



NORTH
TEXAS
MUNICIPAL
WATER
DISTRICT

PERSONNEL COMMITTEE MEETING

May 7, 2025



Agenda

- I. CALL TO ORDER
- II. PUBLIC COMMENTS
- III. OPENING REMARKS
- IV. ACTION ITEMS
- V. DISCUSSION ITEMS
- VI. ADJOURNMENT



Agenda

IV. ACTION ITEMS

- A. Consider approval of Personnel Committee meeting minutes – January 8, 2025
- B. Amendments to the NTMWD Personnel Policies Manual
- C. Amendments to 457(b) Deferred Compensation Plan and Restatement of Plan Document

V. DISCUSSION ITEMS

- A. Fiscal Year 2026 Personnel Requests
- B. Opportunity for Committee members to provide feedback on the Personnel Committee meeting or request potential future agenda items



Agenda

Ike Obi, Director of Human Resources

IV. ACTION ITEMS

- A. Consider approval of Personnel Committee meeting minutes – January 8, 2025
- B. Amendments to the NTMWD Personnel Policies Manual
- C. Amendments to 457(b) Deferred Compensation Plan and Restatement of Plan Document

V. DISCUSSION ITEMS

- A. Fiscal Year 2026 Personnel Requests
- B. Opportunity for Committee members to provide feedback on the Personnel Committee meeting or request potential future agenda items



Amendments to Personnel Policies Manual

Recommended Updates, Changes and Corrections

- Minor revisions and corrections
- Alignment of policies to legal requirements
- Substantive changes for discussion with Committee



Minor Revisions and Corrections

Clarifications, correction of typos, duplications and format

Policy Section	Title
Section 1.11	Resignation – wording correction (“shall” to “will”)
Section 2.3.3	Business/Property Interest Conflict – wording correction
Section 4.3	Overtime Fair Labor Standards Act – add that District adheres to the Fair Labor Standards Act – federal wage laws
Section 4.5	Callback Pay – renaming policy to clarify meaning and use
Section 4.6	On-Call/Standby Pay – add language to clarify policy
Section 5.2	Sick Leave – clarify that employees who move to part-time can use accrued sick leave balance, and not paid-out at termination
Section 5.5	Vacation – clarify that employees who move to part-time may retain vacation balance and be paid out at termination
Section 6.3	Retirement Recognition Program – add that an award packet in lieu of engraved watch as an option for 20-year employees



Legal Requirements

Align to employment laws changes and workplace rules

Policy Section	Title
Section 2.3.8	Political Activities – Employers must allow employees up to 2 hours of paid time off to vote on election day if they have not voted during early voting and work schedule does not allow sufficient time to vote on election day "without a loss or reduction of wages or another benefit of employment" (Tex. Election Code Title 16, Chapter 276.001 and 276.004). Employee must coordinate with HR
Section 2.11	Workplace Violence and Weapons – Add notification of right to report workplace violence or suspicious activities to Texas DPS
Section 4.7	Timekeeping – Clarify exempt employee's responsibility for a timely reporting of time-worked in lieu of absence during normal work schedule. Failure to do so may result in a reduction of paid hours
Section 6.2	Worker's Compensation – Add a new policy on timely reporting of workplace injury by injured employee or employee who witnessed the incident. Also clarifying a policy of no retaliation for filing a workers' compensation claim



Substantive Policy Changes

Section 1.12 – Hiring Former Employee as Independent Contractor

- Adding a new policy to require close coordination with HR when hiring a former employee as an independent contractor to ensure that the former employee is in good standing and classified correctly

Section 1.13 – Personnel Files

- Adding language to formalize how confidential personnel records are handled and clarify that information contained in personnel files is confidential, unless disclosure is required by law or District policy



Substantive Policy Changes

Section 2.3.4 – Benefits to Previous Employer or Former Employee

- Adding a policy to prohibit employees from participating in District contracts or matters that benefit most recent former employer within 12 months of District employment
- Adding language to prohibit former employees from representation of third parties for compensation for 12 months following separation of employment. Does not prohibit employee from representation of self or family member



Substantive Policy Changes

Section 4.11 – Longevity Pay

- Adding a new policy to provide a retention incentive pay based on service to the District at \$5 per month of continuous District service
- Capped \$1,200 for employees with 20 or more years of service
- Paid annually in a separate paycheck in November. Does not count towards base pay rate
- Annual cost estimated at \$455,000 – about 0.60% of total estimated FY26 salaries

Section 5.7 – Official Holidays

- Add Veteran's Day as a District holiday
- Supported by systems and member cities survey data
- Annual cost estimated at \$79,000 – about 0.10% of total estimated FY26 salaries



Future Changes Related to Workday Implementation

- Seeking Committee input on proposed policy changes to be configured in Workday implementation which is currently underway and scheduled to go-live in October 2026
- Implement sick, vacation and holiday policy revisions supported by Workday functionality
 - Base holiday pay on employee's regularly scheduled shift hours - annual cost estimated at \$450,000 – about 0.57% of total estimated FY26 salaries
 - Allows employees working shifts greater than 8 hours to take a day off without having to use their vacation time
 - Align sick and vacation accrual to the 1st and 2nd pay periods of each month for 24 pay periods per year
 - Implement proration of sick and vacation accrual based on hours worked, if hired/terminated during pay period
 - Provide timely leave accrual and reporting
- Incorporate Workday implementation related revisions with FY26 Personnel Policy review and updates



Next Steps

- Receive Committee feedback on proposed changes
- Incorporate Committee feedback to proposed changes to Personnel Policies, as needed
- August – Brief Policy Committee
- September – Board consideration and approval of recommended:
 - Personnel policies amendments
 - Total estimated annual cost of adding Longevity Pay and Veterans Day Holiday is about \$534,000 or 0.70% of estimated FY26 salaries



Committee Consideration

The Executive Director and staff recommend the Board of Directors authorize the amendments to the Personnel Policies Manual and recommend staff proceed with Workday configuration as outlined in the presentation.



Agenda

Ike Obi, Director of Human Resources

IV. ACTION ITEMS

- A. Consider approval of Personnel Committee meeting minutes – January 8, 2025
- B. Amendments to the NTMWD Personnel Policies Manual
- C. Amendments to 457(b) Deferred Compensation Plan and Restatement of Plan Document

V. DISCUSSION ITEMS

- A. Fiscal Year 2026 Personnel Requests
- B. Opportunity for Committee members to provide feedback on the Personnel Committee meeting or request potential future agenda items



Amend and Restate 457(b) Deferred Compensation Plan

- Plan Overview
- Regulatory Compliance for Catch-Up Contributions
- Loan policy and claims appeal process



Amend and Restate 457(b) Deferred Compensation Plan

Plan Overview – 457(b) Deferred Compensation Plan Overview

- A qualified deferred contribution plan by the Internal Revenue Service (IRS) rules
- 324 full-time employee (~34%) are enrolled. Annual deferral is approximately \$1.6M
- Contribution limit for 2025 is \$23,500 (indexed). An additional catch-up contribution up to \$7,500 is allowed for participants who are age 50 or older
- Deferrals are pre-tax and invested in employee-directed accounts
- Funds are in “constructive receipt” until paid to employee at separation of employment, required minimum distribution age, or qualified unforeseeable hardship
- Investment options, and plan administrative and recordkeeping functions are provided by third-party vendors – Corebridge and Voya
- District is responsible for plan compliance and updates



Amend and Restate 457(b) Deferred Compensation Plan

- **Amending plan to add Roth Catch-Up Contribution for participants whose wages exceed \$145,000 in prior year and who are age 50 or older:**
 - All catch-up contributions must be on a Roth after-tax basis
 - "Underutilized Limitation" Catch-up is a variable amount available in the 3 years prior to normal retirement age (age 65 for NTMWD)
 - Catch-up contribution for 2025 is \$7,500 (normal catch-up)
- **Continuing catch-up contributions for participants with earning of \$145,000 or less on pre-tax basis, but may opt for Roth catch-up**
- **Adding language for loan policy and process for resolving claims**
- **Effective January 1, 2026 by law**



Committee Consideration

The Executive Director and staff recommend the Board of Directors authorize the amendment and restatement of the NTMWD 457(b) Deferred Compensation Plan



Agenda

Jeanne Chipperfield, Assistant General Manager - CFO

IV. ACTION ITEMS

- A. Consider approval of Personnel Committee meeting minutes – January 8, 2025
- B. Amendments to the NTMWD Personnel Policies Manual
- C. Amendments to 457(b) Deferred Compensation Plan and Restatement of Plan Document

V. DISCUSSION ITEMS

- A. Fiscal Year 2026 Personnel Requests
- B. Opportunity for Committee members to provide feedback on the Personnel Committee meeting or request potential future agenda items



Introduction

- Annual review of new positions recommended for FY26 Budget
- Approach and process: In preparing their personnel requests, department managers were encouraged to guide their decisions by
 - Considering ways to realize efficiencies within current staffing levels
 - Prioritizing the addition of personnel based on the timing of new projects
 - Addition of new programs or correction of deficiencies



FY26 Personnel Requests

Drivers

- **Growth (G)** – New and expanded facilities to meet the growing population
- **Efficiency (E)** – Necessary to optimize department performance
- **Budget Neutral (B)** - Positions that achieve budget savings by bringing in-house rather than outsource; or are offset by an overtime reduction



FY26 Personnel Requests– Position Count

DRIVER	RWS	WW	RSWS	SHARED	TOTAL
Growth (G)	2	4	0	2	8
Efficiency (E)	1	0	1	4	6
Budget Neutral(B)	0	0	0	3	3
Total	3	4	1	9	17

Original requested new position count was 29



FY26 Personnel Requests– FY26 Budget (\$K)

DRIVER	RWS	WW	RSWS	SHARED	FY26 SALARY W/ BENEFITS*
Growth	\$196	\$278	\$0	\$235	\$709
Efficiency	\$138	\$0	\$89	\$434	\$661
Budget Neutral	\$0	\$0	\$0	\$326	\$326
Total	\$334	\$278	\$89	\$995	\$1,696

* Some position budgets are prorated based on FY26 hiring quarter.



Regional Water System

	Department	Position	Positions	Driver	FY26 Budget (\$K)
1	Plant Operations	Water Plant Operator III	2	G	\$196
2	Water Conveyance	Control Room Supervisor II	1	E	\$138
		SUBTOTAL	3		\$334

G – Growth
E – Efficiency
B – Budget Neutral



Wastewater Systems

	Department	Position	Positions	Driver	FY26 Budget (\$K)
1	Sister Grove	Transport Driver – Wastewater	1	G	\$85
2	Rowlett Creek WWTP	Lead Wastewater Plant Operator	1	G	\$108
3	Rowlett Creek WWTP	Wastewater Plant Operator II*	2	G	\$85
		Sub-total	4		\$278

*3rd Quarter Hire

G – Growth
E – Efficiency
B – Budget Neutral



Solid Waste System

	Department	Position	Positions	Driver	FY26 Budget (\$K)
1	121 RDF	Heavy Equipment Operator – Landfill	1	E	\$89
		Sub-total	1		\$89

G – Growth
E – Efficiency
B – Budget Neutral



Shared Services

	Department	Position	Positions	Driver	FY26 Budget (\$K)
1	Safety	Safety Specialist	1	G	\$132
2	Information Technology	Information Technology Business Analyst	1	E	\$132
3	Laboratory Services	Senior Laboratory Technician	1	G	\$103
4	Facilities Services	Heavy Equipment Operator – Facilities	1	E	\$89
5	Technical Services	Mechanic – Industrial	1	E	\$93
6	Construction	Construction Inspector II	2	B	\$206
7	Communications	Conservation Program Specialist	1	B	\$120
8	Human Resources	Talent Acquisition Specialist	1	E	\$120
		Sub-total	9		\$995

G – Growth
E – Efficiency
B – Budget Neutral

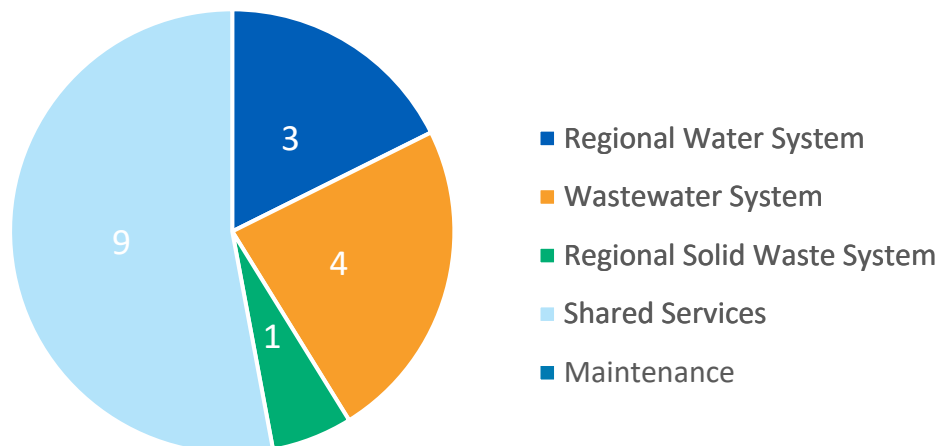


System and Driver Totals

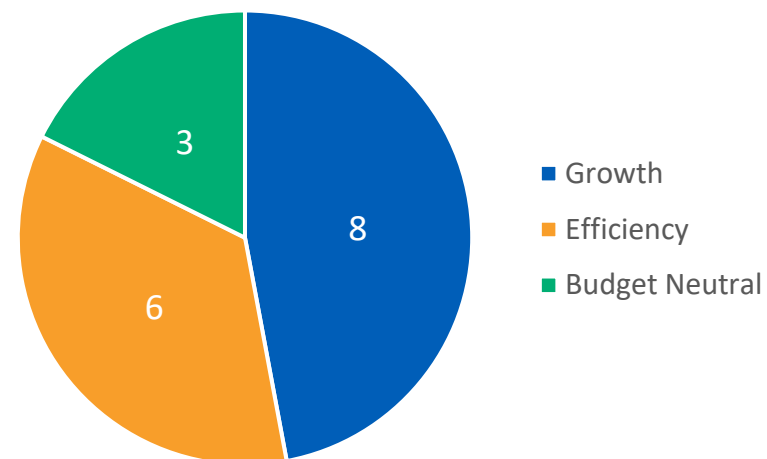
System	Positions
Regional Water System	3
Wastewater Systems	4
Regional Solid Waste System	1
Shared Services	9
Total	17

Driver	Positions
Growth – New & Expanded Facilities	8
Efficiency	6
Budget Neutral	3
Total	17

SYSTEM TOTALS



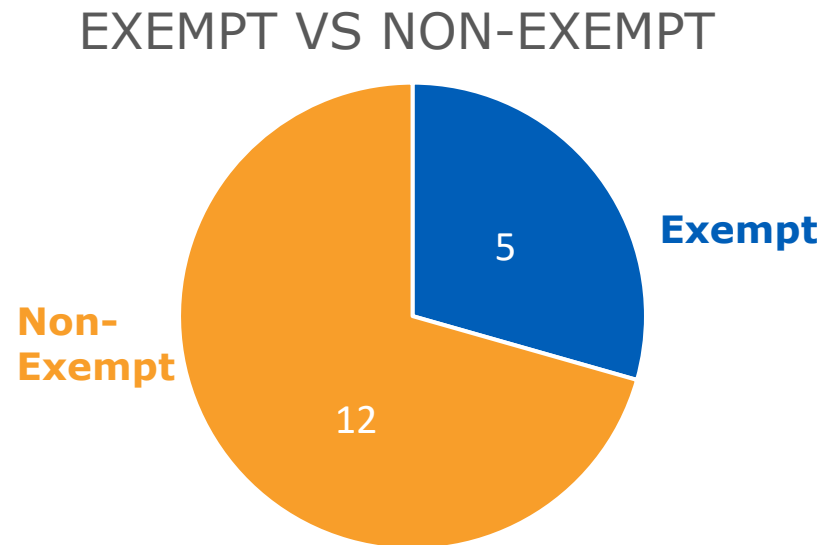
DRIVER TOTALS





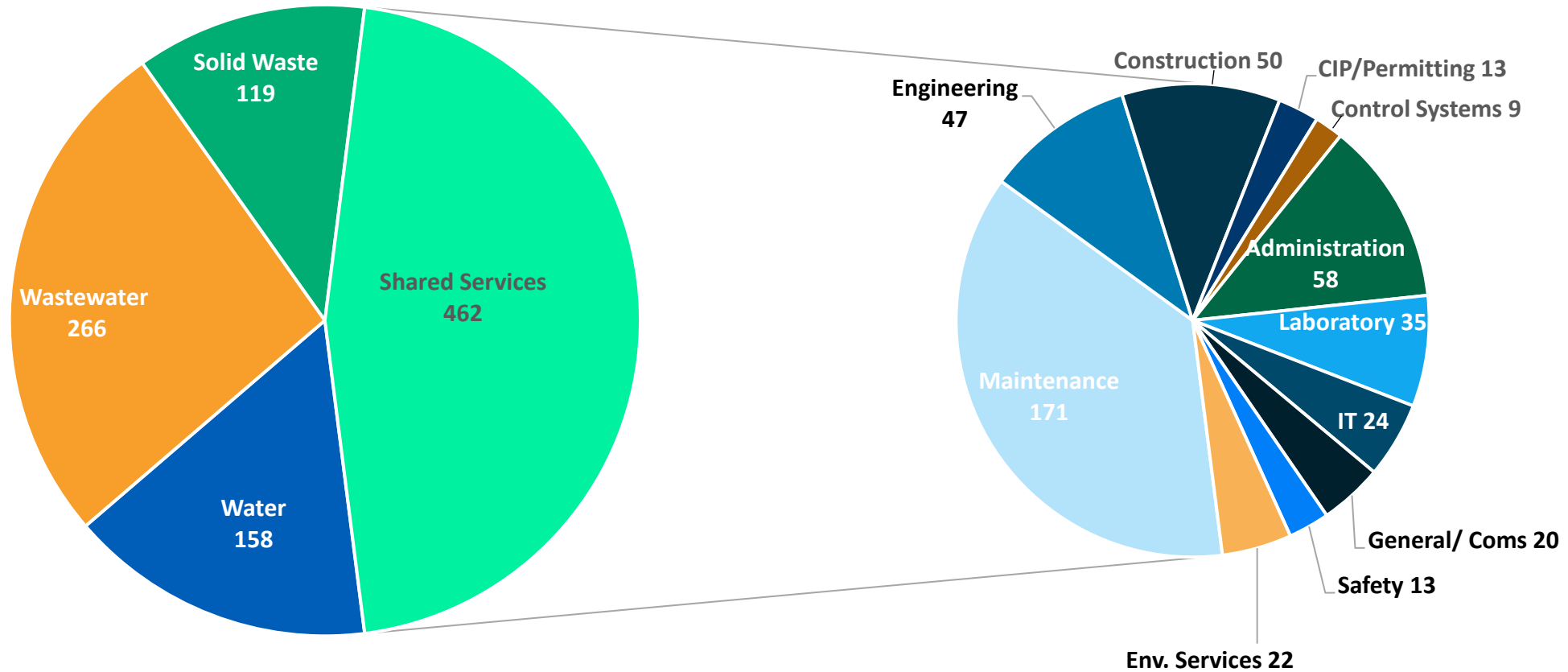
Exempt vs Non-Exempt

	Positions
Exempt / Salary	5
Non-Exempt / Hourly	12
Total	17



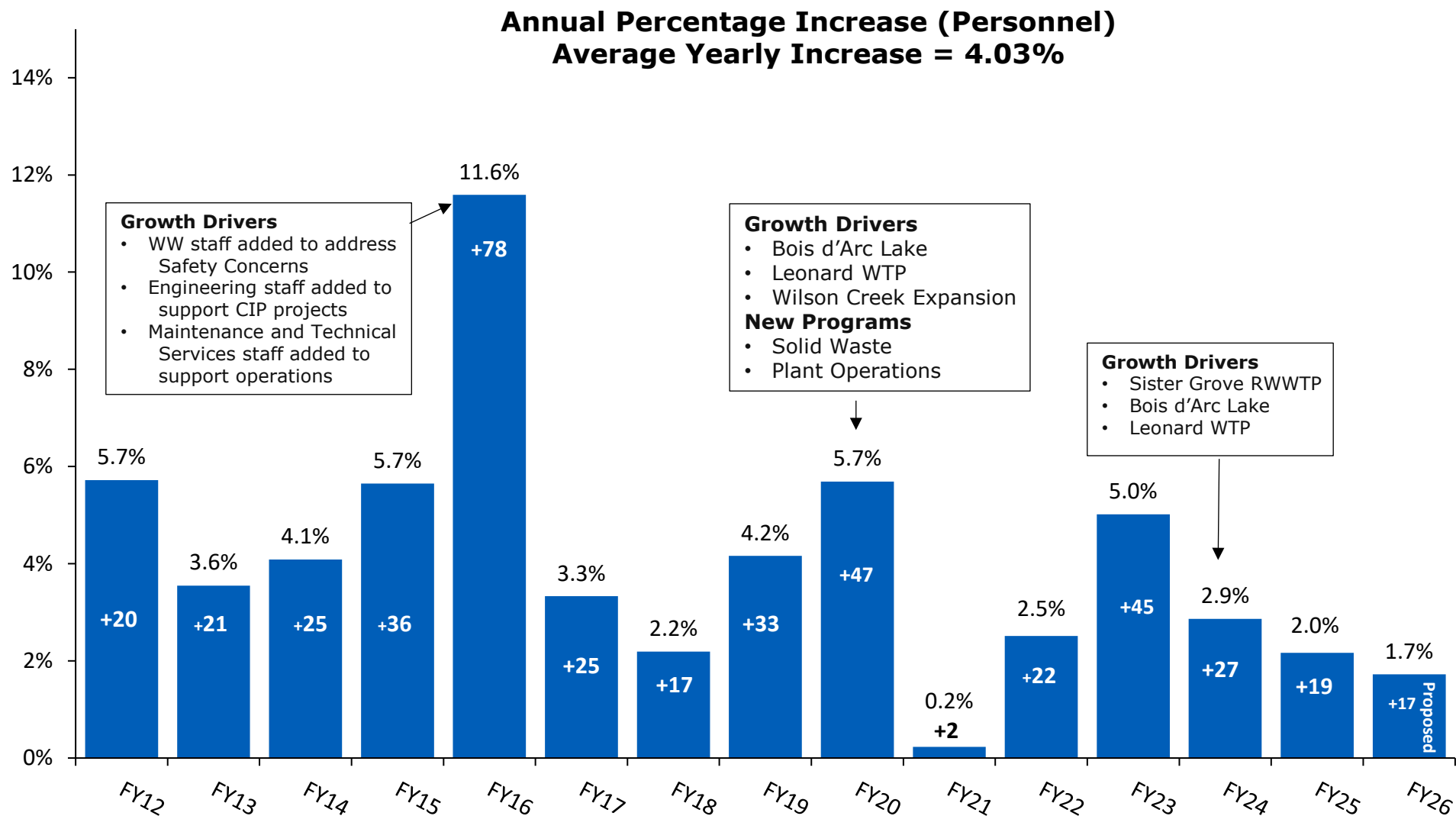


FY26 Proposed Position Total (1,005)





FY26 Personnel Requests- Preliminary





Next Steps

- June Finance Committee – FY25 Amended Budget and FY26 Preliminary Budget Overview
- July Board Workshop – FY25 Amended Budget and FY26 Proposed Budget
- September Finance Committee – FY25 Amended Budget and FY26 Budget Recommendation
- September Board Meeting – consider approval of FY25 Amended Budget and FY26 Budget



Agenda

IV. ACTION ITEMS

- A. Consider approval of Personnel Committee meeting minutes – January 8, 2025
- B. Amendments to the NTMWD Personnel Policies Manual
- C. Amendments to 457(b) Deferred Compensation Plan and Restatement of Plan Document

V. **DISCUSSION ITEMS**

- A. Fiscal Year 2026 Personnel Requests
- B. Opportunity for Committee members to provide feedback on the Personnel Committee meeting or request potential future agenda items



Agenda

- I. CALL TO ORDER
- II. PUBLIC COMMENTS
- III. OPENING REMARKS
- IV. ACTION ITEMS
- V. DISCUSSION ITEMS
- VI. ADJOURNMENT**