

Coburg Urban Renewal Agency Budget Message

Elected and Appointed Members of the Budget Committee,

I am pleased and excited to share with you and the community the Proposed Fiscal Year 2025-26 (FY26) Budget for the Coburg Urban Renewal Agency (URA). The URA was created in 2001 as part of the funding strategy for the development and construction of the City of Coburg's wastewater collection and treatment system. Provision of adequate facilities and water quality were the two qualifying objectives of the URA to meet state requirements for the creation and operation of the agency with the wastewater collection and treatment facilities being the sole targeted project to address both objectives.

The Coburg Industrial Area Urban Renewal Plan provides the legal construct for the utilization of funds raised through the URA's tax increment financing revenue generation. Local Ordinance 184, adopted by the Coburg City Council on January 2, 2001, created the Agency and elected the members of the City Council as the governing body of the Coburg URA and furthermore clarified that the actions of the City Council of the City of Coburg will be the actions of the URA and not those of the City Council.

From a both financial and operational perspective, the URA has functioned in a very straightforward and direct manner in its existence with the primary function being an annual contribution from the URA's tax increment financing (property tax generation within the URA boundary) to the City's wastewater fund that contributes to the annual debt service payments for the loan instruments executed by the City of Coburg to construct the wastewater collections and distribution system.

The URA has a legal maximum indebtedness of nine million dollars (\$9m) for the completion of the URA plan as approved. Annual debt contributions from the URA to the City began in FY 2011-12 and are currently proposed to conclude in FY2029-30 with a \$100,000 increase in annual contributions to \$500,000 for each of the next four fiscal years and a final FY30 payment of an estimated \$170,526 (fig 1).

This provides additional funding to the City's Wastewater Fund in each of the next four years with an objective of improving the fund balance position that has steadily declined over the past several fiscal years.

Also included in the proposed FY26 budget is an increase for the URA annual audit expense and \$25,000 for professional services for URA specific consulting work to prepare and provide viable options for the URA Board (City Council) to consider prior to completing the URA's \$9m financial commitment.



Adam Hanks,
City Administrator

Fiscal Year	Amount
2012	104,403
2013	639,616
2014	695,955
2015	1,530,000
2016	230,000
2017	324,500
2018	500,000
2019	400,000
2020	480,000
2021	400,000
2022	375,000
2023	375,000
2024	375,000
2025	400,000
2026	500,000
2027	500,000
2028	500,000
2029	500,000
2030	170,526
TOTAL	9,000,000

fig 1

Fiscal Year 2025-26

Coburg Urban Renewal Agency

Fund & Department

FY 2026 Budget

	FY 2024	FY 2025		FY 2026		FY 2027	FY 2028	FY 2029
	Actual	EOY Estimates	Proposed	Approved	Adopted	Projected Budget	Projected Budget	Projected Budget
General Fund	381,434	409,250	538,500	538,500	538,500	509,620	510,005	510,405
Unappropriated Ending Fund Balance	194,452	259,502	211,567	211,567	211,567	216,840	247,267	304,103
Total	575,886	668,752	750,067	750,067	750,067	726,460	757,272	814,508
Administration Department	6,434	9,250	38,500	38,500	38,500	9,620	10,005	10,405
Non Operating	375,000	400,000	500,000	500,000	500,000	500,000	500,000	500,000
Transfers Out	-	-	-	-	-	-	-	-
Contingencies	-	-	-	-	-	-	-	-
Unappropriated Ending Fund Balance	194,452	259,502	211,567	211,567	211,567	216,840	247,267	304,103
Total	575,886	668,752	750,067	750,067	750,067	726,460	757,272	814,508

Resources and Uses FY 2026 Budget

	FY 2024	FY 2025		FY 2026		FY 2027	FY 2028	FY 2029
	Actual	EOY Estimates	Proposed	Approved	Adopted	Projected Budget	Projected Budget	Projected Budget
Revenues:								
Taxes and Assessments	456,634	464,300	480,565	480,565	480,565	504,593	529,823	556,314
Investment Revenue	16,271	10,000	10,000	10,000	10,000	10,300	10,609	10,927
Total Revenue	472,906	474,300	490,565	490,565	490,565	514,893	540,432	567,241
Budgetary Resources:								
Working Capital Carryover	102,980	194,452	259,502	259,502	259,502	211,567	216,840	247,267
Bond Proceeds	-	-	-	-	-	-	-	-
Transfer In	-	-	-	-	-	-	-	-
Total Budgetary Sources	102,980	194,452	259,502	259,502	259,502	211,567	216,840	247,267
Total Resources	575,886	668,752	750,067	750,067	750,067	726,460	757,272	814,508
Operating Expenditures:								
Materials and Services	6,434	9,250	38,500	38,500	38,500	9,620	10,005	10,405
Debt Service	375,000	400,000	500,000	500,000	500,000	500,000	500,000	500,000
Total Expenditure	381,434	409,250	538,500	538,500	538,500	509,620	510,005	510,405
Budgetary Requirements								
Transfers Out	-	-	-	-	-	-	-	-
Contingencies	-	-	-	-	-	-	-	-
Unappropriated Ending Fund Balance	194,452	259,502	211,567	211,567	211,567	216,840	247,267	304,103
Total Budgetary Requirements	194,452	259,502	211,567	211,567	211,567	216,840	247,267	304,103
Total Uses by Classification	575,886	668,752	750,067	750,067	750,067	726,460	757,272	814,508

Fiscal Year 2025-26