



**Meeting Date:** February 2, 2022

**Submitted by:** M. Di Lullo, CAO

**Report No:** CAO-5-2022

**Subject:** Amendment to Leaves of Absence Vacation Policy – Carry-Over

**Recommendation:**

THAT Report CAO-5-2022, re: Amendment to Leaves of Absence Vacation Policy – Carry-Over be received;

AND THAT the Leaves of Absence Vacation Policy appended to Report CAO-5-2022 be approved.

**Purpose:**

The purpose of this report is to bring forward an updated human resources policy in regards to Leaves of Absence - Vacation. Specifically, a revised section to the policy has been added to manage the carry-over of holiday vacation time.

**Background:**

Policy 2.10 is the Leaves of Absence Vacation Policy that outlines the guidelines for annual paid vacation to eligible employees in accordance with the Employment Standards Act, 2000.

There is previous reference in the policy related to vacation carry-over requests and the intent of this report is to update and provide further clarification on how earned vacation will be dealt with on a go-forward basis commencing in 2023.

**Analysis:**

From time to time, staff bring forward requests to carry-over their unused vacation. Although the intent is for employees to use their vacation in a given year, situations may arise – whether personal or beyond one’s control i.e. COVID-19 pandemic whereby earned vacation time is not used and a request is brought forward to carry-over this balance into the next year.

To ensure consistency and fairness across the organization, the following amendment is proposed to manage these requests.

The proposed amendment to be added to Policy 2.10 is as follows:

### **Vacation Carry-Over**

1. Vacation days are expected to be used in the year they are earned. A carry-over of vacation to the following year requires approval of the Department Director with the exception that statutory vacation under the *Employment Standards Act (ESA), 2000* cannot be carried over and must be used in the year it is earned. If an employee has vacation balance remaining in a current year, they may request to carry forward earned vacation time to the New Year as follows:
  - CAO, Directors and Managers will be permitted up to two (2) weeks' vacation carry-over – the two weeks are to be used by July 31<sup>st</sup>. Any vacation balance exceeding the two (2) weeks will be paid out prior to the beginning of the New Year;
  - Staff other than management will be permitted up to one (1) week vacation carry-over which is to be used up by July 31<sup>st</sup>. If there is an extraordinary circumstance that there is more than one (1) week to carry-over, then the second week is to be used by March 31<sup>st</sup>. Any vacation balance exceeding two (2) weeks will be paid out prior to the beginning of the New Year.

This addition should provide consistency and ensure that the organization is managing the vacation balances of staff on a go-forward basis.

### **Financial Implications:**

If there is payout as a result of excessive vacation balance, the appropriate approving process will ensue with the CAO and Director overseeing the approval process and the costs are covered under the respective departments salary and benefits annual costs.

### **Strategic Plan:**

This matter aligns with following strategic priorities:

- Responsive Municipal Government

Reviewing the human resources policies of the organization provides for good governance and ensures that there is fairness and equity while achieving work-life balance.

### **Attachments:**

Appendix – Leaves of Absence Vacation Policy