

INTERNATIONAL PACIFIC



HALIBUT COMMISSION

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

Agenda Item 7

IPHC-2022-FAC098-07 Rev_1

(D. Wilson)

INTERNATIONAL PACIFIC



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RESEARCH

PURPOSE & BACKGROUND

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

Background:

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

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



FY2023

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

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

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

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

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

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



FY2023 BUDGET FOR APPROVAL

See APPENDIX I

Account Number	Account Name	10 - General	20 - Research	30 - Statistics	10,20,30 - TOTAL	40 - FISS	10,20,30, 40 - TOTAL
		FY2023	FY2023	FY2023	FY2023	FY2023	FY2023
Income							
40000	Contracting Party Contributions						
40000.01	Canada	\$ -	\$ -	\$ -	\$ 927,419.21	\$ -	\$ 927,419.21
40000.02	United States of America	\$ -	\$ -	\$ -	\$ 4,282,492.80	\$ -	\$ 4,282,492.80
	Total 40000 - Contracting Party Contributions	\$ 3,282,949.51	\$877,756.05	\$ 1,049,206.45	\$ 5,209,912.01	\$ -	\$ 5,209,912.01
40055	Headquarters (Lease & Maintenance)	\$ 489,250.00	\$ -	\$ -	\$ 489,250.00	\$ -	\$ 489,250.00
40060	Other Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40100	Grants, Contracts & Agreements	\$ -	\$ 89,323.00	\$ 626,316.00	\$ 715,639.00	\$ 34,289.00	\$ 749,928.00
40200	Interest Income	\$ -	\$ -	\$ -	\$ -	\$ 11,896.50	\$ 11,896.50
40200.01	Bank Interest	\$ 772.50	\$ -	\$ -	\$ 772.50	\$ -	\$ 772.50
40200.02	CD Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total - Other Income	\$ 490,022.50	\$ 89,323.00	\$ 626,316.00	\$ 1,205,661.50	\$ 46,185.50	\$ 1,251,847.00
40350	Fish Sales						
40350.01	Fish Sales - Pacific Halibut	\$ -	\$ -	\$ -	\$ -	\$ 4,079,109.00	\$ 4,079,109.00
40350.02	Fish Sales - Byproduct	\$ -	\$ -	\$ -	\$ -	\$ 60,564.00	\$ 60,564.00
	Total 40350 - Fish Sales	\$ -	\$ -	\$ -	\$ -	\$ 4,139,673.00	\$ 4,139,673.00
	Total Income	\$ 3,772,972.01	\$967,079.05	\$ 1,675,522.45	\$ 6,415,573.51	\$ 4,185,858.50	\$ 10,601,432.01
Expense							
Personnel Expenses							
50000	Salaries & Wages	\$ 1,727,050.37	\$587,556.73	\$ 1,234,039.10	\$ 3,548,646.19	\$ 1,021,039.82	\$ 4,569,686.01
50100	Benefits	\$ 531,963.28	\$147,894.32	\$ 315,790.40	\$ 995,648.00	\$ 193,223.63	\$ 1,188,871.63
50100.09	Medical Reimbursement - Retiree	\$ 93,263.37	\$ -	\$ -	\$ 93,263.37	\$ -	\$ 93,263.37
50200	Training & Education	\$ 36,050.00	\$ 18,477.00	\$ 21,630.00	\$ 76,157.00	\$ 56,238.00	\$ 132,395.00
50300	Personnel Related Expenses	\$ 5,665.00	\$ -	\$ 10,300.00	\$ 15,965.00	\$ 37,467.28	\$ 53,432.28
50300.01	Scholarship Awards	\$ 8,000.00	\$ -	\$ -	\$ 8,000.00	\$ -	\$ 8,000.00
	Total Personnel Expenses	\$ 2,401,992.01	\$753,928.05	\$ 1,581,759.49	\$ 4,737,679.55	\$ 1,307,968.74	\$ 6,045,648.29
Operational Expenses							
51000	Publications	\$ 5,150.00	\$ 7,500.00	\$ 9,270.00	\$ 21,920.00	\$ -	\$ 21,920.00
51100	Mailing and Shipping	\$ 6,180.00	\$ 7,000.00	\$ 5,150.00	\$ 18,330.00	\$ 128,750.00	\$ 147,080.00
51200	Travel	\$ 92,700.00	\$ 14,825.00	\$ 20,600.00	\$ 128,125.00	\$ 121,041.48	\$ 249,166.48
51300	Meeting and Conference Expenses	\$ 170,000.00	\$ -	\$ -	\$ 170,000.00	\$ -	\$ 170,000.00
51400	Technology	\$ 139,050.00	\$ -	\$ 2,163.00	\$ 141,213.00	\$ -	\$ 141,213.00
	Total Operational Expenses	\$ 413,080.00	\$ 29,325.00	\$ 37,183.00	\$ 479,588.00	\$ 249,791.48	\$ 729,379.48
Fees and Contract Expenses							
52000	Professional Fees	\$ 226,600.00	\$ -	\$ 1,458.48	\$ 228,058.48	\$ -	\$ 228,058.48
52200	Other Fees and Charges	\$ 51,500.00	\$ -	\$ -	\$ 51,500.00	\$ 10,300.00	\$ 61,800.00
52300	Leases and Contracts	\$ 25,750.00	\$ 39,019.00	\$ 36,050.00	\$ 100,819.00	\$ 1,996,487.11	\$ 2,099,306.11
54000	Communications	\$ 30,900.00	\$ -	\$ 3,605.00	\$ 34,505.00	\$ 20,600.00	\$ 55,105.00
	Total Fees and Contract Expenses	\$ 334,750.00	\$ 39,019.00	\$ 41,113.48	\$ 414,882.48	\$ 2,027,387.11	\$ 2,442,269.59
Facilities and Equipment Expenses							
53000	Equipment Expense	\$ 20,600.00	\$ -	\$ 4,120.00	\$ 24,720.00	\$ 15,450.00	\$ 40,170.00
53100	Supplies Expense	\$ 25,750.00	\$144,807.00	\$ 2,678.00	\$ 173,235.00	\$ 772,500.00	\$ 945,735.00
53200	Maintenance and Utilities	\$ 113,300.00	\$ -	\$ 2,488.48	\$ 115,788.48	\$ 10,300.00	\$ 126,088.48
53300	Facility Rentals	\$ 463,500.00	\$ -	\$ 6,180.00	\$ 469,680.00	\$ 13,390.00	\$ 483,070.00
	Total Facilities and Equipment Expenses	\$ 623,150.00	\$144,807.00	\$ 15,466.48	\$ 783,423.48	\$ 811,640.00	\$ 1,595,063.48
Other Expenses							
55000	Budget Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Other Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Total Expense	\$ 3,772,972.01	\$967,079.05	\$ 1,675,522.45	\$ 6,415,573.51	\$ 4,396,787.33	\$ 10,812,360.84
	Net Income (Loss)	\$ -	\$ -	\$ -	\$ -	\$ (210,928.83)	\$ (210,928.83)
	IFC Pension						
	IFC Pension - Canada	\$ 127,848.00	\$ -	\$ -	\$ 127,848.00	\$ -	\$ 127,848.00
	IFC Pension - United States of America	\$ 127,848.00	\$ -	\$ -	\$ 127,848.00	\$ -	\$ 127,848.00
	Total - IFC Pension	\$ 255,696.00	\$ -	\$ -	\$ 255,696.00	\$ -	\$ 255,696.00



COMMISSIONER REQUEST

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

Canada:

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

U.S.A.:

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



COMMISSIONER REQUEST

Secretariat suggested options:

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

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

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

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



FY2024 and FY2025

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



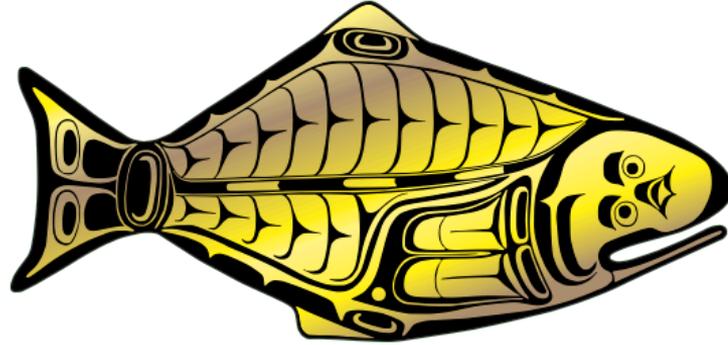
RECOMMENDATION

That the FAC:

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



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