

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**



**ITEM: 3.3**  
(ID # 27803)

**MEETING DATE:**  
Tuesday, May 20, 2025

**FROM :** EXECUTIVE OFFICE

**SUBJECT:** EXECUTIVE OFFICE: Receive and File the Fiscal Year 2024/25 Third Quarter Budget Report; Approval of the recommendations and associated budget adjustments, All Districts. \$42,362,074 - 27% General Fund, 73% Department budgets] (4/5 Vote Required)

**RECOMMENDED MOTION:** That the Board of Supervisors:

1. Receive and file the Fiscal Year 2024/25 Third Quarter Budget Report; and
2. Approve the recommendations and direct the Auditor-Controller to make the budget adjustments contained in Attachment A.

**ACTION:4/5 Vote Required, Policy**


  
Jeff Van Wageningen, County Executive Officer 5/14/2025

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**MINUTES OF THE BOARD OF SUPERVISORS**

On motion of Supervisor Medina, seconded by Supervisor Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Medina, Spiegel, Washington, Perez and Gutierrez  
Nays: None  
Absent: None  
Date: May 20, 2025  
xc: EO

Kimberly A. Rector  
Clerk of the Board  
By:   
Deputy

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<b>FINANCIAL DATA</b>	<b>Current Fiscal Year:</b>	<b>Next Fiscal Year:</b>	<b>Total Cost:</b>	<b>Ongoing Cost</b>
<b>COST</b>	\$42,362,074	\$0	\$42,362,074	\$0
<b>NET COUNTY COST</b>	\$11,362,390	\$0	\$11,362,390	\$0
<b>SOURCE OF FUNDS:</b> 27% General Fund, 73% Department Budgets			<b>Budget Adjustment:</b> Yes	
			<b>For Fiscal Year:</b> 2024/25	

**C.E.O. RECOMMENDATION:** Approve

**BACKGROUND:**

The Third Quarter Budget Report provides an overview of the County’s financial performance for Fiscal Year 2024/25. This report outlines key revenue trends and highlights emerging fiscal pressures that will shape our financial strategy moving forward.

As of Third Quarter, General Fund discretionary revenue continues to perform well and is projected to increase by \$61 million, representing a 5% rise over the adjusted budget. This growth is primarily attributed to a net increase of \$18.7 million in Property Tax revenue, a \$5 million increase from RDA residual assets, and a projected \$38.4 million increase in Interest Earnings. It is important to acknowledge that the spike in interest earnings is likely transitory and should not be relied upon for long-term planning.

Despite discretionary revenue showing signs of steady growth, not all revenue categories are meeting expectations. Prop 172 Public Safety Sales Tax revenue is now projected to fall short of the adjusted budget by \$9.3 million. While this shortfall reflects broader economic uncertainty and could impact public safety funding levels if trends persist, moderate growth levels are expected in FY 2025/26.

Beyond revenue, the County is contending with a range of structural and operational pressures. Rising labor costs, unpredictable state and federal funding, increased demand for essential services, and deferred investment in aging infrastructure are placing significant strain on available financial resources. These and other factors are contributing to a more complex budget environment. Many of these challenges and strategies will be addressed as part of the Fiscal Year 2025/26 Recommended Budget.

In conclusion, while current year discretionary revenues offer some short-term relief, future rate of growth is expected to flatten. Fiscal prudence will be essential as we work to manage these pressures, sustain essential services, and align limited resources with strategic priorities. The path forward will require balanced decision-making, operational discipline, and a continued focus on long-term financial stability.

**Impact on Residents and Businesses**

The recommended budget adjustments will allow County departments to continue to meet the needs of our community.

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ATTACHMENTS:

- FY 2024/25 Third Quarter Budget Report

*Brett Austin*  
Brett Austin, Supervising Accountant 5/14/2025