



Loudoun County
VIRGINIA

POPULAR ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED **JUNE 30, 2021**

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TIM HEMSTREET

County Administrator

To the citizens of Loudoun County:

We are pleased to present the County of Loudoun, Virginia, Popular Annual Financial Report (PAFR) for the fiscal year ended June 30, 2021. We deliver this report to you as part of the County officials' and Board of Supervisors' commitment to keep residents and stakeholders informed of the financial condition of their local government, and our responsibility to provide fiscal stability. This report provides important, informative, and understandable information about the financial condition of your county government, in a concise and accessible format.

Although the County's year-end results were negatively impacted due to the COVID-19 pandemic, the County concluded Fiscal Year 2021 in sound financial condition. This is in part due to actions taken to restrict discretionary spending during the fiscal year, as well as the diversity of revenues of the County, which make it less susceptible to volatility in the economy. In addition, the County continued its commitments designed to effectively manage the challenges that continued growth has brought to Loudoun County.

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. 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 2021, the County adopted a Fiscal Year 2022 budget that resulted in an overall increase of \$48.8 million in the general county government and a \$105.5 million addition in the school operating fund as compared to Fiscal Year 2021 appropriations.

In managing our available resources, the County must strike a balance between 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.



Government Finance Officers Association

Award for Outstanding Achievement in Popular Annual Financial Reporting

Presented to

**County of Loudoun
Virginia**

For its Annual Financial Report
for the Fiscal Year Ended

June 30, 2020

Christopher P. Morrell
Executive Director/CEO

The Government Finance Officers Association of the United States and Canada (GFOA) has given an Award for Outstanding Achievement in Popular Annual Financial Reporting to the County of Loudoun, Virginia for its Popular Annual Financial Report for the fiscal year ended June 30, 2020. The Award for Outstanding Achievement in Popular Annual Financial Reporting is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government popular reports.

To receive an Award for Outstanding Achievement in Popular Annual Financial Reporting, a government unit must publish a Popular Annual Financial Report, whose contents conform to program standards of creativity, presentation, understandability, and reader appeal.

An Award for Outstanding Achievement in Popular Annual Financial Reporting is valid for a period of one year. The County of Loudoun, Virginia has received a Popular Award for the last four consecutive years (fiscal years ended 2017-2020). We believe our current report continues to conform to the Popular Annual Financial Reporting requirements, and we are submitting it to the GFOA to determine its eligibility for another Award.

LOUDOUN COUNTY AT A GLANCE

The County of Loudoun 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. Loudoun is bordered by the Blue Ridge Mountains and Potomac River, and is approximately 517 square miles in size, covering 330,880 acres of land area.

Leesburg has served continuously as the county seat since 1757. Hamilton, Hillsboro, Leesburg, Lovettsville, Middleburg, Purcellville and Round Hill are incorporated towns within the county.

In the last three decades, the population of Loudoun County has nearly quadrupled. The current population is

approximately 429,747 and Loudoun is one of the fastest growing jurisdictions in the Washington metropolitan area.

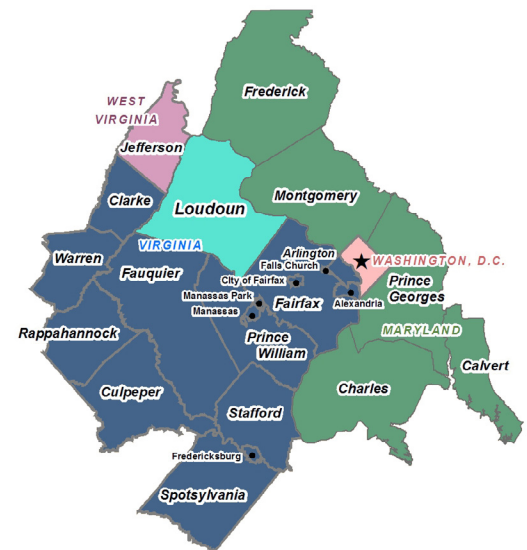
A labor pool of highly skilled people, abundant greenfield commercial opportunities, international connections through Washington-Dulles International Airport, pending arrival of three Metro rail stations, and the world's densest fiber optic infrastructure are among Loudoun's most desirable assets.

Loudoun County is a growing, dynamic county known for its beautiful scenery, rich history, expanding and diverse business opportunities, comfortable neighborhoods, and high-quality public services.

Towns & Communities



Washington Metropolitan Area



ABOUT THIS REPORT This report is intended to provide the public with information about Loudoun County's financial condition in an easily understandable format. The PAFR supplements the Annual Comprehensive Financial Report (ACFR) and is not a substitute for the ACFR. This report does not conform to Generally Accepted Accounting Principles (GAAP) and focuses only on governmental services. Financial information related to Loudoun County Public Schools, Internal Service Funds and Fiduciary Funds are not included. While the PAFR is not audited and does not contain the full set of financial statements and disclosures, it does contain figures and information extracted from the fully audited ACFR.

The ACFR is prepared in conformity with GAAP and audited in accordance with GAAP by a firm of licensed certified public accountants, Cherry Bekaert, LLP. The ACFR is available in its entirety online at www.loudoun.gov/financialreports. We encourage all citizens to read the ACFR and the full financial disclosures contained within the document.

MAJOR INITIATIVES

During Fiscal Year 2021, County staff performed admirably to execute the Board's vision of Loudoun as "a prosperous, inclusive, equitable and sustainable community where residents feel free to live, work, learn and play."

Despite challenges caused by the pandemic, the County provided its residents with outstanding programs and services:

Ashburn Senior Center

The county celebrated the opening of the Ashburn Senior Center in June 2021. The 15,000-square-foot senior center, built on a five-acre proffered site, includes a small gymnasium, large multipurpose room with pickleball courts, commercial kitchen, fitness room, classrooms, game room, computer lab, and an arts-and-crafts room.

Building an Equitable Community

County leadership participated in a racial equity learning cohort in collaboration with the Metropolitan Washington Council of Governments. Employees also engaged in conversations about race, equity, and implicit biases. The Office of Equity and Inclusion was created in FY 2021, and a chief equity officer began working to continue the dialogue on equity and to understand and address the county's equity needs.

COVID-19 Response

- Free COVID-19 testing and vaccine distribution served thousands of individuals at County sites. As of June 30, 2021, the County had administered 437,127 vaccine doses, and 49.7 percent of Loudoun County residents were fully vaccinated. To increase vaccine accessibility, the county launched a mobile clinic to serve homebound residents and partnered with community organizations to reach residents where they live and work.
- To improve internet access for western Loudoun residents during the pandemic, Wi-Fi capability was extended through county facilities, including libraries and community centers.
- The County also secured and distributed federal aid to support residents and businesses impacted by the pandemic, including \$2.3 million in CARES Act funding to 53 local nonprofit and faith-based organizations. The County's Rent Assistance Program also aided those economically impacted by COVID-19.

Courthouse Topping Out Ceremony

A significant milestone in the construction of the new Loudoun County District Courthouse was marked with a Topping Out Ceremony in March. During the ceremony, which symbolizes the completion of structural steel installation, guests signed the final steel beam and it was placed into the structure.

Successful 2020 Census

The County achieved a successful 2020 census count despite numerous obstacles, thanks to the efforts of the Complete Count Committee and County staff. Despite the pandemic, Loudoun surpassed its 2010 self-response rate (82.3 percent, compared to 76 percent) and led all Virginia counties in self-response.

Transportation Improvements

A new interchange at Route 7 (East Market Street) and Battlefield Parkway allowed the removal of the final traffic signal from Berryville to Sterling, relieving congestion and improving safety for the more than 100,000 vehicles moving through the area each day. The project was a partnership among the County, the Town of Leesburg and the Northern Virginia Transportation Authority.

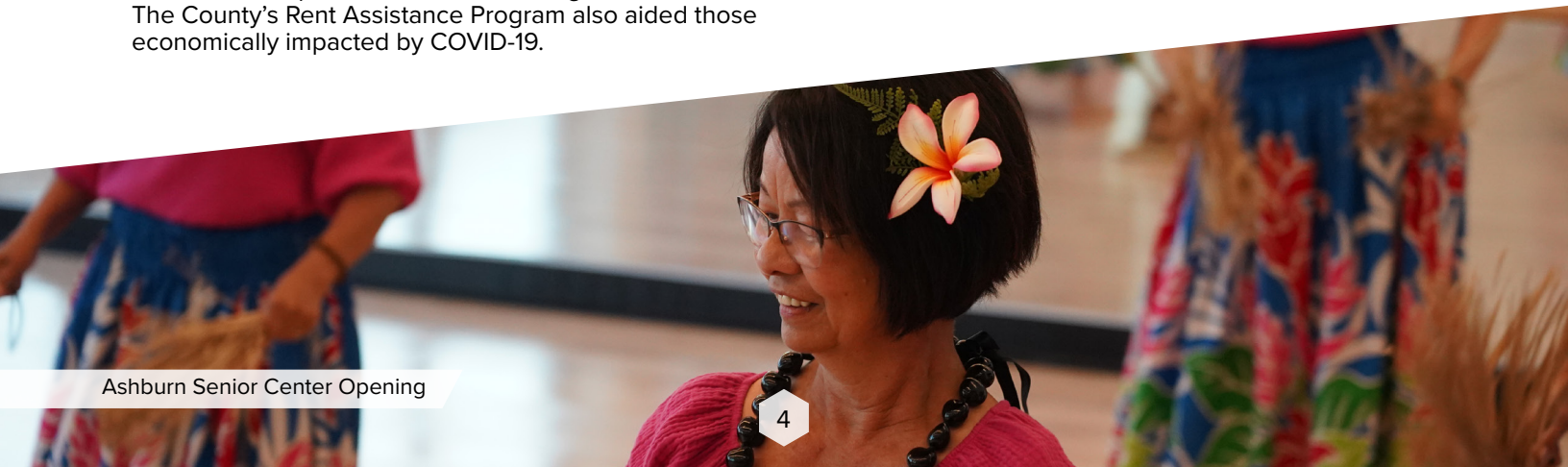
2020 Election

Voter turnout for the 2020 General Election was estimated at 79.93 percent with over 156,000 ballots cast early or by mail, and over 225,000 ballots processed in the County. Loudoun Elections and Voter Registration staff and volunteers processed these ballots with no reported issues, and successfully and safely administered an election for federal, state, and local offices and ballot questions.

Round Hill Trail and Sidewalk Projects

Construction began in July 2020 on the Round Hill to Franklin Park trail and the Main Street enhancement project. The project will construct sidewalks and a shared-use path that will link the center of Round Hill to Franklin Park, and concrete sidewalks along both sides of Main Street.

Other county capital projects completed in FY 2021 include the Landfill Construction Demolition Debris Unit, the Gum Spring to Paul VI East Entrance segment of Braddock Road, the Moorefield Station Community Park, and the Leesburg Volunteer Station #20 Expansion.



Ashburn Senior Center Opening

YOUR BOARD OF SUPERVISORS



Loudoun County Board of Supervisors 2020–2023 (First row, from left to right) Juli E. Briskman, Algonkian; Koran T. Saines, Vice Chair, Sterling; Phyllis J. Randall, Chair At-Large; Kristen C. Umstaddt, Leesburg. Second row, from left to right: Caleb A. Kershner, Catoctin; Sylvia R. Glass, Broad Run; Tony R. Buffington, Blue Ridge; Michael R. Turner, Ashburn; Matthew F. Letourneau, Dulles.

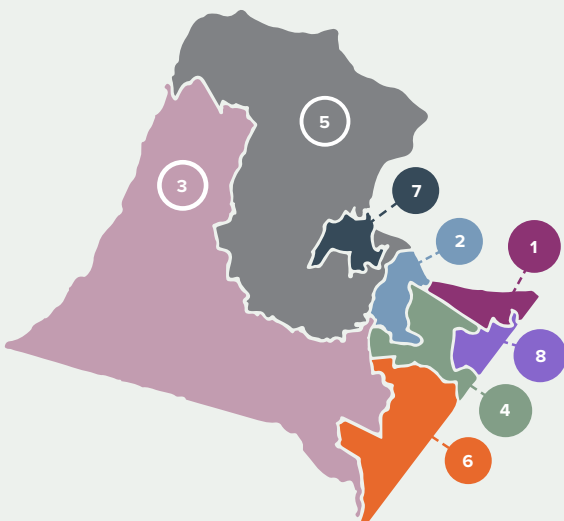
The County is governed by an elected body of representatives called the Board of Supervisors, with one Supervisor elected from each of the eight magisterial districts and one At-Large Chair for a term of four years.

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.

The strategic priorities of the 2019-2023 Board are focused on open spaces and environment; collective bargaining; equitable communities; and economic development.

The Board of Supervisors appoints a County Administrator to act as the Board's agent in the operation of departments and agencies. The Board also appoints advisory boards, commissions and committees that provide opportunities for county residents to be directly involved in local government. Other elected County officials include the School Board, Commonwealth's Attorney, Commissioner of the Revenue, Treasurer, Sheriff, and Clerk of the Circuit Court. 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 ELECTION DISTRICTS



1. Algonkian - George Washington University



2. Ashburn - Ashburn Library



3. Blue Ridge - Salamander Resort



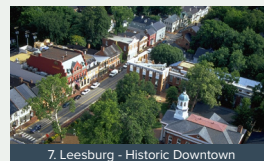
4. Broad Run - One Loudoun



5. Catoctin - Luckett's Community Center



6. Dulles - Dulles Airport



7. Leesburg - Historic Downtown



8. Sterling - Claude Moore Recreation Center

LOUDOUN'S ECONOMY

Loudoun County's economy reflects the relative stability, high income, and low unemployment characteristics of the Washington, D.C. region. The County's key industries include data centers, information and communications technology, federal government contracting, aerospace and defense, aviation and logistics, health innovation technology, and agriculture and rural business.

Thanks in part to the diversity of Loudoun's economic base and the financial strength of long-term investors in the community, the county has been able to withstand downturns in the national and international economies. Loudoun's economy continues to demonstrate sustained growth in employment and has outpaced other local jurisdictions within the region.

Even when accounting for the effects of the COVID-19 pandemic, the unemployment rate for Loudoun County was 5.2% as of March 2021, significantly lower than the corresponding U.S. unemployment rate of 7.9%.

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. Loudoun's 2019 median household income was \$151,800, more than twice the latest 2016 nationwide median of \$65,712. Approximately 60 percent of Loudoun residents hold a bachelor's degree or higher.

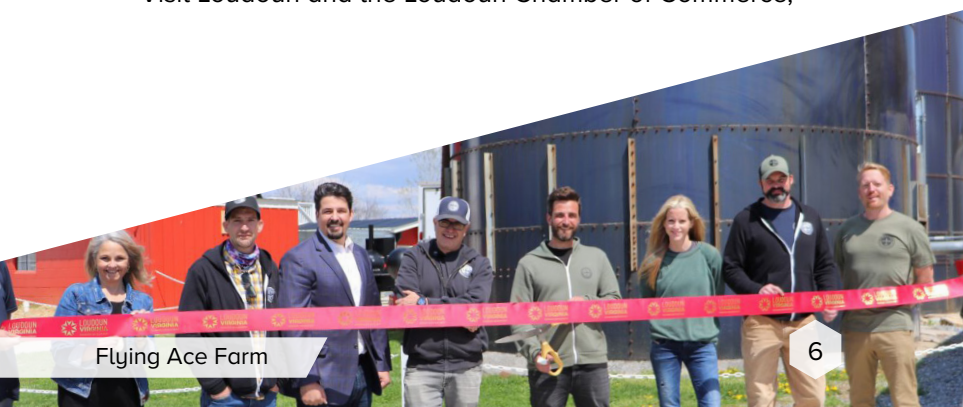
In Fiscal Year 2021, the Department of Economic Development worked with 145 businesses that moved to or expanded in the County. Those businesses invested a combined total of \$6.55 billion in Loudoun and created or retained 4,239 jobs.

Highlights of the year include:

- Collaborating with community partners, including Visit Loudoun and the Loudoun Chamber of Commerce,

to create the Loudoun Is Ready campaign. As COVID-19 restrictions were lifted, more than 770 participating businesses pledged to meet the latest safety guidelines outlined by the Virginia Department of Health and Centers for Disease Control and Prevention.

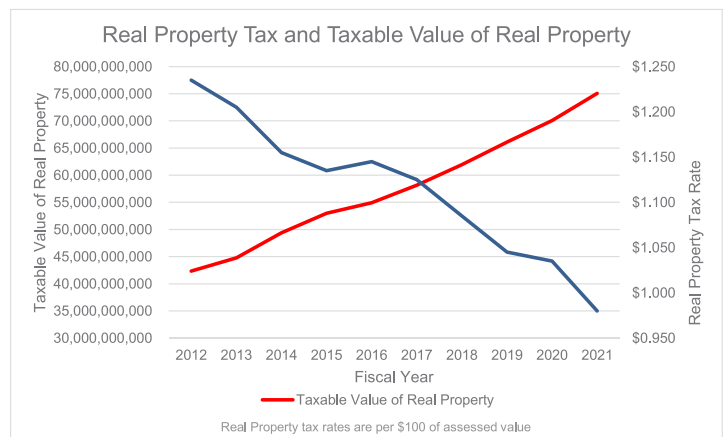
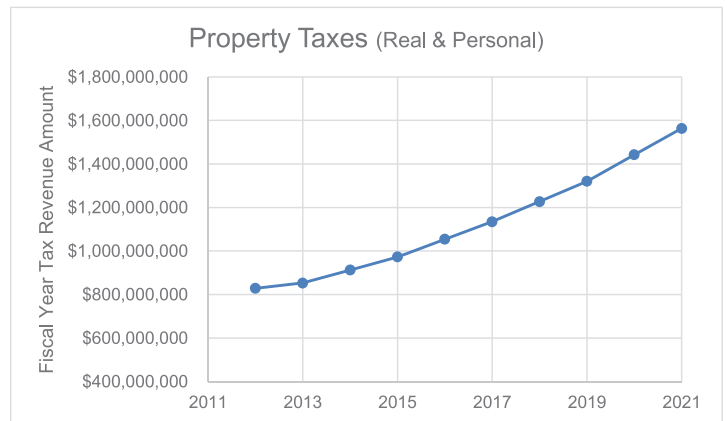
- Partnerships with the Virginia Department of Agriculture and Forestry and the U.S. Department of Agriculture invested \$270,000 in grants to support Loudoun farmers through the Loudoun Made Loudoun Grown Marketplace.
- Loudoun's Virginia Cooperative Extension team and the Loudoun Small Business Development Center were instrumental in disbursing nearly \$12 million in grants to 2,000 local businesses, across all industries and demographics.
- Raytheon Technologies renewed its 521,000-square-foot lease in Dulles, preserving thousands of tech jobs.
- Flying Ace Farm Brewery and Distillery, Loudoun's first farm brewery, distillery and restaurant, opened in Lovettsville. It uses nearly 30 acres of Bloody Butcher heirloom corn that's grown on-premises.
- United Airlines announced plans to expand its D.C. region workforce by up to 3,000 well-paying, unionized jobs, by 2026, with the airline's Dulles hub expected to gain the majority of those new hires.
- The Frontier Kitchen opened its second location and moved its headquarters to Chantilly, providing 50 food startups with the necessary kitchen space, business resources and mentorship to find long-term success.



TAXES

The County's largest revenue source is property tax revenue. Fiscal Year 2021 was another year of revenue and tax base growth, with a property tax revenue increase of approximately \$121.5 million from Fiscal Year 2020. Property tax includes real property and personal property. Real property is assessed annually at 100% fair market value, with the date of value being January 1. Growth in data centers and the resulting buildout of those facilities, which increases computer equipment and furniture and fixtures, is the largest driver of increases in property tax revenue. Collection rates for property tax remained consistent with prior years.

In April 2021, the Board of Supervisors set the calendar year 2021 real property tax rate at \$0.980 per \$100 of assessed value from \$1.035 for the calendar year 2020. Continued growth in the data center industry that is prevalent in Loudoun County enabled the County to decrease the real property tax rate while still providing sufficient revenue to support Loudoun County Public Schools and County departments that continue to feel the impact of the County's sustained population growth. Over the past decade, as the assessed real property tax values have appreciated, the Board has reduced the property tax rates.



Top Ten Tax Payers			
Rank	Business	Assessed Value	% of Taxable Assessed Value
1	Digital Loudoun 3 LLC	719,559,540	0.76%
2	Cyrusone LLC	490,590,520	0.52%
3	Digital Loudoun Parkway Center North LLC	416,361,990	0.44%
4	Equinix R P II LLC	386,542,130	0.41%
5	Toll Road Investors Partnership II LLC	331,605,100	0.35%
6	Redwood ERC Ashburn LLC	328,095,620	0.34%
7	Amazon Data Services	293,244,020	0.31%
8	Chelsea GCA Realty Partnership LP	287,501,910	0.30%
9	Smith, Verlin W, Et Als Trustees	246,225,660	0.26%
10	Ragingwire Data Centers Inc.	216,741,900	0.23%



Data Center



Raytheon Technologies

LOUDOUN COUNTY GOVERNMENT BY THE NUMBERS

The general county government consists of 30 departments organized into functional areas:

General Government Administration

- 511 employees
- AAA bond rating
- 100% major computer availability
- 99% of public inquiries resolved within 48 business hours
- 781,124 sq. ft. office space leased & owned



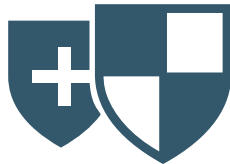
Health & Welfare

- 784 employees
- 114,902 senior meals provided
- 3,806 residents in the Medical Reserve Corps
- 1,610 households receiving assistance to meet their basic needs
- 51,318 companion service hours delivered to older and disabled adults
- 1,475 Individuals receiving mental health outpatient services
- 65 households with new leased affordable dwelling units (ADUs)
- 19 group homes
- 1 homeless shelter
- 1 transition shelter
- 2 youth shelters



Public Safety

- 1,611 employees
- 1,639 volunteers
- 12:03 minutes average response time for emergency calls
- 20,324 emergency medical incidents responded
- 7,790 fire incidents
- 21 fire & rescue stations
- 5 sheriff stations
- 212,000 sq. ft. jail space
- 1 animal shelter



Judicial Administration

- 174 employees
- 4,872 criminal cases concluded
- 14,566 civil cases concluded
- 130,109 Deed book recordings
- 252,799 sq. ft. court space



Public Works

- 115 employees
- 1 landfill
- 9 recycling drop-off centers



Parks, Recreation & Culture

- 810 employees
- 476,119 annual park and recreation center visits
- 4,003 adults participating in adult sports leagues
- 31,956 children participating in youth sports
- 313 athletic fields maintained
- 90,764 library program attendees
- 10 libraries
- 3 recreation centers
- 5 senior centers
- 7 community centers
- 3 respite centers
- 54 parks; 4,237 acres



Community Development

- 294 employees
- 1,680 residential building permits
- 671 new structures completed after January 1 of tax year
- 262 subdivision applications submitted
- 1,966 commercial building permits
- 169,386 building code inspections performed
- 4,111 jobs recruited or retained
- 118 commuter buses



The County's financial performance is measured each year against the County's adopted budget. The Board of Supervisors is required to adopt a final budget no later than the date on which the fiscal year begins, July 1. 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 Budget and Appropriations Resolution and adopted in the budget by the Board of Supervisors. 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.

FUND BALANCE & NET POSITION

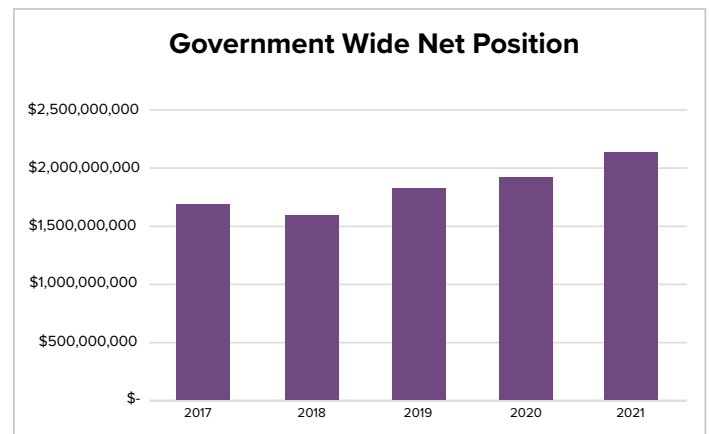
GOVERNMENT WIDE

The Government-wide Statement of Net Position, along with the Statement of Activities, answers the question of whether the County is better or worse off as a result of the year's activities. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to a private-sector company. All revenues and expenses are taken into account regardless of when cash is received or paid.

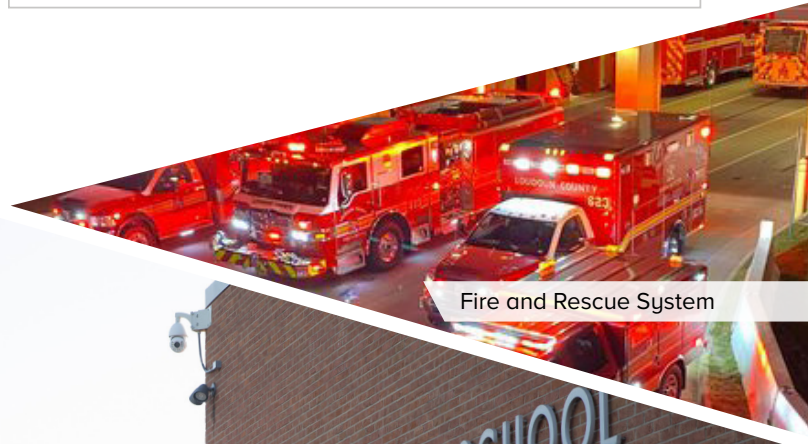
In the Statement of Net Position, the County reports Governmental activities and Component unit. All the County's basic services are reported as Governmental activities. Property taxes, other local taxes, and state and federal grants finance most of these activities. The Component unit, the Loudoun County School Board, is a separate legal entity. Although legally separate, the County is financially accountable and provides operating and capital funding for the Loudoun County Public Schools.

On a Government-wide basis, which includes the School Board component unit, the County ended FY 2021 with a positive net position of \$2.1 billion. This represents a 10.3% increase over the FY 2020 restated net position and continues the pattern of growth in net position over the past several years. The largest portion of the Primary Government and component units' net position reflects the

investment in capital assets, less any related debt used to acquire those long-term assets and are therefore not available for future spending. The investment in capital assets of \$4.6 billion increased by 4.1% over the prior year. The Primary Government and Schools use these capital assets to provide a variety of services to Loudoun residents. Total liabilities increased by \$332 million primarily due to an increase in the amount of new debt issued during the fiscal year, as well as increases in pension liabilities driven by service and interest costs and changes in assumptions.



W&OD Trail at Clarkes Gap



Fire and Rescue System



Loudoun County Public Schools

FUND BALANCE & NET POSITION

GOVERNMENTAL FUNDS

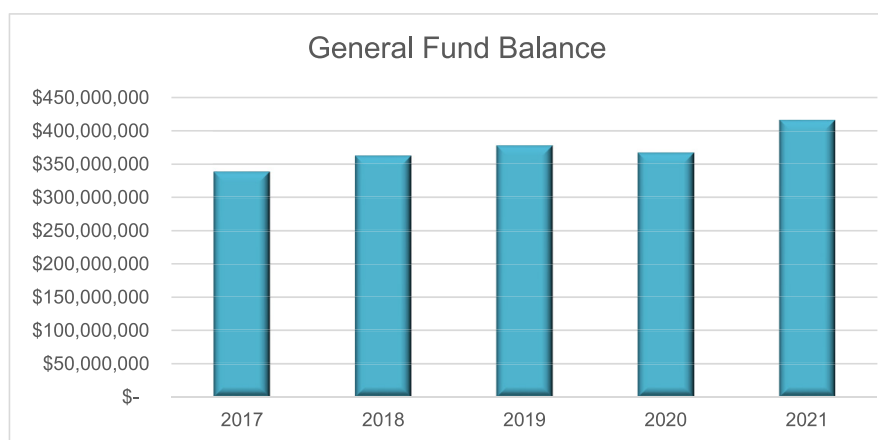
The County presents two kinds of financial statements: the government-wide statements discussed previously, and the fund financial statements.

The Governmental fund financial statements provide information on a current resource basis only and focus in greater detail on the County's funds, and not the County as a whole. 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. As such, long-term assets and liabilities are not included.

Loudoun's general fund balance has been increasing over time and is both positive and available. This indicates a healthy trend and strong fiscal condition which serves to support the County's AAA bond ratings and provides sufficient carry-over funds for cash flow purposes. Carry-over funds eliminate the need for short-term borrowing between the start of the fiscal year and the receipt of revenue from taxes. The general fund balance increased by \$49.6 million in 2021 from the prior year. Federal legislation, the Coronavirus Aid, Relief and Economic Security (CARES) Act, established a Coronavirus Relief Fund. The funds were available to cover the County's COVID-19-related medical, public health, economic

support and business disruption funding and other emergency response costs. Additional federal legislation, the American Recovery Plan Act (ARPA), was enacted to provide additional relief to individuals, businesses and state and local governments for COVID-19-related expenses associated with revenue loss, immediate needs for economic development programs, local tourism stabilization, non-profit support, ongoing COVID-19 response, and broadband and future initiatives. The County received \$76.3 million of CARES and ARPA funds during the fiscal year. The County recognized expenditure savings achieved by freezing all new spending to allow maximum flexibility to manage the unknown economic impact of the COVID-19 pandemic while prioritizing current operations. As the revenue and economic impacts became clearer during the year, the freeze on new spending was lifted. The total general fund balance is \$415.4 million of which \$71.1 million was unassigned and available to meet the County's current and future needs.

In addition to the General Fund, the County has 24 special revenue funds reported in the ACFR as Non-Major Governmental Funds. A Special Revenue Fund is a fund established to collect revenue for a specific project or purpose and provides an extra level of accountability and transparency to taxpayers and others that the funds are being used for their intended purpose. [Please refer to the ACFR](#) for detail on these Special Revenue Funds.



GOVERNMENTAL FUNDS

Governmental fund balances are listed in five categories:

- **Non-Spendable:** funds that cannot be spent because they are not in spendable form or are required legally or contractually to remain intact.
- **Restricted:** funds to be used only for a specific purpose based on constraints placed on the funds by external parties, legislation, or constitutional provision.
- **Committed:** funds to be used only for a specific purpose based on constraints placed by formal action of the Board of Supervisors.
- **Assigned:** funds the government designates to be used for a specific purpose.
- **Unassigned:** residual fund balance available for any purpose. At the end of each fiscal year, the unassigned fund balance is available for appropriation by the Board to be used for one-time expenditures.

The County maintains a fiscal reserve in the committed portion of fund balance equal to no less than 10% of the County and Component Unit, Schools' general fund operating revenues. In FY 2021, the fiscal reserve increased by \$21.5 million to a total of \$242.4 million.

Governmental Funds Financial Analysis of Fund Balance Fiscal Year 2021

	General	Capital Projects	Debt Service	Non-Major Governmental	Total
Non-Spendable	\$ 1,578,889	\$ -	\$ -	\$ -	\$ 1,578,889
Restricted	-	336,300,816	-	149,794,188	486,095,004
Committed	290,827,693	250,880,425	-	26,850,440	568,558,558
Assigned	51,892,274	41,842,868	44,152,161	20,907,277	158,794,580
Unassigned	71,056,458	-	-	-	71,056,458
Total Fund Balances	\$ 415,355,314	\$ 629,024,109	\$ 44,152,161	\$ 197,551,905	\$ 1,286,083,489



Vineyards and Wineries



2020 Election

Courthouse Topping Out Ceremony

FISCAL YEAR 2021 FINANCIAL RESULTS: GENERAL FUND SUMMARY

The General Fund is the primary tax and operating fund for County Governmental Activities used to account for all County revenues and expenditures which are not accounted for in other funds, and which are used for the general operating functions of County agencies.

The charts shown here report only on the General Fund and are presented on a current financial resource, non-GAAP basis. More detailed GAAP basis financial statements can be found in the County's ACFR.

General Fund Revenues

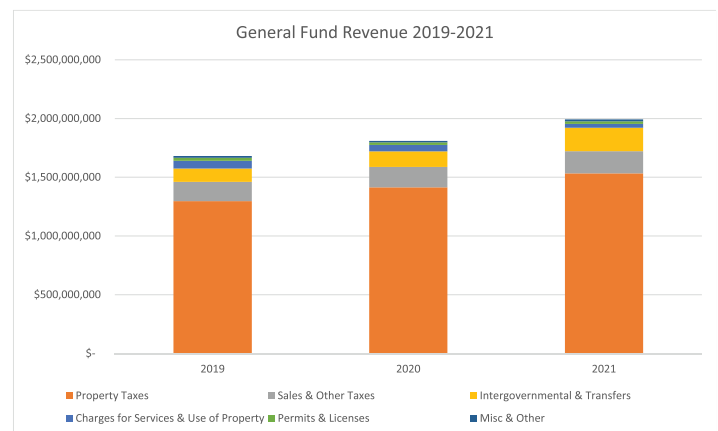
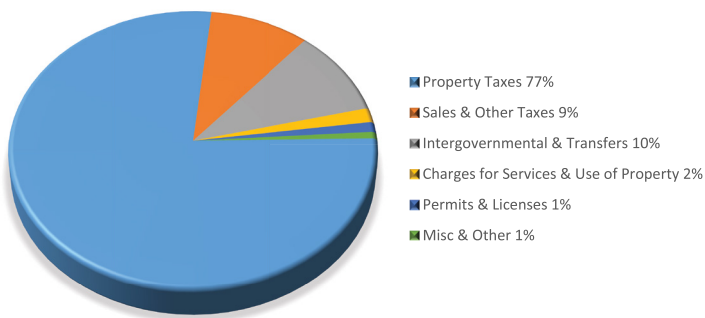
77% of the County's General Fund revenues come from property taxes on real and personal property.

For FY 2021, actual revenues and transfers-in exceeded amended budget amounts by \$9.8 million, while actual expenditures and transfers out were less than the amended budget amounts by \$85.5 million. The amended budget includes appropriation of federal stimulus funds provided to the county from the CARES Act and ARPA to address

the COVID-19 pandemic. General property tax and other local tax revenues exceeded the amended budget by \$11.0 million. Due to continued growth in the data center industry and the property taxes generated from the industry, the County was able to decrease the real property tax rate by \$0.055 cents. The decrease in real property tax revenue, as a result of the lower tax rate, was offset by increases in personal property tax, local sales and use tax, and recordation taxes. The large increases in sales and use taxes and recordation taxes were driven by the impacts of the pandemic. Online consumer spending expanded, driving up sales and use tax, and low interest rates stimulated home sales and refinancing of mortgages, driving up recordation taxes. Actual other revenues and transfers fell short of the amended budget as a result of the pandemic, due to school closures and stay at home orders. Revenues affected primarily include day care and after school care fees, recreational sports program fees, library fees, building permit fees and transit fees.

General Fund revenues grew by 10% from 2020 to 2021 and demonstrate a continuation of the revenue growth trend driven largely by real and personal property tax revenue.

FY 2021 REVENUES BY SOURCE



	FY 2021			FY 2020
General Fund Revenues	Final Budget	Actual	Variance	Actual
General Property Taxes	\$ 1,542,122,670	\$ 1,533,783,329	\$ (8,339,341)	\$ 1,414,605,678
Other Local Taxes	168,742,740	188,122,240	19,379,500	173,145,186
Permits and Licenses	23,935,089	22,945,387	(989,702)	21,733,966
Fines and Forfeitures	1,652,700	1,263,916	(388,784)	1,541,034
Use of Money and Property	9,427,544	9,429,784	2,240	21,480,879
Charges for Services	33,080,373	23,571,362	(9,509,011)	34,131,804
Miscellaneous Revenue	3,388,377	21,526,534	18,138,157	11,806,583
Recovered Costs	10,729,667	10,268,082	(461,585)	10,137,940
Intergovernmental Revenue	185,060,159	177,302,900	(7,757,259)	119,351,951
Transfers-in & Sale of Capital assets	4,113,563	3,791,296	(322,267)	1,557,449
Total	\$ 1,982,252,882	\$ 1,992,004,830	\$ 9,751,948	\$ 1,809,492,470

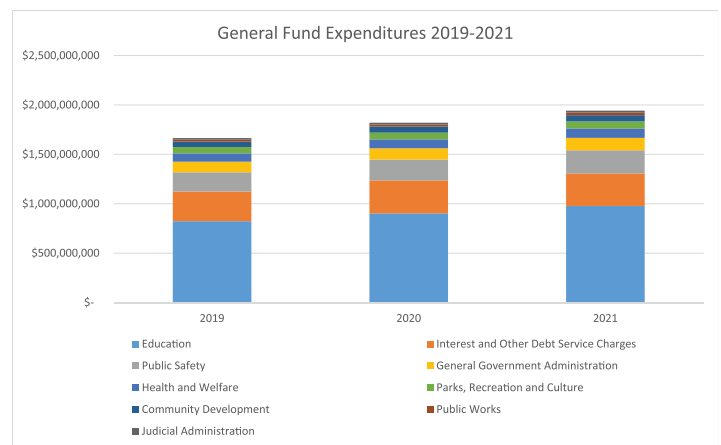
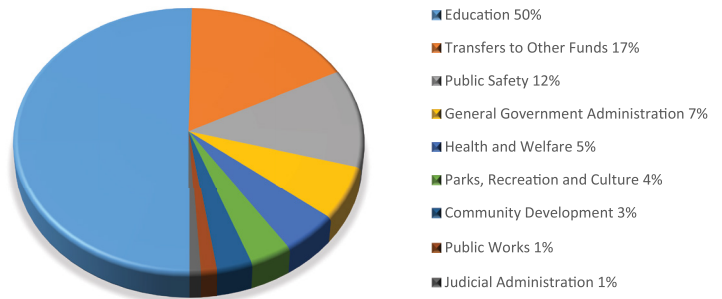
FISCAL YEAR 2021 FINANCIAL RESULTS: GENERAL FUND SUMMARY

General Fund Expenditures

Education continues to be one of the County's highest priorities and commitments and represents 50% of General Fund expenditures.

Actual expenditures and transfers were \$85.5 million, or 4.2%, less than amended budget amounts. Actions taken during the adoption of the FY 2021 budget in April 2020 to freeze all new spending resulted in expenditure savings across all functional areas and expenditure categories. Salaries and benefits realized savings of \$10.9 million as some new positions approved in the budget were not released to begin the hiring process until December 2020, and the remaining positions were not released until April 2021. Other areas that realized the largest savings include contractual services of \$28.9 million, other charges of \$27.6 million, and materials and supplies of \$9.8 million. Total expenditures grew by 7% over FY 2020 and while new expenditures did occur as a result of the County's efforts to respond to the pandemic, federal stimulus funds were primarily used for this purpose and budgeted accordingly. This included \$20 million of calculated revenue loss funded through ARPA to cover the cost of government services. The FY 2021 savings noted above are a result of the actions of the Board of Supervisors to preserve its ability to address County needs as revenues became available.

FY 2021 EXPENDITURES BY ACTIVITY



General Fund Expenditures	FY 2021			FY 2020
	Final Budget	Actual	Variance	Actual
General Government Administration	\$ 151,947,944	\$ 125,474,570	\$ 26,473,374	\$ 113,693,723
Judicial Administration	21,350,567	18,888,976	2,461,591	17,069,046
Public Safety	248,608,480	234,665,496	13,942,984	211,748,919
Public Works	31,061,061	27,249,135	3,811,926	21,306,191
Health and Welfare	113,666,275	96,268,002	17,398,273	89,477,617
Parks, Recreation and Culture	81,011,245	70,495,204	10,516,041	67,839,313
Community Development	73,396,736	62,410,569	10,986,167	62,565,985
Education	977,350,589	977,445,308	(94,719)	903,341,751
Transfers to Other Funds	329,492,676	329,512,135	(19,459)	333,174,738
Total	\$ 2,027,885,573	\$ 1,942,409,395	\$ 85,476,178	\$ 1,820,217,283



Trailside Park

The Reading Machine

CAPITAL IMPROVEMENTS

The County's Capital Improvement Program (CIP) provides a six-year forecast of the County and School's land, facility, and equipment needs and the plan to replace, improve, expand, and develop infrastructure, facilities, or other large County assets. The program prioritizes the following key areas:

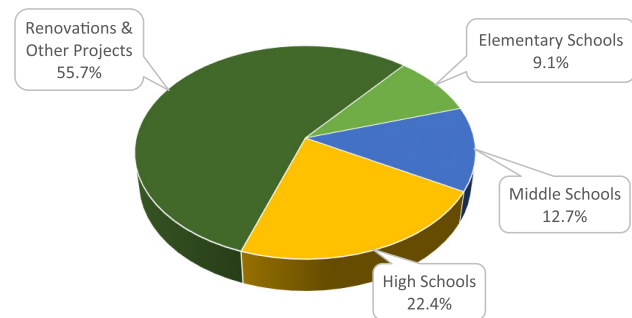
- An efficient and effective transportation network
- Expanding infrastructure to support education for our children
- Safe and secure neighborhood activities for our residents

By the end of FY 2021, the Government invested approximately \$1.7 billion in capital assets, while the Component-Unit Schools had \$2.1 billion in capital assets. This represents an increase of \$114.5 million over FY 2020 for the Primary Government, and \$96.9 million for the Component Unit-Schools.

For FY 2021, the County adopted a six-year CIP (FY 2021-FY 2026) that totals \$2.9 billion, with transportation projects totaling \$1.2 billion, school construction and renovation projects totaling \$805.4 million, and county construction projects totaling \$954.6 million. Funding for the FY 2021 adopted CIP increased approximately \$490.1 million from the FY 2020 adopted CIP primarily due to additional funding for county construction projects totaling \$230.9 million and school projects totaling \$283.5 million offset by a decrease in transportation projects totaling \$24.3 million. The adopted FY 2021-FY 2026 CIP is principally funded with \$649.2 million in local tax funding, \$43.8 million in proffers, \$396.7 million in intergovernmental assistance, and \$1.85 billion in debt financing.

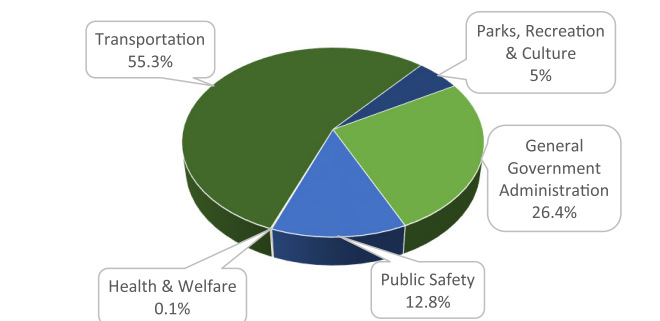
The County's CIP budget continues to grow in complexity. The majority of funding is dedicated to transportation projects, which include roads, sidewalks, signals, traffic calming, and transit projects. The Board of Supervisors dedicates two cents of the real property tax rate per annum to assist with the cost of local transportation projects. The County receives local and regional funds from the Northern Virginia Transportation Authority (NVTA) as authorized by House Bill (HB) 2313, in addition to other funding including proffers, and state and federal grants. 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.

Percentage of School Projects by Type



■ Elementary Schools ■ Middle Schools ■ High Schools ■ Renovations & Other Projects

Percentage of County Projects by Function



■ Transportation ■ Parks, Recreation & Culture ■ General Government Administration
■ Health & Welfare ■ Public Safety

As of FY 2021, there were 50 active transportation and transit projects in various phases of design and construction, including segments of Crosstrail Boulevard, Braddock Road, various intersection and interchange improvements, improvements to Route 7 and Route 50 Corridors, segments of Route 15, segments at Northstar Boulevard, Prentice Drive, Shellhorn Road, western Loudoun Park and Ride lot, and the sidewalk and trail program.

Many public safety and parks and recreation projects were in development such as an Animal Services Facility, several new and replacement fire and rescue stations, the construction and renovation of the Courts Complex, Fields Farm Park, Philip A. Bolen Memorial Park Phase II, and the Ashburn Recreation Center.

County projects completed in FY 2021 include: Ashburn Senior Center; Leesburg Fire & Rescue Station 20 expansion, Route 9 road improvements in the Town of Hillsboro, and Riverside Parkway.

Additional information is available in the FY 2021 Adopted Budget, Volume 2, and can be found on the County website at loudoun.gov/budget. An interactive map of active and planned projects, as well as project updates, can be found at loudoun.gov/underconstruction

MAINTAINING OUR AAA STATUS

Loudoun County issues debt in the form of bonds and other financial instruments to help fund capital projects. As the County has experienced near exponential growth over the last two decades, the need for more facilities has grown as well. New schools, fire stations, police stations, recreational centers, and roads are often funded through the issuance of bonds. While Loudoun County has taken on debt in the creation of these capital improvements, it has done so responsibly and within the confines of good fiscal management.

Loudoun County has a fiscal policy that creates the guidelines for debt issuance. Per that fiscal policy, the County shall not have net debt greater than 3.0% of the estimated market value of taxable property. For FY 2021, the County's debt ratio is only 1.68%, which is positive given the growth challenges incumbent on the County. Additionally, the county has an annual debt issuance limit of \$225 million, which serves as a planning tool to manage how rapidly the county incurs debt. Net debt per capita as a percentage of income is not to exceed 8.0%, and during FY 2021 it was 5.62%. Debt service expenditures as a percentage of governmental fund expenditures should not exceed 10.0%. The County paid \$213.5 million towards its debt, 7.48% of expenditures. At the end of FY 2021, the County had \$1.94 billion in outstanding general obligation bonds, premiums, loans, and capital leases. This represents a net increase of \$79.9 million from FY 2020.

In October 2020, the County sold \$75.2 million in General Obligation Bonds, Series 2020B, to refund two outstanding bond series for a net present value savings of \$12.8 million. Also in October 2020, the County sold \$2.9 million in Revenue Refunding Bonds, Series 2020, through the Virginia Resources Authority to refund one outstanding bond series for a net present value savings of \$0.7 million.

In June 2021, the County sold \$156.6 million in General Obligation Bonds, Series 2021A, to provide funding for the design, construction, renovation, and equipping of various school facilities, parks and recreation facilities, public safety facilities, an animal shelter, and transportation projects. Also in June 2021, the County sold \$74.8 million of Public Facility Revenue and Refunding Bonds, Series 2021B, through the Economic Development Authority, to provide funding for the design, construction, renovation and equipping of government office space, a courthouse and parking garage, landfill, soccer facilities, school land acquisition and various school projects. The County additionally refunded one outstanding bond series for a net present value savings of \$4.9 million.

In FY 2021, Moody's Investors Services, Inc. affirmed the County's Aaa bond rating, S&P Global Ratings (S&P) and Fitch Credit Rating Services affirmed the County's AAA bond ratings. These are the highest ratings available from each of these firms. The AAA bond ratings allow the County to borrow at the best rates the market can provide and ensures that our citizens' tax revenues are efficiently used.

The rating agencies referenced the following attributes of the County:

- strong operating performance.
- consistently solid financial performance.
- solid economic growth.
- sizeable and diverse tax base.
- strong budgetary performance and financial management.
- very strong liquidity and solid reserve levels.
- manageable debt burden.



Lucketts Fire and Rescue Station

Route 7 - Battlefield Interchange



Ashburn Senior Center

2022 AND BEYOND

As Loudoun County emerges from the pandemic and continues to grow, providing services and developing programs that meet the needs of County residents and businesses is paramount.

Countywide Linear Parks and Trails System

The recently adopted Linear Parks and Trails System plan offers a roadmap for the county and its partners to build an interconnected system that protects natural and cultural resources, honors Loudoun County's unique sense of place, and connects residents to each other and to the county's natural and cultural landscapes, communities and destinations.

Hal and Berni Hanson Regional Park

The Hal and Berni Hanson Regional Park project, which is expected to be completed in spring 2022, will include a new 257-acre regional park located on Evergreen Mills Road in Arcola, between the Brambleton and Willowsford communities. The park will include 17 athletic fields with lighting, and over 75 acres of passive recreational space and infrastructure. The project also includes road improvements to Evergreen Mills Road, which bisects the park, including a turn lane and a stop light at the entrance of the park.

Metro Silver Line

The expansion of the Metro Silver Line remains a driver for economic development opportunities, with new D.C. Metro stations arriving to serve Loudoun developments. The County looks forward to this year's groundbreakings at destination mixed-use developments, like Rivana at Innovation Station and Comstock's One Gramercy at Ashburn Station.

New Animal Services Facility

Loudoun's new 21,450-square-foot Animal Services facility, which opened in early FY 22, is the first public shelter in the United States to meet 100% of the Association of Shelter Veterinarians Animal Shelter Guidelines, the gold standard for animal sheltering. In addition, for the first time, the new facility features a veterinary clinic and surgical suite for medical treatment of shelter pets.

Resident Curator Program

A resident curator will be named in 2022 for the historic Union Street School in Leesburg, which is the first county property to be included in the Resident Curator Program. This program reduces the public costs associated with the care and preservation of historic properties by enabling groups or individuals to take over those responsibilities, while providing periodic public access to the properties. The properties are leased long-term to the curators without charge in exchange for a financial and public access commitment. The school opened in 1884 as the Leesburg Training Center, which served Black students in elementary through high school at various times during its history.

Unmet Housing Needs Strategic Plan

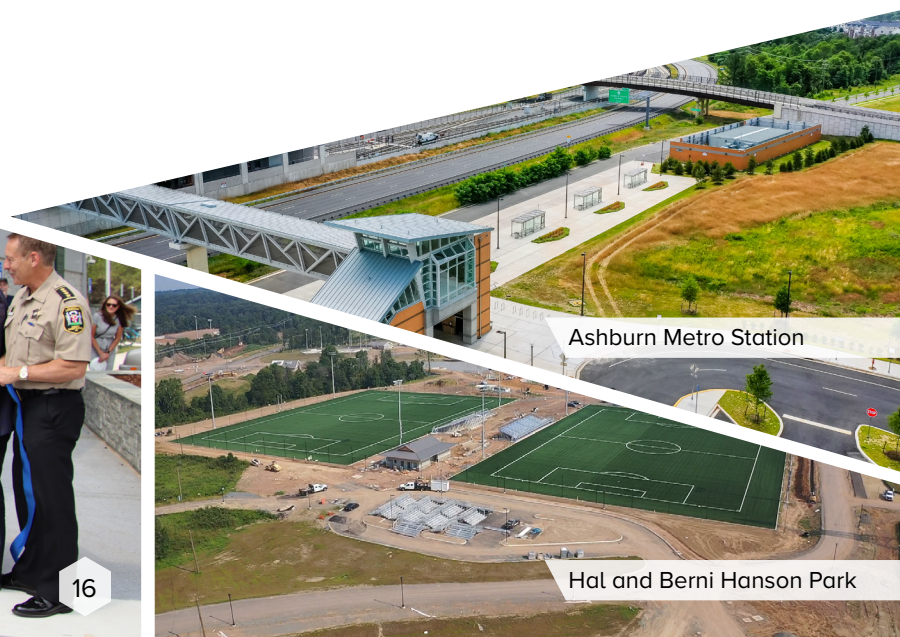
The implementation of the County's [Unmet Housing Needs Strategic Plan](#) will help the County establish a coordinated, collaborative and integrated housing network, secure land resources and funding sources needed to address unmet housing needs, and Implement policy changes to support affordable housing.

Zoning Ordinance Rewrite

A major step in implementing the Loudoun County 2019 Comprehensive Plan, the [Zoning Ordinance Rewrite](#) process is expected to be completed by December 2022.



Animal Services Ribbon Cutting



Ashburn Metro Station

Hal and Berni Hanson Park



Loudoun County

VIRGINIA

Loudoun County's
Popular Annual Financial Report
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Department of Finance and Budget | Division of Accounting, Finance & Operations

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