METROPOLIS PARISH FINANCE SUPPORT
PARISH CLERGY/PRESIDENT/TREASURER MEETING
(JANUARY 5, 2021)
AGENDA (90 minutes)

- Welcome (His Grace)
- Prayer and opening remarks (His Eminence)
- CARES Act round 3 and parish impact
- PPP forgiveness updates
- Status of 2020 Total Commitment payments to GOA and 2020 relief
- Potential 2021 relief efforts
- Other; discussion; next meeting
- Closing remarks and prayer (His Grace)
CORONAVIRUS RESPONSE AND RELIEF SUPPLEMENTAL APPROPRIATIONS ACT, 2021 - CRRSA

- Signed into law December 27, 2020
- Provides economic relief measures for individuals, businesses, Non-profit organizations, and industries affected by the COVID-19 pandemic
- $900 billion
- Contains Coronavirus Tax Provisions
- PPP Second Draw Loans
- Unemployment Assistance
- **Affirms the eligibility of churches and religious organizations and prohibits a future administration from making them ineligible.**
The Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act

- A $325 billion Paycheck Protection Program “PPP” Second Draw Loans
- Eligible for small business <300 employees & at least 25% reduction in Gross Revenue between comparable quarters in 2019 and 2020
- Max loan size=2.5X monthly payroll costs up to $2 million
- Borrowers receive full loan forgiveness if they spend at least 60% of their PPP second draw loan on payroll costs over a time period of their choosing between 8 weeks and 24 weeks
- Payroll Costs include employee compensation, state and local payroll taxes, group health insurance and retirement plan, vision, dental, disability and life insurance.
- Expands the list of eligible expenses for forgiveness to include software, cloud computing expenses, and human resources and accounting costs
... Continue

- Simplified forgiveness application for loans of $150,000 or less
- Borrowers states the number of employees retained and the amount of PPP funds spent on payroll
- Borrowers select their loan forgiveness covered period between 8 weeks and 24 weeks.
- Business expenses paid for with forgiven PPP loans are now deductible
- Economic Injury Disaster Loan Advance Program – $20 billion for the EIDL Advance program
- PPP borrowers who obtained up to $10,000 advance under the SBA’s Economic Injury Disaster Loan (EIDL) program are no longer required to deduct that advance from their forgiveness amounts.

CORONAVIRUS RESPONSE AND RELIEF SUPPLEMENTAL APPROPRIATIONS ACT, 2021- CRRSA
Tax Provisions of CRRSA

- Gross income does not include forgiveness of certain loans, emergency EIDL grants, and certain loan repayment assistance, each as provided by the CARES Act.

- Business expenses paid for with forgiven PPP loans are now deductible

- Extension of the special charitable contribution provisions enacted for 2020 through 2021
  - $300 in 2020 and $600 in 2021 for married couples filing jointly

- Extension of the time allotted for repayment of employee Social Security taxes deferred under a presidential memorandum through the end of 2021

- Additional $600 stimulus payments will be provided to eligible individuals. Eligibility is the same as the original stimulus payments earlier in 2020.
The loan forgiveness process is simplified for borrowers with PPP loans (first and second draw) of $150,000 or less. Lenders are given a “hold harmless” provision. (Section 305)

The amendments will apply to any PPP loan made “before, on, or after the date of enactment of this Act, including forgiveness of such a loan.”

SBA will establish a one-page loan forgiveness application within 24 days of enactment, requiring the loan recipient to provide information on

i) number of employees retained,
ii) estimated amount of covered loan spent on payroll costs, and
iii) total loan value, as well as an attestation regarding the accuracy of the information.

The recipient must retain records proving compliance for a period of four years.

The 60/40 expense allocation between payroll and nonpayroll costs continues to apply. (Sections 307, 311)
2020 TOTAL COMMITMENT STATUS & RELIEF

- $3.19MM of $3.74MM (85%) TC paid by our parishes through 01/05/21 [inclusive of cushion]
- $3.19MM of $3.52MM (90%) TC paid by our parishes through 01/05/21 [not including cushion]
- Focus is on remaining $0.33MM outstanding to bring us to 100% of the Archdiocesan commitment of $3.52MM; absence of cushion results in lower sharing to Metropolis of ~$106k in 2021 (direct impact to Metropolis ministries)
- Focus of Bridge Relief Fund is to makeup the $0.33MM shortfall, and thereby assist those parishes that applied because they are unable to make their full 2020 TC
- Neither Parish Councils nor Parish Assemblies can vote to suspend or otherwise alter their annual Total Commitment payments; parishes are referred to Article 34, Sections 8 and 9 of the UPR for a clear understanding of the requirements to honor Total Commitment payments
- If parishes are having difficulties in respect of making TC payments, their first stop should be the Metropolis, via the Chancellor, jointly by the Proistameno and the PC President
2021 TC RELIEF – IDENTIFIED AND POTENTIAL

- As separately communicated to each parish in November, 2020, every parish will see a 10.23% decrease in TC applied to their billing from the GOA in 2021; this will be in the form of a credit and apply against 2021 TC.

- If any Bridge Relief funds remain following the 2020 application exercise, the Metropolis will review the needs of parishes and potentially apply relief to parishes in greatest need in 2021.

- Additional relief measures are being explored by the Metropolis Finance Committee.
OTHER, DISCUSSION, CLOSING, NEXT MEETING

- Other items for discussion
- Closing comments and prayer
- Next meeting proposed for February 16, 2021