

City of Hillsboro, Oregon  
**Budget in Brief**  
Fiscal Year 2020-21



# 2020–21 Budget Highlights



To my Hillsboro neighbors and friends,

Thank you for taking the time to read the City of Hillsboro’s Fiscal Year (FY) 2020-21 Budget. The City of Hillsboro provides high-quality services to more than 103,000 residents each year by maintaining a fiscally conservative budget, and by thoughtfully planning for the short- and long-term needs of our community.

This has been one of the most challenging budgets to put together in Hillsboro’s recent history. The last fiscal year’s budget was not immune to impacts from COVID-19. We have seen significant revenue reductions in areas such as the Transient Lodging Tax, Parks Programming, and Gas Tax. To reduce expenses, the City has implemented a hiring chill, moving forward only essential positions. The City has suspended outside training and travel. City departments are reducing expenditures wherever possible. These changes are helping us weather this storm, but we have a long way to go and we don’t know when this will end.

This year’s \$747 million budget reflects City Council priorities, the goals of the Hillsboro 2035 Community Plan, and our City’s mission and core values. The budget maintains the long-term financial health of our General Fund and other critical City Funds. Assessed values (AV) in the City of Hillsboro grew by 5.24% (including Urban Renewal) in FY 2019-20, and the City projects a 4% increase in AV for FY 2020-21.

Highlights of the FY 2020-21 Budget include:

- Diversity, equity, and inclusion (DEI) work continues by building on the City’s equity statement, with the implementation of the equity lens in the delivery of City services and policy-making.
- A new affordable housing project is moving forward on our 53<sup>rd</sup> Avenue site.
- The Hidden Creek Community Center is scheduled to open in fall/winter 2020.
- We are investing in additional improvements to our new Fire Training facility, which will open in 2020.
- Our support and investment of the Willamette Water Supply Program continues.
- We will be launching HiLight service in South Hillsboro and the Shute Park/Southwest Hillsboro areas.
- We are adding 15 new, full-time positions across all departments, including three additional Patrol Officers and seven full-time positions for the Hidden Creek Community Center.

I want to thank Hillsboro Budget Committee members, City of Hillsboro staff, and community members for working together to develop a fiscally responsible budget that meets our growing community’s needs.

The City Council is committed to fostering an equitable and diverse community where all residents feel welcome, included, and safe. We believe that this year’s budget continues to reflect this commitment.

Sincerely,  
Mayor Steve Callaway  
City of Hillsboro

On the Cover-  
Hidden Creek Community Center

Architect: Opsis Architecture

Contractor: Swinerton Builders

Project Management: Public Works- Facilities & Fleet Division



# Growing Great Things



*Innovation, high tech and creative urban gathering places meet hometown values, green spaces, and family-friendly tradition.*

## That’s Hillsboro, Oregon.

Hillsboro’s 103,350 residents enjoy award-winning neighborhoods; exceptional educational, recreational, and cultural experiences; a strong economy; and, one of the state’s most diverse populations. We celebrate our hometown values and agricultural roots, while growing our reputation as the “high-tech hub of Oregon” with some of the best land, power, and water resources in the country.

With the Pacific Ocean to the west and the beautiful Cascade Mountains and Columbia River Gorge to the east, Hillsboro residents are ideally located. Hillsboro is home to the state’s fourth-largest school district, two higher-education campuses, and 35 parks with more than 1,500 acres of designated green spaces, including Jackson Bottom Wetlands Preserve.

Our thriving cultural arts scene includes a community arts center, art galleries, musical groups, and live theater. Hillsboro is also home to the Hillsboro Hops — the three-time Northwest League Champions and the Portland metro area’s only professional baseball team. Annual community events include one of the Northwest’s largest 4th of July parades, the Washington County Fair, and the Celebrate Hillsboro Cultural festival.

## What’s Inside...

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**Adopted Budget**  
**\$746,980,834**  
*July 1, 2020 - June 30, 2021*



# About the City

## Hillsboro, Oregon

While we greatly respect tradition, we are not your traditional City government here in Hillsboro.

We are a financially conservative, yet innovative and forward-thinking, full-service city. We self-identify as a progressive and visionary organization. We appreciate the richness that the diversity of our community offers, and welcome and value each resident, business, and guest by providing exceptional and equitable public services.

Bold and optimistic, we are growing thoughtfully and with a purpose — to be the best City government in the universe. Together with community partners and residents, we work to carefully 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.

We are guided by the Hillsboro 2035 Community Plan, which is modeled after Hillsboro's original award-winning visioning effort, the Hillsboro 2020 Vision and Action Plan, and City Council priorities. See more information on the Hillsboro 2035 Community Plan on page 6.

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.

## Growing Great Things

**Full-time budgeted positions: 912**

**Part-time/temporary positions: 242**

**City Departments: 12**

City Manager's Office •  
Economic Development • Finance  
Public Works • Human Resources • Library  
Parks & Recreation • Fire & Rescue  
Information Services • Police • Water •  
Community Development- Building, Planning,  
and Transportation Divisions

## Form of Government

Hillsboro operates with a Councilor/City Manager form of government. Voters elect the City Council, including six Councilors and a Mayor: each serves a four-year term, subject to a charter-imposed limitation of two consecutive terms. The City Council provides community leadership, develops policies to guide the City in delivering services and achieving community goals, and encourages 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.

## Doing Business in Hillsboro

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

Hillsboro is particularly attractive for its manufacturing infrastructure, technologically skilled workforce, proximity to airports, major highways and interstates, and business-friendly climate. We also offer incentives through urban renewal, enterprise zones and strategic investment programs that help businesses looking to locate or expand in Hillsboro.



# Council Priorities & Guiding Principles

The Hillsboro City Council establishes an annual list of Guiding Principles and Priorities that are not ranked or ordered by importance, and are not an exhaustive list of all City of Hillsboro priorities.

Council priorities are ongoing. They can be created and completed within one or two years; they may have specific budget implications for the coming fiscal year; or, they may be long-range projects and programs that benefit from strong City Council participation and support. The Council's annual list of priorities is developed from the Hillsboro 2035 Community Plan, City Departments' Strategic Plans, and current major focus areas for the City, as identified by staff and supported by the Council.

**To read the Council's Guiding Principles, visit [www.Hillsboro-Oregon.gov/Council](http://www.Hillsboro-Oregon.gov/Council).**

## **Racial Equity**

In alignment with the City's Equity Statement, utilize an equity lens to institutionalize diversity, equity, and inclusion (DEI) into the delivery of City services and policy-making • Review and revise City staff recruitment and selection strategies to achieve equitable and inclusive outcomes • Provide ongoing DEI training to City Council and staff

## **Housing Solutions**

Create policies to support and expand workforce housing and regulated affordable housing, including the City's implementation of Metro's Affordable Housing Bond • Engage and collaborate with regional efforts to address homelessness • Support increased density in housing development • Evaluate pathways, such as inclusionary zoning, to increase regulated affordable housing in Hillsboro • Identify and evaluate opportunities to encourage City employees to live in Hillsboro

## **HiLight Broadband**

Continue to develop Hillsboro's municipal broadband utility, HiLight, to deliver reliable and affordable high-speed internet connections to Hillsboro residents, businesses, and schools

## **Community Plan**

Continue to support the implementation of the Hillsboro 2035 Community Plan

## **Environmental Sustainability**

Evaluate home energy retrofit opportunities for Hillsboro residents • Identify opportunities to replace City equipment to reduce the City's carbon footprint • Organize a program that provides Hillsboro residents with trees or saplings in celebration of Arbor Day

## **Utility Services**

Conduct a comprehensive review of the City's transportation utility program and fee structure • Identify potential strategies to create income-based utility rates

## **Business Support & Economic Development**

Continue to cultivate a competitive and business-friendly environment by focusing on business recruitment, support, and retention • Continue the revitalization of Downtown Hillsboro • Support development of the City's Cultural Arts District to grow a diverse arts and culture environment in Hillsboro and improve the economic strength of our creative sector • In coordination with local partners, continue to support small businesses, and identify and implement opportunities to strengthen support for Latinx-owned small businesses

## **Community Engagement**

Review and enhance the City's communication and engagement with community members to hear from more voices, with a focus on culturally competent engagement • Redesign the City's website using a mobile-first design strategy to improve the user experience • Begin planning for the development of a City mobile application to enhance the community's engagement with City services

## **Public Safety & Safe Transportation**

Identify a location to site a new Hillsboro Police Department headquarters • Explore the future co-location of Hillsboro Fire & Rescue Department and Hillsboro Police Department facilities to strengthen the coordination and efficiency of public safety services • Strengthen relationships and grow trust between the Hillsboro Police Department and community members • Identify opportunities to increase safety for people walking and biking



# Citywide Strategic & Major Projects

## Hillsboro 2035 Community Plan

The first five year update of the Hillsboro 2035 Community Plan began in late February 2019, with an extensive seven month public outreach period. During that time, 4,000 community members shared nearly 8,000 ideas for Hillsboro's future. Community input collected during the public outreach phase also informed a parallel effort to update the Hillsboro Community Environmental Sustainability Plan (ESP). The ESP represents one of the five Hillsboro 2035 focus areas and guides implementation of environmental sustainability projects and programs.

In order to bring the two Plans closer together and to enhance coordination, the Sustainability Plan has been fully incorporated into Hillsboro 2035. Also, to better reflect the focus area within Hillsboro 2035, the Environmental Sustainability focus area has been renamed Environmental Stewardship.

A total of 134 new actions were added to the Plan, including 45 Environmental Stewardship actions.

**For more information: [Hillsboro2035.org](https://www.hillsboro2035.org)**

## HiLight

Hillsboro's affordable high-speed internet service is moving toward its goal of connecting every Hillsboro resident, business, and school to the HiLight network.

The fiber network's backbone will connect students at all Hillsboro School District schools. The first two neighborhoods where residents and businesses will be connected are South Hillsboro and the Shute Park/Southwest Hillsboro area, with service launching in fall 2020.

True to its commitment to offer affordable high-speed internet access to everyone in Hillsboro, the City is designing the Bridge program. With support from community partners, HiLight will bring connectivity within reach of Hillsboro's low-income families.

**For more information: [Hillsboro-Oregon.gov/HiLight](https://www.hillsboro-oregon.gov/HiLight)**

## Hidden Creek Community Center

Hillsboro's Hidden Creek Community Center — the largest Parks & Recreation project in Hillsboro's history is slated to open in fall/winter 2020.

Located on 20 acres of land owned by the City across the street from 53rd Avenue Community Park, the Community Center will be accessible, inclusive, and affordable for youth, adults, seniors, and people with disabilities. The two-story facility will feature various indoor exercise and gathering areas, including a multipurpose gym, cardio/weight rooms, and meeting rooms.

**For more information: [Hillsboro-Oregon.gov/CC53](https://www.hillsboro-oregon.gov/CC53)**

## Support for Housing Solutions

Encouraging and supporting innovative housing solutions is a City Council priority. The City has dedicated funding to support programs that promote housing and homelessness services.

The FY 2020–21 budget includes \$18.1 million in Metro Affordable Housing Bonds for the approved affordable housing project to be located on 53rd Avenue. The new housing development will be conveniently located near the new Hidden Creek Community Center and 53rd Avenue park.

## Willamette Water Supply System

The Willamette Water Supply System (WWSS) is a water supply partnership between the cities of Hillsboro and Beaverton and Tualatin Valley Water District. This \$1.3 billion construction project is currently underway and is scheduled to be completed in 2026. This project includes a raw water pipeline from the Willamette River, a water treatment plant, reservoirs, and 30+ miles of water lines. Hillsboro's share of the total project is about \$460 million.

**For more information: [ourreliablewater.org](https://www.ourreliablewater.org)**



# Citywide Strategic & Major Projects

## Advocacy for Diversity, Equity, and Inclusion in City Policymaking and Service Delivery

The City continues its commitment to diversity, equity, and inclusion (DEI) with the prioritization of racial equity. In alignment with the City's Equity statement, the City intends to utilize an equity lens to institutionalize DEI into the development of City policies and programs, as well as the delivery of City services.

As part of that commitment, the City is developing a Strategic Equity Plan, reviewing and revising City staff recruitment and selection strategies, promotion, discipline, and termination practices to achieve equitable and inclusive outcomes. The City's cross-department Equity Team continues to serve as a resource for all City staff and departments. DEI training continues for all City staff and the City Council.

## Hillsboro Civic Leadership

COVID-19 has forced the postponement of the annual Hillsboro Civic Leadership Academy in 2020. Once it is safe, the program will resume and the City will continue to engage a cross-section of community members that includes a diversity of age, gender, sexual orientation, ethnicity, race, religion, ability and other individual identities.

## Additional Efforts

- Jackson School Road project
- Installing LED lights at the Gordon Faber Recreation Complex ball fields
- Advancing and improving safety for all modes of transportation
- Expanding workforce development efforts
- Improvements to Hillsboro Fire & Rescue Department training facility
- Begin the design to expand the City's Fleet Shop facility

## The Role of Strategic Investment Program & Gain Share

The Strategic Investment Program (SIP), authorized by the Oregon State Legislature in 1993, increases Oregon's ability to attract capital-intensive industry, particularly high-tech firms. For example, in 2014, Intel partnered with the City of Hillsboro and Washington County for a 30-year SIP agreement for up to \$100 billion of investment over concurrent 15-year periods. As with past agreements, Intel is required to pay the equivalent of full property taxes on all land and buildings associated with each SIP project, while partially saving on property taxes related to machinery and equipment. SIP funding is used for one-time capital projects and funding for the Pavement Management Program.

Gain Share was enacted by the Oregon State Legislature in 2007 and is tied directly to an active SIP agreement. SIP agreements reduce property taxes collected locally, while increasing personal income tax revenues collected by the State of Oregon. Gain Share makes the SIP program a win/win for both local governments and the State by sharing in the growth of State income tax collections. Gain Share funds are calculated as a direct result of job growth spurred by local investment from a SIP. The Council has set principles to guide the use of Gain Share funding, with a particular focus on uses that assist schools, and community resources like HiLight.



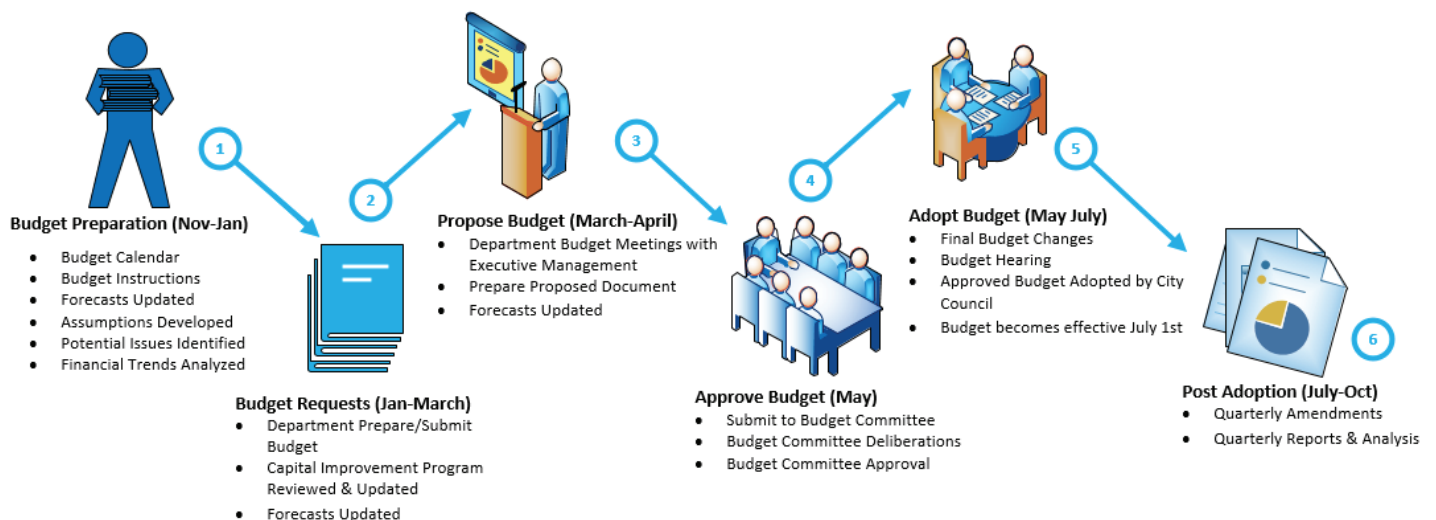
# The Budget Process

## Hillsboro's 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, social media channels, and in Hillsboro's local newspapers. The proposed budget is submitted to the Budget Committee in May and the approved budget is submitted to the City Council in June for adoption. Both are available to the public prior to each meeting.

City departments work with the Finance Department to compile their budget and capital requests between

November and March each year. This information is then reviewed by City management. During the same time frame, Finance and City management review revenue and expenditure forecasts, as well as financial 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 appropriation changes, the Committee then approves and forwards the budget to the City Council. 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.





# Budget Committee

## Committee and Council

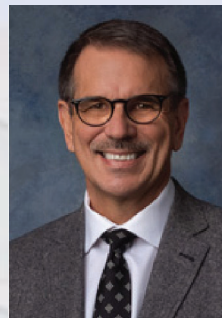
The Budget Committee consists of the seven City Council members, and seven citizens appointed by the City Council. Citizen members serve three-year terms. Meetings occur approximately twice per year in the evening at the Civic Center. The Committee has the legal authority to change any portion of the proposed budget and is responsible for approving it. Visit the City’s website at [Hillsboro-Oregon.gov](http://Hillsboro-Oregon.gov) to see the map of Hillsboro’s three wards and to learn more about Hillsboro’s Mayor and City Councilors.



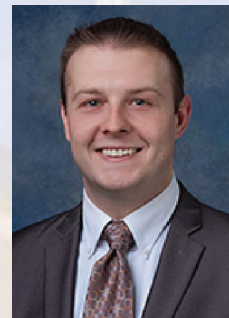
**Steve Callaway**  
Mayor



**Beach Pace**  
Councilor  
Ward 1



**Rick Van Beveren**  
Councilor  
Ward 1



**Kyle Allen**  
Councilor  
Ward 2



**Anthony Martin**  
Councilor  
Ward 2



**Olivia Alcaire**  
Councilor  
Ward 3



**Fred Nachtigal**  
Council President  
Ward 3

## Citizen Members

**Olga Acuña** - Director of Federal Programs, Hillsboro

**Jennifer Davis** - Vice President/Branch Manager, Washington Federal

**Zuhair Gafur** - Engineering Operations Strategy Consultant, Gafur Consulting

**David Judah** - Community Member

**Dan Mason** - Community Manager, MG Properties

**Darell Lumaco**- Ophthalmology Physician, Hillsboro Eye Clinic

**Salvatore Bianco** - Community Member



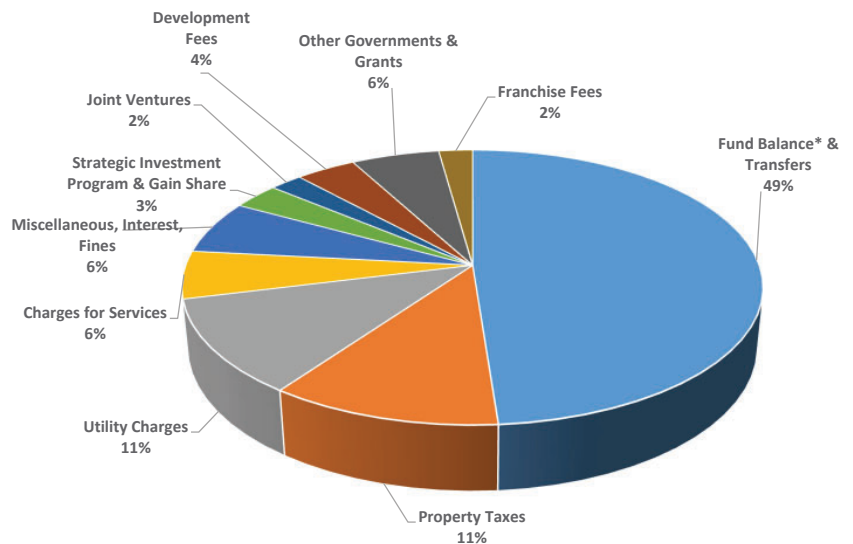
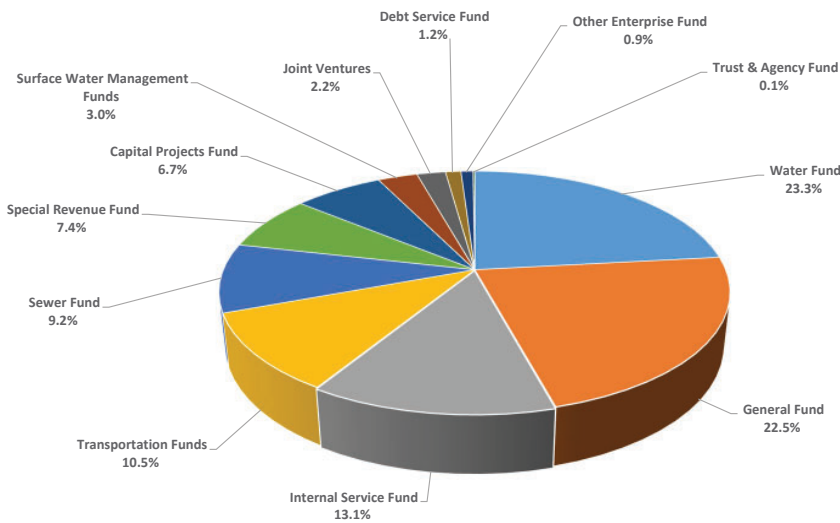
# Where the Money Comes From

## City Resources

Resources by Fund Group	
Water Fund	\$ 173,750,770
General Fund	167,934,789
Internal Service Fund	97,984,941
Transportation Funds	78,237,811
Sewer Fund	68,857,800
Special Revenue Fund	54,990,479
Capital Projects Fund	50,278,565
Surface Water Management Funds	22,252,686
Joint Ventures	16,191,922
Debt Service Fund	8,646,591
Other Enterprise Fund	6,851,950
Trust & Agency Fund	1,002,530
<b>Total Resources</b>	<b>\$ 746,980,834</b>

Resources of all Funds Combined by Category	
Fund Balance* & Transfers	\$ 364,526,702
Property Taxes	83,004,300
Utility Charges	83,524,720
Charges for Services	41,903,106
Miscellaneous, Interest, Fines	46,989,723
Strategic Investment Program & Gain Share	22,920,000
Joint Ventures	15,920,226
Development Fees	29,178,800
Other Governments & Grants	42,618,257
Franchise Fees	16,395,000
<b>Total Resources</b>	<b>\$ 746,980,834</b>

\*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.





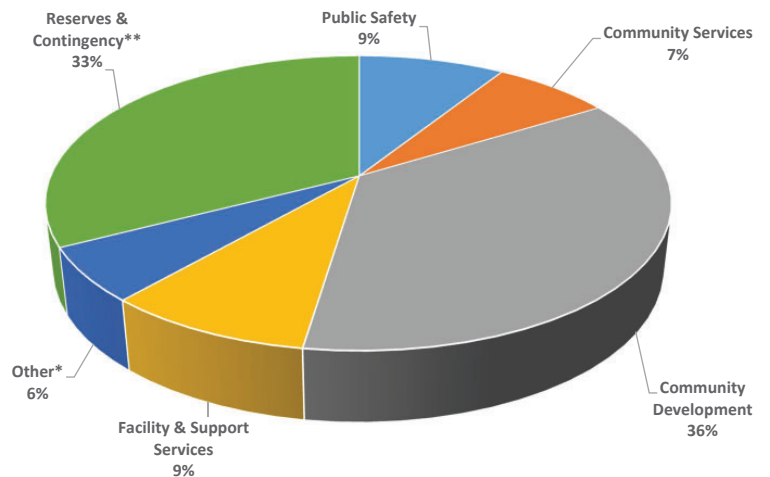
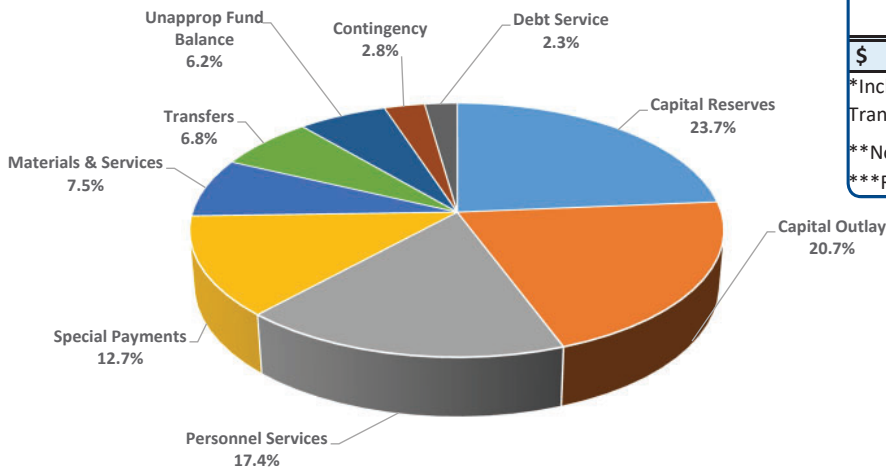
# Where the Money Goes

## City Expenditures

Expenditures of All Funds Combined by Category	
Capital Reserves	176,812,977
Capital Outlay	154,479,931
Personnel Services	130,272,510
Special Payments	95,046,115
Materials & Services	56,148,141
Transfers	50,476,322
Unapprop Fund Balance	46,017,256
Contingency	20,906,733
Debt Service	16,820,849
<b>Total Expenditures</b>	<b>\$ 746,980,834</b>

Expenditures by Service Area		
\$	39,443,890	Police
	516,610	Municipal Court
	26,727,678	Fire & Rescue
	373,841	Emergency Management
	<b>67,062,019</b>	<b>Public Safety</b>
	12,104,658	Library
	41,941,254	Parks and Recreation
	<b>54,045,912</b>	<b>Community Services</b>
	38,265,717	Community Development Dept*
	16,700,644	Economic Development
	4,701,716	Broadband
	118,032,242	Water
	92,569,430	Public Works
	<b>270,269,749</b>	<b>Community Development</b>
	5,991,139	City Manager's Office
	6,182,845	Human Resources/Risk
	9,842,272	Information Services
	4,580,385	Finance
	41,092,161	Facilities & Fleet
	<b>67,688,802</b>	<b>Facility &amp; Support Services</b>
	44,177,386	Other**
	243,736,966	Reserves & Contingency***
<b>\$</b>	<b>746,980,834</b>	<b>Total Expenditures</b>

\*Includes Community Development Administration, Planning, Transportation Planning, and Building  
 \*\*Non-Department Expenditures  
 \*\*\*Reserves for all Departments

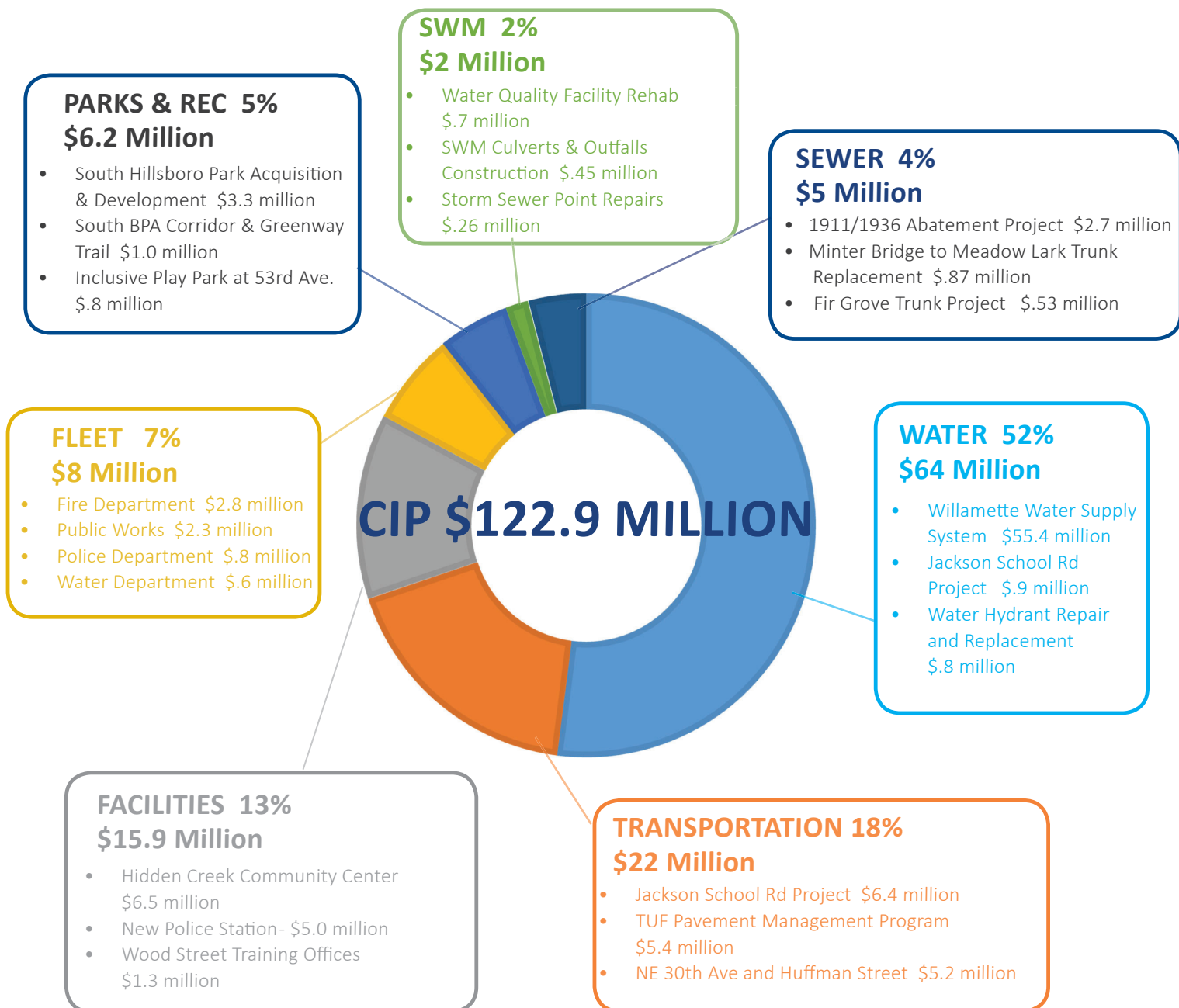




# Capital Improvement Program

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 total cost for the six year CIP covering FY 2021-26 is just over \$659 million. This amount includes \$59 million of projects that have no funding source identified at this time. The FY 2020-21 CIP amount of \$ 122.9 million is broken down as follows, with examples of the top projects listed in each CIP section.



# Debt Service

## Debt Service Overview

The City issues debt to pay for long-term capital improvements. The City only issues debt where the repayment schedule does not exceed the useful life of the capital investment. The City has a limited amount of debt and no outstanding general obligation debt.

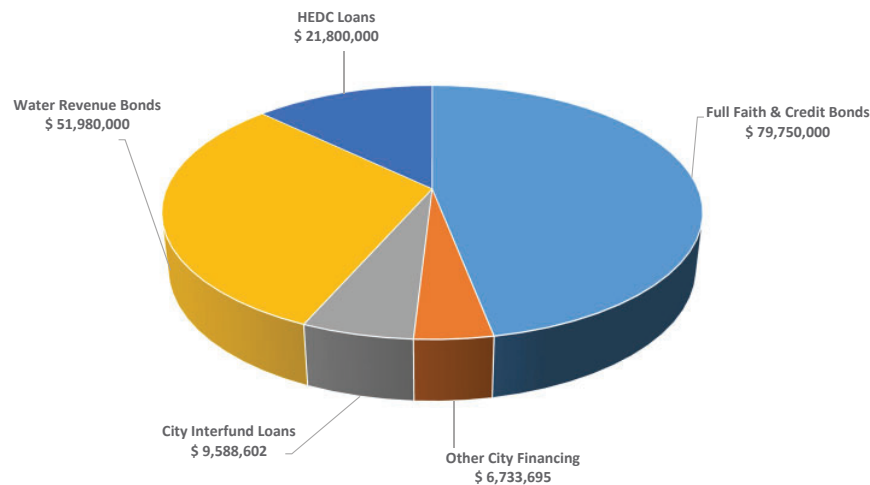
Debt service appropriations provide for the payment of principal and interest on bonds and special obligation notes. The City has revenue bonds, full faith and credit obligations, private loans, and two interfund loans currently outstanding. Full faith and credit obligations are backed by the City's General Fund revenues; however, they may be repaid from other resources such as Strategic Investment Program revenues.

Revenue bonds are used to finance enterprise-related capital to sustain the increasing demands of the system. Revenue bonds are repaid through user fees that are reviewed annually to meet operational and debt service requirements.

Interfund loans are used to loan money from one fund to another fund. Interfund loans must be authorized by official resolution or ordinance of the governing body. Interfund loans can either be for operations or capital expenses. Operating loans must be repaid within one year of the original loan date and capital loans must be repaid within 10 years.

The City's Full Faith and Credit Obligation debt rating provided by Moody's Investors Service is currently Aa1. The City's Water Revenue Bonds Debt rating by Moody's Investors Service is currently Aa2.

The City fulfills its obligation for continuing disclosure requirements under the Securities and Exchange Commission Rule 15c2-12 by filing its audited financial reports and other required disclosures with the Municipal Securities Rulemaking Board Electronic Municipal Market Access (EMMA) database service which is available at [emma.msrb.org](http://emma.msrb.org).



The City incurred significant amounts of planned, new debt in FY 2019-20. The City issued \$35.2 million in Full Faith and Credit (FFC) bonds for construction of the Hidden Creek Community Center and a \$48.2 million water revenue bond for the Willamette Water Supply System (WWSS). The City was approved and entered into a loan agreement with the U.S. Environmental Protection Agency for a \$250.5 million federal Water Infrastructure Finance and Innovation Act (WIFIA) loan in August 2019. The City has not drawn on the loan so its amount is not reflected in the graph above. The City's North Hillsboro Urban Renewal Agency issued a \$23 million note for land purchases in the urban renewal area.

For future debt issuances, the City plans to issue approximately \$26.8 million for the South Hillsboro Local Improvement District in 2021. The City is also likely to issue debt for construction of a new Police Station.



# The City's General Funds

The City has six 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 certain Strategic Investment Program resources, Enterprise Zone revenues, and General Fund support. Economic Development resources fund activities to attract new businesses to Hillsboro, facilitate their transition to the area, revitalize the City, and enhance our community's livability.

The four remaining funds are the General Depreciation Fund, Affordable Housing Fund, Public Arts Fund, and the PERS Stabilization Fund. General Fund resources pay for Police, Fire & Rescue, Parks & Recreation, Library, Planning, Transportation Planning, Municipal Court and Economic Development services.

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

## POLICE



\$39.2 Million

## FIRE & RESCUE



\$26.7 Million

## PARKS & RECREATION



\$28.3 Million

**General Funds**  
**\$167.9 Million**

## LIBRARY



\$12.1 Million

## TRANSPORTATION PLANNING



\$1.2 Million

## PLANNING



\$4.9 Million

## ECONOMIC DEVELOPMENT



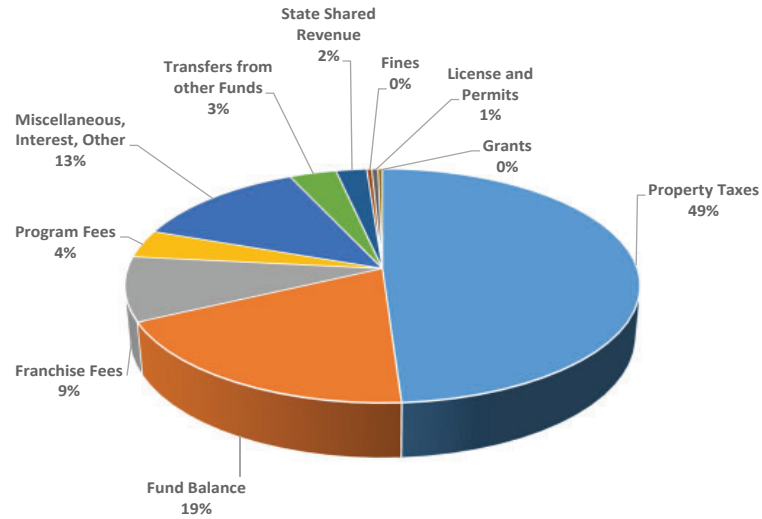
\$4.2 Million



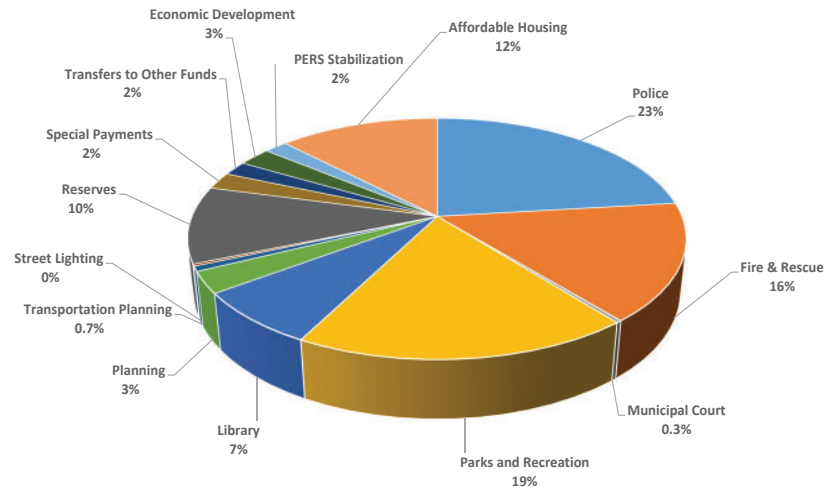
# The City's General Funds

## General Fund Resources & Expenses

General Funds Resources by Category		
Property Taxes	\$	82,242,300
Fund Balance		31,558,771
Franchise Fees		14,950,000
Program Fees		6,415,850
Miscellaneous, Interest, Other		21,444,118
Transfers from other Funds		5,700,000
State Shared Revenue		3,721,000
Fines		607,500
License and Permits		754,000
Grants		541,250
<b>Total</b>	<b>\$</b>	<b>167,934,789</b>



General Fund Expenses by Department and Category		
Police	\$	39,229,785
Fire & Rescue		26,727,678
Municipal Court		516,610
<b>Public Safety</b>	<b>\$</b>	<b>66,474,073</b>
Parks & Recreation		28,298,127
Library		12,104,658
<b>Community Services</b>	<b>\$</b>	<b>40,402,785</b>
Planning		4,876,897
Transportation Planning		1,151,145
Street Lighting		460,000
Reserves		13,450,902
Special Payments		3,861,848
Transfers to Other Funds		3,262,000
<b>Total General Fund</b>	<b>\$</b>	<b>133,939,650</b>
General Depreciation		5,340,000
Economic Development		4,231,451
PERS Stabilization		3,021,000
Affordable Housing		20,999,188
Public Art		403,500
<b>Total</b>	<b>\$</b>	<b>167,934,789</b>





# Property Taxes

## Property Taxes

The City's General Fund operating budget relies on property taxes for approximately 55% 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.

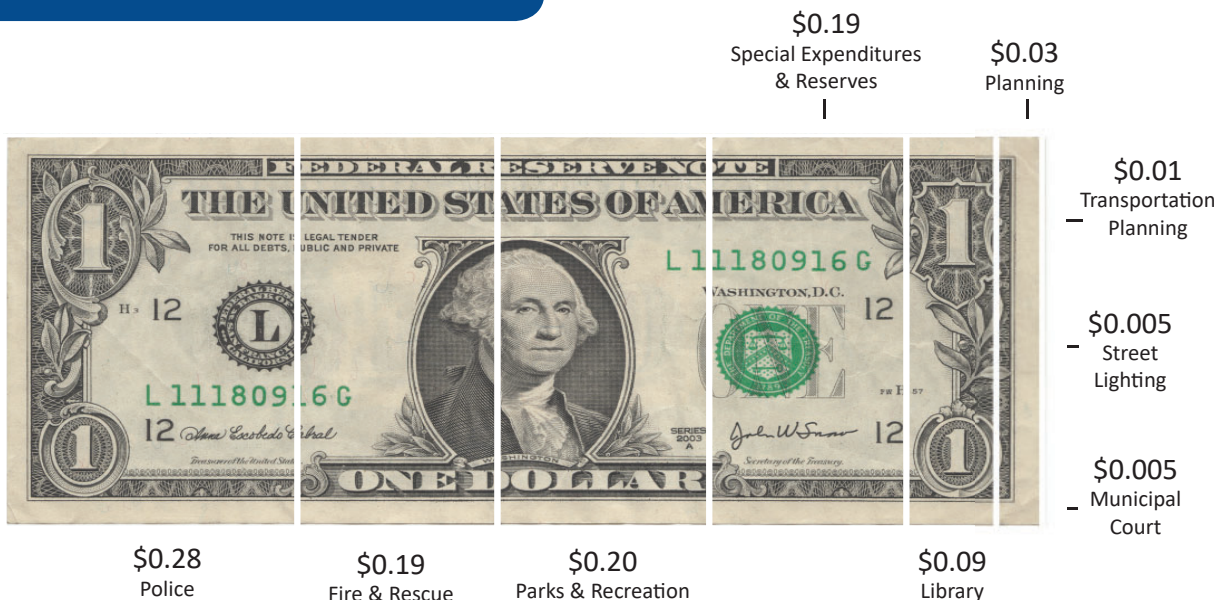
## Local Option Tax

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 & Rescue, 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 operating levies are five year levies. The levy was first approved by voters in 1998 and was renewed in the May 2017 election by an 81% margin. The renewed levy goes through FY 2022-23.

## 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. In May 2020, the levy was renewed for another five years at the current rate of \$0.22 per \$1,000 of assessed value. The levy will go into effect on July 1, 2021 after the current levy expires. The City receives a share of these funds annually to help maintain Library services. For more information about WCCLS visit: [wccls.org](http://wccls.org).

## Your Tax Dollars at Work in Hillsboro

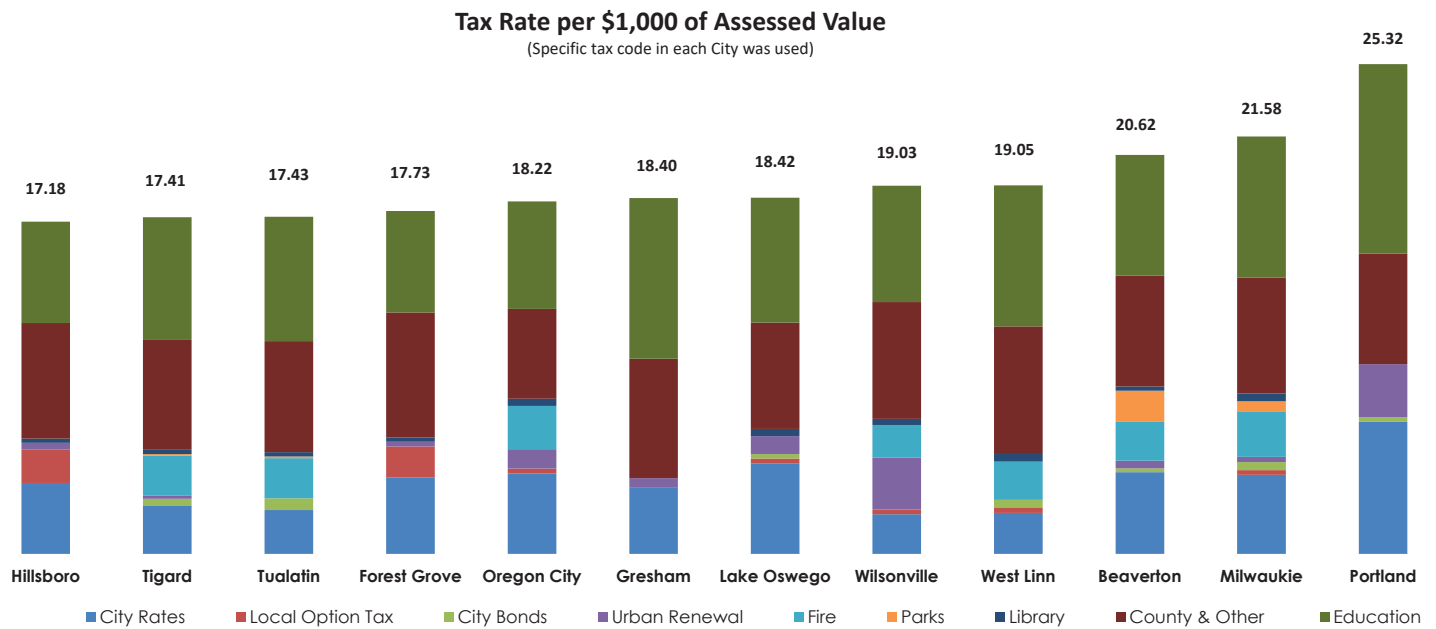




# Tax Comparisons

## Tax Comparisons

The City of Hillsboro is a full service city providing police, fire & rescue, parks & recreation, library and other general services. The chart below 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 Park and Recreation District.



## 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 represents approximately 20% of Washington County's total AV, but has disproportionately more of the total industrial property and machinery & equipment value in the County. A reliance on the industrial sector brings more risk of significant shifts in AV, which

can equate to more volatility in annual property tax assessments. Due to how quickly this type of property depreciates, continued reinvestment is important in maintaining AV. The City's AV annual growth has been fairly healthy. The budget assumes a 4% increase in AV for FY 2020-21. Tax rolls are certified by the County on or before the end of October of each fiscal year.



# Service Delivery Highlights

## PUBLIC SAFETY

### Police Department

Collected 1,657 pounds of unwanted prescription drugs during the annual drug turn-in event • Responded to 74,738 calls for service in the community • Officers opened 11,793 cases • Awarded the Department of Justice's Crime Victim and Survivor Services Division grant to fund 1.5 FTE for Domestic Violence Coordinators

### Fire & Rescue Department

Responded to 11,854 emergency incidents • Extinguished 339 fires • Responded to 1,027 motor vehicle crashes • Became a founding department in the NW Fire Diversity Council, which provides resources to increase the number of women, people of color, and underrepresented groups working in fire services

### Municipal Court

Handled more than 5,400 traffic cases • Handled 100 City Ordinance violations • Processed more than 5,500 parking citations

## COMMUNITY SERVICES

### Parks & Recreation Department

The City adopted a resolution designating Hillsboro's first Cultural Arts District • Became the ninth city in Oregon to be designated as a Bee City USA affiliate • 240,971 people visited SHARC for swimming and recreation • Provided 125 science-based field programs serving more than 3,800 students at Jackson Bottom Wetlands Preserve • Served 18,370 lunches at the Community Senior Center

### Library Department

Led Washington County in e-book and e-audio checkouts, with more than 336,000 checkouts • Added new mobility scooters at each branch location to improve accessibility for patrons • Introduced Tiny Branch Service, similar to Little Free libraries, in eight City parks • Offered 2,100 Library programs • Hosted a Naturalization Ceremony at Brookwood Library during National Library Week

## COMMUNITY DEVELOPMENT

### Planning Division

Processed more than 150 Type II and Type III applications • Created a mobile app for staff use for the "Point in Time" count of people experiencing homelessness in our community • Adopted more flexible standards for the Accessory Dwelling Unit Community Development Code • Honored six properties with a Preserving Historic Hillsboro Award

### Transportation Planning Division

Transit planning and forecasting for a proposed Sunset Highway express bus to Portland and a Tualatin Valley Express bus linking North Hillsboro to southern Washington County • Advocated for priority investments on the west side to be part of Metro's 2020 transportation funding measure and successfully secured more than \$100 million in funding earmarks for Hillsboro multi-modal transportation needs

### Building Department

98% of inspections cleared within one business day of request • Issued more than 4,000 permits between July 2019 and February 2020 • Launching the Online Application Submission (OAS) tool, which enables applicants to enter their application information directly to the system for faster and more efficient processing

### Economic Development Department

Assisted 66 companies with 9 successful expansion/recruitment projects, resulting in more than \$172 million in new investment last year • Business expansion/recruitment led to 306 new jobs in Hillsboro • Conducted 63 visits to key Hillsboro employers last year • Administered two, COVID-19 small business grant programs totaling more than \$1 million in grant funding to local businesses

### Broadband Division (HiLight)

Completed the fiber-optic network backbone in partnership with the Hillsboro School District (HSD) • Connected more than 14 HSD schools to the network • Secured Right-of-Entry agreements with 12 multi-dwelling unit properties, representing 353 units • Configured billing system and digital voice platform



# Service Delivery Highlights

## Water Department

Closed on a \$251 million Water Infrastructure Finance and Innovation Act (WIFIA) loan with the US Environmental Protection Agency to fund investment in the Willamette Water Supply System (WWSS) • Issued \$48.2 million in water revenue bonds to fund investment in the WWSS • Signed the WWSS intergovernmental agreement which established a new joint venture between the City of Hillsboro, the City of Beaverton, and the Tualatin Valley Water District • Completed the \$35 million upgrade and capacity expansion at the Joint Water Commission Water Treatment Plant

## Public Works Department

Converted 1,600 street lights to LED lights • Issued 316 right-of-way permits • Issued 446 franchise utility permits • Painted 53 miles of center lines, bike lanes, and barrier lines • Inspected 41 miles of sanitary sewer lines • Inspected 62 miles of storm sewer lines • Completed construction of Century Blvd, Cedar Street, Golden Road, and Primrose Alley projects

## SUPPORT SERVICES

## City Manager's Office

Continued the 2035 Community Plan implementation, conducting outreach efforts throughout the year • Set up free supervised play for children at Outdoors In so parents can attend City Council meetings • Council adopted the City's first Equity Statement • Partnered with PGE to open the Hillsboro Electric Avenue vehicle charging facility and to launch a Smart Grid Test Bed in South Hillsboro

## Human Resources

Managed 132 recruitments with 8,299 applications • Transitioned employee benefits from a trust model to a direct carrier contract model • Hosted more than 40 interns and 6 participants in the Job Training Opportunity Program (JTOP) for bilingual employees • Created a Continuity of Operation (COOP) plan for the City's essential functions/services • Implemented several personnel policies related to COVID-19 response including federal and City emergency leave banks

## Information Services

Upgraded Geographic Information System platform for all City staff • Deployed public wireless at Jackson Bottom Wetlands, Hillsboro Stadium and Ron Tonkin Field • Installed fiber system at Hillsboro Stadium in support of T2 soccer television streaming • Deployed multiple software applications to allow staff to work from home during COVID-19 closure

## Finance

Earned the Government Finance Officers Association (GFOA) Distinguished Budget Award • Earned the GFOA Certificate of Achievement Award for the Comprehensive Annual Financial Report • Oversaw and coordinated the debt issuance of \$35.2 million for construction of the Hidden Creek Community Center, \$23 million for the North Hillsboro Urban Renewal District, \$48.2 million for construction of Willamette Water Supply System (WWSS), and a \$251 million Water Infrastructure and Innovation Act (WIFIA) loan also for the WWSS • Identified and reallocated with Council approval \$1.5 million for COVID-19 Emergency Assistance funding

## Facilities & Fleet

Provided support services for more than one million square feet of City facilities and more than 500 City vehicles • Completed construction of fire training burn tower at the Wood Street Training Facility • Implemented a new program to sell surplus fleet via auctions recouping value from fleet vehicles • Completed construction of Human Resources office expansion • Started remodel of coffee court at Brookwood Library • Oversaw and coordinated the construction of the Hidden Creek Community Center

# Connect and Get Involved

**Join us in working to enhance this great place we all share!**

Whether you want to learn about or weigh in on a current public project, help 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!



## **Volunteer with us**

Volunteers provide a positive and meaningful impact on our community and play an important role in the success of the City's many programs. Individual contributions of time, energy, and talents help make our hometown a great place to live, work and play.



## **Apply to join a board or commission**

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 commitment. Check out our Commission, Committees & Boards webpage for more information and application forms.



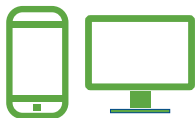
## **Subscribe to our "Happening in Hillsboro" e-news updates**

Sign up at [Hillsboro-Oregon.gov/Happening](https://Hillsboro-Oregon.gov/Happening) to receive our free, twice per month e-newsletter to keep up on what's happening in Hillsboro, including upcoming events, family activities, and news.



## **Attend a City Council meeting**

Citizens also have the opportunity to speak to the City Council at every Council meeting during public comment time. Check our website calendar for current Council meeting information.



## **We're here to help - contact us!**

Ideas or questions can be sent directly to city staff or City Council. Contact information and easy-to-use feedback forms can be found on the City website. And, of course, you're also welcome to call us!

Visit [Hillsboro-Oregon.gov](https://Hillsboro-Oregon.gov), or call 503-681-6100