Impact of pension asset test if asset is based on 50% of funding valuation

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Date:	Fri, 09 Sep 2016 22:49:27 -0400
Attachments:	Copy of Comparison of Province Assumption to OTPP statements since 2001.xlsx (43.18 kB)

Hi Nadine,

I crunched some numbers based on our discussion with Greg re: impact to the statements if the funding valuation (50% thereof) was the asset cap. I'm a better reviewer than cruncher, so I'd like someone to take a look at the logic/calcs before we provide to Greg.

If this is correct, there would be a $5.1 billion impact to opening deficit at the beginning of last year (assuming we would restate), a nominal impact to last year of $106 million (expense) and reduced expense in 2016 of $1,72 billion.

Thanks,