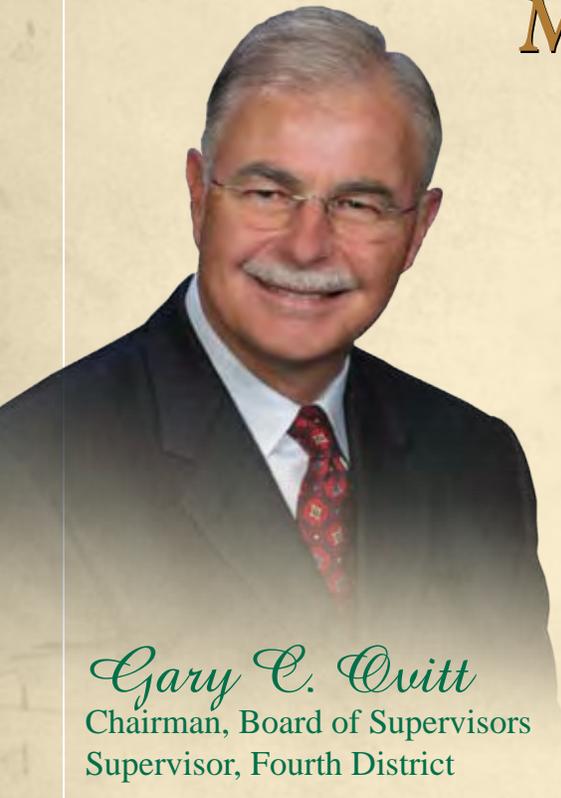




San Bernardino County
ANNUAL REPORT
2009-10 Business Plan

Message from the Chairman



Gary C. Ovitt
Chairman, Board of Supervisors
Supervisor, Fourth District

REPRESENTING

- Ontario
- Chino
- Chino Hills
- Montclair



Citizens Business Bank Arena, Fourth District

Thanks to the hard work and dedication of our more than 18,000 employees, the County of San Bernardino continued to make strides to improve public safety, build infrastructure, protect and preserve our environment, and expand economic development in 2008.

The county budget is a reflection of the state of the economy. Because we have been conservative and prudent with our financial resources, the current financial doldrums we find ourselves in are tempered by solid fiscal management practices.

As Chairman of the Board of Supervisors, it is my job to make sure financial policies are in place to ensure that adequate resources are available to meet basic financial obligations and that the county achieves financial continuity and stability. The county lives within its means. It never spends more than the resources it has.

The county has received the Distinguished Budget Presentation Award for the past two years and a bond rating upgrade from Fitch in September as testimony to our consistently strong financial management, high fund balance levels, and a moderately low debt burden; third party validation that we are doing our job properly.

The downturn in the housing market, a decline in sales tax revenues, and threats posed by the state budget crisis combined with an increased demand for county services has forced the County Administrative Office to tighten the reins on county spending. The county prepared for the current crisis by building a bank of vacant positions and building a healthy budget reserve fund during the recent boom years. Knowing this crisis was coming, a year ago the county imposed strict controls on the filling of vacant county jobs and on all county travel. In October the county instituted a hiring freeze and announced plans to force departments to fund salary increases from within their own budgets.

These measures, which will not affect public safety programs, are designed to help the county avoid having to reduce services to residents and not have to lay off county employees, which would only add to the region's economic difficulties.

As you know, we're in an economic downturn unlike any of us have seen in modern times, with staggering job losses, rising unemployment, and a decimated housing industry. But we continue to work on solutions to these problems. Our top priority is bringing employers, trade and infrastructure that will attract more of the same to our region. We can partially insulate ourselves against global, national and economic trends by taking advantage of our assets as a region, with our affordable land, available work force, affordable housing, recreation, and clean air and water.

I can't predict what the future holds or what the economy or other circumstances are going to bring us. I do know that we not only have the opportunity, but we have a mandate to reinvent ourselves and make tough decisions for the greater good. In short, to lead, which during challenging times is so critical.

Again, I want to thank the many hard-working and dedicated employees who come to work every day and contribute to the successful operation of our county government.

Sincerely,
Gary C. Ovitt, Chairman
Board of Supervisors