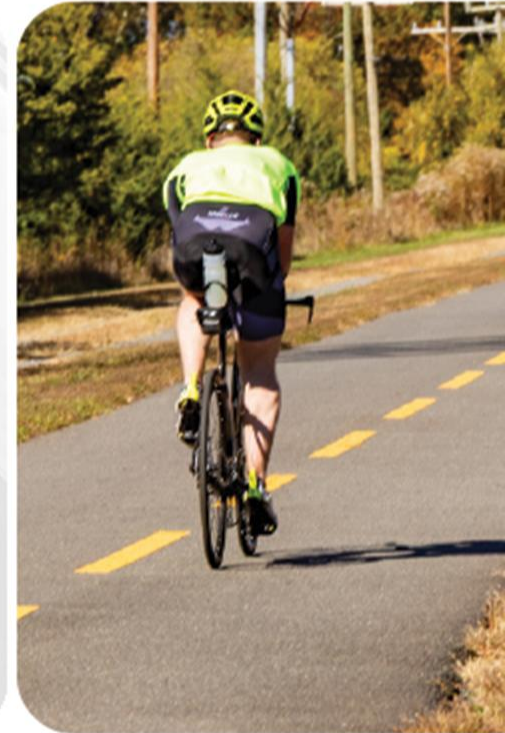




Loudoun County
VIRGINIA

FY 2027 Proposed Budget

Presentation to Board of Supervisors
February 11, 2026



Budget Preparation

- **Board Budget Guidance**

- Constrain operating budget growth
- Maintain tax rates; option to decrease personal property tax rate on vehicles
- Increase pay-go funding to CIP and Housing Fund

- **Budget proposal is consistent with the Board's guidance**

- County LTF growth of 9%; School Division LTF growth of 8%
- Real property tax rate of \$0.805
- General personal property tax rate of \$4.15
- Vehicle rate lowered from \$3.09 for Tax Year 2026 to \$3.00 for Tax Year 2027



Accomplishments

Economic Development



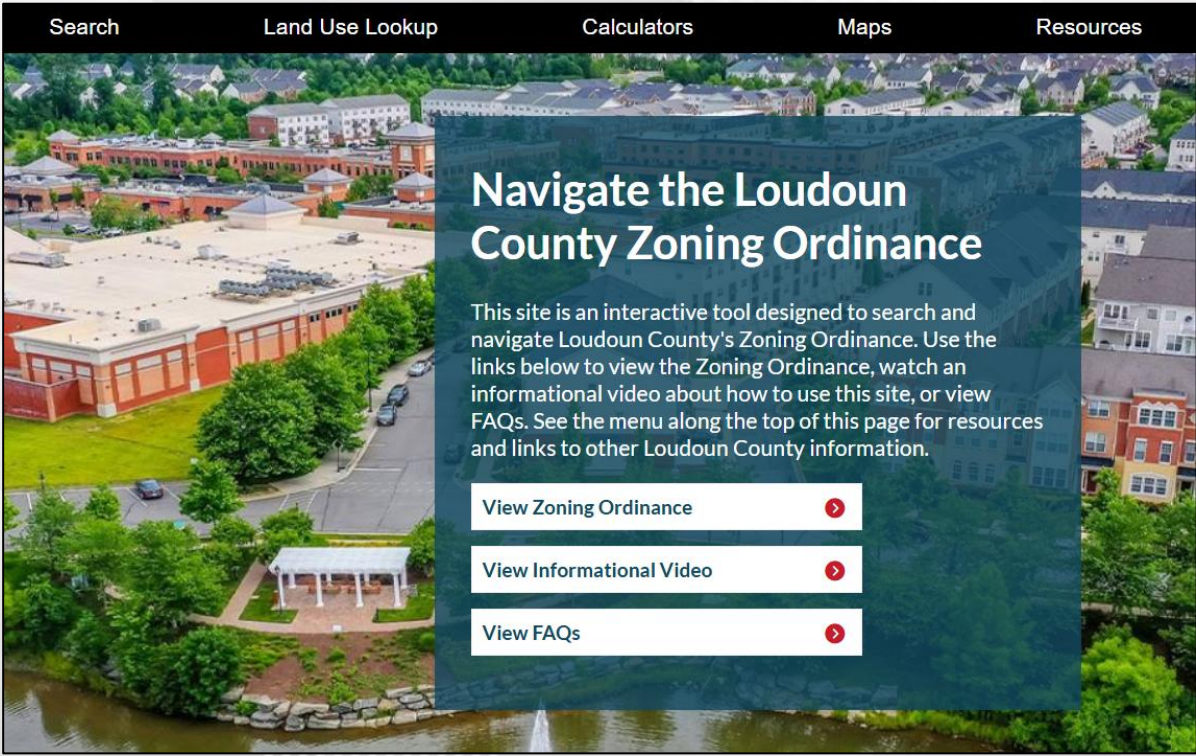
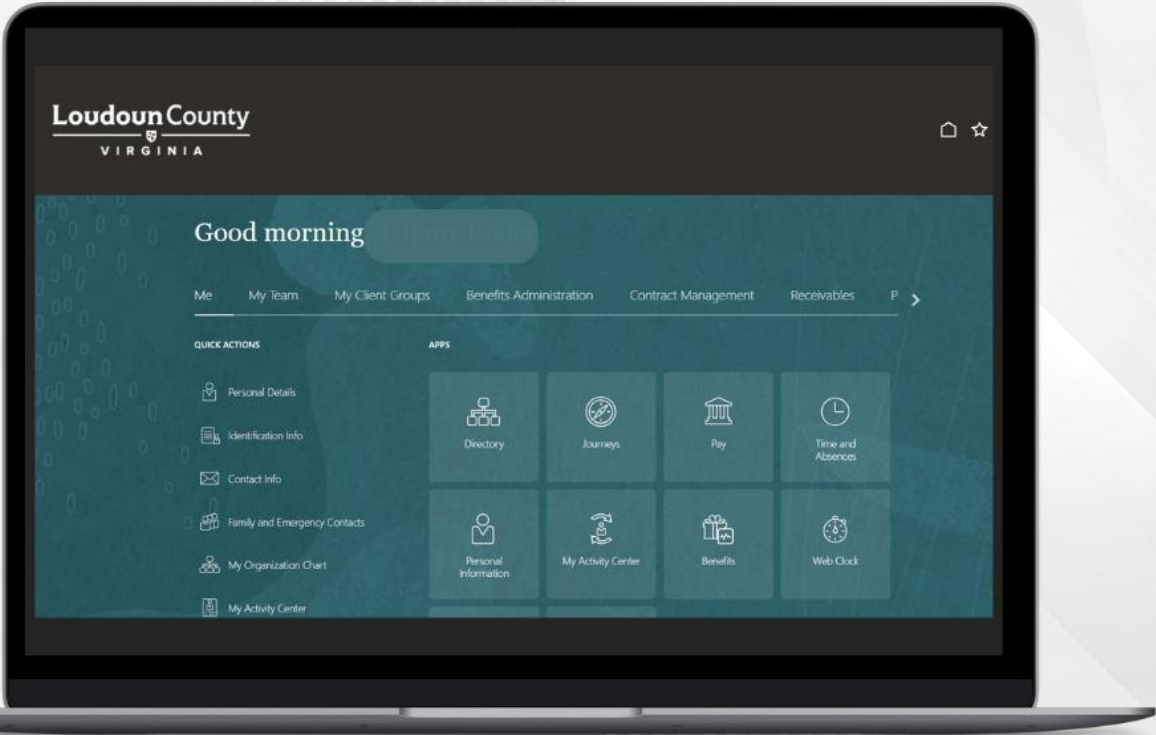
**LOUDOUN
VIRGINIA**
ECONOMIC DEVELOPMENT



Attainable Housing



Advancing Technology



Programs and Services

Apply for the
**INVASIVE
PLANT SPECIES
MANAGEMENT PROGRAM**



Loudoun County
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VIRGINIA

Capital Improvement Program



Public Safety



**LOUDOUN
COUNTY**

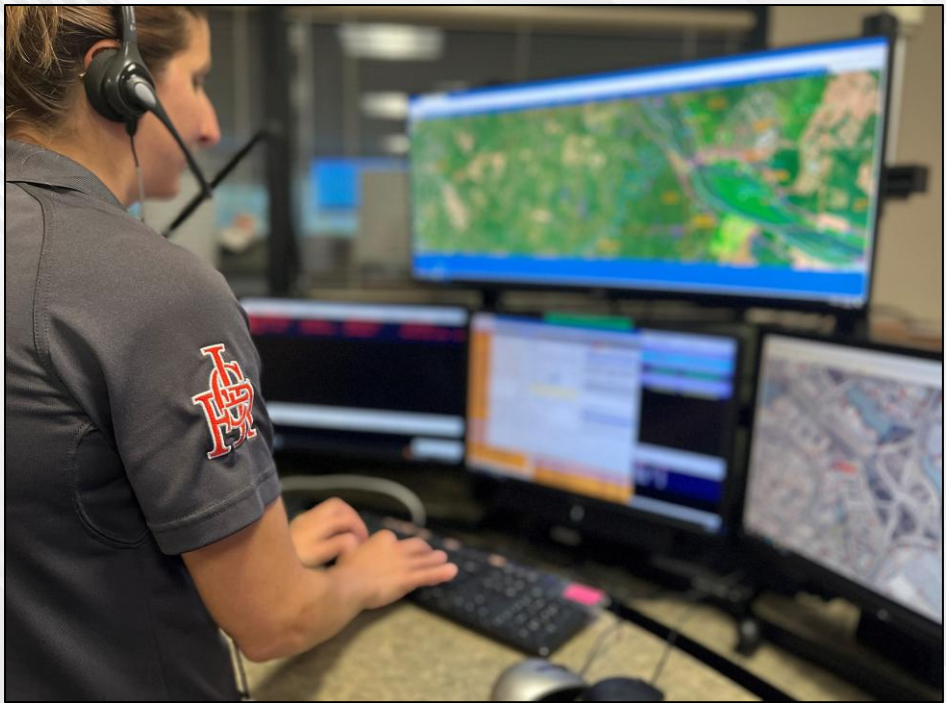
VIRGINIA

Mental Health,
Substance Abuse and
Developmental Services

Fiscal Responsibility



Awards



ACE | ACCREDITED CENTER
OF EXCELLENCE



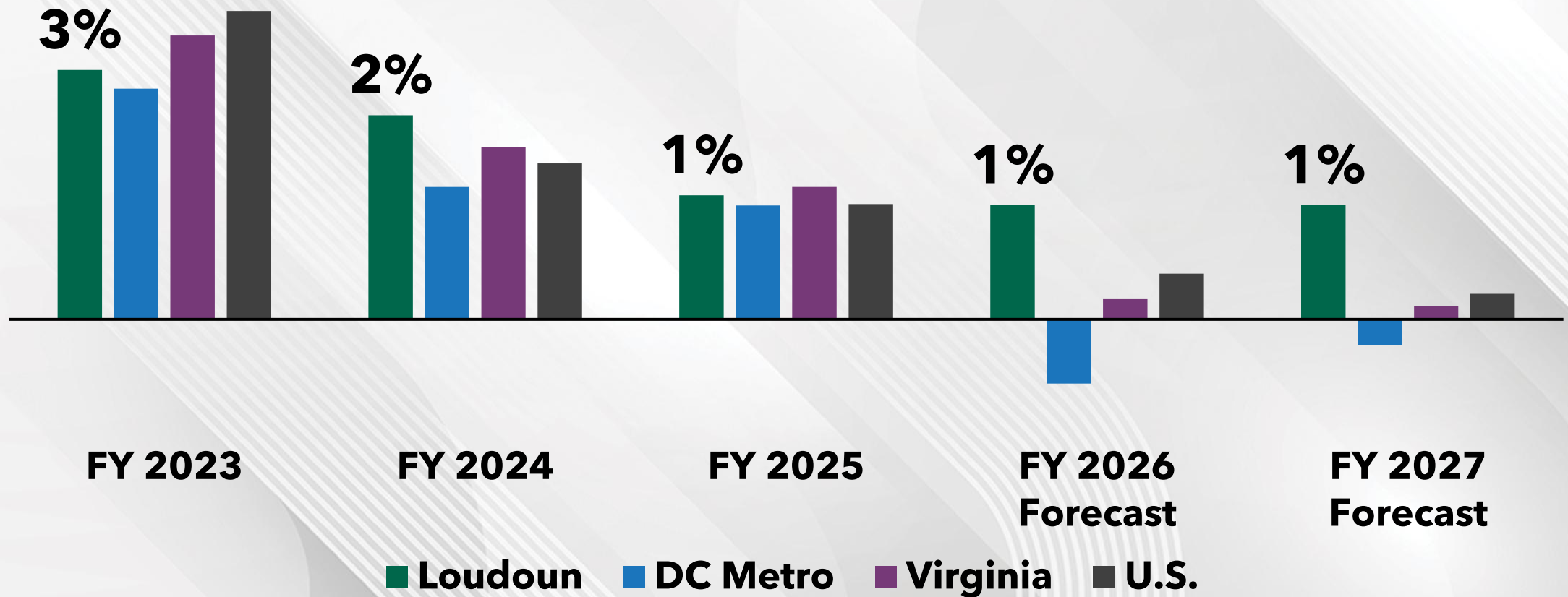
Accomplishments



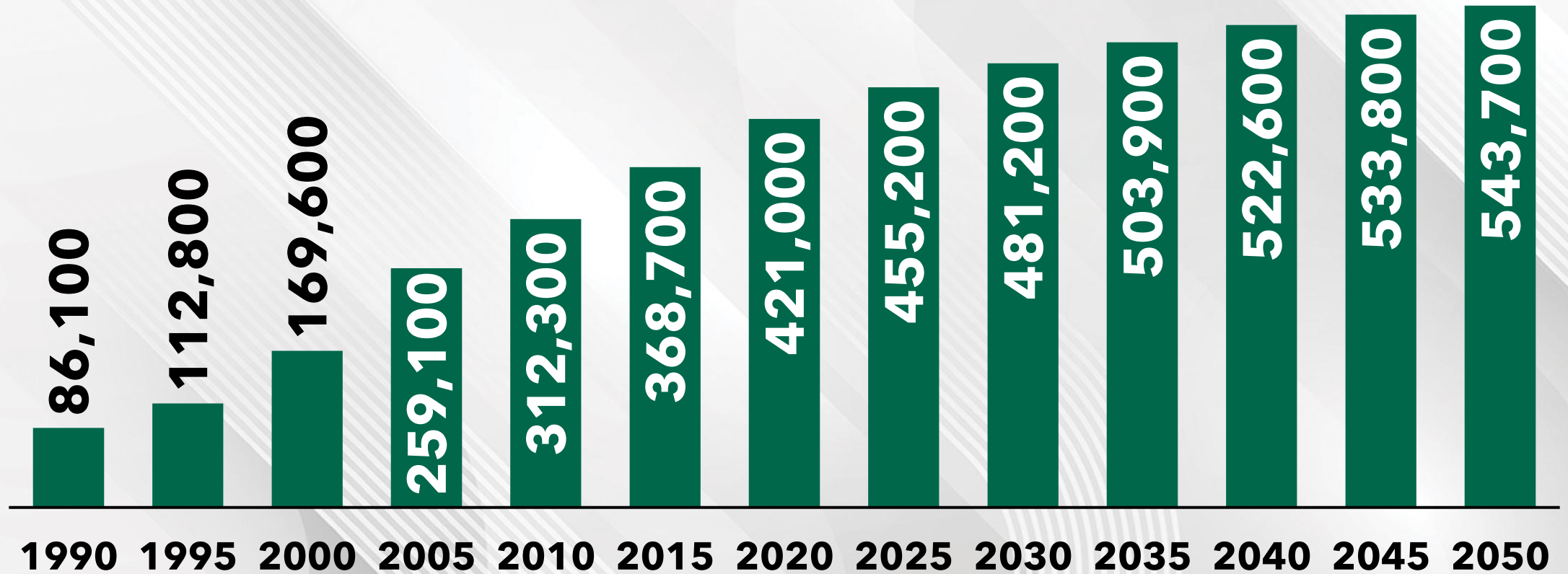


Economic Environment

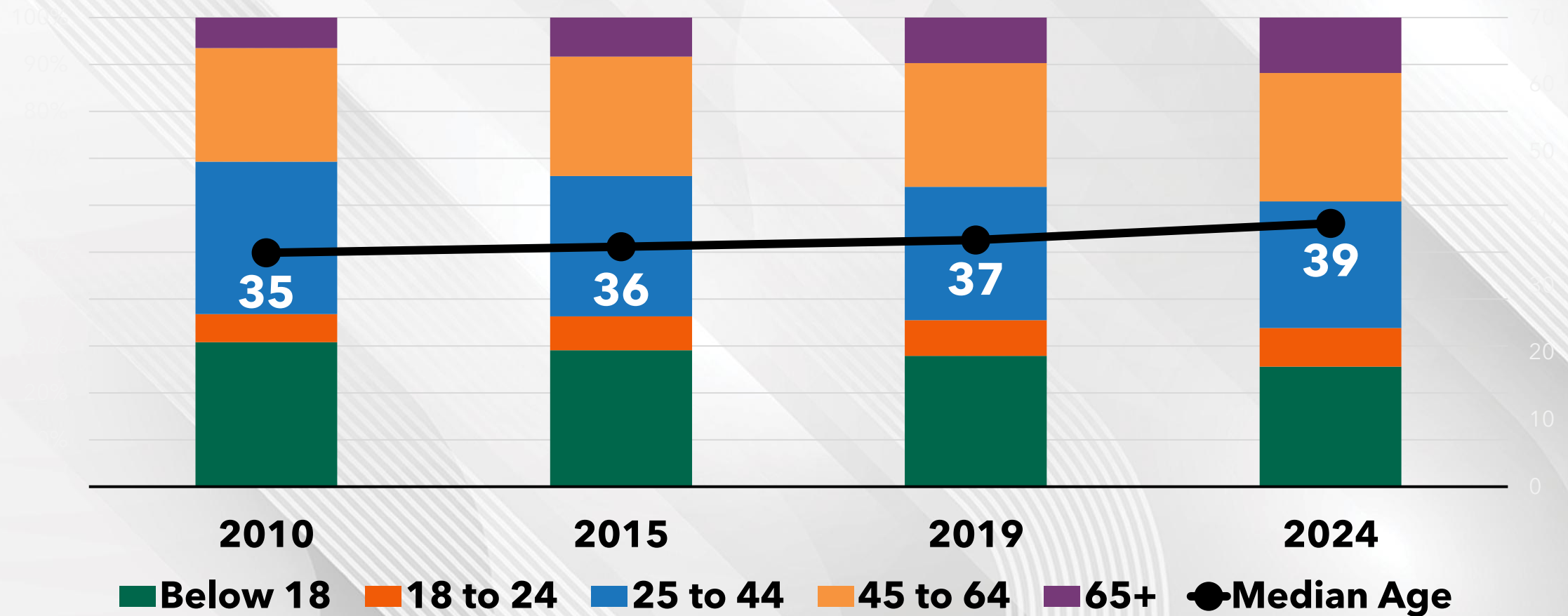
Employment Growth



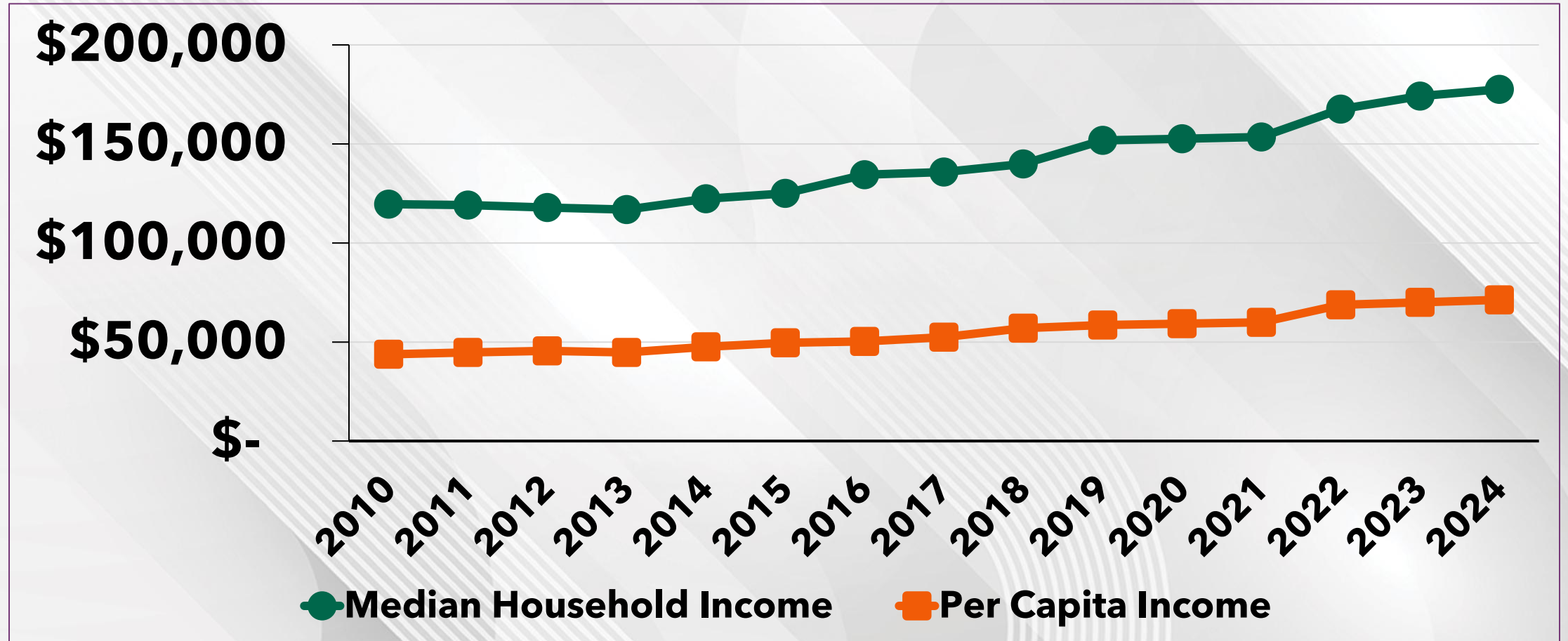
Population



Population by Age Cohorts



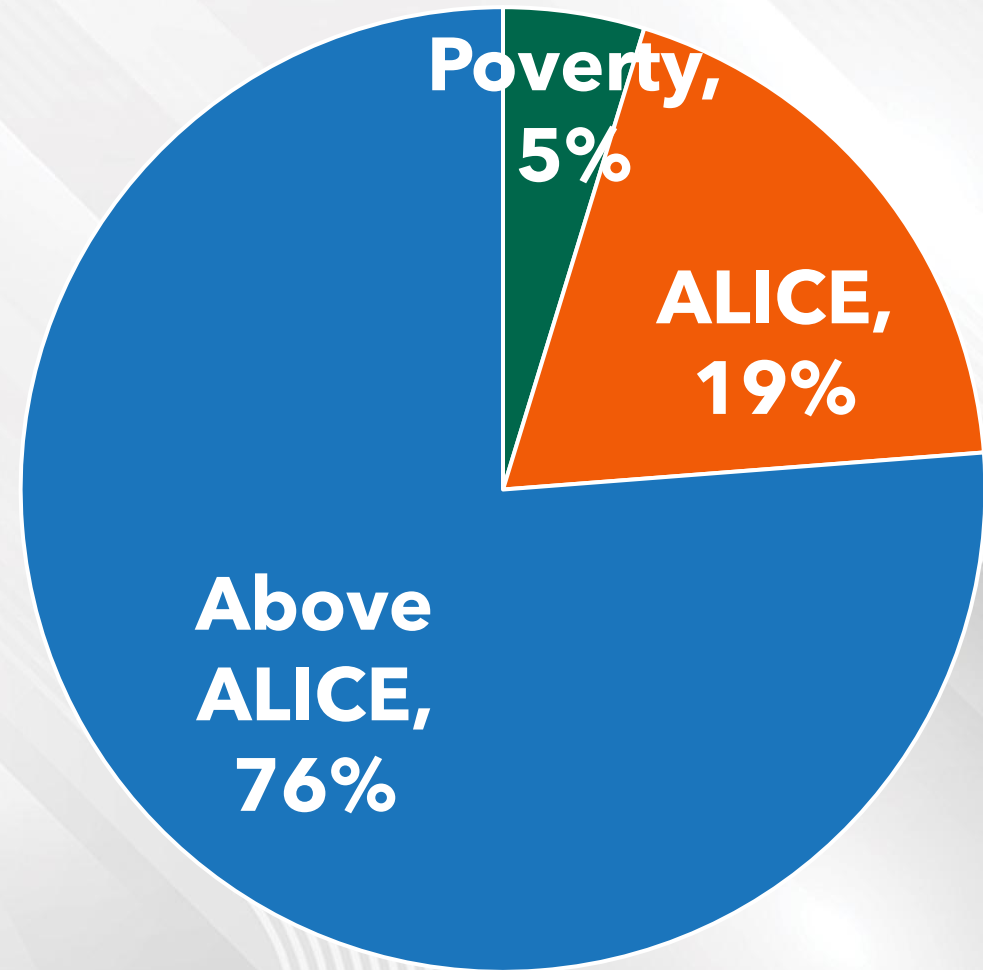
Income Trends



Source: U.S. Census Bureau
Data for 2020 are not available and have been estimated.

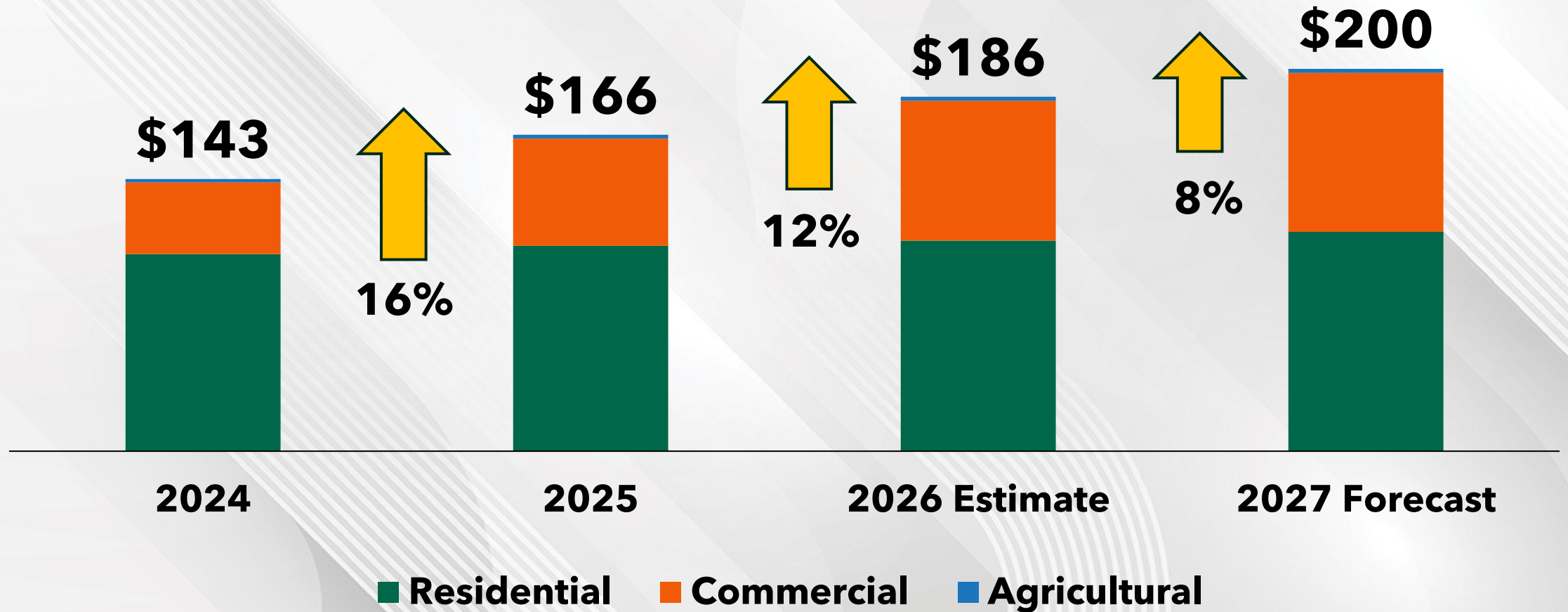
Income Dynamics

- Asset Limited, Income Constrained, Employed (ALICE) Households
- One quarter of households cannot afford basic living costs



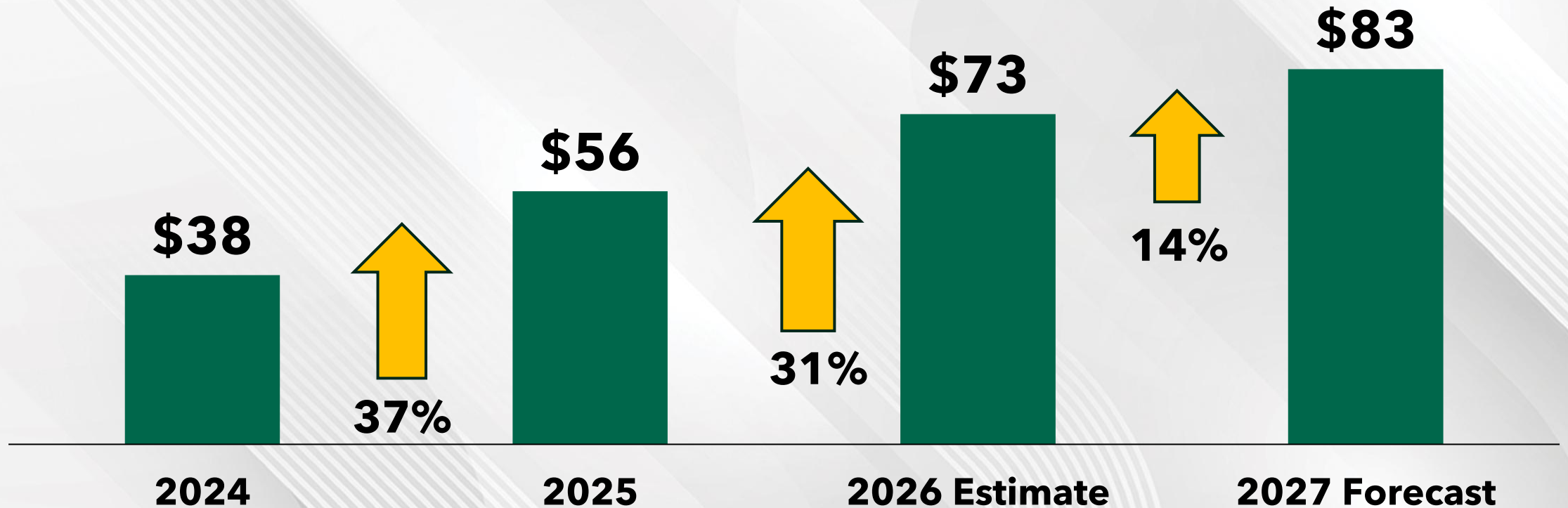
Real Property Portfolio

\$ in billions



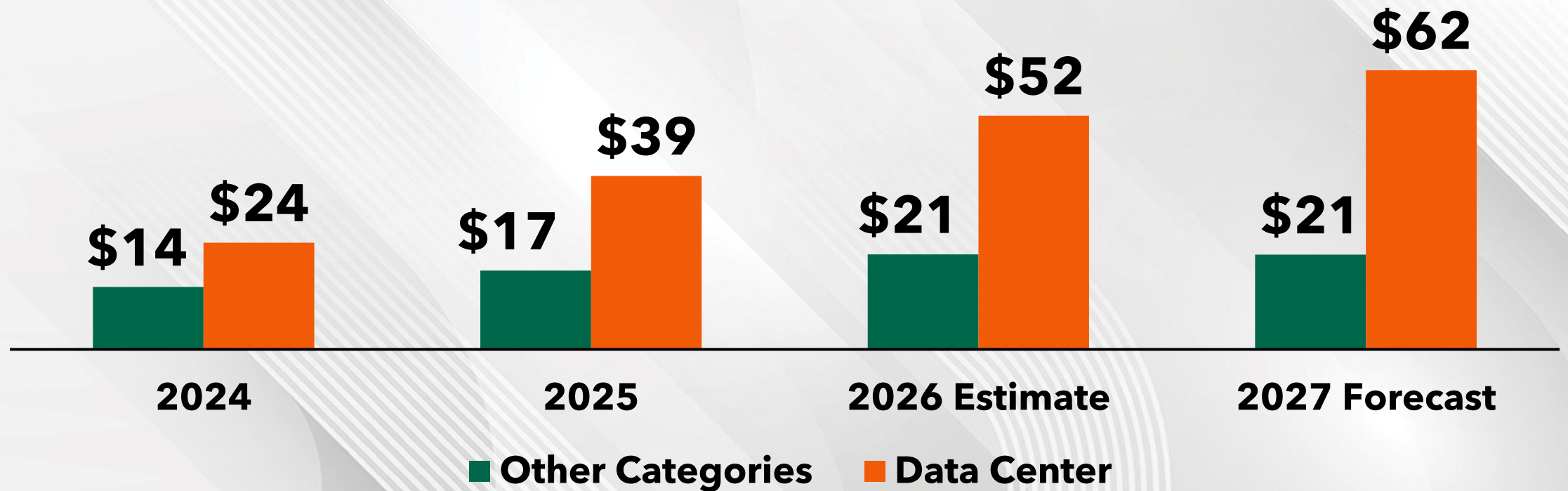
Commercial Real Property Portfolio

\$ in billions

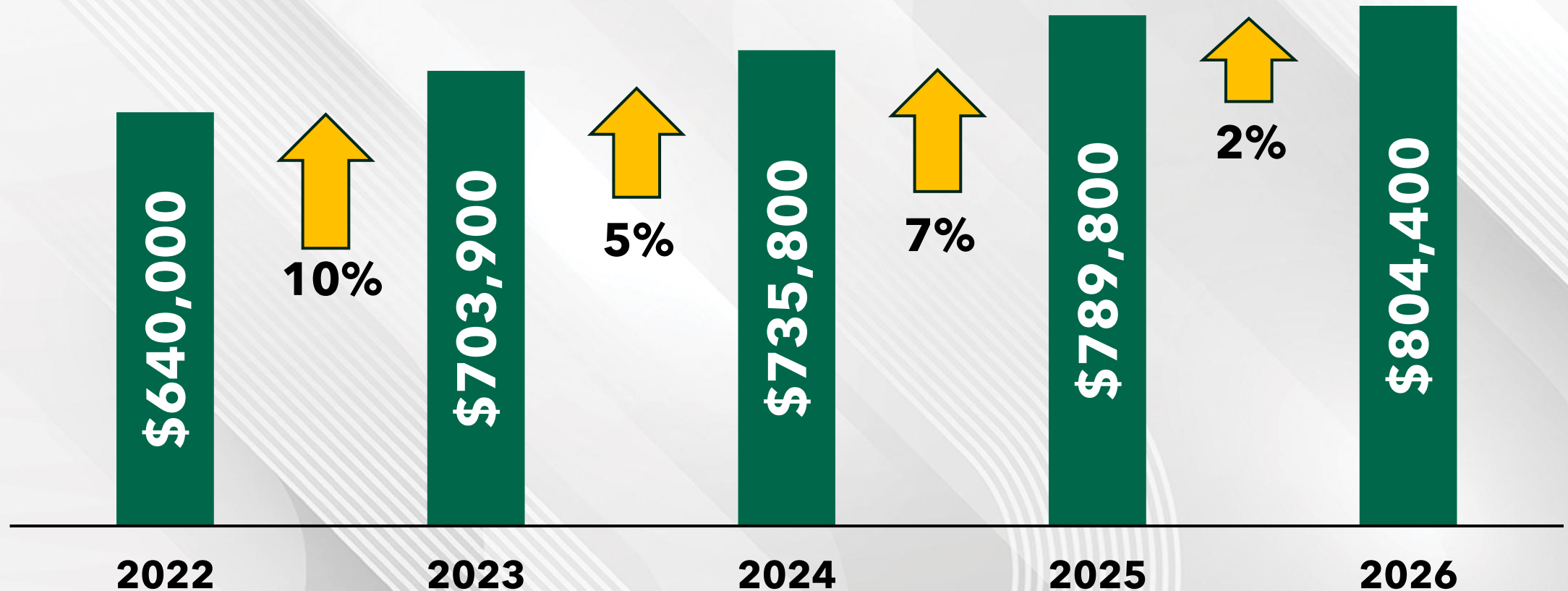


Commercial Real Property Portfolio: Data Center Driven Growth

\$ in billions

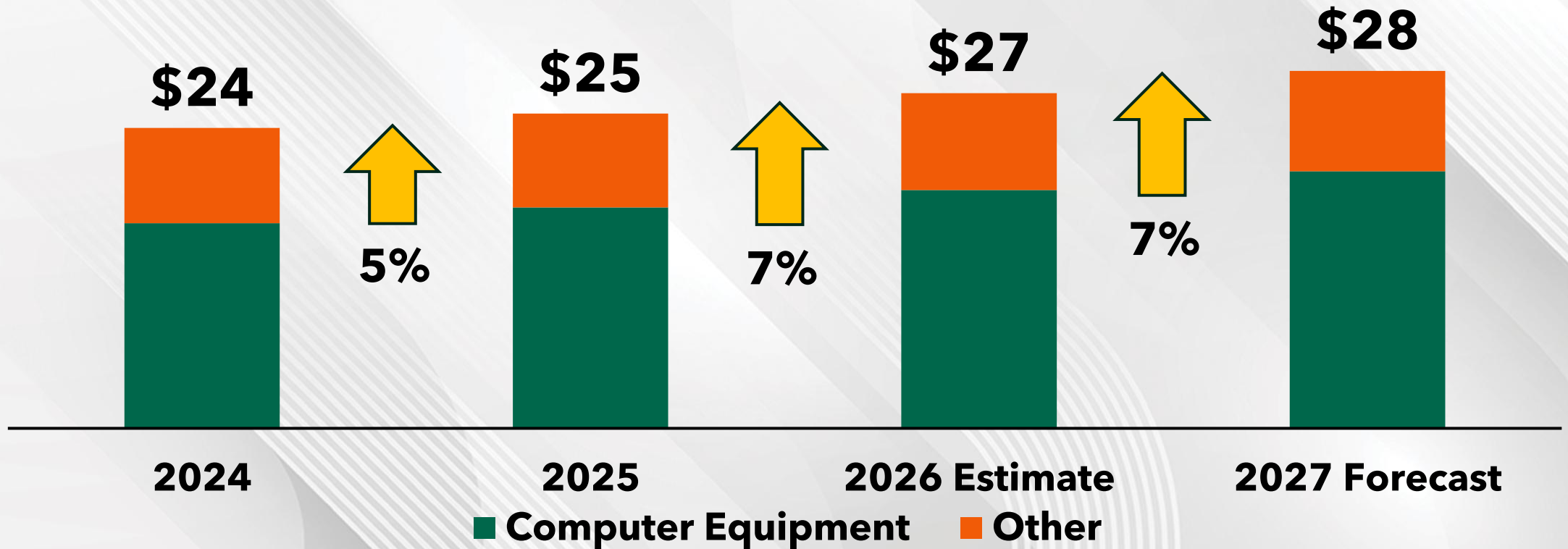


Average Assessment Value for New and Existing Homes



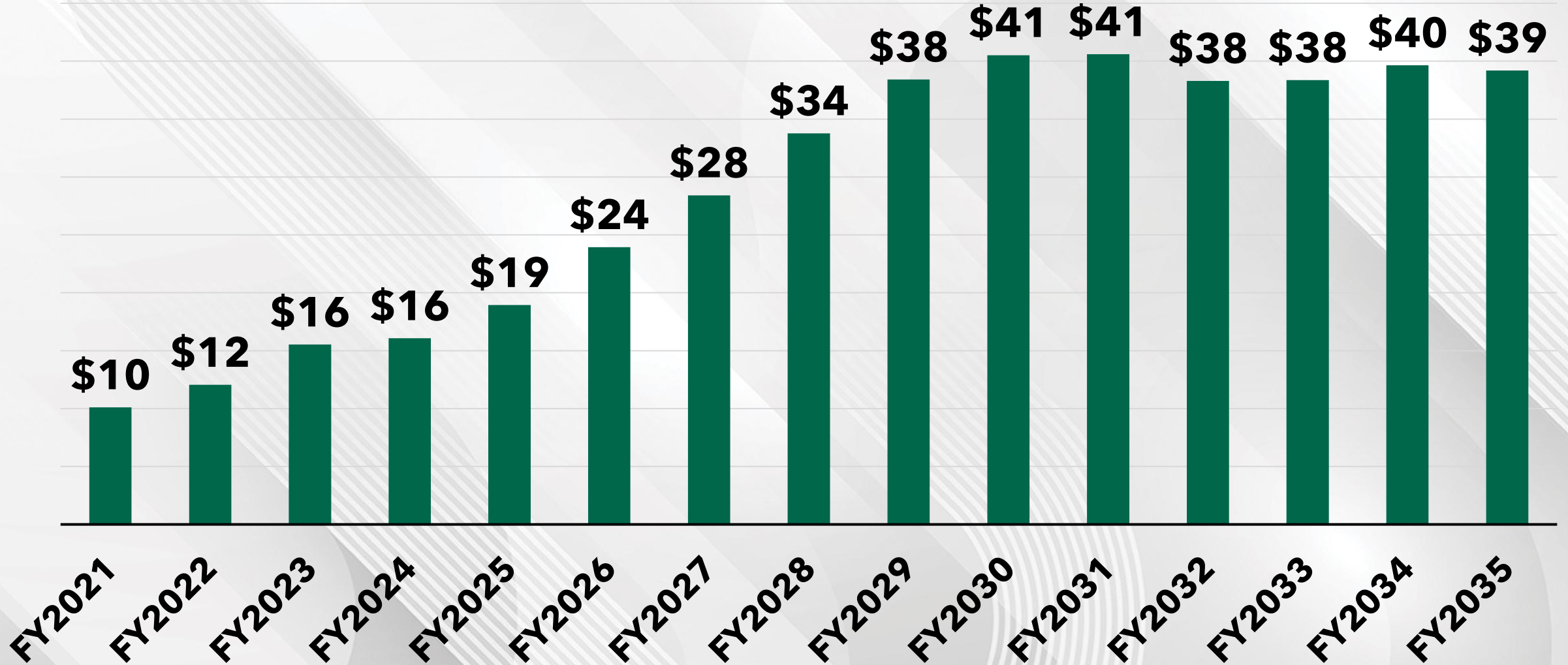
Assessed Value of Personal Property

\$ in billions



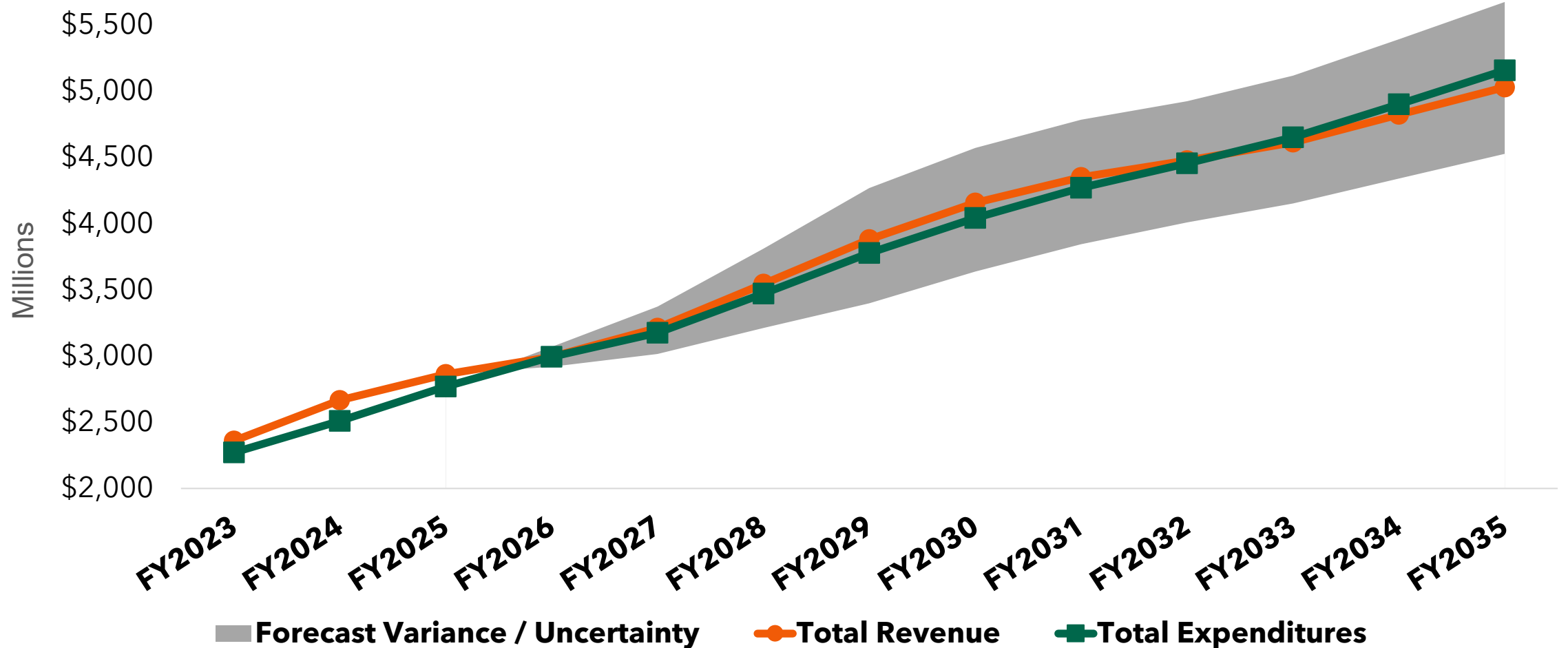
Assessed Value for Data Center Personal Property

\$ in billions

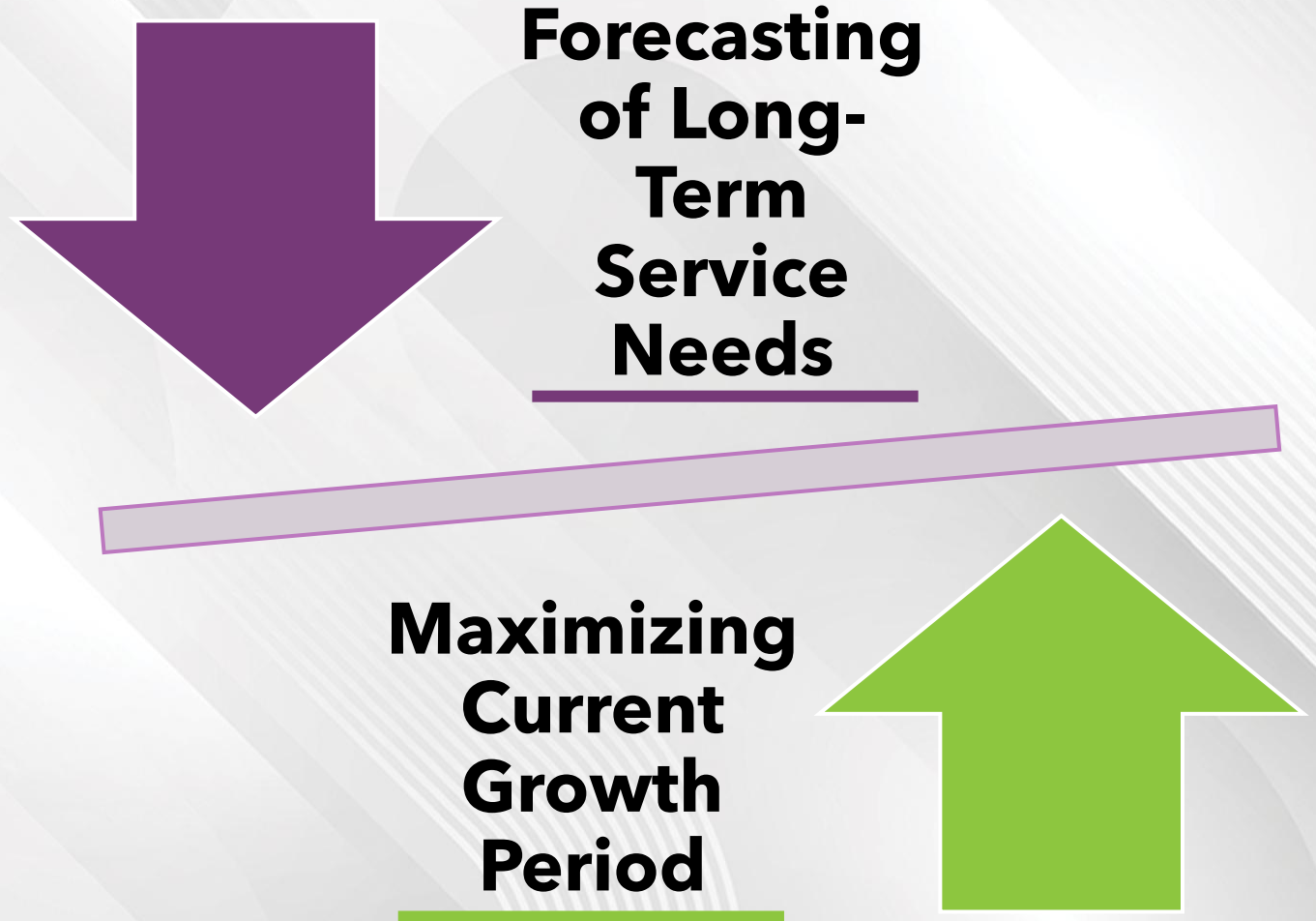


Long-Term Revenue and Expenditure Forecast

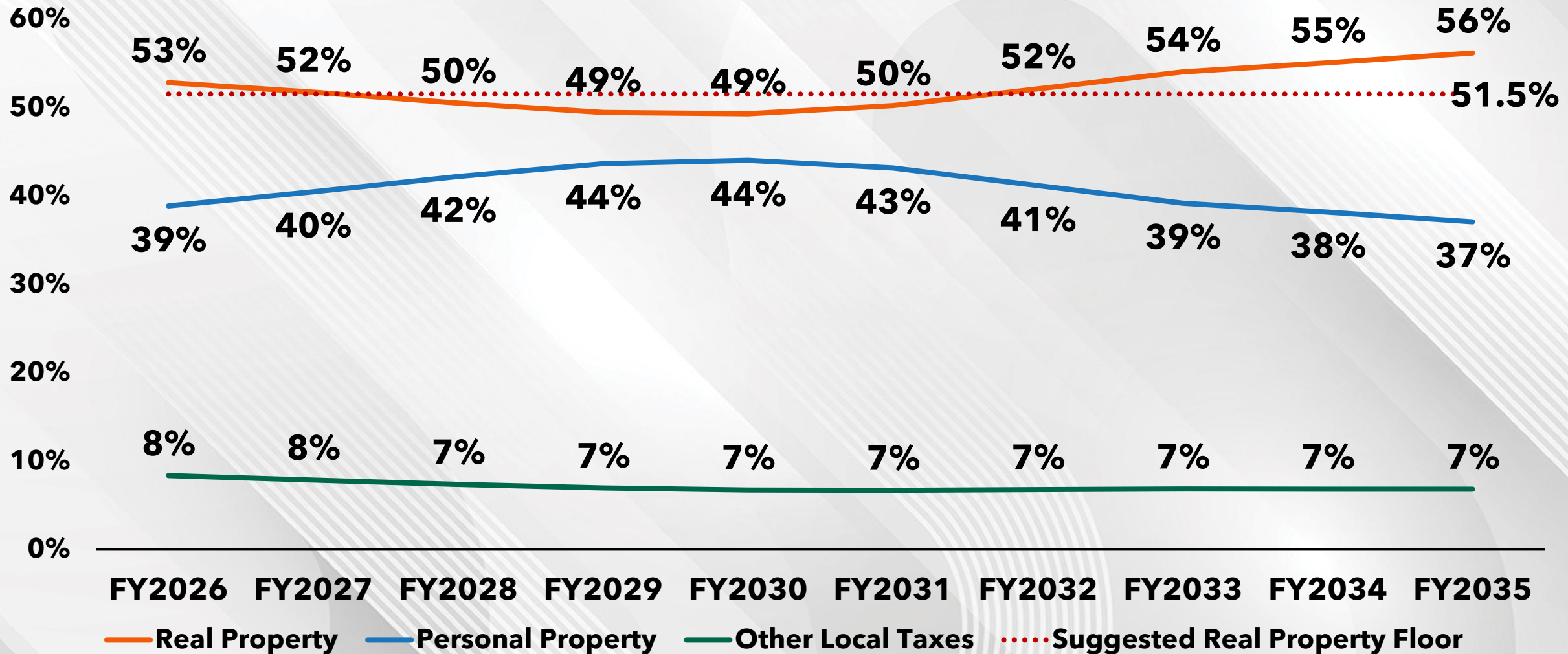
\$ in millions



Recommended Strategies for FY 2027 and Beyond



Share of Tax Revenue by Source





Proposed Budget Overview

Budget Guidance Process

- **July 2025**

- Economic outlook discussion
- Capital Improvement Program (CIP) guidance and annual debt issuance guideline changes

- **September 2025**

- Multi-year revenue forecast discussion

- **July 2025 - January 2026**

- Service level discussions with various departments throughout development process

- **January 2026**

- Final budget guidance from Board

Managing Operating Budget Growth

- Operating budget includes funding for personnel, contracts, and other expenses related to general operations
- Represented by expenditures funded by Local Tax Funding

FY 2027 New Funding	Operating Budget
County (9%)	\$70 M
School Division (8%)	\$105 M

Uses of New Local Tax Funding

**New Local
Tax Funding
Total**

\$199.3 M



**New
Expenditures**

\$70 M

County
Operating

\$105 M

Schools
Operating

(\$47.7 M)

Reduction of
One-Time
Expenses

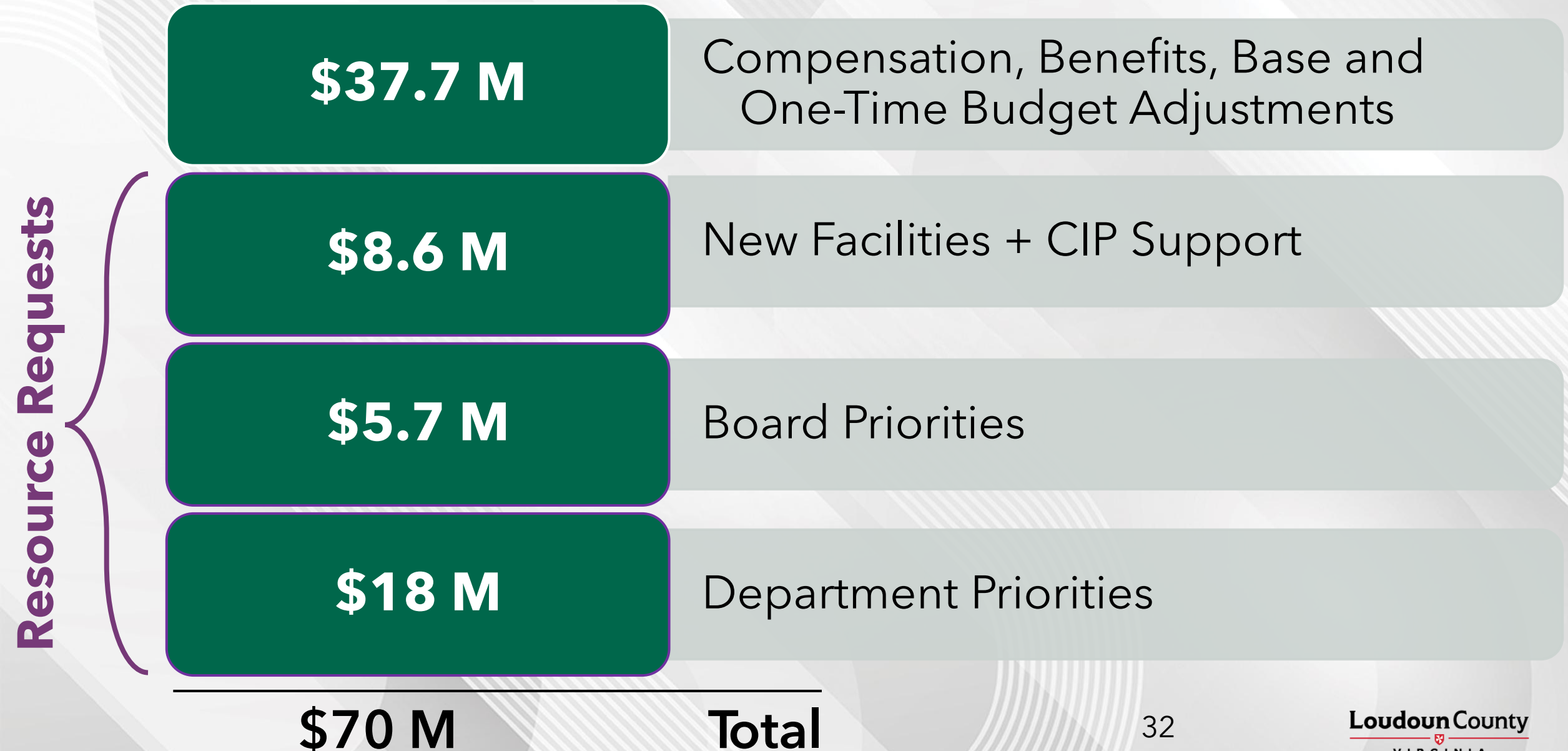
\$63.3 M

Capital
and Debt
Service

\$8.7 M

Housing
Fund

Categories of County Operating Budget

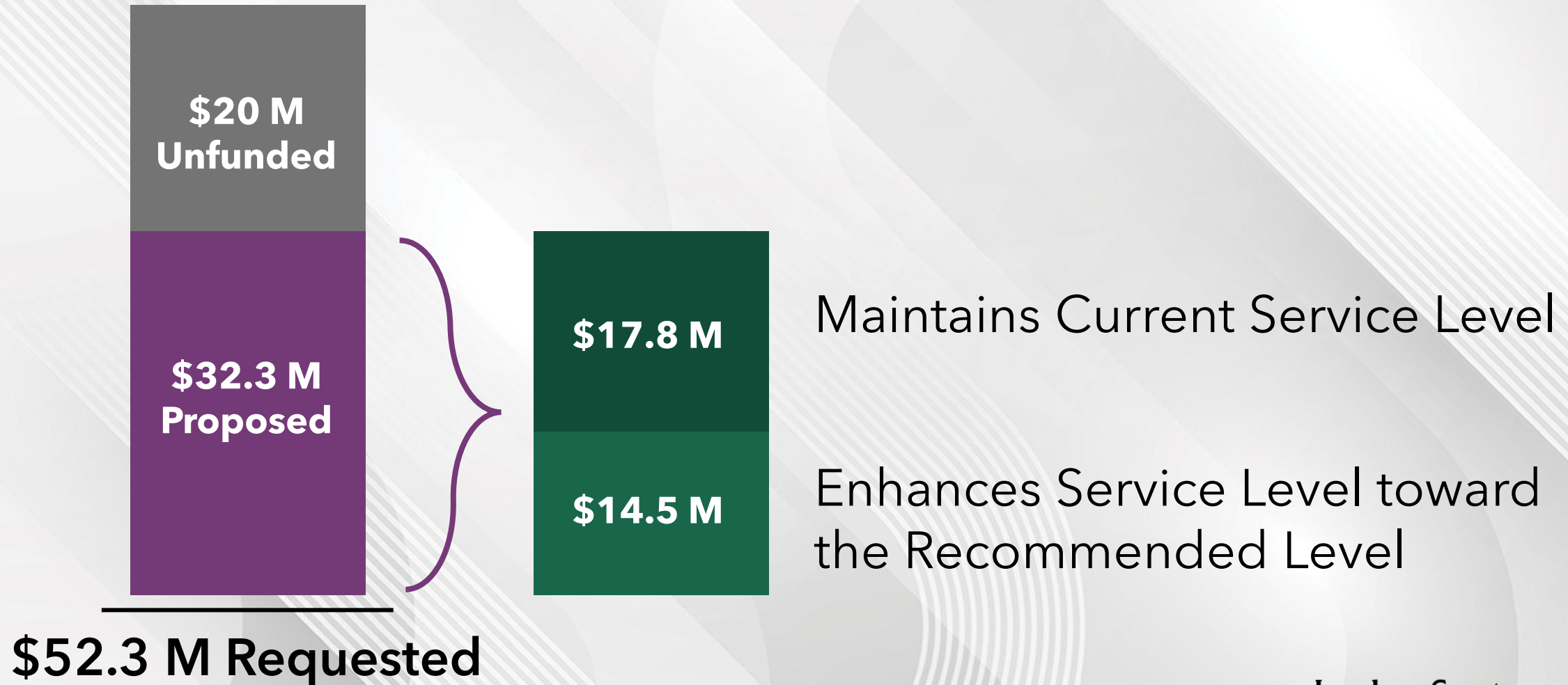


Employee Compensation

- Consistent with labor agreements for General Government and Fire and Rescue bargaining units
- Market-driven recommendations for the Sheriff's Office

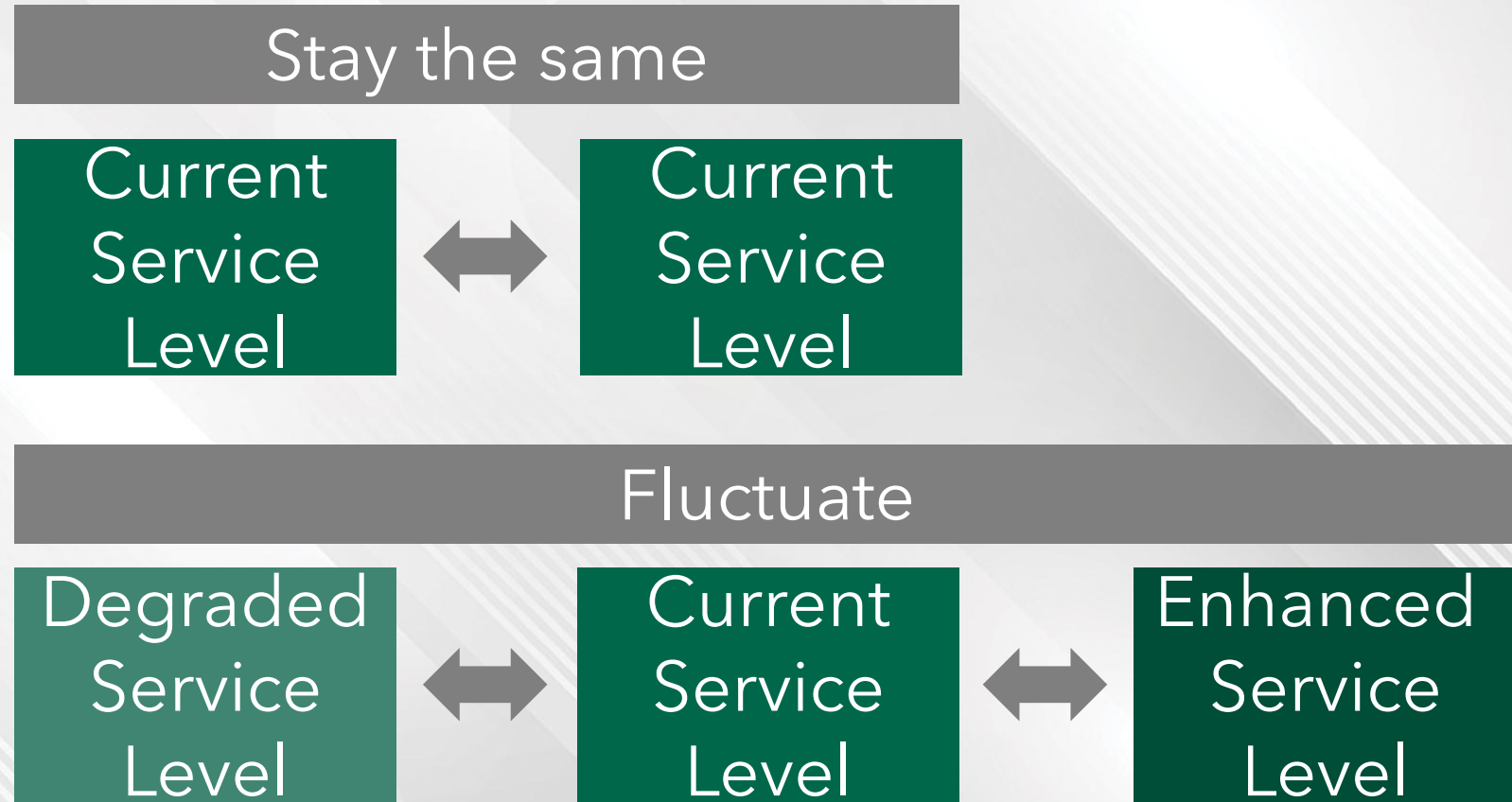
Compensation Increases		Amount
General Workforce – 4.25% merit increase		\$13.9 M
Fire & Rescue – 2.5% scale increase + step (5.5% total average increase)		\$5.8 M
Sheriff's Deputies – 5.75% scale increase + step + specialty pay (8.75% total average increase)		\$8.8 M
Total	33	\$28.5 M

Prioritizing Resource Requests Based on Service Levels



Prioritizing Resource Requests Based on Service Levels

- Each year through the budget process, service levels may:
 - Stay the same
 - Degrade through reallocations
 - Enhance by adding resources



Funded Resource Requests

- Proposed Budget:
 - Includes some critical resources
 - Does not include all departmental resource requests
 - Prioritizes public safety/infrastructure of care
- 187 new positions in 18 departments:
 - New positions support capital facility openings; support to CIP
 - Board priorities
 - Departmental priorities

New Resource by Request Type

- All capital facility openings
- Board priorities
- Department requests prioritized based on service level analysis and critical needs

Request Type	Positions	LTF
Capital Facility Openings	47	\$8.6 M
Board Priorities	32	5.7 M
Department Priorities	108	18.0 M
Totals	187	\$32.3 M

Board Priorities

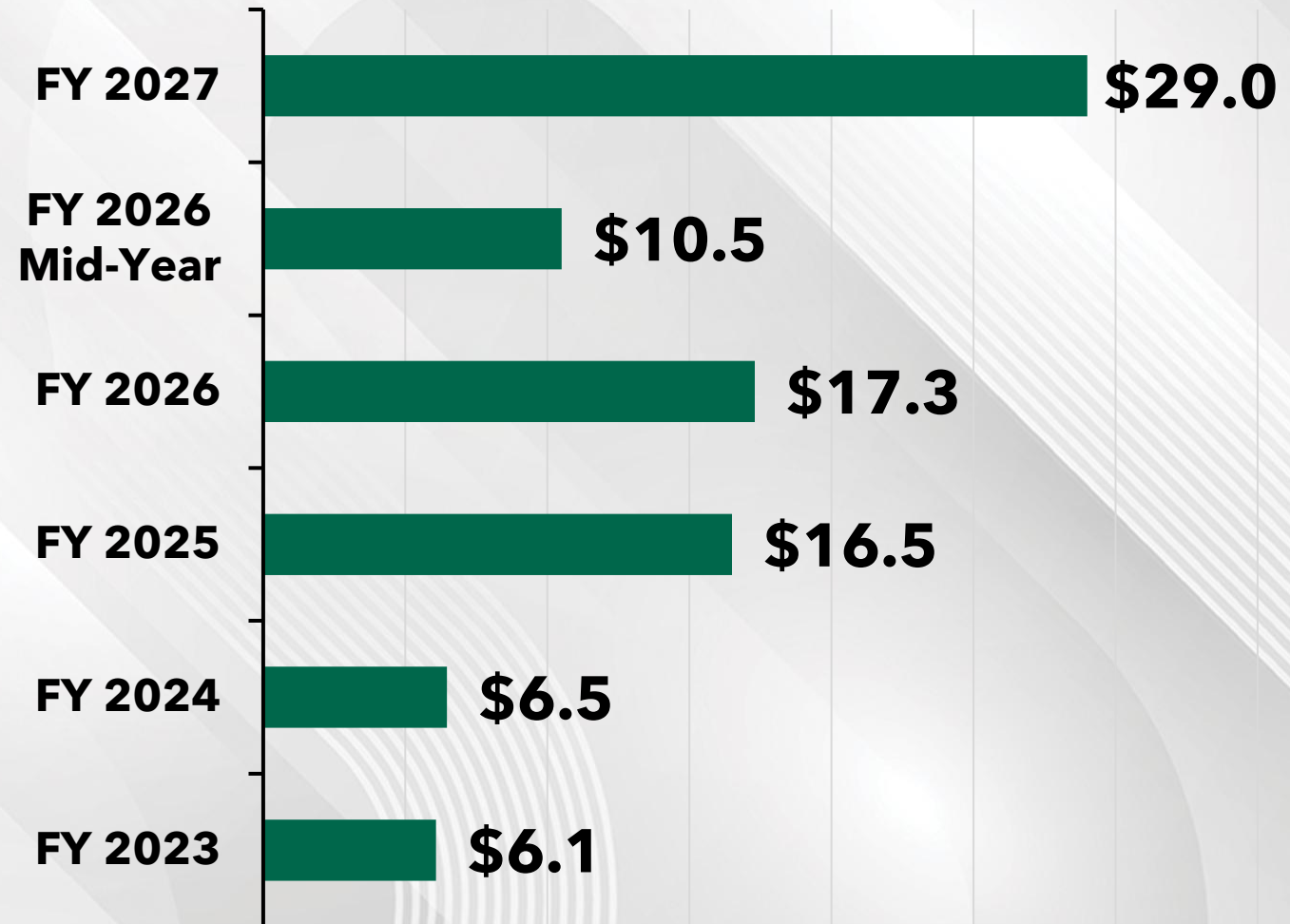
- Arts Comprehensive Master Plan
- CARES Revenue Adjustment
- Childcare Fee Reduction Program
- Four-Person Engine Staffing
- Glass Recycling Program Expansion
- Medical Director for Adult Detention Center
- Proactive Zoning Enforcement in Western Loudoun
- Virginia Property Maintenance Code Zoning Enforcement Support Positions

Federal Impacts

- Federal actions have impacted the region but no significant County impacts
- Steps taken:
 - \$5 million to Community Foundation for Loudoun and Northern Fauquier Counties for non-profits
 - Federal impacts contingency
 - \$2.7 million of resources in FY 2027 Proposed Budget
- County is well-positioned to address service impacts as they arise

Focus on Housing Programs

- \$85.8 million of additional dedicated revenue since FY 2023
- Attainable Housing Loan Program:
 - 10 developments and 1,100+ units funded
 - 4 developments and 600+ units under review





FY 2027 - FY 2032 Proposed Capital Improvement Program

CIP Development Factors

**Project
Evaluation
Criteria**

**Cost
Increases and
Schedule
Adjustments**

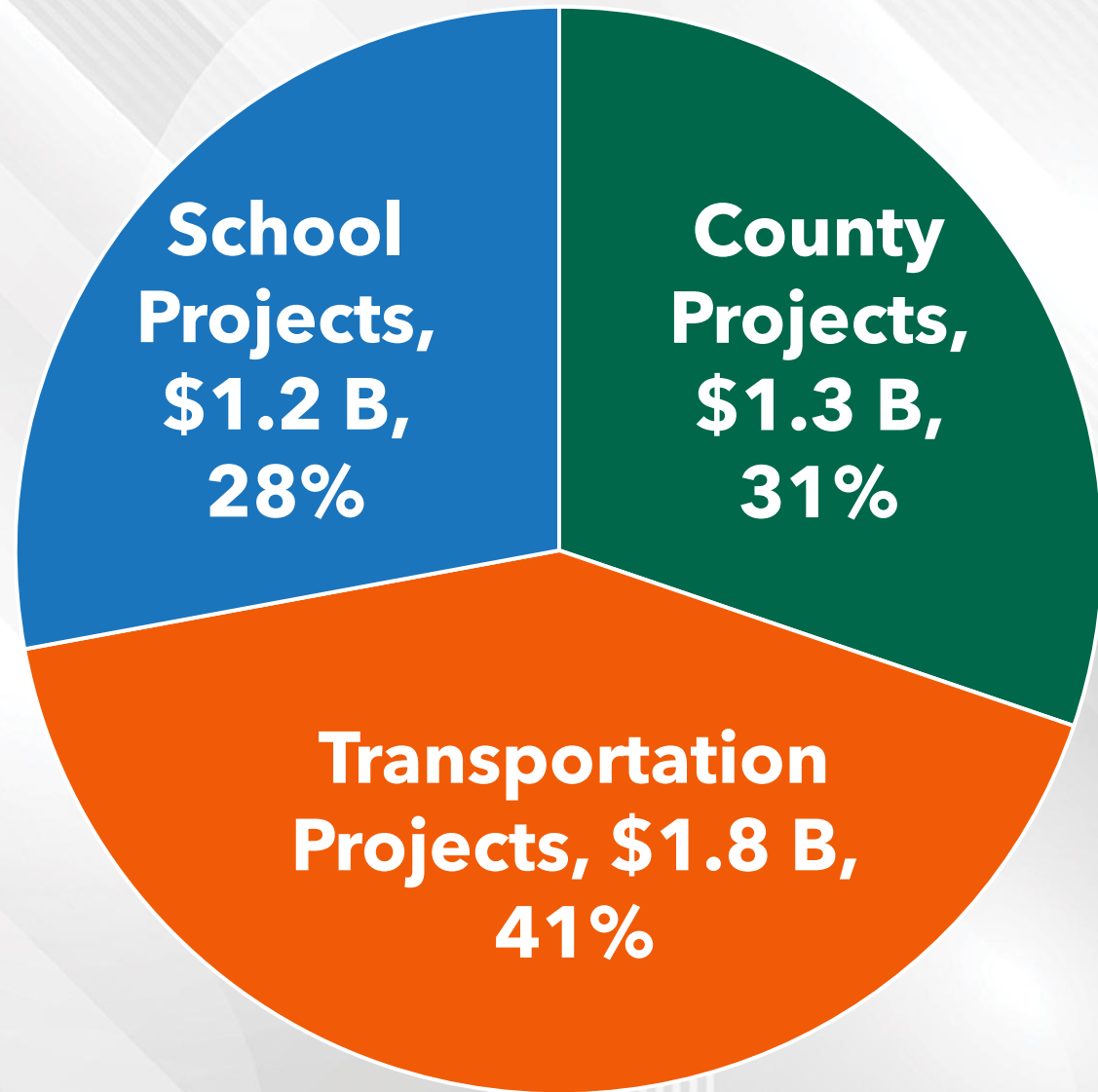
**Local Tax
Funding and
Debt**

**School Board
Adopted CIP**

Local Tax Funding and Debt Financing

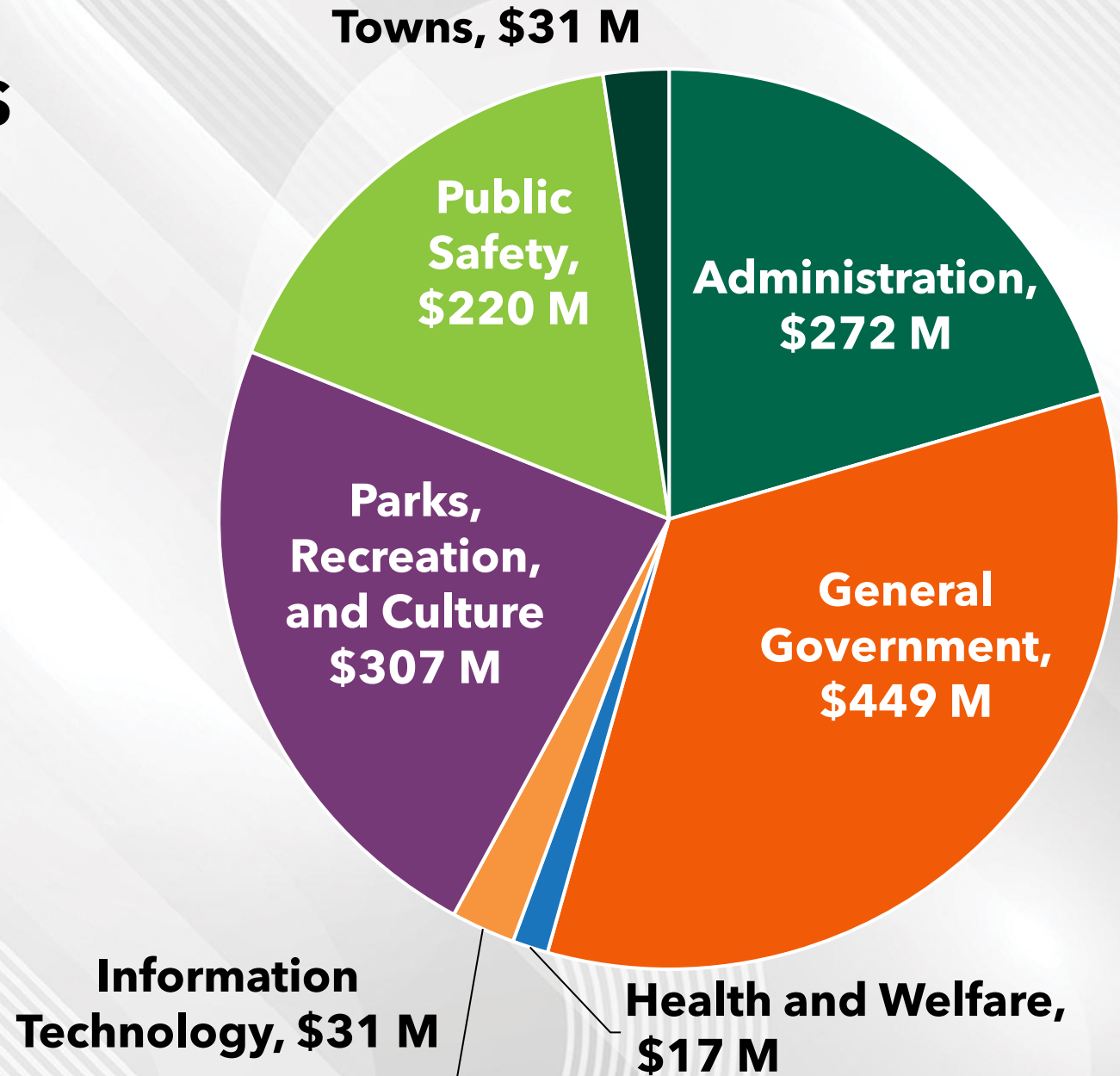
- CIP Guidance
 - Increase to Annual Debt Issuance Guideline (ADIG)
- Budget Guidance
 - Additional LTF to the CIP
 - Debt capacity to be reserved for later years when less LTF will be available for the CIP
- Each year of the CIP retains debt issuance capacity under the ADIG

**Six-Year CIP
totals \$4.3
Billion**



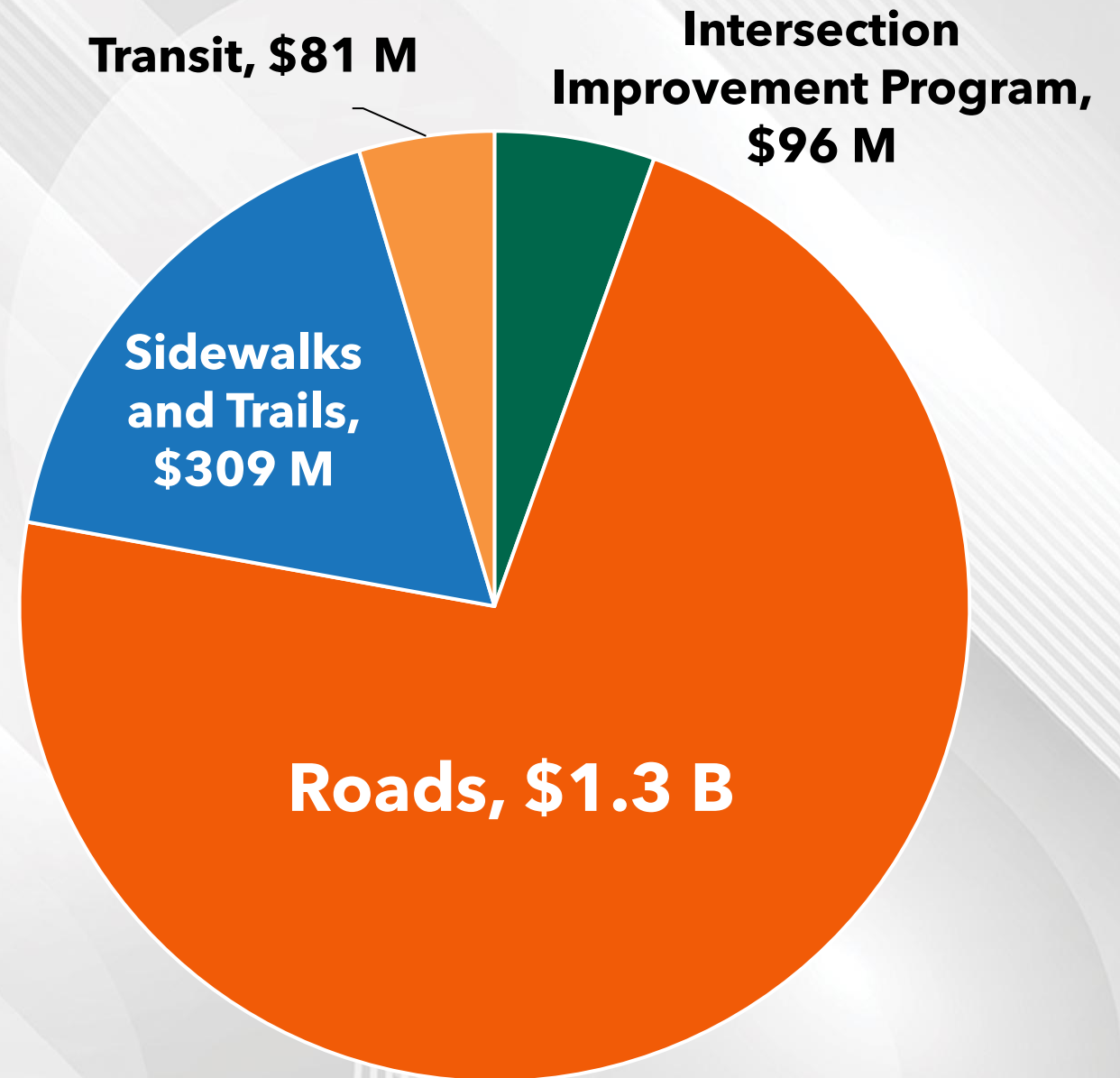
County Projects Highlights

- \$1.3 billion over six years
- Capital Needs Assessment and Space Strategy Projects



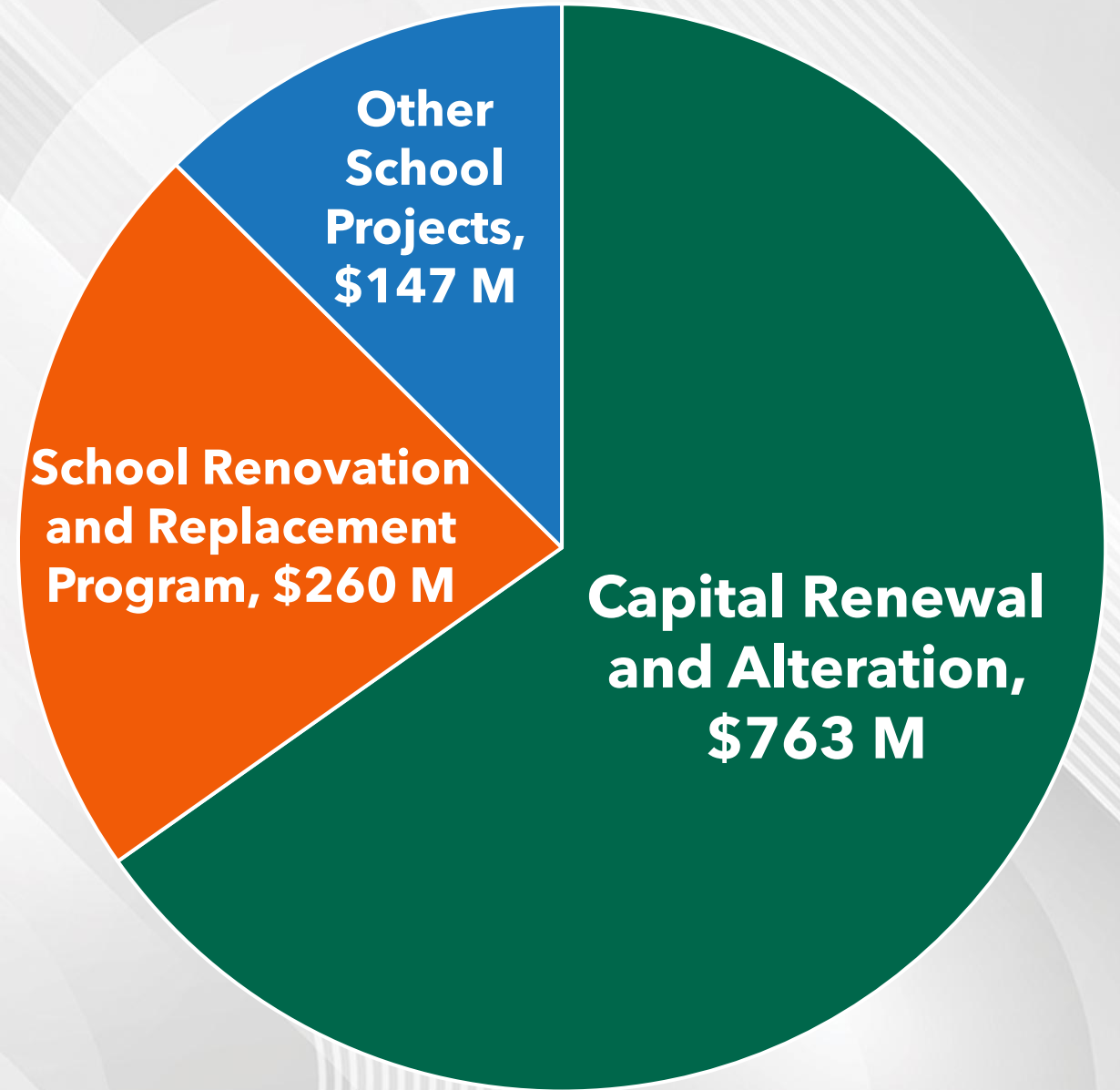
Transportation Projects Highlights

- \$1.8 billion over six years
- Funding and Schedule adjustments
- Major Corridors and Recurring Programs



School Projects Highlights

- \$1.2 billion over six years
- No new enrollment-driven schools in the six-year period
- Facility renewal, renovations, and replacements



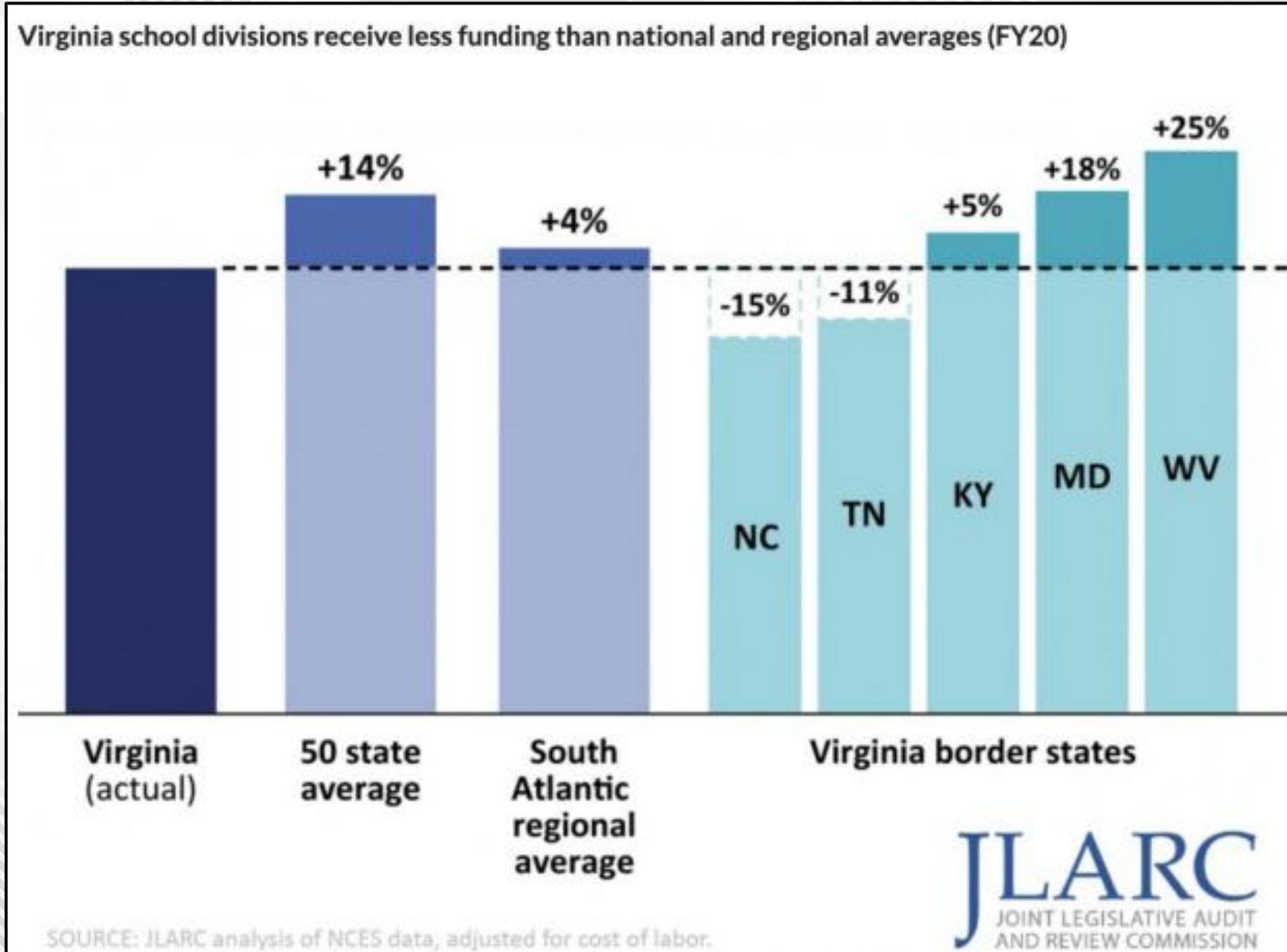


Loudoun County Public Schools

School Board Adopted Budget

- School Board adopted its budget on February 3
- Total operating budget is \$2.1 billion (5 percent increase)
- Request for County funding is aligned with Board's guidance of limiting growth

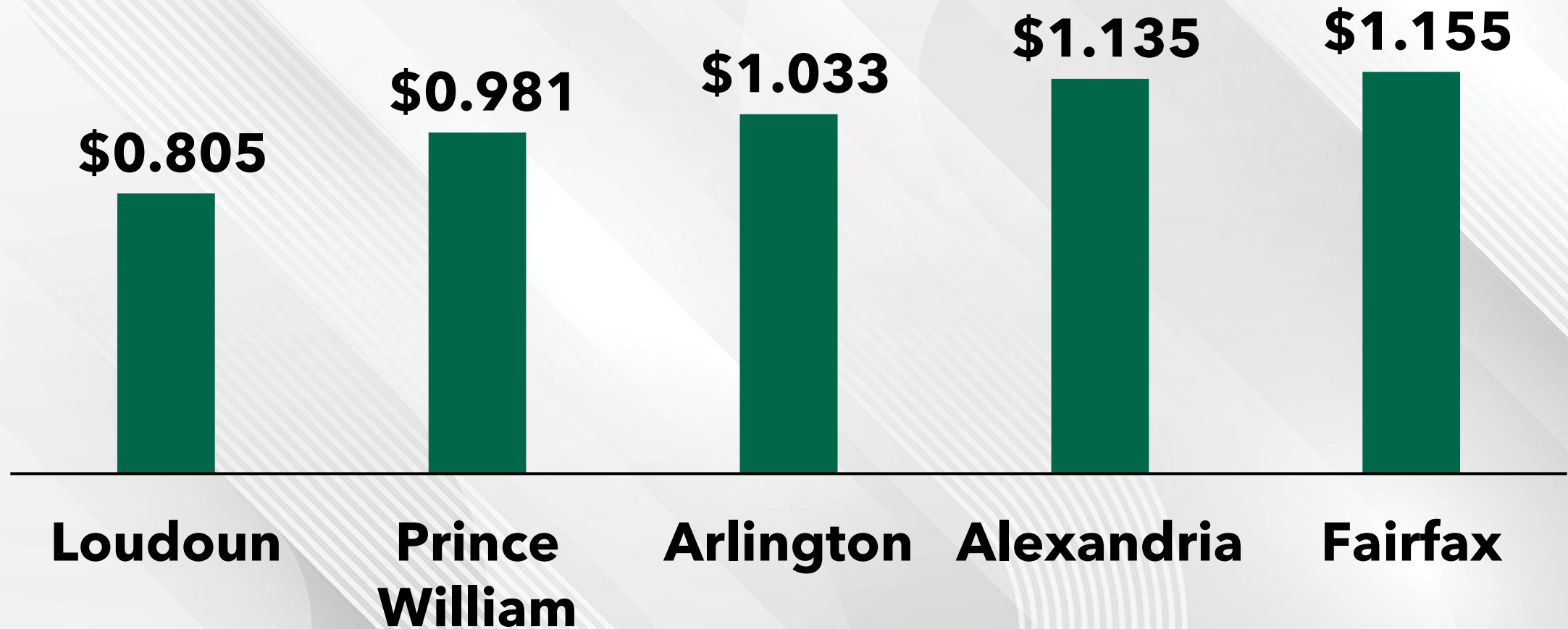
State Funding for Virginia Schools Lags National and Regional Comparators



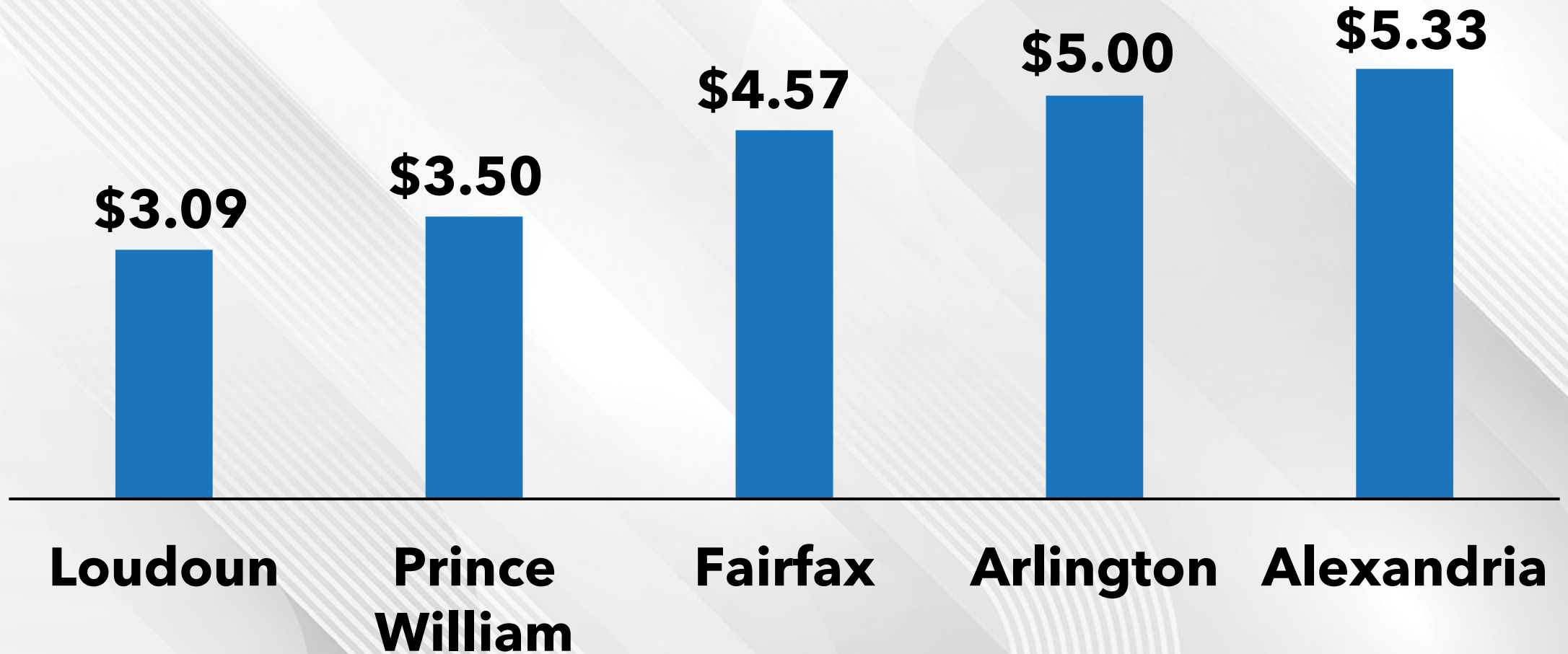


Summary of Proposed Budget

Regional Real Property Fiscal Year 2026 Rates



Regional Vehicle Tax Rates

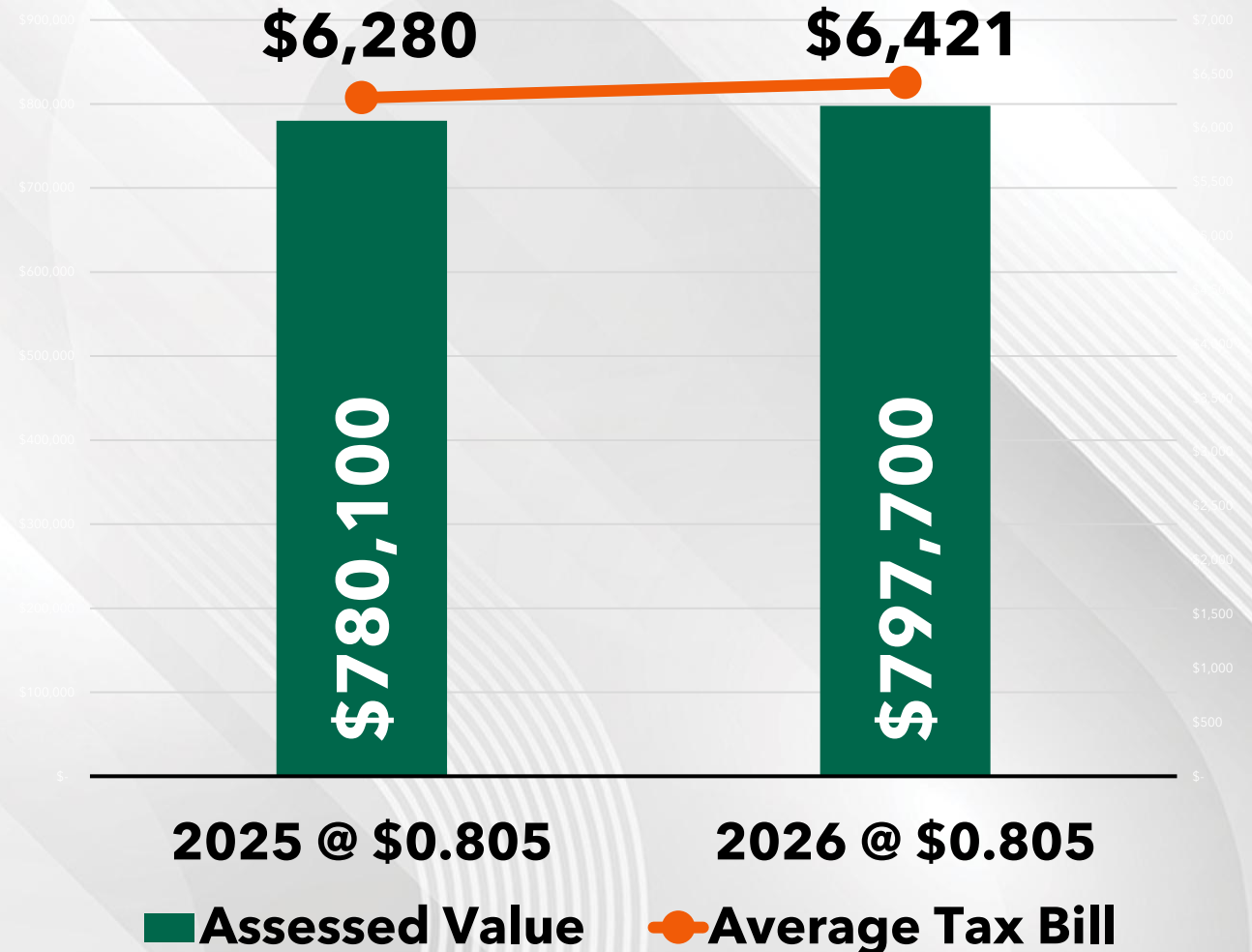


The Loudoun County tax rate is based on Tax Year 2026 information.
All other jurisdictions' rates are based on Tax Year 2025 information.

Average Homeowner Tax Bill

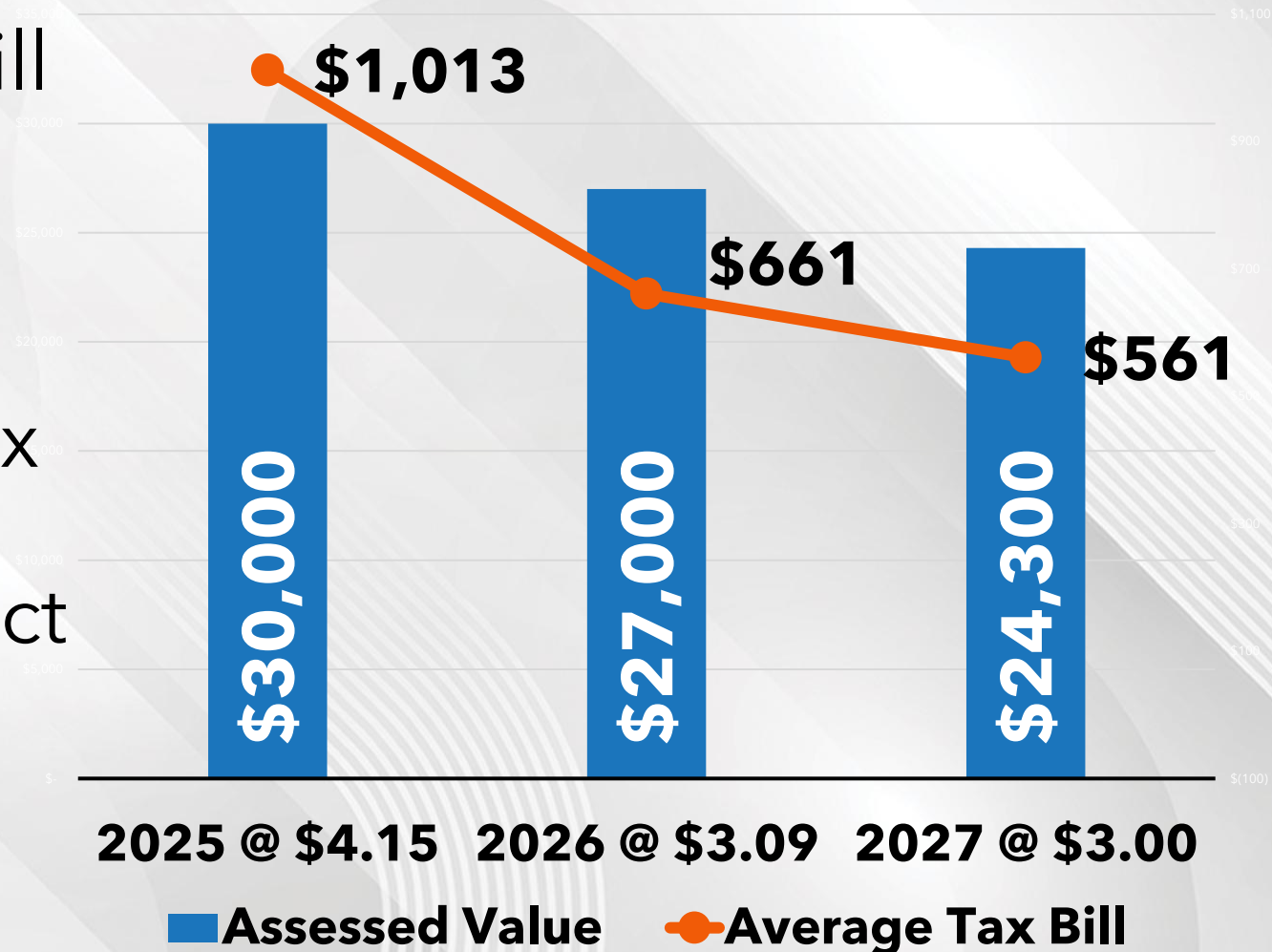
Existing Properties

- Example shows the tax bill impacts of the proposed real property tax rate
- The average residents would increase an increase of \$141



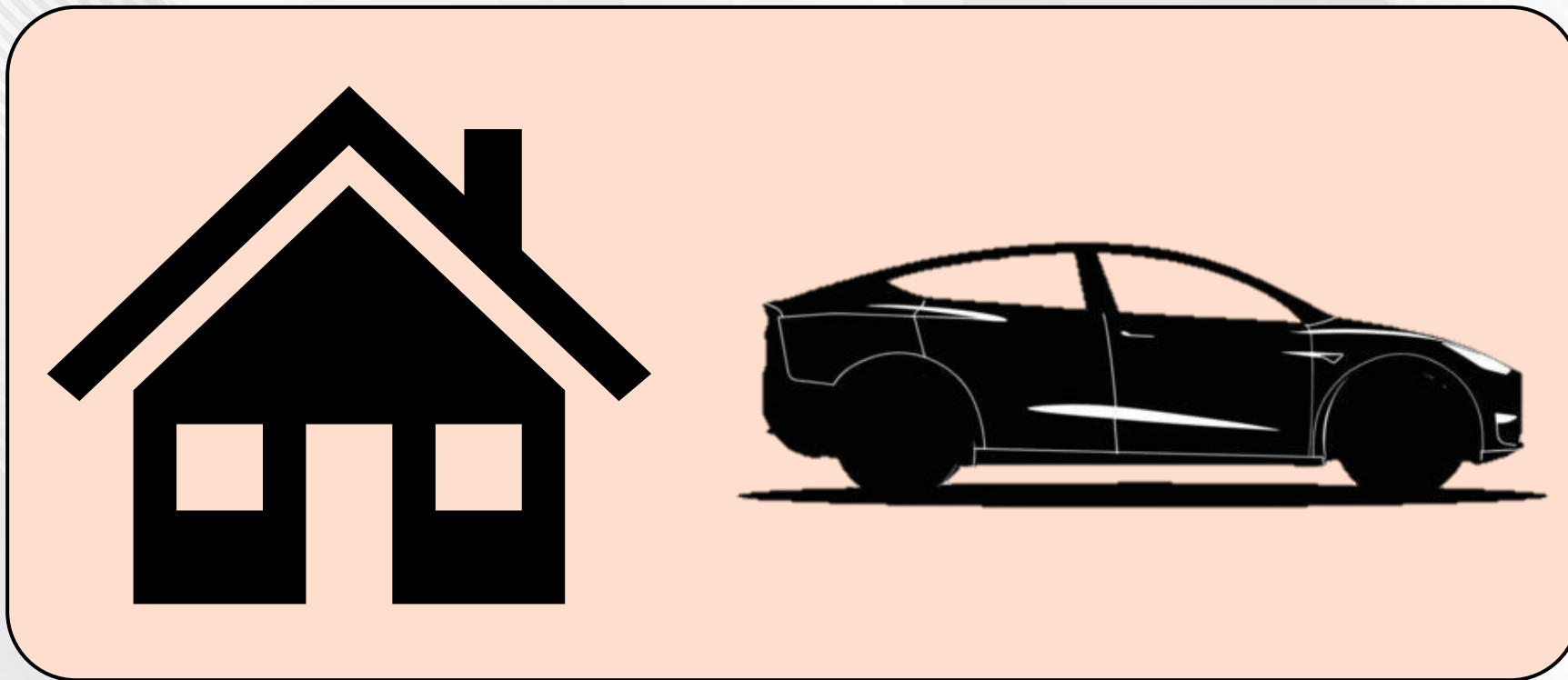
Vehicle Owner Tax Bill Impacts

- Example shows the tax bill impacts to a vehicle valued at \$30,000 in Tax Year 2025
- Vehicle depreciation + tax rate reductions of \$1.15 will have significant impact on tax bill
 - In this example, total savings over two years of \$450



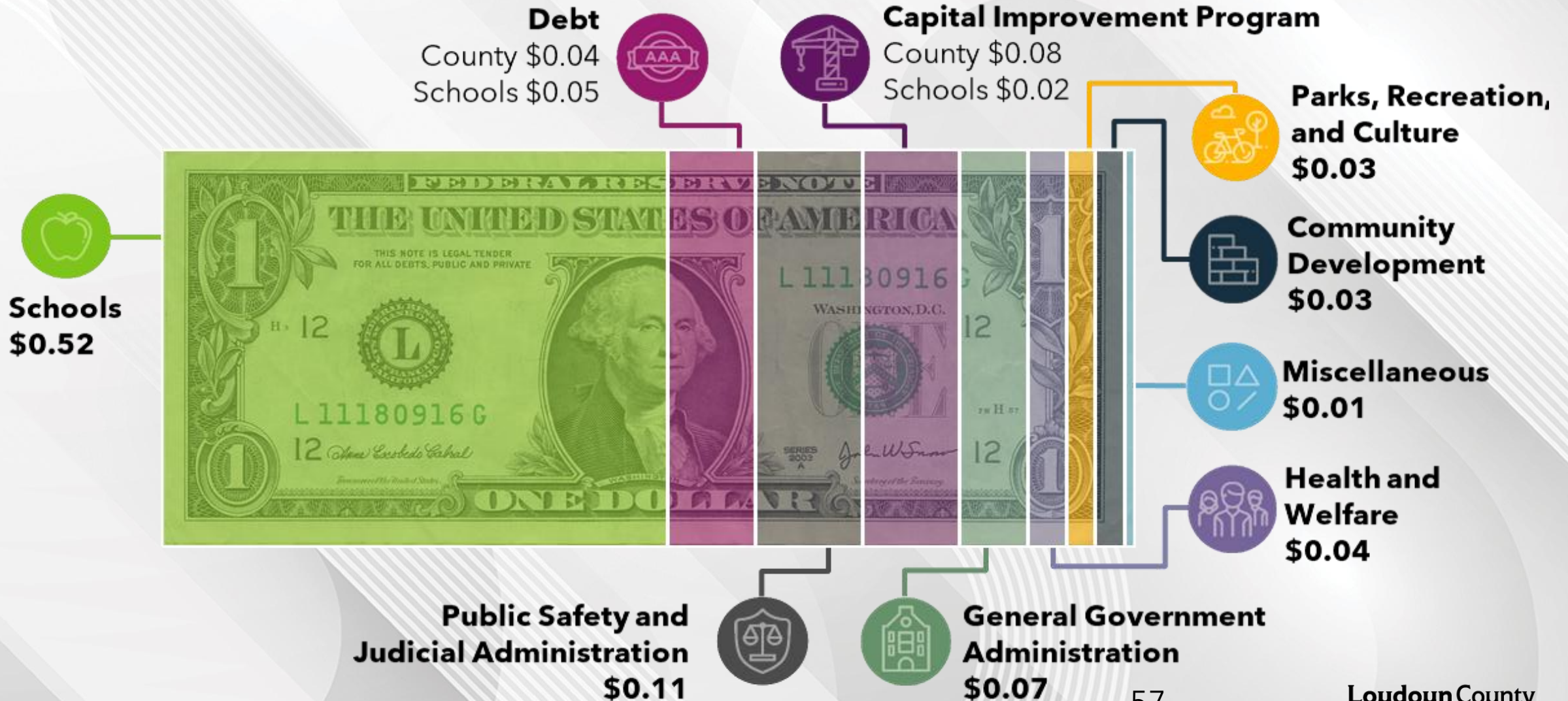
2026 Tax Bill Impacts:

One Home + Two Vehicles



Net Tax Decrease = \$563

Your Tax Dollar at Work





Public Input

Budget Public Hearings

- **February 26, 2026**

- 3:00 p.m., Loudoun County Government Center
- 6:00 p.m., Loudoun County Government Center

- **February 28, 2026**

- 9:00 a.m., Loudoun County Government Center

- **Advance Sign Up: 703-777-0200**

- [Loudoun.gov/SignUpToSpeak](https://loudoun.gov/SignUpToSpeak)



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