

Loudoun County, Virginia

Year Ended June 2015

Comprehensive Annual Financial Report

20

YEAR ENDED JUNE

15

Loudoun County VIRGINIA
WHERE TRADITION MEETS INNOVATION

COUNTY OF LOUDOUN, VIRGINIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended

June 30, 2015

Prepared by:

Department of Finance and Procurement
Division of Accounting and Financial Analysis



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COUNTY OF LOUDOUN, VIRGINIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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INTRODUCTORY SECTION



Loudoun County, Virginia

www.loudoun.gov

Office of the County Administrator

1 Harrison Street, S.E., MSC #2, 5th Floor, P.O. Box 7000, Leesburg, VA 20177-7000

Telephone (703) 777-0200 • Fax (703) 777-0325 • coadmin@loudoun.gov

November 30, 2015

The Honorable Members of the Board of Supervisors, and
Citizens of the County
County of Loudoun, Virginia
1 Harrison Street, S.E., P.O. Box 7000
Leesburg, Virginia 20177-7000

Dear Mr. Chairman, Members of the Board, and Citizens:

I am pleased to present the County's Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2015.

This report prepared by the Division of Accounting and Financial Analysis of the Department of Finance and Procurement, identifies the County's financial position and marks the County's financial activities over the past fiscal year. We believe the data contained in the report are accurate in all material aspects. The required disclosure statements are also set forth.

The CAFR marks the County's continued adherence to and refinement of the guidelines and goals set forth in the Board of Supervisors' Fiscal Policy. The purpose of the Fiscal Policy is to set forth those policies of the Board that establish guidelines for the fiscal stability of the County and establish guidelines for the County Administrator in ensuring that fiscal stability. An effective Fiscal Policy: (1) contributes significantly to the County's ability to insulate itself from fiscal crisis; (2) enhances short-term and long term financial ability to borrow by helping to achieve the highest credit and bond ratings possible; (3) promotes long term financial stability by establishing clear and consistent guidelines; (4) directs attention to the total financial picture of the County rather than single issue areas; (5) promotes the view of linking long-term financial planning with day to day operations; and (6) provides a framework for measuring the impact of government services against established fiscal parameters and guidelines. The progress summarized in the CAFR is an indication of the success of these policies. During fiscal year 2015, Moody's Investors Services, Inc. affirmed the County's Aaa bond rating, Standard and Poor's (S&P) and Fitch Credit Rating Services affirmed the County's AAA bond ratings. This action represents the highest rating available for general obligation bonds from all three rating agencies.

The County concluded fiscal year 2015 in sound financial condition. In addition, the County continued its commitments designed to effectively manage the challenges that continued growth has brought to Loudoun County. These commitments include extending the Metrorail Silver Line into Loudoun County, and continuing to designate two cents of real estate tax revenues in support of multiple road projects both of which serve to improve the regional transportation network.

Population growth continues to be a dominant local trend affecting every area of the government's operations. Loudoun is expected to continue to experience one of the highest percentage growth

rates in population and jobs in the Washington Metropolitan Area. The 2015 County population is estimated to be 363,500. According to the Loudoun County Department of Planning and Zoning, by 2020 Loudoun's population is expected to be approximately 412,500, an increase of 13% from 2015.

Continued planning and commitment is required to meet the challenge of efficiently providing needed services for the growing population; providing for the necessary infrastructure for the future; and growing the tax base and resources required to pay for that infrastructure. Loudoun County has continued to follow a policy of fiscal sustainability. In April 2015, the County adopted a fiscal year 2016 plan that resulted in an overall increase of \$16.1 million in the general county government and a \$69.8 million addition in the school operating fund as compared to fiscal year 2015 appropriations.

In managing our available resources, the County must strike a balance between the demands for additional services and the ability to pay for those services. Financial management continues to be of paramount importance in this and future fiscal years.

The County's financial health is reflected in the soundness of its current financial condition, and it is anticipated that current financial management practices will continue the County's tradition of fiscal stability. The Board's emphasis on sound fiscal planning, budget development and financial management contributes to the present financial condition of the County and sets the parameters and tasks for next year.

Respectfully submitted,



Tim Hemstreet
County Administrator



Loudoun County, Virginia

www.loudoun.gov

Department of Management and Financial Services

1 Harrison Street, S.E., 4th Floor, P.O. Box 7000, Leesburg, VA 20177-7000

Telephone (703) 777-0563 • Fax (703) 777-0567

November 30, 2015

County Administrator
Honorable Members of the Board of Supervisors, and
Citizens of the County
County of Loudoun, Virginia

Ladies and Gentlemen:

The Comprehensive Annual Financial Report of the County of Loudoun, Virginia, for the fiscal year ended June 30, 2015, was prepared by the County's Department of Finance and Procurement, Division of Accounting and Financial Analysis, in compliance with financial reporting model as required by Governmental Accounting Standards Board (GASB) 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with County management. The data as presented is accurate in all material respects, is presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of our various funds, and all disclosures necessary to enable the reader to understand the County's financial activity have been included. The reader is specifically directed to the section entitled "Management's Discussion and Analysis" for a summary of the County's financial activity.

Virginia statute, Section 15.2-2511 of the *Code of Virginia*, requires an annual audit be performed by independent certified public accountants in conformity with U.S. generally accepted accounting principles (GAAP). The accounting firm of Cherry Bekaert LLP was selected by the County's Board of Supervisors to perform the annual financial and compliance audit. In addition to meeting the requirements set forth in State statutes, the audit also was designed to meet the requirements of the revised Federal Single Audit Act of 1996 and related OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. The independent auditors' report on the basic financial statements, required supplementary information and other supplementary information is included in the Financial Section of this Report. The independent auditors' report related specifically to the single audit, including the Schedule of Expenditures of Federal Awards, findings and recommendations, and the auditors' report on internal control over financial reporting and on compliance and other matters, is included in a separate report.

Profile of the Government

Loudoun County, established in 1757, is located in the northwestern tip of the Commonwealth of Virginia just west and north of Washington, DC and is considered to be part of the Northern Virginia and Washington Metropolitan areas. The County is governed by an elected body of representatives called the Board of Supervisors with one Supervisor elected from each of the eight magisterial districts and one At-Large (Chairman) for a term of four years. The Board of Supervisors is the legislative and policy setting body for the County government. A County Administrator is appointed by the Board of Supervisors to act as the Board's agent in the administration and operation of all departments and agencies within the County.

The County provides a full range of municipal services authorized by the Code of Virginia and by the Board of Supervisors. These services include public safety (law enforcement and traffic control, fire and rescue services, corrections and detention, and inspections); health and welfare (health, mental health, developmental services, substance abuse, and social services); education

(elementary, secondary, and community college support); parks, recreation and culture (including libraries and museums); community development (planning, zoning, building & development, environmental management, economic development, and cooperative extension); public works (sanitation and maintenance); and general government administration (legislative, general and financial, elections, and judicial). A summary of the financial highlights of these operations for the fiscal year ended June 30, 2015 in the County's various funds is presented in "Management's Discussion and Analysis," which precedes the County's Financial Statements. In addition to General Government activities, the Board of Supervisors exercises, or has the ability to exercise, budgetary control over the County's School System; therefore, elementary and secondary education activities are included within the reporting entity as a discretely presented component unit.

The Board of Supervisors is required to adopt a final budget no later than the close of the fiscal year. The annual budget serves as the foundation for the County's financial planning and control. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual Fiscal Plan and Appropriations Resolution and adopted in the Budget by the County's Board of Supervisors. Activities of the General Fund, most Special Revenue Funds, and the Debt Service Fund are included in the annual Appropriations Resolution and adopted Fiscal Plan. Project length budgets are adopted for Capital Project Funds. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established by individual fund.

Management control is maintained at the department level within each organizational unit. The County also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year end, with the exception of the capital projects, grants and certain restricted funds; however, after review, they generally are re-appropriated as part of the following year's budget.

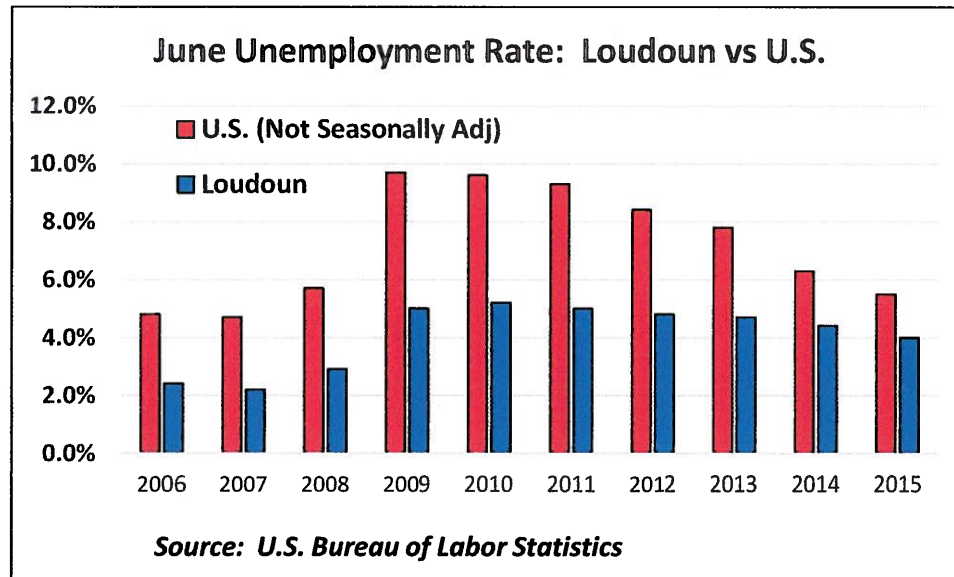
Local Economic Condition and Outlook

Loudoun County continues to maintain financial strength and stability while simultaneously implementing policies to further enhance the high standard of living and "quality of life" enjoyed by its citizens. With an estimated 2015 population of 363,500, Loudoun has consistently ranked among the fastest growing counties in the nation. Meanwhile, the County continues to provide high-quality public services to existing residents and to increase its attractiveness to future residents, while minimizing budgetary increases and tax burdens.

The County concluded fiscal year 2015 in strong financial condition as its economy continued to grow along with that of the Northern Virginia region. After two years of slow regional growth coincident with federal spending cuts mandated by the 2011 Budget Control Act, regional employment data in 2015 suggests that growth is improving as federal spending has stabilized. (U.S. Bureau of Labor Statistics data show Northern Virginia payroll employment for the second quarter of 2015 being 1.8 percent above the level of a year earlier. Employment in the high-paying "Business and Professional Services" category also increased by 1.8 percent. The diversity of Loudoun's economy, the high skill level of its workforce, and the Board of Supervisors' ongoing efforts to facilitate business development have enabled the County's economy to expand. These same factors, along with the financial strength of the long-term investors in the community, have enabled the County's commercial environment to withstand past downturns in the national and international economies and position it to prosper in the future.

According to the county's Department of Economic Development Annual Report for 2015, Loudoun is home to approximately 10,000 businesses. These include AOL, United Airlines, Orbital ATK, Raytheon, Neustar, Verizon, and the Howard Hughes Medical Institute. In fiscal year 2015, Economic Development successfully recruited or retained fifty-seven companies whose expansion or location in Loudoun represents over 3,400 jobs and more than \$1.3 billion of investment. Additionally, the County is a major hub for internet traffic and is home to the world's

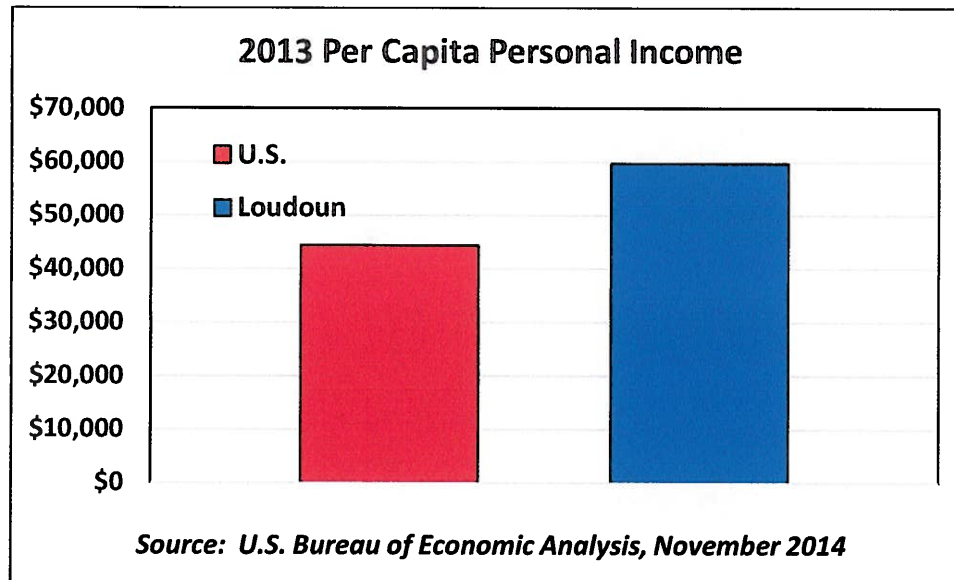
largest concentration of data centers, with nearly six million square feet currently in operation. These factors are responsible for Loudoun's unemployment rate being consistently lower than the national average, as shown in the chart below. The unemployment rate for Loudoun County was 4.0 percent in June 2015, significantly lower than the corresponding U.S. unemployment rate of 5.5 percent.



The County continues to pursue policies that balance residential growth, and the resulting demands for services, with continued expansion of the revenue generating commercial sector. In 2004 the Board of Supervisors adopted the current Economic Development Strategic Plan. The plan is community-wide and aligns public and private resources toward shared goals and priorities to enhance the commercial tax base. The Strategic Plan envisions an innovative, globally competitive economy known for its favorable business environment, exceptional quality of place and strong sense of community. In 2014 the Board of Supervisors continued its commitment to grow Loudoun's commercial business base with the approval of the Data Center Zoning Ordinance Amendment designed to streamline the process of siting these hi-tech facilities within the County.

Loudoun's economic success in fiscal year 2015 is evidenced by several developments: The number of new residential dwelling units permitted in fiscal year 2015 was the third highest number in the past six fiscal years. More than 2.6 million square feet of non-residential space was permitted for construction in fiscal year 2015, which represented a 65 percent increase over the volume permitted during fiscal year 2014. Of the 2.6 million square feet permitted, almost 1.6 million was in the flex/industrial/data center category, representing a 60 percent increase over the prior fiscal year. In addition, the assessed values of both real and personal property continued to increase during 2014. Fiscal 2015 is the third consecutive year in which personal property tax revenue on computer equipment increased by more than 20 percent over the previous year.

Income levels in Loudoun County continue to exceed the U.S. average by a large margin. The County's median household income has been ranked highest in the nation since 2007 among jurisdictions with populations above 65,000. The U.S. Census Bureau's 2014 American Community Survey reported Loudoun's median household income to be \$122,294, more than twice the nationwide median of \$53,657. Loudoun County's income per person is also substantially above the national average. The chart below compares the most recent per capita personal income data for Loudoun (\$59,729) with the U.S. average (\$44,402).



Several other developments during fiscal year 2015 also bode well for Loudoun's future. These include the commencement of construction of the Metro Silver Line in Loudoun and of the 778 megawatt Panda Stonewall natural gas-fueled power plant, an approximately \$600 million investment scheduled for commercial operation in 2017.

Education continues to be a priority program, and the benefits are demonstrated in excellent testing results. The County School System has a very favorable teacher/pupil ratio and has obtained recognition for excellence in education. In 2015, all twelve of the Loudoun County Public Schools high schools eligible to be scored by the Washington Post's Challenge Index received the honor of making the national list of challenging schools. The Washington Post Challenge Index is the ratio of the number of students taking Advanced Placement, International Baccalaureate, and Advanced International Certificate of Education tests to the number of graduating seniors. All twelve schools ranked within the top seven percent of the nation's 22,000 public high schools.

The County faces the challenges of growth and development with confidence, based on a proven financial track record. The County's successes are shared accomplishments combining skill, experience and dedication of elected officials, appointed officials, County employees, and citizens. Faced with changing resources, especially in Federal spending, taxation, and State assistance, the County must continue to plan and manage these resources carefully. Loudoun County Government will continually fine tune processes to deliver services to ensure the citizens that every possible step has been taken to provide the services they want at the least possible cost.

Long-term Financial Planning

Recognizing the critical relationship of development and service demands, the County has sought to offset the negative fiscal impacts of residential development by encouraging a fiscally favorable balance between residential and non-residential development. The County has implemented an integrated approach to fiscal and land use planning. The strategy begins with the comprehensive plan, which establishes the development potential of the County by planning and balancing the residential and non-residential uses of the land.

The Board of Supervisors' Fiscal Policy provides accounting, budgeting, and financial management directives. The policy requires a fund balance Fiscal Reserve equal to 10% of operating revenues in the general and school funds. Any withdrawal of the fiscal reserve requires

Board approval, must meet specific criteria identified in the fiscal policy, and include a plan to replenish the fiscal reserve over a period of not more than three years. The policy also places limits on how much long-term debt the County can incur to build public facilities. These debt guidelines are used in the development of the Capital Improvement Plan each year.

Major Initiatives

The County's Capital Improvement Program (CIP) budget continues to grow in complexity. The priority projects in the CIP include transportation, public safety and public school projects.

Transportation projects consist of 39% of total CIP expenditures, the largest expenditure category in the capital budget. The Board of Supervisors dedicated two cents of the real estate tax rate to assist with the cost of local transportation projects. Examples include the Gloucester Parkway project and the Belmont Ridge Road expansion projects. Additionally, the County has entered into agreements with the Virginia Department of Transportation (VDOT) to provide funding for projects that will be managed and constructed by VDOT. Beginning in FY 2014, additional regional funding for transportation projects is provided to the County annually through House Bill 2313, which established revenue sources dedicated to transportation and transit to reduce traffic congestion in Northern Virginia.

The Board is committed to improving the regional transportation network by bringing the Metrorail Silver Line into Loudoun County. On July, 2012 the Board of Supervisors elected to participate as a Funding Partner in the Dulles Corridor Rapid Transit Project and committed to fund the project using a variety of funding sources. The Metrorail Service District, a special taxing district, was established to help fund construction. In May, 2014 the U.S. Secretary of Transportation approved Loudoun County's application for credit assistance for Loudoun's portion of the Dulles Metrorail Project. This is a low-interest loan of up to \$195.1 million through the Transportation Infrastructure Finance and Innovation Act (TIFIA). As part of Loudoun County's participation in the Dulles Rail Expansion Project, the County has entered into negotiations for a public-private partnership through the procurement process for the construction of three Metro parking garages. In response to approval of the Metrorail project, Moody's, one of the nation's top bond rating agencies, issued a "credit positive" statement for Loudoun in recognition of the expected new commercial and residential growth resulting from the extension of metro into the county. The extension of the Metrorail Silver Line includes the construction of three Metro Stations in the County. The CIP also programs funding for needed road projects to provide access to the future Metro Stations and Park and Ride facilities in the County. Examples include funding for the Route 606 widening project, Sterling Boulevard Extension, and the Route 772 Transit Station Connector Bridge.

Projects completed in FY 2015 include the Conklin Park Restrooms, Dulles Town Center Park and Ride Lot (Phase I), Riverside Parkway from River Creek Parkway to Upper Meadow Drive, along with the purchase of new Fire and Rescue vehicles and equipment. Many public safety and park and recreation projects are in development, including the E-911 Communications Center, the Ashburn Sheriff Station, and the Dulles South Multi-Purpose Center. In addition to construction costs, the County must plan for the additional operating costs to staff, operate, and maintain the new facilities. Additional government facilities and new schools are scheduled to be constructed and opened during the next several years.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Loudoun, Virginia, for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2014. This Certificate of Achievement is a prestigious national award recognizing adherence to the highest standards for preparation of a state and local government financial report.

County Administrator
Honorable Members of the Board of Supervisors, and
Citizens of the County

In order to be awarded a Certificate of Achievement, a governmental unit must publish a Comprehensive Annual Financial Report that clearly communicates the unit's financial story and whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and the applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The current report is designed and prepared to conform to the Certificate of Achievement Program requirements, and it will be submitted to the GFOA to determine its eligibility for another certificate.

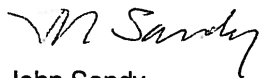
The County continues to maintain a strong financial position through responsible and progressive management of financial operations and through sound accounting and financial reporting practices.

The current accounting and financial reporting standards represent significant enhancements and enable increased efficiency in governmental accounting and financial reporting. The County continues to support the achievements in these areas by the Governmental Accounting Standards Board and the Government Finance Officers Association. These practices provide, in staff's opinion, a sound framework for a truly "comprehensive" annual financial report.

The timely preparation of this Comprehensive Annual Financial Report could not have been accomplished without the effort of the entire staff of this Department's Division of Accounting and Analysis within the Controller's Office. Special recognition goes to Accounting Manager, Lisa Cockrell and to the staff of the Financial Reporting division, for their technical expertise, review and dedicated service in the preparation of this Comprehensive Annual Financial Report. Their continued and diligent efforts towards upgrading the County's Financial Accounting and Management Information System, Fixed Asset Accounting and Control System, and many other ancillary financial systems, have led substantially to the improved quality of financial information being reported to management, the County Administrator, the Board of Supervisors.

It is only appropriate to express appreciation to all other members of the Controller's Office of the Department of Finance and Procurement, to the County's independent auditors and to all County agencies that assisted and contributed to the preparation of this Report. Thanks are also due to the members of the Board of Supervisors and the County Administrator for their interest and continued support in planning and implementing efficient yet effective financial operations for the County. This support and cooperation represents responsible and progressive financial management for the County. Staff will strive to maintain the direction set by the Board to maintain an equitable balance between available resources and the demand for high quality services.

Respectfully submitted,



John Sandy
Assistant to the County Administrator



Janet Romanchyk
Controller



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**County of Loudoun
Virginia**

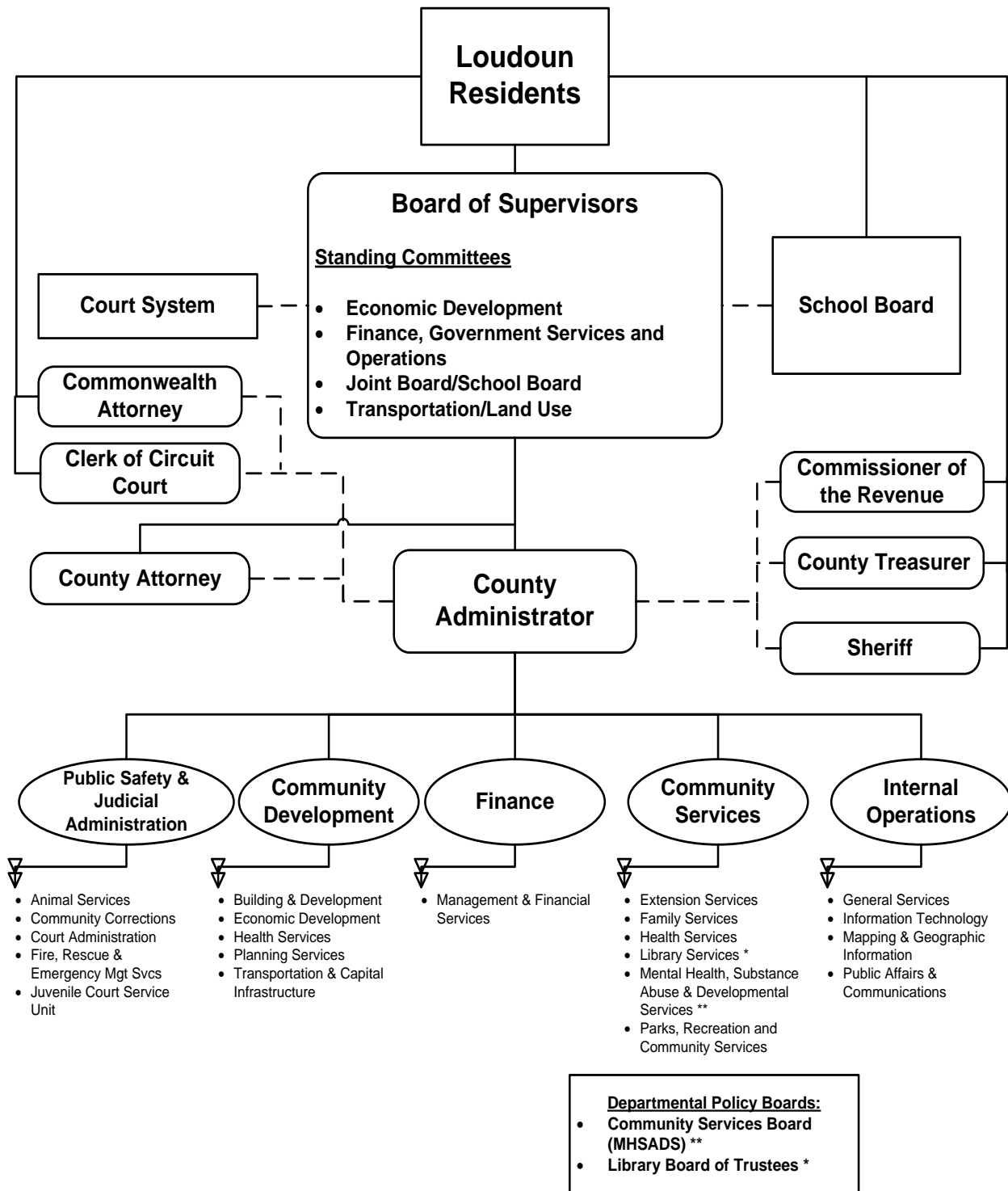
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014



Executive Director/CEO

LOUDOUN COUNTY ORGANIZATIONAL CHART



COUNTY OF LOUDOUN, VIRGINIA
Directory of Officials
June 30, 2015

BOARD OF SUPERVISORS

Scott K. York, Chairman
Shawn M. Williams, Vice Chairman
Suzanne M. Volpe
Ralph M. Buona
Janet S. Clarke
Geary M. Higgins
Matthew F. Letourneau
Kenneth D. Reid
Eugene A. Delgaudio

At Large
Broad Run District
Algonkian District
Ashburn District
Blue Ridge District
Catoclin District
Dulles District
Leesburg District
Sterling District

SCHOOL BOARD

Eric D. Hornberger, Chairman
Jill A. Turgeon, Vice Chairman
Debbie K. Rose
Thomas E. Reed
Kevin J. Kuesters
Jennifer K. Bergel
Jeff E. Morse
Bill D. Fox
Brenda L. Sheridan

Ashburn District
Blue Ridge District
Algonkian District
At-Large Member
Broad Run District
Catoclin District
Dulles District
Leesburg District
Sterling District

CONSTITUTIONAL OFFICERS

Robert S. Wertz, Jr.
James E. Plowman
Gary M. Clemens
Michael L. Chapman
H. Roger Zurn, Jr.

Commissioner of Revenue
Commonwealth's Attorney
Clerk of Circuit Court
Sheriff
Treasurer

ADMINISTRATIVE OFFICERS - GENERAL GOVERNMENT

Tim Hemstreet
Leo P. Rogers
Ben Mays

County Administrator
County Attorney
Director of Management and Financial Services

ADMINISTRATIVE OFFICERS - SCHOOL SYSTEM

Dr. Eric Williams, Ed.D.
Dr. Michael Richards
Dr. Terri L. Breeden
Dr. Kimberly I. Hough
E. Leigh Burden
Dr. Mary V. Kealy
Kevin L. Lewis
Dr. Richard A. Contartesi

Superintendent
Chief of Staff
Assistant Superintendent for Instruction
Assistant Superintendent for Personnel Services
Assistant Superintendent for Business & Financial Services
Assistant Superintendent for Pupil Services
Assistant Superintendent for Support Services
Assistant Superintendent for Technology Services

COUNTY OF LOUDOUN

The County of Loudoun is a historic, transitional rural county that was established in 1757 and named for John Campbell, Fourth Earl of Loudoun. The County is located in the Northwestern tip of the Commonwealth of Virginia just west and north of Washington, D.C., and is considered to be part of the Northern Virginia and Washington Metropolitan areas. The County is approximately 517 square miles in size, covering 330,880 acres of land area, with a current population of approximately 363,524 and is one of the fastest growing jurisdictions in the Washington Metropolitan Area.

The County is governed by an elected body of representatives called the Board of Supervisors, with one Supervisor elected from each of the eight magisterial districts and one At-Large (Chairman) for a term of four years. The Board of Supervisors is the legislative and policy setting body for the County government, oversees general governmental operations, and is responsible for appropriating funds for the various County departments and agencies. A County Administrator is appointed by the Board of Supervisors to act as the Board's agent in the administration and operation of these departments and agencies. The Board also appoints the Planning Commission, the Library Board, the Family Services Board, as well as other advisory boards, commissions, committees, etc.

In addition to the Board of Supervisors, other elected County officials include: the School Board, the Commonwealth Attorney, Commissioner of Revenue, Treasurer, Sheriff, and Circuit Court Clerk. The judges of the Circuit Court, General District Court, and the Juvenile and Domestic Relations District Court are elected by the State Legislature.

Loudoun County has the conveniences associated with urban areas, while maintaining a comfortable "country-living" atmosphere. The eastern portion of the County borders with Fairfax County, Virginia, and contains the rapidly expanding Dulles International Airport. This portion of the County has grown into a densely populated area with easy access to the Washington Metropolitan Area. This part of the County portrays the "suburban life", with many modern conveniences, easy access to schools, airport, shopping centers, etc. While Eastern Loudoun, experiencing heavy development pressures from the Washington Metropolitan Area, represents the new urban growth, Western Loudoun, bordered by the Blue Ridge Mountains to the west and Potomac River to the north, displays a rural and historical environment. The western portion of the County is made up of small towns and villages surrounded primarily by farmland and open spaces. This portion of the County is sparsely populated and represents the past, with many of the oldest historical sites in the United States. The combination of Eastern and Western Loudoun, of urban growth and historic stability, makes Loudoun County one of the most desirable counties in Northern Virginia for establishing businesses and residencies.

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Report of Independent Auditor

To the Honorable Members of the Board of Supervisors
Loudoun County, Virginia

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Loudoun, Virginia (the "County"), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *Specifications for Audits of Counties, Cities, and Towns*, issued by the Auditor of Public Accounts of the Commonwealth of Virginia. Those standards and specifications require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Loudoun, Virginia, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Notes I and XXII and presented in Note XVIII to the financial statements, the County adopted the provisions of Governmental Accounting Standards Board (the "GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – An Amendment of GASB Statement No. 68*, effective July 1, 2014. As a result, related net position has been restated. Our opinions are not modified with respect to this matter.

Correction of Error

As discussed in Note XXII to the basic financial statements, the component unit's beginning net position has been restated from the previously issued financial statements to reflect the correction of an error. Our opinions are not modified with respect to this matter.

Other Matters***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison schedule, and pension and other postemployment benefits' schedules on pages 17-24, 71-72 and 73-77, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The Introductory Section, Other Supplementary Information as listed in the table of contents, and the Statistical Section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Other Supplementary Information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Other Supplementary Information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The Introductory and Statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2015 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Cheryl Behrman CP". The signature is written in a cursive style.

Tysons Corner, Virginia
November 30, 2015



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MANAGEMENT'S DISCUSSION AND ANALYSIS

**COUNTY OF LOUDOUN, VIRGINIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2015**

The following discussion and analysis of the County of Loudoun, Virginia's (the County) financial performance provides an overview of the County's financial activities for the fiscal year ended June 30, 2015. Please read it in conjunction with the transmittal letter at the front of this report and the County's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS FOR FY 2015

The assets and deferred outflows of the total reporting entity, which includes the School Board component unit, exceeded liabilities and deferred inflows of resources by \$1.3 billion, an increase of \$189.6 million over FY 2014, as restated (Exhibit I).

The restatement of FY2014 net position is due to the implementation of two new Governmental Accounting Standards, GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date-An Amendment of GASB Statement No. 68*. For more information of the effects of GASB Statement 68, please refer to Note XVIII of the notes to the financial statements.

On a government-wide basis, the County had expenses net of program revenues of \$1.137 billion, general revenues of \$1.220 billion, and a special item of 26.76 million, resulting in an increase in net position of \$109.5 million over FY 2014. (Exhibit II)

The General Fund, on a financial resource basis, reported revenues in excess of expenditures and other financing sources and uses of \$69.5 million. (Exhibit V)

As of June 30, 2015, the County's total governmental funds reported combined fund balances of \$807.2 million, an increase of \$94.2 million. Approximately 49.6% or \$400.0 million is unrestricted and available to meet the County's current and future needs. (Exhibit III & Exhibit V)

Total General Fund revenues, including other financing sources and uses, exceeded final budget expectations by \$26.5 million. General fund expenditure savings totaled \$39.9 million compared to final budget expectations. (Exhibit XIII)

In October 2014, the County sold \$10.9 million of Virginia Public School Authority Bonds. The proceeds of these bonds will be used to finance school construction for the Broad Run High School renovation project. Additionally, the County sold \$47.4 million of General Obligation bonds to finance the equipping and construction of school projects including two Elementary Schools, two High Schools, renovation projects and public safety capital equipment.

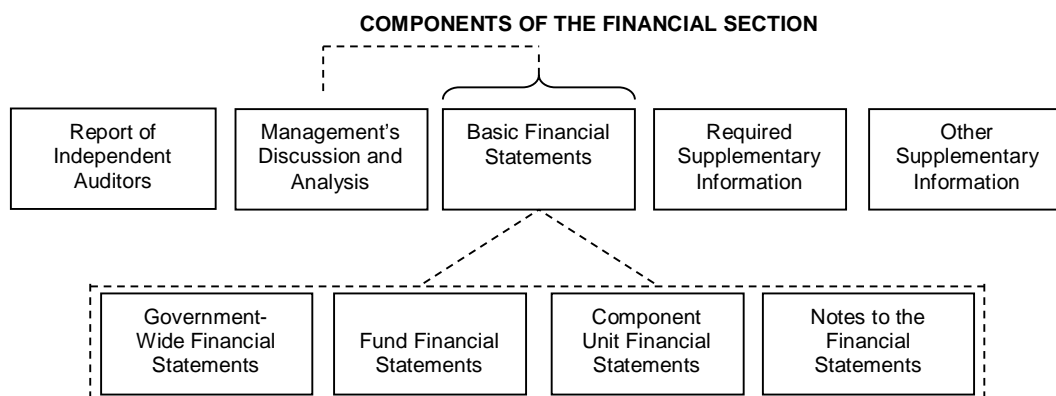
In December 2014 the County closed on a Transportation Infrastructure Finance and Innovation Act (TIFIA) loan, not to exceed \$195.1 million to partially fund the extension of the Metrorail rapid transit system into Loudoun County. As of June 30, 2015, the County has an outstanding loan balance of \$11.3 million. Additional information on the Metrorail extension may be found within the MD&A, Transmittal letter and Long Term Obligation Note # XIV.

During February 2015, the County defeased \$10.2 million of the 2011A General Obligation Bond Series with unspent bond proceeds. This defeasance resulted in a net present value savings of approximately \$1.9 million. Additionally, the County sold \$31.0 million of Public Facility Lease Revenue Bonds for a variety of ongoing and new projects including road construction, public safety facilities, and landfill projects.

During June 2015, the County sold \$69.9 million in G.O. Public Improvement Bonds to provide funding for a variety of ongoing County projects including school construction projects, Sterling Library, Sterling Fire & Rescue Station, and Phase 3 of the Dulles South Multi-Purpose Center.

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT

This Comprehensive Annual Financial Report consists of three sections: introductory, financial, and statistical. As the following chart shows, the financial section of this report has five components – *report of independent auditors, management's discussion and analysis* (this section), *the basic financial statements, required supplementary information, and other supplementary information*.



The County's financial statements present two kinds of statements, each with a different snapshot of the County's finances. The focus of the financial statements is on both the County as a whole (government-wide) and the fund financial statements. The government-wide financial statements provide both long-term and short-term information about the County's overall financial status. The fund financial statements provide information on a current financial resource basis only and focus on the individual parts of the County government, reporting the County's operations in more detail than the government-wide statements. Both perspectives (government-wide and fund) allow the user to address relevant questions, broaden the basis of comparison (year to year or government to government) and enhance the County's accountability. The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE STATEMENTS

One of the most important questions asked about the County's finances is, "Is the County as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities, which are the government-wide statements, report information about the County as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the County's Net Position and changes in them. One can think of the County's Net Position – the difference between assets and deferred outflows and liabilities and deferred inflows – as one way to measure the County's financial health, or financial position. Over time, increases or decreases in the County's Net Position are one indicator of whether its financial health is improving. However, other nonfinancial factors will need to be considered, such as changes in the County's property tax base, condition of the County's transportation network, and population demographics in order to assess the overall health of the County.

In the Statement of Net Position and the Statement of Activities, we divide the County into the following:

Governmental activities – All of the County's basic services are reported here: Public safety (law enforcement and traffic control, fire and rescue services, corrections and detention, and inspections); health and welfare (health, mental health, disability services, and social services); education (elementary, secondary, and community college support); parks, recreation and cultural (including libraries and museums); community development (planning, zoning, housing, environmental management, and cooperative extension); limited public works (sanitation and waste removal and maintenance); and general government administration (legislative, general and financial, elections and judicial). Property taxes, other local taxes, and state and federal grants finance most of these activities.

Component unit – The County includes a separate legal entity in its report – the Loudoun County School Board. Although legally separate, the "component unit" is included because the County is financially accountable and provides operating and capital funding for the Loudoun County Public Schools.

FUND FINANCIAL STATEMENTS

Traditional users of government financial statements find the fund financial statement presentation more familiar. The fund financial statements provide more information about the County's most significant funds – not the County as a whole.

The County has three kinds of funds:

Governmental funds – Most of the County's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year end that are available for spending. Consequently, the governmental funds' statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, additional information is provided in an accompanying schedule to the governmental funds statement that explains the relationship (or differences) between them.

Proprietary funds – These funds are used to account for operations that are financed in a manner similar to private business enterprises. The proprietary fund measurement focus is upon determination of net income, financial position, and cash flows. Cash and temporary investments related to these proprietary funds are all highly liquid cash equivalents.

The County's proprietary fund types consist of the Central Services Fund and the Self-Insurance Fund, both of which are considered to be Internal Service Funds. The operations of these funds are generally intended to be self-supporting and the results are included in the Governmental Activities in the entity-wide financial statements.

The Central Services Fund is used to account for the financing of goods or services provided among County departments on a cost-reimbursement basis and include such activities as central duplicating, telephone, mail, support, and vehicle services. The Self-Insurance Fund is used to account for the accumulation of resources to pay for losses incurred by the partial or total retention of risk of loss rather than transferring the risk to a third party through the purchase of commercial insurance, and includes such uninsured risks as health, workers' compensation, and vehicle self-insurance programs.

Fiduciary funds – The County is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that – because of a trust arrangement – can be used only for the trust beneficiary. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate Statement of Fiduciary Net Position and a Statement of Changes in Fiduciary Net Position. The

County excludes these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Statement of Net Position:

The following table reflects the condensed Statement of Net Position (Exhibit I) in comparative format:

Table 1
Summary Statement of Net Position
Comparison as of June 30, 2015 and 2014 (thousands)

	Primary Government			Component Unit-Schools		
	FY 15	FY 14	Increase/ (Decrease)	FY 15	FY 14	Increase/ (Decrease)
Current and Other Assets	\$ 1,595,605	\$ 1,277,837	\$ 317,768	\$ 213,511	\$ 185,123	\$ 28,388
Capital Assets	1,109,060	1,045,248	63,812	1,551,472	1,492,455	59,017
Total Assets	\$ 2,704,665	\$ 2,323,085	\$ 381,580	\$ 1,764,983	\$ 1,677,578	\$ 87,405
Total deferred outflows of resources	\$ 18,873	\$ -	\$ 18,873	\$ 93,192	\$ -	\$ 93,192
Other Liabilities	\$ 234,528	\$ 72,177	\$ 162,351	\$ 118,214	\$ 103,404	\$ 14,810
Long-term Liabilities	1,322,233	1,202,589	119,644	911,712	159,959	751,753
Total Liabilities	\$ 1,556,761	\$ 1,274,766	\$ 281,995	\$ 1,029,926	\$ 263,363	\$ 766,563
Total deferred inflows of resources	\$ 535,879	\$ 455,572	\$ 80,307	\$ 117,226	\$ -	\$ 117,226
Net Position						
Net Investment in Capital Assets	\$ 884,139	\$ 807,212	\$ 76,927	\$ 1,527,139	\$ 1,469,383	\$ 57,756
Restricted	337,072	291,903	45,169	29	32,648	(32,619)
Unrestricted	(590,313)	(506,368)	(83,945)	(816,145)	(87,816)	(728,329)
Total Net Position	\$ 630,898	\$ 592,747	\$ 38,151	\$ 711,023	\$ 1,414,215	\$ (703,192)

This overall change in both the County and School's Net Position relates to various reasons as outlined below:

The increase in the Primary Government's Current and Other Assets is due to a combination of factors. The first factor is the net increase in cash related accounts. Cash, cash equivalents and investments rose by \$255.1 million. Contributing to the increase in cash is a change in the presentation of the due from Primary Government previously reflected on the component unit's financial statements as cash in the amount of \$173.7 million. This change was made to more accurately reflect the intercompany balances between the Primary Government and the Component Unit-Schools. Also contributing the increase in cash are unspent bond proceeds of \$37.2 million and an increase in cash due to higher property tax collections of 48.1 million. Net receivables increased by \$63.4 million, primarily due to taxes not yet due, offset by modest increases and decreases in other accounts. The increase of \$63.8 million of net Capital Assets is due to increases in the projects under construction, donations of land and building, and additions to infrastructure offset by depreciation. Deferred outflows of resources increased due to the implementation of GASB 68, which resulted in a deferral of pension contributions made after the measurement date of the net pension obligation. The increase in Long-term Liabilities is due primarily to new debt issued in 2015 and the net pension obligation as a result of the implementation of GASB 68. Please refer to Notes VIII and XIV of the notes to the financial statements for detailed information. Other Liabilities increased \$162.4 million which is primarily the due to component unit, offset by other modest increases and decreases in other accounts. The increase in deferred inflows of resources is due to the implementation of GASB 68 & 71, which resulted in a deferred gain on pension investments, higher unavailable revenue from taxes not yet due, offset by a modest reduction in prepaid taxes and the amortization of deferred gain on refunding debt.

The increase in the component unit-schools' Current and Other Assets of \$28.4 million is due primarily to the increase in due from Primary Government, which is directly related to the return of fiscal reserve in the amount of \$26.8 million. Please refer to Note XXI of the notes to the financial statements for further details. The increase in capital assets is due to increases in projects under construction offset by depreciation. Please refer to Note VIII of the notes to the financial statements for detailed information. The increase in Long-Term Liabilities is primarily due to the implementation of GASB 68, which resulted in a net pension obligation of 749.4 million. Similar to the Primary Government, the increases in deferred outflows of resources and deferred inflows of resources are also due to the implementation of GASB 68 & 71, which resulted in a deferral of pension contributions made after the measurement date of the net pension obligation and a deferred gain on pension investment earnings, respectively.

The FY14 figures shown in Table 1 have not been restated as all prior year information related to the implementation of GASB statements 68 & 71 is not available.

Statement of Activities

The following chart reflects the changes in Net Position (Exhibit II) in comparative format:

Table 2
Changes in Net Position
Comparison for the years ended June 30, 2015 and 2014 (thousands)

	Primary Government			Component Unit-Schools		
	FY 15	FY 14	Increase/ (Decrease)	FY 15	FY 14	Increase/ (Decrease)
REVENUES						
Program Revenues:						
Charges for Services	\$ 68,997	\$ 67,029	\$ 1,968	\$ 18,358	\$ 17,723	\$ 635
Operating Grants and Contributions	86,574	96,663	(10,089)	29,149	25,269	3,880
Capital Grants and Contributions	64,994	31,301	33,693	141,662	148,058	(6,396)
General Revenues:						
Property Taxes	976,628	909,771	66,857	-	-	-
Other Taxes	175,237	156,603	18,634	-	-	-
Grants and Contributions not Restricted to Specific Programs	58,110	56,742	1,368	275,350	258,051	17,299
Other	9,603	11,070	(1,467)	7,436	7,454	(18)
Payment from County	-	-	-	610,280	566,207	44,073
Total Revenues	\$ 1,440,143	\$ 1,329,179	\$ 110,964	\$ 1,082,235	\$ 1,022,762	\$ 59,473
EXPENSES						
General Government Administration	\$ 76,493	\$ 70,124	\$ 6,369	\$ -	\$ -	\$ -
Judicial Administration	13,912	13,095	817	-	-	-
Public Safety	174,527	160,559	13,968	-	-	-
Public Works	44,805	85,335	(40,530)	-	-	-
Health and Welfare	85,297	81,276	4,021	-	-	-
Parks, Recreation and Culture	56,609	49,077	7,532	-	-	-
Community Development	115,226	50,020	65,206	-	-	-
Education	754,055	715,185	38,870	975,412	897,994	77,418
Interest and Other Debt Service Charges	36,439	34,383	2,056	-	-	-
Total Expenses	\$ 1,357,363	\$ 1,259,054	\$ 98,309	\$ 975,412	\$ 897,994	\$ 77,418
Special Item-Return of fiscal reserve from component unit	\$ 26,765	\$ -	\$ 26,765	\$ (26,765)	\$ -	\$ (26,765)
Change in Net Position	\$ 109,545	\$ 70,125	\$ 39,420	\$ 80,058	\$ 124,768	\$ (44,710)
Net Position at Beginning of Year	592,747	522,622	70,125	1,414,214	1,289,447	124,767
Prior Period Adjustments	(71,394)	-	(71,394)	(783,249)	-	(783,249)
Net Position Beginning of Year, Restated	521,353	522,622	(1,269)	630,965	1,289,447	(658,482)
Net Position End of Year	\$ 630,898	\$ 592,747	\$ 38,151	\$ 711,023	\$ 1,414,215	\$ (703,192)

Revenues

For the fiscal year ended June 30, 2015, the Primary Government revenues totaled \$1.44 billion, an increase of \$111.0 million from the prior fiscal year.

Property tax revenue, the County's largest revenue source, increased by \$66.9 million from the prior fiscal year due to the increase in real property taxes, personal property taxes collected from higher vehicle values, and higher computer equipment tax from the growth of data centers. Property tax revenue also includes monies received from the Commonwealth of Virginia for the Personal Property Tax Relief Act of 1998 (PPTRA). The increase in other local taxes is primarily due to higher sales taxes resulting from the Virginia General Assembly legislation HB2313 which included an incremental increase of State Sales Tax for transportation projects, an increase in recordation taxes, and increases in business license taxes, consumer utility taxes, and bank franchise taxes. The increase in capital grants and contributions is due to higher donated land and buildings from developers and stormwater management, while the decrease in operating grants and contributions is due to lower cash proffers from developers. The increase in the special item is related to a one-time return of fiscal reserve to the Primary Government from the Component Unit to accurately reflect the custody of the fiscal reserve on the Primary Government's statements. Please refer to Note XXI of the Notes to the Financial Statements for more detailed information.

The change in prior period adjustments is the impact of the implementation of GASB Statement's 68 & 71. Please refer to Note XXII in the Notes to the Financial Statements for more detailed information.

Expenses

For the fiscal year ended June 30, 2015, expenses for governmental activities total \$1.36 billion.

Education continues to be one of the County's highest priorities and commitments. Of the total expenses, \$754.1 million represents education expenses and a transfer in anticipation of bond proceeds to schools for capital projects. Education expenses as part of governmental activities in fiscal year 2015 increased by \$38.9 million from the previous fiscal year. This increase is comprised of an increase in the transfer to the Component Unit-Schools for operating expenses of \$36.1 million and an increase in contributions for capital projects. The remaining increase of \$60.2 million for primary government expenses is due to an increase in capital projects related to transportation and mass transit and the addition of staffing enhancements during 2015.

Financial Analysis of the County's Funds

For the fiscal year ended June 30, 2015, the governmental funds reflect a combined fund balance of \$807.2 million as illustrated below (refer to Exhibit III).

	Fiscal Year 2015				
	General	Capital Projects	Debt Service	Non-Major Governmental	Total
Non-Spendable	\$ 1,552,625	\$ -	\$ -	\$ 2,540,189	\$ 4,092,814
Restricted	-	189,648,043	-	213,446,054	403,094,097
Committed	165,501,135	59,571,719	-	7,578,430	232,651,284
Assigned	91,014,370	2,241,263	38,100,876	1,769,035	133,125,544
Unassigned	34,268,797	-	-	(462)	34,268,335
Total Fund Balances	\$ 292,336,927	\$ 251,461,025	\$ 38,100,876	\$ 225,333,246	\$ 807,232,074

The General fund balance increased by \$69,466,421 from the prior fiscal year. The adopted fiscal year 2015 budget forecasted a net decrease in the fund of \$1,540,100. Higher collections than projected in property tax revenues, lower than forecasted expenses and a one-time return of fiscal reserve of \$26.8 million from the County's component unit, Loudoun County Public Schools, contributed to the ending fund balance. The fiscal reserve returned from the Schools, shown as a special item on Exhibit V, is a portion of the County's 10% committed fiscal reserve. In the future, the 10% fiscal reserve will be reflected solely on the County's financial statements.

The Capital Projects fund balance increased \$22,957,492 from the prior fiscal year. This increase is primarily attributable to the transfer of resources from the Transportation District and Public Facilities Funds for ongoing capital projects and unspent bond proceeds.

Debt Service fund balance decreased \$24,522,741 due to the defeasance of 2011A General Obligation bonds with unused proceeds of \$10.4 million, and budgeted use of fund balance.

Non-major Governmental fund balances increased \$26,303,293 from the prior fiscal year. This increase is mostly attributed to a \$16,189,099 increase in developer contributions received in the Public Facilities Fund, and a \$12,401,734 increase in the Transportation Fund. The increase in the Transportation fund is mostly attributed to special tax district revenues associated with the Metrorail extension into Loudoun County of \$6,142,523 million and Northern Virginia Transportation Authority funds received for capital projects.

General Fund Budgetary Highlights

	Fiscal Year 2015		
	Original Budget	Amended Budget	Actual
<u>Revenues and Transfers In:</u>			
Taxes	\$ 1,057,599,850	\$ 1,057,599,850	\$ 1,094,633,352
Intergovernmental	88,498,032	93,583,214	90,673,154
Other	88,006,260	98,083,887	90,458,189
Total Revenues and Transfers In	\$ 1,234,104,142	\$ 1,249,266,951	\$ 1,275,764,695
<u>Expenditures and Transfers Out:</u>			
Expenditures	\$ 1,067,632,137	\$ 1,078,067,030	\$ 1,038,325,401
Transfers	168,012,105	194,944,550	194,737,631
Total Expenditures and Transfers Out	\$ 1,235,644,242	\$ 1,273,011,580	\$ 1,233,063,032
Return of fiscal reserve from component unit			\$ 26,764,758

The final amended budget for revenues and transfers in exceeded the original budget by \$15,162,809. This was primarily due to the anticipation of greater charges for services, grant funding from the state and federal government, and a transfer of excess local tax funding from the Comprehensive Services Act Fund. The final amended budget appropriations, which include expenditures and transfers out, exceeded the original budget by \$38,144,012. This was primarily due to the re-appropriation of 2014 unassigned fund balance, the timing difference between the adoption of the original budget and the encumbrances carried over at the end of the fiscal year as part of the amended budget, and a transfer of local tax funding that flows through the General Fund to the Transportation District Fund, then to the Capital Projects Fund for transportation related projects.

Actual revenues and transfers in exceeded amended budget amounts by \$26,497,744 while actual expenditures and transfers out were less than the amended budget amounts by \$40,725,222. Additionally there was an unbudgeted return of a fiscal reserve from the component unit-Schools in the amount of \$26,764,758. Highlights of the comparison of amended budget to actual figures for the fiscal year ended June 30, 2015, include the following:

- Actual tax revenues exceeded amended budget amounts by \$37,033,502. Increases in personal property taxes of \$33,510,148, real property taxes of \$2,181,518, real and personal public service corporation taxes of \$2,414,508, and bank franchise taxes of \$2,620,221 were offset by a decrease in sales tax of \$4,432,805. All other local taxes (e.g., consumer utility tax, business license taxes, motor vehicle licenses, taxes on recordation and wills, and hotel and motel room taxes) had modest positive or negative variances. The increase in personal property is due to the combination of increasing vehicle values in the county and revenue derived from computer equipment, data centers located in the county and furniture and fixtures taxes.
- Actual intergovernmental revenues were less than amended budget amounts by \$2,910,060 primarily due to lower than expected grants in the area of health and welfare and public safety.
- Actual other revenues were less than the amended budget amounts by \$7,625,698 due to shortfalls in fines and forfeitures by \$2,094,078, charges for services \$2,157,204, transfers from other funds \$1,956,932, permits and licenses \$1,022,310, and recovered costs \$870,468 which were offset by modest variances in other revenues.
- Actual expenditures and transfers were \$39,948,548 less than amended budget amounts or 3.1%.
- Actual general government expenditures were below budget by \$6,319,040 due to vacancy savings, a reduction in loss contingency, savings in contractual services and conservative spending.
- Actual public safety expenditures were below budget by \$10,397,018 due to vacancy savings, lower than budgeted internal service charges and overall savings in material and supplies and minor computer equipment & software.
- Expenditures in health and welfare were \$8,107,826 less than budget due to vacancies, contractual service savings, budgeted state and federal mandates that were absorbed through the reallocation of resources, and a reduction in grants that were budgeted but not received.
- Expenditures in Parks, Recreation and Cultural, and Community Development were \$13,339,843 less than final budget due to vacancy savings, a reduction in budgeted grants, and savings in contractual services.
- Actual expenditures in all other functions of the general government were less than budgeted amounts due to cost savings.

Capital Assets

At the end of fiscal year 2015, the County Primary Government had invested \$1,109,059,513 in a variety of capital assets as reflected in the following schedule, which represents a net increase of \$63,811,064. More detailed information on capital assets can be found in Note VIII of the notes to the financial statements.

**Table 3
Governmental Funds
Change in Capital Assets**

	Balance At June 30, 2014	Net Additions/Deletions	Balance At June 30, 2015
<u>Capital Assets:</u>			
Land	\$ 135,338,507	\$ 5,567,000	\$ 140,905,507
Buildings	395,135,214	30,689,729	425,824,943
Improvements Other Than Buildings	38,298,863	2,276,049	40,574,912
Equipment	171,322,722	16,771,307	188,094,029
Infrastructure	521,790,652	52,038,342	573,828,994
Construction in Progress	84,710,104	(14,975,013)	69,735,091
Accumulated Depreciation	(301,347,613)	(28,556,350)	(329,903,963)
Total Capital Assets, Net of Accumulated Depreciation	\$ 1,045,248,449	\$ 63,811,064	\$ 1,109,059,513

The Component Unit-Schools capital assets reflected in the following table totaled \$1,551,472,335, which represents a net increase of \$59,017,689.

**Schools
Change in Capital Assets**

	Balance At 30, 2014	Net Additions/Deletions	Balance At 30, 2015
<u>Capital Assets:</u>			
Land	\$ 148,036,489	\$ 221,800	\$ 148,258,289
Buildings	1,469,474,609	182,078,325	1,651,552,934
Improvements Other Than Buildings	1,199,947	476,867	1,676,814
Equipment	131,942,557	169,637	132,112,194
Construction in Progress	178,236,426	(87,309,236)	90,927,190
Infrastructure	1,121	0	1,121
Accumulated Depreciation	(436,436,503)	(36,619,704)	(473,056,207)
Total Capital Assets, Net of Accumulated Depreciation	\$ 1,492,454,646	\$ 59,017,689	\$ 1,551,472,335

During the fiscal year 2016 budget process, the County adopted a five-year Capital Improvement Program (CIP) that totals \$1.94 billion, with school construction and renovation projects totaling \$613.9 million and county construction projects totaling \$1.33 billion. Funding for the FY 2016 adopted CIP increased approximately \$43.0 million from the FY 2015 adopted CIP. The fiscal years 2016-2020 plan includes three new elementary schools for \$115.7 million; two new middle schools for \$114.4 million; two new high schools for \$252.3 million; renovation of one existing high school for \$12.2 million; design and construction of a new Technology Academy for \$114.6 million; an upgrade to the School Navel JROTC facility for \$3.1 million; and \$1.5M for a fueling support facility. Other capital projects include the Dulles Corridor Rapid Transit System for \$60.0 million, Metrorail Parking Garages for \$130.0 million, Route 606 Widening, Gloucester Parkway, Belmont Ridge Road and other road improvement and transportation projects for \$602.9 million; storm water management project for \$18.0 million; Consolidated Shops and Warehouse for \$35.0 million; capital project management support \$36.2 million; public safety capital improvements of \$207.5 million; health and welfare capital improvements of \$18.1 million; parks, recreation and cultural capital improvements of \$175.0 million and general government projects for \$53.7million. Additional information is available in the FY2016 Adopted Fiscal Plan, Volume 2.

Long Term Debt

At the end of fiscal year 2015, the County had \$1,196,753,717 in outstanding general obligation bonds, premiums, loans, and capital leases. This represents a net increase of \$72,011,762 from last year. More detailed information on long term debt can be found in Note XIV of the notes to the financial statements.

In fiscal year 2015, Moody's Investors Services, Inc. reaffirmed the County's bond rating of Aaa, Fitch Credit Rating Services and Standard and Poor's (S&P) maintained the County's bond rating of AAA. These are the highest ratings available from each of these firms.

Economic Factors

Loudoun County's economic and demographic conditions in many ways benefit from the relative stability, high income, and low unemployment characteristics of the Washington, D.C. region. Today, thanks in part to the diversity of Loudoun's business base and the financial strength of the long-term investors in the community, the County's commercial environment has been able to withstand downturns in the national and international economies. The County's economy continues to expand as it has for the past several years even though the Washington D.C. region has experienced a lower rate of employment and income growth than the rate experienced nationwide. Employment growth currently is outpacing the region, as is growth in wages. The assessed value of commercial properties increased strongly from 2014 to 2015, with the taxable real property assessment increasing by 6.06%. Loudoun County's unemployment rate, at 4.0% in June 2015, has consistently been well below the national rate.

While Loudoun remains a beautiful community with a thriving rural economy, growth has brought a five-fold increase in population since 1980. Since the late 1990s, Loudoun County has experienced success in attracting office, light industrial and retail businesses, which sparked commercial construction activity at an unprecedented scale. As a result, Loudoun has transformed from strictly a bedroom community to a highly desirable employment center.

In order to maintain the strength of our economy, the Loudoun County Department of Economic Development developed a strategy to focus direct marketing and assistance to industry clusters where the county has a competitive advantage. This advantage is demonstrated by Loudoun's current and growing business base including access to the right mix of brainpower, supportive institutions, suppliers, and business-related infrastructure. During FY 2015 Loudoun led the Commonwealth of Virginia in new commercial

investment from hundreds of thousands of square feet of office, data center, flex, mixed use and retail buildings. While maintaining one of the region's lowest unemployment rates, Loudoun continued to show sustained growth in employment by Loudoun businesses.

The department's analysis has shown that Loudoun currently has high concentrations, compared to national levels, in several key industry clusters: information communications technology; federal government and defense contractors; and airport-related businesses. The county also has identified areas of emerging strength, with the potential for future expansion – firms in life sciences and health information technology, cyber security, and big data. The department has also launched a strategic attraction campaign aimed at international companies, particularly European-based businesses and those in the industry clusters listed above.

Also reflecting the county's commitment to business is the development of thriving business partnerships including the Economic Development Advisory Commission, the Rural Economic Development Council, Small Business Development Center, George Mason University's Mason Enterprise Center and the Loudoun Chamber of Commerce. These are serious efforts, joining together some of the smartest and most innovative leaders, harnessing their collective time, energy and brainpower to continue to move the county and its business community forward.

Currently Known Facts Likely to Impact Future Financial Condition

During FY 2015, the County obtained Transportation Infrastructure Finance and Innovation Act ("TIFIA") financing from USDOT in the amount of \$195.1 million, to partially fund the cost of the Dulles Corridor Metrorail Project. As a Funding Partner, Loudoun County is responsible for 4.8% of the Project, to extend the Metrorail system 11.6 miles to and beyond the Dulles Airport into the County. Loudoun County's share is currently estimated to be \$273.0 million. The County intends to fulfill the balance of its obligation with revenues collected from a special improvements tax levied and assessed on taxable real estate located within the Metrorail Service District, and proceeds from revenue bonds issued by the Loudoun County Economic Development Authority. Pursuant to a recent agreement with USDOT, the County has agreed to secure sufficient funding to build three Metrorail Garages. This project is currently budgeted with the County's Capital Improvement Plan, however the County is currently in negotiations to build the garages through a public private partnership.

Impact of New Accounting Pronouncement

The Governmental Accounting Standards Board adopted Statement No. 68, "Accounting and Financial Reporting for Pension – an amendment of GASB Statement No. 27". This Statement improves financial reporting by requiring governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. This Statement became effective for the fiscal year ended June 30, 2015. GASB also adopted Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date-An Amendment of GASB Statement No. 68. This statement addresses amounts associated with contributions made by a state or local government employer or non-employer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. The County implemented both GASB 68 and GASB 71 simultaneously. Additional information is provided in the Financial Statements: Note XVIII – Retirement Plans.

Contacting The County's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives. In future years, a comparative analysis of government-wide data will be presented. Questions concerning this report or requests for additional financial information should be directed to Ben Mays, Chief Financial Officer, County of Loudoun, Virginia, 1 Harrison Street, SE, 4th Floor – MSC #41, Leesburg, VA 20176. The telephone number is (703) 777-0290 and the County's web site is at www.loudoun.gov.

BASIC FINANCIAL STATEMENTS



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**COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF NET POSITION
AS OF JUNE 30, 2015**

	Primary Government Governmental Activities	Component Unit School Board	Total Reporting Entity
ASSETS			
Cash and Cash Equivalents	\$ 811,381,548	\$ 50,109	\$ 811,431,657
Restricted Cash and Investments	209,082,688	7,854,409	216,937,097
Receivables, Net:			
Taxes:			
Delinquent	27,081,176	-	27,081,176
Not Yet Due	487,844,623	-	487,844,623
Accounts	8,148,066	5,170,012	13,318,078
Due from Other Governments	47,866,266	18,912,026	66,778,292
Due from Primary Government	-	180,333,926	180,333,926
Inventory	854,214	984,943	1,839,157
Prepaid Items	227,503	205,756	433,259
Notes and Loans Receivable, Net	3,118,911	-	3,118,911
Capital Assets:			
Non-depreciable	282,806,289	239,185,479	521,991,768
Depreciable, Net	826,253,224	1,312,286,856	2,138,540,080
Capital Assets, Net	1,109,059,513	1,551,472,335	2,660,531,848
Total Assets	2,704,664,508	1,764,983,516	4,469,648,024
DEFERRED OUTFLOWS OF RESOURCES			
Pension Contributions after the Measurement Date	18,873,426	93,191,617	112,065,043
Total deferred outflows of resources	18,873,426	93,191,617	112,065,043
LIABILITIES			
Accounts Payable	20,894,621	34,760,024	55,654,645
Accrued Interest Payable	8,930,096	258,110	9,188,206
Accrued Liabilities	8,890,488	66,190,344	75,080,832
Unearned Revenues:			
Property Taxes	144,497	-	144,497
Other	7,972,840	3,820,535	11,793,375
Due to Component Unit	180,333,926	62,385	180,396,311
Due to Agency Fund	-	12,254,806	12,254,806
Other Liabilities	7,362,029	867,618	8,229,647
Long-term Liabilities:			
Due Within One Year:			
Compensated Absences	1,479,279	3,630,983	5,110,262
Claims Liabilities	6,730,986	14,826,757	21,557,743
Bonds Payable	95,210,000	-	95,210,000
Bonds Premium	9,851,144	-	9,851,144
Leases Payable	12,230,000	9,214,448	21,444,448
Due in More Than One Year:			
Compensated Absences	25,174,398	19,720,320	44,894,718
Claims Liabilities	3,257,231	678,622	3,935,853
Landfill Closure and Postclosure Care Costs	20,316,887	-	20,316,887
Net OPEB Obligation	17,635,151	99,130,873	116,766,024
Net Pension Obligation	50,884,934	749,391,607	800,276,541
Bonds Payable	883,585,000	-	883,585,000
Federal Loans Payable	11,271,200	-	11,271,200
Bonds Premium	62,406,373	-	62,406,373
Leases Payable	122,200,000	15,118,510	137,318,510
Total Liabilities	1,556,761,080	1,029,925,942	2,586,687,022
DEFERRED INFLOWS OF RESOURCES			
Deferred Revenue - Property Taxes Not Yet Due	487,844,623	-	487,844,623
Deferred Revenue - Prepaid Taxes	8,741,471	-	8,741,471
Deferred Gain on Pension Investment Earnings	31,231,526	117,226,083	148,457,609
Deferred Gain on Refunding Debt	8,061,455	-	8,061,455
Total Deferred Inflows of Resources	535,879,075	117,226,083	653,105,158
NET POSITION			
Net Investment in Capital Assets	884,138,828	1,527,139,377	1,497,405,980 A
Restricted for:			
Capital Projects	124,556,541	-	124,556,541
Permanent Fund-Nonexpendable	-	29,406	29,406
Public Facilities and Services	141,349,439	-	141,349,439
Affordable Housing	27,596,787	-	27,596,787
Transportation	38,583,598	-	38,583,598
Library Services	4,270,290	-	4,270,290
Other Purposes	715,179	-	715,179
Unrestricted	(590,312,884)	(816,145,675)	(492,586,334) A
Total Net Position	\$ 630,897,779	\$ 711,023,108	\$ 1,341,920,887

A The sum of the columns does not equal the Total Reporting Entity column by a difference of \$913,872,225 because the debt related to the School Board Component Unit is reflected in the Primary Government's governmental activities column reducing unrestricted net position. The assets are reflected in the School Board Component Unit column as Net Investment in Capital Assets. The Total Reporting Entity column matches the asset with the debt and reports the net amount on the Net investment in Capital Assets line.

See accompanying notes to the financial statements.

**COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

Functions/Programs Activities	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total Reporting Entity
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary	Component	
					Governmental Activities	Unit School Board	
Primary Government:							
General Government Administration	\$ 76,492,767	\$ 1,656,935	\$ 1,155,357	\$ 1,836,290	\$ (71,844,185)		\$ (71,844,185)
Judicial Administration	13,911,561	1,482,901	2,005,737	-	(10,422,923)		(10,422,923)
Public Safety	174,526,644	15,977,837	16,708,889	2,792,471	(139,047,447)		(139,047,447)
Public Works	44,804,904	6,250,470	3,966,196	52,038,342	17,450,104		17,450,104
Health and Welfare	85,297,302	7,337,339	27,857,215	1,197,900	(48,904,848)		(48,904,848)
Parks, Recreation and Culture	56,609,220	15,968,622	3,581,463	-	(37,059,135)		(37,059,135)
Community Development	115,226,033	20,322,823	29,041,661	7,128,803	(58,732,746)		(58,732,746)
Education	754,055,346	-	2,257,379	-	(751,797,967)		(751,797,967)
Interest and Other Debt Service Charges	36,439,379	-	-	-	(36,439,379)		(36,439,379)
Total Primary Government	\$ 1,357,363,158	\$ 68,996,928	\$ 86,573,896	\$ 64,993,806	\$ (1,136,798,527)		\$ (1,136,798,527)
Component Unit:							
School Board	\$ 975,412,334	\$ 18,358,312	\$ 29,149,423	\$ 141,662,059		\$ (786,242,540)	\$ (786,242,540)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes					976,628,296	-	976,628,296
Local Sales and Use Taxes					91,534,573	-	91,534,573
Consumer Utility Taxes					22,548,783	-	22,548,783
Business License Taxes					31,558,942	-	31,558,942
Franchise License Taxes					814,680	-	814,680
Motor Vehicle Licenses					6,547,752	-	6,547,752
Bank Franchise Taxes					5,720,221	-	5,720,221
Taxes on Recordation and Wills					10,812,714	-	10,812,714
Hotel and Motel Room Taxes					5,699,308	-	5,699,308
Payment from County					-	610,280,440	610,280,440
Interest and Investment Earnings					3,852,976	-	3,852,976
Grants and Contributions Not Restricted to Specific Programs					58,109,728	275,349,638	333,459,366
Revenue from Use of Money and Property					-	1,733,401	1,733,401
Miscellaneous					5,750,380	5,701,938	11,452,318
Total General Revenues					1,219,578,353	893,065,417	2,112,643,770
Special Item - Return of fiscal reserve from component unit					26,764,758	(26,764,758)	-
Change in Net Position					109,544,582	80,058,119	189,602,701
Net Position at Beginning of Year, as restated					521,353,197	630,964,989	1,152,318,186
Net Position at End of Year					\$ 630,897,779	\$ 711,023,108	\$ 1,341,920,887

See accompanying notes to the financial statements.

**COUNTY OF LOUDOUN, VIRGINIA
BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF JUNE 30, 2015**

	General	Capital Projects	Debt Service	Non-Major Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 818,583,012	\$ -	\$ -	\$ 2,389,204	\$ 820,972,216
Restricted Cash and Investments	75,006,026	77,416,182	25,427,657	30,045,823	207,895,688
Receivables, Net:					
Taxes:					
Delinquent	23,813,228	-	-	3,267,948	27,081,176
Not Yet Due	487,844,623	-	-	-	487,844,623
Accounts	3,717,302	1,118,539	-	2,884,599	7,720,440
Due from Other Governments	36,054,180	2,125,223	-	9,686,863	47,866,266
Interfund Receivables	-	181,562,705	23,974,735	191,962,076	397,499,516
Inventory	-	-	-	753,078	753,078
Prepaid Items	220,825	-	-	-	220,825
Notes and Loans Receivable, Net	1,331,800	-	-	1,787,111	3,118,911
Total Assets	<u>\$ 1,446,570,996</u>	<u>\$ 262,222,649</u>	<u>\$ 49,402,392</u>	<u>\$ 242,776,702</u>	<u>\$ 2,000,972,739</u>
LIABILITIES					
Liabilities:					
Accounts Payable	\$ 5,851,294	\$ 8,498,072	\$ 194,572	\$ 5,658,275	\$ 20,202,213
Accrued Liabilities	8,229,884	4,699	-	51,420	8,286,003
Unearned Revenues:					
Property Taxes	8,273,099	-	-	230,955	8,504,054
Other	3,754,351	83,853	-	4,279,132	8,117,336
Interfund Payables	453,698,804	-	-	1,177,296	454,876,100
Due to Component Unit	174,925,255	2,175,000	11,097,024	1,609,557	189,806,836
Other Liabilities	3,014,313	-	9,920	4,337,796	7,362,029
Total Liabilities	<u>657,747,000</u>	<u>10,761,624</u>	<u>11,301,516</u>	<u>17,344,431</u>	<u>697,154,571</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue - Property Taxes Not Yet Due	487,844,623	-	-	-	487,844,623
Unavailable Revenue - Prepaid Taxes	8,642,446	-	-	99,025	8,741,471
Total Deferred Inflows of Resources	<u>496,487,069</u>	<u>-</u>	<u>-</u>	<u>99,025</u>	<u>496,586,094</u>
FUND BALANCES (Deficits):					
Non-spendable	1,552,625	-	-	2,540,189	4,092,814
Restricted	-	189,648,043	-	213,446,054	403,094,097
Committed	165,501,135	59,571,719	-	7,578,430	232,651,284
Assigned	91,014,370	2,241,263	38,100,876	1,769,035	133,125,544
Unassigned	34,268,797	-	-	(462)	34,268,335
Total Fund Balances	<u>292,336,927</u>	<u>251,461,025</u>	<u>38,100,876</u>	<u>225,333,246</u>	<u>807,232,074</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u><u>\$ 1,446,570,996</u></u>	<u><u>\$ 262,222,649</u></u>	<u><u>\$ 49,402,392</u></u>	<u><u>\$ 242,776,702</u></u>	<u><u>\$ 2,000,972,739</u></u>

See accompanying notes to the financial statements.

**COUNTY OF LOUDOUN, VIRGINIA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
AS OF JUNE 30, 2015**

Amounts reported for governmental activities in the Statement of Net Position (Exhibit I) are different because:

Total Fund balances - governmental funds		\$ 807,232,074
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		
Governmental capital assets	1,366,629,634	
Less accumulated depreciation	<u>(293,392,932)</u>	1,073,236,702
Delinquent taxes and other long-term assets not available to pay for current period expenditures are deferred in the governmental funds.		8,504,053
Employer pension contributions in the governmental funds made after the measurement date are deferred and expensed in the next fiscal period		18,791,451
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Compensated absences	(26,653,677)	
Landfill closure and postclosure care costs	(20,316,887)	
Net OPEB Obligation	(17,635,151)	
Net Pension Obligation	(50,658,130)	
Unamortized deferred amount on pension investments	(31,092,321)	
Governmental bonds payable	(978,795,000)	
Federal loans payable	(11,271,200)	
Governmental leases payable	(134,430,000)	
Unamortized bond premium	(72,257,517)	
Unamortized deferred amount on refunding	<u>(8,061,455)</u>	(1,351,171,338)
Interest on long-term liabilities is not accrued in the governmental funds, but is rather recognized as an expenditure when due.		(8,930,096)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the Statement of Net Position.		83,234,933
Net Position of Governmental Activities		<u><u>\$ 630,897,779</u></u>

See accompanying notes to the financial statements.

COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	General	Capital Projects	Debt Service	Non-Major Governmental Funds	Total Governmental Funds
REVENUES					
General Property Taxes	\$ 953,780,319	\$ -	\$ -	\$ 19,014,964	\$ 972,795,283
Other Local Taxes	140,853,033	814,680	-	33,569,260	175,236,973
Permits and Licenses	24,124,482	-	-	1,115	24,125,597
Fines and Forfeitures	2,147,816	-	-	-	2,147,816
Use of Money and Property	3,401,734	1,592	209,701	239,949	3,852,976
Charges for Services	35,037,885	-	-	43,648	35,081,533
Gifts and Donations	137,005	206,665	-	38,270,307	38,613,977
Miscellaneous	377,441	21,096	990,410	13,662	1,402,609
Recovered Costs	8,476,452	1,103,377	-	1,073,746	10,653,575
Intergovernmental - Commonwealth	84,258,811	4,933,403	-	5,015,182	94,207,396
Intergovernmental - Federal	6,414,343	6,550	-	10,993,533	17,414,426
Payment from Component Unit	1,336,176	-	-	-	1,336,176
Total Revenues	<u>1,260,345,497</u>	<u>7,087,363</u>	<u>1,200,111</u>	<u>108,235,366</u>	<u>1,376,868,337</u>
EXPENDITURES					
Current Operating:					
General Government Administration	70,861,442	2,852,011	-	-	73,713,453
Judicial Administration	12,744,128	-	-	247,651	12,991,779
Public Safety	160,581,050	4,899,955	-	2,261,287	167,742,292
Public Works	16,864,041	3,280,637	-	14,492,028	34,636,706
Health and Welfare	65,870,668	1,183,025	-	17,662,660	84,716,353
Parks, Recreation and Culture	48,720,506	1,516,264	-	1,531,362	51,768,132
Community Development	42,976,300	59,652,833	-	11,380,141	114,009,274
Education	619,707,266	2,175,000	22,257,165	109,915,918	754,055,349
Capital Outlay	-	28,707,263	-	2,268,435	30,975,698
Debt Service:					
Principal Payments	-	-	108,400,000	-	108,400,000
Interest and Service Charges	-	-	48,771,345	-	48,771,345
Total Expenditures	<u>1,038,325,401</u>	<u>104,266,988</u>	<u>179,428,510</u>	<u>159,759,482</u>	<u>1,481,780,381</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>222,020,096</u>	<u>(97,179,625)</u>	<u>(178,228,399)</u>	<u>(51,524,116)</u>	<u>(104,912,044)</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	15,382,070	133,778,174	138,750,224	47,515,196	335,425,664
Transfers Out	(194,737,631)	(13,641,057)	(5,153,658)	(140,035,763)	(353,568,109)
Issuance Premium	-	-	20,109,092	-	20,109,092
Issuance of Bonds	-	-	-	128,155,000	128,155,000
Issuance of Federal Loans	-	-	-	11,207,976	11,207,976
Proceeds from Capital Lease	-	-	-	30,985,000	30,985,000
Sale of Capital Assets	37,128	-	-	-	37,128
Total Other Financing Sources (Uses)	<u>(179,318,433)</u>	<u>120,137,117</u>	<u>153,705,658</u>	<u>77,827,409</u>	<u>172,351,751</u>
SPECIAL ITEM					
Return of fiscal reserve from component unit	26,764,758	-	-	-	26,764,758
Net Change in Fund Balances	69,466,421	22,957,492	(24,522,741)	26,303,293	94,204,465
Fund Balances at Beginning of Year	222,870,506	228,503,533	62,623,617	199,029,953	713,027,609
Fund Balances at End of Year	<u><u>\$ 292,336,927</u></u>	<u><u>\$ 251,461,025</u></u>	<u><u>\$ 38,100,876</u></u>	<u><u>\$ 225,333,246</u></u>	<u><u>\$ 807,232,074</u></u>

See accompanying notes to the financial statements.

COUNTY OF LOUDOUN, VIRGINIA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015

Amounts reported for governmental activities (Exhibit II) are different because:

Net change in fund balances - total governmental funds \$ 94,204,465

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets.

Expenditures for capital assets	24,949,672	
Less current year depreciation	<u>(27,817,178)</u>	(2,867,506)

In the Statement of Activities, only the gain (loss) on capital assets is reported while in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital asset.

(24,952)

Donations of capital assets increase net position in the Statement of Activities, but do not appear in the governmental funds because they are not financial resources.

59,441,632

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Change in unearned revenue related to taxes	3,833,013	
Change in pension investment earnings	<u>(31,092,321)</u>	(27,259,308)

Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Principal payments	108,400,000	
Net debt proceeds and issuance premium	(190,520,291)	
Current year amortization of bond premium	10,108,529	
Current year amortization of deferred amount of refunding	<u>1,823,796</u>	(70,187,966)

Expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in compensated absences liability	(2,203,394)	
Change in landfill closure/post-closure liability	538,288	
Change in Net OPEB Obligation	5,198,486	
Change in Net Pension Obligation	20,417,456	
Change in employer contributions after the measurement date	18,791,452	
Change in accrued interest liability	<u>462,864</u>	43,205,152

Internal service funds are used by management to charge the costs of certain services to individual funds. The net revenue of the internal service funds is reported with governmental activities.

13,033,065

Change in Net Position of Governmental Activities

\$ 109,544,582

See accompanying notes to the financial statements.

**COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF NET POSITION
PROPRIETARY - INTERNAL SERVICE FUNDS
AS OF JUNE 30, 2015**

ASSETS

Current Assets:

Restricted Cash and Investments	\$ 1,187,000
Receivables, Net	427,626
Interfund Receivables	57,376,584
Inventory	101,136
Prepaid Items	6,678
Total Current Assets	<u>59,099,024</u>

Noncurrent Assets:

Capital Assets:

Depreciable, Net	<u>35,822,811</u>
Total Noncurrent Assets	<u>35,822,811</u>
Total Assets	<u>94,921,835</u>

DEFERRED OUTFLOWS OF RESOURCES

Pension Contributions after the Measurement Date	<u>81,975</u>
Total Deferred Outflows of Resources	<u>81,975</u>

LIABILITIES

Current Liabilities:

Accounts Payable	692,408
Due to Component Unit	117,758
Claims Liabilities	6,730,986
Accrued Liabilities	604,485
Total Current Liabilities	<u>8,145,637</u>

Noncurrent Liabilities:

Claims Liabilities	3,257,231
Net Pension Obligation	<u>226,804</u>
Total Noncurrent Liabilities	<u>3,484,035</u>
Total Liabilities	<u>11,629,672</u>

DEFERRED INFLOWS OF RESOURCES

Deferred Gain on Pension Investment Earnings	<u>139,205</u>
Total Deferred Inflows of Resources	<u>139,205</u>

NET POSITION

Net Investment in Capital Assets	35,822,811
Unrestricted	<u>47,412,122</u>
Total Net Position	<u>\$ 83,234,933</u>

See accompanying notes to the financial statements.

COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY - INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

Operating Revenues:	
Charges for Services	\$ 57,913,249
Use of Property	68,773
Miscellaneous	74,093
Total Operating Revenues	<u>58,056,115</u>
Operating Expenses:	
Personnel Services	1,179,360
Other Services and Charges	7,472,587
Materials and Supplies	937,824
Depreciation	6,208,358
Claims	48,241,158
Total Operating Expenses	<u>64,039,287</u>
Operating Loss	(5,983,172)
Non-Operating Revenues:	
Gain on Sale of Capital Assets	<u>873,792</u>
Net Loss Before Operating Transfers	(5,109,380)
Transfers In	<u>18,142,445</u>
Change in Net Position	13,033,065
Net Position at Beginning of Year, as restated	70,201,868
Net Position at End of Year	<u><u>\$ 83,234,933</u></u>

See accompanying notes to the financial statements.

**COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF CASH FLOWS
PROPRIETARY - INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2015**

Cash Flows from Operating Activities	
Receipts from Customers	\$ 57,926,847
Payments to Suppliers for Goods and Services	(9,667,091)
Payments for Interfund Services	(4,640,363)
Claims Paid	(47,960,901)
Payments to Employees	(1,197,483)
Net Cash Used in Operating Activities	<u>(5,538,991)</u>
Cash Flows from Non-capital Financing Activities:	
Transfers In	18,142,445
Net Cash Provided by Non-capital Financing Activities	<u>18,142,445</u>
Cash Flows from Capital and Related Financing Activities:	
Additions to Capital Assets	(13,530,356)
Proceeds from Sale of Capital Assets	933,902
Net Cash Used in Capital and Related Financing Activities	<u>(12,596,454)</u>
Net Increase in Cash and Cash Equivalents	7,000
Cash and Cash Equivalents at Beginning of Year	1,180,000
Cash and Cash Equivalents at End of Year	<u><u>\$ 1,187,000</u></u>
 Reconciliation of Operating Loss to Net Cash Used In Operating Activities:	
Operating Loss	<u>\$ (5,983,172)</u>
Adjustment Not Affecting Cash:	
Depreciation	6,208,358
(Increase) Decrease in Assets and Increase (Decrease) in Liabilities:	
Receivables, Net	(129,267)
Interfund Receivables	(4,640,363)
Inventory	8,497
Prepaid Items	(6,678)
Deferred Pension Expense	(81,975)
Accounts Payable	(1,267,702)
Due to Other Funds	43,383
Claims Liabilities	280,257
Accrued Liabilities	(18,123)
Net Pension Obligation	(91,411)
Deferred Gain on Pension Investments	139,205
Total Adjustments	<u>444,181</u>
Net Cash Used in Operating Activities	<u><u>\$ (5,538,991)</u></u>
 Non-Cash Capital Related Financing Activities:	
Gain on Sale of Capital Assets	\$ 873,792

See accompanying notes to the financial statements.

COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
AS OF JUNE 30, 2015

	<u>Pension Trust Funds</u>	<u>Private Purpose Trust Fund</u>	<u>Agency Funds</u>
ASSETS			
Cash and Cash Equivalents	\$ -	\$ 15,564	\$ 15,105,280
Cash with Fiscal Agents	-	-	60,000
Accounts Receivable	-	-	21,500
Investments, at Fair Value:			
Investments in Pooled Funds	64,507,154	-	-
Total Assets	<u>64,507,154</u>	<u>15,564</u>	<u>15,186,780</u>
LIABILITIES			
Accounts Payable and Funds Held in Trust for Others	8,550	-	15,186,780
Total Liabilities	<u>8,550</u>	<u>-</u>	<u>\$ 15,186,780</u>
NET POSITION			
Net Position Restricted for Pensions and Other Purposes	<u>\$ 64,498,604</u>	<u>\$ 15,564</u>	

See accompanying notes to the financial statements.

COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Pension Trust Funds	Private Purpose Trust Fund
ADDITIONS		
Contributions:		
Employer	\$ 10,067,928	\$ -
Gifts and Donations	-	7,453
Total Contributions	<u>10,067,928</u>	<u>7,453</u>
Investment Earnings:		
Net Appreciation in Fair Value of Investments	(686,749)	-
Interest	<u>842,402</u>	<u>-</u>
Total Investment Earnings	155,653	-
Less Investment Expense:		
Investment Management Fees	<u>(32,481)</u>	<u>-</u>
Net Investment Income	<u>123,172</u>	<u>-</u>
Total Additions	<u>10,191,100</u>	<u>7,453</u>
DEDUCTIONS		
Benefits	3,894,459	-
Administrative Expense	<u>325,101</u>	<u>-</u>
Total Deductions	<u>4,219,560</u>	<u>-</u>
Change in Net Position	5,971,540	7,453
Net Position at Beginning of Year	58,527,064	8,111
Net Position at End of Year	<u>\$ 64,498,604</u>	<u>\$ 15,564</u>

See accompanying notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

COUNTY OF LOUDOUN, VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2015

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the County of Loudoun, Virginia (the County), have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles for state and local governmental entities. Significant accounting policies of the County are described below.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

(A) REPORTING ENTITY

The County is a political subdivision of the Commonwealth of Virginia (the State), governed by a nine member elected Board of Supervisors and an appointed County Administrator. As required by GAAP, the financial statements present the government (the Primary Government) and its component unit, the Loudoun County Public School Board (the Schools). The County of Loudoun, Virginia, reporting entity is determined upon the evaluation of certain criteria established by GASB.

Component Units - Component Units are entities for which the Primary Government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the government's operations and so data from these units are combined with data of the Primary Government. The County has no component units that meet the requirements for blending. Discretely presented component units, on the other hand, are reported in a separate column in the government-wide statements to emphasize they are legally separate from the government. The Loudoun County Public School Board, described below, is the only component unit of the County.

The Loudoun County Public School Board - The Schools are responsible for elementary and secondary education within the County's jurisdiction. Members of the Schools' governing board (the School Board) are elected. They were most recently elected in November 2011 and assumed their responsibilities on January 1, 2012. The Schools are fiscally dependent upon the County because the County's Board of Supervisors approves the School's budget, levies taxes (if necessary), and issues bonds for School capital projects and improvements.

Loudoun County Public Schools issues a publicly available Comprehensive Annual Financial Report. A copy of that report may be obtained from the Schools website, <http://www.lcps.org>.

(B) BASIS OF PRESENTATION

The financial statements of the County report activities of the Primary Government and its component unit, the Loudoun County Public School Board. These statements include the following components.

Government-wide Financial Statements – The financial statements are prepared using full accrual basis of accounting for all of the government's activities. This approach includes not just current assets and liabilities, but also capital assets, long-term liabilities, deferred outflows of resources, and deferred inflows of resources (such as buildings, general obligation debt, pension contributions after the measurement date, and property taxes not yet due). Accrual accounting also reports all of the revenues and costs of providing services each year, not just those received or paid in the current year or soon thereafter.

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all non-fiduciary activities of the Primary Government and its component units. *Governmental Activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from legally separate *component units* for which the Primary Government is financially accountable.

Statement of Net Position – The Statement of Net Position displays the financial position of the Primary Government and it's discretely presented component units. Governments report all capital assets in the government-wide Statement of Net Position and report depreciation expense – the cost of “using up” capital assets – in the Statement of Activities. The Net Position of a government is broken down into three categories: (1) Net Investment in capital assets; (2) restricted; and (3) unrestricted.

Statement of Activities – The government-wide Statement of Activities reports expenses and revenues in a format that focuses on the cost of each of the government's functions. The expense of individual functions is compared to the revenues generated directly by the function (for instance, through user charges or intergovernmental grants).

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are

restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*. The County does not allocate indirect expenses to the governmental functions.

Fund Financial Statements - Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds:

- General Fund – This fund is the government’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted in another fund.
- Capital Projects Fund - This fund is used to account for the purchase and/or construction of major capital facilities, including buildings, land, major equipment and other long-lived improvements for the general government. Financing is provided primarily by bond issues, State and Federal grants, and transfers from the General Fund.
- Debt Service Fund – This fund is used to account for the resources accumulated and payments made for principal, interest, and related costs on long-term general obligation debt of governmental funds.

All other non-major governmental funds are reported in a single column captioned “Non-Major Governmental Funds” and consist of special revenue funds, a capital asset replacement fund, and permanent funds.

Proprietary funds are used to account for operations that are financed in a manner similar to private business enterprises. The proprietary fund measurement focus is upon determination of net income, financial position, and cash flows. Cash and temporary investments related to these proprietary funds are all highly liquid cash equivalents. The County’s proprietary funds consist solely of its internal service funds (the Central Service Funds and the Self-Insurance Fund). These funds are included in the governmental activities for government-wide reporting purposes. All significant interfund activity has been eliminated. The excess revenue or expenses for these funds are allocated to the appropriate functional activity. The operations of these funds are generally intended to be self-supporting.

Additionally, the government reports the following Fiduciary funds:

- Pension Trust Funds – The Volunteer Fire and Rescue trust fund is used to account for the activities of the Public Safety Retirement System, which accumulates resources for pension benefit payments to qualified public safety personnel. The OPEB trust fund is used to account for the assets held in trust by the county for other post-employment benefits.
- Private-Purpose Trust Fund - These funds are used to account for the assets received and disbursed by the County acting in a trustee capacity or as an agent for individuals, private organizations or governments. The War Memorial Trust Fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for the purchase, maintenance and improvement of war memorials.
- Agency Funds – These funds are used to account for monies received, held and disbursed on behalf of certain welfare recipients, certain developers, certain employee benefits, and certain inmates at the time of incarceration.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes.

Amounts reported as *program revenue* include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the government’s internal service funds are charges to the County departments on a cost-reimbursement basis for goods or services provided, and include such activities as central duplicating, telephone, mail, support, and fleet management services. Revenue for the self-insurance fund is derived primarily from payroll deduction for health insurance premiums, which are set annually and are shared by employees of the Primary Government and the Primary Government, and prescription rebates from other agencies. Operating expenses for internal service funds include the cost of sales and services, administrative expenses, insurance claims, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Budgetary Comparison Schedules – Demonstrating compliance with the adopted budget is an important component of a government’s accountability to the public. Many citizens participate in one way or another in the process of establishing the annual operating budgets of state and local governments and have a keen interest in following the actual financial progress of their governments over the course of the year. Many governments revise their original budgets over the course of the year for a variety of reasons. Governments provide budgetary comparison information in their annual reports, including the government’s original budget to the comparison of final budget and actual results.

The County’s General Fund budgetary comparison schedules are reported as required supplementary information following the notes to the financial statements. All other budgetary comparison schedules are reported as other supplementary information.

(C) MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Basis of accounting refers to the timing when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements regardless of the measurement focus applied.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Agency funds within fiduciary fund financial statements are reported using the accrual basis of accounting; however, there is no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are accounted for using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they become both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. The government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Accordingly, real and personal property taxes are recorded as unearned revenues and property taxes receivable when billed, net of allowances for uncollectible amounts of \$237,379 as of June 30, 2015. Real and personal property taxes recorded at June 30, and received within the first 60 days after year-end, are included in tax revenues with the related amount reduced from unearned revenues. Sales and utility taxes, which are collected by the Commonwealth of Virginia or utility companies and subsequently remitted to the County, are recognized as revenues and amounts receivable when the underlying exchange transaction occurs, which is generally one to two months preceding receipt by the County. Licenses, permits, fines and rents are recorded as revenues when received. Intergovernmental revenues, consisting of Federal, State and other grants for the purpose of specific programs are recognized when earned or at the time of the specific reimbursable expenditure. Revenues from general purpose grants are recognized during the period to which the grants apply. Expenditures are recognized when the related fund liability is incurred, except for principal and interest on long-term debt, which is recognized when due.

A summary reconciliation of the difference between the total governmental fund balances and total net position for governmental activities as shown in the government-wide Statement of Net Position is presented in an accompanying reconciliation to the governmental funds' balance sheet. The asset, liability, and deferred inflow elements, which comprise the reconciliation differences, stem from governmental funds using the current financial resources measurement focus and the modified accrual basis of accounting while the government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting. A summary reconciliation of the difference between net changes in governmental fund balances and change in net position for governmental activities as shown on the government-wide Statement of Activities is presented in a reconciliation to the governmental funds' Statement of Revenues, Expenditures, and Changes in Fund Balances. The revenue and expense elements, which comprise the reconciliation differences, stem from governmental funds using the current financial resources measurement focus and the modified accrual basis of accounting while the government-wide financial statements use the economic resources measurement focus and the accrual basis of accounting.

The property tax calendar is as follows:

	<u>Real Property</u>	<u>Personal Property</u>
Lien Date	Jan 5 / Jul 5	Jun 5 / Nov 5
Assessment Date	Jan 1	Jan 1
Levy Date	Apr 1	Mar 1
Due Date and Collection Date	Jun 5 / Dec 5	May 5 / Oct 5

(D) CASH AND TEMPORARY INVESTMENTS

The County's cash and cash equivalents are considered to be cash on hand, temporary investments including amounts in demand deposits as well as short-term investments with a maturity date generally within three months of the date acquired by the County, or those investments that are callable at any time without penalty.

All County investments are stated at fair value.

The County invests in an externally managed investment pool, the State Treasurer's Local Government Investment Pool (LGIP), which is not SEC-registered. The Treasury Board of the Commonwealth of Virginia has regulatory oversight of the LGIP, which is managed as a "2a-7 like pool". The portfolio securities are valued by the amortized cost method with maturities of thirteen months or less. The fair value of the County's position in the LGIP is the same as the value of the pool shares. All other investments are stated at fair value.

All interest is credited to the General Fund, unless law or Board of Supervisors action, requires allocation. Allocation, when required, is based on the monthly interest rate earned on funds invested with the LGIP. For the Capital Projects and Debt Service Funds, interest income on cash held with fiscal agents and trustees is recorded within these respective funds.

The County records short-term investments at cost, which approximates fair value.

Bond proceeds are deposited in the Virginia State Non-Arbitrage Program (SNAP). Values of shares in SNAP reflect fair value.

At the fund level, pooled cash held for Component Unit is reflected as an amount due to the component unit, which is reclassified at the reporting entity level.

(E) DUE TO/DUE FROM OTHER FUNDS (INTERFUND BALANCES)

Activity between funds that is representative of lending/borrowing arrangements outstanding at the end of the fiscal year is referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds" or "interfund receivables/payables".

(F) INVENTORIES

Inventories are valued at the lower of cost or market, using the first-in/first-out (FIFO) method. The costs of governmental fund inventories are recorded as expenditures when consumed.

(G) PREPAID ITEMS

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

(H) NONCURRENT NOTES AND LOANS RECEIVABLE

Noncurrent portions of long-term notes and loans receivables, net of allowances, are offset equally by nonspendable fund balance, which indicates that they do not constitute expendable available financial resources, and therefore, are not available for appropriation.

(I) CAPITAL ASSETS

Capital assets are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the County as land, buildings, intangibles (software licenses, easements), road registered vehicles, and equipment with an initial individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of three years. Such assets are recorded at cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets of the Primary Government, as well as the School Board, are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	45
Building Improvements	15 - 25
Infrastructure	20 - 60
Vehicles	5 - 20
Office Equipment	5 - 10
Computer Equipment	5
Intangibles	5 - 20

(J) COMPENSATED ABSENCES

1. Primary Government Employees - In 1994, the Primary Government adopted a policy under which employees can accumulate and be paid-out upon employment separation, a maximum of 364 hours of earned but unused annual (vacation) leave. Employees with accrued balances in excess of 364 hours may utilize their accumulated balances in excess of 364 hours by the end of the leave year. Annual leave hours accrued in excess of 364 hours by each employee during each year are calculated at the end of the leave year, with the Primary Government converting those excess hours into additional sick leave hours. As of June 30, 2015, \$20,492,674 of earned but unused annual leave was accrued as compensated absences.

In 2004, the Primary Government adopted a policy under which non-exempt employees will receive payment at year-end for unused exchange time, with the exception of exchange time earned during the last two full pay periods of the leave year, which will carry over to the following year. Non-exempt employees will receive payment of all exchange time leave balances upon separation from County employment. Exempt, non-senior staff carry-over exchange time earned not to exceed their authorized bi-weekly hours plus exchange time earned during the last two pay periods of the leave year. Exempt, non-senior staff will receive payment of exchange time leave balances not to exceed their authorized bi-weekly hours upon separation from County employment. As of June 30, 2015, \$201,433 of unused exchange time was accrued as compensated absences.

Effective July 1, 2001, employees with 10 years of service are compensated for unused sick leave when they leave County employment. Employees meeting these criteria will be compensated for 25% of unused sick leave to a maximum amount of \$10,000 per individual. As of June 30, 2015, \$5,959,570 of unused sick leave was accrued as compensated absences.

2. School System Employees - School employees, other than teachers, are allowed to accumulate a maximum of 480 hours of vacation leave, which will be paid-out upon employment separation. Teachers do not accumulate annual leave. As of June 30, 2015, \$12,659,010 of accumulated vacation leave was accrued as compensated absences.

Additionally, all School employees with ten or more years of service are compensated for a portion of earned, but unused sick leave upon employment separation to a maximum amount of \$15,372 per individual. As of June 30, 2015, \$10,692,293 of unused sick leave was accrued as compensated absences.

(K) LONG-TERM OBLIGATIONS

In the government-wide financial statements and proprietary fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund Statement of Net Position. Bond premiums are deferred and amortized over the life of the bonds, using the proportionate to stated interest requirements method.

In the fund financial statements, governmental funds recognize bond premiums during the current period. The face amount of debt issues is reported as other financing sources. Premiums received on debt issuances are also reported as other financing sources.

(L) DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the Statement of Net Position and Balance Sheet will sometimes report a separate section for *deferred outflows of resources*, which represents a consumption of net position that applies to future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The County has one item that qualifies for reporting in this category, pension contributions after the measurement date in the amount of \$18,873,426. This amount is reported in the government-wide Statement of Net Position and will be recognized as an expense in the next fiscal period.

In addition to liabilities, the Statement of Net Position and Balance Sheet will sometimes report a separate section for *deferred inflows of resources*, which represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The County has four items that qualify for reporting in this category. Unearned revenues in the amount of \$487,844,623 for revenues from property taxes not yet due and unearned revenues in the amount of \$8,741,471 for prepaid taxes are reported in the governmental funds' Balance Sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. A deferred gain on refunding debt in the amount of \$8,061,455 and a deferred gain on pension investment earnings in the amount of 31,231,526 are reported in the government-wide Statement of Net Position. A deferred gain on refunding debt results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred gain on pension investment earnings results from the net difference between projected and actual earnings on plan investments. This amount is deferred and amortized over a closed five year period.

(M) FUND BALANCE FLOW ASSUMPTIONS

The Board of Supervisors adopted a revised Fiscal Policy in December, 2014 which establishes the spending order of fund balance when both restricted and unrestricted fund balance are available. For the General Fund, Special Revenue Funds, Capital Funds and Debt Service Fund, when an expenditure is incurred, restricted fund balance is to be spent first, then committed fund balance, then assigned fund balance, and lastly unassigned fund balance.

(N) FUND BALANCE POLICIES

In the fund financial statements, governmental funds report fund balance for amounts that are not available for appropriation or are subject to externally enforceable legal restrictions as either nonspendable or restricted. The County itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance)

Committed fund balance includes amounts to be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Supervisors through a Resolution prior to the end of the fiscal year. Once adopted, the limitation remains in place until a similar action is taken to remove or revise the limitation.

Amounts in assigned fund balance classification are intended to be used by the government for a specific purpose but does not meet the criteria to be classified as committed. The Board of Supervisors has authorized the County Administrator or his/her designee to assign fund balance through the adoption of the Fiscal Policy. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unassigned fund balance represents the residual fund balance remaining after nonspendable, restricted, committed, and assigned fund balance is deducted.

(O) ACCOUNTING PRONOUNCEMENTS

In June 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. The objective of this statement is to improve accounting and financial reporting by state and local governments for pensions. This Statement is effective for periods beginning after June 15, 2014. The County has implemented this statement in fiscal year 2015.

In November 2013, GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date-An Amendment of GASB Statement No. 68*. The objective of this Statement is to address the amounts associated with contributions made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. The County has implemented this Statement in fiscal year 2015 simultaneously with the provisions of Statement 68.

In February 2015, GASB issued Statement No. 72, *Fair Value Measurement and Application*. This Statement enhances comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. This Statement is effective for periods beginning in fiscal year 2016.

In June 2015, GASB issued Statement no. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this statement is to identify, in the context of the current governmental financial reporting environment, the hierarchy of generally accepted accounting principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and address the use of authoritative and non-authoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. This Statement is effective for periods beginning in fiscal year 2016.

NOTE II – LEGAL COMPLIANCE – FUND DEFICITS

Budgets are prepared and adopted on a basis consistent with GAAP. Annual appropriation resolutions and budgets are adopted for the Primary Government's General and Debt Service Funds and the School's Operating and Debt Service Funds. The legal level of budgetary control for the General Fund is at the departmental level. The following Primary Government's Special Revenue Funds also have legally adopted budgets: Route 28 Special Improvements, Comprehensive Services Act, Legal Resource Center, Federally Forfeited Property, Hotel and Motel Room Tax, Hamilton Sewer Service District, Community Development Authority, Rental Assistance Program, Dulles Industrial Park Water and Sewer, Greenlea District, State and Federal Grants, Public Facilities, Sheriff's Fund, Animal Shelter, Housing, Transportation District, Uran Holocaust, Horton Program for the Arts, Symington, and EMS Transport. The proposed budget also includes a recommended program of capital expenditures to be financed from current operations and a separate six year capital improvement plan. All annual appropriations lapse at fiscal year-end with the exception of the Capital Project Funds, for which project length budgets are adopted.

At June 30, 2015, the following funds had deficit fund balances:

Aldie Sewer Service District – Deficit fund balance of \$462 is due to an uncollectable portion of special assessment property tax. This taxing district will be closed in the next fiscal year and the deficit balance will be eliminated.

Encumbrances represent goods or services that have been contracted and are funded; however, these goods or services have not been received or performed. Encumbrances do not constitute an expenditure. The budget of any funds encumbered at the end of the fiscal year carries over into the next fiscal year.

NOTE III - BANK DEPOSITS AND INVESTMENTS

Investment Policy

In accordance with the Code of Virginia, the County's Investment Policy (Policy), as approved by the Finance Board on March 16, 2010, permits investments in U.S. Government obligations, obligations of the Commonwealth of Virginia or political subdivisions thereof, prime quality commercial paper, bankers' acceptances, repurchase agreements, certificates of deposit (non-negotiable only), money market funds, and the State Treasurer's LGIP.

The policy written encompasses the General Operating Fund, Special Revenue and Trust funds, and the Proffer funds. The County retirement fund and bond funds are covered under the County's Fiscal Policy.

The primary objective of the Policy is the safety of principal by minimizing credit risk and interest rate risk. The Policy establishes limitations on the holdings of investments of non-U.S. Treasury obligations. The maximum percentage of the portfolio (book value at the date of acquisition) permitted in each security is as follows:

Investment Type	Maximum Diversification	Limits Within Investment Type
State of Virginia LGIP	75% of Portfolio	
U.S. Treasury Obligations	100% of Portfolio	
U.S. Government Agencies	50% of Portfolio	
Repurchase Agreements	60% of Portfolio	Maximum of 60% of total portfolio with one institution.
Bankers' Acceptances (BA's)	40% of Portfolio	Thomson Reuters Bank Insight/Highline rating of 30 or better or one of the following: Fitch Individual Bank Rating of B or better, S&P Short Term Local Issuer A-1 or better, or Moody's Short Term P-1 or better
Commercial Paper (CP)	35% of Portfolio, maximum 5% any one issuer within total portfolio at time of purchase	Rating of A-1, P-1, or better.
Certificates of Deposit (CD) - Commercial Banks	90% of Portfolio	Thomson Reuters Bank Insight/Highline rating of 30 or better or one of the following: Fitch Individual Bank Rating of B or better, S&P Short Term Local Issuer A-1 or better, or Moody's Short Term P-1 or better. All banks must comply with the Virginia Public Deposit Act. Maximum 50% of the total portfolio in any one institution
Certificates of Deposit - Savings and Loans Associations	10% of Portfolio	No more than \$100,000 in any one institution.
Money Market funds (Open Ended Investments funds)	50% of Portfolio	

Although permitted by state code, the County limits its exposure to interest rate risk and credit risk by disallowing investment in derivatives, bank notes, corporate notes, mortgage backed securities, asset backed securities, non-prime commercial paper, or stocks of other political subdivisions. The County also excludes any foreign related investments in its portfolio.

The County limits exposure to interest rate risk by limiting the maturity of investments purchased. The entire current portfolio may be invested with a maximum maturity not exceeding 13 months. Of the current portfolio, fifteen percent (15%) may be invested with a maximum maturity not exceeding 24 months. Based on market conditions and expected cash flow an additional ten percent (10%) of the prior fiscal years average portfolio may be invested with a maximum maturity not exceeding 5 years (60 months). The Public Facilities (Proffer) portfolio may be invested with a maximum maturity not exceeding 13 months. Up to twenty percent (20%) of the Proffer portfolio, from the date of the investment, may be invested with a maximum maturity not exceeding 24 months. Based on market conditions and expected cash flow, an additional ten percent (10%) of the prior fiscal years average Proffer portfolio may be invested with a maximum maturity not exceeding 5 years (60 months).

Credit Risk:

As required by state statute, the Policy requires that commercial paper have a short-term debt rating of no less than "A-1" (or its equivalent) from Standard & Poor's and no less than "P-1" from Moody's. Investments with any banks, including CD's or bankers' acceptances, should be rated 30 or higher on SNL/Highline, and be a Qualified Virginia Depository for CD's. If a SNL/Highline rating of 30 is not met, Banks are required to have one of the following: Fitch Individual Bank rating of B or better, S&P Short Term Local Issuer Rating of A-1 or better, or Moody's Short Term Rating of P-1 or better.

Although state statute does not impose credit standards on repurchase agreement counterparties, bankers' acceptances or money market mutual funds, the County has established stringent credit standards for these investments to minimize portfolio risk.

As of June 30, 2015, the Portfolio was invested as follows:

7.39% of the portfolio was invested in "Aaa" or better rated obligations
16.90% was invested in "A-1", "P-1", or better short term commercial paper
36.74% was invested in "AAAm" rated state run pooled money market fund
38.97% was invested in fully collateralized bank CD's or MMKT/Savings/NOW Accounts

Credit ratings presented in this paragraph are from Standard & Poor's, Moody's Investor Service, or Fitch Ratings.

Concentration of Credit Risk

As of June 30, 2015, the portion of the County's portfolio, excluding the LGIP and U.S. Government guaranteed obligations, that exceed 5% of the total portfolio are as follows:

<u>Issuer</u>	<u>% of Portfolio</u>
Capital One Bank (Fully collateralized money market funds and business checking)	5.64%
TD Bank (Fully collateralized money market funds as well as commercial paper)	6.71%

Interest Rate Risk

The County invests using a passive style of management; whereby securities are bought with the intention of holding them until maturity and with the assumption not all securities will be called.

The County may purchase securities whereby the interest rate increases on a periodic basis as detailed in the securities prospectus. The incremental steps are fixed amounts that have increased over time with no direct correlation to a market index. All these securities are callable, yet assumed to be held through maturity.

The County may also purchase callable securities, with limited or extended lock-in provision ensuring yield for specific time frames as specified in the security prospectus. Early call provisions may expose the County to current market conditions, which may be less favorable especially in a downward interest rate environment. Yields on callable bonds are typically higher as buyers assume more market rate risk if a call provision is exercised.

As of June 30, 2015, the following securities were held that had call features:

Fund	Maturity Date	Issue	Fair Value	Par/Cost	Yield %	Step Features
General Fund	8/30/2016	FHLB	\$ 4,001,668	\$ 4,000,000	0.550	2.25YR/6Mo Non call, Qtrly Thereafter – NO STEP
	12/26/2017	FNMA	4,000,044	4,000,000	1.043	5YR/1YR Annual Call, Annual Step-up
	1/11/2018	FHLB	3,988,364	4,000,000	1.000	5YR/6Mo Non call, Qtrly Thereafter – NO STEP
	5/25/2018	FHLB	4,996,190	5,000,000	1.231	3YR/6Mo Non Call, Qtrly Thereafter, Annual Step-up
	6/19/2018	FHLB	4,984,755	5,000,000	1.163	5YR/3Mo Non call, Annual Step-up, Quarterly Call
	7/30/2019	FHLB	2,999,805	3,000,000	1.250	5YR/12Mo Non call, Annual Thereafter, Annual Step-up
Public Facilities Fund	5/25/2018	FHLB	4,996,190	5,000,000	1.231	3YR/6Mo Non Call, Qtrly Thereafter, Annual Step-up
	6/19/2018	FHLB	4,984,755	5,000,000	1.163	5YR/3Mo Non call, Annual Step-up, Quarterly Call
	7/30/2019	FHLB	2,999,805	3,000,000	1.250	5YR/12Mo Non call, Annual Thereafter, Annual Step-up

On June 30, 2015, the County had the following investments and maturities (refer to Cash and Cash Equivalents in Exhibit I, and Exhibit X):

Investment Type	Carrying Value	Maturity				
		Less Than 3 Months	Between 3-6 Months	Between 6-13 Months	Between 13-24 Months	Between 24-60 Months
Bank Deposits	\$ 5,618,525	\$ 5,618,525	\$ -	\$ -	\$ -	\$ -
Money Market Funds (LGIP)	433,521,928	433,521,928	-	-	-	-
Certificates of Deposit (CD) - Commercial Banks	186,632,752	72,024,251	15,071,361	94,381,457	775,000	4,380,683
U.S. Government Agencies	57,984,359	-	4,986,547	10,013,476	9,003,428	33,980,908
Municipal Bonds	3,093,048	3,093,048	-	-	-	-
Commercial Paper (CP's)	139,652,180	34,925,386	29,956,875	74,769,919	-	-
Total Deposits and Investments	\$ 826,502,792	\$ 549,183,138	\$ 50,014,783	\$ 179,164,852	\$ 9,778,428	\$ 38,361,591

The Component Unit's Student Activity Funds' cash of \$6,640,699, the Component Unit's component unit, Middleburg Charter School, cash of \$49,709, and the Primary Government's Employee Benefits Distribution Fund cash of \$60,000 is not under the control of the County Treasurer's Office; is not pooled with the Reporting Entity cash and investments and, therefore, is not included in the above presentation. These deposits were covered by Federal Depository Insurance or collateralized in accordance with the Virginia Security for Public Deposits Act.

Custodial Credit Risk

The *Code of Virginia* and Policy requires all deposit and investment securities be held by a third party in the County's name, who may not otherwise be a counterparty to the investment transaction.

As of June 30, 2015, all of the County's securities, other than bank certificates of deposit, were held in a highly rated bank's safekeeping department in the County's name.

The County invests in an externally managed investment pool, the LGIP, which is not SEC-registered. The Treasury Board of the Commonwealth of Virginia has regulatory oversight of the LGIP. It is managed as a "2a-7 like pool". The portfolio securities are valued by the amortized cost method with maturities of thirteen months or less. The fair value of the County's position in the LGIP is the same as the value of the pool shares. All other investments are stated at fair value.

All County deposits are held in Qualified Virginia Depositories, as required by the Virginia Public Deposit Act and our investment policy. The County also requires stricter guidelines on depositories, requiring a Thomson Reuters Bank Insight/Highline National rating of 30 or higher or one of the following: Fitch Individual Bank Rating of B or better, Standard & Poor's Short Term Local Issuer A-1 or better, or Moody's Short Term P-1 or better. These ratings are issued and reviewed regularly.

The Primary Government and component unit's OPEB trust fund participates in the Virginia Pooled OPEB Trust. Funds of participating jurisdictions are pooled and invested in the name of the Virginia Pooled OPEB Trust. The Board of Trustees of the Virginia Pooled OPEB Trust establishes investment objectives, risk tolerance, and asset allocation policies in light of market and economic conditions and generally prevailing prudent investment practices. At June 30, 2015, the Primary Government's share in this pool was \$45,455,867 as reported on the face of the OPEB trust fund statement found in Schedule 31. At June 30, 2015, the Component Unit-School's share in this pool was \$104,705,450 as reported on the face of the Component Unit trust fund statement found in Schedule 49.

The Primary Government is the administrator of a noncontributory, single employer, defined benefit Length of Service Retirement Plan (LOSAP). The Plan was established and is maintained to provide retirement benefits to vested participants in the Plan at the time of their retirement from Fire and Rescue Volunteer Services. Investments are selected, monitored and evaluated by the LOSAP Committee of Loudoun County and investment services are provided by RBC Wealth Management. The County has a written policy establishing investment guidelines, and exercises prudent investing principals with a goal of achieving a long-term rate of return of 5.5%. Plan contributions are currently held in a trust account with Comerica. Investments are held in debt securities, 69.2% of portfolio and income yield of 5.63%; equity securities, 19.0% of portfolio and income yield of 3.66%; short term investments of 11.8% of portfolio and income yield of 0.04%. On June 30, 2015, the market value of investments totaled \$19,051,287.

Restricted cash and investments

Restricted cash and investments consist of the following amounts:

	Governmental Activities	Component Unit - Schools
General Fund:		
General Obligation Bond Proceeds	\$ 3,295	\$ -
General Obligation Bond Proceeds - Component Unit - Schools	75,002,731	-
Unspent Lease Proceeds	-	5,085,409
Total General Fund	75,006,026	5,085,409
Capital Projects Fund:		
General Obligation Bond Proceeds	77,416,182	-
Land Deposit - Component Unit - Schools	-	50,000
Total Capital Projects Fund	77,416,182	50,000
Debt Service Fund:		
Bond Proceeds held by SNAP for Debt Service and Capital Projects	25,427,657	-
Non-Major Governmental Funds:		
Transportation District Fund	29,993,389	-
Capital Asset Preservation Fund	52,434	-
Total Non-Major Governmental Funds	30,045,823	-
Internal Service Funds:		
Self Insurance Fund	1,187,000	2,719,000
Total Restricted Cash and Investments	\$ 209,082,688	\$ 7,854,409

NOTE IV – DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES

Receivables at June 30, 2015 are as follows:

	Taxes	Accounts	Due from Other Governments	Total Receivables
<u>Governmental Activities:</u>				
General Fund	\$ 511,889,349	\$ 3,717,302	\$ 36,054,180	\$ 551,660,831
Capital Projects Fund	-	1,118,539	2,125,223	3,243,762
Non-Major Governmental Funds	3,273,829	2,884,599	9,686,863	15,845,291
Internal Service Funds	-	427,626	-	427,626
Gross Receivables	515,163,178	8,148,066	47,866,266	571,177,510
Less: allowance for uncollectibles	(237,379)	-	-	(237,379)
Total Governmental Activities	\$ 514,925,799	\$ 8,148,066	\$ 47,866,266	\$ 570,940,131
<u>Component Unit - Schools:</u>				
General Fund	\$ -	\$ 3,059,426	\$ 12,195,341	\$ 15,254,767
Special Revenue Fund	-	212,194	6,654,300	6,866,494
Capital Improvements Fund	-	250,129	-	250,129
Internal Service Funds	-	1,648,263	-	1,648,263
Middleburg Charter School	-	-	62,385	62,385
Total Component Unit - Schools	\$ -	\$ 5,170,012	\$ 18,912,026	\$ 24,082,038

Payables at June 30, 2015 are as follows:

	Vendors	Accrued Interest	Salaries and Benefits	Total Payables
<u>Governmental Activities:</u>				
General Fund	\$ 5,851,294	\$ -	\$ 8,229,884	\$ 14,081,178
Capital Projects Fund	8,498,072	-	4,699	8,502,771
Debt Service Fund	194,572	8,930,096	-	9,124,668
Non-Major Governmental Funds	5,658,275	-	51,420	5,709,695
Internal Service Funds	692,408	-	604,485	1,296,893
Total Governmental Activities	\$ 20,894,621	\$ 8,930,096	\$ 8,890,488	\$ 38,715,205
<u>Component Unit - Schools:</u>				
General Fund	\$ 6,400,136	\$ 258,110	\$ 58,434,649	\$ 65,092,895
Capital Improvements Fund	25,703,345	-	1,209	25,704,554
Special Revenue Fund	4,094,456	-	2,313,453	6,407,909
Capital Asset Replacement Fund	1,806,065	-	-	1,806,065
Internal Service Funds	2,126,251	-	32,324	2,158,575
Middleburg Charter School	17,588	-	20,892	38,480
Total Component Unit - Schools	\$ 40,147,841	\$ 258,110	\$ 60,802,527	\$ 101,208,478

NOTE V – INTERFUND BALANCES

Payments and receipts for all expenditure payments and revenue collections are transacted through the General Fund on behalf of all funds of the County. As a result, the interfund payables primarily represents the portions of expenditure payments to be paid by certain other funds to the General Fund and interfund receivables primarily represents the portion of revenue collections to be received by certain other funds from the General Fund. The composition of interfund balances as of June 30, 2015 is as follows:

	Interfund Receivables	Interfund Payables
<u>Governmental Activities</u>		
General Fund	\$ -	\$ 453,698,804
Capital Projects Fund	181,562,705	-
Debt Service Fund	23,974,735	-
Non-Major Governmental Funds	191,962,076	1,177,296
Internal Service Funds	57,376,584	-
Total	\$ 454,876,100	\$ 454,876,100

NOTE VI – INTERFUND TRANSFERS

The primary purpose of interfund transfers is to provide funding for operations, debt service, and capital projects. Transfers move revenue from the fund that statute or budget requires to collect it to the fund that statute or budget requires to expend it and use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgeting authorization. Interfund transfers for the year ended June 30, 2015 consist of the following:

Transfers	Transfers In					Total
	General Fund	Capital Projects Fund	Debt Service Fund	Non-Major Governmental Funds	Internal Service Funds	
General Fund	\$ -	\$ 24,593,416	\$ 137,424,183	\$ 21,678,534	\$ 11,041,498	\$ 194,737,631
Capital Projects Fund	5,854,505	-	681,959	3,645	7,100,947	13,641,057
Debt Service Fund	138,658	5,015,000	-	-	-	5,153,658
Non-Major Governmental Funds	9,388,907	104,169,758	644,082	25,833,016	-	140,035,763
Total Primary Government	\$ 15,382,070	\$ 133,778,174	\$ 138,750,224	\$ 47,515,196	\$ 18,142,445	\$ 353,568,109

During the year ending June 30, 2015, the County made the following one-time transfers:

- 1) The General Fund returned \$1,732,862 to the Transportation District Fund.
- 2) The General Fund Transferred \$7,000,000 to the Self Insurance Fund as reserves for Schools.
- 3) The Comprehensive Services Act Fund returned \$3,874,239 to the General Fund.
- 4) One time transfers to the Capital Projects fund to finance capital construction include \$5,153,111 from the General Fund, \$2,556,783 from the Public Facilities Fund and \$14,174,437 from the Transportation District Fund.
- 5) House Bill 2313 enacted during the 2013 Virginia General Assembly session established revenue sources dedicated to transportation and transit for Northern Virginia and designated the Northern Virginia Transportation Authority as the organization responsible for managing the revenue sources. Guidelines require certain transportation related revenues to flow through a dedicated fund. The County has elected to use the Transportation District Fund for these revenues. Accordingly, the following transfers were made: \$13,000,000 from the General Fund to the Transportation District Fund; \$14,625,926 from the Public Facilities Fund to the Transportation District Fund, \$27,625,040 from the Transportation District Fund to the Capital Projects Fund and \$11,207,976 from the Transportation District Fund to the Capital Projects Fund for TIFIA loan proceeds.

NOTE VII - NONCURRENT NOTES AND LOANS RECEIVABLE - PRIMARY GOVERNMENT

Noncurrent notes and loans receivable consisted of the following at June 30, 2015.

Notes and Loans Receivable	\$ 4,360,597
Allowance for Uncollectibles	(1,241,686)
Net Notes and Loans Receivable	\$ 3,118,911

Of the gross amount of notes and loans receivable, \$271,632 represents loans made to volunteer fire and rescue companies in the County for the purchase of equipment or the renovation and expansion of the companies' facilities. \$612,161 represents loans to towns and Loudoun Water, formerly known as the Loudoun County Sanitation Authority, for the expansion of sewage services. Sewage connection fees are used to repay these loans. The remaining \$3,476,804 represents loans to individuals/families under the Affordable Housing Project and Public Employee Home Ownership Grant.

NOTE VIII – CAPITAL ASSETS

Capital assets activity for the Primary Government for the year ended June 30, 2015 is as follows:

	Balance June 30, 2014	Additions/ Increases	Retirements/ Decreases	Transfers	Balance June 30, 2015
<u>Capital Assets Not Being Depreciated:</u>					
Land	\$ 135,338,507	\$ 5,567,000	\$ -	\$ -	\$ 140,905,507
Infrastructure - Ponds	62,407,891	9,757,800	-	-	72,165,691
Construction in Progress	84,710,104	23,979,083	-	(38,954,096)	69,735,091
Total Capital Assets Not Being Depreciated	\$ 282,456,502	\$ 39,303,883	\$ -	\$ (38,954,096)	\$ 282,806,289
<u>Depreciable Capital Assets:</u>					
Buildings	\$ 395,135,214	\$ 1,895,090	\$ -	\$ 28,794,639	\$ 425,824,943
Improvements Other Than Buildings	38,298,863	-	-	2,276,049	40,574,912
Equipment	171,322,722	14,442,146	(5,554,247)	7,883,408	188,094,029
Infrastructure	459,382,761	42,280,542	-	-	501,663,303
Total Depreciable Capital Assets	\$ 1,064,139,560	\$ 58,617,778	\$ (5,554,247)	\$ 38,954,096	\$ 1,156,157,187
<u>Less Accumulated Depreciation for:</u>					
Buildings	\$ (76,872,040)	\$ (9,881,727)	\$ -	\$ -	\$ (86,753,767)
Improvements Other Than Buildings	(17,066,786)	(1,685,557)	-	-	(18,752,343)
Equipment	(111,764,761)	(13,240,642)	5,469,186	-	(119,536,217)
Infrastructure	(95,644,026)	(9,217,610)	-	-	(104,861,636)
Total Accumulated Depreciation	\$ (301,347,613)	\$ (34,025,536)	\$ 5,469,186	\$ -	\$ (329,903,963)
Depreciable Capital Assets, Net	\$ 762,791,947	\$ 24,592,242	\$ (85,061)	\$ 38,954,096	\$ 826,253,224
Total Capital Assets	\$ 1,045,248,449	\$ 63,896,125	\$ (85,061)	\$ -	\$ 1,109,059,513

Primary government capital assets, net of accumulated depreciation, at June 30, 2015 are comprised of the following:

General Capital Assets, Net	\$ 1,073,236,702
Internal Service Fund Capital Assets, Net	35,822,811
Total Capital Assets, Net	\$ 1,109,059,513

Depreciation was charged to governmental functions as follows:

General government administration	\$ 5,702,898
Judicial administration	743,168
Public safety	9,161,634
Public works	10,770,362
Health and welfare	1,483,976
Parks, recreation and culture	4,307,515
Community development	1,855,983
Total Depreciation	\$ 34,025,536

Capital asset activity for the Schools for the year ended June 30, 2015 is as follows:

	Balance June 30, 2014	Additions/ Increases	Retirements/ Decreases	Transfers	Balance June 30, 2015
Capital Assets Not Being Depreciated:					
Land	\$ 148,036,489	\$ 221,800		\$ -	\$ 148,258,289
Construction in Progress	178,236,426	95,484,777	\$ (182,794,013)	-	90,927,190
Total Capital Assets Not Being Depreciated	\$ 326,272,915	\$ 95,706,577	\$ (182,794,013)	\$ -	\$ 239,185,479
Depreciable Capital Assets:					
Buildings	\$ 1,469,474,609	\$ 182,078,325	\$ -	\$ -	\$ 1,651,552,934
Improvements Other Than Buildings	1,199,947	476,867	-	-	1,676,814
Equipment	131,942,557	4,859,196	(4,689,559)	-	132,112,194
Infrastructure	1,121	-	-	-	1,121
Total Depreciable Capital Assets	\$ 1,602,618,234	\$ 187,414,388	\$ (4,689,559)	\$ -	\$ 1,785,343,063
Less Accumulated Depreciation for:					
Buildings	\$ (327,928,033)	\$ (33,074,071)	\$ -	\$ -	\$ (361,002,104)
Improvements Other Than Buildings	(966,848)	(45,242)	-	-	(1,012,090)
Equipment	(107,541,370)	(8,047,494)	4,547,159	-	(111,041,705)
Infrastructure	(252)	(56)	-	-	(308)
Total Accumulated Depreciation	\$ (436,436,503)	\$ (41,166,863)	\$ 4,547,159	\$ -	\$ (473,056,207)
Depreciable Capital Assets, Net	\$ 1,166,181,731	\$ 146,247,525	\$ (142,400)	\$ -	\$ 1,312,286,856
Total Capital Assets, net	\$ 1,492,454,646	\$ 241,954,102	\$ (182,936,413)	\$ -	\$ 1,551,472,335

Construction in progress and construction commitments are composed of the following:

	Program Authorization	Transferred to Fixed Assets by June 30, 2015	Non-Capital Projects in Process at June 30, 2015	Non-Capital Projects Completed by June 30, 2015	Capital Construction in Progress at June 30, 2015	Capital Construction Commitments at June 30, 2015	Remaining to be Committed at June 30, 2015
General Government Admin.	\$ 174,879,180	\$ 101,366,029	\$ 7,796,538	\$ 14,911,919	\$ 36,890,528	\$ 4,318,234	\$ 9,595,928
Judicial Administration	53,327,538	30,939,792	-	-	1,308,499	4,438,928	16,640,319
Public Safety	293,053,286	122,647,496	11,646,704	3,159,165	13,896,663	16,427,315	125,275,943
Public Works	67,539,632	765,220	10,078,070	820,423	5,233,900	8,081,448	42,560,571
Health and Welfare	24,492,129	5,628,335	1,323,376	5,795	115,625	346,338	16,872,660
Parks, Recreation and Culture	167,527,988	38,626,503	2,231,629	1,467,648	10,475,405	5,016,580	109,710,223
Community Development	801,594,845	70,681,706	143,019,391	36,848,707	1,814,471	65,812,616	483,417,954
Total Primary Govt.	\$ 1,582,414,598	\$ 370,655,081	\$ 176,095,708	\$ 57,213,657	\$ 69,735,091	\$ 104,441,459	\$ 804,073,598

The County engages in certain construction projects that will not be transferred to fixed assets when the project is complete. These projects consist of transportation projects, such road construction and mass transit, and public safety projects such as volunteer fire & rescue facilities improvements and equipment, of which the County will not have ownership.

At June 30, 2015, the Schools had contractual commitments of \$92,003,080 in the Capital Improvements Fund for construction of various projects.

NOTE IX - ENCUMBRANCES

The County uses encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to reserve that portion of the applicable appropriation. Encumbrances represent the estimated amount of expenditures that will ultimately result if unperformed contracts and open purchase orders are completed. Encumbrances for the capital projects funds do not lapse until the completion of the projects and are reported as committed fund balance unless restricted by debt covenants, which are reported as restricted fund balance. Funding for all other encumbrances lapses at year end and requires reappropriation by the Board, which is done annually through the appropriations resolution. These encumbrances are reported as either committed fund balance, if contractual obligations exist, or assigned fund balance. Funds with significant encumbrance balances are as follows:

General Fund	\$ 8,791,872
Capital Projects Fund	104,441,459
Internal Service Funds	2,222,733
Non-Major Governmental Funds	<u>2,984,676</u>
Total	<u>\$118,440,740</u>

NOTE X - RISK MANAGEMENT

The County's property and liability including automobile and public officials' liability are administered through the Virginia Association of Counties (VACo). These coverages have variable per occurrence limits in place by coverage type ranging from \$1 million to \$50 million. The general liability and automobile coverage each have a \$250,000 deductible, \$2 million per occurrence limit along with a \$10 million aggregate limit. The County is also insured for constitutional officers and law-enforcement liability risk through the State Division of Risk Management. These programs have a \$1.5 million per occurrence limit through the state plan as well as an excess policy for an additional \$3 million through VACo. These policies insure the County Sheriff's Department, other County enforcement agencies, and all elected constitutional officers and their employees against certain types of claims. Claims that arose from incidents occurring prior to the existence of all the foregoing agreements are covered under the County's previous commercial insurance programs.

The School's property and liability insurance program is provided through membership in the Virginia Association of Counties Group Self-Insurance Risk Pool. Member jurisdictions contribute to the pool based on their risk exposures and past claims experience. The property coverage program consists of blanket replacement cost business real and personal property insurance, boiler and machinery insurance, comprehensive crime and employee dishonesty insurance, and automobile physical damage insurance. The business real and personal property insurance carries a \$5,000 deductible per occurrence with the balance of the property coverages carrying a \$2,500 deductible per occurrence. The liability insurance program consists of first dollar insurance for general liability, school board legal professional liability, automobile liability, and excess liability for a total limit of \$11 million per occurrence (no annual aggregate, deductible or retention applies). Claims that arose from incidents occurring prior to the existence of all the foregoing agreements are covered under the Schools' previous commercial insurance programs.

In 1989, the County received a Certificate as a Qualified Self-Insurer from the Virginia Workers Compensation Commission. At that time, the County began to self-insure general government workers' compensation. The County has excess coverage limiting claims against the self-insurance fund to \$900,000. A reserve for pending claims and incurred but not reported claims has been accrued as a liability within the self-insurance fund as an estimate based on information received from the County's outside actuary, AON Hewitt Consulting.

In 1990, the Schools received a Certificate as a Qualified Self-Insurer from the Virginia Workers' Compensation Commission. At that time, the Schools began to self-insure statutory workers' compensation and employer's liability coverages. At the same time, the Schools purchased excess workers' compensation and employer's liability insurance from a commercial carrier. The excess insurance is currently provided through Virginia School Boards Association. It provides statutory coverage and limits individual claims against the self-insurance program with a specific retention level of \$500,000 per occurrence. A reserve for pending claims and incurred but not reported claims has been accrued as a liability within the self-insurance funds as an estimate based on information received from AON Hewitt Consulting. Workers' Compensation claims that arose from incidents occurring prior to the self-insured program are covered under the Schools' previous commercial insurance carrier.

The County and Schools contract with a third-party administrator to adjust workers' compensation claims, provide underwriting services, and recommend reserve levels, including claims reported but not settled. Claims not closed as of January 1, 1990, remain with the Virginia Municipal Group Self-Insurance Association. The following table shows the amounts that have been accrued for workers' compensation as a liability within the self-insurance fund. The County's administrator is Healthsmart Casualty Claims Solutions, and the Schools' administrator is PMA Companies.

	WORKERS' COMPENSATION		
	Primary Government	Component Unit - Schools	Total
<u>Fiscal Year 2015</u>			
Unpaid Claims Beginning of Fiscal Year	\$ 6,681,630	\$ 4,513,570	\$ 11,195,200
Incurred Claims (Including IBNR)	2,045,355	4,254,705	6,300,060
Claim Payments	(1,957,570)	(3,739,206)	(5,696,776)
Unpaid Claims End of Fiscal Year	\$ 6,769,415	\$ 5,029,069	\$ 11,798,484
<u>Fiscal Year 2014</u>			
Unpaid Claims Beginning of Fiscal Year	\$ 6,391,035	\$ 4,197,538	\$ 10,588,573
Incurred Claims (Including IBNR)	2,191,573	3,094,422	5,285,995
Claim Payments	(1,900,978)	(2,778,390)	(4,679,368)
Unpaid Claims End of Fiscal Year	\$ 6,681,630	\$ 4,513,570	\$ 11,195,200

On October 1, 1994, the County and Schools began to self-insure health care for all eligible employees and retirees by contracting with providers for administrative services only. Services under these contracts include claims adjudication, disease management and lifestyle programs, and wellness initiatives. The Board of Supervisors and School Board have the authority to modify the provisions of the County and School's active and post-employment benefits program. Eligibility requirements were modified in September 2009 for both active employees and retirees.

Eligible employees for the County include regular staff working twenty (20) or more hours per week, and temporary employees working thirty (30) or more hours per week for a period of 90 days or longer. In accordance with the Affordable Care Act (ACA) beginning in 2015 any employee who works an average of thirty (30) or more hours within a designated "measurement period" will be eligible to enroll in a county-sponsored health plan. Effective July 1, 2014 group coverage for Medicare eligible retirees transitioned to Cigna Medicare Surround and Cigna RX which coordinates with Medicare. Eligible retirees include retirees who have ten (10) years of County employment and who immediately begin drawing a retirement annuity from the Virginia Retirement System. Effective January 1, 2013, employees were designated into OPEB groups based on years of service and/or age. Employees less than 35 years of age as of January 1, 2013 must have fifteen (15) years of County employment at retirement to be eligible for retiree health. Other cost savings measures including caps on employer cost sharing, eligibility for new hires, implementation of a Retirement Health Savings Plan and a 10% aggregate cost shift to retirees were put into place to mitigate OPEB costs going forward as well as to reduce the County's Annual Required Contribution (ARC). Employer contribution rates for County employees vary depending on budgeted hours. Employer contribution rates for retirees vary based on the type of retirement, years of service, plan type, and coverage level.

CIGNA Healthcare is contracted as the third-party administrator for the medical plans. The County and Schools offer two (2) medical plan options, a Point of Service (POS) Plan and an Open Access Plus (OAP) Plan. Additionally, the County offers a Consumer Driven Health Plan (CDHP) with Health Savings Account (HSA) or Health Reimbursement Arrangement (HRA). In-network services for the POS are covered at 100% with a \$20 office visit co-pay for Primary Care Physicians, and a \$35 office visit co-pay for Specialists. Participants may choose to receive services out-of-network, subject to a \$1,500 deductible and 20% co-insurance. Services for the OAP are covered at 90% in-network co-insurance, subject to a \$250 deductible and, 70% out-of-network, subject to a \$1,500 deductible. The CDHP option also provides both in and out-of-network benefits. The CDHP includes a \$1,500 in-network deductible and 10% in-network coinsurance, \$2,500 out-of-network deductible and 30% co-insurance along with an Employer HSA/HRA contribution. Express Scripts is the third-party administrator for prescription drug benefits. Prescription drug coverage is included with all medical plans utilizing a three tier co-pay structure and mail-order option. Delta Dental of VA is the third-party administrator for dental benefits providing coverage for preventative, restorative, major services and orthodontia utilizing a co-insurance structure. Restorative and major services are subject to a \$50 deductible. Davis Vision is the third-party administrator for routine vision care benefits utilizing a co-pay structure for exams and materials.

The County and Schools purchase specific stop-loss insurance from Connecticut General Life Insurance Company (CIGNA) limiting claims against the self-insurance program to \$440,000 per occurrence for individual claims for the County and \$385,000 for Schools. The following table shows the amounts that have been accrued as a liability within the self-insurance fund based upon an estimate from the County's outside actuary, AON Hewitt Consulting.

	HEALTH INSURANCE		
	Primary Government	Component Unit - Schools	Total
Fiscal Year 2015			
Unpaid Claims Beginning of Fiscal Year	\$ 3,026,330	\$ 9,735,164	\$ 12,761,494
Incurred Claims (Including IBNR)	46,195,802	137,596,616	183,792,418
Claim Payments	(46,003,330)	(136,855,470)	(182,858,800)
Unpaid Claims End of Fiscal Year	\$ 3,218,802	\$ 10,476,310	\$ 13,695,112
Fiscal Year 2014			
Unpaid Claims Beginning of Fiscal Year	\$ 2,576,544	\$ 9,056,542	\$ 11,633,086
Incurred Claims (Including IBNR)	40,213,090	124,237,286	164,450,376
Claim Payments	(39,763,304)	(123,558,664)	(163,321,968)
Unpaid Claims End of Fiscal Year	\$ 3,026,330	\$ 9,735,164	\$ 12,761,494

The Board of Supervisors has the authority to modify the provisions of the County's active and post-employment benefits program. As of June 30, 2015, 553 retirees or individuals who qualify for disability retirement, met the eligibility requirements and are enrolled in the program. During fiscal year 2015, expenditures of \$4,816,202 were recorded for retirement health care benefits. These amounts are not accrued over the employees' time of service, but are expensed as incurred.

NOTE XI – OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLANS

1. Plan Description

The Loudoun County OPEB Trust Fund is a single-employer defined benefit healthcare plan (the Plan) administered by the County. The Plan provides healthcare insurance for eligible retirees and their family through the County's group health insurance plan, which covers both active and retired members. Retired employees of the County who participate in the retiree medical plans pay a percentage, based on the type of retirement, years of service and type of coverage, of 90 percent of the full active premium rate to continue coverage. In order to participate, the retirees must be a full-time employee who retires directly from the County, and is eligible to receive an early retirement benefit from the VRS. In addition, they must immediately begin receiving a retirement annuity from VRS.

2. Funding Policy

The contribution requirements of plan members of the County are established and may be amended by the Board of Supervisors. The contributions are based on projected pay-as-you-go financing requirements, with an additional amount to prefund benefits.

The County participates in the Virginia Pooled OPEB Trust Fund, which was established as an investment vehicle for participating employers to accumulate assets to fund OPEB. Plan assets for purposes of GAAP are usually in the form of stocks, bonds, and other classes of investments, that have been segregated and restricted in a trust, in which (a) contributions to the plan are irrevocable, (b) assets are dedicated to providing benefits to retirees and their beneficiaries, and (c) assets are legally protected from creditors of the employer or plan administrator, for the payment of benefits in accordance with the terms of the plan. The Trust Fund issues a separate report, which can be obtained by requesting a copy from the plan administrator, Virginia Municipal League and the Virginia Association of Counties Finance Program, 1108 East Main Street, Richmond, Virginia 23219.

3. Annual OPEB Cost and Net OPEB Obligation

The County is required to contribute the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GAAP. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The current employer contribution rates for the County and the Schools are 138.18% and 107.50% respectively.

The annual OPEB cost and net OPEB obligation for the Primary Government is based on an estimated discount rate of 6.5% including an inflationary component of 2.5%. The annual OPEB cost and net OPEB obligation for the Schools is based on a

blended rate of 5.5% between the unfunded rate of 4.0% and the funded rate of 7.0%. Both the County and Schools are amortizing the initial unfunded actuarial liability on an open basis over 30 years based on a level percent of payroll method. The remaining amortization period is 30 years. The annual OPEB cost and net OPEB obligation for 2015 for the Primary Government and Component Unit is as follows:

	Primary Government	Component Unit - Schools
Discount Rate	6.50%	7.25%
Annual Required Contribution (ARC)	\$ 6,865,000	\$ 21,232,000
Interest on Net OPEB Obligation	1,484,186	7,312,000
Adjustment to Annual Required Contribution	(1,116,832)	(5,529,000)
Annual OPEB Cost (expense)	\$ 7,232,354	\$ 23,015,000
Actual Contributions	(9,993,840)	(24,740,087)
Decrease in net OPEB Obligation	(2,761,486)	(1,725,087)
Net OPEB Obligation, Beginning of Year	22,833,637	100,855,960
Retirement Health Savings	(2,437,000)	-
Net OPEB Obligation, End of Year	\$ 17,635,151	\$ 99,130,873
Actual Contribution Rate	138.18%	107.50%

The County and School's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB Obligation for fiscal year 2015 and the preceding two fiscal years were as follows:

Fiscal Year	Annual OPEB Cost	Percentage of Annual OPEB Contributed	Net OPEB Obligation
Primary Government			
6/30/2015	\$ 7,232,354	138.18%	\$ 17,635,151
6/30/2014	\$ 6,934,044	138.49%	\$ 22,833,637
6/30/2013	\$ 11,473,875	99.41%	\$ 27,660,531
Component Unit - Schools			
6/30/2015	\$ 23,015,000	107.50%	\$ 99,130,873
6/30/2014	\$ 23,953,000	97.13%	\$ 100,855,960
6/30/2013	\$ 35,522,858	49.74%	\$ 121,535,936

The projection of future benefit payment for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, also presented as required supplementary information following the notes to the financial statements, presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

For the year ended June 30, 2015, the Primary Government and the Component Unit – Schools' OPEB funding progress are as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
Primary Government						
07/01/2015	\$ 45,456,000	\$ 101,839,000	\$ 56,383,000	44.64%	\$ 157,758,000	35.74%
07/01/2013*	28,757,000	65,842,000	37,085,000	43.68%	165,086,213	22.46%
07/01/2011*	15,055,000	111,771,000	96,716,000	13.47%	163,737,000	59.07%
Component Unit - Schools						
07/01/2014	\$ 91,482,000	\$ 264,365,000	\$ 172,883,000	34.60%	\$ 477,137,000	36.23%
07/01/2013*	68,268,000	255,113,000	186,845,000	26.80%	468,435,000	39.89%
07/01/2012*	52,500,000	351,778,821	299,278,821	14.92%	377,195,000	81.92%

* Required Supplementary Information – Unaudited

The most recent actuarial valuation was completed on July 1, 2015 and for financial reporting purposes, the actuarial valuation will be performed at least biennially.

4. Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The ARC for FY 2015 was determined as part of the July 1, 2015 actuarial valuation using the Projected Unit Credit actuarial cost method. Under this method, benefits are projected for life and their present value is determined. The present value is divided into equal parts, which are earned over the period from date of hire to the full eligibility date.

Because the Schools is prefunding its benefits, the actuarial assumptions include a 7.5 percent investment rate of return (net of administrative expenses), which is a blended rate of the expected long-term investment returns on program assets and on Schools' investments.

Projected health care cost trend rates for medical benefits (including prescription drugs) for Pre-Medicare rates begin at 7.0 percent initially, and are reduced by .50% over five years to an ultimate rate of 5 percent (7%, 6.5%, 6%, 5.5%, 5%, 5%, 5%). Post Medicare rates begin at 6.5 percent initially, and are reduced by .25% over seven years to an ultimate rate of 5 percent (6.5%, 6.25%, 6%, 5.75%, 5.5%, 5.25%, 5%). These trend rates include an inflationary component of 2.5 percent.

Schools' investment rate of return and the annual healthcare cost trend rate both include a 3.25 percent wage inflation assumption. The UAAL is amortized as a level percentage of pay over an open period of 30 years.

NOTE XII - OPERATING LEASES

The County has various long-term non-cancelable operating lease agreements for property and equipment, which expire through fiscal year 2021. Total costs for such leases were \$6,665,625 for fiscal year 2015. Property leases generally provide renewal options and increases based on the Consumer Price Index. The Component Unit-Schools has no operating lease agreements as of June 30, 2015. Non-cancelable operating leases include the following minimum annual rental payments as of June 30, 2015:

Fiscal Year	Primary Government
2016	\$4,887,736
2017	4,277,463
2018	3,956,633
2019	2,972,874
2020	1,976,033
2021-2025	2,677,381
Total	\$20,568,120

NOTE XIII - CAPITAL LEASES

Capital leases for property and equipment include the following minimum annual lease payments as of June 30, 2015.

Fiscal Year	Primary Government		Component Unit-Schools	
	Principal	Interest	Principal	Interest
2016	\$ 12,230,000	\$ 5,939,037	\$ 9,214,448	\$ 275,601
2017	12,325,000	5,443,836	7,521,562	168,748
2018	11,370,000	4,919,802	5,051,965	86,035
2019	11,000,000	4,419,801	2,544,983	30,591
2020	11,140,000	3,931,405	-	-
2021-2025	36,430,000	14,265,466	-	-
2026-2030	30,025,000	6,453,766	-	-
2031-2035	9,910,000	976,355	-	-
Capital Lease Obligations	\$ 134,430,000	\$ 46,349,468	\$ 24,332,958	\$ 560,975

Capital leases payable as of June 30, 2015, are composed of the following individual items:

Date Issued	Final Maturity	Interest Rate	Issued Amount	Balance at June 30, 2015	Type of Project Financed (the assets acquired secured the related capital lease)
Primary Government					
12/10/08	Oct 2028	4.69%	46,240,000	32,540,000	Public Safety Facilities
06/17/09	Oct 2019	2.97%	36,000,000	18,000,000	Capital Vehicles / Computer Equipment
11/19/09	Oct 2016	2.55%	7,745,000	2,210,000	Capital Vehicles / Computer Equipment
03/15/10	Feb 2030	3.43%	985,000	785,000	Public Safety Facilities
06/16/10	Oct 2030	3.84%	7,140,000	5,700,000	Landfill Facilities
06/28/11	May 2031	3.89%	36,240,000	30,535,000	Government Office Facilities
11/01/12	Dec 2023	1.68%	14,935,000	13,675,000	Public Safety Facility
02/25/15	Dec 2034	2.79%	30,985,000	30,985,000	Government Office / Public Safety / Landfill Facilities / Transportation Project
Total Primary Government			\$ 180,270,000	\$ 134,430,000	
Component Unit - Schools					
07/20/11	Jul 2015	1.40%	7,000,000	1,782,381	Capital Vehicles / Computers / Equipment
08/27/12	Aug 2016	1.10%	9,926,000	5,013,613	Capital Vehicles / Computers / Equipment
07/24/13	Jul 2017	0.99%	10,000,000	7,536,964	Capital Vehicles / Computers / Equipment
07/18/14	Jul 2018	1.20%	10,000,000	10,000,000	Capital Vehicles / Computers / Equipment
Total Component Unit - Schools			\$ 36,926,000	\$ 24,332,958	

Assets acquired under capital leases by major asset class for the Primary Government at June 30, 2015, are as follows:

Primary Government		
Major Asset Class	Issued Amount	Balance at June 30, 2015
Buildings	\$ 121,525,000	\$ 99,220,000
Computer Equipment	32,216,400	14,894,274
Vehicles	11,528,600	5,315,726
Total Primary Government	\$ 165,270,000	\$ 119,430,000

\$15,000,000 of the proceeds from the capital lease entered into in Feb. 2015 is being used to construct roads, but will not become assets at the end of the lease term. The ownership of the roads will be transferred to the Virginia Department of Transportation for future maintenance; therefore, are not assigned to a major asset class.

NOTE XIV – LONG TERM OBLIGATIONS

The following is a summary of changes in long-term obligations of the Primary Government and Schools for the year ended June 30, 2015:

	Balance at June 30, 2014	Additions	Reductions	Balance at June 30, 2015	Amounts Due Within One Year
Primary Government					
Compensated Absences	\$ 24,450,283	\$ 4,277,442	\$ 2,074,048	\$ 26,653,677	\$ 1,479,279
Claims Payable	9,707,960	48,006,283	47,726,026	9,988,217	6,730,986
Landfill Closure and Postclosure Care	20,855,175	-	538,288	20,316,887	-
Other Postemployment Benefits	22,833,637	7,232,354	12,430,840	17,635,151	-
Net Pension Obligation	90,548,574	58,496,721	98,160,361	50,884,934	-
General Obligation Bonds	948,090,000	128,155,000	97,450,000	978,795,000	95,210,000
Unamortized Bond Premium	62,256,955	20,109,091	10,108,529	72,257,517	9,851,144
Federal Loans	-	11,271,200	-	11,271,200	-
Capital Leases	114,395,000	30,985,000	10,950,000	134,430,000	12,230,000
Total Primary Government	\$ 1,293,137,584	\$ 308,533,090	\$ 279,438,092	\$ 1,322,232,582	\$ 125,501,409
Component Unit - Schools					
Compensated Absences	\$ 21,783,266	\$ 4,266,398	\$ 2,698,361	\$ 23,351,303	\$ 3,630,983
Claims Payable	14,248,734	141,851,321	140,594,676	15,505,379	14,826,757
Other Postemployment Benefits	100,855,960	23,015,000	24,740,087	99,130,873	-
Net Pension Obligation	835,886,908	86,867,957	173,363,258	749,391,607	-
Capital Leases	23,071,352	10,000,000	8,738,394	24,332,958	9,214,448
Total Component Unit-Schools	\$ 995,846,220	\$ 266,000,676	\$ 350,134,776	\$ 911,712,120	\$ 27,672,188

Long-term obligations of governmental activities are generally liquidated by the General Fund, except for claims liabilities and a portion of the net pension obligation, which are liquidated by the internal service fund. See Note XI for additional information on Other Postemployment Benefits liability.

Bonds and loans payable as of June 30, 2015, are as follows:

General Obligation Bonds:

Balance at June 30, 2015

\$10,000,000 School Construction Bonds, Series 1997A, due in annual installments of \$500,000 through 2017, interest from 5.10% to 6.10%. The proceeds of these bonds were used for new school and technology construction.	\$1,500,000
\$10,105,000 Public Improvement Bonds, Series 1998B, due in annual installments of \$30,000 to \$1,910,000 through 2016, interest from 4.00% to 5.25%. The proceeds of these bonds were used for the refunding of outstanding bonds originally issued in 1989, 1993, and 1996.	1,580,000
\$20,235,000 School Construction Bonds, Series 1999A, due in annual installments of \$1,010,000 to \$1,015,000 through 2020, interest from 4.10% to 5.23%. The proceeds of these bonds were used for new school and technology construction.	5,050,000
\$3,020,000 School Construction Bonds, Series 2000A, due in annual installments of \$150,000 to \$155,000 through 2021, interest from 5.10% to 6.35%. The proceeds of these bonds were used to finance the design, construction, and equipping of a gymnasium and addition to an existing elementary school in the County.	900,000
\$12,060,000 School Construction Bonds, Series 2001A, due in annual installments of \$600,000 to \$605,000 through 2021, interest from 4.10% to 5.60%. The proceeds of these bonds were used to finance the design, construction, and equipping of an elementary school in the County.	4,200,000
\$66,525,000 School Construction Bonds, Series 2004B, due in annual installments of \$3,325,000 to \$3,330,000 through 2024, interest from 4.10% to 5.60%. The proceeds of these bonds were used to finance the design, construction, and equipping of public schools and a school administration building in the County.	33,250,000
\$158,085,000 Refunding Bonds, Series 2005A, due in annual installments of \$670,000 to \$21,610,000 through 2021, interest from 3.00% to 5.00%. The proceeds of these bonds were used for the advance refunding of outstanding bonds originally issued in 1994, 1996, 1997, 1998, 1999, 2000, 2001, 2002, and 2003.	20,475,000
\$60,000,000 Public Improvement Bonds, Series 2005C, due in annual installments of \$1,750,000 to \$3,700,000 through 2025, interest from 3.50% to 5.00%. The proceeds of these bonds will be used to finance the acquisition, construction, renovation, and equipping of public schools, fire/sheriff stations, a public library, and park and recreation facilities in the County.	2,775,000

General Obligation Bonds:Balance at June 30, 2015

\$15,225,000 School Construction Bonds, Series 2006A, due in annual installments of \$760,000 to \$765,000 through 2026, interest from 4.10% to 5.10%. The proceeds of these bonds were used to finance the design, construction, renovation, and equipping of public schools in the County.	\$9,120,000
\$85,000,000 Public Improvement Bonds, Series 2006B, due in annual installments of \$3,805,000 to \$5,075,000 through 2025, interest from 4.25% to 5.00%. The proceeds of these bonds were used to finance the acquisition, construction, renovation, and equipping of public schools, fire/sheriff stations, and park and recreation facilities in the County.	7,620,000
\$4,800,000 School Construction Bonds, Series 2007A, due in annual installments of \$240,000 through 2027, interest from 4.10% to 5.10%. The proceeds of these bonds will be used to finance the design, construction, and equipping of an elementary school in the County.	3,120,000
\$184,000,000 Public Improvement Bonds, Series 2007B, due in annual installments of \$8,675,000 to \$10,175,000 through 2026, interest from 4.50% to 5.00%. The proceeds of these bonds will be used to finance the acquisition, construction, renovation, and equipping of public schools, fire/sheriff stations, public facilities, and transportation projects in the County.	34,700,000
\$12,290,000 School Construction Bonds, Series 2008A, due in annual installments of \$615,000 through 2028, interest from 4.10% to 5.10%. The proceeds of these bonds will be used to finance the design, construction, and equipping of an elementary school and a middle school in the County.	8,600,000
\$168,000,000 Public Improvement Bonds, Series 2009A, due in annual installments of \$1,000,000 to \$11,045,000 through 2028, interest from 2.00% to 5.00%. The proceeds of these bonds will be used to finance the acquisition, construction, renovation and equipping of public schools, a public library, park and recreation facilities, fire/sheriff stations, public facilities, and a transportation project in the County.	111,775,000
\$131,030,000 Refunding Bonds, Series 2009B, due in annual installments of \$1,080,000 to \$30,935,000 through 2020, interest from 3.00% to 5.00%. The proceeds of these bonds were used for the advance refunding of outstanding bonds originally issued in 1999, 2001, 2002, 2003, 2004, 2005, 2006, and 2007.	111,300,000
\$89,120,000 Refunding Bonds, Series 2010A, due in annual installments of \$95,000 to \$20,075,000 through 2026, interest from 3.00% to 5.00%. The proceeds of these bonds were used for the advance refunding of outstanding bonds originally issued in 1998, 2001, 2004, 2005, 2006, and 2007.	88,770,000
\$70,630,000 Public Improvement Bonds, Series 2010B, due in annual installments of \$3,310,000 to \$3,945,000 through 2029, interest from 3.00% to 5.25%. The proceeds of these bonds will be used to finance the acquisition, construction, renovation and equipping of public schools and fire/sheriff stations in the County.	50,915,000
\$53,510,000 Public Improvement Bonds, Series 2011A, due in annual installments of \$2,395,000 to \$3,195,000 through 2030, interest from 2.00% to 5.00%. The proceeds of these bonds will be used to finance the acquisition, construction, renovation and equipping of public schools, fire/rescue stations, and park and recreation facilities in the County.	31,695,000
\$5,000,000 Qualified School Construction Bonds, Series 2011-2, due in annual installments of \$260,000 to \$265,000 through 2030, interest of 4.25%. The proceeds of these bonds will be used to finance the design, construction, and equipping of an elementary school in the County.	4,220,000
\$64,500,000 Public Improvement Bonds, Series 2012A, due in annual installments of \$2,760,000 to \$4,085,000 through 2031, interest from 2.625% to 5.00%. The proceeds of these bonds will be used to finance the acquisition, construction, renovation and equipping of public schools and the construction and equipping of fire/rescue stations in the County.	52,245,000
\$99,725,000 Public Improvement and Refunding Bonds, Series 2013A, due in annual installments of \$2,540,000 to \$13,135,000 through 2032, interest from 4.0% to 5.0%. The proceeds of these bonds will be used to finance the acquisition, construction, renovating and equipping of public schools, fire/rescue apparatus, and improvements to public facilities and for advance refunding of outstanding bonds originally issued in 2005 and 2006.	93,300,000
\$67,985,000 Refunding Bonds, Series 2013B, due in annual installments of \$1,790,000 to \$21,580,000 through 2021, interest from 0.18% to 2.51%. The proceeds of these bonds were used for the advance refunding of outstanding bonds originally issued in 2005.	64,355,000
\$45,200,000 Public Improvement Bonds, Series 2013C, due in annual installments of \$2,260,000 through 2033, interest from 3.00% to 5.00%. The proceeds of these bonds will be used to finance the acquisition, construction, renovation and equipping of public schools.	42,940,000

General Obligation Bonds:Balance at June 30, 2015

\$69,960,000 Public Improvement Bonds, Series 2014A, due in annual installments of \$3,375,000 to \$3,725,000 through 2033, interest from 3.00% to 5.00%. The proceeds of these bonds will be used to finance the acquisition, construction, renovation, improvements and equipping of public schools and the construction and equipping of fire/rescue stations in the County.	\$66,235,000
\$47,375,000 Public Improvement Bonds, Series 2014B, due in annual installments of \$1,640,000 to \$3,725,000 through 2034, interest from 4.00% to 5.00%. The proceeds of these bonds will be used to finance the design, acquisition, construction, renovation, improvements and equipping of public schools and public facilities; and the equipping of fire/rescue stations in the County.	47,375,000
\$10,885,000 School Construction Bonds, Series 2014C, due in annual installments of \$540,000 to \$545,000 through 2034, interest from 2.05% to 5.05%. The proceeds of these bonds will be used to finance the renovation of a high school in the County.	10,885,000
\$69,895,000 Public Improvement Bonds, Series 2015A, due in annual installments of \$3,090,000 to \$4,245,000 through 2034, interest from 3.00% to 5.00%. The proceeds of these bonds will be used to finance the design, acquisition, construction, renovation, improvements and equipping of public schools and public school facilities; relocation, renovation, expansion and equipping of a public library; design, construction, upgrade and equipping of parks and recreation facilities; land acquisition, design, construction and equipping of fire/rescue stations in the County.	69,895,000
Total General Obligation Bonds	<u>\$978,795,000</u>

On December 9, 2014, the County entered into an agreement with the US Department of Transportation and the Economic Development Authority of Loudoun County for a Transportation Infrastructure Finance and Innovation Act (TIFIA) loan, not to exceed \$195,072,507. The proceeds from the loan will be used to finance a portion of the costs of construction to extend the Washington Metropolitan Area Transit Authority's mass transit system into the County, which draws upon the loan based on its proportionate share, 4.8%, of actual costs incurred. The interest on the loan is fixed at 2.87% and is compounded semi-annually on April 1 and October 1. Interest is deferred and capitalized as the proceeds are drawn down. Interest only payments are due to begin in April 2019. Principal and interest payments will be due in fixed, level semi-annual installments beginning October 2022 through April 2046. The amount of these payments will be determined in October 2022 based upon the outstanding balance as of that date. The outstanding balance of the loan at June 30, 2015 is \$11,271,200.

Annual requirements to amortize long-term debt and related interest to maturity for the Primary Government are presented below:

Year Ending June 30	General Obligation Bonds		Loans	
	Principal	Interest	Principal	Interest
2016	\$ 95,210,000	\$ 40,795,453	\$ -	\$ -
2017	92,915,000	36,837,691	-	-
2018	88,050,000	33,158,634	-	-
2019	84,035,000	29,454,159	-	176,986
2020	80,880,000	25,834,375	-	355,918
2021-2025	311,215,000	81,701,741	1,124,465	1,735,056
2026-2030	162,330,000	27,394,402	2,101,515	1,481,203
2031-2035	64,160,000	4,697,120	2,423,320	1,159,398
2036-2040	-	-	2,794,404	788,314
2041-2045	-	-	3,222,311	360,407
2046	-	-	701,410	15,134
Total General Obligation Bonds and Loans Payable	\$ 978,795,000	\$ 279,873,575	\$ 12,367,425	\$ 6,072,416

Note: The principal amount of the loan includes capitalized interest, which per the agreement is part of the loan balance.

Advance Refunding:

The County defeases certain general obligation and other bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account's assets and liabilities for the defeased bonds are not included in the County's financial statements. As of June 30, 2015, \$456,310,000 of bonds outstanding are considered defeased. This amount includes \$9,055,000 of 2011 Series A General Obligation Bonds, which the County advance defeased on February 19, 2015 for a net present value savings of \$1,978,442.

NOTE XV - SOLID WASTE LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

State and federal laws and regulations require the County to place a final cover on its Woods Road landfill site, as well as other sites opened in the future when they stop accepting waste, and to perform certain maintenance and monitoring functions at the sites for thirty years after closure. Although closure and postclosure care cost will be paid only near or after the date that the landfill stops accepting waste, GAAP requires that the County record a portion of these closure and postclosure care costs as a long-term liability in each period based on landfill capacity used as of each fiscal year end. The \$20,316,887 liability for landfill closure and postclosure care cost at June 30, 2015 represents the estimated liability based on the usage of 80.5% of the estimated capacity of the landfill. The County will recognize

the remaining estimated cost of closure and postclosure care in the amount of \$4,405,998 as the remaining estimated capacity is used. The estimated remaining life of the Loudoun County Landfill Disposal Unit is 3.7 years. The liability accrued at June 30, 2015 is based on what it would cost to perform all closure and postclosure care in 2015. Actual cost may differ from this estimate due to inflation, changes in technology or changes in regulation.

NOTE XVI – CONTINGENT LIABILITIES

Various claims and lawsuits are pending against the County. With respect to pending litigation, neither management nor the County Attorney can predict the outcome of certain of those matters at this time or the ultimate liability should the County not be successful in defending its position. In actions for monetary damages, other than taxation matters, the County may have coverage through self-insurance plans managed by the Commonwealth of Virginia. However, it is possible that in the near term, losses may be realized on claims in excess of amounts included as other liabilities on the statement of Net Position.

The County has received a number of Federal and State grants. Although the County has been audited in accordance with the provisions of Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, these grants remain subject to financial and compliance audits by the grantors or their representatives. Such audits could result in requests for reimbursements to the grantor agency for expenditures disallowed under terms of the grants. The amount of expenditures that may be disallowed as a result of audits at some future date cannot be determined at this time; however, County management believes such amounts, if any, will not have a material effect on the financial position or results of operations of the County.

NOTE XVII- DEFERRED COMPENSATION PLAN

The Primary Government offers a deferred compensation plan created in accordance with Internal Revenue Code Section 457 (the "Plan"). The Plan is available to all employees and permits them to defer a portion of their current salary until future years. The deferred compensation is not available to employees until termination, retirement, death or an unforeseeable emergency.

The Plan's investments are not reported on the Primary Government's balance sheet as such funds are held in a trust, over which the Primary Government has limited oversight.

NOTE XVIII - RETIREMENT PLANS

(A) DEFINED BENEFIT PENSION PLAN

Summary of Significant Accounting Policies

Description of the Entity

The Virginia Retirement System (the System) is an independent agency of the Commonwealth of Virginia. The System Administers four separate pension trust funds – the Virginia Retirement System (VRS), the State Police "Officers" Retirement System (SPORS), the Virginia Law Officers' Retirement System (VaLORS), and the Judicial Retirement System (JRS). The VRS Political Subdivision Retirement Plans are part of the agent, multi-employer component of the VRS Trust Fund.

Administration and Management

The Board of Trustees (the Board) is responsible for the general administration and operation of the defined benefit pension plans and the other employee benefit plans. The Board has full power to invest and reinvest the trust funds of the System through the adoption of investment policies and guidelines that fulfil the Board's investment objective to maximize long-term investment returns while targeting an acceptable level of risk.

The Board consists nine members. Five members are appointed by the Governor and four members are appointed by the Joint Rules Committee of the General Assembly subject to confirmation by the General Assembly. The Board appoints a director to serve as the chief administrative officer of the System and a chief investment officer to direct, manage, and administer the investment of the System's funds.

The System issues a Comprehensive Annual Financial Report (CAFR) containing the financial statements and required supplementary information for all of the System's pension and other employee benefit trust funds. The CAFR is publically available through the About VRS link on the VRS website at www.varetire.org, or a copy may be obtained by submitting a request to the VRS Chief Financial Officer, PO Box 2500, Richmond, VA 23218-2500. The pension and other employee benefit trust funds administered by the VRS are classified as fiduciary funds and are included in the basic financial statements of the Commonwealth of Virginia.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the VRS Political Subdivision's Retirement Plan and the additions to/deductions from the VRS Political Subdivision's Retirement Plan net fiduciary position have been determined on the same basis as they were reported by VRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

General Information about the Pension Plan

Plan Description

All full-time, salaried permanent (professional) employees of the County and Schools are automatically covered by VRS Retirement Plan upon employment. This plan is administered by the System along with plans for other employer groups in the Commonwealth of Virginia. The County of Loudoun Retirement Plans are in an agent, multiple-employer plan. Members earn one month of service credit for each month they are employed and for which they and their employer are paying contributions to VRS. Members are eligible to purchase prior service, based on specific criteria as defined in the *Code of Virginia*, as amended. Eligible prior service that may be purchased includes prior public service, active military service, certain periods of leave, and previously refunded service.

The System administers three different benefit structures for covered employees in the VRS Retirement Plan – Plan 1, Plan 2, and, Hybrid. Each of these benefit structures has a different eligibility criteria. The specific information for each plan, and the eligibility for covered groups within each plan are set out in the table below:

RETIREMENT PLAN PROVISIONS		
PLAN 1	PLAN 2	HYBRID RETIREMENT PLAN
<p>About VRS Plan 1 Plan 1 is a defined benefit plan. The retirement benefit is based on a member's age, creditable service and average final compensation at retirement using a formula. Employees are eligible for VRS Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013.</p>	<p>About VRS Plan 2 Plan 2 is a defined benefit plan. The retirement benefit is based on a member's age, creditable service and average final compensation at retirement using a formula. Employees are eligible for VRS Plan 2 if their membership date is on or after July 1, 2010, or their membership date is before July 1, 2010, and they were not vested as of January 1, 2013.</p>	<p>About the Hybrid Retirement Plan The Hybrid Retirement Plan combines the features of a defined benefit plan and a defined contribution plan. Most members hired on or after January 1, 2014 are in this plan, as well as VRS Plan 1 and VRS Plan 2 members who were eligible and opted into the plan during a special election window. (See "Eligible Members")</p> <ul style="list-style-type: none"> • The defined benefit is based on a member's age, creditable service and average final compensation at retirement using a formula. • The benefit from the defined contribution component of the plan depends on the member and employer contributions made to the plan and the investment performance of those contributions. • In addition to the monthly benefit payment payable from the defined benefit plan at retirement, a member may start receiving distributions from the balance in the defined contribution account, reflecting the contributions, investment gains or losses, and any required fees.
<p>Eligible Members Employees are in Plan 1 if their membership date is before July 1, 2010, and they were vested as of January 1, 2013.</p> <p>Hybrid Opt-In Election VRS non-hazardous duty covered Plan 1 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014.</p> <p>The Hybrid Retirement Plan's effective date for eligible VRS Plan 1 members who opted in was July 1, 2014.</p> <p>If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.</p> <p>Members who were eligible for an optional retirement plan (ORP) and had prior service under Plan 1 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 1 or ORP.</p>	<p>Eligible Members Employees are in Plan 2 if their membership date is on or after July 1, 2010, or their membership date is before July 1, 2010, and they were not vested as of January 1, 2013.</p> <p>Hybrid Opt-In Election VRS Plan 2 members were allowed to make an irrevocable decision to opt into the Hybrid Retirement Plan during a special election window held January 1 through April 30, 2014.</p> <p>The Hybrid Retirement Plan's effective date for eligible VRS Plan 2 members who opted in was July 1, 2014.</p> <p>If eligible deferred members returned to work during the election window, they were also eligible to opt into the Hybrid Retirement Plan.</p> <p>Members who were eligible for an optional retirement plan (ORP) and have prior service under Plan 2 were not eligible to elect the Hybrid Retirement Plan and remain as Plan 2 or ORP.</p>	<p>Eligible Members Employees are in the Hybrid Retirement Plan if their membership date is on or after January 1, 2014. This includes:</p> <ul style="list-style-type: none"> • Political subdivision employees* • Members in Plan 1 or Plan 2 who elected to opt into the plan during the election window held January 1-April 30, 2014; the plan's effective date for opt-in members was July 1, 2014 <p>*Non-Eligible Members Some employees are not eligible to participate in the Hybrid Retirement Plan. They include:</p> <ul style="list-style-type: none"> • Political subdivision employees who are covered by enhanced benefits for hazardous duty employees <p>Those employees eligible for an optional retirement plan (ORP) must elect the ORP plan or the Hybrid Retirement Plan. If these members have prior service under Plan 1 or Plan 2, they are not eligible to elect the Hybrid Retirement Plan and must select Plan 1 or Plan 2 (as applicable) or ORP.</p>

<p>Retirement Contributions Employees contribute 5% of their compensation each month to their member contribution account through a pre-tax salary reduction. Some school divisions and political subdivisions elected to phase in the required 5% member contribution; all employees will be paying the full 5% by July 1, 2016. Member contributions are tax-deferred until they are withdrawn as part of a retirement benefit or as a refund. The employer makes a separate actuarially determined contribution to VRS for all covered employees. VRS invests both member and employer contributions to provide funding for the future benefit payment.</p>	<p>Retirement Contributions Employees contribute 5% of their compensation each month to their member contribution account through a pre-tax salary reduction. Some school divisions and political subdivisions elected to phase in the required 5% member contribution; all employees will be paying the full 5% by July 1, 2016.</p>	<p>Retirement Contributions A member's retirement benefit is funded through mandatory and voluntary contributions made by the member and the employer to both the defined benefit and the defined contribution components of the plan. Mandatory contributions are based on a percentage of the employee's creditable compensation and are required from both the member and the employer. Additionally, members may choose to make voluntary contributions to the defined contribution component of the plan, and the employer is required to match those voluntary contributions according to specified percentages.</p>
<p>Creditable Service Creditable service includes active service. Members earn creditable service for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional creditable service the member was granted. A member's total creditable service is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.</p>	<p>Creditable Service Same as VRS Plan 1.</p>	<p>Creditable Service <u>Defined Benefit Component:</u> Under the defined benefit component of the plan, creditable service includes active service. Members earn creditable service for each month they are employed in a covered position. It also may include credit for prior service the member has purchased or additional creditable service the member was granted. A member's total creditable service is one of the factors used to determine their eligibility for retirement and to calculate their retirement benefit. It also may count toward eligibility for the health insurance credit in retirement, if the employer offers the health insurance credit.</p> <p><u>Defined Contributions Component:</u> Under the defined contribution component, creditable service is used to determine vesting for the employer contribution portion of the plan.</p>
<p>Vesting Vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members become vested when they have at least five years (60 months) of creditable service. Vesting means members are eligible to qualify for retirement if they meet the age and service requirements for their plan. Members also must be vested to receive a full refund of their member contribution account balance if they leave employment and request a refund.</p> <p>Members are always 100% vested in the contributions that they make.</p>	<p>Vesting Same as VRS Plan 1.</p>	<p>Vesting <u>Defined Benefit Component:</u> Defined benefit vesting is the minimum length of service a member needs to qualify for a future retirement benefit. Members are vested under the defined benefit component of the Hybrid Retirement Plan when they reach five years (60 months) of creditable service. VRS Plan 1 or VRS Plan 2 members with at least five years (60 months) of creditable service who opted into the Hybrid Retirement Plan remain vested in the defined benefit component.</p> <p><u>Defined Contributions Component:</u> Defined contribution vesting refers to the minimum length of service a member needs to be eligible to withdraw the employer contributions from the defined contribution component of the plan.</p> <p>Members are always 100% vested in the contributions that they make.</p> <p>Upon retirement or leaving covered employment, a member is eligible to withdraw a percentage of employer contributions to the defined contribution component of the plan, based on service.</p> <ul style="list-style-type: none"> • After two years, a member is 50% vested and may withdraw 50% of employer contributions.

		<ul style="list-style-type: none"> • After three years, a member is 75% vested and may withdraw 75% of employer contributions. • After four or more years, a member is 100% vested and may withdraw 100% of employer contributions. <p>Distribution is not required by law until age 70½.</p>
Calculating the Benefit The Basic Benefit is calculated based on a formula using the member's average final compensation, a retirement multiplier and total service credit at retirement. It is one of the benefit payout options available to a member at retirement. An early retirement reduction factor is applied to the Basic Benefit if the member retires with a reduced retirement benefit or selects a benefit payout option other than the Basic Benefit.	Calculating the Benefit See definition under Plan 1.	Calculating the Benefit Defined Benefit Component: See definition under Plan 1 Defined Contribution Component: The benefit is based on contributions made by the member and any matching contributions made by the employer, plus net investment earnings on those contributions.
Average Final Compensation A member's average final compensation is the average of the 36 consecutive months of highest compensation as a covered employee.	Average Final Compensation A member's average final compensation is the average of the 60 consecutive months of highest compensation as a covered employee.	Average Final Compensation Same as Plan 2. It is used in the retirement formula for the defined benefit component of the plan.
Service Retirement Multiplier VRS: The retirement multiplier is a factor used in the formula to determine a final retirement benefit. The retirement multiplier for non-hazardous duty members is 1.7%. Sheriffs and regional jail superintendents: The retirement multiplier for sheriffs and regional jail superintendents is 1.85%. Political subdivision hazardous duty employees: The retirement multiplier of eligible political subdivision hazardous duty employees other than sheriffs and regional jail superintendents is 1.7% or 1.85% as elected by the employer.	Service Retirement Multiplier Same as Plan1 for service earned, purchased or granted prior to January 1, 2013. Sheriffs and regional jail superintendents: Same as Plan 1. Political subdivision hazardous duty employees: Same as Plan 1.	Service Retirement Multiplier Defined Benefit Component: VRS: The retirement multiplier for the defined benefit component is 1.00%. For members that opted into the Hybrid Retirement Plan from Plan 1 or Plan 2, the applicable multipliers for those plans will be used to calculate the retirement benefit for service credited in those plans. Sheriffs and regional jail superintendents: Not applicable Political subdivision hazardous duty employees: Not applicable
Normal Retirement Age VRS: Age 65. Political subdivision hazardous duty employees: Age 60	Normal Retirement Age VRS: Normal Social Security retirement age. Political subdivision hazardous duty employees: Same as Plan 1.	Normal Retirement Age Defined Benefit Component: VRS: Same as VRS Plan 2. Political subdivision hazardous duty employees: Not applicable. Defined Contribution Component: Members are eligible to receive distributions upon leaving employment, subject to restrictions.
Earliest Unreduced Retirement Eligibility VRS: Age 65 with at least five years	Earliest Unreduced Retirement Eligibility VRS: Normal Social Security	Earliest Unreduced Retirement Eligibility Defined Benefit Component: VRS: Normal Social Security retirement

<p>(60 months) of creditable service or at age 50 with at least 30 years of creditable service.</p> <p>Political subdivisions hazardous duty employees: Age 60 with at least five years of creditable service or age 50 with at least 25 years of creditable service.</p>	<p>retirement age with at least five years (60 months) of creditable service or when their age and service equal 90.</p> <p>Political subdivisions hazardous duty employees: Same as Plan 1.</p>	<p>age and have at least five years (60 months) of creditable service or when their age and service equal 90.</p> <p>Political subdivisions hazardous duty employees: Not applicable.</p> <p>Defined Contribution Component: Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>
<p>Earliest Reduced Retirement Eligibility VRS: Age 55 with at least five years (60 months) of creditable service or age 50 with at least 10 years of creditable service.</p> <p>Political subdivisions hazardous duty employees: 50 with at least five years of creditable service.</p>	<p>Earliest Reduced Retirement Eligibility VRS: Age 60 with at least five years (60 months) of creditable service.</p> <p>Political subdivisions hazardous duty employees: Same as Plan 1.</p>	<p>Earliest Unreduced Retirement Eligibility Defined Benefit Component: VRS: Age Members may retire with a reduced benefit as early as age 60 with at least five years (60 months) of creditable service.</p> <p>Political subdivisions hazardous duty employees: Not applicable.</p> <p>Defined Contribution Component: Members are eligible to receive distributions upon leaving employment, subject to restrictions.</p>
<p>Cost-of-Living Adjustment (COLA) in Retirement The Cost-of-Living Adjustment (COLA) matches the first 3% increase in the Consumer Price Index for all Urban Consumers (CPI-U) and half of any additional increase (up to 4%) up to a maximum COLA of 5%.</p> <p>Eligibility: For members who retire with an unreduced benefit or with a reduced benefit with at least 20 years of creditable service, the COLA will go into effect on July 1 after one full calendar year from the retirement date.</p> <p>For members who retire with a reduced benefit and who have less than 20 years of creditable service, the COLA will go into effect on July 1 after one calendar year following the unreduced retirement eligibility date.</p> <p>Exceptions to COLA Effective Dates: The COLA is effective July 1 following one full calendar year (January 1 to December 31) under any of the following circumstances:</p> <ul style="list-style-type: none"> • The member is within five years of qualifying for an unreduced retirement benefit as of January 1, 2013. • The member retires on disability. • The member retires directly from short-term or long-term disability under the Virginia Sickness and Disability Program (VSDP). • The member is involuntarily separated from employment for causes other than job performance or misconduct and is eligible to retire under the Workforce Transition Act or the Transitional Benefits Program. • The member dies in service and the member's survivor or beneficiary is eligible for a monthly death-in-service benefit. The COLA will go into effect 	<p>Cost-of-Living Adjustment (COLA) in Retirement The Cost-of-Living Adjustment (COLA) matches the first 2% increase in the CPI-U and half of any additional increase (up to 2%), for a maximum COLA of 3%.</p> <p>Eligibility: Same as VRS Plan 1</p> <p>Exceptions to COLA Effective Dates: Same as Plan 1</p>	<p>Cost-of-Living Adjustment (COLA) in Retirement Defined Benefit Component: Same as Plan 2.</p> <p>Defined Contribution Component: Not applicable.</p> <p>Eligibility: Same as Plan 1 and Plan 2.</p> <p>Exceptions to COLA Effective Dates: Same as Plan 1 and Plan 2.</p>

on July 1 following one full calendar year (January 1 to December 31) from the date the monthly benefit begins.		
Disability Coverage Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.7% on all service, regardless of when it was earned, purchased or granted. VSDP members are subject to a one-year waiting period before becoming eligible for non-work related disability benefits.	Disability Coverage Members who are eligible to be considered for disability retirement and retire on disability, the retirement multiplier is 1.65% on all service, regardless of when it was earned, purchased or granted. VSDP members are subject to a one-year waiting period before becoming eligible for non-work related disability benefits.	Disability Coverage Eligible political subdivision and school division (including Plan 1 and Plan2 opt-ins) participate in the Virginia Local Disability Program (VLDP) unless their local governing body provides and employer-paid comparable program for its members. Hybrid members (including Plan 1 and Plan 2 opt-ins) covered under VLDP are subject to a one-year waiting period before becoming eligible for non-work related disability benefits.
Purchase of Prior Service Members may be eligible to purchase service from previous public employment, active duty military service, an eligible period of leave or VRS refunded service as creditable service in their plan. Prior creditable service counts toward vesting, eligibility for retirement and the health insurance credit. Only active members are eligible to purchase prior service. When buying service, members must purchase their most recent period of service first. Members also may be eligible to purchase periods of leave without pay.	Purchase of Prior Service Same as Plan 1.	Purchase of Prior Service Defined Benefit Component: Same as VRS Plan 1 with the following exceptions: <ul style="list-style-type: none"> Hybrid Retirement Plan members are ineligible for ported service. The cost for purchasing refunded service is the higher of 4% of creditable compensation or average final compensation. Plan members have one year from their date of hire or return from leave to purchase all but refunded prior service at approximate normal cost. After that one year period, the rate for most categories of service will change to actuarial cost. Defined Contribution Component: Not applicable.

Employees Covered by Benefit Terms

As of the June 30, 2013 actuarial valuation, the following employees were covered by the benefit terms of the pension plan:

	Number
Inactive Members or Their Beneficiaries Currently Receiving Benefits	734
Inactive Members:	
Vested	394
Non-Vested	963
Active Elsewhere in VRS	425
Total Inactive Members	1,782
Active Members	2,900
Total	5,416

Contributions

The contribution requirement for active employees is governed by §51.1-145 of the *Code of Virginia*, as amended, but may be impacted as a result of funding options provided to political subdivisions by the Virginia General Assembly. Employees are required to contribute 5.00% of their compensation toward their retirement. Prior to July 1, 2012, all or part of the 5.00% member contribution may have been assumed by the employer. Beginning July 1, 2012 new employees were required to pay the 5.00% member contribution. In addition, for existing employees, employers were required to begin making the employee pay the 5.00% member contribution. This could be phased in over a period of up to 5 years and the employer is required to provide a salary increase equal to the amount of the increase in the employee-paid member contribution.

The County of Loudoun's contractually required contribution rate for the year ended June 30, 2015 was 10.20% of covered employee compensation. This rate was based on an actuarially determined rate from an actuarial valuation as of June 30, 2013.

This rate, when combined with employee contributions, was expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the County were \$18,873,426 and \$19,154,774 for the years ended June 30, 2015 and June 30, 2014, respectively.

The County's net pension liability was measured as of June 30, 2014. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation performed as of June 30, 2013, using updated actuarial assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2014.

Actuarial Assumptions

The total pension liability for general employees in the County's Retirement Plan was based on an actuarial valuation as of June 30, 2013, using the Entry Age Normal actuarial cost method and the following assumptions, applied to all periods included in the measurement and rolled forward to the measurement date of June 30, 2014.

Inflation	2.5%
Salary increases, including Inflation	3.5 – 5.35%
Investment rate of return*	7.00%, net of pension plan investment expense, including inflation

*Administrative expenses as a percent of the market value of assets for the last experience study were found to be approximately 0.06% of the market assets for all of the VRS plans. This would provide an assumed investment return rate for GASB purposes of slightly more than the assumed 7.0%. However, since the difference was minimal, and a more conservative 7.0% investment return assumption provided a projected plan net position that exceeded the projected benefit payments, the long-term expected rate of return on investments was assumed to be 7.0% to simplify preparation of pension liabilities.

Mortality rates: 14 % of deaths are assumed to be service related

Largest 10 – Non-LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set forward 4 years and females were set back 2 years.

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year.

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

All Others (Non 10 Largest) – Non-LEOS:

Pre-Retirement:

RP-2000 Employee Mortality Table Projected with Scale AA to 2020 with males set forward 4 years and females were set back 2 years.

Post-Retirement:

RP-2000 Combined Mortality Table Projected with Scale AA to 2020 with males set forward 1 year.

Post-Disablement:

RP-2000 Disability Life Mortality Table Projected to 2020 with males set back 3 years and no provision for future mortality improvement

The actuarial assumptions used in the June 30, 2013 valuation were based on the results of an actuarial experience study for the period from July 1, 2008 through June 30, 2012. Changes to the actuarial assumptions as a result of the experience study are as follows:

Largest 10 – Non-LEOS:

Update mortality table

Decrease in rates of service retirement

Decrease in rates of disability retirement

Reduce rates of salary increase by 0.25% per year

All Others (Non 10 Largest) – Non-LEOS:

Update mortality table

Decrease in rates of service retirement

Decrease in rates of disability retirement

Reduce rates of salary increase by 0.25% per year

Long-Term Expected Rate of Return

The long-term expected rate of return on pension System investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension System investment expense and inflation)

are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target asset allocation and best estimate of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class (Strategy)	Target Allocation	Arithmetic Long-Term Expected Rate of Return	Weighted Average Long-Term Expected Rate of Return
U.S. Equity	19.50%	6.46%	1.26%
Developed Non U.S. Equity	16.50%	6.28%	1.04%
Emerging Market Equity	6.00%	10.00%	0.60%
Fixed Income	15.00%	0.09%	0.01%
Emerging Debt	3.00%	3.51%	0.11%
Rate Sensitive Credit	4.50%	3.51%	0.16%
Non-Rate Sensitive Credit	4.50%	5.00%	0.23%
Convertibles	3.00%	4.81%	0.14%
Public Real Estate	2.25%	6.12%	0.14%
Private Real Estate	12.75%	7.10%	0.91%
Private Equity	12.00%	10.41%	1.25%
Cash	1.00%	-1.50%	-0.02%
Total	100.00%		5.83%
Inflation			2.50%
* Expected arithmetic nominal return			8.33%

* Using stochastic projection results provides an expected range of real rates of return over various time horizons. Looking at one year results produces an expected real return of 8.33% but also has a high standard deviation, which means there is high volatility. Over larger time horizons the volatility declines significantly and provides a median return of 7.44%, including expected inflation of 2.50%.

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that System member contributions will be made per the VRS Statutes and the employer contributions will be made in accordance with the VRS funding policy at rates equal to the difference between actuarially determined contribution rates adopted by the VRS Board of Trustees and the member rate. Through the fiscal year ending June 30, 2018, the rate contributed by the employer for the Political Subdivision Retirement Plan will be subject to the portion of the VRS Board-certified rates that are funded by the Virginia General Assembly. From July 1, 2018 on, participating employers are assumed to contribute 100% of the actuarially determined contribution rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the Long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in Net Pension Liability

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2013	\$ 526,025,324	\$ 435,476,750	\$ 90,548,574
Changes for the year:			
Service Cost	21,840,726	-	21,840,726
Interest	36,294,239	-	36,294,239
Contributions - employer	-	19,154,774	(19,154,774)
Contributions - employee	-	9,032,627	(9,032,627)
Net investment income	-	69,969,273	(69,969,273)
Benefit payments, including refunds of employee contributions	(15,072,398)	(15,072,398)	-
Administrative expense	-	(361,756)	361,756
Other changes	-	3,687	(3,687)
Net changes	43,062,567	82,726,207	(39,663,640)
Balances at June 30, 2014	\$ 569,087,891	\$ 518,202,957	\$ 50,884,934

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the Primary Government using the discount rate of 7.00%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Plan's Net Pension Liability (Asset)	\$ 134,965,110	\$ 50,884,934	\$ (18,347,829)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2014, the County recognized pension expense of \$10,722,660. At June 30, 2014, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on plan investments	\$ -	\$ 31,231,526
Employer contributions subsequent to the Measurement Date*	18,873,426	-
Total	\$ 18,873,426	\$ 31,231,526

\$18,873,426 reported as deferred outflows of resources related to pensions resulting from the County's contributions subsequent to the measurement date will be recognized as a reduction of the Net Pension Liability in the year ended June 30, 2016. \$31,231,526 reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	
2016	\$ (7,807,881)
2017	(7,807,881)
2018	(7,807,881)
2019	(7,807,883)
Thereafter	-

(B) VOLUNTEER FIRE AND RESCUE RETIREMENT SYSTEM

1. Plan Description

The Primary Government is the administrator of a revocable, noncontributory, single employer, defined benefit Length of Service Retirement Plan (the Plan). The Plan covers voluntary fire and rescue service members, who are not Primary Government employees, but who serve voluntarily with one of the Primary Government's volunteer fire and rescue companies. The Plan provides retirement benefits as well as death and disability benefits. All benefits vest after ten years of credited service. Members who retire at or after age 55 with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to \$12 per month for each year of credited service earned after November 1, 2003 with a maximum benefit of \$300 per month, \$10 per month for each year of credited service earned prior to November 1, 2003, with a maximum benefit of \$250 per month. The Plan has a total of 1,952 members; 185 members are in retirement status, 595 are former members with vested benefits, resulting in 1,172 active Plan participants for the year. The County Board of Supervisors maintains the authority to establish, amend and revoke the benefit provisions of the Plan; thus disqualifying it from the reporting and disclosure requirements of GAAP for irrevocable trusts. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The Plan does not issue a stand-alone financial report. All required statements and disclosures are contained in these financial statements, (see also Required Supplemental Information and Other Supplemental Information / Fiduciary Funds).

2. Funding Status and Progress

The County Board of Supervisors maintains the authority to establish, and amend the funding policy of the Plan. The Plan's funding policy provides for the periodic Primary Government contributions at actuarially determined rates to accumulate sufficient assets to pay benefits when due. Plan members are not required to and do not contribute to the Plan. Beginning in fiscal year 2012, the County contracted with PenFlex, Inc. to provide administrative and actuarial services for the Plan, and with RBC Wealth Management to provide investment services for the Plan. Plan contributions are currently held in a trust account with Comerica.

For the year ended June 30, 2013 through June 30, 2015, the funding progress is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
6/30/2015	\$ 19,042,736	\$ 20,033,568	\$ 990,832	95.05%	N/A	N/A
6/30/2014*	\$ 19,101,061	\$ 18,784,140	\$ -	101.69%	N/A	N/A
6/30/2013*	\$ 15,498,436	\$ 17,121,392	\$ 1,622,956	90.52%	N/A	N/A

* Required Supplementary Information – Unaudited

The schedule of funding progress, presented as required supplemental information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liability (AAL) for benefits.

3. Annual Pension Cost

The Primary Government's contributions to the Plan was the annual pension cost of \$783,088 for fiscal year 2015. The annual and required contribution was determined through a July 1, 2015 actuarial valuation using the Attained Age Normal Frozen Initial Liability cost method. The amortization method used is a fifteen year, level dollar method and is a closed amortization period. The actuarial assumptions include a 5.5% investment rate of return, no inflationary component was used since members are volunteers and salary is not a factor in this program. Administrative costs paid from the trust fund are reimbursed as part of the annual contribution. The actuarial value of assets is equal to the fair market value of the assets.

Trend Information			
Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
June 30, 2015	\$ 783,088	100%	\$ -
June 30, 2014	\$ 840,686	330%	\$ -
June 30, 2013	\$ 830,205	100%	\$ -

4. Financial Statements

Statement of Net Position		Statement of Changes in Pension Trust Net Position	
Assets		Contributions - Employer	\$ 783,088
Cash and Cash Equivalents	\$ 19,051,287	Interest	(406,692)
Accounts Receivable	-	Less: Benefits	(303,973)
Total Assets	19,051,287	Administration Expense	(130,747)
Liabilities		Change in Net Position	(58,324)
Accounts Payable	8,550		
Total Liabilities	8,550	Net Position at Beginning of Year	19,101,061
Net Position Held in Trust	\$ 19,042,737	Net Position at End of Year	\$ 19,042,737

NOTE XIX - UNEARNED REVENUES

Unearned revenues at the fund level, representing uncollected delinquent tax billings of \$7,345,926, uncollected delinquent business license tax billings of \$1,158,128, grants of \$10,617,172 not available for funding of current expenditures, advanced meal payments of \$1,028,922, and miscellaneous revenue of \$291,777 totaled \$20,441,925 for both the County and Schools as of June 30, 2015. Certain uncollected business license tax billings that are reflected as delinquent tax receivables are being disputed and may not be collected. The miscellaneous revenue amount includes other local taxes, charges for services, donations, advanced tuition payments, and miscellaneous recoveries.

Property taxes deferred as a result of land use assessments and tax relief for the elderly and handicapped are not reflected in the financial statements since collection is contingent upon occurrence of certain events prescribed by statute. These contingent amounts represent approximately \$31.4 million at June 30, 2015.

NOTE XX – FUND BALANCE CLASSIFICATION

Specific purpose details for fund balance classifications displayed in the aggregate for governmental funds as of June 30, 2015 are as follows:

FY 2015	General Fund	Capital Projects Fund	Debt Service Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:					
Inventories	\$ -	\$ -	\$ -	\$ 753,078	\$ 753,078
Notes and Loans	1,331,800	-	-	1,787,111	3,118,911
Prepays	220,825	-	-	-	220,825
Subtotal Nonspendable	\$ 1,552,625	\$ -	\$ -	\$ 2,540,189	\$ 4,092,814
Restricted for:					
Alterations to General Govt Bldgs	\$ -	\$ -	\$ -	\$ 800,000	\$ 800,000
Public Safety Facilities	-	25,701,169	-	-	25,701,169
Animal Shelter	-	-	-	307,908	307,908
Radio Communications System	-	-	-	93,927	93,927
Law Library	-	-	-	3,411	3,411
Courts Complex Improvements	-	4,490,697	-	-	4,490,697
Road, Transportation, Pedestrian Projects	-	75,023,088	-	37,730,759	112,753,847
Health and Welfare Programs	-	109,934	-	3,136,939	3,246,873
Housing Assistance Programs	-	-	-	27,596,787	27,596,787
Library Improvements, Materials and Equip.	-	-	-	4,270,290	4,270,290
Parks and Library Construction	-	51,212,733	-	24,209,421	75,422,154
Community Development and Transit	-	8,216,455	-	115,296,612	123,513,067
School Land Acquisition	-	24,893,967	-	-	24,893,967
Subtotal Restricted	\$ -	\$ 189,648,043	\$ -	\$ 213,446,054	\$ 403,094,097
Committed to:					
Fiscal Reserve	\$ 154,417,106	\$ -	\$ -	\$ 296,458	\$ 154,713,564
Fire & Rescue Revolving Loans	3,945,893	-	-	-	3,945,893
Computer Systems Replacements/Upgrades	1,759,718	-	-	110,565	1,870,283
ERP Project / Initiatives	-	7,721,228	-	-	7,721,228
Courts Complex Improvements	118,963	-	-	158,072	277,035
Public Safety Facilities/Firing Range/CAD	1,287,459	14,352,707	-	-	15,640,166
County Facilities Repairs and Improvements	851,519	-	-	2,388,461	3,239,980
Road and Landfill Construction	-	19,152,472	-	-	19,152,472
Parking Garages	-	2,559,329	-	-	2,559,329
Health and Welfare Programs	964,454	1,635,774	-	-	2,600,228
CSA At Risk Youth and Families Operations	-	-	-	4,162,548	4,162,548
Parks, Recreation and Cultural	1,244,430	4,140,063	-	271,680	5,656,173
Community Development and Transit	911,593	2,203,940	-	190,646	3,306,179
County and School Land Acquisition	-	7,806,206	-	-	7,806,206
Subtotal Committed	\$ 165,501,135	\$ 59,571,719	\$ -	\$ 7,578,430	\$ 232,651,284
Assigned to:					
Debt Service	\$ -	\$ -	\$ 38,100,876	\$ -	\$ 38,100,876
Budgeted Use of Fund Balance	87,103,681	-	-	-	87,103,681
Computer Systems Replacements/Upgrades	407,685	-	-	-	407,685
Courts Complex Improvements	27,561	-	-	-	27,561
Public Safety Facilities/Firing Range/CAD	298,274	-	-	-	298,274
County Facilities Repairs and Improvements	197,276	-	-	-	197,276
Health and Welfare Programs	223,441	-	-	-	223,441
Parks, Recreation and Cultural	288,305	-	-	91,000	379,305
Community Development and Transit	211,194	-	-	1,678,035	1,889,229
Future Capital Projects	2,256,953	2,241,263	-	-	4,498,216
Subtotal Assigned	\$ 91,014,370	\$ 2,241,263	\$ 38,100,876	\$ 1,769,035	\$ 133,125,544
Unassigned					
	\$ 34,268,797	\$ -	\$ -	\$ (462)	\$ 34,268,335
Subtotal Unassigned	\$ 34,268,797	\$ -	\$ -	\$ (462)	\$ 34,268,335
Total Fund Balance	\$ 292,336,927	\$ 251,461,025	\$ 38,100,876	\$ 225,333,246	\$ 807,232,074

In accordance with the Board of Supervisors' adopted Fiscal Policy, committed fund balance includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Supervisors, and encumbrances for contractual obligations for which existing resources have been committed for use in satisfying those contractual requirements. Assigned fund balance includes amounts that reflect an intended or planned use of fund balance for a specific purpose as identified by the County Administrator or his designee with no formal action required by the Board of Supervisors, and encumbered amounts for specific purposes, which have not been restricted or committed. The committed portion of fund balance at the close of each fiscal year shall be equal to no less than 10% of operating revenues of the General Fund. This portion of unrestricted fund balance is not maintained for funding recurring expenditures during the normal business cycle and is to be used only in the event of unexpected and non-routine circumstances.

NOTE XXI – SPECIAL ITEM

As part of the fiscal year end 2015 closing process, the component unit – schools requested their portion of the County's fiscal reserve be returned to the County in the amount of \$26,764,758. Historically, the Schools maintained their portion of the fiscal reserve using available year-end surplus funds, while returning any remaining unassigned fund balance, after funding the fiscal reserve, to the County. This one-time adjustment was requested in order to improve the budgeting and management of School funds and to properly reflect the custody of the fiscal reserve by the County.

NOTE XXII - PRIOR PERIOD ADJUSTMENTS AND ACCOUNTING CHANGES

The beginning net position of the Primary Government's and Component Unit's-Schools government-wide Statement of Activities decreased \$71,393,800 and \$779,749,733, respectively, due to the implementation of GASB Statement's 68 & 71. Additionally, the component unit's beginning net position decreased \$3,500,000 to correct the interfund balance between the Primary Government and the component unit due to an unrecorded OPEB expense in the general fund in fiscal year 2014.

The following table shows the allocation of prior period adjustments:

	Primary Government		Component Unit - Schools	Total Reporting Entity
	Internal Service Funds	Governmental Activities	Governmental Activities	
Beginning Net Position as previously reported at June 30, 2014	\$ 70,520,083	\$ 592,746,997	\$ 1,414,214,722	\$ 2,006,961,719
Prior Period Adjustment to correct interfund balance	-	-	(3,500,000)	(3,500,000)
Prior Period Adjustments Related to Implementation of GASB 68 & 71				
Net Pension Liability	(403,575)	(90,548,574)	(835,886,908)	(926,435,482)
Deferred Outflow s of Resources - Fiscal Year 2014 Employer Contributions	85,360	19,154,774	56,137,175	75,291,949
Total Prior Period Adjustments Related to Implementation of GASB 68 & 71	(318,215)	(71,393,800)	(779,749,733)	(851,143,533)
Total Prior Period Adjustments	(318,215)	(71,393,800)	(783,249,733)	(854,643,533)
Net Position Beginning of Year, Restated	\$ 70,201,868	\$ 521,353,197	\$ 630,964,989	\$ 1,152,318,186

NOTE XXIII – JOINTLY GOVERNED ORGANIZATION

The County, in conjunction with the Commonwealth of Virginia Transportation Board (the "Transportation Board") and the County of Fairfax, Virginia (Fairfax County), has created the State Route 28 Highway Transportation Improvement District (the "District"). The District was created by resolutions of the Boards of Supervisors of Loudoun and Fairfax Counties. The District is governed by a commission of nine members comprised of four of the elected members of the Board of Supervisors of Loudoun County, four of the elected members of the Board of Supervisors of Fairfax County, and the Chairman of the Transportation Board or his or her designee. The Chairman of the District is elected by and from among its members. The District Act confers powers upon Loudoun and Fairfax Counties to levy annually within the District a limited ad valorem tax on taxable real estate zoned for commercial and industrial use located in the District. This tax, when levied and collected by either County, is to be promptly paid to the fiscal agent for any outstanding bonds issued for construction purposes on State Route 28. The Transportation Board through the Fairfax County Economic Development Authority has issued \$188,030,000 transportation contract revenue bonds for the purpose of financing a portion of the costs of certain grade-separated interchanges on State Route 28 in Loudoun and Fairfax Counties. As of June 30, 2015, the outstanding principal balance on the bonds is \$177,535,000. The Board of Supervisors of Loudoun and Fairfax Counties have agreed to equally support any shortfalls in annual debt service payments arising from a shortage of District tax revenues.

NOTE XXIV – SUBSEQUENT EVENTS

On October 21, 2015, the Board of Supervisors authorized the issuance and sale of lease revenue bonds in the amount of \$75,390,000 for capital projects. The bond sale closed on November 12, 2015.



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REQUIRED SUPPLEMENTARY INFORMATION

COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2015

	Budgeted Amounts		Actual Amount	Variance with Final Budget Positive (Negative)
	Original	Final		
Resources (Inflows)				
General Property Taxes	\$ 914,351,600	\$ 914,351,600	\$ 953,780,319	\$ 39,428,719
Other Local Taxes	143,248,250	143,248,250	140,853,033	(2,395,217)
Permits and Licenses	25,145,070	25,146,792	24,124,482	(1,022,310)
Fines and Forfeitures	4,241,894	4,241,894	2,147,816	(2,094,078)
Use of Money and Property	2,952,717	2,952,717	3,401,734	449,017
Charges for Services	33,524,221	37,195,089	35,037,885	(2,157,204)
Gifts and Donations	63,570	279,324	137,005	(142,319)
Miscellaneous	245,973	245,973	377,441	131,468
Sales of Capital Assets	-	-	37,128	37,128
Recovered Costs	8,806,668	9,346,920	8,476,452	(870,468)
Payment from Component Unit	-	1,336,176	1,336,176	-
Intergovernmental - Commonwealth	83,967,403	85,946,081	84,258,811	(1,687,270)
Intergovernmental - Federal	4,530,629	7,637,133	6,414,343	(1,222,790)
Transfers from Other Funds	13,026,147	17,339,002	15,382,070	(1,956,932)
Amounts Available for Appropriation	1,234,104,142	1,249,266,951	1,275,764,695	26,497,744
Charges to Appropriations (Outflows)				
General Government Administration	76,589,298	77,180,482	70,861,442	6,319,040
Judicial Administration	13,142,845	13,289,941	12,744,128	545,813
Public Safety	167,251,499	170,978,068	160,581,050	10,397,018
Public Works	16,314,436	18,672,804	16,864,041	1,808,763
Health and Welfare	67,292,271	73,978,494	65,870,668	8,107,826
Parks, Recreation and Culture	51,542,332	55,733,787	48,720,506	7,013,281
Community Development	46,221,840	49,302,862	42,976,300	6,326,562
Education	629,277,616	618,930,592	619,707,266	(776,674)
Transfers to Other Funds	168,012,105	194,944,550	194,737,631	206,919
Total Charges to Appropriations	1,235,644,242	1,273,011,580	1,233,063,032	39,948,548
Special Item				
Return of fiscal reserve from component unit	-	-	26,764,758	26,764,758
Excess (Deficiency) of Resources Over (Under)				
Charges to Appropriations	(1,540,100)	(23,744,629)	69,466,421	93,211,050
Fund Balance at Beginning of Year	222,870,506	222,870,506	222,870,506	-
Fund Balance at End of Year	\$ 221,330,406	\$ 199,125,877	\$ 292,336,927	\$ 93,211,050

See Independent Auditors' Report and notes to budgetary comparison schedule.

**COUNTY OF LOUDOUN, VIRGINIA
NOTES TO BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2015**

The following procedures are used by the County in establishing the budgetary data reflected in the budgetary comparison schedule.

1. Prior to March 30, the County Administrator submits a proposed operating and capital budget to the Board of Supervisors for the fiscal year commencing on the following July 1. The operating and capital budget includes proposed expenditures and the related financing.
2. Public hearings are conducted to obtain citizen comments.
3. Prior to June 30, the budget is legally enacted through passage of an Appropriations Resolution.
4. The Appropriations Resolution places legal restrictions on expenditures at the Fund level. The appropriation for each Fund can be revised only by the Board of Supervisors. The County Administrator is authorized to transfer budgeted amounts within County general government funds.
5. Formal budgetary integration is employed at the cost center level within each department as a management control device during the year.
6. All Budgets are adopted on a basis consistent with Generally Accepted Accounting Principles.
7. Approval by the Board of Supervisors is required for changes that affect the total fund appropriations or estimated revenues. In order to affect a change, a Budget Adjustment is created. Budget adjustments that do not revise the original appropriation are approved/disapproved by the Director of Management and Financial Services and the County Administrator after sufficient justification for the revision to the budget has been received. The County Administrator presents budget adjustments that change appropriations or estimated revenues at the fund level to the Board of Supervisors for consideration of approval.

**COUNTY OF LOUDOUN, VIRGINIA
VIRGINIA RETIREMENT SYSTEM
POLITICAL SUBDIVISION RETIREMENT PLANS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS**

PRIMARY GOVERNMENT

	2014
Total pension liability	
Service cost	\$ 21,840,726
Interest	36,294,239
Benefit Payments, including refunds of employee contributions	(15,072,398)
Net change in total pension liability	43,062,567
Total pension liability - beginning	526,025,324
Total pension liability - ending (a)	\$ 569,087,891
 Plan fiduciary net position	
Contributions - employer	\$ 19,154,774
Contributions - employee	9,032,627
Net investment income	69,969,273
Benefit Payments, including refunds of employee contributions	(15,072,398)
Administrative expense	(361,756)
Other	3,687
Net change in total pension liability	82,726,207
Plan fiduciary net position - beginning	435,476,750
Plan fiduciary net position - ending (b)	518,202,957
Net pension liability - ending (a) - (b)	\$ 50,884,934
 Plan fiduciary net position as a percentage of the total Pension liability	91.06%
Covered-employee payroll	\$ 178,707,569
Net pension liability as a percentage of covered-employee payroll	28.47%

COMPONENT UNIT - NON-PROFESSIONAL PLAN

	2014
Total pension liability	
Service cost	\$ 5,408,658
Interest	7,606,019
Benefit Payments, including refunds of employee contributions	(3,881,848)
Net change in total pension liability	9,132,829
Total pension liability - beginning	110,598,341
Total pension liability - ending (a)	\$ 119,731,170
 Plan fiduciary net position	
Contributions - employer	\$ 3,656,908
Contributions - employee	2,520,674
Net investment income	15,391,622
Benefit Payments, including refunds of employee contributions	(3,881,848)
Administrative expense	(80,304)
Other	811
Net change in total pension liability	17,607,863
Plan fiduciary net position - beginning	96,556,433
Plan fiduciary net position - ending (b)	114,164,296
Net pension liability - ending (a) - (b)	\$ 5,566,874
 Plan fiduciary net position as a percentage of the total Pension liability	95.35%
Covered-employee payroll	\$ 50,095,243
Net pension liability as a percentage of covered-employee payroll	11.11%

Note: This schedule is intended to show information for 10 years. Since 2015 is the first year for this presentation, no other data is available. However, additional years will be included as they become available.

The component unit issues a publicly available CAFR with more information regarding their retirement plans. A copy of the CAFR can be found on the schools website, <http://www.lcps.org>.

COUNTY OF LOUDOUN, VIRGINIA
VIRGINIA RETIREMENT SYSTEM
TEACHERS RETIREMENT PLAN
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

COMPONENT UNIT - SCHOOLS - PROFESSIONAL PLAN

Fiscal Year	Employer's Proportion of the Net Pension Liability (asset)	Employer's Proportionate Share of the Net Pension Liability (asset)	Employer's Covered-Employee Payroll	Employer's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	6.15%	\$ 743,824,733	\$ 473,788,018	156.98%	70.88%

Note: This schedule is intended to show information for 10 years. Since 2015 is the first year for this presentation, no other data is available. However, additional years will be included as they become available.

Amounts presented have a measurement date of the previous fiscal year end.

The component unit issues a publicly available CAFR with more information regarding their retirement plans. A copy of the CAFR can be found on the schools website, <http://www.lcps.org>.

**COUNTY OF LOUDOUN, VIRGINIA
VIRGINIA RETIREMENT SYSTEM
POLITICAL SUBDIVISION & TEACHERS RETIREMENT PLANS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS**

Primary Government

Date	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Excess	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2015	\$ 18,711,241	\$ 18,711,241	\$ -	\$ 187,408,437	9.98%

Component Unit Non-Professional Plan

Date	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Excess	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2015	\$ 3,598,750	\$ 3,643,729	\$ (44,979)	\$ 50,973,799	7.15%

Component Unit Professional Plan (Teachers)

Date	Contractually Required Contribution	Contributions in Relation to Contractually Required Contribution	Contribution Deficiency	Employer's Covered Employee Payroll	Contributions as a % of Covered Employee Payroll
2015	\$ 68,699,263	\$ 68,243,888	\$ 455,375	\$ 473,788,018	14.40%

Note: This schedule is intended to show information for 10 years. Since 2015 is the first year for this presentation, no other data is available. However, additional years will be included as they become available.

The component unit issues a publicly available CAFR with more information regarding their retirement plans. A copy of the CAFR can be found on the schools website, <http://www.lcps.org>.

**Notes to Required Supplementary Information
For the Year Ended June 30, 2015**

Changes of benefit terms – There have been no significant changes to the System benefit provisions since the prior actuarial valuation. A hybrid plan with changes to the defined benefit plan structure and a new defined contribution component were adopted in 2012. The hybrid plan applies to most new employees hired on or after January 1, 2014 and not covered by enhanced hazardous duty benefits. The liabilities presented do not reflect the hybrid plan since it covers new members joining the System after the valuation date of June 30, 2013, and the impact on the liabilities as of the measurement date of June 30, 2014 are minimal.

Changes of assumptions – The following changes in actuarial assumptions were made effective June 30, 2013 based on the most recent experience study of the System for the four year period ending June 30, 2012:

Largest 10 – Non-LEOS:
Update mortality table
Decrease in rates of service retirement
Decrease in rates of disability retirement
Reduce rates of salary increase by 0.25% per year

All Others (Non 10 Largest) – Non-LEOS: -
Update mortality table
Decrease in rates of service retirement
Decrease in rates of disability retirement
Reduce rates of salary increase by 0.25% per year

Largest 10 –LEOS:
Update mortality table
Decrease in male rates of disability

All Others (Non 10 Largest) – LEOS:
Update mortality table
Adjustments to rates of service retirement for females
Increase in rates of withdrawal
Decrease in male and female rates of disability

**COUNTY OF LOUDOUN, VIRGINIA
VOLUNTEER FIRE AND RESCUE RETIREMENT PLAN
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF FUNDING PROGRESS (Unaudited)

	(1)	(2)	(3)	(4)
Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL) (2) - (1)	Funded Ratio (1) / (2)
7/1/2015	\$ 19,042,736	\$ 20,033,568	\$ 990,832	95.05%
7/1/2014	19,101,061	18,784,140	- *	101.69%
7/1/2013	15,498,436	17,121,392	1,622,956	90.52%
7/1/2012	14,180,560	15,887,640	1,707,080	89.26%
7/1/2011	13,250,214	15,037,032	1,786,818	88.12%
7/1/2010	11,888,743	13,377,690	1,488,947	88.87%

All recommended trend information for Volunteer Fire and Rescue Retirement Plan has been calculated using the Attained Age Normal Frozen Initial Liability method. Under this cost method, there are two components to the annual cost each year: The "normal cost" is equal to the level annual payment required to fund the current participant's projected benefits based on their service credit earned after the effective date of the Retirement Plan and before the Entitlement Age. The annual amortization cost equals the level annual payments required to fund over the amortization period, the participant's benefits, if any, based on (1) either service credit earned before the effective date of the plan, (2) unfunded liability created by actuarial losses not funded in the normal cost, or (3) plan amendments that create an immediate unfunded liability and are required to be amortized.

* The County made a contribution of \$840,686 in fiscal year 2014 to pay the minimum required contribution. A subsequent contribution of \$1,930,151 was made in fiscal year 2014 to fully fund the remaining total unfunded liability.

Analysis of dollar amounts of plan net position, actuarial accrued liability, and unfunded actuarial accrued liability in isolation can be misleading.

Expressing plan net position as a percentage of the actuarial accrued liability provides one indication of a plan's funding status on a going concern basis. Analysis of this percentage over time indicates whether the plan is financially stronger or weaker. Generally, the greater this percentage, the stronger the plan.

SCHEDULE OF EMPLOYER CONTRIBUTIONS (Unaudited):

Fiscal Year Ending	Annual Required Contribution	Percentage Contributed
6/30/2015	\$ 783,088	100%
6/30/2014	840,686	330%
6/30/2013	830,205	100%
6/30/2012	787,679	100%
6/30/2011	765,362	100%
6/30/2010	682,708	100%

**COUNTY OF LOUDOUN, VIRGINIA
OTHER POSTEMPLOYMENT BENEFITS
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF FUNDING PROGRESS (Unaudited)

		(1)	(2)	(3)	(4)	(5)	(6)
	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL) (2) - (1)	Funded Ratio (1) / (2)	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll ((2)-(1)) / (5)
Primary Government	6/30/2015	\$ 45,456,000	\$ 101,839,000	\$ 56,383,000	44.64%	\$ 157,758,000	35.74%
Other Postemployment	6/30/2013	28,757,000	65,842,000	37,085,000	43.68%	165,086,213	22.46%
Benefits	6/30/2011	15,055,000	111,771,000	96,716,000	13.47%	163,737,000	59.07%
Component Unit	07/01/2014	\$ 91,482,000	\$ 264,365,000	\$ 172,883,000	34.60%	\$ 477,137,000	36.23%
Other Postemployment	07/01/2013	68,268,000	255,113,000	186,845,000	26.76%	468,435,000	39.89%
Benefits	07/01/2012	52,500,000	351,778,821	299,278,821	14.92%	365,332,000	81.92%

This valuation has been calculated using the Projected Unit Credit Actuarial Cost Method, discount rates of 6.5%, and the initial unfunded actuarial liability is amortized over 30 years based on a level percent of payroll method. Under this method, benefits are projected for life and their present value is determined. The present value is divided into equal parts, which are earned over the period from date of hire to the full eligibility date. Please refer to Note XI in the Notes to the Financial Statements section for more information.

SCHEDULE OF EMPLOYER CONTRIBUTIONS (Unaudited):

Primary Government Other Postemployment Benefits		
Fiscal Year Ending	Annual Required Contribution	Percentage Contributed
6/30/2015	\$ 7,232,354	138.18%
6/30/2014	6,934,044	138.49%
6/30/2013	11,473,875	99.41%

SCHEDULE OF EMPLOYER CONTRIBUTIONS (Unaudited):

Component Unit - Schools Other Postemployment Benefits		
Fiscal Year Ending	Annual Required Contribution	Percentage Contributed
6/30/2015	\$ 23,015,000	107.50%
6/30/2014	23,953,000	97.13%
6/30/2013	35,522,858	49.74%



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OTHER SUPPLEMENTARY INFORMATION

GENERAL FUND

General Fund

General Fund (1110-1112) - This fund is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015
(With Comparative Actual Amounts for 2014)

	2015		2014	
	Final Budget	Actual	Variance Positive (Negative)	Actual
REVENUES				
From local sources:				
<u>General Property Taxes:</u>				
Real Property Taxes	\$ 728,725,300	\$ 730,906,813	\$ 2,181,513	\$ 696,433,109
Real and Personal Public Service Corporation Property Taxes	18,739,000	21,153,508	2,414,508	19,540,291
Personal Property Taxes	160,929,300	194,439,448	33,510,148	171,779,583
Machinery and Tools Taxes	1,000,000	1,182,264	182,264	1,101,942
Penalties and Interest	4,958,000	6,098,286	1,140,286	5,636,922
Total General Property Taxes	914,351,600	953,780,319	39,428,719	894,491,847
<u>Other Local Taxes</u>				
Local Sales and Use Taxes	65,844,000	61,411,195	(4,432,805)	54,667,986
Business License Taxes	31,237,250	31,558,942	321,692	29,209,497
Consumer Utility Taxes	22,864,000	22,548,783	(315,217)	21,415,296
Taxes on Recordation and Wills	11,708,000	10,738,255	(969,745)	9,337,150
Motor Vehicle Licenses	6,525,000	6,547,752	22,752	6,304,760
Bank Franchise Taxes	3,100,000	5,720,221	2,620,221	3,102,805
Hotel and Motel Room Taxes	1,970,000	2,327,885	357,885	1,928,838
Total Other Local Taxes	143,248,250	140,853,033	(2,395,217)	125,966,332
<u>Permits, Privilege Fees and Regulatory Licenses:</u>				
Animal Licenses	388,500	460,541	72,041	439,643
Permits and Other Licenses	24,758,292	23,663,941	(1,094,351)	23,460,796
Total Permits, Privilege Fees and Regulatory Licenses	25,146,792	24,124,482	(1,022,310)	23,900,439
<u>Fines and forfeitures:</u>				
Fines and Forfeitures	4,241,894	2,147,816	(2,094,078)	2,249,057
Total Fines and Forfeitures	4,241,894	2,147,816	(2,094,078)	2,249,057
<u>Revenue from Use of Money and Property:</u>				
Revenue from Use of Money	1,102,546	1,771,178	668,632	1,318,117
Revenue from Use of Property	1,850,171	1,630,556	(219,615)	1,514,348
Total Revenue from Use of Money and Property	2,952,717	3,401,734	449,017	2,832,465
<u>Charges for Services:</u>				
Parks, Recreation and Community Services	17,879,920	16,468,164	(1,411,756)	16,240,651
Transportation and Capital Infrastructure	9,507,787	8,687,493	(820,294)	8,238,015
General Services	6,227,386	6,264,347	36,961	2,360,451
Treasurer	828,847	1,017,494	188,647	607,604
Clerk of the Circuit Court	1,100,000	1,002,712	(97,288)	781,058
Mental Health, Substance Abuse and Development Svcs	741,305	710,117	(31,188)	746,888
Sheriff's Office	588,667	477,262	(111,405)	486,426
Commissioner of the Revenue	95,000	158,551	63,551	139,148
Animal Services	74,200	80,872	6,672	65,192
Community Corrections	32,000	61,828	29,828	32,000
Library	54,002	46,350	(7,652)	54,156
Building and Development	39,000	24,281	(14,719)	34,359
Mapping and Geographic Information	17,900	17,099	(801)	14,781
Commonwealth's Attorney	-	11,987	11,987	9,649
Health Services	8,650	4,676	(3,974)	5,366
Boards, Commissions and Committees	-	2,914	2,914	1,790
Fire, Rescue and Emergency Management	-	1,043	1,043	915
Management and Financial Services	-	392	392	309
County Administrator	-	164	164	396
Planning	-	90	90	579
Information Technology	-	49	49	23
County Attorney	425	-	(425)	166
Total Charges for Services	37,195,089	35,037,885	(2,157,204)	29,819,922
<u>Miscellaneous Revenue:</u>				
Payments from Component Unit	1,336,176	1,336,176	-	1,044,517
Gifts and Donations	279,324	137,005	(142,319)	167,316
Miscellaneous Revenue	245,973	377,441	131,468	697,188
Total Miscellaneous Revenue	1,861,473	1,850,622	(10,851)	1,909,021

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015
(With Comparative Actual Amounts for 2014)

	2015		Variance	2014
	Final Budget	Actual	Positive (Negative)	Actual
<u>Recovered Costs:</u>				
Recovered Costs	9,346,920	8,476,452	(870,468)	8,224,189
Total Recovered Costs	9,346,920	8,476,452	(870,468)	8,224,189
Total from Local Sources	1,138,344,735	1,169,672,343	31,327,608	1,089,393,272
From the Commonwealth:				
<u>Non-categorical Aid:</u>				
State Property Tax Reimbursement	48,071,000	48,070,701	(299)	48,072,551
Auto Daily Rental Tax	6,468,000	6,141,862	(326,138)	5,908,400
Taxes on Deeds	2,446,000	3,098,924	652,924	2,748,984
State Revenue Reductions	139,924	-	(139,924)	-
Mobile Home Titling Taxes	-	3,690	3,690	1,830
Motor Vehicle Carrier's Taxes	-	-	-	7,264
Total Non-categorical Aid	57,124,924	57,315,177	190,253	56,739,029
<u>Shared Expenses:</u>				
Sheriff's Office	12,554,799	12,776,873	222,074	12,910,902
Clerk of the Circuit Court	1,011,279	980,127	(31,152)	1,009,760
Commonwealth's Attorney	833,230	840,753	7,523	827,861
Treasurer	325,171	291,866	(33,305)	354,004
Commissioner of Revenue	306,000	326,905	20,905	333,955
General Registrar	79,107	65,604	(13,503)	70,294
Electoral boards	15,127	15,981	854	13,389
Total Shared Expenses	15,124,713	15,298,109	173,396	15,520,165
<u>Categorical Aid:</u>				
Transportation & Capital Infrastructure	3,971,763	3,698,612	(273,151)	3,485,060
Mental Health, Substance Abuse and Development Svcs	4,387,255	3,061,546	(1,325,709)	3,437,194
Family Services	2,747,470	2,637,884	(109,586)	2,691,025
Fire and Rescue	1,002,563	660,008	(342,555)	777,774
Community Corrections	649,305	629,547	(19,758)	648,207
Non-departmental	450,000	450,000	-	502,314
Library	192,715	192,715	-	197,549
Parks, Recreation and Community Services	189,413	189,253	(160)	171,269
Sheriff's Office	59,745	59,745	-	-
General Services	-	40,000	40,000	59,544
Commonwealth's Attorney	41,215	21,215	(20,000)	38,785
Regional Organizations	5,000	5,000	-	-
Total Categorical Aid	13,696,444	11,645,525	(2,050,919)	12,008,721
Total from the Commonwealth	85,946,081	84,258,811	(1,687,270)	84,267,915
From the Federal Government:				
<u>Payments in Lieu of Taxes:</u>				
Non-departmental:				
Federally Owned Entitlement Lands	1,800	2,913	1,113	3,199
Total Payments in Lieu of Taxes	1,800	2,913	1,113	3,199
<u>Categorical Aid:</u>				
Family Services	5,585,949	5,540,032	(45,917)	5,103,781
Transportation & Capital Infrastructure	588,219	54,508	(533,711)	7,428
Mental Health, Substance Abuse and Development Svcs	519,102	318,660	(200,442)	428,389
Parks, Recreation and Community Services	413,361	397,518	(15,843)	369,300
Sheriff's Office	325,632	51,628	(274,004)	65,142
Fire and Rescue	203,070	49,084	(153,986)	377,400
Building and Development	-	-	-	19,807
Commonwealth's Attorney	-	-	-	11,774
Total Categorical Aid	7,635,333	6,411,430	(1,223,903)	6,383,021
Total from the Federal Government	7,637,133	6,414,343	(1,222,790)	6,386,220
Total Revenues	1,231,927,949	1,260,345,497	28,417,548	1,180,047,407

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015
(With Comparative Actual Amounts for 2014)

	2015		Variance	2014
	Final Budget	Actual	Positive (Negative)	Actual
EXPENDITURES				
<u>General Government Administration:</u>				
Legislative:				
Boards, Commissions and Committees	2,351,717	2,213,063	138,654	2,052,628
Office of the County Administrator	851,565	735,060	116,505	647,988
Total Legislative	3,203,282	2,948,123	255,159	2,700,616
General and Financial Administration:				
Information Technology	25,516,825	22,281,839	3,234,986	21,380,717
Management and Financial Services	12,666,601	11,248,085	1,418,516	10,544,434
Commissioner of Revenue	6,831,521	5,901,885	929,636	5,977,908
Non-departmental	5,860,550	9,058,674	(3,198,124)	14,029,112
Transportation & Capital Infrastructure	5,508,961	4,342,825	1,166,136	3,606,965
Treasurer	5,194,163	4,828,589	365,574	4,176,209
General Services	4,061,097	2,638,644	1,422,453	3,123,141
County Attorney	3,470,984	3,162,034	308,950	2,532,191
County Administrator	1,789,618	1,786,014	3,604	1,657,669
Total General and Financial Administration	70,900,320	65,248,589	5,651,731	67,028,346
Elections Administration:				
General Registrar	2,727,865	2,300,499	427,366	1,214,614
General Services	349,015	364,231	(15,216)	346,828
Total Elections Administration	3,076,880	2,664,730	412,150	1,561,442
Total General Government Administration	77,180,482	70,861,442	6,319,040	71,290,404
<u>Judicial Administration:</u>				
Courts:				
Sheriff's Office	4,170,213	4,063,336	106,877	3,774,957
Clerk of the Circuit Court	3,875,799	3,714,667	161,132	3,615,403
Courts (Circuit and District)	1,149,515	984,395	165,120	1,019,402
General Services	667,064	670,864	(3,800)	673,052
Total Courts	9,862,591	9,433,262	429,329	9,082,814
Commonwealth's Attorney:				
Commonwealth's Attorney	3,405,209	3,252,550	152,659	3,055,557
General Services	22,141	58,316	(36,175)	19,453
Total Commonwealth's Attorney	3,427,350	3,310,866	116,484	3,075,010
Total Judicial Administration	13,289,941	12,744,128	545,813	12,157,824
<u>Public Safety:</u>				
Law Enforcement:				
Sheriff's Office	54,953,143	50,012,007	4,941,136	48,535,569
Regional Organizations & Contributions	451,566	451,566	-	445,195
General Services	789,042	949,733	(160,691)	1,832,167
Total Law Enforcement	56,193,751	51,413,306	4,780,445	50,812,931
Traffic Control:				
Sheriff's Office	2,929,047	2,737,638	191,409	2,600,552
Total Traffic Control	2,929,047	2,737,638	191,409	2,600,552
Fire, Rescue and Emergency Management:				
Fire, Rescue and Emergency Services	63,516,001	61,897,358	1,618,643	57,479,927
General Services	2,735,453	2,273,044	462,409	1,820,413
Total Fire, Rescue and Emergency Management	66,251,454	64,170,402	2,081,052	59,300,340
Corrections and Juvenile Detention:				
Sheriff's Office	19,671,666	19,319,362	352,304	18,391,628
Family Services	2,989,076	2,561,994	427,082	2,652,479
Juvenile Court Service Unit	2,009,316	1,916,629	92,687	1,867,584
Community Corrections	1,935,436	1,812,013	123,423	1,709,108
Regional Organizations & Contributions	504,580	503,121	1,459	508,925
General Services	1,174,512	1,302,803	(128,291)	2,048,163
Total Corrections and Juvenile Detention	28,284,586	27,415,922	868,664	27,177,887

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015
(With Comparative Actual Amounts for 2014)

	2015			2014
	Final Budget	Actual	Variance Positive (Negative)	Actual
Inspections:				
Building and Development	8,684,846	7,431,874	1,252,972	6,976,821
General Services	295,076	233,140	61,936	295,082
Total Inspections	8,979,922	7,665,014	1,314,908	7,271,903
Other Protection:				
Fire, Rescue and Emergency Management	4,388,278	3,681,659	706,619	3,940,145
Animal Control	3,842,476	3,426,551	415,925	2,853,020
General Services	108,554	70,558	37,996	72,440
Total Other Protection	8,339,308	7,178,768	1,160,540	6,865,605
Total Public Safety	170,978,068	160,581,050	10,397,018	154,029,218
<u>Public Works:</u>				
Maintenance of Highways, Bridges and Sidewalks:				
General Services	137,417	213,956	(76,539)	162,734
Total Maint. of Highways, Streets, Bridges & Sidewalks	137,417	213,956	(76,539)	162,734
Construction and Waste Removal:				
General Services	6,993,965	6,047,064	946,901	5,694,077
Total Construction and Waste Removal	6,993,965	6,047,064	946,901	5,694,077
Maintenance of General Buildings and Grounds:				
General Services	11,541,422	10,603,021	938,401	9,944,003
Total Maintenance of General Buildings and Grounds	11,541,422	10,603,021	938,401	9,944,003
Total Public Works	18,672,804	16,864,041	1,808,763	15,800,814
<u>Health and Welfare:</u>				
Health:				
Health Services	4,579,616	4,380,294	199,322	4,256,008
Regional Organizations & Contributions	403,260	403,260	-	378,728
Total Health	4,982,876	4,783,554	199,322	4,634,736
Mental Health, Substance Abuse and Development Svcs:				
Mental Health, Substance Abuse and Development Svcs	34,918,418	31,629,660	3,288,758	31,279,852
Regional Organizations & Contributions	16,046	16,046	-	15,000
General Services	1,205,315	1,551,348	(346,033)	1,231,946
Total Mental Health, Substance Abuse and Dev. Svcs	36,139,779	33,197,054	2,942,725	32,526,798
Welfare/Family Services:				
Family Services	23,007,552	18,986,319	4,021,233	18,854,402
Parks, Recreation and Community Services	6,794,068	5,878,386	915,682	5,566,518
Regional Organizations & Contributions	1,685,269	1,685,269	-	1,566,852
General Services	1,368,950	1,340,086	28,864	1,220,494
Total Welfare/Family Services	32,855,839	27,890,060	4,965,779	27,208,266
Total Health and Welfare	73,978,494	65,870,668	8,107,826	64,369,800
<u>Parks, Recreation and Culture:</u>				
Parks, Recreation and Community Services:				
Parks, Recreation and Community Services	36,312,974	30,802,586	5,510,388	29,104,574
Regional Organizations & Contributions	1,508,731	1,508,731	-	1,456,306
General Services	1,969,747	1,845,498	124,249	1,843,556
Total Parks, Recreation and Community Services	39,791,452	34,156,815	5,634,637	32,404,436
Cultural Enrichment:				
Regional Organizations & Contributions	202,962	202,962	-	205,225
Total Cultural Enrichment	202,962	202,962	-	205,225
Library:				
Library Services	14,939,182	13,706,072	1,233,110	13,708,083
General Services	800,191	654,657	145,534	627,791
Total Library	15,739,373	14,360,729	1,378,644	14,335,874
Total Parks, Recreation and Culture	55,733,787	48,720,506	7,013,281	46,945,535

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2015
(With Comparative Actual Amounts for 2014)

	2015		Variance	2014
	Final Budget	Actual	Positive (Negative)	Actual
<u>Community Development:</u>				
Planning and Community Development:				
Building and Development	11,646,483	10,596,567	1,049,916	13,194,308
Planning	6,205,092	6,119,853	85,239	3,278,527
Economic Development	4,758,052	3,165,127	1,592,925	2,578,179
Office of Mapping and Geographic Information	2,460,667	2,321,090	139,577	2,203,771
Transportation & Capital Infrastructure	1,776,195	1,567,636	208,559	1,368,281
Regional Organizations & Contributions	454,150	418,493	35,657	450,267
County Administrator	983,222	803,767	179,455	831,743
Total Planning and Community Development	28,283,861	24,992,533	3,291,328	23,905,076
Environmental Management:				
Regional Organizations & Contributions	695,549	736,495	(40,946)	627,673
General Services	650,410	502,965	147,445	506,259
Total Environmental Management	1,345,959	1,239,460	106,499	1,133,932
Cooperative Extension Program:				
Extension Services	414,540	374,487	40,053	361,209
General Services	84,640	85,608	(968)	83,930
Total Cooperative Extension Program	499,180	460,095	39,085	445,139
Transit:				
Office of Transportation Services	19,173,862	16,284,212	2,889,650	13,450,400
Total Transit	19,173,862	16,284,212	2,889,650	13,450,400
Total Community Development	49,302,862	42,976,300	6,326,562	38,934,547
<u>Education:</u>				
Educational Institutions				
Loudoun County Public Schools	618,930,592	618,930,592	-	582,841,436
Regional Organizations & Contributions	776,674	776,674	-	675,316
Total Educational Institutions	619,707,266	619,707,266	-	583,516,752
Total Education	619,707,266	619,707,266	-	583,516,752
Total Expenditures	1,078,843,704	1,038,325,401	40,518,303	987,044,894
Excess of Revenues Over Expenditures	153,084,245	222,020,096	68,935,851	193,002,513
Other Financing Sources (Uses):				
Transfers-in	17,339,002	15,382,070	(1,956,932)	8,189,134
Transfers-out	(194,944,550)	(194,737,631)	206,919	(219,495,812)
Sale of capital assets	-	37,128	37,128	21,523,497
Total other financing uses, net	(177,605,548)	(179,318,433)	(1,712,885)	(189,783,181)
Special Item				
Return of Fiscal Reserve from Component Unit	-	26,764,758	26,764,758	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under)				
Expenditures and Other Financing Uses	(24,521,303)	69,466,421	93,987,724	3,219,332
Fund Balances at Beginning of Year	222,870,506	222,870,506	-	219,651,174
Fund Balances at End of Year	\$ 198,349,203	292,336,927	\$ 93,987,724	\$ 222,870,506

Non-Major Governmental Funds

Non-Major Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Route 28 Special Improvements Fund (1201) - This fund is used to account for the proceeds from the Route 28 Transportation Taxing District that are legally restricted to expenditures for transportation in that district.

Aldie Sewer Service District Fund (1202) - This fund is used to account for the proceeds from the Aldie Sewer Service Taxing District that are legally restricted to expenditures for sewers in that district.

Comprehensive Services Act Fund (1203) - This fund is used to account for the general operations of the County's Comprehensive Services for At-Risk Youth and Families. Financing is provided primarily by transfers from General Fund and from State grants.

Legal Resource Center Fund (1204) - This fund is used to account for the operations of the Law Library. Financing is provided through court order assessments and other contributions.

Federally Forfeited Property Fund (1205) - This fund is used to account for the proceeds from confiscated property that are restricted to use for law enforcement purposes.

Hotel and Motel Room Tax Fund (1206) - This fund is used to account for 3% of the 5% Transient Occupancy Tax collected from lodging facilities in the County. These funds are used to promote tourism in the County (2% of Transient Occupancy Tax collected is unrestricted and is used as part of the General Fund).

County-Wide Sewer Service District Fund (1207) - This fund is used to account for the proceeds from the Virginia Resources Authority that are legally restricted to expenditures for small water facility projects in the County.

Hamilton Sewer Service District Fund (1208) - This fund is used to account for the proceeds from the Hamilton Sewer Service Taxing District that are legally restricted to expenditures for sewers in that district.

Community Development Authority Fund (1209) - This fund is designed to collect a special assessment on real property for the purpose of paying debt service to finance and construct public infrastructure at the Dulles Town Center development.

Rental Assistance Program Fund (1210) - This fund is used to account for proceeds received from the U.S. Department of Housing and Urban Development (HUD) so the County can act as direct administrator for the Section 8 Rental Assistance Program.

Dulles Industrial Park Water and Sewer (1211) - This fund is used to account for the proceeds from the Dulles Industrial Park Water & Sewer Taxing District that are legally restricted to expenditures for the construction of water and sewer lines in that district. The district consists of 24 properties located north of U.S. Route 50, near the Loudoun County-Fairfax County boundary. The special assessment was negotiated on a per property basis and is intended to generate \$1,650,000 in revenue over 10 years.

Greenlea Tax District Fund (1212) - This fund is used to account for the proceeds from the Greenlea Tax District within the Blue Ridge magisterial that are legally restricted to expenditures for the replacement of the damaged bridge on Crooked Bridge Road. The district consists of 19 properties and the assessment is allocated equally among 19 properties in the community and is intended to generate \$660,575.18 in revenue over 15 years at six percent (6%) interest per year.

State/Federal Grant Fund (1213) - This fund is used to account for all competitive State and Federal grants received by the County and the fund is restricted accordingly.

Public Facilities Fund (1215) - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for any public facility or service purposes.

Sheriff's Fund (1216) - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for law enforcement purposes.

Animal Shelter Fund (1217) - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for the animal shelter.

Housing Fund (1218) - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for affordable housing in the County.

Transportation District Fund (1219) - This fund is used to account for monies collected as local gas sales tax, restricted to use for transportation purposes. For Fiscal Year 2011, the Public Transportation Fund (220), which is used to account for the County's share of construction costs associated with Phases II and III of the Dulles Transit Project, is combined with this fund.

Uran Holocaust Fund (1220) - This fund is used to account for monies provided by a private donor, restricted to use for the purchase of educational holocaust materials in the libraries.

Rt 15 Bypass Beautification Fund (1221) - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for the planting of trees on the Route 15 bypass.

Horton Program For The Arts Fund (1222) - This fund is used to account for monies provided by private donors, restricted to use for the funding of cultured and arts programs at the Eastern Loudoun Regional Library.

Symington Fund (1223) - This fund is used to account for monies provided by private donor, restricted to use only for public purposes, including purchase or construction of improvements, purchase of books, services, and equipment in the Rust Library.

EMS Transport Fund (1224) - This fund is used to account for monies derived through the EMS Transport Reimbursement Program and the distribution of those revenues to the respective Volunteer Companies and the Department of Fire, Rescue & Emergency Management.

Capital Funds

Capital funds are used to account for the acquisition, construction or replacement of major capital facilities other than those financed by proprietary funds and trust funds.

Capital Projects Fund (1310) - This fund is used to account for the purchase and/or construction of major capital facilities, including buildings, land, major equipment, and other long-lived improvements for the general government. Financing is provided primarily by bond issues, State and Federal grants, and transfers from the General Fund.

Capital Asset Preservation Fund (1320) - This fund is used to account for the repair and/or replacement of major capital facilities, including buildings, major equipment, and other long-lived improvements for the general government. Financing is provided primarily by transfers from the General Fund.

Capital Projects Financing Fund (1330) - This fund is a pass-through fund that is used to account for the issuance of general obligation bonds and transfer to the appropriate capital projects.

Debt Service Funds

Debt Service Fund (1410) - This fund is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest, and related costs. Financing is provided primarily by transfers from the General Fund.



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COUNTY OF LOUDOUN, VIRGINIA

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
AS OF JUNE 30, 2015

	Special Revenue Funds					
	Route 28 Special Improv.	Aldie Sewer Service District	Comprehensive Services Act	Legal Resource Center	Federally Forfeited Property	Hotel and Motel Room Tax
ASSETS						
Cash and Cash Equivalents	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted Cash and Investments	-	-	-	-	-	-
Receivables, Net:						
Taxes	153,168	-	-	-	-	1,177,530
Accounts	-	-	-	1,163	4,840	-
Interfund Receivables	2,599,665	-	2,592,942	5,620	727,417	-
Due from Other Governments	-	-	2,307,719	-	-	-
Inventory	-	-	-	-	-	-
Notes and Loans Receivable, Net	-	-	-	-	-	-
Total Assets	<u>\$ 2,752,833</u>	<u>\$ -</u>	<u>\$ 4,900,661</u>	<u>\$ 6,783</u>	<u>\$ 732,257</u>	<u>\$ 1,177,530</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ 2,614,754	\$ -	\$ 738,113	\$ 1,107	\$ 27,750	\$ -
Accrued Liabilities	-	-	-	2,265	-	-
Unearned Revenues	77,553	-	-	-	704,507	-
Interfund Payables	-	462	-	-	-	624,124
Due to Component Unit	-	-	-	-	-	-
Other Liabilities	-	-	-	-	-	-
Total Liabilities	<u>2,692,307</u>	<u>462</u>	<u>738,113</u>	<u>3,372</u>	<u>732,257</u>	<u>624,124</u>
Deferred Inflows of Resources						
Unavailable Revenue - prepaid taxes	60,526	-	-	-	-	-
Total Deferred Inflows of Resources	<u>60,526</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances:						
Non-spendable	-	-	-	-	-	-
Restricted	-	-	-	3,411	-	256,948
Committed	-	-	4,162,548	-	-	296,458
Assigned	-	-	-	-	-	-
Unassigned	-	(462)	-	-	-	-
Total Fund Balances	<u>-</u>	<u>(462)</u>	<u>4,162,548</u>	<u>3,411</u>	<u>-</u>	<u>553,406</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,752,833</u>	<u>\$ -</u>	<u>\$ 4,900,661</u>	<u>\$ 6,783</u>	<u>\$ 732,257</u>	<u>\$ 1,177,530</u>

County-Wide Sewer Service District	Hamilton Sewer Service District	Community Devel. Authority	Rental Assistance Program	Dulles Industrial Park W&S	Greenlea Tax District
\$ -	\$ -	\$ -	\$ 1,850,971	\$ -	\$ -
-	-	-	-	-	-
-	4,050	-	-	1,964	2,318
-	-	-	29,002	-	-
13,918	277,163	1,430,957	-	74,080	19,701
-	-	-	25,091	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 13,918</u>	<u>\$ 281,213</u>	<u>\$ 1,430,957</u>	<u>\$ 1,905,064</u>	<u>\$ 76,044</u>	<u>\$ 22,019</u>
\$ -	\$ 91,877	\$ 1,430,957	\$ 667	\$ 73,604	\$ 19,701
-	-	-	18,975	-	-
-	1,640	-	1,109,769	1,617	-
-	-	-	552,710	-	-
-	-	-	3,631	-	-
-	-	-	219,312	-	-
-	93,517	1,430,957	1,905,064	75,221	19,701
-	-	-	-	823	-
-	-	-	-	823	-
-	-	-	-	-	-
13,918	-	-	-	-	2,318
-	187,696	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>13,918</u>	<u>187,696</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,318</u>
<u>\$ 13,918</u>	<u>\$ 281,213</u>	<u>\$ 1,430,957</u>	<u>\$ 1,905,064</u>	<u>\$ 76,044</u>	<u>\$ 22,019</u>

COUNTY OF LOUDOUN, VIRGINIA

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
AS OF JUNE 30, 2015**

	Special Revenue Funds						
	State Federal Grant	Public Facilities Fund	Sheriff's Fund	Animal Shelter	Housing Fund	Transportation District	Uran Holocaust
ASSETS							
Cash and Cash Equivalents	\$ -	\$ 538,233	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted Cash and Investments	-	-	-	-	-	29,993,389	-
Receivables, Net:							
Taxes	-	-	-	-	-	1,928,918	-
Accounts	-	-	90	269	-	2,722,700	-
Due from Other Funds	2,200,361	142,740,016	42,546	307,639	27,597,460	3,123,590	232,185
Due from Other Governments	278,434	-	200	-	-	7,075,419	-
Property held for resale	-	-	-	-	753,078	-	-
Notes and Loans Receivable, Net	139,717	-	-	-	1,647,394	-	-
Total Assets	<u>\$ 2,618,512</u>	<u>\$ 143,278,249</u>	<u>\$ 42,836</u>	<u>\$ 307,908</u>	<u>\$ 29,997,932</u>	<u>\$ 44,844,016</u>	<u>\$ 232,185</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts Payable	\$ 57,921	\$ 322,884	\$ 1,343	\$ -	\$ 673	\$ 131,582	\$ 24
Accrued Liabilities	30,180	-	-	-	-	-	-
Unearned Revenues	2,320,360	-	-	-	-	294,641	-
Due to Other Funds	-	-	-	-	-	-	-
Due to Component Unit	-	1,605,926	-	-	-	-	-
Other Liabilities	-	-	-	-	-	4,118,484	-
Total Liabilities	<u>2,408,461</u>	<u>1,928,810</u>	<u>1,343</u>	<u>-</u>	<u>673</u>	<u>4,544,707</u>	<u>24</u>
Deferred Inflows of Resources							
Unavailable Revenue - prepaid taxes	-	-	-	-	-	37,676	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,676</u>	<u>-</u>
Fund Balances:							
Non-spendable	139,717	-	-	-	2,400,472	-	-
Restricted	70,334	141,349,439	41,493	307,908	27,596,787	38,583,598	202,161
Committed	-	-	-	-	-	-	-
Assigned	-	-	-	-	-	1,678,035	30,000
Unassigned	-	-	-	-	-	-	-
Total Fund Balances	<u>210,051</u>	<u>141,349,439</u>	<u>41,493</u>	<u>307,908</u>	<u>29,997,259</u>	<u>40,261,633</u>	<u>232,161</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 2,618,512</u>	<u>\$ 143,278,249</u>	<u>\$ 42,836</u>	<u>\$ 307,908</u>	<u>\$ 29,997,932</u>	<u>\$ 44,844,016</u>	<u>\$ 232,185</u>

Rt 15 Bypass Beautification	Horton Program For the Arts	Symington Fund	EMS Transport	Capital Funds		Total Non-Major Governmental Funds
				Capital Asset Preservation	Capital Project Financing	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,389,204
-	-	-	-	52,434	-	30,045,823
-	-	-	-	-	-	3,267,948
-	-	123,409	-	3,126	-	2,884,599
-	19,558	3,986,162	18,849	3,952,247	-	191,962,076
-	-	-	-	-	-	9,686,863
-	-	-	-	-	-	753,078
-	-	-	-	-	-	1,787,111
<u>\$ -</u>	<u>\$ 19,558</u>	<u>\$ 4,109,571</u>	<u>\$ 18,849</u>	<u>\$ 4,007,807</u>	<u>\$ -</u>	<u>\$ 242,776,702</u>
\$ -	\$ -	\$ -	\$ -	\$ 145,318	\$ -	\$ 5,658,275
-	-	-	-	-	-	51,420
-	-	-	-	-	-	4,510,087
-	-	-	-	-	-	1,177,296
-	-	-	-	-	-	1,609,557
-	-	-	-	-	-	4,337,796
-	-	-	-	145,318	-	17,344,431
-	-	-	-	-	-	99,025
-	-	-	-	-	-	99,025
-	-	-	-	-	-	2,540,189
-	18,558	4,049,571	18,849	930,761	-	213,446,054
-	-	-	-	2,931,728	-	7,578,430
-	1,000	60,000	-	-	-	1,769,035
-	-	-	-	-	-	(462)
-	19,558	4,109,571	18,849	3,862,489	-	225,333,246
<u>\$ -</u>	<u>\$ 19,558</u>	<u>\$ 4,109,571</u>	<u>\$ 18,849</u>	<u>\$ 4,007,807</u>	<u>\$ -</u>	<u>\$ 242,776,702</u>

COUNTY OF LOUDOUN, VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Special Revenue Funds					
	Route 28 Special Improvements	Aldie Sewer Service District	Comprehensive Services Act	Legal Resource Center	Federally Forfeited Property	Hotel and Motel Room Tax
REVENUES						
General Property Taxes	\$ 9,691,900	\$ -	\$ -	\$ -	\$ -	\$ -
Other Local Taxes	-	-	-	-	-	3,371,423
Permits and Licenses	-	-	-	-	-	-
Use of Money and Property	-	-	-	-	174	-
Charges for Services	-	-	-	43,550	-	-
Gifts and Donations	-	-	-	10,000	-	-
Miscellaneous	-	-	-	-	-	-
Recovered Costs	-	-	850,502	-	951	-
Intergovernmental - Commonwealth	-	-	4,344,464	-	-	-
Intergovernmental - Federal	-	-	-	-	162,916	-
Total Revenues	9,691,900	-	5,194,966	53,550	164,041	3,371,423
EXPENDITURES						
Current Operating:						
Judicial Administration	-	-	-	93,059	13,129	-
Public Safety	-	-	-	-	150,912	-
Public Works	9,550,125	-	-	-	-	-
Health and Welfare	-	-	7,020,960	-	-	-
Parks, Recreation and Culture	-	-	-	-	-	-
Community Development	-	-	-	-	-	2,845,250
Education	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-
Total Expenditures	9,550,125	-	7,020,960	93,059	164,041	2,845,250
Excess (Deficiency) of Revenues Over (Under) Expenditures	141,775	-	(1,825,994)	(39,509)	-	526,173
OTHER FINANCING SOURCES (USES)						
Transfers In	-	-	4,171,542	42,920	-	-
Transfers Out	-	-	(4,057,239)	-	-	(391,597)
Bond Proceeds	-	-	-	-	-	-
Federal Loan Proceeds	-	-	-	-	-	-
Proceeds from Capital Leases	-	-	-	-	-	-
Total Other Financing Sources (Uses), Net	-	-	114,303	42,920	-	(391,597)
Net Change in Fund Balances	141,775	-	(1,711,691)	3,411	-	134,576
Fund Balances at Beginning of Year	(141,775)	(462)	5,874,239	-	-	418,830
Fund Balances at End of Year	\$ -	\$ (462)	\$ 4,162,548	\$ 3,411	\$ -	\$ 553,406

County-Wide Sewer Service District	Hamilton Sewer Service District	Community Development Authority	Rental Assistance Program	Dulles Industrial Park W&S	Greenlea Tax District
\$ -	\$ 74,119	\$ 2,905,769	\$ -	\$ 155,307	\$ 45,345
-	-	-	-	-	-
-	-	-	-	-	-
37	-	-	1,135	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	8,533	-	-
-	-	-	221,991	-	-
-	-	-	-	-	-
-	-	-	7,764,607	-	-
37	74,119	2,905,769	7,996,266	155,307	45,345
-	-	-	-	-	-
-	-	-	-	-	-
-	247,290	-	-	151,902	43,027
-	-	-	8,052,338	-	-
-	-	-	-	-	-
-	-	2,899,646	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	247,290	2,899,646	8,052,338	151,902	43,027
37	(173,171)	6,123	(56,072)	3,405	2,318
-	88,000	-	56,072	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	88,000	-	56,072	-	-
37	(85,171)	6,123	-	3,405	2,318
13,881	272,867	(6,123)	-	(3,405)	-
\$ 13,918	\$ 187,696	\$ -	\$ -	\$ -	\$ 2,318

COUNTY OF LOUDOUN, VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Special Revenue Funds						
	State Federal Grant	Public Facilities Fund	Sheriff's Fund	Animal Shelter	Housing Fund	Transportation District	Uran Holocaust
REVENUES							
General Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	6,142,524	\$ -
Other Local Taxes	-	-	-	-	-	30,123,378	-
Permits and Licenses	-	-	-	-	-	-	-
Use of Money and Property	-	150,151	-	-	2,266	25,452	263
Charges for Services	-	-	-	-	-	-	-
Gifts and Donations	-	36,164,884	20,206	63,644	2,010,048	-	-
Miscellaneous	516	-	-	-	4,613	-	-
Recovered Costs	228	-	-	-	74	-	-
Intergovernmental - Commonwealth	668,455	-	-	2,263	-	-	-
Intergovernmental - Federal	3,066,010	-	-	-	-	-	-
Total Revenues	3,735,209	36,315,035	20,206	65,907	2,017,001	36,291,354	263
EXPENDITURES							
Current Operating:							
Judicial Administration	141,463	-	-	-	-	-	-
Public Safety	870,240	1,157,855	11,339	-	-	-	-
Public Works	-	1,251,563	-	-	-	-	-
Health and Welfare	2,482,586	-	-	-	106,776	-	-
Parks, Recreation and Culture	-	-	-	-	-	-	27,334
Community Development	216,099	509,173	-	-	-	4,902,520	-
Education	-	(459,082)	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
Total Expenditures	3,710,388	2,459,509	11,339	-	106,776	4,902,520	27,334
Excess (Deficiency) of Revenues Over (Under) Expenditures	24,821	33,855,526	8,867	65,907	1,910,225	31,388,834	(27,071)
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	-	3,645	-	38,833,017	-
Transfers Out	-	(17,666,427)	-	(10,000)	-	(57,820,117)	-
Bond Proceeds	-	-	-	-	-	-	-
Federal Loan Proceeds	-	-	-	-	-	-	-
Proceeds from Capital Leases	-	-	-	-	-	-	-
Total Other Financing Sources (uses), Net	-	(17,666,427)	-	(6,355)	-	(18,987,100)	-
Net Change in Fund Balances	24,821	16,189,099	8,867	59,552	1,910,225	12,401,734	(27,071)
Fund Balances at Beginning of Year	185,230	125,160,340	32,626	248,356	28,087,034	27,859,899	259,232
Fund Balances at End of Year	\$ 210,051	\$ 141,349,439	\$ 41,493	\$ 307,908	\$ 29,997,259	\$ 40,261,633	\$ 232,161

Rt 15 Bypass Beautification	Horton Program For the Arts	Symington Fund	EMS Transport	Capital Funds		Total Non-Major Governmental Funds
				Capital Asset Preservation	Capital Projects Financing	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,014,964
-	-	-	-	74,459	-	33,569,260
-	-	-	-	1,115	-	1,115
-	22	60,449	-	-	-	239,949
-	-	-	-	98	-	43,648
-	1,525	-	-	-	-	38,270,307
-	-	-	-	-	-	13,662
-	-	-	-	-	-	1,073,746
-	-	-	-	-	-	5,015,182
-	-	-	-	-	-	10,993,533
-	1,547	60,449	-	75,672	-	108,235,366
-	-	-	-	-	-	247,651
-	-	-	70,941	-	-	2,261,287
-	-	-	-	3,248,121	-	14,492,028
-	-	-	-	-	-	17,662,660
-	750	35,434	-	1,467,844	-	1,531,362
7,453	-	-	-	-	-	11,380,141
-	-	-	-	-	110,375,000	109,915,918
-	-	-	-	2,268,435	-	2,268,435
7,453	750	35,434	70,941	6,984,400	110,375,000	159,759,482
(7,453)	797	25,015	(70,941)	(6,908,728)	(110,375,000)	(51,524,116)
-	-	-	-	4,320,000	-	47,515,196
-	-	-	(117,407)	-	(59,972,976)	(140,035,763)
-	-	-	-	-	128,155,000	128,155,000
-	-	-	-	-	11,207,976	11,207,976
-	-	-	-	-	30,985,000	30,985,000
-	-	-	(117,407)	4,320,000	110,375,000	77,827,409
(7,453)	797	25,015	(188,348)	(2,588,728)	-	26,303,293
7,453	18,761	4,084,556	207,197	6,451,217	-	199,029,953
\$ -	\$ 19,558	\$ 4,109,571	\$ 18,849	\$ 3,862,489	\$ -	\$ 225,333,246

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
ROUTE 28 SPECIAL IMPROVEMENTS FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
General Property Taxes	\$ 9,625,405	\$ 9,691,900	\$ 66,495
Amounts Available for Appropriation	9,625,405	9,691,900	66,495
Charges to Appropriations (Outflows)			
Public Works	9,625,405	9,550,125	75,280
Total Charges to Appropriations	9,625,405	9,550,125	75,280
Excess of Resources Over			
Charges to Appropriations	-	141,775	141,775
Fund Balance at Beginning of Year	(141,775)	(141,775)	-
Fund Balance at End of Year	<u>\$ (141,775)</u>	<u>\$ -</u>	<u>\$ 141,775</u>

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
COMPREHENSIVE SERVICES ACT FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Recovered Costs	\$ 1,140,000	\$ 850,502	\$ (289,498)
Intergovernmental - Commonwealth	3,682,514	4,344,464	661,950
Transfers from Other Funds	4,171,542	4,171,542	-
Amounts Available for Appropriation	<u>8,994,056</u>	<u>9,366,508</u>	<u>372,452</u>
Charges to Appropriations (Outflows)			
Health and Welfare	8,811,056	7,020,960	1,790,096
Transfers to Other Funds	4,057,239	4,057,239	-
Total Charges to Appropriations	<u>12,868,295</u>	<u>11,078,199</u>	<u>1,790,096</u>
Excess (Deficiency) of Resources Over (Under)			
Charges to Appropriations	(3,874,239)	(1,711,691)	2,162,548
Fund Balance at Beginning of Year	<u>5,874,239</u>	<u>5,874,239</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ 2,000,000</u></u>	<u><u>\$ 4,162,548</u></u>	<u><u>\$ 2,162,548</u></u>

COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
LEGAL RESOURCES CENTER FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Charges for Services	\$ 40,139	\$ 43,550	\$ 3,411
Gifts and Donations	10,000	10,000	-
Transfers from Other Funds	42,920	42,920	-
Amounts Available for Appropriation	<u>93,059</u>	<u>96,470</u>	<u>3,411</u>
Charges to Appropriations (Outflows)			
Judicial Administration	93,059	93,059	-
Total Charges to Appropriations	<u>93,059</u>	<u>93,059</u>	<u>-</u>
Excess of Resources Over			
Charges to Appropriations	-	3,411	3,411
Fund Balance at Beginning of Year	-	-	-
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ 3,411</u></u>	<u><u>\$ 3,411</u></u>

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
FEDERALLY FORFEITED PROPERTY FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Recovered Costs	\$ 31,769	\$ 951	\$ (30,818)
Use of Money and Property	173	174	1
Intergovernmental - Federal	394,245	162,916	(231,329)
Amounts Available for Appropriation	<u>426,187</u>	<u>164,041</u>	<u>(262,146)</u>
Charges to Appropriations (Outflows)			
Judicial Administration	31,348	13,129	18,219
Public Safety	394,839	150,912	243,927
Total Charges to Appropriations	<u>426,187</u>	<u>164,041</u>	<u>262,146</u>
Excess of Resources Over			
Charges to Appropriations	-	-	-
Fund Balance at Beginning of Year	-	-	-
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
HOTEL AND MOTEL ROOM TAX FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Other Local Taxes	\$ 2,955,000	\$ 3,371,423	\$ 416,423
Amounts Available for Appropriation	2,955,000	3,371,423	416,423
Charges to Appropriations (Outflows)			
Community Development	2,845,250	2,845,250	-
Transfers to Other Funds	391,597	391,597	-
Total Charges to Appropriations	3,236,847	3,236,847	-
Excess (Deficiency) of Resources Over (Under)			
Charges to Appropriations	(281,847)	134,576	416,423
Fund Balance at Beginning of Year	418,830	418,830	-
Fund Balance at End of Year	<u>\$ 136,983</u>	<u>\$ 553,406</u>	<u>\$ 416,423</u>

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
HAMILTON SEWER SERVICE DISTRICT FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
General Property Taxes	\$ 132,000	\$ 74,119	\$ (57,881)
Transfers from Other Funds	176,000	88,000	(88,000)
Amounts Available for Appropriation	<u>308,000</u>	<u>162,119</u>	<u>(145,881)</u>
Charges to Appropriations (Outflows)			
Public Works	308,000	247,290	60,710
Total Charges to Appropriations	<u>308,000</u>	<u>247,290</u>	<u>60,710</u>
Deficiency of Resources Under			
Charges to Appropriations	-	(85,171)	(85,171)
Fund Balance at Beginning of Year	<u>272,867</u>	<u>272,867</u>	-
Fund Balance at End of Year	<u>\$ 272,867</u>	<u>\$ 187,696</u>	<u>\$ (85,171)</u>

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
COMMUNITY DEVELOPMENT AUTHORITY FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
General Property Taxes	\$ 3,500,000	\$ 2,905,769	\$ (594,231)
Amounts Available for Appropriation	<u>3,500,000</u>	<u>2,905,769</u>	<u>(594,231)</u>
 Charges to Appropriations (Outflows)			
Community Development	3,500,000	2,899,646	600,354
Total Charges to Appropriations	<u>3,500,000</u>	<u>2,899,646</u>	<u>600,354</u>
 Excess of Resources Over			
Charges to Appropriations	-	6,123	6,123
Fund Balance at Beginning of Year	(6,123)	(6,123)	-
Fund Balance at End of Year	<u><u>\$ (6,123)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 6,123</u></u>

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
RENTAL ASSISTANCE PROGRAM FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Use of Money and Property	\$ 1,183	\$ 1,135	\$ (48)
Miscellaneous	11,000	8,533	\$ (2,467)
Recovered Costs	439,590	221,991	(217,599)
Intergovernmental - Federal	8,795,168	7,764,607	(1,030,561)
Transfers from Other Funds	80,406	56,072	(24,334)
Amounts Available for Appropriation	<u>9,327,347</u>	<u>8,052,338</u>	<u>(1,275,009)</u>
Charges to Appropriations (Outflows)			
Health and Welfare	9,327,347	8,052,338	1,275,009
Total Charges to Appropriations	<u>9,327,347</u>	<u>8,052,338</u>	<u>1,275,009</u>
Excess of Resources Over			
Charges to Appropriations	-	-	-
Fund Balance at Beginning of Year	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
DULLES INDUSTRIAL PARK WATER AND SEWER FUND
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Final Budgeted Amount</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
Resources (Inflows)			
General Property Taxes	\$ 143,752	\$ 155,307	\$ 11,555
Amounts Available for Appropriation	<u>143,752</u>	<u>155,307</u>	<u>11,555</u>
Charges to Appropriations (Outflows)			
Public Works	143,752	151,902	(8,150)
Total Charges to Appropriations	<u>143,752</u>	<u>151,902</u>	<u>(8,150)</u>
Excess of Resources Over			
Charges to Appropriations	-	3,405	3,405
Fund Balance at Beginning of Year	(3,405)	(3,405)	-
Fund Balance at End of Year	<u>\$ (3,405)</u>	<u>\$ -</u>	<u>\$ 3,405</u>

COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
GREENLEA TAX DISTRICT FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
General Property Taxes	\$ 44,038	\$ 45,345	\$ 1,307
Amounts Available for Appropriation	44,038	45,345	1,307
Charges to Appropriations (Outflows)			
Public Works	44,038	43,027	1,011
Total Charges to Appropriations	44,038	43,027	1,011
Excess of Resources Over			
Charges to Appropriations	-	2,318	2,318
Fund Balance at Beginning of Year	-	-	-
Fund Balance at End of Year	\$ -	\$ 2,318	\$ 2,318

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
STATE AND FEDERAL GRANT FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Miscellaneous	\$ -	\$ 516	\$ 516
Recovered Costs	81,726	228	(81,498)
Intergovernmental - Commonwealth	1,832,955	668,455	(1,164,500)
Intergovernmental - Federal	5,530,773	3,066,010	(2,464,763)
Amounts Available for Appropriation	<u>7,445,454</u>	<u>3,735,209</u>	<u>(3,710,245)</u>
Charges to Appropriations (Outflows)			
Judicial Administration	194,188	141,463	52,725
Public Safety	2,379,633	870,240	1,509,393
Health and Welfare	4,677,472	2,482,586	2,194,886
Community Development	521,321	216,099	305,222
Transfers to Other Funds	42,168	-	42,168
Total Charges to Appropriations	<u>7,814,782</u>	<u>3,710,388</u>	<u>4,104,394</u>
Excess (Deficiency) of Resources Over (Under)			
Charges to Appropriations	(369,328)	24,821	394,149
Fund Balance at Beginning of Year	<u>185,230</u>	<u>185,230</u>	<u>-</u>
Fund Balance at End of Year	<u><u>\$ (184,098)</u></u>	<u><u>\$ 210,051</u></u>	<u><u>\$ 394,149</u></u>

COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
PUBLIC FACILITIES FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Use of Money and Property	\$ 883,479	\$ 150,151	\$ (733,328)
Gifts and Donations	18,908,558	36,164,884	17,256,326
Amounts Available for Appropriation	<u>19,792,037</u>	<u>36,315,035</u>	<u>16,522,998</u>
Charges to Appropriations (Outflows)			
Public Safety	1,116,039	1,157,855	(41,816)
Public Works	1,468,653	1,251,563	217,090
Community Development	-	509,173	(509,173)
Education and Transfers to School Board	(459,082)	(459,082)	-
Transfers to Other Funds	17,666,427	17,666,427	-
Total Charges to Appropriations	<u>19,792,037</u>	<u>20,125,936</u>	<u>(333,899)</u>
Excess of Resources Over			
Charges to Appropriations	-	16,189,099	16,189,099
Fund Balance at Beginning of Year	125,160,340	125,160,340	-
Fund Balance at End of Year	<u>\$ 125,160,340</u>	<u>\$ 141,349,439</u>	<u>\$ 16,189,099</u>

COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
SHERIFF'S FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Gifts and Donations	\$ 11,339	\$ 20,206	\$ 8,867
Amounts Available for Appropriation	<u>11,339</u>	<u>20,206</u>	<u>8,867</u>
Charges to Appropriations (Outflows)			
Public Safety	11,339	11,339	-
Total Charges to Appropriations	<u>11,339</u>	<u>11,339</u>	<u>-</u>
Excess of Resources Over			
Charges to Appropriations	-	8,867	8,867
Fund Balance at Beginning of Year	32,626	32,626	-
Fund Balance at End of Year	<u><u>\$ 32,626</u></u>	<u><u>\$ 41,493</u></u>	<u><u>\$ 8,867</u></u>

COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
ANIMAL SHELTER FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Gifts and Donations	\$ 10,000	\$ 63,644	\$ 53,644
Intergovernmental - Commonwealth	-	2,263	2,263
Transfers from Other Funds	3,645	3,645	-
Amounts Available for Appropriation	<u>13,645</u>	<u>69,552</u>	<u>55,907</u>
Charges to Appropriations (Outflows)			
Public Safety	3,645	-	3,645
Transfers to Other Funds	10,000	10,000	-
Total Charges to Appropriations	<u>13,645</u>	<u>10,000</u>	<u>3,645</u>
Excess of Resources Over			
Charges to Appropriations	-	59,552	59,552
Fund Balance at Beginning of Year	248,356	248,356	-
Fund Balance at End of Year	<u>\$ 248,356</u>	<u>\$ 307,908</u>	<u>\$ 59,552</u>

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
HOUSING FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Use of Money and Property	\$ 151,000	\$ 2,266	\$ (148,734)
Gifts and Donations	5,625,000	2,010,048	(3,614,952)
Miscellaneous Revenue	10,000	4,613	(5,387)
Recovered Costs	100	74	(26)
Amounts Available for Appropriation	<u>5,786,100</u>	<u>2,017,001</u>	<u>(3,769,099)</u>
Charges to Appropriations (Outflows)			
Health and Welfare	<u>5,786,100</u>	<u>106,776</u>	<u>5,679,324</u>
Total Charges to Appropriations	<u>5,786,100</u>	<u>106,776</u>	<u>5,679,324</u>
Excess of Resources Over			
Charges to Appropriations	-	1,910,225	1,910,225
Fund Balance at Beginning of Year	<u>28,087,034</u>	<u>28,087,034</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 28,087,034</u>	<u>\$ 29,997,259</u>	<u>\$ 1,910,225</u>

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
TRANSPORTATION DISTRICT FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
General Property Taxes	\$ 5,932,000	\$ 6,142,524	\$ 210,524
Other Local Taxes	55,177,781	30,123,378	(25,054,403)
Use of Money and Property	23,000	25,452	2,452
Transfers from Other Funds	41,305,209	38,833,017	(2,472,192)
Amounts Available for Appropriation	<u>102,437,990</u>	<u>75,124,371</u>	<u>(27,313,619)</u>
Charges to Appropriations (Outflows)			
Community Development	15,499,397	4,902,520	10,596,877
Transfers to Other Funds	141,833,196	57,820,117	84,013,079
Total Charges to Appropriations	<u>157,332,593</u>	<u>62,722,637</u>	<u>94,609,956</u>
Excess (Deficiency) of Resources Over (Under)			
Charges to Appropriations	(54,894,603)	12,401,734	67,296,337
Fund Balance at Beginning of Year	27,859,899	27,859,899	-
Fund Balance at End of Year	<u>\$ (27,034,704)</u>	<u>\$ 40,261,633</u>	<u>\$ 67,296,337</u>

COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
URAN HOLOCAUST FUND
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Final Budgeted Amount</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
Resources (Inflows)			
Use of Money and Property	\$ -	\$ 263	\$ 263
Amounts Available for Appropriation	-	263	263
Charges to Appropriations (Outflows)			
Parks, Recreation and Culture	30,025	27,334	2,691
Total Charges to Appropriations	30,025	27,334	2,691
Excess (Deficiency) of Resources Over (Under)			
Charges to Appropriations	(30,025)	(27,071)	2,954
Fund Balance at Beginning of Year	259,232	259,232	-
Fund Balance at End of Year	<u>\$ 229,207</u>	<u>\$ 232,161</u>	<u>\$ 2,954</u>

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
HORTON PROGRAM FOR THE ARTS FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Use of Money and Property	\$ -	\$ 22	\$ 22
Gifts and Donations	-	1,525	1,525
Amounts Available for Appropriation	-	1,547	1,547
Charges to Appropriations (Outflows)			
Parks, Recreation and Culture	1,000	750	250
Total Charges to Appropriations	1,000	750	250
Excess (Deficiency) of Resources Over (Under)			
Charges to Appropriations	(1,000)	797	1,797
Fund Balance at Beginning of Year	18,761	18,761	-
Fund Balance at End of Year	\$ 17,761	\$ 19,558	\$ 1,797

COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
SYMINGTON FUND
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Final Budgeted Amount</u>	<u>Actual Amount</u>	<u>Variance with Final Budget Positive (Negative)</u>
Resources (Inflows)			
Use of Money and Property	\$ -	\$ 60,449	\$ 60,449
Amounts Available for Appropriation	-	60,449	60,449
Charges to Appropriations (Outflows)			
Parks, Recreation and Culture	150,000	35,434	114,566
Total Charges to Appropriations	150,000	35,434	114,566
Excess (Deficiency) of Resources Over (Under)			
Charges to Appropriations	(150,000)	25,015	175,015
Fund Balance at Beginning of Year	4,084,556	4,084,556	-
Fund Balance at End of Year	<u>\$ 3,934,556</u>	<u>\$ 4,109,571</u>	<u>\$ 175,015</u>

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
EMS TRANSPORT FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Charges for Services	\$ 4,500,000	\$ -	\$ (4,500,000)
Amounts Available for Appropriation	4,500,000	-	(4,500,000)
Charges to Appropriations (Outflows)			
Public Safety	2,967,243	70,941	2,896,302
Transfers to Other Funds	317,809	117,407	200,402
Total Charges to Appropriations	3,285,052	188,348	3,096,704
Excess (Deficiency) of Resources Over (Under)			
Charges to Appropriations	1,214,948	(188,348)	(1,403,296)
Fund Balance at Beginning of Year	207,197	207,197	-
Fund Balance at End of Year	<u>\$ 1,422,145</u>	<u>\$ 18,849</u>	<u>\$ (1,403,296)</u>

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	Prior Years	Current Year	Total to Date	Budget Authorization
REVENUES				
Other Local Taxes	\$ 3,735,183	\$ 814,680	\$ 4,549,863	\$ 2,969,479
Use of Money and Property	128,222	1,592	129,814	126,509
Charges for Services	23,765,658	-	23,765,658	18,665,397
Gifts and Donations	1,192,680	206,665	1,399,345	1,434,483
Miscellaneous	1,721,855	21,096	1,742,951	41,721,855
Recovered Costs	850,859	1,103,377	1,954,236	3,241,366
Intergovernmental - Commonwealth	21,989,312	4,933,403	26,922,715	107,284,524
Intergovernmental - Federal	5,778,893	6,550	5,785,443	15,973,267
Total Revenues	59,162,662	7,087,363	66,250,025	191,416,880
EXPENDITURES				
General Government Administration	20,834,951	2,852,011	23,686,962	70,191,438
Judicial Administration	77,024	-	77,024	77,024
Public Safety	41,941,935	4,899,955	46,841,890	52,164,622
Public Works	40,409,299	3,280,637	43,689,936	54,546,691
Health & Welfare	241,201	1,183,025	1,424,226	4,940,000
Parks, Recreation, & Cultural Development	883,747	1,516,264	2,400,011	17,251,157
Community Development	101,462,867	59,652,833	161,115,700	741,085,729
Education	5,974,204	2,175,000	8,149,204	8,149,204
Capital Outlay	278,368,913	28,707,263	307,076,176	533,065,527
Total Expenditures	490,194,141	104,266,988	594,461,129	1,481,471,392
Deficiency of Revenues Under Expenditures	(431,031,479)	(97,179,625)	(528,211,104)	(1,290,054,512)
OTHER FINANCING SOURCES (USES)				
Transfers In	685,863,642	133,778,174	819,641,816	1,330,243,064
Transfers Out	(38,335,401)	(13,641,057)	(51,976,458)	(51,977,957)
Lease/Purchase Financing	11,657,596	-	11,657,596	11,657,596
Sales of Capital Assets	349,175	-	349,175	349,175
Total Other Financing Sources, Net	659,535,012	120,137,117	779,672,129	1,290,271,878
Net Change in Fund Balances	\$ 228,503,533	22,957,492	\$ 251,461,025	\$ 217,366
Fund Balance at Beginning of Year		228,503,533		
Fund Balance at End of Year		\$ 251,461,025		

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
CAPITAL ASSET PRESERVATION PROGRAM FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	Prior Years	Current Year	Total to Date	Budget Authorization
REVENUES				
Other Local Taxes	\$ 1,554,341	\$ 74,459	\$ 1,628,800	\$ 1,673,243
Permits and Licenses	2,809	1,115	3,924	974
Charges for Services	-	98	98	-
Recovered Costs	2,688,630	-	2,688,630	2,563,630
Total Revenues	<u>4,245,780</u>	<u>75,672</u>	<u>4,321,452</u>	<u>4,237,847</u>
EXPENDITURES				
General Government Administration	8,012,960	-	8,012,960	8,039,879
Judicial Administration	1,399,151	-	1,399,151	1,623,640
Public Safety	567,958	-	567,958	569,991
Public Works	7,824,803	3,248,121	11,072,924	12,785,190
Health & Welfare	426,545	-	426,545	426,545
Parks, Recreation, & Cultural Development	1,764,580	1,467,844	3,232,424	3,514,293
Community Development	525,094	-	525,094	525,093
Capital Outlay	40,340,199	2,268,435	42,608,634	44,139,943
Total Expenditures	<u>60,861,290</u>	<u>6,984,400</u>	<u>67,845,690</u>	<u>71,624,574</u>
Deficiency of Revenues Under Expenditures	<u>(56,615,510)</u>	<u>(6,908,728)</u>	<u>(63,524,238)</u>	<u>(67,386,727)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	63,275,100	4,320,000	67,595,100	67,595,100
Transfers Out	(208,373)	-	(208,373)	(208,373)
Total Other Financing Sources, Net	<u>63,066,727</u>	<u>4,320,000</u>	<u>67,386,727</u>	<u>67,386,727</u>
Net Change in Fund Balances	<u>\$ 6,451,217</u>	<u>(2,588,728)</u>	<u>\$ 3,862,489</u>	<u>\$ -</u>
Fund Balance at Beginning of Year		6,451,217		
Fund Balance at End of Year		<u>\$ 3,862,489</u>		

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
CAPITAL PROJECTS FINANCING FUND
FOR THE YEAR ENDED JUNE 30, 2015**

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Issuance of Bonds	\$ 126,892,524	\$ 128,155,000	\$ 1,262,476
Issuance of Federal Loans	-	11,207,976	11,207,976
Lease Purchase Financing	57,417,145	30,985,000	(26,432,145)
Amounts Available for Appropriation	<u>184,309,669</u>	<u>170,347,976</u>	<u>(13,961,693)</u>
Charges to Appropriations (Outflows)			
Education and Transfers to School Board	97,385,483	110,375,000	(12,989,517)
Transfers to Other Funds	86,924,186	59,972,976	26,951,210
Total Charges to Appropriations	<u>184,309,669</u>	<u>170,347,976</u>	<u>13,961,693</u>
Excess of Resources Over			
Charges to Appropriations	-	-	-
Fund Balance at Beginning of Year	-	-	-
Fund Balance at End of Year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2015

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive Negative
Resources (Inflows)			
Use of Money and Property	\$ 440,000	\$ 209,701	\$ (230,299)
Miscellaneous revenue	754,216	990,410	236,194
Transfers from Other Funds	138,566,883	138,750,224	183,341
Issuance Premium	16,828,380	20,109,092	3,280,712
Amounts Available for Appropriation	<u>156,589,479</u>	<u>160,059,427</u>	<u>3,469,948</u>
Charges to Appropriations (Outflows)			
Debt Service	161,791,740	157,171,345	4,620,395
Transfers to Other Funds	5,153,658	5,153,658	-
Payment to Component Units	22,257,165	22,257,165	-
Total Charges to Appropriations	<u>189,202,563</u>	<u>184,582,168</u>	<u>4,620,395</u>
Excess (Deficiency) of Resources Over (Under)			
Charges to Appropriations	(32,613,084)	(24,522,741)	8,090,343
Fund Balance at Beginning of Year	<u>62,623,617</u>	<u>62,623,617</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 30,010,533</u>	<u>\$ 38,100,876</u>	<u>\$ 8,090,343</u>



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Proprietary Funds

Proprietary Funds

Proprietary funds are used to account for operations that are financed in the manner similar to private business enterprises. The proprietary fund measurement focus is upon determination of net income, financial position and cash flows. Cash and temporary investments related to these proprietary funds are all highly liquid cash equivalents. The County's proprietary fund types consist of the Central Services Fund and the Self-insurance Fund. The operations of these funds are generally intended to be self-supporting.

Central Services Funds (2610-2614) - This fund is used to account for the financing of goods or services provided among County departments on a cost reimbursement basis and includes such activities as central duplicating, telephone, mail, support, and fleet management services.

Self Insurance Fund (2660) - This fund is used to account for the accumulation of resources to pay for losses incurred by the partial or total retention of risk of loss arising out of the assumption of risk rather than transferring that risk to a third party through the purchase of insurance and includes such retention as health insurance, workers compensation insurance and automobile physical damage insurance.

COUNTY OF LOUDOUN, VIRGINIA
COMBINING STATEMENT OF PROPRIETARY NET POSITION
AS OF JUNE 30, 2015

	Central Service Funds						
	Duplicating	Telephone	Mail	Support	Vehicle Replacement	Self Insurance	Total
ASSETS							
Current Assets:							
Restricted Cash and Investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,187,000	\$ 1,187,000
Receivables, Net	1,252	13,862	-	-	218,824	193,688	427,626
Interfund Receivables	313,805	2,031,799	69,861	29,568	33,614,258	21,317,293	57,376,584
Inventory	-	-	90,893	10,243	-	-	101,136
Prepaid Items	-	-	-	-	-	6,678	6,678
Total Current Assets	315,057	2,045,661	160,754	39,811	33,833,082	22,704,659	59,099,024
Noncurrent Assets:							
Capital Assets:							
Depreciable, Net	-	949,043	13,070	-	34,860,698	-	35,822,811
Total Noncurrent Assets	-	949,043	13,070	-	34,860,698	-	35,822,811
Total Assets	\$ 315,057	\$ 2,994,704	\$ 173,824	\$ 39,811	\$ 68,693,780	\$ 22,704,659	\$ 94,921,835
DEFERRED OUTFLOWS OF RESOURCES							
Pension Contributions after the Measurement Date	-	-	13,183	68,792	-	-	81,975
Total Deferred Outflows of Resources	\$ -	\$ -	\$ 13,183	\$ 68,792	\$ -	\$ -	\$ 81,975
LIABILITIES							
Current Liabilities:							
Accounts Payable	70,606	12,539	8,395	1,993	166,253	432,622	\$ 692,408
Due to Component Unit	-	-	26,645	2,122	88,991	-	117,758
Claims Liabilities	-	-	-	-	-	6,730,986	6,730,986
Accrued Liabilities	-	-	8,139	25,051	-	571,295	604,485
Total Current Liabilities	70,606	12,539	43,179	29,166	255,244	7,734,903	8,145,637
Noncurrent Liabilities:							
Claims Liabilities	-	-	-	-	-	3,257,231	3,257,231
Net Pension Obligation	-	-	53,635	173,169	-	-	226,804
Total Noncurrent Liabilities	-	-	53,635	173,169	-	3,257,231	3,484,035
Total Liabilities	\$ 70,606	\$ 12,539	\$ 96,814	\$ 202,335	\$ 255,244	\$ 10,992,134	\$ 11,629,672
DEFERRED INFLOWS OF RESOURCES							
Deferred Gain on Pension Investment Earnings	-	-	32,919	106,286	-	-	139,205
Total Deferred Inflows of Resources	\$ -	\$ -	\$ 32,919	\$ 106,286	\$ -	\$ -	\$ 139,205
NET POSITION							
Net Investment in Capital Assets	-	949,043	13,070	-	34,860,698	-	\$ 35,822,811
Unrestricted	244,451	2,033,122	44,204	(200,018)	33,577,838	11,712,525	47,412,122
Total Net Position	\$ 244,451	\$ 2,982,165	\$ 57,274	\$ (200,018)	\$ 68,438,536	\$ 11,712,525	\$ 83,234,933

COUNTY OF LOUDOUN, VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN PROPRIETARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2015

	Central Service Funds						
	Duplicating	Telephone	Mail	Support	Vehicle Replacement	Self Insurance	Total
Operating Revenues:							
Charges for Services	\$ 1,055,914	\$ 1,392,859	\$ 702,357	\$ 1,218,199	\$ 7,673,084	\$ 45,870,836	\$ 57,913,249
Use of Property	14,583	54,190	-	-	-	-	68,773
Miscellaneous	-	-	-	-	43,451	30,642	74,093
Total Operating Revenues	1,070,497	1,447,049	702,357	1,218,199	7,716,535	45,901,478	58,056,115
Operating Expenses:							
Personnel Services	-	-	260,323	919,037	-	-	1,179,360
Other Services and Charges	972,175	1,237,166	51,049	235,973	479,692	4,496,532	7,472,587
Materials and Supplies	99,155	15,179	388,542	10,340	419,088	5,520	937,824
Depreciation	-	251,433	1,686	-	5,955,239	-	6,208,358
Claims	-	-	-	-	-	48,241,158	48,241,158
Total Operating Expenses	1,071,330	1,503,778	701,600	1,165,350	6,854,019	52,743,210	64,039,287
Operating Income (Loss)	(833)	(56,729)	757	52,849	862,516	(6,841,732)	(5,983,172)
Non-Operating Revenues:							
Gain on Sale of Capital Assets	-	-	-	2,825	870,967	-	873,792
Total Non-Operating Revenues	-	-	-	2,825	870,967	-	873,792
Net Income (Loss) Before Transfers	(833)	(56,729)	757	55,674	1,733,483	(6,841,732)	(5,109,380)
Transfers In	-	-	-	-	7,335,223	10,807,222	18,142,445
Total Transfers	-	-	-	-	7,335,223	10,807,222	18,142,445
Change in Net Position	(833)	(56,729)	757	55,674	9,068,706	3,965,490	13,033,065
Net Position at Beginning of Year, as restated	245,284	3,038,894	56,517	(255,692)	59,369,830	7,747,035	70,201,868
Net Position at End of Year	\$ 244,451	\$ 2,982,165	\$ 57,274	\$ (200,018)	\$ 68,438,536	\$ 11,712,525	\$ 83,234,933

COUNTY OF LOUDOUN, VIRGINIA
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY - INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Central Service Funds						Total
	Duplicating	Telephone	Mail	Support	Vehicle Replacement	Self Insurance	
Cash Flows from Operating Activities:							
Receipts from Customers	\$ 1,070,683	\$ 1,436,532	\$ 702,356	\$ 1,218,199	\$ 7,618,726	\$ 45,880,351	\$ 57,926,847
Payments to Suppliers for Goods and Services	(1,072,646)	(1,256,844)	(413,955)	(277,863)	(1,489,237)	(5,156,546)	(9,667,091)
Payments for Interfund Services	1,963	341,661	(29,537)	(26,266)	(1,386,782)	(3,541,402)	(4,640,363)
Claims Paid	-	-	-	-	-	(47,960,901)	(47,960,901)
Payments to Employees	-	-	(258,864)	(916,895)	-	(21,724)	(1,197,483)
Net Cash Provided By (Used in) Operating Activities	-	521,349	-	(2,825)	4,742,707	(10,800,222)	(5,538,991)
Cash Flows from Non-capital Financing Activities:							
Transfers In	-	-	-	-	7,335,223	10,807,222	18,142,445
Net Cash Provided by Non-capital Financing Activities	-	-	-	-	7,335,223	10,807,222	18,142,445
Cash Flows from Capital and Related Financing Activities:							
Additions to Capital Assets	-	(521,349)	-	-	(13,009,007)	-	(13,530,356)
Proceeds from Sale of Capital Assets	-	-	-	2,825	931,077	-	933,902
Net Cash Provided By (Used in) Capital and Related Financing Activities	-	(521,349)	-	2,825	(12,077,930)	-	(12,596,454)
Net Increase in Cash and Cash Equivalents	-	-	-	-	-	7,000	7,000
Cash and Cash Equivalents at Beginning of Year	-	-	-	-	-	1,180,000	1,180,000
Cash and Cash Equivalents at End of Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,187,000	\$ 1,187,000
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:							
Operating Income (Loss)	\$ (833)	\$ (56,729)	\$ 756	\$ 52,849	\$ 862,517	\$ (6,841,732)	\$ (5,983,172)
Adjustment Not Affecting Cash:							
Depreciation	-	251,433	1,686	-	5,955,239	-	6,208,358
(Increase) Decrease in Assets and Increase (Decrease) in Liabilities:							
Receivables, Net	186	(10,517)	-	-	(97,809)	(21,127)	(129,267)
Interfund Services	1,963	341,661	(29,537)	(26,266)	(1,386,782)	(3,541,402)	(4,640,363)
Inventory	-	-	8,497	-	-	-	8,497
Prepaid Items	-	-	-	-	-	(6,678)	(6,678)
Deferred Pension Expense	-	-	(13,183)	(68,792)	-	-	(81,975)
Accounts Payable	(1,316)	(4,499)	7,479	(216)	(621,334)	(647,816)	(1,267,702)
Due to Component Unit	-	-	11,541	966	30,876	-	43,383
Claims Liabilities	-	-	-	-	-	280,257	280,257
Accrued Liabilities	-	-	1,459	2,142	-	(21,724)	(18,123)
Net Pension Obligation	-	-	(21,617)	(69,794)	-	-	(91,411)
Deferred Gain on Pension Investments	-	-	32,919	106,286	-	-	139,205
Total Adjustments	833	578,078	(756)	(55,674)	3,880,190	(3,958,490)	444,181
Net Cash Provided By (Used in) Operating Activities	\$ -	\$ 521,349	\$ -	\$ (2,825)	\$ 4,742,707	\$ (10,800,222)	\$ (5,538,991)
Non-Cash Capital Related Financing Activities:							
Gain on Sale of Capital Assets	\$ -	\$ -	\$ -	\$ 2,825	\$ 870,967	\$ -	\$ 873,792

Fiduciary Funds

Fiduciary Funds

Trust and Agency Funds are used to account for the assets received and disbursed by the County government acting in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

Pension Trust Funds

Volunteer Fire and Rescue Trust Fund (3701) - This fund is used to account for the activities of the Public Safety Retirement System, which accumulates resources for pension benefit payments to qualified public safety personnel.

OPEB Trust Fund (3702) - This fund is used to account for the assets held in trust by the county for other post employment benefits.

Private Purpose Trust Fund

War Memorial Trust Fund (3721) - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for the construction, maintenance and improvement of war memorials.

Agency Funds

Special Welfare Trust Fund (3741) - This fund is used to account for monies provided through the State and from private donors for regular assistance payments to recipients in the Aid to Dependent Children Program.

Performance Bonds Fund (3742) - This fund is used to account for monies received from and returned to individuals and businesses who are required to have a performance bond for development. The County acts as an agent to hold the monies until performance is rendered.

Employee Benefits Distribution Fund (3743) - This fund is used to account for employee withholdings, employer contributions, and payments made for employee benefits.

Adult Detention Center (ADC) Inmate Trust Fund (3744) - This fund is used to account for monies held by inmates of the County's ADC at the time of incarceration.

COUNTY OF LOUDOUN, VIRGINIA
 COMBINING STATEMENT OF PENSION TRUST NET POSITION
 AS OF JUNE 30, 2015

	Volunteer Fire and Rescue Trust Fund	OPEB Trust Fund	Total
ASSETS			
Investment in Pooled Funds	\$ 19,051,287	\$ 45,455,867	\$ 64,507,154
Total Assets	<u>19,051,287</u>	<u>45,455,867</u>	<u>64,507,154</u>
LIABILITIES			
Accounts Payable	8,550	-	8,550
Total Liabilities	<u>8,550</u>	<u>-</u>	<u>8,550</u>
NET POSITION			
Held in Trust for Pension Benefits	<u>\$ 19,042,737</u>	<u>\$ 45,455,867</u>	<u>\$ 64,498,604</u>

COUNTY OF LOUDOUN, VIRGINIA
COMBINING STATEMENT OF CHANGES IN PENSION TRUST NET POSITION
FOR THE YEAR ENDED JUNE 30, 2015

	Volunteer Fire and Rescue Trust Fund	OPEB Trust Fund	Total
ADDITIONS			
Contributions:			
Employer	\$ 783,088	\$ 9,284,840	\$ 10,067,928
Total Contributions	<u>783,088</u>	<u>9,284,840</u>	<u>10,067,928</u>
Investment Earnings:			
Net Appreciation in Fair Value of Investments	(1,243,572)	556,823	(686,749)
Interest	836,880	5,522	842,402
Total Investment Earnings	<u>(406,692)</u>	<u>562,345</u>	<u>155,653</u>
Less Investment Expense:			
Investment Management Fees	-	(32,481)	(32,481)
Net Investment Income	<u>(406,692)</u>	<u>529,864</u>	<u>123,172</u>
Total Additions	<u>376,396</u>	<u>9,814,704</u>	<u>10,191,100</u>
DEDUCTIONS			
Benefits	303,973	3,590,486	3,894,459
Administrative Expense	130,747	194,354	325,101
Total Deductions	<u>434,720</u>	<u>3,784,840</u>	<u>4,219,560</u>
Change in Net Position	(58,324)	6,029,864	5,971,540
Net Position at Beginning of Year	19,101,061	39,426,003	58,527,064
Net Position at End of Year	<u>\$ 19,042,737</u>	<u>\$ 45,455,867</u>	<u>\$ 64,498,604</u>

COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF PRIVATE PURPOSE TRUST NET POSITION
AS OF JUNE 30, 2015

	<u>War Memorial</u>
ASSETS	
Cash and Cash Equivalents	\$ 15,564
Total Assets	<u>\$ 15,564</u>
LIABILITIES	
Accounts Payable	\$ -
Total Liabilities	<u>\$ -</u>
NET POSITION	
Held in Trust for Private Purposes	<u>\$ 15,564</u>

COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF CHANGES IN PRIVATE PURPOSE TRUST NET POSITION
FOR THE YEAR ENDED JUNE 30, 2015

	<u>War Memorial</u>
ADDITIONS	
Contributions:	
Gifts and Donations	\$ 7,453
Total Additions	<u>7,453</u>
DEDUCTIONS	
Benefits	<u>-</u>
Total Deductions	<u>-</u>
Change in Net Position	7,453
Net Position at Beginning of Year	<u>8,111</u>
Net Position at End of Year	<u><u>\$ 15,564</u></u>

COUNTY OF LOUDOUN, VIRGINIA
COMBINING STATEMENT OF ASSETS AND LIABILITIES - AGENCY FUNDS
AS OF JUNE 30, 2015

	Special Welfare	Performance Bonds	Employee Benefits Distribution	ADC Inmate	Total
ASSETS					
Cash and Cash Equivalents	\$ 174,152	\$ 11,607,637	\$ 2,952,438	\$ 371,053	\$ 15,105,280
Cash with Fiscal Agents	-	-	60,000	-	60,000
Accounts Receivable	-	21,500	-	-	21,500
Total Assets	\$ 174,152	\$ 11,629,137	\$ 3,012,438	\$ 371,053	\$ 15,186,780
LIABILITIES					
Accounts Payable	\$ 19,139	\$ 112,692	\$ 3,012,438	\$ -	\$ 3,144,269
Funds Held in Trust for Others	155,013	11,516,445	-	371,053	12,042,511
Total Liabilities	\$ 174,152	\$ 11,629,137	\$ 3,012,438	\$ 371,053	\$ 15,186,780

COUNTY OF LOUDOUN, VIRGINIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
<u>Special Welfare Fund</u>				
Assets:				
Cash and Cash Equivalents	\$ 155,716	\$ 77,310	\$ 58,874	\$ 174,152
Interfund Receivable	-	9,501	9,501	-
Total Assets	<u>\$ 155,716</u>	<u>\$ 86,811</u>	<u>\$ 68,375</u>	<u>\$ 174,152</u>
Liabilities:				
Accounts Payable	\$ 1,425	\$ 19,139	\$ 1,425	\$ 19,139
Funds Held in Trust for Others	154,291	60,684	59,962	155,013
Total Liabilities	<u>\$ 155,716</u>	<u>\$ 79,823</u>	<u>\$ 61,387</u>	<u>\$ 174,152</u>
 <u>Performance Bond Fund</u>				
Assets:				
Cash and Cash Equivalents	\$ 11,999,502	\$ 4,227,466	\$ 4,619,331	\$ 11,607,637
Accounts Receivable	-	3,789,541	3,768,041	21,500
Total Assets	<u>\$ 11,999,502</u>	<u>\$ 8,017,007</u>	<u>\$ 8,387,372</u>	<u>\$ 11,629,137</u>
Liabilities:				
Accounts Payable	\$ 37,261	\$ 112,692	\$ 37,261	\$ 112,692
Funds Held in Trust for Others	11,962,241	4,196,534	4,642,330	11,516,445
Total Liabilities	<u>\$ 11,999,502</u>	<u>\$ 4,309,226</u>	<u>\$ 4,679,591</u>	<u>\$ 11,629,137</u>
 <u>Employee Benefits Distribution Fund</u>				
Assets:				
Cash and Cash Equivalents	\$ 2,938,712	\$ 112,350,298	\$ 112,336,572	\$ 2,952,438
Cash with Fiscal Agents	60,000	-	-	60,000
Total Assets	<u>\$ 2,998,712</u>	<u>\$ 112,350,298</u>	<u>\$ 112,336,572</u>	<u>\$ 3,012,438</u>
Liabilities:				
Accounts Payable	\$ 2,998,712	\$ 112,386,190	\$ 112,372,464	\$ 3,012,438
Total Liabilities	<u>\$ 2,998,712</u>	<u>\$ 112,386,190</u>	<u>\$ 112,372,464</u>	<u>\$ 3,012,438</u>
 <u>Adult Detention Center (ADC) Inmate Fund</u>				
Assets:				
Cash and Cash Equivalents	\$ 411,716	\$ 2,166,046	\$ 2,206,709	\$ 371,053
Total Assets	<u>\$ 411,716</u>	<u>\$ 2,166,046</u>	<u>\$ 2,206,709</u>	<u>\$ 371,053</u>
Liabilities:				
Funds Held in Trust for Others	\$ 411,716	\$ 2,166,046	\$ 2,206,709	\$ 371,053
Total Liabilities	<u>\$ 411,716</u>	<u>\$ 2,166,046</u>	<u>\$ 2,206,709</u>	<u>\$ 371,053</u>
 <u>Totals - All Agency Funds</u>				
Assets:				
Cash and Cash Equivalents	\$ 15,505,646	\$ 118,821,120	\$ 119,221,486	\$ 15,105,280
Cash with Fiscal Agents	60,000	-	-	60,000
Accounts Receivable	-	3,789,541	3,768,041	21,500
Interfund Receivable	-	9,501	9,501	-
Total Assets	<u>\$ 15,565,646</u>	<u>\$ 122,620,162</u>	<u>\$ 122,999,028</u>	<u>\$ 15,186,780</u>
Liabilities:				
Accounts Payable	\$ 3,037,398	\$ 112,518,021	\$ 112,411,150	\$ 3,144,269
Funds Held in Trust for Others	12,528,248	6,423,264	6,909,001	12,042,511
Total Liabilities	<u>\$ 15,565,646</u>	<u>\$ 118,941,285</u>	<u>\$ 119,320,151</u>	<u>\$ 15,186,780</u>



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Component Unit - School Board Funds

Component Unit - School Board Funds

General Fund - This fund is used to account for the general operations of the County's school system. Financing is provided primarily by transfers from the primary government and State and Federal grants to be used for education purposes only.

Capital Improvements Fund - This fund is used to account for the purchase and/or construction of major capital facilities, including buildings, land, major equipment and other long-lived improvements for the school system. Financing is provided primarily by bond issues, State and Federal grants, and transfers from the primary government.

Special Revenue Funds - This fund is used to account for the general operations of the County's school system. Financing is provided primarily from cafeteria sales and the State and Federal grants to be used for education purposes only.

Capital Asset Preservation Fund - This fund is used to account for the repair and/or replacement of major capital facilities, including buildings, major equipment, and other long-lived improvements for the school system. Financing is provided primarily by transfers from the primary government.

Debt Service Fund - This fund is used to account for the accumulation of resources for, and the payment of general long-term debt principal, interest and related costs of the school system. Financing is provided primarily by transfers from the primary government.

Peabody Trust Fund - This fund is used to account for monies provided through a private donor, the corpus of which is non-expendable. The interest earned on fund assets may be used only for school expenses.

Proprietary Fund - This fund is used to account for operations that are financed in the manner similar to private business enterprises. The proprietary fund measurement focus is upon determination of net income, financial position and cash flows. Cash and temporary investments related to these proprietary funds are all highly liquid cash equivalents. The proprietary fund types consist of the Central Services Fund and the Self-insurance Fund. The operations of these funds are generally intended to be self-supporting.

OPEB Trust Fund - This fund is used to account for the assets held in trust by the County's school system for other post employment benefits.

**COUNTY OF LOUDOUN, VIRGINIA
COMBINING BALANCE SHEET
GOVERNMENTAL FUNDS
COMPONENT UNIT - SCHOOL BOARD
AS OF JUNE 30, 2015**

	General	Capital Improvements	Special Revenue	Capital Asset Replacement	Debt Service	Permanent Peabody	Total School Board
ASSETS							
Cash and Cash Equivalents	\$ 200	\$ -	\$ 200	\$ -	\$ -	\$ -	\$ 400
Restricted Cash and Investments	647,714	-	4,437,695	-	-	-	5,085,409
Receivables, Net:							
Accounts	3,059,426	250,129	212,194	-	-	-	3,521,749
Due from Primary Government	180,333,926	-	-	-	-	-	180,333,926
Due from Other Governments	12,195,341	-	6,654,300	-	-	-	18,849,641
Due from Other Funds	-	94,584,547	6,164,088	7,390,207	2,389,128	29,406	110,557,376
Inventory of Supplies	-	-	306,468	-	-	-	306,468
Prepaid Items	201,346	-	-	-	-	-	201,346
Deposits	-	50,000	-	-	-	-	50,000
Total Assets	\$ 196,437,953	\$ 94,884,676	\$ 17,774,945	\$ 7,390,207	\$ 2,389,128	\$ 29,406	\$ 318,906,315
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts Payable	\$ 5,718,038	\$ 15,208,102	\$ 4,049,410	\$ 1,805,905	\$ -	\$ -	\$ 26,781,455
Retainage Payable	-	6,093,719	-	-	-	-	6,093,719
Accrued Liabilities	59,116,747	4,402,733	2,358,499	160	-	-	65,878,139
Due to Other Funds	102,861,215	-	2,541,614	-	-	-	105,402,829
Due to Agency Fund	12,254,806	-	-	-	-	-	12,254,806
Due to Component Unit	62,385	-	-	-	-	-	62,385
Other Liabilities	867,618	-	-	-	-	-	867,618
Unearned Revenue	-	-	3,820,535	-	-	-	3,820,535
Total Liabilities	180,880,809	25,704,554	12,770,058	1,806,065	-	-	221,161,486
Fund Balances:							
Non-spendable:							
Inventories	-	-	306,468	-	-	-	306,468
Advances and Prepaid Items	201,346	50,000	-	-	-	-	251,346
Permanent Fund-Nonexpendable	-	-	-	-	-	29,406	29,406
Restricted for:							
Legal Agreement	647,714	-	429,222	-	-	-	1,076,936
Committed to:							
Subsequent Year Appropriations	-	-	-	-	2,389,128	-	2,389,128
Capital Improvements	-	69,130,122	-	-	-	-	69,130,122
Capital Asset Preservation	-	-	-	5,584,142	-	-	5,584,142
Assigned to:							
Contractual Obligations	9,567,565	-	-	-	-	-	9,567,565
Subsequent Year Appropriations	5,000,000	-	-	-	-	-	5,000,000
School Nutrition Services Fund	-	-	4,439,211	-	-	-	4,439,211
Unassigned	140,519	-	(170,014)	-	-	-	(29,495)
Total Fund Balances	15,557,144	69,180,122	5,004,887	5,584,142	2,389,128	29,406	97,744,829
Total Liabilities and Fund Balances	\$ 196,437,953	\$ 94,884,676	\$ 17,774,945	\$ 7,390,207	\$ 2,389,128	\$ 29,406	\$ 318,906,315

COUNTY OF LOUDOUN, VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
COMPONENT UNIT - SCHOOL BOARD
FOR THE YEAR ENDED JUNE 30, 2015

	General	Capital Improvements	Special Revenue	Capital Asset Replacement	Debt Service	Permanent Peabody	Total School Board
REVENUES							
Use of Money and Property	\$ 1,717,382	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,717,382
Charges for Services	2,539,562	-	15,809,153	-	-	-	18,348,715
Miscellaneous	2,661,725	250,000	1,179,579	-	-	-	4,091,304
Recovered Costs	2,320,500	-	-	-	-	-	2,320,500
Intergovernmental - Commonwealth	275,310,575	-	6,712,313	-	-	-	282,022,888
Intergovernmental - Federal	225,392	-	19,475,565	-	-	-	19,700,957
Payments from Primary Government	600,769,592	132,124,883	-	7,951,000	11,097,024	-	751,942,499
Total Revenues	885,544,728	132,374,883	43,176,610	7,951,000	11,097,024	-	1,080,144,245
EXPENDITURES							
Current Operating:							
Education	874,691,556	21,713	48,830,960	5,589,122	-	2,100	929,135,451
Capital Outlay	1,788,919	95,889,036	2,316,354	65,083	-	-	100,059,392
Debt service:							
Principal Payments	-	-	-	-	8,738,395	-	8,738,395
Interest and Service Charges	-	-	-	-	264,102	-	264,102
Transfer to Other Funds	5,346,761	-	-	-	-	-	5,346,761
Total Expenditures	881,827,236	95,910,749	51,147,314	5,654,205	9,002,497	2,100	1,043,544,101
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,717,492	36,464,134	(7,970,704)	2,296,795	2,094,527	(2,100)	36,600,144
OTHER FINANCING SOURCES							
Lease/Purchase Financing	-	-	10,000,000	-	-	-	10,000,000
Total Other Financing Sources	-	-	10,000,000	-	-	-	10,000,000
SPECIAL ITEM							
Return of Fiscal Reserve to Primary Government	(26,764,758)	-	-	-	-	-	(26,764,758)
Net Change in Fund Balances	(23,047,266)	36,464,134	2,029,296	2,296,795	2,094,527	(2,100)	19,835,386
Fund Balances at Beginning of Year, restated	38,604,410	32,715,988	2,975,591	3,287,347	294,601	31,506	77,909,443
Fund Balances at End of Year	\$ 15,557,144	\$ 69,180,122	\$ 5,004,887	\$ 5,584,142	\$ 2,389,128	\$ 29,406	\$ 97,744,829

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE OF
SCHOOL GENERAL FUND
COMPONENT UNIT - SCHOOL BOARD
FOR THE YEAR ENDED JUNE 30, 2015**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Resources (Inflows)				
Use of Money and Property	\$ 1,585,000	\$ 1,388,480	\$ 1,717,382	\$ 328,902
Charges for Services	1,800,000	1,860,000	2,539,562	679,562
Miscellaneous	3,608,100	2,994,620	2,661,725	(332,895)
Recovered Costs	-	750,000	2,320,500	1,570,500
Intergovernmental - Commonwealth	274,122,156	274,122,156	275,310,575	1,188,419
Intergovernmental - Federal	190,000	190,000	225,392	35,392
Payment from Primary Government	600,769,592	600,769,592	600,769,592	-
Lease/Purchase Financing	-	-	-	-
Amounts Available for Appropriation	882,074,848	882,074,848	885,544,728	3,469,880
Charges to Appropriations (Outflows)				
Education	890,099,848	897,203,514	876,480,475	20,723,039
Transfers to Other Funds	1,975,000	1,975,000	5,346,761	(3,371,761)
Total Charges to Appropriations	892,074,848	899,178,514	881,827,236	17,351,278
Special Item				
Return of Fiscal Reserve to Primary Government	-	-	(26,764,758)	(26,764,758)
Deficiency of Resources Under				
Charges to Appropriations	(10,000,000)	(17,103,666)	(23,047,266)	(5,943,600)
Fund Balance at Beginning of Year, as restated	38,604,410	38,604,410	38,604,410	-
Fund Balance at End of Year	\$ 28,604,410	\$ 21,500,744	\$ 15,557,144	\$ (5,943,600)

COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE OF
SCHOOL SPECIAL REVENUE FUND - SCHOOL NUTRITION SERVICES FUND
COMPONENT UNIT - SCHOOL BOARD
FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Resources (Inflows)				
Charges for Services	\$ 20,000,000	\$ 20,000,000	\$ 15,786,657	\$ (4,213,343)
Miscellaneous	-	-	131,473	131,473
Intergovernmental - Commonwealth	338,660	338,660	312,253	(26,407)
Intergovernmental - Federal	7,800,000	7,800,000	7,418,767	(381,233)
Amounts Available for Appropriation	<u>28,138,660</u>	<u>28,138,660</u>	<u>23,649,150</u>	<u>(4,489,510)</u>
Charges to Appropriations (Outflows)				
Education	28,138,660	28,143,530	22,048,220	6,095,310
Total Charges to Appropriations	<u>28,138,660</u>	<u>28,143,530</u>	<u>22,048,220</u>	<u>6,095,310</u>
Excess (Deficiency) of Resources Over (Under)				
Charges to Appropriations	-	(4,870)	1,600,930	1,605,800
Fund Balance at Beginning of Year	<u>3,144,749</u>	<u>3,144,749</u>	<u>3,144,749</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 3,144,749</u>	<u>\$ 3,139,879</u>	<u>\$ 4,745,679</u>	<u>\$ 1,605,800</u>

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE OF
SCHOOL SPECIAL REVENUE FUND - GRANT FUND
COMPONENT UNIT - SCHOOL BOARD
FOR THE YEAR ENDED JUNE 30, 2015**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Resources (Inflows)				
Charges for Services	\$ 31,200	\$ 27,405	\$ 22,496	\$ (4,909)
Miscellaneous	1,794,301	2,805,162	1,047,308	(1,757,854)
Intergovernmental - Commonwealth	4,979,279	9,230,202	6,400,060	(2,830,142)
Intergovernmental - Federal	13,105,569	15,643,196	12,056,798	(3,586,398)
Amounts Available for Appropriation	<u>19,910,349</u>	<u>27,705,965</u>	<u>19,526,662</u>	<u>(8,179,303)</u>
Charges to Appropriations (Outflows)				
Education	19,910,349	27,534,498	19,527,518	8,006,980
Total Charges to Appropriations	<u>19,910,349</u>	<u>27,534,498</u>	<u>19,527,518</u>	<u>8,006,980</u>
Excess (Deficiency) of Resources Over (Under)				
Charges to Appropriations	-	171,467	(856)	(172,323)
Fund Balance at Beginning of Year	<u>(169,158)</u>	<u>(169,158)</u>	<u>(169,158)</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ (169,158)</u>	<u>\$ 2,309</u>	<u>\$ (170,014)</u>	<u>\$ (172,323)</u>

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE OF
SCHOOL SPECIAL REVENUE FUND - LEASE FUND
COMPONENT UNIT - SCHOOL BOARD
FOR THE YEAR ENDED JUNE 30, 2015**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Resources (Inflows)				
Miscellaneous	\$ -	\$ -	\$ 798	\$ 798
Lease/Purchase Financing	10,000,000	10,000,000	10,000,000	-
Amounts Available for Appropriation	<u>10,000,000</u>	<u>10,000,000</u>	<u>10,000,798</u>	<u>798</u>
Charges to Appropriations (Outflows)				
Education	10,000,000	10,000,000	9,571,576	428,424
Total Charges to Appropriations	<u>10,000,000</u>	<u>10,000,000</u>	<u>9,571,576</u>	<u>428,424</u>
Excess of Resources Over				
Charges to Appropriations	-	-	429,222	429,222
Fund Balance at Beginning of Year	-	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 429,222</u>	<u>\$ 429,222</u>

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE OF
SCHOOL CAPITAL IMPROVEMENTS FUND
COMPONENT UNIT - SCHOOL BOARD
FOR THE YEAR ENDED JUNE 30, 2015**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total to Date</u>	<u>Budget Authorization</u>
REVENUES				
Payment from Primary Government	\$ 636,783,129	\$ 132,124,883	\$ 768,908,012	\$ 874,085,949
Miscellaneous	100,000	250,000	350,000	350,000
Total Revenues	<u>636,883,129</u>	<u>132,374,883</u>	<u>769,258,012</u>	<u>874,435,949</u>
EXPENDITURES				
Education	737,928	21,713	759,641	961,000
Capital Outlay	603,373,854	95,889,036	699,262,890	873,474,949
Total Expenditures	<u>604,111,782</u>	<u>95,910,749</u>	<u>700,022,531</u>	<u>874,435,949</u>
Excess of Revenues Over Expenditures	<u>32,771,347</u>	<u>36,464,134</u>	<u>69,235,481</u>	<u>-</u>
OTHER FINANCING USES				
Transfers Out	(55,359)	-	(55,359)	-
Total Other Financing Uses	<u>(55,359)</u>	<u>-</u>	<u>(55,359)</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ 32,715,988</u>	<u>\$ 36,464,134</u>	<u>\$ 69,180,122</u>	<u>\$ -</u>
Fund Balance at Beginning of Year		32,715,988		
Fund Balance at End of Year		<u>\$ 69,180,122</u>		

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE OF
SCHOOL CAPITAL ASSET PRESERVATION FUND
COMPONENT UNIT - SCHOOL BOARD
FOR THE YEAR ENDED JUNE 30, 2015**

	Prior Years	Current Year	Total to Date	Budget Authorization
REVENUES				
Payment from Primary Government	\$ 3,389,019	\$ 7,951,000	\$ 11,340,019	\$ 11,340,019
Total Revenues	<u>3,389,019</u>	<u>7,951,000</u>	<u>11,340,019</u>	<u>11,340,019</u>
EXPENDITURES				
Education	101,672	5,589,122	5,690,794	10,994,174
Capital Outlay	-	65,083	65,083	345,845
Total Expenditures	<u>101,672</u>	<u>5,654,205</u>	<u>5,755,877</u>	<u>11,340,019</u>
Excess of Revenues Over Expenditures	<u>3,287,347</u>	<u>2,296,795</u>	<u>5,584,142</u>	<u>-</u>
Net Change in Fund Balances	<u>\$ 3,287,347</u>	<u>\$ 2,296,795</u>	<u>\$ 5,584,142</u>	<u>\$ -</u>
Fund Balance at Beginning of Year		3,287,347		
Fund Balance at End of Year		<u>\$ 5,584,142</u>		

COUNTY OF LOUDOUN, VIRGINIA
 BUDGETARY COMPARISON SCHEDULE OF
 SCHOOL DEBT SERVICE FUND
 COMPONENT UNIT - SCHOOL BOARD
 FOR THE YEAR ENDED JUNE 30, 2015

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Resources (Inflows)				
Payment from Primary Government	\$ 11,097,024	\$ 11,097,024	\$ 11,097,024	\$ -
Amounts Available for Appropriation	<u>11,097,024</u>	<u>11,097,024</u>	<u>11,097,024</u>	<u>-</u>
Charges to Appropriations (Outflows)				
Nondepartmental:				
Debt Service	11,097,024	11,097,024	9,002,497	2,094,527
Total Charges to Appropriations	<u>11,097,024</u>	<u>11,097,024</u>	<u>9,002,497</u>	<u>2,094,527</u>
Excess of Resources Over				
Charges to Appropriations	-	-	2,094,527	2,094,527
Fund Balance at Beginning of Year	294,601	294,601	294,601	-
Fund Balance at End of Year	<u>\$ 294,601</u>	<u>\$ 294,601</u>	<u>\$ 2,389,128</u>	<u>\$ 2,094,527</u>

COUNTY OF LOUDOUN, VIRGINIA
COMBINING STATEMENT OF PROPRIETARY NET POSITION
PROPRIETARY - INTERNAL SERVICE FUNDS
COMPONENT UNIT - SCHOOL BOARD
AS OF JUNE 30, 2015

	Central Service Fund	Self Insurance Fund	Total
ASSETS			
Current Assets:			
Deposits	\$ -	\$ 2,719,000	\$ 2,719,000
Receivables, Net	-	1,648,263	1,648,263
Inventory of Supplies	678,475	-	678,475
Total Current Assets	<u>678,475</u>	<u>4,367,263</u>	<u>5,045,738</u>
Noncurrent Assets:			
Capital Assets:			
Depreciable, Net	2,861,140	-	2,861,140
Total Noncurrent Assets	<u>2,861,140</u>	<u>-</u>	<u>2,861,140</u>
Total Assets	<u>\$ 3,539,615</u>	<u>\$ 4,367,263</u>	<u>\$ 7,906,878</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension Contributions after the Measurement Date	<u>\$ 406,606</u>	<u>\$ -</u>	<u>\$ 406,606</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	\$ 550,424	\$ 1,316,838	\$ 1,867,262
Due to Other Funds	342,613	4,811,934	5,154,547
Claims Liabilities	-	14,826,757	14,826,757
Accrued Liabilities	-	291,313	291,313
Total Current Liabilities	<u>893,037</u>	<u>21,246,842</u>	<u>22,139,879</u>
Noncurrent Liabilities:			
Claims Liabilities	-	678,622	678,622
Net Pension Liability	621,211	-	621,211
Total Noncurrent Liabilities	<u>621,211</u>	<u>678,622</u>	<u>1,299,833</u>
Total Liabilities	<u>\$ 1,514,248</u>	<u>\$ 21,925,464</u>	<u>\$ 23,439,712</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Gain on Pension Investment Earnings	<u>\$ 763,736</u>	<u>\$ -</u>	<u>\$ 763,736</u>
NET POSITION			
Net Investment in Capital Assets	\$ 2,861,140	\$ -	\$ 2,861,140
Unrestricted	(1,192,903)	(17,558,201)	(18,751,104)
Total Net Position	<u>\$ 1,668,237</u>	<u>\$ (17,558,201)</u>	<u>\$ (15,889,964)</u>

COUNTY OF LOUDOUN, VIRGINIA
COMBINING STATEMENT OF CHANGES IN PROPRIETARY NET POSITION
PROPRIETARY - INTERNAL SERVICE FUNDS
COMPONENT UNIT - SCHOOL BOARD
FOR THE YEAR ENDED JUNE 30, 2015

	Central Service Fund	Self Insurance Fund	Total
Operating Revenues:			
Charges for Services	\$ 17,614,144	\$ 141,397,553	\$ 159,011,697
Use of Property	38,017	-	38,017
Total Operating Revenues	<u>17,652,161</u>	<u>141,397,553</u>	<u>159,049,714</u>
Operating Expenses:			
Personnel Services	5,170,265	1,453,719	6,623,984
Other Services and Charges	2,171,459	8,074,186	10,245,645
Materials and Supplies	10,744,345	80,194	10,824,539
Depreciation	152,508	-	152,508
Claims	-	140,594,676	140,594,676
Total Operating Expenses	<u>18,238,577</u>	<u>150,202,775</u>	<u>168,441,352</u>
Operating Loss	(586,416)	(8,805,222)	(9,391,638)
Non-Operating Revenues:			
Loss on Sale of Capital Assets	(1,600)	-	(1,600)
Total Non-Operating Revenues	<u>(1,600)</u>	<u>-</u>	<u>(1,600)</u>
Net Loss Before Transfers	<u>(588,016)</u>	<u>(8,805,222)</u>	<u>(9,393,238)</u>
Transfers In	-	5,346,761	5,346,761
Total Transfers	<u>-</u>	<u>5,346,761</u>	<u>5,346,761</u>
Change in Net Position	(588,016)	(3,458,461)	(4,046,477)
Net Position at Beginning of Year, as restated	2,256,253	(14,099,740)	(11,843,487)
Net Position at End of Year	<u>\$ 1,668,237</u>	<u>\$ (17,558,201)</u>	<u>\$ (15,889,964)</u>

**COUNTY OF LOUDOUN, VIRGINIA
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY - INTERNAL SERVICE FUNDS
COMPONENT UNIT - SCHOOL BOARD
FOR THE YEAR ENDED JUNE 30, 2015**

	Central Service Fund	Self Insurance Fund	Total
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 17,652,161	\$ 140,125,117	\$ 157,777,278
Payments to Suppliers for Goods and Services	(12,913,694)	(9,556,407)	(22,470,101)
Receipts for Interfund Services	342,613	4,811,934	5,154,547
Claims Paid	-	(139,338,031)	(139,338,031)
Payments to Employees	(5,350,793)	(1,453,719)	(6,804,512)
Net Cash Used in Operating Activities	<u>(269,713)</u>	<u>(5,411,106)</u>	<u>(5,680,819)</u>
Cash Flows from Noncapital Financing Activities:			
Transfers In	-	5,346,761	5,346,761
Net Cash Provided by Noncapital Financing Activities	<u>-</u>	<u>5,346,761</u>	<u>5,346,761</u>
Net Decrease in Cash and Cash Equivalents	(269,713)	(64,345)	(334,058)
Cash and Cash Equivalents at Beginning of Year	269,713	64,345	334,058
Cash and Cash Equivalents at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation of Operating Loss to Net Cash Used in Operating Activities:			
Operating Loss	<u>\$ (586,416)</u>	<u>\$ (8,805,222)</u>	<u>\$ (9,391,638)</u>
Adjustment Not Affecting Cash:			
Depreciation	152,508	-	152,508
(Increase) Decrease in Assets and Increase (Decrease) in Liabilities:			
Receivable, Net	-	(1,272,436)	(1,272,436)
Inventory	(51,084)	-	(51,084)
Prepaid Items	-	(479,000)	(479,000)
Accounts Payable	53,194	936,012	989,206
Interfund Payables	342,613	4,811,934	5,154,547
Claims Liabilities	-	1,256,645	1,256,645
Net pension liability	(180,528)	-	(180,528)
Accrued Liabilities	-	(1,859,039)	(1,859,039)
Total Adjustments	<u>316,703</u>	<u>3,394,116</u>	<u>3,710,819</u>
Net Cash Used in Operating Activities	<u>\$ (269,713)</u>	<u>\$ (5,411,106)</u>	<u>\$ (5,680,819)</u>

COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF OPEB TRUST NET POSITION
COMPONENT UNIT - SCHOOL BOARD
AS OF JUNE 30, 2015

	<u>Other Postemployment Benefits Trust Fund</u>
ASSETS	
Investments, at Fair Value:	
Investments in Pooled Funds	\$ 104,705,450
Total Investments	<u>104,705,450</u>
Total Assets	<u><u>\$ 104,705,450</u></u>
LIABILITIES	
Accounts Payable	\$ -
Total Liabilities	<u>\$ -</u>
NET POSITION	
Held in Trust for Other Postemployment Benefits	<u><u>\$ 104,705,450</u></u>

COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF CHANGES IN OPEB TRUST NET POSITION
COMPONENT UNIT - SCHOOL BOARD
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Other Postemployment Benefits Trust Fund</u>
ADDITIONS	
Contributions:	
Employer	\$ 24,740,087
Total Contributions	<u>24,740,087</u>
Investment Earnings:	
Net Appreciation in Fair Value of Investments	1,285,346
Interest	13,036
Total Investment Earnings	<u>1,298,382</u>
Less Investment Expense:	
Investment Management Fees	(74,566)
Net Investment Income	<u>1,223,816</u>
Total Additions	<u>25,963,903</u>
DEDUCTIONS	
Benefits	12,149,177
Administrative Expense	590,910
Total Deductions	<u>12,740,087</u>
Change in Net Position	13,223,816
Net Position at Beginning of Year	91,481,634
Net Position at End of Year	<u>\$ 104,705,450</u>

COUNTY OF LOUDOUN, VIRGINIA
COMBINING STATEMENT OF ASSETS AND LIABILITIES - AGENCY FUNDS
COMPONENT UNIT - SCHOOL BOARD
AS OF JUNE 30, 2015

	Payroll Liabilities Distribution Fund	Student Activity Fund	Total Agency Funds
ASSETS			
Cash and Cash Equivalents	\$ -	\$ 6,640,699	\$ 6,640,699
Due from general fund	12,254,806	-	12,254,806
Total Assets	<u>12,254,806</u>	<u>6,640,699</u>	<u>18,895,505</u>
LIABILITIES			
Accounts Payable	\$ 12,254,806	\$ -	\$ 12,254,806
Collections Held in Trust	-	6,640,699	6,640,699
Total Current Liabilities	<u>\$ 12,254,806</u>	<u>\$ 6,640,699</u>	<u>\$ 18,895,505</u>
Total Liabilities			

Capital Assets

Capital Assets

Capital assets, which include property, plant and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by the government as land, buildings, road registered vehicles, equipment, and infrastructure with an initial individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of three years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized.

Property, plant and equipment is depreciated using the straight-line method over the estimated useful lives.

**COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF CAPITAL ASSETS BY SOURCES
AS OF JUNE 30, 2015**

CAPITAL ASSETS

Land	\$ 140,905,507
Buildings	425,824,943
Improvements Other Than Buildings	40,574,912
Equipment	188,094,029
Infrastructure	573,828,994
Construction in Progress	69,735,091
Total Current Assets	<u>1,438,963,476</u>
Less Accumulated Depreciation	<u>(329,903,963)</u>
Net Capital Assets	<u><u>\$ 1,109,059,513</u></u>

**COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF CAPITAL ASSETS BY FUNCTION
AS OF JUNE 30, 2015**

Function	Land	Buildings	Improvements other than Buildings	Machinery and Equipment	Infrastructure	Total
General Government Administration	\$ 9,053,807	\$ 17,202,219	\$ -	\$ 63,869,441	\$ 1,285,970	\$ 91,411,437
Judicial Administration	398,112	35,050,899	-	1,327,047	-	36,776,058
Public Safety	21,207,716	182,609,172	-	76,321,861	477,550	280,616,299
Public Works	27,428,653	34,133,256	38,958	8,563,557	571,683,988	641,848,412
Health and Welfare	3,944,806	42,768,027	-	1,005,621	-	47,718,454
Parks, Recreation and Culture	66,078,315	102,404,655	34,702,974	7,344,553	381,486	210,911,983
Community Development	12,794,098	11,656,715	5,832,980	29,661,949	-	59,945,742
Total Capital Assets Allocation to Functions	<u>140,905,507</u>	<u>425,824,943</u>	<u>40,574,912</u>	<u>188,094,029</u>	<u>573,828,994</u>	<u>1,369,228,385</u>
Less: Accumulated Depreciation	<u>-</u>	<u>(86,753,767)</u>	<u>(18,752,343)</u>	<u>(119,536,217)</u>	<u>(104,861,636)</u>	<u>(329,903,963)</u>
Total	<u><u>\$ 140,905,507</u></u>	<u><u>\$ 339,071,176</u></u>	<u><u>\$ 21,822,569</u></u>	<u><u>\$ 68,557,812</u></u>	<u><u>\$ 468,967,358</u></u>	<u><u>1,039,324,422</u></u>
Construction in Progress						<u>69,735,091</u>
Total Capital Assets						<u><u>\$ 1,109,059,513</u></u>

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF CHANGES IN CAPITAL ASSETS BY FUNCTION
FOR THE YEAR ENDED JUNE 30, 2015

Function	Fixed Assets June 30, 2014	Additions	Deductions	Transfers In / (Out)	Fixed Assets June 30, 2015
General Government Administration	\$ 83,906,447	\$ 11,045,901	\$ 5,295,401	\$ 1,754,490	\$ 91,411,437
Judicial Administration	36,827,553	-	51,495	-	36,776,058
Public Safety	256,371,536	3,881,489	34,500	20,397,774	280,616,299
Public Works	588,348,774	53,531,332	31,694	-	641,848,412
Health and Welfare	46,479,009	1,197,900	-	41,545	47,718,454
Parks, Recreation and Culture	206,974,261	864,416	141,157	3,214,463	210,911,983
Community Development	42,978,378	3,421,540	-	13,545,824	59,945,742
Total Capital Assets Allocation to Function	<u>1,261,885,958</u>	<u>73,942,578</u>	<u>5,554,247</u>	<u>38,954,096</u>	<u>1,369,228,385</u>
Construction in Progress	84,710,104	23,979,083	-	(38,954,096)	69,735,091
Total	<u>1,346,596,062</u>	<u>97,921,661</u>	<u>5,554,247</u>	<u>-</u>	<u>1,438,963,476</u>
Less: Accumulated Depreciation	<u>(301,347,613)</u>	<u>(34,025,536)</u>	<u>(5,469,186)</u>	<u>-</u>	<u>(329,903,963)</u>
Net Capital Assets	<u><u>\$ 1,045,248,449</u></u>	<u><u>\$ 63,896,125</u></u>	<u><u>\$ 85,061</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,109,059,513</u></u>

STATISTICAL SECTION

STATISTICAL SECTION (1)

This section of the County's CAFR presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health. This information has not been audited by the independent auditor.

<u>Contents</u>	<u>Page</u>
Financial Trends	154
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	
Revenue Capacity	158
These schedules contain information to help the reader assess the County's significant local revenue sources, the property tax, as well as other revenue sources.	
Debt Capacity	163
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	
Economic and Demographic Information	166
These schedules offer economic and demographic indicators to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.	
Operating Information	168
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	

Sources: Unless otherwise noted, the information in this section is derived from the County's comprehensive annual financial reports for the relevant year. The County implemented GASB 34 in the fiscal year ending June 30, 2002; schedules presenting government-wide information include information beginning in the fiscal year ended June 30, 2007.

(1) The current Statistical Section as described in Statement No. 44 of the Government Accounting Standards Board was implemented, as required, in fiscal year 2006. The County uses fiscal year 2006 as the base year for gathering the 10-year historical data required for the Statistical Section.

COUNTY OF LOUDOUN, VIRGINIA
NET POSITION BY COMPONENT
(accrual basis of accounting)

	Fiscal Years									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Primary Government:										
Net Investment in Capital Assets	\$ 884,138,828	\$ 807,212,078	\$ 756,586,759	\$ 653,910,318	\$ 577,369,256	\$ 585,178,496	\$ 527,364,157	\$ 489,043,054	\$ 485,203,057	\$ 450,622,376
Restricted	337,071,835	291,903,114	289,263,838	281,340,465	268,799,538	117,028,380	140,839,102	120,692,734	104,274,450	58,775,047
Unrestricted (4)	(590,312,884)	(577,761,995)	(523,228,920)	(486,196,509)	(578,627,392)	(574,814,326)	(588,919,383)	(514,969,805)	(570,530,797)	(452,463,564)
Total Primary Government Net Position	\$ 630,897,779	\$ 521,353,197	\$ 522,621,677	\$ 449,054,274	\$ 267,541,402	\$ 127,392,550	\$ 79,283,876	\$ 94,765,983	\$ 18,946,710	\$ 56,933,859
Component Unit: (1)										
Net Investment in Capital Assets	\$ 1,527,139,377	\$ 1,469,383,294	\$ 1,345,039,435	\$ 1,296,827,243	\$ 1,236,090,727	\$ 1,218,969,901	\$ 1,118,111,822	\$ 1,074,201,984	\$ 948,053,632	\$ 854,667,866
Restricted	29,406	32,647,494	45,542,377	25,723,640	69,473,633	95,452,677	160,182,948	94,027,547	194,986,560	132,512,303
Unrestricted (4)	(816,145,675)	(871,065,799)	(101,134,357)	(82,512,411)	(12,775,272)	8,838,292	25,363,594	56,218,412	56,951,907	62,921,591
Total Component Unit Net Position	\$ 711,023,108	\$ 630,964,989	\$ 1,289,447,455	\$ 1,240,038,472	\$ 1,327,320,262	\$ 1,323,260,870	\$ 1,303,658,364	\$ 1,224,447,943	\$ 1,199,992,099	\$ 1,050,101,760
Total Reporting Entity: (2)										
Net Investment in Capital Assets	\$ 1,497,405,980	\$ 1,435,368,414	\$ 1,263,421,137	\$ 1,181,750,230	\$ 983,749,795	\$ 873,938,252	\$ 720,468,499	\$ 743,562,715	\$ 498,936,494	\$ 194,886,496
Restricted	337,101,241	324,550,608	334,806,215	307,064,105	184,105,398	212,481,057	301,059,613	214,720,281	299,261,010	191,287,350
Unrestricted (4)	(492,586,334)	(607,600,836)	213,841,780	145,702,769	427,006,471	364,234,111	361,314,128	360,930,930	420,741,305	413,025,169
Total Reporting Entity Net Position	\$ 1,341,920,887	\$ 1,152,318,186	\$ 1,812,069,132	\$ 1,634,517,104	\$ 1,594,861,664	\$ 1,450,653,420	\$ 1,382,842,240	\$ 1,319,213,926	\$ 1,218,938,809	\$ 799,199,015

- (1) Component unit net position components are included in this table due to School Board being a significant portion of the County. In Virginia, the County issues debt to finance the construction of school facilities for the School Board because the School Board do not have borrowing or taxing authority.
- (2) The sum of the rows does not equal the Total Reporting Entity row because the debt related to the School Board Component Unit is reflected in the Primary Government's Net Position row reducing unrestricted net position. The assets are reflected in the School Board Component Unit row as Net Investment in Capital Assets. The Total Reporting Entity row matches the asset with the debt and reports the net amount on the Net Investment in Capital Assets line.
- (3) Restated FY2011 net position of the Component Unit-School Board for change in depreciation due to timing of capitalization of school buildings.
- (4) FY2014 net position was restated for both the primary government and the component unit due to the implementation of GASB statement 68, Accounting & Financial Reporting for Pensions.

COUNTY OF LOUDOUN, VIRGINIA
CHANGES IN NET POSITION
 (accrual basis of accounting)

	Fiscal Years									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Primary Government:										
Expenses										
General government administration	\$ 76,492,767	\$ 70,124,315	\$ 61,912,835	\$ 70,316,709	\$ 62,046,397	\$ 63,686,674	\$ 62,822,643	\$ 55,390,394	\$ 50,059,960	\$ 43,682,466
Judicial administration	13,911,561	13,095,288	13,583,932	13,914,515	12,713,817	13,102,418	12,195,513	13,491,840	11,998,091	10,192,333
Public safety	174,526,644	160,559,061	157,521,067	154,479,975	139,449,347	136,689,853	146,132,847	133,119,564	117,079,583	103,129,805
Public works	44,804,904	85,334,726	55,288,784	52,378,576	53,898,740	73,414,534	87,509,156	51,868,968	39,352,422	19,504,478
Health and welfare	85,297,302	81,275,904	80,983,615	83,094,558	81,624,733	85,065,383	82,537,935	85,769,481	77,284,839	73,632,718
Parks, recreation and culture	56,609,220	49,076,706	49,451,751	48,706,940	44,867,154	44,766,554	47,983,009	47,410,027	40,963,120	38,426,805
Community development	115,226,033	50,019,751	49,822,990	46,653,869	38,362,638	42,006,747	40,960,236	40,986,388	40,758,161	35,709,602
Education	754,055,346	715,184,760	666,322,749	516,790,758	523,831,880	558,233,336	648,732,511	551,205,050	613,877,184	555,334,092
Interest and other debt service charges	36,439,379	34,383,474	60,737,458	46,467,254	46,222,850	42,984,767	38,106,182	44,058,386	38,586,954	37,448,682
Total Primary Government expenses	\$ 1,357,363,158	\$ 1,259,053,985	\$ 1,195,625,181	\$ 1,032,803,154	\$ 1,003,017,556	\$ 1,059,950,266	\$ 1,166,980,032	\$ 1,023,300,098	\$ 1,029,960,314	\$ 917,060,981
Program Revenues										
Charges for services:										
General government administration	\$ 1,656,935	\$ 1,353,242	\$ 1,330,300	\$ 1,196,643	\$ 1,604,464	\$ 1,291,961	\$ 1,193,028	\$ 1,080,504	\$ 1,690,165	\$ 1,854,147
Judicial administration	1,482,901	1,523,323	1,879,288	1,540,865	1,525,826	1,625,414	1,925,667	2,177,646	2,784,513	3,986,858
Public safety	15,977,837	15,573,927	15,841,619	13,472,302	11,954,370	9,743,766	10,199,123	11,714,375	11,653,582	16,647,759
Public works	6,250,470	5,968,154	2,517,428	3,092,074	3,392,704	2,840,600	3,239,278	4,123,782	4,009,388	2,937,798
Health and welfare	7,337,339	7,948,274	8,130,889	8,659,934	8,675,500	7,830,997	7,444,700	8,790,470	7,537,008	7,582,636
Parks, recreation and culture	15,968,622	15,780,946	16,677,711	16,373,314	16,066,824	14,734,804	14,052,720	13,855,369	11,473,703	10,537,926
Community development	20,322,823	18,881,378	21,724,548	18,987,466	15,020,443	12,555,265	12,143,717	14,863,758	14,368,965	13,810,587
Education	-	-	4,660	4,647	1,744	4,188	61,609	204,551	259,804	194,600
Operating grants and contributions	86,573,896	96,662,699	92,839,966	84,070,450	64,135,538	79,233,436	73,551,322	70,591,149	61,734,142	60,103,310
Capital grants and contributions	64,993,806	31,300,805	49,208,083	44,375,368	18,665,478	17,632,716	50,436,513	37,425,005	12,012,850	15,838,102
Total Primary Government program revenues	\$ 220,564,630	\$ 194,992,748	\$ 210,154,492	\$ 191,773,063	\$ 141,042,891	\$ 147,493,147	\$ 174,247,677	\$ 164,826,609	\$ 127,524,120	\$ 133,493,723
Total Primary Government net expense ⁽¹⁾	\$ (1,136,798,527)	\$ (1,064,061,237)	\$ (985,470,689)	\$ (841,030,091)	\$ (861,974,665)	\$ (912,457,119)	\$ (992,732,355)	\$ (858,473,489)	\$ (902,436,194)	\$ (783,567,258)
General Revenues and Other Changes in Net Position										
Taxes:										
Property taxes	\$ 976,628,296	\$ 909,770,674	\$ 853,973,763	\$ 826,556,065	\$ 809,717,753	\$ 779,918,323	\$ 780,314,126	\$ 739,793,194	\$ 657,976,780	\$ 589,577,533
Local sales and use taxes	91,534,573	81,669,562	69,555,652	68,907,540	63,589,457	57,604,972	55,353,088	57,209,778	54,099,950	53,558,311
Consumer utility taxes	22,548,783	21,415,296	21,504,030	19,864,904	20,236,914	20,087,509	19,891,260	20,940,326	19,263,192	17,131,137
Business license taxes	31,558,942	29,209,497	28,400,538	25,995,888	25,355,444	23,076,923	25,552,292	25,464,522	26,718,562	25,782,305
Franchise license taxes	814,680	761,526	679,828	657,160	586,485	503,990	424,254	-	857,820	1,545,845
Motor vehicle licenses	6,547,752	6,304,760	6,061,581	5,861,761	5,663,926	5,486,343	5,313,822	5,189,600	5,064,223	4,897,059
Bank franchise taxes	5,720,221	3,102,805	1,295,921	1,457,653	2,015,493	1,098,270	585,119	365,769	465,944	530,806
Taxes on recordation and wills	10,812,714	9,417,841	11,535,308	8,988,228	7,936,513	7,424,426	7,401,252	9,166,347	12,944,088	18,106,921
Hotel and motel room taxes	5,699,308	4,722,338	4,947,024	4,940,965	5,044,602	4,748,883	5,572,925	5,995,828	5,664,725	5,313,708
Interest and investment earnings	3,852,976	3,262,087	1,806,389	2,251,057	2,625,335	4,229,035	12,182,445	23,996,377	23,789,942	16,201,553
Unrestricted grants and contributions	58,109,728	56,742,228	57,029,501	54,190,713	55,383,277	54,732,247	56,173,663	56,980,645	56,807,035	59,420,281
Miscellaneous	5,750,380	7,807,943	2,248,557	2,871,029	3,968,318	1,654,872	2,104,896	2,370,314	796,784	218,978
Special Item	26,764,758	-	-	-	-	-	6,381,106	-	-	-
Total Primary Government general revenues	\$ 1,246,343,111	\$ 1,134,186,557	\$ 1,059,038,092	\$ 1,022,542,963	\$ 1,002,123,517	\$ 960,565,793	\$ 977,250,248	\$ 947,472,700	\$ 864,449,045	\$ 792,284,437
Change in Net Position	\$ 109,544,582	\$ 70,125,320	\$ 73,567,403	\$ 181,512,872	\$ 140,148,852	\$ 48,108,674	\$ (15,482,107)	\$ 88,999,211	\$ (37,987,149)	\$ 8,717,179

⁽¹⁾ Net (expense) revenue is the difference between the expenses and program revenues. It indicates the degree to which a function or program is supported with its own fees and program-specific grants versus its reliance upon funding from taxes and other general revenues. A number in parentheses indicates that expenses were greater than program revenues and; therefore, general revenues were needed to finance that function or program. A number without parentheses indicates that program revenues were more than sufficient to cover expenses.

COUNTY OF LOUDOUN, VIRGINIA
FUND BALANCES OF GOVERNMENTAL FUNDS
(modified accrual basis of accounting)

	Fiscal Years									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Pre GASB 54:										
General Fund:										
Reserved							\$ 13,116,086	\$ 11,316,291	\$ 14,568,061	\$ 13,594,685
Unreserved										
Designated							105,123,783	99,502,387	91,334,925	89,415,523
Undesignated							42,653,142	46,250,909	57,711,167	68,641,407
Total General Fund							\$ 160,893,011	\$ 157,069,587	\$ 163,614,153	\$ 171,651,615
Other Governmental Funds:										
Reserved							\$ 80,629,313	\$ 82,116,013	\$ 23,271,448	\$ 26,468,393
Unreserved										
Designated:										
Special Revenue Funds							-	-	1,244,469	350,000
Capital Project Funds							135,914,520	75,864,057	146,568,818	93,244,558
Debt Service Fund							19,116,001	23,324,983	27,321,218	33,378,305
Undesignated:										
Special Revenue Funds							126,253,942	117,590,281	109,464,235	90,708,497
Total Other Governmental Funds							\$ 361,913,776	\$ 298,895,334	\$ 307,870,188	\$ 244,149,753
Post GASB 54:										
General Fund:										
Nonspendable	\$ 1,552,625	\$ 4,196,375	\$ 2,702,989	\$ 3,141,458	\$ 3,485,287	\$ 3,382,785				
Restricted	-	-	-	496,427	587,920	736,194				
Committed	165,501,135	128,847,559	123,624,193	116,969,167	127,596,371	111,378,755				
Assigned	91,014,370	27,788,140	42,016,085	35,150,320	3,089,893	4,368,207				
Unassigned	34,268,797	62,038,432	51,307,907	46,465,428	61,501,286	67,221,557				
Total General Fund	\$ 292,336,927	\$ 222,870,506	\$ 219,651,174	\$ 202,222,800	\$ 196,260,757	\$ 187,087,498				
All Other Governmental Funds:										
Nonspendable	\$ 2,540,189	\$ 2,950,698	\$ 2,576,238	\$ 2,976,188	\$ 1,455,427	\$ 1,532,553				
Restricted	403,094,097	347,266,991	289,263,838	280,844,038	268,211,618	252,044,227				
Committed	67,150,149	87,263,100	71,710,962	93,409,781	115,791,455	65,777,747				
Assigned	42,111,174	53,582,435	58,525,142	22,625,174	10,347,947	13,064,889				
Unassigned	(462)	(906,121)	(638,138)	(664,939)	-	-				
Total All Other Governmental Funds	\$ 514,895,147	\$ 490,157,103	\$ 421,438,042	\$ 399,190,242	\$ 395,806,447	\$ 332,419,416				
Total Governmental Funds	\$ 807,232,074	\$ 713,027,609	\$ 641,089,216	\$ 601,413,042	\$ 592,067,204	\$ 519,506,914	\$ 522,806,787	\$ 455,964,921	\$ 471,484,341	\$ 415,801,368

(1) The increase in general fund fund balance from FY2014 to FY2015 is primarily related to an increase in general property taxes due to a 6% increase in tax assessments. The increase in all other governmental funds fund balance from FY2014 to FY2015 is due to an increase in developer contributions and an increase in NVTA 70% funding for road improvements that were not present in FY2014.

TABLE D

COUNTY OF LOUDOUN, VIRGINIA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
(modified accrual basis of accounting)

	Fiscal Years									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Revenues										
General property taxes	\$ 972,795,283	912,961,722	\$ 852,834,842	\$ 828,523,936	\$ 811,668,497	\$ 780,886,551	\$ 777,764,635	\$ 741,296,705	\$ 653,847,833	\$ 586,523,922
Other local taxes	175,236,973	156,603,625	143,979,882	136,674,099	130,428,834	120,031,316	120,094,012	124,332,170	125,084,324	127,126,072
Permits and licenses	24,125,597	23,901,359	22,614,546	18,621,240	14,444,622	10,791,655	11,844,637	15,023,716	15,301,258	20,885,155
Use of money and property	2,147,816	2,249,057	2,746,066	2,729,647	2,705,771	2,539,918	2,545,492	2,069,644	1,938,316	2,056,027
Fines and forfeitures	3,852,976	3,262,087	3,770,933	4,854,195	5,080,665	5,806,890	15,356,324	30,090,220	29,738,479	19,935,999
Charges for services	35,081,533	33,473,618	32,089,497	30,759,688	29,376,216	26,227,611	25,121,561	24,898,207	23,232,267	23,354,171
Gifts and donations	38,613,977	44,308,322	47,171,149	32,595,451	15,346,612	23,607,010	16,038,282	20,225,374	13,941,107	17,657,593
Miscellaneous	1,402,609	5,414,298	2,349,169	1,359,712	2,080,701	620,206	1,333,558	360,477	825,273	252,974
Recovered costs	10,653,575	9,798,854	8,591,178	10,124,849	11,147,553	10,524,622	8,345,611	10,734,882	7,322,441	7,228,536
Intergovernmental - Commonwealth of Virginia	94,207,396	101,578,851	87,849,590	87,405,196	85,827,355	79,536,378	92,494,168	90,654,860	87,360,501	83,331,960
Intergovernmental - Federal Government	17,414,426	16,877,484	16,361,651	21,216,867	23,561,617	36,828,492	31,208,905	20,156,214	20,442,859	23,328,040
Payment from Component Unit	1,336,176	-	28,174,303	-	-	-	-	-	-	-
Total revenues	\$ 1,376,868,337	\$ 1,310,429,277	\$ 1,248,532,806	\$ 1,174,864,880	\$ 1,131,668,443	\$ 1,097,400,649	\$ 1,102,147,185	\$ 1,079,842,469	\$ 979,034,658	\$ 911,680,449
Expenditures										
General government administration	\$ 73,713,453	\$ 71,290,404	\$ 59,857,783	\$ 68,187,026	\$ 57,425,608	\$ 58,971,603	\$ 58,014,874	\$ 53,697,645	\$ 47,999,483	\$ 40,679,949
Judicial administration	12,991,779	12,393,266	12,634,767	12,438,251	11,906,191	12,010,979	12,159,740	11,943,448	10,985,963	9,873,632
Public safety	167,742,292	156,508,109	151,361,628	146,717,960	139,766,826	134,915,733	141,207,093	127,329,016	115,484,242	100,210,168
Public works	34,636,706	81,737,077	48,249,790	46,330,697	47,410,592	65,313,594	55,961,771	45,143,766	34,532,493	30,868,692
Health and welfare	84,716,353	80,335,173	79,541,256	80,280,556	81,217,371	83,739,002	82,476,368	82,831,548	76,568,894	72,880,067
Parks, recreation and culture	51,768,132	47,054,221	45,351,862	42,601,230	42,865,541	42,229,577	44,256,562	43,808,392	38,707,111	35,802,294
Community development	114,009,274	53,813,487	48,960,308	45,934,636	37,561,438	40,414,055	42,939,187	36,782,407	38,028,091	31,709,885
Education	754,055,349	702,281,760	694,497,052	528,356,150	523,831,880	558,233,336	661,063,089	540,552,406	610,738,921	561,800,047
Capital outlay	30,975,698	32,545,249	64,776,387	35,427,284	50,947,973	58,053,186	85,295,782	31,636,288	29,325,928	38,198,152
Debt service:										
Principal payments	108,400,000	97,475,000	91,803,777	118,704,451	101,275,616	76,369,500	83,497,294	79,752,802	71,414,847	66,615,202
Interest and service charges	48,771,345	45,564,372	52,923,102	52,075,247	53,154,667	50,854,909	48,380,508	49,049,819	43,459,098	40,576,792
Total expenditures	\$ 1,481,780,381	\$ 1,380,998,118	\$ 1,349,957,712	\$ 1,177,053,488	\$ 1,147,363,703	\$ 1,181,105,474	\$ 1,315,272,268	\$ 1,102,527,537	\$ 1,117,245,071	\$ 1,019,214,880
Deficiency of revenues under expenditures	\$ (104,912,044)	\$ (70,568,841)	\$ (101,424,906)	\$ (2,188,608)	\$ (15,695,260)	\$ (83,704,825)	\$ (213,125,083)	\$ (22,685,068)	\$ (138,210,413)	\$ (107,534,431)
Other financing sources (uses)										
Transfers in	\$ 335,425,664	\$ 344,490,584	\$ 212,301,419	\$ 225,303,162	\$ 295,977,594	\$ 210,275,969	\$ 318,270,686	\$ 170,873,438	\$ 183,476,008	\$ 144,180,421
Transfers (out)	(353,568,109)	(348,480,199)	(209,179,221)	(230,973,170)	(305,302,007)	(219,434,691)	(314,474,722)	(177,004,116)	(183,743,198)	(148,141,538)
Issuance premium	20,109,092	9,813,352	17,227,036	11,565,392	7,827,179	2,959,133	18,065,439	895,654	10,652,401	5,412,077
Issuance of bonds	128,155,000	115,160,000	119,990,000	5,000,000	89,750,000	175,720,527	382,004,977	12,290,000	188,800,000	160,225,000
Issuance of Federal Loans	11,207,976	-	-	-	-	-	-	-	-	-
Premium on Refunded Bonds	-	-	11,671,077	-	-	-	-	-	-	-
Issuance of Refunding Bonds	-	-	127,155,000	-	-	-	-	-	-	-
Payments to refunded bond escrow agent	-	-	(138,064,231)	-	-	(89,120,000)	(131,030,000)	-	486,065	-
Sales of capital assets	37,128	21,523,497	-	639,062	2,784	4,014	7,169,475	110,672	15,029	652,421
Total other financing sources	\$ 172,351,751	\$ 142,507,234	\$ 141,101,080	\$ 10,895,384	\$ 88,255,550	\$ 80,404,952	\$ 280,005,855	\$ 7,165,648	\$ 199,686,305	\$ 162,328,381
SPECIAL ITEM										
Return of fiscal reserve from component unit	26,764,758	-	-	-	-	-	-	-	-	-
Net change in fund balances	\$ 94,204,465	\$ 71,938,393	\$ 39,676,174	\$ 8,706,776	\$ 72,560,290	\$ (3,299,873)	\$ 66,880,772	\$ (15,519,420)	\$ 61,475,892	\$ 54,793,950
Debt service as a percentage of noncapital expenditures (Primary Government Only)										
Total debt service	\$ 157,171,345	\$ 143,039,372	\$ 144,726,879	\$ 170,779,698	\$ 154,430,283	\$ 127,224,409	\$ 131,877,802	\$ 128,802,621	\$ 114,880,554	\$ 107,191,994
Total expenditures	1,481,780,381	1,380,998,118	1,349,957,712	1,177,053,488	1,147,363,703	1,181,105,474	1,302,929,705	1,102,527,537	1,117,452,007	1,019,214,880
Capital outlay - Primary Government Only	(24,949,672)	(42,695,285)	(66,460,172)	(37,726,538)	(55,271,711)	(60,858,796)	(87,290,325)	(36,744,321)	(31,622,908)	(40,161,282)
Noncapital Expenditure	\$ 1,456,830,709	\$ 1,338,302,833	\$ 1,283,497,540	\$ 1,139,326,950	\$ 1,092,091,992	\$ 1,120,246,678	\$ 1,215,639,380	\$ 1,065,783,216	\$ 1,085,829,099	\$ 979,053,598
Debt service as a percentage of noncapital expenditures	10.79%	10.69%	11.28%	14.99%	14.14%	11.36%	10.85%	12.09%	10.58%	10.95%

COUNTY OF LOUDOUN, VIRGINIA
TAX REVENUES BY SOURCES, GOVERNMENTAL FUNDS
(modified accrual basis of accounting)

Fiscal Year	Property	Sales & Use	Utility	Business License	Franchise	Motor Vehicle	Recordation & Will	Hotel & Motel Room	Total
2015	\$ 972,795,283	\$ 91,534,573	\$ 22,548,783	\$ 31,558,942	\$ 6,534,901	\$ 6,547,752	\$ 10,812,714	\$ 5,699,308	\$ 1,148,032,256
2014	912,961,722	81,669,562	21,415,296	29,209,497	3,864,331	6,304,760	9,417,841	4,722,338	1,069,565,347
2013	852,834,842	69,555,652	21,504,030	28,400,538	1,975,749	6,061,581	11,535,308	4,947,024	996,814,724
2012	828,523,936	68,907,540	19,864,904	25,995,888	2,114,813	5,861,761	8,988,228	4,940,965	965,198,035
2011	811,668,497	63,589,457	20,236,914	25,355,444	2,601,978	5,663,926	7,936,513	5,044,602	942,097,331
2010	780,886,551	57,604,972	20,087,509	23,076,923	1,602,260	5,486,343	7,424,426	4,748,883	900,917,867
2009	777,764,635	55,353,088	19,891,260	25,552,292	1,009,373	5,313,822	7,401,252	5,572,925	897,858,647
2008	741,296,705	57,209,778	20,940,326	25,464,522	365,769	5,189,600	9,166,347	5,995,828	865,628,875
2007	653,847,833	54,099,950	19,263,192	26,724,382	1,323,764	5,064,223	12,944,088	5,664,725	778,932,157
2006	586,523,922	53,558,311	17,131,137	26,042,285	2,076,651	4,897,059	18,106,921	5,313,708	713,649,994

COUNTY OF LOUDOUN, VIRGINIA
ASSESSED VALUE OF TAXABLE PROPERTY (1)

Fiscal Year	REAL PROPERTY (2)			PERSONAL PROPERTY (3)		Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Rate
	Residential Property	Commercial Property	Agricultural Property	Motor Vehicles	Other			
2015	\$52,571,400,570	\$20,002,087,437	\$3,716,105,690	\$3,033,345,780	\$3,326,341,970	\$6,017,446,100	\$76,631,835,347	\$ 1.34
2014	49,375,732,710	18,798,029,977	2,982,086,580	2,875,108,689	2,598,818,757	5,433,975,660	71,195,801,053	1.42
2013	44,774,937,934	17,688,305,039	2,862,747,040	2,728,476,540	2,617,701,019	5,289,844,810	65,382,322,762	1.41
2012	42,339,146,700	17,195,936,300	2,968,638,600	2,587,376,111	2,121,835,958	5,148,056,700	62,064,876,969	1.39
2011	40,803,550,100	16,925,004,000	3,074,079,800	2,374,460,302	2,079,399,563	4,975,969,800	60,280,523,965	1.43
2010	39,017,317,800	17,059,031,027	3,195,328,500	2,235,611,828	1,962,529,466	4,830,803,300	58,639,015,321	1.42
2009	39,830,524,980	18,002,444,600	4,009,280,100	2,081,825,371	1,976,148,727	5,023,445,900	60,876,777,878	1.36
2008	45,791,942,249	17,358,716,900	4,794,833,700	2,297,252,769	1,619,759,946	4,882,198,700	66,980,306,864	1.26
2007	48,322,231,082	15,966,376,200	4,143,962,100	2,188,395,870	1,387,749,362	4,725,959,400	67,282,755,214	1.07
2006	48,470,341,430	13,346,072,100	3,937,053,100	2,175,881,822	1,374,701,107	3,784,146,100	65,519,903,459	0.99

(1) Property in Loudoun County is assessed annually at fair market value with the date of value being January 1. Property is assessed at 100% of estimated actual value. Tax rates are per \$100 of assessed value.

(2) Loudoun County Office of the Commissioner of Revenue. Through 2014: Land Book for each year. 2015: Assessment Summary.

FY2015 public service corporation assessment in the commercial property column reflects assessed value for 1/1/2014. For all prior years, the public service assessed value is for January 1 of the corresponding fiscal year.

Beginning FY2014, public service company tangible personal property other than motor vehicles is included in commercial property.

(3) Loudoun County Office of the Commissioner of Revenue, for the end of June of each year.

(4) Prior year numbers are adjusted as more current data becomes available

**COUNTY OF LOUDOUN, VIRGINIA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS**

Type of tax	Fiscal Years									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
LOUDOUN COUNTY										
Countywide Tax Levies:										
Real property (1):										
General Fund	\$ 1.135	\$ 1.155	\$ 1.205	\$ 1.235	\$ 1.285	\$ 1.300	\$ 1.245	\$ 1.14	\$ 0.917	\$ 0.89
Route 28 Highway Improvement	0.18	0.18	0.18	0.18	0.18	0.18	0.18	0.20	0.20	0.20
Aldie Sewer Service District* ended 01/01/13	n/a	n/a	n/a	0.13	0.13	0.13	0.13	0.13	0.13	0.13
Dulles Rail Service District	0.20	0.20	0.20	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Hamilton Sewer Service District (5)	n/a	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30
Fire/Emergency Medical Services	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0.04	n/a
Total direct real property tax rate (2)	1.158	1.251	1.251	1.251	1.302	1.319	1.265	1.159	0.975	0.904
Personal property:										
Personal Property (General)	4.200	4.200	4.200	4.200	4.200	4.200	4.200	4.200	4.200	4.200
Mobile Homes	1.135	1.155	1.205	1.235	1.285	1.300	1.245	1.140	0.960	0.890
Aircraft & Flight Simulators	0.010	0.010	0.010	0.010	0.010	0.010	0.010	0.010	0.010	0.010
Heavy Equipment	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000
Satellite Manufacturing Equipment	0.010	0.010	0.010	0.010	0.010	0.010	0.010	0.010	0.010	0.010
Computer Equipment	4.200	4.200	4.200	4.200	4.200	4.200	4.200	4.200	4.200	4.200
Machinery and Tools	2.750	2.750	2.750	2.750	2.750	2.750	2.750	2.750	2.750	2.750
Total direct personal property tax rate (2)	3.808	3.750	3.659	3.699	3.515	3.277	3.139	3.500	3.304	3.180
Total Direct Rate	\$ 1.34	\$ 1.42	\$ 1.41	\$ 1.39	1.43	1.42	1.36	1.26	1.07	0.99
OVERLAPPING GOVERNMENTS (3)										
Town of Hamilton										
Real Estate	\$ 0.28	\$ 0.28	\$ 0.28	\$ 0.28	\$ 0.28	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25
Personal Property	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10
Town of Leesburg										
Real Estate	0.183	0.192	0.192	0.195	0.195	0.195	0.195	0.18	0.18	0.18
Personal Property	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Town of Lovettsville (4)										
Real Estate	0.21	0.21	0.21	0.21	0.21	0.21	0.18	0.18	0.18	0.18
Town of Middleburg (4)										
Real Estate	0.17	0.20	0.15	0.19	0.15	0.19	0.15	0.15	0.15	0.10
Town of Purcellville										
Real Estate	0.220	0.225	0.225	0.225	0.23	0.23	0.22	0.19	0.18	0.17
Personal Property	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05
Machinery and tools	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55
Town of Round Hill										
Real Estate	0.18018	0.1981	0.2034	0.209	0.20	0.20	0.20	0.16	0.14	0.14
Personal Property	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15	1.15

(1) Community Development Authority, Dulles Industrial Park Water & Sewer, and Green Tax District are per property basis

(2) Total Direct Rate calculated using the weighted average method

(3) Town of Hillsboro has no tax assessment

(4) Town of Lovettsville and Town of Middleburg have no personal property tax assessment

TABLE H

**COUNTY OF LOUDOUN, VIRGINIA
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago**

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	Percentage of Taxable Real Property Assessed Value	Taxable Assessed Value	Rank	Percentage of Taxable Real Property Assessed Value
Virginia Electric & Power Company	\$ 602,223,500	1	0.86%	\$ 171,451,200	5	1.27%
Verizon Business (formerly MCI Worldcom)	388,541,700	2	0.55%	346,657,900	1	2.57%
Toll Road Investors Partnership II LLC	266,841,000	3	0.38%	193,264,200	4	1.43%
Dulles Town Center Mall LLC	242,038,410	4	0.34%	193,702,400	3	1.44%
Chelsea GCA Realty Partnership LP	183,284,330	5	0.26%			
VISA USA INC	179,289,980	6	0.26%			
Equinix R P II LLC	167,444,150	7	0.24%			
Verizon Virginia	157,807,100	8	0.22%			
Digital Loudoun Parkway Center North LLC	156,406,460	9	0.22%			
RT Pacific Blvd LLC	144,916,860	10	0.21%			
America Online Inc				336,341,000	2	2.49%
Pulte Home Corporation				148,597,700	6	1.10%
Belmont Land LP				128,816,100	7	0.95%
Brambleton Group LLC				123,120,300	8	0.91%
Smith, Verlin W. et als Trustees				118,324,800	9	0.88%
Toll Stratford LLC				107,059,200	10	0.79%
Total	<u>\$ 2,488,793,490</u>		<u>3.54%</u>	<u>\$ 1,867,334,800</u>		<u>13.83%</u>

TABLE I

**COUNTY OF LOUDOUN, VIRGINIA
PROPERTY TAX LEVIES AND COLLECTIONS**

Fiscal Year Ended June 30,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2015	\$ 971,060,712	963,827,628	99.26%	\$ -	\$ 963,827,628	99.255%
2014	913,313,060	897,169,471	98.23%	10,570,852	907,740,323	99.390%
2013	850,743,546	838,772,203	98.59%	11,769,336	850,541,539	99.976%
2012	824,588,825	814,911,747	98.83%	9,647,046	824,558,793	99.996%
2011	806,466,618	798,419,783	99.00%	8,016,194	806,435,977	99.996%
2010	777,591,117	768,962,907	98.89%	8,606,719	777,569,626	99.997%
2009	778,479,460	769,037,117	98.79%	9,243,697	778,280,814	99.974%
2008	736,460,357	727,908,521	98.84%	8,456,461	736,364,982	99.987%
2007	651,303,109	643,512,082	98.80%	7,791,027	651,303,109	100.000%

The current tax collections also include reimbursement from the Commonwealth under the Personal Property Tax Relief Act.

TABLE J

COUNTY OF LOUDOUN, VIRGINIA
RATIOS OF OUTSTANDING DEBT BY TYPE

Fiscal Year	Primary Government Governmental Activities			Component Unit School Board		Total Reporting Entity	Percentage of Personal Income	Debt Per Capita
	General Obligation Bonds	Capital Leases	Loans	General Obligation Bonds	Capital Leases			
2015	\$ 1,051,052,517	\$ 134,430,000	11,271,200	\$ 0	\$ 24,332,958	\$ 1,221,086,675	5.32%	\$ 3,359
2014	1,010,346,955	114,395,000	-	0	23,071,352	1,147,813,307	5.36%	3,265
2013	981,105,668	124,900,000	-	0	20,936,587	1,126,942,255	5.57%	3,328
2012	923,266,586	138,143,777	-	0	18,870,504	1,080,280,867	5.42%	3,298
2011	1,024,633,054	156,928,228	-	0	20,291,271	1,201,852,553	6.40%	3,761
2010	1,004,330,000	138,968,844	-	0	20,911,909	1,164,210,753	6.88%	3,728
2009	1,007,377,247	128,696,096	-	0	25,179,363	1,161,252,706	7.37%	3,808
2008	919,280,193	55,650,444	-	0	24,389,818	999,320,455	6.46%	3,349
2007	984,781,111	57,612,328	-	0	23,288,748	1,065,682,187	7.35%	3,682
2006	865,810,040	59,297,176	-	0	21,763,752	946,870,968	7.26%	3,424

TABLE K

COUNTY OF LOUDOUN, VIRGINIA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING

Fiscal Year	General Obligation Bonds	Total General Bonded Debt	Resources Restricted to Repaying Principal	Net General Bonded Debt	Percentage of Taxable Assessed Value of Property	Net Bonded Debt Per Capita
2015	\$ 1,051,052,517	\$ 1,051,052,517	\$ -	\$ 1,051,052,517	1.37%	\$ 2,891
2014	1,010,346,955	1,010,346,955	10,004,029	1,000,342,926	1.41%	2,845
2013	981,105,668	981,105,668	10,004,029	971,101,639	1.49%	2,867
2012	923,266,586	923,266,586	10,004,029	913,262,557	1.47%	2,788
2011	1,024,633,054	1,024,633,054	-	1,024,633,054	1.70%	3,207
2010	1,004,330,000	1,004,330,000	-	1,004,330,000	1.71%	3,216
2009	1,007,377,247	1,007,377,247	-	1,007,377,247	1.65%	3,303
2008	919,280,193	919,280,193	-	919,280,193	1.37%	3,080
2007	984,781,111	984,781,111	-	984,781,111	1.46%	3,403
2006	865,810,040	865,810,040	-	865,810,040	1.32%	3,131

**COUNTY OF LOUDOUN, VIRGINIA
COUNTY POLICY DEBT MARGIN ⁽¹⁾**

TABLE L

		Fiscal Policy Guideline	Fiscal Years									
			2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Ratio Data:												
Population			363,524	351,595	338,664	327,605	319,537	312,311	304,964	298,420	289,397	276,542
Estimated Market Value of Taxable Property			\$76,631,835,347	\$71,195,801,053	\$ 65,382,322,762	\$ 62,064,876,969	\$ 60,280,523,965	\$ 58,639,015,321	\$ 60,876,777,878	\$ 66,980,306,864	\$ 67,282,755,214	\$ 65,519,903,459
Per Capita Income			63,171	60,914	59,729	60,801	58,811	54,190	51,676	51,845	50,135	47,134
Governmental Expenditures			2,233,206,801	2,155,954,294	1,922,082,165	1,806,724,146	1,800,455,938	1,774,733,828	1,895,186,256	1,568,547,711	1,446,619,735	1,268,524,255
Total Reporting Entity Outstanding Debt			1,221,086,675	1,147,813,307	1,126,942,255	1,080,280,867	1,201,852,553	1,164,210,753	1,161,252,706	999,320,455	1,065,682,187	946,870,968
Total Reporting Entity Debt Service Expenditures			165,458,284	151,198,767	152,949,942	179,700,528	163,843,477	138,679,732	141,921,045	138,365,448	122,205,086	112,877,657
Debt Capacity Goals / Ratios:												
Annual Debt Issuance Limit	\$ 200,000,000	\$	\$ 160,085,000	\$ 125,160,000	\$ 129,916,000	\$ 12,000,000	\$ 97,894,000	\$ 92,863,000	\$ 260,240,000	\$ 22,249,818	\$ 197,076,000	\$ 170,191,000
Debt Per Capita	2,500.00		3,359.03	3,264.59	3,327.61	3,297.51	3,761.23	3,727.73	3,807.84	3,348.70	3,682.42	3,423.97
Debt To Estimated Market Value of Taxable Property	3.00%		1.59%	1.61%	1.72%	1.74%	1.99%	1.99%	1.91%	1.49%	1.58%	1.45%
Debt To Per Capita Income	8.00%		5.32%	5.36%	5.57%	5.42%	6.40%	6.88%	7.37%	6.46%	7.35%	7.26%
Debt Service To Expenditures	10.00%		7.41%	7.01%	7.96%	9.95%	9.10%	7.81%	7.49%	8.82%	8.45%	8.90%
Affordability Index:												
	Fiscal Year 2015	\$ 1,859,286,428	\$ 1,221,086,675									
	Fiscal Year 2014	\$ 1,736,620,356	\$ 1,147,813,307									
	Fiscal Year 2013	\$ 1,582,979,986		\$ 1,126,942,255								
	Fiscal Year 2012	\$ 1,524,544,519			\$ 1,080,280,867							
	Fiscal Year 2011	\$ 1,466,853,199				\$ 1,201,852,553						
	Fiscal Year 2010	\$ 1,392,040,700					\$ 1,164,210,753					
	Fiscal Year 2009	\$ 1,388,000,643						\$ 1,161,252,706				
	Fiscal Year 2008	\$ 1,459,573,246							\$ 999,320,455			
	Fiscal Year 2007	\$ 1,433,874,809								\$ 1,065,682,187		
	Fiscal Year 2006	\$ 1,364,946,126									\$ 946,870,968	
OVERLAPPING DEBT (2)												
Commonwealth of Virginia		\$	\$ 117,510,136	\$ 122,150,136	\$ 126,270,136	\$ 129,970,136	\$ 129,991,834	\$ 133,091,834	\$ 152,523,472	\$ 132,445,972	\$ 124,238,284	\$ 109,694,931
Peumansend Creek Regional Jail Authority			153,600	232,800	313,600	396,000	481,600	569,600	658,400	748,000	929,600	1,020,000
Northern Virginia Criminal Justice Academy			2,905,650	3,111,900	3,309,900	3,499,650	3,682,800	5,387,250	5,651,250	5,907,000	7,755,000	955,350
Loudoun Water (formally Loudoun County Sanitation Authority)			27,476	54,953	82,429	109,906	137,382	164,858	192,335	219,811	274,764	315,980
Dulles Town Center Community Development Authority			26,080,000	31,520,000	32,705,000	33,740,000	34,635,000	35,405,000	36,060,000	36,605,000	36,410,000	36,735,000
Virginia Revolving Loan Fund			658,326	793,022	923,767	1,293,433	1,173,861	1,293,433	1,409,497	1,522,155	1,873,383	1,873,383
Dulles Industrial Park Water and Sewer			72,968	213,372	346,712	473,342	593,601	-	-	-	-	-
Greenlea Community Bridge			302,841	327,590	350,918	372,907	393,633	-	-	-	-	-
Total Overlapping Debt		\$	\$ 147,710,997	\$ 158,403,773	\$ 164,302,462	\$ 169,855,374	\$ 171,089,711	\$ 175,911,975	\$ 196,494,954	\$ 177,447,938	\$ 171,481,031	\$ 150,594,644
Fiscal Policy Guideline												
		\$	\$ 766,318,353	\$ 711,958,011	\$ 653,823,228	\$ 620,648,770	\$ 602,805,240	\$ 586,390,153	\$ 608,767,779	\$ 669,803,069	\$ 672,827,552	\$ 655,199,035

(1) The *Code of Virginia* has no legal debt margin limit set on the Counties. However, Loudoun County's Fiscal Policy sets forth the following primary goals relating to debt capacity.

(2) Overlapping debt is not considered a general obligation of the County and, therefore is not reflected in the financial statements. Loudoun County's Fiscal Policy states that total overlapping debt should not exceed 1% of the total assessed value of taxable property within the County.

**COUNTY OF LOUDOUN, VIRGINIA
DEMOGRAPHIC STATISTICS**

Year	Population (1)	Personal Income (2)	Per Capita Personal Income (3)	Unemployment Rate (4)	School Enrollment (5)
2015	363,524	22,964,094,669	\$ 63,171	4.0%	73,461
2014	351,595	21,417,126,498	\$ 60,914	4.4%	70,858
2013	338,664	20,228,062,056	\$ 59,729	4.7%	68,289
2012	327,605	19,918,711,605	\$ 60,801	4.8%	65,668
2011	319,537	18,792,290,507	\$ 58,811	5.0%	63,220
2010	312,311	16,924,133,090	\$ 54,190	5.2%	60,096
2009	304,964	15,759,319,664	\$ 51,676	5.0%	57,009
2008	298,420	15,471,584,900	\$ 51,845	2.9%	54,047
2007	289,397	14,508,918,595	\$ 50,135	2.2%	50,478
2006	276,542	13,034,530,628	\$ 47,134	2.4%	47,361

Sources:

- (1) Loudoun County Department of Planning & Zoning, April 2015 estimate series
- (2) Loudoun County Department of Management and Budget
- (3) Through 2013: U.S. Bureau of Economic Analysis, 11/20/2014 release; 2014-15 Department of Management and Budget estimates.
- (4) Virginia Employment Commission for the month of June. Prior year values reflect updates and revisions to labor force estimates.
- (5) Loudoun County Public Schools, for the end of September of the given fiscal year.

COUNTY OF LOUDOUN, VIRGINIA
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

Employer	2015			2006		
	Rank	Number of Employees (1)	Percentage of Total County Employment (2)	Rank	Number of Employees (1)	Percentage of Total County Employment (2)
Loudoun County Public Schools	1	9,822	6.53%	1	7,648	6.20%
County of Loudoun	2	3,584	2.38%	3	3,250	2.64%
United Airlines	3	1,000-3,500	1.50%	6	1,000-3,250	1.72%
M.C. Dean, Inc.	4	1,000-3,500	1.50%			
Orbital Sciences Corporation	5	1,000-3,500	1.50%		1,000-3,250	1.72%
U.S. Department of Homeland Security	6	1,000-3,500	1.50%	7	1,000-3,250	1.72%
Verizon Business (formerly MCI Worldcom)	7	1,000-3,500	1.50%	4		
United States Postal Service	8	1,000-3,500	1.50%	10	1,000-3,250	1.72%
Raytheon Company	9	1,000-3,500	1.50%			
Loudoun Hospital Center	10	1,000-3,500	1.50%	8	1,000-3,250	1.72%
America Online				2	1,000-3,250	1.72%
Atlantic Coast Airlines United Express				5	1,000-3,250	1.72%
Toll Brothers, Inc.				9	1,000-3,250	1.72%
Totals			20.91%			22.60%

- (1) Virginia Employment Commission, 4th Quarter 2014 and 2005, Loudoun County Public Schools, and Loudoun County Department of Management and Financial Services.
- (2) Percentages are based on the midpoint of the employment range and average total Loudoun County employment of prior calendar year according to the Virginia Employment Commission.

COUNTY OF LOUDOUN, VIRGINIA
COUNTY GOVERNMENT EMPLOYEES BY FUNCTION

Full-time Equivalent Employees

Function/Program	as of June 30									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Government Administration	405	370	352	372	372	379	348	352	339	344
Judicial Administration	132	132	130	132	128	128	126	128	128	125
Public Safety	1,494	1,421	1,409	1,407	1,294	1,294	1,294	1,331	1,322	1,232
Public Works	84	104	116	84	83	83	113	120	124	116
Health and Welfare	599	666	589	589	599	599	598	603	601	603
Parks, Recreation and Culture	625	595	605	605	570	570	572	573	573	556
Community Development	247	248	237	237	257	249	253	268	266	274
Total Primary Government	3,584	3,536	3,438	3,426	3,303	3,302	3,304	3,375	3,353	3,250
Education	9,822	9,638	9,671	9,663	10,098	9,838	10,533	9,309	8,844	7,648
Total Reporting Entity	13,406	13,358	13,109	13,089	13,401	13,140	13,837	12,684	12,197	10,898

Source: County of Loudoun Department of Management and Financial Services

COUNTY OF LOUDOUN, VIRGINIA
OPERATING INDICATORS BY FUNCTION

Function	Fiscal Years									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Government Administration										
County's bond ratings										
Moody's	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa
Standard and Poor's	AAA	AAA	AAA	AAA	AAA	AAA	AAA	AAA	AAA	AAA
Fitch	AAA	AAA	AAA	AAA	AAA	AAA	AAA	AAA	AAA	AAA
Major computer availability	99%	99%	99%	100%	100%	100%	100%	100%	100%	100%
Judicial Administration										
Number of Deed book recordings	63,854	59,982	88,743	62,250	65,745	64,312	61,946	65,951	87,922	126,013
Public Safety										
Sheriff's Office										
Average response time for emergency calls	9:81 min	9:14 min	9:21 min	9:00 min	6:05 min	9:28 min	8:69 min	8:04 min	8:12 min	8:36 min
Average response time for non-emergency calls	15:56 min	14:33 min	13:29 min	13:00 Min	10:20 min	13:35 min	14:21 min	11:89 min	10:24 min	11:37 min
Fire and Rescue Services										
Number of emergency medical incidents responded	19,425	18,356	17,984	17,067	18,133	16,060	15,888	16,381	16,204	14,328
Health and Welfare										
Number of senior meals provided	146,033	133,808	119,560	116,250	113,500	113,276	111,252	113,444	95,879	92,725
Number of vaccinations administered(a)	4,383	2,933	2,607	5,000	2,248	58,177	4,591	3,714	9,586	8,402
Number of Loudoun residents in the Medical Reserve Corps	1,379	1,365	1,306	1,300	1,100	1,189	900	816	700	550
Parks, Recreation, and Culture										
Annual park visits	817,301	843,039	783,742	660,144	567,415	541,358	775,928	849,462	637,443	613,517
Number of adults participating in adult sports leagues	5,968	5,604	5,228	6,125	5,279	6,934	10,124	10,386	9,871	9,119
Number of children participating in youth sports	52,251	51,746	51,659	49,189	83,370	63,680	62,075	87,985	86,700	82,400
Community Development										
Number of residential building permits (b)	4,056	4,276	4,302	3,236	2,679	2,073	2,314	2,401	2,490	3,864
Number of new structures completed after January 1st of tax year	863	1,890	1,556	1,402	1,067	1,360	1,260	4,332	3,109	3,903
Number of subdivision applications submitted	225	300	253	260	246	193	284	364	479	381
Education										
Per Pupil Expenditures	\$ 12,951	\$ 12,611	\$ 13,121	\$ 12,514	\$ 12,062	\$ 12,345	\$ 13,473	\$ 13,293	\$ 12,388	\$ 11,759
High School Completion Rate	95.60%	95.20%	95.70%	95.30%	94.00%	95.95%	96.08%	95.27%	94.27%	94.36%
Pupil-Teacher Ratio										
Kindergarten	22.0	22.0	24.0	24.0	24.0	24.0	23.0	22.0	22.0	22.0
Elementary	22.0	22.0	24.0	24.0	24.0	24.0	23.0	22.0	22.0	22.0
Intermediate/Middle	21.6	21.6	23.6	23.6	23.6	23.6	22.6	21.6	21.6	21.6
High	25.9	25.9	27.9	27.9	27.9	27.9	26.9	25.9	25.9	25.9
SAT Scores										
Math	541	541	539	535	532	536	535	531	527	528
Critical reading	543	543	539	531	536	535	533	525	522	525
Writing	<u>528</u>	<u>527</u>	<u>528</u>	<u>524</u>	<u>524</u>	<u>526</u>	<u>525</u>	<u>519</u>	<u>511</u>	<u>508</u>
Total	1,612	1,611	1,606	1,590	1,592	1,597	1,593	1,575	1,560	1,561

Source: County of Loudoun Department of Management and Financial Services and Loudoun County Public Schools

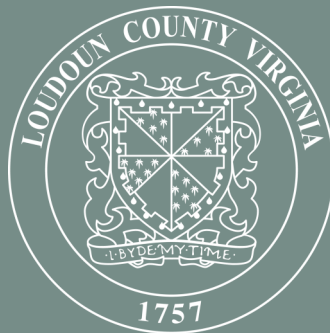
Notes: (a) FY2010 includes H1N1 (Swine Flu) vaccinations
(b) Starting FY2014, all figures shown are for fiscal year. Data through FY2013 were for calendar years.

**COUNTY OF LOUDOUN, VIRGINIA
CAPITAL ASSETS STATISTICS BY FUNCTION**

Function	Fiscal Years									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Government Administration (1)										
Square footage of office space - Owned	596,677	504,846	504,846	485,138	427,665	297,321	297,321	297,321	297,321	297,321
Square footage of office space - Leased	149,770	149,770	155,923	222,539	257,289	261,633	250,412	225,826	192,471	172,962
Square footage of court space	187,211	187,211	187,211	187,211	187,211	171,309	169,709	165,783	159,255	159,255
Public Safety (1)										
Police										
Sheriff stations	4	4	4	4	4	4	3	3	2	2
Jail capacity	460	460	460	460	220	220	220	220	220	220
Square footage of jail	212,000	212,000	212,000	212,000	114,924	114,924	87,850	87,850	87,850	87,850
Fire and Rescue										
Fire and Rescue stations	20	20	20	20	19	19	18	19	18	18
Other protections										
Animal shelters	1	1	1	1	1	1	1	1	1	1
Public Works (1)										
Transportation										
Commuter buses	65	57	52	50	47	45	38	35	33	31
Health and Welfare (1)										
Mental Health and Developmental Services										
Group homes - Mental Health	12	12	12	12	12	11	11	11	11	11
Group homes - Developmental Services	7	7	7	7	7	7	7	7	7	7
Family Services										
Homeless shelters	1	1	1	1	1	1	1	1	1	1
Transition shelters	1	1	1	1	1	1	1	1	1	1
Youth shelters	2	2	2	2	1	1	1	1	1	1
Parks, Recreation and Culture (1)										
Libraries	8	8	8	7	7	7	7	7	7	7
Square footage of libraries	175,260	162,088	162,088	122,088	127,920	123,200	108,200	108,200	107,600	107,600
Parks and Recreation Facilities										
Regional parks	3	3	3	3	3	2	2	2	2	2
District parks	3	3	3	3	3	3	3	2	2	2
Community parks	8	19	19	19	12	12	10	5	4	4
Neighborhood parks	22	0	0	0	0	0	0	0	0	0
Acres of parks	3,580	3,580	3,580	3,580	3,316	3,316	2,965	2,746	2,746	2,746
Recreation Center	1	1	1	1	1	1	1	1	-	-
Square Footage of recreation center	84,209	84,209	84,209	84,209	84,209	84,209	84,209	84,209	-	-
Community Centers	9	9	9	9	7	7	7	10	11	11
Square Footage of community centers (a)	92,696	92,696	92,696	92,696	76,274	76,274	76,274	99,445	96,644	96,644
Respite centers	3	3	3	3	2	2	2	2	2	1
Senior citizen centers	3	3	3	3	2	2	2	2	2	1
Community Development (1)										
Landfill										
Landfills	1	1	1	1	1	1	1	1	1	1
Recycling drop-off centers	9	9	9	9	9	9	9	9	9	9
Education (2)										
Elementary Schools										
Buildings	56	55	53	52	52	51	50	47	44	44
Square footage	4,093,488	3,991,121	3,790,191	3,689,714	3,690,349	3,588,208	3,497,213	3,227,060	2,919,888	2,919,888
Capacity	38,163	37,139	35,288	33,297	33,070	32,318	31,731	29,299	26,598	26,818
Middle Schools										
Buildings	15	14	14	14	13	13	13	13	12	12
Square footage	2,418,083	2,231,569	2,231,569	2,231,569	2,056,399	2,056,399	2,029,747	2,029,747	1,860,987	1,860,987
Capacity	16,956	16,711	16,566	16,731	15,346	15,476	15,403	15,300	13,419	13,356
High Schools										
Buildings (b)	14	13	13	12	12	10	10	10	11	11
Square footage	3,463,864	3,146,799	3,146,799	2,872,612	2,874,190	2,342,849	2,342,849	2,342,849	2,406,968	2,406,968
Capacity	22,212	20,639	20,607	18,741	18,723	15,118	15,206	15,257	15,161	14,980
Alternative Schools										
Buildings (b)	2	2	2	2	2	2	2	2	1	1
Square footage	123,771	123,771	123,771	123,771	124,862	124,862	124,862	124,862	47,022	47,022
School Buses	859	880	854	854	840	780	731	742	744	675

Sources: (1) Loudoun County Department of Transportation and Capital Infrastructure
(2) Loudoun County Public Schools CAFR

Notes: (a) Community Center statistic previously included leased facilities
(b) CS Monroe Technology Center classification changed from High School to Alternative to better reflect actual function



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1 Harrison Street, SE, #41D

PO Box 7000

Leesburg, VA 20177

703-777-0290

www.loudoun.gov

