



POLICY	
Policy Number: CORP2024-002	Date Approved: January 24, 2024
Department: Corporate Services	Date Reviewed:
Vested Sick Leave Policy (Non Union Employees)	

1. Policy Statement

The Town of Kirkland Lake must continue to support a previous Benefits Policy insofar respecting Vested Sick Leave credits for impacted staff as the service cannot legally be revoked as per the *Employment Standards Act*.

2. Purpose

To establish a policy for Vested Sick Leave credits for the Corporation to continue to manage credits for any impacted Employee(s).

3. Scope

This Policy applies to impacted Employee(s) continuing to hold credits in their bank prior to April 30, 2001 for Vested Sick Leave based on the Town's previous Benefits Policy.

4. Legislative Authority

- [Employment Standards Act](#), S.O. 2000, c.41
- CORP2024-001 Benefits Policy (Non-Union Employees)
- By-Law No. 1273

5. Definitions

Corporation means The Corporation of the Town of Kirkland Lake.

Employee means a person employed by the Corporation.

Vested Sick Leave means sick leave credits that accumulated in an Employee's sick bank.

6. Procedures

a) For Employees **with ten (10) years or more** service as at April 30, 2001:

- i. All sick leave credits are to be frozen at today's pay rates by applying the provisions of By-Law 1273, subject to any restrictions, imposed by Federal or Provincial Statutes.
- ii. The vested amounts as calculated in a) i. above will be increased annually in accordance with formula noted below. The interest factor will be the average rate of interest on one-year term deposits at the Corporation's chartered bank.

Formula for payout of sick leave on the Employee's retirement or termination is as follows:

$$\text{"Payout} = \text{Frozen Amount} \times \text{Average Annual One Year Term Deposit Rate} \times \text{Days after December 14, 1987} \div 365 \text{ Days"}$$

- iii. Funds held to the credit of each Employee would be made available for payout to the Employee on retirement or termination.

b) For Employees **with less than ten (10) years** service as at April 30, 2001:

- i. All sick leave credits are to be frozen at today's salary levels (accumulated days of sick leave multiplied by present regular rate of pay).
- ii. Once the Employee attains ten (10) years of service, those credits as noted in b) i. will be converted to a cash equivalent payout under the provisions of By-Law 1273. That is, the amount calculated in section b) i. will be increased in accordance with the formula noted in section a) ii.

The interest factor will be the average rate of interest on one-year term deposits at the Corporation's chartered bank.

- iii. Funds held to the credit of each Employee would be made available for payout to the Employee on retirement or termination.

7. Summary

Employees who have Vested Sick Leave credits banked prior to April 30, 2001, will have their sick leave credits terminated through payout, depending on length of service.