

THE WORKERS' COMPENSATION BOARD
MEETING OF THE BOARD OF DIRECTORS
MINUTES

DATE: September 26, 2006

PLACE: The Workers' Compensation Board
12th Floor Board Room
Jarvis Building
9925 - 107 Street
Edmonton, Alberta

TIME: 8:30 a.m.

BOARD MEMBERS

David Carpenter, Chair
Guy Kerr, President & Chief Executive Officer *
James Kallal, Member
Willard Kirkpatrick, Member
Fauzia Lalani, Member (teleconference)
Mark McCullough, Member
Richard Mirasty, Member
Donald Oborowsky, Member
Tom Shields, Member
Norbert Van Wyk, Member

Excused:

Timothy Brower, Member

SECRETARIAT

Douglas R. Mah, Secretary and General Counsel *

ALSO PRESENT

Dieter Brunsch, Vice President, Customer Service & Risk Management *
Ron Helmhold, Chief Financial Officer *
Wendy King, Vice President, Customer Service & Disability Management *
Roxy Shulha-McKay, Vice President, Employee & Corporate Services *
Jim Wheadon, Vice President, Communications & Information Management *
Sheila Szabo, Executive and Board Liaison *
James Wilson, Manager, Audit and Underwriting **

* excused for item 9

** present for item 6(a)(i)

The Chair formally welcomed new member Richard Mirasty and then called the meeting to order at 8:30 a.m.

1. **Agenda**

The agenda as distributed was approved.

2. (a) **Minutes of the Meeting of August 22, 2006**

MOTION
2006/08/22

It was moved that,

"The minutes of the meeting of August 22, 2006 be hereby adopted."

CARRIED

(b) **Website Summary of the August 22, 2006 Meeting**

The website summary of the August 22, 2006 meeting was accepted as distributed.

(c) **Action Required List**

The action required list was received for information.

(d) **Activities and Opportunities in 2006**

The activities and opportunities list was received for information.

3. **Business Arising from the Minutes of August 22, 2006**

There was no business arising from the minutes of the August 22, 2006 meeting.

4. **Report of the Chair**

The Chair reported on the following:

- process of board member appointments
- evaluation of the recent retreat
- 2007 occupational health and safety levy
- recent discussions with the Industry Task Force with regard to employer appeals advisors
- committee appointments

5. **Report of the President**

The President reported on the following:

Current Issues

- dividend distribution
- the economy and its impact on staffing
- government in transition

Government Relations

- the special session of the Legislature had passing references to the WCB
- government relations' inquiries are down 16% from the previous year
- 80% MLA satisfaction with the WCB's government relations' services
- legislative changes in other jurisdictions
- discussions with the Northwest Territories' Minister with regard to legislative proposals

External Communications

- upcoming premium rate announcement

Stakeholder Relations

- fall Industry Task Force meeting

Other Issues

- flat claim duration rate
- the provincial Ombudsman's annual report
- future board education sessions
- Office of the Auditor General update
- independent medical examinations
- the WCB received 93% in a recent Partners in Injury Reduction audit

The Chief Financial Officer reviewed the monthly financial results for the period ending August 31, 2006.

6. Committee Chair Reports**(a) Policy Committee****(i) Policy 07-02, Part II, Application 2, Experience Records, Question 5, Poor Performance Surcharge**

Following a presentation by the Vice President, Customer Service and Risk Management, and the Manager of Audit and Underwriting,

MOTION
2006/08/23

It was moved that,

"The Board of Directors approve the draft policy amendment to Policy 07-02, Application 2, Experience Rating, Question 5, Poor

Performance Surcharge. The proposed amendment increases the maximum poor performance surcharge from 40% to 200% and eliminates the 'participation factor', which is applied to employers in the base Large Employer Experience Rating Plan, in calculating the additional poor performance surcharge.

Effective date: January 1, 2008."

CARRIED

MOTION
2006/08/24

It was moved that,

"Management be directed to report to the Board of Directors on a more aggressive implementation plan, taking into consideration the effect of the Partners in Injury Reduction program and the requirements of fairness."

CARRIED

(b) **Audit Committee**

The committee had nothing to report.

(c) **Finance Committee**

The committee had nothing to report.

(d) **Governance Committee**

The committee chair reported on the September Board of Directors' retreat.

(e) **Human Resources and Compensation Committee**

(i) **2007 Corporate Objectives & Performance Measures - Preliminary**

MOTION
2006/08/25

It was moved that,

"The Board of Directors approve the preliminary 2007 corporate objectives and performance measures."

CARRIED

(ii) **Employee Compensation Philosophy**

MOTION
2006/08/26

It was moved that,

"The Board of Directors approve the revised Compensation, Rewards and Recognition Philosophy."

CARRIED

7. **New Business**

There was no new business.

8. **Meeting Evaluation**

An evaluation form was distributed.

The Chair excused senior management from the meeting for item 9.

9. **In Camera**

The Board of Directors held an *in camera* session.

There being no further business, the meeting ended at 10:30 a.m.

CHAIR

SECRETARY