



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

**Board of Directors Regular Meeting
Wednesday, October 14, 2020**

**4:30 pm Executive Session
5:30 pm Regular Meeting**

AGENDA
(updated 10/13/20)

1. Executive Session*
 - A. Legal
 - B. Land
2. Call Regular Meeting to Order
3. Action Resulting from Executive Session
4. [Proclamation: National Native American Heritage Month & Indigenous Peoples' Day](#)
5. Audience Time**
6. Board Time
 - A. Committee Liaisons Updates
7. Consent Agenda***
 - A. [Approve: Minutes of September 9, 2020 Regular Board Meeting](#)
 - B. [Approve: Monthly Bills](#)
 - C. [Approve: Monthly Financial Statement](#)
 - D. [Approve: Resolutions Amending the District's Retirement Plan and Amending the District's Individual Account Program Retirement Plan](#)
 - E. [Approve: Resolution Removing Reliance Trust Company and Appointing the District as Trustee for the Tualatin Hills Park & Recreation District 457 Deferred Compensation and 401a Profit Sharing Plans](#)
 - F. [Approve: Resolution Adopting a District 401\(a\) Profit Sharing Plan and Trust](#)
 - G. [Approve: Indemnification Agreements with Trustees for the District Defined Benefit Pension Plan Committee](#)
8. Unfinished Business
 - A. [Approve: Resolution Adopting Affordable Housing System Development Charge Waiver Policy](#)
 - B. [Information: General Manager's Report](#)
9. Adjourn

Due to the current State of Emergency as a result of the COVID-19 pandemic, the THPRD Board of Director's October 14, 2020 Regular Meeting will be conducted electronically. Live streaming of this meeting will be available at <https://youtu.be/ul5mpxVN9gM> and also posted on the district's website at www.thprd.org

***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 by email only. If you wish to submit testimony, please do so **by 3 pm on October 14, 2020** to boardofdirectors@thprd.org. Testimony received by the designated time will be read into the record during the applicable agenda item with a 3-minute time limit.

*****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.



MEMO

DATE: October 13, 2020
TO: Board of Directors
FROM: Doug Menke, General Manager

RE: **Information Regarding the October 14, 2020 Board of Directors Meeting**

Agenda Item #4 – [Proclamation: National Native American Heritage Month & Indigenous Peoples' Day](#)

Attached please find a proclamation for National Native American Heritage Month & Indigenous Peoples' Day.

Agenda Item #7 – Consent Agenda

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

- A. [Approve: Minutes of September 9, 2020 Regular Board Meeting](#)
- B. [Approve: Monthly Bills](#)
- C. [Approve: Monthly Financial Statement](#)
- D. [Approve: Resolutions Amending the District's Retirement Plan and Amending the District's Individual Account Program Retirement Plan](#)
- E. [Approve: Resolution Removing Reliance Trust Company and Appointing the District as Trustee for the Tualatin Hills Park & Recreation District 457 Deferred Compensation and 401a Profit Sharing Plans](#)
- F. [Approve: Resolution Adopting a District 401\(a\) Profit Sharing Plan and Trust](#)
- G. [Approve: Approve: Indemnification Agreements with Trustees for the District Defined Benefit Pension Plan Committee](#)

Agenda Item #8 – Unfinished Business

- A. [Resolution Adopting Affordable Housing System Development Charge Waiver Policy](#)

Attached please find a resolution adopting system development charge (SDC) waivers for affordable housing.

Action Requested: Board of directors' approval of Resolution No. 2020-24 adopting a System Development Charge Affordable Housing Waiver Policy.

- B. [General Manager's Report](#)

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

Other Packet Enclosures

- [Management Report](#)
- [Monthly Capital Report](#)
- [Monthly Bond Capital Report](#)
- [System Development Charge Report](#)



TUALATIN HILLS PARK & RECREATION DISTRICT

PROCLAMATION

By the Board of Directors

WHEREAS, each year, Americans observe National Native American Heritage Month by affirming and acknowledging the culture, heritage, innumerable contributions, and by raising awareness of the ongoing challenges faced by Native Americans; and

WHEREAS, the national observance began in 1990; and

WHEREAS, THPRD honors and values the unique and rich contributions of all community members and strives to create a welcoming and inclusive park and recreation system that is accessible and welcoming to everyone; and

WHEREAS, the THPRD community is strengthened and made better by the many significant contributions of native and indigenous tribes and communities that have long made these lands their home; and

WHEREAS, Indigenous People have handed down oral histories, science, governance, a distinct relationship with nature, and continue to contribute to the cultural, educational, and spiritual fabric of our community; and

WHEREAS, THPRD recognizes that the district rests on native lands and was originally home to the Tualatin Kalapuya affiliated with the Confederated Tribes of Grand Ronde; and

WHEREAS, we honor the rich diversity of the people we serve and have much work to do to develop active partnerships with the Native American Community today; and

WHEREAS, THPRD wishes to recognize the second Monday of October as Indigenous Peoples' Day, and affirms our commitment to stand with Indigenous Peoples against systemic racism.

NOW, THEREFORE, the Board of Directors of the Tualatin Hills Park & Recreation District does hereby declare the month of November 2020 as

**National Native American Heritage Month
and the Second Monday in October as
Indigenous Peoples' Day**

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

Signed this 14th day of October 2020.

Ashley Hartmeier-Prigg, President

Tya Ping, 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 electronically at 4:30 pm on Wednesday, September 9, 2020.

Present:

| | |
|------------------------|--------------------------------|
| Ashley Hartmeier-Prigg | President/Director |
| Tya Ping | Secretary/Director |
| Heidi Edwards | Secretary Pro-Tempore/Director |
| Wendy Kroger | Director |
| Felicita Monteblanco | Director |
| Doug Menke | General Manager |

Agenda Item #1 – Call Regular Meeting to Order

A Regular Meeting of the Tualatin Hills Park & Recreation District Board of Directors was called to order by President Ashley Hartmeier-Prigg on Wednesday, September 9, 2020, at 4:30 pm.

Agenda Item #2 – Proclamation: National Hispanic Heritage Month

The board members read into the record a proclamation that the Tualatin Hills Park & Recreation District declares the month of September 2020 as National Hispanic Heritage Month.

Agenda Item #3 – Presentation: Emergency Shelter COVID-19 Response

Kim Marshall, Executive Director for Project Homeless Connect Washington County, along with Katherine Galian, Director of Family & Community Resources for Community Action, and Pat Rogers, Housing & Homeless Services Manager for Community Action, provided a detailed report via a PowerPoint presentation, a copy of which was entered into the record, regarding their organizations’ experience in partnering with THPRD on a temporary emergency shelter for people experiencing homelessness that operated out of the Elsie Stuhr Center early in the COVID-19 pandemic.

President Hartmeier-Prigg thanked the group for the informative presentation and the important services they provide to the community.

Felicita Monteblanco thanked district staff for displaying leadership and reflecting the district’s values by stepping forward so enthusiastically in helping to enable the shelter. She invited feedback from the service providers on how the district can build future facilities in a way that can best be utilized during emergencies. How can public agencies ensure that public spaces and buildings can be utilized well for a multitude of purposes, such as during an emergency event?

Tya Ping asked for additional information regarding the services available for Beaverton School District students and families experiencing homelessness.

- ✓ Katherine provided an overview of the services available, including a youth shelter in Hillsboro and five family shelters within the county, noting that all of the shelters experience waitlists, which speaks to the community need for such services.

- ✓ Kim added that there is currently no shelter for single adults within the county, which is why it was so important to get an emergency shelter in place like the one at the Elsie Stuhr Center.

Agenda Item #4 – Audience Time

General Manager Doug Menke referenced public comments received by the district earlier today requesting the temporary closure of the Cooper Mountain Nature Park due to the current wildfire dangers, which the district has done in cooperation with Metro as of this afternoon.

Secretary Tya Ping read written testimony received, copies of which were entered into the record:

Shelley Signett, 18900 NW Lapine Street, Portland, provided testimony to the board requesting that the district consider purchasing property on the southeast corner of NW West Union Road and 185th Avenue that had previously been considered for development as a gas station. She described the property as a natural wetland area next to the Rock Creek Trail with old trees and a variety of wildlife. She stated that this seems like an opportune moment for the district to step forward to buy the land so that it can be protected from development, noting that according to Washington County records, it is 1.21 acres with an assessed market value of \$1,058,350. She hopes that the board will consider acquiring this corner of land, so it can become part of THPRD's regional trail system and remain a natural area.

- General Manager Doug Menke commented that the district has evaluated this property in the past and that discussions with the board regarding property acquisition should take place during executive session. The district's priority focus in the acquisition of natural areas is the opportunity to connect wildlife corridors, but this particular property is not a true connector. Additionally, the district may receive the undevelopable portion of the property in due time through development activities on the site.

Secretary Tya Ping read written testimony received pertaining to Agenda Item 7B, SDC Methodology Update – Affordable Housing Waiver Policy, copies of which were entered into the record:

John Trinh, CEO for Luke-Dorf, Inc., a community mental health and affordable housing developer in Washington County, wrote that many positive health outcomes result from more access to high-quality affordable housing. Research has shown correlations between affordable housing and healthier development, fewer serious health issues, and improved quality of life. Those who receive affordable housing units in a safe and well-planned area can benefit greatly. As emotional, mental and physical health issues only cause an additional burden on overtaxed healthcare systems and may make it harder for affected individuals to receive necessary health care services, it is important to understand the need for additional affordable housing opportunities. Luke-Dorf, Inc., applauds THPRD's willingness to address its role in policy framework for system development charge (SDC) waivers for affordable housing developments and hopes that THPRD can be a catalyst to encourage other areas within Washington County to address SDCs and provide waivers to facilitate more affordable housing within our communities. It's also important to note that there are many aspects of an individual's identity, of which race is just one. A person from a community of color may also be part of other communities, such as: people with disabilities, rural communities, families with children, low-income, immigrants without documentation, people experiencing homelessness, etc., and therefore have distinct experiences related to the intersections of those identities. For instance, people of color who also have disabilities may experience discrimination based on both of these aspects of their identity. Policy solutions that seek to address these challenges should be co-created with communities of color in order to be responsive to their needs and wants.

William Allen, Housing/Operations Director for Luke-Dorf, Inc., wrote that a major piece of Luke-Dorf's mission is the development and operation of affordable housing within Washington County. They recently completed construction of the Clover Court Apartments, a 6-unit site that serves individuals who have suffered from mental wellness issues and chronic homelessness. A lack of major SDC waivers on this project contributed considerably to the overall budget, requiring additional time and resources to balance the financing on the project. As with all affordable housing projects, financing and funding acquisition is one of the major barriers to development, and any cost area that can be reduced or mitigated increases the ability for a nonprofit to approach new projects to serve the most vulnerable in any community. Developers who seek to build new housing to meet the needs of our community review many cost assumptions, SDCs being a primary factor. While THPRD provides highly attractive services and facilities, this comes at a cost. Historically, that cost has pushed many affordable housing developers to build elsewhere in the county, leaving families of modest means in the district with fewer options for stable, affordable housing. The district's proposed methodology will help provide a level of certainty and incentive for affordable housing developers that will allow a greater mix of homes to be built in district. There is a significant shortfall of affordable housing in the region. As the "economic engine" of the State, Washington County is a great place to call home, but the housing market is highly constrained for far too many. In each of the past five years, nearly 50% of renters faced housing cost burdens, with communities of color disproportionately affected (78% of black and 46% of Hispanic households experienced housing needs compared with 37% of whites). Despite coordinated efforts to address homelessness, it is estimated that on any given day 1,000 people are homeless, and Beaverton School District has the largest number of homeless students in the state. Housing insecurity adversely impacts health, school and work, with higher rates of chronic disease, depression, school absenteeism and dropouts. Luke-Dorf appreciates THPRD's willingness to address its role in the housing ecosystem, and applauds the SDC Methodology as it provides an opportunity to restore and enhance equity in demonstrable ways. It will require a delineation of our shared values, not just targeting by income, size of home, and length of affordability, but also by requiring a clear path to ensure access to these new homes by communities of color with culturally specific and responsive services to promote success.

Agenda Item #5 – Board Time

A. Committee Liaisons Updates

Felicita Montebianco provided the following updates and comments during board time:

- Participated on the Talking Walls committee and complimented staff on this effort.
- Shared information with her peers regarding a webinar on the topic of participatory budgeting and may consider suggesting a future goal for the board's consideration on this concept via the board's parking lot.

Heidi Edwards provided the following updates and comments during board time:

- Has been working with General Manager Doug Menke on the district's partnership with Portland Community College Rock Creek to continue discussions regarding access to the college's fields during the campus closure due to the pandemic.
- The Tualatin Hills Park Foundation met recently and appointed new officers. A current focus point is working on a strategy to build the Legacy Circle.
- Although she was unable to attend the most recent Nature & Trails Advisory Committee meeting, she understands that the focus of discussion was regarding updates to the Natural Resources Functional Plan and e-bikes on trails.

Tya Ping provided the following updates and comments during board time:

- Attended the recent Programs & Events Advisory Committee meeting, during which discussion topics included the Community Psyche grant funds received by the district.

Wendy Kroger provided the following updates and comments during board time:

- Attended the recent Parks & Facilities Advisory Committee, during which the main topic of discussion was regarding the district's dog parks, including committee members visiting potential new locations for such amenities.
- Provided an overview of the most recent Fiduciary Committee meetings and referenced the committee's work reflected on this evening's consent agenda, Resolution Adopting a District 457 Governmental Deferred Compensation Plan and Trust.

President Hartmeier-Prigg opened the floor to board discussion regarding the board members' liaison positions for Fiscal Year 20/21, noting that Felicita is currently without a liaison assignment due to her recent transition from being board chair. A concept was presented for the board's consideration of the creation of a new position of local government liaison to partner agencies, the City of Beaverton and Washington County. The purpose of this liaison position would be to continue building relationships with these partner agencies via touch points with the council president and commission chair, as well as periodic attendance at partner agency public meetings. This liaison position would be reevaluated after a year to determine whether it warrants continuation. Board discussion included board members wishing to stay with their current liaison assignments due to the impact the pandemic has had on the work of the committees, and agreement that a liaison position rotation of two years per assignment is reasonable. Felicita accepted the assignment of local government liaison and invited feedback from fellow board members as to how she can best share information with them. She also offered to serve as an alternate liaison on other committees should the regular liaison be unable to attend a meeting.

Agenda Item #6 – Consent Agenda

Tya Ping moved that the board of directors approve consent agenda items (A) Minutes of July 22, 2020 Board Work Session, (B) Minutes of August 12, 2020 Regular Board Meeting, (C) Minutes of August 19, 2020 Special Board Meeting, (D) Monthly Bills, (E) Monthly Financial Statement, (F) Intergovernmental Agreement with City of Beaverton for Building Public Mental Health and Community Psyche Program, and (G) Resolution Adopting a District 457 Governmental Deferred Compensation Plan and Trust. Felicita Monteblanco seconded the motion. Roll call proceeded as follows:

| | |
|-------------------------------|------------|
| Heidi Edwards | Yes |
| Wendy Kroger | Yes |
| Felicita Monteblanco | Yes |
| Tya Ping | Yes |
| Ashley Hartmeier-Prigg | Yes |

The motion was UNANIMOUSLY APPROVED.

Agenda Item #7 – Unfinished Business

A. Resolution Adopting Vision Action Plan

Holly Thompson, Communications Director, introduced Jaspreet Chahal, Community Engagement Specialist, and Visioning Task Force members, Nadia Hasan and Kanthi Karumbunathan, to provide an overview of the Vision Action Plan included within the board of directors' information packet for consideration of adoption this evening, noting that the plan being presented this evening represents the culmination of 18 months of work.

Jaspreet, Nadia and Kanthi provided a detailed overview of the Vision Action Plan, and the public engagement process used in its creation, via a PowerPoint presentation, a copy of which was entered into the record, and which included the following information:

- Background
 - Board desired a visioning process to help better understand community priorities
 - A guiding priority of the process was to ensure cross-cultural, diverse engagement
 - The project was co-produced and led by community members

- Community Visioning Timeline
 - Phase 1 – Preparation (October 2018 - May 2019)
 - Phase 2 – Outreach & Engagement (June - October 2019)
 - Phase 3 – Action Teams (November - December 2019)
 - Phase 4 – Community Review (February - April 2020)
 - Phase 5 – Vision Action Plan (April - August 2020)
- Visioning Task Force
 - Thirteen members: multicultural, multilingual (ability to speak in seven languages), multigenerational, and geographically diverse
 - Intentionality in engaging underserved populations
 - Building trust through multicultural engagement
 - Designed an approach to make participation accessible (online and in-person)
 - Developed bilingual tools and outreach materials
- Outreach & Engagement
 - Nearly 10,500 people were reached
 - Over 12,500 ideas were collected
 - 117 engagement opportunities
- Overarching Goal Areas
 - Welcoming and Inclusive
 - Play for Everyone
 - Accessible and Safe
 - Preserving Natural Spaces
- Action Teams
 - Inclusive teams of nearly 60 individuals were brought together to review, discuss, and distill community aspirations into a set of voteable actions
 - Each team focused on a different goal area and met twice in November and December 2019
- Community Review
 - 108 ideas developed became part of the community review survey
 - Six languages: Arabic, Chinese, English, Korean, Spanish, and Vietnamese
 - Public invited to vote for “Top 5 favorite ideas” under each goal area
 - Survey promotion was impacted by COVID-19 pandemic
 - Survey responses affirmed the plan and ideas are moving in the right direction
- Vision Action Plan
 - Community driven, validated by the survey responses, and confirmed through the Action Teams process
 - 108 actions spread over four goal areas
- Moving Vision to Action
 - Use the information gathered through this process and work toward the goals outlined by those we serve
 - Interweave public feedback into THPRD’s guiding documents: strategic plan and functional plans
 - The community vision is our long-term destination
 - An opportunity to evaluate our choices and better align them with the direction articulated in our community’s aspirations
 - Annual progress reports to the board on the Vision Action Plan
 - Share information and provide community updates through public website

Holly described three edits to the plan for the board’s consideration: crediting the mural artist on page 33 and amplifying the language and importance of Actions 85 and 86 on page 49, and offered to answer any questions the board may have.

Felicita Monteblanco complimented the efforts of the volunteers and district staff in the development of the Vision Action Plan, as well as the process used in gathering public feedback. She asked how this process might lead the district in shaping a values statement for THPRD.

- Holly replied that the Vision Action Plan should be an important part of any values exercise that the board wishes to pursue. The four goal areas need to become the framework for how we talk about our work with the community and be integrated into our big-picture communications with the public.

Heidi Edwards thanked the volunteer committee members, noting that this work wouldn't have been possible without their efforts.

Tya Ping expressed agreement with the previous comments and complimented the plan's accessibility. She believes the plan is reflective of the board's values, and that it will help the district prioritize what the community wants to see from THPRD.

Wendy Kroger expressed appreciation for everyone's efforts, noting that it was a pleasure to be a part of the process and that she looks forward to seeing the plan used in the future.

President Hartmeier-Prigg expressed appreciation, as well, noting that the board will refer to the plan in their retreat next month.

Felicita Monteblanco moved that the board of directors approve Resolution No. 2020-16 adopting the Vision Action Plan, including the edits to the plan discussed this evening. Tya Ping seconded the motion. Roll call proceeded as follows:

| | |
|-------------------------------|------------|
| Wendy Kroger | Yes |
| Heidi Edwards | Yes |
| Tya Ping | Yes |
| Felicita Monteblanco | Yes |
| Ashley Hartmeier-Prigg | Yes |

The motion was UNANIMOUSLY APPROVED.

B. SDC Methodology Update: Affordable Housing Waiver Policy

Jeannine Rustad, Planning Manager, noted that this evening's presentation will focus on presenting options and seeking board guidance for the policy framework for system development charge (SDC) waivers for affordable housing. This framework will be incorporated into an affordable housing policy resolution to be presented for consideration of approval at the board's October 2020 meeting. Jeannine walked through the information in Attachment A to the memo included within the board of directors' information packet, via a PowerPoint presentation, a copy of which was entered into the record, and which included the following information:

- Estimated affordable housing units anticipated within district boundaries over the next five years, as well as the value of those credits at the new proposed rate.
- Proposed revisions to the components of the affordable housing waiver policy in response to stakeholder and board feedback.
- A list of other actions the district is considering in addressing affordable housing challenges within district boundaries.

60% MFI (median family income) Housing Waiver Amount

- Proposing a 50% waiver at the 31-60% MFI level, as opposed to incentivized structure.
 - Provides certainty to developers
 - Other methods will be used to ensure equity goals are met
 - Simplified approach
 - Stakeholder supported

Felicita Montebalanco expressed support for a 50% waiver for affordable housing serving the 31-60% MFI level.

Tya Ping asked clarifying questions regarding the Affordable Housing Forecast slide of the presentation, noting that she is more apt to support a 50% waiver for affordable housing serving the 31-60% MFI level if the amount of waivers forecasted is within the range of other funding sources the district has been exploring, such as grants and Metro bond funds.

Wendy Kroger inquired whether adopting a 50% waiver for affordable housing serving the 31-60% MFI level would negate the incentive for such developments to potentially include a public space component to the development. She expressed the desire to include criteria within the waiver request process that relates to the district's mission of providing public open space.

- ✓ Jeannine replied that while the current proposal does not explicitly include such criteria, the district has been building relationships with affordable housing providers and jurisdictional partners that enables the district to be at the table early in order to see how a public open space component might be able to work within a development. She also described the potential to partner with affordable housing providers and nonprofits in programming the community rooms of affordable housing developments. Although what she is describing is more informal than formal, she believes that those developments with enough space will consider a public open space component, but that many times the developments have limited space.

Wendy requested that, if criteria can't be formally included in the process, that such discussions at least be monitored and tracked over a specific length of time in order to be able to understand the results of a more passive approach.

- ✓ Jeannine confirmed that this would be included in the annual report to the board.

Tya inquired how the waivers would work in conjunction with SDC credit projects.

- ✓ Jeannine replied that if the development still owes SDCs after the SDC credit project has been taken into account, at that point the 50% and/or 100% waivers would take effect.

Tya asked how many affordable housing units are expected for development outside of the Metro affordable housing bond measure.

- ✓ Jeannine replied that there is a total of 382 units forecasted within the Metro bond and that the city is predicting an additional 250 units will be developed outside of the bond.

Felicita referenced Wendy's comments and described how affordable housing providers' view of THPRD has shifted significantly over the past few years with the providers now seeing THPRD as a partner that values and wants to work with them. She is certain that Wendy's values are completely aligned with that of affordable housing developers and feels that the future is bright.

Heidi Edwards expressed support for a 50% waiver for affordable housing serving the 31-60% MFI level.

President Hartmeier-Prigg expressed support for a 50% waiver for affordable housing serving the 31-60% MFI level.

Dollar or Unit Cap

- Option 1: Dollar cap
 - At least \$2 million for 30% MFI housing (100% waivers)
 - \$1.5 million for 60% MFI housing (50% waivers)
- Option 2: Unit cap
 - 224 units at the 30% MFI level (100% waivers)
 - 408 units at the 60% MFI level (50% waivers)

- Both options set caps at each level to ensure 30% MFI housing has waivers allocated.
- Under the first option, waivers could exceed dollar amount if no senior housing, no credit developments, or rates go up.
- Option 2 would likely allow for credits for all projects within the time period. The only way that requested waivers would exceed available waivers is if more affordable housing is proposed.

Tya Ping expressed support for using a dollar amount cap in order to provide more certainty regarding exactly how much the district can anticipate spending.

Felicita Montebianco expressed support for using a unit cap as she believes this is the easiest method for the community to understand, although she could be persuaded to support a dollar amount cap.

Heidi Edwards expressed support for using a unit cap.

Wendy Kroger expressed support for using a dollar amount cap as she believes this is the most transparent method for the public and also agrees with Tya regarding the certainty it provides. If the decision is to use a unit cap, would it be possible to include a “not to exceed” in dollars?

- ✓ Jeannine replied that additional consideration would need to be given to that concept.

Wendy replied that her main interest is transparency, especially for such a complicated topic. She asked Jeannine which method she believes is most transparent.

- ✓ Jeannine replied units, and suggested that if units are selected, the annual report could also keep a running tally in dollars.

Wendy stated that she could support either cap method as long as the information can be explained well to the public.

Tya asked clarifying questions regarding how the senior housing SDC amount and SDC credit projects are counted against the unit cap and Jeannine provided an overview.

President Hartmeier-Prigg expressed support for using a unit cap, noting that it is the most simple and predictable method. She noted that the Metro affordable housing bond was also tied to number of units, so it should be a concept already familiar to the public. Additionally, the overall goal is to enable a certain number of affordable housing units to be built within the community.

Application Criteria

- Developers seeking waivers must provide:
 - Organizational equity plan
 - Outreach plan for the development (who are the potential tenants and how the developer is engaging communities of color)
 - Lease screening criteria
- Deed restriction on term of affordability
 - Should we require a 30 or 60-year affordability period?
 - The city is requiring 60 years on any developments it invests in
 - The state requires 60 years for projects using Low Income Tax Credits at 9% and 30 years for developments at 4%

Each board member expressed agreement for a 60-year restriction and the required documentation as outlined.

C. General Manager's Report

General Manager Doug Menke provided an overview of his General Manager's Report included within the board of directors' information packet, including the following:

- Grant Program Update
 - Jeannine Rustad, Planning Manager, and Cindy Dauer, Grant Specialist, provided an overview of the Grant Report included within the board of directors' information packet, via a PowerPoint presentation, a copy of which was entered into the record.
- Reopening Facilities Update
 - Aisha Panas, Director of Park & Recreation Services, provided an update on the district's plans to reopen facilities, including the recent reopening of two facilities, via a PowerPoint presentation, a copy of which was entered into the record.
- Mobile Programming Update
 - Julie Rocha, Sports Department Manager, provided an update on Community Psyche grant-funded activities such as Fitness in the Park, free summer camps, and upcoming mobile recreation plans and outreach, via a PowerPoint presentation, a copy of which was entered into the record.
- Community Psyche Grant / Events Update
 - Holly Thompson, Communications Director, provided an update on the events and community partnerships being planned through the Community Psyche Grant, via a PowerPoint presentation, a copy of which was entered into the record.

Doug offered to answer any questions the board may have.

Grant Program Update

Wendy Kroger described a project where district staff was able to repurpose a hazard tree from another park site to be milled for use as lumber to rebuild a footbridge at Greenway Park, resulting in a great cost savings for district taxpayers.

Reopening Facilities Update

Felicita Montebianco inquired about the status of reopening portable restroom facilities at THPRD park sites, specifically near playgrounds.

- ✓ Aisha replied that right now, there are no portable restrooms available besides those being paid for by specific user groups, but permanent restroom facilities at sites with programming are open and being cleaned per state guidelines.

Wendy Kroger asked how many children we are currently serving via out-of-school programming and for an update regarding our partnership with Beaverton School District in providing such programs.

- ✓ Aisha replied that the school district's current focus is providing online education for their students, noting that the school district does not currently have a surplus of available classrooms as they have opened them to teacher use. However, the school district has offered the use of the cafeterias and gymnasiums at four sites to THPRD and other childcare providers, which would enable 40 more students to be served per school site. Currently, the district can accommodate 70 children total at Cedar Hills Recreation Center and Conestoga Recreation & Aquatic Center, and another 40 at Chehalem Elementary School. Right now, the district is able to meet the current demand for out-of-school care and has a few available spots at existing sites. The school district was recently awarded funding via the county to facilitate out-of-school care, but has not yet determined the method of distribution for those funds. THPRD looks forward to continued discussion with the school district on this topic.

Wendy complimented district staff in being in constant contact with the school district on this issue, acknowledging that it is a moving target with many factors at play.

Agenda Item #8 – New Business

A. Resolution Authorizing the Transfer of Appropriated Funds Within the 2020-21 System Development Charges Fund Budget

Lori Baker, Director of Business Services, provided a brief overview of a resolution authorizing the transfer of budget amounts moving appropriated funds from one appropriation category to another, as included in the board of director’s information packet. She noted that in June, the board adopted the FY 2020/21 budget, including appropriations for the System Development Charge (SDC) fund. Subsequent to the budget approval, the district identified the need to provide \$150,000 in support to the City of Beaverton for artwork in an urban plaza area. The support is being provided to the city through a SDC credit of \$16,240 for SDC fees associated with the Patricia Reser Center for the Arts, and SDC support of \$133,760. The cost will be incurred under the appropriation category of Materials and Services, thus an appropriation transfer from the Capital Outlay budget will be necessary to cover the costs.

Bruce Barbarasch, Nature & Trails Manager, provided information regarding the urban plaza artwork via a PowerPoint presentation, a copy of which was entered into the record, and offered to answer any questions the board may have.

Heidi Edwards moved that the board of directors approve Resolution 2020-17 to authorize the transfer of appropriated funds within the 2020/21 SDC fund budget. Felicita Monteblanco seconded the motion. Roll call proceeded as follows:

| | |
|-------------------------------|------------|
| Wendy Kroger | Yes |
| Tya Ping | Yes |
| Felicita Monteblanco | Yes |
| Heidi Edwards | Yes |
| Ashley Hartmeier-Prigg | Yes |

The motion was UNANIMOUSLY APPROVED.

B. Request for Reallocation of Funds Between Projects Within the 2020-21 System Development Charges Fund Budget

Gery Keck, Design & Development Manager, provided an overview regarding a request to reallocate system development charge (SDC) appropriated funds between projects within the FY 2020/21 Adopted Budget. This request includes two separate actions:

1. Allow the reallocation of \$65,000 of undesignated SDC funds to Cedar Hills Park project improvements, and
2. Reallocate \$173,500 from two SDC sources: \$38,500 of undesignated SDC funds and \$135,000 from the South Cooper Mountain Neighborhood Park master plan development, to a new item: SEQ2 Neighborhood Park master plan development.

Gery offered to answer any questions the board may have.

Wendy Kroger moved that the board of directors authorize the reallocation of funds between projects within the FY 2020/21 Adopted Budget. Tya Ping seconded the motion.

Roll call proceeded as follows:

| | |
|-------------------------------|------------|
| Heidi Edwards | Yes |
| Felicita Monteblanco | Yes |
| Tya Ping | Yes |
| Wendy Kroger | Yes |
| Ashley Hartmeier-Prigg | Yes |

The motion was UNANIMOUSLY APPROVED.

C. Resolution Appointing Advisory Committee Members

Holly Thompson, Communications Director, provided a brief overview of a resolution to reappoint five advisory committee members to a one-year extension of their service, as included within the

board of directors' information packet. She explained that advisory committee members are recruited and appointed once per year, but that advisory committee work has been impacted for most of 2020 due to the COVID-19 pandemic. Staff recommended that committee members with terms expiring in 2020 be offered a one-year extension to their term due to the impact of the pandemic on their service. There are ten members with terms expiring in 2020 and five requested the one-year extension. Applications for the remaining five positions will remain open and can be appointed mid-term if there is strong interest from the public. This proposal will result in eight out of ten positions filled on the Parks & Facilities Advisory Committee; eight out of ten positions filled on the Programs & Events Advisory Committee; and, nine out of ten positions filled on the Nature & Trails Advisory Committee. Holly offered to answer any questions the board may have.

Felicita Monteblanco moved that the board of directors approve Resolution No. 2020-18 Appointing Advisory Committee Members. Tya Ping seconded the motion. Roll call proceeded as follows:

| | |
|-------------------------------|------------|
| Wendy Kroger | Yes |
| Heidi Edwards | Yes |
| Tya Ping | Yes |
| Felicita Monteblanco | Yes |
| Ashley Hartmeier-Prigg | Yes |

The motion was UNANIMOUSLY APPROVED.

Agenda Item #9 – Adjourn

There being no further business, the meeting was adjourned at 7:40 pm.

Ashley Hartmeier-Prigg, President

Tya Ping, Secretary

Recording Secretary,
Jessica Collins

| Check # | Check Date | Vendor Name | Check Amount |
|---------|------------|---|----------------------|
| ACH | 8/12/2020 | TREECOLOGY INC | 3,602.50 |
| 313742 | 8/19/2020 | PACIFIC NW NATIVES LLC | 2,490.00 |
| 313793 | 8/26/2020 | STILLWATER SCIENCES | 2,123.50 |
| | | Capital Outlay - Bond - Natural Resources Projects | \$ 8,216.00 |
| 313558 | 8/5/2020 | WASHINGTON COUNTY | 1,421.42 |
| | | Capital Outlay - Bond - New/Redevelop Neighborhood Parks | \$ 1,421.42 |
| 313559 | 8/5/2020 | ZIPLY FIBER INTERNET | 3,949.00 |
| | | Capital Outlay - Bond - Youth Athletic Field Development | \$ 3,949.00 |
| 313555 | 8/5/2020 | TECHNOLOGY INTEGRATION GROUP (TIG) | 3,348.01 |
| | | Capital Outlay - Building Improvements | \$ 3,348.01 |
| ACH | 8/5/2020 | EC COMPANY | 162,216.39 |
| | | Capital Outlay - Building Replacements | \$ 162,216.39 |
| ACH | 8/19/2020 | TYLER TECHNOLOGIES INC | 12,600.00 |
| | | Capital Outlay - ERP Software | \$ 12,600.00 |
| 313556 | 8/5/2020 | TIGARD, CITY OF | 7,203.05 |
| | | Capital Outlay - Park & Trail Improvements | \$ 7,203.05 |
| ACH | 8/5/2020 | EC COMPANY | 10,544.50 |
| ACH | 8/5/2020 | LYDA EXCAVATING INC | 268,950.61 |
| ACH | 8/5/2020 | MACKAY & SPOSITO INC | 16,133.75 |
| 313626 | 8/12/2020 | BEAVERTON SCHOOL DISTRICT #48 | 29,675.01 |
| 313673 | 8/12/2020 | WH PACIFIC INC | 12,577.65 |
| ACH | 8/12/2020 | 3 KINGS ENVIRONMENTAL | 126,832.54 |
| 313792 | 8/26/2020 | SEA REACH LTD | 1,295.00 |
| | | Capital Outlay - SDC - Park Development/Improvement | \$ 466,009.06 |
| 313553 | 8/5/2020 | PORTLAND GENERAL ELECTRIC | 19,719.33 |
| 313653 | 8/12/2020 | PORTLAND GENERAL ELECTRIC | 4,016.99 |
| 313745 | 8/19/2020 | PORTLAND GENERAL ELECTRIC | 3,349.91 |
| 313791 | 8/26/2020 | PORTLAND GENERAL ELECTRIC | 20,915.42 |
| ACH | 8/26/2020 | PORTLAND GENGERAL ELECTRIC (CLEAN WIND) | 1,867.08 |
| | | Electricity | \$ 49,868.73 |
| 313540 | 8/3/2020 | KAISER FOUNDATION HEALTH PLAN | 265,562.94 |
| 313542 | 8/3/2020 | MODA HEALTH PLAN INC | 28,697.44 |
| 313544 | 8/3/2020 | STANDARD INSURANCE COMPANY | 13,595.84 |
| | | Employee Benefits | \$ 307,856.22 |

| Check # | Check Date | Vendor Name | Check Amount |
|---------|------------|---|---------------------|
| 313543 | 8/3/2020 | PACIFICSOURCE ADMINISTRATORS INC | 1,806.13 |
| ACH | 8/14/2020 | CHARLES SCHWAB & CO INC | 25,744.09 |
| ACH | 8/14/2020 | MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY | 12,926.81 |
| 313692 | 8/18/2020 | PACIFICSOURCE ADMINISTRATORS INC | 1,775.13 |
| 313811 | 8/31/2020 | PACIFICSOURCE ADMINISTRATORS INC | 1,709.13 |
| ACH | 8/31/2020 | CHARLES SCHWAB & CO INC | 27,641.81 |
| ACH | 8/31/2020 | MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY | 12,316.86 |
| | | Employee Deductions | \$ 83,919.96 |
| ACH | 8/5/2020 | NW NATURAL | 4,039.46 |
| ACH | 8/19/2020 | NW NATURAL | 1,212.67 |
| ACH | 8/26/2020 | NW NATURAL | 3,840.77 |
| | | Heat | \$ 9,092.90 |
| 313795 | 8/26/2020 | BROWN & BROWN NORTHWEST | 10,338.00 |
| | | Insurance | \$ 10,338.00 |
| ACH | 8/26/2020 | JOHNSON CONTROLS FIRE PROTECTION LP | 1,360.15 |
| | | Maintenance Services | \$ 1,360.15 |
| 313669 | 8/12/2020 | WALTER E NELSON COMPANY | 2,143.10 |
| 313758 | 8/20/2020 | WALTER E NELSON COMPANY | 6,724.80 |
| | | Maintenance Supplies | \$ 8,867.90 |
| 313707 | 8/19/2020 | ASCAP | 2,343.33 |
| | | Miscellaneous Other Services | \$ 2,343.33 |
| 313636 | 8/12/2020 | GUI, HAIRONG | 1,161.65 |
| | | Payroll Replacement | \$ 1,161.65 |
| 313623 | 8/10/2020 | HAILEY, ALEXANDRIA | 3,051.22 |
| | | Payroll Reprint | \$ 3,051.22 |
| 313543 | 8/3/2020 | PACIFICSOURCE ADMINISTRATORS INC | 976.50 |
| 313634 | 8/12/2020 | GALARDI CONSULTING LLC | 4,145.00 |
| 313704 | 8/19/2020 | MERSEREAU SHANNON LLP | 4,500.00 |
| 313811 | 8/31/2020 | PACIFICSOURCE ADMINISTRATORS INC | 821.50 |
| | | Professional Services | \$ 10,443.00 |
| 313550 | 8/5/2020 | LES MILLS UNITED STATES TRADING INC | 1,200.00 |
| | | Program Supplies | \$ 1,200.00 |
| 313748 | 8/19/2020 | Rollot, Oliver | 1,057.33 |
| | | Refund for District Credit Balance | \$ 1,057.33 |
| 313539 | 8/3/2020 | HARSCH INVESTMENT PROPERTIES LLC | 3,518.00 |
| 313800 | 8/26/2020 | HARSCH INVESTMENT PROPERTIES LLC | 3,518.00 |
| | | Rental Facility | \$ 7,036.00 |

| <u>Check #</u> | <u>Check Date</u> | <u>Vendor Name</u> | <u>Check Amount</u> |
|----------------|-------------------|---------------------------------|------------------------|
| 313549 | 8/5/2020 | GRUNOW, KYLIE | 1,500.00 |
| 313662 | 8/12/2020 | SPRINGBROOK HOLDING COMPANY LLC | 33,554.00 |
| ACH | 8/12/2020 | SMITH DAWSON & ANDREWS | 3,000.00 |
| 313799 | 8/26/2020 | ELEVATE TECHNOLOGY GROUP | 2,925.00 |
| | | Technical Services | \$ 40,979.00 |
| ACH | 8/5/2020 | JOHNSON, COREY | 2,662.17 |
| | | Technical Training | \$ 2,662.17 |
| ACH | 8/5/2020 | ALLSTREAM BUSINESS US | 5,626.68 |
| ACH | 8/26/2020 | ALLSTREAM BUSINESS US | 5,776.43 |
| | | Telecommunications | \$ 11,403.11 |
| 313546 | 8/5/2020 | CARSON OIL INC | 1,823.81 |
| 313557 | 8/5/2020 | TUALATIN VALLEY WATER DISTRICT | 2,570.25 |
| 313698 | 8/19/2020 | CARSON OIL INC | 1,825.00 |
| | | Vehicle Gas & Oil | \$ 6,219.06 |
| | | Grand Total | \$ 1,223,822.66 |



Tualatin Hills Park & Recreation District

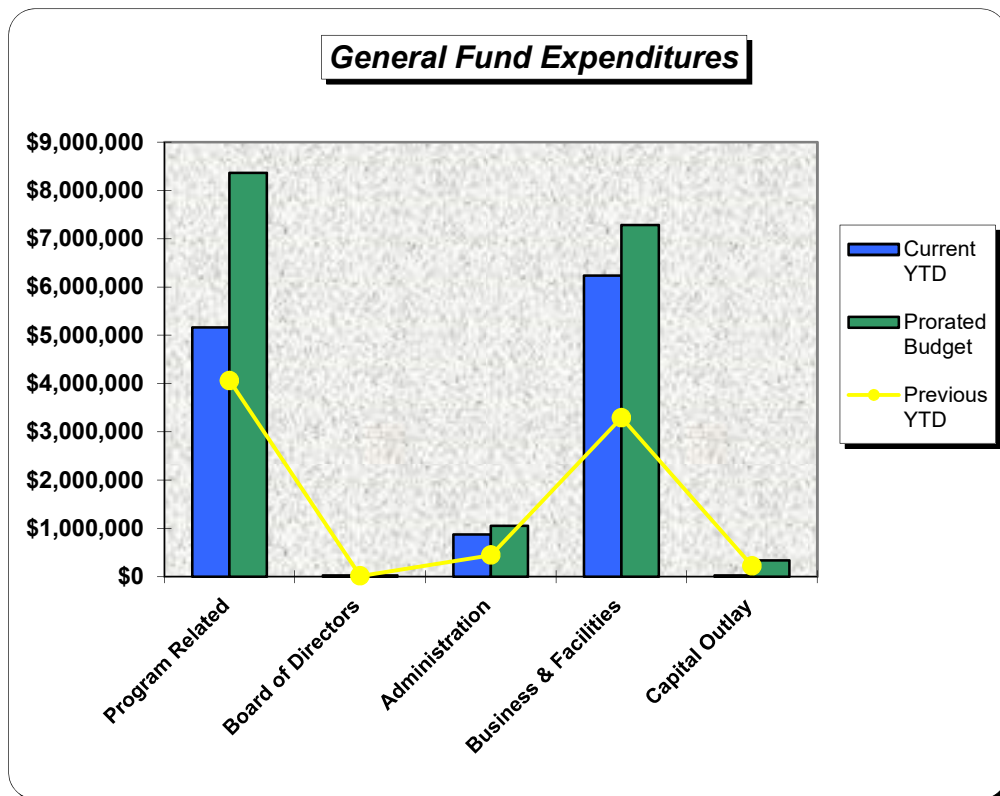
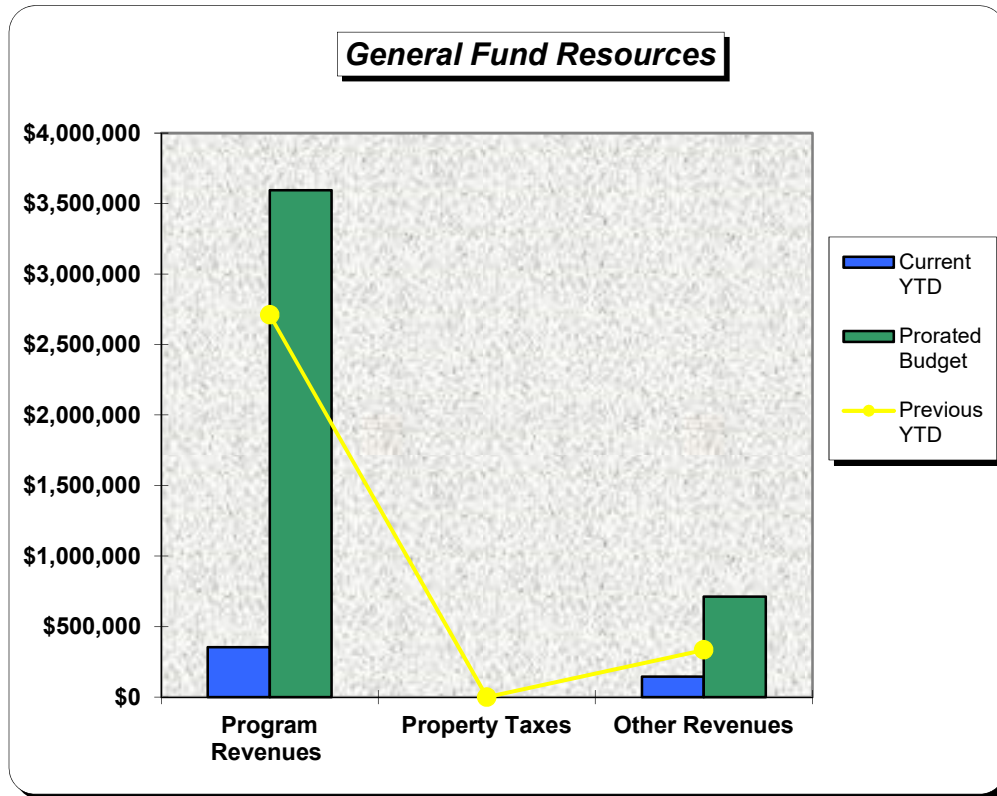
General Fund Financial Summary August, 2020

| | ACTUAL | | BUDGET | | |
|---|-----------------------|------------------------|------------------------|------------------------|------------------------|
| | Current Month | Year to Date | Year to Date | % YTD Actual to Budget | Full Fiscal Year |
| Program Resources: | | | | | |
| Aquatic Centers | \$ 3,563 | \$ 3,596 | \$ 908,795 | 0.4% | \$ 3,780,320 |
| Tennis Center | 224 | 224 | 154,679 | 0.1% | 1,260,017 |
| Recreation Centers & Programs | 46,911 | 90,206 | 1,902,507 | 4.7% | 6,382,547 |
| Sports Programs & Field Rentals | 111,559 | 259,621 | 425,544 | 61.0% | 1,992,613 |
| Natural Resources | - | - | 202,619 | 0.0% | 564,425 |
| Total Program Resources | 162,257 | 353,647 | 3,594,145 | 9.8% | 13,979,922 |
| Other Resources: | | | | | |
| Property Taxes | - | - | - | 0.0% | 34,914,382 |
| Interest Income | 8,808 | 21,361 | 62,729 | 34.1% | 500,000 |
| Facility Rentals/Sponsorships | 28,391 | 46,543 | 62,163 | 74.9% | 660,183 |
| Grants | - | - | 521,344 | 0.0% | 2,900,700 |
| Miscellaneous Income | 35,603 | 76,955 | 66,854 | 115.1% | 465,000 |
| Total Other Resources | 72,802 | 144,859 | 713,090 | 20.3% | 39,440,265 |
| Total Resources | \$ 235,059 | \$ 498,506 | \$ 4,307,235 | 11.6% | \$ 53,420,187 |
| Program Related Expenditures: | | | | | |
| Parks & Recreation Administration | 27,377 | 183,216 | 253,451 | 72.3% | 846,987 |
| Aquatic Centers | 53,683 | 1,015,166 | 1,808,986 | 56.1% | 5,232,202 |
| Tennis Center | 20,430 | 375,621 | 547,655 | 68.6% | 1,661,764 |
| Recreation Centers | 213,946 | 1,699,776 | 3,176,282 | 53.5% | 9,680,044 |
| Community Programs | 34,637 | 255,106 | 353,051 | 72.3% | 938,148 |
| Athletic Center & Sports Programs | 208,604 | 793,118 | 1,084,102 | 73.2% | 3,278,507 |
| Natural Resources & Trails | 116,825 | 842,730 | 1,142,574 | 73.8% | 3,358,192 |
| Total Program Related Expenditures | 675,502 | 5,164,733 | 8,366,101 | 61.7% | 24,995,844 |
| General Government Expenditures: | | | | | |
| Board of Directors | 20,356 | 23,003 | 22,880 | 100.5% | 346,658 |
| Administration | 114,764 | 875,826 | 1,052,642 | 83.2% | 3,088,592 |
| Business & Facilities | 987,409 | 6,234,979 | 7,281,845 | 85.6% | 23,736,891 |
| Capital Outlay | 25,968 | 26,839 | 337,552 | 8.0% | 7,268,673 |
| Contingency/Capital Replacement Reserve | - | - | - | 0.0% | 4,000,000 |
| Total Other Expenditures: | 1,148,497 | 7,160,647 | 8,694,919 | 82.4% | 38,440,814 |
| Total Expenditures | \$ 1,823,999 | \$ 12,325,380 | \$ 17,061,021 | 72.2% | \$ 63,436,658 |
| Revenues over (under) Expenditures | \$ (1,588,940) | \$ (11,826,874) | \$ (12,753,786) | 92.7% | \$ (10,016,471) |
| Beginning Cash on Hand | | 11,244,401 | 10,016,471 | 112.3% | 10,016,471 |
| Ending Cash on Hand | | \$ (582,473) | \$ (2,737,315) | 100.0% | \$ - |

Tualatin Hills Park and Recreation District

General Fund Financial Summary

August, 2020





MEMO

DATE: September 28, 2020
TO: Doug Menke, General Manager
FROM: Lori Baker, Director of Business Services

RE: **Resolutions Amending the District's Retirement Plan and Amending the District's Individual Account Program Retirement Plan**

Introduction

Staff are requesting board of directors' approval of Resolution 2020-20, amending the Tualatin Hills Park & Recreation District Retirement Plan ("Retirement Plan") and Resolution 2020-21 amending the Tualatin Hills Park & Recreation District Individual Account Program Retirement Plan ("IAP Plan").

Background

The Retirement Plan was originally adopted January 1, 1975, and was last amended and restated effective July 1, 2016 and last amended effective July 1, 2020. The IAP Plan was originally adopted July 1, 2020. The Internal Revenue Service (IRS) recommends agencies periodically review their plans to ensure compliance with applicable changes in the law.

Staff engaged the services of Miller Nash Graham & Dunn LLP to review the Retirement Plan for compliance with applicable law and for advice about Plan design changes, including the spin-off of the Voluntary Account Program from the Retirement Plan into the Individual Account Program Plan.

Proposal Request

Staff are requesting approval of the attached resolutions which amend the Retirement Plan and the IAP Plan. A copy of each plan amendment is attached.

Benefits of Proposal

The amendment to the Retirement Plan includes the spin-off of the Voluntary Account Program to be included in and administered with the IAP Plan.

The IAP Plan provides participants with the ability to direct the investment of their account.

Potential Downside of Proposal

There are no apparent downsides to this proposal.

Action Requested

Board of directors' approval of Resolution 2020-20, amending the Retirement Plan, and Resolution 2020-21, amending the IAP Plan.

Resolution No. 2020-20

**A RESOLUTION OF THE TUALATIN HILLS PARK & RECREATION
DISTRICT BOARD OF DIRECTORS AMENDING THE DISTRICT'S RETIREMENT
PLAN**

WHEREAS, Tualatin Hills Park and Recreation District originally adopted the Tualatin Hills Park & Recreation District Retirement Plan (the "Plan") effective January 1, 1975; and

WHEREAS, the Board of Directors last amended and restated the Plan effective on July 1, 2016, and last amended it effective July 1, 2020; and

WHEREAS; the Board of Directors now desires to further amend the Plan in certain respects.

Now, therefore, the Tualatin Hills Park & Recreation District Board resolves as follows:

Section 1. The Board adopts Plan Amendment No. 3, attached and incorporated into this resolution as Exhibit A.

Section 2. Plan Amendment No. 3 in Exhibit A is effective on November 1, 2020, or such earlier or later date as provided in Exhibit A or as necessary for continued income tax qualification.

Section 3. This resolution is effective on the date the Board adopts it.

ADOPTED by the Board of Directors of Tualatin Hills Park & Recreation District this 14th day of October, 2020.

Ashley Hartmeier-Prigg, Board President

Tya Ping, Board Secretary

ATTEST:

Jessica Collins
Recording Secretary

**TUALATIN HILLS
PARK & RECREATION DISTRICT
RETIREMENT PLAN**

Restated Effective July 1, 2016

Amendment No. 3

Tualatin Hills Park & Recreation District (the District) adopted the Tualatin Hills Park & Recreation Retirement Plan (the Plan) for the exclusive benefit of eligible employees, effective January 1, 1975. The Plan was most recently restated effective July 1, 2016, and was last amended effective July 1, 2020.

The District now adopts this Amendment No. 3 to spin off the Voluntary Contributions Accounts from the Plan into the Tualatin Hills Park & Recreation District Individual Account Program Retirement Plan.

1. The provisions relating to the Voluntary Contributions Accounts in the Plan are deleted. Specifically:

- a. Section 5.5 is deleted.
- b. Article VII is deleted and reserved for future use.
- c. Section 9.3 is deleted and reserved for future use.
- d. Sections 9.4(A) is replaced in its entirety with the following provision:

(A) Amount of Preretirement Death Benefit. The amount of the preretirement death benefit shall be the actuarial equivalent of the Participant's accrued benefit under the Plan's defined benefit formula, determined at the time of the distribution to the Beneficiary.

- e. Section 10.3 is replaced in its entirety with the following provision:

10.3 Fully Vested Benefits. Notwithstanding any provision in this article to the contrary, the benefit attributable to a Tier I Employee's Mandatory Defined Benefit Contributions, as described in 3.1(B)(4), shall be fully vested and nonforfeitable at all times.

2. Construction of Amendment. This Amendment shall not be construed so as to reduce or eliminate any benefits accrued or paid through the effective date of the Amendment.

3. Effective Date. The provisions of this Amendment No. 3 shall become effective November 1, 2020.

TUALATIN HILLS PARK
& RECREATION
DISTRICT

By: _____

Dated: _____, 2020

Resolution No. 2020-21

**A RESOLUTION OF THE TUALATIN HILLS PARK & RECREATION
DISTRICT BOARD OF DIRECTORS AMENDING THE DISTRICT'S INDIVIDUAL
ACCOUNT PROGRAM RETIREMENT PLAN**

WHEREAS, Tualatin Hills Park and Recreation District originally adopted the Tualatin Hills Park & Recreation District Individual Account Program Retirement Plan (the "IAP Plan") effective July 1, 2020; and

WHEREAS; the Board of Directors now desires to further amend the Plan in certain respects.

Now, therefore, the Tualatin Hills Park & Recreation District Board resolves as follows:

Section 1. The Board adopts Plan Amendment No. 1, attached and incorporated into this resolution as Exhibit A.

Section 2. Plan Amendment No. 1 in Exhibit A is effective on November 1, 2020, or such earlier or later date as provided in Exhibit A or as necessary for continued income tax qualification.

Section 3. This resolution is effective on the date the Board adopts it.

ADOPTED by the Board of Directors of Tualatin Hills Park & Recreation District this 14th day of October, 2020.

Ashley Hartmeier-Prigg, Board President

Tya Ping, Board Secretary

ATTEST:

Jessica Collins
Recording Secretary

**TUALATIN HILLS PARK & RECREATION DISTRICT
INDIVIDUAL ACCOUNT PROGRAM RETIREMENT PLAN
AMENDMENT NO. 1**

PARTIES

This amendment is made and entered into effective November 1, 2020, by the Board of Directors (“Board”) of the Tualatin Hills Park & Recreation District (“District”).

RECITALS

Effective January 1, 1975, the District adopted the Tualatin Hills Park & Recreation District Retirement Plan (“Retirement Plan”). The District separated the individual account program from the Retirement and adopted the Tualatin Hills Park & Recreation Individual Account Program Retirement Plan (“Plan”) effective July 1, 2020.

The Board desires to amend the Plan in certain respects.

AMENDMENT

The Tualatin Hills Park & Recreation Individual Account Program Retirement Plan is hereby amended effective November 1, 2020, as set forth on the pages attached hereto, which are incorporated by reference herein as follows:

1. TABLE OF CONTENTS at page i.
2. ARTICLE III—DEFINITIONS
 - a. 3.1 at page 4.
 - b. 3.6 at page 7.
 - c. 3.7 at page 8.
 - d. 3.12 at pages 8 and 9.
 - e. 3.13 at page 9.
 - f. 3.17 is added at page 9a.
3. ARTICLE V—CONTRIBUTIONS
 - a. 5.1 at page 11.
 - b. 5.1.A at page 11.

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ARTICLE III

DEFINITIONS

The following words and phrases, when used in this Plan with an initial capital letter, shall have the following respective meanings, unless the context clearly indicates otherwise:

3.1 Account: The separate accounts of a Participant as provided at 6.1.

3.2 Beneficiary: The person or persons or legal entity named in accordance with procedures established by the Plan Administrator as entitled to receive the Participant's benefits provided for herein in case of the Participant's death. If no beneficiary designation is filed in accordance with the Plan Administrator's procedures, or if the person or persons named do not survive the Participant, the Beneficiary shall be the surviving spouse of Participant; if there is no surviving spouse, the Beneficiary shall be the surviving children of the Participant in equal shares; if there is neither surviving spouse nor surviving children, the Beneficiary shall be the surviving parents of the Participant in equal shares; if there are no surviving spouse, surviving children, or surviving parents, the Beneficiary shall be the estate of the Participant.

If a Participant's Beneficiary survives the Participant, but dies before receiving all benefits payable to the Beneficiary hereunder, the balance shall be distributed to the deceased Beneficiary's estate.

Where a Participant has designated his or her spouse as a Beneficiary, and a divorce decree regarding the spouse is subsequently issued, the decree shall constitute an immediate revocation of the Participant's designation of the spouse as a Beneficiary unless the decree or a Qualified Domestic Relations Order (within the meaning of Code Section 414(p)) provides otherwise.

3.3 Code: Internal Revenue Code of 1986, as amended, and successor codes thereto, as amended.

3.4 Compensation:

(a) Basic Definition. Subject to the applicable adjustments in this section, Compensation means wages within the meaning of Code Section 3401(a) and all other payments of compensation to an employee by the District (in the course of the District's trade or business) for which the District is required to furnish the employee a written statement under Code Sections 6041(d), 6051(a)(3), and 6052, determined without regard to any rules under Code Section 3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed.

(b) Adjustments. The basic definition of Compensation in (a) shall be adjusted as described below:

3.5 District: The Tualatin Hills Park & Recreation District, an Oregon special district established pursuant to chapter 266 of the Oregon Revised Statutes.

3.6 Eligible Employee:

(a) IAP Mandatory Contributions. For purposes of the IAP Mandatory Contributions, an Eligible Employee is an employee who is a Tier II Employee, and who is not an excluded individual. For this purpose, excluded individuals are the following:

(i) An individual who is not an employee, but is treated as an employee for qualified plan purposes, by reason of being a “leased employee” as defined in Code Section 414(n)(2). A “leased employee” is any person (other than an employee of the District) who, pursuant to an agreement between the District and any other person, has performed services for the District (or for the District and related persons as defined in Code Section 414(n)(6)) on a substantially full time basis for a period of at least one year, and such services are performed under the District’s primary direction or control.

(ii) A person who performs services for the District but who is treated for payroll tax purposes as other than an employee of the District (and regardless whether the person is later determined by a governmental agency, by the conclusion or settlement of threatened or pending litigation, or otherwise to be or have been an employee of the District).

(iii) An employee who is or becomes included in a unit of employees covered by a bona fide agreement which is a collective bargaining agreement between bona fide employee representatives and one or more employers, where retirement benefits were the subject of good faith bargaining between the employee representatives and the employer or employers and the agreement does not provide for participation in the Plan.

(iv) Temporary and seasonal employees. “Temporary” employees are those who under the terms of their employment are not entitled to the usual fringe benefits provided for regular employees. “Seasonal” employees are those who are hired for work which is seasonal in nature, such as employment limited to summer events.

(b) Voluntary Contributions. For purposes of the Voluntary Contributions, an Eligible Employee is an employee who is a Tier I Employee, and who is not an excluded individual under 3.6(a)(i) – (iv).

For purposes of this section, an “employee” is a person employed by the District, as determined in accordance with applicable common law rules. An individual who is receiving differential wage payments, as defined in Code Section 3401(h)(2), from the District shall be treated as an employee.

3.7 Mandatory IAP Contributions: The mandatory Individual Account Program (“IAP”) contributions required of a Participant as described in 5.1.

3.8 Participant: Each Eligible Employee who qualifies as a Participant pursuant to Article IV.

3.9 Plan: The Tualatin Hills Park & Recreation District Individual Account Program Retirement Plan, as set forth in this document and as from time to time amended. This Plan is intended to comply with the requirements for tax-qualified governmental plans, as defined in Code Section 414(d).

3.10 Plan Administrator: One or more persons appointed by the District as provided at 9.1. In the absence of such an appointment, the District shall be the Plan Administrator.

3.11 Plan Year: The 12-consecutive-month period beginning each July 1 and ending each June 30.

3.12 Tier I Employee:

(a) **General.** Subject to the special rules in (b) and (c) below, an employee who is employed as a full-time employee, is not an excluded individual as provided in 3.6(a)(i) – (iv), and was hired before July 1, 2010, is a Tier I Employee. A Tier I Employee is an Eligible Employee for purposes of the Voluntary Contributions. A Tier I Employee is never an Eligible Employee for purposes of the Mandatory IAP Contributions, unless he or she is treated as a Tier II Employee as provided in 3.12(b) and 3.13(b) below.

(b) **Rehired Former Tier I Employees.** A Tier I Employee who has a severance from employment and is subsequently reemployed as a full-time Eligible Employee on or after July 1, 2010, shall be treated as a Tier II Employee with respect to his or her service after reemployment unless the former employee did not receive a distribution of his or her entire accrued benefit under the Plan following the severance from employment and either –

(i) The former employee is reemployed not more than six months after a severance from employment, or

(ii) The severance from employment was due to one or more of the following reasons:

(A) Military service from which the former employee returns to employment with reemployment rights guaranteed by federal law; or

(B) A disability-related absence from which the former employee returns promptly after the end of the absence. For this purpose, a “disability-related absence” means an absence due to illness

covered by the federal Family and Medical Leave Act or a similar state law, a period of disability for which the employee receives disability benefits from an insurance company or the Social Security Administration, or an absence related to an approved workers' compensation claim; or

(C) A layoff from which the former employee is recalled from the recall list within two years of the layoff date.

(c) **Change in Employment Status.** If a Tier I Employee's employment status changes from full-time to regular part-time, the employee shall continue to be treated as a Tier I Employee with respect to service as a regular part-time employee.

3.13 Tier II Employee: An Eligible Employee who satisfies one of the requirements set forth below.

(a) **General.** Subject to the special rules for reemployed former Tier I Employees, an Eligible Employee is a Tier II Employee if he or she:

(i) Is employed as a full-time employee and was hired on or after July 1, 2010; or

(ii) Is employed as a full-time or regular part-time employee as defined in (c) below and was not a full-time employee before July 1, 2010.

(b) **Former Tier I Employees.** A former Tier I Employee who had a severance from employment and was reemployed as a full-time employee on or after July 1, 2010, shall be treated as a Tier II Employee with respect to service after reemployment under the circumstances described in 3.12(b) above. A Tier I Employee whose employment status changes to regular part-time employment shall continue to be treated as a Tier I Employee with respect to service as a regular part-time employee, as described in 3.12(c) above.

(c) **Regular Part-Time Employee.** A regular part-time employee is an employee in a budgeted position who is regularly scheduled to work not less than 30 hours per week or more than 35 hours per week.

3.14 Trustee: One or more individuals or organizations appointed by the District to control and manage the assets of the Trust Fund. To the extent the Trust is maintained pursuant to a separate trust agreement, the Trust provisions contained in this Plan shall not apply.

3.15 Trust Fund: All property held from time to time by the Trustee pursuant to the Plan, including (without limiting the generality of the foregoing) all common and preferred stocks, bonds, obligations of the United States of America, real property, notes representing loans, moneys contributed, interest earned thereon, and all other income from investments made and held by the Trustee for the uses and purposes set forth herein.

3.16 Valuation Date: The Valuation Date shall be each day the New York Stock Exchange is open for trading during the Plan Year. If Accounts are not in Participant-directed investments funds pursuant to 6.2 (whether invested voluntarily or by default), the Valuation Date shall be as defined in 6.3(a).

3.17 Voluntary Contributions: The after-tax voluntary contributions elected to be made by a Participant as described in 5.1.A.

ARTICLE V
CONTRIBUTIONS

5.1 Mandatory IAP Contributions. Participants who are Eligible Employees for purposes of the Mandatory IAP Contributions as provided under 3.6(a) shall make Mandatory IAP Contributions to the Plan in accordance with the provisions of this section.

(a) **Amount of Contributions.** Each Participant shall contribute for each Plan Year an amount equal to 6 percent of the Participant's compensation earned for services as a Tier II Employee for the Plan Year. For this purpose, "compensation" is as defined in 3.4, except that the amount of any employee contributions that are picked up by the District in accordance with Code Section 414(h)(2) shall be included.

(b) **Pick-Up of Contributions.** The District shall pick up all Mandatory IAP Contributions pursuant to Code Section 414(h)(2). The Mandatory IAP Contributions described in 5.1(a), although designated as an Employee contribution, are being paid by the District in lieu of a contribution by the Participant. Each applicable Participant's stated salary shall be reduced by the amount of the Mandatory IAP Contributions, but the picked-up contribution shall be made on a pre-tax basis.

5.1.A Voluntary Contributions. Participants who are Eligible Employees for purposes of Voluntary Contributions as provided under 3.6(b) may elect to make after-tax Voluntary Contributions to the Plan in accordance with election procedures established by the Plan Administrator.

5.2 Allocation of Contributions. In general, Mandatory IAP Contributions and Voluntary Contributions shall be credited to the Participant's Account within a reasonable period after the payroll period to which they relate. In no event shall Mandatory IAP Contributions or Voluntary Contributions be contributed to the Plan later than the April 15th immediately following the end of the Plan Year for which they are made.

5.3 Annual Addition Limitation.

(a) **Limitation.** The annual addition with respect to a Participant's Account for any Plan Year (the Plan Year is the limitation year), may not exceed the lesser of the following amounts:

(i) \$40,000, plus cost-of-living adjustments permitted under applicable law (\$57,000 effective for Plan Years ending after December 31, 2019); or

(ii) 100 percent of the Participant's compensation actually paid or made available to the Participant with respect to the Plan Year.

Annual additions for a limitation year cannot exceed the currently applicable dollar limitation (as in effect before the January 1 cost-of-living adjustment) prior to January 1. However, after a January 1 adjustment is made, annual additions for the entire limitation year are permitted to reflect the dollar limitation as adjusted on January 1.

ARTICLE VI

PARTICIPANTS' ACCOUNTS

6.1 Maintenance of Separate Account. The Plan Administrator shall maintain the following separate Accounts for each Participant.

(a) An IAP Account, which shall be credited with a Participant's Mandatory IAP Contributions under 5.1. A Participant's IAP Account shall be fully vested and nonforfeitable at all times.

(b) A Voluntary Contributions Account, which shall be credited with a Participant's Voluntary Contributions under 5.1.A. A Participant's Voluntary Contributions Account shall be fully vested and nonforfeitable at all times.

Each Account will be adjusted as provided in this article for its share of the net annual earnings (or loss) of, and the appreciation (or depreciation) in value of the assets of, the Trust Fund.

6.2 Participant-Directed Investments. The Plan Administrator shall make available to Participants various investment funds for individually directed investments of the Participant's Account. The number and type of investment funds shall be determined by the Plan Administrator from time to time. The Plan Administrator shall provide each Participant with a written election form pursuant to which the Participant can elect to invest the total balance in all the Participant's Account in any such fund or may elect that a portion of that balance be invested in any such fund. For purposes of this subsection, a "Participant" includes a deceased Participant's Beneficiary and an alternate payee under a qualified domestic relations order.

The Plan Administrator shall comply with all investment instructions given by Participants in accordance with the procedures established by the Plan Administrator. Subject to any restrictions on such funds and pursuant to the election procedure established by the Plan Administrator, the Participant may file revised elections with respect to subsequent contributions and as to all or a portion of the Participant's current investment fund balances pursuant to the election procedures of those investment funds and the Plan Administrator, but no less frequently than quarterly. The Plan Administrator shall adopt procedures for Participants' initial elections and revised elections, and may impose reasonable restrictions on the frequency with which a Participant may give investment instructions.

If the Participant fails to make a valid election pursuant to the procedures established by the Plan Administrator, or if the Plan Administrator discontinues the use of a particular investment fund but does not replace it and the affected Participant does not give a new election, the Participant's total balance in his or her Account, or total balance in the discontinued fund, shall be invested in the default fund specified by the Plan Administrator. In that event, such automatic election can be revised in the same manner as a voluntary election.

As provided in 6.3(b), the Participant's Account shall be credited or debited with the earnings or losses of such funds to the extent of the Participant's participation in each fund.

Except as otherwise expressly provided in this agreement, neither the District, the Trustee, nor the Plan Administrator shall have any authority or responsibility with respect to the investment, sales, liquidations, or reinvestments of proceeds of any contributions with respect to which a valid direction permitted hereby is made. The District, Trustee, and Plan Administrator

ARTICLE VIII
DISTRIBUTIONS

8.1 Distributable Events.

(a) **Severance From Employment.** A Participant who has a severance from employment with the District and all affiliated employers, or the Participant's Beneficiary in the case of the Participant's death, is entitled to distribution of the Participant's Account. For this purpose, an "affiliated employer" means an entity required to be aggregated with the District under Code Section 414(b), (c), or (m).

(b) **Amount of Distribution.** For purposes of this 8.1, the Participant's distributable Account is, in the event of a lump sum distribution, the amount thereof as of the most recent Valuation Date preceding the distribution, plus any contributions made by or on behalf of the Participant since that Valuation Date. The Participant's Account will not be adjusted for earnings and expenses or increases or decreases in the value of the Trust Fund occurring after the most recent Valuation Date.

(c) **Voluntary Contributions.** A Participant may elect to withdraw some or all of his or her or Voluntary Contributions Account at any time and for any reason, in accordance with the procedures established by the Plan Administrator.

8.2 When Distribution Is Made.

(a) **Distribution to Participant.** Subject to the required distribution rules in 8.7, at the election of a Participant, distribution of the Participant's Account shall be made or begun within a reasonable time after the occurrence of a distributable event under 8.1.

(b) **Consent to Distribution Before Required Beginning Date.** If a Participant's Account exceeds \$1,000, distribution of a Participant's Account shall not be involuntarily made or commenced before the Participant's required beginning date.

(c) **Distribution to Beneficiary.** The full amount of any remaining portion of a deceased Participant's Account will be payable to the Participant's Beneficiary. The benefit shall be paid in the form of a single lump sum. Distributions to the Beneficiary of a deceased Participant shall be made at the time specified in the application for benefits filed by the Beneficiary in accordance with the Plan Administrator's rules and procedures. Notwithstanding the foregoing, distribution of the benefit shall be made on or before the Beneficiary's required beginning date under 8.7.

If a Participant designates more than one individual as his or her Beneficiary, each individual beneficiary's share shall consist of a pro rata portion the Participant's Account, unless the Participant specified a different allocation in accordance with the Beneficiary designation procedures established by the Plan Administrator.

If a Beneficiary dies after the Participant but before receiving the full distribution to which the Beneficiary is entitled, any remaining amount shall be paid to the Beneficiary's estate.

**TUALATIN HILLS PARK & RECREATION DISTRICT INDIVIDUAL ACCOUNT
PROGRAM RETIREMENT PLAN**

**EXHIBIT B
(Referent Section 13.4(n))**

POOLED FUND INVESTMENTS

- Vantage Trust



MEMO

DATE: September 29, 2020
TO: Doug Menke, General Manager
FROM: Lori Baker, Director of Business Services

RE: **Resolution Removing Reliance Trust Company and Appointing the District as Trustee for the Tualatin Hills Park & Recreation District 457 Deferred Compensation and 401a Profit Sharing Plans**

Introduction

Staff are requesting board of directors' approval of Resolution 2020-22 removing Reliance Trust Company as trustee for the Tualatin Hills Park & Recreation District 457 Plan (the "457 Plan") and the Tualatin Hills Park & Recreation District 401(a) Profit Sharing Plan (the "401(a) Plan") and appointing the district as trustee upon transition of the plans to ICMA-RC.

Background

The district's 457 Plan, a standardized plan administered by Mass Mutual, was adopted effective June 1, 2011. In July 2020, the plan committee selected ICMA-RC to provide administrative services for the plan. The district's 401(a) Profit Sharing Plan was adopted effective April 17, 2017. As part of the district's transition from Mass Mutual, this plan will also be administered by ICMA-RC. ICMA-RC was also selected as the administrator for the district's Individual Account Program Plan. Utilizing a consistent administrator will allow employees to manage their retirement investments via one access point, and provides for reductions in fees for both plans.

In September, the board adopted a new plan document for the 457 Plan. As part of the transition, the district must also remove Reliance Trust Company as trustee for the plans.

Proposal Request

Staff are requesting approval of the attached resolution which removes Reliance Trust Company as trustee for the plans.

Benefits of Proposal

The removal of Reliance Trust Company as trustee will allow Mass Mutual to transfer the 457 Plan and 401(a) Plan assets to ICMA-RC.

Potential Downside of Proposal

There are no potential downsides to the proposal.

Action Requested

Board of directors' approval of Resolution 2020-22, removing Reliance Trust Company as trustee for the 457 Plan and the 401(a) Plan, and appointing the District as trustee upon transition of the plans to ICMA-RC.

Resolution No. 2020-22

A RESOLUTION OF THE TUALATIN HILLS PARK & RECREATION DISTRICT BOARD OF DIRECTORS REMOVING RELIANCE TRUST COMPANY AND APPOINTING THE DISTRICT AS TRUSTEE FOR THE TUALATIN HILLS PARK & RECREATION DISTRICT 457 DEFERRED COMPENSATION PLAN AND THE TUALATIN HILLS PARK & RECREATION DISTRICT 401(a) PROFIT SHARING PLAN

WHEREAS, Tualatin Hills Park & Recreation District originally adopted the Tualatin Hills Park & Recreation District 457 Deferred Compensation Plan (the “457 Plan”) effective June 1, 2011 and the Tualatin Hills Park & Recreation District 401(a) Profit Sharing plan (the “401(a) Plan”) effective April 17, 2017; and

WHEREAS; the Board of Directors now desires to transition the 457 Plan and 401(a) Plan to be administered by ICMA-RC.

Now, therefore, the Tualatin Hills Park & Recreation District Board resolves as follows:

Section 1. Reliance Trust Company will be removed as Trustee of the Plans as of the effective date of the Plans’ transition to ICMA-RC.

Section 2. The District will be the Successor Trustee of the Plans as of the effective date of the Plans’ transition to ICMA-RC.

Section 3. This resolution is effective on the date the Board adopts it.

ADOPTED by the Board of Directors of Tualatin Hills Park & Recreation District this 14th day of October, 2020.

Ashley Hartmeier-Prigg, Board President

Tya Ping, Board Secretary

ATTEST:

Jessica Collins
Recording Secretary



MEMO

DATE: September 29, 2020
TO: Doug Menke, General Manager
FROM: Lori Baker, Director of Business Services

RE: Resolution Adopting a District 401(a) Profit Sharing Plan and Trust

Introduction

Staff are requesting board of directors' approval of Resolution 2020-23, adopting the ICMA-RC 401(a) Profit Sharing Plan and Trust for the Tualatin Hills Park & Recreation District 401(a) Profit Sharing Plan (the "401(a) Plan").

Background

The district's 401(a) Plan, a standardized plan administered by Mass Mutual, was adopted effective April 17, 2017. In July 2020, the plan committee selected ICMA-RC to provide administrative services for the plan. ICMA-RC was also selected as the administrator for the district's Individual Account Program Plan and 457 Deferred Compensation Plan. Utilizing a consistent administrator will allow employees to manage their retirement investments via one access point, and provides for reductions in fees for both plans.

As part of the transition, the district must revise the plan document. ICMA-RC provides a standardized plan document that provides benefits that are consistent with those provided under the existing plan document, and can be administered on the ICMA-RC platform. The plan document has been reviewed for compliance by outside counsel.

Proposal Request

Staff are requesting approval of the attached resolution which adopts the 401(a) Plan. The plan document is attached.

Benefits of Proposal

The proposed plan document will allow for the 401(a) Plan to be administered on the ICMA-RC platform.

Potential Downside of Proposal

There are no potential downsides to the proposal.

Action Requested

Board of directors' approval of Resolution 2020-23, adopting the ICMA-RC Governmental Profit Sharing Plan and Trust for the Tualatin Hills Park & Recreation District 401(a) Profit Sharing Plan.

Resolution No. 2020-23

**A RESOLUTION OF THE TUALATIN HILLS PARK & RECREATION
DISTRICT BOARD OF DIRECTORS ADOPTING A DISTRICT
401(a) PROFIT SHARING PLAN AND TRUST**

WHEREAS, Tualatin Hills Park & Recreation District originally adopted the Tualatin Hills Park & Recreation District 401(a) Profit Sharing Plan (the “401(a) Plan”) effective April 17, 2017;
and

WHEREAS; the Board of Directors now desires to transition the 401(a) Plan to be administered by ICMA-RC.

Now, therefore, the Tualatin Hills Park & Recreation District Board resolves as follows:

Section 1. The Board adopts the Tualatin Hills Park & Recreation District Governmental Profit Sharing Plan (the “Plan”), attached and incorporated into this resolution as Exhibit A.

Section 2. The Plan in Exhibit A is effective on November 1, 2020, or such other earlier or later date as provided in Exhibit A or as necessary for continued income tax qualification.

Section 3. This resolution is effective on the date the Board adopts it.

ADOPTED by the Board of Directors of Tualatin Hills Park & Recreation District this 14th day of October, 2020.

Ashley Hartmeier-Prigg, Board President

Tya Ping, Board Secretary

ATTEST:

Jessica Collins
Recording Secretary

ICMA RETIREMENT CORPORATION

GOVERNMENTAL PROFIT-SHARING PLAN & TRUST



ICMA RETIREMENT CORPORATION GOVERNMENTAL PROFIT-SHARING PLAN & TRUST

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ICMA RETIREMENT CORPORATION GOVERNMENTAL PROFIT-SHARING PLAN & TRUST

I. PURPOSE

The Employer hereby adopts this Plan and Trust to provide funds for its Employees' retirement, and to provide funds for their Beneficiaries in the event of death. The benefits provided in this Plan shall be paid from the Trust. The Plan and the Trust forming a part hereof are adopted and shall be maintained for the exclusive benefit of eligible Employees and their Beneficiaries. Except as provided in Sections 4.14 and 14.03, no part of the corpus or income of the Trust shall revert to the Employer or be used for or diverted to purposes other than the exclusive benefit of Participants and their Beneficiaries.

II. DEFINITIONS

- 2.01 Account.** A separate record which shall be established and maintained under the Trust for each Participant, and which shall include all Participant subaccounts created pursuant to Article IV, plus any Participant Loan Account created pursuant to Section 13.03. Each subaccount created pursuant to Article IV shall include any earnings of the Trust and adjustments for withdrawals, and realized and unrealized gains and losses allocable thereto. The term "Account" may also refer to any of such separate subaccounts.
- 2.02 Accounting Date.** Each day that the New York Stock Exchange is open for trading, and such other dates as may be determined by the Plan Administrator, as provided in Section 6.06 for valuing the Trust's assets.
- 2.03 Adoption Agreement.** The separate agreement executed by the Employer through which the Employer adopts the Plan and elects among the various alternatives provided thereunder, and which upon execution, becomes an integral part of the Plan.
- 2.04 Beneficiary.** The person or persons (including a trust) designated by the Participant who shall receive any benefits payable hereunder in the event of the Participant's death. The designation of such Beneficiary shall be in writing to the Plan Administrator. A Participant may designate primary and contingent Beneficiaries. Where no designated Beneficiary survives the Participant or no Beneficiary is otherwise designated by the Participant, the Participant's Beneficiary shall be his/her surviving spouse or, if none, his/her estate.

Notwithstanding the foregoing, the Beneficiary designation is subject to the requirements of Article XII unless the Employer elects otherwise in the Adoption Agreement.

Notwithstanding the foregoing, where elected by the Employer in the Adoption Agreement (the "QJSA Election"), the Beneficiary designation is subject to the requirements of Article XVII.

Notwithstanding the foregoing, to the extent permitted by the Employer, a Beneficiary receiving required minimum distributions in accordance with Article X and not in a benefit form elected under Article XI or XII, may designate a Beneficiary to receive the required minimum distributions that would have otherwise been payable to the initial Beneficiary but for his or her death.

For purposes of Section 9.07, relating to hardship distributions, the term Primary Beneficiary means an individual who is named as a Beneficiary under the Plan and who has an unconditional right to all or a portion of the Participant's account balance under the plan upon the death of the Participant.

- 2.05 Break in Service.** A Period of Severance of at least twelve (12) consecutive months. In the case of an individual who is absent from work for maternity or paternity reasons, the twelve (12) consecutive month period beginning on the first anniversary of the first date of such absence shall not constitute a Break in Service. For purposes of this paragraph, an absence from work for maternity or paternity reasons means an absence (1) by reason of the pregnancy of the individual, (2) by reason of the birth of a child of the individual, (3) by reason of the placement of a child with the individual in connection with the adoption of such child by such individual, or (4) for purposes of caring for such child for a period beginning immediately following such birth or placement.
- 2.06 Catch-up Contributions.** Elective Deferrals made to the Plan that are in excess of an otherwise applicable plan limit and that are made by Participants who are age 50 or over by the end of their taxable years. An otherwise applicable plan limit is a limit in the Plan that applies to Elective Deferrals without regard to Catch-up Contributions, such as the limits on annual additions and the dollar limitation on Elective Deferrals under Code section 402(g) (not counting Catch-up Contributions). Catch-up Contributions for a Participant for a taxable year may not exceed (1) the dollar limit on Catch-up Contributions under Code section 414(v) (2)(B)(i) for the taxable year or (2) when added to other Elective Deferrals, 75 percent of the Participant's Earnings for the taxable year. The dollar limit on Catch-up Contributions under Code section 414(v)(2)(B)(i) was \$5,000 for taxable years beginning in 2006. After 2006, the \$5,000 limit will be adjusted by the Secretary of the Treasury for cost-of-living increases under Code section 414(v)(2)(C). Any such adjustments will be in multiples of \$500. Catch-up Contributions are not subject to the limits on annual additions. Provisions in the Plan relating to Catch-up Contributions apply to Elective Deferrals made after 2001.
- 2.07 Code.** The Internal Revenue Code of 1986, as amended from time to time.
- 2.08 Covered Employment Classification.** The group or groups of Employees eligible to make and/ or have contributions to this Plan made on their behalf, as specified by the Employer in the Adoption Agreement.
- 2.09 Disability.** A physical or mental impairment which is of such permanence and degree that, as determined by the Employer, a Participant is unable because of such impairment to perform any substantial gainful activity for which he/she is suited by virtue of his/her experience, training, or education and that has lasted, or can be expected to last, for a continuous period of not less than twelve (12) months, or can be expected to result in death. The permanence and degree of such impairment shall be supported by medical evidence. If the Employer maintains a long-term disability plan, the definition of Disability shall be the same as the definition of disability in the long-term disability plan.
- 2.10 Earnings.**
- (a) General Rule. Earnings, which form the basis for computing Employer Contributions, are all of each Participant's W-2 earnings which are actually paid to the Participant during the Plan Year, plus any contributions made pursuant to a salary reduction agreement which are not includible in the gross income of the Employee under section 125, 402(e)(3), 402(h)(1)(B), 403(b), 414(h)(2), 457(b), or, effective January 1, 2001, 132(f)(4) of the Code. Earnings shall include any pre-tax contributions (excluding direct employer contributions) to an integral part trust of the Employer providing retiree health care benefits. Earnings shall also include any other earnings as defined and elected by the Employer in the Adoption Agreement. Unless the Employer elects otherwise in the Adoption Agreement, Earnings shall exclude overtime compensation and bonuses.
 - (b) Limitation on Earnings. For any Plan Year beginning after December 31, 2001, the annual Earnings of each Participant taken into account in determining allocations shall not exceed \$200,000, as adjusted for cost-of-living increases in accordance with section 401(a)(17)(B) of the Code. Annual Earnings means Earnings during the Plan Year or such other consecutive 12-month period over which Earnings is otherwise determined under the Plan (the determination period). The cost-of-living adjustment in effect for a calendar year applies to annual Earnings for the determination period that begins with or within such calendar year.

If a determination period consists of fewer than twelve (12) months, the annual Earnings limit is an amount equal to the otherwise applicable annual Earnings limit multiplied by the fraction, the numerator of which is the number of months in the short Plan Year and the denominator of which is twelve (12).

If Earnings for any prior determination period are taken into account in determining a Participant's allocations for the current Plan Year, the Earnings for such prior year are subject to the applicable annual Earnings limit in effect for that prior year.

- (c) Limitations for Governmental Plans. In the case of an eligible participant in a governmental plan (within the meaning of section 414(d) of the Code), the dollar limitation shall not apply to the extent the Earnings which are allowed to be taken into account under the Plan would be reduced below the amount which was allowed to be taken into account under the Plan as in effect on July 1, 1993, as adjusted for increases in the cost-of-living in accordance with section 401(a)(17)(B) of the Code. For purposes of this Section, an eligible participant is an individual who first became a Participant in the Plan during a Plan Year beginning before the first Plan Year beginning after December 31, 1993.
- (d) Earnings Paid After Severance from Employment. Earnings for purposes of allocations under the Plan shall not include amounts paid after a Participant's severance from Employment with the Employer except as provided in this Section 2.10(d).
 - (1) Leave Cashouts. Earnings shall include payment for unused accrued bona fide sick, vacation, or other leave, but only if (i) the Participant would have been able to use the leave if employment had continued, and (ii) such amounts are paid by the later of 2½ months after severance from employment with the Employer maintaining the Plan or by the end of the calendar year that includes the date of such severance from employment.
 - (2) Regular Pay. Earnings shall include regular pay after severance from employment if:
 - (a) The payment is included in the Participant's W-2 earnings;
 - (b) The payment would have been paid to the Participant prior to a severance from employment if the Participant had continued in employment with the Employer; and
 - (c) Such amounts are paid by the later of 2½ months after severance from employment with the Employer maintaining the Plan or by the end of the calendar year that includes the date of such severance from employment.

Notwithstanding anything to the contrary in this subsection (b), unless the Employer has specifically elected to include overtime compensation and bonuses in Earnings, Earnings shall exclude overtime compensation and bonuses paid after severance from employment.

- (3) Effective Date. This Section 2.10(d) is effective for Plan Years beginning on or after January 1, 2009. For Plan Years beginning before January 1, 2009, the amounts specified in subsections (1) and (2) must be paid within 2½ months after severance from employment with the Employer maintaining the Plan.

2.11 Effective Date. The first day of the Plan Year during which the Employer adopts the Plan, unless the Employer elects in the Adoption Agreement an alternate date as the Effective Date of the Plan.

2.12 Elective Deferrals. Contributions made by the Employer on behalf of the Participant pursuant to Section 4.03.

- 2.13 Employee.** Any individual who has applied for and been hired in an employment position and who is employed by the Employer as a common law employee; provided, however, that Employee shall not include any individual who is not so recorded on the payroll records of the Employer, including any such person who is subsequently reclassified by a court of law or regulatory body as a common law employee of the Employer. For purposes of clarification only and not to imply that the preceding sentence would otherwise cover such person, the term Employee does not include any individual who performs services for the Employer as an independent contractor, or under any other non-employee classification.
- 2.14 Employer.** The unit of state or local government or an agency or instrumentality of one (1) or more states or local governments that executes the Adoption Agreement.
- 2.15 Hour of Service.** Each hour for which an Employee is paid or entitled to payment for the performance of duties for the Employer.
- 2.16 Nonforfeitable Interest.** The nonforfeitable interest of the Participant or his/her Beneficiary (whichever is applicable) is that percentage of his/her Employer Contribution Account balance, which has vested pursuant to Article VII. A Participant shall, at all times, have a one hundred percent (100%) Nonforfeitable Interest in his/her Elective Deferral, Participant Contribution, Rollover, and Voluntary Contribution Accounts.
- 2.17 Normal Retirement Age.** The age which the Employer specifies in the Adoption Agreement. If the Employer enforces a mandatory retirement age, the Normal Retirement Age is the lesser of that mandatory age or the age specified in the Adoption Agreement.
- 2.18 Participant.** An Employee or former Employee for whom contributions have been made under the Plan and who has not yet received all of the payments of benefits to which he/she is entitled under the Plan. A Participant is treated as benefiting under the Plan for any Plan Year during which the participant received or is deemed to receive an allocation in accordance with Treas. Reg. section 1.410(b)-3(a).
- 2.19 Period of Service.** For purposes of determining an Employee's initial or continued eligibility to participate in the Plan or the Nonforfeitable Interest in the Participant's Account balance derived from Employer Contributions, an Employee will receive credit for the aggregate of all time period(s) commencing with the Employee's first day of employment or reemployment and ending on the date a Break in Service begins. The first day of employment or reemployment is the first day the Employee performs an Hour of Service. An Employee will also receive credit for any Period of Severance of less than twelve (12) consecutive months. Fractional periods of a year will be expressed in terms of days.
- Notwithstanding anything to the contrary herein, if the Plan is an amendment and restatement of a plan that previously calculated service under the hours of service method, service shall be credited in a manner that is at least as generous as that provided under Treas. Regs. section 1.410(a)-7(g).
- 2.20 Period of Severance.** A continuous period of time during which the Employee is not employed by the Employer. Such period begins on the date the Employee retires, quits or is discharged, or if earlier, the twelve (12) month anniversary of the date on which the Employee was otherwise first absent from service.
- 2.21 Plan.** This Plan, as established by the Employer, including any elected provisions pursuant to the Adoption Agreement. If the Employer has elected in the Adoption Agreement to permit Participants to make Elective Deferrals, this Plan is a profit-sharing plan containing a 401(k) arrangement.
- 2.22 Plan Administrator.** The person(s) or entity named to carry out certain nondiscretionary administrative functions under the Plan, as hereinafter described, which is the ICMA Retirement Corporation or any successor Plan Administrator. Unless otherwise provided in the Plan, the Plan Administrator shall act at the direction of the Employer and shall be fully protected in acting on such direction.

- 2.23 Plan Year.** The twelve (12) consecutive month period designated by the Employer in the Adoption Agreement.
- 2.24 Trust.** The Trust created under Article VI of the Plan which shall consist of all of the assets of the Plan derived from Employer and Participant contributions under the Plan, plus any income and gains thereon, less any losses, expenses and distributions to Participants and Beneficiaries.

III. ELIGIBILITY

- 3.01 Service.** Except as provided in Sections 3.02 and 3.03 of the Plan, an Employee within the Covered Employment Classification who has completed a twelve (12) month Period of Service shall be eligible to participate in the Plan at the beginning of the payroll period next commencing thereafter. The Employer may elect in the Adoption Agreement to waive or reduce the twelve (12) month Period of Service.

If the Employer maintains the plan of a predecessor employer, service with such employer shall be treated as Service for the Employer.

- 3.02 Age.** The Employer may designate a minimum age requirement, not to exceed age twenty-one (21), for participation. Such age, if any, shall be declared in the Adoption Agreement.

- 3.03 Return to Covered Employment Classification.** In the event a Participant is no longer a member of Covered Employment Classification and becomes ineligible to make contributions and/or have contributions made on his/her behalf, such Employee will become eligible for contributions immediately upon returning to a Covered Employment Classification. If such Participant incurs a Break in Service, eligibility will be determined under the Break in Service rules of the Plan.

In the event an Employee who is not a member of a Covered Employment Classification becomes a member, such Employee will be eligible to participate immediately if such Employee has satisfied the minimum age and service requirements and would have otherwise previously become a Participant.

- 3.04 Service Before a Break in Service.** All Periods of Service with the Employer are counted toward eligibility, including Periods of Service before a Break in Service.

IV. CONTRIBUTIONS

- 4.01 Employer Contributions.** For each Plan Year, the Employer will contribute to the Trust an amount as specified in the Adoption Agreement. The Employer's full contribution for any Plan Year shall be due and paid not later than thirty (30) working days after the close of the Plan Year. Each Participant will share in Employer Contributions for the period beginning on the date the Participant commences participation under the Plan and ending on the date on which such Employee severs employment with the Employer or is no longer a member of a Covered Employment Classification, and such contributions shall be accounted for separately in his Employer Contribution Account. Notwithstanding anything to the contrary herein, if so elected by the Employer in the Adoption Agreement, an Employee shall be required to make contributions as provided pursuant to Section 4.04 or 4.05 in order to be eligible for Employer Contributions to be made on his/her behalf to the Plan.

- 4.02 Forfeitures.** All amounts forfeited by terminated Participants, pursuant to Section 7.06, shall be used no later than the end of the next Plan Year. Forfeitures will be used to reduce dollar for dollar Employer Contributions otherwise required under the Plan. Forfeitures may first be used to pay the reasonable administrative expenses of the Plan, with any remainder being applied to reduce Employer Contributions. If no Employer Contributions are required under the Plan, forfeitures will be allocated in the ratio that the Earnings of each Participant bears to that of all Participants.

4.03 Elective Deferrals and Catch-up Contributions. If the Employer so elects in the Adoption Agreement, and subject to the limitations provided in Article V, a Participant may elect after he/she meets the eligibility requirements provided in Article III to have the Employer make payments either (1) as Elective Deferrals on his/her behalf, pursuant to a properly executed salary reduction agreement, whereby the Employee agrees to reduce his/her future Earnings by a specific amount, and the Employer to contribute such Elective Deferrals to the Trust on behalf of the Employee or (2) to the Employee directly in cash. Such a Participant, if age 50 or over by the end of his or her taxable year, is also permitted to make Catch-up Contributions. Elective Deferrals (and Catch-up Contributions) shall be made by payroll reduction, and shall be accounted for separately in the Participant's Elective Deferral Account. Such Account shall be at all times nonforfeitable by the Participant.

The Employer must provide a period(s), as elected in the Adoption Agreement, of not less than thirty (30) days at least once each calendar year during which a Participant may elect to commence Elective Deferrals and Catch-up Contributions. Such election may not be made retroactively. A Participant's election to commence Elective Deferrals must remain in effect until modified or terminated.

Notwithstanding anything to the contrary elsewhere contained in this Plan, Elective Deferrals and Catch-up Contributions are intended to be employer contributions within the meaning of the Code and regulations, not employee contributions, and relevant provisions shall be construed accordingly.

Elective Deferrals and Catch-up Contributions are available only to an Employer who established a cash or deferred arrangement under section 401(k) of the Code on or before May 6, 1986.

4.04 Mandatory Participant Contributions. If the Employer so elects in the Adoption Agreement, each eligible Employee shall make contributions at a rate prescribed by the Employer or at any of a range of specified rates, as set forth by the Employer in the Adoption Agreement, as a requirement for his/her participation (1) in the Plan or (2) in this portion of the Plan. Once an eligible Employee becomes a Participant and makes an election hereunder, he/she shall not thereafter have the right to discontinue or vary the rate of such Mandatory Participant Contributions. Such contributions shall be accounted for separately in the Participant Contribution Account. Such Account shall be at all times nonforfeitable by the Participant.

If the Employer so elects in the Adoption Agreement, the Mandatory Participant Contributions shall be "picked up" by the Employer in accordance with Code section 414(h)(2). Any contribution "picked up" under this Section shall be treated as an employer contribution in determining the tax treatment under the Code, and shall not be included as gross income of the Participant until it is distributed.

To constitute a Pick-Up Contribution, (1) the Employer must specify in a contemporaneous written document by a person duly authorized by the Employer that the contributions are being paid by the Employer in lieu of contributions by the Employee, and (2) the Employee must not be given the option of choosing to receive the contributed amounts directly instead of having them paid by the Employer to the Plan.

4.05 Employer Matching Contributions of Voluntary Participant Contributions or Elective Deferrals. If the Employer so elects in the Adoption Agreement, Employer Matching Contributions shall be made on behalf of an eligible Employee for a Plan Year only if the Employee agrees to make Voluntary Participant Contributions or Elective Deferrals for that Plan Year. The rate of Employer Contributions shall, to the extent specified in the Adoption Agreement, be based upon the rate at which Voluntary Participant Contributions or Elective Deferrals are made for that Plan Year. Employer Matching Contributions shall be accounted for separately in the Employer Contribution Account.

- 4.06 Voluntary Participant Contributions.** If the Employer so elects in the Adoption Agreement, an eligible Employee may make after-tax voluntary (unmatched) contributions under the Plan for any Plan Year in any amount up to twenty-five percent (25%) of his/her Earnings for such Plan Year. Matched and unmatched contributions shall be accounted for separately in the Participant's Voluntary Contribution Account. Such Account shall be at all times nonforfeitable by the Participant.
- 4.07 Deductible Employee Contributions.** The Plan will not accept deductible employee contributions which are made for a taxable year beginning after December 31, 1986. Contributions made prior to that date will be maintained in a Deductible Employee Contribution Account. The Account will share in the gains and losses under the Plan in the same manner as described in Section 6.06 of the Plan. Such Account shall be at all times nonforfeitable by the Participant. No part of the deductible voluntary contribution account will be used to purchase life insurance.
- 4.08 Final Pay Contributions.** If the Employer so elects in the Adoption Agreement, eligible Participants shall be eligible to make or receive Final Pay Contributions under this Plan in accordance with Article XVIII. This election may be made even if the Employer does not elect to make any other contributions under the Plan.
- 4.09 Accrued Leave Contributions.** If the Employer so elects in the Adoption Agreement, eligible Participants shall be eligible to make or receive Accrued Leave Contributions under this Plan in accordance with Article XIX. This election may be made even if the Employer does not elect to make any other contributions under the Plan.
- 4.10 Military Service Contributions.** Notwithstanding any provision of the Plan to the contrary, effective December 12, 1994, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with section 414(u) of the Code.

Effective December 12, 1994, if the Employer has elected in the Adoption Agreement to make loans available to Participants, loan repayments shall be suspended under the Plan as permitted under section 414(u)(4) of the Code.

4.11 Accrual of Additional Benefits for Qualified Military Service

- (a) Death Benefits with Respect to Qualified Military Service. In the case of a Participant who dies on or after January 1, 2007 while performing qualified military service (as defined in Code section 414(u)) with respect to the Employer, his/her Beneficiary shall have a Nonforfeitable Interest in the Participant's entire Employer Contribution Account to the extent that he/she would have had had the Participant resumed and then terminated employment on account of death.
- (b) Benefit Accruals with Respect to Differential Wage Payments. If the Employer so elects in the Adoption Agreement, effective as elected by the Employer but no earlier than January 1, 2009, Plan contributions shall be made based on differential wage payments (as such term is defined in Code section 3401(h)(2)). Solely for purposes of applying the limits of Code section 415, differential wage payments shall be treated as compensation.
- (c) Benefit Accruals with Respect to Qualified Military Service. Notwithstanding any provision of the Plan to the contrary, effective as elected by the Employer but no earlier than January 1, 2007, if the Employer so elects in the Adoption Agreement, Participants who die or become Disabled while performing qualified military service (as defined in Code section 414(u)) with respect to the Employer shall receive Plan contributions as permitted under Code section 414(u)(9).

4.12 Changes in Participant Election. A Participant may elect to change his/her rate of Elective Deferrals, Catch-up Contributions, or Voluntary Participant Contributions at any time or during an election period as designated by the Employer. A Participant may discontinue such contributions at any time or during an election period as designated by the Employer.

The Employer must provide a period of not less than thirty (30) days at least once each calendar year during which a Participant may elect to terminate an election or to modify the amount or frequency of his/her Elective Deferrals, Catch-up Contributions, or Voluntary Participant Contributions.

4.13 Portability of Benefits.

- (a) Unless otherwise elected by the Employer in the Adoption Agreement, the Plan will accept Participant (which shall include, for purposes of this subsection, an Employee within the Covered Employment Classification whether or not he/she has satisfied the minimum age and service requirements of Article III) rollover contributions and/or direct rollovers of distributions (including after-tax contributions) made after December 31, 2001 that are eligible for rollover in accordance with Section 402(c), 403(a)(4), 403(b)(8), 408(d)(3)(A)(ii), or 457(e)(16) of the Code, from all of the following types of plans:
- (1) A qualified plan described in Section 401(a) or 403(a) of the Code;
 - (2) An annuity contract described in Section 403(b) of the Code;
 - (3) An eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or a political subdivision of a state; and
 - (4) An individual retirement account or annuity described in Section 408(a) or 408(b) of the Code (including SEPs, and SIMPLE IRAs after two years of participating in the SIMPLE IRA).
- (b) Notwithstanding the foregoing, the Employer may reject the rollover contribution if it determines, in its discretion, that the form and nature of the distribution from the other plan does not satisfy the applicable requirements under the Code to make the transfer or rollover a nontaxable transaction to the Participant;
- (c) For indirect rollover contributions, the amount distributed from such plan must be rolled over to this Plan no later than the sixtieth (60th) day after the distribution was made from the plan, unless otherwise waived by the IRS pursuant to Section 402(c)(3) of the Code.
- (d) The amount transferred shall be deposited in the Trust and shall be credited to a Rollover Account. Such Account shall be one hundred percent (100%) vested in the Participant.
- (e) The Plan will accept accumulated deductible employee contributions as defined in section 72(o)(5) of the Code that were distributed from a qualified retirement plan and transferred (rolled over) pursuant to section 402(c), 403(a)(4), 403(b)(8), or 408(d)(3) of the Code. Notwithstanding the above, this transferred (rolled over) amount shall be deposited to the Trust and shall be credited to a Deductible Employee Contributions Account. Such Account shall be one-hundred percent (100%) vested in the Participant.
- (f) A Participant may, upon approval by the Employer and the Plan Administrator, transfer his/her interest in another plan maintained by the Employer that is qualified under section 401(a) of the Code to this Plan, provided the transfer is effected through a one-time irrevocable written election made by the Participant. The amount transferred shall be deposited in the Trust and shall be credited to sources that maintain the same attributes as the plan from which they are transferred. Such transfer shall not reduce the accrued years or service credited to the Participant for purposes of vesting or eligibility for any Plan benefits or features.

- 4.14 Return of Employer Contributions.** Any contribution made by the Employer because of a mistake of fact must be returned to the Employer within one year of the date of contribution.

V. LIMITATION ON ELECTIVE DEFERRALS AND ALLOCATIONS

5.01 Maximum Elective Deferrals. Notwithstanding anything to the contrary herein, no Participant shall be permitted to have Elective Deferrals made under this Plan, or Elective Deferrals under any other plan, contract or arrangement maintained by the Employer, during any calendar year, in excess of the dollar limitation contained in section 402(g) of the Code in effect for the Participant's taxable year beginning in such calendar year. In the case of a Participant age 50 or over by the end of the taxable year, the dollar limitation described in the preceding sentence includes the amount of Elective Deferrals that can be Catch-up Contributions. The dollar limitation contained in Code section 402(g) was \$15,000 for taxable years beginning in 2006. After 2006, the \$15,000 limit will be adjusted by the Secretary of the Treasury for cost-of-living increases under section 402(g)(4). Any such adjustments will be in multiples of \$500.

5.02 Distribution of Excess Elective Deferrals.

- (a) A Participant may assign to this Plan any Excess Elective Deferrals made during a preceding taxable year of the Participant by providing the Plan Administrator with written notice on or before March 1 of the amount of Excess Elective Deferrals to be assigned to the Plan. A Participant is deemed to notify the Plan Administrator of any Excess Elective Deferrals that arise by taking into account only those Elective Deferrals made to this Plan and any other plan, contract or arrangement of this Employer. Notwithstanding any other provisions of the Plan, Excess Elective Deferrals, plus any income and minus any loss allocable thereto, shall be distributed no later than April 15 to any Participant whose Excess Elective Deferrals were assigned for the preceding year and who claims Excess Elective Deferrals for such taxable year or calendar year. Participants who claim Excess Elective Deferrals for the preceding taxable year must submit their claims in writing to the Plan Administrator on or before March 1. Distribution of Excess Elective Deferrals for a year shall be made first from a Participant's Pre-tax Elective Deferral account, to the extent Pre-tax Elective Deferrals were made for the year, unless a Participant specifies otherwise.
- (b) Excess Elective Deferrals shall be adjusted for any income or loss.
- (1) For taxable years beginning after 2007, the income or loss allocable to Excess Elective Deferrals is the income or loss allocable to a Participant's Elective Deferral account for the taxable year multiplied by a fraction, the numerator of which is such Participant's Excess Elective Deferrals for the year and the denominator is a Participant's account balance attributable to Elective Deferrals without regard to any income or loss occurring during such taxable year.
- (2) For taxable years beginning before 2008, income or loss allocable to Excess Elective Deferrals also includes ten percent (10%) of the amount determined under subsection (b)(1) multiplied by the number of whole calendar months between the end of the Participant's taxable year and the date of distribution, counting the month of distribution if distribution occurs after the fifteenth (15th) of such month.

5.03 Participants Only in This Plan.

- (a) If the Participant does not participate in, and has never participated in another qualified plan or a welfare benefit fund, as defined in section 419(e) of the Code, maintained by the Employer, or an individual medical account, as defined by section 415(l)(2) of the Code, maintained by the Employer, which provides an Annual Addition, the amount of Annual Additions which may be credited to the Participant's Account for any Limitation Year will not exceed the lesser of the Maximum Permissible Amount or any other limitation contained in this Plan. If the Employer Contribution that would otherwise be contributed or allocated to

the Participant's Account would cause the Annual Additions for the Limitation Year to exceed the Maximum Permissible Amount, the amount contributed or allocated will be reduced so that the Annual Additions for the Limitation Year will equal the Maximum Permissible Amount.

- (b) Prior to determining the Participant's actual Compensation for the Limitation Year, the Employer may determine the Maximum Permissible Amount for a Participant on the basis of a reasonable estimation of the Participant's Compensation for the Limitation Year, uniformly determined for all Participants similarly situated.
- (c) As soon as is administratively feasible after the end of the Limitation Year, the Maximum Permissible Amount for the Limitation Year will be determined on the basis of the Participant's actual Compensation for the Limitation Year.

5.04 Participants in Another Defined Contribution Plan.

- (a) Unless the Employer provides other limitations in the Adoption Agreement, this Section applies if, in addition to this Plan, the Participant is covered under another qualified defined contribution plan maintained by the Employer, or a welfare benefit fund, as defined in section 419(e) of the Code, maintained by the Employer, or an individual medical account, as defined by section 415(l)(2) of the Code, maintained by the Employer, which provides an Annual Addition, during any Limitation Year. The Annual Additions which may be credited to a Participant's Account under this Plan for any such Limitation Year will not exceed the Maximum Permissible Amount reduced by the Annual Additions credited to a Participant's Account under the other plans and welfare benefit funds for the same Limitation Year. If the Annual Additions with respect to the Participant under other defined contribution plans and welfare benefit funds maintained by the Employer are less than the Maximum Permissible Amount and the Employer contribution that would otherwise be contributed or allocated to the Participant's Account under this Plan would cause the Annual Additions for the Limitation Year to exceed this limitation, the amount contributed or allocated will be reduced so that the Annual Additions under all such plans and funds for the Limitation Year will equal the Maximum Permissible Amount. If the Annual Additions with respect to the Participant under such other defined contribution plans and welfare benefit funds in the aggregate are equal to or greater than the Maximum Permissible Amount, no amount will be contributed or allocated to the Participant's Account under this Plan for the Limitation Year.
- (b) Prior to determining the Participant's actual Compensation for the Limitation Year, the Employer may determine the Maximum Permissible Amount for a Participant in the manner described in Section 5.03(b).
- (c) As soon as is administratively feasible after the end of the Limitation Year, the Maximum Permissible Amount for the Limitation Year will be determined on the basis of the Participant's actual Compensation for the Limitation Year.
- (d) If, pursuant to Subsection (c) or as a result of the allocation of forfeitures, a Participant's Annual Additions under this Plan and such other plans would result in an Excess Amount for a Limitation Year, the Excess Amount will be deemed to consist of the Annual Additions last allocated, except that Annual Additions attributable to a welfare benefit fund or individual medical account will be deemed to have been allocated first regardless of the actual allocation date.
- (e) If an Excess Amount was allocated to a Participant on an allocation date of this Plan which coincides with an allocation date of another plan, the Excess Amount attributed to this Plan will be the product of,
 - (1) The total Excess Amount allocated as of such date, multiplied by

- (2) The ratio of (i) the Annual Additions allocated to the Participant for the Limitation Year as of such date under this Plan to (ii) the total Annual Additions allocated to the Participant for the Limitation Year as of such date under this and all the other qualified prototype defined contribution plans.

5.05 Definitions. For the purposes of this Article, the following definitions shall apply:

- (a) Annual Additions: The sum of the following amounts credited to a Participant's account for the Limitation Year:
 - (1) Employer Contributions (including Elective Deferrals and contributions "picked up" by the Employer under Section 4.04);
 - (2) Forfeitures;
 - (3) Employee contributions (including after-tax Voluntary Contributions under Section 4.06 and Mandatory Participant Contributions under Section 4.04 not "picked up" by the Employer); and
 - (4) Allocations under a simplified employee pension. Amounts allocated, after March 31, 1984, to an individual medical account, as defined in section 415(l)(2) of the Code, which is part of a pension or annuity plan maintained by the Employer, are treated as Annual Additions to a defined contribution plan.
 - (5) Notwithstanding the above, the term Annual Additions does not include the following:
 - (a) Restorative Payments. Annual Additions for purposes of Code section 415 shall not include restorative payments. For this purpose, restorative payments are payments made to restore losses to a plan resulting from actions by a fiduciary for which there is reasonable risk of liability for breach of a fiduciary duty under applicable federal or state law, where Participants who are similarly situated are treated similarly with respect to the payments. Generally, payments to a defined contribution plan are restorative payments only if the payments are made in order to restore some or all of the plan's losses due to an action (or a failure to act) that creates a reasonable risk of liability for such a breach of fiduciary duty (other than a breach of fiduciary duty arising from failure to remit contributions to the plan). This includes payments to a plan made pursuant to a court-approved settlement to restore losses to a qualified defined contribution plan on account of the breach of fiduciary duty (other than a breach of fiduciary duty arising from failure to remit contributions to the plan). Payments made to a plan to make up for losses due merely to market fluctuations and other payments that are not made on account of a reasonable risk of liability for breach of a fiduciary duty are not restorative payments and generally constitute contributions that give rise to Annual Additions.
 - (b) Other Amounts. Annual Additions for purposes of Code section 415 shall not include (i) the direct transfer of a benefit or employee contributions from a qualified plan to this Plan; (ii) rollover contributions (as described in Code sections 401(a)(31), 402(c)(1), 403(a)(4), 403(b)(8), 408(d)(3), and 457(e)(16)); (iii) repayments of loans made to a Participant from the Plan; (iv) repayments of amounts described in Code section 411(a)(7)(B) (in accordance with Code sections 411(a)(7)(C)) and 411(a)(3)(D) or repayment of contributions to a governmental plan (as defined in Code section 414(d)) as described in Code section 415(k)(3), as well as Employer restorations of benefits that are required pursuant to such repayments; (v) Employee Contributions to a qualified cost of living arrangement within the meaning of Code section 415(k)(2)(B); (vi) catch-up contributions made in accordance with section 414(v) and §1.414(v)-1 and (vii) excess deferrals that are distributed in accordance with §1.402(g)-1(e)(2) or (3).

- (c) Date of Employer Contributions. Notwithstanding anything in the Plan to the contrary, Employer Contributions are treated as credited to a Participant's account for a particular Limitation Year only if the contributions are actually made to the plan no later than the 15th day of the tenth calendar month following the end of the calendar year or fiscal year (as applicable, depending on the basis on which the Employer keeps its books) with or within which the particular Limitation Year ends.
- (b) Compensation: Participant's wages, salaries, fees for professional services, and other amounts received (without regard to whether an amount is paid in cash) for personal services actually rendered in the course of employment with the Employer, to the extent that the amounts are includible in gross income (or to the extent amounts would have been received and includible in gross income but for an election under Code section 125(a), 132(f)(4), 402(e)(3), 402(h)(1)(B), 402(k), or 457(b)). These amounts include, but are not limited to, bonuses, fringe benefits, and reimbursements or other expense allowances under a nonaccountable plan as described in Treas. Reg. section 1.62-2(c).
- (1) Notwithstanding the foregoing, Compensation does not include:
- (i) Contributions (other than elective contributions described in Code section 402(e)(3), 408(k)(6), 408(p)(2)(A)(i), or 457(b)) made by the Employer to a plan of deferred compensation (including a simplified employee pension described in Code section 408(k) or a simple retirement account described in Code section 408(p), and whether or not qualified) to the extent that the contributions are not includible in the gross income of the Participant for the taxable year in which contributed. In addition, any distributions from a plan of deferred compensation (whether or not qualified) are not considered as Compensation for Code section 415 purposes, regardless of whether such amounts are includible in the gross income of the Participant when distributed; and
 - (ii) Other amounts that receive special tax benefits, such as premiums for group-term life insurance (but only to the extent that the premiums are not includible in the gross income of the Participant and are not salary reduction amounts that are described in Code section 125).
 - (iii) Other items of remuneration that are similar to the items listed in subparagraph (i) or (ii) of this subsection (b).
- (2) Compensation Paid After Severance or Deemed Severance from Employment. Compensation shall be adjusted as set forth herein for the following types of compensation paid after a Participant's severance from employment (as determined under section 415 of the Code and the regulations thereunder) with the Employer. Any payment that is not described in subsection (i), (ii), (iii), or (iv) of this Section is not considered Compensation within the meaning of section 415 of the Code if paid after severance from employment with the Employer.
- (i) Regular Pay.
 - (A) Compensation shall include regular pay after severance of employment if the payment is regular compensation for services during the Participant's regular working hours, or compensation for services outside the Participant's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments;
 - (B) The payment would have been paid to the Participant prior to a severance from employment if the Participant had continued in employment with the Employer; and
 - (C) Such amounts are paid:
 - 1. for Limitation Years beginning before January 1, 2009, within 2½ months after severance from employment with the Employer maintaining the Plan; and

2. for Limitation Years beginning on or after January 1, 2009, by the later of 2½ months after severance from employment with the Employer maintaining the Plan or by the end of the calendar year that includes the date of such severance from employment.

(D) The date January 1, 2009 in subsections (b)(2)(i)(C)(1) and (2) of this Section shall be substituted for an earlier effective date if provided in Article II of the Adoption Agreement but no earlier than July 1, 2007.

(ii) Leave Cashouts.

(A) For Limitation Years beginning before January 1, 2009, Compensation shall include payment for unused accrued bona fide sick, vacation, or other leave, but only if (I) the Participant would have been able to use the leave if employment had continued, (II) such amounts are paid within 2½ months after severance from employment with the Employer maintaining the Plan, and (III) such amounts would be included in Compensation if the individual had continued to perform services for the Employer.

(B) For Limitation Years beginning on or after January 1, 2009, Compensation shall include payment for unused accrued bona fide sick, vacation, or other leave, but only if (I) the Participant would have been able to use the leave if employment had continued, (II) such amounts are paid by the later of 2½ months after severance from employment with the Employer maintaining the Plan or by the end of the calendar year that includes the date of such severance from employment, and (III) such amounts would be included in Compensation if the individual had continued to perform services for the Employer.

(C) The date January 1, 2009 in subsections (b)(2)(ii)(A) and (B) of this Section shall be substituted for an earlier effective date if provided in Article II of the Adoption Agreement but no earlier than July 1, 2007.

(iii) Salary Continuation Payments for Military Service Participants.

(A) Compensation includes payments to an individual who does not currently perform services for the Employer by reason of qualified military service (as that term is used in Code section 414(u)(1)) to the extent:

1. Those payments do not exceed the amounts the individual would have received if the individual had continued to perform services for the Employer rather than entering qualified military service; and
2. Those payments would be included in Compensation if the individual had continued to perform services for the Employer rather than entering qualified military service.

(B) Notwithstanding the foregoing, Compensation does not include distributions from this Plan to an individual who does not currently perform services for the Employer by reason of qualified military service (as that term is used in Code section 414(u)(1)).

(iv) Salary Continuation Payments for Disabled Participants.

(A) Compensation includes amounts paid to a Participant who is permanently and totally disabled (as defined in Code section 22(e)(3)) to the extent:

1. Salary continuation applies to all Participants who are permanently and totally disabled for a

fixed or determinable period or the Participant was not a highly compensated employee (as defined in Code section 414(q)) immediately before becoming disabled.

2. Those amounts would be included in Compensation if the Participant had continued to perform services for the Employer.

(B) Notwithstanding the foregoing, Compensation does not include distributions from this Plan to a Participant who is permanently and totally disabled (as defined in Code section 22(e)(3)).

For purposes of applying the limitations of this Article, Compensation for a Limitation Year is the Compensation actually paid or made available during such year. Compensation for a Limitation Year shall not include amounts earned but not paid during the Limitation Year solely because of the timing of pay periods and pay dates.

- (c) Defined Contribution Dollar Limitation: \$40,000, as adjusted for increases in the cost of-living in accordance with section 415(d) of the Code.
- (d) Elective Deferrals: Any Employer Contributions made to the Plan at the election of the Participant, in lieu of cash compensation. With respect to any taxable year, a Participant's Elective Deferrals is the sum of all Employer Contributions made on behalf of such Participant pursuant to an election to defer under any qualified CODA described in section 401(k) of the Code, any salary reduction simplified employee pension described in section 408(k)(6) of the Code, any SIMPLE IRA described in section 408(p), and any plan described under section 501(c)(18) of the Code, and any Employer Contributions made on the behalf of the Participant for the purchase of an annuity contract under section 403(b) of the Code pursuant to a salary reduction agreement. Elective Deferrals shall not include any deferrals properly distributed as excess Annual Additions.
- (e) Employer: The Employer that adopts this Plan.
- (f) Excess Amount: The excess of the Participant's Annual Additions for the Limitation Year over the Maximum Permissible Amount. Any Excess Amount shall include allocable income. The income allocable to an Excess Amount is equal to the sum of allocable gain or loss for the Plan Year and the allocable gain or loss for the period between the end of the Plan Year and the date of distribution (the gap period). The Plan may use any reasonable method for computing the income allocable to an Excess Amount, provided that the method is used consistently for all Participants and for all corrective distributions under the Plan for the Plan Year, and is used by the Plan for allocating income to Participants' Accounts.
- (g) Excess Elective Deferrals: Those Elective Deferrals of a Participant that either (1) are made during the Participant's taxable year and exceed the dollar limitation under Code section 402(g) (including, if applicable, the dollar limitation on Catch-up Contributions defined in section 414(v) for such year); or (2) are made during a calendar year and exceed the dollar limitation under Code section 402(g) (including, if applicable, the dollar limitation on Catch-up Contributions defined in section 414(v)) for the Participant's taxable year beginning in such calendar year, counting only Elective Deferrals made under this Plan and any other plan, contract or arrangement maintained by the Employer. Excess Elective Deferrals shall be treated as Annual Additions, as defined under Section 5.05, unless such amounts are distributed no later than the first April 15 following the close of the Participant's taxable year.
- (h) Limitation Year: A calendar year, or the twelve (12) consecutive month period elected by the Employer in section X. 2 of the Adoption Agreement. All qualified plans maintained by the Employer must use the same Limitation Year. If the Limitation Year is amended to a different twelve (12) consecutive month period, the

new Limitation Year must begin on a date within the Limitation Year in which the amendment is made. The Limitation Year may only be changed by a Plan amendment. Furthermore, if the Plan is terminated effective as of a date other than the last day of the Plan's Limitation Year, then the Plan is treated as if the Plan had been amended to change its Limitation Year and the maximum permissible amount shall be prorated for the resulting short Limitation Year.

- (i) Maximum Permissible Amount: Except for Catch-up Contributions described in Code section 414(v), the maximum Annual Addition that may be contributed or allocated to a Participant's Account under the Plan for any Limitation Year shall not exceed the lesser of:
 - (1) The Defined Contribution Dollar Limitation, or
 - (2) One hundred percent (100%) of the Participant's Compensation for the Limitation Year.

The compensation limit referred to in (2) shall not apply to any contribution for medical benefits after separation from service (within the meaning of section 401(h) or section 419A(f)(2) of the Code) which is otherwise treated as an annual addition.

If a short Limitation Year is created because of an amendment changing the Limitation Year to a different twelve (12) consecutive month period, the Maximum Permissible Amount will not exceed the Defined Contribution Dollar Limitation multiplied by the following fraction:

Number of months in the short Limitation Year

12

5.06 Aggregation and Disaggregation of Plans.

- (a) Generally. For purposes of applying the limitations of Code section 415, all defined contribution plans (without regard to whether a plan has been terminated) ever maintained by the Employer (or a "predecessor employer") under which the Participant receives Annual Additions are treated as one defined contribution plan. The "Employer" means the Employer that adopts this Plan and any other entity which the Employer determines, based on a reasonable, good faith interpretation of existing law in accordance with Notice 89-23, 1989-1 C.B. 654, as modified by Notice 96-64, 1996-2 C.B. 229, should be aggregated for purposes of applying the limitations of Code section 415. For purposes of this Section:
 - (1) A former employer is a "predecessor employer" with respect to a Participant if the Employer maintains a plan under which the Participant had accrued a benefit while performing services for the former employer, but only if that benefit is provided under the plan maintained by the Employer. For this purpose, the formerly affiliated plan rules in Treas. Reg. section 1.415(f)-1(b)(2) apply as if the Employer and predecessor employer constituted a single employer under the rules described in Treas. Reg. section 1.415(a)-1(f)(1) and (2) immediately prior to the cessation of affiliation (and as if they constituted two, unrelated employers under the rules described in Treas. Reg. section 1.415(a)-1(f)(1) and (2) immediately after the cessation of affiliation) and cessation of affiliation was the event that gives rise to the predecessor employer relationship, such as a transfer of benefits or plan sponsorship.
 - (2) With respect to an Employer, a former entity that antedates the Employer is a "predecessor employer" with respect to a Participant if, under the facts and circumstances, the Employer constitutes a continuation of all or a portion of the trade or business of the former entity.
- (b) Midyear Aggregation. Two or more defined contribution plans that are not required to be aggregated pursuant to Code section 415(f) and the Treasury Regulations thereunder as of the first day of a Limitation

Year do not fail to satisfy the requirements of Code section 415 with respect to a Participant for the Limitation Year merely because they are aggregated later in that Limitation Year, provided that no Annual Additions are credited to the Participant's account after the date on which the plans are required to be aggregated.

5.07 Effective Date. Except as otherwise provided in Section 5.05(b)(2), this Article shall apply to limitation years beginning on or after July 1, 2007. The Employer may elect a delayed effective date for this Article in Section X. 3 of the Adoption Agreement, however, such effective date must apply to limitation years that begin on or after the date that is 90 days after the close of the first legislative session of the legislative body with authority to amend the plan that begins on or after July 1, 2007.

VI. TRUST AND INVESTMENT OF ACCOUNTS

6.01 Trust. A Trust is hereby created to hold all of the assets of the Plan for the exclusive benefit of Participants and Beneficiaries, except that expenses and taxes may be paid from the Trust as provided in Section 6.03. The trustee shall be the Employer or such other person which agrees to act in that capacity hereunder.

6.02 Investment Powers. The trustee or the Plan Administrator, acting as agent for the trustee, shall have the powers listed in this Section with respect to investment of Trust assets, except to the extent that the investment of Trust assets is controlled by Participants, pursuant to Sections 6.05 and 13.03.

- (a) To invest and reinvest the Trust without distinction between principal and income in common or preferred stocks, shares of regulated investment companies and other mutual funds, bonds, notes, debentures, mortgages, certificates of deposit, contracts with insurance companies including but not limited to insurance, individual or group annuity, deposit administration, guaranteed interest contracts, and deposits at reasonable rates of interest at banking institutions including but not limited to savings accounts and certificates of deposit. Assets of the Trust may be invested in securities that involve a higher degree of risk than investments that have demonstrated their investment performance over an extended period of time.
- (b) To invest and reinvest all or any part of the assets of the Trust in any common, collective or commingled trust fund that is maintained by a bank or other institution and that is available to Employee plans qualified under section 401 of the Code, or any successor provisions thereto, and during the period of time that an investment through any such medium shall exist, to the extent of participation of the Plan, the declaration of trust of such common, collective, or commingled trust fund shall constitute a part of this Plan.
- (c) To invest and reinvest all or any part of the assets of the Trust in any group annuity, deposit administration or guaranteed interest contract issued by an insurance company or other financial institution on a commingled or collective basis with the assets of any other plan or trust qualified under section 401(a) of the Code or any other plan described in section 401(a)(24) of the Code, and such contract may be held or issued in the name of the Plan Administrator, or such custodian as the Plan Administrator may appoint, as agent and nominee for the Employer. During the period that an investment through any such contract shall exist, to the extent of participation of the Plan, the terms and conditions of such contract shall constitute a part of the Plan.
- (d) To hold cash awaiting investment and to keep such portion of the Trust in cash or cash balances, without liability for interest, in such amounts as may from time to time be deemed to be reasonable and necessary to meet obligations under the Plan or otherwise to be in the best interests of the Plan.
- (e) To hold, to authorize the holding of, and to register any investment to the Trust in the name of the Plan, the Employer, or any nominee or agent of any of the foregoing, including the Plan Administrator, or in bearer

form, to deposit or arrange for the deposit of securities in a qualified central depository even though, when so deposited, such securities may be merged and held in bulk in the name of the nominee of such depository with other securities deposited therein by any other person, and to organize corporations or trusts under the laws of any jurisdiction for the purpose of acquiring or holding title to any property for the Trust, all with or without the addition of words or other action to indicate that property is held in a fiduciary or representative capacity but the books and records of the Plan shall at all times show that all such investments are part of the Trust.

- (f) Upon such terms as may be deemed advisable by the Employer or the Plan Administrator, as the case may be, for the protection of the interests of the Plan or for the preservation of the value of an investment, to exercise and enforce by suit for legal or equitable remedies or by other action, or to waive any right or claim on behalf of the Plan or any default in any obligation owing to the Plan, to renew, extend the time for payment of, agree to a reduction in the rate of interest on, or agree to any other modification or change in the terms of any obligation owing to the Plan, to settle, compromise, adjust, or submit to arbitration any claim or right in favor of or against the Plan, to exercise and enforce any and all rights of foreclosure, bid for property in foreclosure, and take a deed in lieu of foreclosure with or without paying consideration therefor, to commence or defend suits or other legal proceedings whenever any interest of the Plan requires it, and to represent the Plan in all suits or legal proceedings in any court of law or equity or before any body or tribunal.
- (g) To employ suitable consultants, depositories, agents, and legal counsel on behalf of the Plan.
- (h) To open and maintain any bank account or accounts in the name of the Plan, the Employer, or any nominee or agent of the foregoing, including the Plan Administrator, in any bank or banks.
- (i) To do any and all other acts that may be deemed necessary to carry out any of the powers set forth herein.

6.03 Taxes and Expenses. All taxes of any and all kinds whatsoever that may be levied or assessed under existing or future laws upon, or in respect to the Trust, or the income thereof, and all commissions or acquisitions or dispositions of securities and similar expenses of investment and reinvestment of the Trust, shall be paid from the Trust. Such reasonable compensation of the Plan Administrator, as may be agreed upon from time to time by the Employer and the Plan Administrator, and reimbursement for reasonable expenses incurred by the Plan Administrator in performance of its duties hereunder (including but not limited to fees for legal, accounting, investment and custodial services) shall also be paid from the Trust. However, no person who is a fiduciary within the meaning of section 3(21)(A) of ERISA and regulations promulgated thereunder, and who receives full-time pay from the Employer may receive compensation from the Trust, except for expenses properly and actually incurred.

6.04 Payment of Benefits. The payment of benefits from the Trust in accordance with the terms of the Plan may be made by the Plan Administrator, or by any custodian or other person so authorized by the Employer to make such disbursement. Benefits under this Plan shall be paid only if the Plan Administrator, custodian or other person, or the Employer if directing such person, decides in his/her discretion that the applicant is entitled to them. The Plan Administrator, custodian or other person shall not be liable with respect to any distribution of Trust assets made at the direction of the Employer.

6.05 Investment Funds. In accordance with uniform and nondiscriminatory rules established by the Employer and the Plan Administrator, the Participant may direct his/her Accounts to be invested in one (1) or more investment funds available under the Plan; provided, however, that the Participant's investment directions shall not violate any investment restrictions established by the Employer and shall not include any investment in collectibles, as defined in section 408(m) of the Code.

6.06 Valuation of Accounts. As of each Accounting Date, the Plan assets held in each investment fund offered shall be

valued at fair market value and the investment income and gains or losses for each fund shall be determined. Such investment income and gains or losses shall be allocated proportionately among all Account balances on a fund-by-fund basis. The allocation shall be in the proportion that each such Account balance as of the immediately preceding Accounting Date bears to the total of all such Account balances, as of that Accounting Date. For purposes of this Article, all Account balances include the Account balances of all Participants and Beneficiaries.

6.07 Participant Loan Accounts. Participant Loan Accounts shall be invested in accordance with Section 13.03 of the Plan. Such Accounts shall not share in any investment income and gains or losses of the investment funds described in Section 6.05.

6.08 Deemed IRAs. If deemed IRAs are available pursuant to section 408(q) of the Code, the assets of such deemed IRAs may be commingled with the Plan assets for investment purposes but, if held in the same trust, the trustee shall maintain a separate account for each deemed IRA.

VII. VESTING

7.01 Vesting Schedule. The portion of a Participant's Account attributable to Elective Deferrals, Catch-up Contributions, Mandatory Participant Contributions, and Voluntary Participant Contributions, and the earnings thereon, shall be at all times nonforfeitable by the Participant. A Participant shall have a Nonforfeitable Interest in the percentage of his/her Employer Contribution Account established under Section 4.01, 4.05, 18.02(a), and 19.02(a) determined pursuant to the schedule elected by the Employer in the Adoption Agreement.

7.02 Crediting Periods of Service. Except as provided in Section 7.03, all of an Employee's Periods of Service with the Employer are counted to determine the nonforfeitable percentage in the Employee's Account balance derived from Employer Contributions. If the Employer maintains the plan of a predecessor employer, service with such employer will be treated as service for the Employer.

For purposes of determining years of service and Breaks in Service for the purposes of computing a Participant's nonforfeitable right to the Account balance derived from Employer Contributions, the twelve (12) consecutive month period will commence on the date the Employee first performs an Hour of Service and each subsequent twelve (12) consecutive month period will commence on the anniversary of such date.

7.03 Service After Break in Service. In the case of a Participant who has a Break in Service of at least five (5) years, all Periods of Service after such Breaks in Service will be disregarded for the purpose of determining the nonforfeitable percentage of the Employer-derived Account balance that accrued before such Break, but both pre-Break and post-Break service will count for the purposes of vesting the Employer-derived Account balance that accrues after such Break. Both Accounts will share in the earnings and losses of the fund.

In the case of a Participant who does not have a Break in Service of at least five (5) years, both the pre-Break and post-Break service will count in vesting both the pre-Break and post-Break Employer-derived Account balance.

In the case of a Participant who does not have any nonforfeitable right to the Account balance derived from Employer Contributions, years of service before a period of consecutive one (1) year Breaks in Service will not be taken into account in computing eligibility service if the number of consecutive one (1) year Breaks in Service in such period equals or exceeds the greater of five (5) or the aggregate number of years of service. Such aggregate number of years of service will not include any years of service disregarded under the preceding sentence by reason of prior Breaks in Service.

If a Participant's years of service are disregarded pursuant to the preceding paragraph, such Participant will be

treated as a new Employee for eligibility purposes. If a Participant's years of service may not be disregarded pursuant to the preceding paragraph, such Participant shall continue to participate in the Plan, or, if terminated, shall participate immediately upon reemployment.

- 7.04 Vesting Upon Normal Retirement Age.** Notwithstanding Section 7.01 of the Plan, a Participant shall have a Nonforfeitable Interest in his/her entire Employer Contribution Account, to the extent that the balance of such Account has not previously been forfeited pursuant to Section 7.06 of the Plan, if he/she is employed on or after his/her Normal Retirement Age.
- 7.05 Vesting Upon Death or Disability.** Notwithstanding Section 7.01 of the Plan, in the event of Disability or death, a Participant or his/her Beneficiary shall have a Nonforfeitable Interest in his/her entire Employer Contribution Account, to the extent that the balance of such Account has not previously been forfeited pursuant to Section 7.06 of the Plan.
- 7.06 Forfeitures.** Except as provided in Sections 7.04 and 7.05 of the Plan or as otherwise provided in this Section 7.06, a Participant who separates from service prior to obtaining full vesting shall forfeit that percentage of his/her Employer Contribution Account balance which has not vested as of the date such Participant incurs a Break in Service of five (5) consecutive years or, if earlier, the date such Participant receives, or is deemed under the provisions of Section 9.04 to have received, distribution of the entire Nonforfeitable Interest in his/her Employer Contribution Account. No forfeiture will occur solely as a result of a Participant's withdrawal of Employee Contributions. Forfeitures shall be allocated in the manner described in Section 4.02.
- 7.07 Reinstatement of Forfeitures.** If the Participant returns to the employment of the Employer before incurring a Break in Service of five (5) consecutive years, any amounts forfeited pursuant to Section 7.06 shall be reinstated to the Participant's Employer Contribution Account on the date of repayment by the Participant of the amount distributed to such Participant from his/her Employer Contribution Account; provided, however, that if such Participant forfeited his/her Account balance by reason of a deemed distribution, pursuant to Section 9.04, such amounts shall be automatically restored upon the reemployment of such Participant. Such repayment must be made before the earlier of five (5) years after the first date on which the Participant is subsequently reemployed by the Employer, or the date the Participant incurs a Break in Service of five (5) consecutive years.

VIII. BENEFITS CLAIM

- 8.01 Claim of Benefits.** A Participant or Beneficiary shall notify the Plan Administrator in writing of a claim of benefits under the Plan. The Plan Administrator shall take such steps as may be necessary to facilitate the payment of such benefits to the Participant or Beneficiary.
- 8.02 Appeal Procedure.** If any claim for benefits is initially denied by the Plan Administrator, the claimant shall file the appeal with the Employer, whose decision shall be final, to the extent provided by Section 15.07.

IX. COMMENCEMENT OF BENEFITS

- 9.01 Normal and Elective Commencement of Benefits.** A Participant who retires, becomes Disabled or incurs a severance from employment for any other reason may elect by written notice to the Plan Administrator to have his or her vested Account balance benefits commence on any date, provided that such distribution complies with Section 9.02. Such election must be made in writing during the one-hundred eighty (180) day period ending on the date as of which benefit payments are to commence. A Participant's election shall be revocable and may be amended by the Participant.

Except as otherwise provided under the Plan, a Participant's Elective Deferrals and income allocable thereto

are not distributable to a Participant or his/her Beneficiary(ies), in accordance with such Participant's or Beneficiary(ies) election, earlier than upon the Participant's severance from employment, death, or Disability.

The failure of a Participant to consent to a distribution while a benefit is immediately distributable, within the meaning of section 9.02 of the Plan, shall be deemed to be an election to defer commencement of payment of any benefit sufficient to satisfy this section.

9.02 Restrictions on Immediate Distributions. Notwithstanding anything to the contrary contained in Section 9.01 of the Plan, if the value of a Participant's vested Account balance is at least \$1,000, and the Account balance is immediately distributable, the Participant must consent to any distribution of such Account balance. The Participant's consent shall be obtained in writing during the one-hundred eighty (180) day period (ninety (90) day period for Plan Years beginning before January 1, 2007) ending on the date as of which benefit payments are to commence. No consent shall be required, however, to the extent that a distribution is required to satisfy section 401(a)(9) or 415 of the Code.

The Plan Administrator shall notify the Participant of the right to defer any distribution until the Participant's Account balance is no longer immediately distributable. Such notification shall include a general description of the material features, and an explanation of the relative values of, the optional forms of benefit available under the Plan in a manner that would satisfy section 417(a)(3) of the Code, and shall be provided no less than thirty (30) and no more than one-hundred eighty (180) days (ninety (90) days for Plan Years beginning before January 1, 2007) before the date as of which benefit payments are to commence. However, distribution may commence less than thirty (30) days after the notice described in the preceding sentence is given, provided (i) the distribution is one to which sections 401(a)(11) and 417 of the Code do not apply or, if the QJSA Election is made by the Employer in the Adoption Agreement, the waiver requirements of Section 17.05(a) are met; (ii) the Plan Administrator clearly informs the Participant that the Participant has a right to a period of at least thirty (30) days after receiving the notice to consider the decision of whether or not to elect a distribution (and, if applicable, a particular distribution option); and (iii) the Participant, after receiving the notice, affirmatively elects a distribution.

In addition, upon termination of this Plan, if the Plan does not offer an annuity option (purchased from a commercial provider) and if the Employer does not maintain another 401(a) defined contribution plan, the Participant's Account balance will, without the Participant's consent, be distributed to the Participant in a lump sum. However, if the Employer maintains another 401(a) defined contribution plan, the Participant's Account will be transferred, without the Participant's consent, to the other plan if the Participant does not consent to an immediate distribution.

An Account balance is immediately distributable if any part of the Account balance could be distributed to the Participant (or surviving spouse) before the Participant attains or would have attained (if not deceased) the later of Normal Retirement Age or age sixty-two (62).

For purposes of determining the applicability of the foregoing consent requirements to distributions made before the first day of the first plan year beginning after December 31, 1988, the Participant's vested Account balance shall not include amounts attributable to accumulated deductible employee contributions within the meaning of section 72(o)(5)(B) of the Code.

9.03 Transfer to Another Plan.

- (a) If a Participant becomes eligible to participate in another plan maintained by the Employer that is qualified under section 401(a) of the Code, the Plan Administrator shall, at the written election of such Participant, transfer all or part of such Participant's Account to such plan, provided the Plan Administrator for such plan certifies to the Plan Administrator that its plan provides for the acceptance of such a transfer. Such transfers

shall include those transfers of the nonforfeitable interest of a Participant's Account made for the purchase of service credit in defined benefit plans maintained by the Employer. For purposes of this Plan, any such transfer shall not be considered a distribution to the Participant subject to spousal consent as described in Section 9.11.

- (b) Notwithstanding any provision of the Plan to the contrary that would otherwise limit a Distributee's election under this Section, a Distributee may elect, at the time and in the manner prescribed by the Plan Administrator, to have any portion of an Eligible Rollover Distribution paid directly to an Eligible Retirement Plan specified by the Distributee in a Direct Rollover.
- (c) Definitions. For the purposes of Subsection (b), the following definitions shall apply:

- (1) Eligible Rollover Distribution. Any distribution of all or any portion of the balance to the credit of the Distributee, except that an Eligible Rollover Distribution does not include:
- (i) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the Distributee or the joint lives (or joint life expectancies) of the Distributee and the Distributee's designated beneficiary, or for a specified period of ten years or more;
 - (ii) any distribution to the extent such distribution is required under section 401(a)(9) of the Code;
 - (iii) any hardship distribution; and
 - (iv) the portion of any other distribution(s) that is not includible in gross income.

A portion of a distribution shall not fail to be an eligible rollover distribution merely because the portion consists of after-tax employee contributions which are not includible in gross income. However, such portion may be transferred only to an individual retirement account or annuity described in section 408(a) or (b) of the Code, or, for distributions occurring after December 31, 2007, to a Roth IRA described in § 408A of the Code, or to a qualified defined contribution plan described in section 401(a) or a qualified annuity contract described in section 403(b) of the Code that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible.

- (2) Eligible Retirement Plan.
- (i) an individual retirement account described in section 408(a) of the Code or an individual retirement annuity described in section 408(b) of the Code (collectively, an "IRA");
 - (ii) an annuity plan described in section 403(a) of the Code;
 - (iii) an annuity contract described in section 403(b) of the Code;
 - (iv) an eligible plan under section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan;
 - (v) a qualified plan described in section 401(a) of the Code, that accepts the Distributee's Eligible Rollover Distribution; or
 - (vi) for distributions occurring after December 31, 2007, a Roth IRA described in Code section 408A. The definition of Eligible Retirement Plan shall also apply in the case of a distribution to

a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in section 414(p) of the Code.

(3) Distributee. Participant; in addition, the Participant's surviving spouse and the spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in section 414(p) of the Code, are Distributees with regard to the interest of the spouse or former spouse. For distributions after December 31, 2006 (unless a later date is elected by the Employer pursuant to subsection (d)(1) below, but no later than Plan Years beginning after December 31, 2009), a distributee includes the Employee's or former Employee's nonspouse designated Beneficiary, in which case, the distribution can only be transferred to a traditional or Roth IRA established on behalf of the nonspouse designated Beneficiary for the purpose of receiving the distribution.

(4) Direct Rollover. A payment by the Plan to the Eligible Retirement Plan specified by the Distributee.

(d) Rollover by a Non-Spouse Designated Beneficiary.

(1) Unless otherwise elected by the Employer in the Adoption Agreement, for distributions beginning after December 31, 2006 but on or before December 31, 2009, a non-spouse Beneficiary who qualifies as a "designated beneficiary" under Code section 401(a)(9)(E) may establish an individual retirement plan that will be treated as an inherited IRA pursuant to the provisions of Code section 402(c)(11) into which all or a portion of a death benefit distribution from this Plan can be transferred directly. A trust maintained for the benefit of one or more designated beneficiaries shall be treated in the same manner as a designated beneficiary.

(2) Notwithstanding paragraph (1), for Plan Years beginning after December 31, 2009, a non-spouse Beneficiary who qualifies as a "designated beneficiary" under Code section 401(a)(9)(E) may establish an individual retirement plan that will be treated as an inherited IRA pursuant to the provisions of Code section 402(c)(11) into which all or a portion of a death benefit distribution from this Plan can be transferred directly. A trust maintained for the benefit of one or more designated beneficiaries shall be treated in the same manner as a designated beneficiary.

(3) Notwithstanding anything herein to the contrary, a death benefit distribution shall not be eligible for transfer to an inherited IRA to the extent such distribution is a required minimum distribution under Code section 401(a)(9).

(e) Rollover by a Surviving Spouse Distributee. If any distribution attributable to a Participant is paid to the Participant's surviving spouse, section 402(c) applies to the distribution in the same manner as if the spouse were the Participant. However, a qualified plan (as defined in Treasury Regulation section 1.402(c)-2 Q&A-2) is not treated as an eligible retirement plan with respect to a surviving spouse. Only an individual retirement plan is treated as an eligible retirement plan with respect to an eligible rollover distribution to a surviving spouse.

9.04 De Minimis Accounts. Notwithstanding the foregoing provisions of this Article, if a Participant terminates service, and the value of his/her Nonforfeitable Interest in his/her Account is less than \$1,000, the Participant's benefit shall be paid as soon as practicable to the Participant in a single lump sum distribution. If the value of the Participant's Account is at least \$1,000 but not more than the dollar limit under section 411(a)(11)(A) of the Code, the Participant may elect to receive his/her Nonforfeitable Interest in his/her Account. Such distribution shall be made as soon as practicable following the request, in a lump sum.

For purposes of this Section, if a Participant's Nonforfeitable Interest in his/her Account is zero, the Participant shall be deemed to have received a distribution of such Nonforfeitable Interest in his/her Account.

9.05 Withdrawal of Voluntary Contributions. A Participant may upon written request withdraw a part of or the

full amount of his/her Voluntary Contribution Account. Such withdrawals may be made at any time, provided that no more than two (2) such withdrawals may be made during any calendar year. No forfeiture will occur solely as the result of any such withdrawal.

9.06 Withdrawal of Deductible Employee Contributions. A Participant may upon written request withdraw a part of or the full amount of his/her Deductible Employee Contribution Account. Such withdrawals may be made at any time, provided that no more than two (2) such withdrawals may be made during any calendar year. No forfeiture will occur solely as the result of any such withdrawal.

9.07 Hardship Withdrawals.

(a) Where elected by the Employer in the Adoption Agreement for a profit-sharing plan containing a 401(k) arrangement, distribution of nonforfeitable amounts attributable to Employer Contributions and/or Elective Deferrals (including Catch-up Contributions but not including earnings attributable to Elective Deferrals accrued after December 31, 1988) may be made to a Participant in the event of hardship. A hardship distribution may only be made on account of an immediate and heavy financial need of the Employee and where the distribution is necessary to satisfy the immediate and heavy financial need.

(b) Special Rules:

(1) The following are the only financial needs considered immediate and heavy (or as otherwise provided for under Treasury Regulation section 1.401(k)-1(d)(3) (iii)(B) or any subsequent guidance thereto):

- (i) Expenses for medical care (within the meaning of section 213(d) of the Code) previously incurred or necessary to obtain medical care for the Employee, the Employee's spouse or dependents;
- (ii) Costs directly related to the purchase (excluding mortgage payments) of a principal residence for the Employee;
- (iii) Payment of tuition and related educational fees for the next twelve (12) months of post-secondary education for the Employee, the Employee's spouse, children or dependents;
- (iv) Payments necessary to prevent the eviction of the Employee from, or a foreclosure on the mortgage of, the Employee's principal residence; or
- (v) Payments for funeral or burial expenses for the Employee's deceased parent, spouse, child or dependent and expenses to repair damage to the Employee's principal residence that would qualify for a casualty loss deduction under Code section 165 (determined without regard to whether the loss exceeds 10 percent of adjusted gross income). The last two needs (funeral expenses and home repair) only apply to Plan Years beginning after 2005.

(2) A distribution will be considered as necessary to satisfy an immediate and heavy financial need of the employee only if:

- (i) The distribution is not in excess of the amount of an immediate and heavy financial need, including amounts necessary to pay any federal, state, or local income taxes or penalties reasonably anticipated to result from the distribution;
- (ii) The Employee has obtained all distributions, other than hardship distributions, and all nontaxable loans under all plans maintained by the Employer; and

(iii) All plans maintained by the Employer provide that the Employee's Elective Deferrals (and Employee

contributions) will be suspended for six (6) months after the receipt of the hardship distribution, provided that Employee contributions that are “picked up” by the Employer pursuant to Section of the Plan shall not be considered Employee contributions for this purpose.

- (3) Distributions for Financial Hardship. Unless otherwise elected by the Employer, after August 31, 2007, the determination of any deemed immediate and heavy financial need described in Treasury Regulation section 1.401(k)-1(d)(3)(iii)(B)(1), (3), or (5) (relating to medical, tuition, and funeral expenses, respectively) will be expanded to include any immediate and heavy financial need of a Participant’s Primary Beneficiary.

9.08 In-Service Distributions. If elected by the Employer in the Adoption Agreement, a Participant who has attained age 59½ and has a Nonforfeitable Interest in his/her entire Employer Contribution Account shall, upon written request, receive a distribution of a part of or the full amount of the balance in any or all of his vested Accounts. Such distributions may be requested at any time, provided that no more than two (2) such distributions may be made during any calendar year.

Unless otherwise elected by the Employer in the Adoption Agreement, a Participant who has reached age 70½ regardless of his Nonforfeitable Interest in his/her entire Employer Contribution Account, shall, upon written request, receive a distribution of a part of or the full amount of the balance in any or all of his vested Accounts. Such distributions may be requested at any time, provided that no more than two (2) such distributions may be made during any calendar year.

9.09 In-Service Distribution from Rollover Account. Where elected by the Employer in the Adoption Agreement, a Participant that has a separate account attributable to rollover contributions to the Plan, may at any time elect to receive a distribution of all or any portion of the amount held in the Rollover Account.

9.10 Latest Commencement of Benefits. Notwithstanding anything to the contrary in this Article, benefits shall begin no later than the Participant’s Required Beginning Date, as defined under Section 10.05, or as otherwise provided in Section 10.04.

9.11 Spousal Consent. Notwithstanding the foregoing, if the Employer elected the QJSA Election in the Adoption Agreement, a married Participant must first obtain his or her spouse’s notarized consent to request a distribution (other than a Qualified Joint and Survivor Annuity), withdrawal, or rollover under this Article IX.

9.12 Qualified Reservist Distribution Available under the Plan. Unless otherwise elected by the Employer, after September 11, 2001, Qualified Reservist Distributions will be available under the Plan.

- (a) Qualified Reservist Distribution. The term “Qualified Reservist Distribution” means any distribution of Elective Deferrals to a Qualified Reservist that is made during the period beginning on the date that the Qualified Reservist is ordered or called to duty and ending on the last day of active duty. A Qualified Reservist Distribution may be made to a Qualified Reservist under any circumstance and/or for any reason without violating the distribution restrictions of Code section 401(k)(2)(B)(i).
- (b) Qualified Reservist. The term “Qualified Reservist” means an individual who is a member of a reserve component, as defined in section 101 of title 37, United States Code, and who is ordered or called to active duty after September 11, 2001 either for a period in excess of 179 days or for an indefinite period.

9.13 Deemed Severance from Employment.

- (a) Unless otherwise elected by the Employer in the Adoption Agreement, effective January 1, 2009, a

Participant shall be deemed to have a severance from employment solely for purposes of eligibility to receive distributions from the Plan during any period the individual is performing service in the uniformed services (as defined in chapter 43 of title 38, United States Code) for more than 30 days.

- (b) If a Participant receives a distribution pursuant to subsection (a), then the Participant shall not be permitted to make an Elective Deferral or after-tax voluntary contributions during the six-month period beginning on the date of the distribution.
- (c) If a Participant receives a distribution which could be attributable to:
 - (i) a deemed severance from employment described in subsection (a); or
 - (ii) another distribution event under the Plan,

then the distribution shall be considered made pursuant to the distribution event referenced in paragraph (ii), and the Participant shall not be subject to the limitation on Elective Deferrals or after-tax voluntary contributions set forth in subsection (b).

9.14 Distributions for Health and Long-Term Care Insurance for Public Safety Officers.

- (a) If elected by the Employer, for Plan Years beginning after December 31, 2006, Eligible Retired Public Safety Officers may elect after separation from service to have up to \$3,000 distributed tax-free annually from the Plan in order to pay for Qualified Health Insurance Premiums for an accident or health plan (including a self-insured plan) or a qualified long-term care insurance contract. The Plan shall make such distributions directly to the provider of the accident or health plan or qualified long-term care insurance contract.
- (b) The term “Eligible Retired Public Safety Officer” means an individual who, by reason of disability or attainment of normal retirement age, is separated from service as a Public Safety Officer with the Employer who maintains the eligible retirement plan from which distributions pursuant to this Section are made. The term “Public Safety Officer” has the same meaning given such term by section 1204(9)(A) of the Omnibus Crime Control and Safe Streets Act of 1968.
- (c) The term “Qualified Health Insurance Premiums” means premiums for coverage for the Eligible Retired Public Safety Officer, his spouse, and dependents, by an accident or health insurance plan or qualified long-term care insurance contract (as defined in Code section 7702(B)).

X. DISTRIBUTION REQUIREMENTS

10.01 General Rules.

- (a) Generally. Subject to the provisions of Article XII or XVII if so elected by the Employer in the Adoption Agreement, the requirements of this Article shall apply to any distribution of a Participant’s interest and will take precedence over any inconsistent provisions of this Plan. Unless otherwise specified, the provisions of this Article X apply to calendar years beginning after December 31, 2002.

With respect to distributions under the Plan made in or for Plan Years beginning on or after January 1, 2002 and prior to January 1, 2003, the Plan will apply the minimum distribution requirements of section 401(a)(9) of the Code in accordance with the regulations under section 401(a)(9) that were proposed on January 17, 2001, notwithstanding any provision of the Plan to the contrary.

- (b) Distributions in Accordance with 401(a)(9). All distributions required under this Article shall be determined and made in accordance with the regulations under section 401(a)(9) of the Code, and the minimum distribution incidental benefit requirement of section 401(a)(9)(G) of the Code.
- (c) Limits on Distribution Periods. As of the first Distribution Calendar Year, distributions to a Participant, if not made in a single-sum, may only be made over one of the following periods:
 - (1) The life of the Participant,
 - (2) The joint lives of the Participant and a designated Beneficiary,
 - (3) A period certain not extending beyond the life expectancy of the Participant, or
 - (4) A period certain not extending beyond the joint and last survivor expectancy of the Participant and a designated Beneficiary.
- (d) TEFRA Section 242(b)(2) Elections. Notwithstanding the other provisions of this Article X, distributions may be made under a designation made before January 1, 1984, in accordance with Section 242(b)(2) of the Tax Equity and Fiscal Responsibility Act (TEFRA) and the provisions of the Plan that relate to Section 242(b)(2) of TEFRA.
- (e) EESA Provisions. The provisions relating to qualified disaster recovery assistance distributions for Participants affected by certain 2008 severe storms, flooding, and tornadoes and repayment thereof, and relating to repayment of prior qualified distributions for home purchases, set forth in section 702 of the Emergency Economic Stabilization Act of 2008 (“EESA”) shall apply to the Plan.
- (f) KETRA and GOZA Provisions. The provisions relating to qualified hurricane distributions and repayment thereof set forth in section 1400Q(a) of the Code, and relating to repayment of prior qualified distributions for home purchases set forth in Code section 1400Q(b), shall apply to the Plan. These provisions added to the Code by the Katrina Emergency Tax Relief Act of 2005 (“KETRA”) and the Gulf Opportunity Zone Act of 2005 (GOZA), permit plans to allow repayments of certain prior qualified distributions for home purchases for Participants affected by Hurricanes Katrina, Rita, and Wilma.

10.02 Time and Manner of Distribution

- (a) Required Beginning Date. The Participant’s entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant’s required beginning date.
- (b) Death of Participant Before Distributions Begin. If the Participant dies before distributions begin, the Participant’s entire interest will be distributed, or begin to be distributed, no later than as follows:
 - (1) If the Participant’s surviving spouse is the Participant’s sole designated Beneficiary, then, distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70½, if later.
 - (2) If the Participant’s surviving spouse is not the Participant’s sole designated Beneficiary, then distributions to the designated Beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.

- (3) If there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.
- (4) If the Participant's surviving spouse is the Participant's sole designated Beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse begin, this Section 10.02(b), other than Section 10.02(b)(1), will apply as if the surviving spouse were the Participant.

For purposes of this Section 10.02(b) and Section 10.04, unless Section 10.02(b)(4) applies, distributions are considered to begin on the Participant's required beginning date. If Section 10.02(b)(4) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under Section 10.02(b)(1). If distributions under an annuity purchased from an insurance company irrevocably commence to the Participant before the Participant's required beginning date (or to the Participant's surviving spouse before the date distributions are required to begin to the surviving spouse under Section 10.02(b)(1)), the date distributions are considered to begin is the date distributions actually commence.

- (c) Forms of Distribution. Unless the Participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the required beginning date, as of the first distribution calendar year distributions will be made in accordance with Sections 10.03 and 10.04. If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Code Section 401(a)(9) and the Treasury Regulations.

10.03 Required Minimum Distributions During Participant's Lifetime

- (a) Amount of Required Minimum Distribution For Each Distribution Calendar Year. During the Participant's lifetime, the minimum amount that will be distributed for each distribution calendar year is the lesser of:
 - (1) the quotient obtained by dividing the Participant's Account Balance by the distribution period set forth in the Uniform Lifetime Table found in Section 1.401(a)(9)-9, Q&A-2, of the Final Income Tax Regulations using the Participant's age as of the Participant's birthday in the distribution calendar year; or
 - (2) if the Participant's sole designated Beneficiary for the distribution calendar year is the Participant's spouse, the quotient obtained by dividing the Participant's Account Balance by the number in the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9, Q&A-3, of the regulations using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the distribution calendar year.
- (b) Lifetime Required Minimum Distributions Continue Through Year of Participant's Death. Required minimum distributions will be determined under this Section 10.03 beginning with the first distribution calendar year and continuing up to, and including, the distribution calendar year that includes the Participant's date of death.

10.04 Required Minimum Distributions After Participant's Death

- (a) Death On or After Date Distributions Begin.
 - (1) Participant Survived by Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's designated Beneficiary, determined as follows:

- (i) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.
 - (ii) If the Participant's surviving spouse is the Participant's sole designated Beneficiary, the remaining life expectancy of the surviving spouse is calculated for each distribution calendar year after the year of the Participant's death using the surviving spouse's age as of the spouse's birthday in that year. For distribution calendar years after the year of the surviving spouse's death, the remaining life expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent calendar year.
 - (iii) If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, the designated Beneficiary's remaining life expectancy is calculated using the age of the Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.
- (2) No Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is no designated Beneficiary as of September 30 of the year after the year of the Participant's death, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.
- (b) Death Before Date Required Distributions Begin.
- (1) Participant Survived by Designated Beneficiary. If the Participant dies before the date required distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's Account Balance by the remaining life expectancy of the Participant's designated Beneficiary, determined as provided in Section 10.04(a).
 - (2) No Designated Beneficiary. If the Participant dies before the date distributions begin and there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.
 - (3) Death of Surviving Spouse Before Distributions to Surviving Spouse Are Required to Begin. If the Participant dies before the date distributions begin, the Participant's surviving spouse is the Participant's sole designated Beneficiary, and the surviving spouse dies before distributions are required to begin to the surviving spouse under Section 10.02(b)(1), this Section 10.04(b) will apply as if the surviving spouse were the Participant.

10.05 Definitions

- (a) Designated Beneficiary. The individual who is designated by the Participant (or the Participant's surviving spouse) as the Beneficiary of the Participant's interest under the Plan and who is the designated Beneficiary under Code Section 401(a)(9) and Section 1.401(a)(9)-4 of the regulations.
- (b) Distribution Calendar Year. A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is the calendar year immediately

preceding the calendar year which contains the Participant's required beginning date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under Section 10.02(b). The required minimum distribution for the Participant's first distribution calendar year will be made on or before the Participant's required beginning date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's required beginning date occurs, will be made on or before December 31 of that distribution calendar year.

- (c) Life Expectancy. Life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9, Q&A-1, of the regulations.
- (d) Participant's Account Balance. The Account Balance as of the last Accounting Date in the calendar year immediately preceding the distribution calendar year (valuation calendar year) increased by the amount of any contributions made and allocated or forfeitures allocated to the Account Balance as of dates in the valuation calendar year after the Accounting Date and decreased by distributions made in the valuation calendar year after the Accounting Date. The Account Balance for the valuation calendar year includes any amounts rolled over or transferred to the Plan either in the valuation calendar year or in the distribution calendar year if distributed or transferred in the valuation calendar year.
- (e) Required Beginning Date. The Required Beginning Date of a Participant is April 1 of the calendar year following the later of the calendar year in which the Participant attains age seventy and one-half (70½), or the calendar year in which the Participant retires.

10.06 Application of Minimum Distribution Requirements. The minimum distribution requirements of section 401(a)(9) of the Code shall only apply to the Plan to the extent that such requirements are applicable by law for a year. Pursuant to the Worker, Retiree, and Employer Recovery Act of 2008 ("WRERA"), required minimum distributions were suspended for 2009.

10.07 Special Rule for Scheduled Installment Payments. All installment payments scheduled to be distributed to a Participant prior to the effective date of a suspension of the required minimum distribution provisions of Code section 401(a)(9) shall be distributed as scheduled unless the Participant affirmatively elects to have the payments stopped. Notwithstanding the foregoing, for purposes of this Section 10.07, the effective date of the suspension of the required minimum distribution provisions for 2009 shall be deemed January 6, 2009.

XI. MODES OF DISTRIBUTION OF BENEFITS

11.01 Normal Mode of Distribution. Unless an elective mode of distribution is elected as provided in Section 11.02, benefits shall be paid to the Participant in the form of a lump sum payment. Notwithstanding the foregoing, where the Employer made the "QJSA Election" in the Adoption Agreement, unless an elective mode of distribution is elected in accordance with Article XVII, benefits shall be paid to the Participant in the form provided for in Article XVII.

11.02 Elective Mode of Distribution. Subject to the requirements of Articles X, XII and XVII, a Participant may revocably elect to have his/her Account distributed in any one (1) of the following modes in lieu of the mode described in Section 11.01:

- (a) Equal Payments. Equal monthly, quarterly, semi-annual, or annual payments in an amount chosen by the Participant continuing until the Account is exhausted.
- (b) Period Certain. Approximately equal monthly, quarterly, semi-annual, or annual payments, calculated to continue for a period certain chosen by the Participant.

(c) Other. Any other sequence of payments requested by the Participant.

(d) Lump Sum. Where the Employer did make the QJSA Election in the Adoption Agreement, a Participant may also elect a lump sum payment.

11.03 Election of Mode. A Participant's election of a payment option must be made in writing between thirty (30) and one-hundred eighty (180) days (ninety (90) days for Plan Years beginning before January 1, 2007) before the payment of benefits is to commence.

11.04 Death Benefits. Subject to Article X (and Article XII or XVII if so elected by the Employer in the Adoption Agreement),

(a) In the case of a Participant who dies before he/she has begun receiving benefit payments, the Participant's entire Nonforfeitable Interest shall then be payable to his/ her Beneficiary within ninety (90) days of the Participant's death. A Beneficiary who is entitled to receive benefits under this Section may elect to have benefits commence at a later date, subject to the provisions of Article X. The Beneficiary may elect to receive the death benefit in any of the forms available to the Participant under Sections 11.01 and 11.02. If the Beneficiary is the Participant's surviving spouse, and such surviving spouse dies before payment commences, then this Section shall apply to the beneficiary of the surviving spouse as though such surviving spouse were the Participant.

(b) Should the Participant die after he/she has begun receiving benefit payments, the Beneficiary shall receive the remaining benefits, if any, that are payable, under the payment schedule elected by the Participant. Notwithstanding the foregoing, the Beneficiary may elect to accelerate payments of the remaining balances, including but not limited to, a lump sum distribution.

XII. SPOUSAL DEATH BENEFIT REQUIREMENTS

12.01 Application. Unless otherwise elected by the Employer in the Adoption Agreement, on or after January 1, 2006, the provisions of this Article shall take precedence over any conflicting provision in this Plan. The provisions of this Article, known as the "Beneficiary Spousal Consent Election," shall apply to any Participant who is credited with any Period of Service with the Employer on or after August 23, 1984, and such other Participants as provided in Section 12.04.

12.02 Spousal Death Benefit.

(a) On the death of a Participant, the Participant's Vested Account Balance will be paid to the Participant's Surviving Spouse. If there is no Surviving Spouse, or if the Participant has waived the spousal death benefit, as provided in Section 12.03, such Vested Account Balance will be paid to the Participant's designated Beneficiary.

(b) The Surviving Spouse may elect to have distribution of the Vested Account Balance commence within the one-hundred eighty (180) day period following the date of the Participant's death, or as otherwise provided under Section 11.04. The Account balance shall be adjusted for gains or losses occurring after the Participant's death in accordance with the provisions of the Plan governing the adjustment of Account balances for other types of distributions.

12.03 Waiver of Spousal Death Benefit.

The Participant may waive the spousal death benefit described in Section 12.02 at any time; provided that no such waiver shall be effective unless: (a) the Participant's Spouse consents in writing to the election; (b) the election designates a specific Beneficiary, including any class of Beneficiaries or any contingent Beneficiaries, which may not be changed without spousal consent (or the Spouse expressly permits designations by the

Participant without any further spousal consent); (c) the Spouse's consent acknowledges the effect of the election; and (d) the Spouse's consent is witnessed by a Plan representative or notary public. If it is established to the satisfaction of a Plan representative that there is no Spouse or that the Spouse cannot be located, a waiver will be deemed to meet the requirements of this Section.

Any consent by a Spouse obtained under this provision (or establishment that the consent of a Spouse may not be obtained) shall be effective only with respect to such Spouse. A consent that permits designations by the Participant without any requirement of further consent by such Spouse must acknowledge that the Spouse has the right to limit consent to a specific Beneficiary, and a specific form of benefit where applicable, and that the Spouse voluntarily elects to relinquish either or both of such rights. A revocation of a prior waiver may be made by a Participant without the consent of the Spouse at any time before the commencement of benefits. The number of revocations shall not be limited.

12.04 Definitions. For the purposes of this Section, the following definitions shall apply:

- (a) Spouse (Surviving Spouse). The Spouse or Surviving Spouse of the Participant, provided that a former Spouse will be treated as the Spouse or Surviving Spouse and a current Spouse will not be treated as the Spouse or Surviving Spouse to the extent provided under a qualified domestic relations order as described in section 414(p) of the Code.
- (b) Vested Account Balance. The aggregate value of the Participant's vested Account balances derived from Employer and Employee contributions (including rollovers), whether vested before or upon death, including the proceeds of insurance contracts, if any, on the Participant's life. The provisions of this Article shall apply to a Participant who is vested in amounts attributable to Employer Contributions, Employee contributions (or both) at the time of death or distribution.

XIII. LOANS TO PARTICIPANTS

13.01 Availability of Loans to Participants.

- (a) If the Employer has elected in the Adoption Agreement to make loans available to Participants, a Participant may apply for a loan from the Plan subject to the limitations and other provisions of this Article.
- (b) The Employer shall establish written guidelines governing the granting of loans, provided that such guidelines are approved by the Plan Administrator and are not inconsistent with the provisions of this Article, and that loans are made available to all applicable Participants on a reasonably equivalent basis.

13.02 Terms and Conditions of Loans to Participants. Any loan by the Plan to a Participant under Section 13.01 of the Plan shall satisfy the following requirements:

- (a) Availability. Loans shall be made available to all Participants who are active Employees on a reasonably equivalent basis. Loans shall not be made available to terminated Employees, Beneficiaries, or alternate payees.
- (b) Nondiscrimination. Loans shall not be made to highly compensated Employees in an amount greater than the amount made available to other Employees.
- (c) Interest Rate. Loans must be adequately secured and bear a reasonable interest rate.
- (d) Loan Limit. No Participant loan shall exceed the present value of the Participant's Nonforfeitable Interest in his/her Account.

- (e) Foreclosure. In the event of default, foreclosure on the note and attachment of security will not occur until a distributable event occurs in the Plan.
- (f) Reduction of Account. Notwithstanding any other provision of this Plan, the portion of the Participant's vested Account balance used as a security interest held by the Plan by reason of a loan outstanding to the Participant shall be taken into account for purposes of determining the amount of the Account balance payable at the time of death or distribution, but only if the reduction is used as repayment of the loan. If less than one hundred percent (100%) of the Participant's nonforfeitable Account balance (determined without regard to the preceding sentence) is payable to the surviving spouse, then the Account balance shall be adjusted by first reducing the nonforfeitable Account balance by the amount of the security used as repayment of the loan, and then determining the benefit payable to the surviving spouse.
- (g) Amount of Loan. At the time the loan is made, the principal amount of the loan plus the outstanding balance (principal plus accrued interest) due on any other outstanding loans to the Participant or Beneficiary from the Plan and from all other plans of the Employer that are qualified employer plans under section 72(p)(4) of the Code shall not exceed the lesser of:
 - (1) \$50,000, reduced by the excess (if any) of
 - (i) The highest outstanding balance of loans from the Plan during the one (1) year period ending on the day before the date on which the loan is made, over
 - (ii) The outstanding balance of loans from the Plan on the date on which such loan is made; or
 - (2) One-half (½) of the value of the Participant's Nonforfeitable Interest in all of his/her Accounts under this Plan (or \$10,000, if greater, for loans prior to January 1, 2006).

For the purpose of the above limitation, all loans from all qualified employer plans of the Employer, including 457(b) plans, under Code section 72(p)(4) are aggregated.

- (h) Application for Loan. The Participant must give the Employer adequate written notice, as determined by the Employer, of the amount and desired time for receiving a loan. No more than one (1) loan may be made by the Plan to a Participant in any calendar year. No loan shall be approved if an existing loan from the Plan to the Participant is in default to any extent.
- (i) Length of Loan. The terms of any loan issued or renegotiated after December 31, 1993, shall require the Participant to repay the loan in substantially equal installments of principal and interest, at least quarterly (except as otherwise provided in Treasury Regulation section 1.72(p)-1, Q&A-9 for certain leave of absence and military leave), over a period that does not exceed five (5) years from the date of the loan; provided, however, that if the proceeds of the loan are applied by the Participant to acquire any dwelling unit that is to be used within a reasonable time after the loan is made as the principal residence of the Participant, the five (5) year limit shall not apply. In this event, the period of repayment shall not exceed a reasonable period determined by the Employer. Principal installments and interest payments otherwise due may be suspended during an authorized leave of absence, if the promissory note so provides, but not beyond the original term permitted under this Subsection (i), with a revised payment schedule (within such term) instituted at the end of such period of suspension. If the Participant fails to make any installment payment, the Plan Administrator may, according to Treasury Regulation 1.72(p)-1, allow a cure period, which cure period cannot continue beyond the last day of the calendar quarter following the calendar quarter in which the

required installment payment was due.

- (j) Prepayment. The Participant shall be permitted to repay the loan in whole or in part at any time prior to maturity, without penalty.
- (k) Note. The loan shall be evidenced by a promissory note executed by the Participant and delivered to the Employer, and shall bear interest at a reasonable rate determined by the Employer. Unless waived by a Participant, any plan loan that is outstanding on the date that active duty military service begins will accrue interest at a rate of no more than 6% during the period of military service in accordance with the provisions of the Servicemembers Civil Relief Act (SCRA), 50 USC App. § 526 and subject to the notice requirements contained therein. This limitation applies even if loan payments are suspended during the period of military service as permitted under the Plan and Treasury regulations.
- (l) Security. The loan shall be secured by an assignment of that portion the Participant's right, title and interest in and to his/her Employer Contribution Account (to the extent vested), Participant Contribution Account, and Rollover Account that is equal to fifty percent (50%) of the Participant's Account (to the extent vested).
- (m) Assignment or Pledge. For the purposes of paragraphs (h) and (i), assignment or pledge of any portion of the Participant's interest in the Plan and a loan, pledge, or assignment with respect to any insurance contract purchased under the Plan, will be treated as a loan.
- (n) Spousal Consent. If the Employer elected the QJSA Election in the Adoption Agreement, the Participant must first obtain his or her spouse's notarized consent to the loan. Spousal consent shall be obtained no earlier than the beginning of the one-hundred eighty (180) day period (ninety (90) day period for plan years beginning before January 1, 2007) that ends on the date on which the loan is to be so secured. The consent must be in writing, must acknowledge the effect of the loan, and must be witnessed by a Plan representative or notary public. Such consent shall thereafter be binding with respect to the consenting spouse or any subsequent spouse with respect to that loan. A new consent shall be required if the account balance is used for renegotiation, extension, renewal, or other revision of the loan.
- (o) Other Terms and Conditions. The Employer shall fix such other terms and conditions of the loan as it deems necessary to comply with legal requirements, to maintain the qualification of the Plan and Trust under section 401(a) of the Code, or to prevent the treatment of the loan for tax purposes as a distribution to the Participant. The Employer, in its discretion for any reason, may fix other terms and conditions of the loan, not inconsistent with the provisions of this Article, including:
 - (1) the circumstances under which a loan becomes immediately due and payable, provided, however, with respect to loans issued after December 31, 2012, that the loan program shall not provide that a loan becomes due and payable solely because the Participant requests or receives a partial distribution of the Participant's account balance after termination of employment;
 - (2) rules relating to reamortization of loans; and
 - (3) rules relating to refinance of loans.

13.03 Participant Loan Accounts.

- (a) Upon approval of a loan to a Participant by the Employer, an amount not in excess of the loan shall be transferred from the Participant's other investment fund(s), described in Section 6.05 of the Plan, to the Participant's Loan Account as of the Accounting Date immediately preceding the agreed upon date on which the loan is to be made.

- (b) The assets of a Participant's Loan Account may be invested and reinvested only in promissory notes received by the Plan from the Participant as consideration for a loan permitted by Section 13.01 of the Plan or in cash. Uninvested cash balances in a Participant's Loan Account shall not bear interest. No person who is otherwise a fiduciary of the Plan shall be liable for any loss, or by reason of any breach, that results from the Participant's exercise of such control.
- (c) Repayment of principal and payment of interest shall be made by payroll deduction or Automated Clearing House (ACH) transfer, or with respect to a terminated Employee solely by ACH, and shall be invested in one (1) or more other investment funds, in accordance with Section 6.05 of the Plan, as of the next Accounting Date after payment thereof to the Trust. The amount so invested shall be deducted from the Participant's Loan Account. A payment intended to be a Prepayment or payment of the loan in full may also be made by cashier's check or money order, and shall be invested in accordance with this provision.
- (d) The Employer shall have the authority to establish other reasonable rules, not inconsistent with the provisions of the Plan, governing the establishment and maintenance of Participant Loan Accounts.

XIV. PLAN AMENDMENT, TERMINATION AND OPTIONAL PROVISIONS

14.01 Amendment by Employer. The Employer reserves the right, subject to Section 14.02 of the Plan, to amend the Plan from time to time by either:

- (a) Filing an amended Adoption Agreement to change, delete, or add any optional provision, or
- (b) Continuing the Plan in the form of an amended and restated Plan and Trust.

No amendment to the Plan shall be effective to the extent that it has the effect of decreasing a Participant's accrued benefit. Notwithstanding the preceding sentence, a Participant's Account balance may be reduced to the extent permitted under section 412(d)(2) of the Code. For purposes of this paragraph, a Plan amendment which has the effect of decreasing a Participant's Account balance or eliminating an optional form of benefit, with respect to benefits attributable to service before the amendment shall be treated as reducing an accrued benefit. Furthermore, if the vesting schedule of the Plan is amended, in the case of an Employee who is a Participant as of the later of the date such amendment is adopted or the date it becomes effective, the nonforfeitable percentage (determined as of such date) of such Employee's right to his/her Employer-derived accrued benefit will not be less than his percentage computed under the plan without regard to such amendment.

No amendment to the Plan shall be effective to eliminate or restrict an optional form of benefit. The preceding sentence shall not apply to a Plan amendment that eliminates or restricts the ability of a Participant to receive payment of his or her Account balance under a particular optional form of benefit if the amendment provides a single-sum distribution form that is otherwise identical to the optional form of benefit being eliminated or restricted. For this purpose, a single-sum distribution form is otherwise identical only if the single-sum distribution form is identical in all respects to the eliminated or restricted optional form of benefit (or would be identical except that it provides greater rights to the Participant) except with respect to the timing of payments after commencement.

The Employer may (1) change the choice of options in the Adoption Agreement, (2) add overriding language in the Adoption Agreement when such language is necessary to satisfy sections 415 or 416 of the Code because of the required aggregation of multiple plans, (3) amend administrative provisions of the trust or custodial document in the case of a nonstandardized plan and make more limited amendments in the case of a standardized plan such as the name of the plan, employer, trustee or custodian, plan administrator and other fiduciaries, the trust year, and the name of any pooled trust in which the Plan's trust will participate, (4) add certain sample or model amendments published by the Internal Revenue Service or other required

good faith amendments which specifically provide that their adoption will not cause the plan to be treated as individually designed, and (5) add or change provisions permitted under the Plan and/or specify or change the effective date of a provision as permitted under the Plan and correct obvious and unambiguous typographical errors and/or cross-references that merely correct a reference but that do not in any way change the original intended meaning of the provisions. An Employer that amends the Plan for any other reason will be considered to have an individually designed plan.

14.02 Amendment of Vesting Schedule. If the Plan's vesting schedule is amended, or the Plan is amended in any way that directly or indirectly affects the computation of the Participant's nonforfeitable percentage, each Participant may elect, within a reasonable period after the adoption of the amendment or change, to have the nonforfeitable percentage computed under the Plan without regard to such amendment or change.

The period during which the election may be made shall commence with the date the amendment is adopted or deemed to be made and shall end on the latest of:

- (a) Sixty (60) days after the amendment is adopted;
- (b) Sixty (60) days after the amendment becomes effective; or
- (c) Sixty (60) days after the Participant is issued written notice of the amendment by the Employer or Plan Administrator.

14.03 Termination by Employer. The Employer reserves the right to terminate this Plan. However, in the event of such termination no part of the Trust shall be used or diverted to any purpose other than for the exclusive benefit of the Participants or their Beneficiaries, except as provided in this Section.

Upon Plan termination or partial termination, all Account balances shall be valued at their fair market value and the Participant's right to his/her Employer Contribution Account shall be one hundred percent (100%) vested and nonforfeitable. Such amount and any other amounts held in the Participant's other Accounts shall be maintained for the Participant until paid pursuant to the terms of the Plan.

Any amounts held in a suspense account, after all liabilities of the Plan to Participants and Beneficiaries have been satisfied or provided for, shall be paid to the Employer in accordance with the Code and regulations thereunder.

In the event that the Commissioner of Internal Revenue determines that the Plan is not initially qualified under the Internal Revenue Code, any contribution made by the Employer incident to that initial qualification must be returned to the Employer within one year after the date the initial qualification is denied, but only if the application for the qualification is made by the time prescribed by law for filing the Employer's return for the year in which the Plan is adopted, or such later date as the Secretary of the Treasury may prescribe.

14.04 Discontinuance of Contributions. A permanent discontinuance of contributions to the Plan by the Employer, unless an amended and restated Plan is established, shall constitute a Plan termination. In the event of a complete discontinuance of contributions under the Plan, the Account balance of each affected Participant shall be nonforfeitable.

14.05 Amendment by Plan Administrator. The Plan Administrator may amend this Plan upon thirty (30) days written notification to the Employer; provided, however, that any such amendment must be for the express purpose of maintaining compliance with applicable federal laws and regulations, revenue rulings, other statements published

by the Internal Revenue Service (including model and sample amendments that specifically provide that their adoption will not cause such Plan to be individually designed), or corrections of prior approved Plans may be applied to all Employers who have adopted the Plan. Such amendment shall become effective unless, within such 30-day period, the Employer notifies the Administrator, in writing, that it disapproves such amendment, in which case such amendment shall not become effective. In the event of such disapproval, the Administrator shall be under no obligation to continue acting as Administrator hereunder.

For purposes of reliance on the advisory letter, the Plan Administrator shall no longer have authority to amend the Plan on behalf of the Employer as of the date of the adoption of an Employer amendment to the Plan to incorporate a type of plan not allowable in the volume submitter program described in section 16.03 of Revenue Procedure 2011-49 (or successor guidance) or as of the date the Internal Revenue Service notifies the Plan Administrator that the Plan is being treated as an individually designed plan pursuant to section 24.03 of Revenue Procedure 2011-49 (or successor guidance).

14.06 Optional Provisions. Any provision which is optional under this Plan shall become effective if and only if elected by the Employer and agreed to by the Plan Administrator.

14.07 Failure of Qualification. If the Employer's plan fails to attain or retain qualification, such plan will no longer participate in this Plan and will be considered an individually designed plan.

XV. ADMINISTRATION

15.01 Powers of the Employer. The Employer shall have the following powers and duties:

- (a) To appoint and remove, with or without cause, the Plan Administrator;
- (b) To amend or terminate the Plan pursuant to the provisions of Article XIV;
- (c) To appoint a committee to facilitate administration of the Plan and communications to Participants;
- (d) To decide all questions of eligibility (1) for Plan participation, and (2) upon appeal by any Participant, Employee or Beneficiary, for the payment of benefits;
- (e) To engage an independent qualified public accountant, when required to do so by law, to prepare annually the audited financial statements of the Plan's operation;
- (f) To take all actions and to communicate to the Plan Administrator in writing all necessary information to carry out the terms of the Plan and Trust; and
- (g) To notify the Plan Administrator in writing of the termination of the Plan.

15.02 Duties of the Plan Administrator. The Plan Administrator shall have the following powers and duties, subject to the oversight by the Employer:

- (a) To construe and interpret the provisions of the Plan;
- (b) To maintain and provide such returns, reports, schedules, descriptions, and individual Account statements as are required by law within the times prescribed by law; and to furnish to the Employer, upon request, copies of any or all such materials, and further, to make copies of such instruments, reports, descriptions, and statements as are required by law available for examination by Participants and such of their Beneficiaries who are or may be entitled to benefits under the Plan in such places and in such manner as required by law;

- (c) To obtain from the Employer such information as shall be necessary for the proper administration of the Plan;
- (d) To determine the amount, manner, and time of payment of benefits hereunder;
- (e) To appoint and retain such agents, counsel, and accountants for the purpose of properly administering the Plan;
- (f) To distribute assets of the Trust to each Participant and Beneficiary in accordance with Article X of the Plan;
- (g) To pay expenses from the Trust pursuant to Section 6.03 of the Plan; and
- (h) To do such other acts reasonably required to administer the Plan in accordance with its provisions or as may be provided for or required by the Code.

15.03 Protection of the Employer. The Employer shall not be liable for the acts or omissions of the Plan Administrator, but only to the extent that such acts or omissions do not result from the Employer's failure to provide accurate or timely information as required or necessary for proper administration of the Plan.

15.04 Protection of the Plan Administrator. The Plan Administrator may rely upon any certificate, notice or direction purporting to have been signed on behalf of the Employer which the Plan Administrator believes to have been signed by a duly designated official of the Employer.

15.05 Resignation or Removal of Plan Administrator. The Plan Administrator may resign at any time effective upon sixty (60) days prior written notice to the Employer. The Plan Administrator may be removed by the Employer at any time upon sixty (60) days prior written notice to the Plan Administrator. Upon the resignation or removal of the Plan Administrator, the Employer may appoint a successor Plan Administrator; failing such appointment, the Employer shall assume the powers and duties of Plan Administrator. Upon the resignation or removal of the Plan Administrator, any Trust assets invested by or held in the name of the Plan Administrator shall be transferred to the trustee in cash or property, at fair market value, except that the return of Trust assets invested in a contract issued by an insurance company shall be governed by the terms of that contract.

15.06 No Termination Penalty. The Plan Administrator shall have no authority or discretion to impose any termination penalty upon its removal.

15.07 Decisions of the Plan Administrator. All constructions, determinations, and interpretations made by the Plan Administrator pursuant to Section 15.02(a) or (d) or by the Employer pursuant to Section 15.01(d) shall be final and binding on all persons participating in the Plan, given deference in all courts of law to the greatest extent allowed by applicable law, and shall not be overturned or set aside by any court of law unless found to be arbitrary or capricious, or made in bad faith.

XVI. MISCELLANEOUS

16.01 Nonguarantee of Employment. Nothing contained in this Plan shall be construed as a contract of employment between the Employer and any Employee, or as a right of an Employee to be continued in the employment of the Employer, as a limitation of the right of the Employer to discharge any of its Employees, with or without cause.

16.02 Rights to Trust Assets. No Employee or Beneficiary shall have any right to, or interest in, any assets of the Trust upon termination of his/her employment or otherwise, except as provided from time to time under this Plan, and then only to the extent of the benefits payable under the Plan to such Employee or Beneficiary out of the assets of the Trust. All payments of benefits as provided for in this Plan shall be made solely out of the assets of the Trust and none of the fiduciaries shall be liable therefor in any manner.

16.03 Nonalienation of Benefits. Except as provided in Sections 16.04 and 16.06 of the Plan, benefits payable under this Plan shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, charge, garnishment, execution, or levy of any kind, either voluntary or involuntary, prior to actually being received by the person entitled to the benefit under the terms of the Plan; and any attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber, charge or otherwise dispose of any right to benefits payable hereunder, shall be void. The Trust shall not in any manner be liable for, or subject to, the debts, contracts, liabilities, engagements or torts of any person entitled to benefits hereunder.

16.04 Qualified Domestic Relations Order. Notwithstanding Section 16.03 of the Plan, amounts may be paid with respect to a Participant pursuant to a domestic relations order, but if and only if the order is determined to be a qualified domestic relations order within the meaning of section 414(p) of the Code or any domestic relations order entered before January 1, 1985.

16.05 Nonforfeiture of Benefits. Subject only to the specific provisions of this Plan, nothing shall be deemed to deprive a Participant of his/her right to the Nonforfeitable Interest to which he/ she becomes entitled in accordance with the provisions of the Plan.

16.06 Incompetency of Payee. In the event any benefit is payable to a minor or incompetent, to a person otherwise under legal disability, or to a person who, in the sole judgment of the Employer, is by reason of advanced age, illness, or other physical or mental incapacity incapable of handling the disposition of his/her property, the Employer may apply the whole or any part of such benefit directly to the care, comfort, maintenance, support, education, or use of such person or pay or distribute the whole or any part of such benefit to:

- (a) The parent of such person;
- (b) The guardian, committee, or other legal representative, wherever appointed, of such person;
- (c) The person with whom such person resides;
- (d) Any person having the care and control of such person; or
- (e) Such person personally.

The receipt of the person to whom any such payment or distribution is so made shall be full and complete discharge therefor.

16.07 Inability to Locate Payee. Anything to the contrary herein notwithstanding, if the Employer is unable, after reasonable effort, to locate any Participant or Beneficiary to whom an amount is payable hereunder, such amount shall be forfeited and held in the Trust for application against the next succeeding Employer Contribution or contributions required to be made hereunder. Notwithstanding the foregoing, however, such amount shall be reinstated, by means of an additional Employer contribution, if and when a claim for the forfeited amount is subsequently made by the Participant or Beneficiary or if the Employer receives proof of death of such person, satisfactory to the Employer. To the extent not inconsistent with applicable law, any benefits lost by reason of escheat under applicable state law shall be considered forfeited and shall not be reinstated.

16.08 Mergers, Consolidations, and Transfer of Assets. The Plan shall not be merged into or consolidated with any other plan, nor shall any of its assets or liabilities be transferred into any such other plan, unless each Participant in the Plan would (if the Plan then terminated) receive a benefit immediately after the merger, consolidation, or transfer that is equal to or greater than the benefit he/she would have been entitled to receive immediately before the merger, consolidation, or transfer (if the Plan had then terminated).

- 16.09 Employer Records.** Records of the Employer as to an Employee's or Participant's Period of Service, termination of service and the reason therefor, leaves of absence, reemployment, Earnings, and Compensation will be conclusive on all persons, unless determined to be incorrect.
- 16.10 Gender and Number.** The masculine pronoun, whenever used herein, shall include the feminine pronoun, and the singular shall include the plural, except where the context requires otherwise.
- 16.11 Applicable Law.** The Plan shall be construed under the laws of the State where the Employer is located, except to the extent superseded by federal law. The Plan is established with the intent that it meets the requirements under the Code. The provisions of this Plan shall be interpreted in conformity with these requirements.

In the event of any conflict between the Plan and a policy or contract issued hereunder, the Plan provisions shall control; provided, however, no Plan amendment shall supersede an existing policy or contract unless such amendment is required to maintain qualification under section 401(a) and 414(d) of the Code.

- 16.12 Electronic Communication and Consent.** Unless expressly provided otherwise, where this Plan provides that a document, election, notification, direction, signature, or consent will be in writing, such writing may occur through an electronic medium, including but not limited to electronic mail, intranet or internet web posting and online account access, to the fullest extent permitted by applicable law.

XVII. SPOUSAL BENEFIT REQUIREMENTS

- 17.01 Application.** Effective as of January 1, 2006, where elected by the Employer in the Adoption Agreement (the "QJSA Election"), the provisions of this Article shall take precedence over any conflicting provision in this Plan. If elected, the provisions of this Article shall apply to any Participant who is credited with any Period of Service with the Employer on or after August 23, 1984, and such other Participants as provided in Section 17.06.
- 17.02 Qualified Joint and Survivor Annuity.** Unless an optional form of benefit is selected pursuant to a Qualified Election within the one-hundred eighty (180) day period ending on the Annuity Starting Date, a married Participant's Vested Account Balance will be paid in the form of a Qualified Joint and Survivor Annuity and an unmarried Participant's Vested Account Balance will be paid in the form of a Straight Life Annuity. The Participant may elect to have such annuity distributed upon the attainment of the Earliest Retirement Age under the Plan.
- 17.03 Qualified Optional Survivor Annuity.** For plan years beginning after December 31, 2007, if a married participant elects to waive the qualified joint and survivor annuity, the participant may elect the qualified optional survivor annuity at any time during the applicable election period, provided, however, that this Section shall apply only to the extent the Plan makes another survivor annuity available.
- 17.04 Qualified Preretirement Survivor Annuity.** If a Participant dies before the Annuity Starting Date, then fifty percent (50%) of the Participant's Vested Account Balance shall be applied toward the purchase of an annuity for the life of the Surviving Spouse; the remaining portion shall be paid to such Beneficiaries (which may include such Spouse) designated by the Participant. Notwithstanding the foregoing, the Participant may waive the spousal annuity by designating a different Beneficiary within the Election Period pursuant to a Qualified Election. To the extent that less than one hundred percent (100%) of the vested Account balance is paid to the Surviving Spouse, the amount of the Participant's Account derived from Employee contributions will be allocated to the Surviving Spouse in the same proportion as the amount of the Participant's Account derived from Employee contributions is to the Participant's total Vested Account Balance. The Surviving Spouse may elect to have such annuity distributed within a reasonable period after the Participant's death. Further, such Spouse may elect to receive any death benefit payable to him/her hereunder in any of the forms available to the Participant under Section 11.02.

17.05 Notice Requirements.

- (a) In the case of a Qualified Joint and Survivor Annuity as described in Section 17.02, the Plan Administrator shall, no less than thirty (30) days and no more than one-hundred eighty (180) days (or ninety (90) days for notices given in Plan Years before January 1, 2007) prior to the Annuity Starting Date, provide each Participant a written explanation of: (i) the terms and conditions of a Qualified Joint and Survivor Annuity; (ii) the Participant's right to make and the effect of an election to waive the Qualified Joint and Survivor Annuity form of benefit; (iii) the rights of a Participant's Spouse; and (iv) the right to make, and the effect of, a revocation of a previous election to waive the Qualified Joint and Survivor Annuity. However, if the Participant, after having received the written explanation, affirmatively elects a form of distribution and the Spouse consents to that form of distribution (if necessary), benefit payments may commence less than thirty (30) days after the written explanation was provided to the Participant, provided that the following requirements are met:
- (1) The Plan Administrator provides information to the Participant clearly indicating that the Participant has a right to at least thirty (30) days to consider whether to waive the Qualified Joint and Survivor Annuity and consent to a form of distribution other than a Qualified Joint and Survivor Annuity;
 - (2) The Participant is permitted to revoke an affirmative distribution election at least until the Annuity Starting Date, or if later, at any time prior to the expiration of the 7-day period that begins the day after the explanation of the Qualified Joint and Survivor Annuity is provided to the Participant;
 - (3) The Annuity Starting Date is after the date that the explanation of the Qualified Joint and Survivor Annuity is provided to the Participant; and
 - (4) Distribution in accordance with the affirmative election does not commence before the expiration of the 7-day period that begins after the day after the explanation of the Qualified Joint and Survivor Annuity is provided to the Participant.
- (b) In the case of a Qualified Preretirement Survivor Annuity as described in Section 17.04, the Plan Administrator shall provide each Participant within the applicable period for such Participant a written explanation of the Qualified Preretirement Survivor Annuity in such terms and in such manner as would be comparable to the explanation provided for meeting the requirements of Subsection (a) applicable to a Qualified Joint and Survivor Annuity.

The applicable period for a Participant is whichever of the following periods ends last:

- (i) the period beginning with the first day of the Plan Year in which the Participant attains age thirty-two (32) and ending with the close of the Plan Year preceding the Plan Year in which the Participant attains age thirty-five (35);
- (ii) a reasonable period ending after the individual becomes a Participant;
- (iii) a reasonable period ending after Subsection (c) ceases to apply to the Participant;
- (iv) a reasonable period ending after this Article first applies to the Participant. Notwithstanding the foregoing, notice must be provided within a reasonable period ending after separation from service in the case of a Participant who separates from service before attaining age thirty-five (35).

For purposes of applying the preceding paragraph, a reasonable period ending after the enumerated events

described in (ii), (iii) and (iv) is the end of the two (2) year period beginning one (1) year prior to the date the applicable event occurs, and ending one (1) year after that date. In the case of a Participant who separates from service before the Plan Year in which age thirty-five (35) is attained, notice shall be provided within the two (2) year period beginning one (1) year prior to separation and ending one (1) year after separation. If such a Participant thereafter returns to employment with the Employer, the applicable period for such Participant shall be redetermined.

- (c) Notwithstanding the other requirements of this Section, the respective notices prescribed by this Section need not be given to a Participant if (1) the Plan “fully subsidizes” the costs of a Qualified Joint and Survivor Annuity or Qualified Preretirement Survivor Annuity, and (2) the Plan does not allow the Participant to waive the Qualified Joint and Survivor Annuity or Qualified Preretirement Survivor Annuity and does not allow a married Participant to designate a non-Spouse Beneficiary. For purposes of this Subsection (c), a plan fully subsidizes the costs of a benefit if no increase in cost or decrease in benefits to the Participant may result from the Participant’s failure to elect another benefit.

17.06 Definitions. For the purposes of this Section, the following definitions shall apply:

- (a) Annuity Starting Date. The first day of the first period for which an amount is paid as an annuity or any other form.
- (b) Election Period. The period which begins on the first day of the Plan Year in which the Participant attains age thirty-five (35) and ends on the date of the Participant’s death. If a Participant separates from service prior to the first day of the Plan Year in which age thirty-five (35) is attained, with respect to the Account balance as of the date of separation, the Election Period shall begin on the date of separation. Pre-age thirty-five (35) waiver: A Participant who will not yet attain age thirty-five (35) as of the end of any current Plan Year may make a special Qualified Election to waive the Qualified Preretirement Survivor Annuity for the period beginning on the date of such election and ending on the first day of the Plan Year in which the Participant will attain age thirty-five (35). Such election shall not be valid unless the Participant receives a written explanation of the Qualified Preretirement Survivor Annuity in such terms as are comparable to the explanation required under Section 17.05(a). Qualified Preretirement Survivor Annuity coverage will be automatically reinstated as of the first day of the Plan Year in which the Participant attains age thirty-five (35). Any new waiver on or after such date shall be subject to the full requirements of this Article.
- (c) Earliest Retirement Age. The earliest date on which, under the Plan, the Participant could elect to receive retirement benefits.
- (d) Qualified Election. A waiver of a Qualified Joint and Survivor Annuity or a Qualified Preretirement Survivor Annuity. Any waiver of a Qualified Joint and Survivor Annuity or a Qualified Preretirement Survivor Annuity shall not be effective unless: (a) the Participant’s Spouse consents in writing to the election; (b) the election designates a specific Beneficiary, including any class of Beneficiaries or any contingent Beneficiaries, which may not be changed without spousal consent (or the Spouse expressly permits designations by the Participant without any further spousal consent); (c) the Spouse’s consent acknowledges the effect of the election; and (d) the Spouse’s consent is witnessed by a Plan representative or notary public. Additionally, a Participant’s waiver of the Qualified Joint and Survivor Annuity shall not be effective unless the election designates a form of benefit payment which may not be changed without spousal consent (or the Spouse expressly permits designations by the Participant without any further Spousal consent). If it is established to the satisfaction of a Plan representative that there is no Spouse or that the Spouse cannot be located, a waiver will be deemed a Qualified Election.

Any consent by a Spouse obtained under this provision (or establishment that the consent of a Spouse may not be obtained) shall be effective only with respect to such Spouse. A consent that permits designations

by the Participant without any requirement of further consent by such Spouse must acknowledge that the Spouse has the right to limit consent to a specific Beneficiary, and a specific form of benefit where applicable, and that the Spouse voluntarily elects to relinquish either or both of such rights. A revocation of a prior waiver may be made by a Participant without the consent of the Spouse at any time before the commencement of benefits. The number of revocations shall not be limited. No consent obtained under this provision shall be valid unless the Participant has received notice as provided in Section 17.05.

- (e) Qualified Joint and Survivor Annuity. An immediate annuity for the life of the Participant with a survivor annuity for the life of the Spouse which is fifty percent (50%) of the amount of the annuity which is payable during the joint lives of the Participant and the Spouse and which is the amount of benefit which can be purchased with the Participant's Vested Account Balance.
- (f) Spouse (Surviving Spouse). The Spouse or Surviving Spouse of the Participant, provided that a former Spouse will be treated as the Spouse or Surviving Spouse and a current Spouse will not be treated as the Spouse or Surviving Spouse to the extent provided under a qualified domestic relations order as described in section 414(p) of the Code.
- (g) Straight Life Annuity. An annuity payable in equal installments for the life of the Participant that terminates upon the Participant's death.
- (h) Vested Account Balance. The aggregate value of the Participant's vested Account balances derived from Employer and Employee contributions (including rollovers), whether vested before or upon death, including the proceeds of insurance contracts, if any, on the Participant's life. The provisions of this Article shall apply to a Participant who is vested in amounts attributable to Employer Contributions, Employee contributions (or both) at the time of death or distribution.

17.07 Annuity Contracts. Where benefits are to be paid in the form of a life annuity pursuant to the terms of this Article, a nontransferable annuity contract shall be purchased from a life insurance company and distributed to the Participant or Surviving Spouse, as applicable. The terms of any annuity contract purchased and distributed by the Plan shall comply with the requirements of this Plan and section 417 of the Code.

XVIII. FINAL PAY CONTRIBUTIONS

18.01 Eligibility. Effective as of January 1, 2006, if elected by the Employer in the Adoption Agreement, Final Pay Contributions on behalf of each eligible Participant equal to the equivalent of the accrued unpaid final pay, as defined in the Adoption Agreement ("Final Pay"), shall be contributed to the Plan. Eligibility for Final Pay Contributions is limited to only those Participants or class of Participants that the Employer elects in the Adoption Agreement.

18.02 Contribution Amount. At the election of the Employer in the Adoption Agreement, the Final Pay Contributions may be made as either (a) Employer Final Pay Contributions, or (b) Employee Designated Final Pay Contributions, as described below.

- (a) Employer Final Pay Contributions. The Employer shall contribute to the Plan for each eligible Participant the equivalent of a designated amount of accrued unpaid final pay upon termination of employment of the Participant, as the Employer so elects in the Adoption Agreement. The Employer's contribution for any Plan Year shall be due and paid not later than the time prescribed by applicable law. The Employer Final Pay Contributions shall be accounted for in the Employer Contribution Account.
- (b) Employee Designated Final Pay Contributions. The Employer shall contribute to the Plan for each eligible

Participant all or any portion of a Participant's Final Pay, as elected by the Participant. The Employer may limit the amount of Final Pay to be elected to be contributed to the Plan. Once elected, an Employee's election shall remain in force and may not be revised or revoked.

The Employee Designated Final Pay Contributions shall be accounted for in the Participant Contribution Account, and are nonforfeitable by the Participant at all times.

The Employee Designated Final Pay Contributions shall be "picked up" by the Employer in accordance with Code section 414(h)(2). The contributions shall be treated as an employer contribution in determining the tax treatment under the Code, and shall not be included as gross income of the Participant until it is distributed.

A Participant cannot elect to receive cash in lieu of any Final Pay Contribution.

18.03 Equivalencies. The Final Pay Contribution shall be determined by multiplying the Participant's current daily rate of pay from the Employer times the amount of accrued unpaid leave being converted.

18.04 Excess Contributions. Final Pay Contributions are limited to the extent of applicable law and any Code limitation. No Final Pay Contribution shall be made to the extent that it would exceed the applicable Code section 415 limitation, as set forth in Article V. Any excess contributions as a result of the Code section 415 limitation shall remain in the Participant's leave bank.

XIX. ACCRUED LEAVE CONTRIBUTIONS

19.01 Eligibility. Effective as of January 1, 2006, if elected by the Employer in the Adoption Agreement, Accrued Leave Contributions on behalf of each eligible Participant equal to the equivalent of the accrued unpaid leave, as defined in the Adoption Agreement ("Accrued Leave"), shall be contributed to the Plan. Eligibility for Accrued Leave Contributions is limited to only those Participants or class of Participants that the Employer elects in the Adoption Agreement.

19.02 Contribution Amount. At the election of the Employer in the Adoption Agreement, the Accrued Leave Contributions may be made as either (a) Employer Accrued Leave Contributions, or (b) Employee Designated Accrued Leave Contributions, as described below.

- (a) Employer Accrued Leave Contributions. The Employer shall contribute to the Plan for each eligible Participant the equivalent of a designated amount of accrued unpaid leave each year, as the Employer so elects in the Adoption Agreement. The Employer's contribution for any Plan Year shall be due and paid not later than the time prescribed by applicable law. The Employer Accrued Leave Contributions shall be accounted for in the Employer Contribution Account.
- (b) Employee Designated Accrued Leave Contributions. The Employer shall contribute to the Plan for each eligible Participant all or any portion of a Participant's Accrued Leave, as elected by the Participant. The Employer may limit the amount of Accrued Leave to be elected to be contributed to the Plan. Once elected, an Employee's election shall remain in force and may not be revised or revoked. The Employee Designated Accrued Leave Contributions shall be accounted for in the Participant Contribution Account, and are nonforfeitable by the Participant at all times.

The Employee Designated Accrued Leave Contributions shall be "picked up" by the Employer in accordance with Code section 414(h)(2). The contributions shall be treated as an employer contribution in determining the tax treatment under the Code, and shall not be included as gross income of the Participant until it is

distributed.

A Participant cannot elect to receive cash in lieu of any Accrued Leave Contribution.

19.03 Equivalencies. The Accrued Leave Contribution shall be determined by multiplying the Participant's current daily rate of pay from the Employer times the amount of accrued unpaid leave being converted.

19.04 Excess Contributions. Accrued Leave Contributions are limited to the extent of applicable law and any Code limitation. No Accrued Leave Contribution shall be made to the extent that it would exceed the applicable Code section 415 limitation, as set forth in Article V. Any excess contributions as a result of the Code section 415 limitation shall remain in the Participant's leave bank.

XX. ROTH PROVISIONS

20.01 Effective Date. This Article XX has no effect unless and until the Employer affirmatively elects to permit Roth Elective Deferrals under Section 20.03 in the Adoption Agreement. An Employer may elect to permit Roth Elective Deferrals under Section 20.03 only if the Plan offers Elective Deferrals.

20.02 Definitions. The following definitions shall apply for purposes of this Article XX.

- (a) Designated Roth Account. A bookkeeping account established and maintained to record the Participant's Roth Elective Deferrals, In-Plan Roth Conversions, rollovers from a designated Roth account under an Eligible Retirement Plan, and the income gains and losses thereon. Unless specifically stated otherwise, all references in the Plan to a Participant's Account shall include a Participant's Designated Roth Account.
- (b) In-Plan Roth Conversion. A distribution occurring after September 27, 2010 from a Participant's Account, other than the Participant's Designated Roth Account, that is rolled over to the Participant's Designated Roth Account under the Plan, pursuant to Code section 402A(c)(4). Notwithstanding anything herein to the contrary, an amount is not eligible for an In-Plan Roth Conversion unless it is distributable under the terms of the Plan and such distribution is an eligible rollover distribution within the meaning of Code section 402(c)(4). Thus, for example, amounts that are not fully vested are not eligible for an In-Plan Roth Conversion.
- (c) Pre-Tax Account. A bookkeeping account established and maintained to record the portion of the Participant's Account attributable to amounts other than Roth Elective Deferrals, In-Plan Roth Conversions, rollovers from designated Roth accounts under other eligible retirement plans, and the income gains and losses thereon. Unless specifically stated otherwise, all references in the Plan to a Participant's Account shall include a Participant's Pre-Tax Account.
- (d) Qualified Roth Contribution Program. A program described in paragraph (1) of Code section 402A(b), under which a Participant may make Roth Elective Deferrals in lieu of all or a portion of the elective deferrals the Participant is otherwise eligible to make under the Plan.
- (e) Roth Elective Deferrals. Amounts contributed pursuant to Section 20.03 by a Participant, which amounts are:
 - (1) designated irrevocably by the Participant at the time of the cash or deferred election as a Roth elective deferral that is being made in lieu of all or a portion of the pre-tax Elective Deferrals the Participant is otherwise eligible to make under the Plan; and
 - (2) treated by the Employer as includible in the Participant's income at the time the Participant otherwise would have received that amount as Compensation.

20.03 Permitted Roth Elective Deferrals.

- (a) As of the effective date, a Participant shall be permitted to make Roth Elective Deferrals from his or her Compensation in such amount or percentage as may be specified in a salary reduction agreement executed by the Participant. A Participant's Roth Elective Deferrals will be allocated to a separate Designated Roth Account maintained for such deferrals as defined in Section 20.02(a) above.
- (b) Unless specifically stated otherwise, Roth Elective Deferrals will be treated as Elective Deferrals for all purposes under the Plan.

20.04 Separate Accounting.

- (a) Contributions and withdrawals of Roth Elective Deferrals, In-Plan Roth Conversions, and rollovers from a designated Roth account under an Eligible Retirement Plan will be credited and debited to a participant's Designated Roth Account.
- (b) The Plan will maintain a record of the amount of Roth Elective Deferrals, In-Plan Roth Conversions, and rollovers from a designated Roth account under an Eligible Retirement Plan in each Participant's Designated Roth Account.
- (c) Gains, losses, and other credits or charges must be separately allocated on a reasonable and consistent basis to each Participant's Designated Roth Account and the Participant's other Accounts under the Plan.
- (d) No contributions other than Roth Elective Deferrals, In-Plan Roth Conversions, rollovers from a designated Roth account under an Eligible Retirement Plan, and properly attributable Earnings will be credited to each Participant's Designated Roth Account.

20.05 Direct Rollovers.

- (a) Notwithstanding anything to the contrary in the Plan, a direct rollover of a distribution from a Designated Roth Account under the Plan shall be made only to another designated Roth account under an applicable retirement plan described in section 402A(e)(1) of the Code or to a Roth IRA described in section 408A of the Code, and only to the extent the rollover is permitted under the rules of section 402(c) of the Code.
- (b) Notwithstanding anything to the contrary in the Plan, unless otherwise provided by the Employer in the Adoption Agreement, the Plan will accept a rollover contribution to a Designated Roth Account only if it is a direct rollover from another designated Roth account under an applicable retirement plan described in section 402A(e)(1) of the Code, or if the rollover is an In-Plan Conversion defined in section 20.06 of this document.
- (c) Eligible rollover distributions from a Participant's Designated Roth Account are taken into account in determining whether the total amount of the Participant's Account balances under the Plan exceeds \$1,000 for purposes of mandatory distributions from the Plan.

20.06 In-Plan Roth Conversions. Unless otherwise elected by the Employer in the Adoption Agreement, as of the effective date of this Article the Plan shall allow for In-Plan Roth Conversions.

- (a) Tax Treatment. The amount of an In-Plan Roth Conversion shall be includible in the Participant's gross income, as though it were not part of a qualified rollover contribution.
- (b) Irrevocability. Any election made by the Participant to do an In Plan Roth Conversion shall be irrevocable.

- (c) Treatment of Loans. Outstanding plan loans shall be excluded from In-Plan Roth Conversions. Notwithstanding anything herein to the contrary, an In-Plan Roth Conversion shall not accelerate or otherwise cause a Participant to default on an outstanding plan loan.
- (d) Spousal Consent. Notwithstanding anything herein to the contrary, if the Plan requires spousal consent to distribution, a married Participant shall not be required to obtain spousal consent in connection with an election to make an In-Plan Roth Conversion.
- (e) Availability of Loans from Designated Roth Accounts. A Participant's Designated Roth Account balance can

be included to determine a Participant loan amount under Article XIII. However, unless the Employer elects otherwise in the Adoption Agreement, Designated Roth Accounts will not be available as a source for loans under the Plan.

- (f) Effective Date. This section 20.06 shall be effective for distributions occurring after September 27, 2010, or if later, when adopted by the Employer.

DECLARATION OF TRUST

This Declaration of Trust (the "Group Trust Agreement") is made as of the 19th day of May, 2001, by VantageTrust Company, which declares itself to be the sole Trustee of the trust hereby created.

WHEREAS, the ICMA Retirement Trust was created as a vehicle for the commingling of the assets of governmental plans and governmental units described in Section 818(a)(6) of the Internal Revenue Code of 1986, as amended, pursuant to a Declaration of Trust dated October 4, 1982, as subsequently amended, a copy of which is attached hereto and incorporated by reference as set out below (the "ICMA Declaration"); and

WHEREAS, the trust created hereunder (the "Group Trust") is intended to meet the requirements of Revenue Ruling 81-100, 1981-1 C.B. 326, and is established as a common trust fund within the meaning of Section 391:1 of Title 35 of the New Hampshire Revised Statutes Annotated, to accept and hold for investment purposes the assets of the Deferred Compensation and Qualified Plans held by and through the ICMA Retirement Trust.

NOW, THEREFORE, the Group Trust is created by the execution of this Declaration of Trust by the Trustee and is established with respect to each Deferred Compensation and Qualified Plan by the transfer to the Trustee of such Plan's assets in the ICMA Retirement Trust, by the Trustees thereof, in accord with the following provisions:

- (a) *Incorporation of ICMA Declaration by Reference; ICMA By-Laws.* Except as otherwise provided in this Group Trust Agreement, and to the extent not inconsistent herewith, all provisions of the ICMA Declaration are incorporated herein by reference and made a part hereof, to be read by substituting the Group Trust for the Retirement Trust and the Trustee for the Board of Trustees referenced therein. In this respect, unless the context clearly indicates otherwise, all capitalized terms used herein and defined in the ICMA Declaration have the meanings assigned to them in the ICMA Declaration. In addition, the By-Laws of the ICMA Retirement Trust, as the same may be amended from time-to-time, are adopted as the By-Laws of the Group Trust to the extent not inconsistent with the terms of this Group Trust Agreement.


Notwithstanding the foregoing, the terms of the ICMA Declaration and By-Laws are further modified with respect to the Group Trust created hereunder, as follows:

1. any reporting, distribution, or other obligation of the Group Trust vis-à-vis any Deferred Compensation Plan, Qualified Plan, Public Employer, Public Employer Trustee, or Employer Trust shall be deemed satisfied to the extent that such obligation is undertaken by the ICMA Retirement Trust (in which case the obligation of the Group Trust shall run to the ICMA Retirement Trust); and
 2. all provisions dealing with the number, qualification, election, term and nomination of Trustees shall not apply, and all other provisions relating to trustees (including, but not limited to, resignation and removal) shall be interpreted in a manner consistent with the appointment of a single corporate trustee.
- (b) *Compliance with Revenue Procedure 81-100.* The requirements of Revenue Procedure 81-100 are applicable to the Group Trust as follows:

1. Pursuant to the terms of this Group Trust Agreement and Article X of the By-Laws, investment in the Group Trust is limited to assets of Deferred Compensation and Qualified Plans, investing through the ICMA Retirement Trust.
 2. Pursuant to the By-Laws, the Group Trust is adopted as a part of each Qualified Plan that invests herein through the ICMA Retirement Trust.
 3. In accord with the By-Laws, that part of the Group Trust's corpus or income which equitably belongs to any Deferred Compensation and Qualified Plan may not be used for or diverted to any purposes other than for the exclusive benefit of the Plan's employees or their beneficiaries who are entitled to benefits under such Plan.
 4. In accord with the By-Laws, no Deferred Compensation Plan or Qualified Plan may assign any or part of its equity or interest in the Group Trust, and any purported assignment of such equity or interest shall be void.
- (c) *Governing Law.* Except as otherwise required by federal, state or local law, this Declaration of Trust (including the ICMA Declaration to the extent incorporated herein) and the Group Trust created hereunder shall be construed and determined in accordance with applicable laws of the State of New Hampshire.
- (d) *Judicial Proceedings.* The Trustee may at any time initiate an action or proceeding in the appropriate state or federal courts within or outside the state of New Hampshire for the settlement of its accounts or for the determination of any question of construction which may arise or for instructions.

IN WITNESS WHEREOF, the Trustee has executed this Declaration of Trust as of the day and year first above written.

VANTAGETRUST COMPANY

By: 
Name: Paul F. Gallagher
Title: Assistant Secretary



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

Plan Description: Volume Submitter Profit Sharing Plan
FFN: 315D0880004-001 Case: 201200591 EIN: 23-7268394
Letter Serial No: J593645a
Date of Submission: 04/02/2012

ICMA RETIREMENT CORP
777 NORTH CAPITOL ST. NE, SUITE 600
WASHINGTON, DC 20002

Contact Person:
Janell Hayes
Telephone Number:
513-263-3602
In Reference To: TEGE:EP:7521
Date: 03/31/2014

Dear Applicant:

In our opinion, the form of the plan identified above is acceptable under section 401 of the Internal Revenue Code for use by employers for the benefit of their employees. This opinion relates only to the acceptability of the form of the plan under the Internal Revenue Code. It is not an opinion of the effect of other Federal or local statutes.

You must furnish a copy of this letter, a copy of the approved plan, and copies of any subsequent amendments to adopting employers if the practitioner is authorized to amend the plan on their behalf, to each employer who adopts this plan. Effective on or after 10/31/2011, interim amendments adopted by the practitioner on behalf of employers must provide the date of adoption by the practitioner.

This letter considers the changes in qualification requirements contained in the 2010 Cumulative List of Notice 2010-90, 2010-52 I.R.B. 909.

Our opinion on the acceptability of the form of the plan is not a ruling or determination as to whether an employer's plan qualifies under Code section 401(a). However, an employer that adopts this plan may rely on this letter with respect to the qualification of its plan under Code section 401(a), as provided for in Rev. Proc. 2011-49, 2011-44 I.R.B. 608, and outlined below. The terms of the plan must be followed in operation.

Except as provided below, our opinion does not apply with respect to the requirements of Code sections 401(a)(4), 401(l), 410(b), and 414(s). Our opinion does not apply for purposes of Code section 401(a)(10)(B) and section 401(a)(16) if an employer ever maintained another qualified plan for one or more employees who are covered by this plan. For this purpose, the employer will not be considered to have maintained another plan merely because the employer has maintained another defined contribution plan(s), provided such other plan(s) has been terminated prior to the effective date of this plan and no annual additions have been credited to the account of any participant under such other plan(s) as of any date within the limitation year of this plan. Also, for this purpose, an employer is considered as maintaining another plan, to the extent that the employer maintains a welfare benefit fund defined in Code section 419(e), which provides postretirement medical benefits allocated to separate accounts for key employees as defined in Code section 419A(d)(3), or an individual medical account as defined in Code section 415(l)(2), which is part of a pension or annuity plan maintained by the employer, or a simplified employee pension plan.

Our opinion does not apply for purposes of the requirement of section 1.401(a)-1(b)(2) of the regulations applicable to a money purchase plan or target benefit plan where the normal retirement age under the employer's plan is lower than age 62.

Letter 4333

This is not a ruling or determination with respect to any language in the plan that reflects Section 3 of the Defense of Marriage Act, Pub. L. 104-199, 110 Stat. 2419 (DOMA) or U.S. v. Windsor, 133 S. Ct. 2675 (2013), which invalidated that section.

This letter is not a ruling with respect to the tax treatment to be accorded contributions which are picked up by the governmental employing unit within the meaning of section 414(h)(2) of the Internal Revenue Code.

Our opinion applies with respect to the requirements of Code section 410(b) if 100 percent of all nonexcludable employees benefit under the plan. Employers that elect a safe harbor allocation formula and a safe harbor compensation definition can also rely on an advisory letter with respect to the nondiscriminatory amounts requirement under section 401(a)(4). If this plan includes a CODA or otherwise provides for contributions subject to sections 401(k) and/or 401(m), the advisory letter can be relied on with respect to the form of the nondiscrimination tests of 401(k)(3) and 401(m)(2) if the employer uses a safe harbor compensation definition. In the case of plans described in section 401(k)(12) or (13) and/or 401(m)(11) or (12), employers may also rely on the advisory letter with respect to whether the form of the plan satisfies the requirements of those sections unless the plan provides for the safe harbor contribution to be made under another plan.

The employer may request a determination (1) as to whether the plan, considered with all related qualified plans and, if appropriate, welfare benefit funds, individual medical benefit accounts, and simplified employee pension plans, satisfies the requirements of Code section 401(a)(16) as to limitations on benefits and contributions in Code section 415 and the requirements of Code section 401(a)(10)(B) as to the top-heavy plan requirements in Code section 416; (2) with respect to whether a money purchase or target benefit plan's normal retirement age which is earlier than age 62 satisfies the requirements of section 401(a)-1(b)(2) of the Income Tax Regulations; (3) that the plan is a multiple employer plan; (4) whether there has been a partial termination; and (5) to comply with published procedures of the Service (e.g. minimum funding waiver request). The employer may request a determination letter by filing an application with Employee Plans Determinations on Form 5307, with regard to item (1) above, and Form 5300, for items (2), (3), (4) and (5), without restating for the Cumulative List in effect when the application is filed.

If you, the volume submitter practitioner, have any questions concerning the IRS processing of this case, please call the above telephone number. This number is only for use of the practitioner. Individual participants and/or adopting employers with questions concerning the plan should contact the volume submitter practitioner. The plan's adoption agreement, if applicable, must include the practitioner's address and telephone number for inquiries by adopting employers.

If you write to the IRS regarding this plan, please provide your telephone number and the most convenient time for us to call in case we need more information. Whether you call or write, please refer to the Letter Serial Number and File Folder Number shown in the heading of this letter.

You should keep this letter as a permanent record. Please notify us if you modify or discontinue sponsorship of this plan.

Sincerely Yours,



Andrew E. Zuckerman
Director, Employee Plans Rulings and Agreements

Letter 4333



ICMA RETIREMENT CORPORATION
777 NORTH CAPITOL STREET, NE | WASHINGTON, DC 20002-4240
800-669-7400
WWW.ICMARC.ORG
BRC000-213-21267-201405-W1372
REV 3/2015



[7G]

MEMO

DATE: October 8, 2020
TO: Doug Menke, General Manager
FROM: Lori Baker, Chief Financial Officer
RE: Indemnification Agreements with Trustees for the District Defined Benefit Pension Plan Committee

Introduction

Staff are requesting board of directors' approval of indemnification agreements with the trustees for the district's Defined Benefit Pension Plan Committee.

Background

The Retirement Plan is administered by a Committee, that includes employees and a board member of the district. Best practices provide for both fiduciary liability insurance that covers the good faith efforts of the committee, and implementation of indemnification agreements, to provide committee members indemnification for their good faith efforts.

The current Defined Benefit Pension Plan Committee, includes the following individuals, who are acting as fiduciaries of the plan: Doug Menke, Lori Baker, Christine Hoffmann, and Wendy Kroger.

Proposal Request

Staff are requesting board of directors' approval of an indemnification agreement with each Defined Benefit Pension Plan Committee member and authorization for the Board President or their designee to execute the necessary documents. A draft indemnification agreement is attached (Exhibit A).

Benefits of Proposal

The indemnification agreements allow the trustees to perform the necessary functions in their role as pension plan fiduciaries.

Potential Downside of Proposal

There are no apparent downsides to this proposal.

Action Requested

Board of directors' approval of the indemnification agreement, and authorization for the Board President or their designee to execute the necessary documents.

TUALATIN HILLS PARK & RECREATION DISTRICT

INDEMNIFICATION AGREEMENT

THIS INDEMNIFICATION AGREEMENT (the "Agreement") is made and entered into as of [REDACTED], 20__, between Tualatin Hills Park & Recreation District (the "District"), and [REDACTED] ("Indemnitee").

Background

A. Indemnitee is a member of the Defined Benefit Pension Committee for the District (the "Committee") and in such capacity is performing a valuable service for the District.

B. Both the District and Indemnitee recognize the substantial increase in litigation in general, subjecting directors, officers, key employees, controlling persons, agents and fiduciaries to expensive litigation risks at the same time as the availability and coverage of liability insurance have been limited.

C. The District is aware that highly competent persons have become more reluctant to serve entities as trustees or in other capacities unless they are provided with adequate protection through insurance or adequate indemnification against inordinate risks of claims and actions against them arising out of their service to and activities on behalf of the District.

D. The District has determined that the increased difficulty in attracting and retaining such persons is detrimental to the best interests of the District and so it is in the best interests of the District to enter into this Agreement in recognition of Indemnitee's need for substantial protection against liability in order to assure continued service to the District by Indemnitee and to provide contractual assurance that such protection will be available to Indemnitee.

Terms

The parties agree as follows:

1. DEFINED TERMS

Capitalized terms not otherwise defined have the meanings given in Section 11.

2. INDEMNIFICATION OF INDEMNITEE

The District will hold harmless and indemnify Indemnitee to the fullest extent permitted by law, as it may be amended from time to time. In furtherance of the foregoing indemnification, and without limiting its generality:

2.1 Proceedings Other Than Proceedings by or in the Right of the District. The District will, to the fullest extent permitted by law, indemnify and hold harmless Indemnitee, if Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding other than a Proceeding by or in the right of the District. Pursuant to this Section 2.1, Indemnitee will be indemnified against all Expenses, judgments, penalties, fines and amounts paid in settlement

actually and reasonably incurred by Indemnitee, or on Indemnitee's behalf, in connection with such Proceeding or any claim, issue or matter therein, if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the District, and with respect to any criminal Proceeding, had no reasonable cause to believe Indemnitee's conduct was unlawful.

2.2 Proceedings by or in the Right of the District. The District will, to the fullest extent permitted by law, indemnify and hold harmless Indemnitee, if Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding brought by or in the right of the District. Pursuant to this Section 2.2, Indemnitee will be indemnified against all Expenses actually and reasonably incurred by Indemnitee, or on Indemnitee's behalf, in connection with such Proceeding if Indemnitee acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the District, and with respect to any criminal Proceeding, had no reasonable cause to believe Indemnitee's conduct was unlawful.

2.3 Amendment and Termination. Due to the uncertain application of any statutes of limitations that may govern any Claim, this Agreement shall be of indefinite duration. No amendment, modification, termination or cancellation of this Agreement shall be effective unless it is in writing signed by both the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed to be or shall constitute a waiver of any other provisions hereof (whether or not similar), nor shall such waiver constitute a continuing waiver. This agreement shall survive termination of employment and termination of appointment as trustee on the District's Defined Benefit Pension Committee.

2.4 Limits on Indemnification. If applicable law so provides, no indemnification against any Expenses, judgments, penalties, fines or amounts paid in settlement will be made in respect of any claim, issue, or matter in any Proceeding as to which: (i) Indemnitee has been adjudged to be liable to the District, or (ii) Indemnitee has been charged with and adjudged liable for improperly receiving a personal benefit.

2.5 Expenses of a Party Who is Wholly or Partly Successful. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is a party to and is successful, on the merits or otherwise, in any Proceeding, Indemnitee will be indemnified to the maximum extent permitted by law, as such may be amended from time to time, against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection therewith. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues, or matters in such Proceeding, the District will indemnify Indemnitee against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with each successfully resolved claim, issue or matter. For purposes of this Section 2.4 and without limitation, the termination of any claim, issue, or matter in such a Proceeding by dismissal, with or without prejudice, is to be deemed to be a successful result as to such claim, issue, or matter.

3. CONTRIBUTION

3.1 Joint Liability. If, for any reason, Indemnitee elects or is required to pay all or any portion of any judgment or settlement in any threatened, pending or completed Proceeding in which the District is jointly liable with Indemnitee (or would be if joined in such Proceeding), the District will contribute to the amount of Expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred and paid or payable by Indemnitee in proportion to the relative benefits received by the District and all officers, directors or employees of the District, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such Proceeding), on the one hand, and Indemnitee, on the other hand, from the transaction or events from which such Proceeding arose. However, the proportion determined on the basis of relative benefit may, to the extent necessary, be further adjusted by reference to the relative fault of the District and all officers, directors or employees of the District other than Indemnitee who are jointly liable with Indemnitee (or would be if joined in such Proceeding), on the one hand, and Indemnitee, on the other hand, in connection with the transaction or events that resulted in such expenses, judgments, fines or settlement amounts, as well as any other equitable considerations which applicable law may require to be considered. The relative fault of the District and all officers, directors or employees of the District, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such Proceeding), on the one hand, and Indemnitee, on the other hand, is to be determined by reference to, among other things, the degree to which their actions were motivated by intent to gain personal profit or advantage, the degree to which their liability is primary or secondary and the degree to which their conduct is active or passive.

3.2 Contribution Claims. The District will fully indemnify and hold Indemnitee harmless from any claims of contribution which may be brought by officers, directors, or employees of the District, other than Indemnitee, who may be jointly liable with Indemnitee.

3.3 Indemnification Unavailable. To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee for any reason whatsoever, the District, in lieu of indemnifying Indemnitee, will contribute to the amount incurred by Indemnitee, whether for judgments, fines, penalties, excise taxes, amounts paid or to be paid in settlement or for Expenses, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect (i) the relative benefits received by the District and Indemnitee as a result of the event(s) or transaction(s) giving cause to such Proceeding or (ii) the relative fault of the District (and its directors, officers, employees and agents) and Indemnitee in connection with such event(s) and/or transaction(s).

4. INDEMNIFICATION FOR EXPENSES OF A WITNESS

Notwithstanding any other provision of this Agreement, to the extent that Indemnitee is, because Indemnitee is or was a director, a witness, or is made (or asked) to respond to discovery requests, in any Proceeding to which Indemnitee is not a party, Indemnitee will be indemnified against all Expenses actually and reasonably incurred by Indemnitee or on Indemnitee's behalf in connection with that Proceeding.

5. **ADVANCEMENT OF EXPENSES**

The District will advance all Expenses incurred by or on behalf of Indemnitee in connection with any Proceeding within 30 days after the receipt by the District of a written statement from Indemnitee requesting such advance or advances from time to time, whether prior to or after final disposition of such Proceeding. Such statement must reasonably evidence the Expenses incurred by Indemnitee and must include or be preceded or accompanied by: (i) a signed written affirmation of the Indemnitee's good faith belief that the Indemnitee has met the standard of conduct described in ORS 60.391 and (ii) a written undertaking by or on behalf of Indemnitee to repay any Expenses advanced if it is ultimately determined that Indemnitee has not met the standard of conduct described in ORS 60.391. Such undertaking must be an unlimited general obligation of the Indemnitee, but any advances and undertakings to repay pursuant to this Section 5 will be unsecured and interest-free.

6. **PROCEDURES AND PRESUMPTIONS FOR DETERMINATION OF ENTITLEMENT TO INDEMNIFICATION**

6.1 Request. To obtain indemnification under this Agreement, Indemnitee must submit to the District a written request, including such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. The District will, promptly upon receipt of such a request for indemnification, advise the Board in writing that Indemnitee has requested indemnification. Notwithstanding the foregoing, any failure of Indemnitee to provide such a request to the District, or to provide such a request in a timely fashion, will not relieve the District of any liability that it may have to Indemnitee.

6.2 Determination. Upon written request by Indemnitee for indemnification, a determination of Indemnitee's entitlement thereto will be made in the specific case by one of the following methods, at the election of the Board:

(a) By the Board by majority vote of a quorum consisting of Disinterested Directors; or

(b) If such a quorum cannot be obtained, by majority vote of a committee designated by the Board consisting of two or more Disinterested Directors.

6.3 Reasonableness of Expenses. The authorization of indemnification and evaluation as to reasonableness of expenses shall be made in the same manner as the determination of indemnification described in Section 6.2.

6.4 Presumption of Right to Indemnity. In making the determination under Section 6.2, the person(s) or entity making such determination is to presume that Indemnitee is entitled to indemnification under this Agreement. Anyone seeking to overcome this presumption will have the burden of proof and the burden of persuasion by clear and convincing evidence. Neither the failure of the District (including by its directors or Independent Counsel) to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination by the District (including by its directors or

Independent Counsel) that Indemnitee has not met such applicable standard of conduct, will be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

6.5 Good Faith Determination. Indemnitee will be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the District, including financial statements, or on information supplied to Indemnitee by the District in the course of their duties, or on the advice of legal counsel for the District or on information or records given or reports made to the District by an independent certified public accountant or by an actuary or other expert selected with reasonable care by the District. In addition, the knowledge or actions, or failure to act, of any director, officer, agent or employee of the District will not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement. Indemnitee will be presumed to have, at all times, acted in good faith and in a manner Indemnitee reasonably believed to be in or not opposed to the best interests of the District, whether or not this section is satisfied. Anyone seeking to overcome this presumption will have the burden of proof and the burden of persuasion by clear and convincing evidence.

6.6 Delay. In the event that no determination of entitlement to indemnification is made pursuant to this Agreement within 90 days after receipt by the District of the request for indemnification, Indemnitee will be entitled to an adjudication, in an appropriate court of the State of Oregon, of Indemnitee's entitlement to such indemnification. The District shall not oppose Indemnitee's right to seek any such adjudication. Any judicial proceeding will be conducted in all respects as a de novo trial on the merits, and Indemnitee shall not be prejudiced by reason of any adverse determination under this Agreement.

6.7 Cooperation. Indemnitee must cooperate with the person(s) or entity making a determination of Indemnitee's entitlement to indemnification, including providing to such person(s) or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any Independent Counsel, member of the Board, or director of the District must act reasonably and in good faith in making a determination regarding Indemnitee's entitlement to indemnification under this Agreement. Any costs or expenses (including attorneys' fees and disbursements) incurred by Indemnitee in so cooperating with the person(s) or entity making such determination will be borne by the District (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the District will indemnify and hold harmless Indemnitee therefrom.

6.8 Effect of Settlement. In the event that any Proceeding to which Indemnitee is a party is resolved in any manner other than by adverse judgment against Indemnitee (including, without limitation, settlement of such Proceeding with or without payment of money or other consideration), it is to be presumed that Indemnitee has been successful on the merits or otherwise in such Proceeding. Anyone seeking to overcome this presumption will have the burden of proof and the burden of persuasion by clear and convincing evidence.

6.9 Effect of Decision. The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, will not of itself adversely affect the right of Indemnitee to indemnification or

create a presumption that Indemnitee did not act in good faith and in a manner which Indemnitee reasonably believed to be in or not opposed to the best interests of the District or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his or her conduct was unlawful.

7. NO EXCLUSIVITY

No right or remedy under this Agreement is intended to be exclusive of any other right or remedy to which Indemnitee may at any time be entitled under applicable law, the Articles of Incorporation, the Bylaws, or otherwise. The assertion of any right or remedy hereunder or otherwise will not prevent the concurrent assertion of any other right or remedy. No amendment, alteration or repeal of this Agreement or of any provision hereof will limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee as a director of the District prior to such amendment, alteration or repeal. To the extent that a change in the law permits greater indemnification than would be afforded currently under the Articles of Incorporation, Bylaws and this Agreement, Indemnitee will enjoy the greater benefits so afforded by such change.

8. INSURANCE

The District will maintain a directors' and officers' liability insurance policy or policies and Indemnitee will be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any director, officer, employee, agent or fiduciary under such policy or policies. At the time of the receipt of a notice of a claim pursuant to the terms hereof, the District will give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The District will thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies.

9. SUBROGATION

In the event of any payment under this Agreement, the District will be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who will execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the District to bring suit to enforce such rights.

10. EXCEPTIONS TO INDEMNIFICATION

Notwithstanding any other provision in this Agreement, the District will not be obligated to indemnify and hold harmless Indemnitee under this Agreement:

10.1 Amounts Paid by Insurance. For any payment of amounts indemnifiable under this Agreement, if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement, or otherwise, except with respect to any excess beyond the amount paid under any insurance policy or other indemnity provision;

10.2 Amounts Otherwise Paid. For any amount Indemnitee has actually received as indemnification or advancement of expenses from another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, if Indemnitee is or was serving at the request of the District as a director, officer, employee or agent of the other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise;

10.3 Claims Initiated by Indemnitee. For any Proceeding (or any part of any Proceeding) initiated by Indemnitee, including any Proceeding (or any part of any Proceeding) initiated by Indemnitee against the District or its directors, officers, employees or other indemnitees, unless (i) the Board authorized the Proceeding (or any part of any Proceeding) prior to its initiation, or (ii) the District provides the indemnification, in its sole discretion, pursuant to the powers vested in the District under applicable law; or

10.4 Lack of Good Faith. For any expenses incurred by Indemnitee with respect to any proceeding instituted by Indemnitee to enforce or interpret this Agreement, if a court of competent jurisdiction determines that each of the material assertions made by Indemnitee in such proceeding was not made in good faith or was frivolous.

11. DEFINITIONS

For purposes of this Agreement:

“Disinterested Director” means a director of the District who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

“Enterprise” means the District and any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that Indemnitee is or was serving at the express written request of the District as a director, officer, employee, agent or fiduciary.

“Expenses” include all reasonable attorneys’ fees, retainers, court costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, participating, or being or preparing to be a witness in a Proceeding, or responding to, or objecting to, a request to provide discovery in any Proceeding. Expenses also will include Expenses incurred in connection with any appeal resulting from any Proceeding, including without limitation the premium, security for, and other costs relating to any cost bond, supersedeas bond, or other appeal bond or its equivalent, and will include any federal, state, local or foreign taxes imposed on Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement. Expenses, however, will not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

“Independent Counsel” means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent (i) the District or Indemnitee in any matter material to either such party (other than with respect to matters concerning Indemnitee under this Agreement, or of other indemnitees under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term “Independent

Counsel” will not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the District or Indemnitee in an action to determine Indemnitee’s rights under this Agreement. The District will pay the reasonable fees of the Independent Counsel referred to above and fully indemnify such counsel against any and all Expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

“Proceeding” includes any threatened, pending or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought by or in the right of the District or otherwise and whether civil, criminal, administrative or investigative, in which Indemnitee was, is or will be involved as a party or otherwise, because the Indemnitee is or was a director of the District.

12. MISCELLANEOUS

12.1 Severability. The invalidity or unenforceability of any provision hereof will in no way affect the validity or enforceability of any other provision.

12.2 Entire Agreement. This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof.

12.3 Attorney Fees. In the event that any action is instituted by Indemnitee, or instituted by or in the name of the District, under this Agreement to enforce or interpret any of the terms hereof, Indemnitee will be entitled to be paid all Expenses incurred by Indemnitee with respect to such action or defense of such action and will be entitled to the advancement of Expenses with respect to such action or defense of such action, unless as a part of such action, the court of competent jurisdiction determines that each of the material assertions made by Indemnitee as a basis for such action, or that each of the material defenses made by Indemnitee to such action, were not made in good faith or were frivolous.

12.4 Modification and Waiver. No supplement, modification, termination or amendment of this Agreement will be binding unless executed in writing by both of the parties hereto. The failure by either party to enforce any rights under this Agreement will not be construed as a waiver of any rights of such party. No waiver of any of the provisions of this Agreement will be deemed or will constitute a waiver of any other provisions hereof (whether or not similar) nor will such waiver constitute a continuing waiver.

12.5 Notice.

(a) Notice By Indemnitee. Indemnitee will promptly notify the District in writing upon being served with or otherwise receiving any summons, citation, subpoena, complaint, indictment, information or other document relating to any Proceeding or matter which may be subject to indemnification hereunder. The failure to so notify the District will not relieve the District of any obligation which it may have to Indemnitee under this Agreement or

otherwise unless and only to the extent that such failure or delay materially prejudices the District.

(b) Generally. All notices and other communications given or made pursuant to this Agreement must be in writing and are to be deemed effectively given (a) upon personal delivery to the party to be notified, (b) when sent by electronic mail, or if sent after normal business hours of the recipient, then on the next business day, provided that a copy is concurrently sent as described in (d) below, (c) five days after having been sent by registered or certified mail, return receipt requested, postage prepaid, or (d) one day after deposit with a nationally recognized overnight courier, specifying next day delivery, with written verification of receipt. All communications are to be sent:

To Indemnitee, at the address set forth below Indemnitee's signature.

To the District, at:

Tualatin Hills Park & Recreation District
15707 SW Walker Rd.
Beaverton, OR 97006

or to such other address as may have been furnished to Indemnitee by the District or to the District by Indemnitee, as the case may be.

12.6 Counterparts. This Agreement may be executed in two counterparts, each of which will be deemed an original and all of which together will constitute one instrument. Electronic or other copies produced by reliable means will be effective as originals.

12.7 Governing Law and Consent to Jurisdiction. This Agreement and the legal relations among the parties are to be governed by, and construed and enforced in accordance with, the laws of the State of Oregon, without regard to its conflict of laws rules. The District and Indemnitee hereby irrevocably and unconditionally consent to the exclusive jurisdiction of the courts of the State of Oregon for purposes of any action or proceeding arising out of or in connection with this Agreement.

Exhibit A

The parties have executed this Indemnification Agreement as of the date stated above.

DISTRICT:

INDEMNITEE:

Tualatin Hills Park & Recreation District

By: _____
Ashley Hartmeier-Prigg
President, Board of Directors

[Name]
Address for Notices:



MEMO

DATE: September 28, 2020
TO: Doug Menke, General Manager
FROM: Jeannine Rustad, Planning Manager

RE: **Resolution Adopting a System Development Charge Affordable Housing Waiver Policy**

Introduction

Staff are requesting board of directors' approval of Resolution No. 2020-24 adopting a System Development Charge Affordable Housing Waiver Policy.

Background

Staff have been working on an update to the system development charge (SDC) methodology since late summer 2019. This update was initiated at the board's request to address policy issues, including affordable housing waivers. Staff have presented information and options on affordable housing waivers to the board at the following meetings:

- November 12, 2019: System Development Charge Methodology Update: Policy Framework Issues (New Business)
- December 10, 2019: System Development Charge Methodology Update: Policy Framework (Work Session)
- March 10, 2020: System Development Charge Methodology Update: Policy Issues – Affordable Housing Waivers (Unfinished Business)
- June 9, 2020: System Development Charge Methodology: Residential Tiering (Unfinished Business)
- July 22, 2020: SDC Discussion on Affordable Housing, Level of Service and Unit Cost (Work Session)
- August 12, 2020: Public hearing on SDC Methodology Update
- September 9, 2020: System Development Charge Methodology Update: Affordable Housing Waivers outstanding issues (Unfinished Business)

In addition, staff have held three meetings with all stakeholders and one meeting with affordable housing providers, advocates and jurisdictional partners. The board has received feedback from many of these stakeholders on the affordable housing policy.

Board direction over the course of discussions is that an affordable housing waiver policy contain the following elements, requirements and restrictions:

1. Waivers to be provided as follows:
 - a. 100% waiver of SDCs for qualified regulated housing units restricted to those earning 30% or less than the Median Family Income (MFI); and

- b. 50% waiver of SDCs for qualified regulated housing units restricted to those making between 31-60% MFI.
2. Deed restriction on affordability for at least 60 years.
3. A cap not exceed 632 units, of which at least 225 shall be reserved for units available to those earning 30% or less than the MFI.
4. A sunset provision at the earliest of:
 - a. The issuance of the affordable housing waivers (i.e., the cap is reached);
 - b. Adoption of a new methodology replacing the Draft Methodology; or
 - c. Adoption by the Board of Directors of a resolution modifying or rescinding this resolution.

The draft SDC methodology, scheduled for adoption on November 12, 2020, includes provisions allowing the board to designate types of residential development for which waivers from SDCs may be applied. The attached resolution, reviewed and approved by legal counsel, contains the elements, requirements and restrictions set forth above.

Proposal Request

Staff are requesting board of directors' approval of Resolution No. 2020-24 adopting a System Development Charge Affordable Housing Waiver Policy.

Benefits of Proposal

The SDC Affordable Housing Waiver Policy has been informed by extensive engagement with affordable housing providers and advocates and meets the board's direction provided over the past year. The policy will enable the district to be a part of the regional effort to address the affordable housing shortfall. Providing housing for lower income earners will also add to the economic diversity of district patrons – thus furthering the district's goal of "access for all".

Potential Downside of Proposal

Providing affordable housing waivers will result in lost SDC revenue to the district. This loss may be mitigated by grants, as well as projects being funded through Metro's 2019 Nature and Trails Bond.

Action Requested

Staff are requesting board of directors' approval of Resolution No. 2020-24 adopting a System Development Charge Affordable Housing Waiver Policy.

RESOLUTION NO. 2020-24

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TUALATIN HILLS PARK & RECREATION DISTRICT ADOPTING A SYSTEM DEVELOPMENT CHARGE AFFORDABLE HOUSING WAIVER POLICY

WHEREAS, the high demand and limited supply for housing in the Portland Metropolitan Region has led to an increase in the cost of housing for both owner-occupied and rental; units, and most new housing being developed is affordable only for those with above-median income; and

WHEREAS, in 2018, voters approved *Measure 26-199: Metro Affordable Housing Bonds*, a \$652.8 million affordable housing bond measure to create permanently affordable homes across the Portland Metropolitan Region for seniors, working families, veterans and others who need them; and

WHEREAS, on December 4, 2018, the City of Beaverton adopted Resolution No. 4549 – A Resolution to Provide Limited System Development Charge (SDC) Assistance to Proposed Affordable Housing Projects – which provided that the City will (1) provide subsidies equal to or greater than applicable SDCs assessed by the City to housing developers for regulated affordable housing projects that serve residents with an average of 60% MFI or less that remain affordable at least 60 years; (2) work to modify its SDC fees, policies and procedures to promote the construction of qualified regulated housing projects that benefit low-income households; and (3) work with its partner governments and special districts to encourage removing or reducing cost impediments to the development of affordable housing projects, such as SDCs; and

WHEREAS, in 2019, the Board of Directors directed staff to update the System Development Charge (SDC) Methodology to take into consideration, *inter alia*, a SDC affordable housing waiver policy; and

WHEREAS, notice of intent to hold a hearing to consider modification of the parks SDC at the Board's November 12, 2020 meeting was issued on August 13, 2020, and the draft Parks System Development Charges Methodology Report (Draft Methodology) was made available for public review on September 11, 2020; and

WHEREAS, the Draft Methodology includes provisions allowing the Board to designate by resolution the types of residential development for which a waiver from SDCs may be applied; and

WHEREAS, the Board of Directors wishes to approve waivers of park SDCs for qualified affordable housing projects.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE TUALATIN HILLS PARK & RECREATION DISTRICT IN BEAVERTON, OREGON, AS FOLLOWS:

1. Parks SDCs shall be waived for restricted qualified, regulated affordable housing projects as follows:
 - a. 100% waiver of SDCs for qualified regulated housing units restricted to those earning 30% or less than the Median Family Income (MFI) as calculated by the United States Department of Housing and Urban Development; and

RESOLUTION NO. 2020-24

- b. 50% waiver of SDCs for qualified regulated housing units restricted to those making between 31-60% MFI.
2. Developments receiving affordable housing SDC waivers under this resolution shall include a deed restriction in favor of the permitting jurisdiction (i.e., City of Beaverton or Washington County) requiring the property owner to maintain the minimum number of affordable housing units for at least 60 years.
3. The affordable housing waivers authorized through this Resolution shall not exceed 632 units, of which at least 225 shall be reserved for units available to those earning 30% or less than the MFI.
4. This Resolution will cease to be effective the earliest of:
 - a. The issuance of the affordable housing waivers authorized under this Resolution;
 - b. Adoption of a new methodology replacing the Draft Methodology; or
 - c. Adoption by the Board of Directors of a resolution modifying or rescinding this resolution.

Approved by the Tualatin Hills Park & Recreation District Board of Directors on the 14th day of October 2020.

Ashley Hartmeier-Prigg, President

Tya Ping, Secretary

ATTEST:

Jessica Collins, Recording Secretary



MEMO

DATE: October 2, 2020
TO: Board of Directors
FROM: Doug Menke, General Manager
RE: **General Manager's Report for October 14, 2020**

Summer Camp Recap

Due to the COVID-19 pandemic, the park district was compelled to reimagine its very popular summer camp programs. Almost every element of THPRD's camps were examined and updated to reflect new health and safety guidance, incorporate physical distancing requirements, and – most significantly – to allow for camps to be held exclusively outdoors because of the districtwide facility closures that began in March. The district's summer camp leaders - Ann Johnson, center supervisor at Cedar Hills Recreation Center, and Brian Yourstone, center supervisor of the Tualatin Hills Athletic Center and the Babette Horenstein Tennis Center, will attend the board's October meeting to share a presentation detailing what the district learned through the very unique summer camp season of 2020.

District Programming Update

Aisha Panas, director of Park & Recreation Services, will provide an update to the board at its October meeting about the reopening of additional district facilities, the return of sports activities, and tentative plans for future programming. The presentation will also include brief updates on the district's mobile programming opportunities and recently-held community events, such as the district's first ever drive-in movie offering and the inaugural Talking Wall installation project.



THPRD Management Report

October 2020

Summer Camp Review:

13 

Types of Camp Offered

 218
Camps Held

1,895 
Campers Served

Fall Review:

54 

Youth enrolled in Out-of-School Time Program

 70
Youth enrolled in Preschool Programs

thprd.org

@THPRD



Welcoming People Back to Facilities

• Facility Openings:

THPRD is happy to be able to welcome patrons back to some facilities. These locations are now open with physical distancing in place. Reservations are required for almost all activities. (Recreation)

◦ **Conestoga Recreation & Aquatic Center**, the **Tualatin Hills Athletic Center**, and the **Babette Horenstein Tennis Center** reopened last month.

◦ **Cedar Hills Rec Center** weight and fitness rooms now open 7 am – 7 pm Monday-Friday. Reservations required.

◦ **Tualatin Hills Aquatic Center** and the **Conestoga pool** are open as of October 5 for lap swim and water fitness. Reservations required.

• **Park Updates:** This month, with updates to state guidelines, the district was able to reopen playgrounds as well as allow for shooting hoops on basketball courts. All park/trail entrances were updated with new signage. Basketball specific signage was also created. (Reopening Team, Communications, Maintenance, & Nature & Trails)

• **Out-of-School Time Program:** THPRD is offering out of school care at Cedar Hills and Conestoga. Kids are in stable pods of 10 children by grade level. Spots are still available. (Recreation)

• **Preschool Programs Available:** THPRD is offering preschool programs at Cedar Hills, the Nature Center, and Conestoga. Spaces still available. (Recreation)

• **Outdoor Restrooms Update:** The district has opened outdoor restrooms at HMT, Cedar Hills Park, the Tualatin Hills Nature Center, Jenkins Estate, Cooper Mountain Nature Park, and Mountain View Champions Park. (Maintenance)



Conestoga Reopening



TUALATIN HILLS PARK & RECREATION DISTRICT

REOPENING RULES

| | |
|--|--|
| <p>Please Sign In</p>  <p>Public Health may use your information to contact you if someone who visits this business tests positive for COVID-19.</p> | <p>Masks Required</p>  <p>Masks or face coverings are required for everyone five and older inside THPRD buildings.</p> |
| <p>Keep 6 ft. apart</p>  <p>Stay 6 feet away from others. Don't gather in groups.</p> | <p>Clean your hands</p>  <p>Use soap and water for at least 20 seconds. Or use hand sanitizer made with at least 60-95% alcohol content.</p> |

Maximum Occupancy

Reopening Rules sign

Awards & Honors

- **Finance Award:** The District has been awarded the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for fiscal year 2019. THPRD's financial reporting was judged by an impartial panel to meet the high standards of the program, which includes demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story. The Certificate of Achievement is a national award that is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by the District. (Finance)
- **THPRD's Visioning Task Force to be Honored with Public Involvement Award:** The district's Visioning Task Force has been honored with the 2020 Harold M. Haynes Award by Washington County's Committee for Community Involvement. The task force was recognized for "the intentional commitment to building a diverse task force representative of the community it serves, and the fervent dedication of the volunteers involved." The Washington County Board of Commissioners will recognize THPRD at its work session on Tuesday, November 3. (Communications & Planning)



Nature & Trails

- **Trail Usage Remains High:** Trails continue to see larger than normal numbers of visitors. Many are seeing double the average number of users, though with fall weather and the start of school, usership is starting to decline. (Nature & Trails)
- **Fanno Creek Greenway:** The park district has been collaborating with Clean Water Services on a stream enhancement, re-meandering, and bridge replacement project at the Fanno Creek Greenway. The bridge was funded through a Metro Nature in Neighborhoods grant. We are currently working on the bridge installation and hope to connect the new stream course soon. We are expecting to complete the project by the end of October. (Nature & Trails)
- **Fire Management:** Staff have been proactive about mowing fire breaks at select natural areas and following through on habitat management practices that reduce possible fuels. Managers are also adjusting staff activities on red flag days to reduce the likelihood of sparking a fire accidentally. (Nature & Trails)
- **Text Changes to Wash Co Ordinance 869:** Testimony provided to the Washington County Planning Commission on Ordinance 869 - Significant Natural Resources – resulted in a recommendation of providing THPRD more flexibility in natural area asset management by designating maintenance activities, including restoration planting and replacement or upkeep of viewing areas and trails, within county Preservation Areas as allowable encroachments. (Planning)

Future Planning

- **Dog Run Update:** With the July opening of the Schiffler Park dog run, staff continue to look at opportunities to add additional off-leash spaces for dog owners to play with their four-legged friends. Staff recently engaged with the Parks & Facilities Advisory Committee to identify two potential locations and develop plans to begin gathering feedback from the community (Community Programs).
- **Draft SDC Methodology Distributed to Stakeholders:** The draft SDC Methodology was completed by THPRD's planning staff and consultant. This draft was then provided to SDC stakeholders who participated and informed the creation of the draft methodology throughout the spring and summer of 2020. Adoption of the methodology is scheduled for November 12, 2020. (Planning)
- **Virtual open house for the Fanno Creek Trail segment 5:** Staff attended the open house hosted by the City of Beaverton. The virtual meeting was recorded for interested parties to watch later at their convenience. Public input was left open through August 28. (Design & Development)
- **Contractor selection process for the Cedar Mill Trunk & Storm Water Management project:** Staff are participating in the process led by Clean Water Services (CWS) at the Nature Park. CWS anticipates selecting a contractor in October and construction beginning in early 2021. (Design & Development)

Partnerships

- **Home Builders Association BuildRight 2020 Conference:** Staff will participate on a panel with Clackamas County and Bend Parks and Recreation District regarding tiering of residential system development charges. The conference, to be held virtually, is scheduled for October 13 and 14, 2020, with the SDC panel discussion on October 13, 2020 at 2:30 pm. (Planning)
- **Permit of Entry Processing for Patrons and PGE:** This summer has seen increased requests for Permits of Entry for homeowners and utility partners who need to access their properties and/or assets via THPRD property. Planning staff have coordinated with Park Patrol, Maintenance, Nature & Trails, and Design & Development to timely respond to requests and to balance protecting THPRD property with providing access to the THPRD patrons and partners. (Planning)
- **FEMA Disaster Relief:** Staff continue to pursue disaster relief funding through FEMA to support COVID-19 related recovery efforts. (Planning)

Staff Development & Updates

- **Recruitment and Selection Process:** HR staff continue to focus on being more inclusive and welcoming to applicants of all backgrounds, to disrupt systemic racism and dominant culture-bias, and to improve the experience of applicants and hiring officials through a combination of technological improvements and human-based care. Four district employees participated in OSU's Search Advocate training and are working with the Welcome and Inclusion Committee to assess the full recruitment and onboarding process. (Human Resources)
- **Retirement Plan Provider Transition:** Finance and HR supported ICMA-RC in four info-sessions for employees transitioning to individual IAP accounts under the district's updated plan document for Tier II pension participants. The sessions were well attended, and response has been positive about the upcoming change. (Human Resources & Finance)
- **Protected Leave Trainings:** The HR team led two interactive workshops on the protected leaves process for front-line supervisors, including supervisors of part-time employees. Participants reported learning a lot from the training, from technical eligibility to the importance of expressing care and concern for employees on leave and returning from leave. (Human Resources)

Maintenance / Facility Improvements

- **HMT Aquatic Center light replacement project was completed:** The project included removing the existing lighting system and replacing it with an LED system to improve light quality for aquatic activities. (Design & Development)
- **Conestoga Slide Repair:** Staff are rebuilding the slide structure at Conestoga. The project will be complete this month. (Maintenance)

Public Engagement

- **THPRD Vision Action Plan Adopted:** In September, the board of directors adopted THPRD's Vision Action Plan. Project staff and Visioning Task Force members proudly presented the plan to the board for their consideration. This plan was co-produced and is built upon the district's extensive public engagement process, which connected with nearly 10,500 people and collected more than 12,500 ideas. Thousands of community aspirations are arranged around four overarching goal areas. This plan is meant to serve as THPRD's blueprint, guiding strategic and functional plans and informing district operations for years ahead to ensure that our work meets the needs of our long-term, new, and future community members. (Communications)
- **Talking Walls:** In partnership with the Black Student Union from Sunset High School and Color Outside the Lines, THPRD provided a space for youth and BIPOC artists to come together and share their thoughts of hope, inspiration, and purpose. With the participation of 50 students and mentor artists, the first THPRD Talking Walls murals were started on October 3, 2020 at Sunset Park Sports Complex. (Communications)
- **Volunteer projects:** Outdoor volunteer projects have ramped up recently with several work parties at THPRD community gardens. The work typically includes spreading mulch, picking weeds, and general clean up. Just recently, a local Eagle Scout completed a project to install compost bins at Mountain View Champions Park (Community Programs & Maintenance).



Eagle Scout Luke Inman stands next to his recently completed compost bins at Mountain View Champions Park.



A little help from his friends: Eagle Scout Luke Inman and his volunteer work crew pose in front of recently completed compost bins at Mountain View Champions Park.



Volunteers pose after a long day of work at the Harman Park community garden.

- **Message Gardens:** We had 8 groups participate in rock painting parties where they shared messages in support for racial justice and other relevant themes. Additionally, local churches, community-based organizations and community members have been invited to participate. This is an ongoing activity and is also available in the Virtual Rec Center in English and Spanish. Sites: Schiffler Park and AM Kennedy Park. (Communications)
- **Welcoming Week 2020:** Creating Home Together with Welcoming America. In celebration of this week THPRD partnered with the Oregon Chinese Coalition in the creation of an Essay Competition: "My Immigration Story" where 12 middle school, high school and college students shared legends, family history, and lived experiences. (Communications)
- **Welcoming Walks:** THPRD is hosting Welcoming Walks; walks to celebrate our immigrant and refugee community members, while we explore THPRD parks and natural spaces. We started with the Oregon Chinese Coalition on Sunday, Sept. 27 at Moshofsky Woods Natural Area and Venezuela's Voice in Oregon on Sunday, Oct. 11 at Greenway Park. (Communications)



Events

- **Community Events:** Community events staff are busy preparing for a drive-thru Trick or Treat event at the HMT Complex on Saturday, October 24. This one-of-a-kind event will feature staff and volunteers in costume, music, and treats for the whole family (Community Programs).
- **Drive-in Movies:** The district's first drive-in movie funded by the Community Psyche Grant, was a huge success and all spots were filled. The next event will be on Saturday, October 17 at Hazeldale Park.



Drive-In
MOVIE NIGHT
FREE - REGISTRATION REQUIRED - LIMITED SPACES

Hotel Transylvania
Hazeldale Park
Saturday, October 17
6:30 pm, cars check-in at 5:30 pm

Register at thprd.org
503-645-6433

TUALATIN HILLS
PARK & RECREATION DISTRICT

Drive-in movie night on
Saturday, October 17



Halloween Drive-thru event at HMT
Complex on Saturday, October 24

Upcoming Community Events

October

- 10/1 – 10/31: Virtual Health & Wellness Resource Fair online all month
- 10/3: Talking Walls Murals • Sunset Sports Complex • 11 am to 4 pm
- 10/5: Tualatin Hills Aquatic Center & Conestoga Pools Open
- 10/5: Drive-In BINGO • Stuhr Center • 11 am to 12:30 pm
- 10/8: Jackie Husen Dog Run Work Party • 9 – 11:30 am
- 10/8: Rock the Block • Crowell Woods • 5:30 – 8 pm
- 10/10: Community Garden Work Party • Harman Swim Center • 9 – 11:30 am
- 10/11: Welcoming Walk with Venezuela's Voice • Greenway Park • 10 am – 12 pm
- 10/13: Fun with Friends • Abbey Creek Park • 10 am
- 10/14: Regular Meeting of the THPRD Board of Directors • Virtual • 5:30 pm
- 10/17: Community Garden Work Party • Barsotti Park • 9 – 11:30 am
- 10/17: Drive-in Movie • Hazeldale Park • 6:30 pm
- 10/19: Drive-in BINGO • Stuhr Center • 11 am
- 10/21: Joint Advisory Committee Meeting • Virtual • 6 pm
- 10/24: Community Garden Work Party • Ridgewood Park • 9 – 11:30 am
- 10/24: Drive-thru Trick or Treat Event • HMT • 6 pm
- 10/29: Jackie Husen Dog Run Work Party • 9 – 11:30 am



Tualatin Hills Park and Recreation District

Monthly Capital Project Report

Estimated Cost vs. Budget

8/31/2020

KEY
 Budget Estimate based on original budget - not started and/or no basis for change
 Deferred Some or all of Project has been eliminated to reduce overall capital costs for year
 Award Estimate based on Contract Award amount or quote price estimates
 Complete Project completed - no additional estimated costs to complete.

| Description | Project Budget | | | | | Project Expenditures | | Estimated Total Costs | | | Est. Cost (Over) Under Budget | | |
|--|--------------------------|----------------------------------|------------------------------------|---------------------------|----------------------------|-----------------------------|-----------------------|----------------------------|-------------------|--------------------|-------------------------------|--------------------|-----------------|
| | Prior Year Budget Amount | Budget Carryover to Current Year | New Funds Budgeted in Current Year | Cumulative Project Budget | Current Year Budget Amount | PRELIM Expended Prior Years | Expended Year-to-Date | Estimated Cost to Complete | Basis of Estimate | Project Cumulative | Current Year | Project Cumulative | Current Year |
| | (1) | (2) | (3) | (1+3) | (2+3) | (4) | (5) | (6) | | (4+5+6) | (5+6) | | |
| GENERAL FUND | | | | | | | | | | | | | |
| CAPITAL OUTLAY DIVISION | | | | | | | | | | | | | |
| <u>CARRY FORWARD PROJECTS</u> | | | | | | | | | | | | | |
| Financial Software | 803,958 | 792,458 | - | 803,958 | 792,458 | 91,796 | 12,600 | 705,224 | Award | 809,620 | 717,824 | (5,662) | 74,634 |
| Roof Repairs and Analysis | 250,000 | 250,000 | - | 250,000 | 250,000 | - | - | 250,000 | Award | 250,000 | 250,000 | - | - |
| Boiler | 188,000 | 188,000 | - | 188,000 | 188,000 | 1,518 | - | 186,482 | Award | 188,000 | 186,482 | - | 1,518 |
| Panic Hardware | 17,738 | 17,738 | - | 17,738 | 17,738 | - | - | 17,738 | Budget | 17,738 | 17,738 | - | - |
| Stuhr Center Boiler Chemical Feeder Pot | 4,000 | 4,000 | - | 4,000 | 4,000 | - | - | 4,000 | Budget | 4,000 | 4,000 | - | - |
| Bridges & Boardwalks (3 sites) | 1,133,000 | 567,792 | - | 1,133,000 | 567,792 | 522,030 | - | 567,792 | Award | 1,089,822 | 567,792 | 43,178 | - |
| Drone | 8,645 | 2,000 | - | 8,645 | 2,000 | 2,821 | - | 2,000 | Budget | 4,821 | 2,000 | 3,824 | - |
| Pool Deck | 268,083 | 268,083 | 195,000 | 463,083 | 463,083 | 125,856 | - | 337,227 | Budget | 463,083 | 337,227 | - | 125,856 |
| Pump and Motor (4 sites) | 73,000 | 73,000 | 20,000 | 93,000 | 93,000 | - | - | 93,000 | Budget | 93,000 | 93,000 | - | - |
| Asphalt Pedestrian Pathways (3 sites) | 560,000 | 525,000 | - | 560,000 | 525,000 | - | - | 525,000 | Budget | 525,000 | 525,000 | 35,000 | - |
| Skate Park Mesh and Rails | 20,000 | 17,900 | 2,100 | 22,100 | 20,000 | 3,000 | - | 19,100 | Budget | 22,100 | 19,100 | - | 900 |
| Desktop Printers | 67,000 | 5,000 | - | 67,000 | 5,000 | - | - | 5,000 | Budget | 5,000 | 5,000 | 62,000 | - |
| Servers | 37,000 | 20,500 | - | 37,000 | 20,500 | 16,476 | - | 20,500 | Budget | 36,976 | 20,500 | 24 | - |
| LAN / WAN Equipment | 5,000 | 5,000 | - | 5,000 | 5,000 | - | - | 5,000 | Budget | 5,000 | 5,000 | - | - |
| ADA Improvements | 90,000 | 80,000 | - | 90,000 | 80,000 | 19,081 | 1,487 | 69,432 | Budget | 90,000 | 70,919 | - | 9,081 |
| TOTAL CARRYOVER PROJECTS | 3,525,424 | 2,816,471 | 217,100 | 3,742,524 | 3,033,571 | 782,578 | 14,087 | 2,807,495 | | 3,604,160 | 2,821,582 | 138,364 | 211,989 |
| <u>ATHLETIC FACILITY REPLACEMENT</u> | | | | | | | | | | | | | |
| Tennis Court Resurface (2 sites) | | | 97,000 | 97,000 | 97,000 | - | - | 97,000 | Budget | 97,000 | 97,000 | - | - |
| Cricket Net | | | 10,000 | 10,000 | 10,000 | - | - | 10,000 | Budget | 10,000 | 10,000 | - | - |
| Protective Net | | | 15,000 | 15,000 | 15,000 | - | - | 15,000 | Budget | 15,000 | 15,000 | - | - |
| Parking Lot | | | 15,000 | 15,000 | 15,000 | - | - | 15,000 | Budget | 15,000 | 15,000 | - | - |
| TOTAL ATHLETIC FACILITY REPLACEMENT | | | 137,000 | 137,000 | 137,000 | - | - | 137,000 | | 137,000 | 137,000 | - | - |
| <u>PARK AND TRAIL REPLACEMENTS</u> | | | | | | | | | | | | | |
| Bridges and Boardwalks | | | 20,000 | 20,000 | 20,000 | - | - | 20,000 | Budget | 20,000 | 20,000 | - | - |
| Concrete Sidewalk Repair (4 sites) | | | 91,000 | 91,000 | 91,000 | - | - | 91,000 | Budget | 91,000 | 91,000 | - | - |
| Drinking Fountain and Pad (2 sites) | | | 19,000 | 19,000 | 19,000 | - | - | 19,000 | Budget | 19,000 | 19,000 | - | - |
| Irrigation Systems (4 sites) | | | 75,000 | 75,000 | 75,000 | - | - | 75,000 | Budget | 75,000 | 75,000 | - | - |
| Asphalt Pedestrian Pathways (6 sites) | | | 144,000 | 144,000 | 144,000 | - | - | 144,000 | Budget | 144,000 | 144,000 | - | - |
| Pedestrian Pathway Design | | | 25,000 | 25,000 | 25,000 | - | - | 25,000 | Budget | 25,000 | 25,000 | - | - |
| Pedestrian Pathway Preventative Maintenance | | | 25,000 | 25,000 | 25,000 | - | - | 25,000 | Budget | 25,000 | 25,000 | - | - |
| Parking Lots (2 sites) | | | 101,000 | 101,000 | 101,000 | - | - | 101,000 | Budget | 101,000 | 101,000 | - | - |
| ADA Swings (7 sites) | | | 6,085 | 6,085 | 6,085 | - | - | 6,085 | Budget | 6,085 | 6,085 | - | - |
| Playground Components | | | 20,000 | 20,000 | 20,000 | - | - | 20,000 | Budget | 20,000 | 20,000 | - | - |
| TOTAL PARK AND TRAIL REPLACEMENTS | | | 536,085 | 536,085 | 536,085 | - | - | 536,085 | | 536,085 | 536,085 | - | - |
| <u>PARK AND TRAIL IMPROVEMENTS</u> | | | | | | | | | | | | | |
| Memorial Benches | | | 8,000 | 8,000 | 8,000 | - | - | 8,000 | Budget | 8,000 | 8,000 | - | - |
| Subtotal Park and Trail Improvements | | | 8,000 | 8,000 | 8,000 | - | - | 8,000 | | 8,000 | 8,000 | - | - |
| Tualatin Watershed Improvement Grant - Bonnie Meadow Neighborhood Park Community Garden | | | 5,000 | 5,000 | 5,000 | - | - | 5,000 | Budget | 5,000 | 5,000 | - | - |
| Reser Family Foundation Grant - Somerset West Playground Redevelopment | | | 50,000 | 50,000 | 50,000 | - | - | 50,000 | Budget | 50,000 | 50,000 | - | - |
| Tualatin Watershed Improvement Grant - Northwest Quadrant Youth Athletic Field | | | 5,000 | 5,000 | 5,000 | - | - | 5,000 | Budget | 5,000 | 5,000 | - | - |
| Local Government Grant Program - Highland Park | | | 75,000 | 75,000 | 75,000 | - | - | 75,000 | Budget | 75,000 | 75,000 | - | - |
| Capital Project Tourism Development - HMT Complex | | | 100,000 | 100,000 | 100,000 | - | - | 100,000 | Budget | 100,000 | 100,000 | - | - |
| Local Government Grant Program - HMT Complex | | | 600,000 | 600,000 | 600,000 | - | - | 600,000 | Budget | 600,000 | 600,000 | - | - |
| Tourism Development - HMT Complex | | | 100,000 | 100,000 | 100,000 | - | - | 100,000 | Budget | 100,000 | 100,000 | - | - |
| Tualatin River Environmental Enhancement - Irrigation Improvements | | | 100,000 | 100,000 | 100,000 | - | - | 100,000 | Budget | 100,000 | 100,000 | - | - |
| National Endowment for the Humanities - Nature Center Interpretative Signage | | | 100,000 | 100,000 | 100,000 | - | - | 100,000 | Budget | 100,000 | 100,000 | - | - |
| Tualatin River Environmental Enhancement - Raleigh Park Creek Improvements | | | 85,000 | 85,000 | 85,000 | - | - | 85,000 | Budget | 85,000 | 85,000 | - | - |
| Land & Water Conservation Fund - Acquisition | | | 750,000 | 750,000 | 750,000 | - | - | 750,000 | Budget | 750,000 | 750,000 | - | - |
| Major Streets Transportation Improvement Program - Westside Trail Alignment Alternatives | | | 200,000 | 200,000 | 200,000 | - | - | 200,000 | Budget | 200,000 | 200,000 | - | - |
| Metro Nature in Neighborhoods - Fanno Creek Greenway Bridge Replacement | | | 245,700 | 245,700 | 245,700 | - | - | 245,700 | Budget | 245,700 | 245,700 | - | - |
| Regional Flex Funds - Westside Trail Pedestrian & Bicycle Bridge | | | 400,000 | 400,000 | 400,000 | - | - | 400,000 | Budget | 400,000 | 400,000 | - | - |
| NW Quadrant Youth Athletic Field - Living Hope Driveway Funding | | | - | - | - | - | - | 75,000 | Unbudgeted | 75,000 | 75,000 | (75,000) | (75,000) |
| Subtotal Park and Trail Improvements (Grant Funded) | | | 2,815,700 | 2,815,700 | 2,815,700 | - | - | 2,890,700 | | 2,890,700 | 2,890,700 | (75,000) | (75,000) |
| TOTAL PARK AND TRAIL IMPROVEMENTS | | | 2,823,700 | 2,823,700 | 2,823,700 | - | - | 2,898,700 | | 2,898,700 | 2,898,700 | (75,000) | (75,000) |
| <u>CHALLENGE GRANTS</u> | | | | | | | | | | | | | |
| Program Facility Challenge Grants | | | 75,000 | 75,000 | 75,000 | - | - | 75,000 | Budget | 75,000 | 75,000 | - | - |

Tualatin Hills Park and Recreation District

Monthly Capital Project Report

Estimated Cost vs. Budget

8/31/2020

KEY
 Budget Estimate based on original budget - not started and/or no basis for change
 Deferred Some or all of Project has been eliminated to reduce overall capital costs for year
 Award Estimate based on Contract Award amount or quote price estimates
 Complete Project completed - no additional estimated costs to complete.

| Description | Project Budget | | | | | Project Expenditures | | Estimated Total Costs | | | Est. Cost (Over) Under Budget | | |
|---|--------------------------|----------------------------------|------------------------------------|---------------------------|----------------------------|-----------------------------|-----------------------|----------------------------|-------------------|--------------------|-------------------------------|--------------------|---------------|
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| | (1) | (2) | (3) | (1+3) | (2+3) | (4) | (5) | (6) | | (4+5+6) | (5+6) | | |
| TOTAL CHALLENGE GRANTS | | | 75,000 | 75,000 | 75,000 | - | - | 75,000 | | 75,000 | 75,000 | - | - |
| BUILDING REPLACEMENTS | | | | | | | | | | | | | |
| Cardio and Weight Equipment | | | 40,000 | 40,000 | 40,000 | - | - | 40,000 | Budget | 40,000 | 40,000 | - | - |
| Boiler Repairs | | | 24,000 | 24,000 | 24,000 | - | 53 | 23,947 | Budget | 24,000 | 24,000 | - | - |
| Roof Repairs | | | 120,000 | 120,000 | 120,000 | - | - | 120,000 | Budget | 120,000 | 120,000 | - | - |
| Roof Treatment (4 sites) | | | 10,000 | 10,000 | 10,000 | - | - | 10,000 | Budget | 10,000 | 10,000 | - | - |
| Ergonomic Equipment/Fixtures | | | 6,000 | 6,000 | 6,000 | - | - | 6,000 | Budget | 6,000 | 6,000 | - | - |
| Lead Abatement and Paint | | | 40,000 | 40,000 | 40,000 | - | - | 40,000 | Budget | 40,000 | 40,000 | - | - |
| Community Event Furnishings | | | 4,000 | 4,000 | 4,000 | - | - | 4,000 | Budget | 4,000 | 4,000 | - | - |
| Flooring and Partitions (2 sites) | | | 86,000 | 86,000 | 86,000 | - | - | 86,000 | Budget | 86,000 | 86,000 | - | - |
| Flooring Resurface | | | 39,000 | 39,000 | 39,000 | - | - | 39,000 | Budget | 39,000 | 39,000 | - | - |
| Duct Cleaning (2 sites) | | | 11,200 | 11,200 | 11,200 | - | - | 11,200 | Budget | 11,200 | 11,200 | - | - |
| Fan Bearing | | | 2,500 | 2,500 | 2,500 | - | - | 2,500 | Budget | 2,500 | 2,500 | - | - |
| Emergency Repairs | | | 126,117 | 126,117 | 126,117 | - | - | 126,117 | Budget | 126,117 | 126,117 | - | - |
| Boiler Cleaning | | | 7,500 | 7,500 | 7,500 | - | - | 7,500 | Budget | 7,500 | 7,500 | - | - |
| Lane Line Reels | | | 6,000 | 6,000 | 6,000 | - | - | 6,000 | Budget | 6,000 | 6,000 | - | - |
| Thermal Pool Covers (2 sites) | | | 56,000 | 56,000 | 56,000 | - | - | 56,000 | Budget | 56,000 | 56,000 | - | - |
| Underwater Lights | | | 35,000 | 35,000 | 35,000 | - | - | 35,000 | Budget | 35,000 | 35,000 | - | - |
| Ventilation Systems | | | - | - | - | - | 12,700 | 55,236 | Unbudgeted | 67,936 | 67,936 | (67,936) | (67,936) |
| TOTAL BUILDING REPLACEMENTS | | | 613,317 | 613,317 | 613,317 | - | 12,753 | 668,500 | - | 681,253 | 681,253 | (67,936) | (67,936) |
| ADA PROJECTS | | | | | | | | | | | | | |
| ADA Improvement - Mid-block Crossings at Waterhouse Trail | | | 25,000 | 25,000 | 25,000 | - | - | 25,000 | Budget | 25,000 | 25,000 | - | - |
| ADA Improvement - Other | | | 25,000 | 25,000 | 25,000 | - | - | 25,000 | Budget | 25,000 | 25,000 | - | - |
| TOTAL ADA PROJECTS | | | 50,000 | 50,000 | 50,000 | - | - | 50,000 | | 50,000 | 50,000 | - | - |
| TOTAL CAPITAL OUTLAY DIVISION | 3,525,424 | 2,816,471 | 4,452,202 | 7,977,626 | 7,268,673 | 782,578 | 26,839 | 7,172,780 | | 7,982,198 | 7,199,620 | (4,572) | 69,053 |
| INFORMATION SERVICES DEPARTMENT | | | | | | | | | | | | | |
| INFORMATION TECHNOLOGY REPLACEMENTS | | | | | | | | | | | | | |
| AEDs | | | 9,000 | 9,000 | 9,000 | - | 175 | 8,825 | Budget | 9,000 | 9,000 | - | - |
| Desktop Replacement | | | 27,000 | 27,000 | 27,000 | - | - | 27,000 | Budget | 27,000 | 27,000 | - | - |
| Key Card Readers | | | 10,000 | 10,000 | 10,000 | - | - | 10,000 | Budget | 10,000 | 10,000 | - | - |
| LAN / WAN Equipment | | | 5,000 | 5,000 | 5,000 | - | - | 5,000 | Budget | 5,000 | 5,000 | - | - |
| Network Servers | | | 42,000 | 42,000 | 42,000 | - | - | 42,000 | Budget | 42,000 | 42,000 | - | - |
| Security Cameras | | | 45,000 | 45,000 | 45,000 | - | - | 45,000 | Budget | 45,000 | 45,000 | - | - |
| Storage Array | | | 90,000 | 90,000 | 90,000 | - | - | 90,000 | Budget | 90,000 | 90,000 | - | - |
| TOTAL INFORMATION TECHNOLOGY REPLACEMENTS | | | 228,000 | 228,000 | 228,000 | - | 175 | 227,825 | | 228,000 | 228,000 | - | - |
| TOTAL INFORMATION SYSTEMS DEPARTMENT | | | 228,000 | 228,000 | 228,000 | - | 175 | 227,825 | | 228,000 | 228,000 | - | - |
| MAINTENANCE DEPARTMENT | | | | | | | | | | | | | |
| FLEET REPLACEMENTS | | | | | | | | | | | | | |
| 10K Trailer (2) | | | 30,000 | 30,000 | 30,000 | - | - | 30,000 | Budget | 30,000 | 30,000 | - | - |
| Aerator (2) | | | 14,000 | 14,000 | 14,000 | - | - | 14,000 | Budget | 14,000 | 14,000 | - | - |
| Brush Cutter | | | 3,000 | 3,000 | 3,000 | - | - | 3,000 | Budget | 3,000 | 3,000 | - | - |
| Cordless Backpack Blowers (electric) | | | 8,820 | 8,820 | 8,820 | - | - | 8,820 | Budget | 8,820 | 8,820 | - | - |
| eWorkman (2) | | | 30,000 | 30,000 | 30,000 | - | - | 30,000 | Budget | 30,000 | 30,000 | - | - |
| Full Size Pick Up (PCC) | | | 38,000 | 38,000 | 38,000 | - | - | 38,000 | Budget | 38,000 | 38,000 | - | - |
| High Production Mower - Unit 7650 | | | 120,000 | 120,000 | 120,000 | - | - | 113,468 | Award | 113,468 | 113,468 | 6,532 | 6,532 |
| Minibus | | | 37,000 | 37,000 | 37,000 | - | - | 37,000 | Budget | 37,000 | 37,000 | - | - |
| Plate Compactor | | | 1,500 | 1,500 | 1,500 | - | - | 1,500 | Budget | 1,500 | 1,500 | - | - |
| Pressure Washer | | | 4,000 | 4,000 | 4,000 | - | - | 4,000 | Budget | 4,000 | 4,000 | - | - |
| Small Tractor for Jenkins Estate | | | 28,000 | 28,000 | 28,000 | - | - | 28,000 | Budget | 28,000 | 28,000 | - | - |
| Tractor | | | 45,000 | 45,000 | 45,000 | - | - | 45,000 | Budget | 45,000 | 45,000 | - | - |
| TOTAL FLEET REPLACEMENTS | | | 359,320 | 359,320 | 359,320 | - | - | 352,788 | | 352,788 | 352,788 | 6,532 | 6,532 |
| TOTAL MAINTENANCE DEPARTMENT | - | - | 359,320 | 359,320 | 359,320 | - | - | 352,788 | | 352,788 | 352,788 | 6,532 | 6,532 |
| GRAND TOTAL GENERAL FUND | 3,525,424 | 2,816,471 | 5,039,522 | 8,564,946 | 7,855,993 | 782,578 | 27,014 | 7,753,393 | | 8,562,986 | 7,780,408 | 1,960 | 75,585 |

Tualatin Hills Park and Recreation District

Monthly Capital Project Report

Estimated Cost vs. Budget

8/31/2020

KEY
 Budget Estimate based on original budget - not started and/or no basis for change
 Deferred Some or all of Project has been eliminated to reduce overall capital costs for year
 Award Estimate based on Contract Award amount or quote price estimates
 Complete Project completed - no additional estimated costs to complete.

| Description | Project Budget | | | | | Project Expenditures | | Estimated Total Costs | | | Est. Cost (Over) Under Budget | | |
|---|---------------------------------|---|---|------------------------------------|-------------------------------------|------------------------------------|------------------------------|-----------------------------------|-------------------|-------------------------------|-------------------------------|--------------------|----------------|
| | Prior Year Budget Amount (1) | Budget Carryover to Current Year (2) | New Funds Budgeted in Current Year (3) | Cumulative Project Budget (1+3) | Current Year Budget Amount (2+3) | PRELIM Expended Prior Years (4) | Expended Year-to-Date (5) | Estimated Cost to Complete (6) | Basis of Estimate | Project Cumulative (4+5+6) | Current Year (5+6) | Project Cumulative | Current Year |
| SDC FUND | | | | | | | | | | | | | |
| LAND ACQUISITION | | | | | | | | | | | | | |
| Land Acq - N. Bethany Comm Pk | 1,965,800 | 1,965,800 | 1,250,000 | 3,215,800 | 3,215,800 | - | - | 3,215,800 | Budget | 3,215,800 | 3,215,800 | - | - |
| Subtotal Land Acq-N Bethany Comm Pk | 1,965,800 | 1,965,800 | 1,250,000 | 3,215,800 | 3,215,800 | - | - | 3,215,800 | | 3,215,800 | 3,215,800 | - | - |
| Land Acq - N. Bethany Nghbd Pk | - | - | - | - | - | - | - | - | | - | - | - | - |
| Subtotal Land Acq-N. Bethany Nghbd Pk | - | - | - | - | - | - | - | - | | - | - | - | - |
| Land Acq - N Bethany Trails | 455,000 | 455,000 | 750,000 | 1,205,000 | 1,205,000 | - | 5,674 | 1,199,326 | Budget | 1,205,000 | 1,205,000 | - | - |
| Subtotal Land Acq-N Bethany Trails | 455,000 | 455,000 | 750,000 | 1,205,000 | 1,205,000 | - | 5,674 | 1,199,326 | | 1,205,000 | 1,205,000 | - | - |
| Land Acq - Bonny Slope West Neighborhood Park | 1,500,000 | 1,500,000 | - | 1,500,000 | 1,500,000 | - | 2,298 | 1,497,703 | Budget | 1,500,000 | 1,500,000 | - | - |
| Subtotal Land Acq-Bonny Slope West Neighborhood Park | 1,500,000 | 1,500,000 | - | 1,500,000 | 1,500,000 | - | 2,298 | 1,497,703 | | 1,500,000 | 1,500,000 | - | - |
| Land Acq - Bonny Slope West Trails | - | - | 250,000 | 250,000 | 250,000 | - | - | 250,000 | Budget | 250,000 | 250,000 | - | - |
| Subtotal Land Acq-Bonny Slope West Trails | - | - | 250,000 | 250,000 | 250,000 | - | - | 250,000 | | 250,000 | 250,000 | - | - |
| Land Acq - S Cooper Mtn Trail | 535,000 | 535,000 | 500,000 | 1,035,000 | 1,035,000 | - | - | 1,035,000 | Budget | 1,035,000 | 1,035,000 | - | - |
| Subtotal S Cooper Mtn Trail | 535,000 | 535,000 | 500,000 | 1,035,000 | 1,035,000 | - | - | 1,035,000 | | 1,035,000 | 1,035,000 | - | - |
| Land Acq - S Cooper Mtn Nat Ar | 846,000 | 846,000 | - | 846,000 | 846,000 | - | - | 846,000 | Budget | 846,000 | 846,000 | - | - |
| Subtotal S Cooper Mtn Nat Ar | 846,000 | 846,000 | - | 846,000 | 846,000 | - | - | 846,000 | | 846,000 | 846,000 | - | - |
| Land Acq - Neighborhood Parks - S Cooper Mtn | 6,495,000 | 6,495,000 | 1,500,000 | 7,995,000 | 7,995,000 | - | 8,604 | 7,986,396 | Budget | 7,995,000 | 7,995,000 | - | - |
| Subtotal Neighborhood Parks - S Cooper Mtn | 6,495,000 | 6,495,000 | 1,500,000 | 7,995,000 | 7,995,000 | - | 8,604 | 7,986,396 | | 7,995,000 | 7,995,000 | - | - |
| Land Acq - Neighborhood Parks - Infill Areas | - | - | 1,600,000 | 1,600,000 | 1,600,000 | - | 816 | 1,599,184 | Budget | 1,600,000 | 1,600,000 | - | - |
| Sub total Neighborhood Parks Infill Areas | - | - | 1,600,000 | 1,600,000 | 1,600,000 | - | 816 | 1,599,184 | | 1,600,000 | 1,600,000 | - | - |
| TOTAL LAND ACQUISITION | 11,796,800 | 11,796,800 | 5,850,000 | 17,646,800 | 17,646,800 | - | 17,392 | 17,629,408 | - | 17,646,800 | 17,646,800 | - | - |
| DEVELOPMENT/IMPROVEMENT PROJECTS | | | | | | | | | | | | | |
| Bethany Creek Trail #2, Segment #3 - Design & Development | 1,845,000 | 1,561,250 | - | 1,845,000 | 1,561,250 | 621,084 | 312,719 | 911,197 | Award | 1,845,000 | 1,223,916 | - | 337,334 |
| Building Expansion - site to be determined | 995,000 | 995,000 | - | 995,000 | 995,000 | - | - | 995,000 | Budget | 995,000 | 995,000 | - | - |
| Cedar Mill Creek Community Trail Segment #4 Master Planning and Desig | 300,000 | 299,500 | - | 300,000 | 299,500 | 1,789 | - | 298,211 | Budget | 300,000 | 298,211 | - | 1,289 |
| Dog Parks - expansions and new sites | 70,000 | 44,000 | 26,000 | 96,000 | 70,000 | 6,152 | 16,694 | 53,306 | Budget | 76,152 | 70,000 | 19,848 | - |
| Fanno Creek Trail Seg. #5 - Scholls Ferry Rd. to 92 Ave. | - | - | 250,000 | 250,000 | 250,000 | - | 421 | 249,579 | Budget | 250,000 | 250,000 | - | - |
| Highland Park - Design and Permitting | 420,000 | 375,000 | - | 420,000 | 375,000 | 60,156 | - | 359,844 | Budget | 420,000 | 359,844 | - | 15,156 |
| MTIP Grant Match - Beaverton Crk. Trail Land Acq./ROW | 247,000 | 235,000 | - | 247,000 | 235,000 | 20,741 | 7,236 | 219,023 | Budget | 247,000 | 226,259 | - | 8,741 |
| MTIP Grant Match - Westside Trail, Segment 18 | 3,459,820 | 426,320 | - | 3,459,820 | 426,320 | 3,926,752 | 142 | 342,820 | Award | 4,269,714 | 342,962 | (809,894) | 83,358 |
| Natural Area Master Plan | 100,000 | 100,000 | - | 100,000 | 100,000 | - | - | 100,000 | Budget | 100,000 | 100,000 | - | - |
| Neighborhood Park Construction - Highland Park (NWQ -6) | - | - | 1,620,000 | 1,620,000 | 1,620,000 | - | - | 1,620,000 | Budget | 1,620,000 | 1,620,000 | - | - |
| Neighborhood Park Master Planning - North Bethany (NWQ -8) | - | - | 55,000 | 55,000 | 55,000 | - | - | 55,000 | Budget | 55,000 | 55,000 | - | - |
| Neighborhood Park Master Planning - So Cooper Mtn (SWQ-6) | - | - | 135,000 | 135,000 | 135,000 | - | - | 135,000 | Budget | 135,000 | 135,000 | - | - |
| North Bethany Park and Trail Development - Proj. Mgmt. | 141,000 | 50,000 | - | 141,000 | 50,000 | 181,125 | 5,565 | 44,435 | Award | 231,125 | 50,000 | (90,125) | (0) |
| North Bethany Park and Trail Improvements | 338,000 | 200,000 | - | 338,000 | 200,000 | 167,519 | - | 170,481 | Budget | 338,000 | 170,481 | - | 29,519 |
| NW Quadrant New Neighborhood Park #4 Development (Bonnie Meadow | 2,320,000 | 2,285,000 | - | 2,320,000 | 2,285,000 | 62,985 | 152,965 | 2,104,050 | Award | 2,320,000 | 2,257,015 | - | 27,985 |
| NW Quadrant New Neighborhood Park Development (Crowell) Marty Ln | 2,100,000 | 58,500 | - | 2,100,000 | 58,500 | 1,774,176 | 468 | 58,032 | Award | 1,832,676 | 58,500 | 267,324 | - |
| RFFA Active Transportation Project Readiness Match - Westside Trail, Hv | 215,000 | 100,000 | - | 215,000 | 100,000 | 139,440 | 23 | 75,536 | Award | 215,000 | 75,560 | - | 24,440 |
| So. Cooper Mtn Park and Trail Development - Project Mgmt. | 50,000 | 49,500 | - | 50,000 | 49,500 | 7,042 | 6,980 | 35,978 | Budget | 50,000 | 42,958 | - | 6,542 |
| Somerset West Park - Additional funding for bond project | - | - | 220,000 | 220,000 | 220,000 | - | - | 220,000 | Award | 220,000 | 220,000 | - | - |
| SW Quadrant Neighborhood Park #5 Master Planning | 275,000 | 267,500 | - | 275,000 | 267,500 | 3,386 | 81 | 267,419 | Award | 270,886 | 267,500 | 4,114 | - |
| Trail Development - 155th Ave Wetlands | - | - | 500,000 | 500,000 | 500,000 | - | 281 | 499,719 | Budget | 500,000 | 500,000 | - | - |
| Nghbd Pk MP-Lombard Baker SEQ2 | - | - | - | - | - | - | 1,055 | - | Budget Trf | 1,055 | 1,055 | (1,055) | (1,055) |
| Conn OR Grnt Mtch-Watrhse 4 | - | - | - | - | - | - | 1,295 | - | Complete | 1,295 | 1,295 | (1,295) | (1,295) |
| Undesignated Projects | - | - | 7,946,908 | 7,946,908 | 7,946,908 | - | - | 7,946,908 | Budget | 7,946,908 | 7,946,908 | - | - |
| TOTAL DEVELOPMENT/IMPROVEMENT PROJECTS | 12,875,820 | 7,046,570 | 10,752,908 | 23,628,728 | 17,799,478 | 6,972,347 | 505,925 | 16,761,539 | - | 24,239,810 | 17,267,463 | (611,082) | 532,015 |
| GRAND TOTAL SDC FUND | 24,672,620 | 18,843,370 | 16,602,908 | 41,275,528 | 35,446,278 | 6,972,347 | 523,316 | 34,390,947 | - | 41,886,610 | 34,914,263 | (611,082) | 532,015 |

Tualatin Hills Park and Recreation District
Monthly Bond Capital Projects Report
Estimated Cost vs. Budget
Through 8/31/2020

| Quadrant | Description | Project Budget | | | Project Expenditures | | | Estimated Cost to Complete | Basis of Estimate (Completed Phase) | Project Cumulative Cost | Variance | Percent of Variance | Cost Expended to Budget | Cost Expended to Total Cost |
|---|--|------------------------|------------------|---------------------------------------|----------------------|-----------------------|------------------------|----------------------------|-------------------------------------|-------------------------|-------------------------------|-------------------------------|-------------------------|-----------------------------|
| | | Initial Project Budget | Adjustments | Current Total Project Budget FY 19/20 | Expended Prior Years | Expended Year-to-Date | Total Expended to Date | | | | Est. Cost (Over Under Budget) | Total Cost Variance to Budget | | |
| | | (1) | (2) | (1+2)=(3) | (4) | (5) | (4+5)=(6) | (7) | | (6+7)=(9) | (3-9) = (10) | (10) / (3) | (6) / (3) | (6)/(9) |
| BOND CAPITAL PROJECTS FUND | | | | | | | | | | | | | | |
| <u>New Neighborhood Parks Development</u> | | | | | | | | | | | | | | |
| SE | AM Kennedy Park & Athletic Field | 1,285,250 | 50,704 | 1,335,954 | 1,674,551 | - | 1,674,551 | - | Complete | 1,674,551 | (338,597) | -25.3% | 125.3% | 100.0% |
| SW | Barsotti Park & Athletic Field | 1,285,250 | 27,556 | 1,312,806 | 1,250,248 | - | 1,250,248 | - | Complete | 1,250,248 | 62,558 | 4.8% | 95.2% | 100.0% |
| NW | Hansen Ridge Park (formerly Kaiser Ridge) | 771,150 | 16,338 | 787,488 | 731,629 | - | 731,629 | - | Complete | 731,629 | 55,859 | 7.1% | 92.9% | 100.0% |
| SW | Roy Dancer Park | 771,150 | 16,657 | 787,807 | 643,447 | - | 643,447 | - | Complete | 643,447 | 144,360 | 18.3% | 81.7% | 100.0% |
| NE | Roger Tilbury Park | 771,150 | 19,713 | 790,863 | 888,218 | - | 888,218 | - | Complete | 888,218 | (97,355) | -12.3% | 112.3% | 100.0% |
| | Sub-total New Neighborhood Parks Development | 4,883,950 | 130,968 | 5,014,918 | 5,188,093 | - | 5,188,093 | - | | 5,188,093 | (173,175) | -3.5% | 103.5% | 100.0% |
| UND | Authorized Use of Savings from Bond Issuance Administration Category | - | 173,175 | 173,175 | - | - | - | - | N/A | - | 173,175 | n/a | n/a | n/a |
| | Total New Neighborhood Parks Development | 4,883,950 | 304,143 | 5,188,093 | 5,188,093 | - | 5,188,093 | - | | 5,188,093 | - | 0.0% | 100.0% | 100.0% |
| <u>Renovate & Redevelop Neighborhood Parks</u> | | | | | | | | | | | | | | |
| NE | Cedar Mill Park, Trail & Athletic Fields | 1,125,879 | 29,756 | 1,155,635 | 990,095 | - | 990,095 | - | Complete | 990,095 | 165,540 | 14.3% | 85.7% | 100.0% |
| SE | Camille Park | 514,100 | 28,634 | 542,734 | 585,471 | - | 585,471 | - | Complete | 585,471 | (42,737) | -7.9% | 107.9% | 100.0% |
| NW | Somerset West Park | 1,028,200 | 120,124 | 1,148,324 | 454,121 | 30,532 | 484,652 | 1,046,482 | Award | 1,531,134 | (382,810) | -33.3% | 42.2% | 31.7% |
| NW | Pioneer Park and Bridge Replacement | 544,934 | 21,278 | 566,212 | 533,358 | - | 533,358 | - | Complete | 533,358 | 32,854 | 5.8% | 94.2% | 100.0% |
| SE | Vista Brook Park | 514,100 | 20,504 | 534,604 | 729,590 | - | 729,590 | - | Complete | 729,590 | (194,986) | -36.5% | 136.5% | 100.0% |
| | Sub-total Renovate & Redevelop Neighborhood Parks | 3,727,213 | 220,296 | 3,947,509 | 3,292,634 | 30,532 | 3,323,166 | 1,046,482 | | 4,369,648 | (422,139) | -10.7% | 84.2% | 76.1% |
| UND | Authorized Use of Savings from Bond Issuance Administration Category | - | 422,139 | 422,139 | - | - | - | - | N/A | - | 422,139 | n/a | n/a | n/a |
| | Total Renovate & Redevelop Neighborhood Parks | 3,727,213 | 642,435 | 4,369,648 | 3,292,634 | 30,532 | 3,323,166 | 1,046,482 | | 4,369,648 | - | 0.0% | 76.1% | 76.1% |
| <u>New Neighborhood Parks Land Acquisition</u> | | | | | | | | | | | | | | |
| NW | New Neighborhood Park - NW Quadrant (Biles) | 1,500,000 | 28,554 | 1,528,554 | 1,041,404 | - | 1,041,404 | - | Complete | 1,041,404 | 487,150 | 31.9% | 68.1% | 100.0% |
| NW | New Neighborhood Park - NW Quadrant (Living Hope) | - | - | - | 1,067,724 | - | 1,067,724 | - | Complete | 1,067,724 | (1,067,724) | -100.0% | n/a | 100.0% |
| NW | New Neighborhood Park - NW Quadrant (Mitchell) | - | - | - | 793,396 | - | 793,396 | - | Complete | 793,396 | (793,396) | -100.0% | n/a | 100.0% |
| NW | New Neighborhood Park - NW Quadrant (PGE) | - | - | - | 62,712 | - | 62,712 | - | Complete | 62,712 | (62,712) | -100.0% | n/a | 100.0% |
| NE | New Neighborhood Park - NE Quadrant (Wilson) | 1,500,000 | 27,968 | 1,527,968 | 529,294 | - | 529,294 | - | Complete | 529,294 | 998,674 | 65.4% | 34.6% | 100.0% |
| NE | New Neighborhood Park - NE Quadrant (Lehman - formerly undesignated) | 1,500,000 | 33,466 | 1,533,466 | 2,119,940 | - | 2,119,940 | - | Complete | 2,119,940 | (586,474) | -38.2% | 138.2% | 100.0% |
| SW | New Neighborhood Park - SW Quadrant (Sterling Savings) | 1,500,000 | 24,918 | 1,524,918 | 1,058,925 | - | 1,058,925 | - | Complete | 1,058,925 | 465,993 | 30.6% | 69.4% | 100.0% |
| SW | New Neighborhood Park - SW Quadrant (Altishin) | - | - | - | 551,696 | - | 551,696 | - | Complete | 551,696 | (551,696) | -100.0% | n/a | 100.0% |
| SW | New Neighborhood Park - SW Quadrant (Hung easement for Roy Dancer Park) | - | - | - | 60,006 | - | 60,006 | - | Complete | 60,006 | (60,006) | -100.0% | n/a | 100.0% |
| SE | New Neighborhood Park - SE Quadrant (Cobb) | 1,500,000 | 15,547 | 1,515,547 | 2,609,880 | - | 2,609,880 | - | Complete | 2,609,880 | (1,094,333) | -72.2% | 172.2% | 100.0% |
| NW | New Neighborhood Park (North Bethany) (McGettigan) | 1,500,000 | 23,667 | 1,523,667 | 1,629,763 | - | 1,629,763 | - | Complete | 1,629,763 | (106,096) | -7.0% | 107.0% | 100.0% |
| UND | New Neighborhood Park - Undesignated | - | - | - | - | - | - | - | Reallocated | - | - | -100.0% | n/a | 0.0% |
| | Sub-total New Neighborhood Parks | 9,000,000 | 154,120 | 9,154,120 | 11,524,740 | - | 11,524,740 | - | | 11,524,740 | (2,370,620) | -25.9% | 125.9% | 100.0% |
| UND | Authorized Use of Savings from New Community Park Land Acquisition Category | - | 1,655,521 | 1,655,521 | - | - | - | - | N/A | - | 1,655,521 | n/a | n/a | n/a |
| UND | Authorized Use of Savings from Community Center / Community Park Land Acquisition Category | - | 715,099 | 715,099 | - | - | - | - | N/A | - | 715,099 | n/a | n/a | n/a |
| | Total New Neighborhood Parks | 9,000,000 | 2,524,740 | 11,524,740 | 11,524,740 | - | 11,524,740 | - | | 11,524,740 | - | 0.0% | 100.0% | 100.0% |
| <u>New Community Park Development</u> | | | | | | | | | | | | | | |
| SW | SW Quad Community Park & Athletic Field | 7,711,500 | 343,963 | 8,055,463 | 10,520,819 | - | 10,520,819 | 151,550 | Complete | 10,672,369 | (2,616,906) | -32.5% | 130.6% | 98.6% |
| | Sub-total New Community Park Development | 7,711,500 | 343,963 | 8,055,463 | 10,520,819 | - | 10,520,819 | 151,550 | | 10,672,369 | (2,616,906) | -32.5% | 130.6% | 98.6% |
| UND | Authorized use of savings from Bond Facility Rehabilitation category | - | 1,300,000 | 1,300,000 | - | - | - | - | N/A | - | 1,300,000 | n/a | n/a | n/a |
| UND | Authorized use of savings from Bond Administration (Issuance) category | - | 932,655 | 932,655 | - | - | - | - | N/A | - | 932,655 | n/a | n/a | n/a |

Tualatin Hills Park and Recreation District
Monthly Bond Capital Projects Report
Estimated Cost vs. Budget
Through 8/31/2020

| Quadrant | Description | Project Budget | | | Project Expenditures | | | Estimated Cost to Complete | Basis of Estimate (Completed Phase) | Project Cumulative Cost | Variance Est. Cost (Over Under Budget) | Percent of Variance Total Cost Variance to Budget | Cost Expended to Budget | Cost Expended to Total Cost |
|----------|---|------------------------|--------------------|---------------------------------------|----------------------|-----------------------|------------------------|----------------------------|-------------------------------------|-------------------------|---|--|-------------------------|-----------------------------|
| | | Initial Project Budget | Adjustments | Current Total Project Budget FY 19/20 | Expended Prior Years | Expended Year-to-Date | Total Expended to Date | | | | | | | |
| | | (1) | (2) | (1+2)=(3) | (4) | (5) | (4+5)=(6) | (7) | | (6+7)=(9) | (3-9) = (10) | (10) / (3) | (6) / (3) | (6)/(9) |
| UND | Outside Funding from Washington County / Metro Transferred from Community Center Land Acquisition | - | 384,251 | 384,251 | - | - | - | - | N/A | - | 384,251 | n/a | n/a | n/a |
| | Total New Community Park Development | 7,711,500 | 2,960,869 | 10,672,369 | 10,520,819 | - | 10,520,819 | 151,550 | | 10,672,369 | - | 0.0% | 98.6% | 98.6% |
| | <u>New Community Park Land Acquisition</u> | | | | | | | | | | | | | |
| NE | New Community Park - NE Quadrant (Teufel) | 10,000,000 | 132,657 | 10,132,657 | 8,103,899 | - | 8,103,899 | - | Complete | 8,103,899 | 2,028,758 | 20.0% | 80.0% | 100.0% |
| NE | Community Park Expansion - NE Quad (BSD/William Walker) | - | - | - | 373,237 | - | 373,237 | - | Complete | 373,237 | (373,237) | 100.0% | n/a | 100.0% |
| | Sub-total New Community Park | 10,000,000 | 132,657 | 10,132,657 | 8,477,136 | - | 8,477,136 | - | | 8,477,136 | 1,655,521 | 16.3% | 83.7% | 100.0% |
| UND | Authorized Use of Savings for New Neighborhood Parks Land Acquisition Category | - | (1,655,521) | (1,655,521) | - | - | - | - | N/A | - | (1,655,521) | n/a | n/a | n/a |
| | Total New Community Park | 10,000,000 | (1,522,864) | 8,477,136 | 8,477,136 | - | 8,477,136 | - | | 8,477,136 | - | 0.0% | 100.0% | 100.0% |
| | <u>Renovate and Redevelop Community Parks</u> | | | | | | | | | | | | | |
| NE | Cedar Hills Park & Athletic Field | 6,194,905 | 449,392 | 6,644,297 | 7,684,215 | - | 7,684,215 | - | Complete | 7,684,316 | (1,040,019) | -15.7% | 115.7% | 100.0% |
| SE | Schiffler Park | 3,598,700 | 74,403 | 3,673,103 | 2,633,084 | - | 2,633,084 | - | Complete | 2,633,084 | 1,040,019 | 28.3% | 71.7% | 100.0% |
| | Total Renovate and Redevelop Community Parks | 9,793,605 | 523,795 | 10,317,400 | 10,317,299 | - | 10,317,299 | - | | 10,317,400 | - | 0.0% | 100.0% | 100.0% |
| | <u>Natural Area Preservation - Restoration</u> | | | | | | | | | | | | | |
| NE | Roger Tilbury Memorial Park | 30,846 | 1,888 | 32,734 | 28,000 | - | 28,000 | 5,785 | Establishment | 33,785 | (1,051) | -3.2% | 85.5% | 82.9% |
| NE | Cedar Mill Park | 30,846 | 1,172 | 32,018 | 1,201 | - | 1,201 | - | Complete | 1,201 | 30,817 | 96.2% | 3.8% | 100.0% |
| NE | Jordan/Jackie Husen Park | 308,460 | 8,961 | 317,421 | 36,236 | - | 36,236 | - | Complete | 36,236 | 281,185 | 88.6% | 11.4% | 100.0% |
| NW | NE/Bethany Meadows Trail Habitat Connection | 246,768 | 16,178 | 262,946 | - | - | - | - | On Hold | - | 262,946 | 100.0% | 0.0% | 0.0% |
| NW | Hansen Ridge Park (formerly Kaiser Ridge) | 10,282 | 300 | 10,582 | 12,929 | - | 12,929 | - | Complete | 12,929 | (2,347) | -22.2% | 122.2% | 100.0% |
| NW | Allenbach Acres Park | 41,128 | 2,318 | 43,446 | 10,217 | - | 10,217 | - | Complete | 10,217 | 33,229 | 76.5% | 23.5% | 100.0% |
| NW | Crystal Creek Park | 205,640 | 7,208 | 212,848 | 95,401 | - | 95,401 | - | Complete | 95,401 | 117,447 | 55.2% | 44.8% | 100.0% |
| NE | Foothills Park | 61,692 | 1,172 | 62,864 | 46,178 | - | 46,178 | - | Complete | 46,178 | 16,686 | 26.5% | 73.5% | 100.0% |
| NE | Commonwealth Lake Park | 41,128 | 778 | 41,906 | 30,809 | - | 30,809 | - | Complete | 30,809 | 11,097 | 26.5% | 73.5% | 100.0% |
| NW | Tualatin Hills Nature Park | 90,800 | 2,323 | 93,123 | 27,696 | - | 27,696 | - | Complete | 27,696 | 65,427 | 70.3% | 29.7% | 100.0% |
| NE | Pioneer Park | 10,282 | 254 | 10,536 | 9,421 | - | 9,421 | - | Complete | 9,421 | 1,115 | 10.6% | 89.4% | 100.0% |
| NW | Whispering Woods Park | 51,410 | 914 | 52,324 | 48,871 | - | 48,871 | - | Complete | 48,871 | 3,453 | 6.6% | 93.4% | 100.0% |
| NW | Willow Creek Nature Park | 20,564 | 389 | 20,953 | 21,877 | - | 21,877 | - | Complete | 21,877 | (924) | -4.4% | 104.4% | 100.0% |
| SE | AM Kennedy Park | 30,846 | 741 | 31,587 | 26,866 | - | 26,866 | - | Complete | 26,866 | 4,721 | 14.9% | 85.1% | 100.0% |
| SE | Camille Park | 77,115 | 1,784 | 78,899 | 61,399 | - | 61,399 | - | Complete | 61,399 | 17,500 | 22.2% | 77.8% | 100.0% |
| SE | Vista Brook Park | 20,564 | 897 | 21,461 | 5,414 | - | 5,414 | - | Complete | 5,414 | 16,047 | 74.8% | 25.2% | 100.0% |
| SE | Greenway Park/Koll Center | 61,692 | 2,316 | 64,008 | 56,727 | - | 56,727 | - | Complete | 56,727 | 7,281 | 11.4% | 88.6% | 100.0% |
| SE | Bauman Park | 82,256 | 2,024 | 84,280 | 30,153 | - | 30,153 | - | Complete | 30,153 | 54,127 | 64.2% | 35.8% | 100.0% |
| SE | Fanno Creek Park | 162,456 | 6,736 | 169,192 | 65,147 | - | 65,147 | - | Complete | 65,147 | 104,045 | 61.5% | 38.5% | 100.0% |
| SE | Hideaway Park | 41,128 | 1,105 | 42,233 | 38,459 | - | 38,459 | - | Complete | 38,459 | 3,774 | 8.9% | 91.1% | 100.0% |
| SW | Murrayhill Park | 61,692 | 1,031 | 62,723 | 65,712 | - | 65,712 | - | Complete | 65,712 | (2,989) | -4.8% | 104.8% | 100.0% |
| SE | Hyland Forest Park | 71,974 | 1,342 | 73,316 | 65,521 | - | 65,521 | - | Complete | 65,521 | 7,795 | 10.6% | 89.4% | 100.0% |
| SW | Cooper Mountain | 205,640 | 13,479 | 219,119 | 14 | - | 14 | - | On Hold | 14 | 219,105 | 100.0% | 0.0% | 100.0% |
| SW | Winkelman Park | 10,282 | 241 | 10,523 | 5,894 | - | 5,894 | - | Complete | 5,894 | 4,629 | 44.0% | 56.0% | 100.0% |
| SW | Lowami Hart Woods | 287,896 | 9,345 | 297,241 | 130,125 | - | 130,125 | - | Complete | 130,125 | 167,116 | 56.2% | 43.8% | 100.0% |
| SW | Rosa/Hazeldale Parks | 28,790 | 722 | 29,512 | 12,754 | - | 12,754 | - | Complete | 12,754 | 16,758 | 56.8% | 43.2% | 100.0% |
| SW | Mt Williams Park | 102,820 | 9,424 | 112,244 | 47,737 | - | 47,737 | 64,507 | Establishment | 112,244 | - | 0.0% | 42.5% | 42.5% |
| SW | Jenkins Estate | 154,230 | 3,365 | 157,595 | 139,041 | - | 139,041 | - | Complete | 139,041 | 18,554 | 11.8% | 88.2% | 100.0% |
| SW | Summercrest Park | 10,282 | 193 | 10,475 | 7,987 | - | 7,987 | - | Complete | 7,987 | 2,488 | 23.8% | 76.2% | 100.0% |
| SW | Morrison Woods | 61,692 | 4,042 | 65,734 | 0 | - | 0 | - | Cancelled | 0 | 65,734 | 100.0% | 0.0% | 100.0% |
| UND | Interpretive Sign Network | 339,306 | 9,264 | 348,570 | 326,776 | - | 326,776 | - | Complete | 326,776 | 21,794 | 6.3% | 93.7% | 100.0% |
| NW | Beaverton Creek Trail | 61,692 | 4,043 | 65,735 | - | - | - | - | On Hold | - | 65,735 | 100.0% | 0.0% | 0.0% |
| NW | Bethany Wetlands/Bronson Creek | 41,128 | 2,695 | 43,823 | - | - | - | - | On Hold | - | 43,823 | 100.0% | 0.0% | 0.0% |
| NW | Bluegrass Downs Park | 15,423 | 1,010 | 16,433 | - | - | - | - | On Hold | - | 16,433 | 100.0% | 0.0% | 0.0% |
| NW | Crystal Creek | 41,128 | 2,696 | 43,824 | - | - | - | - | On Hold | - | 43,824 | 100.0% | 0.0% | 0.0% |
| UND | Reallocation of project savings to new project budgets | - | (865,000) | (865,000) | - | - | - | - | Reallocation | - | (865,000) | 100.0% | 0.0% | 0.0% |
| SE | Hyland Woods Phase 2 | - | 77,120 | 77,120 | 65,453 | - | 65,453 | - | Complete | 65,453 | 11,667 | 15.1% | 84.9% | 100.0% |
| SW | Jenkins Estate Phase 2 | - | 131,457 | 131,457 | 67,754 | - | 67,754 | - | Complete | 67,754 | 63,703 | 48.5% | 51.5% | 100.0% |
| NW | Somerset | - | 161,368 | 161,368 | 49,000 | - | 49,000 | 112,368 | Budget | 161,368 | - | 0.0% | 30.4% | 30.4% |
| NW | Rock Creek Greenway | - | 167,850 | 167,850 | - | - | - | 167,850 | Establishment | 167,850 | - | 0.0% | 0.0% | 0.0% |

Tualatin Hills Park and Recreation District
Monthly Bond Capital Projects Report
Estimated Cost vs. Budget
Through 8/31/2020

| Quadrant | Description | Project Budget | | | Project Expenditures | | | Estimated Cost to Complete | Basis of Estimate (Completed Phase) | Project Cumulative Cost | Variance | Percent of Variance | Cost Expended to Budget | Cost Expended to Total Cost |
|----------|--|------------------------|------------------|---------------------------------------|----------------------|-----------------------|------------------------|----------------------------|-------------------------------------|-------------------------|------------------|---------------------|-------------------------|-----------------------------|
| | | Initial Project Budget | Adjustments | Current Total Project Budget FY 19/20 | Expended Prior Years | Expended Year-to-Date | Total Expended to Date | | | | | | | |
| | | (1) | (2) | (1+2)=(3) | (4) | (5) | (4+5)=(6) | (7) | | (6+7)=(9) | (3-9) = (10) | (10) / (3) | (6) / (3) | (6)/(9) |
| NW | Whispering Woods Phase 2 | - | 102,875 | 102,875 | - | - | - | 102,875 | Budget | 102,875 | - | 0.0% | 0.0% | 0.0% |
| SE | Raleigh Park | - | 118,415 | 118,415 | 8,500 | - | 8,500 | 109,915 | Site Prep | 118,415 | - | 0.0% | 7.2% | 7.2% |
| NE | Bannister Creek Greenway/NE Park | - | 80,967 | 80,967 | 17,284 | 1,000 | 18,284 | 62,683 | Site Prep | 80,967 | - | 0.0% | 22.6% | 22.6% |
| NW | Beaverton Creek Greenway Duncan | - | 20,607 | 20,607 | - | - | - | - | Cancelled | - | 20,607 | 100.0% | 0.0% | 0.0% |
| SE | Church of Nazarene | - | 30,718 | 30,718 | 14,121 | - | 14,121 | - | Complete | 14,121 | 16,597 | 54.0% | 46.0% | 100.0% |
| SW | Lilly K. Johnson Woods | - | 30,742 | 30,742 | 29,823 | - | 29,823 | 919 | Establishment | 30,742 | - | 0.0% | 97.0% | 97.0% |
| UND | Restoration of new properties to be acquired | 643,023 | 41,096 | 684,119 | 976 | - | 976 | 6,196 | On Hold | 7,172 | 676,947 | 99.0% | 0.1% | 13.6% |
| UND | Reallocation of project savings to new project budgets | - | (1,570,245) | (1,570,245) | - | - | - | - | Reallocation | - | (1,570,245) | 100.0% | 0.0% | 0.0% |
| NE | NE Quadrant Property(Findley) | - | 472,967 | 472,967 | - | 2,124 | 2,124 | 470,844 | Budget | 472,967 | - | 0.0% | 0.4% | 0.4% |
| NE | N. Johnson Greenway (Peterkort) | - | 262,760 | 262,760 | - | - | - | - | Cancelled | - | 262,760 | 100.0% | 0.0% | 0.0% |
| NE | Commonwealth Lake Park | - | 63,063 | 63,063 | - | - | - | 63,063 | Budget | 63,063 | - | 0.0% | 0.0% | 0.0% |
| SW | 155th Wetlands | - | 26,115 | 26,115 | 9,314 | - | 9,314 | - | Complete | 9,314 | 16,801 | 64.3% | 35.7% | 100.0% |
| SW | Bronson Creek New Properties | - | 105,105 | 105,105 | - | - | - | 105,105 | Budget | 105,105 | - | 0.0% | 0.0% | 0.0% |
| SE | Fanno Creek Greenway | - | 84,084 | 84,084 | - | - | - | 84,084 | Award | 84,084 | - | 0.0% | 0.0% | 0.0% |
| NW | HMT north woods and stream | - | 52,285 | 52,285 | 14,863 | - | 14,863 | 37,422 | Site Prep | 52,285 | - | 0.0% | 28.4% | 28.4% |
| NE | Cedar Mill Creek Greenway | - | 31,326 | 31,326 | 11,886 | 490 | 12,376 | 18,950 | Site Prep | 31,326 | - | 0.0% | 39.5% | 39.5% |
| SW | Fir Grove Park | - | 25,963 | 25,963 | 14,369 | - | 14,369 | 11,594 | Site Prep | 25,963 | - | 0.0% | 55.3% | 55.3% |
| SW | HL Cain Wetlands | - | 26,044 | 26,044 | 11,966 | - | 11,966 | 14,078 | Site Prep | 26,044 | - | 0.0% | 45.9% | 45.9% |
| NW | Bronson Creek Park | - | 26,246 | 26,246 | 2,701 | - | 2,701 | 23,545 | Site Prep | 26,246 | - | 0.0% | 10.3% | 10.3% |
| SE | Center Street Wetlands Area | - | 20,983 | 20,983 | 4,504 | - | 4,504 | 16,479 | Site Prep | 20,983 | - | 0.0% | 21.5% | 21.5% |
| SW | Tallac Terrace Park | - | 10,511 | 10,511 | - | - | - | - | Cancelled | - | 10,511 | 100.0% | 0.0% | 0.0% |
| NE | Forest Hills Park | - | 10,484 | 10,484 | 1,714 | - | 1,714 | 8,770 | Site Prep | 10,484 | - | 0.0% | 16.3% | 16.3% |
| UND | Arborist/Tree Management | - | 298,447 | 298,447 | 83,643 | 6,958 | 90,600 | 207,847 | Award | 298,447 | - | 0.0% | 30.4% | 30.4% |
| NW | North Bethany Greenway | - | 26,186 | 26,186 | 5,508 | - | 5,508 | 20,678 | Site Prep | 26,186 | - | 0.0% | 21.0% | 21.0% |
| NW | Willow Creek Greenway II | - | 26,086 | 26,086 | 13,110 | 1,000 | 14,110 | 66,632 | Site Prep | 80,742 | (54,656) | -209.5% | 54.1% | 17.5% |
| NW | Westside Trail Segment 18 | - | 26,276 | 26,276 | - | 475 | 475 | 25,801 | Budget | 26,276 | - | 0.0% | 1.8% | 1.8% |
| SW | Westside Trail- Burntwood area | - | 25,868 | 25,868 | 18,751 | - | 18,751 | 7,117 | Site Prep | 25,868 | - | 0.0% | 72.5% | 72.5% |
| NW | Waterhouse Trail | - | 26,262 | 26,262 | 654 | - | 654 | 25,608 | Site Prep | 26,262 | - | 0.0% | 2.5% | 2.5% |
| | Sub-total Natural Area Restoration | 3,762,901 | 297,381 | 4,060,282 | 1,900,457 | 12,046 | 1,912,503 | 1,840,714 | | 3,753,216 | 307,066 | 7.6% | 47.1% | 51.0% |
| UND | Authorized Use of Savings for Natural Area Preservation - Land Acquisition | - | (243,625) | (243,625) | - | - | - | - | N/A | - | (243,625) | n/a | n/a | n/a |
| | Total Natural Area Restoration | 3,762,901 | 53,756 | 3,816,657 | 1,900,457 | 12,046 | 1,912,503 | 1,840,714 | | 3,753,216 | 63,441 | 1.7% | 50.1% | 51.0% |
| | Natural Area Preservation - Land Acquisition | | | | | | | | | | | | | |
| UND | Natural Area Acquisitions | 8,400,000 | 455,607 | 8,855,607 | 9,070,732 | 2,262 | 9,072,994 | 26,238 | Budget | 9,099,232 | (243,625) | -2.8% | 102.5% | 99.7% |
| | Sub-total Natural Area Preservation - Land Acquisition | 8,400,000 | 455,607 | 8,855,607 | 9,070,732 | 2,262 | 9,072,994 | 26,238 | | 9,099,232 | (243,625) | -2.8% | 102.5% | 99.7% |
| UND | Authorized Use of Savings from Natural Area Restoration | - | 243,625 | 243,625 | - | - | - | - | N/A | - | 243,625 | n/a | n/a | n/a |
| | Total Natural Area Preservation - Land Acquisition | 8,400,000 | 699,232 | 9,099,232 | 9,070,732 | 2,262 | 9,072,994 | 26,238 | | 9,099,232 | - | 0.0% | 99.7% | 99.7% |
| | New Linear Park and Trail Development | | | | | | | | | | | | | |
| SW | Westside Trail Segments 1, 4, & 7 | 4,267,030 | 85,084 | 4,352,114 | 4,381,083 | - | 4,381,083 | - | Complete | 4,381,083 | (28,969) | -0.7% | 100.7% | 100.0% |
| NE | Jordan/Husen Park Trail | 1,645,120 | 46,432 | 1,691,552 | 1,227,496 | - | 1,227,496 | - | Complete | 1,227,496 | 464,056 | 27.4% | 72.6% | 100.0% |
| NW | Waterhouse Trail Segments 1, 5 & West Spur | 3,804,340 | 78,646 | 3,882,986 | 4,392,047 | - | 4,392,047 | - | Complete | 4,392,047 | (509,061) | -13.1% | 113.1% | 100.0% |
| NW | Rock Creek Trail #5 & Allenbach, North Bethany #2 | 2,262,040 | 103,949 | 2,365,989 | 1,743,667 | - | 1,743,667 | - | Complete | 1,743,667 | 622,322 | 26.3% | 73.7% | 100.0% |
| UND | Miscellaneous Natural Trails | 100,000 | 9,000 | 109,000 | 30,394 | - | 30,394 | 78,606 | Budget | 109,000 | - | 0.0% | 27.9% | 27.9% |
| NW | Nature Park - Old Wagon Trail | 359,870 | 3,094 | 362,964 | 238,702 | - | 238,702 | - | Complete | 238,702 | 124,262 | 34.2% | 65.8% | 100.0% |
| NE | NE Quadrant Trail - Bluffs Phase 2 | 257,050 | 14,797 | 271,847 | 412,424 | - | 412,424 | - | Complete | 412,424 | (140,577) | -51.7% | 151.7% | 100.0% |
| SW | Lowami Hart Woods | 822,560 | 55,645 | 878,205 | 1,255,274 | - | 1,255,274 | - | Complete | 1,255,274 | (377,069) | -42.9% | 142.9% | 100.0% |
| NW | Westside - Waterhouse Trail Connection | 1,542,300 | 48,560 | 1,590,860 | 1,055,589 | - | 1,055,589 | - | Complete | 1,055,589 | 535,271 | 33.6% | 66.4% | 100.0% |
| | Sub-total New Linear Park and Trail Development | 15,060,310 | 445,207 | 15,505,517 | 14,736,676 | - | 14,736,676 | 78,606 | | 14,815,282 | 690,235 | 4.5% | 95.0% | 99.5% |
| UND | Authorized Use of Savings for Multi-field/Multi-purpose Athletic Field Development | - | (690,235) | (690,235) | - | - | - | - | N/A | - | (690,235) | n/a | n/a | n/a |
| | Total New Linear Park and Trail Development | 15,060,310 | (245,028) | 14,815,282 | 14,736,676 | - | 14,736,676 | 78,606 | | 14,815,282 | - | 0.0% | 99.5% | 99.5% |
| | New Linear Park and Trail Land Acquisition | | | | | | | | | | | | | |
| UND | New Linear Park and Trail Acquisitions | 1,200,000 | 23,404 | 1,223,404 | 1,222,206 | - | 1,222,206 | 1,198 | Budget | 1,223,404 | - | 0.0% | 99.9% | 99.9% |
| | Total New Linear Park and Trail Land Acquisition | 1,200,000 | 23,404 | 1,223,404 | 1,222,206 | - | 1,222,206 | 1,198 | | 1,223,404 | - | 0.0% | 99.9% | 99.9% |

Tualatin Hills Park and Recreation District
Monthly Bond Capital Projects Report
Estimated Cost vs. Budget
Through 8/31/2020

| Quadrant | Description | Project Budget | | | Project Expenditures | | | Estimated Cost to Complete | Basis of Estimate (Completed Phase) | Project Cumulative Cost | Variance Est. Cost (Over Under Budget) | Percent of Variance Total Cost Variance to Budget | Cost Expended to Budget | Cost Expended to Total Cost |
|--|---|------------------------|------------------|---------------------------------------|----------------------|-----------------------|------------------------|----------------------------|-------------------------------------|-------------------------|---|--|-------------------------|-----------------------------|
| | | Initial Project Budget | Adjustments | Current Total Project Budget FY 19/20 | Expended Prior Years | Expended Year-to-Date | Total Expended to Date | | | | | | | |
| | | (1) | (2) | (1+2)=(3) | (4) | (5) | (4+5)=(6) | (7) | | (6+7)=(9) | (3-9) = (10) | (10) / (3) | (6) / (3) | (6)/(9) |
| Multi-field/Multi-purpose Athletic Field Development | | | | | | | | | | | | | | |
| SW | Winkelman Athletic Field | 514,100 | 34,601 | 548,701 | 941,843 | - | 941,843 | - | Complete | 941,843 | (393,142) | -71.6% | 171.6% | 100.0% |
| SE | Meadow Way Park | 514,100 | 4,791 | 518,891 | 407,340 | - | 407,340 | - | Complete | 407,340 | 111,551 | 21.5% | 78.5% | 100.0% |
| NW | New Fields in NW Quadrant - Living Hope | 514,100 | 82,728 | 596,828 | 181,356 | 19,923 | 201,279 | 1,055,782 | Award | 1,257,061 | (660,233) | -110.6% | 33.7% | 16.0% |
| NE | New Fields in NE Quadrant (Cedar Mill Park) | 514,100 | 14,184 | 528,284 | 527,993 | - | 527,993 | - | Complete | 527,993 | 291 | 0.1% | 99.9% | 100.0% |
| SW | New Fields in SW Quadrant - MVCP | 514,100 | 61,446 | 575,546 | 32,460 | - | 32,460 | 530,953 | Budget | 563,413 | 12,133 | 2.1% | 5.6% | 5.8% |
| SE | New Fields in SE Quadrant (Conestoga Middle School) | 514,100 | 19,833 | 533,933 | 548,917 | - | 548,917 | - | Complete | 548,917 | (14,984) | -2.8% | 102.8% | 100.0% |
| Sub-total Multi-field/Multi-purpose Athletic Field Dev. | | 3,084,600 | 217,583 | 3,302,183 | 2,639,909 | 19,923 | 2,659,832 | 1,586,735 | | 4,246,567 | (944,384) | -28.6% | 80.5% | 62.6% |
| UND | Authorized Use of Savings from New Linear Park and Trail Development category | - | 690,235 | 690,235 | - | - | - | - | N/A | - | 690,235 | n/a | n/a | n/a |
| UND | Authorized Use of Savings from Facility Rehabilitation category | - | 244,609 | 244,609 | - | - | - | - | N/A | - | 244,609 | n/a | n/a | n/a |
| UND | Authorized Use of Savings from Bond Issuance Administration Category | - | 9,540 | 9,540 | - | - | - | - | N/A | - | 9,540 | n/a | n/a | n/a |
| Total Multi-field/Multi-purpose Athletic Field Dev. | | 3,084,600 | 1,161,967 | 4,246,567 | 2,639,909 | 19,923 | 2,659,832 | 1,586,735 | | 4,246,567 | - | 0.0% | 62.6% | 62.6% |
| Deferred Park Maintenance Replacements | | | | | | | | | | | | | | |
| UND | Play Structure Replacements at 11 sites | 810,223 | 3,685 | 813,908 | 773,055 | - | 773,055 | - | Complete | 773,055 | 40,853 | 5.0% | 95.0% | 100.0% |
| NW | Bridge/boardwalk replacement - Willow Creek | 96,661 | 1,276 | 97,937 | 127,277 | - | 127,277 | - | Complete | 127,277 | (29,340) | -30.0% | 130.0% | 100.0% |
| SW | Bridge/boardwalk replacement - Rosa Park | 38,909 | 369 | 39,278 | 38,381 | - | 38,381 | - | Complete | 38,381 | 897 | 2.3% | 97.7% | 100.0% |
| SW | Bridge/boardwalk replacement - Jenkins Estate | 7,586 | 34 | 7,620 | 28,430 | - | 28,430 | - | Complete | 28,430 | (20,810) | -273.1% | 373.1% | 100.0% |
| SE | Bridge/boardwalk replacement - Hartwood Highlands | 10,767 | 134 | 10,901 | 985 | - | 985 | - | Cancelled | 985 | 9,916 | 91.0% | 9.0% | 100.0% |
| NE | Irrigation Replacement at Roxbury Park | 48,854 | 63 | 48,917 | 41,902 | - | 41,902 | - | Complete | 41,902 | 7,015 | 14.3% | 85.7% | 100.0% |
| UND | Pedestrian Path Replacement at 3 sites | 116,687 | 150 | 116,837 | 118,039 | - | 118,039 | - | Complete | 118,039 | (1,202) | -1.0% | 101.0% | 100.0% |
| SW | Permeable Parking Lot at Aloha Swim Center | 160,914 | 1,515 | 162,429 | 191,970 | - | 191,970 | - | Complete | 191,970 | (29,541) | -18.2% | 118.2% | 100.0% |
| NE | Permeable Parking Lot at Sunset Swim Center | 160,914 | 2,614 | 163,528 | 512,435 | - | 512,435 | - | Complete | 512,435 | (348,907) | -213.4% | 313.4% | 100.0% |
| Sub-total Deferred Park Maintenance Replacements | | 1,451,515 | 9,840 | 1,461,355 | 1,832,474 | - | 1,832,474 | - | | 1,832,474 | (371,119) | -25.4% | 125.4% | 100.0% |
| UND | Authorized Use of Savings from Facility Expansion & Improvements Category | - | 200,634 | 200,634 | - | - | - | - | N/A | - | 200,634 | n/a | n/a | n/a |
| UND | Authorized Use of Savings from Bond Issuance Administration Category | - | 170,485 | 170,485 | - | - | - | - | N/A | - | 170,485 | n/a | n/a | n/a |
| Total Deferred Park Maintenance Replacements | | 1,451,515 | 380,959 | 1,832,474 | 1,832,474 | - | 1,832,474 | - | | 1,832,474 | - | 0.0% | 100.0% | 100.0% |
| Facility Rehabilitation | | | | | | | | | | | | | | |
| UND | Structural Upgrades at Several Facilities | 317,950 | (194,874) | 123,076 | 115,484 | - | 115,484 | - | Complete | 115,484 | 7,592 | 6.2% | 93.8% | 100.0% |
| SW | Structural Upgrades at Aloha Swim Center | 406,279 | 8,497 | 414,776 | 518,302 | - | 518,302 | - | Complete | 518,302 | (103,526) | -25.0% | 125.0% | 100.0% |
| SE | Structural Upgrades at Beaverton Swim Center | 1,447,363 | 37,353 | 1,484,716 | 820,440 | - | 820,440 | - | Complete | 820,440 | 664,276 | 44.7% | 55.3% | 100.0% |
| NE | Structural Upgrades at Cedar Hills Recreation Center | 628,087 | 18,177 | 646,264 | 544,403 | - | 544,403 | - | Complete | 544,403 | 101,861 | 15.8% | 84.2% | 100.0% |
| SW | Structural Upgrades at Conestoga Rec/Aquatic Ctr | 44,810 | 847 | 45,657 | 66,762 | - | 66,762 | - | Complete | 66,762 | (21,105) | -46.2% | 146.2% | 100.0% |
| SE | Structural Upgrades at Garden Home Recreation Center | 486,935 | 21,433 | 508,368 | 513,762 | - | 513,762 | - | Complete | 513,762 | (5,394) | -1.1% | 101.1% | 100.0% |
| SE | Structural Upgrades at Harman Swim Center | 179,987 | 2,779 | 182,766 | 73,115 | - | 73,115 | - | Complete | 73,115 | 109,651 | 60.0% | 40.0% | 100.0% |
| NW | Structural Upgrades at HMT/50 Mtr Pool/Aquatic Ctr | 312,176 | 4,692 | 316,868 | 233,429 | - | 233,429 | - | Complete | 233,429 | 83,439 | 26.3% | 73.7% | 100.0% |
| NW | Structural Upgrades at HMT Aquatic Ctr - Roof Replacement | - | 203,170 | 203,170 | 446,162 | - | 446,162 | - | Complete | 446,162 | (242,992) | -119.6% | 219.6% | 100.0% |
| NW | Structural Upgrades at HMT Administration Building | 397,315 | 6,080 | 403,395 | 299,599 | - | 299,599 | - | Complete | 299,599 | 103,796 | 25.7% | 74.3% | 100.0% |
| NW | Structural Upgrades at HMT Athletic Center | 65,721 | 85 | 65,806 | 66,000 | - | 66,000 | - | Complete | 66,000 | (194) | -0.3% | 100.3% | 100.0% |
| NW | Structural Upgrades at HMT Dryland Training Ctr | 116,506 | 2,137 | 118,643 | 75,686 | - | 75,686 | - | Complete | 75,686 | 42,957 | 36.2% | 63.8% | 100.0% |
| NW | Structural Upgrades at HMT Tennis Center | 268,860 | 5,033 | 273,893 | 74,804 | - | 74,804 | - | Complete | 74,804 | 199,089 | 72.7% | 27.3% | 100.0% |
| SE | Structural Upgrades at Raleigh Swim Center | 4,481 | 6 | 4,487 | 5,703 | - | 5,703 | - | Complete | 5,703 | (1,216) | -27.1% | 127.1% | 100.0% |
| NW | Structural Upgrades at Somerset Swim Center | 8,962 | 12 | 8,974 | 9,333 | - | 9,333 | - | Complete | 9,333 | (359) | -4.0% | 104.0% | 100.0% |
| NE | Sunset Swim Center Structural Upgrades | 1,028,200 | 16,245 | 1,044,445 | 626,419 | - | 626,419 | - | Complete | 626,419 | 418,026 | 40.0% | 60.0% | 100.0% |
| NE | Sunset Swim Center Pool Tank | 514,100 | 275 | 514,375 | 308,574 | - | 308,574 | - | Complete | 308,574 | 205,801 | 40.0% | 60.0% | 100.0% |
| UND | Auto Gas Meter Shut Off Valves at All Facilities | - | 275 | 275 | 17,368 | - | 17,368 | - | Complete | 17,368 | (17,093) | 100.0% | 0.0% | 100.0% |
| Sub-total Facility Rehabilitation | | 6,227,732 | 132,222 | 6,359,954 | 4,815,345 | - | 4,815,345 | - | | 4,815,345 | 1,544,609 | 24.3% | 75.7% | 100.0% |

Tualatin Hills Park and Recreation District
Monthly Bond Capital Projects Report
Estimated Cost vs. Budget
Through 8/31/2020

| Quadrant | Description | Project Budget | | | Project Expenditures | | | Estimated Cost to Complete | Basis of Estimate (Completed Phase) | Project Cumulative Cost | Variance Est. Cost (Over) Under Budget | Percent of Variance Total Cost Variance to Budget | Cost Expended to Budget | Cost Expended to Total Cost |
|----------|--|------------------------|--------------------|---------------------------------------|----------------------|-----------------------|------------------------|----------------------------|-------------------------------------|-------------------------|---|--|-------------------------|-----------------------------|
| | | Initial Project Budget | Adjustments | Current Total Project Budget FY 19/20 | Expended Prior Years | Expended Year-to-Date | Total Expended to Date | | | | | | | |
| | | (1) | (2) | (1+2)=(3) | (4) | (5) | (4+5)=(6) | (7) | | (6+7)=(9) | (3-9) = (10) | (10) / (3) | (6) / (3) | (6)/(9) |
| UND | Authorized use of savings for SW Quad Community Park & Athletic Fields | - | (1,300,000) | (1,300,000) | - | - | - | - | N/A | - | (1,300,000) | n/a | n/a | n/a |
| | Sub-total Facility Rehabilitation | 6,227,732 | (1,167,778) | 5,059,954 | 4,815,345 | - | 4,815,345 | - | | 4,815,345 | 244,609 | 4.8% | n/a | n/a |
| UND | Authorized Use of Savings for Multi-field/Multi-purpose Athletic Field Development | - | (244,609) | (244,609) | - | - | - | - | N/A | - | (244,609) | n/a | n/a | n/a |
| | Total Facility Rehabilitation | 6,227,732 | (1,412,387) | 4,815,345 | 4,815,345 | - | 4,815,345 | - | | 4,815,345 | - | 0.0% | 100.0% | 100.0% |
| | Facility Expansion and Improvements | | | | | | | | | | | | | |
| SE | Elsie Stuhr Center Expansion & Structural Improvements | 1,997,868 | 30,311 | 2,028,179 | 2,039,367 | - | 2,039,367 | - | Complete | 2,039,367 | (11,188) | -0.6% | 100.6% | 100.0% |
| SW | Conestoga Rec/Aquatic Expansion & Splash Pad | 5,449,460 | 85,351 | 5,534,811 | 5,414,909 | - | 5,414,909 | - | Complete | 5,414,909 | 119,902 | 2.2% | 97.8% | 100.0% |
| SW | Aloha ADA Dressing Rooms | 123,384 | 158 | 123,542 | 178,764 | - | 178,764 | - | Complete | 178,764 | (55,222) | -44.7% | 144.7% | 100.0% |
| NW | Aquatics Center ADA Dressing Rooms | 133,666 | 1,083 | 134,749 | 180,540 | - | 180,540 | - | Complete | 180,540 | (45,791) | -34.0% | 134.0% | 100.0% |
| NE | Athletic Center HVAC Upgrades | 514,100 | 654 | 514,754 | 321,821 | - | 321,821 | - | Complete | 321,821 | 192,933 | 37.5% | 62.5% | 100.0% |
| | Sub-total Facility Expansion and Improvements | 8,218,478 | 117,557 | 8,336,035 | 8,135,401 | - | 8,135,401 | - | | 8,135,401 | 200,634 | 2.4% | 97.6% | 100.0% |
| UND | Authorized Use of Savings for Deferred Park Maintenance Replacements Category | - | (200,634) | (200,634) | - | - | - | - | N/A | - | (200,634) | n/a | n/a | n/a |
| | Total Facility Expansion and Improvements | 8,218,478 | (83,077) | 8,135,401 | 8,135,401 | - | 8,135,401 | - | | 8,135,401 | - | 0.0% | 100.0% | 100.0% |
| | ADA/Access Improvements | | | | | | | | | | | | | |
| NW | HMT ADA Parking & other site improvement | 735,163 | 19,544 | 754,707 | 1,019,771 | - | 1,019,771 | - | Complete | 1,019,771 | (265,064) | -35.1% | 135.1% | 100.0% |
| UND | ADA Improvements - undesignated funds | 116,184 | 2,712 | 118,896 | 72,245 | - | 72,245 | - | Complete | 72,245 | 46,651 | 39.2% | 60.8% | 100.0% |
| SW | ADA Improvements - Barrows Park | 8,227 | 104 | 8,331 | 6,825 | - | 6,825 | - | Complete | 6,825 | 1,506 | 18.1% | 81.9% | 100.0% |
| NW | ADA Improvements - Bethany Lake Park | 20,564 | 194 | 20,758 | 25,566 | - | 25,566 | - | Complete | 25,566 | (4,808) | -23.2% | 123.2% | 100.0% |
| NE | ADA Improvements - Cedar Hills Recreation Center | 8,226 | 130 | 8,356 | 8,255 | - | 8,255 | - | Complete | 8,255 | 101 | 1.2% | 98.8% | 100.0% |
| NE | ADA Improvements - Forest Hills Park | 12,338 | 197 | 12,535 | 23,416 | - | 23,416 | - | Complete | 23,416 | (10,881) | -86.8% | 186.8% | 100.0% |
| SE | ADA Improvements - Greenway Park | 15,423 | 196 | 15,619 | - | - | - | - | Cancelled | - | 15,619 | 100.0% | 0.0% | 0.0% |
| SW | ADA Improvements - Jenkins Estate | 16,450 | 262 | 16,712 | 11,550 | - | 11,550 | - | Complete | 11,550 | 5,162 | 30.9% | 69.1% | 100.0% |
| SW | ADA Improvements - Lawndale Park | 30,846 | 40 | 30,886 | 16,626 | - | 16,626 | - | Complete | 16,626 | 14,260 | 46.2% | 53.8% | 100.0% |
| NE | ADA Improvements - Lost Park | 15,423 | 245 | 15,668 | 15,000 | - | 15,000 | - | Complete | 15,000 | 668 | 4.3% | 95.7% | 100.0% |
| NW | ADA Improvements - Rock Crk Pwrline Prk (Soccer Fld) | 20,564 | 327 | 20,891 | 17,799 | - | 17,799 | - | Complete | 17,799 | 3,092 | 14.8% | 85.2% | 100.0% |
| NW | ADA Improvements - Skyview Park | 5,140 | 82 | 5,222 | 7,075 | - | 7,075 | - | Complete | 7,075 | (1,853) | -35.5% | 135.5% | 100.0% |
| NW | ADA Improvements - Waterhouse Powerline Park | 8,226 | 183 | 8,409 | 8,402 | - | 8,402 | - | Complete | 8,402 | 7 | 0.1% | 99.9% | 100.0% |
| NE | ADA Improvements - West Sylvan Park | 5,140 | 82 | 5,222 | 5,102 | - | 5,102 | - | Complete | 5,102 | 120 | 2.3% | 97.7% | 100.0% |
| SE | ADA Improvements - Wonderland Park | 10,282 | 163 | 10,445 | 4,915 | - | 4,915 | - | Complete | 4,915 | 5,530 | 52.9% | 47.1% | 100.0% |
| | Sub-total ADA/Access Improvements | 1,028,196 | 24,461 | 1,052,657 | 1,242,547 | - | 1,242,547 | - | | 1,242,547 | (189,890) | -18.0% | 118.0% | 100.0% |
| UND | Authorized Use of Savings from Bond Issuance Administration Category | - | 189,890 | 189,890 | - | - | - | - | N/A | - | 189,890 | 100.0% | n/a | n/a |
| | Total ADA/Access Improvements | 1,028,196 | 214,351 | 1,242,547 | 1,242,547 | - | 1,242,547 | - | | 1,242,547 | - | 100.0% | n/a | 100.0% |
| | Community Center Land Acquisition | | | | | | | | | | | | | |
| UND | Community Center / Community Park (SW Quadrant) (Hulse/BSD/Engel) | 5,000,000 | 105,974 | 5,105,974 | 1,654,847 | - | 1,654,847 | - | Complete | 1,654,847 | 3,451,127 | 67.6% | 32.4% | 100.0% |
| UND | Community Center / Community Park (SW Quadrant) (Wenzel/Wall) | - | - | - | 2,351,777 | - | 2,351,777 | - | Complete | 2,351,777 | (2,351,777) | -100.0% | n/a | 100.0% |
| | Sub-total Community Center Land Acquisition | 5,000,000 | 105,974 | 5,105,974 | 4,006,624 | - | 4,006,624 | - | | 4,006,624 | 1,099,350 | 21.5% | 78.5% | 100.0% |
| UND | Outside Funding from Washington County Transferred to New Community Park Development | - | (176,000) | (176,000) | - | - | - | - | N/A | - | (176,000) | n/a | n/a | n/a |
| UND | Outside Funding from Metro Transferred to New Community Park Development | - | (208,251) | (208,251) | - | - | - | - | N/A | - | (208,251) | n/a | n/a | n/a |
| UND | Authorized Use of Savings for New Neighborhood Parks Land Acquisition Category | - | (715,099) | (715,099) | - | - | - | - | N/A | - | (715,099) | n/a | n/a | n/a |
| | Total Community Center Land Acquisition | 5,000,000 | (993,376) | 4,006,624 | 4,006,624 | - | 4,006,624 | - | | 4,006,624 | - | 0.0% | 100.0% | 100.0% |
| | Bond Administration Costs | | | | | | | | | | | | | |
| ADM | Debt Issuance Costs | 1,393,000 | (539,654) | 853,346 | 68,142 | - | 68,142 | - | Complete | 68,142 | 785,204 | 92.0% | 8.0% | 100.0% |

Tualatin Hills Park and Recreation District
Monthly Bond Capital Projects Report
Estimated Cost vs. Budget
Through 8/31/2020

| Quadrant | Description | Project Budget | | | Project Expenditures | | | Estimated Cost to Complete | Basis of Estimate (Completed Phase) | Project Cumulative Cost | Variance | Percent of Variance | Cost Expended to Budget | Cost Expended to Total Cost |
|----------|---|------------------------|------------------|---------------------------------------|----------------------|-----------------------|------------------------|----------------------------|-------------------------------------|-------------------------|-------------------------------|-------------------------------|-------------------------|-----------------------------|
| | | Initial Project Budget | Adjustments | Current Total Project Budget FY 19/20 | Expended Prior Years | Expended Year-to-Date | Total Expended to Date | | | | Est. Cost (Over Under Budget) | Total Cost Variance to Budget | | |
| | | (1) | (2) | (1+2)=(3) | (4) | (5) | (4+5)=(6) | (7) | | (6+7)=(9) | (3-9) = (10) | (10) / (3) | (6) / (3) | (6)/(9) |
| ADM | Bond Accountant Personnel Costs | - | 241,090 | 241,090 | 288,678 | - | 288,678 | - | Complete | 288,678 | (47,588) | -19.7% | 119.7% | 100.0% |
| ADM | Deputy Director of Planning Personnel Costs | - | 57,454 | 57,454 | 57,454 | - | 57,454 | - | Complete | 57,454 | - | -100.0% | n/a | 100.0% |
| ADM | Communications Support | - | 50,000 | 50,000 | 12,675 | - | 12,675 | 37,325 | Budget | 50,000 | - | 0.0% | 25.4% | 25.4% |
| ADM | Technology Needs | 18,330 | - | 18,330 | 23,952 | - | 23,952 | - | Complete | 23,952 | (5,622) | -30.7% | 130.7% | 100.0% |
| ADM | Office Furniture | 7,150 | - | 7,150 | 5,378 | - | 5,378 | - | Complete | 5,378 | 1,772 | 24.8% | 75.2% | 100.0% |
| ADM | Admin/Consultant Costs | 31,520 | - | 31,520 | 48,093 | - | 48,093 | - | Complete | 48,093 | (16,573) | -52.6% | 152.6% | 100.0% |
| ADM | Additional Bond Proceeds | - | 1,507,717 | 1,507,717 | - | - | - | - | Budget | - | 1,507,717 | | 0.0% | 0.0% |
| | Sub-total Bond Administration Costs | 1,450,000 | 1,316,607 | 2,766,607 | 504,372 | - | 504,372 | 37,325 | | 541,697 | 2,224,910 | 80.4% | 18.2% | 93.1% |
| UND | Authorized Use of Savings for Deferred Park Maintenance Replacements Category | - | (170,485) | (170,485) | - | - | - | - | N/A | - | (170,485) | n/a | n/a | n/a |
| UND | Authorized Use of Savings for New Neighborhood Parks Development Category | - | (173,175) | (173,175) | - | - | - | - | N/A | - | (173,175) | n/a | n/a | n/a |
| UND | Authorized use of savings for SW Quad Community Park & Athletic Fields | - | (932,655) | (932,655) | - | - | - | - | N/A | - | (932,655) | n/a | n/a | n/a |
| UND | Authorized Use of Savings for ADA/Access Improvements Category | - | (189,890) | (189,890) | - | - | - | - | N/A | - | (189,890) | n/a | n/a | n/a |
| UND | Authorized Use of Savings for Renovate & Redevelop Neighborhood Parks | - | (422,139) | (422,139) | - | - | - | - | N/A | - | (422,139) | n/a | n/a | n/a |
| UND | Authorized Use of Savings for Multi-field/ Multi-purpose Athletic Field Dev. | - | (9,540) | (9,540) | - | - | - | - | N/A | - | (9,540) | n/a | n/a | n/a |
| | Total Bond Administration Costs | 1,450,000 | (581,277) | 868,723 | 504,372 | - | 504,372 | 37,325 | | 541,697 | 327,026 | 37.6% | 58.1% | 93.1% |
| | Grand Total | 100,000,000 | 4,651,642 | 104,651,642 | 99,427,464 | 64,762 | 99,492,226 | 4,768,848 | | 104,261,175 | 390,467 | 0.4% | 95.1% | 95.4% |

THPRD Bond Capital Program
Funds Reprogramming Analysis - Based on Category Transfer Eligibility
As of 8/31/2020

| | Category (Over) Under Budget |
|-----------------------------|------------------------------|
| Limited Reprogramming | |
| Land: New Neighborhood Park | - |
| New Community Park | - |
| New Linear Park | - |
| New Community Center/Park | - |
| | - |
| | - |
| Nat Res: Restoration | 63,441 |
| Acquisition | - |
| | - |
| | 63,441 |
| All Other | |
| New Neighborhood Park Dev | - |
| Neighborhood Park Renov | - |
| New Community Park Dev | - |
| Community Park Renov | - |
| New Linear Parks and Trails | - |
| Athletic Field Development | - |
| Deferred Park Maint Replace | - |
| Facility Rehabilitation | - |
| ADA | - |
| Facility Expansion | - |
| Bond Admin Costs | 327,026 |
| | 327,026 |
| | 327,026 |
| Grand Total | 390,467 |



MEMORANDUM

Date: September 23, 2020
 To: Board of Directors
 From: Lori Baker, Business Services Director/CFO
 Re: **System Development Report for August 2020**

The Board of Directors approved a resolution implementing the System Development Charge program on November 17, 1998. Below please find the various categories for SDC's, i.e., Single Family, Multiple Family and Non-residential Development. Also listed are the collection amounts for both the City of Beaverton and Washington County, and the 1.6% handling fee for collections through August 2020. This report includes information for the program for fiscal year to date.

| Current Rate per Unit | | With 1.6% Discount | | Current Rate per Unit | | With 1.6% Discount | |
|---------------------------|--------------|--------------------|-----------|------------------------|--------------|--------------------|-----------|
| Single Family | | | | Multi-Family | | | |
| North Bethany | \$ 13,513.00 | \$ | 13,296.79 | North Bethany | \$ 10,785.00 | \$ | 10,612.44 |
| Bonny Slope West | 14,087.00 | | 13,861.61 | Bonny Slope West | 11,241.00 | | 11,061.14 |
| South Cooper | | | | South Cooper | | | |
| Mountain | 13,905.00 | | 13,682.52 | Mountain | 11,097.00 | | 10,919.45 |
| Other | 11,895.00 | | 11,704.68 | Other | 9,494.00 | | 9,342.10 |
| Accessory Dwelling | | | | Non-residential | | | |
| Other | 6,776.00 | | 6,667.58 | Other | 397.00 | | 390.65 |

| City of Beaverton Collection of SDCs | | Gross Receipts | Collection Fee | Net Revenue |
|---|---------------------------------|------------------------|-----------------------|------------------------|
| 26 | Single Family Units | \$ 351,094.18 | \$ 5,267.52 | \$ 345,826.66 |
| - | Single Family Units at \$489.09 | - | - | - |
| 144 | Multi-family Units | 1,345,261.84 | 21,874.18 | 1,323,387.66 |
| - | Less Multi-family Credits | - | - | - |
| - | Accessory Dwelling Units | - | - | - |
| - | Non-residential | 13,101.00 | 209.62 | 12,891.38 |
| 170 | | \$ 1,709,457.01 | \$ 27,351.31 | \$ 1,682,105.70 |

| Washington County Collection of SDCs | | Gross Receipts | Collection Fee | Net Revenue |
|---|--------------------------|------------------------|-----------------------|------------------------|
| 58 | Single Family Units | \$ 757,394.29 | \$ 12,048.64 | \$ 745,345.65 |
| - | Less Credits | - | - | - |
| 26 | Multi-family Units | 267,787.73 | 4,354.27 | 263,433.46 |
| - | Less Credits | - | - | - |
| 4 | Accessory Dwelling Units | 27,103.98 | 433.66 | 26,670.32 |
| - | Non-residential | 4,801.99 | 76.83 | 4,725.16 |
| 88 | | \$ 1,057,088.00 | \$ 16,913.41 | \$ 1,040,174.59 |

| Recap by Agency | | Percent | Gross Receipts | Collection Fee | Net Revenue |
|------------------------|-------------------|----------------|------------------------|-----------------------|------------------------|
| 170 | City of Beaverton | 61.79% | \$ 1,709,457.01 | \$ 27,351.31 | \$ 1,682,105.70 |
| 88 | Washington County | 38.21% | 1,057,088.00 | 16,913.41 | 1,040,174.59 |
| 258 | | 100.00% | \$ 2,766,545.01 | \$ 44,264.72 | \$ 2,722,280.29 |

System Development Charge Report, August 2020

| | Recap by Dwelling | | | | Total |
|-------------------|-------------------|--------------|----------|--------------|------------|
| | Single Family | Multi-Family | ADU | Non-Resident | |
| City of Beaverton | 26 | 144 | - | - | 170 |
| Washington County | 58 | 26 | 4 | - | 88 |
| | 84 | 170 | 4 | - | 258 |

Total Receipts Fiscal Year to Date

| | | | |
|-----------------|----|--------------|-----------------|
| Gross Receipts | \$ | 2,766,545.01 | |
| Collection Fees | | (44,264.72) | |
| | \$ | 2,722,280.29 | |
| Interest | \$ | 53,800.91 | \$ 2,776,081.20 |

Total Payments Fiscal Year to Date

| | | | |
|-----------------------------------|----|--------------|---------------------|
| Refunds | \$ | - | |
| Administrative Costs | | - | |
| Project Costs -- Development | | (505,924.64) | |
| Project Costs -- Land Acquisition | | (17,391.65) | (523,316.29) |
| | \$ | | 2,252,764.91 |

| | | | |
|--------------------------|--|--|-------------------------|
| Beginning Balance 7/1/20 | | | 26,779,087.22 |
| Current Balance | | | \$ 29,031,852.12 |

Recap by Month, FY 2020/21

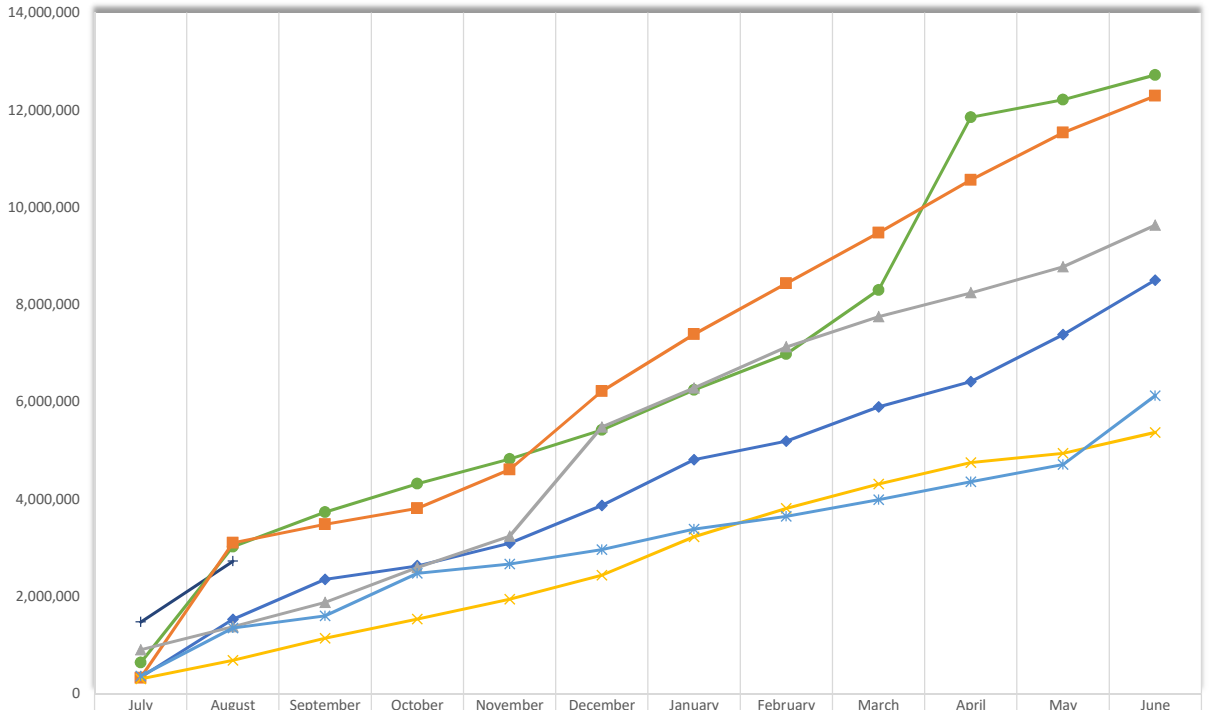
| | Net Receipts | Expenditures | Interest | SDC Fund Total |
|-----------|------------------------|------------------------|---------------------|------------------------|
| July | \$ 1,474,029.05 | \$ (336,745.01) | \$ 29,152.80 | \$ 1,166,436.84 |
| August | 1,248,251.24 | (186,571.28) | 24,648.11 | 1,086,328.07 |
| September | - | - | - | - |
| October | - | - | - | - |
| November | - | - | - | - |
| December | - | - | - | - |
| January | - | - | - | - |
| February | - | - | - | - |
| March | - | - | - | - |
| April | - | - | - | - |
| May | - | - | - | - |
| June | - | - | - | - |
| | \$ 2,722,280.29 | \$ (523,316.29) | \$ 53,800.91 | \$ 2,252,764.91 |

| | | | | |
|--------------------------|--|--|--|-------------------------|
| Beginning Balance 7/1/20 | | | | 26,779,087.22 |
| Current Balance | | | | \$ 29,031,852.12 |

Recap by Month, by Unit

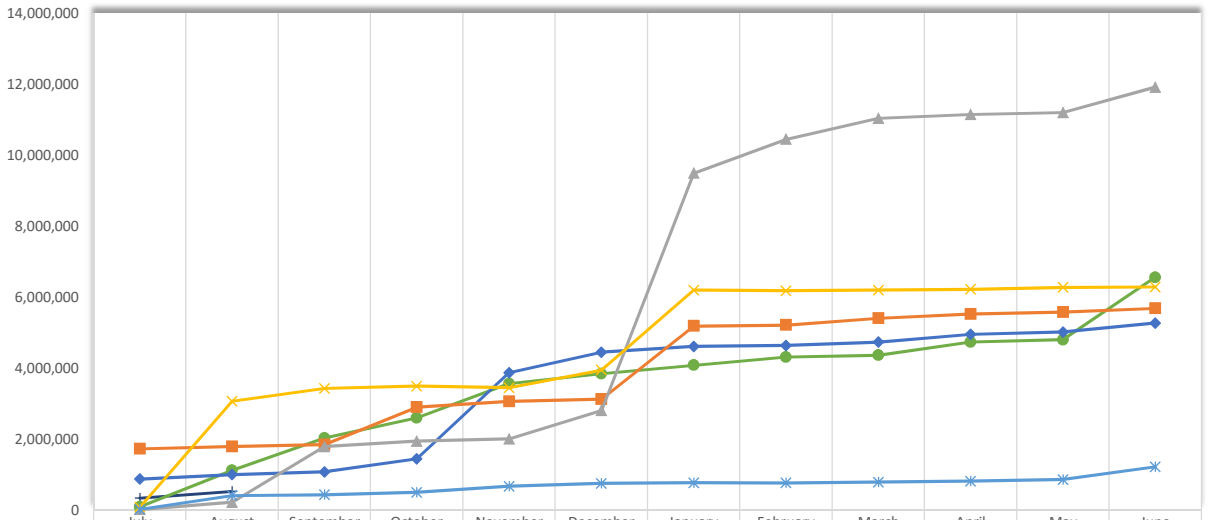
| | Single Family | Multi-Family | Non-Residential | ADU | Total Units |
|-----------|---------------|--------------|-----------------|----------|-------------|
| July | 41 | 98 | - | 2 | 141 |
| August | 43 | 72 | - | 2 | 117 |
| September | - | - | - | - | - |
| October | - | - | - | - | - |
| November | - | - | - | - | - |
| December | - | - | - | - | - |
| January | - | - | - | - | - |
| February | - | - | - | - | - |
| March | - | - | - | - | - |
| April | - | - | - | - | - |
| May | - | - | - | - | - |
| June | - | - | - | - | - |
| | 84 | 170 | - | 4 | 258 |

SDC NET RECEIPTS



| | July | August | September | October | November | December | January | February | March | April | May | June |
|---------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|
| 2020/21 | 1,474,029 | 2,722,280 | | | | | | | | | | |
| 2019/20 | 638,062 | 3,022,394 | 3,733,680 | 4,316,119 | 4,822,899 | 5,422,459 | 6,239,824 | 6,982,430 | 8,296,568 | 11,843,150 | 12,208,515 | 12,716,582 |
| 2018/19 | 342,858 | 1,526,692 | 2,350,386 | 2,629,308 | 3,092,119 | 3,868,051 | 4,809,035 | 5,188,855 | 5,895,483 | 6,416,413 | 7,378,531 | 8,500,335 |
| 2017/18 | 326,031 | 3,101,921 | 3,483,829 | 3,811,088 | 4,606,202 | 6,214,455 | 7,389,329 | 8,435,744 | 9,474,756 | 10,559,729 | 11,531,646 | 12,287,676 |
| 2016/17 | 903,889 | 1,379,228 | 1,878,472 | 2,593,985 | 3,237,143 | 5,477,462 | 6,284,722 | 7,127,328 | 7,748,639 | 8,238,832 | 8,775,911 | 9,631,363 |
| 2015/16 | 304,350 | 686,041 | 1,141,070 | 1,534,431 | 1,943,912 | 2,433,039 | 3,224,189 | 3,808,032 | 4,310,173 | 4,749,317 | 4,943,403 | 5,370,185 |
| 2014/15 | 362,365 | 1,349,536 | 1,598,883 | 2,472,283 | 2,666,731 | 2,962,403 | 3,381,171 | 3,646,866 | 3,989,912 | 4,358,505 | 4,711,419 | 6,125,495 |

SDC EXPENDITURES



| | July | August | September | October | November | December | January | February | March | April | May | June |
|---------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|------------|
| 2020/21 | 336,745 | 523,316 | | | | | | | | | | |
| 2019/20 | 90,850 | 1,117,938 | 2,033,035 | 2,599,511 | 3,566,694 | 3,844,435 | 4,082,474 | 4,311,955 | 4,361,775 | 4,734,014 | 4,796,361 | 6,557,239 |
| 2018/19 | 872,928 | 999,047 | 1,078,920 | 1,442,729 | 3,867,881 | 4,445,802 | 4,609,342 | 4,637,284 | 4,731,854 | 4,950,818 | 5,014,841 | 5,270,778 |
| 2017/18 | 1,724,189 | 1,789,956 | 1,841,475 | 2,898,204 | 3,062,924 | 3,123,925 | 5,183,213 | 5,210,292 | 5,399,850 | 5,524,037 | 5,573,045 | 5,683,260 |
| 2016/17 | 17,397 | 216,457 | 1,791,314 | 1,940,738 | 2,004,685 | 3,947,129 | 9,492,291 | 10,448,244 | 11,040,465 | 11,150,105 | 11,201,202 | 11,915,292 |
| 2015/16 | 80,138 | 3,070,662 | 3,432,293 | 3,494,999 | 3,445,262 | 3,947,129 | 6,195,515 | 6,180,111 | 6,197,206 | 6,219,324 | 6,273,167 | 6,287,671 |
| 2014/15 | 20,804 | 414,030 | 431,743 | 500,058 | 669,863 | 751,119 | 768,766 | 765,064 | 790,070 | 816,214 | 862,864 | 1,217,939 |