

Greek Orthodox Metropolis of Atlanta

Metropolis Council Meeting

November 10, 2017

Executive Summary

Financials as of September 30, 2017

Metropolis of Atlanta

Balance Sheet:

The Treasurer reviewed the Balance Sheet relative to the Metropolis bank accounts, with a current balance of \$108,720 in the Operating account, and \$103,969 in the Money Market account. A new account has been created for Metropolis Clergy-Laity, and going forward all host parishes will utilize this account. The account maintains a balance of \$1,200 to avoid any fees. The total cash in Unrestricted accounts is \$213,889. An additional \$10,694 is restricted for various purposes, for a total cash balance of \$224,583. The net current value of the Metropolis' Land, Property and Equipment is approximately \$2 million.

Income Statement:

Total Income for the nine-month period is \$818,949 on a budgeted income of \$818,038. There are four (4) main variances in income:

- 1) The Leadership 100 grant for the youth is pending a \$25,000 payment;
- 2) Although the Archdiocese made the final payment in the amount of \$51,763 due in 2016 in March 2017, the Metropolis has not received any allocation bonus payments due in 2017;
- 3) The Clergy-Laity in Raleigh, NC, generated income in the amount of \$28,507, which in addition to the \$1,341 received from Columbia, SC, reflects a total income from Clergy-Laity in the amount of \$29,848; and
- 4) The Diakonia Deca Endowment Fund did not approve funding for the clergy continuing education in 2017.

Total Expenses, in the amount of \$810,237, are favorable to the budgeted amount of \$854,738, mainly due to the following:

- 1) Salary, Benefits and Allocations are favorable to budget (\$30k) – the staff has not received a raise (including COLA) for ten (10) years;
- 2) The Strategic Plan Implementation was favorable to budget (\$15k); and
- 3) Committee Support has not utilized the budgeted amount (\$9k);

The Treasurer noted that the telephone system was replaced earlier in the year as well as the carpeting. A maintenance schedule is budgeted for each calendar year.

Diakonia Retreat Center

Balance Sheet:

The Treasurer reviewed the Cash account balances for the Diakonia Retreat Center as of September 30, 2017:

- 1) Operating Account \$17,238 – Funds daily operations, including the monthly debt service payment;
- 2) Panagia Church Account \$216,657 – Restricted for the building and furnishing of the Panagia Church;
- 3) Candle Ministry Account \$34,596 – Funds supplies for wax, operations, including the monthly debt service payment;
- 4) Money Market Account \$98,111 – Restricted for future projects at the Diakonia Retreat Center.

Total cash account balance in the amount of \$366,602 as of September 30, 2017.

Fixed assets have a net book value of approximately \$6.2 million. Year-to-date, a total of \$893,462 has been expended for the Panagia Church Construction during 2017, for a total project cumulative cost in the amount of \$3.23 million. An additional \$1 million is projected to be needed to finalize the Panagia Church, including iconography.

The debt has a balance as of September 30, 2017 in the amount of \$1.42 million. The debt is **not related** to the Panagia Church. In fact, the funds donated toward the Panagia Chapel total approximately \$3.5 million.

The debt relates to the time period when the infrastructure and lodges were being constructed. Two donors had made substantial pledges totaling \$2.8 million. When the economy crashed in 2008, the donors were unable to fulfill their pledges; therefore, a loan was executed to cover the expenses.

In August 2013, the loan was re-negotiated at a fixed rate of 4.75% for a ten-year period based on a 15-year amortization schedule. The loan is paid from unrestricted funds and the principal has been reduced significantly as a direct result of fundraisers and special donations for this purpose. As of October 31, 2017, the debt is \$1.37 million, and it is anticipated and expected that the debt will be paid off before the maturity date. No additional debt has been or will be incurred for the Diakonia Retreat Center. The Metropolis of Atlanta has guaranteed this debt with the State Bank & Trust Company.

Income Statement:

The Treasurer noted that the Operations had a net loss in the amount of \$7,421 year-to-date as of September 30, 2017, primarily due to a shortfall in Unrestricted Revenues – specifically, Guardian Angel, Festival and Candle Ministry donations. His Eminence has appointed two lay persons to follow-up with the parishes of our Metropolis regarding the Festival and Candle Ministry donations. These donations, along with the Guardian Angels, provide us with the necessary funding to support the operations, including debt service, of our Diakonia Retreat Center. The Resolutions passed at the Metropolis Clergy-Laity in Raleigh, NC, requested a percentage of the Festival proceeds to be donated to the DRC, and encouraged parish participation in the Candle Ministry. The Guardian Angel program (\$2,500 one-time donation, \$500 annually for five (5) years, or \$42 per month for five (5) years), also helps fund the operations and debt service at the Diakonia Retreat Center. Without these Unrestricted resources, the Diakonia Retreat Center will have a financial shortfall.