



NATALIE A. HUBLEY  
PRESIDENT

COMMONWEALTH AUTOMOBILE REINSURERS

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## RECORDS OF MEETING

### FINANCIAL AUDIT COMMITTEE – AUGUST 29, 2023

#### Members Present

Mr. Thomas LaFrancois – Chair	Arbella Insurance Group
Ms. Pamela Bodenstab-Krynicky	P L Krynicky Insurance Agency
Mr. Brian Breedan	MAPFRE U.S.A. Corporation
Mr. Christopher Burke	Safety Insurance Company
Mr. Sean Moone	Norfolk & Dedham Group
Mr. Joseph Mullen <sup>(1)</sup>	Plymouth Rock Assurance Corporation
Mr. Henry Risman	Risman Insurance Agency, Inc.

Substituted for:

<sup>(1)</sup>Mr. Matthew Anglim

Not in Attendance:

N/A

#### 23.01 Records of Previous Meeting

On a roll call vote, the Committee voted unanimously to approve the Records of the Financial Audit Committee meeting of February 7, 2023. The Records have been distributed and are on file.

#### 23.04 Annual Audit of CAR for Fiscal Year Ending September 30, 2023

Mr. John Buckley of AAFCPA presented his recommendation regarding the engagement parameters for the 2023 review and provided a basic timeline for the planning, execution, and completion of the engagement. He then discussed the Agreed Upon Procedures (AUP) plan. He informed the Committee of auditing attestation standards that dictate the use of certain language in AUP engagements. Mr. Buckley then noted that the updates contained in the 2023 procedures do not change the actions performed by the auditor but adjust specific wording within the AUP to adhere to the standards. Mr. Buckley informed the Committee that CAR will adopt the IFRS 16 lease accounting standard with the FY2023 Financial Statements. He also reiterated that the 2023 procedures would continue to focus primarily on transactions relevant to CAR's administrative expenses. Lastly, Mr. Buckley confirmed the 2023 audit fee of \$86,500 reflecting a 4% increase over 2022.

**After discussion, on a roll call vote, the Committee members voted unanimously to recommend that the Governing Committee approve the engagement parameters as presented by AAFCPA for the review of CAR's fiscal year 2023 financial statements, including the AUP as presented, recognizing that the procedures are sufficient for their intended purpose, and that access**

**to the AUP report would be limited to CAR, its committees and subcommittees, its Member Companies, and the Division of Insurance. The Committee also recommended that the President be directed to execute the engagement letters on behalf of CAR.**

WENDY BROWNE  
Vice President of Business Operations

Boston, Massachusetts  
September 1, 2023

**ATTACHMENT LISTING**

Docket #FAC23.02, Exhibit #2

Attendance Listing

**FINANCIAL AUDIT COMMITTEE MEETING  
MEETING ATTENDEES  
AUGUST 29, 2023**

Individual's Name

Company / Agency

PLEASE PRINT

Thomas LaFrancois	Arbella Insurance Group
Joseph Mullen	Plymouth Rock Assurance Corporation
Pamela Bodenstab-Krynicky	P.L. Krynicky Insurance Agency
Brian Breeden	MAPFRE U.S.A. Corporation
Christopher Burke	Safety Insurance Company
Sean Moone	Norfolk & Dedham Group
Henry Risman	Risman Insurance Agency, Inc.
John Buckley	AAFCPA
Thomas Perruna	AAFCPA
Hanna Cappellini	AAFCPA
Wendy Browne	CAR Staff
Steven Gautieri	CAR Staff
Jennifer Kwan	CAR Staff
David Perfetti	CAR Staff
Robin Tigges	CAR Staff