Summary of the 480th meeting of the Catholic Education Commission of Western Australia held on Friday 4 September 2015 at Catholic Education Western Australia

System Responsible Debt Servicing Long Term Projects 2015-2029

Gerry Doyle, Director Finance Planning and School Resources and Reuben Norris, Team Leader of Resources, presented the System Responsible Debt Servicing Long Term Projections 2015-2029.

RESOLVED 480/3/1: That

i. The Australian Government General Recurrent Grant (AG GRG) percentage contribution to the debt servicing pool be increased from 2017 to fund the increased debt repayments arising from the new school construction program. The required increase (from 1% to 2%) is included in the projections.

ii. As a result of the projected increase in system responsible debt repayment obligations, capital expenditure is capped through the panel application process to the total of (i) the Australian Government Capital and (ii) State Government Low Interest Loan available and a small contingency from the Catholic Development Funds. In 2016 this totals approximately $42M (net of school contribution).

iii. In order to ensure continued system growth but at a sustainable debt servicing rate, the following future new schools in the provisional planning stages should only commence after the long-term projections demonstrate a capacity of the system to repay the debt. The schools and estimated construction costs are summarised below:
   a. Madora Bay (South) (K-12) ($65M) (approved by CECWA in June 2014);
   b. Alkimos (North) (K-12) ($65M) (under consideration but not yet approved);
   c. Kiara (7-12) (East) ($45M) (under consideration but not yet approved).

iv. Consideration be given to setting a limit for Total System Debt outstanding (excluding order owned school debt) on an interim basis at $500M. This will need to be reviewed on a yearly basis and if likely to be exceeded, will need to be approved by CECWA based on a recommendation from the Finance Committee.

v. The above recommendations are subject to a yearly revision, that is reported to the CECWA, based on the changes in the assumptions and further interpretation of the long term projections and actual debt results,
including each schools’ capacity to pay and other income raising strategies.

vi. In the context of the debt constraint, CECWA commissions a special report to review how new student places may be funded in terms of location, type and cost of new schools, potential for school amalgamations/mergers and identifying avenues for collaboration with other agencies.

Year of Mercy

Debra Sayce, Director of Religious Education, provided CECWA Members with an overview of the Jubilee Year of Mercy.

RESOLVED 480/3/3: That

i. This report be accepted by the Catholic Education Commission of Western Australia, and

ii. A working party be established through the Religious Education and Curriculum Committee to outline how Catholic schools can engage with the Year of Mercy.