

MUNICIPALITY OF SWAN VALLEY WEST  
FEDERAL GAS TAX REVENUE ANNUAL EXPENDITURE  
REPORT

DECEMBER 31, 2015

# ***BMP Chartered Accountants***

*Taxation • Accounting • Auditing • Consulting*

Marc Provencher, C.A.      Kristin Brading, C.A.

## **MUNICIPALITY OF SWAN VALLEY WEST**

### **AUDITOR'S REPORT ON COMPLIANCE WITH AGREEMENT**

To the Reeve and Councilors of the Municipality of Swan Valley West

We have audited the Municipality of Swan Valley West's compliance as at December 31, 2015 with the criteria established by the terms and conditions of Part 6.1 and Schedules 1 and 2 of the Municipal Gas Tax Agreement for the Transfer of Federal Gas Tax Revenues dated April 1, 2014 between the Province of Manitoba and the Municipality of Swan Valley West.

#### *Management's Responsibility*

Management is responsible for the compliance with the criteria established by the provisions of the agreement, and for such internal control as management determines is necessary to ensure compliance.

#### *Auditor's Responsibility*

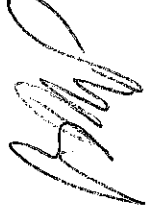
Our responsibility is to express an opinion on this compliance based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial information. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial information, 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 information 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 information.

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 Federal Gas Tax Revenue Annual Expenditure Report presents fairly, in all material respects, the funding and expenditures for the year ended December 31, 2015 in compliance with the provisions of Part 6.1 and Schedules 1 and 2 of the Municipal Gas Tax Agreement.



Swan River, Manitoba  
June 9, 2017

CHARTERED ACCOUNTANTS

**MUNICIPALITY OF SWAN VALLEY WEST  
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**FOR THE YEAR ENDED DECEMBER 31, 2015**

	<u>ANNUAL</u>	<u>CUMULATIVE</u>
Unspent fund balance, beginning of year	\$ 242,583	\$ -
Received from Province of Manitoba	150,362	1,502,104
Interest earned	1,916	15,967
Expenditures on eligible projects		
Water	-	(82,493)
Wastewater	-	(26,500)
Active transportation infrastructure	<u>(73,224)</u>	<u>(1,087,460)</u>
Unspent fund balance, end of year	<u>\$ 321,618</u>	<u>\$ 321,618</u>

Reconciliation to Reserve Funds in Financial Statements:

Reserve balance in F/S	\$ 230,961	
Over expended (to be repaid in 2017)	29,390	
Balance of Potten Drive debenture borrowed from Gas Tax Reserve	<u>61,286</u>	
Unspent balance per above	<u>\$ 321,618</u>	