

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 2026-27 (FY27) 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.

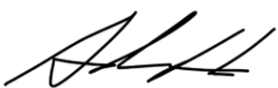
The Coburg Industrial Area Urban Renewal Plan provides the legal construct for the utilization of funds raised through the URA’s tax increment financing revenue generation. Local Ordinance 184, adopted by the Coburg City Council on January 2, 2001, created the Agency and elected the members of the City 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 continuation of the \$100,000 increase in FY26 contribution of \$500,000 for FY27, FY28 and FY29 with an estimated final payment of just over \$170,526 for FY30. (fig 1).

The proposed level of annual contributions provides funding to the City’s Wastewater Fund in each of the next three years with an objective of continuing to improve the fund balance position that has steadily declined over the past several fiscal years.

Included in the adopted FY26 budget was 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. The same amounts have been budgeted for FY27 to address any cross-budget year expenditure needs associated with the consulting work that will be underway late in FY26.

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
<i>fig 1</i>	



Adam Hanks,
City Administrator

Fiscal Year 2026-27

Coburg Urban Renewal Agency

Fund & Department FY 2027 Budget

	FY 2025	FY 2026	FY 2027			FY 2028	FY 2029	FY 2030
	Actual	EOY Estimates	Proposed	Approved	Adopted	Projected Budget	Projected Budget	Projected Budget
General Fund	406,617	529,000	529,000	529,000	529,000	520,000	521,000	170,526
Unappropriated Ending Fund Balance	289,683	270,683	269,533	269,533	269,533	303,569	170,526	(0)
Total	696,300	799,683	798,533	798,533	798,533	823,569	691,526	170,526
Administration Department	6,617	29,000	29,000	29,000	29,000	20,000	21,000	-
Non Operating	400,000	500,000	500,000	500,000	500,000	500,000	500,000	170,526
Transfers Out	-	-	-	-	-	-	-	-
Contingencies	-	-	-	-	-	-	-	-
Unappropriated Ending Fund Balance	289,683	270,683	269,533	269,533	269,533	303,569	170,526	(0)
Total	696,300	799,683	798,533	798,533	798,533	823,569	691,526	170,526

Resources and Uses FY 2027 Budget

	FY 2025	FY 2026	FY 2027			FY 2028	FY 2029	FY 2030
	Actual	EOY Estimates	Proposed	Approved	Adopted	Projected Budget	Projected Budget	Projected Budget
Revenues:								
Taxes and Assessments	486,441	500,000	517,500	517,500	517,500	543,375	376,977	-
Investment Revenue	15,398	10,000	10,350	10,350	10,350	10,661	10,980	-
Total Revenue	501,839	510,000	527,850	527,850	527,850	554,036	387,957	-
Budgetary Resources:								
Working Capital Carryover	194,461	289,683	270,683	270,683	270,683	269,533	303,569	170,526
Bond Proceeds	-	-	-	-	-	-	-	-
Transfer In	-	-	-	-	-	-	-	-
Total Budgetary Sources	194,461	289,683	270,683	270,683	270,683	269,533	303,569	170,526
Total Resources	696,300	799,683	798,533	798,533	798,533	823,569	691,526	170,526
Operating Expenditures:								
Materials and Services	6,617	29,000	29,000	29,000	29,000	20,000	21,000	-
Debt Service	400,000	500,000	500,000	500,000	500,000	500,000	500,000	170,526
Total Expenditure	406,617	529,000	529,000	529,000	529,000	520,000	521,000	170,526
Budgetary Requirements								
Transfers Out	-	-	-	-	-	-	-	-
Contingencies	-	-	-	-	-	-	-	-
Unappropriated Ending Fund Balance	289,683	270,683	269,533	269,533	269,533	303,569	170,526	(0)
Total Budgetary Requirements	289,683	270,683	269,533	269,533	269,533	303,569	170,526	(0)
Total Uses by Classification	696,300	799,683	798,533	798,533	798,533	823,569	691,526	170,526

Fiscal Year 2026-27