

Board of Directors Meeting Minutes

September 27, 2023, 1:00 p.m. to 4:00 p.m.

September 28, 9:00 a.m. to 12:30 p.m.

Head Office Boardroom/MS Teams

Attendees: Mel Norton (Chairperson), Haley Flaro (Vice Chairperson), Bert Cyr, Donna McNeill, Adam Donnelly, Mike MacMullin, James Stanley, Denny Vautour, Tim Petersen (President and CEO)

Regrets: Tina Soucy

Staff Present for the Meeting: David Luther, Laragh Dooley (for items 11, 13, 18, 19) Carolyn MacDonald, (for items 7, 9, 16, 17, 20) Michael Freeze (for item 7 and 11) Richard Blais (for item 12), Michael McGovern (Item 12), Courtney St. Peter

Guests: Conrad Ferguson (Telus Health) (September 27th), Jeff Queen (Telus Health) (September 27th), Stephen Drost (CUPE) (September 28th), Sandy Harding (CUPE) (September 28th), Louise-Phillippe Gauthier (CFIB) (September 28th)

1. Adoption of Agenda

The Board of Directors reviewed the agenda for September 27th and 28th, 2023 meeting.

On motion duly made, seconded, and carried it was unanimously resolved:

That the agenda for the Board of Directors meeting dated September 27th and 28th, 2023, was adopted as presented.

2. Safety Moment

The Board of Directors discussed the importance of paying attention in the morning for school buses and children waiting for the school bus, especially with the fall time change.

3. Declaration of Conflicts of Interest

The Chairperson asked the Board Members if they have any conflicts of interest arising from the meeting agenda and, if so, to declare that conflict.

Two members were identified as possibly having a conflict of interest with item 17(d), and they may have to step out, depending on the nature of the discussion.

4. Approval of Minutes

a. Dated May 31st & June 1st, 2023

The Board of Directors reviewed the minutes of the May 31st & June 1st, 2023 meeting.

On motion duly made, seconded, and carried, it was unanimously resolved:

That the minutes of the Board of Directors meeting dated May 31st & June 1st, 2023, be approved as presented.

5. Consent Agenda

a. 2023 Workplan

The Board of Directors reviewed the 2023 workplan as provided in the meeting materials.

On motion duly made, seconded, and carried it was unanimously resolved:
That the Board of Directors received the 2023 Workplan for information.

b. Mandate Letter Update

The Board of Directors received an updated on the Mandate Letter for information.

On motion, duly added, seconded, and carried it was unanimously resolved:
That the Board of Directions received the update on the mandate letter for information.

c. Policy 37-110 New Brunswick Industrial Aggerate Earnings

The Board of Directors received an update on Policy 37-110 New Brunswick Industrial Aggerate Earnings.

On Motion duly made, seconded, and carried, it was unanimously resolved:
That the Board of Directors received an update on Policy 37-110 New Brunswick Industrial Aggerate Earnings for information.

d. Policy 32.407.01 Expenses – Board and Non-bargaining Employees

The Board of Directors received an update on Policy 32-407.01 Expenses - Board and Non-Bargaining Employee.

On Motion duly made, seconded, and carried, it was unanimously resolved:
That the Board of Directors received an update on Policy 32-407.01 Board and Non-Bargaining Employees for information.

6. Benefit Improvement Update (In-Camera)

An in-camera session was held.

On motion, duly made, seconded, and carried it was unanimously resolved:
That the Board of Directors receives the Benefit Improvement update for information.

7. Finance & Investment Committee Meeting Update

a. Chairperson’s Report of Finance & Investment Committee of September 13 & 14, 2023

The Chair of the Finance & Investment Committee provided an update to the Board of Directors of the September 13th and 14th, 2023 meeting. He indicated that the meeting came to end early on September 13th as a Member had an emergency and had to leave. The September 14th meeting was cancelled. The chair also said that with the resignation of an Employer Representative Member the Finance & Investment Committee is currently at a standstill until new members are appointed.

The Vice-Chair of the Board asked if there would be a recommendation coming in regard to Members sitting on both the Audit Committee and Finance & Investment Coming. General Counsel and Interim Corporate Secretary indicated that a recommendation will be coming to the Governance Committee regarding quorum and an option to fix the issue.

On motion duly made, seconded, and carried, it was unanimously resolved:
That the Board of Directors receives the Chairperson's report of the Finance & Investment Committee meeting of September 13th and 14th, 2023 for information.

b. 2024 Rate Setting and Administrative Budget

i. 2024 Administrative Budget

The Board of Directors reviewed the 2024 Administrative Budget as provided in the meeting materials.

On motion, duly made, seconded, and carried, it was unanimously resolved:
That the Board of Directors approve the 2024 Administrative budget as presented.

ii. 2024 Rate-Setting Report WCA

The Director and Actuary of Fiscal and Economic Planning provided the Board with a presentation on the 2024 Rate-Setting report for the WCA as provided in the meeting materials. Mr. Freeze indicated to the Board that WorkSafeNB is recommending a moderate rate reduction to \$1.13 from a range of \$1.06 - \$1.18.

One Member brought forward concern on lowering the rate and still not having the benefit improvements. The Member also mentioned that the labour groups will not be thrilled with a rate reduction. The Member said they would feel more comfortable with a rate reduction to \$1.18, the other Members agreed.

On Motion, duly made, seconded, and carried it was unanimously resolved:
That the Board of Directors approve the 2024 average assessment rate under the Workers Compensation Act of \$1.18 per \$100 of assessable payroll.

iii. 2024 Rate-Setting Report FCA

The Director and Actuary of Fiscal and Economic Planning provided the Board with a presentation on the 2024 Rate-Setting report for the FCA as provided in the meeting materials. Mr. Freeze indicated to the Board the WorkSafeNB is recommending that the 2024 rate is reduced to \$220 per firefighter.

One Member asked if there was a way to adjust the rate. The Interim CFO indicated that there is not but that the rate setting policy is up for review in 2024.

The Chairperson asked if a policy similar to the WCA could be adopted. The President & CEO said he hopes WorkSafeNB will be successful in merging the Acts but if progress is not moving it would not be difficult to draft a new policy. Mr. Petersen said that lowering the rate may help facilitate the Merger, if employers see a lower rate they may be more inclined to make the merge.

On motion, duly made, seconded, and carried it was resolved:

That the Board of Directors approve the 2024 assessment rate under the FCA of \$220 per fire fighter. One Member was opposed.

c. Asset Liability Management

The Interim CFO and Director and Actuary of Fiscal and Economic Planning gave the Board an overview of the Stage II RFP requirements as provided in the meeting materials.

On motion, duly made, seconded, and carried it was unanimously resolved:

That the Board of Directors approved the revised selection criteria and the Stage II questions to be used in the RFP process to determine the successful proponent for the Asset Liability Study.

Following resolution, the General Counsel and Interim Corporate Secretary asked the Chairperson of the Finance & Investment Committee whether that committee requires further assessment prior to publishing of the RFP. The Chairperson confirmed that staff could proceed with the RFP.

d. Investment Education Topics

The President & CEO indicated that this topic was meant to be brought up to the Finance & Investment Committee at the previous meeting, however, that meeting was cancelled on account of an issue relating to quorum. The chairperson for the Committee noted that the matter was not scheduled on the committee Agenda. Discussion ensued. Management indicated that SEI and Eckler have agreed to present. The CFO said it would be beneficial to have a topic around Investment Governance.

The Chair of the Finance and Investment Committee indicated that it would be helpful to have the Committee's consultant present on risk management. He also indicated that the Committee needs to be more involved when planning these events.

Discussion ensued between management and members of the Board around management having not adequately consulted the Finance & Investment Committee, or its Chairperson, in preparing for the investment education session.

Members of the Board expressed being uncomfortable with the apparent lack of coordination between management and the Committee chairperson.

On motion, duly made, seconded, and carried it was unanimously resolved:

That the Board of Directors receives Investment Education Topics for information.

8. CEO Report

a. CEO Accountability Report

The President & CEO provided an update on the Accountability Report as provided in the meeting materials.

On motion, duly made, seconded, and carried it was unanimously resolved:
That the Board of Directors receives the CEO Accountability report for information.

9. Policies

a. 29-501 Medical Aid Providers

The Executive Director of Strategic Planning, Policy and Risk provided the Board of Directors with an update on Policy 29-501 Medical Aid Provides as provided in the meeting materials.

On Member asked if there are negotiations ongoing with Nurse Practitioners. Ms. MacDonald indicated that there are no negotiations at this time, but it is something WorkSafeNB will be looking at in the future.

On motion, duly made, seconded, and carried it was unanimously resolved:
That the Board of Directors approves the proposed fee schedule 29-501 Medical Aid Providers, release 5 and rescind fee scheduled 29-501 Medical Aid Providers, release 4, effective immediately.

b. 44-005 Services in Official Language of Choice

The Executive Director of Strategic Planning, Policy and Risk provided the Board of Directors with an update on Policy 44-005 Services in Official Language of Choice as provided in the meeting materials.

General Counsel and Interim Corporate Secretary indicated that the intention of the Policy is meant to reflect the *Official Languages Act* and if any individual requires a different linguistic need WorkSafeNB will take all reasonable steps to accommodate that individual as required by law.

On motion, duly made, seconded, and carried it was unanimously resolved:
That the Board of Directors approve the proposed Policy 44-005 Service in Official Language of Choice, release 1, effective immediately.

10. Break

11. Legislative Updates

a. Merger WCA FCA Consultation Plan

The Executive Director of Corporate Communications and the Executive Director & Actuary of Fiscal and Economic Planning provided the Board with a presentation on the Workers' Compensation Act and Firefighters' Compensation Act merger consultation plan as provided in the meeting materials.

On motion, duly made, seconded, and carried it was unanimously resolved:
That the Board of Directors approve the Merger WCA FCA Consultation Plan.

12. Delegation of Authority – Appointment of Health & Safety Officers

The Vice-President of Prevention and Senior Legal Counsel provided the Board with a recommendation on the Delegation of Authority and the appointment of Health & Safety Officers as provided in the meeting materials.

The Board was happy to see this recommendation being brought forward.

On motion, duly made, seconded, and carried it was unanimously resolved:
That the Board of Directors hereby delegate its authority to appoint Health and Safety Officers, under section 5 of the Occupational Health & Safety Act (New Brunswick), to the President & Chief Executive Officer, pursuant to subsection 16(1) of the Workplace Health, Safety and Compensation Commission and Workers' Compensation Appeals Tribunal Act.

13. Modernization Update

The Executive Director of Corporate Communications gave the Board and update on the Modernization efforts as provided in the meeting materials.

On motion, duly made, seconded, and carried it was unanimously resolved:
That the Board of Directors received the Modernization update for information.

A member of the Board spoke for a few minutes about being uncomfortable in regards to the conversation between management and the Board in relation to item 7(d), and the apparent relationship between staff and the Finance & Investment Committee advisor. Discussion ensued, with concern being reiterated by two other members.

14. Governance Committee Update

a. Chairperson's Report of August 24, 2023 & September 11, 2023

The Vice-Chairperson of the Board and Chairperson of the Governance Committee provided the Board of Directors with an update on the August 24th, 2023 and September 11th, 2023 Governance Committee meetings.

On motion, duly made, seconded, and carried it was unanimously resolved:
That the Board of Directors receives the Governance Committee's Chairperson reports for meeting on August 24th, 2023 and September 11, 2023 for information.

b. Employer Representative Alternate of Fatality Review Committee

The Vice-chairperson and Chair of the Governance Committee indicated that the Governance Committee recommends Adam Donnelly as the alternative Employer Representative member to the Fatality Review Committee.

On motion, duly made, seconded, and carried it was unanimously resolved:
That the Board of Directors approve Adam Donnelly as the alternative Employer Representative on the Fatality Review Committee.

c. Employer Representative Alternative Governance Committee

The Vice-chairperson and Chair of the Governance Committee indicated that the Governance Committee recommends Adam Donnelly as the alternative Employer Representative member to the Governance Committee.

On motion, duly made, seconded, and carried it was unanimously resolved:
That the Board of Directors approve Adam Donnelly as the alternative Employer

Representative on the Governance Committee.

d. Interim Chairperson of HR & Compensation Committee

The Vice-chairperson and Chair of the Governance Committee indicated that with Ms. Soucy's resignation the HR & Compensation Committee Chair position is now vacant. She told the Board that the Governance Committee plans to discuss Committee structure and possibly merging Committees.

The Vice-Chairperson indicated that Mr. MacMullin has volunteered to step up from the voting Worker Representative position to the Chair position until more members are appointed to the Board.

One Member indicated that if Mr. MacMullin moved up to the Chair position, then Ms. McNeill would need to step up from the alternate Worker Representative Position to the voting Worker Representative position. Ms. McNeill indicated she would be willing to step up.

On motion, duly made, seconded, and carried it was unanimously resolved:
That the Board of Directors approve Michael MacMullin as the Interim Chair of the HR & Compensation Committee and Donna McNeill as the voting Worker Representative.

15. HR & Compensation Committee Update

a. Chairperson's Report of HR & Compensation Committee of August 24, 2023

The Board of Directors reviewed the Chairperson's report for the HR & Compensation Committee meeting of August 24th, 2023.

On motion, duly made, seconded, and carried, it was unanimously resolved:
That the Board of Directors received the HR & Compensation Committee Chairperson report for the meeting of August 24th, 2023 for information.

b. CEO Review (In-camera)

An in-camera session was held.

On motion, duly made, and seconded, it was unanimously resolved:
That the Board of Directors approve the CEO's performance review and increment of salary pursuant to the Act.

16. Audit Committee Update

a. Chairperson's Report of Audit Committee of August 30, 2023

The Chair of the Audit Committee provided an overview of the Audit meeting of August 30, 2023. He made note that there is still no change with CARE line.

One Member mentioned that the lack of use from the CARE-Line is something the Board and Management should turn minds to and possibly think of an alternative system. The Member also brought up a concern with artificial intelligence, the President & CEO indicated that the Enterprise Information Security Officer will be coming to the Committee to provide information on risks what WorkSafeNB is

doing to mediate those risks.

On motion, duly made, seconded, and carried, it was unanimously resolved:
The Board of Directors received the Chairperson's Report of the Audit Committee meeting of August 30, 2023.

17. Surplus Distribution

The President & CEO and the Interim CFO asked the Board to have discussion on how WorkSafeNB should distribute the funding surplus when the funding level is above the 115% to 125% target range.

Members indicated frustration on the lack of movement regarding the benefit improvements. One Member said they have issue with refunding surplus and would rather wait until benefit improvements go forward before issuing a refund.

One Member indicated that Worker Groups will be questioning why WorkSafeNB will be refunding money to Employers; the Member wondered if there would be a possibility to use the surplus to create safety programs.

The President & CEO told the Board that there is no commitment required at this point, he said that right now Management is looking for the okay to pursue further analysis and bring the information back to the Board. The Board agreed to have further analysis done and to have that information brought back at a later date.

18. Stakeholder Presentation – CUPE Stephen Drost & Sandy Harding

The Executive Director of Corporate Communication introduced the Regional Vice President of CUPE, Stephen Drost, and the Regional Director – Maritimes, Sandy Harding.

Mr. Drost thanked WorkSafeNB for invitation as well as their on-going meetings, he said that WorkSafeNB and CUPE share the same goals in making sure employees make it home safely after a days work.

Ms. Harding provided the Board with some issues that are top of mind for CUPE. this included: The current situation with Jason King and that it has everyone thinking about roles and responsibilities. She also told the Board that there is a lot of mental health and stress in the workplace, specifically in the health care and long-term care sectors. Ms. Harding said there is need for mental health programs in the workplace, education is key.

One Member asked Mr. Drost and Ms. Harding for some feed back on JHS Committees. Ms. Harding indicated that JHS Committees are not working well but indicated that she believes CUPE is equally responsible. She told the Board there needs to be a reenergization on the JHS Committees, these committees can address simple issues that avoid disaster. Ms. Harding said that CUPE has work to do on their end before bringing anything back to WorkSafeNB.

Another Member indicated that they are advocating for mandatory safety training for every worker in the Province.

The President & CEO thanked Mr. Drost and Ms. Harding for their time and for bringing these issues to the Board. He told them that the issues they brought are top of mind at WorkSafeNB and the discussion at the Board level aligns with the improvement CUPE is looking for. Mr. Petersen indicated to CUPE that the Board now has a Fatality Review Committee, and that each workplace incident is taken incredibly serious and extensive investigations are reviewed.

The Chair of the Board said it is critical for the Board to maintain their relationship with CUPE for the Employer and Worker representatives. He also said that the Board is working aggressively to have the Benefit Improvements move forward.

On motion, duly made, seconded, and carried it was unanimously resolved:

That the Board of Directors receives the Stakeholder Presentation - CUPE, Stephen Drost & Sandy Harding for information.

19. Stakeholder Presentation – CFIB Louis-Phillippe Gauthier

The Executive Director of Corporate Communication introduced Louis-Phillippe Gauthier, Vice-President of Atlantic for the Canadian Federation of Independent Business (CFIB). The Chair welcomed Mr. Gauthier and thanked him for his time and advocacy.

Mr. Gauthier thanked the Board for the invitation; he also indicated that communication between CFIB and WorkSafeNB has always been open and candid. Mr. Gauthier told the Board that the information he comes with are as follows:

- In regard to the funding positions, CFIB has asked WorkSafeNB in the past that anything over the 110% funding level should be returned to employers;
- CFIB would like to see more rate stability;
- CFIB is aware of the fight for benefit improvements, and they have indicated to the Government that they are in support of these improvements;
- The Board reports are excellent, but CFIB would like to see WorkSafeNB's target reports, he said having access to these reports would bring transparency;
- There is still much pent-up demand from the pandemic and 50% of small business are still not at pre-pandemic levels. They are struggling for staff and can't get down the debt they've acquired from the pandemic.

The President & CEO indicated that the targets are published within the WorkSafeNB's strategic plan.

Mr. Gauthier asked the Board and Management what CFIB can do to help WorkSafeNB.

The President & CRO told Mr. Gauthier that psychological health is very important, in New Brunswick the claim percentage is smaller but growing fast and these claims have the longest duration time. There is staff dedicated to these claims and that he would like to circle back to the claims teams to see if there is anything WorkSafeNB could use help

advocating on.

The Vice-chairperson of the Board asked Mr. Gauthier if there is a potential surplus what would employers be most interested in and if he thought employers would prefer to have options? Mr. Gauthier said that a rebate cheque is always best and that CFIB is hesitant on credits. He said that cash is the best in the eyes of employers, but larger corporations may have a different view.

On motion, duly made, seconded, and carried it was unanimously resolved:

That the Board of Directors receives the Stakeholder Presentation – CFIB Louis-Philippe Gauthier for information.

20. 2025 Strategic Planning Process

The Executive Director of Strategic Planning, Policy & Risk provided The Board of Directors an update on the 2025 strategic planning process as provided in the meeting materials.

One member asked if it would be a 3-year strategic plan, Ms. MacDonald indicated that she would be inclined to recommend a 5-year strategic plan, but would leave it to the Board to decide.

One member asked if there would be a discussion regarding about the elements of the strategic plan, and how WorkSafeNB intends to implement them. In response, the Executive Director of Strategic Planning, Policy & Risk indicated that there was an intention to return to this topic with the Board in Q1 of 2023.

On motion, duly made, seconded, and carried it was unanimously resolved:

That the Board of Directors receives the 2025 Strategic Planning Process for information.

21. New Business

The Vice-chairperson of the Board mentioned that for Members whose terms are up and who are not re-offering it may be nice to gift them a donation in their name to a charity of their choice. Other Members of the Board agreed with this idea. The President & CEO also agreed, he told the Board that WorkSafeNB will coordinate this and asked the Board how much the donation should be, the Board agreed on a \$100 limit.

The Vice-chairperson also asked the President & CEO is the 2024 Workplans and Board & Committee schedules will come forward at the December Board meeting. The President & CEO confirmed that the 2024 Workplans and schedules will be brought forward for approval at the December Board meeting.

Some further discussion ensued regarding item 7(d). The President & CEO committed to the Board that going forward, he would ensure the Board and the Committee was polled.

22. In-Camera

An in-camera session was held.

Adjourned at 11:58 am on September 28th, 2023