



Agenda: Executive Committee

August 27, 2025

1:00 p.m.

Hybrid meeting via Zoom and MVCA Office Boardroom

Roll Call

Declarations of Interest (written)

Adoption of Agenda

Main Business

1. Approval of Minutes: Executive Committee Meeting, October 25, 2024, Page 2
2. Pay Increments & Employee Recognition, Report 3507/25, Sally McIntyre, Page 3
3. General Manager Performance Review, Paul Kehoe

Adjournment



EXECUTIVE COMMITTEE

Via Zoom

DRAFT MINUTES

October 25, 2024

MEMBERS PRESENT:

P. Kehoe, Chair
J. Atkinson, Vice Chair
J. Mason, Chair Finance & Administration Committee
B. Holmes, Chair Policy & Planning Committee

OTHERS PRESENT:

Kellie Howe, Cornerstones Management Solutions Ltd.

P. Kehoe called the meeting to order.

BUSINESS:

1. Market Review of Management Position Pay

The meeting immediately moved in-camera for a presentation by and discussions with Kellie Howe. Following various discussions, the Committee adopted the following resolution:

That the Executive Committee recommend the Board of Directors update the Management Salary Scales as set out in the Cornerstone report; and the 2024/2025 compensation for the General Manager.

ADJOURNMENT

The meeting was adjourned.



Pay Increments & Employee Recognition

TO: The Chair and Members of the Mississippi Valley Conservation Authority Executive Committee

FROM: Sally McIntyre, General Manager

REPORT: 3507/25, August 1, 2025

RECOMMENDATION:

That MVCA's Executive Committee:

- 1. Endorse the targeted amount of time required for employees to achieve the top of their pay-band as set out in Table 2 of this report.*
 - 2. Endorse a 1% increase to the "pay increment" annual budget envelope from 2% to 3% to allow for achievement of the targets over time.*
 - 3. Endorse the modified approach for recognizing excellence when employees reach the top of their pay-band as set out in this report; and*
 - 4. Direct staff to draft amendments to MVCA's Employee Manual for tabling at the next meeting of the Finance & Administration Committee.*
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MVCA does periodic market assessments and pay-band adjustments to ensure that jobs are compensated in a fair and competitive manner. This report deals with how employees' salaries move up within their pay-band and how excellence is recognized when an employee reaches top-of-band.

1.0 Background

MVCA uses the following tools to progress employees through their pay-band and to recognize excellence in output and effort when they reach top-of-band:

- Merit-based pay increments are given at the General Manager's discretion and link progress through a job's pay-band to an individual's performance.

- A merit-based bonus may be given at the General Manager's discretion to recognize significant accomplishment or effort when an employee reaches the top-of-band for their job. Bonuses do *not* affect the salary of an employee.

The annual budget envelope for pay increases/bonuses has been fixed at 2% of the compensation budget for many years. At this rate, it takes 11-12 years for someone to progress from the bottom to the top of their job's pay-band. Assuming that "top-of-band" is "market-rate", this poses a risk to staff retention as people gain competency in their position and seniority in their profession. A recent gallop poll indicated that "compensation" was one of the top two reasons for voluntary departure. A lack of financial advancement is a common reason for staff movement, particularly early in their career. Current industry practice is to have people achieve top-of-band within 4-7 years depending on the nature of the job and assuming consistently good performance.

MVCA's *Employee Manual* states that where an employee "meets" or "exceeds" performance expectations they may receive an annual pay increment between 4-7%, inclusive of a cost-of-living allowance (COLA). Since 2020, MVCA's annual COLA has ranged from 0.1% to 4.1%, with the average generally at or near 2%. Therefore, on average the maximum budget that can be allocated to provide increments and bonuses is 4% compared to 4-7% set out in policy. Due to these circumstances:

- employee salary expectations based on current policy are largely unmet;
- several long-term employees have yet to reach the top of their pay-band; and
- it is impossible to recognize higher levels of achievement without unfairly delaying the progress of others through their pay-bands.

2.0 Research

The following activities were carried out to identify and assess options for improvement:

- Contacted 11 municipalities and 4 conservation authorities to determine their approaches to annual pay increments and bonusing;
- Conducted online research of relevant collective agreements and alternative approaches, industry practices, and potential considerations.
- Reviewed options and considerations with Joanne Glaser of Cornerstones Management Solutions Ltd.

3.0 Findings

3.1 Pay bands and increments

Like MVCA, most respondents to our survey use a merit-based system to determine wage/salary increases. The majority of respondents use pre-set steps within each pay-band to determine the dollar increment. One of the municipalities consulted automatically moves staff through their pay-band without considering performance. Similarly, one of the CAs responded that salaries increase by 5% annually until employees reach top-of-band. Both consider them “time in job” increases.

The provincial collective agreement for professional employees provides an automatic increase of 3% per year if an employee’s work is satisfactory and, in addition, up to a maximum of 5% per year for those exceeding job requirements in merit pay.¹

Today, most pay-bands with stepped pay-bands provide between 4-7 steps. Employees hired at Step 1 may reach top-of-band within 7 years assuming satisfactory performance. Cornerstone Management Solutions Ltd. stated that while stepped approaches are common in unionized workplaces they are not common within the private sector. Furthermore, they advised that fixed-steps tends to be less flexible and cost more over time. Advantages and disadvantages of the two approaches are set out in Table 1.

Table 1: Comparison of Pay-Band Approaches

Open Pay-band	Fixed Steps within Pay-band
Pro’s	
• Full flexibility in negotiating starting salaries, determining annual wage increments, and budgeting. • Allows wages to reflect improved skills and knowledge; and flexibility in navigating inconsistent performance and recognizing exceptional performance.	• Employees have certainty in their future salary, assuming consistent good performance and no major absences. • Helps to ensure that wages reflect improved skills and knowledge over time.
Con’s	

¹ <https://amapceo.on.ca/ops/salary#yoursalary>

Table 1: Comparison of Pay-Band Approaches

Open Pay-band	Fixed Steps within Pay-band
Employees have limited basis for determining how long it will take to achieve top-of-band (in the absence of a stated target.)	- Salaries reach the maximum more quickly with consequent impacts on budgets. - Levels may restrict hiring salary. - Less flexible for navigating inconsistent performance and recognizing exceptional performance. - Senior employees could resent quick wage progression by younger staff. Particularly when achieving wage parity.

In both approaches there is no embedded method for recognizing and rewarding excellence once an employee reaches top-of-band.

3.2 Merit Bonuses & Compensatory Leave

As noted above, discretionary financial bonuses and compensatory leave clauses were found in upper-tier collective agreements and some municipal and CA employment terms and conditions. For example, for those who “due to the nature of the work requires flexibility” or are required to “work excessive hours or are required to work or travel on a day of rest or on a holiday”. Generally, bonuses and compensatory leave were not mentioned by survey respondents as a documented policy but are known to exist anecdotally (e.g. Management Leave and Christmas bonuses.)

3.3 Annual Compensation Budgeting

One municipality stated that it assumes 100% of employees are at top-of-band for budgeting purposes. Most other respondents stated that they estimate the collective value of projected increments each year. None mentioned a fixed annual percentage like that used by MVCA.

4.0 Discussion

4.1 Pay Bands: Open versus Stepped

Both the Open and Stepped pay-band approach top-out at market rates and can keep MVCA competitive in the employment market. The issue is that a fixed 2% budget

envelop for pay increments does not allow staff to progress through their pay-band in a timely manner. This funding gap is illustrated in Figure 1, which compares MVCA's current 2% "pay increment" budget approach to a Step-driven budget approach.

Figure 1: Comparison of 2% versus Stepped Increment Budget

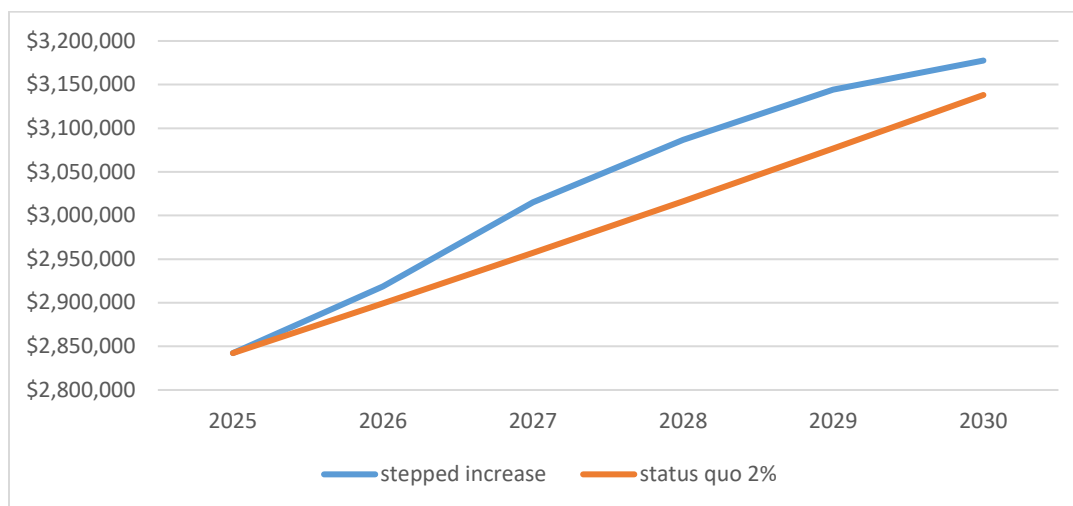


Figure 1 assumes 100% staff retention and, under the Stepped scenario, that all employees reach top of band within 4-6 years. The gap between the lines shows that employees are not progressing through their pay-bands in a timely manner under the current funding approach.

Rather than being tied to fixed increments, it is recommended that a target progression rate be set for each pay-band as shown in Table 2. GM discretion in approving pay increments will help to manage costs and normalize varying approaches to performance reviews and ratings amongst different supervisors. Having a target will also show staff how they can expect their wage to grow at MVCA assuming consistent good performance and no major absences.

Table 2: Target Number of Years to Reach Maximum of Pay-band

Pay-band	Jobs	Min. Hourly²	Max. Hourly	Target³ (years)
1	Cleaner/Custodian	\$21.37	\$26.71	4-5
2	Administrative Assistant	\$26.71	\$33.39	4-5
	Finance Assistant			
	Maintenance Technician			
	Planning Technician			
	Stewardship Technician			
3	Executive Assistant	\$30.99	\$38.74	5-6
	Finance Officer			
	Junior Planner			
	Lead Hand - MOK			
	Stewardship Coordinator			
4	Civil Engineering Technologist	\$35.95	\$44.93	5-6
	Data Systems Lead			
	Education Program Coordinator			
	GIS Specialist			
	Engineer-in-Training			
5	Biologist	\$41.70	\$52.12	6-7
	Environmental Planner			
	Field Operations Supervisor			
	Info. & Comms. Technology Mgr.			
	Regulations Officer			
	Water Resources Specialist			
6	Mgr. - Planning and Stewardship ⁴	\$48.37	\$60.46	6-7
	Property Manager ⁴			
	Treasurer ⁴			
	Water Resources Engineer			
7	Director – Engineering ⁴	\$56.59	\$70.74	6-7
8	General Manager ⁴	\$66.21	\$82.77	6-7

² Employees may be hired at a wage below this level if they do not meet job description requirements.

³ Assumes consistent good performance and no major absences throughout the period.

⁴ Job Max. Hourly is lower than assessed market rate and individual pay may have been adjusted by the Board.

4.2 TOIL, Compensatory Leave, and Merit Bonuses

Currently, employees are compensated for working excess hours as follows:

- Staff - every hour worked in excess of 75 hours/pay-period earns Time-off-in-Lieu (TOIL). Any unused amount is paid-out at year-end. (The exceptions to this are On-Call and Duty Officer overtime that are compensated to comply with the *Employment Standards Act*.)
- Managers are provided with Compensatory Leave for every hour worked in excess of 80 hours/pay-period up to a maximum of 75 hours per year. Any unused leave is paid-out at year-end.

Regardless of whether an employee is staff or management, once they reach top-of-band for their job, they may qualify for a bonus to recognize a significant work accomplishment (and for managers, a significant excess of overtime.) Since 2019, bonuses have only been given to 2-3 people per year.

It is recommended that this system remain in place as it both motivates and rewards excellence by MVCA's most senior employees and fosters employee retention. However, in order to provide greater oversight in its application, it is recommended that going forward bonuses be awarded by the General Manager following consultation with the Executive Committee.

4.3 Budgeting

In order to allow progression of employees through their pay-bands in accordance with Table 2, it is recommended that the annual "pay increment" budget be raised from 2% to 3% per year.

5.0 Corporate Strategic Plan

The recommendations of this report support achievement of the following corporate goal and objectives:

Goal 3: People and Performance – support the operational transformations required to achieve MVCA's priorities and to address legislative changes.

- b) Monitor the quality, efficiency and impact of what we do and modify to improve operational effectiveness.
- c) Promote an engaging and inclusive environment that attracts and retains passionate and highly skilled people, and optimizes their expertise and contributions.