

Glossary Of Budget Terminology

Appropriation: An authorization by the City Council to make expenditures and to incur obligations for a specific purpose within a specific timeframe.

Assessed Valuation: A dollar value placed on real estate or other property by Sacramento County as a basis for levying property taxes.

Assessment District: Defines area of land that is benefited by the acquisition, construction, or maintenance of a public improvement. An assessment is levied and collected in the regular property tax bill to fund the improvements.

Audit: Scrutiny of the City's accounts by an independent auditing firm that determines whether the City's financial statements are fairly presented in conformity with generally accepted accounting principles. An independent audit is performed annually.

Beginning Balance: Unencumbered resources available in a fund from the prior fiscal year after payment of prior fiscal year expenditures.

Bond: Capital raised by issuing a written promise to pay a specified sum of money, called the face value or principal amount, with interest at predetermined intervals.

Budget: A fiscal plan of financial operation, listing an estimate of proposed applications or expenditures and the proposed means of financing them.

Capital Improvement Program (CIP): The five-year financial plan for improving assets and integrating debt service and capital assets maintenance, adopted in a separate budget document and updated annually.

CDBG: Community Development Block Grant – a program designed by the U.S. Department of Housing and Urban Development to revitalize low-and moderate-income areas within a city.

Deficit: An excess of expenditures over revenues (resources).

Department: An organizational unit comprised of divisions of functions. It is the basic unit of service responsibility encompassing a broad mandate or related activities.

Expenditure: The actual payment for goods and services.

Fiscal Year (FY): The period designated by the City for the beginning and ending of financial transactions. The City of Citrus Heights: fiscal year begins July 1st and ends June 30th of each year.

Full-Time Equivalent (FTE): The amount of time a regular full-time or part-time position has been budgeted for in terms of the amount of time an employee works in a year.

Gas Tax: Administered by the State Board of Equalization, this is an 18 cents per gallon tax on fuel used to propel a motor vehicle or aircraft. Use of the revenue is for research, planning construction, improvement, maintenance, and operation of public streets and highways or public mass transit.

General Fund: The fund used to account for all financial resources except those required to be accounted for in another fund.

General Plan: California State law requires each city to adopt a General Plan that describes the direction the city will take concerning its future development.

Healthy Cities Grant: A State grant received by the City to help in its efforts to enhance neighborhood livability in Citrus Heights by the involvement of residents and businesses in clean-up and beautification programs and efforts.

Infrastructure: Facilities on which the continuance and growth of the community depend on, such as roads, water lines, sewers, public buildings, etc.

Measure A: This funding source was approved by Sacramento County voters in the form of a ½ cent sales tax in the late 1980s to fund specific transportation projects. When Citrus Heights incorporated, Measure A funds programmed for County transportation projects within Citrus Heights became available to the City as a funding source for those projects previously under County jurisdiction.

Motor Vehicle in-Lieu: A State vehicle fee imposed on motorists for the privilege of operating a motor vehicle on the public highways. It is imposed "in-lieu" of a local property tax.

Property Tax: Property tax is imposed on real property (land and permanently attached improvements such as building) and tangible personal property located within the City. The tax comprises one percent of the assessed value of the property.

REACH: Residents' Empowerment Association of Citrus Heights.

Redevelopment Agency (RDA): A separate legal entity charged with the responsibility for elimination of blight through the process of redevelopment.

Revenue Neutrality: The Cortese-Knox local Government Reorganization Act (“The Cortese-Knox Act”), which establishes procedures for changes in local government organizations, including city incorporation, was amended by the State Legislature in 1992.

The 1992 Amendment was the “revenue neutrality” statute (Government Code 56845). Revenue neutrality addresses the process and outcome of how revenues and expenditures will be allocated to the newly incorporated agency (the new city) and the larger agency that the incorporated area came from (the county). For more information on revenue neutrality, refer to the Government Code Section 56842.

Reserved Fund Balance: Accounts used to record a portion of the fund balance legally segregated for a specific use and not available for appropriation.

Resolution: A special order of the City Council which has a lower legal standing than an ordinance.

Revenue: Annual income received by the City.

RFP: Request for Proposal for services.

Risk Management: The process for conserving the earning power and assets of the City by minimizing the financial effect of accidental losses.

Salaries and Benefits: A budget category which generally accounts for full-time and temporary employees, overtime, and all employee benefits, such as medical, dental, and retirement.

SWA: Sacramento Regional County Solid Waste Authority.

Taxes: Compulsory charges levied by a government for the purpose of financing service performed for the common benefit.

Transient Occupancy Tax (TOT): A tax imposed on travelers who stay in temporary lodging facilities within the City. Also referred to as a Hotel/Motel Tax.

