

**Covenant Presbyterian Church**  
**Meeting of Session**  
**Monday, November 12, 2018**  
**7:00pm**  
**CONSENT AGENDA**

**ACTION ITEMS**

1. Approval of September 10, 2018 Session Meeting Minutes (pp. 2-4). Helen Richards, Clerk of Session, moves that the minutes of this meeting be approved as written.
2. Approval of September 16, 2018 Congregational Meeting Minutes (p. 5). Helen Richards, Clerk of Session, moves that the minutes of this meeting be approved as written.
3. Approval of October 28, 2018 Congregational Meeting Minutes (p. 6). Helen Richards, Clerk of Session, moves that the minutes of this meeting be approved as written.
4. Approval of request for use of Cornerstone funds (pp. 7-8).
5. Approval of Called Session Meetings Minutes from September and October to receive new members (p. 9). Helen Richards, Clerk of Session, moves that the minutes of these meetings be approved as written.
6. Approval of request for changes to active roll (p.10).
7. Approval of baptisms (p. 11).

**INFORMATION ITEMS**

1. September 2018 Treasurer's Report (pp. 12-13).
2. October 2018 Treasurer's Report (pp. 14-15).
3. Allocation of P&E Strategic Funds (p. 16).
4. Proposed Changes to the Operations Manual (pp. 17-18).
5. 2019 Session Meeting Schedule (p. 19).
6. Minutes from October Presbytery Meeting (p. 20).
7. NEXT Church event (p. 21).
8. Clerk's Communications (p. 22).

**FUTURE EVENTS**

- December 2                      Advent Begins  
Alternative Gift Market, 8:30 am – 1:30 pm;  
Congregational Life Listening sessions, 10:30 am & 12 pm FH203
- December 9                      Congregational Life Listening sessions, 10:30 am & 12 pm FH203
- December 10                     Session Meeting and Elder Examination, 6:30 pm
- December 16                     Lessons and Carols, 5:00 pm
- January 11-12, 2019             Session Retreat at Kanuga Conference Center
- January 13, 2019                Elder Ordination and Installation
- January 26, 2019                Next Church event, 9 am – 12 pm Fellowship Hall

**COVENANT PRESBYTERIAN CHURCH  
MINUTES OF THE SESSION MEETING ON  
SEPTEMBER 10, 2018**

**Call to Order and Opening Worship**

Moderator Bob Henderson called the meeting to order at 7:00 pm and opened with prayer.

**Determination of Quorum, Adoption of Agenda, Adoption of Consent Agenda**

The Moderator declared that a quorum was present. The Clerk requested a change in the order of the agenda, which was approved. An addition was made to the August Session minutes concerning Elder Emeritus nominations and the consent agenda was approved with that addition.

**Administration**

No report.

**Personnel Report – Joe Pool**

There are two openings currently posted: afternoon receptionist and food service manager.

**Implementation Team – Nancy Falls**

Nancy updated the Session on activities from the Capital Campaign Implementation Team.

Affordable Housing: Worked through existing tenants' relocations; finalized Covenant loan agreement; no groundbreaking date yet.

Child Development Center: Continued work on CDC scholarship policy, governance structure and priority admissions; submitted the NC application (had already submitted the application to Mecklenburg County); recruited a search committee for the CDC to be chaired by Mary Nell McPherson.

Campus Construction: Continued to work with WGM, Shelco and CDC team to refine construction plans and specs; finalized cost estimate to be shared soon; continued to assess subcontractor bids; continued to define furniture and equipment budget; continued to identify technology and security needs.

Other: Completed cash flow model and plan to ramp up communications.

Next steps over next 60 days:

- Information sessions scheduled for September 16 and 19.
- Affordable Housing loan closing this month with groundbreaking to follow
- CDC Director Search Committee begins background work and finalize job description.

- Sign contract with general contractor once final costs are guaranteed.
- Distribute RFP for playgrounds build and refurbish.

### **Planning and Evaluation – John Baxter**

John updated the Session on the proposal presented in August. The proposal addressed rising construction and implementation costs and identified how funds from pledge receipts and the Rosebro Estate funds would be used to address those costs.

Two motions were presented by P&E.

Motion: P&E moves that the total pledged funds of \$12.9 million be used as follows:

Welcome Center and Other Construction	\$7.4M
Affordable Housing	\$2.5M
Child Development Center (CDC) Startup	\$0.9M
CDC Scholarship Endowment Fund	\$2.0M
Capital Campaign Costs	\$0.1M

The motion was unanimously approved.

Motion: Due to changes from the original construction plans and an overall increase of construction costs since then, P&E moves that up to \$2.9 million of the Rosebro Estate funds be used as follows: \$2.4 million to cover additional campus construction costs and \$0.5 million for campus construction and Child Development Center start-up contingency reserve, to be used at the discretion of the Implementation Leadership Team. Any funds not spent for these purposes will revert to the Rosebro Estate Funds.

The motion was unanimously approved.

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

Under New Business, a motion was presented by John Baxter, Chair of P&E.

Motion: I move that, subject to future P&E approval, Session approve the allocation of up to \$1.0 million of the Rosebro Estate funds be available to cover Capital Campaign pledge shrinkage, as needed, to fully fund the \$12.9 million of Capital Campaign expenditures approved by the Session today.

The motion was unanimously approved.

Stephen Moore suggested that Covenant consider contingency plans that the church could implement to assist hurricane victims. Bob Henderson will address with staff.

## **Ministry Reports**

Education – no report

Mission and Outreach – no report

Congregational Life – no report

Engagement – no report

Worship – no report

## **Clerk's Report - Helen Richards**

The Clerk distributed a Covenant Capital Campaign newsletter to be mailed this week, and Lauren Sawyers highlighted key information and facts included in the newsletter.

An Elder dinner is scheduled for Monday, October 8<sup>th</sup>. There will not be a Session meeting in October.

The groundbreaking for Campus Construction will be September 23<sup>rd</sup> at 10:30 am.

The Clerk invited Philip James to present an additional candidate for Elder Emeritus. Pat Burgess has met the qualifications and agreed to be nominated as an Elder Emeritus.

## **Staff Announcements/Pastoral Concerns**

There were no staff announcements. Pastoral concerns were shared.

## **Closing Prayer**

Following a prayer offered by Joan Watson, the meeting was adjourned at 8:30 pm.

Respectfully submitted,



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Helen Richards, Clerk



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Robert W. Henderson, Moderator

**COVENANT PRESBYTERIAN CHURCH  
MINUTES OF THE CONGREGATIONAL MEETING ON  
SEPTEMBER 16, 2018**

Moderator Bob Henderson called the Congregational meeting to order at 10:30am and determined a quorum was present.

The Moderator had the ushers distribute ballots and stated that the purpose of the meeting was to elect ten elders and two youth elders. Covenant members who are present are eligible to vote.

The Moderator reviewed the Elder nominating process. A nominating committee solicited input from the congregation, met throughout the summer and presented the slate of elders. All nominees being presented have agreed to serve. He then introduced ENC co-chairs, Philp James and Marilynn Mickle. Philip James identified the Committee members and thanked them for their dedication.

Marilynn Mickle stated the qualifications from Covenant's Operations Manual for Elder Emeritus. Any Elder who has faithfully served three full terms or at least nine years in Covenant Presbyterian Church and has attained the age of 70 shall be invited to receive a nomination as honorary Elder Emeritus. On behalf of the ENC Marilynn nominated Ann Marsh Ayers, Sadler H. Barnhardt, W. Patrick Burgess, Jane Kuester Taylor and C Brent Trexler, Jr. for Elder Emeritus and each have agreed to accept the nomination. The motion was seconded and approved unanimously.

Philip referenced the Book of Church Order saying Elders should be persons of faith, dedication and good judgment. Their manner of life should be a demonstration of the Christian Gospel both within the church and in the world. The ten adult Elder nominees for the Class of 2021 are Susan Billmire, Allen Brown, Deana Cooper, Sarah Crowder, Sarah Gaston, Jessica Hindman, Jerry Jernigan, Alan Morrow, Joe Taylor and Derek Thomas. The two youth Elders nominated to serve a 1-year term are Anna Ferone and Katherine Roehrig. On behalf of the ENC, Philip moved that this slate of elders be approved by the congregation. The motion was seconded.

The Moderator solicited nominations from the floor; none were presented.

The Moderator called for a vote and the motion was approved.

To comply with the Book of Order, when the Clerk is absent, the congregation must nominate and approve a secretary for the meeting. The Moderator received a nomination for David Isaacs and he was approved as the secretary.

The meeting was closed in prayer.

Respectfully submitted,



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**Helen Richards, Clerk**



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**Robert W. Henderson, Moderator**

**COVENANT PRESBYTERIAN CHURCH  
MINUTES OF THE CONGREGATIONAL MEETING ON  
OCTOBER 28, 2018**

**Call to Order and Statement of Purpose**

Moderator Bob Henderson called the meeting to order at 10:35 am and stated the purpose of the meeting: to vote on Joan Watson's request to dissolve her pastoral relationship with Covenant Presbyterian Church. The Moderator acknowledged the Associate Pastor Nominating Committee ("APNC") which worked for over a year leading up to calling Joan Watson who went on to serve Covenant for fifteen (15) years.

**The Motion**

The Moderator introduced Tommy Lawson, Elder and member of the APNC which called Joan to Covenant. Tommy Lawson made the following motion: Mr. Moderator, with gratitude for Joan Watson's 15 years of service to Covenant Presbyterian Church and in honor of her 44 years of service to God's church, it's my privilege to move that we dissolve her pastoral relationship with Covenant so that she may be honorably retired.

The motion was seconded. An opportunity was given for discussion and questions; there was no discussion or questions. The motion was put to a vote and approved unanimously.

The Moderator thanked members for coming and closed the meeting in prayer.

Respectfully submitted,



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Helen Richards, 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: November 12, 2018**

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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 2018 identified. Since approval in August of 2013, the Sanctuary Building HVAC experienced a significant failure requiring emergency maintenance.

**Budget Impact:** The Cornerstone Fund income will be used in accordance with Cornerstone Fund rules.

**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 proceed with the additional project for repairs to the Sanctuary Building HVAC (\$117,000).

**Attachment** – Cornerstone Plan spreadsheet

**Covenant Presbyterian Church - Cornerstone Fund 5 Year Plan**

	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Beginning Balance	\$ 68,941	\$ 132,025	\$ 106,384	\$ 88,316	\$ 2,324	\$ 2,853
Earnings from Endowment Fund	\$ 140,544	\$ 145,520	\$ 147,932	\$ 149,009	\$ 150,529	\$ 153,539
Misc. Income / Receipts / Gifts						
Projected Available Funds	\$ 209,486	\$ 277,546	\$ 254,316	\$ 237,324	\$ 152,853	\$ 156,392
Estimated Cost of Projects - annual	\$ 77,461	\$ 171,162	\$ 166,000	\$ 235,000	\$ 150,000	\$ 30,000
Ending Balance	\$ 132,025	\$ 106,384	\$ 88,316	\$ 2,324	\$ 2,853	\$ 126,392
	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>Sanctuary Building</b>						
HVAC Cooling Tower, Chilled Water Pumps	\$ 21,400	\$ 117,000				
Sanctuary Entrance Roof/Ceiling Repairs		\$ 20,000				
<b>Total Sanctuary Building</b>	<b>\$ 21,400</b>	<b>\$ 137,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Fellowship Hall</b>						
Roof Replacement (Project Total = \$160,000)				\$ 160,000		
Replace HVAC (Project Total = \$185,000)		\$ 34,162	\$ 151,000			
HVAC Controls						
Window Replacement (Project Balance - \$140,000)				\$ 60,000	\$ 60,000	\$ 30,000
<b>Total Fellowship Hall</b>	<b>\$ -</b>	<b>\$ 34,162</b>	<b>\$ 151,000</b>	<b>\$ 220,000</b>	<b>\$ 60,000</b>	<b>\$ 30,000</b>
<b>Education Wing</b>						
HVAC Controls	\$ 4,350					
<b>Total Education Wing</b>	<b>\$ 4,350</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Recreation Wing</b>						
Replace HVAC (Project Total = \$65,000) - Timing TBD						
Resurface Gym Floor				\$ 15,000		
Window Replacement					\$ 90,000	
<b>Total Rec Wing</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 15,000</b>	<b>\$ 90,000</b>	<b>\$ -</b>
<b>Other Needs</b>						
Campus Relighting - retrofit with LED throughout	\$ 51,711					
Resurface Parking Lots			\$ 15,000			
Exterior Stone Restoration - Education Wing						
<b>Total Other</b>	<b>\$ 51,711</b>	<b>\$ -</b>	<b>\$ 15,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Cost of Projects</b>	<b>\$ 77,461</b>	<b>\$ 171,162</b>	<b>\$ 166,000</b>	<b>\$ 235,000</b>	<b>\$ 150,000</b>	<b>\$ 30,000</b>



**Covenant Presbyterian Church  
Called Session Meetings  
Sundays, September 23, and October 21, and 28, 2018**

Covenant held three Called Session Meetings each on a Sunday morning for the purpose of receiving new members. Lora Borrelli introduced the following new members and information:

**September 23, 2018**

Caroline Knight      Transfer Letter – Trinity Presbyterian Church, Charlotte  
Greg Knight          Reaffirmation  
Wanda Barnes        Transfer Letter – Providence Baptist Church, Charlotte

**October 21, 2018**

Nathan Walsh        Transfer Letter – Mt. Pleasant Baptist Church, Wilkesboro, NC  
Deborah Gray        Transfer Letter – Christ Central Church, Charlotte, NC

**October 28, 2018**

Christie Collins      Transfer Letter – Christ Lutheran Church, Charlotte, NC

**Active (confirmed) members as of 10/31/18: 2300**

**2018 new members as of 10/31/18: 63**

**New members since last report: 6**

**2018 transfers as of 10/31/18: 20**

**2018 deaths as of 10/31/18: 18**

Motions of acceptance were made, seconded and approved. Each meeting adjourned with prayer.  
Respectfully submitted,



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**Helen Richards, Clerk**



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**Robert W. Henderson, Moderator**

**Covenant Presbyterian Church  
Session Meeting  
Request for Changes in the Active Roll**

**Removed from Active Roll Per Request**

<b><u>Name</u></b>	<b><u>Transferred to:</u></b>
Chris Spaugh	Transfer to Westminster Presbyterian, Greensboro, NC
Meredith Spaugh	Transfer to Westminster Presbyterian, Greensboro, NC

**Covenant Presbyterian Church  
Session Action Item**

**Summary**

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**SUBJECT: October & November 2018 Baptisms**

**DATE: November 12, 2018**

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**Report From:** Baptism Committee

Mary Clare Bracey, Chairperson

**Background:** Baptism must be approved by the Session.

**Process to Date:** Parents requested that their children be baptized.

**Budget Impact:** None

**Actions Taken or Recommendation:** The Baptism Committee recommends approval of the following baptisms at Covenant in November and December 2018:

Sunday November 18, 2018 at the 9:30am service in the Covenant Sanctuary  
Nora Olin Hall

Parents-Leigh Ann and Bo Hall

Sunday December 2, 2018 at the 11:00am service in the Covenant Sanctuary  
William David Hoover, IV

Parents- Sara and Trey Hoover

The Baptism Committee retroactively recommends approval of the following baptisms at Covenant in October 2018:

Sunday October 21, 2018 at the 9:30am service in the Covenant Sanctuary  
George Victor Ronald Callow

Parents-Amy and Stuart Callow

Sunday October 21, 2018 at the 11:00 am service in the Covenant Sanctuary  
Prentiss Elizabeth Burch

Parents- Heather and Marty Burch

Sunday October 28, 2018 at the 9:30am service in the Covenant Sanctuary  
Grace Reynolds Raborn

Parents- Katie and Joey Raborn

**Motion:** Motion to approve the baptisms of Nora Olin Hall and William David Hoover, IV and retroactively approve the baptisms of Victor Ronald Callow, Prentiss Elizabeth Burch and Grace Reynolds Raborn.

**Covenant Presbyterian Church**  
Monthly Financial Comments  
September 2018

**Income Statement Comments**

**Operating Income:** Pledge receipts increased in September relative to budget as well on an actual basis compared to August after contribution statements were mailed. Pledge Receipts are still below budget (\$19,058) on a year to date basis, but the deficit narrowed considerably in September. Total Operating Income remains below budget (\$101,632) on a year to date basis. Miscellaneous Contributions (\$47,058) and Rec Wing revenues (\$12,590) continue to be below budget, but the gaps have leveled off. As noted previously, all three categories of mission trips also contributed due to lower than planned attendance. Pledge Receipts were 64% of the annual budget, slightly below last year. Food Service and Preschool receipts continue higher than budget partially offsetting the below budget categories already mentioned.

**Operating Expenses:** Most categories of expenses continue to be below budget, totaling a \$126,236 favorable variance year to date. Personnel continues to have the largest positive variance of \$84,552 primarily due to lower than expected participation in Covenant's benefit plan and manager turnover. The favorable variance in Education of \$27,052 reflects the lower than planned high school and middle school trip attendance. The favorable variance in Mission and Outreach reflects lower than planned attendance for the Yucatan trip. Food Service remains over budget partially offsetting the favorable trends, however spending appears to have stabilized in September. Food Service receipts exceed expenses by \$5,782. Spending is also over budget in the Administration category (\$11,540) due primarily to higher than expected utility bills because of lingering high temperatures and parking lot and vehicle repairs.

**The Bottom Line:** Expenses exceeded income for the month resulting in a "loss" for the month of (\$72,455) compared to a budgeted "loss" of (\$134,047). The past several months of deficits now result in a year to date "loss" of (\$245,950) compared to a budgeted "loss" of (\$270,554). This compares to a year to date "loss" of (\$202,058) for the same period last year.

**Balance Sheet Comments**

The balance sheet continues to be healthy. Significant changes for September 30, compared to August 31, were as follows:

**Assets/Liabilities:**

**Checking:** Reflects the increase in pledge receipts partially offset by spending.

**Accounts Receivable & Advances:** Decrease reflects receipt of sales tax refund.

**General and Cornerstone Endowment Funds:** Reflects the markets at the end of August. We value on a month delay basis.

**Accounts Payable/Misc. Accruals:** Change in Miscellaneous Accruals reflects the reversal of the prepayment in August of the September Visa card.

**Fund Balances:**

**Donor Advised:** Increase reflects annual funding from a donor.

**General Fund:** Decrease reflects the net operating deficit in September of \$72,455.

<b>Covenant Presbyterian Church</b>		Period ending: 09/30/18			Y-T-D Actual as % of Annual Budget						
<b>INCOME STATEMENT</b>		<b>YTD Budget</b>	<b>YTD Actual</b>	<b>YTD Variance</b>	<b>Annual Budget</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
<b>Income:</b>											
1	Pledge Receipts	\$ 1,864,300	\$ 1,845,242	\$ (19,058)	\$ 2,875,000	64%	65%	69%	67%	72%	72%
2	Misc Contributions	\$ 195,195	\$ 148,137	\$ (47,058)	\$ 310,000						
3	Investment Income	\$ 264,166	\$ 267,579	\$ 3,413	\$ 270,000						
4	Other	\$ 25,500	\$ 26,149	\$ 649	\$ 35,000						
5	Recreation Wing	\$ 82,600	\$ 70,010	\$ (12,590)	\$ 141,300						
6	Preschool	\$ 219,000	\$ 220,774	\$ 1,774	\$ 313,800						
7	Food Service	\$ 63,000	\$ 69,755	\$ 6,755	\$ 95,000						
8	MS/Quest Trips	\$ 16,600	\$ 11,755	\$ (4,845)	\$ 18,000						
9	HS Trips	\$ 49,000	\$ 26,970	\$ (22,030)	\$ 62,700						
10	Adult Trips	\$ 43,500	\$ 34,858	\$ (8,642)	\$ 69,300						
	<b>Total Income</b>	<b>\$ 2,822,861</b>	<b>\$ 2,721,229</b>	<b>\$ (101,632)</b>	<b>\$4,190,100</b>	<b>65%</b>	<b>67%</b>	<b>70%</b>	<b>68%</b>	<b>73%</b>	<b>73%</b>
<b>Expenses:</b>											
11	Worship	\$ 81,575	\$ 81,609	\$ 34	\$ 112,850						
12	Congregational Life	\$ 22,563	\$ 15,411	\$ (7,151)	\$ 36,650						
13	Engagement	\$ 5,900	\$ 3,574	\$ (2,326)	\$ 8,200						
14	Mission & Outreach	\$ 402,971	\$ 377,232	\$ (25,739)	\$ 511,300						
15	Education	\$ 126,898	\$ 99,846	\$ (27,052)	\$ 155,503						
16	Recreation Wing	\$ 8,550	\$ 8,305	\$ (245)	\$ 35,200						
17	Preschool	\$ 178,490	\$ 169,198	\$ (9,292)	\$ 269,750						
18	Food Service	\$ 45,425	\$ 63,973	\$ 18,548	\$ 71,500						
19	Administration	\$ 424,750	\$ 436,290	\$ 11,540	\$ 570,300						
20	Personnel	\$ 1,796,293	\$ 1,711,741	\$ (84,552)	\$ 2,418,847						
	<b>Total Expenses</b>	<b>\$ 3,093,415</b>	<b>\$ 2,967,179</b>	<b>\$ (126,236)</b>	<b>\$4,190,100</b>	<b>71%</b>	<b>72%</b>	<b>72%</b>	<b>68%</b>	<b>71%</b>	<b>69%</b>
	<b>Net Income</b>	<b>\$ (270,553)</b>	<b>\$ (245,950)</b>	<b>\$ 24,603</b>	<b>\$ -</b>						
<b>BALANCE SHEET</b>			<b>September</b>	<b>August</b>	<b>Change</b>						
<b>Assets:</b>											
21	BoA Checking/Savings		\$ 5,639,681	\$ 5,627,935	\$ 11,747						
22	WF Holding/Rosebro & M&F		\$ 2,006,349	\$ 2,003,599	\$ 2,750						
23	Petty Cash		\$ 350	\$ 350	\$ -						
24	Accounts Receivable and Advances		\$ 6,909	\$ 17,259	\$ (10,350)						
25	General Endowment Fund Mkt Value		\$ 8,232,179	\$ 8,158,954	\$ 73,225						
26	Cornerstone Endowment Fund Mkt V		\$ 4,149,329	\$ 4,122,370	\$ 26,959						
	<b>Total Assets</b>		<b>\$20,034,797</b>	<b>\$19,930,466</b>	<b>\$ 104,331</b>						
<b>Liabilities:</b>											
27	Accounts Payable and Misc. Accruals		\$ 9,223	\$ (39,761)	\$ 48,984						
	<b>Total Liabilities</b>		<b>\$ 9,223</b>	<b>\$ (39,761)</b>	<b>\$ 48,984</b>						
<b>Fund Balances:</b>											
28	Donor Advised		\$ 170,814	\$ 122,788	\$ 48,026						
29	Infrastructure Fund/Cornerstone Inc		\$ 276,974	\$ 276,974	\$ -						
30	Payable to Endowment Corpus		\$ 20	\$ 855	\$ (835)						
31	Restricted Endowments & Cornersto		\$ 12,381,508	\$ 12,281,324	\$ 100,184						
32	Restricted Funds		\$ 6,833,479	\$ 6,843,794	\$ (10,315)						
33	Non-Budgeted Benevolences		\$ 18,192	\$ 22,955	\$ (4,764)						
34	Section 125 Plan		\$ 2,033	\$ 2,394	\$ (361)						
35	Genl Fund Balance		\$ 256,861	\$ 329,316	\$ (72,455)						
36	Columbarium		\$ 45,629	\$ 46,720	\$ (1,091)						
37	Reserve Fund Balances		\$ 40,065	\$ 43,107	\$ (3,043)						
	<b>Total Fund Balances</b>		<b>\$20,025,574</b>	<b>\$19,970,227</b>	<b>\$ 55,347</b>						
	<b>Total Liab. &amp; Fund Balances</b>		<b>\$20,034,797</b>	<b>\$19,930,466</b>	<b>\$ 104,331</b>						

**Covenant Presbyterian Church**  
Monthly Financial Comments  
October 2018

**Income Statement Comments**

**Operating Income:** Pledge receipts decreased in October from September and are now below budget (\$127,146) on a year to date basis. Total Operating Income remains below budget (\$226,128) on a year to date basis. Miscellaneous Contributions (\$63,680) continues to be below budget. Rec Wing receipts were below budget (\$12,372) for the year, but receipts matched budget for the month of October reflecting Kevin Harper's efforts. As noted previously, Ministry Receipts also contributed due to lower than planned attendance. Pledge Receipts were 70% of the annual budget, below last year.

**Operating Expenses:** Favorable trends continue as most categories of expenses are below budget, totaling a \$137,892 favorable variance year to date. Personnel continues to have the largest positive variance of \$91,889 primarily due to lower than expected participation in Covenant's benefit plan and manager turnover. The favorable variance in Mission and Outreach of \$34,561 reflects lower than planned attendance for the Yucatan trip. Education remains favorable, \$19,272, reflecting lower than planned high school and middle school trip attendance. Food Service remains over budget partially offsetting the favorable trends, however was well under budget for the month. Note that Food Service receipts exceed expenses by \$11,862. Spending is also over budget in the Administration category (\$10,391) primarily due to higher than expected utility bills because of lingering high temperatures continuing and parking lot and vehicle repair from September.

**The Bottom Line:** Expenses exceeded income for the month resulting in a "loss" for the month of (\$100,605) compared to a budgeted "surplus" of \$12,235. The year to date actual "loss" of (\$346,555) compared to a budgeted "loss" of (\$258,319). This compares to a year to date actual "loss" of (\$159,728) for the same period last year.

**Balance Sheet Comments**

The balance sheet continues to be healthy. Significant changes for October 31, compared to September 30, were as follows:

**Assets/Liabilities:**

**Accounts Receivable & Advances:** increase reflects employee request for advances to be repaid through payroll in November and Sales Tax Refundable.

**General and Cornerstone Endowment Funds:** Reflects the relative unchanged markets at the end of September. We value on a month delay basis.

**Accounts Payable/Misc. Accruals:** Increase in Miscellaneous Accruals reflects prepaid 2019 pledges and 2019 A/P Mission Deposit entered but not paid until December.

**Fund Balances:**

**Restricted Funds:** Increase reflects capital campaign receipts.

**General Fund:** Decrease reflects the net operating deficit in October of \$100,605.

<b>Covenant Presbyterian Church</b>				Period ending:	10/31/18						
<b>INCOME STATEMENT</b>	<b>YTD Budget</b>	<b>YTD Actual</b>	<b>YTD Variance</b>	<b>Annual Budget</b>	<b>Y-T-D Actual as % of Annual Budget</b>						
					<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	
<b>Income:</b>											
1 Pledge Receipts	\$ 2,132,200	\$ 2,005,054	\$ (127,146)	\$ 2,875,000	70%	74%	76%	73%	78%	80%	
2 Misc Contributions	\$ 220,370	\$ 156,689	\$ (63,680)	\$ 310,000							
3 Investment Income	\$ 266,083	\$ 269,509	\$ 3,426	\$ 270,000							
4 Other	\$ 28,500	\$ 33,579	\$ 5,079	\$ 35,000							
5 Recreation Wing	\$ 124,600	\$ 112,228	\$ (12,372)	\$ 141,300							
6 Preschool	\$ 251,100	\$ 250,630	\$ (470)	\$ 313,800							
7 Food Service	\$ 76,800	\$ 80,528	\$ 3,728	\$ 95,000							
8 MS/Quest Trips	\$ 18,000	\$ 14,180	\$ (3,820)	\$ 18,000							
9 HS Trips	\$ 52,700	\$ 30,470	\$ (22,230)	\$ 62,700							
10 Adult Trips	\$ 43,500	\$ 34,858	\$ (8,642)	\$ 69,300							
<b>Total Income</b>	<b>\$3,213,853</b>	<b>\$ 2,987,724</b>	<b>\$ (226,128)</b>	<b>\$ 4,190,100</b>	<b>71%</b>	<b>76%</b>	<b>78%</b>	<b>75%</b>	<b>80%</b>	<b>81%</b>	
<b>Expenses:</b>											
11 Worship	\$ 93,692	\$ 98,409	\$ 4,717	\$ 112,850							
12 Congregational Life	\$ 25,558	\$ 15,949	\$ (9,609)	\$ 36,650							
13 Engagement	\$ 6,700	\$ 6,672	\$ (28)	\$ 8,200							
14 Mission & Outreach	\$ 449,204	\$ 414,643	\$ (34,561)	\$ 511,300							
15 Education	\$ 138,533	\$ 119,261	\$ (19,272)	\$ 155,503							
16 Recreation Wing	\$ 9,550	\$ 8,652	\$ (898)	\$ 35,200							
17 Preschool	\$ 209,960	\$ 198,401	\$ (11,559)	\$ 269,750							
18 Food Service	\$ 53,850	\$ 68,666	\$ 14,816	\$ 71,500							
19 Administration	\$ 475,380	\$ 485,771	\$ 10,391	\$ 570,300							
20 Personnel	\$ 2,009,745	\$ 1,917,856	\$ (91,889)	\$ 2,418,847							
<b>Total Expenses</b>	<b>\$3,472,172</b>	<b>\$ 3,334,280</b>	<b>\$ (137,892)</b>	<b>\$ 4,190,100</b>	<b>80%</b>	<b>80%</b>	<b>80%</b>	<b>77%</b>	<b>79%</b>	<b>78%</b>	
<b>Net Income</b>	<b>\$ (258,319)</b>	<b>\$ (346,555)</b>	<b>\$ (88,236)</b>	<b>\$ -</b>							
<b>BALANCE SHEET</b>											
		<b>October</b>	<b>September</b>	<b>Change</b>							
<b>Assets:</b>											
21 BoA Checking/Savings		\$ 5,615,864	\$ 5,639,681	\$ (23,817)							
22 WF Holding/Rosebro & M&F		\$ 2,009,573	\$ 2,006,349	\$ 3,224							
23 Petty Cash		\$ 350	\$ 350	\$ -							
24 Accounts Receivable and Advances		\$ 10,948	\$ 6,909	\$ 4,039							
25 General Endowment Fund Mkt Val		\$ 8,230,805	\$ 8,232,179	\$ (1,374)							
26 Cornerstone Endowment Fund Mkt		\$ 4,148,637	\$ 4,149,329	\$ (692)							
<b>Total Assets</b>		<b>\$ 20,016,177</b>	<b>\$20,034,797</b>	<b>\$ (18,620)</b>							
<b>Liabilities:</b>											
27 Accounts Payable and Misc. Accrua		\$ 12,708	\$ 9,223	\$ 3,485							
<b>Total Liabilities</b>		<b>\$ 12,708</b>	<b>\$ 9,223</b>	<b>\$ 3,485</b>							
<b>Fund Balances:</b>											
28 Donor Advised		\$ 170,814	\$ 170,814	\$ -							
29 Infrastructure Fund/Cornerstone I		\$ 276,974	\$ 276,974	\$ -							
30 Payable to Endowment Corpus		\$ 20	\$ 20	\$ -							
31 Restricted Endowments & Cornerst		\$ 12,379,442	\$ 12,381,508	\$ (2,066)							
32 Restricted Funds		\$ 6,912,182	\$ 6,833,479	\$ 78,703							
33 Non-Budgeted Benevolences		\$ 21,212	\$ 18,192	\$ 3,020							
34 Section 125 Plan		\$ 1,084	\$ 2,033	\$ (950)							
35 Genl Fund Balance		\$ 156,256	\$ 256,861	\$ (100,605)							
36 Columbarium		\$ 45,524	\$ 45,629	\$ (105)							
37 Reserve Fund Balances		\$ 39,962	\$ 40,065	\$ (102)							
<b>Total Fund Balances</b>		<b>\$ 20,003,470</b>	<b>\$20,025,574</b>	<b>\$ (22,105)</b>							
<b>Total Liab. &amp; Fund Balances</b>		<b>\$ 20,016,177</b>	<b>\$20,034,797</b>	<b>\$ (18,620)</b>							

**Covenant Presbyterian Church  
Session Information Item  
Summary**

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**SUBJECT: Allocation of P&E Strategic Funds**

**DATE: November 12, 2018**

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**Report From:** Planning and Evaluation Board

John Baxter, Chairperson

**Background:** At the February 2018 meeting, Session approved the transfer of the 2017 General Fund Surplus in the amount of \$68,580 to the P&E Reserve Fund. Typically, P&E disburses these funds for strategic purposes or projects over and above current budgets. This allocation brought the P&E Reserve Fund balance to \$88,500.

**Uses of funds to date:**

**Education Ministry-** \$13,500 to the Adult Education Council to host a Convocation in the fall of 2019. It will be similar in size and scope to the "Charlotte's Wake Up Call" in the winter of 2017.

**Mission and Outreach Ministry-** \$22,000 to extend our current ministry to Highland Renaissance Academy by providing a critical and sustainable fitness and wellness program. This three-year program will support funding for coaches and equipment for basketball, cheerleading, rugby and soccer.

**Administration Ministry-** \$17,000 for painting and carpeting for the first floor of the Sanctuary building. The painting is for the hallways and parlor. Carpeting will be replaced in selected areas of the first floor.

**Recreation Ministry-** \$12,700 to update and replace equipment in the Recreation Wing.

The balance of these funds, \$23,300, will be held for additional projects.



**Covenant Presbyterian Church  
Session Information Item  
Summary**

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**SUBJECT: Operations Manual Changes**

**DATE: November 12, 2018**

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**Report From:** Planning and Evaluation Board

John Baxter, Chairperson

**Background:** P&E Board proposes changes to the Operations Manual as needed. The changes are presented for Session review at one meeting, then approval is requested at a subsequent meeting.

**Proposed Changes:** Are noted in **Red**

1. Cover Page- Revision Date will change to December **2018**
2. Operations Manual Page 4, III Structural Design, A. Election of Elders, 4. Election Procedures, a. Nominating Committee, (2.)
  - (2). The Chairperson shall solicit **and approve** the names of eight persons, none of whom may be in active service on the Sessions, as follows:
    - One person **recommended** by each Ministry Leadership Team
    - One person **recommended** by the **Personnel Committee**
    - One person **recommended** by the **P&E Board**
    - **The Chairperson shall insure these persons are representative of the congregation.**
    - In May, names of the Nominating Committee members shall be submitted **as Information** to the Session
3. Operations Manual page 6 – 5. Youth Elders
  - c. An Elder mentor shall be assigned to each Youth Elder [add the following text] **by the Associate Minister of Education in consultation with the High School Ministries Director.**
4. Operations Manual page 8 – 3. Personnel Committee b. within second bullet point, after "and modified" delete **"job descriptions"**, so text reads **"and modified as necessary"**
5. Operations Manual page 9 – 3. Personnel Committee c. delete **", with Session approval,"**  
This section is meant to authorize the Personnel Committee to enlist members-at-large from the congregation whose expertise is needed. The current text (before proposed deletion) could be interpreted to mean that the Personnel Comm. needs to ask for Session approval each time before it enlists a member-at-large. This was not the intention.

6. Operations Manual page 9 – 4. Session Agenda Committee a. delete **“(record minutes)”** and thus read:

4. Session Agenda Committee

This committee shall be composed of the Clerk of Session as Chair, the Assistant Clerk of Session, the Planning & Evaluation Board Chair, the Personnel Committee Chair and the chair of each Ministry or his/her delegate, together with the Senior Minister and the Church Administrator

7. Operations Manual page 11 – 3. Personnel Committee – 3rd bullet should read “....**one** active elder.”; 5th bullet should read “...Committee; however, the chair....”
8. Operations Manual Exhibit A See next page

## Covenant Presbyterian Church 2019 Scheduled Meetings of Session

<b>Standing Sunday Session Meeting to receive New Members</b>	<b>10:30 am 12:00 pm</b>	<b>Parlor – weekly Library – 4<sup>th</sup> Sunday</b>
<b>January</b>		
<b>11&amp;12 Session Retreat (overnight)</b>	<b>6pm – 4pm</b>	<b>Kanuga Conference Center During Worship</b>
<b>13 Ordination and Installation - SUNDAY</b>	<b>7:30 pm</b>	<b>SB-138 Peek Music Room</b>
<b>23 Session Meeting – WEDNESDAY</b>	<b>10:30 am</b>	<b>Sanctuary</b>
<b>27 Annual Congregational Meeting</b>		
<b>February</b>		
<b>4 Session Agenda</b>	<b>5:30 pm</b>	<b>SB-131</b>
<b>9 Presbytery Meeting</b>	<b>9:30 am</b>	<b>Sharon PC</b>
<b>11 Session Meeting</b>	<b>7:00 pm</b>	<b>SB-138 Peek Music Room</b>
<b>March</b>		
<b>4 Session Agenda</b>	<b>5:30 pm</b>	<b>SB-131</b>
<b>11 Session Meeting</b>	<b>7:00 pm</b>	<b>SB-138 Peek Music Room</b>
<b>April</b>		
<b>1 Session Agenda</b>	<b>5:30 pm</b>	<b>SB-131</b>
<b>8 Session Meeting</b>	<b>7:00 pm</b>	<b>SB-138 Peek Music Room</b>
<b>May</b>		
<b>6 Session Agenda</b>	<b>5:30 pm</b>	<b>SB-131</b>
<b>13 Session Meeting &amp; Quest Examination</b>	<b>TBD</b>	<b>TBD</b>
<b>21 Presbytery Meeting</b>	<b>9:30 am</b>	<b>Robinson PC</b>
<b>June</b>		
<b>3 Session Agenda</b>	<b>5:30 pm</b>	<b>SB-131</b>
<b>10 Session Meeting</b>	<b>7:00 pm</b>	<b>SB-138 Peek Music Room</b>
<b>July</b>		
<b>Session Agenda – NO MEETING</b>		<b>NO MEETING</b>
<b>Session Meeting – NO MEETING</b>		<b>NO MEETING</b>
<b>August</b>		
<b>5 Session Agenda</b>	<b>5:30 pm</b>	<b>SB-131</b>
<b>12 Session Meeting</b>	<b>7:00 pm</b>	<b>SB-138 Peek Music Room</b>
<b>17 Presbytery Meeting</b>	<b>9:30 am</b>	<b>First-Wadesboro PC</b>
<b>September</b>		
<b>3 Session Agenda - TUESDAY</b>	<b>5:30 pm</b>	<b>SB-131</b>
<b>9 Session Meeting</b>	<b>7:00 pm</b>	<b>SB-138 Peek Music Room</b>
<b>October usually elder dinner</b>		
<b>7 Session Agenda</b>	<b>5:30 pm</b>	<b>SB-131</b>
<b>14 Session Meeting</b>	<b>7:00 pm</b>	<b>SB-138 Peek Music Room</b>
<b>29 Presbytery Meeting</b>	<b>9:30 am</b>	<b>Hopewell PC</b>
<b>November</b>		
<b>4 Session Agenda</b>	<b>5:30 pm</b>	<b>SB-131</b>
<b>11 Session Meeting</b>	<b>7:00 pm</b>	<b>SB-138 Peek Music Room</b>
<b>December</b>		
<b>2 Session Agenda</b>	<b>5:30 pm</b>	<b>SB-131</b>
<b>9 Session Meeting (Elder Exams)</b>	<b>6:30 pm</b>	<b>SB-138 Peek Music Room</b>

**Reminder:** The Church Offices will be closed on the following holidays in 2019: January 1 & 21, April 22, May 27, July 4, September 2, November 28 & 29, and December 25 & 26.

**Covenant Presbyterian Church  
Session Information Item  
Summary**

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**SUBJECT: Presbytery Minutes**

**DATE: November 12, 2018**

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**Report From:** Mission and Outreach Committee

Kay Wheeler, Chairperson

**The 140th Stated Meeting of the Presbytery of Charlotte  
Hosted by First Monroe Presbyterian Church  
Tuesday, October 23, 2018 at 9:30 am**

The day began in the sanctuary with a few announcements followed by a lovely worship service and celebration of the Lord's Supper led by Rev. Jason Haas, Rev. Janet Tyson and Rev. Tim Bostick.

Rev. Dr. Jan Edminston presented the report from the General Presbytery. She began by asking the question, "Do You Trust the Presbytery?" acknowledging that many in the church community do not, in fact, trust the Presbytery. She went on to list a number of reasons. Her message seemed to indicate that a better understanding of the role of the Presbytery and better communication and might improve the level of trust. She spoke of the importance of the Book of Order but that it should never be considered of higher importance than serving and answering to God.

There was a report from the Mission Resource Committee and an example given of a couple of churches that have joined together to seek a grant to collaborate jointly on a Habitat project. Participants were given a list and description of available grants – see attached. A Council Report by Donnie Shrum followed. The Council recommended, and the Presbytery approved a search committee to find an Associate General Presbyter. The primary job focus will be to support the Ministry Resource Committee.

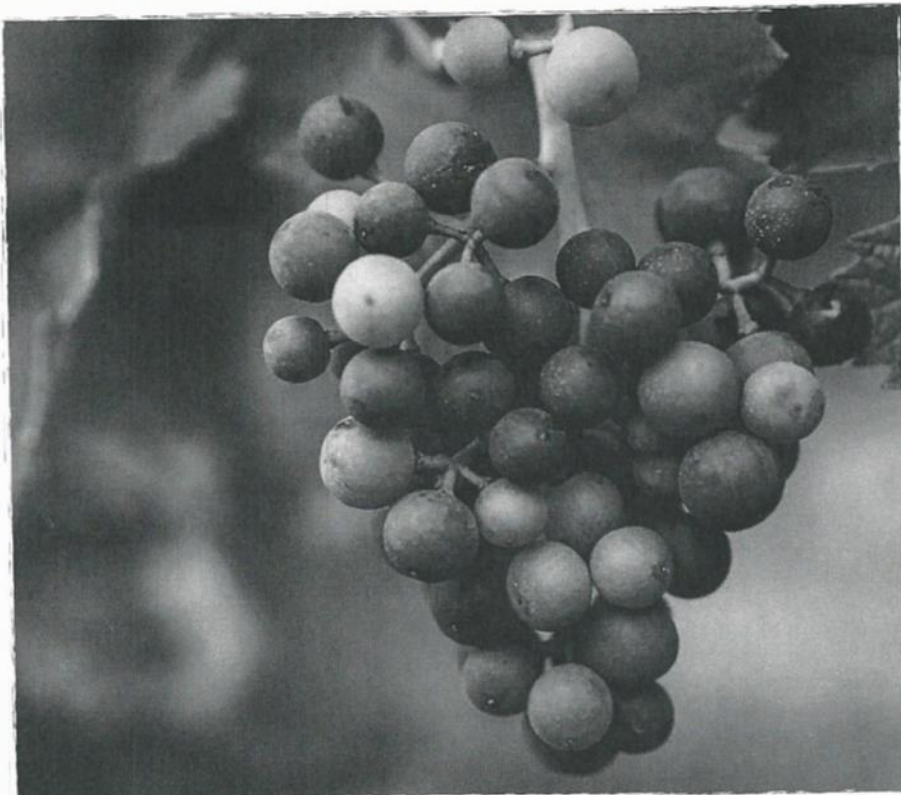
There were a number of votes regarding individuals in different positions including our very own Joan Watson seeking honorable retirement from Covenant.

There was a vote to appoint an administrative commission to assist Johnston Memorial Presbyterian to determine whether certain diverse and conflicting elements in the church can be reconciled. Jessica Patchett is the minister who has been nominated to serve on this commission. This commission represented a good example of the earlier discussion on the role of the Presbytery.

Finally, there are upcoming events of note. Please see attached flyer.

- Cultivate Your Ministry – Covenant Presbyterian Church – January 26 from 9 am to 12 pm

JANUARY  
26



## CULTIVATE YOUR MINISTRY

*a morning of equipping and connecting elders for vibrant leadership*

GOVENANT PRESBYTERIAN CHURCH  
9AM - 12PM

*featuring Becca Messman, Cultivated Ministry writer/designer*

NEXT Church invites every ruling elder from across the Charlotte Presbytery to an engaging forum designed to equip and connect elders for leadership in the Church. Elders will choose a specialized track of ministry in which they hope to gain wisdom, share ideas, and discover solutions while connecting with other leaders who have been called in similar capacities. This is a collaborative and hopeful space created for elders who share a passion for leading the church.

VISIT [WWW.NEXTCHURCH.NET/GLTELDER](http://WWW.NEXTCHURCH.NET/GLTELDER)  
TO LEARN MORE AND REGISTER!

NEXT CHURCH

**Covenant Presbyterian Church  
Session Information Item  
Summary**

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**Subject: Clerk Communications**

**From: Helen Richards, Clerk**

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

- Charlotte Bilingual Preschool
- Union Presbyterian Seminary
- Faith Ministry
- Charlotte Center for Legal Advocacy
- Dove's Nest
- YMCA
- Classroom Central
- Loaves & Fishes