

INTERNATIONAL PACIFIC



HALIBUT COMMISSION

FY2026 Financial Budget - Update

Agenda item: 6
IPHC-2026-FAC102-06
(D. Wilson, B. White)



Purpose

To provide the FAC with an update on the approved FY2026 budget (financial period: 1 October 2025 to 30 September 2026) and suggested amendments to:

- 1) accommodate the final 2026 FISS design adopted at the 101st 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

IPHC-2025-ID002: Total contributions from Contracting Parties = **US\$6,080,471.31** to the General Fund

The Commission **ADOPTED** the FY2026 budget (1 October 2025 to 30 September 2026) as detailed in Appendix I [of IPHC-2025-ID002], 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).



Background

FY2026 contributions to the General Fund (with dates) have been received from the Contracting Parties as follows:

Canada: **\$1,019,136.94** (received 7 May 2025)

U.S.A.: **US\$5,061,334.37** (**Outstanding**)



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\$) – Amended & Proposed for Adoption

Fund 40 – FISS: The final 2026 FISS design was adopted at the 101st Session of the IPHC Interim Meeting (IM101) (IPHC-2025-IM101-R):

(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.

The design agreed to is estimated to result in a total:

- 1) Income: US\$3,173,777.00 (includes \$513,000 in USA supplementary funding).
- 2) Expense: US\$3,612,771.73.
- 3) Balance: -US\$438,994.75.



FY2026 Financial Budget (US\$) – Amended & Proposed for Adoption

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 1st 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).



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. Commissioners have set a target of maintaining a US\$2,000,000 balance to ensure 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.



Discussion

Fund 35 – AK Cost-Recovery expenses are budgeted at **US\$1,003,239.00** for FY2026, however, the amount that NOAA fisheries has since indicated they will provide for in year expenses is **US\$838,153.91**.

This represents the cost-recovered amount from our eligible expenses incurred in FY2024.

To cover this deficit, we have moved **US\$159,485.09** from the Budget Contingency line to Fund 35.



Recommendations

NOTE paper IPHC-2026-FAC102-06 that provided a 1st 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 final 2026 FISS design, and other amendments.

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**



Recommendations

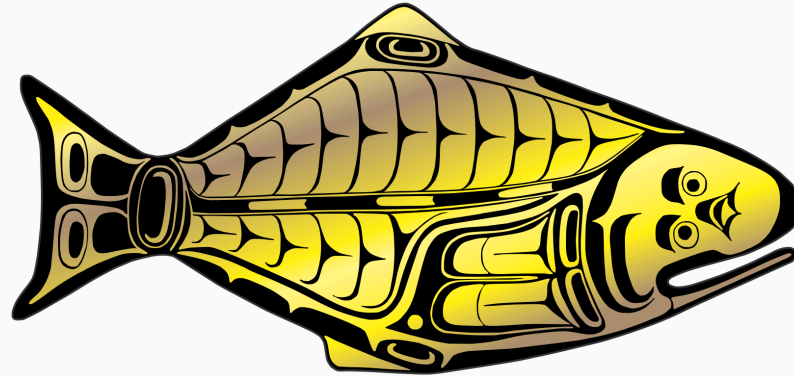
NOTE the optional extra-budgetary (IFCP Fund deficit) contributions from each Contracting Party for FY2026 as follows:

- 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

NOTE that Fund 35 – AK Cost-Recovery expenses are budgeted at **US\$1,003,239.00** for FY2026, however, the amount that NOAA fisheries has since indicated that they will provide for in FY expenses (FY2026) to reimburse for our FY2026 expenses has been indicated at **US\$838,153.91**. This represents the cost-recovered amount from our eligible expenses incurred in FY2024. To cover this deficit, US\$159,485.09 has been moved from the Budget Contingency line to Fund 35.



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