

**SUMMARY REPORT
EXECUTIVE COMMITTEE
SOUTH ATLANTIC FISHERY MANAGEMENT COUNCIL
OCTOBER 24, 2023**

(MEETING HELD VIA WEBINAR)

The South Atlantic Council's Executive Committee met via webinar on October 24, 2023. The Committee approved the meeting agenda and minutes of the prior meeting.

Closed Session

The Committee initially convened in a closed session to discuss personnel and contract items. Several contract projects were reviewed and brought forward for further consideration during the open meeting session.

Budget Review

Kelly Klasnick provided an overview of the 2023 budget and expenditures and a proposed draft budget for 2024. Expenditures during 2023 are on track with the budget expectations at this point in the calendar year. Final 2023 expenditures are expected to fall at, or slightly below, the 2023 total budget.

No funding allocation information is available for 2024 at this time. Proposed federal budget information suggests status quo funding is likely, although the current continuing resolution and delays in approving federal budgets add significant uncertainty. The draft 2024 Council budget exceeds the 2023 budget and anticipated 2024 funding level due largely to increased contractual and non-recurring expenses related to ongoing projects such as the MSE, increased state liaison grants, temporary project staff, and several new projects noted below. Non-recurring 2024 expenses contributing to the increased budget are supported with the budget surplus accrued over the last few years. Costs of supporting core Council activities and staff obligations do not exceed expected funding for 2024. The Committee approved the draft 2024 budget. The budget will be revised and brought back before the Committee if 2024 funding is significantly different than assumed.

As discussed in prior meetings, the Council has surplus funds available to be used during the current grant period that accrued due to reduced travel during COVID, recent declines in personnel costs, and ongoing cost saving measures. To reduce the risk of possible budget shortages in light of the uncertain funding climate that existed following COVID, the Council chose to delay spending these funds until the end of the current grant period. Having reached that point, several projects addressing Council needs were considered. The Committee approved supporting the following activities with the surplus funds: assistance to SC DNR for the new SEAMAP vessel refit, gathering increased public input for the snapper grouper MSE, conducting an SMZ evaluation, purchasing updated outreach materials, developing the Snapper Grouper Amendment 46 education program, and incorporating habitat information into the new Council website.

Council operating grants are provided in 5-year blocks, with the current period running from 2020-2024. Unspent funds from one year can be carried over to be used in later years during each 5-year grant period. At the end of the 5-year grant period the Council can request a 1-year

extension and carry-over those funds necessary to support continuing work on incomplete activities that were planned to be completed during the 5-year grant period. The next Council grant period will begin in 2025 and will likely extend for 4 years rather than 5 years. NMFS has indicated a change in the grant period is likely so that the total grant period, including the base years and the 1-year extension opportunity, does not exceed 5 years.

Workplan Review and Activity Schedule Review

John Carmichael reviewed the 2024 activity schedule detailing planned meetings and related expenses. The activity schedule has expanded in recent years to more thoroughly incorporate the full extent of Council activities. The Council workplan was also reviewed and some updates noted due to changes in assessment plans that will be detailed to the Council during the SEDAR Committee at the December 2023 Council meeting. The overall workload for 2024 appears manageable across most Council meetings and there will likely be an opportunity to revisit Coral Amendment 10 later in the year.

MOTIONS

MOTION # 1: APPROVE THE DRAFT 2024 OPERATIONAL BUDGET AS PRESENTED AND MODIFIED.

Approved by Committee

APPROVED BY COUNCIL