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Minutes
Thursday 3rd December 2020
By Zoom Video Conference

1. Opening Meeting opened at 9.14am.

2. Attendees: Mr David Ford (Chair), Mr John Adlington, Mr Gary Boyd,
Mr Phil Crandon joined the meeting at 9.32am, Mr Ted Clarke
joined the meeting at 9.45am

Non-members: Mr Chris Nelson, Mrs Annette Dent, Mr Blaine Fitzgerald
joined the meeting at 9.23am.

All participants were joined by Zoom video conference.

Apologies: Bishop Murray Harvey

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 Gary Boyd 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.
- Chris Nelson – involved on various Diocesan boards and committees.
- Blaine Fitzgerald – Head of Anglican Funds South Australia (AFSA)

The following conflict of interest was removed from the register effective 03/12/2020.

- Ted Clarke – Agreement with Clarence Valley Anglican School

5. Confirmation of Minutes

That the minutes of the meeting of 23 October 2020 be accepted as true and correct

Moved: Mr Gary Boyd

Seconded: Mr John Adlington

Carried

On 5th November 2020, the following resolution was agreed by Flying Minute:

“That the AFGD Board approves the following Cheque Account, Cash Management Account & Term Investment rates effective 6/11/2020:

Cheque Account 0.10%

Cash Management 0.25%

90 days 0.60% p.a.

180 days 0.70% p.a.

365 days 0.85% p.a.”

That the Flying Minute on Cheque Account, Cash Management Account & Term Investment Interest Rate Changes effective 6th November 2020 be ratified.

Moved: Mr John Adlington

Seconded: Mr Gary Boyd

Carried

6. Call for additional Agenda items and close of Agenda

The Chair Mr David Ford introduced the additional agenda items as follows; Late Paper Agenda Item 8a AFSA/AFGD Service Agreement Report – additional paper, Late Paper Agenda Item 8e CVAS Deed of Subordination – additional papers, Late Paper Agenda Item 8d Banking Alternatives and Bank@Post – Bishop-in-Council resolution with regard a request from Parish of Port Macquarie & Late Paper new Agenda Item 9a Matters for noting and status updates - Bishop-in-Council Resolution re Lindisfarne Anglican Grammar School.

7. Financial and Performance Reports

a. Finance Reports

The finance reports to 31st October 2020 were considered. Mrs Annette Dent spoke to the reports and advised that the performance to October was as expected based on a conservative budget, the income generated from the loan portfolio, low cost of funds and control of expenditure. It was noted that the refinance of the EAC component of the loan portfolio effective from 30/11/2020 will have an impact on income from borrowers moving forward. The AFGD 2021 budget was also discussed. Mr Blaine Fitzgerald & Mrs Annette Dent will work together on a first draft of the 2021 budget and the Chair Mr David Ford advised that presentation of the draft is to be deferred until mid-January 2021.

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

Moved: Mr David Ford

Seconded: Mr John Adlington

Carried

8. Matters for Discussion and or Decision

a. AFSA/AFGD Service Agreement Update

Mr Blaine Fitzgerald provided commentary to his report on various administration and support provided to AFGD as part of the Service Agreement. A summary of the current status of each of the schools was provided and discussed further. The EAC refinance was processed on 30/11/2020. LAGS are currently in the process of further negotiation with Westpac with plan for refinance to take place either by the end of December 2020 or January 2021. SCAS 'SEC' funding from Westpac for \$2.7M due for drawdown during December and SCAS has indicated that these funds will be transferred to AFGD to reduce their overdraft balance. BDC no changes currently planned. CVAS no changes currently planned.

b. AFGD Future Plans

Mr Chris Nelson provided an update on the status of future plans for AFGD as a result of discussions held during the joint Corporate Trustee and Bishop-in-Council meeting on 26/11/2020. The Corporate Trustees have advised Bishop-in-Council that they have determined to hold off on any decisions until a report can be provided by the 'AFGD Working Group' which is expected towards the end of January or beginning of February 2021.

c. Cashflow including instructions for Ord Minnett December maturity.

Mrs Annette Dent spoke to the current level of liquidity and anticipated cash requirements during the December/January period. It was noted that the EAC loan refinance of \$4.1M was processed on 30/11/2020 and the 'Smedley' loan refinance of \$460,000 is due for 04/12/2020. The Board also discussed the Ord Minnett portfolio in particular the Australian Unity AYUHB hybrid security (face value \$ 1,143,700.00) which is due to mature on 15/12/2020. The following motion was resolved in regards to the Ord maturity and surplus available cash over this period.

That the AFGD Board authorises for the ORD Minnett hybrid security holding Australian Unity AYUHN be redeemed at maturity on 15/12/2020 and that the funds be placed in the AFGD monthly income account held with AFSA until the liquidity requirements are better understood.

Moved: Mr John Adlington

Seconded: Mr Phil Crandon

Carried

d. Banking Alternatives and Bank@Post

Mrs Annette Dent provided an update on the status of the switch from Westpac to Bank@Post for

over the counter deposits and member chequing services. Testing is still currently underway but it is expected that new deposit & cheque books will be able to be ordered within the next week. Further discussion on the limitations of the Bank@Post facility noted the main restriction being the processing of coin deposits at Australia Post. The AFGD Board noted that the only formal request for an alternate option currently received was from the Parish of Port Macquarie. Mr Blaine Fitzgerald provided commentary on another option currently being investigated by AFSA for over the counter deposits through NAB. This option involves a 'master account' with 'agency' deposit books assigned and issued to clients. Mrs Annette Dent advised that this process is effectively the same process that AFGD (then GDIF) used with a Westpac account prior to the service agreement with AFSA. At this point in time with Bank@Post being the only option available, AFGD staff will work with clients for a smooth transition to Bank@Post and alternate options are to be further investigated in conjunction with AFSA during early 2021.

That the AFGD Board, noting the Bishop-in-Council resolution of 26 November 2020, approve the Parish of Port Macquarie making alternate arrangements for handling of bulk Parish deposits at this time and defer approval for other parishes until those parishes have experience with Bank@Post.

Moved: Mr Gary Boyd

Seconded: Mr John Adlington

e. CVAS Deed of Subordination

Mr Chris Nelson provided a summary of the outcomes of the meeting held between CVAS and Diocese representatives on 27/11/2020 noting that it was identified that as an agreement would not be reached before 31 December 2020, the simple solution was to provide more time. The parties agreed to maintain discussions on the subordinated debt as a priority with the hope of an agreement being reached in the early months of 2021.

That the AFGD Board, in recognition of the continuing discussions with Clarence Valley Anglican School regarding the subordinated loan and the need for the school to have certainty for its 2020 financial audit, agree to the current Deed of Subordination being extended by 1 year to conclude at 30 June 2022.

Moved: Mr Phil Crandon

Seconded: Mr Ted Clarke

Carried

f. AFGD Board Meeting dates 2021

The proposed AFGD Board Meeting dates for 2021 were discussed with Mr Chris Nelson noting the only conflict was the meeting in February originally listed as 11 February 2021. The alternate option of 18 February was then discussed with Mr Chris Nelson advising he would check his schedule and confirm availability for this new date.

After the AFGD Board meeting the following dates were confirmed for 2021.

Thursday 18th February 2021

Thursday 18th March 2021

Thursday 20th May 2021 (Joint with CTS)

Thursday 19th August 2021

Thursday 14th October 2021

Thursday 9th December 2021

9. Matters for noting and status updates

a. Bishop-in-Council Resolution re Lindisfarne Anglican Grammar School.

The Chair Mr David Ford noted the Bishop-in-Council Resolution in regards to Lindisfarne Anglican Grammar Schools and their request to source alternate funding.

10. Correspondence

In:

- 19/11/2020 – letter to AFGD & BiC from Port Macquarie Anglican Parish requesting to open an account with Westpac.

Out:

- 26/10/2020 – letter via email to Jennifer Pike St Columba Anglican School from David Ford – AFGD approval for funding of Enviro Centre by Westpac.
- 20/11/2020 – letter via email to the Business Manager of each of the five Anglican schools

from The Corporate Trustees of the Diocese of Grafton (Chris Nelson) & Anglican Funds Grafton Diocese (David Ford) – update in regards to Westpac Diocese strategy progress and request for six month cashflow requirements.

- 25/11/2020 – letter to Westpac from The Corporate Trustees of the Diocese of Grafton – SCAS Consent.

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

Moved: Mr Phil Crandon


Seconded: Mr Ted Clarke

Carried

11. Next meeting – 2021 Meeting Dates were confirmed after the close of the meeting upon confirmation of the availability of the Registrar Mr Chris Nelson for the February meeting. The next meeting is scheduled for 18 February 2021.

12. Meeting close – the meeting closed at 10.38am

CONFIRMED as true and correct record of proceedings of Anglican Funds Grafton Diocese Board meeting of 3 December 2020



Chair – David Ford