



4699 HOLLISTER AVENUE
GOLETA, CALIFORNIA 93110-1999
TELEPHONE 805/964-6761
FAX 805/964-7002

P R E S S R E L E A S E

News Media Contact:

John McInnes, General Manager

(805) 879-4620

jmcinnes@goletawater.com

DATE: March 26, 2010

FOR IMMEDIATE RELEASE

Goleta Water District Reviewing Financial Condition

GOLETA, California –In the course of a full annual review directed by General Manager John McInnes, the Goleta Water District is engaging in several activities to evaluate and enhance its financial operations. The District is taking several actions as the first steps toward comprehensive assessment of the District's financial condition for the purpose of benefitting customers, maintaining economical financing and ensuring prudent investments.

The District Board of Directors recently approved the issuance of a Request for Proposals to enter into a competitive bidding process for auditing firms to conduct the annual audit of the District's finances. In this audit the District will receive a full scope financial compliance review of all accounts and an opinion letter of the District's financial statements to ensure compliance with applicable legal provisions. The audit will also report on and evaluate the District's internal control systems.

In addition to this annual audit, the District has retained PFM Asset Managers to review the District's investment policy. PFM will make recommendations to improve the breadth and scope of the District's investments to enhance opportunities while maintaining their safety and security. PFM will also act as an independent investment advisor for the District's current funds.

Finally, the auditing firm of Nasif, Hicks, Harris & Co., LLP (NHH) has been retained to review the District's debt structure in order to make an assessment of where there may be an economic benefit to restructuring the District's debt.

NHH will also examine investments made by the District over the last 10 years. The District views this part of the audit as critical in order to understand and verify how financial investments have been managed in the past so that if there are any irregularities they will be dealt with appropriately and avoided in the future.

“These are significant efforts that will benefit our customers. In these difficult economic times we have to look at all aspects of how we manage our finances. We always strive to ensure that our financial activities are prudent and that they enhance our ability to operate as economically as possible,” said Bill Rosen, District Board President.

###