

**NEW JERSEY CYBER RISK MANAGEMENT FUND
OPEN MINUTES
MARCH 20, 2025**

VIA TELECONFERENCE – 3:30 PM

Chairwoman Tozzi called the meeting to order and read the statement of compliance open public meeting act. The Commissioners recited the Pledge of Allegiance.

ROLL CALL OF 2025 FUND COMMISSIONERS

Joy Tozzi - Chair	East Windsor - Mid-Jersey JIF	Present
Adam Brewer - Secretary	Pequannock Township – Morris JIF	Present
Megan Champney Kweselait	City of Summit- Suburban Municipal JIF	Present
James Gant	Sea Girt Borough – Monmouth JIF	Present
Joseph Wolk	Borough of Mount Ephraim- Camden JIF	Present
Bernard Rutkowski	Toms River MUA - NJUA JIF	Absent
Marc Schrieks	Lodi Borough – South Bergen JIF	Present
James Pacanowski	Ventnor City, Atlantic JIF	Present
Ted Preusch	Upper Saddle River - Bergen JIF	Present
Meghan Jack	Riverside Twp- Burlco JIF	Absent
Casey Wagner	Woodbridge - Central JIF	Absent
Alan Pine	Mount Laurel Twp. FD#1 – FIRST JIF	Present
Matthew von der Hayden	Stafford Township – Ocean JIF	Present
Frank Elenio	Ridgefield Borough – PAIC JIF	Present
John Clarke	Princeton Housing Authority- NJPHA JIF	Present
Susan Danson	Maple Shade - PMM JIF	Present
James Ulrich	Clark Township – NJSI JIF	Present
Vincent Quatrone	Little Falls – Suburban Metro JIF	Present
Michael Razze	Pittman Borough - Trico JIF	Absent

PROFESSIONALS PRESENT:

Executive Director/Admin.	PERMA Risk Management Services Joseph Hrubash, Cathleen Kiernan
Deputy Executive Director	Risk Program Administrators Paul Forlenza
Claims Adjustor	CB Claims LLC Chris Botta, Esq.
Chief Accounting Officer	PERMA Risk Management Services Pauline Kontomanolis, CPA
Attorney	Dorsey & Semrau Sue Sharpe, Esq., Frederick Semrau, Esq.
Underwriting Manager	Conner Strong & Buckelew Edward Cooney
Claims Manager	PERMA Risk Management Services Robyn Walcoff, Esq.
Planning Consultant	Risk Loss Managers Barbara Murphy

Treasurer

Chuck Cuccia

ALSO PRESENT:

Justin Macko (Alt), Monmouth JIF
Diane Lapp (Alt), Ocean JIF
Kamini Patel, Risk Program Administrators
Brian Lau, D2 Cybersecurity
Don Sciolaro, PIA Agency
Chuck Hartsoe, PEGAS
Kelly Machu, PEGAS
Dave Vozza, The Vozza Agency
Robin Racioppi, Acrisure
Tom Merchel, Conner Strong & Buckelew
Jonathon Tavares, Conner Strong & Buckelew
Katie Walters, Conner Strong & Buckelew
Chuck Casagrande, Danskin Insurance Agency
John Casagrande, Danskin Insurance Agency
Alison Kelly, Danskin Insurance Agency
Dave Grubb, Perma Risk Management Services
Brad Stokes, Perma Risk Management Services
Steve Sacco, Perma Risk Management Services
Jerry Primamore, Perma Risk Management Services
Sandra Cantwell, Perma Risk Management Services

MINUTES: Included in the agenda were the open minutes of January 16, 2025.

MOTION TO APPROVE JANUARY 16, 2025:

Moved: Commissioner Ulrich
Second: Commissioner Schrieks
Vote: Unanimous

EXECUTIVE DIRECTOR REPORT:

Executive Director reported on the following:

Operations Committee: The Operations Committee met on February 25, 2025 via Zoom to discuss the following topics. A representative from Chertoff Group was in attendance and spoke about their collaboration with the Underwriting Team to strengthen and grow cyber controls for our members. Minutes from the meeting were included in the agenda.

Risk Control Program Training Plans. The Underwriting Manager outline for 2025 cyber training plans - focusing on helping more members achieve Basic Compliance level – was distributed to the Operations Committee.

Common Interest Agreement for Cyber Claims. Fund Attorney drafted a “common interest agreement” to help the Fund gain access to more detailed reports on specific claims. In today’s Claims Committee, we learned that the carrier does not always create a written forensics report for security reasons. More dialog is needed and possibly a meeting with Mullen and Coughlin and / or the carrier with the Claims Committee.

Technology E&O Coverage Option: Less than 10 members have asked for Tech E&O

coverage. To date, only Oceanport, Camden, Ho-Ho-Kus, Riverside, Madison and Woodbridge have elected to purchase this coverage. Periodic communications are being sent to remind all members of this optional coverage.

Cyber Compliance Appeal Process: A committee meeting will be scheduled to review the Fund Attorney's draft appeal process for when a member has a difference of opinion in meeting requirements found in the compliance checklist.

In response to Executive Director, the Underwriting Manager gave an overview of the Risk Control training plans as distributed to the Operations Committee. The focus is on members obtaining the Basic level of the compliance framework, which is considered the minimum of controls that every member should have in place. These controls will address 95% of the claims occurring.

- Campaign launch. The initial launch will introduce the campaign and its focus on Basic level compliance for 2025. The launch will begin with an email announcement to Fund Commissioners and Risk Managers and announce a webinar and some additional materials supporting the drive towards achieving Basic level compliance.
- Incident response. The first 24 – 48 hours after a breach is the most critical and the most stressful, so a webinar will be offered to provide some tips and guidelines to help members be prepared. An incident response law firm will be invited to speak. The incident response infographic will be updated to include more details.
- Cyber portals. The JIF and the excess carrier both have excellent Cyber portals that offer a great resource. These resources include information on options for breach counsel, short videos to understand various cyber controls, and a list of vendors that are vetted by the insurance company that can assist in implementing security controls. A webinar is being developed to showcase what resources are available.
- Passwords. The training will make use of various resources to emphasize the importance of good password management.
- Banking Controls. Many members are still investigating how to implement the JCMI banking controls, so another webinar will be offered to refresh this topic.

In response to Ms. Patil, Underwriting Manager said there outlines for model policies in the secure documents section of the Cyber JIF website, and he is welcome to suggestions on creating templated model policies ready to download.

In response to Executive Director, Commissioner Clarke said he would appreciate the webinars, as often emails containing documentation are sometimes lost due to the volume of emails they receive. Executive Director said the webinars can be posted on the Cyber JIF website in the secure section.

Assistant Executive Director said the Underwriting Manager came to the Morris JIF and gave a very informative overview of the Cyber JIF website and resources in the secure section.

Claims Committee: The Committee met virtually today at 2:00pm before the Board meeting to discuss two Payment Authority Requests (PARs) and one updated claim (no action). The level of claims detail information the committee receives continues to be a discussion for the committee as

we work with the carriers to understand the parameters around disclosure.

Motion to Approve the PARs as Recommended by the Claims Committee

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

Financial Disclosures: JIF Commissioners should anticipate the online filing of the Financial Disclosure forms inclusive of any other municipal related positions that require filing. In the past the Division of Local Government Services has distributed a notice with filing instruction with a deadline to file by April 30th.

Due Diligence: The Financial Fast Track as of December 31, 2024 shows an increase of surplus of just over \$1.9 million at year end, for a two-year surplus of just under \$3.9 million. Loss ratio report is included in the agenda as informational.

The next meeting will be held on May 15, 2025 at 3:30 PM via audio / video teleconference.

TREASURER: Treasurer asked for a motion to approve the February 2025 and March 2025 Bills lists:

RESOLUTION 24-25 FOR FEBRUARY 2025 VOUCHERS:

February 2025	
2024	\$50.40
2025	\$1,398,609.07
Total	\$1,398,659.47

RESOLUTION 25-25 FOR MARCH 2025 VOUCHERS:

March 2025	
2025	\$1,177,650.57
Total	\$1,177,650.57

MOTION TO APPROVE RESOLUTION 24-25 FEBRUARY BILLS LIST AND RESOLUTION 25-25 MARCH 2025 BILLS LIST AS PRESENTED:

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

UNDERWRITING MANAGER: No additional report.

ATTORNEY:

Mr. Semrau said they are working with the Fund Treasurer to go over certain payment procedures and authorizations when it comes to any type of disbursements that must be made by the fund, especially in the type of claims and the nature of the claims of which we deal with.

Regarding the discussions around the consent agreement, the legal counsel being referred to is assigned by the outside carrier. If the Fund cannot find satisfaction with the results of our discussions, then we are able to seek changes in counsel.

NEW BUSINESS:

None.

OLD BUSINESS:

None.

PUBLIC COMMENT:

NONE

MEETING ADJOURNED: 3:50 PM

Sandra Cantwell, Assisting Secretary for Adam Brewer, Secretary

NEW JERSEY CYBER RISK MANAGEMENT FUND

BILLS LIST

Resolution No. 24-25

February 2025

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 2024

<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
PERMA RISK MANAGEMENT SERVICES	2024 AATRIX 1099 FILING	50.40
		50.40
	Total Payments FY 2024	50.40

FUND YEAR 2025

<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
APEX INSURANCE AGENCY, C/O XL INSURANCE	TECH. ERROR- OMISSION. 1ST HALF 25-26	913,256.50
		913,256.50
APEX INS. AGENCY, C/O COWBELL CYBER	TECH. ERROR/OMMISSION XS 01/25-01/26	456,000.00
		456,000.00
CB CLAIMS LLC	CLAIMS ADMIN FEES 02/25	2,167.50
		2,167.50
PERMA RISK MANAGEMENT	POSTAGE 01/25	8.90
PERMA RISK MANAGEMENT	ADMINISTRATOR FEE 02/25	10,837.50
		10,846.40
THE ACTUARIAL ADVANTAGE	ACTUARY FEES 02/25	2,167.50
		2,167.50
ARTHUR J GALLAGHER LLC dba	DEPUTY ADMINISTRATOR 02/25	4,335.00
		4,335.00
CHARLES CUCCIA	TREASURER FEE 02/25	2,167.50
		2,167.50
CONNER STRONG AND BUCKELEW	UNDERWRITING MGMT FEE 02/25	4,335.00
		4,335.00
THE CANNING GROUP	ADJ. QPA 02/25	1,267.67
		1,267.67
CONNER STRONG & BUCKELEW	SELECTIVE- SURETY BOND 3/9/25-3/9/26	2,066.00
		2,066.00

Total Payments FY 2025

1,398,609.07

TOTAL PAYMENTS ALL FUND YEARS

1,398,659.47

Chairperson

Attest

Dated: _____

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

Treasurer: _____

NEW JERSEY CYBER RISK MANAGEMENT FUND

BILLS LIST

Resolution No. 25-25

March 2025

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 2025

<u>Vendor Name</u>	<u>Comment</u>	<u>Invoice Amount</u>
APEX INSURANCE AGENCY, C/O XL INSURANCE	TECH. ERROR- OMISSION. 2ND HALF 25-26	913,256.50
		913,256.50
CB CLAIMS LLC	CLAIMS ADMIN FEES 03/25	2,167.50
		2,167.50
PERMA RISK MANAGEMENT	POSTAGE 02/25	11.69
PERMA RISK MANAGEMENT	ADMIN FEES 03/25	10,837.50
		10,849.19
THE ACTUARIAL ADVANTAGE	ACTUARY FEES 03/25	2,167.50
		2,167.50
ARTHUR J GALLAGHER LLC dba	DEPUTY ADMINISTRATOR 03/25	4,335.00
ARTHUR J GALLAGHER LLC dba	EXEC DIR. COORDINATOR FEES Q1 25	7,163.25
		11,498.25
RISK & LOSS MANAGERS, INC	PLANNING CONSULTANT Q1 25	3,901.50
RISK & LOSS MANAGERS, INC	LOCAL EXEC DIR. COORDINATOR Q1 25	1,924.78
		5,826.28
CHARLES CUCCIA	TREASURER FEE 03/25	2,167.50
		2,167.50
PERMA RISK MANAGEMENT SERVICES	LOCAL EXEC DIRE. COORD. Q1 25	28,927.19
		28,927.19
CONNER STRONG AND BUCKELEW	UNDERWRITING MGMT FEE 03/25	4,335.00
		4,335.00
APPLIEDINFO PARTNERS, INC.	CYBER TRAINING 2 OF 3 9/24-9/25 - 29447	161,421.74
APPLIEDINFO PARTNERS, INC.	CYBER TRAINING 1 OF3 9/24-9/25 29383	31,223.42
		192,645.16
PL SERVICES, LLC AKA PEGAS	LOCAL JIF COORDINATOR Q1 2025 3/25	2,510.00
		2,510.00

THE CANNING GROUP	QPA SERVICES INV 2025-03	1,300.50
		1,300.50
	Total Payments FY 2025	1,177,650.57
	TOTAL PAYMENTS ALL FUND YEARS	1,177,650.57

Chairperson

Attest

Dated: _____

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

Treasurer: _____