



The Presbyterian Church **Property Trustees**

NEWSLETTER

**AUG
2021**



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PIF interest rates remain unchanged

The On Call Fund continues to pay interest at 1.0% and the Long Term Fund at 3.0% plus inflation

The interest paid on balances in the Presbyterian Investment Fund On Call account remains at 1.0% p.a. Interest rates remain at record low levels, anchored by the Reserve Bank holding the Official Cash Rate at 0.25%. However, whereas earlier in the year it seemed possible that rates might fall even further (and any increases would not be until well into 2022), it now seems more likely that rates could start to rise again sometime in the next few months. The Trustees will continue to monitor the situation and hope to be able to pass on any increases as soon as the Fund can afford to do so.

The Long Term Fund continues to pay interest income of 3.0% p.a. plus inflation. Inflation for the year to 30 June 2021 was 3.3%, so Long Term Fund account-holders received a further 3.3% income into their account. This inflation interest serves to boost the capital balance so that future income has the same spending power as today.

On top of that, Long Term account-holders also received bonus (reserve) income of 7.75%, reflecting very strong returns from the underlying investments. The end result is a compound return of 14.5% for the year. This made it an excellent year for the Long Term Fund, after a not-so-good year in 2019-2020, when the return was just over 2%.

For more information, please email: trustees@presbyterian.org.nz

Earthquake Policy Updated

The Trustees have extended some of the deadlines for seismic strengthening works

There is no doubt that earthquake prone buildings are a challenge. We are looking ahead to ensure that we end up with churches that are: (a) safe for our congregations; (b) able to offer shelter and serve the community as a meeting place and a service centre after a major seismic incident; and (c) strong enough to provide a place from which congregations can carry out their mission and ministry for several years to come.

You can find the updated policy on the Church's website at:

<https://www.presbyterian.org.nz/for-parishes/church-property-trustees/property>

The new changes to the policy (last updated in 2018) are:

1. We have extended the deadline for confirming the state of your buildings to 30 June 2022.

We commend the very many congregations that have already completed a seismic assessment of their buildings. However, a number of congregations have not yet done so. It is important for Presbyteries and Congregations to be responsible property owners. At the very least, this means knowing the state of your buildings.

The policy requires parishes to obtain an Initial Seismic Assessment (or a Detailed Seismic Assessment) as soon as possible. The new deadline for this is **30 June 2022**. A copy of the ISA/DSA needs to be sent to your Presbytery and the Trustees as soon as it has been obtained.

2. We have lengthened the timetable for strengthening buildings to at least 67% of New Building Standard for most buildings as follows:

			Current Deadline	New Deadline
All	Parapets and Facades		30 June 2019	30 June 2023
Region	Low Risk	Pre-1991 buildings	2020 - 2025	2027
		1991 and later	2030	2030
	Medium Risk	Pre-1991 buildings	2019 - 2025	2025
		1991 and later	2025	2027
	High Risk	Pre-1991 buildings	2019 - 2023	2023
		1991 and later	2023	2025

See the policy to find out which risk region your parish falls into.

3. We have clarified the basis on which a congregation can apply for an exemption.

In certain limited circumstances, a congregation can apply to the Presbytery and Trustees for an exemption from the requirement to strengthen a building to at least 67% of NBS.

Please forward a copy of your ISA/DSA to us as soon as you receive it. And for those that have undertaken approved strengthening, we also need a copy of the code of compliance certificate or engineers letter confirming the new NBS rating.

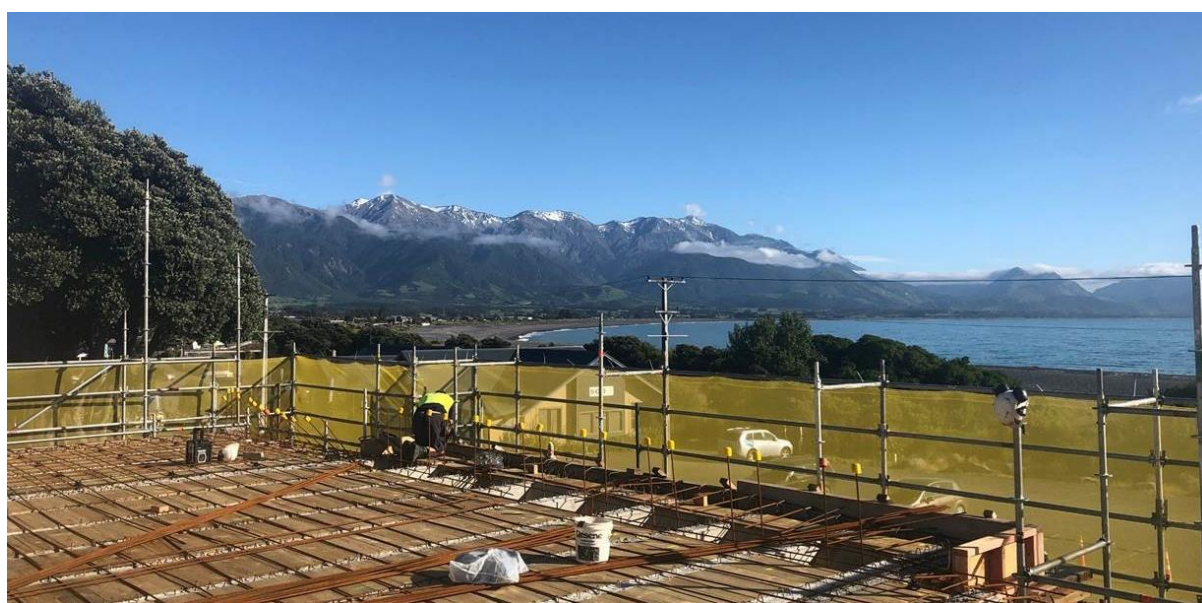
Kaikoura Community Complex Construction

A new vision rising from the rubble

Around midnight on 14 November 2016, Kaikōura was shaken with a large earthquake. The quake damaged the old concrete Sunday School Hall (1899) beyond repair. The site, which is across from the beach with marvellous views of the bay, had been leased as commercial premises.



The damage led to an insurance pay out that allowed the Parish to begin to dream again. It quickly identified that it wanted a space that could be used by the church and the community. A plan came together for a two-storey building with a restaurant on the ground floor and a hall complex on the top. A clever design would ensure that both areas could operate independently, while having the capacity to work as a whole if required. The restaurant will provide an ongoing income to support the parish's ministry.



The building is now a few months from completion. The hall will create a space for contemporary services, a space for people to explore life and faith around food, a large activity space that can be adapted and used in many ways, as well as a place for community groups to gather and share life. The Kidz Klub, held on Wednesdays after school, will use the facilities, along with other St Paul's mission activities currently being held in the Manse.

The parish is now fundraising to fit-out the 'Upper Room', as the Hall will be called.

Glen Innis Station grows

The Martha & Samuel McNutt Trust buys more farmland

The Trustees are pleased to advise that the McNutt Trust has purchased a new farm block close to Glen Innis Station. The Trustees have been on the look-out for additional land for some time. The extra land, which is complementary to the existing farm, will improve the long-term economic viability of the sheep and beef operation – essential to sustaining the purposes of the Trust.

The McNutt Trust offers two free holiday houses, specifically for ministers, located on the farm in Central Hawkes Bay – along with a swimming pool, tennis court, games' room and plenty of hill-country walking. The Houses are popular as both a great place for a family holiday and a rural retreat. Surplus income is distributed for the benefit of the welfare of young people in Aotearoa New Zealand.

Ministers – to see when you might be able to stay at Glen Innis, please see:

<https://www.presbyterian.org.nz/for-ministers/glen-innis-ministers-holiday-home>

The Trustees also manage another farm

Glen Innis is one of two farms operated by the Trustees. The other is Flaxburn, a dairy farm in South Wairarapa, given to the Church by Christina Clark. In 2019-2020, the Clark Trust gave \$350,000 to the Church – three quarters for global mission and one quarter for national mission - as per the terms of the bequest.

Introducing Tracy Setters . . .

Tracy has just started in the Trustees' office as our new Officer Manager

The team in the Trustees' office is also expanding. Tracy joins us as Office Manager after just completing a BA at Victoria University and a Diploma in Ministry Studies at Faith Bible College. She has a background in administration at schools in Taupo and Edinburgh. When she's not busy organising Russell and John in the office, Tracy enjoys spending time with her grandchildren.



. . . and farewell to Marion

At the same time, we are saying farewell to Marion Blair, who has been our Administrator since 2013. Marion is moving south to sunny Blenheim and we thank her for her wonderful service and wish her all the best for the next stage of her journey. We will be appointing a new accountant to replace Marion in due course.