

FINANCIAL REPORT

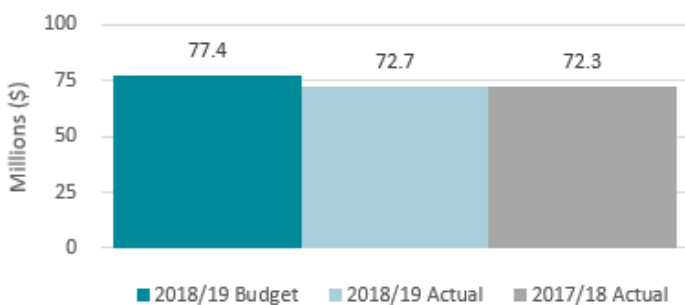


(Unaudited)

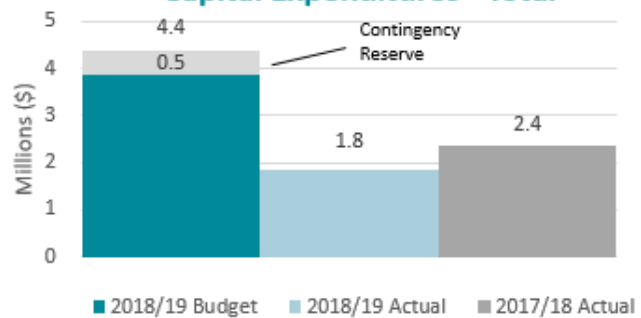
For the Year Ended March 31, 2019

This financial report summarizes the actual results of the Legislative Assembly's operating and capital expenditures in comparison to budget. For the fiscal year ended March 31, 2019, the Assembly underspent its operating budget by \$4.7 million (6.1%) and its capital budget by \$2.5 million (56.8%). A breakdown of these amounts by functional area, including variance explanations, is included in this report.

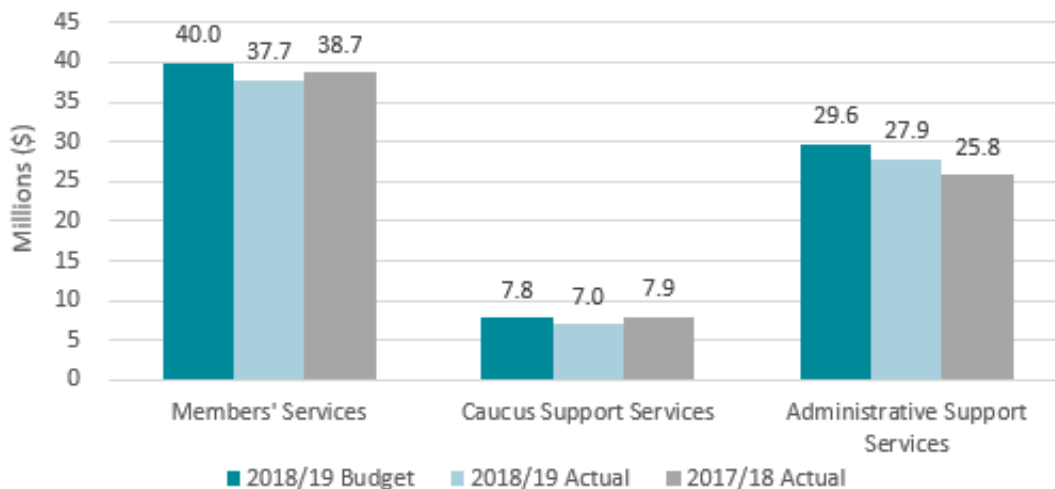
Operating Expenses - Total



Capital Expenditures - Total



Operating Expenses - By Function



Members' Services: Savings of \$2.2 million due to lower than expected salaries and benefits, MLA travel, phone, CCLA, legal, and constituency office costs.

Caucus Support Services: Savings of \$0.8 million due to unfilled vacancies, operational efficiencies and fiscal prudence.

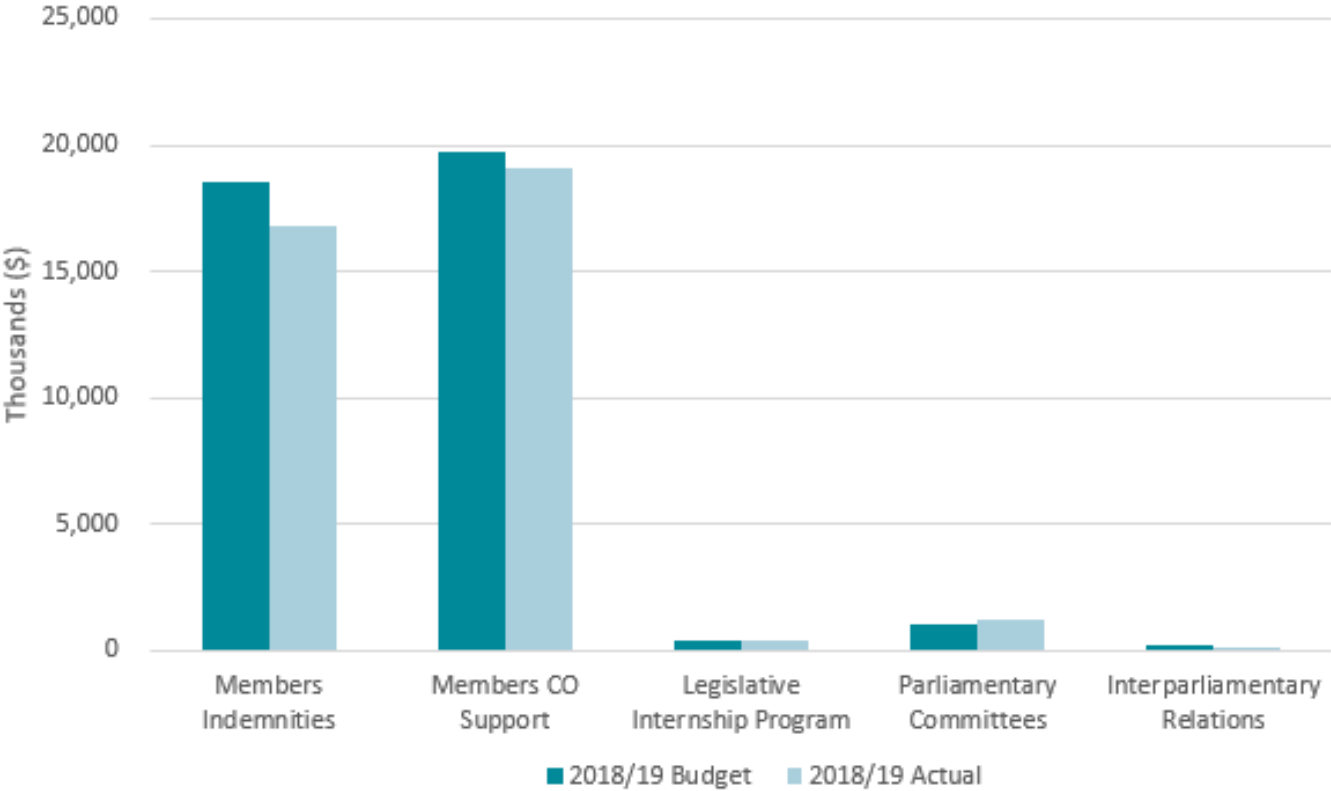
Administrative Support Services: Savings of \$1.8 million due to temporarily unfilled positions, lower amortization costs, operational savings, and higher Gift Shop and Dining Room sales. These are partially offset by unbudgeted legal costs.

Members' Services

The Members' Services budget was underspent by \$2.2 million (budgeted \$40.0 million). Variances include:

- Members' Indemnities** (\$1.7 million): Lower than budgeted MLA travel (\$335 thousand), phone (\$69 thousand), and legal costs (\$153 thousand). MLA salary costs (\$301 thousand) are lower as a result of fewer than budgeted MLAs with additional salaried positions and the resignation of one Member. MLA benefit costs are lower than budgeted as a result of the above and lower than budgeted benefit costs (\$745 thousand). Capital Living City Allowance costs were \$165 thousand under budget because the maximum allowance per Member was budgeted, but actual usage was lower.
- Members' Constituency Support** (\$587 thousand): Lower than budgeted insurance, security, internet, lease, and constituency assistant benefit costs.
- Parliamentary Committees** (Overspent by \$115K): Overspend is a result of unanticipated expenses incurred by the Legislative Assembly Management Committee (LAMC) for the Special Independent Investigation and legal expenses, and for unanticipated committee advertising and consultations. These costs were partially offset by lower salary expenses due to Committee Research Services staff not currently at the full complement.

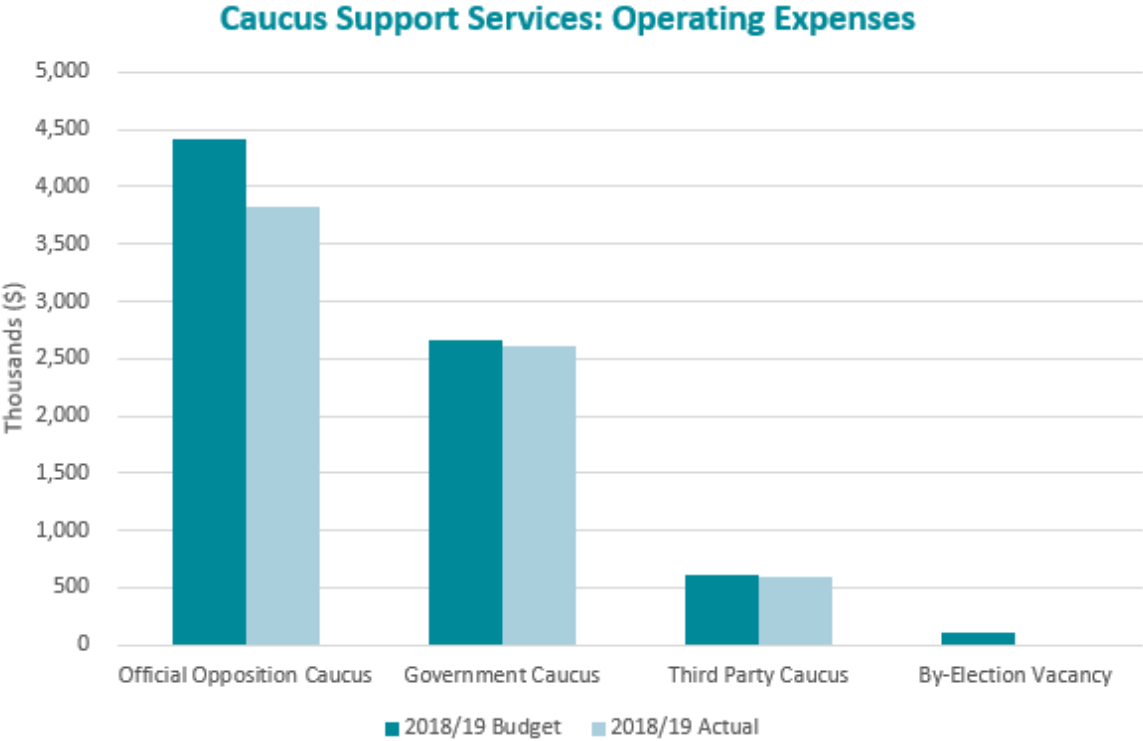
Members' Services: Operating Expenses



Caucus Support Services

Total expenditures for Caucus Support Services is \$7.03 million (budgeted \$7.8 million). Variances include:

- **Official Opposition Caucus** (\$590 thousand): Variance is due to unfilled vacancies, operational efficiencies and fiscal prudence.
- **Government Caucus:** (\$47 thousand): Variance is due to operational efficiencies and fiscal prudence.
- **Third Party Caucus** (\$23 thousand): Variance is due to operational efficiencies and fiscal prudence.
- **By-Election Vacancy** (\$103 thousand): The remainder of the underspend represents savings resulting from changes in caucus composition following the approval of the budget (\$103 thousand).

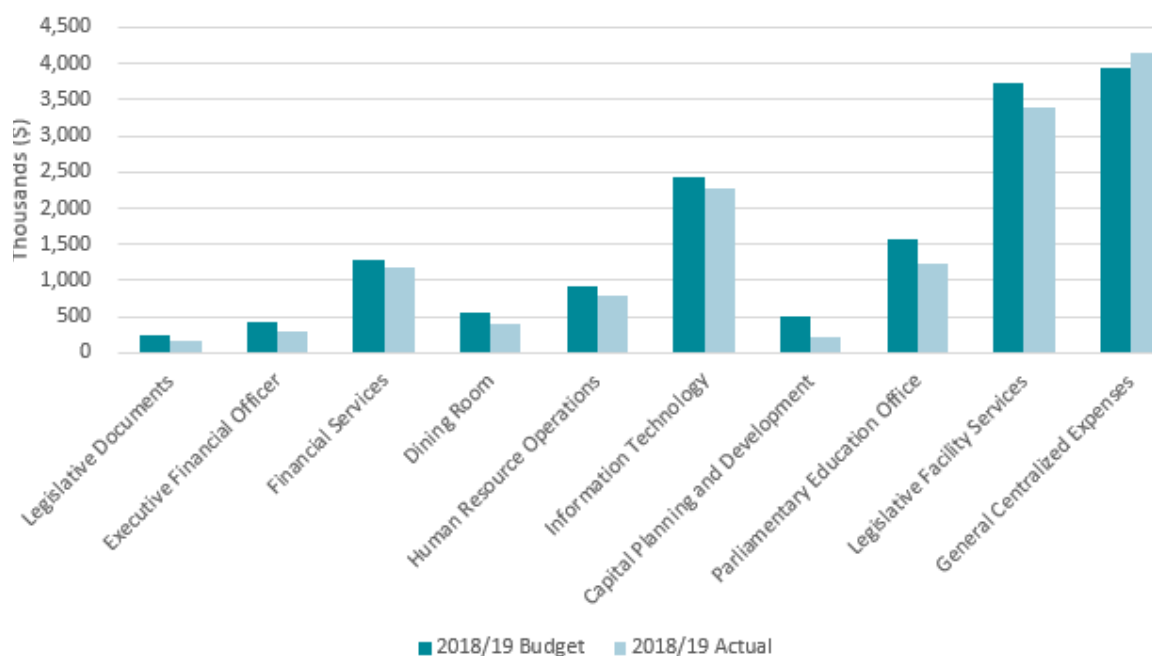


Legislative Operations

Total expenditures for the Legislative Operations, which is a function within the Administrative Support Services grouping, is \$14.1 million (budgeted \$15.6 million). Variances include:

- **Legislative Documents (\$68 thousand):** Actual cost is variable depending on the number of bills, statutes and loose leaf revisions during the year.
- **Executive Financial Officer (\$136 thousand):** Lower than anticipated professional services costs, contracted services and one vacant position for part of the year.
- **Financial Services (\$90 thousand):** Lower than anticipated information systems operating costs, employee travel expenses, professional development costs, and employee benefit costs.
- **Dining Room (\$147 thousand):** Majority of the underspend is a result of higher than expected revenue generated from sales, offset by the cost of the sales.
- **Human Resources (\$127 thousand):** Lower than anticipated salary and benefit costs resulting from temporary vacancies and a deferred start date for the HR/Payroll System project.
- **Information Technology (\$155 thousand):** Lower than anticipated salaries due to vacant positions.
- **Capital Planning and Development (\$286 thousand):** Lower than anticipated operational costs due to a deferred start date for a significant project.
- **Parliamentary Education Office (\$321 thousand):** Higher than expected Gift Shop sales (\$94 thousand) and temporarily vacant positions (leaves, temporary assignment to other branch).
- **Legislative Facility Services (\$348 thousand):** Lower than anticipated operational and building maintenance costs, costs completed under budget, and deferred projects due to timing issues.
- **General Centralized Expenses (overspent by \$207 thousand):** Overspend of \$343 thousand for unexpected legal costs and \$37 thousand for photocopier usage costs, that are offset by the lower than budgeted amortization costs of \$146 thousand due to lower than budgeted capital expenditures, lower than budgeted lease costs following the renewal of a lease in Vancouver for the Office of the Leader of the Official Opposition (\$25 thousand), and \$64 thousand in savings because the Leader of the Third Party did not require office space in Vancouver (In December 2018, LAMC decided to not make this space available in the future, pending further consideration).

Legislative Operations: Operating Expenses



2018-19 Operating Expenses by Function

Function (in thousands)	Budget	Actual	Prior Year Actual	Budget Variance	
				\$	%
Members' Services	\$39,965	\$37,750	\$38,709	\$2,215	5.5% ¹
Caucus Support Services	7,795	7,032	7,862	763	9.8% ²
Administrative Support Services					
Office of the Speaker	389	390	305	(1)	-0.3%
Office of the Clerk	1,041	1,098	993	(57)	-5.5% ³
Clerk of Committees	886	885	762	1	0.1%
Legislative Operations	15,598	14,127	12,828	1,471	9.4% ⁴
Sergeant-at-Arms	5,740	5,737	5,512	3	0.1%
Hansard Services	3,792	3,588	3,427	204	5.4% ²
Legislative Library	2,202	2,051	1,943	151	6.9% ²
	29,648	27,876	25,770	1,772	6.0%
Total	\$77,408	\$72,658	\$72,341	\$4,750	6.1%

Note 1: Variance represents lower than budgeted MLA travel, phone, legal, capital city living allowance, and constituency office costs. MLA remuneration and benefits are lower as a result of fewer than budgeted MLAs with additional salaried positions and the resignation of one MLA, and lower than budgeted benefit costs in general.

Note 2: Variance represents lower than anticipated salary and benefit costs, including temporarily vacant positions, and operational expenses.

Note 3: Variance represents salary and benefit costs for the Parliamentary Counsel position, payout of unused vacation, and temporary project salaries, that are offset by a reduction in travel.

Note 4: The underspend is spread across many branches (see page 4 for more details) and represents temporary vacancies, lower operational and maintenance costs, lower amortization costs, lower than expected use of professional services funds, and higher Gift Shop and Dining Room sales.

2018-19 Capital Expenditures by Function

Function (in thousands)	Budget	Actual	Prior Year Actual	Budget Variance	
				\$	%
Members' Services	\$0	\$0	\$0	\$0	0.0%
Caucus Support Services	77	42	47	35	44.9%
Administrative Support Services					
Office of the Clerk	5	0	2	5	100.0%
Clerk of Committees	7	5	3	2	31.7%
Legislative Operations	3,730	1,406	2,155	2,324	62.3% ⁵
Sergeant-at-Arms	145	129	16	16	11.2%
Hansard Services	408	262	131	146	35.7% ⁶
Legislative Library	6	2	0	4	65.8%
	4,301	1,803	2,307	2,498	58.1%
Total	\$4,378	\$1,846	\$2,354	\$2,532	57.8%

Note 5: Variance represents unused contingency funds of \$471 thousand, lower than anticipated electrical upgrade costs, and the postponement of the ceremonial driveway upgrade, payroll/HR system, and other capital projects to next fiscal year. New security projects were subsequently approved by LAMC on December 6, 2018 and completed, partially offsetting the underspend.

Note 6: Variance represents lower than anticipated costs for lifecycle replacements and repairs to equipment. In addition, a project that was originally planned to be completed by the end of this year will now be completed early in the next year due to shipping delays.

For more information regarding this update please contact:

Hilary Woodward
Executive Financial Officer

250.356.6590
Hilary.Woodward@leg.bc.ca