

TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL *BB*
DATE: JANUARY 19, 2007



QUARTERLY FINANCIAL REPORT-SECOND QUARTER

ITEM

Review, accept, and direct Staff to file quarterly financial report for the second quarter of fiscal year 2006-2007

BACKGROUND

The District's fiscal year is now 50% complete. The consolidated operating revenues are at 57.94% of the budget, operating expenditures are at 43.04% of the budget and general and administrative expenditures are at 46.03 % of the budget.

Attached are the following which provide an overview of the first six months of the fiscal year:

Page 1	Summary of Approved Budget Amendments
Page 2	Summary of Revenues, Expenses and Cash Balances by Fund
Page 3	Consolidated Balance Sheet
Page 4-5	Consolidated Income Statement
Page 6-7	Graphs for Consolidated Revenues and Expenses
Page 8-11	Graphs for major funds (Town Water, Town Sewer, Blacklake Water and Blacklake Sewer)

Detailed information by fund is available in the office.

RECOMMENDATION

It is recommended that your Honorable Board accept and direct Staff to file the quarterly financial report for the second quarter of fiscal year 2006-2007.

NIPOMO COMMUNITY SERVICES DISTRICT
SUMMARY OF APPROVED BUDGET AMENDMENTS
SECOND QUARTER ENDING DECEMBER 31, 2006

DATE	DESCRIPTION	FUNDS	APPROVED BUDGET	APPROVED AMENDMENT	AMENDED BUDGET
10/11/06	Hydraulic Modeling by City of Santa Maria	#500-Supplemental Water	\$0	\$44,676	\$44,676
10/11/06	Strategic Workshop	#600-Property Taxes	\$0	\$2,500	\$2,500
10/25/06	Boyle Engineering Additional Services for Hetrick Construction	#700-Town Water Capacity Charges	\$0	\$6,529	\$6,529
11/8/06	Replacement Fence for Tefft Street Lift Station	#710-Town Sewer Capacity Charges	\$0	\$9,295	\$9,295
11/8/06	Water and Sewer Gems Modeling Software	#120-Town Water #130-Town Sewer	\$0	\$32,700	\$32,700
11/8/06	Dee Jaspar-Peer Review	#820-BL Funded Replacement-Water	\$0	\$10,000	\$10,000
11/22/06	Ford Escape	#110-Administration	\$0	\$15,806	\$15,806
12/13/06	Boyle Engineering-Supplemental Water Alternatives	\$500-Supplemental Water	\$0	\$183,000	\$183,000
		SECOND QUARTER TOTAL	\$0	\$304,506	\$304,506

SECOND QUARTER TOTAL	\$0	\$304,506	\$304,506
FIRST QUARTER TOTAL	\$178,365	\$110,698	\$289,063
FISCAL YEAR-TO-DATE	\$178,365	\$415,204	\$593,569

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NIPOMO COMMUNITY SERVICES DISTRICT
SUMMARY OF REVENUES AND EXPENSES BY FUND
SIX MONTHS ENDING DECEMBER 31, 2006

FUND	FUND #	YTD REVENUES	YTD EXPENSES	FUNDED REPLACEMENT	YTD SUPRLUS/ (DEFICIT)
Administration	110	120,409	(120,409)	0	0
Town Water	120	1,345,073	(674,528)	(44,000)	626,545
Town Sewer	130	413,103	(243,702)	(128,000)	41,401
Blacklake Water	140	183,878	(128,605)	0	55,273
Blacklake Sewer	150	120,333	(91,683)	(11,500)	17,150
Blacklake Street Lighting	200	11,748	(10,550)	0	1,198
Street Landscape Maintenance	250	5,654	(4,374)	0	1,280
Solid Waste	300	54,711	(21,606)	0	33,105
Drainage Maintenance	400	8,235	0	0	8,235
Supplemental Water Capacity Fees	500	59,473	0	0	59,473
Property Taxes	600	298,444	(43,962)	0	254,482
Town Water Capacity Fees	700	118,415	(2,610)	0	115,805
Town Sewer Capacity Fees	710	137,271	(2,944)	0	134,327
Funded Replacement-Town Water	800	45,985	0	44,000	89,985
Funded Replacement-Town Sewer	810	62,612	0	128,000	190,612
Funded Replacement-BL Water	820	11,878	0	0	11,878
Funded Replacement-BL Sewer	830	0	0	11,500	11,500
TOTAL		2,997,222	(1,344,973)	0	1,652,249

CASH BALANCE OF EACH FUND
AS OF DECEMBER 31, 2006

FUND	FUND #	CASH BALANCE 12/31/2006
Administration	110	(20,788)
Town Water	120	1,446,537
Town Sewer	130	579,664
Blacklake Water	140	12,138
Blacklake Sewer	150	38,744
Blacklake Street Lighting	200	44,362
Street Landscape Maintenance	250	9,750
Solid Waste	300	396,123
Drainage Maintenance	400	13,299
Supplemental Water Capacity Fees	500	2,268,994
Property Taxes (incl COP)	600	911,081
Town Water Capacity Fees	700	4,712,027
Town Sewer Capacity Fees	710	5,233,888
Funded Replacement-Town Water	800	1,862,464
Funded Replacement-Town Sewer	810	2,569,240
Funded Replacement-BL Water	820	457,180
Funded Replacement-BL Sewer	830	(21,666)
Funds held in Trust		254,569
TOTAL		20,767,606

NIPOMO COMMUNITY SERVICES DISTRICT
BALANCE SHEET - CONSOLIDATED
AS OF DECEMBER 31, 2006

ASSETS

Cash and Cash Equivalents	20,767,607.22
Accounts Receivable - Utility Billing	150,440.76
Unbilled Accounts Receivable	467,000.00
Property, Plant & Equipment	34,337,825.23
Accumulated Depreciation	(10,354,151.72)
Prepaid Expenses	18,613.02
Accrued Interest Receivable	236,603.67
Notes Receivable - MVI/MVII	1,176.34
Reservation Fee	37,500.00
Loan Fees - SRF Loan	256,834.00
Accumulated Amortization - SRF Loan Fees	(130,673.02)
Revenue COP's Bond Discount	178,100.60
Accumulated Amortization - Bond Discount	(18,552.00)
Total Assets	45,948,324.10

LIABILITIES

Accounts Payable	228,828.13
Other Payables	14,046.51
Refunds Payable	19,425.70
Construction Meter Deposits	9,500.00
Compensated Absences Payable	47,917.00
Deposits	12,316.81
Payroll Taxes Payable	1,082.78
Deposit - Pomeroy Rd Water Line	24,170.00
Deferred Revenue	6,300.00
Revenue Bonds - Current Portion	9,000.00
SRF Loan #110 - Current Portion	34,868.35
SRF Loan #120 - Current Portion	42,180.25
Revenue COP's-Current Portion	80,000.00
Revenue Bonds Payable - Long Term Portion	129,000.00
SRF Loan #110 Payable - Long Term Portion	418,420.20
SRF Loan #120 Payable - Long Term Portion	548,343.25
Revenue COP's - Long Term Portion	3,685,000.00
Total Liabilities	5,310,398.98

FUND EQUITY

Contributed Capital - Assets	8,466,426.78
Contributed Capital - Capacity Fees (CY)	71,896.75
Contributed Capital - Supplemental Water Fees (CY)	71,837.00
Contributed Capital - Capacity Fees (PY)	16,292,174.62
Contributed Capital - Supplemental Water Fees (PY)	898,030.75
Contributed Capital - Right of Way	70,100.00
Contributed Capital - Assessment Districts	1,359,013.00
Contributed Capital - Grants	2,952,571.66
Retained Earnings-Reserved (Debt Service)	15,600.00
Retained Earnings-Reserved (Emergencies)	50,000.00
Retained Earnings-Reserved (Sewer Grant)	285,000.00
Retained Earnings-Reserved (Funded Replacement)	5,301,977.40
Retained Earnings - Unreserved	3,151,048.68
CURRENT EARNINGS	1,652,248.48
Total Fund Equity	40,637,925.12
Total Liabilities and Fund Equity	45,948,324.10

UNAUDITED

NIPOMO COMMUNITY SERVICES DISTRICT
INCOME STATEMENT - CONSOLIDATED
FOR THE PERIOD ENDING DECEMBER 31, 2006

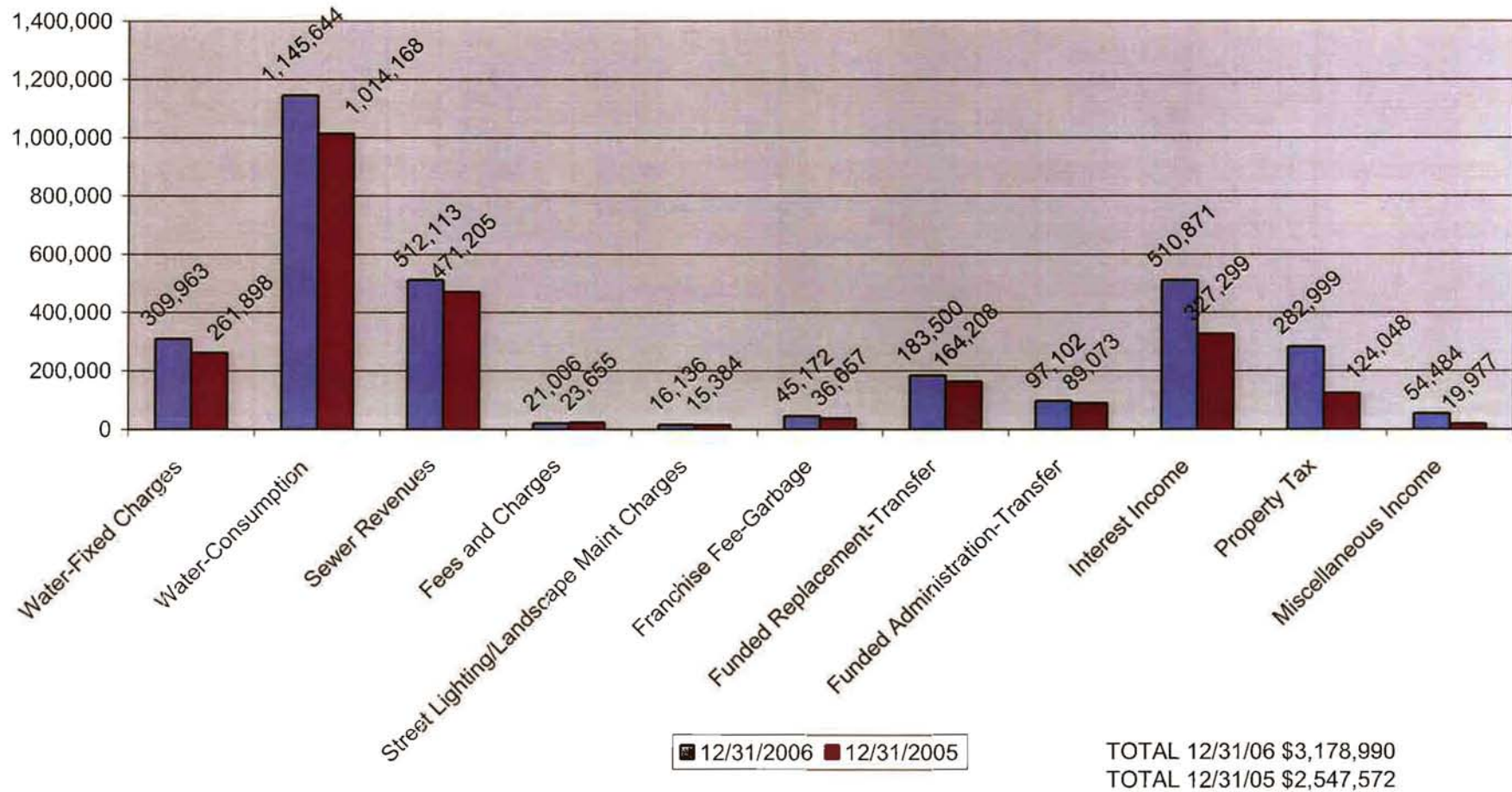
	YTD ACTUAL	ANNUAL BUDGET	% OF BUDGET
REVENUES			
Water - Fixed Charge	309,962.83	607,000.00	51.06 %
Water - Usage	1,119,751.35	1,622,000.00	69.04 %
Construction Water	21,952.95	0	.00 %
Fire System Fee	1,755.32	3,600.00	48.76 %
Emergency Intertie Water Sales - SCWC	2,184.85	0	.00 %
Sewer Charges	512,113.07	1,021,000.00	50.16 %
Fees and Penalties	21,006.17	53,600.00	39.19 %
Meters	370.00	13,750.00	2.69 %
Plan Check & Inspection Fees	13,210.65	1,000.00	999.99 %
Sewer Lift Station Fees	(5,000.00)	0	.00 %
Sewer Reimbursement	5,992.00	0	.00 %
Franchise Fees	45,172.20	111,000.00	40.70 %
Miscellaneous Income	37,689.01	29,400.00	128.19 %
Street Lighting Charges	10,682.00	18,870.00	56.61 %
Landscape Maintenance Dist Charges	5,454.10	10,236.00	53.28 %
Operating Transfers In - Funded Administration	97,101.93	253,950.00	38.24 %
Operating Transfers In - Funded Replacement	183,499.92	367,000.00	50.00 %
Total Revenues	2,382,898.35	4,112,406.00	57.94 %
OPERATIONS AND MAINTENANCE			
Wages and Benefits	231,150.50	469,615.00	49.22 %
Electricity	264,017.27	576,620.00	45.79 %
Natural Gas	61,726.46	108,000.00	57.15 %
Water	694.30	1,900.00	36.54 %
Chemicals	13,196.85	24,000.00	54.99 %
Lab Tests	24,610.50	50,500.00	48.73 %
Operating Supplies	30,751.86	70,000.00	43.93 %
Outside Services	26,604.24	87,000.00	30.58 %
Permits and Operating Fees	13,644.59	13,995.00	97.50 %
Repairs and Maintenance	59,253.50	272,550.00	21.74 %
Engineering	72.90	13,500.00	.54 %
Fuel	12,154.10	22,000.00	55.25 %
Paging Service	2,373.68	5,600.00	42.39 %
Meters - New Installation	2,899.69	11,000.00	26.36 %
Meters - Replacement Program	10,895.00	18,000.00	60.53 %
Uniforms	2,433.96	5,300.00	45.92 %
Landscape Maintenance & Water	3,629.08	7,700.00	47.13 %
Clean Up	873.53	0	.00 %
Conservation Program	4,842.32	70,725.00	6.85 %
Street Sweeping	10,984.00	36,000.00	30.51 %
Operating Transfers Out - Funded Replacement	183,499.92	367,000.00	50.00 %
Subtotal - O & M	960,308.25	2,231,005.00	43.04 %
GENERAL AND ADMINISTRATIVE			
Wages and Benefits	179,832.95	430,600.00	41.76 %

NIPOMO COMMUNITY SERVICES DISTRICT
INCOME STATEMENT - CONSOLIDATED
FOR THE PERIOD ENDING JUNE 30, 2007

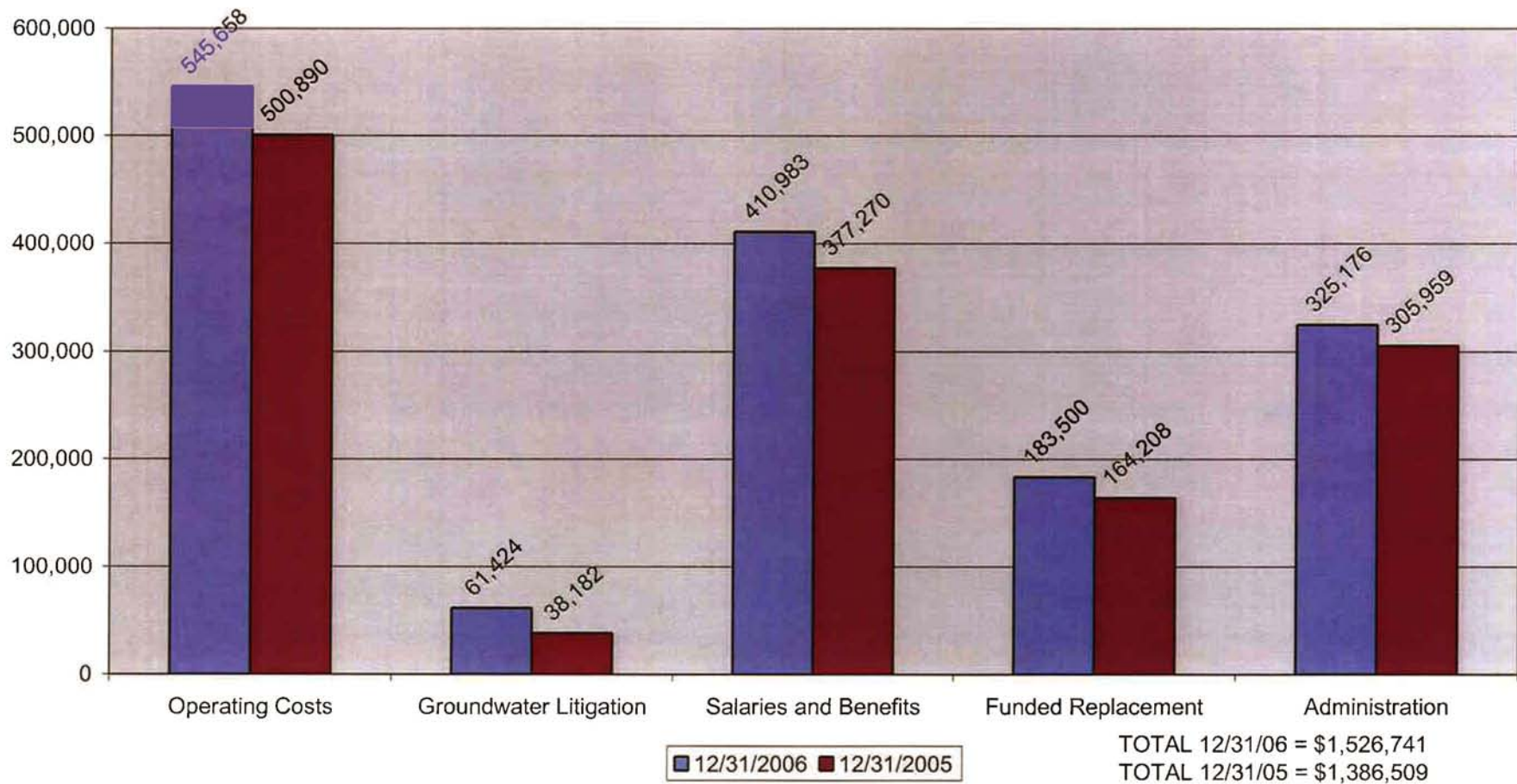
	YTD ACTUAL	ANNUAL BUDGET	% OF BUDGET
Utilities	4,532.14	5,800.00	78.14 %
Audit	4,725.00	5,000.00	94.50 %
Bank Charges and Fees	736.65	1,795.00	41.04 %
Computer Expense	9,943.37	25,000.00	39.77 %
Director Fees	9,400.00	19,402.00	48.45 %
Dues and Subscriptions	7,006.88	7,000.00	100.10 %
Education and Training	1,031.00	8,500.00	12.13 %
Elections	0	6,000.00	.00 %
Insurance - Liability	17,418.96	36,000.00	48.39 %
LAFCO Funding	16,163.00	16,163.00	100.00 %
Landscape and Janitorial	4,117.50	8,700.00	47.33 %
Legal - General Counsel	36,737.09	81,000.00	45.35 %
Legal - Water Counsel	61,424.23	100,000.00	61.42 %
Professional Services	46,451.83	50,400.00	92.17 %
Miscellaneous	299.43	5,700.00	5.25 %
Office Supplies	9,318.44	10,000.00	93.18 %
Outside Service	1,815.23	7,500.00	24.20 %
Postage	6,464.23	14,000.00	46.17 %
Public Notices	4,394.00	8,750.00	50.22 %
Repairs and Maintenance	3,154.00	33,500.00	9.41 %
Property Taxes	812.02	690.00	117.68 %
Telephone	2,423.81	5,340.00	45.39 %
Travel and Mileage	4,387.95	10,000.00	43.88 %
Operating Transfer Out - Funded Administration	97,101.93	253,950.00	38.24 %
Subtotal - G & A	529,691.64	1,150,790.00	46.03 %
NON OPERATING INCOME			
Interest Income	510,870.58	610,093.00	83.74 %
Property Tax Revenues	282,999.08	454,000.00	62.33 %
Gain/Loss on Sale	2,222.00	0	.00 %
Subtotal - Non Operating Income	796,091.66	1,064,093.00	74.81 %
NON OPERATING EXPENSES			
Interest Expense	36,741.64	171,850.00	21.38 %
Subtotal - Non Operating Expenses	36,741.64	171,850.00	21.38 %
Net Surplus/(Deficit)	1,652,248.48	1,622,854.00	101.81 %

UNAUDITED

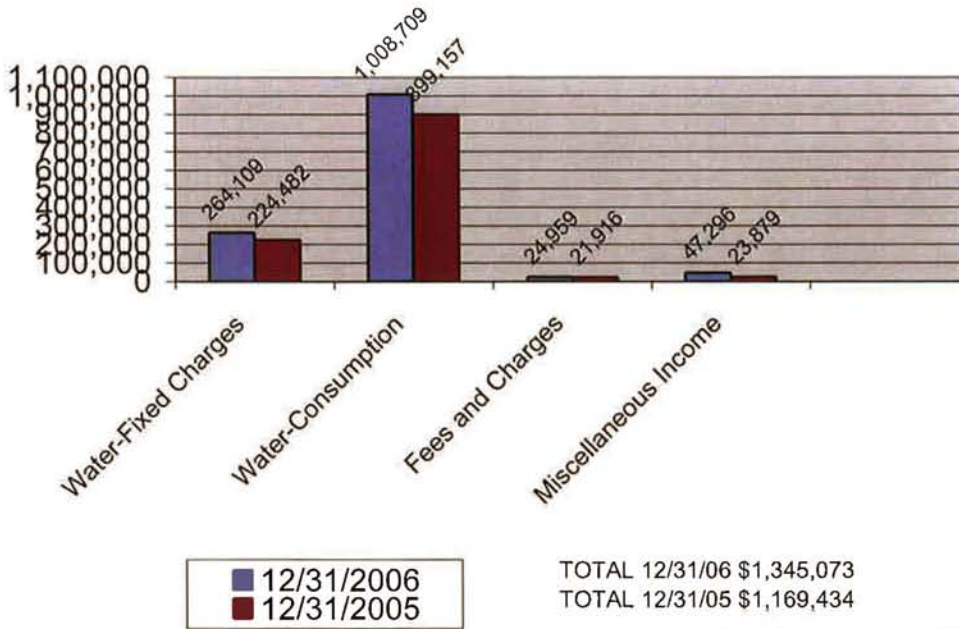
**NIPOMO COMMUNITY SERVICES DISTRICT
 COMBINED REVENUES FOR ALL FUNDS
 SIX MONTHS ENDED
 DECEMBER 31, 2006 AND DECEMBER 31, 2005**



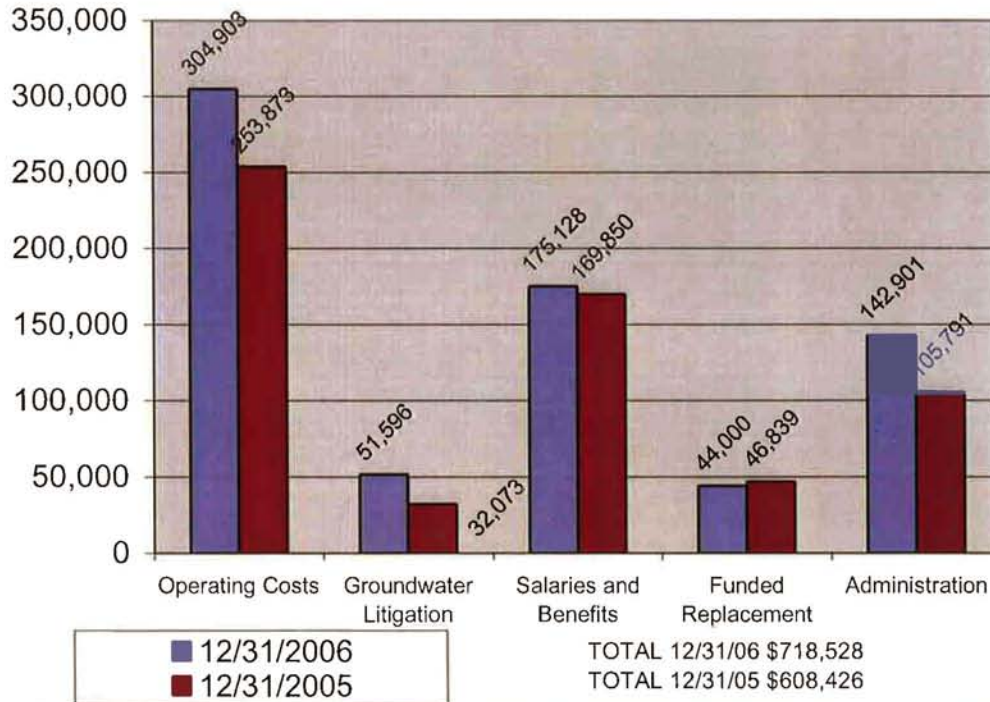
**NIPOMO COMMUNITY SERVICES DISTRICT
 COMBINED EXPENDITURES FOR ALL FUNDS
 SIX MONTHS ENDED
 DECEMBER 31, 2006 AND DECEMBER 31, 2005**



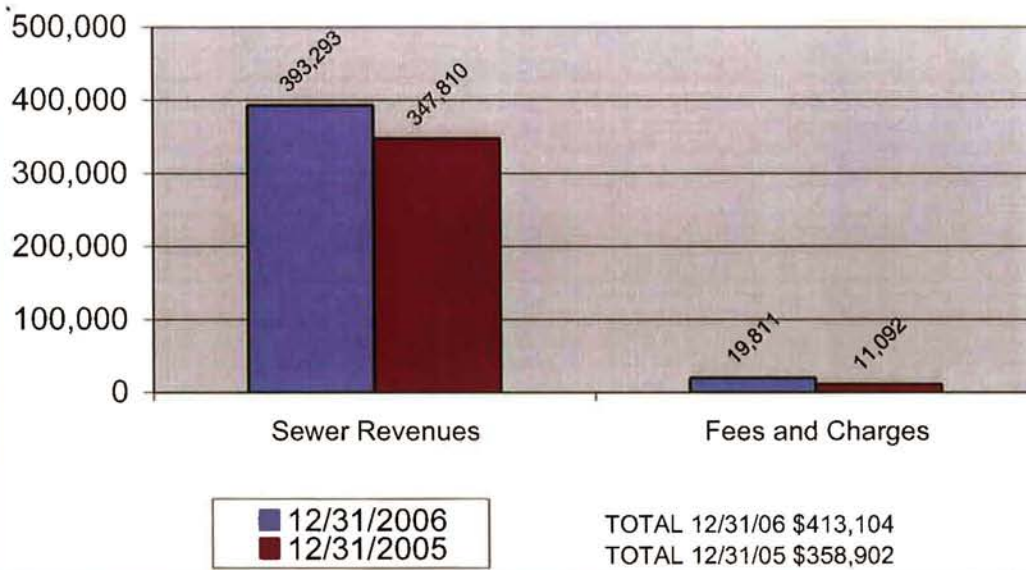
**NIPOMO COMMUNITY SERVICES DISTRICT
TOWN WATER FUND #120
REVENUES-DECEMBER 31 2006 AND DECEMBER 31, 2005**



**NIPOMO COMMUNITY SERVICES DISTRICT
TOWN WATER FUND #120
EXPENDITURES-DECEMBER 31, 2006 AND DECEMBER 31, 2005**



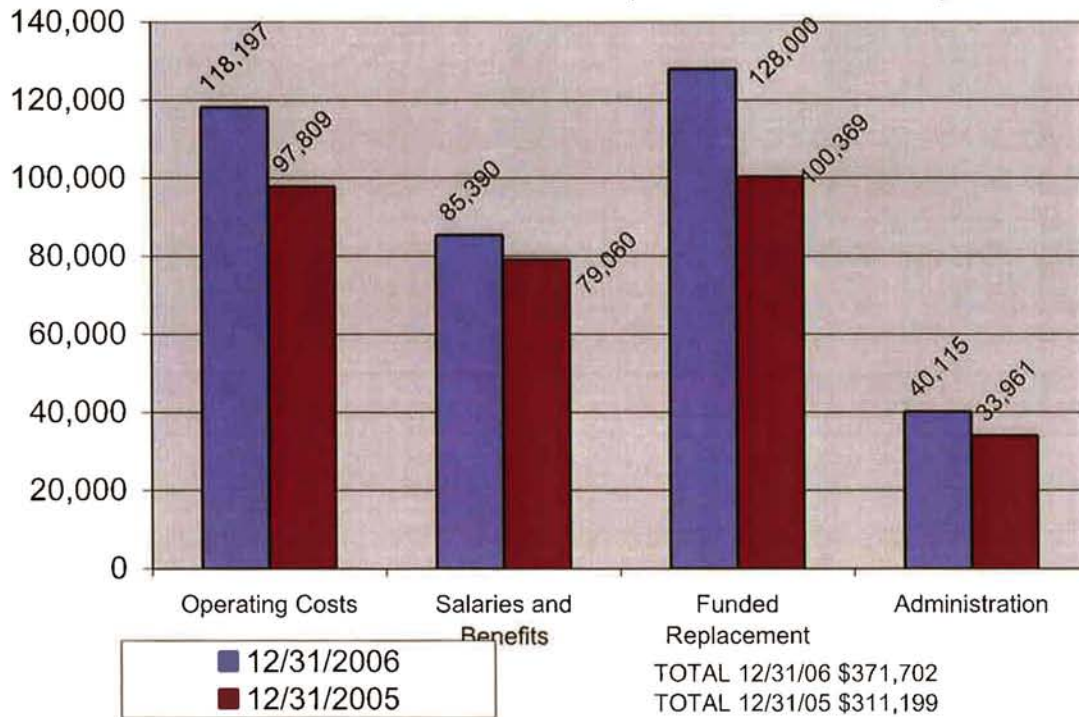
**NIPOMO COMMUNITY SERVICES DISTRICT
TOWN SEWER FUND #130
REVENUES-DECEMBER 31, 2006 AND DECEMBER 31, 2005**



■ 12/31/2006
■ 12/31/2005

TOTAL 12/31/06 \$413,104
TOTAL 12/31/05 \$358,902

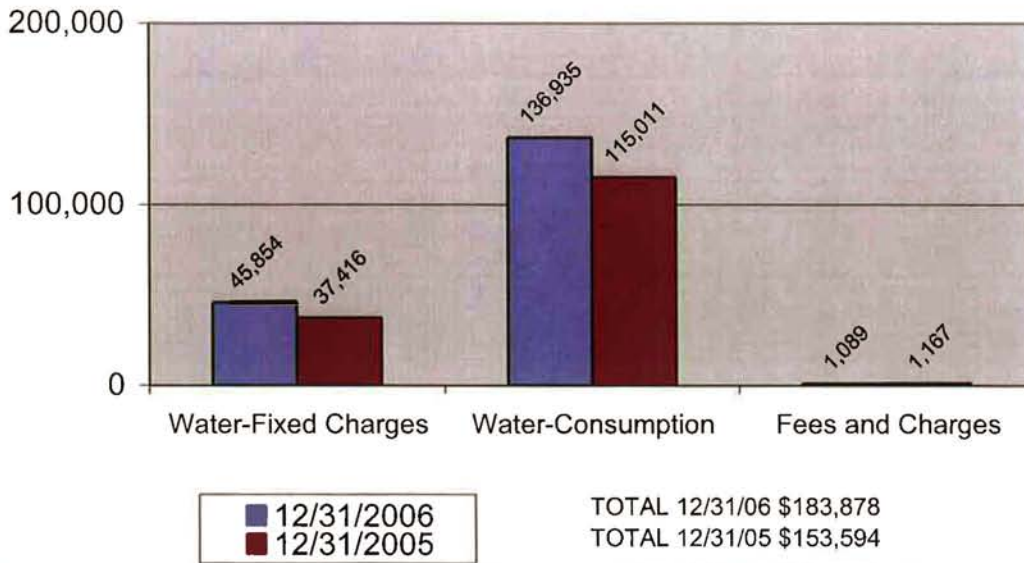
**NIPOMO COMMUNITY SERVICES DISTRICT
TOWN SEWER FUND #130
EXPENDITURES-DECEMBER 31, 2006 AND DECEMBER 31, 2005**



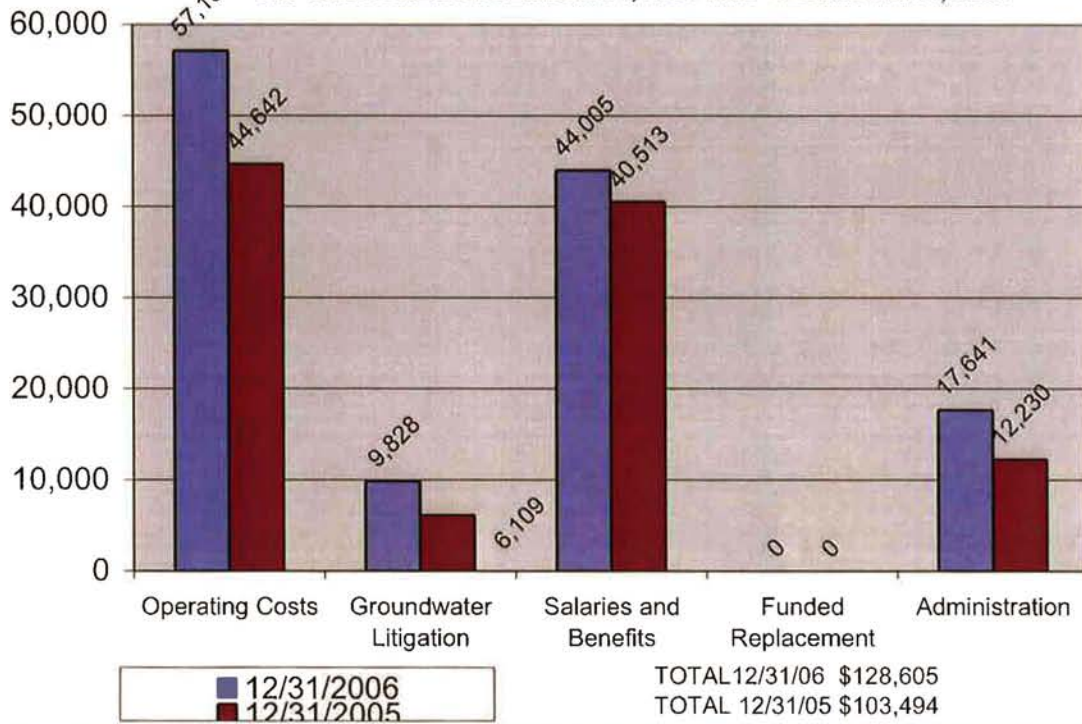
■ 12/31/2006
■ 12/31/2005

TOTAL 12/31/06 \$371,702
TOTAL 12/31/05 \$311,199

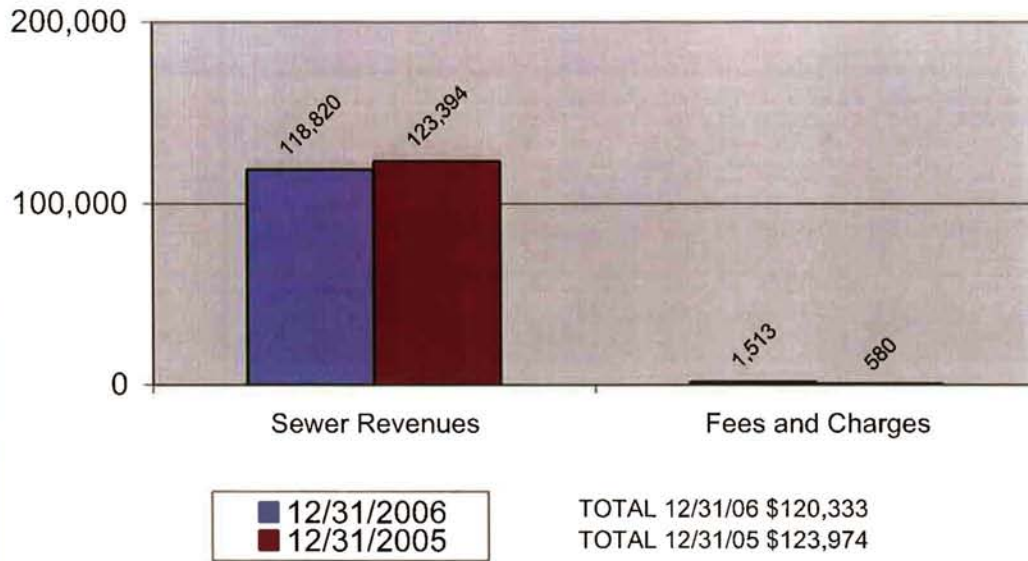
**NIPOMO COMMUNITY SERVICES DISTRICT
BLACKLAKE WATER FUND #140
REVENUES-DECEMBER 31, 2006 AND DECEMBER 31, 2005**



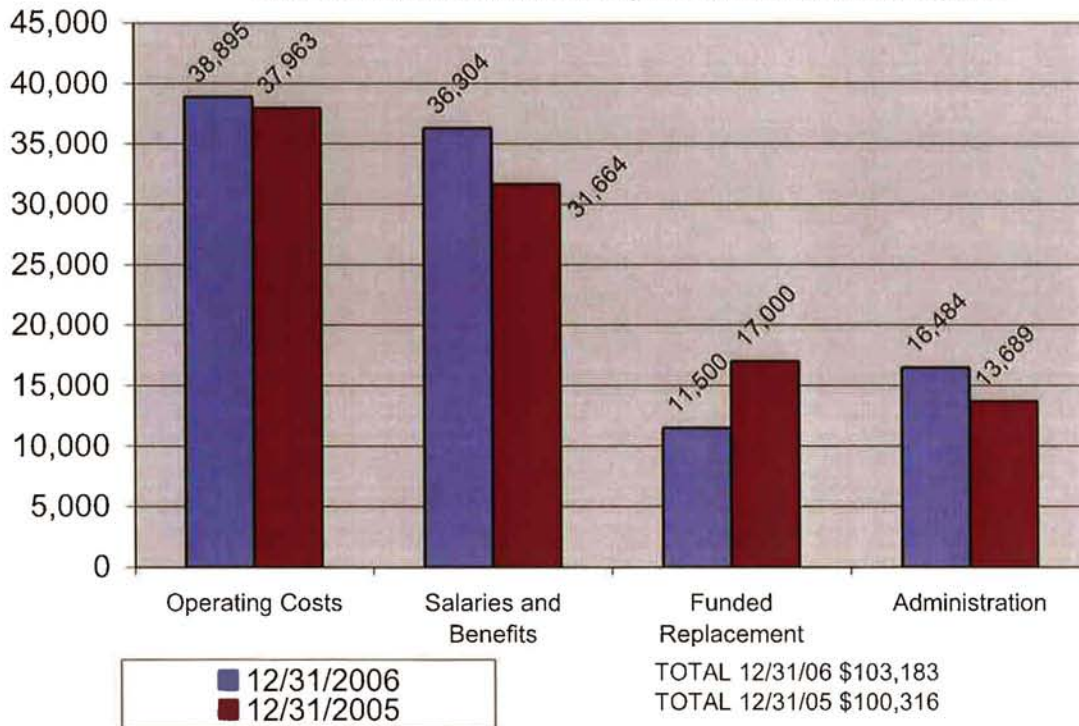
**NIPOMO COMMUNITY SERVICES DISTRICT
BLACKLAKE WATER FUND #140
EXPENDITURES-DECEMBER 31, 2006 AND DECEMBER 31, 2005**



**NIPOMO COMMUNITY SERVICES DISTRICT
BLACKLAKE SEWER FUND #150
REVENUES-DECEMBER 31, 2006 AND DECEMBER 31, 2005**



**NIPOMO COMMUNITY SERVICES DISTRICT
BLACKLAKE SEWER FUND #150
EXPENDITURES-DECEMBER 31, 2006 AND DECEMBER 31, 2005**



TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL *BB*
DATE: JANUARY 19, 2007

**AGENDA ITEM
D-6
JANUARY 24, 2007**

SET DATE FOR REVIEW OF GENERAL MANAGER PERFORMANCE

ITEM

Set February 21, 2007 as date for review of the General Manager's performance [Recommend Approval].

BACKGROUND

In August 2006, your Honorable Board determined that Bruce Buel's performance as General Manager should be reviewed prior to March 5, 2007. President Winn recommends that this matter be scheduled at the end of the February 21, 2007 Special Meeting as a closed session agenda item.

Attached for use by each Board Member is a copy of the Performance Review Form from the District's Personnel Policy. President Winn requests that each Director fill in the form prior to the Special Meeting and forward a copy of the completed form to him for collation.

RECOMMENDATION

It is recommended that your Honorable Board set the Performance Review at the end of the February 21, 2007 Special Meeting and that each Director complete their respective form prior to the meeting.

ATTACHMENT

Performance Review Form

T:\doc\board matters\board meetings\board letter 2007\GM Perf Review

8020 - APPENDIX "C" -- PERFORMANCE EVALUATION FORM

**NIPOMO COMMUNITY SERVICES DISTRICT
EVALUATION
EMPLOYEE'S WORK PERFORMANCE & INTRODUCTORY PERIOD REPORT**

NAME: _____ DEPARTMENT: _____
 CLASSIFICATION TITLE: _____ REVIEW FROM: _____ REVIEW TO: _____
 STATUS: _____ INTRODUCTORY: _____ FULL TIME: _____ PART TIME: _____

INSTRUCTIONS TO THE RATER:

This performance evaluation form is designed to provide you the opportunity to place more emphasis on critical factors, which are designated, as the employee's area of primary responsibility. However, employees cannot feel fairly evaluated unless they are aware of the standards of the job you expect. You should make every effort to discuss these critical factors with all of the employees you rate as far in advance of his/her evaluation date as possible so they will know what is expected of them. When new employees are hired, this discussion should take place as soon as possible. It is your responsibility to provide an honest and objective evaluation of the employee's work performance and to work with an employee in those areas where improvement is needed or work performance is unsatisfactory.

Critical Factors	UNSATISFACTORY	IMPROVEMENT NEEDED	SATISFACTORY	ABOVE SATISFACTORY	OUTSTANDING
1. ACCURACY is the correctness of work duties performed.	<input type="checkbox"/> Makes frequent errors	<input type="checkbox"/> Careless; makes recurrent errors.	<input type="checkbox"/> Usually accurate; makes occasional minor errors.	<input type="checkbox"/> Requires little supervision; is exact and precise.	<input type="checkbox"/> Requires absolute minimum of supervision; is always accurate and exact.
2. QUANTITY OF WORK is the amount of work an individual does in a work day.	<input type="checkbox"/> Does not meet minimum requirement.	<input type="checkbox"/> Marginal productivity; must be improved.	<input type="checkbox"/> Volume of work is satisfactory	<input type="checkbox"/> Very industries; does more than is required.	<input type="checkbox"/> Superior work production record.
3. SUPERVISION REQUIRED to do the job well.	<input type="checkbox"/> Direct supervision required for all but routine activities.	<input type="checkbox"/> Sometimes requires additional supervision	<input type="checkbox"/> Requires little supervision other than occasional directions.	<input type="checkbox"/> Works very effectively without supervision.	<input type="checkbox"/> Dependable to act with initiative and minimum supervision.
4. ACCEPTANCE OF SUPERVISION is the ability to understand and follow instruction.	<input type="checkbox"/> Frequently ignores or resents supervision or instructions.	<input type="checkbox"/> Reluctantly accepts supervision; fails to follow instructions.	<input type="checkbox"/> Accepts supervision; understands and follows instructions	<input type="checkbox"/> Willingly accepts supervision; understands and follows instructions	<input type="checkbox"/> Always accepts supervision and follows instructions to full intent without delay.
5. DRIVE is the desire to attain goals.	<input type="checkbox"/> Does not complete work goals in a timely or satisfactory manner; shows practically no initiative	<input type="checkbox"/> Puts forth little effort to achieve work goals.	<input type="checkbox"/> Completes major work goals in a timely manner	<input type="checkbox"/> Completes all work goals on or before deadlines.	<input type="checkbox"/> Completed work exceed established goals; shows consistent initiative to increase productivity.
6. JOB KNOWLEDGE is the information concerning work duties which an individual should know for satisfactory job performance.	<input type="checkbox"/> Poorly informed about work duties	<input type="checkbox"/> Lacks knowledge of some phases of work.	<input type="checkbox"/> Basic understanding; can answer most questions.	<input type="checkbox"/> Thoroughly understands all phases of work.	<input type="checkbox"/> Has mastery of all phases of job.

7. **ALERTNESS** is the ability to grasp instructions, to meet changing conditions, and to solve problem situations.
- | | | | | |
|---|--|--|---|---|
| <input type="checkbox"/> Inattentive; slow to grasp concepts. | <input type="checkbox"/> Requires detailed explanations and instructions | <input type="checkbox"/> Grasps instructions with average ability. | <input type="checkbox"/> Quick to understand and learn. | <input type="checkbox"/> Exceptionally alert. |
|---|--|--|---|---|
-
8. **CREATIVITY** is talent for having new ideas, for finding new and better ways of doing things, and for being imaginative.
- | | | | | |
|--|---|---|---|---|
| <input type="checkbox"/> Disinterested; never suggests ideas for improvement/change. | <input type="checkbox"/> Shows little interest and makes few suggestions for improvement/change | <input type="checkbox"/> Reasonable number of new ideas and workable suggestions. | <input type="checkbox"/> Frequently suggests new ways of doing things; is very imaginative. | <input type="checkbox"/> Continually seeks new and better ways of doing things; is extremely imaginative. |
|--|---|---|---|---|
-
9. **INTERPERSONAL SKILL** is the extent to which the employee relates to the public, other employees, supervisory personnel and subordinates in a cooperative, tactful and productive manner.
- | | | | | |
|---|--|--|--|---|
| <input type="checkbox"/> Discourteous & antagonistic. | <input type="checkbox"/> Sometimes needs to be more tactful. | <input type="checkbox"/> Establishes and maintains effective working relationships | <input type="checkbox"/> Always courteous, tactful & helpful; creates good public image. | <input type="checkbox"/> Extremely effective at establishing good will; inspiring to others in being courteous & very pleasant. |
|---|--|--|--|---|
-
10. **ATTENDANCE** is coming to work daily and conforming to work hours.
- | | | | | |
|--|--|---|---|--|
| <input type="checkbox"/> Often absent without good excuse and/or frequently reports for work late. | <input type="checkbox"/> Careless; makes recurrent errors. | <input type="checkbox"/> Usually accurate; makes occasional minor errors. | <input type="checkbox"/> Requires little supervision; is exact and precise. | <input type="checkbox"/> Requires absolute minimum of supervision; is always accurate and exact. |
|--|--|---|---|--|
-
11. **SAFETY CONSCIOUSNESS** is the ability to maintain a safe and orderly work area.
- | | | | | |
|---|---|---|--|--|
| <input type="checkbox"/> Disorderly or unsafe; repeated violations of safety rules. | <input type="checkbox"/> Careless in keeping work area neat and following safety rules. | <input type="checkbox"/> Ordinarily keeps work area neat; follows safety rules. | <input type="checkbox"/> Conscientious about neatness and safety rules | <input type="checkbox"/> Always neat; safety conscious; exemplary safety record. |
|---|---|---|--|--|
-
12. **PERSONAL APPEARANCE** is the personal impression an individual makes on others. (Consider cleanliness, grooming, neatness and appropriateness of dress on the job.)
- | | | | | |
|---|--|--|---|---|
| <input type="checkbox"/> Adversely affects work relationships; inappropriate work attire. | <input type="checkbox"/> Careless about appearance; inappropriate work attire. | <input type="checkbox"/> Satisfactory personal appearance and appropriate work attire. | <input type="checkbox"/> Careful about personal appearance and in selection of work attire. | <input type="checkbox"/> Usually well groomed and always appropriately attired. |
|---|--|--|---|---|

THIS SECTION IS FOR THOSE EMPLOYEES WHO SUPERVISE

13. **ABILITY TO SUPERVISE** is the knowledge and ability to establish work standards; plan, assign and evaluate the work of subordinates and meet unit objectives.
- | | | | | |
|--|--|---|---|---|
| <input type="checkbox"/> Consistently fails to meet the responsibilities of supervision. | <input type="checkbox"/> Occasionally fails to meet the responsibilities of supervision. | <input type="checkbox"/> Performs the basic functions of supervision. | <input type="checkbox"/> Almost always exceeds the basic responsibilities of supervision. | <input type="checkbox"/> Exemplary supervisor; subordinates have a superior work production record. |
|--|--|---|---|---|

An Outstanding or Unsatisfactory rating must be substantiated in a written statement by the rater.

OVERALL EVALUATION

- UNSATISFACTORY IMPROVEMENT NEEDED SATISFACTORY ABOVE SATISFACTORY OUTSTANDING

MAJOR STRONG POINTS: _____

AND THESE CAN BE USED MORE EFFECTIVELY BY DOING THE FOLLOWING:

AREAS OF SUGGESTED DEVELOPMENT, WORK PLAN AND GOALS:

AND THESE CAN BE STRENGTHENED AND ACCOMPLISHED BY DOING THE FOLLOWING:

DEPARTMENT HEAD COMMENTS: RECOMMENDED FOR STEP INCREASE: YES NO NOT APPLICABLE

I have reviewed this report with the employee and have discussed the ratings with him/her. This report is accurate according to my best knowledge and belief.

SIGNATURE OF DEPARTMENT HEAD: _____ DATE: _____

EMPLOYEE'S STATEMENT AND SIGNATURE: *I have received this report and have had the opportunity to discuss it with my Department Head. My signature does not necessarily mean that I agree with the report.*

SIGNATURE OF EMPLOYEE: _____ DATE: _____


GENERAL MANAGER USE ONLY: Approval: Disapproval:

SIGNATURE OF GENERAL MANAGER: _____ DATE: _____

Description of evaluation terms:

- A. Unsatisfactory work performance is well below the standard expected of a competent worker in that job, a majority of the time. Unsatisfactory ratings must be substantiated in a written statement by the rater.
- B. Improvement Needed Work performance is frequently less than the standard expected of a competent worker in that job, and improvable with additional training, experience, and/or effort.
- C. Satisfactory Work performance consistently meets the standard expected of a competent worker in that job.
- D. Above Satisfactory Work performance is generally above the standard expected of a competent worker in that job, a majority of the time.
- E. Outstanding Work performance is consistently and distinctly above the standard expected of a competent worker in that job; performance is definitely superior; Outstanding ratings must be substantiated in a written statement by the rater.

[*An employee has the right to respond in writing to an employee performance evaluation. Said response shall be attached to the performance evaluation and placed in the employees personnel file.]

TO: BOARD OF DIRECTORS
FROM: BRUCE BUEL 
DATE: JANUARY 19, 2007

**AGENDA ITEM
D-7
JANUARY 24, 2007**

INITIATE REVIEW OF BOARD BYLAWS

ITEM

Initiate review of Board Bylaws [Set Hearing for February 14, 2007 Meeting].

BACKGROUND

The attached Bylaws call for an annual review by the Board at its first meeting in February. President Winn has requested that each Board Member receive the adopted bylaws at this meeting so that ample time is available for identification of concerns for discussion at the February 14, 2007 Meeting.

RECOMMENDATION

It is recommended that your Honorable Board set the annual review of the Board Bylaws at your February 14, 2007 Board Meeting.

ATTACHMENT

Board Bylaws

T:\doc\board matters\board meetings\board letter 2007\Bylaw Review Initiation

**NIPOMO COMMUNITY SERVICES DISTRICT
RESOLUTION NO. 2006-965
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
NIPOMO COMMUNITY SERVICES DISTRICT
ADOPTING AMENDED BY-LAWS (2006 UPDATE)**

WHEREAS, the Board of Directors of Nipomo Community Services District (District) is committed to providing excellence in legislative leadership; and

WHEREAS, the District is a member of the Special District Risk Management Authority (SDRMA); and

WHEREAS, SDRMA has adopted a Credit Incentive Program whereby the District can receive a one point credit for the adoption of Board Policies and Procedures (Director By-Laws); and

WHEREAS, the District can receive an annual one point credit for the annual review and re-adoption of the Director By-Laws; and

WHEREAS, Government Code §61054 provides that the Board of Directors shall adopt rules or bylaws for its proceedings; and

WHEREAS, on February 8, 2006, the District Board of Directors did review the District's previously adopted Board By-Laws and directed District Staff to return with an edited version for Board adoption. .

NOW, THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED by the Board of Directors of the Nipomo Community Services District, as follows:

1. The Nipomo Community Services District Board of Directors By-Laws (2006 update) attached hereto as Exhibit "A" are hereby approved and adopted.
2. All prior Director By-Laws, Resolutions and Policies of the District that are inconsistent with the Board of Director By-Laws (2006 update) attached hereto as Exhibit "A" are hereby repealed.

Upon motion by Director Eby, seconded by Director Winn on the following roll call vote, to wit:

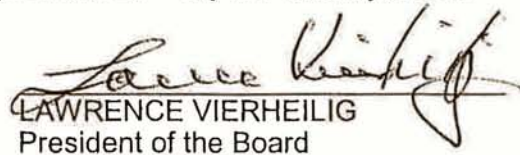
AYES: Directors Eby, Winn, Wirsing, and Vierheilig

NOES: None

ABSENT: Director Trotter

ABSTAIN: None

the foregoing resolution is hereby passed and adopted this 22nd day of February, 2006.


LAWRENCE VIERHEILIG
President of the Board

ATTEST:


DONNA K. JOHNSON
Secretary to the Board

APPROVED:


JON S. SEITZ
District Legal Counsel

NIPOMO COMMUNITY SERVICES DISTRICT
BOARD OF DIRECTOR
BY-LAWS
2006 UPDATE
(ATTACHMENT "A" TO RESOLUTION 2006-965)

1. OFFICERS OF THE BOARD OF DIRECTORS

- 1.1 The officers of the Board of Directors are the President and Vice President.
- 1.2 The President of the Board of Directors shall serve as chairperson at all Board meetings. He/She shall have the same rights as the other Directors of the Board in voting, introducing motions, resolutions and ordinances, and any discussion of questions that follow said actions.
- 1.3 In the absence of the President, the Vice President of the Board of Directors or his/her designee shall serve as chairperson over all meetings of the Board. If the President and Vice President of the Board are both absent, the remaining Directors present shall select one of themselves to act as chairperson of the meeting.
- 1.4 The President and Vice President of the Board shall be elected annually at the last regular meeting of each calendar year.
- 1.5 The term of office for the President and Vice President of the Board shall commence on January 1 of the year immediately following their election.

2. MEETINGS

- 2.1 Subject to holiday and scheduling conflicts, regular meetings of the Board of Directors shall commence at 9:00 a.m. on the second and fourth Wednesday of each calendar month in the Board Room at the District Office located at 148 South Wilson, Nipomo, CA. The Board of Directors reserves the right to cancel or designate other dates, places, and times for Director meetings due to scheduling conflicts and holidays.
- 2.2 Special Meetings.

Special meetings may be called by the President or three (3) Directors with a minimum of twenty-four (24) hours public notice. Special meeting agenda shall be prepared and distributed pursuant to the procedures of the Brown Act by the General Manager or the Assistant Administrator in consultation with the President or in his or her absence, the Vice president or those Directors calling the meeting;
- 2.3 Directors shall attend all regular and special meetings of the Board unless there is good cause for absence.
- 2.4 No action or discussion may be taken on an item not on the posted agenda; provided, however, matters deemed to be emergencies or of an urgent nature may be added to the agenda under the procedures of the Brown Act. Pursuant to the Brown Act:
 - (a) Directors may briefly respond to statements or questions from the public;
 - (b) Directors may, on their own initiative or in response to public questions, ask questions for clarification, provide references to staff or other resources for factual information, or request staff to report back at a subsequent meeting;
 - (c) A Director or the Board itself may take action to direct staff to place a matter on a future agenda;
 - (d) Directors may make brief announcements or make a brief report on his/her own activities under the Director Comment portion of the Agenda.

NIPOMO COMMUNITY SERVICES DISTRICT
DIRECTOR BY-LAWS 2006 UPDATE
ATTACHMENT "A" TO RESOLUTION 2006-965
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- 2.5 The President, or in his/her absence the Vice President (or his/her designee), shall be the presiding officer at District Board meetings. He/She shall conduct all meetings in a manner consistent with the policies of the District. He/She shall determine the order in which agenda items shall be considered for discussion and/or actions taken by the Board. He/She shall announce the Board's decision on all subjects. He/She shall vote on all questions and on roll call his/her name shall be called last.
- 2.6 Three (3) Directors of the Board shall constitute a quorum for the transaction of business. When a quorum is lacking for a regular, adjourned, or special meeting, the President, Vice President, or any Director shall adjourn such meeting; or, if no Director is present, the District Secretary shall adjourn the meeting.
- 2.7 No ordinance, resolution or motion shall be passed or become effective without the affirmative vote of at least a majority of the total membership of the Board of Directors.
- 2.8 A roll call vote shall be taken upon the passage of all ordinances and resolutions, and shall be entered in the minutes of the Board, showing those Directors voting aye, those voting no, those abstaining, those not voting because of a conflict of interest, and absent. A roll call vote shall be taken and recorded on any motion not passed unanimously by the Board. Silence shall be recorded as an affirmative vote.
- 2.9 Votes of abstention shall be counted as a no vote.
- 2.10 Any person attending a meeting of the Board of Directors may record the proceedings with an audio or video tape recorder or a still or motion picture camera in the absence of a reasonable finding that the recording cannot continue without disruptive noise, illumination, or obstruction of view that constitutes or would constitute a disruption of the proceedings.
- 2.11 All video tape recorders, still and/or motion picture cameras shall remain stationary and shall be located and operated from behind the public speakers podium once the meeting begins. The President retains the discretion to alter these guidelines, including the authority to require that all video tape recorders, still and/or motion picture cameras be located in the back of the room.

3. **AGENDAS**

- 3.1. The General Manager, in cooperation with the Board President, shall prepare an agenda for each regular and special meeting of the Board of Directors. Any Director may call the General Manager and request an item to be placed on the regular meeting agenda no later than 4:30 p.m. one week prior to the meeting date. Such a request must be also submitted in writing either at the time of communication with the General Manager or delivered to the office within the next working day.
- 3.2 A block of 20 minutes time shall be set aside to receive general public comment. Comments on agendized items should be held until the appropriate item is called. Unless otherwise directed by the President, public comment shall be presented from the podium. The person giving public comment shall state his/her name and whether or not he/she lives within the District boundary prior to giving his/her comment. Public comment shall be directed to the President of the Board and limited to three minutes unless extended or shortened by the President at his/her discretion.
- 3.3 Those items on the District Agenda which are considered to be of a routine and non-controversial nature are placed on the "Consent Agenda". These items shall be approved, adopted, and accepted, etc. by one motion of the Board of Directors; for example, approval of Minutes, approval of Warrants, various Resolutions accepting

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DIRECTOR BY-LAWS 2006 UPDATE
ATTACHMENT "A" TO RESOLUTION 2006-965
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developer improvements, minor budgetary items, status reports, and routine District operations.

- (a) Directors may request that any item listed under "Consent Agenda" be removed from the "Consent Agenda", and the Board will then take action separately on that item. Members of the public will be given an opportunity to comment on the "Consent Agenda"; however, only a member of the Board of Directors can remove an item from the "Consent Agenda". Items which are removed ("pulled") by Directors of the Board for discussion will typically be heard after other "Consent Agenda" items are approved unless a majority of the Board chooses an earlier or later time.
- (b) A Director may ask questions on any item on the "Consent Agenda". When a Director has a minor question for clarification concerning a consent item which will not involve extended discussion, the item may be discussed for clarification and the questions will be addressed along with the rest of the "Consent Agenda". Directors are encouraged to seek clarifications prior to the meeting if possible.
- (c) When a Director wishes to consider/"pull" an item simply to register a dissenting vote, the Director shall inform the presiding officer that he/she wishes to register a dissenting vote on a particular item without discussion. The item will be handled along with the rest of the Consent Agenda, and the District Secretary shall register a "no" vote in the minutes on the item identified by the Director.

4. PREPARATION OF MINUTES AND MAINTENANCE OF TAPES

- 4.1 The minutes of the Board shall be kept by the District Secretary and shall be neatly produced and kept in a file for that purpose, with a record of each particular type of business transacted set off in paragraphs with proper subheads;
- 4.2 The Minutes of the Board of Directors shall record the aye and no votes taken by the members of the Board of Directors for the passage or denial of all ordinances, resolutions or motions.
- 4.3 The District Secretary shall be required to make a record only of such business as was actually considered by a vote of the Board and, except as provided in Sections 4.4 and 4.6 below, shall not be required to record any remarks of Directors or any other person.
- 4.4 Any Director may request for inclusion into the minutes brief comments pertinent to an agenda item, only at the meeting in which the item is discussed. In addition, the minutes shall include brief summaries of public comment, the General Manager's report, matters of concern to District legal counsel, District committee reports, and Directors' reports. Materials submitted with such comments shall be appended to the minutes at the request of the General Manager, District Counsel, the Board President, or any Director.
- 4.5 The District Secretary shall attempt to record the names and general place of residence of persons addressing the Board, the title of the subject matter to which their remarks related, and whether they spoke in support or opposition to such matter.
- 4.6 Whenever the Board acts in a quasi-judicial proceeding such as in assessment matters, the District Secretary shall compile a summary of the testimony of the witnesses.

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- 4.7 Any record of a District meeting made for whatever purpose at the direction of the District shall be subject to inspection pursuant to the California Public Records Act. District electronic records may be retained indefinitely, pursuant to the discretion of the Board.

5. DIRECTORS

- 5.1 Directors shall prepare themselves to discuss agenda items at meetings of the Board of Directors.
- 5.2 Members of the Board of Directors shall exercise their independent judgment on behalf of the interest of the entire District, including the residents, property owners and the public as a whole.
- 5.3 Information may be requested from staff or exchanged between Directors before meetings, within such limitations as required by the Brown Act. Information that is requested or exchanged shall be distributed through the General Manager, and all Directors will receive a copy of all information being distributed.
- 5.4 Directors shall at all times conduct themselves with courtesy to each other, to staff and to members of the audience present at Board meetings.
- 5.5 Differing viewpoints are healthy in the decision-making process. Individuals have the right to disagree with ideas and opinions, but without being disagreeable. Once the Board of Directors takes action, Directors should commit to supporting said action and not to create barriers to the implementation of said action.
- 5.6 Except during open and public meetings the use of direct communication, personal intermediaries, or technological devices that is employed by a majority of the Directors to develop a collective concurrence as to action to be taken on an item by the Board of Directors is prohibited.

6. AUTHORITY OF DIRECTORS

- 6.1 The Board of Directors is the unit of authority within the District. Apart from his/her normal function as a part of this unit, Directors have no individual authority. As individuals, Directors may not commit the District to any policy, act or expenditure.
- 6.2 Directors do not represent any fractional segment of the community but are, rather, a part of the body which represents and acts for the community as a whole.
- 6.3 The primary responsibility of the Board of Directors is the formulation and evaluation of policy. Routine matters concerning the operational aspects of the District are to be delegated to professional staff members of the District.

7. AUTHORITY OF THE GENERAL MANAGER

The General Manager shall be responsible for all of the following:

- 7.1. The implementation of the policies established by the Board of Directors for the operation of the District.
- 7.2 The appointment, supervision, discipline, and dismissal of the District's employees, consistent with the employee relations system established by the Board of Directors.
- 7.3 The supervision of the District's facilities and services.
- 7.4 The supervision of the District's finances.

NIPOMO COMMUNITY SERVICES DISTRICT
DIRECTOR BY-LAWS 2006 UPDATE
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8. DIRECTOR GUIDELINES

- 8.1 Directors, by making a request to the General Manager or Assistant Administrator, shall have access to information relative to the operation of the District, including but not limited to statistical information, information serving as the basis for certain actions of Staff, justification for Staff recommendations, etc. If the General Manager or the Assistant Administrator cannot timely provide the requested information by reason of information deficiency, or major interruption in work schedules, work loads, and priorities, then the General Manager or Assistant Administrator shall inform the individual Director why the information is not or cannot be made available.
- 8.2 In handling complaints from residents or property owners within the District, or other members of the public, Directors are encouraged to listen carefully to the concerns, but the complaint should be referred to the General Manager for processing and the District's response, if any.
- 8.3 Directors, when seeking clarification of policy-related concerns, especially those involving personnel, legal action, land acquisition and development, finances, and programming, should refer said concerns directly to the General Manager.
- 8.4 When approached by District personnel concerning specific District policy, Directors should direct inquiries to the General Manager or Assistant Administrator. The chain of command should be followed. If a Director concludes that a personnel issue is not being adequately addressed in this manner, he/she should refer it to the Board's personnel committee for further consideration, in accordance with District Personnel Policy.
- 8.5 Directors and General Manager should develop a working relationship so that current issues, concerns and District projects can be discussed comfortably and openly.
- 8.6 When responding to constituent request and concerns, Directors should respond to individuals in a positive manner and route their questions to the General Manager, or in his/her absence, to the Assistant Administrator.
- 8.7 Directors are responsible for monitoring the District's progress in attaining its goals and objectives, while pursuing its mission.

9. DIRECTOR COMPENSATION

- 9.1 Each Director is authorized to receive one hundred dollars (\$100.00) as compensation for each regular, adjourned or special meeting of the Board of Directors attended by him/her.
- 9.2 Each Director is authorized to receive fifty dollars (\$50.00) as a compensation for each standing committee or ad hoc committee meeting of the District attended by him/her.
- 9.3 Each Director is authorized to receive one hundred dollars (\$100) per day as compensation for representation of the District at a public meeting or public hearing conducted by another public agency and/or participation in a training program on a topic that is directly related to the District, provided that the Board of Directors has previously approved the member's participation at a Board of Director's meeting and the member delivers a written report to the Board of Directors at the District's next regular meeting regarding the member's participation.
- 9.4 In no event shall Director compensation exceed \$100 per day.
- 9.5 Director compensation shall not exceed six full days in any one calendar month.

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10. DIRECTOR REIMBURSEMENT

- 10.1** Each Director is entitled to reimbursement for their actual and necessary expenses, including the cost of programs and seminars, incurred in the performance of the duties required or authorized by the Board.
- (a) It is the policy of the District to exercise prudence with respect to hotel/motel accommodations. It is also the policy of the District for Directors and staff to stay at the main hotel/motel location of a conference, seminar, or class to gain maximum participation and advantage of interaction with others whenever possible.
- Lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor, provided that lodging at group rate is available to the member of the Board of Directors at the time of booking (Govt Code §53232.2(d)). Personal phone calls, room service, and other discretionary expenditures are not reimbursable.
- (b) Members of the Board of Directors shall use government and group rates offered by a provider of transportation for travel when available. Directors using his/her private vehicle on District business, shall be compensated at the prevailing IRS per diem mileage rate.
- (c) Any Director traveling on District business shall receive in addition to transportation and lodging expenses, a per diem allowance to cover ordinary expenses such as meals, refreshments and tips. The amount set for per diem shall be considered fair reimbursement, and the Director shall neither be required to account for use of the per diem, return the unused portions, nor claim additional expenses for these items. The per diem shall include \$10.00 for breakfast, \$10.00 for lunch, and \$20.00 for dinner, for a daily total of \$40.00.
- (d) All travel and other expenses for District business, conferences, or seminars outside of the State of California shall require separate Board authorization, with specific accountability as to how the District shall benefit by such expenditure.
- 10.2** All expenses that do not fall within the reimbursement policy set forth in 10.1, above, shall be approved by the Board of Directors, at a public meeting, before the expense is incurred.
- 10.3** Board members shall submit an expense report on the District form within ten (10) calendar days after incurring the expense. The expense report shall be accompanied by receipts documenting each expense except for per diem allowances.
- 10.4** Members of the Board of Directors shall provide brief written or oral reports on meetings attended at the expense of the District at the next regular meeting of the Board of Directors.

11. COMMITTEES

11.1 Ad Hoc Committees

The Board President shall appoint such ad hoc committees as may be deemed necessary or advisable by himself/herself and/or the Board. The duties of the ad hoc committees shall be outlined at the time of appointment, and the committee shall be considered dissolved when its final report has been made.

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11.2 Standing Committees

- (a) The Board may create standing committees at its discretion. Standing committees shall be advisory committees to the Board of Directors and shall not commit the District to any policy, act or expenditure. Each standing committee may consider District-related issues, on a continuing basis, assigned to it by the Board of Directors. Members of the standing committees shall be appointed by the Board of Directors.
- (b) All standing committee meetings shall be conducted as public meetings in accordance with the Brown Act and Sections 2, 3 and 4 of these By-Laws. Summary notes for each meeting of each committee shall be forwarded to the NCSB Board of Directors as a public record.

12. CORRESPONDENCE DISTRIBUTION POLICY

Time permitting, the following letters and other documents shall be accumulated and delivered to the Board of Directors on Monday of each week and/or with agenda packet.

- 12.1** All letters approved by the Board of Directors and/or signed by the President on behalf of the District; and
- 12.2** All letters and other documents received by the District that are of District-wide concern, as determined by District staff.

13. CONFLICTS AND RELATED POLICY

State laws are in place which attempt to eliminate any action by a Director or the District which may reflect a conflict of interest. The purpose of such laws and regulations is to insure that all actions are taken in the public interest. Laws which regulate conflicts are very complicated. The following provides a brief policy summary of various conflict related laws. Directors are encouraged to consult with District Legal Counsel and/or the FPPC at 1-800-ASK-FPPC (1-800-275-3772), prior to the day of the meeting, if they have questions about a particular agenda item.

13.1 Conflict of Interest

Each Director is encouraged to review the District Conflict Code on an annual basis. The general rule is that an official may not participate in the making of a governmental decision if it is: reasonably foreseeable that the decision will have a material financial effect on the official or a member of his or her immediate family or on an economic interest of the official, and the effect is distinguishable from the effect on the public generally. Additionally, the FPPC regulations relating to interests in real property have recently been changed. If the real property in which the Director has an interest is located within 500 feet of the boundaries of the property affected by decision, that interest is now deemed to be directly involved in the decision.

13.2 Interest in Contracts, Government Codes Section 1090

The prohibitions of Government Code Section 1090 provide that the Board of Directors may not contract with any business in which another Director has a financial interest.

13.3 Incompatible Office

The basic rule is that public policy requires that when the duties of two offices are repugnant or overlap so that their exercise may require contradictory or inconsistent action, to the detriment to the other public interest, their discharge by one person is incompatible with that interest. When a Director is sworn in for such a second office, he/she is simultaneously terminated from holding the first office.

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14. EVALUATION OF CONSULTANTS

The District's legal counsel shall be evaluated by the Board of Directors annually during the months of May and June of each year. The District's consulting engineer shall be evaluated by the General Manager during the months of May and June of each year and reported to the Board of Directors during the month of July of each year.

15. CONTINUING EDUCATION

Directors are encouraged to attend educational conferences and professional meetings when the purposes of such activities are to improve District operation. Subject to budgetary constraints, there is no limit to the number of Directors attending a particular conference or seminar when it is apparent that their attendance is beneficial to the District.

16. BOARD BY-LAWS REVIEW POLICY

Subject to 3.1 the Board By-Laws Policy shall be reviewed annually at the first regular meeting in February. The review shall be provided by District Counsel and ratified by Board action.

17. RESTRICTIONS ON RULES

The rules contained herein shall govern the Board in all cases to which they are applicable, and in which they are not inconsistent with State or Federal laws.

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