

Floor Committee #11: Subsidiaries and Benefit Plans

Subject: WELS Benefit Plans

Reference: *Book of Reports and Memorials*, pp. 181-183

Report No. 05

WELS Benefit Plans serves synodical workers in three ways: 1) the WELS Voluntary Employees' Beneficiary Association (VEBA), 2) the WELS Pension Plan, and 3) the WELS Shepherd Plan.

1) WELS VEBA

More than 80 percent of calling bodies participate in WELS VEBA. As with all other insurance, however, rates are scheduled to increase along with deductible and coinsurance amounts. This will vary depending on the location of the called worker. "Improved data has allowed the VEBA Plan's actuaries to better assess the relative differences in health care costs across local markets. The new regional rating factors will be implemented over three years to spread out the financial impacts to sponsoring organizations."

2) WELS Pension Plan

At the end of 2021, the WELS Pension Plan was frozen, and retirement benefits were officially moved into the WELS Shepherd's Plan.

3) WELS Shepherd Plan

More participants in the WELS Shepherd Plan have resulted in a 9.8 percent decrease in administrative fees. Additionally, the total market value from 2022 to 2024 has increased 55.5 percent. Although "only 55 percent of workers who received defined contributions also contributed their own dollars to their Shepherd Plan account in 2023," the WELS Benefit Plans Office encourages as many called workers as possible to take advantage of the system as they try to "strike the best balance between acceptable costs to calling bodies and meaningful benefits to participants."

WELS Benefit Plans encourages: "It is more important than ever for organizations to timely report call status changes to WELS so that workers timely receive the correct contributions."

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