FW: Public Accounts

From: "McLean, David (MOF)" <david.mclean@ontario.ca>
To: "Thompson, Scott (MOF)" <scott.thompson@ontario.ca>
Date: Tue, 27 Sep 2016 14:16:53 -0400

FYI – LSB and Gadi have reviewed language that Minister Sandals will use this afternoon. Legal has made the one suggestion to avoid the term "extraordinary", which they acknowledge is likely being used purposefully. Gadi had no comments.

From: Waterston, Michael (MOF)
Sent: September 27, 2016 2:12 PM
To: McLean, David (MOF)
Subject: FW: Public Accounts

FYI – we gave this input to TBS Legal.

From: Waterston, Michael (MOF)
Sent: September 27, 2016 2:12 PM
To: Kearney, Sean (TBS)
Cc: Hanslep, Malle (MOF); Hatzis, Len (TBS); Edmonds, Michael (MOF); Rundans, Patrick (MOF)
Subject: RE: Public Accounts

Hi Sean,

We're basically fine with the wording, with one comment (which is more a TBS issue).

The use of the word "extraordinary" has its risks; it could raise questions and be challenging to justify; however, I expect that you've pointed this out and that the choice is deliberate. Still, it might be safer to take out the following words: address a n extraordinary circumstance and. The sentence would then read: We require this extension in order to ensure that all necessary documentation can be finalized.
We've shared the wording with the OFA and they have no comments.

Michael

From: Kearney, Sean (TBS)
Sent: September 27, 2016 12:31 PM
To: Waterston, Michael (MOF)
Cc: Hanslep, Malle (MOF); Hatzis, Len (TBS)
Subject: RE: Public Accounts

M, they are looking at Minister Sandals making the following announcement in the House today. Of course the language is still subject to change etc. but please let us know if any concerns etc..
And if there are any significant changes to this language then I will let you know asap.

- In the interests of transparency I wish to inform the House that there will need to be a slight delay in the tabling of Public Accounts as we work with the Office of the Auditor General to finalize the documents.

- [They will be Tabled as soon as possible (or shortly).] OR [I have therefore directed senior Treasury Board officials to work with the Office of the Auditor General to develop a plan and finalize the Public Accounts by X date]

- I wish to assure the House and the public that even though Public Accounts are delayed, we are on track to meet our fiscal targets.
- We require this extension in order to address a n extraordinary circumstance and ensure that all necessary documentation can be finalized.
- Lower than forecast deficit projections confirm that our government's plan to achieve fiscal balance by 2017–18 is working while we continue to invest in the programs and services that matter to Ontarians.

Sean Kearney
Legal Director
Ministry of the Attorney General | Legal Services Branch | Treasury Board Secretariat
77 Wellesley Street West, 9th Floor, Ferguson Block, Toronto, ON M7A 1N3
Phone: 416-327-6396 Fax: 416-325-9404

From: Kearney, Sean (TBS)
Sent: September-27-16 12:29 PM
To: Waterston, Michael (MOF)
Cc: Hanslep, Malle (MOF); Hatzis, Len (TBS)
Subject: FW: Public Accounts

Sorry Michael. I meant to copy you on the below. Also about to send you another email re a Minister's announcement.

Let me know if any concerns etc.. This is moving like a freight train as you can imagine.
S

Sean Kearney
Legal Director
Ministry of the Attorney General | Legal Services Branch | Treasury Board Secretariat
77 Wellesley Street West, 9th Floor, Ferguson Block, Toronto, ON M7A 1N3
Phone: 416-327-6396 Fax: 416-325-9404

From: Kearney, Sean (TBS)
Sent: September-27-16 12:26 PM
To: Monahan, Patrick (MAG)
Cc: Glasberg, Irwin (MAG); Costen, David (MAG); Irvine, Marie (MAG)
Subject: Public Accounts

Just by way of a further update, we have just been instructed to proceed with the below Regulation with a view to presenting it at Treasury Board this afternoon. I also understand that Minister Sandals is to make a statement in the House today confirming that there is a need to delay the tabling of Public Accounts. However, I don't believe they have yet landed on a definitive date yet and that might be subject to continued discussions with the Auditor General (DM's Orenscak and Thompson and the Provincial Controller are meeting with the Auditor General as I write this).

I will continue to keep you apprised as best I can.

Thanks
Sean

Sean Kearney
Legal Director
Ministry of the Attorney General | Legal Services Branch | Treasury Board Secretariat
77 Wellesley Street West, 9th Floor, Ferguson Block, Toronto, ON M7A 1N3
Phone: 416-327-6396 Fax: 416-325-9404

ONTARIO REGULATION

made under the

FINANCIAL ADMINISTRATION ACT

Amending O. Reg. 395/11

(ACCOUNTING POLICIES AND PRACTICES)

1. Ontario Regulation 395/11 is amended by adding the following section:

Accounting policies and practices for the 2015-2016 fiscal year

3. (1) The consolidated financial statements of the Province set out in the Public Accounts for the fiscal year ending March 31, 2016 shall be prepared in accordance with the following rules:

1. In determining a valuation allowance for a jointly sponsored pension plan with a surplus calculated for accounting purposes, the Province shall assume an expected future benefit of zero.

2. The rule in paragraph 1 shall be reflected in all related asset, revenue, liability, expense and accumulated deficit balances as if it had been implemented effective April 1, 2015.

(2) In subsection (1),

"jointly sponsored pension plan" has the same meaning as in the *Pension Benefits Act*.

Commencement

2. This Regulation comes into force on the day it is filed.