



Guide to the FY 2021 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 2021 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, 2020, and ending June 30, 2021. The resources are funded with revenue generated by a real property tax rate of \$1.035 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, have been extensively redesigned to better visually represent the most critical performance measures for a department.

Budget Themes

Throughout the budget development process, staff identified broad, countywide themes to group resource needs for the FY 2021 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.



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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 2021 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 2021 revenue estimates as well as additional information on some of the major revenue sources. In particular, additional details are provided on the 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 typical 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.

Beginning in FY 2019 with the full implementation of the Human Capital Management module of Oracle, all single incumbent positions with authorized weekly hours of 37.5 or greater are now assigned an FTE value of 1.00. Prior to FY 2019, authorized weekly hours greater than 37.5 were assigned FTE values greater than 1.00. This recalculation may cause differences in FTE counts between FY 2018 and FY 2019 and beyond.



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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 assessments, special taxes, and transfers from other funds.



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Budget Development Calendar

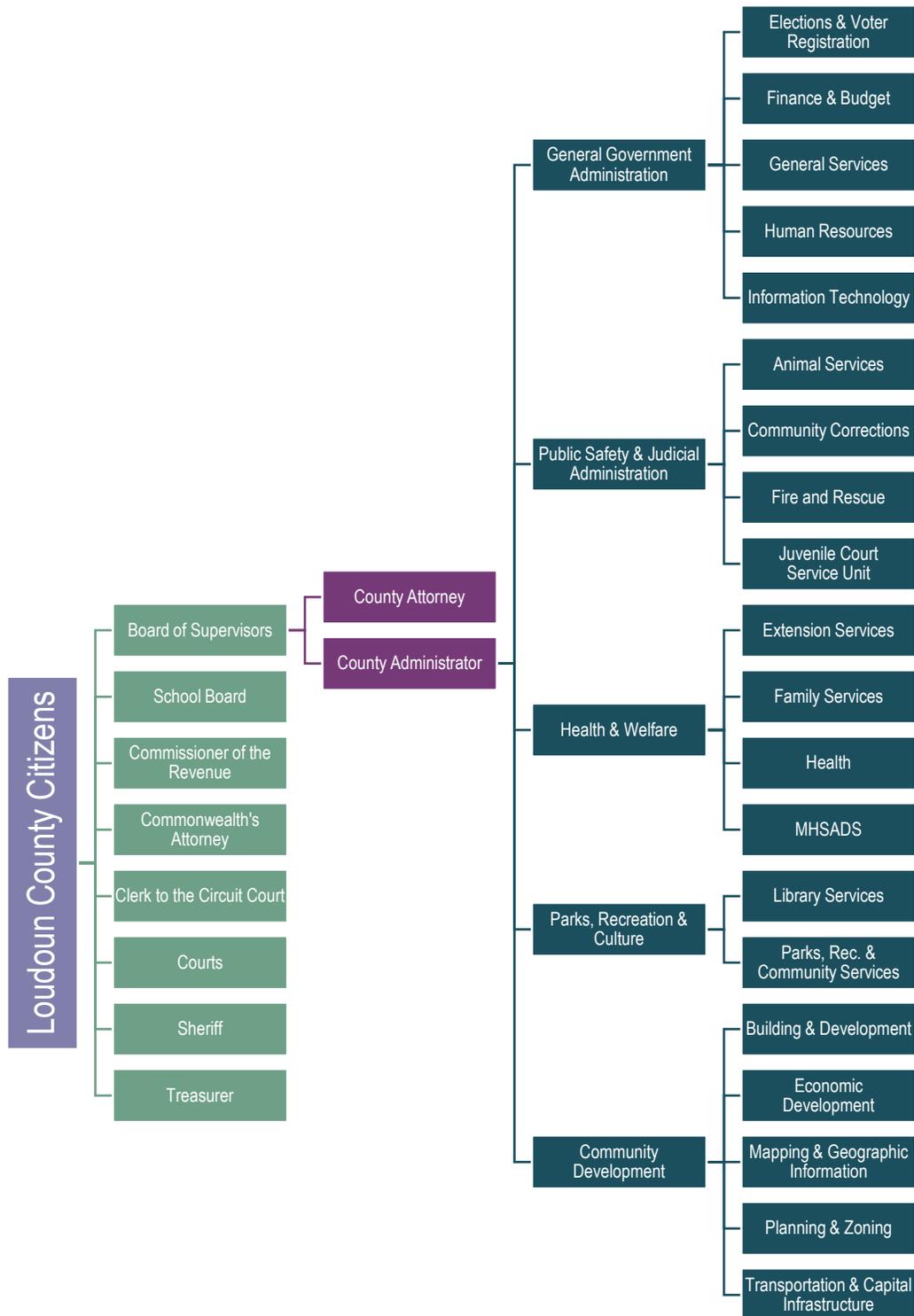
The calendar describes the County’s internal budget process, which highlights the monthly activities required of County departments, as well as the external (or public) process, which highlights the role of the Board of Supervisors, its standing committees, and the public in the development process.

	Internal Process		External (Public) Process
2019	Departments begin evaluating program resource needs using performance data.	July	FGOEDC receives FY 2021 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 provides final budget guidance recommendation for Board consideration.
2020	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 2021 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 2021 Proposed Budget.
	Finance and Budget produces adopted budget and budget story documents.	April	Board adopts FY 2021 Budget.



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Organizational Overview





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Performance Measures

The FY 2021 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

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County Attorney

Key Measures¹

Measure 1: Transactional Matters

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

Measure 2: Emergency Services

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

Measure 3: Land Development Submissions

Fiscal Year	Submissions	Percent Reviewed
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%

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 2021 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:

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 2021 Proposed Budget includes staff for the new Animal Services facility, the Courthouse Expansion Project, Ashburn Senior Center, and Metro transit and parking garages.

Community Outreach and Education

As departments across the County interact with residents in a variety of ways, departments require resources for community outreach and education. Elections and Voter Registration requires a training and compliance specialist to be able to train temporary staff and election officers used for elections, while the strategic initiatives communication team within the County Administrator will allow for improved communication to the Board of Supervisors and residents.

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 2021 Proposed Budget include foster care and kinship care resources in Family Services, environmental health specialists to ensure food and pool safety within the Health Department, and case management and intervention services in 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. To keep up with the demand for services, Planning and Zoning's resource needs include converting a long-term temporary planner in Zoning Administration to a regular FTE and a planning analyst to help the Department provide analysis regarding future development. Similarly, the Department of Building and Development's budget includes a natural resources engineer, to keep Loudoun's streams and waterways safe as the County continues to develop.

Fiscal Responsibility

Loudoun County values the prudent use of Loudoun's taxpayer dollars. Resource needs in FY 20201 relating to this include an investment analyst for the Treasurer and an additional appraiser for the Commissioner of Revenue. These resources will allow the County to better leverage revenue. Grants program staffing in the Department of Finance and Budget and a financial manager in Community Corrections will maintain oversight of County funds.

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,



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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.

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, Transportation and Capital Infrastructure's procurement and accounting support specialist will allow the Department to keep pace with the volume of purchase orders, invoices, and other tasks. The administrative assistant for General Services will allow for employees to concentrate on core duties while this position will provide administrative assistance for the entire Department. Meanwhile, the finance unit in Family Services will allow for additional support for financial reporting.

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 chief of staff for the Circuit Court, which will allow for better organization of administrative operations and managerial oversight, and a courtroom supervisor for the Clerk of the Circuit Court, which will make courtroom assignments and supervisory duties.

Public and Life Safety

Loudoun County prioritizes public and life safety and includes several resources tied to this need in the FY 2021 Proposed Budget. A radio communications engineer in the Department of Information Technology provides support to first responders using the radio communications system, while a domestic violence probation officer in Community Corrections will help keep Loudoun residents safe.

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 capital budget technician in the Department of Finance and Budget will allow for continued evaluation of CIP projects and budgets.

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 a network engineer to keep up with the growing size of the County network, while the Department of Building and Development's budget includes a technology support specialist to allow the Department to maintain responsiveness internally and externally. Mapping and Geographic Information's programmer analyst will support the growing use of the GeoHub and its applications, while the Department of Information Technology's network engineer will maintain availability of the network as its size and the number of devices on it has grown.