

Board of Directors Meeting Minutes

October 13, 2020 – 1:00 p.m. to 4:15 p.m.

Webex

Attendees: Mel Norton (Chairperson), Haley Flaro (Vice-Chairperson) Donna McNeill, Gaëtan Guérette, Mike MacMullin, Lucien Sonier, Julie Marr, Tina Soucy, James Stanley, Douglas Jones

Staff Present for the Meeting: Susan Layton, Perry Cheeks, John Hurley, Monica Mallaley

1. Adoption of Agenda

On motion duly made, seconded and carried it was unanimously resolved that the agenda for the Board of Directors meeting dated October 13, 2020 was adopted as presented.

2. Safety Moment

The Committee members discussed the importance of wearing masks to prevent COVID-19.

3. Declarations of Conflicts of Interest

The Chairperson asked Board members if they have any conflicts of interest arising from the meeting agenda and, if so, to declare that conflict. No conflicts of interest were declared.

4. Approval of Minutes

On motion duly made, seconded and carried, it was unanimously resolved that the minutes of the Board of Directors meeting dated July 14, 2020, be approved as written.

5. Consent Agenda

There were no consent items for this meeting.

6. Chairperson's Report

The Chairperson provided an update after the new Cabinet was announced and Minister Holder was reappointed. The Chairperson has met with the Deputy Minister of Post-Secondary Education, Training and Labour and will be meeting with the Minister later this week to update him.

7. CEO Report

The President & CEO provided an overview of his report which included highlights across each area of the organization.

8. Finance Committee Update

a. Committee Chairperson's Report

The Chairperson of the Finance and Investment Committee provided a verbal report the Board including a review of the agenda items from the last Committee meeting.

b. Financial Update

The Board reviewed the summary of financial results as at September 30, 2020. The results indicated that the funding level is at 105%.

The Chief Financial Officer indicated that the budget is underspent by 22%, mostly due to the pandemic.

On motion duly made, seconded and carried, it was unanimously resolved that the Financial Update be received and filed for information.

c. Investment Results

The Board reviewed the Q2 investment portfolio results. The Treasurer said that the total market value of the fund as at June 30, 2020, is \$1,670.7M; the value of NB liabilities is \$1,558.2M; and, the estimated funded ratio is 99%.

The Treasurer illustrated the irrationality of the current markets and stressed that there is much uncertainty right now. He emphasised that WorkSafeNB has always invested for the long term and advised not to focus on the short term. He reiterated that WorkSafeNB policies and directives are written for rough times like these.

On motion duly made, seconded and carried, it was unanimously resolved that the investment results be received and filed for information.

d. Memo re: Revising Portfolio Benchmarks

On motion duly made, seconded and carried, it was unanimously resolved that the memo for revising portfolio benchmarks be received for information.

e. Update on Outsourcing Investment Funds and Next Steps

On motion duly made, seconded and carried, it was unanimously resolved that the update on outsourcing investment funds and next steps be received for information.

9. WorkSafeNB 2021 Budget

a. Board of Directors Budget

The Chief Financial Officer reviewed the Board of Directors budget and said that travel, education and training and miscellaneous are down because of COVID-19, and professional fees are up. Still, the Board of Directors budget is down 2%, from \$301,000 in 2020 to \$296,000 for 2021.

On motion duly made, seconded and carried, it was unanimously resolved that the 2021 Board of Directors be approved.

b. WorkSafeNB Administrative Budget

The Chief Financial Officer provided an overview of the 2021 WorkSafeNB administrative budget and said that the total budget is down 12%, from \$72.2M in 2020 to \$63.4M for 2021. The main reasons the budget is lower is because business transformation and reorganization costs have been removed and are being held as restricted cash.

The capital budget is down 43% from \$3.7M in 2020 to 2.1M for 2021.

The Treasury budget is down 17% from \$399,000 in 2020 to \$333,000 for 2021.

The WRC budget is down 7% from \$7,908M in 2020 to \$7,319M for 2021. The WRC has not been used much since the pandemic began.

On motion duly made, seconded and carried, it was unanimously resolved that the 2021 WorkSafeNB administrative budget be received and filed for information.

10. 2021 Assessment Rates

a. 2021 Assessment Rate Under the *Firefighters' Compensation Act*

The Chief Financial Officer said that the 2021 assessment rate under the *Firefighters' Compensation Act* will be \$450 per firefighter in 2021, down from \$465 in 2020.

On motion duly made, seconded and carried, it was unanimously resolved that the 2021 assessment rate under the *Firefighters' Compensation Act* be received and filed.

b. 2021 Assessment Rate Under the *Workers' Compensation Act*

The Chief Financial Officer provided an overview of the funding policy that was approved by the Board of Directors in 2019. In accordance with that policy, Management determined that 2021 assessment rate under the *Workers' Compensation Act* should be between \$2.02 and \$2.15.

On motion duly made and seconded that the 2021 assessment rate under the *Workers' Compensation Act* be between \$2.02 and \$2.15, **the motion was defeated.**

11. Human Resources and Compensation Committee Update

a. Committee Chairperson's Report

The Chairperson of the Human Resources and Compensation Committee had to leave the meeting at 4:00 p.m. and requested that this update be moved to the next regular meeting of the Board.

b. Update on Collective Bargaining and Negotiations Strategy

This item was deferred to the next Board Meeting.

c. Update on Human Resources Strategy Map

This item was deferred to the next Board Meeting.

d. Update on Succession Plan and Talent Mapping for Organization

This item was deferred to the next Board Meeting.

e. Update on Pay Equity Matter

This item was deferred to the next Board Meeting.

12. Audit Committee Update

a. Internal Audit Workplan 2020 Activities

The Chairperson of the Audit Committee provided a verbal update on Internal Audit and the external consultants. He said that a lot of good work has been done and that it will continue well into 2021.

On motion duly made, seconded and carried, it was unanimously resolved that agenda items 17a, 17b and 17c be received and filed for information.

13. In-Camera

An in-camera session was held.

14. New Business

a. Status of Board Vacancy

The Board received an update on the status of Board vacancies.

b. Update from Labour Board

An update on labour negotiations will be provided at the next Human Resources and Compensation Committee meeting.

15. Adjourn

Motion to adjourn.

The meeting adjourned at 5:00 p.m.