

# Board of Directors Meeting Minutes

September 25, 2024 – 1:00 p.m. to 4:00 p.m.

September 26, 2024 – 9:00 a.m. to 12:00 p.m.

## Head Office Boardroom/MS Teams

**Attendees:** Mel Norton (Chairperson), Haley Flaro (Vice Chairperson), Adam Donnelly, Mike MacMullin, James Stanley, Denny Vautour, Jason Green, Gaetan Guerette, Chantal LaFleur, Bert Cyr, Tim Petersen (President and CEO)

**Regrets:** Mike MacMullin (September 25<sup>th</sup>)

**Staff Present for the Meeting:** Micheal McGovern, Laragh Dooley, Carolyn MacDonald, Richard Blais, Matthew Hachey, Mike Freeze, Scott Allaby, Dr. Paul Atkinson (Item 7), Courtney St. Peter

**Guest:** Dr. Paula Keating, New Brunswick Medical Society (Item 7), René Boudreau, New Brunswick Medical Society (Item 7), Caitlin Crowley, MNP (Item 9)

### 1. Adoption of Agenda

The Board of Directors reviewed the agenda for the meeting of September 25<sup>th</sup> & 26<sup>th</sup>, 2024 as provided in the meeting materials.

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

*That the Board of Directors adopt the agenda dated June 5<sup>th</sup> & 6<sup>th</sup>, 2024 with amendments.*

### 2. Safety Moment

The Board of Directors discussed that it is the time of year school is starting and urged people to be mindful of the school buses, school zones, and more pedestrians walking.

### 3. Declaration of Conflict of Interest

The Chairperson asked if any Members had a declaration of Conflict of Interest. No conflicts were declared.

### 4. Approval of Minutes dated:

#### a. June 5<sup>th</sup> & June 6<sup>th</sup>, 2024

The Board of Directors reviewed the minutes of the Board meeting dated June 5<sup>th</sup> & 6<sup>th</sup>, 2024.

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

*That the Board of Directors approve the minutes of the meeting dated June 5<sup>th</sup> & 6<sup>th</sup>, 2024 as presented.*

#### b. September 3<sup>rd</sup>, 2024

The Board of Directors reviewed the minutes of the Board meeting dated September 3<sup>rd</sup>, 2024.

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

*That the Board of Directors approve the minutes of the meeting dated September 3<sup>rd</sup>, 2024 as presented.*

### 5. Consent Agenda

#### a. 2024 Workplan

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

**On motion duly made, seconded, and carried it was unanimously resolved:**  
*That the Board of Directors receive the 2024 Workplan for information.*

**b. Mandate Letter Update**

The Board of Directors reviewed the Mandate Letter update as provided in the meeting materials.

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

**6. Policies:**

**a. Policy 23-600 – Setting Basic Assessment Rates**

The Vice President of Strategy & Finance gave the Board an overview of the changes in Policy 23-600 as provided in the meeting materials.

**On motion duly made, seconded, and carried it was unanimously resolved:**  
*That the Board of Directors approve the proposed Policy 23-600 Setting Basic Assessment Rates, release 5, and rescind proposed Policy 23-600 Setting Basic Assessment Rates, release 4.*

**b. Policy 23-605 – Experience Rating System**

The Vice President of Strategy & Finance gave the Board an overview of the changes in Policy 23-605 as provided in the meeting materials.

**On motion duly made, seconded, and carried it was unanimously resolved:**  
*That the Board of Directors approve the proposed Policy 23-605 Experience Rating System, release 6, and rescind proposed Policy 23-605 Experience Rating System, release 5.*

It was noted that two members were unable to vote due to a speaker issue.

**7. Stakeholder Presentation with New Brunswick Medical Society & Dr. Paul Atkinson**

Dr. Paula Keating and René Boudreau from the New Brunswick Medical Society joined the WorkSafeNB's Chief Medical Officer Dr. Paul Atkinson to speak with the Board. They presented on various issues New Brunswickers are facing with respect to medical care.

A Member commented that they believe pharmacists should have more authority for providing medical care. Mr. Boudreau agreed and said that currently everyone needs to work together to help break down silos to help the citizens of New Brunswick. Dr. Atkinson told the Board that WorkSafeNB is in favor of an Occupation Therapy model where patients can use services from physiotherapists and chiropractors to look and care for clients and follow them through their healing process.

One Member asked for clarity on the number of patients each physician in the retirement age category has and could possibly be without a physician. Dr. Keating indicated that the average is 1200 patients.

Dr. Atkinson noted that one of the biggest issues with having a lack of physicians in New Brunswick is that there are few residency spots. Students leave the province to get training, and don't return; New Brunswick is the second to last province in the Country with how many individuals are trained out of province. He also mentioned that it is in Legislation that New Brunswick must be able to provide care to injured workers so it's a priority to work towards closing that gap.

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

*That the Board of Directors receive the Stakeholder Presentation – Advocate Services discussion for information.*

## **8. Finance & Investment Committee Update**

### **Chairperson's Reports of the Finance & Investment Committee Meetings:**

#### **a. August 20, 2024**

The Committee Chair gave the Board an overview of the recommendation from the August 20<sup>th</sup>, 2024 meeting as provided in the meeting materials.

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

*That the Board of Directors approve Portfolio A – Increase Allocation to Absolute to improve downside protection.*

#### **b. September 3, 2024**

The Committee Chair reminded the Board of the decision made on September 3<sup>rd</sup> during combined Finance & Investment Committee and Board meeting.

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

*That the Board of Directors receive the September 3<sup>rd</sup>, 2024 Finance & Investment Committee Chair report for information.*

#### **c. September 12, 2024**

The Committee Chair gave the Board an overview of the Finance & Investment Committee meeting of September 12, 2024 as provided in the meeting materials.

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

*That the Board of Directors received the September 12<sup>th</sup>, 2024 Finance & Investment Committee Chair report for information.*

#### **i. 2023 Administrative Budget**

The Committee Chair gave the Committee an overview of the recommendation before the Board as provided in the meeting materials.

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

*The Board of Directors approve the 2025 administrative budget of \$81.9M including the \$2.8M estimated budget Variance forecast for 2024 to be used for modernization.*

#### **ii. 2025 Average Assessment Rate WCA**

The Committee Chair gave the Committee an overview of the recommendation before the Board as provided in the meeting materials.

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

*The Board of Directors approve the 2025 average assessment rate under the WCA of \$1.10 per 100 dollars of assessable payroll.*

#### **iii. 2025 assessment Rate FCA**

The Committee Chair gave the Committee an overview of the recommendation before the Board as provided in the meeting materials.

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

*The Board of Directors approve the 2025 assessment rate under the FCA of \$220 per firefighter*

iv. **Distribution of surplus between 140% and 150%**

The Committee Chair walked the Board through the recommendation regarding the surplus distributions as provided in the meeting materials. She also indicated that the Board would need to have a discussion regarding the remaining surplus to be distributed.

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

*The Board of Directors approve \$7.6M of the surplus to help fund Modernization.*

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

*The Board of Directors receive the \$56.7M of mandatory surplus to be distributed to Employers for information.*

The Controller gave the Board an overview of the presentation provided to the Finance and Investment Committee as outlined in the meeting materials. One Member asked how the funds were to be distributed. Mr. Freeze indicated that it would be sent out in cheques as default or in certain cases business will have the option for account credit but that would be under certain circumstances.

The Vice-Chair asked what the administrative costs would be for the total redistribution. The Vice President of Strategy & Finance indicated that it would be most effective to use the Commission's current bank as well as internal staff and it would approximately \$30,000.

The Board agreed on the distribution of the additional discretionary surplus of \$123.9M.

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

*The Board of Directors approve \$123.9M of additional discretionary surplus to be distributed to employers.*

## **9. Modernization**

The Executive Director of Corporate Communications, the Chief Information Officer, and MNP Partner Caitlin Crowley gave the Board an update on the modernization efforts as provided in the meeting materials.

One Member raised the number of audits being conducted and asked if the Director of Internal Audit had been consulted about aligning the audits. The President & CEO confirmed that Mr. Wang was consulted about spreading the audit throughout the year to allow time to implement previous recommendations.

The Member asked about the recommendation for a committee to oversee the modernization efforts. The President & CEO told the Board that a third-party consultant has been engaged to provide an analysis which should be coming back to the Board at the next meeting.

A Member asked whether, when the new payroll system is up and running, there will be safeguards in place in case of any glitches or if the plan would be to have both systems running

simultaneously for a period of time. Ms. Crowley indicated that yes, that is the main question and how long will we need to have two systems running, she noted that would be negotiated with the vendor. The Member then asked if there will be any in-house staff able to manage the new system. Ms. Walker told the Board that yes, there will be a few in-house staff who will be able to manage the new system but also ensuring the business partners will be able to support the team.

The Vice-chairperson asked if there would be a dashboard coming back to the board with respect to the modernization oversight. The President & CEO indicated that the Board has entertained a dashboard, but it didn't work for all the reporting. He also indicated that the Board could revisit the dashboard reporting if desired. The Vice-chairperson said that she believed a conversation should be had and the Board should have more oversight for risks and on-going work. The Director of Corporate Communication ensured the Board that management wants to please the Board with respect to reports and information provided and will check in after each meeting. She also said that as part of the current audit, reporting will be looked at and recommendation to help support the Board. The President & CEO also said that he will ensure the Director of Internal Audit consults the Board as well on the reporting.

**On motion duly made, seconded, and carried it was unanimously resolved that:**  
*The Board of Directors receive the Modernization Report for information.*

#### **10. Welcome Back & Continue Agenda**

The Chairperson provided welcome back remarks.

#### **11. Governance Committee Update**

##### **a. Chairperson's Report of Governance Committee meeting of August 21, 2024**

The Committee Chairperson gave an overview of her report for the meeting on August 21, 2024 as provided in the meeting materials.

**On motion duly made, seconded, and carried, it was unanimously resolved:**  
*The Board of Directors receive the Chairperson's report of the Governance Committee meeting of August 21, 2024 for information.*

##### **b. By-Laws**

The Committee Chairperson gave the Board an overview of the proposed amended By-Laws as provided in the meeting materials.

**On motion duly made, seconded, and carried, it was resolved:**  
*The Board of Directors approve the amended By-Law No 1 General Business Affairs.*

##### **c. Merged Committee – Governance, People & Culture**

The Committee Chair provided the Board with a list of Members who indicated a willingness to serve on the Governance, People & Culture Committee as follows:

Haley Flaro – Chairperson  
Mike MacMullin – Worker Representative (voting)  
Gaetan Guerette – Employer Representative (voting)  
Chantal LaFleur – Worker Representative (alternate)  
Adam Donnelly – Employer Representative (alternate)

**On motion duly made, seconded, and carried, it was resolved:**  
*The Board of Directors approve the Governance, People & Culture Committee membership as Haley Flaro Chairperson, Mike MacMullin Worker Representative (voting), Gaetan Guerette Employer Representative (voting), Chantal LaFleur Worker Representative (alternate), Adam Donnelly Employer Representative (alternate).*

**d. New Board Member Orientation**

The Committee Chair provided an overview of the proposed changes of the Board Member Handbook as well as the additions to the new member orientation process.

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

*The Board of Directors approve the Board Member Handbook and the additions to the new member orientation process.*

**12. HR & Compensation Committee Update**

**a. Chairperson's report of Finance & Investment Committee of August 22, 2024 & September 6, 2024**

The Chairperson of the HR & Compensation Committee gave an overview of their report for the meeting on August 22, 2024 and September 6, 2024 as provided in the meeting materials.

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

*The Board of Directors receive the Chairperson's report of the Finance & Investment Committee meeting of August 22, 2024 and September 6, 2024 for information.*

**b. CEO Performance Review (In-camera)**

An in-camera session was held. The Board came out of in-camera to make a motion.

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

*That the Board of Directors approve the CEO's 2023 Performance Review.*

**13. Audit Committee Update**

**a. Chairperson's report of Audit Committee meeting of August 28, 2024**

The Committee Chair gave the Board an overview of the Audit Committee meeting of August 28, 2024, meeting as provided in the meeting materials.

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

*The Board of Directors receive the Chairperson's report of the Audit Committee meeting of August 28, 2024 for information.*

**14. President & CEO Accountability Report**

The President & CEO gave the Board an overview of his accountability report as provided in the meeting materials.

One Member asked if the CEO knows if any other Board have data relating to the psychological training that has helped with the number of workplace accidents. The President & CEO indicated he will connect with other jurisdictions and bring something back to the Board.

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

*That the Board of Directors receive the President & CEO Accountability Report for information.*

**15. Fire Fighter Consultation Plan with Recommendation**

The Vice-President of Strategy & Finance and the Executive Director of Corporate Communications gave the Committee an overview of the Fire Fighter consultation plan as provided in the meeting materials.

Ms. Dooley indicated that the team met with large employers in New Brunswick who discussed concern about whether the government would continue covering the Medicare portion of the firefighter cancer claims. The President & CEO said the Canadian Manufacturing & Exports feedback suggest municipalities should bear the cost of presumptive cancers.

One member noted that most firefighters will likely be diagnosed with pre-cancer symptoms, and adding prostate cancer to the list would significantly increase claim volume. What would that look like in terms of cost and the system, who bears that cost. The President & CEO indicated cost implication would need to be built into the assessment rates. One Member suggested treating the list of cancers as PTSD Presumption and that firefighters will qualify if they meet the criteria.

Members recognized the challenge in providing additional cancer cover while also considering employers' resistance to increased rates. One member was strongly against shifting the financial burdens from municipality to employers and indicated the municipalities should seek government funding.

A Member asked if there was enough or additional medical evidence to support the additional cancers. The Vice-President of Strategy and Finance indicated that the chief Medical Officer has reviewed all reports, and more data analysis is needed.

The Chairperson asked the Board to clarify the additional information they require from management and it was determined the Board would like additional information on:

- Gather information on claims to date;
- Review claims received to date;
- Gather medical research and have Dr. Atkinson provide feedback.

**On motion duly made, seconded and carried, it was unanimously resolved that:**  
*The Board of Directors receive the Fire Fighter's Consultation Plan for information.*

#### **16. New Business**

The Vice-chairperson reminded the Board of the upcoming Investment Session in PEI and that attendees should book their rooms. She also indicated that she reviewed a draft version of the Learning Symposium agenda and that it looks to be very informative, she hoped to see everyone in attendance.

One Member asked to some information of the aging working population and if there are any issues arising from it.

#### **17. Meet Potential General Counsel & Corporate Secretary Candidate (In-Camera)**

An in-camera session was held.

#### **18. In-camera**

No other in-camera session was held.

#### **Adjourned**

Motion to adjourn a 11:37 a.m. on September 26<sup>th</sup>, 2024.