

DEFERRED SALARY LEAVE PLAN DETAILS

1. Definitions

- 1.1. In this Plan, unless the context clearly indicates otherwise, the following words and phrases shall have the following meanings:

Accrued interest means the amount of interest earned in accordance with clause 3.3 on the monies retained by the Division on behalf of the Participant, calculated from the first date any of such monies have been paid, in accordance with clause 3.4, whichever is later.

Account means the account(s) established by the Trustees in the name of the Participant for the purpose of accounting for the investments arising from or attributable to the Participant's Deferred Compensation Amount.

Application means the application for enrolment in the Deferred Salary Leave Plan as described in [Form 412-1 - Deferred Salary Leave Plan Application](#).

Board means the Board of Trustees of Wolf Creek Public Schools.

Current compensation amount means the total compensation payable by the Division to the Participant for the school year, including the proper grid salary and all allowances in accordance with the current salary agreement in force between the Alberta Teachers' Association and the Board.

Deferral period shall be the number of years for which compensation is deferred in accordance with clause 3.1, including the years referred to in clauses 4.4 and 4.5, if applicable.

Deferred compensation amount means the portion of the current compensation amount, which is retained by the Division for a Participant in each year, in accordance with clause 3.1, and augmented from time to time by interest thereof, calculated in accordance with clause 3.3, but less all interest paid to the Participant in accordance with clause 3.4.

Division means Wolf Creek Public Schools and any of its successors by reason of amalgamation or merger with another school authority.

Eligible employee means a staff member in a salaried position who has been employed in a salaried position with the Division for five (5) full years of continuous service. Continuous service will include approved periods of absence for sick leave or extended disability, or other approved leaves provided that the period of absence on another approved leave does not exceed three (3) consecutive months.

Eligible institution means the Province of Alberta Treasury Branches, any Canadian Chartered Bank, any Trust Company authorized to carry on business in the Province of Alberta, and any Credit Union authorized to carry on business

in the Province of Alberta.

Leave of absence means the period of not more than one school year or less than six months.

Participant means an Eligible employee whose application to participate in the Plan has been accepted by the Superintendent in accordance with clause 2.3 hereof.

Plan means the Division Deferred Salary Leave Plan, and includes all amendments thereto.

Salary agreement means the salary agreement with the Board by which the salary of the Eligible employee is established.

Superintendent means the Superintendent of Schools for Wolf Creek Public Schools.

Trustee means a trust company licensed to transact business in the province of Alberta, or an individual or individuals selected to be the Trustee of the Plan by the Division.

- 1.2. For the purpose of this Plan, words importing the masculine gender will include the feminine gender and vice-versa. Similarly, words in the singular may include the plural and the plural may include the singular.

2. Application

- 2.1. Formal Application: In order to participate in the Plan, an eligible employee must submit an application for enrolment in the Plan ([Form 412-1 - Deferred Salary Leave Plan Application](#)), to the Superintendent by March 31, stating the dates when the eligible employee wishes to commence participation in the Plan. The deadline may be extended at the discretion of the Superintendent.
- 2.2. Approval: The approval of each application made under clause 2.1 shall be at the sole discretion of the Superintendent. The Superintendent shall, on behalf of the Board by May 15, advise each applicant of the approval or disapproval of their application, and if the latter, an explanation thereof.
- 2.3. Date of Participation: If the Superintendent accepts the application for enrolment in the Plan, in accordance with clause 2.2, the participation of the eligible employee in the Plan will become effective on the date requested by the eligible employee, or if such date is not agreed to by the Superintendent, then on a date which is agreed to by the Superintendent and the eligible employee.

3. Funding for Leave of Absence

3.1. Compensation Deferred

During each year prior to the Leave of Absence, the Participant, for a maximum of five (5) years, will receive the Current Compensation Amount less the percentage amount that the Participant has specified in the Application for the year in question, which is deducted by the Division. Such percentage amount deducted by the Division will be transferred to the Trustee monthly and invested in accordance with clause 3.3.

3.2. Maximum Percentage Deferred

The percentage of the Current Compensation amount deferred by the Participant shall not exceed 33 1/3% of the Current Compensation Amount.

3.3. Investment of Deferred Compensation

The monies deducted by the Division for each Participant, in accordance with clause 3.1, including interest thereon (until paid out in accordance with clause 3.4), shall be transferred monthly to the Trustee and shall be invested with the Trustee authorized by the provisions of this Plan and reinvested by the Trustee in accounts in the name of the Division in trust for the Participant. The Superintendent shall choose the Trustee and, in making such determination, the Superintendent shall not be liable to any Participant or Participants for any error in judgment or for any act of omission or commission in the administration or management of the monies retained, provided such monies have been invested with an eligible investor authorized by the provision of this Plan.

3.4. Payment of Accrued Interest

The Trustee shall, on each date specified in clause 5 of the Application, pay to the Participant the accrued interest to such date.

3.5. Reporting to Participants

The Trustee shall make an annual report to each Participant as to the amount of deferred salary retained by the Division for the Participant, including any interest thereon which has not been paid out in accordance with clause 3.4. The annual report shall be made no later than February 28 of each year while the Participant participates in the Plan, and shall cover information up to the end of the fiscal year, i.e. December 31.

4. Taking Leave of Absence

4.1. Qualification to Participate

The Leave of Absence shall occur according to, and be governed by, the Application as executed by the Participant and the Division. It is agreed that in order to create stability in staffing, and continuity for students if the eligible employee is a teacher, a Participant shall not seek to alter the return to work date and agrees that the return date set out in the Application, or in the absence of such a date the length of the leave of absence, cannot and will not be altered unless the Superintendent in his sole discretion agrees. The decision of the Superintendent shall not be subject to any form of appeal or review.

4.2. Manner of Payment during Leave

The manner of payment to the Participant during the Leave of Absence shall be in installments commencing on the date requested in the Enrolment Form ([Form 412-1 - Deferred Salary Leave Plan Application](#)), being equal monthly payments for the period requested of the Account held by the Trustee in the name of the Participant in accordance with clause 3.1 as determined at the beginning of the Leave of Absence, unless otherwise directed by the Participant prior to September 1 of the Leave of Absence. In no event shall such payment be made more frequently than monthly. Any amount withheld by the Trustee pursuant to

clause 4.3 and 5.1, or either, shall be paid to the Division instead of the Participant at the time that monthly payments are made to the Participant.

4.3. Amount of Payment during Leave

Any amount paid by the Division on behalf of the Participant pursuant to clause 5.1 hereof and any other amounts paid by the Division for or on behalf of the Participant shall be withheld by the Trustee from the amounts otherwise payable to the Participant and shall be paid to the Division in accordance with clause 4.2.

4.4. The Division's Right to Defer Leave

If the Division is unable to obtain a suitable replacement for a Participant for the period of a Leave of Absence specified by the Participant, the Superintendent may, upon not less than six (6) month's notice prior to the scheduled starting date of the Leave of Absence, defer the Leave of Absence. The Superintendent may, in his/her discretion, defer the Leave of Absence on one occasion, but only for one year. In such case, the Participant may choose to remain in the Plan, or he may elect to withdraw from the Plan, in which case the Division shall pay to the Participant the value of his account in one lump sum payment within sixty (60) days of such withdrawal, and, upon such payment being made, the Trustee and the Division shall have no further liability to the Participant hereunder. This leave can be deferred only once by the Superintendent.

4.5. Participant's Right to Defer Leave

Notwithstanding the date shown in section 1 of the Application for a Requested Leave of Absence, a Participant may, on one occasion only, with the consent of the Superintendent and not less than six (6) months prior to the scheduled starting date of the Leave of Absence, postpone such leave for one year.

4.6. Year's Leave of Absence

The Leave of Absence shall immediately follow the Deferral Period.

4.7. Return from Leave

Following the Leave of Absence, the Participant must resume employment with the Division for a period of time not less than the duration of the Leave of Absence.

4.8. Salary and Benefits after Leave

After participation in the Plan, the Participant's salary and benefits will be as set out in the Salary agreement then in force.

5. Fringe Benefits

- 5.1. Salary and Group Health and Insurance Benefits: During the Leave of Absence the Participant shall not receive any salary, allowances, or other monetary entitlements or payments under the Salary agreement during the Leave of Absence. A Participant may continue to participate in the Group Health and Insurance plans in which the Participant participated prior to the leave of absence, provided that the Participant shall pay the full premiums of such plans, and further provided that the Participant shall not be entitled to any such leave. While administratively the Division will forward the required premiums to the Plan

provider, the Division will advise the Trustee to both deduct the entire amounts so paid, in accordance with clause 4.3 from the monies otherwise payable to the Participant and remit the same to the Division pursuant to clause 4.2. The Participant agrees that the Trustee is authorized to make such deductions and remittance under clauses 4.2 and 4.3.

- 5.2. Superannuation: The Division shall make superannuation deductions as required by the appropriate Pension Act.

6. Withdrawal

6.1. Upon Termination of Employment

A Participant who ceases to be employed by the Division must withdraw from the Plan. Within sixty (60) days the Trustee shall pay to the Participant the value of his Account as provided in clause 4.4.

6.2. Consent Required

In extenuating circumstances, such as financial hardship, and with the consent of the Superintendent, a Participant may withdraw from the Plan upon giving not less than six (6) months notice of intent to do so prior to the date on which the Leave of Absence is scheduled to occur. Within sixty (60) days of such withdrawal, the Trustee shall pay to the Participant the value of his Account as provided in clause 4.4.

6.3. Upon Death

Should a Participant die, the Trustee shall, within sixty (60) days of notification of such death to the Division, pay the value of the deceased Participant's Account to the Participant's estate, subject to the Trustee receiving any necessary clearances and proofs normally required for payment to estates.

7. Suspension from Participation in the Plan

- 7.1. Notice to Suspend: A Participant may, on one occasion, give notice to the Division stating that he wishes to suspend his participation in the Plan for a period of twelve (12) months as at the anniversary date of enrolment in the Plan which immediately follows such notice, in which case the Division shall pay the Current Compensation Amount to the Participant as if he were not participating in the Plan for such year. The amounts previously retained by the Division and interest thereon in accordance with clause 3.3 (but less all interest paid to the Participant in accordance with clause 3.4) shall continue to be held by the Trustee until the Participant withdraws from the Plan or takes a Leave of Absence.

- 7.2. Reinstatement: If a Participant has given notice in accordance with clause 7.1, the Participant's participation in the Plan shall be reinstated commencing on the first of the month which immediately follows the twelve (12) months in which his participation has been suspended.

8. Termination or Amendment of Plan

- 8.1. Termination or Amendment: The Plan may not be amended or terminated by the Division without the majority consent of the Participants. Any amendment(s) shall

be binding upon all present and future Participants.

- 8.2. Not to Prejudice Ruling: No amendment shall be made to the Plan which will prejudice any tax ruling which is applicable to the Plan prior to the amendment.

9. General

- 9.1. Administrative Expenses: The Participants shall be responsible for the administrative expenses of the Plan.
- 9.2. The Division Not to Pledge Investment: The Division shall not pledge any of the investments referred to in clause 3.3 for any purpose whatsoever.
- 9.3. Participant Not to Pledge or Hypothecate: The Participant shall not pledge or hypothecate any of his rights under this Plan as security for a loan.

Reference: [Education Act](#) Section 33, 52, 53, 197, 204, 220, 222
[Employment Standards Code](#)
[Labour Relations Code](#)
[Income Tax Act](#) Section 248L
[Income Tax Regulation](#)
[Collective Agreement](#)

Adopted: August 2004

Reviewed/Revised: April 2006, May 2007, August 2009, May 2017, July 2018, September 2019