

INTERNATIONAL PACIFIC



HALIBUT COMMISSION

Budget estimates for FY2019 and 2020 for approval

Agenda Item 12.2

IPHC-2018-IM094-16 - Budget
estimates FY2019-20

FY2019-FY2020 Proposed Budgets

- Income Sources
 - General Account
 - U.S.A. & Canadian Contributions
 - Grants & Contracts
 - Supplemental Account
 - FISS Income
- Expenses
 - Personnel
 - Key Elements & Programmatic Changes
 - Survey Income & Expenses
 - Research Overview
- Summary
 - Income & Expense Summary

FY2019 General Income & Expense

International Pacific Halibut Commission General Operations

Income and Expenses - FY2019 Budget

INCOME	FY 2019
US Contributions	\$ 4,400,000
CDN Contributions	\$ 848,720
CDN Pension Funding	\$ 111,250
Interest	\$ 5,000
Grants and Contracts	
NMFS - Port Sampling	\$ 447,551
NPRB - Growth Markers	\$ 102,839
SK - DMR Classification	\$ 102,370
Whale Detection	\$ 7,511
TOTAL INCOME	\$ 6,025,241
EXPENSES	
Operations	
Personnel	\$ 5,235,428
Programs	\$ 429,835
Administration	\$ 1,191,967
Supplies	\$ 333,610
TOTAL EXPENSES	\$ 7,190,840
FISS COST RECOVERY	-\$ 378,425
OPERATIONS FISCAL YEAR NET	\$ (787,174)
PRIOR YEAR OPERATIONS CARRYOVER	\$ 1,994,356
GENERAL ACCOUNT CARRYOVER	\$ 1,207,182

Contributions: Contracting Parties

- Canada - Two separate contributions
 - Contribution - **\$848,720** (no change)
 - Pension Liability - **\$111,250**
- United States of America – Currently **\$4.40M** in committee report.
 - Approval Options include:
 - State Dept. Appropriations
 - Omnibus
 - Continuing Resolution

Grants & Contracts

- General Account
 - NMFS Sampling Grant –\$447,551
 - Saltonstall-Kennedy Grant – DMR Classification - \$102,370 (year 2 of 2)
 - NPRB Grant – Growth Markers - \$102,839

Overall Personnel Expenses

- Cost of Living
 - ~2.5% (combined COLA/salary increases)
- Benefits
 - Health care costs +18%
 - Other benefit costs stable

Office Personnel Changes

Current Positions

- Administrative Personnel – position description in development

Temporary Positions

- Laboratory Technician – hired Mar 2018 (2 yr. position)
- MSE Programmer – hired Oct 2018 (2 yr. position)
- MSE Researcher – hired, starting Apr 2019 (2 yr. position)
- Economist – proposed, starting April 2019 (2 yr. position)

Key Budget Items (General Budget)

- Approval of amended FY2019 budget
 - Reduction in Programs, Administration, & Supplies
 - Increase in Personnel costs (benefits, salaries)
- Restructuring Accounts
 - Separation/Restructure of IPHC Meetings & Secretariat Travel (FY2019 Budget page 4)
 - Creation of Contingency Account (FY2019 Budget page 5)

Research Program – Continuing Projects

Project #	Project Name	Priority	Budget (\$US)	External funding FY2019 (\$US)	Management implications
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Continuing Projects

621.16	Development of genetic sexing techniques	High	18,000	-	Sex composition of commercial catch
642.00	Assessment of mercury and other contaminants	Medium	6,300	-	Environmental effects
650.21	Investigation of halibut dispersal in Area 4B	High	1,000	-	Spawning areas
650.22	Larval connectivity	High	-	-	Larval and juvenile distribution
661.11	<i>Ichthyophonus</i> incidence monitoring	Medium	-	-	Environmental effects
670.11	Wire tagging of P. halibut on NMFS trawl and setline surveys	High	14,300	-	Juvenile and adult distribution
672.12	Condition factors for tagged U32 Fish	High	-	-	DMR estimates
672.13	Discard mortality rates and injury classification profile by release method	High	75,056	30,719	DMR estimates
673.13	Sequencing the Pacific halibut genome	High	39,500	-	Population changes
673.14	Identification and validation of markers for growth	High	84,360	74,118	Changes in biomass/size-at-age
673.15	Influence of thermal history on growth	High	115,319	-	Changes in biomass/size-at-age
674.11	Full characterization of the annual reproductive cycle	High	103,827	-	Maturity assessment
675.11	Tail pattern recognition	High-medium	3,900	-	Juvenile and adult distribution

Research Program – New Projects

Project #	Project Name	Priority	Budget (\$US)	External funding FY2019 (\$US)	Management implications
<i>New Projects</i>					
2019-01	Migration and genetics	High	105,092	-	Population structure, distribution and movement
2019-02	Whale detection methods	High	7,511	7,511	Mortality estimation
2019-03	Adult captive holding studies	High-Medium	63,183	-	Changes in biomass/migration

Research Program – Grant Research

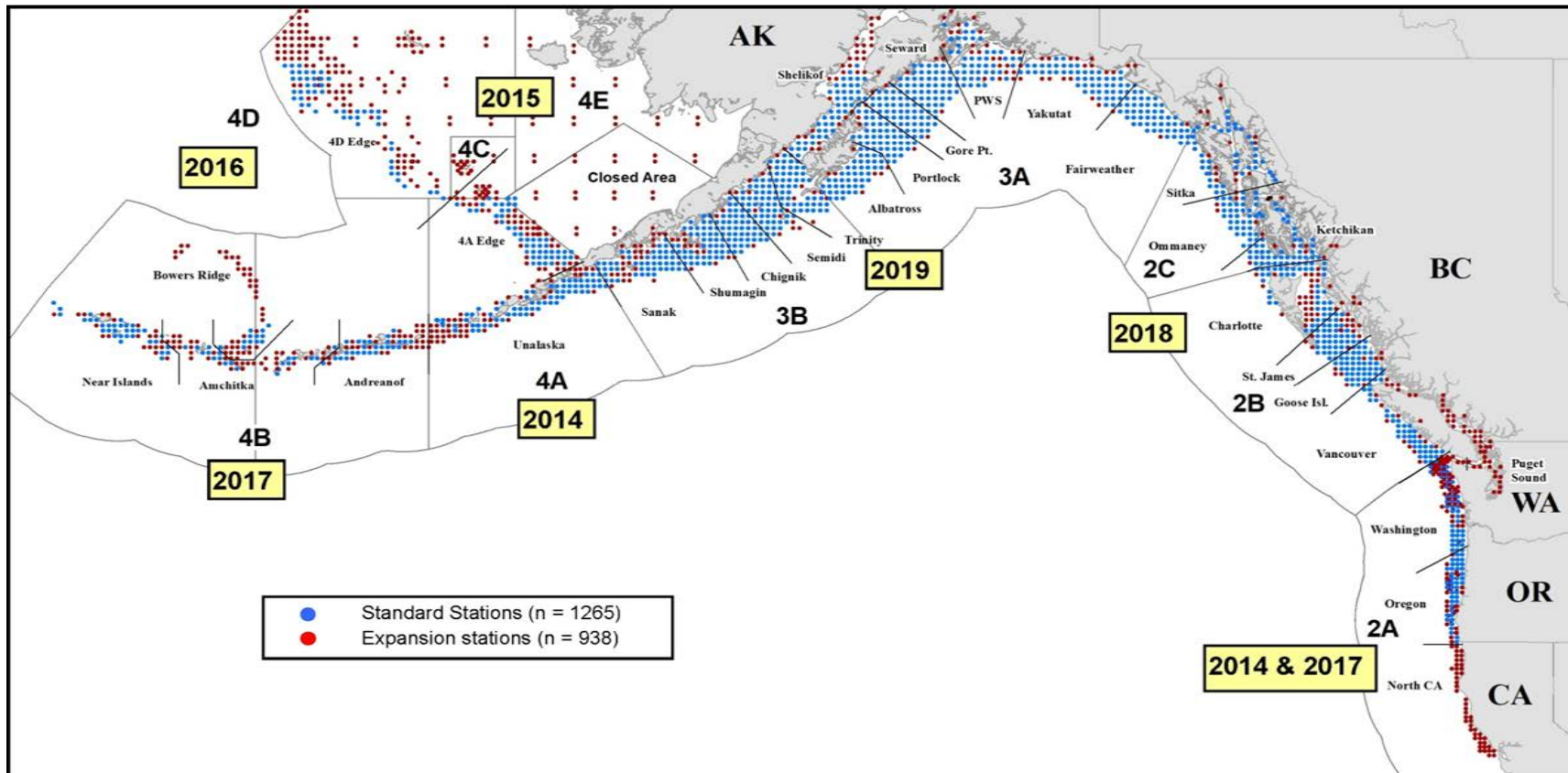
Project #	Grant agency	Project name	PI	Partners	IPHC Budget (\$US)	Management implications	Grant period
1	Saltonstall-Kennedy NOAA	Improving discard mortality rate estimates in the Pacific halibut by integrating handling practices, physiological condition and post-release survival (Award No. NA17NMF4270240)	Planas (lead PI) Dykstra Loher Stewart Hicks	Alaska Pacific University	\$286,121	Bycatch estimates	September 2017 – August 2019
2	North Pacific Research Board	Somatic growth processes in the Pacific halibut (<i>Hippoglossus stenolepis</i>) and their response to temperature, density and stress manipulation effects (NPRB Award No. 1704)	Planas (lead PI) Rudy Loher	AFSC-NOAA-Newport, OR	\$131,891	Changes in biomass/size-at-age	September 2017 – August 2019
3	Bycatch Reduction Engineering Program - NOAA	Adapting Towed Array Hydrophones to Support Information Sharing Networks to Reduce Interactions Between Sperm Whales and Longline Gear in Alaska	ALFA	IPHC, University of Alaska Southeast, AFSC-NOAA	TBD	Whale Depredation	September 2018 – August 2019
4	Bycatch Reduction Engineering Program - NOAA	Use of LEDs to reduce Pacific halibut catches before trawl entrapment	Pacific States Marine Fisheries Commission	IPHC, NMFS	TBD	Bycatch reduction	September 2018 – August 2019
Total awarded (\$)					\$418,012		

FY2019 Supplemental Income & Expense

International Pacific Halibut Commission Income and Expenses - Supplemental

Income	Budget	Prior Year	%	Notes
Supplemental				
Carryover from prior FY	\$ 1,567,209	\$ 2,243,312	70%	
Current Year Income				
<i>Fish Sales</i>				
Sale of Pacific halibut - FIS survey	\$ 6,110,811	\$ 4,706,877	130%	
Sale of Bycatch - FIS survey	\$ 56,351	\$ 95,745	59%	
<i>Grants and Contracts</i>				
DFO - Rockfish Contract	\$ 34,820	\$ 34,820	100%	Area 2B rockfish sampling
WDFW - Rockfish Contract	\$ 11,580	\$ 11,580	100%	Area 2A rockfish sampling
<i>Other Income</i>				
Misc. Income	\$ -	\$ -	n/a	
Interest	\$ 1,125	\$ 865	130%	
<i>Internal Transfers</i>				
Rollover from Reserve	\$ 10,000	\$ 8,003	125%	Transfer of funds in excess of reserve limit
Current Year Income	\$ 6,224,687	\$ 4,857,890	128%	
Supplemental Total	\$ 7,791,895	\$ 7,109,205	110%	
Expenses				
Supplemental				
Personnel	\$ 637,608	\$ 615,042	104%	
Programs	\$ 194,570	\$ 207,532	94%	
Administration	\$ 4,068,297	\$ 3,538,323	115%	
Equipment & Supplies	\$ 1,245,231	\$ 839,358	148%	
Prior FY Expenses	\$ -	\$ 1,307	0%	
Sub-Total	\$ 6,145,706	\$ 5,201,563	118%	
General Fund Expenses	\$ 378,425	\$ 340,434	111%	
Total Expenses	\$ 6,524,131	\$ 5,541,997	118%	
Fiscal Year Net Gain/Loss	\$ (299,444)	\$ (684,106)		
SUPPLEMENTAL FUND CARRYOVER	\$ 1,267,765	\$ 1,567,209	81%	

FISS Expansion Overview



Key Budget Items (Supplemental)

- Area 3A/3B FISS Expansion
 - Final composition of 2019 stations pending
 - Final year of FISS expansion
- FISS Gear Comparison Study
 - Experiment using fixed and snap gear
 - Results will inform:
 - Whether snap gear can be used in FISS program
 - Determine how snap gear can be integrated into stock assessment process

Grants & Contracts

- Supplemental
 - Reimbursed FISS Expenses
 - Canadian Rockfish Sampling - \$34,520
 - Washington Rockfish Sampling - \$11,580

FISS Income & Expenses

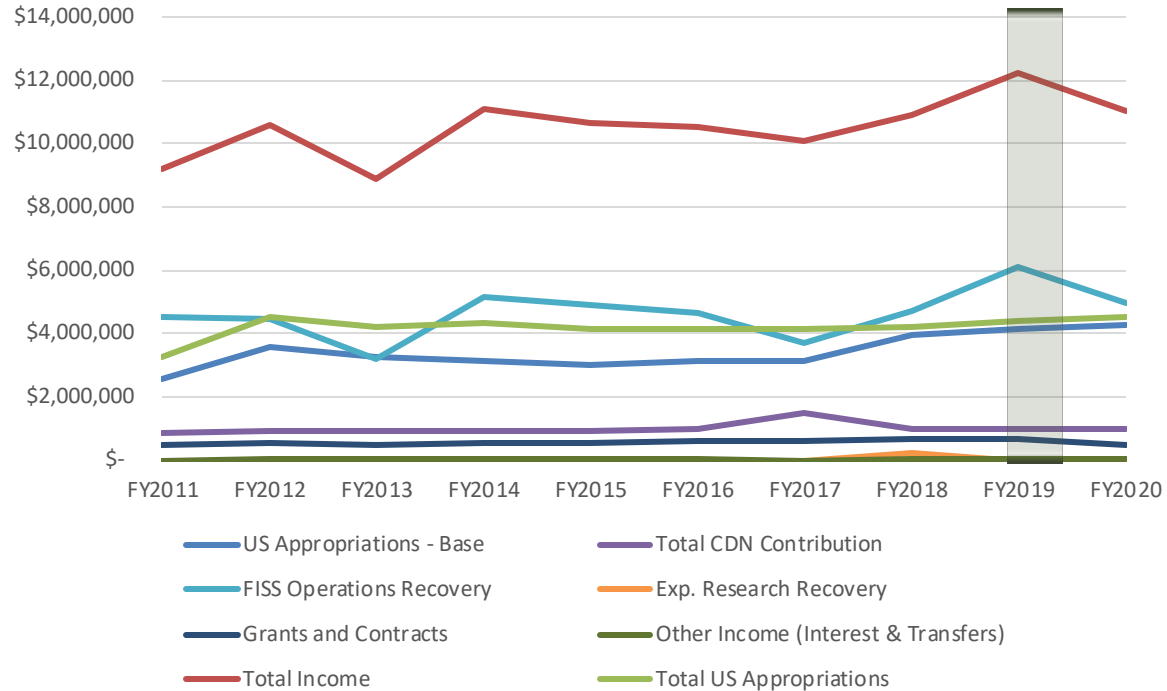
FIS Cost/Revenue Projections

<i>FIS Program Totals</i>	
Total Pounds Landed	1,062,578
Net Pacific halibut Proceeds	\$6,110,811
Net Bycatch proceeds	\$56,351
Vessel Expenses	(\$5,764,424)
Office Expenses	(\$324,845)
Trawl Survey	(\$56,437)
Net Proceeds	\$21,456

Assumptions	Rate/Amt	% Prior Yr. Actual
Price	\$5.75	101%
WPUE	96	113%
Vessel Costs	\$5,764,424	111%
Personnel COLA	2.10%	

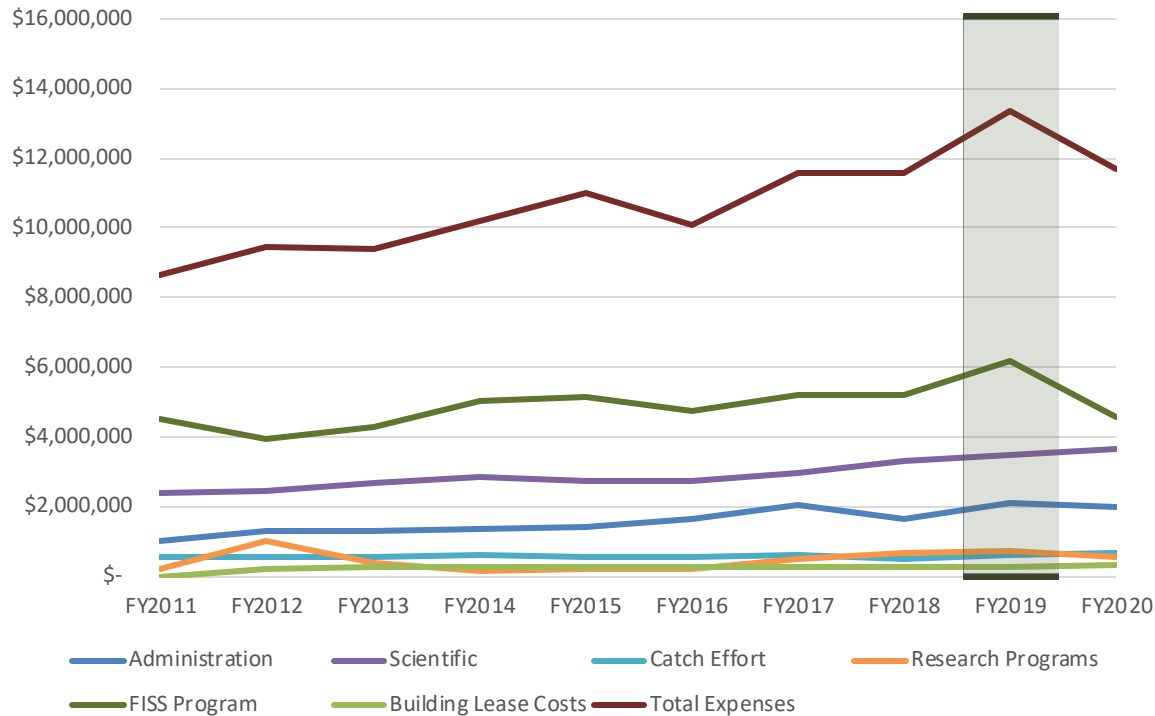
IPHC Income FY2011 – FY2020

IPHC Income Sources (10 years)
FY2011-FY2020



FY2011 – FY2020 Expense Trends

IPHC Expense Types (10 years)
FY2011-FY2020



FY2020 General Income & Expense

International Pacific Halibut Commission General Operations

Income and Expenses - FY2020 Budget

INCOME	FY 2020
US Contributions	\$ 4,532,000
CDN Contributions	\$ 874,182
CDN Pension Funding	\$ 111,250
Interest	\$ 5,000
Grants and Contracts	
NMFS - Port Sampling	\$ 449,562
TOTAL INCOME	\$ 5,971,994

EXPENSES	
Operations	
Personnel	\$ 5,425,628
Programs	\$ 420,747
Administration	\$ 958,306
Supplies	\$ 324,497
TOTAL EXPENSES	\$ 7,129,178

FISS COST RECOVERY **-\$ 397,346**

OPERATIONS FISCAL YEAR NET **\$ (759,838)**

PRIOR YEAR OPERATIONS CARRYOVER **\$ 1,207,082**

GENERAL ACCOUNT CARRYOVER **\$ 447,244**

Contributions: Contracting Parties

- Canada - Two separate contributions
 - Contribution - \$8,74,132 (3% increase)
 - Pension Liability - \$111,252
- United States of America – Request of \$4.53M (3% increase)

Grants & Contracts

- General Fund
 - NMFS Sampling Grant –\$449,562
 - NOAA – Whale Depredation – pending
 - NOAA – LED use in trawls - pending
- Supplemental Fund
 - Reimbursed FISS Expenses
 - Canadian Rockfish Sampling - \$34,520
 - Washington Rockfish Sampling - \$11,580

Overall Personnel Expenses

- Cost of Living
 - 2.5% estimate
- Benefits
 - Health care cost estimate +5%
 - Other benefit costs stable

Office Personnel Changes

Current Positions

- No changes

Temporary Positions

- Laboratory Technician – 2 yr. term expires Feb 2020
- MSE Programmer – 2 yr. term expires Sept 2020
- MSE Researcher – 2 yr. term expires Mar 2021
- Economist – proposed, starting April 2019 (2 yr. position)

Key Budget Items (General Budget)

- Administrative Items
 - Building Lease
 - Expires Sept. 2020
 - Legal fees
 - Office reorganization
 - IT Initiatives
 - Office 365/Sharepoint (continued)
 - Data Warehouse Development

FY2020 Supplemental Income & Expense

International Pacific Halibut Commission Income and Expenses - Supplemental

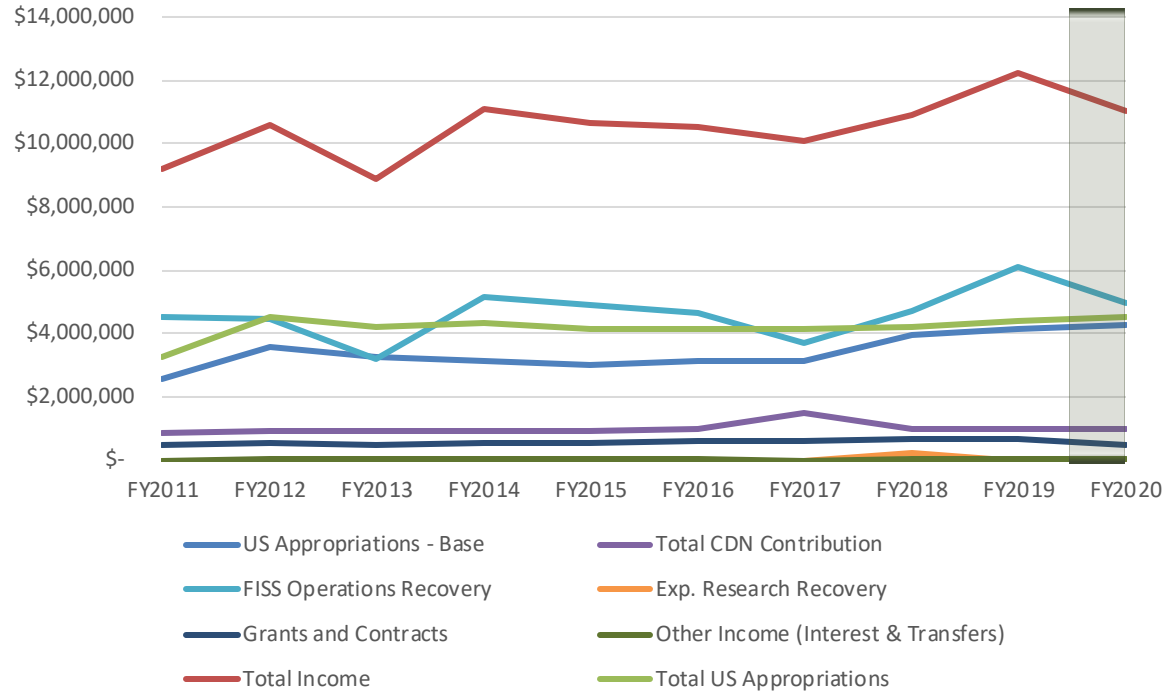
Income	Budget	Prior Year	%	Notes
Supplemental				
Carryover from prior FY	\$ 1,267,765	\$ 1,567,209	81%	
Current Year Income				
Fish Sales				
Sale of Pacific halibut - FIS survey	\$ 4,848,231	\$ 6,110,811	79%	
Sale of Bycatch - FIS survey	\$ 56,351	\$ 56,351	100%	
Grants and Contracts				
DFO - Rockfish Contract	\$ 34,820	\$ 34,820	100%	Area 2B rockfish sampling
WDFW - Rockfish Contract	\$ 11,580	\$ 11,580	100%	Area 2A rockfish sampling
Other Income				
Misc. Income	\$ -	\$ -	n/a	
Interest	\$ 1,125	\$ 1,125	100%	
Internal Transfers				
Rollover from Reserve	\$ 10,000	\$ 10,000	100%	Transfer of funds in excess of reserve limit
Current Year Income	\$ 4,962,106	\$ 6,224,687	80%	
Supplemental Total	\$ 6,229,871	\$ 7,791,895	80%	
Expenses				
Supplemental				
Personnel	\$ 500,629	\$ 637,608	79%	
Programs	\$ 194,570	\$ 194,570	100%	
Administration	\$ 2,922,396	\$ 4,068,297	72%	
Equipment & Supplies	\$ 921,905	\$ 1,245,231	74%	
Prior FY Expenses	\$ -	\$ -	n/a	
Sub-Total	\$ 4,539,500	\$ 6,145,706	74%	
General Fund Expenses	\$ 397,346	\$ 378,425	105%	
Total Expenses	\$ 4,936,847	\$ 6,524,131	76%	
Fiscal Year Net Gain/Loss	\$ 25,260	\$ (299,444)		
SUPPLEMENTAL FUND CARRYOVER	\$ 1,293,024	\$ 1,267,765	102%	

Key Budget Items (Supplemental)

- FISS Expansion Completed (all areas)
- Development of updated FISS design
 - Incorporation of time-space model
 - Use of current and FISS expansion stations
 - Ensure operational efficiency
 - Long-term revenue neutrality

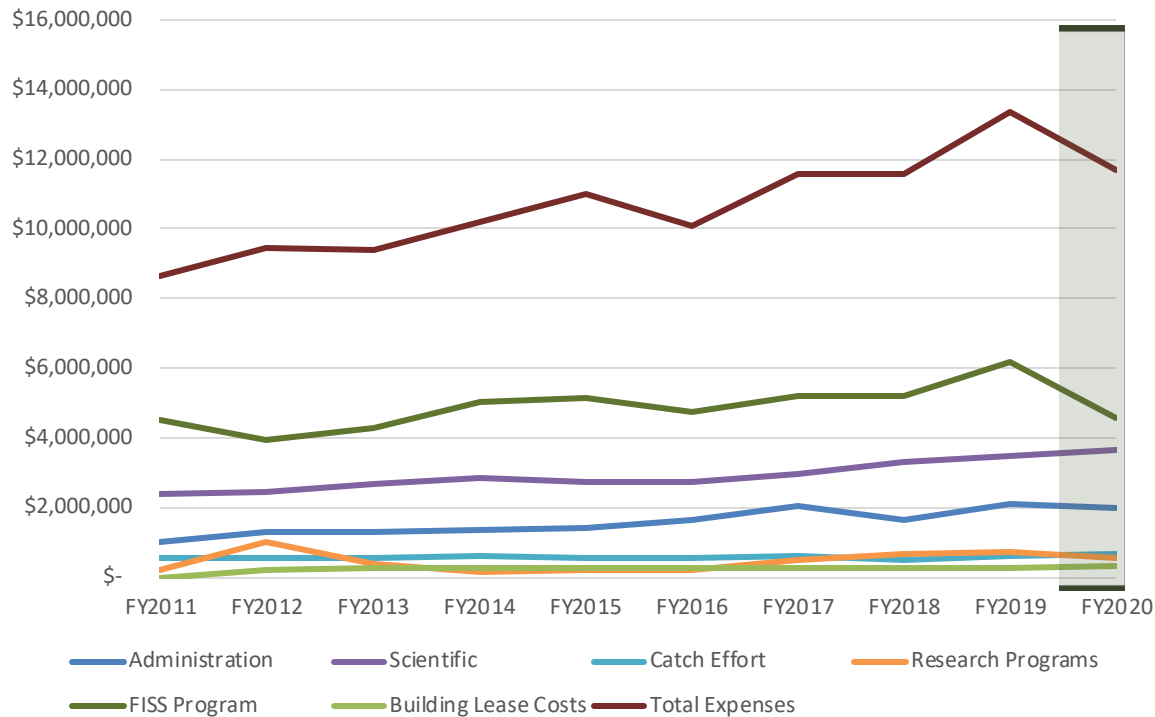
IPHC Income FY2011 – FY2020

IPHC Income Sources (10 years)
FY2011-FY2020

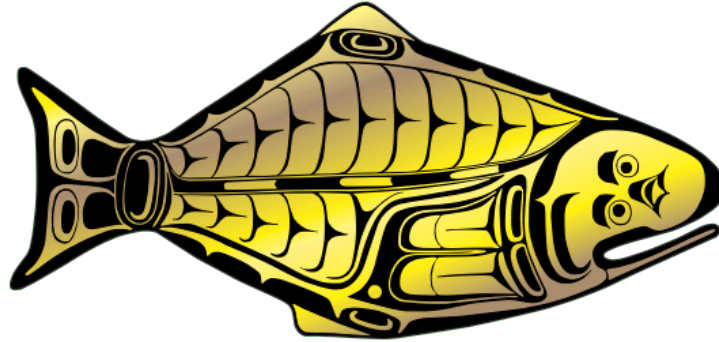


FY2011 – FY2020 Expense Trends

IPHC Expense Types (10 years)
FY2011-FY2020



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