

Present:

Michael Werier, Chair of the Board of Directors

Richard Deacon, President & CEO (ex officio)

Glenn Hildebrand (Virtual)

Ranbir Dhillon

Randal Smith

Jean-Guy Bourgeois

Marc Lafond

Sylvia Farley

Yvette Milner (Virtual)

Chris Lorenc

Being a quorum of the Board of Directors under *The Workers Compensation Act*.

Also Attending:

Cathy Skinner, Vice President, Legal, Compliance & Corporate Services (LCCS)

Heather Baete, Recording Secretary

Candace Crossland, CEO Office Liaison

In Attendance for Specific Items:

Doug Einarson, Audit Committee Member

Scott Greenlay, Audit Committee Member

Raj Matharu, Insurance Finance Leader, Deloitte

Stephanie Chan Tim Hing, Director, Accounting and Reporting Advisory Services,
Deloitte

Leslie Hurley, Vice President & Chief Financial Officer

Regrets:

Ron Koslowsky, Director

Call to Order

The meeting was called to order at 12:20 p.m. The agenda was confirmed as circulated.

Regrets were received from Ron Koslowsky.

It was noted the Presentation of IFRS 17 will be the first item addressed to accommodate the external participants.

Program Presentation: IFRS 17

The Vice President & Chief Financial Officer (CFO) along with the following people joined the meeting:

Doug Einarson, External Audit Committee member

Scott Greenlay, External Audit Committee member

Raj Matharu, Insurance Finance Leader, Deloitte

Stephanie Chan Tim Hing, Director, Accounting and Reporting Advisory Services, Deloitte

The CFO provided an overview of the accounting standard IFRS 17 which applies to any entity that issues insurance contracts. While primarily for private insurance companies, it also applies to Canadian WCBs. The new standard came into effect on January 1, 2023.

The CFO reviewed the impacts of IFRS 17 on the WCB and provided illustrations of the differences in reporting. She noted the financial statements prepared under IFRS 17 are not appropriate for rate setting purposes as the rate setting takes a long term view of the financial status rather than the point in time reporting of IFRS 17. The WCB will be preparing two sets of financial statements on a going forward basis.

The CFO reported a number of position papers have been completed and vetted by the external auditor PwC. A number of other papers and policies are in the review stage with PwC. She noted the WCBs across Canada are working together to ensure a strong and consistent approach to the reporting changes. The next steps in the transition plan were discussed.

The CFO, External Audit Committee members and the Deloitte representatives left the meeting.

Conflict of Interest Declaration

There were no declared conflicts.

Minutes of Previous Meeting

The Chair presented the Summary of Discussions from the June 20, 2023 Board of Directors Strategic Planning Session.

On motion duly made and carried,

BE IT RESOLVED THAT the Summary of Discussions from the June 20, 2023 Board of Directors Strategic Planning Session are confirmed as a reasonable record.

The Chair presented the minutes from the June 21, 2023 Board of Directors meeting.

On motion duly made and carried,

BE IT RESOLVED THAT the minutes of the June 21, 2023 Board of Directors meeting are confirmed as a reasonable record.

The Chair presented the minutes from the August 15, 2023 Board of Directors meeting.

On motion duly made and carried,

BE IT RESOLVED THAT the minutes of the August 15, 2023 Board of Directors meeting are confirmed as a reasonable record.

Business Arising

The Board of Directors received the information provided with the agenda.

For Decision

Revisions to Policy 21.90, *Fair Practices Office*

(Board Order No. 30/23)

Jean-Guy Bourgeois introduced this item on behalf of the Governance Committee. He noted the changes relate mainly to the reporting relationship under WCB Management. A closer relationship with a line department, through the Corporate Secretary, will provide better support to the operation of the office. Changes were also made to introduce greater clarity around the meaning of the terms such as fairness, independence and systemic. The Office will also continue to report to the Chair of the Governance Committee.

It was reported British Columbia has announced the establishment, by statute of a Fair Practices Commissioner, who will have greater independence than the previous FPO. The mandate of this Commissioner is similar to the mandate set out in the revised policy.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approve revisions to Policy 21.90, *Fair Practices Office*, effective October 1, 2023.

Policy 35.40.50, Overpayment of Benefits

(Board Order No. 31/23)

Jean-Guy Bourgeois introduced this item on behalf of the Governance Committee. Revisions to the policy clarify the responsibilities of all employers that have paid injured workers directly when seeking recovery of overpayments which aligns the policy explicitly with the Policy 22.30, *Agents of the WCB*. Changes also included aligning the policy with changes to *The Limitation Act*.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approve the revised Policy 35.40.50, *Overpayment of Benefits*, effective January 1, 2024.

Policy 52.30, SAFE Work Certified Program

(Board Order No. 32/23)

Jean-Guy Bourgeois introduced this item on behalf of the Governance Committee. The revisions clarify that there are two distinct processes for SAFE Work Certification, one that applies to Class E employers and another that applies to individually assessed employers. It also confirms that only Class E employers are eligible for a prevention rebate.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approve the revisions to Policy 52.30, *SAFE Work Certified Program*.

Schedule of Occupational Disease Framework

(Board Order No. 33/23)

Jean-Guy Bourgeois introduced this item on behalf of the Governance Committee. He reported the Board previously approved the Occupational Diseases Regulation and asked that a framework be drafted that would communicate the process that guides WCB identification of occupational disease and provides clarity on the criteria the WCB will use to determine the most appropriate adjudicative approach to distinct occupational diseases.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approve the *Occupational Disease Policy Framework*.

Remuneration for External Committee Members

(Board Order No. 34/23)

Jean-Guy Bourgeois introduced this item on behalf of the Governance Committee. He noted the compensation for external committee members has not changed since 2007 and the complexity of matters before the Committee has increased.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors:

1. Approve an increase in fees for all external committee members from \$600 per meeting to \$1200 per meeting.
2. Direct the Administration to conduct inter-jurisdictional research on remuneration available to board members and external committee members, for review at the Governance Committee.

Digital Modernization Oversight Committee Expert External Members & Committee Appointment

(Board Order No. 35/23)

Jean-Guy Bourgeois introduced this item on behalf of the Governance Committee.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approve:

1. Scott Greenlay as an external expert member of the Digital Modernization Oversight Committee and that this appointment reviewed 12 months after the first meeting of this Committee.

2. Appointment of the following Board Members to the Digital Modernization Oversight Committee effective immediately:
 - a. Employer Representative Chris Lorenc
 - b. Labour Representative Sylvia Farley
 - c. Public Interest Representative Glenn Hildebrand
3. Appointment of Glenn Hildebrand as the Committee Chair.

Asset Liability Study Baseline Results and Risk Budget

(Board Order No. 36/23)

Marc Lafond introduced this item on behalf of the Investment Committee.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approve the recommended changes to the Retirement Plan's policy asset mix and move to Phase II of the Asset Liability Study.

Statement of Investment Policy & Objectives - Accident Fund

(Board Order No. 37/23)

Marc Lafond introduced this item on behalf of the Investment Committee

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approved revisions to Policy 32.00, *Statement of Investment Policies and Objectives*, effective September 28, 2023.

Funding Policy Guiding Principles

(Board Order No. 38/23)

Marc Lafond introduced this item on behalf of the Investment Committee.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors confirmed financial security and predictability and stability of assessments as the key guiding principles for the Accident Fund Reserve Target review.

For Information

Committee Reports

The Board of Directors received the following Committee reports as information:

Audit Committee Meeting - August 10, 2023

Investment Committee Meeting - September 14, 2023

Finance Committee Meeting - September 14, 2023

Governance Committee Meeting - September 19, 2023

Prevention Advisory Council Meeting Minutes - August 29, 2023

2024 Detailed Assessment Rates

The Board of Directors received the 2024 Detailed Assessment Rates as information.

Actuarial Projects and Significant Assumptions

The Board of Directors received the Actuarial Projects and Significant Assumptions report for information as information.

Board of Directors Meeting Schedule

There was a request to move a meeting of the Governance Committee.

The Board of Directors received the 2024 Board of Directors Meeting Schedule as information.

Administration Report

Digital Modernization Update: The President & CEO reported work is moving forward on setting up the Digital Modernization Program team, including the issuing of a number of Request for Proposals.

Worker Care Clinic: The Board was interested in a comparison between the projected clinic usage and the actual clinic usage.

The Board of Directors received the report as information.

Corporate Secretary Report

The Board of Directors received the report as information.

Board of Directors Work Plan

The Board of Directors received the information provided with the agenda.

Other Business

No other business

In Camera Discussion

The Board of Directors adjourned to an *in camera* session.

Conclusion

As all matters coming before the Board had been dealt with, the meeting concluded at 1:39 p.m.

The next meeting will be held on Thursday, November 2, 2023 at 12:15 p.m.