

P.O. Box 1494, Comox, BC, V9M 8A2

Email: macklaingsociety@gmail.com

Website: www.macklaingsociety.ca



Press Release June 1, 2016

Questions arise about Town of Comox accounting of Mack Laing Trust Fund

The Town of Comox's report on the Mack Laing Trust, a bequest it accepted in 1982 on the death of Comox naturalist Hamilton Mack Laing, has significant discrepancies, according to professional accounting report obtained from a private citizen by the Mack Laing Heritage Society.

Kent Moeller (CPA, CA) of Moeller Matthews in Campbell River, disputes the "pro forma" December 2015 value of the trust fund at \$76,672.

In his Will, Mack Laing left the Town of Comox \$45,000, of which 25% was to be used to convert his home, Shakesides in Mack Laing Park, into a "nature museum". Interest on the remaining 75% of the trust fund was to be used to maintain it.

Unfortunately, although the Town accepted the funds, it did not place them in an interest-bearing Municipal Finance Authority (MFA) account, as is normal practice, until 2001 - 19 years after receiving the funds. Until 2000, the funds were a ledger item in general revenue and accrued no interest.

The Town failed to convert Shakesides into a nature museum for public enjoyment, as stipulated in Laing's Will, and instead rented the house to a series of tenants for 30 years.

Between 1982 and 2000, various sums of money were removed from the trust funds, but were not used to either create or maintain a nature museum. These amounts reduced the principal. With no interest being accrued, the fund appreciated very little, despite a decade of high interest rates. In 2000, the Town's accounting revealed that the trust account amounted to just \$48,000 - despite rental income of \$51,000 during the period. Unidentified capital expenses of \$15,600 were removed from the account during those years, as well as other sums of money. (See document: Town of Comox Mack Laing Trust Account)

In 2001, the trust fund was put into a separate account by the Town's current Chief Financial Officer, where it has earned MFA rates until the present day.

The accountant's report used figures released by the Town of Comox, and interest is conservatively calculated on the Bank of Canada rate, rather than the more lucrative MFA rates.

A calculation of the 75% of the funds bequeathed (\$33,750) plus rents accrued, indicate that as of December 2015, the trust account should be valued at a minimum of \$414,429. Mr. Moeller estimates that the remaining 25% (\$11,250) would appreciate to a further \$67,119 over the same period. (See document: MoellerAccountingHMLaingTrustFund)

As none of the expenditures have been in keeping with the stated conditions of the 1982 Will and Testament, or the 1972 Indenture, it is Mr. Moeller's opinion that the account should now be worth a minimum of \$481,548.