



BORREGO WATER DISTRICT

PRESS RELEASE

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FOR IMMEDIATE RELEASE:

Today the San Diego Grand Jury filed a report finding that the Borrego Water District's decision in December 2008 to provide health care benefits to its board members was a legitimate business expense and did not violate the California open meeting laws (titled the Ralph M. Brown Act). The Report also found that the District complied with the Brown Act regarding public testimony at Board meetings. The Grand Jury found that there were no conflicts of interest regarding District contractors and employees. Finally, the Grand Jury conducted an exhaustive inquiry into the District's financial practices and found that the District's reserves were consistent with the five other water districts with which the Grand Jury compared the District, and that the Borrego Water District charges the lowest water rates among the compared water agencies.

Although the Grand Jury found the District was in compliance with all laws, it did make several recommendations to conform with "best practices" for water districts and other public agencies, including increasing the retention time for audio recordings of District board meetings, assuring the District's financial records remain available to any citizen, developing internal control procedures regarding statement of economic interest forms and changing auditing firms every five years. These recommendations will be presented to the Board of Directors for consideration and the next Board meeting on May 26, 2010.

A full copy of the Grand Jury Report is available at the District's website, www.borregowd.org.