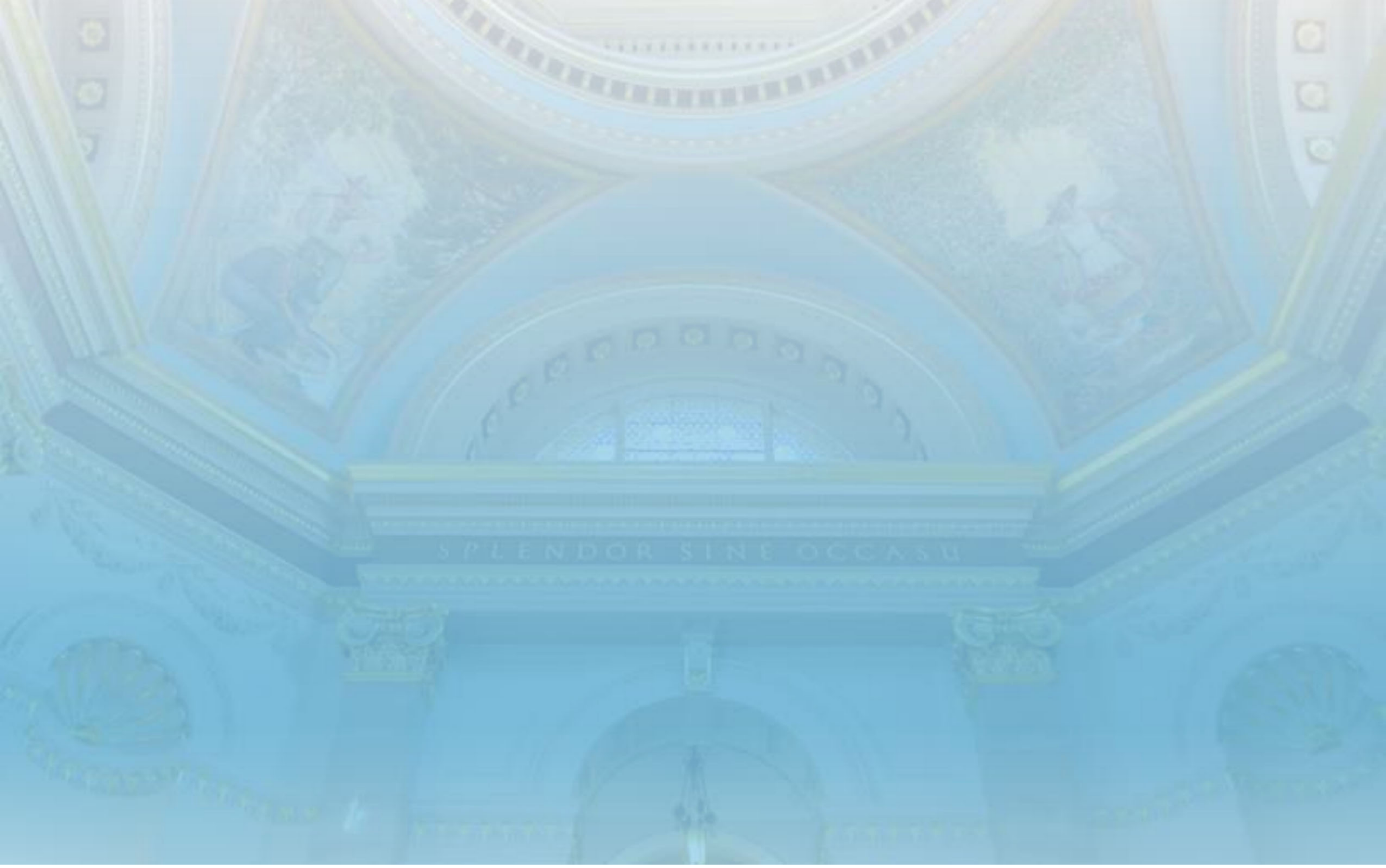
LEGISLATIVE ASSEMBLY
of BRITISH COLUMBIA

Quarterly Financial Report for the Third Quarter of 2025-2026

As of December 31, 2025 (unaudited)

Presented to the Legislative Assembly Management Committee



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Section 1 Overview

This report is presented to the Legislative Assembly Management Committee and provides an overview of the Legislative Assembly's unaudited financial results for the third quarter of the 2025-26 fiscal year, including 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 December 31, 2025, the Legislative Assembly of British Columbia (the Assembly) has incurred $92.497 million of its $138.852 million operating budget and is forecasting to be $3.444 million (2%) under budget at year-end. The Assembly is forecasting savings in several areas and has allocated $1.2 million to additional service items through mid-cycle funding adjustments.

The forecasted operational savings are driven by several operational factors.

- The 2025-26 Members' Remuneration budget included the full provision for the Members of the Legislative Assembly (Members) post-election Transition Allowance, covering the 15-month period immediately following the 2024 Provincial General Election. The actual utilization is less than budgeted, as well as the Capital City Living Allowance, Members' Benefits, and Member's travel allowance. Total savings are $1.8 million, which have contributed to offsetting budget pressures in other areas.

- The 2025-26 Legislative Assembly Administration budget is also projecting a savings position driven mostly by temporary workforce vacancies. These savings have offset cost pressures in Information Technology (higher licensing costs for software providers), Hansard Services (extended sitting times), and Sergeant-at-Arms (overtime costs related to the extended sitting time for the House).

- The extended sitting hours, more virtual meetings, and less travel for island-based MLAs has placed Parliamentary Operations in a savings position of $768 thousand.

- Constituency Operations has a budget pressure of $457 thousand due to increased one-time costs related to IT expenses, leases, and tenant improvements.

- There is a $567 thousand budget pressure in General Centralized Expenses related to the updated valuation of the asset retirement obligation for the Parliament Buildings, the Bunker, and the Armouries.

The Assembly is forecasting to be $335 thousand (3%) under spent in its capital budget. 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 At December 31, 2025					
	Actuals (Year-To-Date)	Forecast	Budget	Variance Forecast to Budget (Over) Under	Variance Forecast to Budget %
Caucus Operations	7,446,605	10,552,000	11,150,000	599,000	5%
Constituency Operations	24,722,206	37,659,614	37,203,000	(456,614)	-1%
Members' Remuneration	15,016,305	21,428,569	23,245,000	1,816,431	8%
Independent Respectful Workplace Office	111,551	250,000	250,000	-	0%
Parliamentary Operations	1,197,882	1,919,047	2,686,812	767,764	29%
Legislative Assembly Administration	39,872,603	55,643,117	56,927,584	1,284,467	2%
General Centralized and Accounting	4,129,415	7,955,658	7,388,604	(567,054)	-8%
Total Operating	**92,496,568**	**135,408,006**	**138,852,000**	**3,443,995**	**2%**
Total Capital	**4,937,072**	**10,397,042**	**10,732,000**	**334,958**	**3%**

Figure 2: Capital Expenditures by Asset Category

2025-26 Capital Expenditures by Asset Category December 31, 2025					
Asset Category	Actuals (Year-To-Date)	Forecast	Budget	Variance Forecast to Budget (Over) Under	Variance Forecast to Budget %
Office Furniture & Equipment	38,508	168,746	296,000	127,254	43%
Information Systems	1,378,546	1,955,088	1,490,045	(465,043)	-31%
Buildings	2,636,228	4,859,763	5,200,000	340,237	7%
Specialized Equipment	883,789	3,413,444	3,745,455	332,511	9%
Total Capital	**4,937,072**	**10,397,042**	**10,732,000**	**334,958**	**3%**

Section 3 Operating Summary

At the end of Quarter 3, the Assembly has overall forecasted savings of $3.444 million (2%), $192 thousand lower than the previous quarter. The revision is mostly due to the new estimate for the asset retirement obligation.

Figure 3: Operating Expenditures by Category Compared to Budget

Fiscal 2025-26 - LAMC Approved Operating Budget to Actuals
December 31, 2025

Budget Category	Actuals (Year-to-Date)	Forecast	Budget	Variance Forecast to Budget (Over) Under	Variance (%)
B.C. Green Caucus	486,287	668,000	668,000	-	0%
B.C. NDP Caucus	2,462,508	3,552,000	3,552,000	-	0%
B.C. United Caucus	6,527	-	-	-	0%
Conservative Party of B.C.	3,977,715	5,333,000	5,333,000	-	0%
One BC Caucus	282,155	337,000	337,000	-	0%
Independents	231,413	662,000	662,000	-	0%
Caucus Operations Unassigned	-	-	599,000	-	0%
Caucus Operations	**7,446,605**	**10,552,000**	**11,151,000**	**599,000**	**5%**
Constituency Operations	**24,722,206**	**37,659,614**	**37,203,000**	**(456,614)**	**-1%**
Members' Remuneration	**15,016,305**	**21,428,569**	**23,245,000**	**1,816,431**	**8%**
Independent Respectful Workplace Office	**111,551**	**250,000**	**250,000**	**-**	**0%**
Interparliamentary Relations	149,730	355,500	360,000	4,500	1%
Office of the Speaker	299,113	380,193	383,812	3,618	1%
Parliamentary Committee Operations	632,354	888,354	1,648,040	759,646	46%
Parliamentary Documents	116,685	295,000	295,000	0	0%
Parliamentary Operations	**1,197,882**	**1,919,047**	**2,686,812**	**767,764**	**29%**
Client and Support Services	6,400,361	9,723,680	10,490,307	766,628	7%
Information Services	8,426,008	10,544,695	10,338,922,	(205,773)	-2%
Parliamentary Support Services	8,489,996	11,297,953	11,254,446	(43,507)	0%
Precinct Services	5,244,885	7,979,562	9,276,081	1,296,518	14%
Security Services	8,354,136	12,471,690	12,084,980	(386,710)	-3%
Enterprise Resource Planning	2,957,561	3,372,746	3,482,849	110,103	3%
Legislative Assembly Administration	**39,872,603**	**55,643,117**	**56,927,584**	**1,284,467**	**2%**
Centralized and Accounting Expenditures	**4,129,415**	**7,955,658**	**7,388,604**	**(567.054)**	**-8%**
Total	**92,496,568**	**135,408,006**	**138,852,000**	**3,443,995**	**2%**

***Caucus Operations*:** This category reflects the operations of the caucuses and their staff. Caucus Operations budget allocations are formula driven based on the number of MLAs in each party. The 2025/26 budgeted amounts are adjusted and prorated to reflect Caucus composition on December 31st. 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. As of the end of this quarter, the unassigned budget has been released given the low likelihood of caucuses exceeding their budgets in the event of any changes to Caucus composition.

***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 to run their constituency office including staffing costs, 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 total $24.722 million and are mostly attributed to lease costs of $5.62 million, Constituency Office Allowances of $13.37 million, constituency office assistant benefits of $2.02 million, technology-related costs of $2.34 million and tenant improvement costs of $1.37 million. As of December 31st, 2025, Constituency Operations are forecasting a pressure of $457 thousand due to the requirement for tenant improvements to be paid in the current year and pressures related to information technology costs. The variance is a significant drop in pressure from the previous quarter's projection of $1.087 million. Costs related to tenant improvements and technology have normalized with all leases finalized and lower estimated costs for the final quarter of the year.

The 2025/26 budget was established on the assumption that tenant improvements for 6 full constituency office sites and 8 secondary sites would be paid up front. The budget assumed 18 additional sites would have tenant improvements within the year that would be included within the lease payment. As of December 31st, and due to market conditions, the Assembly is forecasting a significant increase in the number of constituency office tenant improvements paid in full, instead of included in lease payments.

***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 $15.016 million and are mostly attributed to salaries and benefits for Members. Salaries and benefits represent $13.462 million of the year-to-date actuals with the remaining year-to-date actuals relating to Capital City Living Allowance expenditures of $1.009 million, travel related expenditures of $1.789 million and year-to-date transitional assistance for members of $3.64 million. In the previous fiscal year, $4.284 million was accrued for transitional assistance for non-returning Members. The actual full-year forecast for the program in the current year is $3.857 million for a savings of $427 thousand.

***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 year-to-date expenditures totalling $112 thousand relate to the development and delivery of educational materials and training, website development and general support services.

The utilization rate of the IRWO contract is unpredictable as it could shift as new issues develop or workplace culture shifts. As a result, the forecast for the current year is a full spent though it's likely that there will be savings.

***Parliamentary Operations*:** This category summarizes the parliamentary support activities within the Assembly and includes services such as Interparliamentary Relations, the Office of the Speaker, Parliamentary Committees and Legislative 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, as well as the form and nature that Parliamentary Committees take. As parliamentary democracy evolves, the budget will shift to meet the changes in form.

Year-to-date expenditures within Parliamentary Operations are $1.198 million, 44.6% of the annual budget. The budget for 2025-26 was increased to account for parliamentary activity expected during a full year of session. Parliamentary Operations is forecasting savings of $767 thousand as a result of less committee travel, fewer meetings held outside of sessions, a longer fall sitting, and fewer meetings forecast to be held outside of Victoria. This is contributing to savings for Member travel expenses and advertising as fewer committee meetings are held in the year and outside of Victoria/Lower Mainland.

***Legislative Assembly Administration*:** This category summarizes the activities within the various departments of the Legislative Assembly Administration. The expenditures are tracked across several subcategories that represent groups of departments within the administration which support the work of the Members, Caucuses and Constituency Offices in a variety of critical roles. The six subcategories are Client and Support Services, Information Services, Parliamentary Support Services, Precinct Services, Security Services, and Enterprise Resource Planning.

Year-to-date expenditures for the Legislative Assembly Administration are $39.872 million or 70% of the annual budget. The most significant operating expenditure are salaries and benefits which account for 75% of the year-to-date expenditures within the Legislative Assembly Administration. The Legislative Assembly Administration is currently forecasting a savings position at year-end of $1.284 million, resulting from delayed hiring ($460 thousand), savings from operating activities ($325 thousand), increased recoveries ($300 thousand), and savings from contracted services ($200 thousand). Workforce savings are being realized across departments but are partly offset by increased auxiliary costs for Sergeant-at-Arms (Sessional Services), Hansard Services, and Financial Services.

Operating savings are primarily driven by Legislative Facilities Services, with lower-than-budgeted utility and maintenance costs. Increased recoveries are due to higher Parliamentary Gift Shop patronage by tourists between May and September, increased utilization of the Parliamentary Gift Shop by Members, and high traffic in the Parliamentary Dining Room. Savings in contracted services are primarily in IT, Capital Planning and Development (reduced contractor usage), and Financial Services (use of auxiliary staff over secondments).

General Centralized and Accounting (GCA): 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 are $4.129 million. The most significant recurring expenditure within GCA is the annual amortization of assets, which accounts for $3.502 million of the year-to-date expense, excluding $262 thousand for the asset retirement obligation (ARO). The total full-year forecast for the ARO is $1.608 million, which includes the $262 thousand recorded as of December 31st. This represents a significant increase from the previous quarter's estimate and is based on an engineering report received and reviewed in December 2025. The report provided revised estimates for the remediation costs for the main building, the Bunker, and the Armouries, which has substantially increased from the previous report completed in 2020.

The budget for 2025/26 also included $1.078 million of contingencies to offset anticipated high risk and high likelihood items that could affect the Assembly in 2025/26. As of December 31st, $530 thousand of these contingencies had been allocated to cover unforeseen costs during 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, IT Infrastructure, Specialized Equipment, and Office Furniture & Equipment.

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 $3.812 million and a forecast of $3.784 million to year-end.
- **Major Capital Infrastructure:** This category includes all building improvements and space modernization for a total budget of $4.575 million and a forecast of $4.207 million to year-end.
- **Minor Capital:** This category is made up of building improvements, specialized equipment, and office furniture for a total budget of $970 thousand and a forecast of $798 thousand to year-end.
- **Contingency Funds:** An initial contingency budget of $500 thousand was 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.

There is also a budget allocation of $1.375 million to cover asset retirement obligation increases that is forecasted to cost $1.608 million, after updated cost estimates were received this fiscal year, resulting in a small pressure.

Pressures on specific projects have been mitigated by reprioritizing other initiatives. Figure 4 includes a summary by program and category.

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

Forecast to Capital Budget: Fiscal 2025-26 December 31, 2025						
Program	Category	Actuals (Year-to-Date)	Forecast	Budget	Variance Forecast to Budget (Over) Under	Variance %
IT Infrastructure	Information Systems	1,378,546	1,955,088	1,490,045	(465,043)	-31%
	Specialized Equipment	624,860	1,829,310	2,322,000	492,690	21%
IT Infrastructure Total		**2,003,406**	**3,784,399**	**3,812,045**	**27,647**	**1%**
Major Capital Infrastructure	Buildings	2,256,940	3,071,738	3,725,000	653,262	18%
	Specialized Equipment	182,966	1,133,966	850,000	(283,966)	-33%
	Office Furniture & Equipment	1,481	1,481	-	(1,481)	0%
Major Capital Infrastructure Total		**2,441,387**	**4,207,184**	**4,575,000**	**367,816**	**8%**
Minor Capital	Buildings	116,787	180,358	100,000	(80,358)	-80%
	Specialized Equipment	75,963	450,168	573,455	123,287	22%
	Information Systems	-	-	-	-	0%
	Office Furniture & Equipment	37,028	167,266	296,000	128,734	43%
Minor Capital Total		**229,778**	**797,792**	**969,955**	**172,163**	**18%**
Contingency	Specialized Equipment	-	-	-	-	0%
	Buildings	262,501	1,607,667	1,375,000	(232,667)	-17%
Contingency Total		**262,501**	**1,607,667**	**1,375,000**	**(232,667)**	**-17%**
Grand Total		**4,937,072**	**10,397,042**	**10,732,000**	**334,958**	**3%**

During the budgeting process, best efforts are made to accurately split each program by asset category. Actual classification by category may vary, resulting in variances by category while the overall program remains on budget. For example, under the IT Infrastructure program, budgeted purchases of Specialized Equipment were better classified as Information Systems resulting in an overspend in one category and an offsetting underspend in the other.

Section 5 Appendices

1) Operating Expenditures by Function