SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors **AGENDA NO. V-C**

FROM: Ed Fortner, General Manager

Meeting Date: August 1, 2019

Subject: CYBER SECURITY

RECOMMENDED ACTION:

Receive report from the General Manager. Discussion and possible action.

FISCAL IMPACT:

None

DISCUSSION:

At the July 2nd Board Meeting, the Board asked that the GM look into Cyber Security Insurance. As it turns out, the District already has a Cyber Security Rider in our SDRMA policy. The Policy section in question is copied below:

Declarations - Cyber Coverage

1. The ""COVERAGE LIMITS" section has been revised and now states:
$ 2,000,000 Annual Aggregate Limit of Liability for each Insured/Member for Information Security & Privacy Liability. Each Member of a JPA will have a $2,000,000 Limit Each (Aggregate for all coverages combined, including Claim Expenses) but sub limited to:
$ 500,000 Annual Policy Aggregate Limit of Liability for each Insured/Member Privacy Notification Costs coverage. Limit is $1,000,000 if Beazley vendor services are used.
$ 2,000,000 Annual Aggregate Limit of Liability for each Insured/Member for Claims Expenses and Penalties for Regulatory Defense and Penalties
PCI Fines and Penalties coverage added with sublimit of $2,000,000.
$ 2,000,000 Annual Aggregate Limit of Liability for each Insured/Member for or all Damages and Claims Expenses for Website Media Content Liability (Occurrence Based)
$ 2,000,000 Policy Aggregate Sublimit of Liability for each Insured/Member for Cyber Extortion Loss.

$ 2,000,000 Policy Aggregate Sublimit of Liability for each Insured/Member for Data Protection Loss and Business Interruption Loss

First Party Business Interruption Sub-Limits of Liability for each Insured/Member

$ 2,000,000 ·1) Forensic Expense Sublimit

$ 750,000 2) Dependent Business Interruption Sublimit

Each of the above limits of liability are subject to an Annual Policy and Program Aggregate Limit of Liability aggregate limit of $25,000,000 for all SDRMA members combined, as well as all members of a number of other pools other than SDRMA.

This coverage further secures us in the possible scenario of ransomware or other cyber virus problems.