



## **PROPERTY SALE PROCEEDS POLICY (BY-LAW 18.5 – SCHEDULE 1)**

### **A. Preliminaries**

This Policy shall be read in conjunction with By-law 18.5 "Use and Sale of Property". The objects and definitions in the By-law also apply in this Policy.

### **B. Decision making**

In using its discretion, the Resources Board shall endeavour to achieve the objects of the By-law. It shall balance the needs of individual Congregations and Responsible Bodies with those of the wider Church.

In considering each Property Proposal, the Resources Board shall consider the extent to which the associated Mission Plan will assist in achieving the purposes of that Congregation and of the whole Church, the sustainability of the Mission Plan and whether classification as available for Alternative Missional Use may be applicable.

In considering a request for an extension of time it shall consider the degree of isolation, size and capacity of the Congregation involved.

### **C. Charges relating to a sale**

The fee payable to the Presbytery and Synod for the services of staff directly involved in the property sales process for any property held in the name of the Property Trust shall be 1.5% of the gross property settlement amount with a minimum fee of \$500 and a maximum fee of \$20,000.

### **D. Indexing Boundary Values**

Unless required by the provisions of the By-law, the Resources Board shall determine which boundary values shall be indexed. All such indexation shall be based on the Consumer Price Index for all groups for Adelaide.

### **E. Procedures**

The Resources Board shall determine the details of the procedures to be used in implementing the By-law, including the design and provision of any forms which it may require to be used.

In determining such procedures, the Resources Board shall take into account any recommendations of the Executive Officer, Pastoral Relations and Mission Planning and the Executive Officer Mission Resourcing.\*

The Resources Board shall publish the details of such procedures together with supplementary information, explanations and examples designed to assist Congregations and Church Councils fulfil their responsibilities under the By-law and Policy in a manner the Board shall determine.

(\* The intention is to strengthen the currently valuable links between the Pastoral Relations and Mission Planning Team and the staff engaged in optimising the use of Congregational property. The last paragraph provides the basis for publishing a handbook outlined in the next section.)

## F. Distribution of wider church share of Net Sales Proceeds

Category of Sale	Tiering if applicable % available to the wider church for each tier	Distribution Beneficiaries						
		Funds available to Congregation or Parish	New Church & Ministry Development Fund		Funds available to the Uniting Foundation	UAICC Capital Fund	Property Compliance & Consultation Fund	TOTAL
			Congregation Recommended	Resources Board Directed				
Unsafe building not replaced		0%	0%	50%	15%	10%	25%	100%
Congregation closed		0%	75%, with up to 10% (max \$10k) able to be directed by remnant members, in consultation with presbytery)		5%	5%	15%	100%
Under-utilisation of property as per Regulation 4.11.10		0%	0%	70%	15%	10%	5%	100%
Amalgamation** of two or more congregations (and resulting property sales)	Tier 1 (15% share)	85%	0%	5%	0%	5%	5%	100%
	Tier 2 (30% share)	70%	0%	15%	0%	10%	5%	100%
	Tier 3 (50% share)	50%	0%	35%	0%	10%	5%	100%
Sale of property (including a manse not to be replaced, and leasing lump sum payments***) determined by the Congregation to be surplus	Tier 1 (15% share)	85%	0%	5%	0%	5%	5%	100%
	Tier 2 (30% share)	70%	0%	15%	0%	10%	5%	100%
	Tier 3 (50% share)	50%	0%	35%	0%	10%	5%	100%
Sale of investment property		100%	0%	0%	0%	0%	0%	100%
Sale of manse or church building to be replaced		100%	0%	0%	0%	0%	0%	100%

\*\* Amalgamation means:

- a. When two or more congregations come together to form a more solid or stronger entity.
- b. All congregations seeking to amalgamate must each meet the minimum requirements of a 'congregation' prior to amalgamating to be eligible for this category, including minimum number of members, office bearers, etc. If one or more congregations do not meet the minimum requirements for a 'congregation', then the 'Closing Congregation' category of sale may be applicable.
- c. All amalgamating existing congregations will be dissolved and cease to be recognised, and a new congregation is formed, driven by mission and vision, to facilitate expansion of services and/or diversification of activities. It is likely a new name is found for this congregation, recognising the new beginning.
- d. A substantial majority of the amalgamating congregations members transfer to the new congregation.
- e. A new church council is elected, and a fresh mission and vision statement prepared, with a growth (strengthening mission) focus
- f. The amalgamation is mission-focussed, not member-focussed (determined by the Presbytery)
- g. The new congregation is granted beneficial use of all assets of the amalgamating congregations, with the expectation that property assets will be consolidated into a single site.

\*\*\* where there is a leasing lump sum payment that is equal to or greater than 5 times the average annual rental the whole lump sum should be categorised as 'property sales' under the Property Sales Proceeds Policy and any other payments made under the lease will continue to be covered by existing policies

## G. Delegations

Pursuant to provision G1 of the By-law, the Resources Board delegates its authority as follows:

- (1) The Resources Board delegates its authority to initiate the sale of property to the Presbytery and Synod Property Committee. (*By-law 18.5 D1*)
- (2) The Resources Board delegates its authority to consider and make decisions in response to a Property Proposal to sell property to the Presbytery and Synod's Manager, Property Services in respect to all property with an estimated market value of \$100,000 or less, provided that the Property Proposal has been endorsed by the Executive Officer, Pastoral Relations and Mission Planning. (*By-law 18.5 E1*)
- (3) The Resources Board delegates its authority to consider and make decisions in response to a Property Proposal to sell property to the Presbytery and Synod Property Committee in respect to all property with an estimated market value of \$2 million or less, in consultation with the Executive Officer, Pastoral Relations and Mission Planning. (*By-law 18.5 E1*)
- (4) The Resources Board delegates its authority to approve the release of funds allocated for local use from the Property Sales Accounts for approved Property Proposals to the Manager, Property Services for amounts not exceeding \$10,000. (*By-law 18.5 E1 and F6*)
- (5) The Resources Board delegates its authority to approve the release of funds allocated for local use from the Property Sales Accounts for approved Property Proposals for Property Purchases, Capital Expenditure and Major Equipment for amounts not exceeding \$50,000 to the Presbytery and Synod Property Committee. (*By-law 18.5 E1 and F6*)

- (6) The Resources Board delegates its authority to approve the release of funds allocated for local use from the Property Sales Accounts for approved local missional initiatives or for giving to approved New Church & Ministry Development projects for amounts not exceeding \$50,000 to the Executive Officer, Pastoral Relations and Mission Planning. (*By-law 18.5 E1 and F6*)
  
- (7) The Resources Board delegates its authority for the apportionment of funding for compliance and staff costs to the General Manager, Resources. This apportioning will be done annually and be based on the actual time taken for implementation of the Property By-law and related policies during the previous financial year. The use of funds to meet statutory compliance requirements will be managed through Synod's Property Services office.

*Approved by the Annual Meeting of the Presbytery and Synod, 30 October 2015*

*Commencement: 1 July 2016*

*Approved amendment to the table in F. Distribution of wider church share of Net Sales Proceeds on page 2 by the Resources Board, 21 March 2019.*

*Approved amendment to the table in F and insertion of a definition for 'Amalgamation' by the Resources Board on 25 March 2021.*

*Approved insertion in relation to lump sum lease payments by the Resources Board on 18 November 2021.*