

## **Metropolitan Council Report** **Diocesan Assembly 2024**

**V. Rev. John Baker**  
**Reader Basil Kochan**

Glory to Jesus Christ! Glory Forever!

Due to the scheduling overlap of the Metropolitan Council with our Diocesan Assembly, both Fr. John and Reader Basil have been excused to attend the Metropolitan Council meeting in Springfield, Virginia representing our diocese. Their attendance was requested from October 8th through October 11th. Their report to the Diocesan Council is presented here.

The Metropolitan Council convened for meetings via Zoom on March 5th, 7th and 28th. The primary focus of the sessions was predetermined to focus on the OCA Pension Plan. Thus, the majority of the presentations, questions, and discussions fortunately stayed on the task at hand.

In the first session on March 5th, Metropolitan Tikhon reported on the positive recovery of Archbishop Nathaniel from his recent heart issue. He further reported on the installation of the newly elevated Bishop Benedict (Churchill) of the Diocese of New England. His Beatitude briefly shared the names of recently departed members. He further commented briefly on the Office of Pastoral Life.

His Beatitude gave a summary of happenings concurring with his visit to the Diocese of Alaska. Of the goal of one million dollars for Alaskan clergy support, \$880,000 had been accumulated as of the beginning of March. Metropolitan Tikhon attended a screening of the new movie "Sacred Alaska". Finally, the Glorification of Matushka Olga has a projected timeline of the summer of 2025.

Metropolitan Tikhon gave further updates on the AAC for 2025 with the hope of a church wide reflection of "gather together by Christ". He believes that this is a significant moment in the history of the OCA. His Beatitude shared his having a personal retreat to the Monastery of St. John the Baptist in Essex. He concluded his report with answers to questions from the Council on local, national, and international issues.

Chancellor Very Reverend Alexander Rentel reported on the upcoming making of Holy Chrism at St. Tikhon's during Holy Week. Six members of the Holy Synod were to participate culminating on Great and Holy Thursday. He further reported on the signing process on the sale of the Westwood property. The chairmen of the Property Committee then provided further details of the sale process and projected timeline of completion. That period will be between 12 and 36 months. The majority of this is due to legalities and local authorities in New York.

The new legal counsel, Mark Hamilton, was introduced to provide updates on all legal issues. Thus, the Metropolitan Council went into executive session. Coming out of executive session, it was reported that trademark resolution has been resolved regarding the Orthodox Church in America.

Very Reverend Alessandro Margheritino, Secretary of the OCA reported that the pre-conciliar commission for the 2025 AAC added two members. He also was appointed as liaison to the Pension Board. Next, he shared that \$42,741.00 was earned as an insurance performance benefit for the OCA from our provider. The Employee Assistance Program (Magellan) was discontinued as only 1 or 2 even used the application.

A more extensive update on the Office of Pastoral Life proceeded. Information on the Thriving in Ministry, Synaxis program, and CWAG (Clergy Wives Advisory Group) was shared. Perhaps the most important information shared was the intent to inform the congregational and denominational leaders about key economic challenges for these initiatives.

Treasurer Andrew Smith reported on administrative issues with the hiring of legal counsel and subsequent compensation correction. In the area of external affairs, the issues of campus ministry, youth initiatives, international travel, and dues to organizations were discussed. A positive note was that the OCA exceeds most other jurisdictions in support of OCF.

An unanticipated administrative cost at nearly seventy thousand dollars was explained and acceptably understood by the Council. The end of 2023 showed 1.9 million dollars in assets. An amended budget was presented and accepted. This concluded the first day of meetings.

As first mentioned, the majority of the remaining days of meeting were focused on the OCA Pension Plan and suggested amendments. Lengthy presentations and discussions covered hours of the first day. All parts of the discussions were targeting improving the plan participation. One of the brighter moments of the discussion was the fact that the pension plan was set to break even for the 2024 fiscal year. This was an improvement over the past two years.

Every moment of the meetings was positive and filled with great questions, answers, legal advice, and momentum to resolution. Issues of short term liquidity were fully addressed. Embracing full participation by qualified participants was a key objective through all discussions. Mandatory participation was the apparent ultimate goal. It was advised that non-compliance could become an issue with the IRS and endanger tax exempt status for the OCA.

After continued discussion for nearly three and one half hours, three main elements became abundantly clear to strengthen the pension plan of the OCA: approve the amendments to the plan, have consistent employer contributions, and increase the number of qualified participants to the plan. This would all be accomplished in the next session on the 28th of March.

The final meeting again had members of the Pension Plan present. A joint committee was appointed by His Beatitude, Metropolitan Tikhon which subsequently met on the 14th and 26th of March. Their work pinpointed discrepancies in definitions and contributions that were necessary to clarify in moving forward. Three amendments were brought forth for discussion and subsequent approval after minimal modifications. His Beatitude accepted the vote of the first two amendments and withheld approval of the third amendment until meeting with the Holy Synod to be certain of unanimous and unified support. (Please see subsequent pages for the approved amendments.)

In closing, the Metropolitan Council fully supports the Pension Plan of the Orthodox Church in America. We here support the Diocese of the Midwest. We here support the OCA. We must support the Pension Plan.

Respectfully submitted,

V.Rev. John Baker  
Basil Kochan  
Metropolitan Council Representatives

**Restate section 1.12(a) as:**

1.12 "Compensation"

(a) For purposes of determining Average Compensation and for determining the amount of Employer and Member contributions in accordance with Sections 3.1(a) and 3.2, Compensation shall include the following:

(i) Base Compensation

The cash salary or other form of monetary payment paid to an Employee for services rendered to the Employer.

(ii) Housing Allowance Compensation

The cash salary or other form of monetary payment paid to a Member for housing or amount recognized as Housing Allowance under Code Section 107 and regulations thereunder.

Effective July 1, 2011, for Members (other than Clergy) who are required to accept housing provided by their Employer for its convenience, a Member's Housing Allowance Compensation is that amount excluded from their taxable income pursuant to Section 119(a)(2) of the Code.

**Add as section 1.12(e) and (f):**

(e) The determination of Compensation is made without regard to whether the employee is issued a Federal Form W-2, Federal Form 1099, or any other form of reporting or without reporting.

Add as section 1.12(f):

(f) Compensation includes any amount of a stipend that is not restricted, or used, to reimburse an Employee for expenses relating to services for the Church and no part of which may be used for other purposes by the Employee.

## 1. TO RESTATE DEFINITION OF EMPLOYEE AND COMPENSATION

### Section 1.16

Employee means:

(a) Any bishop or priest of the Church except as follows:

(i) Bishops and priests in the Diocese of Sitka and Alaska

(A) This exception does not include those who were already Members in the Plan as of April 2, 2024.

(B) This exception does not include those who, along with the related parish, have executed an agreement of participation.

(ii) any person working at a mission or mission station who does not receive Compensation.

(b) Any full-time lay person who performs services for the Church and receives compensation. A full-time employee is an Employee who customarily performs service for at least twenty (20) hours a week.

(c) On or after January 1, 1987, the term "Employee" shall include any persons, defined in (a) and (b) above, employed by the Church's Seminaries in a capacity other than solely as director.

(d) Leased Employees and persons working for the Church shall be included as Employees unless (a) such individual is covered by a money purchase pension plan providing (i) a nonintegrated employer contribution rate of at least 10 percent of compensation, as defined in Section 415(c)(3) of the Code, but including amounts contributed by the Employer pursuant to a salary reduction agreement which are excludable from the Leased Employee's gross income under Section 125, 402(e)(3), 403(h)(1)(B) or 403(b) of the Code; (ii) immediate Membership; and (iii) full and immediate vesting; and (b) Leased Employees do not constitute more than 20% of the Employer's Non-Highly Compensated Employee workforce

## **2. TO ADDRESS FAILURE TO PARTICIPATE IN THE PLAN**

### **1.21 is amended in (b) and also includes (e) and (f):**

(b) "Inactive Member" - A person, other than a person described in subsection (e), below, who is no longer an Active Member of the Plan because his basis of employment no longer meets the requirements set forth in Section 1.16 while he continues in the employ of the Employer.

(e) "Ineligible Member" - a person who is described in Plan Section 2.1 (d)

(f) "Non-Compliant Eligible Member" Any employee who is eligible to become a Member of the Plan who receives Compensation for services to the Church who fails to participate in the Plan as an Active Member as required by Plan Section 2.1(b).

**Amend section 2.1(b) to expressly execute required enrollment documents. As amended, section 2.1(b) will state the following.**

(b) Each other Employee of the Church and each person becoming an Employee of the Church after the Supplemental Effective Date shall become a Member as of the first day of the month coincident with or next following the date he begins his service for the Church and make the contributions required by and in accordance with Section 3.2 commencing on such date. Effective January 1, 2025, each employee of the Church who meets the definition of eligible Employee but is not otherwise a Member in the Pension Plan shall become a Member. Thereafter, all employees of the Church who meet the definition of eligible Employee shall become a Member on the first day of the month coincident or next following the date (s)he begins service for the Church. All mandated Members shall execute all required enrollment documents and authorization and make contributions required in accordance with Section 3.2 commencing on such date.

**Renumber (old) section 2.1(f) as 2.1(g)(1) and add as section 2.1(g)(2)**

2.1(g)(2) A Member who while on an approved leave of absence terminates employment or is deemed to terminate employment shall only be entitled to a benefit upon retirement pursuant to Plan Section 5.1 if the Member had reached his normal Retirement Date before his leave of absence began, otherwise the Member shall only be eligible for a benefit under Plan Section 5.2 or 5.3

**Add as section 2.1(h)(1) and 2.1(h)(2):**

**2.1(h)**

(1) A Member who fails to continue as an Active Member by not contributing the required Member Contribution when required to do so in accordance with Plan Articles 2 and 3, for a period of 120 days or more (i.e., a Non-Compliant Eligible Member) following three written separate notices provided to the member, the rector or other person responsible if it is not the rector, and the treasurer or person responsible for making the payment, and diocesan administration, that the payment(s) have not been received, shall forfeit any benefit derived from Employer and Member Contributions and shall only be entitled to the return of his/her Member Voluntary Contributions with interest only for the period from the Voluntary Member Contribution through the date he/she ceased making contributions when otherwise required to do so. The Non-Compliant Eligible Member's Voluntary Contributions shall be paid to him/her as soon as administratively practicable following the close of the 120-days period.

(2) A Non-Compliant Eligible Member who has been terminated as a Member as provided in subsection 2.1(h)(1), elects to become and becomes an Active Member of the Plan by authorizing Member Contributions, his/her pre-participation service (i.e., his/her participation before the forfeiture of any right to a benefit derived from Employer and Member Contributions) and Compensation shall be disregarded for the purpose of determining his benefit from the Plan and for determining his years of vesting service pursuant to Article 5 with respect to his/her resumption of participation.

**Revise 5.3 (a) as follows:**

(a) A Member shall have a 100% vested interest in his Accumulated Voluntary Contribution Account at all times.

**Add as section 2.1(h)(1) and 2.1(h)(2):**

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(2) A Non-Compliant Eligible Member who has been terminated as a Member as provided in subsection 2.1(h)(1), elects to become and becomes an Active Member of the Plan by authorizing Member Contributions, his/her pre-participation service (i.e., his/her participation before the forfeiture of any right to a benefit derived from Employer and Member Contributions) and Compensation shall be disregarded for the purpose of determining his benefit from the Plan and for determining his years of vesting service pursuant to Article 5 with respect to his/her resumption of participation.

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