

Public Employees Deferred Salary Leave Plan

For Other Employers



Table of Contents

INTRODUCTION2

PLAN PROVISIONS4

- Eligibility
- Enrolment
- Approval Process
- Amendments
- Amendment of Percentage
- Deferral Amount
- Deferral Period
- Leave Period
- Return to Work Requirement
- Request to Withdraw
- Request to Suspend Deferrals

FINANCIAL INFORMATION9

- Salary During Deferral Period
- Salary During Leave Period
- Administration Fees
- Interest Earnings

BENEFITS DURING LEAVE PERIOD11

- Pension Contributions (PEPP)
- Pension Contributions (PSSP)
- Group Life Insurance
- Long-Term Disability
- Dental and Health Benefits
- Canada Pension Plan
- Employment Insurance

WORKSHEET14

CONTACT INFORMATION15

Introduction

OVERVIEW

The Deferred Salary Leave Plan is designed to assist you in financing a leave of absence for any reason, subject to the approval of your employer and the terms and conditions of the Plan.

ADMINISTRATION

The Deferred Salary Leave Plan is managed by Plannera Pensions & Benefits (Plannera).

Canadian Western Trust Company is under contract to provide trustee and investment management services. The Recordkeeper Ltd. provides employee statements and recordkeeping services to the Plan.

AUTHORITY

The Deferred Salary Leave Plan is a prescribed plan under the *Income Tax Act*. The terms and conditions of the Plan are governed by federal legislation.

The Deferred Salary Leave Plan Committee was established under Section 15 of *The Executive Government Administration Act*. The Committee oversees Plan operations and is responsible for the approval/denial of employee requests to withdraw from the Plan.

The Plan must comply with guidelines set forth by any taxing authority. This may cause the Plan to be amended from time to time. Neither the Government of Saskatchewan nor members of the Deferred Salary Leave Plan Committee shall be liable for tax or expenses incurred.

If income tax becomes required on investment income earned on funds in the Plan before the funds are paid out to the employee, the income tax will be deducted from the investment income.

Introduction

Unless a written agreement states otherwise all Plan charges, costs or unforeseen expenses shall be paid by the participating employee. Such expenses will be paid out of the investment income.

EMPLOYEE BOOKLET

This Employee Booklet provides an overview of the main provisions of the Deferred Salary Leave Plan (DSLPL) as of January 1, 2022. In the case of any error or discrepancy, the terms and conditions of the Plan Document, contract for services between Canadian Western Trust Company/Recordkeeper Ltd and the Government of Saskatchewan and any legislation governing the Plan and its operations will apply.



Plan Provisions

ELIGIBILITY

Permanent full-time employees and those appointed by Order-in-Council who have completed a minimum of one year of continuous service are eligible to participate in the Plan.

Permanent full-time employees on probation may apply for participation in the Plan.

ENROLMENT

Enrolment in the DSLP is allowed throughout the year. A completed application form must be submitted a minimum of **8 weeks** prior to the commencement of contributions.

Application forms and Plan information are available on the Planner website at www.plannera.ca

Plan Provisions

APPROVAL PROCESS

Once approved by your Supervisor and Permanent Head, application forms must be submitted to your Human Resource Branch during one of the semi-annual application periods.

Issues such as the timing, length and purpose of your leave of absence and future workplace operational requirements will be reviewed during the approval process.

Conflict of Interest guidelines must be observed in the completion and approval of all applications. Final approval of all applications is made by your employer.

If participation in the Plan is approved, the application form will be forwarded to Plannera for processing. Plannera will notify your Payroll Branch and provide a copy of the approved application form to you. If your participation in the Plan is denied, your Human Resource Branch will advise you of the reason(s).

AMENDMENTS

The Plan has been designed to recognize changes to personal and/or family situations may occur with little notice. Amendments to your DSLP application may therefore be considered at any time in extenuating circumstances only. An amendment application form must be completed outlining the reason(s) for the change and forwarded to your Human Resource Branch.

All amendments require a minimum of one month notice and are effective the first of the month following approval of the amended application form.

AMENDMENT OF PERCENTAGE

Your request to amend deferral percentage and effective date must be made in writing to Plannera (Email: benefits@plannera.ca) for any inquiries.

Plan Provisions

DEFERRAL AMOUNT

You may contribute between 10 per cent and 33 per cent of your salary to the Plan. Deferrals are made from your bi-weekly/monthly salary and forwarded directly to Canadian Western Trust Company.

DEFERRAL PERIOD

Your deferral period must be a minimum of 12 consecutive months and cannot exceed 72 consecutive months.



LEAVE PERIOD

Your leave period must be a minimum of six consecutive months and cannot exceed 12 consecutive months and must begin on the first of a month or on the first bi-weekly pay period immediately following the deferral period depending on your pay cycle.

Plan Provisions

You are required to begin your leave of absence immediately following the completion of your deferral period.

With prior approval from your employer, you may postpone your leave period for up to a maximum of 12 consecutive months. Similarly, operational requirements may require your employer to postpone your leave of absence by no more than 12 consecutive months.

The total of your deferral and leave periods cannot exceed 84 months from the date deferrals began.

RETURN TO WORK REQUIREMENT

The Deferred Salary Leave Plan (DSLPL) is a prescribed plan under the *Income Tax Act*. Therefore, the terms and conditions of the Plan are governed by federal legislation.

According to Section 6801(a)(v) of the *Income Tax Regulations*, participating employees must return to regular employment after the leave of absence for a period that is not less than the period of the leave of absence. They must return to work with the same employer or one that participates in the same or a similar arrangement.

Plannera will advise the Canada Revenue Agency (CRA) of all participating employees that do not comply with the above section of the *Income Tax Regulations*.

The DSLPL cannot serve as an early retirement benefit (you cannot retire immediately following your leave of absence).

Plan Provisions

REQUEST TO WITHDRAW

Withdrawal from the DSLP is permitted under these circumstances:

- Death of the participating employee
- Termination of employment
- Qualification for long-term disability benefits under an employer sponsored long-term disability plan
- Transfer to another position and continued participation in the Plan is not approved
- In the event of extreme financial hardship
- Change to personal and/or family situation
- The purpose for the leave of absence no longer exists

Your request to withdraw must be made in writing to Plannera (Email: benefits@Plannera.ca). A detailed explanation must accompany your request outlining how you meet any of the listed criteria.

The Deferred Salary Leave Plan Committee will review your request to withdraw. You will be advised in writing of the approval/denial of your request.

Partial withdrawal of funds, less applicable deductions, with continued participation in the Plan is permitted in the event of extreme financial hardship.

REQUEST TO SUSPEND DEFERRALS

Suspension of deferrals is permitted under the following circumstances:

- Approved leave of absence (maternity leave, leave for illness).

After taking into account any period of time during which deferrals to the Plan have been suspended, the total of your deferral and leave periods cannot exceed 84 consecutive months from the date deferrals began.

Financial Information

SALARY DURING DEFERRAL PERIOD

The portion of your salary chosen for deferral is deducted through payroll deduction on a bi-weekly or monthly basis depending upon your pay cycle.

Income tax and union dues are based upon your net salary (salary minus deferral amount).

SALARY DURING LEAVE PERIOD

Your salary per pay period will consist of the total sum of your deferrals divided by the number of pay periods while on leave of absence.

All salary paid during the leave of absence period is paid out on a bi-weekly or monthly basis depending upon your pay cycle.

Income tax is based upon the deferred salary paid to you each pay period while on leave of absence.

Union dues are based upon the deferred salary paid to you each pay period while on leave of absence.

The DSLP must provide that throughout the period of the leave of absence, the employee does not receive any salary or wages from the employer other than:

- The payout of the funds previously deferred under the Plan,
- The usual employment benefits as described under Benefits During Leave Period, and
- The reasonable fringe benefits that the employer usually pays to, or on behalf of, employees. The Plan does not require these fringe benefits to be paid during the leave of absence. Further information is available from your Human Resource Branch.

Financial Information

ADMINISTRATION FEES

Effective January 1, 2022, The Recordkeeper Ltd. charges a minimum administration fee of \$1,500.00 per quarter to the Plan. This fee is allocated based upon active members for the quarter to arrive at the corresponding charge to each member account.

For example, as at December 31, 2021 there were 53 active plan members. Allocating the \$1,500.00 administration fee results in a \$28.30 (plus GST) quarterly fee being charged to each member's account.

This fee is subject to change upon 30 days written notice from The Recordkeeper Ltd. in the event of changes to the terms and conditions of the Plan.

INTEREST EARNINGS

All funds are maintained on deposit with Canadian Western Trust Company and invested in Guaranteed Investment Certificates ranging in maturity from one to five years. There is no other investment choice offered under the Plan.

Interest earnings accrue monthly based upon each employee's total funds deferred and are credited monthly to each participating employee account.

Interest earnings accrued in the calendar year are paid out to each participating employee the following January and reported on the respective employee T4 income tax slip in the year earned.

Funds on deposit with Canadian Western Trust Company are insured by the Canada Deposit Insurance Corporation (CDIC) to a maximum of \$100,000 per individual.

This maximum coverage applies to the aggregated total of all insurable deposits an individual has with Canadian Western Trust Company, and includes both principal and interest.

Benefits During Leave Period

PENSION CONTRIBUTIONS (PEPP)

As a member of PEPP, you are considered on an approved Leave of Absence (LOA) and will have the option to contribute for this period of leave, when you return to work. Employee and employer contributions are based upon your gross pre-deferral salary.

On your return to work, your employer will provide you with a Leave of Absence form. This form is to be completed whether you choose to contribute or not contribute with respect to your leave.

Your decision and payment of contributions from your leave of absence must commence within 90 calendar days of your return to work.

You may choose one or more of the following contribution options:

- Lump-sum transfer from a Registered Retirement Savings Plan (RRSP) or a Locked-in Retirement Account (LIRA);
- Cheque payable to the Public Employees Pension Plan;
- Contributions by payroll deduction can be made in one lump sum, or spread over several consecutive pay periods. You have until December 31 the year after your leave ends, or the length of your leave—whichever is shorter—to repay your contributions for the period of your leave.

If you do not elect to contribute within 90 calendar days of your return to work, you are not eligible to contribute for the period of leave.

Your decision to contribute or not contribute for the period of leave cannot be revoked after your election has been received by PEPP.

You can find further information in the PEPP *Talk* on Leave of Absence available on the Plannera website at www.plannera.ca

Benefits During Leave Period

PENSION CONTRIBUTIONS (PSSP)

As a member of PSSP, you are required to make pension contributions based upon your gross pre-deferral salary on the basis of one of the following payment options:

- Lump-sum payment payable upon your return from the leave of absence;
- Upon returning to work, instalments through payroll deduction not to exceed the number of months you were on leave of absence; or
- Contribute on a current basis during the period of leave by cheque to PSSP.

Your credited service will continue to accrue on a calendar year basis.

GROUP LIFE INSURANCE

Your coverage continues and benefits remain in effect based upon your gross pre-deferral salary.

LONG-TERM DISABILITY

As a member of the Public Employees Disability Income Plan, your coverage continues and benefits remain in effect based upon your gross pre-deferral salary.

As a member of the SGEU LTD Plan, there is no provision for premiums to be deducted during the leave of absence period. Premium payments are to be arranged with and directed through the SGEU office.

Benefits During Leave Period

DENTAL AND HEALTH BENEFITS

If you are enrolled in the Public Employees Dental Plan and the Extended Health Care Plan your coverage continues and benefits remain in effect.

CANADA PENSION PLAN

Contributions are based upon the salary received per pay period during your leave of absence period.

EMPLOYMENT INSURANCE

No contributions are required during your leave of absence period.



Worksheet

This worksheet will assist you in planning your leave of absence

Deferral Period	Number of Pay Periods	Base Salary Per Pay Period	Deferral Percentage	Contribution
Year 1		x	x	=
Year 2		x	x	=
Year 3		x	x	=
Year 4		x	x	=
Year 5		x	x	=
Year 6		x	x	=
Total Funds Deferred				_____
Divided by:				_____
Number of Pay Periods on Leave of Absence				_____
Estimated Salary per Pay Period				_____

Contact Information

Mail Deferred Salary Leave Plan
110 - 1801 Hamilton Street
REGINA SK S4P 4W3

Telephone 306-787-3440

Fax 306-787-8822

E-mail benefits@Plannera.ca

Website www.plannera.ca

Administered By **Plannera Pensions & Benefits**