

**COVENANT PRESBYTERIAN CHURCH  
MEETING OF SESSION  
Monday, March 8, 2021  
7:00 PM  
CONSENT AGENDA**

**ACTION ITEMS**

1. Approval of February 8, 2021 Session Meeting Minutes (pp. 2-5). Phil Koonce, Clerk of Session, moves that the minutes of this meeting be approved as written.
2. Approval of Cornerstone 5 Year Projection (pp. 6-7).

**INFORMATION ITEMS**

1. February 2021 Treasurer's Report (pp. 8-9).
2. Presbytery Meeting Minutes (p. 10).
3. Clerk's Communications (p. 11).

**FUTURE EVENTS**

- |            |                                     |                              |
|------------|-------------------------------------|------------------------------|
| • March 10 | Lent mid-day worship                | 12:00 and 7:30 PM livestream |
| • March 17 | Lent mid-day worship                | 12:00 and 7:30 PM livestream |
| • March 24 | Lent mid-day worship                | 12:00 and 7:30 PM livestream |
| • March 28 | Palm Sunday                         | 9:30 and 11:00 AM livestream |
| • April 1  | Maundy Thursday                     | Home toolkit                 |
| • April 2  | Good Friday                         | 7:30 PM livestream           |
| • April 3  | Celebration of New Life             | 10:00 AM – 4:00 PM timeslots |
| • April 4  | Easter Services                     | 9:30 and 11:00 AM livestream |
| • April 12 | Session Meeting & Quest Examination | 6:30 PM Zoom                 |

**Covenant Presbyterian Church  
Minutes of the Session Meeting on  
Monday, February 8, 2021**

**Call to Order and Opening Prayer – Bob Henderson, Moderator**

The Moderator called the meeting to order at 7:03 PM via Zoom web meeting and opened with a reflection and prayer.

**Determination of Quorum and Adoption of Agenda**

The Moderator declared a quorum was present.

The Agenda was approved as written.

**Adoption of Consent Agenda**

The Consent Agenda was approved with one amendment.

The amendment to correct January 20, 2021 Session Minutes page 3 Staff Announcements/Pastoral Concerns section line 6 “This \$113,00” to read “This \$113,000”.

**21-Day Racial Equity Challenge- Lucy Butler**

Lucy explained her approach to the **21-Day Racial Equity Challenge**. Her examination began with watching Dr. Martin Luther King Jr.'s ‘**I Have a Dream**’ speech and recalling that she was only seven years old when Dr. King was assassinated. She listened to music (Strange Fruit) recorded by Billie Holiday in 1939 with lyrics mentioning lynching. These media resources combined with various readings caused her to examine her life experiences. She recognized how the advantages and privileges she had enjoyed may well have created disadvantages for others, for people of color. Lucy encouraged every member of Session to dedicate time and attention to the **21-Day Racial Equity Challenge** as well as to Black History Month.

**Administration**

**Damon Nelson, Treasurer**

January 2021 financial results were positive with revenues exceeding budget by \$16,513, expenses and under budget by \$45,198. This combination provided net income \$61,712 over budget YTD.

**Katie Cornwell, Finance Chair**

Provided the following report from the Finance Committee:

**Background:** Based on the requirement established by the Finance Committee and affirmed in January 2012 by the Finance Committee, the church needs to maintain a General Fund balance of 8-12% of the operating budget. The intent and use of the General Fund is to provide a cushion for revenue shortfalls that put the operating budget of the church at risk. The use of the excess (if any) each year has traditionally been to support large one-time projects rather than operational expenses. In the recent past, the funds have been distributed to the Planning & Evaluation Board for support of strategic initiatives since the Board has representation of all ministries as well as at-large members.

**Process to Date:** The Finance Committee reviewed the 2020 results, the 2021 budget, the general fund needs and the current balance in the general fund to determine the excess available for distribution.

2021 Operating Budget (excluding CDC)	\$4,204,683
General Fund Balance at 12/31/2020	\$692,936
General Fund % of 2021 Budget	16.5%
General Fund Requirement 12%	\$504,562
Excess in General Fund	<b>\$188,374</b>
PPP Loan Forgiveness	<b>\$505,200</b>
Total Available	<b>\$693,574</b>

**Budget Impact:** None

**Actions Taken or Recommendation:**

The Finance Committee recommends and moves to transfer \$188,374 from the General Fund and upon PPP Loan forgiveness, \$505,200 (a total of \$693,574) to the P & E Reserve to support strategic initiatives and expenses.

The motion was approved.

**Personnel - Paul Steffens, Chair**

Personnel has extended an offer to fill the Pre-School Director's position and the offer has been accepted with a start date of March 1. The name cannot be released for approximately 2 weeks.

**Planning and Evaluation – No Report**

**Ministry Reports:**

**Congregational Life – No Report**

**Education - John Downs, Chair**

John expressed his appreciation for the leadership provided by Grace Lindvall and Ian Clark. He encouraged Session member to participate in the following and to invite others to participate also:

Open Table which has weekly programs dealing new year's resolutions and practices to grow your faith in the new year. Grab-N-Go meals are also available for Wednesday afternoon pickup.

First Sunday offers educational opportunities combining all Sunday School classes to hear from speakers like Lucy Wambua, Director of the Renguti School, at 9:30 AM on the first Sunday of each month.

Lenten Devotions: John asked that everyone log-in to Covenant's website and sign up.

## **Engagement – No Report**

### **Mission and Outreach – Allen Brown, Chair**

Allen reported that Lucy Crain was examined and accepted as a candidate for ministry at the Presbytery of Charlotte meeting on Saturday.

He encouraged each Session member to consider attending a Presbytery meeting during their term of Session.

The meetings are quarterly and the dates for 2021 are May 18, August 21, and October 16.

### **Worship – Ashley Roehrig, Chair**

Ashley provided the schedule of services and events during Lent as follows:

Ash Wednesday – February 17 at 7:30 P.M. virtual, no imposition of ashes

Palm Sunday – March 28 virtual at 9:30 and 11:00 A.M.

Maundy Thursday – April 1 – at home kit/guide for worship at home

Good Friday – April 2 at 7:30 P.M. virtual

Easter Saturday on the Covenant campus – April 3. Lauren Sawyers is coordinating.

Carla Leaf is coordinating the worship art for Easter.

### **Clerk's Report – Phil Koonce, Clerk of Session**

Reminder: The Church will be closed to group activities until at least March 7.

### **Old Business/New Business**

#### **Staff Announcements/Pastoral Concerns**

Grace reminded everyone of the Wednesday noon virtual Lenten services and congratulated the Middle School Youth on collecting over 1,600 food items on Sunday with 100 plus cars passing through the circle safely. Special thanks to Alyssa Pacheco for her leadership.

Julia Watkins mentioned Covenant's Habitat of Humanity build days are March 5th and 6th. We need groups of 8 to install siding.

Katherine Kerr reminded Session of the scheduled Blood Drive in the Fellowship Hall Sunday, February 14th. She also reported that the Health and Wellness Committee is working with Novant Health to bring a Parrish Nurse on board.

Ian Clark reports the Young Adult Service Project scheduled for the second Saturday (Feb. 13) was canceled due to COVID-19 restrictions and in its place the Young Adults are hosting a discussion on poverty, hunger and housing. Laura Belcher, Executive Director of Habitat for Humanity of the Charlotte Region, and Tina Postel, Executive Director of Loaves and Fishes, will be the guest speakers. All are welcome to participate.

Bob Henderson announced that Bill Keith had recently celebrated 10 years as Business Administrator at Covenant.

Katherine Kerr stated those in need of healing prayers are David Felgner, Susan Hickok, Ricko Hill, Betty Kuester, Bud Smith and Barry Welchman.

**Closing Prayer**

Katherine Kerr closed the meeting with prayer and the meeting was adjourned at 8:06 PM

Respectfully submitted,



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Phil Koonce, Clerk



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Robert W. Henderson, Moderator

**Covenant Presbyterian Church  
Session ACTION Item**

**Summary**

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**SUBJECT: Cornerstone 5 Year Projection**

**DATE: March 8, 2021**

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**Report From: Division of Administration**

**Background:** The Property Committee is required to annually submit a 5 year plan for use of Cornerstone funds which are used for major facilities maintenance and upgrades.

**Process to Date:** In conjunction with church staff, the Property Committee performed an extensive review of maintenance needs including such items as the life expectancy of roofs and HVAC equipment to develop a 30-year plan. The attached plan represents an updated forecast with specific projects for 2021 identified.

**Budget Impact:** The Cornerstone Fund income will be used in accordance with Cornerstone Fund rules. The current balance in the Cornerstone Fund/Expenses is \$326,579

**Actions Taken or Recommendation:**

The Administration Ministry requests approval of the revised attached Cornerstone 5 Year Plan and authorization for the Property Committee and Church Administrator to complete the sanctuary boiler replacement for \$96,810 (delayed from 2020) and the Fellowship Hall Window replacement \$116,795 in 2021 and \$ \$116,795 in 2022.

**Attachment** – Cornerstone Plan spreadsheet

Covenant Presbyterian Church - Cornerstone Fund 5 Year Plan					
	2020	2021	2022	2023	2024
Beginning Balance (21111 from January of current year)	\$ 65,827	\$ 175,904	\$ 112,974	\$ 77,205	\$ 77,205
Earnings from Endowment Fund	\$ 150,924	\$ 154,409	\$ 157,026	\$ 157,919	\$ 157,919
Misc. Income / Receipts / Gifts					
Projected Available Funds	\$ 216,751	\$ 330,313	\$ 270,000	\$ 235,124	\$ 235,124
Estimated Cost of Projects - annual	\$ 40,847	\$ 217,339	\$ 192,795	\$ 158,000	\$ 45,000
Ending Balance	\$ 175,903.56	\$ 112,973.95	\$ 77,205.04	\$ 77,124.47	\$ 190,124.47
<b>Sanctuary Building</b>					
SB Boiler Replacement - \$96,810		\$ 96,810			
<b>Total Sanctuary Building</b>	<b>\$ -</b>	<b>\$ 96,810</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Fellowship Hall</b>					
Roof Replacement (Project Total = \$120,700)		\$ 3,734		\$ 38,000	
Replace HVAC (Project Total = \$151,000)			\$ 76,000	\$ 75,000	
Window Replacement (Project Balance - \$233,590)		\$ 116,795	\$ 116,795		
Drain Repair / Replacement - Insurance = \$67,163.07	\$ (67,163)				
<b>Total Fellowship Hall</b>	<b>\$ (67,163)</b>	<b>\$ 120,529</b>	<b>\$ 192,795</b>	<b>\$ 113,000</b>	<b>\$ -</b>
<b>Education Wing</b>					
Boiler replacement	\$ 108,010				
HVAC 2nd/3rd Floor (Project Total = \$110,318)					
<b>Total Education Wing</b>	<b>\$ 108,010</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Recreation Wing</b>					
Window Replacement				\$ 45,000	\$ 45,000
<b>Total Rec Wing</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 45,000</b>	<b>\$ 45,000</b>
<b>Other Needs</b>					
<b>Total Other</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Cost of Projects</b>	<b>\$ 40,847</b>	<b>\$ 217,339</b>	<b>\$ 192,795</b>	<b>\$ 158,000</b>	<b>\$ 45,000</b>
<b>To qualify for Cornerstone, amount must be 1/2 of 1% of annual Church budget.</b>					
	Total Budget	1% of Budget	50% of 1% of Budget		
<b>2021 Church budget</b>	\$ 5,395,850	\$ 53,959	\$ 26,979		
<b>2022 Property budget</b>	\$ 350,000	\$ 3,500	\$ 1,750		

**Covenant Presbyterian Church**  
Monthly Financial Comments  
February 2021

**Income:** Income for February was under budget by (\$106,560), resulting in year-to-date total income being \$1,252,954. There was a continued income shortfall of (\$69,834) related to the CDC not being at full enrollment (the budget assumes full enrollment for both income and expenses). Currently, the CDC is at approximately 75% enrollment, and income remains above expenses.

Year-to-date pledge receipts are slightly unfavorable to budget by (\$9,778) but remain aligned better than historic trends at 30%.

**Expenses:** CDC expenses for February were lower than budget by (\$30,138), due to not being at full staff or full enrollment (see above). February's Personnel expense was also favorable to budget, by (\$14,690), due to open positions and some staff not working while the campus has been closed. Like with the CDC, Personnel expense is budgeted as if all roles are filled, but most open positions are not being filled at this time to partly offset income shortfalls.

Expenses for Ministries were below budget for the month, due to the campus being closed, and there were no Preschool expenses due to being closure.

**The Bottom Line:** The February YTD bottom line reflected \$17,506 favorable to the budgeted due primarily to lower Personnel, Administration, and CDC expenses.

**Balance Sheet Comments**

Significant changes in the Balance Sheet as of February 28 were as follows:

**Line 23:** Reflects a July-December NC sales tax reimbursement.

**Line 26:** Reflects a drop in the market value of investments due to recent market volatility.



<b>Covenant Presbyterian Church</b>		<b>Period ending: 02/28/21</b>			<b>Y-T-D Actual as % of Annual Budget</b>					
<b>INCOME STATEMENT</b>	<b>YTD Budget</b>	<b>YTD Actual</b>	<b>YTD Variance</b>	<b>Annual Budget</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
<b>Income:</b>										
1 Pledge Receipts	\$ 900,000	\$ 890,222	\$ (9,778)	\$ 3,010,000	30%	29%	23%	21%	27%	28%
2 Misc Contributions	\$ 65,000	\$ 54,634	\$ (10,366)	\$ 346,700						
3 Investment Income	\$ 139,000	\$ 139,686	\$ 686	\$ 280,000						
4 Other Receipts	\$ (500)	\$ (4,176)	\$ (3,676)	\$ 35,000						
5 Food Service	\$ 8,000	\$ 10,448	\$ 2,448	\$ 70,000						
6 Recreation Wing Re	\$ -	\$ 335	\$ 335	\$ 85,500						
7 Child Development	\$ 225,000	\$ 155,166	\$ (69,834)	\$ 1,350,000						
8 Preschool Receipts	\$ 6,500	\$ 6,640	\$ 140	\$ 128,000						
9 Youth Trips	\$ -	\$ -	\$ -	\$ 82,600						
10 Adult Trips	\$ -	\$ -	\$ -	\$ 8,000						
<b>Total Income</b>	<b>\$ 1,343,000</b>	<b>\$ 1,252,954</b>	<b>\$ (90,046)</b>	<b>\$ 5,395,800</b>	<b>23%</b>	<b>25%</b>	<b>22%</b>	<b>22%</b>	<b>27%</b>	<b>27%</b>
<b>Expenses:</b>										
11 Worship	\$ 8,650	\$ 5,875	\$ (2,775)	\$ 109,850						
12 Congregational Life	\$ 1,125	\$ 933	\$ (192)	\$ 34,850						
13 Engagement	\$ 250	\$ 145	\$ (105)	\$ 7,500						
14 Mission & Outreach	\$ 86,050	\$ 91,259	\$ 5,209	\$ 573,000						
15 Education	\$ 8,890	\$ 3,231	\$ (5,659)	\$ 147,500						
16 Preschool	\$ -	\$ -	\$ -	\$ 169,450						
17 Administration	\$ 84,050	\$ 74,091	\$ (9,959)	\$ 619,997						
18 Food Service	\$ 9,650	\$ 6,293	\$ (3,357)	\$ 69,500						
19 Recreation Ministri	\$ 75	\$ 6	\$ (69)	\$ 19,650						
20 Child Development	\$ 179,450	\$ 122,091	\$ (57,359)	\$ 1,191,117						
21 Personnel	\$ 396,056	\$ 362,770	\$ (33,286)	\$ 2,453,386						
<b>Total Expenses</b>	<b>\$ 774,246</b>	<b>\$ 666,694</b>	<b>\$ (107,552)</b>	<b>\$ 5,395,800</b>	<b>12%</b>	<b>15%</b>	<b>15%</b>	<b>17%</b>	<b>15%</b>	<b>15%</b>
<b>Net Income</b>	<b>\$ 568,754</b>	<b>\$ 586,260</b>	<b>\$ 17,506</b>	<b>\$ -</b>						
<b>BALANCE SHEET</b>										
		<b>February</b>	<b>January</b>	<b>Change</b>						
<b>Assets:</b>										
22 Truist (BB&T) Checking/Savings	\$ 4,893,538	\$ 4,684,637	\$ 208,901							
23 M&F, Towne, WF Holding & Rosebr	\$ 1,215,029	\$ 1,214,978	\$ 52							
24 Petty Cash	\$ 350	\$ 350	\$ -							
25 Accounts Receivable and Advances	\$ 14,745	\$ 28,321	\$ (13,576)							
26 Endowment Funds Mkt Value	\$ 15,907,250	\$ 16,016,860	\$ (109,610)							
27 Real Estate Funds	\$ 2,025,000	\$ 2,025,000	\$ -							
<b>Total Assets</b>	<b>\$ 24,055,912</b>	<b>\$ 23,970,145</b>	<b>\$ 85,767</b>							
<b>Liabilities:</b>										
28 Accounts Payable and Misc. Accrual	\$ 505,370	\$ 505,444	\$ (75)							
<b>Total Liabilities</b>	<b>\$ 505,370</b>	<b>\$ 505,444</b>	<b>\$ (75)</b>							
<b>Fund Balances:</b>										
29 Donor Advised	\$ 215,599	\$ 142,160	\$ 73,439							
30 Infrastructure Fund/Cornerstone Ir	\$ 326,579	\$ 330,313	\$ (3,734)							
31 Payable to Endowment Corpus	\$ 2,240	\$ 1,590	\$ 650							
32 Restricted Endowments & Cornerst	\$ 17,932,250	\$ 18,041,860	\$ (109,610)							
33 Restricted Funds	\$ 3,515,580	\$ 3,364,345	\$ 151,234							
34 Non-Budgeted Benevolences	\$ 146,924	\$ 150,297	\$ (3,373)							
35 Section 125 Plan	\$ (1,634)	\$ 3,826	\$ (5,459)							
36 Genl Fund Balance	\$ 1,279,196	\$ 1,295,644	\$ (16,448)							
37 Columbarium	\$ 46,844	\$ 46,704	\$ 140							
38 Reserve Fund Balances	\$ 86,966	\$ 87,963	\$ (997)							
<b>Total Fund Balances</b>	<b>\$ 23,550,543</b>	<b>\$ 23,464,701</b>	<b>\$ 85,842</b>							
<b>Total Liab. &amp; Fund Balances</b>	<b>\$ 24,055,912</b>	<b>\$ 23,970,145</b>	<b>\$ 85,767</b>							

**Covenant Presbyterian Church  
Session Information Item  
Summary**

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**SUBJECT: Presbytery Meeting Notes**

**DATE: March 8, 2021**

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Highlights of the 149th Stated Meeting of Charlotte Presbytery  
Saturday, February 6, 2021

In attendance from Covenant: Bob Henderson, Katherine Kerr, Grace Lindvall, Julia Watkins, Lucy Crain, Stephanie Guffin, Jeff Hallen, Tommy Lawson, Allen Brown, Derek Thomas.

It was with great joy and thanksgiving that we gathered by Zoom Video Conference at 9:30 am. Our 2021 Moderator, Rev. Dr. Joseph Clifford (Myers Park) called the meeting to order and opened with prayer. Moderator Clifford then acknowledged the indigenous peoples that once lived on the land on which we gathered - including the Waxhaw, Cheraw and Catawba tribes.

The Presbytery entered into a time of worship with Candidate for Ministry, Sally Herlong opening with a call to worship and prayer. A special Black History Month recognition included Langston Hughes' poem, "I Dream A World" by Rev. Larry James and a spiritual selection, "Done Made My Vow" was sung by Mrs. Patricia James. Rev. Veronica Cannon, 2020 Presbytery Moderator, preached the sermon, "Unchartered Territory", based on Exodus 14:10-14, 29-31.

General Presbyter, Rev. Dr. Jan Edmiston gave an update on the state of the Presbytery as we begin 2021 still in the midst of a pandemic. She made a special appeal for members and congregations to give to the Ten Cents-a-Meal Program which had a \$47,000 decline in giving. Jan then talked about 7 Disruptive Leadership Trends That Will Affect 2021, based on Carey Nieuwhof's research ([www.careynieuwhof.com/blog](http://www.careynieuwhof.com/blog))

Ministry Resource Committee Co-Moderator, Rev. John Magnuson shared information about the work of the MRC and introduced a video that gave an overview of the grants that are available for Charlotte Presbytery congregations. The MRC Grants webpage has been revised to be more 'user friendly' to church leaders to apply for grants.

Rev. Neal Carter and Katie Dunlap presented the Committee on Ministry Report. Rev. Dr. Herbie Miller was approved as Pastor to Philadelphia Church. Rev. Lisa Hickman was approved as Associate Pastor to Myers Park Church. Rev. Rebecca Hart and Rev. John Hart were welcomed as honorably retired members. Sally Herlong was approved as a new member serving in validated ministry with Novant Presbyterian Hospital, pending ordination.

The 150th Stated Meeting is scheduled for Tuesday, May 18, 2021.

**Covenant Presbyterian Church  
Session Information Item  
Summary**

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**Subject: Clerk Communications**

**From: Phil Koonce, Clerk**

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Communication has been received from the following organizations in acknowledgement of donations:

- Friendship Trays
- Loaves and Fishes
- Charlotte Family Housing
- Bright Stars of Bethlehem