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## DEFERRED SALARY LEAVE PLAN AGREEMENT

### Purpose & Authority

This Agreement establishes the Deferred Salary Leave Plan for continuing teachers employed by School District 72 (Campbell River).

This Plan is authorized under the Collective Agreement between the Board of Education of School District 72 and the Campbell River District Teachers' Association (CRDTA), Article G.28, and is entered into by mutual agreement by both parties.

This Agreement sets out the terms, conditions, and obligations governing participation in the Deferred Salary Leave Plan and prevails in the event of any inconsistency with related operational procedures or forms.

### Scope

This Agreement applies to all continuing teachers who apply for and participate in the Deferred Salary Leave Plan while employed by the district.

Participation in the Plan is voluntary and subject to approval by the Board of Education or its designate.

### Agreement Provisions

#### 1. Eligibility to apply

##### 1.1 Employment Status

- Must be a continuing appointment teacher.
- Must have completed at least one school year of service (10 months) with the district.

##### 1.2 Annual Participation Limit

- No more than 10% of the district's full-time equivalent teachers may participate at one time.
- This is subject to annual review by the Board of Education.

##### 1.3 Return to Work Requirement

- Following the leave, the teacher must return to their regular employment for a period that is at least equal to the duration of the leave of absence.

#### 2. Application

##### 2.1 Form Required

- Use SD72 Form 425-1 to apply.

##### 2.2 Deadline

- Teachers must submit a written application **by the last working day in February.**

- 2.3 Approval Process
- Final approval is at the sole discretion of the Board of Education.
  - Applicants will be notified of the decision **by April 30**.
  - If the application is denied, the board will provide an explanation.
  - When approved, the Board of Education (or designate) will establish an agreement between the Board and the teacher.
  - The Campbell River District Teachers' Association (CRDTA) will be informed of all denials and approvals. CRDTA will be provided a list annually of all teachers planned to be Deferred Salary Leave for the next school year.

### 3. Administration

- 3.1 A deferred salary leave committee may be struck as required for administrative reasons, i.e. to administer changes to guidance, or funds, or to support dispute resolution or complaints.
- 3.2 A committee may include:
- One member of the Board of Education
  - The Superintendent (or designate)
  - The Secretary-Treasurer
  - The President of the Campbell River District Teacher's Association (CRDTA), or designate
- 3.3 While a committee oversees the plan, specific actuarial or investment management services are outsourced to professional firms and is managed by the Secretary-Treasurer. This role includes managing the trust accounts where deferred salaries are held; ensuring compliance with tax regulations; and overseeing investment performance and reporting.

### 4. Funding for the Leave of Absence

- 4.1 Over each school year prior to the teacher's deferred salary leave, up to a maximum of six school years, the participant will receive their compensation amount less the percentage amount that both parties agreed to within the signed agreement. The percentage amount will be no more than 33.33% of the participant's gross annual salary. The percentage amount will be retained by the board and invested in accordance with 4.2.
- 4.2 The monies retained by the board for each participant, shall be invested by the board with eligible financial institutions. The committee shall choose the eligible financial institution and in making such determination the board, association and members of the committee shall not be liable to any participant for any investments which are authorized by this clause. Participants shall receive, at a minimum, the principal amount that they have contributed in deferred salary.
- 4.3 As long as a deferred salary leave plan is considered by Revenue Canada to be a salary deferral arrangement (section 6801 of the *Income Tax Act*), the participant will receive a T-4 or T-4A and the interest is taxed annually.
- 4.4 Participants are provided with a bi-annual report in January and June 30 that includes the amount of deferred salary, and any interest earned which has not been paid out. This annual report will be mailed to the participant's address on file with the district.
- 4.5 The district covers all the administrative expenses of the deferred salary leave plan.

## 5. Taking a Deferred Salary Leave of Absence

5.1 The leave periods will either be:

- September to June (10-month option)
- January to June (6-month option – elementary/middle/non-enrolling only)
- February to July (6-month option – secondary only (5 months of school plus July))

5.2 Payment to the participant during the deferred salary leave of absence will be either:

5.2.1 In lump sum payments made on or about July 1 and/or January 1 of the school year in which leave is taken.

5.2.2 In monthly installments beginning September 30, being approximately equal to one-tenth, one-sixth or one-fifth the monies held by the district for the participant as determined at the beginning of the leave of absence.

5.3 All amounts payable to a participant (including deferred salary and any remaining interest) shall be paid no later than the end of the first taxation year that begins after the end of the deferred period. e.g. if a teacher completes their deferral period in June 2026, the district will pay out all remaining funds by December 2027 (the end of the 2027 tax year).

5.3 If the district is unable to obtain a suitable replacement for a teacher who has requested a deferred salary leave, the board may, on or before April 30 of the year in which the leave is to be taken and at its discretion, delay the participant's leave of absence for one year. In this case the participant may choose to take the deferred salary leave later or may withdraw their deferred salary leave request. Should a participant decide to withdraw their deferred salary leave request they will receive the monies and interest accrued minus the required taxes to the date of withdrawal.

5.4 Should a delay result in a participant's leave of absence being taken past the sixth year of the deferred salary leave plan, the participant will be considered to have withdrawn from the plan due to Canada Revenue Agency regulations. All monies and accrued interest will be paid in a lump sum, minus the required taxes to the date of withdrawal.

5.5 On return from a deferred salary leave, the teacher will be assigned to a position as equivalent as possible to what they previously held. This assignment shall be made with the priority requirements outlined in Article E.20 of the Collective Agreement.

5.6 After participation in a deferred salary leave, the teacher's salary and benefits will be in accordance with the current collective agreement between the Board of Education and the Campbell River District Teachers' Association.

5.7 A participant may, on one occasion only, postpone their leave for up to one year. The delay cannot postpone the end of the deferred salary leave past 84 months. The request must be made to Human Resources **at least four (4) months** before the scheduled leave start date. The Board shall make reasonable attempts to accommodate requests past this four-month deadline where there are extenuating circumstances. Where there are postponements or cancellations, the board will notify Campbell River District Teacher's Association (CRDTA).

- 5.8 While on a deferred salary leave of absence, the teacher may not receive any other salary or wages from the school district.
- 5.9 During the year of a February to July leave, where preparation time is required, the participant will be paid preparation time equal to half a year. The teacher covering the February to June teaching period will be paid preparation time equal to half a year. Preparation time for the position impacted by a deferred salary leave shall not exceed 12.5% of preparation time.

**6. Benefits**

- 6.1 During a deferred salary leave of absence, the responsibility for benefit premium payments will be governed by the collective agreement in effect between the Board of Education and the Campbell River District Teachers' Association (CRDTA). Where the participant is required to pay the cost of any benefit during the deferred salary leave of absence, the district shall pay the cost on behalf of the participant and deduct the amount paid from the monies otherwise payable to the participant during the leave.
- 6.2 Sick leave will not accumulate during the deferred salary leave of absence.
- 6.3 There are no superannuation deductions (pension contributions) during a period of a deferred salary leave of absence. The participant should contact the pension corporation for pension buy back options.

**7. Withdrawal**

- 7.1 **Withdrawal by choice**  
A teacher may withdraw from the deferred salary leave plan at any time and for any reason. Upon withdrawal, all monies retained by the district and the accrued interest will be paid to the teacher as a lump sum within 60 days of their withdrawal.
- 7.2 **Termination of employment**  
Teachers who cease to be employed by the district while participating in the deferred salary leave plan will be deemed to have withdrawn from the plan. A lump sum for the monies retained by the district plus the accrued interest will be paid in accordance with 7.1 above.
- 7.3 **Death of a participant**  
If a teacher dies while enrolled in the plan, all monies retained by the district and the accrued interest at the time of death will be paid to the teacher's estate. Payment will be made within 60 days of the district receiving notification of the death, and upon receipt of legal documentation required for estate processing.
- 7.4 **No notice**  
In the event a teacher is not able to provide notice of postponement, withdrawal, or suspension of their participation in the program by the deadlines outlined in this agreement, the Board shall make reasonable attempts to accommodate the teacher's request.

**8. Suspension and Reinstatement of Participation**

8.1 Suspension

A participant may suspend their participation by **giving notice to Payroll before April 30** of the year the leave is scheduled to begin. Once suspended, the district will resume paying the teacher their full current salary (as if they are not in the plan). Previously deferred funds and accrued interest will remain held by the district until the teacher withdraws from the plan or takes the deferred salary leave of absence. The funds retained will continue to accrue interest.

8.2 Reinstatement

A participant who suspended their participation may rejoin the plan by **notifying Payroll before April 30** of the year following. The teacher will be reinstated into the plan by September 1 of that year. Participation will continue for subsequent years as originally planned.

8.3 The Board shall make reasonable attempts in extenuating circumstances to accommodate requests past the April 30 deadline.

**9. Termination or Amendment of the Deferred Salary Leave Plan**

9.1 The deferred salary leave plan may only be amended in accordance with the salary agreement between the Board of Education and the Campbell River District Teachers' Association (CRDTA) or by mutual agreement between both parties.

9.2 The Board may terminate the deferred salary leave plan for any new participants with one year's notice to the Campbell River District Teachers' Association (CRDTA).

9.3 Teachers already enrolled in the plan at the time of plan termination will be allowed to complete their participation and take their deferred leave as planned.

This Agreement is entered into on the date noted below.

Date Signed: June 22, 2026

Alba M. Coombes  
CRDTA President

Draig Gillis  
SD 72 Board Chair

Cross Reference: Board Governance Policy 3 (Foundations and Direction)  
BCPSEA / BCTF / SD72 Local Agreement  
OP 425 Deferred Salary Leave Plan

Related Forms: SD72 Form 425-1 Deferred Salary Leave Plan Application