

Metropolitan Council Meeting
Spring 2020
Reports



**Meeting of the Metropolitan Council
February 5 to February 6, 2020
Reports**

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SCHEDULE
and
AGENDA ITEMS
WINTER MEETING OF THE METROPOLITAN COUNCIL
February 4-7, 2020

Unless otherwise indicated, housing, meals, and meetings will be held at the Immaculate Conception Seminary (ICS), 440 W. Neck Road, Huntington, NY 11743 (about 15 minutes east of the Chancery). Phone: (631)423-0483.

Schedule

Tuesday, February 4

All Day: Arrivals (please coordinate with Chancery Staff)

Wednesday, February 5 – ICS and OCA Chancery

7:30a: Shared rides *from* ICS *to* OCA Chancery

8:00a: Divine Liturgy at St. Sergius Chapel

9:30a: Breakfast at OCA Chancery

10:30a: Shared rides *from* OCA Chancery *to* ICS

11:00a: Session I

12:30p: Lunch

1:30p: Session II

3:15p: Break

3:30p Session III

5:30p Dinner

6:30p: New Member Orientation and Committee Meetings

7:30p: Reception

Thursday, February 6 – ICS

8:00a: Breakfast

9:00a: Session IV

10:30a: Break

10:45a: Session V

12:30p: Lunch

1:30p: Session VI

3:15p: Break

3:30p: Session VII

5:30p: Dinner

Departures (please coordinate with Chancery Staff)

Friday, February 7

Morning: Departures (please coordinate with Chancery Staff)

Agenda

Wednesday, February 5

1. First Session (11:00a-12:30p)

Preliminary Matters:

Call to Order

Review of Agenda

Roll Call

Approval of Minutes of the Fall 2019 Meeting

Metropolitan's Report

All-American Council Update – *Dn. Peter Ilchuk*

2. Second Session (1:30-3:15p)

Youth Report – *Mr. Steven Christoforou and Mr. Dimitrios Rentel*

3. Third Session (3:30-5:30p)

Internal Governance

Legal Committee Report

ORSMA

Thursday, February 6 Sixth (1:30-3:15p), and Seventh (3:30-5:30p)

4. Fourth Session (9:00-10:30a)

Chancellor's Report

Offices, Initiatives, and Department Updates (Missions, Music, Stewards, Catechism Project, TiM)

External Affairs Report

5. Fifth Session (10:45a-12:30p)

Chancery Location – *Christopher Lewis will facilitate the discussion*

6. Sixth Session (1:30-3:15p)

Anniversary Celebration

Pension Board

Treasurer's Report

7. Seventh Session (3:30-5:30p)

HR Update

Scheduling for Future Meetings



**MINUTES
of the Joint Meeting of the Standing Synod
and the 2019 Fall Session of
the Metropolitan Council**

**Wednesday, September 18 – Thursday, September 19, 2019
Immaculate Conception Seminary, Huntington, NY**

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

PARTICIPANTS

STANDING SYNOD

His Beatitude, Metropolitan Tikhon (*Thursday only*)
His Eminence, Archbishop Benjamin

His Eminence, Archbishop Irénée
His Eminence, Archbishop Michael (*Thursday only*)

METROPOLITAN COUNCIL

CHURCH OFFICERS

Archpriest Alexander Rentel, *Chancellor*

Andrew Smith, *Treasurer*

MEMBERS ELECTED BY THE ALL-AMERICAN COUNCIL

Archpriest Antonio Perdomo
Archpriest Thomas Moore
Archpriest Kirill Sokolov

Lynnell Brunswig
Mark Linnehan

DIOCESAN REPRESENTATIVES

Diocese of Alaska

Archpriest David Askoak

Albanian Archdiocese

Archpriest Dennis Rhodes (*except Thursday
afternoon*)

Donna Dimitri

Bulgarian Diocese

Priest Gabriel Bilas

Bogdan Popescu

Archdiocese of Canada

Protodeacon Jesse Isaac

Mark Petasky

Diocese of Eastern Pennsylvania

Archpriest Timothy Hojnicky

Sharon Shingara

Diocese of the Midwest

Archpriest Alexander Garklavs

Robert Graban

Diocese of New England

Priest Theophan Whitfield

Michael Danchak

Diocese of New York/New Jersey

Archimandrite Joseph (Hoffman)

James P. Kornafel

Diocese of the South

Archpriest Joseph Ciarciaglino

Christopher Lewis

Archdiocese of Washington

Gregory Honshul

Diocese of the West

Archpriest John Dresko

David Lane, Esq.

Diocese of Western Pennsylvania

Priest Nikolai Breckenridge

Ray Steeb

ABSENT

Archpriest Valery Shemchuk (*Archdiocese of Washington*)

Dorothy Chaney (*Diocese of Alaska*)

Katherine Vitko (*Member elected by the All-American Council*)

GUESTS (*for all sessions unless otherwise indicated*)

Archimandrite Alexis (Trader), (*Chairman, Department of Pastoral Life - Wednesday*)

Protopresbyter Leonid Kishkovsky (*Director of External Affairs and Interchurch Relations*

- Thursday afternoon)

Archpriest John Schroedel, (*Technical Manager - Wednesday afternoon, by phone*)

Priest Gleb McFatter (*Chairman, OCA Pension Board - Wednesday afternoon*)

Archdeacon Joseph Matusiak (*Secretary to the Metropolitan & Director, Stewards of the OCA – Thursday*)

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

Alexis Liberovsky (*Recording Secretary*)

Barry Migyanko (*staff*)

Dimitrios Rentel (*Youth Project coordinator – Thursday afternoon, by phone*)

Michael Stieglitz (*Acting Administrator, OCA Pension Plan - Wednesday afternoon*)

John Thetford (*staff - except Wednesday afternoon*)

Susan Wisnewski (*Accounting Manager - Wednesday & Thursday afternoons*)

WEDNESDAY, SEPTEMBER 18, 2019

A. Call to Order (attached)

Following the celebration of a Divine Liturgy at Saint Sergius Chapel at 8:00 AM, the morning session was opened with prayer at 11:03 AM. Due to absence of His Beatitude, Metropolitan Tikhon, the day's sessions were chaired by His Eminence, Archbishop Benjamin, who read the attached Statement Regarding Metropolitan's Absence.

B. Agenda: Introduction (attached)

Father Alexander Rentel introduced the agenda for the meeting, indicating minor changes in sequence of items. The revised agenda was approved by consensus.

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

Father Rentel then conducted the roll call, announced guests who would be present at various points during this meeting (see participants list), and noted the absence of several members. He requested approval of Alexis Liberovsky as recording secretary for the meeting, which was accepted without objection. Father Rentel then presented for approval the attached draft minutes of the previous regular meeting of the Metropolitan Council on February 13-15, 2019 and the special meeting on April 18, 2019 for the sole purpose of endorsing Andrew D. Smith as Treasurer of the Orthodox Church in America, which was conducted via teleconference. After corrections in the list of participants for the meeting on April 18, 2019, the minutes of both meetings were approved by consensus.

D. Welcome

Archbishop Benjamin welcomed the members of the Metropolitan Council present and noted that it is a time of mourning for the Church due to the recent repose of Archbishop Nikon as well as Archpriests Steven Belonick and John Matusiak, whose ministries had a church-wide significance. Memory Eternal was sung for these newly-departed clergy. He extended a particular welcome to the new members of the Metropolitan Council.

E. Chancellor's Report (attached)

Father Alexander Rentel presented the attached Chancellor's report. In addition to the activities of the Chancellor and an overview of the work of the chancery, the report also presented the current work of SMPAC and ORSMA and the progress of efforts in chancery restructuring. Questions and discussion followed.

E.1. Department of Pastoral Life (attached)

Archimandrite Alexis (Trader), new Chairman of the Department of Pastoral Life, presented the attached report on revitalizing the Department's work, outlined recent activities, and projected undertakings. Questions and discussion followed.

F. Internal Governance Committee (attached)

Archpriest Kirill Sokolov, Chairman of the Metropolitan Council's Internal Governance Committee, presented the attached report, which outlined its work in revising Council Member's Handbook and the committee structure of the Council.

Following a recess for lunch at 12:27 PM, the afternoon session was called to order at 1:32 PM.

Fr. Sokolov further elaborated on the Committee's report and proposed the following resolutions.

F.1. MOTION SOKOLOV/DIMITRI - As recommended by the Internal Governance Committee, that the Ethics Committee and Human Resources Committee be merged and reconstituted as the "Human Resources & Ethics Committee" with its Charter/Job Description being as presented in the September 18, 2019 draft of the Handbook. CARRIED.

F.2. MOTION SOKOLOV/DANCHAK - As recommended by the Internal Governance Committee, that the "Financial Development Committee" be removed from the Council Member's Handbook list of committees and that the Finance and Investment Committee's Charter/Job Description be revised as presented in the September 18, 2019 draft of the Handbook. Namely, that the following provision be added: "Receive reports from the Stewards of the OCA (SOCA) and present appropriate recommendations for

action concerning the Church’s fund-raising policies and activities to the Metropolitan Council.” CARRIED.

In discussion of the following motion, an amendment was proposed and defeated. The original motion with the insertion of the words “discretionary line item” replacing “discretionary fund” was then approved as follows.

F.3. MOTION SOKOLOV/HOFFMAN - As recommended by the Internal Governance Committee, that the Charity Committee be dissolved as a standing committee and that in its place a discretionary line item (in the amount budgeted for the previously existing Charity Committee) be established for the use of His Beatitude, Metropolitan Tikhon. This discretionary line item shall be subject to yearly audit by the Audit Committee and external auditors. Guidelines for the handling of the discretionary line item shall be drafted, reviewed and approved by the Metropolitan Council. CARRIED with 1 opposed (Ciarciaglino).

F.4. MOTION SOKOLOV/DRESKO - As recommended by the Internal Governance Committee, to create a “Technology Committee” of the Metropolitan Council with a Charter as presented in the September 18, 2019 draft of the Handbook. The Technology Committee will be empowered to invite subject experts to serve as advising members of the Committee. CARRIED.

F.5. MOTION SOKOLOV/POPESCU - As recommended by the Internal Governance Committee, to create a “Properties Committee” of the Metropolitan Council with a Charter as presented in the September 18, 2019 draft of the Handbook. The Properties Committee will be empowered to invite subject experts to serve as advising members of the Committee. CARRIED.

G. Legal matters (attached)

G.1. MOTION DRESKO/BRECKENRIDGE – To move into executive session. CARRIED.

In executive session, David Lane, Legal Committee Chairman, and Judge E.R. Lanier, OCA General Counsel, presented confidential aspects on a variety of current and potential legal issues. Discussion ensued.

G.2. MOTION DRESKO/GRABAN – To move out of executive session. CARRIED.

Following a short recess at 2:37 PM, the session resumed at 2:47 PM.

H. Treasurer’s Report (attached)

Andrew Smith, new OCA Treasurer, highlighted his first report to the Metropolitan Council. He thanked former Treasurer, Melanie Ringa, and Accounting Manager, Susan Wisnewski, for their assistance during his transition into the responsibilities of Treasurer. In the course of his report, he proposed the following resolutions.

H.1. MOTION SMITH/RHODES - To designate \$21,000 of Fr. Alexander Rentel’s salary as housing allowance for 2019 and following years. CARRIED.

H.2. MOTION SMITH/DIMITRI - To adopt a spending rate of 3% of the prior year-end value of endowments, not to override any purpose restriction or earnings-type restriction that applies to any endowed fund. CARRIED.

H.3. MOTION SMITH/DRESKO - To adopt the proposed Memorandum of Understanding between the OCA Chancery and the OCA Pension Board. CARRIED.

H.4. MOTION SMITH/RHODES - To approve a plan to migrate from Blackbaud to QuickBooks using Techsoup (available to not-for-profits). CARRIED.

Discussion and questions on numerous financial issues followed. Susan Wisnewski, Accounting Manager, who manages daily financial operations of the OCA, provided additional clarification on some issues. Mr. Smith indicated that the 2020 budget would be presented for approval at the end of the meeting as some decisions by the Council during the meeting could alter the budget. He outlined ongoing efforts in chancery restructuring, welcomed new staff members and thanked remaining and outgoing staff.

J. Information Technology report (attached)

Archpriest John Schroedel presented the attached report by video conference call. In particular, he provided website traffic statistics and answered questions from Council members.

I. Pension Board Report (attached)

Priest Gleb McFatter, Chairman of the OCA Pension Board and Michael Stieglitz, Acting Administrator of the OCA Pension Plan, presented the attached report on the current status of the Pension Plan and answered questions.

K. 20th All-American Council (attached)

Father Alexander Rentel presented the attached report from Deacon Peter Ilchuk, Council Manager, on initial preparations being undertaken for the 20th All-American Council scheduled to be convened in Baltimore in July 2021. He noted that the first meeting of the Preconciliar Commission would be taking place at the Council site the following week. Extensive discussion on various aspects of the All-American Council took place.

The day's sessions were adjourned with prayer at 4:30 PM.

After dinner, orientation for new Council members conducted by David Lane and Judge E.R. Lanier took place.

THURSDAY, SEPTEMBER 19, 2019

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

L. Metropolitan's Report

Metropolitan Tikhon presented an oral report. He apologized for not being present the previous day due to participation in a meeting of the Executive Committee of the Assembly of Bishops together with Archbishop Michael. He thanked Archbishop Benjamin and Fr. Alexander Rentel for facilitating the sessions of the previous day. He expressed grief at the repose of Archbishop Nikon as well as Fathers Belonick and Matusiak. He welcomed new members of the Council. He indicated approval of decisions by the Council during the previous day's sessions. He provided an update on chancery restructuring and welcomed new staff members. He lauded the individual work and talents of current chancery staff members and those who have recently left the staff. He provided an overview of his activities in relations with other churches, particularly the Ecumenical Patriarchate and the Greek Archdiocese of America. He stressed that there are no plans for the Orthodox Church in America to give up her autocephaly. His Beatitude then answered questions from Council members.

Following a short recess at 10:31 AM, the session resumed at 10:47 AM.

Father Alexander Rentel announced that an email vote would be conducted concerning mission planting grants. He also indicated that Council members should sign up for committee membership with Fr. Kirill Sokolov.

M. Location Committee

Father Alexander Rentel presented an oral report on future location of the Metropolitan's residence and chancery. He indicated that the locations committee would soon begin its work. He noted that all options are being considered, including the possibility of staying at the current location. However, changes and improvements will have to take place, as the status quo on many levels cannot continue. Judge Lanier stated that there are no legal obstacles to redomesticating the OCA corporation in another state nor any impediments to the possible sale of Westwood (the current chancery property). Andrew Smith reported on the zoning status of Westwood and indicated that an appraisal would be done soon. Various factors pertaining to chancery location and the residence of the Metropolitan within his own diocese were discussed. It was stated that Westwood's basement could never be made fully adequate for housing the OCA Archives. Various factors concerning relocation of the OCA Archives were discussed. It was suggested that a visionary approach is needed for decisions on the future location of the chancery.

N. Archives Restoration (attached)

Alexis Liberovsky, OCA Archivist, presented the attached progress report on media digitization now being done in the OCA Archives, with funding provided by a grant. He answered questions pertaining to the digitization project and other archival issues.

R. 50th Anniversary Committee

Archbishop Benjamin gave an oral report with updated plans for various events in conjunction with the upcoming 50th anniversaries of the granting of autocephaly and the glorification of Saint Herman of Alaska, particularly several pilgrimages to Alaska as well as projected publications. Questions and discussion ensued.

P. Stewards of the OCA (attached)

Archdeacon Joseph Matusiak, Director of the Stewards of the Orthodox Church in America (SOCA), presented the attached report highlighting ongoing fundraising efforts to support the work of OCA Departments. He additionally spoke of the book in preparation for the 50th anniversary of autocephaly.

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

Q. External Affairs Report

Father Leonid Kishkovsky, Director of External Affairs and Interchurch Relations, delivered an oral report covering OCA relations with other Orthodox Churches and involvement in ecumenical organizations. He also highlighted recent significant events in Orthodoxy worldwide as well as his own participation in several ecumenical meetings both abroad and in the US. Questions and discussion followed.

O. Youth Project (attached)

Dimitrios Rentel, youth project coordinator, presented by video conference call the attached report concerning his travels this summer and preparation of a survey to determine the scope of OCA Youth Ministry in the future. He provide some preliminary results of the survey and indicated that, after full analysis, complete results would be presented to the next meeting of the Metropolitan Council.

Following a short recess at 2:46 PM, the session resumed at 3:01 PM.

S. Presentation of 2020 Budget (attached)

Andrew Smith presented the 2020 OCA budget included in the Treasurer's Report and proposed the following resolutions, which were adopted after discussion.

- S.1. MOTION DRESKO/BILAS – In accordance with the motion adopted the previous day that applies a spending rate of 3% of the prior year-end value of endowments, to apply this spending rate to the Mission Fund, which is an endowed fund. CARRIED.**
- S.2. MOTION SMITH/LEWIS - To adopt the 2020 budget as presented while combining line 10 (release from restriction - restricted funds) with line 9 (release from restriction - endowment). CARRIED.**

V. Meeting Dates in 2020

Council members agreed to proposed dates for meetings of the Metropolitan Council in 2020. The meetings were scheduled for February 5-6 and September 16-17.

T. Open Discussion

A wide variety of current issues affecting the life of the Church was discussed, with a significant focus on theological education and the status of OCA seminaries.

W. Adjournment

- W.1 MOTION SOKOLOV/CIARCIAGLINO – To adjourn the meeting. CARRIED.**

The meeting was adjourned with prayer at 4:44 PM.

Respectfully submitted,

Alexis Liberovsky,
Recording Secretary

Metropolitan Council

As of December 5, 2019

His Beatitude Metropolitan Tikhon
Archbishop of Washington and Metropolitan of All America and Canada
6850 North Hempstead Turnpike
Syosset, NY 11791
(516)922-0550
Email: metropolitan@oca.org

Officers of the Orthodox Church in America

Archpriest Alexander Rentel (Chancellor)
561 Scarsdale Road
Tuckahoe, NY 10707-1659

Home: 914-771-6252
Email: arentel@oca.org

OPEN (Secretary)

Andrew Smith (Treasurer)
4810 Landrum Dr
Columbia SC 29206-1231

Home: 828-638-0077
Email: asmith@oca.org

Members elected by All-American Council

Members elected at 18th AAC for Six-Year Term

Archpriest Antonio Perdomo
520 West Rosemary Avenue
Pharr, TX 78577-0667

Cell: 956-358-8875
Work: 956-781-6114
Email: padreantoniop@att.net

Katherine Vitko
6220 Loch Raven Drive
McLean, VA 22101-3133

Home: 925-667-6451
Email: kittyv70@gmail.com

Members elected at 19th AAC for Three-Year Term

Archpriest Thomas Moore
634 Wren Road
Lexington, SC 29073-9106

Cell: 803-318-6093
Church: 803-926-8744
Email: frthomas@holypostles.org

M. Lynnell Brunswig
1002 9th Ave SE Apt E102
Puyallup WA 98372-5726

Cell: 360-480-2818
Email: mlbrunswig@gmail.com

Members elected at 19th AAC for Three-Year Term	
<p>Archpriest Kirill Sokolov 1520 Green Street San Francisco, CA 94123-5102</p> <p>Church: 415-673-8565 Cell: 415-300-0106 Email: frkirill@holy-trinity.org</p>	<p>Mark Linnehan 81 Linda Drive Mechanicsburg, PA 17050-1517</p> <p>Home: 717-730-3733 Email: mark@linnehan.net</p>
Alternates elected at 19th AAC for Three-Year Term	
<p>Archpriest David Rucker 414 Mission Road Kodiak, AK 99615-6329</p> <p>Cell: 904-599-5812 Email: frdavid@ocmc.org</p>	<p>Michael Thompson 2622 DePaul Drive Vienna, VA 22180-7052</p> <p>Home: 703-204-9092 Email: dunaad@msn.com</p>
Members Elected by Diocese	
Diocese of Alaska	
<p>Archpriest David Askoak PO Box 225 Iliamna AK 99606-0225</p> <p>Cell: 907-571-7011 Email: vrevdavid@gmail.com</p>	<p>Dorothy Chaney PO Box 6143 Napaskiak, AK 99559-6143</p> <p>Cell: 907-737-2462 Email: dorothychaney@hotmail.com</p>
Albanian Archdiocese	
<p>Archpriest Dennis Rhodes 48 North School Lane Souderton, PA 18964-1100</p> <p>Cell: 203-598-4678 Email: dennism648@hotmail.com</p>	<p>Donna Dimitri 1901 Beverly Road Burlington, NJ 08016-1114</p> <p>Cell: 609-685-1651 Email: donnadimitri@gmail.com</p>
Bulgarian Diocese	
<p>Priest Gabriel Bilas 2439 S. Long Lake Road Fenton, MI 48430-1461</p> <p>Cell: 330-285-1740 Email: frgabrielmm@gmail.com</p>	<p>Bogdan Popescu 11684 Ventura Blvd, #612 Studio City, CA 91604</p> <p>Cell: 310-954-6234 Email: raycnewman@sbcglobal.net</p>
Archdiocese of Canada	

<p>Protodeacon Jesse Isaac 7240 190 Street Edmonton, AB T5T 5W5 Canada</p> <p>Home: 780-668-0881 Email: jesseisaac@gmail.com</p>	<p>Mark Petasky 110, 53226 Range Road 261 Spruce Grove, AB T7Y 1A3 Canada</p> <p>Home: 780-218-8713 Email: mpetasky@gmail.com</p>
Diocese of Eastern Pennsylvania	
<p>Archpriest Timothy Hojnicky 624 Allenvue Drive Mechanicsburg, PA 17055-6181</p> <p>Cell: 717-645-5281 Email: thoj@hotmail.com</p>	<p>Sharon (Xenia) Shingara 305 Riverview Terrace Dauphin, PA 17018-9597</p> <p>Home: 717-921-2879 Cell: 717-649-8443 Email: sharonshingara@gmail.com</p>
Diocese of Midwest	
<p>Archpriest Elijah Mueller 6105 S Woodlawn Ave Apt 3S Chicago, IL 60637-2848</p> <p>Cell: 312-714-9775 Email: ElijahNMueller@sbcglobal.net</p>	<p>Robert Graban 29541 Oakview Street Livonia, MI 48154-4463</p> <p>Cell: 313-702-1300 Email: RGraban@gmail.com</p>
Diocese of New England	
<p>Archpriest Theophan Whitfield 64 Forrester St Salem MA 01970-4038</p> <p>Cell: 978-530-6010 Home: 978-744-5869 Email: fr.theophan.whitfield@gmail.com</p>	<p>Michael M. Danchak 339 Oxbow Road Durham, CT 06422-1814</p> <p>Home: 860-346-6957 Email: mmdanchak@comcast.net</p>
Diocese of New York and New Jersey	
<p>Archimandrite Joseph (Hoffman) PO Box 759 Pearl River, NJ 10965-0759</p> <p>Office: 845-548-3170 Email: fr.joseph@holytransf.org</p>	<p>James P. Kornafel 16 Schaeffer Lane Freehold, NJ 07728-2809</p> <p>Cell: 732-740-1308 Home: 732-462-3388 Email: jimmyk@optonline.net</p>
Romanian Archdiocese	
Open	Open
Diocese of South	

<p>Priest Joseph Ciarciaglino 3025 Geiger Court Clearwater, FL 33761-2005</p> <p>Cell: 727-692-7195 Email: jjciar@hotmail.com</p>	<p>Christopher Lewis 520 West Atlanta Street Marietta, GA 30060- 2262</p> <p>Cell: 678-294-9198 Email: reachchrislewis@gmail.com</p>
Archdiocese of Washington	
<p>Priest Valery Shemchuk 46174 Chester Terrace Sterling, VA 20165-8734</p> <p>Home: 202-573-7778 Email: priestvalery@stnicholasdc.org</p>	<p>Gregory Honshul 19285 Loudoun Orchard Road Leesburg VA 20175-6801</p> <p>Home: 703-771-2596 Cell: 703-447-4711 Email: ghonshul@gmail.com</p>
Diocese of West	
<p>Archpriest K Michael Anderson 1012 Wagoner Dr Livermore CA 94550-5438</p> <p>Cell: 510-333-8814 Email: FrMichaelA@comcast.net</p>	<p>David R. Lane, Esq 1258 Commons Drive Sacramento, CA 95825-7025</p> <p>Home: 916-925-7916 Cell: 530-632-9423 Email: drlane@yubasutterlaw.com</p>
Diocese of Western Pennsylvania	
<p>Priest Nikolai Breckenridge 150 Elmtree Road New Kensington, PA 15068-4636</p> <p>Cell: 570-604-4277 Home: 724-337-8162 Email: nikolai.breckenridge@gmail.com</p>	<p>Ray (Skip) Steeb 10185 Woodbury Drive Wexford, PA 15090-9581</p> <p>Cell: 412-389-5684 Email: ray@mycci.net</p>
<p>Committee Codes: FI = Finance and Investment HR = Ethics and Human Resources IG = Internal Governance</p>	<p>LE = Legal PR = Property TH = Technology</p> <p>Bold/Italic = chairperson</p>

Council Manager's Report for the 20th All American Council

Metropolitan Council Spring 2020

Deacon Peter Ilchuk

Introduction

As was reported previously, the 20th All American Council will take place at the Hilton Baltimore Inner Harbor, Monday July 26th – Friday July 31st, 2021. As has been endorsed and approved by the Holy Synod the theme of the Council will be “Hope in an Age of Despair.” The Preconciliar Commission (PCC) has met and has begun its work on the development of the overall council agenda and the various workshops and events that will take place throughout the week in relation to the council theme.

Communication with the hotel is constantly on going, working through some of the details of the council as they develop, and so far the hotel has been very accommodating and is excited to make our council a success.

Hotel reservations will officially open in January of 2021 in conjunction with Council Registration. The cut-off date for hotel and council registration will be determined at a later date by the PCC.

The FOCA will once again hold its national convention in conjunction with the All American Council. This 95th National Convention is scheduled to take place at the hotel from Friday, July 23rd to Monday, July 26th 2021. More information will be forthcoming after the conclusion of the 94th National Convention which will take place this July in Minneapolis, MN.

Preconciliar Commission

The PCC had its first meeting on Monday, September 23rd, 2019 at the Hilton and was able to tour the site of the Council. His Beatitude, Metropolitan Tikhon, chaired the meeting. Participants included Archpriest Alexander Rentel, OCA Chancellor; Archpriest Theodore Boback, Local Committee clergy co-chair; Lisa Mikhalevsky, Local Committee lay co-chair; Rebecca Tesar, representing the Fellowship of Orthodox Christians in America.

The PCC members toured the hotel, reviewed the AAC planning process, and the planning timeline. The members reviewed a draft plenary session schedule, discussed the theme, reviewed major agenda items, the youth program, and a preliminary overall AAC agenda.

Archpriest David Subu has been endorsed by the PCC and his hierarch as the director of the Council Youth Program. Fr. David has begun to review previous council programs, recruit staff and volunteers, and has been in communication with the previous program director to address any questions or issues. The program will begin to develop over the next several months and we will be able to provide an update on their progress this coming fall.

Updates

Some of the major vendor contracts have been reviewed and signed and others continue be researched and negotiated to remain within our overall budget.

The council registration and credential process will also be reviewed and updated over the next several months. As new officers and staff members have joined the chancery, they have been briefed on the All American Council and the planning that is involved.

Local Committee

The Local Committee also held its first organizational meeting last October at St. Matthews Orthodox Church in Columbia, MD. Over 25 faithful from throughout the archdiocese participated in this informational meeting. The role of this crucial committee was thoroughly reviewed and the importance of it in the successful organization and operation of the council was explicitly communicated.

As of this report, the majority of the chairpersons have been appointed to the various subcommittees. Close communication will be kept with these chairpersons in the coming months to develop their subcommittees, review their roles, and make sure we remain on schedule for planning purposes.

Conclusion

Thus far the planning process is right on track. Things are progressing as they should and over the next few months will pick up as we draw closer to the one year out mark.

The next PCC meeting is tentatively scheduled to take place at the beginning of May after the conclusion of the Spring Session of the Holy Synod Meeting. The local committee will also have its next meeting in the coming months as we move closer towards the Council.

As always, please feel free to reach out with any questions, comment, or concerns.

Email: pilchuk@oca.org; call/text: 516-815-8890

Asking your continued prayers,

Deacon Peter Ilchuk

Council Manager

Report of OCA Catechism Project

February 3, 2020

1. **Project Background:** This project will create adult catechetical materials for use in parishes which seek a reliable, thoroughly Orthodox, turnkey solution utilizing up to sixteen one-hour lessons. This will be especially useful for instructing candidates who are seeking to enter the Orthodox Faith via baptism and/or Chrismation as well as presenting basic Christian doctrine and practice to current Orthodox Christians who may lack a fundamental understanding of the Faith.
2. **Project Scope:** The approximately year-long project will be overseen by the Holy Synod of Bishops, moderated by an appointed Episcopal moderator, and bring together experienced clergy, theologians, and Christian educators from across North America (ideally, but not limited to, the departments of OCA) who will serve as subject-matter experts in a collaborative effort to create an adult catechetical journey to be used in parishes, especially those which may have limited resources.
3. **Deliverables:** The catechetical program will include the following:
 - A printable leader's guide, complete with notes, explanations, exercise directions, and resources for further study
 - A printable participant guide with up to 16 lessons for study
 - PowerPoint slide presentations with notes
 - Website with links to audio and video resources
4. **Project Team:** *(members were chosen in consultation with Fr Alexander Rentel)*

Fr Thomas Soroka, <i>Project Lead</i>	Fr Lawrence Margitich
Fr John Cox	Fr Jacob Van Sickle
Fr Innocent Dresdow	Deborah Burgess
Fr Lawrence Farley	Dr Edith Humphrey
Fr Justin Frederick	Lessane (John) Katema
Fr Stephen Freeman	Dr Kristie Mertz
Fr Daniel Greeson	Robert Terry
Fr John Kotalik	Brian Van Sickle
Fr Joseph Lucas	Bert (Athanasius) Walther

**The project work will be overseen by an Episcopal Moderator and the Project Lead reports to Fr Alexander Rentel.*
5. **Current Status:** The project team has met in two video conferences to date (December 19/20, 2019 and January 21/22, 2020). Each video conference is held twice, to give each member an opportunity to participate at a time which works for their schedule.

The first set of meetings was an introduction to the project, outlining the purpose, deliverables, timeline, participation requirements, and to allow the members time to introduce themselves and share their experience and views on catechising adult catechumens. This also gave the Project Lead an opportunity to learn about the particular interests, experience, and strengths of the team members. After this meeting team members were encouraged to submit any existing catechetical programs and plans as well as thoughts about must-have features of the final Catechism product.

The second set of meetings was a review of submitted plans and a discussion about the possible overall approach the Catechism would take, and with that, topics that would be addressed. Feedback about strengths and weaknesses of each approach was encouraged and noted.

Next steps for February include the Project Lead making a determination with a subset of the team to determine a viable overall framework and approach for the Catechism. Once this step has been completed, topic leads will be chosen for each chapter to begin an alpha version of an outline and a very high level version of the text.

This work will continue to build through June 2020 and culminate in an in-person gathering of the team members for an intensive five-day writing and development session to complete a beta version of the Catechism. The dates in July 2020 and the location are TBD. We are working with team members to determine the most cost-effective solution for this essential step.

6. Remaining Project Timeline *(some flexibility is built into it)*

February 28 - Topic Outlines due

March 27 - First pass high level text due

June 9 - Alpha text finalized

Week of July 13 - Site meeting to create Beta text

August 17 - Continued revision of text

October 19-November 6 - Holy Synod Final Review

Week of November 9 - Complete Edits from Holy Synod

December 13 - Release Catechism

Respectfully submitted,

Fr Thomas Soroka
Project Lead

Stewards of the Orthodox Church in America
Metropolitan Council Winter 2020
REPORT

Where we stand: As of today total donations received for 2020: \$3,254. Total donations for 2019: \$76,728.00. When I reported to the Metropolitan Council in October 2019 our total donations to date were: \$21,195.00. \$55,533 was raised between October and the end of December.

What we did: (Appeal) STEWARD SUNDAY APPEAL was Sunday October 27. Using social media, direct mail / email and web content we were able to highlight the work of the Departments of Youth, Music and Evangelism. While we did not deploy as many posts and direct emails as I would have liked, our work was successful in two important ways: 1. The goal for 2019 was met; 2: the last Sunday of October has become more established and known within our parishes as Steward Sunday.

What we didn't do: In October I reported that part of the appeal plan was to engage the membership of FOCA by sending a letter from His Beatitude, cosigned by Ms Allison Steffaro (FOCA President), and Fr Nicholas Wyslutsky (FOCA Spiritual Advisor) to all FOCA Chapters, if not members themselves, asking them to serve as "ambassadors" for the appeal in their respective parishes. I believe this can be a very effective strategy to grow the Stewards base of support in the parishes.

I had hoped to engage in December LYBUNT (last year but not this year) donors, as well as monthly sustaining donors. For the former I wanted to send a solicitation letter, and for the latter I wanted to send a thank you and a challenge to increase the monthly donation in 2020. At present our technology makes it challenging to easily access this information, and in the crunch of many year-end matters I was not able to accomplish this.

What we plan: Steward Sunday 2020 is Sunday October 25. During the first two quarters of 2020 I want to focus on engaging those donating on a monthly basis with the hopes of increasing their donation amount. I want to also focus on LYBUNTs and SYBUNTs (some years but unfortunately not this year), as well as engaging FOCA. I also want to attempt to focus on engaging a few major donors who have the capacity to fund projects and larger institutional goals.

Thriving in Ministry

Peer Learning for Orthodox Priests and Wives

www.thrivingorthodox.org

1. Parish Ministry, Sacred but Unpredictable

- Job satisfaction = highest
- 87% “Very Satisfied”
- Satisfaction tied to sense of calling (God’s work)



- But, involves 21 tasks and 36 skill sets! 😊
- Wide-ranging, relentless task-switching

2. Sacred and Unpredictable? Uh oh ...

- Default: everything is equally important
- Hours worked, not the problem.
- Problem = sense of not doing enough, and no break.
- Hauerwas, the unprepared pastor become “a mass of quivering availability” and feels “nibbled to death by ducks”



3. Thriving Pastors

... Hold in balance parish ministry as sacred & unpredictable
(... Put the nibbling ducks in a row.)

Their ministry includes ...

- Relationships with peers
 - Sharing wisdom, improving craft of ministry
- Resilient orientation to calling
 - Christ's work, not mine
- Boundaries, personal and professional
 - "God will save the world without you having to run yourself into the ground."
- Healthy Behaviors
 - Accountability to others

4. But Thriving Pastors are Not the Norm ...

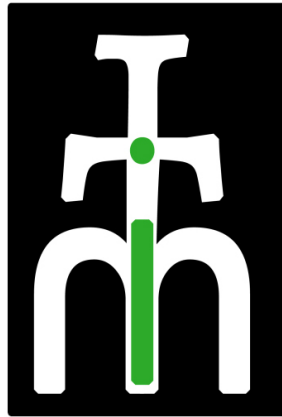
- Orthodox priests (Krindatch, 2006)
 - Isolation and social loneliness as a “great problem.”
 - Also: being underpaid/overworked, balancing parish/personal priorities, lacking opportunities for growth.
- Clergy wives (Heise, 2018)
 - Clergy family life is very rewarding but
 - ... isolation (and finances).
 - Friendships outside the parish, most imp. support but ...
 - ... 60%, no adequate opportunities to gather

To help create Thriving Pastors ...

5. OCA's "Thriving in Ministry" Program (TIM)

- Opportunity to grow as priests, clergy wives
- Protect/nurture parish ministry & clergy family health
- 5-year grant (<\$500,000) from the Lilly Endowment to establish "Peer Learning Groups" (OCA's Dept Pastoral Life)
- Build: trusted relationships, new skills, greater resilience

... an introduction from our Director



THRIVING —
— **in Ministry**

PEER LEARNING SUPPORT FOR
ORTHODOX CLERGY AND CLERGY WIVES

(Click)

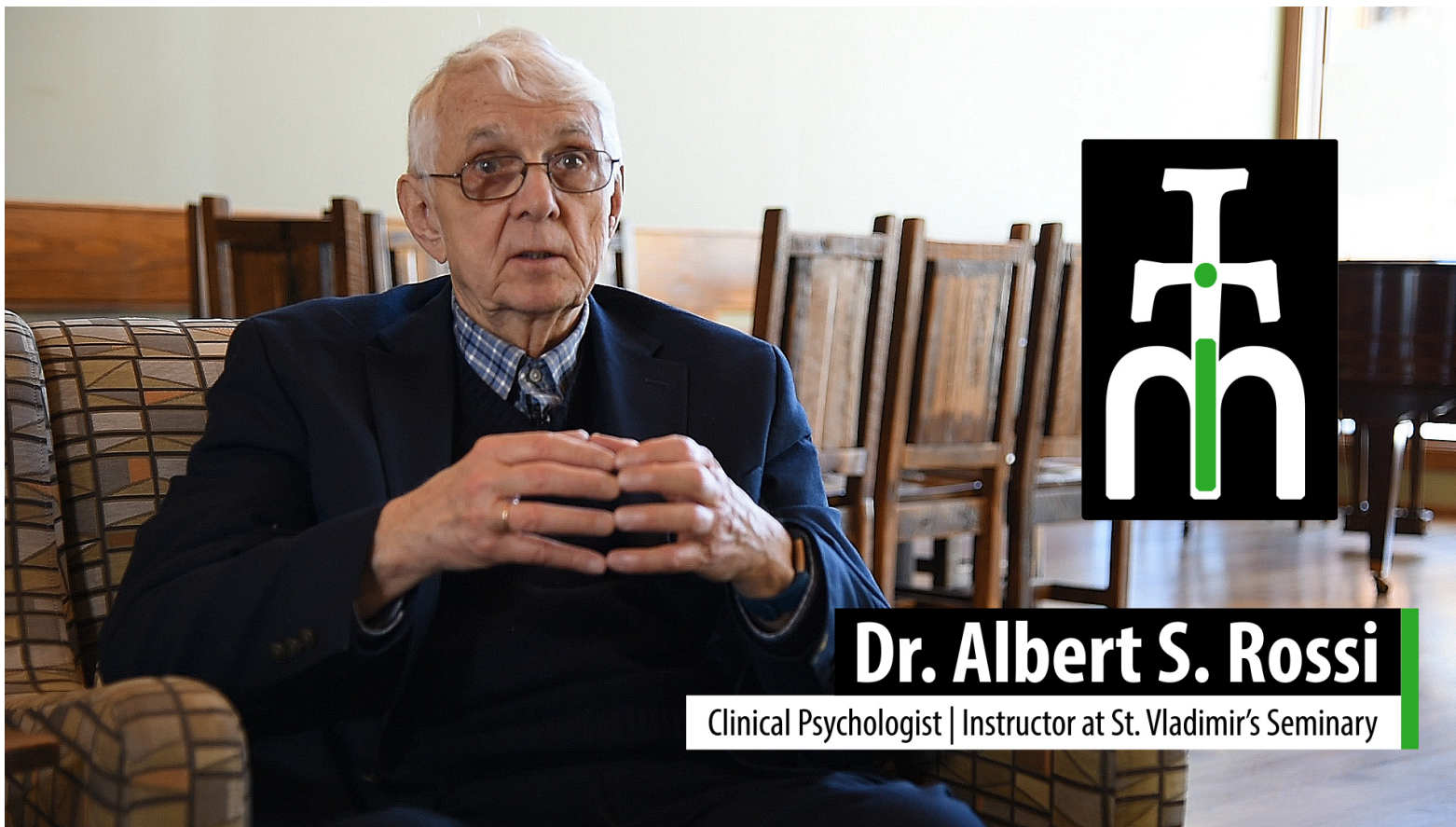
6. “Clergy Peer Learning Group” – What it is

- Simple premise: gather regularly, under the guidance of a trained facilitator, with the goal of exploring the joys, challenges, and insights of pastoral ministry.
- 6-8 members, typically
- Gather quarterly, for the day.
- Facilitator guides conversation, maintains focus, honors the charter
- Most of the TIM grant dedicated to training, supporting, and funding facilitators.

7. What Clergy Peer Learning is not

- Not rocket science (pastor + pastor = good)
- Not therapy (open-ended, not goal-focused)
- Not a support group (shared gift, not problem)
- Not continuing education (shared wisdom)
- Not a gripe session (trust & support)
- Not for burnout (builds resilience)
- Not just for Protestants

... a word from a Facilitator



Dr. Albert S. Rossi

Clinical Psychologist | Instructor at St. Vladimir's Seminary

(Click)

8. What We've Done (2019)

Transition original 5 HOPE groups to TIM
Workshop for new facilitators

2 new groups (CT, PA)

2 new online groups (Canada)

4 emerging groups (2 Chicago, 1 Boston, 1 CT)

[8 clergy, 4 clergy wives]

(... embracing rapid growth)

9. What We're Doing (2020)

- Next Facilitator Workshop (Salem MA, Feb 11-13)
- Creating groups in Pittsburgh, DC, Carolinas, Eastern PA, Philadelphia, Central NJ, San Diego, central/northern CA.
- Possibly 6 new clergy groups, 3 clergy wives (total = 21?)
- Fall Facilitator Workshop in planning
- Improved assessments
- Search for sustainability

Contact

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www.thrivingorthodox.org

Metropolitan Council + Orthodox Church in America + February 6, 2020
External Affairs and Interchurch Relations
Report by Protopresbyter Leonid Kishkovsky

The Orthodox Church in America celebrates 50th Anniversary

Canonization of St. Herman of Alaska
Reception of Tomos of Autocephaly
(see Statement of Holy Synod)

Russian Orthodox Church Outside of Russia celebrates 100th Anniversary

(see Christmas Encyclical of Metropolitan Hilarion, First Hierarch of ROCOR)

The Orthodox Churches after EP autocephaly for (new) Orthodox Church of Ukraine

MP breaks eucharistic communion with EP
(the ROC stands alone in breaking communion)
First the Church of Greece and then Patriarchate of Alexandria have recognized the new Church of Ukraine
Church of Poland officially endorses autocephaly for Ukraine, but does not accept Eucharistic communion with the new Church of Ukraine
Other Churches are so far refraining from taking a clear position

The Orthodox Church in America early took the position that it maintains Eucharistic communion with Constantinople and Moscow, and all O Churches.

In the recent consecration of Bishop Alexis a Greek Orthodox Metropolitan participated, and in the consecration of Bishop Andrei a Metropolitan of the Church of Romania's Metropolia participated, as well as the Metropolitan of the Carpatho-Russian Diocese of the EP.

Assembly of Canonical Orthodox Bishops of the USA
Metropolitan Tikhon and Archbishop Elpidophoros\

OCA presence and witness in public, ecumenical, and interchurch arenas
St. Catherine's/Moscow 25th anniversary (Dec. 7) and Symposium (Dec. 8)
March for Life
National Council of Churches (Fr. Peter Baktis, Protodeacon Sergei Kapral)
Christian Churches Together
World Council of Churches (Archbishop Alexander, Prof. Paul Meyendorff)
OCA-ROC Exchange visits
Dartmouth Conference

February 4-7, 2020 Metropolitan Council

Working session on the topic of the OCA's
Chancery real estate





Session Agenda

1. Provide a general overview of the current state
2. Discussion and working session to gain consensus on next steps
3. Provide a channel to submit alternative thoughts / plans (an email submission process outside of the MC meeting), and
4. Assignment of MC members to specific tasks and an agreement on a deadline to complete Item 2

Previously . . .

Father Alexander Rentel presented an oral report on future location of the Metropolitan's residence and chancery. He indicated that the locations committee would soon begin its work. He noted that all options are being considered, including the possibility of staying at the current location. However, changes and improvements will have to take place, as the status quo on many levels cannot continue. Judge Lanier stated that there are no legal obstacles to redomesticating the OCA corporation in another state nor any impediments to the possible sale of Westwood (the current chancery property). Andrew Smith reported on the zoning status of Westwood and indicated that an appraisal would be done soon. Various factors pertaining to chancery location and the residence of the Metropolitan within his own diocese were discussed. It was stated that Westwood's basement could never be made fully adequate for housing the OCA Archives. Various factors concerning relocation of the OCA Archives were discussed. It was suggested that a visionary approach is needed for decisions on the future location of the chancery.

An aerial photograph of a dense urban skyline, likely New York City, showing a variety of skyscrapers and buildings. A dark, semi-transparent rectangular overlay covers the left portion of the image, containing white text. The text reads "Current State" in a large font, followed by "Overview – Current real estate situation" in a smaller font. The background image shows a street view from above, with buildings on either side and a road in the center. The sky is hazy, and the overall tone is somewhat muted due to the overlay.

Current State

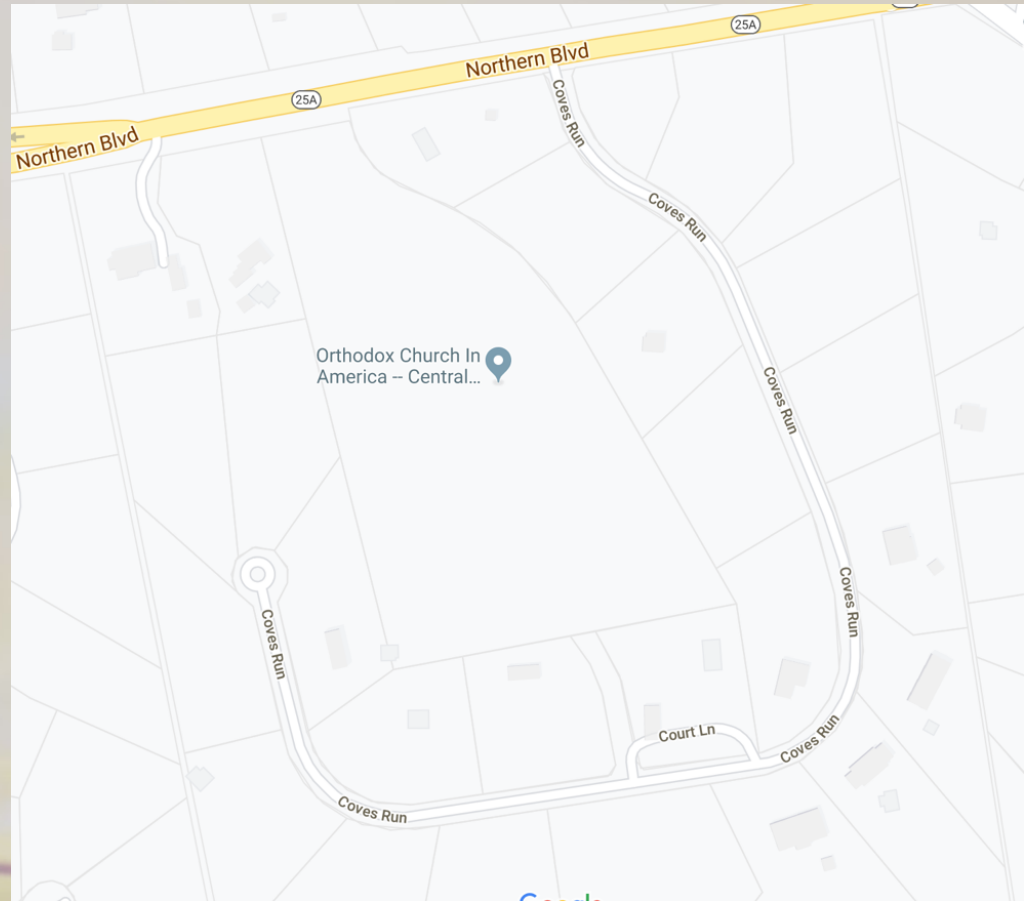
Overview – Current real estate situation

The Chancery (The old Griswold Summer Home)

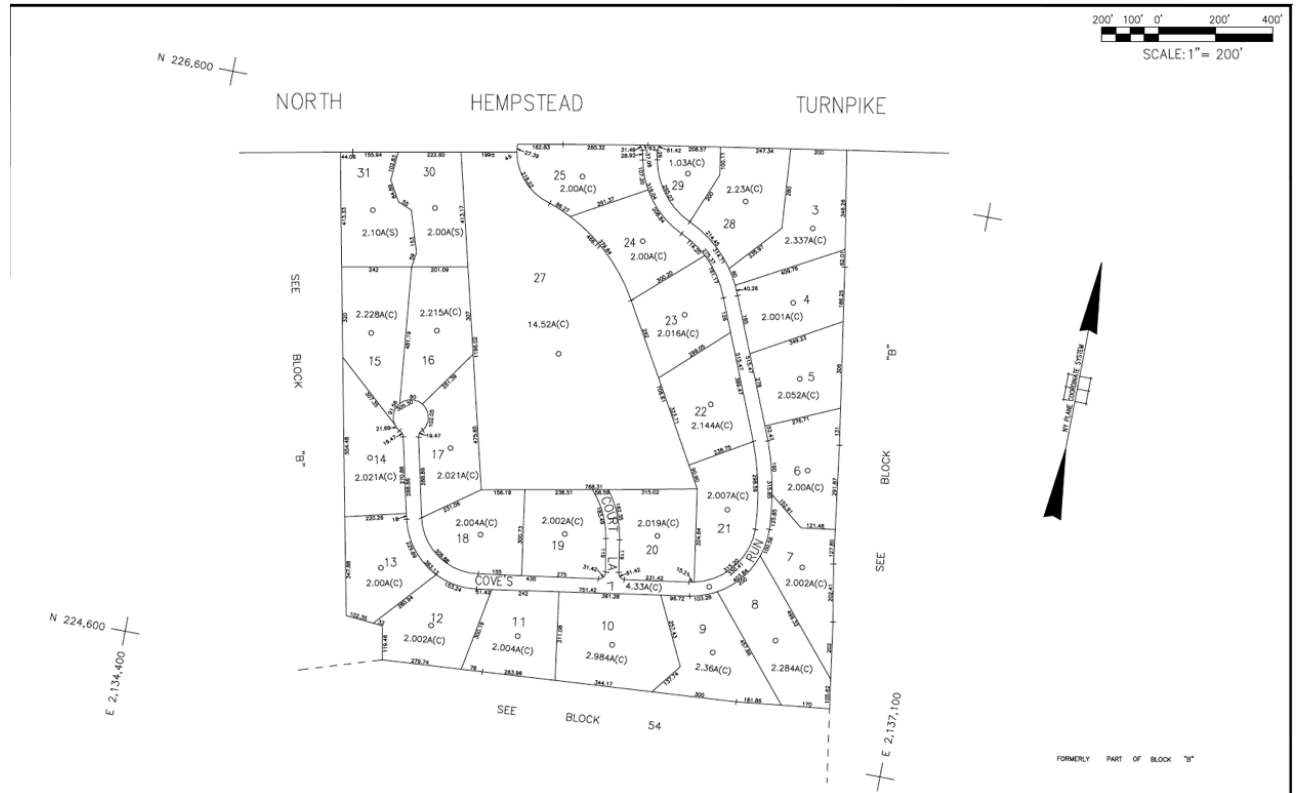


On July 1, 1958, the house was blessed and formally presented to Metropolitan Leonty as his residence, and on October 11, 1958, the Saturday following the old calendar feast of Saint Sergius, the solemn dedication of Saint Sergius of Radonezh Chapel took place.

Chancery Location



Land & Tax Map



LEGEND				SPECIAL DISTRICTS			
COUNTY LINE	---	POLICE	---	FIRE PROTECTION	---	PUBLIC PARKS	---
WATER LINE	---	WATER	---	SANITARY	---	SEWER	---
SCHOOL DISTRICT LINE	---	SEWER	---	REFUSE & GARBAGE	---	PARK	---
POCKET LINE	---	LIBRARY	---	REFUSE DISPOSAL	---	IMPROVEMENT	---
BLOCK LIMIT	---	LIBRARY	---	SEWERAGE COLLECTION	---	WATER POLLUTION CONTROL	---
EDUCATION DISTRICT	---	LIBRARY	---		---		---
TAX MAP PARCEL NO.	---		---		---		---
OVERLAP AREA	---		---		---		---
SCALE DIMENSION	---		---		---		---
GRID NUMBER	---		---		---		---
REFERENCE MAPS	---		---		---		---
MAP NO.	---		---		---		---

MUNICIPALITIES			
NAME OF MUNICIPALITY	CODE	SPECIAL DISTRICT	WITHIN
NASSAU COUNTY	1		
CITY OF GREAT NECK	2		
CITY OF GLEN COVE	3		
CITY OF LINDENHURST	4		
CITY OF MANHATTAN	5		
CITY OF MINE CLIFF	6		
CITY OF PLAINFIELD	7		
CITY OF ROSELAND	8		
CITY OF SYOSSET	9		
CITY OF TOWN OF NORTH HEMPSTEAD	10		
CITY OF WEST HEMPSTEAD	11		
CITY OF WEST HAVEN	12		
CITY OF WESTBOROUGH	13		
CITY OF WOODBURY	14		
CITY OF YONKERS	15		
CITY OF GREAT NECK	16		
CITY OF GLEN COVE	17		
CITY OF LINDENHURST	18		
CITY OF MANHATTAN	19		
CITY OF MINE CLIFF	20		
CITY OF PLAINFIELD	21		
CITY OF ROSELAND	22		
CITY OF SYOSSET	23		
CITY OF TOWN OF NORTH HEMPSTEAD	24		
CITY OF WEST HEMPSTEAD	25		
CITY OF WEST HAVEN	26		
CITY OF WESTBOROUGH	27		
CITY OF WOODBURY	28		
CITY OF YONKERS	29		
CITY OF GREAT NECK	30		
CITY OF GLEN COVE	31		
CITY OF LINDENHURST	32		
CITY OF MANHATTAN	33		
CITY OF MINE CLIFF	34		
CITY OF PLAINFIELD	35		
CITY OF ROSELAND	36		
CITY OF SYOSSET	37		
CITY OF TOWN OF NORTH HEMPSTEAD	38		
CITY OF WEST HEMPSTEAD	39		
CITY OF WEST HAVEN	40		
CITY OF WESTBOROUGH	41		
CITY OF WOODBURY	42		
CITY OF YONKERS	43		

Nassau County
Department of Assessment
Charles O'Shea, Chairman
Land & Tax Map
 Map Last Revised: January 7 2003
SEC. 25
BLK. 57
SHEET 1 OF 1

Original Value

FORM AR31 5M 2-55 57 604 27 SEP 29 1982 SEP 30 1982 APR 25 1983

SECTION 25 BLK B LOT 654 ADDRESS CARD NO. 15 ASSESSMENT SUMMARY

REMARKS MAR 14 1963

59800	LAND	24500
	BLDGS	57308
	TOTAL	79800
	LAND	21850
	BLDGS	57308
	TOTAL	79150
78927	LAND	21880
78928	BLDGS	57964
	TOTAL	79800
APPORTIONED IN NOV 23 1982	LAND	21850
	BLDGS	57864
	TOTAL	79700
	LAND	21850
	BLDGS	57864
	TOTAL	79700

CLASS: 620.14 EXEMPT 26300 REASON CODE 20

LAND RECORD (10.10)		LAND VALUE COMPUTATIONS									
NO UTILITIES	LOW	FRONTAGE FIGURED	AVERAGE DEPTH	UNIT PRICE	UNIT PERCENT	FRONT FT. PRICE	COR. INFL.	TOTAL	\$ DEPR.	VALUE	
NO SEWER	HIGH	15	15	1500				22500			
NO WATER	ROUGH										
NO GAS	ROCKY										
NO ELECTRICITY	SWAMPY										
NO STREET	HILLSIDE										
DIRT STREET	WOODED										
SEMI IMPROVED ST.	BRUSH										
NO SIDEWALK	TILLABLE										

ASSESSMENT RECORD NASSAU COUNTY, NEW YORK

Nassau County Fair Market Value

NOTICE OF TENTATIVE ASSESSED VALUE FOR 2018/2019

	Valuation Date 1/2/2017	Valuation Date 1/4/2016	Change from 1/4/2016
Full Market Value:	\$11,506,800	\$11,506,800	+\$0
Level of Assessment:	1%	1%	
Tentative Assessed Value:	115068	115068	+0
Transitional Assessed Value:	115068	115068	+0

(NOTE: Your Transitional Assessed Value will be reduced by any exemption amount you qualify for each year.)

Your Transitional Assessed Value will be reduced by any exemption amount you qualify for each year.

The **Full Market Value** figure shown, as of 1/2/17, does not take into consideration any potential change in value that is currently being considered by the Assessment Review Commission (ARC). Should ARC reduce the assessed value for this property, they will provide the owner or the owner's representative with a written settlement.

In 2014, Nassau County was authorized under NYS Real Property Tax Law to establish a Disputed Assessment Fund (DAF) for all Class 4 (Commercial) properties that formally challenged the value of their property. For further information on how the law applies to commercial properties, please visit DAF's frequently asked questions page at <https://www.nassaucountyny.gov/DocumentCenter/View/16027>.

SALES COMPARISON APPROACH

	SUBJECT	COMPARABLE #1	COMPARABLE #2	COMPARABLE #3	COMPARABLE #4
LOCATION:	6850 Northern Boulevard Syosset, NY	Yellow Cote Road Syosset, NY	Lattington Road Lattington, NY	Admore Court Jericho, NY	4 Jericho Turnpike Jericho, NY
SALE DATE:	N/A	May 22, 2018	September 29, 2017	December 4, 2018	December 14, 2018
SALE PRICE:	N/A	\$700,000	\$1,725,000	\$862,500	\$1,440,000
LOT SIZE:	14.56	1.20	5.00	1.05	2.30
SALE PRICE PER ACRE:	N/A	\$583,333.33	\$345,000.00	\$821,428.57	\$626,086.96
TIME ADJUSTMENTS:		3%	6%	3%	3%
TIME ADJUSTED PRICE SQ.FT:		\$600,833.33	\$365,700.00	\$846,071.43	\$644,869.57
OTHER ADJUSTMENTS:					
LOCATION:		0%	0%	0%	0%
SIZE:		-25%	0%	-25%	-25%
UTILITY:		0%	0%	0%	0%
ZONING:		-15%	0%	-15%	-15%
TOTAL ADJUSTMENTS:		-40%	0%	-40%	-40%
ADJUSTED PRICE PER SQ.FT:		\$360,500.00	\$365,700.00	\$507,642.86	\$386,921.74
Mean:		\$405,191.15			
Median:		\$376,310.87			
Low:		\$360,500.00			
High:		\$507,642.86			

Recent Residential Comparisons

Residential
Appraisal:
Leo & Scoblete Realty
Advisors, LLC

Conclusion

The quantity and quality of comparable sales data in this analysis was considered average. Prior to adjustment the comparable sales indicated a range from \$345,000 to \$846,071 per acre. When fully adjusted for the above differences, the comparable sales indicated a range in value from \$360,500 to \$507,642 per acre, with an average of \$405,191 per acre. Equal weight is placed on all comparables in estimating the value of the subject property. After analysis, we have arrived at an estimate within the indicated range of \$5.50 per square foot.

Therefore, the total indicated value for the subject property, by the sales comparison approach, "as is", was estimated as follows:

14.56+/- acres @ \$385,000 per acre = \$5,605,600
Round To.....\$5,600,000

After considering all available information, it is our opinion that the Fee Simple of the subject property by the sales comparison approach, subject to the definitions, certifications, and limiting conditions set forth in the attached report, "as is" as of September 17, 2019 was:

FIVE MILLION SEVEN HUNDRED THOUSAND DOLLARS

-\$5,700,000-

An aerial, high-angle photograph of a dense urban skyline, likely New York City. The image is dominated by numerous skyscrapers of varying heights and architectural styles, packed closely together. The lighting is somewhat dim, suggesting an overcast day or late afternoon. In the upper right quadrant, a construction crane is visible atop a building under construction. The overall color palette is muted, with greys, browns, and dark blues. The text "Financial Situation" is overlaid in the center in a clean, white, sans-serif font.

Financial Situation

2020 Property Budget

ORTHODOX CHURCH IN AMERICA
Proposed Amendments to 2020 Budget - Expenses by Department

	YTD Actual 2019	BUDGET 2019	% BUDGET USED	BUDGET ADOPT 2020	PROPOSED AMENDMENTS	BUDGET 2020
10-6600-11 Property Support-Salaries	46,380.16	47,277.21		47,277.12	-	47,277.12
10-6606-11 Property Support-FICA/MED	3,438.01	3,616.71		4,182.65	-	4,182.65
10-6607-11 Property Support-Unemployment Ins W/H	71.99	323.00		-	-	-
10-6610-11 Property Support-Health Insurance	21,954.29	18,297.00		16,503.20	-	16,503.20
10-6640-11 Property Support-Workers Compensation/Disa	-	28.00		3,699.26	-	3,699.26
10-6680-11 Property Support-Pension expense	3,639.81	3,782.18		3,782.17	-	3,782.17
	<u>75,484.26</u>	<u>73,324.10</u>	<u>102.95%</u>	<u>75,444.39</u>	<u>-</u>	<u>75,444.39</u>
10-6100-11 Property Support-Office expense	242.88	-		-	-	-
10-6115-11 Property Support-Office Expense - Other	1,575.99	-		-	-	-
10-6215-11 Property Support-Outside Contract Services	1,694.82	100.00		-	-	-
10-6273-11 Property Support-Real Estate, Personal Prop Ta	40,102.84	40,000.00		43,550.00	-	43,550.00
10-6280-11 Property Support-Facilities and Equipment	420.98	-		-	-	-
10-6284-11 Property Support-Equip Rental and Maintenanc	173.75	-		-	-	-
10-6286-11 Property Support-Lawn	33,000.00	30,000.00		30,000.00	-	30,000.00
10-6287-11 Property Support-Exterminating	440.00	-		500.00	-	500.00
10-6288-11 Property Support-Garbage Removal	2,064.00	2,000.00		2,075.00	-	2,075.00
10-6290-11 Property Support-Repairs expense	1,564.00	1,500.00		1,500.00	-	1,500.00
10-6504-11 Property Support-Supplies	1,713.33	2,500.00		2,500.00	-	2,500.00
10-6701-11 Property Support-Heating oil	13,494.06	13,000.00		16,000.00	-	16,000.00
10-6703-11 Property Support-Water	103.85	250.00		200.00	-	200.00
10-6705-11 Property Support-Electricity	12,093.17	11,000.00		11,000.00	-	11,000.00
10-6750-11 Property Support-Insurance	38,184.31	36,000.00		37,000.00	-	37,000.00
10-6900-11 Property Support-Automobile	5,114.86	-		-	-	-
10-6901-11 Property Support-Auto insurance	1,024.00	3,000.00		3,000.00	-	3,000.00
10-6990-11 Property Support-Depreciation expense	29,076.68	16,325.00		17,000.00	-	17,000.00
	<u>182,083.52</u>	<u>155,675.00</u>	<u>116.96%</u>	<u>164,325.00</u>	<u>-</u>	<u>164,325.00</u>

Maintenance & Upgrades

November 29, 2018
 Orthodox Church in America
 6850 N. Hempstead Turnpike
 Syosset, NY 11791
 Bid Analysis

		Coastal Enterprises of NY	%	Premier Building	%	Foschi Construction Corp.	%	Comments
Bidder								
Original Bid Submitted		10/30/2018		10/30/2018		10/30/2018		
Revised Bid Submitted		11/27/2018		11/27/2018				
Duration		180 days		120 days		140 days		
No. Item or Description (Key Categories)								
Bid Summary:								
BASE BID w/ ALLOWANCES		\$465,875	1.000	\$448,200	0.824	\$544,113	1.168	
ELECTED ALTERNATES		(\$33,200)		(\$19,700)		(\$40,225)		Assumed for Coastal
Other to be reconciled		(\$36,475)						
BASE BID w/ ELECTED ALTERNATES		\$396,200		\$428,500		\$503,888		
Base Bid:								
1	General Conditions	\$27,000	5.8%	\$10,000	2.2%	\$16,800	3.1%	
2	Insurance	\$10,400	2.2%	\$7,500	1.7%	Incl. in 1		
3	Overhead & Profit	\$63,000	13.5%	\$40,000	8.9%	\$58,108	10.7%	
4	Selective Demolition	\$9,000	1.9%	\$15,000	3.3%	\$22,200	4.1%	
5	Site Work	Incl. in 10		Incl. in 10		Incl. in 6		
6	Excavation	Incl. in 10		Incl. in 10		\$34,250	6.3%	
7	Wells & Utilities	Incl. in 10		Incl. in 10		Incl.		
8	Asphalt	Incl. in 29C		\$4,000	0.9%	\$2,400	0.4%	P. Minor patch work
9	Signs	Incl. in 30		\$0	0.0%	Incl.		P. Excluded
10	Concrete	\$96,000	20.6%	\$53,000	11.8%	\$30,825	5.7%	F: Adding in line 6 & 11=\$79,875
11	Masonry	Incl. in 10		Incl. in 10		\$14,800	2.7%	
12	Railings	Incl. in 29C		\$7,700	1.7%	\$3,410	0.6%	

Maintenance & Upgrades

Bidder		Coastal Enterprises of NY	%	Premier Building	%	Foschi Construction Corp.	%	Comments
Original Bid Submitted		10/30/2018		10/30/2018		10/30/2018		
Revised Bid Submitted		11/27/2018		11/27/2018				
Duration		180 days		120 days		140 days		
No.	Item or Description (Key Categories)							
13	Steel	\$3,500	0.8%	\$3,700	0.8%	\$2,830	0.5%	
14	Rough Carpentry	\$63,500		\$24,000	5.4%	Incl in 24	-	
15	Finish Carpentry	Incl. in 14		\$18,500	4.1%	\$2,800	0.5%	
16	Interior Architectural Woodwork	\$15,000		\$12,500	2.8%	Incl.		
17	Exterior Architectural Woodwork	Incl. in 16		\$9,500	2.1%	Incl.		
18	Casework	Incl. in 16		Incl. in 16		Incl.		
19	Insulation	Incl. in 14		\$15,700	3.5%	\$3,500	0.6%	
20	Roofing, Flashing & Waterproofing	\$2,000	0.4%	\$5,800	1.3%	\$15,020	2.8%	
21	Windows	\$7,950		\$6,200	1.4%	\$2,625	0.5%	
22	Entry & Interior Doors & Frames	\$9,275	2.0%	\$23,000	5.1%	\$16,584	3.0%	P: MDF interior doors
23	Hardware	Incl. in 22		\$2,700	0.6%	Incl. in 22		
24	Gypsum Board	Incl. in 14		\$19,200	4.3%	\$76,470	14.1%	P: Adding in line 14 & 15=\$61,700
25	Tile & Stone	\$2,200	0.5%	\$4,700	1.0%	\$930	0.2%	
26	Mirrors & Accessories	Incl. in 33		\$2,500	0.6%	\$480	0.1%	
27	Interior Painting	\$59,850	12.8%	\$19,000	4.2%	\$13,110	2.4%	C: Includes Poly-Crete
28	Exterior Painting	Incl. in 27		\$0		Incl. in 27		P: Excluded
29	Specialties							
29A	Flooring "Poly-Crete"	Incl. in 27		Incl.		\$84,800		
29B	Misc. Finishes	Incl.		\$27,000		Incl.		
29C	Metal Railings, Asphalt Patching, Leaders, Etc.	\$6,000		Incl.		Incl.		
		\$49,500	10.6%	\$67,500	15.1%	\$81,928	15.1%	C: Upgraded Service = \$14,000. P: \$14,000
30	Rough Electrical							
31	Electrical Fixtures	Incl. in 30		Incl. in 30		\$12,027	2.2%	
32	Rough Plumbing	\$3,200	0.7%	\$4,000	0.9%	\$6,530	1.2%	
33	Plumbing Fixtures & Fittings	\$3,250		\$1,500	0.3%	\$1,266	0.2%	
34	HVAC	\$35,250	7.6%	\$44,000	9.8%	\$40,360	7.4%	P: Direct sub pricing
		\$465,875		\$448,200		\$544,113		

Between \$448K and \$544K (proposed)

Estimate actual costs at +60%

Worst case scenario \$870K

Chancery 1yr & 5yr

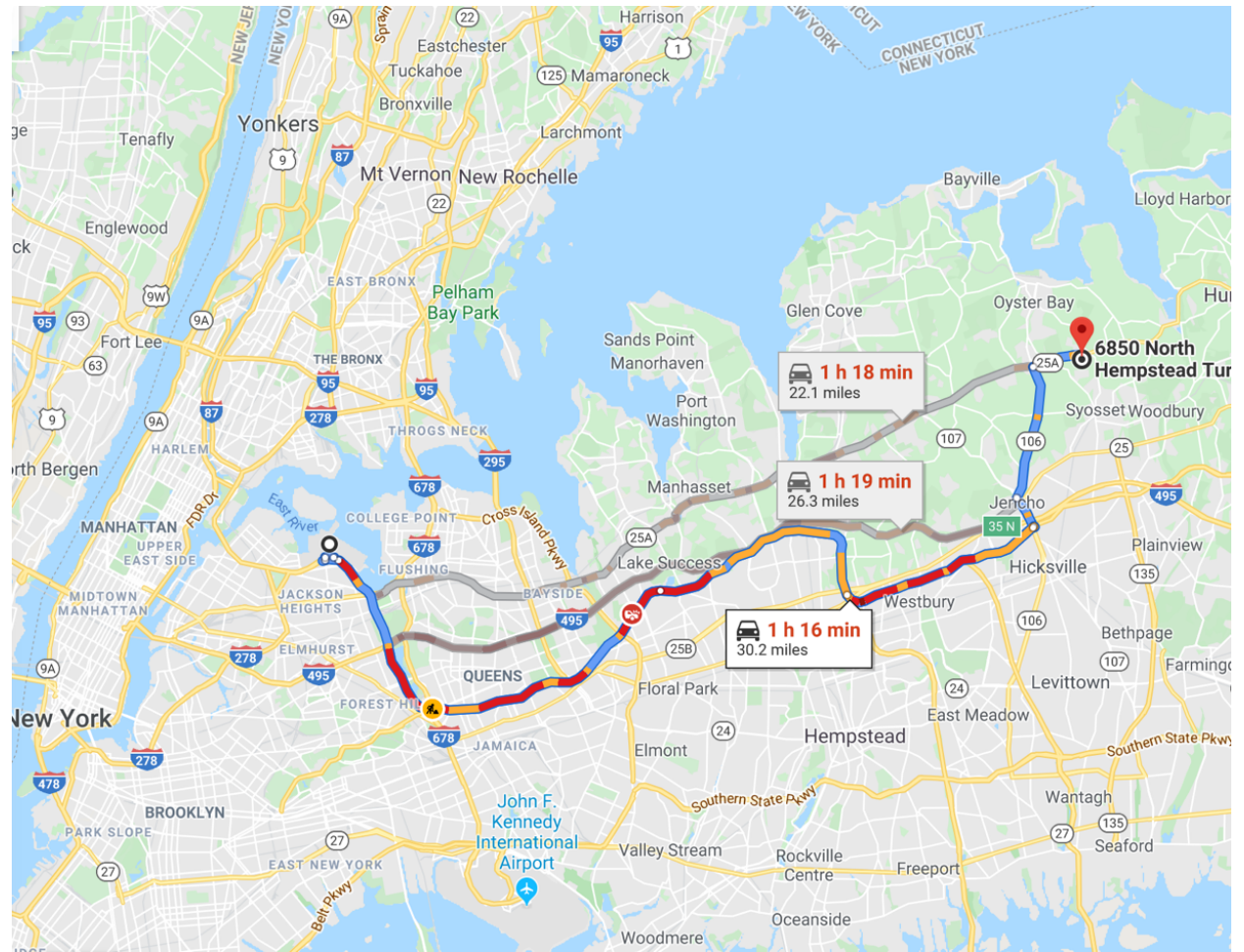
	One Year	Five Year
Utilities	\$ 28,000.00	\$ 147,000.00
Insurance	\$ 39,000.00	\$ 204,750.00
Taxes	\$ 40,000.00	\$ 210,000.00
Landscaping	\$ 33,000.00	\$ 173,250.00
Misc.	\$ 7,000.00	\$ 36,750.00
Deferred Maintenance	\$ 26,000.00	\$ 26,000.00
Required Upgrades	\$ 750,000.00	\$ 750,000.00
Cost to Remain	\$ 923,000.00	\$ 1,547,750.00
Capital Improvements Financed	\$ 54,000.00	\$ 270,000.00
Cost to Remain	\$ 227,000.00	\$ 1,067,750.00
30yr Interest Charges	\$ 868,786.42	

A photograph of a red truck parked in a loading dock area. The truck is on the left side of the frame, and a semi-trailer is visible in the background. The scene is dimly lit, suggesting an indoor or shaded environment. The text "Logistics Thoughts" is overlaid in white, bold font, and "Getting to and from the OCA Chancery" is overlaid in a smaller white font below it.

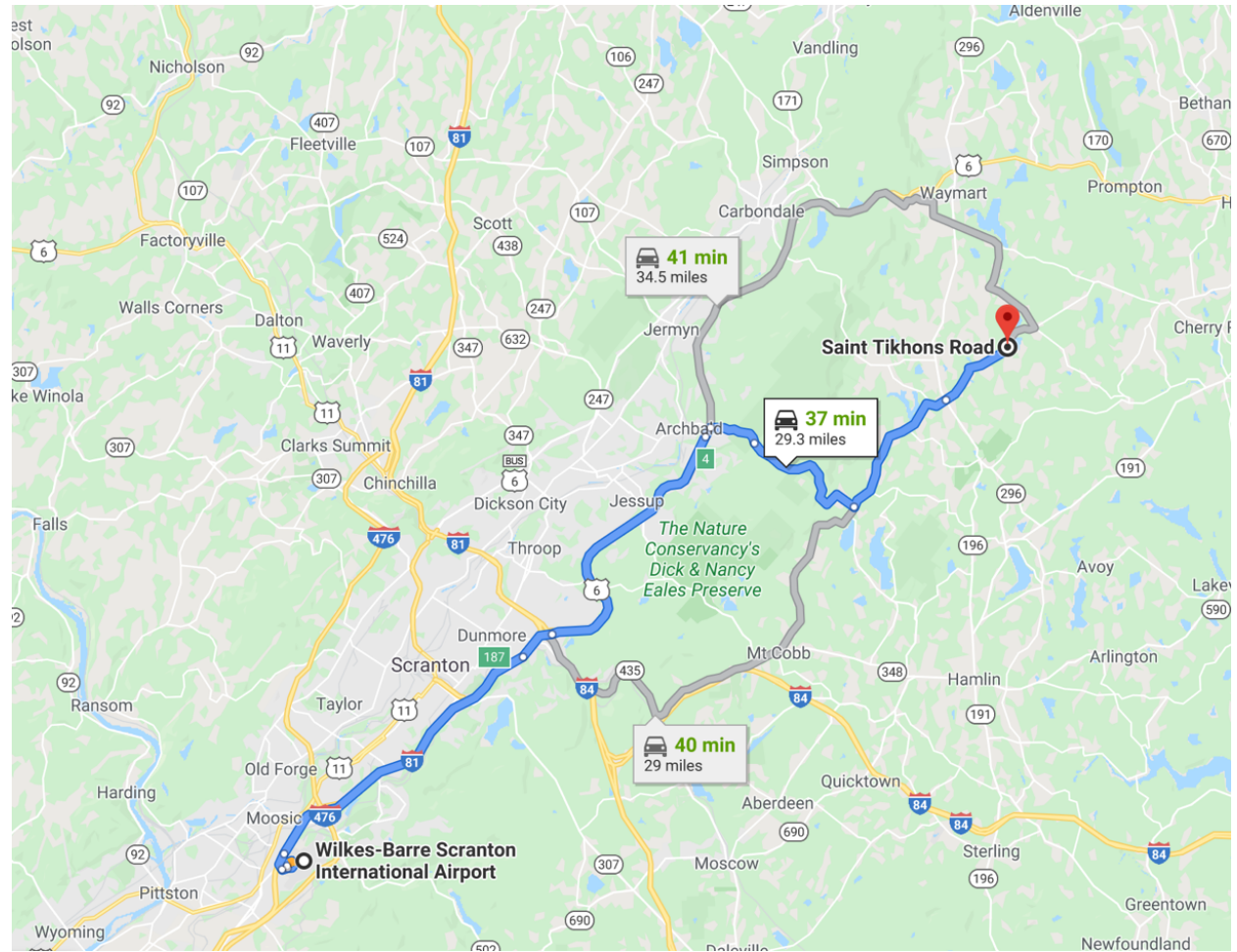
Logistics Thoughts

Getting to and from the OCA Chancery

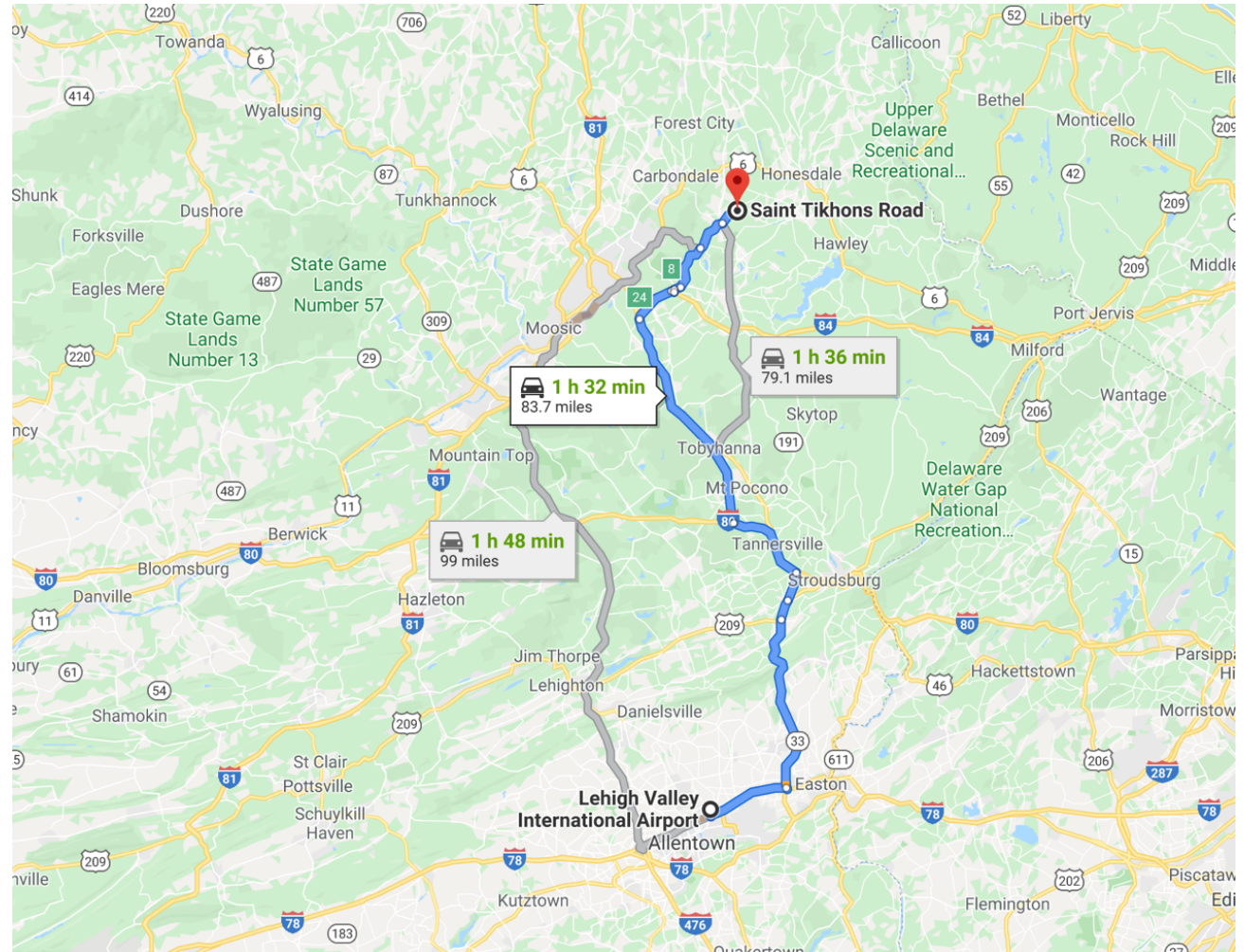
Logistics Today



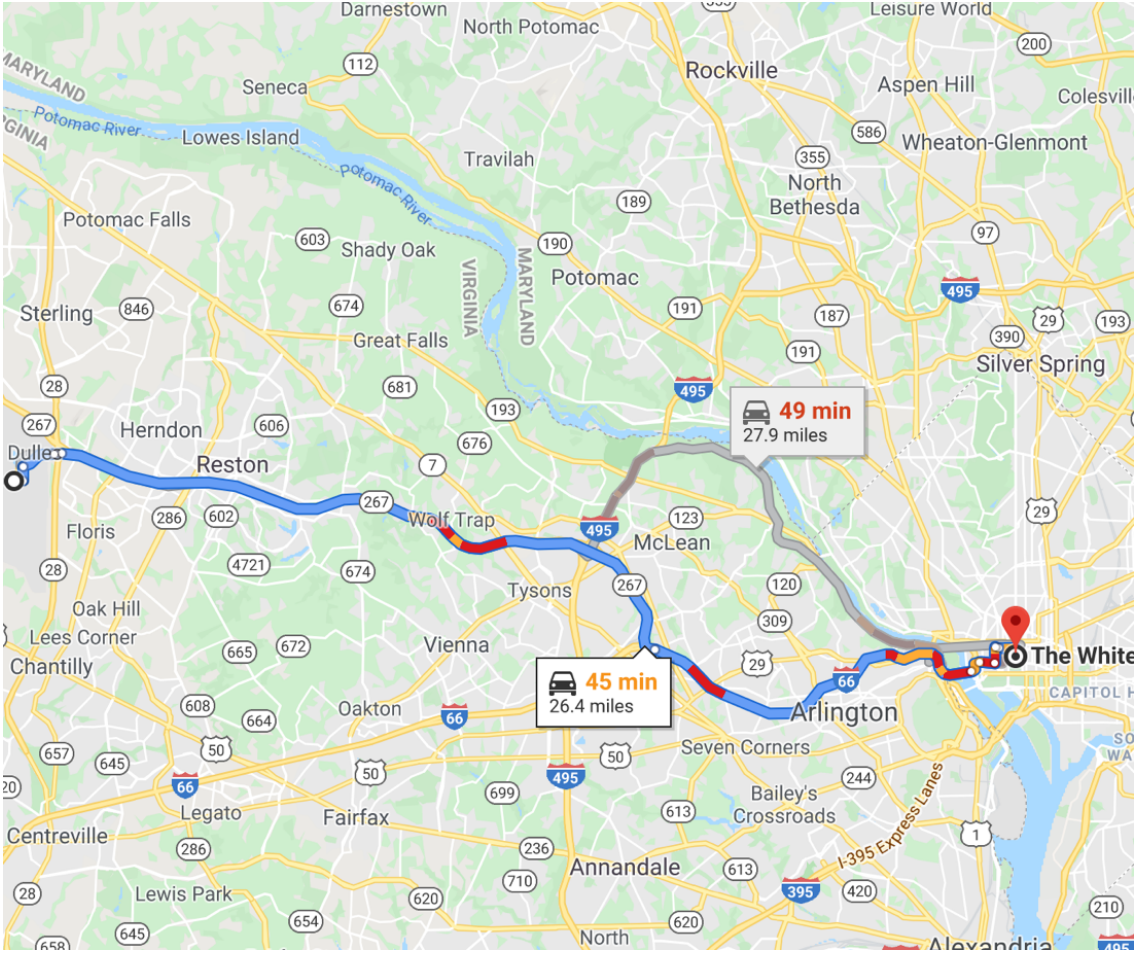
Wilkes-Barre Scranton to St. Tikhon's



Lehigh Valley International to St. Tikhon's



Dulles to DC Metro





Discussion & Working Session

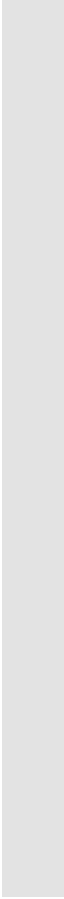
Minimum Objective

1. Formalization of a go forward plan which would include assigning a small team the following tasks:
 - Asset Valuation (and perhaps in parallel selecting a party to represent the potential sale)
 - Evaluation Sell vs. Lease (is there an opportunity to retain the asset and lease the property as a source of revenue?)
 - Future State Requirements (what does the OCA need in terms of office space, worship space, living space, etc?)
 - Site Selection Process (what is a logical location(s) for the Chancery?)
 - Move Out Process (how do we protect the archives and other assets through a move?)
 - Timeline of Events (considering the Church calendar and significant events in the OCA over the next few years)
 - Budget Preparation

Collaboration between MC events

- What are options for the team to collaborate and accomplish meaningful progress between MC sessions?
- How do we remain compliant with OCA policies?

Team Members



Appendices

Miscellaneous Information

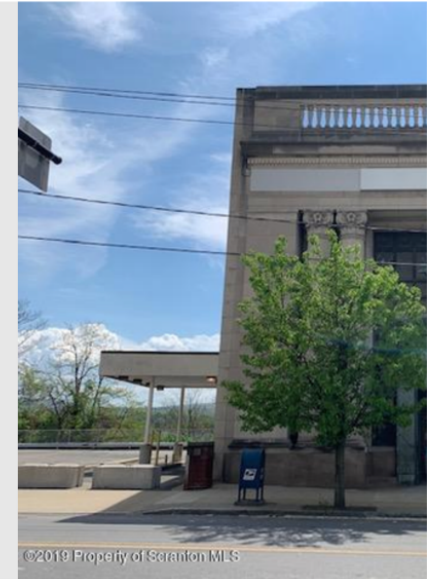
1900 N Main Ave Scranton, PA 18508

\$325,000

 SAVE

 SHARE

0 bed / 0.54 acres lot size / Commercial





Serious Archives

Construction Costs

Office build out costs across U.S. major city markets

Washington DC is least expensive: The District of Columbia comes in as the least expensive market for overall fit outs in 2017. Slightly below average build-out costs are offset substantially by large concession packages that are leading the national average.

New York landlords are generous: New York construction costs top \$244 per square foot, making it the most expensive city to build in. But landlords are vying for tenants with sizable TI allowances (around \$65), dropping this market down to 5th place for highest out-of-pocket spending.

Source: **Jones Lang LaSalle IP, Inc.**



Pension Office
P.O. Box 675
Syosset, NY 11791
Tel: 516-922-0550
Fax: 516-624-3153
Email: pension@ocapension.org

February 6th, 2020

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

On behalf of the OCA Pension Board, I take this opportunity to update you on the status of the Pension Plan as of December 31, 2019. The net time-weighted return on core investments managed by Morgan Stanley for this year through December 31 was 20.06% compared to our benchmark of 18.25%. The net time-weighted annualized return for the period December 31, 2016 to December 31, 2019 on investments managed by Morgan Stanley was 7.61 % compared to our benchmark of 8.71%. U.S. and international stock markets rebounded strongly this year with moderately increasing volatility. The bond market also rebounded strongly as long-term interest rates fell and the Federal Reserve eased their monetary policy. The ending market value of plan assets at December 31, 2019 was \$25,424,389.

Father Matthew Tate and Matushka Mary Buletza Breton will present at this session a proposed plan change based on the Pension Plan's Actuary report from the December Pension Board Meeting.

With regard to participation in the Pension Plan, there are currently 342 active participating members and 48 inactive members for a total of 390 active/inactive participants. In addition, there are currently 208 monthly benefits recipients.

Respectfully Submitted,

Priest Gleb McFatter, Chairman

Orthodox Church in America

Treasurer's Report

Metropolitan Council – February 2020

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

Glory to God for all things!

What follows is my update on the finances of the OCA through the end of 2019—with a look ahead at amendments to the 2020 budget and a proposal for the All-American Council in 2021. The narrative and the exhibits are largely in chronological order. As you review these items in preparation for the Metropolitan Council meeting, please feel free to contact me at asmith@oca.org.

Fiscal Year 2018 – Audited Financial Statements

At the Fall 2019 Metropolitan Council meeting, I noted that the audit was substantially complete but that we were awaiting the final audited financials from the OCA pension program to complete our own pension footnote (Footnote 13 – Multiple Employer Pension Plan). I included a draft of the audited financial statements, with an incomplete footnote 13, in my report at that time.

I've included the *final* version of the audited financial statements, with completed footnote 13, as **Exhibit B** in this report. **Exhibit A** is the auditor's communication letter to the Metropolitan Council regarding the report.

Staff recommends that the Metropolitan Council formally receive this final version of the 2018 audited financial statements.

Fiscal Year 2019 – Preliminary Annual Results

Enclosed as Exhibit C is the quarter- and year-end Treasurer's Report for 2019 OCA operating activities at 12/31/2019. The report includes:

- Statement of Operating Activity – Unrestricted
- Statement of Operating Activity – Restricted
- Comparative Balance Sheet for 12/31/2019 and 12/31/2018

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

Overall, revenue collection for the year was good (102.76% of budget) and expenses were controlled fairly well (96.45% of budget) and we show net income of \$114K.

In addition to the annual operating activity (unrestricted revenue and expense), the following endowed fund investment activity is provided, showing a nearly 21% increase in value from 12/31/2018 to 12/31/2019:

	Market Val.	Market Val.	Annual
Investment Accounts	12/31/2018	12/31/2019	Rate of Return
Main Endowment Fund	1,202,297.25	1,432,835.86	19.17%
FOS Endowment Fund	68,886.61	86,866.36	26.10%
St. Andrew Endowment Fund	100,478.86	125,151.65	24.56%
Kavalenko	71,733.96	75,845.71	5.73%
	1,443,396.68	1,720,699.58	19.21%
OCCIF N/R (Mission Fund)	150,000.00	150,000.00	2.75% interest
Missions Fund	731,069.26	935,809.65	28.01%
	881,069.26	1,085,809.65	23.24%
Total Endowment	2,324,465.94	2,806,509.23	20.74%

This is provided as information and no action is recommended.

Fiscal Year 2019 – Financial Statement Audit

Exhibit D is a proposal from Satty, Levine, & Ciacco, CPAs, P.C. (“SL&C”) to conduct our 2019 financial statement audit. Our current auditors, D’Archangelo and Associates, have audited our financial statements since at least 2015 and, while there is no set timeline to undergo “auditor rotation”, a reasonable practice is to consider a new audit firm every 3-5 years. Further, D’Archangelo has recently announced plans to merge with another CPA firm. Staff offers this proposal primarily as a matter of due diligence, but it is also staff’s recommendation that the Metropolitan Council grant staff the authority to move forward with SL&C.

Fiscal Year 2020 – Budget Amendments

At the Fall 2019 Metropolitan Council meeting, staff proposed and the Metropolitan Council adopted a 2020 budget. I noted at the time that the budget was skeletal (intended in part to grant staff spending authority in the interim period between Jan. 1, 2020 and the timing of the Spring 2020 Metropolitan Council meeting) and that I anticipated amendments as Chancery staff learned more about specific aspects of the OCA’s financial operations and revenue/expense cycle.

Since the Fall 2019 meeting, staff has queried dioceses regarding their own anticipated net operating budgets (receiving responses from most) and applied the adopted assessment rates (declining by 2% per year for most dioceses). We’ve arrived at what we hope is a more precise

diocesan assessment revenue budget. The 3% spending rate on the Endowment includes the Mission Endowment after clarification regarding its status was made at the Fall meeting. Finally, we made adjustments to expense line items based on updated information about anticipated OCA operations in 2020 (e.g., catechesis project, support for OCF, etc.).

Included as **Exhibit E** is a budget document that shows the 2020 original budget, 2020 proposed amendments, and the 2020 proposed amended budget in columns D, E, and F, respectively (columns A, B, and C show 2019 budget-to-actual comparisons). The first page of this document is a summary while the pages that follow show the same information, by department, at the individual account level.

Please note that this amended budget also incorporates discretionary spending for the Metropolitan as a separate line item (i.e., separate account) with a budgeted amount of \$3,000 in accordance with discussion at the last Metropolitan Council meeting. Staff elected to treat this as a separate line item with disbursement through the Accounts Payable process rather than a petty-cash-type arrangement.

Staff recommends that the Metropolitan Council adopt the 2020 budget as amended in **Exhibit E**.

Financial Software Update

Migration of financial data from Blackbaud to Quickbooks is complete and 2020 financial activity is being performed in Quickbooks. We are still working in Blackbaud on 2019 activity, as we are working to ensure that the 2019 ending trial balance in Blackbaud agrees with the 2020 opening trial balance in Quickbooks.

All-American Council – Financial Planning

Deacon Peter Ilchuk and I have had significant email and phone correspondence regarding the financial planning aspect of All-American Council preparations. **Exhibit F** is a document that shows budget iterations that we've considered. Column A is the budget from the All-American Council in 2018; Column B was an initial budget for 2021 that incorporates some anticipated expense increases, primarily with respect to Audio-Visual and Exhibit contracts, but also shows a fairly large deficit; finally, Column C shows a proposed 2021 budget that eliminates the deficit and builds in a modest contingency.

Our proposal, in Column C, accommodates anticipated expense increases by adopting a reasonable inflation factor of 3% per year (9% for the three years since the last Council) and applies this factor to diocesan assessments. This would increase the AAC assessment revenue from \$275,000 to \$300,000. The \$300,000 total would then be spread over the dioceses using similar methodology used in 2018 (i.e., 2019 actual proportional giving determines the ratable spread used to distribute the \$300,000), as follows:

<u>AAC Proportional Support</u>	<u>2021 AAC</u>	<u>%</u>	<u>2018 AAC \$</u>
Albanian Archdiocese	\$ 3,728.54	1.2%	\$ 2,200.00
Diocese Alaska	\$ 2,804.33	0.9%	\$ 2,200.00
Bulgarian Diocese	\$ 2,589.27	0.9%	\$ 2,200.00
Archdiocese of Pittsburgh and Western PA	\$ 20,607.33	6.9%	\$ 25,000.00
Diocese of the Midwest	\$ 78,041.27	26.0%	\$ 67,500.00
Archdiocese of Washington DC	\$ 10,319.10	3.4%	\$ 9,000.00
Diocese of the South	\$ 47,483.91	15.8%	\$ 40,700.00
Diocese of the West	\$ 41,680.49	13.9%	\$ 42,000.00
Diocese of New England	\$ 22,861.51	7.6%	\$ 24,000.00
Diocese of New York/New Jersey	\$ 36,647.54	12.2%	\$ 28,900.00
Diocese of Eastern PA	\$ 27,022.45	9.0%	\$ 25,600.00
Romanian Orthodox Episcopate	\$ 6,214.24	2.1%	\$ 5,700.00
Totals	\$ 300,000.00	100.0%	\$ 275,000.00

Respectfully Submitted,

Andrew Smith
Treasurer

Metropolitan Council
The Orthodox Church in America
Syosset, New York

We have audited the financial statements of The Orthodox Church in America for the year ended December 31, 2018, and have issued our report thereon dated October 9, 2019. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 10, 2019. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Orthodox Church in America are described in Note 2 to the financial statements. As described in Note 2, the Organization changed accounting policies related to the presentation of financial statements by adopting FASB Accounting Standards Update (ASU) No. 2016-14, "Presentation of Financial Statements of Not-for-Profit Entities" in 2018. Accordingly, the accounting change has been retrospectively applied to prior periods presented as if the policy had always been used. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements were the valuation of marketable securities:

The Church invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statements of financial position.

For purposes of the statements of functional expenses, management is required to allocate expenses between each of the program activities provided, including management and general expense, and fundraising expense. We reviewed the key factors and assumptions used to develop the allocations in determining that they are reasonable in relation to the financial statements taken as a whole

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- Assessments receivable – note 4
- Marketable securities – note 8
- Retirement obligation – note 12
- Pension plan – note 13

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole. We have attached the adjusting journal entries.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 9, 2019.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with U.S. generally accepted accounting principles, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Board of Trustees and management of The Orthodox Church in America and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,



D'Arcangelo & Co., LLP

THE ORTHODOX CHURCH IN AMERICA
FINANCIAL STATEMENTS
DECEMBER 31, 2018 AND 2017

THE ORTHODOX CHURCH IN AMERICA**CONTENTS****DECEMBER 31, 2018 AND 2017**

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Financial statements:	
Statements of financial position - 2018 and 2017	3
Statement of activities - 2018	4
Statement of activities - 2017	5
Statement of functional expenses - 2018	6
Statement of functional expenses - 2017	7
Statements of cash flows - 2018 and 2017	8
Notes to financial statements	9 - 29

INDEPENDENT AUDITOR'S REPORT

Metropolitan Council
The Orthodox Church in America
Syosset, New York

Report on financial statements

We have audited the accompanying financial statements of The Orthodox Church in America (“The Church”) (a nonprofit organization), which comprise the statements of financial position as of December 31, 2018 and 2017, the related statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the financial statements.

Management’s responsibility for the financial statements

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

Auditor’s responsibility

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

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

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Orthodox Church in America as of December 31, 2018 and 2017, 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.

Other matters

Adoption of new accounting guidance:

As discussed in Note 2 to the financial statements, in 2018, The Orthodox Church in America adopted new accounting guidance related to the presentation of financial statements of not-for-profit entities. Our report is not modified with respect to this matter.

D'Arcangelo & Co., LLP

Rye Brook, New York
October 9, 2019

THE ORTHODOX CHURCH IN AMERICA

STATEMENTS OF FINANCIAL POSITION

DECEMBER 31, 2018 AND 2017

	2018	2017
ASSETS		
Cash and cash equivalents	\$ 271,319	\$ 131,807
Restricted cash	124,998	211,105
Assessments and other accounts receivable, net	193,513	274,447
Grant receivable	345,700	-
Prepaid expenses	21,777	20,226
Investments:		
Endowment pool fund	1,202,297	1,303,867
St. Andrew endowment fund	100,479	115,534
FOS endowment fund	68,887	80,297
Missions endowment fund	731,069	990,214
Annuity and unitrust agreements	147,854	157,503
Note receivable	150,000	-
Property and equipment, net	364,832	285,469
Total assets	\$ 3,722,725	\$ 3,570,469
LIABILITIES AND NET ASSETS		
Liabilities:		
Accounts payable and accrued expenses	\$ 93,233	\$ 216,208
Retirement obligation	37,552	38,000
Annuity and unitrust agreements	109,479	118,194
Total liabilities	240,264	372,402
Net assets:		
Without donor restrictions:		
Undesignated	101,408	85,047
Invested in property and equipment	364,832	285,469
Total without donor restrictions	466,240	370,516
With donor restrictions	3,016,221	2,827,551
Total net assets	3,482,461	3,198,067
Total liabilities and net assets	\$ 3,722,725	\$ 3,570,469

See notes to financial statements.

THE ORTHODOX CHURCH IN AMERICA

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2018

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
OPERATING SUPPORT, REVENUE			
AND RECLASSIFICATIONS			
Support:			
General contributions	\$ 88,634	\$ 3,376	\$ 92,010
Fellowship of Orthodox Stewards	-	74,703	74,703
Grants	-	519,700	519,700
Missions	-	1,625	1,625
Seminary	-	5,284	5,284
Charity	-	1,120	1,120
Donated services	5,260	-	5,260
Total support	<u>93,894</u>	<u>605,808</u>	<u>699,702</u>
Revenue:			
Assessments	1,722,724	-	1,722,724
All-American Council income	-	422,436	422,436
Net investment income	90	(12,383)	(12,293)
Change in actuarial value of annuities and unitrusts	-	(226,042)	(226,042)
Other revenue	29,428	-	29,428
Total revenue	<u>1,752,242</u>	<u>184,011</u>	<u>1,936,253</u>
Reclassifications:			
Satisfaction of restrictions	601,149	(601,149)	-
Total operating support, revenue and reclassifications	<u>2,447,285</u>	<u>188,670</u>	<u>2,635,955</u>
Expenses:			
Program services	919,400	-	919,400
General and administrative	1,214,759	-	1,214,759
Development	217,402	-	217,402
Total expenses	<u>2,351,561</u>	<u>-</u>	<u>2,351,561</u>
Change in net assets	95,724	188,670	284,394
Net assets, beginning of year	370,516	2,827,551	3,198,067
Net assets, end of year	<u>\$ 466,240</u>	<u>\$ 3,016,221</u>	<u>\$ 3,482,461</u>

See notes to financial statements.

THE ORTHODOX CHURCH IN AMERICA

STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2017

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
OPERATING SUPPORT, REVENUE AND RECLASSIFICATIONS			
Support:			
General contributions	\$ 186,272	\$ 2,765	\$ 189,037
Fellowship of Orthodox Stewards	-	61,092	61,092
Missions	-	2,820	2,820
Seminary	-	2,410	2,410
Charity	-	2,359	2,359
Donated services	39,900	-	39,900
Total support	<u>226,172</u>	<u>71,446</u>	<u>297,618</u>
Revenue:			
Assessments	1,797,836	-	1,797,836
All-American Council income	-	12,050	12,050
Net investment income	85	(12,189)	(12,104)
Change in actuarial value of annuities and unitrusts	-	260,135	260,135
Other revenue	31,832	-	31,832
Total revenue	<u>1,829,753</u>	<u>259,996</u>	<u>2,089,749</u>
Reclassifications:			
Satisfaction of restrictions	204,278	(204,278)	-
Total operating support, revenue and reclassifications	<u>2,260,203</u>	<u>127,164</u>	<u>2,387,367</u>
Expenses:			
Program services	641,633	-	641,633
General and administrative	1,191,943	-	1,191,943
Development	182,589	-	182,589
Total expenses	<u>2,016,165</u>	<u>-</u>	<u>2,016,165</u>
Change in net assets	244,038	127,164	371,202
Net assets, beginning of year	<u>126,478</u>	<u>2,700,387</u>	<u>2,826,865</u>
Net assets, end of year	<u>\$ 370,516</u>	<u>\$2,827,551</u>	<u>\$3,198,067</u>

See notes to financial statements.

THE ORTHODOX CHURCH IN AMERICA

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED DECEMBER 31, 2018
with comparative totals for 2017

	Program	General and Administrative	Development	2018 Total	2017 Total
Administration	\$ 20	\$ 450,600	\$ 20,794	\$ 471,414	\$ 528,285
Executive	-	420,767	-	420,767	427,389
Archives	105,326	-	-	105,326	108,223
External Affairs	70,460	-	-	70,460	70,181
Chapel	12,137	-	-	12,137	15,930
Property Support	9,966	222,679	9,966	242,611	222,095
Communications	-	-	101,092	101,092	70,734
Holy Synod	20,646	20,646	20,645	61,937	61,634
Metropolitans Office	22,793	22,793	22,793	68,379	60,130
Metropolitans Council	-	36,321	-	36,321	33,985
St. Catherine's Representation					
Church	40,954	40,953	40,954	122,861	55,854
Stewards of the OCA	-	-	1,158	1,158	853
Charity	3,006	-	-	3,006	5,063
Board of Theological Education	5,351	-	-	5,351	736
Missions and Planting Grants	95,333	-	-	95,333	124,621
Ordination Candidate Testing	4,910	-	-	4,910	15,071
Office for Review of Sexual					
Misconduct Allegations	53,156	-	-	53,156	84,821
Continuing Education Expenses	13,250	-	-	13,250	10,725
Seminaries	21,202	-	-	21,202	9,324
All-American Council	352,455	-	-	352,455	21,988
Departmental Ministries	88,435	-	-	88,435	88,523
	<u>\$ 919,400</u>	<u>\$ 1,214,759</u>	<u>\$ 217,402</u>	<u>\$ 2,351,561</u>	<u>\$2,016,165</u>

See notes to financial statements.

THE ORTHODOX CHURCH IN AMERICA
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2017

	<u>Program</u>	<u>General and Administrative</u>	<u>Development</u>	<u>Total</u>
Administration	\$ 16,925	\$ 469,860	\$ 41,500	\$ 528,285
Executive	-	427,389	-	427,389
Archives	108,223	-	-	108,223
External Affairs	70,181	-	-	70,181
Chapel	15,930	-	-	15,930
Property Support	10,296	201,503	10,296	222,095
Communications	-	-	70,734	70,734
Holy Synod	20,545	20,545	20,544	61,634
Metropolitans Office	20,043	20,043	20,044	60,130
Metropolitans Council	-	33,985	-	33,985
St. Catherine's Representation Church	18,618	18,618	18,618	55,854
Stewards of the OCA	-	-	853	853
Charity	5,063	-	-	5,063
Board of Theological Education	736	-	-	736
Missions and Planting Grants	124,621	-	-	124,621
Ordination Candidate Testing	15,071	-	-	15,071
Office for Review of Sexual Misconduct Allegations	84,821	-	-	84,821
Continuing Education Expenses	10,725	-	-	10,725
Seminaries	9,324	-	-	9,324
All-American Council	21,988	-	-	21,988
Departmental Ministries	88,523	-	-	88,523
	<u>\$ 641,633</u>	<u>\$ 1,191,943</u>	<u>\$ 182,589</u>	<u>\$2,016,165</u>

See notes to financial statements.

THE ORTHODOX CHURCH IN AMERICA
STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2018 AND 2017

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Change in net assets	\$ 284,394	\$ 371,202
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	19,931	20,593
Net change in actuarial value of annuities and unitrusts	279,897	(229,939)
Changes in:		
Assessments and other accounts receivable, net	80,934	(60,924)
Grants receivable	(345,700)	-
Prepaid expenses	(1,551)	(5,585)
Accounts payable and accrued expenses	(122,975)	84,577
Retirement obligation	(448)	(2,637)
Net cash provided by operating activities	<u>194,482</u>	<u>177,287</u>
Cash flows from investing activities:		
Additions to property and equipment	(99,294)	(71,957)
Note receivable	(150,000)	-
Proceeds from sales of investments	758,524	2,239,400
Purchase of investments	(650,307)	(2,081,753)
Net cash provided by (used in) investing activities	<u>(141,077)</u>	<u>85,690</u>
Cash flows from financing activities:		
Repayment of loan principal	-	(1,764)
Change in cash and cash equivalents	53,405	261,213
Cash and cash equivalents, beginning of year	<u>342,912</u>	<u>81,699</u>
Cash and cash equivalents, end of year	<u>\$ 396,317</u>	<u>\$ 342,912</u>
Cash and cash equivalents consists of:		
Cash and cash equivalents	\$ 271,319	\$ 131,807
Restricted cash	<u>124,998</u>	<u>211,105</u>
	<u>\$ 396,317</u>	<u>\$ 342,912</u>

See notes to financial statements.

THE ORTHODOX CHURCH IN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

1. NATURE OF 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.

The Church is exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code and comparable state law, and contributions to it are tax deductible within the limitations prescribed by the Code. The Church has been classified as a publicly supported organization which is not a private foundation under Section 509(a) of the Code. The Church's revenues are derived primarily from contributions and assessments.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Basis of accounting

The financial statements of the Church are presented on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

THE ORTHODOX CHURCH IN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Adoption of new accounting standard

In August 2016, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*. ASU 2016-14 requires significant changes to the financial reporting model of organizations who follow the not-for-profit reporting model. The changes include reducing the classes of net assets from three classes to two – net assets with donor restrictions and net assets without donor restrictions. The ASU required changes in the way certain information is aggregated and reported by the Church, including required disclosures about liquidity and availability of resources and increased disclosures on functional expenses. The new standard is effective for the Organization's year ending December 31, 2018 and thereafter and must be applied on a retrospective basis. The Church adopted the ASU effective January 1, 2018. Adoption of the ASU did not result in any reclassifications or restatements to net assets or changes in net assets.

Basis of financial statement presentation and classification of net assets

Under GAAP, the Church is required to report information regarding its financial position and activities according to two classes of net assets: net assets with donor restrictions and net assets without donor restrictions.

Net assets and revenues, expenses, gains, and losses are classified based on the existence or absence of donor-imposed restrictions as follows:

Net assets without donor restrictions are those which include all resources which are not subject to donor-imposed restrictions of a more specific nature than those which only obligate the Church to utilize the funds in furtherance of its mission. Net assets without donor restrictions also include resources invested in property and equipment, “underwater” endowments and funds borrowed from endowments for use in operations.

THE ORTHODOX CHURCH IN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Basis of financial statement presentation and classification of net assets (continued)

Net assets with donor restrictions are subject to the restrictions of gift instruments requiring that the principal be invested in perpetuity. Generally, the donors of these funds permit the organization to use all or part of the income earned on related investments, and the net capital appreciation thereon, for general or specific purposes. These net asset classes carry specific, donor-imposed restrictions on the expenditure or other use of contributed funds. Net assets with donor restrictions also include accumulated endowment earnings that are restricted by the donor for a particular purpose or whose use is unrestricted but have not yet been appropriated for expenditure. Temporary restrictions may expire either because certain actions are taken by the Church which fulfill the restrictions or because of the passage of time. Expirations of temporary restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications between the applicable classes of net assets.

Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and cash equivalents

For purposes of the statements of cash flows, cash equivalents are defined as cash on deposit, cash on hand and money market funds not held for investment with maturities less than three months when acquired to be cash and cash equivalents.

Concentrations of credit risk

From time to time the Church may have bank deposits in excess of the Federal Deposit Insurance Corporation limits. The Church's cash management policy is to mitigate credit risks by investing in or through major financial institutions.

THE ORTHODOX CHURCH IN AMERICA**NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2018 AND 2017****2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):****Assessments and other accounts receivable**

Assessments and other accounts receivable are stated at the amount management expects to collect from outstanding balances. Receivables are expected to be collected within one year, and are therefore recorded at net realizable value. Management provides for probable uncollectible amounts through a provision for bad debt expense and an adjustment to a 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. No allowance for uncollectible accounts was deemed necessary by management at December 31, 2018 and 2017.

Investment valuation and income recognition

Investments comprise money market funds, certificates of deposit, marketable debt and equity securities, and accrued interest and dividends thereon and are reported at fair value. Donated investments are reflected as contributions at their fair market values at date of receipt. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Church's investment committee determines the valuation policies utilizing information provided by the investment adviser and custodian. See note 8 for a discussion on fair value measurements. Adjustments to the carrying value of investments are reported in the statement of activities as a component of net investment income.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the gains and losses on investments bought and sold as well as held during the year.

THE ORTHODOX CHURCH IN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

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.

THE ORTHODOX CHURCH IN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Property, equipment, and depreciation

Property and equipment is stated at cost, or if donated, at fair value on the date of donation. The Church capitalizes assets with a cost basis (or fair value for donated assets) of \$3,000 or greater, and expenditures for repairs and maintenance are expenses when incurred. When items of property and equipment are sold or retired, the related costs and accumulated depreciation are removed from the accounts and any gain or loss is reported as income. Depreciation is recorded on the straight-line basis over the following estimated useful lives:

Building and improvements	40 years
Furniture, fixtures and equipment	3 to 10 years
Software	3 years

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, 2018 and 2017.

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 \$76,120 at December 31, 2018 (\$79,824 in 2017). The present value of the remaining future liability to be distributed by the Church amounted to \$65,279 in 2018 and \$69,087 in 2017.

THE ORTHODOX CHURCH IN AMERICA**NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2018 AND 2017****2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):****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 \$71,734 at December 31, 2018 (\$77,679 at December 31, 2017). 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 \$44,200 at December 31, 2018 (\$49,107 at December 31, 2017).

Support, revenue, reclassifications and expenses

The Church recognizes gifts of cash and other assets as unrestricted support unless they are received with donor stipulations that limit the use of the donated amounts. Net assets with donor restrictions are reclassified to net assets without donor restrictions and recognized in the statements of activities as satisfaction of restrictions when a stipulated time restriction ends or purpose restriction is satisfied.

The Church recognizes gifts of property and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Church recognizes expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Bequests are recorded as support at the time the Church has an established right to the bequest and the proceeds are measurable.

Assessment income is recorded when earned, which is the period for which the assessments related. Other income is recorded when earned.

Expenses are recognized when incurred in accordance with the accrual basis of accounting. The Church incurred no joint costs for the years ending December 31, 2018 and 2017.

THE ORTHODOX CHURCH IN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued):

Donated property and services

Donated non-cash assets are recorded at their fair values at the date of donation. Donated services that create or enhance non-financial assets or that require specialized skills, provided by individuals possessing those skills, and that would typically need to be purchased if not provided by donation, are recorded at fair value in the period received.

The Church reported donated professional services of \$5,260 for the year ended December 31, 2018 (\$39,900 in 2017) that meet current accounting standards.

Functional expenses

The costs of providing various programs and other activities have been summarized on a functional basis in the statements of activities and in the statements of functional expenses. Accordingly, certain costs have been allocated, based on management's estimate, among the programs and supporting services benefited.

Reclassifications

Certain reclassifications were made to the 2017 financial statements in order to conform to the 2018 presentation. These reclassifications had no effect on the change in net assets.

3. CASH AND CASH EQUIVALENTS:

Cash and cash equivalents consist of the following:

	2018	2017
Funds set aside for satisfaction of donor restrictions	\$ 15,718	\$ 23,532
Funds set aside for thriving in ministry program	124,998	-
Unrestricted operating funds	67,741	28,894
Reserve account	178,042	276,680
St. Sergius Chapel account	9,818	13,806
Total	\$ 396,317	\$ 342,912

THE ORTHODOX CHURCH IN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

4. ASSESSMENTS AND OTHER ACCOUNTS RECEIVABLE:

Assessments and other accounts receivable consist of the following:

	2018	2017
Assessments receivable	\$ 145,493	\$ 208,835
Other accounts receivable	48,020	65,612
Total	\$ 193,513	\$ 274,447

5. GRANT RECEIVABLE:

Grant receivable of \$345,700 is the remaining balance of a \$470,700 grant awarded on September 20, 2018 to help support the thriving in ministry initiative program. \$125,000 of the grant was received in December 2018 and \$345,700 was received in January 2019. The funding is to be expended over a five year period covering 2019 to 2023.

6. RESTRICTED CASH:

For 2018, restricted cash amounting to \$124,998 consists of cash received in December 2018 of the restricted grant amounting to \$125,000 less bank fees of \$2 from the thriving in ministry initiative grant described in Note 5. For 2017, restricted cash amounting to \$211,105 consisted of a transfer from a previous investment fund used for improvements and updates to the archives room.

7. RELATED PARTY NOTE RECEIVABLE:

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

THE ORTHODOX CHURCH IN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

8. FAIR VALUE MEASUREMENTS:

FASB ASC 820, “*Fair Value Measurements*”, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that The Church has the ability to access.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- other inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability’s fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2018 and 2017.

Corporate equity securities: Valued at the closing price reported on the active market on which the individual securities are traded.

THE ORTHODOX CHURCH IN AMERICA**NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2018 AND 2017****8. FAIR VALUE MEASUREMENTS (continued):**

Money market funds, negotiable certificates of deposit: Value determined by reference to quoted market prices and other relevant information generated by market transactions, when available.

U.S. government agency obligations, corporate bonds and municipal bonds: Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings.

Mutual funds: Valued at the daily closing price as reported by the fund. Mutual funds are open-end mutual funds that are registered with the U.S. Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by The Church are deemed to be actively traded.

Annuity investments: Valued at the contracts actuarial present value by discounting the related cash flows based on current market discount rates and applicable mortality tables.

The preceding methods described may produce a fair value calculation that may not be reflective of future fair values. Furthermore management believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with investing in those investments.

THE ORTHODOX CHURCH IN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

8. FAIR VALUE MEASUREMENTS (continued):

The following table sets forth by level, within the fair value hierarchy, the Church's assets at fair value on a recurring basis as of December 31, 2018 and 2017.

Assets at fair value as of December 31, 2018				
	Fair value	Level 1	Level 2	Level 3
Corporate equity securities	\$ 1,577,850	\$ 1,577,850	\$ -	\$ -
Money market funds	493,983	493,983	-	-
U.S. Government agency obligations	19,741	19,741	-	-
Mutual funds	82,892	82,892	-	-
Annuity investments	76,120	-	76,120	-
	\$ 2,250,586	\$ 2,174,466	\$ 76,120	\$ -

Assets at fair value as of December 31, 2017				
	Fair value	Level 1	Level 2	Level 3
Corporate equity securities	\$ 1,623,036	\$ 1,623,036	\$ -	\$ -
Money market funds	849,297	849,297	-	-
U.S. Government agency obligations	19,741	19,741	-	-
Mutual funds	75,517	75,517	-	-
Annuity investments	79,824	-	79,824	-
	\$ 2,647,415	\$ 2,567,591	\$ 79,824	\$ -

THE ORTHODOX CHURCH IN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

8. FAIR VALUE MEASUREMENTS (continued):

Investment income consists of the following:

	2018	2017
Interest and dividends	\$ 90	\$ 85
Investment fees	(12,383)	(12,189)
	\$ (12,293)	\$ (12,104)

9. RISKS AND UNCERTAINTIES:

Investment risks

The Church invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of financial position.

10. PROPERTY AND EQUIPMENT:

Property and equipment consists of the following:

	2018	2017
Land	\$ 45,000	\$ 45,000
Buildings and improvements	570,508	552,109
Archive room improvements in progress	104,067	36,717
Furniture, fixtures, and equipment	195,384	181,838
Software	33,000	33,000
	947,959	848,664
Less: accumulated depreciation	(583,127)	(563,195)
Total	\$ 364,832	\$ 285,469

Depreciation expense amounted to \$19,931 in 2018 and \$20,593 in 2017.

THE ORTHODOX CHURCH IN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

11. LEASE COMMITMENTS:

The Church leases office equipment under non-cancellable operating leases. Expenses related to these leases amounted to \$19,840 in 2018 and \$20,773 in 2017. Estimated future minimum lease payments by year and in the aggregate under the leases consist of the following:

<u>Year ending December 31,</u>	
2019	\$ 13,008
2020	6,435

12. RETIREMENT OBLIGATION:

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, 2018 and 2017. The actuarially calculated liability for future payments under this obligation amounted to \$37,552 in 2018 and \$38,000 in 2017.

13. MULTIPLE EMPLOYER PENSION PLAN:

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.

THE ORTHODOX CHURCH IN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

13. MULTIPLE EMPLOYER PENSION PLAN (continued):

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 \$57,762 in 2018 and \$51,995 in 2017. The contribution made by the Church represented approximately 2.25% and 2.11% of the total contributions made to the Plan in 2018 and 2017, 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.

Contributions from all employers and participating employees to the Plan for December 31, 2018 and 2017 are as follows:

Pension Fund:	<u>FEIN</u>	<u>2018</u>	<u>2017</u>
Orthodox Church in America Pension Plan	06-1455789	<u>\$ 2,567,215</u>	<u>\$ 2,465,474</u>

As of December 31, 2018, the Plan's total net assets available for benefits were \$22,589,895 (\$25,879,380 in 2017), and the actuarial present value of accumulated Plan benefits was \$52,989,527 (\$50,971,156 in 2017). As of December 31, 2018 and 2017, the Plan was less than 65% funded.

THE ORTHODOX CHURCH IN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

14. NET ASSETS WITH DONOR RESTRICTIONS:

Restricted net assets consist of the following:

	December 31,			
	2017	Additions and other changes	Releases	2018
Mission appeal	\$ 952,143	\$ (73,823)	\$ -	\$ 878,320
Archives fund	174,304	-	67,350	106,954
Restricted endowments excess earnings	296,822	(68,174)	-	228,648
General purpose endowment excess earnings	164,668	(33,097)	-	131,571
Charity	70,803	1,120	3,000	68,923
Theological education – academic fellowship	59,300	-	-	59,300
Publication reserve fund	29,556	-	-	29,556
Seminary appeal	2,677	5,285	3,202	4,760
Thriving in ministries	-	470,698	-	470,698
Other restricted purposes	43,162	(43,162)	-	-
	<u>\$ 1,793,435</u>	<u>\$ 258,847</u>	<u>\$ 73,552</u>	<u>\$ 1,978,730</u>

Donor restricted endowments:

General purposes	237,541
Restricted purposes	775,762
Charitable remainder unitrust	24,188

1,037,491

Total net assets with donor restrictions \$ 3,016,221

THE ORTHODOX CHURCH IN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

14. NET ASSETS WITH DONOR RESTRICTIONS (continued):

Restricted net assets consist of the following:

	December 31,			
	2016	Additions and other changes	Releases	2017
Mission appeal	\$ 914,836	\$ 76,637	\$ 39,330	\$ 952,143
Archives fund	210,337	1,818	37,851	174,304
Restricted endowments excess earnings	200,480	96,342	-	296,822
General purpose endowment excess earnings	115,540	49,128	-	164,668
Charity	71,803	2,359	3,359	70,803
Theological education – academic fellowship	59,300	-	-	59,300
Publication reserve fund	29,556	-	-	29,556
Seminary appeal	2,592	2,410	2,325	2,677
Other restricted purposes	64,592	-	21,430	43,162
	<u>\$ 1,669,036</u>	<u>\$ 228,694</u>	<u>\$ 104,295</u>	<u>\$ 1,793,435</u>

Donor restricted endowments:

General purposes	234,166
Restricted purposes	775,762
Charitable remainder unitrust	24,188
	<u>1,034,116</u>

Total net assets with donor restrictions \$ 2,827,551

THE ORTHODOX CHURCH IN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

15. 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.

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 ORTHODOX CHURCH IN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

15. ENDOWMENTS (continued):

Endowment net assets composition by type of fund as of December 31, 2018:

	Without donor restrictions	With donor restrictions	Total
Donor restricted endowments for:			
General purposes	\$ 188,256	\$ 368,813	\$ 557,069
Restricted purposes	(59,443)	963,895	904,452
Total endowment funds	<u>\$ 128,813</u>	<u>\$ 1,332,708</u>	<u>\$ 1,461,521</u>

Changes in endowment net assets for the year ended December 31, 2018:

	Without donor restrictions	With donor restrictions	Total
Endowment net assets, January 1, 2018	<u>\$ 163,360</u>	<u>\$ 1,424,305</u>	<u>\$ 1,587,665</u>
Investment return:			
Interest and dividend income (net of fees)	8,493	16,036	24,529
Realized and unrealized gains	<u>(43,040)</u>	<u>(111,009)</u>	<u>(154,049)</u>
Total investment return	<u>(34,547)</u>	<u>(94,973)</u>	<u>(129,520)</u>
Contributions	<u>-</u>	<u>3,376</u>	<u>3,376</u>
Endowment net assets, December 31, 2018	<u>\$ 128,813</u>	<u>\$ 1,332,708</u>	<u>\$ 1,461,521</u>

THE ORTHODOX CHURCH IN AMERICA

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2018 AND 2017

15. ENDOWMENTS (continued):

Endowment net assets composition by type of fund as of December 31, 2017:

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
Donor restricted endowments for:			
General purposes	\$ 188,256	\$ 421,540	\$ 609,796
Restricted purposes	(24,896)	1,002,765	977,869
Total endowment funds	<u>\$ 163,360</u>	<u>\$ 1,424,305</u>	<u>\$ 1,587,665</u>

Changes in endowment net assets for the year ended December 31, 2017:

	<u>Without donor restrictions</u>	<u>With donor restrictions</u>	<u>Total</u>
Endowment net assets, January 1, 2017	<u>\$ 14,184</u>	<u>\$ 1,332,547</u>	<u>\$ 1,346,731</u>
Investment return:			
Interest and dividend income (net of fees)	(1,624)	9,701	8,077
Realized and unrealized losses	43,788	89,531	133,319
Total investment return	<u>42,164</u>	<u>99,232</u>	<u>141,396</u>
Contributions	<u>96,773</u>	<u>2,765</u>	<u>99,538</u>
Other changes:			
Changes in funds with deficiencies	<u>10,239</u>	<u>(10,239)</u>	<u>-</u>
Endowment net assets, December 31, 2017	<u>\$ 163,360</u>	<u>\$ 1,424,305</u>	<u>\$ 1,587,665</u>

THE ORTHODOX CHURCH IN AMERICA**NOTES TO FINANCIAL STATEMENTS****DECEMBER 31, 2018 AND 2017****16. LIQUIDITY AND AVAILABILITY OF RESOURCES:**

The Church has \$464,832 of financial assets available within one year of the statement of financial position date to meet cash needs for general expenditures, consisting of cash of \$271,319, and assessments and accounts receivable of \$193,513. None of the financial assets are subject to other donor or contractual restrictions that make them unavailable for general expenditures within one year of the statement of financial position date. The assessments and accounts receivable are subject to implied time restrictions but are expected to be collected within one year. The Church has a goal to structure its financial assets to be available as its general expenditures, liabilities and other obligations come due.

17. SUBSEQUENT EVENTS:

Management has evaluated subsequent events through October 9, 2019, which is the date the financial statements are available for issuance, and have determined that there are no subsequent events that require disclosure under US generally accepted accounting principles other than as disclosed in note 5.



Treasurer's Report

Year-End - Dec. 31, 2019

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

Christ is in our midst!

Attached is the Treasurer's Report for the quarter and year ended December 31, 2019. The report includes the following:

- * Statement of Operating Activity - Unrestricted
- * Statement of Operating Activity - Restricted
- * Comparative Balance Sheet for Dec. 31, 2019 and Dec. 31, 2018

December 31, 2019 represents 12/12ths of the OCA's fiscal year, so the target for operating revenues and is expenses is 100%.

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

Revenues

Revenue collection was at \$1,859K on an annual budget of \$1,809K (102.76%), just exceeding the target for the year. Diocesan assessments were at 106.15%. Contributions (primarily through the SOCA campaign) were below budget but consist with prior years' experience and next year's budget.

Expenses

Expenses incurred through December were \$1,745K on an annual budget of \$1,809K (96.45%). Expenses were right in line with the budget overall with overages in individual cost centers easily being absorbed into the overall expense budget.

Net Income

Unrestricted net income is a \$114K surplus through December. This is due in part to good expense control, but primarily to at least one position (salary and employer portion of benefits cost) unfilled for much of the year.

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

In Christ,

Andrew D. Smith
Treasurer

ORTHODOX CHURCH IN AMERICA
Statement of Operating Activity - FY2019 - **Preliminary & Unaudited**
Dec. 31, 2019

				Target 100.00%
				D
<i>Unrestricted</i>	A	B	C	D
	CURRENT QUARTER	YEAR TO DATE	ANNUAL BUDGET	% BUDGET USED
1	REVENUE			
2	467,870	1,764,504	1,662,249	106.15%
3	46,587	76,286	118,442	64.41%
4	1,900	15,025	24,500	61.33%
5	23	94	500	18.87%
6	-	54	-	
7	-	-	-	
8	3,300	3,370	3,700	91.08%
9	519,680	1,859,333	1,809,391	102.76%
10				
11				
12				
13	EXPENSES			
15	108,161	424,875	450,000	94.42%
16	85,253	390,561	414,953	94.12%
17	29,057	111,168	101,668	109.34%
18	26,689	70,907	63,411	111.82%
19	2,315	5,484	6,200	88.45%
20	76,240	257,568	228,999	112.48%
21	4,416	66,356	81,200	81.72%
22	21,848	56,577	60,000	94.29%
23	13,967	65,060	65,000	100.09%
24	2,017	32,512	30,000	108.37%
25	21,571	67,483	60,600	111.36%
26	2,268	2,376	3,848	61.75%
27	-	-	10,000	0.00%
28	9,000	36,000	36,000	100.00%
29	7,000	17,000	12,000	141.67%
30	1,342	1,342	-	
31	7,783	41,327	58,360	70.81%
32	-	6,150	9,000	68.33%
33	18,000	18,000	18,000	100.00%
34	26,408	74,374	100,152	74.26%
35	463,335	1,745,120	1,809,391	96.45%
36				
37	56,345	114,212	0	

ORTHODOX CHURCH IN AMERICA
Statement of Operating Activity - FY2019 - **Preliminary & Unaudited**
Dec. 31, 2019

				Target 100.00%
				D
<i>Temp Restricted</i>	A	B	C	D
	CURRENT QUARTER	YEAR TO DATE	ANNUAL BUDGET	% BUDGET USED
1	REVENUE			
2	-	(500)	-	
3	(865)	7,154	14,000	51.10%
4	-	-	-	
5	5,739	168,392	15,000	1122.61%
6	150	3,849	15,000	25.66%
7	-	1,725	-	
8	-	-	-	
9	5,024	180,620	44,000	410.50%
10				
11				
12				
13	EXPENSES			
14	Restricted Funds			
15	905	15,602	-	
16	-	17	5,000	0.35%
17	-	-	-	
18	-	-	5,000	0.00%
19	3,997	16,321	4,350	375.19%
20	-	-	-	
21	-	15,993	-	
22	12,187	56,819	-	
23	17,089	104,752	14,350	729.98%
24				
25	(12,065)	75,868	29,650	

ORTHODOX CHURCH IN AMERICA
 Balance Sheet - FY2019 - **Preliminary & Unaudited**
 Dec. 31, 2019

A	B	C	D
	<u>12/31/2019</u>	<u>12/31/2018</u>	DIFFERENCE
1 ASSETS			
2 Cash & Cash Equivalents - Operating	317,067	182,905	134,162
3 Cash & Cash Equivalents - Restricted	479,716	213,112	266,604
4 Petty Cash	853	585	268
5			
6 Accounts Receivable	235,386	193,513	41,873
7 Grants Receivable	-	345,700	(345,700)
8 Other Current Assets	3,500	21,777	(18,277)
9			
10 Fixed Assets, net of depreciation	320,744	344,418	(23,674)
11 Investments	2,885,308	2,403,264	482,044
12			
13 Total Assets	<u>4,242,574</u>	<u>3,705,274</u>	<u>537,300</u>
14			
15			
16 LIABILITIES			
17 Accounts Payable	65,514	51,068	14,446
18 Accrued Expenses	40,369	40,786	(417)
19 Retirement Obligation	37,552	37,552	-
20 Unitrust Liability	82,136	81,926	210
21 Other Liabilities	327	327	-
22			
23 Total Liabilities	<u>225,898</u>	<u>211,659</u>	<u>14,239</u>
24			
25			
26 NET ASSETS	<u><u>4,016,676</u></u>	<u><u>3,493,615</u></u>	<u><u>523,061</u></u>

PROPOSAL FOR INDEPENDENT ACCOUNTING AND
AUDITING SERVICES FOR

THE ORTHODOX CHURCH IN
AMERICA

December 31, 2019

Submitted by:

Frank W. Sluter, CPA

Satty, Levine & Ciacco, CPAs, P.C.

534 Broadhollow Road, Suite 300, Melville, NY 11747

117 East Colorado Blvd, Suite 602, Pasadena, CA 91105

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December 18, 2019

The Orthodox Church in America
6850 North Hempstead Turnpike
Syosset, New York, 11791

Dear Susan Wisnewsk:

On behalf of Satty, Levine & Ciacco, CPAs, P.C. (“SL&C”) and the members of our governmental and not-for-profit service team, I am delighted to present information regarding our firm. As you look to the future, the specialized industry expertise of your accountants and business advisors becomes extremely important. I encourage you to focus on the people and service issues that distinguish Satty, Levine & Ciacco, CPAs, P.C.

We have extensive knowledge in the fields of Not-for-Profit Accounting and Auditing. Throughout our combined 70-years of experience, we have witnessed many changes in audit procedures and regulations. Our commitment to keeping up to date and educated about compliance issues, audit programs and regulations has ensured that our clients are getting high quality solid professional services. Our audits hold up to tests placed on them by outside regulators and auditors.

We believe we are the best qualified firm because we stand by the quality of our work. Every audit that SL&C performs is one we’re proud to call our own. When your team invests so much of their reputation and pride in a project, the resulting product is substance, accuracy and quality.

Frank Sluter will be the lead service partner and primary contact to the Orthodox Church in America throughout this engagement. He will be available to answer any questions or concerns you may have. He can be reached at 516-338-9500 or via email at fsluter@satty.com.

Sincerely,



Frank W. Sluter, CPA
Managing Partner

Executive Summary

Satty, Levine & Ciacco, CPAs, P.C. is pleased to present this proposal to the The Orthodox Church in America (the “Organization”). The purpose of this proposal is to provide a clear statement of our capabilities and knowledge. We are excited about working with you and look forward to committing dedicated resources of our Firm to serving you.

Our Firm

SL&C was founded in 1949 by Irving A Satty. Over the years, SL&C has expanded throughout the New York Metropolitan Area and today, enjoys regional recognition. SL&C employs over 25 professional staff members, all having a specialized depth of knowledge and experience. Each SL&C team has the specialists needed for a particular industry or consulting issue. SL&C team members work together, enabling them to offer expert professional advice. This “team” approach and the continuing professional education required of all team members gives our clients unparalleled efficiency and leading edge information.

We staff every engagement with experienced professionals at every level, enabling us to provide each client an efficient audit while providing insightful management comments and recommendations. Our firm's philosophy differs from many other firms our size; we strive to help our clients improve their financial accounting and reporting.

Our firm has also experienced little turnover, providing our clients with a stable engagement team. At Satty, we believe that a stable, experienced engagement team results in a more efficient and effective engagement.

SL&C has successfully passed the intensive American Institute of Certified Public Accountants’ “Peer Review” examination, once again earning an impeccable unmodified opinion.

Satty, Levine & Ciacco, CPAs is committed to providing you personalized and highly responsive professional service. We believe that our dedication to every client, our team approach, and our commitment to accounting and auditing excellence sets us apart from other accounting firms.

Service Capabilities

Satty, Levine & Ciacco, CPAs, P.C. provides clients in all industries with assistance in traditional service areas (accounting, audit and tax) as well as other, more specialized areas. These areas include risk assessment, internal audit, IT audit, construction accounting, litigation support and property tax consulting, as well as the ability to provide referrals for professional services in the fields of banking, law, investments and insurance.

We have dedicated professionals in each of the services we offer. SL&C's CPE program focuses on continually building the technical and industry-related knowledge base of our professionals so they can develop an adept understanding of the specific issues our clients face. By developing an understanding of the nuances of an industry, our professionals are able to better deliver more tailored solutions to meet your needs.

Our accounting and auditing team avails itself of our state-of-the-art technology. All of our audits are performed in a paperless environment utilizing ProSystem FX Engagement, the leading paperless audit software. Accounting and auditing research is performed on-line via the internet which permits us access to the latest pronouncements and guides issued by the AICPA through their various boards and committees.

Affirmation of Independence and License

Satty, Levine & Ciacco, CPAs, P.C. affirms that we are independent of the The Orthodox Church in America's operations as defined by the Accounting Institute of Certified Public Accountants (AICPA).

SL&C is appropriately licensed and insured to perform accounting, auditing, valuation, and many other services in the State of New York and California. Furthermore, all key professional staff members are properly licensed to practice in New York State.

The firm is not currently involved in, nor has it ever been involved in any Federal or State desk or field reviews for any audits in the past three (3) years. Also, there are no past or present civil or criminal legal investigations, or pertinent litigation and/or regulatory actions that could impact our ability to serve in the required capacity.

Additionally, as SL&C does not represent any party that is or may be adverse to the The Orthodox Church in America's, we do not believe that any conflicts of interest will arise in connection with our firm's involvement with your Organization.

Qualifications and Experience

Currently our firm employs over 25 professionals and 7 support assistants in our Melville, New York Office, in addition to a satellite office we have in Pasadena, California.

Throughout our seventy years, Satty, Levine & Ciacco, CPAs, P.C. has conducted hundreds of audits for Not-for-Profits in the New York Metropolitan area all of which are either larger or similar in size and complexity. Most of the audits are also similar in nature.

SL&C is an active member of the American Institute of CPA's (AICPA) Not-for-Profit quality Center, which promotes the importance of quality NFP audits. Membership is voluntary for CPA firms and demonstrates our commitment to providing our clients with quality service and training our professionals with the most current industry issues.

References

Nassau County Museum of Art

Diane Roedel
 One Museum Drive
 Roslyn, New York 11576
 (516) 484-9338 Ext. 34

Nassau Suffolk Law Services

Jeff Siegel
 1 Helen Keller Way
 Hempstead, NY 11550
 (516) 292-8100 Ext. 3147

St. Philip the Apostle Foundation, Inc.

Fr. Dennis Donovan
 148 Main Street
 New Rochelle, NY 10801
 (914) 327-0527

Hope for Youth, Inc.

Dr. David Hegarty
 201 Dixon Avenue
 Amityville, New York 11701
 (631) 782-6503

Engagement Team

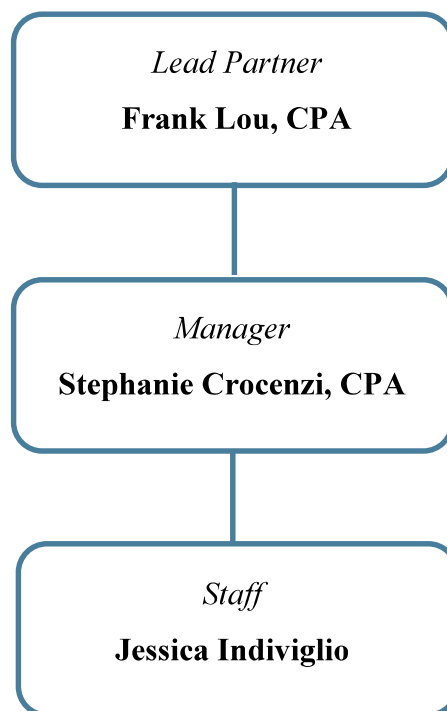
Team members for this engagement were selected for their technical ability, experience and management skills. The management personnel assigned to the engagement on a full-time basis include Frank Lou, and Stephanie Crocenzi. Working with them will be a sufficient number of qualified professional staff to complete the engagement on a timely basis. Mr. Sluter will be the Engagement Leader during the term of this engagement.

At SL&C we value and believe that careful planning, direction and supervision are essential for a successful engagement. Your engagement is important to us, and we understand the importance of providing experienced resources to you. We are dedicated to making your engagement successful and providing clear communication throughout the process.

Engagement Team (continued)

The Firm's policy regarding staff assignments is to maintain continuity in engagement leadership throughout a client relationship, unless the client interests or professional standards indicate otherwise. Satty, Levine & Ciacco, CPAs, P.C. has an outstanding record for longevity of service. A stable, experienced engagement team results in a more efficient and effective engagement. The engagement partner, Frank Lou, as well as the engagement team manager, Stephanie Crocenzi, will be available throughout the year for consultation as your needs dictate.

Our firm is distinguished by an exemplary dedication to client service while maintaining our professional standards. Your calls will always be expeditiously returned and will always have two dedicated partners, Frank Sluter or Frank Lou, available to answer questions and give updates on the progress of the audit.





Frank Lou, CPA

Professional Profile

Frank Lou is a Partner at the accounting and business advisory firm, Satty, Levine & Ciacco, CPAs, P.C. located in Long Island, New York.

Frank leads the Not-For-Profit Practice at SL&C. Frank focuses primarily on accounting and providing professional services for not-for-profits and government entities.

Prior to joining the SL&C team, Frank gained more than two years experience working in the not-for-profit sector.

Professional Affiliations

Frank is an active member of the American Institute of Certified Public Accountants (AICPA), and the New York State Society of Certified Public Accountants (NYSSCPA).

Recognition

Frank has been featured in “Who’s Who in Accounting Audits” in the Long Island Business News.

Education

Frank earned his Bachelor’s of Science degree in Accounting as well as a Master’s degree in Business Administration from State University of New York, New Paltz. Frank is a licensed Certified Public Accountant in New York State. Frank is also fluent in the Chinese language.



Since 1949...People...Relationships...Results.



Stephanie Crocenzi, CPA

Professional Profile

Stephanie Crocenzi is an Audit Manager at the accounting and business advisory firm, Satty, Levine & Ciacco, CPAs, P.C.

Prior to joining SL&C, Stephanie was an auditor at McGladrey & Pullen, LLP for eight years. During her tenure there, she was promoted to an audit manager and was responsible for audits of both public and private companies in the consumer products, professional services, healthcare and distributing industries. In addition, Stephanie specialized in full and limited scope 401K and pension plan audits, including multi-employer and 403(b) plans. At her former firm, Stephanie played an integral part in their recruiting process by interviewing potential entry-level candidates for the New York office.

Stephanie also served as a training instructor, facilitating local office training courses that covered a wide variety of topics.

Stephanie specializes in audits of not-for-profit organizations, private foundations, civic/charitable organizations in addition to audits of for-profit companies. She also specializes in pension, profit-sharing and 401K plan audits.

Professional Affiliations

Stephanie is a member of both the American Institute of Certified Public Accountants (AICPA) and the New York State Society of Certified Public Accountants (NYSSCPA).

Education

Stephanie earned her Bachelor's degree in Accounting, magna cum laude in 2002, and a Masters in Accounting in 2003, both from St. John's University. Stephanie is a licensed Certified Public Accountant in New York State.



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Jessica Indiviglio

Professional Profile

Jessica Indiviglio is an Accountant at the accounting and business advisory firm, Satty, Levine & Ciacco, CPAs, P.C. located in Long Island, New York.

Jessica started her career in accounting as an intern at Grant Thornton. She then spent two years working on audits of both private and public companies at KPMG before joining the SL&C team.

Jessica specializes in audits of not-for-profits and governmental entities. She also works in accounting and taxation for closely-held businesses.

Education

Jessica earned her Bachelor's of Science degree in Accounting from Molloy College in 2007, where she was on the College Deans list and graduated summa cum laude. While at Molloy, Jessica was the recipient of the Francis D. Gabriel Scholarship of Excellence in Accounting, and was a member of the Sigma Beta Delta Honor Society.



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Scope of Work

Satty, Levine & Ciacco, CPAs, P.C. understands that they will assist in the preparation of the The Orthodox Church in America's annual financial statements and related notes under the supervision of the accountant.

The above audit services will be conducted in accordance with Generally Accepted Auditing Standards (GAAS).

We believe regular and candid communications with all of the Organization's management is essential to a successful client service relationship. As a matter of practice, we work with our clients on an ongoing basis throughout the year. We deal with more than just auditing the annual financial statements. Interim reviews throughout the year, immediate telephone access for consultation, a sound reference for budgeting and operational problems and concerns are a few of the aspects of SL&C's service philosophy which transcends the year-end engagement. Our goal is to be considered a key management resource and sounding board for the Organization.

Professional Fee Structure

Satty, Levine & Ciacco CPAs, P.C.'s operating philosophy is to provide professional services of the highest quality for a reasonable cost. We value our client relationships so we enter into them with the intent that they will be long term and mutually satisfactory. Professional fees represent an important expenditure, so we believe that our clients are entitled to efficient and effective service.

In the interest of establishing a long-term, valued professional relationship with The Orthodox Church in America we have structured our fees to accomplish this goal. Our fee quoted is based on the assumption that the accounting records are accurate, supporting schedules will be provided to us in a timely fashion, and that there are no accounting surprises. We recognize our responsibility to provide you with high quality service within effective and efficient time constraints. We take that responsibility very seriously.

The fee estimates assume a reasonable level of assistance from the Organization's personnel. Prior to beginning our work, we will coordinate the preparation of such schedules and analyses, including a detailed list of specific requests. Such assistance ensures an efficient and effective engagement and minimizes disruption within your Organization. The fees are based upon anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the completion of our work.

Our fees are as follows for Auditing Services:

If our examination disclosed any major deficiencies in the accounting organization, which would require the expenditure of a substantial amount of extra time by our staff, we will notify the Board immediately. We will not perform any additional services until approved by the Board.

Our standard billing rates and fee for these services are as follows. Additionally, it is SL&C's policy to not charge for travel time or travel expenses for all travel within the five boroughs of New York City and Long Island.

Services	2019 Fee
Audit of the financial statements	\$18,000
Presentation of the financial statements and management letter	Included in Audit Fee

Our standard billing rates are as follows:

Staff	Organization's Rate	Standard Billing Rates
Partner	\$300/hr.	\$350/hr.
Director	\$250/hr.	\$300/hr.
Manager	\$200/hr.	\$250/hr.
Senior	\$150/hr.	\$175/hr.
Junior	\$95/hr.	\$110/hr.
Clerical	\$75/hr.	\$95/hr.

Obviously our objective is to match the task to the person with the appropriate expertise to ensure that the job is accomplished with maximum efficiency and is also cost-effective to you. Frank W. Sluter will be responsible for evaluating all billings for accuracy and fairness. Given our previously stated interest in remaining in a long-term relationship with you, we clearly understand the need to be fair in our billing as measured against value rendered. We recognize the importance of fees and cost containment. It has always been our belief that high quality professional accounting services pay for themselves many times over. However, we also understand the importance of these fees in an on-going relationship. As such, we are committed to keeping our fees at a reasonable and realistic level for the high quality service provided. Our goal is to maintain a mutually beneficial long-term relationship with the The Orthodox Church in America. We would encourage you to contact any of our clients to discuss first hand our proactive service approach as well as our level of technical expertise.

Conclusion

Satty, Levine & Ciacco, CPAs', P.C. has established itself as a leader in the Not-For-Profit fields. We have developed a practice of the highest quality as demonstrated by the large number of Not-for-Profit entities that have chosen our firm as their independent accountants, auditors and consultants.

In summary, we believe that the skills and capabilities of our team of professionals can best serve the needs of the The Orthodox Church in America through the application of specialized industry expertise and a commitment to providing services at the highest possible level. We are pleased at the prospect of continuing our long standing association with the The Orthodox Church in America and are prepared to utilize every resource within our firm to continue to carry out this commitment.

We appreciate the opportunity and we welcome the opportunity to make a personal presentation. If you have any questions relative to this proposal, please do not hesitate to call us.



July 20, 2018

Roger Ciacco
Satty Levine & Ciacco CPAs P. C.
125 Jericho Tpke Ste 200
Jericho, NY 11753-1016

Dear Roger Ciacco:

It is my pleasure to notify you that on July 19, 2018, the Pennsylvania Peer Review Committee accepted the report on the most recent System Review of your firm. The due date for your next review is December 31, 2020. This is the date by which all review documents should be completed and submitted to the administering entity.

As you know, the report had a peer review rating of pass. The Committee asked me to convey its congratulations to the firm.

Thank you for your cooperation.

Sincerely,

PICPA Peer Review Committee

PICPA Peer Review Committee
peerreview@picpa.org (267) 675-6250
Pennsylvania Institute of CPAs

CC: Thomas Linder, Frank Sluter

Firm Number: 900010103186

Review Number: 554208



Report on Firm's System of Quality Control

January 5, 2018

To the Shareholders

Satty, Levine & Ciacco, CPAs, P.C. and the Peer Review

Committee of the New York State Society of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Satty, Levine & Ciacco, CPAs, P.C. (the firm) in effect for the year ended June 30, 2017. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at www.aicpa.org/prsummary. The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

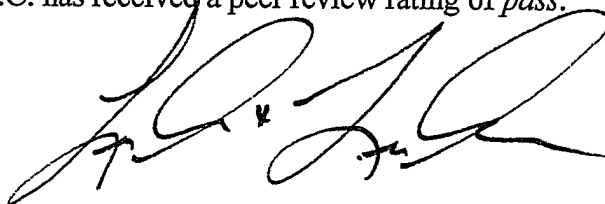
Required Selections and Considerations

Engagements selected for review included engagements performed under *Government Auditing Standards* and audits of employee benefit plan.

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of Satty, Levine & Ciacco, CPAs, P.C. in effect for the year ended June 30, 2017, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency*, or *fail*. Satty, Levine & Ciacco, CPAs, P.C. has received a peer review rating of *pass*.

A handwritten signature in black ink, consisting of several large, fluid loops and strokes, positioned to the right of the main text block.



Affirmative Action Policy

It is the policy of Satty, Levine & Ciacco, CPAs, P.C. to provide equal employment opportunities without regard to race, color, religion, sex, national origin, age, disability, marital status, veteran status, sexual orientation, genetic information or any other protected characteristic under applicable law. This policy relates to all phases of employment, including, but not limited to, recruiting, employment, placement, promotion, transfer, demotion, reduction of workforce and termination, rates of pay or other forms of compensation, selection for training, the use of all facilities, and participation in all company-sponsored employee activities. Provisions in applicable laws providing for bona fide occupational qualifications, business necessity or age limitations will be adhered to by the company where appropriate.

As part of the company's equal employment opportunity policy, Satty, Levine & Ciacco, CPAs, P.C. will also take affirmative action as called for by applicable laws and Executive Orders to ensure that minority group individuals, females, disabled veterans, recently separated veterans, other protected veterans, Armed Forces service medal veterans, and qualified disabled persons are introduced into our workforce and considered for promotional opportunities.

Employees and applicants shall not be subjected to harassment, intimidation or any type of retaliation because they have (1) filed a complaint; (2) assisted or participated in an investigation, compliance review, hearing or any other activity related to the administration of any federal, state or local law requiring equal employment opportunity; (3) opposed any act or practice made unlawful by any federal, state or local law requiring equal opportunity; or (4) exercised any other legal right protected by federal, state or local law requiring equal opportunity.

The above-mentioned policies shall be periodically brought to the attention of supervisors and shall be appropriately administered. It is the responsibility of each supervisor of the company to ensure affirmative implementation of these policies to avoid any discrimination in employment. All employees are expected to recognize these policies and cooperate with their implementation. Violation of these policies is a disciplinary offense.

The Affirmative Action Director has been assigned to direct the establishment and monitor the implementation of personnel procedures to guide our affirmative action program throughout Satty, Levine & Ciacco, CPAs, P.C. A notice explaining the company's policy will remain posted.

ORTHODOX CHURCH IN AMERICA

2020 Budget - Summary

Amendments for consideration at Spring 2020 Metropolitan Council meeting

	A	B	C	Target		D	E	F
				100.00%				
<i>Unrestricted</i>	YTD Actual	BUDGET	% BUDGET	BUDGET	PROPOSED	BUDGET	AMENDMENTS	BUDGET
	12/31/2019	2019	USED	Adopted 2020		Amended 2020		
1 REVENUE								
2 Diocesan Assessments	1,764,504	1,662,249	106.15%	1,614,195	45,240	1,659,435		
3 Individual/Business Contributions	76,286	118,442	64.41%	60,000	15,000	75,000		
4 Service Fees	15,025	24,500	61.33%	15,000	-	15,000		
5 Interest Income/Realized Gains/Losses	94	500	18.87%	-	-	-		
6 Appeals	54	-	-	-	-	-		
7 Special Events	-	-	-	-	-	-		
8 Other	3,370	3,700	91.08%	-	-	-		
9 Release from Restriction - <i>Endowed & Restrict</i>	-	-	-	66,000	-	66,000		
10 TOTAL REVENUE	1,859,333	1,809,391	102.76%	1,755,195	60,240	1,815,435		
11								
12								
13								
14 EXPENSES								
15 Compensation & Benefits								
16 Administration	286,750	307,258	93.33%	234,600	-	234,600		
17 Executive	362,564	405,608	89.39%	459,882	43,894	503,776		
18 Archives	110,322	99,906	110.43%	102,005	-	102,005		
19 External Affairs	38,887	38,911	99.94%	41,719	-	41,719		
20 Property	75,484	73,324	102.95%	75,444	-	75,444		
21 ORSMA	38,095	44,331	85.93%	24,426	-	24,426		
22 Total Compensation & Benefits	912,102	969,338	94.10%	938,076	43,894	981,971		
23								
24 Goods & Services								
25 Administration	138,125	142,742	96.77%	108,719	-	108,719		
26 Executive	27,997	9,345	299.60%	54,700	(15,000)	39,700		
27 Archives	846	1,762	48.00%	1,500	-	1,500		
28 External Affairs	32,019	24,500	130.69%	21,500	-	21,500		
29 Chapel	5,484	6,200	88.45%	4,400	-	4,400		
30 Property, incl depr.	182,084	155,675	116.96%	164,325	-	164,325		
31 TOC/Comm	66,356	81,200	81.72%	81,840	(25,654)	56,186		
32 Holy Synod	56,577	60,000	94.29%	66,300	-	66,300		
33 Metropolitan's Office	65,060	65,000	100.09%	64,400	-	64,400		
34 Metropolitan Council	32,512	30,000	108.37%	32,450	-	32,450		
35 St. Catherine's	67,483	60,600	111.36%	65,300	-	65,300		
36 SOCA	2,376	3,848	61.75%	-	-	-		
37 BOT	-	10,000	0.00%	-	10,000	10,000		
38 Mission Planting Grants	36,000	36,000	100.00%	36,000	4,000	40,000		
39 Ordination Candidacy	17,000	12,000	141.67%	12,000	-	12,000		
40 Canons and Statutes	1,342	-	-	-	-	-		
41 ORSMA	3,232	14,029	23.04%	3,185	-	3,185		
42 Continuing Ed	6,150	9,000	68.33%	9,000	-	9,000		
43 Seminaries	18,000	18,000	100.00%	18,000	-	18,000		
44 Departments	74,374	100,152	74.26%	73,500	43,000	116,500		
45 Total Goods & Services	833,018	840,053	99.16%	817,119	16,346	833,465		
46								
47 TOTAL EXPENSES	1,745,120	1,809,391	96.45%	1,755,195	60,240	1,815,436		
48								
49 REVENUE OVER/(UNDER) EXPENSES	114,212	0		(0)	(0)	(0)		

ORTHODOX CHURCH IN AMERICA
Proposed Amendments to 2020 Budget - Expenses by Department

	YTD Actual	BUDGET	% BUDGET	BUDGET	PROPOSED	BUDGET
	2019	2019	USED	ADOPT 2020	AMENDMENTS	2020
10-6600-05 Administration-Salaries	206,680.00	219,710.00		197,530.16	-	197,530.16
10-6606-05 Administration-FICA/MED	15,650.42	14,661.99		15,111.06	-	15,111.06
10-6607-05 Administration-Unemployment Ins W/H	112.11	5,889.74		-	-	-
10-6609-05 Administration-Payroll Processing Fees	2,885.97	3,538.00		4,000.00	-	4,000.00
10-6610-05 Administration-Health Insurance	35,974.29	40,405.76		-	-	-
10-6620-05 Administration-Life Insurance	5,451.72	5,086.00		5,000.00	-	5,000.00
10-6640-05 Administration-Workers Compensation/Disabil	6,770.59	2,634.00		474.07	-	474.07
10-6680-05 Administration-Pension expense	13,224.46	15,332.80		12,484.80	-	12,484.80
	<u>286,749.56</u>	<u>307,258.29</u>	93.33%	<u>234,600.09</u>	-	<u>234,600.09</u>
10-6610-00 -.Health Insurance	(1,361.48)	-		-	-	-
10-6092-05 Administration-Business Registration Fees	-	40.00		-	-	-
10-6095-05 Administration-Bank Fees	2,172.43	2,200.00		2,200.00	-	2,200.00
10-6096-05 Administration-Dues	1,869.98	1,600.00		1,600.00	-	1,600.00
10-6105-05 Administration-Food	2,520.23	3,200.00		3,200.00	-	3,200.00
10-6110-05 Administration-Flowers/Candles/Liturgical ite	131.18	300.00		-	-	-
10-6210-05 Administration-Contract Services	14,695.72	20,650.00		3,000.00	-	3,000.00
10-6211-05 Administration-Accounting Fees	18,700.00	19,000.00		20,000.00	-	20,000.00
10-6214-05 Administration-Legal Fees	377.50	25,000.00		10,000.00	-	10,000.00
10-6215-05 Administration-Outside Contract Services	8,813.42	1,000.00		-	-	-
10-6253-05 Administration-Program Supplies	76.87	-		-	-	-
10-6501-05 Administration-Books, Subscriptions, Dues	195.53	-		-	-	-
10-6502-05 Administration-Postage, Mailing Service	2,521.43	15,000.00		3,000.00	-	3,000.00
10-6503-05 Administration-Printing and Copying	6,162.50	1,400.00		2,000.00	-	2,000.00
10-6504-05 Administration-Supplies	5,102.12	2,000.00		3,000.00	-	3,000.00
10-6505-05 Administration-Telephone, Telecommunication	2,894.88	2,000.00		3,000.00	-	3,000.00
10-6506-05 Administration-Internet	288.07	-		-	-	-
10-6507-05 Administration-Equipment leasing	15,775.38	20,148.00		7,200.00	-	7,200.00
10-6511-05 Administration-Advertising Expenses	-	750.00		750.00	-	750.00
10-6512-05 Administration-Insurance - Liability, D and O	4,227.86	3,446.00		5,000.00	-	5,000.00
10-6516-05 Administration-Misc Other	(234.70)	-		-	-	-
10-6650-05 Administration-Stipends	11,525.00	-		11,400.00	-	11,400.00
10-6670-05 Administration-Computer expense	7,918.42	4,000.00		4,000.00	-	4,000.00
10-6720-05 Administration-Telephone	4,227.35	3,800.00		4,600.00	-	4,600.00
10-6727-05 Administration-Telecommunications	1,572.12	1,100.00		5,000.00	-	5,000.00
10-6733-05 Administration-Website	5,985.01	-		3,269.00	-	3,269.00
10-6831-05 Administration-Conference, Convention, Meetin	274.00	1,000.00		1,000.00	-	1,000.00
10-6832-05 Administration-Travel	16,031.66	9,778.00		12,000.00	-	12,000.00
10-6833-05 Administration-Lodging	-	2,330.00		-	-	-
10-6834-05 Administration-Meals	2,742.55	1,200.00		2,000.00	-	2,000.00
10-6902-05 Administration-Auto repairs	569.50	-		-	-	-
10-6903-05 Administration-Auto gasoline	2,350.70	1,800.00		1,500.00	-	1,500.00
	<u>138,125.23</u>	<u>142,742.00</u>	96.77%	<u>108,719.00</u>	-	<u>108,719.00</u>

ORTHODOX CHURCH IN AMERICA

Proposed Amendments to 2020 Budget - Expenses by Department

	YTD Actual 2019	BUDGET 2019	% BUDGET USED	BUDGET ADOPT 2020	PROPOSED AMENDMENTS	BUDGET 2020
10-6600-07 Executive-Salaries	309,728.22	352,932.16		392,810.61	30,000.00	422,810.61
10-6606-07 Executive-FICA/MED	4,008.43	3,989.96		30,050.01	2,295.00	32,345.01
10-6607-07 Executive-Unemployment Ins W/H	562.14	2,430.00		-	-	-
10-6610-07 Executive-Health Insurance	26,689.62	31,150.51		9,105.20	9,105.20	18,210.40
10-6640-07 Executive-Workers Compensation/Disability	-	66.00		1,750.53	93.85	1,844.38
10-6680-07 Executive-Pension expense	21,575.29	15,039.00		26,165.78	2,400.00	28,565.78
	<u>362,563.70</u>	<u>405,607.63</u>	<u>89.39%</u>	<u>459,882.13</u>	<u>43,894.05</u>	<u>503,776.18</u>
10-6095-07 Executive-Bank Fees	-	45.00		-	-	-
10-6105-07 Executive-Food	130.62	-		-	-	-
10-6504-07 Executive-Supplies	429.66	-		500.00	-	500.00
10-6650-07 Executive-Stipends	15,150.00	-		42,000.00	(18,000.00)	24,000.00
10-6704-07 Executive-Gas	37.25	-		-	-	-
10-6720-07 Executive-Telephone	152.64	-		-	-	-
10-6725-07 Executive-Mobil Phones	4,156.61	4,000.00		4,000.00	-	4,000.00
10-6832-07 Executive-Travel	6,756.75	2,100.00		7,000.00	-	7,000.00
10-6833-07 Executive-Lodging	-	2,000.00		-	-	-
10-6834-07 Executive-Meals	1,024.09	1,200.00		1,200.00	-	1,200.00
10-6903-07 Executive-Auto gasoline	159.74	-		-	-	-
Acct # TBD Executive-Metropolitan's Discretionary	-	-		-	3,000.00	3,000.00
	<u>27,997.36</u>	<u>9,345.00</u>	<u>299.60%</u>	<u>54,700.00</u>	<u>(15,000.00)</u>	<u>39,700.00</u>

ORTHODOX CHURCH IN AMERICA
Proposed Amendments to 2020 Budget - Expenses by Department

	YTD Actual 2019	BUDGET 2019	% BUDGET USED	BUDGET ADOPT 2020	PROPOSED AMENDMENTS	BUDGET 2020
10-6600-08 Archives-Salaries	67,864.20	64,819.20		72,819.20	-	72,819.20
10-6606-08 Archives-FICA/MED	4,976.17	4,958.67		5,570.67	-	5,570.67
10-6607-08 Archives-Unemployment Ins W/H	98.71	395.00		-	-	-
10-6610-08 Archives-Health Insurance	32,287.07	24,534.28		18,210.66	-	18,210.66
10-6640-08 Archives-Workers Compensation/Disability	-	13.00		218.47	-	218.47
10-6680-08 Archives-Pension expense	5,096.22	5,185.54		5,185.54	-	5,185.54
	<u>110,322.37</u>	<u>99,905.69</u>	<u>110.43%</u>	<u>102,004.54</u>	<u>102,004.54</u>	<u>102,004.54</u>
10-6092-08 Archives-Business Registration Fees	200.00	-		200.00	-	200.00
10-6105-08 Archives-Food	-	236.00		-	-	-
10-6280-08 Archives-Facilities and Equipment	-	-		-	-	-
10-6503-08 Archives-Printing and Copying	-	426.00		-	-	-
10-6504-08 Archives-Supplies	512.55	100.00		800.00	-	800.00
10-6832-08 Archives-Travel	133.19	1,000.00		500.00	-	500.00
	<u>845.74</u>	<u>1,762.00</u>	<u>48.00%</u>	<u>1,500.00</u>	<u>1,500.00</u>	<u>1,500.00</u>

ORTHODOX CHURCH IN AMERICA
Proposed Amendments to 2020 Budget - Expenses by Department

	YTD Actual 2019	BUDGET 2019	% BUDGET USED	BUDGET ADOPT 2020	PROPOSED AMENDMENTS	BUDGET 2020
10-6600-09 External Affairs-Salaries	36,163.80	35,998.80		35,998.80	-	35,998.80
10-6607-09 External Affairs-Unemployment Ins W/H	54.80	224.00		-	-	-
10-6640-09 External Affairs-Workers Compensation/Disabi	-	13.00		86.40	-	86.40
10-6680-09 External Affairs-Pension expense	2,668.68	2,675.25		2,879.90	-	2,879.90
	<u>38,887.28</u>	<u>38,911.05</u>	99.94%	<u>38,965.10</u>	<u>-</u>	<u>38,965.10</u>
10-6096-09 External Affairs-Dues	11,224.00	10,000.00		10,000.00	-	10,000.00
10-6253-09 External Affairs-Program Supplies	414.44	-		-	-	-
10-6504-09 External Affairs-Supplies	-	100.00		100.00	-	100.00
10-6670-09 External Affairs-Computer expense	1,420.80	-		-	-	-
10-6720-09 External Affairs-Telephone	2,365.32	4,000.00		1,000.00	-	1,000.00
10-6831-09 External Affairs-Conference, Convention, Meetin	3,190.70	400.00		400.00	-	400.00
10-6832-09 External Affairs-Travel	13,289.40	10,000.00		10,000.00	-	10,000.00
10-6834-09 External Affairs-Meals	114.68	-		-	-	-
	<u>32,019.34</u>	<u>24,500.00</u>	130.69%	<u>21,500.00</u>	<u>-</u>	<u>21,500.00</u>

ORTHODOX CHURCH IN AMERICA

Proposed Amendments to 2020 Budget - Expenses by Department

	YTD Actual 2019	BUDGET 2019	% BUDGET USED	BUDGET ADOPT 2020	PROPOSED AMENDMENTS	BUDGET 2020
10-6600-11 Property Support-Salaries	46,380.16	47,277.21		47,277.12	-	47,277.12
10-6606-11 Property Support-FICA/MED	3,438.01	3,616.71		4,182.65	-	4,182.65
10-6607-11 Property Support-Unemployment Ins W/H	71.99	323.00		-	-	-
10-6610-11 Property Support-Health Insurance	21,954.29	18,297.00		16,503.20	-	16,503.20
10-6640-11 Property Support-Workers Compensation/Disa	-	28.00		3,699.26	-	3,699.26
10-6680-11 Property Support-Pension expense	3,639.81	3,782.18		3,782.17	-	3,782.17
	<u>75,484.26</u>	<u>73,324.10</u>	<u>102.95%</u>	<u>75,444.39</u>	<u>-</u>	<u>75,444.39</u>
10-6100-11 Property Support-Office expense	242.88	-		-	-	-
10-6115-11 Property Support-Office Expense - Other	1,575.99	-		-	-	-
10-6215-11 Property Support-Outside Contract Services	1,694.82	100.00		-	-	-
10-6273-11 Property Support-Real Estate, Personal Prop Ta	40,102.84	40,000.00		43,550.00	-	43,550.00
10-6280-11 Property Support-Facilities and Equipment	420.98	-		-	-	-
10-6284-11 Property Support-Equip Rental and Maintenanc	173.75	-		-	-	-
10-6286-11 Property Support-Lawn	33,000.00	30,000.00		30,000.00	-	30,000.00
10-6287-11 Property Support-Exterminating	440.00	-		500.00	-	500.00
10-6288-11 Property Support-Garbage Removal	2,064.00	2,000.00		2,075.00	-	2,075.00
10-6290-11 Property Support-Repairs expense	1,564.00	1,500.00		1,500.00	-	1,500.00
10-6504-11 Property Support-Supplies	1,713.33	2,500.00		2,500.00	-	2,500.00
10-6701-11 Property Support-Heating oil	13,494.06	13,000.00		16,000.00	-	16,000.00
10-6703-11 Property Support-Water	103.85	250.00		200.00	-	200.00
10-6705-11 Property Support-Electricity	12,093.17	11,000.00		11,000.00	-	11,000.00
10-6750-11 Property Support-Insurance	38,184.31	36,000.00		37,000.00	-	37,000.00
10-6900-11 Property Support-Automobile	5,114.86	-		-	-	-
10-6901-11 Property Support-Auto insurance	1,024.00	3,000.00		3,000.00	-	3,000.00
10-6990-11 Property Support-Depreciation expense	29,076.68	16,325.00		17,000.00	-	17,000.00
	<u>182,083.52</u>	<u>155,675.00</u>	<u>116.96%</u>	<u>164,325.00</u>	<u>-</u>	<u>164,325.00</u>

ORTHODOX CHURCH IN AMERICA
Proposed Amendments to 2020 Budget - Expenses by Department

	YTD Actual 2019	BUDGET 2019	% BUDGET USED	BUDGET ADOPT 2020	PROPOSED AMENDMENTS	BUDGET 2020
10-6600-35 Sexual Misconduct Committ-Salaries	32,298.30	40,800.00		20,000.00	-	20,000.00
10-6606-35 Sexual Misconduct Committ-FICA/MED	2,470.83	3,121.20		1,731.96	-	1,731.96
10-6607-35 Sexual Misconduct Committ-Unemployment Ins	60.78	382.00		-	-	-
10-6610-35 Sexual Misconduct Committ-Health Insurance	3,265.27	-		2,640.00	-	2,640.00
10-6640-35 Sexual Misconduct Committ-Workers Compensi	-	28.00		54.34	-	54.34
	<u>38,095.18</u>	<u>44,331.20</u>	<u>85.93%</u>	<u>24,426.30</u>	<u>-</u>	<u>24,426.30</u>
10-6092-35 Sexual Misconduct Committ-Business Registrati	37.00	599.00		100.00	-	100.00
10-6095-35 Sexual Misconduct Committ-Bank Fees	74.50	-		-	-	-
10-6215-35 Sexual Misconduct Committ-Outside Contract S	2,509.89	12,500.00		2,000.00	-	2,000.00
10-6502-35 Sexual Misconduct Committ-Postage, Mailing Se	37.00	-		55.00	-	55.00
10-6504-35 Sexual Misconduct Committ-Supplies	261.00	-		100.00	-	100.00
10-6832-35 Sexual Misconduct Committ-Travel	295.53	930.00		930.00	-	930.00
10-6834-35 Sexual Misconduct Committ-Meals	17.18	-		-	-	-
	<u>3,232.10</u>	<u>14,029.00</u>	<u>23.04%</u>	<u>3,185.00</u>	<u>-</u>	<u>3,185.00</u>

ORTHODOX CHURCH IN AMERICA
Proposed Amendments to 2020 Budget - Expenses by Department

	YTD Actual 2019	BUDGET 2019	% BUDGET USED	BUDGET ADOPT 2020	PROPOSED AMENDMENTS	BUDGET 2020
10-6050-10 Chapel-Distributions	-	800.00				
10-6051-10 Chapel-Charity distribution	-	1,000.00		1,000.00	-	1,000.00
10-6105-10 Chapel-Food	640.78	1,200.00		800.00	-	800.00
10-6110-10 Chapel-Flowers/Candles/Liturgical item	981.54	3,200.00		500.00	-	500.00
10-6215-10 Chapel-Outside Contract Services	3,000.00	-		-	-	-
10-6504-10 Chapel-Supplies	166.53	-		100.00	-	100.00
10-6650-10 Chapel-Stipends	695.00	-		2,000.00	-	2,000.00
	<u>5,483.85</u>	<u>6,200.00</u>	<u>88.45%</u>	<u>4,400.00</u>	<u>-</u>	<u>4,400.00</u>
10-6215-13 Communications-Outside Contract Services	33,000.00	33,000.00		35,000.00	17,000.00	52,000.00
10-6503-13 Communications-Printing and Copying	1,125.00	500.00		500.00	186.00	686.00
10-6650-13 Communications-Stipends	28,560.00	42,700.00		42,840.00	(42,840.00)	-
10-6670-13 Communications-Computer expense	1,256.17	3,920.00		2,500.00	-	2,500.00
10-6733-13 Communications-Website	2,414.57	1,080.00		1,000.00	-	1,000.00
	<u>66,355.74</u>	<u>81,200.00</u>	<u>81.72%</u>	<u>81,840.00</u>	<u>(25,654.00)</u>	<u>56,186.00</u>
10-6105-14 Holy Synod-Food	5,384.19	2,500.00		-	-	-
10-6115-14 Holy Synod-Office Expense - Other	464.99	-		500.00	-	500.00
10-6502-14 Holy Synod-Postage, Mailing Service	68.85	100.00		-	-	-
10-6504-14 Holy Synod-Supplies	(17.38)	780.00		500.00	-	500.00
10-6650-14 Holy Synod-Stipends	14,800.00	14,400.00		14,400.00	-	14,400.00
10-6651-14 Holy Synod-Holy Synod charity (stipends)	2,500.00	-		-	-	-
10-6832-14 Holy Synod-Travel	28,706.06	20,000.00		36,000.00	-	36,000.00
10-6833-14 Holy Synod-Lodging	615.59	16,000.00		-	-	-
10-6834-14 Holy Synod-Meals	4,054.60	6,220.00		14,900.00	-	14,900.00
	<u>56,576.90</u>	<u>60,000.00</u>	<u>94.29%</u>	<u>66,300.00</u>	<u>-</u>	<u>66,300.00</u>
10-6092-15 Metropolitan's Office-Business Registration Fee	-	1,899.00		1,900.00	-	1,900.00
10-6095-15 Metropolitan's Office-Bank Fees	134.75	-		-	-	-
10-6096-15 Metropolitan's Office-Dues	1,428.99	875.00		-	-	-
10-6110-15 Metropolitan's Office-Flowers/Candles/Liturgic	2,191.57	2,000.00		1,000.00	-	1,000.00
10-6253-15 Metropolitan's Office-Program Supplies	28.80	-		-	-	-
10-6504-15 Metropolitan's Office-Supplies	2,733.44	600.00		500.00	-	500.00
10-6610-15 Metropolitan's Office-Health Insurance	5,616.42	-		-	-	-
10-6667-15 Metropolitan's Office-Chaplains - Stipends	6,000.00	6,000.00		6,000.00	-	6,000.00
10-6831-15 Metropolitan's Office-Conference, Convention, M	870.00	500.00		1,000.00	-	1,000.00
10-6832-15 Metropolitan's Office-Travel	33,488.05	40,876.00		47,000.00	-	47,000.00
10-6833-15 Metropolitan's Office-Lodging	6,733.20	6,000.00		-	-	-
10-6834-15 Metropolitan's Office-Meals	4,565.02	6,000.00		6,000.00	-	6,000.00
10-6902-15 Metropolitan's Office-Auto repairs	1,270.17	250.00		1,000.00	-	1,000.00
	<u>65,060.41</u>	<u>65,000.00</u>	<u>100.09%</u>	<u>64,400.00</u>	<u>-</u>	<u>64,400.00</u>
10-6105-16 Metropolitan Council-Food	1,340.27	3,600.00		2,400.00	-	2,400.00
10-6504-16 Metropolitan Council-Supplies	27.15	-		50.00	-	50.00
10-6832-16 Metropolitan Council-Travel	13,830.20	12,000.00		12,000.00	-	12,000.00
10-6833-16 Metropolitan Council-Lodging	16,372.80	14,000.00		18,000.00	-	18,000.00
10-6834-16 Metropolitan Council-Meals	941.60	400.00		-	-	-
	<u>32,512.02</u>	<u>30,000.00</u>	<u>108.37%</u>	<u>32,450.00</u>	<u>-</u>	<u>32,450.00</u>

ORTHODOX CHURCH IN AMERICA
Proposed Amendments to 2020 Budget - Expenses by Department

	YTD Actual 2019	BUDGET 2019	% BUDGET USED	BUDGET ADOPT 2020	PROPOSED AMENDMENTS	BUDGET 2020
10-6095-17 St Catherine's Representa-Bank Fees	10.00	-		-	-	-
10-6110-17 St Catherine's Representa-Flowers/Candles/Li	1,325.45	-		300.00	-	300.00
10-6253-17 St Catherine's Representa-Program Supplies	67.49	-		-	-	-
10-6650-17 St Catherine's Representa-Stipends	47,499.92	45,600.00		50,000.04	-	50,000.04
10-6680-17 St Catherine's Representa-Pension expense	8,246.49	-		-	-	-
10-6832-17 St Catherine's Representa-Travel	9,334.00	15,000.00		15,000.00	-	15,000.00
10-6834-17 St Catherine's Representa-Meals	1,000.00	-		-	-	-
	<u>67,483.35</u>	<u>60,600.00</u>	<u>111.36%</u>	<u>65,300.04</u>	<u>-</u>	<u>65,300.04</u>
10-6502-20 SOCA-Postage, Mailing Service	2,042.54	2,984.00		-	-	-
10-6504-20 FOS-Supplies	-	226.00		-	-	-
10-6733-20 SOCA-Website	333.62	638.00		-	-	-
	<u>2,376.16</u>	<u>3,848.00</u>	<u>61.75%</u>	<u>-</u>	<u>-</u>	<u>-</u>
10-6832-29 Theological Education Boa-Travel	-	10,000.00	0.00%		10,000.00	10,000.00
10-6050-30 Missions and Planting Gra-Distributions	18,000.00	36,000.00	50.00%	36,000.00	4,000.00	40,000.00
10-6215-34 Ordination Candidate Test-Outside Contract Se	9,000.00	12,000.00	75.00%	12,000.00	-	12,000.00
10-6832-38 Canons and Statues Commit-Travel	1,341.86	-		-	-	-
10-6215-39 Strategic Planning-Outside Contract Services	(450.00)	-		-	-	-
10-6504-39 Strategic Planning-Supplies	-	1,500.00		1,500.00	-	1,500.00
10-6650-39 Strategic Planning-Stipends	6,600.00	7,500.00		7,500.00	-	7,500.00
	<u>6,150.00</u>	<u>9,000.00</u>	<u>68.33%</u>	<u>9,000.00</u>	<u>-</u>	<u>9,000.00</u>
10-6050-40 Seminaries-Distributions	18,000.00	18,000.00	100.00%	18,000.00	-	18,000.00
10-6050-80 Ministries-Distributions	2,000.00	2,500.00		2,500.00	-	2,500.00
10-6092-80 Ministries-Business Registration Fees	392.00	550.00		-	-	-
10-6096-80 Ministries-Dues	1,100.00	3,750.00		-	-	-
10-6215-80 Ministries-Outside Contract Services	6,765.00	11,000.00		11,000.00	25,000.00	36,000.00
10-6253-80 Ministries-Program Supplies	76.78	-		-	-	-
10-6503-80 Ministries-Printing and Copying	-	1,500.00		1,500.00	-	1,500.00
10-6504-80 Ministries-Supplies	2,762.50	1,000.00		3,000.00	-	3,000.00
10-6515-80 Ministries-Memberships	13,350.00	12,000.00		-	12,000.00	12,000.00
10-6650-80 Ministries-Stipends	39,375.00	25,500.00		36,000.00	6,000.00	42,000.00
10-6655-80 Ministries-Christian Ed. stipend	-	6,000.00		-	-	-
10-6656-80 Ministries-Missions and Evang. stipend	-	6,000.00		-	-	-
10-6658-80 Ministries-Lit. Worship stipend	-	6,000.00		-	-	-
10-6665-80 Ministries-Christian Witness stipend	250.00	6,000.00		-	-	-
10-6667-80 Ministries-Chaplains - Stipends	-	6,000.00		-	-	-
10-6733-80 Ministries-Website	-	1,152.00		1,500.00	-	1,500.00
10-6831-80 Ministries-Conference, Convention, Meeting	3,442.38	1,200.00		3,000.00	-	3,000.00
10-6832-80 Ministries-Travel	4,833.05	10,000.00		15,000.00	-	15,000.00
10-6833-80 Ministries-Lodging	-	-		-	-	-
10-6834-80 Ministries-Meals	27.75	-		-	-	-
	<u>74,374.46</u>	<u>100,152.00</u>	<u>74.26%</u>	<u>73,500.00</u>	<u>43,000.00</u>	<u>116,500.00</u>

ORTHODOX CHURCH IN AMERICA
 20th All-American Council Budget Scenarios
 Spring 2020 Metropolitan Council Meeting

	A	B	C	D	D
	2018	2021	2021	Change	2021
	Budget	Prelim.	Adjusted	Prelim to Adj	Adopted
1 REVENUE					
2 Diocesan Proportional Giving	275,000	275,000	300,000	25,000	
3 General Donations	2,000	-	2,000	2,000	
4 Vendor & Exhibitor Fees	42,500			-	
5 * 40 Vendors @ \$1,000		40,000	40,000	-	
6 * 25 Displayers @ \$250		6,250	6,250	-	
7 Youth Registration Fees		-	-	-	
8 * Grants				-	
9 * 120 Youth @ \$150	18,750	18,000	18,000	-	
10 FOCA Ad Book Revenues	12,000			-	
11 * 50 Full-page (\$150)		7,500	3,750	(3,750)	
12 * 30 Half-page (\$100)		3,000	1,500	(1,500)	
13 * 15 Quarter-page (\$75)		1,125	563	(563)	
14 * 5 Memorial Listings (\$60)		300	150	(150)	
15 * 10 Benefactor 2-line listing (\$40)		400	200	(200)	
16 * 10 Patrol 1-line listing (\$20)		200	100	(100)	
17 Observer Fees	-			-	
18 * 120 @ \$250	20,000	30,000	30,000	-	
19 TOTAL REVENUE	370,250	381,775	402,513	20,738	-
20					
21					
22 EXPENSES					
23					
24 Flowers & Liturgical Items	500	500	500	-	
25 PCC Lunch	200	500	200	(300)	
26 Outside Contractors	69,600				
27 * Shepard Expo Services		18,500	18,500	-	
28 * Photographer		3,000	3,000	-	
29 * PSAV Services		100,000	100,000	-	
30					
31 Postage, Printing & Copying	11,300	11,500	11,500	-	
32 Office Supplies	11,550	12,000	8,000	(4,000)	
33 Stipends	15,000	20,000	18,000	(2,000)	
34					
35 Equipment Rental	13,000	13,000	8,000	(5,000)	
36 Travel	50,300	50,000	50,000	-	
37 Lodging	41,600	45,000	45,000	-	
38 Meals & Food	110,522	100,000	75,000	(25,000)	
39 Operating Expenses	323,572	374,000	337,700	(36,300)	-
40					
41 Youth - Registration Grants					
42 Food		8,000	7,000	(1,000)	
43 Supplies		3,000	5,000	2,000	
44 Activity Fees		10,000	10,000	-	
45 Travel to Outings		15,000	5,000	(10,000)	
46 Youth Program	33,590	36,000	27,000	(9,000)	-
47					
48 FOS Tours - Mexico Delegation		5,000	5,000	-	
49 FOS Tours - Alaska Delegation		5,000	5,000	-	
50 Travel	-	10,000	10,000	-	-
51					
52 Contingency (~7%)	718		27,813	27,813	
53					
54 TOTAL EXPENSES	357,880	420,000	402,513	(17,488)	-
55					
56 REVENUE OVER/(UNDER) EXPENSES	12,370	(38,225)	-		

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

*2020 Spring Session of the Metropolitan Council of the Orthodox Church in America
February, 2020*

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

Current Litigation

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

Local counsel representing the legal interests of the Orthodox Church in America and the Romanian Orthodox Episcopate of America has recently reported on the procedural posture of the claims of the OCA and the ROEA against Irineu Duvlea and Holy Trinity Monastery now pending in the civil courts of the State of Michigan. On March 19, 2019, the Court Appeals of the State of Michigan ordered that Holy Ascension Orthodox Christian Monastery must remain under the possession and control of the ROEA. On September 30, 2019, the Michigan Supreme Court denied a petition of defendant Duvlea to overturn the decision of the Michigan Court of Appeals in this matter. On October 14, 2019, the schismatic former Bishop filed a motion before this Michigan Supreme Court to reconsider its earlier ruling in this regard. As of this time, the Michigan Supreme Court has not ruled on that matter.

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

Local counsel representing the legal interests of the Orthodox Church in America and the Romanian Orthodox Episcopate of America has recently reported on the procedural posture of the claims of the OCA and the ROEA against Gheorghe Carstea and St. Nicholas and St. Parascheva Orthodox Church now pending in the civil courts of the state of Michigan. After the Michigan Court of Appeals had entered a favorable order on the law and facts of the Duvlea case (discussed above), the ROEA filed a petition with the Appeals Court of Michigan that it order the trial court in Carstea to enter an order in the Carstea matter in favor of the ROEA. This motion was denied; the ROEA has now petitioned the Supreme Court of Michigan for an order in its favor and we await a result on that application.

Potential Litigation: Patrick Holloway v. Orthodox Church in America and St. Vladimir's Orthodox Seminary

An attorney in Orlando, Florida, has forwarded a recent letter to the Chancery of the Orthodox Church in America stating his probable intent to file suit against the OCA and St. Vladimir's Orthodox Seminary in a New York civil court for causes of action arising out of the alleged sexual abuse of his client, Patrick Holloway. Mr. Holloway apparently attended a Summer Liturgical Institute sponsored by St. Vladimir's Orthodox Seminary in the summer of 1984 during which time he apparently became the object of sexual interests of another Institute attendee, an OCA priest having no other relationship or connection with Mr. Holloway. These two individuals engaged in homosexual contacts during the time of the Summer Institute. Taking advantage of a recent statutory "open window" permitting the filing of sexual abuse claims otherwise barred by the New York statute of limitations, the attorney for Mr. Holloway has stated his clear intent to file suit against the OCA and the Seminary in the absence of an informal resolution of Mr. Holloway's claims. These claims have been reported to the OCA insurer which has preliminarily indicated coverage of this matter for the Church. No suit has as yet been filed against the OCA on behalf of Mr. Holloway. The Metropolitan Council will be informed of ongoing developments in this matter.

Proposed Participation in Amicus Brief: Our Lady of Guadalupe School v. Morrissey-Berru, (No. 19-267) and St. James School v. Biel, (No. 19-348), Ninth Circuit Federal Court of Appeals

The Orthodox Church in America has been requested by Kirton McKonkle, a Salt Lake City law firm specializing in public interest cases under the First Amendment, to join as Amicus Curiae in a petition for a writ of certiorari now pending in the United States Supreme Court coming up out of the Ninth Circuit Federal Court of Appeals in Colorado. General Counsel of the Orthodox Church in America has recommended to the Metropolitan and to the Bishops of the Holy Synod that the OCA join in this effort. This case is expected to afford a platform to the United States Supreme Court for the embellishment of its earlier opinion in *Hosanna Tabor*, a major decision handed down in 2012 and arising under the Federal Civil Rights Act, ruling that federal employment discrimination laws do not apply to religious organizations' selection of religious leaders. The *Hosanna Tabor* ruling was widely seen as a victory for the protection of religious rights in the United States, but its recognition of the "ministerial exception" to certain civil rights laws was in some respects ambiguous and uncertain. It is widely anticipated that the forthcoming ruling of the Supreme Court in *Our Lady of Guadalupe School* and *St. James School* will clarify the remaining uncertainties in the ministerial rule exception created by *Hosanna Tabor*.

The Episcopal Church in the United States, the Church of Jesus Christ of Latter Day Saints, the Foursquare Church, and other major religious organizations in the United States have already joined as Amici Curiae in this case.

The Holy Synod of the Orthodox Church in America has this matter under consideration.

Other Matters

□

1. GC of the OCA continues to collaborate with the Counsel of the of the OCA Pension Board – a separate and distinct corporation under New York law –to address certain nettlesome issues regarding the institutional relationship of the OCA and the Pension Board with respect to the participation by employees of the Pension Board in the employee medical insurance plan which was established with respect to employees of the OCA. Mr. Joe Semo, Counsel to the Pension Board was instrumental in developing a Memorandum of Understanding (MOU) defining the terms and conditions for the participation of Pension Board employees in the OCA health insurance plan and he continues in his efforts to define the terms of the MOU to the satisfaction of all participating parties.

2. Intellectual Property Infringement Claim of TourTechnology Software Patents, Inc., against the Orthodox Church in America

On October 21, 2019, a letter was received by the Chancellor of the Orthodox Church in America from Tour Technology Software Patents, Inc., asserting intellectual property infringement claims against the Church with respect to certain software patents owned by Tour Technology having to do with a system and method for the creation, processing and visualization of omni-directional images. After conferring with the Chancellor and with Archdeacon Matusiak, OCA GC contacted Father John Parsells who is a principle officer of Orthodox Web Solutions, a major provider of software programs for the Orthodox Church in America. Father Parsells then contacted Mr. Robert Wilson, an indicated agent of Tour Technology Software Patents, Inc. The discussions between Mr. Wilson and Father Parsells apparently concluded on the basis that there was a possible infringement of the patent rights of certain omni-directional image software owned by Tour Technology, but that Tour Technology was willing to accept the payment of a general license fee to that technology to resolve this matter. Some ambiguity has developed regarding the appropriate payee for the sum of \$650 (the general license fee charge for the use of this technology), but this issue is very close to resolution. Orthodox Web Solutions has agreed to bear the cost of this license payable to Tour Technology Software Patents, Inc."

- 3. GC OCA continues to collaborate with legal representatives of other American Orthodox jurisdictions to develop a statutory amendment to the New York Religious Corporations Law to require that any transfer or sale of any real properties within the hierarchical jurisdiction of an Orthodox bishop be consummated only with the consent and approval of the hierarchical superior in the jurisdiction concerned. This proposed legislation would have force and effect only with respect to church properties within the State of New York, and it would do much to ameliorate the negative effects of the 1983 judicial adoption of the so-called "neutral principles test" by the courts of New York which, basically, permits civil courts in the state to disregard requirements of church canon law in certain contexts, particularly in parish schism litigation.**

- 4. General Counsel continues when requested to review and suggest revisions of both parish and diocesan by-laws to ensure compliance with the provisions of the Statute of the OCA as adopted in Atlanta in 2015. He is functioning as a consultant to a By Laws Revision Committee of the Diocese of the South which is chaired by Fr. Peter Robichau (Secretary of the DOS) to revise both the By Laws of that Diocese and its Uniform Parish By Laws.**

Respectfully submitted,

E. R. Lanier

D. R. Lane

Human Resources Report to Metropolitan Council

Human Resource issue for the second half of 2019 were rather quiet during my time overseeing this function at the Chancery. The two stand out items include reviewing and getting ready a new Human Resource Handbook and a disability leave for one employee.

Svetlana Radunceva, who has worked in the capacity of Household Manager since May 1, 2007, was in an automobile accident in May of 2019. She used accrued time off for one week after the incident occurred. A few months later, it was determined she required surgery. We received notice from her doctor and she took leave beginning November 17th. She was paid the balance of her paid time off from November 17th through December 10th. From December 10th to date, she has been on NYS Disability. Her expected return to work pending a note from her doctor indicating she is 100% able to perform her job duties, is on February 17th.

In her absence, we hired an outside cleaning company, Molly Maids. The remainder of her duties have been completed by staff and a volunteer. The cost for the month of December for Molly Maids cleaning company was \$1,440 as they did a thorough top to bottom clean of the Chancery. For the month of January, it cost \$1,853, and it is anticipated to cost about \$950 for February. Total cost of about \$4,243. In comparison, salary plus pension would have been \$8,935.36.

A newly revised OCA Handbook was rewritten with statutory updates by David Lane. The staff here at the Chancery including the Metropolitan, Fr. Alexander, Barry Migyanko and myself reviewed the handbook and made our comments and suggestions. The fully compiled Handbook is attached. We would like to submit this Handbook to the Human Resources Committee for further review and adoption.