



**MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF THE
MOTOR VEHICLE DEALERS COMPENSATION FUND
HELD VIA VIDEOCONFERENCE ON MARCH 1, 2023**

IN ATTENDANCE:

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

GUEST:

H. Amad and D. Brenzil (YAM)

REGRETS:

C. Biggs (Member)

NOTICE TO THE READER: For the purposes of these public minutes, 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 9:32 a.m.

1. Approval of Agenda

The agenda was approved as presented.

Moved: M.A. Lamb
Seconded: G. Vigliatore

2. Statutory Reporting by Management

There were no questions or comments related to the Statutory Reporting provided by management.

3. Declaration of Conflict of Interest

No conflicts of interest were declared with respect to the agenda.



4. Verification of Minutes

The minutes of February 1, 2023 were approved.

Moved: J. Raymond
Seconded: G. Nikolov

5. Business Arising from Previous Meeting

No items of business were discussed as arising from the previous meeting.

6. Auditor General Update – Presentation (Tatiana Zeleni)

M. Harquail introduced T. Zeleni who provided an overview of the status of OMVIC's Value for Money audit.

M. Rispin inquired as to the status of the Ministry's recommendations. M. A. Lamb sought clarification as to how SCOPA recommendations differ from the AG recommendations and asked about the status of OMVIC's IT system conversion and its impact on the recommendations.

Trustee input will be sought concerning the letters of credit recommendation which must be completed by December 2023. J. Raymond shared that there may be few areas of concern, such as the letter of credit policy, the capitalization of business, and in house warranty programs.

T. Zelani left the meeting.

7. Yorkville Portfolio Review

M. Rispin introduced D. Brenzil and H. Amad from Yorkville Asset Management. D. Brenzil advised that equity and fixed income markets were down in 2022. Energy did well as did value-oriented stocks.

The month of January 2023 shows some improvement. The bounce back has been due to growth stocks and speculative stocks. D. Brenzil advised that even with the aggressive increase in interest rates in 2022, there is a concern that there may be another 25 basis point rate hike by central banks mid-2023. Short term forecast is that inflation might not decline as quickly as expected, but inflation will eventually subside to more acceptable levels. High interest rates may negatively impact economy and corporate earnings.



Total portfolio value as of January 31, 2023 stands at ~\$8.4 million.

YAM explained that returns would have been 1.5% better if there were holdings in the Yorkville health care fund. M. Rispin explained that aside from the health care fund, that YAM had the freedom and authority to invest in accordance with the investment policy.

M.A. Lamb reminded that the Board had provided direction for YAM to act in accordance with the policy statement.

D. Brenzil advised that it is prudent to check the investment statement to see what is said concerning the health care fund.

H. Amad and D. Brenzil left the meeting. A. Khuu provided clarification that management is not authorized to buy and sell and clarified that management has never instructed/advised YAM to purchase or sell any specific stocks

M. Harquail reminded that the AG audit team will be returning to OMVIC in the spring and that the health care fund had been noted in the Auditor General's report.

M. Rispin reminded that based on the August 2022 vote, YAM has the power to operate in accordance with the investment policy and that the investment policy needs to be reviewed.

8. Operations:

- The Board agreed to defer discussion surrounding MVDCF investment options to the in-camera portion of the meeting.

9. Governance

M. Harquail advised that OMVIC will be preparing a response to the Board's lien non-payout memo.

G. Vigliatore and J. Raymond left the meeting while the Board discussed succession planning. The Board unanimously agreed to recommend to OMVIC the reappointments of both individuals to the Board.

Moved: P. Stock

Seconded: G. Nikolov



J. Raymond and G. Vigliatore rejoined the meeting. A. Khuu left the meeting.

10. Claims

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

D. Dailly advised that staff are actively working on 14 claims with an exposure of approximately \$150K. The claims are mainly related to Carone, a used car dealer that went into receivership in January 2023. Up to \$100K in claims paid may be recouped for claims related to warranty, via the letter of credit that was provided by Carone. An update on Best Rate and DS Leasing was also provided.

Dealer	Criteria	Amount Claimed	Amount Approved
Drivetime	Bankruptcy	\$14,000	\$16,683
Drivetime	Bankruptcy	\$10,191	\$1,237
Drivetime	Bankruptcy	\$16,658	\$16,658
Drivetime	Bankruptcy	\$2,146	\$2,146
Auto Direct	Judgement	\$13,734	\$14,677
Carone	Bankruptcy	\$1,601	\$1,601
Carone	Bankruptcy	\$3,389	\$3,954
Best Rate Auto Sales	Proposal	\$5,628	\$3,978
Best Rate Auto Sales	Proposal	\$17,875	\$17,751
Best Rate Auto Sales	Proposal	\$34,591	\$34,591
Best Rate Auto Sales	Warranty	\$1,129	\$1,129
Best Rate Auto Sales	Warranty	\$903	\$907
Best Rate Auto Sales	Proposal	\$6,218	\$5,596
Best Rate Auto Sales	Proposal	\$4,118	\$2,824

1. Other Business

No other items of business were raised.

2. Next Meeting

The next meeting is scheduled for April 19, 2023 (via video conference).

3. In-Camera

On a motion duly made (M.A. Lamb), and seconded (J. Raymond) and carried unanimously, the meeting went in-camera.



4. Termination

On a motion duly made (J. Raymond) and seconded (M.A. Lamb) and carried unanimously, the meeting was terminated.