



NATALIE A. HUBLEY
PRESIDENT

COMMONWEALTH AUTOMOBILE REINSURERS

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RECORDS OF MEETING

BUDGET COMMITTEE – SEPTEMBER 7, 2023

Members Present

Mr. William Hughes– Chair
Ms. Sarah Clemens
Mr. Cory Hansen⁽¹⁾
Mr. John Olivieri, Jr.
Ms. Meredith Woodcock

Arbella Insurance Group
MAPFRE U.S.A. Corporation
The Hanover Insurance Company
J.K. Olivieri Insurance Agency, Inc.
Liberty Mutual Insurance Companies

Substituted for:

⁽¹⁾Mr. Christopher Taylor

Not in Attendance:

Mr. Thomas DePaulo, Cabot Risk Strategies, LLC
Mr. Tiago Prado, BRZ Insurance, LLC

22.01 Records of Previous Meeting

On a roll call vote, the Committee voted unanimously to approve the Records of the Budget Committee meeting of September 8, 2022. The Records have been distributed and are on file.

23.04 Fiscal Year 2024 Budget and Business Plan

Ms. Natalie Hubley reviewed highlights of CAR’s proposed fiscal year 2024 business plan which describes the organization’s operational objectives. She advised that the objectives are targeted toward enhancements in support of the private passenger residual market, continued momentum to improve commercial results, as well as and the improved efficiency in the delivery of services to CAR’s customers.

Mr. Steven Gautieri advised that CAR management is requesting a FY24 budget allocation of \$10,064,200, which represents an increase of 2.9%, or \$288,300, over FY23. He further noted that staff expects to close FY23 \$119,000 under budget and that the proposal recommends the surplus be allocated to fund CAR pension expenses, consistent with the strategy adopted in 2013.

Mr. Gautieri presented a detailed review of the proposed FY23 budget, providing explanations and rationale of variances between FY23 and FY24. Staff advised that this budget supports management’s gradual implementation of strategic succession planning objectives. Ms. Hubley updated the Committee on the on-going discussions with her counterparts in the like organizations relative to opportunities for potential office-space savings at lease end.

After discussion, on a roll call vote, the Committee unanimously voted to recommend to the Governing Committee approval of the FY24 administrative expense budget and business plan as proposed.

STEVEN GAUTIERI
Controller

Boston, Massachusetts
September 12, 2023

ATTACHMENT LISTING

Docket #BC23.02, Exhibit #1

Attendance Listing

**BUDGET COMMITTEE MEETING
MEETING ATTENDEES
SEPTEMBER 7, 2023**

Individual's Name

Company / Agency

PLEASE PRINT

Sarah Clemens	MAPFRE U.S.A. Corporation
Cory Hansen	The Hanover Insurance Company
William Hughes	Arbella Insurance Group
John Olivieri, Jr	J.K. Olivieri Insurance Agency, Inc.
Meredith Woodcock	Liberty Mutual Insurance Companies
Wendy Browne	CAR Staff
Timothy Costain	CAR Staff
Steve Gautieri	CAR Staff
Natalie Hubley	CAR Staff
Jennifer Kwan	CAR Staff
Peter McCabe	CAR Staff
David Perfetti	CAR Staff
Robin Tigges	CAR Staff