LEGISLATIVE ASSEMBLY
of BRITISH COLUMBIA

Quarterly Financial Report for the First Quarter of 2025-2026

As of June 30, 2025 (unaudited)

Presented to the Legislative Assembly Management Committee

Contents

Section 1 Overview

This report is presented to the Legislative Assembly Management Committee and provides an overview of the unaudited financial results for the first quarter of the 2025-26 fiscal year Legislative Assembly (Vote 1) budget. The quarterly financial report provides a summary of the actual results for the period and the forecast for expenditures to the end of the fiscal year compared to the approved budget and the results of the prior year.

Section 2 Executive Summary

As of June 30, 2025, the Legislative Assembly of British Columbia (the Assembly) has begun its first full year under the 43rd parliament. The 25-26 budget has addressed many of the holes in prior year budget submissions with the Assembly now budgeting for additional policing costs associated with the increased number of ongoing demonstrations, the lasting impacts of the asset retirement obligations on both our capital, and our operating budget, and the Assembly now fully budgeting for our staffing compliment (no vacancy discount). Budgeting for these items have enabled the Assembly to strive towards delivering on services goals this fiscal year and may allow the Assembly to look at the possibility of funding mid-cycle initiatives.

At the end of the first quarter, the Assembly is forecasting a minor costs savings for the end of the fiscal year. These savings are the result of lower utilization of the amortization budget, as well as lower than budgeted projections for the asset retirement obligation. The Assembly is currently forecasting some of these savings to be offset by increased levels of expenditures within constituency operations, where the ongoing constituency office tenant improvements have proven to cost more than the original budget allocation.

At the end of Quarter 1, Vote 1 actual spending is mostly on track, with members remunerations appearing to be lagging due to treatment of election related accruals. The financial results as of June 30th show an overall forecasted savings of $465 thousand to year-end due to savings related to the forecasted inflationary increases of the asset retirement obligation as well as decreased amortization expenditures due to underspend within the capital budget from fiscal 24-25.

Figures 1 and 2 below provide a high-level summary of the third quarter results and forecasted spending to the end of the fiscal year.

Figure 1: Summarized Operating Expenses and Capital Expenses

2025-26 Operating Expenditures by Budget Category Ast June 30, 2025					
	June Actuals YTD (Unaudited)	Forecast FY 2026	Budget FY 2026	Variance Forecast to Budget (Over) Under	Variance Forecast to Budget %
Caucus Operations	2,487,907	11,150,737	11,150,734	(3)	0%
Constituency Operations	8,177,197	37,835,406	37,202,737	(632,669)	-2%
Members' Remuneration	1,792,201	23,250,701	23,245,200	(5,501)	0%
Independent Respectful Workplace Office	31,496	250,000	250,000	-	0%
Parliamentary Operations	375,228	2,680,780	2,684,160	3,380	0%
Legislative Assembly Administration	14,229,333	55,168,154	55,570,094	401,940	1%
General Centralized and Accounting	1,115,755	8,050,679	8,748,935	698,256	8%
Total Operating	28,209,116	138,386,457	138,851,860	465,402	0%
Total Capital	1,063,493	9,721,505	10,731,727	1,010,222	9%

Figure 2: Capital by Asset Category

2025-26 Capital Expenditures by Asset Categories At June 30, 2025					
Asset Category	June Actuals YTD	Forecast FY 2026	Budget FY 2026	Variance Forecast to Budget (Over) Under	Variance Forecast to Budget %
Office Furniture and Equipment	4,967	193,993	349,227	155,234	44%
Computer Hardware / Software (HW / SW)	499,931	1,951,491	1,473,000	(478,491)	-32%
Building/Land Improvements	484,720	4,382,757	4,800,000	417,243	9%
Specialized Equipment	73,875	3,193,264	4,109,500	916,236	22%
Total Capital	1,063,493	9,721,505	10,731,727	1,010,222	9%

Section 3 Operating Summary

At the end of Quarter 1, Vote 1 is showing an overall forecasted savings of $465 thousand to year-end despite the budget pressures from Constituency Operations. The budget pressures in the Constituency Operations category are being offset by savings in General Centralized and Accounts reflecting the early estimates of costs associated with the Asset retirement obligation, and annual amortization. The 2025/26 budget was established assuming there would be on the assumption of 6 full CO sites being paid in full by the Assembly, 8 secondary sites being paid in full by the Assembly, and 18 additional sites would have tenant improvements within the year that would be included within the lease payment.

At June 30th, the estimated expense for the asset retirement obligation was reduced, reflecting a lower-than-anticipated inflation factor. Although there are still significant pressures in Constituency Operations due to higher individual costs, and an increased number of tenant improvements being paid for in full, savings in leasing costs have been realized within the Constituency Operations category for this fiscal year which have offset some of the mounting pressure. The narrative in the next section provides additional details for the detailed financial information provided in Figure 3.

Operating Expenditures by Budget Category

Caucus Operations: This category reflects the operations of the caucuses and their staff. Caucus Operations budget allocations are based on the number of MLAs in each party and calculated based on a formula provided in the policy. The 2025/26 budgeted amounts are adjusted and prorated to reflect the makeup of the Caucuses on June 30th, which reflects the formation of the OneBC caucus. This category also includes centralized funding for learning opportunities and certain benefits for Caucus employees. The Unassigned budget reflects a budgetary allocation to cover the increased expenditures related to independent members. At this time, All Caucuses forecasts have been held at full spend to year end.

Constituency Operations: This category reflects the overall costs of operating the constituency offices across the province as well as some centralized budget items. Specifically, it includes the constituency office allowance which is allocated to each Member for the Constituency Office operations including staffing and centralized expenditures such as leasing costs, tenant improvements, constituency staff benefits, and the technology costs related to these operations.

Year-to-date expenditures within Constituency Operations $8.177M and are mostly attributed to CO leases of $2.16M, Constituency Office Allowances of $3.47M, constituency office assistant benefits of $640 thousand, technology-related costs of $966 thousand and tenant improvement costs of $224 thousand. As of June 30th, 2025, Constituency Operations are forecasting a pressure of $633 thousand due to projected increase in the requirement for tenant improvements to be paid in the current year. Forecasted overspend within Constituency Operations is expected to be offset by underspend by the categories of General Centralized and Accounting, and Legislative Assembly Administration.

Figure 3: Operating expenditures by category compared to budget

Fiscal 2025-26 - LAMC Approved Operating Budget to Actuals June 30, 2025					
Budget Category	2025-26 Actuals (*Unaudited*)	2025-26 Forecast	2025-26 Budget	Forecast to Budget (Over) Under	Variance (%)
B.C. Green Caucus	163,104	667,000	667,000	(0)	0%
B.C. NDP Caucus	812,617	3,469,620	3,469,617	(3)	0%
B.C. United Caucus	6,527	-	-	-	0%
Conservative Party of B.C.	1,422,050	5,423,653	5,423,653	-	0%
One BC Caucus	-	621,000	621,000	-	0%
Independents	83,608	314,114	314,114	-	0%
Caucus Operations Unassigned	-	655,349	655,349	-	0%
Caucus Operations	**2,487,907**	**11,150,737**	**11,150,734**	**(3)**	**0%**
Constituency Operations	**8,177,197**	**37,835,406**	**37,202,737**	**(632,669)**	**-2%**
Members' Remuneration	**1,792,201**	**23,250,701**	**23,245,200**	**(5,501)**	**0%**
Independent Respectful Workplace Office	**31,496**	**250,000**	**250,000**	**-**	**0%**
Interparliamentary Relations	36,246	358,500	360,000	1,500	0%
Office of the Speaker	126,854	379,240	381,120	1,880	0%
Parliamentary Committee Operations	191,680	1,648,040	1,648,040	-	0%
Parliamentary Documents	20,448	295,000	295,000	-	0%
Parliamentary Operations	**375,228**	**2,680,780**	**2,684,160**	**3,380**	**0%**
Client and Support Services	2,381,912	10,070,049	10,502,537	432,487	4%
Information Services	3,675,170	10,408,611	10,270,583	(138,028)	-1%
Parliamentary Support Services	3,007,635	11,175,214	11,119,580	(55,633)	-1%
Precinct Services	1,499,403	8,981,602	9,222,633	241,031	3%
Security Services	2,519,237	11,438,538	11,351,182	(87,356)	-1%
Enterprise Resource Planning	1,143,621	3,094,140	3,103,580	9,439	0%
Election Readiness	2,355	-	-	-	0%
Legislative Assembly Administration	**14,229,333**	**55,168,154**	**55,570,094**	**401,940**	1%
Centralized and Accounting Expenditures	**1,115,755**	**8,050,679**	**8,748,935**	**698,256**	8%
Total	**28,209,116**	**138,386,457**	**138,851,860**	**465,402**	**0%**

Members' Remuneration: This category includes the compensation, benefits, allowances, travel and other direct costs for the Members of the Legislative Assembly.

Year to date actuals within Members' Remuneration are $1.792M and are mostly attributed to the regular salary and benefits for members. The Salaries and benefits represent $4.38M of the year-to-date actuals within Members' Remuneration with the remaining year-to-date actuals relating to Capital City Living Allowance of $468 thousand, Travel related expenditures of $685 thousand and year-to-date transitional assistance for members of $1M. Current actuals for Members' Remuneration also includes the reversal of the accrual of transition allowances, this accounts for a credit amount of $3.74M and is forecasted to be fully utilized by January 19th, 2026.

Independent Respectful Workplace Office (IRWO): The IRWO was created in 2020-21 to support, promote and sustain positive workplace interactions between Members, caucus staff, ministerial staff, employees of the Assembly and other participant groups that come under the Respectful Workplace Policy. Since April 2023, the IRWO has been operated by Southern Butler Price LLP, a service provider selected through a competitive procurement opportunity. The expenditures relate to the development and delivery of educational materials and training, website development and general support services.

Year-to-date expenditures within the Independent Respectful Workplace Office are $31 thousand. Forecasted expenditures are still held at budget for the year. The utilization rate of the IRWO contract is mostly unknown and will be refined as the year continues. Savings as a result of underutilization will help to offset pressures in other service lines.

Parliamentary Operations: This category summarizes the parliamentary support activities within the Assembly and includes services such as Interparliamentary Relations, the Office of the Speaker, and Parliamentary Committees and documents. The budget and expenditures in this category are directly impacted by the volume and nature of the Parliamentary activity within the Assembly during the period.

Year-to-date expenditures within Parliamentary Operations are $375 thousand representing 14% of the annual budget. The budget for 2025-26 was increased to account for the amount of parliamentary activity expected during a full year of session.

Legislative Assembly Administration: This category summarizes the activities within the various departments of the Legislative Assembly Administration. The expenditures are tracked across several subcategories which represent groups of departments within the administration which support the work of the Members, Caucuses and Constituency Offices in a variety of critical roles to ensure that the operations function as efficiently as possible. The five subcategories based on the service areas are Client and Support Services, Information Services, Parliamentary Support Services, Precinct Services, and Security and Sessional Services.

Year-to-date expenditures for the Assembly Administration are $14.229M or 26% of the annual budget. The most significant operating expenditure are salaries and benefits which account for 72% of the year-to-date expenditures within the Assembly Administration. The Assembly Administration is currently forecasting a savings position at year-end of $402 thousand, resulting from delayed hiring, increased recoveries, and savings in operating activities. The savings in the Legislative Administration category are intended to assist in offsetting the pressures in the Constituency Operations category above.

General Centralized and Accounting (GCA): This category includes the expenditures which reflect overall Assembly operations and accounting requirements. The most significant expenditures within this category are the non-cash accounting entries such as amortization and the asset retirement obligation. The category also includes centralized expenditures such as parental leave and office supplies which are not easily budgeted to a specific department. The Year-to-date expenditures for General Centralized and Accounting Expenditures are $1.116M. The most significant expenditure within GCA is the annual amortization of assets, which accounts for $1.124M of the year-to-date expense, and more than 82% of the annual budget. Forecasted expenditures within GCA will also include the asset retirement obligation for the Assembly which will initially be realized in December, with updates closer to the end of fiscal. The overall forecast for GCA is a savings position of $698 thousand. For this forecast we are not reflecting an updated inflation rate for the calculation of the asset retirement obligation which has reduced the ARO calculation since the budget was initially drafted.

The budget for 2025/26 also included $1.2M of LABC identified contingencies to offset anticipated high risk, and high likelihood items that could affect the Assembly in 2025/26. These amounts are fully forecasted, until further forecasting refinements can be made later in the year.

Section 4 Capital Expenditures

This year, the Administration prioritized finishing key infrastructure projects, continuing to boost project management practices, and enhancing planning and resource allocation. The capital budget is made up of both regular maintenance and renewal projects and specific projects and initiatives. The projects are summarized into programs such as Major Capital Infrastructure, IT infrastructure, Minor Capital and other initiatives. Each project is also given an asset category which aligns the capital spend with the appropriate accounting policy for amortization and financial statement reporting. These asset categories summarize the assets by type based on their useful life and include Building Improvements, computer hardware and software, specialized equipment, and office furniture.

Early in the year pressures on the capital budget have been mitigated by reprioritizing strategic initiatives and balancing budget allocations. The emergence of the Armories project as a priority resulting in a reprioritization of $400 thousand dollars from our capital contingency funds. The acceleration of the Roofing Repair work required a budgetary reprioritization from the Perimeter Security Hardening project over to the Short Term Roof Repair project on the main parliamentary building of $600 thousand.

Key capital projects in each category this year include the following:

- IT Infrastructure: This category includes all information technology hardware and infrastructure costs for a total budget of $3.80M and a forecast of $3.89M to year-end.
- Major Capital Infrastructure: This category includes all building improvements and space modernization for a total budget of $4.325M and a forecast of $4.063M to year-end.
- Minor Capital: This category is made up of building improvements and specialized equipment or office furniture for a total budget of $1.19M and a forecast of $1.010M to year-end.

Contingency Funds: A contingency budget of $0.500M is set aside to manage unexpected financial demands, such as cost overruns, change orders, or unanticipated projects during the year. At present, the contingency fund has been utilized for the emergence of the urgent armouries repair work identified in early April.

Childcare Capital: The modular childcare centre project is currently budgeted at $0.5M. The current forecast is $243 thousand to be spent in the current fiscal year. The Assembly is still determining a plan going forward for the future plans of the modular childcare centre.

Figure 4: Summary of Capital Expenditures by Program and Asset Category

Forecast to Capital Budget: Fiscal 2025-26 June 30, 2025						
Program	Category	2025-26 Actuals	2025-26 Forecast	2025-26 Budget	Variance Forecast to Budget	Variance %
IT Infrastructure	Computer Hardware and Software	500,932	1,952,492	1,473,000	(479,492)	-33%
	Specialized Equipment and Office Furniture	50,375	1,934,128	2,322,000	387,872	17%
IT Infrastructure Total		**551,307**	**3,886,620**	**3,795,000**	**(91,620)**	**-2%**
Major Capital Infrastructure	Building Improvements	420,362	3,269,802	3,475,000	205,198	6%
	Specialized Equipment	9,761	793,733	850,000	56,267	7%
Major Capital Infrastructure Total		**430,123**	**4,063,535**	**4,325,000**	**261,465**	**6%**
Minor Capital	Building Improvements	44,597	343,222	350,000	6,778	2%
	Specialized Equipment and Office Furniture	32,499	473,136	487,500	14,364	3%
	Office Furniture & Equipment	4,967	193,994	349,227	155,233	44%
Minor Capital Total		**82,063**	**1,010,352**	**1,186,727**	**176,375**	**15%**
Contingency	Unallocated	-	36,000	50,000	14,000	28%
	Building Improvements	-	725,000	1,375,000	650,000	47%
Contingency Total		**-**	**761,000**	**1,425,000**	**664,000**	**47%**
Grand Total		**1,063,493**	**9,721,507**	**10,731,727**	**1,010,220**	**9%**

Section 5 Appendix

1 attachment