



INTERNATIONAL PACIFIC
HALIBUT COMMISSION

IPHC–2025–FAC101–00

Last Update: 23 January 2025

**101st Session of the IPHC Finance and
Administration Committee
(FAC101) – *Compendium of meeting documents***

27 January 2025, Vancouver, BC, Canada

Commissioners

Canada	United States of America
Mark Waddell	Jon Kurland
Neil Davis	Robert Alverson
Peter DeGreef	Richard Yamada

Executive Director

David T. Wilson, Ph.D.



INTERNATIONAL PACIFIC
HALIBUT COMMISSION

IPHC–2025–FAC101–00

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**DRAFT: AGENDA FOR THE 101st SESSION OF THE IPHC
FINANCE AND ADMINISTRATION COMMITTEE (FAC101)**

Date: 27 January 2025

Location: Vancouver, BC, Canada

Venue: [Pan Pacific Hotel](#)

Time (PST): 09:00-12:00

Chairperson: Vacant (Canada)

Vice-Chairperson: Mr Jon Kurland (USA)

Notes:

- **Document deadline:** 28 December 2024 (30 days prior to the opening of the Session)
- All sessions are open to observers and the general public, unless the Commission specifically decides otherwise.
- All open sessions will be webcast. Webcast sessions will also take audience comments and questions as directed by the Chairperson of the Commission.

**AGENDA FOR THE 101st SESSION OF THE IPHC
FINANCE AND ADMINISTRATION COMMITTEE (FAC101)**

1. **OPENING OF THE SESSION**
2. **ADOPTION OF THE AGENDA AND ARRANGEMENTS FOR THE SESSION**
3. **UPDATE ON ACTIONS ARISING FROM THE 100th SESSION OF THE IPHC FINANCE AND ADMINISTRATION COMMITTEE (FAC100)**
4. **FINANCIAL STATEMENT FOR FY2024**
5. **ANNUAL INDEPENDENT AUDITOR'S REPORT (2024)**
6. **FY2025 BUDGET – UPDATE**
7. **BUDGET ESTIMATES: FY2026 (for approval); FY2027 and FY2028 (for information)**
8. **OTHER BUSINESS**
9. **REVIEW OF THE DRAFT AND ADOPTION OF THE REPORT OF THE 101st SESSION OF THE IPHC FINANCE AND ADMINISTRATION COMMITTEE (FAC101)**



**LIST OF DOCUMENTS FOR THE 101st SESSION OF THE IPHC
FINANCE AND ADMINISTRATION COMMITTEE (FAC101)**

Meeting documents	Title	Availability
IPHC-2025-FAC101-01	Agenda for the 101 st Session of the IPHC Finance and Administration Committee (FAC101)	✓ 16 Oct 2024 ✓ 9 Dec 2024 ✓ 14 Jan 2025
IPHC-2025-FAC101-02	List of Documents for the 101 st Session of the IPHC Finance and Administration Committee (FAC101)	✓ 16 Oct 2024 ✓ 20 Dec 2024 ✓ 14 Jan 2025
IPHC-2025-FAC101-03	Update on actions arising from the 100 th Session of the IPHC Finance and Administration Committee (FAC100) (D. Wilson)	✓ 16 Oct 2024
IPHC-2025-FAC101-04	Financial Statement for FY2024 (D. Wilson, D. Hayhurst, K. Fairbanks)	✓ 13 Dec 2024
IPHC-2025-FAC101-05	Report of the Independent auditors and Financial Statements (FY2024) (D. Wilson, D. Hayhurst, K. Fairbanks)	✓ 20 Dec 2024
IPHC-2025-FAC101-06	FY2025 Financial Budget – Update (D. Wilson)	✓ 13 Dec 2024
IPHC-2025-FAC101-07	Budget estimates: FY2026 (for approval), FY2027 and FY2028 (for information) (D. Wilson)	✓ 13 Dec 2024
<i>Information papers</i>		
IPHC-2025-FAC101-INF01	Write-off statement – for FAC101	✓ 13 Dec 2024



Update on actions arising from the 100th Session of the IPHC Finance and Administration Committee (FAC100)

PREPARED BY: IPHC SECRETARIAT (D. WILSON; 16 OCTOBER 2024)

PURPOSE

To provide the FAC with an opportunity to consider the progress made during the inter-sessional period in relation to the direct requests for action by the FAC during the 100th Session of the IPHC Finance and Administration Committee (FAC100, January 2024).

BACKGROUND

At the 100th Session of the IPHC Finance and Administration Committee (FAC100), Contracting Parties agreed on a series of actions to be taken as detailed in [Appendix A](#).

DISCUSSION

Noting that best practice governance requires the prompt delivery of core tasks assigned to the IPHC Secretariat by the Commission, at each subsequent session of the Commission and its subsidiary bodies, attempts will be made to ensure that any recommendations for action are carefully constructed so that each contains the following elements:

- 1) a specific action to be undertaken (deliverable);
- 2) clear responsibility for the action to be undertaken (i.e. a specific Contracting Party, the IPHC Secretariat staff, a subsidiary body of the Commission, or the Commission itself);
- 3) a desired time frame for delivery of the action (i.e. by the next session of a subsidiary body, or other date).

This involves numbering and tracking all action items (see [Appendix A](#)) from the FAC, as well as including clear progress updates and document reference numbers.

RECOMMENDATION/S

That the FAC:

- 1) **NOTE** paper IPHC-2025-FAC101-03, that provided the FAC with an opportunity to consider the progress made during the inter-sessional period, in relation to the direct requests for action by the FAC during the 100th Session of the IPHC Finance and Administration Committee (FAC100, January 2024).

APPENDICES

[Appendix A](#): Update on actions arising from the 100th Session of the IPHC Finance and Administration Committee (FAC100: January 2024).

APPENDIX A

Update on actions arising from the 100th Session of the IPHC Finance and Administration Committee (FAC100)

100 th Session of the IPHC Finance and Administration Committee (FAC100)		
Action No.	Description	Update
RECOMMENDATIONS		
FAC100-Rec.01 (para. 7)	Financial Statement for FY2023 The FAC RECOMMENDED that the Commission NOTE the Financial Statement for FY2023, as detailed in paper IPHC-2024-FAC100-04 .	Lead: Commission Status/Plan: Completed. IPHC-2024-AM100-R (para. 104) The Commission NOTED the Financial Statements for FY2023 (financial period: 1 October 2022 to 30 September 2023), as detailed in paper IPHC-2024-FAC100-04 .
FAC100-Rec.02 (para. 12)	Annual independent auditor's report (2023) The FAC RECOMMENDED that the Commission accept the independent external auditor's report for FY2023 (IPHC-2024-FAC100-05), as per Regulation 14 of the IPHC Financial Regulations (2021), by consensus.	Lead: Commission Status/Plan: Completed. IPHC-2024-AM100-R (para. 105) The Commission ACCEPTED the independent external auditors report for FY2023 (IPHC-2024-FAC100-05), as per Regulation 14 of the IPHC Financial Regulations (2021), by consensus.
FAC100-Rec.03 (para. 21)	FY2024 budget - update The FAC RECOMMENDED that, pending discussions to be held during AM100 on the final 2024 FISS design, the Commission adopt the amended FY2024 budget (1 October 2023 to 30 September 2024), as detailed in Appendix IV , noting that the amendments do not change the previously adopted Contracting Party contributions for FY2024: a) ADOPT the amended FY2024 budget (1 October 2023 to 30 September 2024), as detailed in Appendix IV , including contributions from the Contracting Parties to the General Fund as follows: <ul style="list-style-type: none"> • Canada: Contribution to the General Fund: US\$927,419.21 • U.S.A.: Contribution to the General Fund: US\$4,282,492.80 (subject to appropriations) • U.S.A.: Contribution to the headquarters building lease and maintenance costs: US\$513,712.50 b) NOTE the extra-budgetary (IFCP Fund deficit) contributions from each Contracting Party for FY2024 as follows: <ul style="list-style-type: none"> • Canada: 50% Contribution to the IFCP Fund deficit (former staff pension plan): US\$127,848 	Lead: Commission Status/Plan: Completed. IPHC-2024-AM100-R (paras. 108, 109, 110) The Commission ADOPTED the amended FY2024 budget (1 October 2023 to 30 September 2024), as detailed in Appendix IX , noting that the amendments do not change the previously adopted Contracting Party contributions for FY2024: <ul style="list-style-type: none"> • Canada: Contribution to the General Fund: US\$927,419.21; • U.S.A.: Contribution to the General Fund: US\$4,282,492.80 (subject to appropriations); • U.S.A.: Contribution to the headquarters building lease and maintenance costs: US\$513,712.50. The Commission NOTED the extra-budgetary (IFCP Fund deficit)

100th Session of the IPHC Finance and Administration Committee (FAC100)		
Action No.	Description	Update
	<ul style="list-style-type: none"> • U.S.A.: 50% Contribution to the IFCP Fund deficit (former staff pension plan): US\$127,848 <p>c) NOTE that Fund 35 – AK Cost Recovery expenses are budgeted at US\$947,210 for FY2024, however, the amount that NOAA fisheries will reimburse for our FY2024 expenses will not be known until as late as March/April 2025, and the IPHC will not be reimbursed until 1 October 2025 (FY2026), two fiscal years after the expenses were incurred. Thus, as a precautionary measure, the heads of delegation have directed the Secretariat to include an estimated US\$875,000 to be reimbursed for the FY2024 IPHC budget, through the cost-recovery program and a further US\$72,210 to be provided in supplementary income from NOAA fisheries.</p>	<p>contributions from each Contracting Party for FY2024 as follows:</p> <ul style="list-style-type: none"> • Canada: 50% Contribution to the IFCP Fund deficit (former staff pension plan): US\$127,848; • U.S.A.: 50% Contribution to the IFCP Fund deficit (former staff pension plan): US\$127,848. <p>The Commission NOTED that Fund 35 – AK Cost Recovery expenses are budgeted at US\$947,210 for FY2024, however, the amount that NOAA Fisheries will reimburse for the IPHC’s FY2024 expenses will not be known until as late as March/April 2025, and the IPHC will not be reimbursed until 1 October 2025 (FY2026), two fiscal years after the expenses were incurred. Thus, as a precautionary measure, the heads of delegation have directed the Secretariat to include an estimated US\$875,000 to be reimbursed for the FY2024 IPHC budget, through the cost-recovery program and a further US\$72,210 to be provided in supplementary income from NOAA Fisheries.</p>
FAC100-Rec.04 (para. 23)	<p>The FAC RECOMMENDED that the Commission agree to an intersessional process to:</p> <p>a) develop a short-term plan of action on how to fund the 1) FY2023 shortfall (see para 8), and 2) expected shortfalls in the AK cost recovery funds available for FY2024, FY2025 and FY2026 (within the current approved grant period of FY2022-FY2026);</p> <p>b) develop a long-term plan of action to address the future (FY2027-FY2031) given the USA indicated limits on cost recovery from the fleet (3% of the commercial fishery's landed value) are likely to continue.</p>	<p>Lead: Commission</p> <p>Status/Plan: Completed</p> <p>IPHC-2024-AM100-R (para. 111)</p> <p>The Commission AGREED to an intersessional process to:</p> <p>a) develop a short-term plan of action on how to fund the 1) FY2023 shortfall (see para 8 of IPHC-2024-FAC100-R), and 2) expected shortfalls in the AK Cost Recovery funds available for FY2024, FY2025 and FY2026 (within the current approved grant period of FY2022-FY2026); and</p> <p>b) develop a long-term plan of action to address FY2027-FY2031, given the USA indicated that limits on cost recovery from its fleet (3% of</p>

100 th Session of the IPHC Finance and Administration Committee (FAC100)		
Action No.	Description	Update
		the commercial fishery's landed value) are likely to continue.
FAC100-Rec.05 (para. 27)	<p>Budget estimates: FY2025 (for approval)</p> <p>The FAC RECOMMENDED that the Commission note the proposed FY2025 budget (financial period: 1 October 2024 to 30 September 2025; Appendix V), including the contributions from the Contracting Parties to the General Fund for FY2025 as follows:</p> <ul style="list-style-type: none"> • Canada: Contribution to the General Fund: US\$970,606.61 (Canada). • U.S.A.: Contribution to the General Fund: US\$4,421,652.32 (subject to appropriations). • U.S.A.: Contribution to the headquarters building lease and maintenance costs: US\$458,608.60. 	<p>Lead: Commission</p> <p>Status/Plan: Completed.</p> <p>IPHC-2024-AM100-R (para. 112)</p> <p>The Commission NOTED the proposed FY2025 budget (financial period: 1 October 2024 to 30 September 2025; Appendix X), including the contributions from the Contracting Parties to the General Fund for FY2025 as follows:</p> <ol style="list-style-type: none"> a) Canada: Contribution to the General Fund: US\$970,606.61. b) U.S.A.: Contribution to the General Fund: US\$4,421,652.32 (subject to appropriations). c) U.S.A.: Contribution to the headquarters building lease and maintenance costs: US\$458,608.60.
FAC100-Rec.06 (para. 28)	<p>The FAC RECOMMENDED that the Commission NOTE the extra-budgetary (IFCP Fund deficit) contributions from each Contracting Party for FY2024 as follows:</p> <ul style="list-style-type: none"> • Canada: <ul style="list-style-type: none"> ○ 50% Contribution to the IFCP Fund deficit (former staff pension plan): US\$150,573 • U.S.A.: <ul style="list-style-type: none"> ○ 50% Contribution to the IFCP Fund deficit (former staff pension plan): US\$150,573 	<p>Lead: Commission</p> <p>Status/Plan: Completed.</p> <p>IPHC-2024-AM100-R (para. 113)</p> <p>The Commission NOTED the extra-budgetary (IFCP Fund deficit) contributions from each Contracting Party for FY2024 as follows:</p> <ol style="list-style-type: none"> a) Canada: <ul style="list-style-type: none"> • 50% Contribution to the IFCP Fund deficit (former staff pension plan): US\$150,573. b) U.S.A.: <ul style="list-style-type: none"> • 50% Contribution to the IFCP Fund deficit (former staff pension plan): US\$150,573.
FAC100-Rec.07 (para. 29)	<p>The FAC RECOMMENDED that the Commission AGREE for the two Contracting Parties to engage in inter-sessional discussions over the coming months to adopt a budget for FY2025 and the associated Contributions. In</p>	<p>Lead: Commission</p> <p>Status/Plan: Completed.</p> <p>IPHC-2024-AM100-R (para. 114)</p> <p>The Commission AGREED for the two Contracting Parties to engage in</p>

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Action No.	Description	Update
	doing so, the Contracting Parties may consult with, and request assistance from the IPHC Secretariat.	inter-sessional discussions over the coming months to adopt a budget for FY2025 and the associated Contributions. In doing so, the Contracting Parties may consult with, and request assistance from the IPHC Secretariat.
FAC100-Rec.08 (para. 33)	<i>IPHC Financial Regulations (2024) - Revisions</i> The FAC RECOMMENDED that the Commission consider for adoption, the International Pacific Halibut Commission Financial Regulations (2024), as provided in IPHC-2024-FAC100-08 .	Lead: Commission Status/Plan: Completed IPHC-2024-AM100-R (para. 116) The Commission ADOPTED the International Pacific Halibut Commission Financial Regulations (2024), as provided in IPHC-2024-FAC100-08 , by consensus, and REQUESTED that the IPHC Secretariat finalise and publish them accordingly.
FAC100-Rec.09 (para. 37)	<i>IPHC Rules of Procedure (2024) - Revisions</i> The FAC RECOMMENDED that the Commission adopt the International Pacific Halibut Commission Rules of Procedure (2024), as provided in IPHC-2024-FAC100-09 .	Lead: Commission Status/Plan: Completed IPHC-2024-AM100-R (para. 117) The Commission ADOPTED the IPHC Rules of Procedure (2024), as provided in IPHC-2024-FAC100-09 , by consensus, and REQUESTED that the IPHC Secretariat finalise and publish them accordingly.
REQUESTS		
FAC100-Req.01 (para. 17)	<i>FY2024 budget - update</i> The FAC REQUESTED an update from the Secretariat on funding options explored to date and how Contracting Parties may assist in those endeavours.	Lead: Secretariat Status/Plan: Completed See paper IPHC-2024-SS014-03 , and also additional material presented at the 2024 Work Meeting (WM2024).
FAC100-Req.02 (para. 38)	<i>IPHC Rules of Procedure (2024) - Revisions</i> The FAC REQUESTED that the Secretariat include annual updates on implementation steps and successes in the application of the DEIA rule, within the annual Report of the Secretariat to the Commission.	Lead: Secretariat Status/Plan: Completed and Ongoing See paper IPHC-2025-AM101-04 Report of the IPHC Secretariat (2024) (D. Wilson & B. Hutniczak)



Financial Statement for FY2024

PREPARED BY: IPHC SECRETARIAT (D. WILSON, D. HAYHURST, K. FAIRBANKS, 13 DECEMBER 2024)

PURPOSE

To provide the Commission with an end of year financial statement for FY2024 (financial period: 1 October 2023 to 30 September 2024).

NOTES TO FY24:

- The Salmon Bay Headquarters lease was amended causing an additional \$2,407,303.45 asset recognition, with corresponding liability recognition, during FY2023.
- Fish sales were approximately 42% less than FY2023. This was primarily due to the price of fish, catch rates, and reduced FISS footprint.
- There was an adjustment needed due to the change in revenue recognition periods as reported to IPHC from NOAA GMD versus what had been reported from NOAA Alaska. Because of this, there is a grantor expense of \$1,669,001 included in the auditor's Statement of Revenue, Expenses and Change in Net Position. The amounts detailed below were recorded to fund balances (equity) rather than expense in the Aplos accounting system. This expense consists of the following:
 1. \$820,843 which was the grant receivable accrued at 30 September 2023. This amount is no longer expected to be received because, according to NOAA GMD, the expenses for FY2023 have already been reimbursed to the IPHC.
 2. \$307,409 which was recognized as revenue for the current year as reimbursement from NOAA for a portion of the QTR1 & QTR2 expenses during FY2024. This revenue was recognized by the auditors prior to FY2023 and has been double recorded due to the new revenue recognition period guidance from NOAA GMD.
 3. \$540,750 was the total of the cash returned to NOAA GMD during FY2024 when it was determined that the IPHC had received funds at the end of FY2023 erroneously allocated to other fiscal periods.

1. STATEMENT OF FINANCIAL POSITION - [APPENDIX I](#), BALANCE SHEET

The total Assets at year-end closing totaled **US\$8,107,053.82**

The total equity or combined fund balance at year-end closing totaled **US\$2,278,394.22**

Fund equity balances at year end:

- General Fund (10): **US\$464,405.03**
- Research Fund (20): **US\$166,117.88**
- Statistics Fund (30): **-US\$157,129.45**

- AK Cost Recovery (35): **US\$-159,415.27**
- FISS Fund (40): **-US\$233,947.70**
- Reserve Fund (50): **US\$2,198,363.73**

2. STATEMENT OF ACTIVITIES - [APPENDIX II](#), INCOME STATEMENT

For FY2024, the IPHC total income was **US\$9,319,335.19**, while the budgeted income was **US\$9,176,872.28**. [Appendix III](#) provides the Income Statement by Fund.

Carryover from the previous fiscal year (FY2023) by Fund was as follows:

- 10 - General Fund: US\$706,071.80
- 20 - Research Fund: US\$15,347.32
- 30 - Statistics Fund: -US\$116,905.04
- 35 - AK Cost Recovery (35): US\$1,491,647.19
- 40 - FISS Fund: -US\$115,997.85
- 50 - Reserve Fund: US\$1,437,243.92

3. STATEMENT OF FUNCTIONAL EXPENSES - [APPENDIX II](#), BUDGET TO ACTUALS

The budget to actual report is provided in [Appendix II](#).

The total expenditures were **US\$8,792,456.05** which provided for a surplus in revenue over expenditures totalling **US\$526,879.14**.

4. NOTES TO FINANCIAL STATEMENTS

For FY2024 we refer the Commission to paper IPHC-2024-FAC101-05 Report of the Independent auditors and Financial Statement (FY2024) for annotations to the Financial Statement, which is expected to be published no later than 28 December 2024.

RECOMMENDATION/S

That the Commission:

- 1) **NOTE** paper IPHC-2025-FAC101-04 that includes the Financial Statements and supporting documentation for the financial period 01 October 2023 to 30 September 2024 (FY2024).

APPENDICES

[Appendix I](#): Balance Sheet (FY2024)

[Appendix II](#): Income Statement and Budget to Actuals (FY2024)

[Appendix III](#): Income Statement by Fund (FY2024)

Appendix I Balance Sheet (FY2024)

INTERNATIONAL PACIFIC



HALIBUT COMMISSION

International Pacific Halibut Commission Balance Sheet as of 09/30/2024

Account Number	Account Name	Amount
Assets		
10000	Cash in Bank (Wells Fargo)	\$4,597,866.61
11000	Accounts Receivable	\$4,143.00
11200	Grants Receivable	\$418,413.30
13000	Prepaid Expenses	\$70,334.15
14000	Deposits	\$6,333.49
15000	Furniture, Fixtures and Equipment	\$47,559.00
15050	Intellectual Property	\$31,320.00
15700	Lease Assets	\$3,653,575.95
15888	Accumulated Amortization	\$-710,835.12
15999	Accumulated Depreciation	\$-11,656.56
Total Assets		\$8,107,053.82
Liabilities		
20000	Purchase Card - US Bank	\$38,016.92
20100	Travel Card - US Bank	\$6,644.49
20200	AK Airlines Card - Bank of America	\$572.40
21000	Accounts Payable	\$111,570.28
21001	Accrued expenses	\$24,184.87
21002	Deferred revenue	\$1,357,606.61
22000	Payroll Tax Liabilities	\$-13,266.88
22100	Payroll Benefit Liabilities	\$1,261,175.36
22300	Payroll Reimbursement Clearing	\$2,958.47
23300	Lease Liabilities	\$3,028,607.84
23500	Interest Payable	\$10,589.24
Total Liabilities		\$5,828,659.60
Equity		
30100	10 - General	\$464,405.03
30200	20 - Research	\$166,117.88
30300	30 - Statistics	\$-157,129.45
30350	35 - AK Cost Recovery	\$-159,415.27
30400	40 - FISS	\$-233,947.70
30500	50 - Reserve	\$2,198,363.73
Total Equity		\$2,278,394.22
Total Liabilities + Total Equity		\$8,107,053.82

Appendix II Income Statement and Budget to Actuals (FY2024)

INTERNATIONAL PACIFIC



HALIBUT COMMISSION

International Pacific Halibut Commission
Income Statement
for the period of 10/01/2023 to 09/30/2024

Account Number	Account Name	Amount	Annual Budget
Income			
40000	Contracting Party Contributions	\$5,428,912.01	\$5,209,912.01
40055	Headquarters (Lease & Maintenance)	\$513,712.50	\$513,712.50
40060	Other Income	\$54,671.61	\$69,037.77
40100	Grants, Contracts & Agreements	\$837,986.57	\$947,210.00
40200	Interest Income	\$103,776.29	\$15,000.00
40350	Fish Sales	\$2,379,891.58	\$2,422,000.00
42000	Gain/Loss	\$384.63	\$0.00
Total Income		\$9,319,335.19	\$9,176,872.28
Expense			
50000	Salaries & Wages	\$4,035,741.46	\$4,127,752.39
50100	Benefits	\$1,157,656.91	\$1,598,491.89
50200	Training & Education	\$83,658.25	\$118,930.00
50300	Personnel Related Expenses	\$13,237.80	\$18,000.00
51000	Publications	\$9,348.92	\$14,800.00
51100	Mailing and Shipping	\$64,980.17	\$87,085.68
51200	Travel	\$181,551.90	\$209,401.00
51300	IPHC Meetings	\$238,920.39	\$194,755.32
51400	Technology	\$135,746.83	\$183,241.80
52000	Professional Fees	\$193,767.87	\$237,783.00
52100	Vessel Expenses	\$326,109.52	\$300,000.00
52200	Other Fees and Charges	\$53,604.46	\$80,761.01
52300	Leases and Contracts	\$1,098,742.12	\$1,222,173.00
54000	Communications	\$31,631.14	\$40,160.00
53000	Equipment Expense	\$57,556.66	\$28,389.82
53100	Supplies Expense	\$350,341.35	\$459,148.82
53200	Maintenance and Utilities	\$32,781.93	\$58,465.50
53300	Facility Rentals	\$491,142.06	\$531,779.91
55000	Budget Contingency	\$0.00	\$60,339.00
55100	Other Expenses	\$2,823.57	\$0.00
56100.221	Annual Leave Benefit Accrued HQ	\$147,095.44	\$0.00
56400	Capitalized Fixed Assets	\$-14,265.70	\$0.00
56410	Depreciation Expense	\$6,841.99	\$0.00
56420	Amortization Expense	\$8,700.00	\$0.00
56430	Lease Interest Expense	\$66,282.31	\$0.00
56444	AR Adjustments	\$18,458.70	\$0.00
Total Expense		\$8,792,456.05	\$9,571,458.14
Net Income (Loss)		\$526,879.14	\$-394,585.86



Appendix III
Income Statement by Fund (FY2024)



International Pacific Halibut Commission
Income Statement by Fund
for the period of 10/01/2023 to 09/30/2024

Account Number	Account Name	10 - General	20 - Research	30 - Statistics	35 - AK Cost Recovery	40 - FISS	50 - Reserve	Amount
Income								
40000	Contracting Party Contributions	\$ 3,107,034.28	\$ 1,073,364.05	\$ 1,074,308.68	\$ 0.00	\$ 174,205.00	\$ 0.00	\$ 5,428,912.01
40055	Headquarters (Lease & Maintenance)	\$ 513,712.50	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 513,712.50
40060	Other Income	\$ 25,884.63	\$ 915.46	\$ 4,793.25	\$ 16,507.44	\$ 6,570.83	\$ 0.00	\$ 54,671.61
40100	Grants, Contracts & Agreements	\$ 0.00	\$ 41,768.67	\$ 0.00	\$ 796,217.90	\$ 0.00	\$ 0.00	\$ 837,986.57
40200	Interest Income	\$ 103,776.29	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 103,776.29
40350	Fish Sales	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 2,379,891.58	\$ 0.00	\$ 2,379,891.58
42000	Gain/Loss	\$ 4.91	\$ 0.00	\$ 172.09	\$ 0.00	\$ 207.63	\$ 0.00	\$ 384.63
Total Income		\$ 3,750,412.61	\$ 1,116,048.18	\$ 1,079,274.02	\$ 812,725.34	\$ 2,560,875.04	\$ 0.00	\$ 9,319,335.19
Expense								
50000	Salaries & Wages	\$ 1,407,728.65	\$ 612,532.26	\$ 790,458.52	\$ 505,002.48	\$ 720,019.55	\$ 0.00	\$ 4,035,741.46
50100	Benefits	\$ 450,249.73	\$ 189,862.49	\$ 218,136.49	\$ 148,154.18	\$ 151,254.02	\$ 0.00	\$ 1,157,656.91
50200	Training & Education	\$ 47,201.02	\$ 600.00	\$ 3,720.70	\$ 16,616.98	\$ 15,519.55	\$ 0.00	\$ 83,658.25
50300	Personnel Related Expenses	\$ 2,270.68	\$ 0.00	\$ 2,095.00	\$ 3,114.00	\$ 5,758.12	\$ 0.00	\$ 13,237.80
51000	Publications	\$ 2,350.12	\$ 6,998.80	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 9,348.92
51100	Mailing and Shipping	\$ 4,868.07	\$ 298.28	\$ 1,029.13	\$ 1,145.95	\$ 57,638.74	\$ 0.00	\$ 64,980.17
51200	Travel	\$ 51,162.74	\$ 15,622.82	\$ 16,058.15	\$ 36,831.80	\$ 61,876.39	\$ 0.00	\$ 181,551.90
51300	IPHC Meetings	\$ 238,920.39	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 238,920.39
51400	Technology	\$ 116,554.83	\$ 0.00	\$ 19,192.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 135,746.83
52000	Professional Fees	\$ 193,627.87	\$ 140.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 193,767.87
52100	Vessel Expenses	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 326,109.52	\$ 0.00	\$ 326,109.52
52200	Other Fees and Charges	\$ 27,957.96	\$ 0.00	\$ 883.35	\$ 8,672.93	\$ 16,090.22	\$ 0.00	\$ 53,604.46
52300	Leases and Contracts	\$ 23,415.20	\$ 1,088.00	\$ 19,761.89	\$ 16,197.40	\$ 1,038,279.63	\$ 0.00	\$ 1,098,742.12
54000	Communications	\$ 29,138.25	\$ 0.00	\$ 676.47	\$ 542.55	\$ 1,273.87	\$ 0.00	\$ 31,631.14
53000	Equipment Expense	\$ 0.00	\$ 21,139.97	\$ 10,235.67	\$ 17,364.38	\$ 8,816.64	\$ 0.00	\$ 57,556.66
53100	Supplies Expense	\$ 33,603.00	\$ 84,045.28	\$ 3,011.72	\$ 9,401.71	\$ 220,279.64	\$ 0.00	\$ 350,341.35
53200	Maintenance and Utilities	\$ 29,210.51	\$ 1,001.08	\$ 536.80	\$ 1,116.71	\$ 916.83	\$ 0.00	\$ 32,781.93
53300	Facility Rentals	\$ 443,665.66	\$ 234.90	\$ 6,544.43	\$ 24,197.95	\$ 16,499.12	\$ 0.00	\$ 491,142.06
55100	Other Expenses	\$ 2,823.57	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 2,823.57
55250	Indirect costs	\$ (74,481.15)	\$ 3,796.43	\$ 0.00	\$ 70,684.72	\$ 0.00	\$ 0.00	\$ 0.00
56100.221	Annual Leave Benefit Accrued HQ	\$ 49,666.98	\$ 31,049.85	\$ 26,887.46	\$ 21,675.23	\$ 17,815.92	\$ 0.00	\$ 147,095.44
56400	Capitalized Fixed Assets	\$ (7,565.70)	\$ (6,700.00)	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ (14,265.70)
56410	Depreciation Expense	\$ 0.00	\$ 4,520.59	\$ 0.00	\$ 0.00	\$ 2,321.40	\$ 0.00	\$ 6,841.99
56420	Amortization Expense	\$ 8,700.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 8,700.00
56430	Lease Interest Expense	\$ 65,334.94	\$ 0.00	\$ 0.00	\$ 658.34	\$ 289.03	\$ 0.00	\$ 66,282.31
56444	AR Adjustments	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 18,458.70	\$ 0.00	\$ 18,458.70
Total Expense		\$ 3,146,403.32	\$ 966,230.75	\$ 1,119,227.78	\$ 881,377.31	\$ 2,679,216.89	\$ 0.00	\$ 8,792,456.05
Net Income (Loss)		\$ 604,009.29	\$ 149,817.43	\$ (39,953.76)	\$ (68,651.97)	\$ (118,341.85)	\$ 0.00	\$ 526,879.14
Summary								
Beginning Fund Balance		\$ 706,071.80	\$ 15,347.32	\$ (116,905.04)	\$ 1,491,647.19	\$ (115,997.85)	\$ 1,437,243.92	\$ 3,417,407.34
+ Other Fund Balance Movements		\$ (845,676.06)	\$ 953.13	\$ (270.65)	\$ (1,582,410.49)	\$ 392.00	\$ 761,119.81	\$ (1,665,892.26)
+ Net Income / (Loss)		\$ 604,009.29	\$ 149,817.43	\$ (39,953.76)	\$ (68,651.97)	\$ (118,341.85)	\$ 0.00	\$ 526,879.14
= Ending Fund Balance		\$ 464,405.03	\$ 166,117.88	\$ (157,129.45)	\$ (159,415.27)	\$ (233,947.70)	\$ 2,198,363.73	\$ 2,278,394.22



Report of the Independent auditors and Financial Statement (FY2024)

PREPARED BY: IPHC SECRETARIAT (D. WILSON, D. HAYHURST, K. FAIRBANKS; 20 DECEMBER 2024)

PURPOSE

To provide the Commission with the Independent External Auditors Report for FY2024, as per Regulation 14 of the IPHC Financial Regulations (2024).

Regulation 14 – External Audit

“1. The accounts of the Commission shall be audited annually by external auditors recommended by the FAC and appointed by the Commission. The Auditors shall be appointed for a term of three (3) years, and may be reappointed to multiple terms.”

BACKGROUND

29 October 2024: The IPHC Secretariat provides initial Trial Balances to Clark Nuber.

In accordance with paragraph 2, Regulation 14, of the IPHC Financial Regulations (2024) (shown below) the IPHC Secretariat commenced the provision of the initial Provided By Client (PBC) list of items to the independent external auditor.

*(para. 2) “The contents identified in the Auditors Provided By Client (PBC) list shall be submitted by the Executive Director to the Auditors appointed by the Commission not later than **sixty (60) days** after the end of a fiscal year.”*

4 November 2024: Clark Nuber commenced their ‘field’ work auditing process.

6 November 2024: Clark Nuber provided Drat audit reports for review.

20 December 2024: In accordance with paragraph 7, Regulation 14, of the IPHC Financial Regulations (2024) (shown below) the independent external auditors provided the final report to the IPHC Secretariat on 20 December 2024 (81 days after the end of the FY2024 fiscal year, 9 days ahead of the deadline set-forth in the IPHC Financial Regulations, to ensure adequate review time).

*(para. 7) “The Auditors shall prepare a report on the accounts certified, and shall discuss their report with the Executive Director prior to submission to the FAC and Commission. The Auditors shall submit their report to the Commission, via the FAC, no later than **90 days** following the end of the fiscal year to which the accounts relate.”*

Next steps: As in previous years, the auditors will present their findings to the Commission via video conference in January 2025. The final report will then be provided to the FAC101 for consideration, and then potential endorsement by the Commission at AM101 as a Rev_1 to this current paper.

RECOMMENDATIONS

That the FAC:

- 1) **NOTE** paper IPHC-2025-FAC101-05 that provided the independent external auditors report for FY2024, as per Regulation 14 of the IPHC Financial Regulations (2024).

- 2) **RECOMMEND** that the Commission accept the independent external auditors report for FY2024, as per Regulation 14 of the IPHC Financial Regulations (2024).

APPENDICES

Appendix I: Report of the Independent Auditors and Financial Statement (FY2024) – Clark Nuber.

APPENDIX I

INTERNATIONAL PACIFIC HALIBUT COMMISSION

Financial Statements

For the Year Ended September 30, 2024

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Independent Auditor's Report

**To the Commissioners
International Pacific Halibut Commission
Seattle, Washington**

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of International Pacific Halibut Commission (the Commission), which comprise the statement of net position as of September 30, 2024, and the related statements of revenues, expenses and changes in net position, and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Commission as of September 30, 2024, and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.



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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 7 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The statement of revenues, expenses, and changes in net position by fund is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Clark Nuber P.S.

Certified Public Accountants
December 19, 2024

INTERNATIONAL PACIFIC HALIBUT COMMISSION

Management's Discussion and Analysis For the Year Ended September 30, 2024

Our discussion and analysis of the International Pacific Halibut Commission (the Commission) financial performance provides an overview of the Commission's financial activities for the fiscal year ended September 30, 2024. This Management Discussion and Analysis (MD&A) is designed to assist readers of financial statements in focusing on significant financial activities and issues in the financial statements as a whole.

The Organization

The Commission is a public international organization so designated via Presidential Executive Order 11059 and established by a Convention between Canada and the United States of America (the Convention). The Convention was signed on March 2, 1923, ratified on July 21, 1924, and came into effect on October 21, 1924 upon exchange. The Convention has been revised several times since, to extend the Commission's authority and meet new conditions in the fishery. The most recent change occurred in 1979 and involved an amendment to the 1953 Halibut Convention. The 1979 amendment, termed a "protocol", was precipitated in 1976 by Canada and the United States of America extending their jurisdiction over fisheries resources to 200 miles. The 1979 Protocol along with the U.S. legislation that gave effect to the Protocol (Northern Pacific Halibut Act of 1982) has affected the way the fisheries are conducted and redefined the role of the Commission in the management of the fishery. Canada does not require specific enabling legislation to implement the protocol.

The Commission is a 509(a)(3) not-for-profit organization (determination by the IRS on February 26, 1987), formed to provide for the health and well-being of Pacific halibut in the Convention Area.

Objective - To develop the stocks of Pacific halibut in the Convention waters to those levels which will permit the optimum yield from the fishery and to maintain the stocks at those levels.

Functions and Responsibilities - As detailed in the Convention, the Commission shall:

- Divide the Convention waters into areas;
- Establish one or more open or closed seasons as to each area;
- Limit the size of the fish and the quantity of the catch to be taken from each area within any season during which fishing is allowed;
- During both open and closed seasons, permit, limit, regulate or prohibit the incidental catch of Pacific halibut that may be taken, retained, possessed, or landed from each area or portion of an area, by vessels fishing for other species of fish;
- Fix the size and character of Pacific halibut fishing appliances to be used in any area;
- Make such regulations for the licensing of vessels and for the collection of statistics on the catch of Pacific halibut as it shall find necessary to determine the condition and trend of the Pacific halibut fishery and to carry out the other provisions of this Convention;
- Close to all taking of Pacific halibut any area or portion of an area that the Commission finds to be populated by small, immature Pacific halibut and designates as nursery grounds.

Overview of the Financials

On average, approximately 50% of the Commission's annual income is provided by the two (2) Contracting Parties to the Convention, Canada and the United States of America. The remainder is received through the sale of Pacific halibut and bycatch species caught during our annual Fishery- Independent Setline Survey (FISS), grants, and interest income.

INTERNATIONAL PACIFIC HALIBUT COMMISSION

Management's Discussion and Analysis (Continued) For the Year Ended September 30, 2024

Overview of the Financials (Continued)

The Commission issues financial statements comprising two components: 1) basic financial statements and 2) notes to the financial statements.

The Commission's financial statements are prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP). These financial statements cover the year ended September 30, 2024.

The financial statements include the Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, Statement of Cash Flows and Notes to Financial Statements.

The Statement of Net Position provides a record, or snapshot, of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the Commission at the close of the year. They provide information about the nature and amounts of assets and obligations to other parties or liabilities.

The Statement of Revenues, Expenses and Changes in Net Position presents the results of the Commission's activities over the course of the year. This information can be used to determine whether the Commission has successfully recovered all its costs through Contracting Party contributions, fish sale revenue, grants, and other charges.

The Statement of Cash Flows reports cash receipts, cash payments and net changes in cash resulting from operating, financing, and investing activities over the course of the year. The statement reports cash inflows and disbursements during the year and reconciles to the ending cash balance.

The Notes to Financial Statements provide useful information regarding the Commission's account balances and activities, certain material risks, estimates, obligations, commitments, contingencies and subsequent events, if applicable.

Financial Highlights for Fiscal Year 2024

At the year ended September 30, 2024, operating expenses for the Commission were \$8,720,009 and operating revenues were \$8,377,573. Operating revenues were overbudget, while operating expenses were under budget. The decreased operating expenses compared to budget can be attributed primarily to reduced spending in most budget areas.

In addition, fish sale income was approximately 1.7% lower than budgeted, primarily due to lower than projected catches and fish prices received as well as a reduced area covered.

During the fiscal year, there were no significant capital purchases and no debt activities.

The Commission is well-positioned to continue successful financial and programmatic operations. The strong cash balance, continued scientific studies, FISS revenues, and established relationships with fishing vessels and fisherman of Canada and the United States of America will enable the Commission continued success. No uncertainties are expected during fiscal year 2025. The Commission expects next fiscal year to compare closely with fiscal year 2024.

INTERNATIONAL PACIFIC HALIBUT COMMISSION

Management's Discussion and Analysis (Continued) For the Year Ended September 30, 2024

Financial Highlights for Fiscal Year 2024 (Continued)

During the year ended September 30, 2024, there was an adjustment needed due to the change in revenue recognition as reported to the Commission from National Oceanic and Atmospheric Administration Grants Management Division (NOAA GMD) versus what had been reported from NOAA Alaska. Because of this, there is an expense of \$1,669,001 which is included in the Statement of Revenues, Expenses, and Changes in Net Position. This expense consists of the following:

- \$820,843 which was the grant receivable accrued at September 30, 2023. This amount is not expected to be collected because the expenses for fiscal year 2023 have already been reimbursed to the Commission according to NOAA GMD.
- \$307,409 which was recognized as revenue for the current year as reimbursement from NOAA for a portion of the Q1 and Q2 expenses during fiscal year 2024. This revenue has been double recorded due to the new revenue recognition period guidance from NOAA GMD as it was previously recognized prior to fiscal year 2023 as well.
- \$540,750 was the total of the cash returned to NOAA GMD during fiscal year 2024 when it was determined that the Commission had received funds at the end of fiscal year 2023 erroneously allocated to other fiscal periods.

Financial Analysis

Condensed Financial Statement Statements of Net Position September 30, 2024 and 2023

Table 1 presents the Commission's condensed consolidated Statements of Net Position as of September 30, 2024 and 2023 as derived from the Statements of Net Position. The increase in total assets is a result of an executed extension on the right of use lease asset for headquarters. Similarly, the increase in total liabilities is a result of the same executed lease. Additionally, liabilities increased as cash was received during fiscal year 2024 for use in fiscal year 2025.

	<u>2024</u>	<u>2023</u>
Total assets	\$ 8,107,053	\$ 6,131,471
Total liabilities	\$ 5,342,967	\$ 2,208,869
Total net position	\$ 2,764,086	\$ 3,922,602

INTERNATIONAL PACIFIC HALIBUT COMMISSION

Management's Discussion and Analysis (Continued) For the Year Ended September 30, 2024

Condensed Financial Statement Statements of Revenues, Expenses and Changes in Net Position September 30, 2024 and 2023

Table 2 presents the Commission's condensed Statements of Activities for the fiscal years ended September 30, 2024 and 2023 as derived from the Statements of Revenues, Expenses, and Changes in Net Position. The decrease in total revenues is a result of decreased fish sales. The decrease in total expenses is attributed to reduced spending in most areas of operations.

	<u>2024</u>	<u>2023</u>
Total revenues	\$ 9,319,336	\$ 11,001,443
Total expenditures	\$ 10,477,852	\$ 10,775,755
Total changes in net position	\$ (1,158,516)	\$ 225,688

Requests for Information

Questions concerning any of the information provided in this report or requests for additional information should be addressed to Dr David T. Wilson, Executive Director, phone 206-634-1838, email secretariat@iphc.int.

INTERNATIONAL PACIFIC HALIBUT COMMISSION

Statement of Net Position September 30, 2024

Assets:	
Cash	\$ 4,597,867
Accounts receivable	4,143
Grants receivable	418,413
Prepaid expenses and other assets	<u>76,667</u>
Total Current Assets	5,097,090
Capital assets, net	<u>3,009,963</u>
Total Assets	<u>\$ 8,107,053</u>
Liabilities:	
Accounts payable	\$ 167,391
Accrued liabilities	24,185
Payroll liabilities	276,057
Compensated absences	315,628
Lease liabilities, current portion	249,427
Unearned revenue	<u>1,357,607</u>
Total Current Liabilities	2,390,295
Compensated absences	173,492
Lease liabilities, net	<u>2,779,180</u>
Total Liabilities	<u>\$ 5,342,967</u>
Net Position:	
Unrestricted	\$ 2,782,730
Net investment in capital assets	<u>(18,644)</u>
Total Net Position	<u>\$ 2,764,086</u>

See accompanying notes.

INTERNATIONAL PACIFIC HALIBUT COMMISSION

Statement of Revenues, Expenses and Changes in Net Position For the Year Ended September 30, 2024

Revenue:	
Fish sales	\$ 2,379,891
Contracting party contributions	5,942,625
Grants, contracts and agreements	837,987
Interest income	103,776
Other income	54,672
Realized gains (losses) on foreign transaction fees	385
	<hr/>
Total Revenue	9,319,336
Expenses:	
General expenses-	
Personnel	4,199,230
Benefits	1,157,658
Training and education	83,658
Personnel related expenses	13,238
	<hr/>
Total general expenses	5,453,784
Operating expenses-	
Publications	9,347
Mailing and shipping	64,981
Travel	181,551
Meetings	238,920
Technology	135,747
	<hr/>
Total operating expenses	630,546
Fees and contract expenses-	
Professional fees	193,769
Vessel expenses	326,109
Other fees and charges	53,605
Leases and contracts	1,098,742
Communications	31,631
	<hr/>
Total fees and contract expenses	1,703,856
Facilities and equipment expenses-	
Equipment	57,557
Supplies	350,342
Maintenance and utilities	32,782
Facilities rentals	491,142
	<hr/>
Total facilities and equipment expenses	931,823
Grant expense - change in grant revenue period recognition	1,669,001
Other expenses	88,842
	<hr/>
Total Expenses	10,477,852
	<hr/>
Change in Net Position	(1,158,516)
Net position, beginning of the year	3,922,602
	<hr/>
Net Position, End of Year	\$ 2,764,086
	<hr/>

See accompanying notes.

INTERNATIONAL PACIFIC HALIBUT COMMISSION

Statement of Cash Flows For the Year Ended September 30, 2024

Operating Activities:

Cash received from customers	\$ 12,340,058
Other operating cash receipts	54,672
Cash paid to employees	(5,320,655)
Cash paid to suppliers of goods and services	<u>(5,144,404)</u>

Net Cash Provided by Operating Activities **1,929,671**

Capital and Related Financing Activities:

Payments on lease liability	(256,793)
Purchases of capital assets	<u>(6,700)</u>

Net Cash Used in Capital and Related Financing Activities **(263,493)**

Cash Flows From Investing Activities:

Receipt of interest	<u>103,776</u>
---------------------	----------------

Net Cash Provided by Investing Activities **103,776**

Change in Cash and Cash Equivalents **1,769,954**

Cash and Cash Equivalents Balance:

Beginning of year	<u>2,827,913</u>
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End of Year **\$ 4,597,867**

Reconciliation of Change in Net Position to Net Cash Provided by Operating Activities:

Net operating income	\$ (1,158,516)
Adjustments to reconcile change in net position to cash flows from operating activities-	
Depreciation and amortization	323,454
Interest income	(103,776)
Changes in assets and liabilities:	
Accounts receivable	1,452,216
Grants receivable	1,726,954
Prepaid expenses and other assets	18,163
Accounts payable	(374,175)
Accrued expenses	9,118
Payroll liabilities	(107,703)
Compensated absences	<u>143,936</u>

Net Cash Provided by Operating Activities **\$ 1,929,671**

See accompanying notes.

INTERNATIONAL PACIFIC HALIBUT COMMISSION

Notes To Financial Statements For the Year Ended September 30, 2024

Note 1 - Summary of Significant Accounting Policies

Nature of the Organization - The International Pacific Halibut Commission (the Commission) is an International Organization (IO) created in 1923 by a convention between the United States of America and Canada to manage the Pacific halibut fishery. Each country appoints three Commissioners who in turn appoint an Executive Director to supervise the Secretariat staff.

The Commission conducts scientific studies on Pacific halibut and, after consultation with the industry, proposes annual regulations to the governments of Canada and the United States of America for the Pacific halibut fishery. Fishermen of both countries must comply with the adopted regulations under the supervision of the Federal enforcement agencies of their respective governments. All financial records are denominated in U.S. dollars.

The Commission has adopted a fiscal year ending September 30.

Basis of Presentation - The financial statements of the Commission have been prepared in conformity with accounting principles generally accepted in the United States of America (U.S. GAAP) as applied to special-purpose governments. GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The Commission is a government enterprise. Enterprise funds are accounted for on the economic resources measurement focus using the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Fish Sales Revenue - Revenue from the sale of fish is recorded at the time of sale.

Grants, Contracts and Agreements Revenue - Grants, contracts and agreements revenue is recognized and recorded as the related expenses are incurred.

Cash - For purposes of reporting cash flows, cash includes cash on hand and on deposit with financial institutions. The Commission considers all liquid investments with original maturities of less than three months at the date of acquisition and all nonnegotiable certificates of deposit to be cash equivalents. Cash on hand was \$4,597,867 for the year ended September 30, 2024.

Custodial credit risk for deposits is the risk that, in event of a failure of a depository financial institution, the Commission would not be able to recover deposits or will not be able to recover collateral securities that are in possession of an outside party. The Commission's cash deposits are mostly covered by the Federal Depository Insurance Corporation (FDIC).

Grants and Accounts Receivables - Receivable consists of amounts from private individuals or organizations for goods and services and earned grant amounts. Management provides for probable uncollectible amounts through a charge to change in net position and a credit to a valuation allowance based on its assessment of current status of individual accounts. Balances outstanding after reasonable collection efforts are written off through a charge to the valuation allowance and a credit to grants or accounts receivable. As of September 30, 2024, an allowance for doubtful accounts was not considered necessary.

Leases - The Commission is a lessee for noncancelable leases. The Commission recognizes a lease liability and an intangible right-to-use lease capital asset in the financial statements.

INTERNATIONAL PACIFIC HALIBUT COMMISSION

Notes To Financial Statements For the Year Ended September 30, 2024

Note 1 - Continued

At the commencement of a lease, the Commission initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized using the straight-line basis over its useful life.

Key estimates and judgements related to lease include how the Commission determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term and (3) lease payments.

The Commission uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Commission generally uses its incremental borrowing rate as the discount rate for leases. The lease term includes the noncancelable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the Commission is reasonably certain to exercise. The Commission monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Capital Assets - Equipment is recorded at acquisition cost. Maintenance and repairs are charged to expenditures when incurred. The Commission generally capitalizes assets with a cost greater than \$5,000. Depreciation is computed using the straight-line method over the estimated useful lives of 5 - 7 years for furniture, fixtures and equipment. Amortization of right-to-use assets is recognized on a straight-line basis over the noncancelable term of the lease. Depreciation and amortization expense for the fiscal year ended September 30, 2024 was \$323,454.

Payroll Liabilities - These accounts consist of accrued wages and accrued employee benefits.

Compensated Absences - Compensated absences are absences for which employees will be paid, such as vacation and sick leave. Eligible employees are able to accumulate up to 240 hours; however, compensated absences may be accumulated above the maximum allowed between the time 240 hours is accrued and the employee's anniversary date of employment.

The Commission allows unlimited accumulation of sick leave for the period of employment. Accumulated sick leave is paid out upon termination at a rate of 50% of unused sick leave or 15% of annual salary on the date of termination, whichever is less.

Unearned Revenue - Funds received but not yet earned or the conditions of entitlement have not been met under the various research grants, contracts, or agreements are reported as unearned revenue. As of September 30, 2024 all unearned revenue related to contracting party payments.

Net Position Classification - The difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources is called net position. Net position is comprised of three components: net investment in capital assets, restricted, and unrestricted.

INTERNATIONAL PACIFIC HALIBUT COMMISSION

Notes To Financial Statements For the Year Ended September 30, 2024

Note 1 - Continued

Sometimes the Commission will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Commission's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

Income Taxes - The Commission, is exempt from federal, state and provincial income taxes. Accordingly, no provision for income taxes is necessary.

Use of Estimates - The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Subsequent Events - The Commission has performed an evaluation of subsequent events through December 19, 2024, which is the date the financial statements were available to be issued.

Note 2 - General and Program Funds

The Commission's operations are funded by the governments of Canada and the United States of America. The Commission receives advances from each government during its fiscal year unless otherwise recommended by the Commission.

The Commission maintains the following programs:

20 Research - Research and development to study biological, historical aspects of the Pacific halibut species and the efficiency and conservation practices of fishing and processing industry.

30 Statistics - Gathering analysis and compilation of harvest data for fishery management.

35 AK Cost Recovery - International Pacific Halibut Commission Directed Commercial Catch Sampling of Pacific halibut in Alaska.

40 FISS - Fishery-Independent Setline Survey revenues arise from the sale of fish, which are caught during research studies, and from external contracts and grants. The FISS Fund is used for specific scientific programs to assess biological movement and abundance of the Pacific halibut species.

50 Reserve - Provides funds to respond to unforeseen contingencies that cannot be met by the General Fund.

INTERNATIONAL PACIFIC HALIBUT COMMISSION

Notes To Financial Statements For the Year Ended September 30, 2024

Note 2 - Continued

At year end September 30, 2024, program balances were comprised of:

	10 - General	20 - Research	30 - Statistics	35 - AK Cost Recovery	40 - FISS	50 - Reserve	Total
Cash	\$ 2,070,161	\$ 467,636	\$ 137,956	\$ (485,167)	\$ 208,917	\$ 2,198,364	\$ 4,597,867
Accounts receivable					4,143		4,143
Grants receivable		1,975		416,438			418,413
Prepaid expenses and other assets	67,790	4,648			4,229		76,667
Capital assets, net	2,901,623	25,263		49,698	33,379		3,009,963
Accounts payable	(157,392)	(2,267)	(2,755)	(2,065)	(2,912)		(167,391)
Accrued liabilities	(4,575)	(19,201)	(25)		(384)		(24,185)
Payroll liabilities	(115,548)	(67,032)	(44,073)	(35,726)	(13,678)		(276,057)
Compensated absences	(187,816)	(122,883)	(124,553)	(25,602)	(28,266)		(489,120)
Lease liabilities	(2,952,732)			(51,567)	(24,308)		(3,028,607)
Unearned revenue	(970,607)				(387,000)		(1,357,607)
Net Position	\$ 650,904	\$ 288,139	\$ (33,450)	\$ (133,991)	\$ (205,880)	\$ 2,198,364	\$ 2,764,086

Note 3 - Capital Assets

Capital assets, including furniture, fixtures and equipment and right-to-use assets activity as of and for the year ended September 30, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, not Being Depreciated:				
Work in progress	\$ 31,320	\$ -	\$ (31,320)	\$ -
Capital Assets, Being Depreciated/Amortized:				
Furniture, fixtures and equipment	40,859	38,020		78,879
Intangible right-to-use asset, buildings	1,219,097	2,434,479		3,653,576
Less Accumulated Depreciation/Amortization for:				
Furniture, fixtures and equipment	(4,815)	(15,542)		(20,357)
Intangible right-to-use asset, buildings	(394,223)	(307,912)		(702,135)
Capital Assets, Net	\$ 892,238	\$ 2,149,045	\$ (31,320)	\$ 3,009,963

INTERNATIONAL PACIFIC HALIBUT COMMISSION

Notes To Financial Statements For the Year Ended September 30, 2024

Note 4 - Employee Benefits

One current employee of the Commission participates in a multi-employer, participatory, defined benefit pension plan (the Plan). All employers participating in the Plan are required to remain fully funded. The contribution for the year ended September 30, 2024, was \$18,630. All new employees participate in an employee sponsored 403(b) plan. The Commission contributes a base amount of 7% of salary, plus up to 5% additional matching funds. The total amount contributed for the year ended September 30, 2024, was \$378,174.

All employees of the Commission are eligible for post-retirement healthcare benefits, provided they have been continuously employed for the ten years immediately preceding their retirement. Expenses related to these post-retirement healthcare benefits for the year ended September 30, 2024, were \$39,271.

Note 5 - Long-Term Liabilities

Long-term liabilities activity as of and for the year ended September 30, 2024 is as follows:

	Beginning of Year	Additions	Subtractions	End of Year	Amounts Due Within One Year
Long-Term Liabilities:					
Lease liabilities	\$ 850,921	\$ 2,427,478	\$ 249,792	\$ 3,028,607	\$ 249,427
Compensated absences	345,184	171,960	28,024	489,120	315,628
Total Long-Term Liabilities	<u>\$ 1,196,105</u>	<u>\$ 2,599,438</u>	<u>\$ 277,816</u>	<u>\$ 3,517,727</u>	<u>\$ 565,055</u>

Note 6 - Commitments and Contingencies

Lease - The Commission leases office, lab facility, and living space under noncancelable lease agreements with expiration dates through January 31, 2036. Total lease amounts paid for the year ended September 30, 2024 are \$517,599.

Future minimum payments under noncancelable leases are as follows:

For the Year Ending September 30,	Principal	Interest	Total
2025	\$ 249,427	\$ 123,573	\$ 373,000
2026	203,069	113,071	316,140
2027	201,483	104,649	306,132
2028	203,390	96,305	299,695
2029	222,866	87,348	310,214
Thereafter	1,948,372	286,062	2,234,434
Total Minimum Rental Payments	<u>\$ 3,028,607</u>	<u>\$ 811,008</u>	<u>\$ 3,839,615</u>

INTERNATIONAL PACIFIC HALIBUT COMMISSION

**Notes To Financial Statements
For the Year Ended September 30, 2024**

Note 6 - Continued

Rent expense for noncancelable leases for the year ended September 30, 2024 are as follows:

Lease Expense:	
Amortization expense by class of underlying asset vehicles	\$ 1,384
Amortization expense by class of underlying asset buildings	<u>306,528</u>
Total amortization expense	307,912
Interest on lease liabilities	115,093
Variable lease expense	<u>94,594</u>
	<u><u>\$ 517,599</u></u>

Litigation - At times, the Commission may be involved in litigation and contingencies arising in the normal course of business. After consultation with legal counsel, management estimates that no matters exist that could have a significant impact to the Commission's financial position.

Note 7 - Concentrations

During the year ended September 30, 2024, approximately 61% of the Commission's revenue was from the United States government agencies and approximately 12% was from Fisheries and Oceans Canada. In addition, at September 30, 2024, all grant receivables were due from the United States government agencies. Loss of this funding could have a material effect on the Commission; however, management of the Commission does not anticipate a significant loss of such funding.

Note 8 - Related Party Transactions

The Commission has one commissioner that also works for a United States Agency that has provided approximately \$796,000 in contribution and grant revenues in the year ended September 30, 2024.

SUPPLEMENTARY INFORMATION

INTERNATIONAL PACIFIC HALIBUT COMMISSION

Statement of Revenues, Expenses and Changes in Net Position by Fund For the Year Ended September 30, 2024

	10 - General	20 - Research	30 - Statistics	35 - AK Cost Recovery	40 - FISS	50 - Reserve	Total
Operating Revenue:							
Fish sales	\$ -	\$ -	\$ -	\$ -	\$ 2,379,891	\$ -	\$ 2,379,891
Contracting party contributions	3,620,747	1,073,364	1,074,309		174,205		5,942,625
Grants, contracts and agreements		41,769		796,218			837,987
Interest income	103,776						103,776
Other income	25,886	915	4,793	16,507	6,571		54,672
Realized gains on foreign transaction fees	5		172		208		385
Fund transfer	(820,621)	4,073	4,024	74,225	(22,821)	761,120	
Total Income	2,929,793	1,120,121	1,083,298	886,950	2,538,054	761,120	9,319,336
Expenses:							
General expenses-							
Personnel	1,473,789	643,582	817,346	526,677	737,836		4,199,230
Benefits	450,250	189,862	218,137	148,155	151,254		1,157,658
Training and education	47,200	600	3,721	16,617	15,520		83,658
Personnel related expenses	2,271		2,095	3,113	5,759		13,238
Total general expenses	1,973,510	834,044	1,041,299	694,562	910,369		5,453,784
Operating expenses-							
Publications	2,349	6,998					9,347
Mailing and shipping	4,868	298	1,029	1,147	57,639		64,981
Travel	51,163	15,623	16,058	36,831	61,876		181,551
Meetings	238,920						238,920
Technology	116,555		19,192				135,747
Total operating expenses	413,855	22,919	36,279	37,978	119,515		630,546
Fees and contract expenses-							
Professional fees	193,629	140					193,769
Vessel expenses					326,109		326,109
Other fees and charges	27,958		883	8,673	16,091		53,605
Leases and contracts	23,415	1,088	19,762	16,197	1,038,280		1,098,742
Communications	29,138		676	543	1,274		31,631
Total fees and contract expenses	274,140	1,228	21,321	25,413	1,381,754		1,703,856
Facilities and equipment expenses-							
Equipment		21,140	10,236	17,364	8,817		57,557
Supplies	33,603	84,045	3,012	9,402	220,280		350,342
Maintenance and utilities	29,211	1,001	537	1,116	917		32,782
Facilities rentals	443,666	235	6,544	24,198	16,499		491,142
Total facilities and equipment expenses	506,480	106,421	20,329	52,080	246,513		931,823
Grant expense - change in grant revenue period recognition				1,669,001			1,669,001
Other expenses	(5,189)	1,617		71,345	21,069		88,842
Total Expenses	3,162,796	966,229	1,119,228	2,550,379	2,679,220		10,477,852
Change in Net Position	(233,003)	153,892	(35,930)	(1,663,429)	(141,166)	761,120	(1,158,516)
Net position, beginning of the year	883,907	134,247	2,480	1,529,438	(64,714)	1,437,244	3,922,602
Net Position, End of Year	\$ 650,904	\$ 288,139	\$ (33,450)	\$ (133,991)	(205,880)	\$ 2,198,364	\$ 2,764,086

See independent auditor's report.



FY2025 Financial Budget - Update

PREPARED BY: IPHC SECRETARIAT (D. WILSON; 13 DECEMBER 2024)

PURPOSE

To provide the FAC with an update on the approved FY2025 budget (financial period: 1 October 2024 to 30 September 2025) and suggested amendments to 1) accommodate the final 2025 FISS design adopted via intersessional decision IPHC-2024-ID009 ([IPHC-2024-CR031](#)); and 2) revise other funds to accommodate changes implemented since the budget was adopted.

BACKGROUND

In accordance with Rule 11, paragraphs 4-10 'Intersessional decision-making' of the IPHC Rules of Procedure (2024), the following intersessional Commission decision was made in relation to the FY2024 budget ([IPHC-2024-CR-019](#)):

Budget Estimates: FY2025

IPHC-2024-ID008: The Commission:

- 1) **NOTED** paper IPHC-2024-ID008 that provided the budget estimates for FY2025 (1 October 2024 to 30 September 2025) for approval, and for FY2026 and FY2027 for provisional endorsement (1 October 2025 to 30 September 2026, & 1 October 2026 to 30 September 2027, respectively).
- 2) **ADOPTED** the FY2025 budget (1 October 2024 to 30 September 2025) as detailed in [Appendix II \[of IPHC-2024-ID008\]](#), including the contributions from the Contracting Parties to the General Fund for FY2025 as follows:
 - Canada: Contribution to the General Fund: **US\$970,606.61** (Canada).
 - U.S.A.: Contribution to the General Fund: **US\$4,421,652.32** (subject to appropriations).
 - U.S.A.: Contribution to the headquarters building lease and maintenance costs: **US\$458,608.60**.
- 3) **NOTED** the optional extra-budgetary (IFCP Fund deficit) contributions from each Contracting Party for FY2024 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) Provisionally **ENDORSED** the budgets for FY2026 and FY2027 (1 October 2025 to 30 September 2026, & 1 October 2026 to 30 September 2027, as detailed in [Appendix IV](#) and [Appendix V \[of IPHC-2024-ID008\]](#), respectively, that should be used by each Contracting Party for their internal planning and budgeting processes.

DISCUSSION

FY2025 BUDGET (US\$) UPDATE (AS OF 13 DECEMBER 2024)

INCOME AND EXPENSES: The IPHC approved budget for FY2025 and expenditures as of 13 December 2024 are provided in [Appendix II](#). Current expenditure for the first quarter of FY2025 are in-line with the approved budget.

FY2025 FINANCIAL BUDGET (US\$) – PROPOSED AS AMENDED FOR ADOPTION

- 1) **Fund 40 – FISS:** The final 2025 FISS design was adopted via intersessional decision IPHC-2024-ID009 ([IPHC-2024-CR031](#)).

IPHC-2024-ID009: *The Commission **RECOMMENDED** the 2025 FISS design as shown in Figure 1 (of [IPHC-Circular 2024-30](#), Appendix I), involving sampling 517 stations in four (4) biological regions, seven (7) IPHC Regulatory Areas, and ten (10) charter regions.*

Key points: The design is recommended via IPHC-Circular 2024-030:

- 1) The design agreed to is estimated to result in a total:
 - a. Income: **US\$1,741,803.00** (includes \$387,000 in USA supplementary funding).
 - b. Expense: **US\$2,647,508.94.**
 - c. Balance: **-US\$905,705.94.**
- 2) Assumptions:
 - a. no bid inflation for 2025 (compared to 2024);
 - b. 5% decline in landings from observed 2024 rates;
 - c. no change in average price.
- 3) Oceanographic monitoring (Maintenance and deployment of 8 water column profilers).
- 4) Placement of one (1) x SSS(F) on a NOAA Trawl survey.

- 2) **Adjustments to general operating:** The FY2025 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 (AM101 contracts), Travel, and Facility Rentals (HQ office lease and maintenance).

- 3) **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. The reserve currently has a negative balance and the 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.
 - c) **US\$430,000** for an ~10% inflationary adjustment to the US\$4.3M annual USA contribution to the IPHC General Fund (for non-FISS costs of IPHC), reflecting that the USA made no inflationary adjustments to its contributions from 2020-2022.
 - d) **US\$93,000** for an ~10% inflationary adjustment to the US\$927K annual Canadian contribution to the IPHC General Fund (for non-FISS costs of IPHC), reflecting that Canada made no inflationary adjustments to its contributions from 2020-2022.

RECOMMENDATION/S

That the FAC:

- 1) **NOTE** paper IPHC-2025-FAC101-06 that provided a 1st quarter update on the FY2025 budget (financial period: 1 October 2024 to 30 September 2025) as well as proposing a revised budget be adopted based on the final 2025 FISS design, and other amendments.
- 2) **RECOMMEND** that the Commission adopt the amended FY2025 budget (1 October 2024 to 30 September 2025), as detailed in [Appendix III](#), noting that the amendments do not change the previously adopted Contracting Party contributions for FY2025:
 - a. Canada: Contribution to the General Fund: **US\$970,606.61**
 - b. U.S.A.: Contribution to the General Fund: **US\$4,421,652.32** (subject to appropriations)
 - c. U.S.A.: Contribution to the headquarters building lease and maintenance costs: **US\$458,608.60**
- 3) **NOTE** the optional extra-budgetary (IFCP Fund deficit) contributions from each Contracting Party for FY2024 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
- 4) **NOTE** that Fund 35 – AK Cost-Recovery expenses are budgeted at **US\$999,847** for FY2025, however, the amount that NOAA fisheries has since indicated that they will provide for in FY expenses (FY2025) to reimburse for our FY2025 expenses has been indicated at **US\$792,523**. This represents the cost-recovered amount from our eligible expenses incurred in FY2023. We are working to identify in-year cost savings to make up the shortfall in funding.

APPENDICES

- [Appendix I:](#) FY2025 Financial Budget (Adopted 09 July 2024)
- [Appendix II:](#) FY2025 Financial Statement – as of 13 December 2024
- [Appendix III:](#) FY2025 Financial Budget – Proposed as amended for decision



APPENDIX I
FY2025 FINANCIAL BUDGET (ADOPTED 09 JULY 2024)
IPHC-2024-ID008: [IPHC-2024-CR-019](#)

FY2025: Proposed for ID08 July 2024 Account Number	10 - General FY2025	20 - Research FY2025	30 - Statistics FY2025	35 - AK Cost-Recovery FY2025	TOTAL (10,20,30) FY2025	40 - FISS FY2025	TOTAL (All Funds) FY2025
Income							
40000 Contracting Party Contributions							
40000.01 - Canada	\$ -	\$ -	\$ -	\$ -	\$ 970,808.61	\$ -	\$ 970,808.61
40000.02 - United States of America	\$ -	\$ -	\$ -	\$ -	\$ 4,421,652.32	\$ -	\$ 4,421,652.32
40000 - Contracting Party Contributions	\$ 3,126,379.71	\$ 1,134,240.13	\$ 1,131,639.09	\$ -	\$ 5,392,258.93	\$ -	\$ 5,392,258.93
40055 - Headquarters (Lease and Maintenance)	\$ 458,608.60	\$ -	\$ -	\$ -	\$ 458,608.60	\$ -	\$ 458,608.60
40055 - Headquarters (Lease & Maintenance)	\$ 458,608.60	\$ -	\$ -	\$ -	\$ 458,608.60	\$ -	\$ 458,608.60
40060 Other Income							
40060.05 - Recoupment leave expenses	\$ 15,452.83	\$ 7,552.95	\$ 19,165.30	\$ 15,452.83	\$ 57,823.90	\$ 7,762.50	\$ 65,386.40
40060.06 - Rent - Dutch Harbor	\$ -	\$ -	\$ -	\$ 5,941.60	\$ 5,941.60	\$ -	\$ 5,941.60
40060 - Other Income	\$ 15,452.83	\$ 7,552.95	\$ 19,165.30	\$ 21,394.43	\$ 63,565.50	\$ 7,762.50	\$ 71,328.00
40100 Grants, Contracts & Agreements							
40100.01 - 802 - Directed Commercial Catch Sampling of Pacific halibut in Alaska	\$ -	\$ -	\$ -	\$ 999,847.00	\$ 999,847.00	\$ -	\$ 999,847.00
40100.02 - MoU WDFW Rockfish sampling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,803.00	\$ 37,803.00
40100.07 - Supplementary funding	\$ -	\$ -	\$ -	\$ 63,925.60	\$ 63,925.60	\$ -	\$ 63,925.60
40100 - Grants, Contracts & Agreements	\$ -	\$ -	\$ -	\$ 1,063,772.60	\$ 1,063,772.60	\$ 37,803.00	\$ 1,101,575.60
40200 Interest Income							
40200.01 - Bank Interest	\$ 17,000.00	\$ -	\$ -	\$ -	\$ 17,000.00	\$ -	\$ 17,000.00
Total 40200 - Interest Income	\$ 17,000.00	\$ -	\$ -	\$ -	\$ 17,000.00	\$ -	\$ 17,000.00
40350 Fish Sales							
40350.01 - Fish Sales - Pacific Halibut	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,468,249.24	\$ 2,468,249.24
40350.02 - Fish Sales - Byproduct	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,645.00	\$ 48,645.00
40350 - Fish Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,516,894.24	\$ 2,516,894.24
Total Income	\$ 3,617,441.13	\$ 1,141,793.08	\$ 1,150,804.39	\$ 1,063,772.60	\$ 6,973,811.20	\$ 2,562,459.74	\$ 9,536,270.94
Expense							
Personnel Expenses							
50000 - Salary & Wages	\$ 1,618,065.79	\$ 642,324.62	\$ 784,634.88	\$ 587,860.16	\$ 3,632,885.44	\$ 679,270.50	\$ 4,312,155.94
50100 - Benefits	\$ 675,303.42	\$ 258,960.98	\$ 275,101.43	\$ 244,000.39	\$ 1,453,366.23	\$ 285,070.53	\$ 1,738,436.76
50200 - Training & Education	\$ 38,000.00	\$ 19,123.70	\$ 5,847.75	\$ 23,132.98	\$ 86,104.43	\$ 31,050.00	\$ 117,154.43
50300 - Personnel Related Expenses	\$ 5,122.50	\$ -	\$ 1,532.00	\$ 3,679.55	\$ 10,334.05	\$ 8,280.00	\$ 18,614.05
Total Personnel Expenses	\$ 2,336,491.71	\$ 920,409.29	\$ 1,067,116.06	\$ 858,673.08	\$ 5,182,690.14	\$ 1,003,671.03	\$ 6,186,361.17
Operational Expenses							
5000 - Publications	\$ 2,500.00	\$ 7,500.00	\$ 1,609.00	\$ 202.65	\$ 11,811.65	\$ 500.00	\$ 12,311.65
51100 - Mailing and Shipping	\$ 4,140.00	\$ 7,245.00	\$ 1,811.25	\$ 3,008.66	\$ 16,204.91	\$ 74,002.50	\$ 90,207.41
51200 - Travel	\$ 102,982.50	\$ 15,343.88	\$ 12,316.50	\$ 40,239.49	\$ 170,882.36	\$ 46,833.75	\$ 217,716.11
51300 - IPHC Meetings	\$ 201,571.76	\$ -	\$ -	\$ -	\$ 201,571.76	\$ -	\$ 201,571.76
51400 - Technology	\$ 149,091.54	\$ -	\$ 45,790.70	\$ 4,244.00	\$ 199,126.24	\$ 5,175.00	\$ 204,301.24
Total Operational Expenses	\$ 460,285.80	\$ 30,088.88	\$ 61,527.45	\$ 47,694.79	\$ 599,596.92	\$ 126,511.25	\$ 726,108.17
Fees and Contract Expenses							
52000 - Professional Fees	\$ 222,796.00	\$ -	\$ -	\$ 3,377.16	\$ 226,173.16	\$ 4,140.00	\$ 230,313.16
52100 - Vessel Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 310,500.00	\$ 310,500.00
52200 - Other Fees and Charges	\$ 41,080.89	\$ -	\$ 1,321.27	\$ 9,737.86	\$ 52,140.02	\$ 32,760.00	\$ 84,900.02
52300 - Leases and Contracts	\$ 46,123.74	\$ 40,384.67	\$ 4,863.00	\$ 14,100.69	\$ 105,472.10	\$ 1,144,710.00	\$ 1,250,182.10
54000 - Communications	\$ 36,742.50	\$ -	\$ 3,167.10	\$ -	\$ 39,909.60	\$ 1,656.00	\$ 41,565.60
Total Fees and Contract Expenses	\$ 346,743.13	\$ 40,384.67	\$ 9,351.37	\$ 27,215.71	\$ 423,694.88	\$ 1,493,766.00	\$ 1,917,460.88
Facilities and Equipment Expenses							
54000 - Equipment Expense	\$ 3,105.00	\$ -	\$ 5,559.83	\$ 5,324.10	\$ 13,988.93	\$ 15,525.00	\$ 29,513.93
54000 - Supplies Expense	\$ 41,217.50	\$ 149,875.25	\$ 1,134.88	\$ 6,095.78	\$ 198,323.41	\$ 274,792.50	\$ 473,115.91
54000 - Maintenance and Utilities	\$ 58,074.31	\$ -	\$ 1,974.80	\$ 899.73	\$ 60,948.84	\$ 1,035.00	\$ 61,983.84
54000 - Facility Rentals	\$ 432,041.44	\$ 1,035.00	\$ 4,140.00	\$ 33,027.60	\$ 470,244.04	\$ 18,112.50	\$ 488,356.54
Total Facilities and Equipment Expenses	\$ 534,438.25	\$ 150,910.25	\$ 12,809.51	\$ 44,447.49	\$ 742,605.49	\$ 309,465.00	\$ 1,052,070.49
Other Expenses							
55000 - Budget Contingency	\$ 25,223.77	\$ -	\$ -	\$ -	\$ 25,223.77	\$ -	\$ 25,223.77
55200 - Fund Cost Recovery	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
55250 - Indirect costs	\$ (85,741.53)	\$ -	\$ -	\$ 85,741.53	\$ -	\$ -	\$ -
Other Expenses	\$ (60,517.76)	\$ -	\$ -	\$ 85,741.53	\$ 25,223.77	\$ -	\$ 25,223.77
Total Expense	\$ 3,617,441.13	\$ 1,141,793.08	\$ 1,150,804.39	\$ 1,063,772.60	\$ 6,973,811.20	\$ 2,933,413.28	\$ 9,907,224.48
Net Income (Loss)	\$ 0.00	\$ (0.00)	\$ 0.00	\$ (0.00)	\$ 0.00	\$ (370,953.54)	\$ (370,953.54)



APPENDIX II
FY2025 BUDGET – UPDATE AS OF 13 DECEMBER 2024



International Pacific Halibut Commission
Budget: Year to Date
for the period of 10/01/2024 to 12/13/2024

Account Number	Account Name	Actual	Annual Budget	Annual Budget %
Income				
40000	Contracting Party Contributions	\$5,779,258.93	\$5,392,258.93	107.18%
40055	Headquarters (Lease & Maintenance)	\$458,608.60	\$458,608.60	100.0%
40060	Other Income	\$5,040.38	\$71,328.00	7.07%
40100	Grants, Contracts & Agreements	\$0.00	\$1,101,575.60	0.0%
40200	Interest Income	\$12,044.52	\$17,000.00	70.85%
40350	Fish Sales	\$182,262.60	\$2,516,894.24	7.24%
42000	Gain/Loss	\$-10.21	\$0.00	0.0%
Total Income		\$6,437,204.82	\$9,557,665.37	67.35%
Expense				
50000	Salaries & Wages	\$671,743.63	\$4,312,155.95	15.58%
50100	Benefits	\$237,753.03	\$1,738,436.75	13.68%
50200	Training & Education	\$16,930.76	\$117,154.43	14.45%
50300	Personnel Related Expenses	\$900.00	\$18,614.05	4.84%
51000	Publications	\$3,130.25	\$12,311.65	25.43%
51100	Mailing and Shipping	\$2,286.12	\$90,207.41	2.53%
51200	Travel	\$26,450.65	\$217,716.10	12.15%
51300	IPHC Meetings	\$33,096.24	\$201,571.76	16.42%
51400	Technology	\$34,155.96	\$204,301.24	16.72%
52000	Professional Fees	\$74,038.76	\$230,313.16	32.15%
52100	Vessel Expenses	\$18,282.64	\$310,500.00	5.89%
52200	Other Fees and Charges	\$11,343.81	\$84,900.02	13.36%
52300	Leases and Contracts	\$90,643.79	\$1,250,182.10	7.25%
54000	Communications	\$6,811.45	\$41,565.60	16.39%
53000	Equipment Expense	\$2,449.74	\$29,513.93	8.3%
53100	Supplies Expense	\$261,665.24	\$473,115.91	55.31%
53200	Maintenance and Utilities	\$1,796.52	\$61,983.84	2.9%
53300	Facility Rentals	\$105,739.73	\$488,356.54	21.65%
55000	Budget Contingency	\$0.00	\$25,223.77	0.0%
56100.221	Annual Leave Benefit Accrued HQ	\$3,266.47	\$0.00	0.0%
56100.222	Annual Leave Benefit Accrued Field	\$1,461.64	\$0.00	0.0%
56100.231	Sick Leave Benefit Accrued HQ	\$2,918.82	\$0.00	0.0%
56100.232	Sick Leave Benefit Accrued Field	\$1,603.06	\$0.00	0.0%
56410	Depreciation Expense	\$598.09	\$0.00	0.0%
56420	Amortization Expense	\$790.91	\$0.00	0.0%
Total Expense		\$1,609,857.31	\$9,908,124.21	16.25%
Total		\$4,827,347.51	\$-350,458.84	-1377.44%



APPENDIX III
FY2025 FINANCIAL BUDGET: PROPOSED AS AMENDED FOR ADOPTION

FY2025: Proposed for FAC101 revision Account Number	10 - General FY2025	20 - Research FY2025	30 - Statistics FY2025	35 - AK Cost-Recovery FY2025	TOTAL (10,20,30,35) FY2025	40 - FISS FY2025	TOTAL (All Funds) FY2025
Income							
40000 Contracting Party Contributions							
40000.01 - Canada	\$ -	\$ -	\$ -	\$ -	\$ 970,606.61	\$ -	\$ 970,606.61
40000.02 - United States of America	\$ -	\$ -	\$ -	\$ -	\$ 4,421,652.32	\$ -	\$ 4,421,652.32
40000.03 - Canada supplementary	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40000.04 - United States of America supplementary	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 387,000.00	\$ 387,000.00
40000 - Contracting Party Contributions	\$ 3,139,748.84	\$ 1,170,457.48	\$ 1,082,052.61	\$ -	\$ 5,392,258.93	\$ 387,000.00	\$ 5,779,258.93
40055 - Headquarters (Lease and Maintenance)	\$ 458,608.60	\$ -	\$ -	\$ -	\$ 458,608.60	\$ -	\$ 458,608.60
40055 - Headquarters (Lease & Maintenance)	\$ 458,608.60	\$ -	\$ -	\$ -	\$ 458,608.60	\$ -	\$ 458,608.60
40060 Other Income							
40060.06 - Rent - Dutch Harbor	\$ -	\$ -	\$ -	\$ 5,000.00	\$ 5,000.00	\$ -	\$ 5,000.00
40060 - Other Income	\$ -	\$ -	\$ -	\$ 5,000.00	\$ 5,000.00	\$ -	\$ 5,000.00
40100 Grants, Contracts & Agreements							
40100.01 - 802 - Directed Commercial Catch Sampling of Pacific halibut in Alaska	\$ -	\$ -	\$ -	\$ 999,847.00	\$ 999,847.00	\$ -	\$ 999,847.00
40100.02 - MoU WDFW Rockfish sampling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 37,803.00	\$ 37,803.00
40100.09 - 809 - BREP NA23	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40100.09 - Supplementary funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40100 - Grants, Contracts & Agreements	\$ -	\$ -	\$ -	\$ 999,847.00	\$ 999,847.00	\$ 37,803.00	\$ 1,037,650.00
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,262,000.00	\$ 1,262,000.00
40350.02 - Fish Sales - Byproduct	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 55,000.00	\$ 55,000.00
40350 - Fish Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,317,000.00	\$ 1,317,000.00
Total Income	\$ 3,698,357.44	\$ 1,170,457.48	\$ 1,082,052.61	\$ 1,004,847.00	\$ 6,955,714.53	\$ 1,741,803.00	\$ 8,697,517.53
Expense							
Personnel Expenses							
50000 - Salary & Wages	\$ 1,715,856.15	\$ 674,503.01	\$ 759,373.33	\$ 539,569.19	\$ 3,689,301.68	\$ 659,354.80	\$ 4,348,656.48
50100 - Benefits	\$ 671,677.39	\$ 230,518.91	\$ 217,347.68	\$ 174,649.27	\$ 1,294,193.25	\$ 156,180.39	\$ 1,450,373.64
50200 - Training & Education	\$ 34,000.00	\$ -	\$ 5,847.75	\$ 23,132.98	\$ 62,980.73	\$ 20,000.00	\$ 82,980.73
50300 - Personnel Related Expenses	\$ 5,122.50	\$ -	\$ 2,006.00	\$ 3,679.55	\$ 10,808.05	\$ 7,100.00	\$ 17,908.05
Total Personnel Expenses	\$ 2,426,656.04	\$ 905,021.92	\$ 984,574.76	\$ 741,030.99	\$ 5,057,283.71	\$ 842,635.19	\$ 5,899,918.90
Operational Expenses							
5000 - Publications	\$ 2,500.00	\$ 12,500.00	\$ 640.00	\$ 202.65	\$ 15,842.65	\$ -	\$ 15,842.65
51100 - Mailing and Shipping	\$ 4,800.00	\$ 11,745.00	\$ 1,811.25	\$ 3,008.66	\$ 21,364.91	\$ 60,000.00	\$ 81,364.91
51200 - Travel	\$ 61,000.00	\$ 26,232.00	\$ 12,316.00	\$ 40,239.49	\$ 139,787.49	\$ 70,258.75	\$ 210,046.24
51300 - IPHC Meetings	\$ 183,100.00	\$ -	\$ -	\$ -	\$ 183,100.00	\$ -	\$ 183,100.00
51400 - Technology	\$ 136,943.36	\$ 4,383.65	\$ 45,790.70	\$ 5,244.00	\$ 192,361.71	\$ 5,775.00	\$ 198,136.71
Total Operational Expenses	\$ 388,343.36	\$ 54,860.65	\$ 60,557.95	\$ 48,694.79	\$ 552,456.75	\$ 136,033.75	\$ 688,490.50
Fees and Contract Expenses							
52000 - Professional Fees	\$ 237,486.00	\$ -	\$ -	\$ 3,377.16	\$ 240,863.16	\$ 1,000.00	\$ 241,863.16
52100 - Vessel Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 220,000.00	\$ 220,000.00
52200 - Other Fees and Charges	\$ 48,027.73	\$ -	\$ 1,321.27	\$ 9,737.86	\$ 59,086.86	\$ 32,760.00	\$ 91,846.86
52300 - Leases and Contracts	\$ 22,780.00	\$ 40,384.67	\$ -	\$ 14,100.69	\$ 77,265.36	\$ 1,103,000.00	\$ 1,180,265.36
54000 - Communications	\$ 31,651.48	\$ -	\$ 2,433.55	\$ -	\$ 34,085.03	\$ 2,000.00	\$ 36,085.03
Total Fees and Contract Expenses	\$ 339,945.21	\$ 40,384.67	\$ 3,754.82	\$ 27,215.71	\$ 411,300.41	\$ 1,358,760.00	\$ 1,770,060.41
Facilities and Equipment Expenses							
54000 - Equipment Expense	\$ 3,000.00	\$ 5,000.00	\$ 4,856.95	\$ 5,324.10	\$ 18,181.05	\$ 15,525.00	\$ 33,706.05
54000 - Supplies Expense	\$ 31,500.00	\$ 164,155.25	\$ 1,714.88	\$ 6,095.78	\$ 203,465.91	\$ 274,517.50	\$ 477,983.41
54000 - Maintenance and Utilities	\$ 33,035.00	\$ -	\$ 2,574.80	\$ 899.73	\$ 36,509.53	\$ 1,035.00	\$ 37,544.53
54000 - Facility Rentals	\$ 460,161.10	\$ 1,035.00	\$ 24,018.45	\$ 37,513.41	\$ 522,727.96	\$ 19,002.50	\$ 541,730.46
Total Facilities and Equipment Expenses	\$ 527,696.10	\$ 170,190.25	\$ 33,165.08	\$ 49,833.02	\$ 780,884.45	\$ 310,080.00	\$ 1,090,964.45
Other Expenses							
55000 - Budget Contingency	\$ 111,061.93	\$ -	\$ -	\$ 42,727.28	\$ 153,789.21	\$ -	\$ 153,789.21
55250 - Indirect costs	\$ (95,345.20)	\$ -	\$ -	\$ 95,345.20	\$ -	\$ -	\$ -
Other Expenses	\$ 15,716.73	\$ -	\$ -	\$ 138,072.48	\$ 153,789.21	\$ -	\$ 153,789.21
Total Expense	\$ 3,698,357.44	\$ 1,170,457.48	\$ 1,082,052.61	\$ 1,004,847.00	\$ 6,955,714.53	\$ 2,647,508.94	\$ 9,603,223.47
Net Income (Loss)	\$ (0.00)	\$ -	\$ (0.00)	\$ 0.00	\$ (0.00)	\$ (905,705.94)	\$ (905,705.94)



Budget Estimates: FY2026 (for approval), FY2027 and FY2028 (for information)

PREPARED BY: IPHC SECRETARIAT (D. WILSON; 13 DECEMBER 2024)

PURPOSE

To provide the FAC with the budget estimates for FY2026 (1 October 2025 to 30 September 2026) for recommendation to the Commission (for approval), and for FY2027 and FY2028 (for information) (1 October 2026 to 30 September 2027, & 1 October 2027 to 30 September 2028, respectively).

BACKGROUND

In accordance with Regulation 5, para. 3, of the IPHC Financial Regulations (2024) (shown below), the next three (3) fiscal years consist of FY2026, FY2027, and FY2028, noting that we are at the end of the 1st quarter of FY2025.

*(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."*

DISCUSSION

PROPOSED EXPENDITURES FOR THE FY2026, FY2027 AND FY2028 BUDGETS (US\$)

FY2026 INCOME AND EXPENSES – The IPHC financial budget for FY2026 is proposed at [Appendix I](#). A detailed presentation will accompany this paper at FAC101.

Base Contributions (to the IPHC General Fund): The contributions include a 5% increase from FY2025 for both Contracting Parties to **US\$1,019,136.94 (Canada)** and **US\$4,642,734.94 (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](#)).

Headquarters Lease and Maintenance (to the IPHC General Fund):

- The headquarters costs to the USA are **US\$364,162.98** in FY2026 in accordance with the building lease signed in 2023.

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 FY2025 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.

FISS: Income (and expenses) for the IPHC Fishery-Independent Setline Survey (FISS) are tentative as they are based on the design discussed at the 100th Session of the IPHC Interim

Meeting (IM100) and 14th Special Session (SS014) and will likely change substantially prior to the 2026 FISS season.

FY2027 AND FY2028 INCOME AND EXPENSES – The IPHC provisional budgets for FY2027 and FY2028 ([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.

RECOMMENDATION/S

That the FAC:

- 1) **NOTE** paper IPHC-2025-FAC101-07 that provided the budget estimates for FY2026 (1 October 2025 to 30 September 2026) for recommendation to the Commission (for approval), and for FY2027 and FY2028 (for information) (1 October 2026 to 30 September 2027, & 1 October 2027 to 30 September 2028, respectively).
- 2) **RECOMMEND** the Commission **ADOPT** the FY2026 budget (1 October 2026 to 30 September 2026) as detailed in [Appendix I](#), 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** (Canada).
 - U.S.A.: Contribution to the General Fund: **US\$4,642,734.94** (subject to appropriations).
 - U.S.A.: Contribution to the headquarters building lease and maintenance costs: **US\$364,162.98**.
- 3) **NOTE** the optional extra-budgetary (IFCP Fund deficit) contributions from each Contracting Party for FY2026 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 FY2027 and FY2028 (1 October 2026 to 30 September 2027, & 1 October 2027 to 30 September 2028, as detailed in [Appendix I](#) and [Appendix II](#), respectively).

APPENDICES

- [Appendix I](#): FY2026 Financial Budget – Proposed for adoption
[Appendix II](#): FY2027 Financial Budget – Proposed for information
[Appendix III](#): FY2028 Financial Budget – Proposed for information

Appendix I FY2026 Financial Budget – Proposed for adoption

FY2026: Proposed for FAC101 Account Number	10 - General FY2026	20 - Research FY2026	30 - Statistics FY2026	35 - AK Cost-Recovery FY2026	TOTAL (10,20,30, 35) FY2026	40 - FISS FY2026	TOTAL (All Funds) FY2026
Income							
40000 Contracting Party Contributions							
40000.01 - Canada	\$ -	\$ -	\$ -	\$ -	\$ 1,019,136.94	\$ -	\$ 1,019,136.94
40000.02 - United States of America	\$ -	\$ -	\$ -	\$ -	\$ 4,642,734.94	\$ -	\$ 4,642,734.94
40000.03 - Canada supplementary	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40000.04 - United States of America supplementary	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40000 - Contracting Party Contributions	\$ 3,227,218.43	\$ 1,236,762.37	\$ 1,147,891.08	\$ -	\$ 5,661,871.88	\$ -	\$ 5,661,871.88
40055 - Headquarters (Lease and Maintenance)	\$ 364,162.98	\$ -	\$ -	\$ -	\$ 364,162.98	\$ -	\$ 364,162.98
40055 - Headquarters (Lease & Maintenance)	\$ 364,162.98	\$ -	\$ -	\$ -	\$ 364,162.98	\$ -	\$ 364,162.98
40060 Other Income							
40060.06 - Rent - Dutch Harbor	\$ -	\$ -	\$ -	\$ 5,305.00	\$ 5,305.00	\$ -	\$ 5,305.00
40060 - Other Income	\$ -	\$ -	\$ -	\$ 5,305.00	\$ 5,305.00	\$ -	\$ 5,305.00
40100 Grants, Contracts & Agreements							
40100.01 - 802 - Directed Commercial Catch Sampling of Pacific halibut in Alaska	\$ -	\$ -	\$ -	\$ 1,054,530.00	\$ 1,054,530.00	\$ -	\$ 1,054,530.00
40100.02 - MoU WDFW Rockfish sampling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 39,693.15	\$ 39,693.15
40100.09 - 809 - BREP NA23	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40100.07 - Supplementary funding	\$ -	\$ -	\$ -	\$ 75,466.61	\$ 75,466.61	\$ -	\$ 75,466.61
40100 - Grants, Contracts & Agreements	\$ -	\$ -	\$ -	\$ 1,129,996.61	\$ 1,129,996.61	\$ 39,693.15	\$ 1,169,689.76
40200 Interest Income							
40200.01 - Bank Interest	\$ 80,000.00	\$ -	\$ -	\$ -	\$ 80,000.00	\$ -	\$ 80,000.00
Total 40200 - Interest Income	\$ 80,000.00	\$ -	\$ -	\$ -	\$ 80,000.00	\$ -	\$ 80,000.00
40350 Fish Sales							
40350.01 - Fish Sales - Pacific Halibut	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,306,170.00	\$ 1,306,170.00
40350.02 - Fish Sales - Byproduct	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56,925.00	\$ 56,925.00
40350 - Fish Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,363,095.00	\$ 1,363,095.00
Total Income	\$ 3,671,381.41	\$ 1,236,762.37	\$ 1,147,891.08	\$ 1,135,301.61	\$ 7,191,336.47	\$ 1,402,788.15	\$ 8,594,124.62
Expense							
Personnel Expenses							
50000 - Salary & Wages	\$ 1,801,348.96	\$ 708,228.16	\$ 797,342.00	\$ 566,547.65	\$ 3,873,466.76	\$ 692,247.54	\$ 4,565,714.30
50100 - Benefits	\$ 713,763.56	\$ 254,245.91	\$ 238,428.46	\$ 193,760.48	\$ 1,400,198.40	\$ 169,100.41	\$ 1,569,298.81
50200 - Training & Education	\$ 33,000.00	\$ -	\$ 6,052.42	\$ 24,544.09	\$ 63,596.52	\$ 20,700.00	\$ 84,296.52
50300 - Personnel Related Expenses	\$ 5,249.29	\$ -	\$ 2,076.21	\$ 3,904.00	\$ 11,229.50	\$ 7,348.50	\$ 18,578.00
Total Personnel Expenses	\$ 2,553,361.80	\$ 962,474.07	\$ 1,043,899.09	\$ 788,756.23	\$ 5,348,491.18	\$ 889,396.45	\$ 6,237,887.63
Operational Expenses							
5000 - Publications	\$ 1,500.00	\$ 12,500.00	\$ 640.00	\$ 215.01	\$ 14,855.01	\$ -	\$ 14,855.01
51100 - Mailing and Shipping	\$ 4,968.00	\$ 12,156.08	\$ 1,874.64	\$ 3,192.18	\$ 22,190.90	\$ 62,100.00	\$ 84,290.90
51200 - Travel	\$ 72,025.00	\$ 27,150.12	\$ 12,747.06	\$ 42,694.09	\$ 154,616.27	\$ 72,717.81	\$ 227,334.08
51300 - IPHC Meetings	\$ 189,473.50	\$ -	\$ -	\$ -	\$ 189,473.50	\$ -	\$ 189,473.50
51400 - Technology	\$ 141,736.38	\$ 4,537.08	\$ 47,393.37	\$ 5,563.88	\$ 199,230.71	\$ 5,977.13	\$ 205,207.84
Total Operational Expenses	\$ 409,702.88	\$ 56,343.27	\$ 62,655.08	\$ 51,665.18	\$ 580,366.40	\$ 140,794.93	\$ 721,161.34
Fees and Contract Expenses							
52000 - Professional Fees	\$ 245,098.01	\$ -	\$ -	\$ 3,583.17	\$ 248,681.18	\$ 1,035.00	\$ 249,716.18
52100 - Vessel Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 227,700.00	\$ 227,700.00
52200 - Other Fees and Charges	\$ 50,059.66	\$ -	\$ 1,387.33	\$ 10,331.87	\$ 61,778.86	\$ 34,398.00	\$ 96,176.86
52300 - Leases and Contracts	\$ 25,329.36	\$ 41,798.13	\$ 3,105.00	\$ 14,960.83	\$ 85,193.32	\$ 1,141,605.00	\$ 1,226,798.32
54000 - Communications	\$ 32,759.28	\$ -	\$ 2,518.72	\$ -	\$ 35,278.01	\$ 2,070.00	\$ 37,348.01
Total Fees and Contract Expenses	\$ 353,246.31	\$ 41,798.13	\$ 7,011.06	\$ 28,875.87	\$ 430,931.36	\$ 1,406,808.00	\$ 1,837,739.36
Facilities and Equipment Expenses							
54000 - Equipment Expense	\$ 3,105.00	\$ 5,175.00	\$ 5,026.95	\$ 5,648.87	\$ 18,955.82	\$ 16,068.38	\$ 35,024.19
54000 - Supplies Expense	\$ 32,095.00	\$ 169,900.68	\$ 1,774.90	\$ 6,467.63	\$ 210,238.21	\$ 284,125.61	\$ 494,363.82
54000 - Maintenance and Utilities	\$ 34,191.23	\$ -	\$ 2,664.92	\$ 954.61	\$ 37,810.75	\$ 1,071.23	\$ 38,881.98
54000 - Facility Rentals	\$ 365,769.82	\$ 1,071.23	\$ 24,859.10	\$ 39,801.73	\$ 431,501.87	\$ 19,667.59	\$ 451,169.46
Total Facilities and Equipment Expenses	\$ 435,161.04	\$ 176,146.90	\$ 34,325.86	\$ 52,872.84	\$ 698,506.65	\$ 320,932.80	\$ 1,019,439.45
Other Expenses							
55000 - Budget Contingency	\$ 22,559.75	\$ -	\$ -	\$ 110,481.12	\$ 133,040.87	\$ -	\$ 133,040.87
55250 - Indirect costs	\$ (102,650.38)	\$ -	\$ -	\$ 102,650.38	\$ -	\$ -	\$ -
Other Expenses	\$ (80,090.63)	\$ -	\$ -	\$ 213,131.50	\$ 133,040.87	\$ -	\$ 133,040.87
Total Expense	\$ 3,671,381.41	\$ 1,236,762.37	\$ 1,147,891.08	\$ 1,135,301.61	\$ 7,191,336.47	\$ 2,757,932.18	\$ 9,949,268.65
Net Income (Loss)	\$ 0.00	\$ (0.00)	\$ (0.00)	\$ 0.00	\$ 0.00	\$ (1,355,144.03)	\$ (1,355,144.03)

Appendix II FY2027 Financial Budget – Proposed for noting

FY2027: Proposed for FAC101 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
40000.03 - Canada supplementary	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40000.04 - United States of America supplementary	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40000 - Contracting Party Contributions	\$ 3,445,298.49	\$ 1,296,431.40	\$ 1,203,235.59	\$ -	\$ 5,944,965.47	\$ -	\$ 5,944,965.47
40055 - Headquarters (Lease and Maintenance)	\$ 374,010.34	\$ -	\$ -	\$ -	\$ 374,010.34	\$ -	\$ 374,010.34
40055 - Headquarters (Lease & Maintenance)	\$ 374,010.34	\$ -	\$ -	\$ -	\$ 374,010.34	\$ -	\$ 374,010.34
40060 Other Income							
40060.06 - Rent - Dutch Harbor	\$ -	\$ -	\$ -	\$ 5,628.61	\$ 5,628.61	\$ -	\$ 5,628.61
40060 - Other Income	\$ -	\$ -	\$ -	\$ 5,628.61	\$ 5,628.61	\$ -	\$ 5,628.61
40100 Grants, Contracts & Agreements							
40100.01 - 802 - Directed Commercial Catch Sampling of Pacific halibut in Alaska	\$ -	\$ -	\$ -	\$ 1,178,754.14	\$ 1,178,754.14	\$ -	\$ 1,178,754.14
40100.02 - MoU WDFW Rockfish sampling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 41,677.81	\$ 41,677.81
40100.09 - 809 - BREP NA23	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40100.07 - Supplementary funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40100 - Grants, Contracts & Agreements	\$ -	\$ -	\$ -	\$ 1,178,754.14	\$ 1,178,754.14	\$ 41,677.81	\$ 1,220,431.95
40200 Interest Income							
40200.01 - Bank Interest	\$ 80,000.00	\$ -	\$ -	\$ -	\$ 80,000.00	\$ -	\$ 80,000.00
Total 40200 - Interest Income	\$ 80,000.00	\$ -	\$ -	\$ -	\$ 80,000.00	\$ -	\$ 80,000.00
40350 Fish Sales							
40350.01 - Fish Sales - Pacific Halibut	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,363,207.67	\$ 1,363,207.67
40350.02 - Fish Sales - Byproduct	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,917.38	\$ 58,917.38
40350 - Fish Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,422,125.05	\$ 1,422,125.05
Total Income	\$ 3,899,308.83	\$ 1,296,431.40	\$ 1,203,235.59	\$ 1,184,382.75	\$ 7,583,358.57	\$ 1,463,802.85	\$ 9,047,161.42
Expense							
Personnel Expenses							
50000 - Salary & Wages	\$ 1,891,116.41	\$ 743,639.57	\$ 837,209.10	\$ 594,875.03	\$ 4,066,840.10	\$ 726,784.92	\$ 4,793,625.02
50100 - Benefits	\$ 775,061.10	\$ 269,340.94	\$ 250,632.11	\$ 203,897.40	\$ 1,498,931.55	\$ 183,185.94	\$ 1,682,117.49
50200 - Training & Education	\$ 33,000.00	\$ -	\$ 6,264.26	\$ 26,041.28	\$ 65,305.54	\$ 21,424.50	\$ 86,730.04
50300 - Personnel Related Expenses	\$ 5,380.51	\$ -	\$ 1,500.00	\$ 4,142.14	\$ 11,022.66	\$ 7,605.70	\$ 18,628.35
Total Personnel Expenses	\$ 2,704,558.02	\$ 1,012,980.50	\$ 1,095,605.46	\$ 828,955.86	\$ 5,642,099.85	\$ 939,001.05	\$ 6,581,100.90
Operational Expenses							
5000 - Publications	\$ 1,500.00	\$ 12,500.00	\$ 640.00	\$ 228.13	\$ 14,868.13	\$ -	\$ 14,868.13
51100 - Mailing and Shipping	\$ 5,141.88	\$ 12,581.54	\$ 1,940.26	\$ 3,386.91	\$ 23,050.58	\$ 64,273.50	\$ 87,324.08
51200 - Travel	\$ 74,493.38	\$ 28,100.37	\$ 13,193.21	\$ 45,298.43	\$ 161,085.39	\$ 75,262.93	\$ 236,348.32
51300 - IPHC Meetings	\$ 205,022.29	\$ -	\$ -	\$ -	\$ 205,022.29	\$ -	\$ 205,022.29
51400 - Technology	\$ 146,697.15	\$ 4,695.88	\$ 49,052.14	\$ 5,903.28	\$ 206,348.45	\$ 6,186.32	\$ 212,534.77
Total Operational Expenses	\$ 432,854.70	\$ 57,877.79	\$ 64,825.61	\$ 54,816.75	\$ 610,374.84	\$ 145,722.75	\$ 756,097.59
Fees and Contract Expenses							
52000 - Professional Fees	\$ 252,976.44	\$ -	\$ -	\$ 3,801.74	\$ 256,778.18	\$ 1,071.23	\$ 257,849.41
52100 - Vessel Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 235,669.50	\$ 235,669.50
52200 - Other Fees and Charges	\$ 52,180.25	\$ -	\$ 1,456.70	\$ 10,962.11	\$ 64,599.06	\$ 36,117.90	\$ 100,716.96
52300 - Leases and Contracts	\$ 26,215.89	\$ 43,261.06	\$ 3,213.68	\$ 15,873.44	\$ 88,564.07	\$ 1,181,561.18	\$ 1,270,125.24
54000 - Communications	\$ 33,905.86	\$ -	\$ 2,606.88	\$ -	\$ 36,512.74	\$ 2,142.45	\$ 38,655.19
Total Fees and Contract Expenses	\$ 365,278.44	\$ 43,261.06	\$ 7,277.25	\$ 30,637.30	\$ 446,454.05	\$ 1,456,562.25	\$ 1,903,016.30
Facilities and Equipment Expenses							
54000 - Equipment Expense	\$ 3,213.68	\$ 5,356.13	\$ 5,202.89	\$ 5,993.45	\$ 19,766.14	\$ 16,630.77	\$ 36,396.91
54000 - Supplies Expense	\$ 32,710.83	\$ 175,847.20	\$ 1,837.02	\$ 6,862.15	\$ 217,257.20	\$ 294,070.01	\$ 511,327.21
54000 - Maintenance and Utilities	\$ 35,387.92	\$ -	\$ 2,758.19	\$ 1,012.84	\$ 39,158.95	\$ 1,108.72	\$ 40,267.67
54000 - Facility Rentals	\$ 375,673.42	\$ 1,108.72	\$ 25,729.16	\$ 42,229.64	\$ 444,740.94	\$ 20,355.95	\$ 465,096.89
Total Facilities and Equipment Expenses	\$ 446,985.83	\$ 182,312.05	\$ 35,527.27	\$ 56,098.08	\$ 664,825.15	\$ 332,165.45	\$ 996,990.60
Other Expenses							
55000 - Budget Contingency	\$ 46,682.64	\$ -	\$ -	\$ 116,823.95	\$ 163,506.59	\$ -	\$ 163,506.59
55250 - Indirect costs	\$ (97,050.80)	\$ -	\$ -	\$ 97,050.80	\$ -	\$ -	\$ -
Other Expenses	\$ (50,368.16)	\$ -	\$ -	\$ 213,874.75	\$ 163,506.59	\$ -	\$ 163,506.59
Total Expense	\$ 3,899,308.83	\$ 1,296,431.40	\$ 1,203,235.59	\$ 1,184,382.75	\$ 7,583,358.56	\$ 2,873,451.50	\$ 10,456,810.07
Net Income (Loss)	\$ 0.00	\$ 0.00	\$ 0.00	\$ (0.00)	\$ 0.00	\$ (1,409,648.65)	\$ (1,409,648.65)

Appendix III FY2028 Financial Budget – Proposed for noting

FY2028: Proposed for FAC101 Account Number	10 - General FY2028	20 - Research FY2028	30 - Statistics FY2028	35 - AK Cost-Recovery FY2028	TOTAL (10,20,30, 35) FY2028	40 - FISS FY2028	TOTAL (All Funds) FY2028
Income							
40000 Contracting Party Contributions							
40000.01 - Canada	\$ -	\$ -	\$ -	\$ -	\$ 1,123,598.47	\$ -	\$ 1,123,598.47
40000.02 - United States of America	\$ -	\$ -	\$ -	\$ -	\$ 5,118,615.27	\$ -	\$ 5,118,615.27
40000.03 - Canada supplementary	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40000.04 - United States of America supplementary	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40000 - Contracting Party Contributions	\$ 3,613,140.61	\$ 1,364,973.17	\$ 1,264,099.96	\$ -	\$ 6,242,213.74	\$ -	\$ 6,242,213.74
40055 - Headquarters (Lease and Maintenance)	\$ 384,037.24	\$ -	\$ -	\$ -	\$ 384,037.24	\$ -	\$ 384,037.24
40055 - Headquarters (Lease & Maintenance)	\$ 384,037.24	\$ -	\$ -	\$ -	\$ 384,037.24	\$ -	\$ 384,037.24
40060 Other Income							
40060.06 - Rent - Dutch Harbor	\$ -	\$ -	\$ -	\$ 5,971.95	\$ 5,971.95	\$ -	\$ 5,971.95
40060 - Other Income	\$ -	\$ -	\$ -	\$ 5,971.95	\$ 5,971.95	\$ -	\$ 5,971.95
40100 Grants, Contracts & Agreements							
40100.01 - 802 - Directed Commercial Catch Sampling of Pacific halibut in Alaska	\$ -	\$ -	\$ -	\$ 1,139,768.38	\$ 1,139,768.38	\$ -	\$ 1,139,768.38
40100.02 - MoU WDFW Rockfish sampling	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,761.70	\$ 43,761.70
40100.09 - 809 - BREP NA23	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40100.07 - Supplementary funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40100 - Grants, Contracts & Agreements	\$ -	\$ -	\$ -	\$ 1,139,768.38	\$ 1,139,768.38	\$ 43,761.70	\$ 1,183,530.08
40200 Interest Income							
40200.01 - Bank Interest	\$ 90,000.00	\$ -	\$ -	\$ -	\$ 90,000.00	\$ -	\$ 90,000.00
Total 40200 - Interest Income	\$ 90,000.00	\$ -	\$ -	\$ -	\$ 90,000.00	\$ -	\$ 90,000.00
40350 Fish Sales							
40350.01 - Fish Sales - Pacific Halibut	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,422,241.66	\$ 1,422,241.66
40350.02 - Fish Sales - Byproduct	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,979.48	\$ 60,979.48
40350 - Fish Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,483,221.14	\$ 1,483,221.14
Total Income	\$ 4,087,177.85	\$ 1,364,973.17	\$ 1,264,099.96	\$ 1,145,740.33	\$ 7,861,991.31	\$ 1,526,982.84	\$ 9,388,974.15
Expense							
Personnel Expenses							
50000 - Salary & Wages	\$ 1,985,372.23	\$ 780,821.55	\$ 875,434.84	\$ 624,618.78	\$ 4,266,247.40	\$ 756,697.88	\$ 5,022,945.27
50100 - Benefits	\$ 831,516.39	\$ 291,217.45	\$ 269,284.98	\$ 220,380.44	\$ 1,612,399.27	\$ 198,547.51	\$ 1,810,946.77
50200 - Training & Education	\$ 33,000.00	\$ -	\$ 6,483.50	\$ 27,629.80	\$ 67,113.31	\$ 22,174.36	\$ 89,287.67
50300 - Personnel Related Expenses	\$ 5,516.33	\$ -	\$ 1,500.00	\$ 4,394.82	\$ 11,411.15	\$ 4,434.87	\$ 15,846.02
Total Personnel Expenses	\$ 2,855,404.95	\$ 1,072,039.00	\$ 1,152,703.32	\$ 877,023.84	\$ 5,957,171.12	\$ 981,854.61	\$ 6,939,025.73
Operational Expenses							
5000 - Publications	\$ 1,500.00	\$ 12,500.00	\$ 640.00	\$ 200.00	\$ 14,840.00	\$ -	\$ 14,840.00
51100 - Mailing and Shipping	\$ 5,321.85	\$ 13,021.89	\$ 2,008.17	\$ 3,593.51	\$ 23,945.41	\$ 66,523.07	\$ 90,468.48
51200 - Travel	\$ 107,158.31	\$ 29,083.89	\$ 13,654.97	\$ 48,061.64	\$ 197,958.81	\$ 77,897.13	\$ 275,855.94
51300 - IPHC Meetings	\$ 205,022.29	\$ -	\$ -	\$ -	\$ 205,022.29	\$ -	\$ 205,022.29
51400 - Technology	\$ 151,831.55	\$ 4,860.23	\$ 50,768.97	\$ 6,263.38	\$ 213,724.13	\$ 6,402.85	\$ 220,126.98
Total Operational Expenses	\$ 470,834.00	\$ 59,466.01	\$ 67,072.10	\$ 58,118.53	\$ 655,490.64	\$ 150,823.05	\$ 806,313.69
Fees and Contract Expenses							
52000 - Professional Fees	\$ 261,130.62	\$ -	\$ -	\$ 4,033.65	\$ 265,164.27	\$ 1,108.72	\$ 266,272.98
52100 - Vessel Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 243,917.93	\$ 243,917.93
52200 - Other Fees and Charges	\$ 54,393.49	\$ -	\$ 1,529.53	\$ 11,630.80	\$ 67,553.82	\$ 37,923.80	\$ 105,477.62
52300 - Leases and Contracts	\$ 27,133.44	\$ 44,775.20	\$ 3,326.15	\$ 16,841.72	\$ 92,076.52	\$ 1,222,915.82	\$ 1,314,992.34
54000 - Communications	\$ 35,092.56	\$ -	\$ 2,698.12	\$ -	\$ 37,790.68	\$ 2,217.44	\$ 40,008.12
Total Fees and Contract Expenses	\$ 377,750.11	\$ 44,775.20	\$ 7,553.81	\$ 32,506.17	\$ 462,585.29	\$ 1,508,083.70	\$ 1,970,668.99
Facilities and Equipment Expenses							
54000 - Equipment Expense	\$ 3,326.15	\$ 5,543.59	\$ 5,384.99	\$ 6,000.00	\$ 20,254.74	\$ 17,212.85	\$ 37,467.58
54000 - Supplies Expense	\$ 33,348.20	\$ 182,001.85	\$ 1,901.32	\$ 7,280.74	\$ 224,532.12	\$ 304,362.46	\$ 528,894.58
54000 - Maintenance and Utilities	\$ 36,626.50	\$ -	\$ 2,854.73	\$ 1,000.00	\$ 40,481.22	\$ 1,147.52	\$ 41,628.74
54000 - Facility Rentals	\$ 385,758.52	\$ 1,147.52	\$ 26,629.68	\$ 44,805.65	\$ 458,341.38	\$ 21,068.41	\$ 479,409.79
Total Facilities and Equipment Expenses	\$ 459,059.38	\$ 188,692.97	\$ 36,770.72	\$ 59,086.39	\$ 684,523.07	\$ 343,791.24	\$ 1,028,314.30
Other Expenses							
55000 - Budget Contingency	\$ 26,802.90	\$ -	\$ -	\$ 16,331.90	\$ 43,134.80	\$ -	\$ 43,134.80
55250 - Indirect costs	\$ (102,673.49)	\$ -	\$ -	\$ 102,673.49	\$ -	\$ -	\$ -
Other Expenses	\$ (75,870.59)	\$ -	\$ -	\$ 119,005.39	\$ 43,134.80	\$ -	\$ 43,134.80
Total Expense	\$ 4,087,177.85	\$ 1,364,973.17	\$ 1,264,099.96	\$ 1,145,740.33	\$ 7,861,991.30	\$ 2,984,552.60	\$ 10,846,543.90
Net Income (Loss)	\$ 0.00	\$ (0.00)	\$ 0.00	\$ 0.00	\$ 0.00	\$ (1,457,569.76)	\$ (1,457,569.75)



PRESENTED PENDING AT FAC100 - INFO1				
Date of Invoice	Date of Write Off	Vendor	Amount	Notes – Technically all adjustments are write offs – multiple write-offs occurred due to invalidated invoices (administrative correction) which are noted.
15 Oct 2021	12 February 2024	Shipp, LLC	\$18,089.31	Write-off – Vessel contracted to conduct work for FISS in 2022. Lengthy bankruptcy proceeding occurred in 2023. Vessel and IFQs seized in September 2023. Included as pending in FAC100-INFO1 paper
17 Jul 2023	12 February 2024	Jorg Schmeisser	\$151.80	Invalidated Invoice - Individual did not purchase fish from the offload. Included as pending in FAC100-INFO1 paper
MI2024029				
2 August 2023	24 April 2024	Canadian Fishing Company	\$37.90	The Canadian Fishing Company acquired surplus Chum Salmon #2 semi-bright or better, totaling 500 lbs, at a rate of US\$0.50 per pound, amounting to US\$250.00, from the IPHC. The invoice dated 2 August 2023, stipulated a due date of 17 August 2023. The Canadian company made a payment of US\$212.10, leaving a remaining balance of US\$37.90. The discrepancy in payment is attributed to fluctuations in the conversion rate between the Canadian dollar (CAN) and the US dollar (USD).
30 September 2023	24 April 2024	Finest at Sea Seafood Producers, Inc.	\$20.00	FAS Seafoods' fishing vessel, the F/V Star Wars II, was engaged during the FISS season. Custom fees incurred by fishing vessels are typically billed at the season's end. On 30 September 2023, an invoice amounting to US\$6,200.81 was dispatched with a due date set for 15 October 2023. FAS Seafoods remitted US\$6,180.80, leaving a balance of US\$20.00. The shortfall is attributed to fluctuations in the exchange rate between the Canadian dollar (CAD) and the US dollar (USD).
MI2024044				

06 July 2024	30 September 2024	Pacific Seafoods - Kodiak	\$1.73	Sale of Pacific halibut and Bycatch KSU, Trip 02, 18 June 2024 E2406669. The invoiced amount for this sale was US\$67,995.36. Pacific Seafoods-Kodiak has paid US\$67,993.63, leaving a remaining balance of US\$1.73. Due to the minimal amount of this outstanding balance, it has been deemed not cost-effective to pursue collection. Consequently, the balance will be written off.
10 August 2023	30 September 2024	Peter Pan Seafoods, Inc – Seattle	\$157.96	Sale of Pacific halibut and Bycatch Kema Sue E23015731. The invoice amount for this sale was US\$110,250.60. Peter Pan Seafoods has paid US\$110,122.64 leaving a remaining balance of US\$157.96. Multiple attempts were paid to collect remaining balance. Peter Pan Seafoods ceased operations in 2024. The IPHC has filed paperwork per the “notice of receivership and claims” to recover funds, however, due to the minimal amount of this outstanding balance and lack of communications, it has been deemed not cost effective to pursue collection. Consequently, the balance will be written off.