



Guide to the FY 2022 Proposed Budget

This section provides the reader with an overview of the structure of the budget document, insight into the budget development process, and the economic and organizational factors that influenced the recommendations the County Administrator has put forward for the Board of Supervisors' (Board) consideration.

Concepts

Structure of this Document

Volume I and Volume II of the FY 2022 Proposed Budget provide a comprehensive discussion of the available revenue sources that will fund the County's operating and capital budgets for the fiscal year beginning July 1, 2021, and ending June 30, 2022. The resources are funded with revenue generated by a real property tax rate of \$1.005 as well as various federal, state, and local taxes, fees, fines, charges for services, and other miscellaneous sources. The majority of the General Fund's revenues are generated by the real property tax rate.

Budget Development Calendar

The County's budget development includes both an internal process and external (or public) process.

Organizational Overview

Thirty departments contribute to the operations of Loudoun County Government. An organizational chart details reporting relationships between the citizens, elected and appointed officials, and staff.

Performance Measures

Each department narrative includes performance measures indicating factors affecting departments' work and resource needs. Those sections, titled Key Measures, visually represent the most critical performance measures for a department, particularly those relating to positions presented in the budget.

Budget Themes

Throughout the budget development process, staff identified broad, countywide themes to group resource needs for the FY 2022 budget. These themes were intended to help decision-makers prioritize resources and understand the differences and commonalities across many diverse departments. The themes also indicate whether local tax funding is required to facilitate decision-making. These themes not only group diverse needs, but help readers quickly understand each department's needs at a high level. Themes are identified in department narratives as subheadings following the Staffing/FTE History section of each department narrative and in the resource request tables throughout the Executive Summary and department narratives.



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Structure of this Document

Beyond the Executive Summary, Volume I almost exclusively details revenues and expenditures of the General Fund, which is the County's main operating fund. The sections of Volume I are organized by functional areas of County departments, including specific budget analyses, FTE history, and a summary of actions taken by the Board during budget deliberations, including the new resources added to County department budgets.

Volume I

Local Tax Funding

The concept of *local tax funding* in Loudoun's budget terminology refers to the revenues raised from the following local tax sources: real property taxes, personal property taxes, penalties and interest on property taxes, the County's allocation of Virginia's sales and use tax, consumers utility taxes on electricity and natural gas, the bank franchise tax, the short-term rental tax, and the 2 percent General Fund portion of the transient occupancy tax. Use of prior year fund balance is also categorized as local tax funding. New local tax funding is generally split between the County Government and Loudoun County Public Schools during the budget development process, with 34 percent allocated to the County Government and 66 percent allocated to the Schools' budget. This allocation could change based on decisions made by the Board during budget deliberations.

General Fund Revenue and Trends

This section presents a general description of each source of revenue assigned to the General Fund. Individual revenue sources (e.g., real property tax, sales and use tax) are grouped into five broader categories: General Property Taxes, Local Non-Property Taxes, Other Local Sources of Revenue, Commonwealth Aid, and Federal Aid. The section also presents dollar estimates of FY 2022 revenue for each General Fund revenue source along with corresponding actual values from recent years and the revenue estimates from the adopted budget for the current fiscal year.

The final portion of the section is entitled Forecast Discussion and Analysis. This section presents the economic outlook underlying the FY 2022 revenue estimates as well as additional information on some of the major revenue sources. In particular, additional details are provided on real property tax including an explanation of assessed value (including a summary of assessed property values in the County), equalization and the derivation of the homeowner's equalized tax rate, and a brief analysis of the real property tax paid by the average Loudoun homeowner.

Functional Area Summaries

Each County department is categorized within five *functional areas*: General Government Administration; Public Safety and Judicial Administration; Health and Welfare; Parks, Recreation, and Culture; and Community Development. Department sections begin with a brief description of the department and its component programs. The written narrative explores the resource needs of the department using high level themes that are recurring throughout the organization all while analyzing each department's expenditure, revenue, and staffing trends year-over-year. Performance data is included to further illustrate and justify resources to support department programs and to illustrate major themes, challenges, or opportunities.



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Volume II

Capital Improvement Program

This section summarizes the Capital Improvement Program (CIP) including the proposed funding plan and anticipated operating impact for each project. The CIP is a six-year capital plan which provides a description for each of the capital projects and is organized into general project categories of Completed Projects, Previously Authorized Projects, County Capital Projects, Transportation Projects, and School Capital Projects. Though the CIP includes planned expenditures for six years, appropriations are only made for the proposed fiscal year.

Debt Service Fund and Other Funds

The other sections within Volume 2 describe various funds administered by the County (in addition to the General Fund) for a number of specific purposes. Debt Service Funds account for the accumulation of resources for the payment of general long-term debt (principal, interest, and other related costs).

Other funds include funds used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes. Revenues associated with these funds include special improvement taxes, revenues from the state and federal governments, and transfers from other funds.



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Budget Development Calendar

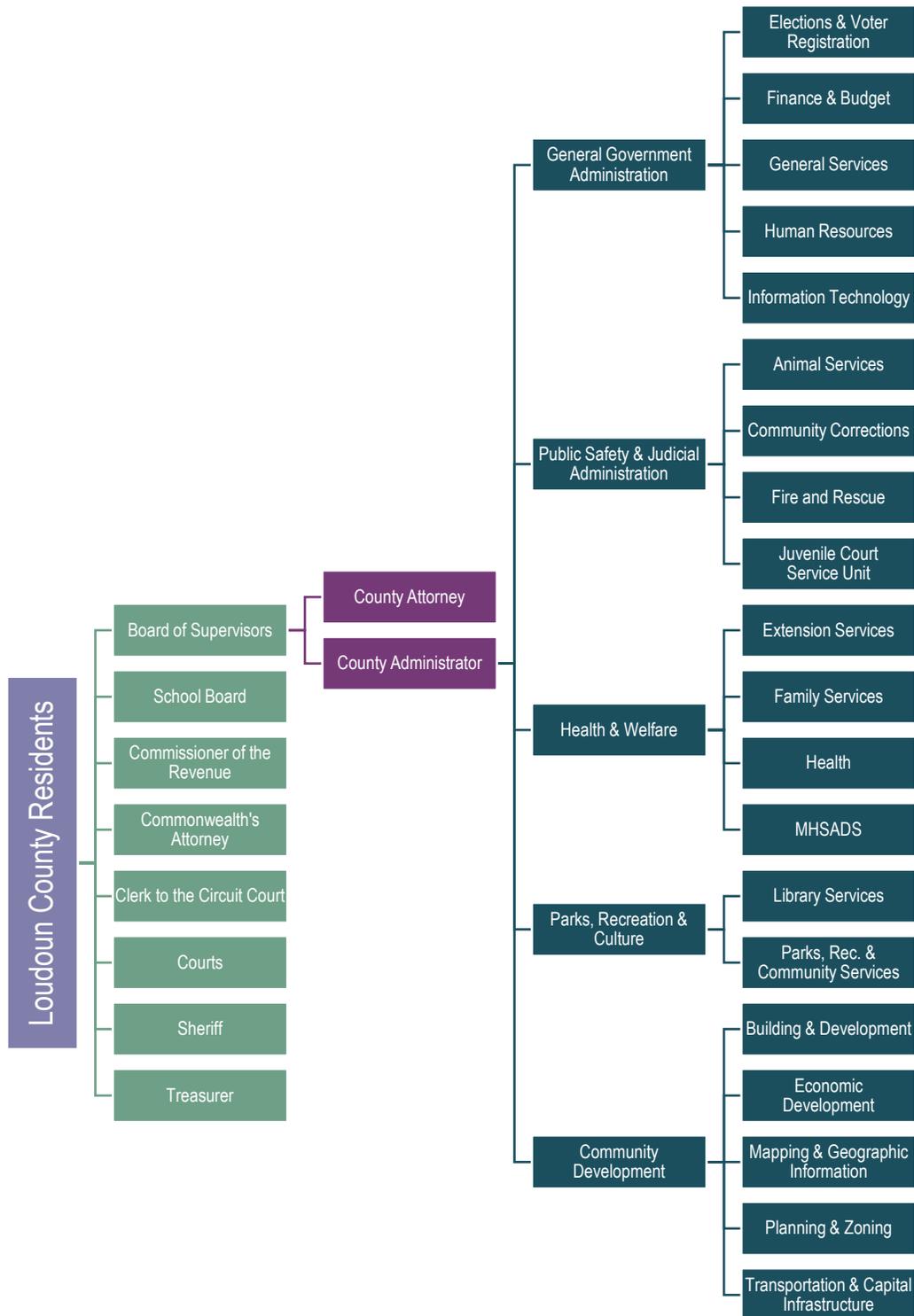
The calendar describes the County’s internal budget process, which highlights the monthly activities required of County departments, as well as the external (or public) process, which highlights the role of the Board of Supervisors, its standing committees, and the public in the development process.

	Internal Process		External (Public) Process
2020	Departments begin evaluating program resource needs using performance data.	July	FGOEDC receives FY 2022 economic outlook information.
	Departments submit prioritized resource requests for review by Finance and Budget and County Administration.	October	FGOEDC and Board provide preliminary budget guidance .
	Finance and Budget develops preliminary funding scenarios for County Administrator’s consideration.	December	FGOEDC is briefed on final budget guidance .
2021	Commissioner of the Revenue finalizes assessment data . Staff finalizes funding scenario(s) and produces budget document.	January	Board issues final budget guidance .
	Departments prepare for work sessions with Board.	February	County Administrator presents FY 2022 Proposed Budget . FGOEDC begins work sessions on Capital Improvement Program.
	Departments participate in work sessions on the operating and capital budgets.	March	Board holds work sessions to discuss FY 2022 Proposed Budget.
	Finance and Budget produces adopted budget and budget story documents.	April	Board adopts FY 2022 Budget.



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Organizational Overview





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Performance Measures

The FY 2022 Proposed Budget is designed to provide information in a clear format, notably in displaying performance measures. To fully explain resource needs and factors affecting the department, a Key Measures section visually represents performance measures. Explanations accompany these visuals to provide a clear story to the department’s needs.

FY 2021 Proposed Budget
County Attorney

Key Measures¹

Measure 1: Transactional Matters
Objective: Provide legal services for real estate, contracts and procurements, and tax, budget, and finance matters.
Measure: Number of transactional matters (tax collection, leases, contracts, and property acquisition) per attorney.
The requested assistant county attorney will maintain the FY 2019 service level of less than 600 transactional matters per attorney.

Fiscal Year	Number of Transactional Matters
FY 2018	486
FY 2019	557
FY 2020	701
FY 2021	578
FY 2022	581

Measure 2: Emergency Services
Objective: Provide legal services in support of the County departments, including MHSADs.
Measure: Number of Emergency Services hearings.
The requested assistant county attorney will help the Office of the County Attorney to continue to provide MHSADs with litigation support for Emergency Services and consultations for Temporary Detention Orders and Emergency Custody Orders.

Fiscal Year	Number of Emergency Services Hearings
FY 2018	222
FY 2019	343
FY 2020	350
FY 2021	360
FY 2022	376

Measure 3: Land Development Submissions
Objective: Review 85 percent of land development submissions within 20 days.
Measure: Number of land development submissions received; percent of land development submissions reviewed, in 20 days.
The paralegal position added in the FY 2020 Adopted Budget helps the Office get closer to their goal of reviewing 85 percent of land development submissions within 20 days.

Fiscal Year	Land Development Submissions Received	Percent Reviewed in 20 Days
FY 2018	1,151	70%
FY 2019	1,018	80%
FY 2020	1,150	80%
FY 2021	1,200	75%
FY 2022	1,215	80%

¹ For key measures that relate to resources included in the Proposed Budget, FY 2021 and FY 2022 data reflect the estimated impact of those resources.

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Key Measures provide several data points to explain the department’s current and future needs along with the internal and external factors affecting these needs.

Objective indicates the outcome to which the measure is tied. Departments strive for these to be specific, measurable, and time-bound. If there is no objective, the measure is a workload measure a department tracks for resource needs.

Measure defines the data presented in the chart.

Charts and graphs visually explain the data and information for readers to quickly and easily understand the information.

Explanation for Resource Needs/Measure in *italics* provides additional contextual information to the measure and objective to explain how and why additional resources are needed or the importance of the measure if unrelated to a resource.



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Budget Themes

The FY 2022 Proposed Budget displays countywide themes to better understand and discuss resource needs with decision makers and the public. These themes helped to facilitate a strategic discussion of the County's resource needs. The themes are as follows:

Board

Resources within this theme connect are department priorities that align with strategic themes and various Board Member Initiatives. Examples include a historic preservation planner which will help support Board initiatives such as the county courthouse historic designation, the courthouse grounds path to freedom, and the confederate and segregationist inventory and an outreach coordinator for County Administration which will provide targeted, bilingual communication to communities, supporting the priority to serve undocumented communities.

Capital Facility Openings

Resources within this theme connect with planned openings of capital facilities. This theme indicates the pre-planned nature of these resource needs and their necessity in the success and use of the new capital facility. For example, the FY 2022 Proposed Budget includes staff for the new Hanson Park, the Courthouse Expansion Project, and Sterling Community Center.

Community Wellness and Resiliency

Many of the health and human services departments' resource needs are for the provision of community-based services that promote mental health, wellness, and resiliency. Examples in the FY 2022 Proposed Budget include an epidemiologist for the Health Department to help meet the growing communicable disease needs of Loudoun County, resources to support 24/7 residential services in eight group homes and 11 supervised living facilities for Mental Health, Substance Abuse, and Developmental Services.

Evolving Development Patterns

As Loudoun County continues to grow and still maintain thriving rural areas, the resulting evolving development patterns – from a suburban and rural County to one which includes increasing urban areas – creates additional and increasingly complex work for community development departments. For example, the Department of Building and Development's budget includes an assistant erosion and sediment control program manager to keep up with the increased workload and will provide complaint resolution and inspection oversight.

Fiscal Responsibility

Loudoun County values the prudent use of Loudoun's taxpayer dollars. Resource needs in FY 2022 relating to this include assessors for the Commissioner of Revenue. These positions will allow the County to better leverage revenue through more accurate review of business personal property filings, which is crucial to understanding the County's revenue picture.

FTE Authority

Several departments requested FTE Authority only, indicating that expenditures associated with the requested personnel, or full-time equivalent (FTE), are funded through reallocation of department budget, existing or projected program revenue, grant awards, or other funds. Needs associated with this theme could be identified as not increasing the use of local tax funding. Grant-funded positions authorized allow the County to fund critical positions should funding cease.



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Internal Support

As the County has grown in population and in staff, administrative and internal operations support has not always kept pace. Many of the requests for internal support were due to managerial or subject matter expert staff conducting administrative duties which reduced their capacity to carry out the core duties of their positions. For example, an employee relations analyst for Human Resources will help maintain service requests for these issues, which will better meet the service expectations of employees, managers, and executives. Additional administrative positions for Parks, Recreation, and Community Services and the Treasurer will help these departments provide their core services.

Judicial Administration

Providing support to the judicial administration in Loudoun County serves the residents in ensuring legal processes are timely and efficient. Resources in this theme include a recording clerk for the Clerk of the Circuit Court due to the increased workload in notary oaths, marriage licenses, and land records recordings.

Public and Life Safety

Loudoun County prioritizes public and life safety and includes several resources tied to this need in the FY 2022 Proposed Budget. Resources such as several uniformed fire officers for the Emergency Communications Center, a probation officer for Community Corrections, and resources for the Special Victims Unit for the Commonwealth's Attorney will support maintaining public and life safety in Loudoun County.

Span of Control

Similar to the internal support theme, as the County has grown in population and staff, the need for more management resources has been identified countywide. Examples include the technology manager in Fire and Rescue and the division manager for Fleet in General Services.

Support to the CIP

As the Capital Improvement Program (CIP) has grown in both size and complexity, the need for resources to support and implement it has also grown. The senior management analyst for debt in the Department of Finance and Budget will allow for continued evaluation of use the use debt, which support the County's CIP. Other examples include a GIS systems administrator for DIT to help support the expanded servers to support the growing GeoHub and utility engineer for the Department of Transportation and Capital Infrastructure to support project utility coordination.

Technology

As the County grows, increased technology resources are necessary to increase efficiency for staff and to keep up with service demands. The Department of Information Technology's needs include vital security staffing needs to continue to support the County's growing network and technology use.