

Minutes

Financial and Statistical Data Comparability Committee & WCB Chief Financial Officers Meeting

May 10 & 11, 2011

Marriott Bloor Yorkville Hotel, 90 Bloor Street East, Toronto, ON

| # | Item | Action Points |
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| | <p>Those in attendance: Ron Helmhold, Laurent Charron, AB; Steve Barnett (Chair), Brian Erickson, BC; Lorena Trann, MB; Peter Murphy, Tim Petersen, NB; Christine Stratton, NL; Gloria Badari, NT/NU; Maureen Boyd, NS; Dan Hogg, Rob Hinrichs, ON; Tammy Turner, PEI; Anne St. Martin, Guillaume Baril, QC; Gail Kruger SK; Jim Stephens, YT; Michelle Beavington, AWCBC. Guests: Richard Larouche, Eckler; Neil Parkinson, KPMG</p> | |
| <p>May 10th 1.</p> | <p>Approval of agenda - Steve Barnett welcomed everyone to the meeting. Introduction of attendees were made. Steve Barnett reviewed CFO items that went to Executive Committee in March 2011 (agenda item 6), including QuikStats project that will go to AWCBC Board of Directors May 12, 2011.</p> | |
| <p>2</p> | <p>Funding of Occupational Disease Claims</p> <p>Richard Larouche from Eckler presented on funding of Occupational Disease (OD) claims, including new actuarial standards. Of particular note, the actuary may deviate from this standard if required under terms of an appropriate engagement. The Standards of Practice require that the actuary includes a provision for potential OD claims in his report. The reporting in the financial statements is the Board's responsibility, as is the financing and funding of those claims.</p> <p>R. Larouche also outlined the OD Actuarial Model that was developed in Alberta.</p> <p>Two main questions were raised: (1) Do you book the liability? And (2) If you do, will the auditors require more scrutiny?</p> <p>Action point: There may be joint work that can be done. A data collection exercise should be done this year. Steve Barnett and Ron Helmhold to formulate a questionnaire to send out to everyone and figure out what questions to ask and see if data can be collected around latency periods. This item will be added to Fall 2011 agenda.</p> <p>See presentation.</p> | <p>M. Beavington to distribute presentation (complete).</p> <p>Ron Helmhold and Steve Barnett to formulate and distribute a questionnaire around data collection. This item to be on Fall 2011 agenda.</p> |
| <p>3</p> | <p>IFRS 4 Implementation</p> <p>Neil Parkinson, KPMG, presented on IFRS 4 implementation, including update on (a) discount rate; (b) risk + residual margin, or composite measure; (c) presentation of the statement of comprehensive income; (d) modified measurement approach; (e) transition period and effective date; (f) timeline and IFRS9; and (g) convergence of IASB and FASB.</p> <p>See presentation for specific detail.</p> <p>IASB to release final standard in 4th quarter this year. See IASB website for discussion. Once there is a final standard, there is an opportunity for WCBs to see if everyone will treat discount rate the same way.</p> <p>There was discussion on whether external auditors believe WCBs qualify for IFRS4 and whether there is an explicit form of insurance contract. AB putting together position paper that they are IFRS4.</p> <p>Action point: After standard comes out, this group should assess where it is with IFRS4. There may be a discussion of alternative options.</p> <p>See presentation.</p> | <p>M. Beavington to distribute presentation (complete)</p> <p>After new Standard comes out, assess IFRS4.</p> |

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| 4 | <p>IFRS Working Committee Update</p> <p>Laurent Charron gave an update on where all jurisdictions are on IFRS. Upcoming standards were reviewed. IAS.org has summarized Minutes with voting records.</p> <p>Action point: Pensions – Laurent can revisit with every jurisdiction and see where everyone is leaning. Leases and Pensions should be out by summer.</p> <p>There was discussion on post-employment benefits and what happens with self-insured (including Federal government) when IFRS comes in and whether there will be an adjustment and whether there will be a fee. Action point: add this topic to Fall CFO meeting.</p> <p>See presentation.</p> | <p>Pensions - L. Charron to see where jurisdictions are with pensions</p> <p>Add to Fall 2011 agenda: self-insured/Feds and IFRS adjustment</p> |
| 5 | <p>Report from WG</p> <p>Guillaume Baril presented the update from the Working Group (WG).</p> <p>(a) Healthcare Only Claims.</p> <p>Action: Remove Vocational Rehabilitation reference from definition. It was agreed to keep producing the measure internally and share results with Prevention Committee. Will look at this measure in couple years to see if it should be published.</p> <p>There was discussion re: the definition of lost time injury (LTI) and whether all jurisdictions were reporting LTIs the same way</p> <p>(b) Fatalities: Accidents vs OD</p> <p>Action: keep internal until WG figures out special cases (e.g. firefighter heart attack, firefighter fatality presumptions, etc) and review again in the fall.</p> <p>In the meantime, add to AOC to collect 2010 data.</p> <p>(c) Average WL % at 2 and 6 years</p> <p>Approved – Internal 3 (Average new long-term wage loss percentage awarded) will no longer be collected.</p> <p>Action: Review remaining internals at next meeting.</p> <p>(d) Breakdown by Industry: 2009 data</p> <p>CFOs interested in looking at ratios in future.</p> <p>(e) AWCBC Online Data Community (AOC) Update and Review</p> <p>CFOs gave feedback on AOC, including issues with the formatting of KSM reports. M. Beavington to take feedback back to AWCBC for potential improvements. AOC transaction usage to be discussed at Spring 2012 meeting.</p> <p>Additional item – Breakdown of Assessment rates</p> <p>Action point: For next meeting, clarify definition of admin costs.</p> | <p>M. Beavington to distribute presentation (complete).</p> <p><u>Healthcare Only Claims:</u> Remove Voc. Rehab reference from definition. Keep producing the measure internally. Share results with Prevention Committee. Look at this measure in couple years to see if it should be published.</p> <p><u>Fatalities: Accidents vs OD:</u> Look at firefighter fatality presumptions and bring back in Fall. Keep internal for now. Add to AOC.</p> <p><u>Average WL % at 2 and 6 years:</u> Internal 3 will no longer be collected. Remaining internals to be reviewed in Fall.</p> <p><u>Breakdown by Industry: 2009 data:</u> Look at ratios.</p> <p><u>AOC Update and Review:</u> M. Beavington to take feedback to developers (complete). AOC usage to be reviewed Spring 2012.</p> <p><u>Breakdown of Assessment rates:</u> Clarify definition of Admin costs.</p> |

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| 8 | <p>Committee Workplan Review</p> <p>This item was moved forward. The mandate, goals and objectives of the committee remained the same. Statuses of activities were updated.</p> | |
| May 11 th | <p>Next meeting date and location</p> <p>M. Beavington to inquire about a Fall meeting in Halifax in the second half of October, 2011 (not by Thanksgiving).</p> | |
| 9 | <p>XBRL (eXtensible Business Reporting Language)</p> <p>Brian Erickson gave a brief overview of XBRL. No other WCBs had discussions or were approached by auditors about this.</p> <p>See presentation.</p> | |
| 10 | <p>Roundtable Discussion</p> <p>Included: 2010 income (loss); 2010 funded (unfunded) %; premium rates 2011; premium rates 2012; market investment return 2010, admin % change; and other items of interest. See Appendix A for details.</p> | |

FOR INTERNAL DISTRIBUTION BETWEEN MEMBERS OF AWCBC CFO COMMITTEE ONLY

Tentative Agenda Items for CFO Mtg. Fall, 2011

- Occupational Disease
- Self-Insured/Federal Government – IFRS adjustment
- WG:
 - Fatalities (Injury vs OD) – firefighter presumptions
 - Review remaining Internal KSMs
- CanadaPost(?)

Tentative Agenda Items for CFO Mtg. Spring, 2012

- AOC usage statistics

AGENDA
Financial and Statistical Data Comparability Committee & WCB Chief Financial Officers Meeting
May 10 & 11, 2011
Marriott Bloor Yorkville Hotel, 90 Bloor Street East, Toronto, Ontario

| May 10th | | | |
|----------------------------|----|--|----------------------------|
| 7:30 | | Registration (Forest Hill Foyer) | |
| 7:30 – 8:30 | | Continental Breakfast (Yorkville Room) | |
| 8:30 – 9:15 | | Welcoming Remarks (Forest Hill Ballroom) | |
| 9:15 – 9:30 | 1 | Approval of agenda and introductions (Rosedale Room) | Steve Barnett |
| 9:30 – 10:00 | 2 | Early adoption of PPICP (Rosedale Room) | Richard Larouche, CIA |
| 10:00 -10:30 | | BREAK (Yorkville Room) | |
| 10:30 – 11:30 | 2 | Early adoption of PPICP continued | Richard Larouche, CIA |
| 11:30 – Noon | 3 | IFRS Implementation (Rosedale Room) | Neil Parkinson, KPMG |
| Noon – 1:00 | | Buffet LUNCH (Yorkville Room) | |
| 1:00 – 2:00 | 4 | IFRS Working Committee Update (Rosedale Room) | Laurent Charron |
| 2:00 – 2:30 | | BREAK (Yorkville Room) | |
| 2:30 – 4:30 | 5 | Report from WG co-chairs (Rosedale Room) (a) Healthcare only claims; (b) Fatalities (OD vs Injury) (c) Internal KSM 3, 2 and 6 year basis (d) Breakdown by industry of 2009 KSMs (e) AOC update/review | Guillaume Baril / Betty Ma |
| 4:30 – 5:30 | | RECEPTION (High Park Ballroom Foyer) | |
| May 11th | | | |
| 7:30 – 8:30 | | Continental Breakfast (Yorkville Room) | |
| 8:30 – 8:40 | 6 | Update from Executive Committee meeting (Rosedale Room) | Steve Barnett |
| 8:40 – 8:50 | 7 | Heads of Delegation/Board of Directors update (Rosedale Room) | Peter Federko |
| 8:50 – 9:30 | 8 | Committee Workplan Review (Rosedale Room) | Led by Steve Barnett |
| 9:30 – 10:00 | 9 | XBRL (eXtensible Business Reporting Language) | Brian Erickson |
| 10:00 -10:30 | | BREAK (Yorkville Room) | |
| 10:30 – 11:45 | 10 | Roundtable discussion (Rosedale Room) (a) Items of Interest at your WCB/Commission | Led by Steve Barnett |
| 11:45 – Noon | 11 | Conclusion - Next meeting date and location (Rosedale Room) | Led by Steve Barnett |
| Noon – 1:30 | | LUNCH / Committee Chairs Report (Forest Hill Ballroom) | |