



Loudoun County, Virginia

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NEWS RELEASE

Office of the County Administrator, Public Affairs and Communications

1 Harrison Street, SE, P.O. Box 7000, Leesburg, VA 20177-7000

703-777-0113 • Fax 703-771-5841

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Media Contact: Mary Frances Forcier, Deputy Public Affairs & Communications Officer
703-737-8771, MaryFrances.Forcier@loudoun.gov

County Sells Bonds at Favorable Interest Rates; Triple-A Rating Reaffirmed

Loudoun County has completed two major bond sales with proceeds from the sales to be used for capital projects for the general county government and the Loudoun County Public Schools (LCPS). In advance of the sales, 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 on its lease revenue bonds.

"Once again, Loudoun's strong financial management, conservative debt profile and robust economy have been recognized by Wall Street credit rating agencies," said Supervisor Matt Letourneau, Chairman of the Board's Finance, Government Operations and Economic Development Committee. "The Board and our staff have carefully managed our finances and our capital program to provide our citizens with much-needed infrastructure financed at the lowest possible interest rates."

General Obligation Bonds

Loudoun County has sold \$170.3 million in general obligation (GO) bonds at a favorable interest rate of 2.28%. The county received \$19.4 million in premium, which will be used for county and LCPS projects to reduce a future issuance. Six bidders submitted offers for the county's bonds. Wells Fargo Bank, National Association 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
- Crosstrail Boulevard
- Leesburg Volunteer Fire Department Expansion (Station #20)
- Lucketts Volunteer Fire Station Replacement
- Round Hill Fire Station Replacement
- Route 7/ Hillsboro (Route 690) Interchange
- Shellhorn Road Improvements

Schools

- CS Monroe Technology Center/ Douglass School Renovations
- Division Security Improvements
- Dulles North Elementary School (ES-23)
- Dulles South Elementary School (ES-29)
- Goshen Post Elementary School
- Independence High School
- Lightridge High School
- School Bus Replacement and Acquisition
- School Security Vestibules

- Synthetic Turf and Track Resurfacing
- Waxpool Elementary School
- Willard Middle School

Lease Revenue Bonds

The county sold \$24.7 million in lease revenue bonds through the Economic Development Authority; consisting of an \$18.2 million tax-exempt series at a favorable interest rate of 2.43% and a \$6.5 million taxable series at 2.16%. The county received \$2.7 million in premium which will be used for county projects to reduce a future issuance. Three bidders submitted offers for the tax-exempt bonds, with Robert W. Baird & Co, Inc. submitting the bid with the lowest interest rate, which the county accepted. Seven bidders submitted offers for the taxable bonds, with Wells Fargo Bank, National Association submitting the bid with the lowest interest rate, which the county accepted. Proceeds from the bond sale will be used to finance the following county government capital projects:

- Courts Complex Phase 3
- Landfill Reclamation
- Land Management Information System Replacement
- Route 7 Pedestrian Improvements
- Route 772 Transit Station Connector Bridge

Triple-A Ratings Reaffirmed

In May, 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 Standard and Poor's and Aa1 by Moody's) on its lease revenue bonds. The ratings agencies noted the county's exceptionally strong operating performance and sound reserves, sizable and diverse tax base, moderate long-term liability burden, and extensive and well integrated financial management and long-term planning. Loudoun County has held the Aaa rating from Moody's since 2004, and AAA from Fitch Ratings and Standard & Poor's 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 Road to Triple-A status is online at loudoun.gov/BondRatings.

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