RE: Pension Asset Accounting Treatment

From: "Petsche, Nadine (TBS)" <nadine.petsche@ontario.ca>
To: "Fong, Pauline (TBS)" <pauline.fong@ontario.ca>
Cc: "Veinot, Cindy (TBS)" <cindy.veinot@ontario.ca>
Date: Mon, 24 Oct 2016 09:23:38 -0400

Thanks for sharing Pauline. The considerations noted in the email are currently at play and while you may be asked to participate in a discussion, the discussion would have to be at the senior management level as you have suggested. I am copying Cindy on this message so that she can provide direction on how best to respond.
Thanks.
Nadine

From: Fong, Pauline (TBS)
Sent: October 24, 2016 9:18 AM
To: Petsche, Nadine (TBS)
Subject: FW: Pension Asset Accounting Treatment

Hi Nadine,

Should this be managed at the management level or staff level?

Pauline

From: Di Renzo, Stephen (EDU)
Sent: October-21-16 3:02 PM
To: Fong, Pauline (TBS)
Cc: Duffy, Paul (EDU); Roberto, Nicole (EDU)
Subject: Pension Asset Accounting Treatment

Pauline, hope all is well.

We were hoping you would be able to assist us with some detail around the pension asset situation. More specifically:

- What will happen to the Ontario Teachers' Pension Plan (OTPP) pension expense if the time-limited regulation which legislates the accounting for pension assets of jointly-sponsored pension plans for the 2015-16 Public Accounts becomes permanent?
  - How would the ($452M) recovery in 2016-17 change?
  - If the recovery does change, should we be expecting similar results in the multi-year pension expense outlook?
  - What exactly is driving this change from an accounting standpoint?
  - How will the determination of annual TPP pension expense change?
  - Will this change in accounting treatment have any impact on the government's cash contributions?

Can set up some time Monday to chat when you're back?

Thanks for your help!

Steve Di Renzo

Sr. Policy Advisor
Funding Policy and Pensions Unit
Education Finance Branch | Ministry of Education
416.326.9922 | stephen.direnzo@ontario.ca