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## POL.COR.17.05 Vacation Policy

**Policy Type:** Corporate (Approved by Council)  
**Date Approved:** September 9, 2024  
**Department:** Administration  
**Staff Report:** FAF.17.127, FAF.24.094

### Policy Statement

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The Town of The Blue Mountains recognizes that vacation time provides Employees with a period of earned rest and relaxation, away from the responsibilities of the workplace for an uninterrupted period of time. This time of rest and rejuvenation are important factors that contribute to employee health and well-being, productivity and employee retention.

### Purpose

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The policy outlines Employees' eligibility and entitlements to vacation in order to assist Managers and Supervisors in the effective, consistent and fair management of vacation. It is the joint responsibility of Employees and their Supervisors, Managers or Directors to ensure that vacation leave is earned, scheduled, and taken in accordance with this policy.

### Application

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This policy applies to all non-union Employees. Please note that each Supervisor is responsible for scheduling the vacation time of their staff and ensuring that vacations are booked with fairness and equity, and with minimum disruption to the business of the Town. Unionized Employee's vacation eligibility and entitlements are outlined in their respective Collective Agreement.

### Definitions

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**Permanent Full-Time Employee:** an Employee who is hired to work on a full-time basis (35 hours or more per week) with no predetermined end date.

**Permanent Part-Time Employee:** an Employee who is hired to work on a part-time basis (less than 35 hours per week) with no pre-determined end date.

**Seasonal Employee:** an Employee who is hired for a specific season

**Temporary Full-Time Employee:** an Employee who is hired to work on a full-time basis (35 hours or more per week) whose employment is terminated upon a predetermined end date or project completion.

**Temporary Part-Time Employee:** an Employee who is hired to work on a part-time basis (less than 35 hours per week) whose employment is terminated upon a predetermined end date or project completion.

**Vacation Year:** means the twelve (12) month period from January 1<sup>st</sup> to December 31<sup>st</sup>, which coincides with the fiscal year.

**Week:** means five (5) working days.

## **Procedures**

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### **Annual Vacation**

1. The Town follows an annual vacation schedule based on calendar date rather than anniversary date of hire.
2. **Vacation Banks:** Vacation is advanced on January 1<sup>st</sup> each year for the current calendar year (versus gradually accruing over the course of the year). Vacation credits are accrued bi-weekly. Specifically, beginning January 1 of each year, staff will accrue 1/26 of their annual vacation entitlement every two (2) weeks. Permanent Full-Time and eligible Permanent Part-Time Employees will be credited with their full annual vacation entitlement on January 1 of each year; however, these credits are not actually earned until they have accrued.
3. An Employee's vacation entitlement for the entire calendar year based on the Employee's anniversary date in correlation to the vacation entitlement schedule. If an Employee is in their first year of employment or hitting a milestone year for advancement on the schedule, their calculations will be pro-rated in accordance with their anniversary/original date of hire.
4. Full-time service, for the purposes of vacation entitlement, will be calculated from the Employee's original date of hire to a full-time position with the exception of Employees who have held seasonal, temporary or part-time (not including student/co-op) positions with the Town. Upon being hired into a full-time position with the Town, an Employee who has held or currently holds a seasonal, temporary, or part-time position with the Town, will have their vacation entitlement calculated based on the number of full years of previous service with the Town.

**Vacation Eligibility**

5. Non-Union Employees are eligible for paid vacation days off if they are:

- Permanent Full-Time Employee
- Permanent Part-Time Employee

Non-Union Employees in the following categories receive vacation pay (paid on each pay), in accordance with the Employment Standards Act (ESA):

- Temporary Full-Time, Temporary Part-Time, Seasonal, Casual/On-Call/Relief

6. Temporary Full-Time, Temporary Part-Time, and Seasonal Employees will have the option to request paid vacation time off instead of vacation savings pay paid out bi-weekly, at the time of hire. A Temporary Full-Time, Temporary Part-Time, or Seasonal Employee, making such an election, may change their election for any new period of temporary employment, which shall include an extension or renewal of an existing contract of temporary employment. Paid vacation time off for Temporary Full-Time, Temporary Part-Time, and Seasonal Employees, having made such an election, will accrue monthly, on a pro-rated basis, based on the number of regular hours worked as a percentage of their ESA entitlement. Accrued vacation allotments will be paid out upon the expiry of the Employee's term of employment, including renewals or extensions of such temporary employment if not already accessed. Such accrued vacation allotments cannot be carried over to new periods of temporary employment.

**Note:** If an Employee works twelve (12) months consecutively and receives vacation pay, they are still entitled and compelled to take two (2) weeks of unpaid vacation leave after their first year of employment. After five (5) years, they would be entitled and compelled to take three (3) weeks of unpaid vacation time per calendar year.

**Vacation Entitlement**

Table 1: Vacation Entitlement for Temporary, Seasonal, Contract, Casual/Relief and Permanent Part-Time Employees with less than 21 hours per week

<b>Continuous Years of Service</b>	<b>Annual Accrual Rate</b>
On date of hire	4% of pay as per ESA
After 5 years of service	6% of pay as per ESA

Table 2: Vacation Entitlement for Full-Time and Permanent Part-Time Employees with Guarantee of 21+ hours per week

Continuous Years of Service	Number of Weeks	Number of Additional Days
First Year of Employment	3 weeks (prorated)	
1 <sup>st</sup> full year	3 weeks	
2 <sup>nd</sup> full year	3 weeks	+ 2 days
3 <sup>rd</sup> full year	3 weeks	+ 3 days
4 <sup>th</sup> full year	3 weeks	+ 4 days
<b>5<sup>th</sup> full year</b>	<b>4 weeks</b>	
6 <sup>th</sup> full year	4 weeks	+ 1 days
7 <sup>th</sup> full year	4 weeks	+ 2 days
8 <sup>th</sup> full year	4 weeks	+ 3 days
9 <sup>th</sup> full year	4 weeks	+ 4 days
<b>10<sup>th</sup> full year</b>	<b>5 weeks</b>	
11 <sup>th</sup> full year	5 weeks	+ 1 day
12 <sup>th</sup> full year	5 weeks	+ 2 days
13 <sup>th</sup> full year	5 weeks	+ 3 days
14 <sup>th</sup> full year	5 weeks	+ 4 days
<b>15<sup>th</sup> full year</b>	<b>6 weeks</b>	<b>+ 2.5 days non-cumulative</b>
16 <sup>th</sup> full year	6 weeks	+ 1 day non-cumulative
17 <sup>th</sup> full year	6 weeks	+ 2 days non-cumulative
18 <sup>th</sup> full year	6 weeks	+ 3 days non-cumulative
19 <sup>th</sup> full year	6 weeks	+ 4 days non-cumulative
<b>20<sup>th</sup> full year</b>	<b>7 weeks</b>	<b>+ 1 week non-cumulative</b>
21 <sup>st</sup> full year	7 weeks	+ 1 day non-cumulative
22 <sup>nd</sup> full year	7 weeks	+ 2 days non-cumulative
23 <sup>rd</sup> full year	7 weeks	+ 3 days non-cumulative
24 <sup>th</sup> full year	7 weeks	+ 4 days non-cumulative
<b>25<sup>th</sup> full year</b>	<b>7 weeks</b>	<b>+ 1 week non-cumulative</b>
26 <sup>th</sup> full year	7 weeks	+ 1 day non-cumulative
27 <sup>th</sup> full year	7 weeks	+ 2 days non-cumulative
28 <sup>th</sup> full year	7 weeks	+ 3 days non-cumulative
29 <sup>th</sup> full year	7 weeks	+ 4 days non-cumulative
<b>30<sup>th</sup> full year</b>	<b>7 weeks</b>	<b>+ 1 week non-cumulative</b>
31 <sup>st</sup> full year	7 weeks	+ 1 day non-cumulative
32 <sup>nd</sup> full year	7 weeks	+ 2 days non-cumulative
33 <sup>rd</sup> full year	7 weeks	+ 3 days non-cumulative
34 <sup>th</sup> full year	7 weeks	+ 4 days non-cumulative
<b>35<sup>th</sup> full year</b>	<b>7 weeks</b>	<b>+ 1 week non-cumulative</b>

**Notes:**

- **Prorated Days:** For the first year of employment based on the portion of the year worked.
  - **Non-cumulative Days/Weeks:** Must be used within the year and do not carry over to the next year.
7. Directors will be started at five (5) weeks vacation and the Chief Administrative Officer (CAO) will be started at six (6) weeks vacation.
  8. Employees who receive two (2) weeks of lieu time annually through the Town's Lieu and Overtime Policy, will top out at a maximum of nine (9) weeks of vacation (including lieu time) and will not be eligible for the non-cumulative vacation time received after serving twenty (20) full years of service.
  9. Any new Employee hired by the Town or current Employee hired into a new position with the Town may negotiate for increased vacation entitlements, as approved by the Director of the hiring department. However, if a newly hired Employee is granted a greater vacation entitlement than is set out in Table 2, their vacation entitlement shall not be increased subsequently until the Employee obtains sufficient years of service with the Town to qualify for the new vacation entitlement threshold according to Table 2. All increases to entitlement at the point of hire shall be in keeping with past practice of the municipality and be fair and equitable compared to others across the organization.
  10. If a Temporary Full-Time, Temporary Part-Time, and/or Seasonal Employee is offered full-time employment with the Town, the Human Resources Manager shall, as part of the full-time job offer, prorate vacation entitlement at the commencement of full-time employment to reflect the amount of full-time equivalent employment with the Town as a Temporary Full-Time, Temporary Part-Time, and/or Seasonal Employee prior to full-time employment. The prorated vacation entitlement will be based on the years of services rounded down to the nearest full year. For instance, if an Employee previously held seasonal contracts with the Town for a total period of four (4) years and five (5) months, the Employee would be credited with four (4) years of service at the time of being hired into a full-time position with the Town.

**Scheduling Vacation**

11. Supervisors, Managers and Directors are responsible for planning work schedules in a manner that will allow all Employees in their area to take their appropriate vacation entitlement on an annual basis. Managers are responsible for ensuring proper coverage within their departments.
12. Employees must take a minimum of two (2) weeks' vacation time off each year after working one (1) year with the Town. Employees must take a minimum of three (3) weeks' vacation time off each year after working five (5) years with the Town. The Employee's

Supervisor, Manager or Director will schedule this vacation time if the Employee has not booked the minimum time off prior to the end of the year.

13. Employees should not make any vacation commitments until they receive formal approval from their Supervisor, Manager or Director.
14. All vacation time will be approved by the Supervisor, Manager or Director before being taken. Employees are required to plan their vacation with the approval of their Supervisor, Manager or Director and the Supervisor, Manager or Director must ensure that an Employee's earned annual vacation is scheduled and taken by the end of each fiscal year.

### **Requests for Vacation**

15. Employees are encouraged to discuss their vacation leave plans with their Supervisor, Manager or Director with as much advance notice as possible and to promptly submit their written requests for approval.
  - a. As each department faces unique challenges in ensuring operational coverage, the process for submitting requests is uniquely determined by the Supervisor, Manager or Director of that department.
  - b. All requests should be logged in the respective scheduling software to ensure that Employees' vacation banks are accurate.
16. Earned vacation credits of more than three (3) weeks may only be taken consecutively with written approval from the Employee's Director (CAO approval is required for all members of the Senior Management Team).
17. It is the responsibility of each Supervisor, Manager and Director to ensure that Employees take their vacation entitlement.
18. Supervisors, Managers and Directors are responsible for scheduling vacation within the operational needs of their department and ensuring that an Employee's earned annual vacation is scheduled and taken by the end of each fiscal year.
19. Supervisors, Managers and Directors may find it necessary to specify approval criteria and/or limit the length or number of cumulative requests in order to provide:
  - a. The staffing levels required for the department to maintain smooth operation, meet critical deadlines, and fulfill service demands and core objectives;
  - b. Fair and equitable treatment of staff and their requests;
  - c. Consideration to the Employee's personal situation, special occasions, and preferences.

20. If a Supervisor, Manager or Director needs to deny an Employee's request for vacation, the reason for the denial should be shared with the Employee.

### **Unused Vacation**

21. Employees are permitted to carry over vacation time of two (2) weeks from year to year at the discretion of the Manager or Director, provided they have taken the minimum vacation time required per the ESA. Any unused vacation time greater than two (2) weeks at the end of the year will be forfeited.
22. Employees are permitted additional vacation time carry-over greater than two (2) weeks if approved by the Manager or Director provided they have taken the minimum vacation time required per the ESA.
23. Employees are entitled to and compelled to take two (2) weeks of vacation after their first year of employment and each year thereafter. After five (5) years, Employees are entitled to and compelled to take three weeks of vacation, in accordance with the ESA.
24. All vacation time carry-over must be utilized by December 31<sup>st</sup> of the following year.
25. Vacation banks are not permitted to go into a negative balance.
26. Unused earned vacation time may not be taken beyond the Employee's last day worked.
27. Full-Time Employees who have twenty-five (25) years of service or more with the Town may bank unused vacation time, up to a maximum of eight (8) weeks, to be accessed upon their retirement at the discretion of the Manager, or Director, or Mayor in the case of the CAO.

### **Extenuating Circumstances Impacting Vacation Plans**

28. If an Employee's vacation is interrupted due to illness or accident requiring hospitalization or confined to bed rest for longer than a forty-eight (48) hour period, the period of hospitalization/confined to bed rest will be considered sick leave upon submission of a satisfactory medical certificate and the vacation credits will be restored. If the Employee lacks sick credits the Employee may, at their option, take the time as unpaid leave and the vacation credits will be restored, or continue to apply vacation credits to the leave.
29. If the death of an immediate family member occurs during an Employee's vacation, the Employee will be granted bereavement leave with pay and the vacation will be restored upon satisfactory submission of proof of relationship (generally an obituary notice).
30. If a statutory holiday falls or is observed during an Employee's vacation period the Employee shall be allowed an additional vacation day with pay at a time mutually agreed to.
31. Employees on any type of approved leave of more than thirty (30) calendar days will have the time of leave deducted from their vacation accrual. Vacation pay does not accrue while

an Employee is on an unpaid leave of absence. The Employees' vacation bank will be adjusted when they return from leave and leave time will be deducted. Service will continue to accrue on leave. Employees who have unused vacation from prior to their leave shall ensure they utilize the vacation in the current year they return. In no event will any Employee receive less than the minimum vacation time to which they are entitled under applicable employment standards legislation.

### **Payment Guidelines**

32. Employees will be paid out all vacation pay entitlements earned but not taken, accrued at their bi-weekly rate, for the year to date, that they are entitled to upon termination of their employment, in accordance with this policy or the minimum statutory requirements, whichever is greater.
33. The Employee's start date is retained for calculating vacation pay at the time of termination.
34. Employees who leave the organization and have taken paid time off that has been advanced but not yet accrued will have the value of the excess vacation time deducted from their final pay.
35. Employees who have not completed one (1) year of employment will be paid out the remaining vacation balance to which they are entitled, pro-rated based on the number of months that they worked, upon termination of their employment.
36. In the event of the death of an Employee, their executor or administrator shall be entitled to receive such vacation pay as may stand to the Employee's credit, upon proof of being the executor of the estate.

### **Consequences of Non-Compliance**

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Employees who do not take their annual vacation time entitlement under ESA will have two (2) weeks (or, for Employees with at least five (5) years of service, three (3) weeks) scheduled by their Supervisor, Manager or Director. Any vacation unused beyond one (1) working day at the end of the calendar year and not approved for carry-over will be forfeited.

### **Review Cycle**

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This policy will be reviewed at minimum once per term of Council and as required for legislative changes.