



NATALIE A. HUBLEY
PRESIDENT

COMMONWEALTH AUTOMOBILE REINSURERS

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RECORDS OF MEETING

PERSONNEL COMMITTEE – MARCH 24, 2021

Members Present

Ms. Elizabeth Brodeur – Chair
Mr. Thomas DePaulo
Ms. Gail Eagan
Mr. John Kelly
Mr. John Olivieri, Jr.
Ms. Kellie Thibodeau

Safety Insurance Company
Cabot Risk Strategies, LLC
Arbella Insurance Group
MAPFRE U.S.A. Corporation
J.K. Olivieri Insurance Agency, Inc.
The Hanover Insurance Company

Substituted for:

N/A

Not in Attendance:

N/A

21.01 Records of Previous Meeting

On a roll call vote, the Committee unanimously voted to approve the Records of the Personnel Committee meeting of February 4, 2021. The Records have been distributed and are on file.

21.08 President's Performance Objectives

At its February 4, 2021 meeting, the Committee discussed the establishment of business objectives for CAR's President. While goals have been established for the President annually, the Committee agreed that providing an opportunity for input from all Governing Committee members to identify CAR specific business objectives, may be helpful in developing Presidential performance goals.

The Committee continued its discussion concerning whether the current approach to establishing performance objectives for CAR's President is adequate and if it would be worthwhile to establish a framework and schedule to provide more guidance in the development of Presidential performance objectives. Currently the Governing Committee Chair and Vice Chair work with the President and utilize business goals in CAR's annual Business Plan as the primary basis for the development of performance objectives.

The Committee reviewed CAR's Business Plan objectives and discussed the resulting performance objectives which have been the focus of CAR's President throughout FY2021, specifically citing efforts to reduce the size and deficit of the commercial automobile residual market as the highest current priority. In addition, Committee members offered their thoughts on objectives not expressly articulated in the Business Plan such as operational efficiencies, industry partner engagement and succession planning. In discussing the potential for creating a framework and schedule for the establishment of performance objectives, the Committee agreed that integrating those efforts in conjunction with and pursuant to the development of the

Business Plan and budget might foster a more timely and efficient result. While there was general agreement that such an approach makes sense, there was also a preference expressed to avoid establishing a formal administrative process. It was noted that the current process utilized to establish annual performance objectives captures much of what the Committee agreed should occur.

Deliberations resulted in consensus among members, specifically that the Governing Committee is responsible for defining CAR's organizational direction within the context of CAR's role in the automobile insurance market. There was agreement that Presidential performance objectives emanating from CAR's organizational goals should remain connected to CAR's role and purpose as an entity. The Committee also felt that the President should have a collaborative role in the development of performance objectives that are tied not only to the Business Plan execution, but also to organizational goals addressing operational efficiencies and personnel development.

The Committee concluded that it should continue to consider the merits of amending the mechanism used to develop annual Presidential performance objectives on a going forward basis, and in the interim, a discussion with CAR's President should take place to confirm objective priorities for the remainder of FY2021.

TIMOTHY COSTAIN
Chief of Staff

Boston, Massachusetts
April 1, 2021

ATTACHMENT LISTING

Docket #PC21.02, Exhibit #2

Attendance Listing

