



Administration Office  
503/645-6433  
Fax 503/629-6301

**Board of Directors Regular Meeting  
Wednesday, June 11, 2025**

**5:30 pm Executive Session  
7:00 pm Regular Meeting**

**Location: Tualatin Valley Water District, 1850 SW 170th Avenue, Beaverton, OR**

**AGENDA**

1. Executive Session\*
  - A. Personnel
  - B. Land
2. Call Regular Meeting to Order
3. Action Resulting from Executive Session
4. Swearing In of Newly Elected Board Members
5. Election of Officers for Fiscal Year 2025/26
6. Proclamations
  - A. [Juneteenth National Independence Day](#)
  - B. [LGBTQIA+ Pride Month](#)
  - C. [National Immigrant Heritage Month](#)
  - D. [Park and Recreation Month \(July\)](#)
7. Budget Hearing: [Resolution Adopting the Fiscal Year 2025/26 Budget, Levying Taxes, and Making Appropriations](#)
  - A. Open Hearing
  - B. Staff Report
  - C. Public Comment\*\*
  - D. Board Discussion
  - E. Close Hearing
  - F. Board Action
8. Audience Time\*\*
9. Board Time
  - A. Committee Liaisons Updates
10. Consent Agenda\*\*\*
  - A. [Approve: Minutes of May 14, 2025 Regular Board Meeting](#)
  - B. [Approve: Resolution Authorizing System Development Charge Indexed Rate Annual Cost Adjustment](#)
  - C. [Approve: Resolution Adopting District Investment Policy](#)
  - D. [Approve: Amended Tualatin Hills Park Foundation Articles of Incorporation](#)
  - E. [Ratify: Collective Bargaining Agreement](#)
11. Unfinished Business
  - A. [Information: General Manager's Report](#)
12. New Business
  - A. [Approve: Resolution Naming New Neighborhood Parks](#)
13. Adjourn

**\*Executive Session:** Executive Sessions are permitted under the authority of ORS 192.660. Copies of the statute are available at the offices of Tualatin Hills Park & Recreation District.

**\*\* Audience Time / Public Testimony:** Testimony is being accepted for this meeting in-person, virtually via MS Teams, or written. Testimony during Audience Time for topics not on the agenda will be limited to 30 minutes total. Additional information can be found at the following link: [www.thprd.org/district-information/how-to-give-testimony](http://www.thprd.org/district-information/how-to-give-testimony)

If you wish to testify in-person during the board meeting, please complete and turn in a testimony card at the meeting. Please wait until you are called upon by the board to speak and then proceed to the public testimony table. Testimony will be taken with a 3-minute time limit during the applicable agenda item or Audience Time (Audience Time testimony is limited to 30 minutes total).

If you wish to attend the meeting virtually, or testify virtually, please sign up by emailing [boardofdirectors@thprd.org](mailto:boardofdirectors@thprd.org) or calling 503-645-6433 **by 12 pm the day of the meeting** with your name and email address (and testimony topic if wishing to provide testimony). You will be provided additional instructions and a link to access the meeting. Testimony will be taken with a 3-minute time limit during the applicable agenda item or Audience Time (Audience Time testimony is limited to 30 minutes total).

Testimony regarding work session topics will be taken during Audience Time. At the board's discretion, agenda items may not be considered in the order listed.

**\*\*\*Consent Agenda:** Testimony regarding an item on the Consent Agenda will be heard under Audience Time. Consent Agenda items will be approved without discussion unless there is a board member request to discuss a particular Consent Agenda item. The issue separately discussed will be voted on separately.

In compliance with the Americans with Disabilities Act (ADA), this material in an alternate format, or special accommodations for the meeting, will be made available by calling 503-645-6433 at least 48 hours prior to the meeting.



# MEMORANDUM

**DATE:** May 29, 2025  
**TO:** Board of Directors  
**FROM:** Doug Menke, General Manager  
**RE:** Information Regarding the June 11, 2025 Board of Directors Meeting

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## **Agenda Item #4 – Swearing In of Newly Elected Board Members**

A swearing in ceremony will be conducted for newly elected board members Barbie Minor, Alfredo Moreno, and Pradnya Patil.

## **Agenda Item #5 – Election of Officers for Fiscal Year 2025/26**

Board President Barbie Minor will lead the process in the election of officers for fiscal year 2025/26, effective July 1, 2025. Seats to be elected are president, secretary, and secretary pro-tempore.

## **Agenda Item #6 – Proclamations**

### **A. [Juneteenth National Independence Day](#)**

Attached please find a proclamation declaring June 19, 2025 as Juneteenth National Independence Day.

### **B. [LGBTQIA+ Pride Month](#)**

Attached please find a proclamation declaring the month of June as LGBTQIA+ Pride Month.

### **C. [National Immigrant Heritage Month](#)**

Attached please find a proclamation declaring the month of June as National Immigrant Heritage Month.

### **D. [Park and Recreation Month](#)**

Attached please find a proclamation declaring July as Park and Recreation Month.

## **Agenda Item #7 – [Budget Hearing: Resolution Adopting the Fiscal Year 2025/26 Budget, Levying Taxes and Making Appropriations](#)**

Enclosed please find a memo outlining the process for the budget hearing to adopt the Fiscal Year 2025/26 Budget.

**Action Requested:** Board approval of Resolution 2025-06 to adopt the 2025/26 budget, levy ad valorem taxes, and make appropriations.

## **Agenda Item #10 – Consent Agenda**

Attached please find the following consent agenda items for your review and approval:

- A. [Approve: Minutes of May 14, 2025 Regular Board Meeting](#)**
- B. [Approve: Resolution Authorizing System Development Charge Indexed Rate Annual Cost Adjustment](#)**
- C. [Approve: Resolution Adopting District Investment Policy](#)**
- D. [Approve: Amended Tualatin Hills Park Foundation Articles of Incorporation](#)**
- E. [Ratify: Collective Bargaining Agreement](#)**

**Agenda Item #11 – Unfinished Business**

**A. [General Manager's Report](#)**

Attached please find the General Manager's Report for the June regular board meeting.

**Agenda Item #12 – New Business**

**A. [Resolution Naming New Neighborhood Parks](#)**

Attached please find a memo regarding the naming of two new neighborhood parks: one in the North Bethany area and the other in the South Cooper Mountain area.

**Action Requested: Board of directors' approval of Resolution No. 2025-09, naming two new neighborhood park sites as Harvest Park and Free Skies Park.**



## TUALATIN HILLS PARK & RECREATION DISTRICT

### PROCLAMATION

#### By the Board of Directors

**WHEREAS**, President Abraham Lincoln issued the Emancipation Proclamation on January 1, 1863, that established that all enslaved people in Confederate states in rebellion against the Union “shall be then,...forever free”; and

**WHEREAS**, the 13<sup>th</sup> Amendment formally abolished slavery in the entire United States, and was signed by President Lincoln on February 1, 1865, and ratified by a sufficient number of states on December 6, 1865, ensuring that, “Neither slavery nor involuntary servitude,...shall exist within the United States,”; and

**WHEREAS**, in reality the Emancipation Proclamation did not instantly free any enslaved people, and the proclamation only applied to places under Confederate control and not to slave-holding border states or rebel areas under Union control; and

**WHEREAS**, Juneteenth, short for “June Nineteenth”, marks the day in 1865 when federal troops arrived in Galveston, Texas, to take control of the state and to ensure that all enslaved people be freed – a full two plus years after the Emancipation Proclamation; and

**WHEREAS**, in reality the work to abolish slavery took decades and there are documented instances of Black Americans continuing to be enslaved into the 1900’s; and

**WHEREAS**, a century and half later, June 19<sup>th</sup> has a special meaning to Black Americans, and is recognized as the oldest nationally celebrated commemoration of the ending of slavery in the U.S.; and

**WHEREAS**, Juneteenth commemorates freedom for Black Americans; and

**WHEREAS**, THPRD recognizes that Juneteenth is an important day for Black Americans, and for the nation, and is a part of our history; and

**WHEREAS**, THPRD recognizes the lasting legacies of systemic racism and oppression and how they are still impacting people’s lives today; and

**WHEREAS**, the contributions, stories, and experiences of Black Americans are historically marginalized and minimized highlighted by the fact many are unaware the atrocities and lasting legacy of slavery continued for decades after it was outlawed; and

**WHEREAS**, THPRD respects and acknowledges this day as a reminder of the work that’s been done to tear down systems of oppression, and the reality that it is imperative the work continue because we still have a long way to go; and

**WHEREAS**, Juneteenth is an occasion to recognize and further disrupt THPRD's role in long standing systemic racism, to take responsibility in creating a more just, welcoming, and inclusive park district, and to uphold the values of advancing racial equity;

**NOW, THEREFORE**, the Board of Directors of the Tualatin Hills Park & Recreation District does hereby proclaim June 19th, 2025 as

## **Juneteenth National Independence Day**

And do urge all those in the Tualatin Hills Park & Recreation District to support and promote this observance.

Signed this 11<sup>th</sup> day of June, 2025

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Barbie Minor, President

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Alfredo Moreno, Secretary



## TUALATIN HILLS PARK & RECREATION DISTRICT

### PROCLAMATION

**By the Board of Directors**

**WHEREAS**, the Tualatin Hills Park & Recreation District (THPRD) is committed to ensuring that all individuals have the opportunity to play, learn, and explore, and is dedicated to advancing diversity, equity, inclusion, and mutual respect for everyone we serve; and

**WHEREAS**, Pride Month is a time to honor the resilience, contributions, and history of lesbian, gay, bisexual, transgender, queer, intersex, asexual, and other LGBTQIA+ individuals, and to remember the courageous activists who have fought—and continue to fight—for equality and justice; and

**WHEREAS**, THPRD believes that everyone deserves to be treated with dignity and respect, and that our community is stronger, healthier, and more vibrant with the full inclusion of LGBTQIA+ community members; and

**WHEREAS**, THPRD stands in solidarity with LGBTQIA+ individuals and families, and is committed to identifying and removing barriers to participation to ensure all people feel welcome, valued, and free to express their authentic selves within our parks, programs, and services; and

**WHEREAS**, we acknowledge the ongoing harm caused by discrimination and exclusion, and reaffirm our commitment to providing equitable opportunities for health and wellness, creative expression, and safe access to parks and recreation for all;

**NOW, THEREFORE, the Board of Directors of the Tualatin Hills Park & Recreation District does hereby proclaim the month of June 2025 as**

## **LGBTQIA+ Pride Month**

and encourages all individuals in the Tualatin Hills Park & Recreation District to support, uplift, and celebrate the LGBTQIA+ community this month and always.

Signed this 11th day of June, 2025

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Barbie Minor, President

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Alfredo Moreno, Secretary



## TUALATIN HILLS PARK & RECREATION DISTRICT

### PROCLAMATION

**By the Board of Directors**

**WHEREAS**, during National Immigrant Heritage Month, we honor the histories, cultures, and lived experiences of immigrants who have shaped and strengthened communities in countless ways; and

**WHEREAS**, immigrants of all nationalities have been arriving in the United States since its founding—contributing to the development of the country and communities through resilience, labor, innovation, and culture; and

**WHEREAS**, immigrants have faced and continue to face significant challenges, including hostile and exclusionary environments, yet pursue new lives in this country with courage, determination, and sacrifice; and

**WHEREAS**, immigrant community members contribute across every sector of society—as business owners, caregivers, educators, medical professionals, essential workers, artists, and more—enhancing community wellbeing, diversity, and vibrancy; and

**WHEREAS**, Tualatin Hills Park & Recreation District (THPRD) recognizes the critical importance of creating inclusive, welcoming spaces where immigrant neighbors and community members feel safe, seen, and valued; and

**WHEREAS**, THPRD acknowledges that the presence and contributions of immigrants have profoundly enriched the district, region, and nation; and

**WHEREAS**, THPRD affirms that true inclusion extends beyond access to a sense of *belonging*, where immigrant community members not only participate, but are embraced as integral to the social, cultural, and civic fabric of the district;

**NOW, THEREFORE, the Board of Directors of the Tualatin Hills Park & Recreation District does hereby proclaim June as**

## **National Immigrant Heritage Month**

And do urge all those in the Tualatin Hills Park & Recreation District to support and promote this observance.

Signed this 11<sup>th</sup> day of June, 2025

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Barbie Minor, President

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Alfredo Moreno, Secretary





## TUALATIN HILLS PARK & RECREATION DISTRICT

### PROCLAMATION

**By the Board of Directors**

**WHEREAS**, parks and recreation programs are an integral part of communities throughout this country, and voters felt so strongly about the importance of parks and recreation that they voted in 1955 to establish the Tualatin Hills Park & Recreation District to provide dedicated parks and recreation services; and

**WHEREAS**, our parks and recreation are vitally important to our quality of life, ensuring our health and wellness, and contributing to our economic and environmental well-being; and

**WHEREAS**, parks and recreation programs build healthy, active communities that aid in the prevention of chronic disease, provide therapeutic recreation services for people experiencing disabilities, and improve our mental, emotional and physical health; and

**WHEREAS**, parks and recreation programs are fundamental to the environmental well-being of our community; and

**WHEREAS**, parks and recreation programs provide the opportunity to build community and bring our incredibly diverse population together to share experiences, learn from each other, and build cross-cultural connections that strengthen the fabric of our community; and

**WHEREAS**, parks and natural recreation areas improve water quality, protect our natural habitats, improve the quality of the air we breathe, provide vegetative buffers, and preserve the ecological beauty of these areas for children and adults to connect with nature and recreate outdoors; and

**WHEREAS**, the U.S. House of Representatives has designated July as Park and Recreation Month;

**NOW, THEREFORE**, the Board of Directors of the Tualatin Hills Park & Recreation District does hereby proclaim the month of July 2025 as

## Park and Recreation Month

And do urge all those in the Tualatin Hills Park & Recreation District to support and promote this observance.

Signed this 11th day of June, 2025.

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Barbie Minor, President

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Alfredo Moreno, Secretary



# MEMORANDUM

**DATE:** May 28, 2025  
**TO:** Doug Menke, General Manager  
**FROM:** Jared Isaksen, Finance Director  
**RE:** **Budget Hearing: Resolution Adopting the Fiscal Year 2025/26 Budget, Levying Taxes, and Making Appropriations**

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## **Introduction**

Annually the THPRD Board of Directors conducts a public budget hearing and adopts the district budget for the coming year.

## **Background**

In accordance with Oregon Local Budget Law, the THPRD Board of Directors must conduct a public budget hearing on the [approved budget](#) prior to adopting the budget for the 2025/26 fiscal year. Also, in accordance with Oregon Local Budget Law, a notice of this hearing and a summary of the approved budget have been published.

## **Proposal Request**

After conducting a budget hearing, the board needs to adopt the budget, levy ad valorem taxes, and make appropriations of the 2025/26 fiscal year budget. The attached resolution takes these actions as required by Oregon Local Budget Law.

## **Outcomes of Proposal**

### **Adopt the Budget**

The budget, as approved by THPRD's Budget Committee, must be adopted by resolution no later than June 30, and needs to state the total amount of all budget requirements. After closing the budget hearing, the board may make limited adjustments to the approved budget prior to adoption, if necessary.

Staff are asking the board to make an addition to the approved budget for \$90,000 in the Administration budget appropriation. This is for a part-time classification and compensation study, which is in the current year budget but has been delayed due to staff turnover and protected leaves of absence.

Staff are also asking the board to transfer \$10 from the Materials and Services appropriation line to an Interfund Transfer appropriation line in the Bond Capital Projects fund. This appropriation line will be used to transfer any residual balance to the Bond Debt Service fund once all the capital projects have been completed.

### **Levy Ad Valorem Taxes**

Local governments that use ad valorem property taxes to balance their budgets must declare the tax amount or tax rate by resolution. Property taxes are imposed for the tax year on the assessed value of all taxable property within the park district.

### **Make Appropriations**

The resolution includes a schedule of appropriations, based on the approved budget, which provides THPRD with the legal spending authority for the fiscal year.

**Public Engagement**

The public have been invited to comment on the approved budget.

**Action Requested**

Board of directors' approval of Resolution 2025-06 to adopt the 2025/26 budget, levy ad valorem taxes, and make appropriations.

## RESOLUTION NO. 2025-06

### TUALATIN HILLS PARK & RECREATION DISTRICT, OREGON

A RESOLUTION CONSISTENT WITH THE REQUIREMENTS OF ORS 294.456  
ADOPTING A BUDGET, MAKING APPROPRIATIONS, DETERMINING, MAKING,  
DECLARING, ITEMIZING AND CATEGORIZING THE AD VALOREM PROPERTY TAX  
AMOUNTS AND RATES TO BE CERTIFIED  
TO THE WASHINGTON COUNTY ASSESSOR FOR FISCAL YEAR 2025/26  
FOR THE TUALATIN HILLS PARK & RECREATION DISTRICT

**WHEREAS**, the Tualatin Hills Park & Recreation District (THPRD) must, consistent with the requirements of the Oregon Local Budget Law (ORS 294.305 to 294.565) prepare and adopt an annual budget; and

**WHEREAS**, THPRD has complied with the procedures set out in Oregon's Local Budget Law for preparing the budget, involving the public, estimating revenues, expenditures and proposed ad valorem property taxes and outlining the programs and services provided by THPRD.

**NOW THEREFORE, it is hereby resolved as follows:**

**Section 1. Budget Approved and Adopted.** The THPRD Board of Directors hereby approves and adopts a budget for Fiscal Year 2025/26 in a total amount of \$237,419,613. A copy of the budget will be kept on file in THPRD's Administration Office and is incorporated by reference herein.

**Section 2. Levy of Taxes.** The THPRD Board of Directors hereby make the appropriations described in Section #3 below and determine, make and declare the ad valorem property tax amount provided for in the budget at the permanent rate of \$1.3073 per \$1,000 of assessed value (AV), the local option levy tax rate of \$0.50 per \$1,000 of AV and a property tax of \$9,481,849 for bonded debt. Taxes are hereby imposed and categorized for Tax Year 2025/26 upon the assessed value of all taxable property within the boundaries of THPRD. The following allocations and categorization (subject to the limitations of OR. CONST. Article XI, Sec. 11b) make up the levy:

	<b>Subject to the General Government Limitations</b>	<b>Excluded from Limitations</b>
<b>General Fund</b>	\$1.3073 / \$1,000 AV	
<b>General Fund Local Option Levy</b>	\$0.50 / \$1,000 AV	
<b>Bonded Debt Fund</b>		\$9,481,849

**Section 3. Fiscal Year 2025/26 Appropriations.** The amounts for the fiscal year beginning July 1, 2025 and for the purposes shown below are hereby appropriated as follows:

**General Fund**

Board of Directors	\$ 490,854
Administration	\$17,523,677
Park Services	\$18,442,510
Recreation Services	\$33,476,105
Capital Outlay	\$41,162,148
Reserve for Future Expenditure	\$ 3,000,000
Contingency	\$ 3,500,000
Ending Fund Balance	<u>\$28,077,256</u>
<b>TOTAL APPROPRIATIONS</b>	<b><u>\$145,672,550</u></b>

**Bonded Debt Fund**

Bond Debt Service Payments	\$ 9,590,550
<b>TOTAL APPROPRIATIONS</b>	<b><u>\$ 9,590,550</u></b>

**Systems Development Charge Fund**

Materials and Services	\$ 100,000
Capital Outlay	<u>\$72,703,737</u>
<b>TOTAL APPROPRIATIONS</b>	<b><u>\$72,803,737</u></b>

**Maintenance Mitigation Fund**

Materials and Services	<u>\$ 223,000</u>
<b>TOTAL APPROPRIATIONS</b>	<b><u>\$ 223,000</u></b>

**Metro Bond Local Share Capital Fund**

Capital Outlay	<u>\$ 8,043,886</u>
<b>TOTAL APPROPRIATIONS</b>	<b><u>\$ 8,043,886</u></b>

**Bond Capital Projects Fund**

Materials and Services	\$ 24,990
Capital Outlay	\$ 1,060,890
Interfund Transfer	<u>\$ 10</u>
<b>TOTAL APPROPRIATIONS</b>	<b><u>\$ 1,085,890</u></b>

**Section 4.** The Budget Officer, Jared Isaksen, is hereby authorized consistent with the

terms of ORS 310.060 to certify to the Washington County Clerk and Washington County Assessor the tax levy made by this resolution and shall file with the State Treasurer and the Division of Audits of the Secretary of State a true copy of the Budget as finally adopted.

**Section 5.** This resolution takes effect on July 1, 2025.

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BOARD OF DIRECTORS APPROVAL: June 11, 2025

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Barbie Minor, President

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Alfredo Moreno, Secretary

Adoption and date attested by:

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Jessica Collins, Recording Secretary



## **Tualatin Hills Park & Recreation District Minutes of a Regular Meeting of the Board of Directors**

A Regular Meeting of the Tualatin Hills Park & Recreation District Board of Directors was held on Wednesday, May 14, 2025, at the Tualatin Valley Water District Headquarters, 1850 SW 170th Avenue, Beaverton, Oregon. Executive Session 5:30 pm; Regular Meeting 6:30 pm.

**Present:**

Barbie Minor	President/Director
Alfredo Moreno	Secretary/Director
Miles Palacios	Secretary Pro-Tempore/Director
Felicita Monteblanco	Director
Tya Ping	Director
Doug Menke	General Manager

### **Agenda Item #1 – Executive Session (A) Legal (B) Land (C) Personnel**

President Barbie Minor called executive session to order for the following purposes:

- To conduct deliberations with persons designated by the governing body to carry out labor negotiations;
- To conduct deliberations with persons designated by the governing body to negotiate real property transactions; and
- To consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed.

Executive Session is held under authority of ORS 192.660(2)(d)(e) and (h).

President Minor noted that the news media and designated staff may attend executive session. Representatives of the news media were directed not to disclose information discussed during executive session. No final action or final decision may be made in executive session.

### **Agenda Item #2 – Call Regular Meeting to Order**

A Regular Meeting of the Tualatin Hills Park & Recreation District Board of Directors was called to order by President Barbie Minor on Wednesday, May 14, 2025, at 6:35 pm.

### **Agenda Item #3 – Action Resulting from Executive Session**

**Alfredo Moreno moved that the board of directors authorize staff to acquire property in the northwest quadrant of the district for the price discussed in executive session, using system development charge fees in escrow, cash and credits, subject to the standard due diligence review and approval by the general manager or designee. Felicita Monteblanco seconded the motion. Roll call proceeded as follows:**

Tya Ping	Yes
Miles Palacios	Yes
Felicita Monteblanco	Yes
Alfredo Moreno	Yes
Barbie Minor	Yes

**The motion was UNANIMOUSLY APPROVED.**

**Alfredo Moreno moved that the board of directors authorize staff to acquire property in the southwest quadrant of the district for the price discussed in executive session, using cash and system development charges credit, subject to the standard due diligence review and approval by the general manager or designee. Tya Ping seconded the motion. Roll call proceeded as follows:**

<b>Felicita Montebianco</b>	<b>Yes</b>
<b>Miles Palacios</b>	<b>Yes</b>
<b>Tya Ping</b>	<b>Yes</b>
<b>Alfredo Moreno</b>	<b>Yes</b>
<b>Barbie Minor</b>	<b>Yes</b>

**The motion was UNANIMOUSLY APPROVED.**

#### **Agenda Item #4 – Proclamations**

President Minor welcomed this evening's guests in attendance to read the Asian American, Native Hawaiian, and Pacific Islander Heritage Month and Jewish American Heritage Month proclamations on behalf of the THPRD Board of Directors:

##### **A. Asian American, Native Hawaiian, and Pacific Islander Heritage Month**

Holly Thompson, Communications director, introduced this evening's guest to read the Asian American, Native Hawaiian, and Pacific Islander Heritage Month proclamation:

- Hongcheng Zhao is a board member for the Oregon Chinese Coalition (OCC). The OCC is a valued partner of THPRD and an instrumental organization in our community. During the pandemic, OCC played a critical role by providing access to space, shelter, and resources, supporting individuals and families from a wide range of backgrounds and identities. Over the years, our partnership has grown to include major public events such as Chinese New Year celebrations, Welcoming Week, and the large-scale Culture Day at Jenkins Estate. OCC has also led meaningful community service efforts, most recently supporting the donation of prom dresses to local high schools. In addition, the OCC has strengthened emergency preparedness by placing emergency management containers at THPRD's Rock Creek and Cedar Hills sites, making THPRD the host of three of the 27 total containers located across the entire state. OCC continues to advance our shared commitment to cultural inclusion and a stronger, more resilient community for all.

Hongcheng thanked THPRD for the opportunity to participate this evening and read the Asian American, Native Hawaiian, and Pacific Islander Heritage Month proclamation into the record.

##### **B. Jewish American Heritage Month**

Holly Thompson, Communications director, introduced this evening's guest to read the Jewish American Heritage Month proclamation:

- Marc Blattner is President & CEO of the Jewish Federation of Greater Portland. THPRD has been building a meaningful relationship with the Jewish Federation of Greater Portland. This past March, THPRD was proud to host their Holi & Purim celebration at Conestoga, a joyful and vibrant event that brought communities together. Staff is working with Rachel Nelson, Director of Educational Initiatives & Associate Director of Community Relations, whose family is enthusiastic and frequent visitors of Conestoga. The federation plays a vital role in supporting Jewish life, education, and cultural programs throughout the metro area and THPRD is honored to collaborate with them in fostering inclusion and community connection.

Marc thanked THPRD for the opportunity to participate this evening and read the Jewish American Heritage Month proclamation into the record.

President Minor thanked Hongcheng and Marc for sharing their time with the district this evening.

#### **Agenda Item #5 – Audience Time**

President Minor welcomed those in attendance to provide public testimony this evening and provided an overview of the public testimony process, which is limited to 30 minutes for all non-board agenda related topics.



Sarah Salove is before the board regarding the addition of another swim club affiliate to THPRD's lane allocation process. She spoke about her service on the affiliate stakeholders workgroup and her concerns around how capacity, usable hours, and in-district are being defined in the process.

Danielle Jacobson is before the board representing the Tualatin Hills Swim Club (THSC). She spoke about her attendance at recent lane allocation meetings and her concerns around the process being unfair and inequitable, as well as capacity issues and potential conflicts of interest.

Matt Miller is before the board representing the Tualatin Hills Swim Club (THSC). He spoke about his concerns around a lack of collaboration from THPRD regarding shared use of THSC's lane lines, noting that THSC has been asked to remove their lane lines from THPRD property.

Calvin Lin is before the board as president of the Tualatin Hills Swim Club (THSC). He spoke about THPRD and THSC's shared values to serve the community, especially the under-represented, and THSC's desire to work together to establish an equitable allocation process.

### **Agenda Item #6 – Board Time**

President Minor recognized that this evening marks the last board of directors meeting for board member Felicita Montebancho, whose term will be ending on June 30.

Holly Thompson, Communications director, read a recognition of Felicita's service and leadership to the community on behalf of City of Beaverton Mayor Lacey Beaty.

The board members and General Manager Doug Menke took turns sharing ways in which Felicita touched their lives and honored her many contributions as a THPRD board member over the past eight years. Comments included appreciation for her work in lifting up those who have traditionally been underrepresented, her boundless energy and enthusiasm, inclusivity, mentorship, intentionality, and the ripple effects that her service will have for years to come.

- ✓ Felicita offered comments of gratitude and appreciation to her fellow board members and district staff, noting that it has been an honor to serve the largest and best park district in the state and that it has been one of the best experiences of her life.

### **A. Committee Liaisons Updates**

Tya Ping provided the following updates and comments:

- ✓ Attended the THPRD Budget Committee work session in April.
- ✓ Along with most of her fellow board members, attended a lobby day at the state capitol in Salem to speak with the district's legislators.
- ✓ The most recent Joint Advisory Committees meeting included discussion on DEI strategy, THPRD's 70<sup>th</sup> Anniversary, and functional plans, followed immediately by an Equity & Engagement Advisory Committee meeting where challenge grants were discussed.

Miles Palacios provided the following updates and comments:

- ✓ Also attended the district's lobby day at the capitol and expressed gratitude to Deputy General Manager Aisha Panas and Kylie Grunow with Meriwether Strategies for arranging the visits.

Felicita Montebancho provided the following updates and comments:

- ✓ Took a tour of McKinley Elementary School with the principal and learned about the need for shoes for these students which reminded her of the work the district is doing in partnership with Beaverton School District around prom dresses and hygiene items.
- ✓ Attended the elected officials tour of the Washington County courthouse, which was eye-opening in terms of the dire situation for that facility.
- ✓ Provided an overview of the most recent Fiduciary Committee meeting via email.

President Minor provided the following updates and comments:

- ✓ Also attended the Joint Advisory Committees meeting and appreciates the ways in which the functional plans are being updated for consistency across all plans.
- ✓ Echoed her fellow board members' comments of gratitude around the planning efforts for the lobby day in Salem.
- ✓ Encouraged her fellow electeds to take the Oregon Rises Above Hate pledge to actively combat hate and prejudice.

#### **Agenda Item #7 – Consent Agenda**

**Tya Ping moved that the board of directors approve consent agenda items (A) Minutes of March 12, 2025 Regular Board Meeting, (B) Minutes of April 9, 2025 Regular Board Meeting, and (C) Quarterly Financial Report. Alfredo Moreno seconded the motion. Roll call proceeded as follows:**

<b>Felicita Monteblanco</b>	<b>Yes</b>
<b>Miles Palacios</b>	<b>Yes</b>
<b>Alfredo Moreno</b>	<b>Yes</b>
<b>Tya Ping</b>	<b>Yes</b>
<b>Barbie Minor</b>	<b>Yes</b>

**The motion was UNANIMOUSLY APPROVED.**

#### **Agenda Item #8 – Unfinished Business**

##### **A. 2025 Legislative Session**

Aisha Panas, deputy general manager, and Kylie Grunow with Meriwether Strategies, the district's state legislative consultant, provided an update on the 2025 Oregon Legislative Session currently in progress via a PowerPoint presentation, a copy of which was entered into the record, and which included the following information:

- Recap: THPRD Lobby Day – April 15, 2025
- Key Dates
  - January 21: First Day of Session
  - March 21: Post Work Sessions
  - April 9: First Chamber Deadline
  - May 9: Post Work Sessions
  - May 14: Revenue Forecast
  - May 23: Second Chamber Deadline
  - June 18: Target Sine Die
  - June 29: Constitutional Sine Die
- Session To Date
  - Issues & Status
    - Final third of session: budget
    - Big funding decisions yet to be made: transportation package, wildfire, agency budgets
    - Federal funding uncertainty: impacts negotiations on other bills affecting housing, labor, healthcare, etc.
  - ~3,435 bills introduced to date
    - ~20% of bills are placeholders
    - Tracking 382 bills overall; tracking 57 for THPRD specifically
- THPRD Testimony
  - Recreational Immunity
  - E-Micromobility Bill
  - RV Registration Fee / Abandoned Vehicle Fund
  - Concealed Handguns Policy Authority
  - Afterschool / Childcare Funding

Aisha and Kylie offered to answer any questions the board may have.

Alfredo Moreno expressed support for the work being done around raising awareness of and advocating for special districts.

Felicita Montebianco commented on the value of the meetings with legislators and noted the newly appointed Senator Courtney Neron Misslin who's area of representation covers a small portion of the district near Conestoga Recreation & Aquatic Center.

## **B. General Manager's Report**

The following presentations were provided as listed within the General Manager's Report included in the board of directors' information packet:

- Bond Planning Update
  - Aisha Panas, deputy general manager, and Bruce Barbarasch, Sustainability manager, provided an update on the work underway planning for a potential replacement measure for the 2008 Bond Measure, via a PowerPoint presentation, a copy of which was entered into the record.
- THPRD's 70<sup>th</sup> Anniversary
  - Chelsea Nikirk, community engagement specialist, provided an update on the district's plans to celebrate THPRD's 70th anniversary throughout 2025, via a PowerPoint presentation, a copy of which was entered into the record.

Doug and the presenters offered to answer any questions the board may have.

### Bond Planning Update

Aisha and Bruce requested board guidance on the following areas in order to advise the work being done in building the potential replacement bond measure package:

- Confirmation of project categories:
  - Recreation, Parks & Community Spaces
  - Buildings & Facilities
  - Environmental Stewardship
  - Accessible & Safe
  - Connected Trails
- Proportion of funds to each category
- Ratio of new projects to replacement projects
- Types of new projects
- Approval to form Bond Task Force

### Confirmation of Project Categories

- ✓ Felicita Montebianco referenced the ADA focus area within the Accessible & Safe category and how disability justice may be considered as well, noting that ADA is the minimum requirement and she would like to see THPRD do more than the minimum.
- ✓ Alfredo Moreno looks forward to seeing what the lead projects will be for each of these categories that will spark public interest and hopes consideration will be given to projects that larger user groups have been needing, such as additional synthetic turf fields.
- ✓ The board members expressed support for the categories as proposed.

### Proportion of Funds to Each Category (i.e., allocation percentages)

- ✓ Tya Ping expressed the need for more information on what the potential bond projects might be before this discussion can be meaningful and added that some projects may touch multiple categories.
- ✓ Felicita described her initial thoughts around the improvements needed to the district's older recreation centers in multiple category areas, as well as that parks and open spaces are truly accessible to all so perhaps are deserved of more funding, and the grant funding potential for environmental stewardship projects.

- ✓ President Minor wondered if the board having access to the list of projects under review by staff might help them better formulate direction in this area.
- ✓ Tya asked how a particular category is determined when a project is applicable to multiple categories. Bruce replied that the primary purpose of the project would be used in order to determine the category and provided some examples. Tya expressed concern around the potential for misinterpretation of the allocation pie chart when projects are impacting multiple categories.
- ✓ Alfredo noted that he hasn't heard a lot about a lack of connected trails so perhaps that category could be a smaller percentage. He expanded upon his previous comment around additional synthetic turf fields, noting the benefits of all-weather spaces. He also described the benefit that could arise if some of the projects have ancillary benefit to others, such as the district's partnership with Beaverton School District around sports fields, that might prompt support from people who are not avid THPRD users. Regarding environmental stewardship, being able to point to ways in which the district is helping mitigate wildfire and climate change risks would be beneficial, in addition to improvements to our facilities that remain in dire need of HVAC and air quality upgrades.

#### Ratio of New Projects to Replacement Projects

- ✓ Tya described the public's desire to see change when approving a bond measure so that they feel like their tax dollars are working. This does not necessarily mean only new items should be considered, but replacement items should be updated at that time, as well, not simply replaced like for like. As Barbie mentioned earlier, seeing the list of projects could help aid this discussion. Initially, her opinion is to defer to adding new projects, but she also wants to be cognizant about having a budget that needs to be able to keep up with those new projects. Replacing an outdated item with an entirely new one would be a way to accomplish this without a net gain of items to maintain. She doesn't want to see the bond add to future budget strains. General Manager Doug Menke referenced the comments heard from the Levy Task Force around the district addressing its deferred maintenance needs, noting that being able to enhance those projects at the same time is a unique opportunity.
- ✓ Alfredo described the need for excellent storytelling in upgrading existing facilities but believes the district would still need a headliner project to create some excitement.
- ✓ President Minor noted that her opinion is somewhere in the middle and described the importance of being able to tell both of those stories, from the excitement of a headlining project to also being mindful of the potential narrative around requesting funding for items that have not been able to be maintained.

#### Types of New Projects

- ✓ Tya described a four-season park concept that enables outdoor play in all types of weather, including a covered playground, noting that the area could also be used for emergency operations, such as for handing out food or supplies.
- ✓ Alfredo described community center spaces that can be used more broadly; a destination park but taking into consideration limiting the district's new footprint as described earlier by Tya; a splash pad in an area that doesn't already have one; and weatherproof amenities that extend the time of play, like synthetic turf. Doug described the balance of reduced maintenance costs for synthetic turf fields and increased usage hours, but also the higher replacement costs. He described the opportunity to redesign the district's administrative building for public use once a new administration building is purchased.
- ✓ Felicita described reflecting on the district's role around community centers and community gathering spaces; she loves the idea of an outdoor covered area; the use of installation art to make the area more iconic; and having a destination park in every quadrant.

#### Approval to Form Bond Task Force

- ✓ Felicity suggested consideration of including someone who served on the Vision Task Force and a Beaverton city councilor.
- ✓ Tya suggested that different ages be represented, including teens and seniors, as well as ability, both neuro and physical, and people involved in all different types of sports and all of the district's recreation centers.
- ✓ Alfredo suggested that geographical representation be considered as well as past committee candidates and someone who is not as well known to the board and district administration that has a more critical eye.
- ✓ President Minor suggested that the board and district staff look back on the lessons learned from the Levy Task Force effort.
- ✓ Tya added that diversity should also be considered and suggested reaching out to the district's community partners.
- ✓ Holly Thompson, Communications directors, provided a brief overview of the outreach work district staff is planning and noted that the upcoming polling effort will help inform the messaging.

#### THPRD's 70<sup>th</sup> Anniversary

The board members expressed appreciation to district staff for this work and excitement for the varied ways in which the community will be engaged to celebrate this milestone, from the parks passport concept, to free and reduced admissions for programs and special events, the storytelling potential, and how these efforts contribute to the overall branding for the district.

#### **Agenda Item #9 – Adjourn**

There being no further business, the meeting was adjourned at 8:45 pm.

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Barbie Minor, President

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Alfredo Moreno, Secretary

Recording Secretary,  
Jessica Collins



# MEMORANDUM

**DATE:** May 22, 2025  
**TO:** Doug Menke, General Manager  
**FROM:** Aisha Panas, Deputy General Manager  
**RE:** **Resolution Authorizing System Development Charge Indexed Rate Annual Cost Adjustment**

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## **Introduction**

Staff are seeking board approval of Resolution No. 2025-07 (Attachment 1), the System Development Charge (SDC) annual cost adjustment for 2025, and direction to staff to coordinate with Washington County and the City of Beaverton to implement the adjusted fees effective September 1, 2025.

## **Background**

The board of directors approved a resolution implementing the SDC program on November 17, 1998. The resolution provided the board of directors with the method to annually adjust SDC rates. The current 2020 SDC methodology (2020 methodology) was adopted by board Resolution No. 2020-25 and the current SDC rates were adopted by board Resolution No. 2024-11. The 2020 methodology recommended the continued use of an inflationary adjustment factor based on the percentage change in land value within the district as shown by Washington County Tax Assessor records and the annual percentage change in construction costs as shown within the Engineering News Record (ENR) January Construction Cost Index for Seattle. Incorporated into the SDC Administrative Procedures Guide (SDC APG) approved by the board on August 14, 2024, section 4.B. of the SDC APG directs staff to recommend adjustments to SDC rates based on the following formula:

$$\begin{aligned} & \text{Change in Average Market Value} \times 0.50 \\ & + \text{Change in Construction Cost Index} \times 0.50 \\ & = \text{Parks and Recreation System Development Charge Adjustment Factor} \end{aligned}$$

The SDC APG directs staff to calculate rate adjustments on or about June 1 of each year to account for changes in the expected costs of debt service and of acquiring and constructing facilities.

THPRD's SDC consultant, Deborah Galardi of the Galardi Rothstein Group, has submitted information (Attachment 2) that provides the figures to be used to obtain the adjustment factor noted below:

Annual Inflation Adjustment		
Cost Index	Weight <sup>1</sup>	% Increase
Land <sup>2</sup>	50%	+3.000%
Development <sup>3</sup>	50%	+2.910%
Recommended SDC Adjustment		+2.955%

<sup>1</sup>2020 SDC Methodology (Section 3.4.1 Inflationary Adjustments).

<sup>2</sup>Washington County Assessor's Office. Annual Increase average market value of undeveloped residential land within the district.

<sup>3</sup> Engineering News Record Construction Cost Index (Seattle), 12 month increase ending Jan 2025.

The following table shows the impact of implementing the annual adjustment index.

Tualatin Hills Park & Recreation District 2025 System Development Charge Annual Adjustment - Implementation Analysis*				
Category/Area	Current SDCs	Index-Based Adjustment <sup>1</sup>	Recommended New SDC Fee for FY2025/26	Recommended New Fee with Admin Charge <sup>2</sup>
<b>Districtwide - Residential</b>				
Single Family Average	\$13,764	\$407	\$14,171	\$14,540
SQ FT Category Basis				
<1,500 SQ FT	\$10,888	\$322	\$11,210	\$11,502
1,500-2,500 SQ FT	\$12,840	\$379	\$13,219	\$13,563
2,501-3,500 SQ FT	\$14,638	\$433	\$15,071	\$15,462
>3,500 SQ FT	\$15,665	\$463	\$16,128	\$16,548
Multi-Family Residential	\$10,324	\$305	\$10,629	\$10,905
Accessory Dwelling Unit (ADU)	\$5,599	\$165	\$5,764	\$5,914
Senior Housing	\$7,704	\$228	\$7,932	\$8,139
<b>North Bethany - Residential</b>				
Single Family Average	\$16,400	\$485	\$16,885	\$17,322
SQ FT Category Basis				
<1,500 SQ FT	\$12,972	\$383	\$13,355	\$13,703
1,500-2,500 SQ FT	\$15,298	\$452	\$15,750	\$16,159
2,501-3,500 SQ FT	\$17,440	\$515	\$17,955	\$18,422
>3,500 SQ FT	\$18,664	\$552	\$19,216	\$19,715
Multi-Family Residential	\$12,300	\$363	\$12,663	\$12,992
ADU	\$6,670	\$197	\$6,867	\$7,045
Senior Housing	\$9,178	\$271	\$9,449	\$9,696
<b>Non-Residential – All Areas**</b>				
New Employee	\$644	\$19	\$663	\$682

\*All figures are rounded to the nearest dollar

\*\* Non-Residential fees are calculated with the New Employee figure as shown in Attachment 2, Table 3.

<sup>1</sup>Change in SDC fee due to +2.955% index-based adjustment applied

<sup>2</sup>SDC Administration charge (2.6%) as calculated in Attachment 2, Table 2

The district decided to move forward with a 2.095% inflationary SDC adjustment in June 2024. The district's decision was made to ensure THPRD's continued ability to fund its five-year SDC Capital Improvement Program (CIP) and was based on the inflationary trends beginning in mid-2021 that increased land acquisition and construction costs. Additional inflationary updates are needed to ensure the district has sufficient funding to continue delivering projects on THPRD's five-year SDC CIP project list, adopted by the board via Resolution No. 2025-04, and to ensure THPRD's 20-year SDC Capital Project List, adopted by the board via Resolution No. 2020-27 and updated via Resolution No. 2024-01, continues to be fully funded.

### **Proposal Request**

Staff are seeking board approval of Resolution No. 2025-07 to approve the System Development Charge annual cost adjustment for 2025, and to direct staff to coordinate with Washington County and the City of Beaverton to implement the adjusted fees effective September 1, 2025.

### **Outcomes of Proposal**

Annual adjustments to SDC rates are essential to ensuring THPRD is able to meet the parks and recreation needs of our district's growing population by funding the five- and 20-year SDC CIP projects that allow the district to achieve the level of service targets detailed within the adopted 2020 methodology.

### **Public Engagement**

Public engagement was completed during the development of the 2020 methodology. During that engagement process staff coordinated with individuals on the district's SDC interested party list and local agency partners.

Public engagement is not considered as a part of the annual SDC rate adjustment or APG amendment processes; however, in the spirit of transparency, staff emailed a copy of the SDC rate adjustment proposal for 2025 to all parties on THPRD's SDC interested party list. The email included the district's timeline for taking the information to the board.

### **Action Requested**

Staff are seeking board approval of Resolution No. 2025-07 to approve the System Development Charge annual cost adjustment for 2025, and to direct staff to coordinate with Washington County and the City of Beaverton to implement the adjusted fees effective September 1, 2025.



## RESOLUTION NO. 2025-07

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
TUALATIN HILLS PARK & RECREATION DISTRICT APPROVING SYSTEM  
DEVELOPMENT CHARGE ANNUAL COST ADJUSTMENT**

**WHEREAS**, the Tualatin Hills Park & Recreation District (THPRD) has by resolution (dated and signed November 17, 1998) adopted a System Development Charge (SDC) (hereinafter the “SDC Resolution”); and

**WHEREAS**, the THPRD board approved the SDC Administrative Procedures Guide (SDC APG) on August 14, 2024; and

**WHEREAS**, Section 4(f) of the SDC Resolution and Section 4.B. of the SDC APG provides for the annual adjustment of SDCs based on adopted cost indexes to account for changes in the costs of acquiring land and constructing park and recreation facilities; and

**WHEREAS**, the THPRD board adopted the current SDC methodology by Resolution No. 2020-25; and

**WHEREAS**, annual review of the district’s SDC rates in light of applicable cost indexes is appropriate at this time.

**NOW THEREFORE, the Tualatin Hills Park & Recreation District resolves:**

Section 1: Pursuant to Section 4(f) of the SDC Resolution and Section 4.B. of the SDC APG, the following SDC annual cost adjustment is hereby approved:

Land Value	$3.000\% \times 0.500 = 1.500\%$
Construction Costs	$+ 2.910\% \times 0.500 = 1.455\%$
	<u>100% = 2.955%</u>

Section 2: The adjustment shall increase Tualatin Hills Park & Recreation District SDC fees using the SDC methodology set forth under Resolution No. 2020-25 as follows:

## RESOLUTION NO. 2025-07

**Tualatin Hills Park & Recreation District  
2025 System Development Charge Annual Adjustment - Implementation Analysis**

<b>Development Type</b>	<b>Persons per Unit</b>	<b>Current SDC</b>	<b>Index-Based SDC Adjustment<sup>1</sup></b>	<b>FY 2025/26 SDC<sup>2</sup></b>	<b>FY 2025/26 SDC w/Admin Charge<sup>3</sup></b>
<b>Residential \$/Dwelling Unit</b>					
<b>Districtwide</b>					
<i>Single-Family</i>					
Class Average Basis	2.68	\$13,764	\$407	\$14,171	\$14,540
SQ FT Category Basis					
<1,500 SQFT	2.12	\$10,888	\$322	\$11,210	\$11,502
1,500-2,500 SQFT	2.50	\$12,840	\$379	\$13,219	\$13,563
2,501-3,500 SQFT	2.85	\$14,638	\$433	\$15,071	\$15,462
>3,500 SQFT	3.05	\$15,665	\$463	\$16,128	\$16,548
<i>Multifamily</i>	2.01	\$10,324	\$305	\$10,629	\$10,905
<b>North Bethany</b>					
<i>Single-Family</i>					
Class Average Basis	2.68	\$16,400	\$485	\$16,885	\$17,322
SQ FT Category Basis					
<1,500 SQFT	2.12	\$12,972	\$383	\$13,355	\$13,703
1,500-2,500 SQFT	2.50	\$15,298	\$452	\$15,750	\$16,159
2,501-3,500 SQFT	2.85	\$17,440	\$515	\$17,955	\$18,422
>3,500 SQFT	3.05	\$18,664	\$552	\$19,216	\$19,715
<i>Multifamily</i>	2.01	\$12,300	\$363	\$12,663	\$12,992
<b>Other Housing</b>					
<b>Districtwide</b>					
<i>Accessory Dwelling Units</i>	1.09	\$5,599	\$165	\$5,764	\$5,914
<i>Senior Housing</i>	1.50	\$7,704	\$228	\$7,932	\$8,139
<b>North Bethany</b>					
<i>Accessory Dwelling Units</i>	1.09	\$6,670	\$197	\$6,867	\$7,045
<i>Senior Housing</i>	1.50	\$9,178	\$271	\$9,449	\$9,696
<b>Nonresidential</b>					
Cost per Employee		\$644	\$19	\$663	\$682

<sup>1</sup>All figures are rounded to the nearest dollar

<sup>2</sup>Includes compliance charge

<sup>3</sup>City and County administration charge (2.60%)

Section 3: The Fiscal Year (FY) 2025/26 SDC schedule attached as Exhibit A to this Resolution is adopted.

Section 4: This resolution shall be effective September 1, 2025, to allow Washington County and the City of Beaverton time to implement the adjustment.

**RESOLUTION NO. 2025-07**

Approved by the Tualatin Hills Park & Recreation District Board of Directors on the 11<sup>th</sup> day of June 2025.

\_\_\_\_\_  
Barbie Minor, President

\_\_\_\_\_  
Alfredo Moreno, Secretary

ATTEST:

\_\_\_\_\_  
Jessica Collins, Recording Secretary

## RESOLUTION NO. 2025-07

## Exhibit A

SYSTEM DEVELOPMENT CHARGE  
Schedule of Fees  
Effective September 1, 2025

## Residential Fees

FY2025/26 Residential SDC Schedule\*

Development Type	Persons per Unit	FY 24/25 SDC <sup>1</sup>	FY 24/25 SDC w/Admin Charge <sup>2</sup>	FY 25/26 SDC <sup>1</sup>	FY 25/26 SDC w/Admin Charge <sup>2</sup>
<b>Residential \$/Dwelling Unit</b>					
<b>Districtwide</b>					
<i>Single-Family</i>					
Class Average Basis	2.68	\$13,764	\$14,123	\$14,171	\$14,540
SQ FT Category Basis					
<1,500 SQFT	2.12	\$10,888	\$11,172	\$11,210	\$11,502
1,500-2,500 SQFT	2.50	\$12,840	\$13,174	\$13,219	\$13,563
2,501-3,500 SQFT	2.85	\$14,638	\$15,018	\$15,071	\$15,462
>3,500 SQFT	3.05	\$15,665	\$16,073	\$16,128	\$16,548
<i>Multifamily</i>	2.01	\$10,324	\$10,592	\$10,629	\$10,905
<b>North Bethany</b>					
<i>Single-Family</i>					
Class Average Basis	2.68	\$16,400	\$16,825	\$16,885	\$17,322
SQ FT Category Basis					
<1,500 SQFT	2.12	\$12,972	\$13,310	\$13,355	\$13,703
1,500-2,500 SQFT	2.50	\$15,298	\$15,695	\$15,750	\$16,159
2,501-3,500 SQFT	2.85	\$17,440	\$17,893	\$17,955	\$18,422
>3,500 SQFT	3.05	\$18,664	\$19,149	\$19,216	\$19,715
<i>Multifamily</i>	2.01	\$12,300	\$12,619	\$12,663	\$12,992
<b>Other Housing</b>					
<b>Districtwide</b>					
<i>Accessory Dwelling Units</i>	1.09	\$5,599	\$5,744	\$5,764	\$5,914
<i>Senior Housing</i>	1.50	\$7,704	\$7,905	\$7,932	\$8,139
<b>North Bethany</b>					
<i>Accessory Dwelling Units</i>	1.09	\$6,670	\$6,843	\$6,867	\$7,045
<i>Senior Housing</i>	1.50	\$9,178	\$9,418	\$9,449	\$9,696
<b>Nonresidential</b>					
Cost per Employee		\$644	\$662	\$663	\$682

<sup>1</sup>Includes compliance charge<sup>2</sup>Administration charge (2.60%)

\*All figures rounded to the nearest dollar

## RESOLUTION NO. 2025-07

## Non-Residential Fees

FY2025/26 Non-Residential SDC Schedule\*

Development Type	Unit	TGSF/ Employee	Employee s/ Unit	FY2025/26 SDC	
				SDC	SDC w/Admin Charge <sup>1</sup>
<b>SDC per Unit</b>	<i>Employee</i>			\$663	\$682
<b>Districtwide</b>					
Food Service	<i>TGSF</i>	200	5.00	\$3,315	\$3,410
Office, Financial Service, Utilities	<i>TGSF</i>	300	3.33	\$2,210	\$2,273
Retail, Industrial	<i>TGSF</i>	600	1.67	\$1,105	\$1,137
Recreation, Church, Library	<i>TGSF</i>	900	1.11	\$737	\$758
Hardware, Paint, Furniture, Lumber	<i>TGSF</i>	1,600	0.63	\$414	\$426
Warehousing	<i>TGSF</i>	2,910	0.34	\$228	\$234
<b>Special Categories</b>					
College, Day Care	<i>Students</i>	n/a	0.17	\$114	\$118
Hospital	<i>Beds</i>	n/a	5.89	\$3,905	\$4,016
Golf Driving Range	<i>Tees</i>	n/a	0.25	\$163	\$168
Hotel/Motel	<i>Rooms</i>	n/a	0.58	\$387	\$398
Convenience Market with Fuel Pump	<i>VFP</i>	n/a	1.33	\$879	\$904
Gas Station	<i>VFP</i>	n/a	0.75	\$500	\$515

\*All figures are rounded to nearest dollar

TGSF = Thousand Gross Square Feet

<sup>1</sup>Administration charge (2.60%)

May 7, 2025

Ms. Nicole Paulsen, Planning Supervisor  
Tualatin Hills Park & Recreation District  
15707 SW Walker Road  
Beaverton, OR 97006

Subject: System Development Charge (SDC) Inflationary Adjustments for 2025

Dear Ms. Paulsen:

Adopted via Tualatin Hills Park & Recreation District Board Resolution No. 2020-25, the District's Parks System Development Changes Methodology (SDC methodology) includes the following guidance regarding the annual adjustment of the SDC rates based on changes in costs:

*As allowed by Oregon law, the District will annually update the SDCs by resolution based on application of cost indices. The SDC project list includes a combination of land acquisition and development costs; therefore, the District will use information published by the Washington County Assessor's Office and the Engineering News-Record (ENR) Seattle Construction Cost index to determine the annual inflationary adjustment. The inflationary adjustment will be based on the following formula:*

*Annual percent change in ENR Construction Cost index x percent of project list costs for development  
+ Annual percent change in land value within the District and the Metro Urban Growth Boundary x  
percent of project list costs for land acquisition  
= Parks and Recreation System Development Charge Adjustment Factor*

*The specific percentages attributable to land and development change over time as the SDC project list changes; therefore, the District intends to provide equal (50%/50%) weighting of the land and development indices; however, future modifications to the inflationary adjustment formula may be adopted through separate future resolution(s).*

*The District intends to base the adjustment on the ENR index published on or about January 1st of each year. Land costs will be based on the market value of undeveloped land, as reported by the Assessor's Office annually in the fall.<sup>1</sup>*

Table 1 provides the 2025 inflation adjustment, based on data provided by the Washington County Tax Assessor's office for fall of 2024 and the ENR Construction Cost Index for Seattle as of January 2025. The land adjustment is 3.00 percent for in-district property class 1000, unimproved land, that is then further refined to capture only residential unimproved land. This in-district residential unimproved land represents the best proxy for the cost of land for parks. The Construction Cost Index increased by 2.91 percent for the 12 months ending January 2025. Application of the cost adjustment formula yields an overall adjustment factor of 2.955 percent.

<sup>1</sup> Parks System Development Charges, November 13, 2020, Section 3.4.1.

**Table 1***FY 2025-26 Annual Inflation Adjustment*

<b>Cost Index</b>	<b>Weight<sup>1</sup></b>	<b>% Increase</b>
Land <sup>2</sup>	50%	3.000%
Development <sup>3</sup>	50%	2.910%
<b>Composite Increase</b>		<b>2.955%</b>

<sup>1</sup>2024 SDC Administrative Procedures Guide (Section 4.b SDC Rates, Annual Cost Adjustment and Methodology).

<sup>2</sup>Washington County Assessor's Office. Annual Increase in average market value of undeveloped residential land within the District.

<sup>3</sup>Engineering News Record Construction Cost Index, Seattle 12-month increase ending Jan 2025.

Application of this adjustment factor produces the residential SDC schedule shown in Table 2. The District's adopted SDC methodology provides for both a uniform SDC per dwelling unit by type of unit, and a scaled SDC based on dwelling area size (as measured by square feet of living area). The inflation adjustment is applied to both sets of SDCs in Table 2.

**Table 2***Current and Inflation-Adjusted Residential SDC*

<b>Development Type</b>	<b>FY2024/25 SDC</b>		<b>FY2025/26 SDC<sup>3</sup></b>		<b>\$ Change</b>	
	SDC <sup>1</sup>	SDC w/Admin Charge <sup>2</sup>	SDC	SDC w/Admin Charge	SDC <sup>3</sup>	SDC w/Admin Charge <sup>2</sup>
<b>SDC per Dwelling Unit</b>						
<b>District-Wide</b>						
<i>Single-Family</i>						
Class Average Basis	\$13,764	\$14,123	\$14,171	\$14,540	\$407	\$417
SQ FT Category Basis						
<1,500 SQFT	\$10,888	\$11,172	\$11,210	\$11,502	\$322	\$330
1,500-2,500 SQFT	\$12,840	\$13,174	\$13,219	\$13,563	\$379	\$389
2,501-3,500 SQFT	\$14,638	\$15,018	\$15,071	\$15,462	\$433	\$444
>3,500 SQFT	\$15,665	\$16,073	\$16,128	\$16,548	\$463	\$475
<i>Multifamily</i>	\$10,324	\$10,592	\$10,629	\$10,905	\$305	\$313
<b>North Bethany</b>						
<i>Single-Family</i>						
Class Average Basis	\$16,400	\$16,825	\$16,885	\$17,322	\$485	\$497
SQ FT Category Basis						
<1,500 SQFT	\$12,972	\$13,310	\$13,355	\$13,703	\$383	\$393
1,500-2,500 SQFT	\$15,298	\$15,695	\$15,750	\$16,159	\$452	\$464
2,501-3,500 SQFT	\$17,440	\$17,893	\$17,955	\$18,422	\$515	\$529
>3,500 SQFT	\$18,664	\$19,149	\$19,216	\$19,715	\$552	\$566
<i>Multifamily</i>	\$12,300	\$12,619	\$12,663	\$12,992	\$363	\$373
<b>District-Wide</b>						
<i>Accessory Dwelling Units</i>	\$5,599	\$5,744	\$5,764	\$5,914	\$165	\$170
<i>Senior Housing</i>	\$7,704	\$7,905	\$7,932	\$8,139	\$228	\$234
<b>North Bethany</b>						
<i>Accessory Dwelling Units</i>	\$6,670	\$6,843	\$6,867	\$7,045	\$197	\$202
<i>Senior Housing</i>	\$9,178	\$9,418	\$9,449	\$9,696	\$271	\$278

<sup>1</sup>THPRD Fiscal Year 2024/25 System Development Charge Fee Schedule (Resolution No. 2024-11)

<sup>2</sup>Administration charge (2.60%)

<sup>3</sup>Adjusted for inflation per Table 1

Application of the inflation adjustment to nonresidential SDCs is provided in Table 3.

**Table 3**

*FY2024/25 and Inflation-Adjusted Non-Residential SDC*

Development Type	Unit	TGSF/ Employee	Employees/ Unit	FY2024/25 SDC		FY2025/26 SDC <sup>2</sup>		\$ Change	
				SDC	SDC w/Admin Charge <sup>1</sup>	SDC	SDC w/Admin Charge	SDC	SDC w/Admin Charge
<b>SDC per Unit</b>				\$644	\$662	\$663	\$682	\$19	\$20
<b>District-Wide</b>									
Food Service	<i>TGSF</i>	200	5.00	\$3,220	\$3,310	\$3,315	\$3,410	\$95	\$100
Office, Financial Service, Utilities	<i>TGSF</i>	300	3.33	\$2,147	\$2,207	\$2,210	\$2,273	\$63	\$66
Retail, Industrial	<i>TGSF</i>	600	1.67	\$1,073	\$1,103	\$1,105	\$1,137	\$32	\$34
Recreation, Church, Library	<i>TGSF</i>	900	1.11	\$716	\$736	\$737	\$758	\$21	\$22
Hardware, Paint, Furniture, Lumber	<i>TGSF</i>	1,600	0.63	\$403	\$414	\$414	\$426	\$11	\$12
Warehousing	<i>TGSF</i>	2,910	0.34	\$221	\$227	\$228	\$234	\$7	\$7
<b>Special Categories</b>									
College, Day Care	<i>Students</i>	na	0.17	\$111	\$114	\$114	\$118	\$3	\$4
Hospital	<i>Beds</i>	na	5.89	\$3,793	\$3,899	\$3,905	\$4,016	\$112	\$117
Golf Driving Range	<i>Tees</i>	na	0.25	\$158	\$163	\$163	\$168	\$5	\$5
Hotel/Motel	<i>Rooms</i>	na	0.58	\$375	\$386	\$387	\$398	\$12	\$12
Convenience Market with Fuel Pump	<i>VFP</i>	na	1.33	\$853	\$877	\$879	\$904	\$26	\$27
Gas Station	<i>VFP</i>	na	0.75	\$486	\$500	\$500	\$515	\$14	\$15

TGSF = Thousand Gross Square Feet

<sup>1</sup>Administration charge (2.60%)

<sup>2</sup>Adjusted for inflation per Table 1



Please contact me if you have any questions or require additional information. Thank you for the opportunity to serve the District.

Sincerely,

A handwritten signature in black ink, appearing to read "Deborah A. Galardi". The signature is fluid and cursive, with the first name "Deborah" being more prominent.

Deborah Galardi  
Member

**Exhibit 1**

FY2025/26 SDC Schedule

<b>Development Type</b>	<b>Persons per Unit</b>	<b>SDC<sup>1</sup></b>	<b>SDC w/Admin Charge<sup>2</sup></b>	<b>SDC<sup>1</sup></b>	<b>SDC w/Admin Charge<sup>2</sup></b>
<b>Residential \$/Dwelling Unit</b>					
<b>District-Wide</b>					
<i>Single-Family</i>					
Class Average Basis	2.68	\$13,764	\$14,123	\$14,171	\$14,540
SQ FT Category Basis					
<1,500 SQFT	2.12	\$10,888	\$11,172	\$11,210	\$11,502
1,500-2,500 SQFT	2.50	\$12,840	\$13,174	\$13,219	\$13,563
2,501-3,500 SQFT	2.85	\$14,638	\$15,018	\$15,071	\$15,462
>3,500 SQFT	3.05	\$15,665	\$16,073	\$16,128	\$16,548
<i>Multifamily</i>	2.01	\$10,324	\$10,592	\$10,629	\$10,905
<b>North Bethany</b>					
<i>Single-Family</i>					
Class Average Basis	2.68	\$16,400	\$16,825	\$16,885	\$17,322
SQ FT Category Basis					
<1,500 SQFT	2.12	\$12,972	\$13,310	\$13,355	\$13,703
1,500-2,500 SQFT	2.50	\$15,298	\$15,695	\$15,750	\$16,159
2,501-3,500 SQFT	2.85	\$17,440	\$17,893	\$17,955	\$18,422
>3,500 SQFT	3.05	\$18,664	\$19,149	\$19,216	\$19,715
<i>Multifamily</i>	2.01	\$12,300	\$12,619	\$12,663	\$12,992
<b>Other Housing</b>					
<b>District-Wide</b>					
<i>Accessory Dwelling Units</i>	1.09	\$5,599	\$5,744	\$5,764	\$5,914
<i>Senior Housing</i>	1.50	\$7,704	\$7,905	\$7,932	\$8,139
<b>North Bethany</b>					
<i>Accessory Dwelling Units</i>	1.09	\$6,670	\$6,843	\$6,867	\$7,045
<i>Senior Housing</i>	1.50	\$9,178	\$9,418	\$9,449	\$9,696
<b>Nonresidential</b>					
Cost per Employee		\$644	\$662	\$663	\$682

<sup>1</sup>Includes compliance charge<sup>2</sup>Administration charge (2.60%)



# MEMORANDUM

**DATE:** May 20, 2025  
**TO:** Doug Menke, General Manager  
**FROM:** Jared Isaksen, Finance Director  
**RE:** **Resolution Adopting District Investment Policy**

---

## **Introduction**

The district's existing investment policy needs to be adopted annually as required by ORS 294.135(a).

## **Background**

The district's existing investment policy was amended in 2023 to bring the policy in line with the Oregon Short Term Fund Board sample policy recommendations and state statute.

Oregon Revised Statutes (ORS Chapter 294.135(a)) requires public agencies investing in securities with maturities longer than 18 months to annually adopt their investment policies. The policy was last reviewed and adopted in June 2024 with updates to align to state statute and Oregon Short Term Fund Board recommendations. Government Finance Officers Association (GFOA) Best Practices also dictate that agencies adopt an investment policy.

The district has entered into a contract with Government Portfolio Advisors (GPA) for Financial Advisory Services for the district's investment portfolio and program. After review of the policy this year, GPA has recommended minor updates for 2025 (see attached memo from Government Portfolio Advisors).

## **Proposal Request**

Board of Directors' consideration of approval of the attached resolution adopting the district's investment policy.

## **Outcomes of Proposal**

With the adoption of the investment policy, the district, through the work of GPA, will be able to continue to better manage the district's investments of General Fund and SDC Fund resources and increase the interest revenue that would have otherwise been earned.

## **Action Requested**

Board of Directors' approval of Resolution 2025-08 amending the district's investment policy and guidelines.

# MEMO

To: Jared Isaksen, Finance Director – THPRD  
From: Amphaphone Mar, Sr. Client Service Analyst – GPA  
Date: May 19, 2025  
Re: Investment Policy Review and Update 2025

ORS 294.135(a) requires local governments investing in securities with maturities longer than 18 months to annually adopt their investment policies. The policy was last reviewed and adopted in June 2024. It is being presented for re-adoption for 2025 to the Board of Directors with the following recommended updates:

- ✓ Remove Investment Advisor Policy Certification in Section 6.B.d – this is covered by our contract.
- ✓ Removed reference to money market instruments and updated to bank deposits in Section 9.C.iv – to comply with newer language.
- ✓ Recommend updating Weighted Average Maturity (WAM) from 2.0 to 2.5 years in Section 9.C.v Total Portfolio Maturity Constraints Table. This better aligns to the current investment core strategy, which utilizes the 0-5 year benchmark and will provide additional flexibility during times of fluctuating aggregate balances.

<b>Maturity Constraints</b>	<b>Minimum % of Total Portfolio</b>
Under 30 days	10%
Under 1 year	25%
Under 5.25 years	100%
<b>Maturity Constraints</b>	<b>Total Portfolio Maximum</b>
Weighted Average Maturity	2.5 years
<b>Security Structure Constraint</b>	<b>Maximum % of Total Portfolio</b>
Callable Agency Securities	25%

- ✓ Updating language in Section 12.B.iii. for additional clarification on fluctuations in aggregate balances.



## Investment Policy

June ~~14~~11, ~~2023~~2025

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## **1. Purpose**

This Investment Policy defines the parameters within which funds are to be invested by the Tualatin Hills Park and Recreation District (district). This policy formalizes the framework, pursuant to ORS 294.135, for the district's investment activities to ensure effective and judicious management within the scope of this policy.

## **2. Governing Authority**

The district's investment program shall be operated in conformance with Oregon Revised Statutes and applicable federal law. ORS 294.035; 294.040; 294.052; 294.135; 294.145; and 294.810. All funds within the scope of this policy are subject to laws established by the state of Oregon. Any revisions or extensions of these sections of the ORS shall be assumed to be part of this Investment Policy immediately upon being enacted.

This Policy has been adopted by Resolution #2023-07 by the THPRD Board of Directors on June 14, 2023, and replaces the district's previously adopted policy dated May 10, 2010.

## **3. Scope**

This policy applies to activities of the district with regard to investing the financial assets of shorter-term operating funds, capital funds including bond proceeds and bond reserve funds. Investments of employees' retirement funds, deferred compensation plans, and other funds are not covered by this policy. The amount of funds falling within the scope of this policy over the next three years is expected to range between \$5 million and \$200 million.

## **4. General Objectives**

### **A. Preservation of Invested Capital**

Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The goal is to mitigate credit risk and interest rate risk.

### **B. Liquidity**

The investment portfolio shall remain sufficiently liquid to meet all reasonably anticipated operating requirements. Furthermore, the portfolio should consist largely of securities with active secondary or resale markets. A portion of the portfolio also may be placed in the Oregon Short-Term Fund which offers next-day liquidity. Where possible and prudent, the portfolio should be structured so that investments mature concurrent with anticipated demands.

### **C. Return**

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into consideration the safety and liquidity needs of the portfolio. Although return consists of both principal return (gains and losses due to market value fluctuations) and income return (yield), this policy discourages

active trading and turnover of investments. Investments should generally be held to maturity.

## **5. Standards of Care**

### **A. Prudence**

The standard of prudence to be used by investment officials shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported and appropriate action is taken to control adverse developments within a timely fashion as defined in this policy. The “prudent person” standard states:

*Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.*

### **B. Ethics and Conflicts of Interest**

Officers and employees involved in the investment process shall refrain from personal activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. Disclosure shall be made to the governing body. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the district. Officers and employees shall, at all times, comply with the State of Oregon Government Standards and Practices code of ethics set forth in ORS Chapter 244.

### **C. Delegation of Authority and Responsibilities**

#### **i. Governing Body**

The board of directors will retain ultimate fiduciary responsibility for invested funds. The governing body will receive reports, pursuant to, and with sufficient detail to comply with ORS 294.085 and 294.155.

#### **ii. Delegation of Authority**

Authority to manage investments within the scope of this policy and operate the investment program in accordance with established written procedures and internal controls is granted to the Finance Director, or designee (hereinafter referred to as Investment Officer), and derived from the following: ORS 294.035 to 294.053, 294.125 to 294.145, and 294.810.



No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Investment Officer. The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

All participants in the investment process shall seek to act responsibly as custodians of the public trust. No officer or designee may engage in an investment transaction except as provided under the terms of this policy and supporting procedures.

iii. Investment Advisor

The Finance Director may engage the services of one or more external investment managers to assist in the management of the district investment portfolio in a manner consistent with this investment policy. Investment advisors may be hired on a discretionary or a non-discretionary basis. If the district hires an investment advisor to provide investment management services, the advisor is authorized to transact with its direct dealer relationships on behalf of the district.

## **6. Transaction Counterparties**

### **A. Broker/Dealers**

The Investment Officer shall determine which broker/dealer firms and registered representatives are authorized for the purposes of investing funds within the scope of this investment policy. A list will be maintained of approved broker/dealer firms and affiliated registered representatives.

The following minimum criteria must be met prior to authorizing investment transactions. The Investment Officer may impose more stringent criteria.

- i. Broker/Dealer firms must meet the following minimum criteria:
  - a. Be registered with the Securities and Exchange Commission (SEC)
  - b. Be registered with the Financial Industry Regulatory Authority (FINRA)
  - c. Provide most recent audited financials
  - d. Provide FINRA Focus Report filings
- ii. Approved broker/dealer employees who execute transactions with the district must meet the following minimum criteria:
  - a. Be a registered representative with the Financial Industry Regulatory Authority (FINRA);
  - b. Be licensed by the state of Oregon;
  - c. Provide certification (in writing) of having read, understood, and agreed to comply with the most current version of this investment policy.
- iii. Periodic (at least annual) review of all authorized broker/dealers and their respective authorized registered representatives will be conducted by the Investment Officer. Factors to consider would be:

- a. Pending investigations by securities regulators
  - b. Significant changes in net capital
  - c. Pending customer arbitration cases
  - d. Regulatory enforcement actions
- iv. The Investment Officer shall maintain and review annually a list of all authorized financial institutions and broker/dealers that are approved to transact with the district for investment purposes.

The Investment Officer may utilize the investment advisor's approved broker/dealer list in lieu of the district's own approved list. The advisor must submit the approved list to the district annually and provide updates throughout the year as they occur. The advisor must maintain documentation of appropriate license and professional credentials of broker/dealers on the list. The annual investment advisor broker/dealer review procedures should include:

- a. FINRA Certification check
  - Firm Profile
  - Firm History
  - Firm Operations
  - Disclosures of Arbitration Awards, Disciplinary and Regulatory Events
  - State Registration Verification
- b. Financial review of acceptable FINRA capital requirements or letter of credit for clearing settlements.

The advisors must provide the district with any changes to the list prior to transacting on behalf of the district.

The advisor may be authorized through the contracted agreement to open accounts on behalf of the district with the broker/dealers on the approved list. The district will receive documentation directly from the brokers for account verification and regulatory requirements.

## **B. Investment Advisors**

A list will be maintained of approved advisors selected by conducting a process of due diligence.

- i. The following items are required for all approved Investment Advisors:
  - a. The investment advisor firm must be registered with the Securities and Exchange Commission (SEC) or licensed by the state of Oregon (Note: Investment advisor firms with assets under management > \$100 million must be registered with the SEC, otherwise the firm must be licensed by the state of Oregon).
  - b. All investment advisor firm representatives conducting investment transactions on behalf of the district must be registered representatives with FINRA.
  - c. All investment advisor firm representatives conducting investment transactions on behalf of the district must be licensed by the state of Oregon.

~~d. Certification by all of the advisor representatives conducting investment transactions on behalf of this entity, of having read, understood and agreed to comply with this investment policy.~~

**Commented [WM1]:** Covered by contract

- ii. A periodic (at least annual) review of all authorized investment advisors under contract will be conducted by the Investment Officer to determine their continued eligibility within the portfolio guidelines. The investment Advisor must notify the district immediately if any of the following issues arise while serving under a district contract:
  - a. Pending investigations by securities regulators.
  - b. Significant changes in net capital.
  - c. Pending customer arbitration cases.
  - d. Regulatory enforcement actions.

#### **C. Depositories**

All financial institutions who desire to become depositories must be qualified Oregon Depositories pursuant to ORS Chapter 295.

#### **D. Competitive Transactions**

- i. The Investment Officer shall obtain and document competitive bid information on all investments purchased or sold in the secondary market. Competitive bids or offers should be obtained, when possible, from at least three separate brokers/financial institutions or through the use of a nationally recognized trading platform.
- ii. In the instance of a security for which there is no readily available competitive bid or offering on the same specific issue, then the Investment Officer shall document quotations for comparable or alternative securities.
- iii. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities as the same original issue price. However, the Investment Officer is encouraged to document quotations on comparable securities.
- iv. If an investment advisor provides investment management services, the advisor must retain documentation of competitive pricing execution on each transaction and provide upon request.

### **7. Administration and Operations**

#### **A. Delivery vs. Payment**

All trades of marketable securities will be executed (cleared and settled) by delivery vs. payment (DVP) to ensure that securities are deposited in the district safekeeping institution prior to the release of funds.

#### **B. Third-Party Safekeeping**

Securities will be held by an independent third-party safekeeping institution selected by the district. All securities will be evidenced by safekeeping receipts in the district's name. Upon request, the safekeeping institution shall make available a copy of its Statement on Standards for Attestation Engagements (SSAE) No. 16. The district will have online

access through the safekeeping bank for verification of the account holdings and transactions. The district may hold bank deposits or certificates of deposits at banks qualified under ORS 295.

### **C. Internal Controls**

The Finance Director is responsible for establishing and maintaining an adequate internal control structure designed to reasonably assure that invested funds are invested within the parameters of this Investment policy and, protected from loss, theft or misuse. Specifics for the internal controls shall be documented in writing. The established control structure shall be reviewed and updated periodically by the district.

The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management. The internal controls shall address the following points at a minimum:

- i. Compliance with investment policy constraints and requirements
- ii. Control of collusion
- iii. Segregation of duties and separation of responsibilities for trade execution, accounting, and record keeping
- iv. Custodial safekeeping
- v. Avoidance of physical delivery of securities wherever possible and address control requirements for physical delivery where necessary
- vi. Clear delegation of authority
- vii. Confirmation of transactions for investments and wire transfers in written or digitally verifiable electronic form
- viii. Dual authorizations of wire and automated clearing house (ACH) transfers
- ix. Staff training
- x. Review, maintenance and monitoring of security procedures both manual and automated
- xi. Timely reconciliation of custodial reports
- xii. Appropriate security for online transactions and access to bank accounts and bank data

An external auditor shall provide an annual independent review to assure compliance with Oregon state law and district policies and procedures.

### **D. Accounting Method**

The district shall comply with all required legal provisions and Generally Accepted Accounting Principles (GAAP). The accounting principles are those contained in the pronouncements of authoritative bodies including but not necessarily limited to, the Governmental Accounting Standards Board (GASB); the American Institute of Certified Public Accountants (AICPA); and the Financial Accounting Standards Board (FASB).

### **E. Pooling of Funds**

Except for cash in certain restricted and special funds, the district will consolidate balances from all funds to maximize investment earnings. Investment income will be allocated to

the various funds based on their respective participation and in accordance with generally accepted accounting principles.

## 8. Authorized and Suitable Investments

### A. Permitted Investments

All investments of the district shall be made in accordance with Oregon Revised Statutes: ORS 294.035 (Investment of surplus funds of political subdivisions; approved investments), ORS 294.040 (Restriction on investments under ORS 294.035), ORS 294.135 (Investment maturity dates), ORS 294.145 (Prohibited conduct for custodial officer), and ORS 294.805 to 294.895 (Local Government Investment Pool). If additional types of securities are considered for investment, per Oregon state statute they will not be eligible for investment until this Policy has been amended and the amended version adopted by The Tualatin Hills Park & Recreation District Board of Directors. Minimum credit ratings and percentage limitations apply to the time of purchase.

The following lists allowable investment types:

**US Treasury Obligations:** Direct obligations of the United States Treasury whose payment is guaranteed by the United States. [ORS Section 294.035(3)(a)]

**US Agency Obligations:** Federal agency and instrumentalities of the United States or enterprises sponsored by the United States Government (GSE) and whose payment is guaranteed by the United States, the agencies and instrumentalities of the United States or enterprises sponsored by the United States Government. [ORS Section 294.035(3)(a)]

**Municipal Debt:** Lawfully issued debt obligations of the States of Oregon, California, Idaho and Washington and political subdivisions of those states if the obligations have a long-term rating on the settlement date of AA- or better by S&P or Aa3 or better by Moody's or equivalent rating by any nationally recognized statistical rating organization, or are rated on the settlement date in the highest category for short-term municipal debt by a nationally recognized statistical rating organization. [ORS Section 294.035(3)(b) and (c)]

**Corporate Indebtedness:** Corporate indebtedness subject to a valid registration statement on file with the Securities and Exchange Commission or issued under the authority of section 3(a)(2) or 3(a)(3) of the Securities Act of 1933. Corporate indebtedness must be rated on the settlement date AA- or better by S&P or Aa3 or better by Moody's or equivalent rating by any nationally recognized statistical rating organization. [ORS Section 294.035(3)(i)]

**Commercial Paper:** Corporate indebtedness subject to a valid registration statement on file with the Securities and Exchange Commission or issued under the authority of section 3(a)(2) or 3(a)(3) of the Securities Act of 1933, as amended. Commercial Paper must be rated A1 by Standard and Poor's or P1 by Moody's or equivalent rating by any nationally recognized statistical rating organization. Issuer constraints for commercial paper combined with corporate notes will be limited by statute to 5% of market value per issuer. [ORS Section 294.035(3)(i)]

**Certificates of Deposit:** Certificates of deposit in insured institutions as defined in ORS 706.008, in credit unions as defined in ORS Section 723.006 or in federal credit unions, if the institution or credit union maintains a head office or a branch in this state [ORS Section 294.035(3)(d)].

**Bank Time Deposit/Savings Accounts:** Time deposit open accounts or savings accounts in insured institutions as defined in ORS Section 706.008, in credit unions as defined in ORS Section 723.006 or in federal credit unions, if the institution or credit union maintains a head office or a branch in this state [ORS Section 294.035(3)(d)(e)].

**Bankers' Acceptances:** A short-term credit investment created by a non-financial firm and guaranteed by a qualified financial institution whose short-term letter of credit rating is rated in the highest category without any refinement or gradation by one or more nationally recognized statistical rating organization. For the purposes of this paragraph, "qualified financial institution" means: (i) A financial institution that is located and licensed to do banking business in the State of Oregon; or (ii) A financial institution that is wholly owned by a financial holding company or a bank holding company that owns a financial institution that is located and licensed to do banking business in the State of Oregon. [ORS 294.035(3)(h)]

**Local Government Investment Pool:** State Treasurer's local short-term investment fund up to the statutory limit per ORS Section 294.810.

#### **B. Collateralization**

Time deposit open accounts, Certificates of Deposit and savings accounts shall be collateralized through the state collateral pool for any excess over the amount insured by an agency of the United States government in accordance with ORS 295.018. All depositories must be on the State of Oregon's qualified list. Additional collateral requirements may be required if the Investment Officer deems increased collateral is beneficial to the protection of the monies under the district's management.

#### **C. Approval of Permitted Investments**

If additional types of securities are considered for investment, per Oregon state statute they will not be eligible for investment until this Policy has been amended and the amended version adopted by the district.

#### **D. Prohibited Investments**

- i. The district shall not invest in "144A" private placement securities, this includes commercial paper privately placed under section 4(a)(2) of the Securities Act of 1933.
- ii. The district shall not lend securities nor directly participate in a securities lending or reverse repurchase program.
- iii. The district shall not purchase mortgage-backed securities.
- iv. The district shall not purchase, per ORS 294.040, any bonds of issuers listed in ORS 294.035(3)(a) to (c) that have a prior default history.
- v. No commitment to buy or sell securities may be made more than 14 days prior to the anticipated settlement date.

## 9. Investment Parameters

### A. Credit Risk

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. Credit risk will be mitigated by the following guidelines:

- i. Diversification: It is the policy of the district to diversify its investments. Where appropriate, exposures will be limited by security type; maturity; issuance, issuer, and security type. Allowed security types and Investment exposure limitations are detailed in the table below.
- ii. Credit Ratings: Investments must have a rating from at least one of the following nationally recognized statistical ratings organizations (NRSRO): Moody's Investors Service; Standard & Poor's; and Fitch Ratings Service as detailed in the table below. Ratings used to apply the guidelines below should be investment level ratings and not issuer level ratings.
- iii. The minimum weighted average credit rating of the portfolio's rated investments shall be AA-/Aa3/AA- by Standard & Poor's; Moody's Investors Service; and Fitch Ratings Service respectively.
- iv. Diversification and Credit Exposure Constraints: The following table limits exposures among investments permitted by this policy.

**Total Portfolio Diversification Constraints**

Issue Type	Maximum % Holdings	Maximum % per Issuer	Ratings S&P, Moody's, or Equivalent NRSRO	Maximum Maturity
US Treasury Obligations	100%	None	N/A	5.25 years
US Agency Obligations	100%	35%	N/A	5.25 years
Municipal Bonds (OR, CA, ID, WA)	25%	10%	AA- / Aa3 Short Term*	5.25 years
Corporate Notes	35%**	5%***	AA- / Aa3	5.25 years
Commercial Paper			A1 / P1	270 days
Bank Time Deposits/Savings	20%	20%	Oregon Public Depository	N/A
Certificates of Deposit	20%	10%	Oregon Public Depository	5.25 years
Banker's Acceptance	20%	10%	A1 / P1	180 days
Oregon Short-Term Fund	Maximum allowed per ORS 294.810	None	N/A	N/A

\*Short Term Ratings: Moody's - P1/MIG1/MIG1. S&P - A-1/SP-1, Fitch F1

\*\*35% maximum combined corporate and commercial paper per ORS.

\*\*\*Issuer constraints apply to the combined issues in corporate and commercial paper holdings.

## B. Determining a Security's Rating

A single rating will be determined for each investment by utilizing the highest security level rating available for the security from Standard and Poor's, Moody's Investor Services and Fitch Ratings respectively.

## C. Investment Maturity

- i. Where feasible and prudent, investment maturities should be matched with expected cash outflows to mitigate risk.
- ii. The district will not directly invest in securities maturing more than 5.25 years\* from the date of purchase.
- iii. The maximum weighted maturity of the total portfolio shall not exceed ~~2.00-50~~ years. This maximum is established to limit the portfolio to excessive price change exposure.
- iv. Liquidity funds will be held in the State Pool or ~~in money market instruments~~ [bank deposits](#) generally maturing one year and shorter.
- v. Core funds will be defined as the funds in excess of liquidity requirements. The investments in this portion of the portfolio will have maturities between one day and 5.25 years and will be only invested in higher quality and liquid securities.

### Total Portfolio Maturity Constraints:

Maturity Constraints	Minimum % of Total Portfolio
Under 30 days	10%
Under 1 year	25%
Under 5.25 years	100%
Maturity Constraints	Maximum of Total Portfolio in Years
Weighted Average Maturity	2.0 years
Security Structure Constraint	Maximum % of Total Portfolio
Callable Agency Securities	25%

**Commented [AM2]:** Update WAM to 2.5 to align with current Investment Core Strategy



<b>Maturity Constraints</b>	<b>Minimum % of Total Portfolio</b>
Under 30 days	10%
Under 1 year	25%
Under 5.25 years	100%
<b>Maturity Constraints</b>	<b>Total Portfolio Maximum</b>
Weighted Average Maturity	2.5 years
<b>Security Structure Constraint</b>	<b>Maximum % of Total Portfolio</b>
Callable Agency Securities	25%

\*Exception to 5.25-year maturity maximum: Reserve or Capital Improvement Project monies may be invested in securities exceeding 5.25 years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

## 10. Investment of Proceeds from Debt Issuance

Investments of bond proceeds are restricted under bond covenants that may be more restrictive than the investment parameters included in this policy. The investments will be made in a manner to match cash flow expectations based on managed disbursement schedules.

Liquidity for bond proceeds will be managed through the OSTF Pool or Bank deposit balances.

Funds from bond proceeds and amounts held in a bond payment reserve or proceeds fund may be invested pursuant to ORS 294.052. Investments of bond proceeds are typically not invested for resale and maturity matched with expected outflows.

Information will be maintained for arbitrage rebate calculations.

## 11. Investment of Reserve or Capital Improvements

Pursuant to ORS 294.135(1)(b), reserve or capital Improvement project monies may be invested in securities with a maturity of 5.25 years at the maximum when the funds in question are being accumulated for an anticipated use that will occur more than 18 months after the funds are invested, then, upon the approval of the governing body of the district, municipality, district or other political subdivision, the maturity of the investment or investments made with the funds may occur when the funds are expected to be used. Reserve or Capital Improvement Project monies

may be invested in securities exceeding 5.25 years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

## 12. Guideline Measurement and Adherence

### A. Guideline Measurement

Guideline measurements will use market value of investments.

### B. Guideline Compliance

- i. If the portfolio falls outside of compliance with adopted investment policy guidelines or is being managed inconsistently with this policy, the Investment Officer shall bring the portfolio back into compliance in a prudent manner and as soon as prudently feasible.
- ii. Violations of portfolio guidelines as a result of transactions; actions to bring the portfolio back into compliance and; reasoning for actions taken to bring the portfolio back into compliance shall be documented and reported to the Tualatin Hills Park & Recreation District Board of Directors.
- iii. Due to fluctuations in the aggregate surplus funds balance, maximum or minimum percentages for a particular issuer, ~~or~~ investment type, or minimum maturity constraint may be ~~exceeded~~ surpassed at a point in time. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.

## 13. Reporting and Disclosure

### A. Compliance

The Investment Officer shall prepare a report at least quarterly that allows the district board of directors to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the investment oversight body. The report will include, at a minimum, the following:

- i. A listing of all investments held during the reporting period showing: par/face value; accounting book value; market value; type of investment; issuer; credit ratings; and yield to maturity (yield to worst if callable).
- ii. Average maturity of the portfolio at period-end
- iii. Maturity distribution of the portfolio at period-end
- iv. Average portfolio credit quality of the portfolio at period-end
- v. Average weighted yield to maturity (yield to worst if callable investments are allowed) of the portfolio
- vi. Distribution by type of investment
- vii. Transactions since last report
- viii. Violations of portfolio guidelines or non-compliance issues that occurred during the prior period or that are outstanding. This report should also note actions (taken or planned) to bring the portfolio back into compliance.

## B. Performance Standards/Evaluation

- i. The district liquidity yields will be compared to the OST Pool rates.
- ii. The Core portfolio will be invested into a predetermined structure that will be measured against a selected benchmark portfolio. The structure will be based upon a chosen minimum and maximum effective duration and will have the objective to achieve market rates of returns over long investment horizons. The purpose of the benchmark is to appropriately manage the risk in the portfolio given interest rate cycles. The core portfolio is expected to provide similar returns to the benchmark over interest rate cycles but may underperform or outperform in certain periods. The portfolio will be positioned to first protect principal and then achieve market rates of return. The benchmark used will be a 0-3 year or 0-5 year standard market index and comparisons will be calculated monthly and reported quarterly.
- iii. When comparing the performance of the district's portfolio, all fees and expenses involved with managing the portfolio shall be included in the computation of the portfolio's rate of return.
- iv. The mark to market pricing will be calculated monthly and be provided in a monthly report.

## C. Audits

The investment Officer shall establish an annual process of independent review by the external auditor to assure compliance with internal controls. Such audit will include tests deemed appropriate by the auditor.

## D. Reporting Requirements

The Investment Officer will retain and provide quarterly investment reports to the board of directors in a similar manner as outlined in ORS 208.090. The reports also will be available upon request. Securities holdings and cash balances held in the investment portfolio will be provided on the reports.

The minimum quarterly reporting requirements for total portfolio are as follows:

- Earnings Yield
- Holdings Report (including mark to market)
- Transactions Report
- Weighted Average Maturity or Duration
- Compliance Report

# 14. Policy Maintenance and Considerations

## A. Review

The investment policy shall be reviewed at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends.

The annual report should also serve as a venue to suggest policies and improvements to the investment program, and shall include an investment plan for the coming year.

**B. Exemptions**

Any investment held prior to the adoption of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested as provided by this policy.

**C. Policy Adoption and Amendments**

This Investment Policy and any modifications to this policy must be formally approved in writing by the Tualatin Hills Park & Recreation District Board of Directors. Regardless of whether this policy is submitted to the OSTF Board for comment, this policy shall be re-submitted not less than annually to the Tualatin Hills Park & Recreation District Board of Directors for approval.

## Glossary of Terms

**Accrued Interest:** The interest accumulated on a security since the issue date or since the last coupon payment. The buyer of the security pays the market price plus accrued interest.

**Agency Securities:** See "Federal Agency Securities."

**Bankers' Acceptance (BA's):** A draft or bill of exchange drawn upon and accepted by a bank. Frequently used to finance shipping of international goods. Used as a short-term credit instrument, bankers' acceptances are traded at a discount from face value as a month market instrument in the secondary market on the basis of the credit quality of the guaranteeing bank.

**Basis Point:** A basis point is a unit of measure used in finance to describe the percentage change in the value or rate of a financial instrument. One basis point is equivalent to 0.01% (1/100th of a percent) or 0.0001 in decimal form. In most cases, it refers to changes in interest rates and bond yields.

**Benchmark:** A market index used as a comparative basis for measuring the performance of an investment portfolio. A performance benchmark should represent a close correlation to investment guidelines, risk tolerance and duration of the actual portfolio's investments.

**Bond:** An interest-bearing security issued by a corporation, government, governmental agency, or other body. It is a form of debt with an interest rate, maturity, and face value, and it is usually secured by specific assets. Most bonds have a maturity of greater than one year and in general, pay interest semiannually.

**Broker/Dealer:** A person or firm transacting securities business with customers. A "broker" acts as an agent between buyers and sellers, and receives a commission for the services. A "dealer" buys and sells financial assets from its own portfolio. A dealer takes risk by owning an inventory of securities, whereas a broker merely matches up buyers and sellers.

**Call:** An option to buy a specific asset at a certain price within a certain period of time.

**Callable:** A bond or preferred stock that may be redeemed by the issuer before maturity for a call price specified at the time of issuance.

**Call Date:** The date before maturity on which a bond may be redeemed at the option of the issuer.

**Certificate of Deposit (CD):** Bank obligation issued by a financial institution generally offering a fixed rate of return (coupon) for a specified period of time (maturity).

**Collateral:** Securities or other property that a borrower pledges as security for the repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**Commercial Paper:** Short-term, unsecured, negotiable promissory notes issued by a company or financial institution. Issued at a discount and matures at par or face value. Usually a maximum maturity of 270 days, and given a short-term debt rating by one or more NRSROs.

**Core Fund:** Core funds are defined as operating fund balance which exceeds THE DISTRICT's daily liquidity needs. Core funds are invested out the yield curve to diversify maturity structure in

the overall portfolio. Having longer term investments in a portfolio will stabilize the overall portfolio interest earnings over interest rate cycles.

**Corporate Note:** A debt instrument issued by a corporation with a maturity of greater than one year and less than ten years.

**Coupon Rate:** The annual rate of interest that the issuer of a bond promises to pay to the holder of the bond.

**Current Maturity:** The amount of time left until an obligation matures. For example, a one-year bill issued nine months ago has a current maturity of three months.

**Current Yield:** The coupon payments on a security as a percentage of the security's market price. In many instances the price should be gross of accrued interest, particularly on instruments where no coupon is left to be paid until maturity.

**CUSIP:** A CUSIP number identifies securities. CUSIP stands for Committee on Uniform Security Identification Procedures, which was established under the auspices of the American Bankers Association to develop a uniform method of identifying municipal, U.S. government, and corporate securities.

**Delivery Versus Payment (DVP):** Settlement procedure in which securities are delivered versus payment of cash, but only after cash has been received. Most security transactions, including those through the Fed Securities Wire system and DTC, are done DVP as a protection for both the buyer and seller of securities.

**Depository Trust Company (DTC):** A firm through which members can use a computer to arrange for securities to be delivered to other members without physical delivery of certificates. A member of the Federal Reserve System and owned mostly by the New York Stock Exchange, the Depository Trust Company uses computerized debit and credit entries. Most corporate securities, commercial paper, CDs and BAs clear through DTC.

**Discount Notes:** Short term debt obligations issued by Federal Agencies at a discount. Discount notes mature at par and can range in maturity from overnight to one year. Discount Notes typically have very large primary (new issue) and secondary markets.

**Federal Agency Security:** A debt instrument issued by one of the federal agencies. Federal agencies are considered second in credit quality and liquidity only to U.S. Treasuries.

**Federal Agency:** Government sponsored/owned entity created by the U.S. Congress, generally for the purpose of acting as a financial intermediary by borrowing in the marketplace and directing proceeds to specific areas of the economy considered to otherwise have restricted access to credit markets.

**Federal Farm Credit Banks Funding Corporation (FFCB):** A Government Sponsored Enterprise (GSE) system that is a network of cooperatively owned lending institutions that provide credit services to farmers, agricultural cooperatives and rural utilities. The FFCBs act as financial intermediaries that borrow money in the capital markets and use the proceeds to make loans and provide other assistance to farmers and farm-affiliated businesses. FFCB debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit

risk due to its importance to the U.S. Financial system and agricultural industry. Also issues notes under its "designated note" program.

**Federal Home Loan Bank System (FHLB):** A Government Sponsored Enterprise (GSE) system, consisting of wholesale banks (currently twelve district banks) owned by their member banks, which provides correspondent banking services and credit to various financial institutions, financed by the issuance of securities. The principal purpose of the FHLB is to add liquidity to the mortgage markets. Although FHLB does not directly fund mortgages, it provides a stable supply of credit to thrift institutions that make new mortgage loans. FHLB debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes and callable agency securities. Also issues notes under its "global note" and "TAP" programs.

**Federal Home Loan Mortgage Corporation (FHLMC or "Freddie Mac"):** One of the large Federal Agencies. A government sponsored public corporation (GSE) that provides stability and assistance to the secondary market for home mortgages by purchasing first mortgages and participation interests financed by the sale of debt and guaranteed mortgage backed securities. FHLMC debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes, callable agency securities and MBS. Also issues notes under its "reference note" program.

**Federal National Mortgage Association (FNMA or "Fannie Mae"):** One of the large Federal Agencies. A government sponsored public corporation (GSE) that provides liquidity to the residential mortgage market by purchasing mortgage loans from lenders, financed by the issuance of debt securities and MBS (pools of mortgages packaged together as a security). FNMA debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes, callable agency securities and MBS. Also issues notes under its "benchmark note" program.

**Federal Reserve Bank:** One of the 12 distinct banks of the Federal Reserve System.

**Federal Reserve System (the Fed):** The independent central bank system of the United States that establishes and conducts the nation's monetary policy. This is accomplished in three major ways: (1) raising or lowering bank reserve requirements, (2) raising or lowering the target Fed Funds Rate and Discount Rate, and (3) in open market operations by buying and selling government securities. The Federal Reserve System is made up of twelve Federal Reserve District Banks, their branches, and many national and state banks throughout the nation. It is headed by the seven-member Board of Governors known as the "Federal Reserve Board" and headed by its Chairman.

**General Obligation Bonds (GOs):** Bonds secured by the pledge of the municipal issuer's full faith and credit, which usually includes unlimited taxing power.

**Government Bonds:** Securities issued by the federal government; they are obligations of the U.S. Treasury. Also known as "government bonds."

**Government Sponsored Enterprise (GSE):** Privately owned entity subject to federal regulation and supervision, created by the U.S. Congress to reduce the cost of capital for certain borrowing

sectors of the economy such as students, farmers, and homeowners. GSEs carry the implicit backing of the U.S. Government, but they are not direct obligations of the U.S. Government. For this reason, these securities will offer a yield premium over Treasuries. Some consider GSEs to be stealth recipients of corporate welfare. Examples of GSEs include: FHLB, FHLMC, FNMA and FFCB.

**Interest:** Compensation paid or to be paid for the use of money. The rate of interest is generally expressed as an annual percentage.

**Interest Rate:** The interest payable each year on borrowed funds, expressed as a percentage of the principal.

**Investment Advisor:** A company that provides professional advice managing portfolios, investment recommendations and/or research in exchange for a management fee.

**Investment Portfolio:** A collection of securities held by a bank, individual, institution, or government agency for investment purposes.

**Investment Securities:** Securities purchased for an investment portfolio, as opposed to those purchased for resale to customers.

**Liquidity:** The ease at which a security can be bought or sold (converted to cash) in the market. A large number of buyers and sellers and a high volume of trading activity are important components of liquidity.

**Liquidity Component:** A percentage of the total portfolio that is dedicated to providing liquidity needs for the district.

**Mark to Market:** Adjustment of an account or portfolio to reflect actual market price rather than book price, purchase price or some other valuation.

**Municipals:** Securities, usually bonds, issued by a state or its agencies. The interest on "munis" is usually exempt from federal income taxes and state and local income taxes in the state of issuance. Municipal securities may or may not be backed by the issuing agency's taxation powers.

**NRSRO:** A "Nationally Recognized Statistical Rating Organization." A designated rating organization that the SEC has deemed a strong national presence in the U.S. NRSROs provide credit ratings on corporate and bank debt issues. Only ratings of a NRSRO may be used for the regulatory purposes of rating such as Moody's, S&P, Fitch and Duff & Phelps.

**Par Value:** The value of a security expressed as a specific dollar amount marked on the face of the security, or the amount of money due at maturity. Par value should not be confused with market value.

**Prudent Person Standard:** Standard that requires that when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee will act with care, skill, prudence, and diligence under the circumstances the prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the entity.



**Rate of Return:** Amount of income received from an investment, expressed as a percentage of the amount invested.

**State of Oregon Local Government Investment Pool (OSTF – Oregon Short Term Fund):** The OSTF is organized pursuant to ORS 294.805 through 294.895. Participation in the Pool will not exceed the maximum limit annually set by ORS 294.810.

**Total Return:** Investment performance measured over a period of time that includes coupon interest, interest on interest, and both realized and unrealized gains or losses. Total return includes, therefore, any market value appreciation/depreciation on investments held at period end.

**Treasury Bill (T-Bill):** An obligation of the U.S. government with a maturity of one year or less. T-bills bear no interest but are sold at a discount.

**Treasury Bonds and Notes:** Obligations of the U.S. government that bear interest. Notes have maturities of one to ten years; bonds have longer maturities.

**Yield:** The annual rate of return on an investment, expressed as a percentage of the investment. Income yield is obtained by dividing the current dollar income by the current market price for the security. Net yield, or yield to maturity, is the current income yield minus any premium above par or plus any discount from par in the purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

**Yield to Maturity:** The average annual yield on a security, assuming it is held to maturity; equals to the rate at which all principal and interest payments would be discounted to produce a present value equal to the purchase price of the bond.

#### Ratings Table – Long-Term

Three Highest Rating Categories	S&P	Moody's	Fitch	Definition
AAA		Aaa	AAA	Highest credit quality
AA+, AA, AA-		Aa1, Aa2, Aa3	AA+, AA, AA-	Very high credit quality
A+, A, A-		A1, A2, A3	A+, A, A-	High credit quality
	BBB+, BBB, BBB-	Baa1, Baa2, Baa3	BBB+, BBB, BBB-	Good credit quality
	BB+, BB, BB-	Ba1, Ba2, Ba3	BB+, BB, BB-	Non-investment grade

#### Ratings Table – Short-Term

Highest Rating Category	S&P	Moody's	Fitch	Definition
A1+, A1		P1+, P1	F1+, F1	Highest credit quality
<b>Municipal Commercial Paper</b>				
A-1, A-1+, SP-1+, SP-1		P1, MIG1, VMIG1	F1+, F1	Highest credit quality

## **RESOLUTION NO. 2025-08**

TUALATIN HILLS PARK & RECREATION DISTRICT, OREGON

### **RESOLUTION ADOPTING INVESTMENT POLICY AND GUIDELINES**

**WHEREAS**, the Tualatin Hills Park and Recreation District Board of Directors must adopt a policy to provide guidelines for investment of short-term operating and capital funds, including bond proceeds and bond reserve funds; and

**WHEREAS**, the existing policy, adopted in June 2024, needs to be reviewed and approved annually to comply with Oregon Revised Statutes (ORS Chapter 294.135(a)); and

**WHEREAS**, the current policy provided requires minor adjustments of the 2024 policy, as recommended by the investment portfolio advisors, see the attached memo.

### **THE TUALATIN HILLS PARK & RECREATION DISTRICT RESOLVES AS FOLLOWS:**

Section 1. The Board of Directors adopts the Investment Policy and Portfolio Guidelines attached as an Exhibit to this resolution.

Section 2. This resolution takes effect immediately upon its adoption by the Board of Directors.

Adopted by the Board of Directors this 11th day of June 2025.

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Barbie Minor, President

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Alfredo Moreno, Secretary

ATTEST:

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Jessica Collins, Recording Secretary



## **Investment Policy**

June 11, 2025

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## **1. Purpose**

This Investment Policy defines the parameters within which funds are to be invested by the Tualatin Hills Park and Recreation District (district). This policy formalizes the framework, pursuant to ORS 294.135, for the district's investment activities to ensure effective and judicious management within the scope of this policy.

## **2. Governing Authority**

The district's investment program shall be operated in conformance with Oregon Revised Statutes and applicable federal law. ORS 294.035; 294.040; 294.052; 294.135; 294.145; and 294.810. All funds within the scope of this policy are subject to laws established by the state of Oregon. Any revisions or extensions of these sections of the ORS shall be assumed to be part of this Investment Policy immediately upon being enacted.

This Policy has been adopted by Resolution #2023-07 by the THPRD Board of Directors on June 14, 2023, and replaces the district's previously adopted policy dated May 10, 2010.

## **3. Scope**

This policy applies to activities of the district with regard to investing the financial assets of shorter-term operating funds, capital funds including bond proceeds and bond reserve funds. Investments of employees' retirement funds, deferred compensation plans, and other funds are not covered by this policy. The amount of funds falling within the scope of this policy over the next three years is expected to range between \$5 million and \$200 million.

## **4. General Objectives**

### **A. Preservation of Invested Capital**

Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio. The goal is to mitigate credit risk and interest rate risk.

### **B. Liquidity**

The investment portfolio shall remain sufficiently liquid to meet all reasonably anticipated operating requirements. Furthermore, the portfolio should consist largely of securities with active secondary or resale markets. A portion of the portfolio also may be placed in the Oregon Short-Term Fund which offers next-day liquidity. Where possible and prudent, the portfolio should be structured so that investments mature concurrent with anticipated demands.

### **C. Return**

The investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into consideration the safety and liquidity needs of the portfolio. Although return consists of both principal return (gains and losses due to market value fluctuations) and income return (yield), this policy discourages

active trading and turnover of investments. Investments should generally be held to maturity.

## **5. Standards of Care**

### **A. Prudence**

The standard of prudence to be used by investment officials shall be the “prudent person” standard and shall be applied in the context of managing an overall portfolio. Investment officers acting in accordance with written procedures and this investment policy and exercising due diligence shall be relieved of personal responsibility for an individual security’s credit risk or market price changes, provided deviations from expectations are reported and appropriate action is taken to control adverse developments within a timely fashion as defined in this policy. The “prudent person” standard states:

*Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived.*

### **B. Ethics and Conflicts of Interest**

Officers and employees involved in the investment process shall refrain from personal activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions with which they conduct business. Disclosure shall be made to the governing body. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the district. Officers and employees shall, at all times, comply with the State of Oregon Government Standards and Practices code of ethics set forth in ORS Chapter 244.

### **C. Delegation of Authority and Responsibilities**

#### **i. Governing Body**

The board of directors will retain ultimate fiduciary responsibility for invested funds. The governing body will receive reports, pursuant to, and with sufficient detail to comply with ORS 294.085 and 294.155.

#### **ii. Delegation of Authority**

Authority to manage investments within the scope of this policy and operate the investment program in accordance with established written procedures and internal controls is granted to the Finance Director, or designee (hereinafter referred to as Investment Officer), and derived from the following: ORS 294.035 to 294.053, 294.125 to 294.145, and 294.810.

No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Investment Officer. The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate officials.

All participants in the investment process shall seek to act responsibly as custodians of the public trust. No officer or designee may engage in an investment transaction except as provided under the terms of this policy and supporting procedures.

iii. Investment Advisor

The Finance Director may engage the services of one or more external investment managers to assist in the management of the district investment portfolio in a manner consistent with this investment policy. Investment advisors may be hired on a discretionary or a non-discretionary basis. If the district hires an investment advisor to provide investment management services, the advisor is authorized to transact with its direct dealer relationships on behalf of the district.

## **6. Transaction Counterparties**

### **A. Broker/Dealers**

The Investment Officer shall determine which broker/dealer firms and registered representatives are authorized for the purposes of investing funds within the scope of this investment policy. A list will be maintained of approved broker/dealer firms and affiliated registered representatives.

The following minimum criteria must be met prior to authorizing investment transactions. The Investment Officer may impose more stringent criteria.

- i. Broker/Dealer firms must meet the following minimum criteria:
  - a. Be registered with the Securities and Exchange Commission (SEC)
  - b. Be registered with the Financial Industry Regulatory Authority (FINRA)
  - c. Provide most recent audited financials
  - d. Provide FINRA Focus Report filings
- ii. Approved broker/dealer employees who execute transactions with the district must meet the following minimum criteria:
  - a. Be a registered representative with the Financial Industry Regulatory Authority (FINRA);
  - b. Be licensed by the state of Oregon;
  - c. Provide certification (in writing) of having read, understood, and agreed to comply with the most current version of this investment policy.
- iii. Periodic (at least annual) review of all authorized broker/dealers and their respective authorized registered representatives will be conducted by the Investment Officer. Factors to consider would be:

- a. Pending investigations by securities regulators
  - b. Significant changes in net capital
  - c. Pending customer arbitration cases
  - d. Regulatory enforcement actions
- iv. The Investment Officer shall maintain and review annually a list of all authorized financial institutions and broker/dealers that are approved to transact with the district for investment purposes.

The Investment Officer may utilize the investment advisor's approved broker/dealer list in lieu of the district's own approved list. The advisor must submit the approved list to the district annually and provide updates throughout the year as they occur. The advisor must maintain documentation of appropriate license and professional credentials of broker/dealers on the list. The annual investment advisor broker/dealer review procedures should include:

- a. FINRA Certification check
  - Firm Profile
  - Firm History
  - Firm Operations
  - Disclosures of Arbitration Awards, Disciplinary and Regulatory Events
  - State Registration Verification
- b. Financial review of acceptable FINRA capital requirements or letter of credit for clearing settlements.

The advisors must provide the district with any changes to the list prior to transacting on behalf of the district.

The advisor may be authorized through the contracted agreement to open accounts on behalf of the district with the broker/dealers on the approved list. The district will receive documentation directly from the brokers for account verification and regulatory requirements.

## **B. Investment Advisors**

A list will be maintained of approved advisors selected by conducting a process of due diligence.

- i. The following items are required for all approved Investment Advisors:
  - a. The investment advisor firm must be registered with the Securities and Exchange Commission (SEC) or licensed by the state of Oregon (Note: Investment advisor firms with assets under management > \$100 million must be registered with the SEC, otherwise the firm must be licensed by the state of Oregon).
  - b. All investment advisor firm representatives conducting investment transactions on behalf of the district must be registered representatives with FINRA.
  - c. All investment advisor firm representatives conducting investment transactions on behalf of the district must be licensed by the state of Oregon.



- ii. A periodic (at least annual) review of all authorized investment advisors under contract will be conducted by the Investment Officer to determine their continued eligibility within the portfolio guidelines. The investment Advisor must notify the district immediately if any of the following issues arise while serving under a district contract:
  - a. Pending investigations by securities regulators.
  - b. Significant changes in net capital.
  - c. Pending customer arbitration cases.
  - d. Regulatory enforcement actions.

### **C. Depositories**

All financial institutions who desire to become depositories must be qualified Oregon Depositories pursuant to ORS Chapter 295.

### **D. Competitive Transactions**

- i. The Investment Officer shall obtain and document competitive bid information on all investments purchased or sold in the secondary market. Competitive bids or offers should be obtained, when possible, from at least three separate brokers/financial institutions or through the use of a nationally recognized trading platform.
- ii. In the instance of a security for which there is no readily available competitive bid or offering on the same specific issue, then the Investment Officer shall document quotations for comparable or alternative securities.
- iii. When purchasing original issue instrumentality securities, no competitive offerings will be required as all dealers in the selling group offer those securities at the same original issue price. However, the Investment Officer is encouraged to document quotations on comparable securities.
- iv. If an investment advisor provides investment management services, the advisor must retain documentation of competitive pricing execution on each transaction and provide upon request.

## **7. Administration and Operations**

### **A. Delivery vs. Payment**

All trades of marketable securities will be executed (cleared and settled) by delivery vs. payment (DVP) to ensure that securities are deposited in the district safekeeping institution prior to the release of funds.

### **B. Third-Party Safekeeping**

Securities will be held by an independent third-party safekeeping institution selected by the district. All securities will be evidenced by safekeeping receipts in the district's name. Upon request, the safekeeping institution shall make available a copy of its Statement on Standards for Attestation Engagements (SSAE) No. 16. The district will have online access through the safekeeping bank for verification of the account holdings and transactions. The district may hold bank deposits or certificates of deposits at banks qualified under ORS 295.

### **C. Internal Controls**

The Finance Director is responsible for establishing and maintaining an adequate internal control structure designed to reasonably assure that invested funds are invested within the parameters of this Investment policy and, protected from loss, theft or misuse. Specifics for the internal controls shall be documented in writing. The established control structure shall be reviewed and updated periodically by the district.

The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the valuation of costs and benefits requires estimates and judgments by management. The internal controls shall address the following points at a minimum:

- i. Compliance with investment policy constraints and requirements
- ii. Control of collusion
- iii. Segregation of duties and separation of responsibilities for trade execution, accounting, and record keeping
- iv. Custodial safekeeping
- v. Avoidance of physical delivery of securities wherever possible and address control requirements for physical delivery where necessary
- vi. Clear delegation of authority
- vii. Confirmation of transactions for investments and wire transfers in written or digitally verifiable electronic form
- viii. Dual authorizations of wire and automated clearing house (ACH) transfers
- ix. Staff training
- x. Review, maintenance and monitoring of security procedures both manual and automated
- xi. Timely reconciliation of custodial reports
- xii. Appropriate security for online transactions and access to bank accounts and bank data

An external auditor shall provide an annual independent review to assure compliance with Oregon state law and district policies and procedures.

### **D. Accounting Method**

The district shall comply with all required legal provisions and Generally Accepted Accounting Principles (GAAP). The accounting principles are those contained in the pronouncements of authoritative bodies including but not necessarily limited to, the Governmental Accounting Standards Board (GASB); the American Institute of Certified Public Accountants (AICPA); and the Financial Accounting Standards Board (FASB).

### **E. Pooling of Funds**

Except for cash in certain restricted and special funds, the district will consolidate balances from all funds to maximize investment earnings. Investment income will be allocated to the various funds based on their respective participation and in accordance with generally accepted accounting principles.

## 8. Authorized and Suitable Investments

### A. Permitted Investments

All investments of the district shall be made in accordance with Oregon Revised Statutes: ORS 294.035 (Investment of surplus funds of political subdivisions; approved investments), ORS 294.040 (Restriction on investments under ORS 294.035), ORS 294.135 (Investment maturity dates), ORS 294.145 (Prohibited conduct for custodial officer), and ORS 294.805 to 294.895 (Local Government Investment Pool). If additional types of securities are considered for investment, per Oregon state statute they will not be eligible for investment until this Policy has been amended and the amended version adopted by The Tualatin Hills Park & Recreation District Board of Directors. Minimum credit ratings and percentage limitations apply to the time of purchase.

The following lists allowable investment types:

**US Treasury Obligations:** Direct obligations of the United States Treasury whose payment is guaranteed by the United States. [ORS Section 294.035(3)(a)]

**US Agency Obligations:** Federal agency and instrumentalities of the United States or enterprises sponsored by the United States Government (GSE) and whose payment is guaranteed by the United States, the agencies and instrumentalities of the United States or enterprises sponsored by the United States Government. [ORS Section 294.035(3)(a)]

**Municipal Debt:** Lawfully issued debt obligations of the States of Oregon, California, Idaho and Washington and political subdivisions of those states if the obligations have a long-term rating on the settlement date of AA- or better by S&P or Aa3 or better by Moody's or equivalent rating by any nationally recognized statistical rating organization, or are rated on the settlement date in the highest category for short-term municipal debt by a nationally recognized statistical rating organization. [ORS Section 294.035(3)(b) and (c)]

**Corporate Indebtedness:** Corporate indebtedness subject to a valid registration statement on file with the Securities and Exchange Commission or issued under the authority of section 3(a)(2) or 3(a)(3) of the Securities Act of 1933. Corporate indebtedness must be rated on the settlement date AA- or better by S&P or Aa3 or better by Moody's or equivalent rating by any nationally recognized statistical rating organization. [ORS Section 294.035(3)(i)]

**Commercial Paper:** Corporate indebtedness subject to a valid registration statement on file with the Securities and Exchange Commission or issued under the authority of section 3(a)(2) or 3(a)(3) of the Securities Act of 1933, as amended. Commercial Paper must be rated A1 by Standard and Poor's or P1 by Moody's or equivalent rating by any nationally recognized statistical rating organization. Issuer constraints for commercial paper combined with corporate notes will be limited by statute to 5% of market value per issuer. [ORS Section 294.035(3)(i)]

**Certificates of Deposit:** Certificates of deposit in insured institutions as defined in ORS 706.008, in credit unions as defined in ORS Section 723.006 or in federal credit unions, if the institution or credit union maintains a head office or a branch in this state [ORS Section 294.035(3)(d)].

**Bank Time Deposit/Savings Accounts:** Time deposit open accounts or savings accounts in insured institutions as defined in ORS Section 706.008, in credit unions as defined in ORS Section 723.006 or in federal credit unions, if the institution or credit union maintains a head office or a branch in this state [ORS Section 294.035(3)(d)(e)].

**Bankers' Acceptances:** A short-term credit investment created by a non-financial firm and guaranteed by a qualified financial institution whose short-term letter of credit rating is rated in the highest category without any refinement or gradation by one or more nationally recognized statistical rating organization. For the purposes of this paragraph, "qualified financial institution" means: (i) A financial institution that is located and licensed to do banking business in the State of Oregon; or (ii) A financial institution that is wholly owned by a financial holding company or a bank holding company that owns a financial institution that is located and licensed to do banking business in the State of Oregon. [ORS 294.035(3)(h)]

**Local Government Investment Pool:** State Treasurer's local short-term investment fund up to the statutory limit per ORS Section 294.810.

## **B. Collateralization**

Time deposit open accounts, Certificates of Deposit and savings accounts shall be collateralized through the state collateral pool for any excess over the amount insured by an agency of the United States government in accordance with ORS 295.018. All depositories must be on the State of Oregon's qualified list. Additional collateral requirements may be required if the Investment Officer deems increased collateral is beneficial to the protection of the monies under the district's management.

## **C. Approval of Permitted Investments**

If additional types of securities are considered for investment, per Oregon state statute they will not be eligible for investment until this Policy has been amended and the amended version adopted by the district.

## **D. Prohibited Investments**

- i. The district shall not invest in "144A" private placement securities, this includes commercial paper privately placed under section 4(a)(2) of the Securities Act of 1933.
- ii. The district shall not lend securities nor directly participate in a securities lending or reverse repurchase program.
- iii. The district shall not purchase mortgage-backed securities.
- iv. The district shall not purchase, per ORS 294.040, any bonds of issuers listed in ORS 294.035(3)(a) to (c) that have a prior default history.
- v. No commitment to buy or sell securities may be made more than 14 days prior to the anticipated settlement date.

# **9. Investment Parameters**

## A. Credit Risk

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt. Credit risk will be mitigated by the following guidelines:

- i. **Diversification:** It is the policy of the district to diversify its investments. Where appropriate, exposures will be limited by security type; maturity; issuance, issuer, and security type. Allowed security types and Investment exposure limitations are detailed in the table below.
- ii. **Credit Ratings:** Investments must have a rating from at least one of the following nationally recognized statistical ratings organizations (NRSRO): Moody's Investors Service; Standard & Poor's; and Fitch Ratings Service as detailed in the table below. Ratings used to apply the guidelines below should be investment level ratings and not issuer level ratings.
- iii. The minimum weighted average credit rating of the portfolio's rated investments shall be AA-/Aa3/AA- by Standard & Poor's; Moody's Investors Service; and Fitch Ratings Service respectively.
- iv. **Diversification and Credit Exposure Constraints:** The following table limits exposures among investments permitted by this policy.

### Total Portfolio Diversification Constraints

Issue Type	Maximum % Holdings	Maximum % per Issuer	Ratings S&P, Moody's, or Equivalent NRSRO	Maximum Maturity
US Treasury Obligations	100%	None	N/A	5.25 years
US Agency Obligations	100%	35%	N/A	5.25 years
Municipal Bonds (OR, CA, ID, WA)	25%	10%	AA- / Aa3 Short Term*	5.25 years
Corporate Notes	35%**	5%***	AA- / Aa3	5.25 years
Commercial Paper			A1 / P1	270 days
Bank Time Deposits/Savings	20%	20%	Oregon Public Depository	N/A
Certificates of Deposit	20%	10%	Oregon Public Depository	5.25 years
Banker's Acceptance	20%	10%	A1 / P1	180 days
Oregon Short-Term Fund	Maximum allowed per ORS 294.810	None	N/A	N/A

\*Short Term Ratings: Moody's - P1/MIG1/VMIG1. S&P - A-1/SP-1, Fitch F1

\*\*35% maximum combined corporate and commercial paper per ORS.

\*\*\*Issuer constraints apply to the combined issues in corporate and commercial paper holdings.

## B. Determining a Security's Rating

A single rating will be determined for each investment by utilizing the highest security level rating available for the security from Standard and Poor's, Moody's Investor Services and Fitch Ratings respectively.

## C. Investment Maturity

- i. Where feasible and prudent, investment maturities should be matched with expected cash outflows to mitigate risk.
- ii. The district will not directly invest in securities maturing more than 5.25 years\* from the date of purchase.
- iii. The maximum weighted maturity of the total portfolio shall not exceed 2.50years. This maximum is established to limit the portfolio to excessive price change exposure.
- iv. Liquidity funds will be held in the State Pool or bank deposits generally maturing one year and shorter.
- v. Core funds will be defined as the funds in excess of liquidity requirements. The investments in this portion of the portfolio will have maturities between one day and 5.25 years and will be only invested in higher quality and liquid securities.

### Total Portfolio Maturity Constraints:

<b>Maturity Constraints</b>	<b>Minimum % of Total Portfolio</b>
Under 30 days	10%
Under 1 year	25%
Under 5.25 years	100%
<b>Maturity Constraints</b>	<b>Total Portfolio Maximum</b>
Weighted Average Maturity	2.5 years
<b>Security Structure Constraint</b>	<b>Maximum % of Total Portfolio</b>
Callable Agency Securities	25%

\*Exception to 5.25-year maturity maximum: Reserve or Capital Improvement Project monies may be invested in securities exceeding 5.25 years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

## **10. Investment of Proceeds from Debt Issuance**

Investments of bond proceeds are restricted under bond covenants that may be more restrictive than the investment parameters included in this policy. The investments will be made in a manner to match cash flow expectations based on managed disbursement schedules.

Liquidity for bond proceeds will be managed through the OSTF Pool or Bank deposit balances.

Funds from bond proceeds and amounts held in a bond payment reserve or proceeds fund may be invested pursuant to ORS 294.052. Investments of bond proceeds are typically not invested for resale and maturity matched with expected outflows.

Information will be maintained for arbitrage rebate calculations.

## **11. Investment of Reserve or Capital Improvements**

Pursuant to ORS 294.135(1)(b), reserve or capital Improvement project monies may be invested in securities with a maturity of 5.25 years at the maximum when the funds in question are being accumulated for an anticipated use that will occur more than 18 months after the funds are invested, then, upon the approval of the governing body of the district, municipality, district or other political subdivision, the maturity of the investment or investments made with the funds may occur when the funds are expected to be used. Reserve or Capital Improvement Project monies may be invested in securities exceeding 5.25 years if the maturities of such investments are made to coincide as nearly as practicable with the expected use of the funds.

## **12. Guideline Measurement and Adherence**

### **A. Guideline Measurement**

Guideline measurements will use market value of investments.

### **B. Guideline Compliance**

- i. If the portfolio falls outside of compliance with adopted investment policy guidelines or is being managed inconsistently with this policy, the Investment Officer shall bring the portfolio back into compliance in a prudent manner and as soon as prudently feasible.
- ii. Violations of portfolio guidelines as a result of transactions; actions to bring the portfolio back into compliance and; reasoning for actions taken to bring the portfolio back into compliance shall be documented and reported to the Tualatin Hills Park & Recreation District Board of Directors.
- iii. Due to fluctuations in the aggregate surplus funds balance, maximum or minimum percentages for a particular issuer, investment type, or minimum maturity constraint may be surpassed at a point in time. Securities need not be liquidated to realign the portfolio; however, consideration should be given to this matter when future purchases are made to ensure that appropriate diversification is maintained.

## **13. Reporting and Disclosure**

### **A. Compliance**

The Investment Officer shall prepare a report at least quarterly that allows the district board of directors to ascertain whether investment activities during the reporting period have conformed to the investment policy. The report should be provided to the investment oversight body. The report will include, at a minimum, the following:

- i. A listing of all investments held during the reporting period showing: par/face value; accounting book value; market value; type of investment; issuer; credit ratings; and yield to maturity (yield to worst if callable).
- ii. Average maturity of the portfolio at period-end
- iii. Maturity distribution of the portfolio at period-end
- iv. Average portfolio credit quality of the portfolio at period-end
- v. Average weighted yield to maturity (yield to worst if callable investments are allowed) of the portfolio
- vi. Distribution by type of investment
- vii. Transactions since last report
- viii. Violations of portfolio guidelines or non-compliance issues that occurred during the prior period or that are outstanding. This report should also note actions (taken or planned) to bring the portfolio back into compliance.

### **B. Performance Standards/Evaluation**

- i. The district liquidity yields will be compared to the OST Pool rates.
- ii. The Core portfolio will be invested into a predetermined structure that will be measured against a selected benchmark portfolio. The structure will be based upon a chosen minimum and maximum effective duration and will have the objective to achieve market rates of returns over long investment horizons. The purpose of the benchmark is to appropriately manage the risk in the portfolio given interest rate cycles. The core portfolio is expected to provide similar returns to the benchmark over interest rate cycles but may underperform or outperform in certain periods. The portfolio will be positioned to first protect principal and then achieve market rates of return. The benchmark used will be a 0-3 year or 0-5 year standard market index and comparisons will be calculated monthly and reported quarterly.
- iii. When comparing the performance of the district's portfolio, all fees and expenses involved with managing the portfolio shall be included in the computation of the portfolio's rate of return.
- iv. The mark to market pricing will be calculated monthly and be provided in a monthly report.



### **C. Audits**

The investment Officer shall establish an annual process of independent review by the external auditor to assure compliance with internal controls. Such audit will include tests deemed appropriate by the auditor.

### **D. Reporting Requirements**

The Investment Officer will retain and provide quarterly investment reports to the board of directors in a similar manner as outlined in ORS 208.090. The reports also will be available upon request. Securities holdings and cash balances held in the investment portfolio will be provided on the reports.

The minimum quarterly reporting requirements for total portfolio are as follows:

- Earnings Yield
- Holdings Report (including mark to market)
- Transactions Report
- Weighted Average Maturity or Duration
- Compliance Report

## **14. Policy Maintenance and Considerations**

### **A. Review**

The investment policy shall be reviewed at least annually to ensure its consistency with the overall objectives of preservation of principal, liquidity and return, and its relevance to current law and financial and economic trends.

The annual report should also serve as a venue to suggest policies and improvements to the investment program, and shall include an investment plan for the coming year.

### **B. Exemptions**

Any investment held prior to the adoption of this policy shall be exempted from the requirements of this policy. At maturity or liquidation, such monies shall be reinvested as provided by this policy.

### **C. Policy Adoption and Amendments**

This Investment Policy and any modifications to this policy must be formally approved in writing by the Tualatin Hills Park & Recreation District Board of Directors. Regardless of whether this policy is submitted to the OSTF Board for comment, this policy shall be re-submitted not less than annually to the Tualatin Hills Park & Recreation District Board of Directors for approval.

## Glossary of Terms

**Accrued Interest:** The interest accumulated on a security since the issue date or since the last coupon payment. The buyer of the security pays the market price plus accrued interest.

**Agency Securities:** See “Federal Agency Securities.”

**Bankers’ Acceptance (BA’s):** A draft or bill of exchange drawn upon and accepted by a bank. Frequently used to finance shipping of international goods. Used as a short-term credit instrument, bankers’ acceptances are traded at a discount from face value as a month market instrument in the secondary market on the basis of the credit quality of the guaranteeing bank.

**Basis Point:** A basis point is a unit of measure used in finance to describe the percentage change in the value or rate of a financial instrument. One basis point is equivalent to 0.01% (1/100th of a percent) or 0.0001 in decimal form. In most cases, it refers to changes in interest rates and bond yields.

**Benchmark:** A market index used as a comparative basis for measuring the performance of an investment portfolio. A performance benchmark should represent a close correlation to investment guidelines, risk tolerance and duration of the actual portfolio’s investments.

**Bond:** An interest-bearing security issued by a corporation, government, governmental agency, or other body. It is a form of debt with an interest rate, maturity, and face value, and it is usually secured by specific assets. Most bonds have a maturity of greater than one year and in general, pay interest semiannually.

**Broker/Dealer:** A person or firm transacting securities business with customers. A “broker” acts as an agent between buyers and sellers, and receives a commission for the services. A “dealer” buys and sells financial assets from its own portfolio. A dealer takes risk by owning an inventory of securities, whereas a broker merely matches up buyers and sellers.

**Call:** An option to buy a specific asset at a certain price within a certain period of time.

**Callable:** A bond or preferred stock that may be redeemed by the issuer before maturity for a call price specified at the time of issuance.

**Call Date:** The date before maturity on which a bond may be redeemed at the option of the issuer.

**Certificate of Deposit (CD):** Bank obligation issued by a financial institution generally offering a fixed rate of return (coupon) for a specified period of time (maturity).

**Collateral:** Securities or other property that a borrower pledges as security for the repayment of a loan. Also refers to securities pledged by a bank to secure deposits of public monies.

**Commercial Paper:** Short-term, unsecured, negotiable promissory notes issued by a company or financial institution. Issued at a discount and matures at par or face value. Usually a maximum maturity of 270 days, and given a short-term debt rating by one or more NRSROs.

**Core Fund:** Core funds are defined as operating fund balance which exceeds THE DISTRICT’s daily liquidity needs. Core funds are invested out the yield curve to diversify maturity structure in

the overall portfolio. Having longer term investments in a portfolio will stabilize the overall portfolio interest earnings over interest rate cycles.

**Corporate Note:** A debt instrument issued by a corporation with a maturity of greater than one year and less than ten years.

**Coupon Rate:** The annual rate of interest that the issuer of a bond promises to pay to the holder of the bond.

**Current Maturity:** The amount of time left until an obligation matures. For example, a one-year bill issued nine months ago has a current maturity of three months.

**Current Yield:** The coupon payments on a security as a percentage of the security's market price. In many instances the price should be gross of accrued interest, particularly on instruments where no coupon is left to be paid until maturity.

**CUSIP:** A CUSIP number identifies securities. CUSIP stands for Committee on Uniform Security Identification Procedures, which was established under the auspices of the American Bankers Association to develop a uniform method of identifying municipal, U.S. government, and corporate securities.

**Delivery Versus Payment (DVP):** Settlement procedure in which securities are delivered versus payment of cash, but only after cash has been received. Most security transactions, including those through the Fed Securities Wire system and DTC, are done DVP as a protection for both the buyer and seller of securities.

**Depository Trust Company (DTC):** A firm through which members can use a computer to arrange for securities to be delivered to other members without physical delivery of certificates. A member of the Federal Reserve System and owned mostly by the New York Stock Exchange, the Depository Trust Company uses computerized debit and credit entries. Most corporate securities, commercial paper, CDs and BAs clear through DTC.

**Discount Notes:** Short term debt obligations issued by Federal Agencies at a discount. Discount notes mature at par and can range in maturity from overnight to one year. Discount Notes typically have very large primary (new issue) and secondary markets.

**Federal Agency Security:** A debt instrument issued by one of the federal agencies. Federal agencies are considered second in credit quality and liquidity only to U.S. Treasuries.

**Federal Agency:** Government sponsored/owned entity created by the U.S. Congress, generally for the purpose of acting as a financial intermediary by borrowing in the marketplace and directing proceeds to specific areas of the economy considered to otherwise have restricted access to credit markets.

**Federal Farm Credit Banks Funding Corporation (FFCB):** A Government Sponsored Enterprise (GSE) system that is a network of cooperatively owned lending institutions that provide credit services to farmers, agricultural cooperatives and rural utilities. The FFCBs act as financial intermediaries that borrow money in the capital markets and use the proceeds to make loans and provide other assistance to farmers and farm-affiliated businesses. FFCB debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit

risk due to its importance to the U.S. Financial system and agricultural industry. Also issues notes under its “designated note” program.

**Federal Home Loan Bank System (FHLB):** A Government Sponsored Enterprise (GSE) system, consisting of wholesale banks (currently twelve district banks) owned by their member banks, which provides correspondent banking services and credit to various financial institutions, financed by the issuance of securities. The principal purpose of the FHLB is to add liquidity to the mortgage markets. Although FHLB does not directly fund mortgages, it provides a stable supply of credit to thrift institutions that make new mortgage loans. FHLB debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes and callable agency securities. Also issues notes under its “global note” and “TAP” programs.

**Federal Home Loan Mortgage Corporation (FHLMC or "Freddie Mac"):** One of the large Federal Agencies. A government sponsored public corporation (GSE) that provides stability and assistance to the secondary market for home mortgages by purchasing first mortgages and participation interests financed by the sale of debt and guaranteed mortgage backed securities. FHLMC debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes, callable agency securities and MBS. Also issues notes under its “reference note” program.

**Federal National Mortgage Association (FNMA or "Fannie Mae"):** One of the large Federal Agencies. A government sponsored public corporation (GSE) that provides liquidity to the residential mortgage market by purchasing mortgage loans from lenders, financed by the issuance of debt securities and MBS (pools of mortgages packaged together as a security). FNMA debt is not an obligation of, nor is it guaranteed by the U.S. government, although it is considered to have minimal credit risk due to its importance to the U.S. financial system and housing market. Frequent issuer of discount notes, agency notes, callable agency securities and MBS. Also issues notes under its “benchmark note” program.

**Federal Reserve Bank:** One of the 12 distinct banks of the Federal Reserve System.

**Federal Reserve System (the Fed):** The independent central bank system of the United States that establishes and conducts the nation's monetary policy. This is accomplished in three major ways: (1) raising or lowering bank reserve requirements, (2) raising or lowering the target Fed Funds Rate and Discount Rate, and (3) in open market operations by buying and selling government securities. The Federal Reserve System is made up of twelve Federal Reserve District Banks, their branches, and many national and state banks throughout the nation. It is headed by the seven-member Board of Governors known as the “Federal Reserve Board” and headed by its Chairman.

**General Obligation Bonds (GOs):** Bonds secured by the pledge of the municipal issuer's full faith and credit, which usually includes unlimited taxing power.

**Government Bonds:** Securities issued by the federal government; they are obligations of the U.S. Treasury. Also known as “government securities.”

**Government Sponsored Enterprise (GSE):** Privately owned entity subject to federal regulation and supervision, created by the U.S. Congress to reduce the cost of capital for certain borrowing

sectors of the economy such as students, farmers, and homeowners. GSEs carry the implicit backing of the U.S. Government, but they are not direct obligations of the U.S. Government. For this reason, these securities will offer a yield premium over Treasuries. Some consider GSEs to be stealth recipients of corporate welfare. Examples of GSEs include: FHLB, FHLMC, FNMA and FFCB.

**Interest:** Compensation paid or to be paid for the use of money. The rate of interest is generally expressed as an annual percentage.

**Interest Rate:** The interest payable each year on borrowed funds, expressed as a percentage of the principal.

**Investment Advisor:** A company that provides professional advice managing portfolios, investment recommendations and/or research in exchange for a management fee.

**Investment Portfolio:** A collection of securities held by a bank, individual, institution, or government agency for investment purposes.

**Investment Securities:** Securities purchased for an investment portfolio, as opposed to those purchased for resale to customers.

**Liquidity:** The ease at which a security can be bought or sold (converted to cash) in the market. A large number of buyers and sellers and a high volume of trading activity are important components of liquidity.

**Liquidity Component:** A percentage of the total portfolio that is dedicated to providing liquidity needs for the district.

**Mark to Market:** Adjustment of an account or portfolio to reflect actual market price rather than book price, purchase price or some other valuation.

**Municipals:** Securities, usually bonds, issued by a state or its agencies. The interest on “munis” is usually exempt from federal income taxes and state and local income taxes in the state of issuance. Municipal securities may or may not be backed by the issuing agency’s taxation powers.

**NRSRO:** A “Nationally Recognized Statistical Rating Organization.” A designated rating organization that the SEC has deemed a strong national presence in the U.S. NRSROs provide credit ratings on corporate and bank debt issues. Only ratings of a NRSRO may be used for the regulatory purposes of rating such as Moody’s, S&P, Fitch and Duff & Phelps.

**Par Value:** The value of a security expressed as a specific dollar amount marked on the face of the security, or the amount of money due at maturity. Par value should not be confused with market value.

**Prudent Person Standard:** Standard that requires that when investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee will act with care, skill, prudence, and diligence under the circumstances the prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the entity.

**Rate of Return:** Amount of income received from an investment, expressed as a percentage of the amount invested.

**State of Oregon Local Government Investment Pool (OSTF – Oregon Short Term Fund):** The OSTF is organized pursuant to ORS 294.805 through 294.895. Participation in the Pool will not exceed the maximum limit annually set by ORS 294.810.

**Total Return:** Investment performance measured over a period of time that includes coupon interest, interest on interest, and both realized and unrealized gains or losses. Total return includes, therefore, any market value appreciation/depreciation on investments held at period end.

**Treasury Bill (T-Bill):** An obligation of the U.S. government with a maturity of one year or less. T-bills bear no interest but are sold at a discount.

**Treasury Bonds and Notes:** Obligations of the U.S. government that bear interest. Notes have maturities of one to ten years; bonds have longer maturities.

**Yield:** The annual rate of return on an investment, expressed as a percentage of the investment. Income yield is obtained by dividing the current dollar income by the current market price for the security. Net yield, or yield to maturity, is the current income yield minus any premium above par or plus any discount from par in the purchase price, with the adjustment spread over the period from the date of purchase to the date of maturity of the bond.

**Yield to Maturity:** The average annual yield on a security, assuming it is held to maturity; equals to the rate at which all principal and interest payments would be discounted to produce a present value equal to the purchase price of the bond.

#### Ratings Table – Long-Term

Three Highest Rating Categories	S&P	Moody's	Fitch	Definition
	AAA	Aaa	AAA	Highest credit quality
	AA+, AA, AA-	Aa1, Aa2, Aa3	AA+, AA, AA-	Very high credit quality
	A+, A, A-	A1, A2, A3	A+, A, A-	High credit quality
	BBB+, BBB, BBB-	Baa1, Baa2, Baa3	BBB+, BBB, BBB-	Good credit quality
	BB+, BB, BB-	Ba1, Ba2, Ba3	BB+, BB, BB-	Non-investment grade

#### Ratings Table – Short-Term

Highest Rating Category	S&P	Moody's	Fitch	Definition
	A1+, A1	P1+, P1	F1+, F1	Highest credit quality
	<b>Municipal Commercial Paper</b>			
	A-1, A-1+, SP-1+, SP-1	P1, MIG1, VMIG1	F1+, F1	Highest credit quality



[10D]

# MEMORANDUM

**DATE:** May 29, 2025  
**TO:** Doug Menke, General Manager  
**FROM:** Julie Rocha, Sports & Inclusion Director  
**RE** **Amended Tualatin Hills Park Foundation Articles of Incorporation**

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The Tualatin Hills Park Foundation Board of Trustees unanimously approved proposed updates to the Foundation's Articles of Incorporation on May 21, 2025. Signatures from the trustees are currently being collected. The updated Articles (see attached) will be filed with the Oregon Secretary of State in August 2025, pending completion of the signature process.

**Action Requested**

Board of directors' approval of the updated Tualatin Hills Park Foundation Articles of Incorporation and approval for the THPRD Board President to sign on behalf of the district.

**UNANIMOUS WRITTEN CONSENT OF THE BOARD OF TRUSTEES OF  
TUALATIN HILLS PARK FOUNDATION  
AND WRITTEN CONSENT OF THE SOLE MEMBER  
(Acting in Lieu of a Special Meeting)**

The undersigned, being all of the members of the Board of Trustees (the “Board”) of Tualatin Hills Park Foundation, an Oregon nonprofit corporation (the “Corporation”), and the sole member of the Corporation, Tualatin Hills Park & Recreation District (the “District”), acting pursuant to ORS 65.341, ORS 65.431 and the Corporation’s Restated Articles of Incorporation (the “Articles”) and Sixth Restated Bylaws (the “Bylaws”), hereby adopt the following resolutions by unanimous written consent in lieu of holding a meeting, the same to have the effect as though adopted at a duly called and held meeting of the Board and of the District.

**RECITALS**

**WHEREAS**, Article VII of the Articles presently provides that the Board shall consist of at least nine (9) and not more than fifteen (15) trustees, of whom at least three (3) must be directors of the District;

**WHEREAS**, Article IV, Sections 4.2 and 4.3 of the Bylaws presently provide that the Board shall consist of at least five (5) and not more than fifteen (15) trustees, of whom at least one (1) must be a director of the District;

**WHEREAS**, the Board desires to reduce the required minimum number of trustees and the required number of District directors serving as trustees, as well as create consistency between the Articles and the Bylaws;

**WHEREAS**, Article XIII of the Articles and Article IX of the Bylaws authorize the Board to amend the Articles and Bylaws, respectively, subject to the written approval of the District as the sole member;

**NOW, THEREFORE, BE IT**

**RESOLVED**, that Article VII of the Articles is hereby amended and restated in its entirety to read as follows:

**"ARTICLE VII – TRUSTEES**

The affairs of the Corporation shall be managed and regulated by its Board of Trustees, comprised of at least five (5) but not more than fifteen (15) persons. At least one (1) Trustee shall, at the time of election or appointment, be a duly elected or appointed member of the Board of Directors of Tualatin Hills Park & Recreation District (the “District”). The General Manager of the District shall also serve as an ex-officio non-voting Trustee. Upon election to the THPF Board of Trustees, a new trustee shall be



formally approved by District directors at its next regularly scheduled meeting. The District may remove, with or without cause, any Trustee."

**RESOLVED FURTHER**, that the proper officers of the Corporation are hereby authorized and directed to prepare and file Articles of Amendment with the Oregon Secretary of State (or such other filings as may be required by law) to effectuate the foregoing amendment, and to take all other actions they deem necessary or advisable to carry out these resolutions;

**RESOLVED FURTHER**, that Article IV of the Bylaws is hereby amended as follows:

1. Section 4.2 (Number) is amended and restated to read:

"Number. The number of Trustees may vary between a minimum of five (5) and a maximum of fifteen (15), the exact number to be determined from time to time by the Board of Trustees."

2. Section 4.3 (Election – first paragraph, first sentence) is amended and restated to read:

"At least one (1) Trustee must, at the time of election or appointment, be a director of the District. The General Manager of the District shall also serve as an ex-officio non-voting Trustee. New THPF Trustees shall be approved by the THPRD Board of Directors at a regularly scheduled meeting."

**RESOLVED FURTHER**, that any officer of the Corporation (each an "Authorized Officer") is authorized and directed, in the name of and on behalf of the Corporation, to execute and deliver any and all documents, certificates and instruments, to pay all fees, and to take any and all such other actions as such Authorized Officer deems necessary, advisable or appropriate to carry out the intent of these resolutions;

**RESOLVED FURTHER**, that the undersigned Secretary of the Corporation is hereby directed to insert this Consent into the minute book of the Corporation.

This Unanimous Written Consent may be executed in counterparts (including by electronic signature), each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

*[Signatures are on the following page]*

**IN WITNESS WHEREOF**, the undersigned have executed this Unanimous Written Consent effective as of the date set forth opposite each signature.

**BOARD OF TRUSTEES:**

_____ Wendy Hill, Chair	_____ Date
_____ Saba Anvery, Vice-Chair	_____ Date
_____ Scott Tumbleson, Treasurer	_____ Date
_____ Caitlin Bellum, Secretary	_____ Date
_____ Mustapha A. Abdulai, Trustee	_____ Date
_____ Eileen Kravetz, Trustee	_____ Date
_____ Rebecca Miller, Trustee	_____ Date
_____ Alfredo Moreno, Trustee	_____ Date
_____ Scott Pfister, Trustee	_____ Date
_____ Mary Ulmer, M.D., Trustee	_____ Date

**SOLE MEMBER – TUALATIN HILLS PARK & RECREATION DISTRICT:**

_____ Barbie Minor President, THPRD Board of Directors	_____ Date
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ATTEST:

\_\_\_\_\_  
Caitlin Bellum, Secretary



# MEMORANDUM

**DATE:** May 28, 2025  
**TO:** Doug Menke, General Manager  
**FROM:** Steven Sutton, Human Resources Director  
**RE:** **Collective Bargaining Agreement**

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## **Summary**

Staff recommends the board of directors ratify the Collective Bargaining Agreement between the Tualatin Hills Park & Recreation District (District) and the Tualatin Hills Park & Recreation District Employees Association (Association) for a three-year period beginning on July 1, 2025.

## **Background**

The District negotiations team recently completed negotiations with the Association on a successor agreement to the contract expiring June 30, 2025. These negotiations took place over a four-month period during which seven (7) individual meetings took place. Staff have provided regular updates on the status of the negotiations to the board of directors and will share a final list of tentative agreements with the board at the June 11, 2025 executive session.

The proposed Collective Bargaining Agreement resulting from these negotiations will be provided to the board by Friday, June 6, as both a clean copy and a red-line version of all negotiated changes. On June 4, the members of the Association will present the proposed Collective Bargaining Agreement which will be followed by a vote.

## **Proposal Request**

Based upon the approval by the members of the Association, staff are requesting board ratification of the Collective Bargaining Agreement. Specific provisions of the contract have been discussed previously with the board in executive session, and staff believe the negotiated agreement meets the key interests identified by the board in these discussions. Staff further believe that the agreement is in the best interest of the district by providing an effective balance between competitive compensation and cost containment.

## **Action Requested**

Board of directors' ratification of the Collective Bargaining Agreement with the Tualatin Hills Park & Recreation District Employees Association for the three-year period beginning on July 1, 2025.



# MEMORANDUM

**DATE:** May 29, 2025  
**TO:** Board of Directors  
**FROM:** Doug Menke, General Manager  
**RE:** **General Manager's Report**

## 2026 Bond Measure Preparation

At the June 11, 2025 board meeting, staff will present an update on the development of the potential replacement bond, including work to refine bond projects, bring on board a communications consultant, and begin recruitment for a bond task force that will help staff develop the framework for a possible ballot measure. Deputy General Manager Aisha Panas, Communications Director Holly Thompson, and Sustainability Manager Bruce Barbarasch will be available to answer questions at the meeting.

## Upcoming Events

### June

Date	Event Name	Time	Location
6/13/2025	Pride Picnic	6 – 8:30pm	Garden Home Recreation Center
6/15/2025	EID ul-Adha	4 – 8 pm	Cedar Hills Park
6/21/2025	夏祭り (Natsu Matsuri)	3 – 9pm	Conestoga Recreation and Aquatic Center
6/22/2025	Sunset's Summer Kick Off	6:30 – 8:30 pm	Sunset Swim Center
6/24/2025	Bird Songs of Opera	6:30 – 8 pm	Camp Rivendale (Jenkins Estate)
6/26/2025	Summer Kick Off Concert & Event	6:30 – 8:30p	Mountain View Champions Park
6/27/2025	Summer Pool Theme Night - Bluey and Friends	6 – 8:30 pm	Conestoga Recreation and Aquatic Center
6/28/2025	Family Pride in the Park	11a – 2p	Cedar Hills Recreation Center
6/29/2025	Beaverton Pride Event (THPRD Booth)	11a – 5p	4975 SW Hall Blvd. Beaverton, Oregon 97005

### July

Date	Event Name	Time	Location
7/4/2025	4th of July Celebration & Concert	11a – 2p	Veteran's Memorial Park
7/8/2025	Frida Kahlo Birthday Celebration	8 am – 8:30 pm	Garden Home Recreation Center
7/10/2025	Summer Splash Day	4 – 7p	Arnold Park
7/13/2025	Parks & Recreation Palooza	All Day	Conestoga Recreation and Aquatic Center
7/17/2025	Summer Concert	6 – 9 pm	Timberland Park



# MEMORANDUM

**DATE:** May 22, 2025  
**TO:** Doug Menke, General Manager  
**FROM:** Aisha Panas, Deputy General Manager  
**RE:** Resolution Naming New Neighborhood Parks

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## **Introduction**

District staff have recently completed community outreach for the naming of two new neighborhood parks: one in the North Bethany area (site #1) and the other in the South Cooper Mountain area (site #2). Staff are seeking board of directors' approval of Resolution No. 2025-09 (Attachment 1) for the recommended park names.

## **Background**

Beginning in 2019, the district engaged underrepresented communities (organizations and individual community leaders) to develop a catalog of names, which emerged from an intentional outreach process, including conversations with local Black, Indigenous, and People of Color organizations and leaders. While the development of the Names Catalog is ongoing, staff used this list of names as a starting point for the naming process of these two new parks. Both park sites were developer-built projects. The process for each recommended name started with establishment of an Internal Naming Committee where the committee selected possible name options from the Names Catalog and additional name options were chosen based on a variety of factors, including but not limited to the sites' unique amenities, location, and ecology. Staff gathered input on each recommended name from the district's management team, the broader community, and the Parks & Facilities Advisory Committee.

At the May 2024 board meeting, staff recommended Meeting Point Park for park site #2 due to its central location in the subdivision. In conjunction with feedback received from the community, board members were interested in reserving the name Meeting Point Park for a site the was centrally located in the district as opposed to a subdivision. Staff revisited the Names Catalog to select a name that more closely aligns with the site's characteristics and charm.

## **Proposal Request**

Staff is requesting that the board of directors approve the two recommended names for the district's future neighborhood parks in the North Bethany and South Cooper Mountain areas.

- 1) Proposed Name for Site 1: Harvest Park
  - Location: North Bethany at NW Evelyn St & NW Eleanor St
  - Size: 2.06 acres
- 2) Proposed Name for Site 2: Free Skies Park
  - Location: South Cooper Mountain at SW Trask St, Precipice Ln, and Silvertip St
  - Size: 0.86 acres

A map of these park locations is attached as Exhibit A to the resolution adopting the proposed names. A summary of the recommended park names with supporting information demonstrating adherence to THPRD's naming policy is attached as Exhibit B to the resolution.

## **Outcomes of Proposal**

The recommended names have been provided through an intentionally inclusive process of engaging underrepresented communities first in the naming process. The recommended site names are intended to welcome and inspire members of our community to visit and enjoy THPRD parks and trails.

## **Public Engagement**

Once the names were identified based on the initial outreach process through the Names Catalog project, the district's Internal Naming Committee selected names that closely identified with the site. Each site's engagement strategy is unique to the site and tailored to best serve the community. Different methods are implemented to garner as much feedback as possible. Community input is gathered in a variety of ways and can include, but is not limited to, mailers and tabling at local community events, through social media, local NACs or CPOs, bilingual newsletters, project email listservs, and the THPRD webpage and bilingual news-blog. Each request to share feedback included a contextual description for each name, including a translation, pronunciation (when appropriate), and description of relationship to the park. Staff then presented to the Parks & Facilities Advisory Committee and the feedback received about the names was positive. Community responses are summarized and sorted below.

### **Park Site #1: Harvest Park** (new neighborhood park at NW Eleanor Ave. & NW Evelyn St.)

- Total of 90 respondents
- 90% of respondents (81 respondents) liked or loved the name
- 10% of respondents (9 respondents) were neutral to the name or responded in a way that was unclear
- Tabled at the Holi Festival
- Highlights from respondents:
  - I like the name, especially after learning more about it.
  - I think it's great, it gives gratitude to the community.
  - That's neat.

### **Park Site #2: Free Skies Park** (new neighborhood park at SW Trask St., Precipice Ln., and Silvertip St.)

- The park is in an area that is being developed and there are not many residents, therefore, staff reached out to nine community partners representing diverse backgrounds to gather their thoughts on the proposed name. The feedback was positive and supports the name. Here are comments that we heard:
  - I like the feeling of freedom.
  - Culturally speaking it sounds good.
  - Love the story behind the name. It sounds very nice.
  - Sounds good, nothing negative.
- Staff expanded the mailer radius to ensure we reached most people that had a residence in the area.
  - Total of 2 respondents to mailer. Responses were about the timeline for adding amenities to the park; neither had comments about the name.
- NOTE: Advisory Committee members asked to develop a direct and meaningful link between the name and the park space through interpretive signage, park webpage, or other features.

## **Action Requested**

Board of directors' approval of Resolution No. 2025-09, naming two new neighborhood park sites as Harvest Park and Free Skies Park.

RESOLUTION 2025-09

**A RESOLUTION OF THE TUALATIN HILLS PARK & RECREATION DISTRICT  
BOARD OF DIRECTORS NAMING NEW PARK SITES**

**WHEREAS**, the Tualatin Hills Park & Recreation District (THPRD) Board of Directors adopted District Compiled Policies (DCP) to guide its consideration of various THPRD operational matters including the naming and renaming of THPRD-owned properties; and

**WHEREAS**, THPRD will develop two new parks, has conducted an inclusive engagement process with underrepresented community organizations and leaders to identify names for these new parks, gathered public input on these names, and is subsequently recommending the two names for these new parks; and

**WHEREAS**, consistent with DCP 8.07 inasmuch as the names preserve and honor the history of THPRD and the communities it serves; and, considers each site's history, geographical location, community, and natural features;

**NOW THEREFORE**, based on the foregoing, the Tualatin Hills Park & Recreation District hereby resolves as follows:

**Section 1.** That the new park sites depicted on the attached Exhibit A as Park Site #1 be named **Harvest Park** and Park Site #2 be named **Free Skies Park**. A summary of the recommended park names with supporting information for each name and demonstrating adherence to THPRD's naming policy is attached as Exhibit B. And, the general manager and staff are to take such steps as are deemed by them necessary to affect said names in a timely manner.

**Section 2.** That this resolution is and shall be effective from and after its passage by the Board of Directors.

Approved and adopted on June 11, 2025, by the Board of Directors of the Tualatin Hills Park & Recreation District.

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Barbie Minor, President

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Alfredo Moreno, Secretary

ATTEST:

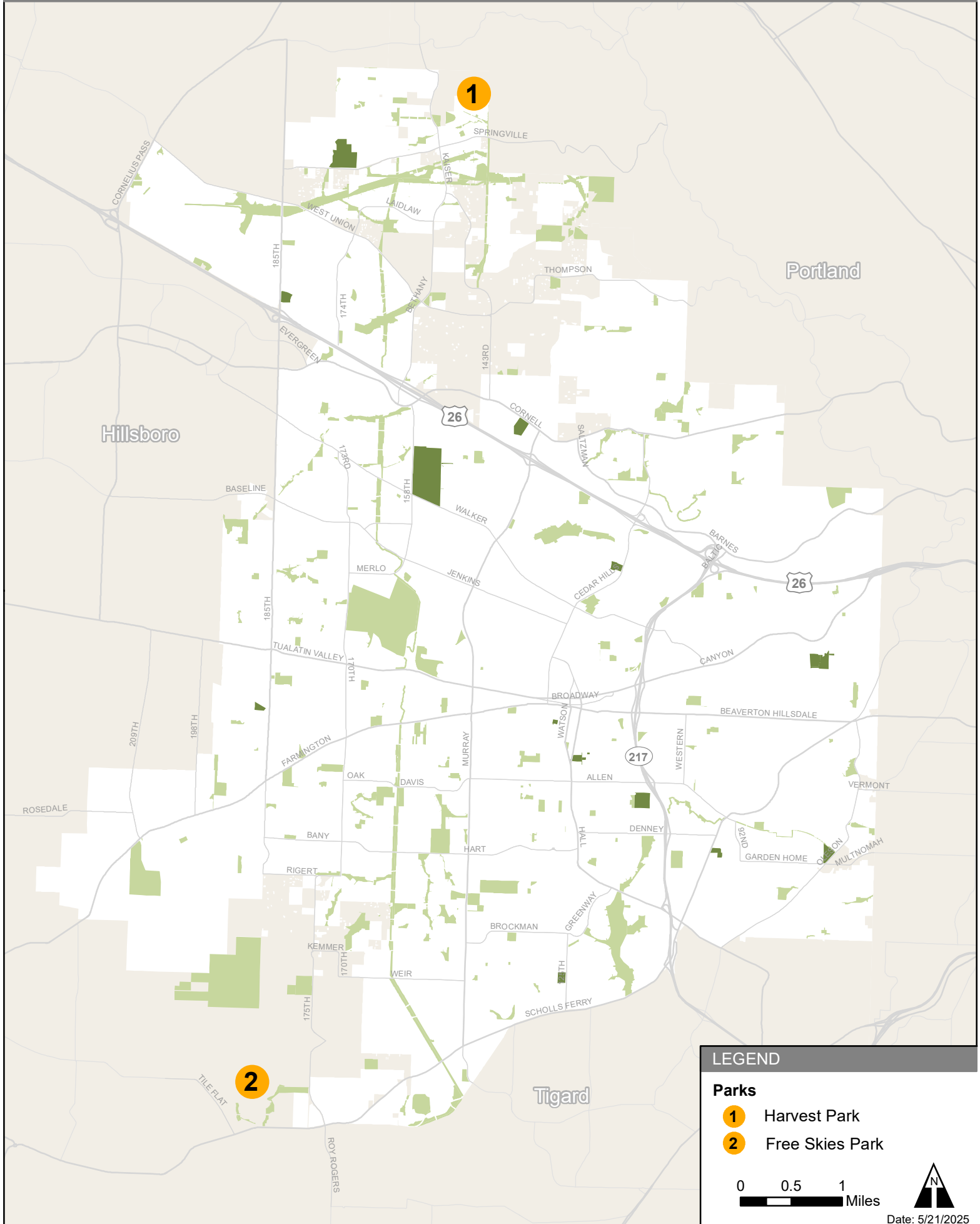
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Jessica Collins, Recording Secretary



# MAP OF NEW PARK NAMES

Exhibit A



## LEGEND

### Parks

- 1 Harvest Park
- 2 Free Skies Park

0 0.5 1 Miles



Date: 5/21/2025



## Recommended Names & Descriptions

The following table provides a map number in reference to Exhibit A, the site location or temporary name used for the site, the newly recommended site name, and a description of that recommended name.

Map #	Former/Temporary Site Name	Recommended Site Name	Name Description
1	<b>Future Park at NW Evelyn St &amp; NW Eleanor St</b>	<b>Harvest Park</b>	The name honors Oregon's Nikkei community and its farming history. The origin of the name comes from old photos that show crops being planted and harvested, which were passed down by families and are a meaningful part of Oregon's story. The site's gleaned garden which will let people gather fresh produce, embodies the park name.
2	<b>Scholls Heights Pocket Park / Community Gathering</b>	<b>Free Skies Park</b>	The name celebrates African American perseverance and the concept of freedom and possibility. Chosen through community collaboration, the name is inspired by the 1906 obituary of Albert Bayless. Bayless was an African American pioneer who despite the challenges of his time, found freedom and dignity in Oregon. The site location, with its wide sky views, and amenities including a large open grass area for neighbors to gather and connect with each other, embody the meaning provided.

Statement of Justification: Pursuant to DCP 8.07 (District Compiled Policy for Naming of District Property) and P&P 4.05.01 (Operational Policies & Procedures: Guidelines for Naming of District Property), the recommended names fall within the broad naming category of 'Historic Events, People, Places and Symbolic Terms of local cultural significance', and also adhere to the definitions of classifications of district properties established in the Comprehensive Plan. Further, staff believes the recommended names consider the sites' locations and ecology, holds symbolic value that transcends its ordinary meaning or use and enhance the character and identity of the district properties, and reflect themes having broad public support by the community. Given these considerations, staff also believes the recommended names best serve the interests of the district and its residents and promote a worthy and enduring legacy for the district's park and recreation system.