

Minutes of a Meeting of St Matthew's, Harwell PCC held remotely via Zoom on Thursday 21 January 2021 at 7.30 pm

Present

Jonathan Mobey
(Chair)

Tony Hughes

Phill Johnston (Treasurer)

Sid Gale
(present until part way through
item 5)

Pam Rolls

Jane Woolley (Secretary)

Allan Macarthur (Churchwarden)

Gordon Gill

1. Opening & Prayer

The Rector (Jonathan Mobey) read the parable of the Ten Virgins/The Foolish and Wise Virgins from Matthew 25:1-13 (*The Kingdom of Heaven will be like this...*). Jonathan commented that the relevance to us here is about being prepared and not missing opportunities. He wondered whether this is a reminder to us to be ready for whatever comes next for us as a church.

Jonathan then led the meeting in prayer.

2. Apologies for absence

Apologies were received from Eliza Wheaton and Jan Radford. Michelle Walker and Rebecca Lewis were absent.

3. Minutes of the previous meeting

Gordon Gill requested that in Section 9 Activities during lockdown, "church" be amended to "church buildings" so that it reads:

Q. Church buildings are permitted to be open for private prayer under the second national lockdown. Will we be opening our church buildings?

With this correction made, the minutes of the PCC meeting on 3 November 2020 were approved as a correct record.

4. Matters arising not covered elsewhere

Church Administrator arrangements

Since the November PCC meeting, Vicky Johnston decided not to return to her role as Administrator.. Deborah Evans was then offered the post in its entirety, which she was delighted to accept.

Action: Jonathan Mobey to communicate in the next church e-newsletter that Vicky Johnston has been replaced by Deborah Evans as Administrator.

PCC and Annual Meeting dates for 2021

The schedule of PCC meeting dates agreed at the November PCC meeting was subsequently revised in order to improve the intervals between meetings. PCC members were consulted and have all been sent the confirmed revised schedule.

5. 2021 budget

Papers B, C & D refer.

The Treasurer explained that the Finance Committee had scrutinised the draft budget from the November PCC meeting to see where adjustments could be made in order to reduce the budget deficit.

The Treasurer summarised the changes made between the original draft budget (version 1) and the revised draft budget (version 2):

- Version 1 produced a deficit of £17,711. Version 2 reduces this to £8,476
- The improvement was achieved via a small increase to budgeted income and a larger decrease in expenditure. The main expenditure decreases are for church maintenance and in the Administrator's remuneration and expenses

PCC members asked the following questions which the Treasurer answered:

Q. Why is the expenditure on the Administrator's remuneration and expenses lower in version 2?
(*ref line 21 in Paper C*)

A. The new Administrator's starting salary is lower than the previous Administrator's leaving salary.

Q. The increase of £1,500 in transfers from Restricted Funds isn't genuine "income" as such – it just helps to disguise the size of the budget deficit. So why increase it? (*ref line 10 in paper C*)

A. These transfers are to offset the expense of specific items in the budget where donations have been received specifically for these purposes e.g. to fund the C&FW post or the Administrator post. Transfers from Restricted Funds cannot exceed actual expenditure on those items¹.

Q. Are we assuming resumption of some in-building fee generating activity approximately half way into 2021? (*ref line 5 in Paper C*)

A. Yes

Q. Does the income include that arising from the Gift Day at the end of 2020?

A. No. Version 2 of the budget was drawn up before then. However, the pledged increase in unrestricted planned giving from the Gift Day was £290 per month or £3,480 per year. The actual planned giving for 2020 was £48,483 (*ref line 1 plus line 2 in Paper C*). If we add £3,480 to that we get £51,963. That is very close to the budgeted planned giving for 2021 of £52,800.

(Sid Gale left the meeting at this point).

Q. The mission giving budget should be based on the actual amounts received in giving and other donations (*ref lines 1, 2, 3, 5 & 6 in Paper C*) in the **previous** year. As such it would be expected that the 2021 missions giving budget would be 10% of £70,223 i.e. £7,022 and not the £7,800 shown. The £7,800 would appear to be 10% of the **2021 budgeted** sums for lines 1, 2, 3, 5 & 6 (which total £78,000). That would be incorrect.

¹ The Book-keeper has subsequently clarified that the transfers from Restricted Funds in 2021 are expected only from the Administrator Fund and the C&FW Fund. The transfer from the C&FW Fund is equal to the sum of CFW remuneration and expenses (£17,803 as per the budget). The transfer from the Administrator Fund is not directly related to expenditure but is simply the total amount received into the Fund in the year (including Gift Aid) and is used to offset the costs of Church Admin. The largest element is the Administrator's remuneration but there are other admin costs such as stationery and office costs. The main donor to the Administrator fund has indicated that their contribution will be increased in 2021 and on that basis the budget for transfers from Restricted Funds was increased by £1,500.

A. Yes, we need to amend that. We also need to check if the same thing happened when calculating the missions giving to be paid in 2020 (which is also showing as £7,800).²

Q. If we are successful in our application to the Diocesan Common Vision fund will we be able to use any of this to cover expenditure on C&FW salaries?

A. (by the Rector) No. The Common Vision fund would be used for Youth Workers not for our existing C&FWs

Q. The way the Fund Balances (Paper B) are laid out is a bit misleading. It makes it look as though we have £77,921 in general reserves, but in fact we have to deduct the **negative** balance of £37,515 on the “unrestricted” line from this, resulting in a total of only around £40,000. It would be better to reduce the “Phase 2 Building” fund to zero and transfer the £37,812 from that to the “unrestricted” line. This would then result in a net positive balance of £297 in the “unrestricted” line and the total for “Designated funds” would be £40,109.

A. - [not discussed]

Q. Is there anywhere else we could reduce expenditure? There might be several small things which would add up to a worthwhile sum.

There then followed a discussion about where savings might possibly be made. The most promising areas were thought to be:

- Try to reduce electricity costs when the current contract comes up for renewal during 2021
- Run the intended tutorial for all regular users of the main church building about how to enable only the necessary heaters to be switched on, depending on which areas are in use
- Investigate whether it would be worth switching the main church building and the church hall to a water meter
- Investigate whether the timing and settings for the church hall heating have been altered to reflect current usage. 2020 actual expenditure on church hall utilities seems very high when the building has been used much less than usual. Tony Hughes would need to provide guidance on adjusting these settings as one of them involves the underfloor heating.

There were also reports of one church successfully claiming on its insurance for loss of income, and for Uffington Village Hall being awarded at £10k grant for loss of income.

The Rector suggested that a separate group be convened to look into where we might make expenditure savings and claim for loss of income. **[Secretary's note: no specific action resulted from this suggestion, so it is proposed to discuss it further at the next PCC.]**

The Rector proposed that further work to reduce expenditure should not prevent us from approving the proposed budget for 2021. So he tabled the resolution shown below and this was voted on.

Resolution	To approve version 2 of the 2021 budget				
Moved	Chair	Seconded	-	Passed	Unanimously

² The Treasurer has now calculated that the relevant 2019 actual giving figures were £75,140. This means that we should have spent £7,514 on missions giving in 2020 rather than £7,800. The overpayment of £286 will be deducted from the missions giving budget for 2021. This should have been £7,022 and will be amended to £7,022 - £286 = £6,736 and a footnote added to explain this.

The Rector thanked Phill Johnston and Nick Clarke for their work on the budget and the finances.

6. Any other business

There was none.

Jonathan Mobey closed the meeting with The Grace at 8.30pm.

CHAIR

SECRETARY

_____ **DATE**

_____ **DATE**