Cybersecurity Update

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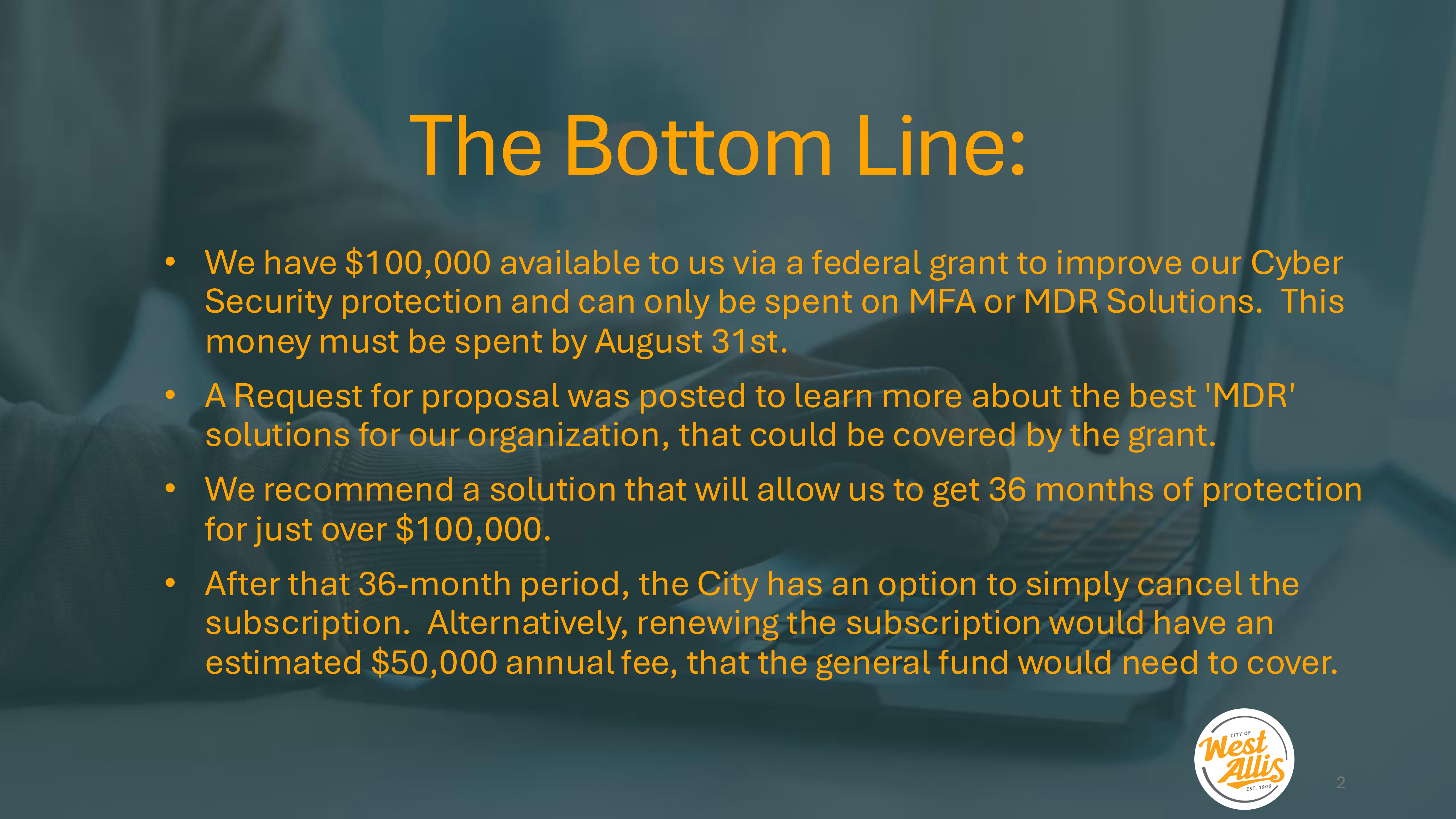
Administration Committee meeting – April 15th, 2025

CITY OF West Allis EST. 1906



The Bottom Line:

- We have $100,000 available to us via a federal grant to improve our Cyber Security protection and can only be spent on MFA or MDR Solutions. This money must be spent by August 31st.
- A Request for proposal was posted to learn more about the best 'MDR' solutions for our organization, that could be covered by the grant.
- We recommend a solution that will allow us to get 36 months of protection for just over $100,000.
- After that 36-month period, the City has an option to simply cancel the subscription. Alternatively, renewing the subscription would have an estimated $50,000 annual fee, that the general fund would need to cover.

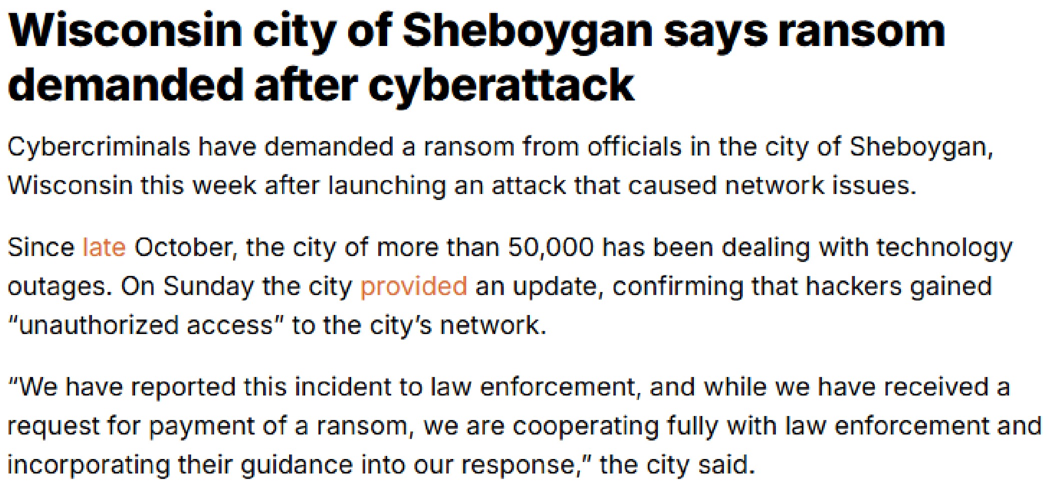
Today’s Agenda

- Cybersecurity – it can happen here
- Efforts to date
- Grant opportunity
- RFP issued to learn more
- Financial summary
- Questions and Answers

Why do hackers target the Public Sector?

- Governments store vast amounts of sensitive data
  - Financial information
  - Criminal information
  - Employee information
  - Medical records
- Hackers recognize that public sector IT budgets are limited; often the proper safeguards are not in place
- Disrupting public services can have significant societal impact and generate widespread attention for the attacker
  - Water systems, Power systems, Public Safety systems all rely on technology to operate

Think it can’t happen here?

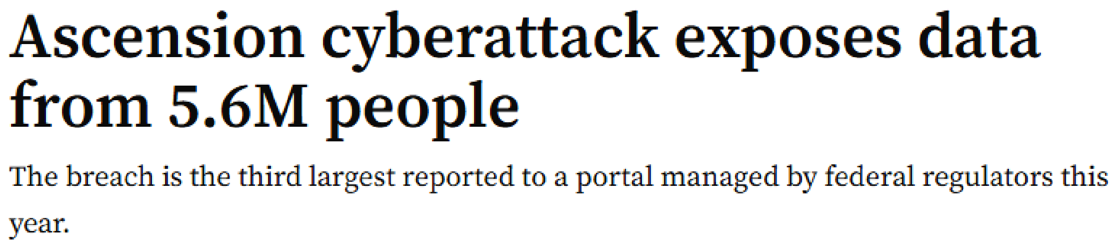


Wisconsin city of Sheboygan says ransom demanded after cyberattack

Cybercriminals have demanded a ransom from officials in the city of Sheboygan, Wisconsin this week after launching an attack that caused network issues.

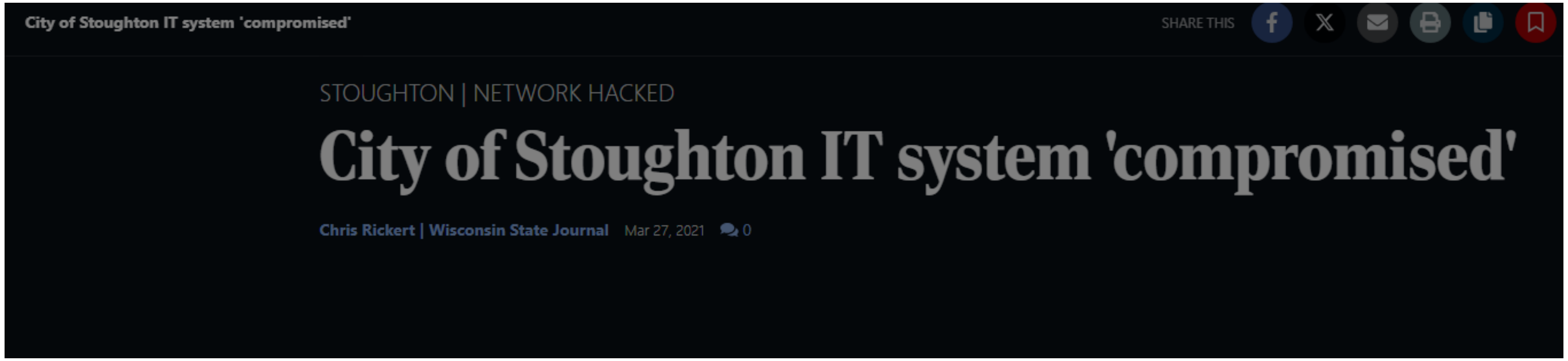
Since late October, the city of more than 50,000 has been dealing with technology outages. On Sunday the city provided an update, confirming that hackers gained “unauthorized access” to the city’s network.

“We have reported this incident to law enforcement, and while we have received a request for payment of a ransom, we are cooperating fully with law enforcement and incorporating their guidance into our response,” the city said.



Ascension cyberattack exposes data from 5.6M people

The breach is the third largest reported to a portal managed by federal regulators this year.



City of Stoughton IT system 'compromised'

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STOUGHTON | NETWORK HACKED

City of Stoughton IT system 'compromised'

Chris Rickert | Wisconsin State Journal Mar 27, 2021 0

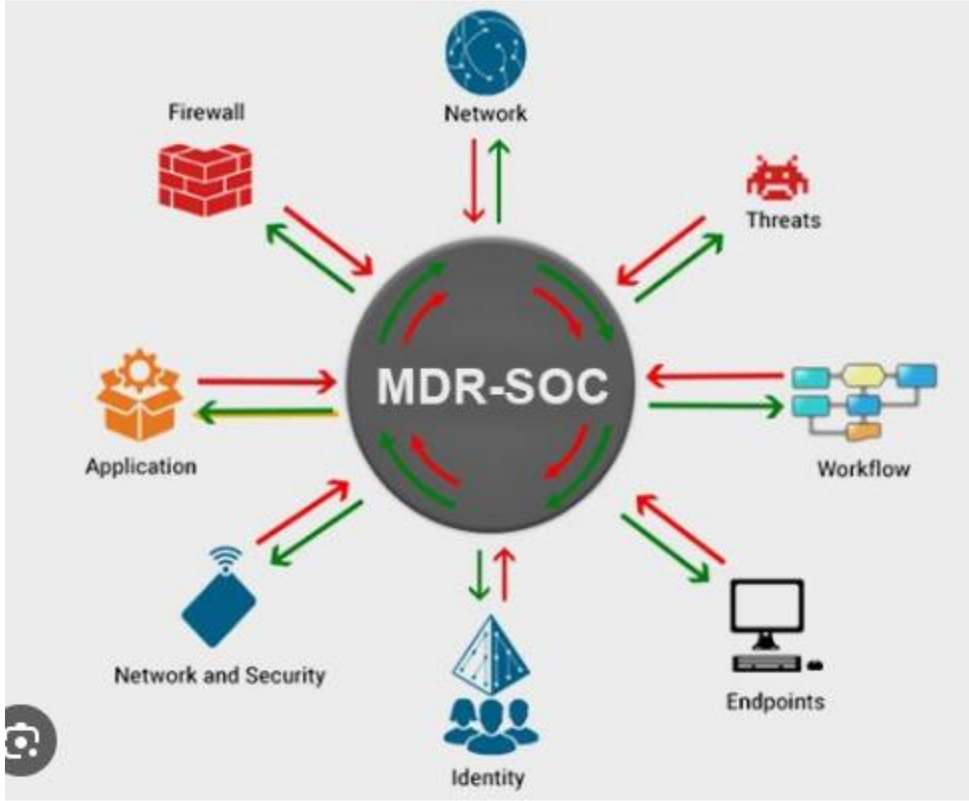
Efforts to date (how we protect our systems today):

- The City of West Allis has leveraged three main disciplines to protect our systems

- Endpoint Protection:
  - Software is installed on all computers to monitor for known virus/malicious applications
  - Relies on updates from a vendor, which can take time to develop
  - Can stop bad things from running but only after they have been detected, often times that is too late
  - Notifications or Alerts can be missed by IT Staff during non-working overnight hours
- Network Firewall:
  - In place between networks
  - Monitors data traffic for known spyware/vulnerabilities
  - Consistent work of monitoring/implementing rules for new vulnerabilities (performed by IT Staff)
  - Lots of time used for log monitoring and review (also performed by IT Staff)
  - Things can be missed during non-working overnight hours
- MFA (Multi-Factor Authentication):
  - Is an additional security step used for securing online accounts
  - Currently implement with Microsoft O365
    - Helps to prevent unauthorized access to accounts (from compromised passwords)

MDR to the rescue?

- MDR (Manage, Detect, Respond) solutions look more broadly at all channels where CyberSecurity threats can emerge…
  - Not just endpoints and firewalls
- ….leveraging Artificial Intelligence to process huge amounts of log data to single out unusual computer activity
- ….and moves from a reactionary approach to real time monitoring
  - Via a 7x24x365 Security Operations Center manned by the chosen vendor



Federal grant becomes available:

- The City of West Allis IT Department was researching MDR solutions for our City when a Federal Cybersecurity Grant became available
- Part of the Biden Covid Stimulus program
- The State of Wisconsin created the State Local Cybersecurity Grant Program (SLCGP) to disseminate the funds to local public sector organizations
- West Allis applied and was approved to receive up to $100,000 from this grant
  - Money must be used for MFA (we already have that) or
  - MDR solutions

RFP Summary:

- 11 vendors responded to the RFP
- We learned that the average annual cost for an MDR solution is about $40,000
- Three providers appear to be a good match for West Allis

ARCTIC WOLF

FIELD EFFECT

tyler technologies

Financial summary

- Our #1 choice from the RFP has quoted us a three-year service agreement for $112,754.88
  - Grant would cover $100,000
  - IT general account would cover the remaining $12,752.88 out of the 'consultant' account (100-1101-517.30-02)
- MDR Services would be provided to the City from time of implementation (estimated July 1, 2025) for 36 months.
- In July 2028, the City can:
  - Not renew the subscription (stop using MDR Services)
  - Renew with chosen vendor (estimated annual cost at that time: $50,000)
  - Issue an RFP to find alternate providers
- The Implementation of MDR Solutions is strongly encouraged by CVMIC and other External Audits conducted on the city
  - MDR solutions implementation can have an impact on the cost of Cyber Insurance premiums that the City pays

In summary

- The City of West Allis
  - Runs critical infrastructure & utilities for the City
  - Provides essential services to our Residents
  - Manages highly sensitive data within our in-house and cloud-based applications
  - All of which are dependent on Information Technology
- We must move from our reactionary approach leveraging a small IT Department to protect the City from CyberAttacks to partnering with a provider that looks more broadly at all computer platforms, leveraging their 7x24 experts
  - CVMIC is strongly encouraging all their Customers to consider MDR solutions
- If you support the investment in an MDR solution we will be back at the May 6th Common Council meeting asking for your support to enter a contract with our top choice from the RFP.

Questions?

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