



Statement of Financial Information
Year Ended December 31, 2017

Town of Comox
Statement of Financial Information
Contents
Year Ended December 31, 2017

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, 2017

	2017	2016
Financial Assets:		
Cash	\$ 5,698,893	\$ 3,816,826
Short-term investments (Note 2b)	21,175,351	19,632,609
Receivables (Note 4)	818,127	995,799
Land for resale	9,847	9,847
	<u>27,702,218</u>	<u>24,455,081</u>
Financial Liabilities:		
Payables (Note 5)	2,200,441	2,520,667
Deferred revenue (Schedule 3)	1,116,418	1,131,025
Restricted Revenue (Schedule 3)	5,461,207	5,554,099
Deposits	1,488,671	1,302,656
Net debenture debt (Note 6)	428,261	932,801
Future Payroll Obligations (Note 9)	916,151	922,127
	<u>11,611,149</u>	<u>12,363,375</u>
Net Financial Assets	<u>16,091,069</u>	<u>12,091,706</u>
Non-financial assets:		
Tangible capital assets (Schedule 5)	86,033,960	85,664,830
Supply inventory	258,153	212,026
Prepaid expenses	77,791	58,195
Shares in Courtenay Golf Club Ltd.	8,750	8,750
	<u>86,378,654</u>	<u>85,943,801</u>
Accumulated surplus (Note 18)	<u>\$ 102,469,723</u>	<u>\$ 98,035,507</u>

Contingent liabilities (Note 7)



Clive Freundlich, CPA, CGA

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, 2017

	Budget	2017	2016
	(Note 17)		
Revenue			
Property valuation tax	\$ 8,078,123	\$ 8,074,336	\$ 7,861,808
Parcel taxes	638,431	632,758	629,109
Payments in-lieu of taxes	1,449,962	1,438,582	1,453,520
Revenue from taxation	10,166,516	10,145,676	9,944,437
Utility fees	6,303,641	6,340,136	6,147,154
Other sale of service	2,509,747	2,992,305	2,434,644
Licences, permits & planning fees	226,750	253,812	266,343
Developer cost charges applied	444,776	168,144	8,759
Tangible capital assets contributed	-	-	30,825
Donations	201,400	91,844	26,300
Investment income	120,000	224,524	173,075
Penalties and interest on taxes	64,500	57,734	54,163
Actuarial earnings on sinking fund	-	132,033	112,090
Rentals	126,476	146,302	136,837
Other	48,100	1,061,990	41,857
Gain on disposal of assets	-	230,874	33,000
Unconditional Grants	390,000	376,918	387,149
Conditional Grants	1,792,477	1,529,522	2,019,647
	22,394,383	23,751,814	21,816,280
Expenses			
General government	1,593,478	1,768,377	1,685,432
Protective services	3,109,515	2,831,500	2,724,527
Solid waste management	1,400,889	1,372,988	1,353,934
Development services	558,961	439,468	445,166
Transportation	1,779,512	3,399,093	3,171,175
Parks, recreation, and culture	4,055,471	4,447,934	4,334,680
Marina	169,537	228,496	234,981
Water services	2,335,206	2,559,908	2,421,747
Sewer services	2,192,666	2,269,834	2,239,603
	17,195,235	19,317,598	18,611,245
Annual surplus	5,199,148	4,434,216	3,205,035
Accumulated surplus, beginning of year	98,035,507	98,035,507	94,830,472
Accumulated surplus, end of year	\$ 103,234,655	\$ 102,469,723	\$ 98,035,507

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, 2017

5. PAYABLES

Payables are composed of the following amounts:

	2017	2016
Wages payable	\$ 195,855	\$ 176,649
Governments	1,645,590	1,702,434
Trade & Other	358,996	641,584
Total payables	\$ 2,200,441	\$ 2,520,667

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, 2017 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 years	2.40%	\$ 317,250	\$ 208,683	\$ 108,567	\$ 5,083	\$ 9,731
Oct 2004 B/L #1407	Downtown Revitalization	14 years	2.00%	475,000	\$ 429,299	45,701	7,480	19,272
Apr 2008 B/L #1520	Pt. Holmes Water	14 years	4.65%	270,000	\$ 156,209	113,791	3,654	10,958
Apr 2011 B/L #1607	Comox Rec. Centre	7 years	4.20%	1,000,000	\$ 839,798	160,202	12,265	74,305
Total at December 31, 2017				\$ 2,062,250	\$ 1,633,989	\$ 428,261	\$ 28,482	\$ 114,266
Total at December 31, 2016				\$ 4,162,250	\$ 3,229,449	\$ 932,801	\$ 55,810	\$ 245,468

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
2018	\$ 174,071	\$ 49,259	\$ 223,330	\$ 68,802	\$ 185,388
2019	23,225	18,759	41,984	15,383	146,780
2020	23,225	18,759	41,984	17,095	106,459
2021	23,225	18,759	41,984	18,884	64,350
2022	23,225	12,482	35,707	20,753	20,371

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.

Town of Comox

Statement of Financial Information

Schedule of Debts

Notes 5 to 7 of the Consolidated Financial Statements

Year Ended December 31, 2017

7. CONTINGENT LIABILITIES

(a) Regional District Debt

Regional District debt is, under the provisions of the Local Government Act, a direct, joint and several liability of the Regional District and each member municipality within the Regional District, including the Town of Comox. At December 31, 2017 the Comox Valley Regional District had net debt of \$31,272,596 owing (\$36,029,834 at December 31, 2016) which is \$76,773,019 in debt issues net of \$45,500,423 sinking funds at December 31, 2016 (\$78,039,519 net of \$42,009,686 sinking funds at December 31, 2016) including debentures issued for the Town (Note 6), the City of Courtenay, the Village of Cumberland and itself.

(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 (\$28,482 at December 31, 2017; \$55,810 in 2016), plus Promissory Notes issued by the Town at the time of issue (\$114,266 at December 31, 2017; \$245,468 in 2016).

(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, 2017 the District's share of those tangible capital assets (at cost and net book value) were \$985,511 and \$456,909 respectively (\$898,154 and \$353,751 in 2016) and its share of a Fire Department Capital Reserve was \$72,116 (\$101,535 in 2016).

(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, 2017

Schedule 1

	Remuneration	Expenses
Russ Arnott, Councillor	17,311	\$ 4,244
Ken Grant, Councillor	17,311	3,891
Marg Grant, Councillor	17,311	1,638
Paul Ives, Mayor	32,270	12,065
Hugh MacKinnon, Councillor	17,311	2,576
Barbara Price, Councillor	17,311	3,091
Maureen Swift, Councillor	<u>17,311</u>	<u>4,243</u>
	<u>\$ 136,136</u>	<u>\$ 31,749</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 Year Ended December 31, 2017
- 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, 2017

Schedule 2

	Remuneration	Expenses
Gail Andestad, Planner 2	\$ 78,359	2,702
Debra Andrew, Deputy Director of Finance	89,542	4,174
Shelley Ashfield, Municipal Engineer	102,805	2,113
Regina Bozerocka, Planner 1	77,019	418
Cory Brooks, Fire Department Assistant	80,096	1,997
Al Fraser, Parks Superintendent	95,082	3,270
Brett Green, Foreman	97,620	508
Donald Jacquest, Director of Finance	120,758	1,862
Kyle Jorgensen, Maintenance Operator	77,924	290
Marvin Kamenz, Town Planner	109,730	3,725
Richard Kanigan, Administrator	137,651	9,337
Jim Lariviere, Assistant Fire Chief	95,961	2,050
Joel Louke, Utility Operator	77,281	2,403
Ian Rogers, Building Inspector	75,825	1,561
Shelly Russwurm, Deputy Corporate Administrator	94,192	1,777
Gord Schreiner, Fire Chief	108,988	4,577
Andrew Scott, Equipment Operator	75,323	395
Rick Shelton, Assistant Fire Chief	104,211	1,185
Robert Stevens, Fire Department Assistant	78,183	691
Glenn Westendorp, Public Works Superintendent	99,728	400
subtotal	1,876,277	45,434
all employees under \$75,000	3,312,539	43,961
Total for all employees	<u>\$ 5,188,816</u>	<u>\$ 89,395</u>

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

Total employee remuneration (above) less taxable benefits	\$ 5,079,161
Plus Council remuneration (Schedule 1)	136,136
Increase to Accrued Payroll & Post-Employment Benefits in year	13,230
Plus employee benefits included in Disbursements (Schedule 3)	<u>1,060,482</u>
Salaries, wages and employee benefits reported on Schedule 1 of the Consolidated Financial Statements for the Town of Comox	<u>\$ 6,289,009</u>

NOTES:

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

Town of Comox

Schedule 3

Statement of Financial Information
Schedule of Disbursements over \$25,000
Year Ended December 31, 2017

475816 BC Ltd	33,109.30
Above & Beyond Tree Service	28,271.25
Andrew Sheret Limited	125,517.72
B C Assessment Authority	133,632.40
B C Hydro	418,283.55
Big Island Building Services Ltd.	42,894.66
Black Press Group Ltd.	39,994.33
Chimo Gymnastics Club	341,024.55
City of Courtenay	31,307.12
Cohlmeyer Architecture Limited	38,504.65
Comox Business In Action	72,900.00
Comox Firefighters Association	33,556.15
Comox Valley Martial Arts & Fitness	37,513.17
Comox Valley Regional District	7,149,606.39
Comox-Strathcona Regional Hospital Dist	2,129,364.30
Corix Water Products Limited Partnership	105,856.76
Crown Contracting Limited	462,199.51
CUPE Local 556	51,183.13
Edgett Excavating Ltd.	88,552.04
Emterra Environmental	767,822.00
Enex Fuels Ltd.	57,573.95
Fort Garry Fire Trucks Ltd	507,756.37
GCS Technology Services Inc.	113,554.52
Guillevin International Inc.	43,592.52
Hand-In-Hand Early Years	56,727.36
Hazelwood Construction Services	187,320.11
Hetek Solutions Inc.	70,805.23
ICBC Insurance Corporation of BC	33,456.00
Kinetic Construction Ltd	1,201,702.51
Lacasse Construction Ltd	275,677.47
Lafarge Canada Inc	71,918.56
Leighton Contracting (2009)Ltd	1,418,867.19
Martin Hagarty Architect Ltd	33,111.33
McElhanney Consulting Services	197,598.65
Minister Of Finance	1,453,641.72
MNP LLP	34,783.87
Municipal Insurance Assn Of B.C.	91,947.73
Municipal Pension Plan	804,135.61
Nilson, Birgit	58,097.10
Pacific Blue Cross/ BC Life	375,702.43
Peninsula Co-op	51,195.61
PerfectMIND Inc.	28,168.70
Progressive Systems Ltd	40,548.74
Receiver General For Canada	2,581,652.21
Scotiabank Visa	127,012.60
Silvacare Inc	30,032.14
Susan Wood Communications	26,250.00
Tayco Paving Co Ltd	40,561.74
Telus	30,940.58

Town of Comox
Statement of Financial Information
Schedule of Disbursements over \$25,000
Year Ended December 31, 2017

Schedule 3

Temple Consulting Group Ltd	38,261.86
Thomson, Steve	49,928.57
Trane Canada ULC	40,960.04
Vancouver Island Regional Library	622,696.00
Western Traffic Ltd	37,993.54
Willis Canada Inc	93,273.00
Worksafe BC	87,315.18
Young, Anderson	103,799.71
	subtotal
	23,249,653.43
Plus all payees disbursed under \$25,000	<u>1,886,275.22</u>
Total disbursements, all payees	<u><u>25,135,928.65</u></u>
 <u>Reconciliation to Total Expenditures reported in Financial Statement:</u>	
Total Disbursements for all payees (reported above)	25,135,928.65
Plus Council & Employee remuneration (Sch. 1 and Sch. 2)	5,228,527.06
Less remittances of property taxes collected for others (net of offsets) not included in expenditures on the Financial Statements	(6,923,028.47)
Less long term debt principal payments not included in expenditures on the Financial Statements	(372,507.00)
Less employees share of payroll disbursements not included in expenditures on the Financial Statements	(1,585,362.13)
Less GST recoveries from disbursements in year	(387,138.01)
Less expenditures on tangible capital assets	(4,352,242.00)
Plus amortization expense from tangible capital assets	2,988,987.00
Less DCCs, development bonds and deposits refunded in year	(138,579.43)
Less changes in other asset & liability accounts included in expenses on the Financial Statements	<u>(276,987.67)</u>
Total Expenses reported on Statement 2 and Schedules 1 & 6 of the Consolidated Financial Statements for the Town of Comox	<u><u>19,317,598.00</u></u>

Town of Comox
Statement of Financial Information
Year Ended December 31, 2017
Schedule of Payments for Grants or Contributions

Schedule 4

Recipient of Grant or Contribution		Purpose of Grant
Citizens On Patrol Society	\$ 4,700	Operation of Society
City of Courtenay	547	Skateboard Park Maintenance
Comox Archives & Museum Society	24,996	Operation of Society
Comox Business in Action Association	72,900	Business Improvement Area
Comox Nautical Days Committee	24,000	Festival Operations
Comox Valley Art Gallery	5,000	Gallery Operations
Comox Valley Community Policing	6,150	Auxiliaries & Crime Prevention
Comox Valley Land Trust	1,500	Eco-Asset Symposium
Comox Valley Regional District	29,207	Emergency Preparedness
Hosegrove, Livia	500	Mack Laing Bursary
Sid William Theatre Society	<u>20,000</u>	Theatre Operations
	<u>\$ 189,500</u>	

Town of Comox
Statement of Financial Information
Preparation and Approval of Report
Year Ended December 31, 2017

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.

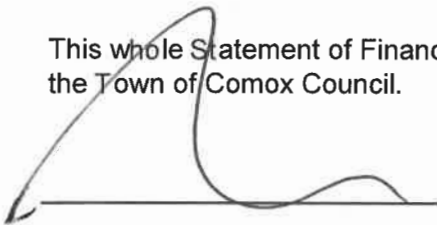


2018-06-20

Date

Clive Freundlich, Director of Finance

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



2018-06-20

Date

Paul Ives, Mayor