



Loudoun County, Virginia

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NEWS RELEASE

Office of the County Administrator, Public Affairs and Communications
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Loudoun County Administrator Presents Proposed Budget for Fiscal Year 2022

County Administrator Tim Hemstreet has presented a proposed budget for the Loudoun County government to the Board of Supervisors for Fiscal Year 2022 (FY 2022), which begins July 1, 2021. The budget totals \$3.3 billion in appropriations for the county government and Loudoun County Public Schools (LCPS).



Proposed Budget

The proposed budget has been prepared at a real property tax rate of \$1.005 per \$100 of assessed value, three cents below the current real property tax rate of \$1.035 per \$100 of assessed value. Although the Board of Supervisors' guidance to the County Administrator was to prepare a budget at a real property tax rate of one cent above the overall equalized rate, Hemstreet said "positive shifts" in the revenue picture that occurred after the Board's final guidance and a lower-than-anticipated budget request from LCPS prompted him to prepare a budget at a lower tax rate—one-half cent above the overall equalized rate.

"Prepared at the tax rate of \$1.005, the proposed budget provides for what I believe are the necessary positions and funding to maintain or—in key strategic areas, enhance—service levels for the county government, open new facilities and compensate employees at a market rate, as well as position the organization to support the Board of Supervisors' priorities," Hemstreet said.

The priorities for the FY 2022 proposed budget include employee pay, opening new facilities, supporting the county's Capital Improvement Program (CIP) and the Board's strategic initiatives and providing resources to county government departments to support their top priorities.

The FY 2022 proposed budget includes:

- Restoration of the \$60 million COVID-19 revenue uncertainty reserve included in the FY 2021 adopted budget and an additional increase of approximately \$97 million (10.3%) in local tax funding to LCPS, which fully funds the LCPS budget request.
- \$9.5 million in base budget adjustments to continue to provide current services, including increases in contracts and ongoing maintenance agreements, lease and utility increases and inflationary impacts.
- An increase of \$12.4 million in total for employee compensation, which consists of:
 - \$9.4 million to provide a 3% merit increase and a step increase for public safety employees; and
 - \$3.0 million to continue the implementation of the new classification and compensation system.
- The addition of 150 positions in 21 different county departments to open new facilities, maintain or enhance current service levels, support the county's CIP and position the organization to pursue the Board's strategic priorities.

- An increase of \$45.3 million to fund debt service and capital needs of the county government and LCPS.

Factors Shaping the Proposed Budget

The proposed FY 2022 budget was developed in an economic climate unlike any other year due to the COVID-19 pandemic. Significant factors influencing development of the budget include:

- **Board Initiatives:** The FY 2022 proposed budget includes resources that align with the Board's strategic priorities for its term: Open Space and Environment, Connecting Loudoun, Collective Bargaining, Equitable Communities and Economic Development.
- **COVID-19:** Maintaining regular or modified operations during the COVID-19 pandemic has placed significant strain on departments and agencies in areas such as management and administrative capacity.
- **Organizational Capacity:** Consistent with recent years, the capacity of the county organization to onboard a significant number of new positions was carefully considered to ensure resources included in the proposed budget are feasible.
- **Population Growth:** The county's population continues to grow at a rate of about 10,000 additional residents every year, which brings new and increased demands on county programs and services.

The FY 2022 proposed budget also includes funding for Loudoun County's operating and capital subsidy payments to the Washington Metropolitan Area Transit Authority due to the anticipated start of Metrorail's Silver Line revenue service in Loudoun County during FY 2022.

Capital Improvement Program (CIP)

The Amended FY 2021-2026 Capital Improvement Program (CIP), which includes both county and school projects, totals \$3.2 billion for the six-year planning period. The category with the largest expenditure percentage is transportation projects at 37%, followed by school projects at 26%, which incorporates the School Board's adopted capital plan and accommodates all requested school projects.

New projects include the Arcola Quarters for the Enslaved, which will restore an existing historic site in Arcola to a passive and educational recreation facility, and the local match for the FEMA grant to mitigate flooding issues in Selma Estates.

The CIP also calls for accelerating critical Board priorities, including the Western Loudoun Recreation Center and the Remote Site Connectivity project, which expands broadband to five county sites, also in western Loudoun.

Tax Rates Summary

The proposed budget is balanced at the real property tax rate of \$1.005 per \$100 of assessed value.

Hemstreet also provided the Board with two additional tax rate scenarios for their consideration: at one cent below and at one-half cent above the tax rate of the proposed budget.

Hemstreet has advertised a real property tax rate of \$1.010, which provides the Board with flexibility to consider additional county government priorities; the LCPS budget request is fully funded at the \$1.005 tax rate.

The Board of Supervisors will determine the final real property tax rate and related budget policy decisions during March budget work sessions with adoption of the FY 2022 budget expected at the Board's business meeting April 6, 2021.

Public Participation

There are several ways in which members of the public may participate in the budget process, including Board of Supervisors public hearings, email, voice messages and social media. The Board will hold three public hearings on the proposed FY 2022 budget. The hearings are scheduled for:

- **Tuesday, February 23, 2021, 3:00 p.m.**
Board Room, Loudoun County Government Center, 1 Harrison Street SE, Leesburg
- **Tuesday, February 23, 2021, 6:00 p.m.**
Board Room, Loudoun County Government Center, 1 Harrison Street SE, Leesburg
- **Saturday, February 27, 2021, 9:00 a.m.**
Board Room, Loudoun County Government Center, 1 Harrison Street SE, Leesburg

Anyone who wishes to speak at the public hearings may sign up in advance for one speaking slot, beginning Thursday, February 11, 2021, by calling 703-777-0204. Due to the COVID-19 pandemic, speakers are encouraged to provide comments remotely.

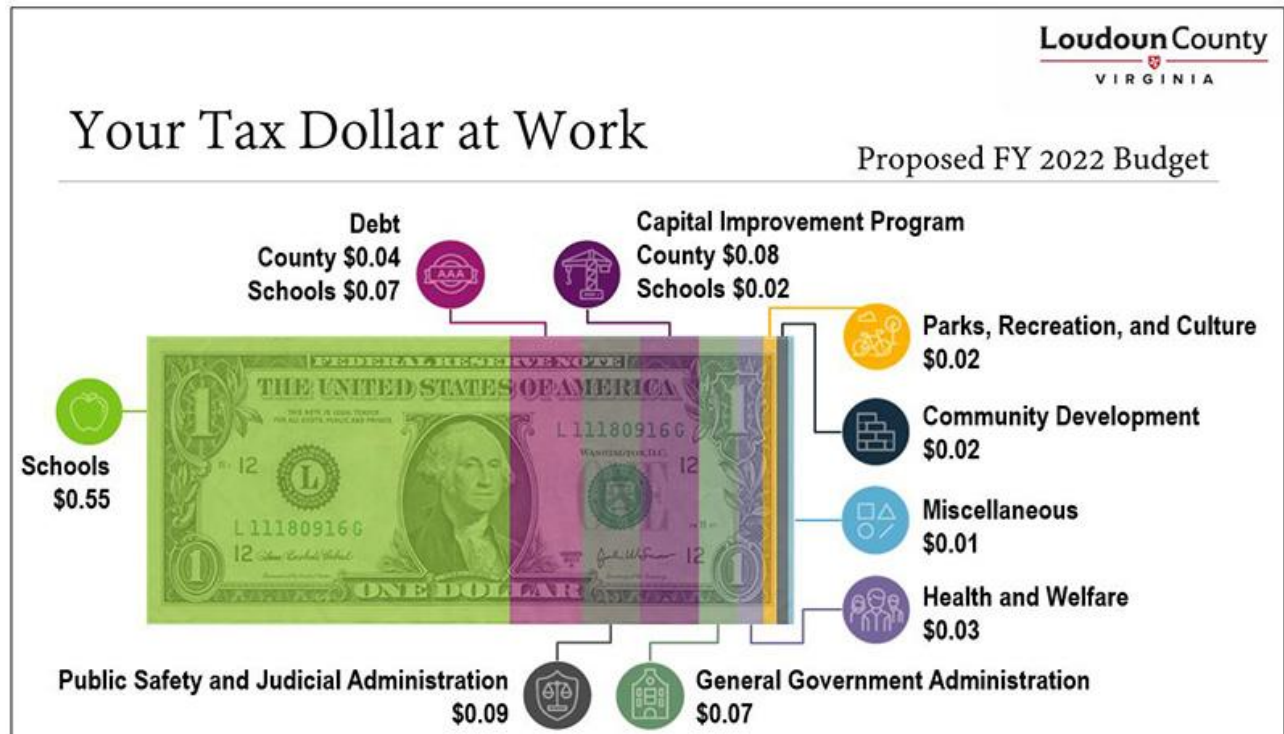
The public hearings will be available for viewing on Comcast Government TV Channel 23 and Verizon FiOS Channel 40. They will also be webcast at loudoun.gov/meetings.

Members of the public may also:

- Leave a message on the Board of Supervisors' Comment Line at 703-777-0115.
- Send an email to the Board of Supervisors at loudounbudget@loudoun.gov, or write to the Board of Supervisors, P.O. Box 7000, Leesburg, VA 20177.
- Provide comments through the Loudoun County government's [Facebook](https://www.facebook.com/loudouncountygov) and [Twitter](https://twitter.com/loudouncountygov) sites.

For More Information

More information, including the FY 2022 proposed budget, the County Administrator's FY 2022 budget presentation, the schedule for Board of Supervisors budget work sessions and the Board's Finance/Government Operations and Economic Development Committee's CIP work sessions, is posted on the Loudoun County website at loudoun.gov/budget.



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