

Present:

Michael Werier, Chair of the Board of Directors

Richard Deacon, President & CEO (ex officio)

Glenn Hildebrand

Randal Smith

Jean-Guy Bourgeois

Marc Lafond

Sylvia Farley (Video)

Yvette Milner

Ron Koslowsky

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

In Attendance for Specific Items:

Leslie Hurley, Vice President & Chief Financial Officer

Regrets:

Ranbir Dhillon, Director

Chris Lorenc, Director

Call to Order

The meeting was called to order at 12:17 p.m. The agenda was confirmed as circulated.

Regrets were received from Ranbir Dhillon and Chris Lorenc.

The Board Chair acknowledged a recent article in the Winnipeg Free Press regarding Ron Koslowsky's upcoming retirement from the Canadian Manufacturers & Exporters.

Conflict of Interest Declaration

There were no declared conflicts.

Minutes of Previous Meeting

The Chair presented the minutes from the September 28, 2023 Board of Directors meeting.

On motion duly made and carried,

BE IT RESOLVED THAT the minutes of the September 28, 2023 Board of Directors meeting are confirmed as a reasonable record.

The Chair presented the minutes from the November 2, 2023 Board of Directors meeting.

On motion duly made and carried,

BE IT RESOLVED THAT the minutes of the November 2, 2023 Board of Directors meeting are confirmed as a reasonable record.

Business Arising

Worker Care Clinic: The Board received the update for information. They asked for further information on the details of the marketing efforts associated with this initiative.

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

For Decision

The CFO joined the meeting.

Accident Fund Target Review Outcomes

(Board Order No. 40/23)

Ron Koslowsky introduced this item on behalf of the Finance Committee. He reported that results of the review by the consultant confirm the appropriateness of the 130% funding ratio target. It was noted the discretionary features of the Funding Policy also provide important safeguards around remaining fully funded. It was noted, the average assessment rate is subsidized on the strength of the Accident Fund. There was discussion about other uses of excess funds.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approve the setting of the Accident Fund's funding ratio target at 130%.

2024 Board of Directors, Fair Practices and Internal Audit Department Budgets

(Board Order No. 41/23)

Ron Koslowsky introduced this item on behalf of the Finance Committee. He noted the changes in the budgets are due to the addition of a new Board Committee, Digital Modernization Oversight Committee, and general wage increases.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approve the 2024 budget for the Board of Directors, Fair Practices Office (FPO) and Internal Audit departments.

2024 Budgets

(Board Order No. 42/23)

Ron Koslowsky introduced this item on behalf of the Finance Committee. He noted the allocation for new initiatives to support the Cybersecurity remediation program and implementation of the Business Continuity Plan.

In response to a concern regarding IBSP Funding, the CFO noted that the WCB's portion of the funding has decreased because of strong payroll growth. IBSP funding is reporting on a quarterly basis.

The Board noted the allocation for parking lot enhancements. The Board suggested the Administration look into opportunities to obtain government funding for these types of enhancements. There was discussion about the current level of staffing. The CEO reported that positions are being added at this time, only if there is a certainty that the positions will be required on a going forward basis.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approve the 2024 operating and capital budgets.

Digital Modernization - Foundation Phase Funding

(Board Order No. 43/23)

Ron Koslowsky introduced this item on behalf of the Finance Committee. Concern was expressed by the Board that the Digital Modernization Oversight Committee (DMOC) has not had an opportunity to receive their orientation and provide oversight of the program. It was noted the Foundational Phase funding has been approved without the Committee being up and running. It was suggested that the delays in setting up the Committee has meant the project has not had the benefit of the DMOC experts weighing in. There were concerns that the DMOC had only received the budget for information.

The Board noted that there will be a request coming for more briefing materials. It was also noted the RFP for the technical solution is scheduled to be released in March/April. There was agreement to approve the budget to keep the project moving, however, they directed that the DMOC orientation be accelerated to ensure the Committee is fully briefed and can provide input into the processes and core solutions.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approve the funding allocation of up to \$18.0 million to continue the foundation phase of the digital modernization program.

The CFO left the meeting.

Confirm 2024 - 2028 Five Year Plan Financial Assumptions and Projections, Average Assessment Rate and Maximum Assessable Earnings

(Board Order No. 44/23)

Ron Koslowsky introduced this item on behalf of the Finance Committee. He reviewed the background work that support the recommendations. The Board noted the importance of considering a range for the costing projections for the Digital Modernization program as there are above average inflationary pressures in the IT fields.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approve the financial assumptions, average assessment rate of \$0.95, maximum assessable earnings of \$160,510 and projected outcomes of the 2024-2028 Five Year Plan.

Asset Liability Study: Phase 2 Implementation
(Board Order No. 45/23)

Ron Koslowsky introduced this item on behalf of the Investment Committee. He reported an Asset Liability Study of the Retirement Plan was undertaken to review and update the long-term policy asset mix to better match the Plan's liabilities.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approve the transition plan for the implementation phase of the Plan's Asset Liability Study.

Statement of Investment Policy & Objectives - Retirement Plan
(Board Order No. 46/23)

Ron Koslowsky introduced this item on behalf of the Investment Committee. He reviewed the changes to the SIP&O including updating the characteristics of the liabilities of the plan, updating the asset mix and allowable ranges and adding infrastructure and private debt as asset classes

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approved revisions to the Retirement Plan SIP&O effective December 7, 2023.

Appointment of External Investment Committee Members
(Board Order No. 47/23)

Ron Koslowsky introduced this item on behalf of the Investment Committee. He reviewed the recruitment process.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approve the appointment of:

1. Brett Becker as an external member of the Investment Committee for a three-year term ending December 31, 2026.
2. Michael Kurtas as an external member of the Investment Committee for a three-year term ending December 31, 2026.

Strategic Five Year Plan

(Board Order No. 48/23)

The Board Chair introduced discussion noting the various meetings that have been held to update and refine the Strategic Plan.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approve the 2024-2028 Strategic Framework as amended.

Board Committees Terms of Reference

(Board Order No. 49/23)

Jean-Guy Bourgeois introduced this item on behalf of the Governance Committee. He reviewed the changes to the Governance Committee and Audit Committee Terms of Reference.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors:

- 1) Approve the revised Terms of Reference for:
 - a) Governance Committee
 - b) Audit Committee
- 2) Confirm the Terms of Reference for:
 - b) Investment Committee
 - c) Finance Committee.

Board of Directors Terms of Reference

(Board Order No. 50/23)

Jean-Guy Bourgeois introduced this item on behalf of the Governance Committee. He reviewed the changes include the addition of the Digital Modernization Oversight Committee as a Board Committee and the inclusion of prevention in the oversight of policies.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approve their revised Terms of Reference.

Joint Pension Advisory Committee Terms of Reference

(Board Order No. 51/23)

Jean-Guy Bourgeois introduced this item on behalf of the Governance Committee. He noted the change to the Terms of Reference to require an asset/liability study to be undertaken every five years, at a minimum or when circumstances warrant a review.

On motion duly made and carried,

BE IT RESOLVED THAT the Board of Directors approve the Joint Pension Advisory Committee Terms of Reference.

For Information

Committee Reports

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

- Audit Committee Meeting - October 18, 2023
- Audit Committee Meeting - November 16, 2023
- Investment Committee Meeting - November 21, 2023
- Finance Committee Meeting - November 21, 2023
- Governance Committee Meeting - November 30 2023
- Prevention Advisory Council Meeting Minutes - November 7, 2023

Administration Report

United Way Campaign: The CEO reported a successful campaign with employee participation and donations both seeing increases.

Return to Work Update: The Board suggested there are opportunities to focus on the front end with prevention services in order to prevent more serious issues.

Feedback Surveys: The Board was interested in whether Healthcare providers are included in the feedback surveys

Digital Modernization Program Procurement Approach

The President & CEO reported that, following a comprehensive assessment of the procurement approach, the Administration has decided to adopt a phased approach to procurement. This is expected to de-risk the procurement phase but will add to the duration.

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.

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 2:23 p.m.

The next meeting will be held on Thursday, February 29, 2024 at 12:15 p.m.