



REPORT OF THE BUDGET COMMITTEE

The Budget Committee received an Executive Director Report by Dr. Donald McIsaac that included two items (1) status of funding for calendar year (CY) 2004 and (2) status of CY 2003 expenditures and year end projection.

Status of Funding for CY 2004: The Budget Committee received a report indicating that Congressional appropriations, which include the Council's CY 2004 budget, are still pending. The federal programs will be operating by continuing resolutions in the initial phases of the current fiscal year. At some point, Congress will likely pass an omnibus appropriations bill which will set exact funding levels. Thus, the base grant CY 2004 funding for the Council is unknown at this time. The staff will prepare a grant application for submittal at approximately the CY 2003 base level under continuing resolutions.

The level of funding identified for regional councils in the Congressional and the Presidential appropriation recommendations ranges from \$15 million to \$15.54 million. This range of base funding is insufficient to continue overall Council operations at the current 2003 level and provides no funding for additional work on individual trawl quotas. Therefore, the Executive Director will continue to seek additional funds for CY 2004 to meet the current and expanded Council needs.

Status of CY 2003 expenditures and year end projection: The status of the CY 2003 budget was discussed by the committee, and staff indicated that overall expenditures through September 30th were near allocations of the original budget, with a tentative projected surplus of about \$35,000 for the combined three grants that fund Council operations. The staff will continue to closely monitor the status of expenditures until the end of the calendar year. The Budget Committee passed a motion recommending that the Council spending be managed such that any remaining CY 2003 surplus occur in the multi-year grants and such surplus be made available for CY 2004 purposes.

PFMC
11/07/03

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Brown/Winnens