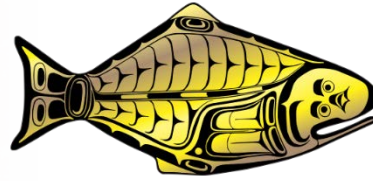


INTERNATIONAL PACIFIC



HALIBUT COMMISSION

Budget estimates for FY2020 and 2021

Agenda Item 13.3

IPHC-2019-AM095-18 - Budget
estimates FY2020-21

IPHC Budget Approval Process

- FY2019 – Approved at AM094
- FY2019 – Updated at IM094; no action needed
- FY2020 – **Approve at AM095**
- FY2021 – ‘Notional’ budget – **Note at AM095**

FY2020-FY2021 Proposed Budgets

- Income Sources
 - General Account
 - U.S.A. & Canadian Contributions
 - General
 - Pension Liability
 - Headquarters Leases (USA only)
 - Grants & Contracts
 - Supplemental Account
 - FISS Income
 - Reserve funds in excess of \$1M
- Expenses
 - Personnel
 - Key Elements & Programmatic Changes
 - FISS Income & Expenses
 - Research Overview
- Summary
 - Income & Expense Summary

FY2020 General Income & Expense

International Pacific Halibut Commission
 General Operations
 Income and Expenses - FY2020 Budget

INCOME	FY 2020
US Contributions	
General	\$ 4,075,094
Pension Funding	\$ 167,598
Headquarters Lease	\$ 289,308
CDN Contributions	
General	\$ 874,182
Pension Funding	\$ 111,250
Interest	\$ 5,000
Grants and Contracts	
NMFS - Port Sampling	\$ 449,562
TOTAL INCOME	\$ 5,971,994
<hr/>	
EXPENSES	
Operations	
Personnel	\$ 5,425,628
Programs	\$ 420,747
Administration	\$ 958,306
Supplies	\$ 324,497
TOTAL EXPENSES	\$ 7,129,178
FISS COST RECOVERY	-\$ 397,346
OPERATIONS FISCAL YEAR NET	\$ (759,838)
PRIOR YEAR OPERATIONS CARRYOVER	\$ 1,194,792
GENERAL ACCOUNT CARRYOVER	\$ 434,954

Contributions: Contracting Parties

- Canada - Two separate contributions
 - General - **\$874,182** (3% increase)
 - Pension Liability - **\$111,250**

- United States of America – Request of **\$4.53M**
 - General - **\$4.075M** (3% increase)
 - Pension - **\$167,598**
 - Headquarter Leases - **\$289,308** (3% increase)

Grants & Contracts

- General Account
 - NOAA (NMFS) Sampling Grant –\$449,562
 - NOAA – Whale Depredation – pending
 - NOAA – LED use in trawls - pending
 - NFWF – Sport fishing discard mortality
- Supplemental Fund
 - Reimbursed FISS Expenses
 - Canadian Rockfish Sampling - \$34,520
 - Washington Rockfish Sampling - \$11,580

Overall Personnel Expenses

- Projected Salary Changes
 - 2.5% (2.1% COLA/ 0.4% salary increases)
- Benefits
 - Health care costs +8%
 - Other benefit costs stable

Office Personnel Changes

Temporary Positions

- Laboratory Technician – term ending Mar 2020 (2 yr. position) – Being extended pending budget availability
- MSE Programmer – term ending Sept 2020 (2 yr. position)
- MSE Researcher – term ending Mar 2021 (2 yr. position)
- Economist – starting April 2019 (2 yr. position)

Key Budget Items (General Budget)

- Approval of FY2021 budget
 - Separation of member contribution types
 - Reduction in Programs, Administration, & Supplies
 - Increase in Personnel costs (benefits, salaries)

Research Program – FY2020 Projects

Project #	Project Name	Priority	Budget (\$US)	External funding for FY2020 (\$USD)	Management implications
642.00	Assessment of mercury and other contaminants	Medium	6,741	-	Environmental effects
650.22	Larval connectivity	High	-	-	Larval and juvenile distribution
670.11	Wire tagging of halibut on NMFS trawl survey and FISS	High	15,301	-	Juvenile and adult distribution
672.12	Condition factors for tagged U32 Fish	High	-	-	DMR estimates
673.13	Sequencing the Pacific halibut genome	High	21,500	-	Population changes
673.14	Identification and validation of markers for growth	High	35,000	-	Changes in biomass/size-at-age
673.15	Influence of thermal history on growth	High	6,000	-	Changes in biomass/size-at-age
674.11	Full characterization of the annual reproductive cycle	High	81,477	-	Maturity assessment
675.11	Tail pattern recognition	High-medium	3,900	-	Juvenile and adult distribution
2019-01	Migration and genetics	High	217,600	-	Population structure, distribution and movement
2019-02	Whale detection methods	High	8,000	-	Mortality estimations
2019-03	Adult captive holding studies	High-Medium	166,381	-	Changes in biomass/migration
2019-05	Improving the characterization of discard mortality of Pacific halibut in the recreational fisheries	High	-	98,901	DMR estimations
2019-06	Investigations on chalky Pacific halibut	High	-	-	Landed value

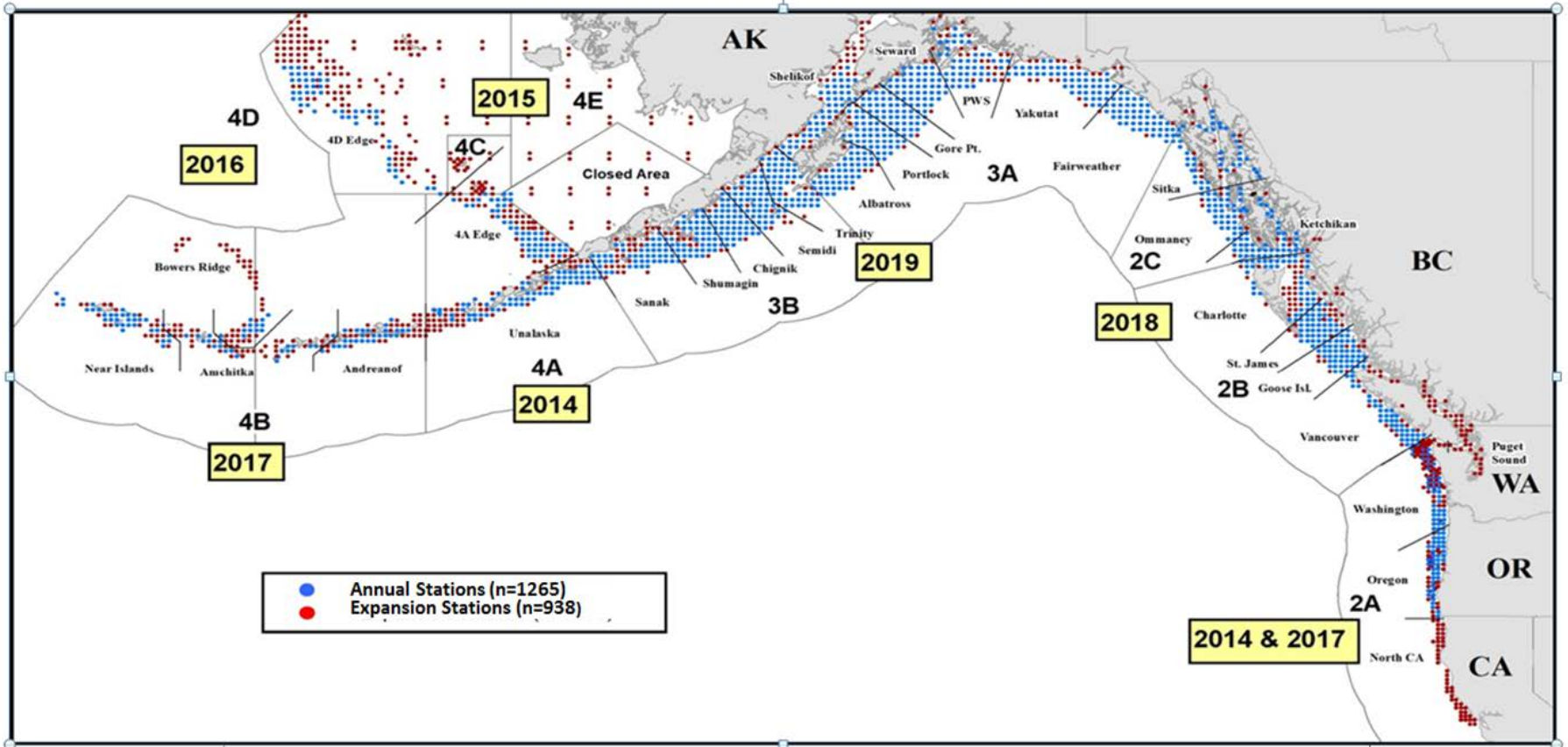
Supplemental Account - Key Budget Items

- FY2019 – Completion of FISS Expansion
- FY2020 – Redevelopment of FISS Design
 - Delivery of proposed design at Sept. 2019 work meeting
 - Current FY2020 budget ‘placeholder’ pending development of new design

FISS Redesign

- Development of updated FISS design
 - Incorporation of time-space model
 - Use of annual and FISS expansion stations
 - Ensure operational efficiency
 - Long-term revenue neutrality

FISS Expansion Overview



● Annual Stations (n=1265)
● Expansion Stations (n=938)

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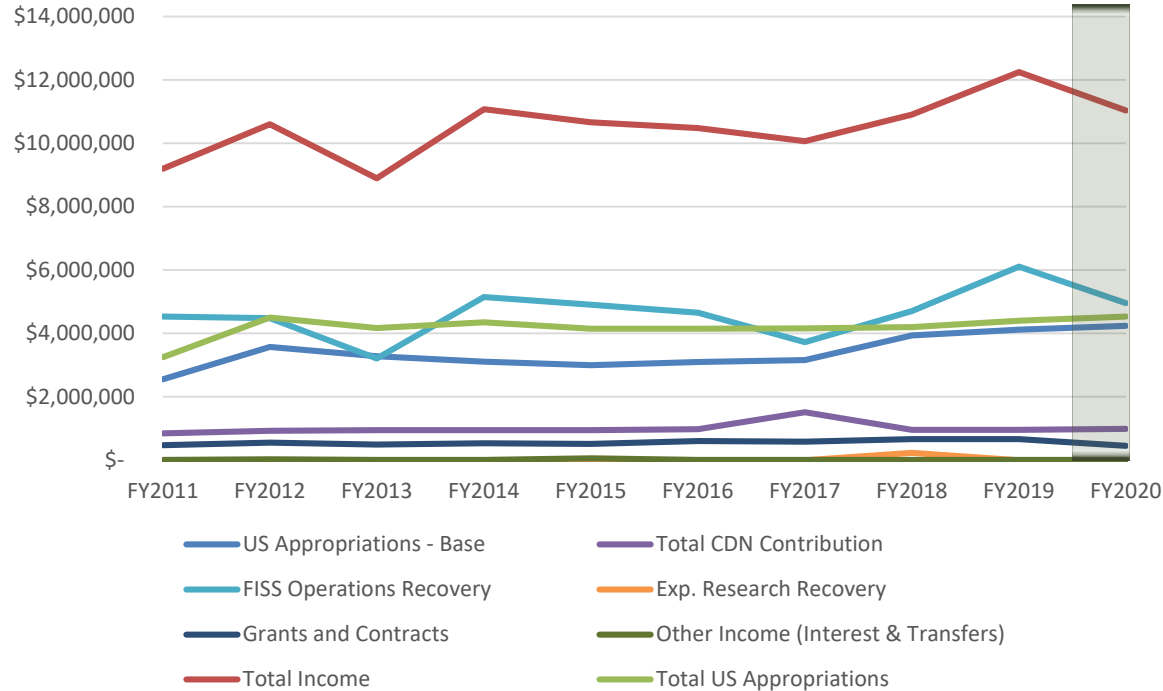
FY2020 Supplemental Income & Expense

International Pacific Halibut Commission Income and Expenses - Supplemental

Income	Budget	Prior Year	%	Notes
Supplemental				
Carryover from prior FY	\$ 558,949	\$ 1,567,209	36%	
Current Year Income				
<i>Fish Sales</i>				
Sale of Halibut - FIS survey	\$ 4,848,231	\$ 6,110,811	79%	
Sale of Bycatch - FIS survey	\$ 56,351	\$ 56,351	100%	
<i>Grants and Contracts</i>				
DFO - Rockfish Contract	\$ 34,820	\$ 34,820	100%	Area 2B rockfish sampling
WDFW - Rockfish Contract	\$ 11,580	\$ 11,580	100%	Area 2A rockfish sampling
<i>Other Income</i>				
Misc. Income	\$ -	\$ -	n/a	
Interest	\$ 1,125	\$ 1,125	100%	
<i>Internal Transfers</i>				
Rollover from Reserve	\$ 10,000	\$ 10,000	100%	Transfer of funds in excess of reserve limit
Current Year Income	\$ 4,962,106	\$ 6,224,687	80%	
Supplemental Total	\$ 5,521,055	\$ 7,791,895	71%	
Expenses				
Supplemental				
Personnel	\$ 500,629	\$ 637,608	79%	
Programs	\$ 194,570	\$ 194,570	100%	
Administration	\$ 2,922,396	\$ 4,068,297	72%	
Equipment & Supplies	\$ 921,905	\$ 1,245,231	74%	
Prior FY Expenses	\$ -	\$ -	n/a	
Sub-Total	\$ 4,539,500	\$ 6,145,706	74%	
General Fund Expenses	\$ 397,346	\$ 378,425	105%	
Total Expenses	\$ 4,936,847	\$ 6,524,131	76%	
Fiscal Year Net Gain/Loss	\$ 25,260	\$ (299,444)		
SUPPLEMENTAL FUND CARRYOVER	\$ 584,209	\$ 1,267,765	46%	

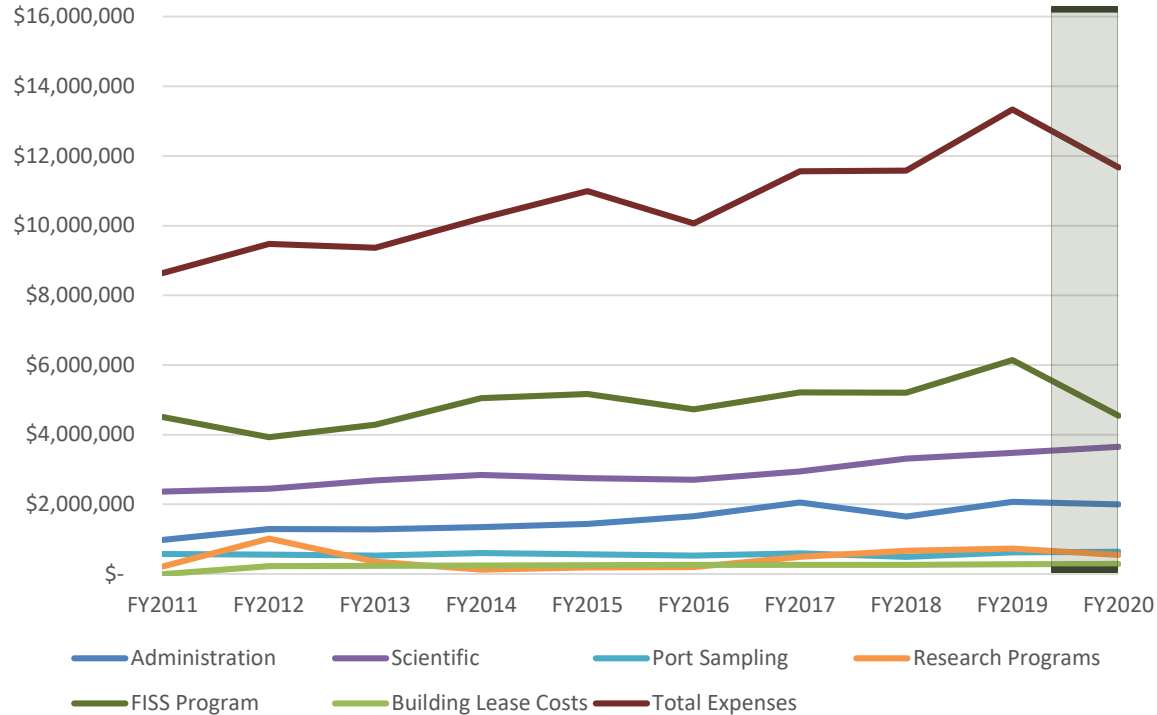
IPHC Income FY2011 – FY2020

IPHC Income Sources (10 years)
FY2011-FY2020



FY2011 – FY2020 Expense Trends

IPHC Expense Types (10 years)
FY2011-FY2020



FY2021 General/Supplemental I & E

IPHC Income and Expenses

Consolidated General & Supplemental
FY2021 Budget
1 Oct. 2020 to 30 Sept. 2021

General Account

Income

Contributions

United States	\$4,767,960	^{1,2}
Canada	\$1,011,657	¹

Other Income

Grants & Contracts	\$478,599
Interest Income	\$5,000
Misc. Income	\$0

General Account Total \$6,263,216

Expenses

Core IPHC Activities

Administration	\$2,402,610
Scientific	\$3,427,938
Catch Sampling	\$646,945

Research Activities

Field Research	\$0
Other Research	\$575,000

FISS Program Cost Recovery (\$417,214)

General Account Total \$6,635,279

General Account - Gain/Loss (\$372,063) **Year-end Carryover** \$62,891

Supplemental Account

Income

Fish Sales Income

FISS Program	\$5,010,798
Other Research	\$46,400

Other Income

Interest	\$1,125
Rollover from Reserve Account	\$25,000

Supplemental Account Total \$5,083,323

Expenses

Survey Expenses

FISS Program	\$4,608,624
FISS Program Cost Recovery	\$417,214

Supplemental Account Total \$5,025,838

Supplemental Account - Gain/Loss \$57,485 **Year-end Carryover** \$673,921

Combined General/Supplemental Accounts

Combined Gain/Loss (\$314,578) **Year-end Combined Balance** \$736,812

Notes: ¹ - Includes Pension Funding Payment

² - Includes Headquarters Lease Payments

FY2021 General Income & Expense

International Pacific Halibut Commission
 General Operations
 Income and Expenses - FY2021 Budget

INCOME	FY 2021
US Contributions	
General	\$ 4,214,482
Pension Funding	\$ 167,598
Headquarters Lease	\$ 385,880
CDN Contributions	
General	\$ 900,407
Pension Funding	\$ 111,250
Interest	\$ 5,000
Grants and Contracts	
NMFS - Port Sampling	\$ 478,599
TOTAL INCOME	\$ 6,263,216
EXPENSES	
Operations	
Personnel	\$ 5,224,501
Programs	\$ 420,747
Administration	\$ 1,082,748
Supplies	\$ 324,497
TOTAL EXPENSES	\$ 7,052,493
FISS COST RECOVERY	-\$ 417,214
OPERATIONS FISCAL YEAR NET	\$ (372,063)
PRIOR YEAR OPERATIONS CARRYOVER	\$ 434,954
GENERAL ACCOUNT CARRYOVER	\$ 62,891

Contributions: Contracting Parties

- Canada - Two separate contributions
 - Contribution - **\$900,407** (3% increase)
 - Pension Liability - **\$111,252**
- United States of America – **\$4.77M**
 - General - **\$4.215M** (3% increase)
 - Pension Liability - **\$167,598**
 - Headquarter Leases - **\$385,880** (30% increase)

Grants & Contracts

- General Fund
 - NOAA (NMFS) Sampling Grant –\$478,599
- Supplemental Fund
 - Reimbursed FISS Expenses
 - Canadian Rockfish Sampling - \$34,520
 - Washington Rockfish Sampling - \$11,580

Overall Personnel Expenses

- Projected Salary Changes
 - 2.5% (2.1% COLA/ 0.4% salary increases)
- Benefits
 - Health care cost estimate +5%
 - Other benefit costs stable

Office Personnel Changes

Current Positions

- No changes

Temporary Positions

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

Key Budget Items (General Budget)

- Administrative Items
 - Building Lease
 - Expires Sept. 2020
 - Legal fees
 - Office reorganization

FY2021 Supplemental Income & Expense

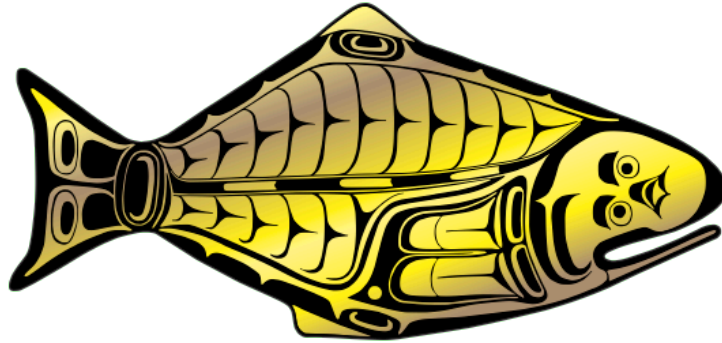
Income and Expenses - Supplemental
FY2021 (Oct. 2020 - Sept. 2021)

Income	Budget	Prior Year	%	Notes
Supplemental				
Carryover from prior FY	\$ 558,949	\$ 1,267,765	44%	
Current Year Income				
Fish Sales				
Sale of Halibut - FIS survey	\$ 4,954,447	\$ 4,848,231	102%	
Sale of Bycatch - FIS survey	\$ 56,351	\$ 56,351	100%	
Grants and Contracts				
DFO - Rockfish Contract	\$ 34,820	\$ 34,820	100%	Area 2B rockfish sampling
WDFW - Rockfish Contract	\$ 11,580	\$ 11,580	100%	Area 2A rockfish sampling
Other Income				
Misc. Income	\$ -	\$ -	n/a	
Interest	\$ 1,125	\$ 1,125	100%	
Internal Transfers				
Rollover from Reserve	\$ 25,000	\$ 10,000	250%	Transfer of funds in excess of reserve limit
Current Year Income	\$ 5,083,323	\$ 4,962,106	102%	
Supplemental Total	\$ 5,642,272	\$ 6,229,871	91%	

Expenses

Supplemental				
Personnel	\$ 504,570	\$ 500,629	101%	
Programs	\$ 194,570	\$ 194,570	100%	
Administration	\$ 2,987,578	\$ 2,922,396	102%	
Equipment & Supplies	\$ 921,905	\$ 921,905	100%	
Prior FY Expenses	\$ -	\$ -	n/a	
Sub-Total	\$ 4,608,624	\$ 4,539,500	102%	
General Fund Expenses	\$ 417,214	\$ 397,346	105%	
Total Expenses	\$ 5,025,837	\$ 4,936,847	102%	
Fiscal Year Net Gain/Loss	\$ 57,486	\$ 25,260		
SUPPLEMENTAL FUND CARRYOVER	\$ 616,435	\$ 1,293,024	48%	

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