

Appendix 13: Cost Allocation Methodology**Acronym Key**

B – Basic

E – Extension

LOB – Line of Business

SRE – Special Risk Extension

FTE – Full Time Equivalent

WCCCCR – Weighted Average Customer Contact Center Call Ratio

Detailed Allocation Definitions:

Category	Cost Category	Accounting Units	PUB Approved Method
Injury Claims Management - PIPP	A	018,042,048, 052,054,404	Based on Claims under Mgmt. (B&E) then 100% Claims
Injury Claims Management - Liability	S	019	Based on Claims under Mgmt. (B,E &SRE) then 100% Claims
Claims Ins Support Operations	B	003,011,079	Insurance based on Claims Incurred (B,E&SRE) then 100% Claims
Loss Prevention Programs	C	008,010	Insurance based on Claims Incurred (B,E&SRE) then 100% Road Safety/Loss Prevention
Driver Records	E	104	50/50 Insurance/Non-Insurance then Insurance 100% Basic Operating
Vehicle Registration	F	102	Based on estimated work effort (15.3% Insurance 84.7% Non-Insurance) then Insurance 100% Basic operating

revised August 17, 2021
June 28, 2021

BLACKLINE

2022 GENERAL RATE APPLICATION
Part V – EXP Appendix 13 - Blackline

Category	Cost Category	Accounting Units	PUB Approved Method
Claims Centres	H	023,026, 035,260,261, 499	Insurance based on Claims Incurred (B,E&SRE) then 100% Claims
Service Centres	I	013,014,015, 021,025,029, 031,032,033, 034,037,039, 041,046,047, 049,050,424	Insurance and Non-Insurance based on COB salary ratio then Insurance based on Claims Incurred (B,E&SRE) then Claims and Operating based on FTE percentage
Physical Damage Centre	J	022,077,108, 109,402,403, 409	Insurance based on Claims Incurred (B,E&SRE) then 100% Claims
Central Administration	K	005,038,400	Insurance and Non-insurance based on WCCCCR then Insurance based on Claims Incurred (B,E&SRE) then 100% Operating
Physical Properties	L	072,110,114, 115,116,118, 119,120,121, 122,125,127, 129,130,132, 133,134,135, 137,139,141, 145,161,177, 178	072 including allocated Corporate Benefits plus all buildings allocated based on square footage
Corporate Information Technology	M	093,094,198, 406,416,417, 418 ,498	Insurance and Non-Insurance based on WCCCCR then Insurance based on Claims Incurred (B,E&SRE) then Claims and Operating based on FTE percentage

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Category	Cost Category	Accounting Units	PUB Approved Method
Human Resources and Training	N	071,080,083, 405,411,412, 413,414	Insurance and Non-insurance based on WCCCCR then Insurance based on Claims Incurred (B,E&SRE) then 100% Operating
Advertising and Communications	O	066,070,074, 410	Insurance and Non-insurance based on WCCCCR then Insurance based on Claims Incurred (B,E&SRE) then 100% Operating
Fair Practices	P	043	Insurance and Non-Insurance based on WCCCCR then Insurance based on Claims Incurred (B,E&SRE) then Claims and Operating based on FTE percentage
Accounting and Finance	Q	002,004,006, 045,067,408	Insurance and Non-insurance based on WCCCCR then Insurance based on Claims Incurred (B,E&SRE) then 100% Operating
Investments	R	064	100% Insurance (B,E&SRE) based on Claims Reserve/Unearned Premium then 100% Operating
Employee Benefits	T	007	Allocated to units based on Compensation \$'s/Total Compensation \$'s * unit 007 Expenses

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Category	Cost Category	Accounting Units	PUB Approved Method
Legal	U	059	Insurance and Non-Insurance based on WCCCCR then Insurance based on Claims Incurred (B,E&SRE) then Claims and Operating based on FTE percentage
ID Verification and Data Integrity	V	069	Based on work effort 50/50 Insurance & Non-insurance. Insurance (B,E&SRE) based on Claims Incurred then 100% Operating
Customer Service and Support	W	076,086	Insurance and Non-insurance based on WCCCCR then Insurance based on Claims Incurred (B,E&SRE) then 100% Operating
Enterprise Systems Support	AA	068,075,087, 088, 091, 418	Insurance and Non-Insurance based on WCCCCR then Insurance based on Claims Incurred (B,E&SRE) then Claims and Operating based on FTE
Regulatory/ Appeal	CC	062	Crown Corp Levy allocated Insurance and Non-insurance based on WCCCCR then Insurance based on Claims Incurred (B,E&SRE) then 100% Regulatory/Appeal Remainder 100% Basic Regulatory Appeal

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Management Committee	DD	063	Insurance and Non-insurance based on WCCCCR then Insurance based on Claims Incurred (B,E&SRE) then 100% Operating
Contact Centre Operations	EE	078	Insurance and Non-Insurance based on WCCCCR then Insurance based on Claims Incurred (B,E&SRE) then Claims and Operating based on FTE percentage
Business Transformation Office	FF	092, 051, 407	Refer to Improvement Initiatives for allocation. Uses the LOB proportion of all BTO initiative costs undertaken for the year.
Product & Policy Management	ZZ	058, 060, 073, 096	Insurance and Non-Insurance based on WCCCCR then Insurance based on Claims Incurred (B,E&SRE) then Claims and Operating based on FTE percentage
Actuarial and Forecasting	KK	095, 415	Insurance and Non-Insurance based on WCCCCR then Insurance based on Claims Incurred (B,E&SRE) then 100% Operating
Product Development & Management	MM	036, 085	Basic and Extension lines of business based on claims incurred then 100% Operating

Category	Cost Category	Accounting Units	PUB Approved Method
COVID Recoverable Expenses	BC	497	Insurance and Non-Insurance based on WCCCCR then Insurance based on Claims Incurred (B,E&SRE) then Claims and Operating based on FTE percentage
Strategic Management	BE	419	Insurance and Non-Insurance based on WCCCCR then Insurance based on Claims Incurred (B,E&SRE) then 100% Operating
Data Management	BF	421, 422, 423	Insurance and Non-Insurance based on WCCCCR then Insurance based on Claims Incurred (B,E&SRE) then Claims and Operating based on FTE percentage

Initiatives:

Category	Board Approved Method	Basic %
Vehicle Policy and Registration	Insurance 100% Operating Basic	100%
NOVA Property and Casualty Stream NOVA - P&C-Ongoing Costs	Insurance based on Claims Incurred (B,E, & SRE) then Claims and Operating based on FTE %	86.16%
NOVA Digital Stream NOVA - Digital-Ongoing Costs	Insurance and non-insurance based on WCCCCR then LOB based on Claims Incurred (B,E,&SRE) then Claims & Operating based on FTE %	78.03%
NOVA Leadership & Delivery Stream	Insurance and non-insurance based on % of overall Nova Project costs per year	44.31%

Category	Board Approved Method	Basic %
Technology Risk Management	Insurance and Non-Insurance based on WCCCR then Insurance based on Claims Incurred (B,E&SRE) then	78.03%
Insertions of work	Claims and Operating based on FTE percentage	
Finance reengineering		
Information Security Maturity		
Migration of DevOps		
Records Management Remediation		
Microsoft 365		
Proecess Management Enhancement		
Cityplace Space Plan	Insurance and Non-Insurance based on WCCCR then Insurance based on Claims Incurred (B,E&SRE) then Claims and Operating based on FTE percentage	78.03%
Sharepoint Capabilities Discovery of Content Management	Insurance & Non-insurance based on WCCCR then to LOB based on Claims Incurred (B,E&SRE) then 100% Operating	78.03%

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