



INTERNATIONAL PACIFIC  
HALIBUT COMMISSION

IPHC–2026–FAC102–00

Last Update: 12 December 2025

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**102<sup>nd</sup> Session of the IPHC Finance and  
Administration Committee  
(FAC102) – *Compendium of meeting documents***

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14 January 2026, Electronic

**Commissioners**

Canada	United States of America
Mark Waddell	Jon Kurland
Neil Davis	Robert Alverson
Peter DeGreef	Richard Yamada

**Executive Director**

David T. Wilson, Ph.D.



INTERNATIONAL PACIFIC  
HALIBUT COMMISSION

IPHC–2026–FAC102–00

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**DRAFT: AGENDA FOR THE 102<sup>nd</sup> SESSION OF THE IPHC  
FINANCE AND ADMINISTRATION COMMITTEE (FAC102)**

**Date:** 14 January 2026

**Location:** Electronic

**Venue:** Adobe Connect

**Time (PST):** 12:30-13:30

**Chairperson:** Mr Jon Kurland (USA)

**Vice-Chairperson:** Mr Mark Waddell (Canada)

*Notes: Document deadline: 15 December 2025 (30 days prior to the opening of the Session)*

**AGENDA FOR THE 102<sup>nd</sup> SESSION OF THE IPHC  
FINANCE AND ADMINISTRATION COMMITTEE (FAC102)**

- 1. OPENING OF THE SESSION**
- 2. ADOPTION OF THE AGENDA AND ARRANGEMENTS FOR THE SESSION**
- 3. UPDATE ON ACTIONS ARISING FROM THE 101<sup>st</sup> SESSION OF THE IPHC FINANCE AND ADMINISTRATION COMMITTEE (FAC101)**
- 4. FINANCIAL STATEMENTS FOR FY2025**
- 5. ANNUAL INDEPENDENT AUDITOR'S REPORT (FY2025)**
- 6. FY2026 BUDGET – UPDATE (for approval)**
- 7. BUDGET ESTIMATES: FY2027 (for approval); FY2028 and FY2029 (for information)**
- 8. OTHER BUSINESS**
- 9. REVIEW OF THE DRAFT AND ADOPTION OF THE REPORT OF THE 102<sup>nd</sup> SESSION OF THE IPHC FINANCE AND ADMINISTRATION COMMITTEE (FAC102)**



**LIST OF DOCUMENTS FOR THE 102<sup>nd</sup> SESSION OF THE IPHC  
FINANCE AND ADMINISTRATION COMMITTEE (FAC102)**

<b>Meeting documents</b>	<b>Title</b>	<b>Availability</b>
<a href="#">IPHC-2026-FAC102-01</a>	Agenda for the 102 <sup>nd</sup> Session of the IPHC Finance and Administration Committee (FAC102)	✓ 26 Sept 2025 ✓ 12 Dec 2025
IPHC-2026-FAC102-02	List of Documents for the 102 <sup>nd</sup> Session of the IPHC Finance and Administration Committee (FAC102)	✓ 26 Sept 2025 ✓ 12 Dec 2025
<a href="#">IPHC-2026-FAC102-03</a>	Update on actions arising from the 101 <sup>st</sup> Session of the IPHC Finance and Administration Committee (FAC101) (D. Wilson)	✓ 03 Dec 2025
<a href="#">IPHC-2026-FAC102-04</a>	Financial Statements for FY2025 (D. Wilson, B. White, D. Hayhurst, J. Hargrove)	✓ 12 Dec 2025
<a href="#">IPHC-2026-FAC102-05</a>	Report of the Independent Auditors and Financial Statements (FY2025) (D. Wilson, B. White, D. Hayhurst, J. Hargrove)	✓ 10 Dec 2025
<a href="#">IPHC-2026-FAC102-06</a>	FY2026 Financial Budget – Update (for approval) (D. Wilson, B. White)	✓ 10 Dec 2025
<a href="#">IPHC-2026-FAC102-07</a>	Budget estimates: FY2027 (for approval), FY2028, and FY2029 (for information) (D. Wilson, B. White)	✓ 12 Dec 2025
<b><i>Information papers</i></b>		
<a href="#">IPHC-2026-FAC102-INF01</a>	Write-off statement – for FAC102 (IPHC Secretariat)	✓ 12 Dec 2025



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## Update on actions arising from the 101<sup>st</sup> Session of the IPHC Finance and Administration Committee (FAC101)

PREPARED BY: IPHC SECRETARIAT (D. WILSON; 3 DECEMBER 2025)

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### 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 101<sup>st</sup> Session of the IPHC Finance and Administration Committee (FAC101, January 2025).

### BACKGROUND

At the 101<sup>st</sup> Session of the IPHC Finance and Administration Committee (FAC101), 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 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-2026-FAC102-03, that 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 101<sup>st</sup> Session of the IPHC Finance and Administration Committee (FAC101, January 2025).

### APPENDICES

[Appendix A](#): Update on actions arising from the 101<sup>st</sup> Session of the IPHC Finance and Administration Committee (FAC101: January 2025).

## APPENDIX A

Update on actions arising from the 101<sup>st</sup> Session of the IPHC Finance and Administration Committee (FAC101)

101 <sup>st</sup> Session of the IPHC Finance and Administration Committee (FAC101)		
Action No.	Description	Update
<b>RECOMMENDATIONS</b>		
FAC101-Rec.01 ( <a href="#">para. 7</a> )	<b>Financial Statement for FY2024</b> The FAC <b>RECOMMENDED</b> that the Commission <b>NOTE</b> the Financial Statement for FY2024, as detailed in paper <a href="#">IPHC-2025-FAC101-04</a> .	<b>Lead:</b> Commission <b>Status/Plan:</b> <b>Completed.</b>  <b><a href="#">IPHC-2025-AM101-R (para. 100)</a></b> The Commission <b>NOTED</b> the Financial Statements for FY2024 (financial period: 1 October 2023 to 30 September 2024), as detailed in paper <a href="#">IPHC-2025-FAC101-04</a> .  <b><a href="#">IPHC-2025-AM101-R (para. 101)</a></b> The Commission <b>NOTED</b> that total FY2024 expenditures were <b>US\$8,792,456.05</b> , against a total income of <b>US\$9,319,335.19</b> , that provided for a surplus in revenue over expenditures totalling <b>US\$526,879.14</b> . These saving were due to the ongoing efforts by the Secretariat to reduce costs. Surplus revenue is moved to the IPHC Reserve Fund (50) for use on other priorities such as the FISS (see <a href="#">para. 9</a> ).
FAC101-Rec.02 ( <a href="#">para. 12</a> )	<b>Annual independent auditor's report (2024)</b> The FAC <b>RECOMMENDED</b> that the IPHC Secretariat undertake regular assessments of the IPHC's vulnerability to key risks identified through the annual ' <a href="#">Protiviti Study</a> ' and utilized by auditors.	<b>Lead:</b> Secretariat <b>Status/Plan:</b> <b>Completed and Ongoing.</b>  According to the Executive Summary of the Protiviti Study the top five risks for non-profits are: 1) Cyber Threats 2) Ability to attract, develop and retain top talent, manage shifts in labor expectations, and address succession challenges 3) Emergence of new risks from implementing AI 4) Heightened regulatory change, uncertainty, and scrutiny 5) Economic conditions, including inflationary pressures

101 <sup>st</sup> Session of the IPHC Finance and Administration Committee (FAC101)		
Action No.	Description	Update
		An annual assessment of these risks are undertaken by the Secretariat.
FAC101-Rec.03 ( <a href="#">para. 13</a> )	The FAC <b>RECOMMENDED</b> that the Commission accept the independent external auditor's report for FY2024 ( <a href="#">IPHC-2025-FAC101-05</a> ), as per Regulation 14 of the IPHC Financial Regulations (2024), by consensus.	<p><b>Lead:</b> Commission <b>Status/Plan:</b> <b>Completed</b></p> <p><a href="#">IPHC-2025-AM101-R (para. 102)</a> The Commission <b>ACCEPTED</b> the independent external auditors report for FY2024 (<a href="#">IPHC-2025-FAC101-05</a>), as per Regulation 14 of the IPHC Financial Regulations (2024), by consensus [CAN/USA: <i>Unanimous</i>]</p>
FAC101-Rec.04 ( <a href="#">para. 21</a> )	<p><b>FY2025 budget – update</b> The FAC <b>RECOMMENDED</b> that the Commission:</p> <p>a) <b>ADOPT</b> the amended FY2025 budget (1 October 2024 to 30 September 2025), as detailed in <a href="#">Appendix IV</a>, noting that the amendments do not change the previously adopted Contracting Party contributions for FY2025:</p> <ol style="list-style-type: none"> <li>i. Canada: Contribution to the General Fund: <b>US\$970,606.61</b></li> <li>ii. U.S.A.: Contribution to the General Fund: <b>US\$4,421,652.32</b> (subject to appropriations)</li> <li>iii. U.S.A.: Contribution to the headquarters building lease and maintenance costs: <b>US\$458,608.60</b></li> </ol> <p>b) <b>NOTE</b> the optional extra-budgetary (International Fisheries Commission Pension Fund (IFCPF) deficit) contributions from each Contracting Party for FY2024 as follows:</p> <ol style="list-style-type: none"> <li>i. Canada: 50% Contribution to the IFCP Fund deficit (former staff pension plan): <b>US\$150.573</b>; and</li> <li>ii. U.S.A.: 50% Contribution to the IFCP Fund deficit (former staff pension plan): <b>US\$150.573</b>.</li> </ol> <p>c) <b>NOTE</b> that Fund 35 – AK Cost-Recovery expenses are budgeted at <b>US\$999,847</b> for FY2025, however, the amount that NOAA Fisheries has since indicated that they will provide for use in FY2025, and that which is to reimburse for IPHC's FY2023 expenses has been indicated at <b>US\$792,523</b>. The shortfall of <b>US\$207,324</b> will be covered either by in-year cost savings, or from the IPHC Reserve Fund. The IPHC will need to continue to plan for such gaps between budgeted expenses and the amounts that are likely to be available via future cost recovery grants.</p>	<p><b>Lead:</b> Commission <b>Status/Plan:</b> <b>Completed</b></p> <p><a href="#">IPHC-2025-AM101-R (para. 106)</a> The Commission <b>ADOPTED</b> the amended FY2025 budget (1 October 2024 to 30 September 2025), as detailed in <a href="#">Appendix VII</a>, noting that the amendments do not change the previously adopted Contracting Party contributions for FY2025: [CAN/USA: <i>Unanimous</i>]</p> <ul style="list-style-type: none"> <li>• Canada: Contribution to the General Fund: <b>US\$970,606.61</b>.</li> <li>• U.S.A.: Contribution to the General Fund: <b>US\$4,421,652.32</b> (subject to appropriations);</li> <li>• U.S.A.: Contribution to the headquarters building lease and maintenance costs: <b>US\$458,608.60</b>.</li> </ul> <p><a href="#">IPHC-2025-AM101-R (para. 107)</a> The Commission <b>NOTED</b> the extra-budgetary (IFCP Fund deficit) contributions from each Contracting Party for FY2025 as follows:</p> <ul style="list-style-type: none"> <li>• Canada: 50% Contribution to the IFCP Fund deficit (former staff pension plan): <b>US\$150.573</b>;</li> <li>• U.S.A.: 50% Contribution to the IFCP Fund deficit (former staff pension plan): <b>US\$150.573</b>.</li> </ul>

101 <sup>st</sup> Session of the IPHC Finance and Administration Committee (FAC101)		
Action No.	Description	Update
		<p><a href="#">IPHC-2025-AM101-R (para. 108)</a></p> <p>The Commission <b>NOTED</b> that Fund 35 – AK Cost-Recovery expenses are budgeted at <b>US\$999,847</b> for FY2025, however, the amount that NOAA Fisheries has since indicated that they will provide for use in FY2025, and that which is to reimburse for IPHC’s FY2023 expenses has been indicated at <b>US\$792,523</b>. The shortfall of <b>US\$207,324</b> will be covered either by in-year cost savings, or from the IPHC Reserve Fund. The IPHC will need to continue to plan for such gaps between budgeted expenses and the amounts that are likely to be available via future cost recovery grants.</p>
FAC101-Rec.05 ( <a href="#">para. 25</a> )	<p><b>Budget estimates: FY2026 (for approval); FY2027 and FY2028 (for information)</b></p> <p>The FAC <b>RECOMMENDED</b> that the Commission <b>NOTE</b> the proposed FY2026 budget (1 October 2026 to 30 September 2026) as detailed in <a href="#">Appendix V</a>, including the contributions from the Contracting Parties to the General Fund for FY2026 as follows:</p> <ul style="list-style-type: none"> <li>a) Canada: Contribution to the General Fund: <b>US\$1,019,136.94</b> (Canada).</li> <li>b) U.S.A.: Contribution to the General Fund: <b>US\$4,642,734.94</b> (subject to appropriations).</li> <li>c) U.S.A.: Contribution to the headquarters building lease and maintenance costs: <b>US\$364,162.98</b>.</li> </ul>	<p>Lead: Commission</p> <p>Status/Plan: <b>Completed</b></p> <p><a href="#">IPHC-2025-AM101-R (para. 111)</a></p> <p>The Commission <b>NOTED</b> the FY2026 budget (1 October 2026 to 30 September 2026) as detailed in <a href="#">Appendix VIII</a>, including the contributions from the Contracting Parties to the General Fund for FY2026 as follows, and <b>AGREED</b> to adopt it through an intersessional process:</p> <ul style="list-style-type: none"> <li>a) Canada: Contribution to the General Fund: <b>US\$1,019,136.94</b>.</li> <li>b) U.S.A.: Contribution to the General Fund: <b>US\$4,642,734.94</b> (subject to appropriations).</li> <li>c) U.S.A.: Contribution to the headquarters building lease and maintenance costs: <b>US\$364,162.98</b>.</li> </ul>
FAC101-Rec.06 ( <a href="#">para. 26</a> )	<p>The FAC <b>RECOMMENDED</b> that the Commission <b>NOTE</b> the proposed optional extra-budgetary (IFCP Fund deficit) contributions from each Contracting Party for FY2026 as follows:</p> <ul style="list-style-type: none"> <li>a) Canada:</li> </ul>	<p>Lead: Commission</p> <p>Status/Plan: <b>Completed</b></p> <p><a href="#">IPHC-2025-AM101-R (para. 112)</a></p> <p>The Commission <b>NOTED</b> the optional extra-budgetary (IFCPF Fund deficit)</p>

<b>101<sup>st</sup> Session of the IPHC Finance and Administration Committee (FAC101)</b>		
<b>Action No.</b>	<b>Description</b>	<b>Update</b>
	<ul style="list-style-type: none"> <li>i. 50% Contribution to the IFCP Fund deficit (former staff pension plan): <b>US\$150,573.</b></li> <li>b) U.S.A.:                             <ul style="list-style-type: none"> <li>ii. 50% Contribution to the IFCP Fund deficit (former staff pension plan): <b>US\$150,573.</b></li> </ul> </li> </ul>	contributions from each Contracting Party for FY2026 as follows: <ul style="list-style-type: none"> <li>a) Canada:                             <ul style="list-style-type: none"> <li>i. 50% Contribution to the IFCP Fund deficit (former staff pension plan): <b>US\$150,573.</b></li> </ul> </li> <li>b) U.S.A.:                             <ul style="list-style-type: none"> <li>i. 50% Contribution to the IFCP Fund deficit (former staff pension plan): <b>US\$150,573.</b></li> </ul> </li> </ul>
FAC101-Rec.07 <a href="#">(para. 29)</a>	<p><b><i>FY2027 and FY2028</i></b></p> <p>The FAC <b>RECOMMENDED</b> that the Commission <b>NOTE</b> the tentative budgets for FY2027 and FY2028 (1 October 2026 to 30 September 2027, and 1 October 2027 to 30 September 2028, as detailed in <a href="#">Appendix VI</a> and <a href="#">Appendix VII</a>, respectively, and that they are based on a nominal 5% increase in general contributions for Canada and U.S.A. to cover expected matching increases in operations expenses, cost in salaries and wages (based on cost of living and step increases) and health care costs.</p>	<p><b>Lead:</b> Commission</p> <p><b>Status/Plan:</b> <b>Completed</b></p> <p><a href="#">IPHC-2025-AM101-R (para. 114)</a></p> <p>The Commission <b>NOTED</b> the IPHC Secretariat’s indicative budgets for FY2027 and FY2028 (1 October 2026 to 30 September 2027, and 1 October 2027 to 30 September 2028, as provided in <a href="#">Appendix IX</a> and <a href="#">Appendix X</a>, respectively, and that they are based on a nominal 5% increase in general contributions for Canada and U.S.A. to cover expected matching increases in operations expenses, cost in salaries and wages (based on cost of living and step increases) and health care costs.</p>
<b>REQUESTS</b>		
FAC101-Req.01 <a href="#">(para. 28)</a>	<p>The FAC <b>REQUESTED</b> that the Secretariat evaluate the following potential options for cost savings that could be considered for the FY2026 or FY2027 budgets, recognizing that the FISS funding shortfall and prudent fiscal management may warrant departures from past IPHC practices:</p> <ul style="list-style-type: none"> <li>a) Options for restructuring future Annual Meetings to accomplish necessary business in three (3) or four (4) days rather than five (5) days;</li> <li>b) Options for restructuring the Conference Board and Processor Advisory Board into a single subsidiary body (that could reduce meeting space rental requirements and costs, including associated technology support/rental, secretariat staff support needed, minimum charges by hotels for food and beverage) and engaging a team of members of the CB and PAB to advise the Commission on a potential new structure that would ensure both processor and</li> </ul>	<p><b>Lead:</b> Secretariat</p> <p><b>Status/Plan:</b> <b>Completed and ongoing.</b></p> <p>The Commission met on 4-5 September 2025 at the 2025 Work Meeting (WM2025) to discuss these requests. The following are the recommendations arising:</p> <ul style="list-style-type: none"> <li>a) Contracting Party National Reports: Recommendation #1: The Commission <b>RECOMMENDED</b> that:                             <ol style="list-style-type: none"> <li>1) Contracting Party National Reports be submitted for pre-session review (30 days prior to each session in accordance with the IPHC Rules of Procedure), and</li> </ol> </li> </ul>

101 <sup>st</sup> Session of the IPHC Finance and Administration Committee (FAC101)		
Action No.	Description	Update
	<p>harvester perspectives are fairly represented and conveyed to the Commission;</p> <p>c) Options for using more economical venues for future Annual Meetings;</p> <p>d) Any other potential cost savings the Secretariat may identify for future Annual Meetings.</p>	<p>2) that no presentation would be made at the Annual Meeting;</p> <p>3) authors would be available for a 15-30 minute Q&amp;A session during Plenary (maximum 1-hour for the agenda item).</p> <p>Finance and Administration Committee (FAC):</p> <p>Recommendation #2: The Commission <b>RECOMMENDED</b> that the FAC meeting be moved to the week prior to the Annual Meeting each year, and for it to be held online/virtual only.</p> <p>Recommendation #3: The Commission <b>RECOMMENDED</b> that the upcoming FAC meeting in January 2026 (FAC102), be held for 2-3 hours in the afternoon of 14 January 2026.</p> <p>Reduction or Removal of the Wednesday delegation caucus day:</p> <p>Recommendation #4: The Commission <b>RECOMMENDED</b> that for AM102, Plenary would open at 09:00 hrs on Monday 19 January 2026, with the goal of presenting all key papers during the first day of the Annual Meeting.</p> <p>Recommendation #5: The Commission <b>RECOMMENDED</b> that the CB and PAB meetings should commence their work at 09:00 hrs on Tuesday 20 January 2026, with the goal of completing their discussions and developing their recommendations for presentation to the Commission, starting mid-afternoon (15:30-17:00 hrs) on Wednesday the 21 January 2026.</p> <p>Recommendation #6: The Commission <b>RECOMMENDED</b> pausing discussion on reducing the Annual Meeting to 3 or 3.5 days, until after the discussions on the CB/PAB operations are completed, and Recommendations 1-5 have been implemented and tested at AM102 (in January 2026).</p>

101 <sup>st</sup> Session of the IPHC Finance and Administration Committee (FAC101)		
Action No.	Description	Update
		<p>b)</p> <p><b>Recommendation #7:</b> The Commission <b>RECOMMENDED</b> that a separate working paper be developed and shared with the CB and PAB Co-Chairpersons, that incorporates the following elements:</p> <ol style="list-style-type: none"> <li>1) assigns the task of leading internal discussions on potential efficiency gains to be had with each body to the Co-Chairpersons;</li> <li>2) includes a range of starting options, including 1) status quo, 2) status quo with efficiency gains; 3) a single Stakeholder Advisory Board with two (2) voting chambers, one for harvesters, and another for processors; and 4) A single Stakeholder Advisory Board with no voting chambers;</li> <li>3) draft Terms of Reference and Voting Chamber description to aid in discussions;</li> <li>4) request their consolidated feedback be provided to the Commission 30 days prior to AM102 for discussion in Plenary.</li> </ol> <p>c)</p> <p><b>Recommendation #8:</b> The Commission <b>ACKNOWLEDGED</b> that the process undertaken by the Secretariat each year to select annual meeting venues is robust and ensures that the most economical meeting venue is being selected, based on Commission space/operational needs, and city selected. Thus, the Commission <b>RECOMMENDED</b> that no further action was necessary at this time.</p> <p>d)</p> <p>The Commission <b>AGREED</b> that the Secretariat undertakes detailed consideration of the Annual Meeting series budgets and expenditures based on the operational needs of the Commission, as directed. While noting that the current operational</p>

<b>101<sup>st</sup> Session of the IPHC Finance and Administration Committee (FAC101)</b>		
<b>Action No.</b>	<b>Description</b>	<b>Update</b>
		needs may change based on other sections outlined and discussed, no further action was needed at this time.



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## Financial Statements for FY2025

PREPARED BY: IPHC SECRETARIAT (D. WILSON, B. WHITE, D. HAYHURST, J. HARGROVE, 12 DECEMBER 2025)

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### PURPOSE

To provide the Commission with an end of year financial statement for FY2025 (financial period: 1 October 2024 to 30 September 2025).

**Note:** *Internal financial reports are maintained on generally accepted accounting principles (GAAP) established by the Financial Accounting Standards Board (FASB). The audited financial statements are prepared on GAAP established by the Governmental Accounting Standards Board (GASB). Accordingly, there are differences between the internal reports and audited reports to follow GASB GAAP.*

### 1. STATEMENT OF FINANCIAL POSITION - [APPENDIX I](#), BALANCE SHEET

The total Assets at year-end closing totaled **US\$9,166,374.61**

The total equity or combined fund balance at year-end closing totaled **US\$3,317,406.35**

Fund equity balances at year end:

- General Fund (10): US\$-240,185.60
- Research Fund (20): US\$-110,216.32
- Statistics Fund (30): -US\$291,087.39
- AK Cost Recovery (35): US\$-182,248.83
- FISS Fund (40): US\$712,345.10
- Reserve Fund (50): US\$3,428,799.39

### 2. STATEMENT OF ACTIVITIES - [APPENDIX II](#), INCOME STATEMENT

For FY2025, the IPHC total income was **US\$10,554,736.78**, while the budgeted income was **US\$8,697,517.53**. [Appendix III](#) provides the Income Statement by Fund.

Carryover from the previous fiscal year (FY2024) by Fund was as follows:

- 10 - General Fund: US\$464,405.03
- 20 - Research Fund: US\$166,117.88
- 30 - Statistics Fund: -US\$157,129.45
- 35 - AK Cost Recovery: -US\$159,415.27
- 40 - FISS Fund: -US\$233,947.70
- 50 - Reserve Fund: US\$2,198,363.73

### 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\$9,515,724.65** which provided for a surplus in revenue over expenditures totalling **US\$1,039,012.13**.

#### 4. NOTES TO FINANCIAL STATEMENTS

For FY2025 we refer the Commission to paper IPhC-2026-FAC102-05 Report of the Independent auditors and Financial Statements (FY2025) for annotations to the Financial Statements, which is expected to be published no later than 15 December 2025.

#### RECOMMENDATION/S

That the Commission:

- 1) **NOTE** paper IPhC-2026-FAC102-04 that includes the Financial Statements and supporting documentation for the financial period 01 October 2024 to 30 September 2025 (FY2025).

#### APPENDICES

[Appendix I](#): Balance Sheet (FY2025)

[Appendix II](#): Income Statement and Budget to Actuals (FY2025)

[Appendix III](#): Income Statement by Fund (FY2025)

## Appendix I Balance Sheet (FY2025)



International Pacific Halibut Commission  
Balance Sheet  
as of 09/30/2025

Account Number	Account Name	Amount
<b>Assets</b>		
10000	Cash in Bank (Wells Fargo)	\$5,638,004.94
11000	Accounts Receivable	\$437,957.12
11200	Grants Receivable	\$221,175.09
13000	Prepaid Expenses	\$43,143.51
14000	Deposits	\$6,459.46
15000	Furniture, Fixtures and Equipment	\$77,443.48
15050	Intellectual Property	\$31,320.00
15100	Work in progress	\$14,200.00
15700	Lease Assets	\$3,653,575.95
15888	Accumulated Amortization	-\$1,018,437.48
15999	Accumulated Depreciation	-\$22,861.68
17444	AR Clearing Register	\$84,394.22
<b>Total Assets</b>		<b>\$9,166,374.61</b>
<b>Liabilities</b>		
20000	Purchase Card - US Bank	\$19,878.38
20100	Travel Card - US Bank	\$12,837.29
21000	Accounts Payable	\$98,481.03
21001	Accrued expenses	\$8,018.63
21002	Deferred revenue	\$1,532,136.94
22000	Payroll Tax Liabilities	-\$10,360.71
22100	Payroll Benefit Liabilities	\$1,399,064.18
23300	Lease Liabilities	\$2,779,179.73
23500	Interest Payable	\$9,732.79
<b>Total Liabilities</b>		<b>\$5,848,968.26</b>
<b>Equity</b>		
30100	10 - General	-\$240,185.60
30200	20 - Research	-\$110,216.32
30300	30 - Statistics	-\$291,087.39
30350	35 - AK Cost Recovery	-\$182,248.83
30400	40 - FISS	\$712,345.10
30500	50 - Reserve	\$3,428,799.39
<b>Total Equity</b>		<b>\$3,317,406.35</b>
<b>Total Liabilities + Total Equity</b>		<b>\$9,166,374.61</b>

## Appendix II Income Statement and Budget to Actuals (FY2025)



International Pacific Halibut Commission  
Income Statement  
for the period of 10/01/2024 to 09/30/2025

Account Number	Account Name	Annual Budget	Amount
<b>Income</b>			
40000	Contracting Party Contributions	\$5,779,258.93	\$6,079,258.93
40055	Headquarters (Lease & Maintenance)	\$458,608.60	\$458,608.60
40060	Other Income	\$5,000.00	\$26,001.86
40100	Grants, Contracts & Agreements	\$1,037,650.00	\$1,029,160.07
40200	Interest Income	\$100,000.00	\$89,097.71
40350	Fish Sales	\$1,317,000.00	\$2,873,267.52
42000	Gain/Loss	\$0.00	-\$657.91
<b>Total Income</b>		<b>\$8,697,517.53</b>	<b>\$10,554,736.78</b>
<b>Expense</b>			
50000	Salaries & Wages	\$4,348,656.48	\$4,148,558.22
50100	Benefits	\$1,450,373.64	\$1,430,516.47
50200	Training & Education	\$82,980.73	\$77,677.92
50300	Personnel Related Expenses	\$17,908.05	\$15,013.56
51000	Publications	\$15,842.65	\$15,217.91
51100	Mailing and Shipping	\$81,364.90	\$96,654.95
51200	Travel	\$210,046.23	\$178,311.57
51300	IPHC Meetings	\$183,100.00	\$231,077.09
51400	Technology	\$198,136.71	\$170,497.01
52000	Professional Services/Fees	\$241,863.16	\$247,359.88
52100	Vessel Expenses	\$220,000.00	\$347,196.51
52200	Other Fees and Charges	\$91,846.86	\$78,902.82
52300	Leases and Contracts	\$1,183,265.36	\$1,262,294.86
54000	Communications	\$36,085.03	\$30,844.73
53000	Equipment Expense	\$33,706.05	\$27,481.52
53100	Supplies Expense	\$477,983.40	\$438,797.14
53200	Maintenance and Utilities	\$37,544.53	\$65,886.92
53300	Facility Rentals	\$541,730.48	\$546,262.08
55000	Budget Contingency	\$153,789.21	\$0.00
55100	Other Expenses	\$0.00	\$30.07
56060.05	Recouped leave expenses	\$0.00	-\$26,007.26
56100.221	Annual Leave Benefit Accrued HQ	\$0.00	\$30,656.02
56100.222	Annual Leave Benefit Accrued Field	\$0.00	\$2,901.97
56100.231	Sick Leave Benefit Accrued HQ	\$0.00	\$74,510.11
56100.232	Sick Leave Benefit Accrued Field	\$0.00	\$13,197.60
56400	Capitalized Fixed Assets	\$0.00	-\$34,390.74
56410	Depreciation Expense	\$0.00	\$11,205.12
56420	Amortization Expense	\$0.00	\$10,440.00
56600	Loss (Other)	\$0.00	\$24,630.60
<b>Total Expense</b>		<b>\$9,606,223.47</b>	<b>\$9,515,724.65</b>
<b>Net Income (Loss)</b>		<b>-\$908,705.94</b>	<b>\$1,039,012.13</b>



**Appendix III**  
**Income Statement by Fund (FY2025)**



International Pacific Halibut Commission  
Income Statement by Fund  
for the period of 10/01/2024 to 09/30/2025

Account Number	Account Name	10 - General	20 - Research	30 - Statistics	35 - AK Cost Recovery	40 - FISS	50 - Reserve	Amount
<b>Income</b>								
40000	Contracting Party Contributions	\$ 1,139,748.84	\$ 1,170,457.48	\$ 1,082,052.61	\$ 0.00	\$ 687,000.00	\$ 0.00	\$ 6,079,258.93
40055	Headquarters (Lease & Maintenance)	\$ 458,608.60	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 458,608.60
40060	Other Income	\$ 17,781.90	\$ 600.00	\$ 0.00	\$ 7,600.00	\$ 19.96	\$ 0.00	\$ 26,001.86
40100	Grants, Contracts & Agreements	\$ 0.00	\$ 209,165.03	\$ 0.00	\$ 783,204.19	\$ 36,790.85	\$ 0.00	\$ 1,029,160.07
40200	Interest Income	\$ 89,097.71	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 89,097.71
40350	Fish Sales	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 2,873,267.52	\$ 0.00	\$ 2,873,267.52
42000	Gain/Loss	\$ 0.00	\$ 0.00	\$ (427.19)	\$ 0.00	\$ (230.72)	\$ 0.00	\$ (657.91)
<b>Total Income</b>		<b>\$ 3,705,237.05</b>	<b>\$ 1,380,222.51</b>	<b>\$ 1,081,625.42</b>	<b>\$ 790,804.19</b>	<b>\$ 3,596,847.61</b>	<b>\$ 0.00</b>	<b>\$ 10,554,736.78</b>
<b>Expense</b>								
50000	Salaries & Wages	\$ 1,492,685.19	\$ 638,074.19	\$ 801,810.28	\$ 473,783.15	\$ 742,205.41	\$ 0.00	\$ 4,148,558.22
50100	Benefits	\$ 701,265.91	\$ 202,720.24	\$ 229,484.94	\$ 154,789.67	\$ 142,255.71	\$ 0.00	\$ 1,430,516.47
50200	Training & Education	\$ 32,619.01	\$ 0.00	\$ 3,327.10	\$ 20,625.05	\$ 21,106.76	\$ 0.00	\$ 77,677.92
50300	Personnel Related Expenses	\$ 1,977.03	\$ 1,730.00	\$ 2,251.00	\$ 2,349.00	\$ 6,706.53	\$ 0.00	\$ 15,013.56
51000	Publications	\$ 3,130.25	\$ 12,087.66	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 15,217.91
51100	Mailing and Shipping	\$ 4,331.99	\$ 12,223.43	\$ 595.45	\$ 2,163.95	\$ 77,340.13	\$ 0.00	\$ 96,654.95
51200	Travel	\$ 43,947.80	\$ 24,015.65	\$ 13,999.58	\$ 16,956.56	\$ 79,391.98	\$ 0.00	\$ 178,311.57
51300	IPHC Meetings	\$ 231,077.09	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 231,077.09
51400	Technology	\$ 130,370.64	\$ 3,114.66	\$ 36,441.22	\$ 0.00	\$ 570.49	\$ 0.00	\$ 170,497.01
52000	Professional Services/Fees	\$ 244,039.44	\$ 2,011.94	\$ 0.00	\$ 0.00	\$ 1,308.50	\$ 0.00	\$ 247,359.88
52100	Vessel Expenses	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 347,196.51	\$ 0.00	\$ 347,196.51
52200	Other Fees and Charges	\$ 49,681.73	\$ 219.61	\$ 0.00	\$ 7,689.00	\$ 21,312.48	\$ 0.00	\$ 78,902.82
52300	Leases and Contracts	\$ 10,165.46	\$ 128,500.00	\$ 0.00	\$ 15,011.90	\$ 1,108,617.50	\$ 0.00	\$ 1,262,294.86
54000	Communications	\$ 28,201.92	\$ 0.00	\$ 1,361.35	\$ 0.00	\$ 1,281.46	\$ 0.00	\$ 30,844.73
53000	Equipment Expense	\$ 895.98	\$ 19,970.10	\$ 0.00	\$ 0.00	\$ 6,615.44	\$ 0.00	\$ 27,481.52
53100	Supplies Expense	\$ 31,660.86	\$ 119,532.96	\$ 1,640.80	\$ 3,742.50	\$ 282,220.02	\$ 0.00	\$ 438,797.14
53200	Maintenance and Utilities	\$ 36,330.08	\$ 517.21	\$ 1,124.49	\$ 0.00	\$ 27,915.14	\$ 0.00	\$ 65,886.92
53300	Facility Rentals	\$ 506,618.78	\$ 0.00	\$ 0.00	\$ 24,013.67	\$ 15,629.63	\$ 0.00	\$ 546,262.08
55100	Other Expenses	\$ 30.07	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 30.07
55250	Indirect costs	\$ (88,498.61)	\$ 18,987.53	\$ 0.00	\$ 69,511.08	\$ 0.00	\$ 0.00	\$ 0.00
56060.05	Recouped leave expenses	\$ (8,874.70)	\$ (1,211.76)	\$ (5,895.29)	\$ (10,025.51)	\$ 0.00	\$ 0.00	\$ (26,007.26)
56100.221	Annual Leave Benefit Accrued HQ	\$ 17,870.31	\$ 4,443.58	\$ 8,375.42	\$ (1,417.99)	\$ 1,384.70	\$ 0.00	\$ 30,656.02
56100.222	Annual Leave Benefit Accrued Field	\$ 0.00	\$ 0.00	\$ 928.14	\$ 1,973.83	\$ 0.00	\$ 0.00	\$ 2,901.97
56100.231	Sick Leave Benefit Accrued HQ	\$ 27,763.22	\$ 25,044.74	\$ 17,987.13	\$ 4,592.37	\$ (877.35)	\$ 0.00	\$ 74,510.11
56100.232	Sick Leave Benefit Accrued Field	\$ 0.00	\$ 0.00	\$ 4,472.57	\$ 8,725.03	\$ 0.00	\$ 0.00	\$ 13,197.60
56400	Capitalized Fixed Assets	\$ (13,190.74)	\$ (7,000.00)	\$ (14,200.00)	\$ 0.00	\$ 0.00	\$ 0.00	\$ (34,390.74)
56410	Depreciation Expense	\$ 3,694.80	\$ 5,188.90	\$ 0.00	\$ 0.00	\$ 2,321.42	\$ 0.00	\$ 11,205.12
56420	Amortization Expense	\$ 10,440.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 10,440.00
56600	Loss (Other)	\$ 24,630.60	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 24,630.60
<b>Total Expense</b>		<b>\$ 3,522,864.11</b>	<b>\$ 1,210,170.64</b>	<b>\$ 1,103,704.18</b>	<b>\$ 794,483.26</b>	<b>\$ 2,884,502.46</b>	<b>\$ 0.00</b>	<b>\$ 9,515,724.65</b>
<b>Net Income (Loss)</b>		<b>\$ 182,372.94</b>	<b>\$ 170,051.87</b>	<b>\$ (22,078.76)</b>	<b>\$ (3,679.07)</b>	<b>\$ 712,345.15</b>	<b>\$ 0.00</b>	<b>\$ 1,039,012.13</b>
<b>Summary</b>								
Beginning Fund Balance		\$ 464,405.03	\$ 166,117.88	\$ (157,129.45)	\$ (159,415.27)	\$ (233,947.70)	\$ 2,198,363.73	\$ 2,278,394.22
+ Other Fund Balance Movements		\$ (886,963.57)	\$ (446,386.07)	\$ (111,879.18)	\$ (19,154.49)	\$ 233,947.65	\$ 1,230,435.66	\$ 0.00
+ Net Income / (Loss)		\$ 182,372.94	\$ 170,051.87	\$ (22,078.76)	\$ (3,679.07)	\$ 712,345.15	\$ 0.00	\$ 1,039,012.13
<b>= Ending Fund Balance</b>		<b>\$ (240,185.60)</b>	<b>\$ (110,216.32)</b>	<b>\$ (291,087.39)</b>	<b>\$ (182,248.83)</b>	<b>\$ 712,345.10</b>	<b>\$ 3,428,799.39</b>	<b>\$ 3,317,406.35</b>



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## Report of the Independent Auditors and Financial Statements (FY2025)

PREPARED BY: IPHC SECRETARIAT (D. WILSON, B. WHITE, D. HAYHURST, J. HARGROVE; 12 DECEMBER 2025)

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### PURPOSE

To provide the Commission with the Independent External Auditors Report for FY2025, as per Regulation 14 of the IPHC Financial Regulations (2024).

#### *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

**21 October 2025:** The IPHC Secretariat provides initial Trial Balances to Clark Nuber.

In accordance with paragraph 2, Regulation 14, of the IPHC Financial Regulations (2024) (shown below) the IPHC Secretariat commenced the provision of the initial Provided By Client (PBC) list of items to the independent external auditor.

(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.”*

**3 November 2025:** Clark Nuber commenced their ‘field’ work auditing process.

**5 December 2025:** Clark Nuber provided draft audit reports for review.

**11 December 2025:** In accordance with paragraph 7, Regulation 14, of the IPHC Financial Regulations (2024) (shown below) the independent external auditors provided the final report to the IPHC Secretariat on 11 December 2025 (72 days after the end of the FY2025 fiscal year, 18 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.”*

**Next steps:** As in previous years, the auditors will present their findings to the Commission via video conference in January 2026. The final report will then be provided to the FAC102 for consideration, and then potential endorsement by the Commission at AM102.

### RECOMMENDATIONS

That the FAC:

- 1) **NOTE** paper IPHC-2026-FAC102-05 that provided the independent external auditors report for FY2025, as per Regulation 14 of the IPHC Financial Regulations (2024).

- 2) **RECOMMEND** that the Commission accept the independent external auditors' report for FY2025, as per Regulation 14 of the IPHC Financial Regulations (2024).

**APPENDICES**

**Appendix I:** Report of the Independent Auditors and Financial Statements (FY2025) – Clark Nuber.

# **APPENDIX I**

## **INTERNATIONAL PACIFIC HALIBUT COMMISSION FS**

Financial Statements

For the Year Ended September 30, 2025

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## Independent Auditor's Report

**To the Commissioners  
International Pacific Halibut Commission  
Seattle, Washington**

### REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

#### Opinion

We have audited the financial statements of International Pacific Halibut Commission (the Commission), which comprise the statement of net position as of September 30, 2025, and the related statements of revenues, expenses, and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Commission as of September 30, 2025, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.



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## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

## **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 6 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The statement of revenues, expenses, and changes in net position by fund is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.



Certified Public Accountants  
December 11, 2025

## INTERNATIONAL PACIFIC HALIBUT COMMISSION

### Management's Discussion and Analysis For the Year Ended September 30, 2025

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Our discussion and analysis of the International Pacific Halibut Commission (the Commission) financial performance provides an overview of the Commission's financial activities for the fiscal year ended September 30, 2025. This Management Discussion and Analysis (MD&A) is designed to assist readers of financial statements in focusing on significant financial activities and issues in the financial statements as a whole.

#### The Organization

The Commission is a public international organization so designated via Presidential Executive Order 11059 and established by a Convention between Canada and the United States of America (the Convention). The Convention was signed on March 2, 1923, ratified on July 21, 1924, and came into effect on October 21, 1924 upon exchange. The Convention has been revised several times since, to extend the Commission's authority and meet new conditions in the fishery. The most recent change occurred in 1979 and involved an amendment to the 1953 Halibut Convention. The 1979 amendment, termed a "protocol", was precipitated in 1976 by Canada and the United States of America extending their jurisdiction over fisheries resources to 200 miles. The 1979 Protocol along with the U.S. legislation that gave effect to the Protocol (Northern Pacific Halibut Act of 1982) has affected the way the fisheries are conducted and redefined the role of the Commission in the management of the fishery. Canada does not require specific enabling legislation to implement the protocol.

The Commission is a 509(a)(3) not-for-profit organization (determination by the IRS on February 26, 1987), formed to provide for the health and well-being of Pacific halibut in the Convention Area.

Objective - To develop the stocks of Pacific halibut in the Convention waters to those levels which will permit the optimum yield from the fishery and to maintain the stocks at those levels.

Functions and Responsibilities - As detailed in the Convention, the Commission shall:

- Divide the Convention waters into areas;
- Establish one or more open or closed seasons as to each area;
- Limit the size of the fish and the quantity of the catch to be taken from each area within any season during which fishing is allowed;
- During both open and closed seasons, permit, limit, regulate, or prohibit the incidental catch of Pacific halibut that may be taken, retained, possessed, or landed from each area or portion of an area, by vessels fishing for other species of fish;
- Fix the size and character of Pacific halibut fishing appliances to be used in any area;
- Make such regulations for the licensing of vessels and for the collection of statistics on the catch of Pacific halibut as it shall find necessary to determine the condition and trend of the Pacific halibut fishery and to carry out the other provisions of this Convention; and
- Close to all taking of Pacific halibut any area or portion of an area that the Commission finds to be populated by small, immature Pacific halibut and designates as nursery grounds.

#### Overview of the Financials

On average, approximately 60% of the Commission's annual income is provided by the two (2) Contracting Parties to the Convention, Canada and the United States of America. The remainder is received through the sale of Pacific halibut and bycatch species caught during our annual Fishery- Independent Setline Survey (FISS), grants, and interest income.

## **INTERNATIONAL PACIFIC HALIBUT COMMISSION**

### **Management's Discussion and Analysis (Continued) For the Year Ended September 30, 2025**

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#### **Overview of the Financials (Continued)**

The Commission issues financial statements comprising two components: 1) basic financial statements and 2) notes to the financial statements.

The Commission's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). These financial statements cover the year ended September 30, 2025.

The financial statements include the Statement of Net Position, Statement of Revenues, Expenses, and Changes in Net Position, Statement of Cash Flows, and Notes to Financial Statements.

The Statement of Net Position provides a record, or snapshot, of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the Commission at the close of the year. They provide information about the nature and amounts of assets and obligations to other parties or liabilities.

The Statement of Revenues, Expenses and Changes in Net Position presents the results of the Commission's activities over the course of the year. This information can be used to determine whether the Commission has successfully recovered all its costs through Contracting Party contributions, fish sale revenue, grants, and other charges.

The Statement of Cash Flows reports cash receipts, cash payments, and net changes in cash resulting from operating, financing, and investing activities over the course of the year. The statement reports cash inflows and disbursements during the year and reconciles to the ending cash balance.

The Notes to Financial Statements provide useful information regarding the Commission's account balances and activities, certain material risks, estimates, obligations, commitments, contingencies, and subsequent events, if applicable.

#### **Financial Highlights for Fiscal Year 2025**

At the year ended September 30, 2025, operating expenses for the Commission were \$9,418,698 and operating revenues were \$9,436,479. Operating revenues were overbudget, while operating expenses were under budget. The decreased operating expenses compared to budget can be attributed primarily to reduced spending in most budget areas.

In addition, fish sale income was approximately 14.2% higher than budgeted, primarily due to higher than projected catches and fish prices received.

During the fiscal year, there were no significant capital purchases and no debt activities.

The Commission is well-positioned to continue successful financial and programmatic operations. The strong cash balance, continued scientific studies, FISS revenues, and established relationships with fishing vessels and fisherman of Canada and the United States of America will enable the Commission continued success. No uncertainties are expected during fiscal year 2026. The Commission expects next fiscal year to compare closely with fiscal year 2025.

## INTERNATIONAL PACIFIC HALIBUT COMMISSION

### Management's Discussion and Analysis (Continued) For the Year Ended September 30, 2025

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#### Financial Analysis

##### Condensed Financial Statement Statements of Net Position September 30, 2025 and 2024

Table 1 presents the Commission's condensed consolidated Statements of Net Position as of September 30, 2025 and 2024 as derived from the Statements of Net Position. The increase in total assets is a result of an increase in cash and accounts receivable due to an increase in fish sales. Additionally, liabilities remained steady as the Commission did not enter any new lease agreements in 2025.

	<u>2025</u>	<u>2024</u>
Total assets	\$ 9,166,375	\$ 8,107,053
Total liabilities	\$ 5,312,558	\$ 5,342,967
Total net position	\$ 3,853,817	\$ 2,764,086

##### Condensed Financial Statement Statements of Revenues, Expenses and Changes in Net Position September 30, 2025 and 2024

Table 2 presents the Commission's condensed Statements of Revenues, Expenses, and Changes in Net Position for the fiscal years ended September 30, 2025 and 2024 as derived from the Statements of Revenues, Expenses, and Changes in Net Position. The increase in total revenues is a result of increased fish sales and contracting party contributions. The decrease in total expenses is attributed to the 2024 adjustment that increased expenses by \$1,669,001 in 2024.

	<u>2025</u>	<u>2024</u>
Total revenues	\$ 10,554,738	\$ 9,319,336
Total expenditures	\$ 9,465,007	\$ 10,477,852
Total changes in net position	\$ 1,089,731	\$ (1,158,516)

#### Requests for Information

Questions concerning any of the information provided in this report or requests for additional information should be addressed to Dr. David T. Wilson, Executive Director, phone 206-634-1838, email [secretariat@iphc.int](mailto:secretariat@iphc.int).

## INTERNATIONAL PACIFIC HALIBUT COMMISSION

### Statement of Net Position September 30, 2025

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<b>Assets:</b>	
Cash and cash equivalents	\$ 5,638,005
Accounts receivable	522,351
Grants receivable	221,175
Prepaid expenses and other assets	<u>49,603</u>
<b>Total Current Assets</b>	<b>6,431,134</b>
Capital assets, net	<u>2,735,241</u>
<b>Total Assets</b>	<b><u>\$ 9,166,375</u></b>
<b>Liabilities:</b>	
Accounts payable	\$ 140,928
Accrued liabilities	8,019
Payroll liabilities	318,637
Compensated absences, current portion	437,056
Lease liabilities, current portion	203,070
Unearned revenue	<u>1,532,137</u>
<b>Total Current Liabilities</b>	<b>2,639,847</b>
Compensated absences, net of current portion	96,601
Lease liabilities, net	<u>2,576,110</u>
<b>Total Liabilities</b>	<b><u>\$ 5,312,558</u></b>
<b>Net Position:</b>	
Unrestricted	\$ 3,897,756
Net investment in capital assets	<u>(43,939)</u>
<b>Total Net Position</b>	<b><u>\$ 3,853,817</u></b>

See accompanying notes.

## INTERNATIONAL PACIFIC HALIBUT COMMISSION

### Statement of Revenues, Expenses and Changes in Net Position For the Year Ended September 30, 2025

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<b>Revenue:</b>	
Fish sales	\$ 2,873,267
Contracting party contributions	6,537,868
Grants, contracts, and agreements	1,029,161
Interest income	89,098
Other income	26,002
Realized gains (losses) on foreign transaction fees	<u>(658)</u>
<b>Total Revenue</b>	<b>10,554,738</b>
<b>Expenses:</b>	
General expenses-	
Personnel	4,193,095
Benefits	1,430,517
Training and education	77,678
Personnel related expenses	<u>15,014</u>
Total general expenses	5,716,304
Operating expenses-	
Publications	15,218
Mailing and shipping	96,655
Travel	178,311
Meetings	231,077
Technology	<u>143,106</u>
Total operating expenses	664,367
Fees and contract expenses-	
Professional fees	247,359
Vessel expenses	347,197
Other fees and charges	78,903
Leases and contracts	1,262,295
Communications	<u>30,845</u>
Total fees and contract expenses	1,966,599
Facilities and equipment expenses-	
Equipment	20,482
Supplies	438,796
Maintenance and utilities	65,887
Facilities rentals	<u>546,263</u>
Total facilities and equipment expenses	1,071,428
Other expenses	<u>46,309</u>
<b>Total Expenses</b>	<b>9,465,007</b>
<b>Change in Net Position</b>	<b>1,089,731</b>
Net position, beginning of the year	<u>2,764,086</u>
<b>Net Position, End of Year</b>	<b><u>\$ 3,853,817</u></b>

See accompanying notes.

## INTERNATIONAL PACIFIC HALIBUT COMMISSION

### Statement of Cash Flows For the Year Ended September 30, 2025

<b>Operating Activities:</b>	
Cash received from customers	\$ 10,293,198
Other operating cash receipts	26,002
Cash paid to employees	(5,536,495)
Cash paid to suppliers of goods and services	<u>(3,538,154)</u>
<b>Net Cash Provided by Operating Activities</b>	<b>1,244,551</b>
<b>Capital and Related Financing Activities:</b>	
Payments on lease liability	(249,427)
Purchases of capital assets	<u>(44,084)</u>
<b>Net Cash Used in Capital and Related Financing Activities</b>	<b>(293,511)</b>
<b>Cash Flows From Investing Activities:</b>	
Receipt of interest	<u>89,098</u>
<b>Net Cash Provided by Investing Activities</b>	<b>89,098</b>
<b>Change in Cash and Cash Equivalents</b>	<b>1,040,138</b>
<b>Cash and Cash Equivalents Balance:</b>	
Beginning of year	<u>4,597,867</u>
<b>End of Year</b>	<b><u>\$ 5,638,005</u></b>
<b>Reconciliation of Change in Net Position to Net Cash Provided by Operating Activities:</b>	
Net operating income	\$ 1,089,731
Adjustments to reconcile change in net position to cash flows from operating activities-	
Depreciation and amortization	21,644
Amortization of right-to-use assets	297,162
Interest income	(89,098)
Changes in assets and liabilities:	
Accounts receivable	(518,208)
Grants receivable	371,768
Prepaid expenses and other assets	27,064
Accounts payable	(26,463)
Accrued liabilities	(16,166)
Payroll liabilities	42,580
Compensated absences	<u>44,537</u>
<b>Net Cash Provided by Operating Activities</b>	<b><u>\$ 1,244,551</u></b>

See accompanying notes.

## INTERNATIONAL PACIFIC HALIBUT COMMISSION

### Notes to the Financial Statements For the Year Ended September 30, 2025

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#### 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 financial statements of the Commission have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to special-purpose governments. Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Commission is a government enterprise. Enterprise funds are accounted for on the economic resources measurement focus using the accrual basis of accounting. Under this method, revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred.

**Fish Sales Revenue** - Revenue from the sale of fish is recorded at the time of sale.

**Grants, Contracts, and Agreements Revenue** - Grants, contracts, and agreements revenue is recognized and recorded as the related expenses are incurred. Conditional promises to give are not recognized as revenues until the conditions on which they depend have been met. Government contracts and grants are conditioned upon the incurrence of allowable qualifying expenses. Consequently, at September 30, 2025, the Commission has conditional contributions approximating \$3,267,000 outstanding of which no amounts had been received in advance or have been recognized in the accompanying financial statements. Many of the conditional promises to give granted to the Commission are subject to termination provisions that could potentially result in the loss of future funding.

**Cash and Cash Equivalents** - For purposes of reporting cash flows, cash includes cash on hand and on deposit with financial institutions. The Commission considers all liquid investments with original maturities of less than three months at the date of acquisition and all nonnegotiable certificates of deposit to be cash equivalents. Cash on hand was \$5,638,005 for the year ended September 30, 2025.

Custodial credit risk for deposits is the risk that, in event of a failure of a depository financial institution, the Commission would not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party. The Commission's cash deposits are mostly covered by the Federal Depository Insurance Corporation (FDIC).

## INTERNATIONAL PACIFIC HALIBUT COMMISSION

### Notes to the Financial Statements For the Year Ended September 30, 2025

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#### Note 1 - Continued

**Grants and Accounts Receivables** - Receivables consists of amounts from private individuals or organizations for goods and services and earned grant amounts. Management provides for probable uncollectible amounts through a charge to change in net position and a credit to a valuation allowance based on its assessment of current status of individual accounts. Balances outstanding after reasonable collection efforts are written off through a charge to the valuation allowance and a credit to grants or accounts receivable. As of September 30, 2025 an allowance for doubtful accounts was not considered necessary.

**Leases** - The Commission is a lessee for noncancelable leases. The Commission recognizes a lease liability and an intangible right-to-use lease capital asset in the financial statements.

At the commencement of a lease, the Commission initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized using the straight-line basis over its useful life.

Key estimates and judgements related to leases include how the Commission determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The Commission uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Commission generally uses its incremental borrowing rate as the discount rate for leases. The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Commission is reasonably certain to exercise. The Commission monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

**Capital Assets** - 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 five - seven years for furniture, fixtures and equipment. Amortization of right-to-use assets is recognized on a straight-line basis over the noncancelable term of the lease. Depreciation and amortization expense for the fiscal year ended September 30, 2025 was \$318,806.

**Payroll Liabilities** - These accounts consist of accrued wages and accrued employee benefits.

**Compensated Absences** - Compensated absences are absences for which employees will be paid, such as vacation and sick leave. Eligible employees are able to accumulate up to 240 hours; however, compensated absences may be accumulated above the maximum allowed between the time 240 hours is accrued and the employee's anniversary date of employment.

The Commission allows unlimited accumulation of sick leave for the period of employment. Accumulated sick leave is paid out upon termination at a rate of 50% of unused sick leave or 15% of annual salary on the date of termination, whichever is less.

## INTERNATIONAL PACIFIC HALIBUT COMMISSION

### Notes to the Financial Statements For the Year Ended September 30, 2025

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#### Note 1 - Continued

**Unearned Revenue** - Funds received but not yet earned or the conditions of entitlement have not been met under the various research grants, contracts, or agreements are reported as unearned revenue. As of September 30, 2025 all unearned revenue related to contracting party payments.

**Net Position Classification** - The difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

Sometimes the Commission will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Commission's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

**Income Taxes** - The Commission is exempt from federal, state, and provincial income taxes. Accordingly, no provision for income taxes is necessary.

**Use of Estimates** - The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

**Subsequent Events** - The Commission has performed an evaluation of subsequent events through December 11, 2025, 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 programs:

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

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

35 AK Cost Recovery - International Pacific Halibut Commission Directed Commercial Catch Sampling of Pacific halibut in Alaska.

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.

## INTERNATIONAL PACIFIC HALIBUT COMMISSION

### Notes to the Financial Statements For the Year Ended September 30, 2025

#### Note 2 - Continued

At year end September 30, 2025 program balances were comprised of:

	10 - General	20 - Research	30 - Statistics	35 - AK Cost Recovery	40 - FISS	50 - Reserve	Total
Cash and cash equivalents	\$ 1,409,727	\$ 179,973	\$ 27,847	\$ (309,180)	\$ 900,839	\$ 3,428,799	\$ 5,638,005
Accounts receivable	79,401	990		1,100	440,860		522,351
Grants receivable		10,326		210,849			221,175
Prepaid expenses and other assets	39,100	4,773	1,500		4,230		49,603
Capital assets, net	2,648,250	27,074	14,200	29,819	15,898		2,735,241
Accounts payable	(104,347)	(8,024)	(5,658)	(111)	(22,788)		(140,928)
Accrued liabilities	(7,500)		(519)				(8,019)
Payroll liabilities	(154,697)	(52,796)	(53,441)	(33,692)	(24,011)		(318,637)
Compensated balances, current portion	(163,219)	(148,833)	(150,190)	(27,002)	(44,413)		(533,657)
Lease liabilities	(2,739,233)			(31,590)	(8,357)		(2,779,180)
Unearned revenue	(1,019,137)				(513,000)		(1,532,137)
<b>Net Position</b>	<b>(11,655)</b>	<b>13,483</b>	<b>(166,261)</b>	<b>(159,807)</b>	<b>749,258</b>	<b>3,428,799</b>	<b>3,853,817</b>

#### Note 3 - Capital Assets

Capital assets, including furniture, fixtures and equipment, and right-to-use assets activity as of and for the year ended September 30, 2025 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Capital Assets, not Being Depreciated:</b>				
Application development in progress	\$ -	\$ 14,200	\$ -	\$ 14,200
<b>Capital Assets, Being Depreciated/Amortized:</b>				
Furniture, fixtures, and equipment	78,879	29,884		108,763
Intangible right-to-use assets	3,653,576			3,653,576
<b>Less Accumulated Depreciation/Amortization for:</b>				
Furniture, fixtures, and equipment	(20,357)	(21,644)		(42,001)
Intangible right-to-use assets	(702,135)	(297,162)		(999,297)
<b>Capital Assets, Net</b>	<b>\$ 3,009,963</b>	<b>\$ (274,722)</b>	<b>\$ -</b>	<b>\$ 2,735,241</b>

## INTERNATIONAL PACIFIC HALIBUT COMMISSION

### Notes to the Financial Statements For the Year Ended September 30, 2025

#### Note 4 - Employee Benefits

One current employee of the Commission participates 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, 2025, was \$18,400. All new employees participate in an employee sponsored 403(b) plan. The Commission contributes a base amount of up to 7.65% of salary, plus up to 5% additional matching funds. The total amount contributed for the year ended September 30, 2025, was \$445,620.

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, 2025, were \$45,732.

#### Note 5 - Long-Term Liabilities

Long-term liabilities activity as of and for the year ended September 30, 2025 was as follows:

	Beginning of Year	Additions	Subtractions	End of Year	Amounts Due Within One Year
<b>Long-Term Liabilities:</b>					
Lease liabilities	\$ 3,028,607	\$ -	\$ 249,427	\$ 2,779,180	\$ 203,070
Compensated absences	633,056	29,474	128,873	533,657	437,056
<b>Total Long-Term Liabilities</b>	<b><u>\$ 3,661,663</u></b>	<b><u>\$ 29,474</u></b>	<b><u>\$ 378,300</u></b>	<b><u>\$ 3,312,837</u></b>	<b><u>\$ 640,126</u></b>

#### Note 6 - Commitments and Contingencies

**Lease** - The Commission leases office, lab facility, vehicles, and living space under noncancelable lease agreements with expiration dates through January 31, 2036. Total lease expense for the year ended September 30, 2025 is \$571,080.

Future minimum payments under noncancelable leases are as follows:

For the Year Ending September 30,	Principal	Interest	Total
2026	\$ 203,070	\$ 113,071	\$ 316,141
2027	201,483	104,649	306,132
2028	203,390	96,305	299,695
2029	222,866	87,348	310,214
2030	243,523	77,547	321,070
Thereafter	1,704,848	208,514	1,913,362
<b>Total Minimum Rental Payments</b>	<b><u>\$ 2,779,180</u></b>	<b><u>\$ 687,434</u></b>	<b><u>\$ 3,466,614</u></b>

**INTERNATIONAL PACIFIC HALIBUT COMMISSION**

**Notes to the Financial Statements  
For the Year Ended September 30, 2025**

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**Note 6 - Continued**

Rent expense for noncancelable leases for the year ended September 30, 2025 were as follows:

<b>Lease Expense:</b>	
Amortization expense by class of underlying asset vehicles	\$ 8,303
Amortization expense by class of underlying asset buildings	<u>288,859</u>
Total amortization expense	297,162
Interest on lease liabilities	122,717
Variable lease expense	<u>143,701</u>
	<u><u>\$ 563,580</u></u>

**Litigation** - At times, the Commission may be involved in litigation and contingencies arising in the normal course of business. After consultation with legal counsel, management estimates that no matters exist that could have a significant impact to the Commission's financial position.

**Note 7 - Concentrations**

During the year ended September 30, 2025, approximately 60% of the Commission's revenue was from United States government agencies and approximately 12% was from Fisheries and Oceans Canada. In addition, at September 30, 2025, 98% of grant receivables were due from United States government agencies. Loss of this funding could have a material effect on the Commission; however, management of the Commission does not anticipate a significant loss of such funding.

**SUPPLEMENTARY INFORMATION**

## INTERNATIONAL PACIFIC HALIBUT COMMISSION

### Statement of Revenues, Expenses and Changes in Net Position by Fund For the Year Ended September 30, 2025

	10 - General	20 - Research	30 - Statistics	35 - AK Cost Recovery	40 - FISS	50 - Reserve	Total
<b>Operating Revenue:</b>							
Fish sales	\$ -	\$ -	\$ -	\$ -	\$ 2,873,267	\$ -	\$ 2,873,267
Contracting party contributions	3,598,357	1,170,458	1,082,053		687,000		6,537,868
Grants, contracts, and agreements		209,166		783,204	36,791		1,029,161
Interest income	89,098						89,098
Other income	17,782	600		7,600	20		26,002
Realized gains (loss) on foreign transaction fees			(427)		(231)		(658)
Fund transfer	(909,852)	(444,709)	(96,534)	(22,134)	242,794	1,230,435	
<b>Total Operating Revenue</b>	<b>2,795,385</b>	<b>935,515</b>	<b>985,092</b>	<b>768,670</b>	<b>3,839,641</b>	<b>1,230,435</b>	<b>10,554,738</b>
<b>Expenses:</b>							
General expenses-							
Personnel	1,478,722	666,351	827,678	477,631	742,713		4,193,095
Benefits	701,266	202,720	229,485	154,790	142,256		1,430,517
Training and education	32,619		3,327	20,625	21,107		77,678
Personnel related expenses	1,977	1,730	2,251	2,349	6,707		15,014
Total general expenses	2,214,584	870,801	1,062,741	655,395	912,783		5,716,304
Operating expenses-							
Publications	3,130	12,088					15,218
Mailing and shipping	4,333	12,223	595	2,164	77,340		96,655
Travel	43,946	24,016	14,000	16,957	79,392		178,311
Meetings	231,077						231,077
Technology	102,980	3,115	36,441		570		143,106
Total operating expenses	385,466	51,442	51,036	19,121	157,302		664,367
Fees and contract expenses-							
Professional fees	244,038	2,012			1,309		247,359
Vessel expenses					347,197		347,197
Other fees and charges	49,682	220		7,689	21,312		78,903
Leases and contracts	10,165	128,500		15,012	1,108,618		1,262,295
Communications	28,203		1,361		1,281		30,845
Total fees and contract expenses	332,088	130,732	1,361	22,701	1,479,717		1,966,599
Facilities and equipment expenses-							
Equipment	897	12,970			6,615		20,482
Supplies	31,659	119,533	1,641	3,743	282,220		438,796
Maintenance and utilities	36,331	517	1,124		27,915		65,887
Facilities rentals	506,619			24,014	15,630		546,263
Total facilities and equipment expenses	575,506	133,020	2,765	27,757	332,380		1,071,428
Other expenses	(49,700)	24,176		69,512	2,321		46,309
<b>Total Expenses</b>	<b>3,457,944</b>	<b>1,210,171</b>	<b>1,117,903</b>	<b>794,486</b>	<b>2,884,503</b>		<b>9,465,007</b>
<b>Change in Net Position</b>	<b>(662,559)</b>	<b>(274,656)</b>	<b>(132,811)</b>	<b>(25,816)</b>	<b>955,138</b>	<b>1,230,435</b>	<b>1,089,731</b>
Net position, beginning of the year	650,904	288,139	(33,450)	(133,991)	(205,880)	2,198,364	2,764,086
<b>Net Position, End of Year</b>	<b>\$ (11,655)</b>	<b>\$ 13,483</b>	<b>\$ (166,261)</b>	<b>\$ (159,807)</b>	<b>749,258</b>	<b>\$ 3,428,799</b>	<b>\$ 3,853,817</b>

See independent auditor's report.



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## FY2026 Financial Budget - Update

PREPARED BY: IPHC SECRETARIAT (D. WILSON & B. WHITE; 10 DECEMBER 2025)

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### PURPOSE

To provide the FAC with an update on the approved FY2025 budget (financial period: 1 October 2025 to 30 September 2026) and suggested amendments to 1) accommodate the final 2026 FISS design adopted at the 101<sup>st</sup> Session of the IPHC Interim Meeting (IM101; [IPHC-2025-IM101-R](#)); and 2) revise other funds to accommodate changes implemented since the budget was adopted.

### BACKGROUND

In accordance with Rule 11, paragraphs 4-10 'Intersessional decision-making' of the IPHC Rules of Procedure (2025), the following intersessional Commission decision was made in relation to the FY2026 budget ([IPHC-2025-CR-011](#)):

#### ***Budget Estimates: FY2026***

**IPHC-2025-ID002:** The Commission **ADOPTED** the FY2026 budget (1 October 2025 to 30 September 2026) as detailed in [Appendix I](#), including the contributions from the Contracting Parties to the General Fund for FY2026 as follows:

- Canada: Contribution to the General Fund: **US\$1,019,136.94**.
- U.S.A.: Contribution to the General Fund: **US\$4,642,734.94**.
- U.S.A.: Contribution to the headquarters building lease and maintenance costs: **US\$418,599.43** (Rent = US\$289,623.08; Common area maintenance = US\$128,976.35).

**IPHC-2025-ID003:** The Commission **NOTED** the optional extra-budgetary (IFCP Fund deficit) contributions from each Contracting Party for FY2026 as follows:

- Canada:
  - 50% Contribution to the IFCP Fund deficit (former staff pension plan): **US\$150,573**
- U.S.A.:
  - 50% Contribution to the IFCP Fund deficit (former staff pension plan): **US\$150,573**

### DISCUSSION

#### **FY2026 BUDGET (US\$) UPDATE (AS OF 08 DECEMBER 2025)**

**INCOME AND EXPENSES:** The IPHC approved budget for FY2026 and expenditures as of 08 December 2025 are provided in [Appendix II](#). Current expenditure for the first quarter of FY2026 are in-line with the approved budget.

**FY2026 FINANCIAL BUDGET (US\$) – PROPOSED AS AMENDED FOR ADOPTION**

- 1) **Fund 40 – FISS:** The final 2026 FISS design was adopted at the 101<sup>st</sup> Session of the IPHC Interim Meeting (IM101) ([IPHC-2025-IM101-R](#))

**2026 FISS design**

([para. 33](#)) *The Commission **ADOPTED** the Supplemented Reduced Loss design (Option 2) for the 2026 FISS as provided in [Appendix IV](#), **NOTING** that other charter regions may be added before the end of January 2026.*

- 2) **Adjustments to general operating:** The FY2026 budget for all other Funds has been updated to better reflect known costs given we are approaching the end of the 1<sup>st</sup> quarter of the fiscal year, and the expected expense for Fund 35 – AK Costs recovery, which is the grant between the IPHC and NOAA Fisheries, that was approved at the start of the fiscal year. The updated costs are primarily associated with IPHC Meetings (AM102 contracts), Travel, and Facility Rentals (HQ office lease and maintenance).
- 3) **Ongoing discussions:** The Commission via the two Contracting Parties, are currently seeking supplementary funding for both the general operations of the Commission, as well as to support the Fishery-Independent Setline Survey (FISS). The IPHC has identified the following needs on an ongoing basis that would be revisited on an annual basis:
- a) **US\$1,500,000** annually to subsidize the FISS to ensure robust sampling in all IPHC Regulatory Areas.
  - b) **US\$100,000-500,000** annually for a contribution to the FISS Reserve Fund, which is meant to address contingencies and build the FISS reserve back to a prudent level. The Commissioners have set a target of maintaining a **US\$2,000,000** balance to ensure the IPHC can cover cost fluctuations and the FISS does not need to be curtailed in years when costs are especially high and/or revenues are especially low. This amount would be increased or decreased based on Commission annual review and fund rebuilding.

**RECOMMENDATION/S**

That the FAC:

- 1) **NOTE** paper IPHC-2026-FAC102-06 that provided a 1<sup>st</sup> quarter update on the FY2026 budget (financial period: 1 October 2025 to 30 September 2026) as well as proposing a revised budget be adopted based on the 2026 FISS design, and other amendments.
- 2) **RECOMMEND** that the Commission adopt the amended FY2026 budget (1 October 2025 to 30 September 2026), as detailed in [Appendix III](#), noting that the amendments do not change the previously adopted Contracting Party contributions for FY2026:
  - a. Canada: Contribution to the General Fund: **US\$1,019,136.94**
  - b. U.S.A.: Contribution to the General Fund: **US\$4,642,734.94** (subject to appropriations)

- c. U.S.A.: Contribution to the headquarters building lease and maintenance costs:  
**US\$418,599.43**
- 3) **NOTE** the optional extra-budgetary (IFCP Fund deficit) contributions from each Contracting Party for FY2026 as follows:
  - a. Canada: 50% Contribution to the IFCP Fund deficit (former staff pension plan):  
**US\$150.573**
  - b. U.S.A.: 50% Contribution to the IFCP Fund deficit (former staff pension plan):  
**US\$150,573**

**APPENDICES**

- [Appendix I:](#) FY2026 Financial Budget (Adopted 07 April 2025)
- [Appendix II:](#) FY2026 Financial Statement – as of 08 December 2025
- [Appendix III:](#) FY2026 Financial Budget – Proposed as amended for decision



**APPENDIX I**  
**FY2026 FINANCIAL BUDGET (ADOPTED 07 APRIL 2025) - IPHC-2025-ID002: [IPHC-2025-CR-011](#)**

FY2026: Proposed for ID002	10 - General	20 - Research	30 - Statistics	35 - AK Cost-Recovery	TOTAL (10,20,30, 35)	40 - FISS	TOTAL (All Funds)
Account Number	FY2026	FY2026	FY2026	FY2026	FY2026	FY2026	FY2026
<b>Income</b>							
<b>40000 Contracting Party Contributions</b>							
40000.01 - Canada	\$ -	\$ -	\$ -	\$ -	\$ 1,019,136.94	\$ -	\$ 1,019,136.94
40000.02 - United States of America	\$ -	\$ -	\$ -	\$ -	\$ 4,642,734.94	\$ -	\$ 4,642,734.94
40000.03 - Canada supplementary	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40000.04 - United States of America supplementary	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>40000 - Contracting Party Contributions</b>	<b>\$ 3,281,221.73</b>	<b>\$ 1,231,761.37</b>	<b>\$ 1,148,888.78</b>	<b>\$ -</b>	<b>\$ 5,661,871.88</b>	<b>\$ -</b>	<b>\$ 5,661,871.88</b>
40055 - Headquarters (Lease and Maintenance)	\$ 418,599.43	\$ -	\$ -	\$ -	\$ 418,599.43	\$ -	\$ 418,599.43
<b>40055 - Headquarters (Lease &amp; Maintenance)</b>	<b>\$ 418,599.43</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 418,599.43</b>	<b>\$ -</b>	<b>\$ 418,599.43</b>
<b>40060 Other Income</b>							
40060.06 - Rent - Dutch Harbor	\$ -	\$ -	\$ -	\$ 5,305.00	\$ 5,305.00	\$ -	\$ 5,305.00
<b>40060 - Other Income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,305.00</b>	<b>\$ 5,305.00</b>	<b>\$ -</b>	<b>\$ 5,305.00</b>
<b>40100 Grants, Contracts &amp; Agreements</b>							
40100.01 - 802 - Directed Commercial Catch Sampling	\$ -	\$ -	\$ -	\$ 1,054,530.00	\$ 1,054,530.00	\$ -	\$ 1,054,530.00
40100.02 - MoU WDFW Rockfish sampling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,693.15	\$ 39,693.15
40100.09 - 809 - BREP NA23	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40100.07 - Supplementary funding	\$ -	\$ -	\$ -	\$ 75,466.61	\$ 75,466.61	\$ -	\$ 75,466.61
<b>40100 - Grants, Contracts &amp; Agreements</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,129,996.61</b>	<b>\$ 1,129,996.61</b>	<b>\$ 39,693.15</b>	<b>\$ 1,169,689.76</b>
<b>40200 Interest Income</b>							
40200.01 - Bank Interest	\$ 80,000.00	\$ -	\$ -	\$ -	\$ 80,000.00	\$ -	\$ 80,000.00
<b>Total 40200 - Interest Income</b>	<b>\$ 80,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 80,000.00</b>	<b>\$ -</b>	<b>\$ 80,000.00</b>
<b>40350 Fish Sales</b>							
40350.01 - Fish Sales - Pacific Halibut	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,306,170.00	\$ 1,306,170.00
40350.02 - Fish Sales - Byproduct	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56,925.00	\$ 56,925.00
<b>40350 - Fish Sales</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,363,095.00</b>	<b>\$ 1,363,095.00</b>
<b>Total Income</b>	<b>\$ 3,779,821.16</b>	<b>\$ 1,231,761.37</b>	<b>\$ 1,148,888.78</b>	<b>\$ 1,135,301.61</b>	<b>\$ 7,295,772.92</b>	<b>\$ 1,402,788.15</b>	<b>\$ 8,698,561.07</b>
<b>Expense</b>							
<b>Personnel Expenses</b>							
50000 - Salary & Wages	\$ 1,801,348.96	\$ 708,228.16	\$ 797,342.00	\$ 566,547.65	\$ 3,873,466.76	\$ 692,247.54	\$ 4,565,714.30
50100 - Benefits	\$ 713,763.56	\$ 249,244.91	\$ 233,426.46	\$ 188,757.48	\$ 1,385,192.40	\$ 169,100.41	\$ 1,554,292.81
50200 - Training & Education	\$ 33,000.00	\$ -	\$ 6,052.42	\$ 24,544.09	\$ 63,596.52	\$ 20,700.00	\$ 84,296.52
50300 - Personnel Related Expenses	\$ 5,249.29	\$ -	\$ 2,076.21	\$ 3,904.00	\$ 11,229.50	\$ 7,348.50	\$ 18,578.00
<b>Total Personnel Expenses</b>	<b>\$ 2,553,361.80</b>	<b>\$ 957,473.07</b>	<b>\$ 1,038,897.09</b>	<b>\$ 783,753.23</b>	<b>\$ 5,333,485.18</b>	<b>\$ 889,396.45</b>	<b>\$ 6,222,881.63</b>
<b>Operational Expenses</b>							
5000 - Publications	\$ 1,500.00	\$ 12,500.00	\$ 640.00	\$ 215.01	\$ 14,855.01	\$ -	\$ 14,855.01
51100 - Mailing and Shipping	\$ 4,968.00	\$ 12,156.08	\$ 1,874.64	\$ 3,192.18	\$ 22,190.90	\$ 62,100.00	\$ 84,290.90
51200 - Travel	\$ 74,095.00	\$ 27,150.12	\$ 12,747.06	\$ 42,694.09	\$ 156,686.27	\$ 72,717.81	\$ 229,404.08
51300 - IPHC Meetings	\$ 189,473.50	\$ -	\$ -	\$ -	\$ 189,473.50	\$ -	\$ 189,473.50
51400 - Technology	\$ 141,736.38	\$ 4,537.08	\$ 47,393.37	\$ 5,563.88	\$ 199,230.71	\$ 5,977.13	\$ 205,207.84
<b>Total Operational Expenses</b>	<b>\$ 411,772.88</b>	<b>\$ 56,343.27</b>	<b>\$ 62,655.08</b>	<b>\$ 51,665.18</b>	<b>\$ 582,436.40</b>	<b>\$ 140,794.93</b>	<b>\$ 723,231.34</b>
<b>Fees and Contract Expenses</b>							
52000 - Professional Fees	\$ 245,098.01	\$ -	\$ -	\$ 3,583.17	\$ 248,681.18	\$ 1,035.00	\$ 249,716.18
52100 - Vessel Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 227,700.00	\$ 227,700.00
52200 - Other Fees and Charges	\$ 50,059.66	\$ -	\$ 1,387.33	\$ 10,331.87	\$ 61,778.86	\$ 34,398.00	\$ 96,176.86
52300 - Leases and Contracts	\$ 25,329.36	\$ 41,798.13	\$ 3,105.00	\$ 14,960.83	\$ 85,193.32	\$ 1,141,605.00	\$ 1,226,798.32
54000 - Communications	\$ 32,759.28	\$ -	\$ 2,518.72	\$ -	\$ 35,278.01	\$ 2,070.00	\$ 37,348.01
<b>Total Fees and Contract Expenses</b>	<b>\$ 353,246.31</b>	<b>\$ 41,798.13</b>	<b>\$ 7,011.06</b>	<b>\$ 28,875.87</b>	<b>\$ 430,931.36</b>	<b>\$ 1,406,808.00</b>	<b>\$ 1,837,739.36</b>
<b>Facilities and Equipment Expenses</b>							
54000 - Equipment Expense	\$ 3,105.00	\$ 5,175.00	\$ 5,026.95	\$ 5,648.87	\$ 18,955.82	\$ 16,068.38	\$ 35,024.19
54000 - Supplies Expense	\$ 32,095.00	\$ 169,900.68	\$ 7,774.60	\$ 6,467.63	\$ 216,237.91	\$ 284,125.61	\$ 500,363.52
54000 - Maintenance and Utilities	\$ 34,191.23	\$ -	\$ 2,664.92	\$ 954.61	\$ 37,810.75	\$ 1,071.23	\$ 38,881.98
54000 - Facility Rentals	\$ 420,206.27	\$ 1,071.23	\$ 24,859.10	\$ 39,801.73	\$ 485,938.32	\$ 19,667.59	\$ 505,605.91
<b>Total Facilities and Equipment Expenses</b>	<b>\$ 489,597.49</b>	<b>\$ 176,146.90</b>	<b>\$ 40,325.56</b>	<b>\$ 52,872.84</b>	<b>\$ 758,942.80</b>	<b>\$ 320,932.80</b>	<b>\$ 1,079,875.60</b>
<b>Other Expenses</b>							
55000 - Budget Contingency	\$ 74,493.05	\$ -	\$ -	\$ 115,484.12	\$ 189,977.17	\$ -	\$ 189,977.17
55100 - Other Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
55200 - Fund Cost Recovery	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
55250 - Indirect costs	\$ (102,650.38)	\$ -	\$ -	\$ 102,650.38	\$ -	\$ -	\$ -
<b>Other Expenses</b>	<b>\$ (28,157.33)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 218,134.50</b>	<b>\$ 189,977.17</b>	<b>\$ -</b>	<b>\$ 189,977.17</b>
<b>Total Expense</b>	<b>\$ 3,779,821.16</b>	<b>\$ 1,231,761.37</b>	<b>\$ 1,148,888.78</b>	<b>\$ 1,135,301.61</b>	<b>\$ 7,295,772.92</b>	<b>\$ 2,757,932.18</b>	<b>\$ 10,053,705.10</b>
<b>Net Income (Loss)</b>	<b>\$ 0.00</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ (1,355,144.03)</b>	<b>\$ (1,355,144.03)</b>



**APPENDIX II**  
**FY2026 BUDGET – UPDATE AS OF 08 DECEMBER 2025**

INTERNATIONAL PACIFIC



HALIBUT COMMISSION

International Pacific Halibut Commission  
Budget: Year to Date  
for the period of 10/01/2025 to 12/08/2025

Account Number	Account Name	Actual	Annual Budget	Annual Budget %
<b>Income</b>				
40000	Contracting Party Contributions	\$6,174,871.88	\$5,661,871.88	109.06%
40055	Headquarters (Lease & Maintenance)	\$418,599.43	\$418,599.43	100.0%
40060	Other Income	\$1,811.82	\$5,305.00	34.15%
40100	Grants, Contracts & Agreements	\$0.00	\$1,169,689.76	0.0%
40200	Interest Income	\$5,814.84	\$80,000.00	7.27%
40350	Fish Sales	\$0.00	\$1,363,095.00	0.0%
42000	Gain/Loss	\$14.73	\$0.00	0.0%
<b>Total Income</b>		<b>\$6,601,112.70</b>	<b>\$8,698,561.07</b>	<b>75.89%</b>
<b>Expense</b>				
50000	Salaries & Wages	\$794,762.00	\$4,565,714.30	17.41%
50100	Benefits	\$287,360.21	\$1,554,292.78	18.49%
50200	Training & Education	\$10,504.79	\$84,296.51	12.46%
50300	Personnel Related Expenses	\$68.97	\$18,578.00	0.37%
51000	Publications	\$4,605.67	\$14,855.01	31.0%
51100	Mailing and Shipping	\$2,580.28	\$84,290.91	3.06%
51200	Travel	\$11,808.53	\$229,404.09	5.15%
51300	IPHC Meetings	\$5,858.63	\$189,473.50	3.09%
51400	Technology	\$22,457.69	\$205,207.84	10.94%
52000	Professional Services/Fees	\$68,026.52	\$249,716.19	27.24%
52100	Vessel Expenses	\$6,760.75	\$227,700.00	2.97%
52200	Other Fees and Charges	\$6,430.46	\$96,176.87	6.69%
52300	Leases and Contracts	\$2,337.26	\$1,226,798.32	0.19%
54000	Communications	\$2,885.82	\$37,348.00	7.73%
53000	Equipment Expense	\$897.51	\$35,024.20	2.56%
53100	Supplies Expense	\$185,445.68	\$500,363.52	37.06%
53200	Maintenance and Utilities	\$5,109.49	\$38,881.99	13.14%
53300	Facility Rentals	\$76,333.47	\$505,605.92	15.1%
55000	Budget Contingency	\$0.00	\$189,977.17	0.0%
56060.05	Recouped leave expenses	\$-261.63	\$0.00	0.0%
56100.221	Annual Leave Benefit Accrued HQ	\$25,280.82	\$0.00	0.0%
56100.222	Annual Leave Benefit Accrued Field	\$1,343.49	\$0.00	0.0%
56100.231	Sick Leave Benefit Accrued HQ	\$8,541.55	\$0.00	0.0%
56100.232	Sick Leave Benefit Accrued Field	\$917.62	\$0.00	0.0%
56410	Depreciation Expense	\$1,317.10	\$0.00	0.0%
56420	Amortization Expense	\$-1,645.95	\$0.00	0.0%
56430	Lease Interest Expense	\$9,903.13	\$0.00	0.0%
<b>Total Expense</b>		<b>\$1,539,629.86</b>	<b>\$10,053,705.12</b>	<b>15.31%</b>
<b>Total</b>		<b>\$5,061,482.84</b>	<b>\$-1,355,144.05</b>	<b>-373.5%</b>



APPENDIX III

FY2026 FINANCIAL BUDGET: PROPOSED AS AMENDED FOR ADOPTION

FY2026: Proposed for AM102 amendment/adoption	10 - General	20 - Research	30 - Statistics	35 - AK Cost-Recovery	TOTAL (10,20,30, 35)	40 - FISS	TOTAL (All Funds)
Account Number	FY2026	FY2026	FY2026	FY2026	FY2026	FY2026	FY2026
<b>Income</b>							
<b>40000 Contracting Party Contributions</b>							
40000.01 - Canada	\$ -	\$ -	\$ -	\$ -	\$ 1,019,136.94	\$ -	\$ 1,019,136.94
40000.02 - United States of America	\$ -	\$ -	\$ -	\$ 159,485.09	\$ 4,642,734.94	\$ -	\$ 4,642,734.94
40000.03 - Canada supplementary	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40000.04 - United States of America supplementary	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 513,000.00	\$ 513,000.00
<b>40000 - Contracting Party Contributions</b>	<b>\$ 3,193,446.29</b>	<b>\$ 1,166,086.74</b>	<b>\$ 1,119,598.18</b>	<b>\$ 159,485.09</b>	<b>\$ 5,661,871.88</b>	<b>\$ 513,000.00</b>	<b>\$ 6,174,871.88</b>
40055 - Headquarters (Lease and Maintenance)	\$ 418,599.43	\$ -	\$ -	\$ -	\$ 418,599.43	\$ -	\$ 418,599.43
<b>40055 - Headquarters (Lease &amp; Maintenance)</b>	<b>\$ 418,599.43</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 418,599.43</b>	<b>\$ -</b>	<b>\$ 418,599.43</b>
<b>40060 Other Income</b>							
40060.06 - Rent - Dutch Harbor	\$ -	\$ -	\$ -	\$ 5,600.00	\$ 5,600.00	\$ -	\$ 5,600.00
<b>40060 - Other Income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,600.00</b>	<b>\$ 5,600.00</b>	<b>\$ -</b>	<b>\$ 5,600.00</b>
<b>40100 Grants, Contracts &amp; Agreements</b>							
40100.01 - 802 - Directed Commercial Catch Sampling of Pacific halibut in Alaska	\$ -	\$ -	\$ -	\$ 838,153.91	\$ 838,153.91	\$ -	\$ 838,153.91
40100.02 - MoJ WDFW Rockfish sampling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,777.00	\$ 39,777.00
40100.07 - 809 - BREP NA23	\$ -	\$ 35,158.26	\$ -	\$ -	\$ 35,158.26	\$ -	\$ 35,158.26
40100.08 - 810 - Alaska Sea Grant	\$ -	\$ 8,890.63	\$ -	\$ -	\$ 8,890.63	\$ -	\$ 8,890.63
<b>40100 - Grants, Contracts &amp; Agreements</b>	<b>\$ -</b>	<b>\$ 44,048.89</b>	<b>\$ -</b>	<b>\$ 838,153.91</b>	<b>\$ 882,202.80</b>	<b>\$ 39,777.00</b>	<b>\$ 921,979.80</b>
<b>40200 Interest Income</b>							
40200.01 - Bank Interest	\$ 100,000.00	\$ -	\$ -	\$ -	\$ 100,000.00	\$ -	\$ 100,000.00
<b>Total 40200 - Interest Income</b>	<b>\$ 100,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000.00</b>	<b>\$ -</b>	<b>\$ 100,000.00</b>
<b>40350 Fish Sales</b>							
40350.01 - Fish Sales - Pacific Halibut	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,519,000.00	\$ 2,519,000.00
40350.02 - Fish Sales - Byproduct	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 102,000.00	\$ 102,000.00
<b>40350 - Fish Sales</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,621,000.00</b>	<b>\$ 2,621,000.00</b>
<b>Total Income</b>	<b>\$ 3,712,045.72</b>	<b>\$ 1,210,135.63</b>	<b>\$ 1,119,598.18</b>	<b>\$ 1,003,239.00</b>	<b>\$ 7,045,018.53</b>	<b>\$ 3,173,777.00</b>	<b>\$ 10,218,795.53</b>
<b>Expense</b>							
<b>Personnel Expenses</b>							
50000 - Salary & Wages	\$ 1,782,327.90	\$ 672,461.58	\$ 772,895.40	\$ 564,576.00	\$ 3,792,260.88	\$ 796,763.48	\$ 4,589,024.36
50100 - Benefits	\$ 776,301.72	\$ 268,535.28	\$ 259,596.04	\$ 188,882.81	\$ 1,493,315.85	\$ 203,203.20	\$ 1,696,519.05
50200 - Training & Education	\$ 33,000.00	\$ -	\$ 3,500.00	\$ 20,278.00	\$ 56,778.00	\$ 20,000.00	\$ 76,778.00
50300 - Personnel Related Expenses	\$ 5,249.29	\$ 1,500.00	\$ 2,200.00	\$ 2,400.00	\$ 11,349.29	\$ 8,400.00	\$ 19,749.29
<b>Total Personnel Expenses</b>	<b>\$ 2,596,878.91</b>	<b>\$ 942,496.86</b>	<b>\$ 1,038,191.44</b>	<b>\$ 776,136.81</b>	<b>\$ 5,353,704.02</b>	<b>\$ 1,028,366.68</b>	<b>\$ 6,382,070.70</b>
<b>Operational Expenses</b>							
5000 - Publications	\$ 5,000.00	\$ 12,500.00	\$ -	\$ -	\$ 17,500.00	\$ -	\$ 17,500.00
51100 - Mailing and Shipping	\$ 4,968.00	\$ 12,156.08	\$ 1,100.00	\$ 3,000.00	\$ 21,224.08	\$ 93,000.00	\$ 114,224.08
51200 - Travel	\$ 74,095.00	\$ 27,500.00	\$ 14,500.00	\$ 23,750.00	\$ 139,845.00	\$ 110,000.00	\$ 249,845.00
51300 - IPHC Meetings	\$ 182,000.00	\$ -	\$ -	\$ -	\$ 182,000.00	\$ -	\$ 182,000.00
51400 - Technology	\$ 137,000.00	\$ 5,074.16	\$ 47,390.00	\$ 2,100.00	\$ 191,564.16	\$ 5,977.13	\$ 197,541.28
<b>Total Operational Expenses</b>	<b>\$ 403,063.00</b>	<b>\$ 57,230.23</b>	<b>\$ 62,990.00</b>	<b>\$ 28,850.00</b>	<b>\$ 552,133.23</b>	<b>\$ 208,977.13</b>	<b>\$ 761,110.36</b>
<b>Fees and Contract Expenses</b>							
52000 - Professional Fees	\$ 252,643.01	\$ -	\$ -	\$ 3,546.02	\$ 256,189.03	\$ 1,000.00	\$ 257,189.03
52100 - Vessel Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 390,609.00	\$ 390,609.00
52200 - Other Fees and Charges	\$ 39,559.00	\$ -	\$ -	\$ 6,503.16	\$ 46,062.16	\$ 47,835.50	\$ 93,897.66
52300 - Leases and Contracts	\$ 9,500.00	\$ 41,798.13	\$ -	\$ 16,254.20	\$ 67,552.33	\$ 1,382,000.00	\$ 1,449,552.33
54000 - Communications	\$ 26,300.00	\$ -	\$ 1,400.00	\$ -	\$ 27,700.00	\$ 2,000.00	\$ 29,700.00
<b>Total Fees and Contract Expenses</b>	<b>\$ 328,002.01</b>	<b>\$ 41,798.13</b>	<b>\$ 1,400.00</b>	<b>\$ 26,303.38</b>	<b>\$ 397,503.52</b>	<b>\$ 1,823,444.50</b>	<b>\$ 2,220,948.02</b>
<b>Facilities and Equipment Expenses</b>							
54000 - Equipment Expense	\$ 3,105.00	\$ 5,175.00	\$ 5,026.95	\$ -	\$ 13,306.95	\$ 27,000.00	\$ 40,306.95
54000 - Supplies Expense	\$ 32,095.00	\$ 163,276.29	\$ 6,665.00	\$ 17,300.00	\$ 219,336.29	\$ 472,000.00	\$ 691,336.29
54000 - Maintenance and Utilities	\$ 41,570.00	\$ -	\$ 1,293.75	\$ 2,000.00	\$ 44,863.75	\$ 35,000.00	\$ 79,863.75
54000 - Facility Rentals	\$ 419,076.79	\$ 159.12	\$ 4,031.04	\$ 24,220.28	\$ 447,487.23	\$ 17,983.44	\$ 465,470.67
<b>Total Facilities and Equipment Expenses</b>	<b>\$ 495,846.79</b>	<b>\$ 168,610.41</b>	<b>\$ 17,016.74</b>	<b>\$ 43,520.28</b>	<b>\$ 724,994.22</b>	<b>\$ 551,983.44</b>	<b>\$ 1,276,977.66</b>
<b>Other Expenses</b>							
55000 - Budget Contingency	\$ 16,683.54	\$ -	\$ -	\$ -	\$ 16,683.54	\$ -	\$ 16,683.54
55250 - Indirect costs	\$ (128,428.53)	\$ -	\$ -	\$ 128,428.53	\$ -	\$ -	\$ -
<b>Other Expenses</b>	<b>\$ (111,744.99)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 128,428.53</b>	<b>\$ 16,683.54</b>	<b>\$ -</b>	<b>\$ 16,683.54</b>
<b>Total Expense</b>	<b>\$ 3,712,045.72</b>	<b>\$ 1,210,135.63</b>	<b>\$ 1,119,598.18</b>	<b>\$ 1,003,239.00</b>	<b>\$ 7,045,018.53</b>	<b>\$ 3,612,771.75</b>	<b>\$ 10,657,790.27</b>
<b>Net Income (Loss)</b>	<b>\$ 0.00</b>	<b>\$ (0.00)</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ (438,994.75)</b>	<b>\$ (438,994.74)</b>



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**Budget Estimates: FY2027 (for approval), FY2028 and FY2029 (for information)**

**PREPARED BY: IPHC SECRETARIAT (D. WILSON, B. WHITE; 12 DECEMBER 2025)**

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**PURPOSE**

To provide the FAC with the budget estimates for FY2027 (1 October 2026 to 30 September 2027) for recommendation to the Commission (for approval), and for FY2028 and FY2029 (for information) (1 October 2027 to 30 September 2028, & 1 October 2028 to 30 September 2029, respectively).

**BACKGROUND**

In accordance with Regulation 5, para. 3, of the IPHC Financial Regulations (2024) (shown below), the next three (3) fiscal years consist of FY2027, FY2028, and FY2029, noting that we are at the end of the 1<sup>st</sup> quarter of FY2026.

*(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."*

**DISCUSSION**

**PROPOSED EXPENDITURES FOR THE FY2027, FY2028 AND FY2029 BUDGETS (US\$)**

**FY2027 INCOME AND EXPENSES** – The IPHC financial budget for FY2027 is proposed at [Appendix I](#). A detailed presentation will accompany this paper at FAC102.

**Base Contributions (to the IPHC General Fund):** The contributions include a 5% increase from FY2026 for both Contracting Parties to **US\$1,070,093.78 (Canada)** and **US\$4,874,871.69 (United States of America)**.

- Other general cost assumptions include increases in operation costs, salaries and wages (5%, based on cost of living and step increases) and health care costs (~10%) ([Appendix I](#)).

**Headquarters Lease and Maintenance (to the IPHC General Fund):**

- The headquarters costs to the USA are **US\$432,540.62** in FY2027 in accordance with the building lease signed in 2023.

**Deficit payments to the IFC Pension Fund (to the IFCP Fund):**

- The extra-budgetary deficit payments to the IFC Pension Fund (closed in 2001 to new participants), will remain the same for FY2027 at **\$150,573** for each Contracting Party. This amount was determined through the actuarial report and 10-year amortization of the total deficit that stands at US\$3,011,460.

**FISS:** Income (and expenses) for the IPHC Fishery-Independent Setline Survey (FISS) are tentative as they are based on the design discussed at the 101<sup>st</sup> Session of the IPHC Interim

Meeting (IM101) and will likely change prior to the 2027 FISS season.

**FY2028 AND FY2029 INCOME AND EXPENSES** – The IPHC provisional budgets for FY2028 and FY2029 ([Appendix II](#) and [Appendix III](#), respectively) are based on a nominal 5% 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.

### **ASPIRATIONAL RESERVE TARGETS**

The Commission had previously agreed to the following aspirational reserve targets:

- Fund 50 – Reserve (for general operations): **US\$1,500,000**
- Fund 40 – FISS (for FISS operations): **US\$2,000,000**

#### **Fund 50 – Reserve** (general operating)

International best practice for retaining operating reserve funds is between 6-12 months as a common target, for stability against shortfalls, funding delays, emergencies, or grant gaps. With current uncertainty in funding timing within the financial year, and a highly uncertain grant environment, the Secretariat recommends a minimum of six (6) months operating expenses be held in reserve (Fund 50 – Reserve). The FY2027 operating budget (Funds 10, 20, 30, and 35) is proposed at **US\$7,920,644.39**. Thus, 6 months (50%) equate to **~US\$4,000,000** (Recommended).

#### **Fund 40 – FISS** (Reserve)

Based on recent trends in catch rates and fish prices, it is clear that at best, the FISS will be revenue neutral in the short-term without voluntary contributions from other sources. For example, in FY2025, the FISS total expenses were **US\$2,884,502.46**, while total income excluding voluntary contributions from Contracting Parties was **US\$2,909,847.61**, essentially revenue neutral. This was during a year of high fish prices being obtained.

In addition, the Secretariat has determined that the desired Base-Block FISS design will incur annual expenses of **~US\$3,500,000**, while income from fish sales is estimated to be **~US\$1,800,000** (for 2026), a shortfall of **US\$1,700,000**.

While an aspirational target reserve for the FISS of **US\$2,000,000** would cover one (1) year of a budget deficit for the base-block FISS design, it would not cover any subsequent years should there be declines in fish prices and catch rates. Thus, a higher aspirational target reserve for the FISS should be considered, while also seeking stable, ongoing regular budgetary contributions from the Contracting Parties. Recommended: **US\$3,000,000-\$4,000,000**.

### **RECOMMENDATION/S**

That the FAC:

- 1) **NOTE** paper IPHC-2026-FAC102-07 that provided the budget estimates for FY2027 (1 October 2026 to 30 September 2027) for recommendation to the Commission (for approval), and for FY2028 and FY2029 (for information) (1 October 2027 to 30 September 2028, & 1 October 2028 to 30 September 2029, respectively).

- 2) **RECOMMEND** the Commission **ADOPT** the FY2027 budget (1 October 2026 to 30 September 2027 as detailed in [Appendix I](#), including the contributions from the Contracting Parties to the General Fund for FY2027 as follows:
- Canada: Contribution to the General Fund: **US\$1,070,093.78** (Canada).
  - U.S.A.: Contribution to the General Fund: **US\$4,874,871.69** (subject to appropriations).
  - U.S.A.: Contribution to the headquarters building lease and maintenance costs: **US\$432,540.62**.
- 3) **NOTE** the optional extra-budgetary (IFCP Fund deficit) contributions from each Contracting Party for FY2027 as follows:
- Canada:
    - 50% Contribution to the IFCP Fund deficit (former staff pension plan): **US\$150,573**
  - U.S.A.:
    - 50% Contribution to the IFCP Fund deficit (former staff pension plan): **US\$150,573**
- 4) **NOTE** the tentative budgets for FY2028 and FY2029 (1 October 2027 to 30 September 2028, & 1 October 2028 to 30 September 2029, as detailed in [Appendix I](#) and [Appendix II](#), respectively.
- 5) **RECOMMEND** that the Commission **ENDORSE** the following aspirational reserve fund targets:
- i. Fund 50 Reserve: **US\$4,000,000**
  - ii. Fund 40 FISS (Reserve): **US\$4,000,000**

#### APPENDICES

<a href="#">Appendix I:</a>	FY2027 Financial Budget – Proposed for adoption
<a href="#">Appendix II:</a>	FY2028 Financial Budget – Proposed for information
<a href="#">Appendix III:</a>	FY2029 Financial Budget – Proposed for information

## Appendix I FY2027 Financial Budget – Proposed for adoption

FY2027: Proposed for FAC102 Account Number	10 - General	20 - Research	30 - Statistics	35 - AK Cost-Recovery	TOTAL (10,20,30, 35)	40 - FISS	TOTAL (All Funds)
	FY2027	FY2027	FY2027	FY2027	FY2027	FY2027	FY2027
<b>Income</b>							
<b>40000 Contracting Party Contributions</b>							
40000.01 - Canada	\$ -	\$ -	\$ -	\$ -	\$ 1,070,093.78	\$ -	\$ 1,070,093.78
40000.02 - United States of America	\$ -	\$ -	\$ -	\$ -	\$ 4,874,871.69	\$ -	\$ 4,874,871.69
<b>40000 - Contracting Party Contributions</b>	<b>\$ 3,495,720.59</b>	<b>\$ 1,273,479.30</b>	<b>\$ 1,175,765.58</b>	<b>\$ -</b>	<b>\$ 5,944,965.47</b>	<b>\$ -</b>	<b>\$ 5,944,965.47</b>
40055 - Headquarters (Lease and Maintenance)	\$ 432,540.62	\$ -	\$ -	\$ -	\$ 432,540.62	\$ -	\$ 432,540.62
<b>40055 - Headquarters (Lease &amp; Maintenance)</b>	<b>\$ 432,540.62</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 432,540.62</b>	<b>\$ -</b>	<b>\$ 432,540.62</b>
<b>40060 Other Income</b>							
40060.06 - Rent - Dutch Harbor	\$ -	\$ -	\$ -	\$ 5,600.00	\$ 5,600.00	\$ -	\$ 5,600.00
<b>40060 - Other Income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,600.00</b>	<b>\$ 5,600.00</b>	<b>\$ -</b>	<b>\$ 5,600.00</b>
<b>40100 Grants, Contracts &amp; Agreements</b>							
40100.01 - 802 - Directed Commercial Catch Sampling of Pacific halibut in Alaska	\$ -	\$ -	\$ -	\$ 1,064,242.86	\$ 1,064,242.86	\$ -	\$ 1,064,242.86
40100.02 - MoU WDFW Rockfish sampling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,765.85	\$ 41,765.85
<b>40100 - Grants, Contracts &amp; Agreements</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,064,242.86</b>	<b>\$ 1,064,242.86</b>	<b>\$ 41,765.85</b>	<b>\$ 1,106,008.71</b>
<b>40200 Interest Income</b>							
40200.01 - Bank Interest	\$ 100,000.00	\$ -	\$ -	\$ -	\$ 100,000.00	\$ -	\$ 100,000.00
<b>Total 40200 - Interest Income</b>	<b>\$ 100,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000.00</b>	<b>\$ -</b>	<b>\$ 100,000.00</b>
<b>40350 Fish Sales</b>							
40350.01 - Fish Sales - Pacific Halibut	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,618,486.72	\$ 2,618,486.72
40350.02 - Fish Sales - Byproduct	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 105,570.00	\$ 105,570.00
<b>40350 - Fish Sales</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,724,056.72</b>	<b>\$ 2,724,056.72</b>
<b>Total Income</b>	<b>\$ 4,028,261.21</b>	<b>\$ 1,273,479.30</b>	<b>\$ 1,175,765.58</b>	<b>\$ 1,069,842.86</b>	<b>\$ 7,547,348.95</b>	<b>\$ 2,765,822.57</b>	<b>\$ 10,313,171.52</b>
<b>Expense</b>							
<b>Personnel Expenses</b>							
<b>50000 - Salary &amp; Wages</b>	<b>\$ 1,871,144.30</b>	<b>\$ 706,084.66</b>	<b>\$ 811,540.17</b>	<b>\$ 592,804.80</b>	<b>\$ 3,981,573.92</b>	<b>\$ 836,526.65</b>	<b>\$ 4,818,100.58</b>
<b>50100 - Benefits</b>	<b>\$ 846,565.18</b>	<b>\$ 290,401.64</b>	<b>\$ 277,990.89</b>	<b>\$ 204,125.71</b>	<b>\$ 1,619,083.42</b>	<b>\$ 220,095.04</b>	<b>\$ 1,839,178.46</b>
<b>50200 - Training &amp; Education</b>	<b>\$ 33,000.00</b>	<b>\$ -</b>	<b>\$ 3,622.50</b>	<b>\$ 21,514.96</b>	<b>\$ 58,137.46</b>	<b>\$ 20,700.00</b>	<b>\$ 78,837.46</b>
<b>50300 - Personnel Related Expenses</b>	<b>\$ 5,380.51</b>	<b>\$ -</b>	<b>\$ 2,300.00</b>	<b>\$ 2,700.00</b>	<b>\$ 10,380.51</b>	<b>\$ 8,694.00</b>	<b>\$ 19,074.51</b>
<b>Total Personnel Expenses</b>	<b>\$ 2,756,089.99</b>	<b>\$ 996,486.30</b>	<b>\$ 1,095,453.56</b>	<b>\$ 821,145.47</b>	<b>\$ 5,669,175.31</b>	<b>\$ 1,086,015.70</b>	<b>\$ 6,755,191.01</b>
<b>Operational Expenses</b>							
<b>5000 - Publications</b>	<b>\$ 5,000.00</b>	<b>\$ 12,937.50</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 17,937.50</b>	<b>\$ -</b>	<b>\$ 17,937.50</b>
<b>51100 - Mailing and Shipping</b>	<b>\$ 5,141.88</b>	<b>\$ 12,581.54</b>	<b>\$ 1,155.00</b>	<b>\$ 3,150.00</b>	<b>\$ 22,028.42</b>	<b>\$ 96,255.00</b>	<b>\$ 118,283.42</b>
<b>51200 - Travel</b>	<b>\$ 76,635.83</b>	<b>\$ 28,462.50</b>	<b>\$ 15,225.00</b>	<b>\$ 32,100.60</b>	<b>\$ 152,423.93</b>	<b>\$ 113,850.00</b>	<b>\$ 266,273.93</b>
<b>51300 - IPHC Meetings</b>	<b>\$ 171,795.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 171,795.00</b>	<b>\$ -</b>	<b>\$ 171,795.00</b>
<b>51400 - Technology</b>	<b>\$ 141,795.00</b>	<b>\$ 5,251.75</b>	<b>\$ 49,759.50</b>	<b>\$ 2,205.00</b>	<b>\$ 199,011.25</b>	<b>\$ 6,186.32</b>	<b>\$ 205,197.58</b>
<b>Total Operational Expenses</b>	<b>\$ 400,367.71</b>	<b>\$ 59,233.29</b>	<b>\$ 66,139.50</b>	<b>\$ 37,455.60</b>	<b>\$ 563,196.10</b>	<b>\$ 216,291.32</b>	<b>\$ 779,487.42</b>
<b>Fees and Contract Expenses</b>							
<b>52000 - Professional Fees</b>	<b>\$ 260,550.52</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,723.32</b>	<b>\$ 264,273.84</b>	<b>\$ 1,035.00</b>	<b>\$ 265,308.84</b>
<b>52100 - Vessel Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 391,212.41</b>	<b>\$ 391,212.41</b>
<b>52200 - Other Fees and Charges</b>	<b>\$ 41,321.34</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,828.32</b>	<b>\$ 48,149.66</b>	<b>\$ 50,227.28</b>	<b>\$ 98,376.94</b>
<b>52300 - Leases and Contracts</b>	<b>\$ 9,832.50</b>	<b>\$ 43,261.06</b>	<b>\$ -</b>	<b>\$ 17,516.91</b>	<b>\$ 70,610.47</b>	<b>\$ 1,430,370.00</b>	<b>\$ 1,500,980.47</b>
<b>54000 - Communications</b>	<b>\$ 27,220.50</b>	<b>\$ -</b>	<b>\$ 1,470.00</b>	<b>\$ -</b>	<b>\$ 28,690.50</b>	<b>\$ 2,070.00</b>	<b>\$ 30,760.50</b>
<b>Total Fees and Contract Expenses</b>	<b>\$ 338,924.86</b>	<b>\$ 43,261.06</b>	<b>\$ 1,470.00</b>	<b>\$ 28,068.55</b>	<b>\$ 411,724.47</b>	<b>\$ 1,874,914.68</b>	<b>\$ 2,286,639.15</b>
<b>Facilities and Equipment Expenses</b>							
<b>54000 - Equipment Expense</b>	<b>\$ 3,213.68</b>	<b>\$ 5,356.13</b>	<b>\$ 5,278.00</b>	<b>\$ -</b>	<b>\$ 13,847.80</b>	<b>\$ 27,945.00</b>	<b>\$ 41,792.80</b>
<b>54000 - Supplies Expense</b>	<b>\$ 32,710.83</b>	<b>\$ 168,990.96</b>	<b>\$ 2,075.00</b>	<b>\$ 18,165.00</b>	<b>\$ 221,941.79</b>	<b>\$ 488,520.00</b>	<b>\$ 710,461.79</b>
<b>54000 - Maintenance and Utilities</b>	<b>\$ 43,024.95</b>	<b>\$ -</b>	<b>\$ 1,358.44</b>	<b>\$ 2,100.00</b>	<b>\$ 46,483.39</b>	<b>\$ 36,225.00</b>	<b>\$ 82,708.39</b>
<b>54000 - Facility Rentals</b>	<b>\$ 432,944.78</b>	<b>\$ 151.56</b>	<b>\$ 3,991.08</b>	<b>\$ 26,028.05</b>	<b>\$ 463,115.47</b>	<b>\$ 18,514.20</b>	<b>\$ 481,629.67</b>
<b>Total Facilities and Equipment Expenses</b>	<b>\$ 511,894.23</b>	<b>\$ 174,498.65</b>	<b>\$ 12,702.52</b>	<b>\$ 46,293.05</b>	<b>\$ 699,095.40</b>	<b>\$ 571,204.20</b>	<b>\$ 1,270,299.60</b>
<b>Other Expenses</b>							
55000 - Budget Contingency	\$ 157,864.63	\$ -	\$ -	\$ -	\$ 157,864.63	\$ -	\$ 157,864.63
55250 - Indirect costs	\$ (136,880.19)	\$ -	\$ -	\$ 136,880.19	\$ -	\$ -	\$ -
<b>Other Expenses</b>	<b>\$ 20,984.44</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 136,880.19</b>	<b>\$ 157,864.63</b>	<b>\$ -</b>	<b>\$ 157,864.63</b>
<b>Total Expense</b>	<b>\$ 4,028,261.21</b>	<b>\$ 1,273,479.30</b>	<b>\$ 1,175,765.58</b>	<b>\$ 1,069,842.86</b>	<b>\$ 7,547,348.95</b>	<b>\$ 3,748,425.90</b>	<b>\$ 11,295,774.86</b>
<b>Net Income (Loss)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ 0.00</b>	<b>\$ 0.00</b>	<b>\$ (0.00)</b>	<b>\$ (982,603.33)</b>	<b>\$ (982,603.34)</b>

## Appendix II FY2028 Financial Budget – Proposed for noting

FY2028: Proposed for FAC102 Account Number	10 - General FY2028	20 - Research FY2028	30 - Statistics FY2028	35 - AK Cost-Recovery FY2028	TOTAL (10,20,30, 35) FY2028	40 - FISS FY2028	TOTAL (All Funds) FY2028
<b>Income</b>							
<b>40000 Contracting Party Contributions</b>							
40000.01 - Canada	\$ -	\$ -	\$ -	\$ -	\$ 1,123,598.47	\$ -	\$ 1,123,598.47
40000.02 - United States of America	\$ -	\$ -	\$ -	\$ -	\$ 5,118,615.27	\$ -	\$ 5,118,615.27
<b>40000 - Contracting Party Contributions</b>	<b>\$ 3,659,356.45</b>	<b>\$ 1,342,268.85</b>	<b>\$ 1,240,588.44</b>	<b>\$ -</b>	<b>\$ 6,242,213.74</b>	<b>\$ -</b>	<b>\$ 6,242,213.74</b>
40055 - Headquarters (Lease and Maintenance)	\$ 447,045.53	\$ -	\$ -	\$ -	\$ 447,045.53	\$ -	\$ 447,045.53
<b>40055 - Headquarters (Lease &amp; Maintenance)</b>	<b>\$ 447,045.53</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 447,045.53</b>	<b>\$ -</b>	<b>\$ 447,045.53</b>
<b>40060 Other Income</b>							
40060.06 - Rent - Dutch Harbor	\$ -	\$ -	\$ -	\$ 5,600.00	\$ 5,600.00	\$ -	\$ 5,600.00
<b>40060 - Other Income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,600.00</b>	<b>\$ 5,600.00</b>	<b>\$ -</b>	<b>\$ 5,600.00</b>
<b>40100 Grants, Contracts &amp; Agreements</b>							
40100.01 - 802 - Directed Commercial Catch Sampling of Pacific halibut in Alaska	\$ -	\$ -	\$ -	\$ 1,125,785.12	\$ 1,125,785.12	\$ -	\$ 1,125,785.12
40100.02 - MoU WDFW Rockfish sampling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,854.14	\$ 43,854.14
<b>40100 - Grants, Contracts &amp; Agreements</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,125,785.12</b>	<b>\$ 1,125,785.12</b>	<b>\$ 43,854.14</b>	<b>\$ 1,169,639.26</b>
<b>40200 Interest Income</b>							
40200.01 - Bank Interest	\$ 100,000.00	\$ -	\$ -	\$ -	\$ 100,000.00	\$ -	\$ 100,000.00
<b>Total 40200 - Interest Income</b>	<b>\$ 100,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000.00</b>	<b>\$ -</b>	<b>\$ 100,000.00</b>
<b>40350 Fish Sales</b>							
40350.01 - Fish Sales - Pacific Halibut	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,721,455.48	\$ 2,721,455.48
40350.02 - Fish Sales - Byproduct	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 109,264.95	\$ 109,264.95
<b>40350 - Fish Sales</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,830,720.43</b>	<b>\$ 2,830,720.43</b>
<b>Total Income</b>	<b>\$ 4,206,401.98</b>	<b>\$ 1,342,268.85</b>	<b>\$ 1,240,588.44</b>	<b>\$ 1,131,385.12</b>	<b>\$ 7,920,644.39</b>	<b>\$ 2,874,574.57</b>	<b>\$ 10,795,218.96</b>
<b>Expense</b>							
<b>Personnel Expenses</b>							
<b>50000 - Salary &amp; Wages</b>	<b>\$ 1,964,401.51</b>	<b>\$ 741,388.89</b>	<b>\$ 847,813.70</b>	<b>\$ 622,445.04</b>	<b>\$ 4,176,049.14</b>	<b>\$ 859,446.80</b>	<b>\$ 5,035,495.95</b>
<b>50100 - Benefits</b>	<b>\$ 910,903.03</b>	<b>\$ 314,215.51</b>	<b>\$ 297,901.43</b>	<b>\$ 220,725.87</b>	<b>\$ 1,743,745.84</b>	<b>\$ 238,514.35</b>	<b>\$ 1,982,260.19</b>
<b>50200 - Training &amp; Education</b>	<b>\$ 33,000.00</b>	<b>\$ -</b>	<b>\$ 3,749.29</b>	<b>\$ 22,827.37</b>	<b>\$ 59,576.66</b>	<b>\$ 21,424.50</b>	<b>\$ 81,001.16</b>
<b>50300 - Personnel Related Expenses</b>	<b>\$ 5,516.33</b>	<b>\$ -</b>	<b>\$ 2,300.00</b>	<b>\$ 3,200.00</b>	<b>\$ 11,016.33</b>	<b>\$ 4,284.90</b>	<b>\$ 15,301.23</b>
<b>Total Personnel Expenses</b>	<b>\$ 2,913,820.87</b>	<b>\$ 1,055,604.40</b>	<b>\$ 1,151,764.42</b>	<b>\$ 869,198.28</b>	<b>\$ 5,990,387.97</b>	<b>\$ 1,123,670.55</b>	<b>\$ 7,114,058.52</b>
<b>Operational Expenses</b>							
<b>5000 - Publications</b>	<b>\$ 5,000.00</b>	<b>\$ 13,390.31</b>	<b>\$ -</b>	<b>\$ 200.00</b>	<b>\$ 18,590.31</b>	<b>\$ -</b>	<b>\$ 18,590.31</b>
<b>51100 - Mailing and Shipping</b>	<b>\$ 5,321.85</b>	<b>\$ 13,021.89</b>	<b>\$ 1,212.75</b>	<b>\$ 3,307.50</b>	<b>\$ 22,863.99</b>	<b>\$ 99,623.93</b>	<b>\$ 122,487.91</b>
<b>51200 - Travel</b>	<b>\$ 107,158.31</b>	<b>\$ 29,458.69</b>	<b>\$ 15,986.25</b>	<b>\$ 33,705.63</b>	<b>\$ 186,308.88</b>	<b>\$ 117,834.75</b>	<b>\$ 304,143.63</b>
<b>51300 - IPHC Meetings</b>	<b>\$ 197,635.33</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 197,635.33</b>	<b>\$ -</b>	<b>\$ 197,635.33</b>
<b>51400 - Technology</b>	<b>\$ 146,757.83</b>	<b>\$ 5,435.56</b>	<b>\$ 52,247.48</b>	<b>\$ 2,315.25</b>	<b>\$ 206,756.11</b>	<b>\$ 6,402.85</b>	<b>\$ 213,158.96</b>
<b>Total Operational Expenses</b>	<b>\$ 461,873.31</b>	<b>\$ 61,306.46</b>	<b>\$ 69,446.48</b>	<b>\$ 39,528.38</b>	<b>\$ 632,154.62</b>	<b>\$ 223,861.52</b>	<b>\$ 856,016.14</b>
<b>Fees and Contract Expenses</b>							
<b>52000 - Professional Fees</b>	<b>\$ 268,217.28</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,909.49</b>	<b>\$ 272,126.77</b>	<b>\$ 1,071.23</b>	<b>\$ 273,198.00</b>
<b>52100 - Vessel Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 418,825.01</b>	<b>\$ 418,825.01</b>
<b>52200 - Other Fees and Charges</b>	<b>\$ 43,164.25</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,169.73</b>	<b>\$ 50,333.98</b>	<b>\$ 52,738.64</b>	<b>\$ 103,072.62</b>
<b>52300 - Leases and Contracts</b>	<b>\$ 10,176.64</b>	<b>\$ 44,775.20</b>	<b>\$ -</b>	<b>\$ 17,792.76</b>	<b>\$ 72,744.60</b>	<b>\$ 1,480,432.95</b>	<b>\$ 1,553,177.55</b>
<b>54000 - Communications</b>	<b>\$ 28,173.22</b>	<b>\$ -</b>	<b>\$ 1,543.50</b>	<b>\$ -</b>	<b>\$ 29,716.72</b>	<b>\$ 2,142.45</b>	<b>\$ 31,859.17</b>
<b>Total Fees and Contract Expenses</b>	<b>\$ 349,731.39</b>	<b>\$ 44,775.20</b>	<b>\$ 1,543.50</b>	<b>\$ 28,871.98</b>	<b>\$ 424,922.07</b>	<b>\$ 1,955,210.27</b>	<b>\$ 2,380,132.34</b>
<b>Facilities and Equipment Expenses</b>							
<b>54000 - Equipment Expense</b>	<b>\$ 3,326.15</b>	<b>\$ 5,543.59</b>	<b>\$ 5,542.21</b>	<b>\$ -</b>	<b>\$ 14,411.95</b>	<b>\$ 28,923.08</b>	<b>\$ 43,335.03</b>
<b>54000 - Supplies Expense</b>	<b>\$ 33,348.20</b>	<b>\$ 174,905.65</b>	<b>\$ 7,348.16</b>	<b>\$ 19,073.25</b>	<b>\$ 234,675.26</b>	<b>\$ 505,618.20</b>	<b>\$ 740,293.46</b>
<b>54000 - Maintenance and Utilities</b>	<b>\$ 44,530.82</b>	<b>\$ -</b>	<b>\$ 1,426.36</b>	<b>\$ 2,205.00</b>	<b>\$ 48,162.18</b>	<b>\$ 37,492.88</b>	<b>\$ 85,655.06</b>
<b>54000 - Facility Rentals</b>	<b>\$ 447,401.69</b>	<b>\$ 133.56</b>	<b>\$ 3,517.32</b>	<b>\$ 27,836.70</b>	<b>\$ 478,889.27</b>	<b>\$ 19,084.52</b>	<b>\$ 497,973.79</b>
<b>Total Facilities and Equipment Expenses</b>	<b>\$ 528,606.87</b>	<b>\$ 180,582.80</b>	<b>\$ 17,834.05</b>	<b>\$ 49,114.95</b>	<b>\$ 727,023.72</b>	<b>\$ 591,118.67</b>	<b>\$ 1,318,142.38</b>
<b>Other Expenses</b>							
55000 - Budget Contingency	\$ 97,041.07	\$ -	\$ -	\$ -	\$ 97,041.07	\$ -	\$ 97,041.07
55250 - Indirect costs	\$ (144,671.53)	\$ -	\$ -	\$ 144,671.53	\$ -	\$ -	\$ -
<b>Other Expenses</b>	<b>\$ (47,630.46)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 144,671.53</b>	<b>\$ 97,041.07</b>	<b>\$ -</b>	<b>\$ 97,041.07</b>
<b>Total Expense</b>	<b>\$ 4,206,401.98</b>	<b>\$ 1,342,268.85</b>	<b>\$ 1,240,588.44</b>	<b>\$ 1,131,385.12</b>	<b>\$ 7,920,644.39</b>	<b>\$ 3,893,861.01</b>	<b>\$ 11,814,505.40</b>
<b>Net Income (Loss)</b>	<b>\$ 0.00</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ 0.00</b>	<b>\$ (0.00)</b>	<b>\$ (1,019,286.44)</b>	<b>\$ (1,019,286.44)</b>

### Appendix III FY2029 Financial Budget – Proposed for noting

FY2029: Proposed for FAC102 Account Number	10 - General FY2029	20 - Research FY2029	30 - Statistics FY2029	35 - AK Cost-Recovery FY2029	TOTAL (10,20,30, 35) FY2029	40 - FISS FY2029	TOTAL (All Funds) FY2029
<b>Income</b>							
<b>40000 Contracting Party Contributions</b>							
40000.01 - Canada	\$ -	\$ -	\$ -	\$ -	\$ 1,179,778.40	\$ -	\$ 1,179,778.40
40000.02 - United States of America	\$ -	\$ -	\$ -	\$ -	\$ 5,374,546.03	\$ -	\$ 5,374,546.03
<b>40000 - Contracting Party Contributions</b>	<b>\$ 3,835,494.15</b>	<b>\$ 1,415,311.39</b>	<b>\$ 1,303,518.89</b>	<b>\$ -</b>	<b>\$ 6,554,324.43</b>	<b>\$ -</b>	<b>\$ 6,554,324.43</b>
40055 - Headquarters (Lease and Maintenance)	\$ 461,549.91	\$ -	\$ -	\$ -	\$ 461,549.91	\$ -	\$ 461,549.91
<b>40055 - Headquarters (Lease &amp; Maintenance)</b>	<b>\$ 461,549.91</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 461,549.91</b>	<b>\$ -</b>	<b>\$ 461,549.91</b>
<b>40060 Other Income</b>							
40060.06 - Rent - Dutch Harbor	\$ -	\$ -	\$ -	\$ 5,600.00	\$ 5,600.00	\$ -	\$ 5,600.00
<b>40060 - Other Income</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,600.00</b>	<b>\$ 5,600.00</b>	<b>\$ -</b>	<b>\$ 5,600.00</b>
<b>40100 Grants, Contracts &amp; Agreements</b>							
40100.01 - 802 - Directed Commercial Catch Sampling of Pacific halibut in Alaska	\$ -	\$ -	\$ -	\$ 1,191,341.53	\$ 1,191,341.53	\$ -	\$ 1,191,341.53
40100.02 - MoU WDFW Rockfish sampling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 46,046.85	\$ 46,046.85
<b>40100 - Grants, Contracts &amp; Agreements</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,191,341.53</b>	<b>\$ 1,191,341.53</b>	<b>\$ 46,046.85</b>	<b>\$ 1,237,388.38</b>
<b>40200 Interest Income</b>							
40200.01 - Bank Interest	\$ 100,000.00	\$ -	\$ -	\$ -	\$ 100,000.00	\$ -	\$ 100,000.00
<b>Total 40200 - Interest Income</b>	<b>\$ 100,000.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000.00</b>	<b>\$ -</b>	<b>\$ 100,000.00</b>
<b>40350 Fish Sales</b>							
40350.01 - Fish Sales - Pacific Halibut	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,828,028.14	\$ 2,828,028.14
40350.02 - Fish Sales - Byproduct	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 113,089.22	\$ 113,089.22
<b>40350 - Fish Sales</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,941,117.36</b>	<b>\$ 2,941,117.36</b>
<b>Total Income</b>	<b>\$ 4,397,044.06</b>	<b>\$ 1,415,311.39</b>	<b>\$ 1,303,518.89</b>	<b>\$ 1,196,941.53</b>	<b>\$ 8,312,815.87</b>	<b>\$ 2,987,164.21</b>	<b>\$ 11,299,980.08</b>
<b>Expense</b>							
<b>Personnel Expenses</b>							
<b>50000 - Salary &amp; Wages</b>	<b>\$ 2,062,321.59</b>	<b>\$ 778,458.34</b>	<b>\$ 890,204.39</b>	<b>\$ 653,567.29</b>	<b>\$ 4,384,551.60</b>	<b>\$ 902,344.14</b>	<b>\$ 5,286,895.74</b>
<b>50100 - Benefits</b>	<b>\$ 993,933.53</b>	<b>\$ 340,160.02</b>	<b>\$ 319,464.94</b>	<b>\$ 238,811.19</b>	<b>\$ 1,892,369.68</b>	<b>\$ 258,606.12</b>	<b>\$ 2,150,975.80</b>
<b>50200 - Training &amp; Education</b>	<b>\$ 33,000.00</b>	<b>\$ -</b>	<b>\$ 3,880.51</b>	<b>\$ 24,219.84</b>	<b>\$ 61,100.35</b>	<b>\$ 22,174.36</b>	<b>\$ 83,274.71</b>
<b>50300 - Personnel Related Expenses</b>	<b>\$ 5,656.90</b>	<b>\$ -</b>	<b>\$ 2,300.00</b>	<b>\$ 3,200.00</b>	<b>\$ 11,156.90</b>	<b>\$ 4,434.87</b>	<b>\$ 15,591.77</b>
<b>Total Personnel Expenses</b>	<b>\$ 3,094,912.02</b>	<b>\$ 1,118,618.36</b>	<b>\$ 1,215,849.84</b>	<b>\$ 919,798.32</b>	<b>\$ 6,349,178.54</b>	<b>\$ 1,187,559.49</b>	<b>\$ 7,536,738.03</b>
<b>Operational Expenses</b>							
<b>5000 - Publications</b>	<b>\$ 5,000.00</b>	<b>\$ 13,858.97</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 18,858.97</b>	<b>\$ -</b>	<b>\$ 18,858.97</b>
<b>51100 - Mailing and Shipping</b>	<b>\$ 5,508.11</b>	<b>\$ 13,477.66</b>	<b>\$ 1,273.39</b>	<b>\$ 3,472.88</b>	<b>\$ 23,732.04</b>	<b>\$ 103,110.76</b>	<b>\$ 126,842.80</b>
<b>51200 - Travel</b>	<b>\$ 107,158.31</b>	<b>\$ 30,489.74</b>	<b>\$ 16,785.56</b>	<b>\$ 35,390.91</b>	<b>\$ 189,824.53</b>	<b>\$ 121,958.97</b>	<b>\$ 311,783.49</b>
<b>51300 - IPHC Meetings</b>	<b>\$ 176,522.56</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 176,522.56</b>	<b>\$ -</b>	<b>\$ 176,522.56</b>
<b>51400 - Technology</b>	<b>\$ 151,894.35</b>	<b>\$ 5,625.81</b>	<b>\$ 54,859.85</b>	<b>\$ 2,431.01</b>	<b>\$ 214,811.02</b>	<b>\$ 6,626.95</b>	<b>\$ 221,437.96</b>
<b>Total Operational Expenses</b>	<b>\$ 446,083.33</b>	<b>\$ 63,452.18</b>	<b>\$ 72,918.80</b>	<b>\$ 41,294.80</b>	<b>\$ 623,749.12</b>	<b>\$ 231,696.67</b>	<b>\$ 855,445.79</b>
<b>Fees and Contract Expenses</b>							
<b>52000 - Professional Fees</b>	<b>\$ 276,152.39</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,104.96</b>	<b>\$ 280,257.35</b>	<b>\$ 1,108.72</b>	<b>\$ 281,366.07</b>
<b>52100 - Vessel Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 419,076.51</b>	<b>\$ 419,076.51</b>
<b>52200 - Other Fees and Charges</b>	<b>\$ 45,091.50</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,528.22</b>	<b>\$ 52,619.72</b>	<b>\$ 55,375.57</b>	<b>\$ 107,995.29</b>
<b>52300 - Leases and Contracts</b>	<b>\$ 10,532.82</b>	<b>\$ 46,342.33</b>	<b>\$ -</b>	<b>\$ 20,461.67</b>	<b>\$ 77,336.82</b>	<b>\$ 1,532,248.10</b>	<b>\$ 1,609,584.93</b>
<b>54000 - Communications</b>	<b>\$ 29,159.28</b>	<b>\$ -</b>	<b>\$ 1,620.68</b>	<b>\$ -</b>	<b>\$ 30,779.96</b>	<b>\$ 2,217.44</b>	<b>\$ 32,997.40</b>
<b>Total Fees and Contract Expenses</b>	<b>\$ 360,935.98</b>	<b>\$ 46,342.33</b>	<b>\$ 1,620.68</b>	<b>\$ 32,094.85</b>	<b>\$ 440,993.85</b>	<b>\$ 2,010,026.34</b>	<b>\$ 2,451,020.18</b>
<b>Facilities and Equipment Expenses</b>							
<b>54000 - Equipment Expense</b>	<b>\$ 3,442.57</b>	<b>\$ 5,737.62</b>	<b>\$ 5,819.32</b>	<b>\$ -</b>	<b>\$ 14,999.50</b>	<b>\$ 29,935.38</b>	<b>\$ 44,934.89</b>
<b>54000 - Supplies Expense</b>	<b>\$ 34,007.89</b>	<b>\$ 181,027.34</b>	<b>\$ 2,287.69</b>	<b>\$ 20,026.91</b>	<b>\$ 237,349.83</b>	<b>\$ 523,314.84</b>	<b>\$ 760,664.67</b>
<b>54000 - Maintenance and Utilities</b>	<b>\$ 46,089.40</b>	<b>\$ -</b>	<b>\$ 1,497.68</b>	<b>\$ 2,315.25</b>	<b>\$ 49,902.33</b>	<b>\$ 38,805.13</b>	<b>\$ 88,707.46</b>
<b>54000 - Facility Rentals</b>	<b>\$ 451,458.40</b>	<b>\$ 133.56</b>	<b>\$ 3,524.88</b>	<b>\$ 28,241.88</b>	<b>\$ 483,358.72</b>	<b>\$ 19,732.33</b>	<b>\$ 503,091.05</b>
<b>Total Facilities and Equipment Expenses</b>	<b>\$ 534,998.26</b>	<b>\$ 186,898.52</b>	<b>\$ 13,129.57</b>	<b>\$ 50,584.04</b>	<b>\$ 735,026.35</b>	<b>\$ 611,787.68</b>	<b>\$ 1,346,814.03</b>
<b>Other Expenses</b>							
55000 - Budget Contingency	\$ 113,283.99	\$ -	\$ -	\$ -	\$ 113,283.99	\$ -	\$ 113,283.99
55250 - Indirect costs	\$ (153,169.52)	\$ -	\$ -	\$ 153,169.52	\$ -	\$ -	\$ -
<b>Other Expenses</b>	<b>\$ (39,885.53)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 153,169.52</b>	<b>\$ 113,283.99</b>	<b>\$ -</b>	<b>\$ 113,283.99</b>
<b>Total Expense</b>	<b>\$ 4,397,044.06</b>	<b>\$ 1,415,311.39</b>	<b>\$ 1,303,518.89</b>	<b>\$ 1,196,941.53</b>	<b>\$ 8,312,815.89</b>	<b>\$ 4,041,070.17</b>	<b>\$ 12,353,886.06</b>
<b>Net Income (Loss)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.00)</b>	<b>\$ (0.01)</b>	<b>\$ (1,053,905.96)</b>	<b>\$ (1,053,905.98)</b>



<b>MI2025039</b>				
23 Aug 2024	30 Sept 2025	S. Phillips Surety, Inc.	\$24,633.60	<p>In August 2024 (within FY2024), the Secretariat was invoiced via email by S. Phillips Surety, Inc. (SPS) to renew IPHC's D&amp;O insurance.</p> <p>The invoice was attached to an SPS email address and associated with a policy renewal draft.</p> <p>SPS's internet security at the time had been compromised by criminal activity, and the Secretariat was receiving fraudulent communications from SPS by third parties.</p> <p>When the Secretariat attempted to pay the invoice via ACH, the transfer failed, and SPS was notified.</p> <p>The Secretariat was provided with new ACH information via a SPS email address, and funds were transferred in August 2024 (FY2024).</p> <p>In late September 2024, Surety Phillips notified the Secretariat that payment was overdue, at which time fraud was discovered. Attempts to recall the funds by Wells Fargo were unsuccessful and the fraud case was closed by the bank in early October 2024 (FY2025).</p> <p>The IPHC Secretariat dropped SPS and has a new, more extensive D&amp;O coverage through 'Travelers' for approximately half the cost.</p> <p>New procedures have been put in place with the Administrative Services Branch to verify routing information from new vendors or changes in current vendors' information. These changes include verification outside the channels provided.</p> <p>Pursuing legal action to recover the funds has been deemed not cost-effective. Consequently, the balance will be written off.</p>