



Revenue Options Sub-Committee

Final Report and Recommendations

Meeting Date	Staff Contact	Email
December 09, 2025	Adam Hanks, City Administrator	adam.hanks@coburgoregon.gov

SUMMARY AND REQUESTED COUNCIL ACTION

Staff is introducing a final report and recommendations from the Council Revenue Options Sub-Committee relating to suggested revenues the sub-committee has reviewed and recommended for Council consideration.

Suggested Motion

No Motion – Presentation and Discussion

BACKGROUND

The attached memo contains a summary of the creation, charge and activities of the sub-committee, as well as a summary analysis of general fund revenues and trends impacting the structural deficit between revenues and expenses in the general fund.

RECOMMENDATION

The current and prior City Administrator have both indicated in the Budget Messages of the past three annual budgets of the growing concern of the inability of the City’s revenues to meet the rise of expenses within the General Fund.

Staff is supportive of the set of recommendations described in the final memo as a means to improve the financial position of the General Fund and enabling the continuation of critical public safety services including the Police Department, Municipal Court and Code Enforcement.

While revenue was the focus of the sub-committee, staff continues to explore opportunities to stem the escalating costs associated with providing these services and feel strongly that cost containment (as opposed to cost savings) is possible and will occur but not at the scale necessary to avoid the need for additional revenue sources.

BUDGET / FINANCIAL IMPACT

The recommendation memo provides a summary of financial impact. The final impact will be determined upon full Council discussion, direction to staff and final decision making on the

revenue recommendations being made by the Sub-committee.

The memo outlines a number of significant expenses in the upcoming five years that are currently not funded by the existing revenue streams, the most significant being the “structural deficit” created by annual revenue growth of 3-5% and annual expenditure increases of 12-15%, which amounts to an over \$200,000 a year shortfall between revenue and expenses.

RELEVANT COUNCIL GOAL, CITY POLICY OR COMPREHENSIVE PLAN

FY26 Council Framework - V. Our Financial Resources - #4 – Long Term (10 yr) Revenue Needs Forecast

PUBLIC INVOLVEMENT

In addition to the significant discussion of the General Fund in the annual budget process with the Budget Committee and City Council, Mayor Bell has held three community conversations “Sip and Chats with Mayor Bell” with the general fund being a topic in each meeting. All Revenue Options sub-committee meetings are open public meetings that have been publicly noticed and several City Administration reports have referenced General Fund related financial updates, in addition to the monthly financial reports provided in each Council meeting packet.

One of the seven recommendations focuses on Informational outreach on whatever chosen path Council selects as next steps.

NEXT STEPS

- December 9, 2025 – Sub-Committee recommendation presentation to Council – No action
- January 13, 2026 – Full Council discussion of recommendation - Direction to staff
- 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.

ATTACHMENTS

1. Revenue Options Sub-Committee – Final Recommendation Memo
2. October 7, 2025 Sub-Committee meeting minutes
3. October 30, 2025 Sub-Committee meeting minutes
4. November 20, 2025 Sub-Committee meeting minutes