

**SUMMARY REPORT
EXECUTIVE/FINANCE COMMITTEE MEETING
SAVANNAH, GEORGIA
MARCH 6, 2012**

The Executive/Finance Committee met in joint session on March 6, 2012 in Savannah, Georgia. The minutes from the December 2011 Executive/Finance Committee were approved. The Committee received presentations on the following agenda items:

1. Report on the CY2011 Council final expenditures

Mr. Mahood briefed the committee on the Council's final expenditures for CY2011. He indicated that we finished the year in very good shape and that reduced expenditures during 2011 provided funds to carry forward into 2012. These funds are critical to the Council's future operations, as we brace for potential budget cuts in the later years of our five-year grant.

2. Review and approve the draft CY2012 Council activities schedule and budget

Bob directed the committee members to Attachments 2a through 2f, which include the draft CY2012 budget, NOAA funding allocation table, Council activity schedules, FMP Amendment Timelines and Operations Agreement. These documents are the bases for developing our CY2012 budget. He explained that we are looking at about a 4% reduction in our Council line item budget in CY2012. However, level funding will be maintained in the other NMFS line items from which we receive funds, as depicted on the NOAA allocation table. Funding shortfalls from the cuts the Council will experience this year will be made up from the CY2011 carry forward funds. Bob explained the procedure for developing the activity schedules. He pointed out that the only major change from the earlier budgets the Council has reviewed is that there is a recommendation to increase the state liaison grants by \$5,000 dollars each.

Gregg Waugh reviewed where the Council stood on current ongoing amendments and planned activities. He briefed the committee on the details that were provided in the amendment timelines table. He pointed out the schedule is very full and that Council guidance to staff is needed. Staff requested that the Council develop specific priorities and guidance to staff on timing. During the discussion it was clear that CE-BA 3 dealing with Warsaw grouper and speckled hind was the number one priority and needed to move forward quickly. Committee members discussed what they believed the other various priorities should be. Dr. Crabtree pointed out we also needed to move quickly on addressing modified ACLs under MRIP and associated allocations. There was significant committee discussion on how to proceed and how priorities should be established. Staff was directed to draft a priority list, with revised timelines based on the committee discussion. It was decided that the committee would wait until the committee report at the Council session to pick priorities and establish timelines.

3. Review the President's 2013 budget

The committee reviewed the NOAA and NMFS general budgets. Bob informed the committee that during a recent CCC conference call we were informed that the President's 2013 budget proposed about a 14% cut in the Council's line item funding. Although this would put a dent in our CY2013 budget, it is anticipated we are well situated to handle the cut as we have been planning on it budget-wise.

4. Report on the January 2012 CCC meeting

Chairman Cupka and Vice Chairman Hartig briefed the committee on the meeting. During the meeting it was learned that the Council's would be included on the Regional Planning Boards under the National Ocean Council. Also the Council's received recognition from Dr. Lubchenco relative to their accomplishments in meeting the Congressional mandates on establishing ACLs.

5. Other issues

Bob informed the Council about the upcoming Department of Commerce Inspector General review of the Council's and NOAA Fisheries rule making process.

THERE WERE NO MOTIONS.