

City of Hillsboro,
Oregon

BUDGET IN BRIEF

2014-15



FY 2014-15 Budget Overview

Effective

July 1, 2014 -
June 30, 2015

Adopted Budget

\$449,168,286

Council Priorities

- Legislative issues - SIP/Gain Share/other
- Washington County transportation study
- Develop new community center
- North industrial development strategy
- 50 year water supply source
- Support the 2035 Vision
- Identify and implement specific actions to support the Hillsboro School District and higher Education
- Transportation funding focusing on bicycle/pedestrian safety and improvements
- Downtown enhancements
- Park land acquisition, including secure long term agreement with Washington County for fairgrounds sports complex

For more information, please visit the City's website at www.hillsboro-oregon.gov

Our Community

Growing Great Things

As Oregon's 5th largest city with more than 93,000 residents, Hillsboro enjoys award-winning neighborhoods, superb educational, recreational and cultural opportunities, a strong economy and one of the state's most diverse populations. Its original farming way of life is still honored in Hillsboro, though the "crops" continue to diversify. High-tech companies arrived in the 1980s, including Intel. In addition, health care, retail sales—and yes, still agriculture, including vineyards and flower farms—are keys to Hillsboro's economy.

Residents enjoy a great quality of life including a variety of recreational opportunities, as Hillsboro is home to 24 public parks, some of the area's premier wineries and Jackson Bottom Wetland Preserve, a 710-acre wildlife preserve located within the city limits. There is a thriving cultural arts scene, including a community arts center, art galleries, musical and theater groups and a history museum. Hillsboro is also home to the Portland metro area's only professional baseball team - the Single A Hillsboro Hops who are the 2014 Northwest League Champions! Yearly community events include one of Oregon's largest 4th of July parades, a "Celebrate Hillsboro" family festival, and the Oregon International Air Show.

Even as it evolves, Hillsboro is helping to grow Oregon's future with its hometown values and agricultural roots. Its people, businesses, nonprofits and government take great pride in their town as they work side by side, giving as much attention to community and livability as to development and industrial growth. With a healthy patchwork of history, business opportunities, neighborhoods, education, recreation and culture, great things are growing in Hillsboro.

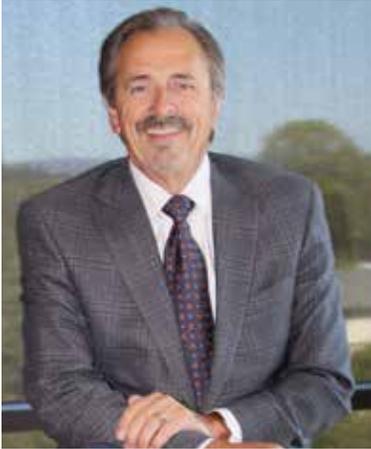
Main Street 2014



Main Street 1950

Letter from the Mayor

Visionary Leadership



To the great citizens of Hillsboro,

Thank you for taking the time to read the 2014-15 Budget in Brief, and for staying informed on the important budgetary decisions made by your elected representatives and Budget Committee. Each year, the City of Hillsboro produces a budget document to fulfill the community's vision for where our resources should be directed. We strive for excellence in providing sound, reasonable, honest and transparent management of these resources.

The City's budget remains several hundred pages, due to the many documents we are required by law to include. While the entire budget document is available to view at any time, many Hillsboro residents prefer this Budget in Brief that summarizes the most essential elements of the City's budget. We believe it is important that you understand the services that the City of Hillsboro provides, and this document is abbreviated for your convenience. We hope you find it useful.

Our budget reflects the City Council goals, maintains the long-term financial health and stability of our General Fund and reserves, and continues the delivery of high-quality services for our community. The 2014-15 budget allocates \$449 million, including \$62.9 million for capital improvement projects such as the Orenco Station Plaza, park land acquisitions, and the start of construction of a new Public Works facility. Other expenditures include \$2.6 million for the planning and design of the Willamette Water Supply System, \$1 million for the conversion of streets in the Downtown Hillsboro core to two-way traffic (partially paid for by Gain Share funds), \$827,560 for sidewalk improvements near W.L. Henry Elementary School and on Grant Street (resulting from Gain Share funds), \$100,000 for the City's Public Art program, and continued funding of our street maintenance program.

For a more detailed look at the City's 2014-15 adopted budget, please visit the City's website at www.hillsboro-oregon.gov.

We know that you expect and deserve a high quality of life and we are committed to delivering the highest quality services through sound fiscal management. While we provide important services for today, we also carefully plant the seeds for a strong future to ensure that we, as a community, will continue to grow great things here in Hillsboro!

Sincerely,

A handwritten signature in black ink, appearing to read 'Jerry Willey'. The signature is stylized and cursive.

Jerry Willey, Mayor

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About the City

Fostering Collaborative Partnerships

While we greatly respect tradition, we are not your traditional City government here in Hillsboro. We take pride in having an open, entrepreneurial and cooperative approach toward serving residents, businesses and community partners. Success to us means working together to provide excellent municipal services and plan for a bright future for Hillsboro.

We are a financially conservative, yet innovative and forward-thinking, full-service city. The City of Hillsboro has more than 680 full-time employees and 270 part-time/temporary employees. City Departments include: the City Manager's Office, Building, Economic Development, Finance, Fire, Human Resources, Information Services, Library, Parks and Recreation, Planning, Police, Public Works and Water.

Together with community partners and residents, we work to thoughtfully plan for and grow Hillsboro's future. We are home to Oregon's largest employer, Intel Corporation, as well as other high technology leaders and hundreds of smaller companies. Continuing to be a leader in attracting new businesses and opportunities to Hillsboro is critical. We value our business partners because when businesses thrive they create jobs and economic opportunity.

The community-driven Hillsboro 2020 Vision and Action Plan is a significant part of Hillsboro's success, serving as a catalyst for community involvement and livability. The plan has inspired the creation of various community assets, such as the Tom Hughes Civic Center Plaza, the Walters Cultural Arts Center, community gardens, diverse housing, family-friendly community events, and the new Hillsboro Ballpark, home of the Hillsboro Hops professional baseball team (Go Hops!).

As Hillsboro continues to grow and diversify, we will continue to partner and plan for success so this great community grows by choice, not by chance.



Form of Government

An elected Mayor and six Council members comprise the City Council and govern the City of Hillsboro. The City's Charter establishes a Council/Manager form of government. The Mayor and members of the City Council are elected to serve four-year terms. The Mayor presides at Council meetings and is elected at-large for a four-year term, subject to a charter-imposed limitation of two consecutive terms. The Mayor and Council provide community leadership, develop policies to guide the City in delivering services and achieving community goals, and encourage citizen awareness and involvement.

The City Council appoints the City Manager who in turn serves as the administrative head of the City government. The City Manager is responsible for ensuring Council policies are implemented using resources appropriated by the Council to achieve desired service results in the community.

Mission Statement

The City of Hillsboro is dedicated to providing visionary leadership, delivering responsive municipal services, and fostering collaborative partnerships that enhance Hillsboro's hometown livability.

Doing Business

Hillsboro is home to some of the best land, power and water resources in the country. As a result, many high tech and advanced manufacturing companies put down roots in Hillsboro, and we continue to attract new investment from these and other industries around the world.

Hillsboro is particularly attractive for its manufacturing infrastructure, its technologically skilled workforce, its proximity to airports, major highways and interstates, and its business-friendly climate. We also have access to incentives through urban renewal, enterprise zones and strategic investment programs that can mean additional benefits for a business looking to locate or expand.

Top Employers in Hillsboro 2014

Employer	Business Product/Services	Employment
Intel	Designs and manufactures semiconductor integrated circuits	17,500
Hillsboro School District	Education	2,198
Washington County	County Government	1,715
Wells Fargo	Customer service center	1,275
Tuality Healthcare	Hospital	1,400
Nike Inc.	Administrative Offices	1,000
TriQuint Semiconductor Inc.	Modules and components for the communications industry	877
SolarWorld	Solar ingot, wafers, cells and modules	750
City of Hillsboro	Local Government	680
FEI Company	Scanning & transmission electron microscopes	450
Maxim Integrated Products	Semiconductor design	431
Acumed LLC	Orthopedic Implant Manufacturers; Bone fracture fixation & fusion solutions	448
Total		28,724

Source: Economic Development - Employment figures subject to change

The Budget Process

The process followed in the preparation of the budget complies with Oregon Local Budget Law established by Oregon Revised Statutes. City management seeks and welcomes public input, participation and deliberation throughout the process. Budget Committee meetings are open to the public and are advertised on the City's website and in Hillsboro's local newspapers. The Proposed Budget—submitted to the Budget Committee in May—and the Approved Budget—submitted to the City Council in June—are available to the public prior to each meeting.

City departments work with the Finance Department to compile their budget requests and capital projects information between November and March of each year. Then, this information is reviewed by City management. During this same time frame, Finance and City management review revenue and expenditure forecasts, as well as financial environmental trends. All of this information is compiled, prepared and presented to the Budget Committee as the **Proposed Budget**. After the Budget Committee reviews and deliberates over the Proposed Budget and makes any appropriate changes, the Committee then recommends and forwards to the City Council an **Approved Budget**. After a public hearing, the Council takes action on any final changes deemed appropriate, and adopts the budget in late June. The **Adopted Budget** becomes effective July 1. The final Adopted Budget is available on the City's Website and available to citizen's upon request.



Budget Committee

The Budget Committee consists of the Mayor, six City Councilors, and seven citizens appointed by the City Council. Citizen members serve three-year terms. Meetings occur approximately twice a year in the evening at the Civic Center. The Committee has the legal authority to change any portion of the proposed budget and is responsible for approving it.



JERRY WILLEY
MAYOR



DARELL LUMACO
COUNCILOR
WARD 1



MEGAN BRAZE
COUNCILOR
WARD 1



ARON CARLESON
COUNCIL PRESIDENT
WARD 2

Hillsboro Mayor & City Council



OLGA ACUÑA
COUNCILOR
WARD 2



STEVE CALLAWAY
COUNCILOR
WARD 3



FRED NACHTIGAL
COUNCILOR
WARD 3

Citizen Members

RANDY AKIN

Finance/Portfolio Director

KYLE ALLEN

Non-Profit Management

JOHN GODSEY

Retired Engineer

LISA GOODWIN

Database Administrator

NATHAN PARENT

Information Technology Services

DENZIL SCHELLER

Business Owner

DAVID TORRES

Banker

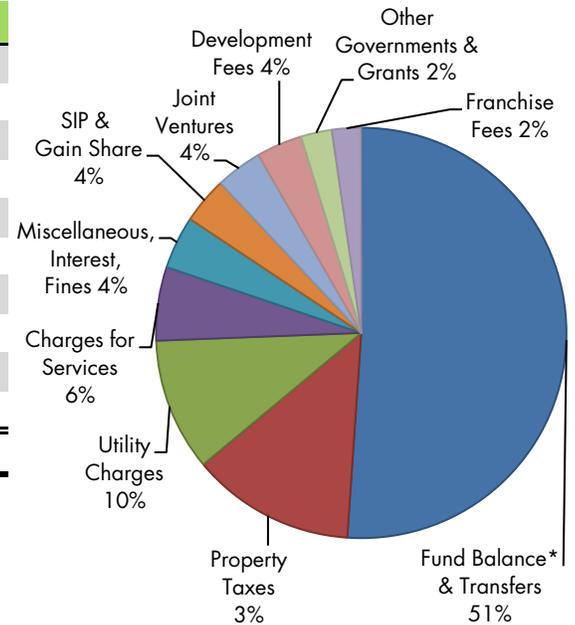
Visit the City's website at www.hillsboro-oregon.gov to see the map of Hillsboro's three wards and to learn more about Hillsboro's Mayor and City Councilors.

Where The Money Comes From

Resources of all Funds Combined by Category

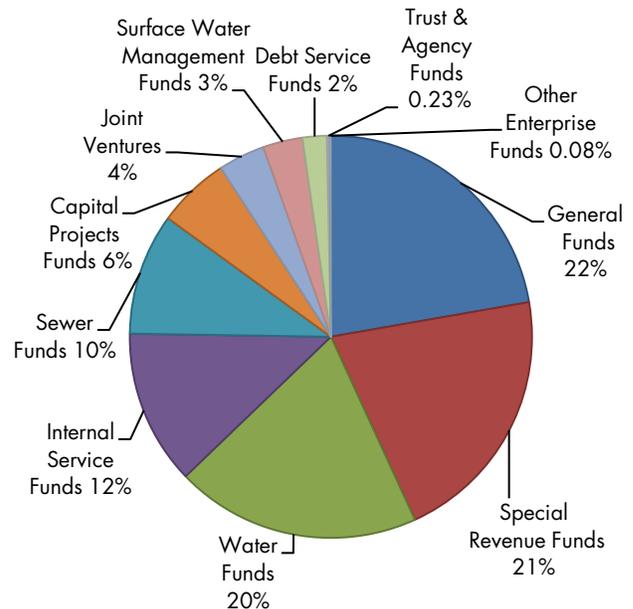
Fund Balance* & Transfers	\$ 229,445,752
Property Taxes	57,747,851
Utility Charges	47,009,792
Charges for Services	26,031,000
Miscellaneous, Interest, Fines	18,659,296
Joint Ventures	16,402,272
Strategic Investment Program & Gain Share	16,400,000
Development Fees	16,175,737
Other Governments & Grants	10,971,586
Franchise Fees	10,325,000
Total	\$ 449,168,286

*Many funds, like Transportation, Water, Sewer and Building have dedicated resources which can only be expended on these programs. Reserves may be higher in these programs due to saving for future large capital projects.

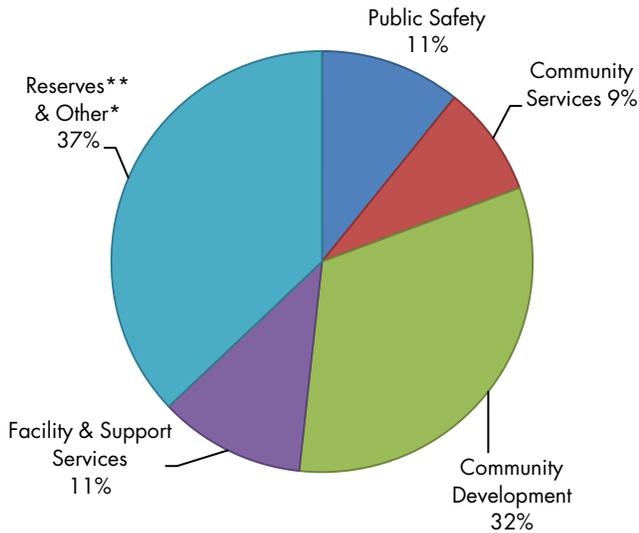


Resources by Fund Group

General Funds	\$ 99,923,950
Special Revenue Funds	93,876,241
Water Funds	88,318,972
Internal Service Funds	55,893,820
Sewer Funds	43,891,480
Capital Projects Funds	26,015,640
Joint Ventures	16,758,972
Surface Water Management Funds	14,247,695
Debt Service Funds	8,838,000
Trust & Agency Funds	1,038,816
Other Enterprise Funds	364,700
Total	\$ 449,168,286

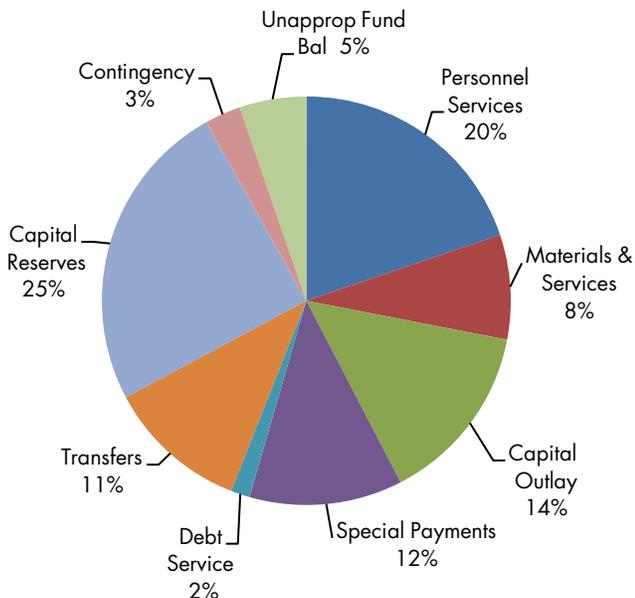


Where the Money Goes



Expenditures by Service Area		
\$	29,056,190	Police
	515,387	Municipal Court
	18,694,114	Fire
	263,928	Emergency Management
	48,529,619	Public Safety
	8,635,370	Library
	29,587,892	Parks and Recreation
	38,223,262	Community Services
	4,819,006	Planning
	2,827,982	Economic Development
	11,725,531	Building
	46,606,725	Water
	79,619,496	Public Works
	145,598,740	Community Development
	3,607,346	City Manager's Office
	2,344,374	Risk Management
	1,502,884	Human Resources
	2,903,114	Finance
	6,791,016	Information Services
	33,225,003	Facilities & Fleet
	50,373,737	Facility & Support Services
	19,017,777	Other*
	147,425,151	Reserves & Contingency**
\$	449,168,286	Total

*Non-Department Expenditures
 **Reserves for all Departments



Expenditures of All Funds Combined by Category		
\$	88,833,404	Personnel Services
	37,208,036	Materials & Services
	64,323,435	Capital Outlay
	54,433,052	Special Payments
	6,592,177	Debt Service
	50,353,031	Transfers
	110,863,289	Capital Reserves
	12,848,559	Contingency
	23,713,303	Unappropriated Fund Balance
\$	449,168,286	Total

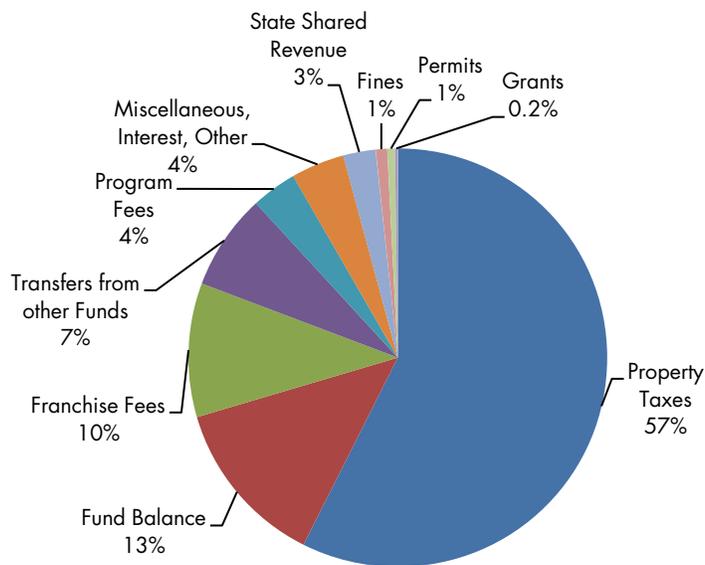
The City's General Funds

The City has two funds that are considered General Funds for reporting purposes. The City's primary General Fund accounts for all revenues and expenditures of a general nature that are not required to be recorded in another fund. General Fund revenue is derived from property taxes, charges for services, franchise fees, grants, and transfers from other funds. The Economic Development Fund, also grouped with the General Funds, accounts for all economic development activities. Sources of revenue for Economic Development include Strategic Investment Program and Enterprise Zone revenues and General Fund support. Economic Development resources fund activities to attract new businesses to Hillsboro, facilitate their transition to the area, and beautify the City and enhance our community's livability.

General Fund resources pay for Police, Fire, Parks & Recreation, Library, Planning, Municipal Court and Economic Development services.

The graphs on the right and on the following page represent where the General Fund resources come from and what they are spent on.

General Fund Resources by Category	
Property Taxes	\$ 57,390,851
Fund Balance	12,975,000
Franchise Fees	10,325,000
Transfers from other Funds	7,415,000
Program Fees	3,502,600
Miscellaneous, Interest, Other	4,119,840
State Shared Revenue	2,504,900
Fines	883,000
Permits	590,000
Grants	217,759
Total	\$99,923,950



The City's General Funds

General Fund Expenses by Department and Category

Police	\$ 28,874,085
Fire	18,694,114
Municipal Court	515,387
Public Safety	\$48,083,586
Parks and Recreation	18,006,181
Library	8,635,370
Community Services	\$26,641,551
Planning	4,819,006
Economic Development	4,394,840
Reserves	12,159,674
Special Payments	1,284,193
Transfers to Other Funds	1,531,100
Street Lighting	1,010,000
Total	\$99,923,950



Police



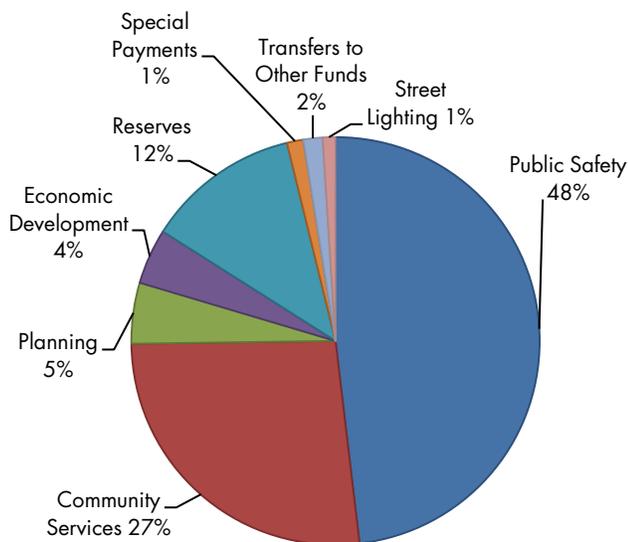
Fire



Parks



Library



Property Taxes

Property Taxes

The City's General Fund operating budget relies on property taxes for approximately 60% of its total budget. Measure 50 created a State property tax system which moved local governments from a dollar-based tax system to a rate-based tax system. The City currently has a permanent tax rate of \$3.6665 per \$1,000 of assessed property value. The City tax rate funds city services. Other agencies, including the County and Schools also have tax rates for their services. All of these rates combine to represent a full property tax assessment that is reflected in the annual property tax statements provided by Washington County Assessment and Taxation—due to the assessor by November 15th of each tax year.

City Local Option Tax

Additionally, the City has a voter approved five year Local Option Tax (LOT) of \$1.72 per \$1,000 of assessed property value specifically for Police, Fire, and Parks & Recreation maintenance services. The total tax rate, including the LOT for city services, is \$5.3865 per \$1,000 of assessed value. Local option levies are five year levies. The levy was first approved by voters in 1998. The current levy goes through FY 2017-18.

Washington County Cooperative Library Services Levy

Washington County Cooperative Library Services (WCCLS) was established in 1976 with the passage of the first countywide tax measure to fund library services. At that time, over half of the county population did not have access to a public library. Currently, the county, nine cities and two non-profit organizations are part of this cooperative structure. The current five-year levy is \$0.17 per \$1,000 of assessed value. The City receives a share of these funds annually to help maintain Library services. For more information about WCCLS visit: www.wccls.org.

City's Assessed Value

Annual property taxes are calculated using the Assessed Value (AV)—as opposed to the market value—of your property. Taxes are calculated by taking a property's AV divided by 1,000 and multiplied by the rate for the tax code where the property resides (subject to Measure 5 limitations). The City of Hillsboro is unique in terms of the makeup of its AV. The City represents only 18.5% of Washington County's total AV, but 56% of the industrial property and 50% of the machinery and equipment of the entire County. With the reliance on the industrial sector comes more risk of significant shifts in AV which can equal to more volatility in annual property tax assessments. Due to how quickly this type of property depreciates, continued reinvestment becomes very important in maintaining AV. The City's AV annual growth has been fairly healthy with the exception of 2012-13 where growth rates for the City were at record lows. The 2014-15 budget assumes a 4% AV growth rate. Tax rolls are certified by the County on or before the end of October of each fiscal year.

Tax Comparisons

The City of Hillsboro is a full service City providing Police, Fire, Parks, Libraries and other general services. The chart on the next page compares the City of Hillsboro tax rates to other cities in the metro region. In order to make this table comparable from one agency to another, it is necessary to add services provided by special service districts like Tualatin Valley Fire and Rescue and Tualatin Hills Parks and Recreation District.

Tax Comparisons

City	City Rates *	City Bonded Rates	City Urban Renewal	Fire District	Park District	Library Services	Comparable City Service Cost**	County & Other Districts	Education Total ***	Total Tax Rate Overall
Tualatin	2.2665	0.2817		1.9061	0.0900	0.1700	4.7143	3.3347	8.2937	16.3427
West Linn	2.1200	0.4390		1.9061		0.3963	4.8614	3.3249	10.3952	18.5815
Tigard	2.5007	0.4314	0.0673	1.8986	0.0895	0.1700	5.1575	3.3219	8.2596	16.7390
Hillsboro	5.3755		0.0415			0.1700	5.5870	3.3242	8.2657	17.1769
Gresham	3.5078		0.9366			1.1800	5.6244	4.9740	6.3111	16.9095
Forest Grove	5.5554	0.3997				0.1700	6.1251	3.3347	8.8367	18.2965
Lake Oswego	4.7740	0.5477	0.6648			0.3806	6.3671	3.1948	7.6379	17.1998
Milwaukie	4.0636			2.4424	0.5326	0.3963	7.4349	3.4189	8.0984	18.9522
Wilsonville	2.0173	0.1233	3.2254	1.6016		0.3085	7.2761	2.7185	8.7025	18.6971
Oregon City	4.1982	0.1088	0.8422	2.3248		0.3773	7.8513	3.2106	7.1159	18.1778
Beaverton	4.1376	0.2286	0.0361	1.9028	1.7252	0.1700	8.2003	3.3291	8.9269	20.4563
Portland	7.0060	0.1983	2.6380			1.1800	11.0223	4.5073	8.5788	24.1084

*Includes City's Permanent Rate as established under Measure 50, any local option levies adjusted for urban renewal if applicable

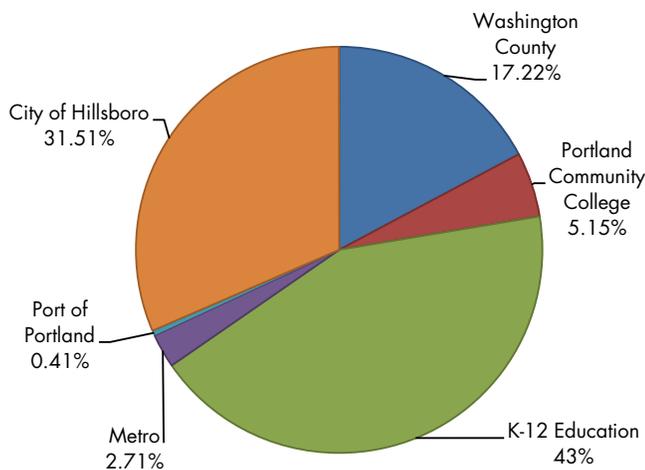
**The chart is sorted in order of "Comparable City Service Cost"

*** Education is limited under Measure 5 to \$5 per 1,000 Assessed Value

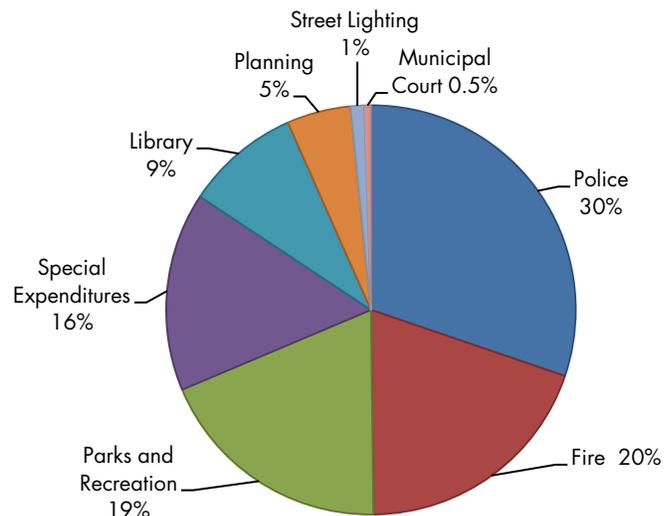
The average Hillsboro resident pays \$17.17 per \$1,000 in AV (subject to Measure 5 limitations). Therefore a homeowner with AV of \$200,000 is paying \$3,434 annually. Of this amount, the City of Hillsboro receives 31.5% or \$1,080. The remaining amounts are allocated to county, education and other regional services.

Tax Dollars at Work

Tax Code 7.01



Tax Dollars at Work in Hillsboro



Capital Improvement Program

The Capital Improvement Program (CIP) section of the budget shows the City's investment in any project that adds, improves and extends the life of the City's infrastructure. The City budgets its major construction and acquisition activities in one of seven capital improvement project categories. Generally, projects with a total cost of \$25,000 or more are included in the CIP. In addition to capital projects, fleet vehicles are included in the CIP. The CIP projects are tracked in several categories:

1. **Parks Capital Projects:** development or expansion of parks, parks facilities, and aquatic facilities.
2. **Transportation Projects:** development, construction, and/or expansion of transportation infrastructure.
3. **Sanitary Sewer Projects:** development, construction, and/or expansion of sanitary sewer system infrastructure.
4. **Surface Water Management (SWM) Projects:** development, construction and/or expansion of storm water system infrastructure.
5. **Water Projects:** development, construction, and/or expansion of the water supply, treatment and distribution infrastructure.
6. **Facility Projects:** acquisition, construction, and/or replacement of existing or new city facilities.
7. **Fleet Replacements:** replacement or upgrade of citywide vehicles and large equipment.

Depending on the type of project, financing sources can include systems development charges (SDC), operating revenues, bonded debt, other one-time revenues, and/or a combination of several different revenue sources. The individual project descriptions within the larger budget document include information on the financing sources used for each project.

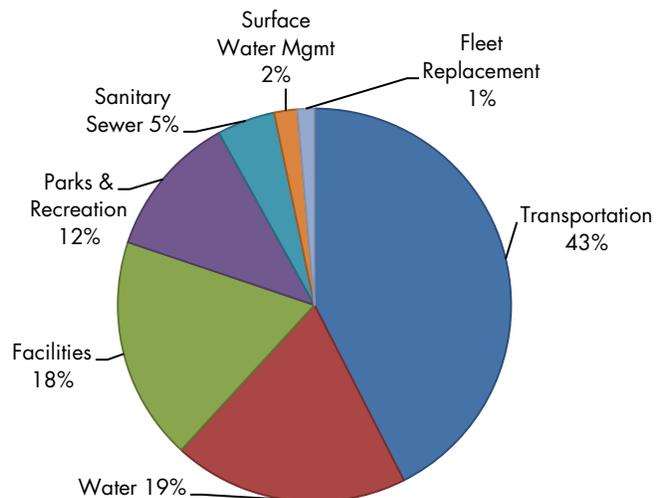
Some notable projects included in the Capital Improvement Program for the 2014-15 budget year are:

- Parks & Recreation – Orenco Station Plaza Development (\$2,400,000)
- Public Works Transportation – 253rd Extension (\$13,368,333) and Downtown 2-way Conversion (\$1,000,000)
- Public Works Sanitary Sewer – NW 1911/1936 Sanitary I&I Abatement (\$2,428,000)
- Public Works SWM – Storm Sewer Master Plan (\$300,000)
- Water – Willamette Water Supply (\$2,570,000)
- Facilities – Public Works Operations Facility and Fleet Division Shop (\$9,747,214)

For more detailed information regarding all the projects included in the Capital Improvement Program, visit:

www.hillsboro-oregon.gov/Finance.

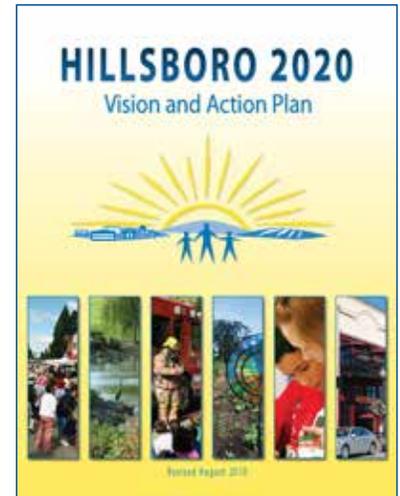
Capital Improvement Program	
Transportation	\$ 26,715,879
Water	12,150,000
Facilities	11,532,214
Parks & Recreation	7,400,320
Sanitary Sewer	3,004,000
Surface Water Mgmt	1,195,939
Fleet Replacement	866,100
Total	\$62,864,452



Citywide Strategic Projects

Hillsboro 2020 Vision

The City of Hillsboro continues to be a proud partner in supporting the Hillsboro 2020 Vision and Action Plan, Hillsboro's 20-year community plan. The City is responsible for leading the implementation of numerous items in the Vision and Action Plan as well as providing support to the citizen-led Vision Implementation Committee (VIC). For nearly 15 years, Hillsboro 2020 has been a catalyst for many remarkable projects including the Venetian Theater and Bistro, Hondo Dog Park, the Civic Center and Tom Hughes Plaza, community gardens, enhanced after school programs, the Glenn and Viola Walter's Cultural Arts Center and many more. With the 2020 Vision and Action Plan now in its second decade of implementation, and over 90% complete, the VIC and City Council have called for a renewal of the Vision plan to extend beyond the year 2020 to 2035. More than 4,300 residents, employees, parents and students took time to contribute approximately 4,500 ideas that will help launch the 2035 Community Plan. For more information visit www.hillsboro2020.org.



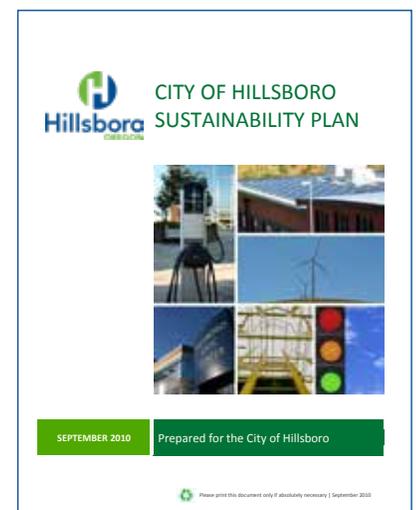
Strategic Plan

The City of Hillsboro Strategic Plan was adopted by City Council in January 2010. Incorporating input from citizens, employees, stakeholders and elected officials, the five-year plan was created through the hard work and dedication of staff representing each City Department. The Strategic Plan focuses on internal city operations and administration. As of January 2014, the City has initiated a majority of action items within the strategic plan and continues to implement a number of actions. Over 70% of the plan is complete and all but a dozen actions in the plan are initiated. For more information about the City of Hillsboro Strategic Plan, visit the City's website or contact the City Manager's office at 503-681-6219.



Sustainability Program

Sustainability – defined by the City of Hillsboro as providing for the needs of our citizens, providing a healthy and satisfying work environment for our employees, and minimizing our impact on the physical environment of the community – continues to be a high priority for City leadership. The City's organization-wide Strategic Plan supports this imperative through Goal 8: "Promote environmentally-sustainable practices." The City has established long-range (2030) environmental sustainability goals and has implemented numerous projects to improve operational efficiencies. In addition, the City facilitates the Hillsboro Sustainability Task Force, which was established as a result of the Hillsboro 2020 Vision and Action Plan. The Task Force is comprised of representatives from private and public institutions and individuals in Hillsboro who are appointed by the Mayor. Over the past year the Task Force has developed community-wide sustainability benchmarks and indicators, as well as potential projects that benefit those indicators. To learn more visit www.sustainability.hillsboro-or.gov or contact the City Manager's office at 503-681-6191.



Strategic Investment Program & Gain Share

Strategic Investment Program (SIP)

The SIP was enacted by the 1993 legislature to increase Oregon's competitiveness and to create jobs. The program addresses the capital intensive nature of the high tech industry and how taxes are applied to the expensive machinery and equipment. The City, along with Washington County, has four SIP agreements, three with Intel Corporation (two currently active), and one with Genentech. Under these agreements, the company pays taxes on the first \$100 million in investment, a community service fee not to exceed \$2 million and other negotiated fees. The City receives fees in lieu of property taxes under the SIP. The negotiated fees ensure that companies under an SIP pay full freight on all land and buildings, and that only the extraordinary equipment is assessed at a lower rate. The City, Washington County and Intel signed the 2014 SIP agreement on August 26, 2014. The SIP is the largest in the state history allowing Intel to invest up to \$100 billion. The City has historically used the annual SIP payment for debt service on capital infrastructure and other capital needs.

Gain Share

Gain Share was enacted by the State Legislature in 2007. Gain Share is tied directly to an active SIP agreement. SIP agreements reduce property taxes locally, which is the revenue source that largely funds local government services. At the same time, SIP agreements, increase personal income tax revenues which, funds the State's budget, due to the increase in jobs created by the new investment under an SIP. The intent of Gain Share is to make the SIP program a win/win for both local governments and the State. Gain Share allows local governments to share in the growth of State income tax collections calculated as a direct result of job growth spurred by the local investment covered under a SIP. The City has received annual payments from Gain Share for the last three years, and has worked with the City Council to identify guiding principles around the use of Gain Share. The 2014-15 budget puts Gain Share to use by improving pedestrian access around schools, investing in the Downtown street conversion from one-way to two-way streets, and through economic development strategies related to the north industrial area of Hillsboro, as well as allocating additional reserves in the General Fund to continue the City's tradition of fiscal stewardship. Through the Gain Share program, the City and Washington County committed \$5 million in 2013-14 and \$8 million in 2014-15 to local schools. Approximately \$4.9 million came from the City. The money is being used to hire additional teachers and fund entire school days.



Frequently Asked Questions

What is the Transportation Utility Fee (TUF) and what is it used for? The City's road network has expanded dramatically over the last 20 years and like any other asset it needs to be maintained regularly to extend its useful life. TUF pays for preventative maintenance like slurry seals and micro-surfacing. This process applies a thin layer of asphalt and fine sands over the street surface to fill in small voids and cracks which protects the street from water damage. This can also improve your car's ability to grip the roadway. TUF also is used for overlays where asphalt is removed and replaced. The TUF also pays for bike and pedestrian pathways.



How do I read my water meter? Your water meter is the best way to check how much water your household is using and to also help you detect any water leaks. Locate your meter box and look at the meter dial, read the numbers on the dial from left to right (similar to reading an odometer). After reading your number, simply subtract the last reading listed on your last water bill statement from the current reading on your meter.



In what ways does the City support the Hillsboro School District? The Council takes great pride in their partnerships with other agencies, especially the school district. The City support is both direct as in the example of Gain Share and in-kind. The City has 7 School Resources Officers including a Sergeant. The City provides maintenance for all district competition sports fields and allows free access to City owned facilities. Additionally, the City provides after school programs, homework clubs, supports the Youth Advisory Council, a robust internship program, and more. The district also allows the City access to facilities to program various youth and adult sports leagues, camps and other special events.



Why can't money be moved to different services or programs where it is most needed? Dedicated funds are legally restricted to specific expenditures. Each fund is used to account for specific transactions that act as control mechanisms to ensure money is spent on authorized purposes for which it is collected.

I want to attend a City Council meeting. What kind of information do I need to know? Citizens are welcome and encouraged to attend a City Council meeting. Meetings are held the first and third Tuesdays of the month. More information and a meeting schedule is available on the Council Meetings page. Meetings are also broadcast live on Tualatin Valley Community Television on cable channel 30.



2013-14 Budget Highlights

Building on our Success

Innovation

Dedication

Teamwork

Police

- Completed 384 DUI arrests
- Officers opened 12,544 cases
- Administered seven grants and applied for new grants to support programs and services
- Property and Evidence Division managed over 9,000 items of property, destroyed over 1,603 lbs of drugs, weapons and property
- Collected over 300 lbs of unwanted prescription drugs during the National Rx Take Back event
- Responded to 81,115 calls for service in the community

Fire

- Increased survival rates from cardiac arrests to 60% when patient was in ventricular fibrillation
- Implemented operational efficiencies - reduced budget at the same time as a 19% increase in call volume while maintaining and improving service levels
- In process of going paperless - digitized all records and contracts, implemented digital forms and database department-wide

Library

- Grand re-opening of Shute Park on March 15th after 10 month closure
- Public computing equipment in the Main Library will be upgraded in 2015
- 2,817,795 checkouts and renewals in FY 12-13
- The Main Library added five more open hours each week starting in July 2013

Planning

- Initiation of the South Hillsboro Master Plan
- Orenco Platform District Development Approvals
- Initiation of Tualatin Valley Highway Business Access Lane Study

Building

- Continued to support the expansion of Intel with the addition of D1X MOD2
- New permitting system (in collaboration with Planning, PW and Water)
- July 2013 to January 2014 - 688 building permits issued
- 90% of over-the-counter simple permits issued within one business day of receipt
- 85% of commercial building permits completion of initial review within 10 business days of receipt

Economic Development

- In collaboration with the Hillsboro Chamber of Commerce, conducted 145 visits to key Hillsboro employers
- Initiated Greater Portland Regional Large Lot Recruitment Strategy
- Completion of 4th Main mixed use project
- Funding support for the Future Connect Program that provides scholarships and services to 50 first generation high school students enrolled at PCC Rock Creek
- Completed infrastructure plan and initiated funding strategy for N. Hillsboro Industrial Area and supported bringing 160 acres of industrial land to market.

Parks & Rec

- Progress on several medium and long-range park planning, acquisition, and development opportunities including - South Hillsboro, AmberGlen, Orenco Woods, Jackson Bottom Wetlands Preserve
- Development of the Public Art Program
- 9,121 Parks Facilities Rentals FY 2012-13
- 4,401 After School Program Registrations FY 2012-13
- CELEBRATE HILLSBORO - an annual day-long celebration for the community

Water

- TVWD agreement to begin planning and initial construction of Willamette Water System infrastructure for the 50-year water supply
- Staff completed inspections and maintenance on a record 784 hydrants
- Completed implementation of a comprehensive water quality sampling database

Public Works

- *Capital Improvement Project (CIP)* - NE Veterans Drive Phase II Extension
- *CIP* - Converted bike lanes on NE Harewood to Bike Buffered Lanes
- *Traffic* - 66 traffic signal pedestrian countdown time retrofits at 9 intersections
- *Sanitary Sewer* - 25,740 linear feet of main line replaced
- *Surface Water Management* - 702 public water quality facility (WQF) inspections
- Grant Street Pedestrian Improvement

City Manager's Office

- Continued coordination for implementation of the Hillsboro 2020 Vision and Action Plan
- *Sustainability Plan* - The City received Honorable Mention from the 2013 U.S. Conference of Mayors' Climate Protection Award
- *Communication and Outreach* - launch of a new and more robust City website and increased employee communications
- *Strategic Plan* - Continued ongoing efforts to implement the goals and action items of the Strategic Plan

Human Resources

- Revamped the City's recruitment process and created a "Recruitment Guide"
- Led a "Hillsboro U" event that brings City employees together for a week of training, collaboration, and professional growth
- Final stages of a Classification and Compensation Study for all non-represented full-time positions in the City, results will be implemented during FY 2014-15

Information Services

- Development of the Business Process Management program EUREKA!
- Implemented the new land use and development system, known as project ELIS
- Completed network infrastructure and installed new equipment at the Main Library second floor buildout and the Shute Park Library
- Moved the server room to an offsite data center
- Mobile Data Terminals (MDT) upgrades for Police

Finance

- Worked in partnership with HR to issue a request for proposal (RFP) for deferred compensation providers to reduce participant fees and improve investment choices for employees who participate in this voluntary benefit
- Worked in partnership with HR to develop the Classification & Compensation study and will continue to work with HR to implement in FY 2014-15
- Partnered with IS to implement EUREKA! program to help departments with their business process management
- Continued to sustain the City's financial health and stability

Facilities and Fleet

- Continued budget and contract management for facility construction projects
- Completed programming portion of design process for the future new Public Works and Fleet facility
- Completed the renovation and buildout of the Shute Park Library - grand re-opening was held on March 15, 2014
- Incorporated preventative maintenance schedules into new fleet software
- Completed installation of new City logo on 100 fleet vehicles

Connect with Hillsboro

Get involved with the City of Hillsboro!

Here in Hillsboro we take pride in having an open, entrepreneurial and cooperative approach toward serving the community. Success to us means working together, and we invite you to work with us to enhance this great place we all share.

Whether you want to learn about or weigh in on a current public project, help with an ivy pull to restore a local park, share your skills with us on a committee or board, or participate in one of many other opportunities to make Hillsboro an even better place, we want to hear from you!

Apply to join a City Commission, Committee or Board:

The City of Hillsboro seeks volunteers to serve on our various standing boards, commissions and committees. These appointed positions are filled by Hillsboro citizens who are interested in public decision-making and civic life. It is important that the whole community be represented, and we strive to have membership represent the full range of diversity in our community.

Interested in applying for a position and sharing your experience and talents with the City? Check out our Commission, Committees & Boards webpage for information and application forms.

Volunteer with us:

From shelving library books to helping coach after-school sports, our volunteers are crucial to maintaining Hillsboro's high quality of life. Whether you're looking to meet new people, learn valuable skills, spruce up your resume or simply better your community, volunteering with the City of Hillsboro is a great way to reach your goals. Plus, Hillsboro's wide variety of departments and public services accommodates all interests. For more information, visit our volunteer opportunities webpage.

Attend a public open house, informational meeting, or feedback forum:

These are held periodically by various departments in order to hear your ideas for Hillsboro's future. Meetings focus on projects ranging from community plans for specific areas of town to drawing up new recreational facilities. For more information about projects and meetings, watch the City calendar or news feed at www.hillsboro-oregon.gov.

Share your thoughts in other ways:

- City website feedback forms - The City website contains links to feedback forms found throughout the site.
- Contact us directly - Ideas or questions can be sent directly to city staff, City Councilors, or the Mayor. Contact information can be found on the City website by department.

What Guides the City's Budget?

- Vision 2020/2035
- Citywide Strategic Plan
- Annual Council Priorities
- Department Strategic Plan
- New Laws & Regulations
- Opportunity
- Growth Escalators vs. Cost Escalators

Key Initiatives

- Departments continue to work hard to maintain lean budgets while continuing to provide the highest quality of service.
- Maintain adequate reserves in the General Fund and other funds to ensure the City is well-positioned for future economic changes.
- Align the City's strategic planning efforts with the budget.
- Continue efforts to make Hillsboro a livable Community