



# Changes to the 2024 Financial Reporting

## Updated Signature Requirements

The 2024 Financial Information Return (FIR) submission requires signatures from the following three parties:

- Auditor
  - The **Independent Auditor's Report** is to be signed by the auditing firm indicating that the audit is complete.
- Municipal Administration
  - The **Management's Responsibility for Financial Reporting** letter is to be signed the chief administrative officer and chief financial officer indicating that the documents were reviewed by administration.
- Municipal Council
  - The **Consolidated Statement of Financial Position** is to be signed by on behalf of municipal council by the chief elected officer and a councillor indicating that council reviewed and adopted/accepted the financial statements as presented.

## New FIR Additions

### Intangible Equity

Two new lines for intangible assets are added to Schedules 9A, Financial Position and 9G, Change in Tangible Capital allowing intangible assets, such as water licenses, to be recognized as non-financial assets in the Financial Information Return:

- Line 0402, Intangible Equity in Schedule 9A; and
- Line 3402, Intangible Equity in Schedule 9G.

### Asset Retirement Obligation Accretion Expense

Line 0515, Asset Retirement Obligation Accretion Expense, is added to Schedule 9B, Change in Accumulated Operating Surplus which more closely aligns with the financial statements.

The accretion expense is the recognition of period-to-period changes of the carrying amount of a liability due to the passage of time. Typically, the amount reported on Line

0515 will be an increase to Unrestricted Surplus and a decrease to Equity in Tangible Capital Assets.

### Municipal Facilities

Three new lines for municipal facilities were added to the municipal statistics schedule, including transit, whether a new municipal facility has been constructed, or if the status/location of an existing municipal facility has changed in the past year.

- Line 5546: Does your municipality provide transit service;
- Line 5547: Has there been a new municipal facility constructed, or has the status/location of an existing municipal facility changed in the past year; and
- Line 5548: if so, select all that apply.

Municipal facilities include municipal halls, water/wastewater treatment plants, fire halls, public works building/operation yard, and transit yard.

## Line Updates – FIR

Schedule 9D: Line 2000 is updated to *Salaries, Wages, Benefits, and Contacts of Employment*.

*The definition of the line remains the same, however, this change was made highlight the differences between Lines 2000 and 2010.*

Line 2000, is used to report the remuneration of all employees, elected and appointed officials. **All forms of remuneration paid** either directly to employees or to others on their behalf (e.g. fringe benefits).

This would normally include:

- salaries and wages (**including contracts of employment**);
- per diems;
- employer contributions to Canada Pension Plan, Unemployment Insurance, and other pension and insurance plans;
- accrued vacation; and
- moving expenses.

On the contrary, Line 2010, Contracted and General Services, is used to report expenses made to acquire services on a contracted basis **excluding contracts of employment reported on line 2000 and purchases from other governments reported on line 2020.**

With the addition of Schedule 9M in 2023, the total reported on Line 4340 (total salaries and benefits for all elected officials, chief administrative officer and designated officer(s)) would often exceed the value reported in Line 2000 and therefore, this clarification was provided.

#### Schedule 9M: Line 4320

The disclosure of salaries and benefits for elected municipal officials, the chief administrative officer, and designated officers is required by [Supplementary Accounting Principles and Standards Regulation](#) (Alta. Reg. 313/2000).

In 2023, seventy-nine (79) municipalities failed to report a 'meaningful' value for the designated officer as required by regulation. At a minimum, the *Municipal Government Act* requires that the position of municipal assessor be appointed as a designated officer within the municipality. Additional information on designated officers and the requirement to report is attached.

#### Schedule 9H: Line 3450 – Column 2 - Long Term Debt (Capital)

The total long-term capital debt reported in the previous year, has been provided for reference (Excel line 583). While adjustments to this number are permitted, clarification may be requested as any adjustments that is made since the last reporting, will not be reflected in the ministry's system.

#### Schedule ST: Line 5591 Number of Bridges.

In 2023, this line was added at the request of the Rural Municipalities of Alberta; however, initial analysis indicate that most municipalities did not report any changes to the bridge totals. The definitions for standard and major bridges were added for reference.

#### Schedule ST: Line 5595 is updated to *Number of Private Dwelling Units.*

This change was made to add clarity as to what 'dwelling units' are, as well as helping to align with figures that are traditionally reported on a census (federal or municipal) and retrieved from a municipal assessment roll.

## **For More information**

For more information on the reporting requirements and changes in this sheet as it pertains to the submission of your annual financial reporting, please email [ma.updates@gov.ab.ca](mailto:ma.updates@gov.ab.ca).