

Accountability Report, 2013-14



Legislative Assembly of British Columbia ~ November 2014

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Message from the Speaker

November 2014

To the Honourable Legislative Assembly of the Province of British Columbia

Honourable Members:

The 2013-14 year was important for the BC Legislative Assembly, and for all British Columbians.

On May 14, 2013, British Columbians elected the 85 Members of their 40th Parliament. The new Parliament opened on June 26, 2013. By March 31, 2014, the Legislative Assembly had debated and adopted government's June 2013 and February 2014 budgets, passed ten bills, held 85 parliamentary committee meetings, and welcomed almost 90,000 visitors, including students from over 500 schools across the province.



The Legislative Assembly Management Committee held public discussions of options for the Assembly's budget, and scaled back expenditures to a "hold the line" budget for 2014-15. We improved oversight and controls over Assembly expenditures. We expanded the disclosure of information on Assembly budgets, Members' travel, and constituency office expenses. And, we obtained feedback from the Office of the Auditor General and financial professionals as we worked to modernize our governance and financial administration.

I am very pleased to present the Legislative Assembly Management Committee's first *Accountability Report*. It outlines our concrete actions to improve the Legislative Assembly's financial management and administration, and provides the Assembly's first independently audited annual financial statements.

I am grateful to the Members of the Committee for their contributions to an open and accountable Legislative Assembly, and to the staff who support the work of the Legislative Assembly and its Members on behalf of the people of British Columbia.

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



Michelle Stillwell, MLA
Parksville-Qualicum
Government Caucus Chair



Eric Foster, MLA
Vernon-Monashee
Government Caucus Whip



John Horgan, MLA
Juan de Fuca
Opposition House Leader
(April 1, 2014 to March 17,
2014)



Bruce Ralston, MLA
Surrey-Whalley
Opposition House Leader
(March 17, 2014 to June
20, 2014)



Mike Farnworth, MLA
Port Coquitlam
Opposition House Leader
(from June 20, 2014)



Shane Simpson, MLA
Vancouver-Hastings
Official Opposition Caucus
Chair

Clerk to the Committee

Craig James
Clerk of the Legislative Assembly of British Columbia

Introduction

The Legislative Assembly's staff provide non-partisan services and advice to the Assembly, its Members, and its parliamentary committees.

In 2013-14, our strategic goals were: to support the Legislative Assembly's key 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 safe and secure environment for all Members, staff and British Columbians.



Highlights of the past year include:

- *The opening of BC's 40th Parliament after the May 14, 2013 general election* – including the launch of the proceedings of its first and second sessions, the work of its Committees, and support for Members in assuming their responsibilities on behalf of British Columbians;
- *Enhancing accountability by strengthening financial management and administration* – through more systematic oversight of Assembly financial governance and controls, strengthened accounting and financial management standards and procedures, and expanded transparency for reporting on the expenditure of taxpayers' funds; and
- *Using new technologies and tools to improve the efficiency of support to the Assembly, Members, and Committees* – with greater electronic access to parliamentary information for Members, improved broadcast and information technology services, and a new "Members' Guide to Policy and Resources" website to assist with orientation for new Members of the 40th Parliament as well as make travel, administrative, and financial policies publicly accessible for the first time for all Members and British Columbians.

We look forward to continuing to support the Speaker and the Legislative Assembly Management Committee in strengthening the accountability, transparency, and efficiency of the Legislative Assembly's administration and operations.

Craig James
Clerk of the Legislative Assembly of British Columbia

Context

The Members of the Legislative Assembly are collectively and individually accountable to British Columbians for the Assembly's financial policies and administration. British Columbians expect their Members to ensure that Assembly policies and operations provide good value for taxpayers' funds.

The Assembly established an all-party Legislative Assembly Management Committee (the Committee) in 1992 with the enactment of the *Legislative Assembly Management Committee Act*.



Speaker's Procession, Legislative Chamber

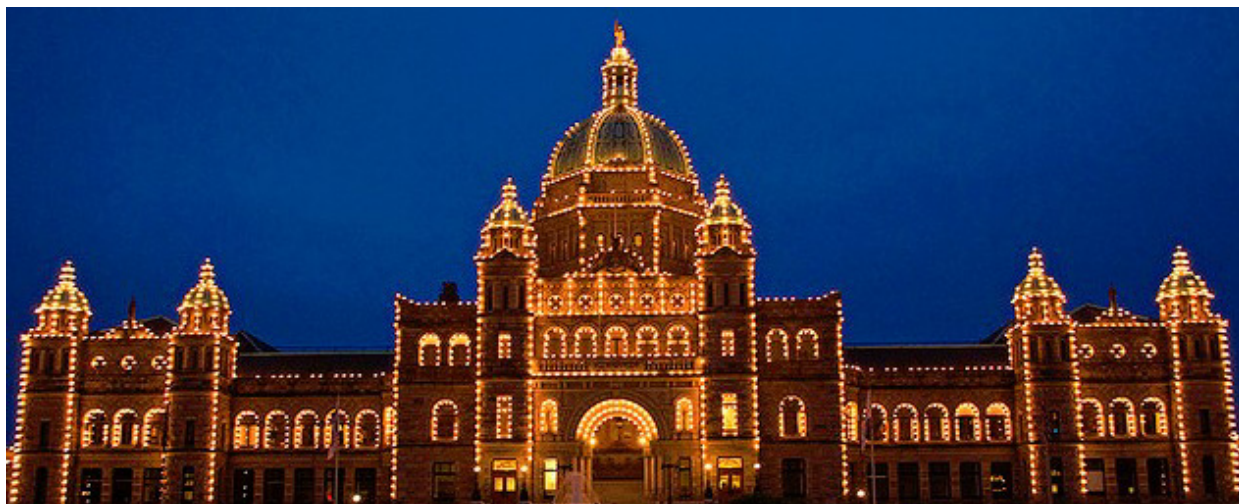
This all-party Committee serves as the Assembly's parliamentary management board. It is responsible for: the sound administration of the Assembly's operations; the provision of effective administrative and financial policies and support for Members in the discharge of their parliamentary and constituency responsibilities; and prudent Assembly budgets and expenditures on behalf of all British Columbians.

The 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.

Guided by a commitment to act in accordance with principles of openness and transparency, the Committee is advancing reforms to strengthen the Assembly's management of taxpayers' funds:

- Modernizing Assembly governance;
- Strengthening accountability for its financial policies and expenditures;
- Expanding the public disclosure of information on Assembly budgets, Members' compensation, and expenses; and,
- Enhancing the effectiveness of financial and administrative management.

Progress and Achievements



Parliament Buildings

The Legislative Assembly Management Committee has advanced initiatives to enhance the Assembly's governance and financial and administrative management.

The Assembly is working to fully implement the recommendations made by the Office of the Auditor General in its July 2012 report, *Audit of the Legislative Assembly's Financial Records*, and its April 2007 report, *Special Audit Report to the Speaker: Financial Framework Supporting the Legislative Assembly* (available at www.bcauditor.com) by:

- Strengthening management, oversight, and accounting and financial management standards and procedures;
- Engaging an internal auditor;
- Developing clearer procedures, policies and guidelines for financial controls;
- Establishing financial reporting to the Legislative Assembly Management Committee;
- Instituting a documented process for the production and approval of budgets; and,
- Making progress on business continuity and disaster recovery plans.

Modernizing Governance

Fundamental changes have been made to governance and decision-making to support the Committee's work to strengthen accountability for the management of taxpayers' money.

In August 2012, the Committee implemented the following reforms to promote openness and the engagement of British Columbians in its deliberations and decision-making:

- The Committee holds regular public meetings to provide strategic direction over the Assembly’s administration, make decisions on financial policies and expenditures, and strengthen the engagement of British Columbians in the work of the Committee;
- The Committee’s deliberations on budget and expenditures support enhanced accountability for the expenditure of public funds;
- The Committee’s meetings are open to the public, providing public access to considerations used in decision-making and the impact of decisions (meetings are only held in-camera when needed – for example, to discuss security or personnel matters);
- Meetings are structured in a manner similar to the Assembly’s Select Standing Committees, with agendas, proceedings, minutes, and decisions publicly available on the Assembly website; and,
- The Committee is assisted by the regular attendance by representatives from the Office of the Auditor General (the OAG) at public meetings. The OAG also serves as the Assembly’s external auditor.

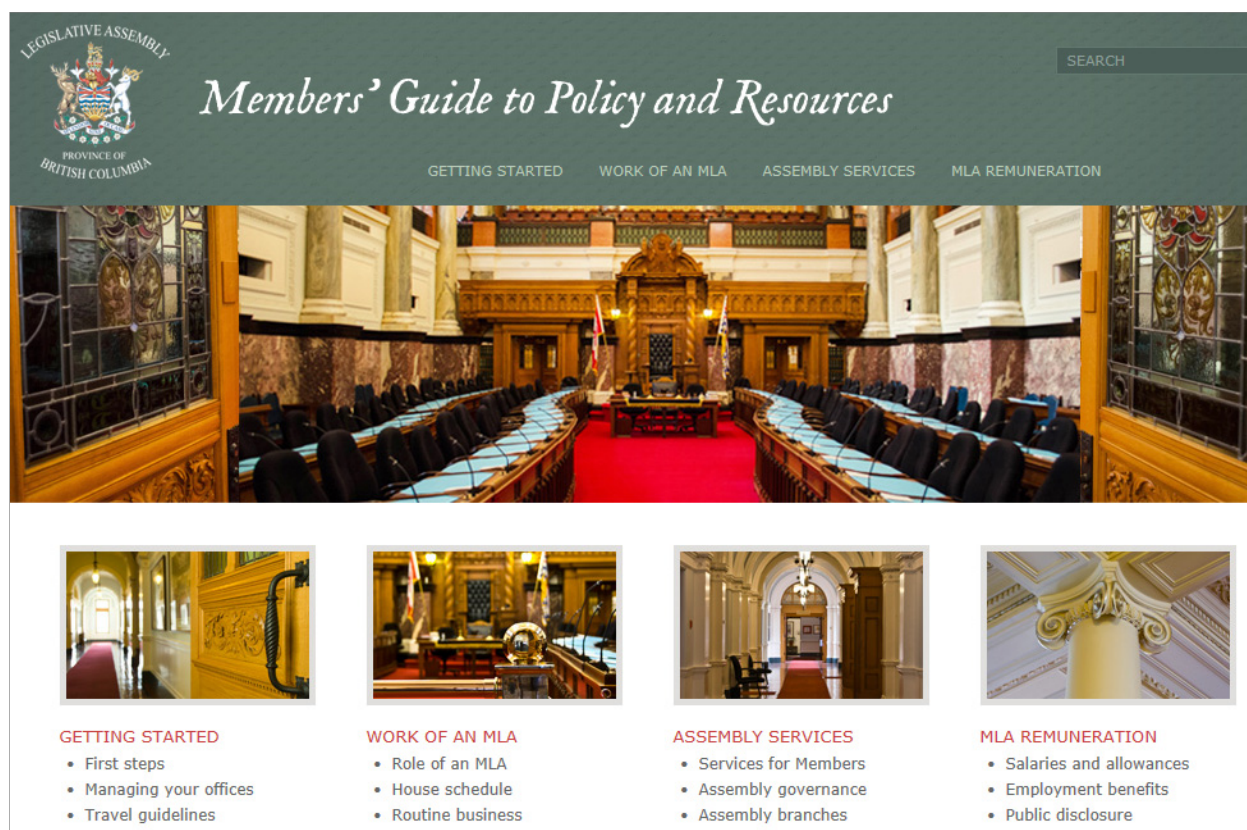
In October 2012, the Committee established a Finance and Audit Committee comprised of the Speaker, the government and opposition Caucus Chairs, and the Clerk of the Legislative Assembly. The creation of the Finance and Audit Committee is an important “leading practice” for public sector organizations and serves as an advisory sub-committee to the Legislative Assembly Management Committee on financial management and administrative issues.

- The Finance and Audit Committee brings a systematic, disciplined approach to evaluation and control processes, and promotes value for taxpayers’ money. It reports to the Legislative Assembly Management Committee on reviews of Assembly financial statements, budgets and financial reports, oversight of the system of internal controls, consideration of audit reports, and follow-up on audit recommendations.
- An Audit Working Group of Assembly executives and senior financial advisors supports the work of the Committee and the Finance and Audit Committee.
- The Finance and Audit Committee and the Audit Working Group benefit from ongoing attendance by representatives from the Office of the Auditor General.

In 2013-14, additional governance changes were made to increase oversight, rigour and transparency on budgeting and spending.

- In September 2013, the Committee agreed to appoint an internal auditor for the Legislative Assembly, fulfilling a key recommendation of the Office of the Auditor General (the internal audit term of appointment covers the 2014 calendar year).
- In December 2013 and January 2014, the Committee held its first public consideration of options for the Assembly’s budget. The Committee concluded by deciding to scale back proposed expenditures to a “hold the line” budget for the 2014-15 fiscal year.

Transparency Initiatives



LEGISLATIVE ASSEMBLY
PROVINCE OF
BRITISH COLUMBIA

SEARCH

Members' Guide to Policy and Resources

GETTING STARTED WORK OF AN MLA ASSEMBLY SERVICES MLA REMUNERATION

GETTING STARTED

- First steps
- Managing your offices
- Travel guidelines

WORK OF AN MLA

- Role of an MLA
- House schedule
- Routine business

ASSEMBLY SERVICES

- Services for Members
- Assembly governance
- Assembly branches

MLA REMUNERATION

- Salaries and allowances
- Employment benefits
- Public disclosure

New Members' Guide to Policy and Resources Website (www.members.leg.bc.ca) launched May 2013

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

The public disclosure of Members' remuneration and expenses has been advanced through a series of initiatives:

- In January 2013, the Assembly commenced the quarterly public disclosure of Members' travel expenses on its website, starting with expenses for April-December 2012;
- In May 2013, a new *Members' Guide to Policy and Resources* website was launched (<http://members.leg.bc.ca>) to assist with orientation for new Members of the 40th Parliament as well as consolidating Members' travel guidelines, compensation, administration and financial policies. This information is publicly available and regularly updated for all Members and British Columbians;
- In October 2013, the Assembly commenced expanded quarterly disclosure of travel expenses, including ministerial expenses and parliamentary committee travel expenses;



Select Standing Committee on Children and Youth, 2014

- In October 2013, the online disclosure of individual Members' remuneration was initiated on a quarterly basis, beginning with remuneration for April-September 2013; and,
- In January 2014, the Assembly proceeded with work for the public disclosure on the Assembly website of Members' constituency office expenses, starting with expenses for January to March 2014. The Assembly enhanced its documentation and training to support Members' constituency office staff and improved accounting software to enhance the stewardship of public monies and enable the reporting of constituency office expenditures.

To support Members in their implementation of new transparency initiatives in 2013-14, the Legislative Assembly enhanced its orientation program for Members and their staff and expanded information and training resources for Members and staff:

- The Legislative Assembly's orientation program for Members and staff after the May 14, 2013 general election 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 and accountability initiatives;
- On May 15, 2013, the 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;
- In May 2013, the Legislative Assembly retained Shared Services BC to act as a consultant to advise new and returning Members on constituency office lease arrangements;
- In September 2013, the Assembly initiated its first orientation seminar for Members' Constituency Assistants, with training on financial management, office expenses, public accountability, and reporting requirements; and,
- Ongoing training resources and support from Assembly personnel have assisted Members and their staff with the implementation of expanded disclosure.

The following initiatives have been undertaken to enhance the disclosure of information on Assembly budgets and spending:

- The Legislative Assembly has issued its first set of independently audited annual financial statements, covering the 2013-14 fiscal year (presented on pages 19 to 44);
- The Committee has inaugurated its first *Accountability Report* to report to Members and all British Columbians on actions to support accountability, transparency and openness, and the audited annual financial statements; and,
- In March 2014, the Committee directed the release of the Legislative Assembly's quarterly financial operating and capital reports, including a capital projects update, as part of a regular disclosure process – which is being implemented in the 2014-15 year.



Memorial Rotunda

Enhancing Financial Management and Administration

The Legislative Assembly Management Committee is overseeing a comprehensive multi-year program to enhance internal financial management and administration. Strengthened professional advice on financial matters is improving support for the Committee's decision-making. More rigorous internal controls help to ensure systematic and prudent administration of Assembly expenditures.

Strengthened Executive Leadership and 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.

The Assembly has strengthened its senior financial executive capacity and professional staff to support the Legislative Assembly Management Committee's responsibilities and decisions.

- In April 2013, an Executive Financial Officer position was filled to provide experienced leadership and strategic direction to the Assembly's Financial Services branch.
- In 2013-14, the Assembly undertook additional recruitment and hiring to enhance the overall professional capacity of its Financial Services operations.

Increased Internal Controls

The Legislative Assembly is implementing expanded internal controls to promote effective financial administration:

- In September 2013, the Committee reviewed internal audit reports on capital development and a pilot review of Members' constituency offices, and approved an action plan and follow-up response;
- Improved documentation requirements and utilization of common software for MLA constituency offices have been developed to assist Members in standardized recording and reporting of constituency office expenses;
- In March 2014, the Committee approved the implementation of a capital asset inventory system, with enhanced inventory and asset controls for operations across the Assembly; and,
- Public Sector Accounting Standards have been approved for the development of the Assembly's 2013-14 financial statements.

Ensuring Accessibility and Preparedness

The Legislative Assembly aims to ensure that the Parliament Buildings are a safe and accessible place for those who work within and visit the Assembly. The Assembly has acted to ensure accessibility to the Parliament Buildings and strengthen emergency preparedness and business continuity planning. The Assembly has also moved to enhance access to Assembly information for Members and all British Columbians.

Improving Accessibility to Parliament Buildings

Work has been undertaken to ensure that all Members and British Columbians have accessibility to the Parliament Buildings. These changes supplement other accessibility initiatives, including the opening of the new barrier-free Mowat Entrance at the front of the main entrance of the Parliament Buildings in March 2013:

- In September 2013, upgrades were completed for barrier free entrances, access to washrooms, elevator modernization, accessible parking, and sidewalk access;
- In January 2014, a ramp was completed between the Assembly's Chamber and the Legislative Library to facilitate barrier free accessibility for Members and the public; and,
- In February 2014, additional automatic doors were installed for accessible access in the Legislative Buildings.

Strengthened Business Continuity Planning and Emergency Preparedness

The Committee has overseen progress on the development of business continuity and emergency preparedness plans:

- In April 2013, an independent review of business continuity capability concluded that the Legislative Assembly is well-prepared to respond to emergencies, but that additional departmental planning should be enhanced. The review recommended visits to other jurisdictions which have experienced business disruptions;
- In April 2013 and December 2013, fact-finding visits were undertaken to New Zealand and three U.S. western coastal state legislatures. Information obtained during these visits reinforced the need to consider all phases of disaster management to protect Assembly operations;
- An Emergency Operations Centre has been upgraded with business emergency equipment and necessary facilities to ensure continuity of operations in the event of a business interruption;
- Work towards the development a business continuity plan has been undertaken in collaboration with Emergency Management BC, assisting the Legislative Assembly to build capacity towards BC government leading practices and to ensure the continuity of government and governance institutions for the province; and,
- An external contractor was engaged to assist in the development of a comprehensive business continuity plan for the Legislative Assembly. Work is under way to prepare a business continuity, emergency preparedness and disaster recovery plan to maintain critical operations following a disruptive incident or crisis, including but not limited to an earthquake, fire, flood and terrorism.

Increasing Access to Parliamentary Information

In 2013-14, the Legislative Assembly continued to increase the capacity of Members and British Columbians to access parliamentary information:

- The broadcasting of Legislative Assembly proceedings was enhanced through digital and Wi-Fi projects and upgrades to high-definition equipment;
- In February 2014, the Committee approved an iPad Project to enable Members serving on parliamentary committees to access House and committee documents electronically;
- The use of social media to provide access to information on the Legislative Assembly and its Parliamentary Committees was expanded through the use of Facebook and the launch of a Twitter pilot project for the Finance and Government Services Committee's budget consultations; and,
- The Legislative Library has augmented resources to serve Members, including enhanced access to electronic databases and e-books.

Moving Forward



Hansard Broadcasting Services

Since the May 14, 2013 election, the Legislative Assembly Management Committee has made progress in strengthening the Assembly's financial and administrative management.

But the Committee also has more to do, including:

- Implementing our May 2014 decision to expand Members' quarterly public disclosure reports with receipts for travel and constituency office expenditures, and augmenting reporting to cover travel expenses of senior Assembly executive staff;
- Following up on our March 2014 decision to strengthen reporting to British Columbians by posting quarterly financial operating and capital reports, including capital project updates, on the Legislative Assembly website;
- Furthering our efforts with the Assembly's internal auditor to enhance internal financial controls and procedures;
- Proceeding with work on the development of the Assembly's business continuity and disaster recovery plan; and,
- Making increased use of technology to enable Members and all British Columbians to access Assembly information in a timely and cost-efficient way.

The Assembly will continue to develop new ways to ensure that British Columbians are served by good governance and the responsible use of taxpayers' funds. The Committee has agreed that an independent Legislative Assembly Support Programs Accountability Review be undertaken to examine financial and administrative management, possible cost savings, and efficiencies that could be accomplished. This is the first time that such a review has been carried out at the Assembly, and its conclusions will inform the Committee's work on the Assembly's budget for the coming years.

Departmental Performance Report

Annual performance reporting is a good practice and a key means of conveying accountability to citizens. This *Accountability Report* highlights the work of Assembly 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 measuring success in meeting goals are under development for reporting 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.

Office of the Clerk

The Clerk of the Legislative Assembly is the senior permanent officer and procedural advisor to the Speaker and all Members. The Clerk directs Assembly management and staff in providing non-partisan services to the Assembly and Members. The Office of the Clerk produces House documents such as *Orders of the Day* and *Votes and Proceedings*, and is the repository for House documents and petitions. The Office provides exemplary, non-partisan procedural advice, and effectively, efficiently, and economically administers Assembly functions with an aim to be a jurisdictional leader in management, accountability, and procedural innovation.

Key activities in 2013-14 include:

- *Supporting a successful transition to the 40th Parliament, the Assembly's election of a new Speaker, and the opening of the Parliament's first and second sessions* – through the establishment of regular meetings with the Speaker to ensure effective direction and communication on Assembly issues, the launch of the proceedings of the new Parliament, and orientation programs to support Members in assuming their responsibilities on behalf of British Columbians;
- *Guiding the successful implementation of Legislative Assembly Management Committee decisions* – with regular meetings of the Audit Working Group to provide systematic support to the Committee and the Finance and Audit Committee, address financial and management issues, scrutinize policies and potential decisions, and ensure effective implementation of their decisions; and,
- *Leading Legislative Assembly departments and reporting structures for better economy and oversight* – by more strategically-aligned resources, and regular Senior Management Team meetings to integrate advice and support for Assembly deliberations, financial management and administration.

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 in order to assist the deliberative processes of the Assembly. The Office also provides procedural, administrative and research support to the Assembly's parliamentary committees and their Members.



Members of the Select Standing Committee on Public Accounts, November 2013

Key activities in 2013-14 include:

- *Ensuring the completion of parliamentary committee mandates within timelines established by the Legislative Assembly or by statute – through timely and high quality procedural, administrative, communications and research services;*
- *Developing and implementing mechanisms for parliamentary committees to engage and consult with British Columbians – by targeted parliamentary committee travel and video-conferencing to ensure access by citizens across the province, and increased use of online public and stakeholder submission processes;*
- *Providing advice and operational support for the work of the Legislative Assembly Management Committee – with integrated management and research services; and,*
- *Creating and maintaining the new Members' Guide to Policy and Resources website (<http://members.leg.bc.ca>) – by consolidating administrative and financial guidelines and policies for Members and making this publicly accessible.*

GOAL 2

Effective, responsive and accountable financial management and administration.

Financial Services Department

The Financial Services Department supports the Legislative Assembly through the provision of advice and services on Assembly budgets, financial management and planning, accounting, reporting, and administrative procedures.

Key activities in 2013-14 include:

- *Carrying out the Legislative Assembly Management Committee's decisions on reforms to financial administration – by modernizing financial planning and procedures across the Assembly, supporting the work of the Assembly's internal auditor, and executing decisions on public reporting of Assembly finances and Members' compensation and expenses;*

- *Completing the first-time audited financial statements for the Legislative Assembly* – the professional reorganization of the Financial Services department played an important leadership role in this process, ensuring the sound application of accounting principles; and,
- *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

The Human Resource Operations provides comprehensive personnel services across all of the Legislative Assembly's departments. The work of the office is consistent with Public Service Agency classification policies and practices in other legislative jurisdictions. The office also provides ad hoc services and advice to Members and constituency offices on human resource issues.

Key activities in 2013-14 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; and,
- *Management recruitment and retention* – through enhanced talent management, training, and succession planning to ensure a strong, capable Assembly team.

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 a range of information services to ensure that Members can meet their parliamentary responsibilities and to provide British Columbians with information on the Assembly's parliamentary roles 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 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 2013-14 include:

- *Creating production efficiencies* — by streamlining the editorial production process and developing a customized internal web portal to support transcription; and,
- *Enhancing broadcasting services* — through improved delivery of webstreaming products to mobile devices and cost-effective infrastructure upgrades to meet high-definition broadcasting standards.

Legislative Library

The Legislative Library provides documents and information services to support Members with their work. The Library develops a collection of materials to respond to the changing needs of Members in the Assembly, parliamentary committees, and constituency offices. The Library also delivers research and information services to Members, their staff, and the public on parliamentary and public issues.

Key activities in 2013-14 include:

- *Increasing digital services to Members and staff to improve access and cost-effectiveness* — through more library catalog enhancements, online databases, and electronic news services; and,
- *Improving acquisition practices* — by just-in-time ordering, eliminating low-use materials, and replacing out-of-date formats such as microfilm with online materials.

Parliamentary Education Office

The Parliamentary Education Office provides 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.



*BC Teachers' Institute on
Parliamentary Democracy, Fall 2013*

Key activities in 2013-14 include:

- *Enhancing public awareness of the roles and responsibilities of the Assembly and Members* — through cost-effective, innovative programs and information materials for citizens and visitors; and
- *Facilitating school and student understanding of the work of the Assembly and Members* — with student information for distribution by Members, school and intern programs, and outreach to teachers through the BC Teachers' Institute on Parliamentary Democracy.

Parliamentary Committees Office

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

Key activities in 2013-14 include:

- *Providing timely access to parliamentary committee information* – by improving the availability of online information, and ensuring that Members and the public have timely access to committee decisions and reports; and
- *Increasing use of social media to enhance public access to information on parliamentary committee activities* – by increased use of Facebook postings and Twitter to communicate and engage more efficiently with the public and stakeholders.

GOAL 4

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

Sergeant-at-Arms

Legislative Assembly security 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 for the work of the Assembly, Members and staff, and manages the provision of building facility services for the Assembly, Members and British Columbians.

Key activities in 2013-14 include:

- *Maintaining high standards for safety and security* – by developing effective security practices for control procedures, integrating security considerations into Assembly planning, and ensuring readiness for potential emergencies or natural disasters; and
- *Enhancing security through cooperation with the RCMP and local police forces* – by sharing information with security partners and establishing new arrangements for effective, timely and flexible responses to security challenges.

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 accessible online 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 2013-14 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 the Assembly and Members, and reliable in support of business continuity and emergency preparedness;
- *Expanding Assembly website services for Members and the public* – including enhanced information on Assembly and parliamentary committee activities, the new *Members' Guide to Policy and Resources* website, and increased online information on Members' compensation and expenses; and
- *Using technology to increase Members' access to parliamentary information* – through the implementation of the Legislative Assembly Management Committee's decision to enable Members of parliamentary committees to access House and committee documents electronically through iPads.

Legislative Assembly Statistics

	2011-12	2012-13	2013-14
Legislative Assembly Sitting Days	67	32	57
Committee of Supply (Estimates) Sitting Days	31	30	32
Bills Introduced	73	55	37
Active Parliamentary Committees			
Active Parliamentary Committees	9	14	10
Active Committees Membership	100	112	90
Parliamentary Committee Meetings	83	120	85
Presentations to Parliamentary Committees	293	477	305
Parliamentary Committee reports	8	17	5
Parliamentary Committees website visits	299,390	348,942	360,032
Public Access			
Hansard website visits	Not available	387,032	489,897
Hours of House and parliamentary committee broadcasts transcribed	720	727	541
Library reference questions answered	3,456	3,183	3,562
Library collection size at year-end	418,015	433,369	448,292
Visitors on guided tours	91,658	90,249	86,701
Guided school tours	494	402	527
Educational resources provided to Members	Not Available	37,410	28,416



Financial Statements

For the year ended March 31, 2014

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Statement of Management Responsibility

For the year ended March 31, 2014

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 fulfils 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. The comparative transactions and balances for the year ended March 31, 2013 are unaudited.

On behalf of the Legislative Assembly of British Columbia,

Original Signed by

Craig James
Clerk of the Legislative Assembly

Original Signed by

Hilary Woodward, CA
Executive Financial Officer

Victoria, British Columbia
On the 6th day of November 2014



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, 2014, and the statement of operations and change in accumulated surplus, statement of change in net debt and statement of 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, 2014, and the results of its operations, changes in its net debt and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Other Matters

Without modifying our opinion, we draw attention to note 2(b) to the financial statements, which describes that the Legislative Assembly of British Columbia adopted Canadian public sector accounting standards on April 1, 2013 for the development of these financial statements, which represents the entity's first set of stand-alone, annual financial statements. These standards were applied retroactively by management to the comparative information in these financial statements. We were not engaged to report on the comparative information, and as such, it is unaudited.



Victoria, British Columbia
November 6, 2014

Russ Jones, MBA, CA
Deputy Auditor General



Statement of Financial Position

As at March 31, 2014, with comparative information for
March 31, 2013

<i>(In thousands of dollars)</i>	2014	2013 <i>(Unaudited)</i>
Financial assets		
Cash <i>(note 3)</i>	4	4
Accounts receivable <i>(note 4)</i>	428	76
Inventories held for sale	109	220
Due from the CRF <i>(note 2d)</i>	5,121	3,936
Total financial assets	5,662	4,236
Liabilities		
Accounts payable and accrued liabilities <i>(note 5)</i>	1,950	1,437
Accrued obligations to employees <i>(note 6)</i>	958	799
MLA unfunded pension liability <i>(note 7b)</i>	1,700	2,000
Transitional assistance <i>(note 8)</i>	1,054	-
Total liabilities	5,662	4,236
Net debt	-	-
Non-financial Assets		
Tangible capital assets <i>(note 11)</i>	5,624	4,847
Prepaid expenses	645	617
Inventories held for use	347	294
Total non-financial assets	6,616	5,758
Accumulated surplus <i>(note 15)</i>	6,616	5,758

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

Authorized for issue on the 6th day of November 2014, on behalf of the Legislative Assembly Management Committee.

Original signed by

Hon. Linda Reid
Speaker

Original signed by

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

Original signed by

Mike Farnworth
Official Opposition House Leader



Statement of Operations and Change in Accumulated Surplus

For the year ended March 31, 2014, with comparative information for 2013

<i>(in thousands of dollars)</i>	Budget <i>(Note 12)</i>	2014	2013 <i>(Unaudited)</i>
Expenses (note 14)			
Members' Services	42,208	36,243	32,370
Caucus Support Services	7,195	6,846	6,526
Office of the Speaker	380	297	215
Clerk of the House	1,043	984	1,110
Clerk of Committees	615	581	581
Legislative Operations	13,994	12,958	11,154
Sergeant-at-Arms	4,533	4,363	4,159
Hansard Services	3,950	3,360	3,302
Legislative Library	2,126	1,796	1,764
Total expenses	76,044	67,428	61,181
Revenues			
Miscellaneous revenue (note 13)	548	1,361	813
Total revenues	548	1,361	813
Net cost of operations	75,496	66,067	60,368
Government funding			
Appropriation – operating (note 12)	75,496	65,056	59,427
Appropriation – capital (note 12)	3,392	1,869	1,772
Annual surplus		858	831
Accumulated surplus – beginning of year	-	5,758	4,927
Accumulated surplus – end of year (note 15)	-	6,616	5,758

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



Statement of Change in Net Debt

For the year ended March 31, 2014, with comparative information for 2013

<i>[in thousands of dollars]</i>	Budget <i>(note 12)</i>	2014	2013 <i>(unaudited)</i>
Net debt - beginning of year	-	-	-
Annual surplus	-	(858)	(831)
Change due to tangible capital assets			
Acquisition of tangible capital assets	(3,392)	1,869	1,772
Amortization of tangible capital assets	1,500	(1,092)	(869)
Total change due to tangible capital assets	(1,892)	777	903
Acquisition of inventories held for use	-	190	104
Acquisition of prepaid expenses	-	671	615
Consumption of inventories held for use	-	(137)	(168)
Use of prepaid expenses	-	(643)	(623)
Increase (decrease) in net debt	-	-	-
Net debt - end of year	-	-	-

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



Statement of Cash Flows

For the year ended March 31, 2014, with comparative information for 2013

<i>(in thousands of dollars)</i>	2014	2013 <i>(unaudited)</i>
Operating activities		
Annual surplus	858	831
Items not involving cash:		
Amortization of tangible capital assets	1,092	869
Change in non-cash operating working capital:		
Decrease (increase) in accounts receivable	(352)	(18)
Decrease (increase) in inventories - held for sale	111	(66)
Decrease (increase) in due from the CRF	(1,185)	1,383
Increase (decrease) in accounts payable and accrued liabilities	513	(344)
Increase (decrease) in accrued obligations to employees	159	(356)
Increase (decrease) in MLA unfunded pension liability	(300)	(600)
Increase (decrease) in transitional assistance	1,054	-
Decrease (increase) in inventories - held for use	(53)	64
Decrease (increase) in prepaid expenses	(28)	8
<i>Net change in cash from operating activities</i>	1,869	1,772
Capital activities		
Cash used to acquire tangible capital assets	(1,869)	(1,772)
<i>Net change in cash from capital activities</i>	(1,869)	(1,772)
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, 2014

1. Nature of Operations

The Legislative Assembly of British Columbia (Legislative Assembly) is a self-governing, parliamentary institution established under the provincial *Constitution Act, R.S.B.C. 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 Clerk 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).

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

(b) Adoption of Public Sector Accounting Standards

Public sector accounting standards have been adopted for the development of these financial statements, which represent the Legislative Assembly's first set of stand-alone, annual financial statements. The Legislative Assembly has early adopted the accounting standards contained in PS 1201 – Financial statement presentation, PS 2601 – Foreign currency translation and PS 3450 – Financial instruments in the preparation of these financial statements.

(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, 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 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 does not have any capital leases at this time.

(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 employee retirement allowance is accrued and recorded as expense in the fiscal year in which employees become eligible to receive the allowance. Additional information is provided in note 6.

(h) 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 trustee 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 plan is accounted for 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.

(i) 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.

(j) 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.

(k) 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 Gift Shop sales are recorded as revenue in the period in which the services or goods were provided.

(l) 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.

(m) Foreign currency translation

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

(n) Measurement uncertainty

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities, at the date of the financial statements and the reported amounts of the revenues and expenses during the period. 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, the MLA unfunded pension liability, and the MLA transitional assistance liability.

An assessment of our opening capital asset and equity balances was completed in order to prepare this first set of financial statements. This process involved the use of estimates and professional judgement, as is further discussed in notes 11 (e) and (f).

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>	2014	2013 <i>(unaudited)</i>
Petty cash	4	4
Bank balance	0	0
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>	2014	2013 <i>(unaudited)</i>
Accounts payable and accrued liabilities	1,139	815
Salaries and benefits payable	602	427
Unreleased minister salary holdbacks	209	195
Total	1,950	1,437

(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 benefits amounts payable to employees and MLAs at fiscal year-end due to the timing of the biweekly payroll schedule. For fiscal 2014, one week of work was unpaid as at March 31.

(c) Unreleased minister salary holdbacks

A 20% holdback is applied to minister salaries as required by the *Balanced Budget and Ministerial Accountability Act*. The reduced salary amounts may be paid to the ministers after the Province of B.C.'s *Public Accounts* for the fiscal year are released, depending on whether 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 that became payable after March 31, 2014.

6. Accrued Obligations to Employees

<i>(in thousands of dollars)</i>	2014	2013 <i>(unaudited)</i>
Employee leave liability	585	532
Employee retirement allowance	373	267
Total	958	799

(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, 2014, vacation hours carried forward from the 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 seven former employees, totalling \$45 thousand, were made in fiscal 2014 (Payments totalling \$12 thousand were made to two former employees in fiscal 2013).

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

trusteeship 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 accounts.

In joint trustee 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 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 56,000 active Plan members and approximately 41,000 retired Plan members. The latest actuarial valuation, as at March 31, 2011, indicated a \$226 million funding deficit for basic pension benefits. The next valuation will be as at March 31, 2014 with results available in early 2015.

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 the year ended March 31, 2014, the Legislative Assembly contributed \$1.92 million to the Plan on behalf of its employees (\$1.87 million during the year ended March 31, 2013). 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 the year ended March 31, 2014, the Legislative Assembly contributed \$3.97 million to the Plan on behalf of MLAs (\$3.96 million during the year ended March 31, 2013). 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 (effective on or after June 19, 1996) 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 8 (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 (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.

A total of \$478,000 was transferred from the Account to the Plan for two MLAs who began receiving their pensions in fiscal 2014. In the same year, the Legislative Assembly contributed \$375,000 in terminal funding to the Account to meet future pension obligations.

There are six MLAs eligible to receive a future pension benefit funded by the Account. As they retire, the Legislative Assembly will need to contribute \$2.2 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 \$1.7 million (\$2 million in fiscal 2013).

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 MLA basic compensation rate (\$101,859 annually). 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 before March 31, 2014 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 paid or payable to former MLAs as a result of the May 2013 election is estimated to be \$3.6 million and was recorded as expense during the year ended March 31, 2014. Of this estimated total, \$1.05 million had not yet been paid out as at March 31, 2014 and is recorded as a liability.

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 \$50,000 was reimbursed to eight former MLAs for career retraining costs incurred during the year ended March 31, 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, 2014, 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. In addition, 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. 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>	2014/15	2015/16	2016/17	2017/18	2018/19	Total
Office Leases	4,447	4,420	4,429	1,170	0	14,465
Office Equipment	384	192	0	0	0	576
Satellite Distribution Service	294	321	321	27	0	963
Total	5,125	4,933	4,750	1,197	0	16,004

11. Tangible Capital Assets

(a) 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

(b) Tangible Capital Asset Schedule - March 31, 2013 (unaudited)

<i>(in thousands of dollars)</i>	Buildings	Furniture and Equipment	Specialized Equipment	Vehicles	Computer Hardware and Software	Work in Progress	2013 Total (unaudited)
Cost							
Opening Balance	3,812	3,078	2,065	-	2,821	100	11,877
Additions	393	159	777	-	386	57	1,772
Disposals	-	-	-	-	-	-	-
Transfers	20	-	80	-	-	(100)	-
Write-Downs	-	-	-	-	-	-	-
Closing Balance	4,225	3,237	2,922	-	3,207	57	13,648
Accumulated Amortization							
Opening Balance	(2,232)	(2,566)	(849)	-	(2,285)	-	(7,932)
Amortization	(47)	(175)	(410)	-	(237)	-	(869)
Disposals	-	-	-	-	-	-	-
Write-Downs	-	-	-	-	-	-	-
Closing Balance	(2,279)	(2,741)	(1,259)	-	(2,522)	-	(8,801)
Net Book Value	1,946	497	1,663	-	685	57	4,847

(c) Work in progress

An asset under construction totalling approximately \$4,000 (and \$57,000 in 2013) has not been amortized. Amortization of this asset will commence when the asset is available for use.

(d) Assets recognized at nominal value

During the year ended March 31, 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.

Management has made a best estimate of the opening tangible capital asset balance as at April 1, 2012; however, this estimate is subject to measurement uncertainty, especially for those balances relating to Parliament Building historical renovations.

Construction of the Parliament Buildings began in 1893, with the central part of the main building opening in 1898. The cost was approximately \$900,000. The east, west and library extensions were completed in 1914 at a cost of approximately \$1.2 million. The Parliament Buildings are included in the tangible capital asset "buildings" category and are fully amortized.

During the 1970's and 1980's, media reports note that the Legislative Assembly spent approximately \$31 million on renovations to its buildings. Legislative Assembly historical financial records do not provide sufficient details to corroborate these expenditures and therefore we are unable to determine a reasonable estimate which would allow recognition of these amounts as tangible capital assets under public sector accounting standards. Consequently, these media reported amounts have not been recognized as tangible capital assets in the financial statements.

If documentation had been available to corroborate the nature of these expenditures, the maximum estimated impact to the tangible capital asset balances as at March 31, 2014 would be an increase to the cost of buildings of \$31 million, an increase to accumulated amortization of buildings of \$25.7 million, and an increase to fiscal 2014 amortization of \$775,000. The net

book value for buildings would also increase by \$5.3 million; however, this balance would be fully amortized within approximately seven years.

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 \$75.5 million is net of \$0.5 million in budgeted revenues.

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>	2014			2013 <i>(unaudited)</i>		
	Operating	Capital	Total	Operating	Capital	Total
Appropriations	75,496	3,392	78,888	69,271	4,220	73,491
Net cost of operations	(66,067)		(66,067)	(60,368)		(60,368)
Capital acquisitions		(1,869)	(1,869)		(1,772)	(1,772)
Unused Appropriations	9,429	1,523	10,952	8,903	2,448	11,351

The Legislative Assembly's operating appropriation was higher in fiscal 2014 than in fiscal 2013 due to the anticipated additional costs associated with the 2014 election.

13. Miscellaneous Revenue

<i>(in thousands of dollars)</i>	Budget	2014	2013 <i>(unaudited)</i>
Dining Room	458	421	414
Parliamentary Gift Shop	47	64	47
Constituency office allowance recovery	-	737	95
Recovery of prior year's expenses	-	96	212
Lease revenue	43	43	45
Total	548	1,361	813

(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 the year ended March 31, 2014.

(c) Recovery of prior year's expenses

A 20% holdback is applied to minister salaries as required by the *Balanced Budget and Ministerial Accountability Act*. The reduced salary amounts are paid to the ministers after the provincial *Public Accounts* for the fiscal year are released if collective and individual targets have been achieved. The *Public Accounts* are released after the Legislative Assembly's fiscal year-end, resulting in a timing difference. In the year ended March 31, 2013, collective targets were not achieved resulting in a recovery of approximately \$96,000 during the year ended March 31, 2014 (\$98,000 for the year ended March 31, 2013). These amounts are included in the recovery of prior year's expenses category. For the year ended March 31, 2013, this category also includes a recovery of previously expensed severance pay which was reduced when a former employee obtained a new job.

14. Expenses by Object

The following is a summary of expenses by object:

<i>(in thousands of dollars)</i>	Budget	2014	2013 <i>(unaudited)</i>
Salaries and benefits	45,462	35,516	33,817
MLAs' allowances and expenses	19,141	20,846	17,368
Operating expenses	9,574	9,698	8,914
Amortization expense	1,500	1,092	868
Cost of goods sold	367	276	214
Total	76,044	67,428	61,181

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.

15. Accumulated Surplus

<i>(in thousands of dollars)</i>	2014	2013 <i>(unaudited)</i>
Accumulated surplus - beginning of year	5,758	4,927
Acquisition of tangible capital assets	1,869	1,772
Amortization of tangible capital assets	(1,092)	(869)
Acquisition of inventories held for use	190	104
Acquisition of prepaid expenses	671	615
Consumption of inventories held for use	(137)	(168)
Use of prepaid expenses	(643)	(623)
<i>Annual surplus</i>	858	831
Accumulated surplus - end of year	6,616	5,758

The accumulated surplus balance is equal to the net book value of tangible capital assets (note 11). This is a result of our revenue recognition policy (note 2(k)). With the exception of tangible capital assets, revenues are recognized at the same time as the underlying expense to which they relate. In the case of tangible capital assets, revenue is recognized at the time the assets are purchased but the expense does not occur until the assets are amortized over their useful lives. As a result, accumulated surplus will change each year by the difference between tangible capital asset purchases and amortization.

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

Management is not aware of any events subsequent to March 31, 2014 that impact these financial statements.

Appendix A: Legislative Assembly Management Committee Decisions

This Appendix provides a record of the decisions taken by the Legislative Assembly Management Committee between April 1, 2013 and March 31, 2014, as required pursuant to section 5 of the *Legislative Assembly Management Act*. The Committee's decisions and proceedings are also available on the Legislative Assembly website at <http://www.leg.bc.ca/cmt/40thparl/lamc/index.htm>.

The Legislative Assembly Management Committee met on the following dates:

- September 24, 2013 (the Committee's first meeting after the May 14, 2013 general election and the June 26, 2013 opening of the 40th Parliament);
- November 28, 2013;
- December 12, 2013;
- January 6, 2014; and
- March 11, 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:

- July 10, 2013;
- July 17, 2013;
- September 17, 2013;
- November 12, 2013;
- December 12, 2013;
- February 25, 2014; and
- March 25, 2014.

Decisions from April 1, 2013 to March 31, 2014, By Subject

Disclosure of Members' Compensation and Expenses

The Committee agreed to expanded disclosure of Members' compensation, travel and constituency expenses, and to work towards an October 2013 target date for the quarterly disclosure of Members expenses including ministerial expenses, parliamentary committee expenses, and remuneration for Members. (September 24, 2013)

The Committee agreed that the Legislative Assembly work towards an April 2014 date for the disclosure of Constituency Office expenses for the months of January, February and March 2014. (September 24, 2013)

Estimates – Vote 1

The Committee considered a proposal for Vote 1 Budget Estimates: FY 2014-17 and agreed to a further review of revised budget estimates in January 2014. (December 12, 2013)

The Committee agreed to approve estimates of expenditure for the Legislative Assembly for Vote 1 as amended; and further, that the Speaker transmit the estimates of expenditure for the Assembly for Vote 1 to the Minister of Finance on behalf of the Committee. (January 6, 2014)

The Committee agreed to invite a presentation on the role and mandate of the Legislative Library at a forthcoming meeting. (December 12, 2013)

Financial Management

The Committee agreed that draft rules be developed for review and approval by the Committee for capital expenditures over \$5,000, and further include that committee be notified of any capital project that is projected to exceed its budget by 10 percent or more, as well as the expected completion time of each project. (March 11, 2014)

The Committee agreed that a three-year work plan identifying the status of planned capital projects be prepared for the Committee's review and consideration. (March 11, 2014)

The Committee agreed that the Legislative Assembly's quarterly financial operating and capital reports, including a capital projects update, be posted online as part of a regular disclosure process. (March 11, 2014)

The Committee agreed that it receive monthly capital project updates. (March 11, 2014)

Finance and Audit Committee – Internal Controls

The Committee agreed to accept two internal audit reports, the proposed management response, and the Assembly's action plan. (September 24, 2013)

The Committee agreed to appoint Ernst and Young as the internal auditor for the Legislative Assembly. (September 24, 2013)

The Committee agreed to approve the use of public sector accounting standards for the Legislative Assembly's financial statements. (March 11, 2014)

The Committee agreed to approve policies relating to tangible capital assets. (March 11, 2014)

Finance and Audit Committee – Policies and Guidelines for Members

The Committee agreed to a clarification of the Members' per diem policy with respect to prorating per diem amounts depending on meals provided to Members in the course of their duties. (December 12, 2013)

The Committee agreed that the Finance and Audit Committee recommendation regarding Members Transitional Allowance policy be referred back for further review by the Finance and Audit Committee. (March 11, 2014)

The Committee agreed to approve the revised template format for the MLA Constituency Office Expenses for the May 2014 release of the expenses covering the period January 1 to March 31, 2014 and that the additional disclosure of centralized Members constituency office expenses, such as lease costs, be given further consideration by the Finance and Audit Committee. (March 11, 2014)

Finance and Audit Committee – Use of Technology

The Committee agreed in principle to a proposal to ensure all Members are provided with electronic access to House and Committee documents through iPad technology. (December 12, 2013)

The Committee agreed that, further to its agreement on December 12, 2013 approving in principle the proposed iPad project, the Legislative Assembly proceed with the acquisition of iPads to ensure all Members are provided with equitable electronic access to House and parliamentary committee documents. (January 6, 2014)

Governance

The Committee agreed that any documents discussed during public meetings would be released publicly following the conclusion of committee proceedings with the exception of the following documents:

- All documents discussed during in-camera proceedings, including in-camera minutes or in-camera meeting summaries;
- Documents that are prepared for the committee regarding legal, commercial or personnel or security matters;
- Decision notes prepared for the consideration of the Finance and Audit Committee or the Legislative Assembly Management Committee;
- Internal audit reports; and
- Draft reports prepared on behalf of the Committee for review and approval. (March 11, 2014)

Health of the Parliamentary Precinct

The Committee agreed to the installation of an accelerometer on the main dome of the Parliament Buildings to measure and monitor its movement. (December 12, 2013)

Annual Report 2012-2013

The Committee agreed, pursuant to section 5 of the *Legislative Assembly Management Committee Act*, to adopt the *Annual Report 2012-2013*; 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. (December 12, 2013)

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

Contents

Section

- 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.

