



Accountability Report 2014-15

A Report to British Columbians



Table of Contents

Message from the Speaker	1
Composition of the Legislative Assembly Management Committee.....	1
Introduction.....	5
Context	6
Progress and Achievements	7
Strengthening Budget Management.....	7
Enhancing Financial Administration.....	9
Transparency Initiatives	10
Ensuring a Secure and Accessible Legislative Assembly	12
Moving Forward	16
Departmental Performance Report.....	17
Management Discussion and Analysis.....	32
Financial Statements	39
Appendix A: Legislative Assembly Management Committee Decisions.....	65
Appendix B: Legislative Assembly Management Committee Act	69

Message from the Speaker

November 2015

To the Honourable Legislative Assembly of the Province of British Columbia

Honourable Members:

I have the honour to present the Legislative Assembly Management Committee's *Accountability Report 2014-15*. This report highlights our actions to strengthen the Assembly's financial management and administration.



In the past fiscal year, we managed operating and administrative costs to hold the Assembly's budget authorization for the 2015-16 fiscal year at the previous year's level. We initiated the posting of receipts for Members' expenses on the Assembly's website, to further our commitment to transparency and accountability.

The Parliament Buildings are where the Legislative Assembly's 85 Members meet to represent their constituents as they consider new laws and the expenditure of public funds. The Parliament Buildings are also the people's house, where British Columbians can see their Legislative Assembly work and visit their Members. So, I am particularly proud of the Committee's work to ensure a secure and accessible Assembly.

We have enhanced security, improved access to the Assembly, and made more information available online to Members and citizens. We increased the Assembly's outreach to schools, with a renewed Speaker in the Schools program to engage with young people and encourage them to become involved in democracy and making their communities better.

The Committee also supported the construction of a Fallen Paramedics Memorial. We worked with the Ambulance Paramedics of British Columbia and government partners on funding and a design to honour fallen paramedics in British Columbia. This new memorial recognizing these brave women and men was unveiled on the Assembly's grounds in May 2015, between the existing British Columbia Law Enforcement and Firefighters memorials.

In the next year, we will advance further reforms to financial management and accountability, improve accessibility at the Assembly, and expand the availability of parliamentary information to Members and British Columbians through the use of new technology.

I am grateful to Committee Members and Legislative Assembly staff for their commitment and dedication in achieving a more open and accountable Legislative Assembly.

Respectfully submitted on behalf of the Committee,

Honourable Linda Reid
Speaker of the Legislative Assembly of British Columbia

Composition of the Legislative Assembly Management Committee

Members



Hon. Linda Reid, MLA
Richmond East
Speaker and Chair



Hon. Michael de Jong,
Q.C., MLA
Abbotsford West
Government House
Leader



Mike Farnworth, MLA
Port Coquitlam
Opposition House Leader



Eric Foster, MLA
Vernon-Monashee
Government Caucus
Whip



Shane Simpson, MLA
Vancouver-Hastings
Official Opposition
Caucus Chair



Jackie Tegart, MLA
Fraser-Nicola
Government Caucus
Chair

Clerk to the Committee

Craig James
Clerk of the Legislative Assembly of British Columbia

Introduction

This has been a year of progress for the Legislative Assembly's staff in serving the Assembly and its Members, and in supporting the Legislative Assembly Management Committee's work to strengthen financial management and administration.



Our strategic goals were to support the Assembly's key legislative functions; to deliver effective, responsive and accountable financial management and administration; to ensure that Members and British Columbians are well-informed about the work of their Legislative Assembly; and to provide a secure and accessible environment for all Members, staff, and British Columbians.

Our progress in advancing these goals includes the following initiatives.

- *Supporting the Assembly's key legislative functions* – including the Assembly's debate and adoption of the February 2015 budget, 19 ministry Estimates, and 37 bills, and 13 parliamentary committees carrying out three statutory officer appointment processes and a record six public consultations.
- *Strengthening budget review* – with the first ever independent Legislative Assembly Support Programs Accountability Review, and expanded reporting and analysis on budget management to support effective decision-making by the Legislative Assembly Management Committee.
- *Reforming financial administration and transparency* – through strengthened internal controls and administration, implementation of Committee decisions to enhance transparency on Assembly expenditures, Members' compensation and expenses, and Executive Staff Travel quarterly reports.
- *Ensuring a secure and accessible Legislative Assembly* – with updated equipment and training, strategic partnerships with police and intelligence agencies, and enhancements to our business continuity and emergency preparedness plan.
- *Using new technologies to expand access to parliamentary information for Members and British Columbians* – by launching a renewal of the Assembly's website, increasing the use of social media, and modernizing the Legislative Library's information services.

We will build on these accomplishments in the year ahead as we support the Legislative Assembly Management Committee in enhancing the accountability, efficiency, and effectiveness of the Legislative Assembly's administration and operations.

Craig James
Clerk of the Legislative Assembly of British Columbia

Context



Good financial management and administration at the Legislative Assembly require effective governance, the use of best practices for administrative rules and procedures, and accountability to British Columbians for the use of taxpayers' funds.

The governance framework for the Legislative Assembly was established in 1992 through the *Legislative Assembly Management Committee Act*. The Act sets up an all-party Legislative Assembly Management Committee (the Committee) which serves as the Assembly's parliamentary management board. It is responsible for: the sound administration of the Assembly's operations; the provision of effective administrative and financial policies and support for Members in the discharge of their parliamentary and constituency

responsibilities; and prudent Assembly budgets and expenditures on behalf of all British Columbians.

The Act also provides for accountability to the Legislative Assembly and British Columbians through the publication of this annual report on the Committee's work and decisions taken in the past year.

The Committee consists of the following Members of the Legislative Assembly: the Speaker, who serves as Chair; the Government House Leader; the chair of the Government Caucus; a cabinet minister; the Opposition House Leader; and the chair of the Opposition Caucus. Recent practice has been to appoint the Government Whip in place of a minister. The Committee is supported by the Legislative Assembly's non-partisan staff under the leadership of the Clerk of the Legislative Assembly, with advice, information, and operational services to implement decisions of the Committee.

The Committee has initiated a multi-year program to strengthen financial management, accountability, and transparency in the Legislative Assembly's use of taxpayers' funds. This is an ongoing initiative to ensure that the Legislative Assembly is following best practices in governance and financial management.

Guided by principles of openness, transparency, and accountability, the Committee is:

- Improving accountability for the Legislative Assembly's expenditures.
- Expanding the public disclosure of Members' compensation and expenses.
- Enhancing the effectiveness of the Assembly's financial management and administration.

Progress and Achievements

The Legislative Assembly Management Committee made further gains in 2014-15 in advancing the Assembly's financial management and accountability to British Columbians.

At the top of its achievements, the Committee approved a budget containing total Legislative Assembly spending for the 2015-16 fiscal year at the previous year's level, by limiting operating and administrative costs. Other accomplishments include posting reimbursable receipts for Members' travel and constituency expenses on the Assembly's website, and strengthening analysis and information on the Assembly's financial management, which is provided in a new Management Discussion and Analysis section on pages 32-38. The Committee also took action to enhance security and accessibility at the Assembly, and to improve the availability of parliamentary information for Members and citizens.



Strengthening Budget Management

The Legislative Assembly Management Committee has reformed its governance and decision-making in order to strengthen management and enhance accountability to British Columbians for the expenditure of public funds. Strengthened budget management is helping the Committee in implementing its commitment to control spending and keep the Assembly's administrative operations lean.

- Regular public meetings and the publication of meeting decisions and documents have increased openness and strategic direction over the Assembly's budget and administration.
- The ongoing work of the Finance and Audit Committee, comprised of the Speaker, the government and opposition Caucus Chairs, and the Clerk of the Legislative Assembly, resulted in more systematic oversight of Assembly finances and controls, and a more deliberate approach to ensuring value for taxpayers' money.
- Continued professional support from an Audit Working Group and regular attendance at Committee and Finance and Audit Committee meetings by external advisors have enhanced the provision of information, analysis, and advice to support Committee Members with decision-making on financial and administrative issues.

The Committee held its first public consideration of the Assembly's budget in 2013-14. The Committee wrapped up its deliberations by deciding to scale back spending to a "hold the line" budget for the 2014-15 fiscal year.

In 2014-15, the Committee built on its 2013-14 decisions with an independent fundamentals review of Assembly support programs, increased expenditure reporting and management, and continued prudence in budget deliberations.

Independent Review of Support Programs

In May 2014, the Committee supported the initiative of the Clerk of the Legislative Assembly for the first ever independent Legislative Assembly Support Programs Accountability Review. The objectives of the review were: to focus Assembly support programs on priorities which serve the needs of Members; to identify opportunities for efficiencies, cost savings, and ways to improve service delivery; and to ensure the best possible use of taxpayers' funds.

A robust fundamental review of support programs was carried out by an independent external financial consultant – Arn van Iersel, a former Acting Auditor General and Comptroller General for the province of British Columbia. The review concluded that the Assembly's support programs compare well to other Canadian jurisdictions in terms of staffing and costs, and that there were opportunities to improve on efficiencies and reduce costs. The review called for initiatives across all Assembly departments to generate savings of over \$1 million, with the redirection of some savings to fund higher priorities, including the Committee's May 2014 decision to hire two new staff to post Members' expense receipts.

The review also recommended follow-up work to identify further actions to enhance programs and generate added savings, including the use of new technologies and administrative changes to improve service, reduce costs, and ensure value for money in the delivery of services.

Expanding Expenditure Reporting and Management

Governing bodies require good reporting and information on a timely basis to support effective financial management and decision-making.

In 2013, the Committee put in place more systematic reporting and approval procedures to strengthen its management and oversight of the Assembly's overall budget as well as proposals for the significant expenditure of taxpayers' funds. In 2014, regular reporting and tightened approval processes were expanded to ensure that significant expenditure initiatives are necessary and within annual budget appropriations.

Based on the recommendation by the Finance and Audit Committee, it was agreed in May 2014 that the Legislative Assembly Management Committee would consider and approve all capital projects less than \$25,000, as a group submission, subject to the requirement that should the initial estimate for any project change by 10 percent or more or the scope change significantly, that the project be re-submitted to the Committee for approval. In addition, the Committee decided that its approval will continue to be required for all capital projects greater than \$25,000, on an individual basis, subject to the same price and scope change requirements as noted for capital projects less than \$25,000.

Supporting Effective Budget Deliberations

The Committee used its expanded expenditure management processes and the recommendations of the Legislative Assembly Support Programs Accountability Review to trim administrative and operating costs, improve program delivery, and redirect savings to higher priorities for the Assembly's 2015-16 fiscal year budget.

Building on the previous year's decisions to scale back spending to a "hold the line" budget for the 2014-15 fiscal year, the Committee approved a budget containing total Legislative Assembly Vote 1 spending for the 2015-16 fiscal year at the previous year's level.

Enhancing Financial Administration

The Legislative Assembly Management Committee is overseeing a comprehensive multi-year program to enhance the financial administration of taxpayers' funds. More rigorous internal controls are helping to ensure systematic and prudent administration of Assembly expenditures. Strengthened professional advice on financial matters is improving support for the implementation of Committee decisions.

Modernizing Financial Administration and Internal Controls

In May 2014, the Committee resolved that the Finance and Audit Committee perform a systematic review of all key financial policies and controls affecting spending by the Legislative Assembly and Members, for consideration and approval by the Legislative Assembly Management Committee.

The Committee agreed in November 2014 to adopt the first ever independently audited Financial Statements of the Legislative Assembly of British Columbia for the year ended March 31, 2014. The Financial Statements were audited by the Office of the Auditor General, which provided an unqualified opinion, assuring British Columbians that the statements are fair and reliable. The 2013-14 Financial Statements were included in the *Accountability Report, 2013-14*. The 2014-15 Financial Statements on pages 39-64 form part of this *Accountability Report*.

In 2014-15, the Committee continued to advance its program of financial reform, including revised financial and operating policies, updated financial and accounting systems, automated financial disclosure, and improved reporting.

- To promote effective and up-to-date financial administration and the use of best public sector practices, the Committee agreed to a Finance and Audit Committee recommendation to establish a two-year internal audit plan for 2014-15 and 2015-16 as well as an Internal Audit Charter. Under the new plan, the Committee will be working with an internal auditor to modernize internal Assembly rules and processes.
- The Committee approved the Assembly's 2014-15 first and second quarter financial results in November 2014, as part of its expanded financial reporting and oversight processes.

- The Committee decided in May 2014 to eliminate the practice of providing per diems to accompanying persons in the family travel category, in keeping with the Committee's ongoing work to ensure fair and consistent rules for Members' travel expenses, and prudent management of taxpayers' funds.
- The Committee agreed to adopt the recommendation of the Finance and Audit Committee that Members' travel and constituency office receipts, processed from October to December 2014, be released in February 2015, utilizing a report model approved by the Finance and Audit Committee.
- The Committee adopted the recommendation of the Finance and Audit Committee regarding an up-to-date accounting policy for the Legislative Library collection.

Increasing Professional Support

Sound financial administration requires accurate and timely information and advice from qualified staff with the skills to provide leadership and effectively implement decisions on policies and procedures.

In 2014-15, the Committee continued to strengthen the capacity of the Assembly's professional staff to support the Committee's responsibilities and the implementation of its decisions. In May 2014, two new positions were approved in the Financial Services Branch, comprised of one manager and one financial analyst, to implement the Committee's decision to expand Members' quarterly public disclosure reports by the proactive disclosure of reimbursable receipts for travel and constituency office expenditures.

Transparency Initiatives

Openness and transparency enable public sector entities to demonstrate that they are serving the public interest, supporting the engagement of citizens, and fostering public trust and confidence in decisions and actions.

Proactive Disclosure of Members' Remuneration and Expenses

The Committee has advanced a transparency agenda through a series of initiatives.

- In May 2013, a new *Members' Guide to Policy and Resources* website was launched to assist new Members and make travel, administrative, and financial policies publicly available for the first time for all Members and British Columbians.
- In October 2013, the Assembly initiated expanded quarterly disclosure of travel expenses, including ministerial and parliamentary committee travel expenses.
- In October 2013, online quarterly disclosure of Members' remuneration commenced.

- In January 2014, the Assembly proceeded with work for disclosure on the Assembly website of Members' constituency office expenses, and the disclosure of Members' constituency office expenses was launched in April 2014.

In May 2014, the Committee initiated work for the posting of receipts for Members' travel and constituency office expenses on the Assembly's website. In March 2015, Members' reimbursable expense receipts for September to December 2014 were posted. The Legislative Assembly is the second parliamentary jurisdiction in Canada, after the Legislative Assembly of Alberta, to post copies of Members' reimbursable expense receipts.

The Committee also agreed in May 2014 to proactively release materials prepared for the Committee's public deliberations prior to each meeting, including the minutes of Finance and Audit Committee meetings.

Supporting New and Departing Members after a General Election

B.C.'s *Constitution Act* establishes a general election on the second Tuesday in May every four years after May 2005. The next general election will be held on May 9, 2017. The advance provincial general election date facilitates planning to support new and departing Members.

After the May 2013 general election, the Legislative Assembly enhanced orientation, information, and training programs for Members and their staff to support the implementation of the Committee's transparency initiatives.

- Orientation programs provided in-depth information on the functions of the Assembly and Members, Assembly administrative operations, procedural guidance, and support for Members, and the implementation of transparency initiatives.
- A new *Members' Guide to Policy and Resources* website was inaugurated, providing Members and their staff with a comprehensive one-stop source for policies and reporting on Members' compensation and expenses.
- The Legislative Assembly retained Shared Services BC to act as a consultant to advise new and returning Members on constituency office lease arrangements.
- The Assembly initiated its first orientation seminar for Members' Constituency Assistants, with training on financial management, office expenses, proactive disclosure, and reporting requirements. Further ongoing training resources and support from Assembly personnel have assisted Members and their staff with the implementation of expanded disclosure requirements.

In advance of the May 2017 provincial general election, planning and preparations are underway to deliver services and programs for new and departing Members. Consultations with Members and caucus staff will be undertaken to ensure that these services are tailored to the specific needs of Members, including the following initiatives.

- A revised *Members' Guide to Policy and Resources* website, including the Committee's changes to Assembly policies and guidelines since May 2013, supported by orientation sessions and briefings on procedural, administrative, and personnel issues.
- An updated Transition Guide for Non-Returning Members of the Legislative Assembly, supplemented by briefings to address human resources questions from Members.
- Identification of the accommodation, information technology, and equipment needs of Members after the election, and the development of plans to ensure that these requirements are in place to support the Assembly and Members at the start of the next Parliament.

Ensuring a Secure and Accessible Legislative Assembly

A secure and accessible working environment enables the Legislative Assembly and Members to carry out their functions of holding government to account, and scrutinizing legislation, taxation, and spending initiatives.

Maintaining a Safe and Secure Environment



To ensure that security and accessibility are a top priority for the Legislative Assembly, the Speaker has set “Health, Safety and Accessibility of the Parliamentary Precinct” as the first business item at Committee meetings, with regular updates on new developments and changes in the security environment.

After the tragic October 2014 attack at the House of Commons in Ottawa, the Committee reviewed the Assembly’s security framework and readiness. The Committee concluded that a principled approach to

security and accessibility should be continued, with flexible, seamless, and up-to-date arrangements to effectively manage security risks. The Committee agreed to the implementation of key steps to enhance security and public accessibility at the Parliament Buildings.

- *Up-to-date “Guiding Security Principles”* – at the Committee’s direction, the Sergeant-at-Arms consulted with key stakeholders and updated the Legislative Assembly’s “Guiding Security Principles” with procedures which effectively manage security risks, and ensure continued accessibility for Members, staff and British Columbians.
- *Continuation of strategic partnerships with police and intelligence agencies* – including information and intelligence sharing and protocols with security partners.

- *Strengthened facilities and screening* – including replacement of metal detector equipment for entrances to the Chamber’s Public Gallery; metal detection and X-ray equipment at the Mowat entrance to the main Parliament Building; and a second controlled public access at the main entrance with metal detector and X-ray equipment.
- *Personal safety training programs for Members and staff* that work at the Legislative Assembly have been developed.
- *Additional staff with Special Provincial Constable status have been equipped with, and trained on, the use of firearms, and provided with protective vests.*

Planning for Legislative Assembly Space Requirements

Appropriate and cost-effective facilities support the proceedings of the Legislative Assembly and its parliamentary committees, and enable Members to carry out their parliamentary and constituency responsibilities.

In 2014-15, the Committee reviewed accommodation challenges facing the Assembly – including an increase in the number of Members from 85 to 87 in the May 2017 general election, and the changing space needs of the Assembly and Members – and concluded that planning to meet Assembly space requirements should be an ongoing priority.

The development of space planning proposals should reflect the following principles.

- *Space planning should serve the core activities of the Assembly and Members* – with the Chamber, parliamentary committee meeting rooms, and office accommodation for Cabinet Ministers and Members centrally located within the main Parliament Building, and additional workspaces for caucus staff and Assembly departments located in the main Parliament Building or nearby.
- *Space planning should be cost effective* – to optimize existing space resources and support best value for long-term investments, maximizing value for money should be a goal of all space planning decisions.
- *Space planning should ensure safety and accessibility* – safe, secure, and accessible work and public environments are required to enable the Assembly and Members to carry out their responsibilities on behalf of British Columbians.
- *Space planning should be based on long-term stewardship and vision* – prudent stewardship should address increases in Assembly building occupants, including Members and caucus staff; changes to parliamentary business; the evolving roles and responsibilities of Members; the integration of new technology; and the need for a functional work environment that benefits users for years to come.
- *Space planning should respect the Assembly’s architectural history* – repairs, renovations, and alterations should uphold the architecture and dignity of the Assembly.

Additional work based on these principles will identify long-term space requirements, and ensure that facilities continue to provide an up-to-date, safe and suitable work environment.

Improving Accessibility to the Legislative Assembly



The Assembly has acted to ensure accessibility to the Parliament Buildings for Members and British Columbians, through barrier-free entrances, automatic doors, access to washrooms, elevator modernization, accessible parking and sidewalks. In 2014-15, work continued on accessibility initiatives throughout the Assembly's facilities.

- Eight doors throughout the Parliament Buildings were upgraded with automatic door openers to improve accessibility.
 - Three washrooms were retrofitted to provide barrier-free access, and automatic door openers were installed at public washrooms near the Legislative Dining Room.
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- An Evacutrac Chair was purchased to facilitate safe emergency evacuation of Members, staff, and visitors.

Outreach to British Columbians on the work of the Assembly, its Members, and its parliamentary committees was also improved, with a special focus on schools, students, and teachers. In 2013, a renewed Speaker in the Schools program was launched to encourage students in grades 4 through 7 to engage in democratic activities, with a model legislature exercise and a simulation of the stages of how a bill becomes law on topics chosen by students. Following visits to schools in Haida Gwaii in 2013, the Speaker met with 195 students in five schools in the Cariboo area in June 2014 in support of the Speaker in the Schools initiative.

Increasing the Availability of Parliamentary Information

In 2014-15, the Legislative Assembly increased the availability of parliamentary information, by using technology to support cost-effective initiatives such as digitizing information, and using social media to engage stakeholders and gather evidence for parliamentary committee inquiries.

- A project to modernize the Assembly's website was launched, with improved design and functionality to support Members and British Columbians with expanded online availability of parliamentary information.
- The Assembly's parliamentary committees used online processes and social media to support a record six public consultations, on the annual provincial budget, sustainable health care, child and youth mental health, oversight of police services, information access and privacy, and local elections expense limits.

- Following up on the Committee's March 2014 agreement to consider the role and mandate of the Legislative Library, the Clerk of the Legislative Assembly launched a strategic review of the Library's role in meeting the evolving needs of Members. The review identified ways to strengthen information services to Members and refocus on expanded digital services and access for Library clients.

Supporting a Fallen Paramedics Memorial

The Parliamentary Precinct constitutes a symbolically important gathering place in the province. The grounds of the Parliament Buildings are the site for a range of memorials which honour the contributions British Columbians have made to the protection of our province and its citizens.



Partnerships with governments and stakeholders ensure that the rehabilitation and construction of new memorials reflect the values and interests of all British Columbians. The Committee was advised in December 2014 that a federal government grant had been secured for the rehabilitation of the Cenotaph War Memorial.

At the Committee's November 5, 2014 meeting, the Speaker provided information on a new Fallen Paramedics Memorial, and the activities of the Finance and Audit Committee in advancing this project. Work was undertaken with the Ambulance Paramedics of British Columbia and government partners on funding and a design to honour fallen paramedics. The new memorial was unveiled in May 2015, between the existing British Columbia Law Enforcement and Firefighters memorials at a special ceremony involving the Speaker, the Ambulance Paramedics of British Columbia, Hon. Terry Lake, Minister of Health, and Leader of the Official Opposition, John Horgan.

Enhancing Business Continuity and Emergency Preparedness

An independent review of business continuity in 2013 concluded that the Legislative Assembly is well prepared to respond to emergencies, and that planning should continue to strengthen preparedness.



In 2014-15, the Assembly worked with Emergency Management BC on the enhancement and testing of business continuity and emergency preparedness. Two business continuity plan test exercises were undertaken to ensure a strong level of readiness, and to identify additional areas for follow-up. Work is advancing on a robust business continuity, emergency preparedness and disaster recovery plan which is consistent with government business continuity plans. A comprehensive business continuity plan is being designed to maintain critical operations following a disruptive incident or crisis, including but not limited to an earthquake, fire, flood, or terrorism.

Moving Forward



Over the past year, the Legislative Assembly Management Committee's achievements have strengthened the Assembly's financial management, improved the effectiveness of administrative operations, and enhanced accountability and transparency for the use of taxpayers' funds.

Building on these achievements, the Committee will focus on the following priorities in the year ahead.

- *Advancing the Legislative Assembly's multi-year program to strengthen financial management, accountability, and transparency* – with support from the internal audit program and financial governance enhancements, including an updated financial/accounting system, revised financial and operating policies, an automated system for financial disclosure, and improved reporting.
- *Harnessing technology to increase the availability of parliamentary information and information services to Members and all British Columbians* – with website innovations, improved document management systems, and more up-to-date, timely, and cost-effective Library information services.
- *Ensuring safe and suitable facilities for the work of the Legislative Assembly and Members* – to address increases in the number of Members, and evolving requirements for accommodation and technology to support the responsibilities of the Assembly and its Members.
- *Implementing a robust Business Continuity, Earthquake Preparedness, and Disaster Recovery program* – including collaboration with government to ensure the continued operation of governance institutions.
- *Planning for the completion of arrangements for the dissolution of the 40th Parliament and for the next general election in May 2017* – with support for the induction of new Members, orientation and administrative programs for Members and their staff, and procedural advice and operational services for the launch of the new Parliament.

We will also work with government and other partners in planning celebrations of historic events, including the 150th anniversary of the Confederation of Canada in 2017, and the 150th anniversary of British Columbia's entry into Confederation in 2021.

As we prepare to mark these important milestones in the life of our country and our province, we will ensure that we have the best governance, procedural, and administrative framework for advancing parliamentary democracy to serve the future needs of British Columbians.

Departmental Performance Report

This section of the *Accountability Report* highlights the work of the Legislative Assembly's administrative departments in: supporting the Assembly's key functions to legislate, authorize expenditures and taxes, and undertake legislative oversight; delivering effective, responsible and accountable financial management and administration; ensuring that Members and British Columbians are well-informed about the work of their Legislative Assembly; and providing a safe and secure environment for Members, staff and citizens.

Performance indicators and measures are used by parliamentary jurisdictions and governments to evaluate their success in meeting goals. A range of performance indicators and measures is provided at the end of this section, and will be developed further in the next *Accountability Report*.

GOAL 1

The Legislative Assembly's key functions to legislate, authorize expenditures and taxes, and undertake legislative oversight are supported.

Two primary roles of the Legislative Assembly are to make laws and authorize the expenditure of public funds in British Columbia. In doing so, opportunities exist for Members of the Legislative Assembly to examine legislative, expenditure, and taxation initiatives before they become law, and to inquire into government's policies, programs, and spending plans.

The Clerk of the Legislative Assembly is the principal procedural and administrative officer of the Assembly. As the Assembly's Chief Executive Officer, the position is responsible for the proper management of facilities, services, and non-partisan Assembly staff. The Clerk is the principal procedural advisor to all Members, assisted by the Deputy Clerk and Clerk of Committees.

Strategic Objectives

- That the Legislative Assembly, its parliamentary committees, and its Members are supported with advice and services which are timely, effective, and aligned with the priorities of the Assembly and its Members.
- That by 2017-18 the Legislative Assembly will have successfully launched the opening of the 41st Parliament after the May 2017 general election, and implemented Members' orientation programs and administrative services to enable Members to effectively assume their parliamentary and constituency responsibilities in the new Parliament.
- That the Legislative Assembly's finances and administration are governed by sound and transparent management.

Office of the Clerk



Pursuant to the provincial *Constitution Act*, the Clerk is the senior permanent officer of the Legislative Assembly, and is the principal procedural advisor to the Speaker and all Members. The Clerk directs Assembly management and staff in providing non-partisan advice and services to the Assembly and Members.

The Office of the Clerk produces House documents such as the *Journals*, *Orders of the Day* and *Votes and Proceedings*, and is the

repository for tabled documents and petitions. The Clerk is the custodian of all Bills, and certifies the Bills as having been duly passed in the House and transmits official copies to the appropriate authorities including the Lieutenant Governor. The Office provides exemplary, non-partisan procedural advice, and effectively, efficiently, and economically administers all Assembly functions in line with the best leading practices with the aim of being a jurisdictional leader in management, accountability, and procedural innovation.

Key activities in 2014-15 include:

- *Supporting the successful operation of the 40th Parliament's third and fourth sessions* – through regular meetings with the Speaker to ensure effective direction and communication on Assembly issues; procedural advice to the Assembly's Presiding Officers, Committee of Supply Chairs, and all Members; and effective operational arrangements.
- *Guiding the successful implementation of Legislative Assembly Management Committee decisions* – with regular meetings of the Audit Working Group to provide ongoing support to the Committee and the Finance and Audit Committee, to address financial and management issues, and to ensure effective implementation of their decisions.
- *Managing Legislative Assembly departments and reporting structures for better economy and efficiency of services to the Assembly and Members* – by initiating the first independent Legislative Assembly Support Programs Accountability Review, resulting in cost savings and improved service delivery, and by regular Senior Management Team meetings to integrate advice and support for Assembly deliberations and administration.
- *Leading preparations for the 41st Parliament* – by supporting the dissolution of the 40th Parliament, planning for the procedural and operational launch of the new Parliament, coordinating and administering oath of office ceremonies for Members, and developing effective orientation programs and administrative services for Members and their staff.

Parliamentary Committees Office

Led by the Deputy Clerk and Clerk of Committees, the Parliamentary Committees Office supports the Clerk in providing procedural, operational, communications, and research services to the Speaker and Members to support the deliberative processes and general operations of the Assembly. The Office also provides procedural, administrative, and research support to the Assembly's parliamentary committees and their Members.



Key activities in 2014-15 include:

- *Ensuring that parliamentary committee mandates are completed within timelines established by the Legislative Assembly or by statute* – through high quality and timely procedural, research, communications, and administrative services.
- *Providing advice and operational assistance to support and implement priorities and policies of the Speaker and the Legislative Assembly Management Committee* – including integrated management, communications, and research services for the Committee, the Finance and Audit Committee, and the Audit Working Group.

GOAL 2

Effective, responsive and accountable financial management and administration.

The Legislative Assembly is undertaking a comprehensive reform of its financial and administrative procedures to provide the best use of taxpayers' funds, and to ensure that the Legislative Assembly is following best practices in financial management and administration.

Strategic Objectives

- That by 2017-18 the Legislative Assembly has completed its financial reform initiative, including an updated financial/accounting system, revised financial and operating policies, an automated system for financial disclosure, and integrated constituency office expenses for improved reporting.
- That by 2017-18 the Legislative Assembly and its support functions have moved primarily to electronic documents and processes for business, with electronic approvals, e-forms, electronic document preparation, distribution, and review, a commensurate reduction in printing costs, and continued integrity of parliamentary processes and information.

Financial Services Branch

The Financial Services Branch supports the Legislative Assembly through the provision of advice and services on budgets, financial management and planning, accounting, reporting, public disclosure of Members' compensation and expenses, and administrative procedures.

Key activities in 2014-15 include:



- *Carrying out the Legislative Assembly Management Committee's decisions on reforms to financial administration* – by implementing new control procedures across the Assembly, supporting the work of the Assembly's internal auditor, improving the efficiency and reporting of the constituency office allowance payment process, and executing decisions on public reporting of Assembly finances and Members' compensation and expenses, including redacted receipts.
- *Continually improving financial accountability through preparation of the Legislative Assembly's first Management Discussion and Analysis* – this new report provides further insights and explanation of the Legislative Assembly's financial results, contained in its second set of audited annual financial statements, from management's perspective.
- *Providing comprehensive support and information to the Legislative Assembly Management Committee and the Finance and Audit Committee* – with a documented process for consideration of budget priorities and spending, systematic financial information, and advice on the implications of potential decisions on financial policies.

Human Resource Operations

Human Resource Operations supports the Legislative Assembly through the provision of comprehensive and timely personnel services across all Assembly departments. This work is consistent with practices in other legislative jurisdictions, and includes staffing, position classification, organizational design, employee relations, conflict resolution, learning and development, employee wellness, and general human resources consultative services. The office also provides ad hoc human resources services and advice to Members and constituency offices.

Key activities in 2014-15 include:

- *Continuing to align the delivery of human resources services with leading public sector practices* – by providing fair, transparent and consistent personnel policies, guidelines and practices, and sound organizational structures and position classifications.
- *Strengthening human resources management and information systems* – with enhanced data collection and report writing to support better strategic planning.
- *Enhancing recruitment and retention* – through expanded advertising of positions using the B.C. Public Service Agency’s job opportunities website, other parliamentary jurisdictions, and public sector organizations; training programs and talent management to attract and retain a strong and capable Assembly team; and supporting a new Legislative Lights program led by the Deputy Clerk and Clerk of Committees to recognize achievements, leadership and long service by Assembly staff.



GOAL 3

Members and British Columbians are well-informed about the work of their Legislative Assembly.

The work and decisions of the Legislative Assembly and its Members affect the lives of all British Columbians. The Assembly's departments provide information services to help Members meet their parliamentary responsibilities and to provide British Columbians with information on the work of the Assembly, its Members, and its parliamentary committees.

Strategic Objective

- That by 2016-17 the public outreach of the Legislative Assembly be improved through expanded televising of Legislative Assembly proceedings including parliamentary committees, innovative web based educational and consultation e-portals on the Assembly's new website, and enhanced electronic public access to Assembly documents, reports, and proceedings.

Hansard Services

Hansard Services supports the work of the Legislative Assembly by publishing the official reports of House and parliamentary committee proceedings and by producing live broadcasts and webcasts of those proceedings. The branch is committed to ensuring that the work of Members is readily accessible to the public by distributing the broadcasts to the widest possible viewership and by quickly publishing the transcripts on line.

Key activities in 2014-15 include:

- *Improved operational efficiencies* – through upgrades to facilitate automated rebroadcasts of Assembly and parliamentary committee proceedings, investments in webstreaming infrastructure to permit greater flexibility in contracting with content distributors; improvements to transcript production hardware and software, eliminating printed indexes, and streamlining the transcript publishing process.
- *Enhancing access to Legislative Assembly information services* – by modifying portable recording equipment to ensure reliable webstreaming of parliamentary committee audio from even the most remote communities in the province, and developing the technical specifications to improve the delivery of parliamentary information services through the in-house cable television system.

Legislative Library

The Legislative Library provides research support and library collection services to Members, their staff, and Assembly departments. It does this by providing the information Members need by answering questions; by acquiring books, e-books, reports, and other material; and by other information services.



Key activities in 2014-15 include:

- *Strategic planning* – in order to better plan for delivering excellent service in changing times for libraries, the Deputy Clerk and Clerk of Committees worked with the Legislative Library to undertake a strategic planning process, which was being finalized at the end of 2014-15 for subsequent presentation and approval to the Legislative Assembly Management Committee.
- *Digitization* – the Library continued to partner with provincial entities to make historical B.C. government publications available on line, supplying copies of the 1887-1911 sessional papers to the University of British Columbia, and of the 1863-1871 B.C. Gazette to the University of Victoria, so that digital copies could be made available to the public, in addition to the Library's ongoing digitization program of early B.C. government publications.
- *Electoral history of B.C.* – the Library partnered with Elections BC to issue a supplement to the *Electoral History of British Columbia* covering the years 2002-2013, which is available on the Library and Elections BC websites.
- *B.C. trade publications* – the Library increased its collection of publications from B.C. organizations, such as associations, councils, non-profit organizations, think tanks, universities, police departments, and colleges, with 342 publications collected from 206 different local B.C. organizations.

Parliamentary Education Office



The Parliamentary Education Office provides programs, print and on-line information on the Assembly's parliamentary roles and activities to Members and British Columbians. These services support Members with their representational responsibilities at the Assembly and in constituency offices, and enhance public awareness and understanding of the work of the Assembly and Members.

Key activities in 2014-15 include:

- *Enhancing public awareness of the roles and responsibilities of the Assembly and Members* – through cost-effective, innovative programs and easily accessible on-line information materials for citizens and visitors.
- *Facilitating student understanding of the work of the Assembly and Members* – with student information for distribution by Members and intern programs.
- *Encouraging school and teacher engagement* – by the B.C. Teachers' Institute on Parliamentary Democracy, and a renewed Speaker in the Schools program.
- *Strengthening financial administration and enhancing inventory management* – by developing best practices, implementing a new business model, and adopting generally accepted accounting principles for the operation of the Parliamentary Gift Shop.

Information Technology Branch

The Information Technology Branch provides reliable and secure information technology and support services to Members, their offices, and Assembly staff, and ensures on line Assembly information for citizens. The Branch uses flexible technologies to ensure that services are cost-effective, efficient and responsive to the changing needs of Members and citizens.

Key activities in 2014-15 include:

- *Ensuring secure, efficient and cost-effective information networks* – by developing infrastructure systems which are adaptable to new technologies, responsive to the evolving requirements of Assembly and Members, and positioned to support business continuity and emergency preparedness.
- *Supporting Assembly website services for Members and the public* – including enhanced information on Assembly and parliamentary committee activities, regular updates to the *Members' Guide to Policy and Resources* website, and increased on line information on Members' compensation and expenses.
- *Using technology to increase Members' access to parliamentary information* – by enabling Members of parliamentary committees to access House and committee documents electronically through iPads and the introduction of SharePoint technology for Members review and approval of disclosure reporting.
- *Planning the renewal of the Legislative Assembly's website* – through consultations with key stakeholders, and the development of a plan to improve website design, usability, and accessibility. The new website was launched in October 2015.



Parliamentary Committees Office

In addition to providing procedural, operational, and research services as previously mentioned, the Parliamentary Committees Office ensures that Members and British Columbians have access to timely and high-quality information on committee activities.

Key activities in 2014-15 include:



- *Enhancing public engagement and consultation mechanisms for use by parliamentary committees* – with targeted travel, tele/videoconferencing, and on line public and stakeholder submission processes to support parliamentary committees in carrying out a record six concurrent public consultations, three statutory officer appointment processes, two statutory review processes, and 16 separate areas of inquiry.
- *Improving access to parliamentary committee information* – by increasing the on line availability of committee documents, proceedings, and public submissions, and ensuring that Members and the public have timely access to committee decisions and reports.
- *Augmenting the use of social media to enhance public access to information on parliamentary committee activities* – by expanded use of social media such as Facebook and Twitter to promote parliamentary committee activities, and to communicate and engage more efficiently with the public and stakeholders.

GOAL 4

A safe and secure environment for Members, staff and citizens.

The Legislative Assembly's security and facilities policies and operations ensure a safe and secure environment for Assembly deliberations, the work of Members and Assembly staff. The Sergeant-at-Arms is responsible for maintaining reliability and protection, and managing the provision of building facility services for the work of the Assembly, Members, and staff.

Strategic Objectives

- That Members, their parliamentary and constituency office staff, and Assembly staff are afforded a secure and accessible environment in which to conduct their business.
- That by 2016-17 a robust Business Continuity, Earthquake Preparedness, and Disaster Recovery program is implemented.
- That by 2016-17 a detailed space inventory of the Legislative Assembly is undertaken, including the upcoming space needs of the Assembly and its Members, as an initial step toward the development by 2017-18 of a comprehensive multi-year Parliament Buildings renewal plan.

Legislative Assembly Protective Services

The Legislative Assembly Protective Services branch provides a safe and accessible environment for Members, staff, and British Columbians. This enables the Assembly, parliamentary committees, and Members to effectively conduct business without interference or interruption, and ensures that the Parliament Buildings are a secure workplace and visitor destination.

Key activities in 2014-15 include:

- *Strengthening strategic partnerships with security partners* – including information and intelligence sharing with police partners, and protocols for effective security arrangements in a parliamentary context.
- *Enhanced security equipment, training, and procedures* – with the development of improved screening, training, constituency office support services, and up-to-date procedures to maintain safety and security for Members, staff, and visitors in the Parliament Buildings.



- *Improving emergency preparedness and business continuity* – through contingency planning, training, and equipment and supplies to maintain business operations in the event of emergency situations.

Legislative Facility Services

The Legislative Facilities Services branch ensures timely and cost-effective maintenance and building services to support the effective work of the Assembly, its parliamentary committees, and Members.

Key activities in 2014-15 include:

- *Identifying future building space requirements and cost-effective options to meet the changing needs of the Assembly and Members* – by developing a detailed inventory of building space needs to support the increase in Members and the changing space requirements of Assembly clients.
- *Improving the efficiency and effectiveness of facilities services* – by in-house support for ongoing service requirements and contract arrangements for additional and peak needs.

Legislative Assembly Performance Indicators and Measures

General Performance Indicators

Indicator	2012/13 Actual	2013/14** Actual	2014/15 Actual
Number of Legislative Assembly sitting days (fiscal year)	44	41	70
Number of sitting hours (Legislative Chamber and for concurrent Estimates debate in committee rooms)	416	383	600
Number of active parliamentary committees	14	10	13
Number of active parliamentary committees meeting hours	258	153	243
The number of visitors to the Parliament Buildings	*	*	273,319
Number of visitors who participated in a Legislative Assembly tour of the Parliament Buildings	90,249	86,701	87,080

* Not available for past years – information will be collected for presentation in future years.

** Provincial general election held May 14, 2013

Goal 1 – The Legislative Assembly’s key functions to legislate, authorize expenditures and taxes, and undertake legislative oversight are supported.

Intermediate outcomes:

- The Legislative Assembly is able to conduct its business (budget, legislative, and oversight functions) effectively.
- Parliamentary documents, including committee reports, are accurate and publicly distributed in a timely manner.

Performance measures/indicators:

Measure/Indicator	2012/13 Actual	2013/14** Actual	2014/15 Actual
Number of bills processed accurately through all stages (number of government, members’, and private bills adopted annually)	45	8	37
Number of parliamentary documents (<i>Orders of the Day, Votes and Proceedings</i> , Hansard transcripts, and parliamentary committee reports) accurately prepared for distribution	379	316	527

* Not available for past years – information will be collected for presentation in future years.

** Provincial general election held May 14, 2013

Goal 2 – Effective, responsive and accountable financial management and administration.

Intermediate outcomes

- The annual financial statements of the Legislative Assembly present fairly, in all material respects, the Assembly’s financial position, and the result of its operations.
- Members and staff are provided with timely and accurate payments consistent with approved Legislative Assembly policies.
- The public receives timely and accurate disclosure reports for Members’ travel and constituency office expenses.
- The Legislative Assembly demonstrates responsible management practices by staying within the approved budget appropriation.

Performance measures/indicators:

Measure/Indicator	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Target
The external auditor has provided an unreserved (unmodified) opinion on the financial statements (Yes or No)	*	Yes	Yes	Yes
Percentage of expense disclosure (Members’ travel and constituency office expenses, parliamentary committee travel, and executive travel) released within three months of the close of the quarterly reporting period	*	*	100%	100%
The Legislative Assembly has maintained expenditures within its annual budget appropriation (Yes or No)	Yes	Yes	Yes	Yes

* Not applicable for past years – information will be collected for presentation in future years.

Goal 3 – Members and British Columbians are well-informed about the work of their Legislative Assembly.

Intermediate outcomes:

- Members and British Columbians receive sufficient and appropriate information to be well informed about the work of the assembly and its parliamentary committees.
- There is appropriate access to the work of the Legislative Assembly, including the parliamentary and committee proceedings.

Performance measures/indicators:

Measure/Indicator	2012/13 Actual	2013/14** Actual	2014/15 Actual
Total number of Legislative Assembly web pages	*	*	195,000
Total number of web pages viewed	*	*	7,412,344
Total number of visits to the website	*	*	1,769,106
The annual number of broadcast hours for parliamentary proceedings (audio and video)	643	536	789
Number of British Columbians participating in parliamentary committee consultations (number of presentations, submissions, and applications)	1,744	757	3,435
Number of Library information requests received	3,183	3,562	3,978
Number of participants in parliamentary education workshops	349	365	400
Number of students participating in the Speaker in the Schools program	*	*	395

* Not applicable for past years – information will be collected for presentation in future years.

** Provincial general election held May 14, 2013

Goal 4 – A safe and secure environment for Members, staff and citizens.

Intermediate outcomes:

- Members, staff, and visitors are able to conduct their business at the Legislative Assembly and constituency offices without disruption in a safe and secure environment.
- The Legislative Assembly is well prepared for a significant business interruption – e.g., systems failure, terror threat, or earthquake.

Performance measures/indicators:

Measure/Indicator	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Target
The precinct security plan is up to date and was tested in the year (Yes or No)	*	*	Yes	Yes
Number of business continuity plan test exercises	*	*	Two	Two

* Not applicable for past years – information will be collected for presentation in future years.

Management Discussion and Analysis

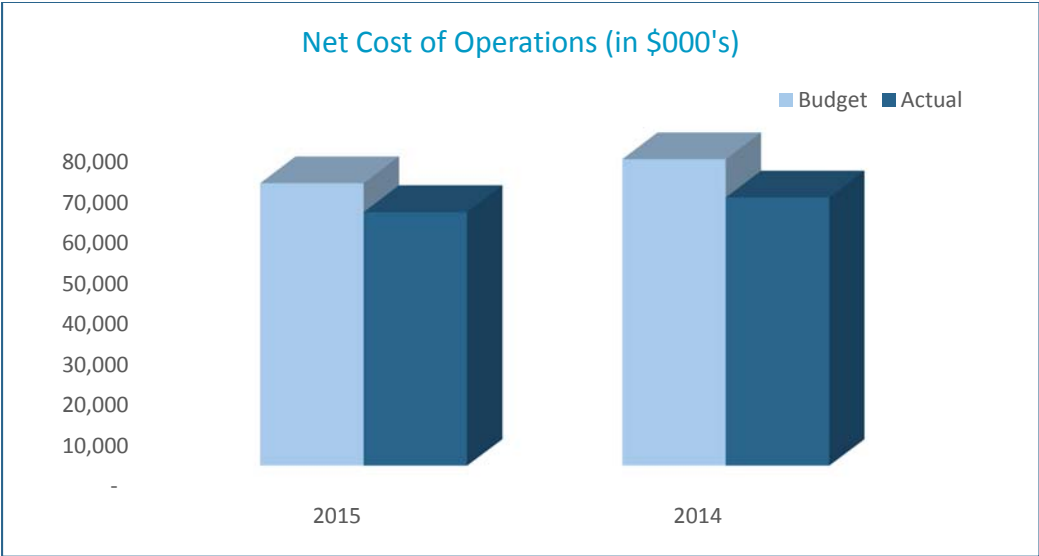
For the year ended March 31, 2015

The Management Discussion and Analysis (MD&A) reflects the continued commitment of the Legislative Assembly of British Columbia (the Legislative Assembly) to enhanced accountability and transparency. It complements the Financial Statements by providing further analysis and forward looking information on the financial position and results of operations of the Legislative Assembly.

The MD&A should be read in conjunction with the Legislative Assembly’s audited Financial Statements for the year ended March 31, 2015. The financial information in this report has been prepared in accordance with Canadian public sector accounting standards (PSAS), all totals and percentages have been rounded, and all year references are for the year ended March 31.

Financial Results

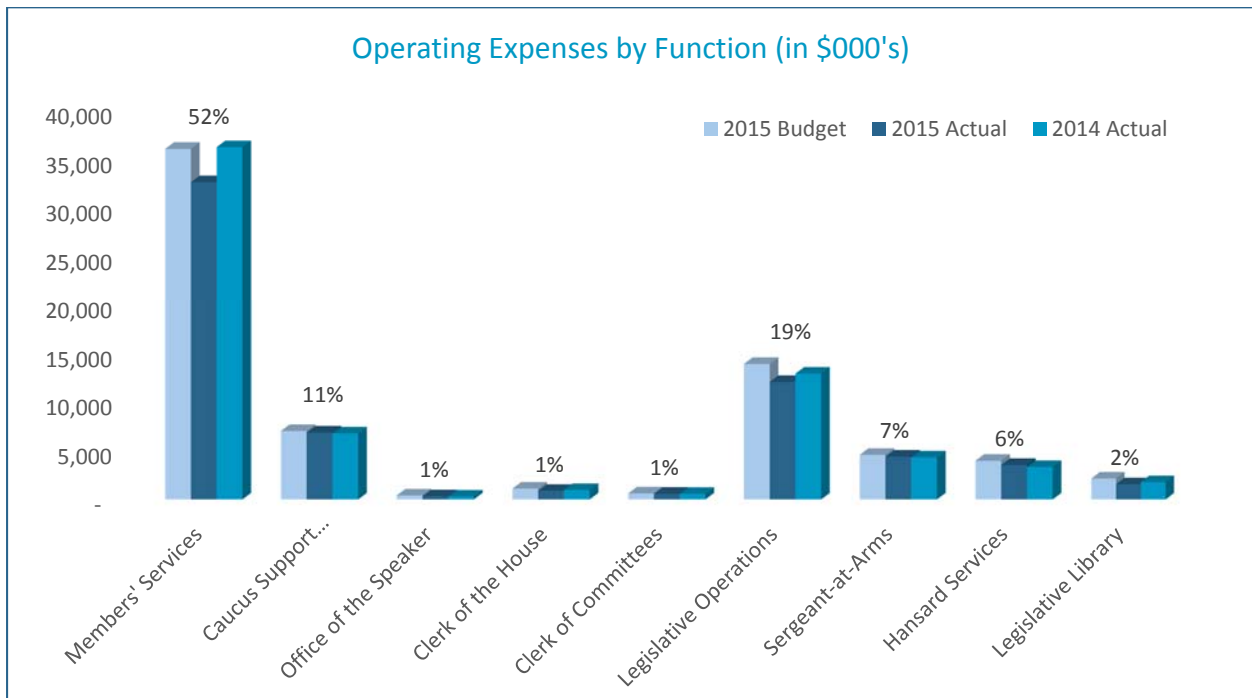
The Legislative Assembly’s net cost of operations for 2015 was \$62.5 million (\$66.1 million in 2014) which was \$7.1 million (\$9.4 million in 2014) lower than the budget of \$69.6 million (\$75.5 million in 2014). Of the \$3.4 million capital budget (same in 2014), the Legislative Assembly incurred \$990 thousand in expenditures (\$1.9 million in 2014).



In 2015, the Legislative Assembly reported a deficit position of \$277 thousand (surplus of \$858 thousand in 2014). These results should not be interpreted as positive or negative. As explained in note 15 to the Financial Statements, these results represent a timing difference between the recognition of revenue and expense related to non-financial assets (Tangible Capital Assets, prepaid expenses, and inventories held for use).

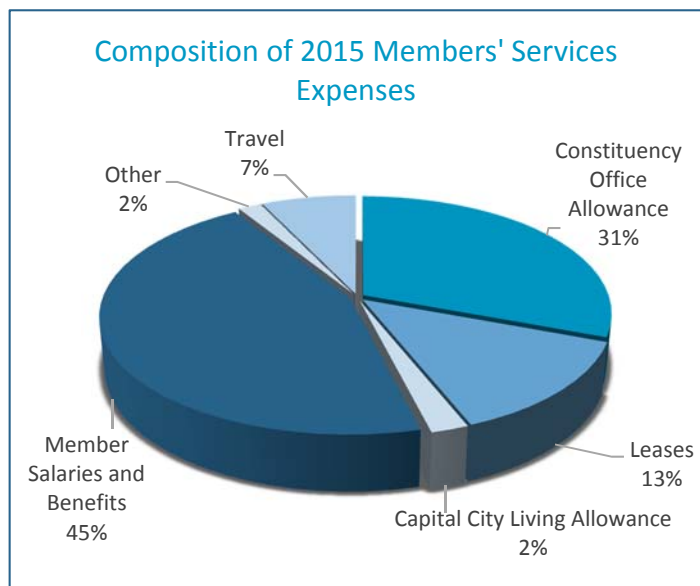
Operating Expenses by Function

Total 2015 expenses were \$63.1 million, a decrease of \$4.3 million from 2014 (\$67.4 million), and \$7 million less than budgeted. The May 2013 election fell within fiscal 2014 and resulted in additional expenses such as transitional assistance payments to former Members, constituency office equipment refresh costs, and moving and renovation costs. As a result, Members' Services and Legislative Operations expenses were higher in 2014 by \$3.5 million and \$861 thousand respectively.



Members' Services consists of all expenses relating to Members and their constituency offices. The largest component is Members' salaries and benefits at 45%, followed by the constituency office allowance of \$119,000 annually per office.

Members' Services expenses were budgeted to be \$36.1 million. Actual expenses were \$32.7 million in 2015, a decrease of \$3.5 million from 2014 (\$36.2 million) and \$3.4 million from budget, mainly due to election-related transitional assistance of \$3.6 million paid to former Members in 2014.



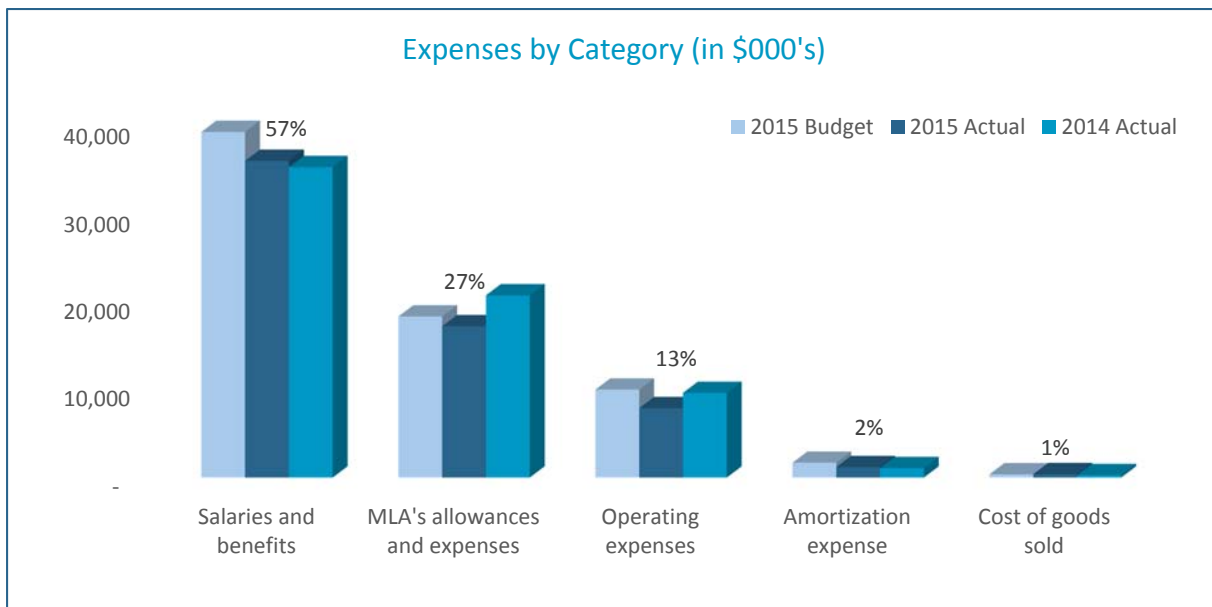
The Government Caucus and the Opposition Caucus, along with Independent Members, receive an annual formula-driven budget to fund their legislative offices (Caucus Support Services). The formula is based on the number of Members within each caucus. As a result, there are minimal variances in annual expenses and budgets within each Parliament.

Legislative Operations was \$1.9 million under budget in 2014-15 as a result of savings identified through the independent Legislative Assembly Support Programs Accountability Review (LASPAR), unfilled staff positions, and a decrease in amortization resulting from a reassessment of the Legislative Assembly’s capital asset balances which occurred in 2014.

Variances compared to the budget and 2014 were insignificant for all other departments.

Operating Expenses by Category

The Legislative Assembly’s most significant expense category is Salaries and Benefits, accounting for more than 57% of the Legislative Assembly’s total expenses, followed by Members’ Allowances and Expenses at over 27%. When expenses are sorted by category, the Salaries and Benefits category contains Members’ salaries and benefits.

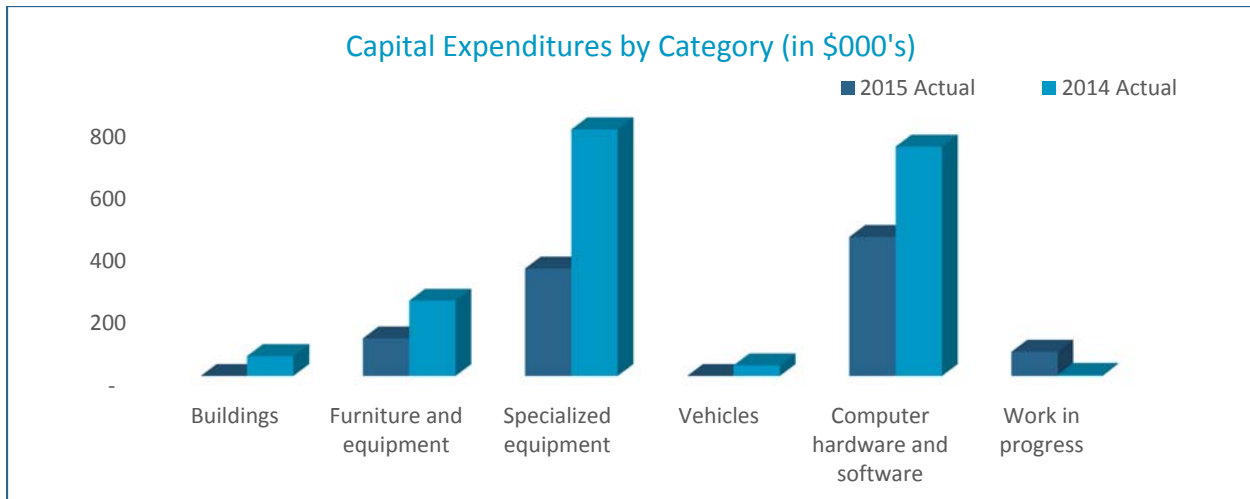


Salaries and Benefits increased by \$0.7 million over 2014 and was \$3.3 million under budget as a result of unfilled positions, efficiencies resulting from the LASPAR, and lower than expected benefit costs. Members’ Allowances and Expenses decreased by \$3.5 million in 2015 compared to 2014 due to the absence of election–related expenses.

Operating Expenses is comprised of office administration, utilities, telecommunications, and travel. These expenses were \$2.1 million under budget and \$1.8 million lower than 2014 due to savings found through the LASPAR, lower than expected repairs and maintenance to Legislative Assembly buildings and equipment, and the fact that there was an election during the 2014 fiscal year.

Capital Expenditures by Category

Capital spending varies in amount and by category annually depending on need.



The Legislative Assembly's capital assets include the Parliament Buildings and surrounding structures, building improvements, desks, computers, servers, maintenance equipment, and specialized broadcasting equipment. Significant fiscal 2015 capital purchases included security upgrades, server equipment and software, and Hansard recording and broadcasting equipment.

When compared to 2014, capital spending was lower in 2015 by \$0.9 million. The decrease in spending was largely due to the deferral of some facilities projects.

Revenues

The Legislative Assembly generates revenue from the public and Members through its Dining Room and Parliamentary Gift Shop operations. Combined revenue of over \$490 thousand was generated by these operations in 2015 (\$485 thousand in 2014). A small amount of revenue is also earned by leasing space on the Parliamentary Precinct to the media and government agencies.

Financial Position

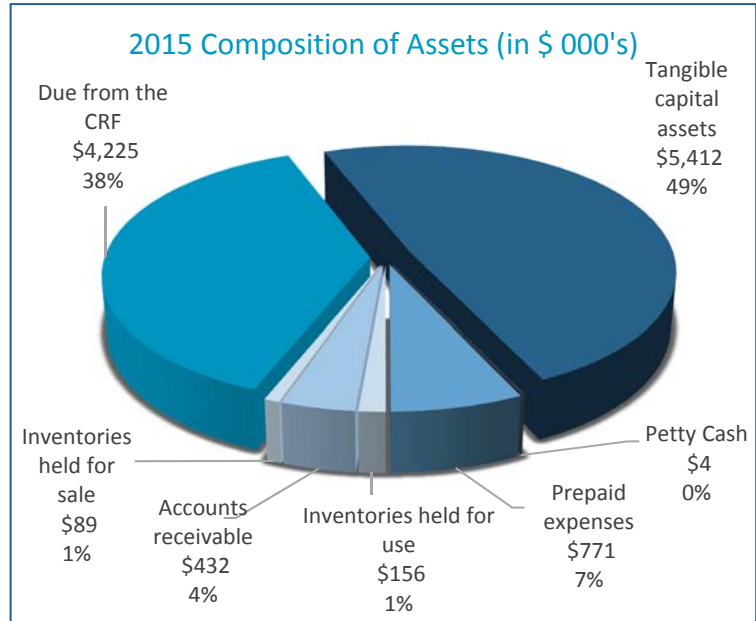
Assets

The Legislative Assembly's most significant asset balance is Tangible Capital Assets. Capital spending was lower than the amortization amount in 2015, resulting in a net decrease of \$212 thousand to Tangible Capital Assets. This was due in large part to budgeted projects being deferred until future years.

The Due from the Consolidated Revenue Fund (CRF) balance is equal to the sum of the Legislative Assembly's liabilities, less its financial assets. It represents the net amount owed to the Legislative Assembly for expenses incurred for which Vote 1 appropriation funds had not

yet been received. This balance fluctuates annually based on the changes in liabilities and financial assets.

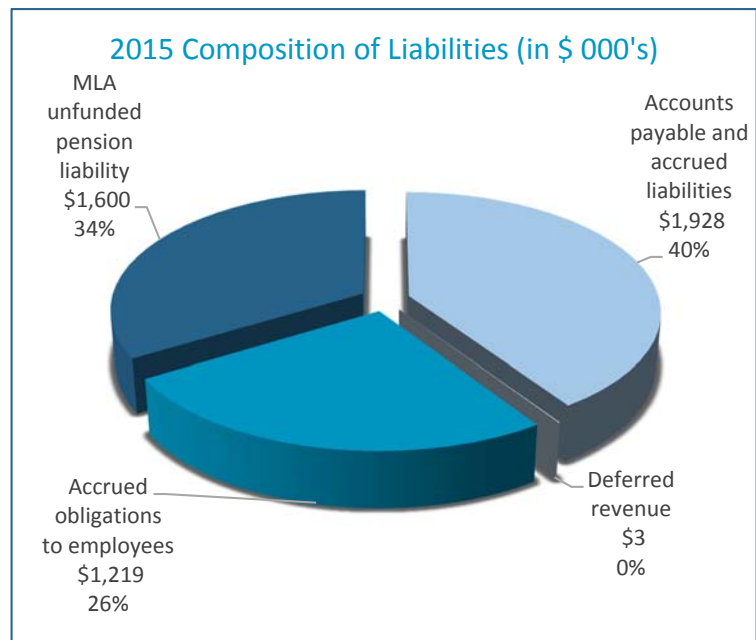
The Legislative Assembly bank account is replenished by the Ministry of Finance throughout the year as payments are made; therefore, it maintains a zero balance. The remainder of the Legislative Assembly's assets are relatively insignificant and did not change significantly in 2015 from 2014.



Liabilities

The Accounts Payable and Accrued Liabilities balance was consistent between 2014 and 2015.

Accrued Obligations to Employees is composed of the employee retirement allowance, and the employee leave liability (vacation, etc.). The retirement allowance accrual increased by \$91 thousand mainly due to a net increase in the number of employees eligible for the allowance. The employee leave liability increased by \$80 thousand as a result of employees carrying forward higher leave balances in 2015 than in 2014.



The present value of the Legislative Assembly's obligation to the MLA superannuation account decreased, resulting in a \$100 thousand reduction in the MLA Unfunded Pension Liability. The balance of the Transitional Assistance liability resulting from the May 2013 election was paid to former MLAs during 2015, resulting in a zero balance at the end of the year. The deferred revenue balance is negligible, and represents deposits for Dining Room events.

Looking Ahead

The tables below summarize actual results for the last two years, the Legislative Assembly's 2016 budget, and projected results for 2016 to 2018. The 2016 budget and 2016 to 2018 projections reflect the Legislative Assembly's planned actions based on assumptions and estimates; actual results may vary significantly from the information presented.

Projected Net Cost of Operations <i>(in thousands of dollars)</i>	Actual		Budget	Forecast	Projected	
	2014	2015	2016		2017	2018
Expenses						
Members' Services	36,243	32,654	36,279	33,626	36,075	44,544
Caucus Support Services	6,846	6,933	7,211	7,039	7,196	7,258
Office of the Speaker	297	329	418	375	382	385
Clerk of the House	984	900	1,017	1,017	896	902
Clerk of Committees	581	592	628	628	635	639
Legislative Operations	12,939	12,078	13,694	12,314	14,058	14,630
Sergeant-at-Arms	4,363	4,436	4,862	4,848	5,026	5,080
Hansard Services	3,360	3,572	3,818	3,677	3,818	3,855
Legislative Library	1,796	1,578	2,171	2,000	2,102	2,121
	67,409	63,072	70,098	65,524	70,188	79,414
Revenues*						
Dining Room	421	403	461	461	486	491
Parliamentary Gift Shop	64	87	29	54	69	70
Constituency Office Allowance						
Recovery	737	0	0	0	0	0
Recovery of Prior Year's Expenses	0	23	0	0	0	0
Lease Revenue	43	42	43	51	68	68
	1,265	555	533	566	623	629
Net cost of operations	66,144	62,517	69,565	64,958	69,565	78,785

*Classified as internal recoveries in the annual Estimates, but recorded as revenues in the Legislative Assembly's stand-alone financial statements.

Operating Forecast and Projection Assumptions

- Projections include a 1% increase to salaries and benefits per year.
- Forecasted expenses for 2016 are based on branch forecasts at September 30, 2015.
- Projected benefits are estimated using historic trends.
- Non salaries and benefits expenses are expected to remain consistent with the exception of the increases in 2018, which is an election year (as was 2014).
- Sitting days are expected to remain consistent at about 70 days per year.

The Legislative Assembly's 2015/16 budget of \$69.6 million is unchanged from the prior year. Management was able to find efficiencies and savings in several areas of the budget while also matching the one percent raise provided to members of the B.C. Government Employee's Union. These efficiencies and savings were due in part to the LASPAR review performed in 2015.

One of the primary drivers of the Legislative Assembly's budget is the number of days the House sits. For each additional day the House sits the Legislative Assembly incurs additional labour and operations costs. By-elections can also result in additional expenses. A modest contingency budget is built into the Legislative Assembly budget to address these factors.

The projected expenses for 2018 are expected to increase by \$7.3 million in anticipation of the additional costs required during an election year to transition to a new parliament.

Projected Capital Purchases (in thousands of dollars)	Actual		Budget	Forecast	Projected	
	2014	2015	2016		2017	2018
Capital Purchases						
Furniture and Equipment	242	137	210	188	260	256
Computer Hardware and Software	735	466	552	614	459	762
Buildings	64	0	1,693	931	990	900
Vehicles	34	0	0	0	0	0
Specialized Equipment	794	388	375	407	713	686
Total Capital Purchases	1,869	990	2,830	2,140	2,422	2,604

Capital Forecast and Projection Assumptions

- Capital expenditures on Buildings is expected to increase in future years.
- Forecasted expenditures for 2016 are based on branch forecasts at September 30, 2015.
- Capital spending is expected to increase in 2018, which is the next election year (as was 2014), when offices will be upgraded and equipment will be refreshed.

Risk Management

Like any organization, the Legislative Assembly is subject to various operational, financial, technological, facilities related, and staffing risks. In response, the Legislative Assembly has established internal controls, policies, and processes to assist in mitigating these risks and is actively managing these risks through regular meetings of its Senior Management Team and Audit Working Group. In addition, the Legislative Assembly's internal audit function conducts operational and control audits and reports regularly to the Finance and Audit Committee (FAC). The FAC also receives regular reports from the Legislative Assembly's Executive.



Financial Statements

For the year ended March 31, 2015

Table of Contents

Statement of Management Responsibility	40
Independent Auditor's Report	41
Statement of Financial Position	43
Statement of Operations	44
Statement of Change in Net Debt	45
Statement of Cash Flows.....	46
Notes to the Financial Statements.....	47



Statement of Management Responsibility

For the year ended March 31, 2015

The financial statements and note disclosures of the Legislative Assembly of British Columbia have been prepared by management in accordance with Canadian public sector accounting standards (PSAS). The integrity and objectivity of these statements and disclosures are management's responsibility. A summary of the significant accounting policies are described in note 2 to the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced, that assets are safeguarded, that transactions are properly authorized and recorded in compliance with legislative and regulatory requirements, and that reliable financial information is available on a timely basis for preparation of the financial statements.

The Legislative Assembly Management Committee (LAMC) is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Finance and Audit Committee is appointed by LAMC to review the financial statements, the adequacy of internal controls, the audit process, and financial reporting.

The Office of the Auditor General of British Columbia has performed an independent audit of the financial statements of the Legislative Assembly of British Columbia. The accompanying Auditor's Report outlines their responsibilities, the scope of their examination, and their opinion on the financial statements.

On behalf of the Legislative Assembly of British Columbia,

Craig James
Clerk of the House

Hilary Woodward, CPA, CA
Executive Financial Officer

Victoria, British Columbia
On the 23rd day of November 2015



INDEPENDENT AUDITOR'S REPORT

*To the Members of the Legislative Assembly Management Committee, and
To the Speaker of the Legislative Assembly:*

We have audited the accompanying financial statements of the Legislative Assembly of British Columbia (“the entity”), which comprise the statement of financial position as at March 31, 2015, and the statement of operations and change in accumulated surplus, statement of change in net debt and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

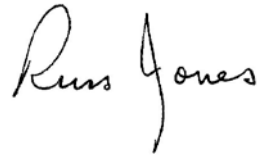
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

In our view, the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Legislative Assembly of British Columbia as at March 31, 2015, and the results of its operations and change in accumulated surplus, change in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.



Victoria, British Columbia
November 30, 2015

Russ Jones, FCPA, FCA
Deputy Auditor General





Statement of Financial Position

As at March 31, 2015, with comparative information for March 31, 2014

<i>(in thousands of dollars)</i>	2015	2014
Financial assets		
Cash (<i>note 3</i>)	4	4
Accounts receivable (<i>note 4</i>)	432	428
Inventories held for sale	89	109
Due from the CRF (<i>note 2d</i>)	4,225	5,210
Total financial assets	4,750	5,751
Liabilities		
Accounts payable and accrued liabilities (<i>note 5</i>)	1,928	1,950
Deferred revenue	3	-
Accrued obligations to employees (<i>note 6</i>)	1,219	1,047
MLA unfunded pension liability (<i>note 7b</i>)	1,600	1,700
Transitional assistance (<i>note 8</i>)	-	1,054
Total liabilities	4,750	5,751
Net debt (<i>note 2h</i>)	-	-
Non-financial assets		
Tangible capital assets (<i>note 11</i>)	5,412	5,624
Prepaid expenses	771	645
Inventories held for use	156	347
Total non-financial assets	6,339	6,616
Accumulated surplus (<i>note 15</i>)	6,339	6,616

The accompanying notes are an integral part of these financial statements.

Authorized for issue on the 23rd day of November 2015, on behalf of the Legislative Assembly Management Committee.

Hon. Linda Reid
Speaker

Hon. Michael de Jong, Q.C.
Government House Leader

Mike Farnworth
Official Opposition House Leader



Statement of Operations and Change in Accumulated Surplus

For the year ended March 31, 2015, with comparative information for 2014

<i>(in thousands of dollars)</i>	Budget (note 12)	2015	2014
Expenses (note 14)			
Members' Services	36,068	32,654	36,243
Caucus Support Services	7,097	6,933	6,846
Office of the Speaker	420	329	297
Clerk of the House	1,130	900	984
Clerk of Committees	628	592	581
Legislative Operations	13,939	12,078	12,939
Sergeant-at-Arms	4,623	4,436	4,363
Hansard Services	4,015	3,572	3,360
Legislative Library	2,171	1,578	1,796
Total expenses	70,091	63,072	67,409
Revenues			
Miscellaneous revenue (note 13)	526	555	1,265
Total revenues	526	555	1,265
Net cost of operations	69,565	62,517	66,144
Government funding			
Appropriation - operating (note 12)	69,565	61,250	65,133
Appropriation - capital (note 12)	3,392	990	1,869
Total government funding	72,957	62,240	67,002
Annual (deficit) surplus	-	(277)	858
Accumulated surplus - beginning of year	-	6,616	5,758
Accumulated surplus - end of year (note 15)	-	6,339	6,616

The accompanying notes are an integral part of these financial statements.



Statement of Change in Net Debt

For the year ended March 31, 2015, with comparative information for 2014

<i>(in thousands of dollars)</i>	Budget (note 12)	2015	2014
Net debt - beginning of year (note 2h)	-	-	-
Annual deficit (surplus)	-	277	(858)
Change due to tangible capital assets			
Acquisition of tangible capital assets	3,392	990	1,869
Amortization of tangible capital assets	(1,700)	(1,202)	(1,092)
Total change due to tangible capital assets	1,692	(212)	777
Acquisition of inventories held for use	-	59	190
Acquisition of prepaid expenses	-	838	671
Consumption of inventories held for use	-	(250)	(137)
Use of prepaid expenses	-	(712)	(643)
Increase (decrease) in net debt	-	-	-
Net debt - end of year (note 2h)	-	-	-

The accompanying notes are an integral part of these financial statements.



Statement of Cash Flows

For the year ended March 31, 2015, with comparative information for 2014

<i>(in thousands of dollars)</i>	2015	2014
Operating activities		
Annual (deficit) surplus	(277)	858
Items not involving cash:		
Amortization of tangible capital assets	1,202	1,092
Change in non-cash working capital:		
Decrease (increase) in accounts receivable	(4)	(352)
Decrease (increase) in inventories - held for sale	20	111
Decrease (increase) in due from the CRF	985	(1,274)
Increase (decrease) in accounts payable and accrued liabilities	(22)	513
Increase (decrease) in deferred revenue	3	-
Increase (decrease) in accrued obligations to employees	172	248
Increase (decrease) in MLA unfunded pension liability	(100)	(300)
Increase (decrease) in transitional assistance	(1,054)	1,054
Decrease (increase) in inventories - held for use	191	(53)
Decrease (increase) in prepaid expenses	(126)	(28)
<i>Net change in cash from operating activities</i>	990	1,869
Capital activities		
Cash used to acquire tangible capital assets	(990)	(1,869)
<i>Net change in cash from capital activities</i>	(990)	(1,869)
Financing activities		
None	-	-
<i>Net change in cash from financing activities</i>	-	-
Net change in cash	-	-
Cash, beginning of year	4	4
Cash, end of year	4	4

The accompanying notes are an integral part of these financial statements.



Notes to the Financial Statements

For the year ended March 31, 2015

1. Nature of Operations

The Legislative Assembly of British Columbia (Legislative Assembly) is a self-governing, parliamentary institution established under the provincial *Constitution Act, RSBC 1996*. Its 85 Members of the Legislative Assembly (MLAs) are elected by popular vote to represent a constituency in a provincial general election held every four years. The main functions of the Legislative Assembly are: to consider, debate and approve legislation; to consider and approve all financial expenditures by government; and, to provide general oversight of the policies, plans and actions of the executive branch of government.

The Legislative Assembly Management Committee (LAMC) is the statutory governing body of the Legislative Assembly and oversees its financial management and administration on behalf of Members of the Legislative Assembly (Members) and British Columbians. Chaired by the Speaker, LAMC is comprised of Members representing the government and opposition parties. Both LAMC's and the Speaker's administrative and oversight responsibilities are derived from the *Legislative Assembly Management Committee Act*. The Finance and Audit Committee (FAC) is appointed by LAMC to review the financial statements, the adequacy of internal controls, the audit process, and financial reporting.

The Clerk of the House is the senior permanent officer and procedural advisor to the Speaker and all Members, with responsibility for the administration and financial management of the Assembly. The position directs Legislative Assembly management and staff in the provision and delivery of non-partisan services to Members of the Legislative Assembly.

Legislative Assembly departmental staff provide non-partisan services and support required by MLAs to fulfil their parliamentary duties while serving the Legislative Assembly and providing continuity from one Parliament to another. Advice and support are provided through a wide variety of services such as procedural, legislative, information technology, facilities management, library, educational, security, financial and food services.

2. Summary of Significant Accounting Policies

(a) Basis of accounting

These financial statements have been prepared in accordance with Canadian public sector accounting standards (PSAS). All fiscal year references are for the year ended March 31.

The amounts reported in these financial statements may not be consistent with the amounts presented in the Province of B.C.'s *Public Accounts* due to timing differences and the various adjustments required to create stand-alone, non-consolidated financial statements.

(b) Adoption of Public Sector Accounting Standards

The Legislative Assembly has early adopted the accounting standards contained in PS 1201 – Financial statement presentation, PS 2601 – Foreign currency translation, PS 3450 – Financial instruments, and PS 2200 - Related party disclosures in the preparation of these financial statements.

The Legislative Assembly has adopted PS 3260 - Liability for contaminated sites for fiscal March 31, 2015; however, management has not identified any contaminated sites.

(c) Inventories

Inventories held for sale are recorded at the lower of cost or net realizable value. Cost includes the original purchase cost plus shipping costs. Net realizable value is the estimated selling price less any costs to sell. This category of inventory includes gift shop and dining room inventory.

Inventories held for use are valued at the lower of replacement value and cost, which includes the original purchase cost plus shipping costs. This category of inventory includes bulk purchases of carpeting to be installed in the Parliament Buildings and educational resources developed for public distribution.

(d) Due from the Consolidated Revenue Fund

Amounts due from the Consolidated Revenue Fund (CRF) are the result of timing differences at year-end, and represent the net cash that the Legislative Assembly is entitled to draw from the CRF to discharge its liabilities without further appropriations.

(e) Tangible capital assets

Tangible capital assets (TCAs) are recorded at cost, which includes amounts that are directly related to the acquisition, design, construction, development, improvement or betterment of the assets. The Legislative Assembly only capitalizes TCAs that meet the acquisition cost thresholds defined in its policy manual, which is based on the Province of B.C.'s Core Policy and Procedures Manual (CPPM). The acquisition cost, less residual value, of the tangible capital assets, excluding land, is amortized on a straight-line basis over their estimated useful lives as follows:

Asset Class	Useful life	Threshold
Buildings	40 years	≥\$50,000
Furniture and equipment	5 years	≥\$1,000
Specialized equipment		
Heavy equipment	10 years	≥\$10,000
Operating equipment	5 years	≥\$1,000

Vehicles	7 years	None
Computer hardware and software		
Hardware, servers, and related software	5 years	≥\$10,000
Personal computer hardware, software, servers, and related peripherals	3 years	≥\$1,000

The CPPM is available on the Ministry of Finance website and provides descriptions of these asset classes.

Amortization for assets under construction does not begin until the asset is available for use.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the Legislative Assembly's ability to provide goods and services, or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. Tangible capital asset write-downs are accounted for as expenses in the Statement of Operations.

Under PSAS, intangible assets, works of art, and historical treasures are not recognized in the financial statements.

Leases which transfer substantially all of the benefits and risks of property ownership to the lessee are accounted for as capital leases. All other leases are accounted for as operating leases and the related payments are charged to expenses as incurred. The Legislative Assembly did not have any capital leases during the fiscal year.

(f) Prepaid expenses

Prepaid expenses include such things as monthly MLA constituency office allowances and constituency office leases, and other service payments that will be charged to expense over the periods the Legislative Assembly is expected to benefit from them.

(g) Accrued obligations to employees

- i. Employee leave liability

Employee vacation time and banked overtime are accrued as earned and reduced when taken or paid out. Associated employee benefit costs are included in the accrual. The accrual is adjusted to reflect current pay rates. Additional information is provided in note 6.

Regular employees who retire and who are scheduled to receive a pension under the Public Service Pension Plan are granted a full vacation entitlement for the final calendar year of service, regardless of the retirement date. In these cases, a full vacation entitlement is accrued on the employee's last day of work.

ii. Employee retirement allowance

The estimated employee retirement allowance is accrued and recorded as expense in the fiscal year in which employees become eligible to receive the allowance. Each year the estimated liability is adjusted to account for new employees becoming eligible, employee retirements, and employee pay rate changes. An actuarial valuation is not performed. Additional information is provided in note 6.

(h) Net debt

The Legislative Assembly has not been required to incur any debt because it is fully funded through its Vote 1 operating and capital appropriations. As a result, its net debt position is zero.

(i) Pension plans

i. Pension benefits

The employees and Members of the Legislative Assembly belong to the B.C. Public Service Pension Plan, which is a multi-employer joint trustees plan. This plan is a defined benefit plan, providing a pension on retirement based on age at retirement, length of service, and highest average earnings. Inflation adjustments are contingent upon available funding.

As the assets and liabilities of the plan are not segregated by institution, the Legislative Assembly accounts for the plan as a defined contribution plan. Contributions made by the Legislative Assembly are expensed as incurred.

ii. Members of the Legislative Assembly Superannuation Account

Unfunded pension liabilities of the Members of the Legislative Assembly Superannuation Account represent the terminal funding that would be required from the province for the difference between the present value of the obligations for future benefit entitlements and the amount of funds available in the account.

Additional information about pension plans is provided in note 7.

(j) Transitional assistance

Transitional Assistance is recorded as an expense in the fiscal year in which the former MLA was defeated in a provincial general election or chose not to run. Funds provided to former MLAs for the Career Retraining Allowance are expensed in the fiscal year in which the retraining occurred. Management records an estimated liability at year-end for the remaining transitional assistance payments. Additional information is provided in note 8.

(k) Financial instruments

The Legislative Assembly does not hold any derivatives or equity investments and has not elected to record any other financial instruments at fair value. Financial assets and financial liabilities are measured at cost or amortized cost, less any permanent impairment in value.

A statement of remeasurement gains and losses is not presented as the Legislative Assembly did not have any remeasurement transactions to report.

(l) Appropriation and revenue recognition

Appropriations used to purchase non-financial assets (tangible capital assets, prepaid expenses, and inventories held for use) are recognized as revenue when these assets are purchased. All other appropriations are recognized as revenue in the period in which the underlying expense occurs.

Dining Room and Parliamentary Gift Shop sales are recorded as revenue in the period in which the services or goods were provided or sold.

(m) Expenses

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year is expensed, regardless of when payment is made.

(n) Foreign currency translation

Foreign currency transactions are translated at the exchange rate prevailing at the date of the transaction.

(o) Measurement uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported amounts of the revenues and expenses. Items requiring the use of significant estimates include the tangible capital asset opening balances, the useful life of tangible capital assets, the employee retirement allowance, and the MLA unfunded pension liability.

Estimates are based on the best information available at the time of preparation of the financial statements and are reviewed annually to reflect new information as it becomes available. Where actual results differ from these estimates and assumptions, the impact is recorded in future accounting periods when the difference becomes known.

3. Cash

<i>(in thousands of dollars)</i>	2015	2014
Petty Cash	4	4
Bank balance	-	-
Total	4	4

The Legislative Assembly bank account maintains a zero balance throughout the year. As payments are made, the Ministry of Finance deposits the Legislative Assembly's voted appropriation into the account to bring the account balance to zero.

4. Accounts Receivable

The majority of the Legislative Assembly's receivables are due from provincial ministries and Members of the Legislative Assembly. All receivables are expected to be collected and are current (less than 30 days outstanding). As such, no provision for doubtful accounts has been recorded.

5. Accounts Payable and Accrued Liabilities

<i>(in thousands of dollars)</i>	2015	2014
Accounts payable and accrued liabilities	1,085	1,139
Salaries and benefits payable	639	602
Unreleased minister salary holdbacks	204	209
Total	1,928	1,950

(a) Accounts payable and accrued liabilities

This account contains amounts payable to suppliers, and payroll remittances for Employment Insurance, the Canada Pension Plan, and income tax.

(b) Salaries and benefits payable

This account contains salary and benefit amounts payable to employees and MLAs at fiscal year-end due to the timing of the biweekly payroll schedule. For fiscal 2015, seven days of unpaid work was accrued as at March 31.

(c) Unreleased minister salary holdbacks

Members of the executive council receive additional salary for performing their respective roles set out in the *Members' Remuneration and Pensions Act*. The Legislative Assembly is responsible for the payment of the additional salaries and the full amount is recovered quarterly from the various ministries. As the full amount is recovered, the Legislative Assembly's budget and statement of operations do not contain any amounts related to these additional salaries.

A 20% holdback is applied to the salaries of the executive council as required by the *Balanced Budget and Ministerial Accountability Act (BBMAA)*. The withheld salary amounts are released after the Province of B.C.'s *Public Accounts* for the fiscal year are issued, if collective and individual targets are achieved. As the *Public Accounts* are released after the Legislative Assembly's fiscal year-end, an accrual is necessary to record the amount of ministerial salary withheld during the fiscal year.

All members of the executive council met their individual and collective targets for fiscal 2014 and 2015 and, therefore, received their 20% ministerial salary holdback in July 2014 and July 2015 respectively.

6. Accrued Obligations to Employees

<i>(in thousands of dollars)</i>	2015	2014
Employee leave liability	754	674
Employee retirement allowance	465	373
Total	1,219	1,047

(a) Employee leave liability

Eligible employees receive an annual vacation entitlement which increases with length of service. One-twelfth of the annual entitlement is earned by the employee each month, and a minimum of fifteen days of current year vacation must be used each year. Employees who have unused vacation days for an employment year may have the unused vacation paid out or carried forward for use in the following year.

The employee leave liability amount contains current year vacation earned and not yet taken to March 31, 2015, vacation hours carried forward from previous years, and banked overtime hours.

Constituency assistants are employees of individual MLAs, and not employees of the Legislative Assembly. Their leave, therefore, is not included in this accrual. Similarly, MLAs do not accrue vacation time.

(b) Employee retirement allowance

A retirement allowance is payable upon retirement to employees who have completed five or more years of combined service with the Legislative Assembly and the B.C. Public Service (with no break in service), are at least 55 years of age, and who are scheduled to receive payments from the B.C. Public Service Pension Plan.

The retirement allowance is calculated based on the employee's years of contributory service and basic salary at retirement. The minimum number of days of retirement allowance payable is 11 days (for those who have worked 5 years) and the maximum is 65.25 days (for those who have worked 30 or more years).

Retirement allowance payments to four former employees, totalling \$20 thousand, were made in fiscal 2015 (Payments totalling \$45 thousand were made to seven former employees in fiscal 2014).

7. Pension Plans

(a) B.C. Public Service Pension Plan

The Legislative Assembly, the majority of its employees, and MLAs contribute to the B.C. Public Service Pension Plan (the Plan). The Plan is a multi-employer, defined benefit, and joint trusteed plan, established for certain B.C. public service employees. Benefits, such as group health benefits and inflation protection for the basic pension, are not guaranteed and are contingent upon available funding. No unfunded liability exists for the future indexing of pensions as the obligation is limited to the amount of available assets in separate inflation adjustment accounts.

In joint trusteed plans, control of the plans and their assets is assumed by individual pension boards made up of plan employer and plan member appointed trustees. The B.C. Public Service Pension Board of Trustees (the Board) is fully responsible for the management of the Plan, including investment of the assets and administration of the Plan. The British Columbia Pension Corporation provides benefit administrative services and the British Columbia Investment Management Corporation provides investment management services as agents of the Board.

In the event an unfunded liability is determined by an actuarial valuation (to be performed at least every three years), the Board is required to address it through contribution adjustments shared equally by Plan members and employers. It is expected, therefore, that any unfunded liabilities in the future will be short-term in nature.

The Plan is a multi-employer contributory pension plan. Basic pension benefits are determined using a formula which takes into account years of service and average earnings at retirement. Pension benefits vest after three years for regular employees and after six years for MLAs. The Plan has about 54,000 active Plan members and approximately 42,000 retired Plan members. The latest actuarial valuation, as at March 31, 2014, indicated a \$194 million funding surplus for basic pension benefits. The next valuation will be as at March 31, 2017 with results available in early 2018.

Employers participating in the Plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the Plan records accrued liabilities and accrued assets for the Plan in aggregate and as a result there is no consistent and reliable basis for allocating the obligation, assets, and cost to individual employers participating in the Plan.

During fiscal 2015, the Legislative Assembly contributed \$2.03 million to the Plan on behalf of its employees (\$1.92 million during fiscal 2014). The Legislative Assembly's contribution is

9.43% of each employee's base salary up to the maximum pensionable earnings amount, and 10.93% afterwards (employees contribute 7.93% and 9.43%).

During fiscal 2015, the Legislative Assembly contributed \$4.01 million to the Plan on behalf of MLAs (\$3.97 million during fiscal 2014). The current contribution rate to the Plan on behalf of MLAs is 39.48% of salary; each MLA contributes 11% of their salary. MLA participation in the Plan was established in 2007 by Part 3 of the *Members' Remuneration and Pension Act* and based on recommendations made by the April 2007 Report by the *Independent Commission to Review MLA Compensation*. MLAs previously participated in a separate plan which is discussed below in note 7 (b).

(b) Members of the Legislative Assembly Superannuation Account

The Legislative Assembly Superannuation Account (the Account) was established under Part 2 of the *Members' Remuneration and Pension Act* (the Act). The Account is administered by the British Columbia Pension Corporation. The Act was amended in July 1995 to discontinue the accrual of benefit entitlements under Part 2 after June 19, 1996.

As eligible MLAs retire, the present value of the amount required to provide an MLA's future pension benefit is transferred from the Account to the B.C. Public Service Pension Plan (the Plan). Pension payments are then paid from the Plan. The Legislative Assembly provides additional funding when the present value of the liability exceeds the accumulated assets in the Account available to fund those MLAs' benefit entitlements. The Act provides basic pension benefits for MLAs based on length of service, highest four-year average earnings and plan members' age at retirement. Benefits, such as group health benefits and inflation protection for the basic pension, are not guaranteed and are contingent upon available funding.

In fiscal 2015, no eligible MLAs retired and consequently no amounts were transferred from the Account to the Plan; and, the Legislative Assembly did not make any additional contributions to the Account. Comparatively, in fiscal 2014, a total of \$478,000 was transferred from the Account to the Plan for two eligible MLAs; and, the Legislative Assembly contributed \$375,000 in terminal funding to the Account to meet future pension obligations.

There are currently six MLAs eligible to receive a future pension benefit funded by the Account. As they retire, the Legislative Assembly will need to contribute \$2.1 million to the B.C. Public Service Pension Plan. There is \$0.5 million in the Account to cover this required funding so the net liability to the Legislative Assembly is \$1.6 million (\$1.7 million in fiscal 2014).

8. Transitional Assistance

Employment as an MLA is not considered insurable employment; therefore, MLAs are not eligible to contribute to the federal Employment Insurance plan. Instead, transitional assistance is available to MLAs who choose not to stand for re-election or who are defeated in a provincial general election. To qualify for transitional assistance, MLAs must complete their term of office

in a parliament. MLAs who resign, forfeit their seat, or pass away during a parliament are not eligible for this assistance.

For eligible MLAs, transitional assistance payments are based on the current annual MLA basic compensation rate. Transitional assistance continues to the date an MLA receives pension benefits or 15 months have elapsed. The assistance amount is taxable but not pensionable. Benefits coverage continues while former MLAs are in receipt of transitional assistance.

To qualify for the full amount of transitional assistance, an MLA must have served a full term of parliament. Transitional assistance for an MLA elected in a by-election is prorated based on time served.

MLAs in receipt of transitional assistance are responsible for notifying the Legislative Assembly of changes to their employment status. Transitional assistance payments are reduced by the gross amount of MLA reported employment earnings on a monthly basis.

As a result of the May 2013 election, 32 former MLAs were eligible for transitional assistance. Of those eligible, five reported employment earnings and either did not receive transitional assistance or received a reduced amount. As noted above, it is the responsibility of former MLAs to notify the Legislative Assembly if employment is obtained during the transitional assistance period.

The total transitional assistance amount, excluding benefits, paid to 27 former MLAs during fiscal 2015 was \$1.02 million (\$2.65 million for fiscal 2014). These payments ended August 14, 2014, and had been fully accrued in the year-ended March 31, 2014. The Legislative Assembly has no further transitional assistance liability related to the May 2013 election.

MLAs eligible for the transitional allowance are also eligible for career counselling, education, and training costs up to \$9,000 during the transitional assistance period. In total, approximately \$15,000 was reimbursed to four former MLAs for career retraining costs incurred during fiscal 2015 (\$50,000 was reimbursed to eight former MLAs in 2014).

9. Contingent Liabilities

The Legislative Assembly may periodically be involved in legal proceedings, claims, and litigation that arise in the normal course of business. As at March 31, 2015, management is not aware of any claims or possible claims against the Legislative Assembly.

Regular management and executive meetings are held in which operations are discussed and contingent liabilities are identified. Management identifies contingent liabilities through review of day-to-day transactions, discussion with legal counsel, and by reviewing the meeting minutes of the Finance and Audit Committee, and the Legislative Assembly Management Committee.

10. Contractual Obligations

The Legislative Assembly is committed to minimum annual payments under various contracts for the delivery of services, the use of office equipment, and the rental of office space. In addition, MLAs lease office space throughout B.C. for their constituency offices. These leases are usually four years in length to coincide with the term of parliament. These contractual obligations are included below because they are paid for by the Legislative Assembly.

<i>(in thousands of dollars)</i>	2015/16	2016/17	2017/18	2018/19	2019/20	Total
Office leases	4,584	4,593	1,289	111	-	10,577
Office equipment	357	217	54	-	-	628
Satellite distribution service	357	359	66	42	36	860
Total	5,298	5,169	1,409	153	36	12,065

11. Tangible Capital Assets

(a) Tangible Capital Asset Schedule - March 31, 2015

<i>(in thousands of dollars)</i>	Buildings	Furniture and Equipment	Specialized Equipment	Vehicles	Computer Hardware and Software	Work in Progress	2015 Total
Cost							
Opening Balance	4,298	3,489	3,750	34	3,942	4	15,517
Additions	-	121	345	-	446	78	990
Disposals	-	-	-	-	-	-	-
Transfers	-	-	4	-	-	(4)	-
Write-Downs	-	-	-	-	-	-	-
Closing Balance	4,298	3,610	4,099	34	4,388	78	16,507
Accumulated Amortization							
Opening Balance	(2,332)	(2,926)	(1,745)	-	(2,890)	-	(9,893)
Amortization	(54)	(169)	(539)	(5)	(435)	-	(1,202)
Disposals	-	-	-	-	-	-	-
Write-Downs	-	-	-	-	-	-	-
Closing Balance	(2,386)	(3,095)	(2,284)	(5)	(3,325)	-	(11,095)
Net Book Value	1,912	515	1,815	29	1,063	78	5,412

(b) Tangible Capital Asset Schedule - March 31, 2014

<i>(in thousands of dollars)</i>	Buildings	Furniture and Equipment	Specialized Equipment	Vehicles	Computer Hardware and Software	Work in Progress	2014 Total
Cost							
Opening Balance	4,225	3,237	2,922	-	3,207	57	13,648
Additions	64	242	790	34	735	4	1,869
Disposals	-	-	-	-	-	-	-
Transfers	9	10	38	-	-	(57)	-
Write-Downs	-	-	-	-	-	-	-
Closing Balance	4,298	3,489	3,750	34	3,942	4	15,517
Accumulated Amortization							
Opening Balance	(2,279)	(2,741)	(1,259)	-	(2,522)	-	(8,801)
Amortization	(53)	(185)	(486)	-	(368)	-	(1,092)
Disposals	-	-	-	-	-	-	-
Write-Downs	-	-	-	-	-	-	-
Closing Balance	(2,332)	(2,926)	(1,745)	-	(2,890)	-	(9,893)
Net Book Value	1,966	563	2,005	34	1,052	4	5,624

(c) Work in progress

Assets under construction totalling approximately \$78,000 (\$4,000 at March 31, 2014) have not been amortized. Amortization of these assets will commence when the assets are available for use.

(d) Assets recognized at nominal value

During fiscal 2010, the Province of B.C. transferred 401 and 431 Menzies Street, both of which are on the parliamentary precinct, to the Legislative Assembly for a nominal value of two dollars. These buildings are recorded at their cost of one dollar each and are included in the buildings asset class.

(e) Works of art and historical treasures

The Legislative Assembly has an extensive library collection of historical books, government publications, newspapers, periodicals and pamphlets. Works of art and historical treasures are not recognized in the financial statements under PSAS. The replacement value of the collection is estimated to be \$28 million as of the last appraisal on February 1, 2014.

(f) Other assets not recorded

The land on which the Parliament Buildings are located is Crown land owned by the Province of B.C. and is not included in these financial statements.

12. Appropriations

The Legislative Assembly receives an annual appropriation (Vote 1 of the B.C. provincial *Estimates*) that includes an operating and capital component. Any unused appropriations lapse at the end of the fiscal year. The budgeted figures included in these financial statements are consistent with Vote 1 and have been provided for comparison purposes. The operating appropriation of \$69.6 million (\$75.5 million in fiscal 2014) is net of \$0.5 million (\$0.5 million in fiscal 2014) in budgeted revenues and recoveries.

Unlike most ministries and agencies, Vote 1 has statutory authority which provides for additional funding should costs exceed approved budgets due to unforeseen circumstances, such as increased length of sittings or additional work undertaken by parliamentary committees. The following table compares the Legislative Assembly's actual expenditures to approved budgets:

<i>(in thousands of dollars)</i>	2015			2014		
	Operating	Capital	Total	Operating	Capital	Total
Appropriations	69,565	3,392	72,957	75,496	3,392	78,888
Net cost of operations	(62,517)	-	(62,517)	(66,144)	-	(66,144)
Capital acquisitions	-	(990)	(990)	-	(1,869)	(1,869)
Unused Appropriations	7,048	2,402	9,450	9,352	1,523	10,875

The Legislative Assembly's operating appropriation was lower in fiscal 2015 than in fiscal 2014 due to the additional costs associated with the May 2013 provincial election.

13. Miscellaneous Revenue

<i>(in thousands of dollars)</i>	Budget	Actual	
	2015	2015	2014
Dining Room	436	403	421
Parliamentary Gift Shop	47	87	64
Constituency office allowance recovery	-	-	737
Recovery of prior year's expenses	-	23	-
Lease revenue	43	42	43
Total	526	555	1,265

(a) Dining Room and Parliamentary Gift Shop

The Dining Room is a restaurant operated by the Legislative Assembly in the Parliament Buildings. It is open to MLAs, employees, and the public. The Legislative Assembly also operates a Parliamentary Gift Shop.

(b) Constituency office allowance recovery

MLAs are provided with an annual Constituency Office Allowance of \$119,000 to operate their constituency offices. MLAs also receive \$4,000 at the start of each parliament for furniture and equipment, and \$2,000 (\$1,000 for returning MLAs) for office start-up costs. The majority of the annual Constituency Office Allowance is used to pay the salaries of constituency assistants. In addition to the \$119,000, the Legislative Assembly pays certain operating costs directly such as office leases, insurance, and IT costs. When an MLA leaves office, unspent constituency office funds are to be returned to the Legislative Assembly. The May 14, 2013 election resulted in a constituency office allowance recovery of \$737,000 during fiscal 2014. There were no constituency office allowance recoveries during fiscal 2015.

(c) Recovery of prior year's expenses

In fiscal 2015, \$23,000 was recovered related to prior year lease operating costs and other minor amounts. These amounts are included in the recovery of prior year's expenses category.

(d) Lease revenue

The Legislative Assembly leases office space within the Parliament Buildings to several media groups and the Office of the Conflict of Interest Commissioner.

14. Expenses by Object

The following is a summary of expenses by object:

<i>(in thousands of dollars)</i>	Budget	Actual	
	2015	2015	2014
Salaries and benefits	39,518	36,218	35,497
MLA's allowances and expenses	18,425	17,311	20,846
Operating expenses	10,073	7,945	9,698
Amortization expense	1,700	1,202	1,092
Cost of goods sold	375	396	276
Total	70,091	63,072	67,409

MLAs' allowances and expenses is comprised of constituency office leases, MLAs' transitional assistance, the constituency office allowance, constituency assistant salaries, MLAs' travel expenses, and other amounts. A detailed breakdown of MLAs' travel expenses and MLAs' constituency office allowance is available on our website. The total shown in this note contains amounts not included on our website, such as office lease and insurance amounts, which are paid for from the Legislative Assembly's central budget.

Cost of goods sold represents the cost of items sold in the Parliamentary Gift Shop, the cost of food and beverages sold in the Dining Room, and the cost of educational resources distributed.

15. Accumulated Surplus

<i>(in thousands of dollars)</i>	2015	2014
Accumulated surplus - beginning of year	6,616	5,758
Acquisition of tangible capital assets	990	1,869
Amortization of tangible capital assets	(1,202)	(1,092)
Acquisition of inventories held for use	59	190
Acquisition of prepaid expenses	838	671
Consumption of inventories held for use	(250)	(137)
Use of prepaid expenses	(712)	(643)
Annual (deficit) surplus	(277)	858
Accumulated surplus - end of year	6,339	6,616

Appropriations used to purchase *non-financial assets* (tangible capital assets, prepaid expenses, and inventories held for use) are recognized as revenue when these assets are purchased (note 2(l)). The expense related to these assets is recognized over time as they are used or consumed. This timing difference creates an annual surplus or deficit. The accumulation of the annual

surpluses and deficits results in an accumulated surplus balance, which is equal to the total *non-financial assets* balance.

16. Risk Management

It is management's opinion that the Legislative Assembly is not exposed to significant interest, liquidity, currency, or credit risk arising from its financial statements. The carrying values of financial assets and liabilities approximate their fair value because of their short maturity.

The Legislative Assembly is self-insured. Any damage to Legislative Assembly property or equipment is paid for out of the Legislative Assembly's operating and capital budgets.

The Legislative Assembly pays an annual premium of \$72,000 for a third party insurance policy covering MLA constituency offices.

17. Related Party Transactions

The Legislative Assembly is related to all Province of B.C. ministries, agencies, Crown corporations, school districts, health authorities, hospital societies, universities and colleges that are included in the provincial government reporting entity. Transactions with these entities, unless disclosed otherwise, occurred in the normal course of operations and are recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Examples of related party transactions conducted in the normal course of operations include printing fees paid to Queen's Printer and heating services provided by the Ministry of Technology, Innovation, and Citizens' Services.

18. Subsequent Events

As disclosed in note 5(c), all members of the executive council met their individual and collective BBMAA targets for fiscal 2015 and, therefore, received their 20% ministerial salary holdback in July 2015.

With the exception of the above, management is not aware of any significant events subsequent to March 31, 2015 that impact these financial statements.

19. Prior Period Adjustments

a) Employee leave liability

The Legislative Assembly's employee leave liability (note 6) for fiscal 2014 was understated because one department was unintentionally left out of the estimate. The 2014 financial information presented in these financial statements has been restated to correct this misstatement. The employee leave liability and the due from the CRF were both increased by

\$89 thousand, and salaries and benefits expense and operating appropriations were both decreased by \$19 thousand. There is no impact on the annual deficit or on accumulated surplus.

The effect of the adjustment on the current year is an \$89 thousand decrease to salaries and benefits and an \$89 thousand decrease to operating appropriations. There is no impact on the annual deficit or on accumulated surplus.

b) Recovery of prior year's expenses

The Legislative Assembly's fiscal 2014 miscellaneous revenue was overstated by \$96,000 and appropriation – operations was understated by \$96,000. These offsetting amounts related to the fiscal 2013 minister salary holdback liability. In fiscal 2013, collective targets were not achieved so a portion of the liability was extinguished in fiscal 2014 by recording a recovery of prior year's expenses within miscellaneous revenue. As discussed in note 5 (c), the Legislative Assembly's Statement of Operations should not be impacted by the payment or holdback of minister salaries.

The 2014 financial information presented in these financial statements has been restated to correct this misstatement. There is no impact on the annual deficit or on accumulated surplus, and there is no impact on the current year.

Appendix A: Legislative Assembly Management Committee Decisions

This Appendix provides the decisions taken by the Legislative Assembly Management Committee between April 1, 2014 and March 31, 2015, as required by section 5 of the *Legislative Assembly Management Act*. Committee decisions and proceedings are also available on the Legislative Assembly website at <http://www.leg.bc.ca/cmt/lamc/index.asp>.

The Legislative Assembly Management Committee met on the following dates.

- May 6, 2014.
- May 27, 2014.
- November 5, 2014.
- December 10, 2014.

To support the Committee, the Finance and Audit Committee – comprised of the Speaker, the government and opposition Caucus Chairs, and the Clerk of the Legislative Assembly – met on the following dates.

- April 1, 2014.
- April 8, 2014.
- April 29, 2014.
- May 13, 2014.
- May 27; 2014.
- July 10, 2014.
- October 7, 2014.
- October 21, 2014.
- November 18, 2014.
- December 10, 2014.
- February 2, 2015.
- February 26, 2015.
- March 12, 2015.

Decisions from April 1, 2014 to March 31, 2015, By Subject

Committee Administration

The Committee resolved that the Finance and Audit Committee perform a systematic review of all key financial policies and controls affecting MLA and Legislative Assembly spending, for consideration and approval by the Legislative Assembly Management Committee. (May 6, 2014)

The Committee resolved that based on the recommendation by the Finance and Audit Committee that the Legislative Assembly Management Committee approve all capital projects less than \$25,000, as a group submission, subject to the requirement that should the initial estimate for any project change by 10 per cent or more or the scope change significantly, that the project be re-submitted to LAMC for approval. Further that LAMC continue to approve all capital projects greater than \$25,000, on an individual basis, subject to the same price and scope change requirements as noted for those capital projects less than \$25,000. (May 6, 2014)

The Committee resolved that the package of materials prepared to support public deliberations of the Legislative Assembly Management Committee be released publicly prior to each LAMC meeting, including minutes of the Finance and Audit Committee. (May 27, 2014)

The Committee resolved that pursuant to section 5 of the *Legislative Assembly Management Committee Act*, the Committee adopt the Legislative Assembly Accountability Report, 2013-14 as presented today; and further that a copy of the report be deposited with the Office of the Clerk and that the Speaker present the report to the House at the earliest opportunity. (November 5, 2014)

The Committee approved the Assembly's 2014-15 First and Second Quarter Financial results for the period April 1, 2014 – June 30, 2014 (Quarter 1) and April 1, 2014 – September 30, 2014 (Quarter 2) as presented today. (November 5, 2014)

The Committee resolved that the Committee adopt the Financial Statements of the Legislative Assembly of British Columbia for the year ended March 31, 2014 as presented today. (November 5, 2014)

The Committee resolved that the Committee adopt the recommendation of the Finance and Audit Committee regarding the accounting policy for collections held by not-for-profit organizations. (November 5, 2014)

The Committee resolved that the Committee approve a two-year internal audit plan (2014/15-2015/16) and the Internal Audit Charter. (December 10, 2014)

Constituency Offices

The Committee agreed that, on behalf of the Committee, the Government House Leader and the Official Opposition House leader shall draft a letter to the RCMP seeking further information to clarify the status of matters relating to renovations to the Richmond East Constituency Office. It was further agreed that if required, the House Leaders may request the assistance of the Conflict of Interest Commissioner with the drafting of the letter. (November 5, 2014)

Disclosure

The Committee resolved that the Legislative Assembly initiate work towards expanding the quarterly public disclosure reports to include reimbursable receipts in support of Members travel expenses and constituency office expenditures with appropriate redactions addressing security concerns. (May 6, 2014)

The Committee resolved that the Committee adopt the recommendation of the Finance and Audit Committee that Members' travel and constituency office receipts, processed from October to December 2014, be released in February 2015, utilizing a report model to be approved by the Finance and Audit Committee. (November 5, 2014)

The Committee agreed that a summary of Members' Capital City Living Allowance declarations identifying the accommodation option selected by Members be posted annually on the Legislative Assembly's website commencing in 2015. (December 10, 2014)

Parliament Buildings

The Committee approved the installation of a metal detector and x-ray equipment at the Mowat entrance within the next two weeks, or as soon as operationally possible. (November 5, 2014)

The Committee approved the installation of new metal detector equipment at the Public Gallery entrances, replacing older equipment. (November 5, 2014)

The Committee approved in principle, subject to future ratification, the proposed creation of a second controlled public access at the main entrance of the Parliament Buildings, including the installation of additional metal detector and x-ray equipment. The Committee will confirm that the creation of a second controlled public access point may proceed upon receipt of acceptable cost estimates and design plans. (November 5, 2014)

The Committee resolved that the Sergeant-at-Arms consult with key stakeholders in the preparation of 'Guiding Security Principles' for the Legislative Assembly of British Columbia. (November 5, 2014)

Staff

The Committee resolved, that the Committee approve two new positions in the Financial Services Branch comprised of: one ML4 position (Manager, Disclosures and Constituency Offices Services) and one GL11 (Disclosure Analyst). (May 27, 2014)

The Committee resolved that the Committee support personal safety training for Members and staff that work in the Legislature in the case of response to an active shooter scenario. (November 5, 2014)

The Committee approved the provision of protective vests and uniforms to Legislative Assembly Protective Services staff holding Special Provincial Constable status. (November 5, 2014)

The Committee resolved that additional Legislative Assembly Protective Services staff who hold the designation as Special Provincial Constable status be equipped and trained on the use of firearms. (November 5, 2014)

Travel

In reviewing the Finance and Audit Committee recommendation regarding the policy for Out-of-Province Travel, it was agreed that further consideration be undertaken by the Finance and Audit Committee with respect to specific details including the proposed name change of the travel category currently known as Speaker Approved Travel. (May 6, 2014)

The Committee further agreed that accompanying persons in the family travel category would no longer be eligible to receive per diems. (May 6, 2014)

The Committee resolved, that effective immediately, that the Committee eliminate the practice of providing per diems to accompanying persons in the family travel category. (May 27, 2014)

Vote 1

The Committee agreed to approve 2015/16 estimates of expenditure for the Legislative Assembly for Vote 1; and further, that the Speaker transmit the 2015/16 estimates of expenditure for the Legislative Assembly for Vote 1 to the Minister of Finance on behalf of the Committee. (December 10, 2014)

Appendix B: *Legislative Assembly Management Committee Act* (RSBC 1996, c. 258)

This Act is Current to October 28, 2015

Contents

- 1 Definitions
- 2 Continuation of the committee
- 3 Powers and duties of the committee
- 4 Powers and duties of the Speaker
- 5 Proceedings and business
- 6 Dissolution of Legislative Assembly
- 6.1 Appropriation
- 7 Conflicts
- 8 Power to make regulations

Schedule

Definitions

1 In this Act:

"**additional party**" means a political party with 4 or more members in the Legislative Assembly but does not include the government party or official opposition party;

"**chair of the Government Caucus**" means the member of the Legislative Assembly designated as such by the government party;

"**chair of the Official Opposition Caucus**" means the member of the Legislative Assembly designated as such by the official opposition party;

"**committee**" means the Legislative Assembly Management Committee continued by section 2;

"**Confederation Garden Park**" means the park described in the Schedule;

"**Government House Leader**" means the member of the Executive Council named as such by the Premier;

"**legislative grounds**" means the area bounded by Belleville, Menzies, Superior and Government Streets in the City of Victoria, British Columbia;

"**Legislative Precinct**" means

(a) the Parliament Buildings,

(a.1) the legislative grounds and Confederation Garden Park,

(b) other buildings in Victoria or parts of them that are from time to time

occupied and used by members of the Legislative Assembly for the purpose of their parliamentary duties including any premises from time to time occupied

by officers and staff of the Legislative Assembly, and

(c) other land or buildings or both, other than constituency offices, designated by minute of the committee;

"Opposition House Leader" means the member of the Legislative Assembly named as such by the Leader of the Official Opposition;

"Speaker" means, subject to section 6, the person holding office as such under section 37 of the *Constitution Act*.

Continuation of the committee

2 (1) The Legislative Assembly Management Committee is continued consisting of the following members of the Legislative Assembly:

- (a) the Speaker;
- (b) the minister;
- (c) the Government House Leader;
- (d) the chair of the Government Caucus;
- (e) the Opposition House Leader;
- (f) the chair of the Official Opposition Caucus;
- (g) one member appointed from each additional party by the members of that party;
- (h) for each member appointed under paragraph (g) one additional government member from the Government Caucus appointed by the Government House Leader.

(2) The members of the committee referred to in subsection (1) (g) and (h) must be appointed within 45 days from the general voting day for the general election that preceded the Parliament.

(3) The first meeting of the committee must be held within 14 days of the appointment of the members referred to in subsection (1) (g) and (h)

(4) A member of the committee referred to in subsection (1) (b) to (h) may appoint a designate to take the member's place at a meeting of the committee.

(5) The Speaker is the chair of the committee and in the Speaker's absence the Deputy Speaker may act as chair and, with respect to the business of the committee, exercise the powers of the Speaker.

(6) A quorum of the committee is 5 members of the committee consisting of

- (a) the Speaker, or in the Speaker's absence, the Deputy Speaker,
- (b) 3 of the persons referred to in subsection (1) (b), (c), (d) or (h), and
- (c) one of the persons referred to in subsection (1) (e), (f) or (g)

(7) Each member of the committee other than the chair has a vote, and if the votes are equal the chair has a deciding vote.

(8) The members of the committee or their designates must attend all meetings of the committee as and when called by the chair, unless prevented from doing so by illness or for other unavoidable reason.

Powers and duties of the committee

3 (1) The committee has jurisdiction to deal with all matters affecting

- (a) subject to any other enactment and any rules of conduct established by the Legislative Assembly, policies for the administration of the Legislative Assembly and for the conduct of the members of the Legislative Assembly,

- (b) the provision of facilities and services, including allocation within the Legislative Precinct, that are required for the effective functioning of the Legislative Assembly,
- (c) the appointment, supervision and management of staff of the Legislative Assembly, other than permanent officers of the Legislative Assembly,
- (d) review of estimates of expenditure for the Legislative Assembly for Vote 1 including the preparation of forecasts and analyses of expenditures and commitments of the Legislative Assembly,
- (d.1) payments of Capital City allowance to members of the Legislative Assembly,
- (d.2) [Repealed 2007-23-16.]
- (d.3) the voluntary group registered retirement savings plan that was established by the committee for members of the Legislative Assembly,
- (e) payments to members of the Legislative Assembly to defray expenses in the performance of their duties, including
 - (i) expenses for residence in the Capital Regional District during the legislative session and for any additional periods specified by the committee,
 - (ii) protocol expenses,
 - (iii) travel and associated expenses of the members and persons accompanying the members, and
 - (iv) expenses for service on legislative committees when the Legislative Assembly is not sitting,
- (f) payments or services to members for constituency offices, including payments or services for staffing, maintaining the offices, communication expenses and travel expenses,
- (f.1) a severance allowance for persons when they cease to be members of the Legislative Assembly, and for this purpose may establish a severance plan that sets out the circumstances in which such persons will be eligible for the allowance, the amounts of the allowance payments, and any other matter related to severance,
- (f.2) when and how
 - (i) payments referred to in paragraphs (d.1), (e), (f) and (f.1) are required to be provided by the government, and
 - (ii) amounts required to be contributed by the government under the terms of the plan described in paragraph (d.3) are to be paid, and
- (g) other matters necessary for the efficient and effective operation and management of the Legislative Assembly.

(1.1) [Repealed 2007-23-16.]

(1.2) Despite the *Income Tax Act*, a Capital City allowance payable to a member under subsection (1) (d.1) is deemed not to be wages within the meaning of that Act, and not to form part of the income of that member for any purpose of that Act.

- (2) Subsection (1) (b) does not empower the committee to allocate space or provide services within the Legislative Precinct that are necessary for
- (a) ministerial offices,
 - (b) ministerial administration and support staff, or
 - (c) the functioning of the Executive Council.

Powers and duties of the Speaker

- 4** (1) Subject to any direction of the committee, the Speaker is responsible for the day to day administration of the Legislative Assembly.
- (1.1) In accordance with the regulations, the Speaker is responsible for the
- (a) provision of security within the Legislative Precinct, and
 - (b) management of the use and enjoyment of the Legislative Precinct by the public and by other persons.
- (2) The committee may delegate any of its powers to the Speaker.

Proceedings and business

- 5** (1) The committee may determine its own procedures.
- (2) The committee speaks by minute duly adopted by the committee.
- (3) The committee may authorize payment of reasonable and actual expenses incurred by its members
- (a) for attendance at meetings of the committee while the Legislative Assembly is adjourned or prorogued, or
 - (b) while engaged in the work of the committee while the Legislative Assembly is adjourned or prorogued.
- (4) The committee must have its accounts or financial procedures examined and reported on each fiscal year by a qualified person or firm appointed by the committee.
- (5) A member of the public service is not eligible to be appointed under subsection (4)
- (6) The Auditor General may examine the accounts and financial procedures of the committee and report to the Speaker at the times that the Auditor General considers appropriate.
- (7) Subsection (6) does not restrict the Auditor General from reporting to the Legislative Assembly on any other matter that the Auditor General considers to be in the public interest including the matters within the jurisdiction of the committee under section 3.
- (8) The committee must promptly file its minutes and the reports referred to in subsections (4) and (6) with the Clerk of the Legislative Assembly who must
- (a) make the minutes and reports available to any person for inspection without charge and during normal business hours, and
 - (b) provide a copy of the minutes and reports on payment of a reasonable copying charge.
- (9) The committee must report annually to the Legislative Assembly on the decisions made by the committee during the previous year.
- (10) The report under subsection (9) must include the reports referred to in subsections (4) and (6).

Dissolution of Legislative Assembly

- 6** (1) After general voting day for a general election, the person holding the office of Speaker immediately before general voting day is deemed for the purposes of this Act to continue in office as Speaker until a Speaker designate is named.
- (2) [Repealed 2011-13-125.]

(3) If a Speaker designate is named, he or she is deemed to be Speaker for the purposes of this Act.

(4) [Repealed 2011-13-125.]

Appropriation

6.1 Money required to be provided by or paid on behalf of the government under this Act must be provided or paid by the Minister of Finance from money appropriated for that purpose by the Legislative Assembly or, in the absence of an adequate appropriation for that purpose, from the consolidated revenue fund.

Conflicts

7 If there is any conflict or inconsistency between

(a) this Act or a minute of the committee issued under this Act, and

(b) the *Financial Administration Act* or any regulation or directive made or given under it,

then, despite the *Financial Administration Act*, this Act or the minute of the committee prevails.

Power to make regulations

8 (1) The Lieutenant Governor in Council may make regulations as follows:

(a) providing for the security of the Legislative Precinct;

(b) regulating, permitting or prohibiting use of the Legislative Precinct by the public or by other persons.

(2) The Lieutenant Governor in Council may make regulations establishing penalties for failure to comply with the regulations made under this section.

Schedule

CONFEDERATION GARDEN PARK

All those parcels of land in the City of Victoria with the following legal descriptions:

Parcel Identifier: 009-386-980

Lot 890, Victoria City

Parcel Identifier: 009-387-021

Lot 891, Victoria City

Parcel Identifier: 009-387-030

Lot 894, Victoria City

Parcel Identifier: 009-387-056

Lot 995, Victoria City.

