

THE CORPORATION OF THE CITY OF VAUGHAN

CORPORATE POLICY

POLICY TITLE: TOTAL COMPENSATION

POLICY NO.: 13.A.14

Section:	Human Resources		
Effective Date:	January 1, 2026	Date of Last Review:	Click or tap to enter a date.
Approval Authority: Administration		Policy Owner: City Manager	

POLICY STATEMENT

This Policy implements the City's Management By-law.

PURPOSE

To set out best practices and a total compensation framework for permanent full-time, non-union employees.

SCOPE

1. This Policy applies to all permanent full-time, non-unionized employees of the City.
2. Bargaining unit employees should consult their respective collective agreement.
3. All other non-unionized employees shall have the terms and conditions of their employment determined on an individual basis.

LEGISLATIVE REQUIREMENTS

1. *Municipal Freedom of Information and Protection of Personal Privacy Act (MFIPPA)*, R.S.O. 1990, c. M.56.
2. *Employment Standards Act*, 2000, S.O. 2000, c. 41.
3. *Pay Equity Act*, R.S.O. 1990, c. P.7.

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DEFINITIONS

- 1. Compensation:** Providing compensation based on the scope and breadth of job responsibilities and the education, competencies, and experiences the employees bring to their roles.
- 2. Non-monetary Compensation:** No monetary value, not part of an employee's pay (achievement awards, team leadership opportunities, new office or workspace).
- 3. Salary Compression:** Occurs when there is a negligible difference in compensation between positions whose knowledge, skills, experience, and abilities differ, such as those between a subordinate and their direct Supervisor/Manager, and can result in inequitable pay levels.
- 4. Total Compensation:** Total amount of monetary and non-monetary reimbursement provided to an individual in return for labour. Salary, wages, plans, programs, benefits, and opportunities available to permanent full-time, non-unionized employees of the City of Vaughan.

POLICY

1. PROBATION

- 1.1. All employees hired by the City shall serve a probationary period for a period of six months commencing with the date of hire. During the probationary period, it will be determined whether an employee is suitable for continued employment with the City.

2. SALARY ADMINISTRATION

- 2.1. An employee may be hired at any step on the salary schedule, as determined by the appropriate Department Head in consultation with the Office of the Chief Human Resources Officer. Progression from an employee's initial level on the salary schedule to subsequent salary levels will be in accordance with the non-union employee salary schedule.
- 2.2. An employee will receive a performance evaluation prior to the conclusion of the six-month probationary period. Employees will receive regular performance evaluations throughout their course of employment with the City of Vaughan.
- 2.3. Progressive salary increments shall continue as determined through the "steps" on the Salary Schedule, unless otherwise outlined in an employee's employment agreement.

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For example:

2.3.1 Employees starting in a job at Step 1 and who are meeting and/or exceeding performance expectations as per their performance evaluation, will achieve Step 2 after 6 months.

2.3.2 Employees starting in a job at Step 2 and who are meeting and/or exceeding performance expectations as per their performance evaluation, will achieve Step 3 after 6 months.

2.3.3 Employees starting in a job at Step 3 and who are meeting and/or exceeding performance expectations as per their performance evaluation, will achieve Step 4 after 1 year.

2.3.4 Employees starting in a job at Step 4 and who are meeting and/or exceeding performance expectations as per their performance evaluation, will achieve Step 5 (job rate) after 1 year.

2.4. Step 5 of the salary schedule is the job rate or maximum rate for a position. An employee at the job rate should be fully competent in their role, which means the employee consistently meets and/or exceeds the required performance level expected in the job.

2.5. A Deputy Fire Chief's/Assistant Deputy Fire Chief's salary will be calculated on a proportioned basis of 37.5/35 of the annual salary required by the non-union salary schedule.

2.6. Non-union positions required to directly supervise staff whose average regular work week is 40 hours per week rather than 35 hours per week and who are required to work a minimum of 40 hours per week, shall be compensated for the additional time worked with an adjustment of 12% added to the base salary.

3. JOB DESCRIPTION/JOB EVALUATION PROCESS

3.1. Job descriptions are developed by Management in the relevant department and reviewed by Human Resources. Classification of positions will be determined using the following factors under each area:

- Skill
- Effort
- Responsibility
- Working Conditions

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This information is provided through the official job description.

- 3.2. Reclassification of positions will be conducted as a result of significant changes to the job or a broadening of responsibilities within the scope of the job as determined by Human Resources and the applicable Department. Significant changes are considered to be any revisions made that would have an impact on the comparable factors that are used to evaluate positions. Please refer to the Job Description & Evaluation for non-union positions.

4. SALARY COMPRESSION

- 4.1 Salary compression will be reviewed on a case by case basis and shall be addressed by the Chief Human Resources Officer and approved by the City Manager to identify and remedy situations where a Supervisor or Manager is receiving a negligible differential between them and their direct report(s), with an objective to maintain a reasonable differential.

5. HOURS OF EMPLOYMENT

- 5.1. The hours of employment shall be a minimum 35 hours per week, normally between the hours of 7 a.m. and 6 p.m.
- 5.2. Notwithstanding Section 5.1, for management staff supervising employees within the CUPE Hourly bargaining unit, the hours of work shall be a minimum of 40 hours per week, normally between the hours of 7 a.m. and 6 p.m.
- 5.3. Refer to Alternative Work Arrangements Policy (13.A.06) and Procedures (PRC.21, PRC.22) for additional or alternate hours of work.

6. PAYMENT FOR AUTHORIZED OVERTIME

- 6.1. In lieu of overtime pay, people leaders and other positions exempt from overtime under the *Employment Standards Act, 2000* (the 'ESA'), that are Grade 6 and above, shall be entitled to time off up to 70 hours or 10 days per calendar year. Lieu time can be claimed on a time for time basis for any hours worked in excess of an employee's regular work week (either 35 or 40 hours).
- 6.1.1. Overtime is to be monitored during the calendar year and time banked must be taken in the year in which it is accumulated.
- 6.1.2. Any unused lieu time cannot be carried over to the following calendar year and is also not subject to payouts, therefore, any unused lieu time will be forfeited.

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6.1.3. For all other positions (*i.e.* positions that are not overtime exempt under the *ESA*), employees will be entitled to the following:

6.1.3.1. For overtime for any employee Grade 6 and above who has worked between 35-44 hours in a week, such time may be taken as lieu time, calculated at straight time off (1:1) to a maximum of 70 hours or 10 days per calendar year. For any hours worked beyond 44 hours in a week, lieu time will be accrued at 1.5 hours for each hour worked.

6.1.3.2. For overtime for any employee Grade 5 and below worked between 35-44 hours in a week, such time may be taken as either overtime pay (calculated at 1.5x regular pay) or lieu time, calculated at straight time off (1:1). For any hours worked beyond 44 hours in a week, lieu time will be accrued at 1.5 hours for each hour worked, rather than on a 1:1 basis.

6.1.4. Lieu time must be taken off at a time suitable to the employee's Supervisor. Lieu time must be taken off by the end of the calendar year in which the time was worked. Lieu time that is not taken by the end of the year shall be forfeited and will not be paid out, subject to the requirements of the *ESA*.

7. VACATION

7.1. Vacation entitlements shall be accrued and administered by the length of service on an employee's anniversary date.

7.2. Employees will be advanced their annual vacation allotment upon being hired. Should an employee's employment with the City come to an end before any used vacation time has been accrued, they shall be required to re-pay such amount upon the cessation of their employment.

7.3. Employees shall accrue annual vacation with pay in accordance with the following schedule, unless otherwise outlined within an employee's employment agreement:

<u>Years of Service</u>	<u>Number of Days</u>	<u>Days in hours</u>
0-4 years	15 days	105
5 years	16 days	112

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6 years	17 days	119
7 years	18 days	126
8 years	20 days	140
10 years	21 days	147
11 years	22 days	154
12 years	23 days	161
13 years	24 days	168
14 years	25 days	175
21 years	26 days	182
22 years	27 days	189
23 years	28 days	196
24 years	29 days	203
25 years	30 days	210

7.4. The Deputy City Managers, Officers and Directors will be advanced four weeks' vacation upon being hired, unless otherwise outlined within an employee's employment agreement. Should an employee's employment with the City come to an end before any used vacation time has been accrued, they shall be required to re-pay such amount upon the cessation of their employment. Upon completion of 10 years' service, they shall accumulate annual vacation with pay in accordance with the following schedule:

<u>Years of Service</u>	<u>Number of Days</u>	<u>Days in hours</u>
10 years	25 days	175
12 years	27 days	189

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13 years	29 days	203
14 years	30 days	210
25 years	35 days	245

7.5. To ensure compliance with the *ESA*, employees are required to use their *ESA* statutory vacation entitlements. This means that employees with more than one, but less than five, years of service are required to use 10 days of vacation per year, and employees with five years of service or more are required to use 15 days of vacation per year.

7.6. An employee may carry over unused accrued vacation in excess of the minimum vacation time and pay entitlement under the *ESA*, into subsequent calendar years subject to the following limits:

7.6.1. They are not permitted to carry over more than 10 days per year; and

7.6.2. They are not permitted to bank a total of more than 12 weeks (60 days) of vacation entitlement in their vacation reserve bank.

7.7. Should either of these limits be reached, employees will forfeit any vacation amounts which would have otherwise accrued over and above these limits and shall receive no additional time or pay in compensation for this forfeited amount of vacation.

7.8. The City reserves the right to unilaterally schedule an employee's vacation in accordance with the *ESA*.

7.9. Requests for vacation shall be subject to the discretion of an employee's Supervisor or Manager, and based on operational requirements.

7.10. Eligibility for the full vacation entitlement in any year may be affected by any non-paid time experienced in the previous year and be pro-rated accordingly, but will in all cases comply with the *ESA*.

8. STATUTORY AND CITY DECLARED HOLIDAYS

8.1 All employees shall be entitled to the following holidays with no loss of pay:

New Year's Day	Civic Holiday
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Family Day	Labour Day
Good Friday	Thanksgiving Day
Easter Monday	Christmas Day
Victoria Day	Boxing Day
Canada Day	

8.2 Employees shall be entitled to one half (1/2) day before Christmas Day and one half (1/2) day before New Year's Day with no loss of pay.

8.3 Should any of the above holidays fall on a Saturday or Sunday, the Monday or Friday may be considered as the holiday, as determined by the City.

8.4 In addition to the above, employees on staff prior to February 28th will be entitled to two floating holidays provided it is taken between March 1st and December 31st in the same year. Floater days must be used in the year they are accrued, or they will be forfeited and there shall be no additional time or pay in compensation for this forfeited amount.

9. LEAVE OF ABSENCE

9.1. Sick Leave

9.1.1. New employees shall have placed to their credit, 10 sick days, which may be drawn upon during probation. Upon successful completion of the probationary period, an additional 50 days shall be placed to the employee's credit, which may be drawn upon in the event of an illness.

9.1.2. After three years' service, sick leave accumulation shall increase on the basis of one and one-half days per month of employment, i.e. 18 days per year.

9.1.3. Paid time off will be granted to full-time employees to the limit of their accumulated sick leave or until the commencement of Long Term Disability (LTD) benefits. LTD benefits shall be available after an elimination period of 120 calendar days. However, an employee may elect to use their accumulated sick credits to a maximum of six months prior to the commencement of LTD. An employee shall not accumulate

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sick leave credits or vacation credits while claiming and receiving LTD benefits.

9.1.4. An employee shall produce evidence reasonable in the circumstances for any absence if so required by the City. All unused sick leave may be accumulated to the credit of an employee. No employee shall have any vested interest in sick leave accumulation and no employee shall receive any payment because of unused sick leave.

9.2. Eligibility for the full sick entitlement in any year may be affected by any non-paid time experienced in the previous year and be pro-rated accordingly. This does not apply to approved sick leave with pay and any job-protected leave as outlined in the *ESA*.

9.3. Rehabilitation

9.3.1 Any employee on LTD who participates in a rehabilitation program shall have their LTD payments (75% of gross salary) augmented by five percent for each full day worked, within a work week, up to a maximum of 25% of gross salary for a five-day work week.

9.4. Personal Leave

9.4.1 Employees who require time off from work for unforeseen personal needs may, with the approval of their Supervisor, use up to a maximum of five accumulated sick days per year for such purposes. Employees observing Religious Holidays or Cultural Holidays not recognized elsewhere in this Policy requiring time away from work may use 'personal leave days' for this purpose.

9.5. Bereavement Leave

9.5.1 In the event of a death within the immediate family of an employee, the employee shall be entitled to time off with pay for up to five days in order to make arrangements for or attend at the funeral. "Immediate family" includes an employee's: mother or step-mother, father or step-father, spouse, child or step-child, sister, brother, mother-in-law, father-in-law, stepmother, stepfather, ward or guardian. Employees will be granted up to three days' leave with pay in the event of the death of an employee's: grandparent or step-grandparent, grandchild or step-grandchild, sister-in-law, brother-in-law, niece or nephew.

9.6. Discretionary Leave of Absence With or Without Pay

9.6.1. The City may grant a leave of absence not protected under the *ESA*, or any other legislation to any employee for personal reasons upon

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appropriate terms and conditions as approved by the appropriate Supervisor/Manager or Department Head.

9.6.2. Benefits paid for by the City will be interrupted for discretionary unpaid leaves in excess of one month, unless an employee is provided with the opportunity to continue coverage through payments during the leave and chooses to make such payments.

9.7. Pregnancy and Parental Leave:

9.7.1 Pregnancy and Parental leave shall be granted in accordance with the provisions of the *ESA*.

9.7.2 In addition, an employee who is in receipt of EI Pregnancy or Parental benefits will be paid a supplementary EI benefit in an amount which combined with the gross Employment Insurance benefit brings their compensation to 75% of their weekly salary for a maximum of 15 weeks of pregnancy leave and 10 weeks of parental leave.

10. JURY DUTY

10.1 An employee who is required to serve as a juror or is subpoenaed as a witness by the Crown and is therefore unable to work their regular shift will be entitled to receive the difference between their regular straight-time pay for the hours missed and the amount received as a jury or witness fee. To qualify, the employee must provide the City with proof of the time missed and the compensation received for their service.

11. BENEFITS

11.1 The City will pay the premiums for the following benefits:

- 11.1.1 Life Insurance and Accidental Death and Dismemberment Insurance
- 11.1.2 Extended Health Care Coverage including vision care and prescription drugs
- 11.1.3 Dental Insurance Coverage
- 11.1.4 Employee Assistance Program

11.2 The City may adjust the level of benefits and change carriers from time to time at its sole discretion. The City's sole obligation is to pay the premiums for coverage, and it shall not be responsible or liable for any disputes arising from the administration of the plans.

12 PENSIONS AND RETIREMENT BENEFITS

- 12.1 Pension benefits will be provided in accordance with the provisions of the *Ontario Municipal Employees Retirements Systems* ('OMERS') pension plan.
- 12.2 Permanent non-union employees and members of Council hired before January 1, 2017, shall be entitled to retiree benefits and the City shall pay the entirety of the premiums.
- 12.3 Permanent non-union employees and members of Council hired on or after January 1, 2017, shall remain entitled to retiree benefits, but will be required to pay 50% of the cost of premiums should they elect to opt-in to coverage.
- 12.4 Enrolment and eligibility to participate in the City's retiree benefits plan is subject to the terms and conditions of the plan.
- 12.5 There shall be no OMERS contributions while an employee is off on an approved unpaid leave. When an employee returns to work/back on payroll, they may receive a member election form to buy-back the service, depending on the type of leave taken and in accordance with the terms and conditions of the OMERS plan.

13 TRANSPORTATION

- 13.1 The City may provide the City Manager and Deputy City Managers with a vehicle allowance. Employees who receive a vehicle allowance are not able to claim mileage.
- 13.2 The City may provide City-owned vehicles to be made available on an as-needed basis for those who are required to travel during the normal course of their work activities.
- 13.3 Kilometre rates reimbursed to employees using their personal vehicles on Corporate business shall be in accordance with the City's Mileage (Kilometrage) and Transportation Reimbursement Policy (HR-010).

14 INCENTIVE

- 14.1 An incentive payment will be available to those management/non-union staff that qualify under the following criteria:
 - 14.1.1 A special circumstance arose during the year that required the employee to provide service/duty over and above the normal course of their responsibilities.

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14.1.2	The special circumstance required extraordinary performance on the part of the employee.
14.1.3	The achievement on the part of the employee was deemed valuable and necessary to the City.
14.2	Examples of these circumstances would include a labour strike, a weather disaster, an environmental catastrophe, a major loss of staff resources, etc.
14.3	The incentive payment shall typically be no greater than five (5) percent of an employee's or candidate's annual salary. Incentive payments greater than five (5) percent shall only be made if funds are available in approved budgets. The payment would be made upon the authorization of the City Manager, at their sole discretion. The incentive will be a lump sum payment to recognize the performance of the employee arising from the special circumstances and does not affect the employee's placement on the salary schedule, or their regular compensation in any other way.
14.4	The City reserves the right to introduce and modify any other incentive or attraction/retention-based pay/programs.

ADMINISTRATION

Administered by the Office of the City Clerk.

Review Schedule:	Other (specify) 2 years	Next Review Date:	November 3, 2027
Related Policy(ies):	13.A.06 – Alternate Work Arrangements (AWA); PRC.21 – AWA Manager's Guide, PRC.22 – AWA		
Related By-Law(s):	100-2002		
Procedural Document:			

Revision History

Date:	Description:
November 3, 2025	Approved at Policy Committee.
Click or tap to enter a date.	
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