



Loudoun County, Virginia

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News Release

Office of the County Administrator/Public Affairs and Communications

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County Sells Bonds at Favorable Interest Rate

Loudoun County has sold \$156.6 million in general obligation (GO) bonds at a favorable interest rate of 1.46%. The county received \$21.2 million in premium, which was accepted and will be used for Loudoun County Public Schools (LCPS) projects to reduce a future issuance. Eight bidders submitted offers for the county's bonds. Morgan Stanley & Co, LLC offered the bid with the lowest interest rate, which the county accepted.

Proceeds from the GO bond sale will be used to finance the following capital projects:

County Government

- Animal Services Facility
- Braddock Road, Segment 1B Whitman Farm to Paul VI Entrance
- Crosstrail Boulevard
- Fire and Rescue Basic Training Facility
- Hal & Berni Hanson Park
- Loudoun County Parkway Widening (Ryan Road to Shellhorn Road)
- Leesburg South Fire Station (Station #28)
- Lucketts Volunteer Fire Station Replacement
- Route 9/ Route 287 Roundabout
- Sterling Community Center Renovation

LCPS

- Douglass School Renewal
- ES-23 Dulles North Elementary School
- ES-29 Dulles South Elementary School
- LCPS Facility Renewals and Alterations
- Lightridge High School
- North Star School Renovations (Formerly CS Monroe Technology Center)
- MS-14 Dulles North Middle School
- School Security Improvements

Additionally, the county has sold through the Economic Development Authority \$56.5 million of tax-exempt public facility revenue bonds with a true interest cost of 1.54%, and \$18.3 million of taxable public facility revenue bonds with a true interest cost of 1.27% for a total amount of \$74.8 million. The county received \$10 million of premium which was used to downsize the par amount of the bonds. Eight bidders submitted offers for the tax-exempt bonds. KeyBanc Capital Markets offered the bid with the lowest interest rate, which the county accepted. Six bidders submitted offers for the taxable bonds. BNYMellon Capital Markets offered the bid with the lowest interest rate, which the county accepted.

Proceeds from the EDA bond sale will be used to finance the following capital projects:

County Government

- Consolidated Shops and Warehouse
- County Government Center Renovations
- Courts Complex Phase 3
- Fire and Rescue Storage Facilities
- Landfill Reclamation
- Soccer Facilities at Bolen Park (County and DC Soccer Management, LLC portions)

LCPS

- Broadband Infrastructure (LCPS)
- MS-14 Land Acquisition
- School Bus Acquisition and Replacement

The county also refunded the Series 2011A Industrial Development Authority Public Facility Lease Revenue Bonds which achieved budgetary savings of \$5.35 million over the remaining life of the loan and 22% present value savings.

Last week, the nation's top bond rating agencies reaffirmed the county's triple-A rating on its general obligation bonds, and the high AA+ and Aa1 rating (AA⁺ by Fitch and S&P Global and Aa1 by Moody's) on its appropriation-backed bonds through the EDA. The ratings agencies noted the county's strong operating performance and sound reserves, sizable and diverse tax base and moderate long-term liability burden. Loudoun County has held the Aaa rating from Moody's since 2004, and AAA from Fitch Ratings and S&P Global since 2005. A high bond rating helps the county achieve the best possible interest rates to finance capital projects, saving taxpayers millions of dollars.

More information on Loudoun County finances and the county's triple-A bond rating is online at loudoun.gov/BondRatings.

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