

Budget Guide

A budget serves many purposes. In addition to its inherent value as a resource and spending plan for the City, it informs the public about the City's financial strategies and provides the documentation needed for other financial-related matters such as audits, loans, and grants.

The goal of the City's annual budget is to provide a plan that allocates resources to meet the needs and desires of Citrus Heights residents. The budget is one way in which the City Council and City staff respond to the community's needs. It balances City revenues and costs with community priorities and requirements. The City's fiscal year is July 1st to June 30th.

In preparing the FY 2010-2011 annual budget, City staff reviewed the 2009-2010 fiscal year and estimated the expenditures and revenues anticipated for the next year. As part of this review, City Council directed staff to review and analyze all functions and major contracts to determine the appropriate service levels and staffing needs. Considerations included assessing the appropriate blend of contract staff and actual employees and investigating ways to reduce expenditures and increase revenues.

As a result, this annual budget incorporates revenues and expenditures that are expected to be incurred during FY 2010-2011.

Document Organization

Message from the City Manager

In his message, the City Manager summarizes the proposed budget to the City Council. He outlines strategies and objectives for change and improvements, lists FY 2009-2010 accomplishments, highlights the financial outlook, and summarizes the City's priorities for FY 2010-2011. The most critical issues facing each department during the coming fiscal year are also highlighted and discussed in this section of the document.

Community Profile

This section contains valuable information about the City, its people, and its businesses. City services, population and housing, employment, transportation, and school services are discussed.

Budget Strategies and Policies

The City has adopted a set of long-term budget strategies and fiscal policies to provide policy guidance. Included in this section are descriptions of finance-related information such as the City's financial objectives, reporting requirements, management responsibilities,

reserve descriptions, annual budget and financial plan, appropriation control, debt management, and investment reporting. The City's Ten Year Financial Model is included in this section.

Staffing Overview

This section provides an overview of the City's staffing philosophy and lists employee benefits.

Financial Summaries by Fund Type

An overall financial picture of Citrus Heights by fund type is shown in this section, including a description of General Fund revenues and expenditures, a description of various other City funds by fund type, and summary financial tables.

City Departments and Divisions

These sections provide detailed information about each department including department and division descriptions, FY 2010-2011 objectives, sources of revenue, and anticipated expenditures.

Capital Improvement Projects

This section lists the Capital Improvement Program (CIP) projects proposed for FY 2010-2011. The FY 2010-2011 projects are also included in the Five-Year Capital Improvement Project Plan which is a separate document.

Glossary of Budget Terminology

A glossary is provided to help the reader understand terms and vocabulary that are used in the document. Useful terms relevant to the budget process and/or City government are included.

Budget Process and Typical Timeline

January – Staff receives general direction from the City Manager.
February – Mid-year review of current year budget is held.
March – Preliminary department budgets are submitted.
April – City Manager reviews department budgets and preparation of draft budget document. First budget workshop is held.
May – Second budget workshop is held. Final budget is adopted.
June – Final Budget is adopted no later than June 30th.

The City of Citrus Heights' fiscal year begins each July 1st and concludes on June 30th. Because the City places an emphasis on maintaining an open form of government, the budget process begins

and ends with citizen input. Throughout the year, City departments are provided citizen input through public hearings, neighborhood association meetings, surveys, Chamber of Commerce meetings, and direct contact with Council members and staff.

Budget Kickoff

The budget kickoff begins in January. In this meeting, the City Manager briefs the Directors of Finance, Community & Economic Development, General Services, Human Resources & City Information, and Police on the policy directives and general budget guidelines for the upcoming fiscal year. This meeting includes a general discussion of the state's economic outlook, potential economic development, and anticipated major capital projects. A specific timeline for budget workshops, the budget public hearing, and the actual preparation of budget are also discussed.

Performance Measures

The budget incorporates performance measures into the development of the budget and into the document itself. Each department submits its target objectives for the upcoming year to the City Manager along with an action plan for implementing and achieving the objectives. The target objectives are listed by department throughout the budget document.

Mid-year Review

In February of each year, the City Manager and the Finance Director give the Council and the citizens a mid-year presentation on current year revenues and expenditures. Budget adjustments, if required, are approved by the City Council.

Department Preliminary Submittals

By mid-March, each Department must submit their preliminary budget to the City Manager. These budgets include requests for reclassification and/or reorganization, program changes, services level adjustments, and anticipated revenues and expenditures. In addition, the Human Resources & City Information Director provides information regarding changes in fixed labor costs and the Finance Director provides estimated General Fund revenues.

City Manager Review

During the first two weeks of April, the City Manager reviews each department budget and compares it to the policy objectives set by the City Council, available resources, and desired service levels. The aim

of the City Manager Review is to finalize decisions regarding departmental budget submittals.

Budget Document Preparation and Approval

The balance of April is spent preparing the preliminary budget document. The document is presented to the City Council in a workshop held in April. In May, another workshop is held. Citizens are encouraged to give input and voice their opinions during this open session. The budget and any suggested changes are reviewed and approved by the Council no later than June 30th.

Citizen Participation

Citrus Heights residents are encouraged to participate in the budget planning process by attending budget work sessions and public hearings. Citizens also have the opportunity to address issues at any City Council meeting during the year. Council meetings are generally held on the second and fourth Thursday of each month at 7 p.m. in the Council Chambers that are located at 7115 Greenback Lane. All Council meetings are televised. A video copy of the meetings can also be checked out from the City Clerk's Office.