AG and Pension Asset + Cost of Panel

From: "Prins, Sebastian (TBS)" <sebastian.prins@ontario.ca>
To: "@OPO-Media Relations and Issues Management" <opo-mediarelationsandissuesmgmt@msgov.gov.on.ca>
Cc: "Tedesco, Lauren (TBS)" <lauren.tedesco@ontario.ca>, "Ostergard, Matt (TBS)" <matt.ostergard@ontario.ca>, "Moore, Brynne (MOF)" <brynne.moore@ontario.ca>
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Morning Priscilla,

See below for our KMs this morning!

Sebastian.

AG and Pension Assets

Summary:
AG in the Media Studio at 10am.

Key Messaging AG AGREE:

- I am pleased that there is now agreement between the Province's professional accounting staff and the Auditor General regarding the accounting standards for Ontario's jointly sponsored pension plans.
- The Independent Expert Panel concluded that the province's share of the surplus in the net pension assets of both the Ontario Teachers' Pension Plan and the Ontario Public Service Employees Union Pension Plan should be recognized as an asset in Ontario's financial statements
- They came to this conclusion because recognizing this asset will provide a faithful representation of the province's financial position.
- I would like to thank the members of the Independent Expert Panel for their thorough analysis. I look forward to continuing to work with the Auditor General.

Key Messaging AG DISAGREE:

- The Independent Expert Panel released its thorough advice, concluding that the province's share of the surplus of the net pension assets of both the OTPP and OPSEUPP should be recognized as an asset in Ontario's financial statements.
- They concluded that the government controls access to the pension surplus which has a future economic benefit to the province and recognizing the asset will provide an accurate representation of the province's financial position
- We are committed to implementing the advice of this independent expert panel and will use it in preparing the province's financial statements.

Cost of Panel

Summary:
The Toronto Sun (A5) has two articles on the numbering crunching aspect of the expert panel. It says government spent up to $435,000 to the expert panel in the dispute with the Auditor General. The article says this has made OPSEU's Warren Smokey Thomas livid and notes that he wants a guarantee the government won't raid his members' pension

fund. Ontario Treasury Board spokesman Matt Ostergard is quoted from an email, “The work of the panel is ongoing so we don’t have final costs at this time but they will be in line with previous panels and will be made public.”

Key Messaging:

- The work of the expert panel is ongoing so we don’t have final costs at this time.
- The final costs of the expert panel will be in line with previous panels and will be made public.