



**MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF THE
MOTOR VEHICLE DEALERS COMPENSATION FUND
HELD VIA VIDEOCONFERENCE ON JULY 13, 2022**

IN ATTENDANCE:

M. Rispin	(Chair)
W. Lee	(Vice Chair)
M. A. Lamb	(Secretary Treasurer)
J. Suraski	(Member)
J. Raymond	(Member)
G. Vigliatore	(Member)
G. Nikolov	(Member)
P. Stock	(Member)
C. Biggs	(Member)
J. Beaton	(Staff)
J. Carmichael	(Staff)
D. Dailly	(Staff)
M. Harquail	(Staff)
A. Khuu	(Staff)

REGRETS

NOTICE TO THE READER: For the purposes of these public minute, reference to legal advice provided to the Board of Trustees and claimant's identifying information has been removed, unless the claim has been appealed to LAT.

The meeting was regularly constituted and called to order by M. Rispin at 9:34 a.m.

1. Approval of Agenda

- The agenda was approved as presented.

Moved: G. Nikolov
Seconded: M. A Lamb

2. Declaration of Conflict of Interest

- No conflicts of interest were declared.

3. Business Arising from Previous Meeting

- No business arising for previous meeting



4. Verification of minutes from May 25, 2022

- The minutes were approved as presented.

Moved: C. Biggs
Seconded: W. Lee

5. Operations:

a) April 30, 2022, Financial Statements and Dashboard

M.A. Lamb provided an overview of the April 30, 2022 financial statements and dashboard. Overall, the Fund is experiencing a year-to-date deficit of \$683K compared to a \$336K surplus at the same point last year. Claims paid stand at \$36K compared to \$130K last year. Loss on the value of investments stands at (7.09%).

P. Stock inquired as to the nature of the other contributions and recoveries categories. A. Khuu offered to share the accounting for the computed year-to-date investment loss.

J. Raymond suggested that it would be helpful for the dashboard to have a quadrant showing number of claims in process, number of claims deferred, and number of claims paid, to provide the Board an ongoing awareness of all claims being managed by the organization.

The statements were approved as presented.

Moved: M.A. Lamb
Seconded: J. Raymond

b) MVDCF Auditor Appointment – Process update

J. Suraski provided an overview of the process involved for the Selection Committee to review, score and interview the firms who responded to the RFP. J. Suraski advised that the Management Committee is in support of the Selection Committee's recommendation, that following a thorough and professional process, the Management Committee recommends that Kriens LaRose be appointed as the auditor for the fiscal year ending October 31, 2022. J. Suraski and M.A. Lamb were thanked for their leadership and oversight of the process

Moved: J. Suraski
Seconded: J. Raymond



6. Claims

The claims were considered under Regulation 333/08 which was the legislation in force at the time of the transactions.

Dealer	Criteria	Amount Claimed	Amount Approved
Fine Autos for Less Inc	Revoked	\$4,500	\$4,500

7. Auditor General of Ontario – Audit update

M. Harquail advised that 4 of the Auditor General of Ontario's recommendations are fully complete. She advised that briefing notes for recommendations 13, 14, 20 and 25 were pre-circulated in the meeting materials.

a) Recommendation 13 – Eligibility Criteria

D. Dailly updated the Board that the briefing note to the Ministry had been updated to include the analysis by OMVIC legal. W. Lee suggested an amendment to the statement provided by J. Raymond on behalf of the Board and it was agreed the amendment would be made. D. Dailly provided an overview of next steps, including his intention to email the most current version of the briefing note to the Board on July 15th, allowing a few days for any final amendments, as well as to circulate the same to OMVIC. Any remaining editing suggestions will be incorporated following which D. Dailly will submit the briefing note to the Ministry on or before July 31.

b) Recommendation 14 – Illegal Dealers

D. Dailly provided an update that the briefing note is still being drafted while the RSM actuarial study remains underway. The RSM study will reflect the projected future value of the fund, should edibility criteria be expanded to allow consumers to make a claim to the Fund where OMVIC's own investigation confirms that consumers were intentionally misled by an illegal motor vehicle dealer.

A request has been made of the Ministry to extend the July deadline, and a progress update and briefing note will be provided at the next Board meeting.

c) Recommendation 20 – Transfer of Funds from OMVIC to MVDCF – Briefing note

M. Rispin provided a brief overview of the progress to date. After some discussion, there was general agreement to recommend that OMVIC seek to restrict \$2M of its unrestricted reserves to be available for future transfers to the Fund should the Board



anticipate the Fund balance to decrease to \$5M. This concept is conditional to Ministerial support of the regulation change to allow OMVIC to transfer funds to the Fund under certain prescribed conditions. Discussion ensued regarding the appropriateness of the one-time ~\$300.00 fee paid by new dealers to the Fund. There was general agreement that the fee is not appropriate for today's environment and that the response to this recommendation should include a request that the \$300.00 fee be increased.

The Board then discussed the Auditor General's recommendation that a policy be developed to periodically review the continuing financial sufficiency of the Fund. After discussing a few alternatives, there was general agreement that management should develop a policy to state the Board will ensure there are future periodic reviews. A draft policy will be presented at the September Board meeting.

d) Recommendation 25 – Procurement Policy

A. Khuu provided an overview of the policy, which was created to mirror OMVIC's procurement policy, however the approval thresholds for the Fund are lower than OMVIC due to the Fund's smaller operating expenses.

On a motion made (G. Nikolov) seconded (W. Lee) and carried unanimously, the policy was approved provided that the policy include reference that it will be reviewed, annually by the Fund's Management Committee.

8. Other Business

- No other business

9. Next Meeting

- The next regularly scheduled meeting will take place on September 14, 2022 and will take place via videoconference.

10. In-Camera

- On a motion duly made (P. Stock), and seconded (G. Nikolov) and carried unanimously, the meeting went in-camera.

11. Termination

- On a motion duly made (P. Stock) and seconded (G. Nikolov) and carried unanimously, the meeting was terminated.



**Motor Vehicle
Dealers
Compensation Fund**

**Motor Vehicle Dealers Compensation Fund
Fonds d'indemnisation des commerçants de véhicules automobiles**

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Chair

Member

Date

Date