

## Disability Self-Insurance

Trinity has a Designated Fund for Disability Self-Insurance (#850, \$33,100.92). David Holste tracked this fund back to January 2005 (the first time any money shows in this account) and no money has been spent out of this fund. All or part of these funds should be transferred back into the General Operating Fund to reflect the current use and understanding of the needs of this fund.

From Policy Page 2.30.1, Disability Plan, under Part I, General: “Employees enrolled in the ELCA Pension and Benefits Plan are covered under the ELCA Disability Benefits Plan as regulated by the ELCA Board of Pensions. The ELCA Disability Benefits Plan provides monthly income for an eligible employee who has become partially or totally disabled as identified by the Plan. Trinity Lutheran Church maintains a disability fund that provides monthly income for an eligible employee during the first two months of disability before ELCA Disability Benefits become payable.”

From Policy Page 2.30.1, Disability Plan, under Part II, Instructions, F: “During the first two months of certified disability, in the absence of an employee’s available sick leave days, Trinity Lutheran Church shall pay two-thirds salary and contribute to the ELCA Pension and Other Benefits Program for the employee.”

The disability self-insurance comes into play after all sick leave is exhausted. From Policy Page 2.30, Part II, Instructions (A, B, and C): “A. Eligible employees will be granted one working day of sick leave for each month worked. Compensation shall be calculated from the average hours normally scheduled per week divided by five. B. Rostered staff and lay employees working at least nine consecutive months in each calendar year and more than 20 hours in each week shall be granted sick leave benefit. C. A maximum of 50 unused days may be carried over to the next year. Staff with more than 50 unused sick days at the time of the adoption of this provision shall be entitled to retain those days and use them as needed, but shall not accumulate additional unused days that exceed the carryover limit.”

This means that most Trinity staff would be likely to have 50 hours of sick leave to apply to the first two months of certified disability. However, the worst case scenario would be for the staff member to have no sick leave available, meaning that two months of payments would be needed. For the Lead Pastor in 2024, a \$13,000 fund would be sufficient to make these payments (2/3 of two months income). For other staff, the payments would be lower than for the Lead Pastor. Since no payments have been made from this fund for 20 years and since most staff have unused sick leave, a \$13,000 fund amount should be sufficient to satisfy the disability self-insurance needs.

Motion approved by Finance and A&P that \$13,000 be retained in the Disability Self-Insurance Designated Fund and that the remaining fund amount be released to the General Operating Fund for the 2024 budget.

Daryl Ackerman, Chair, Finance Committee