

**NEW JERSEY CYBER RISK MANAGEMENT FUND
OPEN MINUTES
MAY 9, 2023
VIA TELECONFERENCE – 3:00 PM**

Chairman Tom Merchel called the meeting to order, read the statement of compliance open public meeting act and led the pledge of allegiance.

ROLL CALL OF 2023 FUND COMMISSIONERS

Tom Merchel, Chair	PMM JIF - Township of Moorestown	Present
Joy Tozzi, Secretary	Mid-Jersey JIF - Township of Robbinsville	Present
Megan Champney	Suburban Municipal JIF - City of Summit	Present
Steve Rovell	Suburban Metro JIF - Belleville Twp.	Present
Jim Gant	Monmouth JIF - Sea Girt Borough	Present
Joseph Wolk	Camden JIF - Borough of Mount Ephraim	Present
Bernard Rutkowski	NJUA JIF - Toms River MUA	Present
Marc Schrieks	South Bergen JIF - Lodi Borough	Present
Lisa McLaughlin	Atlantic JIF - Margate City	Present
Paul Tomasko	Bergen JIF - Borough of Alpine	Present
Meghan Jack	Burloco JIF - Riverside Twp	Present
Casey Wagner	Central JIF - Woodbridge	Present
Chris Burnett	FIRST JIF - Mt. Laurel Twp. Fire Dist. #1	Present
Adam Brewer	Morris JIF - Pequannock Township	Present
Diane Lapp	Ocean JIF - Manchester Twp	Present
John Clarke	PHA JIF - New Brunswick Housing Authority	Present
James Ulrich	NJSI JIF - Clark Township	Present
Michael Razze	Trico JIF - Pitman Borough	Absent
Frank Elenio	PAIC JIF - Ridgefield Borough	Present

PROFESSIONALS PRESENT:

Executive Director/Adm	PERMA Risk Management Services Joseph Hrubash, Cathleen Kiernan, Sandra Cantwell
Deputy Executive Director	Risk Program Administrators Paul Forlenza, Kamini Patel
Claims Adjustor	CB Claims LLC Chris Botta, Esq.
Chief Financial Officer	Pauline Kontomanolis, CPA
Attorney	Dorsey & Semrau Sue Sharpe, Esq., Fred Semrau, Esq.
Claims Manager	Robyn Walcoff, Esq.

Planning Consultant **Barbara Murphy**

Treasurer **Charles Cuccia**

ALSO PRESENT:

Ted Preusch, Bergen JIF, Alternate Fund Commissioner
James Brady, Mid-Jersey JIF, Alternate Commissioner
Matthew von der Hayden, Ocean JIF, Alternate Commissioner
Ted Stanziale, Government Securities
Brian Lau, D2 Cybersecurity
Suby Gupta, D2 Cybersecurity
Matt T. McArow Jr., GJEM Otterstedt Agency
Michael Avalone, Conner Strong & Buckelew
Alison Kelly, Danskin Insurance Agency
John Casagrande, Danskin Insurance Agency
Chuck Casagrande, Danskin Insurance Agency
Robin Racioppi, Acrisure
Chuck Hartsoe, PEGAS
Lindsay Travali, Acrisure
Frank Covelli, PIA
Ed Cooney, Conner Strong & Buckelew
Jonathon Tavares, Conner Strong & Buckelew
Jackie Lindsey, Conner Strong & Buckelew
Katie Walters, Conner Strong & Buckelew
Dave Vozza, The Vozza Agency
Pauline Kontomanolis, PERMA
Brad Stokes, PERMA
Steve Sacco, PERMA
Robyn Walcoff, PERMA
Brandon Tracy, PERMA

MINUTES: Chairman Merchel said included in the agenda were the open minutes of March 16, 2023.

Motion To Approve March 16, 2023 Open Minutes:

Moved: Commissioner Tozzi
Second: Commissioner Jack
Vote: Unanimous – 1 Abstentions
 (Commissioner McLaughlin)

CORRESPONDENCE:

NONE

Executive Session. Chairman Merchel said he would like to request Executive Session with the Fund Commissioners and the Attorneys. The Risk Control Committee would like to bring the Board of Commissioners up to date on all the processes that the subcommittee has gone through.

Motion for Executive Session:

Moved: Commissioner Brewer
Second: Commissioner Ulrich
Vote: Unanimous

Fund Commissioners and the Fund Attorneys were moved to a breakout room.

Upon return, Fund Attorney Fred Semrau said the Fund Commissioners would like to consider a resolution to reject all bids and utilize the information that has been gathered to revise either the bids or the process for the benefit of all members. Mr. Semrau said this action is within the purview of the Board of Fund Commissioners. Chairman Merchel said the Commissioners will further discuss the options and decide what end result they would like from a new bid to offer to the membership.

Motion to adopt Resolution 41-23 Rejecting all Bids for CC# 22-01 (Cyber Training, Phishing and External Scanning):

Moved: Commissioner Tozzi
Second: Commissioner Ulrich
Roll Call Vote: Unanimous

Chairman Merchel said the Commissioners respectfully request the Fund Professionals to offer an alternate timeline for the members to meet the requirements for the deductibles.

EXECUTIVE DIRECTOR REPORT:

Transfer Of Funds: Executive Director Hrubash said the amount budgeted for excess insurance premiums has been adjusted to reflect the updated membership, resulting in a balance of \$504,441. Executive Director recommended the Board adopts Resolution 42-23 to transfer the balance to General Contingency. In response to Chairman Merchel, Executive Director Hrubash confirmed monies in General Contingency are subject to the Commissioners approval before expenditure.

Motion to adopt Resolution 42-23 Transfer of Funds \$504,441 to General Contingency

Moved: Commissioner Schrieks
Second: Commissioner Elenio
Roll Call Vote: Unanimous

Chertoff Group: Executive Director Hrubash said the Risk Control Committee reviewed a proposal from the Chertoff Group for Cyber Support Services and referenced the Statement of Work included in the agenda, which reflects modifications the committee requested.

Motion to adopt Resolution 43-23 Awarding a One-year Contract to the Chertoff Group for Cybersecurity Consulting for Extraordinary Unspecified Services:

Moved: Commissioner Clarke
Second: Commissioner Schrieks
Roll Call Vote: Unanimous

Technology Stack Questionnaire: Executive Director Hrubash said the technology stack questionnaire developed by the Chertoff Group has been drafted into Origami and is now under final review. Once complete, Fund Commissioners and Risk Managers will receive an email to complete the survey. The survey will allow the Fund to better tailor the cybersecurity framework and provide broadscale advice to the members. In response to Executive Director, Underwriting Manager said the

services are similar to what the Chertoff Group provided for the MEL but with additional services that will help advance the development of our cyber security program.

Webpage: Executive Director Hrubash said the Cyber JIF website has launched and the Fund will be notifying the local JIFs. The URL is: <https://cyberjif.org/>. The MEL webpage will continue to carry the same content as members familiarize themselves with the new webpage.

State Filing: The Fund Office continues to submit the required filings, including the professional contracts that are being processed.

NEXT MEETING: The next meeting is scheduled for Thursday May 18, 2023 at 2:00 PM via Zoom.

UNDERWRITING MANAGER: No additional report.

TREASURER:

Treasurer asked for a motion to approve the April 2023 Bills List

April 2023	\$980,456.74
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Motion to adopt Resolution 44-23 For April 2023 Vouchers:

Moved: Commissioner Gant
Second: Commissioner Brewer
Roll Call Vote: Unanimous

NEW BUSINESS:

NONE.

OLD BUSINESS:

NONE

PUBLIC COMMENT:

Mr. Ted Stanziale, Government Solutions, introduced himself and said he was one of the vendors that submitted a proposal for cyber training/phishing and external scanning. Mr. Stanziale said he had many years' experience working with NJ public entities and said the Fund should consider tighter language when developing the next CCRFP and also suggested the Cyber JIF consider services beyond those included in CC #01 – noting that outdated hardware may be more of a cyber risk.

Brian Lau, D2 Cybersecurity introduced himself and said D2 was also a bidder and asked what the reason was for rejecting the bids. Fund Attorney responded saying it is the prerogative of the Commissioners to make that determination. There were no illegalities. Like any other public contract, it is the Commissioners discretion if they want to use the information gathered and change the actual bid and specifications. The process was not defective; there wasn't satisfaction that the goals and needs of the organization would be met, and if they so choose they can go out again for a different type of product or service. And that is the decision made today. This is not a reflection on the high scorer.

MOTION TO ADJOURN:

Moved: Commissioner Brewer
Second: Commissioner Schrieks
Vote: Unanimous

MEETING ADJOURNED: 3:28 PM

NEXT MEETING: May 18, 2023 – 2:00 PM via Zoom

Sandra Cantwell, Assisting Secretary

For

JOY TOZZI, SECRETARY