OPCD Summary – Comparison of the OPCD and Expert Advisory Panel Pension Papers as related to OTPP

The table below compares the main topics addressed in OPCD's draft accounting position paper for OTPP shared with the Pension Asset Expert Advisory Panel (the "Panel") to the Panel's Final report related to the accounting for OTPP on the Province's books. Similarities and differences between the areas covered in the two reports are identified:

Covered in the OPCD's draft report shared with the Panel	Covered in Panel's report
Introduction	
	The mandate of the panel is stated.
The issues addressed in the paper are stated.	
Background	
A history of the Province's prior accounting for OTPP is provided along with an explanation of the disagreement between the OAG and the Province relating to the 2015-16 reporting.	
A list of the constating documents for OTPP is provided along with exerts of the main paragraphs relating to plan surplus utilization (for example, the surplus utilization zones).	The funding arrangement for OTPP is examined.
Both reports identify the sponsors and the decision making bodies for OTPP.	
Differences between the accounting and funding valuation in relation to OTPP are discussed.	
Both reports discuss PS 1150 and other standards in the PSA Handbook to be considered in accounting for a JDBP.	
	A detailed discussion is provided of PS 1000 in relation to attributes such as faithful representation, conservatism and the definition of an asset (and the requirement future economic benefits be "expected"). Reference is included of the recognition criteria of a net defined benefit asset per IPSAS.
Classification of a pension asset	
Both reports discuss and conclude OTPP is a JDBP and PS 3250 is the primary source of GAAP.	
Recognition of a pension asset for a JDBP	
	The report considers whether guidance in PS 3250 should be applied to OTPP as a whole or to the Province's share of OTPP.
Both reports discuss the parallel between a JDBP and a Government Partnership and the parallels between PS 3250 and PS 3060.	
Both reports discuss whether a pension asset is a contingent asset and the guidance in PS 3320.	
	The report includes discussion as to whether the recognition criteria for PS 1000 are met in relation

	to the government's share of OTPP's pension asset.
Measurement of a pension asset	
Both reports examine the guidance in PS 3250 with respect to determining the accrued benefit asset and applying the asset ceiling test. Both reports examine whether reduced future contributions need to be legally enforceable.	
The report includes the results of asset ceiling tests performed under different scenarios on the March 31, 2016 adjusted benefit asset balance of OTPP.	
Both reports include a discussion on measurement uncertainty in relation to determining the valuation allowance for OTPP.	
Both reports include a discussion on the accounting by other provinces for their pension plans.	
Other areas covered	
	The report includes a list of additional areas for PSAB to address in their Employment Benefits project.
Included in the appendices of the report are the asset/liability positions of OTPP for the prior 14 years, a comparison of the discount rate used by OTPP relative to other pension plans in Canada, a comparison of OTPP's discount rate over the prior 12 years relative to its annual performance, and impacts of a 100% valuation allowance on key measurements of the Province over the prior 10 years.	