

# Chapter 266

## 1969 REPLACEMENT PART

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**GENERAL PROVISIONS**

**266.010 Definitions.** As used in this chapter:

- (1) "County board" means county court or board of county commissioners of the county.
  - (2) "County" means the county in which the district, or the greater portion of the taxable assessed value of the district, is located.
  - (3) "District" means park and recreation district formed under this chapter.
  - (4) "District board" means the governing body of a district.
  - (5) "Owner" means the holder of record title to real property or the vendee under a land sale contract, if there is such a contract.
  - (6) "Voter" means a registered voter of the state who resides in the district.
- [Subsection (2) (1967 Replacement Part) enacted as 1967 c.574 §2; 1969 c.668 §1]

**266.020 Canvass, certification and return of vote.** The vote cast at any and all elections under this chapter shall, unless otherwise provided, be canvassed, certified and returned within the time and in the manner provided by the laws relating to elections in irrigation districts in this state.

**266.030 Limitation on power of city to change park and recreation district boundaries.** Notwithstanding the provisions of ORS 222.510 to 222.580, a city may not reduce the boundaries of a district or extinguish or reduce its boundaries by any act of such city without the approval of a majority of the registered voters of the district voting for such extinguishment or reduction at a duly called election.

[1961 c.587 §4; 1969 c.668 §2]

**ORGANIZATION**

**266.110 Petition for organization; undertaking.** (1) Whenever not less than 25 percent of the resident freeholders or not less than 200 resident freeholders, whichever is less, of the proposed district desire to form a district within a county, they may present to the county court a petition in writing signed by them, stating the name of the proposed district, the number of members to be on the

district board, setting forth the boundaries of the district, and praying that the lands included within the boundaries be organized as a park and recreation district.

(2) Each of the petitioners must be a resident and freeholder within the proposed district.

(3) When all or any part of the proposed district is within the incorporated limits of a city, the petition shall be accompanied by a certified copy of a resolution of the governing body of the city, approving formation of the district.

(4) The petition shall be accompanied by a good and sufficient undertaking in form and amount to be approved by the county board, conditioned that the petitioners will pay all expenses of the organization of the district, including publication of notices as required, expense of preparation and delivery of ballots, fees of election officers, and any and all expenses which may be incurred on the part of the county in the formation, election and organization of the district.

(5) The petition must be verified by the affidavit of one of the petitioners.

[Amended by 1957 c.57 §1; 1961 c.587 §1; 1969 c.668 §3]

**266.115 Examination of petition; notice of hearing.** (1) The county board shall examine the petition and if it finds that the petition satisfies the requirements of ORS 266.110, it shall set a date for a hearing on the petition and direct the county clerk to give notice of the hearing by:

(a) Posting a notice of the hearing in three public places in the proposed district not less than 20 days before the hearing; and

(b) Publishing a notice of the hearing once a week for two successive weeks preceding the hearing in a newspaper of general circulation published within the proposed district. If a newspaper is not so published, the publication shall be made in a newspaper of general circulation published within the county.

(2) The notice of hearing shall state:

(a) That a petition has been filed for establishment of a district.

(b) The name and boundaries of the proposed district.

(c) The time and place set for the hearing on the petition.

(d) That all persons interested may appear and be heard.

[1961 c.587 §3; 1969 c.668 §4]

**266.120 Hearing on petition.** At the time stated in the notice, the county board may hear the petition and adjourn from time to time. The county board shall not modify the boundaries of the proposed district as set forth in the petition so as to exclude from the proposed district any land which would be benefited by formation of the district, nor shall any lands which will not, in the judgment of the board, be benefited by the district be included within the district.

[Amended by 1969 c.668 §5]

**266.130 Proceeding when lands improperly omitted from district and owners do not appear.** If the county board concludes that any lands have been improperly omitted from the proposed district and the owners thereof have not appeared at the hearing, the board shall by order continue the further hearing of the petition and direct that notice be given to all such non-appearing landowners, requiring them to appear before the board and show cause why their lands should not be included in the proposed district. The notice must be given either by publication in the same manner as the original petition and for the same period, or by personal service on each non-appearing landowner. If the notice is given by personal service, service must be made at least 10 days prior to the date fixed for the further hearing. The county board may grant further continuance by order entered upon its journal to the end that a further hearing may be had.

[Amended by 1969 c.668 §6]

**266.140 Order of county board upon final hearing.** Upon the final hearing of the matter, the county board, if it approves the petition as originally presented or in a modified form, shall make an order describing the exterior boundaries of the district, as determined by the county board, and ordering that an election be held in the proposed district. The order must fix the day of the election, which must be held not less than 30 days from the date of the order, and

must state that at such election members of the district board will be voted for. The order shall be entered in the journal of the county board, and shall be conclusive evidence of the due presentation of a proper petition, and of the fact that each of the petitioners was, at the time of the signature and presentation of such petition, a resident and freeholder within the limits of the proposed district.

[Amended by 1969 c.668 §7]

**266.150 Posting and publication of order.** A copy of the order described in ORS 266.140 shall be posted for four successive weeks prior to the election in three public places within the proposed district, and shall be published for four successive weeks prior to the election in some newspaper published in the proposed district, if there is one, and if not, in some newspaper published in the county. It is sufficient if the order is published once a week. The notice must be published for the periods and times prescribed in this section in each county in which is situated any of the lands within the district.

**266.160 Polling places; election board; conduct of election; ballots.** (1) The county board, at least 15 days prior to the election, shall select one, and may select two, polling places within the proposed district. It shall appoint a board of election for each precinct within the proposed district, to be composed of three qualified persons, residents of the district, and make all suitable arrangements for the holding of the election.

(2) The election shall be held in the manner provided by the laws of this state for holding and conducting elections in irrigation districts in this state.

(3) The ballot shall contain the words: "I vote in favor of the creation of (name of district) Park and Recreation district," "I vote against the creation of (name of district) Park and Recreation district," or words equivalent thereto.

[Amended by 1969 c.668 §8]

**266.170 Qualifications for voters at election.** Every registered voter resident within the proposed district for the period requisite to enable him to vote at a general election is entitled to vote at the election provided for by ORS 266.160.

[Amended by 1969 c.668 §9]

**266.180 Returns of election and declaration of result; formation order.** (1) The returns of the election shall be made to the

county board, canvassed, and the result declared by the county board.

(2) If a majority of the votes cast at such election is in favor of formation of a district, the county board shall make, and cause to be entered in its journal, an order that a district of the name and with the boundaries stated in the order calling the election has been duly established. The order shall be conclusive evidence of the fact and regularity of all prior proceedings of every kind or nature provided for by law, and of the existence and validity of the district.

(3) If a majority of the votes cast is against formation of the district, the county board shall, by order entered in its journal, so declare.

[Amended by 1969 c.668 §10]

**DISTRICT BOARD**

**266.310 Officers of district; qualifications.** (1) The officers of the district shall be a board of three or five members, to be elected by the registered voters of the district at large, and a secretary, to be appointed by the board.

(2) Every registered voter resident within a district for the period requisite to enable him to vote at a general election is qualified to be a member of the board or officer of the district.

[Amended by 1957 c.57 §2; 1969 c.668 §11]

**266.320 Nomination and election of board members at formation election; terms of office.** (1) At the election for the formation of the district there shall be elected the first members of the district board. The number to be elected shall be three or five, according to the number set forth in the petition for formation.

(2) Candidates for members of the board may be nominated by the petition of not less than 10 resident freeholders within the limits of the proposed district. The nominating petition shall be filed with the county board at least 15 days prior to the election.

(3) The successful candidates and their respective terms shall be determined in the manner provided in subsections (6) and (7) of ORS 450.045.

(4) Each of the directors shall hold office until election and qualification of his successor.

[Amended by 1957 c.57 §3; 1969 c.668 §12]

**266.325 Increasing number of board members.** A district having a three-member board may increase the number of members to five in the manner set forth in ORS 450.062, except that the annual election and commencement of terms shall be as provided in ORS 266.330.

[1957 c.57 §7]

**266.330 Annual election of board members.** (1) An election shall be held in the district on the first Monday of December of each year, at which a successor shall be elected for each of the members of the district board whose terms regularly expire on the following first Tuesday in January. If one board member is to be elected, the candidate receiving the highest vote shall be elected. If two board members are to be elected, the candidates receiving the first and second highest vote shall be elected.

(2) Each officer elected shall hold office from the first Tuesday in January next after such election, for three years, and until his successor is elected and qualified.

[Amended by 1957 c.57 §4; 1969 c.668 §13]

**266.340 Oath of office of board members.** A district board member when elected shall take the oath of office within 10 days after receiving his certificate of election.

[Amended by 1969 c.345 §6; 1969 c.668 §§14, 45]

**266.350 Compensation of board members.** Every member of the park and recreation board shall receive for each attendance of meetings of the board \$2, and shall receive no other compensation from the district.

**266.360** [Amended by 1957 c.57 §5; 1969 c.668 §15; repealed by 1969 c.668 §46 and 1969 c.669 §21]

**266.370 Board as governing power; president and secretary; signing documents; meetings.** (1) The park and recreation board shall be the governing power of the district and shall exercise all powers thereof.

(2) At its first meeting or as soon thereafter as may be practicable, the board shall choose one of its members as president and shall appoint a secretary who need not be a member of the board. In case of the absence, or inability to act, of the president or secretary, the board shall, by order entered upon the minutes, choose a president pro tempore, or secretary pro tempore, or both, as the case may be.

(3) All contracts, deeds, warrants, releases, receipts and documents of every kind shall be signed in the name of the district by its president and shall be countersigned by its secretary.

(4) The board shall hold such meetings either in the day or evening, as may be convenient, requisite or necessary.

**POWERS AND DUTIES OF DISTRICTS**

**266.410 General district powers.** Every district shall have power:

- (1) To have and use a common seal.
- (2) To sue and be sued by its name.
- (3) To construct, reconstruct, alter, enlarge, operate and maintain such lakes, parks, recreation grounds and buildings as, in the judgment of the district board, are necessary or proper, and for this purpose to acquire by lease, purchase, gift, devise, condemnation proceedings or otherwise such real and personal property and rights of way, either within or without the limits of the district as, in the judgment of the board, are necessary or proper, and to pay for and hold the same.
- (4) To make and accept any and all contracts, deeds, leases, releases and documents of any kind which, in the judgment of the board, are necessary or proper to the exercise of any power of the district, and to direct the payment of all lawful claims or demands.
- (5) To assess, levy and collect taxes to pay the cost of acquiring sites for and constructing, reconstructing, altering, operating and maintaining any lakes, parks, recreation grounds and buildings that may be acquired, or any lawful claims against the district, and the running expenses of the district.
- (6) To employ all necessary agents and assistants, and to pay the same.
- (7) To make and enforce regulations:
  - (a) For the removal of garbage and other deleterious substances, and all other sanitary regulations not in conflict with the Constitution, the laws of Oregon or the regulations of the Environmental Quality Commission.
  - (b) Governing the conduct of the users of the facilities of lakes, parks, recreational grounds and buildings within the district.

(8) To prohibit any person violating any rule or regulation from thereafter using the facilities of the district for such period as the board may determine.

(9) To call, hold and conduct all elections, necessary or proper after the formation of the district, including but not limited to special elections for annexation of territory, and in holding all elections within the district:

- (a) To give notice thereof by posting at least three notices in public places within the district not less than 15 days prior to the date of the election, setting forth in the notice the resolution of the board calling the election, and stating the time, place and purposes of the election.
- (b) To divide, by resolution, the district into one or more voting precincts for the purpose of each election.
- (c) To appoint a board of election for each voting precinct thus created.
- (d) To provide proper ballot boxes and facilities for voting, keeping the polls open during the hours fixed as provided by ORS 250.345.
- (e) To canvass the votes cast at each election within 10 days thereafter at a meeting held for that purpose.
- (f) To declare the results of such election by resolution.
- (10) To enlarge the boundaries of the district by annexation of territory, including territory located in whole or in part within the limits of any city, but any such annexation must be after proceedings had as required by ORS 222.111 to 222.180 so far as applicable, and no territory located within the limits of a city may be annexed unless prior to the holding of the election affecting such territory the governing body of the city has by resolution approved the inclusion of the territory in the territory to be annexed, and a certified copy of the resolution has been filed with the clerk of the district board.
- (11) To compel all residents and owners within the district to connect their houses and habitations with the street sewers, drains or other sewage disposal system.
- (12) To establish and collect reasonable charges for the use of the facilities of the district and issue appropriate evidence of the payment of such charges.
- (13) Generally to do and perform any and all acts necessary and proper to the complete

exercise and effect of any of its powers or the purposes for which it was formed.

[Amended by 1961 c.587 §5; 1969 c.668 §16]

**266.420 Levy of taxes.** Each year the district board shall determine and fix the amount of money to be levied and raised by taxation, for the purposes of the district. The total amount in dollars and cents shall not exceed one-fourth of one percent (.0025) of the true cash value of all taxable property within the district, computed in accordance with ORS 308.207.

[Amended by 1963 c.9 §11; 1969 c.668 §17]

**266.430 Sinking funds.** The park and recreation board, by resolution duly adopted, may establish sinking funds for the purpose of defraying the costs of acquiring land for park and recreation sites, and for acquiring or constructing buildings or facilities thereon or therein. Any such fund may be created through the inclusion annually within the tax budget of the district of items representing the yearly instalments to be credited thereto. The amount of these items shall be collected and credited to the proper fund in the same manner in which taxes levied or revenues derived for other purposes for the district are collected and credited. The balances to the credit of the funds need not be taken into consideration or deducted from budget estimates by the levying authority in preparing the annual budget of the district. None of the moneys in such funds shall be diverted or transferred to other funds, but if unexpended balances remain after disbursement of the funds for the purpose for which they were created, such balances, upon approval by resolution of the park and recreation board, shall be transferred to the operation and maintenance fund of the district.

**266.440 Handling by county treasurer of tax moneys collected for district purposes.**

(1) When the tax collector pays over to the county treasurer moneys collected for a district, the county treasurer shall keep the moneys in the county treasury as follows:

(a) He shall place and keep in a fund called the operation and maintenance fund of the district (naming it) the moneys levied by the district board for that fund.

(b) He shall place and keep in a fund called the construction fund of the district (naming it) the moneys levied by the board for construction, reconstruction and alteration.

(2) The treasurer shall pay out moneys from the funds only upon the written order of the board, signed by the president and countersigned by the secretary. The order shall specify the name of the person to whom the money is to be paid and the fund from which it is to be paid, and shall state generally the purpose for which the payment is made. The order shall be entered in the minutes of the board.

(3) The treasurer shall keep the order as his voucher, and shall keep a specific account of his receipts and disbursements of money for the district.

[Amended by 1969 c.668 §18]

**266.450 Entry, publication, posting and taking effect of regulations and orders of board; penalty for violating regulations.** (1)

Any general regulation of the district board shall be entered in the minutes, and shall be published once in some newspaper published within the district, if there is one, and if there is no such newspaper, then the regulation shall be posted for one week in three public places within the district. A subsequent order of the board that publication or posting has been duly made shall be conclusive evidence that publication or posting has been made properly.

(2) Orders not establishing a general regulation need not be published or posted, unless otherwise provided by this chapter, but shall be entered in the minutes, and the entry shall be signed by the secretary of the board.

(3) A general regulation shall take effect immediately upon the expiration of the week of publication or posting thereof. An ordinary order shall take effect upon the entry in the minutes.

(4) Violation of a regulation enacted under subsection (7) of ORS 266.410 is a misdemeanor punishable upon conviction by a fine not to exceed \$100 or imprisonment not to exceed five days, or both.

[Amended by 1969 c.668 §19]

**266.460 District attorney to aid board; special counsel.**

The district board may instruct the district attorney of the county to commence and prosecute any and all actions and proceedings necessary or proper to enforce any of its regulations or orders. It may call upon the district attorney for advice as to any district business. The district attorney shall obey such instructions and shall give advice when called on therefor by the board.

The board may at any time employ special counsel for any purpose.

[Amended by 1969 c.668 §20]

**266.470 Disposition of fines.** All fines for violation of any regulation or order of the district board shall, after expenses of the prosecution are paid therefrom, be paid to the secretary of the board, who forthwith shall deposit the same with the county treasurer, who shall place the same in the operation and maintenance fund of the district.

[Amended by 1969 c.668 §21]

**266.480 Power to contract bonded indebtedness for certain purposes.** A district has the power to contract a bonded indebtedness for the purpose of providing funds:

(1) To acquire land, rights of way, interests in land, buildings and equipment.

(2) To improve land and develop parks and recreation grounds.

(3) To construct, reconstruct, improve, repair and furnish buildings, gymnasiums, swimming pools, golf courses, driving ranges, boat marinas and recreational facilities of every kind.

(4) To acquire equipment of all types, including vehicular equipment necessary for and in the use, development and improvement of the lands and facilities of the district.

(5) To pay the costs, expenses and attorney fees incurred in the issue and sale of the bonds.

(6) To fund or refund outstanding indebtedness, or for any one or combination of any such purposes.

[Amended by 1969 c.668 §22]

**266.490 Bond election at discretion of board or on petition.** For the purpose of providing funds with which to put into effect one or any combination of any of the purposes authorized under ORS 266.480, the district board may, when authorized by a majority of those voting at an election called for that purpose, borrow money and sell and dispose of general obligation bonds. An election shall be called whenever a majority of the board so decides, or shall be called upon the petition of 10 voters of the district.

[Amended by 1967 c.609 §4; 1969 c.668 §23]

**266.500 Conduct of bond election; notice.**

(1) Elections for the purpose of voting upon the question of borrowing money and selling and disposing of general obligation or revenue bonds shall be called and held as provided by ORS 266.410 for the calling and holding of

special elections. However, notice shall be given as provided by subsection (2) of this section.

(2) The notice of election shall be published in a newspaper published and of general circulation in the district, in at least two issues thereof, the first publication to be not less than 15 days preceding the election and the second publication to be not less than eight days preceding the election. If no newspaper is published in the district and of general circulation therein, the notice shall be posted for 15 days prior to the election in three public and conspicuous places in the district, one of which shall be the place of election.

[Amended by 1969 c.668 §24]

**266.510** [Amended by 1963 c.9 §12; repealed by 1969 c.668 §25 (266.512 enacted in lieu of 266.510 and 266.520)]

**266.512 General obligation bonds; conditions; interest; advertisement and sale.** (1) Whenever authorized by the voters, the district board may issue general obligation bonds of the district, not exceeding in par value the amount stated in the notice of election and for the purpose therein named, bearing not to exceed seven percent interest per annum, payable semiannually, redeemable at such time or times as the board may, at the time of providing for the issuance thereof, determine, but due and payable not to exceed 30 years from date.

(2) The aggregate amount of general obligation bonds issued and outstanding at any one time shall in no case exceed two and one-half percent of the true cash value of all taxable property of the district, computed in accordance with ORS 308.207.

(3) General obligation or revenue bonds must recite that they are issued under this chapter. All bonds shall be signed by the president of the district board, attested by the secretary and registered by the county treasurer. The interest coupons thereto annexed shall be signed by the president and secretary, by their original or engraved facsimile signatures.

(4) All general obligation and revenue bonds issued, including refunding bonds, shall be advertised and sold in the manner prescribed by ORS 287.002 for the sale of bonds of cities of this state.

[1969 c.668 §26 (enacted in lieu of 266.510 and 266.520)]

**266.514 Revenue bonds; issuance; conditions.** In addition to the authority to issue general obligation bonds, a district, when authorized by a majority of those voting at an

election called for that purpose, may sell and dispose of revenue bonds, and pledge as security therefor all or any part of the unobligated net revenue of the district or a recreational facility of the district, to purchase, acquire, construct, reconstruct or improve a facility, or to perform any of those acts in combination, for any authorized purpose. Revenue bonds shall be issued in the same manner and form as are general obligation bonds of the district, but they shall be payable, both as to principal and interest, from revenues only. Revenue bonds shall not be subject to the limitation provided by ORS 266.512 applicable to general obligation bonds and shall not be a lien upon any of the taxable property within the limits of the district. Revenue bonds shall be payable solely from such part of the revenue of the district as remains after payment of obligations having a priority and of all expenses of operation and maintenance of the district, including any taxes levied against it. All revenue bonds shall contain a clause reciting that both the principal and interest are payable solely from operating revenues of the district remaining after paying such obligations and expenses. [1969 c.668 §26a.]

**266.516 Refunding bonds.** Refunding bonds of the same character and tenor as those replaced thereby may be issued pursuant to a resolution duly adopted by the district board without submitting to the voters the question of authorizing the issuance of such bonds. [1969 c.668 §26b.]

**266.518 Contracts with United States.** (1) In carrying out the powers conferred by this chapter, a district may contract with the United States or any agency thereof for the acquisition, construction, reconstruction, maintenance and operation, or any of them, of park and recreation facilities. Such power shall not be exercised in any case without the prior approval of a majority of the voters of the district at an election called for that purpose.

(2) Contract provisions for repayment of any loan from the United States, and the bonds securing the payment of the same, if any are issued, may be of such denomination, for such term not exceeding 50 years and may call for the payment of such interest not exceeding seven percent per annum, may provide for such instalments and for repayment of the principal at such times, as may be re-

quired by the federal laws and as may be agreed upon between the district board and the United States agency. [1969 c.668 §26c.]

**266.520** [Repealed by 1969 c.668 §25 (266.512 enacted in lieu of 266.510 and 266.520)]

**266.530 Registration and delivery of bonds; disposition of proceeds.** (1) The county treasurer shall register each bond issued pursuant to ORS 266.480 in a book kept for that purpose in his office, noting the district, amount, date, time and place of payment, rate of interest and such other facts as may be deemed proper.

(2) The county treasurer shall cause the bonds to be delivered promptly to the purchasers upon payment therefor, and shall hold the proceeds of the sale of the bonds subject to the order of the district board to be used solely for the purpose for which the bonds were issued.

(3) When the bonds have been so executed, registered and delivered, their legality shall not be open to contest by the district or by any person or corporation for or on its behalf, for any reason whatever. [Amended by 1969 c.668 §27.]

**266.540 Additional taxes for payment of bond interest and principal; bond sinking fund.** (1) The district board shall ascertain and levy annually, in addition to all other taxes, a direct annual ad valorem tax on all taxable property in the district, which tax shall be outside of and in addition to the annual levy limitation contained in ORS 266.420, and which tax shall be for an amount sufficient:

(a) To pay the interest accruing on the bonds promptly as it becomes due.

(b) To raise a percentum of the principal of the bonds as will, in equal annual instalments, be sufficient to retire all the bonds as they mature.

(2) The funds derived from such tax levies shall be retained by the county treasurer, and kept by him in a separate fund to be known as and designated "\_\_\_\_\_ Park and Recreation District bond interest and sinking fund." The fund shall be irrevocably pledged to and used solely for the payment of the interest accruing on and the principal of the bonds when due, so long as any of the bonds or the coupons thereto appertaining remain outstanding and unpaid. The interest earnings of the fund shall be credited thereto and become a part thereof. [Amended by 1969 c.668 §28.]

**266.550 Procedure in event board fails to levy bond tax.** If the district board fails or refuses to levy the tax necessary for the interest, principal or sinking fund, the county treasurer shall ascertain and certify the amount necessary to the county board. The county board shall then levy a tax sufficient to raise the sum so required and ascertained by the county treasurer. The proper county officer having power to extend county taxes shall extend such tax upon the tax roll of the county upon the taxable property of the district. The proper county officer whose duty it is to collect taxes shall collect such tax according to law, and shall pay the funds so collected into the county treasury to the credit of the bond interest and sinking fund of the district to be used in the payment of the bonds and interest.

[Amended by 1969 c.668 §29]

**266.560 Redemption of bonds; notice.**

(1) Whenever the amount of any sinking fund created under ORS 266.480 and 266.540 equals the amount, principal and interest, of any bond then due or subject under the pleasure or option of the district to be paid or redeemed, the county treasurer of the county in which the district is located shall notify the holder of the bond and shall publish a notice in the newspaper published nearest to the district.

(2) The county treasurer shall, within 30 days from the date of the notice, redeem and pay any bond then redeemable and payable, giving priority according to the date of issuance numerically, upon presentation of the bond at the place of payment specified therein.

(3) In case any holder of such bonds fails to present them at the time mentioned in the notice the interest thereon shall cease, and the county treasurer shall thereafter pay only the amount of the bond and the interest accrued thereon up to the last day of the time of redemption mentioned in the notice.

(4) When any bonds are so redeemed or paid, the county treasurer shall cause them to be canceled and write across the face thereof "redeemed" and the date of redemption, and shall deliver them to the district board, taking its receipt therefor.

[Amended by 1969 c.668 §30]

**266.570** [Repealed by 1969 c.668 §47]

**266.580 Payment of bond principal and interest; payment of collection commission.**

(1) The principal of and the interest on the bonds shall be payable in lawful money of the United States of America at the office of the treasurer of the county or at the fiscal agency of the State of Oregon in the city of New York, at the option of the purchaser thereof.

(2) The county treasurer must cause to be paid out of any money in his hands belonging to the district the interest on or principal of any bond issued pursuant to ORS 266.480 promptly when and as the same becomes due at the place of payment designated in the coupons or bonds.

(3) All coupons or bonds so paid must be immediately reported to the district board.

(4) No county treasurer or district board shall pay to the purchaser of any bond issued pursuant to ORS 266.480 or to any agency representing such purchaser, any commission whatsoever for collection of the interest on or principal of any bond so issued.

(5) The county treasurer shall not be required to remit to the purchaser of any bonds or coupons the amount necessary to redeem such bonds or coupons until the day they are due.

[Amended by 1969 c.668 §31]

**266.590 Validation of certain bond issues.** All proceedings taken prior to March 18, 1949, in the authorization and issuance of bonds by any district pursuant to ORS 266.480 to 266.512 and 266.530 to 266.580 hereby are validated, ratified, confirmed and approved, notwithstanding any defects and irregularities in the proceedings or any part thereof, and notwithstanding that the amount of the bonded indebtedness to be incurred was not stated upon the ballot used in the election authorizing the issuance of the bonds.

[Amended by 1969 c.668 §32]

**WITHDRAWAL OF TERRITORY**

**266.610 Petition for withdrawal; notice of hearing.** (1) The resident freeholders within a district may petition the county board for withdrawal of a designated and described contiguous area lying along the boundary of and included in the district.

(2) The county board, where it appears that the petition has been signed by 10 percent or 100, whichever is less, of the resident freeholders within the district, shall fix a

time and place for hearing the petition, which time shall be not less than 31 nor more than 50 days from the date of receipt thereof. At least 10 days prior to the hearing, the county board shall publish a notice thereof by two insertions in a newspaper of general circulation in the district, as provided by subsection (1) of ORS 266.115.  
 [1967 c.574 §3; 1969 c.668 §33]

**266.620 Deposit; notice to board.** At the time of filing the petition for withdrawal, the petitioners shall deposit with the county clerk a sum of money sufficient to defray all the costs of publication and of holding an election in the district and the expenses of preparing and filing with the county board the description of the boundaries of the district remaining, should such designated area be withdrawn. The petitioners shall have notice of the filing of the petition given in writing to the secretary of the district board and shall furnish the secretary with a copy of the petition as filed within five days after it is filed.  
 [1967 c.574 §4; 1969 c.668 §34]

**266.630 Hearing; effect of remonstrance; election.** (1) If at the time and place set for hearing upon the withdrawal petition no objection or remonstrance is filed, either orally or in writing, the county board shall enter an order withdrawing the designated and described contiguous area from the district. If at the hearing any remonstrance is filed or objections are made, either orally or in writing, to the withdrawal of that area from the district, the county board shall call an election in the district upon the matter of the withdrawal of that area.

(2) The election shall be held in the manner provided for an election for the formation of a district, except that ballots for the withdrawal election shall state in substance the following proposition:

Shall that portion of the park and recreation district comprising the following area, to wit:

(description of area)

be withdrawn from the district?

Yes.

No.

[1967 c.574 §5; 1969 c.668 §35]

**266.640 Returns of election; order of withdrawal.** If at the election the majority of the legal votes cast is in favor of the withdrawal of the designated area from the district, the county board shall enter an order

upon its records withdrawing the area from the district. If the majority of the votes cast is not in favor of withdrawal, the county board shall have the result of the election entered upon its records.  
 [1967 c.574 §6; 1969 c.668 §36]

**266.650 Effect of withdrawal on area withdrawn.** The designated and described contiguous area so withdrawn shall, from the date of entry of the order, be free from assessments and taxes levied by the district, except that the area shall be taxed for its proportionate share of any bonded or other indebtedness existing at the time of the order, the proportionate share to be based on the assessed valuation of all the property in the entire district as shown on the books of the county assessor.  
 [1967 c.574 §7]

**CONSOLIDATION**

**266.660 Petition for consolidation; debt distribution plan; election; certification of result.** (1) Two or more districts, whose boundaries adjoin, may be consolidated to form a single district as provided by ORS 266.660 to 266.680.

(2) When a petition, signed by not less than 15 percent of the voters or not less than 100 voters, whichever is less, of each of the districts which it is desired to consolidate, is presented to the district boards of the districts named in the petition as the districts to be consolidated, each of the boards shall at their next regular meeting call a special election in their respective districts. At the election there shall be submitted to the voters of the district the question of whether or not the districts shall be consolidated into a single district, stating the name by which the consolidated district shall be known.

(3) A petition for consolidation may also include a debt distribution plan to be voted upon as a part of the consolidation proposal. The plan may provide for any distribution of indebtedness and may require that the prior existing districts remain solely liable for all or any portion of any indebtedness outstanding at the time of the consolidation.

(4) The elections shall be called and held in the same manner as elections provided for by ORS 266.110 to 266.180. The district board of each district at its first regular meeting after the date of the special election shall canvass the vote on the measure and certify the result to the board of the district having the highest assessed valuation of property for tax purposes.

[1969 c.668 §38]

**266.670 Order of consolidation.** (1) If at the special elections a majority of the voters voting in each district votes in favor of consolidation, the district board of the district having the highest assessed valuation of property for tax purposes shall by resolution declare the districts consolidated and shall transmit to the county clerks of the counties where the consolidated district is situated, a copy of the resolution together with a copy of the certification of vote in each district voting on the question. From the time of adoption of the resolution the consolidation shall be complete.

(2) The district boards and the officers of the former existing districts included within the consolidated district shall turn over to the board of the consolidated district all funds, property, contracts and records of the prior existing districts.

[1969 c.668 §39]

**266.680 Effect of consolidation.** (1) When two or more districts are consolidated:

(a) The consolidated district shall retain the same name as the district with the highest assessed valuation of property for tax purposes unless a new name is proposed in the petition for consolidation.

(b) The districts included in the consolidation shall be considered to be annexed to and identified with the highest value district. The highest value district shall continue to exist after the consolidation.

(2) Upon completion of consolidation, the consolidated district shall succeed to all the property, contracts, rights and powers of the districts consolidated, and shall constitute and be a regularly organized district as if originally organized in the manner provided by ORS 266.110 to 266.180. Uncollected taxes, assessments or charges levied by the consolidating districts prior to consolidation shall become the property of the consolidated district and upon collection shall be credited to the account of the consolidated district. The district shall become liable for all the obligations legal or contractual of the prior existing districts which were consolidated. The consolidated district shall levy taxes, in accordance with the debt distribution plan, sufficient to pay any bonded indebtedness of the consolidating districts, or interest thereon, as they become due and payable. The consolidated district may continue to levy any serial levy authorized by the voters of the consolidating districts prior to consolidation.

[1969 c.668 §40]

## DISSOLUTION

**266.710 Method of initiating dissolution.** Dissolution of a district may be initiated:

(1) By a petition for dissolution of the district, filed with the district board, signed by not less than 25 percent of the voters registered in the district, or by 200 voters in the district, whichever number of signers is the lesser.

(2) By resolution of the district board when it determines that it is in the best interests of the inhabitants of the district that the district be dissolved and liquidated.

[1967 c.574 §8; 1969 c.668 §42]

**266.720 Finding of fact on proposed dissolution; plan; filings.** (1) When the dissolution of a district is proposed by resolution or by petition, the district board shall make findings of fact which shall include:

(a) The amount of each outstanding bond, coupon and other indebtedness, with a general description of the indebtedness and the name of the holder and owner of each, if known.

(b) A description of each parcel of real property and interest in real property and, if the property was acquired for delinquent taxes or assessments, the amount of such taxes and assessments on each parcel of property.

(c) Uncollected taxes, assessments and charges levied by the district and the amount upon each lot or tract of land.

(d) A description of the personal property and of all other assets of the district.

(e) The estimated cost of dissolution.

(2) The district board shall propose a plan of dissolution and liquidation.

(3) The findings of fact and the proposed plan of dissolution shall be filed in the office of the county clerk of the county.

[1967 c.574 §§9, 10; 1969 c.668 §43]

**266.730 Election on dissolution; consent of holders of debts; notice.** (1) When the district board has complied with ORS 266.720, it shall call a special election at which shall be submitted to the voters of the district the question of whether or not the district shall be dissolved, its indebtedness liquidated and its assets disposed of in accordance with the plan proposed.

(2) No such election shall be called until the assent of all known holders of valid debts against the district is obtained or provision is made in the plan for payment of the non-assenting holders.

(3) Notice of the election shall be given by posting notices in three public places in each election precinct in the district at least 15 days prior to the election and also by publication of the notice in a newspaper determined by the board to be of general circulation in the district. The notice shall be published once a week for three successive weeks, the first publication not earlier than the 30th day before the election and the last publication not later than the fourth day before the election. The notices shall state the time of holding the election, the fact that dissolution of the district is proposed, a brief summary of the plan of dissolution and liquidation and that the plan of dissolution is available for examination at the office of the county clerk.

[1967 c.574 §11; 1969 c.668 §44]

**266.740 Canvass of vote; board as trustees.** (1) The board shall name a day for canvassing the vote. If it appears that a majority or more of the votes cast approve dissolution, the board shall declare the district dissolved. The board shall thereupon constitute a board of trustees who shall pay the debts or procure releases thereof and dispose of the property of the district.

(2) If a majority of the votes cast at the election is against dissolution, the board shall declare the proposal lost and shall cause the result of the vote to be made a part of the records of the district.

[1967 c.574 §12]

**266.750 Surplus funds; filing of statement of dissolution and liquidation; books and records.** (1) Any surplus funds remaining to the credit of the district, after payment of the indebtedness of the district, shall be turned over to the county treasurer to become a part of the general fund of the county. If the assets of the district are insufficient to pay the indebtedness, the board of trustees shall levy taxes, within the limits of the authority of the district, for the liquidation of such indebtedness.

(2) Upon completing dissolution of the district, the board of trustees shall execute, under oath, a signed statement that the district has been dissolved and its affairs liquidated, which statement shall be filed in the office of the county clerk of the county in which the district was situated. The board shall also deliver the books and records of the district to the county clerk.

[1967 c.574 §13]

#### CERTIFICATE OF LEGISLATIVE COUNSEL

Pursuant to ORS 173.170, I, Robert W. Lundy, Legislative Counsel, do hereby certify that I have compared each section printed in this chapter with the original section in the enrolled bill, and that the sections in this chapter are correct copies of the enrolled sections, with the exception of the changes in form permitted by ORS 173.160 and other changes specifically authorized by law.

Done at Salem, Oregon,  
on December 1, 1969.

Robert W. Lundy  
Legislative Counsel