

Present:

Ron Hambley, Acting Chairperson
Winston Maharaj, President and CEO (Non-voting)
Paul Challoner Jane MacKay Wendy Sol
Rob Labossiere Ron Stecy
Colleen Seymour Jan Schubert

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

Also Attending:

Lori Ferguson Sain, General Counsel & Vice President, Compliance & Corporate Services

In Attendance for Specific Items:

Alice Sayant, Vice President, Strategy & Assessment Services
Deana Martz, Fair Practices Advocate

Regrets:

Michael Werier, Chairperson
Ken Sutherland, Director

The President & CEO played the "Exec Connect" video. He reported that this format was recently used to communicate with staff of the status of various initiatives. Two topics were addressed in person: Innovation with David Scott and Space Planning with Lorena Trann. One topic was selected by the Executive Management Team and the other was in response to staff feedback. Executives who did not present in person filmed a short update on their areas.

CALL TO ORDER

(Board Order No. 09/15 & 10/15)

The President & CEO advised the Board of Directors that in the absence of the Chairperson and Acting Chairperson, it is necessary for the Board to appoint an acting Chairperson.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approve the appointment of Ron Hambley as the Acting Chairperson for this meeting.

Ron Hambley assumed the chair.

The Acting Chairperson called the meeting to order and confirmed the agenda. He noted that the meeting is designated the Annual Meeting due to the consideration of the WCB's Annual Report.

The Acting Chairperson welcomed Jan Schubert to the meeting as a public interest representative replacing Rob Plohman. The Board considered the Committee appointment for Ms. Schubert.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors appoint Jan Schubert to the Investment Committee and the Finance Committee as a member representative of public interest.

MINUTES OF PREVIOUS MEETING

The minutes of the January 22, 2015 meeting were confirmed as a reasonable record.

BUSINESS ARISING

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

FOR CONSIDERATION/DECISION

2014 ANNUAL REPORT

(Board Order No. 11/15)

Ron Hambley introduced this item on behalf of the Audit Committee.

The President & CEO noted that the auditors issued a qualified report because they were unable to value the infrastructure investments. This is a timing issue related to the release of the asset manager's audited financial statements. He reported that this will be an issue going forward. The WCB will approach the Minister Responsible to change the WCB's reporting cycle to enable the auditors to obtain the information they require to complete their audit work.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approve the 2014 Annual Report including the text, Financial Statements and Management Discussion & Analysis and authorize the President and CEO to approve any further minor changes.

With respect to the Auditor's Report, if before March 31, the Auditor receives the information necessary to provide an unqualified Report, the President and CEO is authorized to provide that Report to the Minister as part of the Annual Report. The CEO will thereafter report to the Board.

2015-2019 FIVE YEAR PLAN

(Board Order No. 12/15)

Paul Challoner introduced this item on behalf of the Finance Committee.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approve the 2015-2019 Five Year Plan and authorize the President & CEO to approve any further minor changes.

DISPOSITION OF EXCESS RESERVES

(Board Order No. 13/15)

Paul Challoner introduced this item on behalf of the Finance Committee. There was discussion regarding the proposal and the transition to the new rate model.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approve the proposal to implement an average assessment rate decrease in 2017 in order to reduce the reserves to align with the Accident Fund Reserve target by 2019.

WCB RETIREMENT PLAN FUNDING POLICY

(Board Order No. 14/15)

Paul Challoner introduced this item on behalf of the Finance Committee.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approve the updated Funding Policy.

FIXED INCOME PORTFOLIO

(Board Order No. 15/15)

Paul Challoner introduced this item on behalf of the Investment Committee. The Board discussed the mandate of a core plus fixed income strategy.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approve:

- Changes to the Statement of Investment Policies and Objectives that are required to implement a core plus fixed income strategy, and
- Transitioning the TD Asset Management ("TDAM") Short Term Corporate and Long Term Government fixed income portfolios to the TDAM Core Plus portfolio in order to achieve a 50% allocation to the core plus fixed income strategy.

TERMINATION OF CANADIAN EQUITY MANDATE

(Board Order No. 16/15)

Paul Challoner 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 recommendation that CSSB be terminated as a Canadian equity manager.

2015 BOARD OF DIRECTORS STRATEGIC PLANNING SESSION

(Board Order No. 17/15)

Ron Stecy introduced this item on behalf of the Policy, Planning, Governance and Service Committee. The Board discussed the proposed agenda and agreed that an external facilitator be retained.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approve the proposed 2015 Planning Session agenda.

POLICY 43.20.40 RELOCATION

(Board Order No. 18/15)

Colleen Seymour introduced this item on behalf of the Policy, Planning, Governance and Service Committee. The Board discussed the proposed changes to the policy. They requested a subject matter expert attend to provide further information on best practices in other jurisdictions and the desired outcomes the proposed policy changes would accomplish.

On motion duly made and tabled,

BE IT RESOLVED THAT the Board of Directors approve the repeal of the existing Policy 43.20.40 *Relocation* and replace it with the proposed Policy 43.20.40 *Relocation*.

OTHER BUSINESS

ANNUAL INVESTMENT PORTFOLIO OVERVIEW

The President & CEO introduced discussion on this item. He noted the investment decisions of the WCB to enter into infrastructure and core plus fixed income asset classes.

The identification process and due diligence that was conducted prior to decision to enter infrastructure was reviewed. There was discussion regarding the timing of the financial reporting for the infrastructure investment.

The Board of Directors received the Annual Investment Portfolio Overview Report for information.

REPORTS

COMMITTEE REPORTS

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

Audit Committee Meeting - January 15, 2015

Investment Committee Meeting - March 5, 2015

Finance Committee Meeting - March 5, 2015

Audit Committee Meeting - March 9, 2015

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

ADMINISTRATION REPORTS

The Vice President, Strategy & Assessment Services joined the meeting.

Comprehensive Review of the Assessment Rate Model: The Vice President reported that following the January Board meeting, the Administration conducted further consultations with the Stakeholder Advisory Group (SAG) to discuss the proposed six core changes. Two meetings were held to accommodate schedules. The SAG was provided an overview of the various initiatives underway at the WCB including prevention, compliance and compensation.

Information was provided to the SAG on the interrelatedness of the various initiatives and examples were provided. The SAG expressed support for the proposed changes and agreed that the Board could so be advised. The SAG advised that no further consultation was necessary at this time. They did however agree that extensive communication will be necessary especially when more is known about the specific impact on employer groups. The SAG agreed to remain engaged as the WCB works out its transition and communication plans. A full report will be presented to the Board in June which will include the details of the impact of the rate model changes and the transition and implementation plans.

The Board expressed their thanks for the work done in engaging stakeholders.

The Vice President, Strategy & Assessment Services left the meeting.

Exec Connect: The President & CEO reported that as the compensation system is re-engineered over the next few years, special efforts are being made to engage staff and enhance communication.

Compliance Update: The President & CEO reported that decisions letters have been issued to employers relating to claim suppression matters. An appeal process is available to employers who do not agree with the findings. A communication strategy for penalties is being developed.

MEETING WITH THE FAIR PRACTICES ADVOCATE

The Fair Practices Advocate joined the meeting. She provided highlights of her report.

The Board of Directors received the report for information.

The Fair Practices Advocate left the meeting.

MANAGEMENT RESPONSE TO THE FAIR PRACTICES ADVOCATE REPORT

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

BOARD OF DIRECTORS WORK PLAN

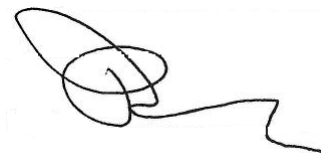
The Board of Directors received the information provided with the agenda. The Board agreed to reschedule the June Board of Directors meeting.

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 Chairperson declared the meeting to be concluded at 2:18 p.m.



Chairperson



Corporate Secretary