



Loudoun County, Virginia

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NEWS RELEASE

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Loudoun County Sells Bonds at Favorable Interest Rate

Loudoun County has sold \$156.7 million in general obligation (GO) bonds at a favorable interest rate of 3.16%. The county received \$15.9 million in premium, which was accepted and will be used for capital projects for the general county government and Loudoun County Public Schools (LCPS) to reduce a future issuance. Eight bidders submitted offers for the county's bonds. J.P. Morgan Securities LLC offered the bid with the lowest interest rate, which the county accepted. While this interest rate is higher than the county has received in recent years due to interest rates being at historic lows, interest rates have been rising considerably since January 2022. In the days leading up to the county's bond sale, rates dropped, allowing the County to receive a favorable rate.

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

County Projects

- **Parks & Recreation**
 - Fields Farm Park
 - Hal & Berni Hanson Regional Park
 - Philip A. Bolen Memorial Park Phase II
- **Public Safety**
 - Leesburg South Fire Station
 - Lovettsville Fire Station Replacement
 - Philomont Fire Station Replacement
 - Round Hill Fire Station Replacement
 - Sterling Fire Station Replacement
- **Transportation**
 - Intersection Improvements
 - Prentice Drive (Loudoun County Parkway to Lockridge Road)
 - River Creek Parkway Sidewalk
 - Route 50 North Collector Road
 - Tall Cedars Parkway to Route 28
 - Route 50 / Trailhead Roundabout
 - Route 15 Improvements Phase 2, Segment 2
 - Sidewalk and Trail Program

LCPS Projects

- Capital Facility Renewals and Alterations
- Douglass School Renovation
- Elaine E. Thompson Elementary School
- Hovatter Elementary School

- MS-14 Dulles North Middle School
- North Star School (formerly CS Monroe Technology Center)
- Student Welcome Center at Sterling Elementary School
- School Security Improvements

Additionally, the county has sold, through the Economic Development Authority, \$55.3 million of tax-exempt, public facility revenue bonds, with a true interest cost of 3.18%, and \$18.5 million of taxable, public facility revenue bonds with a true interest cost of 3.10%; for a total amount of \$73.8 million. The county received \$6.3 million of premium which was used to downsize the par amount of the bonds. Ten bidders submitted offers for the tax-exempt bonds. Mesirow Financial Inc. offered the bid with the lowest interest rate, which the county accepted. Nine bidders submitted offers for the taxable bonds. Robert W. Baird & Co. Inc 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 county and school capital projects:

County Projects

- **General Government**
 - Renovations to County Facilities
 - Renovation of Leased Space
 - Landfill Sequence 1A Cap and Sequence V Closure
- **Information Technology**
 - Public safety-related technology and infrastructure, including handheld radio replacement, radio tower expansion, redundant master/prime site, radio coverage program
- **Mental Health, Substance Abuse & Developmental Services**
 - Eastern Loudoun Group Residence
- **Parks & Recreation**
 - PRCS Renovation Program
 - Soccer Facilities (County Portion)
- **Public Safety**
 - Courts Complex Phase 3
 - Aldie Station Replacement
 - Fire and Rescue Station Storage Sheds
 - Juvenile Detention Center
- **Transportation**
 - Traffic Sign Replacement Program

LCPS Projects

- School Bus Radio Replacement
- School Bus Replacement
- West Transit Facility Land Acquisition

Triple-A Bond Rating Reaffirmed

In May, the nation's top bond rating agencies reaffirmed the county's AAA/Aaa rating on its general obligation bonds, and the high AA+ and Aa1 rating on its appropriation-backed bonds through the EDA. The ratings agencies noted the county's strong financial management practices and policies, operating performance, 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 is online at loudoun.gov/bondratings.

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