



MINUTES OF THE MEETING OF THE BOARD OF TRUSTEES OF THE
MOTOR VEHICLE DEALERS COMPENSATION FUND
HELD VIA VIDEOCONFERENCE ON JANUARY 30, 2024

IN ATTENDANCE:

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

GUESTS:

T. Hines (Staff)
D. Brenzil (Yorkville Asset Management)
R. Kamhi (Yorkville Asset Management)

REGRETS:

C. Biggs (Member)
M. Rispin (Past Chair)

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.

1. Call to Order

The meeting was regularly constituted and called to order by W. Lee at 10:17 a.m.

2. Approval of Agenda

The agenda was approved as presented.

Moved: M.A. Lamb

Seconded: G. Nikolov

3. Statutory Reporting by Management

No questions arose concerning the statutory reporting by management.

4. Declaration of Conflict of Interest

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

5. Verification of Minutes

The minutes of December 6, 2023 were approved.

Moved: G. Nikolov

Seconded: G. Vigliatore



6. Business Arising from Previous Meeting – OMVIC's Financial Support to the MVDCF

W. Lee addressed the letter dated January 15, 2024 received from OMVIC's Finance, Audit and Risk Committee Chair, advising that OMVIC's financial support to the fund will be ending on August 31, 2024. General discussion was held. Management will prepare a letter of acknowledgement for P. Stock to send on the board's behalf.

7. OMVIC Consumer Support Presentation

W. Lee welcomed T. Hines, Director of OMVIC's Consumer Support team, to provide an overview of the Consumer Support service.

T. Hines provided an overview of the Consumer Support team's structure and recent process enhancements. Discussion ensued, followed by a brief question and answer period.

8. Yorkville Asset Management Portfolio Review

W. Lee welcomed D. Brenzil and R. Kamhi, portfolio managers with Yorkville Asset Management. They provided an overview of the team structure, strategy, outlook, and portfolio performance.

Overall, Yorkville reported that 2023 had been a very strong year. The asset allocation as of December 31, 2023 was 54% equities, 44% fixed income, 2% cash and 0% alternate investments. Although Yorkville had decided to not invest in the health care fund in March 2023, they advised that there will be a 7% allocation to the health care fund beginning in February 2024.

D. Brenzil provided a December 31, 2023 portfolio overview. He stated that the overweight in equities has proved beneficial. One-year performance was 8.3% compared to the 10.7% benchmark as of December 31, 2023. Of this, equities were 11.2% versus the 17.5% benchmark.

General discussion was held. W. Lee inquired as to the rationale for investing in the health care fund beginning in February 2024. D. Brenzil advised that, typically, investing in the health care fund is considered over a five-year horizon and it is now prudent to re-enter health care at 7%. Representatives from Yorkville Asset Management left the meeting. A. Khuu provided some historical context surrounding the health care fund. The board agreed to continue the discussion in camera.

9. Operations:

a) 2022/23 MVDCF Audit Results Report

A Khuu advised that T. Kriens had met with the Management Committee earlier that day to review the audit report and audited financial statements. A Khuu provided an overview of the audit status. He stated that the audit was completed on time and on budget, for a fee of \$8,200. It was said to be a clean audit with no audit adjustments. A. Khuu then provided an overview of the Statement of Financial Position and Statement of Operations. The 2022/23 MVDCF Audit Results Report and year-end financial statements were approved as presented.



Moved: P. Stock
Seconded: J. Raymond

b) November 30, 2023 Financial Statements and Dashboard

Paul Stock provided an overview of the November 30, 2023 financial statements and dashboard. The financial statements were approved as presented.

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

c) Board Remuneration Policy – Briefing Note

J. Beaton provided an overview of the briefing note concerning potential changes to board per diems. She shared that the OMVIC board had asked management to compare per diems to that of other delegated administrative authorities, and will be considering a 10% reduction in rates, based on this scan. The OMVIC board had decided to review per diem rates given several changes within OMVIC, such as the decreased board size but increased per diems required for new industry and consumer council members, and OMVIC's financial challenges, along with ongoing scrutiny from government, the Auditor General of Ontario, and stakeholders. The board remuneration policy applies to OMVIC board members, trustees and discipline committee members. General discussion followed. J. Beaton will provide an update on the policy change discussions, during the next trustee meeting.

10. Governance:

a) Succession Planning and Board Recruitment – Board of Trustees' Skills Grid

D. Dailly provided an overview of the trustee skills grid, which had been pre-circulated. W. Lee advised that the Management Committee had discussed succession planning earlier that day, and recommends that management place notice on the OMVIC website that recruitment is underway, given M. Rispin's upcoming term expiry. W. Lee advised that the Management Committee recommends that the recruitment focus on individuals with skill sets to complement the Board

b) Management Committee Election Process

W. Lee advised that elections for Management Committee positions will occur on March 20, 2024. Discussions followed regarding the election process.

c) Board and Chair Evaluation – Results

J. Beaton provided an overview of the Board and Chair evaluations, which had been pre-circulated.

d) Trustee Personal Development – Options

J. Beaton advised that the Management Committee had met to review professional development opportunities related to board governance advertised thus far by sources such as the Institute for Corporate Directors. Trustees were reminded that they are eligible for up to



\$3,000 per year for professional development, as long as the annual \$9,000 aggregate maximum is not exceeded. Trustees interested in pursuing professional development should seek pre-approval from the Chair.

e) OMVIC Board – Update

J. Beaton provided an update on recent OMVIC board-related activities.

11. Claims

D. Dailly provided an overview of the fiscal year’s claim activity.

Dealer	Criteria	Amount Claimed	Amount Approved
Carone	Bankruptcy	\$2,499	\$2,579.01
Carone	Bankruptcy	\$600	\$1,558.82
Carone	Bankruptcy	\$5,200	\$3,998.53
Carone	Bankruptcy	\$727.61	\$727.61
Carone	Bankruptcy	\$495.50	\$495.80
Carone	Bankruptcy	\$1,215.40	\$1,215.40
Carone	Bankruptcy	\$5,452.98	\$5,353.05
Echo	Proposal	\$941.02	\$941.02
Echo	Proposal	\$8,719.68	\$753.36
Best Rate	Proposal	\$2,258.87	\$4,317.75

12. Other Business

No other business was raised for discussion.

13. Next Meeting

The next meeting is scheduled for March 20, 2024 (via videoconference).

14. In-Camera

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

15. Termination

On a motion duly made (J. Raymond) and seconded (P. Stock) and carried unanimously, the meeting was terminated.