

FISCAL YEAR 2026/27 BUDGET IN BRIEF

A BALANCED BUDGET FOCUSED ON ESSENTIAL SERVICES

FY 2026/27 AT A GLANCE

- $47.1 Million General Fund Revenue
- 58% of General Fund Spending Supports Police Services
- More Than $35 Million Advancing Infrastructure

EXPLORE THE BUDGET, PROJECTS AND RESULTS:
CitrusHeights.net/Finance

CITRUS HEIGHTS
Solid roots. New growth.



A message from the

CITY MANAGER – ASHLEY J. FEENEY

Good local government starts with understanding community priorities and making responsible decisions about limited resources. I am proud to present the City of Citrus Heights Budget in Brief, a summary of the adopted Fiscal Year 2026/27 budget. Adopted unanimously by the City Council, this balanced budget reflects our commitment to fiscal prudence and to the community we are privileged to serve. Significant progress continues on the City Council's strategic priorities, improving quality of life for Citrus Heights residents and businesses. This budget protects essential services while continuing to invest in streets, infrastructure, public safety and the long-term vitality of our city. It also recognizes an important financial reality: the cost of delivering services is rising faster than existing revenues. Meeting community needs in this environment requires thoughtful prioritization, continued efficiency and a clear view of the years ahead.

Citrus Heights enters the fiscal year with strong General Fund reserves that remain above minimum policy requirements. These reserves reflect years of disciplined financial management, but the full balance is not available to spend. Much of it is already accounted for in the City's long-term forecast and will be drawn down in future years to support street resurfacing, necessary capital improvements and other anticipated costs. Reserves also protect essential services when economic conditions change or unexpected needs arise. Simply put, reserves can only be spent once. Using them for employee costs, programs or other expenses that continue year after year would create an ongoing bill without ongoing revenue to pay it.

Responsible stewardship requires looking beyond a single balanced year. We must address financial pressures early, align ongoing expenses with dependable revenue and preserve flexibility for future needs. We will also continue pursuing grants, building partnerships and supporting economic investment that expands the City's revenue base and helps local resources go further. This approach is essential to maintaining reliable services and continuing the fiscally responsible progress our City Council and community expect.

THE FY 2026/27 GENERAL FUND

$47.1 MILLION
Ongoing Revenue

$46.9 MILLION
Ongoing Expenditures

$119,998
Projected Operating Balance
(added to reserve fund)

$33.1 MILLION
Total Reserve Balance

THE BOTTOM LINE

- ✔ **The operating budget is balanced.**
- ✔ **Police remain the largest General Fund investment.**
- ✔ **Reserves remain above policy requirements.**
- ✔ **Ongoing services are supported by ongoing revenue.**

WHY RESERVES MATTER

RESERVES PROTECT ESSENTIAL CITY SERVICES WHEN EMERGENCIES, ECONOMIC DOWNTURNS OR UNEXPECTED COSTS ARISE.

A strong reserve balance does not mean every dollar is available for new spending. Much of the projected balance is already accounted for in the City's long-term financial plan, including annual street investments, necessary capital improvements and other anticipated costs.

Reserves also earn interest and can help the City secure grants that require matching funds.

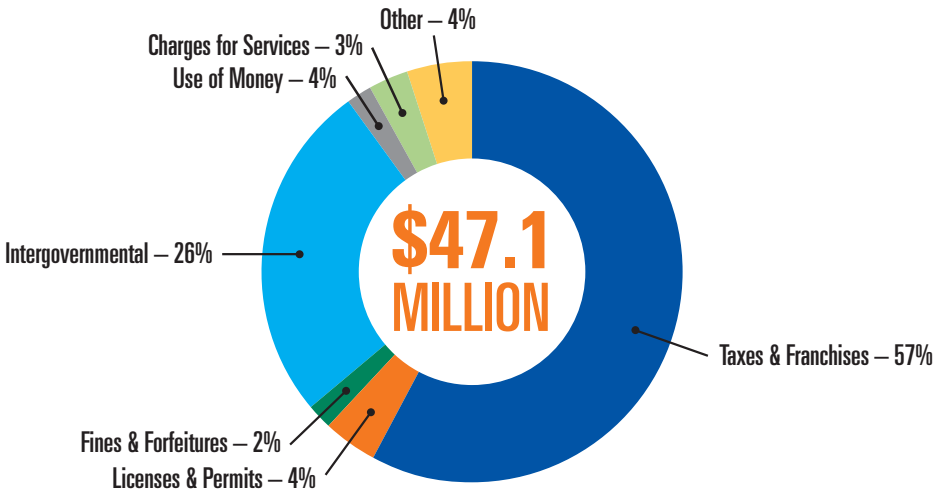
2 MONTHS OF OPERATING COSTS
Minimum required by City Council policy

8.5 MONTHS OF OPERATING COSTS
Projected FY 2026/27 Reserve

WHERE THE MONEY COMES FROM AND WHERE IT GOES

The General Fund pays for police and most day-to-day City services.

WHERE GENERAL FUND REVENUE COMES FROM

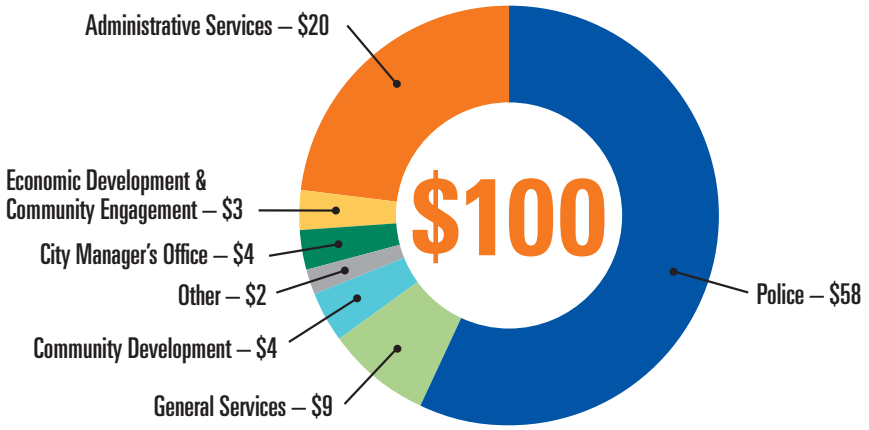


WHO PAYS FOR CITY SERVICES?

City services are supported by revenue generated by residents, businesses and visitors. Funding also comes from grants, permits, service charges and investment earnings.

DID YOU KNOW? Visitors help fund City services when they shop and dine in Citrus Heights.

WHERE EVERY $100 IN GENERAL FUND SPENDING GOES



Figures are rounded

CITY SERVICES AT A GLANCE

Citrus Heights provides police, streets, planning, building, code compliance and other municipal services. Separate agencies provide fire protection, parks, schools, libraries, water and sewer.

ONLY A PORTION OF TAXES PAID LOCALLY COMES TO THE CITY

$100 TAXABLE PURCHASE

$1.00 supports the city; the remainder of the sales tax supports the state, county, regional transportation and other programs.

$100 BASE PROPERTY-TAX

$8.40 supports the city; the remainder supports Sacramento County, schools, fire protection, parks and other public agencies.

HOW CITRUS HEIGHTS MAKES FUNDING GO FURTHER

Every budget decision begins with the same goal: Deliver the greatest benefit with the resources available.

HOW BUDGET DECISIONS ARE MADE

A proposed investment is considered against five questions:

1. Is it essential to City services?
2. Does it advance a City Council priority?
3. Is there a grant, partner or more cost-effective approach?
4. Does it require one time or ongoing funding, and can the City support it year after year?
5. Can we afford it based on projected sales tax and property tax revenues?

WHAT IS THE DIFFERENCE BETWEEN ONGOING AND ONE-TIME FUNDING?

Ongoing funding is money the City expects to receive each year. It can support ongoing costs such as employees, contracts, programs and daily services. One-time funding is available only once or for a limited period. It is best used for costs that will not continue, such as a road project, facility improvement or equipment purchase.

PUTTING THAT APPROACH INTO PRACTICE

Prioritize Essential Services

Public safety, core operations and City Council priorities receive first consideration. New ongoing costs are reviewed to make sure the City can support them year after year.

Match Funding To The Right Purpose

Different funding sources have different rules. Ongoing revenue supports daily services, while grants and restricted funding are often limited to approved projects.

GENERAL FUNDING	CAPITAL FUNDING
Pays for daily services	Pays for major public improvements
Supports police and City operations	Supports roads, trails and facilities
Requires dependable ongoing revenue	Often uses grants and restricted funding

BRING OUTSIDE RESOURCES INTO CITRUS HEIGHTS

Federal, state and regional grants help advance projects beyond what local funding could support alone. A local contribution can help the City compete for larger grants, while partnerships add funding, expertise and capacity.

LOCAL FUNDING GOES FURTHER

Grants expand what the City can deliver.

LESS RELIANCE ON THE GENERAL FUND

Outside funding preserves local resources for essential services.

ATTRACT PRIVATE INVESTMENT

Economic development and responsive development services help move vacant and underused properties back into productive use. Private investment brings new businesses and amenities to Citrus Heights. It also creates jobs, improves commercial areas and attracts visitor spending that generates new sales tax.

LOCAL RESOURCES + OUTSIDE FUNDING = MORE DELIVERED FOR CITRUS HEIGHTS

MORE THAN $18 MILLION ADVANCING INFRASTRUCTURE

The FY 2026/27 Capital Improvement Program directs $18.3 million in grants, restricted funds and resources to infrastructure.

This year alone, Citrus Heights is INVESTING $4 MILLION IN GENERAL FUND DOLLARS TOWARD INFRASTRUCTURE, a level of recurring investment few jurisdictions in the region make. This commitment has helped expand annual roadway improvements FROM ABOUT 2 CENTERLINE MILES TO AS MANY AS 52.

GENERAL FUND COMMITMENT

$4 MILLION ANNUALLY

WHERE CAPITAL FUNDING GOES

PROJECT	INVESTMENT
Pavement Restoration	$8,050,000
Complete Streets	$4,443,000
Traffic, Bicycle & Pedestrian Enhancements	$3,013,689
Trails	$1,548,500
Bridges	$800,000
Facilities & Technology	$415,000
Stormwater	$125,000
TOTAL	**$18,395,189**

WHAT ARE COMPLETE STREETS?

Projects make travel safer and easier for everyone who uses the roadway. Improvements vary by corridor and may include repaired pavement, sidewalks, safer crossings, bicycle facilities, transit access, lighting or drainage.

Complete Streets and pavement account for more than 86% of the capital program.
Most Capital funding must generally be used for eligible projects and cannot pay for police staffing or daily operations.

THE RIGHT ROAD TREATMENT AT THE RIGHT TIME

The City selects each treatment based on pavement condition, traffic and underlying structure.

ROAD CONDITION	TREATMENT	RELATIVE COST
Structurally Sound	Preserve	$
Moderate Surface Wear	**Resurface**	**$$**
Poor or Structurally Damaged	**Repave or Rehabilitate**	**$$$$**

Recent Citrus Heights resurfacing treatments averaged approximately one-quarter the cost of repaving. Preservation helps funding reach more streets, but it cannot replace repaving when a road has structural damage.

Depending on the treatment, residents may notice curing time, temporary loose aggregate, street sweeping or follow-up striping.

$8.51 AVERAGE
Surface-treatment cost per square yard*

$35.35 AVERAGE
Asphalt-overlay cost per square yard*

**Treatment-cost comparisons exclude expenses that vary by project, including mobilization, traffic control, restriping and some repair work.*



MariJane Lopez-Taff
Mayor



Porsche Middleton
Vice Mayor



Dr. Jayna Karpinski-Costa
Council Member



Tim Schaefer
Council Member



Kelsey Nelson
Council Member

City of Citrus Heights

CITY COUNCIL LEADERSHIP AND PRIORITIES

The City Council sets the priorities that guide the budget and adopts the final spending plan. The FY 2026/27 budget was adopted unanimously.

COUNCIL PRIORITIES AT A GLANCE

Maintain and Enhance Fiscal Stability While Supporting Operational Excellence
Reliable and responsive city services.

Maintain Public Infrastructure and Enhance All Modes of Transportation
Better streets and safer ways to travel.

Diversify For A Vibrant Economy
New investment and community amenities.

Preserve and Enhance Public Safety
Safer neighborhoods and commercial areas.

Enhance Community Vibrancy and Engagement
Welcoming places and ways to connect.

FOR MORE INFORMATION ON THE CITY'S STRATEGIC PLAN VISIT:
CitrusHeights.net/StrategicPlan

MISSION
The City of Citrus Heights is committed to providing high-quality, economical, responsive city services to our community.

VISION
Citrus Heights will be the city of choice for residents and businesses to prosper and thrive and a model of neighborhood engagement.

CORE VALUES
- Diversity
- Integrity
- Responsive Customer Service
- Teamwork
- Innovation
- Trust
- Respect

CITRUS HEIGHTS

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