 2021)

Account Number	Account Name	10 - General	20 - Research	30 - Statistics	10,20,30 - TOTAL	40 - FISS	10,20,30,40 - TOTAL
		FY2022	FY2022	FY2022	FY2022	FY2022	FY2022
Income							
40000	Contracting Party Contributions						
40000.01	Canada	\$ 900,407.00	\$ -	\$ -	\$ 900,407.00	\$ -	\$ 900,407.00
40000.02	United States of America	\$ 4,157,760.00	\$ -	\$ -	\$ 4,157,760.00	\$ -	\$ 4,157,760.00
	Total 40000 - Contracting Party Contributions	\$ 5,058,167.00	\$ -	\$ -	\$ 5,058,167.00	\$ -	\$ 5,058,167.00
40050	IFC Pension						
40050.01	IFC Pension - Canada	\$ 127,848.00	\$ -	\$ -	\$ 127,848.00	\$ -	\$ 127,848.00
40050.02	IFC Pension - United States of America	\$ 127,848.00	\$ -	\$ -	\$ 127,848.00	\$ -	\$ 127,848.00
	Total 40050 - IFC Pension	\$ 255,696.00	\$ -	\$ -	\$ 255,696.00	\$ -	\$ 255,696.00
40055	Headquarters (Lease & Maintenance)	\$ 475,000.00	\$ -	\$ -	\$ 475,000.00	\$ -	\$ 475,000.00
40060	Other Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40100	Grants, Contracts & Agreements	\$ -	\$ 44,917.00	\$ 559,975.00	\$ 604,892.00	\$ 48,720.00	\$ 653,612.00
40200	Interest Income	\$ -	\$ -	\$ -	\$ -	\$ 11,550.00	\$ 11,550.00
40200.01	Bank Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40200.02	CD Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total 40200 - Interest Income	\$ 475,000.00	\$ 44,917.00	\$ 559,975.00	\$ 1,079,892.00	\$ 60,270.00	\$ 1,140,162.00
40350	Fish Sales						
40350.01	Fish Sales - Pacific Halibut	\$ -	\$ -	\$ -	\$ -	\$ 5,471,025.00	\$ 5,471,025.00
40350.02	Fish Sales - Byproduct	\$ -	\$ -	\$ -	\$ -	\$ 58,800.00	\$ 58,800.00
	Total 40350 - Fish Sales	\$ -	\$ -	\$ -	\$ -	\$ 5,529,825.00	\$ 5,529,825.00
	Total Income	\$ 5,788,863.00	\$ 44,917.00	\$ 559,975.00	\$ 6,393,755.00	\$ 5,590,095.00	\$ 11,983,850.00
Expense							
Personnel Expenses							
50000	Salaries & Wages	\$ 2,925,000.00	\$ 85,447.00	\$ 668,115.00	\$ 3,678,562.00	\$ 478,584.75	\$ 4,157,146.75
50100	Benefits	\$ 1,260,000.00	\$ 20,335.00	\$ 199,552.50	\$ 1,479,887.50	\$ 14,837.55	\$ 1,494,725.05
50100.09	Medical Reimbursement - Retiree	\$ 92,958.60	\$ -	\$ -	\$ 92,958.60	\$ -	\$ 92,958.60
50200	Training & Education	\$ 5,000.00	\$ -	\$ 21,000.00	\$ 26,000.00	\$ 54,600.00	\$ 80,600.00
50300	Personnel Related Expenses	\$ -	\$ -	\$ 14,700.00	\$ 14,700.00	\$ 36,376.20	\$ 51,076.20
50300.01	Scholarship Awards	\$ 8,000.00	\$ -	\$ -	\$ 8,000.00	\$ -	\$ 8,000.00
	Total Personnel Expenses	\$ 4,290,958.60	\$ 105,782.00	\$ 903,367.50	\$ 5,300,108.10	\$ 584,398.50	\$ 5,884,506.60
Operational Expenses							
51000	Publications	\$ 6,000.00	\$ -	\$ 9,000.00	\$ 15,000.00	\$ -	\$ 15,000.00
51100	Mailing and Shipping	\$ 4,000.00	\$ 2,000.00	\$ 8,400.00	\$ 14,400.00	\$ 79,800.00	\$ 94,200.00
51200	Travel	\$ 70,300.00	\$ 4,150.00	\$ 10,000.00	\$ 84,450.00	\$ 117,516.00	\$ 201,966.00
51300	Meeting and Conference Expenses	\$ 171,000.60	\$ -	\$ -	\$ 171,000.60	\$ -	\$ 171,000.60
51400	Technology	\$ 135,000.00	\$ -	\$ -	\$ 135,000.00	\$ -	\$ 135,000.00
	Total Operational Expenses	\$ 386,300.60	\$ 6,150.00	\$ 27,400.00	\$ 419,850.60	\$ 197,316.00	\$ 617,166.60
Fees and Contract Expenses							
52000	Professional Fees	\$ 240,000.00	\$ -	\$ -	\$ 240,000.00	\$ -	\$ 240,000.00
52200	Other Fees and Charges	\$ -	\$ -	\$ -	\$ -	\$ 590,965.20	\$ 590,965.20
52300	Leases and Contracts	\$ 365,000.00	\$ 76,979.00	\$ 38,850.00	\$ 480,829.00	\$ 2,428,391.70	\$ 2,909,220.70
54000	Communications	\$ 25,000.00	\$ -	\$ 420.00	\$ 25,420.00	\$ 86,782.50	\$ 112,202.50
	Total Fees and Contract Expenses	\$ 630,000.00	\$ 76,979.00	\$ 39,270.00	\$ 746,249.00	\$ 3,106,139.40	\$ 3,852,388.40
Facilities and Equipment Expenses							
53000	Equipment Expense	\$ 28,000.00	\$ -	\$ 18,900.00	\$ 46,900.00	\$ 34,020.00	\$ 80,920.00
53100	Supplies Expense	\$ 32,000.00	\$ 106,452.00	\$ 2,100.00	\$ 140,552.00	\$ 933,980.25	\$ 1,074,532.25
53200	Maintenance and Utilities	\$ 24,000.00	\$ -	\$ -	\$ 24,000.00	\$ 42,000.00	\$ 66,000.00
53300	Facility Rentals	\$ 378,000.00	\$ -	\$ 6,300.00	\$ 384,300.00	\$ 21,000.00	\$ 405,300.00
	Total Facilities and Equipment Expenses	\$ 462,000.00	\$ 106,452.00	\$ 27,300.00	\$ 595,752.00	\$ 1,031,000.25	\$ 1,626,752.25
Other Expenses							
55000	Budget Contingency	\$ 35,000.00	\$ -	\$ -	\$ 35,000.00	\$ -	\$ 35,000.00
55200	Fund Cost Recovery (20 - 30)	\$ 687,808.50	\$ (250,446.00)	\$ (437,362.50)	\$ -	\$ -	\$ -
55201	Fund Cost Recovery (40)	\$ (703,204.70)	\$ -	\$ -	\$ (703,204.70)	\$ 703,204.70	\$ -
	Total Other Expenses	\$ 19,603.80	\$ (250,446.00)	\$ (437,362.50)	\$ (668,204.70)	\$ 703,204.70	\$ 35,000.00
	Total Expense	\$ 5,788,863.00	\$ 44,917.00	\$ 559,975.00	\$ 6,393,755.00	\$ 5,622,058.85	\$ 12,015,813.85
	Net Income (Loss)	\$ -	\$ -	\$ -	\$ -	\$ (31,963.85)	\$ (31,963.85)

APPENDIX II
FY2022 GENERAL FUND BUDGET – UPDATE AS OF 17 DECEMBER 2021

INTERNATIONAL PACIFIC



HALIBUT COMMISSION

International Pacific Halibut
 Commission
 Income Statement
 for the period of 10/01/2021
 to 12/17/2021

Account Number	Account Name	Amount	Annual Budget
Income			
40000	Contracting Party Contributions	\$ 5,058,167.00	\$ 5,058,167.00
40050	IFC Pension	\$ 0.00	\$ 255,696.00
40055	Headquarters (Lease & Maintenance)	\$ 475,000.00	\$ 475,000.00
40060	Other Income	\$ 8,848.14	\$ 0.00
40100	Grants, Contracts & Agreements	\$ 0.00	\$ 653,612.00
40200	Interest Income	\$ 1.98	\$ 11,550.00
40350	Fish Sales	\$ 8,772.00	\$ 5,529,825.00
42000	Gain/Loss	\$ (217.89)	\$ 0.00
499	Suspense	\$ (62,718.13)	\$ 0.00
Total Income		\$ 5,487,853.10	\$ 11,983,850.00
Expense			
50000	Salaries & Wages	\$ 571,387.07	\$ 4,157,146.75
50100	Benefits	\$ 161,643.51	\$ 1,587,683.65
50200	Training & Education	\$ 0.00	\$ 88,600.00
50300	Personnel Related Expenses	\$ 0.00	\$ 51,076.20
51000	Publications	\$ 0.00	\$ 15,000.00
51100	Mailing and Shipping	\$ 1,062.46	\$ 94,200.00
51200	Travel	\$ 3,552.48	\$ 201,966.00
51300	Meeting and Conference Expenses	\$ 0.00	\$ 171,000.60
51400	Technology	\$ 28,737.14	\$ 135,000.00
52000	Professional Fees	\$ 73,690.97	\$ 240,000.00
52100	Vessel Expenses	\$ 0.00	\$ 0.00
52200	Other Fees and Charges	\$ 20,399.06	\$ 590,965.20
52300	Leases and Contracts	\$ 3,366.64	\$ 2,909,220.70
54000	Communications	\$ 7,669.79	\$ 112,202.50
53000	Equipment Expense	\$ 0.00	\$ 80,920.00
53100	Supplies Expense	\$ 430,133.98	\$ 1,074,532.25
53200	Maintenance and Utilities	\$ 7,221.58	\$ 66,000.00
53300	Facility Rentals	\$ 127,242.85	\$ 405,300.00
55000	Budget Contingency	\$ 0.00	\$ 35,000.00
55100	Other Expenses	\$ 0.00	\$ 0.00
55200	Fund Cost Recovery	\$ 0.00	\$ 0.00
55300	GAAP conversion - Expense	\$ 0.00	\$ 0.00
56444	AR Adjustments	\$ 0.00	\$ 0.00
Total Expense		\$ 1,436,107.53	\$ 12,015,813.85
Net Income (Loss)		\$ 4,051,745.57	\$ (31,963.85)

**APPENDIX II
FY2022 FINANCIAL BUDGET: PROPOSED AS AMENDED**

Account Number	Account Name	10 - General	20 - Research	30 - Statistics	10,20,30 - TOTAL	40 - FISS	10,20,30, 40 - TOTAL
		FY2022	FY2022	FY2022	FY2022	FY2022	FY2022
Income							
40000	Contracting Party Contributions						
40000.01	Canada	\$ -	\$ -	\$ -	\$ 900,407.00	\$ -	\$ 900,407.00
40000.02	United States of America	\$ -	\$ -	\$ -	\$ 4,157,760.00	\$ -	\$ 4,157,760.00
	Total 40000 - Contracting Party Contributions	\$ 3,297,992.02	\$641,979.15	\$ 1,118,195.83	\$ 5,058,167.00	\$ -	\$ 5,058,167.00
40055	Headquarters (Lease & Maintenance)	\$ 475,000.00	\$ -	\$ -	\$ 475,000.00	\$ -	\$ 475,000.00
40060	Other Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40100	Grants, Contracts & Agreements	\$ -	\$225,379.00	\$ 508,525.00	\$ 733,904.00	\$ 32,656.00	\$ 766,560.00
40200	Interest Income	\$ -	\$ -	\$ -	\$ -	\$ 11,550.00	\$ 11,550.00
40200.01	Bank Interest	\$ 750.00	\$ -	\$ -	\$ 750.00	\$ -	\$ 750.00
40200.02	CD Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total - Other Income	\$ 475,750.00	\$225,379.00	\$ 508,525.00	\$ 1,209,654.00	\$ 44,206.00	\$ 1,253,860.00
40350	Fish Sales						
40350.01	Fish Sales - Pacific Halibut	\$ -	\$ -	\$ -	\$ -	\$ 3,960,300.00	\$ 3,960,300.00
40350.02	Fish Sales - Byproduct	\$ -	\$ -	\$ -	\$ -	\$ 58,800.00	\$ 58,800.00
	Total 40350 - Fish Sales	\$ -	\$ -	\$ -	\$ -	\$ 4,019,100.00	\$ 4,019,100.00
	Total Income	\$ 3,773,742.02	\$867,358.15	\$ 1,626,720.83	\$ 6,267,821.00	\$ 4,063,306.00	\$ 10,331,127.00
Expense							
Personnel Expenses							
50000	Salaries & Wages	\$ 1,747,225.86	\$570,443.43	\$ 1,198,096.21	\$ 3,515,765.50	\$ 991,300.80	\$ 4,507,066.30
50100	Benefits	\$ 516,469.20	\$143,586.72	\$ 306,592.62	\$ 966,648.54	\$ 187,595.76	\$ 1,154,244.30
50100.09	Medical Reimbursement - Retiree	\$ 90,546.96	\$ -	\$ -	\$ 90,546.96	\$ -	\$ 90,546.96
50200	Training & Education	\$ 35,000.00	\$ -	\$ 21,000.00	\$ 56,000.00	\$ 54,600.00	\$ 110,600.00
50300	Personnel Related Expenses	\$ 5,500.00	\$ -	\$ 10,000.00	\$ 15,500.00	\$ 36,376.00	\$ 51,876.00
50300.01	Scholarship Awards	\$ 8,000.00	\$ -	\$ -	\$ 8,000.00	\$ -	\$ 8,000.00
	Total Personnel Expenses	\$ 2,402,742.02	\$714,030.15	\$ 1,535,688.83	\$ 4,652,461.00	\$ 1,269,872.56	\$ 5,922,333.56
Operational Expenses							
51000	Publications	\$ 5,000.00	\$ -	\$ 9,000.00	\$ 14,000.00	\$ -	\$ 14,000.00
51100	Mailing and Shipping	\$ 6,000.00	\$ 3,500.00	\$ 5,000.00	\$ 14,500.00	\$ 125,000.00	\$ 139,500.00
51200	Travel	\$ 90,000.00	\$ 10,450.00	\$ 20,000.00	\$ 120,450.00	\$ 117,516.00	\$ 237,966.00
51300	Meeting and Conference Expenses	\$ 170,000.00	\$ -	\$ -	\$ 170,000.00	\$ -	\$ 170,000.00
51400	Technology	\$ 135,000.00	\$ -	\$ 2,100.00	\$ 137,100.00	\$ -	\$ 137,100.00
	Total Operational Expenses	\$ 406,000.00	\$ 13,950.00	\$ 36,100.00	\$ 456,050.00	\$ 242,516.00	\$ 698,566.00
Fees and Contract Expenses							
52000	Professional Fees	\$ 220,000.00	\$ -	\$ 1,416.00	\$ 221,416.00	\$ -	\$ 221,416.00
52200	Other Fees and Charges	\$ 50,000.00	\$ -	\$ -	\$ 50,000.00	\$ 10,000.00	\$ 60,000.00
52300	Leases and Contracts	\$ 25,000.00	\$124,378.00	\$ 35,000.00	\$ 184,378.00	\$ 1,938,337.00	\$ 2,122,715.00
54000	Communications	\$ 30,000.00	\$ -	\$ 3,500.00	\$ 33,500.00	\$ 20,000.00	\$ 53,500.00
	Total Fees and Contract Expenses	\$ 325,000.00	\$124,378.00	\$ 39,916.00	\$ 489,294.00	\$ 1,968,337.00	\$ 2,457,631.00
Facilities and Equipment Expenses							
53000	Equipment Expense	\$ 20,000.00	\$ 15,000.00	\$ 4,000.00	\$ 39,000.00	\$ 15,000.00	\$ 54,000.00
53100	Supplies Expense	\$ 25,000.00	\$ -	\$ 2,600.00	\$ 27,600.00	\$ 750,000.00	\$ 777,600.00
53200	Maintenance and Utilities	\$ 110,000.00	\$ -	\$ 2,416.00	\$ 112,416.00	\$ 10,000.00	\$ 122,416.00
53300	Facility Rentals	\$ 450,000.00	\$ -	\$ 6,000.00	\$ 456,000.00	\$ 13,000.00	\$ 469,000.00
	Total Facilities and Equipment Expenses	\$ 605,000.00	\$ 15,000.00	\$ 15,016.00	\$ 635,016.00	\$ 788,000.00	\$ 1,423,016.00
Other Expenses							
55000	Budget Contingency	\$ 35,000.00	\$ -	\$ -	\$ 35,000.00	\$ -	\$ 35,000.00
	Total Other Expenses	\$ 35,000.00	\$ -	\$ -	\$ 35,000.00	\$ -	\$ 35,000.00
	Total Expense	\$ 3,773,742.02	\$867,358.15	\$ 1,626,720.83	\$ 6,267,821.00	\$ 4,268,725.56	\$ 10,536,546.56
	Net Income (Loss)	\$ -	\$ -	\$ -	\$ -	\$ (205,419.56)	\$ (205,419.56)

IFC Pension	
IFC Pension - Canada	\$ 127,848.00
IFC Pension - United States of America	\$ 127,848.00
Total - IFC Pension	\$ 255,696.00



Budget Estimates: FY2023 (for approval), FY2024 and FY2025 (for information)

PREPARED BY: IPHC SECRETARIAT (D. WILSON, 17 DECEMBER & 22 JANUARY 2022)

PURPOSE

To provide the FAC with the budget estimates for FY2023 (1 October 2022 to 30 September 2023) for recommendation to the Commission (for approval), and for FY2024 and FY2025 (for information) (1 October 2023 to 30 September 2024, & 1 October 2024 to 30 September 2025, respectively).

BACKGROUND

In accordance with Regulation 5, para. 3, of the IPHC Financial Regulations (2021) (shown below), the next three (3) fiscal years consist of FY2023, FY2024, and FY2025, noting that we are at the end of the 1st quarter of FY2022.

*(Para. 3) "The Executive Director shall prepare and submit to the FAC, Contracting Parties, and Commissioners, no later than **30 days before** the FAC meeting, budget estimates for the next three fiscal years."*

PROPOSED EXPENDITURES FOR THE FY2023, FY2024 AND FY2025 BUDGETS (US\$)

FY2023 INCOME AND EXPENSES – The IPHC financial budget for FY2023 is proposed at [Appendix I](#).

Base Contributions: The contributions include a 3% increase from FY2022 for both Contracting Parties to US\$4,282,492.80 and US\$927,419.21 respectively.

Other general cost assumptions include increases in operation costs, salaries (based on cost of living and step increases) and health care costs ([Appendix I](#)).

Headquarters Lease and Maintenance: The headquarters costs to the USA will increase to \$489,250 in FY2023 in accordance with the building lease signed in 2020.

Deficit payments to the IFC Pension Fund: The extra-budgetary deficit payments to the IFC Pension Fund (closed in 2001 to new participants), remain at \$127,848 for each Contracting Party.

FISS: Income (and expenses) for the IPHC Fishery-Independent Setline Survey (FISS) are tentative as they are based on the design noted at the 97th Session of the IPHC Interim Meeting (IM098).

FY2024 AND FY2025 INCOME AND EXPENSES – The IPHC provisional budgets for FY2023 and FY2024 ([Appendix II](#)) are based on a 3% increase in general contributions for Canada and U.S.A. to cover expected matching increases in operations expenses, cost in salaries (based on cost of living and step increases) and health care costs.

RECOMMENDATION/S

That the FAC:

- 1) **NOTE** paper IPHC-2022-FAC098-07 Rev_1 which provided the budget estimates for FY2023 (1 October 2022 to 30 September 2023) for recommendation to the Commission (for approval), and for FY2024 and FY2025 (for information) (1 October 2023 to 30 September 2024, & 1 October 2024 to 30 September 2025, respectively).
- 2) **RECOMMEND** the Commission **ADOPT** the FY2023 budget (1 October 2022 to 30 September 2023) and **NOTE** the tentative budgets for FY2024 (1 October 2023 to 30 September 2024) and FY2025 (1 October 2024 to 30 September 2025), as detailed in [Appendix I](#) and [Appendix II](#), respectively.

APPENDICES

[Appendix I](#): FY2023 Financial Budget – Proposed for adoption

[Appendix II](#): FY2024 & FY2025 Financial Budgets – Proposed for noting

Appendix I

FY2023 Financial Budget – Proposed for adoption

Account Number	Account Name	10 - General	20 - Research	30 - Statistics	10,20,30 - TOTAL	40 - FISS	10,20,30, 40 - TOTAL
		FY2023	FY2023	FY2023	FY2023	FY2023	FY2023
Income							
40000	Contracting Party Contributions						
40000.01	Canada	\$ -	\$ -	\$ -	\$ 927,419.21	\$ -	\$ 927,419.21
40000.02	United States of America	\$ -	\$ -	\$ -	\$ 4,282,492.80	\$ -	\$ 4,282,492.80
	Total 40000 - Contracting Party Contributions	\$ 3,282,949.51	\$ 877,756.05	\$ 1,049,206.45	\$ 5,209,912.01	\$ -	\$ 5,209,912.01
40055	Headquarters (Lease & Maintenance)	\$ 489,250.00	\$ -	\$ -	\$ 489,250.00	\$ -	\$ 489,250.00
40060	Other Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40100	Grants, Contracts & Agreements	\$ -	\$ 89,323.00	\$ 626,316.00	\$ 715,639.00	\$ 34,289.00	\$ 749,928.00
40200	Interest Income	\$ -	\$ -	\$ -	\$ -	\$ 11,896.50	\$ 11,896.50
40200.01	Bank Interest	\$ 772.50	\$ -	\$ -	\$ 772.50	\$ -	\$ 772.50
40200.02	CD Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total - Other Income	\$ 490,022.50	\$ 89,323.00	\$ 626,316.00	\$ 1,205,661.50	\$ 46,185.50	\$ 1,251,847.00
40350	Fish Sales						
40350.01	Fish Sales - Pacific Halibut	\$ -	\$ -	\$ -	\$ -	\$ 4,079,109.00	\$ 4,079,109.00
40350.02	Fish Sales - Byproduct	\$ -	\$ -	\$ -	\$ -	\$ 60,564.00	\$ 60,564.00
	Total 40350 - Fish Sales	\$ -	\$ -	\$ -	\$ -	\$ 4,139,673.00	\$ 4,139,673.00
	Total Income	\$ 3,772,972.01	\$ 967,079.05	\$ 1,675,522.45	\$ 6,415,573.51	\$ 4,185,858.50	\$ 10,601,432.01
Expense							
Personnel Expenses							
50000	Salaries & Wages	\$ 1,727,050.37	\$ 587,556.73	\$ 1,234,039.10	\$ 3,548,646.19	\$ 1,021,039.82	\$ 4,569,686.01
50100	Benefits	\$ 531,963.28	\$ 147,894.32	\$ 315,790.40	\$ 995,648.00	\$ 193,223.63	\$ 1,188,871.63
50100.09	Medical Reimbursement - Retiree	\$ 93,263.37	\$ -	\$ -	\$ 93,263.37	\$ -	\$ 93,263.37
50200	Training & Education	\$ 36,050.00	\$ 18,477.00	\$ 21,630.00	\$ 76,157.00	\$ 56,238.00	\$ 132,395.00
50300	Personnel Related Expenses	\$ 5,665.00	\$ -	\$ 10,300.00	\$ 15,965.00	\$ 37,467.28	\$ 53,432.28
50300.01	Scholarship Awards	\$ 8,000.00	\$ -	\$ -	\$ 8,000.00	\$ -	\$ 8,000.00
	Total Personnel Expenses	\$ 2,401,992.01	\$ 753,928.05	\$ 1,581,759.49	\$ 4,737,679.55	\$ 1,307,968.74	\$ 6,045,648.29
Operational Expenses							
51000	Publications	\$ 5,150.00	\$ 7,500.00	\$ 9,270.00	\$ 21,920.00	\$ -	\$ 21,920.00
51100	Mailing and Shipping	\$ 6,180.00	\$ 7,000.00	\$ 5,150.00	\$ 18,330.00	\$ 128,750.00	\$ 147,080.00
51200	Travel	\$ 92,700.00	\$ 14,825.00	\$ 20,600.00	\$ 128,125.00	\$ 121,041.48	\$ 249,166.48
51300	Meeting and Conference Expenses	\$ 170,000.00	\$ -	\$ -	\$ 170,000.00	\$ -	\$ 170,000.00
51400	Technology	\$ 139,050.00	\$ -	\$ 2,163.00	\$ 141,213.00	\$ -	\$ 141,213.00
	Total Operational Expenses	\$ 413,080.00	\$ 29,325.00	\$ 37,183.00	\$ 479,588.00	\$ 249,791.48	\$ 729,379.48
Fees and Contract Expenses							
52000	Professional Fees	\$ 226,600.00	\$ -	\$ 1,458.48	\$ 228,058.48	\$ -	\$ 228,058.48
52200	Other Fees and Charges	\$ 51,500.00	\$ -	\$ -	\$ 51,500.00	\$ 10,300.00	\$ 61,800.00
52300	Leases and Contracts	\$ 25,750.00	\$ 39,019.00	\$ 36,050.00	\$ 100,819.00	\$ 1,996,487.11	\$ 2,097,306.11
54000	Communications	\$ 30,900.00	\$ -	\$ 3,605.00	\$ 34,505.00	\$ 20,600.00	\$ 55,105.00
	Total Fees and Contract Expenses	\$ 334,750.00	\$ 39,019.00	\$ 41,113.48	\$ 414,882.48	\$ 2,027,387.11	\$ 2,442,269.59
Facilities and Equipment Expenses							
53000	Equipment Expense	\$ 20,600.00	\$ -	\$ 4,120.00	\$ 24,720.00	\$ 15,450.00	\$ 40,170.00
53100	Supplies Expense	\$ 25,750.00	\$ 144,807.00	\$ 2,678.00	\$ 173,235.00	\$ 772,500.00	\$ 945,735.00
53200	Maintenance and Utilities	\$ 113,300.00	\$ -	\$ 2,488.48	\$ 115,788.48	\$ 10,300.00	\$ 126,088.48
53300	Facility Rentals	\$ 463,500.00	\$ -	\$ 6,180.00	\$ 469,680.00	\$ 13,390.00	\$ 483,070.00
	Total Facilities and Equipment Expenses	\$ 623,150.00	\$ 144,807.00	\$ 15,466.48	\$ 783,423.48	\$ 811,640.00	\$ 1,595,063.48
Other Expenses							
55000	Budget Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Other Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Expense	\$ 3,772,972.01	\$ 967,079.05	\$ 1,675,522.45	\$ 6,415,573.51	\$ 4,396,787.33	\$ 10,812,360.84
	Net Income (Loss)	\$ -	\$ -	\$ -	\$ -	\$ (210,928.83)	\$ (210,928.83)
IFC Pension							
	IFC Pension - Canada	\$ 127,848.00	\$ -	\$ -	\$ 127,848.00	\$ -	\$ 127,848.00
	IFC Pension - United States of America	\$ 127,848.00	\$ -	\$ -	\$ 127,848.00	\$ -	\$ 127,848.00
	Total - IFC Pension	\$ 255,696.00	\$ -	\$ -	\$ 255,696.00	\$ -	\$ 255,696.00

Appendix II

FY2024 & FY2025 Financial Budgets – Proposed for noting

Account Number	Account Name	10 - General	20 - Research	30 - Statistics	10,20,30 - TOTAL	40 - FISS	10,20,30, 40 - TOTAL
		FY2024	FY2024	FY2024	FY2024	FY2024	FY2024
Income							
40000	Contracting Party Contributions						
40000.01	Canada	\$ -	\$ -	\$ -	\$ 955,241.79	\$ -	\$ 955,241.79
40000.02	United States of America	\$ -	\$ -	\$ -	\$ 4,410,967.58	\$ -	\$ 4,410,967.58
	Total 40000 - Contracting Party Contributions	\$ 3,381,438.00	\$ 904,088.73	\$ 1,080,682.65	\$ 5,366,209.37	\$ -	\$ 5,366,209.37
40055	Headquarters (Lease & Maintenance)	\$ 503,927.50	\$ -	\$ -	\$ 503,927.50	\$ -	\$ 503,927.50
40060	Other Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40100	Grants, Contracts & Agreements	\$ -	\$ 92,002.69	\$ 645,105.48	\$ 737,108.17	\$ 36,003.00	\$ 773,111.17
40200	Interest Income	\$ -	\$ -	\$ -	\$ -	\$ 12,253.40	\$ 12,253.40
40200.01	Bank Interest	\$ 795.68	\$ -	\$ -	\$ 795.68	\$ -	\$ 795.68
40200.02	CD Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total - Other Income	\$ 504,723.18	\$ 92,002.69	\$ 645,105.48	\$ 1,241,831.35	\$ 48,256.40	\$ 1,290,087.74
40350	Fish Sales						
40350.01	Fish Sales - Pacific Halibut	\$ -	\$ -	\$ -	\$ -	\$ 4,201,482.27	\$ 4,201,482.27
40350.02	Fish Sales - Byproduct	\$ -	\$ -	\$ -	\$ -	\$ 62,380.92	\$ 62,380.92
	Total 40350 - Fish Sales	\$ -	\$ -	\$ -	\$ -	\$ 4,263,863.19	\$ 4,263,863.19
	Total Income	\$ 3,886,161.17	\$ 996,091.42	\$ 1,725,788.13	\$ 6,608,040.72	\$ 4,312,119.59	\$ 10,920,160.31
Expense							
Personnel Expenses							
50000	Salaries & Wages	\$ 1,779,101.88	\$ 605,183.43	\$ 1,271,060.27	\$ 3,655,345.58	\$ 1,051,671.02	\$ 4,707,016.59
50100	Benefits	\$ 547,922.17	\$ 152,331.15	\$ 325,264.11	\$ 1,025,517.44	\$ 199,020.34	\$ 1,224,537.78
50100.09	Medical Reimbursement - Retiree	\$ 96,061.27	\$ -	\$ -	\$ 96,061.27	\$ -	\$ 96,061.27
50200	Training & Education	\$ 37,131.50	\$ 19,031.31	\$ 22,278.90	\$ 78,441.71	\$ 57,925.14	\$ 136,366.85
50300	Personnel Related Expenses	\$ 5,834.95	\$ -	\$ 10,609.00	\$ 16,443.95	\$ 38,591.30	\$ 55,035.25
50300.01	Scholarship Awards	\$ 8,000.00	\$ -	\$ -	\$ 8,000.00	\$ -	\$ 8,000.00
	Total Personnel Expenses	\$ 2,474,051.77	\$ 776,545.89	\$ 1,629,212.28	\$ 4,879,809.94	\$ 1,347,207.80	\$ 6,227,017.74
Operational Expenses							
51000	Publications	\$ 5,304.50	\$ 7,725.00	\$ 9,548.10	\$ 22,577.60	\$ -	\$ 22,577.60
51100	Mailing and Shipping	\$ 6,365.40	\$ 7,210.00	\$ 5,304.50	\$ 18,879.90	\$ 132,612.50	\$ 151,492.40
51200	Travel	\$ 95,481.00	\$ 15,269.75	\$ 21,218.00	\$ 131,968.75	\$ 124,672.72	\$ 256,641.47
51300	Meeting and Conference Expenses	\$ 175,100.00	\$ -	\$ -	\$ 175,100.00	\$ -	\$ 175,100.00
51400	Technology	\$ 143,221.50	\$ -	\$ 2,227.89	\$ 145,449.39	\$ -	\$ 145,449.39
	Total Operational Expenses	\$ 425,472.40	\$ 30,204.75	\$ 38,298.49	\$ 493,975.64	\$ 257,285.22	\$ 751,260.86
Fees and Contract Expenses							
52000	Professional Fees	\$ 233,398.00	\$ -	\$ 1,502.23	\$ 234,900.23	\$ -	\$ 234,900.23
52200	Other Fees and Charges	\$ 53,045.00	\$ -	\$ -	\$ 53,045.00	\$ 10,609.00	\$ 63,654.00
52300	Leases and Contracts	\$ 26,522.50	\$ 40,189.57	\$ 37,131.50	\$ 103,843.57	\$ 2,056,381.72	\$ 2,160,225.29
54000	Communications	\$ 31,827.00	\$ -	\$ 3,713.15	\$ 35,540.15	\$ 21,218.00	\$ 56,758.15
	Total Fees and Contract Expenses	\$ 344,792.50	\$ 40,189.57	\$ 42,346.88	\$ 427,328.95	\$ 2,088,208.72	\$ 2,515,537.68
Facilities and Equipment Expenses							
53000	Equipment Expense	\$ 21,218.00	\$ -	\$ 4,243.60	\$ 25,461.60	\$ 15,913.50	\$ 41,375.10
53100	Supplies Expense	\$ 26,522.50	\$ 149,151.21	\$ 2,758.34	\$ 178,432.05	\$ 795,675.00	\$ 974,107.05
53200	Maintenance and Utilities	\$ 116,699.00	\$ -	\$ 2,563.13	\$ 119,262.13	\$ 10,609.00	\$ 129,871.13
53300	Facility Rentals	\$ 477,405.00	\$ -	\$ 6,365.40	\$ 483,770.40	\$ 13,791.70	\$ 497,562.10
	Total Facilities and Equipment Expenses	\$ 641,844.50	\$ 149,151.21	\$ 15,930.47	\$ 806,926.18	\$ 835,989.20	\$ 1,642,915.38
Other Expenses							
55000	Budget Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Other Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Expense	\$ 3,886,161.17	\$ 996,091.42	\$ 1,725,788.13	\$ 6,608,040.72	\$ 4,528,690.95	\$ 11,136,731.67
	Net Income (Loss)	\$ -	\$ -	\$ -	\$ -	\$ (216,571.36)	\$ (216,571.36)
	IFC Pension						
	IFC Pension - Canada	\$ 127,848.00	\$ -	\$ -	\$ 127,848.00	\$ -	\$ 127,848.00
	IFC Pension - United States of America	\$ 127,848.00	\$ -	\$ -	\$ 127,848.00	\$ -	\$ 127,848.00
	Total - IFC Pension	\$ 255,696.00	\$ -	\$ -	\$ 255,696.00	\$ -	\$ 255,696.00

Account Number	Account Name	10 - General	20 - Research	30 - Statistics	10,20,30 - TOTAL	40 - FISS	10,20,30, 40 - TOTAL
		FY2025	FY2025	FY2025	FY2025	FY2025	FY2025
Income							
40000	Contracting Party Contributions						
40000.01	Canada	\$ -	\$ -	\$ -	\$ 983,899.04	\$ -	\$ 983,899.04
40000.02	United States of America	\$ -	\$ -	\$ -	\$ 4,543,296.61	\$ -	\$ 4,543,296.61
	Total 40000 - Contracting Party Contributions	\$ 3,482,881.13	\$ 931,211.39	\$ 1,113,103.13	\$ 5,527,195.65	\$ -	\$ 5,527,195.65
40055	Headquarters (Lease & Maintenance)	\$ 519,045.33	\$ -	\$ -	\$ 519,045.33	\$ -	\$ 519,045.33
40060	Other Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40100	Grants, Contracts & Agreements	\$ -	\$ 94,762.77	\$ 664,458.64	\$ 759,221.42	\$ 37,803.00	\$ 797,024.42
40200	Interest Income	\$ -	\$ -	\$ -	\$ -	\$ 12,621.00	\$ 12,621.00
40200.01	Bank Interest	\$ 819.55	\$ -	\$ -	\$ 819.55	\$ -	\$ 819.55
40200.02	CD Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total - Other Income	\$ 519,864.87	\$ 94,762.77	\$ 664,458.64	\$ 1,279,086.29	\$ 50,424.00	\$ 1,329,510.28
40350	Fish Sales						
40350.01	Fish Sales - Pacific Halibut	\$ -	\$ -	\$ -	\$ -	\$ 4,327,526.74	\$ 4,327,526.74
40350.02	Fish Sales - Byproduct	\$ -	\$ -	\$ -	\$ -	\$ 64,252.35	\$ 64,252.35
	Total 40350 - Fish Sales	\$ -	\$ -	\$ -	\$ -	\$ 4,391,779.09	\$ 4,391,779.09
	Total Income	\$ 4,002,746.00	\$ 1,025,974.16	\$ 1,777,561.77	\$ 6,806,281.94	\$ 4,442,203.08	\$ 11,248,485.02
Expense							
Personnel Expenses							
50000	Salaries & Wages	\$ 1,832,713.92	\$ 623,338.93	\$ 1,309,192.08	\$ 3,765,244.93	\$ 1,083,221.15	\$ 4,848,466.08
50100	Benefits	\$ 564,359.84	\$ 156,901.09	\$ 335,022.03	\$ 1,056,282.96	\$ 204,990.95	\$ 1,261,273.91
50100.09	Medical Reimbursement - Retiree	\$ 98,943.11	\$ -	\$ -	\$ 98,943.11	\$ -	\$ 98,943.11
50200	Training & Education	\$ 38,245.45	\$ 19,602.25	\$ 22,947.27	\$ 80,794.96	\$ 59,662.89	\$ 140,457.86
50300	Personnel Related Expenses	\$ 6,010.00	\$ -	\$ 10,927.27	\$ 16,937.27	\$ 39,749.04	\$ 56,686.31
50300.01	Scholarship Awards	\$ 8,001.00	\$ -	\$ -	\$ 8,001.00	\$ -	\$ 8,001.00
	Total Personnel Expenses	\$ 2,548,273.31	\$ 799,842.27	\$ 1,678,088.65	\$ 5,026,204.23	\$ 1,387,624.03	\$ 6,413,828.26
Operational Expenses							
51000	Publications	\$ 5,463.64	\$ 7,956.75	\$ 9,834.54	\$ 23,254.93	\$ -	\$ 23,254.93
51100	Mailing and Shipping	\$ 6,556.36	\$ 7,426.30	\$ 5,463.64	\$ 19,446.30	\$ 136,590.88	\$ 156,037.17
51200	Travel	\$ 98,345.43	\$ 15,727.84	\$ 21,854.54	\$ 135,927.81	\$ 128,412.91	\$ 264,340.72
51300	Meeting and Conference Expenses	\$ 180,353.00	\$ -	\$ -	\$ 180,353.00	\$ -	\$ 180,353.00
51400	Technology	\$ 147,518.15	\$ -	\$ 2,294.73	\$ 149,812.87	\$ -	\$ 149,812.87
	Total Operational Expenses	\$ 438,236.57	\$ 31,110.89	\$ 39,447.44	\$ 508,794.91	\$ 265,003.78	\$ 773,798.69
Fees and Contract Expenses							
52000	Professional Fees	\$ 240,399.94	\$ -	\$ 1,547.30	\$ 241,947.24	\$ -	\$ 241,947.24
52200	Other Fees and Charges	\$ 54,636.35	\$ -	\$ -	\$ 54,636.35	\$ 10,927.27	\$ 65,563.62
52300	Leases and Contracts	\$ 27,318.18	\$ 41,395.26	\$ 38,245.45	\$ 106,958.88	\$ 2,118,073.17	\$ 2,225,032.05
54000	Communications	\$ 32,781.81	\$ -	\$ 3,824.54	\$ 36,606.35	\$ 21,854.54	\$ 58,460.89
	Total Fees and Contract Expenses	\$ 355,136.28	\$ 41,395.26	\$ 43,617.29	\$ 440,148.82	\$ 2,150,854.98	\$ 2,591,003.81
Facilities and Equipment Expenses							
53000	Equipment Expense	\$ 21,854.54	\$ -	\$ 4,370.91	\$ 26,225.45	\$ 16,390.91	\$ 42,616.35
53100	Supplies Expense	\$ 27,318.18	\$ 153,625.75	\$ 2,841.09	\$ 183,785.01	\$ 819,545.25	\$ 1,003,330.26
53200	Maintenance and Utilities	\$ 120,199.97	\$ -	\$ 2,640.03	\$ 122,840.00	\$ 10,927.27	\$ 133,767.27
53300	Facility Rentals	\$ 491,727.15	\$ -	\$ 6,556.36	\$ 498,283.51	\$ 14,205.45	\$ 512,488.96
	Total Facilities and Equipment Expenses	\$ 661,099.84	\$ 153,625.75	\$ 16,408.39	\$ 831,133.97	\$ 861,068.88	\$ 1,692,202.85
Other Expenses							
55000	Budget Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Other Expenses	\$ -					
	Total Expense	\$ 4,002,746.00	\$ 1,025,974.16	\$ 1,777,561.77	\$ 6,806,281.93	\$ 4,664,551.68	\$ 11,470,833.61
	Net Income (Loss)	\$ -	\$ -	\$ -	\$ -	\$ (222,348.59)	\$ (222,348.59)
	IFC Pension						
	IFC Pension - Canada	\$ 127,848.00	\$ -	\$ -	\$ 127,848.00	\$ -	\$ 127,848.00
	IFC Pension - United States of America	\$ 127,848.00	\$ -	\$ -	\$ 127,848.00	\$ -	\$ 127,848.00
	Total - IFC Pension	\$ 255,696.00	\$ -	\$ -	\$ 255,696.00	\$ -	\$ 255,696.00



IPHC Financial Regulations (2022) - Draft

PREPARED BY: IPHC SECRETARIAT (D. WILSON, D. HAYHURST; 15 DECEMBER 2021)

PURPOSE

To provide the FAC with the opportunity to consider proposed amendments to the IPHC Financial Regulations (2021).

BACKGROUND

In accordance with Regulation 19, paragraph 1 of the IPHC Financial Regulations (2021), the IPHC Secretariat has revised and suggested edits to the IPHC Financial Regulations to align the regulations with best practice governance.

Regulation 19 (para 1) *“These Financial Regulations should be reviewed for their consistency and appropriateness at least biennially.”*

At the 97th Session of the IPHC Annual Meeting (AM097) the Commission made the following request of the IPHC Secretariat:

AM097–Req.06 (para. 105) *“The Commission **REQUESTED** that the IPHC Secretariat will undertake an inter-sessional review and recommend further improvements to the Financial Regulations of the Commission, including the basis of accounting to better align with GAAP standards while maintaining regulatory compliance.”*

DISCUSSION

The Independent Auditors (Moss Adams) along with the IPHC’s contracted accounting Firm, Sommerville and Associates (S&A) are currently in the process of finalising the FY2021 audit. In doing so, they will be identifying areas for further improvement to the IPHC Financial Regulations and making recommendations to the Commission. As such, we expect to be able to provide a red-line version of the revised Financial Regulations in January 2022. This paper will be updated as a Rev_1 at that time.

The below will be updated accordingly in January 2022

Provided at **Appendix I** are proposed revisions to the IPHC Financial Regulations (2021). The revisions include the following:

- 1) To align the IPHC’s financial reporting to become GAAP compliant;

RECOMMENDATIONS

That the FAC:

- a) **NOTE** paper IPHC-2022-FAC098-08, which proposed revisions to the IPHC Financial Regulations;
- b) **RECOMMEND** that the Commission Endorse and Adopt the International Pacific Halibut Commission Financial Regulations (2022).

APPENDICES

Appendix I: To be provided in January 2022 under advice from our Auditors and Accounting Firm - DRAFT: International Pacific Halibut Commission Financial Regulations (2022)



IPHC Rules of Procedure (2022) - Draft

PREPARED BY: IPHC SECRETARIAT (D. WILSON, 13 DECEMBER 2021)

PURPOSE

To provide the Commission with proposed amendments to the current IPHC Rules of Procedure (2021).

BACKGROUND

In accordance with Rule 19, paragraph 1 of the IPHC Rules of Procedure (2021), which states:

“1. These Rules of Procedure should be reviewed for their consistency and appropriateness at least biennially.”

At the 97th Session of the IPHC (AM097; January 2021), the Commission made the following request of the IPHC Secretariat regarding on the IPHC Rules of Procedure:

IPHC Rules of Procedure (2021)

AM097–Req.08 ([para. 107](#)) *The Commission **REQUESTED** that the IPHC Secretariat undertake an inter-sessional review and recommend further improvements to the IPHC Rules of Procedure to the Commission, noting the CB’s recommendation (to change when Chairs are elected in their rule), PAB noting the conflicting text in the Rules, and roles of the Commissions Secretariat.*

1) Conference Board (CB): At the 91st Session of the IPHC Conference Board (CB091) in January 2021, the CB made the following recommendation to the Commission:

[IPHC-2021-CB097-R](#), para 4: **NOTING** the issue identified whereby the Co-Chairpersons may change at the start of the CB meeting, which limits the degree of preparedness for a meeting by incoming chairs, the CB **RECOMMENDED** that the IPHC Rules of Procedure be modified so that the tenure of the CB Chairperson and Vice-Chairperson ends at the close of the applicable CB meeting. The intention is to ensure continuity between meetings and allow the IPHC Secretariat to work with, and prepare the Co-Chairpersons leading into a meeting of the CB. [Canada: In favour=13; against=0; abstain=1] [U.S.A.: In favour=27; against=1; abstain=0].

2) Processor Advisory Board (PAB): Subsequent to the Commission’s directive stated above, the IPHC Secretariat undertook a detailed process of reviewing and consulting with all current PAB members, as well as Pacific halibut processors coastwide who were not yet listed on the PAB’s membership. The consultation resulted in the draft edits to the PAB Terms of Reference as provided in [Appendix I](#). These drafts edits will be presented and discussed at the PAB098 meeting in January 2022.

3) Research Advisory Board (RAB):

[IPHC-2021-RAB022-R](#), para. 4: The RAB **NOTED** and **ENDORSED** the further improvements suggested to Appendix VII, I.1-2 of the IPHC Rules of Procedure (2021) as follows:

*“1. The Research Advisory Board (RAB) is composed of members of the Pacific halibut community that shall: a. suggest research **ideas, topics to be considered for***

incorporation in the IPHC 5-year Research Plan; b. ~~review IPHC research proposals, and c. provide the IPHC Secretariat staff (who participate in Sessions of the RAB as Observers) with direct input and advice from industry on current and planned research activities contemplated for inclusion in the IPHC 5-year Research Plan during the development of research plans.~~

2. The RAB may also make recommendations to the Scientific Review Board concerning ~~options for new suggested research topics and current and planned research activities and their prioritization research plans and priorities~~ for its consideration.”

DISCUSSION

Provided at [Appendix I](#) are proposed revisions to the current IPHC Rules of Procedure (2021), which incorporate process and functional amendments intended to further modernise the IPHC’s governance procedures.

- 1) Appendix IV Conference Board (CB) – Terms of Reference and Rules of Procedure
- 2) Appendix VI Processor Advisory Board (PAB) – Terms of Reference and Rules of Procedure
- 3) Appendix VII Research Advisory Board (RAB) – Terms of Reference and Rules of Procedure

RECOMMENDATION/S

That the Commission:

- 1) **NOTE** paper IPHC-2022-FAC098-09 which proposed amendments to the current IPHC Rules of Procedure (2021);
- 2) **NOTE** that further input will be obtained from the 27th Session of the IPHC Processor Advisory Board (PAB027);
- 3) **RECOMMEND** the Commission adopt revised IPHC Rules of Procedure (2022).

APPENDICES

Appendix I: DRAFT: International Pacific Halibut Commission Rules of Procedure (2022): Amendments to Appendices IV, VI and VII.



Appendix IV
Conference Board (CB) – Terms of Reference and Rules of Procedure

I. Terms of reference

1. The Conference Board (CB) is a subsidiary body to the Commission on which individuals represent Pacific halibut harvester organisations and associations from each Contracting Party. The CB shall:
 - a) provide a forum for the discussion of management and policy matters relevant to Pacific halibut and provide advice to the Commission on management and policy matters relevant to Pacific halibut;
 - b) review IPHC Secretariat reports and recommendations, regulatory proposals received by the Commission, and provide its advice concerning these items to the Commission at its Annual Meeting, or on other occasions as requested.
2. The CB Chairpersons shall communicate with the Commission and the other IPHC subsidiary bodies on the CB's behalf. The Commission's Executive Director may facilitate this communication.

II. Representation

3. CB members are Pacific halibut harvester organisations and associations from each Contracting Party and include commercial, guided sport/recreational, unguided sport/recreational, subsistence, and First Nations/Tribal interests. Members are responsible for designating their individual delegate(s) and no delegate may vote on behalf of more than one CB member.
4. The CB regulates its membership by accrediting members at the beginning of each CB session. Accreditation is documented using the Accreditation Questionnaire provided at [Annex 1, submitted through the CB Accreditation portal on the IPHC website](#). The CB members shall compose nationals from Canada and the United States of America.
5. CB members may be re-accredited for successive meetings for a period of five (5) years from their initial accreditation by a simple roll call at the beginning of the CB session if



they have participated in at least three (3) CB annual meetings within the five (5) year period. CB members not meeting this criteria or their five year accreditation cycle has elapsed fill out Accreditation Questionnaire provided in Annex 1, [submitted through the CB Accreditation portal on the IPHC website](#). Returning CB members who need to fill out the Accreditation Questionnaire and potential CB members seeking accreditation for the first time are encouraged to notify the IPHC Secretariat at least two weeks before the beginning of the Annual Meeting of the CB session they wish to attend.

6. Members serve without compensation from the Commission.

III. Officers

Co-Chairperson/s and Vice-Chairperson/s

7. The CB is Co-Chaired by two members, one from each of the two Contracting Parties. The Co-Chairpersons convene and adjourn meetings and preside over them, ensuring that meetings are conducted in an orderly and businesslike manner.
8. The Co-Chairpersons present the CB's decisions, recommendations, and advice to the Commission.

~~9. The Co-Chairpersons may appoint a Secretary, or one of the Co-Chairpersons may fulfill secretarial duties, including accepting the services of the IPHC Secretariat.~~

~~10.9.~~ The Co-Chairpersons may be supported by up to two Vice-Chairpersons, as the CB may desire, one from each of the two Contracting Parties.

~~11.10.~~ The Co-Chairpersons and Vice-Chairpersons are entitled to vote if the member organisation/association they represent does not have a participating representative at the CB.

Terms of office and election

~~12.11.~~ CB members of each Contracting Party elect the Co-Chairperson from their Contracting Party for terms of two (2) years, with no limit to the number of terms an individual Co-Chairperson may serve.



~~13-12.~~ Election of new Co-Chairpersons whose two-year term has expired will be at the ~~beginning~~ end of the annual meeting of the Conference Board.

~~14-13.~~ Election of Vice-Chairpersons will follow the election of the Co-Chairperson(s) if required. Vice-Chairperson term is for ~~one-two~~ (2+) years.

~~15-14.~~ If a Co-Chairperson becomes unable to serve during the annual CB meeting, ~~his/her~~ their Contracting Party shall elect another member as Co-Chairperson. If a Co-Chairperson becomes unable to serve sometime after the completion of the Session, the office will remain vacant until the Contracting Party members elects a replacement ~~at the beginning of the next CB Session.~~

IV. Sessions of the Conference Board

~~16-15.~~ **Time and place:** The CB typically meets once each year, in conjunction with the IPHC Annual Meeting.

~~17-16.~~ **Agenda:** The agenda for the CB will be proposed by the Co-Chairpersons and approved by the membership at the beginning of the Session. The CB typically meets to discuss the issues and proposals under consideration. The CB may call on the IPHC Secretariat or other organisations to clarify or provide more information during its deliberations.

~~18-17.~~ **Conduct of meetings:** Parliamentary procedure according to [Roberts Rules of Order](#) will be used as a guideline in the conduct of CB meetings, unless otherwise specified in the IPHC Rules of Procedure. The CB may set up its own subgroups or committees to consider specific issues or to produce specific documents or other products.

~~19-18.~~ **Decision-making:** Each accredited CB member shall have one vote.

- a) Following a vote on any issue the Co-Chairpersons shall announce the result by Contracting Party, which shall be recorded in the record of the meeting (i.e. Canada: In favor/Against (#for and #against); U.S.A.: In favor/Against (#for and #against). When it is clear that the vote reflects differences of opinion within a Contracting Party the Co-Chairpersons shall ensure that minority viewpoints are summarized and reported to the Commission.



-
- b) Decisions regarding the CB's recommendations for mortality limits and fishery regulations, must be made by a recorded vote of members present.
 - c) Other decisions may be made by voice vote of CB members present, unless the Co-Chairpersons decide that a recorded vote is necessary.

V. Intersessional process and ad-hoc working groups

~~20-19.~~ During the annual CB meeting, ad-hoc working groups may be created to work on issues or projects, or to represent the CB's interests.

~~21-20.~~ The work of such ad-hoc working groups may not exceed the mandate approved for them by the CB.

~~22-21.~~ Completed documents and other work materials from the CB's ad-hoc working groups should be posted for public access on the Commission website.

~~23-22.~~ Decisions requiring a vote or approval of the CB, regarding or resulting from work undertaken intersessionally, may only be made at the annual CB meeting.

VI. Reports and Records

~~24-23.~~ A report shall be adopted at the end of each Session of the CB. The draft report will be sent to all CB attending members for review, and suggested edits will be adopted or rejected by the CB Co-Chairpersons. If no edits are received then the draft report will be deemed final.

~~25-24.~~ The report shall embody the CB's recommendations, including, when requested by a minority of stakeholders within a Contracting Party, a statement of minority views.

- a) If requested, divergent views within a Contracting Party will be documented in minority reports by accredited organisations of the minority.
- b) Participants requesting the inclusion of a minority report must provide the Co-Chairpersons with a clear and concise serviceable draft in an electronic version "word document" within four (4) hours of the conclusion of the days CB meeting, or within two (2) hours of the conclusion of the annual CB meeting.
- c) Draft minority reports are limited only to information and material discussed during the CB session.



d) The Co-Chairpersons reserve the right to edit draft minority reports for accuracy and brevity. All attendant documents shall be considered part of the Report.

~~26-25.~~ A copy of the final report from each CB meeting shall be forwarded by the IPHC Executive Director to the Contracting Parties and to the Commissioners no later than **15 days** after the close of the Session.

~~27-26.~~ All reports shall be available on the Commission's website.

~~28-27.~~ The CB recommendations and advice will be presented by the Co-Chairpersons to the Commission prior to the Commission making final decisions on management and policy matters relevant to Pacific halibut.



Annex 1
IPHC CONFERENCE BOARD MEMBER ACCREDITATION QUESTIONNAIRE

1. NAME AND ADDRESS OF ORGANISATION:

Mailing Address

City	State/Province	Zip/Postal Code	Telephone
FAX	E-mail		

2. NAME AND TITLE OF OFFICERS:

3. PRIMARY PURPOSE OF ORGANISATION (GENERALLY, WHO DO YOU REPRESENT?)

4. DATE ORGANISATION WAS FORMED:

5. DATE OF LAST MEETING:

6. HOW MANY MEMBERS IN YOUR ORGANISATION?

7. NAMES OF DELEGATES FOR INITIAL MEETING:

8. HAS YOUR ORGANISATION EVER VOTED ON THE CONFERENCE BOARD? YES __ NO
WHAT YEAR?

Authorized Signature

Date of Application



Appendix VI
Processor Advisory Board (PAB) – Terms of Reference and Rules of Procedure

I. Terms of reference

1. The Processor Advisory Board (PAB) is a subsidiary body of the International Pacific Halibut Commission (IPHC) that represents the commercial Pacific halibut processing industry from Canada and the United States of America. It advises the Commission on issues related to the management of the Pacific halibut resource in the Convention Area.
2. The PAB encourages stability and growth of the North American Pacific halibut industry by fostering a cooperative relationship, better understanding, and a spirit of mutual benefit among seafood processors, fishermen, the Commission, and all other stakeholders.

II. Representation

3. Any company or association, including sole-proprietorships, corporation, or partnerships whose direct business is purchasing, processing and selling Pacific halibut caught in Alaska, British Columbia, Washington, Oregon, or California is eligible for PAB membership.
4. Potential members shall present authorization from their company to represent that company in PAB deliberations. Such authorization will be presented to the general membership of the PAB at its annual meeting. If this authorization is not valid, the member will be removed from the PAB membership list.
5. PAB members agree to carefully and objectively consider all aspects of an issue.
6. PAB members serve without compensation from the Commission.
7. Membership is renewed each year, upon attending the PAB annual meeting.
8. ~~The Halibut Association of North America (HANA) shall serve as the PAB's organisational, administrative, communications, and recruitment facilitator.~~



III. Officers

~~9.8.~~ The PAB's annual meeting shall be convened by the ~~President of HANA for the purpose of nominating and electing the~~ PAB Chairperson and Vice-Chairperson. ~~Once nominations are made, the election is confirmed by a simple majority vote of PAB members present.~~

~~10.9.~~ In years when the Commission's Annual Meeting is held in Canada, the PAB Chairperson shall be a Canada-based member and the Vice-Chairperson shall be a U.S.A.-based member. In years when the Commission meets in the U.S.A., the PAB Chairperson shall be a U.S.A.-based member and the Vice-Chairperson shall be a Canada-based member.

~~11.10.~~ Officers' terms shall be for one year, or until a replacement is elected.

IV. Sessions of the PAB

~~12.11.~~ **Time and place:** The PAB meets once a year over the course of a few days, in conjunction with the IPHC Annual Meeting. A quorum is established each year.

~~13.12.~~ **Agenda:** The PAB's draft agenda will be presented by the Chairperson and approved by the membership at the beginning of the meeting. Members may suggest changes to the agenda prior to approval.

~~14.~~ ~~**Conduct of meetings:** Parliamentary procedure will be used in the conduct of the PAB meeting.~~

~~15.13.~~ **Decision-making:** Only one vote per company member is allowed.

- a) If a company has more than one representative in attendance, those representatives will choose from among them one individual to cast the company's single vote on any issue.
- b) Proxies are allowed only from members who have attended the last two sequential meetings of the PAB.
- c) Only one Proxy per member is allowed.
- d) Proxies will be submitted to ~~a PAB member or the executive director of HANA~~ the IPHC Secretariat prior to the PAB meeting in written or electronic form.



~~e) If a Proxy is submitted to a PAB member, that member must submit the Proxy to the Executive Director of HANA. At the meeting, HANA's executive director will submit all Proxies to the chairperson of the PAB.~~

~~f)~~e) A General Proxy will authorize a designated PAB member to vote on any or all topics brought before the PAB, on behalf of a PAB member who cannot attend. A Specific Proxy will authorize a PAB member to vote on specifically named topics (listed on the proxy itself) on behalf of the PAB member who cannot attend.

V. Intersessional process and ad-hoc working groups

~~16.~~14. The PAB may establish ad-hoc working groups to address issues or projects, or to represent the PAB's interests. Completed documents and other work materials from the PAB working groups will be posted for public access on the IPHC website.

~~17.~~15. Additional work group members outside of the PAB membership may be added as judged appropriate by the Chairperson.

~~18.~~16. When determined by the PAB Chairperson and Vice-Chairperson as necessary, Special Sessions of the PAB may be called. These meetings shall be for a purpose requiring discussion or other action by a quorum of PAB members.

~~19.~~17. A quorum is established by a majority of the PAB members who were present at the current PAB meeting. ~~Minutes and other reports of the Special Meeting will be distributed to the Commission for posting on the IPHC website in a timely manner by the Executive Director of HANA or his/her designee.~~

~~20.~~18. Attendance, discussion, voting, reportage, and all other aspects of the Special Meeting may be done electronically.

VI. Reports and records

~~21.~~19. A report shall be adopted at the end of each Session of the PAB.

~~22.~~20. The report shall embody the PAB's recommendations, including, when requested, a statement of minority views.



23-21. A copy of the final report from each PAB meeting shall be forwarded by the IPHC Executive Director to the Contracting Parties and to the Commissioners no later than **15 days** after the close of the Session.

24-22. All reports shall be available on the Commission's website.



Appendix VII Research Advisory Board (RAB) – Terms of Reference and Rules of Procedure

I. Terms of reference

1. The Research Advisory Board (RAB) is composed of members of the Pacific halibut community that shall:
 - a. suggest research ~~ideas,~~ topics to be considered for incorporation in the IPHC 5-year Research Plan,
 - ~~b. review IPHC research proposals, and~~
 - ~~e.b.~~ provide the IPHC Secretariat staff (who participate in Sessions of the RAB as Observers) with direct input and advice from industry on current and planned research activities contemplated for inclusion in the IPHC 5-year Research Plan during the development of research plans.
2. The RAB may also make recommendations to the Scientific Review Board concerning options for new suggested research topics and current and planned research activities and their prioritization ~~research plans and priorities~~ for its consideration.
3. The Executive Director shall Chair the RAB's meetings, as well as communication with the Commission and the other IPHC subsidiary bodies on the RAB's behalf.

II. Representation

4. RAB members are Pacific halibut industry representatives from each Contracting Party and may include commercial, guided sport, unguided sport/recreational, subsistence, and First Nations/Tribal interests.
5. The RAB shall consist of ten to fifteen members.
6. New RAB members shall be nominated by current members, by other IPHC subsidiary bodies, or by the IPHC Secretariat staff. The nominees are reviewed and approved by the IPHC Secretariat staff. Nominees must be members of the Pacific halibut community with



an expressed interest in scientific research. They must be available for meetings and willing to participate in candid discussions about the IPHC research program. It is not necessary to achieve a particular regional or sector balance in the membership of the RAB.

7. The term for RAB membership is two years. There is no limit to how many terms a RAB member may serve.
8. RAB members serve without compensation from the Commission.

III. Officers

9. The IPHC Executive Director shall act as Chairperson of the RAB and the IPHC Biological and Ecosystem Science Branch Manager shall act as the Vice-Chairperson of the RAB, unless the RAB decides otherwise.

IV. Sessions of the RAB

10. **Time and place:** The RAB shall meet once each year at the IPHC offices in Seattle. The RAB may also meet at other times and places, or via electronic means, to consider specific issues or to produce specific documents or other products.
11. **Agenda:** The agenda for the RAB meeting is proposed by the Commission's Executive Director and approved by the membership at the beginning of the meeting, in accordance with the Commission's rules of procedure. The agenda will include time for broad discussion of scientific issues between the RAB and the IPHC Secretariat.

V. Intersessional process and ad-hoc working groups

12. The RAB may set up ad-hoc working groups to consider particular issues and report back to the RAB.

VI. Reports and Records

13. A report shall be adopted at the end of each Session of the RAB.



14. The report shall embody the RAB's recommendations, including, when requested, a statement of minority views.
15. A copy of the final report from each RAB meeting shall be forwarded by the IPHC Executive Director to the Contracting Parties and to the Commissioners no later than **15 days** after the close of the Session.
16. All reports shall be available on the Commission's website.

INTERNATIONAL PACIFIC



HALIBUT COMMISSION

Financial Statement FY2021

Agenda Item 4

IPHC-2022-FAC098-04

(D. Wilson)



PURPOSE

To provide the FAC with an end of year financial statement for FY2021 (financial period: 1 October 2020 to 30 September 2021)



STATEMENT OF FINANCIAL POSITION

The total Assets at year-end closing totaled **US\$4,799.210.69**

The total equity or combined fund balance at year-end closing totaled **US\$2,624,142.89**

Fund equity balances at year end:

- General Fund (10): **US\$161,560.31**
- Research Fund (20): **US\$72,288.19**
- Statistics Fund (30): **US\$108,439.49**
- FISS Fund (40): **US\$1,147,516.99**
- Reserve Fund (50): **US\$1,134,337.91** – The Reserve Fund carries the majority of the equity in the checking and saving cash accounts at Wells Fargo.



FY2021 – BALANCE SHEET (ALL FUNDS)

Appendix I

Accrual basis

Account Number	Account Name	Amount
Assets		
10000	Cash in Bank (Wells Fargo)	\$ 3,465,593.84
10200	Investments - Certificate of Deposit	\$ 201,375.78
10900	Undeposited funds	\$ 11,682.66
11000	Accounts Receivable	\$ 942,097.80
11200	Grants Recievable	\$ 164,300.07
11300	Other Receivables	\$ 3,024.87
14000	Deposits	\$ 11,135.67
Total Assets		<u>\$ 4,799,210.69</u>
Liabilities		
20000	Purchase Card - US Bank	\$ 19,247.58
20100	Travel Card - US Bank	\$ 52,451.70
21000	Accounts Payable	\$ 369,984.57
21001	Accrued expenses	\$ 80,605.07
22000	Payroll Tax Liabilities	\$ 27,018.04
22100	Payroll Benefit Liabilities	\$ 1,615,879.35
22200	Manual Paychecks	\$ 6,594.97
22400	Accrued Payroll	\$ 3,286.52
Total Liabilities		<u>\$ 2,175,067.80</u>
Equity		
30100	10 - General	\$ 161,560.31
30200	20 - Research	\$ 72,288.19
30300	30 - Statistics	\$ 108,439.49
30400	40 - FISS	\$ 1,147,516.99
30500	50 - Reserve	\$ 1,134,337.91
Total Equity		<u>\$ 2,624,142.89</u>
Total Liabilities + Total Equity		<u><u>\$ 4,799,210.69</u></u>



FY2021 – INCOME STATEMENT (ALL FUNDS)

Appendix II

Account Number	Account Name	Actual	Annual Budget	Annual Budget %
Income				
40000	Contracting Party Contributions	\$ 5,058,167.00	\$ 5,058,167.00	0%
40055	Headquarters (Lease & Maintenance)	\$ 470,717.00	\$ 470,717.00	0%
40060	Other Income	\$ 193,996.10	\$ 0.00	0%
40100	Grants, Contracts & Agreements	\$ 1,251,383.85	\$ 594,727.00	210.41%
40200	Interest Income	\$ 716.32	\$ 0.00	0%
40350	Fish Sales	\$ 5,717,693.04	\$ 4,380,000.00	130.54%
42000	Gain/Loss	\$ 1,222.65	\$ 0.00	0%
Total Income		\$ 12,693,895.96	\$ 10,503,611.00	120.85%

Accrual basis



FY2021 – BUDGET TO ACTUALS (ALL FUNDS)

Appendix II

The total expenditures were **US\$10,977,788.03** which provided for an excess in revenue over expenditures totalling **US\$1,716,107.93**.

Account Number	Account Name	Actual	Annual Budget	Annual Budget %
Expense				
50000	Salaries & Wages	\$ 4,239,488.73	\$ 4,074,772.09	104.04%
50100	Benefits	\$ 1,236,917.39	\$ 1,588,229.02	77.88%
50200	Training & Education	\$ 18,168.64	\$ 36,000.00	50.47%
50300	Personnel Related Expenses	\$ 10,557.96	\$ 4,604.26	229.31%
51000	Publications	\$ 5,466.75	\$ 15,000.00	36.45%
51100	Mailing and Shipping	\$ 136,519.18	\$ 117,300.00	116.38%
51200	Travel	\$ 131,147.28	\$ 152,749.35	85.86%
51300	Meeting and Conference Expenses	\$ 19,876.63	\$ 104,000.00	19.11%
51400	Technology	\$ 174,581.68	\$ 150,000.00	116.39%
52000	Professional Fees	\$ 266,809.86	\$ 134,750.00	198%
52100	Vessel Expenses	\$ 693,366.13	\$ 400,000.00	173.34%
52200	Other Fees and Charges	\$ 75,036.78	\$ 0.00	0%
52300	Leases and Contracts	\$ 2,310,774.99	\$ 2,744,773.00	84.19%
54000	Communications	\$ 36,395.14	\$ 17,000.00	214.09%
53000	Equipment Expense	\$ 57,367.27	\$ 86,010.00	66.7%
53100	Supplies Expense	\$ 967,578.90	\$ 871,083.00	111.08%
53200	Maintenance and Utilities	\$ 111,705.99	\$ 161,421.00	69.2%
53300	Facility Rentals	\$ 459,364.43	\$ 395,579.99	116.12%
55000	Budget Contingency	\$ 0.00	\$ 50,000.00	0%
55100	Other Expenses	\$ 21,851.53	\$ 0.00	0%
55300	GAAP conversion - Expense	\$ 1,024.57	\$ 0.00	0%
56444	AR Adjustments	\$ 3,788.20	\$ 0.00	0%
Total Expense		\$ 10,977,788.03	\$ 11,103,271.71	98.87%
Total		\$ 1,716,107.93	\$ (599,660.71)	

Accrual basis



INTERNATIONAL PACIFIC
HALIBUT COMMISSION

IPHC

Slide 6

CARRYOVER BY FUND

The total carryover from FY2020 to FY2021 (included in income on the audited Statement of Activities: IPHC-2022-FAC098-05) was **US\$1,941,489**.

Changes in the Funds for the year ended September 30, 2021, are as follows:

	2021					Total
	10 - General	20 - Research	30 - Statistics	40 - FISS	50 - Reserve	
Fund balance, beginning of year	\$ 275,872	\$ (5,397)	\$ 1,324	\$ 535,352	\$ 1,134,338	\$ 1,941,489
Fund balance, prior period adjustment	(617,550)	-	-	(1,373)	-	(618,923)
Advances, net	4,208,232	423,935	426,000	-	-	5,058,167
IPHC headquarter maintenance	470,717	-	-	-	-	470,717
Grants, contracts and agreements	-	261,064	508,727	31,101	-	800,892
Interest	687	-	-	29	-	716
Other income	102,696	-	-	5,810,217	-	5,912,913
Commission expense	(3,517,963)	(1,032,314)	(1,354,612)	(5,036,945)	-	(10,941,834)
Fund transfers	(761,130)	425,000	527,000	(190,864)	-	6
Fund balance, end of year	<u>\$ 161,561</u>	<u>\$ 72,288</u>	<u>\$ 108,439</u>	<u>\$ 1,147,517</u>	<u>\$ 1,134,338</u>	<u>\$ 2,624,143</u>

The total carryover from FY2021 to FY2022 (included in income on the audited Statement of Activities: IPHC-2022-FAC098-05) is **US\$2,624,143**.

Accrual basis



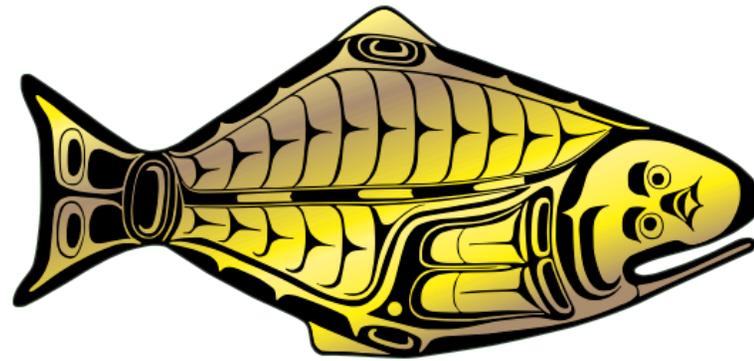
RECOMMENDATION

That the FAC:

- **NOTE** paper IPHC-2022-FAC098-04 which includes the Financial Statement and supporting documentation for the financial period 01 October 2020 to 30 September 2021 (FY2021);
- **RECOMMEND** that the Commission **NOTE** the Financial Statements for FY2021, as detailed in paper IPHC-2022-FAC098-04



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FY2022 Budget - Update

Agenda Item 6

IPHC-2022-FAC098-06 Rev_1

(D. Wilson)



PURPOSE & BACKGROUND

Purpose: To provide the FAC with an update on the approved FY2022 budget (financial period: 1 October 2021 to 30 September 2022) and suggest amendments to accommodate the move to full fund accounting.

Background: At the 11th Special Session of the IPHC (SS011, 22 June 2021), the Commission adopted a FY2022 budget ([Appendix I](#))

SS011-(Para.11) *“The Commission ADOPTED the FY2022 budget (1 October 2021 to 30 September 2022), as detailed in Appendix IV, including the Contracting Party contributions to the General Fund as follows: “*

- *Canada: Contribution to the General Fund: US\$900,407*
- *U.S.A.: Contribution to the General Fund: US\$4,157,760*

SS011-para12. *“The Commission NOTED the extra-budgetary (IFCP Fund deficit and Headquarters lease/maintenance) contributions from each Contracting Party for FY2022 as follows:*

- *Canada:*
 - *50% Contribution to the IFCP Fund deficit (former staff pension plan): US\$127,848*
- *U.S.A.:*
 - *50% Contribution to the IFCP Fund deficit (former staff pension plan): US\$127,848*
 - *Contribution to the headquarters building lease and maintenance costs: US\$475,000 ”*



FY2022 BUDGET (US\$)

FY2022 BUDGET – UPDATE AS OF 17 DECEMBER 2021

Account Number	Account Name	Amount	Annual Budget
Income			
40000	Contracting Party Contributions	\$ 5,058,167.00	\$ 5,058,167.00
40050	IFC Pension	\$ 0.00	\$ 255,696.00
40055	Headquarters (Lease & Maintenance)	\$ 475,000.00	\$ 475,000.00
40060	Other Income	\$ 8,848.14	\$ 0.00
40100	Grants, Contracts & Agreements	\$ 0.00	\$ 653,612.00
40200	Interest Income	\$ 1.98	\$ 11,550.00
40350	Fish Sales	\$ 8,772.00	\$ 5,529,825.00
42000	Gain/Loss	\$ (217.89)	\$ 0.00
499	Suspense	\$ (62,718.13)	\$ 0.00
Total Income		<u>\$ 5,487,853.10</u>	<u>\$ 11,983,850.00</u>

Appendix II

*cash basis



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IPHC

Slide 3

FY2022 BUDGET (US\$)

FY2022 BUDGET – UPDATE AS OF 17 DECEMBER 2021

Account Number	Account Name	Amount	Annual Budget
Expense			
50000	Salaries & Wages	\$ 571,387.07	\$ 4,157,146.75
50100	Benefits	\$ 161,643.51	\$ 1,587,683.65
50200	Training & Education	\$ 0.00	\$ 88,600.00
50300	Personnel Related Expenses	\$ 0.00	\$ 51,076.20
51000	Publications	\$ 0.00	\$ 15,000.00
51100	Mailing and Shipping	\$ 1,062.46	\$ 94,200.00
51200	Travel	\$ 3,552.48	\$ 201,966.00
51300	Meeting and Conference Expenses	\$ 0.00	\$ 171,000.60
51400	Technology	\$ 28,737.14	\$ 135,000.00
52000	Professional Fees	\$ 73,690.97	\$ 240,000.00
52100	Vessel Expenses	\$ 0.00	\$ 0.00
52200	Other Fees and Charges	\$ 20,399.06	\$ 590,965.20
52300	Leases and Contracts	\$ 3,366.64	\$ 2,909,220.70
54000	Communications	\$ 7,669.79	\$ 112,202.50
53000	Equipment Expense	\$ 0.00	\$ 80,920.00
53100	Supplies Expense	\$ 430,133.98	\$ 1,074,532.25
53200	Maintenance and Utilities	\$ 7,221.58	\$ 66,000.00
53300	Facility Rentals	\$ 127,242.85	\$ 405,300.00
55000	Budget Contingency	\$ 0.00	\$ 35,000.00
55100	Other Expenses	\$ 0.00	\$ 0.00
55200	Fund Cost Recovery	\$ 0.00	\$ 0.00
55300	GAAP conversion - Expense	\$ 0.00	\$ 0.00
56444	AR Adjustments	\$ 0.00	\$ 0.00
Total Expense		\$ 1,436,107.53	\$ 12,015,813.85
Net Income (Loss)		\$ 4,051,745.57	\$ (31,963.85)

Appendix II

*cash basis



40 – FISS - UPDATE

At the 97th Session of the IPHC Interim Meeting (IM097, November 2021), the Commission:

(IPHC-2021-IM097-R, para 80.) The Commission NOTED the intention of the IPHC Secretariat to propose a revised FY2022 budget (financial period: 1 October 2021 to 30 September 2022) at the FAC098 to accommodate the final 2022 FISS design to be implemented, noting that there will be no change in the Contracting Party contributions due for FY2022.

At the 97th Session of the IPHC Interim Meeting (IM097), the Commission endorsed optimized design 1 for the 2022 FISS, with full sampling in IPHC Regulatory Area 4CDE.

The design adopted resulted in modifications to the originally adopted Fund 40 – FISS budget from the 11th Special Session of the Commission (SS011).

The revised FY2022 Fund 40 - FISS budget is provided at Appendix III.



FUND ACCOUNTING UPDATE

In addition, the FY2022 budget for all Funds has been updated to better reflect the Commission's transition to Fund accounting.

This has resulted in previously aggregated expenditures being re-allocated each of the 4 Funds.

The reallocation has primarily been in the salaries & wages, and benefits account lines (Appendix III).

The reallocation has not resulted in a change to the Contracting Party contributions for the current fiscal year.



FY2022 BUDGET - AMENDED

See APPENDIX II

Account Number	Account Name	10 - General	20 - Research	30 - Statistics	10,20,30 - TOTAL	40 - FISS	10,20,30,40 - TOTAL
		FY2022	FY2022	FY2022	FY2022	FY2022	FY2022
Income							
40000	Contracting Party Contributions						
40000.01	Canada	\$ -	\$ -	\$ -	\$ 900,407.00	\$ -	\$ 900,407.00
40000.02	United States of America	\$ -	\$ -	\$ -	\$ 4,157,760.00	\$ -	\$ 4,157,760.00
	Total 40000 - Contracting Party Contributions	\$3,297,992.02	\$641,979.15	\$ 1,118,195.83	\$ 5,058,167.00	\$ -	\$ 5,058,167.00
40055	Headquarters (Lease & Maintenance)	\$ 475,000.00	\$ -	\$ -	\$ 475,000.00	\$ -	\$ 475,000.00
40060	Other Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40100	Grants, Contracts & Agreements	\$ -	\$ 225,379.00	\$ 508,525.00	\$ 733,904.00	\$ 32,656.00	\$ 766,560.00
40200	Interest Income	\$ -	\$ -	\$ -	\$ -	\$ 11,550.00	\$ 11,550.00
40200.01	Bank Interest	\$ 750.00	\$ -	\$ -	\$ 750.00	\$ -	\$ 750.00
40200.02	CD Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total - Other Income	\$ 475,750.00	\$225,379.00	\$ 508,525.00	\$ 1,209,654.00	\$ 44,206.00	\$ 1,253,860.00
40350	Fish Sales						
40350.01	Fish Sales - Pacific Halibut	\$ -	\$ -	\$ -	\$ -	\$ 3,960,300.00	\$ 3,960,300.00
40350.02	Fish Sales - Byproduct	\$ -	\$ -	\$ -	\$ -	\$ 58,800.00	\$ 58,800.00
	Total 40350 - Fish Sales	\$ -	\$ -	\$ -	\$ -	\$ 4,019,100.00	\$ 4,019,100.00
	Total Income	\$3,773,742.02	\$867,358.15	\$ 1,626,720.83	\$ 6,267,821.00	\$ 4,063,306.00	\$ 10,331,127.00
Expense							
Personnel Expenses							
50000	Salaries & Wages	\$ 1,747,225.86	\$ 570,443.43	\$ 1,198,096.21	\$ 3,515,765.50	\$ 991,300.80	\$ 4,507,066.30
50100	Benefits	\$ 516,469.20	\$ 143,586.72	\$ 306,592.62	\$ 966,648.54	\$ 187,595.76	\$ 1,154,244.30
50100.09	Medical Reimbursement - Retiree	\$ 90,546.96	\$ -	\$ -	\$ 90,546.96	\$ -	\$ 90,546.96
50200	Training & Education	\$ 35,000.00	\$ -	\$ 21,000.00	\$ 56,000.00	\$ 54,600.00	\$ 110,600.00
50300	Personnel Related Expenses	\$ 5,500.00	\$ -	\$ 10,000.00	\$ 15,500.00	\$ 36,376.00	\$ 51,876.00
50300.01	Scholarship Awards	\$ 8,000.00	\$ -	\$ -	\$ 8,000.00	\$ -	\$ 8,000.00
	Total Personnel Expenses	\$2,402,742.02	\$714,030.15	\$1,535,688.83	\$ 4,652,461.00	\$ 1,269,872.56	\$ 5,922,333.56
Operational Expenses							
51000	Publications	\$ 5,000.00	\$ -	\$ 9,000.00	\$ 14,000.00	\$ -	\$ 14,000.00
51100	Mailing and Shipping	\$ 6,000.00	\$ 3,500.00	\$ 5,000.00	\$ 14,500.00	\$ 125,000.00	\$ 139,500.00
51200	Travel	\$ 90,000.00	\$ 10,450.00	\$ 20,000.00	\$ 120,450.00	\$ 117,516.00	\$ 237,966.00
51300	Meeting and Conference Expenses	\$ 170,000.00	\$ -	\$ -	\$ 170,000.00	\$ -	\$ 170,000.00
51400	Technology	\$ 135,000.00	\$ -	\$ 2,100.00	\$ 137,100.00	\$ -	\$ 137,100.00
	Total Operational Expenses	\$ 406,000.00	\$ 13,950.00	\$ 36,100.00	\$ 456,050.00	\$ 242,516.00	\$ 698,566.00
Fees and Contract Expenses							
52000	Professional Fees	\$ 220,000.00	\$ -	\$ 1,416.00	\$ 221,416.00	\$ -	\$ 221,416.00
52200	Other Fees and Charges	\$ 50,000.00	\$ -	\$ -	\$ 50,000.00	\$ 10,000.00	\$ 60,000.00
52300	Leases and Contracts	\$ 25,000.00	\$ 124,378.00	\$ 35,000.00	\$ 184,378.00	\$ 1,938,337.00	\$ 2,122,715.00
54000	Communications	\$ 30,000.00	\$ -	\$ 3,500.00	\$ 33,500.00	\$ 20,000.00	\$ 53,500.00
	Total Fees and Contract Expenses	\$ 325,000.00	\$124,378.00	\$ 39,916.00	\$ 489,294.00	\$ 1,968,337.00	\$ 2,457,631.00
Facilities and Equipment Expenses							
53000	Equipment Expense	\$ 20,000.00	\$ 15,000.00	\$ 4,000.00	\$ 39,000.00	\$ 15,000.00	\$ 54,000.00
53100	Supplies Expense	\$ 25,000.00	\$ -	\$ 2,600.00	\$ 27,600.00	\$ 750,000.00	\$ 777,600.00
53200	Maintenance and Utilities	\$ 110,000.00	\$ -	\$ 2,416.00	\$ 112,416.00	\$ 10,000.00	\$ 122,416.00
53300	Facility Rentals	\$ 450,000.00	\$ -	\$ 6,000.00	\$ 456,000.00	\$ 13,000.00	\$ 469,000.00
	Total Facilities and Equipment Expenses	\$ 605,000.00	\$ 15,000.00	\$ 15,016.00	\$ 635,016.00	\$ 788,000.00	\$ 1,423,016.00
Other Expenses							
55000	Budget Contingency	\$ 35,000.00	\$ -	\$ -	\$ 35,000.00	\$ -	\$ 35,000.00
	Total Other Expenses	\$ 35,000.00	\$ -	\$ -	\$ 35,000.00	\$ -	\$ 35,000.00
	Total Expense	\$3,773,742.02	\$867,358.15	\$ 1,626,720.83	\$ 6,267,821.00	\$ 4,268,725.56	\$ 10,536,546.56
	Net Income (Loss)	\$ -	\$ -	\$ -	\$ -	\$ (205,419.56)	\$ (205,419.56)



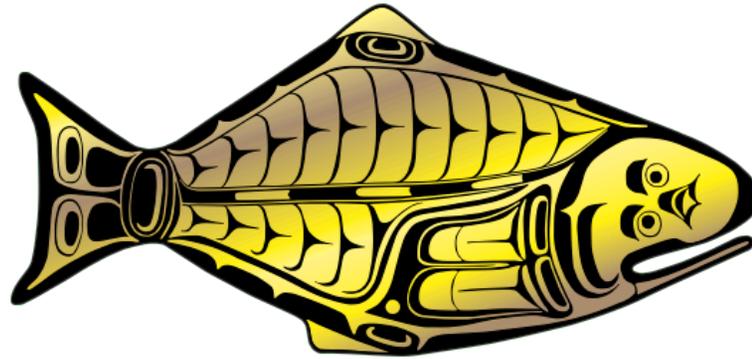
RECOMMENDATION

That the FAC:

- 1) **NOTE** paper IPHC-2022-FAC098-06 which provided an update on the approved FY2022 budget (financial period: 1 October 2021 to 30 September 2022), and that current expenditure for the first quarter of FY2022 is in-line with the approved budget.
- 2) **RECOMMEND** that the Commission **ADOPT** the revised FY2022 budget (1 October 2021 to 30 September 2022), as detailed in Appendix IV, noting that the amendments do not change the previously adopted Contracting Party contributions for FY2022, nor the extra-budgetary contributions (Ref: IPHC-2021-SS011-R, paras, 11 and 12). The amendments made were to accommodate the final 2022 FISS design and other amendments to continue the IPHC's move to Fund accounting.



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Budget Estimates: FY2023 (for approval), FY2024 and FY2025 (for information)

Agenda Item 7

IPHC-2022-FAC098-07 Rev_1

(D. Wilson)



PURPOSE & BACKGROUND

Purpose: To provide the FAC with the budget estimates for FY2023 (1 October 2022 to 30 September 2023) for recommendation to the Commission (for approval), and for FY2024 and FY2025 (for information) (1 October 2023 to 30 September 2024, & 1 October 2024 to 30 September 2025, respectively).

Background:

In accordance with Regulation 5, para. 3, of the IPHC Financial Regulations (2021) (shown below), the next three (3) fiscal years consist of FY2023, FY2024, and FY2025, noting that we are at the end of the 1st quarter of FY2022.

(Para. 3) “The Executive Director shall prepare and submit to the FAC, Contracting Parties, and Commissioners, no later than 30 days before the FAC meeting, budget estimates for the next three fiscal years.”



FY2023

FY2023 INCOME AND EXPENSES – The IPHC financial budget for FY2023 is proposed at [Appendix I](#).

Base Contributions: The contributions include a 3% increase from FY2022 for both Contracting Parties to **US\$4,282,492.80** and **US\$927,419.21**, respectively.

Other general cost assumptions include increases in operation costs, salaries (based on cost of living and step increases) and health care costs ([Appendix I](#)).

Headquarters Lease and Maintenance: The headquarters costs to the USA will increase to \$489,250 in FY2023 in accordance with the building lease signed in 2020.

Deficit payments to the IFC Pension Fund: The extra-budgetary deficit payments to the IFC Pension Fund (closed in 2001 to new participants), remain at \$127,848 for each Contracting Party.

FISS: Income (and expenses) for the IPHC Fishery-Independent Setline Survey (FISS) are tentative as they are based on the design noted at the 97th Session of the IPHC Interim Meeting (IM098).



FY2023 BUDGET FOR APPROVAL

See APPENDIX I

Account Number	Account Name	10 - General	20 - Research	30 - Statistics	10,20,30 - TOTAL	40 - FISS	10,20,30, 40 - TOTAL
		FY2023	FY2023	FY2023	FY2023	FY2023	FY2023
Income							
40000	Contracting Party Contributions						
40000.01	Canada	\$ -	\$ -	\$ -	\$ 927,419.21	\$ -	\$ 927,419.21
40000.02	United States of America	\$ -	\$ -	\$ -	\$ 4,282,492.80	\$ -	\$ 4,282,492.80
	Total 40000 - Contracting Party Contributions	\$ 3,282,949.51	\$877,756.05	\$ 1,049,206.45	\$ 5,209,912.01	\$ -	\$ 5,209,912.01
40055	Headquarters (Lease & Maintenance)	\$ 489,250.00	\$ -	\$ -	\$ 489,250.00	\$ -	\$ 489,250.00
40060	Other Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40100	Grants, Contracts & Agreements	\$ -	\$ 89,323.00	\$ 626,316.00	\$ 715,639.00	\$ 34,289.00	\$ 749,928.00
40200	Interest Income	\$ -	\$ -	\$ -	\$ -	\$ 11,896.50	\$ 11,896.50
40200.01	Bank Interest	\$ 772.50	\$ -	\$ -	\$ 772.50	\$ -	\$ 772.50
40200.02	CD Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total - Other Income	\$ 490,022.50	\$ 89,323.00	\$ 626,316.00	\$ 1,205,661.50	\$ 46,185.50	\$ 1,251,847.00
40350	Fish Sales						
40350.01	Fish Sales - Pacific Halibut	\$ -	\$ -	\$ -	\$ -	\$ 4,079,109.00	\$ 4,079,109.00
40350.02	Fish Sales - Byproduct	\$ -	\$ -	\$ -	\$ -	\$ 60,564.00	\$ 60,564.00
	Total 40350 - Fish Sales	\$ -	\$ -	\$ -	\$ -	\$ 4,139,673.00	\$ 4,139,673.00
	Total Income	\$ 3,772,972.01	\$967,079.05	\$ 1,675,522.45	\$ 6,415,573.51	\$ 4,185,858.50	\$ 10,601,432.01
Expense							
Personnel Expenses							
50000	Salaries & Wages	\$ 1,727,050.37	\$587,556.73	\$ 1,234,039.10	\$ 3,548,646.19	\$ 1,021,039.82	\$ 4,569,686.01
50100	Benefits	\$ 531,963.28	\$147,894.32	\$ 315,790.40	\$ 995,648.00	\$ 193,223.63	\$ 1,188,871.63
50100.09	Medical Reimbursement - Retiree	\$ 93,263.37	\$ -	\$ -	\$ 93,263.37	\$ -	\$ 93,263.37
50200	Training & Education	\$ 36,050.00	\$ 18,477.00	\$ 21,630.00	\$ 76,157.00	\$ 56,238.00	\$ 132,395.00
50300	Personnel Related Expenses	\$ 5,665.00	\$ -	\$ 10,300.00	\$ 15,965.00	\$ 37,467.28	\$ 53,432.28
50300.01	Scholarship Awards	\$ 8,000.00	\$ -	\$ -	\$ 8,000.00	\$ -	\$ 8,000.00
	Total Personnel Expenses	\$ 2,401,992.01	\$753,928.05	\$ 1,581,759.49	\$ 4,737,679.55	\$ 1,307,968.74	\$ 6,045,648.29
Operational Expenses							
51000	Publications	\$ 5,150.00	\$ 7,500.00	\$ 9,270.00	\$ 21,920.00	\$ -	\$ 21,920.00
51100	Mailing and Shipping	\$ 6,180.00	\$ 7,000.00	\$ 5,150.00	\$ 18,330.00	\$ 128,750.00	\$ 147,080.00
51200	Travel	\$ 92,700.00	\$ 14,825.00	\$ 20,600.00	\$ 128,125.00	\$ 121,041.48	\$ 249,166.48
51300	Meeting and Conference Expenses	\$ 170,000.00	\$ -	\$ -	\$ 170,000.00	\$ -	\$ 170,000.00
51400	Technology	\$ 139,050.00	\$ -	\$ 2,163.00	\$ 141,213.00	\$ -	\$ 141,213.00
	Total Operational Expenses	\$ 413,080.00	\$ 29,325.00	\$ 37,183.00	\$ 479,588.00	\$ 249,791.48	\$ 729,379.48
Fees and Contract Expenses							
52000	Professional Fees	\$ 226,600.00	\$ -	\$ 1,458.48	\$ 228,058.48	\$ -	\$ 228,058.48
52200	Other Fees and Charges	\$ 51,500.00	\$ -	\$ -	\$ 51,500.00	\$ 10,300.00	\$ 61,800.00
52300	Leases and Contracts	\$ 25,750.00	\$ 39,019.00	\$ 36,050.00	\$ 100,819.00	\$ 1,996,487.11	\$ 2,097,306.11
54000	Communications	\$ 30,900.00	\$ -	\$ 3,605.00	\$ 34,505.00	\$ 20,600.00	\$ 55,105.00
	Total Fees and Contract Expenses	\$ 334,750.00	\$ 39,019.00	\$ 41,113.48	\$ 414,882.48	\$ 2,027,387.11	\$ 2,442,269.59
Facilities and Equipment Expenses							
53000	Equipment Expense	\$ 20,600.00	\$ -	\$ 4,120.00	\$ 24,720.00	\$ 15,450.00	\$ 40,170.00
53100	Supplies Expense	\$ 25,750.00	\$144,807.00	\$ 2,678.00	\$ 173,235.00	\$ 772,500.00	\$ 945,735.00
53200	Maintenance and Utilities	\$ 113,300.00	\$ -	\$ 2,488.48	\$ 115,788.48	\$ 10,300.00	\$ 126,088.48
53300	Facility Rentals	\$ 463,500.00	\$ -	\$ 6,180.00	\$ 469,680.00	\$ 13,390.00	\$ 483,070.00
	Total Facilities and Equipment Expenses	\$ 623,150.00	\$144,807.00	\$ 15,466.48	\$ 783,423.48	\$ 811,640.00	\$ 1,595,063.48
Other Expenses							
55000	Budget Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Other Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Expense	\$ 3,772,972.01	\$967,079.05	\$ 1,675,522.45	\$ 6,415,573.51	\$ 4,396,787.33	\$ 10,812,360.84
	Net Income (Loss)	\$ -	\$ -	\$ -	\$ -	\$ (210,928.83)	\$ (210,928.83)
	IFC Pension						
	IFC Pension - Canada	\$ 127,848.00	\$ -	\$ -	\$ 127,848.00	\$ -	\$ 127,848.00
	IFC Pension - United States of America	\$ 127,848.00	\$ -	\$ -	\$ 127,848.00	\$ -	\$ 127,848.00
	Total - IFC Pension	\$ 255,696.00	\$ -	\$ -	\$ 255,696.00	\$ -	\$ 255,696.00



COMMISSIONER REQUEST

20 January 2022: The Commission requested options to be presented at FAC098 that could maintain the Contracting Party Contributions at FY2021 and FY2022 levels:

Canada:

Contribution to the General Fund: **US\$900,407**

U.S.A.:

Contribution to the General Fund: **US\$4,157,760**



COMMISSIONER REQUEST

Secretariat suggested options:

Option 1 (preferred): *Maintain and approve the nominal increase of 3% for the FY2023 budget to cover the expected increases in cost-of-living, medical premiums. Note that the budget has been frozen for 2 years, and we already have one vacancy that was 'frozen vacant' until 2023. This equates to **US\$151,745** for the General Fund.*

*Canada: **US\$ 27,012.21***

*U.S.A.: **US\$124,732.80***

Option 2: *Maintain and approve the nominal increase of 3% for the FY2023 budget, however, freeze the contributions to the general fund, while agreeing to utilize the current carryover which stands at **US\$1,476,626** (for general fund use). Needed = **US\$151,745***



FY2024 and FY2025

FY2024 AND FY2025 INCOME AND EXPENSES – The IPHC provisional budgets for FY2023 and FY2024 ([Appendix II](#)) are based on a 3% increase in general contributions for Canada and U.S.A. to cover expected matching increases in operations expenses, cost in salaries (based on cost of living and step increases) and health care costs.



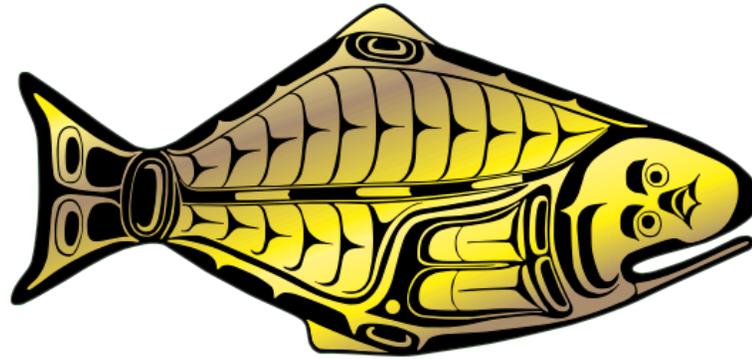
RECOMMENDATION

That the FAC:

- 1) **NOTE** paper IPHC-2022-FAC098-07 Rev_1 which provided the budget estimates for FY2023 (1 October 2022 to 30 September 2023) for recommendation to the Commission (for approval), and for FY2024 and FY2025 (for information) (1 October 2023 to 30 September 2024, & 1 October 2024 to 30 September 2025, respectively).
- 2) **RECOMMEND** the Commission **ADOPT** the FY2023 budget (1 October 2022 to 30 September 2023) and **NOTE** the tentative budgets for FY2024 (1 October 2023 to 30 September 2024) and FY2025 (1 October 2023 to 30 September 2025), as detailed in [Appendix I](#) and [Appendix II](#), respectively.



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