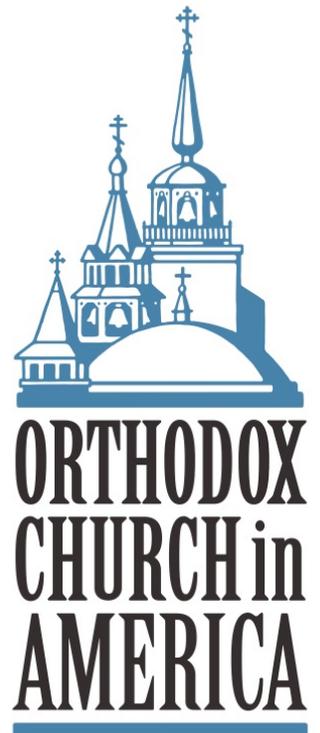

METROPOLITAN COUNCIL of the ORTHODOX CHURCH IN AMERICA

REPORTS
2022 Fall Session



Wednesday, October 19 – Thursday, October 20, 2022

TABLE OF CONTENTS

Wednesday, October 19, 2022

- | | | |
|----|-------------------------|--------------------------------|
| 1. | Agenda | |
| 2. | Metropolitan's Report | |
| 3. | Chancellor's Report | Archpriest Alexander Rentel |
| 4. | Secretary's Report | Priest Alessandro Margheritino |
| 5. | Office of Pastoral Life | Archpriest Nicholas Solak |

Thursday, October 20, 2022

- | | | |
|----|------------------------|--------------------------|
| 1. | AAC Council Manager | Deacon Peter Ilchuk |
| 2. | Treasurer's Report | Andrew Smith |
| 3. | Audit Report | External Audit Firm |
| 4. | Pension Plan | Pension Board |
| 5. | Church Planting Grants | Archpriest Thomas Soroka |
| 6. | Departments | Archpriest Thomas Soroka |
| 7. | Communication | Priest Kyle Parrott |

LOGISTICS, SCHEDULE and FINALAGENDA ITEMS
Regular Fall 2022 Session of the Metropolitan Council
October 19-20, 2022
New and Temporary Office of the Chancery

Lodging and Dinners:	Hilton Springfield 6550 Loisdale Road Springfield, Virginia, 22150
Meetings:	Office Building of the New and Temporary Office 6506 Loisdale Road Ste. 200 Springfield, Virginia, 22150
Divine Liturgy on 10/20:	All Saints of America Mission Reineker Hall, Cameron Methodist Church 3130 Franconia Road Alexandria, Virginia, 22310

Tuesday, October 18, 2022

All afternoon and evening arrivals. Meals on own.

Wednesday, October 19, 2022

Breakfast at hotel on own.

9:00a Opening Molieben

9:30a First Session

11:00a Break

11:30a Second Session

1:00p Lunch

2:30p Third Session

4:00p Break

4:30p Fourth Session

5:30p Break for dinner

6:00p Dinner at Hilton restaurant

7:15p Orientation for new MC members at the Chancery office

Thursday, October 20, 2022

8:00a Divine Liturgy (All Saints of America Mission)

9:30a Coffee and fellowship at the Church

10:30a Fifth Session

12:30p Lunch

1:30p Sixth Session

3:00p Break

3:30p Seventh Session

4:30p Adjournment

6:00p Dinner at local restaurant

Final Agenda – Wednesday, October 19, 2022, 9:00-4:00 pm EST

1. Opening Molieben
2. Call to Order – Archpriest Alexander Rentel
3. Review of Agenda – Archpriest Alexander Rentel
4. Roll Call– Archpriest Alexander Rentel
5. Approval of the Minutes of the Regular and Special Spring 2022 Sessions of the Metropolitan Council
6. Report of the Metropolitan – His Beatitude Metropolitan Tikhon
7. Report of the Chancellor – Archpriest Alexander Rentel
8. Property Committee – Ray Steeb and Gregory Honshul
9. Report of the Secretary – Priest Alessandro Margheritino
10. Director of Communications – Priest Kyle Parrott
11. Office of Pastoral Life – Archpriest Nicholas Solak
12. Review of Metropolitan Council Committees – Archpriest Alexander Rentel
13. Concluding Remarks – His Beatitude

Agenda – Thursday, October 20, 2022, 10:30-4:30 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. 20th All-American Council – Deacon Peter Ilchuk
6. Report of the Treasurer (presentation of a. financials, b. investments, c. 2023 Budget, 4. External audit) – Mr. Andrew Smith
7. Auditors – Mr. Andrew Smith
8. Pension Report – Pension Board Administrator and Trustee
9. Pension Subcommittee – Mr. Andrew Smith
10. Joint HS & MC Subcommittee on Pension Compliance – Archpriest Alexander Rentel
11. Departments Update – Archpriest Thomas Soroka
12. Church Planting Grants – Archpriest Thomas Soroka
13. Concluding Remarks – His Beatitude
14. Prayer – His Beatitude

AUTUMN METROPOLITAN COUNCIL MEETING

NEW AND TEMPORARY OFFICES OF THE CHANCERY

SPRINGFIELD, VIRGINIA

OCTOBER 19-20, 2022

REPORT OF THE METROPOLITAN

1. *Welcome.* I welcome all of you to the regular Autumn meeting of the Metropolitan Council. This meeting is significant for a number of reasons. In the first place, although we did hold one in-person meeting last fall in Cleveland as a joint meeting with the Holy Synod, this is the first time that we are gathering in person for a dedicated regular session of the Metropolitan Council in almost two and a half years. So we might rightly consider this our first post-pandemic gathering, though traces of Covid and its aftermath certainly remain with us. In the second place, and for perhaps more encouraging reasons, we are meeting for the first time in the new and temporary chancery offices for the Orthodox Church in America. As was announced to the delegates at the most recent All-American Council in Baltimore, the securing of office space for the Chancery was among the first accomplishments of the multifaceted chancery relocation project, a project that, as this body knows, has been ongoing for several years. We will receive updates and consider actions on the other components of this project over the next two days but for now I am pleased to welcome all of you in the flesh to 6506 Loisdale Road in Springfield, Virginia. In the third place, this meeting is significant because it is taking place on the geographic territory of the primate of the Orthodox Church in America. As such, this is the first time that we are meeting as the Metropolitan Council since my relocation to the Archdiocese of Washington in June of this year. I will later share some details of my activities in my territory since the All-American Council but, for now, it is with great satisfaction that I welcome all of you here.
2. *Introductions.* Before I speak further, I would like to re-iterate the welcome I offered at our special meeting in August to the at-large representatives and the diocesan representatives that have been newly elected to serve on the Metropolitan

Council.¹ At that time, I suggested that there would be an opportunity for fuller introductions at this week's meeting, so I would propose that we now take a few minutes to not only hear from the new members but also to allow each of us who are present today to briefly share a bit about who we are, where we come from, and perhaps a brief thought about what each of us hopes to contribute or gain from our time on the Metropolitan Council. You might also note if you have previously served on the Council or in other administrative capacities. I will begin with myself and simply note that I have chaired the Metropolitan Council as the Primate of the Orthodox Church in America for the past 10 years. However, I regularly participated in meetings of the Metropolitan Council prior to my election, particularly during our various times of trouble when the Standing Synod was invited to participate in meetings. I have thus seen the very real transformation of the Metropolitan Council from a body that was often perceived (perhaps unfairly) as merely a rubber-stamp for the administration to one that is functional, effective, and professional on any number of levels. I also appreciate that each iteration of the council is unique and creates an ever-changing configuration of individuals who bring a unique contribution but nevertheless maintain a solid commitment to the common work of the Orthodox Church in America. So now we can go around the room and briefly introduce ourselves. As we do so, I would also encourage each of you to take advantage of the times in between our meetings to get to know each other and share in those ways that are less easy to accomplish through virtual meetings.

3. Thank you for sharing a bit about yourselves. It is always good to have a diverse group of individuals on the Metropolitan Council and I look forward to collaborating with all of you and receiving your valuable input and insights into the many matters we will consider. I will now turn to a few items of update and information.

¹ Archpriest Justin Patterson, Archpriest Lawrence Margitich, Archpriest Christopher Foley, Elizabeth (Lisa) Mikhalevsky, Alexis Liberovsky, Lynnell Brunswig (re-elected), Archpriest John Baker (Diocese of the Midwest), Archpriest Matthew Tate (Diocese of the West), Daniel Ralich (Bulgarian Diocese), Deacon Matthew Prentice (Archdiocese of Washington) who was serving the remainder of Fr. Valery Shemchuk's term and was re-elected)

4. *Memory Eternal.* I did make mention already in August of the falling asleep of Matushka Anne Hopko, as well as Archpriest John Reeves who served faithfully on the Metropolitan Council during a very difficult time. In addition, we should acknowledge the falling asleep of our former primate, Metropolitan Herman, who reposed at his residence at Saint Tikhon's Monastery on September 6th. Although his tenure as Primate of the Orthodox Church in America was brief and, in many ways challenging, he did serve faithfully in that position following almost 30 years of pastoral service as Bishop of Eastern Pennsylvania. He was especially well-known for his devotion to Saint Tikhon's Monastery and Seminary and for his active support of the right to life. As such, he was the first Orthodox hierarch to lead the annual March of Life in Washington. This past Saturday was the 40th day of his repose which I marked with a panikhida at Saint Mark's Church in Bethesda. May his memory be eternal!
5. *Travel and Activities.* Since the All-American Council, I have not undertaken any international travelling and do not expect to do so through the end of the year, although I have scheduled some time off for myself from November 14 to December 3. I will spend this time at my family home in France. Since June, I have primarily focused on the pastoral needs of my present three dioceses: the Archdiocese of Washington, the Albanian Archdiocese, and the Diocese of New England.
 - a. *Washington.* In the Archdiocese of Washington, I have been able to serve or attend divine services at a number of my 11 parishes and missions, which is significantly easier to accomplish now that I am maintaining my residence here. I am able to drive to almost half of my communities in around or under 30 minutes, which allows me to do so with increasing frequency. I attended the first concert put on by Juliana Woodill, a member of the Archdiocese and one of our growing pool of musical talent in the Orthodox Church in America. At her initiative, I blessed the formation of an archdiocesan choir whose purpose is to develop not only the musical and liturgical life within the Archdiocese but also to help build a more concrete sense of community and hospitality. The Archdiocesan Choir's first offering was the concert at the end of July which feature music from exclusively American composers.

I presided recently at the weekend celebrations marking the 50th anniversary of Saint Mark's Church in Bethesda, Maryland, with a hierarchical liturgy on Saturday and Sunday. We held our last Archdiocesan Assembly virtually but we hope that this was the last time we would need to do so.

- b. *Albanian Archdiocese.* In part, my reason for holding the Washington Assembly virtually was because the Assembly for the Albanian Archdiocese was scheduled for the same time-period. I did attend that Assembly in person, an Assembly that was, in fact, two consecutive Assemblies since the Archdiocese held a special nominating Assembly to select a candidate to fill the vacancy in the episcopal office. That special assembly yielded a candidate, Igumen Nikodhim Preston, whose name will be presented to the Holy Synod at its regular Autumn Session in November. In the meantime, I continue to serve as the locum tenens and attend to the administrative and pastoral needs of the Archdiocese.
- c. *Diocese of New England.* Next week, I will be presiding over the annual assembly of the Diocese of New England, which is taking place in New Hampshire. The episcopal search process has been proceeding at a more deliberate pace in this diocese but it is proceeding. Concurrently, the diocese is undergoing a process of self-examination and strategic planning as it considers the future of the diocese. In September, I presided at the celebrations of the 110th anniversary of Saints Cyril and Methodius parish in Terryville, Connecticut and will be ordaining a priest on the Sunday following the Assembly. I continue to meet regularly with the Chancellor of the diocese, Archpriest John Kreta who provides invaluable assistance to me in overseeing the life of the diocese.
- d. *Stavropegial Institutions and other institutions.* I also continue to oversee the stavropegial monasteries, Saint Tikhon's, New Skete, and Holy Myrrhbearers. I travelled to Ellwood City for the funeral services for Matushka Anne Hopko and remained there for a celebration of Archbishop Melchisedek's 80th birthday and to participate in the annual convention of the Russian Brotherhood Organization (RBO). I presided at a meeting of the

Board of Trustees for Saint Tikhon's Seminary and continue to Saint Vladimir's Seminary

6. *Pension Plan.* A substantial amount of time at the All-American Council was devoted to various aspects of the pension plan of the Orthodox Church in America. This week, the Metropolitan Council will consider a number of matters related to the pension plan and we will also be discussing these with representatives of the pension board. As you know, this is the result of our determination at the All-American Council to strive for better and more timely communication and collaboration with the pension board. I look forward to our discussions and trust that we will come to a common understanding of the best way forward. I am still working on appointing a Synodal Liaison for the Pension Board which I hope to confirm no later than the Holy Synod meeting next month.
7. *External Relations.* There is not much I can say concerning the area of external church relations. The global scene continues to be fragile, primarily, but not exclusively, due to the political and ecclesiastical situation in Ukraine. That fragility is mirrored here in North America with increasing tensions between the various jurisdictions. These circumstances place a greater value on the internal life of the Orthodox Church in America and the many areas in which we need to focus our attention on the genuine and salvific apostolic work that lies before us.
8. *All-American Council.* For me, this is the most urgent task at hand and the most effective way to navigate the global turmoil and is one of the main reasons the work of the Metropolitan Council and the All-American Council is so crucial. I shared a few thoughts about the All-American Council with the Metropolitan Council at our August special meeting. Since that time, we also received the results of the survey that was sent to all the delegates, which Father Alessandro has referenced in his written report. I would only highlight the fact that many drew attention to the overall effective organization at the Council. On the one hand, this might be taken as code for “nothing really exciting happened” or, as one commenter wrote, “I did not feel like we addressed the theme of the council and the looming crisis of vocations.” To me, however, this speaks to the purpose of the All-American Council, which is not necessarily to solve specific problems. We did begin to address the pension plan issues but that issue, like most others,

is not one that will be resolved by one or two resolutions. It requires the on-going attention of the Church and this is what the All-American Council should reflect: the ongoing work of the church, not just a single gathering every three years.

9. *Conclusion.* In conclusion, I offer my deep thanks to the Chancery Officers, Fr. Alexander Rentel, Fr. Alessandro Margheritino and Andrew Smith and all who labor faithfully with them at the Chancery.

Report of the Chancellor of Orthodox Church in America
Regular Fall 2022 Session of the Metropolitan Council, October 19-20, 2022

1. Introductory Remarks. I begin my report today with good news: the Chancery of the Orthodox Church in America has begun its relocation to the Archdiocese of Washington and remains fully operational here and on Long Island. The relocation that we spoke about, had meetings about, planned for has begun and will be completed, I hope, in the new year. Reflecting on my report today, with activities and travel and personnel discussions, I am reminded again and again in the background that world Orthodoxy remains in a difficult situation. At the same time, the entire world seems increasing instable with signs and portends of more and more instability, difficulties, and trouble. That being said, we have made a move to Washington and, as such, we are continuing the Apostolic Journey of the Orthodox Church in America from its initial Alaskan mission to the present day. In the midst of so many other things, I take great satisfaction that we are here, beginning to develop our presence in this nation's capital, and becoming enmeshed within the fabric of the archdiocese. Indeed, we can look forward to two days of meetings that might get tense, the right thing to do might not be fully apparent, and we might even despair at finding a solution to the many problems that are facing us. Nevertheless, we should not neglect to take stock of where we are and what we are accomplishing.

1.1 Our own Church. To that end, I recall for us all that we have been given a great gift from God. At every level of the Orthodox Church in America, in assemblies and councils, we meet in order to guide and direct our Church. Please note those pronouns, *we*, and its object forms, *our* and *us*, these are the actors who co-labor with God for *our* Church. We are not going to a government agency for direction, and no one is whispering in our ears to carry forth this political line or interest. *We* have been given this great gift from our Lord. *Our* meetings will be mundane, maybe tense, maybe much will be asked of *us*, but we should give thanks to God for this work and what he has allowed to take place already.

1.2 At the AAC. In line with this, thinking about what we are doing and giving thanks for it, I want to share with you a precious vision of our Church that I received at the All-American Council. In fact, as much of what I saw, it is something that I heard that I want to share. *It* was the liturgical services offered to God in a multitude of languages. I heard English, of course, but also native Alaskan languages, Slavonic, Albanian, Romanian, French, and Spanish. We had made visibly present our Orthodox Church in America, the Church that extends from the Arctic circle down to Central America, from that place where the Orthodox faith was first proclaimed, Alaska, to the priests and laity of the youngest mission Churches toiling throughout this continent to the glory of God. It is to the preservation of this Church – to the glory of God! – that we give thanks to God, because he has entrusted it to us, not to agencies, offices, or political entities, but to us. To us gathered at this Metropolitan Council, we have a particular ministry, but it is a ministry that is part of this larger ministry that God has seen fit to reveal in this place and at this time. May we be found worthy to do this work!

2. Personal Remarks. I begin my remarks with an update on my own situation. It has changed since I last reported to the Metropolitan Council. My wife and youngest son moved out of our house located at St. Vladimir's Seminary in late May and moved into a duplex in the area around

the seminary. We did so as part of the relocation of the Chancery: Fr. Alessandro and his family moved to the DC area in order to set up the Chancery office here, which he will discuss at length in his report, but also in order to have his young family become established here. I, in turn, am remaining for this year in the NYC area in order to see to the winding down of operations at the Chancery. Further, my youngest son is presently finishing high school. Once he finishes, it is my intention to leave NY and move to DC in the late Spring or early Summer of 2023. I note that I am scheduled to teach a class on canon law at St. Vladimir's Seminary next semester, which will likely mean that this will be the last class I teach since I do not anticipate teaching once I move to the Washington area.

3. Chancery Work. I turn now to my work at the Chancery, which has undergone considerable changes. Presently, my work routine for the Chancery encompasses two and half locations: the two Chanceries and my dining room table. I am able to accomplish this manner of work, because, I believe, we learned important lessons during the period of the pandemic, and one of them was how to accomplish remote work. With staff scattered throughout North America and in two offices, I continue to use all the tools and skills that we developed during the pandemic, and I consider that the Chancery work has continued uninterrupted. Over the course of our meetings, you will hear from my colleagues at the Chancery, all of which will testify to this point: while we are working in diverse physical locations, the work continues to be accomplished.

3.1 Springfield. Until I move to the Washington area, I am planning on spending one week a month at the Springfield location. I was here in September, right now, and will return in December. This year, I have come primarily Monday-Friday, but next year I hope to come and spend time in DC over some weekends so I can understand the Church life here better. In Springfield, Fr. Alessandro and Fr. John Mikitish work full time and support His Beatitude when he comes to the office. Fr. Alessandro is, of course, in regular communication with me and with the Chancery staff in Syosset.

3.2 Syosset. When I am not in Springfield, obviously, I go to the Chancery on Long Island and work from there. Presently, Fr. Larry Soper, Ms. Susan Wisnewski, Mr. Barry Migyanko, and Mr. Alex Liberovsky continue to work there at the Chancery on Long Island. As I will detail shortly, Fr. Larry and Barry both have end dates for their employment, while Susan and Alex will continue. To be clear, for the time being, until the move is complete, we will maintain significant activity in the Syosset location so as not to jeopardize our not-for-profit standing with the civil government. While the Springfield Chancery will perform most of the routine administrative work and the primary place for the support of His Beatitude, the Syosset location will continue to act as the financial hub under the supervision of Susan. Additionally, even after the archives are relocated to St. Vladimir's Seminary, Alex will continue to sort through non-archival material, giving some of these things away to other collections, or simply throwing things out.

3.3 "Dining Room." Given the increase in my travel, which I will talk about momentarily, I have consciously worked more from the dining room table at my home. As I have said, using Zoom, Box, my cell phone, email, and Slack, I remain in regular communication with His Beatitude, the far-flung Chancery, and the members of the two Chancery offices. I am grateful for the patience of my colleagues as we navigate this transitional year.

4. Activities. Since Pascha, April 24, which I spent at the Monastery of the Transfiguration, Ellwood City, PA, with the blessing of His Beatitude Metropolitan Tikhon and His Eminence Archbishop Nathaniel, my travel schedule has resumed to a pre-pandemic level. In between the activities mentioned below, as I have said, I have maintained a regular schedule of Zoom and in-person meetings.

4.1 Funeral of Archbishop Paul of blessed memory. Shortly after Pascha, April 26-28, I traveled to Chicago and Detroit, in order to participate in the funeral services for Archbishop Paul of blessed memory. His Eminence and I were classmates at St. Vladimir's Seminary in the 1990s, and actually part of the 1993 Seminary Octet. I felt and fell his death both professionally, and personally

4.2 OCA Seminaries: I have participated in the meetings of the Boards of Trustees at both seminaries in May and special meetings throughout the summer. On May 14, I also took part in the St. Vladimir's Seminary commencement exercise with His Beatitude. Later that same month, as I say, I went to the meeting of the board at St. Tikhon's Seminary, but I was unable to stay because I was in the process of moving, as I indicated above. On the feast of the Exaltation of the Cross, September 13-14, I joined His Beatitude at St. Vladimir's Seminary for the festal vigil and the Divine Liturgy. We were also able to meet with new faculty at St. Vladimir's Seminary, as well as the seven monastic seminaries currently studying there from the Diocese of the West.

4.3 ROCOR Representation. On Saturday, May 21, I participated in the delegation of the Orthodox Church in America at the funeral services, the hierarchical Divine Liturgy and the Funeral for a Monastic, for Metropolitan Hilarion (Kapral) of blessed memory. The services were held at the Synodal Cathedral of the Mother of God of the Sign in Manhattan. His Eminence Archbishop Michael led the delegation. The Reverend Deacon Vitaly Permiakov, Assistant Professor Liturgical Theology at St. Vladimir's Seminary, also formed part of the delegation. During the liturgy, I conveyed to His Eminence Metropolitan Mark, who was serving as locum tenens, the condolences of His Beatitude and the Holy Synod. More recently, on Sunday, September 18, I returned to the cathedral for the enthronement of His Eminence Metropolitan Nicholas as the new First Hierarch of the Russian Orthodox Church Outside of Russia. During the reception that followed, I was able to read formal greetings from Metropolitan Tikhon to His Eminence and present him with a gift.

4.4 Central Committee Meeting. From June 14-18, I was in Geneva, Switzerland, for the meeting of the Central Committee of the World Council of Churches, where I served as a substitute for Professor Paul Meyendorff, who himself was to have been a substitute for His Eminence Archbishop Alexander. Archbishop Alexander made it known that he was unable to participate in these meetings, and so asked Professor Meyendorff to go for him. Dr. Meyendorff had planned to go, but was unable at the last minute for personal reasons. Even though it required a lengthy time commitment on my part, in consultation with Dr. Meyendorff, His Beatitude and I deemed it important for me to go. This meeting was the first in-person meeting since before the pandemic and since the Russian Federation of Ukraine. Additionally, the meeting was making final preparation for the Assembly of the World Council of Church, which I will speak about shortly. While I do not intend to take over as part of my portfolio of responsibilities participation in the WCC, the meeting proved to be an important inter-Orthodox event since the WCC has returned

as a venue wherein all the different local Orthodox Churches participate in. Hence, it remains a singular opportunity for meeting with other Orthodox.

4.5. All-American Council. Upon my return from Geneva, my activities were almost singularly focused on the 20th All-American Council in Baltimore, July 18-22. Both Fr. Alessandro and Dn. Peter will present parts of their report on this council. I take this opportunity to commend them once again for their hard work prior to and during the council itself. Needless to say, I am grateful also to the work of so many at the council, chancery employees, the Pre-conciliar Commission, and the local committee. That the council went off well, stayed on schedule, and proved to be such a good event is testimony to the work of so many individuals.

4.6 Funeral of Anne Hopko. In mid-August, with His Beatitude and Dn. Peter, I attended the funeral services for Anne Hopko, which were held August 18-19, at the Monastery of the Transfiguration, Ellwood City, PA, by where she lived in her retirement. As with Archbishop Paul, I attended this funeral as part of His Beatitude's official delegation, but also as someone had known Anne Hopko since I first entered St. Vladimir's Seminary in 1992.

4.7 11th Assembly of the World Council of Churches. The Orthodox Church in America was represented at the 11th Assembly of the World Council of Churches in Karlsruhe, Germany, August 31-September 8, 2022, by His Grace Bishop Andrei of Cleveland, who led the delegation, me, and Dr. Rebecca Luft, who is from the Diocese of the Midwest. The Assembly of the World Council of Church brings together Christians from all over the world and of all denominations in order to meet, deliberate, and plan for future programs and plans for the WCC. Almost all local Churches of the Orthodox Church are present at these assemblies. Additionally, the different Oriental Orthodox Churches are all also represented.

4.7.1 Activities. The delegation of the Orthodox Church in America not only attended and participated in the different programs of the Assembly, but members also served the Assembly further in different ways. I served on the Message Committee, which drafted a final message from the Assembly, and was a co-facilitator of a Home Group. Dr. Luft served on the Programme Guidelines Committee, and its subcommittee, Ecumenical Formation and Education. I also participated in a panel discussion, sponsored by the Volos Academy for Theological Studies, Volos, Greece, headed by Dr. Pantelis Kalaitzidis, on Ecclesiology and Nationalism. The topic of my presentation was on the Orthodox Canonical Tradition and Nationalism.

4.7.2 Inter-Orthodox Meetings. During the Assembly, the delegation met formally and informally with the delegations of the other local Orthodox Churches, as well as other delegates, advisors, and guests of the Assembly. An early highlight of the Assembly was the arrival of His Beatitude Patriarch John X of Antioch, who had been one of the eight regional Presidents of the WCC. To conclude his visit, Patriarch John X offered the Assembly a sermon at the end of the day on August 31, in which he called those present at the Assembly to speak out in defense of Christians in the Middle East. Both His Grace Bishop Andrei and I were able to receive the blessing of Patriarch John X and convey to him the fraternal greetings of His Beatitude Metropolitan Tikhon. During the Assembly, I was able to meet formally and informally with His Eminence Metropolitan Emmanuel of Chalcedon of the Ecumenical Patriarchate, and His Eminence Metropolitan Anthony of Volokolamsk, who heads the Department of External Church relations of the Moscow Patriarch.

4.7.3 Central Committee. At the end of the Assembly, I was elected to be a member of the Central Committee of the WCC, replacing Archbishop Alexander. Again, I reiterate, I do not plan on devoting myself to this work, but until we are able to locate a replacement for Fr. Leonid Kishkovsky, I will remain active in it, because it needs to be done with the greatest care. There are simply no other similar opportunities for engagement and encounter with the other local Orthodox Churches, and, indeed, with other Christians from throughout the world.

4.8 Funeral of Metropolitan Herman. From the first announcement of the falling asleep in the Lord of Metropolitan Herman of blessed memory and all the way through his interment, I was involved in all aspects of the funeral services for him. On September 6, from Germany, I sent out via email and arranged for a posting of the official announcement of his death, as well as directions for a panikhida to be served that same day throughout the Orthodox Church in America. Once I returned from the WCC Assembly, I participated in the funeral services, the Funeral for a Priest on Thursday, September 15, and the hierarchical Divine Liturgy on Friday, September 16. I note that my work for the Chancery of the Orthodox Church in America began under Metropolitan Herman in September 2002, when I was hired part time to assist the Chancery with different writing and research assignments.

4.9 Enthronement of His Grace Bishop Daniel. On September 30-October 1, I travelled to Chicago, IL, with His Beatitude and Dn. Peter for the enthronement of His Grace Bishop Daniel of Chicago.

4.10 Bulgarian Assembly. The following weekend, I travelled to Toledo, OH, for the Bulgarian Diocesan Assembly, October 7-8. While there, I spoke to the assembly on the topic of Christian Leadership, and then attended the business meeting of the Assembly before returning home.

4.11 Looking Ahead. Looking ahead to the next couple of months, I have two trips to Europe that are both for academic conferences, but will allow me to continue the work of further our external relations with other Orthodox Church and other Christian groups. Domestically, the Chancery offices are working and preparing for the Regular Fall 2022 Session of the Holy Synod, November 9-12, at St. Tikhon's Seminary and Monastery, which will conclude with celebrations for the tenth anniversary of the election of His Beatitude Metropolitan Tikhon as metropolitan. The Orthodox Church in America is the main sponsor of a choral concert on Saturday evening in Wilkes-Barre, PA, and is hosting a banquet for His Beatitude for invited guests on the day of the anniversary itself, Sunday, November 13. Sunday morning, the Holy Synod will celebrate the Divine Liturgy at St. Tikhon's Monastery Church.

5. St. Sergius Chapel. With the relocation of the metropolitan and Fr. Alessandro to Virginia, and the resumption of my own heavy travel schedule, we have not continued a regular cycle of services at St. Sergius Chapel. Additionally, the other priest at the Chancery, Fr. Larry Soper, has been serving throughout the New York metropolitan, filling in for priests on vacation or sick and unable to serve. The Chapel remains in all ways fully operational – we clean it and maintain it – but we are not having regular services.

6. Personnel Matters. For the foreseeable future, as we await the sale of the Westwood property and make the complete transition of the Chancery from New York to Virginia, we will remain in a fluid operational state. Further, our personnel needs are changing as we move. In the immediate future, I have a number of personnel issues to report on.

6.1 Priest Larry Soper. Fr. Larry has worked at the Chancery for around eighteen months. When he first joined the Orthodox Church in America, he had little understanding of the Orthodox Church in America. In this time, Fr. Larry has met many people, and learned many things. Again, when he was hired, I told him he could work for us as long as he wanted, but if, after while, a parish came open that he would want to be considered for, we could probably work it out. One did. And so around the beginning of November, Fr. Larry will receive an assignment as rector of a parish, and will thus be leaving the Chancery. During his time at the Chancery, Fr. Larry has done just about everything and anything we asked him to do without complaint and with a cheerful spirit. He assisted Archpriest Kirill Sokolov in the administration of the DVP. He prepared chrism and relics for distribution to the bishops. He prepared gramoty for the Holy Synod and for His Beatitude to give to Churches and faithful throughout the Church. He served His Beatitude as a personal assistant any number of times, and accompanied him on trips to New England and Washington. He ran more mundane errands and took care of the metropolitan's car. While, doing all this, Fr. Larry maintained a good spirit and proved himself to be a good colleague. He will be missed at the Chancery.

6.2 Barry Migyanko. Barry, well known to everyone, has already transitioned out of his role as executive assistant at the Chancery, and has moved on to overseeing the organizing, sorting, and packing of the Chancery. This transition was planned for at the beginning of my time as Chancellor in January 2019, when he told me he wanted to work until the next All-American Council, which at the time was supposed to have been July 2021 and not July 2022. His Beatitude spoke well about Barry and his work at the Chancery at the All-American Council banquet, which I will not rehearse here. Barry has been a valuable collaborator and colleague from the beginning of time at the Chancery. His time at the Chancery, however, will come to a close as of December 31, 2022.

6.3 Replacing Barry. In order to replace Barry, we hired two people, a married couple, Fr. John and Matushka Brenda Mikitish, whom I will speak of separately:

6.3.1 Brenda Mikitish. We hired Matushka Brenda Mikitish in August on a part time (20 hours a month), remote basis, although she lives near the Chancery. Brenda will primarily assist Fr. Alessandro in maintaining the Airtable database and our physical files. In this way, she has taken over Barry's database work with the yearbook, pastoral changes, tracking clergy awards, etc. She comes to the Chancery with experience in medical records. Barry himself has said that he is confident in her ability and foresees no problem with her work.

6.4 Priest John Mikitish. In order to assist the work that Barry did with me, tracking clergy releases and transfers, ordinations, and routine communication, we raised Fr. John Mikitish from part time to a full-time position in September. Both he and his wife and young son have relocated to Washington. Fr. John works at the Chancery, as I have indicated, replacing the work Barry did, assisting me in new ways, but also continuing his work assisting His Beatitude in various writing assignments. Having praised the techniques of remote work that I have learned during the period of the pandemic, I need to add this caveat: I would not be able to keep the schedule I keep or the manner of work that I do without having Fr. John, one of my former students at St. Vladimir's Seminary, someone I trust, in the office seeing to the routine work.

6.5 Looking ahead. In early next year, Fr. Alessandro and I will need to go through another round of personnel evaluations, which we began last year. The evaluations last year provided a base line to evaluate the Chancery staff with this year. I plan to have these evaluations done in anticipation of the Regular Spring 2023 Session of the Metropolitan Council. Before that, and chief on my list of things to do, is to resume my work on finding a new general counsel for the Orthodox Church in America, a process I have spoken of before. I have met with individual lawyers and received their input. I also have an extensive memorandum from the present general counsel that provides a road map on what to do next.

7. Conclusions. I conclude today with another word of thanks and celebration to the various people who work with me at the Chancery supporting His Beatitude and the Holy Synod. Amidst other things, you will hear of the very exciting work of our departments and Office of Pastoral Life. Fr. Alessandro will highlight his work in the relocation of the archives to St. Vladimir's Seminary. Andrew Smith will once again describe the financial situation of the Church, and what I want you to hear when he does that are the sounds of good and faithful work done by our finance office. None of the good work done at the Chancery, whichever location, happens in a vacuum. Like any job, it takes its toll on the laborers. To each and all of my colleagues, I express my gratitude for your labor. May God receive it as an acceptable sacrifice to him. Finally, I am grateful to His Beatitude for his calm and patient leadership within the Church.

Report of the Secretary of the Orthodox Church in America
Regular Fall 2022 Session of the Metropolitan Council
October 19-20, 2022

OVERVIEW. Your Beatitude, Esteemed Members of the Metropolitan Council, this report will be somewhat shorter than usual in light of the more extensive report I offered in July at the 20th All-American Council. As a result, I will mostly offer updates on some ongoing projects, especially in regard to the new and temporary office and the Archives.

From the onset, I will stress that, as the Chancellor himself has pointed out on a number of occasions, these past few months have been a time of major transition for the Chancery, both because of its physical relocation from New York to Virginia, but also because of personnel changes. Nonetheless, despite personnel's retirements and moves, training, the setting up of a new office, increased traveling, the All-American Council, preparation of the Archives for its move to St. Vladimir's Seminary, the office has continued to operate steadily and attend to its regular tasks and demands. For this, I am thankful to all those who work for the Central Administration in various capacities, both in-person and remotely. I am grateful for the guidance, leadership, and archpastoral love of His Beatitude Metropolitan Tikhon. And finally, I wish to thank my fellow officers, Archpriest Alexander Rentel and Mr. Andrew Smith, with whom we enjoy trust, open communication, collaborative work, mutual support, and friendship.

I owe a special note of thanks to my colleagues, Priest Larry Soper and Mr. Barry Migyanko, who are about to retire from their employment at the Chancery. They have worked faithfully—especially in the case of Barry for many years—and I have personally relied on them extensively on many occasions.

With that said, in this report, I want to highlight several areas that fall, to a large extent, under the purview of the Office of the Secretary.

PROPERTY MANAGEMENT. In my recent report to the All-American Council, I gave an update on the management of the Westwood property. With the opening of the new and temporary office in Virginia, Westwood remains operational—though only partially. We have already moved down to Virginia the most relevant physical files, many icons, paintings, some furniture, various supplies, some kitchen essentials, and various other items. The building as a whole is in “moving mode.” Fr. Alexander and I are developing a plan for what to do with what cannot come to the temporary office in Virginia. First and foremost, the chapel will need to be properly prepared for its move and, once Westwood is finally sold, relocated to a storage facility for a limited period of time, likely until a permanent location for the Chancery office is found. We have assessed that the vast majority of furniture at Westwood will likely be disposed of through an estate sale, yard sale, and donations. Most of the items, including chairs, shelves, sofas, desks, and cabinets, are aged and in poor condition. Additionally, moving out-of-state heavy items would present a substantial expense.

In his report, the Chancellor indicates that while he is ending his work as Executive Administrator at the end of October, Barry Migyanko will continue to work at Westwood through December 31, 2022, primarily to help with the preparation of the Archives for its move and the packing of various other items that will need to be moved to storage once the property sells.

Several months ago, members of the Property Committee, our Legal Counsel, and I met with our insurer, Insurance Systems, to begin the conversation on our insurance needs and changes once Westwood is closed and then sold. Until further developments with the permanent closing of Westwood, there are no further steps to take at this time.

Our lease in the new office located in Springfield, VA, began at the beginning of July. Before giving us access, the office management made a few changes and improvements as provided in our lease agreement. These included creating one office out of two rooms, painting the entire suite, carpet cleaning, and lighting and blinds replacements. So far, Simpson Properties, our landlord, has been very supportive and responsive, and we have developed a good relationship. In witness to that, the office manager is giving us access at no cost to a large office suite in the building where the Metropolitan Council is meeting for its Fall Session.

The office is fully operational at this point, with just a few minor—mostly cosmetic—upgrades to be made in the coming weeks. As the office was not furnished when we began our lease, over the last couple of months, we gradually set it up at stages as time and resources permitted. This was accomplished in a number of ways: some furniture, files, liturgical and sacred items, icons and paintings, and kitchen supplies came down from Westwood with the All-American Council truck and subsequently, over three trips I took back and forth to and from New York this summer and fall; some of the office furniture was donated at no cost by Simpson Properties; and with our \$10,000 budget approved by Metropolitan Council at its Spring 2022 Session, we purchased most other items that were needed. While this is a temporary location in an office building, we have been able to build up an office that looks professional, welcoming, neatly organized, functional, and all with relatively limited financial and manpower resources. We created a special welcoming room where His Beatitude can receive official visitors and dignitaries and host the Holy Synod meetings. I am thankful to Fr. John Mikitish and Alex Woodill, with whom I spent much time over the last month and a half building furniture, moving, cleaning, and hanging icons and pictures.

We have recently opened up a PO Box at the Alexandria post office and, as indicated in a recent press release on oca.org, we now ask that mail be directed to our new address with the exception of checks and invoices that will continue to be mailed to our Syosset PO Box while our accounting manager remains in New York.

Overall, the temporary office has been working very well. Its location has proved to be very convenient, especially for those of us who work here on a daily basis, including His Beatitude. We are in proximity to two major airports, many hotels, and major highways. The office building is quiet, safe, and in good condition.

INFORMATION TECHNOLOGY. In my report to the All-American Council, I noted that our latest technology update has to do with our move to Airtable as our new database. The transition continues to go well, especially now that Matushka Brenda Mikitish has settled into her new position as Chancery Data Administrator. Matushka Brenda brings a wealth of experience with databases and a very detailed-oriented approach.

The other technological improvements of the last two years, including our adoption of a virtual phone system, Slack, BOX.com as a virtual server, and more, have worked together to facilitate our relocation and prevent the move from halting our daily operations.

In his Communications Report, Fr. Kyle alludes to the work that has begun with the redesign and reorganization of our website. There are many aspects and considerations that go into this project, but we hope to move steadily and efficiently. The current design of our website is aged, and the organization of the sections and pages is not very intuitive. Additionally, we will be working on supporting our Departments and Offices with dedicated subdomains.

SMPAC. The Sexual Misconduct Policy Advisory Committee has not yet met this fall. With the blessing of His Beatitude, I plan to schedule a meeting soon. SMPAC has nonetheless been in communication via email regarding two forms that were updated on our website with new names and general information. More importantly, we have worked together on an updated Registered Sex Offender guide for our parishes. We now have a final draft which will be presented to His Beatitude for consideration.

COMMUNICATION. In the area of Communication, I defer to the report of Fr. Kyle. I am pleased with the extensive work that took place in preparation, during, and after the 20th All-American Council. Information was posted clearly and promptly, thus giving even those who were not in Baltimore the opportunity to follow the work of the Council.

We continue to focus on our social media presence, strengthening our postings on our various platforms.

OPERATIONS. In my position as Secretary, much of work is directed toward the planning and management of various meetings. As in the case of the 20th All-American Council—undoubtedly the largest of such operations—I work alongside competent and trusted colleagues to whom I am deeply thankful. First and foremost, I must single out Deacon Peter Ilchuk, Council Manager, with whom I worked closely on the logistics, planning, and execution of this past AAC. We have received numerous positive comments on our Council in Baltimore, especially in connection to the execution of the overall schedule and agenda. One of the major changes to this All-American Council was a lighter schedule which allowed more time for fellowship, and an agenda predominantly focused on statutory requirements. While written reports were available ahead of time, oral reporting was limited in response to the comments received at the 19th All-American Council. Another important change, we opted to limit the use of printed documents in favor of posting digital materials. I am grateful to the various teams starting with the Secretariat and all other committees for their dedicated work. I am equally grateful to the local

committee and its chairs, Fr. Ted Boback and Lisa Mikhalevsky, all the volunteers, and everybody that helped out in one way or another, often behind the scenes.

On September 28, 2022, as we have in the past, we sent out a post-20th All-American Council survey to those who attended the event in Baltimore. By the deadline, October 6, we received 223 responses, a number which is consistent with the number of responses received in previous iterations. The survey asked a total of eight questions:

1. *Did the 20th All-American Council meet your expectations?*
92% indicated that the Council either met or exceeded their expectations.
2. *Can you elaborate on your selection above?*
Participants offered a variety of reasons but generally remarked that the Council was joyful, well-run, and peaceful, and that they appreciated the lighter schedule and more focused agenda.
3. *What did you value the most about the 20th All-American Council?*
Here, again, participants offered a wide range of responses. Beyond some of the reasons indicated in the previous entry, the presentations made in the four forums and the liturgical services were highlighted.
4. *What is one suggestion you would offer for the next All-American Council?*
Many responses to this question centered on the themes and number of presentations, hotel amenities, proximity to restaurants, and overall costs associated with travel and hotel.
5. *What type of forums/workshops would be helpful to delegates at the next All-American Council?*

Christian Education	(39.9%)
Ministry & Disability	(10.3%)
Mission & Evangelism	(40.8%)
Parish revitalization	(43.9%)
Leadership development	(37.7%)
Music & singing	(30.5%)
Financial planning	(26.5%)
Engaging people in ministry	(41.7%)
Other	(11.7%)
6. *What do you value the most in a conference location?*

Ease of travel to destination	(59.6%)
Price of travel and accommodation	(53.8%)
Proximity to restaurants and shopping	(34.5%)
Public transportation	(10.3%)
Hotel amenities	(20.2%)
Vacation destination	(11.7%)
Other	(6.7%)
7. *We are pursuing several options for the location of the next All-American Council. Please select which region is most appealing—note that we are pursuing locations even beyond the five regions below.*

Rocky Mountains	(46.2%)
California	(16.1%)
Great Lakes	(40.4%)
Texas	(22.4%)
South West	(15.2%)

8. *Would you like to provide any final comments?*

They thanked those who worked for a successful All-American Council, suggested other seasons during the year for the next Council, and praised His Beatitude’s address and comments throughout the Council.

There are a number of other important tasks under the purview of the Office of the Secretary in which I am involved on an ongoing basis. I continue to maintain the 501C3 master list and work with a number of parishes on their tax-exempt status. I also continue to draft and maintain the Chancery Monthly Digest that is distributed every month to the Metropolitan Council, Diocesan Chancellors, and heads of Stavropegial Institutions. I continue to manage the web calendar accessible through the home page of our website.

I am pleased to report that the 2023 Desk Calendar was sent to the printer last week, and I anticipate copies to be mailed in the next several days.

At the beginning of the Fall, His Beatitude and Fr. Alexander asked me to hold semi-monthly meetings with Archpriest Thomas Soroka, Project Manager for the Departments, and Archpriest Nicholas Solak, Chair of the Office of Pastoral Life. One of the goals is to maintain His Beatitude and the Central Administration up to date with the work of the Departments and the Office, but also to offer the Central Administration’s support as needed. A recent example of this close collaboration is the Pastoral Conference to take place in October 2023, planned by the Office of Pastoral Life and recently announced on our website.

ARCHIVES. I reported extensively on the Archives in my last few reports to the Metropolitan Council as well as to the All-American Council this past July. In this report, I wish to offer an update on the steps that have been taken following the signing of the Agreement between the Orthodox Church in America and St. Vladimir’s Orthodox Theological Seminary on the relocation of the Archives to the Seminary. This agreement, of course, was signed with the authorization and approval of both the Metropolitan Council and Holy Synod.

Over the last few months, I have been in constant communication with Dr. Tudorie, the Academic Dean at St. Vladimir’s, who oversees the work of the Library at the seminary and who will oversee the management of the Archives after its relocation. On October 5, I was able to spend a morning at St. Vladimir’s meeting with Dr. Tudorie, who updated me on the Seminary’s progress for its preparation to welcome the Archives. The Seminary has already placed an order for the shelving units that should be delivered between November and December. The limited availability of some of the materials has caused a slight delay. The architect has requested a work permit from the city of Yonkers for the remodeling of the space on the ground floor of the Florovsky Library, which is dedicated to the Archives. The authorization from the city is

expected to be received in the next few days, after which the contractor will begin working on the space.

One specific update I must report has to do with the financial arrangement for the transfer of the Archives. While the Agreement signed by both parties indicated that the Orthodox Church in America would transfer the remainder of the funds from the McGuire Fund in one lump sum, in further consultation with the legal teams of both parties, it was determined that this approach would entail a lengthier legal process since the funds held by the Orthodox Church in America were received as a grant. In order to expedite the process, and yet in compliance with both the Agreement and the terms of the McGuire Fund, the Orthodox Church in America has been paying directly those bills incurred by the Seminary for the construction and remodeling of the Archival space at the Florovsky Library.

We anticipate the transfer of the Archives to begin sometime in December. The Seminary will not transfer the entire Archives at once but will do so over a number of trips. During and after the move, Alexis Liberovsky, OCA Archivist, will assist the Seminary as needed.

The basement of Westwood continues to be prepared for the move even though much work still remains. While the Archival material proper is ready to be transferred, some of the supplemental collection, as well as various publications, documents, books, and some objects are still in the process of being organized and packed. With the help of Barry Migyanko, who will work in the basement with Alexis Liberovsky, we anticipate and expect that this is accomplished by the end of the calendar year.

In Christ,

Priest Alessandro Margheritino
Secretary of the Orthodox Church in America

Office of Pastoral Life

The Office of Pastoral Life conducted a mini-Strategic Plan with Protodeacon Peter Danilchick in August/September 2022. This Strategic Plan focused the work of the Office on 4 main areas.

Synaxis Program

The Clergy Synaxis Program will continue to meet quarterly and focus on building the quality of the program and developing better outreach tools to further advertise the program. Toward that end, usual email blasts and social media postings will be carefully planned. An OPL webpage as either an independent domain or a subdomain of the OCA website will be constructed. In addition to communicating the overall work activity of the Office, the OPL webpage will provide regular information, videos and registration forms for upcoming Synaxis. Additionally a quarterly newsletter will be started in 2023 to further communicate the resources of the Office and function to build greater connection among clergy.

Thriving in Ministry

The Thriving in Ministry Program (TiM) received an invitation from the Lilly Endowment to apply for a Sustainability Grant to continue the work of the OCA's Thriving in Ministry for another 7 years. The Sustainability Grant is, essentially, a matching grant of up to \$500,000. To think through the sustainability of the Thriving in Ministry Program, the Office received a \$15,000 Reflective Grant from Leadership Education at Duke Divinity to accommodate in-person gatherings to reflect and plan forward. The grant money enables the Office to make use of a coach/facilitator to help the TiM Board, central Church administration, and other key people to engage with this work. The Sustainability Grant application is due March 15th, 2023. Several Reflective Activities have already been accomplished and more are planned before writing the grant.

National Clergy In-Person Synaxis

The Office is planning an In-Person National gathering of active priests, retired priests, and hierarchs for October 17th – 20th, 2023 at the University of Saint Mary of the Lake Conference Center - 1000 E Maple Ave, Mundelein, IL. This Conference Center can easily and comfortably accommodate 150 participants and is located approximately 25 minutes outside of O'Hare airport. It is anticipated the cost of the In-Person Synaxis will range between \$1,100 - \$2,000 per participant for travel and registration. Parishes will be expected to budget and cover the cost for participant's expenses. The central Church will cover the cost of the Guest Speaker(s) stipend & travel and miscellaneous retreat expenses – the budget request is \$10,000 - \$15,000.

Clergy Wives

The Clergy Wives Advisory Group (CWAG) invited the Metropolitan to speak at their last online retreat in August. This month, CWAG is planning an online leadership retreat for the Advisory Group and their Diocesan Point People (DPP) who are the local, Diocesan connection for clergy wives. CWAG maintains a private, online directory that includes clergy wives and clergy widows, who can submit and update their contact information as needed. Registration flyers for the quarterly online retreats and the online newsletter are emailed to those in the directory. The next online retreat topic will be dealing with grief. CWAG hopes to support and facilitate clergy widows as they seek to host their own retreats and possibly their own newsletter in 2023.

In Christ,
Father Nicholas J Solak

20th All American Council Report
Metropolitan Council Fall Session 2022
Deacon Peter Ilchuk

Your Beatitude, Esteemed Members of the Metropolitan Council:

Most Blessed Master Bless!

Introduction

It is a joy to provide this post council report for the 20th All American Council. Overall, the Council was a success in terms of operations and management. I want to express my thanks to His Beatitude Metropolitan Tikhon, the Chancery Staff, the members of the Pre-Conciliar Commission, and the members of the local committee who worked extremely hard to ensure the Council operated in a smooth fashion.

While there were some problems that were out of our control because of the pandemic, I believe that through everyone's patience and understanding, the Hierarchs, Clergy and Faithful of the Church left with a spirit of renewal and hope and with the desire to truly become Vessels of Grace.

Council Agenda and Schedule

The Preconciliar Commission worked tirelessly to create a well-balanced, functional schedule and agenda to allow ample time for everyone to meet in council to debate the business of the Church, gather in social settings for fellowship and to reconnect with old friends and make new ones, and to come together in worship to partake of the Holy Body and Blood of our Lord Jesus Christ as one Body of the Orthodox Church in America.

This balance of plenary sessions, workshops, social gatherings, common meals, and free time is something that is always up for debate, and it can be very difficult to find that balance and to use the time we have as efficient as possible.

Council Budget

Andrew Smith and Susan Wisniewski are finalizing the expenses that were incurred before, during, and even after the council as final numbers were being calculated. There were some increased expenses from the original budget in certain areas due to increased participation and general inflation since the adopted budget a few years ago. They should be able to provide those figures once they are complete. I am confident that we were either right on budget or just under when all the figures are calculated. I thank them for their hard work on their first Council.

Youth Program

Another success of the Council was the wonderful job that Fr. Benjamin Tucci and his staff did in running the youth program. Over 120 youth and young adults along with over 50 staff and volunteers were able to create a program that will last for a long time in the minds of those who participated. The connections and friendships that were made during the 5 days of the program will last for many years to come. It is truly a joy to see so many young people have such a wonderful time together with their peers.

Council Survey

Once again, we sent out a post council survey to the attendees of the council. We receive over 220 responses, which was expected and is similar to the post council survey done after the 19th All American Council. The purpose of this survey is to receive the reaction of those in attendance and to get an idea on ways to improve the council experience. 91% of the responders were either met or exceeded their expectations. This is a testament to the hard work of those who were involved in the operation of the council.

21st All American Council

Believe it or not, I am pleased to also report that we have received some protentional bids for the next All-American Council, slated to be held in July 2025. Work traditionally begins immediately after the close of the previous council and sometimes ever before. As the hotel industry emerges out of a post covid era, organizations are eager to make up for lost time and have already booked space for 2025 and beyond for their groups.

ConferenceDirect is once again assisting us in our contract negotiations and site selection process which has begun. At this point it is too early to tell which sites are available and willing to host the All-American Council based on our Matrix that we provide each location. However I can share with you that we are focused on the western part of the county. As I have mentioned previously, there are numerous factors that go into the site selection for an All-American Council. Overall cost, access to location, local amenities and local support are just a few of these factors.

Conclusion

I would like to again extend my gratitude to His Beatitude Metropolitan Tikhon, and the members of the Metropolitan Council for your continued prayers, guidance, and support in my role as our Council Manager. I look forward to providing more updates in the future as they are received.

Respectfully Submitted,

Dn. Peter Ilchuk, Council Manager

Orthodox Church in America

Treasurer's Report

Metropolitan Council – Fall 2022

Your Beatitude, Reverend Fathers, Brothers and Sisters:

Greetings in Christ!

The first three quarters of 2022 have been quite busy, with preparations for, and reporting to, the All-American Council taking precedence. There, I discussed the activities of the finance department over the last several years and the overall financial health of the OCA, with emphasis on improving unrestricted net assets during the period. I also reported on the OCA pension plan and the efforts undertaken to help the church more fully understand the plan and provide for its sustainability into the future. We will hear more about collaborative efforts taken with the pension board and administration over the period since the All-American Council.

Below, I discuss recent financial performance of the OCA and include discussion of the proposed 2023 budget.

FY2021 Audited Financial Statements

During the spring and summer of 2022, OCA staff worked closely with Satty, Levine and Ciacco, CPAs, P.C. to conduct the field work for the external audit of the OCA's 2021 financial statements. Susan Wisnewski responded 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.

Audit fieldwork has been completed, and we have draft financial statements for your review (see **Attachment A**). Upon Metropolitan Council approval, we will be able to sign the management representation letter and issue final audited statements for 2021.

FY2022 Financial Performance through September 30, 2022

Attachment B is the quarterly Treasurer's Report through September 30, 2022.

Overall revenue is slightly behind of where we would expect through the first three quarters, though this is likely at least partially related to the timing of diocesan contributions and individual contributions, which are cyclical (with significant increase with the Stewards campaign in the fourth quarter of each year). Expenses are likewise down from where we would expect through this point in the year, primarily due to savings on some operating expenses as well as periodic vacancies of key positions through the current year.

The net effect is a healthy operating surplus of roughly \$135K through the first 9 months of 2022, which I do expect to decrease a bit over the course of the final quarter of the year.

Our investment portfolio has suffered significant losses, which mirror the prevailing market environment, since the start of the year. When blended, we show an overall return of -20.83%. For comparative purposes, the S&P 500 index showed a return of -25.25% during the first three quarters of 2022. These investments are associated with endowed funds that, because of healthy investment gains in prior years, are still “above water” (i.e., the investment balances have not fallen below the permanently restricted portion of the endowments) notwithstanding the investment losses of 2022.

	Market Val.	Market Val.	Annual Rate
Investment Accounts	12/31/2021	9/30/2022	of Return
Main Endowment Fund, incl Rotko	1,900,806.28	1,481,111.79	-22.08%
FOS Endowment Fund	129,651.38	94,526.64	-27.09%
St. Andrew Endowment Fund	150,008.97	117,887.18	-21.41%
Kavalenko	74,172.66	61,306.81	-17.35%
	2,254,639.29	1,754,832.42	-22.17%
OCCIF N/R (Mission Fund)	150,000.00	150,000.00	2.75% interest
Missions Fund	1,218,181.06	963,441.71	-20.91%
	1,368,181.06	1,113,441.71	-18.62%
	3,622,820.35	2,868,274.13	-20.83%

Attachment C is the budget-to-actual performance for the 2022 All-American Council. We currently show a slight deficit for the Council; however, we anticipate the recoup some of the costs through a potential sales tax rebate and receipt of final revenue collection. If we’re successful in both, we should show a modest surplus for the Council.

2022 Internal Audit

The Internal Audit committee will need to be appointed at this Metropolitan Council meeting. Once their membership is set, Susan and I will begin conversations about the 2022 internal audit.

FY2023 Budget

Attachment D is the proposed budget for FY2023. Please note that this is preliminary and I typically return to the Metropolitan Council in the spring with proposed amendments to the budget in light of additional information (e.g., diocesan adopted budget) that becomes available in the final months of the calendar year. Overall, the budget is consistent with prior years, with the following notable elements:

- 6% cost-of-living increase for all salaried employees
- Adjustments to health insurance based on latest quotes from the vendor
- Reclassification of certain expenses (particularly rental expense for D.C. facilities and certain stipends) among departments
- A few outlays for special projects and new initiatives to be discussed

Respectfully Submitted,

Andrew Smith
Treasurer

October 20, 2022

Andrew Smith
The Orthodox Church in America
P.O. Box 675
Syosset, New York 11791

Dear Mr. Smith:

Enclosed please find a copy of the draft financial statements for the year ended December 31, 2021. I am enclosing this draft to facilitate your review of the financial statements. You should not distribute these draft financial statements to anyone outside of your Organization. These draft financial statements are not final until you approve them and we issue our report.

I have also enclosed our management representation letter and adjusting entries report. If the draft financial statements meet with your approval, please sign the management representation letter and adjusting entries report and return them to us as soon as possible. Once we receive the aforementioned item the financial statements and our firm's report will be sent to you.

Sincerely,



Frank W. Sluter, CPA
Partner

**THE ORTHODOX CHURCH IN AMERICA
FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

Draft 10-20-22

TABLE OF CONTENTS

	<u>Page #</u>
Independent auditors' report	1 - 2
Statements of financial position	3
Statements of activities	4 - 5
Statements of functional expenses	6 - 7
Statements of cash flows	8
Notes to financial statements	9 - 19

Draft 10-20-22

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
The Orthodox Church in America

Opinion

We have audited the accompanying financial statements of The Orthodox Church in America (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

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, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Orthodox Church in America and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Orthodox Church in America's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Orthodox Church in America's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Orthodox Church in America's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Satty, Levine & Ciacco, CPAs, P.C.
Melville, New York
October 20, 2022

Draft 10-20-22

**THE ORTHODOX CHURCH IN AMERICA
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
ASSETS:		
Cash and cash equivalents	\$ 2,027,671	\$ 1,159,166
Restricted cash	267,776	351,108
Investments:		
Endowment pool fund	1,900,806	1,660,859
St. Andrew endowment fund	150,009	128,984
FOS endowment fund	129,651	103,982
Missions endowment fund	1,218,181	1,084,809
Annuity and unitrust fund	138,097	143,279
	<u>3,536,744</u>	<u>3,121,913</u>
Accounts receivable, net	112,186	164,957
Note receivable	150,000	150,000
Prepaid expenses	21,676	3,500
Property and equipment, net	327,510	315,287
	<u>6,443,563</u>	<u>\$ 5,265,931</u>
LIABILITIES AND NET ASSETS:		
LIABILITIES:		
Accounts payable and accrued expenses	\$ 41,461	\$ 89,455
Retirement obligations	37,552	37,552
Deferred revenue	220,328	-
Annuity and unitrust agreements	94,238	100,527
	<u>393,579</u>	<u>227,534</u>
NET ASSETS:		
Without donor restrictions		
Undesignated	1,519,610	948,961
Invested in property and equipment	327,510	315,287
	<u>1,847,120</u>	<u>1,264,248</u>
Total without donor restrictions	1,847,120	1,264,248
With donor restrictions	4,202,864	3,774,149
	<u>6,049,984</u>	<u>5,038,397</u>
TOTAL NET ASSETS	<u>6,049,984</u>	<u>5,038,397</u>
	<u>\$ 6,443,563</u>	<u>\$ 5,265,931</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 6,443,563</u>	<u>\$ 5,265,931</u>

The accompanying notes are an integral part of these financial statements.

THE ORTHODOX CHURCH IN AMERICA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING SUPPORT, REVENUES AND RECLASSIFICATIONS			
Support:			
Diocesan assessments	\$ 1,853,803	\$ -	\$ 1,853,803
General contributions	130,253	216,954	347,207
Total support	1,984,056	216,954	2,201,010
Revenues:			
Interest and dividends	(45,085)	40,687	(4,398)
Investment income, net	53,305	367,659	420,964
Other revenue	24,361	-	24,361
Total revenues	32,581	408,346	440,927
Reclassifications:			
Net assets released from restrictions	207,037	(207,037)	-
Total operating support, revenue and reclassifications	2,223,674	418,263	2,641,937
EXPENSES:			
Program services	576,381	-	576,381
General and administrative	1,039,635	-	1,039,635
Development	24,786	-	24,786
Total expenses	1,640,802	-	1,640,802
Change in net assets from operations	582,872	418,263	1,001,135
Nonoperating activities			
Change in actuarial value of annuities and unitrusts	-	6,289	6,289
Investment income, net	-	4,163	4,163
Total operating activities	-	10,452	10,452
Change in net assets	582,872	428,715	1,011,587
Net assets at beginning of year	1,264,248	3,774,149	5,038,397
Net assets at end of year	\$ 1,847,120	\$ 4,202,864	\$ 6,049,984

The accompanying notes are an integral part of these financial statements.

THE ORTHODOX CHURCH IN AMERICA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING SUPPORT, REVENUES AND RECLASSIFICATIONS			
Support:			
Diocesan assessments	\$ 1,762,805	\$ -	\$ 1,762,805
General contributions	112,395	53,383	165,778
Total support	<u>1,875,200</u>	<u>53,383</u>	<u>1,928,583</u>
Revenues:			
Interest and dividends	9,494	27,898	37,392
Investment income, net	21,595	348,211	369,806
Other revenue	231,481	-	231,481
Total revenues	<u>262,570</u>	<u>376,109</u>	<u>638,679</u>
Reclassifications:			
Net assets released from restrictions	<u>125,030</u>	<u>(125,030)</u>	<u>-</u>
Total operating support, revenue and reclassifications	<u>2,262,800</u>	<u>304,462</u>	<u>2,567,262</u>
Expenses:			
Program services	493,598	-	493,598
General and administrative	1,031,139	-	1,031,139
Development	18,502	-	18,502
Total expenses	<u>1,543,239</u>	<u>-</u>	<u>1,543,239</u>
Change in net assets from operations	719,561	304,462	1,024,023
Nonoperating activities			
Change in actuarial value of annuities and unitrusts	-	6,000	6,000
Investment income, net	-	2,617	2,617
Total operating activities	<u>-</u>	<u>8,617</u>	<u>8,617</u>
Change in net assets	719,561	313,079	1,032,640
Net assets at beginning of year	<u>544,687</u>	<u>3,461,070</u>	<u>4,005,757</u>
Net assets at end of year	<u>\$ 1,264,248</u>	<u>\$ 3,774,149</u>	<u>\$ 5,038,397</u>

The accompanying notes are an integral part of these financial statements.

**THE ORTHODOX CHURCH IN AMERICA
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
EXPENSES:				
Salaries, wages and benefits	\$ 355,031	\$ 737,954	\$ 125	\$ 1,093,110
Transportation, travel, meals and related expenses	49,720	59,963	-	109,683
Professional fees and other outside services	31,033	40,404	17,897	89,334
Scholarships, grants and other assistance	93,196	-	-	93,196
Equipment, supplies and other religious materials	11,897	11,516	292	23,705
Repairs and maintenance	-	34,169	-	34,169
Utilities	-	22,830	-	22,830
Telephone	2,535	12,937	6,472	21,944
Insurance	-	34,378	-	34,378
Printing, postage and delivery services	116	9,841	-	9,957
Dues, fee and subscriptions	25,308	1,663	-	26,971
Conferences and meetings	4,065	-	-	4,065
Bank charges	-	3,499	-	3,499
Depreciation expense	-	28,463	-	28,463
Facility payment in lieu of taxes	-	36,364	-	36,364
Miscellaneous	2,919	2,912	-	5,831
Interest expense	-	-	-	-
Payroll processing fees	561	2,742	-	3,303
TOTAL EXPENSES	<u>\$ 576,381</u>	<u>\$ 1,039,635</u>	<u>\$ 24,786</u>	<u>\$ 1,640,802</u>

The accompanying notes are an integral part of these financial statements.

**THE ORTHODOX CHURCH IN AMERICA
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020**

	Program Services	Management and General	Fundraising	Total
EXPENSES:				
Salaries, wages and benefits	\$ 321,029	\$ 708,613	\$ -	\$ 1,029,642
Transportation, travel, meals and related expenses	15,743	41,782	-	57,525
Professional fees and other outside services	39,891	45,309	9,124	94,324
Scholarships, grants and other assistance	70,952	9,500	-	80,452
Equipment, supplies and other religious materials	9,869	13,244	195	23,308
Repairs and maintenance	-	36,159	-	36,159
Utilities	-	19,082	-	19,082
Telephone	3,088	14,716	9,094	26,898
Insurance	6,308	42,787	-	49,095
Printing, postage and delivery services	9,860	10,278	89	20,227
Dues, fee and subscriptions	10,792	11,953	-	22,745
Conferences and meetings	5,372	2,018	-	7,390
Bank charges	-	2,184	-	2,184
Depreciation expense	-	26,894	-	26,894
Facility payment in lieu of taxes	-	36,299	-	36,299
Miscellaneous	-	3,375	-	3,375
Interest expense	-	1,239	-	1,239
Payroll processing fees	694	5,707	-	6,401
TOTAL EXPENSES	\$ 493,598	\$ 1,031,139	\$ 18,502	\$ 1,543,239

The accompanying notes are an integral part of these financial statements.

THE ORTHODOX CHURCH IN AMERICA
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Change in net assets	\$ 1,011,587	\$ 1,032,640
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation expense	28,463	26,894
Loss on sale of van	-	1,303
Net (appreciation) in fair market value of investments	(447,305)	(392,006)
Net change in actuarial value of annuities and unitrusts	(6,289)	(6,000)
(Increase) decrease in:		
Accounts receivable	52,771	31,429
Prepaid expenses	(18,176)	-
Increase (decrease) in:		
Accounts payable and accrued expenses	(47,994)	20,141
Deferred revenue	220,328	-
TOTAL ADJUSTMENTS	<u>(218,202)</u>	<u>(318,239)</u>
Net cash provided by operating activities	<u>793,385</u>	<u>714,401</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Additions of property and equipment	(40,686)	(3,325)
Proceeds from sale of van	-	1,000
Proceeds from sale of investments	853,870	1,187,740
Purchase of investments	<u>(821,396)</u>	<u>(1,188,892)</u>
Net cash (used in) investing activities	<u>(8,212)</u>	<u>(3,477)</u>
Net increase in cash and restricted cash	785,173	710,924
Cash and restricted cash - beginning of year	<u>1,510,274</u>	<u>799,350</u>
Cash and restricted cash - end of year	<u>\$ 2,295,447</u>	<u>\$ 1,510,274</u>

The accompanying notes are an integral part of these financial statements.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

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.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

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, 2021 and 2020.

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

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

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.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

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, 2021 and 2020, The Orthodox Church in America received donated professional services in the amount of approximately \$0 and \$3,980, 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:

Expense	Method of Allocation
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, 2021 and 2020.

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.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

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 \$63,925 at December 31, 2021 (\$68,182 in 2020). The present value of the remaining future liability to be distributed by the Church amounted to \$52,290 in 2021 and \$56,759 in 2020.

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 \$74,173 at December 31, 2021 (\$75,097 at December 31, 2020). 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 \$41,948 at December 31, 2021 (\$43,768 at December 31, 2020).

NOTE 3. AVAILABILITY AND LIQUIDITY

The following represents The Orthodox Church in America's financial assets at December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 2,027,671	\$ 1,159,166
Restricted cash	267,776	351,108
Investments	3,536,744	3,121,913
Accounts receivable, net	112,186	164,957
Total financial assets	<u>5,944,377</u>	<u>4,797,144</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	<u>4,202,864</u>	<u>3,774,149</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 1,741,513</u>	<u>\$ 1,022,995</u>

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

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 4. RESTRICTED CASH

The cash is restricted for the purpose of the thriving in ministry initiative grant. Restricted cash at December 31, 2021 and 2020 consisted of the following:

	<u>2021</u>	<u>2020</u>
Restricted cash - Thriving in ministry program	\$ 267,776	\$ 351,108

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, 2021 and 2020 are summarized as follows:

	<u>2021</u>	<u>2020</u>
Corporate equity securities	\$ 3,114,160	\$ 2,534,801
Money market funds	241,625	406,730
Fixed income securities	44,504	39,721
Mutual funds	72,530	72,479
Annuity investments	63,925	68,182
	<u>\$ 3,536,744</u>	<u>\$ 3,121,913</u>

At December 31, 2021 and 2020, all investments were considered level 1 investments, except for the annuity investments which were considered level 2 investments.

NOTE 6. PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2021 and 2020 consisted of the following:

	<u>2021</u>	<u>2020</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	237,753	197,142
Software	33,000	33,000
Total property and equipment	990,328	949,717
Less: Accumulated depreciation	(662,818)	(634,430)
Property and equipment, net	<u>\$ 327,510</u>	<u>\$ 315,287</u>

**THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

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 \$62,845 in 2021 and \$53,419 in 2020. The contribution made by the Church represented approximately 1.98% and 2.00% of the total contributions made to the Plan in December 31, 2021 and 2020, 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.

The following table discloses the name and funded status of the Plan as of January 1, 2021 and 2020 (the date of the latest actuarial valuation), inclusive of the fair value of plan assets as December 31, 2021 and 2020:

The Orthodox Church in America Pension Plan (Plan EIN: 06-1455789)	Actuarial present value of accumulated plan benefits	Fair value of plan assets	Total net contributions	Funded Status
2021	\$ 56,579,833	\$ 29,005,289	\$ 3,166,274	51.26%
2020	\$ 55,086,863	\$ 26,905,426	\$ 2,672,980	48.84%

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, 2021 and 2020. The actuarially calculated liability for future payments under this obligation amounted to approximately \$37,000 each year.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 8. PAYCHECK PROTECTION PROGRAM LOAN

In April of 2020, the Church received loan proceeds in the amount of \$194,720 under the Paycheck Protection Program (“PPP”). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (Cares “Act”), provides for loans to qualifying business. The loans and accrued interest are forgivable after eight to twenty-four weeks as long as the borrower uses the loans proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of the loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the eight to twenty-four-week period.

At December 31, 2021, the Church was informed by letter from the Small Business Administration that the entire amount of the PPP loan was forgiven. The loan amount, plus accrued interest which was also forgiven, is included in other revenue on the statement of activities.

NOTE 9. 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, 2021 and 2020:

	2020	Additions/ Investment Activities	Release	2021
Mission churches	\$ 1,199,568	\$ 133,373	\$ 35,987	\$ 1,296,954
Thriving in ministries	349,162	-	84,116	265,046
Archives fund	133,039	2,625	-	135,664
Restricted endowments excess earnings	521,699	204,745	26,398	700,046
General purpose endowment excess earnings	265,914	80,423	15,237	331,100
Charity	69,601	-	-	69,601
Theological education - academic fellowship	59,300	-	-	59,300
Publication reserve fund	29,556	-	-	29,556
Seminary appeal	5,638	4,293	4,293	5,638
Mission planting	50,000	80,525	50,000	80,525
Youth director	35,882	427	(8,994)	45,303
St. Catherine's (Iconostasis)	-	120,000	-	120,000
Other	5,580	2,450	-	8,030
	<u>\$ 2,724,939</u>	<u>\$ 628,861</u>	<u>\$ 207,037</u>	<u>3,146,763</u>
Donor restricted endowment funds				
General purposes				247,114
Restricted purposes				776,762
Charitable remainder unitrust				<u>32,225</u>
Total net assets with donor restrictions				<u>\$ 4,202,864</u>

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 9. NET ASSETS WITH DONOR RESTRICTIONS (continued)

	2019	Additions/ Investment Activities	Release	2020
Mission churches	\$ 1,085,810	\$ 113,758	\$ -	\$ 1,199,568
Thriving in ministries	413,777	4,800	69,415	349,162
Archives fund	133,039	-	-	133,039
Restricted endowments				
excess earnings	367,812	177,182	23,295	521,699
General purpose endowment				
excess earnings	207,028	72,263	13,377	265,914
Charity	69,601	-	-	69,601
Theological education -				
academic fellowship	59,300	-	-	59,300
Publication reserve fund	29,556	-	-	29,556
Seminary appeal	5,638	2,731	2,731	5,638
Mission planting	-	50,000	-	50,000
Youth director	43,126	1,750	8,994	35,882
Other	(475)	13,273	7,218	5,580
	<u>\$ 2,414,212</u>	<u>\$ 435,757</u>	<u>\$ 125,030</u>	<u>2,724,939</u>
Donor restricted endowment funds				
General purposes				244,120
Restricted purposes				776,762
Charitable remainder unitrust				28,328
Total net assets with donor restrictions				<u>\$ 3,774,149</u>

NOTE 10. 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.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 10. 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 2021:			
General purposes	\$ 331,100	\$ 247,114	\$ 578,214
Restricted purposes	700,046	776,762	1,476,808
Total endowment funds	<u>\$ 1,031,146</u>	<u>\$ 1,023,876</u>	<u>\$ 2,055,022</u>
Endowment net assets, January 1, 2021	<u>\$ 787,613</u>	<u>\$ 1,020,882</u>	<u>\$ 1,808,495</u>
Investment return:			
Interest and dividend income, net of fees	25,248	-	25,248
Realized and unrealized gains	218,285	-	218,285
Total investment return	<u>243,533</u>	<u>-</u>	<u>243,533</u>
Contributions	-	2,994	2,994
Endowment net assets, December 31, 2021	<u>\$ 1,031,146</u>	<u>\$ 1,023,876</u>	<u>\$ 2,055,022</u>
Donor restricted endowments for 2020:			
General purposes	\$ 265,914	\$ 244,120	\$ 510,034
Restricted purposes	521,699	776,762	1,298,461
Total endowment funds	<u>\$ 787,613</u>	<u>\$ 1,020,882</u>	<u>\$ 1,808,495</u>
Endowment net assets, January 1, 2020	<u>\$ 574,840</u>	<u>\$ 1,016,498</u>	<u>\$ 1,591,338</u>
Investment return:			
Interest and dividend income, net of fees	27,899	-	27,899
Realized and unrealized losses	184,874	-	184,874
Total investment return	<u>212,773</u>	<u>-</u>	<u>212,773</u>
Contributions	-	4,384	4,384
Endowment net assets, December 31, 2020	<u>\$ 787,613</u>	<u>\$ 1,020,882</u>	<u>\$ 1,808,495</u>

NOTE 11. LEASE COMMITMENTS

The Church leased office equipment under non-cancellable operating leases. Expenses related to these leases amounted to \$0 in 2021 and \$9,118 in 2020. The equipment was returned in 2020.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 12. 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 \$344 for 59 months commencing December 20, 2018 with a balloon payment of the principal balance of \$150,000 due December 20, 2023.

NOTE 13. 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 14. 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, 2021 and 2020 was \$250,000. The SIPC insured limit for the years ended December 31, 2021 and 2020 was \$500,000. At December 31, 2021 and 2020, 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 15. COVID-19 PANDEMIC

The Church's operations have been affected by the recent and ongoing outbreak of the coronavirus disease 2019 (COVID-19) which in March 2020, was 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.

NOTE 16. SUBSEQUENT EVENTS

The Church has evaluated events and transactions that occurred through October 20, 2022, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.

Client: **ORT990 - The Orthodox Church in America**
 Engagement: **Audit 2021 - The Orthodox Church in America**
 Period Ending: **12/31/2021**
 Trial Balance: **TB**
 Workpaper: **FIN-30 - Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 1				
to adjust opening net asset balance to agree to prior year financial statements				
6910	6910 Other administrative expense		2,919.24	
32000	32000 Unrestricted Net Assets			2,919.24
Total			2,919.24	2,919.24
Adjusting Journal Entries JE # 2				
to reclass misposting of reimbursement for Metropolitan living expense (portion should go against pension)				
6010	6010 Salaries	400-15	2,566.50	
6017	6017 Pension expense			2,566.50
Total			2,566.50	2,566.50
Adjusting Journal Entries JE # 3				
to reverse per Susan as entry was for a budget line item; no actual funds were transferred				
4345	4345 Individ, Business Contributions	100-20	32,000.00	
6050	6050 Distributions - Grants & Endowments			32,000.00
Total			32,000.00	32,000.00
Adjusting Journal Entries JE # 4				
to reclass restricted contributions				
4345	4345 Individ, Business Contributions	100-20	200,000.00	
4346	4346 Legacies and Bequests			200,000.00
Total			200,000.00	200,000.00
Adjusting Journal Entries JE # 5				
to reverse item received and deposited in 2022 and therefore should not be deferred at 12/31/21				
2580	2580 Unearned or Deferred Revenue	PP-10.1	47,484.00	
4722	4722 Member Assessments			47,484.00
Total			47,484.00	47,484.00
Total Adjusting Journal Entries			284,969.74	284,969.74
Total All Journal Entries			284,969.74	284,969.74

Signature: _____

Title: _____

The Orthodox Church in America, Inc.

P.O. Box 675
Syosset, New York 11791

October 20, 2022

Satty, Levine & Ciacco, CPA, P.C.
534 Broadhollow Road, Suite 300
Melville, NY 11747

This representation letter is provided in connection with your audits of the financial statements of The Orthodox Church in America, Inc., which comprise the statements of financial position as of December 31, 2021, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of October 20, 2022, the following representations made to you during your audits.

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated February 14, 2020, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
- The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
- We acknowledge our responsibility for 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.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- Material concentrations have been appropriately disclosed in accordance with U.S. GAAP.

- Guarantees, whether written or oral, under which the Church is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
 - Additional information that you have requested from us for the purpose of the audit.
 - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - Minutes of the meetings of the governing board or summaries of actions of recent meetings for which minutes have not yet been prepared.
- All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have no knowledge of any fraud or suspected fraud that affects the Church and involves:
 - Management,
 - Employees who have significant roles in internal control, or
 - Others where the fraud could have a material effect on the financial statements.
- We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
- We have disclosed to you all known actual or possible litigation, claims, and assessment whose effects should be considered when preparing the financial statements.
- We have disclosed to you the identity of the Church's related parties and all the related party relationships and transactions of which we are aware.
- The Church has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us.
- The Orthodox Church in America, Inc. is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Church's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.

- In regard to the financial statement preparation services performed by you, we have—
 - Assumed all management responsibilities.
 - Designated Andrew Smith who has suitable skill, knowledge, or experience to oversee the services.
 - Evaluated the adequacy and results of the services performed.
 - Accepted responsibility for the results of the services.

Signature: _____
Title:

Signature: _____
Title:



ORTHODOX CHURCH in AMERICA

Treasurer's Report

Quarter End - September 30, 2022

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

Greetings in Christ!

What follows is a set of internal financial statements that has been compiled with preliminary financial data through the third quarter of fiscal year 2022. Overall, we show a fairly healthy operating surplus through the first three quarters, without any release from reserves.

However, non-operating (i.e., temporarily restricted) activity has seen a significant decrease for the year, due mostly to investment losses through September 30.

Included in this Treasurer's Report for the period ended Sept. 30, 2022 are the following:

- * Statement of Operating Activity - Unrestricted
- * Statement of Operating Activity - Restricted
- * Comparative Balance Sheet for Sept. 30, 2022 and December 31, 2021

September 30, 2022 represents 9/12ths of the OCA's fiscal year, so the target for operating revenues and is expenses is 75%.

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

Revenues

Revenue collection was \$1.449M including 75% of our anticipated annual endowment draw for 2022, on an annual budget of \$2,098K (69.06%). Diocesan contributions were at 72.72% of budget, while individual/business contributions tend to lag until the Stewards campaign.

Expenses

Expenses incurred through Sept. were \$1.314M on an annual budget of \$2,098K (62.64%). The positive expense variance is due to a number of factors, including the timing of certain expenses (e.g., fees in lieu of taxes paid to the local municipality) which will likely close this gap later in the year and less than expected travel and other administrative expenses which may remain positive variances through the balance of the year.

Net Income

Unrestricted net income is a \$135K surplus through the first three quarters. This includes 75% of the anticipated endowment and restricted fund draw, but no release from operating reserves.

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 - FY2022 - **Preliminary & Unaudited**
September 30, 2022

				Target 75.00%	
				D	
<i>Unrestricted</i>	A	B	C	% BUDGET USED	
	CURRENT QUARTER	YEAR TO DATE	ANNUAL BUDGET		
1	REVENUE				
2	Diocesan Contributions	399,915	1,264,795	1,739,220	72.72%
3	Individual/Business Contributions	20,380	48,348	125,000	38.68%
4	Service Fees	12,175	24,725	20,000	123.63%
5	Interest Income/Realized Gains/Losses	1,048	3,146	-	
6	Appeals	-	-	-	
7	Special Events	-	-	-	
8	Other	520	580	-	
9	Release from Restriction - Endowed	18,750	56,250	75,000	75.00%
10	Release from Restriction - Restricted	17,000	51,000	68,000	
11	Use of Unrestricted Reserve	-	-	70,626	
12	TOTAL REVENUE	469,789	1,448,844	2,097,846	69.06%
13					
14					
15					
16	EXPENSES				
17	Administration	141,908	340,267	433,680	78.46%
18	Executive	136,262	429,663	735,522	58.42%
19	Archives	30,228	76,085	103,699	73.37%
20	External Affairs	8,253	34,858	30,000	116.19%
21	Chapel	-	678	4,400	15.41%
22	Property	22,282	97,392	199,230	48.88%
23	TOC/Comm	2,558	16,228	78,500	20.67%
24	Holy Synod	3,824	42,367	66,300	63.90%
25	Metropolitan's Office	12,210	45,234	68,400	66.13%
26	Metropolitan Council	30,317	37,898	32,450	116.79%
27	St. Catherine's	15,195	48,402	73,710	65.66%
28	SOCA	-	-	-	
29	BOT	-	-	10,000	0.00%
30	Mission Planting Grants	14,000	42,000	68,000	61.76%
31	Ordination Candidacy	-	-	12,000	0.00%
32	Canons & Statutes	-	-	-	
33	ORSMA	10,605	33,327	32,755	101.74%
34	Continuing Ed	-	-	-	
35	Seminaries	-	-	18,000	0.00%
36	Departments	23,222	69,736	131,200	53.15%
37	TOTAL EXPENSES	450,863	1,314,133	2,097,847	62.64%
38					
39	REVENUE OVER/(UNDER) EXPENSES	18,925	134,711	0	

ORTHODOX CHURCH IN AMERICA
Statement of Operating Activity - FY2022 - **Preliminary & Unaudited**
September 30, 2022

	A	B	C	D
<i>Temp Restricted</i>	CURRENT	YEAR TO	ANNUAL	Target
	QUARTER	DATE	BUDGET	75.00%
				% BUDGET
				USED
1 REVENUE				
2 Diocesan Contributions	6,000	254,713	-	
3 Individual/Business Contributions	500	133,550	-	
4 Service Fees	13,285	97,223	-	
5 Interest Income/Realized Gains/Losses	(206,689)	(737,931)	-	
6 Appeals	-	738,566	-	
7 Special Events (YCC)	-	24,501	-	
8 Other (incl Grants)	-	1,981	-	
9 TOTAL REVENUE	(186,904)	512,603	-	
10				
11				
12				
13 EXPENSES				
14 Restricted Funds				
15 All-America Council	355,670	403,261	-	
16 Charity	-	739,726	-	
17 Missions (YCC)	-	29,158	-	
18 Seminary	-	-	-	
19 Endowments - Distributions & Fees	4,513	17,115	-	
20 Chapel	-	-	-	
21 Archives	34,191	34,191	-	
22 Lilly Grant	58,386	112,563	-	
23 Clergy Synaxis	15,193	27,646	-	
24 TOTAL EXPENSES	467,953	1,363,660	-	
25				
26 REVENUE OVER/(UNDER) EXPENSES	(654,856)	(851,058)	-	

ORTHODOX CHURCH IN AMERICA
Balance Sheet - FY2022 - **Preliminary & Unaudited**
September 30, 2022

A	B	C	D
	<u>9/30/2022</u>	<u>12/31/2021</u>	DIFFERENCE
1 ASSETS			
2 Cash & Cash Equivalents - Operating	1,109,757	1,526,440	(416,683)
3 Cash & Cash Equivalents - Restricted	994,803	768,581	226,222
4 Petty Cash	626	426	200
5			
6 Accounts Receivable	9,864	112,186	(102,322)
7 Grants Receivable	-	-	-
8 Prepaid Expense	-	21,676	(21,676)
9 Other Current Assets	45,220	-	45,220
10			
11 Fixed Assets, net of depreciation	300,468	327,510	(27,041)
12 Investments	2,932,199	3,686,745	(754,546)
13			
14 Total Assets	<u>5,392,937</u>	<u>6,443,563</u>	<u>(1,050,626)</u>
15			
16			
17 LIABILITIES			
18 Accounts Payable	7,406	5,090	2,316
19 Accrued Expenses	35,534	36,364	(830)
20 Retirement Obligation	37,552	37,552	-
21 Unitrust Liability	94,238	94,238	-
22 Payroll Liabilities	1,564	-	1,564
23 Other Liabilities	-	-	-
24			
25 Deferred Revenue	-	267,812	(267,812)
26			
27 Total Liabilities	<u>176,294</u>	<u>441,056</u>	<u>(264,762)</u>
28			
29			
30 NET ASSETS	<u><u>5,216,643</u></u>	<u><u>6,058,118</u></u>	<u><u>(841,475)</u></u>

ORTHODOX CHURCH IN AMERICA
20th All-American Council Budget to Actual
Accrual Basis, through 8/26/2022

	A	B	C	D
	AAC 2022 Actual	AAC 2022 Budget	Budget Variance	% Budget Recognized
1 REVENUE				
2 Diocesan Proportional Giving	302,197	300,000	2,197	100.73%
3 General Donations	1,500	2,000	(500)	75.00%
4 Vendor & Exhibitor Fees			-	
5 * 40 Vendors @ \$1,000	15,500	40,000	(24,500)	38.75%
6 * 25 Displayers @ \$500	11,500	6,250	5,250	184.00%
7 Youth Registration Fees	-	-	-	
8 * Grants	1,000		1,000	
9 * 120 Youth @ \$150	25,050	18,000	7,050	139.17%
10 FOCA Ad Book Revenues			-	
11 * 50 Full-page (\$150)	7,650	3,750	3,900	204.00%
12 * 30 Half-page (\$100)	2,200	1,500	700	146.67%
13 * 15 Quarter-page (\$75)	525	563	(38)	93.33%
14 * 5 Memorial Listings (\$60)	300	150	150	200.00%
15 * 10 Benefactor 2-line listing (\$40)	160	200	(40)	80.00%
16 * 10 Patrol 1-line listing (\$20)	180	100	80	180.00%
17 Observer Fees			-	
18 * 120 @ \$250	33,358	30,000	3,358	111.19%
19 TOTAL REVENUE	401,120	402,513	(1,393)	99.65%
20				
21				
22 EXPENSES				
23				
24 Flowers & Liturgical Items	75	500	425	15.00%
25 PCC Lunch	54	200	146	27.17%
26 Outside Contractors				
27 * Shepard Expo Services	19,818	18,500	(1,318)	107.13%
28 * Photographer	-	3,000	3,000	0.00%
29 * PSAV Services	74,008	100,000	25,992	74.01%
30 * Other Contract Services	12,272	-	(12,272)	
31				
32 Postage, Printing & Copying	6,945	11,500	4,555	60.39%
33 Office Supplies	5,927	8,000	2,073	74.09%
34 Stipends	19,800	18,000	(1,800)	110.00%
35				
36 Equipment Rental	816	8,000	7,184	10.20%
37 Travel	18,898	50,000	31,102	37.80%
38 Lodging	90,869	45,000	(45,869)	201.93%
39 Meals & Food	94,684	75,000	(19,684)	126.25%
40 Operating Expenses	344,168	337,700	(6,468)	101.92%
41				
42 Youth - Registration Grants				
43 Food	19,574	7,000	(12,574)	279.63%
44 Supplies	103	5,000	4,897	2.06%
45 Activity Fees	34,850	10,000	(24,850)	348.50%
46 Travel to Outings	891	5,000	4,109	17.83%
47 Youth Program	55,418	27,000	(28,418)	205.25%
48				
49 FOS Tours - Mexico Delegation	4,993	5,000	7	99.87%
50 FOS Tours - Alaska Delegation	4,447	5,000	553	88.94%
51 Travel	9,440	10,000	560	94.40%
52				
53 Contingency (~7%)	-	27,813	27,813	0.00%
54				
55 TOTAL EXPENSES	409,027	402,513	(6,514)	101.62%
56				
57 REVENUE OVER/(UNDER) EXPENSES	(7,907)	-		

ORTHODOX CHURCH IN AMERICA

2023 Budget - Summary

For consideration at Fall 2022 Metropolitan Council meeting

			Target 75.00%	
	A	B	C	D
<i>Unrestricted</i>	YTD Actual	BUDGET	% BUDGET	BUDGET
	9/30/2022	Amended 2022	USED	Proposed 2023
1 REVENUE				
2 Diocesan Contributions	1,264,795	1,739,220	72.72%	1,739,509
3 Individual/Business Contributions	48,348	125,000	38.68%	142,920
4 Service Fees	24,725	20,000	123.63%	22,350
5 Interest Income/Realized Gains/Losses	3,146	-		-
6 Other	580	-		-
7 Release from Restriction - <i>Endowed Funds</i>	56,250	75,000	75.00%	75,000
8 Release from Restriction - <i>Restricted Funds</i>	51,000	68,000	75.00%	68,000
9 Use of Unrestricted Reserve		70,626		63,000
10 TOTAL REVENUE	1,448,844	2,097,846	69.06%	2,110,779
11				
12				
13				
14 EXPENSES				
15 Compensation & Benefits				
16 Administration	189,708	228,490	83.03%	196,661 p.2
17 Executive	391,177	589,137	66.40%	551,853 p.3
18 Archives	71,534	102,199	70.00%	101,888 p.4
19 External Affairs	-	-		-
20 Property	-	-		-
21 ORSMA	-	-		-
22 Total Compensation & Benefits	652,419	919,826	70.93%	850,402
23				
24 Goods & Services				
25 Administration	150,560	205,190	73.38%	380,561 p.2
26 Executive	38,485	146,385	26.29%	68,900 p.3
27 Archives	4,551	1,500	303.37%	1,500 p.4
28 External Affairs	34,858	30,000	116.19%	15,000 p.5
29 Chapel	678	4,400	15.41%	-
30 Property, incl depr.	97,392	199,230	48.88%	131,722 p.6
31 TOC/Comm	16,228	78,500	20.67%	51,300 p.8
32 Holy Synod	42,367	66,300	63.90%	66,300 p.8
33 Metropolitan's Office	45,234	68,400	66.13%	115,347 p.8
34 Metropolitan Council	37,898	32,450	116.79%	32,450 p.8
35 St. Catherine's	48,402	73,710	65.66%	91,323 p.9
36 BOT	-	10,000	0.00%	-
37 Mission Planting Grants	42,000	68,000	61.76%	68,000 p.9
38 Ordination Candidacy	-	12,000	0.00%	12,000 p.9
39 Canons and Statutes	-	-		-
40 ORSMA	33,327	32,755	101.74%	42,760 p.7
41 Seminaries	-	18,000	0.00%	18,000 p.9
42 Departments	69,736	131,200	53.15%	165,215 p.9
43 Total Goods & Services	661,714	1,178,020	56.17%	1,260,378
44				
45 TOTAL EXPENSES	1,314,133	2,097,847	62.64%	2,110,780
46				
47 REVENUE OVER/(UNDER) EXPENSES	134,711	(1)		(0)

ORTHODOX CHURCH IN AMERICA

Proposed 2023 Budget - Expenses by Department

	YTD Actual	BUDGET	% BUDGET	BUDGET	
	9/30/2022	Amended 2022	USED	2023	
10-6010-05 Administration-Salaries	143,811.14	169,221.20		144,641.13	
10-6011-05 Administration-Payroll Expense	-				
10-6012-05 Administration-FICA/MED	6,053.14	12,945.42		11,065.05	
10-6013-05 Administration-Unemployment Ins W/H	2,851.51				
10-6014-05 Administration-Payroll Processing Fees	1,747.30	3,000.00		3,000.00	
10-6015-05 Administration-Health Insurance	16,571.95	20,995.56		23,111.04	
10-6016-05 Administration-Workers Compensation/Disabil	4,026.66	434.90		402.61	
10-6017-05 Administration-Pension expense	11,415.70	13,943.21		13,567.76	
10-6018-05 Administration-Life Insurance	3,230.10	7,950.00		873.00	
	<u>189,707.50</u>	<u>228,490.30</u>	<u>83.03%</u>	<u>196,660.59</u>	p.1 line 16
10-6095-05 Administration-Bank Fees	4,046.19	2,200.00		2,200.00	
10-6096-05 Administration-Dues	100.00	10,000.00		-	
10-6100-05 Administration-Office Expense	-	-			
10-6105-05 Administration-Food	1,562.95	3,200.00		4,200.00	
10-6110-05 Administration-Flowers/Candles/Liturgical iter	106.22			600.00	
10-6210-05 Administration-Contract Services	-	-		-	
10-6211-05 Administration-Accounting Fees	16,902.69	20,000.00		25,000.00	
10-6214-05 Administration-Legal Fees	-	10,000.00		10,000.00	
10-6215-05 Administration-Outside Contract Services	687.50	-		-	
10-6280-05 Administration-Rent	27,650.00			66,360.00	[A]
10-6290-05 Administration-Repairs Expense	-				
10-6502-05 Administration-Postage, Mailing Service	1,559.48	3,000.00		2,000.00	
10-6503-05 Administration-Printing and Copying	-	3,450.00		3,450.00	
10-6504-05 Administration-Supplies	10,617.22	3,200.00		6,200.00	
10-6505-05 Administration-Telephone, Telecommunication:	-	-		-	
10-6507-05 Administration-Equipment leasing	-	-		-	
10-6511-05 Administration-Advertising Expenses	-	-		-	
10-6512-05 Administration-Insurance - Liability, D and O	8,729.25	-		8,729.25	
10-6516-05 Administration-Misc Other	-	-		-	
10-6650-05 Administration-Stipends	47,416.00	71,400.00		71,400.00	
10-6670-05 Administration-Computer expense	749.98	4,000.00		-	
10-6671-05 Administration-Computer software	309.98				
10-6720-05 Administration-Telephone	2,212.20	1,200.00		1,500.00	
10-6725-05 Administration-Mobile Phones	-				
10-6727-05 Administration-Internet	285.78	4,000.00		4,000.00	
10-6733-05 Administration-Website	65.40	-		-	
10-6750-05 Administration-Insurance	4,921.00	41,040.00		41,040.00	
10-6831-05 Administration-Conference, Convention, Meetin	199.00	-		199.00	
10-6832-05 Administration-Travel	552.71	-		-	
10-6833-05 Administration-Lodging	-	-		-	
10-6834-05 Administration-Meals	663.38	2,000.00		2,000.00	
10-6835-05 Administration-Moving Expenses	20,791.24			20,000.00	
10-6900-05 Administration-Automobile	343.73			182.73	
10-6902-05 Administration-Auto repairs	87.75	-		-	
10-6903-05 Administration-Auto gasoline	-	1,500.00		1,500.00	
10-6910-05 Administration-Other	-	25,000.00		110,000.00	[B]
	<u>150,559.65</u>	<u>205,190.00</u>	<u>73.38%</u>	<u>380,560.98</u>	p.1 line 25

[A] Reclass of D.C. office rent from Property Support

[B] To be discussed

ORTHODOX CHURCH IN AMERICA
Proposed 2023 Budget - Expenses by Department

	YTD Actual	BUDGET	% BUDGET	BUDGET	
	9/30/2022	Amended 2022	USED	2023	
10-6010-07 Executive-Salaries	308,266.66	442,227.11		448,650.12	
10-6012-07 Executive-FICA/MED	3,681.24	33,830.37		5,558.33	
10-6014-07 Executive-Payroll Processing Fees	-				
10-6015-07 Executive-Health Insurance	52,752.18	68,592.30		42,994.56	
10-6016-07 Executive-Workers Compensation/Disability		2,065.97		2,013.04	
10-6017-07 Executive-Pension expense	26,477.26	42,421.33		52,636.58	
	<u>391,177.34</u>	<u>589,137.09</u>	<u>66.40%</u>	<u>551,852.63</u>	p.1 line 17
10-6095-07 Executive-Bank Fees	-	-		-	
10-6096-07 Executive-Dues	-				
10-6105-07 Executive-Food	393.59	-		-	
10-6110-07 Executive-Flowers/Candles/Liturgical Items	370.74				
10-6504-07 Executive-Supplies	824.82	3,500.00		3,500.00	
10-6650-07 Executive-Stipends	22,500.00	75,000.00		30,000.00	
10-6704-07 Executive-Gas	-	-		-	
10-6720-07 Executive-Telephone	-	-		-	
10-6725-07 Executive-Mobile Phones	4,134.25	5,000.00		7,200.00	
10-6832-07 Executive-Travel	8,947.00	27,000.00		27,000.00	
10-6833-07 Executive-Lodging	-	21,000.00		-	
10-6834-07 Executive-Meals	1,057.14	1,200.00		1,200.00	
10-6835-07 Executive-Moving Expenses	185.47				
10-6903-07 Executive-Auto gasoline	72.28	-		-	
10-6910-07 Executive-Other Administrative Expense	-	13,685.00		-	
	<u>38,485.29</u>	<u>146,385.00</u>	<u>26.29%</u>	<u>68,900.00</u>	p.1 line 26

ORTHODOX CHURCH IN AMERICA
Proposed 2023 Budget - Expenses by Department

	YTD Actual	BUDGET	% BUDGET	BUDGET	
	9/30/2022	Amended 2022	USED	2023	
10-6010-08 Archives-Salaries	51,628.50	68,837.99		72,968.27	
10-6012-08 Archives-FICA/MED	3,928.13	5,266.11		5,582.07	
10-6013-08 Archives-Unemployment Ins W/H		-		-	
10-6015-08 Archives-Health Insurance	10,814.87	20,995.56		14,372.28	
10-6016-08 Archives-Workers Compensation/Disability		215.60		209.62	
10-6017-08 Archives-Pension expense	5,162.94	6,883.80		8,756.19	
	<u>71,534.44</u>	<u>102,199.06</u>	<u>70.00%</u>	<u>101,888.43</u>	p.1 line 18
10-6092-08 Archives-Business Registration Fees	-	200.00		200.00	
10-6105-08 Archives-Food	-	-		-	
10-6214-08 Archives-Legal Fees	350.00				
10-6215-08 Archives-Outside Contract Services	4,125.00				
10-6280-08 Archives-Facilities and Equipment	-	-		-	
10-6503-08 Archives-Printing and Copying	-	-		-	
10-6504-08 Archives-Supplies	75.55	800.00		800.00	
10-6832-08 Archives-Travel	-	500.00		500.00	
	<u>4,550.55</u>	<u>1,500.00</u>	<u>303.37%</u>	<u>1,500.00</u>	p.1 line 27

ORTHODOX CHURCH IN AMERICA
Proposed 2023 Budget - Expenses by Department

	YTD Actual	BUDGET	% BUDGET	BUDGET
	9/30/2022	Amended 2022	USED	2023
10-6010-09 External Affairs-Salaries	-	-		-
10-6012-09 External Affairs-FICA/MED	-	-		-
10-6013-09 External Affairs-Unemployment Ins W/H	-	-		-
10-6016-09 External Affairs-Workers Compensation/Disabil	-	-		-
10-6017-09 External Affairs-Pension expense	-	-		-
	<u>-</u>	<u>-</u>	<u>#DIV/0!</u>	<u>-</u>
10-6051-09 External Affairs-Charity Distributions	-			-
10-6096-09 External Affairs-Dues	25,208.00	10,000.00		10,000.00
10-6215-09 External Affairs-Outside Contract Services	-			-
10-6253-09 External Affairs-Program Supplies	-			-
10-6504-09 External Affairs-Supplies	500.00			-
10-6650-09 External Affairs-Stipends		15,000.00		-
10-6670-09 External Affairs-Computer expense	-			-
10-6720-09 External Affairs-Telephone	-			-
10-6725-09 External Affairs-Mobile Phones	-			-
10-6831-09 External Affairs-Conference, Convention, Meetin	1,516.18			-
10-6832-09 External Affairs-Travel	7,555.32	5,000.00		5,000.00
10-6834-09 External Affairs-Meals	78.24	-		-
	<u>34,857.74</u>	<u>30,000.00</u>	<u>116.19%</u>	<u>15,000.00</u>

p.1 line 28

ORTHODOX CHURCH IN AMERICA
Proposed 2023 Budget - Expenses by Department

	YTD Actual	BUDGET	% BUDGET	BUDGET	
	9/30/2022	Amended 2022	USED	2023	
10-6010-11 Property Support-Salaries	-	-		-	
10-6012-11 Property Support-FICA/MED	-	-		-	
10-6013-11 Property Support-Unemployment Ins W/H	-	-		-	
10-6015-11 Property Support-Health Insurance	-	-		-	
10-6016-11 Property Support-Workers Compensation/Disability	-	-		-	
10-6017-11 Property Support-Pension expense	-	-		-	
	<u>-</u>	<u>-</u>		<u>-</u>	
10-6100-11 Property Support-Office expense	-	-		-	
10-6115-11 Property Support-Office Expense - Other	-	-		-	
10-6215-11 Property Support-Outside Contract Services	7,847.00	13,500.00		6,750.00	
10-6273-11 Property Support-Real Estate, Personal Prop Ta	-	32,855.00		32,855.00	
10-6280-11 Property Support-Facilities and Equipment	-	72,500.00		-	[A]
10-6284-11 Property Support-Equip Rental and Maintenan	234.55	-		-	
10-6285-11 Property Support-Janitorial Services	-	-		-	
10-6286-11 Property Support-Lawn	23,930.00	30,000.00		30,000.00	
10-6287-11 Property Support-Exterminating	-	500.00		500.00	
10-6288-11 Property Support-Garbage Removal	2,157.31	2,075.00		2,604.00	
10-6290-11 Property Support-Repairs expense	-	3,000.00		3,000.00	
10-6504-11 Property Support-Supplies	63.60	600.00		600.00	
10-6701-11 Property Support-Heating oil	10,965.19	16,000.00		16,000.00	
10-6703-11 Property Support-Water	47.69	200.00		200.00	
10-6705-11 Property Support-Electricity	7,543.17	11,000.00		12,000.00	
10-6750-11 Property Support-Insurance	16,729.10	-		-	
10-6900-11 Property Support-Automobile	-	-		-	
10-6901-11 Property Support-Auto insurance	832.50	-		-	
10-6990-11 Property Support-Depreciation expense	27,041.69	17,000.00		27,213.00	
	<u>97,391.80</u>	<u>199,230.00</u>	<u>48.88%</u>	<u>131,722.00</u>	p.1 line 30

[A] Office rent reclassified to Administration

ORTHODOX CHURCH IN AMERICA
Proposed 2023 Budget - Expenses by Department

	YTD Actual	BUDGET	% BUDGET	BUDGET	
	9/30/2022	Amended 2022	USED	2023	
10-6010-35 Sexual Misconduct Committ-Salaries	-	-		-	
10-6012-35 Sexual Misconduct Committ-FICA/MED	-	-		-	
10-6013-35 Sexual Misconduct Committ-Unemployment Ins	-	-		-	
10-6015-35 Sexual Misconduct Committ-Health Insurance	-	-		-	
10-6016-35 Sexual Misconduct Committ-Workers Compensa	-	-		-	
	<u>-</u>	<u>-</u>	<u>#DIV/0!</u>	<u>-</u>	
10-6092-35 Sexual Misconduct Committ-Business Registrati	-	-		-	
10-6095-35 Sexual Misconduct Committ-Bank Fees	-	-		-	
10-6215-35 Sexual Misconduct Committ-Outside Contract Se	10,191.10	12,000.00		12,000.00	
10-6502-35 Sexual Misconduct Committ-Postage, Mailing Ser	-	55.00		60.00	
10-6504-35 Sexual Misconduct Committ-Supplies	-	100.00		100.00	
10-6650-35 Sexual Misconduct Committ-Stipends	22,154.80	20,000.00		30,000.00	
10-6670-35 Sexual Misconduct Committ-Computer Expense	149.90				
10-6832-35 Sexual Misconduct Committ-Travel	830.73	600.00		600.00	
10-6834-35 Sexual Misconduct Committ-Meals	-	-		-	
	<u>33,326.53</u>	<u>32,755.00</u>	<u>101.74%</u>	<u>42,760.00</u>	p.1 line 40

ORTHODOX CHURCH IN AMERICA
Proposed 2023 Budget - Expenses by Department

	YTD Actual	BUDGET	% BUDGET	BUDGET	
	9/30/2022	Amended 2022	USED	2023	
10-6105-10 Chapel-Food	78.00	1,000.00		-	
10-6110-10 Chapel-Flowers/Candles/Liturgical item	-	800.00		-	
10-6504-10 Chapel-Supplies	-	600.00		-	
10-6650-10 Chapel-Stipends	600.00	2,000.00		-	
	<u>678.00</u>	<u>4,400.00</u>	<u>15.41%</u>	-	
10-6215-13 Communications-Outside Contract Services	6,925.00	35,000.00		35,000.00	
10-6650-13 Communications-Stipends	-	30,000.00		1,800.00	
10-6670-13 Communications-Computer expense	-	2,500.00		2,500.00	
10-6733-13 Communications-Website	8,908.35	11,000.00		12,000.00	
10-6832-13 Communications-Travel	394.22				
	<u>16,227.57</u>	<u>78,500.00</u>	<u>20.67%</u>	<u>51,300.00</u>	p.1 line 31
10-6504-14 Holy Synod-Supplies	127.18	1,000.00		1,000.00	
10-6650-14 Holy Synod-Stipends	10,825.00	14,400.00		14,400.00	
10-6832-14 Holy Synod-Travel	28,716.06	36,000.00		36,000.00	
10-6834-14 Holy Synod-Meals	2,698.43	14,900.00		14,900.00	
	<u>42,366.67</u>	<u>66,300.00</u>	<u>63.90%</u>	<u>66,300.00</u>	p.1 line 32
10-6092-15 Metropolitan's Office-Business Registration Fees	-	1,900.00		-	
10-6096-15 Metropolitan's Office-Dues	-	-		-	
10-6110-15 Metropolitan's Office-Flowers/Candles/Liturgic	-	-		-	
10-6280-15 Metropolitan's Office-Rent	10,200.00			40,800.00	[A]
10-6504-15 Metropolitan's Office-Supplies	723.99	3,500.00		750.00	
10-6667-15 Metropolitan's Office-Chaplains - Stipends	8,225.00	6,000.00		12,000.00	
10-6703-15 Metropolitan's Office-Water	356.37			2,100.00	[A]
10-6705-15 Metropolitan's Office-Electricity	356.10			1,440.00	[A]
10-6727-15 Metropolitan's Office-Internet	142.38			864.00	[A]
10-6750-15 Metropolitan's Office-Insurance	793.00			793.00	
10-6831-15 Metropolitan's Office-Conference, Convention, M	-	1,000.00		-	
10-6832-15 Metropolitan's Office-Travel	16,367.61	47,000.00		47,000.00	
10-6833-15 Metropolitan's Office-Lodging	-	-		-	
10-6834-15 Metropolitan's Office-Meals	143.95	6,000.00		6,000.00	
10-6835-15 Metropolitan's Office-Moving Expense	7,688.39				
10-6900-15 Metropolitan's Office-Automobile	137.64			600.00	
10-6902-15 Metropolitan's Office-Auto repairs	99.89	-		-	
10-6902-15 Metropolitan's Office-Other Discretionary		3,000.00		3,000.00	
	<u>45,234.32</u>	<u>68,400.00</u>	<u>66.13%</u>	<u>115,347.00</u>	p.1 line 33
10-6105-16 Metropolitan Council-Food	-	2,400.00		-	
10-6211-16 Metropolitan Council-Accounting Fees	3,050.00				
10-6213-16 Metropolitan Council-Legal Fees	3,000.00				
10-6214-16 Metropolitan Council-Outside Contract Svcs	28,792.50				
10-6504-16 Metropolitan Council-Supplies	75.00	50.00		50.00	
10-6832-16 Metropolitan Council-Travel	2,980.59	12,000.00		12,000.00	
10-6833-16 Metropolitan Council-Lodging	-	18,000.00		18,000.00	
10-6834-16 Metropolitan Council-Meals	-	-		2,400.00	
	<u>37,898.09</u>	<u>32,450.00</u>	<u>116.79%</u>	<u>32,450.00</u>	p.1 line 34

[A] Metropolitan Housing in DC

ORTHODOX CHURCH IN AMERICA
Proposed 2023 Budget - Expenses by Department

	YTD Actual	BUDGET	% BUDGET	BUDGET	
	9/30/2022	Amended 2022	USED	2023	
10-6095-17 St Catherine's Representa-Bank Fees	10.00	-		-	
10-6110-17 St Catherine's Representa-Flowers/Candles/Lit	-	300.00		-	
10-6253-17 St Catherine's Representa-Program Supplies	-	-		-	
10-6650-17 St Catherine's Representa-Stipends	37,435.50	53,100.12		68,381.78	
10-6680-17 St Catherine's Representa-Pension expense	8,149.68	5,310.00		10,941.12	
10-6832-17 St Catherine's Representa-Travel	2,806.35	15,000.00		12,000.00	
10-6834-17 St Catherine's Representa-Meals	-	-		-	
	<u>48,401.53</u>	<u>73,710.12</u>	<u>65.66%</u>	<u>91,322.90</u>	p.1 line 35
10-6832-29 Theological Education Boa-Travel	-	10,000.00	0.00%	-	
10-6050-30 Missions and Planting Gra-Distributions	41,999.72	68,000.00	61.76%	68,000.00	p.1 line 37
10-6215-34 Ordination Candidate Test-Outside Contract Ser	-	12,000.00	0.00%	12,000.00	p.1 line 38
10-6832-38 Canons and Statues Commit-Travel	-	-		-	
10-6050-40 Seminaries-Distributions	-	18,000.00	0.00%	18,000.00	p.1 line 41
10-6050-80 Ministries-Distributions	-	32,000.00		31,220.00	
10-6092-80 Ministries-Business Registration Fees	-	-		-	
10-6096-80 Ministries-Dues	1,913.30	-		1,400.00	
10-6215-80 Ministries-Outside Contract Services	864.00	11,800.00		1,014.00	
10-6253-80 Ministries-Program Supplies	-	-		-	
10-6503-80 Ministries-Printing and Copying	398.88	1,500.00		501.00	
10-6504-80 Ministries-Supplies	(229.98)	3,000.00		3,900.00	
10-6515-80 Ministries-Memberships	-	12,000.00		-	
10-6650-40 Ministries-Stipends (Clergy Synaxis)	-	-		36,000.00	[A]
10-6650-80 Ministries-Stipends	64,025.00	51,400.00		63,300.00	
10-6733-80 Ministries-Website	390.00	1,500.00		1,830.00	
10-6831-80 Ministries-Conference, Convention, Meeting	-	3,000.00		1,500.00	
10-6832-80 Ministries-Travel	1,057.20	15,000.00		19,800.00	
10-6833-80 Ministries-Lodging	-	-		-	
10-6834-80 Ministries-Meals	-	-		-	
10-6215- Clergy Wives-Outside Contract Services	300.00			2,000.00	
10-6502- Clergy Wives-Postage, Mailing Service	1,017.79			2,500.00	
10-6733- Clergy Wives-Website				250.00	
	<u>69,736.19</u>	<u>131,200.00</u>	<u>53.15%</u>	<u>165,215.00</u>	p.1 line 42

[A] Stipends for Clergy Synaxis admin.

**THE ORTHODOX CHURCH IN AMERICA
FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

TABLE OF CONTENTS

	<u>Page #</u>
Independent auditors' report	1 - 2
Statements of financial position	3
Statements of activities	4 - 5
Statements of functional expenses	6 - 7
Statements of cash flows	8
Notes to financial statements	9 - 19

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
The Orthodox Church in America

Opinion

We have audited the accompanying financial statements of The Orthodox Church in America (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

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, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of The Orthodox Church in America and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about The Orthodox Church in America's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Financial Statements

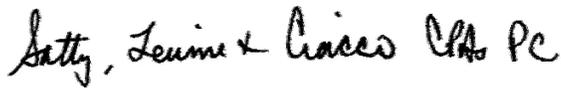
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Orthodox Church in America's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about The Orthodox Church in America's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Handwritten signature in black ink that reads "Satty, Levine & Ciacco CPAs PC". The signature is written in a cursive, flowing style.

Satty, Levine & Ciacco, CPAs, P.C.
Melville, New York
October 20, 2022

**THE ORTHODOX CHURCH IN AMERICA
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2021 AND 2020**

	<u>2021</u>	<u>2020</u>
ASSETS:		
Cash and cash equivalents	\$ 2,027,671	\$ 1,159,166
Restricted cash	267,776	351,108
Investments:		
Endowment pool fund	1,900,806	1,660,859
St. Andrew endowment fund	150,009	128,984
FOS endowment fund	129,651	103,982
Missions endowment fund	1,218,181	1,084,809
Annuity and unitrust fund	138,097	143,279
	<u>3,536,744</u>	<u>3,121,913</u>
Accounts receivable, net	112,186	164,957
Note receivable	150,000	150,000
Prepaid expenses	21,676	3,500
Property and equipment, net	327,510	315,287
	<u>6,443,563</u>	<u>5,265,931</u>
TOTAL ASSETS		
LIABILITIES AND NET ASSETS:		
LIABILITIES:		
Accounts payable and accrued expenses	\$ 41,461	\$ 89,455
Retirement obligations	37,552	37,552
Deferred revenue	220,328	-
Annuity and unitrust agreements	94,238	100,527
	<u>393,579</u>	<u>227,534</u>
TOTAL LIABILITIES		
NET ASSETS:		
Without donor restrictions		
Undesignated	1,519,610	948,961
Invested in property and equipment	327,510	315,287
	<u>1,847,120</u>	<u>1,264,248</u>
Total without donor restrictions	1,847,120	1,264,248
With donor restrictions	4,202,864	3,774,149
	<u>6,049,984</u>	<u>5,038,397</u>
TOTAL NET ASSETS		
TOTAL LIABILITIES AND NET ASSETS		
	<u>\$ 6,443,563</u>	<u>\$ 5,265,931</u>

The accompanying notes are an integral part of these financial statements.

**THE ORTHODOX CHURCH IN AMERICA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING SUPPORT, REVENUES AND RECLASSIFICATIONS			
Support:			
Diocesan assessments	\$ 1,853,803	\$ -	\$ 1,853,803
General contributions	130,253	216,954	347,207
Total support	1,984,056	216,954	2,201,010
Revenues:			
Interest and dividends	(45,085)	40,687	(4,398)
Investment income, net	53,305	367,659	420,964
Other revenue	24,361	-	24,361
Total revenues	32,581	408,346	440,927
Reclassifications:			
Net assets released from restrictions	207,037	(207,037)	-
Total operating support, revenue and reclassifications	2,223,674	418,263	2,641,937
EXPENSES:			
Program services	576,381	-	576,381
General and administrative	1,039,635	-	1,039,635
Development	24,786	-	24,786
Total expenses	1,640,802	-	1,640,802
Change in net assets from operations	582,872	418,263	1,001,135
Nonoperating activities			
Change in actuarial value of annuities and unitrusts	-	6,289	6,289
Investment income, net	-	4,163	4,163
Total operating activities	-	10,452	10,452
Change in net assets	582,872	428,715	1,011,587
Net assets at beginning of year	1,264,248	3,774,149	5,038,397
Net assets at end of year	\$ 1,847,120	\$ 4,202,864	\$ 6,049,984

The accompanying notes are an integral part of these financial statements.

THE ORTHODOX CHURCH IN AMERICA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING SUPPORT, REVENUES AND RECLASSIFICATIONS			
Support:			
Diocesan assessments	\$ 1,762,805	\$ -	\$ 1,762,805
General contributions	112,395	53,383	165,778
Total support	<u>1,875,200</u>	<u>53,383</u>	<u>1,928,583</u>
Revenues:			
Interest and dividends	9,494	27,898	37,392
Investment income, net	21,595	348,211	369,806
Other revenue	231,481	-	231,481
Total revenues	<u>262,570</u>	<u>376,109</u>	<u>638,679</u>
Reclassifications:			
Net assets released from restrictions	125,030	(125,030)	-
Total operating support, revenue and reclassifications	<u>2,262,800</u>	<u>304,462</u>	<u>2,567,262</u>
Expenses:			
Program services	493,598	-	493,598
General and administrative	1,031,139	-	1,031,139
Development	18,502	-	18,502
Total expenses	<u>1,543,239</u>	<u>-</u>	<u>1,543,239</u>
Change in net assets from operations	719,561	304,462	1,024,023
Nonoperating activities			
Change in actuarial value of annuities and unitrusts	-	6,000	6,000
Investment income, net	-	2,617	2,617
Total operating activities	<u>-</u>	<u>8,617</u>	<u>8,617</u>
Change in net assets	719,561	313,079	1,032,640
Net assets at beginning of year	<u>544,687</u>	<u>3,461,070</u>	<u>4,005,757</u>
Net assets at end of year	<u>\$ 1,264,248</u>	<u>\$ 3,774,149</u>	<u>\$ 5,038,397</u>

The accompanying notes are an integral part of these financial statements.

**THE ORTHODOX CHURCH IN AMERICA
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Program Services</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total</u>
EXPENSES:				
Salaries, wages and benefits	\$ 355,031	\$ 737,954	\$ 125	\$ 1,093,110
Transportation, travel, meals and related expenses	49,720	59,963	-	109,683
Professional fees and other outside services	31,033	40,404	17,897	89,334
Scholarships, grants and other assistance	93,196	-	-	93,196
Equipment, supplies and other religious materials	11,897	11,516	292	23,705
Repairs and maintenance	-	34,169	-	34,169
Utilities	-	22,830	-	22,830
Telephone	2,535	12,937	6,472	21,944
Insurance	-	34,378	-	34,378
Printing, postage and delivery services	116	9,841	-	9,957
Dues, fee and subscriptions	25,308	1,663	-	26,971
Conferences and meetings	4,065	-	-	4,065
Bank charges	-	3,499	-	3,499
Depreciation expense	-	28,463	-	28,463
Facility payment in lieu of taxes	-	36,364	-	36,364
Miscellaneous	2,919	2,912	-	5,831
Interest expense	-	-	-	-
Payroll processing fees	561	2,742	-	3,303
TOTAL EXPENSES	<u>\$ 576,381</u>	<u>\$ 1,039,635</u>	<u>\$ 24,786</u>	<u>\$ 1,640,802</u>

The accompanying notes are an integral part of these financial statements.

THE ORTHODOX CHURCH IN AMERICA
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED DECEMBER 31, 2020

	Program Services	Management and General	Fundraising	Total
EXPENSES:				
Salaries, wages and benefits	\$ 321,029	\$ 708,613	\$ -	\$ 1,029,642
Transportation, travel, meals and related expenses	15,743	41,782	-	57,525
Professional fees and other outside services	39,891	45,309	9,124	94,324
Scholarships, grants and other assistance	70,952	9,500	-	80,452
Equipment, supplies and other religious materials	9,869	13,244	195	23,308
Repairs and maintenance	-	36,159	-	36,159
Utilities	-	19,082	-	19,082
Telephone	3,088	14,716	9,094	26,898
Insurance	6,308	42,787	-	49,095
Printing, postage and delivery services	9,860	10,278	89	20,227
Dues, fee and subscriptions	10,792	11,953	-	22,745
Conferences and meetings	5,372	2,018	-	7,390
Bank charges	-	2,184	-	2,184
Depreciation expense	-	26,894	-	26,894
Facility payment in lieu of taxes	-	36,299	-	36,299
Miscellaneous	-	3,375	-	3,375
Interest expense	-	1,239	-	1,239
Payroll processing fees	694	5,707	-	6,401
TOTAL EXPENSES	\$ 493,598	\$ 1,031,139	\$ 18,502	\$ 1,543,239

The accompanying notes are an integral part of these financial statements.

THE ORTHODOX CHURCH IN AMERICA
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES:</u>		
Change in net assets	\$ 1,011,587	\$ 1,032,640
Adjustments to reconcile change in net assets to net cash (used in) provided by operating activities:		
Depreciation expense	28,463	26,894
Loss on sale of van	-	1,303
Net (appreciation) in fair market value of investments	(447,305)	(392,006)
Net change in actuarial value of annuities and unitrusts	(6,289)	(6,000)
(Increase) decrease in:		
Accounts receivable	52,771	31,429
Prepaid expenses	(18,176)	-
Increase (decrease) in:		
Accounts payable and accrued expenses	(47,994)	20,141
Deferred revenue	220,328	-
TOTAL ADJUSTMENTS	<u>(218,202)</u>	<u>(318,239)</u>
Net cash provided by operating activities	<u>793,385</u>	<u>714,401</u>
<u>CASH FLOWS FROM INVESTING ACTIVITIES:</u>		
Additions of property and equipment	(40,686)	(3,325)
Proceeds from sale of van	-	1,000
Proceeds from sale of investments	853,870	1,187,740
Purchase of investments	<u>(821,396)</u>	<u>(1,188,892)</u>
Net cash (used in) investing activities	<u>(8,212)</u>	<u>(3,477)</u>
Net increase in cash and restricted cash	785,173	710,924
Cash and restricted cash - beginning of year	<u>1,510,274</u>	<u>799,350</u>
Cash and restricted cash - end of year	<u>\$ 2,295,447</u>	<u>\$ 1,510,274</u>

The accompanying notes are an integral part of these financial statements.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

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.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

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, 2021 and 2020.

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

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

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.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

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, 2021 and 2020, The Orthodox Church in America received donated professional services in the amount of approximately \$0 and \$3,980, 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, 2021 and 2020.

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.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

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 \$63,925 at December 31, 2021 (\$68,182 in 2020). The present value of the remaining future liability to be distributed by the Church amounted to \$52,290 in 2021 and \$56,759 in 2020.

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 \$74,173 at December 31, 2021 (\$75,097 at December 31, 2020). 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 \$41,948 at December 31, 2021 (\$43,768 at December 31, 2020).

NOTE 3. AVAILABILITY AND LIQUIDITY

The following represents The Orthodox Church in America's financial assets at December 31, 2021 and 2020:

Financial assets at year end:	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 2,027,671	\$ 1,159,166
Restricted cash	267,776	351,108
Investments	3,536,744	3,121,913
Accounts receivable, net	112,186	164,957
Total financial assets	<u>5,944,377</u>	<u>4,797,144</u>
Less amounts not available to be used within one year:		
Net assets with donor restrictions	<u>4,202,864</u>	<u>3,774,149</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 1,741,513</u>	<u>\$ 1,022,995</u>

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

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 4. RESTRICTED CASH

The cash is restricted for the purpose of the thriving in ministry initiative grant. Restricted cash at December 31, 2021 and 2020 consisted of the following:

	<u>2021</u>	<u>2020</u>
Restricted cash - Thriving in ministry program	\$ 267,776	\$ 351,108

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, 2021 and 2020 are summarized as follows:

	<u>2021</u>	<u>2020</u>
Corporate equity securities	\$ 3,114,160	\$ 2,534,801
Money market funds	241,625	406,730
Fixed income securities	44,504	39,721
Mutual funds	72,530	72,479
Annuity investments	63,925	68,182
	<u>\$ 3,536,744</u>	<u>\$ 3,121,913</u>

At December 31, 2021 and 2020, all investments were considered level 1 investments, except for the annuity investments which were considered level 2 investments.

NOTE 6. PROPERTY AND EQUIPMENT

Property and equipment at December 31, 2021 and 2020 consisted of the following:

	<u>2021</u>	<u>2020</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	237,753	197,142
Software	33,000	33,000
Total property and equipment	990,328	949,717
Less: Accumulated depreciation	(662,818)	(634,430)
Property and equipment, net	<u>\$ 327,510</u>	<u>\$ 315,287</u>

**THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020**

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 \$62,845 in 2021 and \$53,419 in 2020. The contribution made by the Church represented approximately 1.98% and 2.00% of the total contributions made to the Plan in December 31, 2021 and 2020, 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.

The following table discloses the name and funded status of the Plan as of January 1, 2021 and 2020 (the date of the latest actuarial valuation), inclusive of the fair value of plan assets as December 31, 2021 and 2020:

The Orthodox Church in America Pension Plan (Plan EIN: 06-1455789)	Actuarial present value of accumulated plan benefits	Fair value of plan assets	Total net contributions	Funded Status
2021	\$ 56,579,833	\$ 29,005,289	\$ 3,166,274	51.26%
2020	\$ 55,086,863	\$ 26,905,426	\$ 2,672,980	48.84%

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, 2021 and 2020. The actuarially calculated liability for future payments under this obligation amounted to approximately \$37,000 each year.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 8. PAYCHECK PROTECTION PROGRAM LOAN

In April of 2020, the Church received loan proceeds in the amount of \$194,720 under the Paycheck Protection Program (“PPP”). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (Cares “Act”), provides for loans to qualifying business. The loans and accrued interest are forgivable after eight to twenty-four weeks as long as the borrower uses the loans proceeds for eligible purposes, including payroll, benefits, rent and utilities, and maintains its payroll levels. The amount of the loan forgiveness will be reduced if the borrower terminates employees or reduces salaries during the eight to twenty-four-week period.

On December 15, 2020, the Church was informed by letter from the Small Business Administration that the entire amount of the PPP loan was forgiven. The loan amount, plus accrued interest which was also forgiven, is included in other revenue on the statement of activities.

NOTE 9. 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, 2021 and 2020:

	2020	Additions/ Investment Activities	Release	2021
Mission churches	\$ 1,199,568	\$ 133,373	\$ 35,987	\$ 1,296,954
Thriving in ministries	349,162	-	84,116	265,046
Archives fund	133,039	2,625	-	135,664
Restricted endowments excess earnings	521,699	204,745	26,398	700,046
General purpose endowment excess earnings	265,914	80,423	15,237	331,100
Charity	69,601	-	-	69,601
Theological education - academic fellowship	59,300	-	-	59,300
Publication reserve fund	29,556	-	-	29,556
Seminary appeal	5,638	4,293	4,293	5,638
Mission planting	50,000	80,525	50,000	80,525
Youth director	35,882	427	(8,994)	45,303
St. Catherine's (Iconostasis)	-	120,000	-	120,000
Other	5,580	2,450	-	8,030
	<u>\$ 2,724,939</u>	<u>\$ 628,861</u>	<u>\$ 207,037</u>	<u>3,146,763</u>
Donor restricted endowment funds				
General purposes				247,114
Restricted purposes				776,762
Charitable remainder unitrust				<u>32,225</u>
Total net assets with donor restrictions				<u>\$ 4,202,864</u>

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 9. NET ASSETS WITH DONOR RESTRICTIONS (continued)

	2019	Additions/ Investment Activities	Release	2020
Mission churches	\$ 1,085,810	\$ 113,758	\$ -	\$ 1,199,568
Thriving in ministries	413,777	4,800	69,415	349,162
Archives fund	133,039	-	-	133,039
Restricted endowments				
excess earnings	367,812	177,182	23,295	521,699
General purpose endowment				
excess earnings	207,028	72,263	13,377	265,914
Charity	69,601	-	-	69,601
Theological education -				
academic fellowship	59,300	-	-	59,300
Publication reserve fund	29,556	-	-	29,556
Seminary appeal	5,638	2,731	2,731	5,638
Mission planting	-	50,000	-	50,000
Youth director	43,126	1,750	8,994	35,882
Other	(475)	13,273	7,218	5,580
	<u>\$ 2,414,212</u>	<u>\$ 435,757</u>	<u>\$ 125,030</u>	<u>\$ 2,724,939</u>
Donor restricted endowment funds				
General purposes				244,120
Restricted purposes				776,762
Charitable remainder unitrust				<u>28,328</u>
Total net assets with donor restrictions				<u>\$ 3,774,149</u>

NOTE 10. 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.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 10. 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:

	<u>With Purpose</u>	<u>To be Held in</u>	
	<u>Restrictions</u>	<u>Perpetuity</u>	<u>Total</u>
Donor restricted endowments for 2021:			
General purposes	\$ 331,100	\$ 247,114	\$ 578,214
Restricted purposes	700,046	776,762	1,476,808
Total endowment funds	<u>\$ 1,031,146</u>	<u>\$ 1,023,876</u>	<u>\$ 2,055,022</u>
Endowment net assets, January 1, 2021	<u>\$ 787,613</u>	<u>\$ 1,020,882</u>	<u>\$ 1,808,495</u>
Investment return:			
Interest and dividend income, net of fees	25,248	-	25,248
Realized and unrealized gains	218,285	-	218,285
Total investment return	243,533	-	243,533
Contributions	-	2,994	2,994
Endowment net assets, December 31, 2021	<u>\$ 1,031,146</u>	<u>\$ 1,023,876</u>	<u>\$ 2,055,022</u>
	<u>With Purpose</u>	<u>To be Held in</u>	
	<u>Restrictions</u>	<u>Perpetuity</u>	<u>Total</u>
Donor restricted endowments for 2020:			
General purposes	\$ 265,914	\$ 244,120	\$ 510,034
Restricted purposes	521,699	776,762	1,298,461
Total endowment funds	<u>\$ 787,613</u>	<u>\$ 1,020,882</u>	<u>\$ 1,808,495</u>
Endowment net assets, January 1, 2020	<u>\$ 574,840</u>	<u>\$ 1,016,498</u>	<u>\$ 1,591,338</u>
Investment return:			
Interest and dividend income, net of fees	27,899	-	27,899
Realized and unrealized losses	184,874	-	184,874
Total investment return	212,773	-	212,773
Contributions	-	4,384	4,384
Endowment net assets, December 31, 2020	<u>\$ 787,613</u>	<u>\$ 1,020,882</u>	<u>\$ 1,808,495</u>

NOTE 11. LEASE COMMITMENTS

The Church leased office equipment under non-cancellable operating leases. Expenses related to these leases amounted to \$0 in 2021 and \$9,118 in 2020. The equipment was returned in 2020.

THE ORTHODOX CHURCH IN AMERICA
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021 AND 2020

NOTE 12. 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 \$344 for 59 months commencing December 20, 2018 with a balloon payment of the principal balance of \$150,000 due December 20, 2023.

NOTE 13. 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 14. 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, 2021 and 2020 was \$250,000. The SIPC insured limit for the years ended December 31, 2021 and 2020 was \$500,000. At December 31, 2021 and 2020, 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 15. COVID-19 PANDEMIC

The Church's operations have been affected by the recent and ongoing outbreak of the coronavirus disease 2019 (COVID-19) which in March 2020, was 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.

NOTE 16. SUBSEQUENT EVENTS

The Church has evaluated events and transactions that occurred through October 20, 2022, which is the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements.



Pension Office
P.O. Box 8121
Hicksville, NY 11802-8121
Tel/Text: 516-464-0322
Fax: 516-464-0367
Email: pension@ocapension.org

October 19, 2022

Your Beatitude, Your Eminences, Your Graces, honorable clergy, and lay delegates:

We are pleased to submit this Pension Plan report and accompanying documents to the Metropolitan Council. The 20th All-American Council in Baltimore ended its work on Friday, July 22, 2022, with a resolution regarding its “desire to see the Metropolitan Council and the Pension Board work in Christian harmony.” Since returning to our parishes and homes, we have done just that. Orientation day was held in September for the newly elected trustees, who were joined by returning trustees and the lay alternate. In addition, Andrew Smith, OCA Treasurer, and David Lane, Metropolitan Council liaison, were invited, and attended, the orientation. The group was addressed by Pension Plan legal counsel Joe Semo, representatives of our Milliman actuarial team, and our Morgan Stanley investment team. The following day, the trustees met for the board meeting. David Lane was also present for all discussions, except for the executive session of the meeting which dealt with individual plan participant benefit issues.

Investment Performance as of September 30, 2022:

Comments from our investment advisors: The year 2022 to date has seen meaningful declines across global stock and bond markets as the Federal Reserve, and other central banks around the world, have tightened financial conditions by increasing interest rates and shrinking the size of their balance sheet. These actions have been taken in an effort to combat high inflation that largely resulted from the Covid-19 Pandemic and corresponding policy responses and has been exacerbated by the war in Ukraine. As central banks have tightened financial conditions, interest rates have risen, leading bond prices to fall and stock valuations to become suppressed. Our advisors expect volatility to continue in both stock and bond markets until the Federal Reserve pauses or reverses their tightening efforts, or to a lesser extent the war in Ukraine is concluded.

In this challenging environment, the Trust has suffered investment performance losses. The performance has been moderated by maintaining a diversified portfolio and holding investments in alternative asset classes which are not fully correlated with the public trading markets.

A copy of the Trust’s performance accompanies this report. While the short-term performance, like that of the public markets, is of concern, over the longer term, the investment returns are consistent with our actuarial earnings assumption.

Participation:

There are currently 347 active participating members and 31 inactive members for a total of 378 active/inactive participants. In addition, there are currently 226 monthly benefits recipients.

Administration:

In May 2022, the long-time bookkeeper of the Plan resigned due to personal family reasons. Following a recommendation from our auditors, the Board decided to hire a bookkeeping firm instead of an employee to perform these services. This has worked out well.

The administrative office has implemented a technology improvement with a new secure online portal for both Members and Parishes. This online system has robust capabilities that will reduce costs and provide better service to our Members and Parishes.

Below is a brief summary of the benefits and participant services that this system offers:

- Parishes and institutions can enter their monthly pension contributions
- Parishes can use reporting features to locate historical information
- Pension Office now has an automated system to quickly determine the current and projected accrued benefits upon a Member's request
- Pension Office can respond fully to a Member/Parish inquiry most times during the initial call.
- Each active member has a secure website portal which enables them:
 - to understand the current value of their retirement benefits,
 - review and change their personal information,
 - view and save correspondence from the Pension Plan, and
 - contact and securely upload documents to the Pension Plan.

Also, in an effort to increase response time day or evening, the Pension Office number has text messaging capabilities. Any member can text the office or text the Pension Administrator Michael S. Stieglitz directly at 516-464-0415.

Additional information provided

We have provided the following reports and information for further discussion with the Metropolitan Council:

- A. Request for a funding increase
- B. Request for reimbursement of Pension Plan expenses
- C. OCA Total Performance Report- 9-30-22
- D. Summary of three years of operating expenses in detail
- E. Summary of clergy/parish participation and member statistics as of September 2022

- F. Cash flow spreadsheet for 2022
- G. Strategy to close monthly cash flow deficit
- H. OCA Pension Plan Report – MC (work-in-progress with Andrew Smith)
- I. Late Contribution Report

As a matter of due diligence and following best practices, the Pension Board has drafted a request for proposal (RFP) for actuarial services, as the current contract ends December 31, 2022.

Specific requests for the Metropolitan Council:

1. **Desired target funding level:** The Pension Board requests that the Metropolitan Council determine what the desired target level of funding is and within what timeframe it should be reached. While it is easy to say “of course, it is 100%,” it is not so simple. Multiple variables, both positively and negatively correlated, are in constant motion. By knowing the goal amount and “due date” we can better strategize and model how to trade off variables to achieve the goal. This will also guide the determination of the required employer contribution.
2. **Pension Board Representation:** The Pension Board requests to have a trustee invited and present during all sessions of the Metropolitan Council meetings when the Pension Plan is being discussed and at the pension sub-committee meetings. The Metropolitan Council liaison attended the full Pension Board meeting with the exception of the discussion of participant personal information. Full open communication both ways will ensure that we can work together to achieve our goals.

Conclusion

We have much to do. But by the Grace of God and with trust and love for each other, we will continue our efforts for the benefit of those who have labored in the Lord’s vineyard. We look forward to working together to strengthen the financial health of the plan and serve all our Members – current and future – and their parishes.

Please keep us all in your prayers.

Respectfully yours in Christ,
The Pension Board

Matushka Mary Buletza Breton, Chair
Archpriest John Dresko
Archpriest Chad Hatfield
Archpriest Matthew Tate
Ms. Mary Ann Bobulsky
Mrs. Melanie Ringa

Department of Evangelization 2023 Mission Planting Grant Proposal

The purpose of the Mission Planting Grant is to provide a matching grant for a full-time salary for a mission priest. We believe that the Department of Evangelization Mission Planting Grant Program grant amounts are in need of revision. The current grant amounts were established in 2010. According to some measures, core US inflation averaged 2.33% per year between 2010 and 2022 (vs all-CPI inflation of 2.58%), for an inflation total of 31.83%

Additionally, the OCA Clergy Salary guidelines have also been updated. While it is impossible to determine which areas of the country will apply for the grant, we have chosen a reasonable increase on the previous amounts, which also includes consideration of the rising cost of healthcare for a family. According to some sources, The median household income in the United States has fluctuated since 1990, but rose to around 70,000 U.S. dollars in 2021. (Master's Degree household income averaged \$124,000 in 2021.) Taking into account a possible Masters degreed priest, the more modest number of \$80,000 per year for a full-time mission seemed appropriate.

Therefore, we are proposing the following changes for consideration.

Program Year	Current Grant	<i>2023 Proposed Grant</i>
Year 1	\$24,000	<i>\$40,000</i>
Year 2	\$20,000	<i>\$32,000</i>
Year 3	\$16,000	<i>\$24,000</i>

We are receiving anecdotal reports that many of our missions are receiving an unprecedented number of seekers, inquirers, and catechumens in the past six to nine months. While the pandemic created an unpredictable temporary cessation of many in-person services and activities, the creative work of our priests and lay workers in response has actually strengthened many of our missions.

We feel confident that, in 2023, our missions will continue to grow to the point where they will need full-time priests. Research shows that this is the most impactful way to grow our missions to maturity. Therefore, we hope to award the following grants in 2023:

2023 Mission Grants	Amounts Granted
TBD (Year 1 <i>proposed amount</i>)	\$40,000
St John the Merciful, Kissimmee FL (Year 3 <i>current amount</i>)	\$16,000
Archangel Gabriel, Azle TX (Year 3 <i>current amount</i>)	\$16,000
TOTAL	\$72,000

Respectfully submitted,

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

Report to the Metropolitan Council and the Holy Synod

Departments of the Orthodox Church in America

October, 2022

As a follow up to the comprehensive report presented to the 20th All-American Council, an opportunity was presented to the assembly to submit ideas for consideration for the ongoing work of the Departments. The following ideas, listed verbatim, were submitted by attendees and are being considered for for appropriateness, need, applicability, budget, and impact:

- Study Guide for Teenagers on Current Events
- Post marriage workbook
- Centralize am spanish language resources
- More marriages of faithful orthodox in america
- A comprehensive discussion regarding abortion with the medical and theological details
- Tool/guidance for parish outreach and service to the local community
- Audio prayer book using St. Tikhon's newest prayer book
- Octoechos translation, Matins
- A guide through contemporary religious surrounding.
- A standardized OCA summer camp application for all camps across the US (at least)
- Usable Sunday school material.
- Long-term mission success (when property purchase is not possible)
- Video resources to educate deacons on liturgical practice, especially hierarchical
- A manual/week of spiritual intensive training for those preparing to serve in the military.
- A church wide music program for our Orthodox youth
- A music curriculum (with textbook, audio, video, workbook, etc.) for Orthodox homeschoolers
- An opportunity to bring Orthodox youth together for fellowship and for outreach to troubled your where they can learn about Christ in a loving environment.
- A basic, well-edited Divine Liturgy in Spanish
- A class to help integrate newly-illuminated Orthodox converts into the life of their new parish.

Without going into an analysis of each one of the ideas, one notices a theme running through many of the ideas: responding to the **contemporary situation** of parishes and Orthodox Christians in the OCA and beyond. It is clear, then, that the paradigm of "departmental work" can no longer be "the way we always did it" or

“the way it used to be.” We are in a completely new time with new needs and this requires thoughtful and careful measures.

Given this, we should be more intentional about two aspects of this work: finding the appropriate persons with the talent, knowledge, desire, and contemporary perspective (that is, knowledge of technologies and presentation methods which are used today) and securing realistic funding through every means possible.

I would also like to emphasize that the resources produced by the departments needs a website (delivery system) that is worthy of the resources and be produced. New resources that are produced are often lost in the very large and aging oca.org site.

Because the comprehensive report delivered to the 20th All-American Council listed all of the work and planned work, I will simply summarize the current projects.

Department of Liturgical Music and Translations

- ONGOING: 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.
- ONGOING: Expansion of Thee/Thou music for the Ochtoechos and Menaion
- ONGOING: Creation of complete rubrical notes for upcoming Divine Services. The current focus is on the Saturday night/Sunday cycle, but plans include expanding to include other commonly served services for the Great and Vigil-ranked feasts.
- ONGOING: Posting of basic music for Matins and Vespers.
- ONGOING: Basic Sight-Singing and Ear-Training Course for choir directors and singers who may be unfamiliar with basic musical concepts. (*This is the third round for this popular program.*)
- ONGOING: Basic Conducting Course held online. This course was recently updated with new videos.
- *A very helpful meeting was held of all the leading musicians that attended the AAC to speak about how the Department operates, future plans, possibilities of working with other OCA insitutations, etc.*

Department of Evangelization

- ONGOING: Plans are currently underway for 2023. A separate proposal is being presented.
- PENDING: A new apologetics website (currently being named logikos.org) that 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 that 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.

Department of Youth, Young Adult, and Campus Ministry

- COMPLETE: Coordination and management of all youth activities of the 2022 All-American Council
- *Meetings have been held with youth leaders and representatives from across the OCA about the vision for a national Youth Director and the larger vision for youth work across the OCA.*

Department of Christian Education

- COMPLETE: Development of new six-lesson FOCUS units on the post-Resurrection/Acts of the Apostles work of the church.
- COMPLETE: Development of new Vacation Church School units that can also be used as stand-alone lessons.

Department of Continuing Education

- Searching for a new Project Lead to hold monthly webinars.
- *Discussions with closer cooperation with Office of Pastoral Life. Several discussions have been held.*

Department of Christian Service and Humanitarian Aid

- Need for re-envisioning of departmental work.

Inter-Departmental Catechism

- TEXT NOW UNDER REVIEW BY HOLY SYNOD: A 16-chapter/session Adult Catechism written collaboratively by outstanding authors and made freely available for parish use, including a catechist and catechumen manual, and a resource site to accompany the course. To be released by end of December 2022.

Archpriest Thomas Soroka
Project Manager

October 13, 2022.

Your Beatitude and esteemed members of Metropolitan Council,

Most blessed master, bless!

We have continued to gain ground in the communications work of the Orthodox Church in America. Working with the other Chancery staff, the website and social media channels are highlighting the work of Your Beatitude, the Holy Synod, and other work around the OCA with notable successes. We have a vibrant social media presence now, considering our limited resources, with daily posts on the OCA's Facebook, Twitter, Instagram, and Telegram accounts.

In the past three months we saw the following changes in our metrics:

Facebook: Engagement up 44.77%. Followers: 42.8k. Average new followers per day: 4.

Twitter: Engagement up 9.98%. Followers: 23.1k. Average new followers per day: 6.

Instagram: Engagement up 39.8%. Followers: 7.3k. Average new followers per day: 4.

Since the last report, the main focus of attention was the 20th All-American Council. Preparatory documents, reports, registration information, articles, and the Delegation Handbook were posted leading up to the Council. During the Council itself, the combined efforts and excellent teamwork of the Press Team ensured daily news releases and social media posts were prompt, timely, and effective. I am grateful for their hard work and the metrics speak for themselves: 9k post engagements from July 18-22 across our social media platforms (roughly triple). Engagement was led by the presence of quality images which attracted 66.04% of clicks, followed by video at 19.85%, and other links at 14.11%. For the same period, Facebook and Instagram report 240.8k impressions (people who saw the content but may or may not have engaged), roughly five times the average.

The posts and statements surrounding the Russian invasion of Ukraine also warrant special mention. Your Beatitude's statement on February 24, 2022 reached a Facebook audience of 39k, a jump of 627%. The response to the statement was very positive, gaining the OCA page 50 new likes that day, an increase of 1600%. The jump on Instagram was also excellent with an audience growth of 95.8% and 51 new followers, an increase of 628.6%. The same post on the website has 14,104 unique views, with other news items ranging around 1.5k-2.5k views. The Holy Synod's statement on Ukraine has 8,413 views and the Ukrainian Refugee collection has 7,422. Since the last report, these three are the top news items on the website totaling 29,939 unique views.

Other top posts include the news surrounding the repose of His Beatitude Metropolitan Herman, the Holy Synod's statement at the AAC on sexual identity, and Your Beatitude's May 25 statement on the tragic Uvalde shooting.

In the immediate coming weeks we will begin the annual Steward Sunday campaign to raise funds supporting the work of the Departments of the OCA. In November and December we will be highlighting the upcoming collection on behalf of the Diocese of Alaska as was announced at the AAC.

Finally, at the direction of the Chancellor, Fr Alexander Rentel, I have been taking the first tentative steps with Fr Alessandro Margheritino toward a redesign of the OCA website. The current website has a number of issues. The most pressing ones are the dated design and the difficulty for users to navigate the site. New sections of the website were added on an ad hoc basis and, over time, this has made it challenging to find what one is looking for. The current design is a “digital newspaper” setup and presents a stale, mid-2000s, online aesthetic.

We are looking to refresh and streamline the website design to bring it in line with modern user expectations. To tidy up our cluttered setup we are exploring setting up sub-domains for the OCA Departments. For the Departments, these new sub-domains will allow them to properly showcase their work and manage their own resources, such as downloads or calendars. For the Chancery, we will then be able to focus on the work of the OCA at the executive level and simplify our website contents to items such as official statements, policy and legal documents, and directories.

Thank you for your continued support.

Yours in Christ,

Priest Kyle Parrott