



# **Report to Council**

To: Mayor and Council Members

From: Alana Solman, Chief Administrative Officer

Date: December 8, 2025

Subject: Vacation policy updates

#### Recommendation:

That Council receive the amended vacation policy updated November 21, 2025 and further that the changes take effect on January 1 2026.

## **Background:**

Over the years, management has reviewed the vacation policy to ensure that it is in line with surrounding municipalities and to recommend any changes. Within the last five years or so, the leadership team has received more questions from staff in regards to the vacation policy and any plans to update the policy to support work-life balance. The township has also experienced some difficulty with retention and recruitment in certain employment positions.

Vacation has two components; vacation time and vacation pay. Vacation must be earned.

In the Comprehensive Employee Survey that was presented to Council in 2025, the fourth highest item that employees would like to see improved, with 48% of employees surveyed, was work-life balance.

### Analysis:

After receiving the results of the Comprehensive Employee Survey and the inquiries from staff, a decision was made to review the policy again using two approaches. The first was for the Treasurer to conduct an internal comparison of the County of Peterborough and the lower tier municipalities. At the same time, HarbrHR, our Human Resources consultant, was asked to do a review of the township's vacation policy, E04 and provide recommendations. The trend noticed in both these methods identified where changes should be made to update the vacation policy.





HarbrHR stated that the vacation policy was generally within range however there were opportunities for adjustments particularly in the mid-career range. Comparing entitlements across municipalities with staffing levels between 50 and 100, HarbrHR provided the following areas for improvement.

Years of Service	Small-Municipality Trend	North Kawartha	Competitive?
0–2 years	2–3 weeks	2 weeks	X Slightly behind
3–7 years	3 weeks	3 weeks	On trend
8–9 years	3–4 weeks	3 weeks	X Behind
10 years	4 weeks	4 weeks	On trend
15 years	5 weeks	5 weeks	On trend
20 years	6 weeks (many)	5 weeks	X Behind
24 years	6 weeks	6 weeks	On trend
30+ years	Rarely exceeds 6 weeks	6 weeks	✓ Normal

Their key observation was the seven-year gap between the 3-year (3 week) and 10-year (4 week) entitlements. Many municipalities offer a progression point at the 6-, 7-, or 8-year mark. Introducing an adjusted entitlement tier at 7,8 or 9 years, instead of 10 years, would better reflect sector trends and may support employee retention. They noted that the period between 6 and 10 years of service is perceived to be a critical point for employee attrition, often due to limited recognition of tenure or career development opportunities. Offering a vacation increase within this window could serve as a meaningful retention tool by reinforcing the organization's commitment to employee well-being and longevity.

The survey conducted by the Treasurer include nine comparable municipalities including the non-union employees for the County of Peterborough. Three municipalities begin vacation entitlement at three weeks. NK does often receive the request from candidates to begin with three weeks vacation entitlement for work-life balance and to be reflective of their previous experience. NK's current policy begins with two weeks vacation and beginning January 1<sup>st</sup> of the vacation year during which the employee will complete three years of employment, he/she is credited with three weeks or 15 working days of vacation leave pro-rated on monthly calculation from the date of hire. The

#### **Township of North Kawartha**



280 Burleigh Street, PO Box 550, Apsley, ON K0L 1A0
Tel: 705-656-4445 | 1-800-755-6931 | Fax: 705-656-4446

www.northkawartha.ca

recommended amendment is to provide three weeks pro-rated as appropriate from date of hire.

Four of the nine municipalities provide four weeks at five years of service with another three municipalities providing four weeks at eight to nine years of service. The recommended amendment is to provide four weeks (20 working days) beginning January 1<sup>st</sup> of the vacation year during which the employee will complete eight years of employment.

NK provides five weeks vacation at fifteen years of employment which aligns with the municipalities surveyed and offers a progression point at the 6, **7**, or 8 year mark, at 7 years which is recommended by HarbrHR.

Five municipalities provide six weeks vacation at sixteen, nineteen and twenty years of service. The recommended amendment is to six weeks vacation at twenty years. NK currently provides six weeks at twenty-four years.

While two municipalities offer seven weeks vacation at thirty years of service, there is no recommendation at this time to change NK's six weeks at thirty years or more of service. HarbrHR noted that the trend in small municipalities rarely exceeds six weeks.

The results from both the Treasurer's survey and the analysis by HarbrHR were in line with the above recommendations.

Other clarifying language has been added to the policy, primarily in regards to process.

#### **Financial Implications:**

The absence of human resources during vacation. Salary costs are covered in the budget.

### Strategic and/or Other Plans:

- 3.1 Maintain policies and processes that enable effective governance.
- 4.2 Protect the human environment.

#### In Consultation with:

Judy Everett, Treasurer; Leadership Team; HarbrHR Consultants, Municipalities participating in the survey.

#### Attachment:

E-04 Vacation Policy - current

E-04 Vacation Policy - Amended