



VILLAGE OF LYTTON

PO Box 100, 380 Main Street, Lytton, BC V0K 1Z0

P: 250-455-2355 F: 250-455-2142

hotspot@lytton.ca

2016 ANNUAL MUNICIPAL REPORT

JANUARY 1, 2016 to DECEMBER 31, 2016

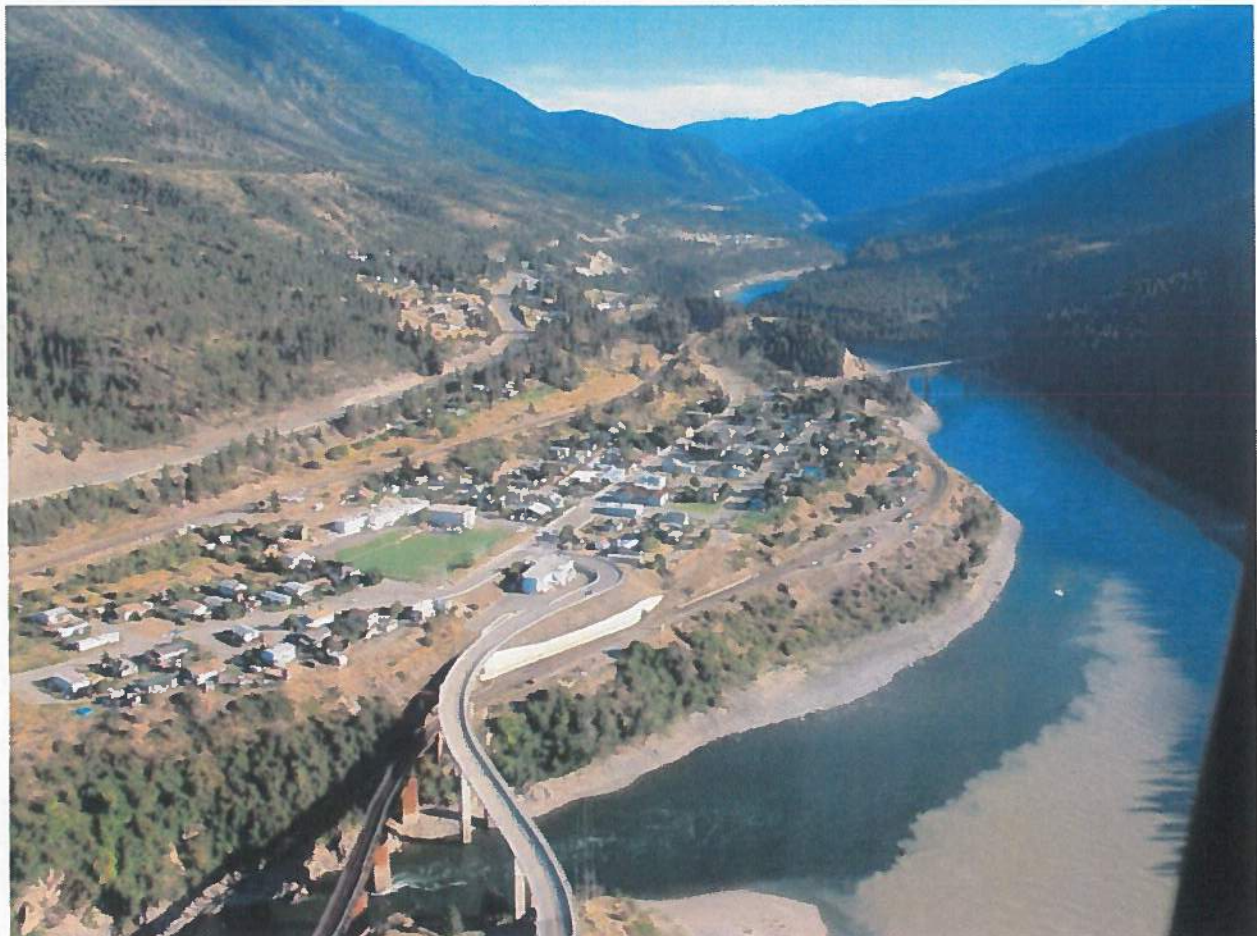


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A MESSAGE FROM MAYOR JESSOA LIGHTFOOT



This annual report outlines the finances and activities of the year 2016, for the Village of Lytton. As directed under the *Community Charter*, every municipality publishes this report each year at the end of June. The report presents the year's audited financial statements, activities and operations are outlined and objectives for the 16/17 year detailed.

The Village of Lytton is one of the five smallest municipalities in BC. The 2016 Census did show that we are growing, though be it slow. Our population increased by 21 to 249.

A small community with a small staff has great challenges when senior staff positions are vacant. In 2016 several lead positions were filled. Our head public works position was filled in the spring, and in June 2016 Margaret Stewart was hired as Interim Chief Financial Officer to work on a part-time basis and a new CAO began work in August. Commencing January 2017, Ms. Stewart was hired as Chief Financial Officer on a full-time basis. With a permanent staff in place, the Village has been able to regain a better management function.

In June, a Councillor resigned and a by-election was held in September.

The water project continues to be the main priority for Council. In 2016, Council retained the services of Miller & Associates as our Water Project Coordinator for our Groundwater Development Project and our Source Water Protection Planning Project.

Several reports were commissioned – the Water Master Plan was completed in September 2016. A report titled Asset Management for the Village's Water and Sewer Systems was completed in May 2017.

In November 2016, Council applied for funding from the Clean Water and Wastewater Fund for two projects:

- 1) The Groundwater Development Project, to replace the Water Treatment Plant and to connect the downtown wells to the treatment plant; and
- 2) The Source Water Protection Planning Project, to identify risks to our water sources and develop a plan for their protection, and for a horizontal drilling feasibility study.

These applications were approved in March 2017. Construction of the Groundwater Development Project is expected to commence in fall 2017 and to be completed by April 2018. The Source Water Protection Planning report is in the draft stages and is expected to complete by the end of June 2017.

Council has collaborated with Lytton First Nations to establish a Water Resources Working Group, and the Municipal Transfer Service Agreement (MTSA) Working Group. The MTSA Working Group has adopted Guiding Principles, and are working on an Infrastructure Partnership Agreement, Fire Protection Services Agreement, Water Services Agreement, and Sanitary Sewer Services

For the third year in a row, the Village was host to evacuees of local fires. The community is fortunate to have a Ministry suppression team stationed in the Village and their swift response has minimized size and damage of many fires throughout the area.

As in previous years, the Village was able to conduct fuel management over the winter months. Employing local workers and reducing the risk of fire fuel has been of great benefit to our community.

The Village and Lytton First Nations worked together on a Fire Smart program. Residential areas above the highway had a clean-up in November. The group continues the program in 2017 with areas around the CP downtown corridor area being addressed. The Village has been recognized as a Fire Smart Community

Recent new regulations for volunteer fire dept demand additional resources. A Fire Safety Review has been undertaken and a consultant was hired in December 2016 to assess our Fire Protection Services. A report will be provided in summer 2017. This report should clarify deficiencies and assist in prioritizing actions. Major equipment needs include a new fire truck in the next few years. The Fire Hall is still inadequate and the First Responder vehicle also needs to be replaced.

With the assistance of Consultants at two separate Governance Sessions held in early 2017, Council reviewed its Committees, and the appointment of Council members

In December the 10 year anniversary of Lyttonnet services and recent upgrades of fiber cable to the Village and parts of 2 and 3 mile was celebrated.

Council hired an Economic Development Officer in March 2017, and has established the Business Retention and Expansion Program (BR+E). Though \$20,000 was budgeted for a rewrite of the OCP in 2016, due to changeover in staff, the rewrite did not occur as planned. The budgeted sum of \$20,000 was carried forward into the 2017 budget.

Many of the services our citizens enjoy are kept operational through the efforts of community volunteers. The Museum, Info Centre, gardens and planters, seasonal events and our community pool are supported by these valuable members. We will continue to support their efforts wherever possible.



*Left to Right: Councillor Jan Polderman; Councillor Ian Hay; Nicole Trudell (Executive Director, Interior Community Foundation); Councillor Huntley Smith; Hugh Fallis (President, Interior Community Foundation)
BC Interior Foundation presents funds to Village of Lytton, April 2017*



Left to Right: Councillor Ian Hay; Councillor Rob Austen; Mayor Jessoa Lightfoot; Councillor Jan Polderman; Councillor Tiffany Callewaert

VILLAGE OF LYTTON COUNCIL – COMMITTEE APPOINTMENTS 2016

Deputy Mayor: Each year, the Mayor appoints Councillors to fulfill the role of Deputy Mayor. In 2016, each Councillor served for a term as Deputy Mayor, as follows:

January 1 to March 31: Councillor Jan Polderman

April 1 to May 31: Councillor Rob Austen

June 1 to August 31: Councillor Ian Hay

September 1 to December 31: Councillor Tiffany Callewaert-Haugen

Committee of the Whole: The Mayor appointed the Committee of the Whole (COTW), which constitutes all members of Council, which meets during the first week of every month. During the past year, there have been four types of Committee of the Whole meetings:

- Water Advisory Committee;
- Finance and Audit COTW meetings;
- Policy and Planning COTW meetings; and
- Public Works and Utilities COTW meetings

Working Groups:

- Lytton Community Water Committee – All Council members
- Municipal Transfer Service Agreements (MTSAs) with Lytton First Nations – All Council members

Select Committees:

- Seniors' Housing Committee: Councillor Ian Hay and Councillor Tiffany Callewaert-Haugen
- Raft Takeout Committee: Mayor Jessoa Lightfoot and Councillor Huntley Smith
- Business Retention + Expansion (BR+E) Steering Committee: Councillor Ian Hay and alternate Councillor Jan Polderman

Council Representatives Appointed to Other Boards and Committees:

- Lytton Museum Directors – Councillor Tiffany Callewaert-Haugen, and alternate Mayor Lightfoot
- Thompson Nicola Regional District – Mayor Jessoa Lightfoot, and alternate Councillor Ian Hay
- Northern Development Initiative Trust (NDIT) – Cariboo-Chilcotin/Lillooet Regional Advisory Committee – Mayor Lightfoot and alternate Councillor Jan Polderman
- Gold Country Community Society – Mayor Lightfoot

DECLARATION AND IDENTIFICATION OF DISQUALIFIED COUNCIL MEMBERS

No Council members were identified nor declared as disqualified.

PROGRESS REPORT FOR 2016

In 2015, Council set the following objectives for 2016:

Department	Objective	Achievements/Outcomes
Administrative Services	Hire a Chief Financial Officer to provide financial management for the Village and to provide Council with current and accurate financial reporting in a timeline manner.	In June 2016, Margaret Stewart was hired as Interim Chief Financial Officer to work on a part-time basis. Commencing January 2017, she was hired as Chief Financial Officer on a full-time basis.
	Allocate funding in the 2016 Financial Plan and complete an update to the Official Community Plan (OCP)	\$20,000 was budgeted for a rewrite of the OCP in 2016. This was carried forward into the 2017 budget. Funding was approved under the Economic Development Building Program, a program of the Northern Development Initiative Trust (NDIT), and a portion of these funds was used to hire an Economic Development Officer, who will assist with the completion of a revised OCP.
	Review Council Committees and prepare or ensure proper Terms of Reference exist for each Committee	<p>Council conducted a review and decided to hold monthly Committee of the Whole meetings, for the purpose of focussing on each of the following issues on a quarterly basis:</p> <ul style="list-style-type: none"> • Audit & Finance; • Policy and Planning; and • Public Works/Utilities. <p>In addition, Council has continued to hold Water Advisory Committee meetings as a COTW.</p> <p>Council has appointed three new select committees:</p> <ul style="list-style-type: none"> • Business Retention + Expansion (BR+E) Steering Committee • Seniors' Housing Committee, and • Raft Takeout Committee. <p>Members of Council were appointed to each of these Committees.</p>

Department	Objective	Achievements/Outcomes
	Develop a detailed Staffing Plan including updated job descriptions, appropriate department training and overall succession planning	A Staffing Plan continues to be a priority of Council, and is a work-in-progress that is on-going.
	Complete a detailed Municipal Service Review to accurately identify all Village of Lytton Municipal Services and the related cost for providing them	<p>A detailed Municipal Service Review remains a priority of Council. Towards this goal, Council commenced a review of the following Municipal Services:</p> <ul style="list-style-type: none"> • Asset Management for the Village’s Water and Sewer Systems – a Lifecycle Practices Assessment is in the draft stages for the Operations, Management and Inspection of these systems. • Fire Safety Review – a Consultant was hired in December 2016 to assess our Fire Protection Services and a report will be provided in Summer 2017. • Council retained the services of Miller & Associates as our Water Project Coordinator for our Groundwater Development Project and our Source Water Protection Planning Project. • Council has collaborated with Lytton First Nations to establish a Water Resources Working Group, and the Municipal Transfer Service Agreement (MTSA) Working Group. The MTSA Working Group has adopted Guiding Principles, and are working on an Infrastructure Partnership Agreement, Fire Protection Services Agreement, Water Services Agreement, and Sanitary Sewer Services Agreement
Public Works, Water Services	Continue with the design and construction of the Water Treatment Facility	In November 2016, Council applied for funding from the Clean Water and Wastewater Fund for two projects: 1) the Groundwater Development Project, to replace the Water Treatment Plant and to connect the downtown wells to the treatment plant; and 2) the Source Water Protection Planning Project, to identify risks to our water sources and develop a plan for their protection, and for a horizontal drilling feasibility study.

Department	Objective	Achievements/Outcomes
	Apply for grant deadline extensions to provide sufficient funding for the water project	Council successfully obtained an extension of the deadline for the completion of water project funded by the BC Community Water Improvement Program (BCCWIP), and the final report and claim is currently under review. Council continues to seek extensions to the scope and deadlines for the water project funded by the Green Municipal Fund.
	Proceed with the secondary water source and connect water wells #1 and #2 to the water system	This remains a priority of Council and is an ongoing work-in-progress.
	Install, maintain and read water meters for CN Rail and CP Rail water lines to better manage water consumption	The meters were installed and are now providing valuable information to the Village staff and Council regarding water consumption.
	Install Water Zone Meters as recommended in the Water Master Plan	The Water Master Plan was completed in September 2016. The installation of the Zone Meters remains a priority of Council, pending the availability of funds.
Economic Development	Hire an Economic Development Officer to further Council's economic objectives and manage the NDIT funding	Council hired an Economic Development Officer in March 2017, and has established the Business Retention and Expansion Program (BR+E).
	Apply for NDIT funding and implement the Business Façade Improvement Program and the Love Northern BC Program	The grant application for the NDIT Business Façade Improvement Program was submitted in 2016, and funding was approved in January 2017.

STATEMENT OF MUNICIPAL OBJECTIVES AND PROGRESS MEASURES FOR CURRENT YEAR (2017) AND NEXT YEAR (2018)

Council set the following objectives, which it hopes to accomplish during the current year (2017) and the next year (2018). Council and staff prepared these objectives during Governance Sessions, and with consideration of feedback received by Councillors from constituents throughout the previous year.

Department	Objective	Strategies
Public Works, Water & Sewer	Implement the recommendations of the Water Master Plan	<ul style="list-style-type: none"> • Create plans, obtain designs and cost estimates, so that projects are “shelf-ready” and Council is able to make well-informed decisions and proceed with projects as funding becomes available • Apply for grants to fund projects • Build capacity for proceeding with projects
	Continue work on the Groundwater Development Project	<ul style="list-style-type: none"> • Go to tender • Complete the design • Receive remaining available funds from the BCCWIP • Complete construction • Complete final reporting as required by the Clean Water and Wastewater Fund
	Completion of the Source Water Protection Planning Report	<ul style="list-style-type: none"> • Receive remaining available funds from the BCCWIP • Finalize the Source Water Protection Planning Report • Create a plan for the implementation of any recommendations arising from this Project • Complete final reporting as required for the Clean Water and Wastewater Fund
	Obtain the Horizontal Drilling Feasibility Study	<ul style="list-style-type: none"> • Receive remaining available funds from the BCCWIP • Receive the Horizontal Drilling Assessment Study • Create a plan for the implementation of any recommendations arising from this Study • Complete final reporting as required for the Clean Water and Wastewater Fund
	Implement the recommendations of the Water Conservation Plan	<ul style="list-style-type: none"> • Adopt a leak detection plan • Implement water conservation measures • Provide conservation incentives (i.e. leaky toilet repair program) • Install zone meters • Establish community education program
	Repair and replace aging water pipes	<ul style="list-style-type: none"> • Adopt a plan for replacement and repair of old pipelines • Identify target areas

Department	Objective	Strategies
	Municipal Transfer Service Agreements (MTSAs) for the provision of fire protection, water services, and sewer services to residents of the Lytton First Nation	<ul style="list-style-type: none"> • Continue meetings with the MTSA Working Group for the Village and Lytton First Nation • Complete the final draft and execution of the agreements
	Obtain a Sewer Master Plan	<ul style="list-style-type: none"> • Obtain estimates from firms • Retain the services of a firm to conduct the assessment and draft the plan
	Create a long-term financial plan for water and sewer services	<ul style="list-style-type: none"> • Obtain the final draft of the Lifecycle Practices Assessment for the Operations, Maintenance and Inspection of the water and sewer systems. • Create a plan for the implementation of the recommendations of the Lifecycle Practices Assessment
Organizational & Administrative Review	Assess the financial and administrative capacity of the Village	<ul style="list-style-type: none"> • Assessment of organizational & administrative operating costs • Assessment of Investment capital • Financial reporting to Council to be regularized • Analysis of human resource requirements • Review of job classifications and duties
	A comprehensive report to be prepared on Reserve Funds	<ul style="list-style-type: none"> • Definition of each fund • Clarity on policies and procedures for Reserve Funds
	Records Management System	<ul style="list-style-type: none"> • Bring records up-to-date • Proper identification of all files • Develop a Retention Schedule
	Review of Council Procedures Bylaw	<ul style="list-style-type: none"> • Continue the review of the Bylaw at Committee of the Whole meetings scheduled for Policy and Procedure matters. • Bring the draft of the new Bylaw through 1st, 2nd, 3rd reading and final adoption.

Department	Objective	Strategies
Official Community Plan	Obtain further funding	<ul style="list-style-type: none"> • Approach funding organizations • Submit applications for grant funds
	Develop a plan	<ul style="list-style-type: none"> • Establish a Steering Committee and appoint members • Review the current plan • Develop a strategy for the process • Develop a timeline • Identify good growth • Land use harmonization with First Nations • Define "livable community" • Establish guidelines for developers
Economic Development	Create a plan for job retention and to assist development of new employment opportunities	<ul style="list-style-type: none"> • Develop an Economic Readiness Strategy • Identify specific targets • Adopt a strategy
	Develop partnerships	<ul style="list-style-type: none"> • Identify local stakeholders • Engage in joint efforts with First Nations • Determine the best use of scarce funds • Ensure good relations • Outline communication methods • Generate mutual areas of interest
	Continue employment of an Economic Development Officer and Corporate Officer for the next year	<ul style="list-style-type: none"> • Provide guidance • Develop the focus for the Village mandate • Obtain further funding for the position
	Research the possibility of acquiring land for development	<ul style="list-style-type: none"> • Identify land parcels for potential acquisition • Obtain information about ownership, procedures for transfer and land values • Prioritize development opportunities that potentially require land acquisition
Future Capital Investments	Fire Hall replacement	<ul style="list-style-type: none"> • Consider organizational capacity required • Develop funding policies and strategies • Prepare for asset management
	Fire Truck Replacement	<ul style="list-style-type: none"> • Research Options

Department	Objective	Strategies
	Affordable Housing	<ul style="list-style-type: none"> • Consider organizational capacity required • Develop funding policies and strategies • Prepare for asset management
	Improvements to roads and sidewalks	<ul style="list-style-type: none"> • Consider organizational capacity required • Develop funding policies and strategies • Prepare for asset management
	Vehicle fleet review	<ul style="list-style-type: none"> • Conduct an assessment • Create inventory • Prepare a budget • Develop a funding strategy
Emergency Preparation Response	Review the status of the current Emergency Response Plan	<ul style="list-style-type: none"> • Assess the current plan • Review the legislation • Identify issues • Create a plan for the review and development of new Emergency Preparation Response • Adopt new procedures for Emergency Preparation Response
	Bring in outside resources to assist with the preparation of a plan	<ul style="list-style-type: none"> • Contact TNRD • Contact EMBC • Retain a consultant

VILLAGE OF LYTTON
2017 PERMISSIVE EXEMPTIONS
Bylaw No. 687, 2016 Permissive Tax Exemption (2016-2021)

LOCATION	ROLL #	EXEMPTED			
		VALUE	LEVY 2017	LEVY 2018	LEVY 2019
Roman Catholic Church	11010	\$ 38,900.00	\$ 291.56	\$ 295.87	\$ 300.18
Anglican Church Hall - Parish Hall	14050	\$ 80,600.00	\$ 604.10	\$ 613.03	\$ 621.96
Fraser Basin Property Society	14075	\$ 21,500.00	\$ 161.14	\$ 163.53	\$ 165.91
Anglican Church	14060	\$ 46,200.00	\$ 346.27	\$ 351.39	\$ 356.51
Royal Canadian Legion	31000	\$ 168,000.00	\$ 1,259.17	\$ 1,277.78	\$ 1,296.39
Village of Lytton	32000	\$ 176,300.00	\$ 1,321.38	\$ 1,340.91	\$ 1,360.44
Pioneer Cemetery	104300	\$ 22,900.00	\$ 171.64	\$ 174.17	\$ 176.71
Lytton Cemetery	122000	\$ 53,500.00	\$ 400.99	\$ 406.91	\$ 412.84
TOTAL PERMISSIVE EXEMPTIONS		\$ 607,900.00	\$ 4,556.25	\$ 4,623.58	\$ 4,690.92

1998-1999
 Financial Statement
 of the Department of Health and Human Services

Category	1998-1999	1997-1998	1996-1997	1995-1996	1994-1995	1993-1994	1992-1993	1991-1992	1990-1991
Operating Expenses	1,234,567	1,123,456	1,012,345	901,234	890,123	789,012	678,901	567,890	456,789
Capital Expenses	234,567	223,456	212,345	201,234	190,123	189,012	178,901	167,890	156,789
Debt Service	345,678	334,567	323,456	312,345	301,234	290,123	289,012	278,901	267,890
Other Expenses	456,789	445,678	434,567	423,456	412,345	401,234	390,123	389,012	378,901
Total Expenses	2,271,601	2,127,157	2,002,713	1,877,369	1,793,825	1,668,161	1,537,825	1,412,693	1,290,369
Operating Income	1,234,567	1,123,456	1,012,345	901,234	890,123	789,012	678,901	567,890	456,789
Capital Income	234,567	223,456	212,345	201,234	190,123	189,012	178,901	167,890	156,789
Debt Income	345,678	334,567	323,456	312,345	301,234	290,123	289,012	278,901	267,890
Other Income	456,789	445,678	434,567	423,456	412,345	401,234	390,123	389,012	378,901
Total Income	2,271,601	2,127,157	2,002,713	1,877,369	1,793,825	1,668,161	1,537,825	1,412,693	1,290,369



VILLAGE OF LYTTON

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STATEMENT OF FINANCIAL INFORMATION

(S.O.F.I.)

For the Fiscal Year 2016

SCHEDULE OF SEVERANCES, GUARANTEES AND INDEMNITY AGREEMENTS

1 Statement of Guarantee and Indemnity Agreements

The Village of Lytton has not given any guarantees or indemnities under the Guarantees & Indemnities Regulation

Prepared under the Financial Information Regulation, Schedule 1, section 5(1)

2 Statement of Severance Agreements

There were no severance agreements made between the the Village of Lytton and its non-unionized employees during fiscal year 2016.

Prepared under the Financial Information Regulation, Schedule 1, subsection 6(8)

**STATEMENT OF REMUNERATION AND EXPENSES PAID TO OR ON BEHALF OF EACH
EMPLOYEE**

<u>Elected Officials</u>	<u>Remuneration</u>	<u>Expenses</u>
Mayor Lightfoot	\$6,250.00	\$1,964.93
Rob Austen	\$2,125.00	\$0.00
Huntley Smith	\$1,062.50	\$0.00
Tiffany Callewaert-Haugen	\$4,250.00	\$0.00
Ian Hay	\$4,250.00	\$2,459.51
Jan Polderman	\$4,250.00	\$1,910.25
	<hr/>	<hr/>
Totals	\$22,187.50	\$6,334.69
 <u>Employees over \$75,000</u>		
None	\$0.00	\$0.00
 <u>Employees under \$75,000</u>		
Consolidated totals	<hr/> \$377,433.26	<hr/> \$8,732.50
Total employees	<hr/> <hr/> \$399,620.76	<hr/> <hr/> \$15,067.19

**SCHEDULE SHOWING PAYMENTS MADE FOR THE PROVISION OF GOODS
OR SERVICES**

Schedule of Suppliers of Goods & Services over \$25,000

RECEIVER GENERAL FOR CANADA	\$108,524.56
THOMPSON NICOLA REGIONAL DISTRICT	\$100,809.00
LYTTON FIRST NATION	\$94,185.00
MINISTER OF FINANCE	\$87,771.42
OPUS DAYTONKNIGHT, CONSULTANTS LTD	\$79,192.81
BOTANIE FOREST, SERVICES LTD	\$47,750.00
MILLER & ASSOCIATES	\$46,612.88
BC HYDRO	\$41,628.76
K & E BUSINESS SERVICES INC	<u>\$39,896.72</u>
Total	<u><u>\$646,371.15</u></u>

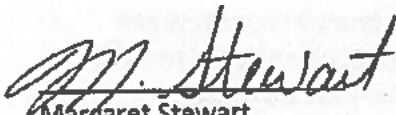
Schedule of Suppliers of Goods & Services under \$25,000

Consolidated total **\$383,471.55**

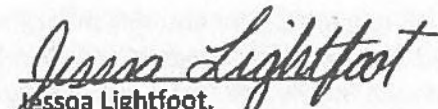
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**FINANCIAL INFORMATION ACT
STATEMENT OF FINANCIAL INFORMATION**

The undersigned, as authorized by the Financial Information Regulation, Schedule 1, subsection 9(2), approves all the statements and schedules included in the Statement of Financial Information, produced under the *Financial Information Act*.


Margaret Stewart,
Chief Financial Officer

Date: June 13, 2017


Jessoa Lightfoot,
Mayor

Date: June 13, 2017

CORPORATION OF THE VILLAGE OF LYTTON

MANAGEMENT REPORT

The Financial Statements contained in this Statement of Financial Information under *the Financial Information Act* have been prepared by management in accordance with generally accepted accounting principles or stated accounting principles, and the integrity and objectivity of these statements are management's responsibility. Management is also responsible for all the statements and schedules, and for ensuring that this information is consistent, where appropriate, with the information contained in the financial statements.

Management is also responsible for implementing and maintaining a system of internal controls to provide reasonable assurance that reliable financial information is produced.

Council is responsible for ensuring management fulfils its responsibilities for financial reporting and internal control and exercises this responsibility through the Audit and Finance Committee. The Audit and Finance Committee meets with management and external auditors as required annually.

The corporation's Financial Officer has the responsibility for assessing the management systems and practices of the corporation.

The external auditors, BDO Canada LLP, conduct an independent examination, in accordance with generally accepted auditing standards, and express their opinion on the financial statements. Their examination does not relate to the other schedules and statements required by the Act. Their examination includes a review and evaluation of the corporation's system of internal control and appropriate tests and procedures to provide reasonable assurance that the financial statements are presented fairly. The external auditors have full and free access to staff and Council and meet as required.

On behalf of the Corporation of the Village of Lytton


Margaret Stewart
Chief Financial Officer

Date: June 13, 2017

The Corporation of the Village of Lytton
Financial Statements
For the Year Ended December 31, 2016

**Village of Lytton
Financial Statements
For the year ended December 31, 2018**

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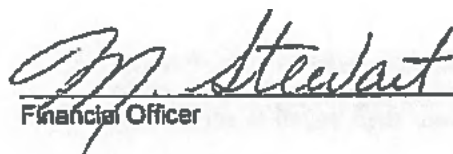
Management's Responsibility for Financial Reporting

Management is responsible for the preparation and presentation of the accompanying financial statements, including responsibility for significant accounting judgments and estimates in accordance with Canadian public sector accounting standards. This responsibility includes selecting appropriate accounting principles and methods, and making decisions affecting the measurement of transactions in which objective judgment is required.

In discharging its responsibilities for the integrity and fairness of the financial statements, management designs and maintains the necessary accounting systems and related internal controls to provide reasonable assurance that transactions are authorized, assets are safeguarded and financial records are properly maintained to provide reliable information for the preparation of the financial statements.

The Mayor and Council are composed entirely of Councillors who are neither management nor employees of the Village. The Council is responsible for overseeing management in the performance of its financial reporting responsibilities, and for approving the financial statements. The Council fulfils its responsibilities by reviewing the financial information prepared by management and discussing relevant matters with management and the external auditors. The Council is also responsible for recommending the appointment of the Village's external auditors.

BDO Canada LLP, an independent firm of Chartered Professional Accountants, is appointed by the Council to audit the financial statements and report directly to them; their report follows. The external auditors have full and free access to, and meet periodically and separately with, both the Council and management to discuss their audit findings.


Financial Officer



Tel: 604 688 5421
Fax: 604 688 5132
vancouver@bdo.ca
www.bdo.ca

BDO Canada LLP
600 Cathedral Place
925 West Georgia Street
Vancouver BC V6C 3L2 Canada

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Independent Auditor's Report

To the Mayor and Council of the Corporation of the Village of Lytton

We have audited the accompanying financial statements of Corporation of the Village of Lytton, which comprise the Statement Financial Position as at December 31, 2016, and the Statements of Operations, Change In Net Financial Assets and Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Corporation of the Village of Lytton as at December 31, 2016 and the results of its operations, change in net financial assets and cash flows for the year then ended in accordance with Canadian public sector accounting standards.

BDO Canada LLP

Chartered Professional Accountants

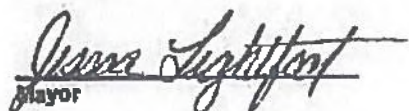
Vancouver, British Columbia

May 8, 2017

The Corporation of the Village of Lytton
Statement of Financial Position

For the year ended December 31	2016	2015
Financial Assets		
Cash and cash equivalents	\$ 833,861	\$ 1,368,315
Investments (Note 4)	550,951	-
Accounts receivable (Note 5)	299,196	227,204
	<u>1,684,107</u>	<u>1,595,519</u>
Liabilities		
Accounts payable and accrued liabilities (Note 6)	163,674	199,819
Deferred revenue	20,000	6,000
Long-term debt (Note 7)	139,284	155,587
	<u>322,968</u>	<u>361,506</u>
Net Financial Assets	<u>1,361,139</u>	<u>1,235,013</u>
Non-Financial Assets		
Tangible capital assets (Schedule 2)	3,077,225	3,387,627
Prepaid expenses	4,234	5,570
	<u>3,081,459</u>	<u>3,393,197</u>
Accumulated Surplus (Note 8)	<u>\$ 4,442,598</u>	<u>\$ 4,628,210</u>

Approved by:


 Mayor


 Chief Financial Officer

The accompanying notes are an integral part of these financial statements

The Corporation of the Village of Lytton
Statement of Operations

For the year ended December 31	2016 Budget (Note 13)	2016 Actual	2015 Actual
Revenue			
Municipal taxation and grants-in-lieu of taxes (Note 15)	389,666	381,584	359,170
Sale of services	271,161	270,263	268,663
Revenue from own sources	72,861	60,538	61,704
Government transfers (Note 14)	808,303	571,952	581,700
	1,341,991	1,304,337	1,249,237
Expenses (Note 9)			
General administration and legislative services	564,842	526,059	531,609
Protective services	239,755	211,020	191,372
Public works and transportation services	164,983	191,564	198,985
Environmental and development services	16,500	16,500	18,406
Recreation and cultural services	77,063	67,393	53,677
Water Utility	120,540	358,761	66,235
Sewer Utility	115,294	118,652	84,521
	1,298,977	1,489,949	1,165,005
Annual surplus (deficit)	43,014	(185,612)	84,232
Accumulated surplus, beginning of year	4,628,210	4,628,210	4,543,978
Accumulated surplus, end of year	4,671,224	4,442,598	4,628,210

The accompanying notes are an integral part of these financial statements

The Corporation of the Village of Lytton
Statement of Change in Net Financial Assets

For the year ended December 31	2016 Budget (Note 13)	2016	2015
Annual surplus (deficit)	43,014	(185,612)	84,232
Acquisition of tangible capital assets	(64,000)	(33,810)	(123,620)
Amortization of tangible capital assets	118,478	118,398	118,478
Write off due to discontinued capital project (Schedule 2)	-	225,814	-
(Increase) Decrease in prepaid expenses	-	1,336	(487)
Increase in net financial assets	97,492	126,126	78,603
Net financial assets, beginning of year	1,235,013	1,235,013	1,156,410
Net financial assets, end of year	1,332,505	1,361,139	1,235,013

The accompanying notes are an integral part of these financial statements

The Corporation of the Village of Lytton
Statement of Cash Flows

For the Year Ended December 31, 2016	2016	2015
Cash provided by (used in)		
Operating activities:		
Annual surplus (deficit)	(185,612)	84,232
Write off due to discontinued capital project (Schedule 2)	225,814	-
Amortization of tangible capital assets	118,398	118,478
Net change in non-cash working capital balances related to operations:		
Accounts receivable	(71,991)	249,080
Prepaid expenses	1,338	(487)
Accounts payable and accrued charges	(36,245)	(44,552)
Deferred revenue	14,000	6,000
	85,700	412,751
Capital activities:		
Purchase of tangible capital assets	(33,810)	(123,620)
	(33,810)	(123,620)
Financing activities:		
Repayment of long-term debt	(9,073)	(9,073)
Sinking fund earnings	(7,220)	(6,445)
Purchase of investments	(550,951)	-
	(567,244)	(15,518)
Increase (decrease) in cash and cash equivalents during the year	(535,354)	273,613
Cash and cash equivalents, beginning of year	1,369,315	1,095,702
Cash and equivalents, end of year	833,961	1,369,315
Cash and cash equivalents consists of:		
Cash and cash equivalents	791,895	1,330,863
Restricted cash (Note 3)	42,066	38,452
	833,961	1,369,315
Supplementary cash flow information		
Interest paid	11,673	18,151

The accompanying notes are an integral part of these financial statements

The Corporation of the Village of Lytton
Notes to the Financial Statements
For the Year Ended December 31, 2016

1. Operations

The Corporation of the Village of Lytton (the "Village") was incorporated on May 3, 1945 under the Municipal Act, a former statute of the Province of British Columbia. Its principle activities include the provision of local government services to the residents of the incorporated area. These include administrative, protective, transportation, environmental, recreational, water and sewer services.

2. Significant accounting policies

The financial statements of the Village are based on the representations of management and are prepared in accordance with Canadian public sector accounting standards (PSAS). Significant aspects of the accounting policies adopted are as follows:

a) Cash and cash equivalents

Management considers all highly liquid investments with maturity of three months or less at acquisition to be cash equivalents.

b) Financial Instruments

The Village's financial instruments consist of cash and cash equivalents, investments, accounts receivable, accounts payable and accrued liabilities and long-term debt. Unless otherwise indicated, it is management's opinion that the Village is not exposed to any significant interest, credit or currency risks arising from these financial instruments.

c) Non-Financial Assets

Non-financial assets are not available to discharge existing liabilities, and are generally held for use in the provision of services. They typically have useful lives extending beyond the current year, and are not intended for sale in the ordinary course of operations.

d) Tangible capital assets

Tangible capital assets are initially recorded at cost. Amortization is calculated using the straight line method over their estimated useful lives.

<u>Asset</u>	<u>Useful Life (Years)</u>
Engineering structures	50 - 100
Buildings	20 - 60
Machinery and equipment	3 - 30
Sewer system and equipment	30 - 75
Water system and equipment	5 - 75

Whenever events or changes in circumstances indicate that an asset, or group of assets, no longer has any long-term service potential to the Village, the excess of its net carrying amount over any residual value is recognized as an expense in the statement of operations.

e) Revenue recognition

Services

Revenues for services are recognized when earned, which is when the transactions or events occurred that give rise to the revenues.

The Corporation of the Village of Lytton

Notes to the Financial Statements

For the Year Ended December 31, 2016

2. Significant accounting policies (continued)

Government Transfers

The Village recognizes a government transfer as revenue when the transfer is authorized and all eligibility criteria, if any, have been met. A government transfer with stipulations giving rise to an obligation that meets the definition of a liability is recognized as a liability. In such circumstances, the Village recognizes revenue as the liability is settled. Transfers of non-depreciable assets are recognized in revenue when received or receivable at their estimated fair value.

Tax Revenue

The Village recognizes taxes at estimated amounts as assets and revenue when they meet the definition of an asset, are authorized by a legislature, council, or legislative convention, and the taxable event has occurred. At each financial statement date, the Village evaluates the taxes receivable for collectability and records a valuation allowance to reflect the tax receivable at its net recoverable amount, if necessary.

f) Employee benefits

The Village records liabilities for accrued employee benefits in the period in which they are earned. Employees are entitled to compensation for unused vacation and sick days, the amount of which can be carried forward and for how long is specified in the collective agreement and employment contracts. Employees are entitled to compensation for accrued vacation when they leave the Village's employment.

g) Measurement uncertainty

The preparation of financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenditures during the reporting period.

Accounts receivable are stated after evaluation as to their collectability and an appropriate allowance for doubtful accounts is provided where considered necessary. Amortization is based on the estimated useful lives of tangible capital assets.

h) Segment Reporting

The Village conducts its operations through five reportable segments: General, Administration and Legislative Services, Protective Services, Public Works and Transportation Services, Environmental and Development Services, Recreation and Cultural Services, Water Utility and Sewer Utility. These segments are established by senior management to record specific activities to attain certain objectives in accordance with Council policies and the Village's bylaws.

i) Liability for Contaminated Sites

Governments are required to accrue a liability for the costs to remediate a contaminated site. Liabilities are recognized when an environmental standard exists, contamination exceeds the standard, the government has responsibility for the remediation, future economic benefits will be given up and a reasonable estimate can be made.

Management has assessed its potential liabilities under the new standard, including sites that are no longer in productive use and sites for which the Village accepts responsibility. There were no such sites that had contamination in excess of an environmental standard which required remediation at this time, therefore no liability was recognized on transition as at January 1, 2016 or at December 31, 2016.

The Corporation of the Village of Lytton

Notes to the Financial Statements

For the Year Ended December 31, 2016

3. Cash

The Village has \$42,066 (2015 - \$38,452) of funds received from an endowment fund with the BC Interior Community Foundation (previously the Kamloops Foundation), which are restricted for the betterment of healthcare in the community of Lytton.

4. Investments

	2016	2015
MFA money market fund	400,763	-
Scotiabank term deposit	150,188	-
	<u>550,951</u>	<u>-</u>

MFA money market funds include bank-issued notes, bonds and provincial bonds and debentures. The current yield for the money market fund is 0.81% (2015 - 0.85%) and funds are redeemable at any time. The interest rate on the term deposit is 1.01% and it matures on May 15, 2017.

5. Accounts Receivable

	2016	2015
Taxes receivable	22,999	21,289
Utilities receivable	23,674	26,580
GST Receivable	11,906	24,450
Government transfers receivable	184,389	40,973
General accounts receivable	56,527	113,932
	<u>299,195</u>	<u>227,204</u>

6. Accounts Payable and Accrued Liabilities

	2016	2015
GST payable	-	6,059
Trade accounts payable	82,317	114,341
Lytton Museum	5,150	4,120
BC Interior Community Foundation	42,066	38,452
Payroll and benefits	34,141	36,956
	<u>163,674</u>	<u>199,919</u>

7. Long-term debt

Purpose	Year of Maturity	Interest Rate	Principal Outstanding December 31, 2016	Principal Outstanding December 31, 2015
Sewer	2023	2.40%	<u>\$139,294</u>	<u>\$155,587</u>

Long Term debt - future principal payments are as follows:

2017	\$9,073
2018	\$9,073
2019	\$9,073
2020	\$9,073
2021	\$9,073
Thereafter	<u>\$18,144</u>
	<u>\$63,509</u>
Estimated sinking fund earnings	<u>\$75,785</u>
	<u>\$139,294</u>

The Corporation of the Village of Lytton
Notes to the Financial Statements
For the Year Ended December 31, 2016

7. Long-term debt (continued)

The Municipal Finance Authority (MFA) requires a cash contribution of 1% of the face value of debt when issued. Upon the MFA's administration of the debt, 1% was charged on the gross balance transferred from the Province of B.C. The MFA debt reserve earns interest income and is used to pay the expense of the debt issue. Any remaining balance will be returned to the Village at the maturity of the underlying debt issue.

The debt reserves are contingent in nature and are not reflected in the statement of financial position for the Village. Details of the cash deposits and demand notes for the year are as follows:

	2016	2015
Cash Deposits - Sewer Utility	4,839	4,707
Demand Notes - Sewer Utility	8,699	8,699
	13,538	13,406

8. Accumulated surplus

	2016	2015
Unrestricted Surplus		
General operating surplus	7,026	(6,185)
Sewer operating surplus	143,061	115,354
Water operating surplus/(deficit)	99,806	2,743
Total Unrestricted Surplus	249,893	111,912
Appropriated Surplus (Reserve Accounts)		
General Stabilization	220,392	-
Vehicle and Equipment	61,197	-
Legal and Insurance	61,197	-
Downtown revitalization	-	11,115
Economic development	-	8,365
Firehall	-	280,000
Raft take out	-	77,330
Reserve for future expenditures	-	224,358
Caboose Maintenance and Repair Reserve	-	1,078
Total Appropriated Surplus	342,786	602,246
Reserve Funds		
Capital works	546,739	240,882
General	-	27,457
Community works gas tax	385,249	413,674
Total Reserve Funds	911,988	682,013
Investment in tangible capital assets	2,937,931	3,232,039
Total Accumulated Surplus	4,442,698	4,628,210

The Corporation of the Village of Lytton
Notes to the Financial Statements
For the Year Ended December 31, 2016

8. Accumulated surplus (continued)

In March 2016, Council supported the reserve and surplus recommendations noted in a report obtained from a local government consultant. Bylaws were adopted in April 2016 to create three new reserve accounts and Council's direction was to redirect existing reserve funds based on the recommendation of the local government consultant.

In 2015 Water and General Fund surplus have been adjusted due to a misposting in 2009 which caused a deficit in the Water Fund and a surplus in the General Fund.

9. Expense by object

	2016	2015
Administration	540,637	485,331
Insurance	23,895	24,338
Interest	11,573	16,353
Repairs and maintenance	109,415	78,443
Wages and benefits	490,217	440,061
Amortization	116,398	118,478
Write off due to discontinued capital project (Schedule 2)	225,814	-
	1,489,849	1,165,005
Capital expenditures	33,810	123,620
	1,523,759	1,288,625

10. Commitments

a) Lease commitment

The Village is committed to the lease of its office space and makes monthly payments of \$1,085 to the Thompson Nicola Regional District (TNRD). There is currently no set term on the lease.

b) Municipal Pension Plan

The municipality and its employees contribute to the Municipal Pension Plan (a jointly trustee pension plan). The board of trustees, representing plan members and employers, is responsible for administering the plan, including investment of the assets and administration of benefits. The plan is a multi-employer defined benefit pension plan. Basic pension benefits are based on a formula. As at December 31, 2015 the plan had about 189,000 active members and approximately 85,000 retired members. Active members include approximately 37,000 contributors from local government.

The most recent actuarial valuation as at December 31, 2015 indicated a \$2,224 million funding surplus for basic pension benefits. The next valuation will be as at December 31, 2018, with results available in 2019. Employers participating in the plan record their pension expense as the amount of employer contributions made during the fiscal year (defined contribution pension plan accounting). This is because the plan records accrued liabilities and accrued assets for the plan in aggregate, resulting in no consistent and reliable basis for allocating the obligation, assets and cost to the individual employers participating in the plan.

The Village of Lytton paid \$18,249 (2015 - \$15,007) for employer contributions to the plan in fiscal 2016.

c) Other

The Village is currently party to certain existing conditions involving uncertainty which may result in material loss. Where required, a reasonable estimate of these liabilities has been made and is contained in the financial statements as liabilities.

The Corporation of the Village of Lytton
Notes to the Financial Statements
For the Year Ended December 31, 2016

11. Perpetual Cemetery Care Trust

The Cemetery Perpetual Care Trust Fund is administered in accordance with the Cremation, Interment and Funeral Services Act. In accordance with PSAB guidelines, the Cemetery Perpetual Care Trust Fund is excluded from the District's consolidated financial statements.

	2016	2015
Cemetery Trust Fund Investments	13,244	13,125
Equity		
Balance, beginning of year	13,125	12,959
Care fund contributions	78	100
Interest earned	44	67
Balance, end of year	13,244	13,125

12. Financial Instruments

The Village's financial instruments consist of cash and investments, accounts receivable, accounts payable, capital leases obligations, and long-term debt. Unless otherwise noted, it is management's opinion that the Village is not exposed to significant interest, currency or credit risks arising from these financial instruments.

The fair values of cash and short-term investments approximate their carrying values, unless otherwise noted.

Accounts receivable, accounts payable, capital lease obligations and long-term debt information is provided elsewhere in the financial statements to allow the assessment of the fair values of these financial instruments.

13. Budget

Budget amounts represent the Financial Plan Bylaw adopted by Council on May 11, 2016.

The Financial Plan anticipated use of surpluses accumulated in previous years to balance against current year expenditures in excess of current year revenues.

The following shows how these amounts were combined:

	2016
Financial Plan Bylaw deficit for the year	(37,486)
Remove transfers from reserves from revenues	(17,500)
Remove capital expenditures from expenses	99,000
Surplus per statement of operations	43,014

The Corporation of the Village of Lytton
Notes to the Financial Statements
For the Year Ended December 31, 2016

14. Government transfers

During the year, the Village recognized the following government transfers:

	Budget	2016	2015
Provincial			
Infrastructure Planning Grant Program	10,000	7,428	-
Thompson Nicola Regional District - Pool upgrades	20,000	20,000	-
Municipal Insurance Association - Sidewalk repairs	-	4,000	-
Province of BC	7,048	-	-
Union of BC Municipalities - Asset management planning	5,000	10,593	-
Northern Development Trust Grants	51,000	14,183	21,387
Community Wildfire Protection Program	188,095	158,196	167,169
Small Community Protection Grant	274,000	286,503	295,520
Provincial Emergency Funding	14,000	10,850	17,529
Federal			
Community Works Funding	59,160	62,118	50,095
Total Government Transfers	608,303	571,952	561,700

15. Taxation

	Budget	2016	2015
Municipal Taxation			
Property tax	347,608	361,203	339,880
Grants in lieu of taxes	42,058	20,381	19,490
Total Municipal Taxation	389,666	381,584	359,170
Collections for Other Taxing Authorities			
Province of BC - school taxes	-	114,644	117,972
Province of BC - police taxes	-	14,404	11,298
BC Assessment Authority	-	3,824	4,039
Municipal Finance Authority	-	9	9
Thompson-Nicola Regional Hospital District	-	19,882	19,982
Thompson-Nicola Regional District	-	54,118	57,501
Total collections for other taxing authorities	-	206,679	210,801
Payments to other taxing authorities	-	206,679	210,801
Net Taxation for municipal purposes	389,666	381,584	359,170

16. Comparative Figures

The comparative figures have been reclassified to conform with the financial statement format adopted in the current year.

The Corporation of the Village of Lytton
Notes to the Financial Statements
For the Year Ended December 31, 2016

17. Segmented Information

The Village is a diversified municipal government institution that provides a wide range of services to its citizens. For management reporting purposes, the local government's operations and activities are organized and reported by service areas. Service areas were created for the purpose of recording specific activities to attain certain objectives in accordance with Council policies and the District's bylaws. The service areas are as follows:

General Administration and Legislative Services

General Administration and Legislative services include activities associated with Mayor and Council administration, bylaw review and adoption, financial management, and information systems, insurance and corporate services, including human resources.

Protective Services

Protective services include activities associated with community safety. These services include fire protection, bylaw enforcement and emergency services.

Public Works and Transportation Services

Public Works and Transportation services include activities associated with roads and drainage networks. Services include traffic services, street lighting, public works administration, fleet operations, raft take out costs, winter maintenance, and maintenance and improvements to roads, waste and garbage service, and sidewalks.

Environmental Development Services

Environmental Development services include all activities associated with website design, economic development, grant applications, building inspections, and road closures.

Recreation and Culture Services

Recreation and Cultural services include all activities associated with operations of parks, recreation and cultural services. Activities also include cemetery operations, caboose operations, museum operations, and tourism services.

Water Utility

Water services include all activities associated with water operations. Items include maintenance and enhancements of the water supply system, water treatment, and water distribution system.

Sewer Utility

Sewer services include all activities associated with sanitary sewer operations. Items include maintenance and enhancements of the sewer collection system and existing infrastructure.

Segmented information has been identified based upon lines of service provided by the Village. Village services are provided by departments and their activities are reported by functional area in the body of the financial statements.

The Corporation of the Village of Lytton
 Schedule 1 - Budgetary Information
 For the Year Ended December 31, 2018

	2018	2018	2018	2018	2018	2018	2018	2018	2018
	General Administration and Legislative Services	Protective Services	Public Works and Transportation Services	Environmental and Development Services	Recreation and Cultural Services	Water Utility	Sewer Utility	2018	2018
Revenues									
Real property taxes	381,203	-	-	-	-	-	-	381,203	
Grants in lieu of taxes	7,977	12,454	-	-	-	-	-	20,431	
Sale of services	-	72,824	964	-	-	80,000	116,567	270,255	
Licenses and permits	38	-	-	2,155	1,670	-	-	3,963	
Rentals and general services	21,983	-	6,782	-	17,431	-	-	46,196	
Business investments	3,408	-	-	-	-	-	-	3,408	
Fines and interest on loans	4,052	-	-	-	-	-	-	4,052	
Other income	13,985	2,100	-	-	-	-	7,221	23,306	
Government transfers	310,508	172,207	58,118	-	-	12,275	4,946	871,983	
Total revenue	729,260	287,248	75,864	2,155	18,109	129,275	128,644	1,304,337	
Expenditures									
Administration	224,917	191,457	20,835	18,500	12,701	40,849	22,478	640,837	
Insurance	20,343	75	3,137	-	340	-	-	23,895	
Interest	4,372	-	-	-	-	-	-	4,372	
Repairs and maintenance	3,918	15,220	47,481	-	8,173	12,030	7,200	114,022	
Wages and benefits	211,988	4,258	129,241	10,500	44,178	68,835	32,436	460,237	
Other	47,417	211,870	191,684	-	87,303	99,914	85,029	1,444,217	
Water off to discontinued capital project (Schedule 2)	-	-	-	-	-	228,814	-	228,814	
Amortization	51,542	-	-	-	-	33,623	-	85,165	
Total expenditure	835,060	311,020	491,564	18,690	67,353	351,761	116,952	1,881,949	
Annual surplus (deficit)	202,781	48,228	(115,699)	(16,535)	(49,244)	(222,486)	8,892	(188,612)	

	2018	2018	2018	2018	2018	2018	2018	2018	2018
	General Administration and Legislative Services	Protective Services	Public Works and Transportation Services	Environmental and Development Services	Recreation and Cultural Services	Water Utility	Sewer Utility	2018	2018
Revenues									
Real property taxes	339,080	-	-	-	-	-	-	339,080	
Grants in lieu of taxes	7,904	11,586	18	-	-	-	-	19,490	
Sale of services	-	70,525	-	2,020	750	77,505	119,815	286,635	
Licenses and permits	57	-	-	-	8,081	-	-	8,138	
Rentals and general services	19,200	-	3,048	-	-	-	-	22,248	
Repairs and maintenance	3,078	-	-	-	-	-	-	3,078	
Fines and interest on loans	2,404	-	-	-	-	-	-	2,404	
Other income	14,839	-	-	-	-	-	-	14,839	
Government transfers	2,859	488,218	58,095	18,710	-	-	6,445	1,043,337	
Total revenue	389,339	667,339	64,034	20,730	8,831	77,605	126,260	1,249,237	
Expenditures									
Administration	201,529	172,111	10,891	12,166	7,790	8,805	6,309	420,331	
Insurance	20,281	20	3,890	-	387	-	-	24,578	
Interest	10,851	-	-	-	303	-	-	11,154	
Repairs and maintenance	6,235	18,688	24,902	-	8,104	7,160	7,200	62,289	
Wages and benefits	184,182	2,554	151,732	-	35,473	42,117	23,053	440,081	
Other	489,135	191,372	189,864	12,155	63,878	53,100	50,680	1,048,327	
Amortization	51,272	-	-	-	-	33,133	-	84,405	
Total expenditure	814,960	474,745	448,511	24,321	85,678	91,038	64,653	1,468,066	
Annual surplus (deficit)	(425,621)	192,594	(184,477)	(3,591)	(76,847)	(13,433)	(56,393)	(218,829)	

The Corporation of the Village of Lytton
 Schedule 2 - Schedule of Tangible Capital Assets
 For the Year Ended December 31, 2016

	Engineering Structures	Buildings	Machinery and Equipment	Land	Sewer	Water	Work in Progress	2016
Cost								
Balance, January 1, 2016	985,777	106,631	720,055	75,641	1,284,966	1,854,139	211,205	5,218,414
Acquisition of tangible capital assets	19,200	-	-	-	-	-	14,609	33,809
Write off due to discontinued capital project*	-	-	-	-	-	-	(225,814)	(225,814)
Balance, end of year	984,977	106,631	720,055	75,641	1,284,966	1,854,139	-	5,026,409
Accumulated amortization								
Balance, beginning of year	362,500	72,987	408,305	-	463,322	523,672	-	1,830,786
Annual amortization	15,533	1,555	34,634	-	33,623	33,133	-	118,398
Balance, December 31, 2016	378,033	74,542	442,939	-	496,945	556,805	-	1,949,184
Net book value	606,944	32,089	277,116	75,641	788,021	1,297,334	-	3,077,225

	Engineering Structures	Buildings	Machinery and Equipment	Land	Sewer	Water	Work in Progress	2015
Cost								
Balance, January 1, 2015	985,777	106,631	720,055	75,641	1,284,966	1,854,139	87,585	5,094,794
Acquisition of tangible capital assets	-	-	-	-	-	-	123,620	123,620
Balance, end of year	985,777	106,631	720,055	75,641	1,284,966	1,854,139	211,205	5,218,414
Accumulated amortization								
Balance, beginning of year	346,967	71,432	373,671	-	429,698	490,539	-	1,712,308
Annual amortization	15,533	1,555	34,634	-	33,623	33,133	-	118,478
Balance, December 31, 2015	362,500	72,987	408,305	-	463,322	523,672	-	1,830,786
Net book value	603,277	33,644	311,750	75,641	821,644	1,330,467	211,205	3,387,627

* In early 2017 Council voted to discontinue the current water filtration project. As such, the cumulative costs to date were written off as they are not expected to provide benefit to the future projects being contemplated.