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Minutes
Wednesday 19th August 2020
By Zoom Video Conference

1. Opening Meeting opened at 10.04am.
2. **Attendees:** Mr David Ford (Chair), Mr Phil Crandon, Mr Ted Clarke,
Mr John Adlington, Mr Gary Boyd joined at 10.19am,
Bishop Murray Harvey joined at 11.02am until 11.37am.
- Non-members: Mr Chris Nelson, Mr Blaine Fitzgerald joined at 10.36am until
11.37am, Mrs Annette Dent
- All participants were joined by Zoom video conference.

Apologies: Nil

3. **Prayers and Acknowledgement of Country**

The Chair opened the meeting with prayer and Acknowledgement of Country as printed in the meeting agenda and Mr Ted Clarke said the opening prayer.

4. **Conflict of Interest Declarations**

The current standing register of interests as follows was noted:

- Bishop Murray Harvey – involved on various Diocesan boards and committees
- David Ford – Chair of Bishop Druitt College (BDC) Council and member of Bishop-in-Council.
- Ted Clarke – Agreement with Clarence Valley Anglican School
- Chris Nelson – involved on various Diocesan boards and committees.
- Blaine Fitzgerald – Head of Anglican Funds South Australia (AFSA)

5. Confirmation of Minutes

That the minutes of the meeting of 11 June 2020 be accepted as true and correct

Moved: Mr John Adlington

Seconded: Mr Ted Clarke

Carried

On 1st July 2020, the following resolution was agreed by Flying Minute:

“That the AFGD Board approves the following Term Investment rates effective 03/07/2020:

90 days 0.90% p.a.

180 days 1.40% p.a.

365 days 1.20% p.a.”

That the Flying Minute on Term Investment Interest Rate Changes effective 3rd July 2020 be ratified.

Moved: Mr Phil Crandon

Seconded: Mr John Adlington

Carried

On 15th July 2020, the following resolution was agreed by Flying Minute:

“That the AFGD Board approves the following Term Investment rates effective 17/07/2020:

90 days 0.90% p.a.

180 days 1.15% p.a.

365 days 1.10% p.a.”

That the Flying Minute on Term Investment Interest Rate Changes effective 17th July 2020 be ratified.

Moved: Mr Phil Crandon

Seconded: Mr John Adlington

Carried

On 12th August 2020, the following resolution was agreed by Flying Minute:

“That the AFGD Board approves the following Cash Management Account & Term Investment rates effective 14/08/2020:

Cash Management 0.50%

90 days 0.75% p.a.

180 days 0.90% p.a.

365 days 1.00% p.a.”

That the Flying Minute on Cash Management Account & Term Investment Interest Rate Changes effective 14th August 2020 be ratified.

Moved: Mr Phil Crandon

Seconded: Mr John Adlington

Carried

6. Call for additional Agenda items and close of Agenda

The Chair Mr David Ford introduced additional agenda items as follows; 8.d. Cash requirements including AFSA Line of Credit and Ord Minnett Portfolio and 8.e. Windup discussion.

7. Financial and Performance Reports

a. Finance Reports

The finance reports to 31st July 2020 were considered. Mr Blaine Fitzgerald and Mrs Annette Dent spoke to the reports and advised that the performance to July was good based on a conservative budget. Expense lines are tracking well and as expected. The only real impact on the balance sheet is the revaluation of financial assets.

That the AFGD Board receives the financial reports for the period to 31 July 2020.

Moved: Mr Ted Clarke

Seconded: Mr John Adlington

Carried

8. Matters for Discussion and or Decision

a. AFSA/AFGD Service Agreement Update

Mr Blaine Fitzgerald provided an update on various administration and support provided to AFGD as part of the Service Agreement. The report covered the topics of:

- Overarching strategy with Westpac update
- Schools updates

A summary of the current status of each of the schools was provided. SCAS \$2.7M incoming expected during September which assumes Westpac funding of 'Enviro Centre' returned to AFGD LOC. The LAGS submission to Westpac is currently with their credit department and awaiting a response. If this funding progresses it is assumed that during October/November incoming funds of circa \$3.1M will be received to payoff the AFGD LOC & the move to Westpac to be finalised. There has been no update on immediate plans provided by EAC to Mr Blaine Fitzgerald. EAC are currently funding progress claims from their AFGD LOC. BDC – discussions with Shane Oxley and David Ford from BDC have confirmed no progress on shift of LOC to Westpac however this is due to no immediate need.

Mr Blaine Fitzgerald advised that he had a meeting scheduled 19/08/20 with Andrew Davis from Westpac to discuss the status on the SCAS proposal and that he will report the outcome of that meeting to the AFGD Board. Both SCAS and LAGS are yet to see formal offers from Westpac

b. Corporate Trustee Resolution at meeting of 06/08/2020 – AFGD Capital Adequacy & Liquidity incorporating projected use of funds.

Mr Chris Nelson spoke to the resolution from the Corporate Trustees in regards to Capital Adequacy and Liquidity reporting including 'projected use of funds'. He advised that the Corporate Trustees identified a weakness in the reporting as it only revealed Capital Adequacy & Liquidity at a 'point in time' which didn't take into account any known or anticipated future use of funds. Mr David Ford asked if there was a specific formula for reporting that the Corporate Trustees requested the AFGD Board use. Mr Chris Nelson advised no and that the Corporate Trustees are asking the AFGD Board to develop a method to incorporate projected use of funds – potentially six months rolling. This would then mean that any future approval of new loans and/or placement of new investments are not being assessed on funds that are assumed as available to use for these purposes. The Chair Mr David Ford advised that he would work with Mr Blaine Fitzgerald & Mrs Annette Dent on a method of how to report this and come back to the AFGD Board with details.

c. 2020 Audit Proposal

The Board considered the proposal received from TNR for the 2020-year audit.

That the AFGD Board accepts the audit proposal from TNR at a cost of \$20,510 plus disbursements for the audit of the 2020 year.

Moved: Mr Phil Crandon

Seconded: Mr Gary Boyd

CARRIED

d. Cash requirements including AFSA Line of Credit and Ord Minnett Portfolio

Mrs Annette Dent provided an update on the immediate cash requirements and advised that there is a need to either extend the current line of credit facility with AFSA and/or redemption of the Ord Minnett portfolio. After further discussion in regards to current available cash and expected cash requirements through until the next round of schools government funding during late October early November it was identified that the potential is that both an extension of the AFSA LOC and part redemption of the Ord Minnett portfolio would be required. Mr David Ford advised that he would work with Mr Blaine Fitzgerald and Mrs Annette Dent on a proposal the following motion was agreed to.

That the AFGD Board requests the Chair Mr David Ford, Mrs Annette Dent & Mr Blaine Fitzgerald report back with a suitable funding model as soon as possible.

Moved: Mr Gary Boyd

Seconded: Mr Phil Crandon

CARRIED

e. Windup discussion

Mr David Ford spoke to the late paper he circulated via email on 18/08/20 to the AFGD Board members in regards to previous discussions and correspondence around the potential windup of AFGD. Mr Chris Nelson advised that to date the letter to the Corporate Trustees included in the late paper had not been forwarded to the Corporate Trustees as he wasn't aware it should be. Mr David Ford also discussed details of the meeting between himself, Mr Chris Nelson & Mr Blaine Fitzgerald where various options were considered. Mr Chris Nelson advised that although the Corporate Trustees have previously communicated that AFGD should be carefully wound up, no formal resolutions had been passed. It was agreed by the AFGD Board that it would require a co-operative approach to develop a way forward. As a result the AFGD Board agreed that a working group should be developed and that the Corporate Trustees should then articulate the terms of reference for that working group. The AFGD Board also agreed to nominate Mr David Ford and Mr Phil Crandon as the AFGD Board representatives in the working group.

That the AFGD Board support the formation of a working group consisting of two AFGD Board Members, two Corporate Trustees, one member of Bishop-in-Council and staff from AFGD to plan the future of AFGD.

Moved: Mr David Ford

Seconded: Mr John Adlington

CARRIED

9. Matters for noting and status updates

a. Governance update AML/CTF Monitoring program and software from AFSA.

The Chair noted the correspondence in regards to the AML/CTS Monitoring program and software and the costs associated as presented. Mrs Annette Dent advised that although these new costs were not included in the 2020 budget she would include them in the 2021 budget.

b. Anglican Diocese of Grafton – Advice on Termination of AIRS Membership and appointment of Arthur J Gallagher & Co.

Mr Chris Nelson spoke briefly to the changes in regards to insurance within the Anglican Diocese of Grafton. The Chair Mr David Ford noted the item as presented.

10. Correspondence

In:

- 3 August 2020 – ‘Insurance Arrangements’ from Chris Nelson Anglican Diocese of Grafton
- 7 August 2020 – ‘Resolution of Corporate Trustees’ from Chris Nelson. See Agenda Item 8.b).

Out:

- 23 June 2020 – AFGD Board Resolutions for Bishop-in-Council

Mr Chris Nelson advised that the AFGD Board Resolutions for Bishop-in-Council had been received and Ordinances in regards to minimum AFGD Board Meeting requirements and membership of the current AFGD Board had been updated accordingly.

That the inwards correspondence be received and that the outward correspondence be endorsed.

Moved: Mr Gary Boyd

Seconded: Mr John Adlington

Carried

11. Next meeting – scheduled for 15 October 2020.

12. Meeting close –the meeting closed at 11.59am

CONFIRMED as true and correct record of proceedings of Anglican Funds Grafton Diocese Board meeting of 19 August 2020



Chair – David Ford