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## FY2023 Budget – Update

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### PURPOSE

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

### BACKGROUND

In accordance with Rule 11, paragraphs 4-10 '*Intersessional decision-making*' of the [IPHC Rules of Procedure \(2022\)](#), the following intersessional Commission decision was announced via [IPHC Circular 2022-007](#), to adopt the FY2023 budget (provided at [Appendix I](#)):

**IPHC-2022-ID001:** The Commission:

- 1) **NOTED** paper IPHC-2022-ID001 which provided revised budget estimates for FY2023 (1 October 2022 to 30 September 2023) for approval, noting the outcomes of the 12<sup>th</sup> Special Session of the Commission (SS012).
- 2) **ADOPTED** the FY2023 budget (1 October 2022 to 30 September 2023), as detailed in Appendix I [*of IPHC-2022-ID001*], including the Contracting Party contributions to the General Fund as follows:
  - Canada: Contribution to the General Fund: **US\$900,407**
  - U.S.A.: Contribution to the General Fund: **US\$4,157,760**
- 3) **NOTED** the extra-budgetary (IFCP Fund deficit and Headquarters lease/maintenance) contributions from each Contracting Party for FY2023 as follows:
  - Canada:
    - 50% Contribution to the IFCP Fund deficit (former staff pension plan): **US\$127,848**
  - U.S.A.:
    - 50% Contribution to the IFCP Fund deficit (former staff pension plan): **US\$127,848**
    - Contribution to the headquarters building lease and maintenance costs: **US\$489,250**

### DISCUSSION

FY2022 was the IPHC's second year implementing a Fund-based accounting system. As such, there were areas identified throughout the year where expense allocation to specific Funds was deemed appropriate and subsequently implemented. An example being salary & wages, and benefits, which are now allocated fully across funds on monthly schedule based on actual

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

It is expected that further refinements to the FY2023 budget will be presented at the upcoming Finance and Administration Committee (FAC099) in January 2023. It should be noted that this will not result in an overall budget adjustment that would impact Contracting Party contributions for FY2023, but rather, will assist the Secretariat in better reporting our expenses.

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

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

#### **RECOMMENDATION/S**

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

#### **APPENDICES**

[Appendix I:](#) FY2023 Financial Budget – Adopted 16 March 2022

## APPENDIX I FY2023 Financial budget – Adopted 16 March 2022

Account Number	Account Name	10 - General	20 - Research	30 - Statistics	10,20,30 - TOTAL	40 - FISS	10,20,30, 40 - TOTAL
		FY2023	FY2023	FY2023	FY2023	FY2023	FY2023
<b>Income</b>							
40000	Contracting Party Contributions						
40000.01	Canada	\$ -	\$ -	\$ -	\$ 900,407.00	\$ -	\$ 900,407.00
40000.02	United States of America	\$ -	\$ -	\$ -	\$ 4,157,760.00	\$ -	\$ 4,157,760.00
	<b>Total 40000 - Contracting Party Contributions</b>	<b>\$ 2,953,585.20</b>	<b>\$ 912,193.00</b>	<b>\$ 1,192,388.80</b>	<b>\$ 5,058,167.00</b>	<b>\$ -</b>	<b>\$ 5,058,167.00</b>
40055	Headquarters (Lease & Maintenance)	\$ 489,250.00	\$ -	\$ -	\$ 489,250.00	\$ -	\$ 489,250.00
40060	Other Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40100	Grants, Contracts & Agreements	\$ -	\$ 232,140.37	\$ 664,458.64	\$ 896,599.01	\$ 34,289.00	\$ 930,888.01
40200	Interest Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
40200.01	Bank Interest	\$ 772.50	\$ -	\$ -	\$ 772.50	\$ -	\$ 772.50
40200.02	CD Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>Total - Other Income</b>	<b>\$ 490,022.50</b>	<b>\$ 232,140.37</b>	<b>\$ 664,458.64</b>	<b>\$ 1,386,621.51</b>	<b>\$ 34,289.00</b>	<b>\$ 1,420,910.51</b>
40850	Fish Sales						
40350.01	Fish Sales - Pacific Halibut	\$ -	\$ -	\$ -	\$ -	\$ 4,886,450.04	\$ 4,886,450.04
40350.02	Fish Sales - Byproduct	\$ -	\$ -	\$ -	\$ -	\$ 60,564.00	\$ 60,564.00
	<b>Total 40350 - Fish Sales</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,947,014.04</b>	<b>\$ 4,947,014.04</b>
	<b>Total Income</b>	<b>\$ 3,443,607.70</b>	<b>\$ 1,144,333.37</b>	<b>\$ 1,856,847.44</b>	<b>\$ 6,444,788.51</b>	<b>\$ 4,981,303.04</b>	<b>\$ 11,426,091.55</b>
<b>Expense</b>							
<b>Personnel Expenses</b>							
50000	Salaries & Wages	\$ 1,857,345.50	\$ 667,739.10	\$ 1,269,265.54	\$ 3,794,350.14	\$ 1,056,809.36	\$ 4,851,159.50
50100	Benefits	\$ 652,394.56	\$ 244,966.27	\$ 461,888.94	\$ 1,359,249.77	\$ 289,124.08	\$ 1,648,373.85
50100.09	Medical Reimbursement - Retiree	\$ 93,263.37	\$ -	\$ -	\$ 93,263.37	\$ -	\$ 93,263.37
50200	Training & Education	\$ 36,050.00	\$ 18,477.00	\$ 21,630.00	\$ 76,157.00	\$ 56,238.00	\$ 132,395.00
50800	Personnel Related Expenses	\$ 5,665.00	\$ -	\$ 10,300.00	\$ 15,965.00	\$ 37,467.28	\$ 53,432.28
50800.01	Scholarship Awards	\$ 8,000.00	\$ -	\$ -	\$ 8,000.00	\$ -	\$ 8,000.00
	<b>Total Personnel Expenses</b>	<b>\$ 2,652,718.43</b>	<b>\$ 931,182.37</b>	<b>\$ 1,763,084.48</b>	<b>\$ 5,346,985.28</b>	<b>\$ 1,439,638.72</b>	<b>\$ 6,786,624.00</b>
<b>Operational Expenses</b>							
51000	Publications	\$ 5,150.00	\$ 7,500.00	\$ 9,270.00	\$ 21,920.00	\$ -	\$ 21,920.00
51100	Mailing and Shipping	\$ 6,180.00	\$ 7,000.00	\$ 5,150.00	\$ 18,330.00	\$ 128,750.00	\$ 147,080.00
51200	Travel	\$ 90,700.00	\$ 14,825.00	\$ 20,600.00	\$ 126,125.00	\$ 121,041.48	\$ 247,166.48
51300	Meeting and Conference Expenses	\$ 121,500.00	\$ -	\$ -	\$ 121,500.00	\$ -	\$ 121,500.00
51400	Technology	\$ 139,050.00	\$ -	\$ 2,163.00	\$ 141,213.00	\$ -	\$ 141,213.00
	<b>Total Operational Expenses</b>	<b>\$ 362,580.00</b>	<b>\$ 29,325.00</b>	<b>\$ 37,183.00</b>	<b>\$ 429,088.00</b>	<b>\$ 249,791.48</b>	<b>\$ 678,879.48</b>
<b>Fees and Contract Expenses</b>							
52000	Professional Fees	\$ 226,600.00	\$ -	\$ 1,458.48	\$ 228,058.48	\$ -	\$ 228,058.48
52200	Other Fees and Charges	\$ 51,500.00	\$ -	\$ -	\$ 51,500.00	\$ 10,300.00	\$ 61,800.00
52300	Lease and Contracts	\$ 25,750.00	\$ 39,019.00	\$ 36,050.00	\$ 100,819.00	\$ 1,996,487.11	\$ 2,097,306.11
54000	Communications	\$ 30,900.00	\$ -	\$ 3,605.00	\$ 34,505.00	\$ 20,600.00	\$ 55,105.00
	<b>Total Fees and Contract Expenses</b>	<b>\$ 334,750.00</b>	<b>\$ 39,019.00</b>	<b>\$ 41,113.48</b>	<b>\$ 414,882.48</b>	<b>\$ 2,027,387.11</b>	<b>\$ 2,442,269.59</b>
<b>Facilities and Equipment Expenses</b>							
53000	Equipment Expense	\$ 20,600.00	\$ -	\$ 4,120.00	\$ 24,720.00	\$ 15,450.00	\$ 40,170.00
53100	Supplies Expense	\$ 25,750.00	\$ 144,807.00	\$ 2,678.00	\$ 173,235.00	\$ 772,500.00	\$ 945,735.00
53200	Maintenance and Utilities	\$ 113,300.00	\$ -	\$ 2,488.48	\$ 115,788.48	\$ 10,300.00	\$ 126,088.48
53300	Facility Rentals	\$ 463,500.00	\$ -	\$ 6,180.00	\$ 469,680.00	\$ 13,390.00	\$ 483,070.00
	<b>Total Facilities and Equipment Expenses</b>	<b>\$ 623,150.00</b>	<b>\$ 144,807.00</b>	<b>\$ 15,466.48</b>	<b>\$ 783,423.48</b>	<b>\$ 811,640.00</b>	<b>\$ 1,595,063.48</b>
<b>Other Expenses</b>							
55000	Budget Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	<b>Total Other Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
	<b>Total Expense</b>	<b>\$ 3,973,198.43</b>	<b>\$ 1,144,333.37</b>	<b>\$ 1,856,847.44</b>	<b>\$ 6,974,379.24</b>	<b>\$ 4,528,457.31</b>	<b>\$ 11,502,836.55</b>
	FISS cost-recovery (10% overhead)	\$ (452,845.73)	\$ -	\$ -	\$ (452,845.73)	\$ 452,845.73	\$ -
	<b>Net Income (Loss)</b>	<b>(\$76,745.00)</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>(\$76,745.00)</b>	<b>\$0.00</b>	<b>(\$76,745.00)</b>
	50- Reserve (Fund transfer)	\$ 76,745.00	\$ -	\$ -	\$ 76,745.00	\$ -	\$ 76,745.00
<b>60- IFCPF Deficit</b>							
40050	IFC Pension						
40050.01	IFC Pension - Canada	\$ 127,848.00	\$ -	\$ -	\$ 127,848.00	\$ -	\$ 127,848.00
40050.02	IFC Pension - United States of America	\$ 127,848.00	\$ -	\$ -	\$ 127,848.00	\$ -	\$ 127,848.00
	<b>Total 40050 - IFC Pension</b>	<b>\$ 255,696.00</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 255,696.00</b>	<b>\$ -</b>	<b>\$ 255,696.00</b>