



The Presbyterian Church Property Trustees

Building up the Presbyterian Church for God's Mission

APRIL
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NEWSLETTER



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PIF On Call Interest Rates falling

The Interest Rate for the Presbyterian Investment Fund **On Call Fund reduced from 4.5% p.a. to 4.0% p.a. on 1 March 2025**. Further reductions are expected over the course of the year.

As an On Call fund, with congregations able to withdraw money on a same day basis (with a few days' notice required for large withdrawals), the PIF On Call interest rate is closely linked to the Official Cash Rate (OCR), which is the basis for all short-term NZ interest rates. The Official Cash Rate is set by the Reserve Bank of NZ (RBNZ), which has indicated that further cuts to the OCR are likely.

It wasn't that long ago that the RBNZ rapidly hiked interest rates to bring inflation under control, from 0.25% in September 2021 to 5.5% in May 2023. Now that inflation is back within its target range (1% - 3% p.a.), the RBNZ has reversed course and is cutting rates just as quickly as it had raised them, so that the economy doesn't sink into depression (which would push inflation down below its target). The Reserve Bank of NZ currently forecasts a low of around 3.0% by the latter half of 2025.

The **Long Term Fund continues to pay regular interest of 3% p.a. plus inflation**. Inflation for the year to 31 December 2024 was 2.2%, so this has been added to balances, along with an extra 4.5% by way of reserve interest income. All this adds up to a very healthy return for Long Term accounts for the 12 months to 31 December 2024 of close to 10%. That said, Long Term Fund investment returns for the first quarter of 2025 have been quite volatile, so returns for this year may not be as healthy.

You can get in touch with us via email at trustees@presbyterian.org.nz or by calling 04 381 8296.

For Beneficiary Fund enquiries, please contact Melville Jessup Weaver (MJW), the Fund's Administrator, via email at presbyterian@mjlw.co.nz, or calling 0800 266 787.

Major Property Handbook Updates

The Trustees are in the process of updating the Property Handbook. The Property Handbook is designed to help congregations and presbyteries manage their properties and develop their buildings.

It covers all property-related activities, including purchases and sales, maintenance, leasing, sub-dividing, new builds, renovations, borrowing, insurance, earthquakes, gifting, heritage, dissolutions, and the use of property capital.

The Property Handbook details the approvals required for each activity alongside practical guidelines, checklists, and key contacts. The Handbook can be found [here](#).

Major changes

The latest edition of the Property Handbook includes some major revisions to various sections. Some of those key changes are as follows:

- **Sales – Right of First Refusal**

The changes provide an overview of the requirement to, and process, of inviting mana whenua to make an offer for the purchase of property before it is sold on the open market.

- **Sales – Mission Enterprise Fund**

The changes provide information on how the various scenarios that apply to transfers to the Mission Enterprise Fund work: who needs to provide express approval and who must make a transfer.

- **Use of Capital**

The changes sharpen the treatment of the use of property capital for other than the purchase of land and buildings or the erection of a new building.

- **GST on sales and purchases**

The changes cover the new requirement for congregations and presbyteries to use their GST number on sale and purchase agreements (rather than the Trustees' GST number).

- **Gifting (outside the PCANZ)**

The revisions highlight the challenges in trust law associated with gifting to other than the Presbyterian Church.

- **Insurance**

The changes detail the options congregations now have when it comes to insuring their buildings.

- **Earthquake-prone buildings**

The changes reflect the new Earthquake-prone Buildings policy, under which Church and Presbytery Councils are responsible for compliance with strengthening legislation.



2025 Insurance Timetable

It feels like 2025 has only just begun, but it's nearly Easter, and the weather is telling us that autumn is here. That means that we've started the countdown to the 2025 Insurance Renewal (1 August).

We were delighted with the number of congregations that really engaged with the 2024 renewal. We know that our buildings are often a critical part of mission, but that insurance can take up a big chunk of our scarce financial resources.

We also know that the renewal process did not go smoothly for everyone, so we're working hard to improve this year's process. We wanted to give you a heads up about what we think will happen, and when.

Here is the proposed timetable:

1. Late March/early April - communication audit

We are contacting all congregations to confirm we have the correct insurance contact details

2. Late April - valuation confirmation/request

We will advise all congregations of the valuations that apply to their building and note where we recommend you seek an updated valuation (or will be subject to an automatic increase).

3. Early June - pricing information and renewal forms

We will provide congregations with expected changes to premiums to allow you to assess the cost impact of different cover options or material valuation changes. We will also provide forms to capture any changes to your insurance needs.

4. During June - Zoom calls

We will arrange a series of Zoom calls similar to last year so that you can ask questions.

5. 7 July - renewal deadline

This is the date congregations will need to have returned their renewal requests by.

6. 1 August - renewal confirmation

7. Late August - invoices and asset schedules

Gallagher will provide members with invoices and asset schedules.



Building Projects



John Knox Presbyterian Church, Rangiora (new build)

It's been a while since we shared news of building project progress, so here is a snapshot of some of the building projects recently completed or currently underway across the country (or at least north of the Waitaki River). Congratulations to all these congregations for their hard work.



Clockwise from top left: Hope Mahurangi (new build); St Andrews, Pathways Palmerston North (strengthening); St John's Mt Roskill (new build); St Andrew's Te Awamutu (new build); St Margaret's Bishopdale (Christchurch) (new build); Whakatu, Nelson (new build); St John's Mt Roskill