



METROPOLIS OF  
SAN FRANCISCO

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METROPOLIS PARISH FINANCE SUPPORT  
CLERGY-PRESIDENT-TREASURER MEEETING  
(OCTOBER 15, 2020)

## Agenda (7:00pm start; 90 minutes estimated)

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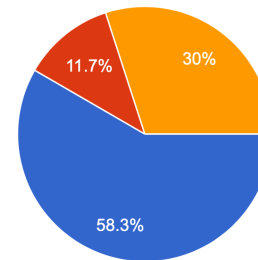
- Opening prayer and opening comments from His Eminence, Metropolitan Gerasimos or His Grace, Bishop-elect John of Phocaea
- September 2020 Parish Survey results overview
- PPP forgiveness updates (practice and timing)
- Pension benefit funding – new approach and impact to 2021 parish budgets
- Allocation of Archdiocesan PPP funds – what it means to parishes
- Other financial relief measures
- Other topics of concern to parishes
- Adjournment and closing prayer

## Parish Financial Health Survey (Phase 2)



- 92% response rate (57 of 62 participating parishes) –  
THANK YOU!!!
- Vast majority of our parishes do not expect to be in financial difficulty but we still have 18 parishes indicating difficulty
- 8 parishes did not apply for any government relief, expect to make 100% of NMA this year, and have indicated no financial hardship this year or next
- Most parishes have successfully applied for PPP and EIDL and have also made other efforts to increase their revenues – but not all...

Excluding NMA payments, and taking the prior discussed funding options into account, is your parish expected to be in financial difficulty overall?  
60 responses



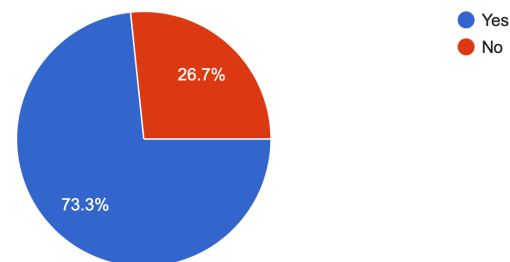
- No, we will manage and not put ourselves in financial difficulty
- Yes, we expect to be in financial difficulty but only if we pay 100% of NMA
- Yes, we expect to be in financial difficulty, even if we don't pay 100% of NMA

## Parish Financial Health Survey (Phase 2)



- 44 of our parishes expect to be in financial difficulty in 2021 if circumstances remain as they are today;
- Our collective behavior this year, will set the stage for our collective relief next year

Assuming in-person worship and gathering (unrestricted) do not resume until the spring/summer of 2021, do you anticipate a financial hardship in 2...ies if your NMA payments are similar to 2020 level?  
60 responses





## NATIONAL MINISTRIES ALLOCATION

# The Journey of *Your Dollar*\*

FROM YOUR PARISH, TO THE ARCHDIOCESE, TO THE METROPOLIS, AND BACK



METROPOLIS OF  
SAN FRANCISCO

### Your Parish

\$1 Parish dollar funds 96¢ of the GOA budget



### Greek Orthodox Archdiocese of America

- 35¢ GOA Ministries, Departments, & Offices
- 15¢ GOA General & Administrative Costs
- 11¢ Hellenic College Holy Cross
- 6¢ Ecumenical Patriarchate Support
- 4¢ Additional Archdiocesan Pension Plan Contribution
- 29¢ Metropolis Payroll, Benefits, Property Liability Insurance and Total Commitment Sharing



### Metropolis of San Francisco

29¢ received by GOA accounts for 42% of annual Metropolis Budget



#### 100% of Metropolis Budget

- 41¢ Metropolis Ministries
- 41¢ Metropolis Payroll, Contract services, & Insurance
- 18¢ Metropolis General & Administrative Expenses



[sanfran.goarch.org](http://sanfran.goarch.org)

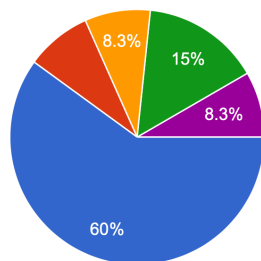
\*Based on GOA and Metropolis 2020 approved budgets; actual amounts are expected to vary, albeit immaterially

## Parish Financial Health Survey (Phase 2)



In light of all prior questions, what is your estimated Archdiocesan Allocation payment expectation for 2020?

60 responses



- We expect to make 100% of our allocation payment on time
- We expect to make 100% of our allocation payment in 2020 but monthl...
- We expect to make 75% - 80% of our allocation payment in 2020
- We expect to make 50% - 70% of our allocation payment in 2020
- We expect to make less than 50% of our allocation payment in 2020

➤ 19 parishes have indicated they will pay less than 100% of their TC (NMA) this year;

➤ 6 of these parishes expect to be in financial difficulty but only if they pay TC (NMA);

➤ 5 of those 6 parishes have not applied for EIDL; 1 has applied but not yet received funding; **shortfall from these parishes would be ~\$285k (~8% of total TC for Metropolis)**

## Paycheck Protection Program Flexibility Act of 2020 (PPP Loan and CARES Act Updates)

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- SBA issued guidelines on Oct. 13 for simplified relief process for loans of \$50,000 or less;
- Banks were not accepting forgiveness applications until receiving greater clarity from SBA on conversion of loans to grants; as of Oct. 2, banks should be accepting forgiveness applications – check with your bank or credit union;
- No rush to apply for forgiveness – there may be further relief in a third legislative package (timing unknown); recommendation is to wait until mid-November;
- [EIDL loans](#) still being granted by SBA directly – easy application process; does not encumber real property; 30-year repayment period; appears to default to \$150,000 max for non-profits; all parishes are encouraged to apply

# Paycheck Protection Program Flexibility Act of 2020 (PPP Loan and CARES Act Updates)

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## Process for Loan Forgiveness

1. Borrower needs to submit PPP Loan Forgiveness Application (SBA Form 3508, 3508EZ, 3508S) with all required documents (next slide) to loan originating financial institute (lender)
2. Lender reviews & decides within 60 days from receipt of a complete package from borrower.  
Submits its decision to SBA
3. SBA responds to lender within 90 days
4. Lender notifies borrower of the forgiveness amount



# Paycheck Protection Program Flexibility Act of 2020 (PPP Loan and CARES Act Updates)

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## Documents to Submit - Payroll

1. Bank account statements or third-party payroll service provider reports documenting the amount of cash compensation paid to employees.
2. Payment receipts, cancelled checks, or account statements documenting the amount of any employer contributions to employee health insurance and retirement plans that the Borrower included in the forgiveness amount.
3. Tax forms (or equivalent third-party payroll service provider reports) for the periods that overlap with the Covered Period or the Alternative Payroll Covered Period

# Paycheck Protection Program Flexibility Act of 2020 (PPP Loan and CARES Act Updates)

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## Documents to Submit – Non-Payroll

1. [Business mortgage interest payments](#): Copy of lender amortization schedule and receipts or cancelled checks verifying eligible payments from the Covered Period
2. [Business rent or lease payments](#): Copy of current lease agreement and receipts or cancelled checks verifying eligible payments from the Covered Period
3. [Business utility payments](#): Copy of invoices from February 2020 and those paid during the Covered Period and receipts, cancelled checks, or account statements verifying those eligible payments

**Reminder: 1, 2 and 3 must be in service before 02/15/2020**

## Pension Benefits Funding: Parish Impacts 2021 and Beyond



METROPOLIS OF  
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- Benefits Pension benefits funding by parishes is changing from a flat \$700/parish/month (\$8,400/year) per priest to an allocation method effective January 1, 2021;
- Allocation calculation is based on:
  - Flat amount to cover Mercer and other administrative costs
  - Percentage of TC amount by parish
- Overall amount by Metropolis is determined by the Actuarial Pension Benefit Liability for each Metropolis
- TC is being used as best proxy for clergy compensation and parish ability to pay
- Increase of \$144k over current pension funding of \$585k, for total funding of \$729k (25% increase on average)
- Details by parish are being worked and should be released to parishes by early November; no increase greater than 9% of TC for any parish but pension budget lines items may change significantly, with an overall average of 25% increase

METROPOLIS/DISTRICT	Number of Parishes				
	Incurring increases	Level	Decreases	Previously Non-participating	Total
SAN FRANCISCO	28	19	5	8	60
<b>Total</b>	<b>28</b>	<b>19</b>	<b>5</b>	<b>8</b>	<b>60</b>
<b>Percent to total</b>	<b>47%</b>	<b>32%</b>	<b>8%</b>	<b>13%</b>	<b>100%</b>

## Allocation of Archdiocesan PPP funds: what it means to parishes

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- Archdiocesan Finance Committee has agreed to allocate GOA PPP funding back to Metropolises in the proportion that each Metropolis funds the Archdiocesan budget (~93%)
- Metropolis of San Francisco portion is ~\$376,000;
- Application of amounts is being reviewed by Metropolis Finance and Executive Committees and is partially dependent on:
  - Efforts of all parishes to make their full TC payments in 2020, and
  - Other relief measures being evaluated
- Final determination will be developed by mid/late November;
- The final approach will be one that:
  - Maximizes the utility of the funds allocated as evenly as possible across parishes with the understanding that we need to first help as many parishes as possible that have a true need for financial assistance;

## Other Financial Relief Measures

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- **GOA Covid-19 Parish Recovery Initiative**
  - \$50,000 per Metropolis w/maximum grants of \$10,000 per successful applicant parish;
  - Administered by the Metropolis; yet-to-be appointed committee will review applications and make determinations;
  - Applications directly via [Archdiocesan website](#) no later than November 15, 2020;
  - Purpose of funds is to enhance revenue opportunities, technical assistance from the Archdiocese and other affiliated organizations, as well as developmental and educational support;
  
- **Other Metropolis Initiatives – in progress (more information mid/late November)**



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**Thank you for your  
faith, hope, and love**

