

Long Term Debt Obligations

Debt incurred by a community college district becomes the obligation of such community college district to pay. In the case that a community college district no longer has students and no longer provides educational services, it is still required to levy and collect property taxes, up to its operating tax rate limit. Article XI, Section 11b (often called “Measure 5) limits Educational Taxes to \$5 per \$1,000 of the Taxable Real Market Value of a property.

Debt Limitation

General Obligation Bonds. Oregon Revised Statute (ORS) 341.675 establishes a parameter of general obligation bonded indebtedness for community college districts. Community colleges may issue an aggregate principal amount up to 1.5 percent of Real Market Value (RMV) of all taxable properties within the district if the District’s voters approve the general obligation bonds. General obligation bonds are secured by the power to levy an additional tax outside the limitations of Article XI, Sections 11 and 11b.

Lane Community College General Obligation Debt Capacity

Measure 5 Real Market Value (Fiscal Year 2016)	\$ 41,869,053,720 ⁽¹⁾
Debt Capacity	
General Obligation Debt Capacity (1.5% of RMV)	\$ 628,035,806
Less: Outstanding Debt Subject to Limit	(53,005,000) ⁽²⁾
Remaining General Obligation Debt Capacity	\$ 575,030,806
Percent of Capacity Issued	8.44%

(1) The District’s fiscal Year commences July 1 and ends June 30 of the following year (the “Fiscal Year”). *Source: Lane, Linn, Benton and Douglas Counties Department of Assessment and Taxation.*

(2) Represents voter-approved, unlimited-tax general obligations of the District. *Source: Lane Community College Audited Financial Reports for the Fiscal Year Ended June, 30, 2015.*

Full Faith and Credit Obligations/Limited Tax Obligations. Community colleges may pledge their full faith and credit for “limited tax bonded indebtedness” or “full faith and credit obligations” in addition to pledging the full faith and credit for voter approved general obligation bonds. The

Oregon Constitution and statutes do not limit the amount of limited tax bonded indebtedness that a community college may issue. Full faith and credit obligations can take the form of certificates of participation, notes or capital leases. Collection of property taxes to pay principal and interest on such limited-tax debt is subject to limitations of Article XI, Sections 11 and 11b.

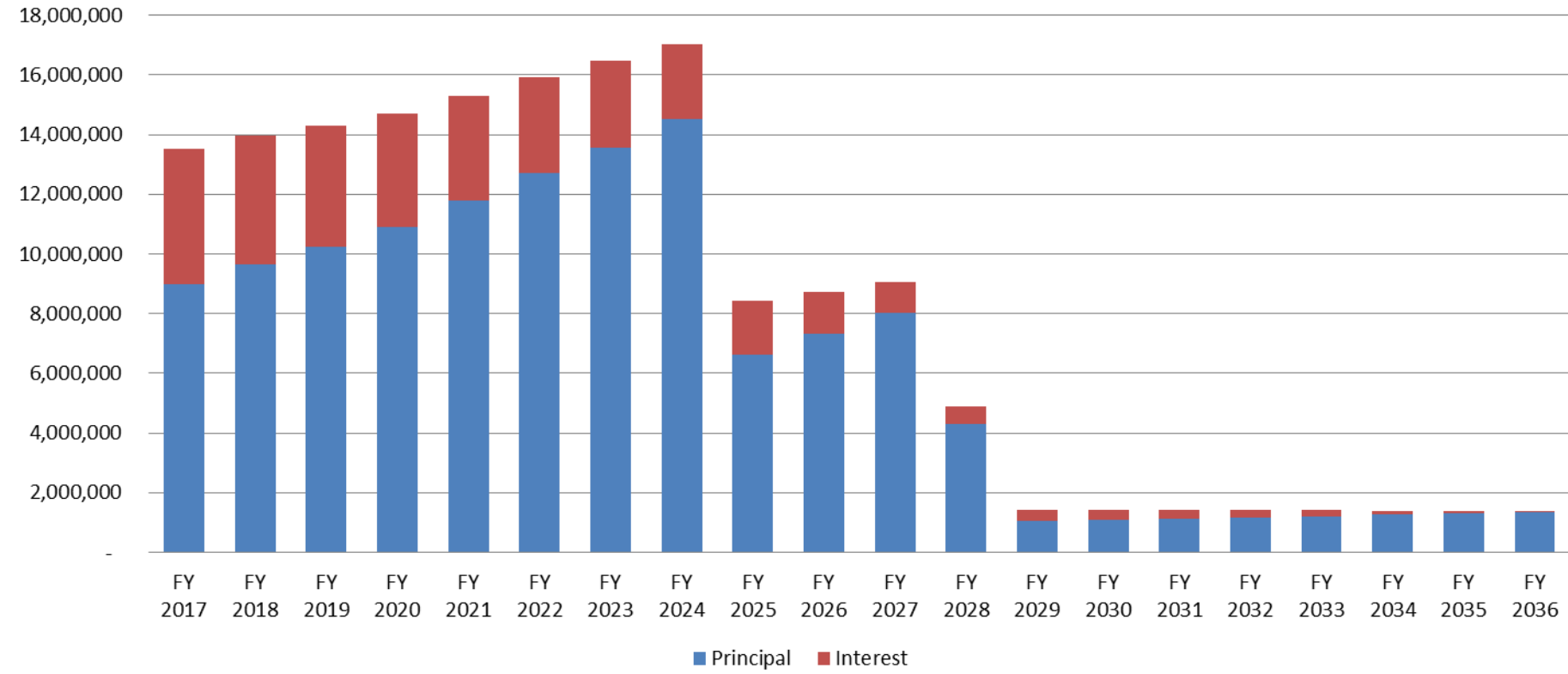
Pension Bonds. ORS 238.694 authorizes community colleges to issue full faith and credit obligations to pay pension liabilities without limitations as to principal amount. Pension bonds are not general obligation as defined under State law and the District is not authorized to levy additional taxes to make pension bond payments.

Revenue Bonds. The district may issue revenue bonds for any public purpose, which are secured by revenues pursuant to ORS 287A.150. Subject to any applicable limitations imposed by the Oregon Constitution or laws of the state or resolution of an individual community college, ORS 287A.180 provides that the District may borrow money in anticipation of tax revenues or other monies and provide interim financing.

Outstanding Long-Term Debt as of 10/2016

	Date of Issue	Date of Maturity	Amount Issued	Amount Outstanding
Governmental Activities:				
Series 2009 Bonds	06/19/09	06/15/19	\$ 45,000,000	\$ 5,980,000
Series 2012 Bonds	08/01/12	06/15/24	38,000,000	32,910,000
Series 2016 Refunding Bonds	06/15/16	06/15/24	14,115,000	<u>14,115,000</u>
Total General Obligation Bonds				53,005,000
Full Faith and Credit Obligations:				
Series 2012 Obligations (QECB)	10/02/12	06/15/27	1,500,000	1,190,000
Series 2016 Refunding Obligations	10/25/16	12/01/35	25,098,210	<u>25,098,210</u>
Total Full Faith and Credit Obligations				26,288,210
Pension Obligations:				
Series 2003	04/21/03	06/30/28	51,803,948	<u>36,738,527</u>
Notes:				
Series 2013	09/16/13	06/30/24	\$ 230,000	<u>172,675</u>
Total Governmental Activities Debt				<u>\$ 116,204,412</u>

Debt Payments



(1) FY="Fiscal Year". Source: Lane Community College Audited Financial Reports for the Fiscal Year Ended June, 30, 2016.