



NORTH
TEXAS
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DISTRICT

Regional Service Through Unity... Meeting our Region's Needs Today and Tomorrow



POLICY COMMITTEE

March 08, 2023



BOARD POLICIES MANUAL

Brian Brooks
NTMWD – Board Liaison

DISCUSSION ITEM

- C. Review and possible action on amendments to NTMWD's Board Policies Manual**



BOARD POLICIES MANUAL

Background

- **President May formed a Special Working Group to evaluate and consider changes to the Board Policies Manual related to:**
 1. **The Executive Director/General Manager (ED) Annual Evaluation Process as specified in Sec. 2.4**
 2. **Deputy Director compensation as specificized in Section 3**
- **Special Working Group:**
 - **Director Farmer (Chair), Director Dyer, Director Imrie, Director Kever, and Director Stephens**
 - **Met on two occasions to walk through the policy and develop a list of recommendations**
 - **Memo of those recommendations submitted to President May on February 24**



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Section 2.4 – ED/GM Annual Evaluation Process

Issues reviewed related to the complexity, length, and timing of the ED Annual Evaluation Process.

2.4 ED/GM Annual Evaluation Process (excerpt)

... Board Members shall individually evaluate the ED/GM through interviews with legal counsel and/or [legal team], based on an evaluation form developed by the legal team. In addition, the ED/GM will complete a self-evaluation, and the legal team shall interview the ED/GM's direct reports. On or before April 30 of each year, the legal team shall complete and provide its report, including draft findings and compilation of the gathered information to the [Executive Committee] and the Chair of the Personnel Committee.

During the May Board Meeting, the President and the legal team will share the results of the evaluation with the Board in executive session. The Board delegates to the Executive Committee the task of presenting the final evaluation results to the ED/GM after the May Board Meeting.

All written communications and documents regarding the ED/GM's performance evaluation shall be first directed solely to NTMWD's legal team to gather, review, and analyze such information for the purpose of providing legal counsel and recommendations to the Board on how to proceed with the final performance evaluation in executive session. All documentation shall be created by and remain in the possession of the legal team.



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Section 2.4 – Recommendations

- **Policy be less prescriptive and written to provide flexibility**
- **Every Director has opportunity to provide for input in the evaluation**
- **Executive Committee retain oversight of the process and feedback**
- **Remove requirement for attorneys to interview every Director**
- **Maintain confidentiality through Legal:**
 - **Receives and retains evaluation feedback and**
 - **Provides a summary of responses to the Board**
- **Process include review of goals and past year's accomplishments**
- **ED provides a self-evaluation at the beginning of the process**
- **Change the timing of the process to align with the fiscal year**
- **Consider removing the requirement for feedback from direct reports**
- **Consider changes to the evaluation instrument**



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Section 3 – Executive Compensation

Issue reviewed related to whether the Board should be setting the compensation for individual Deputy Directors (DD)

SECTION III. EXECUTIVE COMPENSATION

The Board shall establish the salaries to be received by the ED/GM and each of the Deputy Directors of NTMWD. The Board may, from time to time, authorize additional remuneration to these executives as compensation, reward and/or incentive for work performed on behalf of NTMWD. Additionally, the ED/GM and the Deputy Directors may receive reimbursement for actual expenses reasonably incurred in the course of their duties. Neither the ED/GM nor the Deputy Directors shall accept payment from any source other than NTMWD for work performed in their roles as NTMWD executives, nor may they or any member of their families be employed or paid for work by any individual or organization associated with or benefitting from NTMWD.



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Section 3 – Recommendations

- **Compensation decisions for the DD should rest with the ED**
- **Policy should provide language allowing the Board review of the DD compensation within the process of establishing the pay plan for all District employees.**
- **The ED may request compensation above the pay plan in consultation with the Board of Directors.**
- **Maintain language related to outside compensation and conflicts of interest within Personnel Policies Manual**



BOARD POLICIES MANUAL

Next steps:

- **March 8 – Policy Committee considers recommendations**
- **April 12 – Staff prepares a red-lined draft incorporating recommendations to the Policy Committee**
- **April 26 – Board considers adoption of changes to the Board Policies Manual**



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