

**NEW JERSEY CYBER RISK MANAGEMENT
OPEN MINUTES
NOVEMBER 20, 2023
VIA TELECONFERENCE – 2:00 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	Burlco JIF - Riverside Twp	Present
Casey Wagner	Central JIF - Woodbridge	Absent
Joe Criscuolo	Central JIF Alternate – East Brunswick	Present
Chris Burnett	FIRST JIF - Mt. Laurel Twp. Fire Dist. #1	Present
Adam Brewer	Morris JIF - Pequannock Township	Absent
Diane Lapp	Ocean JIF - Manchester Twp	Present
Frank Elenio	PAIC JIF - Ridgfield Borough	Absent
John Clarke	PHA JIF - New Brunswick Housing Authority	Absent
James Ulrich	NJSI JIF - Clark Township	Present
Michael Razze	Trico JIF - Pitman Borough	Absent

PROFESSIONALS PRESENT:

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

Underwriting Manager Conner Strong & Buckelew
 Ed Cooney

Planning Consultant **Barbara Murphy**
Treasurer **Charles Cuccia**

ALSO PRESENT:

Ted Preusch, Bergen JIF, Alternate
Mathew von der Hayden, Ocean JIF, Alternate
Kyle Mrotek, The Actuarial Advantage
Alison Kelly, Danskin Insurance Agency
John Casagrande, Danskin Insurance Agency
Chuck Casagrande, Danskin Insurance Agency
Brian Lau, D2 Cybersecurity
Don Sciolaro, PIA
Lindsay Klein, Acrisure
Matt McArow, Jr., GEM-Otterstedt Insurance Agency
Katie Walters, Conner Strong & Buckelew
Michael Avalone, Conner Strong & Buckelew
Jonathon Tavares, Conner Strong & Buckelew
Dave Grubb, PERMA
Brad Stokes, PERMA
Steve Sacco, PERMA
Sandra Cantwell, PERMA

MINUTES: Chairman Merchel said included in the agenda were the open minutes of October 19, 2023.

Motion To Approve October 19, 2023 Open Minutes:

Moved: Commissioner Wolk
Second: Commissioner Ulrich
Vote: 14 Ayes, 1 Abstain (Commissioner McLaughlin)

CORRESPONDENCE: None.

EXECUTIVE DIRECTOR REPORT:

2024 Budget: Executive Director said last month the Board introduced the 2024 proposed budget totaling \$6,448,842, representing a 2% increase. Today’s public hearing to adopt the budget has been advertised and the membership notified.

Motion to open the Public Hearing for the 2024 Budget in the amount of \$6,448,842

Moved: Commissioner Rovell
Second: Commissioner Tomasko
Vote: Unanimous

Executive Director asked for questions or discussion; hearing none, Chairman Merchel asked for a motion to close the Public Hearing.

Motion to close the Public Hearing for the 2024 Budget

Moved: Commissioner Rovell
Second: Commissioner Ulrich
Vote: Unanimous

Motion to adopt the 2024 Budget in the amount of \$6,448,842 and certify the assessments:

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

Training / Phishing and External Scanning Update – Executive Director said D2 launched phishing exercises for members that submitted email and IP addresses. D2 continues to reach out to members that have yet to provide a Point of Contact (POC). Local Executive Director offices are also following up with members.

Cyber Website Members Only Login – Executive Director said the Members Only login on the Cyber JIF website was launched in the beginning of the month. An email was sent to all Fund Commissioners and Risk Managers inviting them to login. Anyone that requests a login from the website will be forwarded to the appropriate Executive Director’s office for review before gaining access. A notice is included in the agenda to outline the steps to gain access to the secure documents.

Joint Cash Management & Investment Program (JCMI): Executive Director said the MEL’s JCMI Operating Committee has put together a “Banking Best Practices” memorandum providing guidance for members to manage the growing fraud risk. The MEL Board of Fund Commissioners authorized the distribution to the membership and asks that it be included in the Cyber JIF’s Risk Management Program. The Underwriting Manager has been advised and will add to the ‘Basic’ level of the cyber compliance framework. Underwriting Manager said a reference will be added to the Basic security requirements that members must establish wire and ACH payment procedures in accordance with the JCMI banking best practices. Assistant Executive Director said there will be a separate distribution of the document to emphasize the importance of this information and note its addition to the Basic level of the Cyber Compliance framework.

In response to Commissioner McLaughlin, there will not be a checklist for the banking best practices; the memo will serve as reference.

Commissioner Merchel thanked all the members of the JCMI team and other professionals who worked on developing this important memo and said the Government Financial Association has also recognized and accepted the document.

Motion to approve the Banking Best Practices memo and add it to the Basic level of the Cyber Compliance framework:

Moved: Commissioner Rovell
Second: Commissioner Tozzi
Vote: Unanimous

2023 Commissioner Compensation – Executive Director said the commissioner attendance record for 2023 is included in the agenda as well as a voucher to be completed if you are choosing to be compensated. Commissioners may email their vouchers to the fund office. An additional bills list will be run in December to ensure that the commissioners receive their checks by the end of the Fund year. The Fund adopted Resolution #37-23 at its February 2023 meeting which authorized the Treasurer to make payments to Fund Commissioners for 2023 meeting attendance.

2024 Meeting Platform – Executive Director said to streamline and leverage the Microsoft 365 suite of applications, the Fund office is expected to eliminate the use of the Zoom application for meetings and webinars. Microsoft Teams will become the default option for audio or video conferencing beginning January 2024. If anyone has questions or would like more information, please contact the Fund office.

Next Meeting: Executive Director said the next meeting will be the 2024 Reorganization. The Cyber JIF has been meeting virtually on the third Thursday. Following that, Reorganization should be January 18, 2024. For the first year, meetings were scheduled monthly however for 2024, it is suggested that meeting every other month should be adequate. Several commissioners voiced agreement.

☐ Motion to schedule the 2024 reorganization meeting to be held virtually on January 18, 2024 at 2:00 pm:

Moved: Commissioner Rovell
Second: Commissioner Champney
Vote: Unanimous

In response to Commissioner Rovell, Mr. Grubb said the Cyber JIF website was not mentioned in the Community Risk Management handout that was distributed at the League of Municipalities because at the time the publication was written, the website was not yet developed.

UNDERWRITING MANAGER

Underwriting Manager said last month the Board approved adding a ‘Basic’ level to the Cyber Security framework and has today added the JCMi Banking Best Practices memo to the Basic level. They will begin making these updates to the Cyber website and in Origami and members can expect to see notices concerning the updates.

TREASURER:

RESOLUTION 53-23 CONFIRMATION OF PAYMENT – NOVEMBER 2023

2023	\$49,753.42
TOTAL	\$49,753.42

Chairman Merchel recused himself from the bills list and the Executive Director asked for the motion.

Motion to adopt Resolution 52-23 Approving the November 2023 Voucher List as submitted:

Moved: Commissioner Rovell
Second: Commissioner Tozzi
Roll Call Vote: 13 Ayes, 0 Nays, 1 abstain (Commissioner Criscuolo),
Chairman Merchel recused.

NEW BUSINESS:

Commissioner Tomasko thanked Chairman Merchel for his leadership in the start-up of this Fund’s first year. Secondly Commissioner Tomasko said he will be recommending Ted Preusch as the Bergen JIF representative to take his place on the Cyber JIF in the new year.

Chairman Merchel announced this would be his last meeting with the Cyber JIF as he will retire from his current position at the end of this year. Executive Director said Chairman Merchel has done a great job and will be greatly missed, and good luck in his new endeavor.

Commissioner Tozzi said it has taken a great amount of effort to launch the JIF this year and thanked Chairman Merchel for his leadership and wished him well at his next endeavor.

Chairman Merchel said it was a team effort and thanked everyone, especially the sub-committee members and the professionals who gave great guidance.

Executive Director said at the January meeting if we follow precedent, the secretary will move to the chair and the Fund will need to vote on a new secretary.

Fund Attorney said legally the Fund did very well and navigated through many difficult decisions and with no litigation. On behalf of himself and Fund Counsel Ms. Sharpe he thanked the Board for the opportunity to be a part of the historic launching of the Cyber JIF.

OLD BUSINESS:

None.

PUBLIC COMMENT:

None.

MOTION TO ADJOURN:

Moved:	Commissioner Tomasko
Second:	Commissioner Tozzi
Vote:	Unanimous

MEETING ADJOURNED: 2:20 pm

Sandra Cantwell, Assisting Secretary

For

JOY TOZZI, SECRETARY

NEW JERSEY CYBER RISK MANAGEMENT FUND BILLS LIST

Resolution No. 52-23

November 2023

WHEREAS, the Treasurer has certified that funding is available to pay the following bills:

BE IT RESOLVED that the New Jersey Cyber Risk Management Fund's Executive Board, hereby authorizes the Fund treasurer to issue warrants in payment of the following claims; and

FURTHER, that this authorization shall be made a permanent part of the records of the Fund.

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FUND YEAR 2023

<u>Check Number</u>	<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
001103			
001103	APEX INSURANCE AGENCY, C/O XL INSURANCE	TECH/ OMISSION. JERSEY CITY HA 1/23-1/24	2,885.00
			2,885.00
001104			
001104	CB CLAIMS LLC	CLAIMS ADMIN FEE 11/23	2,083.33
			2,083.33
001105			
001105	QUAL-LYNX	BANKING SERVICES 11/23- INV 53203	500.00
			500.00
001106			
001106	PERMA RISK MANAGEMENT	POSTAGE 10/23	15.28
001106	PERMA RISK MANAGEMENT	ADMINISTRATOR FEE 11/23	10,416.67
			10,431.95
001107			
001107	ARTHUR J. GALLAGHER RISK MGMT SERVICES, LLC	DEPUTY ADMIN 11/23	4,166.67
			4,166.67
001108			
001108	THE ACTUARIAL ADVANTAGE	ACTUARY FEE 11/23	2,083.33
			2,083.33
001109			
001109	RISK & LOSS MANAGERS, INC	PLAN CONSULTANT 3RD & 4TH QTR 2023	7,500.00
			7,500.00
001110			
001110	DORSEY & SEMRAU	4TH QTR RETAINER 2023	12,500.00
			12,500.00
001111			
001111	CHARLES CUCCIA	TREASURER FEE 11/23	2,083.33
			2,083.33
001112			
001112	CONNER STRONG AND BUCKELEW	UNDERWRITING MANAGER FEE 11/23	4,166.66
			4,166.66
001113			
001113	THE CANNING GROUP	QPA SERVICES 10/23	1,250.00
			1,250.00
001114			
001114	COURIER POST	ACCT 1120276 11/1/23 ORD # 9456710	40.80
			40.80
001115			
001115	NJ ADVANCED MEDIA	ACCT 1000975964 10/31/23 AS 107742347	38.27
001115	NJ ADVANCED MEDIA	ACCT 1000975964 6/28/23 AD 10681564	24.08
			62.35

Total Payments FY 2023 **49,753.42**

TOTAL PAYMENTS ALL FUND YEARS **49,753.42**

Chairperson

Attest

Dated: _____

I hereby certify the availability of sufficient unencumbered funds in the proper accounts to fully pay the above claims.

Treasurer: _____