1 - Email - November 25 2016 - RE_ Next Steps for Pension Asset Expert Advisory Panel.pdf

From: Hosick, Sarah (TBS)
To: Tam, Nelson (TBS)
Subject: RE: Next Steps for Pension Asset Expert Advisory Panel
Date: November-25-16 2:36:14 PM

Hi Nelson

Can you keep me posted on anything Comms may talk to you about? Erin is just trying to get up to speed on the file, but any actual comms materials should come through me for messaging consistency.

Thanks
Sarah

From: Hosick, Sarah (TBS)
Sent: November-25-16 2:33 PM
To: Ovenden, Erin (TBS)
Cc: Tam, Nelson (TBS)
Subject: RE: Next Steps for Pension Asset Expert Advisory Panel

Hi Erin

The project manager is Nelson Tam (cc'd)

Thanks
Sarah

From: Ovenden, Erin (TBS)
Sent: November-25-16 2:30 PM
To: Hosick, Sarah (TBS)
Subject: Next Steps for Pension Asset Expert Advisory Panel

Hi Sarah-

I'm wondering who in your shop is leading the Pension Asset Expert Advisory Panel file. I'm proactively drafting materials for the release of the report that is due Dec 31, and I'd love to loop in with someone next week.

Please let me know. And thank you again for your help with our six-month plan last week.

Have a great weekend,

Erin Ovenden
Senior Communications Consultant
Communications Branch | Treasury Board Secretariat
77 Wellesley Street West, Ferguson Block
Toronto, ON   M7A 1N3

Tel: 416-326-7727

1A - Email - November 25 2016 - RE_ Next Steps for Pension Asset Expert Advisory Panel.pdf

From: Ovenden, Erin (TBS)
To: Hosick, Sarah (TBS)
Cc: Tam, Nelson (TBS)
Subject: RE: Next Steps for Pension Asset Expert Advisory Panel
Date: November-25-16 2:33:34 PM

Thank you!

Erin Ovenden
Senior Communications Consultant
Communications Branch | Treasury Board Secretariat
77 Wellesley Street West, Ferguson Block
Toronto, ON M7A 1N3
Tel: 416-326-7727

From: Hosick, Sarah (TBS)
Sent: November-25-16 2:33 PM
To: Ovenden, Erin (TBS)
Cc: Tam, Nelson (TBS)
Subject: RE: Next Steps for Pension Asset Expert Advisory Panel

Hi Erin

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Thanks
Sarah

From: Ovenden, Erin (TBS)
Sent: November-25-16 2:30 PM
To: Hosick, Sarah (TBS)
Subject: Next Steps for Pension Asset Expert Advisory Panel

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Tel: 416-326-7727

2 - Email - January 13 2017 - RE_ Pension Panel - Next Steps.pdf

From: Ovenden, Erin (TBS)
To: Sullivan, Bryant (TBS); DiMuzio, Sofie (TBS); Petsche, Nadine (TBS); Tam, Nelson (TBS); Miller, Amanda (TBS)
Subject: RE: Pension Panel - Next Steps
Date: January-13-17 3:07:41 PM

Thank you everyone for a productive meeting. Here are the takeaways.

Report

- Expecting **final report** to be submitted to TBS by **January 25**

- The Panel is going to share an **updated draft** with OPCD on Monday, **January 16.** Nelson will flip this to Comms (Bryant & Erin)

Letter to Auditor General

- Nelson, please ensure the following edits are considered:

o Call it an **embargoed report**, not an embargoed draft report

o Continue to refer to the panel as **independent**

o Add in a timeline for the meeting with the Auditor General. There is a window to meet the **week of January 30**.

Executive Summary

- Comms will send Nelson **feedback on Executive Summary** and **suggested top key questions** for the Chair to consider

- Nelson, can you please flip this to the Chair when you receive it?

Briefings

- Comms is updating its slide for **the DM briefing Monday, January 17**

- Nelson is updating the deck for the **Panel's joint Ministers briefing on Tuesday, January 18**. A copy of this deck will be shared with Comms on Monday.

Erin Ovenden

Senior Communications Consultant

Communications Branch | Treasury Board Secretariat

77 Wellesley Street West, Ferguson Block

Toronto, ON   M7A 1N3

Tel: 416-326-7727

-----Original Appointment-----
From: Sullivan, Bryant (TBS)
Sent: January-12-17 9:31 AM
To: Sullivan, Bryant (TBS); DiMuzio, Sofie (TBS); Ovenden, Erin (TBS); Petsche, Nadine (TBS); Tam, Nelson (TBS); Miller, Amanda (TBS)
Subject: Pension Panel - Next Steps
When: January-13-17 2:00 PM-2:30 PM (UTC-05:00) Eastern Time (US & Canada).
Where: TBS Comms Small Boardroom - Ferg. 8th Fl./ Teleconference: 416-212-8010, Passcode: 9641293#

3 - Email - January 20 2017 - Your VM.pdf

From: Laughton, Patrick (TBS)
To: Sullivan, Bryant (TBS)
Cc: Hosick, Sarah (TBS); Tam, Nelson (TBS)
Subject: Your VM
Date: January-20-17 2:27:24 PM

Hey Bryant –

In response to your vmail – I don't have particularly specific details around timing discussed at the MMP meeting beyond that they want to release as soon as the House is back in session. There was also talk/desire to conduct an opposition briefing.

Sorry I don't have more for you, Sarah and Nelson (cc'd) may have better info.

P.

4 - Email - January 23 2017 - Re_ Nelson.pdf

From:	Patricia O"Malley
To:	Tam, Nelson (TBS)
Cc:	Lucy Durocher
Subject:	Re: Nelson
Date:	January-23-17 7:24:59 AM

Nelson
Sorry to hear you are not feeling well.

Could you please send Lucy the email addresses for the communications people? That way she can send the final versions to communications today, with a copy to you. We promised to deliver it today and I would like to keep that promise.

I will check with Cindy who else should get the final report at this stage.

Take care of yourself and stay warm!
Tricia

Tricia O'Malley
Mobile +1(416) 570 1924
Original Message
From: Tam, Nelson (TBS)
Sent: Monday, January 23, 2017 05:20
To: Patricia O'Malley
Subject: Nelson

Patricia

I am not feeling well today and will not be in the office. I will monitor my BlackBerry periodically.

I will send you the draft AG letter tomorrow for your review.

I have been copied on all th emails regarding the report. To make sure I have the final approved version of the report and Executive Summary, please send me the final approved versions so I can send to Communications tomorrow for translation and release preparations.

Thanks

Nelson

Sent from my BlackBerry 10 smartphone on the Rogers network.

7 - Email - February 8 2017 - Re_ Chair Online Bio Update.pdf

From:	Patricia O"Malley
To:	Tam, Nelson (TBS)
Subject:	Re: Chair Online Bio Update
Date:	February-08-17 10:30:26 AM

Thank you! I think it would be better as the second last para rather than the last -- activities before awards?

Tricia O'Malley
Mobile +1(416) 570 1924

From: Tam, Nelson (TBS)
Sent: Wednesday, February 8, 2017 10:28
To: Patricia O'Malley (plomalley@outlook.com)
Subject: Chair Online Bio Update

Patricia

Communications is looking to modify your online bio to move your Actuarial Standards Oversight to the end. Please review and confirm that you are okay with the updated bio as per below.

Thanks

Nelson

Tricia O'Malley was Chair of the Canadian Accounting Standards Board (AcSB) from 2009 to 2010 and also served as its first full-time Chair from 1999 to 2001. She was a member of the International Accounting Standards Board (IASB) from 2001 until 2007 and she served on its staff as Director of Implementation Activities from 2007 to 2009. Supported by AcSB staff, she chaired the International Forum of Accounting Standard Setters, an informal association of bodies with a responsibility for setting or reviewing accounting standards in their various jurisdictions, from 2011 until April 2016.

Before joining the AcSB in 1999, Ms. O'Malley spent 17 years as a partner in the National Assurance and Professional Practice Group of KPMG Canada, where she consulted on complex accounting issues, focusing on financial instruments and structured finance transactions.

In 2011, Ms. O'Malley was named as one of Canada's Top 100 Most Powerful Women by the Women's Executive Network. In 2012, she received the Queen Elizabeth II Diamond Jubilee Medal. In June 2016, Ms. O'Malley received a Doctor of Laws *honoris causa*degree from the University of Waterloo.

Ms. O'Malley has been a member of the Canadian Actuarial Standards Oversight Council since 2012, serving as Chair since January 2015. She has also been a member of the Canadian Accounting Standards Oversight Council since 2013. She is currently a member of the Board and Chair of the Audit Committee of Assuris, which guarantees benefits on policies written by life insurers in Canada.

7A - Email - February 8 2017 - RE_ Confirm Edits to Tricia's Bio.pdf

From: Ovenden, Erin (TBS)
To: Tam, Nelson (TBS)
Cc: Sullivan, Bryant (TBS)
Subject: RE: Confirm Edits to Tricia"s Bio
Date: February-08-17 10:53:14 AM

Hi-

I've made the edits to her bio on the website:
https://news.ontario.ca/tbs/en/2016/11/pension-asset-expert-advisory-panel-members.html

Erin Ovenden
Senior Communications Consultant
Communications Branch | Treasury Board Secretariat
77 Wellesley Street West, Ferguson Block
Toronto, ON   M7A 1N3
Tel: 416-326-7727

From: Ovenden, Erin (TBS)
Sent: February-08-17 10:35 AM
To: Tam, Nelson (TBS)
Cc: Sullivan, Bryant (TBS)
Subject: RE: Confirm Edits to Tricia's Bio

Will do.

Erin Ovenden
Senior Communications Consultant
Communications Branch | Treasury Board Secretariat
77 Wellesley Street West, Ferguson Block
Toronto, ON   M7A 1N3
Tel: 416-326-7727

From: Tam, Nelson (TBS)
Sent: February-08-17 10:34 AM
To: Ovenden, Erin (TBS)
Cc: Sullivan, Bryant (TBS)
Subject: RE: Confirm Edits to Tricia's Bio

Erin

The Chair is okay with the changes. She suggested moving the highlighted section as the 2nd to last paragraph instead – Activities then the achievements.

She sends her thanks.

Nelson
X20514

From: Ovenden, Erin (TBS)
Sent: February-08-17 10:20 AM
To: Tam, Nelson (TBS)
Cc: Sullivan, Bryant (TBS)
Subject: Confirm Edits to Tricia's Bio

Hi Nelson

Following up on Tricia's email last night (Subject: Media), I'm suggesting we reorder paragraphs in her bio online. The first paragraph that cites her role as Chair of CASOB would move to the last paragraph and everything else would bump up. Can you please confirm the following edits to her bio are okay with her?

Tricia O'Malley was Chair of the Canadian Accounting Standards Board (AcSB) from 2009 to 2010 and also served as its first full-time Chair from 1999 to 2001. She was a member of the International Accounting Standards Board (IASB) from 2001 until 2007 and she served on its staff as Director of Implementation Activities from 2007 to 2009. Supported by AcSB staff, she chaired the International Forum of Accounting Standard Setters, an informal association of bodies with a responsibility for setting or reviewing accounting standards in their various jurisdictions, from 2011 until April 2016.

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Erin Ovenden
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Toronto, ON M7A 1N3
Tel: 416-326-7727

8 - Email - February 9 2017 - RE_ Report.pdf

From: Martin, Paul (FIN)
To: Tam, Nelson (TBS)
Subject: RE: Report
Date: February-09-17 9:37:58 AM
Attachments: image001.png

Thanks Nelson.

Appreciate the articles.

Good luck on Monday.

Will check in when back the week of the 27th.

Sincerely,

Paul

From: Tam, Nelson (TBS) [mailto:Nelson.Tam@ontario.ca]
Sent: Thursday, February 09, 2017 9:17 AM
To: Martin, Paul (FIN)
Subject: RE: Report

Paul

The report is planned for release on Monday. There is a media briefing at 10AM by Patricia and Uros. Assume that after the media briefing the report will be released on line.

There were a couple of articles in the Toronto Star (attached).

Have a great vacation. Hope it is relaxing and somewhere warm to recover from your knee surgery.

Nelson
416-212-0514

From: Martin, Paul (FIN) [mailto:Paul.Martin@gnb.ca]
Sent: February-09-17 7:23 AM
To: Tam, Nelson (TBS)
Subject: Report

Hi Nelson,

Any decision been made on the date to release the report?

Best regards,

Paul

Paul Martin, FCPA, FCA
Comptroller/Contrôleur
Office of the Comptroller/Bureau du contrôleur
Treasury Board/Conseil du Trésor

Phone / Téléphone (506) 238-5891
Fax / Télécopieur (506) 457-6878

E-mail / Courriel: paul.martin@gnb.ca
www.gnb.ca

image001.pdf

New Nouveau
Brunswick
CANADA

8 - The fight for Ontario’s disappearing $11 billion_ Cohn _ Toronto Star.pdf

The fight for Ontario's disappearing $11 billion: Cohn

The stage is set for a public showdown between the provincial government and auditor general Bonnie Lysyk over an accounting change that effectively wipes away nearly $11 billion in government assets.

Ontario auditor general Bonnie Lysyk announced last year that she was overturning the rules that allowed governments to book billions of dollars in surpluses for jointly run pensions deemed provincial assets — a practice that enhanced Ontario's fiscal picture. (CHRISTOPHER KATSAROV / THE CANADIAN PRESS FILE PHOTO)

By **MARTIN REGG COHN** Ontario Politics Columnist
Tues., Feb. 7, 2017

Billions of dollars are at stake in a simmering dispute pitting Ontario's auditor general against the provincial government. With the spring budget looming, neither side is backing down.

Now, an outside panel of top accounting and pension experts has determined that auditor general Bonnie Lysyk has gone out on a fiscal limb by effectively wiping away nearly $11 billion in government assets, according to multiple sources.

But the auditor tells me she won't climb down, setting the stage for a public showdown over an accounting change that is worth $1.5 billion to the bottom line this year alone.

The independent pension asset expert panel met her Friday to reveal their findings — explaining why they concluded the pension surplus is a legitimate asset on the government's books. Their report will be made public later this month, giving Lysyk more breathing room to reconsider her position before the budget deadline.

The government — and all Ontarians — may pay a price for this seemingly arcane accounting dispute if the auditor's controversial stance constrains its fiscal margin of manoeuvre, notably Liberal plans to reallocate funds for hydro relief or other spending. Fearing another credit downgrade from outside rating agencies, or an electoral downgrade from the official opposition, Premier Kathleen Wynne has turned a balanced budget into an article of faith.

But Wynne never accounted for an accounting dispute, which made her deficit elimination goal more complicated.

Lysyk announced last year that she was overturning the rules that allowed governments to book billions of dollars in surpluses for jointly run pensions deemed provincial assets. First implemented under a PC government, and carried over by the Liberals, the traditional auditor's approach enhanced Ontario's fiscal picture.

Now Lysyk has changed her mind. Yet she seems to be having it both ways.

On the one hand, the auditor says (naturally) that any deficits in joint pension funds must be counted as government liabilities. That's standard practice.

But with a pension surplus, Lysyk now says not a penny can be counted as an asset. Neither a liability nor a surplus, these billions of dollars are being treated as trans-assets, transmogrified by the auditor into phantom money — a virtual disappearing act.

It's tempting to cast this as a political dispute between Liberal partisans and a politicized auditor. But that would be a misreading of the battle lines.

The most vociferous opposition to Lysyk's position comes from the civil servants who count up the money in the provincial treasury. The auditor, in turn, is as mistrustful of the public servants as she is of their political masters.

Lysyk challenged the controller in the government's treasury board — senior civil servant Cindy Veinot — to provide her with additional evidence that the pension money should continue to be treated as an accounting surplus. But when outside accounting consultant Deloitte LLP corroborated that position, the auditor balked. According to multiple sources, Lysyk dismissed the Deloitte submission as being biased — claiming a conflict of interest because Veinot had previously been a partner at Deloitte, and because the firm was paid a fee.

Lysyk acknowledged such fees are standard practice. But she would not comment on whether Deloitte was biased because a former partner was now a public servant.

Deadlocked, the government announced an independent panel on Public Service Accounting Standards, headed by a former chair of the Canadian Actuarial Standards Oversight Council. The expert panel reached its own conclusions:

Like a deficit, a surplus belongs to employers provided they comply with basic rules. Jointly-held pensions aren't that much more complicated — as with a joint bank account or jointly held GIC, both parties hold a proportionate share of the asset.

Lysyk wouldn't discuss Friday's meeting with the independent panel of experts, or its findings to date. Asked about the panel's credentials, she countered, "We did our homework, and we did a lot of work."

The auditor told me her mind is made up, and nothing she has heard so far has changed her view. Which leaves her on a limb, and the government in the lurch.

If both sides harden their positions, the auditor may refuse to fully endorse the treasury's public accounts, and the government may opt to go its own way — providing detailed explanations to credit rating agencies to disprove the auditor's stance.

There are political overtones to this dispute, and economic consequences. The opposition will side with the godly auditor against a big bad Liberal government. But the financial and accounting community will make up its own mind when they look at the books, and the detailed explanations.

Billions of dollars are at stake, to be sure. Reputations, too.

Martin Regg Cohn's political column appears Tuesday, Thursday and Saturday. mcohn@thestar.ca , Twitter: @reggcohn

8 - Wynne welcomes report saying pension surplus counts toward province’s bottom line _ Toronto Star.pdf

Wynne welcomes report saying pension surplus counts toward province's bottom line

Finding gives Liberal government ammunition in dispute with Auditor General, who concluded last year that the money, not readily available to the province, should no longer be listed as an asset.

Ontario Premier Kathleen Wynne: Without the surplus from the Ontario Public Service Employees' Union and Ontario Teachers' pension plans, last year's deficit was $5 billion, not the $3.5 billion the government calculated. (SEAN KILPATRICK / THE CANADIAN PRESS FILE PHOTO)

By **ROB FERGUSON** Queen's Park Bureau
Tues., Feb. 7, 2017

Premier Kathleen Wynne is welcoming a report from four accounting experts that says a $10.7-billion pension surplus can be counted as an asset against the province's bottom line.

The finding gives her Liberal government ammunition in a spat with Auditor General Bonnie Lysyk, who concluded last year that the money, which is not readily available to the province, should no longer be listed as an asset.

Read More: The fight for Ontario's disappearing $11 billion: Cohn

"There was a conflict between the advice that the auditor general is giving us and the advice that our officials were giving us," Wynne said Tuesday.

"We sought independent third-party advice and you know we have to take that independent advice very seriously."

The report, on which the auditor general was briefed last week, will be made public later this month.

Lysyk's ruling, which reversed 14 years of counting the surplus as an asset, became a point of contention because it affects the size of Ontario's deficit, which Wynne promised to eliminate by 2018 when she seeks re-election.

Without the surplus from the Ontario Public Service Employees' Union and Ontario Teachers' pension plans, last year's deficit was $5 billion, not the $3.5 billion the government calculated.

Lysyk's new interpretation of the accounting treatment for the money came after her office took a closer look at the government's claim on the pension plans it co-sponsors.

The change prompted opposition parties to warn the government suddenly had a massive hole in its budget, but Finance Minister Charles Sousa maintained that the budget would be balanced on schedule regardless.

The practice of counting the pension surplus as a government asset dates to the previous Progressive Conservative government.

Lysyk could not immediately be reached for comment, but told the Star's Martin Regg Cohn on Monday that she will not back down.

Wynne said the expert panel included four people with "vast experience" on such issues.

The panelists are: Tricia O'Malley, chair of the Canadian Actuarial Standards Oversight Council; Murray Gold, of Koskie Minsky LLP, a law and pension consulting firm; Uros Karadzic, a partner at Ernst and Young, and Paul Martin, a controller with the government of New Brunswick and a former partner at accounting giant Grant Thornton LLP.

"What we have to do as government is get the best advice that we can," Wynne said Tuesday.

Read more about: Kathleen Wynne