The United Church of Canada
L'Eglise Unie du Canada

Fundy St. Lawrence Dawning Waters Regional Council
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MEMO

To: Communities of Faith, Ministry Personnel, Board/Council Chairs and Central Treasurers

From: Rev. Faith March-MacCuish, Regional Executive Minister, Fundy St. Lawrence Dawning Waters Regional Council

Date: July 14, 2020

Re: **COVID-19 Financial Assistance Update**

Please see the following information that might help you as a community of faith in these times. Note the change to the **Canadian Emergency Bank Account** (CEBA)

75% Wage Subsidy

The Government announced on May 15, 2020 that the Canada Emergency Wage Subsidy (CEWS) would be extended by an additional 12 weeks, to August 29, 2020. Please see the government link below for the information, application and how to calculate.
https://www.canada.ca/en/revenue-agency/services/subsidy/emergency-wage-subsidy.html

In short, there are two main tasks:

1. Determining eligibility for 75% subsidy
2. If yes, doing the calculations

The webinar *Congregational Finances During the Pandemic* with Erik Mathiesen (dated April 29, 2020) will help to answer questions you may have about making the application. https://www.united-in-learning.com/index.php/webinars/recordings/334-congregational-finances-april-29-2020

Canadian Emergency Business Account (CEBA)

Good news for our Communities of Faith. The Government of Canada recently announced that it would be providing the Canada Emergency Business Account to support Canadian charities and non-profits that have been adversely affected by COVID-19. If you meet the criteria, you can receive a $40,000 line of credit loan for immediate financial support to cover short term operating expenses, payroll, and other non-deferrable expenses, which are critical to sustain business continuity.

The CEBA (Canadian Emergency Business Account) loan requires both local and region approval.

The CEBA details are as follows:

- It's a $40,000 government-guaranteed loan to help eligible businesses pay for operating expenses, payroll, and other non-deferrable expenses which are critical to sustain business continuity.

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- Until December 31, 2020, the *Canada Emergency Business Account* will be funded as a revolving line of credit for $40,000.
- After December 31, 2020, any outstanding balance on the revolving $40,000 line of credit will be converted into a non-revolving 5-year term loan maturing on December 31, 2025, at which time the balance must be paid in full.
- No interest applied until January 1, 2023.
- Commencing on January 1, 2023, interest accrues on the balance of the term loan at the rate of 5% per annum, payable monthly on the last day of each month.
- If you pay 75% of the balance of the term loan (as at January 1, 2021), on or before December 31, 2022, the remaining balance of your term loan will be forgiven. For example, if your balance is $40,000 on January 1, 2021 and you repay $30,000 on or before December 31, 2022, the remaining $10,000 will be forgiven.
- If you do not repay 75% of the balance of the term loan (as at January 1, 2021) on or before December 31, 2022, the full loan balance and all accrued and unpaid interest will be due and payable on December 31, 2025.

Changes as of June 26, 2020:

Charities can qualify if they earn revenue from the regular supply of property/goods or services. In the case of our Communities of Faith, rental income would be the enabler. They must have non-deferrable expenses over $40,000. CEBA funds are to be used to cover non-deferrable operating costs.

To help Pastoral Charges make application for the loan in an expedient manner, the following motion was made:
Permission to access Canadian Emergency Bank Account (CEBA) Loan

MOTION: (Scott Stuart/Jim Postlethwaite)

That the Property Committee of Fundy St. Lawrence Dawning Waters Regional Council agrees that any applicant (community of faith/pastoral charge) that meets the threshold for the Canadian Emergency Bank Loan (CEBA) has regional council approval and is required to report the loan application and status of approval to the Chair of the Property Committee.

(Approved July 10, 2020)

For more information, the CEBA details are found on the Government of Canada website using the following link:
https://www.canada.ca/en/department-finance/economic-response-plan.html#businesses

United Church of Canada Bridging Loan:
This is a short-term emergency loan program for congregations during the pandemic.
Emergency loans of up to $10,000 are available to communities of faith that need a short-term top-up after they have accessed the government programs available or are transitioning out of the government benefits.

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Please fill out the application form, and then press Submit. The form will be sent automatically to your Regional Council.

Your eligibility will be determined in consultation with the Regional Council. Repayment terms will be negotiated. Loans must be repaid by September 30, 2024.

- Loans are interest-free if repaid by September 30, 2021.
- After that date, the interest rate will be 2% per annum.
- Those who pay before September 30, 2021, will only need to repay $9,500.

For more information, e-mail Maria Pimpinella at mpimpinella@united-church.ca.

If you have any questions please do not hesitate to be in touch.

Blessings,

Faith March-MacCuish
Executive Minister
Fundy St. Lawrence Dawning Waters Regional Council