



The Presbyterian Church Property Trustees

2016 is upon us and we wish you a Happy New Year

The Church Property Trustees - What do they do ?

The Church Property Trustees are a group of up to 20 people who volunteer their knowledge, skills and time to serve our Church and protect its assets. All Presbyterian-owned property north of the Waitaki River and a variety of financial assets are held in trust by the Trustees.

There are two main reasons why the Church has Trustees

The first is a practical one of ensuring continuity of the title-holder of church property i.e. land and buildings. In the early days, property was often put in the names of individuals who then left or died, thus creating real problems. The result was the Presbyterian Church Property Act 1885, which is the legislation the Trustees still work under today.

The second reason is that there are many groups that have an interest in any church property. Obviously congregations do, but so do Presbyteries. They need to consider both their regional needs and the needs of the Church as a whole. One of the Trustees' roles is to ensure that the Book of Order processes have been followed and that every part of the Church has had its fair say. The Trustees place great weight on the advice they receive from Presbyteries when considering any property transactions and are also guided by the decisions of the General Assembly.

The Trustees are bound in law to adhere to the principles of trusteeship. These include prudent dealings in property and the investment of trust funds (notably the PIF, the Beneficiary Fund and various other charitable trusts), keeping proper records and financial accounts and establishing policies for the management of all areas of their responsibilities.



Now, that all sounds very noble - but what does it mean on a day to day basis ?

A full Trustees' meeting takes place every two months, with most of the detail work being done in between meetings at committee level. The Executive, Property, Investment, Communications, Farms and Beneficiary Fund committees are made up of a cross section of Trustees with particular skills in each area. These committees also meet at regular intervals and communicate by email.

Managing around \$180 million of PIF deposits, another \$90 million in the Beneficiary Fund, administering the Burnett Loan Fund for ministers and overseeing a wide variety of property matters are just some of the things the Trustees do on behalf of the Church on a daily basis.

The day to day administration is in the hands of Kos, Pat and Marion in the CPT office – they are your first point of contact.



Kos van Lier, Executive Officer: kos@presbyterian.org.nz (04) 381 8296
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What have the Trustees done in 2015?

About 70 significant **property applications** representing several millions of dollars were approved during the year. These included sales of surplus properties, purchases of land for new church developments, major renovation and earthquake strengthening projects, church property lease agreements and even extending the boundary of a small church cemetery.

Property matters seem to cause the most confusion. It is a commonly held belief that the Trustees have autonomy in how they make decisions about property. In reality, their responsibilities and decisions are governed by the provisions of the Presbyterian Church Property Act (1885) and various rulings of the General Assembly.

Mission and the strategic use of property are at the forefront of the Presbyteries' and Trustees' property decisions. The Council of Assembly's booklet *"Bringing Clarity to Our Mission"* challenges all of us to be mission-driven in our ownership and use of property.



The **Property Handbook** is currently being updated with the sections on building projects, dealing with the property of dissolved congregations and insurance having been completed and added to the Property Handbook section of the Church's website. We are planning to have the Handbook completely updated and online by the end of March.

The **Earthquake Prone Buildings Policy** has also been fully reviewed and updated. The policy holds to the fundamental legal and moral obligations of the Trustees as building owners and the stance taken by the New Zealand Society for Earthquake Engineering in respect of acceptable levels of protection in a moderate to severe earthquake. The updated policy has also been endorsed by the Council of Assembly.

The **Trustees' Roadshows** in the Northern, Kaimai and Alpine regions went really well with some great two-way conversations at the presentations and at meetings with a number of different parish groups. Trustees, Margaret Galt and John Jones along with Kos and Pat enjoyed meeting so many Presbytery and parish members with such enthusiasm and commitment to the Church and its future. We want to keep the conversations going and welcome your comments and feedback.

PIF Interest Rate Reduction

Due to the continued downward movement in the OCR, the PIF interest rate will reduce to 3.50% pa from 1st February 2016. It is worth noting that PIF funds are "on call" and as such, the rate still compares more than favourably with bank on call rates.

Large PIF Withdrawals

To assist with cash flow monitoring, we require 5 working days' notice for any PIF withdrawals of \$100,000 or more. This applies whether you process your own withdrawals via internet access to the PIF or request the CPT office to process the transaction.