

INTERNATIONAL PACIFIC



HALIBUT COMMISSION

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

Agenda item:
IPHC-2026-FAC102-07 Rev_1
(D. Wilson, B. White)



Purpose & Background

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).

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 1st 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.”



FY2027 Budget Estimates

FY2027 INCOME AND EXPENSES – The IPHC financial budget for FY2027 is proposed at Appendix I.

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).



FY2027 Budget Estimates

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.



FY2027 Budget Estimates

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 to **\$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.



FY2027 Budget Estimates

FISS: Income (and expenses) for the IPHC Fishery-Independent Setline Survey (FISS) are tentative as they are based on the design discussed at the 101st Session of the IPHC Interim Meeting (IM101) and will likely change substantially prior to the 2027 FISS season.



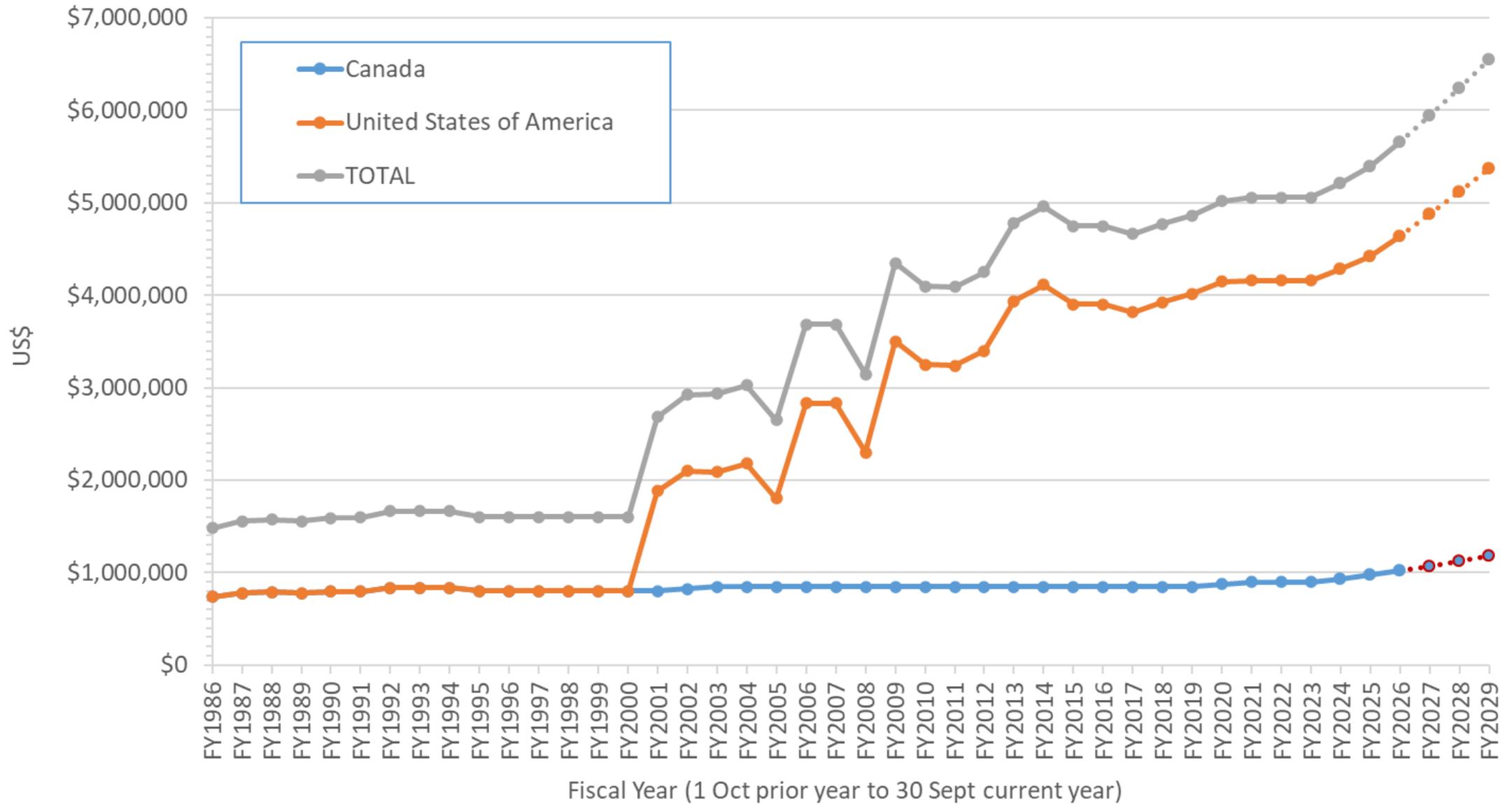
FY2027 Budget Estimates (For Approval)

See Appendix I

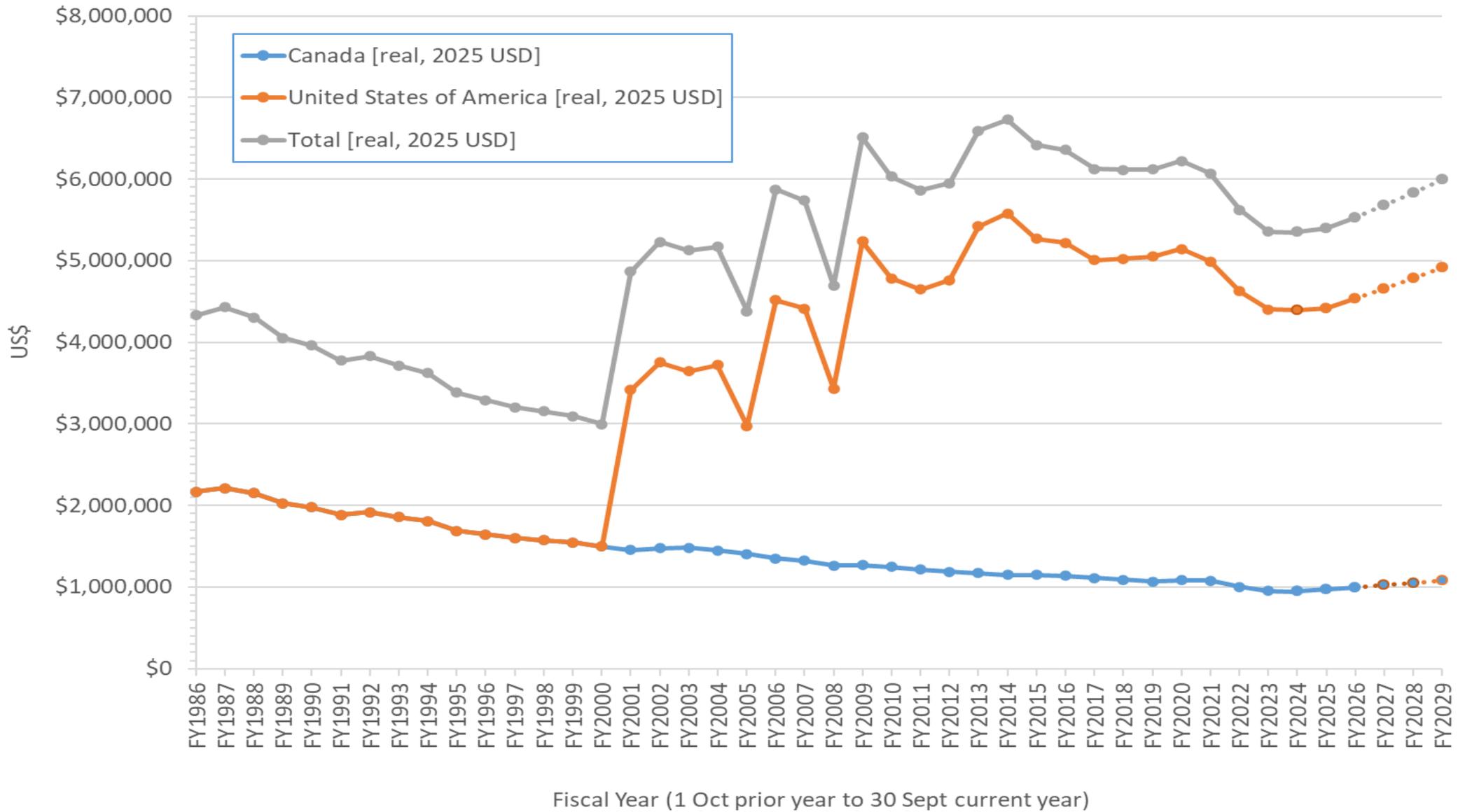
FY2027: Proposed for FAC102 Account Number		10 - General FY2027	20 - Research FY2027	30 - Statistics FY2027	35 - AK Cost-Recovery FY2027	TOTAL (10,20,30,35) FY2027	40 - FISS FY2027	TOTAL (All Funds) FY2027
Income								
40000 Contracting Party Contributions								
40000.01 - Canada		\$ -	\$ -	\$ -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



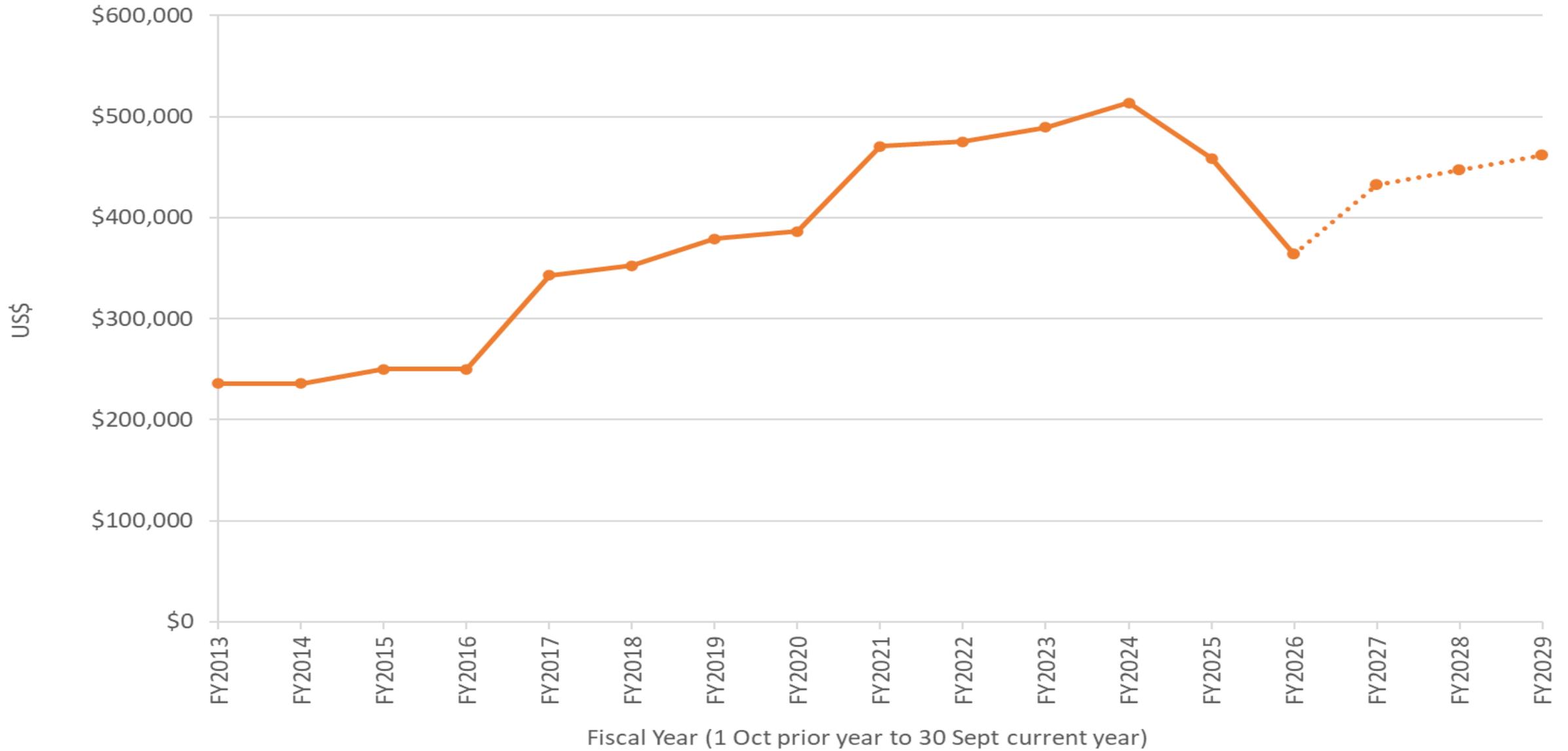
Contracting Party Contributions to the General Fund (FY1986-FY2029)



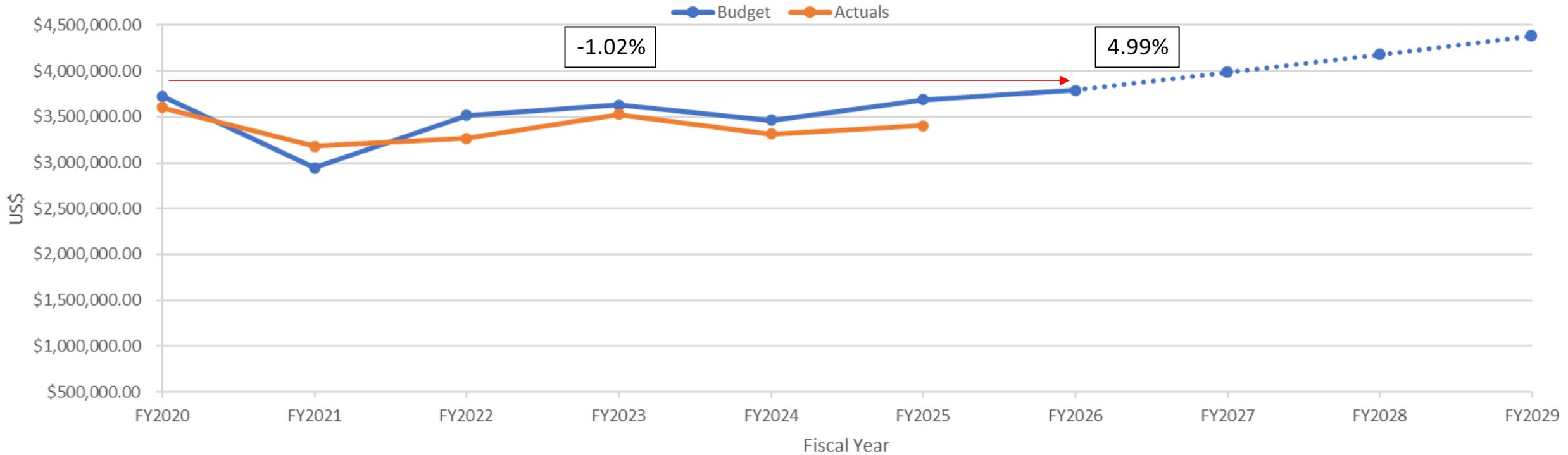
Contracting Party Contributions to the General Fund (FY1986-FY2029) adjusted for inflation



USA Contributions to the IPHC Secretariat HQ (Lease and Maintenance) (FY2013-FY2029)



Acc# 50000: Salaries and Wages

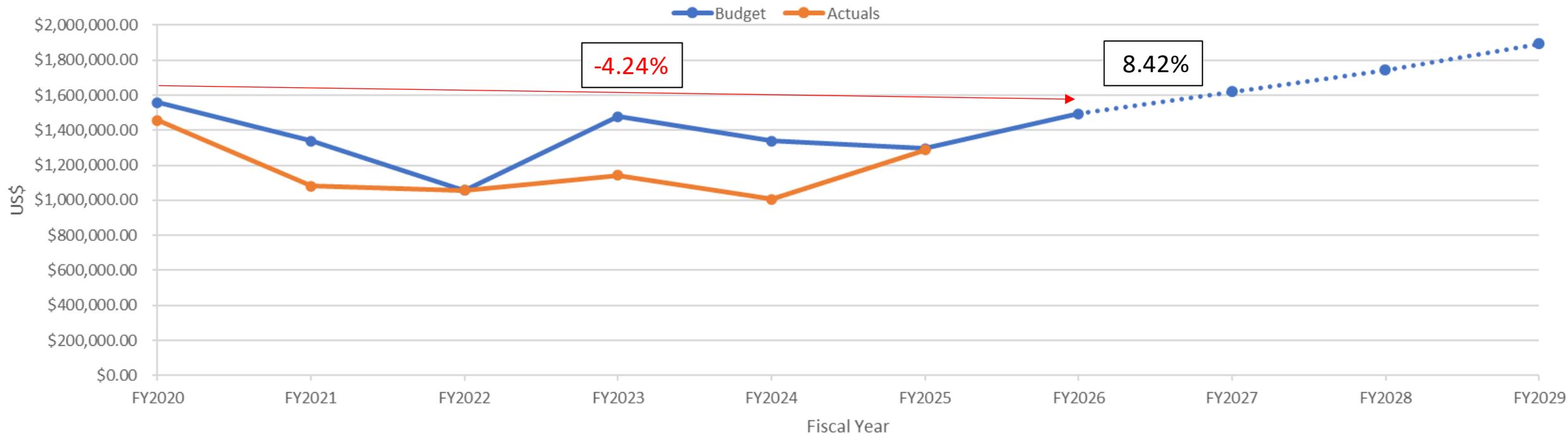


Assumptions:

- Maintaining FTE's from FY2026
- Step increase schedule maintained



Acc# 50100: Benefits



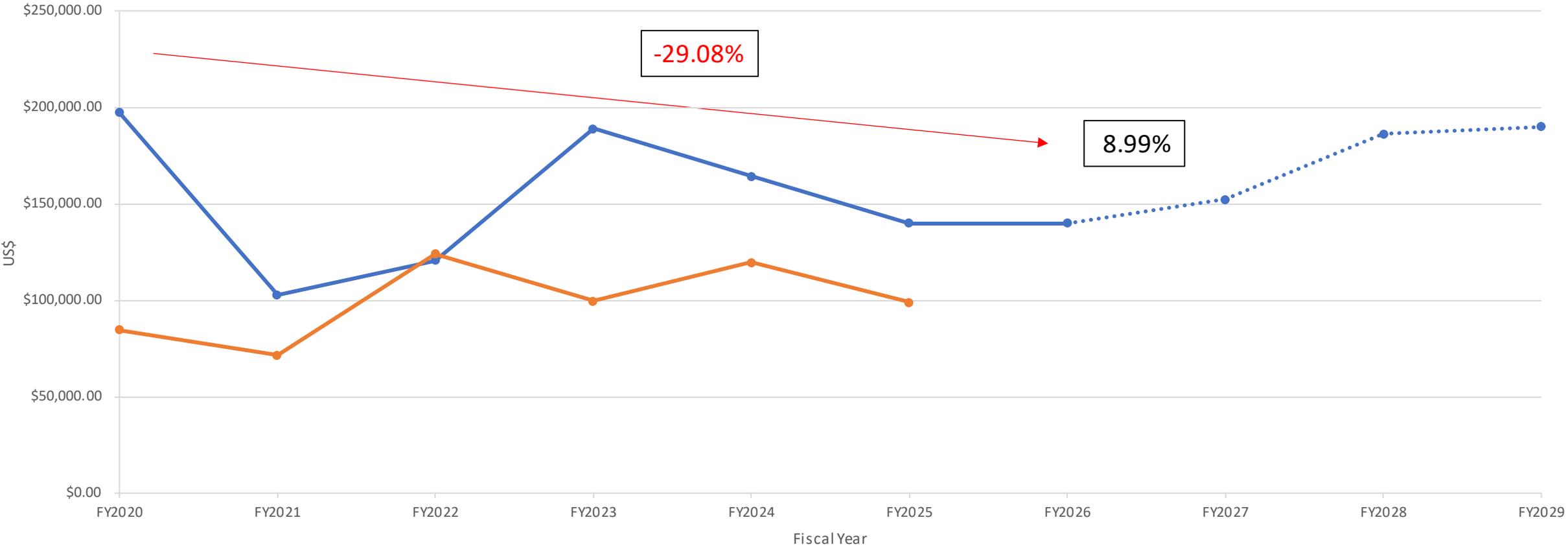
Assumptions:

- Maintaining FTE's from FY2026
- 10% annual increase in healthcare costs (insurance etc.)
- 5% annual increase in other costs



Acc# 51200: Travel

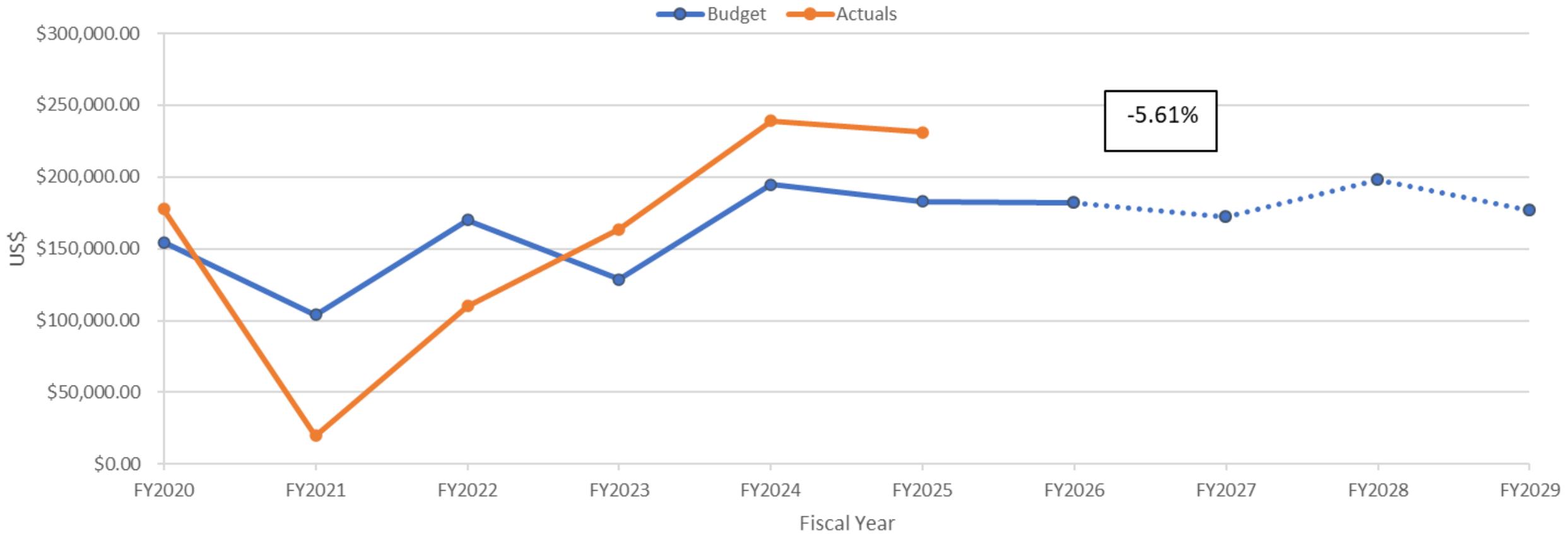
Budget Actuals



Assumptions:



Acc# 51300: IPHC Meetings

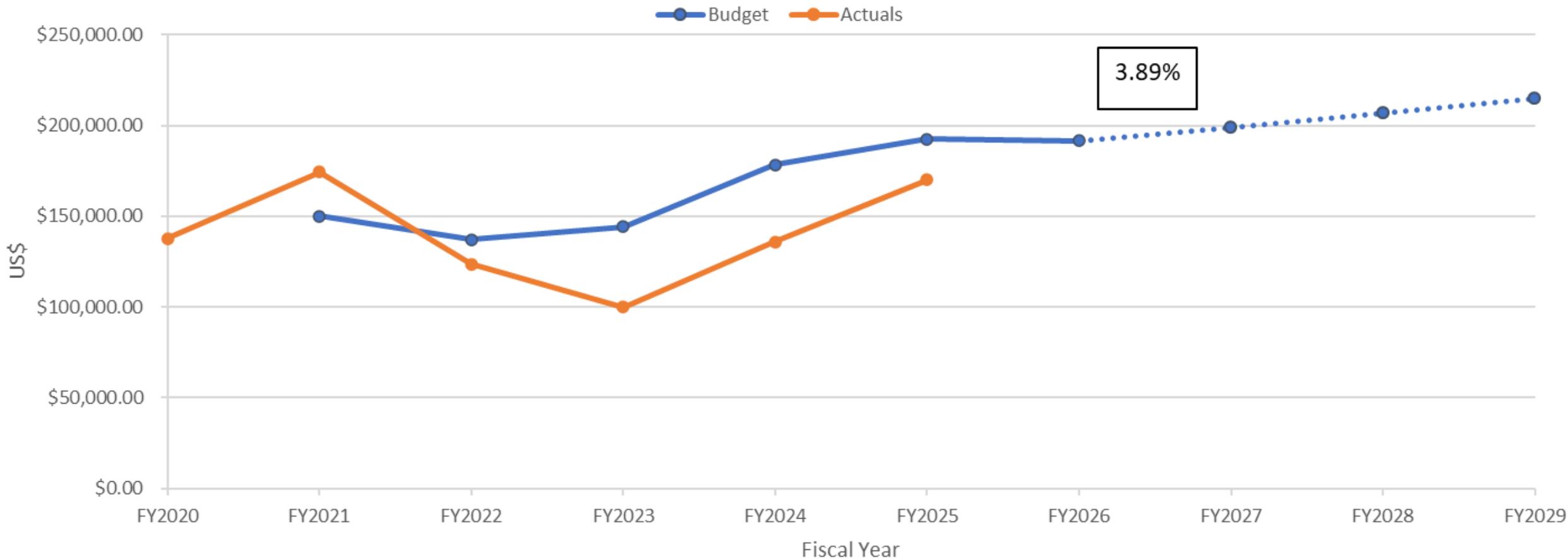


Assumptions:

- Decrease: Canada hosting AM103



Acc# 51400: Technology

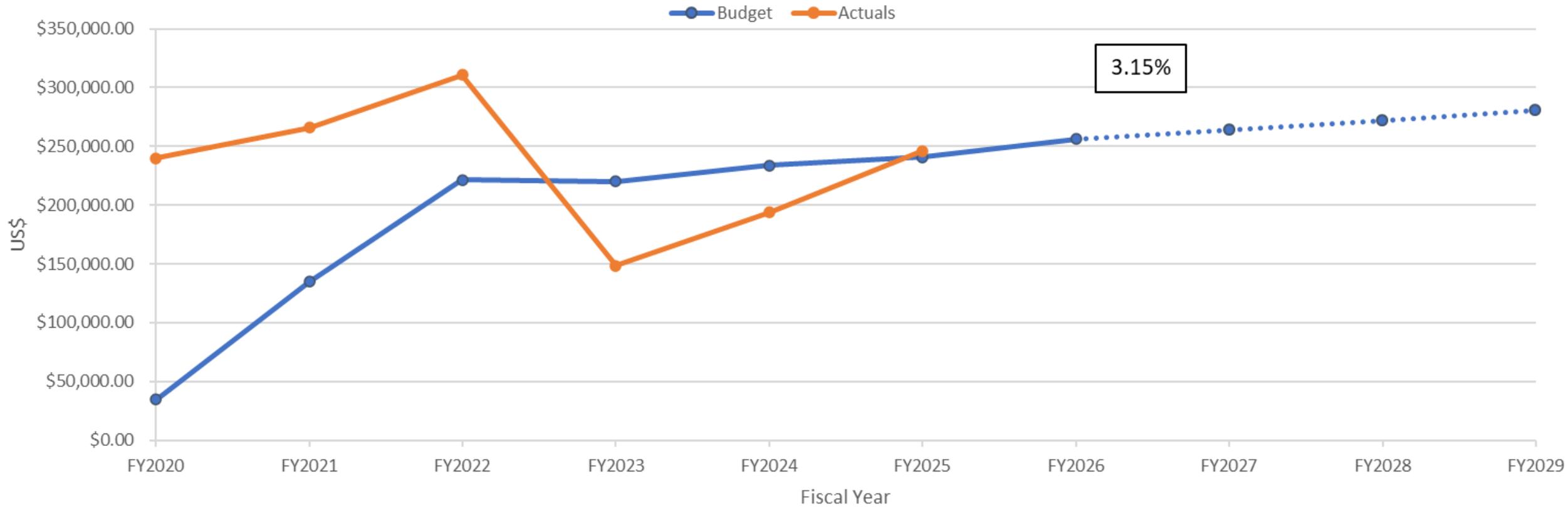


Assumptions:

- Nominal increase to meet technology replacement schedules.



Acc# 52000: Professional Fees

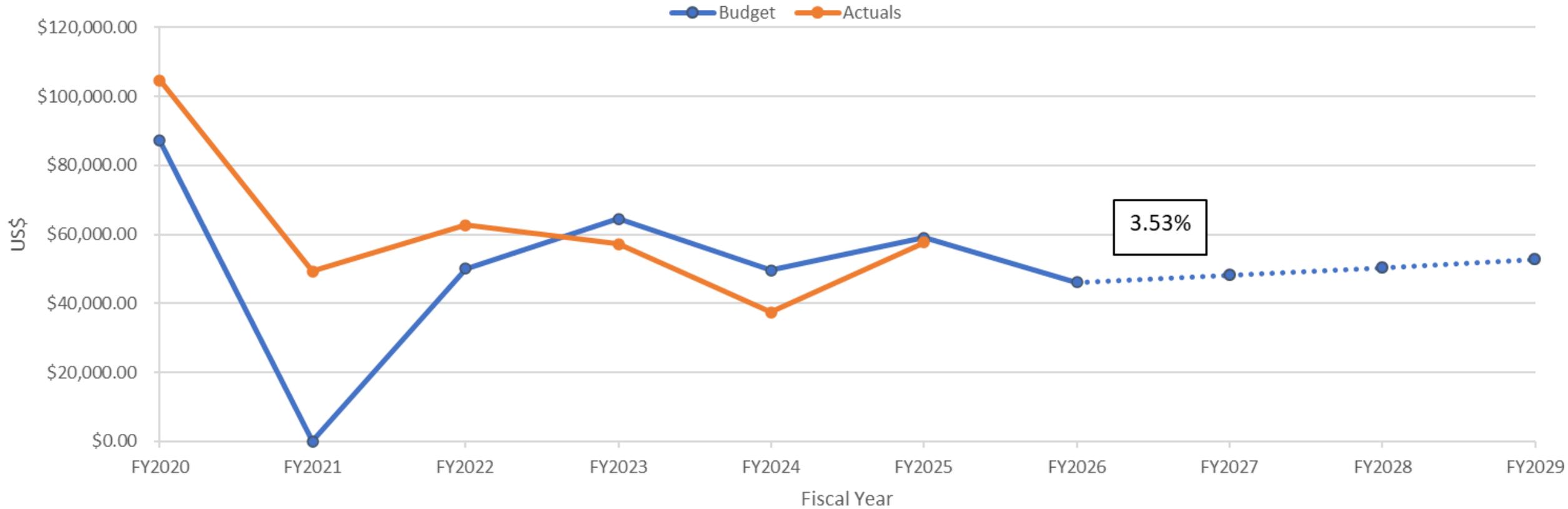


Assumptions:

- Nominal increase



Acc# 52200: Other Fees and Charges

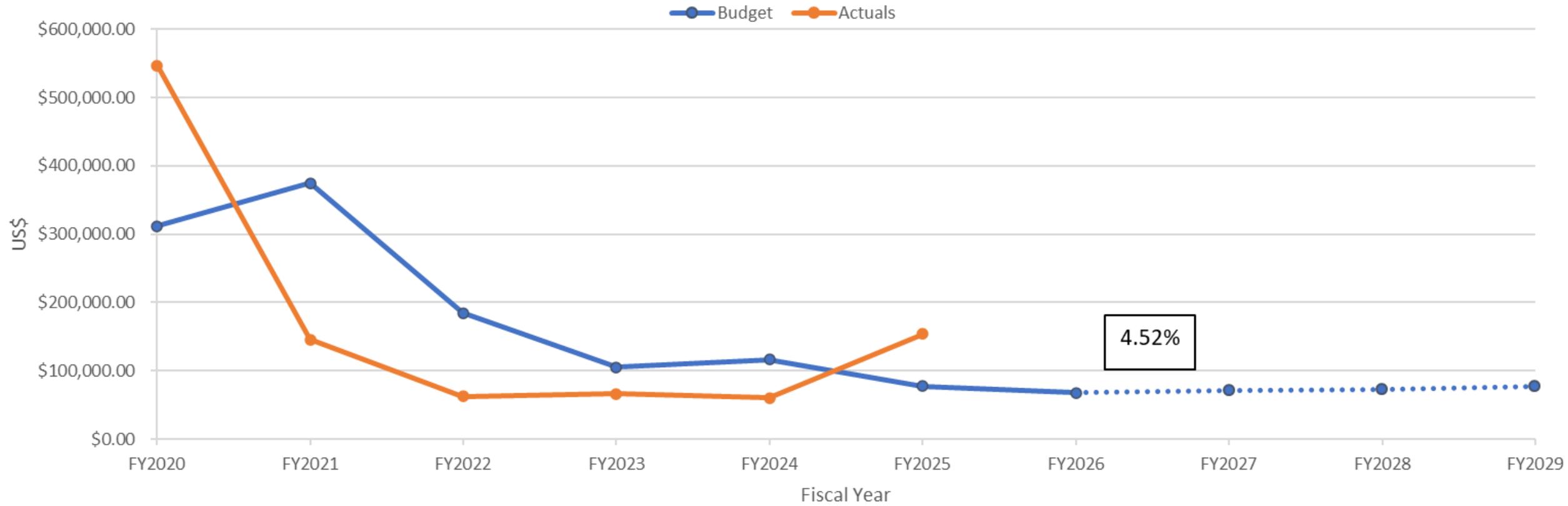


Assumptions:

- Nominal increases in General Liability Insurance/Vehicle Insurance
- Decrease in D&O insurance



Acc# 52300: Leases and Contracts

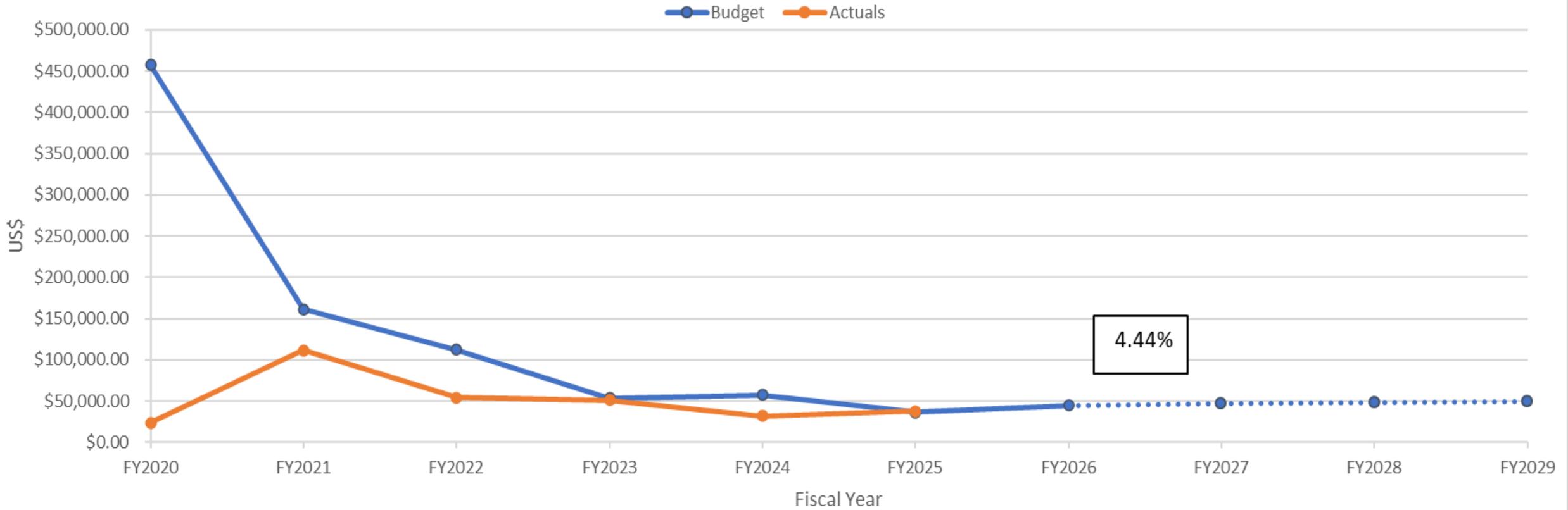


Assumptions:

- Increase primarily in Fund 20 – Research



Acc# 53200: Maintenance and Utilities

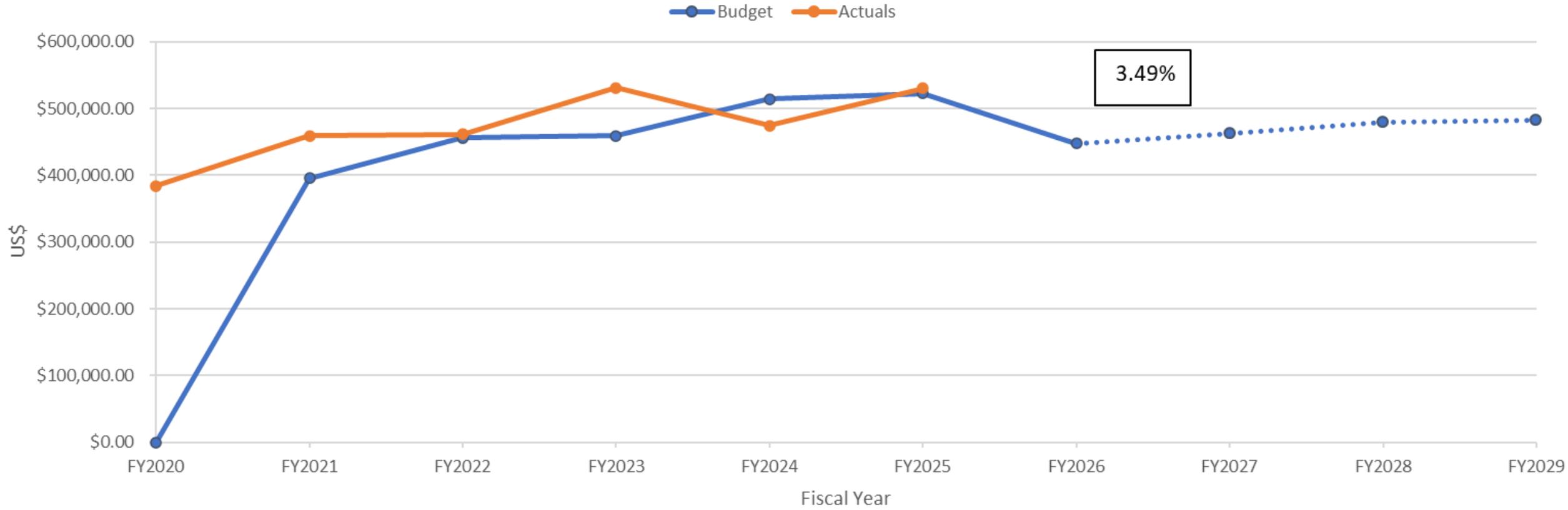


Assumptions:

- Nominal increases



Acc# 53300: Facility Rentals



Assumptions:

- HQ Lease and Common Area Maintenance



FY2028 and FY2029 Budget Estimates

FY2028 AND FY2029 INCOME AND EXPENSES – The IPHC provisional budgets for FY2028 and FY2029 (Appendix II) 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.



Recommendations

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).



Recommendations

That the FAC:

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**.



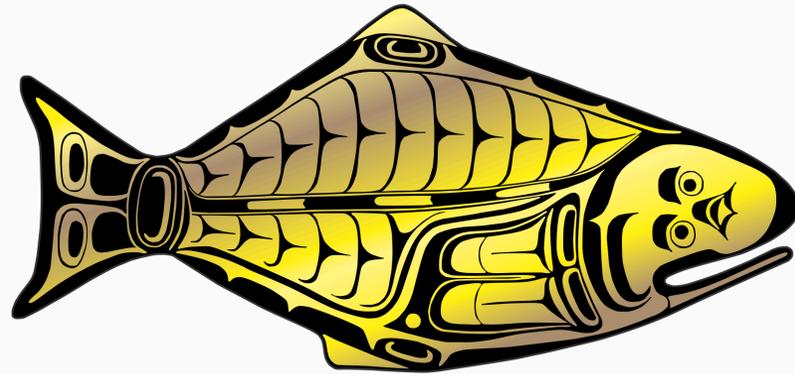
Recommendations

That the FAC:

- 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.



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