

Minutes of an extraordinary meeting of the Gore District Council, held virtually by Zoom, on Tuesday 28 April 2020, at 4.34pm

Present	His Worship the Mayor, Mr Tracy Hicks JP, Crs Bolger, Dickson, N Grant, Highsted, MacDonell, McPhail and Reid.
In attendance	The Chief Executive (Mr Stephen Parry) and HR/Administration Manager (Susan Jones).
Apologies	Crs D Grant and Phillips apologised for absence.

1. NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY (LGFA) - AMENDMENTS TO BORROWING DOCUMENTS (SC2459)

A memo had been received from the Chief Executive advising that the Local Government Funding Agency (LGFA) had proposed amending its borrowing programme by making amendments to certain LGFA documents. The Council was a member of LGFA borrowing programme as both a borrower and a guarantor.

Amendments to the LGFA Shareholders' Agreement had previously been approved and the LGFA would enter into a deed to record those changes.

The purpose of the proposed amendments was to:

- (a) enable approved council-controlled organisations to borrow directly through the LGFA borrowing programme (on the basis of guarantees from and/or sufficient uncalled capital issued to their parent local authorities);
- (b) allow local authorities to apply to the LGFA to be tested at the group level rather than at the parent level (for compliance with LGFA covenants);
- (c) increase the amount of borrower notes required to be subscribed for when borrowing from the LGFA; and
- (d) make certain other technical improvements to the borrowing programme.
- (e) In order to amend the LGFA documentation, each local authority member of LGFA was required to enter into certain deeds of amendment and restatement. The

Council therefore needed to pass a formal resolution to execute the following legal documents:

- a. Amendment and Restatement Deed (Multi-issuer Deed);
- b. Amendment and Restatement Deed (Notes Subscription Agreement); and
- c. Amendment and Restatement Deed (Guarantee and Indemnity).

The Council would also need to formally authorise the Chief Executive to sign a section 118 Chief Executive Certificate (in relation to the documents noted at 4.1 – 4.3).

(f) The documents at 4.1, 4.2 and 4.3 had been prepared by LGFA’s solicitors, Russell McVeagh. Simpson Grierson reviewed and approved the documents on behalf, and from the perspective, of the Shareholders' Council of LGFA (which included the Crown and nine Councils). The Chief Executive Certificate had been prepared by Simpson Grierson.

(g) Authority for signing the abovementioned documents would need to be delegated to two elected members of the Council.

RESOLVED on the motion of Cr Highsted, seconded by Cr McPhail, THAT the report “New Zealand Government Funding Agency (LGFA): Amendments to Borrowing Documents, be received and noted,

THAT the Council’s entry into the documentation noted in this report be authorised,

THAT any two of the Council’s elected members be authorised to execute the following deeds for the purposes of the recommendation above:

- 1.1 Amendment and Restatement Deed (Multi-issuer Deed);**
- 1.2 Amendment and Restatement Deed (Notes Subscription Agreement); and**
- 1.3 Amendment and Restatement Deed (Guarantee and Indemnity)**

AND THAT the Council authorise the Chief Executive to execute the Chief Executive Certificate and such other documents and take such other steps on behalf of the Council as the Chief Executive considers necessary or desirable to execute or take to give effect to the preceding recommendations above.

2020/40

The meeting concluded at 4.38pm