

GOARCH PPP SHARING PROGRAM AND CLERGY PENSION BENEFITS UPDATE

METROPOLIS OF ATLANTA

November 5, 2020



GREEK ORTHODOX METROPOLIS OF ATLANTA

PPP Sharing Program

❖ Overview

- ❖ The following is a summary of the “PPP Sharing Program” document distributed to the parishes on October 30th
- ❖ GOARCH received \$2.4 million from the Covid-19 Payroll Protection Program (PPP)
- ❖ The \$2.4 million will be shared with the eight Metropolises plus the DAD
- ❖ Each Metropolis’ share is proportionally equal to its share of the 2020 TC budget
- ❖ For each Metropolis, the PPP share will be considered as an additional payment in 2020 toward its 2020 TC budget



PPP Sharing Program

❖ Metropolis of Atlanta

- ❖ The MOA share is \$339,050
- ❖ Covid-19 has and is affecting all our parishes to various degrees. As such:
- ❖ \$272,980 will be allocated to all 74 parishes
 - ❖ \$250,000 will be allocated to all parishes in proportional shares equal to their respective share of the overall Metropolis 2020 TC budget
 - ❖ The other \$22,980 will be distributed to a number of small parishes at His Eminence's discretion
- ❖ \$66,070 will be kept as a “cushion” to address unforeseen parish TC payment issues affecting the overall Metropolis 2020 TC obligation



PPP Sharing Program

- ❖ Parish 2020 TC Impact
 - ❖ For parishes that have pre-paid their 2020 allocation, the PPP share will be considered as overpayment and carried as credit to be applied in 2021
 - ❖ Similarly, for parishes that will pay fully their 2020 allocation by the end of the year, the PPP share will be considered as overpayment and carried as credit to be applied in 2021
 - ❖ For parishes that will be unable to fully meet their 2020 allocation, the PPP share will be considered as an additional payment in 2020



PPP Sharing Program

❖ Conclusion and Recommendations

- ❖ Each parish will receive a report summarizing the PPP share of all parishes in the Metropolis shortly after this Webinar
- ❖ The Archdiocese TC office will update the accounts of all parishes indicating the additional “payment”
- ❖ His Eminence and the MOA Finance Committee strongly recommend that
 - ❖ Parishes make a strong effort to fully meet their original 2020 allocation obligation and
 - ❖ “Bank” their PPP share as savings for a “rainy day” in 2021, which is projected to be challenging due to the continuing Covid-19 pandemic



PPP Sharing Program

- ❖ Example of the PPP Sharing report that will be distributed to all parishes after the Webinar

Code	Parish	2020 TC	PPP Share
xxx1	Parish A	\$26,770	\$2,007
xxx2	Parish B	\$221,326	\$16,596
XXX3	Parish C	\$16,529	\$1,239
XXX4	Parish D	\$120,099	\$9,006
XXX5	Parish E	\$7,156	\$537



Clergy Pension Benefits Funding

❖ Overview

- ❖ The following is a summary of the “Clergy Pension Funding” document that was distributed to the parishes on October 30th
- ❖ At present:
 - ❖ Each parish in the Archdiocese is required to pay \$700 per month per priest to fund the pension benefits regardless of the parish’s size and financial health
 - ❖ The monthly \$700 per priest payment has not kept up with the escalating benefits costs
 - ❖ For various reasons some parishes have not been contributing to the fund further impacting the ability of the fund to sustain itself
- ❖ To address the above shortcomings a new funding program was adopted by the Clergy-Laity Congress effective on January 1, 2021
- ❖ To ease the transition, the Clergy-Laity Congress voted to keep the 2021 Total Commitment (allocation) at the same level as 2020



Clergy Pension Benefits Funding

- ❖ Per the new funding program:
 - ❖ The amount assigned to each parish takes into consideration the size and financial health of the parish, and the number of priests in the parish
 - ❖ A strong effort is made to bring in the program all parishes that are currently not contributing to the program
 - ❖ As a result
 - ❖ 240 parishes will have higher contributions than currently
 - ❖ 97 parishes will see no increase
 - ❖ 78 parishes will see a decrease
 - ❖ In addition, 93 parishes will be brought into the program for the first time



Clergy Pension Benefits Funding Guidelines

- ❖ Overall nationwide:
 - ❖ On an overall, Archdiocese basis, the payments in 2021 of the currently contributing parishes is increasing by 4% of the 2020 TC , or approximately \$905,000
 - ❖ An additional \$450,000 is budgeted for the currently not participating parishes that are being brought into the program
 - ❖ **For any parish, any shortfall in the clergy pension benefits payments will be deducted from that parish's -- and its Metropolis' -- TC payments in the same year**



Clergy Pension Benefits Funding Guidelines

- ❖ Metropolis of Atlanta 2021 Budget
 - ❖ For the 53 currently contributing parishes: \$641,527, an increase of \$112,327, or 12% of the total increase across the Archdiocese
 - ❖ For the 21 currently non-contributing parishes: \$93,600
 - ❖ A cushion of \$55,703 was added to cover risk contingencies
 - ❖ Total 2021 budget: \$790,840, which represents a total increase of approximately \$260,000 from the current amount of \$529,200



Clergy Pension Benefits Funding Guidelines

- ❖ The allocation of new funding budget is based on the parish's 2020 TC. If the parish's TC is:
 - ❖ Over \$40,000
 - ❖ A base amount of \$1,500 per parish priest, plus
 - ❖ An amount proportionally equal to the percentage of parish's TC share of the Metropolis 2020 TC budget
 - ❖ The increase from the parish's current payment amount is capped at 9% of the parish's 2020 TC
 - ❖ Between \$20,000 and \$40,000: \$8,400
 - ❖ Between \$15,000 and \$20,000: \$7,200
 - ❖ Between \$10,000 and \$15,000: \$6,000
 - ❖ Between \$5,000 and \$10,000: \$4,800
 - ❖ Less than \$5000: \$2,400
 - ❖ Three small parishes were allocated \$1,200



Clergy Pension Benefits Funding Guidelines

- ❖ Based on the above guidelines, across the MOA:
 - ❖ 49 parishes will pay more in 2021, including the 21 currently non-contributing parishes
 - ❖ 13 parishes will stay at the same level
 - ❖ 12 parishes will pay less in 2021



Clergy Pension Benefits Funding Guidelines

- ❖ Next steps
 - ❖ A summary will be mailed to all parishes shortly after this Webinar showing the new clergy pension benefits funding for all parishes in the Metropolis
 - ❖ The ABC office will begin invoicing the new amounts effective January 1,2021



PPP Sharing Program

- ❖ Example of the Pension Benefits report that will be distributed to all parishes after the Webinar

Code	Parish	2020 Pension Benefits Payment	2021 Pension Benefits Payment	Change
xxx1	Parish A	\$8,400	\$8,400	\$0
xxx2	Parish B	\$16,800	\$36,719	\$19,919
xxx3	Parish C		\$7,200	\$7,200
xxx4	Parish D	\$16,800	\$25,545	\$8,745
xxx5	Parish E	\$8,400	\$4,800	(\$3,600)



Combined Effect of the PPP Sharing and Clergy Pension Benefits Funding

Code	Parish	2020 Pension Benefits Payment	2021 Pension Benefits Payment	Change	2020 PPP Share	Net Effect
xxx1	Parish A	\$8,400	\$8,400	\$0	(\$2,007)	(\$2,007)
xxx2	Parish B	\$16,800	\$36,719	\$19,919	(\$16,596)	\$3,324
xxx3	Parish C	\$0	\$7,200	\$7,200	(\$1,239)	\$5,961
xxx4	Parish D	\$16,800	\$25,545	\$8,745	(\$9,006)	(\$261)
xxx5	Parish E	\$8,400	\$4,800	(\$3,600)	(\$537)	(\$4,147)



Questions and Answers



GREEK ORTHODOX METROPOLIS OF ATLANTA

Thank You



GREEK ORTHODOX METROPOLIS OF ATLANTA