



NATALIE A. HUBLEY  
PRESIDENT

COMMONWEALTH AUTOMOBILE REINSURERS

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## RECORDS OF MEETING

### PERSONNEL COMMITTEE – FEBRUARY 8, 2018

#### Members Present

Mr. Thomas DePaulo – Chair	Cabot Risk Strategies, LLC
Ms. Paula Gold	Plymouth Rock Assurance Corporation
Mr. James Hyatt	Arbella Insurance Group
Mr. John Kelly	MAPFRE U.S.A. Corporation

#### Substituted for:

Not in Attendance:	
Mr. Sumner Gilman	Economy Insurance Agency, Inc.

#### 17.01 Records of Previous Meeting

The Committee unanimously voted to approve the Records of the Personnel Committee meeting of February 6, 2017. The Records have been distributed and are on file.

#### 18.04 2018 Annual Merit Increase

Mr. Timothy Costain reviewed an annual merit increase survey of member companies represented on the Governing Committee, as well as industry-funded like organizations. He noted that the average 2018 merit increase for current Governing Committee members responding to the survey is provided for reference, but that CAR has historically been measured against its industry-funded peers. Mr. Costain reviewed the average approved 2018 merit increase for those organizations and recommended a comparable merit increase of 3.25% for CAR.

Following discussion, the Committee agreed that an increase percentage slightly lower than staff's recommendation would be appropriate.

The Committee unanimously voted to recommend to the Governing Committee adoption of a merit increase of 3.00% for calendar year 2018.

#### 18.05 Annual Range Movement

Mr. Costain reviewed salary range survey information compiled by CAR among member companies represented on the Governing Committee, as well as industry-funded like organizations. He identified average 2018 salary range increases among Governing Committee member companies and industry-funded organizations and noted that the average salary range increase for CAR over the past

several years has fallen below those of like organizations. Mr. Costain recommended a 2.2% salary range increase for 2018.

Following discussion, the Committee unanimously voted to recommend to the Governing Committee a salary range increase percentage as recommended by staff for calendar year 2018.

#### **18.06 Officer Salary Recommendations**

Ms. Natalie Hubley provided current salary and salary range information for Ms. Wendy Browne, Vice President of Business Operations. She provided highlights of Ms. Browne's performance during 2017, including her involvement with commercial automobile market issues under consideration by several committees. Ms. Browne engaged in personal and staff training necessitated by those issues, including CAR's Audit and Actuarial department staff, resulting in the expansion of CAR's long-term commercial market knowledge base. She also led efforts to enhance member company statistical reporting compliance in accordance with CAR's data quality assurance program. Ms. Hubley proposed a 2018 salary increase for Ms. Browne equal to the merit percentage approved for CAR staff.

Ms. Hubley provided the Committee with current salary and salary range information for Mr. Peter McCabe, Vice President of Technical Operations. She informed the Committee that Mr. McCabe performed at a high level throughout 2017 and cited key accomplishments, including his role in the development of a more comprehensive disaster recovery plan, his collaboration and increased visibility with the committee process and the uninterrupted system availability indicative of the high daily operational performance level of CAR's IT department.

Ms. Hubley proposed a salary increase for Mr. McCabe equal to the merit percentage approved for CAR staff for 2018.

The Committee unanimously voted to recommend to the Governing Committee a 2018 salary increase for Wendy Browne, Vice President of Business Operations and Peter McCabe, Vice President of Technical Operations, as proposed by Ms. Hubley.

#### **18.07 President's Salary Recommendation**

Chairman Thomas DePaulo provided a review of President Natalie Hubley's job performance during 2017. Mr. DePaulo noted that input on her performance was solicited from Governing Committee members, Chairs of advisory committees and CAR's senior staff. He indicated that responses were universally positive and comments noted that Ms. Hubley projects a more confident leadership presence than when she first assumed the CAR Presidency and has taken the initiative on a number of occasions to reach out to industry participants and the Commissioner in the interests of the residual market.

Mr. James Hyatt identified certain objectives developed for Ms. Hubley in 2018 and recommended a merit increase consistent with that of staff and its officers.

Following discussion, the Committee unanimously voted to recommend to the Governing Committee a salary increase for Ms. Hubley as proposed by Mr. Hyatt.

The Committee also discussed the extent to which staff may need bolstering, in light of the numerous commercial market issues currently being considered and the perceived pedestrian pace of efforts at the advisory committee level to resolve them. It was noted that CAR as an organization is required to work through a committee process that cannot be ignored or abandoned. The committee agreed to the

extent that staff can be more proactive in introducing efficiency to the deliberative process, examination of additional resource options should be considered.

TIMOTHY COSTAIN  
Chief of Staff

Boston, Massachusetts  
February 9, 2018

**ATTACHMENT LISTING**

Docket #PC18.02, Exhibit #1

Attendance Listing

