

# **Filing Receipt**

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December 15, 2023

7285 W. 132nd Street Suite 220 Overland Park, KS 66213

Central Records Filing Clerk Public Utility Commission of Texas 1701 North Congress Avenue Austin, Texas 78701

RE: Project No. 55399 – FY 2023 Annual Report of Workforce Diversity and Other Business

Practices Pursuant to 16 TAC § 26.85 - Telephone

Dear Filing Clerk:

On behalf of Nortex Communications, we are filing the company's Workforce Diversity Report.

In accordance with 16 TAC 26.85(e), a copy of this report is being provided to the Governor, the Lieutenant Governor, the Speaker of the House of Representatives, and the African-American and Hispanic Caucus offices of the Texas Legislature.

Please contact me at lynette.hampton@mossadams.com or 512-652-7725 with any questions regarding this filing.

Sincerely,

Lynette Hampton

Authorized Representative for

Ampton

Nortex Communications

cc: Ms. Tracy Machado, Nortex Communications

#### FEDERAL COMMUNICATIONS COMMISSION Washington, DC 20554

Approved by OMB 3060-0076 Est. time per response: 1 hour

#### COMMON CARRIER ANNUAL EMPLOYMENT REPORT

[Please read instructions before completing and for Notice regarding public burden.] SECTION 1 - General Information 1. Name and Mailing Address of Respondent Muenster Telephone Corp. of Texas dba Nortex Communications Check here if this 205 N. Walnut St., PO Box 587 is a change of address. Muenster, TX 76252 4. Number of Full-Time Employees during Selected 3. Reporting Period (Ending Date of Pay 2. Year Report Filed Reporting Period (check one): Period Covered by Report) a. Fewer than 16 (complete Sections I, IV, and V only) 2023 02/12/2022 to 02/19/2022

2023			03/12/	/2023 to	03/18/2	2023		b. 🗹 16	or more (comp	olete all sect	ions)	,,				
ECTION II - Full-Time Empl	oyees.	Number of Employees (Report employees in only one category)														
Job		Race/Ethnicity														
Categories	Hispanic or		anic or	Not-Hispanic or Latino												Total
		Latino		Male								Femálé				
		Male	Female	White	Black or African American	Native Hawaiiah or Other Pacific Islander	Asian	American Indian or Alaska Native	Two or more races	White	Black or African American	Native Hawaiian or Óther Pacific Islander	Asian	American Indian or Alaska Native	Two or more races	A-N
	Ī	A	В	С	D	E	F	Ġ	Н	I	J	К	L,	М	N	.0
Executive/Senior Level Officials and Managers	1.1			2												2
First/Mid-Level Officials and Managers	1.2			3						2						5
Professionals	2			1						2				<u>.</u>		3
Technicians	3			8						2						1.0
Sales Workers	4			1						i						1
Administrative Support Workers	5			1						11						12
Craft Workers	6	1		15								<u> </u>				16
Operatives	7															0
Laborers and Helpers	ε			1												1
Service Workers	9						!									0
TOTAL	10	1	0	32	0	0	0	0	0	17	0	0	0	0	0	50
PREVIOUS YEAR TOTAL	11	1		30					1	15	1					46

SECTION III - Part-Time Employ	rees.				-							<u>.</u>	<del></del> .			
		Number of Employees (Report employees in only one category)														
Job		Race/Ethnicity														•
Categories	Hispanic or		Not-Hispanic or Latino												Total	
		Latino		Male							Female					
		Male	Female	White	Black or African American	Native Hawaiian or Other Pacific Islander	Asian	American Indian or Alaska Native	Two or more races	White	Black or African American	Native Hawaiian or Other Pacific Islander	Asian	American Indian or Alaska Native	Two or more races	A-N
		Α	В	O	D	E	۴	G.	н	ì	J	К	L	М	N	0
Executive/Senior Level Officials and Managers	.1						•									0
First/Mid-Level Officials and Managers 1	.2									-						0
Professionals	2															0
Technicians	3					<u> </u>										0
Sales Workers	4															0
Administrative Support Workers	5															0
Craft Workers	6															0
Operatives	7															0
Laborers and Helpers	8														_	0
Service Workers	9		l l		<u> </u>			-								1
TOTAL	10	0	1	0	0	0	0	0	0	0	0	0	0	0	0	1
PREVIOUS YEAR TOTAL	11		1							<u> </u> 	<u> </u>		<u> </u>			1
SECTION IV - Report of Discrit	minati	ion Compl	laints Pursua	ant to 47 CF	₹ 22.321, 23.	55, 90,168, 10	1.4, and 101	.311.								
This is to advise the company before an										ritorial, or loc	al statutes ha	ve been filed a	against this			
This is to advise the (Attach a list indica																
SECTION V - Certification  I certify that to the best of my kn	owled	lge, informa	ation, and bel	lief, all statem	ents in this re	eport are true a	and correct.	<u></u>				<del></del>				
<del></del>		ped or Printed Name of Person Signing					Signature						Telephone No.			
,,,,	Alan Rohmer												(940) 759-2251			
Title of Person Signing Chief Financial Off	fice	r				FALSE STAT ATION LICEN									1) AND/OR R	EVOCATION

### WORKFORCE AND SUPPLIER DIVERSITY FORM HUB/SMALL BUSINESS PROCUREMENT AS A PERCENTAGE OF TOTAL COMPANY PROCUREMENT

Actual % =  Total HUB(1) procurement + Total Small Business(2) procurement /Total Company procurement	Actual % for Previous FY	Actual % for Current FY	Percentage Change
Construction Contracts (3)	28.8647%	34.5203%	19,59%
Commodities Contracts (4)	7.8211%	21.4316%	174.02%
Other Services (5)	0.0769%	0.0489%	-36.41%
Professional Services Contracts (6)	0.0089%	0.0110%	23,59%
Major Equipment (7)	0.0000%	0.0000%	0,00%
Other (8)	0.0000%	0.0000%	0,00%

- (1) HUB -- Pursuant to Texas Government Code § 481.191(4), HUB means: (A) a corporation formed for the purpose of making a profit in which at least 51 percent of all classes of the shares of stock or other equitable securities is owned by one or more persons who are members of certain groups, including black Americans, Hispanic Americans, women, Asian Pacific Americans, and American Indians; (B) a sole proprietorship formed for the purpose of making a profit that is 100 percent owned, operated, and controlled by a person described by Paragraph (A) of this subdivision; (C) a partnership formed for the purpose of making a profit in which 51 percent of the assets and interest in the partnership is owned by one or more persons described by Paragraph (A) of this subdivision. Those persons must have proportionate interest and demonstrate active participation in the control, operation, and management of the partnership's affairs; or (D) a joint venture in which each entity in the joint venture is a historically underutilized business under this subdivision.
- (2) Small Business -- Pursuant to Texas Government Code § 481.191(6), Small Business means a corporation, partnership, sole proprietorship, or other legal entity that: (A) is domiciled in this state; (B) is formed to make a profit; (C) is independently owned and operated; and (D) employs fewer than 100 full-time employees.
- (3) Construction Construction done by general contractors and special trade contractors which includes new work, additions, alterations, reconstruction, installations, repairs, remodeling, renovating, and repair of office buildings. Heavy construction other than buildings such as pipelines, communication and power lines, sewer and water mains, asphalt and concrete construction of roads, trenching, cable laying, conduit construction, land clearing and leveling.
- (4 Commodities -- All materials, goods or tangibles purchased to conduct business, not including fuel or purchased power contracts and major equipment purchases and rentals.
- (5) Others Services -- All specialty work, special circumstances that required contract labor, special consultants or other non-defined services. Examples include audio/visual, staffing services, landscaping, forestry, tree trimming, art and decorative services, janitorial, travel/lodging, automotive repair, and photography.
- (6) Professional Services -- Contracted professional services which include legal, consulting, health, engineering, accounting, advertising/marketing, architectural, real estate, computer services, research and analysis, education/training, insurance, surveying services, weather services, environmental, financial, etc.
- (7) Major Equipment -- Includes all major equipment purchases and rentals including but not limited to transmission and distribution equipment, power plant equipment, substation equipment, heavy construction equipment, fleet requirements, etc.
- (8) Other -- Any commodity or service not covered by the above categories.

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## (1) Describe the specific initiatives, programs, and activities undertaken under the plan during the preceding year:

Nortex Communications has remained active in community organizations such as local chambers of commerce, school and city government boards and others. Due to expansion into new communities, it has increased the number of such organizations it participates in. Through these activities people within the community become aware of employment opportunities at Nortex Communications.

Nortex Communications posts key employee job openings on industry websites or within industry publications. Other job openings are posted on Nortex's company website and on commonly used online recruiting platforms with wide reach.

Nortex Communications continued its usual participation in various training activities conducted by industry groups such as Texas Telephone Association, National Telephone Cooperative Association, and others. These training activities helped to further train its existing workforce and offered opportunities for development and advancement of existing employees.

Specialized training was conducted by various vendors who provided training for new equipment and technology installed, in particular for the Innovative System's billing, engineering, accounting and mapping systems as well as training offered by our technology vendor Calix. In addition, the company utilized several on-line training courses.

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## (2) Make an assessment of the success of each of the specific initiatives, programs, and activities listed above:

The company's involvement in community organizations continues to be successful in making people aware that Nortex Communications is a company that offers a wide variety of employment opportunities for people with many different skills and is looked to as a leader in the community. This is evidenced by our Company's prior recognition as the small business of the year by the Gainesville Chamber of Commerce, and business of the month by the Sanger Chamber of Commerce. Through this recognition as well as visibility within the community, it has led to opportunities to install phone and internet systems to a number of businesses located outside our traditional serving area as well as schools, hospitals, city government and major businesses outside our service area seeking services from our company. As our reputation grows, the company has been pursued by developers and economic development groups in other communities asking for our company to provide services to them.

Nortex filled an executive leadership position during 2023, utilizing common, wide-reaching online recruiting tools and an industry recruiter. The CFO position previously held by a male was replaced with a female. Nortex used both online and local resources for job searches for positions not readily filled from the local community. The company has found this activity to be very useful and it has received numerous applications when utilized.

The company's employee training programs have also been very successful and popular. A very large percentage of employees have participated in this program on multiple occasions and greatly increased their work skills and have expressed their gratefulness for the opportunity to participate. The company has seen productivity improvements and recognizes the additional skills being learned by its employees. This is especially evident related to fiber to the home deployment as company employees were heavily involved in fiber splicing, installation and cutover as well as the training for new billing, mapping and accounting systems. Training and development have helped create a workforce that embraces new technology.

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(3) Describe the initiatives, programs, and activities the utility will pursue during the next year to increase the diversity of its workforce and contracting opportunities for small and historically underutilized businesses:

Nortex Communications plans to remain active in local organizations to continue to make people aware of all the employment opportunities within the company. It will also be active in various statewide and national organizations with the telecommunications industry so people within the industry are familiar with the company should a position become available and advertised.

Nortex Communications will continue to participate in employee training at industry sponsored events and vendor training as well as locally within the community college so that its current employees can continue to improve their skills and have opportunities for promotion and advancement. The Company has also made a tuition reimbursement program available for approved degree and certification programs that will enhance an employee's skills for their job.

As positions become available that require skills that are not necessarily readily available within the local communities we serve, Nortex Communications will post these positions on industry and other websites, including our own, to have the opportunity to hire the most qualified candidates.

As a small rural independent telephone company, we recognize a fiduciary duty and responsibility to our customers and owners to make good, sound economic policy decisions as well as our community responsibility to purchase goods and services within our own communities when possible. This commitment to provide good jobs to the community we serve was demonstrated by the creation of an Employee Stock Ownership Plan to allow for the ownership and continued operation of the company after its current owners pass away.

By the very nature of the service area we serve, we are sometimes limited in the local availability of certain telecommunications equipment and products and must go outside our communities for these mandatory purchases such as for our fiber to rural cabinets that were deployed to be able to provide broadband to 100% of our landline customers. Therefore, when possible, the company contracts with local businesses to provide the goods and services that are available in our communities. Whenever otherwise possible, the company will seek to purchase or contract with small and historically underutilized businesses.

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#### (4) State the specific progress made under the plan filed by the utility:

Nortex Communications has remained active in local organizations and served in several key leadership positions and hosted chamber mixers within our offices to allow the community to become more familiar and aware of opportunities within our company. During the past year the company had typical turnover as well as growth, advertising job openings widely online and locally to fill these positions. The company also performed a nationwide search for its new Chief Financial Officer, ultimately hiring a female candidate. The Company remains proud of its record on workforce diversity given its extremely low turnover of employees.

It is very noteworthy that the Company has achieved nearly half of its procurement from HUB businesses, with the majority of construction services and many materials provide by minority and female-owned businesses.

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