



Statement of Financial Information  
Year Ended December 31, 2018

Town of Comox  
Statement of Financial Information  
Contents  
Year Ended December 31, 2018

**Required Information:**

**Please refer to:**

Consolidated Statement of Financial Position . . . . .	Statement 1 of Consolidated Financial Statements
Consolidated Statement of Operations . . . . .	Statement 2 of Consolidated Financial Statements
Schedule of debts . . . . .	Notes 5 to 7 of Consolidated Financial Statements
Schedule of guarantee and indemnity agreements . . . . .	N/A - none outstanding during year
Schedule of Council remuneration . . . . .	Schedule 1 of SOFI
Schedule of employee remuneration . . . . .	Schedule 2 of SOFI
Schedule of severance agreements . . . . .	N/A - none
Schedule of disbursements . . . . .	Schedule 3 of SOFI
Schedule of grants and contributions. . . . .	Schedule 4 of SOFI
Preparation and approval of financial information . . . . .	Schedule 5 of SOFI

# Town of Comox

Consolidated Statement of Financial Position  
as at December 31, 2018

	2018	As Restated (Note 20) 2017
<b>Financial Assets:</b>		
Cash	\$ 2,931,482	\$ 5,698,893
Short-term investments (Note 2b)	27,985,120	21,175,351
Receivables (Note 4)	830,543	818,127
Land for resale	9,847	9,847
	<b>31,756,992</b>	<b>27,702,218</b>
<b>Financial Liabilities:</b>		
Payables (Note 5)	2,996,310	2,200,441
Deferred revenue (Schedule 3)	1,218,066	1,116,418
Restricted Revenue (Schedule 3)	6,259,802	5,461,207
Deposits	1,658,338	1,488,671
Net debenture debt (Note 6)	185,389	428,261
Future Payroll Obligations (Note 9)	929,636	916,151
	<b>13,247,541</b>	<b>11,611,149</b>
<b>Net Financial Assets</b>	<b>18,509,451</b>	<b>16,091,069</b>
<b>Non-financial assets:</b>		
Tangible capital assets (Schedule 5)	86,967,255	86,095,289
Supply inventory	259,092	258,153
Prepaid expenses	60,227	77,791
Shares in Courtenay Golf Club Ltd.	8,750	8,750
	<b>87,295,324</b>	<b>86,439,983</b>
<b>Accumulated surplus (Note 18)</b>	<b>\$ 105,804,775</b>	<b>\$ 102,531,052</b>

Contingent liabilities (Note 7)



Clive Freundlich, Director of Finance, responsible for  
financial administration for the Town of Comox

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

Town of Comox  
Consolidated Statement of Operations  
Year Ended December 31, 2018

			As Restated (Note 20) 2017
	Budget (Note 17)	2018	
<b>Revenue</b>			
Property valuation tax	\$ 8,415,570	\$ 8,412,203	\$ 8,074,336
Parcel taxes	639,290	633,208	632,758
Payments in-lieu of taxes	1,468,800	1,534,872	1,438,582
Revenue from taxation	10,523,660	10,580,283	10,145,676
Utility fees	6,710,730	6,639,049	6,340,136
Other sale of service	2,513,222	2,877,311	2,992,305
Licences, permits & planning fees	193,550	434,084	253,812
Developer cost charges applied	444,776	25,109	168,144
Tangible capital assets contributed	-	726,221	-
Donations	46,500	116,597	91,844
Investment income	144,000	457,170	224,524
Penalties and interest on taxes	52,000	67,556	57,734
Actuarial earnings on sinking fund	-	68,802	132,033
Rentals	130,200	142,280	146,302
Other	135,500	128,129	1,061,990
Gain on disposal of assets	-	100,595	230,874
Unconditional Grants	375,000	375,137	376,918
Conditional Grants	1,137,240	880,025	1,529,522
	22,406,378	23,618,348	23,751,814
<b>Expenses</b>			
General government	2,397,154	1,870,803	1,768,377
Protective services	3,319,310	3,311,773	2,831,500
Solid waste management	1,434,045	1,333,212	1,372,988
Development services	553,740	504,708	439,468
Transportation	4,143,702	3,490,689	3,399,093
Parks, recreation, and culture	4,576,354	4,628,663	4,458,059
Marina	191,505	198,977	228,496
Water services	2,326,994	2,655,577	2,559,908
Sewer services	2,340,202	2,350,223	2,269,834
	21,283,006	20,344,625	19,327,723
<b>Annual surplus</b>	1,123,372	3,273,723	4,424,091
Accumulated surplus, beginning of year	102,531,052	102,531,052	98,106,961
<b>Accumulated surplus, end of year</b>	<b>\$ 103,654,424</b>	<b>\$ 105,804,775</b>	<b>\$ 102,531,052</b>

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

Town of Comox  
Statement of Financial Information  
Schedule of Debts  
Notes 5 to 7 of the Consolidated Financial Statements  
Year Ended December 31, 2018

## 5. PAYABLES

Payables are composed of the following amounts:

	2018	2017
Wages payable	\$ 220,903	\$ 195,855
Governments	2,400,080	1,645,590
Trade & Other	375,327	358,996
<b>Total payables</b>	<b>\$ 2,996,310</b>	<b>\$ 2,200,441</b>

## 6. DEBENTURES ISSUED FOR THE TOWN

The Town's debenture debt arises from participation in debenture issues by the Municipal Finance Authority (MFA) of B.C. These are sinking-fund type debentures with various terms and interest rates.

The outstanding debt reported is the original amount borrowed less the actuarial value of the sinking fund, including interest. The outstanding debentures at December 31, 2018 are:

Issued / Bylaw #	Purposes of Borrowing	Terms	Interest Rate	Amount Borrowed	Sinking Fund	Net Owing	Debt Reserve	Promissory Note
Apr 2004 B/L #2426	Kye Bay Water & Sewer system	19 yrs	2.40%	\$ 317,250	\$ 224,643	\$ 92,607	\$ 5,194	\$ 9,731
Apr 2008 B/L #1520	Pt. Holmes Water	14 yrs	4.65%	270,000	\$ 177,218	92,782	3,733	10,958
Total at December 31, 2018:				\$ 587,250	\$ 401,861	\$ 185,389	\$ 8,927	\$ 20,689
Total at December 31, 2017				\$2,062,250	\$1,633,989	\$ 428,261	\$ 28,482	\$ 114,266

Scheduled payments and net balances for the above issues over the next five years are:

Year	Schedule Annual Payments			Sinking Fund		Net Debt
	Principal	Interest	Total	Actuarial Earnings	Outstanding	
2019	\$ 23,225	\$ 13,224	\$ 36,449	\$ 15,383	\$ 146,780	
2020	23,225	13,224	36,449	17,095	106,459	
2021	23,225	13,224	36,449	18,884	64,350	
2022	23,225	9,714	32,939	20,753	20,371	
2023	8,465	6,204	14,669	11,907	-	

At the time the debentures were issued, the MFA deposited 1% of the amount borrowed to its Debt Reserve Fund. This is managed by the MFA and used to secure the debenture issue as a whole (see Note 7 Contingent Liabilities). Once the MFA has repaid the debenture issue, the Town is entitled to the proceeds of its share of the Debt Reserve Fund, including accrued interest.



## 7. CONTINGENT LIABILITIES

### (a) Regional District Debt

Regional District debt is, under the provisions of the Local Government Act (Section 836), a direct, joint and several liability of the District and each member municipality within the District, including the Town of Comox. Readers are referred to the Comox Valley Regional District 2018 Audited Financial Statements for specific information and detail.

### (b) Municipal Finance Authority Debentures

The Town is also contingently liable to the Municipal Finance Authority (MFA) of B.C. for a Debt Reserve Fund, to help secure its participation MFA Debentures (see Note 6). The MFA has the right, if one or more participants in that issue default, to draw upon the Town's share of the Debt Reserve Fund (\$8,927 at December 31, 2018; \$28,482 in 2017), plus Promissory Notes issued by the Town at the time of issue (\$20,689 at December 31, 2018; \$114,266 in 2017).

### (c) Comox Fire Department

The Comox Fire Department protects both the Town of Comox and the Comox Rural Fire Protection Improvement District, and so is jointly funded by the Town and the District. In the event that this relationship ended, the Town would have to compensate the District for its share of the equity of Fire Department assets. At December 31, 2018 the District's share of those tangible capital assets (at cost and net book value) were \$1,030,424 and \$496,642 respectively (\$985,511 and \$456,909 in 2017) and its share of a Fire Department Capital Reserve was \$85,679 (\$101,535 in 2017).

### (d) Municipal Insurance Association of BC

The Town is a subscribed member of the Municipal Insurance Association of BC (the "Exchange") as provided by Section 3.02 of the Insurance Act. The main purpose of the Exchange is to pool the risks of liability so as to lessen the impact upon any Subscriber. Under the Reciprocal Insurance Exchange Agreement the Town is assessed a premium with specific deductible for its claims based on population. The obligation of the Municipality with respect to the Exchange and/or contracts and obligations entered into by the Exchange on behalf of its Subscribers in connection with the Exchange are in every case several, and not joint and several.

### (e) Claims

At December 31st there existed outstanding claims against the Town. These claims have been referred to legal counsel and to the Town's liability insurers. It is not possible to determine the Town's potential liability, if any, with respect to these matters.

Town of Comox  
Statement of Financial Information  
Remuneration & Expenses for Elected Officials  
Year Ended December 31, 2018

**Schedule 1**

	<b>Remuneration</b>	<b>Expenses</b>
Russ Arnott, Mayor/Councillor	20,375	\$ 4,851
Alex Bissinger, Councillor	2,954	-
Ken Grant, Councillor	17,724	8,649
Marg Grant, Councillor	14,770	1,868
Paul Ives, Mayor	28,023	8,991
Hugh MacKinnon, Councillor	14,770	1,778
Stephanie McGowan, Councillor	2,954	-
Patrick McKenna, Councillor	2,954	-
Nicole Minions, Councillor	2,954	-
Barbara Price, Councillor	14,770	7,027
Maureen Swift, Councillor	<u>17,724</u>	<u>2,262</u>
	<u>\$ 139,972</u>	<u>\$ 35,426</u>

Expenses include expense claims by Council members, together with registration fees and travel expenses paid by the Town on their behalf.

In addition, each member of Council is covered under an accident insurance policy (when on Town business) which provides:

- 1) \$ 100,000 life insurance
- 2) \$ 300 weekly indemnity for total disability
- 3) \$ 3,000 additional medical expense

Town of Comox  
Statement of Financial Information  
Remuneration & Expenses for Employees Earning over \$75,000  
Year Ended December 31, 2018

**Schedule 2**

	<b>Remuneration</b>	<b>Expenses</b>
Gail Andestad, Planner 2	\$ 90,969	2,022
Debra Andrew, Deputy Director of Finance	91,201	3,043
Shelley Ashfield, Municipal Engineer	107,012	380
Cory Brooks, Fire Department Assistant	83,517	1,384
Al Fraser, Parks Superintendent	95,806	260
Clive Freundlich, Director of Finance	113,109	3,823
Brett Green, Foreman	95,686	2,791
Ted Hagmeier, Recreation Director	82,686	1,650
Marvin Kamenz, Town Planner	110,703	3,385
Richard Kanigan, Administrator	140,029	8,506
Jim Lariviere, Assistant Fire Chief	97,418	1,864
Joel Louke, Utility Operator	75,380	1,081
Ian Rogers, Building Inspector	75,706	2,813
Shelly Russwurm, Deputy Corporate Administrator	96,356	300
Gord Schreiner, Fire Chief	109,958	2,998
Rick Shelton, Assistant Fire Chief	94,452	1,019
Robert Stevens, Fire Department Assistant	81,444	1,346
Glenn Westendorp, Public Works Superintendent	91,852	260
subtotal	1,733,284	38,925
all employees under \$75,000	3,583,007	57,571
Total for all employees	<u>\$ 5,316,291</u>	<u>\$ 96,495</u>

Reconciliation to Salaries, Wages & Employee Benefits reported in Financial Statement

Total employee remuneration (above) less taxable benefits	\$ 5,247,410
Plus Council remuneration (Schedule 1)	139,972
Increase to Accrued Payroll & Post-Employment Benefits in year	38,533
Plus employee benefits included in Disbursements (Schedule 3)	<u>1,027,094</u>
Salaries, wages and employee benefits reported on Schedule 1 of the Consolidated Financial Statements for the Town of Comox	<u>\$ 6,453,008</u>

**NOTES:**

1. Expenses include payments to employees plus expenses paid on their behalf.
2. No schedule of severance agreements is included because there were none in year.



Town of Comox  
Statement of Financial Information  
Schedule of Disbursements over \$25,000  
Year Ended December 31, 2018

**Schedule 3**

AFC Construction	120,480.00
Andrew Sheret Limited	193,945.26
B C Assessment Authority	140,526.03
B C Hydro	373,490.88
BC Hydro	89,892.60
Big Island Building Services Ltd.	41,900.62
Black Press Group Ltd.	28,367.15
Braden West General Contracting Ltd.	31,741.00
Brian McLean Chevrolet Buick GMC Ltd.	47,997.97
Chimo Gymnastics Club	403,415.16
City Of Courtenay	31,277.66
Comox Business In Action	73,658.77
Comox Firefighters Association	40,485.76
Comox Valley Martial Arts & Fitness	35,759.25
Comox Valley Regional District	7,721,222.33
Comox-Strathcona Regional Hospital Dist	2,158,000.73
Compass Adventure	34,484.11
Cumberland Ready Mix Ltd.	27,034.81
CUPE Local 556	55,033.91
Current Environmental	29,862.00
Dawn to Dawn: Action on Homelessness	30,000.00
Edgett Excavating Ltd.	537,258.15
Emterra Environmental	770,770.76
Enex Fuels Ltd.	57,916.92
Fennell, Alicia	30,409.95
Fineline Road Marking	45,843.37
GCS Technology Services Inc.	202,788.31
Great West Equipment	249,226.05
Guillevin International Inc.	72,174.44
Habitat for Humanities	30,000.00
Habitat Systems Inc.	73,079.42
Hand-In-Hand Early Years	56,341.03
HI-lite Signs	33,459.30
ICBC Insurance Corporation of BC	33,419.00
Image Inspection Services Ltd.	112,319.47
Intercontinental Truck Body	34,681.25
Kendrick Equipment (2003) Ltd.	319,364.29
Kokomo Investments Ltd.	48,449.40
KTI Limited	76,329.78
Lafarge Canada Inc	34,259.32
Leighton Contracting (2009)Ltd	77,185.38
Lime Design Inc	31,500.00
McElhanney Consulting Services	234,597.05
Minister of Finance	39,187.50
Minister Of Finance	1,438,511.44
MNP LLP	67,266.43
Moneris	29,103.00
Municipal Insurance Assn Of B.C.	82,277.00
Municipal Pension Plan	802,760.99
Nautical Days Committee	35,000.00
Pacific Blue Cross/ BC Life	258,963.04
Peninsula Co-op	57,658.90
Price's Alarm Systems	25,223.19
Raylec Power Ltd.	44,011.61
Receiver General For Canada	1,383,819.68
Receiver General For Canada	1,659,759.47
Scotiabank Visa	164,607.26
Slegg Building Materials	25,259.26
Sun Life Assurance Company of Canada	83,351.58

Town of Comox  
Statement of Financial Information  
Schedule of Disbursements over \$25,000  
Year Ended December 31, 2018

**Schedule 3**

Sun Life Assurance Company of Canada	26,995.31
Susan Wood Communications	26,250.00
Tayco Paving Co Ltd	526,455.51
Telus	26,925.86
Thomson, Steve	49,199.40
Tower Fence Products Ltd	63,000.32
Trane Canada ULC	37,230.73
Urban Systems Ltd.	42,000.00
Vancouver Island Regional Library	645,784.00
Waypoint Insurance	104,902.00
Western Traffic Ltd	56,804.15
Westerra Equipment LP	56,731.40
Worksafe BC	89,010.77
Young, Anderson	217,392.84
subtotal	23,035,391.28
Plus all payees disbursed under \$25,000	1,962,944.27
Total disbursements, all payees	<u>24,998,335.55</u>
 <u>Reconciliation to Total Expenditures reported in Financial Statement:</u>	
Total Disbursements for all payees (reported above)	24,998,335.55
Plus Council & Employee remuneration (Sch. 1 and Sch. 2)	5,425,914.45
Less remittances of property taxes collected for others (net of offsets) not included in expenditures on the Financial Statements	(7,176,221.52)
Less long term debt principal payments not included in expenditures on the Financial Statements	(174,070.00)
Less employees share of payroll disbursements not included in expenditures on the Financial Statements	(1,587,760.39)
Less GST recoveries from disbursements in year	(325,977.87)
Less expenditures on tangible capital assets	(3,218,928.00)
Plus amortization expense from tangible capital assets	3,061,818.00
Less DCCs, development bonds and deposits refunded in year	(298,250.50)
Less changes in other asset & liability accounts included in expenses on the Financial Statements	<u>(370,234.72)</u>
<b>Total Expenses reported on Statement 2 and Schedules 1 &amp; 6 of the Consolidated Financial Statements for the Town of Comox</b>	<u><u>20,334,625.00</u></u>

Town of Comox  
Statement of Financial Information  
Year Ended December 31, 2018  
Schedule of Payments for Grants or Contributions

**Schedule 4**

Recipient of Grant or Contribution		Purpose of Grant
Comox Business in Action Association	\$ 72,900	Business Improvement Area
Comox Archives & Museum Society	24,996	Operation of Society
Citizens On Patrol Society	4,700	Operation of Society
Comox Valley Community Policing	6,300	Auxiliaries & Crime Prevention
Comox Valley Regional District	30,773	Emergency Preparedness
Dawn to Dawn	30,000	Homelessness & Affordable Housing
Habitat for Humanity	30,000	Homelessness & Affordable Housing
Comox Nautical Days Committee	35,000	Festival Operations
Comox Valley Art Gallery	5,000	Gallery Operations
Kumugwe Cultural Society	1,000	Potlatch 67-67
Hughes, Gavin	500	Mack Laing Bursary
Sid William Theatre Society	20,000	Theatre Operations
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	\$ 261,169	
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Town of Comox  
Statement of Financial Information  
Preparation and Approval of Report  
Year Ended December 31, 2018

**Schedule 5**

I certify that I have prepared the whole of the Statement of Financial Information and am responsible for its contents. It has not been audited by the Town's independent auditors.

Clive Freundlich

Clive Freundlich, Director of Finance

2019-06-20

Date

This whole Statement of Financial Information has been approved by the Town of Comox Council.

Russ Arnott

Russ Arnott, Mayor

JUNE 21/19

Date