



VILLAGE OF LYTTON

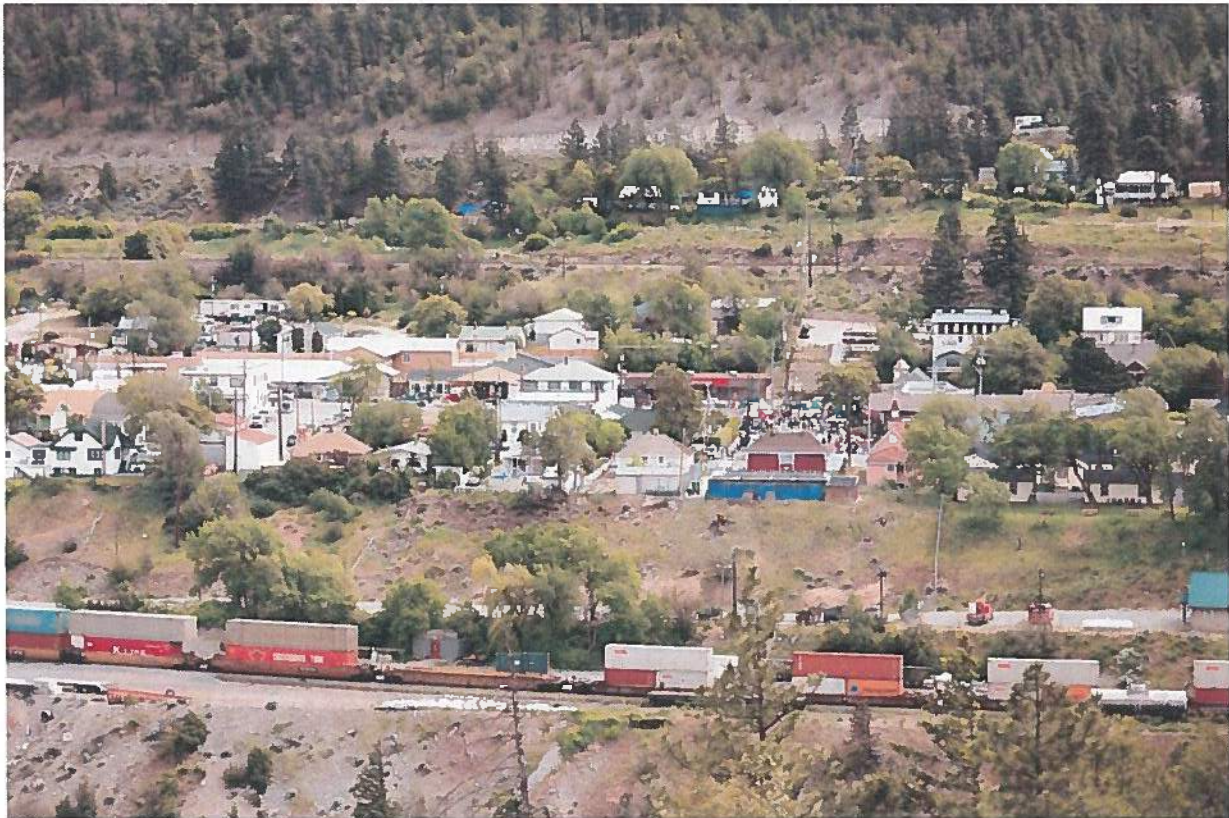
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2017 ANNUAL MUNICIPAL REPORT

JANUARY 1, 2017 to DECEMBER 31, 2017



Lytton, BC – as seen looking East from the West side of the Fraser River

TABLE OF CONTENTS

1. A Message from Mayor Lightfoot	p. 3
2. Council Committees and Appointments	p. 5
3. Declaration and Identification of Disqualified Council Members	p. 5
4. Progress Report for 2017	p. 6
5. Statement of Municipal Objectives and Progress Measures for Current Year (2018) and Next Year (2019)	p. 10
6. Schedule of Property Tax Exemptions	p. 15
7. Statement of Financial Information (SOFI)	p. 16
8. Audited Financial Statements – Year Ending December 31, 2016	p. 21



The Lytton Reaction Ferry crosses the Fraser River



A MESSAGE FROM MAYOR JESSA LIGHTFOOT

This annual report outlines the finances and activities of the year 2017 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 17/18 year detailed.

The Village of Lytton is one of the smallest communities in B.C. We have a small staff that conducts a wide scope of activities. We were fortunate in 2017 to have a full staff in place and reports and records were well maintained. With the assistance of Consultants, at two separate Governance Sessions held in early 2017, Council reviewed its priorities, Committees, and the appointment of Council members.

The water project continues to be the main priority for Council. 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 early summer 2018 and to be completed by April 2019. A Source Water Protection Planning report was completed in 2017. As well, an Asset Management plan for the Village's Water and Sewer Systems was completed.

Council continues to collaborate with Lytton First Nations and has formed a Water Resources Working Group, and 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.

School District #74 engaged in meetings regarding the reconfiguration of the public schools. While the community has accepted the concept of a K- 12 configuration, the location of the proposed school site is unsupported. The possibility of another empty building within the municipality causes concern. Our old hospital has sat vacant for many years now. Of particular challenge is the removal of hazardous materials that complicates repurposing these buildings.

The Age-friendly Seniors Housing Committee has met regularly. A consultant was hired to do a Needs and Gaps Assessment. Housing and in particular smaller independent living units for seniors have been a long-held desire of the community.

June 2017 the Village and Lytton First Nations held a Fire Smart celebration and received Fire Smart community status. Residential areas above the highway had a clean-up the previous November. The group continued the program in 2017 with areas around the CPR downtown corridor area being addressed.

2017 fire season was devastating to many interior communities. The Village of Lytton and surrounding area were spared any major events but the routes into the Cariboo and Thompson regions were heavily impacted. The province declared a state of emergency that lasted into the fall. Our community is fortunate to have a Ministry

suppression team stationed in the Village. Their swift response has minimized the size and damage of many fires throughout the area.

Prescriptions for future fuel management areas were developed and approval for additional work has been given for 2018. Employing local workers and reducing the risk of fire fuel has been of great benefit to our community.

Following the release of new regulations for volunteer fire departments, a Fire Safety Review was undertaken. A consultant's report was received in summer 2017. This report clarified deficiencies and assisted 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.

In spring 2017 the community celebrated the opening of the Chinese History Museum on Main Street complete with ceremony and dragon dancers. A beautiful addition to the community, this venue recognizes the contributions and history of the Chinese in the area and B.C.

In late summer 2017, Greyhound Bus service, gave notice that it was reviewing and possibly closing some rural routes. A petition and letters from the community were submitted. In February 2018 it was announced that the canyon route would be closed June 1st. Locals, family, friends and tourists no longer have public transportation to our community and hundreds of people that relied on the service now need to find alternatives.

In both 2017 and 2018 Electoral Area I contributed to solar improvements at the Lytton pool. A cherished community asset, the pool should save considerable energy costs with the new solar heat panels and blanket.

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

Thank you to all for assisting us in our efforts to build a better community.



Ribbon Cutting at the opening of the Lytton Chinese Museum on May 14, 2017. Left to right: Lily Chow, Lorna Fandrich, David Chong, Al Dreyer, Janet Webster, and Jessoa Lightfoot. Photo by Barbara Roden

VILLAGE OF LYTTON COUNCIL – COMMITTEE APPOINTMENTS 2017

Deputy Mayor: Each year, the Mayor appoints Councillors to fulfill the role of Deputy Mayor. In 2017, each Councillor served for a term as Deputy Mayor, as follows:

- January 1 to March 31: Councillor Tiffany Callewaert-Haugen;
- April 1 to June 30: Councillor Hay;
- July 1 to September 30: Councillor Jan Polderman; and
- October 1 to December 31: Councillor Huntley Smith.

Committee of the Whole: The Mayor appointed the following Committees to be Committee of the Whole (COTW), which constitutes all members of Council and met during the first week of every month. There were four types of Committee of the Whole meetings in 2017:

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

Working Groups: In 2017, Council attended and participated in meetings of the following working groups, consisting of members of the larger community and professionals representing relevant areas of knowledge and expertise:

- Lytton Community Water Committee; and
- The Lytton First Nation Partnership & Municipal Transfer Service Agreement Working Group.

Select Committees: Council appointed the following Select Committees in 2017, and also appointed Councillors to serve on each Committee as follows:

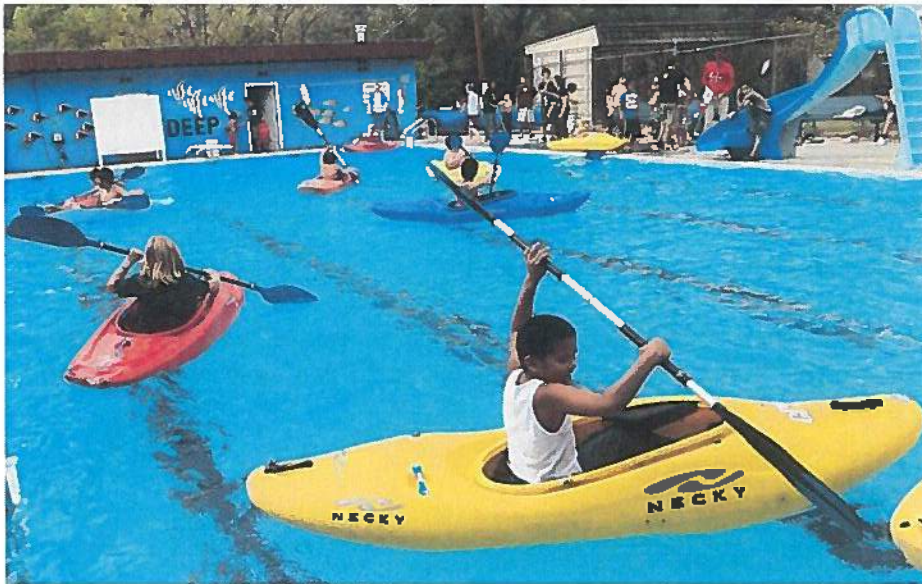
- Age-friendly Seniors' Housing Committee: Councillor Ian Hay (Committee Chair) and Councillor Tiffany Callewaert-Haugen, Doreen Crozier, Marie Heaster, Jennifer Murphy and Sharon Smith;
- Business Retention and Expansion Steering Committee: Councillor Ian Hay and Councillor Jan Polderman, Bernie Fandrich (Chair), Debra Arnott, Terri Hadwin;
- Raft Takeout Committee: Mayor Lightfoot and Councillor Huntley Smith;
- Parcel DL225 Land Advisory Committee: Councillor Ian Hay (Chair) and Councillor Jan Polderman; and
- Emergency Centre Committee: Councillor Jan Polderman and Councillor Huntley Smith.

Council Representatives Appointed to Other Boards and Committees:

- Federation of Canadian Municipalities, Canada 150 Community Leaders Network: Mayor Lightfoot designated as Lytton's Community Leader;
- Lytton Museum Commission: Mayor Jessoa Lightfoot, and alternate Councillor Callewaert-Haugen;
- Thompson Nicola Regional District Board: Mayor Jessoa Lightfoot, and alternate Councillor Jan Polderman;
- Northern Development Initiative Trust (NDIT) – Cariboo-Chilcotin/Lillooet Regional Advisory Committee: Mayor Lightfoot and alternate Councillor Jan Polderman;
- Gold Country Community Society: Mayor Lightfoot; and
- FireSmart Board: Mayor Jessoa Lightfoot.

DECLARATION AND IDENTIFICATION OF DISQUALIFIED COUNCIL MEMBERS

No Council members were identified nor declared as disqualified.



Local children practice their kayaking skills in the Lytton Community Pool during the 2017 Lytton River Festival

PROGRESS REPORT FOR 2017

Council set the following objectives for 2017:

Department	Objective	Achievements/Outcomes
Administrative Services	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.
	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 appointed three new select committees and members of Council were appointed to each of these Committees:</p> <ul style="list-style-type: none"> • Business Retention + Expansion (BR+E) Steering Committee • Seniors' Housing Committee, and • Raft Takeout Committee.

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.
	Management of Municipal Services	<p>A Lifecycle Practices Assessment was drafted, outlining the Operations, Management and Inspection of the Village's water and sewer systems.</p> <p>A Fire Safety Review was completed by Dave Mitchell and Associates in 2017. Council provided additional funding for training of the volunteers who operate the Lytton Fire Rescue Department.</p> <p>Council retained the services of Miller & Associates as our Water Project Coordinator for our Groundwater Development Project and our Source Water Protection Planning Project. The Village also retained the services of Mundall Engineering to advise Council and staff regarding the Groundwater Development Project. The Source Water Protection Planning Project was awarded to Golder and Associates. The design of the Groundwater Development Project was completed by Opus International (now known as WSP), and the construction of this project was awarded to Timbro Contracting Ltd.</p> <p>Lytton First Nations (LFN) became a partner in the water projects during the 2017 year, and Councils for the Village and LFN collaborated 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 a Capital Contribution Agreement, Infrastructure Partnership Agreement, Fire Protection Services Agreement, Water Services Agreement, and Sanitary Sewer Services Agreement.</p>
	Governance Training	Council attended two Governance Training sessions in 2017, one facilitated by Judy Rogers and the second by Gordon McIntosh.

Department	Objective	Achievements/Outcomes
	Asset Management	The Village was awarded funding from the Federation of Canadian Municipalities to commence an Asset Management Project.
	A comprehensive review of Reserve Funds	Council reviewed each fund, and worked to clarify the policies and procedures for the Village's Reserve Funds
	Review of Bylaws and Policies	Council reviewed and adopted a Council Procedures Bylaw, Building Regulations Bylaw, Financial Plan Bylaw, Fees and Charges Bylaw, a Property Tax Rates Bylaw. The Village also implemented a new Bullying and Harassment Policy for staff.
	Review of committee structure	Council appointed five Select Committees and established Committees of the Whole. The Age-friendly Seniors Housing Committee met regularly in 2017 and proceeded to obtain funding that enabled the Village to retain a consultant to commence work on a Housing Needs & Gaps Assessment. The Committees of the Whole also met regularly during 2017.
Public Works, Sewer Services	Training of staff to Waste Water Treatment Level 2	The Village's Waste Water System Operator successfully completed his certification in Waste Water Treatment Level 2.
Public Works, Water Services	Proceed to connect Well #1 (Alonzo Way Well), Well #2 (Lytton Elementary School Well), and Well #3 (IR 18 Well) to the Water Treatment Plant. Continue with the design and construction of a new Water Treatment Plant.	This remains a priority of Council and is an ongoing work-in-progress. The design was completed by Opus International (now known as WSP) in 2017, the construction of the project went to tender and was awarded to Timbro Contracting Ltd.
	Source Water Protection Planning	The Village received a draft of the Source Water Protection Plan in 2017, to identify risks to our water sources and develop a plan for their protection, and for a horizontal drilling feasibility study.
	Horizontal Well Project	The Village began the drilling of a test hole bore in search of a fresh water source that might replace the aging Well #1.

Public Works, Roads & Sidewalks	Sidewalk Repairs	Several sections of sidewalks were replaced in early Fall 2017.
Public Works, Vehicle Fleet	Obtain a new work truck & sell older vehicles at auction	The Village purchased a new Ford truck, and prepared for the sale of two older trucks.
Economic Development	Hire an Economic Development Officer to further Council's economic objectives	Council employed an Economic Development Officer in March 2017 and established the Business Retention and Expansion Program (BR+E). His replacement joined our staff in May 2017 and worked to advance the goals of Council for the remainder of the year.
	Apply for NDIT funding and implement the Business Façade Improvement Program	The grant application for the NDIT Business Façade Improvement Program was approved in January 2017, and the Village has applied these funds to local entrepreneurs' improvements.



Community members renovated the Lytton Legion. Back row (left to right): Betty Charlie, Denise MacIntyre, Sheila Maguire, Denise Haugen, Karen Haugen. Kneeling in front (left to right): Tawnya Collins, Lorna Fandrich

**STATEMENT OF MUNICIPAL OBJECTIVES AND PROGRESS MEASURES FOR CURRENT YEAR (2018)
AND NEXT YEAR (2019)**

Council set the following objectives, which it hopes to accomplish during the current year (2017) and the next year (2018).

Department	Objective	Strategies
Public Works, Water Services	Install Water Zone Meters as recommended in the Water Master Plan	Council applied for funding in 2017 to enable the Village to install Zone Meters and anticipates that funds will be acquired in 2018 for the purchase and installation of the Meters.
	Implement the recommendations of the Water Master Plan	This remains a priority of Council, pending the availability of funds to enable the Village to proceed.
	Continue work on the Groundwater Development Project	Construction will commence in 2018 and is expected to be completed by March 2019. Final reporting as required by the Clean Water and Wastewater Fund must be completed. In 2018, the Village will complete the final reporting and claims for the BC Water and Wastewater Program (BCWWP) and for the Green Municipal Fund (GMF).



Groundwater Development Project – Construction Kickoff Meeting held April 13, 2018 – Clockwise from left: Lytton First Nations Councillor Jason Robertson, Lytton First Nations Operations Manager Warren Brown, Timbro Contracting Project Manager Sergio Suarez, Timbro Contracting Superintendent Cornell Timmers, WSP Project Manager (Infrastructure) Walt Bayless, WSP Project Engineer Stephen Bertulli, Village of Lytton Chief Administrator Officer Rebecca Anderson, Lytton First Nations Band Administrator Steve Wilson, Village of Lytton Water Project Coordinator Lonny Miller

Department	Objective	Strategies
	Staff training	Training is planned in 2018 for the Water Systems Operator to acquire Water Treatment Level 2 certification, as well as Water Distribution Level 2.
	Completion of the Source Water Protection Planning Report	The final draft of the Source Water Protection Planning Report will be completed in 2018. The Village will create a plan for the implementation of any recommendations arising from this Project, and complete the final reporting as required for the Clean Water and Wastewater Fund in 2018.
	Obtain the Horizontal Drilling Feasibility Study	Council will receive the Horizontal Drilling Assessment Study in 2018, and will the proceed to create a plan for the implementation of any recommendations arising from this Study
	Repair and replace aging water pipes	Adopt a plan for replacement and repair of old pipelines, and Identify target areas
	Implement the recommendations of the Water Conservation Plan	Council will adopt a leak detection plan, implement water conservation measures, provide conservation incentives (i.e. leaky toilet repair program, zone meters), and establish a community education program.
Public Works, Sewer Services	Obtain a Sewer Master Plan	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	Create a five -year plan for the implementation of the recommendations of the Lifecycle Practices Assessment and/or the Asset Management Project Report.
	Staff Training	Training is planned for the Waste Water System Operator to obtain the Waste Water Treatment Level 2 certification, and the Waste Water Collection Level 2 certification.
Public Works, Road Maintenance	Improvements to roads and sidewalks	<ul style="list-style-type: none"> • Consider organizational capacity required • Develop funding policies and strategies • Prepare for asset management
Public Works, Vehicle Maintenance	Vehicle fleet review	<ul style="list-style-type: none"> • Conduct an assessment • Create inventory • Prepare a budget • Develop a funding strategy

Department	Objective	Strategies
Administrative Services	Records Management System	<ul style="list-style-type: none"> • Proper identification and storage of all files • Develop a Retention Schedule
	Asset Management Project	<ul style="list-style-type: none"> • Obtain an assessment and final report • Create a plan for the implementation of any recommendations arising from the report
	Official Community Plan	<ul style="list-style-type: none"> • Approach funding organizations • Submit applications for grant funds
	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
	Organizational & Administrative Review	<p>Assess the financial and administrative capacity of the Village:</p> <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
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



Lyttonnet Board Members and Staff at the Celebration held December 2016

Department	Objective	Strategies
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
Lytton Fire Rescue	Develop policies and procedures	Create a plan for the implementation of the recommendations provided in the Fire Safety Review.
	Fire Truck Replacement	<ul style="list-style-type: none"> • Research Options
Planning	Affordable Housing	<ul style="list-style-type: none"> • Consider organizational capacity required • Develop funding policies and strategies • Prepare for asset management
	Seniors Housing	<ul style="list-style-type: none"> • Obtain the final draft of the Housing Needs & Gaps Assessment • Obtain funding for a feasibility study and business plan • Acquire a building site

Department	Objective	Strategies
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 neighbouring First Nations • Contact EMBC • Retain a consultant



Village of Lytton Christmas Tree in Pocket Park, December 2017

VILLAGE OF LYTTON
SCHEDULE OF PERMISSIVE TAX EXEMPTIONS 2017
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



VILLAGE OF LYTTON

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STATEMENT OF FINANCIAL INFORMATION

(S.O.F.I.)

For the Fiscal Year 2017

VILLAGE OF LYTTON
PO Box 100, 380 Main Street, Lytton, BC V0K 1Z0
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hotspot@lytton.ca

**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 14, 2018



Jessa Lightfoot,
Mayor

Date: June 14, 2018

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 2017.

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	\$6,350.00	\$1,608.70
Huntley Smith	\$4,250.00	\$2,465.03
Tiffany Callewaert-Haugen	\$4,250.00	\$2,526.03
Ian Hay	\$4,250.00	\$1,990.96
Jan Polderman	\$4,250.00	\$1,813.69
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Totals	\$23,350.00	\$10,404.41
<u>Employees over \$75,000</u>		
Chief Administrative Officer	\$92,796.75	\$8,192.75
<u>Employees under \$75,000</u>		
Consolidated totals	\$394,821.57	\$10,570.29
	<hr/>	<hr/>
Total employees	\$510,968.32	\$29,167.45
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SCHEDULE SHOWING PAYMENTS MADE FOR THE PROVISION OF GOODS OR SERVICES

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

Receiver General for Canada	\$ 120,087.36
Thompson Nicola Regional District	\$ 88,266.78
BC Hydro	\$ 48,388.15
Westline Ford Ltd.	\$ 34,107.36
Scotiabank Visa	\$ 28,082.81
Pacific Blue Cross	\$ 27,125.75
Pell-Builder	\$ 25,725.00
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Total Goods & Services over \$25,000	\$ 369,793.01
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Schedule of Suppliers of Goods or Services under \$25,000

Consolidated total of Goods or Services under \$25,000	\$ 412,580.48
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Consolidated total of grants exceeding \$25,000

Community Water and Wastewater Funding	\$ 475,855.00
BC Community Water Improvement Program	\$ 160,000.00
Total Consolidated total of grants exceeding \$25,000	\$ 635,855.00
	<hr/>

Consolidated total of contributions exceeding \$25,000

Opus Daytonknight Consultants Ltd.	\$ 270,119.83
Precision Services and Pumps Inc.	\$ 244,787.21
Golder Associates	\$ 165,003.73
Miller & Associates	\$ 27,798.77
Total Consolidated total of contributions exceeding \$25,000	\$ 707,709.54
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Consolidated total of all grants and contributions exceeding \$25,000	\$ (71,854.54)
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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 14, 2018

The Corporation of the Village of Lytton
Financial Statements
For the Year Ended December 31, 2017

**Village of Lytton
Financial Statements
For the year ended December 31, 2017**

	Contents
Management's Responsibility for Financial Reporting	3
Independent Auditors' Report	4
Financial Statements	
Statement of Financial Position	5
Statement of Operations	6
Statement of Change in Net Financial Assets	7
Statement of Cash Flows	8
Notes to the Financial Statements	9 - 16
Schedule 1 - Statement of Operations by Segment	17
Schedule 2 - Tangible Capital Assets	18

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



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4

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, 2017, 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, 2017 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

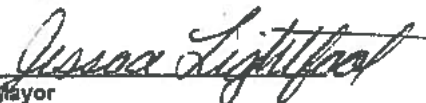
Vancouver, British Columbia

April 23, 2018

The Corporation of the Village of Lytton
Statement of Financial Position

For the year ended December 31	2017	2016
Financial Assets		
Cash and cash equivalents	\$ 488,846	\$ 833,981
Investments (Note 4)	1,069,010	550,951
Accounts receivable (Note 5)	617,642	299,195
	2,185,497	1,684,107
Liabilities		
Accounts payable and accrued liabilities (Note 6)	236,842	163,674
Deferred revenue (Note 7)	410,586	20,000
Long-term debt (Note 8)	122,185	139,294
	769,593	322,968
Net Financial Assets	1,395,904	1,361,139
Non-Financial Assets		
Tangible capital assets (Schedule 2)	3,619,961	3,077,225
Prepaid expenses	3,683	4,234
	3,623,644	3,081,459
Accumulated Surplus (Note 9)	\$ 5,019,548	\$ 4,442,598

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	2017 Budget	2017 Actual	2016 Actual
	<i>(Note 14)</i>		
Revenue			
Municipal taxation and grants-in-lieu of taxes <i>(Note 16)</i>	384,495	385,159	381,584
Sale of services	277,279	276,758	270,263
Revenue from own sources	81,731	80,071	80,538
Government transfers and other contributions <i>(Note 15)</i>	679,308	1,160,989	571,952
	1,402,813	1,902,977	1,304,337
Expenses <i>(Note 10)</i>			
General administration and legislative services	591,678	529,569	526,059
Protective services	302,774	61,022	211,020
Public works and transportation services	172,743	159,089	191,564
Environmental and development services	104,000	65,559	16,500
Recreation and cultural services	75,489	92,527	67,393
Water Utility	122,385	298,197	358,761
Sewer Utility	131,829	120,066	118,652
	1,500,899	1,328,028	1,489,949
Annual surplus (deficit)	(98,086)	576,950	(185,612)
Accumulated surplus, beginning of year	4,442,598	4,442,598	4,628,210
Accumulated surplus, end of year	4,344,512	5,019,548	4,442,598

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	2017 Budget (Note 14)	2017	2016
Annual surplus (deficit)	(98,086)	576,950	(185,612)
Acquisition of tangible capital assets	(106,750)	(666,494)	(33,810)
Amortization of tangible capital assets	-	123,758	118,398
Write off due to discontinued capital project (Schedule 2)	-	-	225,814
Decrease in prepaid expenses	-	551	1,336
Increase in net financial assets	(204,836)	34,766	126,126
Net financial assets, beginning of year	1,361,139	1,361,139	1,235,013
Net financial assets, end of year	1,156,303	1,395,904	1,361,139

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	2017	2016
Cash provided by (used in)		
Operating activities:		
Annual surplus (decrease)	676,950	(185,612)
Items not involving cash:		
Amortization of tangible capital assets	123,758	118,398
Write off due to discontinued capital project (Schedule 2)	-	225,814
Net change in non-cash working capital balances related to operations:		
Accounts receivable	(318,447)	(71,991)
Prepaid expenses	551	1,336
Accounts payable and accrued charges	73,168	(36,245)
Deferred revenue	390,566	14,000
	846,546	65,700
Capital activities:		
Purchase of tangible capital assets	(666,494)	(33,810)
	(666,494)	(33,810)
Financing activities:		
Repayment of long-term debt	(9,073)	(9,073)
Sinking fund earnings	(8,035)	(7,220)
Purchase of investments	(508,059)	(550,951)
	(525,167)	(567,244)
Decrease in cash and cash equivalents during the year	(345,115)	(535,354)
Cash and cash equivalents, beginning of year	833,961	1,369,316
Cash and equivalents, end of year	488,845	833,961
Cash and cash equivalents consists of:		
Cash and cash equivalents	440,749	791,895
Restricted cash (Note 3)	48,096	42,066
	488,845	833,961
Supplementary cash flow information		
Interest paid	10,105	11,573

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, 2017

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 principal 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 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 impairment expense in the statement of operations.

e) Revenue recognition

Sale of Services and Revenue from Own Sources
 Revenues for goods and 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, 2017

2. Significant accounting policies (continued)

Government Transfers

The Village recognizes restricted grants, contributions and government transfers received under funding agreements which relate to a subsequent period are recognized as revenue in the period in which the resources are used for the purpose or purposes specified. Funding received before this criterion has been met is reported as deferred revenue on the statement of financial position until the period in which the specified purpose or related expense is incurred. 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.

Tax Revenue

The Village recognizes municipal taxation and grants in lieu of taxation 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 as specified in the collective agreement and employment contracts.

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.

Actual results could differ from management's best estimates as additional information becomes available in the future.

h) Segment Reporting

The Village conducts its operations through seven 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.

The Corporation of the Village of Lytton

Notes to the Financial Statements

For the Year Ended December 31, 2017

3. Cash

The Village has \$48,096 (2016 - \$42,066) of funds received from an endowment fund with the BC Interior Community Foundation (previously the Kamloops Foundation), which are restricted for the betterment of health related services in the community of Lytton.

4. Investments

	2017	2016
MFA money market fund	909,297	400,763
Scotiabank term deposit	150,713	150,188
	<u>1,059,010</u>	<u>550,951</u>

MFA money market funds include bank-issued notes, bonds and provincial bonds and debentures. The current yield for the money market fund is 0.97% (2016 - 0.81%) and funds are redeemable at any time. The interest rate on the term deposit is 1.47% and it matures on March 5, 2018.

5. Accounts Receivable

	2017	2016
Taxes receivable	23,721	22,989
Utilities receivable	11,358	23,674
GST Receivable	40,873	11,806
Government transfers receivable	307,462	184,389
General accounts receivable	234,427	56,527
	<u>617,842</u>	<u>299,195</u>

6. Accounts Payable and Accrued Liabilities

	2017	2016
Trade accounts payable	143,056	82,317
Lytton Museum	-	5,150
BC Interior Community Foundation	48,096	42,068
Payroll and benefits	45,889	34,141
	<u>236,842</u>	<u>163,674</u>

7. Deferred Revenue

During 2017, the Village received \$700,580 in government transfers for the purpose of funding the Groundwater Development Project. As of December 31, 2017, \$309,714 has been spent and the remaining \$390,866 has been deferred. Also included in deferred revenue is \$19,700 relating to various amounts received with other spending restrictions. Deferred amounts will be recognized as revenue in the period in which the funds are used for the purpose specified within the funding agreement.

8. Long-term debt

Purpose	Year of Maturity	Interest Rate	Principal Outstanding December 31, 2017	Principal Outstanding December 31, 2016
Sewer	2023	2.40%	<u>\$122,185</u>	<u>\$139,284</u>
Long Term debt - future principal payments are as follows:				
	2018		\$9,073	
	2019		\$9,073	
	2020		\$9,073	
	2021		\$9,073	
	2022		\$9,073	
	Thereafter		<u>\$9,073</u>	
			<u>\$54,438</u>	
Estimated sinking fund earnings			<u>\$87,747</u>	
			<u>\$122,185</u>	

The Corporation of the Village of Lytton
Notes to the Financial Statements
For the Year Ended December 31, 2017

8. 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:

	2017	2016
Cash Deposits - Sewer Utility	4,933	4,839
Demand Notes - Sewer Utility	8,699	8,699
	13,632	13,538

9. Accumulated surplus

	2017	2016
Unrestricted Surplus		
General operating surplus	42,668	7,028
Sewer operating surplus	160,896	143,061
Water operating surplus	48,152	99,806
Total Unrestricted Surplus	251,716	249,893
Appropriated Surplus (Reserve Accounts)		
General Stabilization	216,992	220,392
Vehicle and Equipment	45,340	81,197
Legal and Insurance	64,280	61,197
Total Appropriated Surplus	326,613	342,786
Reserve Funds		
Capital works	510,817	546,739
Community works gas tax	432,827	365,249
Total Reserve Funds	943,444	911,988
Investment in tangible capital assets	3,497,775	2,937,931
Total Accumulated Surplus	5,019,548	4,442,598

The Corporation of the Village of Lytton
Notes to the Financial Statements
For the Year Ended December 31, 2017

10. Expense by object

	2017	2016
Administration	357,458	540,637
Insurance	15,312	23,895
Interest	10,105	11,573
Repairs and maintenance	267,997	109,415
Wages and benefits	551,398	460,217
Amortization	123,756	118,398
Write off due to discontinued capital project (Schedule 2)	-	225,814
	1,326,028	1,489,849
Capital expenditures	666,494	33,810
	1,992,522	1,523,759

11. 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). The current term will be in effect until April 30, 2021.

b) Municipal Pension Plan

The municipality and its employees contribute to the Municipal Pension Plan (a jointly trusteed 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 193,000 active members and approximately 65,000 retired members. Active members include approximately 38,000 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. As a result of the 2015 basic account actuarial valuation surplus and pursuant to the joint trustee agreement, \$1,927 million was transferred to the rate stabilization account and \$297 million of the surplus ensured the required contribution rates remain unchanged. 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 \$37,419 (2016 - \$18,249) for employer contributions to the plan in fiscal 2017.

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.

On January 10, 2017, the Village entered into an agreement for Engineering Services for Groundwater Development design for a total amount of \$394,013. As of December 31, 2017, \$278,710 of this cost has been incurred and the remaining amount is expected to be paid in 2018 as work on the project continues.

The Corporation of the Village of Lytton

Notes to the Financial Statements
For the Year Ended December 31, 2017

12. 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.

	2017	2016
Cemetery Trust Fund Investments	13,429	13,244
Equity		
Balance, beginning of year	13,244	13,125
Care fund contributions	25	75
Interest earned	160	44
Balance, end of year	13,429	13,244

13. 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.

14. Budget

Budget amounts represent the Financial Plan Bylaw adopted by Council on April 10, 2017.

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:

	2017	2016
Financial Plan Bylaw deficit for the year	(102,586)	(37,486)
Remove transfers from reserves from revenues	(6,246)	(17,500)
Remove capital expenditures from expenses	10,746	98,000
(Deficit) Surplus per statement of operations	(98,086)	43,014

The Corporation of the Village of Lytton
Notes to the Financial Statements
For the Year Ended December 31, 2017

15. Government transfers and other contributions

During the year, the Village recognized the following government transfers and other contributions:

	Budget	2017	2016
Provincial			
Age Friendly Community Grant	20,000	6,367	-
BC Community Water Improvement Program	-	160,000	-
Community Water and Wastewater Funding	-	475,855	-
Community Wildfire Protection Program	200,000	8,000	156,186
Infrastructure Planning Grant Program	-	-	7,429
Province of BC - Canada 150 Grant	-	10,200	-
Province of BC	17,890	12,211	-
Provincial Emergency Funding	5,000	4,710	10,850
Small Community Protection Grant	288,600	294,849	288,503
Union of BC Municipalities - Asset management planning	10,000	-	10,893
Municipal Insurance Association - Sidewalk repairs	-	-	4,000
Federal			
Community Works Funding	62,118	62,262	62,118
Other			
Thompson Nicola Regional District - Pool upgrades	-	19,856	20,000
Government Transfers	601,308	1,066,102	567,789
Lytton First Nation - Water and Waste Water Funding	-	67,744	-
BC Hydro Tree Grant	-	1,200	-
Northern Development Trust Grants	78,000	35,843	14,183
Other Contributions	78,000	104,887	14,183
Total Government Transfers and Other Contributions	679,308	1,180,989	671,952

16. Taxation

	Budget	2017	2016
Municipal Taxation			
Property tax	384,104	364,104	361,203
Grants in lieu of taxes	20,381	21,055	20,381
Total Municipal Taxation	384,485	385,159	381,584
Collections for Other Taxing Authorities			
BC Assessment Authority	-	3,427	3,624
Municipal Finance Authority	-	8	9
Province of BC - school taxes	-	107,984	114,844
Province of BC - police taxes	-	13,981	14,404
Thompson-Nicola Regional Hospital District	-	21,397	19,882
Thompson-Nicola Regional District	-	51,579	54,116
Total collections for other taxing authorities	-	198,348	206,879
Payments to other taxing authorities	-	198,348	206,879
Net Taxation for municipal purposes	384,485	385,159	381,584

17. Subsequent Event

Subsequent to December 31, 2017, the Village was served with a Notice of Claim in which it was named as a defendant. The claim relates to work performed by a subcontractor hired by a company contracted by the Village. The subcontractor is the plaintiff and is seeking payment of \$261,462 plus damages for breach of contract. As of April 23, 2018, the outcome of the claim and the resulting outflow of economic benefits, if any, for the Village cannot be reasonably estimated. Therefore no such amount has been included as a liability in these financial statements.

The Village has an agreement in place with the contractor for Consulting Services for the Source Water Protection Plan and Horizontal Drilling Feasibility Study for a total amount of \$440,359. As of December 31, 2017, \$157,147 of this cost has been incurred and the remaining amount is expected to be paid in 2018 as work on the project continues, but the timing and amount of future payments may depend on the outcome of the Notice of Claim.

The Corporation of the Village of Lytton

Notes to the Financial Statements

For the Year Ended December 31, 2017

18. 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 Village'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 - Expenses (Items) as
 For the Year Ended December 31, 2017

	2017	2016
Revenues		
Real property taxes	364,104	354,104
Grants in lieu of taxes	8,191	21,066
Sale of services	76,356	276,758
Licenses and permits	58	3,476
Rentals and general services	20,551	37,173
Return on investments	17,550	17,550
Penalties and interest on taxes	4,827	4,827
Other income	3,985	17,248
Government transfers	371,457	1,195,989
Total revenues	792,085	1,903,977
Expenditures		
Administration	159,459	367,488
Insurance	9,818	16,312
Interest	2,965	10,965
Repairs and maintenance	13,591	287,987
Wages and benefits	295,424	841,339
Amortization	50,503	1,202,269
Total expenditure	629,759	1,926,361
Annual surplus (deficit)	162,326	(22,384)

	2017	2016
Revenues		
Real property taxes	361,203	361,203
Grants in lieu of taxes	7,977	20,381
Sale of services	72,534	270,263
Licenses and permits	58	3,488
Rentals and general services	21,853	46,876
Return on investments	3,406	3,406
Penalties and interest on taxes	4,052	4,052
Other income	13,985	23,216
Government transfers	319,206	874,952
Total revenue	738,865	1,208,337
Expenditures		
Administration	234,317	640,537
Insurance	20,345	21,865
Interest	4,373	11,573
Repairs and maintenance	3,919	189,418
Wages and benefits	211,188	489,317
White off due to discontinued capital project (Schedule 2)	474,117	1,146,737
Amortization	51,542	225,614
Total expenditure	820,266	1,836,967
Annual surplus (deficit)	(81,401)	(628,630)

The Corporation of the Village of Lytton
Schedule 2 - Schedule of Tangible Capital Assets
For the Year Ended December 31, 2017

	Engineering Structures	Buildings	Machinery and Equipment	Land	Sewer	Water	Work in Progress	2017
Cost								
Balance, January 1, 2017	984,977	106,631	720,055	75,641	1,284,968	1,854,139	-	5,026,409
Acquisition of tangible capital assets	44,458	-	37,980	-	9,423	-	574,733	886,494
Balance, end of year	1,029,435	106,631	757,935	75,641	1,294,399	1,854,139	574,733	5,992,903
Accumulated amortization								
Balance, beginning of year	378,033	74,542	442,939	-	486,945	556,805	-	1,949,184
Annual amortization	18,342	1,555	36,606	-	34,124	33,131	-	123,758
Balance, December 31, 2017	396,375	76,097	479,545	-	531,069	589,936	-	2,072,942
Net book value	633,060	30,534	278,390	75,641	763,320	1,264,203	574,733	3,519,961

	Engineering Structures	Buildings	Machinery and Equipment	Land	Sewer	Water	Work in Progress	2016
Cost								
Balance, January 1, 2016	965,777	106,631	720,055	75,641	1,284,966	1,854,139	211,206	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	-	118,388
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

* 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.