



NEWS RELEASE

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Fiscal overview shows progress, but tough times ahead

The economic recovery will allow the County to start restoring some levels of service that were reduced during the recession. However, the County is still looking at many more years of tight budgeting in response to projected shortfalls.

The Board of Supervisors today received the County's annual fiscal overview, which projects \$4.7 billion in revenue to address \$4.7 billion in expenses for the fiscal year that begins July 1, including modest increases to community and fiscal oversight services that were cut to the bone during the recent economic downturn. It also includes prudent investment in basic County operating systems and infrastructure.

"The fiscal overview presented today shows that the County is continuing to focus on fiscal responsibility while slowly restoring service levels to where they were before the recession," said Board of Supervisors Chairman James Ramos.

Projections show a modest \$10.8 million budget surplus for the fiscal year that begins July 1. However, those same projections show a shortfall of \$17.7 million to \$40.8 million by 2020 when the cost of possible employee pay and benefit increases are factored in.

"We have been able to provide more to our hard-working County employees, who make public service possible, in areas where recruitment and retention have become challenges," Chairman Ramos said. "But we must be extremely cautious going forward. Putting the County on stable fiscal footing, and restoring and maintaining vital public service levels, have to remain the County's top priority."

Rather than using funding and going into debt to pay for flashy new projects, the County is concentrating on restoring funding that was previously cut and investing in infrastructure to avoid higher costs later. This includes repairing roads, replacing antiquated emergency communications and fiscal systems, making the best use of existing space instead of building or leasing new space, and gradually restoring drastic cuts made to parks, museums, elections, and the Auditor-Controller.

Rebuilding the Auditor-Controller function will help the County keep even greater control of spending and collecting.

The County is also focusing on innovations that save money and time for taxpayers. San Bernardino County is the first Southern California county to use virtual building inspections to save travel costs and wait times. The County is also instituting a new system to identify and



reduce welfare fraud.

During the past four years, the County has claimed more than 100 national and state innovation awards for developing or improving services for county residents and investors.