HILLSBORO SCHOOL DISTRICT 1J BOARD OF DIRECTORS
Administration Center, 3083 NE 49th Place, Hillsboro, OR 97124
VIRTUAL MEETING

Board Meeting Agenda
Monday, December 15, 2025
12:00 PM

Please note that the estimated times for specific items on Board meeting agendas are subject to change; if audience members wish to view specific agenda items, they are encouraged to arrive at least 15 minutes prior to the estimated time. A livestream link can be found at the top of the hsd website: https://www.hsd.k12.or.us/ on the morning of the meeting.

1. **12:00 PM - Work Session**
   A. Call to Order Work Session
      Presenter: Ivette Pantoja
      Time: 12:10 PM
   B. Bond Development Update 2
      Presenters: Beth Graser / Jeremy Wright
      Time: 12:00 PM, 55 minutes
   C. Discussion Time
      Presenter: Ivette Pantoja
      Time: 12:55 PM, 5 minutes
      1. Superintendent's Time
      2. Board of Directors' Time
2. Adjourn Work Session
   Presenter: Ivette Pantoja
   Time: 1:00 PM
3. Next Meetings of the Board of Directors
   - January 13, 2026, Work Session
   - January 27, 2026, Work / Regular Session

The Board meeting packet may be found on the District website: https://www.hsd.k12.or.us/board.

This meeting will be held in English. If you need interpretation services in another language, please contact our Language Liaisons Department by email at languageliaisons@hsd.k12.or.us or by calling 503-844-1429, at least 48 hours before the meeting.

HILLSBORO SCHOOL DISTRICT 1J
December 15, 2025
BOND DEVELOPMENT UPDATE

SITUATION

The Bond Development Committee (BDC) has held six meetings since September to become familiar with the extent of the District's capital needs.

At their final meeting of this calendar year on Wednesday, December 3, 2025, committee members worked in groups to prepare recommendations for proposed packages that will be taken out to the community for their feedback in January and February 2026.

On Tuesday, December 9, staff presented a recap of the BDC's work, the packages that will be put forth for consideration, and the preliminary plans for community engagement and feedback gathering.

RECOMMENDATION

The Superintendent recommends that the Board of Directors coalesce around a bond amount so staff and the BDC can continue their package development and community engagement work.

Additional Information about 2026 Bond Development for Board

Rev. 12/10/25

Q. We were told a year ago that we would not be able to generate as much money through the 2026 bond as we did through the 2017 bond, now you're saying we can generate more. Why?

A. When we began talking about the possibility of going out for a bond in November 2026, we had none of the actual data in hand and were merely speculating based on our previous situation.
   a. In 2015/16, when we were building the 2017 bond, we had approximately $1.24 of "bonding capacity" - by keeping the tax rate at approximately $2.24/$1000 (rather than letting it drop to $1/$1000), it generated $408 Million.
   b. In 2024, when we began our discussions, the current rate was $1.97/$1000 and was projected to drop to approximately $1.27/$1000 after the collection in 2026, therefore giving us approximately $0.70 of "bonding capacity."
      i. Back of the napkin calculations were that our 2026 capacity was about 56% of our 2017 capacity, and depending on assessed value growth maybe we could expect $250-$300M this time around.
   c. Actual data for the fall of 2025 was not known until early November when we met with Lauren from Piper Sandler.
      i. Fall 2024 AV (for 2025): $22,767,260,011 - our bond rate/$1000= $1.97
      ii. Fall 2025 AV (for 2026): $29,243,584,705 - our bond rate/$1000= $1.52
   d. Because it is assumed Intel will aggressively depreciate the AV that just came on the tax rolls, next year's rate is currently forecast to be approximately $1.58.

Q. What are our options with the bond ask?

A. If we did not ask our community to support a new capital construction bond, the base rate would drop to approximately $0.91*/$1000 after the 2027 collection in November 2026. (*Using information available today.)

Retain current assumed 2027 rate	Use 3-year average of rates: 2026, 2025, 2024	Use 5-year average of rates: 2026, 2025, 2024, 2023, 2022	Use 6-year average of rates: 2026, 2025, 2024, 2023, 2022, 2021
Adds **$0.67** to base rate	Adds **$0.90** to base rate	Adds **$1** to base rate	Adds **$1.06** to base rate
Flat	**Δ +$0.23**	**Δ +$0.33**	**Δ +$0.39**
$1.58/$1000	$1.81/$1000	$1.91/$1000	$1.97/$1000
$312M	$380M	$411.5M	$430M

*****Reminder that in 2017 we added $1.24 to the base rate of $1 to keep rates consistent*****

Q. We're not building new schools, why do we need so much money in a bond for projects?

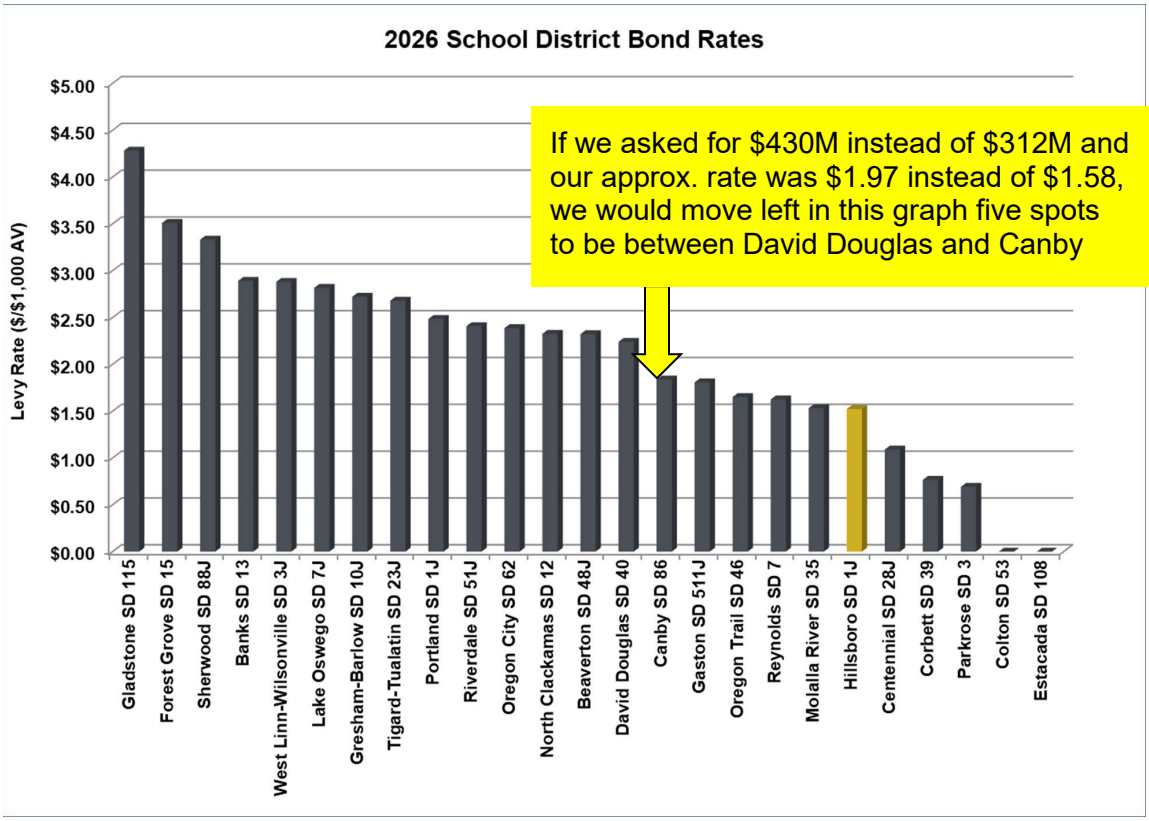
A. We accomplished a lot with the 2017 bond but we were not able to take care of all the needs we had at that time. Now, several years later, the projects that were lower priority

have become high priority and new projects have come into the scope. There have also been changes to laws and regulations that necessitate action on the district's part.

a. It's important to note that approximately 30% of project costs are due to design and development, contingency, and escalation. So just looking at today's cost for our list of projects is not sufficient. Even if we had all the money today, we would not be able to implement several hundred projects at once. The projects will need to be spaced out over several years to maximize contractor availability, allow for the clustering of projects at sites to enhance efficiency, to prioritize the most urgent work, etc.

Q. If we asked for the highest amount - $430M - where would that put us in terms of other districts?

A.



Q. How do we (board members, advocacy committee) talk about this with the community?

A. Here's an example of how that might look: DRAFT Flyer (coming Friday)

B. Talking points:

a. The Hillsboro School District plans to ask the community to support a capital construction bond of $430M to repair, replace, maintain, and make substantial improvements to the built environment in our schools. This work includes needed projects in the categories of roofing, HVAC, seismic, energy efficiency, flooring,

safety and security, technology, career-technical education, extracurriculars and activities, transportation, nutrition services, and more.

b. To generate this $430M, property owners would pay taxes of approximately $1.97 per $1000 of assessed value, which represents an average of rates they have been paying since the passage of our 2017 bond.
    i. ***This will not increase tax rates beyond the average of what property owners have been paying over the past six years.***
c. As a reminder, voters overwhelmingly passed the 2017 bond for $408M, which was estimated to cost taxpayers $2.24/$1000. By leveraging bond premiums, matching funds, and partnerships, the District was able to construct new buildings and make substantial improvements to schools and district facilities of more than $500M. All projects were completed on time and under budget.
d. School district facilities represent a significant investment of our community. We are committed to being good stewards of this investment into the future.