

REPORT OF THE BUDGET COMMITTEE

The Pacific Fishery Management Council's (Council) Budget Committee (BC or Committee) met on Thursday, June 11, 2026, to review 2025 Expenditures, the Council's 2026 funding status, Calendar Year (CY) expenditures through April 2026, and staff proposed CY 2026 operational budget. The BC also considered the effectiveness of actions taken to reduce expenses over the last few years in response to the committee-of-the-whole (COTW) process.

National Marine Fisheries Service (NMFS) West Coast Region (WCR) – Sustainable Fisheries Division Budget Update

Mr. Ryan Wulff informed the Committee that the WCR is still in Fiscal Year (FY) 2026, and that FY 2027 is in the middle of the current congressional appropriations process. He indicated that the NMFS Headquarters is currently discussing the FY 2028 budget and is focused there on both regional and national priorities. In addition, approval has been given to hire a limited number of staff in the region and at the west coast science centers.

Executive Director's Report

Mr. Merrick Burden provided the Committee with a 2025 summary, an update on 2026 fiscal status, and forecasts beyond calendar year 2026. In 2025, the Council had to navigate a great deal of fiscal uncertainty and take significant action due to delays in funding. These actions consisted of a reduced scale for the September 2025 meeting, and delays in backfilling vacant staff positions. These actions resulted in the Council spending roughly \$500K less than was budgeted in 2025.

All of the expected funding for CY 2026 funding has been fully received to date, including an additional \$367K from Headquarters that is intended to support the Administration's deregulatory agenda. Spending through April 30 of approximately \$1.6M, is similar to prior years with the bulk of the spending expected to occur in the latter half of the year.

Mr. Burden presented some analysis of the Council's structural deficit, and progress that has been made in reducing this deficit since the 2024 committee-of-the-whole meeting. In 2024, staff estimated that the structural deficit was \$777K and current estimates put the structural deficit at \$348K. This is a substantial reduction, meaning that the structural deficit has moved from an alarming level to a more manageable level, but a structural deficit still exists and work is still needed to align our budget with our income. While the structural deficit remains, the actual deficit for last year and this year has been bridged by special project funding and funding for deregulatory actions, but these are expected to result in a short-term bridge rather than constituting a long-term fix. Mr. Burden described the near-term financial situation as good and relatively stable, but the long-term outlook continues to require diligence.

The proposed 2026 operational budget presented by Mr. Burden is based on several pieces of rationale:

- It remains consistent with COTW process outcomes,
- It maintains Council priorities without straining personnel,

- It maintains an eye on long term fiscal health of the Council.

In order to do so, the budget: 1) provides for staffing at the current level throughout the remainder of the year; 2) funds five council meetings at the planned locations with AB participation consistent with COTW structure; 3) funds ongoing IRA and Seafood EO work; and 4) other contractual obligations. This results in a proposed 2026 operational budget of \$5,766,822.

Budget Committee Discussion on Activities

The Committee discussed the 2026 operational budget as presented and agreed with its adoption.

The Committee also discussed the need for a meeting in September for chair/vice-chair elections and to discuss the budget forecast at that time.

Budget Committee Recommendations:

- 1. Recommend a CY 2026 operational budget of \$5,766,822.**
- 2. Hold a Budget Committee meeting in September 2026.**

PFMC
06/14/2026