

INTERNATIONAL PACIFIC



HALIBUT COMMISSION

FY2023 Budget update

Agenda Item 9.3
(IPHC-2022-IM098-17)
(D. Wilson, A. Keikkala)



Purpose

- To provide the Commission with an update on the FY2023 budget (financial period: 1 October 2023 to 30 September 2023), including potential modifications based on the 2023 FISS sampling design.



Background

IPHC-2022-ID001 (16 March 2022): Total contributions from Contracting Parties: **US\$5,058,167** to the General Fund

The Commission **ADOPTED** the FY2023 budget (1 October 2022 to 30 September 2023... including the Contracting Party contributions to the General Fund as follows:

- Canada: Contribution to the General Fund: **US\$900,407 (~17.8%)**
RECEIVED: 26 October 2022
 - U.S.A.: Contribution to the General Fund: **US\$4,157,760 (~82.2%)**
INVOICED – PAYMENT NOT YET RECEIVED
- Fund 10 – General (general operations – HQ)
 - Fund 20 – Research (Biological & Ecosystem Sciences)
 - Fund 30 – Statistics (In-port sampling, logbooks, fish ageing)



Background

IPHC-2022-ID001 (16 March 2022): Extra-Budgetary contributions

1) **NOTED** the extra-budgetary (IFCP Fund deficit and Headquarters lease/maintenance) contributions from each Contracting Party for FY2023 as follows:

- Canada:
 - 50% Contribution to the IFCP Fund deficit (former staff pension plan):
US\$127,848 (optional payment to the IFCPF)
WILL BE INVOICED AT THE START OF CALENDAR YEAR 2023
- U.S.A.:
 - 50% Contribution to the IFCP Fund deficit (former staff pension plan):
US\$127,848 (optional payment to the IFCPF)
WILL BE INVOICED AT THE START OF CALENDAR YEAR 2023
 - Contribution to the headquarters building lease and maintenance costs:
US\$489,250
INVOICED – PAYMENT NOT YET RECEIVED



Discussion

FY2022 was the IPHC's second year implementing a Fund-based accounting system by the IPHC Secretariat.

As such, there were areas identified throughout the year where expense allocation to specific Funds was deemed appropriate and subsequently implemented.

An example being salary & wages, and benefits, which are now allocated fully across funds on a monthly schedule based on actual Secretariat work schedules.

This has brought a heightened level of accounting accuracy across our core programs and activities.

It is expected that further refinements to the FY2023 budget will be presented at the upcoming Finance and Administration Committee (FAC099) in January 2023.

It should be noted that this will not result in an overall budget adjustment that would impact Contracting Party contributions for FY2023, but rather, will assist the Secretariat in better reporting our expenses.



Discussion: Fund – 30 Statistics

Fund 30 - Statistics: Contracting Party Contributions & NOAA-Port Sampling Grant for Pacific halibut and sablefish

Update: The Commission approved the FY2023 budget with **US\$664,458.64** expected from the NOAA Port sampling grant (the grant).

The NOAA grantors have indicated that they will only be providing **US\$621,605.00** for FY2023.

Shortfall: **US\$42,853.64**

Action: The IPHC Secretariat is currently reviewing the overall budget for 30 – Statistics and will be proposing service reductions commensurate with the grant shortfall at the FAC099 (paper deadline 24 December 2022)



Discussion: Fund - 40 FISS

Fund 40 - FISS: Noting that the budget for Fund 40 – FISS is tentative until the final 2023 design is agreed to, the Secretariat will be providing a revised FY2023 budget at the upcoming FAC099 in January 2023 for adoption.

Fund 40 - FISS does not receive funding from Contracting Party contributions, but rather has a goal of long-term revenue neutrality.

Moving forward, the IPHC Secretariat does not intend on presenting a draft budget for Fund 40 – FISS until after the Interim Meeting in each year. This will avoid situations where the Commission is formally adopting a FISS budget a year in advance, when the design is yet to be adopted by the Commission.

Justification: Approving the FISS budget a year in advance

Action: The IPHC Financial Regulations will need to be updated to reflect this change for Fund 40 – FISS.



Discussion: Funds 10, 20, 30, & 40

Action: The IPHC Secretariat will be proposing updates to the FY2023 budget for adoption at the FAC099 (paper deadline 24 December 2022), as is the case each year for the current fiscal year as needed.

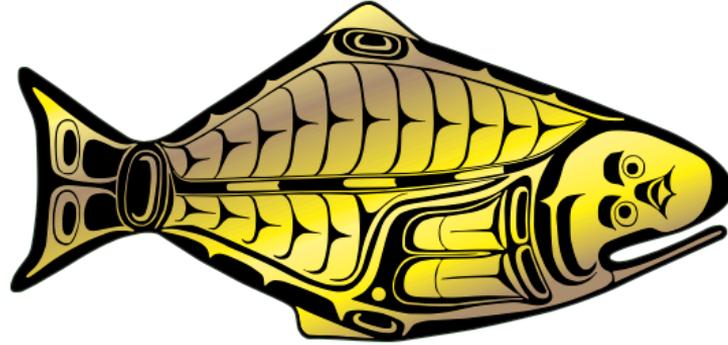


Recommendation

That the Commission **NOTE** paper IPHC-2022-IM098-17 which provided the Commission with an update on the FY2023 budget (financial period: 1 October 2022 to 30 September 2023), including potential modifications based on the 2023 FISS sampling design.



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