

**COVENANT PRESBYTERIAN CHURCH
MINUTES OF THE SESSION MEETING ON
MONDAY, APRIL 20, 2020**

Call to Order and Opening Prayer – Bob Henderson, Moderator

Moderator Bob Henderson called the meeting to order at 7:01 pm via Zoom web meetings. He opened the meeting with prayer.

Determination of Quorum, Adoption of Agenda, and Adoption of Consent Agenda

The moderator declared a quorum was present and the Agenda and Consent Agenda were adopted as written.

Administration – Bill McNairy, Treasurer

The March bottom line reflected a loss of (\$90,838), greater than the budgeted March loss of (\$66,685) primarily due to lower pledge receipts. Year-to-date net income was \$510,499, higher than budgeted by \$116,041, due to strong pledge receipts in January. Year-to-date pledge receipts remain favorable to budget, reflecting 35% of the full-year budget amount, slightly above historic trends.

So far, there have been donations to the Hourly Employee Relief Fund and the Covenant Members Fund or approximately \$20,000 and \$5,000 respectively. No money has been paid out of those funds to date.

Covenant has made application to the Paycheck Protection Program which is provided by the Coronavirus Aid, Relief, and Economic Security (CARES) Act. However, Covenant has not received relief funding because there is no longer money available.

Planning & Evaluation – Jerry Jernigan, Chair

Plaza Presbyterian:

Bob Henderson, Lecia Horne and Jerry Jernigan met with Plaza Presbyterian representatives on March 10. They presented a proposal to merge the Plaza into Covenant now or, if not now, within two years at Covenant's option. During the two-year period, Covenant would support the Plaza administratively and financially up to \$100,000, and would work to make the welcoming of the Plaza members into Covenant as easy as possible. If the Plaza's property is sold, the funds would be placed in a new Covenant fund named for the Plaza and would be used only for mission, outreach and support of child development and education. If the Plaza chooses to proceed, Covenant will outline the key point of that agreement and present to the respective Sessions for approval. If approved, Covenant will draft a more definitive agreement to be signed and approved, as necessary, by the Presbytery.

Potential Property Purchase:

Ralph Falls and Jerry Jernigan met April 2 with property representatives and then delivered to them on April 14 a Letter of Intent (LOI) proposing an Option to the Purchase Agreement. Under this Agreement, Covenant has 75 days to perform due diligence and can walk for no reason. If Covenant does not walk, there is a closing and Covenant pays \$100K for the option

to purchase the property for \$1.9 million. The option expires August 31, 2021. If Covenant exercises the option, the \$100K is applied toward the purchase price. The Seller has the right to occupy the property for up to one year after transfer of title for a nominal rent. All of this is subject to our Session's approval. P&E received a quick response April 17 asking for another meeting to discuss "the schedule relative to the Option process". A follow up meeting is scheduled for Thursday, April 23.

Personal Report – Katie Stewart, Chair

Covenant plans to pay all regular employees through the month of May. A decision will be made later regarding the month of June. Stewardship of resources and taking care of employees will be the driving factors in the decision.

Alyssa Pacheco will move from interim to permanent Director of Middle School Ministries.

Kim Lee will begin as Director of Children's Ministries on May 4. Interim Claire Brown has agreed to stay on until May 8 to allow for a week of transition.

As previously reported, Mary Mattiacci's last day will be May 6. A small search committee will be formed (Personnel and Engagement Ministries representatives) with a September target for hiring her replacement.

Staff thanked Mary and Claire for their service during the staff meeting on Monday. There will be other opportunities for the congregation to acknowledge their service in the future.

Ministry Reports:

Mission & Outreach – Derek Thomas, Chair

The COVID-19 pandemic and the resulting social distancing guidelines have had an impact on key M&O planned events. Consequently, the ministry has adjusted activities accordingly.

1. Various planned activities have been canceled or postponed to a future date.
2. Additional financial support has been provided to various local agencies that focus on providing emergency food.
3. Reallocation of other resources (food, bedding, cleaning supplies, masks, etc.) to various agencies.

Education – Sarah Gaston, Chair

Goals for 2020 are as follows:

1. Improve hospitality to encourage participation
2. Meet people where they are with our faith formation programming
3. Ensure policies and forms are accurate to streamline usage and provide protection to all involved

Congregational Life – Debbie Enna, Chair

Goals for 2020 are as follows:

1. Provide programming to promote opportunities for Christian fellowship and relationship building within our congregation throughout the year.
2. Support efforts to provide for the health and wellness of our congregation
3. Provide support through a variety of life events and through all phases of life.

4. Touch base with the many self-sufficient ministries under the umbrella of Congregational Life to better understand how they serve the congregation and if they need additional support.

Engagement No Report

Worship No Report

Old Business/ New Business

Clerk's Report – Deana Cooper, Clerk of Session

Strategic decisions regarding:

- Campus opening – A decision will be made once government direction is provided.
- International mission trips – The June adult mission trip to Kenya and high school graduate trip to the Yucatan are canceled. We hope to offer alternatives as soon as possible.
- Worship/Weddings/Funerals – A decision will be made May 15 in accordance with state and federal guidelines.
- Summer Camps/Retreats/VBS – June activities are canceled. Includes Preschool Fun Days and Rec Wing basketball activities.
- People in Mission – Will be canceled. There may be an opportunity to employ two applicants that were deferred from the program in 2019 beginning July 1.
- Highland Camps – We are seeking to reschedule the program for July/August. Definite plans will be communicated in May.
- Stapleton-Davidson Program – Has been canceled by Davidson College.
- Child Development Center – Awaiting guidance from Mecklenburg County Health Department.
- CROSS Mission Trip for Middle School and the High School Mission trip to John's Island – Decision will be made by May 2.

A communication will be made to the congregation regarding these decisions.

Quest examinations will be moved to September.

There will be Town Hall meetings (via Zoom) open to all on April 22 (Congregational Life, Education, Worship) and May 3 (Mission & Outreach, Administration). Members are encouraged to submit questions to be addressed at the meetings.

Staff Announcements / Pastoral Concerns

Mary Mattiacci and Todd Capitano have been working diligently to match those with need in the congregation (grocery shopping, etc.) with those who can provide services to them.

Zoom bible study will resume on April 29.

Martin, Alyssa and Claire have been busy reaching out to our youth and children to provide some sense of community.

Many of our young adults are particularly hard hit by the impact of social distancing requirements - job losses and financial constraints due to salary reduction.

Martin graduated from Union Seminary having earned a Masters in Christian Education. Pastoral concerns were shared.

Closing Prayer

Katherine Kerr closed the meeting with prayer and the meeting was adjourned at 8:30 pm.

Respectfully Submitted,



Deana Cooper, Clerk



Robert W. Henderson, Moderator

**Covenant Presbyterian Church
Session Action Item
Summary**

SUBJECT: 2020 Wedding – Guest Minister Request

DATE: May 11, 2020

Report From: Worship Ministry/Wedding Committee

Chair: Nancy Atwell

Background: According to the Book of Order, Session must approve the participation of an outside minister at a Covenant wedding.

Process to Date: The June 20, 2020 wedding of Ellison Cleghorn and Thomas Ledbetter will include the participation of a non-Covenant minister. Therefore, in accordance with the Book of Order, the Wedding Committee would like to bring the following motion to Worship Ministry for approval and transmittal to the May 2020 Session meeting.

Budget Impact: None

Actions Taken or Recommendation: The Wedding Committee recommends that Reverend Dr. John Cleghorn, Caldwell Presbyterian Church, be approved to co-officiate, along with the assigned presiding minister from Covenant (Katherine Kerr), the wedding ceremony of Ellison Cleghorn and Thomas Ledbetter on June 20, 2020 at Covenant Presbyterian Church.

Contact Information: Rev. Dr. John Cleghorn, Caldwell Presbyterian Church
(P): (704) 957-4511
(E): jcleghorn@caldwellpresby.org
525B Queens Road
Charlotte, NC 28207

Motion: The Wedding Committee moves the approval of a non-Covenant minister to co-officiate in the wedding of Ellison Cleghorn and Thomas Ledbetter on June 20, 2020.

Covenant Presbyterian Church
Monthly Financial Comments
April 2020

Income Statement Comments

Income: Receipts for April were under budget by just over (\$100,000), resulting in year-to-date total receipts being under budget by (\$162,583). This shortfall was driven by the Covenant campus being closed, severely limiting receipts from the CDC, Preschool, Rec Wing and Food Service. In spite of being closed, CDC and Preschool parents did respond to our request, contributing just over 50% of tuition amounts.

Year-to-date pledge receipts remain favorable to budget, reflecting 43% of the full-year budget amount, slightly above historic trends. The CDC budget reflects a full enrollment assumption on each of the income and expenses side.

Expenses: CDC expenses year-to-date were lower than budget by (\$124,273), due to not being at full staff or full enrollment (see above). Despite the campus being closed, all staff were paid as if April were normal. Nevertheless, Personnel expense was favorable to budget, by (\$86,268) year-to-date, due to open positions. 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 in an effort to partly offset income shortfalls.

With the exception of Mission & Outreach, Ministry expenses were below budget for the month, generally due to the campus being closed.

The Bottom Line: The April bottom line reflected a loss of (\$77,372), greater than the budgeted April loss of (\$47,666) primarily due to lower CDC and Preschool receipts. Year-to-date net income was \$433,127, higher than budgeted by \$86,334 due to lower Personnel costs and strong pledge receipts in January.

Balance Sheet Comments

Significant changes in the Balance Sheet as of April 30, as compared with March 31, were as follows:

Line 22: Reflects receipt of the next-to-last Rosebro distribution, offset by the April operating loss

Line 25: Reflects receipt of sales tax refunds

Line 26 and 32: Reflects March reduction in market value of endowment funds

Line 33: Reflects receipt of Rosebro distribution, net of Capital Campaign net expenditures

Lines 36: Reflects expenses exceeding income for April

| Covenant Presbyterian Church | | Period ending: | | | 04/30/20 | | Y-T-D Actual as % of Annual Budget | | | | | |
|--|--|----------------------|----------------------|---------------------|----------------------|---------------|------------------------------------|-------------|-------------|-------------|-------------|--|
| INCOME STATEMENT | | YTD Budget | YTD Actual | YTD Variance | Annual Budget | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | |
| Income: | | | | | | | | | | | | |
| 1 | Pledge Receipts | \$ 1,246,000 | \$ 1,307,890 | \$ 61,890 | \$ 3,010,000 | 43% | 39% | 37% | 38% | 38% | 42% | |
| 2 | Misc Contributions | \$ 162,000 | \$ 179,770 | \$ 17,770 | \$ 395,700 | | | | | | | |
| 3 | Investment Income | \$ 140,000 | \$ 138,513 | \$ (1,487) | \$ 286,000 | | | | | | | |
| 4 | Other Receipts | \$ 13,300 | \$ 7,574 | \$ (5,726) | \$ 55,000 | | | | | | | |
| 5 | Food Service | \$ 39,000 | \$ 23,466 | \$ (15,534) | \$ 110,000 | | | | | | | |
| 6 | Recreation Wing Rec | \$ 34,700 | \$ 24,302 | \$ (10,398) | \$ 145,000 | | | | | | | |
| 7 | Child Development | \$ 441,200 | \$ 258,176 | \$ (183,024) | \$ 1,323,600 | | | | | | | |
| 8 | Preschool Receipts | \$ 140,600 | \$ 126,466 | \$ (14,134) | \$ 310,000 | | | | | | | |
| 9 | Youth Trips | \$ 23,675 | \$ 12,885 | \$ (10,790) | \$ 70,700 | | | | | | | |
| 10 | Adult Trips | \$ 9,850 | \$ 8,700 | \$ (1,150) | \$ 67,400 | | | | | | | |
| Total Income | | \$ 2,250,325 | \$ 2,087,742 | \$ (162,583) | \$ 5,773,400 | 36% | 37% | 37% | 38% | 39% | 42% | |
| Expenses: | | | | | | | | | | | | |
| 11 | Worship | \$ 38,500 | \$ 31,029 | \$ (7,471) | \$ 112,650 | | | | | | | |
| 12 | Congregational Life | \$ 10,200 | \$ 4,371 | \$ (5,829) | \$ 34,850 | | | | | | | |
| 13 | Engagement | \$ 3,000 | \$ 1,532 | \$ (1,468) | \$ 7,500 | | | | | | | |
| 14 | Mission & Outreach | \$ 153,242 | \$ 151,058 | \$ (2,184) | \$ 618,000 | | | | | | | |
| 15 | Education | \$ 47,208 | \$ 35,068 | \$ (12,140) | \$ 156,400 | | | | | | | |
| 16 | Administration | \$ 212,910 | \$ 204,686 | \$ (8,224) | \$ 621,750 | | | | | | | |
| 17 | Food Service | \$ 23,550 | \$ 21,538 | \$ (2,012) | \$ 69,500 | | | | | | | |
| 18 | Recreation Ministries | \$ 22,850 | \$ 27,440 | \$ 4,590 | \$ 32,650 | | | | | | | |
| 19 | Child Development | \$ 424,882 | \$ 300,610 | \$ (124,273) | \$ 1,240,248 | | | | | | | |
| 20 | Preschool | \$ 122,350 | \$ 118,711 | \$ (3,639) | \$ 318,900 | | | | | | | |
| 21 | Personnel | \$ 844,841 | \$ 758,573 | \$ (86,268) | \$ 2,477,600 | | | | | | | |
| Total Expenses | | \$ 1,903,533 | \$ 1,654,615 | \$ (248,917) | \$ 5,690,048 | 29% | 33% | 32% | 34% | 32% | 31% | |
| Net Income | | \$ 346,792 | \$ 433,127 | \$ 86,334 | \$ 83,352 | | | | | | | |
| BALANCE SHEET | | | | | | | | | | | | |
| | | April | | March | | Change | | | | | | |
| Assets: | | | | | | | | | | | | |
| 22 | BB&T Checking/Savings | \$ 4,347,985 | \$ 3,745,091 | \$ 602,894 | | | | | | | | |
| 23 | WF Holding/Rosebro & M&F | \$ 224,135 | \$ 223,385 | \$ 751 | | | | | | | | |
| 24 | Petty Cash | \$ 350 | \$ 350 | \$ - | | | | | | | | |
| 25 | Accounts Receivable and Advances | \$ 36,028 | \$ 151,243 | \$ (115,215) | | | | | | | | |
| 26 | Endowment Fund Mkt Value | \$ 11,987,019 | \$ 13,313,573 | \$ (1,326,554) | | | | | | | | |
| 27 | Real Estate Funds | \$ 2,025,000 | \$ 2,025,000 | \$ - | | | | | | | | |
| Total Assets | | \$ 18,620,518 | \$ 19,458,642 | \$ (838,124) | | | | | | | | |
| Liabilities: | | | | | | | | | | | | |
| 28 | Accounts Payable and Misc. Accruals | \$ 5,390 | \$ 2,385 | \$ 3,004 | | | | | | | | |
| Total Liabilities | | \$ 5,390 | \$ 2,385 | \$ 3,004 | | | | | | | | |
| Fund Balances: | | | | | | | | | | | | |
| 29 | Donor Advised | \$ 87,844 | \$ 88,344 | \$ (500) | | | | | | | | |
| 30 | Infrastructure Fund/Cornerstone Income | \$ 283,914 | \$ 283,914 | \$ - | | | | | | | | |
| 31 | Payable to Endowment Corpus | \$ 880 | \$ 720 | \$ 160 | | | | | | | | |
| 32 | Restricted End/Cornst & Real Estate | \$ 14,012,019 | \$ 15,338,573 | \$ (1,326,554) | | | | | | | | |
| 33 | Restricted Funds | \$ 3,056,854 | \$ 2,490,821 | \$ 566,033 | | | | | | | | |
| 34 | Non-Budgeted Benevolences | \$ 145,143 | \$ 152,375 | \$ (7,232) | | | | | | | | |
| 35 | Section 125 Plan | \$ 5,337 | \$ 3,770 | \$ 1,567 | | | | | | | | |
| 36 | Genl Fund Balance | \$ 896,044 | \$ 973,416 | \$ (77,372) | | | | | | | | |
| 37 | Columbarium | \$ 50,349 | \$ 47,154 | \$ 3,195 | | | | | | | | |
| 38 | Reserve Fund Balances | \$ 76,743 | \$ 77,168 | \$ (425) | | | | | | | | |
| Total Fund Balances | | \$ 18,615,128 | \$ 19,456,256 | \$ (841,129) | | | | | | | | |
| Total Liab. & Fund Balances | | \$ 18,620,518 | \$ 19,458,642 | \$ (838,124) | | | | | | | | |

**Covenant Presbyterian Church
Session Information Item
Summary**

SUBJECT: Clerk Communications

From: Deana Cooper, Clerk

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

- Crossnore
- Bright Stars of Bethlehem
- Faith Ministry
- Queens University