



**ORTHODOX
CHURCH in
AMERICA**

Metropolitan Council Meeting

Fall 2020

Reports



Meeting of the Metropolitan Council of the Orthodox Church in America

Thursday, August 27, 2020
Wednesday, September 16, 2020
Thursday, September 17, 2020
Wednesday, November 4, 2020
conducted by video conference

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AGENDA ITEMS
FALL SESSION OF THE METROPOLITAN COUNCIL
August 27, 2020

The Metropolitan Council of the Orthodox Church in America will begin meeting in its Fall Session, presided by His Beatitude Metropolitan Tikhon, on Tuesday, August 27, 2020, via teleconference. It is expected that the Fall Session will continue with at least two, maybe three more meetings later this fall.

This first part of the Fall Session will have three matters to consider: 1. Mr. Andrew Smith, Treasurer of the Orthodox Church in America, will provide an update on the financial situation of the Church. He will also introduce a candidate to fill a vacancy on the Auditing Committee. After this introduction, the Metropolitan Council will be asked to appoint the candidate to the Auditing Committee. 2. Mr. Gregory Honshul and Mr. Ray Steeb will update the members of the Metropolitan Council on the work of the Property Committee and introduce a motion to engage a realtor (Please see the resolution from the February 2020 Session of the Metropolitan Council Below). 3. The Reverend Deacon Peter Ilchuk, All-American Council Manager, will update the Metropolitan Council on possibility of holding the All-American Council in Baltimore, MD, in July 2021, as has been previously announced and scheduled. A motion will be proposed to postpone the All-American Council to 2022 due to the present public health crisis, which, if adopted, will be present to the Holy Synod for their approval.

Agenda

1. Opening Prayer
2. Call to Order
3. Review of Agenda
4. Roll Call
5. Metropolitan's Report
6. Treasurer's Report: Current financial situation of the Church; appointment of Ms. Maha Adranly to the auditing committee
7. A report from Gregory Honshul and Ray Steeb from the Property Committee of the Metropolitan Council and introduction of motion to engage realtor
8. A report from Dn. Peter Ilchuk on the status of the upcoming All-American Council in July 2021 in Baltimore, MD; introduction of motion to postpone All-

American Council until Summer 2022, subject to further approval by the Holy Synod

9. Closing Prayer

Resolution of the Metropolitan Council adopted at its Spring 2020 Session:

Whereas:

- 1) It is not financially feasible for the necessary repairs and maintenance to be made to the current OCA Chancery building; and,
- 2) It is not possible for the OCA Archives to be properly preserved for the long-term if they remain in this building;

Therefore, be it resolved that:

- 1) Efforts shall be made immediately towards the sale of the Chancery property;
- 2) Efforts shall be made immediately to determine a location to house the offices of the OCA Chancery administration;
- 3) Efforts shall be made immediately to determine a location for the residence of the Metropolitan; and
- 4) Efforts shall be made immediately to determine a location to house the OCA Archives. CARRIED.

METROPOLITAN COUNCIL MEETING

AUTUMN 2020

AUGUST 27, 2020

Due to the ongoing Covid-19 restrictions, this meeting is being convened electronically via Zoom and is not taking place in person. At least two more sessions of the Autumn meeting are scheduled (September 16 and 17, 2020) with a fourth under consideration.

REPORT OF THE METROPOLITAN

- 1. Welcome.* I welcome all of you to the first session of the Autumn Meeting of the Metropolitan Council. After having worked diligently to reduce the number of days we allow for our meetings, we now find ourselves expanding that number again to accommodate our current coronavirus restrictions. In addition to the benefits and cost-savings associated with virtual meetings, we have also become more than familiar with the drawbacks of such meetings, which are often tiring and perhaps put into perspective the obstacles of the days of old, when traffic, expenses, and travel time were a real consideration. If you are like me, you are finding that these previous inconveniences are looking more attractive since they allowed us to physically get somewhere and to interact personally with the same people that, at present, we can only see and interact with on a screen. In any case, I am grateful for your presence on my screen this evening and for your patience and perseverance in all that each of you, your dioceses, your parish communities, and your families has been enduring during these challenging times.
- 2. In Memoriam.* We gather just a few days shy of the one-year anniversary of the falling asleep in the Lord of Archbishop Nikon of blessed memory. Like most everything in our present Coronavirus circumstances, his death seems like something that happened just recently but, at the same time, very long ago. I continue to miss him, as I am sure we all do, and I pray daily for the repose of his soul. I will be marking this one-year anniversary with two memorial services, the first this coming Sunday at St Nicholas Albanian Orthodox Church in Jamaica, New York, and the second next Tuesday, September 1, on the actual date of his repose, at an outdoor pavilion close to Three Saints Church in Ansonia,

Connecticut. In addition, we note with sorrow the recent falling asleep of two clergy wives: Matushka Janet Mihalick from the Diocese of Western Pennsylvania and Matushka Anastasia Karlgut from the Diocese of New York and New Jersey. May all of them, and all those whom we have lost to the coronavirus and other causes, find rest in the mansions of heaven and may their memories be eternal!

3. *Prayers for health.* I should also report that Fr Antonio Perdomo is unable to join us this evening because of some health concerns for which he has taken a medical leave of absence. In addition, Gregory Nescott, a former member of the Metropolitan Council, continues to recover from a car accident this past summer. Just this afternoon, we also were informed that Fr Daniel Andrejuk, the Dean of St. Catherine's, the Orthodox Church in America's representation Church in Moscow, was hospitalized for an emergency appendectomy. The initial report from Matushka Vera is that the surgery was successful and that he is recovering. I ask you to keep all of them, and anyone else who might be suffering physically, emotionally, or spiritually, in your prayers at this time. The burdens and difficulties of illness have certainly been increased by the additional burdens of isolation and loneliness during these times, so we must correspondingly increase our prayers, as well as our effort to assist in material ways.

4. *The Chancery.* Because of our focused agenda this evening, I will not speak much about the ongoing work of the Chancery. I will simply note that I have been back in residence here since the 22nd of June and to date have travelled only once to the Monastery of the Holy Transfiguration in Ellwood City for the ordination of Deacon John Thetford, who has assumed the role of my personal secretary. As you know, he replaces Archdeacon Joseph Matusiak in that position following his resignation and departure to Poland with his family for the next 6 months. Father Joseph has been faithfully serving as my Archdeacon and Personal Secretary for many years and his departure is a great loss for me personally and for my office. However, I have honored his request for him and his family to move to Poland for personal reasons related to the recent death of Nina's father. I am grateful for his service and look forward to his return in 6 months so that he can resume some

form of service to the Church. I also want to express my thanks to my Chancellor , Fr. Alexander Rentel, for his extraordinary support and work during these past months of the pandemic. I will say more about his contributions and the work of the Chancery staff during these covid-19 times at our next session in September. I nevertheless did not want to neglect mentioning Fr Alexander's excellent contributions along with those of Archdeacon Joseph, Barry Migyanko and Deacon John, which have allowed this office to function smoothly and effectively in spite of the challenges. Working remotely most of the time, we have maintained a solid and consistent approach to the complexities of the primatial office, including the planning of numerous meetings such as this one.

5. *Agenda.* As you know from the agenda sent out by the Chancellor, tonight's meeting is limited, beyond the regular procedural matters, to three substantive items: a) an update on the finances of the Church and the election of a member of the auditing committee, b) an update on the work of the Property Committee and the consideration of a motion to engage a realtor, and c) an update on the All-American Council planning process and the consideration of a motion to postpone it until the year 2022. As a reminder, we are no longer considering tonight's meeting to be simply informational (as originally announced), but rather to be the first part of the regular Autumn Session of the Metropolitan Council which had been scheduled to be held on September 16 and 17. Those dates remain on the calendar and we may need to add a further meeting beyond them. I mention this to echo what Fr Alexander reminded us of in his communication today: we will have more time to consider the "traditional" subjects of the Metropolitan Council meeting (fuller reports from me and the Chancellor, actions following on some of the financial updates that will be presented this evening, the Pension Board, etc). Tonight our agenda is focused and our intention is to allow a full discussion on all three of the important decisions on the table. If necessary, we can defer any final decision until the next sessions in order to allow everyone to have an opportunity to express their thoughts and have their questions answered.

6. *Stewardship*. For this reason, I will limit my opening remarks to offering my general thoughts on each of the topics at hand. I do so with the expectation that the members of the Metropolitan Council will provide their input and also share the perspective of the respective dioceses they represent (or, in the case of the at-large delegates, the All-American Council) on each of these topics. My understanding of this body is that, while it does have clearly enumerated competencies in the Statute of the Orthodox Church in America, each of those can be subsumed under one overarching concept, which is that of stewardship. You are here to offer counsel to the Metropolitan and to share with him the concerns, needs, and support of the dioceses and the wider Church. I welcome that input and consider it an important and crucial component of the fulfillment of my responsibilities as the Primate of the autocephalous Orthodox Church in America. If you recall, stewardship is also one of the four pillars that I suggest contributes to the Apostolic work of the Church. It seems to me that the three matters we will consider this evening are precisely areas in which we are called to exercise good stewardship and I am grateful to have your counsel in this.
7. *Finances*. We will first hear this evening from our Treasurer, Andrew Smith, who will give us an update on the finances of the Church, especially as they have been impacted by the Covid-19 circumstances. From the outbreak of the coronavirus, Andrew took the initiative to begin assessing the potential financial impact with respect to the central administration, the dioceses, and the parishes. This body has participated in that process, particularly through the adoption of the resolution allowing for dioceses to proportionately delay the remittance of their financial contributions. In many cases, dioceses have engaged in a similar approach with respect to their parishes, and even parishes have had to take unique approaches when considering the financial stability of their community and their parishioners. To me, this is a wonderful example of shared stewardship and of an effort to arrive, not at a single, unified approach, but to move organically as a church, as a community which is composed of varied people and circumstances but is united in Christ. It is our Lord who most clearly reveals to us how the many parts of the body can work together in harmony and who shows us the way forward. I am confident

that Andrew and Susan, together with the Finance and Investment Committee, working with the treasurers and leadership of the dioceses, will continue to maintain the steady and sober approach already taken with respect to our church finances.

8. *Property Committee.* The second focused topic for this evening relates to the ongoing work of the Property Committee. I want to thank our two co-chairs, Greg Honshul and Ray Steeb, for their professional and committed leadership of this committee. I am also grateful to the other members of the committee, Fr Joseph Ciarciaolino, who connected us with the present realtor we will be considering, Fr Michael Anderson, Christopher Lewis, and Bogdan Popescu for their equally professional and energetic contributions to this committee. The Committee has a full presentation to make so I will not go into any detail here. However, I do feel it important to state that I truly see this process as an exercise in stewardship and I have personally been approaching it with an attitude of gratitude, discernment, and hope. The gratitude I have is for the present Chancery property, which is not just a building but must continue to be acknowledged as a significant historical and spiritual part of the life of the Orthodox Church in America. It has witnessed its share of ecclesiastical drama but it has also been the location of momentous ecclesiastical actions, decision, and visions. It has been blessed by the presence of significant figures such as Metropolitan Leonty and others. The discernment I hope to maintain is in reference to the process of following-up on the resolutions adopted by this Council, resolutions which I personally recommended and which I continue to support. Nevertheless, I am not prepared to act impulsively or carelessly. In this, I have been greatly assisted by the members of the Property Committee, who in many ways have helped me to refine my own thoughts about a potential relocation. That potential relocation comes with the related concern, which is the identification of new locations for the chancery, for my residence, and for the archives. This is where an attitude of hope is required. In spite of the complexities of this second stage of the process (and the first stage, which we are in now, is already complex enough), I remain hopeful that the end result of the process is one that will be spiritually, emotionally, and physically beneficial for the Orthodox Church in America. Anything less than a glorious, honorable, and

dignified solution in every aspect of this transition, anything that is not worthy of the founders, builders, and saints of the autocephalous Orthodox Church in America, should not be considered. If the current proposal that is under consideration is not able to provide this, either financially, or in terms of the dignity of the Church, or in the eyes of the clergy and faithful, then we should not pursue it. I say this, not because I am opposed to the present trajectory, but precisely because I support it, but I feel it important to share with you the inspiration behind my support.

9. *The All-American Council.* Finally, we will hear a report from Deacon Peter Ilchuk and consider a motion to postpone the All-American Council. Here again, we must have care for the stewardship, not only of a specific element of our ecclesiastical life, one which is enshrined in our Statute, and one which represents one unique aspect of our mission as the Church in North America. Not only for these things, but for the sense of community and unity that we share as the dioceses and parishes of the Orthodox Church in America. There is no question about the importance and need for the All-American Council to be convened. What is in question is the relative value of maintaining course and holding the All-American Council as scheduled in Baltimore in July of 2021 in all its fullness and complexity or to defer it to the following year (2022) when it may be more likely that that fullness and complexity can be organized. A modified Council next year might be considered, for example a reduction in the number of delegates or a fully virtual reality event. To me, that option would only be warranted in the case of extreme need or to consider significant actions. While the vision and mission of the Church is always significant, they are not fully dependent on the gathering of the church in July of next year. The mission and vision of the Church will remain a priority in 2022. In addition, the All-American Council has been postponed in the past for less weighty reasons than the current pandemic and so we must be mindful of these very real and serious challenges that confront us now, and may confront us for months to come. Is the promise of a vaccine enough to allay the fears and hesitations of our clergy and faithful? Is the hope that things will be back to normal by January enough to invest the effort and financial commitment in the

preparations and hotel negotiations for a council that might not be allowed to take place?

10. *Final notes:* We will be recording this meeting so that Alex can take minutes more carefully. In addition, everyone is blessed to speak so you don't have to ask me each time for a blessing

11. *Final Word.* As a final pastoral word, I would simply note that, during the past several months, there has been a lot of pressure to "do more" because of a false sense that, during this quarantine, no one is doing anything and we have lots of free time. I believe that all of us have felt this sense of pressure to do more and at the same time the anxiety of feeling that we have not done anything. So I would simply recommend that all of us make a conscious effort not to do too much. In many ways, the stress of dealing with the pandemic requires enough effort and energy to qualify as extraordinary work. Don't try to fix or resolve everything; don't try to accomplish remarkable feats. Just take your time: set a goal to read one paragraph rather than an entire book; go for a walk when you feel the weight of things; talk to your relatives on the phone when you are tired of zoom meetings. Above all, try to remember to rest. As the psalmist says: "I laid down and I slept, I awoke, for the Lord will help me." Sometimes the greatest spiritual nourishment comes when we recognize that we are tired and we allow God to refresh us through sleep.

Orthodox Church in America

Metropolitan Council Meeting – August 27, 2020

Finance Matters

- * FY 19 Audit – **Attachment A**
For information, brief discussion, to be formally received in September
- * FY 20 financial performance (Treasurer’s Q2 2020 report) – **Attachment B**
For information & brief discussion
- * CARES Act/Paycheck Protection Program (PPP) – **Attachment C**
For information & brief discussion
- * FY20 surplus use – **Attachment C**
For discussion with potential action in September
- * Internal Audit Committee appointment & plan for virtual audit – **Attachments D & E**
For discussion & action

Suggested Motion: *To appoint Maha Adranly to the Internal Audit Committee and allow staff to work with the Internal Audit Committee to conduct an audit in the 4th Quarter of 2020 virtually, due to the coronavirus pandemic.*

- * Preliminary FY21 Budget – **Attachment F**
Brief discussion with action to adopt in September

**THE ORTHODOX CHURCH IN AMERICA
FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
The Orthodox Church in America

We have audited the accompanying financial statements of The Orthodox Church in America (a nonprofit Church), which comprise the statements of financial position as of December 31, 2019, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Orthodox Church in America as of December 31, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter – Adopted of New Accounting Principle

As discussed in Note 2 to the financial statements, The Orthodox Church in America has adopted FASB Accounting Standards Update 2016-18, *Restricted Cash*. Our opinion is not modified with respect to this matter.

Other Matters

Adjustments to prior period Financial Statements

The financial statements of The Orthodox Church in America as of December 31, 2018 were audited by other auditors whose report dated October 9, 2019, expressed an unmodified opinion on those financial statements. As described in Note 14 to the financial statements, the Church has adjusted its 2018 financial statements for the correction of an error. The other auditors reported on the financial statements before the restatement.

As part of our audit of the 2019 financial statements, we also audited the correction of an error to the 2018 financial statements as described in Note 14. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to The Orthodox Church in America's 2018 financial statements other than with respect to the adjustments and, accordingly, we do not express an opinion or provide any form of assurance on the 2018 financial statements as a whole.

A handwritten signature in blue ink that reads "Satty, Levine & Ciacco CPAs PC".

Satty, Levine & Ciacco, CPAs, P.C.
Melville, New York
August 4, 2020

**THE ORTHODOX CHURCH IN AMERICA
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2019 AND 2018**

	2019	(Restated) 2018
ASSETS:		
Cash and cash equivalents	\$ 383,990	\$ 271,319
Restricted cash	415,360	124,998
Investments:		
Endowment pool fund	1,432,836	1,202,297
St. Andrew endowment fund	125,152	100,479
FOS endowment fund	86,866	68,887
Missions endowment fund	935,810	731,069
Annuity and unitrust fund	148,091	147,854
	<u>2,728,755</u>	<u>2,250,586</u>
Accounts receivable, net	196,386	193,512
Grant receivable	-	345,700
Note receivable	150,000	150,000
Prepaid expenses	3,500	21,777
Property and equipment, net	341,159	364,832
	<u>4,219,150</u>	<u>3,722,724</u>
TOTAL ASSETS	<u>\$ 4,219,150</u>	<u>\$ 3,722,724</u>
LIABILITIES AND NET ASSETS:		
LIABILITIES:		
Accounts payable and accrued expenses	\$ 69,314	\$ 46,673
Retirement obligations	37,552	37,552
Annuity and unitrust agreements	106,527	109,479
	<u>213,393</u>	<u>193,704</u>
TOTAL LIABILITIES	<u>213,393</u>	<u>193,704</u>
NET ASSETS:		
Without donor restrictions		
Undesignated	245,606	147,967
Invested in property and equipment	341,159	364,832
	<u>586,765</u>	<u>512,799</u>
Total without donor restrictions	586,765	512,799
With donor restrictions	3,418,992	3,016,221
	<u>4,005,757</u>	<u>3,529,020</u>
TOTAL NET ASSETS	<u>4,005,757</u>	<u>3,529,020</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 4,219,150</u>	<u>\$ 3,722,724</u>

See independent auditors' report and notes to financial statements.

THE ORTHODOX CHURCH IN AMERICA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
OPERATING SUPPORT, REVENUES AND RECLASSIFICATIONS			
Support:			
Diocesan contributions	\$ 1,725,504	\$ -	\$ 1,725,504
General contributions	6,765	3,383	10,148
SOCA	68,075	8,654	76,729
Missions	-	2,275	2,275
Seminary	-	878	878
Charity	-	696	696
Donated services	3,980	-	3,980
Total support	<u>1,804,324</u>	<u>15,886</u>	<u>1,820,210</u>
Revenues:			
Interest and dividends	94	58,478	58,572
Investment income, net	-	421,296	421,296
Other revenue	18,395	1,225	19,620
Total revenues	<u>18,489</u>	<u>480,999</u>	<u>499,488</u>
Reclassifications:			
Net assets released from restrictions	<u>103,481</u>	<u>(103,481)</u>	<u>-</u>
Total operating support, revenue and reclassifications	<u>1,926,294</u>	<u>393,404</u>	<u>2,319,698</u>
EXPENSES:			
Program services	605,335	-	605,335
General and administrative	1,180,637	-	1,180,637
Development	66,356	-	66,356
Total expenses	<u>1,852,328</u>	<u>-</u>	<u>1,852,328</u>
Change in net assets from operations	73,966	393,404	467,370
Nonoperating activities			
Change in actuarial value of annuities and unitrusts	-	2,952	2,952
Investment income, net	-	6,415	6,415
Total operating activities	<u>-</u>	<u>9,367</u>	<u>9,367</u>
Change in net assets	73,966	402,771	476,737
Net assets at beginning of year (restated)	<u>512,799</u>	<u>3,016,221</u>	<u>3,529,020</u>
Net assets at end of year	<u>\$ 586,765</u>	<u>\$ 3,418,992</u>	<u>\$ 4,005,757</u>

See independent auditors' report and notes to financial statements.

THE ORTHODOX CHURCH IN AMERICA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>(Restated) Total</u>
OPERATING SUPPORT, REVENUES AND RECLASSIFICATIONS			
Support:			
Diocesan contributions	\$ 1,722,724	\$ -	\$ 1,722,724
General contributions	97,296	3,376	100,672
SOCA	-	74,703	74,703
Grants	-	519,700	519,700
Missions	-	1,625	1,625
Seminary	-	5,284	5,284
Charity	-	1,120	1,120
Donated services	5,260	-	5,260
Total support	<u>1,825,280</u>	<u>605,808</u>	<u>2,431,088</u>
Revenues:			
All-American council income	-	422,436	422,436
Interest and dividends	90	57,515	57,605
Investment income, net	-	(299,315)	(299,315)
Other revenue	29,428	-	29,428
Total revenues	<u>29,518</u>	<u>180,636</u>	<u>210,154</u>
Reclassifications:			
Net assets released from restrictions	<u>601,149</u>	<u>(601,149)</u>	<u>-</u>
Total operating support, revenue and reclassifications	<u>2,455,947</u>	<u>185,295</u>	<u>2,641,242</u>
Expenses:			
Program services	1,014,642	-	1,014,642
General and administrative	1,244,489	-	1,244,489
Development	101,092	-	101,092
Total expenses	<u>2,360,223</u>	<u>-</u>	<u>2,360,223</u>
Change in net assets from operations	95,724	185,295	281,019
Nonoperating activities			
Change in actuarial value of annuities and unitrusts	-	5,010	5,010
Investment income, net	-	(1,635)	(1,635)
Total operating activities	<u>-</u>	<u>3,375</u>	<u>3,375</u>
Change in net assets	95,724	188,670	284,394
Net assets at beginning of year	<u>417,075</u>	<u>2,827,551</u>	<u>3,244,626</u>
Net assets at end of year	<u>\$ 512,799</u>	<u>\$ 3,016,221</u>	<u>\$ 3,529,020</u>

See independent auditors' report and notes to financial statements.

**THE ORTHODOX CHURCH IN AMERICA
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019**

	PROGRAM SERVICES						SUPPORTING SERVICES			TOTAL	
	Departmental Ministries	History and Archives	External Affairs	Education and committees	Missions and Grants	Other	Total Program Services	Management and General	Development		Total Supporting Services
EXPENSES:											
Salaries, wages and benefits	\$ 57,625	\$ 110,322	\$ 38,887	\$ 44,695	\$ -	\$ 81,744	\$ 333,273	\$ 758,840	\$ 28,560	\$ 787,400	\$ 1,120,673
Transportation, travel, meals and related expenses	24,985	133	13,404	1,655	-	52,289	92,466	120,608	-	120,608	213,074
Professional fees and other outside services	20,865	12,136	-	19,060	-	2,999	55,060	44,282	33,000	77,282	132,342
Scholarships, grants and other assistance	3,000	-	-	-	36,000	25,896	64,896	-	-	-	64,896
Equipment, supplies and other religious materials	3,548	4,370	1,835	261	-	2,989	13,003	39,438	1,256	40,694	53,697
Repairs and maintenance	-	-	-	-	-	-	-	41,048	-	41,048	41,048
Utilities	-	-	-	-	-	37	37	25,691	-	25,691	25,728
Telephone	1,275	-	2,365	-	-	334	3,974	19,511	2,415	21,926	25,900
Insurance	-	-	-	-	-	-	-	43,436	-	43,436	43,436
Printing, postage and delivery services	-	-	-	37	-	7,940	7,977	8,771	1,125	9,896	17,873
Dues, fee and subscriptions	15,226	200	11,224	37	-	-	26,687	3,495	-	3,495	30,182
Conferences and meetings	4,669	-	3,191	-	-	-	7,860	1,144	-	1,144	9,004
Bank charges	-	-	-	75	-	27	102	2,307	-	2,307	2,409
Depreciation expense	-	-	-	-	-	-	-	29,077	-	29,077	29,077
Facility payment in lieu of taxes	-	-	-	-	-	-	-	40,103	-	40,103	40,103
Payroll processing fees	-	-	-	-	-	-	-	2,886	-	2,886	2,886
TOTAL EXPENSES	\$ 131,193	\$ 127,161	\$ 70,906	\$ 65,820	\$ 36,000	\$ 174,255	\$ 605,335	\$ 1,180,637	\$ 66,356	\$ 1,246,993	\$ 1,852,328

See independent auditors' report and notes to financial statements.

**THE ORTHODOX CHURCH IN AMERICA
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018**

	PROGRAM SERVICES							SUPPORTING SERVICES			TOTAL	
	All-American Council	Departmental Ministries	History and Archives	External Affairs	Education and committees	Missions and Grants	Other	Total Program Services	Management and General	Development		Total Supporting Services
EXPENSES:												
Salaries, wages and benefits	\$ 10,625	\$ 53,700	\$ 102,978	\$ 38,770	\$ 50,805	\$ -	\$ 14,227	\$ 271,105	\$ 795,490	\$ -	\$ 795,490	\$ 1,066,595
Transportation, travel, meals and related expenses	262,016	7,920	543	15,988	6,838	-	64,452	357,757	123,277	-	123,277	481,034
Professional fees and other outside services	26,929	7,940	1,250	-	19,025	-	48,433	103,577	55,878	93,215	149,093	252,670
Scholarships, grants and other assistance	13,605	-	-	-	-	95,333	27,207	136,145	20	-	20	136,165
Equipment, supplies and other religious materials	12,510	1,490	375	-	-	-	69,932	84,307	53,522	6,999	60,521	144,828
Repairs and maintenance	-	-	-	-	-	-	-	-	41,644	-	41,644	41,644
Utilities	-	-	-	-	-	-	29	29	27,394	-	27,394	27,423
Telephone	402	991	-	4,550	-	-	376	6,319	14,329	878	15,207	21,526
Advertising	-	-	-	-	-	-	-	-	375	-	375	375
Insurance	-	-	-	-	-	-	-	-	43,495	-	43,495	43,495
Printing, postage and delivery services	8,422	468	-	-	-	-	1,281	10,171	11,974	-	11,974	22,145
Dues, fee and subscriptions	-	14,063	180	10,853	-	-	-	25,096	5,338	-	5,338	30,434
Conferences and meetings	17,898	1,863	-	300	-	-	-	20,061	2,565	-	2,565	22,626
Bank charges	49	-	-	-	-	-	26	75	5,693	-	5,693	5,768
Depreciation expense	-	-	-	-	-	-	-	-	19,931	-	19,931	19,931
Facility payment in lieu of taxes	-	-	-	-	-	-	-	-	40,102	-	40,102	40,102
Payroll processing fees	-	-	-	-	-	-	-	-	3,462	-	3,462	3,462
TOTAL EXPENSES	\$ 352,456	\$ 88,435	\$ 105,326	\$ 70,461	\$ 76,668	\$ 95,333	\$ 225,963	\$ 1,014,642	\$ 1,244,489	\$ 101,092	\$ 1,345,581	\$ 2,360,223

See independent auditors' report and notes to financial statements.

**THE ORTHODOX CHURCH IN AMERICA
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

	2019	(Restated) 2018
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Change in net assets	\$ 476,737	\$ 284,394
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation expense	29,077	19,931
Net (appreciation) depreciation in fair market value of investments	(330,714)	284,907
Net change in actuarial value of annuities and unitrusts	(2,952)	(5,010)
(Increase) decrease in:		
Accounts receivable	(2,874)	80,934
Grant receivable	345,700	(345,700)
Prepaid expenses	18,277	(1,551)
Increase (decrease) in:		
Accounts payable and accrued expenses	22,641	(122,975)
Retirement obligations	-	(448)
TOTAL ADJUSTMENTS	79,155	(89,912)
Net cash provided by operating activities	<u>555,892</u>	<u>194,482</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Additions of property and equipment	(5,404)	(99,294)
Note receivable	-	(150,000)
Proceeds from sale of investments	587,645	758,524
Purchase of investments	(735,100)	(650,307)
Net cash (used in) investing activities	<u>(152,859)</u>	<u>(141,077)</u>
Net increase in cash and restricted cash	403,033	53,405
Cash and restricted cash - beginning of year	<u>396,317</u>	<u>342,912</u>
Cash and restricted cash - end of year	<u><u>\$ 799,350</u></u>	<u><u>\$ 396,317</u></u>

See independent auditors' report and notes to financial statements.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 1. ORGANIZATION AND BASIS OF ACCOUNTING AND PRESENTATION

A. ORGANIZATION

The Orthodox Church in America, ("the Church") was originally founded as a mission and later became a diocese in the Orthodox Church of Russia, uniting in its fold Orthodox Christians of various national backgrounds and traditions. It subsequently developed into a self-governing Metropolitanate, the Russian Orthodox Greek Catholic Church of America. Confirmation as an Autocephalous Church was accomplished by the action of the Patriarch and Holy Synod of Russia on April 10, 1970. The Church was proclaimed an Autocephalous Church on October 19, 1970, at the sessions of the All-American Council held at St. Tikhon's Monastery in South Canaan, Pennsylvania.

The Church is an Autocephalous Church with territorial jurisdiction in the United States of America and the Commonwealth of Canada. Its doctrine, discipline, and worship are those of the One, Holy, Catholic, and Apostolic Church as taught by the Holy Scriptures, Holy Tradition, the Ecumenical and Provincial Councils, and the Holy Fathers.

B. BASIS OF ACCOUNTING

The financial statements of the Church have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

C. BASIS OF PRESENTATION

The financial statements of The Orthodox Church in America have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require The Orthodox Church in America to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Church. These net assets may be used at the discretion of The Orthodox Church in America's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of The Orthodox Church in America or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

D. MEASURE OF OPERATIONS

The statements of activities report all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to The Orthodox Church in America's ongoing services and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

See independent auditors' report.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. CASH AND CASH EQUIVALENTS

The Church considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

B. INVESTMENTS

Investments are reported at cost, if purchased, or at fair value, if donated. Thereafter, investments are reported at their fair values in the statements of financial position, and changes in fair value are reported as investment return in the statements of activities. Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are based on average cost and are recorded in the statements of activities in the period in which the securities are sold. Interest is recorded when earned. Dividends are accrued as of the ex-dividend date.

C. FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. US GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs). The Church groups assets at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

Level 1: Unadjusted quoted market prices for identical assets and liabilities in active markets as of the measurement date.

Level 2: Other observable inputs, either directly or indirectly, including:

- Quoted prices for similar assets and liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in markets that are not active.
- Inputs other than quoted prices that are observable for the asset/liability.
- Inputs that are derived principally from, or corroborated by, other observable market data.

Level 3: Unobservable inputs that cannot be corroborated by observable market data.

D. ACCOUNTS RECEIVABLE

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to the valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Management has determined that no allowance is needed at December 31, 2019 and 2018.

E. PROPERTY AND EQUIPMENT

Building and equipment are stated at cost or at their estimated fair market value if donated. Costs in excess of \$3,000 and the value of donated property and equipment are capitalized. Depreciation is provided on the straight-line method over the estimated useful life of the asset. The estimated useful lives of assets are as follows:

Building and improvements	5-40 years
Furniture, fixtures and equipment	5-7 years
Auto and truck	3-10 years
Software	5-7 years

See independent auditors' report.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. ENDOWMENT INVESTMENT AND SPENDING POLICIES

The Church maintains master investment accounts for its donor-restricted endowments. Realized and unrealized gains and losses from securities in the master investment accounts are allocated monthly to the individual endowments based on the relationship of the market value of each endowment to the total market value of the master investment accounts, as adjusted for additions to or deductions from those accounts. In classifying such funds for financial statement purposes as either net assets with donor restrictions or net assets without donor restrictions, the Board of Trustees looks to the explicit directions of the donor where applicable and the provisions of the laws of the State of New York. The Trustees have determined that, absent donor stipulations to the contrary, the provisions of New York State law do not impose either a permanent or temporary restriction on the income or capital appreciation derived from the original gift.

The Board of Trustees, acting through its Investment Committee, has established an endowment spending policy to support the current level of income needed from the endowment, while sustaining the long-term purchasing power of the endowment assets over the long-term.

The Church follows investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Church must hold in perpetuity, or for donor-specified periods. Under this policy, the endowment assets are invested in a manner that is intended to maximize returns while assuming a conservative level of investment risk. Actual returns in any given year may vary.

To satisfy its long-term rate-of-return objectives, the Church relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Church targets a well-diversified and balanced asset allocation portfolio to achieve its long-term return and growth objectives within prudent risk constraints.

G. CONTRIBUTIONS AND DIOCESAN ASSESSMENTS

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Diocesan contributions or assessments are recorded as revenue in the year the dioceses are assessed. Such revenue is calculated and assessed based upon an approved percentage of each diocese's budget.

See independent auditors' report.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. CONTRIBUTED SERVICES

Contributed services are recognized as contributions at their estimated fair value in accordance with the Financial Accounting Standards Board authoritative guidance on *Accounting for Contributions Received and Contributions Made*, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills and would otherwise be purchased.

For the years ended December 31, 2019 and 2018, The Orthodox Church in America received donated professional services in the amount of approximately \$3,980 and \$5,260, respectively.

I. FUNCTIONAL EXPENSE ALLOCATION

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities and functional expenses. Expenses which are easily and directly associated with a particular program or supporting service are charged directly to that functional area. Certain other expenses have been allocated among the program and supporting services benefited. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries, wages and benefits	Time and effort
Transportation, travel, meals and related expenses	Actual or time and effort
Professional fees and other outside services	Actual or time and effort
Scholarship, grants and other assistance	Actual
Other	Actual, square footage or time and effort

J. USE OF ESTIMATES

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. On an ongoing basis, management evaluates the estimates and assumptions based on new information. Management believes that the estimates and assumptions are reasonable in the circumstances; however, actual results could differ from those estimates.

K. IMPAIRMENT LOSSES

Management reviews property and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. Impairment is measured at the amount by which the carrying value exceeds the asset's fair value. If the asset is determined to be impaired, an impairment loss is recognized as a non-operating expense (non-cash) in the year the impairment was determined. There were no impairment losses recognized during the years ended December 31, 2019 and 2018.

L. INCOME TAXES

The Church is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code and comparable New York State law. Contributions to it are tax deductible within the limitations prescribed by the code.

The most significant tax positions of the Church are its assertion that it is exempt from income taxes and its determination of whether any amounts are subject to unrelated business tax. All significant tax positions have been considered by management. It has been determined that it is more likely than not that all tax positions would be sustained upon examination by taxing authorities.

See independent auditors' report.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. RECLASSIFICATION

Certain amounts in the prior year's financial statements have been reclassified to conform to the current year's presentation.

N. ANNUITY AGREEMENTS

The Church established gift annuities whereby donors may contribute assets in exchange for the right to receive an annual return during their lifetime. This transaction provides for a portion of the transfer to be considered a charitable contribution for income tax purposes. The difference between the amount of the annuity and the liability for future payments, determined on an actuarial basis, is recognized as income at the date of gift. The actuarial liability for annuities payable is evaluated annually (giving effect to investment income and payments to annuitants) and any surplus or deficiency is recognized as change in actuarial value of annuities and unitrusts in the statements of activities. Assets held for annuities payable totaled \$72,245 at December 31, 2019 (\$76,120 in 2018). The present value of the remaining future liability to be distributed by the Church amounted to \$61,042 in 2019 and \$65,279 in 2018.

O. UNITRUST AGREEMENTS

The Church is named as beneficiary of various charitable remainder unitrusts and acts as the trustee. These agreements provide for the payment of lifetime distributions to the grantor or other designated beneficiaries. Upon receipt of these agreements, the actuarially determined present value of future payments is recorded as a liability. The remaining portion of the trust attributable to the Church's future interest is recorded in the statements of activities as contributions with donor restrictions in the period received. On an annual basis, the present value of the remaining future liability is revalued based upon actuarial assumptions. Assets held in the charitable remainder unitrusts totaled \$75,846 at December 31, 2019 (\$71,734 at December 31, 2018). The present value of the remaining future liability to be distributed by the Church is calculated using various rates and applicable mortality tables and totaled \$45,485 at December 31, 2019 (\$44,200 at December 31, 2018).

P. NEWLY ADOPTED ACCOUNTING PRINCIPLES

Effective January 1, 2019, the Church adopted Accounting Standards Update 2016-18, *Restricted Cash*, which prescribed that amounts generally described as restricted cash are required to be included in the total cash and cash equivalents on the statement of cash flows. The total must reconcile to the same amounts on the statement of financial position. The effect of the adoption of this standard was to include the restricted cash portion in the beginning of the years' total cash shown on the statements of cash flows by \$124,998.

The Church has adopted and applied retrospectively to all periods presented the standard to the financial statements and thus has provided the following reconciliation:

	<u>2019</u>	<u>2018</u>
Cash	\$ 383,990	\$ 271,319
Restricted cash	415,360	124,998
Total cash and restricted cash accounts shown in the statement of cash flows	<u>\$ 799,350</u>	<u>\$ 396,317</u>

In June 2018, the FASB issued ASU 2018-08, Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. The new guidance clarifies the definition of an exchange transaction and the criteria for evaluating whether contributions are unconditional or conditional. ASU 2018-08 was applied on a modified prospective basis to agreements that were not completed at January 1, 2019, or that were entered into after that date. The guidance under the ASU did not have a significant impact on the Church's financial statements.

See independent auditors' report.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 3. AVAILABILITY AND LIQUIDITY

The following represents The Orthodox Church in America's financial assets at December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 383,990	\$ 271,319
Restricted cash	415,360	124,998
Investments	2,728,755	2,250,586
Accounts receivable, net	196,386	193,512
Grant receivable	-	345,700
Total financial assets	<u>3,724,491</u>	<u>3,186,115</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	<u>3,418,992</u>	<u>3,016,221</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 305,499</u>	<u>\$ 169,894</u>

The Church's goal is generally to maintain financial assets to meet the general operating expenses.

NOTE 4. RESTRICTED CASH

The cash is restricted for the purpose of the thriving in ministry initiative grant. Restricted cash at December 31, 2019 and 2018 consisted of the following:

	<u>2019</u>	<u>2018</u>
Restricted cash - Thriving in ministry program	<u>\$ 415,360</u>	<u>\$ 124,998</u>

NOTE 5. INVESTMENTS

Investments are reported at fair value in accordance with authoritative guidance issued by the Financial Accounting Standards Board on *Accounting for Certain Investments Held by Not-for-Profit Organizations*. Fair value is determined by using quoted market prices, where available. When quoted market prices are not available, the present value of estimated or expected future cash flows or another reasonable method is used.

Investments as of December 31, 2019 and 2018 are summarized as follows:

	<u>2019</u>	<u>2018</u>
Corporate equity securities	\$ 2,078,111	\$ 1,577,850
Money market funds	444,529	493,893
Fixed income securities	60,849	19,741
Mutual funds	73,021	82,982
Annuity investments	72,245	76,120
	<u>\$ 2,728,755</u>	<u>\$ 2,250,586</u>

At December 31, 2019 and 2018, all investments were considered level 1 investments, except for the annuity investments which were considered level 2 investments.

See independent auditors' report.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 6. PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2019 and 2018 consisted of the following:

	<u>2019</u>	<u>2018</u>
Land (non-depreciable)	\$ 45,000	\$ 45,000
Archive room improvements in progress (non-depreciable)	104,067	104,067
Building and improvements	570,508	570,508
Furniture, fixtures and equipment	200,787	195,384
Software	33,000	33,000
Total property and equipment	<u>953,362</u>	<u>947,959</u>
Less: Accumulated depreciation	<u>(612,203)</u>	<u>(583,127)</u>
Property and equipment, net	<u>\$ 341,159</u>	<u>\$ 364,832</u>

NOTE 7. EMPLOYEE BENEFIT PLANS

PENSION PLANS:

Substantially all full-time employees participate in The Orthodox Church in America Pension Plan (Plan). This multi-employer plan, administered by the pension board of the Church, is a contributory plan, and provides defined benefits based on years of service and remuneration near retirement. The risks of participating in this multi-employer plan differ from single-employer plans in the following aspects:

- a) Assets contributed to the Plan by one employer may be used to provide benefits to employees of other participating employers;
- b) If a participating employer stops contributing to the Plan, the unfunded obligations of the Plan may be borne by the remaining participating employers;
- c) if the Church chooses to stop participating in the Plan, it may be required to pay to the Plan an amount based on the underfunded status of the Plan, referred to as a withdrawal liability.

Eligible employees are all employees of the Church and its related entities, except for employees that are older than age 60 and have not elected to be part of the Plan. Bishops and priests become members of the Plan on the first day of the month after they begin service with the Church. Full-time employees are eligible to participate in the Plan on the first day of the month after their date of hire. Participants with five years of services are entitled to pension benefits upon retirement. Pension benefits are provided to participants under several types of retirement options based upon years of service and age. Retirement benefits are paid to pensioners or beneficiaries in various forms of joint and survivor annuities, including a lump-sum payment option. Pension expense, representing the Church's required contribution to the Plan, was \$54,451 in 2019 and \$57,762 in 2018. The contribution made by the Church represented approximately 2.06% and 2.25% of the total contributions made to the Plan in December 31, 2019 and 2018, respectively. To the extent the Plan is underfunded, future contributions to the Plan may increase.

The Plan is a non-electing church plan which means the Plan sponsor has not elected to be covered by the terms of the Employee Retirement Income Security Act of 1974 (ERISA), and is not required to file Form 5500. The Plan's fiscal year is from January 1 to December 31.

See independent auditors' report.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 7. EMPLOYEE BENEFIT PLANS (continued)

The following table discloses the name and funded status of the Plan as of January 1, 2020 and 2019 (the date of the latest actuarial valuation), inclusive of the fair value of plan assets as December 31, 2019 and 2018:

<u>The Orthodox Church in America Pension Plan (Plan EIN: 06-1455789)</u>	<u>Actuarial present value of accumulated plan benefits</u>	<u>Fair value of plan assets</u>	<u>Total net contributions</u>	<u>Funded Status</u>
2019	\$ 55,648,391	\$ 24,957,647	\$ 2,642,534	44.85%
2018	\$ 52,989,527	\$ 22,081,351	\$ 2,567,215	41.67%

OTHER RETIREMENT BENEFITS:

In 2007, the Church entered into an agreement with a former employee whereby the Church agreed to make monthly payments of \$950 to the former employee in lieu of retirement benefits from the separate Orthodox Church in American Pension Plan. The agreement exists to rectify a situation whereby the former employee had been improperly excluded from participation in the Orthodox Church in America Pension Plan, and will continue until the former employee's death. Payments related to this agreement amounted to \$11,400 for each of the years ended December 31, 2019 and 2018. The actuarially calculated liability for future payments under this obligation amounted to approximately \$37,000 each year.

NOTE 8. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes:

Net assets with donor restrictions, time and purposes were available for the following purposes as of December 31, 2019 and 2018:

	<u>2018</u>	<u>Additions/ Investment Activities</u>	<u>Release</u>	<u>2019</u>
Mission churches	\$ 878,320	\$ 207,490	\$ -	\$ 1,085,810
Thriving in ministries	470,698	-	56,921	413,777
Archives fund	106,954	-	15,993	90,961
Restricted endowments excess earnings	228,648	139,164	-	367,812
General purpose endowment excess earnings	131,571	75,457	-	207,028
Charity	68,923	695	17	69,601
Theological education - academic fellowship	59,300	-	-	59,300
Publication reserve fund	29,556	-	-	29,556
Seminary appeal	4,760	878	-	5,638
Youth director	-	54,907	11,781	43,126
Other	-	18,294	18,769	(475)
	<u>\$ 1,978,730</u>	<u>\$ 496,885</u>	<u>\$ 103,481</u>	<u>2,372,134</u>
Donor restricted endowment funds				
General purposes				240,736
Restricted purposes				775,762
Charitable remainder unitrust				<u>30,360</u>
Total net assets with donor restrictions				<u>\$ 3,418,992</u>

See independent auditors' report.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 8. NET ASSETS WITH DONOR RESTRICTIONS (continued)

	2017	Additions/ Investment Activities	Release	2018
Mission churches	\$ 952,143	\$ 21,510	\$ 95,333	\$ 878,320
Thriving in ministries	-	470,698	-	470,698
Archives fund	174,304	-	67,350	106,954
Restricted endowments excess earnings	296,822	(68,174)	-	228,648
General purpose endowment excess earnings	164,668	(33,097)	-	131,571
Charity	70,803	1,120	3,000	68,923
Theological education - academic fellowship	59,300	-	-	59,300
Publication reserve fund	29,556	-	-	29,556
Seminary appeal	2,677	5,285	3,202	4,760
All-American council		422,436	422,436	-
Other	43,162	(33,334)	9,828	-
	<u>\$ 1,793,435</u>	<u>\$ 786,444</u>	<u>\$ 601,149</u>	<u>1,978,730</u>
Donor restricted endowment funds				
General purposes				237,541
Restricted purposes				775,762
Charitable remainder unitrust				<u>24,188</u>
Total net assets with donor restrictions				<u>\$ 3,016,221</u>

NOTE 9. ENDOWMENTS

The Church's endowments consist of approximately 40 individual funds established for a variety of purposes. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Church classifies as donor-restricted net assets (a) the original value of gifts donated to the donor-restricted endowment, (b) the original value of subsequent gifts to the donor-restricted endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund is classified as donor-restricted net assets until those amounts are appropriated for expenditure by the Church. The Church considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- 1) The duration and preservation of the fund.
- 2) The purposes of the Church and the donor-restricted endowment fund.
- 3) General economic conditions.
- 4) The possible effect of inflation and deflation.
- 5) The expected total return from income and the appreciation of investments.
- 6) Other resources of the Church.
- 7) The investment policies of the Church.

See independent auditors' report.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 9. ENDOWMENTS (continued)

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or endowment agreement requires the Church to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature would be reported in net assets without donor restrictions and that future gains be allocated to net assets without donor restrictions until such losses have been restored.

The following represents a detail of the donor-restricted endowment net asset composition:

	With Purpose Restrictions	To be Held in Perpetuity	Total
Donor restricted endowments for 2019:			
General purposes	\$ 207,028	\$ 240,736	\$ 447,764
Restricted purposes	367,812	775,762	1,143,574
Total endowment funds	<u>\$ 574,840</u>	<u>\$ 1,016,498</u>	<u>\$ 1,591,338</u>
Endowment net assets, January 1, 2019	<u>\$ 360,219</u>	<u>\$ 1,013,303</u>	<u>\$ 1,373,522</u>
Investment return:			
Interest and dividend income, net of fees	33,552	-	33,552
Realized and unrealized gains	181,069	-	181,069
Total investment return	214,621	-	214,621
Contributions	-	3,195	3,195
Endowment net assets, December 31, 2019	<u>\$ 574,840</u>	<u>\$ 1,016,498</u>	<u>\$ 1,591,338</u>
Donor restricted endowments for 2018:			
General purposes	\$ 131,571	\$ 237,541	\$ 369,112
Restricted purposes	228,648	775,762	1,004,410
Total endowment funds	<u>\$ 360,219</u>	<u>\$ 1,013,303</u>	<u>\$ 1,373,522</u>
Endowment net assets, January 1, 2018	<u>\$ 316,020</u>	<u>\$ 1,009,928</u>	<u>\$ 1,325,948</u>
Investment return:			
Interest and dividend income, net of fees	124,880	-	124,880
Realized and unrealized losses	(80,681)	-	(80,681)
Total investment return	44,199	-	44,199
Contributions	-	3,375	3,375
Endowment net assets, December 31, 2018	<u>\$ 360,219</u>	<u>\$ 1,013,303</u>	<u>\$ 1,373,522</u>

NOTE 10. LEASE COMMITMENTS

The Church leases office equipment under non-cancellable operating leases. Expenses related to these leases amounted to \$15,775 in 2019 and \$19,840 in 2018. Estimated future minimum lease payments by year and in the aggregate under the leases consist of the following:

<u>December 31,</u>	
2020	<u>\$ 6,435</u>

See independent auditors' report.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 11. RELATED PARTY TRANSACTIONS

Note receivable consists of a \$150,000 promissory note from the Orthodox Church Capital Improvement Fund. The Promissory Note is dated May 21, 2018, with interest at 2.75%. The note calls for monthly interest only payments of \$343.75 for 59 months commencing December 20, 2018 with a balloon payment of the principal balance of \$150,000 due December 20, 2023.

NOTE 12. CONTINGENCIES

The Church, in the normal course of its operations, is a party to various legal proceedings and complaints, some of which are covered by insurance. While it is not feasible to predict the ultimate outcomes of such matters, management of the Church is not aware of any claims or contingencies, which are not covered by insurance that would have a material adverse effect on the Church's financial position, changes in net assets or cash flows.

NOTE 13. CONCENTRATION OF CREDIT RISK

The Church maintains all of its cash, cash equivalents and investments in high credit quality financial intuitions. Accounts at the institutions are either insured by the Federal Depository Insurance Corporation ("FDIC") or the Securities Investor Protection Corporation ("SIPC"). The FDIC insured limit for the years ended December 31, 2019 and 2018 was \$250,000. The SIPC insured limit for the years ended December 31, 2019 and 2018 was \$500,000. At December 31, 2019 and 2018, the Church had assets that were in excess of the insured limits.

The Church's revenues are primarily from Diocesan contributions, general supports and investment incomes.

NOTE 14. PRIOR PERIOD ADJUSTMENT

During the year ended December 31, 2019, management discovered that the accounts payable was overstated by \$46,559 in the previous year. The effect of the restatement on the financial statements was to increase beginning net assets and decrease the accounts payable by \$46,559.

NOTE 15. SUBSEQUENT EVENTS

The Church has evaluated events and transactions that occurred through August 4, 2020, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

The Church's operations will be affected by the recent and ongoing outbreak of the coronavirus disease 2019 (COVID-19) which in March 2020, has been declared a pandemic by the World Health Organization. The ultimate disruption which will be caused by the outbreak is uncertain; and management, at this time, cannot reasonably estimate the amount of impact it will have on the Organization's financial position, operations and cash flows. Possible areas that may be affected include, but are not limited to, disruption to the Church's special events and sponsorship and the possible decline in value of investments owned by the Church.



ORTHODOX CHURCH in AMERICA

Treasurer's Report

Quarter-End - June 30, 2020

Your Beatitude, Your Eminences, Your Graces, Reverend Fathers, brothers and sisters,

Greetings in Christ!

I write to you at the half-way point in what has certainly been an unusual and difficult fiscal year. The COVID-19 pandemic has impacted the way we work, live, worship -- and account for the fiscal affairs of the church. The full financial impact is likely to remain unknown for quite some time. At this point in the year, however, we are operating with a modest surplus, with revenues and expenses both lagging budget projections. Further, we received nearly \$195K in funding through the Paycheck Protection Program within the provisions of the CARES Act, much of which we hope will be converted from a loan to a grant (i.e., forgiven). This amount currently shows as a liability on our balance sheet, but will convert to revenue to the extent that we attain forgiveness.

Attached is the Treasurer's Report for the quarter ended June 30, 2020. The report includes the following:

- * Statement of Operating Activity - Unrestricted
- * Statement of Operating Activity - Restricted
- * Comparative Balance Sheet for June 30, 2020 and Dec. 31, 2019

June 30, 2020 represents 6/12ths of the OCA's fiscal year, so the target for operating revenues and expenses is 50%.

Please note that this data, while substantively correct, is preliminary and unaudited. We do expect additional adjustments.

Revenues

Revenue collection was \$809K, if we include 50% of the anticipated annual endowment draw, on an annual budget of \$1,815K (44.58%). Diocesan contributions were at 45.93%.

Expenses

Expenses incurred through June were \$729K on an annual budget of \$1,815K (40.18%). We are beginning to see the results of efforts taken to reduce expenses in the wake of the COVID-19 pandemic.

Net Income

Unrestricted net income is a \$96K (or \$63K, without prorated endowment draw) surplus through June.

If you have any questions about this report, please don't hesitate to contact me at asmith@oca.org.

In Christ,

Andrew D. Smith
Treasurer

ORTHODOX CHURCH IN AMERICA
Statement of Operating Activity - FY2019 - **Preliminary & Unaudited**
June 30, 2020

				Target 25.00%
<i>Unrestricted</i>	A	B	C	D
	CURRENT QUARTER	YEAR TO DATE	ANNUAL BUDGET	% BUDGET USED
1	REVENUE			
2	407,696	762,100	1,659,435	45.93%
3	11,284	28,197	75,000	37.60%
4	250	1,000	15,000	6.67%
5	1,039	433	-	
6	-	-	-	
7	-	-	-	
8	489	1,091	-	
9	16,500	33,000	66,000	50.00%
10	437,258	825,820	1,815,435	45.49%
11				
12				
13				
14	EXPENSES			
15	102,754	207,823	343,319	60.53%
16	96,864	193,996	543,476	35.70%
17	23,109	46,240	103,505	44.67%
18	10,286	27,256	63,219	43.11%
19	1,000	1,462	4,400	33.24%
20	28,407	105,319	239,769	43.93%
21	1,149	8,563	56,186	15.24%
22	3,600	10,221	66,300	15.42%
23	5,782	11,143	64,400	17.30%
24	472	12,931	32,450	39.85%
25	14,130	29,435	65,300	45.08%
26	-	-	-	
27	-	-	10,000	0.00%
28	10,000	23,333	40,000	58.33%
29	-	3,000	12,000	25.00%
30	-	-	-	
31	7,451	15,864	27,611	57.45%
32	-	-	9,000	0.00%
33	-	-	18,000	0.00%
34	15,043	32,781	116,500	28.14%
35	320,047	729,369	1,815,436	40.18%
36				
37	117,211	96,451	0	

ORTHODOX CHURCH IN AMERICA

Statement of Operating Activity - FY2019 - **Preliminary & Unaudited**

June 30, 2020

				Target 25.00%
				D
<i>Temp Restricted</i>	A	B	C	
	CURRENT QUARTER	YEAR TO DATE	ANNUAL BUDGET	% BUDGET USED
1	REVENUE			
2	Diocesan Contributions	-	-	-
3	Individual/Business Contributions	50,475	51,901	-
4	Service Fees	1,800	1,800	-
5	Interest Income/Realized Gains/Losses	313,731	(27,911)	-
6	Appeals	-	-	-
7	Special Events	-	-	-
8	Other (incl Grants)	-	-	-
9	TOTAL REVENUE	366,006	25,790	-
10				
11				
12				
13	EXPENSES			
14	Restricted Funds			
15	All-America Council	4,308	10,716	-
16	Charity	-	-	-
17	Missions	-	-	-
18	Seminary	-	-	-
19	Endowments - Distributions & Fees	4,518	16,107	-
20	Chapel	-	-	-
21	Archives	-	-	-
22	Lilly Grant	8,656	39,660	-
23	TOTAL EXPENSES	17,482	66,483	-
24				
25	REVENUE OVER/(UNDER) EXPENSES	348,524	(40,694)	-

ORTHODOX CHURCH IN AMERICA
Balance Sheet - FY2019 - **Preliminary & Unaudited**
June 30, 2020

A	B	C	D
	<u>6/30/2020</u>	<u>12/31/2019</u>	DIFFERENCE
1 ASSETS			
2 Cash & Cash Equivalents - Operating	561,381	317,067	244,314
3 Cash & Cash Equivalents - Restricted	665,803	479,716	186,087
4 Petty Cash	853	853	-
5			
6 Accounts Receivable	183,990	235,386	(51,396)
7 Grants Receivable	-	-	-
8 Prepaid Expense	13,434	-	13,434
9 Other Current Assets	558	3,500	(2,942)
10			
11 Fixed Assets, net of depreciation	326,309	320,744	5,565
12 Investments	2,836,271	2,885,308	(49,037)
13			
14 Total Assets	<u>4,588,598</u>	<u>4,242,574</u>	<u>346,024</u>
15			
16			
17 LIABILITIES			
18 Accounts Payable	18,856	65,514	(46,658)
19 Accrued Expenses	47,193	40,369	6,824
20 Retirement Obligation	37,552	37,552	-
21 Unitrust Liability	109,479	82,136	27,343
22 Payroll Liabilities	57,951	-	57,951
23 Other Liabilities	(17,320)	327	(17,647)
24			
25 Note Payable - PPP Program (CARES Act)	194,720	-	194,720
26			
27 Total Liabilities	<u>448,433</u>	<u>225,898</u>	<u>222,535</u>
28			
29			
30 NET ASSETS	<u><u>4,140,166</u></u>	<u><u>4,016,676</u></u>	<u><u>123,490</u></u>

To: Metropolitan Council

From: Andrew Smith, Treasurer



Date: 8/23/2020

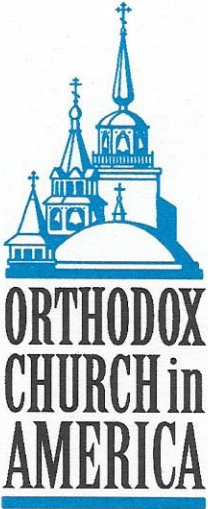
Re: Paycheck Protection Program and Return of Surplus
(to be discussed at the virtual Met. Council meeting on 8/27/2020)

The Coronavirus Aid, Relief, and Economic Security (CARES) Act was passed by Congress and signed into law in March 2020 in response to the economic fallout from the coronavirus pandemic. A significant component of the CARES Act was the Paycheck Protection Program (PPP), which consists of loans (convertible to grants, i.e., "forgiven") to cover 2.5 months of payroll for qualifying employers. OCA administration, in consultation with legal counsel and the Finance and Investments Committee, determined that the OCA qualified for PPP loan funding. Further, the OCA administration sought and was granted the authority by this body (the Metropolitan Council) to explore and enter into such a loan agreement.

Amid weeks of uncertainty and ambiguity about the PPP program and how to apply, staff remained vigilant, investigating the latest guidance issued by the Small Business Administration (SBA) and our commercial banker (TD Bank). Finally, on April 22, 2020, I signed a PPP promissory note with TD Bank on behalf of the OCA in the amount of \$194,720.00, with funds received shortly thereafter. This amount represented 2.5 months of the OCA's covered payroll.

We have now shifted to exploring the terms under which some or all of this amount might be converted to a grant ("forgiven"). Our best estimate at this point is that the forgivable amount is somewhere between \$160,000 and \$194,720 and our hope is that this forgiveness will come in the next few months. We're currently awaiting further guidance from the SBA.

The OCA administration has kept in mind that our payroll is substantially, if not completely, funded by contributions from the dioceses of the OCA. Given that, we have explored (with the Finance and Investments Committee) the concept of using the forgiven portion of the PPP loan as the baseline amount to provide a 'return-of-surplus' to the dioceses in 2020. Such a return would be equitable and ratable, based on the dioceses' original 2020 'net operating budgets' and could be in the form of a check to the dioceses (those who have made full contributions in 2020, despite the pandemic), forgiveness of deferred contributions (for dioceses who invoked the Metropolitan Council resolution passed in the Spring), forgiveness of underpayments (for dioceses which haven't paid in full for 2020 but also didn't invoke the resolution), or some combination of these options.



P.O. Box 675
SYOSSET, NY 11791-0675
TEL: 516.922.0550
FAX: 516.922.0954
WEBSITE: WWW.OCA.ORG

To: Metropolitan Council

From: Andrew Smith, Treasurer 

Date: 8/23/2020

Re: Appointment of Internal Audit Committee member and approval of virtual audit
(to be discussed at the virtual Met. Council meeting on 8/27/2020)

After the 2019 internal audit, Internal Audit Committee member Dimitri Pletz submitted his resignation, citing increasing responsibilities with his young family.

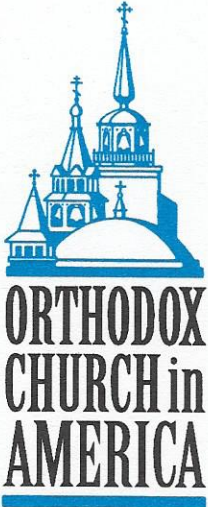
At the Spring Metropolitan Council meeting, three candidates were put forward for consideration as a replacement on the Internal Audit Committee:

- * Mat. Sharon Hubiak
- * Maha Adranly
- * Fr. Justin Mitchell

I contacted each candidate and received both his/her consent to serve in this capacity and a current resume or C.V. I then forwarded the candidates' information to the current Internal Audit committee members and requested their input on the candidates. Since that time, Fr. Justin Mitchell indicated his inability to serve in this capacity.

The current Internal Audit Committee members, with OCA staff's concurrence, recommends Maha Adranly to the Metropolitan Council for this current opening. We anticipate at least one future opening on the Internal Audit Committee and we'll retain Mat. Hubiak's resume on file for consideration in the event of such an opening.

In addition to the appointment of an Internal Audit Committee member, the Metropolitan Council should consider how it will ensure that the internal audit function proceeds in 2020 in light of the travel restrictions in place because of the coronavirus pandemic. The OCA staff will facilitate a virtual audit if the Metropolitan Council and the Internal Audit Committee are amenable. The concept has been discussed and consensus approval reached by the Finance and Investment Committee.



P.O. Box 675
SYOSSET, NY 11791-0675
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FAX: 516.922.0954
WEBSITE: WWW.OCA.ORG

Maha Adranly

8775 Longford Way, Dublin, CA 94568 ~ (925) 640-2961 ~ madranly@gmail.com

KEY SKILLS

- Unique blend of Finance, process improvement and system skills.
- Finance Controller, budget management, reporting packages, provide business decision support.
- Six Sigma Certified Black Belt and expert at building business process improvements while achieving quality results and saving cost.
- Problem solving by breaking down barriers and bottlenecks.
- Quick decision making and risk taking as needed.
- Certified Scrum Master and Product Owner

EXPERIENCE

2010 - Present

Genentech, Inc.

South San Francisco, CA

Finance Process Owner – PT Center of Excellence (Dec. 2018 to Present)

- Finance partners. Implemented Scrum methodology to standardize planning & reporting across PT Sites & Functions. Supported design, testing & training.
- Partner with site finance in SSF & OCN to manage planning & reporting. Gained strong knowledge of the manufacturing processes.
- Managed CAPEX process for Genentech PT sites utilizing CaRE system. Provided training, communication & support.

Principal Finance Project Manager – Finance PMO (Jan. 2010 – Dec. 2018)

- Program manager for Roche Concur implementation globally. Successfully implemented to 85% of Roche Pharma Employees. Manage contract and statement of work with Concur.
- Designed approach for PRISM program which included finance process survey, consolidation of ideas, managing cross-functional team. Managed process to implemented reclass & accrual thresholds across various functions.
- Managed various Finance projects to improve processes including FUTURE Process Assessment, Quantum/QFinance, Sales Reserves, Commercial Reporting, Corporate Overhead allocation, PTD Close and Forecast process mapping, gRED Forecast Improvement process mapping.
- Created PMO Methodologies, Tools and Governance for successful project management.
- Change Management to ensure successful deployment of projects.

1997 - 2010

Sun Microsystems

Menlo Park, CA

Director & Finance Controller (Mar. 2008 to Jan. 2010)

- Managed \$800M budget, contracts with outside consulting firms, developed detailed quarterly forecasts, actual reporting processes and managed SOW processes.
- Promoted to manage a PMO team of 15 on Oracle 11i Implementation Project of over 1000 people.
- As part of Executive Management Team, implemented a Resource Management Process for approving incremental resources forcing program to adhere to budget.
- Utilized Scrum approach where necessary to improve cycle time in development.
- Implemented Mercury application to support logging issues & risks and managing change control board.

Americas Sales Finance Director (Oct. 2005 to Mar. 2008)

- Managed a government compliance organization budget of \$100M. Managed decisions for spend priorities in building a secure physical and technical architecture. Designed process for requesting capital expenditure requiring approval. Manage construction in process costs for ERP application costs.
- Managed team of 6 and successfully implemented Oracle 11i Applications for Government division in 6 months. Made decisions on process that impacted the project at all levels, including Global Sales & Services organizations.
- Directed Americas Sales Finance global reengineering projects tasked with standardization, simplification and centralization. These processes spanned Compensation, Revenue Accounting, Sales Deal Approvals, Management Reporting, Spares Accounting, and Revenue Management.
- Designed a \$20B global service contract reconciliation process which required working with internal audit, presenting the process to external audit and to business functional owners, as well as gaining approval from the executive board.
- Decision maker for government compliance projects.

Senior Program Manager – Finance Transformation (Aug. 2004 to Sept 2005)

- Led a Finance Transformation project to develop strategy and structure for a Global Finance Organization.
- Led team of 5 Program Managers responsible for global design of transaction processing & decision support processes.
- Accountable to CFO.

Customer Advocacy Finance Controller (Nov. 2002 to Aug. 2004)

- Managed \$20M budget for Customer Advocacy department.
- Drove project which implemented improved forecasting and tracking processes on non-operational inventory and resulted in a 10% reduction in the non-operational inventory levels.
- Received Six Sigma Certified Black Belt in May 2004.

Business Systems & Programs Manager – Manufacturing Finance (Jan. 1999 to Nov. 2002)

- Received Finance Leadership Award for developing and starting a Finance Systems Group.
- Managed a staff of 6 Business Process Analysts responsible for maintaining and enhancing Oracle Applications.
- Designed a methodology for documenting Financial Risk and Controls within Operations process change.
- Global owner of Finance Inventory processes.
- Accountable for all programs within the Operations Finance organization. Managed the IT activities through design, development, delivery and support of applications.
- Implemented program management methodologies, policies and procedures which facilitated delivery of high quality and consistent applications.
- Implemented systems & process improvements to support Supply Chain & Manufacturing.
- Completed successful worldwide implementation of the Oracle applications.

Cost Accounting Manager (Mar 1997 to Dec 2000)

- International assignment in Scotland to manage the Cost Accounting organization of 10 with responsibilities in Commissionaire Accounting, Inventory Accounting (\$500M), Cost Accounting (\$5B), Manufacturing Accounting, Balance Sheet Reconciliations and Subledger Close.
- Managed the Oracle Cost Accounting Implementation team. Directing all aspects of the implementation - business requirements gathering, business process improvements, design of modifications, managing test cycles, managing conversions and interfaces and all aspects of Business Readiness.

1995 - 1997

Oracle Corporation

Redwood Shores, CA

Principal Consultant (Mar. 1995 to Mar. 1997)

- Provided business consulting expertise for clients.
- Led financial, manufacturing and distribution ERP implementations for large scale, complex projects.
- Led clients in re-engineering business process to improve efficiencies. Directed efforts to streamline process which directly resulted in reduction of headcount.
- Coordinated with client personnel, consultants, and/or Business Partners to establish realistic implementation schedules.

1981 - 1995

Chevron Corporation

San Francisco, CA

Various roles with these skills

- Financial budgeting and product costing for 3 manufacturing plants. Prepared monthly production variance analysis report. Prepared quarterly product cost revaluations. Managed the Inventory Control group which was responsible for inventory reconciliation, inventory value reporting, conducting physical inventory reconciliations. Conducted training classes in Accounting Principles and Processes.
- Prepared monthly financial reports for Division management. Managed the outside processing accounting for the Division. Initiated a process for tracking outside processing inventory. Provided assistance to the manufacturing plants in all areas of Cost Accounting. Worked in Accounts Payable, Payroll and Inventory Control including performing physical inventory reconciliations, preparing production reports and analyzing production yields.
- Managed the systems integration phase of implementing JDEdwards software across entire company. This included planning, staffing and executing the integrated test. Supported the Finance organization in information system requirements including report writing, resolving software issues, business process re-engineering. Coordinated program change requests from users. Developed Executive Information System. Working with JDEdwards, designed features for Order Entry into their applications.

VOLUNTEER

- St. Christina of Tyre Church treasurer since 2004. Prepare monthly reports, manage donations & expenses for the parish. Create policies to ensure not accounting risks exist.
 - Internal auditor for Diocese of the West financial reports since 2010. Review financial reports and records and ensure compliance to policies and that no accounting risk exist.

EDUCATION

California State University, Hayward

Bachelor of Science in Business Administration. Emphasis in Accounting. Dean's Honor List

ORTHODOX CHURCH IN AMERICA

2021 Budget - Summary

PRELIMINARY - For discussion at Fall 2020 Metropolitan Council meeting

c

	A	B	C	D
<i>Unrestricted</i>	YTD Actual	BUDGET	% BUDGET	BUDGET
	6/30/2020	Amended 2020	USED	Proposed 2021
1 REVENUE				
2 Diocesan Assessments	762,100	1,659,435	45.93%	1,566,141
3 Individual/Business Contributions	28,197	75,000	37.60%	75,000
4 Service Fees	1,000	15,000	6.67%	15,000
5 Interest Income/Realized Gains/Losses	433	-		-
6 Appeals	-	-		-
7 Special Events	-	-		-
8 Other	1,091	-		-
9 Release from Restriction - <i>Endowed & Restrictes</i>	33,000	66,000		66,000
10 TOTAL REVENUE	825,821	1,815,435	45.49%	1,722,141
11				
12				
13				
14 EXPENSES				
15 Administration	207,823	343,319	60.53%	318,400
16 Executive	193,996	543,476	35.70%	536,488
17 Archives	46,240	103,505	44.67%	103,505
18 External Affairs	27,256	63,219	43.11%	63,219
19 Chapel	1,462	4,400	33.23%	4,400
20 Property	105,319	239,769	43.93%	176,325
21 TOC/Comm	8,563	56,186	15.24%	56,186
22 Holy Synod	10,221	66,300	15.42%	66,300
23 Metropolitan's Office	11,143	64,400	17.30%	64,400
24 Metropolitan Council	12,931	32,450	39.85%	32,450
25 St. Catherine's	29,435	65,300	45.08%	65,300
26 SOCA	-	-		-
27 BOT	-	10,000	0.00%	10,000
28 Mission Planting Grants	23,333	40,000	58.33%	40,000
29 Ordination Candidacy	3,000	12,000	25.00%	12,000
30 Canons and Statutes	-	-		-
31 ORSMA	15,864	27,611	57.45%	27,611
32 Continuing Ed	-	9,000	0.00%	9,000
33 Seminaries	-	18,000	0.00%	18,000
34 Departments	32,781	116,500	28.14%	116,500
35 TOTAL EXPENSES	729,367	1,815,436	40.18%	1,720,084
36				
37 REVENUE OVER/(UNDER) EXPENSES	96,454	(0)		2,057

AGENDA ITEMS
FALL SESSION OF THE METROPOLITAN COUNCIL
September 16-17, 2020

The Metropolitan Council of the Orthodox Church in America will continue meeting in its Fall Session, with His Beatitude Metropolitan Tikhon presiding, Wednesday and Thursday, September 16-17, 2020, via teleconference.

It is expected that the Fall Session will continue with at least one further meeting, maybe even two, in October. As the members of the Metropolitan Council know, many factors that must go into our decision-making process currently remain uncertain due to the present public health crisis. The lack of clarity that we are facing necessitates further meetings next month. I note further that we might be required to hold a further, special meeting later this year in order to make final decisions on the All-American Council, the 2021 budget, etc.

The second and thirds parts of the Fall Session that will take place this week will have various matters to consider. On **Wednesday, September 16**, 1:00-3:00 pm, EDT, we will consider 1. The Report of His Beatitude; 2. The Report of the Chancellor; 3. An update on the sale of the Chancery property; and 4. Part 1 of the Report of Mr. Andrew Smith, Treasurer of the Orthodox Church in America.

On **Thursday, September 17**, 1:00-3:00 pm, we will continue our work and consider the following reports: 1. Part 2 of the Report of the Mr. Andrew Smith; 6. A Presentation on the Work of the Departments by Fr. Thomas Soroka; and 7. The Reverend Deacon Peter Ilchuk, All-American Council Manager, will update the Metropolitan Council on the possibility of holding the All-American Council in Baltimore, MD, in July 2021.

Looking ahead to our October 2020 meeting, we will consider the presentation of the 2021 budget, applications for Mission Grants, the report of the Pension Board and possible consideration of an amendment(s), and perhaps continued discussion of AAC plans.

Agenda – Wednesday, September 16, 2020, 1:00-3:00 pm

1. Opening Prayer
2. Call to Order
3. Review of Agenda
4. Roll Call
5. Metropolitan's Report
6. Chancellor's Report
7. Property Committee Update
8. Treasurer's Report, Part 1
9. Closing Prayer

Agenda – Wednesday, September 16, 2020, 1:00-3:00 pm

1. Opening Prayer
2. Call to Order
3. Review of Agenda
4. Roll Call
5. Treasurer's Report, Part 2
6. Departmental Update – Archpriest Thomas Soroka
7. AAC Presentation – Deacon Peter Ilchuk
8. Closing Prayer

METROPOLITAN COUNCIL MEETING
AUTUMN 2020
SESSION II
SEPTEMBER 16, 2020

Due to the ongoing Covid-19 restrictions, this meeting is being convened electronically via Zoom and is not taking place in person. This is the second session following the opening session on August 27, 2020. A third session is scheduled for September 17, 2020) with a fourth likely in October.

REPORT OF THE METROPOLITAN

1. *Welcome.* I welcome all of you to the second session of the Autumn Meeting of the Metropolitan Council. I am, once again, grateful for your presence on my screen this afternoon as we continue our discussions of the important matters before us. Even though I addressed the three specific issues we discussed at our first session, and which we will continue to review this week, I will offer today a more formal report as I normally would have done for a regular meeting of the Metropolitan Council and offer some broad remarks on all that has transpired since our Spring meeting in February.

2. *The first months of the pandemic.* As you know, the pandemic hit just shortly after our last meeting and it has more or less disrupted every aspect of church life and human existence. For the first months of the pandemic, I was in residence at the St Arsenius Skete which is located at St Tikhon's Monastery. I was able to enjoy the isolation of the Skete but also maintain a sense of community, prayer, and worship with the brothers even in the closed community setting that continues to be maintained to this day. From there, I was able to preside at a number of divine services, particularly during Holy Week and the Paschal season, and to offer a regular word to the wider Church community that was participating via the live-stream. I am grateful to the Monastery and all those who made those live-streamed services possible, as well as to all the other monasteries and parishes, such as Holy Transfiguration Monastery in Ellwood City and St Nicholas Church in Mogadore (among many others). Even though there are clear limitations to live-streamed

services and they cannot replace the in-person services that we are most familiar with, they have provided a crucial life-line to many people who were not, and perhaps are still not, able or willing to attend services. I have mentioned this in several places before, but I think it is important to continue to recognize and give thanks to all those who stepped up during the initial phases of the pandemic to offer services, pastoral care, creative solutions to new problems, and generally assisted their brothers and sisters in Christ to weather the storm that has been battering the entire world. I think it is also important for all of us to acknowledge the hardship that the pandemic has caused so many: from the first responders and health care workers who continue to exercise their ministries with bravery and fearlessness to the parents who have had to adjust to new and sometimes difficult circumstances, and their children. It was in this context the Holy Synod began to address the pandemic and its impact on our communities, clergy, and faithful. I feel confident that our Holy Synod was as proactive and as pastorally sensitive as could be expected during this entire time. Relying equally on their pastoral wisdom and on the input of a range of Orthodox experts in medicine, bioethics, law, and safety, the Holy Synod provided the Church with a comprehensive plan for re-opening the churches and each bishop has, since then, worked diligently and with pastoral care to address the various aspects of this crisis on the local level. We continue to communicate amongst ourselves on a regular basis and I am in the process of scheduling a meeting of the Holy Synod at the end of this month. In addition, the Standing Synod, which has also been meeting regularly, will gather virtually next week.

3. *The latter months of the pandemic.* In addition to the disruption in our Church life, I know that another great source of difficulty has been our separation from our family and from our friends. I have felt this myself and so, after the feast of Pentecost, I drove to my parents' home in Elizabethtown, Pennsylvania, where I remained for two weeks. Even in a state of strict quarantine, I was able to enjoy a pleasant visit with my parents and give each other a little familial encouragement during the pandemic. At the end of June, I returned to the Chancery where I have been in residence since then, living as most of you are living – serving or attending

services at St Sergius Chapel with a limited cohort of parishioners, shopping carefully at the grocery store, ordering take-out meals from restaurants, and taking advantage of the outdoor hiking possibilities in my area. My main work activity has been zoom meetings and telephone calls and, up until our first session, on August 27, I had only undertaken one in-person pastoral activity, which was to travel to Holy Transfiguration Monastery in Ellwood City for the Feast of St Herman and the ordination of Deacon John Thetford.

4. *The work of the Church.* I note that, although the pandemic has created a unique circumstance that none of us has perhaps experienced before, I have been amazed and impressed by the amount of work that has been accomplished throughout the Church, in spite of these challenges. In addition to the brotherly support that has been shared within the Holy Synod, I am grateful for the work of the members of the Metropolitan Council, since you, in many ways, represent the work that is taking place on the diocesan level. I am also deeply indebted to the members of the Chancery, particularly the excellent contributions made by our Chancellor, Fr. Alexander Rentel. You will see from his own report that the substantive Church work has not diminished during these COVID-times and Fr Alexander has managed to maintain his attention, and mine, on all these issues in a very comprehensive manner. While attending to the daily operation of the office, Fr Alexander has spent hours coordinating and organizing countless meetings: meeting of the Holy Synod and the Standing Synod, multiple discussions with our medical and ethical experts, just this week a meeting of the Chancellors and Treasurers of our dioceses and of the Finance Committee, as well as our meetings today and tomorrow. On top of that, I have asked him to assist me in overseeing my two *locum tenencies* in the Diocese of New England and the Albanian Archdiocese. Both dioceses are in the midst of their search for episcopal candidates and both require attention to the regular pastoral and administrative issues, without even speaking of the process of re-opening the parishes. As he will report, Fr Alexander has also been working diligently on matters related to the sale of the chancery building and all the normal operations of my Office. I do want to commend Fr Alexander for his dedication to his role as Chancellor which is both

directly beneficial to me as the Primate and more broadly helpful for the rest of the Church.

5. *Staffing changes.* Fr Alexander will speak in more detail about some of the other developments in the staffing and overall work of the Chancery but I will offer some brief remarks here. At our last meeting, I mentioned the departure of my Personal Secretary and our communications coordinator, Archdeacon Joseph. He and his family have now settled in Poland and he has secured a full-time position as a consultant for medical professionals preparing for international conferences. His children are fitting into the local school scene, including joining the local football (soccer) team and hanging out with the children of the local Protodeacon. Back on this side of the ocean, Deacon John has quickly assumed his responsibilities as my personal secretary and there has been no difficulty in the transition. Deacon John had already been working in the office as a seminary intern for some time, especially receiving training from Barry in terms of the paperwork and filing system, so his transition to working more directly as my personal secretary, while maintaining some of his administrative work, has been seamless and is a credit both to the previous contributions of Archdeacon Joseph and the ease at which Deacon John has come up to speed. I am also grateful to Svetlana Radunceva for her close to 20 years of faithful service as our housekeeper at the Chancery. For a number of reasons, which Fr Alexander will detail later, we were unable to maintain her in that position. I offer my personal gratitude to her, as well as that of all the members of the Metropolitan Council.

6. *Pastoral visits.* Since our meeting, I have slowly begun to travel, first of all, as I mentioned at the time, for two events to mark the one-year anniversary of the falling asleep in the Lord of Archbishop Nikon of blessed memory. The first of these was the celebration of the Divine Liturgy on Sunday, August 30 at St Nicholas Albanian Orthodox Church in Jamaica, New York. This was my first visit to a parish since the beginning of the pandemic and it was good to return to even a limited form of pastoral visitation. I was able to serve and to experience first-hand the challenges of our present COVID parish life, including an outdoor coffee hour.

It was also an opportunity for me to elevate Fr Nikodhim to the rank of Igumen as previously presented by Archbishop Nikon and approved by the Holy Synod. The second event related to His Eminence's anniversary was in the Diocese of New England on Tuesday, September 1, on the actual date of his repose, at the outdoor pavilion belonging to Three Saints Church in Ansonia, Connecticut. This was an opportunity to experience a concelebration with a dozen clergy, all socially distanced and wearing masks, and to gather the diocese at least in some form for an ecclesiastical event.

7. *External Affairs.* As might be expected, there has been limited physical activity in the area of external affairs. I have not made any international visits during the time of the pandemic, nor have I appointed any of our bishops, clergy, or other Church leaders to undertake such visits. However, this does not mean that nothing is happening. My office has maintained the regular practice of correspondence with other Churches, both globally and in North America, and with reference to both regular letters of greeting and congratulations for name days and anniversaries and extraordinary letters relating to transfers and disciplinary matters. If you recall, during Holy Week, I had reached out by telephone to both His All-Holiness, Patriarch Bartholomew, and His Holiness, Patriarch Kirill, to offer my brotherly encouragement and to hear how they and their Churches were faring during the initial stages of the Pandemic. It is too soon to speak with certainty about future visits that I might undertake, but I expect that we will be able to gradually move in that direction, pending the trajectory of the coronavirus situation over the next few months. In the meantime, the Assembly of Canonical Orthodox Bishops in the United States (ACOB) continues its work and is presently set to hold its tenth annual Assembly on October 6 and 7, 2020. This will be a virtual meeting but the planning for this meeting has been taking place on a regular basis over the past several months, particularly through the weekly meetings of the Executive Committee of the Assembly. At the beginning of the pandemic, the members of the Executive Committee began to meet to address specific issues related to the coronavirus responses of our churches and it soon became apparent that there was a benefit for everyone to gather on a more regular basis. So, from that time, there

have been weekly meetings of the Executive Committee at 11:00 am on Fridays. There were a few times when this was not possible, and it has been a few weeks since our last meeting, but for the most part, these weekly meetings have taken place and have been attended by all the heads of jurisdictions, including myself. The meetings have been productive and helpful, both in terms of arriving at consensus with respect to covid-related issues and in establishing a more direct and consistent relationship among the bishops. We have come to know each other better and to collaborate more directly on issues such as, for example, developments in Macedonia and the recent transformation of Hagia Sophia into a mosque. His Eminence, Archbishop Michael, continues to serve as Treasurer for the Assembly, so he participates on all the meetings of the Executive Committee, as well as serving as the new chairman of the Assembly's Legal Committee.

8. *Stewardship and the Sale of Westwood.* With respect to the ongoing process of relocation of the Chancery, I have already spoken at our last meeting and, as all of you have hopefully seen, have offered some more substantial reflections in our press release earlier this week. I will not repeat those observations here. However, I will add that I am intending to following up on those reflections with a series of podcasts in which I can unpack some of those reflections and present them verbally in very short audio clips of 2 and half minutes each. I already have 5 of these written and will begin recording them this week, adding video images to accompany them, and releasing them in installments on a weekly basis. It is my intention to continue to offer such short reflection, which will be focused on ways of implementing the vision I laid out in the Four Pillars booklet. As a title for this series, I have chosen: "Our Apostolic Voyage" and I hope to address the next steps in our life as a Church. The Four Pillars laid out *what* we ought to focus on. Now we need to give our attention over to *how* we focus on those issues. In addition, I am also preparing a second series of reflections, this one focused more on the spiritual life and my own personal reflections on various topics. I am calling this series: "It Is Well" and I will soon be recording these as well.

9. *Other matters.* During our session, we will be addressing more specifics with respect to the All-American Council, the process of Departmental restructuring, and the finances of the Church. We will also receive an update from the Property Committee and here, I again want to thank our two co-chairs, Greg Honshul and Ray Steeb, for their professional and committed leadership, as well as all the other members of the committee
10. *Conclusion.* I thank you for your attention and will answer any questions that you may have at this time.

Report of the Chancellor of the Orthodox Church in America
Regular Fall 2020 Session of the Metropolitan Council
September 16, 2020

o. Review of the Agenda. This is the continuation of the Regular Fall 2020 Session of the Metropolitan Council of the Orthodox Church in America, which began on Thursday, August 27, 2020, and which is meeting under the presidency of His Beatitude Metropolitan Tikhon. We are meeting today, Wednesday, September 16, 2020, and plan on meeting tomorrow, Thursday, September 17, 2020. We are holding this meeting via teleconference, because of the present public health crisis. At this point, it is expected that the Fall Session will continue with at least one further meeting, maybe even two, in October, although the date(s) have not yet been determined.

o.1 Public Health Crisis. A cursory read of the agenda for this meeting reveals clearly the specter of the present public health crisis hanging over our meetings. Much of our Church life has been disrupted, although, by the grace of God, we continue in every way that we can. For the purposes of our meetings, reports, presentations, updates that would normally be presented to the Metropolitan Council are absent from our meeting precisely because so much time and effort has been spent and continues to be spent on responding to this issue. I had hoped that the Chancery staff would have finalized a full report detailing our activities during the crisis, from February 29 until now, but, due to personnel changes, we have been unable to finish it. I anticipate that we will have it completed by the October meeting for review by the members of the Metropolitan Council and the Holy Synod. Additionally, the issues that we will discuss today and tomorrow – finance, the AAC, for example – each have COVID components to them. At this point too, we should acknowledge that we simply might not be able to make decisions because of the uncertainties we are facing. Our discussions, I hope, will bring matters into better focus so that at least we are prepared to make decisions down the road. Indeed, the lack of clarity that we are facing necessitates further meetings next month, and we even might be required to hold a further, special meeting later this year in order to make final decisions on the All-American Council, the 2021 budget, etc.

o.2 Wednesday Agenda. During the meetings that we hold today and tomorrow, the second and third parts of the Fall Session, we will consider 1. The Report of His Beatitude; 2. The Report of the Chancellor; 3. An update on the sale of the Chancery property by the heads of the Property Committee, Gregory Honshul and Ray Steeb; and 4. Part 1 of the Report of Mr. Andrew Smith, Treasurer of the Orthodox Church in America.

o.3 Thursday Agenda. On Thursday, September 17, 1:00-3:00 pm, we will continue our work and consider the following reports: 1. Part 2 of the Report of Mr. Andrew Smith; 6. A Presentation on the Work of the Departments by Archpriest Thomas Soroka; and 7. An update from Deacon Peter Ilchuk, All-American Council Manager, on the possibility of holding the All-American Council in Baltimore, MD, in July 2021.

o.4 Continuation in October. Looking ahead to our October 2020 meeting, we will consider the presentation of the 2021 budget, applications for Mission Grants, the report of the Pension Board and possible consideration of an amendment(s), and perhaps continued discussion of AAC plans.

o.5 Recording the Meetings. For the purposes of the taking of minutes, please note that we are recording this meeting.

o.6 Conclusion. Everyone should be sure that they will have time to speak and be heard. We can schedule further meetings, if needed. I would only ask that we hold questions until a speaker has finished, or called for questions, and, if needed, use the chat feature in Zoom.

1. Roll Call. We have with us four guests: Judge E.R. Lanier, General Counsel of the Orthodox Church in America; Priest Alessandro Margheritino, Executive Assistant; Susan Wisniewski, Accounting Manager; and Alexis Liberovksy, OCA Archivist, who will take minutes of our meeting.

2. Report – General Remarks. My report is broken up into a four parts: 1. COVID Measures that have been put in place at the Chancery; 2. Staffing Changes at the Chancery; 3. Anniversary Celebrations; and, 4. Chancery Relocation – Archives Advisory Committee. At the outset, I would like to draw particular attention to the hard work of the Chancery staff during the time of this pandemic. We were able to accomplish a feature not typically found in the Orthodox Church: we moved dexterously from in-person office work to a remote and hybrid system. We are slowly moving back to more typical in-person work, though for reasons I will explain, I am not intending to move us back completely to being in person. Before I turn to that, however, I want to note that throughout the period of the pandemic, my colleagues at the Chancery have risen to the various challenges placed on them with creativity, dedication, and good, old-fashioned hard work.

2.1 COVID Response. Since March 16, 2020, the Chancery has been fully or partially closed. After March 13, I closed the Chancery for work and outside visitors. Barry Migyanko stayed throughout the initial period and made sure that we were able to be fully operational while working remotely.

2.1.1 Church Meetings. Since that time, we have not had and will not have in-person meetings. I can assure you, however, that we have had many Zoom meetings throughout. The next possible in-person meeting on the horizon is the Metropolitan Council meeting February 2021. The Holy Synod will have its regular Fall 2020 meeting via teleconference, and anticipate PCC meetings, as well as BTE, and, indeed, any other Church group will continue to meet via Zoom over the course of the Fall and into the Winter. (We have two accounts and can accommodate large groups.)

2.1.2 Chancery Work. As I have said, the Chancery itself is slowly opening, albeit in a limited fashion. His Beatitude and Barry continue to reside and work at the Chancery. The rest of us are coming in now between 3-5 days. Since the feast of Ascension, Thursday, May 28, we have resumed the celebration of the Divine Liturgy in St. Sergius Chapel on Sundays and some feast days with the participation of the Chancery work force, local faithful. Naturally, we follow carefully the protocols and precautionary procedures that were put in place by His Beatitude and the Holy Synod. The application that Barry and I made to reopen the Chapel for services was submitted and approved by His Beatitude, and is on file.

2.1.3 Transition to Hybrid Remote. The response to COVID, however, has hastened a transition to a more hybrid work environment, one that will continue for the foreseeable future. As is known, already much of the Chancery staff is located all over the United States: our treasurer is in South Carolina, our new Executive Assistant (whom I'll speak of later) in Cleveland; our venerable GC in Georgia, our Project Manager for the Departments and Council Manager both live in Pittsburgh, our tech manager is in Minneapolis, etc. Additionally, with the planned sale of the Westwood location and move of the Chancery, our remote work is only going to continue apace. I look forward to working out the necessary patterns and habits of a fully remote, and a hybrid remote work force.

2.1.4 Challenges. This is a new environment for us, but not for the larger workforce in the modern world. We are experimenting with different software that can facilitate our work. I open to suggestions, tips, advice, if you have them about managing, encouraging, and fostering such a work environment. We will have to be mindful of document security and retention in this transition. We will have to be ready to adapt and grow in the way

of remote workforce. I am not entirely content with the way things are now, but, as I say, I look forward to working on these matters.

2.1.5 Pension Plan Administration. To this end, I note that the Pension Plan administrators have moved out of the Chancery and are working in a totally virtual environment. What this means is that currently there are only six people physically working at the Chancery.

2.1.6 Limited Travel. I have little travel to report on, either domestic or international, either by me or by anyone at the Chancery, since little to no travel has been made since the outbreak of the virus. In fact, early on in March, I announced to the entire Chancery staff that no travel would be allowed without the express written blessing of either His Beatitude or me. His Beatitude and I did travel to the Monastery of the Holy Transfiguration, Ellwood City, Pennsylvania, August 8-10, 2020, for the ordination of Deacon John Thetford. While there, His Beatitude and I were able to meet with the Very Reverend Abbess Christophora and the sisters of the Monastery, as well as His Eminence Archbishop Melchisedek of Pittsburgh, Archpriest William Evansky, Chancellor of the Diocese of Western Pennsylvania, Archpriest Thomas Soroka, Project Manager for the Departments, and Deacon Peter Ilchuk, Council Manager. I have remained in contact with various members of the Church throughout the crisis through Zoom, email, and telephone calls.

2.1.7 COVID Reminders. Finally, before I leave the subject of our COVID Response, I encourage everyone in their own lives and within their own communities to practice common sense: if you're sick, stay home; good hygiene, social distancing, and masking. From the numerous doctors I have spoken with in the course of this present crisis, these are the best steps to take. I also encourage everyone to get tested if presenting symptoms, as well as staying home, etc.

2.2 Staffing Changes. Since the last meeting of the Metropolitan Council, the Chancery has seen a number of Personnel and Staffing Changes.

2.2.1. Archdeacon Joseph. On July 27, 2020, Archdeacon Joseph Matusiak submitted a letter petitioning His Beatitude to accept his resignation as his archdeacon and personal secretary, and from the position of Media Manager. In a subsequent letter, dated July 28, 2020, His Beatitude accepted his resignation effective August 15, 2020. Later that same month, Archdeacon Joseph moved with his family to Wrocław, Poland. Canonically, he remains attached to St. Sergius Chapel at the Chancery of the Orthodox Church in America and on loan to the Church of Poland. He does continue to do some piece work

for us (anniversary picture book, organizing online Church School), but is no longer employed at the Chancery.

2.2.2. Svetlana Radunceva. Entered Executive Session.

2.2.3 Deacon John Thetford. With Archdeacon Joseph's departure, His Beatitude and I offered the positions of personal secretary and deacon to John Thetford, who had been working at the Chancery as a Seminary Intern, and then Administrative Assistant. Note that His Beatitude had blessed Dn. John's diaconal ordination Fall 2019, and it had been scheduled for March 14, 2020, which proved to be impossible because of the pandemic. Due to his experience at the Chancery, his transition to this new position has gone exceptionally smoothly. This time is also proving to be a good time for him to assume the role of the deacon of the metropolitan. As I have said, there is limited travel, and so he and His Beatitude are able to begin their liturgical relationship in relative peace.

2.2.3.1 Note on Correspondence. I would ask that everyone seeking to contact or correspond with the Office of the Metropolitan to contact Dn. John directly (jthetford@oca.org). Please note, in this regard, we are phasing out mettikhon@, and moving exclusively to metropolitan@. We are doing this not to cut off communication with His Beatitude, but handle the flow of email and correspondence so that we can respond more quickly and efficiently. Dn. John and Fr. Alessandro, whom I will speak about momentarily, will be working together and tracking incoming and outgoing correspondence.

2.2.4 Priest Alessandro Margheritino – In a letter dated September 2, 2020, with the blessing of His Beatitude, I offered Priest Alessandro Margheritino the position of Executive Assistant at the Chancery. This action was taken with a goal of filling the position of Secretary/Chancery Administrator of the Orthodox Church in America. On September 3, 2020, he accepted this position. Fr. Alessandro remains a parish priest at St. Innocent Parish, Olmstead Falls, Ohio, in the Diocese of the Midwest. He has already begun working for us part-time, remote. He will come to the Chancery once a month for a week at a time. When His Eminence Archbishop Paul is able to find a suitable replacement for Fr. Alessandro, I anticipate that Fr. Alessandro will be canonically released to His Beatitude, and he and his family will move and come and work at the Chancery full-time. Right now, His Beatitude and I consider this part-time period as a probationary period. We will try him out over the remainder of the year. At a certain point, when he comes on full-time, he will move to acting Secretary/Chancery Administrator, and then Secretary/Chancery Administrator with the necessary statutory concurrence of Metropolitan Council and Holy Synod. I hope this process will be completed early next year. Fr. Alessandro will make his first trip to the Chancery next

week where he will spend time learning the files and the database. I look for him to be in charge of documents: collecting, generating, maintain, and distributing.

2.2.4.1 New Position. I note that we should not think of Fr. Alessandro as simply replacing Fr. Eric Tosi, who served with distinction as Secretary of the Orthodox Church in America for many years. To be sure, he will to a degree – e.g., he will function as corporate secretary, an ex officio member of the MC – but he will also be charting some new waters in his role. In this, His Beatitude and I are following the recommendations of the Re-organization Committee, which were adopted by the Metropolitan Council. This position fits into a new organization chart and has a different job description than the Secretary had previously. It was recommended that this new position have the title Chancery Administrator, meaning overseeing the administrative work of the Chancery. At this, however, His Beatitude and I are still considering the exact title. Regardless of the title, His Beatitude and I are following the recommendations of that committee with regard to the duties and the org chart.

2.2.5 Media Person. With the departure of Archdeacon Joseph, we are looking to hire someone who can oversee our media – web page, special projects, social media, etc. Right now, in the interim, Fr. Thomas Soroka, Dn. John, and Matushka Jessica Fuhrman are doing an *excellent* job updating and maintaining our webpage and social media. Even so, we need someone who can generate media, maintain an overarching media strategy, and bring us into 21st century with the different possibilities that modern media provides for. Until this person is hired, I have been and will continue to call on others at the Chancery to generate media for posting.

2.2.6 Archpriest Thomas Soroka. On March 7, 2020, I traveled to Pittsburgh, Pennsylvania, and, with the blessing of His Beatitude, offered a part-time position, Department Project Manager, to Archpriest Thomas Soroka. Fr. Thomas accepted this position in a letter dated March 10, 2020. In this position, tasked to plan, coordinate, initiate, and oversee the work of the different Departments of the Church. His Beatitude and I took this step in order to revitalize and re-galvanize the work of the departments with the adoption of a different model of work: instead of one expert in each department, Fr. Thomas would oversee the work of different people who have proposed an appropriate project, and had their proposal accepted. Fr. Thomas will speak more of his work at our Thursday session, September 17, 2020.

2.2.6.1 Department Donations. I am happy to report that over the summer, we have received an unsolicited donation \$50,000 for the Department of Evangelization, and another \$20,000 for general use in the different departments. Needless to say, we are

grateful to the donor of this money and look forward to finding ways to spend this money to the glory of God.

2.2.7 Conclusion. I anticipate a continued review of the organization structure of the Church and further changes in the remaining months of this year. I suspect that we will have further transitions that will require the attention of this council.

2.3. Anniversary Celebrations. As had been announced, over the course of this year, we were to have had three major celebrations for the fiftieth anniversary of the Glorification of St. Herman, and the reception of the *Tomos* of Autocephaly. Unfortunately, the pandemic forced the cancellation of the anniversary celebrations that had been announced for this year. It is unclear when we might yet be able to mark these occasions. With regard to other initiatives that were announced in conjunction with the anniversary celebrations, I still anticipate the following: 1. The publication of the necrology of the departed clergy and Church leaders. A PDF of this was made available in February for use on Memorial Saturdays during lent. We received corrections and suggestions from the time it was published. Barry Migyanko and I will meet with Fr. Alessandro about having this book published by the end of the year. Right now, I need a typesetter to assist us with this task. 2. Archdeacon Joseph is working on an anniversary picture book. He is to continue working on it from Poland. He has assured me that it will be done in time. 3. In early August, the Department of Liturgical Music posted a newly revised *and* provisional service for St. Herman. At this point, this service has not been fully approved, but is in a trial phase. The department welcomes comments on it. Finally, 4. Fr. Thomas is working on a catechism that we intend to publish later this year. He will speak more about this tomorrow

2.4 Chancery Relocation – Archives. On July 22, 2020, His Beatitude convened a meeting of the Archives Advisory Committee that was made of Alexis Liberovsky, OCA Archivist, Matushka Tamara Skvir, Archpriest John Erickson, Archpriest John Perich, Dr. Anatoly Shmelov, Daria Safronova-Semeonoff, Andrew Smith, and myself. I had a subsequent discussion with Matthew Garklavs, who could not join us for the meeting. Present also at the meeting were members of the Property Committee, Gregory Honshul and Ray Steeb. The meeting was held in light of the work towards selling the Chancery property, and relocating the Chancery, which necessitated discussion of what to do with the archives. No full resolution was given to this question, but the unanimous desire of the committee was to keep the archives intact, whether that means that the archives accompany the relocation of the Chancery administrative offices, or go to one of the

seminaries, or another location. I anticipate having another meeting shortly with this group to further discuss these questions.

Orthodox Church in America

Treasurer's Report

Metropolitan Council – Fall 2020

Your Beatitude, Reverend Fathers, Brothers and Sisters:

Greetings in Christ!

Introduction

Much has changed since our Spring 2020 meeting. I could not have foreseen, then, the challenges we would all soon be facing, in light of the worldwide Covid-19 pandemic. But, my work attending to the financial health of the OCA in the 6 or so months since the public health crisis began in earnest has been the most meaningful of my career. His Beatitude Metropolitan Tikhon, Chancellor Fr. Alexander, and all of the Chancery staff have been exceptionally supportive of my and Susan's efforts to ensure the financial health of the OCA at each level. While we haven't been able to proceed with certainty at every step and we're far from finished with addressing the OCA's financial needs during a time of pandemic, I am quite pleased with where we are financially given these challenges. I ask for your continued prayers in this regard.

In what follows, I present (roughly chronologically) key financial performance metrics from 2019 into the current year, followed by brief discussion of budgeted for 2021.

FY2019 Audited Financial Statements

At the Spring 2020 meeting, the Metropolitan Council authorized Chancery staff to engage Satty, Levine and Ciacco, CPAs, P.C. to conduct the external audit of the OCA's 2019 financial statements. Over the summer of 2019, Susan Wisnewski worked diligently with the new external auditors, responding to requests for explanation and documentation for key processes (e.g., Accounts Payable, Payroll, etc.), while I worked to provide updated presentation of endowment, investment, and annuity information and with the auditors on financial statement presentation.

One key item that came up during our discussion with the auditors was the treatment of the Mission Fund. At the Spring meeting, the Metropolitan Council discussed its understanding that the fund should function as an endowment, with the newly established spending rate (3%) being applied annually. The auditors determined that for external reporting purposes, the fund should still be shown as temporarily restricted; however, they noted that it's appropriate as an internal process driven by Metropolitan Council action to apply the endowment spending rate to the Mission Fund to determine annual releases from restriction going forward.

Overall, the audited financial statements for 2019 show financial health for the year (see **Attachment A**):

- The auditors issued a clean opinion for the year, noting that the financial statements “present fairly, in all material respects, the financial portion of the Orthodox Church in America...”
- There was an increase in unrestricted net assets of just under \$74,000 (see the bottom of p. 4)
- Restricted net assets increased by over \$400,000 due to investment performance in 2019 after a decline in investments in the last quarter of 2018 (see the bottom of p. 4)

FY2020 Financial Performance through June 30, 2020

Attachment B is the quarterly Treasurer’s Report through June 30, 2020. The Covid-19 pandemic significantly altered the operations of the OCA’s central administration, which had a direct impact on financial performance.

Revenue is slightly down from budget but well within expectation, in light of the Metropolitan Council's resolution from Spring 2020 to grant deferrals of diocesan contributions to dioceses with cash flow needs. Expenses are down more than revenues are, due to non-Covid-related factors (e.g., the vacancy of a staff position during the period) and Covid-related factors (e.g., reduced travel and meeting expenses)

The net effect is a modest operating surplus through the first 6 months of 2020.

CARES Act – Paycheck Protection Program

The Coronavirus Aid, Relief, and Economic Security (CARES) Act was passed by Congress and signed into law by the President in March 2020 in response to the economic fallout from the coronavirus pandemic. A significant component of the CARES Act was the Paycheck Protection Program (PPP), which consists of loans (convertible to grants, i.e., “forgiven”) to cover 2.5 months of payroll for qualifying employers. OCA administration, in consultation with legal counsel and the Finance and Investments Committee, determined that the OCA qualified for PPP loan funding. Further, the OCA administration sought and was granted the authority by this body (the Metropolitan Council) to explore and enter into such a loan agreement.

Amid weeks of uncertainty and ambiguity about the PPP program and how to apply, staff remained vigilant, investigating the latest guidance issued by the Small Business Administration (SBA) and our commercial banker (TD Bank). Finally, on April 22, 2020, I signed a PPP promissory note with TD Bank on behalf of the OCA in the amount of \$194,720.00, with funds received shortly thereafter. This amount represented 2.5 months of the OCA’s covered payroll.

The PPP was established to incentivize employers to maintain payroll for a period of time in light of the uncertainty surrounding the economic impact of the pandemic and associated lockdowns. The OCA maintained its employment level during the review period.

Susan and I, in consultation with the Finance and Investment Committee, have now shifted to exploring the terms under which some or all of this amount might be converted to a grant (“forgiven”). Our best estimate at this point is that the forgivable amount is somewhere between \$160,000 and \$194,720, but we’re currently awaiting further guidance from the SBA and TD Bank.

2020 Internal Audit

At the recent virtual meeting of the Metropolitan Council (anticipating the current Fall 2020 meeting), the Metropolitan Council approved the recommendation to appoint Maha Adranly as the third Internal Audit Committee member; Ms. Adranly has accepted. We’ve had preliminary conversation among the Committee, Susan, and myself about how to proceed with a virtual audit in the 4th Quarter of 2020.

FY2021 Budget

Staff has begun the process of crafting a 2021 budget; however, a number of key budget items on both the revenue side (e.g., diocesan contributions) and expense side (e.g., travel, meetings) remain to be solidified. We’re seeking additional information and hope to have a working 2021 budget for consideration by the Metropolitan Council in October.

Respectfully Submitted,

Andrew Smith
Treasurer

**THE ORTHODOX CHURCH IN AMERICA
FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018**

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
The Orthodox Church in America

We have audited the accompanying financial statements of The Orthodox Church in America (a nonprofit Church), which comprise the statements of financial position as of December 31, 2019, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Orthodox Church in America as of December 31, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter – Adopted of New Accounting Principle

As discussed in Note 2 to the financial statements, The Orthodox Church in America has adopted FASB Accounting Standards Update 2016-18, *Restricted Cash*. Our opinion is not modified with respect to this matter.

Other Matters

Adjustments to prior period Financial Statements

The financial statements of The Orthodox Church in America as of December 31, 2018 were audited by other auditors whose report dated October 9, 2019, expressed an unmodified opinion on those financial statements. As described in Note 14 to the financial statements, the Church has adjusted its 2018 financial statements for the correction of an error. The other auditors reported on the financial statements before the restatement.

As part of our audit of the 2019 financial statements, we also audited the correction of an error to the 2018 financial statements as described in Note 14. In our opinion, such adjustments are appropriate and have been properly applied. We were not engaged to audit, review, or apply any procedures to The Orthodox Church in America's 2018 financial statements other than with respect to the adjustments and, accordingly, we do not express an opinion or provide any form of assurance on the 2018 financial statements as a whole.

Satty, Levine & Ciacco CPAs PC

Satty, Levine & Ciacco, CPAs, P.C.
Melville, New York
August 4, 2020

**THE ORTHODOX CHURCH IN AMERICA
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2019 AND 2018**

	2019	(Restated) 2018
ASSETS:		
Cash and cash equivalents	\$ 383,990	\$ 271,319
Restricted cash	415,360	124,998
Investments:		
Endowment pool fund	1,432,836	1,202,297
St. Andrew endowment fund	125,152	100,479
FOS endowment fund	86,866	68,887
Missions endowment fund	935,810	731,069
Annuity and unitrust fund	148,091	147,854
	<u>2,728,755</u>	<u>2,250,586</u>
Accounts receivable, net	196,386	193,512
Grant receivable	-	345,700
Note receivable	150,000	150,000
Prepaid expenses	3,500	21,777
Property and equipment, net	341,159	364,832
	<u>4,219,150</u>	<u>3,722,724</u>
TOTAL ASSETS	<u>\$ 4,219,150</u>	<u>\$ 3,722,724</u>
LIABILITIES AND NET ASSETS:		
LIABILITIES:		
Accounts payable and accrued expenses	\$ 69,314	\$ 46,673
Retirement obligations	37,552	37,552
Annuity and unitrust agreements	106,527	109,479
	<u>213,393</u>	<u>193,704</u>
TOTAL LIABILITIES	<u>213,393</u>	<u>193,704</u>
NET ASSETS:		
Without donor restrictions		
Undesignated	245,606	147,967
Invested in property and equipment	341,159	364,832
	<u>586,765</u>	<u>512,799</u>
Total without donor restrictions	586,765	512,799
With donor restrictions	3,418,992	3,016,221
	<u>4,005,757</u>	<u>3,529,020</u>
TOTAL NET ASSETS	<u>4,005,757</u>	<u>3,529,020</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 4,219,150</u>	<u>\$ 3,722,724</u>

See independent auditors' report and notes to financial statements.

THE ORTHODOX CHURCH IN AMERICA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>
OPERATING SUPPORT, REVENUES AND RECLASSIFICATIONS			
Support:			
Diocesan contributions	\$ 1,725,504	\$ -	\$ 1,725,504
General contributions	6,765	3,383	10,148
SOCA	68,075	8,654	76,729
Missions	-	2,275	2,275
Seminary	-	878	878
Charity	-	696	696
Donated services	3,980	-	3,980
Total support	<u>1,804,324</u>	<u>15,886</u>	<u>1,820,210</u>
Revenues:			
Interest and dividends	94	58,478	58,572
Investment income, net	-	421,296	421,296
Other revenue	18,395	1,225	19,620
Total revenues	<u>18,489</u>	<u>480,999</u>	<u>499,488</u>
Reclassifications:			
Net assets released from restrictions	<u>103,481</u>	<u>(103,481)</u>	<u>-</u>
Total operating support, revenue and reclassifications	<u>1,926,294</u>	<u>393,404</u>	<u>2,319,698</u>
EXPENSES:			
Program services	605,335	-	605,335
General and administrative	1,180,637	-	1,180,637
Development	66,356	-	66,356
Total expenses	<u>1,852,328</u>	<u>-</u>	<u>1,852,328</u>
Change in net assets from operations	73,966	393,404	467,370
Nonoperating activities			
Change in actuarial value of annuities and unitrusts	-	2,952	2,952
Investment income, net	-	6,415	6,415
Total operating activities	<u>-</u>	<u>9,367</u>	<u>9,367</u>
Change in net assets	73,966	402,771	476,737
Net assets at beginning of year (restated)	<u>512,799</u>	<u>3,016,221</u>	<u>3,529,020</u>
Net assets at end of year	<u>\$ 586,765</u>	<u>\$ 3,418,992</u>	<u>\$ 4,005,757</u>

See independent auditors' report and notes to financial statements.

**THE ORTHODOX CHURCH IN AMERICA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2018**

	Without Donor Restrictions	With Donor Restrictions	(Restated) Total
OPERATING SUPPORT, REVENUES AND RECLASSIFICATIONS			
Support:			
Diocesan contributions	\$ 1,722,724	\$ -	\$ 1,722,724
General contributions	97,296	3,376	100,672
SOCA	-	74,703	74,703
Grants	-	519,700	519,700
Missions	-	1,625	1,625
Seminary	-	5,284	5,284
Charity	-	1,120	1,120
Donated services	5,260	-	5,260
Total support	<u>1,825,280</u>	<u>605,808</u>	<u>2,431,088</u>
Revenues:			
All-American council income	-	422,436	422,436
Interest and dividends	90	57,515	57,605
Investment income, net	-	(299,315)	(299,315)
Other revenue	29,428	-	29,428
Total revenues	<u>29,518</u>	<u>180,636</u>	<u>210,154</u>
Reclassifications:			
Net assets released from restrictions	601,149	(601,149)	-
Total operating support, revenue and reclassifications	<u>2,455,947</u>	<u>185,295</u>	<u>2,641,242</u>
Expenses:			
Program services	1,014,642	-	1,014,642
General and administrative	1,244,489	-	1,244,489
Development	101,092	-	101,092
Total expenses	<u>2,360,223</u>	<u>-</u>	<u>2,360,223</u>
Change in net assets from operations	95,724	185,295	281,019
Nonoperating activities			
Change in actuarial value of annuities and unitrusts	-	5,010	5,010
Investment income, net	-	(1,635)	(1,635)
Total operating activities	<u>-</u>	<u>3,375</u>	<u>3,375</u>
Change in net assets	95,724	188,670	284,394
Net assets at beginning of year	<u>417,075</u>	<u>2,827,551</u>	<u>3,244,626</u>
Net assets at end of year	<u>\$ 512,799</u>	<u>\$ 3,016,221</u>	<u>\$ 3,529,020</u>

See independent auditors' report and notes to financial statements.

**THE ORTHODOX CHURCH IN AMERICA
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2019**

	PROGRAM SERVICES						SUPPORTING SERVICES			TOTAL	
	Departmental Ministries	History and Archives	External Affairs	Education and committees	Missions and Grants	Other	Total Program Services	Management and General	Development		Total Supporting Services
EXPENSES:											
Salaries, wages and benefits	\$ 57,625	\$ 110,322	\$ 38,887	\$ 44,695	\$ -	\$ 81,744	\$ 333,273	\$ 758,840	\$ 28,560	\$ 787,400	\$ 1,120,673
Transportation, travel, meals and related expenses	24,985	133	13,404	1,655	-	52,289	92,466	120,608	-	120,608	213,074
Professional fees and other outside services	20,865	12,136	-	19,060	-	2,999	55,060	44,282	33,000	77,282	132,342
Scholarships, grants and other assistance	3,000	-	-	-	36,000	25,896	64,896	-	-	-	64,896
Equipment, supplies and other religious materials	3,548	4,370	1,835	261	-	2,989	13,003	39,438	1,256	40,694	53,697
Repairs and maintenance	-	-	-	-	-	-	-	41,048	-	41,048	41,048
Utilities	-	-	-	-	-	37	37	25,691	-	25,691	25,728
Telephone	1,275	-	2,365	-	-	334	3,974	19,511	2,415	21,926	25,900
Insurance	-	-	-	-	-	-	-	43,436	-	43,436	43,436
Printing, postage and delivery services	-	-	-	37	-	7,940	7,977	8,771	1,125	9,896	17,873
Dues, fee and subscriptions	15,226	200	11,224	37	-	-	26,687	3,495	-	3,495	30,182
Conferences and meetings	4,669	-	3,191	-	-	-	7,860	1,144	-	1,144	9,004
Bank charges	-	-	-	75	-	27	102	2,307	-	2,307	2,409
Depreciation expense	-	-	-	-	-	-	-	29,077	-	29,077	29,077
Facility payment in lieu of taxes	-	-	-	-	-	-	-	40,103	-	40,103	40,103
Payroll processing fees	-	-	-	-	-	-	-	2,886	-	2,886	2,886
TOTAL EXPENSES	\$ 131,193	\$ 127,161	\$ 70,906	\$ 65,820	\$ 36,000	\$ 174,255	\$ 605,335	\$ 1,180,637	\$ 66,356	\$ 1,246,993	\$ 1,852,328

See independent auditors' report and notes to financial statements.

**THE ORTHODOX CHURCH IN AMERICA
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2018**

	PROGRAM SERVICES							SUPPORTING SERVICES			TOTAL	
	All-American Council	Departmental Ministries	History and Archives	External Affairs	Education and committees	Missions and Grants	Other	Total Program Services	Management and General	Development		Total Supporting Services
EXPENSES:												
Salaries, wages and benefits	\$ 10,625	\$ 53,700	\$ 102,978	\$ 38,770	\$ 50,805	\$ -	\$ 14,227	\$ 271,105	\$ 795,490	\$ -	\$ 795,490	\$ 1,066,595
Transportation, travel, meals and related expenses	262,016	7,920	543	15,988	6,838	-	64,452	357,757	123,277	-	123,277	481,034
Professional fees and other outside services	26,929	7,940	1,250	-	19,025	-	48,433	103,577	55,878	93,215	149,093	252,670
Scholarships, grants and other assistance	13,605	-	-	-	-	95,333	27,207	136,145	20	-	20	136,165
Equipment, supplies and other religious materials	12,510	1,490	375	-	-	-	69,932	84,307	53,522	6,999	60,521	144,828
Repairs and maintenance	-	-	-	-	-	-	-	-	41,644	-	41,644	41,644
Utilities	-	-	-	-	-	-	29	29	27,394	-	27,394	27,423
Telephone	402	991	-	4,550	-	-	376	6,319	14,329	878	15,207	21,526
Advertising	-	-	-	-	-	-	-	-	375	-	375	375
Insurance	-	-	-	-	-	-	-	-	43,495	-	43,495	43,495
Printing, postage and delivery services	8,422	468	-	-	-	-	1,281	10,171	11,974	-	11,974	22,145
Dues, fee and subscriptions	-	14,063	180	10,853	-	-	-	25,096	5,338	-	5,338	30,434
Conferences and meetings	17,898	1,863	-	300	-	-	-	20,061	2,565	-	2,565	22,626
Bank charges	49	-	-	-	-	-	26	75	5,693	-	5,693	5,768
Depreciation expense	-	-	-	-	-	-	-	-	19,931	-	19,931	19,931
Facility payment in lieu of taxes	-	-	-	-	-	-	-	-	40,102	-	40,102	40,102
Payroll processing fees	-	-	-	-	-	-	-	-	3,462	-	3,462	3,462
TOTAL EXPENSES	\$ 352,456	\$ 88,435	\$ 105,326	\$ 70,461	\$ 76,668	\$ 95,333	\$ 225,963	\$ 1,014,642	\$ 1,244,489	\$ 101,092	\$ 1,345,581	\$ 2,360,223

See independent auditors' report and notes to financial statements.

**THE ORTHODOX CHURCH IN AMERICA
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018**

	2019	(Restated) 2018
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Change in net assets	\$ 476,737	\$ 284,394
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation expense	29,077	19,931
Net (appreciation) depreciation in fair market value of investments	(330,714)	284,907
Net change in actuarial value of annuities and unitrusts	(2,952)	(5,010)
(Increase) decrease in:		
Accounts receivable	(2,874)	80,934
Grant receivable	345,700	(345,700)
Prepaid expenses	18,277	(1,551)
Increase (decrease) in:		
Accounts payable and accrued expenses	22,641	(122,975)
Retirement obligations	-	(448)
TOTAL ADJUSTMENTS	79,155	(89,912)
Net cash provided by operating activities	<u>555,892</u>	<u>194,482</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Additions of property and equipment	(5,404)	(99,294)
Note receivable	-	(150,000)
Proceeds from sale of investments	587,645	758,524
Purchase of investments	(735,100)	(650,307)
Net cash (used in) investing activities	<u>(152,859)</u>	<u>(141,077)</u>
Net increase in cash and restricted cash	403,033	53,405
Cash and restricted cash - beginning of year	<u>396,317</u>	<u>342,912</u>
Cash and restricted cash - end of year	<u><u>\$ 799,350</u></u>	<u><u>\$ 396,317</u></u>

See independent auditors' report and notes to financial statements.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 1. ORGANIZATION AND BASIS OF ACCOUNTING AND PRESENTATION

A. ORGANIZATION

The Orthodox Church in America, ("the Church") was originally founded as a mission and later became a diocese in the Orthodox Church of Russia, uniting in its fold Orthodox Christians of various national backgrounds and traditions. It subsequently developed into a self-governing Metropolitanate, the Russian Orthodox Greek Catholic Church of America. Confirmation as an Autocephalous Church was accomplished by the action of the Patriarch and Holy Synod of Russia on April 10, 1970. The Church was proclaimed an Autocephalous Church on October 19, 1970, at the sessions of the All-American Council held at St. Tikhon's Monastery in South Canaan, Pennsylvania.

The Church is an Autocephalous Church with territorial jurisdiction in the United States of America and the Commonwealth of Canada. Its doctrine, discipline, and worship are those of the One, Holy, Catholic, and Apostolic Church as taught by the Holy Scriptures, Holy Tradition, the Ecumenical and Provincial Councils, and the Holy Fathers.

B. BASIS OF ACCOUNTING

The financial statements of the Church have been prepared on the accrual basis of accounting and, accordingly, reflect all significant receivables, payables and other liabilities.

C. BASIS OF PRESENTATION

The financial statements of The Orthodox Church in America have been prepared in accordance with U.S. generally accepted accounting principles ("US GAAP"), which require The Orthodox Church in America to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions: Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Church. These net assets may be used at the discretion of The Orthodox Church in America's management and the board of directors.

Net assets with donor restrictions: Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of The Orthodox Church in America or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

D. MEASURE OF OPERATIONS

The statements of activities report all changes in net assets, including changes in net assets from operating and nonoperating activities. Operating activities consist of those items attributable to The Orthodox Church in America's ongoing services and interest and dividends earned on investments. Nonoperating activities are limited to resources that generate return from investments and other activities considered to be of a more unusual or nonrecurring nature.

See independent auditors' report.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. CASH AND CASH EQUIVALENTS

The Church considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

B. INVESTMENTS

Investments are reported at cost, if purchased, or at fair value, if donated. Thereafter, investments are reported at their fair values in the statements of financial position, and changes in fair value are reported as investment return in the statements of activities. Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are based on average cost and are recorded in the statements of activities in the period in which the securities are sold. Interest is recorded when earned. Dividends are accrued as of the ex-dividend date.

C. FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received to sell an asset in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. Fair value should be based on the assumptions market participants would use when pricing an asset. US GAAP establishes a fair value hierarchy that prioritizes investments based on those assumptions. The fair value hierarchy gives the highest priority to quoted prices in active markets (observable inputs) and the lowest priority to an entity's assumptions (unobservable inputs). The Church groups assets at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value. These levels are:

Level 1: Unadjusted quoted market prices for identical assets and liabilities in active markets as of the measurement date.

Level 2: Other observable inputs, either directly or indirectly, including:

- Quoted prices for similar assets and liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in markets that are not active.
- Inputs other than quoted prices that are observable for the asset/liability.
- Inputs that are derived principally from, or corroborated by, other observable market data.

Level 3: Unobservable inputs that cannot be corroborated by observable market data.

D. ACCOUNTS RECEIVABLE

Accounts receivable are stated at the amount management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to the valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Management has determined that no allowance is needed at December 31, 2019 and 2018.

E. PROPERTY AND EQUIPMENT

Building and equipment are stated at cost or at their estimated fair market value if donated. Costs in excess of \$3,000 and the value of donated property and equipment are capitalized. Depreciation is provided on the straight-line method over the estimated useful life of the asset. The estimated useful lives of assets are as follows:

Building and improvements	5-40 years
Furniture, fixtures and equipment	5-7 years
Auto and truck	3-10 years
Software	5-7 years

See independent auditors' report.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. ENDOWMENT INVESTMENT AND SPENDING POLICIES

The Church maintains master investment accounts for its donor-restricted endowments. Realized and unrealized gains and losses from securities in the master investment accounts are allocated monthly to the individual endowments based on the relationship of the market value of each endowment to the total market value of the master investment accounts, as adjusted for additions to or deductions from those accounts. In classifying such funds for financial statement purposes as either net assets with donor restrictions or net assets without donor restrictions, the Board of Trustees looks to the explicit directions of the donor where applicable and the provisions of the laws of the State of New York. The Trustees have determined that, absent donor stipulations to the contrary, the provisions of New York State law do not impose either a permanent or temporary restriction on the income or capital appreciation derived from the original gift.

The Board of Trustees, acting through its Investment Committee, has established an endowment spending policy to support the current level of income needed from the endowment, while sustaining the long-term purchasing power of the endowment assets over the long-term.

The Church follows investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Church must hold in perpetuity, or for donor-specified periods. Under this policy, the endowment assets are invested in a manner that is intended to maximize returns while assuming a conservative level of investment risk. Actual returns in any given year may vary.

To satisfy its long-term rate-of-return objectives, the Church relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Church targets a well-diversified and balanced asset allocation portfolio to achieve its long-term return and growth objectives within prudent risk constraints.

G. CONTRIBUTIONS AND DIOCESAN ASSESSMENTS

Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributed property and equipment are recorded at fair value at the date of donation. Contributions with donor-imposed stipulations regarding how long the contributed assets must be used are recorded as net assets with donor restrictions; otherwise, the contributions are recorded as net assets without donor restrictions.

Diocesan contributions or assessments are recorded as revenue in the year the dioceses are assessed. Such revenue is calculated and assessed based upon an approved percentage of each diocese's budget.

See independent auditors' report.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. CONTRIBUTED SERVICES

Contributed services are recognized as contributions at their estimated fair value in accordance with the Financial Accounting Standards Board authoritative guidance on *Accounting for Contributions Received and Contributions Made*, if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills and would otherwise be purchased.

For the years ended December 31, 2019 and 2018, The Orthodox Church in America received donated professional services in the amount of approximately \$3,980 and \$5,260, respectively.

I. FUNCTIONAL EXPENSE ALLOCATION

The costs of providing program and other activities have been summarized on a functional basis in the statements of activities and functional expenses. Expenses which are easily and directly associated with a particular program or supporting service are charged directly to that functional area. Certain other expenses have been allocated among the program and supporting services benefited. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Salaries, wages and benefits	Time and effort
Transportation, travel, meals and related expenses	Actual or time and effort
Professional fees and other outside services	Actual or time and effort
Scholarship, grants and other assistance	Actual
Other	Actual, square footage or time and effort

J. USE OF ESTIMATES

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. On an ongoing basis, management evaluates the estimates and assumptions based on new information. Management believes that the estimates and assumptions are reasonable in the circumstances; however, actual results could differ from those estimates.

K. IMPAIRMENT LOSSES

Management reviews property and equipment for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. Impairment is measured at the amount by which the carrying value exceeds the asset's fair value. If the asset is determined to be impaired, an impairment loss is recognized as a non-operating expense (non-cash) in the year the impairment was determined. There were no impairment losses recognized during the years ended December 31, 2019 and 2018.

L. INCOME TAXES

The Church is exempt from federal income taxes under section 501(c)(3) of the Internal Revenue Code and comparable New York State law. Contributions to it are tax deductible within the limitations prescribed by the code.

The most significant tax positions of the Church are its assertion that it is exempt from income taxes and its determination of whether any amounts are subject to unrelated business tax. All significant tax positions have been considered by management. It has been determined that it is more likely than not that all tax positions would be sustained upon examination by taxing authorities.

See independent auditors' report.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

M. RECLASSIFICATION

Certain amounts in the prior year's financial statements have been reclassified to conform to the current year's presentation.

N. ANNUITY AGREEMENTS

The Church established gift annuities whereby donors may contribute assets in exchange for the right to receive an annual return during their lifetime. This transaction provides for a portion of the transfer to be considered a charitable contribution for income tax purposes. The difference between the amount of the annuity and the liability for future payments, determined on an actuarial basis, is recognized as income at the date of gift. The actuarial liability for annuities payable is evaluated annually (giving effect to investment income and payments to annuitants) and any surplus or deficiency is recognized as change in actuarial value of annuities and unitrusts in the statements of activities. Assets held for annuities payable totaled \$72,245 at December 31, 2019 (\$76,120 in 2018). The present value of the remaining future liability to be distributed by the Church amounted to \$61,042 in 2019 and \$65,279 in 2018.

O. UNITRUST AGREEMENTS

The Church is named as beneficiary of various charitable remainder unitrusts and acts as the trustee. These agreements provide for the payment of lifetime distributions to the grantor or other designated beneficiaries. Upon receipt of these agreements, the actuarially determined present value of future payments is recorded as a liability. The remaining portion of the trust attributable to the Church's future interest is recorded in the statements of activities as contributions with donor restrictions in the period received. On an annual basis, the present value of the remaining future liability is revalued based upon actuarial assumptions. Assets held in the charitable remainder unitrusts totaled \$75,846 at December 31, 2019 (\$71,734 at December 31, 2018). The present value of the remaining future liability to be distributed by the Church is calculated using various rates and applicable mortality tables and totaled \$45,485 at December 31, 2019 (\$44,200 at December 31, 2018).

P. NEWLY ADOPTED ACCOUNTING PRINCIPLES

Effective January 1, 2019, the Church adopted Accounting Standards Update 2016-18, *Restricted Cash*, which prescribed that amounts generally described as restricted cash are required to be included in the total cash and cash equivalents on the statement of cash flows. The total must reconcile to the same amounts on the statement of financial position. The effect of the adoption of this standard was to include the restricted cash portion in the beginning of the years' total cash shown on the statements of cash flows by \$124,998.

The Church has adopted and applied retrospectively to all periods presented the standard to the financial statements and thus has provided the following reconciliation:

	<u>2019</u>	<u>2018</u>
Cash	\$ 383,990	\$ 271,319
Restricted cash	<u>415,360</u>	<u>124,998</u>
Total cash and restricted cash accounts shown in the statement of cash flows	<u>\$ 799,350</u>	<u>\$ 396,317</u>

In June 2018, the FASB issued ASU 2018-08, Not-For-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made. The new guidance clarifies the definition of an exchange transaction and the criteria for evaluating whether contributions are unconditional or conditional. ASU 2018-08 was applied on a modified prospective basis to agreements that were not completed at January 1, 2019, or that were entered into after that date. The guidance under the ASU did not have a significant impact on the Church's financial statements.

See independent auditors' report.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 3. AVAILABILITY AND LIQUIDITY

The following represents The Orthodox Church in America's financial assets at December 31, 2019 and 2018:

	<u>2019</u>	<u>2018</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 383,990	\$ 271,319
Restricted cash	415,360	124,998
Investments	2,728,755	2,250,586
Accounts receivable, net	196,386	193,512
Grant receivable	-	345,700
Total financial assets	<u>3,724,491</u>	<u>3,186,115</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	<u>3,418,992</u>	<u>3,016,221</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 305,499</u>	<u>\$ 169,894</u>

The Church's goal is generally to maintain financial assets to meet the general operating expenses.

NOTE 4. RESTRICTED CASH

The cash is restricted for the purpose of the thriving in ministry initiative grant. Restricted cash at December 31, 2019 and 2018 consisted of the following:

	<u>2019</u>	<u>2018</u>
Restricted cash - Thriving in ministry program	<u>\$ 415,360</u>	<u>\$ 124,998</u>

NOTE 5. INVESTMENTS

Investments are reported at fair value in accordance with authoritative guidance issued by the Financial Accounting Standards Board on *Accounting for Certain Investments Held by Not-for-Profit Organizations*. Fair value is determined by using quoted market prices, where available. When quoted market prices are not available, the present value of estimated or expected future cash flows or another reasonable method is used.

Investments as of December 31, 2019 and 2018 are summarized as follows:

	<u>2019</u>	<u>2018</u>
Corporate equity securities	\$ 2,078,111	\$ 1,577,850
Money market funds	444,529	493,893
Fixed income securities	60,849	19,741
Mutual funds	73,021	82,982
Annuity investments	72,245	76,120
	<u>\$ 2,728,755</u>	<u>\$ 2,250,586</u>

At December 31, 2019 and 2018, all investments were considered level 1 investments, except for the annuity investments which were considered level 2 investments.

See independent auditors' report.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 6. PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2019 and 2018 consisted of the following:

	<u>2019</u>	<u>2018</u>
Land (non-depreciable)	\$ 45,000	\$ 45,000
Archive room improvements in progress (non-depreciable)	104,067	104,067
Building and improvements	570,508	570,508
Furniture, fixtures and equipment	200,787	195,384
Software	33,000	33,000
Total property and equipment	<u>953,362</u>	<u>947,959</u>
Less: Accumulated depreciation	<u>(612,203)</u>	<u>(583,127)</u>
Property and equipment, net	<u>\$ 341,159</u>	<u>\$ 364,832</u>

NOTE 7. EMPLOYEE BENEFIT PLANS

PENSION PLANS:

Substantially all full-time employees participate in The Orthodox Church in America Pension Plan (Plan). This multi-employer plan, administered by the pension board of the Church, is a contributory plan, and provides defined benefits based on years of service and remuneration near retirement. The risks of participating in this multi-employer plan differ from single-employer plans in the following aspects:

- a) Assets contributed to the Plan by one employer may be used to provide benefits to employees of other participating employers;
- b) If a participating employer stops contributing to the Plan, the unfunded obligations of the Plan may be borne by the remaining participating employers;
- c) if the Church chooses to stop participating in the Plan, it may be required to pay to the Plan an amount based on the underfunded status of the Plan, referred to as a withdrawal liability.

Eligible employees are all employees of the Church and its related entities, except for employees that are older than age 60 and have not elected to be part of the Plan. Bishops and priests become members of the Plan on the first day of the month after they begin service with the Church. Full-time employees are eligible to participate in the Plan on the first day of the month after their date of hire. Participants with five years of services are entitled to pension benefits upon retirement. Pension benefits are provided to participants under several types of retirement options based upon years of service and age. Retirement benefits are paid to pensioners or beneficiaries in various forms of joint and survivor annuities, including a lump-sum payment option. Pension expense, representing the Church's required contribution to the Plan, was \$54,451 in 2019 and \$57,762 in 2018. The contribution made by the Church represented approximately 2.06% and 2.25% of the total contributions made to the Plan in December 31, 2019 and 2018, respectively. To the extent the Plan is underfunded, future contributions to the Plan may increase.

The Plan is a non-electing church plan which means the Plan sponsor has not elected to be covered by the terms of the Employee Retirement Income Security Act of 1974 (ERISA), and is not required to file Form 5500. The Plan's fiscal year is from January 1 to December 31.

See independent auditors' report.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 7. EMPLOYEE BENEFIT PLANS (continued)

The following table discloses the name and funded status of the Plan as of January 1, 2020 and 2019 (the date of the latest actuarial valuation), inclusive of the fair value of plan assets as December 31, 2019 and 2018:

<u>The Orthodox Church in America Pension Plan (Plan EIN: 06-1455789)</u>	<u>Actuarial present value of accumulated plan benefits</u>	<u>Fair value of plan assets</u>	<u>Total net contributions</u>	<u>Funded Status</u>
2019	\$ 55,648,391	\$ 24,957,647	\$ 2,642,534	44.85%
2018	\$ 52,989,527	\$ 22,081,351	\$ 2,567,215	41.67%

OTHER RETIREMENT BENEFITS:

In 2007, the Church entered into an agreement with a former employee whereby the Church agreed to make monthly payments of \$950 to the former employee in lieu of retirement benefits from the separate Orthodox Church in American Pension Plan. The agreement exists to rectify a situation whereby the former employee had been improperly excluded from participation in the Orthodox Church in America Pension Plan, and will continue until the former employee's death. Payments related to this agreement amounted to \$11,400 for each of the years ended December 31, 2019 and 2018. The actuarially calculated liability for future payments under this obligation amounted to approximately \$37,000 each year.

NOTE 8. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are restricted for the following purposes:

Net assets with donor restrictions, time and purposes were available for the following purposes as of December 31, 2019 and 2018:

	<u>2018</u>	<u>Additions/ Investment Activities</u>	<u>Release</u>	<u>2019</u>
Mission churches	\$ 878,320	\$ 207,490	\$ -	\$ 1,085,810
Thriving in ministries	470,698	-	56,921	413,777
Archives fund	106,954	-	15,993	90,961
Restricted endowments excess earnings	228,648	139,164	-	367,812
General purpose endowment excess earnings	131,571	75,457	-	207,028
Charity	68,923	695	17	69,601
Theological education - academic fellowship	59,300	-	-	59,300
Publication reserve fund	29,556	-	-	29,556
Seminary appeal	4,760	878	-	5,638
Youth director	-	54,907	11,781	43,126
Other	-	18,294	18,769	(475)
	<u>\$ 1,978,730</u>	<u>\$ 496,885</u>	<u>\$ 103,481</u>	<u>2,372,134</u>
Donor restricted endowment funds				
General purposes				240,736
Restricted purposes				775,762
Charitable remainder unitrust				<u>30,360</u>
Total net assets with donor restrictions				<u>\$ 3,418,992</u>

See independent auditors' report.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 8. NET ASSETS WITH DONOR RESTRICTIONS (continued)

	2017	Additions/ Investment Activities	Release	2018
Mission churches	\$ 952,143	\$ 21,510	\$ 95,333	\$ 878,320
Thriving in ministries	-	470,698	-	470,698
Archives fund	174,304	-	67,350	106,954
Restricted endowments excess earnings	296,822	(68,174)	-	228,648
General purpose endowment excess earnings	164,668	(33,097)	-	131,571
Charity	70,803	1,120	3,000	68,923
Theological education - academic fellowship	59,300	-	-	59,300
Publication reserve fund	29,556	-	-	29,556
Seminary appeal	2,677	5,285	3,202	4,760
All-American council		422,436	422,436	-
Other	43,162	(33,334)	9,828	-
	<u>\$ 1,793,435</u>	<u>\$ 786,444</u>	<u>\$ 601,149</u>	<u>1,978,730</u>
Donor restricted endowment funds				
General purposes				237,541
Restricted purposes				775,762
Charitable remainder unitrust				<u>24,188</u>
Total net assets with donor restrictions				<u>\$ 3,016,221</u>

NOTE 9. ENDOWMENTS

The Church's endowments consist of approximately 40 individual funds established for a variety of purposes. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Church classifies as donor-restricted net assets (a) the original value of gifts donated to the donor-restricted endowment, (b) the original value of subsequent gifts to the donor-restricted endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund is classified as donor-restricted net assets until those amounts are appropriated for expenditure by the Church. The Church considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- 1) The duration and preservation of the fund.
- 2) The purposes of the Church and the donor-restricted endowment fund.
- 3) General economic conditions.
- 4) The possible effect of inflation and deflation.
- 5) The expected total return from income and the appreciation of investments.
- 6) Other resources of the Church.
- 7) The investment policies of the Church.

See independent auditors' report.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 9. ENDOWMENTS (continued)

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or endowment agreement requires the Church to retain as a fund of perpetual duration. In accordance with GAAP, deficiencies of this nature would be reported in net assets without donor restrictions and that future gains be allocated to net assets without donor restrictions until such losses have been restored.

The following represents a detail of the donor-restricted endowment net asset composition:

	With Purpose Restrictions	To be Held in Perpetuity	Total
Donor restricted endowments for 2019:			
General purposes	\$ 207,028	\$ 240,736	\$ 447,764
Restricted purposes	367,812	775,762	1,143,574
Total endowment funds	<u>\$ 574,840</u>	<u>\$ 1,016,498</u>	<u>\$ 1,591,338</u>
Endowment net assets, January 1, 2019	<u>\$ 360,219</u>	<u>\$ 1,013,303</u>	<u>\$ 1,373,522</u>
Investment return:			
Interest and dividend income, net of fees	33,552	-	33,552
Realized and unrealized gains	181,069	-	181,069
Total investment return	214,621	-	214,621
Contributions	-	3,195	3,195
Endowment net assets, December 31, 2019	<u>\$ 574,840</u>	<u>\$ 1,016,498</u>	<u>\$ 1,591,338</u>
Donor restricted endowments for 2018:			
General purposes	\$ 131,571	\$ 237,541	\$ 369,112
Restricted purposes	228,648	775,762	1,004,410
Total endowment funds	<u>\$ 360,219</u>	<u>\$ 1,013,303</u>	<u>\$ 1,373,522</u>
Endowment net assets, January 1, 2018	<u>\$ 316,020</u>	<u>\$ 1,009,928</u>	<u>\$ 1,325,948</u>
Investment return:			
Interest and dividend income, net of fees	124,880	-	124,880
Realized and unrealized losses	(80,681)	-	(80,681)
Total investment return	44,199	-	44,199
Contributions	-	3,375	3,375
Endowment net assets, December 31, 2018	<u>\$ 360,219</u>	<u>\$ 1,013,303</u>	<u>\$ 1,373,522</u>

NOTE 10. LEASE COMMITMENTS

The Church leases office equipment under non-cancellable operating leases. Expenses related to these leases amounted to \$15,775 in 2019 and \$19,840 in 2018. Estimated future minimum lease payments by year and in the aggregate under the leases consist of the following:

<u>December 31,</u>	
2020	<u>\$ 6,435</u>

See independent auditors' report.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2019 AND 2018

NOTE 11. RELATED PARTY TRANSACTIONS

Note receivable consists of a \$150,000 promissory note from the Orthodox Church Capital Improvement Fund. The Promissory Note is dated May 21, 2018, with interest at 2.75%. The note calls for monthly interest only payments of \$343.75 for 59 months commencing December 20, 2018 with a balloon payment of the principal balance of \$150,000 due December 20, 2023.

NOTE 12. CONTINGENCIES

The Church, in the normal course of its operations, is a party to various legal proceedings and complaints, some of which are covered by insurance. While it is not feasible to predict the ultimate outcomes of such matters, management of the Church is not aware of any claims or contingencies, which are not covered by insurance that would have a material adverse effect on the Church's financial position, changes in net assets or cash flows.

NOTE 13. CONCENTRATION OF CREDIT RISK

The Church maintains all of its cash, cash equivalents and investments in high credit quality financial intuitions. Accounts at the institutions are either insured by the Federal Depository Insurance Corporation ("FDIC") or the Securities Investor Protection Corporation ("SIPC"). The FDIC insured limit for the years ended December 31, 2019 and 2018 was \$250,000. The SIPC insured limit for the years ended December 31, 2019 and 2018 was \$500,000. At December 31, 2019 and 2018, the Church had assets that were in excess of the insured limits.

The Church's revenues are primarily from Diocesan contributions, general supports and investment incomes.

NOTE 14. PRIOR PERIOD ADJUSTMENT

During the year ended December 31, 2019, management discovered that the accounts payable was overstated by \$46,559 in the previous year. The effect of the restatement on the financial statements was to increase beginning net assets and decrease the accounts payable by \$46,559.

NOTE 15. SUBSEQUENT EVENTS

The Church has evaluated events and transactions that occurred through August 4, 2020, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

The Church's operations will be affected by the recent and ongoing outbreak of the coronavirus disease 2019 (COVID-19) which in March 2020, has been declared a pandemic by the World Health Organization. The ultimate disruption which will be caused by the outbreak is uncertain; and management, at this time, cannot reasonably estimate the amount of impact it will have on the Organization's financial position, operations and cash flows. Possible areas that may be affected include, but are not limited to, disruption to the Church's special events and sponsorship and the possible decline in value of investments owned by the Church.



ORTHODOX CHURCH in AMERICA

Treasurer's Report

Quarter-End - June 30, 2020

Your Beatitude, Your Eminences, Your Graces, Reverend Fathers, brothers and sisters,

Greetings in Christ!

I write to you at the half-way point in what has certainly been an unusual and difficult fiscal year. The COVID-19 pandemic has impacted the way we work, live, worship -- and account for the fiscal affairs of the church. The full financial impact is likely to remain unknown for quite some time. At this point in the year, however, we are operating with a modest surplus, with revenues and expenses both lagging budget projections. Further, we received nearly \$195K in funding through the Paycheck Protection Program within the provisions of the CARES Act, much of which we hope will be converted from a loan to a grant (i.e., forgiven). This amount currently shows as a liability on our balance sheet, but will convert to revenue to the extent that we attain forgiveness.

Attached is the Treasurer's Report for the quarter ended June 30, 2020. The report includes the following:

- * Statement of Operating Activity - Unrestricted
- * Statement of Operating Activity - Restricted
- * Comparative Balance Sheet for June 30, 2020 and Dec. 31, 2019

June 30, 2020 represents 6/12ths of the OCA's fiscal year, so the target for operating revenues and expenses is 50%.

Please note that this data, while substantively correct, is preliminary and unaudited. We do expect additional adjustments.

Revenues

Revenue collection was \$809K, if we include 50% of the anticipated annual endowment draw, on an annual budget of \$1,815K (44.58%). Diocesan contributions were at 45.93%.

Expenses

Expenses incurred through June were \$729K on an annual budget of \$1,815K (40.18%). We are beginning to see the results of efforts taken to reduce expenses in the wake of the COVID-19 pandemic.

Net Income

Unrestricted net income is a \$96K (or \$63K, without prorated endowment draw) surplus through June.

If you have any questions about this report, please don't hesitate to contact me at asmith@oca.org.

In Christ,

Andrew D. Smith
Treasurer

ORTHODOX CHURCH IN AMERICA
Statement of Operating Activity - FY2019 - **Preliminary & Unaudited**
June 30, 2020

				Target 25.00%
<i>Unrestricted</i>	A	B	C	D
	CURRENT QUARTER	YEAR TO DATE	ANNUAL BUDGET	% BUDGET USED
1	REVENUE			
2	407,696	762,100	1,659,435	45.93%
3	11,284	28,197	75,000	37.60%
4	250	1,000	15,000	6.67%
5	1,039	433	-	
6	-	-	-	
7	-	-	-	
8	489	1,091	-	
9	16,500	33,000	66,000	50.00%
10	437,258	825,820	1,815,435	45.49%
11				
12				
13				
14	EXPENSES			
15	102,754	207,823	343,319	60.53%
16	96,864	193,996	543,476	35.70%
17	23,109	46,240	103,505	44.67%
18	10,286	27,256	63,219	43.11%
19	1,000	1,462	4,400	33.24%
20	28,407	105,319	239,769	43.93%
21	1,149	8,563	56,186	15.24%
22	3,600	10,221	66,300	15.42%
23	5,782	11,143	64,400	17.30%
24	472	12,931	32,450	39.85%
25	14,130	29,435	65,300	45.08%
26	-	-	-	
27	-	-	10,000	0.00%
28	10,000	23,333	40,000	58.33%
29	-	3,000	12,000	25.00%
30	-	-	-	
31	7,451	15,864	27,611	57.45%
32	-	-	9,000	0.00%
33	-	-	18,000	0.00%
34	15,043	32,781	116,500	28.14%
35	320,047	729,369	1,815,436	40.18%
36				
37	117,211	96,451	0	

ORTHODOX CHURCH IN AMERICA

Statement of Operating Activity - FY2019 - **Preliminary & Unaudited**

June 30, 2020

				Target 25.00%
				D
<i>Temp Restricted</i>	A	B	C	D
	CURRENT	YEAR TO	ANNUAL	% BUDGET
	QUARTER	DATE	BUDGET	USED
1	REVENUE			
2	-	-	-	
3	50,475	51,901	-	
4	1,800	1,800	-	
5	313,731	(27,911)	-	
6	-	-	-	
7	-	-	-	
8	-	-	-	
9	366,006	25,790	-	
10				
11				
12				
13	EXPENSES			
14	Restricted Funds			
15	4,308	10,716	-	
16	-	-	-	
17	-	-	-	
18	-	-	-	
19	4,518	16,107	-	
20	-	-	-	
21	-	-	-	
22	8,656	39,660	-	
23	17,482	66,483	-	
24				
25	348,524	(40,694)	-	

ORTHODOX CHURCH IN AMERICA
Balance Sheet - FY2019 - **Preliminary & Unaudited**
June 30, 2020

A	B	C	D
	<u>6/30/2020</u>	<u>12/31/2019</u>	DIFFERENCE
1 ASSETS			
2 Cash & Cash Equivalents - Operating	561,381	317,067	244,314
3 Cash & Cash Equivalents - Restricted	665,803	479,716	186,087
4 Petty Cash	853	853	-
5			
6 Accounts Receivable	183,990	235,386	(51,396)
7 Grants Receivable	-	-	-
8 Prepaid Expense	13,434	-	13,434
9 Other Current Assets	558	3,500	(2,942)
10			
11 Fixed Assets, net of depreciation	326,309	320,744	5,565
12 Investments	2,836,271	2,885,308	(49,037)
13			
14 Total Assets	<u>4,588,598</u>	<u>4,242,574</u>	<u>346,024</u>
15			
16			
17 LIABILITIES			
18 Accounts Payable	18,856	65,514	(46,658)
19 Accrued Expenses	47,193	40,369	6,824
20 Retirement Obligation	37,552	37,552	-
21 Unitrust Liability	109,479	82,136	27,343
22 Payroll Liabilities	57,951	-	57,951
23 Other Liabilities	(17,320)	327	(17,647)
24			
25 Note Payable - PPP Program (CARES Act)	194,720	-	194,720
26			
27 Total Liabilities	<u>448,433</u>	<u>225,898</u>	<u>222,535</u>
28			
29			
30 NET ASSETS	<u><u>4,140,166</u></u>	<u><u>4,016,676</u></u>	<u><u>123,490</u></u>



THE ORTHODOX CHURCH IN AMERICA

**PRESENTATION OF AUDIT
REPORT**

SEPTEMBER 17, 2020

THE ORTHODOX CHURCH IN AMERICA

SUMMARY OF AUDITORS' RESULTS

- Year-end closings and timeliness of accounting records
- Unmodified opinion on financial statements (clean opinion)
- No significant audit findings
- No difficulties encountered during audit
- No disagreements with management during audit
- All proposed adjustments were agreed upon and recorded

THE ORTHODOX CHURCH IN AMERICA

STATEMENTS OF FINANCIAL POSITION - ASSETS

	2019	2018
ASSETS:		
Cash and cash equivalents	\$ 383,990	\$ 271,319
Restricted cash	415,360	124,998
Investments:		
Endowment pool fund	1,432,836	1,202,297
St. Andrew endowment fund	125,152	100,479
FOS endowment fund	86,866	68,887
Missions endowment fund	935,810	731,069
Annuity and unitrust fund	148,091	147,854
	<u>2,728,755</u>	<u>2,250,586</u>
Accounts receivable, net	196,386	193,512
Grant receivable	-	345,700
Note receivable	150,000	150,000
Prepaid expenses	3,500	21,777
Property and equipment, net	341,159	364,832
	<u>4,219,150</u>	<u>3,722,724</u>
TOTAL ASSETS	\$ 4,219,150	\$ 3,722,724

- Cash and cash equivalents increased by \$113,000 (due to profit)
- Restricted cash increased by \$290,000 (Lily Foundation grant received in 2019)
- Total Investments increased by \$478,000
 - Endowment pool fund \$230,000
 - Missions endowment fund \$205,000
- Property and equipment, net decreased by \$23,000 (depreciation expense)

THE ORTHODOX CHURCH IN AMERICA

STATEMENTS OF FINANCIAL POSITION – LIABILITIES AND NET ASSETS

	<u>2019</u>	<u>2018</u>
LIABILITIES AND NET ASSETS:		
LIABILITIES:		
Accounts payable and accrued expenses	\$ 69,314	\$ 46,673
Retirement obligations	37,552	37,552
Annuity and unitrust agreements	<u>106,527</u>	<u>109,479</u>
TOTAL LIABILITIES	<u>213,393</u>	<u>193,704</u>
NET ASSETS:		
Without donor restrictions		
Undesignated	245,606	147,967
Invested in property and equipment	<u>341,159</u>	<u>364,832</u>
Total without donor restrictions	586,765	512,799
With donor restrictions	<u>3,418,992</u>	<u>3,016,221</u>
TOTAL NET ASSETS	<u>4,005,757</u>	<u>3,529,020</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 4,219,150</u>	<u>\$ 3,722,724</u>

- Accounts payable and accrued liabilities increased by \$22,000
- Annuity and unitrust agreement decreased by \$3,000
- Net assets increased by \$476,000 (Due to Profit)

THE ORTHODOX CHURCH IN AMERICA

STATEMENTS OF ACTIVITIES – SUPPORT AND REVENUES

	Without Donor Restrictions	With Donor Restrictions	2019	2018
OPERATING SUPPORT, REVENUES AND RECLASSIFICATIONS				
Support:				
Diocesan contributions	\$ 1,725,504	\$ -	\$ 1,725,504	\$ 1,722,724
General contributions	74,840	3,383	78,223	100,672
SOCA	-	8,654	8,654	74,703
Grant	-	-	-	519,700
Missions	-	2,275	2,275	1,625
Seminary	-	878	878	5,284
Charity	-	696	696	1,120
Donated services	3,980	-	3,980	5,260
Total support	<u>1,804,324</u>	<u>15,886</u>	<u>1,820,210</u>	<u>2,431,088</u>
Revenues:				
All-American council income			-	422,436
Interest and dividends	94	58,478	58,572	57,605
Investment income, net	-	421,296	421,296	(299,315)
Other revenue	18,395	1,225	19,620	29,428
Total revenues	<u>18,489</u>	<u>480,999</u>	<u>499,488</u>	<u>210,154</u>
Reclassifications:				
Net assets released from restrictions	<u>103,481</u>	<u>(103,481)</u>	<u>-</u>	<u>-</u>
Total operating support, revenue and reclassifications	<u>\$ 1,926,294</u>	<u>\$ 393,404</u>	<u>\$ 2,319,698</u>	<u>\$ 2,641,242</u>

- Profit \$476,737
 - Total revenues and other support - \$2,329,065
 - Total expenses - \$1,852,328
- Overall revenues decreased by 12% or \$321,000
 - All-American council income \$422,436 in 2018
 - Grant income \$519,700 in 2018

THE ORTHODOX CHURCH IN AMERICA

STATEMENTS OF ACTIVITIES – EXPENSES AND CHANGES IN NET ASSETS

	Without Donor Restrictions	With Donor Restrictions	2019	2018
EXPENSES:				
Program services	\$ 605,335	\$ -	\$ 605,335	\$ 1,014,642
General and administrative	1,180,637	-	1,180,637	1,244,489
Development	66,356	-	66,356	101,092
Total expenses	<u>1,852,328</u>	<u>-</u>	<u>1,852,328</u>	<u>2,360,223</u>
Change in net assets from operations	73,966	393,404	467,370	281,019
Nonoperating activities				
Change in actuarial value of annuities and unitrusts	-	2,952	2,952	5,010
Investment income, net	-	6,415	6,415	(1,635)
Total operating activities	<u>-</u>	<u>9,367</u>	<u>9,367</u>	<u>3,375</u>
Change in net assets	73,966	402,771	476,737	284,394
Net assets at beginning of year (restated)	<u>512,799</u>	<u>3,016,221</u>	<u>3,529,020</u>	<u>3,244,626</u>
Net assets at end of year	<u>\$ 586,765</u>	<u>\$ 3,418,992</u>	<u>\$ 4,005,757</u>	<u>\$ 3,529,020</u>

- Overall expenses decreased by 20% or \$507,000
- All-American council expenses in 2018

Thank you

QUESTIONS?

Report of the Project Manager of the Departments of the Orthodox Church in America to the Metropolitan Council

Archpriest Thomas Soroka

September 17, 2020

Your Beatitude, Reverend Fathers, Metropolitan Council Members, and Guests,

It is a great honor to be with you to present to you a report on this new role of “Project Manager of the Departments.” In the future, God willing, my reports will be limited to what the Departments are currently accomplishing. However, for my first report before you, it is imperative that we tell at least a brief story of the Departments’ past and present, and then speak of the future, to understand how we got to where we are today and to chart where we are going. Bear in mind that as I tell this story, I am absolutely convinced of the fruitful future of the Departments, as we begin to plant the seeds of a new direction for these important organs of the Orthodox Church in America (OCA).

The Past

What we know today as the current configuration of the Departments of the OCA, have had various names, structures, personnel, focus, and funding, over the past five decades. Especially in the era between the 1970s to 1990s, the enthusiasm of a young, vibrant, newly-minted autocephalous Church was clearly evident in the voluminous production of practical materials and resources that had never been produced before. Gifted individuals, inspired by the direction and leadership of the OCA, saw the need for resources in the areas of Christian education, music, parish ministry, and outreach materials. They created resources, provided workshops, clarified the vision, and inspired a direction for the Church at large.

As time went on and as leadership changed both in the Departments (or Ministry Units, as they were called, at times) as the vision and productivity of the individual Departments sometimes responded to the new challenges of the Church in very energetic ways, but others sometimes lost focus, impetus, and productivity. The “why” of this reality is not as important as the question of “what do we do about it now?”

In the Summer of 2019, I proposed to Fr Alexander Rentel a new vision and practical strategy for revitalizing the Departments of the OCA. (That is not to say that all the Departments were entirely moribund. Certainly there were some very good things happening.) In the Fall of 2019, I had the honor of meeting with His Beatitude to make my case for a way forward for the Departments, based on the

inspiring vision outlined in His Beatitude's "Four Pillars" document, as well as a guiding hand provided by an overseeing Manager for the Departments. In March, 2020, Fr Alexander extended His Beatitude's blessing to begin this work.

My first task was to assess the current state of the Departments by having conversations with all of the "current" personnel of each Department. I say "current" with "air quotes" because there was a certain amount of ambiguity regarding the status of most of the Departments, since the stipend for Department Chairpersons was eliminated in early 2019. Therefore, when I had these conversations, there was a certain amount of confusion, frustration, and disappointment - all of it understandable - about the status of the Departments and their own status as members. Some of those who were serving had been serving for years, if not decades, and bemoaned the lack of recognition for past work and the elimination of financial support which, to some, indicated a lack of value for the important work that could be accomplished. Many of the conversations were difficult and painful, but always in a tone of great empathy and hope for the future.

The Present

Nevertheless, I was entrusted with the confidence of His Beatitude to chart a way forward. Given a very modest budget for all Departments of \$10,000 for the remainder of the year, (excluding the Department of Liturgical Music and Translations and money that remains from the Youth Initiative), we are now embracing a new direction in the Departments, which I will explain.

After these conversations, emails were sent to the "current" members of Departments (except for Evangelization, as the prior Chair, Fr John Parker, focuses his energies entirely on St Tikhon's Seminary) to ask for project proposals that could be accomplished by the end of the year. These projects would be short term goals that must adhere to two essential standards: 1) They must be directly related to the vision outlined by His Beatitude in the "Four Pillars" document, and 2) they must provide resources or services that directly benefit parishes and institutions of the OCA. Additionally, I reached out to priests in the OCA for any projects they might propose, especially in the areas of Evangelization. Project proposals would also have proposed expenses, including modest stipends. The proposals would then be reviewed by Fr Alexander Rentel and myself and either fully approved or sent back for modification. Proposals were submitted, reviewed, modified, and approved.

One change that is being made in light of the current direction, which may or may not be temporary, is that there will no longer be Department Chairs as we have come to understand that position in the past. Instead, I will serve as the chairperson for all Departments and each project will have a Project Lead which will serve through the term of the project until completion. Departments may also have other Consultants listed simply for their expertise and/or past involvement. This approach, I believe, encourages the sense of forward momentum that reaches the goals of developing healthy departments and valuable productivity for the sake of our parishes and faithful.

The following **new projects** are currently approved, have been assigned Project Leads, and are now underway in various stages of development:

Department of Liturgical Music and Translations

Phillip Ritchey, Project Lead

- Compilation of all available resources and texts that have been used in the past and present under the “Texts for Liturgical Services” section provided in the helpful, but labor intensive, individual service sheets published on the OCA website. He will be compiling all current texts into a usable online Horologion, Triodion, Pentecostarion, Menaion, Psalter, and other possible resources that we currently possess.
- Philip continues to serve as the *ad hoc* Coordinator for the ongoing work of the Department in producing the service sheets, new musical settings in Thee/Thou format of current texts that are currently only in You/Your, and other projects that may be assigned to him by me.

Vladimir Morosan, Project Lead

- Basic Sight-Singing and Ear-Training Course for choir directors and singers who may be unfamiliar with basic musical concepts, beginning in mid-October (announcement to be released tomorrow).
- Basic Conducting Course which will be held online, beginning January, 2021. This will be revamped from the previous course held by David Drillock.

Department of Evangelization

Fr Joseph Lucas, Project Lead

- Production of a series of new videos on various topics important to Orthodox Christians. They will have higher production values and will be branded as products of the OCA.

Fr Matthew Markewich, Project Lead

- A new apologetics website which will feature articles mainly by OCA priests and informed OCA laypersons. The purpose of this site is to provide reliable, well researched materials on a variety of subjects which are

currently being addressed online, sometimes by unreliable or questionable persons or sources. This site would be in answer to the growing number of independent voices on the internet which are causing confusion and even rebellion among some.

Frs Antonio Perdomo and Esteban Julio Vasquez

- A compilation of currently available educational and liturgical resources in the Spanish language and the creation of new resources as needed.

Unassigned Project Lead

- Revision and redesigning of the late Fr John Matusiak's "Tract series" which was sold through OCPC and later acquired by St Vladimir's Seminary Bookstore. Approximately 50 attractive trifold and bifold tracts, professionally designed, will be made freely available for download and use in parishes.

Department of Continuing Education

Fr Ian Pac-Urar, Project Lead (remains Chairperson under the Synodal mandate)

- Production of six 15 minute high-quality production videos on a pastoral approach to those dealing with Suicide, taught by experts in the field.

Unassigned Project Lead

- Production of 12 one-hour online seminars or educational forums on a variety of topics relevant to clergy and church workers.

Department of Christian Service and Humanitarian Aid

Donna Karabin and Diana Pasca, Project Leads

- Production of links and tags to all current resources in the Department supporting His Beatitude's "Four Pillars" document.
- Four live approximately one-hour long webinars beginning in early November on the topics based on "Compassion in Action" with guest speakers to address the topics.

Department of Youth, Young Adult, and Campus Ministry

Unassigned Project Lead

- Coordination of the annual Youth Workers Conference, held yearly at the end of January, which will be held January 27-29, 2021 online (approximately two to three hours each evening).

Department of Christian Education

Valerie Zahirsky, Project Lead

- Completion of a sixth volume of Saints activity book for children as an online resource.

Frs Alexander Koranda and Jonathan Lincoln; and Catherine Golitzin, Project Leads

- Online Church School for Middle School and High School Students provided openly for any students who wish to join (beginning Tuesday, September 22 at 7pm ET)

There are other tasks that are also necessarily being completed related to these projects regarding promotion, coordination, the acquisition of supporting resources, and most importantly, providing an online platform for housing the current, newly planned, and yet to be planned resources which will enrich parishes. In that vein, we are planning that each Department will have their resources removed from the main OCA page and instead have their own space, but under the direct supervision of the OCA technical team, using subdomains for each department, such as music.oca.org, evangelization.oca.org, etc. Currently there is a fragmentation of approach as well as a lack of consistency among the sites that do exist.

The Future

I am convinced that once these initial resources are announced, promoted, and made available to the faithful, the humble resources that we are creating now, with extremely limited funds, will encourage the prayerful financial support by the faithful for greater, more consistent offerings which support parishes and faithful in their Christian life and ministry. My plans for approaching this subject include highlighting the good work now being accomplished (that is, once it is actually accomplished) and reaching out to find gifted individuals who wish to serve in this capacity. There are numerous Orthodox Christian individuals who are providing resources and services. We want to find the most talented and motivated of these persons so that we can support the development and sharing of their gifts with the wider OCA community.

Additional Work

Outside of the Department work, though actually a conglomeration of the work of many Departments, I would like to mention that I am coordinating the creation of a new adult catechism, which will consist of 16 one-hour long lessons, including a catechist's guide, a catechumen's guide, PowerPoint slides, and a list of accompanying online resources. I am working with a team of very talented individuals who are creating each module, using the Divine Liturgy as a loose framework to prepare catechumens for entry into the Church. This major work was originally scheduled to be released in December, 2020, however, we may need

more time to complete this work and ready it for release, as it goes through a series of reviews, including by members of the Holy Synod and other theological experts.

Thank you for your attention. I'm happy to answer any questions that you may have.

METROPOLITAN COUNCIL MEETING
AUTUMN 2020
SESSION III
SEPTEMBER 17, 2020

Due to the ongoing Covid-19 restrictions, this meeting is being convened electronically via Zoom and is not taking place in person. This is the third session following Session I (August 27, 2020) and Session II (September 16, 2020). A fourth session will be scheduled in October.

CONCLUDING REMARKS OF THE METROPOLITAN

1. *Continuing Uncertainty.* Our discussions at these two sessions have reminded us of the uncertainty of the times we are navigating and highlighted the challenges we face in decisively resolving certain issues. Concretely, this has meant the need to postpone a review of the budget for 2021, the assuming of a holding pattern with respect to the question of PPP loan forgiveness, and the inability to make a determination on the feasibility of holding the All-American Council at the scheduled time. None of this, of course, is a negative reflection on the Chancery administration or the Metropolitan Council but rather an expression of the broader uncertainty that all of society is facing.

2. *Charting a course forward.* Nevertheless, it cannot be said that the work of this Council has been unproductive nor that the Church is thereby stagnating in her apostolic ministry. If anything, I personally am encouraged by the first three sessions of this Autumn meeting of the Metropolitan Council, which have seen us engage a realtor for the purpose of selling the Westwood property, approving a new internal auditor, thoroughly discuss the finances of the Church on a number of levels, approve the 2019 external audit report, wrestle with the complex question of All-American Council planning during a pandemic, and hear about the positive direction that is being taking in our departments. We have also seen that the work of the central administration is continuing apace and, I would say, has become more cohesive than ever. I say this with confidence and without intending to imitate the false sense of progress that is conveyed, for example, by the folks at

Apple, who in their most recent event, unveiled processors that are the fastest ever, displays that are twice as bright, and application bundles that are more convenient than ever. In the Church, we are not driven by such artificial measures of growth, nor should we feel pressures to offer worldly markers of spiritual growth. Rather, I feel genuine hope and confidence that we are indeed charting a course forward for the Orthodox Church in America even in the midst of this pandemic. If anything, I believe that we are able to navigate this pandemic precisely because we have weathered other storms in the past, both in the 50 years of our Autocephaly and in the 226 years that Orthodox prayers have been offered on this continent.

3. *The Chancery Relocation.* With respect to the process of relocation of the Chancery, I will add a few more remarks. First, I will say that, even though I am the one who initiated this process to sell the Westwood property, I do not personally rejoice in that decision. I do not, and have never, felt that I have been forced to live here, nor that I needed to get away from here. Certainly, the name “Syosset” (perhaps more than any other name, person, action, or period of time in the history of our Church) carries with it positive, negative, painful, or ambiguous connotations and memories for everyone in the Church. I am not sad to see the day when that name is no longer used, not as a way to paint over all of the negative connotations or erase all the good that has been accomplished. I rejoice only in that by not being fettered to this particular post office address, we might continue our work, as fallen and imperfect as we are, at a new address.
4. *Our voluntary way forward.* Neither do I, as the Primate, feel that the Church is now acting out of financial necessity in taking this direction. Certainly, financial concerns are always a part of the equation, but no one—not me, not the Holy Synod, not the Metropolitan Council—has been constrained in any of this. Our vision does not rest in buildings, property, or finances (though all are indeed necessary) but on the prayers, work, and sacrifices of those who have labored in those buildings, toiled on those lands, and wisely used those finances. Wherever the Lord may bless us to acquire new land and build new buildings, we must be attentive to one thing only: the fulfillment of the commandments of the Gospel of Jesus Christ and the

construction of fitting habitations for the Holy Spirit. Those habitations can be the temples, chancery offices, and archival structures that we build, but they are primarily the hearts that we prepare for the sharing of the Gospel and the establishment of the life-giving waters of Holy Orthodoxy on this continent. We may pray imperfectly, labor inconsistently, and offer weak examples of sacrificial love, but we do so with hope in Christ and do not allow ourselves to be weakened. We are not taking a path of impoverishment but a path of expansion; we are not retreating, but moving from glory to glory as we labor together to fulfill the vision and mission given to us by Saint Herman and all the saints and good men and women who came after him. Amen.

AGENDA ITEMS
FALL SESSION OF THE METROPOLITAN COUNCIL
November 4, 2020

The Metropolitan Council of the Orthodox Church in America will continue meeting in its Fall Session, with His Beatitude Metropolitan Tikhon presiding, **Wednesday, November 4, 2020**, via teleconference.

The Metropolitan Council began its regular Fall meeting on August 27, and continued September 16-17. While this meeting will be the last of the regular Fall session, it remains possible that His Beatitude will call a special meeting in December to consider changes for the timing of the All-American Council, currently scheduled for July 2021. This current meeting had been scheduled for Wednesday, October 21, but was postponed until **Wednesday, November 4**, due to the funeral services for our former primate, Metropolitan Theodosius.

At our meeting on this **Wednesday from 1:00-3:30 pm, EST**, after our normal housekeeping matters (1-5), we will consider 6. A brief report from His Beatitude; 7. An update on the sale of the Chancery property; 8. The regular report from our legal team, Judge E.R. Lanier and David Lane; 9. The presentation of a proposed 2021 Budget from Mr. Andrew Smith, Treasurer of the Orthodox Church in America. He will also present a resolution authorizing the Chancery administration to seek forgiveness of our PPP loan; 10. A motion to accept the recommendation of Archpriest Thomas Soroka, Department Program Manager, for 2021 Mission Grants; and, 11. The adoption of a resolution to authorize an Archives Committee to assist the Metropolitan Council develop a plan for the archives

Agenda – Wednesday, November 4, 2020, 1:00-3:30 pm EST

1. Opening Prayer
2. Call to Order – Archpriest Alexander Rentel
3. Review of Agenda – Archpriest Alexander Rentel
4. Roll Call – Archpriest Alexander Rentel
5. Approval of MC Spring Meeting Minutes
6. Report of the Metropolitan – His Beatitude Metropolitan Tikhon
7. Property Committee Report – Ray Steeb and Gregory Honshul

8. Legal Counsel Report – Judge E.R. Lanier and David Lane
9. 2021 Budget and PPP Resolution – Andrew Smith
10. Mission Grants – Archpriest Thomas Soroka
11. Archives Resolution – Archpriest Alexander Rentel
12. Concluding Remarks – His Beatitude
13. Prayer – His Beatitude



**MINUTES
2020 Spring Meeting of
the Metropolitan Council
of the Orthodox Church in America**

**Wednesday, February 5 – Thursday, February 6, 2020
Immaculate Conception Seminary, Huntington, NY**

These draft minutes are subject to approval at a subsequent meeting of the Metropolitan Council

PARTICIPANTS

CHAIRMAN

His Beatitude, Metropolitan Tikhon

CHURCH OFFICERS (*EX OFFICIO*)

Archpriest Alexander Rentel, *Chancellor*

Andrew Smith, *Treasurer*

MEMBERS ELECTED BY THE ALL-AMERICAN COUNCIL

Archpriest Thomas Moore
Archpriest Kirill Sokolov

Katherine Vitko
Lynnell Brunswig
Mark Linnehan

DIOCESAN REPRESENTATIVES

Albanian Archdiocese

Donna Dimitri

Bulgarian Diocese

Bogdan Popescu

Archdiocese of Canada

Protodeacon Jesse Isaac

Diocese of Eastern Pennsylvania

Archpriest Timothy Hojnicky

Sharon Shingara

Diocese of the Midwest

Archpriest Elijah Mueller

Robert Graban

Diocese of New England

Priest Theophan Whitfield

Michael Danchak

Diocese of New York/New Jersey

Archimandrite Joseph (Hoffman)

James P. Kornafel

Diocese of the South

Archpriest Joseph Ciarciaglino Christopher Lewis

Archdiocese of Washington

Archpriest Valery Shemchuk Gregory Honshul

Diocese of the West

Archpriest Michael Anderson David Lane, Esq.

Diocese of Western Pennsylvania

Priest Nikolai Breckenridge Ray Steeb

ABSENT

Archpriest David Askoak (*Diocese of Alaska*)
Archpriest Antonio Perdomo (*Member elected by the All-American Council*)
Archpriest Dennis Rhodes (*Albanian Archdiocese*)
Priest Gabriel Bilas (*Bulgarian Diocese*)
Dorothy Chaney (*Diocese of Alaska*)
Judge E.R. Lanier (*OCA General Counsel*)
Mark Petasky (*Archdiocese of Canada*)

GUESTS (*for all sessions unless otherwise indicated*)

Protopresbyter Leonid Kishkovsky (*Director of External Affairs and Interchurch Relations*
- Thursday morning)

Archpriest Matthew Tate (*Pension Board Trustee – Thursday afternoon*)
Archdeacon Joseph Matusiak (*Secretary to the Metropolitan & Director, Stewards of the OCA*)
Deacon Peter Ilchuk (*All-American Council Manager – Wednesday morning*)
Matushka Mary Buletza-Breton (*Pension Board Trustee – Thursday afternoon*)
Steven Christoforou (*Director, Youth & Young Adult Ministries, Greek Orthodox Archdiocese of America*
- Wednesday afternoon)

Alexis Liberovsky (*Recording Secretary*)
Barry Migyanko (*staff*)
Dimitrios Rentel (*Youth Project coordinator – Wednesday*)
Michael Stieglitz (*Administrator, OCA Pension Plan - Thursday afternoon*)
John Thetford (*staff - Wednesday*)
Susan Wisnewski (*Accounting Manager - Thursday afternoons*)

WEDNESDAY, FEBRUARY 5, 2020

A. Call to Order

Following the celebration of a Divine Liturgy at Saint Sergius Chapel at 8:00 AM, Metropolitan Tikhon opened the morning session with prayer at 11:02 AM.

B. Agenda: Introduction (attached)

Father Alexander Rentel introduced details of the agenda for the meeting. The latest distributed draft agenda (attached) was approved by consensus.

C. Roll Call/Approval of Minutes of Previous Meeting (attached)

Father Rentel then conducted the roll call, announced guests who would be present at various points during this meeting (see participants list), and noted the absence of several members. He then presented for approval

the attached draft minutes of the previous regular meeting of the Metropolitan Council on September 18-19, 2019. The minutes were approved by consensus.

D. Metropolitan's Report

Metropolitan Tikhon presented an oral report. He welcomed new members of the Council (Archpriests Michael Anderson and Elijah Mueller). He noted that the Standing Synod would no longer routinely participate in meetings of the Metropolitan Council, unless special circumstances warrant a joint meeting. He reported on his work as locum-tenens of the Albanian Archdiocese and the Diocese of New England. He summarized his other archpastoral labors and visitations within his own Archdiocese of Washington and elsewhere for special celebrations, including Mexico. He highlighted the two episcopal ordinations that had taken place during the previous two weekends. He commended the work of Fr. Alexander Rentel who has begun his second year of service as chancellor. Introducing the presentation on preparations for the 20th All-American Council, he announced that he has begun to work on volume 2 of the "*Apostolic Work of the Church*" which will align with the theme chosen for this council: "*Hope in an Age of Despair*".

E. 20th All-American Council (attached)

Deacon Peter Ilchuk, Council Manager, presented the attached report on preparations for the 20th All-American Council (AAC), which is scheduled for July 26-31, 2021 in Baltimore, MD. Deacon Peter displayed images of draft logos for the 20th AAC. Andrew Smith spoke of the projected moderate increase in AAC assessments necessary to fund the Council. A variety of financial and other issues concerning the AAC and its preparation were discussed.

Following a recess for lunch at 12:35 PM, the afternoon session was called to order at 1:30 PM.

F. Youth Project

Father Alexander Rentel introduced Dimitrios Rentel, Youth Project coordinator, who presented his report, which was a more detailed follow-up to the brief preliminary report delivered last September. He highlighted his travels in summer 2019 to camps and youth gatherings in order to conduct a survey on the scope of OCA Youth and Young Adult Ministry going forward. He provided details of survey methodology and analysis of results. Also providing some perspective was Steven Christoforou, Director of Youth & Young Adult Ministries of the Greek Orthodox Archdiocese of America, who assisted in devising and analyzing the OCA survey. He additionally presented a reflection on Youth Ministry. Wide-ranging discussion concerning Youth and Young Adult Ministry ensued.

Following a short recess at 3:29 PM, the session resumed at 3:49 PM.

Discussion concerning Youth and Young Adult Ministry continued. The need to present concrete, achievable ideas from discussions and survey results was stressed.

G. Internal Governance Committee

Father Kirill Sokolov reviewed the decisions concerning Metropolitan Council committees made at the previous Council meeting last September. Fr. Rentel indicated that committees would meet in the evening after dinner. Further discussion concerning the committee structure of the Metropolitan Council took place.

The day's sessions were adjourned with prayer at 5:15 PM.

After dinner, meetings of the various committees of the Council took place and orientation for new Council members was conducted by David Lane.

THURSDAY, FEBRUARY 6, 2020

The morning session was opened with prayer at 9:08 AM.

Father Rentel introduced the day's schedule and noted the need to elect a new member of the Auditing Committee.

H. Chancellor's Report

Father Rentel presented an oral report. He reported his involvement in various areas of Church activity described in other reports for this meeting as well as administrative tasks at the chancery and day-to-day oversight of personnel. He summarized his participation in several diocesan assemblies and his work as a trustee of St. Tikhon's Seminary and of St. Vladimir's Seminary, where he also continues to teach a course. He additionally recounted participating in the 25th anniversary celebrations of the OCA Representation Church in Moscow. He provided updates on the search for a new OCA Secretary (Chancery Administrator) and the status of reorganizing the structure of OCA departments, commissions, committees, offices, and boards.

I. Catechism Project (attached)

Father Rentel introduced the attached report from Father Thomas Soroka concerning the methodology and timelines of a project being undertaken to create adult catechetical materials.

J. Stewards of the OCA (attached)

Archdeacon Joseph Matusiak, Director of the Stewards of the Orthodox Church in America (SOCA), presented the attached report highlighting ongoing fundraising efforts to support the work of OCA Departments.

K. Thriving in Ministry Presentation (attached)

Father Theophan Whitfield presented the attached PowerPoint on the Thriving in Ministry Program that provides peer-learning support for clergy and clergy wives. The presentation included several videos with further information on the program. A discussion on clergy health ensued.

Following a short recess at 10:30 AM, the session resumed at 10:42 AM.

L. External Affairs Report (attached)

Metropolitan Tikhon reported on his activities in external affairs, including discussions with several prominent hierarchs visiting the Chancery over the last several months. He also recounted impressions of his visit to Moscow in December for the 25th anniversary of the OCA Representation Church there. He noted a most productive meeting with Patriarch Kirill during this visit.

Father Leonid Kishkovsky, Director of External Affairs and Interchurch Relations, provided further comments on Metropolitan Tikhon's visit to Moscow and delivered an oral report on OCA relations with other Orthodox Churches and involvement in ecumenical organizations. He highlighted the participation of hierarchs from other Orthodox Churches in the recent episcopal ordinations of Bishops Alexis and Andrei. He shared insights on various current events occurring in world Orthodoxy.

M. Chancery Location presentation (attached)

Christopher Lewis presented the attached PowerPoint with an overview of the present chancery location, including property value, maintenance costs, as well as travel logistics of the current venue and other possible locations. Various aspects of the location issue were extensively discussed. It was stated that unless the

current location can still be a feasible venue, the chancery and Metropolitan's residence should be moved to Washington, DC

Following a recess for lunch at 12:32 PM, the afternoon session was called to order at 1:12 PM.

Discussion on chancery location continued.

- M.1. MOTION LANE/STEEB – Whereas: 1) It is not financially feasible for the necessary repairs and maintenance to be made to the current OCA Chancery building; and, 2) It is not possible for the OCA Archives to be properly preserved for the long-term if they remain in this building; Therefore, be it resolved that:**
- 1) Efforts shall be made immediately towards the sale of the Chancery property;**
 - 2) Efforts shall be made immediately to determine a location to house the offices of the OCA Chancery administration;**
 - 3) Efforts shall be made immediately to determine a location for the residence of the Metropolitan; and**
 - 4) Efforts shall be made immediately to determine a location to house the OCA Archives. CARRIED.**

N. 50th Anniversary Committee

Father Rentel presented a brief report outlining preparation for events taking place this year throughout the Church to mark the 50th anniversaries of OCA autocephaly and the glorification of saint Herman of Alaska. He noted the proclamation for the 50th anniversary year that was issued by the Holy Synod in November.

O. Pension Board Report (attached)

Pension Board Trustees Father Matthew Tate, Matushka Mary Bulezta-Breton and Michael Stieglitz, Pension Plan Administrator, presented the attached report on the present status of the Pension Plan from Father Gleb McFatter, Pension Board Chairperson. They then introduced for adoption an amendment to the Plan proposed by the Board, which was extensively discussed. The Board Trustees indicated that an increase in employer contribution level is necessary to ensure the long-term solvency of the Plan.

- O.1. MOTION BRECKENRIDGE/POPESCU – To table the proposed amendment of the OCA Pension Plan. DEFEATED with nine (9) in favor, twelve (12) opposed, and two (2) abstentions.**
- O.2. MOTION STEEB/VITKO – To amend Section 3.1(a) of the Orthodox Church in America Pension Plan to increase employer contribution level. CARRIED with three (3) opposed and three (3) abstentions.**

Plan Section 3.1(a) is restated as follows:

- 3.1(a) It is the intention of the Church to continue the Plan and have regular contributions made to the Trustees each year by each Employer in such amounts as are necessary in addition to the contributions of Members to maintain the Plan on a sound actuarial basis. Every month, the Employer shall contribute to the Plan six percent (6%) of the Member's Compensation. Effective as of January 1, 2014, with respect to contributions for work performed after that date, the Employer shall contribute to the Plan eight percent (8%) of the Member's Compensation. Effective as of January 1, 2021, with respect to contributions for work performed after that date, the Employer**

shall contribute to the Plan ten percent (10%) of the Member's Compensation. The Employer shall transmit its contributions to the Trustees or their designate.

Extensive discussion took place concerning enforcement of compliance with the mandate for eligible clergy to be enrolled in the Plan. It was indicated that, in addition to benefiting members of the Plan, larger enrollment would ensure greater financial viability of the Plan.

- O.3. MOTION SOKOLOV/LANE – To petition the Holy Synod to create a joint commission composed of Holy Synod and Metropolitan Council members to enforce compliance with the mandate of the OCA Statute and All-American Council decisions that all eligible clergy are to be enrolled in the OCA Pension Plan. CARRIED with one (1) abstention.**

Following a short recess at 3:00 PM, the session resumed at 3:13 PM.

P. Treasurer's Report (attached)

Andrew Smith, OCA Treasurer, highlighted his attached report to the Metropolitan Council. He presented the external audit reports for 2017 and 2018 with a letter from D'Arcangelo & Co., LLP.

- P.1. MOTION SMITH/LANE – To accept as presented the external audit reports for 2017 and 2018 and cover letter from D'Arcangelo & Co., LLP. CARRIED.**

He then presented a preliminary financial report for 2019. As it is advisable to change the external audit firm every few years, he recommended that Satty, Levine & Ciacco, CPAs, P.C. be engaged as external auditor. In discussion, he indicated selection methodology and reasons for this recommendation. Council members stated that it has been the purview of the Internal Governance Committee to submit a recommendation for the engagement of an external auditor.

- P.2. MOTION GRABAN/DANCHAK – To engage Satty, Levine & Ciacco, CPAs, P.C. as external auditor for a period of three years. CARRIED.**

As a candidate has not yet been found to fill a vacancy on the internal Auditing Committee, it was agreed that this selection process would continue and the election would take place by conference call or email before the Committee is scheduled to conduct its tasks in the summer. Andrew Smith presented amendments to the previously adopted 2020 OCA budget that are included in the attached Treasurer's Report

- P.3. MOTION POPESCU/HOJNICKI – To adopt amendments to the 2020 budget as presented. CARRIED.**

Andrew Smith presented for adoption the following corporate resolution necessary for management of a Fidelity Survivor Benefits account (W314469-19JAN20).

- P.4. MOTION LINNEHAN/SHINGARA - WHEREAS, the Board of Directors has determined it to be in the best interest of the Corporation to establish a resolution with Fidelity Investments, NOW, THEREFORE, BE IT RESOLVED: That the following officers and/or representatives shall be authorized representatives to said account: V. Rev. Alexander Rentel, he is the duly elected, qualified and acting secretary of the Orthodox Church in America ("The Company") or Susan Wisnewski. CARRIED.**

Q. Legal matters (attached)

- Q.1. MOTION VITKO/GRABAN – To move into executive session. CARRIED.**

In executive session, David Lane, Legal Committee Chairman, presented confidential aspects on a variety of current and potential legal issues. A confidential update from the Office for Review of Sexual Misconduct Allegations (ORSMA) was also presented. Discussion ensued.

Q.2. MOTION MOORE/MUELLER – To move out of executive session. CARRIED.

R. Human Resources (attached)

Susan Wisnewski presented the attached brief update on issues pertaining to Human Resources.

S. New Business

Fr. Rentel confirmed September 16-17, 2020 as the previously scheduled dates for the fall meeting of the Metropolitan Council. Sharon Shingara presented the attached PowerPoint on Youth Engagement Strategy, summarizing the previous evening's discussion during a committee meeting. Further questions and deliberations ensued.

T. Adjournment

In conclusion, Metropolitan Tikhon thanked everyone for fruitful work during the meeting.

T.1 MOTION HOJNICKI/SOKOLOV – To adjourn the meeting. CARRIED.

The meeting was adjourned with prayer at 5:12 PM.

Respectfully submitted,

Alexis Liberovsky,
Recording Secretary



**MINUTES
of the Extraordinary Meeting of
the Metropolitan Council
of the Orthodox Church in America**

**Tuesday, March 31, 2020
Conducted by Teleconference**

These draft minutes are subject to approval at a subsequent meeting of the Metropolitan Council

PARTICIPANTS

CHAIRMAN

His Beatitude, Metropolitan Tikhon

CHURCH OFFICERS (*EX OFFICIO*)

Archpriest Alexander Rentel, *Chancellor*

Andrew Smith, Treasurer

MEMBERS ELECTED BY THE ALL-AMERICAN COUNCIL

Archpriest Antonio Perdomo

Katherine Vitko

Archpriest Thomas Moore

Lynnell Brunswig

Archpriest Kirill Sokolov

Mark Linnehan

DIOCESAN REPRESENTATIVES

Diocese of Alaska

Archpriest David Askoak

Dorothy Chaney

Albanian Archdiocese

Archpriest Dennis Rhodes

Donna Dimitri

Bulgarian Diocese

Priest Gabriel Bilas

Bogdan Popescu

Diocese of Eastern Pennsylvania

Archpriest Timothy Hojnicky

Sharon Shingara

Diocese of the Midwest

Archpriest Elijah Mueller

Robert Graban

Diocese of New England

Priest Theophan Whitfield

Michael Danchak

Diocese of New York/New Jersey

Archimandrite Joseph (Hoffman)

James P. Kornafel

Diocese of the South

Archpriest Joseph Ciarciaglino

Christopher Lewis

Archdiocese of Washington

Archpriest Valery Shemchuk

Gregory Honshul

Diocese of the West

Archpriest Michael Anderson

David Lane, Esq.

Diocese of Western Pennsylvania

Priest Nikolai Breckenridge

Ray Steeb

ABSENT

Protodeacon Jesse Isaac (*Archdiocese of Canada*)

Mark Petasky (*Archdiocese of Canada*)

GUESTS

Judge E.R. Lanier (*OCA General Counsel*)

A. Call to Order

His Beatitude Metropolitan Tikhon opened the meeting with a prayer, and then called the Special Meeting of the Metropolitan Council to order.

B. Agenda: Introduction / Roll Call

Archpriest Alexander Rentel, Chancellor of the Orthodox Church in America, reviewed the agenda and took roll call. From the roll call, it was determined that the number of members of the Metropolitan Council present, thirty-two, constituted the necessary quorum. His Beatitude noted further that he had asked the General Counsel of the Orthodox Church in America, Judge Ray Lanier, to participate on the call.

C. Metropolitan's Report

His Beatitude thanked the members of the Metropolitan Council for participating in this special meeting, which had as its sole topic the consideration of the response of the Orthodox Church in America to the current COVID-19 crisis. His Beatitude announced that in the midst of the meeting, the Metropolitan Council would consider the adoption of a resolution that has been crafted by the Finance and Investment Committee of the Metropolitan Council, and a joint Communiqué of the Holy Synod of Bishops and the Metropolitan Council. His Beatitude informed the Metropolitan Council that Holy Synod had adopted the communiqué at a Special Session of the Holy Synod, which was held on Monday, March 30, 2020.

D. General Discussion

Prior to considering the resolutions, the members of the Metropolitan Council took turns reflecting on their situation and health, as well as their local communities, in the midst of the COVID-19 crisis.

E. Financial Resolution Presentation and Adoption

His Beatitude called upon Andrew Smith to present two proposed resolutions, which had been prepared by the Finance and Investment Committee of the Metropolitan Council with the participation of Judge Lanier and David Lane. Both resolutions were intended to address any financial shortfalls that might arise due to the present crisis. The Finance and Investment Committee recommended the second resolution, entitled "Option Two." Fr. Alexander Rentel called upon each member of the Metropolitan Council to see if any member had

questions or comments about the resolution. After discussion, a motion to adopt the resolution, “Option Two,” was made.

E.1. MOTION STEEB/DANCHAK - To adopt the following resolution, “Option Two” as presented by the Finance and Investment Committee:

WHEREAS, the global COVID-19 pandemic has had a significant impact on the operations of the parishes, dioceses, and central administration of the Orthodox Church in America (OCA);

WHEREAS, the Metropolitan Council of the OCA anticipates significant financial difficulty for parishioners as they experience such hardships as layoffs, reduced hours, and medical bills and for parishes as they are forced to curtail regular liturgical activities and other functions;

WHEREAS, the Metropolitan Council further anticipates financial difficulty for dioceses as they assist parishes in managing their cash flow needs; and

WHEREAS, the Metropolitan Council wishes to mitigate the impact of these anticipated financial burdens and cash shortages for dioceses and, in turn, for parishes,

THEREFORE, BE IT RESOLVED, that the Metropolitan Council of the OCA directs the Chancery Administration to implement a program allowing each diocese to make an application to reduce monthly contributions (as determined by applying the diocese’s contribution percentage to previously calculated 2020 net operating budgets) to the central administration, with reductions payable to the central administration by June 30, 2021, as follows:

*** Up to 50% reduction for April, May, and June 2020**

*** Up to 25% reduction for July, August, and September 2020**

*** No reduction for October, November, and December 2020.**

The Finance and Investments Committee shall have the discretion to authorize diocesan proposals upon good cause shown.

BE IT FURTHER RESOLVED, that the Metropolitan Council of the OCA directs the Chancery Administration to explore the possibility of obtaining a loan through the Small Business Administration in accordance with provisions of the recently passed Federal Coronavirus Aid, Relief, and Economic Security (CARES) Act to help meet cash flow needs for such operating expenses as payroll and utilities that will arise as a result of anticipated loss of revenue in the near term, and grants the Finance and Investments Committee authority to give final approval for such a loan. CARRIED with none opposed and two (2) abstentions.

F. Adoption of Communiqué

After discussion, a motion was made to adopt the Communiqué, which had been adopted by the Holy Synod on March 30, 2020.

F.1. MOTION MOORE/VITKO - To adopt the following Communiqué, which had been adopted by the Holy Synod on March 30, 2020. CARRIED unanimously.

**JOINT COMMUNIQUÉ
OF THE HOLY SYNOD BISHOPS AND THE METROPOLITAN COUNCIL OF THE ORTHODOX
CHURCH IN AMERICA**

To the Clergy, Monastics, and the Faithful of the Orthodox Church in America:

Over the past several weeks His Beatitude Metropolitan Tikhon and members of the Holy Synod of the Orthodox Church in America, as well as individual members of the Holy Synod of the Church, have been in almost constant communication with each other regarding a myriad of critical and pressing issues presented to our Church and stemming from the current pandemic unleashed on our society by the presence among us of the Novel SARS-CoV-2. While many of these issues present novel and unprecedented theological and liturgical challenges, many of these issues have also implicated constitutional, legal, administrative and financial questions which are virtually unprecedented in the history of the Orthodox Church in America.

Throughout this process your Bishops have unceasingly sought the advice and counsel of professional experts, especially those in the fields of theological and liturgical matters as well as public health administrators and legal advisors regarding questions within the parameters of their particular expertise. This process is, of course, of a continuing nature, with new issues and challenges arising on a daily – even hourly – basis.

To consider these matters even further, there was a special session of the Holy Synod of Bishops on Monday, March 30, 2020 to provide further and more defined guidance, particularly with respect to instructions regarding the liturgical commemoration of Holy Week and the celebration of the Pascha of our Lord on April 19, 2020. Likewise, the Metropolitan Council met on Tuesday, March 31, 2020 in order to discuss and coordinate further the response of the Church to this difficult crisis. Certain aspects of the current crisis are, however, woefully apparent even at this point in time.

We are informed that litigation – none of which currently involves the Orthodox Church in America – has already erupted in a variety of civil jurisdictions which have at their core issues of compliance with those governmental directives which have already been issued by civil authorities at the national, state, and local levels. We can certainly anticipate that legal proceedings of this nature will only multiply in the coming weeks and months. Preliminary indications are that civil claims of this nature will not be covered by existing insurance contracts to which our Church and its affiliated entities are parties.

For many, many decades now, the insurance industry in the United States has been, and remains to this day, a stalwart friend and supporter of American churches, particularly with respect to both private and public assertions of church liability in a variety of contexts, including liability for statutory and common law claims, worker's compensation claims, unemployment compensation issues and many others. However, claims relating to liability arising from COVID-19 related events are new, unexpected, unanticipated and unanticipated within the insurance industry, and we can anticipate with some certainty that insurance carriers may contest insurance coverage for such claims in future Coronavirus-connected litigation. At this point in time we can only speculate as to the judicial resolution of such coverage issues in the future. All of this suggests that coverage is, at best, uncertain, and that it is in the best interest of the Church to proceed on the basis that there is no coverage in place under any of these circumstances. To further confuse and aggravate the situation we should take into account that insurance is not a single commodity, that carriers have different coverages, forms and endorsements and that individual parishes, with their insurance professional, may tailor coverage to their particular risk and desires. There is at the present time no way of knowing with any legal certainty the existence and extent how each individual parish is protected under their existing insurance policies.

Therefore, given these critical issues, ambiguities and uncertainties regarding the potential of insurance coverage, we all need to be thoroughly compliant with all civil authority directives by adopting practices that go above and beyond the norm in hygiene and the cleaning of our Churches, and doing what is reasonable and prudent to protect our Churches in the current circumstances.

In this respect the Holy Synod of Bishops and the Metropolitan Council can only reiterate and forcefully emphasize the absolute necessity that each and every one of our parishes, monasteries, seminaries, and

all other ecclesiastical entities affiliated with the Orthodox Church in America comply with excruciating and painstaking detail all governmental requirements and directives, whether promulgated by the national, state, or local civil authorities, relating to measures issued in connection with the current pandemic. There can be no exceptions to this mandate.

It is with a heavy heart that your Bishops and the members of the Metropolitan Council issue this communique, knowing full well the heavy burden which it may impose on the Clergy, Monastics, and the Faithful of our Orthodox Church in America.

T. Adjournment

His Beatitude closed the meeting by reading the Prayer in the Time of the Coronavirus that had been offered by the Holy Synod on March 13, 2020.

Respectfully Submitted,

Alexis Liberovsky
(based on notes from Fr. Alexander Rentel)

METROPOLITAN COUNCIL MEETING
AUTUMN 2020
SESSION IV
NOVEMBER 4, 2020

Due to the ongoing Covid-19 restrictions, this meeting is being convened electronically via Zoom and is not taking place in person. This is the fourth session following Session I (August 27, 2020) and Sessions II and III (September 16-17, 2020). A fourth session was scheduled for October 21 but was transferred to this date due to the funeral services for Metropolitan Theodosius (Lazor).

REPORT OF THE METROPOLITAN

1. *Welcome.* I welcome all of you to the fourth and final session of the Autumn Metropolitan Council meeting. We gather virtually, once again, during a period of continuing uncertainty but, nevertheless, with trust in God's providential care and love for us, a care and love that encourages us to persevere in attending to the important work of the Church. I am grateful for your efforts, as members of the Metropolitan Council, and the efforts of so many clergy and faithful throughout the Orthodox Church in America. I also continue to be impressed by the level of activity that is taking place throughout our Church, even as the world around us remains in a state of high anxiety. Truly the Lord gives strength to those who put their trust in Him and this continues to be a time when we should renew our faith and hope in His grace.
2. *Overview.* During this session, we hope to finalize a number of matters that this body had begun to discuss in our previous sessions, although there are some areas that will require further discussion, such as the question of the timing of the All-American Council. Nevertheless, I am confident that our meeting today will be productive on a number of levels and that we will efficiently address the items on our agenda.
3. *Funeral Services for Metropolitan Theodosius.* As you are all aware, His Beatitude, Metropolitan Theodosius, fell asleep in the Lord on October 19 following an extended illness. Accompanied by the Chancellor and several members of the Chancery Staff, I presided at all the divine services, which included a panikhida on Wednesday, October

21, and the office for the burial of a hierarch on Thursday, October 22, both of which took place at His Beatitude's home parish of St John the Baptist in Canonsburg, Pennsylvania. On Friday, October 23, the Divine Liturgy was served at the Monastery of the Holy Transfiguration in Ellwood City, and this was followed by a final memorial service and interment in the monastery cemetery. All of these arrangements were made in fulfillment of the stated desires of Metropolitan Theodosius.

4. The Holy Synod of Bishops of the Orthodox Church in America was well represented with the participation of their Eminences, Archbishop Nathaniel, Archbishop Benjamin, Archbishop Melchisedek, and Archbishop Michael. The Greek Orthodox Archdiocese in America was represented by His Eminence, Metropolitan Savas of Pittsburgh, and the Serbian Orthodox Church was represented by His Grace, Bishop Irinej of Eastern America. The Moscow Patriarchate and His Grace, Bishop Matthew of Sourozh, were represented by the two senior priests at the St Nicholas Russian Orthodox Cathedral in New York, Abbot Nikodim and Priest Mark, who read letters of condolence from both His Holiness, Patriarch Kirill, and Metropolitan Hilarion of Volokolamsk. Letters from throughout the Orthodox world continue to be received at the Chancery, including from the Ecumenical Patriarch, the Patriarch of Jerusalem, and the primate of the Czech Lands and Slovakia.
5. I am grateful to Mother Christophora and the sisters of the Monastery for their generous hospitality and to the parish of St John the Baptist for the love and care that they provided to Metropolitan Theodosius in the years of his retirement. I am especially grateful to the former rector, Archpriest Joseph Oleynik, and the current pastor, Priest John Kotalik, who each spent many hours ministering to His Beatitude, particularly during these later, more difficult, months. Special thanks go in particular to Protodeacon John Oleynik and his wife, Myra, who faithfully took care of His Beatitude's needs for many years.
6. *Health of Archbishop David.* I also ask for your prayers on behalf of His Eminence, Archbishop David of Sitka and Alaska who, as reported on our website, was recently diagnosed with kidney cancer and is presently undergoing treatment while staying at

his daughter Kyra's home in Hanover, Pennsylvania. His situation has not improved and he was actually transferred to the hospital on Monday evening. I had been speaking fairly regularly on the telephone with His Eminence and had plans to visit him tomorrow, although this is now on hold since he is in the hospital. In terms of his diocese, Archbishop David remains in place as the bishop of Sitka and the Diocese of Alaska. Nevertheless, he has requested that I appoint an episcopal administrator to assist him during this time. I met yesterday with the Standing Synod and shared with them my proposal to address this request and you will see from the website of the Orthodox Church in America that His Grace, Bishop Alexis of Bethesda is now serving as the temporary administrator for the Diocese of Alaska. I am grateful to His Grace, for his willingness to accept this appointment and to Fr. Innocent Dresdow, the Chancellor of the Diocese, who will serve as a good team to assist Archbishop David during this time. I also thank Fr. Timothy Hojnicky, a member of this Metropolitan Council, for his willingness to provide pastoral care to His Eminence during this time. Archbishop David is grateful for the prayers of the clergy and faithful of the Orthodox Church in America and welcomes cards and letters, which can be addressed to his daughter's address, which has been posted on the Orthodox Church in America website. May our Lord grant strength and courage to our brother, Archbishop David, and to his family, so that he, and they, may bear this cross with dignity and hope.

7. *Greg Nescott.* I should also inform you that Gregg Nescott, a long-serving former member of the Metropolitan Council, has returned to the hospital yesterday. He continues to be in serious condition after a car accident earlier this year. He was discharged from a nursing home yesterday in order to return home, which he was and did, but almost immediately he had to return to the hospital because of some further complications. Please keep Gregg in your prayers, as well as his family, especially his wife, Lori.
8. *The work of this meeting.* We have a fairly straightforward agenda today so I will not dwell in any detail on most of those issues. We will hear a legal report, consider again financial issues related to the 2021 budget and the PPP loan, and consider this year's proposed Mission Grants. I will, however, just offer a few brief words about the

Archives and the Chancery relocation process as a preface to the report from the Property Committee.

9. *Relocation Process.* I offer my gratitude to the committee co-chairs, Gregory Honshul and Ray Steeb, and thank them for their competent and effective leadership of the Property Committee, and am grateful as well for the work of all the members of that committee. As you may know, I spent the entire month of October in residency at the rectory of St Nicholas Cathedral in Washington, DC, as part of my effort to gradually begin to spend more time on the territory of my diocese. While I was there, I was able to make pastoral visits to my Cathedral and two other parishes, and hold meetings (both in person and on the telephone) with clergy and parishioners. I also spent one full day with Greg Honshul exploring potential future locations and options for the Chancery and for my residence. This exploration, as well as my time at the rectory, were very helpful for me in assessing what an actual move to the DC area would look like from a concrete and practical perspective. I also continue to articulate for myself, in writing, a clearer sense of the various priorities that would be involved in a comprehensive solution to our present process. I have recorded two podcasts and am preparing to record two more on the topic of stewardship, with specific reference to the re-location process.

10. *Archives Advisory Committee.* One key component of the relocation process is the Archives of the Orthodox Church in America. This Council will consider a resolution with respect to the Archives Advisory Committee which, I believe, provides a practical and useful way forward in finding a proper and dignified resting place for our historical and archival treasures. I look forward to receiving the support of the Metropolitan Council in taking this direction so that the Archives Advisory Committee might continue its excellent work and provide an opportunity for different sectors of the Church to propose options for solutions to the problem of the Archives. Whatever the ultimate solution, I feel strongly that this is a matter that relates not simply to the physical artefacts that are presently residing in the basement of the Westwood property, but a matter of the preservation of the patrimony of the Orthodox Church in America. This patrimony is not limited to the materials that are stored here, but

includes all the material that is to be found in other places, such as our seminaries, monasteries, and diocesan cathedrals and chanceries. I am not speaking about the legal ownership of individual collections or the financial responsibility for their storage or exhibition, but only emphasizing that all of these materials should be understood to be treasures which belong to the patrimony of the Church. We should honor and guard that treasure and also find ways to share it with our own faithful and the world at large.

11. *Concluding Remarks.* I continue to be encouraged by the amount of work that has been accomplished during the four sessions of this Autumn meeting of the Metropolitan Council, as well as from the increasing level of energy that is being generated in our departments, especially through the very good work of Fr Thomas Soroka, and all the members of the Chancery: Fr Alessandro, Deacon John, Barry, Alex, Andrew and Susan in the finance office, Fr John Shroedel and Jessica in communications, and above all, my Chancellor, Fr. Alexander Rentel, who continues to be invaluable to me and my office in countless ways.
12. The regular Autumn Session of the 2020 Metropolitan Council Meeting is adjourned.

Report of the Property Committee to the Metropolitan Council

Most Blessed Master, Bless!

Dear Beatitude, Reverend Fathers and Brothers in Christ,

We are now seven plus weeks into our selling process and we are conferencing weekly with Fran to receive updates and feedback. As to be expected when a new property hits the MLS there is a rush of activity. Although last week has been quieter, she reports steady interest in our property as demonstrated by measurement of on-line clicks and eventual showings. We are aware of about 6 showings to date who are predominantly developers, and a single individual who reports an interest in renovating Westwood to keep as a personal residence. Developers who have expressed an interest are now working with the local Village to research zoning restrictions and available options.

Each week's discussion includes a briefing about a new layer of marketing attack which Fran describes in detail. Each strategy targets a specific market segment (ie, wealthy individual, national and international investors, local marketplace and developers). Coming soon will be a Compass offering featuring the Westwood property in their own Homes & Estates magazine, with additional focus in the Wall Street Journal and the Financial Times digital version. We also expect to see promotional material, directed to the Long Island Council of Churches and related nationwide interfaith organizations, to be finalized and released in October. Additionally, Fran is working with The Luxury Division of Compass who is lending assistance to Fran by providing a list of 75 to 100 names and email addresses of high wealth individuals, to whom she will market directly.

Fran reports the under \$1MM Long Island market to be "hot", with consistent but weaker activity in the upper (>\$5MM) ranges. There is competition at the \$6.5MM price point, but each listing does not offer as strong a development opportunity as Westwood. There is strong interest in the Long Island real estate market by those escaping Manhattan, where the relocation purchase price can be lower. However, the Manhattan buyers market is presently described as "weak", which hinders those sellers needing to liquidate assets prior to a relocation purchase.

We remain encouraged by the creative and energetic marketing efforts of Fran and her team. There is consistent activity focused on a new market segment or fresh approach, as each strategy completes its cycle. We are impressed by Fran's continuous out-of-the-box thinking to come up with yet another new target market.

We will share marketing materials as we receive them. See the click [here](#) link below which features a digital flip book, demonstrating the exceptional marketing capabilities of Compass and the quality of their materials, including professional editors who generate the written descriptions for materials directed at high end buyers.

Please [click](#) to view the book: [here](#)~

We will continue to provide updates as we move through this process.

Yours in Christ,
Ray and Greg

**CURRENT LEGAL MATTERS OF THE ORTHODOX CHURCH IN AMERICA:
A JOINT REPORT OF THE LEGAL COMMITTEE OF THE METROPOLITAN
COUNCIL AND THE GENERAL COUNSEL OF THE ORTHODOX CHURCH IN
AMERICA**

*2020 Fall Session of the Metropolitan Council of the Orthodox Church in America
October, 2020*

This Report is submitted to the Metropolitan Council as a joint statement of the Legal Committee of the Metropolitan Council and the General Counsel of the Orthodox Church in America.

Current Litigation

Romanian Orthodox Episcopate of America v. Duvlea and Holy Trinity Monastery

We are happy to report that this litigation was favorably concluded in favor of the Romanian Episcopate of America by virtue of an Order entered on September 23, 2020, by the Washtenaw County Circuit Court in Ann Arbor, Michigan. We have previously reported that an earlier order of the Michigan Court of Appeals in favor of the ROEA had been submitted for possible review by the Michigan Supreme Court; that Court denied any further review of the Order of the Michigan Court of Appeals. The Supreme Court of Michigan remitted the case to the Trial Court with directions to enter a judgment in favor of the Romanian Episcopate. That Court did so, concluding that the Romanian Orthodox Episcopate of America holds absolute title to the real property situated at 15143 Sheridan Rd., Clinton, MI, which includes Holy Ascension Romanian Orthodox Monastery. The Court further held that Adrian M. Lupu Leica, Ioan Irineu Duvlea, Sébastien Stefan Dumitrascu, and Dorian Conty have no valid claim or right or title to the property in question. The judgment of the Court of September 23, 2020, is final and binding.

Romanian Orthodox Episcopate of America v. Gheorghe Carstea and Saint Nicholas and Saint Parascheva Romanian Orthodox Church

As we have reported to the Metropolitan Council on earlier occasions, this litigation is a functional (but not technical) companion case to the ROEA v. Duvlea matter reported upon above. This litigation which centers on issues of possession and control of a parish in Troy, Michigan, will ultimately, we believe, be resolved by the Michigan appellate courts on the same rationale which was applied in the Duvlea proceeding. In an opinion issued on December 21, 2018, the Circuit Court in this matter held that “the dispute here is secular in nature” and denied the Episcopate’s motion for summary disposition of the case based on the legal requirements of Michigan law that the courts defer to prior judgments of religious bodies in property disputes.. The Episcopate filed an interlocutory appeal of that decision, but the Michigan Court of Appeals and, later, the Michigan Supreme Court both denied consideration of the ROEA appeals at this time, leaving open the possibility to reconsider this issue after the case is fully litigated in the Oakland County Circuit Court. As a result, the matter is now back before the Oakland County Circuit Court. The trial court, however, has yet to issue a scheduling order opening the case. Once it does so, litigation will resume and discovery will be initiated.

Amicus Participation in Bostock v. Clayton County, Georgia

The OCA was notified that the Supreme Court United States, in its decision in *Bostock v. Clayton County, Georgia*, had adopted an interpretation of Title VII contrary to that which we had supported before that Court. The issue at hand in that case was whether the term “sex” as used in Title VII of the Civil Rights Act should be interpreted broadly to include homosexual and transgender issues in addition to those traditional claims of discrimination filed by heterosexual male and female parties which were understood to be the target of the act at the time of its adoption. Significantly, Justice Samuel Alito noted the importance of the participation of the *amici* in that case:

Briefs filed by a wide range of religious groups – Christian, Jewish, and Muslim – expressed deep concern that the position now adopted by the Court “will trigger open conflict with faith-based employment practices of numerous churches, synagogues, mosques, and other religious institutions.” They argue that “religious organizations need employees who actually live the faith,” and that compelling a religious organization to employ individuals whose conduct flouts the tenets of the organization’s faith forces the group to communicate an objectionable message. [*Bostock v. Clayton County, Georgia*, slip opinion at 48-49 (Alito, J., Dissenting)].

Miscellaneous Matters

OCA General Counsel Liaison with the Committee for Legal Matters of the Assembly of Canonical Orthodox Bishops of the United States of America

The Committee for Legal Matters of ACOB has been active in support of legal aspects of the Assembly’s work for the last several years, but never to the degree experienced since the beginning of the COVID-19 crisis in early 2020. Our own Archbishop Michael has now been appointed the Chairman of the ACOB Legal Matters Committee. He stated in his recent Report to the Assembly the following summary of the Legal Committee’s activities with regard to the pandemic:

- “°Compiled and updated a matrix of state and local legal requirements, based on “stay at home” and similar orders, with specific analysis of the ramification of these orders on Orthodox parishes.
- °Analyzed state restrictions on Orthodox liturgical practices (such as Communion), and, where necessary, intervened with state and local governments to lobby for accommodations for Orthodox practices under the First Amendment of the United States Constitution.
- °Assisted in the preparation of best practices, model notices, and other documents for the Hierarchs and parishes, and provided reports to the Executive Committee of the Assembly.
- °Assisted Hierarchs in situations where other attorneys were attempting to induce Orthodox Hierarchs and jurisdictions to serve as plaintiffs in First Amendment

lawsuits.”

Derivative from the pandemic of 2020 have been a variety of matters having significant legal implications. These have been the source of attention and activity on the part of both the General Council of the OCA and the Chair of the Legal Committee of the Metropolitan Council.

(a) Disruption of the periodic cycle of meetings, conferences, assemblies, and councils. GC and the Chair of the Legal Committee have provided legal counsel and support in connection with hotel and other arrangements made in connection with the upcoming All-American Council in Baltimore and related issues. Similarly, General Counsel collaborated with officials of the Fellowship of Orthodox Christians in America with respect to their upcoming national convention previously scheduled for 2020. Because of the centrality of the common law and statutory doctrine of *force majeure* as a defense to civil claims arising from the nonperformance of contractual duties, both GC and the MC Legal Chair attended and participated in continuing legal education seminars focused specifically on this doctrine.

(b) SBA Loan Program. General Counsel is now meeting with the Finance Committee on a regular basis because of the work of that group relative to the CARES financial relief statute, and particularly the PPP provisions of that federal legislation.

Relocation of the Chancery. GC and the MC Legal Chair have been active in support of the initiative considering the relocation of the Chancery from its present location. GC prepared and submitted to the Metropolitan and the Relocation Committee an overview of the general process of corporate domestication and possible reincorporation in the District of Columbia and in adjacent legal jurisdictions, i.e., Virginia and Maryland. Both GC and the Legal Chair assisted the property subcommittee in the drafting and review of an agency contract submitted by a local real estate agent retained now by the OCA to market and to advertise the availability of the current Chancery property to potential buyers.

Seminary Lecture. General Counsel served as a guest lecturer at Saint Vladimir’s Orthodox Theological Seminary on October 2, 2020, presenting materials on *The Church and The Law*.

General Counsel collaborated with the Chancellor and with ORSMA on two matters falling within the scope of the work of **ORSMA** and **SMPAC**.

Diocesan and Parish Support

General Counsel and the Legal Committee Chair are active in the support of diocesan and parish interests of a wide scope and variety. GC has acted as an informal advisor with respect to active litigation pending against parishes; he has counseled diocesan authorities regarding the feasibility of

virtual meetings in lieu of person-to person gatherings at the parish and at the diocesan level; and he has responded to requests for assistance in the interpretation and application of provisions in the OCA Statute; Diocesan Bylaws; and parish charters and bylaws. Analogously, he has provided legal counsel to seminary officials regarding potential disciplinary measures with respect to seminary students.

General Counsel continues when requested to review and suggest revisions of both parish and diocesan by-laws to ensure compliance with the provisions of the Statute of the OCA as adopted in Atlanta in 2015.

Respectfully submitted,

E. R. Lanier
General Counsel of the Orthodox Church in America

D. R. Lane
Chair, Legal Committee of the Metropolitan Council of the Orthodox Church in America

ORTHODOX CHURCH IN AMERICA

2021 Budget - Summary

For consideration at Fall 2020 Metropolitan Council meeting

	A	B	C	D
<i>Unrestricted</i>	YTD Actual	BUDGET	% BUDGET	BUDGET
	9/30/2020	Amended 2020	USED	Proposed 2021
1 REVENUE				
2 Diocesan Assessments	1,114,246	1,659,435	67.15%	1,621,289
3 Individual/Business Contributions	36,848	75,000	49.13%	75,000
4 Service Fees	-	15,000	0.00%	15,000
5 Interest Income/Realized Gains/Losses	2,826	-		-
6 Appeals	-	-		-
7 Special Events	-	-		-
8 Other	70	-		-
9 Release from Restriction - <i>Endowed Funds</i>	49,500	66,000	75.00%	66,000
10 Release from Restriction - <i>Restricted Funds</i>				33,615
11 TOTAL REVENUE	1,203,490	1,815,435	66.29%	1,810,904
12				
13				
14				
15 EXPENSES				
16 Compensation & Benefits				
17 Administration	201,526	234,600	85.90%	221,016
18 Executive	275,016	503,776	54.59%	530,914
19 Archives	69,869	102,005	68.50%	94,544
20 External Affairs	29,006	38,965	74.44%	42,439
21 Property	35,626	75,444	47.22%	-
22 ORSMA	18,598	24,426	76.14%	24,426
23 Total Compensation & Benefits	629,640	979,217	64.30%	913,339
24				
25 Goods & Services				
26 Administration	101,019	108,719	92.92%	155,019
27 Executive	13,241	39,700	33.35%	55,700
28 Archives	-	1,500	0.00%	1,500
29 External Affairs	15,955	21,500	74.21%	21,500
30 Chapel	1,538	4,400	34.94%	4,400
31 Property, incl depr.	107,449	164,325	65.39%	136,125
32 TOC/Comm	10,199	56,186	18.15%	39,186
33 Holy Synod	13,221	66,300	19.94%	66,300
34 Metropolitan's Office	14,146	64,400	21.97%	63,400
35 Metropolitan Council	12,931	32,450	39.85%	32,450
36 St. Catherine's	42,400	65,300	64.93%	65,300
37 SOCA	-	-	#DIV/0!	-
38 BOT	-	10,000	0.00%	10,000
39 Mission Planting Grants	36,000	40,000	90.00%	68,000
40 Ordination Candidacy	17,000	12,000	141.67%	12,000
41 Canons and Statutes	-	-		-
42 ORSMA	4,479	3,185	140.62%	3,185
43 Continuing Ed	-	9,000	0.00%	9,000
44 Seminaries	-	18,000	0.00%	18,000
45 Departments	43,701	116,500	37.51%	136,500
46 Total Goods & Services	433,278	833,465	51.99%	897,565
47				
48 TOTAL EXPENSES	1,062,918	1,815,436	58.55%	1,810,904
49				
50 REVENUE OVER/(UNDER) EXPENSES	140,572	(0)		0

ORTHODOX CHURCH IN AMERICA

Proposed 2021 Budget - Expenses by Department

	YTD Actual	BUDGET	% BUDGET	BUDGET
	9/30/2020	Amended 2020	USED	2021
10-6600-05 Administration-Salaries	145,822.14	197,530.16		164,342.00
10-6606-05 Administration-FICA/MED	11,894.10	15,111.06		12,572.16
10-6607-05 Administration-Unemployment Ins W/H	686.99			
10-6609-05 Administration-Payroll Processing Fees	4,023.00	4,000.00		4,000.00
10-6610-05 Administration-Health Insurance	16,192.89	-		18,084.84
10-6620-05 Administration-Life Insurance	7,171.41	5,000.00		7,950.00
10-6640-05 Administration-Workers Compensation/Disabil	6,009.90	474.07		437.82
10-6680-05 Administration-Pension expense	9,725.12	12,484.80		13,629.20
	201,525.55	234,600.09	85.90%	221,016.03
10-6051-05 Charity	500.00	-		-
10-6092-05 Administration-Business Registration Fees	-	-		-
10-6095-05 Administration-Bank Fees	1,380.18	2,200.00		2,200.00
10-6096-05 Administration-Dues	763.06	1,600.00		1,600.00
10-6105-05 Administration-Food	336.23	3,200.00		3,200.00
10-6110-05 Administration-Flowers/Candles/Liturgical iter	-			
10-6210-05 Administration-Contract Services	829.90	3,000.00		3,000.00
10-6211-05 Administration-Accounting Fees	12,197.70	20,000.00		20,000.00
10-6214-05 Administration-Legal Fees	-	10,000.00		10,000.00
10-6215-05 Administration-Outside Contract Services	3,931.70	-		-
10-6502-05 Administration-Postage, Mailing Service	1,000.80	3,000.00		3,000.00
10-6503-05 Administration-Printing and Copying	4,945.00	2,000.00		2,000.00
10-6504-05 Administration-Supplies	3,267.09	3,000.00		3,000.00
10-6505-05 Administration-Telephone, Telecommunication:	104.09	3,000.00		3,000.00
10-6507-05 Administration-Equipment leasing	6,969.40	7,200.00		2,500.00
10-6511-05 Administration-Advertising Expenses	-	750.00		750.00
10-6512-05 Administration-Insurance - Liability, D and O	4,873.00	5,000.00		5,000.00
10-6516-05 Administration-Misc Other	67.88	-		-
10-6650-05 Administration-Stipends	11,050.00	11,400.00		11,400.00
10-6670-05 Administration-Computer expense	4,732.11	4,000.00		4,000.00
10-6671-05 Administration-Computer software	291.33			
10-6720-05 Administration-Telephone	3,098.20	4,600.00		4,600.00
10-6727-05 Administration-Telecommunications	3,191.42	5,000.00		5,000.00
10-6733-05 Administration-Website	756.84	3,269.00		3,269.00
10-6750-05 Administration-Insurance	28,152.22			36,000.00
10-6831-05 Administration-Conference, Convention, Meetin	218.00	1,000.00		1,000.00
10-6832-05 Administration-Travel	4,045.17	12,000.00		12,000.00
10-6833-05 Administration-Lodging	-	-		-
10-6834-05 Administration-Meals	-	2,000.00		2,000.00
10-6902-05 Administration-Auto repairs	1,608.78	-		-
10-6903-05 Administration-Auto gasoline	459.11	1,500.00		1,500.00
10-6910-05 Administration-Other	2,250.00			15,000.00
	101,019.21	108,719.00	92.92%	155,019.00

ORTHODOX CHURCH IN AMERICA

Proposed 2021 Budget - Expenses by Department

	<u>YTD Actual</u> <u>9/30/2020</u>	<u>BUDGET</u> <u>Amended 2020</u>	<u>% BUDGET</u> <u>USED</u>	<u>BUDGET</u> <u>2021</u>
10-6600-07 Executive-Salaries	237,436.12	422,810.61		419,892.72
10-6606-07 Executive-FICA/MED	3,078.59	32,345.01		32,121.79
10-6607-07 Executive-Unemployment Ins W/H	-			
10-6610-07 Executive-Health Insurance	19,525.77	18,210.40		36,169.62
10-6640-07 Executive-Workers Compensation/Disability	-	1,844.38		1,880.08
10-6680-07 Executive-Pension expense	14,975.17	28,565.78		40,849.66
	<u>275,015.65</u>	<u>503,776.18</u>	<u>54.59%</u>	<u>530,913.87</u>
10-6095-07 Executive-Bank Fees	-	-		-
10-6105-07 Executive-Food	110.54	-		-
10-6504-07 Executive-Supplies	-	500.00		500.00
10-6650-07 Executive-Stipends	2,000.00	24,000.00		39,000.00
10-6704-07 Executive-Gas	-			-
10-6720-07 Executive-Telephone	-			-
10-6725-07 Executive-Mobil Phones	4,967.01	4,000.00		5,000.00
10-6832-07 Executive-Travel	6,084.03	7,000.00		7,000.00
10-6833-07 Executive-Lodging	-			-
10-6834-07 Executive-Meals	39.71	1,200.00		1,200.00
10-6903-07 Executive-Auto gasoline	39.27	-		-
Executive-Metropolitan's Discretionary	-	3,000.00		3,000.00
	<u>13,240.56</u>	<u>39,700.00</u>	<u>33.35%</u>	<u>55,700.00</u>

ORTHODOX CHURCH IN AMERICA

Proposed 2021 Budget - Expenses by Department

	YTD Actual	BUDGET	% BUDGET	BUDGET
	9/30/2020	Amended 2020	USED	2021
10-6600-08 Archives-Salaries	48,614.40	72,819.20		64,819.20
10-6606-08 Archives-FICA/MED	3,558.16	5,570.67		4,958.67
10-6607-08 Archives-Unemployment Ins W/H				-
10-6610-08 Archives-Health Insurance	13,807.45	18,210.66		18,084.84
10-6640-08 Archives-Workers Compensation/Disability		218.47		198.97
10-6680-08 Archives-Pension expense	3,889.14	5,185.54		6,481.92
	<u>69,869.15</u>	<u>102,004.54</u>	<u>68.50%</u>	<u>94,543.60</u>
10-6092-08 Archives-Business Registration Fees	-	200.00		200.00
10-6105-08 Archives-Food	-			-
10-6280-08 Archives-Facilities and Equipment	-			-
10-6503-08 Archives-Printing and Copying	-			-
10-6504-08 Archives-Supplies	-	800.00		800.00
10-6832-08 Archives-Travel	-	500.00		500.00
	<u>-</u>	<u>1,500.00</u>	<u>0.00%</u>	<u>1,500.00</u>

ORTHODOX CHURCH IN AMERICA

Proposed 2021 Budget - Expenses by Department

	YTD Actual	BUDGET	% BUDGET	BUDGET
	9/30/2020	Amended 2020	USED	2021
10-6600-09 External Affairs-Salaries	26,999.10	35,998.80		35,998.80
10-6607-09 External Affairs-Unemployment Ins W/H	-			-
10-6640-09 External Affairs-Workers Compensation/Disabi	-	86.40		86.40
10-6680-09 External Affairs-Pension expense	2,006.46	2,879.90		3,599.88
	<u>29,005.56</u>	<u>38,965.10</u>	<u>74.44%</u>	<u>39,685.08</u>
10-6096-09 External Affairs-Dues	7,500.00	10,000.00		10,000.00
10-6253-09 External Affairs-Program Supplies	-	-		-
10-6504-09 External Affairs-Supplies	-	100.00		100.00
10-6670-09 External Affairs-Computer expense	-	-		-
10-6720-09 External Affairs-Telephone	1,314.81	1,000.00		1,000.00
10-6831-09 External Affairs-Conference, Convention, Meetir	625.00	400.00		400.00
10-6832-09 External Affairs-Travel	6,374.61	10,000.00		10,000.00
10-6834-09 External Affairs-Meals	140.87	-		-
	<u>15,955.29</u>	<u>21,500.00</u>	<u>74.21%</u>	<u>21,500.00</u>

ORTHODOX CHURCH IN AMERICA

Proposed 2021 Budget - Expenses by Department

	YTD Actual	BUDGET	% BUDGET	BUDGET
	9/30/2020	Amended 2020	USED	2021
10-6600-11 Property Support-Salaries	24,247.65	47,277.12		-
10-6606-11 Property Support-FICA/MED	1,798.07	4,182.65		-
10-6607-11 Property Support-Unemployment Ins W/H	-	-		-
10-6610-11 Property Support-Health Insurance	7,640.14	16,503.20		-
10-6640-11 Property Support-Workers Compensation/Disability		3,699.26		-
10-6680-11 Property Support-Pension expense	1,939.82	3,782.17		-
	<u>35,625.68</u>	<u>75,444.39</u>	<u>47.22%</u>	-
10-6100-11 Property Support-Office expense	-	-		-
10-6115-11 Property Support-Office Expense - Other	-	-		-
10-6215-11 Property Support-Outside Contract Services	6,692.78	-		13,500.00
10-6273-11 Property Support-Real Estate, Personal Prop Ta	43,547.89	43,550.00		43,550.00
10-6280-11 Property Support-Facilities and Equipment	-	-		-
10-6284-11 Property Support-Equip Rental and Maintenanc	-	-		-
10-6286-11 Property Support-Lawn	24,615.00	30,000.00		30,000.00
10-6287-11 Property Support-Exterminating	440.00	500.00		500.00
10-6288-11 Property Support-Garbage Removal	1,548.00	2,075.00		2,075.00
10-6290-11 Property Support-Repairs expense	-	1,500.00		1,500.00
10-6504-11 Property Support-Supplies	581.58	2,500.00		800.00
10-6701-11 Property Support-Heating oil	5,658.73	16,000.00		16,000.00
10-6703-11 Property Support-Water	90.24	200.00		200.00
10-6705-11 Property Support-Electricity	5,454.88	11,000.00		11,000.00
10-6750-11 Property Support-Insurance	-	37,000.00		-
10-6900-11 Property Support-Automobile	-	-		-
10-6901-11 Property Support-Auto insurance	-	3,000.00		-
10-6990-11 Property Support-Depreciation expense	18,819.45	17,000.00		17,000.00
	<u>107,448.55</u>	<u>164,325.00</u>	<u>65.39%</u>	<u>136,125.00</u>

ORTHODOX CHURCH IN AMERICA

Proposed 2021 Budget - Expenses by Department

	YTD Actual	BUDGET	% BUDGET	BUDGET
	9/30/2020	Amended 2020	USED	2021
10-6600-35 Sexual Misconduct Committ-Salaries	14,999.94	20,000.00		20,000.00
10-6606-35 Sexual Misconduct Committ-FICA/MED	1,147.50	1,731.96		1,731.96
10-6607-35 Sexual Misconduct Committ-Unemployment Ins	-	-		-
10-6610-35 Sexual Misconduct Committ-Health Insurance	2,450.64	2,640.00		2,640.00
10-6640-35 Sexual Misconduct Committ-Workers Compensa	-	54.34		54.34
	<u>18,598.08</u>	<u>24,426.30</u>	76.14%	<u>24,426.30</u>
10-6092-35 Sexual Misconduct Committ-Business Registrati	-	100.00		100.00
10-6095-35 Sexual Misconduct Committ-Bank Fees	-	-		-
10-6215-35 Sexual Misconduct Committ-Outside Contract Se	4,478.65	2,000.00		2,000.00
10-6502-35 Sexual Misconduct Committ-Postage, Mailing Se	-	55.00		55.00
10-6504-35 Sexual Misconduct Committ-Supplies	-	100.00		100.00
10-6832-35 Sexual Misconduct Committ-Travel	-	930.00		930.00
10-6834-35 Sexual Misconduct Committ-Meals	-	-		-
	<u>4,478.65</u>	<u>3,185.00</u>	140.62%	<u>3,185.00</u>

ORTHODOX CHURCH IN AMERICA

Proposed 2021 Budget - Expenses by Department

	<u>YTD Actual</u> <u>9/30/2020</u>	<u>BUDGET</u> <u>Amended 2020</u>	<u>% BUDGET</u> <u>USED</u>	<u>BUDGET</u> <u>2021</u>
10-6050-10 Chapel-Distributions	-	-		
10-6051-10 Chapel-Charity distribution	-	1,000.00		1,000.00
10-6105-10 Chapel-Food	185.17	800.00		800.00
10-6110-10 Chapel-Flowers/Candles/Liturgical item	28.17	500.00		500.00
10-6215-10 Chapel-Outside Contract Services	1,000.00	-		-
10-6504-10 Chapel-Supplies	224.17	100.00		100.00
10-6650-10 Chapel-Stipends	100.00	2,000.00		2,000.00
	<u>1,537.51</u>	<u>4,400.00</u>	<u>34.94%</u>	<u>4,400.00</u>
10-6215-13 Communications-Outside Contract Services	6,900.50	52,000.00		35,000.00
10-6503-13 Communications-Printing and Copying	88.98	686.00		686.00
10-6650-13 Communications-Stipends	-	-		-
10-6670-13 Communications-Computer expense	282.47	2,500.00		2,500.00
10-6733-13 Communications-Website	2,926.57	1,000.00		1,000.00
	<u>10,198.52</u>	<u>56,186.00</u>	<u>18.15%</u>	<u>39,186.00</u>
10-6105-14 Holy Synod-Food	-	-		-
10-6115-14 Holy Synod-Office Expense - Other	-	500.00		500.00
10-6502-14 Holy Synod-Postage, Mailing Service	23.15	-		-
10-6504-14 Holy Synod-Supplies	-	500.00		500.00
10-6650-14 Holy Synod-Stipends	10,800.00	14,400.00		14,400.00
10-6832-14 Holy Synod-Travel	2,398.32	36,000.00		36,000.00
10-6833-14 Holy Synod-Lodging	-	-		-
10-6834-14 Holy Synod-Meals	-	14,900.00		14,900.00
	<u>13,221.47</u>	<u>66,300.00</u>	<u>19.94%</u>	<u>66,300.00</u>
10-6092-15 Metropolitan's Office-Business Registration Fee:	-	1,900.00		1,900.00
10-6095-15 Metropolitan's Office-Bank Fees	-	-		-
10-6096-15 Metropolitan's Office-Dues	1,087.00	-		-
10-6110-15 Metropolitan's Office-Flowers/Candles/Liturgic	323.75	1,000.00		1,000.00
10-6253-15 Metropolitan's Office-Program Supplies	-	-		-
10-6504-15 Metropolitan's Office-Supplies	-	500.00		500.00
10-6610-15 Metropolitan's Office-Health Insurance	824.48	-		-
10-6667-15 Metropolitan's Office-Chaplains - Stipends	-	6,000.00		6,000.00
10-6831-15 Metropolitan's Office-Conference, Convention, M	-	1,000.00		1,000.00
10-6832-15 Metropolitan's Office-Travel	10,466.73	47,000.00		47,000.00
10-6833-15 Metropolitan's Office-Lodging	-	-		-
10-6834-15 Metropolitan's Office-Meals	1,079.28	6,000.00		6,000.00
10-6902-15 Metropolitan's Office-Auto repairs	365.21	1,000.00		-
	<u>14,146.45</u>	<u>64,400.00</u>	<u>21.97%</u>	<u>63,400.00</u>
10-6105-16 Metropolitan Council-Food	70.74	2,400.00		2,400.00
10-6504-16 Metropolitan Council-Supplies	-	50.00		50.00
10-6832-16 Metropolitan Council-Travel	12,410.49	12,000.00		12,000.00
10-6833-16 Metropolitan Council-Lodging	-	18,000.00		18,000.00
10-6834-16 Metropolitan Council-Meals	450.00	-		-
	<u>12,931.23</u>	<u>32,450.00</u>	<u>39.85%</u>	<u>32,450.00</u>

ORTHODOX CHURCH IN AMERICA

Proposed 2021 Budget - Expenses by Department

	<u>YTD Actual</u> <u>9/30/2020</u>	<u>BUDGET</u> <u>Amended 2020</u>	<u>% BUDGET</u> <u>USED</u>	<u>BUDGET</u> <u>2021</u>
10-6095-17 St Catherine's Representa-Bank Fees	10.00	-		-
10-6110-17 St Catherine's Representa-Flowers/Candles/Li	-	300.00		300.00
10-6253-17 St Catherine's Representa-Program Supplies	-	-		-
10-6650-17 St Catherine's Representa-Stipends	35,249.94	50,000.04		50,000.04
10-6680-17 St Catherine's Representa-Pension expense	7,139.94	-		-
10-6832-17 St Catherine's Representa-Travel	-	15,000.00		15,000.00
10-6834-17 St Catherine's Representa-Meals	-	-		-
	<u>42,399.88</u>	<u>65,300.04</u>	<u>64.93%</u>	<u>65,300.04</u>
10-6502-20 SOCA-Postage, Mailing Service	-	-		-
10-6504-20 FOS-Supplies	-	-		-
10-6733-20 SOCA-Website	-	-		-
	<u>-</u>	<u>-</u>		<u>-</u>
10-6832-29 Theological Education Boa-Travel	-	10,000.00	0.00%	10,000.00
10-6050-30 Missions and Planting Gra-Distributions	29,999.97	40,000.00	75.00%	68,000.00
10-6215-34 Ordination Candidate Test-Outside Contract Sc	3,000.00	12,000.00	25.00%	12,000.00
10-6832-38 Canons and Statues Commit-Travel	-	-		-
10-6215-39 Strategic Planning-Outside Contract Services	-	-		-
10-6504-39 Strategic Planning-Supplies	-	1,500.00		1,500.00
10-6650-39 Strategic Planning-Stipends	-	7,500.00		7,500.00
	<u>-</u>	<u>9,000.00</u>	<u>0.00%</u>	<u>9,000.00</u>
10-6050-40 Seminaries-Distributions	-	18,000.00	0.00%	18,000.00
10-6050-80 Ministries-Distributions	-	2,500.00		2,500.00
10-6092-80 Ministries-Business Registration Fees	-	-		-
10-6096-80 Ministries-Dues	400.00	-		-
10-6215-80 Ministries-Outside Contract Services	-	36,000.00		56,000.00
10-6253-80 Ministries-Program Supplies	-	-		-
10-6503-80 Ministries-Printing and Copying	-	1,500.00		1,500.00
10-6504-80 Ministries-Supplies	44.17	3,000.00		3,000.00
10-6515-80 Ministries-Memberships	6,000.00	12,000.00		12,000.00
10-6650-80 Ministries-Stipends	34,950.00	42,000.00		42,000.00
10-6733-80 Ministries-Website	952.35	1,500.00		1,500.00
10-6831-80 Ministries-Conference, Convention, Meeting	496.00	3,000.00		3,000.00
10-6832-80 Ministries-Travel	858.64	15,000.00		15,000.00
10-6833-80 Ministries-Lodging	-	-		-
10-6834-80 Ministries-Meals	-	-		-
	<u>43,701.16</u>	<u>116,500.00</u>	<u>37.51%</u>	<u>136,500.00</u>

Paycheck Protection Program – Suggested Motion

The Metropolitan Council authorizes the Chancery Administration to pursue and submit an application for forgiveness of the 2020 CARES Act Paycheck Protection Program loan funding. This authorization is granted to the extent that the Orthodox Church in America has satisfied the intent and parameters of the program by retaining payroll during the measurement period and incurring other allowable expenses in accordance with the most recent available guidance from the Small Business Administration.

Fall 2020 Mission Planting Grant Summary and Proposal

For 2020, the recipients and amounts granted were:

2020 Missions	2020 Amounts (Granted)
St Cyril, The Woodlands TX (Year 1)	\$24,000
St John, Rogers AR (Year 3)	\$16,000
Total	\$40,000

For 2021, the following recipients and amounts are proposed:

2021 Missions	2021 Amounts (Proposed)
St John the Merciful, Kissimmee FL (Year 1)	\$24,000
Archangel Gabriel, Azle TX (Year 1)	\$24,000
St Cyril, The Woodlands (Year 2)	\$20,000
Total	\$68,000

St John the Merciful Mission in Kissimmee FL was established in 2018. Fr Daniel Hickman (of St Stephen in Orlando FL) is assigned as Priest-in-Charge of the mission and Dn Mark Buchman is also serving at the mission. In two years, they have increased their membership by 110% and currently number 17 adults and 8 children with an average attendance of 25 (pre-pandemic). They project to be at 40 members in the year 2023. The city of Kissimmee is poised to see unprecedented growth over the next decade. We recommend the first-year grant of \$24,000.

Archangel Gabriel Mission in Azle TX was established in 2019. Fr Chrysostom Arthur is assigned as Priest-in-Charge of the mission who currently supplements his income from the mission as a teacher. In one year, they increased their membership 150% and currently number 27 adults and 12 children with an average attendance of 35 (pre-pandemic). They project to be at 45 adults by 2023. Azle is one of the fastest-growing cities in the Greater Fort Worth TX area and the job growth rate is projected to be 40% within the next ten years. We recommend the first-year grant of \$24,000.

St Cyril of Jerusalem in The Woodlands TX received their first-year grant (\$24,000) in 2020. Fr Benedict Crawford in assigned as the Priest-in-Charge.

Despite the challenge of COVID restrictions, they have seen a promising increase in attendance in the third quarter of 2020 averaging 48 persons at Divine Liturgy. We recommend the second-year grant of \$20,000.

Respectfully submitted,

Archpriest Thomas Soroka
Project Manager
Departments of the Orthodox Church in America

MEMORANDUM

DATE: October 16, 2020

TO: Members of the Metropolitan Council of the Orthodox Church in America

FROM: Priest Alessandro Margheritno, Executive Assistant

SUBJECT: Archives Relocation Process

With the blessing of His Beatitude Metropolitan Tikhon, on Monday, Oct 12, 2020 Archpriest Alexander Rentel, OCA Chancellor initiated an email communication with Andrew Smith, Treasurer, Priest Alessandro Margheritino, Executive Assistant, Ray Lanier, General Counsel of the OCA, David Lane, Esq, Gregory Honshul (Property Committee), Ray Steeb (Property Committee) to discuss the relocation process of the OCA Archives.

Fr. Alexander indicated the upcoming meeting of the Archives Advisory Committee on Wednesday, November 18. He noted that, with the Westwood property now on the market, decisions regarding the relocation process for the Archives must be promptly initiated. Meanwhile, as the general information regarding the relocation has become public, a number of suggestions have been offered in regards to potential locations and entities that could house and assist the OCA Archivist (Alexis Liberovsky) with the management of the archival treasures.

Everyone on the email exchange agreed to suggest the following for consideration of the Metropolitan Council:

1. That the Metropolitan Council officially formalizes the advisory panel previously appointed by the Metropolitan known as the OCA Archives Advisory Committee. Members of the Committee are: Archpriest Alexander Rentel, Priest Alessandro Margheritino, Alexis Liberovsky, Archpriest John Erickson, Archpriest John Perich, Mat. Tamara Skvir, Dr. Anatol Shmelev, Daria Safronova-Simeonoff, Matthew Garklavs. This Committee will assist with advisory functions in respect to the relocation process and will support the work of the OCA Archivist, Alexis Liberovsky.
2. That the Metropolitan Council task the Archives Advisory Committee to issue a Request For Proposals (RFP) from interested parties that would:
 - a. Provide support and assistance to the OCA Archivist, Alexis Liberovsky, for the curation and storage of the OCA Archives;
 - b. Provide appropriate storage services for the OCA Archives;
 - c. Provide display/access to OCA archives as needed/requested.

3. That the Metropolitan Council task the Archives Advisory Committee to set up the necessary criteria for the RFP, specifying that:
 - a. The OCA always owns all archival materials and information submitted for storage services;
 - b. The OCA is always consulted on the disposal of any submitted archival materials or information;
 - c. The OCA can at any time take over the management, curation and/or storage services of its archives.

It was suggested that the RFP also include requests for innovative solutions for:

- A. The maintenance of the OCA archives;
- B. Curating traveling exhibits (for Diocesan Cathedrals, etc.);
- C. Financing the cost of maintaining the OCA archives.

In establishing the RFP criteria, the Archives Advisory Committee would also have to consider distinguishing the historical inactive archival records from the active chancery files of the OCA.

The RFP would have to satisfy the criteria set up by the Archives Advisory Committee. Upon consideration of received proposals, the Archives Advisory Committee will then offer recommendations to the Metropolitan, the Chancellor, Legal Counsel, and the Property Committee. After this second set of considerations and evaluations, the fitting proposals would be submitted to the Metropolitan Council.

The following point was particularly stressed: the proposals will be carefully examined so that a rushed decision that would endanger the archives in any shape or form, would be altogether avoided.

Alexis Liberovsky may make a proposal for the Archives to follow the Chancery offices where they will relocate.

Other presumed entities that will likely issue proposals are St. Vladimir's Orthodox Theological Seminary and St. Tikhon's Orthodox Theological Seminary. To this point, it was noted that our archival treasures have important academic, research, and historical value.

Finally, the relocation, management, and housing of the OCA Archives urge necessary budgetary and financial considerations which will also play a role in the decision making.

MOTION

MOTION / - To adopt the following resolution:

WHEREAS, the Westwood property that houses the Archives of the OCA is for sale;

WHEREAS, it seems urgent to initiate the planning process for the relocation of the aforementioned Archives;

THEREFORE, BE IT RESOLVED, that the Metropolitan Council of the OCA directs the Archives Advisory Committee:

- A. That the Metropolitan Council officially formalize the advisory panel previously appointed by the Metropolitan known as the OCA Archives Advisory Committee. Members of the Committee are: Archpriest Alexander Rentel, Priest Alessandro Margheritino, Alexis Liberovsky, Archpriest John Erickson, Archpriest John Perich, Mat. Tamara Skvir, Dr. Anatol Shmelev, Daria Safronova-Simeonoff, Matthew Garklavs. This Committee will assist with advisory functions in respect to the relocation process and will support the work of the OCA Archivist, Alexis Liberovsky.
- B. To issue a Request For Proposals (RFP) from interested parties that would:
 - a. Provide support and assistance to the OCA Archivist, Alexis Liberovsky, for the curation and storage of the OCA Archives;
 - b. Provide appropriate storage services for the OCA Archives;
 - c. Provide display/access to OCA archives as needed/requested.
- C. To set up the necessary criteria for the RFP, specifying that:
 - a. The OCA always owns all archival materials and information submitted for storage services;
 - b. The OCA is always consulted on the disposal of any submitted archival materials or information;
 - c. The OCA can at any time take over the management, curation and/or storage services of its archives.

Metropolitan Council

As of November 10, 2020

His Beatitude Metropolitan Tikhon

Archbishop of Washington and Metropolitan of All America and Canada

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<p>Priest Gabriel Bilas 2439 S. Long Lake Road Fenton, MI 48430-1461</p> <p>Cell: 330-285-1740 Email: frgabrielismm@gmail.com</p>	<p>Bogdan Popescu 11684 Ventura Blvd, #612 Studio City, CA 91604</p> <p>Cell: 310-954-6234 Email: raycnewman@sbcglobal.net</p>

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Open	Open

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<p>Committee Codes: FI = Finance and Investment HR = Ethics and Human Resources IG = Internal Governance</p>	<p>LE = Legal PR = Property TH = Technology</p> <p>Bold/Italic = chairperson</p>