Citrus Heights, CA

Popular Annual Financial Report 2024

For the fiscal year ended June 30, 2024

CITRUS HEIGHTS CALIFORNIA

Solid roots. New growth.



Prepared By

Finance,
A Division of the
Administrative Services
Department

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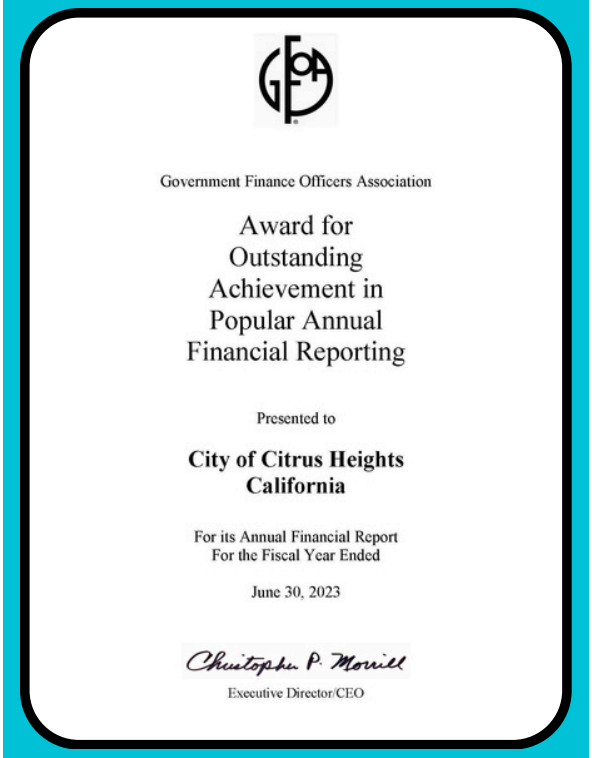
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Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

City of Citrus Heights California

For its Annual Financial Report For the Fiscal Year Ended

June 30, 2023

Executive Director/CEO

View the ACFR on the City's website

http://www.citrusheights.net/213/Financial-Reporting-Budget-CIP

Message from the Administrative Services Director

March 31, 2025

Dear Citizens of Citrus Heights:

I'm excited to share the City of Citrus Heights' fourth Popular Annual Financial Report (PAFR)! Also known as the Citizen's Report, this document is designed to give you a clear, easy-to-read snapshot of our City's financial health.

Inside, you'll find a breakdown of where our revenue comes from, how we invest those dollars back into our community, and a summary of the City's financial position for the fiscal year ending June 30, 2024 (FY24).

At the Finance Division of the Administrative Services Department, we are passionate about transparency and fiscal accountability. This report is part of our commitment to keeping you informed and engaged in the financial decisions that shape our city.

We're also thrilled to announce that our 2023 PAFR received the Certificate of Achievement in Popular Annual Financial Reporting from the Government Finance Officers Association (GFOA)—marking the third consecutive year we've earned this honor!

We'd love to hear from you! If you have any comments, questions, or suggestions, reach out to the City of Citrus Heights Administrative Services Department at finance@citrusheights.net or call (916) 725-2448.



Thank you for taking the time to stay informed about your city's finances. We appreciate your engagement and support!

Susan K. Talwar

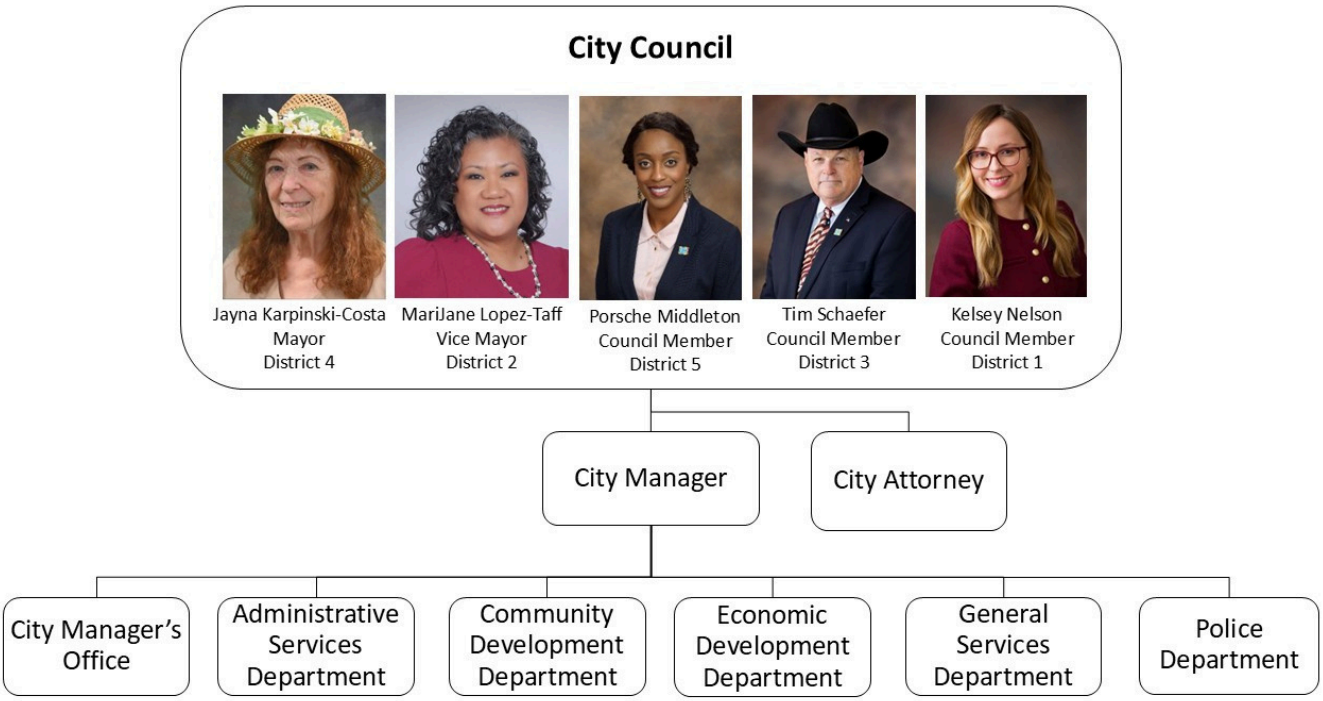
Administrative Services Director

2 Meet the City Council

The Citrus Heights City Council consists of five members, elected to four-year overlapping terms in district-based elections. Council members must be residents of the City. The positions of Mayor and Vice Mayor are chosen by the City Council through policy direction determined by the City Council. The Mayor conducts the City Council meetings and represents the City on ceremonial occasions.

The City Council responsibilities include:

- Provides policy direction,
- Establishes goals,
- Sets priorities for the City government,
- Decides on land use within its borders, including the General Plan, and
- Appoints the City Manager, City Attorney, and all members of advisory boards and commissions.



Ashley Feeney
City Manager

Susan Talwar
Administrative Services Director

Casey Kempenaar
Community Development Director

Meghan Huber
Economic Development & Community Engagement Director

Regina Cave
General Services Director

Alexander Turcotte
Chief of Police

Ryan R. Jones
City Attorney

About Citrus Heights 3









Bee photograph/Kim D. Johnson

Measure R supporters Doug Ose, left, and Patti Hintz mount a victory sign during an election night party at the Citrus Heights


Citrus Heights NEWS

Vol 1, No. 31 • 50 cents (includes tax)

Historic first council session

News photo by Bentoni

The first Citrus Heights City Council members meet (from left): Alma Kenyon, Roberta MacGlashan, Bill Hughes, James Shelby and Tim Raney. The session was unofficial, however; members will not take office until Jan. 2.

Finances, staffing Citrus Heights' first concerns

By JIM DUNCAN

together the staff and ordinances needed

County's fifth municipality - the most popu-

Citrus Heights is located 15 miles northeast of California's capital of Sacramento. It neighbors the City of Roseville to the North, Orangevale to the East, Fair Oaks and Carmichael to the South, and Antelope to the west. Interstate 80 runs through Citrus Heights attracting both Sacramento/San Francisco and Tahoe bound travelers. It occupies approximately 14.2 square miles and is 98% developed with two large commercial corridors and a well established residential community.

The city is rooted back to the 1800's but didn't grow significantly until gold was discovered in the foothills of the Sierra Mountains. The construction of the Transcontinental Railroad and Lincoln Highway brought a new wave of travelers into the area. Citrus Heights remained predominantly rural until the 1960's when it began its emergence as a regionally important retail destination with the development of the Sunrise Mall and Birdcage Walk shopping centers.

The path to incorporation started in 1984 when citizen- members of the local chamber of commerce circulated petitions and received signatures forming the Citrus Heights Incorporation Project (CHIP). During the next several years, CHIP fought a long battle with the County of Sacramento to place the City's incorporation on the ballot.

It wasn't until 1994 that an agreement was reached with the County. It was the first agreement for cityhood in California to include terms from a 1992 Senate bill, SB 1559, which required communities to share tax dollars with county governments. The agreement required the City of Citrus Heights to give its property tax revenues to the County of Sacramento for the first 25 years of its incorporation.

Voters approved the measure to incorporate on November 5, 1996 and Citrus Heights became a City effective January 1, 1997. Citrus Heights received the first full allocation of property taxes in fiscal year 2023.

4 Demographics & Statistics



Total Population
87,127



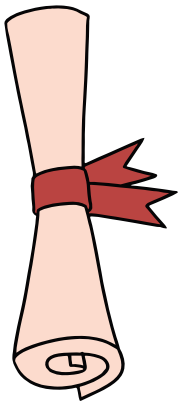
Population 18-35
21,935



Population 55+
26,317

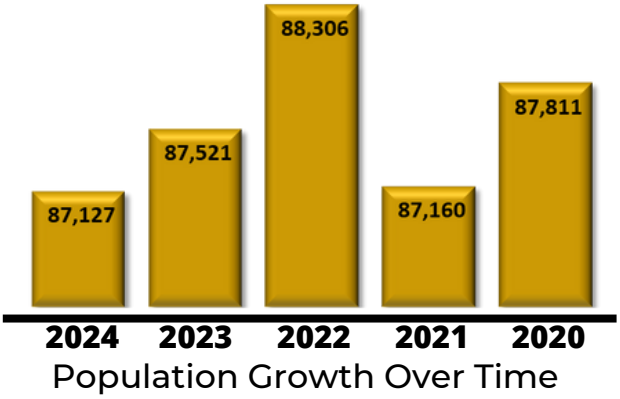


Median Age of Citizens
38.1



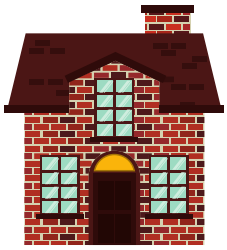
High School Degree
90.6%

Bachelor's Degree
22.0%



Population Growth Over Time

Average House Sales Value
$457,896



Total Regional Employment
19,926



Median Household Income
$75,022



Unemployment Rate
4.2%



Avg. Earnings Per Job
$69.3K



Notable Events 5

Stars & Stripes

Citrus Heights hosted the first annual Stars & Stripes Celebration. The event featured a fireworks show, live music, food trucks, and a kids zone.

City Scoop

This annual event promotes police-community partnerships & neighborhood camaraderie to make our neighborhoods safer and more caring places to live.

Organized Retail Theft Grant



The Citrus Heights Police Dept was awarded $2.6M to assist the business community with launching crime detection technology.

Best Lights

Relaunched for the 5th year, residents submit their vote for the Citrus Heights homes with the best holiday light display.

Reporting Dashboard

Citrus Heights cares program launched a reporting dashboard where residents can view the progress of their request for service through SeeClickFix.

Meals on Wheels Café

Meals on Wheels' community All Seasons Café is back to Citrus Heights where seniors 60+ who want to get out may go enjoy a hot meal.

Trailblazing

The grand opening of the Arcade Cripple Creek Trail took place in May 2024. This 3.45 mile multi-use trail connects Arcade Creek Park Preserve and Wachtel Way.

Public Works Showcase

Citrus Heights hosted the 3rd annual Public Works Showcase. It had meet and greet with the machines and their operators as well as job and education opportunities.

6 Explanation of Accounting Terms



Accrual Basis Accounting:
Recognizes revenues when earned and expenses when incurred, regardless of when cash changes hands, providing a more accurate view of the city's financial performance and position.

Business-type activities:
City services that are supported by charges paid by users based on the amount of the service they use.

Deferred Inflows:
Represents an acquisition of net assets by the City that is applicable to a future reporting period.

Deferred Outflows:
Represents a consumption of net assets by the City that is applicable to a future reporting period.

Fund balance:
Governmental fund equity (assets minus liabilities) is classified as Fund Balance and displayed as Nonspendable, Restricted, Committed, Assigned, or Unassigned.

Governmental activities:
The City's basic services that are supported by general City revenues are considered governmental activities, including general government, community development, economic development, public safety, public improvements, etc.



Net investment in Capital Assets:
Represents the difference between the amount paid for capital assets (such as equipment and buildings), the accumulated depreciation of those assets, and any outstanding debt used to pay for them.

Nonspendable:
Amounts that are not in a spendable form or are required to be maintained intact.

Restricted:
Funds that are not available for City use because they must be used for a specific purpose or project as required by law or regulation.

Unassigned:
Includes all spendable amounts not contained in the other classifications

Unrestricted:
The remaining balance available for use that is not invested capital assets or restricted.

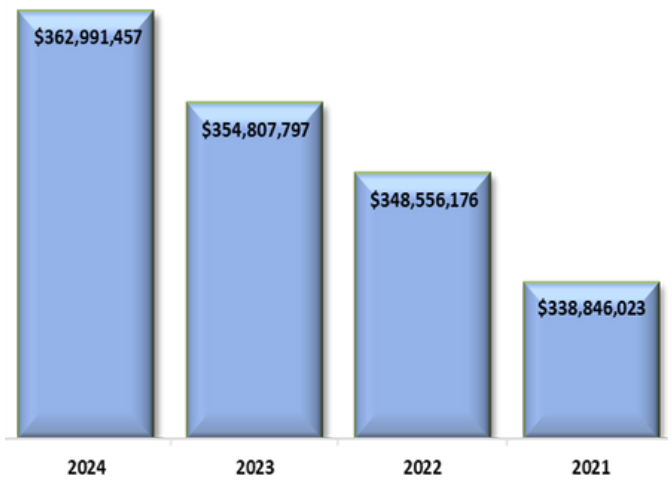


Net Position Statement

The Statement of Net Position provides information about the financial position of the City as a whole; much like a balance sheet does for a corporation. It represents the difference between all of its assets (everything the City owns) and its liabilities (everything the City owes) on an accrual basis. It is an indication of the City's financial health at the end of each fiscal year.

	Totals			
Assets/Deferred Outflows	**2024**	**2023**	**2022**	**2021**
Current and other assets	$ 88,002,841	$ 75,497,628	$ 65,279,479	$ 53,555,723
Capital assets	316,139,717	316,324,034	317,842,720	319,843,497
Total Assets	**404,142,558**	**391,821,662**	**383,122,199**	**373,399,220**
Total Deferred Outflows	15,415,165	16,392,076	7,271,254	7,070,630
Liabilities/ Deferred Inflows				
Long-term liabilities	34,951,094	26,684,819	8,367,682	24,211,436
Other liabilities	15,406,805	20,149,494	22,813,780	16,289,280
Total Liabilities	**50,357,899**	**46,834,313**	**31,181,462**	**40,500,716**
Total Deferred Inflows	6,208,367	6,571,628	10,655,735	1,123,111
Net position				
Net investment in capital assets	312,267,209	315,340,920	317,238,068	319,572,398
Restricted	26,754,425	23,418,902	25,868,240	25,779,873
Unrestricted	23,969,823	16,047,975	5,449,868	(6,506,248)
Total Net Position	**$ 362,991,457**	**$ 354,807,797**	**$ 348,556,176**	**$ 338,846,023**

Net Position Over Time



Restricted net position increased by $3,335,523 due to an increase in the use of restricted funds in a number of special revenue funds for road maintenance, general capital improvement, transit services and various development activities. Unrestricted net position can be used to finance day to day operations without constraints established by debt covenants or other legal requirements. The City had $23,969,823 of unrestricted net position as of June 30, 2024, which is an increase of $7,921,848. While unrestricted net position is technically unrestricted, much of the amount is committed for a specific use.

8 Statement of Activities

The Statement of Activities reflects the City's fiscal year revenues and costs for governmental activities and business-type activities. The net revenues are broken out by program revenue (i.e. charges for services, operating and capital contributions, and grants) and general revenues (i.e. various tax revenue and shared intergovernmental revenues). The net costs reflect the financial burden that was placed on the City's taxpayers by each of the programs. A summary of activities were as follows:

	FY 2024	% change	FY 2023	% change	FY 2022	% change	FY 2021
Revenues							
Governmental Activities Revenues							
Program Revenues	$ 31,337,434	11%	$ 28,130,605	-2%	$ 28,827,220	10%	$ 26,132,366
General Revenues	40,822,265	5%	38,894,143	33%	29,335,529	8%	27,193,665
Business-type Activities Revenues							
Solid Waste	1,506,377	13%	1,335,091	17%	1,136,503	18%	966,398
Total Revenues	**73,666,076**	**8%**	**68,359,839**	**15%**	**59,299,252**	**9%**	**54,292,429**
Expenses							
Government Activities							
General Government	10,184,057	8%	9,404,296	22%	7,729,201	-24%	10,210,576
Public safety	26,368,209	2%	25,813,011	63%	15,877,629	-32%	23,338,398
Public ways and facilities	21,076,523	5%	20,077,331	14%	17,660,038	-3%	18,149,133
Culture and recreation	1,185,806	41%	839,028	-7%	906,037	68%	540,427
Economic development	1,141,315	2%	1,123,525	1915%	55,751	-94%	916,027
Community enhancements	4,389,584	11%	3,937,025	-4%	4,085,740	5%	3,877,993
Interest on long-term debt	75,339	368%	16,108	-88%	131,908	-9%	144,455
Business-type acitivites expenses							
Solid waste	1,061,583	18%	897,894	14%	788,023	8%	732,927
Total primary government expenses	**65,482,416**	5%	**62,108,218**	31%	**47,234,327**	**-18%**	**57,909,936**
Change in Net Position							
Governmental activities	7,738,866	33%	5,814,424	-50%	11,716,445	-404%	(3,850,978)
Business-type activities	444,794	2%	437,197	25%	348,480	49%	233,471
Total primary government	**$ 8,183,660**	31%	**$ 6,251,621**	-48%	**$ 12,064,925**	-434%	**$ (3,617,507)**

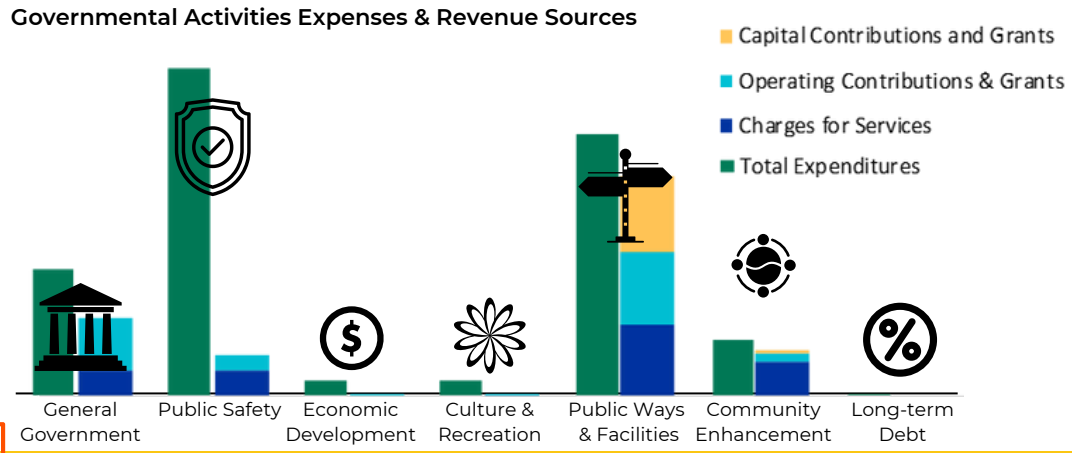
The large variances from FY23 to FY24 are:

Program Revenue - Increase is due to additional grant funding and operating contributions from outside agencies.

Solid waste revenue - Charges for service and investment earnings increased for the fiscal year.

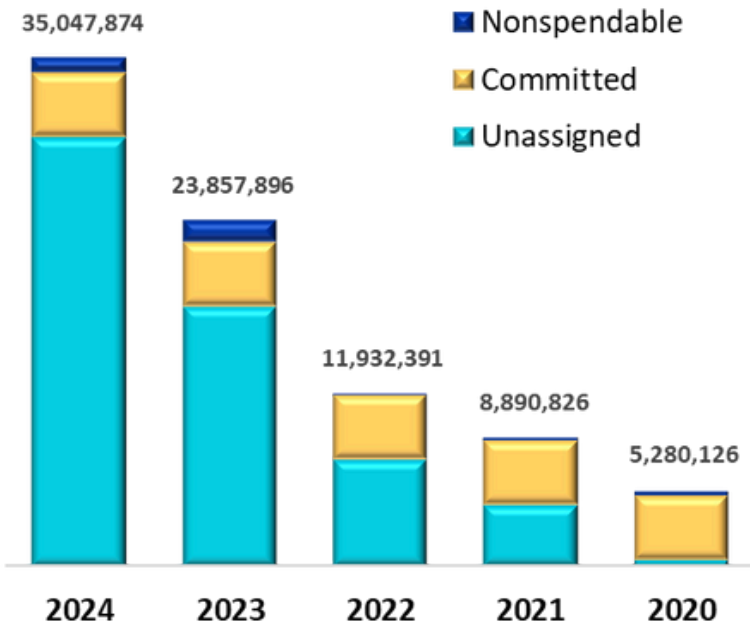
Interest on long-term debt - increased in FY 2024 due to additional IT subscriptions subject to special accounting standards.

Culture & recreation - costs increased in FY 2024 due to rising employee and maintenance costs.



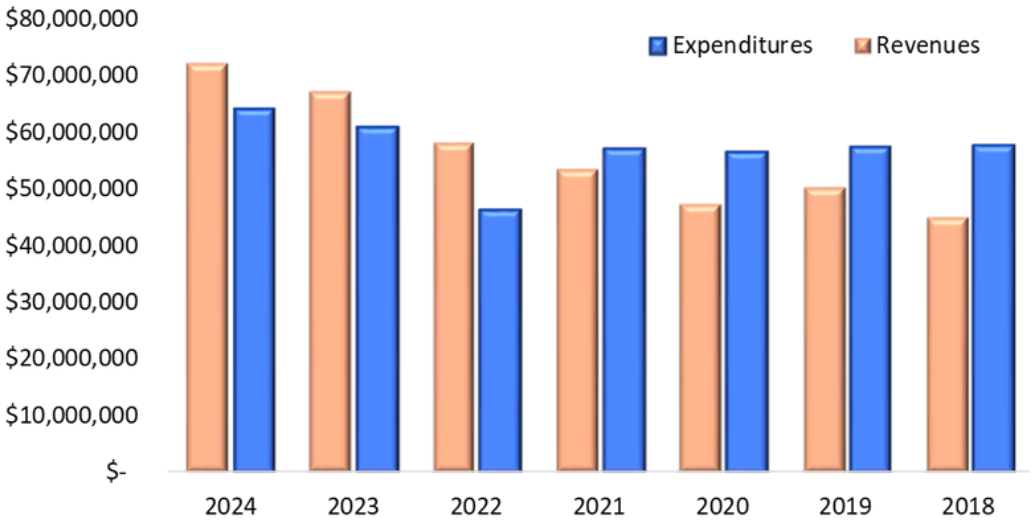
General Fund 9

The General Fund is the chief operating fund of the City. It is used to account for all revenues and expenditures that are not required to be reported in another fund and is the City's primary fund. The activities being paid for through the general fund constitute the core administrative and operational tasks of the government entity.



The fund balance is used to measure the financial resources available. As such it is a good measure of the financial health of the City. At the fiscal year end on June 30, 2024, the General Fund's fund balance totaled $35,047,874, of which $4,486,978 was committed for reserves and revenue stabilization. Fund balance in the General Fund increased by $11,189,978 largely due increased revenue from sales tax, grants and contributions to cover capital and operating costs, and intergovernmental revenues.

Additionally, spending in FY 2024 increased from FY 2023 at a significantly slower rate.



The actual total revenues were $5,794,993 higher than the final budgeted amount. All revenue categories exceeded budget estimates. The largest variance compared to the budget was in intergovernmental revenue, which was $3,456,610 more than budgeted. This is due primarily to a significant increase in federal grant reimbursements including from the City's State and Local Fiscal Recovery Funds (also known as the American Recovery Plan Act, or ARPA funds). Revenue for licenses and permits and investment revenue were also higher than anticipated.

10 Revenues

The City's total revenues for governmental and business-type activities were $73,666,076 for the fiscal year ended June 30, 2024. Approximately 71.43% of the City's key revenues are generated from four major sources.

	Governmental Activities	Business-type Activities	Totals	Percent of Toal
Program Revenue				
Charges for services	$ 12,679,221	$ 1,356,068	$ 14,035,289	19.1%
Operating Grant	12,248,466		12,248,466	16.6%
Capital Grant	6,409,747		6,409,747	8.7%
General Revenue				
Property taxes and assmt	7,872,534		7,872,534	10.7%
Sales and use taxes	13,849,506		13,849,506	18.8%
Utility user taxes	2,732,097		2,732,097	3.7%
Other taxes	1,376,692		1,376,692	1.9%
Shared intergovernmental - unrestricted	11,155,935		11,155,935	15.1%
Investment earnings (loss)	3,695,776	94,538	3,790,314	5.1%
Other revenue	139,725	55,771	195,496	0.3%
Total Revenue	**$ 72,159,699**	**$ 1,506,377**	**$ 73,666,076**	**100%**

Four Major Sources of Revenues:



Sales Tax - Annual receipts for the fiscal year ended June 30, 2024 decreased by $695,047 from the prior year due to inflationary pressures causing a cutback in consumer spending, in addition to the closure of retail stores located in the City and the continued decline of the Sunrise Mall.



Shared Intergovernmental Revenues - Annual receipts for the fiscal year ended June 30, 2024 increased by $645,667 from the prior year. This amount represents the property tax in-lieu of vehicle license fees



Grants and Contributions - Governmental Activities Operating & Capital - Governmental Activities operating grants and contributions were mainly from public safety street, road, and community enhancement grants that were for maintenance and operations as well as CARES Act allocations for CDBG Supplemental and DOJ for public safety. The increase in capital revenues reflects more projects with active construction than in the prior year, leading to increased capital project expenditures being reimbursed during the fiscal year.

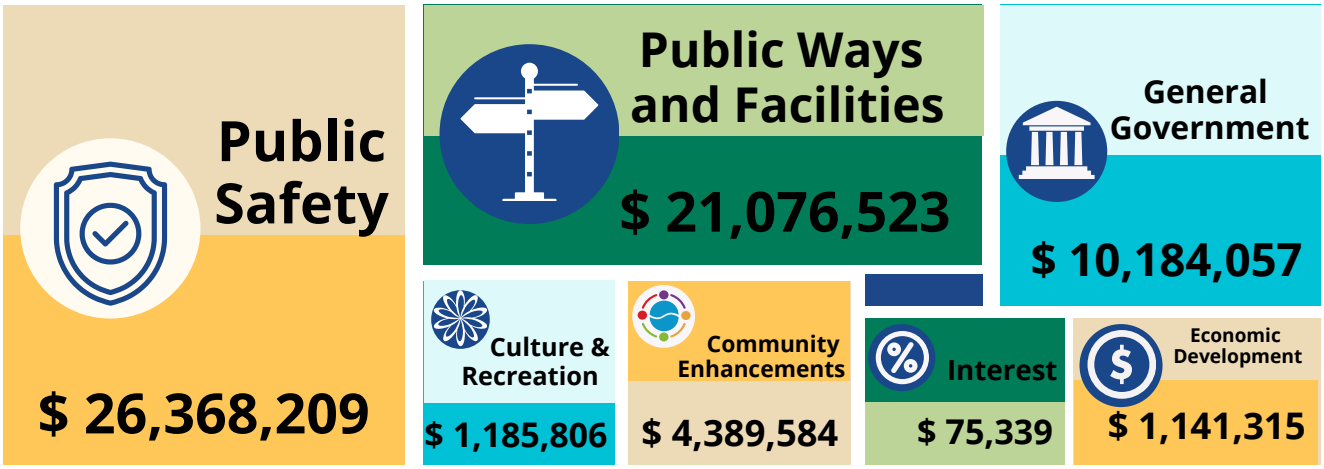


Property Tax - Annual receipts for the fiscal year ended June 30, 2024 increased by $333,790 from the prior year as real estate values increased modestly and new homes from the Mitchell Village development were included in the property tax rolls for the first time.

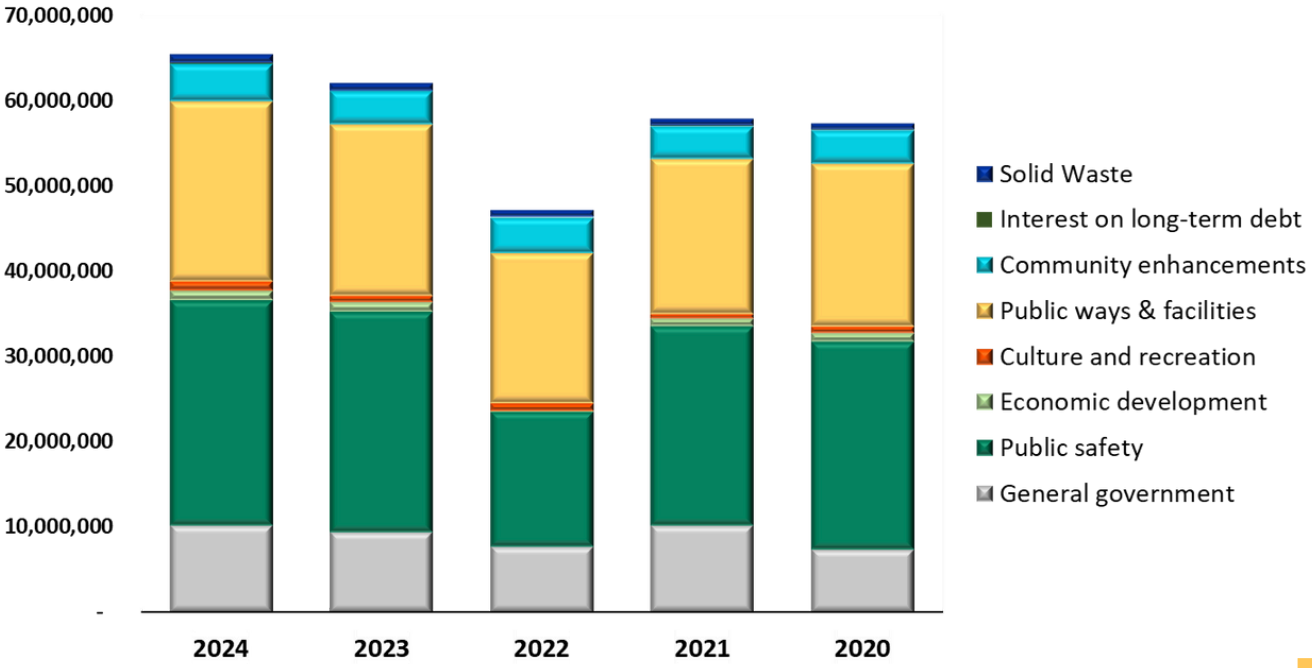
Expenditures 11

Governmental and business-type activity expenses of the City for the year totaled $65,482,416. Governmental activity expenses totaled $64,420,833 or 98.38% of total expenses. Business-type activities expenses totaled $1,061,583 during the fiscal year. Public safety costs represented 40.93% of total governmental activities expenses and represented the largest single expense for governmental activities.

2023 Expenses by Function



Historical Trends of Expenditures



12 Arcade Cripple Creek Trail

ABOUT ACCT

The Arcade-Cripple Creek Trail, often referred to as ACCT for short, is a 3.45 mile long multi-use trail starting at Arcade Creek Park Preserve and ending at Wachtel Way. The trail connect several neighborhoods to eight parks, several schools and the Sunrise MarketPlace

KEEP THE ARCADE-CRIPPLE CREEK TRAIL BEAUTIFUL IN 3 EASY STEPS!

CITRUS HEIGHTS CARES

REPORT MAINTAIN CHIP-IN

REPORT

- Report litter, graffiti and maintenance issues by submitting a Service Request via SeeClickFix at CitrusHeights.net/ServiceRequests or by calling (916) 727-4770. *Please note your nearest post mile or trail light number.*
- Call 9-1-1 for emergencies or (916) 727-5500 for non-emergencies.

MAINTAIN

- Keep a clean environment by picking up after yourself and your pets. Trash receptacles and dog waste stations are located throughout the trail.

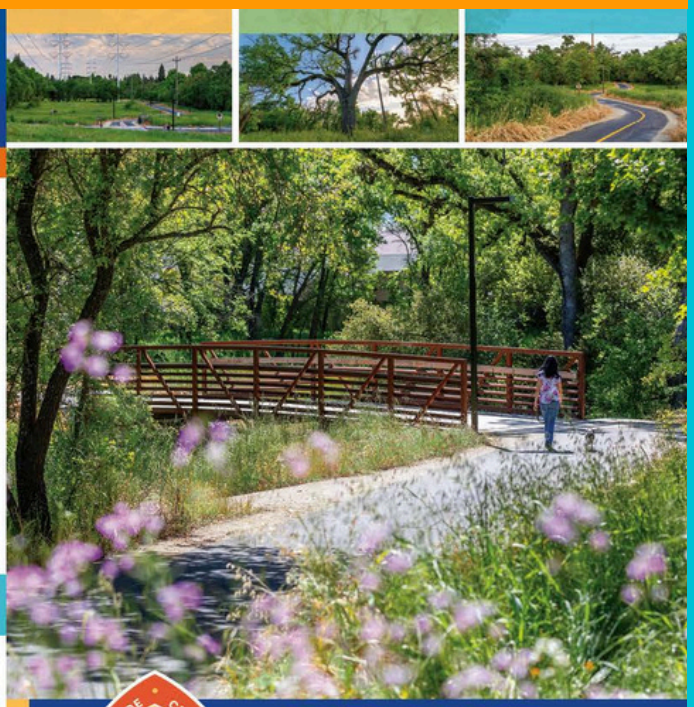
CHIP-IN

- Visit our Volunteer Hub to sign up for local beautification needs on the trail and in our City at CitrusHeightsVolunteers.net.

SHOW US YOUR ACCT FUN!

Tag us in your photos on social media for the chance to be shared on our channels!





WELCOME to the ARCADE-CRIPPLE CREEK TRAIL

ACCT TRAIL PARTNERS

This project is a partnership between the City of Citrus Heights, Sunrise Recreation and Park District, Orangevale Recreation & Park District, San Juan Unified School District, Sacramento County, and Sacramento Municipal Utility District (SMUD).

CITRUS HEIGHTS · Sunrise RECREATION & PARK DISTRICT · ORANGEVALE RECREATION & PARK DISTRICT · SMUD · San Juan Unified SCHOOL DISTRICT · SACRAMENTO COUNTY

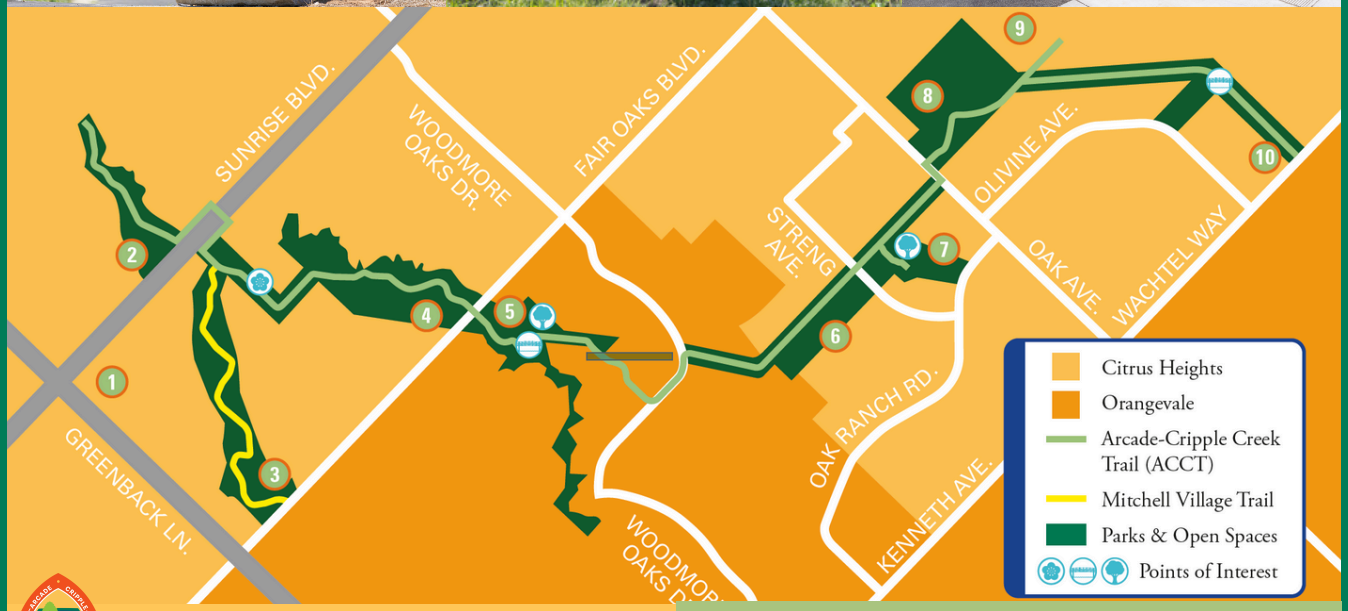
CITRUS HEIGHTS Solid roots. New growth.

Arcade Cripple Creek Trail 13









POINTS OF INTEREST ALONG THE TRAIL



Cripple Creek Bridge
- Over 27 tons of steel make up the structure
- 128 feet long
- 180 bolts to install this bridge
- Weighs 135,812 lbs - the weight of 9 elephants!



Oak Tree at Sundance Nature Area
- Large Valley Oak (*Quercus Lobata*)
- Approximate age is 285 years
- Trunk circumference of 14.75 feet - that's the average height of a female giraffe!



Arcade Creek Bridge
- Install in 2023
- Weighs 34,067 pounds
- 41.8 feet long - the length of a full-sized school bus!



Oak Tree at Northwoods Park
- Large Valley Oak (*Quercus Lobata*)
- Approx. age is 250 years - the year of the Boston Tea Party, 1773!
- Trunk circumference of 12.75 feet



SMUD Pollinator Garden
- Features local native plants loved by bees & butterflies.
- Plants selected for blooms that occur throughout the year.
- Uses "upcycled" resources! The benches are from salvaged redwood logs and the mulch is from tree trimmings.

EXPLORE THESE SPOTS ALONG THE TRAIL!

1. **SUNRISE MARKETPLACE** - Corner of Greenback Ln. and Sunrise Blvd.
   - Walk or bike to shopping, dining, and entertainment (P)
2. **ARCADE CREEK PARK PRESERVE** - 6377 Bonham Cir. Citrus Heights
   - Take the zipline or use calisthenic equipment (P)
3. **MITCHELL VILLAGE PARK** - 7900 Pitcher St., Citrus Heights
   - Take the zipline or use calisthenic equipment
4. **TEMPO PARK** - 13125 Fair Oaks Blvd., Citrus Heights (P)
   - Play tennis and soccer or stroll along Arcade Creek.
5. **SUNDANCE NATURE AREA** - 13120 Fair Oaks Blvd., Citrus Heights
   - 14.18 acres of meandering wooded natural area
   - Identify native plants and flowers
   - Enjoy the Arcade Creek Bridge and views of Arcade Creek
6. **STRENG PARK** - 8300 Streng Ave., Citrus Heights
   - Travel off-street between neighborhoods.
7. **NORTHWOODS PARK** - 8236 Old Ranch Rd., Citrus Heights
   - Play tennis and basketball or see the landmark oak tree on the hilltop.
8. **C-BAR-C PARK** - 8275 Oak Ave., Citrus Heights (P)
   - Visit the dog park, playground, or picnic area or play baseball.
9. **WOODSIDE K-8 SCHOOL** - 8248 Villa Oak Dr., Citrus Heights
   - Take the trail to school, avoid the busy streets and cars.
10. **WOODSIDE OAKS PARK** - Near Wachtel Way & Olivine Ave. (P)
    - Visit the creek or start your walk at the Wachtel Way trailhead.

Contact Us

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