

Public Safety Support Fee

INFORMATIONAL FAQ



1 WHAT NEW FEE IS CITY COUNCIL CONSIDERING?

A \$20 per month fee is being considered that would provide dedicated funding to maintain the existing public safety services currently provided by the City for the community of Coburg.

2 HOW DOES THIS FEE SUPPORT PUBLIC SAFETY IN COBURG?

The proposed fee provides approximately \$200,000 revenue per year and equates to approximately 20% of the total annual budget of the Coburg Police Department and Municipal Court.

3 WHEN WILL COUNCIL BE DECIDING ON THIS?

Council was presented a set of recommendations on revenue options at its December 9, 2025 meeting and will be presented with an ordinance creating the fee at its March 10, 2026 meeting. If approved, the fee amount will be set at its April 14, 2026 meeting with an effective date of July 1, 2026

4 DON'T PROPERTY TAXES PAY FOR PUBLIC SAFETY?

The City of Coburg portion of property tax assessments (approx. 25% of the total property tax bill) provides just over \$1 million of revenue of the City's \$2 million annual General Fund. The General Fund includes Police, Municipal Court, Planning & Building, Parks and Administration/Finance. A summary of the General Fund is attached.

5 WHAT OTHER OPTIONS DID THE COUNCIL CONSIDER?

Council has been focused on the financial sustainability of the General Fund and its programs and services since the adoption of the prior year budget. A Revenue Options Sub-committee studied a range of general fund revenue options including a Local Options Levy (property tax assessment and determined that a service fee provides the minimum necessary revenue to maintain operations and serves as a bridge to potential longer-term solutions available at the completion of the City's Urban Renewal Agency

6 WILL THIS FEE AMOUNT GO UP EVERY YEAR?

The fee will be reviewed each year in parallel with the development of the annual budget. The fee cannot be increased without a formal action of Council.

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HOW DO I GET MORE

INFORMATION ABOUT THIS PROPOSED FEE?

The City's website will have a page dedicated to this proposed fee, including the full set of recommendations of the Revenue Options Council Sub-Committee and the draft ordinance and resolution that will be presented for Council review, deliberation and decision.

www.coburgoregon.gov

Mayor Bell and the City Administrator will be scheduling several different Town Hall format meetings for community members to attend, learn about the issues, ask questions and provide feedback. These dates and times will be posted on the City website and will also be posted to the City's social media.

To submit formal comment for inclusion in the March 10, 2026 Council meeting packet, send comments to City Recorder, Sammy Egbert at Sammy.egbert@coburgoregon.gov

COUNCIL MEMO



Public Safety Support Fee Structure and Public Communication

January 13, 2025

ISSUES

In preparation for the March 10, 2026 Council meeting agenda item for the creation of a Public Safety Support Fee, staff is developing public communication documents to inform residents and businesses of the potential new fee. Additionally, Council requested information on the structure of the fee at the January meeting to ensure clear understanding of the mechanics and implementation schedule of the fee should Council approve it at the March 10, 2026 meeting.

Proposed Schedule

- December 9, 2025 – Sub-Committee recommendation presentation to Council – Complete
- January 13, 2026 – Full Council discussion of recommendation - Direction to staff
- January 14 thru March 9 – Public Information on proposed fee
- March 10, 2026 – Ordinance to create the Public Safety Support Fee – First Reading
- April 14, 2026 – Ordinance creating the Public Safety Support Fee – Second Reading
- April 14, 2026 – Resolution establishing the amount of the Public Safety Support Fee
- July 1, 2026 – Implementation of Fee on July utility billing statements.

Proposed Fee Structure

The fee will match the recently adopted Parks and Open Space Fee, which also closely matches the Tree Fee and includes the following:

- Flat fee charged to all utility billing customer accounts within the City limits (excludes outside and PVE accounts)
- Flat fee is the same for residential or commercial accounts
- Fee is “per unit” based, meaning that accounts with apartment buildings or multiple businesses on one account will have the fee multiplied by the number of units (example \$5 fee x 8 units = \$40 per month fee)
- Fee Revenue is general fund revenue, but will be restricted in both ordinance and resolution for public safety expenditures.
- Public Safety will be defined in ordinance as Police Department, Municipal Court and Code Enforcement.

Proposed Fee Amount

As presented to the full Council at the December 9, 2025 Council meeting, the Revenue Options sub-committee recommendations included two fee amount options, either a \$20/month or a \$15/month fee along with six other supporting recommendations (see attached)

In order to develop the public information materials for distribution, staff is desiring Council direction on the proposed fee amount to be included in the documents. The direction provided by Council does is in no way binding, nor necessarily an indicator of the Council's final decision at the March 10, 2026 meeting.

Options 1 – The Coburg City Council is considering the creation of a **\$20 per month** public safety support fee as a means to maintain the existing public safety services of the City.

Options 2 – The Coburg City Council is considering the creation of a **\$15 per month** public safety support fee as a means to maintain the existing public safety services of the City.

Options 3 – The Coburg City Council is considering the creation of a public safety support fee **between \$15 and \$20 per month** as a means to maintain the existing public safety services of the City.

COUNCIL MEMO

MEETING DATE: November 20, 2025
STAFF: Adam Hanks, City Administrator



Council Revenue Sub-Committee Phase III Recommendation General Fund Long Range Revenue Options

BACKGROUND

At the July 9, 2024 Council meeting, Council confirmed the Mayors intention to create a City Council Revenue Options Sub-Committee to review all current and potential revenues associated with the City’s Utility Funds, the general fund and other miscellaneous revenues available for consideration. Councilors Engebretson and Smith were appointed to serve on the sub-committee, along with Mayor Bell.

The sub-committee is reviewing revenues in three phases:

- 1) Utility Rates for Water, Sewer and Transportation/Streets (TUF) – *October through December*
- 2) General Fund related revenue options to support funding of Parks, Police, Planning, general government – *January through March*
- 3) Longer range revenue options – Local lodging tax, local diesel tax, local option levy, etc – *July through September*

The sub-committee held two meetings in October to review the overall committee scope and process and developed recommendations to Council for the phase I utility revenue options. March 6, 2025, the phase II revenue options review and recommendation were completed at the sub-committee’s March 6, 2025 meeting with Council ultimately deciding to implement the Park and Open Space fee of \$5 as recommended but defer the recommended \$2 Tree Fee increase to instead continue revenue efforts focused on the immediate concerns of the General Fund. (Tree Fee is a Street Fund revenue).

The sub-committee embarked on the Phase III work of long-range revenue options with two meetings in October of 2025, and a final meeting on November 20, 2025 that culminated in the following final recommendation to present to Council at its December 9, 2025 Council meeting.

ANALYSIS & RECOMMENDATIONS

While the five dollar (\$5.00) Parks and Open Space fee provides a degree of stabilization for basic park system operations and maintenance, the City Administrator explained and provided a breakdown of the long-term financial challenges in the General Fund.

Key considerations guiding the sub-committee analysis and pursuit of additional revenue for the general fund include:

- Four-year trend of declining ending fund balance
- Continued escalation of expenses exceeding revenues (approx. 10% difference annually)
- Future estimates of personnel cost escalation to provide the same levels of service with the general fund operating departments/programs (Municipal Court, Planning, Police, Parks, General Government)
- Debt Service credit rating reduction from A+ to A- (two level drop) due to low overall fund balance compared to operating revenues (7%)

Structural Deficit – Revenue growth occurs at a 3-5% rate annually, while expenditures grow approximately 12-15% annually. Recently utilized short term solutions include increase use of fund balance (operating reserves) and staffing reductions in both Administration and Police and most recently the aforementioned implementation of a \$5 per month Parks and Open Space Fee.

REVENUES			EXPENDITURES	
	Approx Annual	% of Total		Approx Annual
Property Taxes	1,100,000	56%	Staff/People Costs	
Franchise Fees	280,000	14%	Administration	320,000
Muni Court Fines/Fees	120,000	6%	Police	650,000
Development Fees	100,000	5%	Muni Court	130,000
Charges For Services	120,000	6%	Planning	80,000
Transfer Funds	150,000	8%	Parks	50,000
Harrisburg PD IGA	65,000	3%		1,230,000
Misc	35,000	2%	Materials/Services	
TOTAL	1,970,000		Administration	225,000
			Facilities	100,000
			Parks	35,000
			Planning	110,000
			Police	150,000
			Muni Court	30,000
			Econ Dev	35,000
				685,000
			Capital/Debt	
			City Hall	30,000
			Parks	10,000
			Administration	15,000
				55,000
			TOTAL	1,970,000

The chart above indicates a balanced (legally required) General Fund budget for FY26. This was accomplished via staff reductions primarily within the Police Department and with utilization of fund balance (operating reserve).

The City's General Fund budget does not contain the following expected, and in most cases, necessary expenditures over the next five fiscal years.

- Parks Capital – Construction of new neighborhood park at Coburg Creek (\$200k)
- City Hall Improvements – ADA, HVAC and other deferred maintenance needs (\$200K)
- Police Fleet Replacements – (\$75k)
- Fund Balance Restoration to Target - (\$200k)
- Technology Replacements (\$50k)
- Structural Imbalance Solution - 10% of fund balance per year (\$1m) – (\$200k per year)

TOTAL = \$1.75m over five years **PER YEAR = \$350,000**

Recommendations

The Revenue Options Council Sub-Committee formally recommends the following to the full City Council for further discussion and consideration:

1) Public Safety Support Fee - \$15/month per unit (same methodology as Park & Open Space Fee)

This revenue can be approved by Council and implemented quickly with existing utility billing system.

The fee would be dedicated to the following public safety programs

- Police Department
- Municipal Court
- Code Enforcement

A \$15 fee would generate approximately \$150,000 per year. This fee is included in the low-income assistance program so limited income eligible households would receive a 25%, 35% or 45% discount on this fee.

2) Audit of Existing Revenue Streams – Likely to generate far less revenue, conducting operational audits of the City's existing general fund revenues would assure Council and the community that the already enacted revenue streams are being administered as adopted and intended. Revenue audits would include franchise agreements, business licenses, Park and Open Space Fee and other smaller fees, taxes and assessments that contribute to the overall general fund revenues.

3) Property Tax Revenue Analysis from termination of the Coburg Urban Renewal Agency in 2029 –

When the URA reaches its \$9 million total contribution to the wastewater deb service, the properties within the URA assessment boundary will be reassessed and the property tax revenues returned to the overall City assessment valuation resulting in an increase in property tax revenue to the General Fund. This recommendation re-asserts support to obtain a URA consultant as budgeted in FY25 to calculate the estimated annual revenue that will be returned to the general fund with the termination of the URA.

4) Building Permit Fee Increase – Staff has already begun the background analysis to update Building Permit Fees (Structural, Electrical, Plumbing, Mechanical) that have not been reviewed or updated in over four years.

5) Land Use/Zoning Permit Fee Increase – Staff has presented an overview of this update process to Council and is reviewing the ordinances and resolutions that enacted the fees to ensure updates align with the methodology of the existing fee structure.

6) Termination of the Revenue Options Sub-Committee – With the completion of the phase III recommendations, the sub-committee recommends that Mayor Bell terminate the subcommittee with an understanding that a similar committee/task force could be re-established by Mayor Bell at a future date with a new set of Council appointments and an updated charge and timeline.