

COUNTY OF LOUDOUN, VIRGINIA

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

YEAR ENDED JUNE 30, 2010



COUNTY OF LOUDOUN, VIRGINIA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended

June 30, 2010

Prepared by:

Department of Management and Financial Services
Division of Finance and Accounting



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COUNTY OF LOUDOUN, VIRGINIA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2010

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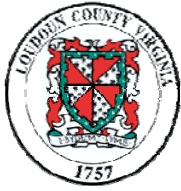
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INTRODUCTORY SECTION



Loudoun County, Virginia

www.loudoun.gov

Office of the County Administrator

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

Telephone (703) 777-0200 • Fax (703) 777-0325

November 22, 2010

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

Dear Mr. Chairman and Members of the Board:

I am pleased to present the County's Comprehensive Annual Financial Report for the fiscal year ended June 30, 2010.

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

The Comprehensive Annual Financial Report marks the County's continued adherence to and refinement of the guidelines and goals set forth in the Board of Supervisors' Fiscal Policy. The purpose of the Fiscal Policy is to set forth those policies of the Board that establish guidelines for the fiscal stability of the County and establish guidelines for the County Administrator in insuring that fiscal stability. An effective Fiscal Policy (1) contributes significantly to the County's ability to insulate itself from fiscal crisis, (2) enhances short-term and long term financial credit ability by helping to achieve the highest credit and bond ratings possible, (3) promotes long-term financial stability by establishing clear and consistent guidelines, (4) directs attention to the total financial picture of the County rather than single issue areas, (5) promotes the view of linking long term financial planning with day-to-day operations, and (6) provides a framework for measuring the impact of government services against established fiscal parameters and guidelines. The summarized progress as reported in the Comprehensive Annual Financial Report has become an indicator of the relative success of these policies. During fiscal year 2010, Moody's Investors Services, Inc. affirmed the Aaa bond rating, Standard and Poor's (S&P) affirmed the AAA bond rating and Fitch Credit Rating Services affirmed the AAA bond rating. This represents the highest rating available for general obligation bonds from all three agencies.

The County concluded fiscal year 2010 in sound financial condition. In addition, the County initiated or continued a number of organizational and administrative initiatives designed to effectively manage the challenges that continued growth has brought to Loudoun County.

The County, through the fiscal year 2010 budgeting process, funded a series of long-range strategic objectives that establishes a base for providing services for our anticipated population. These objectives significantly impacted service planning, land use planning and general management. In April, 2010, the County adopted a fiscal year 2011 plan that resulted in \$7.9 million programmatic reductions in the general county government and \$28.7 million reductions in the school system as compared to fiscal year 2010 appropriations.

It will take planning and commitment to meet the challenge of efficiently providing needed services for the current population while developing the necessary infrastructure for the future and the tax base and resources to pay for that infrastructure. The County population is estimated to be 289,977 in 2010. According to Metropolitan Washington Council of Government's preliminary forecasts, between now and 2020 Loudoun will experience one of the highest percentage growth rates in population and jobs for the entire Washington Metropolitan Area. By 2020, Loudoun's population is expected to be approximately 357,000.

In managing our available resources, the County must strike a balance between the demands for additional services and the ability to pay for those services. The increasing rate of growth has increased the need for growth management and has, concurrently, modestly increased the resources available for program allocation. Financial management continues to be of paramount importance in this and future fiscal years.

Board of Supervisors
Page Two

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

Respectfully submitted,



Tim Hemstreet
County Administrator



Loudoun County, Virginia

www.loudoun.gov

Department of Management and Financial Services

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

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

November 22, 2010

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

Ladies and Gentlemen:

The Comprehensive Annual Financial Report of the County of Loudoun (County), Virginia, for the fiscal year ended June 30, 2010, was prepared by the County's Department of Management and Financial Services, Division of Accounting and Finance, in accordance with Sections 15.2-2510 and 15.2-2511 of the Code of Virginia. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with County management. The data as presented are accurate in all material respects, are presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of our various funds, and that all disclosures necessary to enable the reader to understand the County's financial activity have been included. The reader is specifically directed to the section entitled "Management's Discussion and Analysis" for a summary of the County's financial activity.

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

Profile of the Government

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

The County provides a full range of municipal services authorized by the Code of Virginia and by the Board of Supervisors. These services include public safety (law enforcement and traffic control, fire and rescue services, corrections and detention, and inspections); health and welfare (health, mental health and mental retardation, and social services); education (elementary, secondary, and community college support); parks, recreation and culture (including libraries and museums); community development (planning, zoning, building & development, housing, environmental management, and cooperative extension); public works (sanitation and waste removal and maintenance); and general government administration (legislative, general and financial, elections, and judicial). A summary of the financial highlights of these operations for the fiscal year ended June 30, 2010 in the County's various funds is presented in "Management's Discussion and Analysis," which precedes the County's Financial Statements. In addition to General Government activities, the Board of Supervisors exercises, or has the ability to exercise, budgetary control over the County's School System; therefore, elementary and secondary education activities are included within the reporting entity as a discretely presented component unit.

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

However, management control is maintained at the character level within each organizational unit. The County also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts lapse at year end; however, after review, they generally are reappropriated as part of the following year's budget.

Local Economic Condition and Outlook

The citizens of Loudoun are proud of their County, one that combines financial strength and stability with planned progress and a high standard of living or "quality of life." The County, currently recognized as one of the fastest growing County in the nation, continues to provide quality service to its residents as it plans for Loudoun's future livability, while minimizing budgetary increases and tax burdens.

The County concluded fiscal year 2010 in sound financial condition despite the pressures of the economic down-turn. The County's economic and demographic conditions reflect the prevailing conditions of the Washington, D.C. region. The combination of the diversity in the County's business base and the financial strength of the long-term investors in the community have allowed the County's commercial environment to withstand downturns in the national and international economies. The continuing low unemployment rate, as compared to national trends, can be attributed, in part, to local businesses relationships with the federal government. The County's planned growth will, in the short term, impact the amount of resources available for allocation to the many programs required by an urbanizing community. The potential remains for continued long-term growth.

Fiscal year 2010 saw a decline in the total assessed value of property primarily due to a decrease in the residential and commercial real estate markets. This overall decrease in real property was minimized due to the slight growth in the value of personal property of the County. In July 2004, the Board of Supervisors adopted the current Economic Development Strategic Plan. The plan is community-wide and aligns public and private resources toward shared goals and priorities to enhance the commercial tax base. The Strategic Plan vision is of an innovative, globally competitive economy known for its favorable business environment, exceptional quality of place and strong sense of community.

Education continues to be a priority program within the County's operations, and the benefits are demonstrated in excellent testing results of County students. The County School System has a very favorable teacher/pupil ratio and has obtained recognition for excellence in education.

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

Long-term Financial Planning

Recognizing the critical relationship of development and service demands, the County has sought to offset the negative fiscal impacts of residential development by encouraging a fiscally favorable balance between residential and non-residential development. Phasing growth based on the availability of adequate public facilities and distributing the costs of growth more equitably are also at the forefront of the County's strategy. The County has implemented an integrated approach to fiscal and land use planning. The strategy begins with the comprehensive plan. The comprehensive plan establishes the development potential of the County by planning and balancing the residential and non-residential uses of the land.

The Board of Supervisors' Fiscal Policy provides accounting, budgeting, and financial management directives. The Fiscal Policy requires a fund balance Fiscal Reserve equal to 10% of operating revenues in the general and school funds. This reserve is funded at the required level for fiscal year 2010. The fiscal reserve is not to be used for operational expenses. The Fiscal Policy also places limits on how much long-term debt the County will incur to build public facilities. The Capital Improvement Plan is developed based on these debt guidelines. The Capital Improvement Plan has been reduced during the fiscal year to remain in compliance with the guidelines of the Fiscal Policy.

Major Initiatives

The construction of general government and school facilities remain priorities for the County. Two new high schools and an elementary school were opened in the fall of 2010. A major addition to the Adult Detention Center is scheduled to open in the winter of 2011. In addition to construction costs, the County must plan for the additional operating costs to staff, operate, and maintain the new facilities. Additional government facilities and new schools are scheduled to be constructed and opened during the next several years.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County of Loudoun, Virginia, for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2009. This Certificate of Achievement is a prestigious national award recognizing adherence to the highest standards for preparation of a state and local government financial report.

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

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

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

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

The timely preparation of this Comprehensive Annual Financial Report could not have been accomplished without the effort of the entire staff of this Department's Controller's Office. Special recognition goes to Accounting Manager, Eileen Nguyen and to the staff of the Financial Reporting division, for their technical expertise, review and dedicated service in the preparation of this Comprehensive Annual Financial Report.

Their continued and diligent efforts towards upgrading the County's Financial Accounting and Management Information System, Fixed Asset Accounting and Control System, and many other ancillary financial systems, have led substantially to the improved quality of financial information being reported to management, the County Administrator, the Board of Supervisors and the citizens of the County.

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

County Administrator and
Honorable Members of the Board of Supervisors
Page Four

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Mark Adams', with a stylized, flowing script.

Mark Adams
Director of Management and Financial Services

A handwritten signature in black ink, appearing to read 'Mark Withrow', with a stylized, flowing script.

Mark Withrow
Controller

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Loudoun
Virginia

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2009

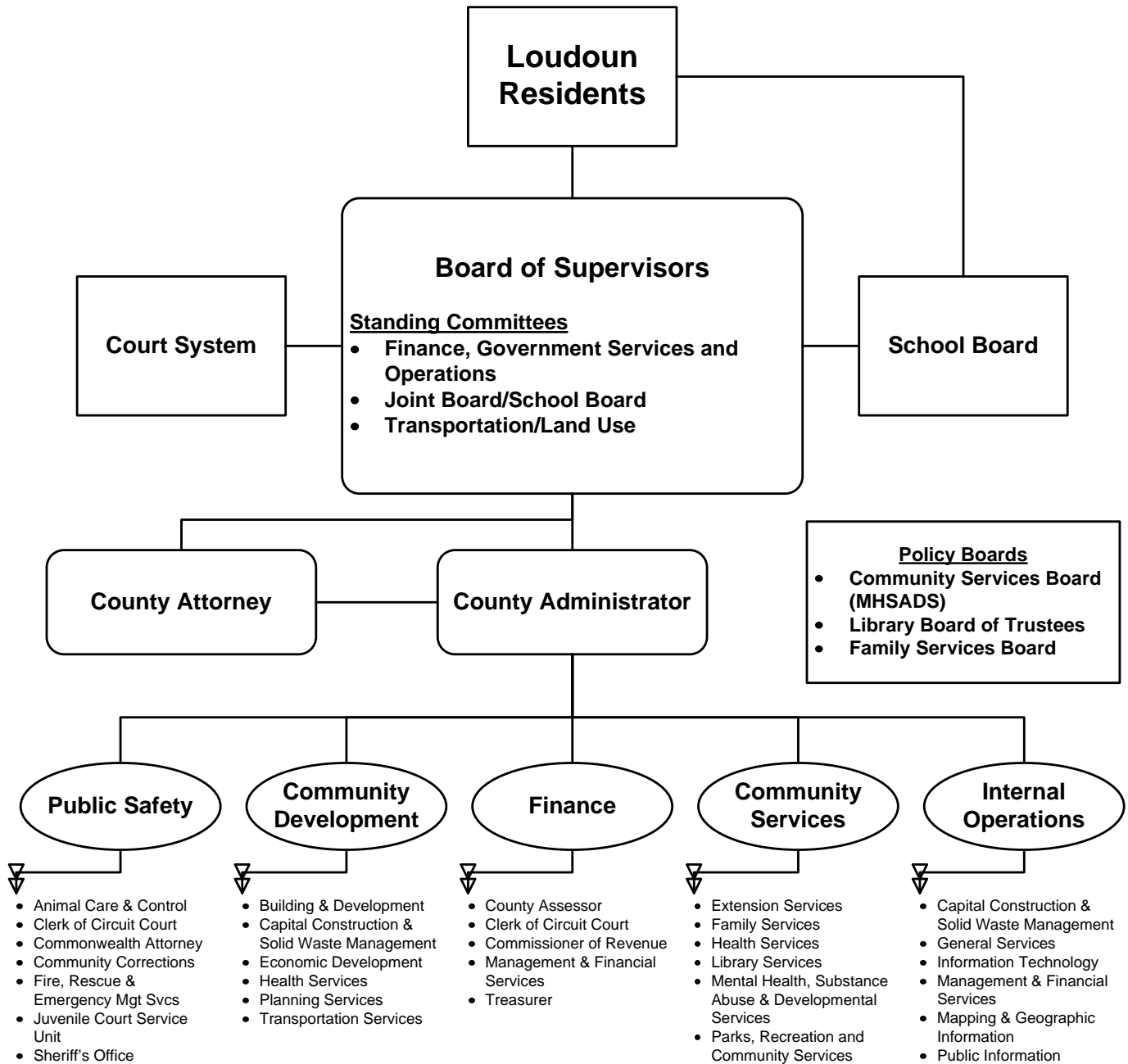
A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

LOUDOUN COUNTY ORGANIZATIONAL CHART



COUNTY OF LOUDOUN, VIRGINIA
Directory of Officials
June 30, 2010

BOARD OF SUPERVISORS

Scott K. York, Chairman
Susan Klimek Buckley, Vice Chairman
James G. Burton
Lori Waters
Sally R. Kurtz
Stephens Miller
Kelly Burk
Andrea McGimsey
Eugene A. Delgaudio

At Large
Sugarland Run District
Blue Ridge District
Broad Run District
Catoclin District
Dulles District
Leesburg District
Potomac District
Sterling District

SCHOOL BOARD

John Stevens, Chairman
Priscilla B. Godfrey, Vice Chairman
Thomas E. Reed
Bob Ohneiser
Jennifer Bergel
Tom Marshall
Robert F. DuPree
J. Warren Geurin
Joseph M. Guzman, Ph.D.

Potomac District
Blue Ridge District
At-Large Member
Broad Run District
Catoclin District
Leesburg District
Dulles District
Sterling District
Sugarland Run District

CONSTITUTIONAL OFFICERS

Robert S. Wertz, Jr.
James E. Plowman
Gary M. Clemens
Stephen O. Simpson
H. Roger Zurn, Jr.

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

ADMINISTRATIVE OFFICERS - GENERAL GOVERNMENT

Tim Hemstreet
Linda A. Neri
Candice L. deButts
John R. Roberts
Mark Adams
Ben Mays

County Administrator
Deputy County Administrator
Deputy County Administrator
County Attorney
Director of Management and Financial Services
Deputy Chief Financial Officer

ADMINISTRATIVE OFFICERS - SCHOOL SYSTEM

Dr. Edgar B. Hatrick
Ned D. Waterhouse
Sharon D. Ackerman
Jeffrey K. Platenberg
Dr. Mary Ann Hardebeck
Mary V. Kealy, Ed.D.
E. Leigh Burden

Superintendent of Schools
Deputy Superintendent
Assistant Superintendent
Assistant Superintendent
Assistant Superintendent
Assistant Superintendent
Assistant Superintendent

COUNTY OF LOUDOUN

The County of Loudoun is a historic, transitional rural county that was established in 1757 and named for John Campbell, Fourth Earl of Loudoun. The County is located in the Northwestern tip of the Commonwealth of Virginia just west and north of Washington, D.C., and is considered to be part of the Northern Virginia and Washington Metropolitan areas. The County is approximately 517 square miles in size, covering 330,880 acres of land area, with a current population of approximately 289,977 and is one of the fastest growing jurisdictions in the Washington Metropolitan Area.

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

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

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

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT



KPMG LLP
2001 M Street, NW
Washington, DC 20036

Independent Auditors' Report

To Board of Supervisors

We have audited the accompanying financial statements of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Loudoun, Virginia (the County), as of and for the year ended June 30, 2010, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the *Specification for Audits of Counties, Cities, and Towns*, issue by the Auditor of Public Accounts of the Commonwealth of Virginia (Specifications). Those standards and specifications require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Loudoun, Virginia, as of June 30, 2010, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 22, 2010 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The Management's Discussion and Analysis on pages 13 through 20, and budgetary comparison schedule, pension schedules, and retiree health plan schedules on pages 53 through 57 are not a required part of the basic financial statements but are supplementary information required by U.S. generally accepted accounting principles. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.



Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The information identified as introductory section, other supplementary information, and statistical section in the accompanying table of content is presented for purposes of additional analysis and is not a required part of the basic financial statements. The other supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. The information included in the introductory and statistical sections has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

KPMG LLP

November 22, 2010

MANAGEMENT'S DISCUSSION AND ANALYSIS

COUNTY OF LOUDOUN, VIRGINIA
MANAGEMENT'S DISCUSSION AND ANALYSIS
June 30, 2010

The following discussion and analysis of the County of Loudoun's (the County) financial performance provides an overview of the County's financial activities for the fiscal year ended June 30, 2010. Please read it in conjunction with the transmittal letter at the front of this report and the County's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS FOR FY 2010

The General Fund, on a financial resource basis, reported revenues in excess of expenditures and other financing sources and uses of \$26.2 million (Exhibit V).

On a government-wide basis for governmental activities, the County had expenses, net of program revenues, of \$922.2 million, which were \$48.1 million less than the general revenues of \$970.3 million (Exhibit II).

The County's total net assets excluding the component unit, on the government-wide basis, totaled \$127.4 million (Exhibit I) at June 30, 2010.

On November 19, 2009, the County, through the Virginia Resource Authority (VRA), entered into a financing lease and sold \$7.7 million in infrastructure revenue bonds at a true interest cost of 2.55%. The tax-exempt bonds, which will mature incrementally over the next 7 years, will be used to finance the acquisition of computer systems and fire/rescue capital apparatus.

On March 15, 2010, the County, through the Industrial Development Authority of the County of Stafford and the City of Staunton, Virginia entered into a financing lease and sold \$985,000 in taxable Recovery Zone Economic Development Bonds at a true interest cost of 3.43%. Recovery Zone Economic Development Bonds, a program of the American Recovery and Reinvestment Act of 2009, were issued by the County with the expectation of receiving a cash subsidy payment from the United States Treasury equal to 45% of the interest paid on such bonds. The bonds, which will mature incrementally over the next 20 years, will be used to finance the cost of designing a juvenile detention center in the County.

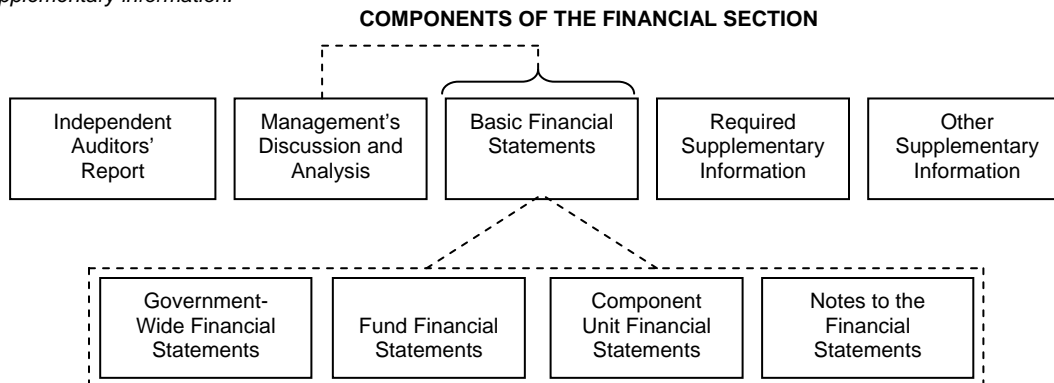
On April 21, 2010, the County sold \$89.1 million in general obligation refunding bonds at a true interest cost of 3.64%. The tax-exempt refunding bonds, whose maturities will remain unchanged from the original bonds, were used to defease bonds issued at a higher interest cost in 1998, 2001, 2004, 2005, 2006, and 2007.

On June 16, 2010, the County, through the Virginia Resource Authority (VRA), entered into a financing agreement and sold \$7.1 million in infrastructure revenue bonds at a true interest cost of 3.84%. The tax-exempt bonds, which will mature incrementally over the next 20 years, will be used to expand and improve solid waste facilities.

On June 29, 2010, the County sold \$70.6 million in general obligation bonds at an overall true interest cost of 2.91%. The general obligation bonds were issued in two series; \$23.6 million of tax-exempt bonds and \$47.0 million of federally taxable Build America Bonds. Build America Bonds, a program of the American Recovery and Reinvestment Act of 2009, were issued by the County with the expectation of receiving a cash subsidy payment from the United States Treasury equal to 35% of the interest paid on such bonds. The combined series of bonds, which will mature incrementally over the next 20 years, will be used to finance the acquisition, construction, renovation, and equipping of public schools and fire/sheriff stations in the County.

USING THE FINANCIAL SECTION OF THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT

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



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

GOVERNMENT-WIDE STATEMENTS

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

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

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

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

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

FUND FINANCIAL STATEMENTS

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

The County has three kinds of funds:

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

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

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

The Central Services Fund is used to account for the financing of goods or services provided among County departments on a cost-reimbursement basis and includes such activities as central duplicating, telephone, mail, support, and vehicle services. The Self-insurance Fund is used to account for the accumulation of resources to

pay for losses incurred by the partial or total retention of risk of loss rather than transferring the risk to a third party through the purchase of commercial insurance, and includes such uninsured risks as health, workers' compensation, and vehicle self-insurance programs.

Fiduciary funds – The County is the trustee, or fiduciary, for its employees' pension plans. It is also responsible for other assets that – because of a trust arrangement – can be used only for the trust beneficiary. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the County's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. The County excludes these activities from the County's government-wide financial statements because the County cannot use these assets to finance its operations.

FINANCIAL ANALYSIS OF THE COUNTY AS A WHOLE

Statement of Net Assets:

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

Table 1
Summary Statement of Net Assets
Comparison as of June 30, 2010 and 2009 (thousands)

	Primary Government			Component Unit-Schools		
	FY 10	FY 09	Increase/ (Decrease)	FY 10	FY 09	Increase/ (Decrease)
Current and Other Assets	\$ 1,013,825	\$ 997,738	\$ 16,087	\$ 291,843	\$ 346,941	\$ (55,098)
Capital Assets	846,468	789,602	56,866	1,239,882	1,143,291	96,591
Total Assets	\$ 1,860,293	\$ 1,787,340	\$ 72,953	\$ 1,531,725	\$ 1,490,232	\$ 41,493
Other Liabilities	\$ 464,224	\$ 449,152	\$ 15,072	\$ 82,206	\$ 72,530	\$ 9,676
Long Term Liabilities	1,268,677	1,258,904	9,773	126,258	114,144	12,114
Total Liabilities	\$ 1,732,901	\$ 1,708,056	\$ 24,845	\$ 208,464	\$ 186,674	\$ 21,790
Net Assets						
Invested in Capital Assets, Net of Related Debt	\$ 585,178	\$ 527,364	\$ 57,814	\$ 1,218,970	\$ 1,118,112	\$ 100,858
Restricted	117,028	140,839	(23,811)	95,454	160,221	(64,767)
Unrestricted	(574,814)	(588,919)	14,105	8,837	25,225	(16,388)
Total Net Assets (Deficit)	\$ 127,392	\$ 79,284	\$ 48,108	\$ 1,323,261	\$ 1,303,558	\$ 19,703

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

The increase in the primary government's Current and Other Assets is due to combination of factors. The first factor is the net increase in cash related accounts. Cash and cash equivalents increased by \$57.7 million while cash with fiscal agents decreased by \$49.6 million resulting in a net increase of \$8.1 million. Attributing to the increase in cash is the addition to the general fund balance of approximately \$26.1 million. The remainder of the increase in cash is primarily because the predicted use of fund balance for balancing the fiscal year 2010 budget was not necessary. The decrease in cash with fiscal agents is due to bond and financing lease proceeds being used toward the completion of capital projects. Another contributing factor to the increase in Current and Other Assets is the increase in net receivables of \$12.1 million resulting primarily from receivables not yet due. There was also a combined decrease of \$4.5 million in due from other governments, prepaid items and notes and loans receivable. The increase in Other Liabilities is due primarily to the increase in property taxes not yet due and minor increases and decreases in the remaining other liabilities. The increase in Long Term Liabilities is due primarily to the increase in leases payable arising from the issuance of financing leases as described above. The increase in Capital Assets is due to increases in all types of capital assets. Please refer to Note VII of the notes to the financial statements for detailed information.

The decrease in the component unit-schools' Current and Other Assets is due primarily to the combination of (1) the decrease in cash with fiscal agents of \$65.6 million resulting from bond and financing lease proceeds being used toward the completion of capital projects and (2) the increase of \$8.1 million in due from other governments, an amount derived from pending reimbursements from the state and federal government. The increase in Other Liabilities is due primarily to the increase in accounts payable. The increase in Long Term Liabilities is due to the combination of (1) the addition of \$16.5 million to the net obligation for other post employment benefits (OPEB) and (2) the net reduction of \$4.3 million in leases payable. The increase in Capital Assets is due to increases in all types of capital assets. Please refer to Note VII of the notes to the financial statements for detailed information.

Statement of Activities

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

Table 2
Changes in Net Assets
Comparison for the years ended June 30, 2010 and 2009 (thousands)

	Primary Government			Component Unit-Schools		
	FY 10	FY 09	Increase/ (Decrease)	FY 10	FY 09	Increase/ (Decrease)
REVENUES						
<u>Program Revenues:</u>						
Charges for Services	\$ 50,502	\$ 49,655	\$ 847	\$ 21,849	\$ 20,025	\$ 1,824
Operating Grants and Contributions	69,632	65,454	4,178	208,335	198,836	9,499
Capital Grants and Contributions	17,633	50,436	(32,803)	2,172	5,468	(3,296)
<u>General Revenues:</u>						
Property Taxes	779,918	780,314	(396)	0	0	0
Other Taxes	120,031	120,094	(63)	0	0	0
Restricted to Specific Programs	54,732	56,174	(1,442)	0	0	0
Other	15,610	29,370	(13,760)	220	445	(225)
Payment from County	0	0	0	557,779	648,274	(90,495)
Total Revenues	\$ 1,108,058	\$ 1,151,497	\$ (43,439)	\$ 790,355	\$ 873,048	\$ (82,693)
EXPENSES						
General Government	\$ 62,276	\$ 62,795	\$ (519)	\$ 0	\$ 0	\$ 0
Judicial Administration	13,085	13,197	(112)	0	0	0
Public Safety	135,812	145,099	(9,287)	0	0	0
Public Works	83,019	89,932	(6,913)	0	0	0
Health and Welfare	83,308	82,564	744	0	0	0
Parks, Recreation and Culture	44,790	47,985	(3,195)	0	0	0
Community Development	36,448	38,569	(2,121)	0	0	0
Education	558,227	648,732	(90,505)	770,652	793,938	(23,286)
Interest and Other Debt Service	42,985	38,106	4,879	0	0	0
Total Expenses	\$ 1,059,950	\$ 1,166,979	\$ (107,029)	\$ 770,652	\$ 793,938	\$ (23,286)
Change in Net Assets	\$ 48,108	\$ (15,482)	\$ 63,590	\$ 19,703	\$ 79,110	\$ (59,407)
Net Assets (Deficit) Beginning of Year	79,284	94,766	(15,482)	1,303,558	1,224,448	79,110
Net Assets End of Year	\$ 127,392	\$ 79,284	\$ 48,108	\$ 1,323,261	\$ 1,303,558	\$ 19,703

Revenues

For the fiscal year ended June 30, 2010, primary government revenues totaled \$1.108 billion, a decrease of \$43.4 million from the prior fiscal year.

Property tax revenue, the County's largest revenue source decreased \$0.4 million from the prior fiscal year. Even though the real property tax rate increased from \$1.245 to \$1.30 per \$100 of assessed value, the overall reduction in assessed value of property in the County led to the reduction in property tax revenue. Property tax revenue also includes monies received from the Commonwealth of Virginia for the Personal Property Tax Relief Act of 1998 (PPTRA). The decrease of \$32.8 million in capital grants and contributions is due to the reduction of funds received from the state for various projects for which we received funds in the prior fiscal year. Operating grants and contributions increased \$4.2 million from the prior fiscal year primarily due to the receipt of funds from the American Recovery and Reinvestment Act (ARRA). Regarding other taxes, modest increases in local sales and use and consumer utility taxes was offset by modest decreases in business license and hotel and motel room taxes.

Expenses

For the fiscal year ended June 30, 2010, expenses for governmental activities total \$1.060 billion.

Education continues to be one of the County's highest priorities and commitments. Of the total expenses, \$558.2 million represents education expenses and the transfer of bond proceeds to schools. Education expenses as part of governmental activities in fiscal year 2010 decreased \$90.5 million from the previous fiscal year. This decrease is comprised of the reduction of \$72.1 million in the transfer to the Component Unit-Schools for capital projects and the reduction in the transfer for operating expenses. The decrease of \$9.3 million in public safety and the \$3.2 million in parks, recreation and culture expenses is attributed to the reduction in grant funding received during the year, thereby reducing the amount of expenditures in these categories. The decrease of \$6.9 million in public works is primarily due to the modest increase in

landfill closure costs in fiscal year 2010 as compared to 2009. The \$2.1 million decrease in community development expenses is due to less utilization of proffer funds for community development related projects. The remaining expenditure categories reflect modest increases or decreases.

Financial Analysis of the County's Funds

For the fiscal year ended June 30, 2010, the governmental funds reflect a combined fund balance of \$519,506,914 as illustrated below (refer to Exhibit III).

	Fiscal Year 2010					
	General	Public Facilities	Capital Projects	Debt Service	Other Governmental	Total
Reserved	\$ 13,868,810	\$ 0	\$ 26,824,070	\$ 0	\$ 6,683,536	\$ 47,376,416
Designated for Fiscal Reserve	102,618,696	0	0	0	284,933	102,903,629
Designated for Capital Projects	2,656,895	0	143,703,156	0	2,860,284	149,220,335
Designated for Future Debt Service	0	0	0	16,680,990	0	16,680,990
Undesignated	67,943,097	98,282,835	0	0	37,099,612	203,325,544
Total Fund Balances	\$ 187,087,498	\$ 98,282,835	\$ 170,527,226	\$ 16,680,990	\$ 46,928,365	\$ 519,506,914

The General fund balance increased \$26,194,487 from the prior fiscal year. Even though the fiscal year 2010 adopted fiscal plan included the use of general fund balance, the entire amount was not required and, therefore, allowed an increase in fund balance to occur.

The Public Facilities fund increased \$10,158,051 from the prior fiscal year. An increase in revenues from contributions combined with a decrease in expenditures attribute to the increase. The use of this fund is restricted to any public facility or service purpose.

The Capital Projects fund balance decreased \$14,498,638 from the prior fiscal year. This decrease is attributable to the increase in capital projects being completed.

The Debt Service fund balance decreased \$2,435,011 from the prior fiscal year. This decrease is due to the use of fund balance as projected in the fiscal year 2010 adopted fiscal plan, however, the combination of savings realized with the issuance of refunding bonds and premium received in the bond issuances during the fiscal year minimized the use of fund balance.

Other Governmental fund balances decreased \$22,718,762 from the prior fiscal year. This decrease is primarily due to the combination of (1) a decrease of \$20,578,419 in the Capital Asset Replacement fund balance resulting from capital outlay expenses (2) a decrease of \$6,565,589 in the Transportation District fund balance resulting from the use of funds for transportation projects and (3) an increase of \$4,855,597 in the Housing fund balance as a result of proffer funds received.

General Fund Budgetary Highlights

	Fiscal Year 2010		
	Original Budget	Amended Budget	Actual
<u>Revenues and Transfers In:</u>			
Taxes	\$ 838,584,300	\$ 838,584,300	\$ 876,729,340
Intergovernmental	86,809,286	99,732,021	98,681,307
Other	61,445,960	62,442,795	63,480,122
Total Revenues and Transfers In	\$ 986,839,546	\$ 1,000,759,116	\$ 1,038,890,769
<u>Expenditures and Transfers Out</u>			
Expenditures	\$ 350,753,195	\$ 379,088,503	\$ 361,007,420
Transfers	665,441,249	659,829,470	651,688,862
Total Expenditures and Transfers Out	\$ 1,016,194,444	\$ 1,038,917,973	\$ 1,012,696,282
Changes in Fund Balance	\$ (29,354,898)	\$ (38,158,857)	\$ 26,194,487

The final amended budget for revenues and transfers exceeded the original budget by \$13,191,570. This was due to the anticipation of additional grant funding from the Commonwealth and the federal government. The final amended budget appropriations, which include expenditures and transfers out, exceeded the original budget by \$22,723,529. This was due primarily to the timing difference between the adoption of the original budget and the encumbrances carried over at the end of the fiscal year as part of the amended budget.

Actual revenues and transfers in exceeded amended budget amounts by \$38,131,653 and actual expenditures and transfers out were \$26,221,691 less than amended amounts. Highlights of the comparison of amended budget to actual figures for the fiscal year ended June 30, 2010, include the following:

- Actual tax revenues exceeded budgeted amounts by \$38,145,040 due to real property of \$20,226,705, personal property of \$12,196,597, and local sales and use taxes of \$4,629,614. All other local taxes such as consumer utility tax, business license tax, taxes on recordation and wills, and hotel and motel room taxes had modest positive or negative variances. The real property increase is due to the increase in the real property tax rate affecting the second real property tax billing in the fiscal year. The increase in personal property is due to the combination of increasing vehicle registrations in the county and revenue derived from computers in data centers located in the county.
- Actual intergovernmental revenues were less than budgeted amounts by \$1,050,714.
- Actual other revenues were less than the budgeted amounts by \$4,840,576 primarily due to the combination of a decrease in revenue for permits and licenses, a decrease in interest earnings resulting from lower overall average yield on investments, and a decrease in overall charges for services. These revenue decreases were offset by modest increases in fines and forfeitures and recovered costs.
- Transfers in exceeded budgeted amounts by \$5,877,903.
- Actual expenditures were \$26,211,691 less than budgeted amounts.
- Actual general government administration expenditures were \$7,500,880 more than budgeted amounts primarily due to the budget for personnel vacancy savings.
- Expenditures in public safety and health and welfare were \$9,895,551 and 6,231,534, respectively, less than budgeted amounts primarily due to reductions in grant funding received, thereby reducing the amount of expenditures.
- Actual expenditures in all other functions of the general government were between \$1,222,423 and 3,851,937 less than budgeted amounts primarily due to cost reduction / cost saving strategies implemented early in the fiscal year.

Capital Assets

At the end of fiscal year 2010, the County primary government had invested \$ 846,647,923 in a variety of capital assets as reflected in the following schedule, which represents a net increase of \$ 57,046,301. More detailed information on capital assets can be found in Note VII of the notes to the financial statements.

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

	Balance At June 30, 2009	Net Additions/Deletions	Balance At June 30, 2010
<u>Capital Assets:</u>			
Land	\$ 103,710,309	\$ 13,589,206	\$ 117,299,515
Buildings	175,697,128	52,901,122	228,598,250
Improvements Other Than Buildings	13,607,662	1,621,575	15,229,237
Equipment	115,625,804	33,587,417	149,213,221
Infrastructure	420,484,906	4,918,923	425,403,829
Construction in Progress	142,682,931	(28,553,108)	114,129,823
Accumulated Depreciation	(182,207,118)	(21,018,834)	(203,225,952)
Total Capital Assets, Net of Accumulated Depreciation	\$ 789,601,622	\$ 57,046,301	\$ 846,647,923

The Component Unit-Schools capital assets reflected in the following table totaled \$1,239,881,810; which represents a net increase of \$ 96,590,625.

**Schools
Change in Capital Assets**

	Balance At June 30, 2009	Net Additions/Deletions	Balance At June 30, 2010
<u>Capital Assets:</u>			
Land	\$ 115,722,240	\$ 6,198,282	\$ 121,920,522
Buildings	925,995,526	171,695,242	1,097,690,768
Improvements Other Than Buildings	864,556	308,490	1,173,046
Equipment	105,196,305	6,030,843	111,227,148
Construction in Progress	228,485,728	(57,661,933)	170,823,795
Infrastructure	-	1,121	1,121
Accumulated Depreciation	(232,973,170)	(29,981,420)	(262,954,590)
Total Capital Assets, Net of Accumulated Depreciation	\$ 1,143,291,185	\$ 96,590,625	\$ 1,239,881,810

During the fiscal year 2011 budget process, Loudoun County adopted a six-year Capital Improvement Program (CIP) that totaled \$1,019,000. The fiscal years 2011-2016 plan includes four new and additions to two elementary schools for \$125.1 million, two new middle schools for \$94.3 million, two new high schools for \$199.4 million, and renovation of an existing high school for \$4.1 million. Other capital projects include the Dulles Corridor Rapid Transit System for \$172.0 million, other transportation projects for \$59.2 million, a general government and school land acquisition fund for \$88.7 million, government support facilities for \$4.3 million, storm water management project for \$16.5 million, capital project management support for \$26.4 million, public safety capital improvements of \$122.5 million, health and welfare capital improvements of \$11.9 million, parks, recreation and cultural capital improvements of \$79.2 million and community development projects for \$15.2 million.

Long Term Debt

On November 19, 2009, the County, through the Virginia Resource Authority, sold \$7.7 million of infrastructure revenue bonds to finance the acquisition of computer systems and fire/rescue apparatus. On March 15, 2010, the County through the Industrial Development Authority of the County of Stafford and the City of Staunton, Virginia, sold \$985,000 of Recovery Zone Economic Development bonds to finance the cost of designing a juvenile detention center. On June 16, 2010, the County, through the Virginia Resource Authority, sold \$7.1 million of infrastructure revenue bonds to finance the expansion and improvement of the County's solid waste facility. On June 29, 2010, the County sold \$23.6 million of tax-exempt general obligation bonds and \$47.0 million of taxable Build America bonds to finance County and School capital projects. On April 21, 2010, the County issued \$89.1 million in general obligation refunding bonds. The proceeds of these refunding bonds was used to defease higher interest bonds issued in 1998, 2001, 2004, 2005, 2006, and 2007. At the end of fiscal year 2010, the County had \$1,004,330,000 in outstanding general obligation bonds and loans. This represents a net decrease of \$2,995,000 from last year. More detailed information on long term debt can be found in Note XII of the notes to the financial statements.

In fiscal year 2010, Moody's Investors Services, Inc. reaffirmed the County's bond rating of Aaa. Both Fitch Credit Rating Services and Standard and Poor's (S&P) maintained the County's bond rating of AAA. These are the highest ratings available from each of these firms.

Economic Factors

Loudoun County's economic and demographic conditions in many ways reflect the prevailing conditions of the Washington, D.C. region. Today, thanks in part to the diversity of Loudoun's business base and the financial strength of the long-term investors in the community; Loudoun County's commercial environment has been able to withstand downturns in the national and international economies and the assessed value of commercial properties in the county experienced a modest 5.9% decrease in assessed value 2010 when compared to the prior year. The unemployment rate is consistently one of the lowest in the nation even though the rate has increased in the past year.

While Loudoun remains a beautiful community with a thriving rural economy, growth has brought a six-fold increase in population during the last forty years. During the past decade, Loudoun County experienced success in attracting businesses and developers, which sparked commercial construction activity at an unprecedented scale. As a result, Loudoun has transformed from strictly a bedroom community to a highly desirable employment center.

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

The department's analysis has shown that Loudoun currently has high concentrations, compared to national levels, in several key industry clusters: information communications technology organizations; federal government and defense contractors; and airport-related and aviation. The county also has two areas of emerging strength, with the potential for future expansion - life sciences, and international companies, particularly European-based businesses and those in the industry clusters listed above.

Also reflecting the county's commitment to business is the development of thriving business partnerships with the support of the Department of Economic Development. The Economic Development Commission, the Rural Economic Development Council, Science & Technology Cabinet, CEO Cabinet, and Design Cabinet partnerships are about serious work, joining together some of the smartest and most innovative leaders, harnessing their collective time, energy and brainpower to continue to move our county and its business community forward.

The downturn in the investment market has not had a negative impact on the County's investments. The primary objective of the County's Investment Policy is the safety of principal by minimizing credit risk and interest rate risk. The principal amount of the investment portfolio has not been compromised in the recent downturn.

Currently Known Facts Likely to Impact Future Financial Condition

During fiscal year 2010, the Commonwealth of Virginia initiated certain responsive actions to the economic downturn that will continue to affect the County. Through changes in certain actuarial assumptions for VRS sponsored retirement plans, which were affected by legislation passed by the General Assembly, the Commonwealth was able to defer rate increases requested by the VRS Trustees, and an increase in the local employer share of these pension contributions was similarly deferred. The impact of these deferrals reduced pension related costs in fiscal year 2010 and will also decrease pension related costs in fiscal year 2011 and 2012. The legislation requires that this deferral of costs begin to be replenished starting in fiscal year 2013 and will continue until fully replenished in fiscal year 2022. Ultimately, it is likely that there will be significant increases in the local employer costs to be funded in order to meet the VRS's ability to meet its future payment obligations.

Impact of New Accounting Pronouncement

In fiscal year 2010, the Governmental Accounting Standards Board Statement No. 51, "Accounting and Financial Reporting for Intangible Assets" required state and local governments to classify all intangible assets as capital assets. Implementation of this statement had no material impact on the County.

The Governmental Accounting Standards Board adopted Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" that requires state and local governments to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. Implementation by the County is required for the fiscal year commencing July 1, 2010 and the County expects to be in compliance with this requirement.

Contacting The County's Financial Management

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

BASIC FINANCIAL STATEMENTS



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COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF NET ASSETS
AS OF JUNE 30, 2010

	<u>Primary Government Governmental Activities</u>	<u>Component Unit School Board</u>	<u>Total Reporting Entity</u>
ASSETS			
Cash and Cash Equivalents	\$ 356,988,636	\$ 170,429,802	\$ 527,418,438
Cash and Investments with Fiscal Agents	189,736,512	99,479,727	289,216,239
Receivables, Net:			
Taxes:			
Delinquent	22,096,141	-	22,096,141
Not Yet Due	395,507,052	-	395,507,052
Accounts	1,865,040	235,181	2,100,221
Due from Other Governments	42,102,117	20,407,452	62,509,569
Advances to Employees	78,454	280	78,734
Inventory of Supplies	536,162	843,330	1,379,492
Prepaid Items	2,060,189	447,486	2,507,675
Notes and Loans Receivable, Net	2,855,149	-	2,855,149
Capital Assets:			
Non-depreciable	283,188,286	292,744,317	575,932,603
Depreciable, Net	563,279,636	947,137,493	1,510,417,129
Capital Assets, Net	846,467,922	1,239,881,810	2,086,349,732
Total Assets	<u>1,860,293,374</u>	<u>1,531,725,068</u>	<u>3,392,018,442</u>
LIABILITIES			
Accounts Payable	26,042,231	31,347,129	57,389,360
Accrued Interest Payable	12,156,378	584,954	12,741,332
Accrued Liabilities	11,472,907	47,401,499	58,874,406
Prepaid Revenue	3,325,887	-	3,325,887
Unearned Revenue:			
Property Taxes Not Yet Due	395,507,052	-	395,507,052
Other	6,016,981	2,811,583	8,828,564
Other Liabilities	9,702,997	60,771	9,763,768
Long-term Liabilities:			
Due Within One Year:			
Compensated Absences	832,686	1,221,416	2,054,102
Claims Liabilities	4,389,693	6,626,819	11,016,512
Bonds Payable	89,234,852	-	89,234,852
Leases Payable	10,785,615	8,589,459	19,375,074
Due in More Than One Year:			
Compensated Absences	20,518,249	15,737,589	36,255,838
Claims Liabilities	2,529,471	1,727,370	4,256,841
Landfill Closure and Postclosure Care Costs	25,146,865	-	25,146,865
Net OPEB Obligation	23,759,856	80,033,159	103,793,015
Bonds Payable	963,295,875	-	963,295,875
Leases Payable	128,183,229	12,322,450	140,505,679
Total Liabilities	<u>1,732,900,824</u>	<u>208,464,198</u>	<u>1,941,365,022</u>
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	585,178,496	1,218,969,901	873,938,252 A
Restricted for:			
Capital Projects	117,028,380	95,416,956	212,445,336
Permanent Fund-Nonexpendable	-	35,721	35,721
Unrestricted	(574,814,326)	8,838,292	364,234,111 A
Total Net Assets	<u>\$ 127,392,550</u>	<u>\$ 1,323,260,870</u>	<u>\$ 1,450,653,420</u>

^A The sum of the columns does not equal the Total Reporting Entity column by a difference of \$930,210,145 because the debt related to the School Board Component Unit is reflected in the primary government's governmental activities column reducing unrestricted net assets. The assets are reflected in the School Board Component Unit column as Invested in Capital Assets, net of related debt. The Total Reporting Entity column matches the asset with the debt and reports the net amount on the Invested in Capital Assets, net of related debt line.

See accompanying notes to the financial statements.

**COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010**

Functions/Programs Activities	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		Total Reporting Entity
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary	Component	
					Governmental Activities	Unit School Board	
Primary Government:							
General Government Administration	\$ 62,275,751	\$ 910,614	\$ 3,013,522	\$ -	\$ (58,351,615)		\$ (58,351,615)
Judicial Administration	13,084,786	1,625,414	2,897,907	-	(8,561,465)		(8,561,465)
Public Safety	135,811,664	9,726,430	18,500,540	1,975,111	(105,609,583)		(105,609,583)
Public Works	83,018,922	8,237,790	5,395,137	6,475,847	(62,910,148)		(62,910,148)
Health and Welfare	83,308,597	6,733,728	33,307,525	19,352	(43,247,992)		(43,247,992)
Parks, Recreation and Culture	44,790,131	15,771,925	527,208	632,809	(27,858,189)		(27,858,189)
Community Development	36,448,585	7,491,838	5,939,424	8,529,597	(14,487,726)		(14,487,726)
Education	558,227,063	4,188	50,868	-	(558,172,007)		(558,172,007)
Interest and Other Debt Service Charges	42,984,767	-	-	-	(42,984,767)		(42,984,767)
Total Primary Government	\$ 1,059,950,266	\$ 50,501,927	\$ 69,632,131	\$ 17,632,716	\$ (922,183,492)		\$ (922,183,492)
Component Unit:							
School Board	\$ 770,652,356	\$ 21,848,494	\$ 208,335,275	\$ 2,171,688		\$ (538,296,899)	\$ (538,296,899)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purpose:					779,918,323	-	779,918,323
Local Sales and Use Taxes					57,604,972	-	57,604,972
Consumer Utility Taxes					20,087,509	-	20,087,509
Business License Taxes					23,076,923	-	23,076,923
Franchise License Taxes					503,990	-	503,990
Motor Vehicle Licenses					5,486,343	-	5,486,343
Bank Franchise Taxes					1,098,270	-	1,098,270
Taxes on Recordation and Wills					7,424,426	-	7,424,426
Hotel and Motel Room Taxes					4,748,883	-	4,748,883
Payment from County					-	557,778,356	557,778,356
Interest and Investment Earnings					4,354,103	69,188	4,423,291
Grants and Contributions Not Restricted to Specific Programs					54,732,247	-	54,732,247
Gifts and Donations					9,601,305	-	9,601,305
Miscellaneous					1,654,872	151,861	1,806,733
Total General Revenues					970,292,166	557,999,405	1,528,291,571
Change in Net Assets					48,108,674	19,702,506	67,811,180
Net Assets at Beginning of Year					79,283,876	1,303,558,364	1,382,842,240
Net Assets at End of Year					\$ 127,392,550	\$ 1,323,260,870	\$ 1,450,653,420

See accompanying notes to the financial statements.

**COUNTY OF LOUDOUN, VIRGINIA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2010**

	General	Public Facilities	Capital Projects	Debt Service	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Cash Equivalents	\$ 134,121,118	\$ 98,358,441	\$ 62,071,651	\$ -	\$ 30,196,896	\$ 324,748,106
Cash and Investments with Fiscal Agents	93,962	-	117,028,380	41,854,775	29,834,395	188,811,512
Receivables, Net:						
Taxes:						
Delinquent	21,001,497	-	-	-	1,094,644	22,096,141
Not Yet Due	395,507,052	-	-	-	-	395,507,052
Accounts	1,592,400	-	179,732	-	34,224	1,806,356
Due from Other Governments	38,680,903	-	525,382	-	2,895,832	42,102,117
Due from Other Funds	31,583,287	-	-	-	-	31,583,287
Advances to Employees	78,454	-	-	-	-	78,454
Inventory of Supplies	-	-	-	-	461,384	461,384
Prepaid Items	934,202	-	485,605	-	640,382	2,060,189
Notes and Loans Receivable, net	2,448,583	-	-	-	406,566	2,855,149
Total Assets	\$ 626,041,458	\$ 98,358,441	\$ 180,290,750	\$ 41,854,775	\$ 65,564,323	\$ 1,012,109,747
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ 6,510,824	\$ 75,606	\$ 9,434,014	\$ 6,800	\$ 8,363,618	\$ 24,390,862
Accrued Liabilities	11,393,608	-	-	-	40,376	11,433,984
Prepaid Revenue	3,307,330	-	-	-	18,557	3,325,887
Deferred Revenue:						
Property Taxes Not Yet Due	395,507,052	-	-	-	-	395,507,052
Property Taxes	8,453,045	-	-	-	223,835	8,676,880
Other	5,252,695	-	-	-	2,399,679	7,652,374
Due to Other Funds	-	-	-	24,199,555	7,383,732	31,583,287
Other Liabilities	8,529,406	-	329,510	967,430	206,161	10,032,507
Total Liabilities	438,953,960	75,606	9,763,524	25,173,785	18,635,958	492,602,833
Fund Balances:						
Reserved for:						
Prepaid Items	934,202	-	485,605	-	640,382	2,060,189
Encumbrances	10,486,025	-	26,338,465	-	5,636,588	42,461,078
Notes and Loans Receivable	2,448,583	-	-	-	406,566	2,855,149
Unreserved, reported in:						
General Fund:						
Designated for Fiscal Reserve	102,618,696	-	-	-	-	102,618,696
Designated for Future Capital Projects	2,656,895	-	-	-	-	2,656,895
Undesignated	67,943,097	-	-	-	-	67,943,097
Special Revenue Funds:						
Designated for Fiscal Reserve	-	-	-	-	284,933	284,933
Undesignated	-	98,282,835	-	-	37,099,612	135,382,447
Capital Projects Funds:						
Designated for Capital Projects	-	-	143,703,156	-	2,860,284	146,563,440
Debt Service Fund:						
Designated for Future Debt Service	-	-	-	16,680,990	-	16,680,990
Total Fund Balances	187,087,498	98,282,835	170,527,226	16,680,990	46,928,365	519,506,914
Total Liabilities and Fund Balances	\$ 626,041,458	\$ 98,358,441	\$ 180,290,750	\$ 41,854,775	\$ 65,564,323	\$ 1,012,109,747

See accompanying notes to the financial statements.

COUNTY OF LOUDOUN, VIRGINIA
RECONCILIATION OF THE GOVERNMENTAL FUNDS FUND BALANCE
TO THE STATEMENT OF NET ASSETS - GOVERNMENTAL ACTIVITIES NET ASSETS
AS OF JUNE 30, 2010

Fund balances - total governmental funds		\$ 519,506,914
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Amounts reported for governmental activities in the Statement of Net Assets (Exhibit I) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.

Governmental capital assets	995,735,703	
Less accumulated depreciation	<u>(173,971,828)</u>	821,763,875

Delinquent taxes and other long-term assets not available to pay for current period expenditures are deferred in the governmental funds.

10,641,783

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.

Compensated absences	(21,350,935)	
Landfill closure and postclosure care costs	(25,146,865)	
Net OPEB Obligation	(23,759,856)	
Governmental bonds payable	(1,004,330,000)	
Governmental leases payable	(138,968,844)	
Unamortized bond premium	<u>(48,200,727)</u>	(1,261,757,227)

Interest on long-term liabilities is not accrued in the governmental funds, but is rather recognized as an expenditure when due.

(12,156,378)

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the Statement of Net Assets.

49,393,583

Net Assets of Governmental Activities

\$ 127,392,550

See accompanying notes to the financial statements.

COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	General	Public Facilities	Capital Projects	Debt Service	Other Governmental Funds	Total Governmental Funds
REVENUES						
General Property Taxes	\$ 768,030,491	\$ -	\$ -	\$ -	\$ 12,856,060	\$ 780,886,551
Other Local Taxes	108,698,849	-	503,990	-	10,828,477	120,031,316
Permits and Licenses	10,791,655	-	-	-	-	10,791,655
Fines and Forfeitures	2,539,918	-	-	-	-	2,539,918
Use of Money and Property	3,566,341	274,409	7,310	1,840,933	117,897	5,806,890
Charges for Services	24,739,241	-	1,422,366	-	66,004	26,227,611
Gifts and Donations	237,778	20,490,779	-	-	2,878,453	23,607,010
Miscellaneous	368,628	-	45,688	-	205,890	620,206
Recovered Costs	8,528,735	-	698,659	-	1,297,228	10,524,622
Intergovernmental - Commonwealth of Virginia	72,444,369	-	3,271,841	-	3,820,168	79,536,378
Intergovernmental - Federal Government	26,236,938	-	2,491,061	-	8,100,493	36,828,492
Total Revenues	1,026,182,943	20,765,188	8,440,915	1,840,933	40,170,670	1,097,400,649
EXPENDITURES						
Current Operating:						
General Government Administration	57,577,876	-	-	-	-	57,577,876
Judicial Administration	11,882,608	-	-	-	110,888	11,993,496
Public Safety	133,710,522	321,208	-	-	3,948	134,035,678
Public Works	27,020,896	-	31,889,703	-	14,965,746	73,876,345
Health and Welfare	65,004,188	-	-	-	16,980,856	81,985,044
Parks, Recreation and Culture	39,409,575	91,310	-	-	2,754,934	42,255,819
Community Development	26,401,755	622,119	-	-	8,852,684	35,876,558
Education	516,167,178	(233,233)	845,598	(6,362,480)	47,810,000	558,227,063
Capital Outlay	-	-	33,622,479	-	24,430,707	58,053,186
Debt service:						
Principal Payments	-	-	-	76,317,253	52,247	76,369,500
Interest and Service Charges	-	-	-	50,854,387	522	50,854,909
Total Expenditures	877,174,598	801,404	66,357,780	120,809,160	115,962,532	1,181,105,474
Excess (Deficiency) of Revenues Over (Under) Expenditures	149,008,345	19,963,784	(57,916,865)	(118,968,227)	(75,791,862)	(83,704,825)
OTHER FINANCING SOURCES (USES)						
Transfers In	12,703,812	-	60,886,798	120,139,357	16,546,002	210,275,969
Transfers Out	(135,521,684)	(9,805,733)	(17,768,571)	(6,665,801)	(49,672,902)	(219,434,691)
Issuance Premium	-	-	-	2,959,133	-	2,959,133
Issuance of Bonds and Leases	-	-	-	89,220,527	86,500,000	175,720,527
Payments to Refunded Bonds	-	-	-	(89,120,000)	-	(89,120,000)
Sales of Capital Assets	4,014	-	300,000	-	(300,000)	4,014
Total Other Financing Sources (Uses)	(122,813,858)	(9,805,733)	43,418,227	116,533,216	53,073,100	80,404,952
Net Change in Fund Balances	26,194,487	10,158,051	(14,498,638)	(2,435,011)	(22,718,762)	(3,299,873)
Fund Balances at Beginning of Year	160,893,011	88,124,784	185,025,864	19,116,001	69,647,127	522,806,787
Fund Balances at End of Year	\$ 187,087,498	\$ 98,282,835	\$ 170,527,226	\$ 16,680,990	\$ 46,928,365	\$ 519,506,914

See accompanying notes to the financial statements.

COUNTY OF LOUDOUN, VIRGINIA
RECONCILIATION OF CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2010

Net change in fund balances - total governmental funds **\$ (3,299,873)**

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

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

Expenditures for capital assets	60,858,796	
Less current year depreciation	<u>(18,625,496)</u>	42,233,300

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

(187,584)

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

11,626,519

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

Change in deferred revenue related to taxes		(968,228)
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Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Assets. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets.

Principal payments	76,369,500	
Net debt proceeds and issuance premium	(86,554,133)	
Current year amortization of bond premium	<u>5,930,007</u>	(4,254,626)

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

Change in compensated absences liability	(991,084)	
Change in landfill closure/post-closure liability	(1,525,851)	
Change in Net OPEB Obligation	(3,386,361)	
Change in accrued interest liability	<u>(1,065,392)</u>	(6,968,688)

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

9,927,854

Change in Net Assets of Governmental Activities

\$ 48,108,674

COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF NET ASSETS
PROPRIETARY - INTERNAL SERVICE FUNDS
AS OF JUNE 30, 2010

ASSETS

Current Assets:

Cash and Cash Equivalents	\$ 32,240,530
Cash and Investments with Fiscal Agents	925,000
Receivables, Net	58,684
Inventory of Supplies	74,778
Total Current Assets	<u>33,298,992</u>

Noncurrent Assets:

Capital Assets:

Depreciable, Net	24,704,047
Total Noncurrent Assets	<u>24,704,047</u>
Total Assets	<u><u>58,003,039</u></u>

LIABILITIES

Current Liabilities:

Accounts Payable	1,651,369
Claims Liabilities	4,389,693
Accrued Liabilities	38,923
Total Current Liabilities	<u>6,079,985</u>

Noncurrent Liabilities:

Claims Liabilities	2,529,471
Total Noncurrent Liabilities	<u>2,529,471</u>
Total Liabilities	<u><u>8,609,456</u></u>

NET ASSETS

Net Assets Invested in Capital Assets	24,704,047
Unrestricted	24,689,536
Total Net Assets	<u><u>\$ 49,393,583</u></u>

See accompanying notes to the financial statements.

COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY - INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

Operating Revenues:	
Charges for Services	\$ 43,684,503
Use of Property	74,375
Miscellaneous	68,138
Total Operating Revenues	<u>43,827,016</u>
Operating Expenses:	
Personnel Services	933,335
Other Services and Charges	5,835,150
Materials and Supplies	692,322
Depreciation	5,199,242
Claims	30,444,398
Total Operating Expenses	<u>43,104,447</u>
Operating Income	722,569
Non-Operating Revenues:	
Gain on Sale of Capital Assets	<u>46,563</u>
Net Income Before Operating Transfers	769,132
Transfers In	9,158,722
Change in Net Assets	9,927,854
Net Assets at Beginning of Year	39,465,729
Net Assets at End of Year	<u><u>\$ 49,393,583</u></u>

See accompanying notes to the financial statements.

**COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF CASH FLOWS
PROPRIETARY - INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010**

Cash Flows from Operating Activities	
Receipts from Customers	\$ 43,826,098
Payments to Suppliers for Goods and Services	(6,150,225)
Claims Paid	(30,829,907)
Payments to Employees	(931,192)
Net Cash Provided by Operating Activities	<u>5,914,774</u>
Cash Flows from Noncapital Financing Activities:	
Transfers In	<u>9,158,722</u>
Net Cash Provided by Noncapital Financing Activities	<u>9,158,722</u>
Cash Flows from Capital and Related Financing Activities:	
Additions to Capital Assets	(8,654,679)
Proceeds from Sale of Capital Assets	307,935
Net Cash Used in Capital and Related Financing Activities	<u>(8,346,744)</u>
Net Increase in Cash and Cash Equivalents	6,726,752
Cash and Cash Equivalents (including those held with Fiscal Agents) at Beginning of Year	26,438,778
Cash and Cash Equivalents (including those held with Fiscal Agents) at End of Year	<u>\$ 33,165,530</u>
 Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	<u>\$ 722,569</u>
Adjustment Not Affecting Cash:	
Depreciation	5,199,242
(Increase) Decrease in Assets and Increase (Decrease) in Liabilities:	
Receivables, Net	(918)
Inventory of Supplies	16,799
Accounts Payable	441,175
Due to Other Funds	(80,727)
Claims Liabilities	(385,509)
Accrued Liabilities	2,143
Total Adjustments	<u>5,192,205</u>
Net Cash Provided by Operating Activities	<u>\$ 5,914,774</u>

See accompanying notes to the financial statements.

COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
AS OF JUNE 30, 2010

	<u>Pension Trust Funds</u>	<u>Private Purpose Trust Funds</u>	<u>Agency Funds</u>
ASSETS			
Cash and Cash Equivalents	\$ 683,466	\$ 8,708	\$ 21,354,228
Cash and Investments with Fiscal Agents	-	-	60,000
Accounts Receivable	-	-	21,138
	<u>683,466</u>	<u>8,708</u>	<u>21,435,366</u>
Investments, at Fair Value:			
Guaranteed Investment Accounts	11,205,277	-	-
Investments in Pooled Funds	7,802,098	-	-
	<u>19,007,375</u>	<u>-</u>	<u>-</u>
Total Assets	<u>19,690,841</u>	<u>8,708</u>	<u>21,435,366</u>
LIABILITIES			
Accounts Payable and Funds Held in Trust for Others	-	-	21,435,366
Total Liabilities	<u>-</u>	<u>-</u>	<u>\$ 21,435,366</u>
NET ASSETS			
Held in Trust for Pension Benefits and Other Purposes	<u>\$ 19,690,841</u>	<u>\$ 8,708</u>	

See accompanying notes to the financial statements.

COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Pension Trust Fund	Private Purpose Trust Funds
ADDITIONS		
Contributions:		
Employer	\$ 7,748,090	\$ -
Other	107,627	-
Total Contributions	<u>7,855,717</u>	<u>-</u>
Investment Earnings:		
Net Appreciation in Fair Value of Investments	242,799	-
Interest	511,070	25
Total Investment Earnings	<u>753,869</u>	<u>25</u>
Less Investment Expense:		
Investment Management Fees	(8,326)	-
Net Investment Income	<u>745,543</u>	<u>25</u>
Total Additions	<u>8,601,260</u>	<u>25</u>
DEDUCTIONS		
Benefits	2,994,283	-
Administrative Expense	755,685	-
Total Deductions	<u>3,749,968</u>	<u>-</u>
Change in Net Assets	4,851,292	25
Net Assets at Beginning of Year	14,839,549	8,683
Net Assets at End of Year	<u>\$ 19,690,841</u>	<u>\$ 8,708</u>

See accompanying notes to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

COUNTY OF LOUDOUN, VIRGINIA
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

(A) **REPORTING ENTITY**

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

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

The Loudoun County School Board - The Schools are responsible for elementary and secondary education within the County's jurisdiction. Members of the Schools' governing board (the School Board) are elected. They were most recently elected in November 2007 and assumed their responsibilities on January 1, 2008. The Schools are fiscally dependent upon the County because the County's Board of Supervisors approves the School's budget, levies taxes (if necessary), and issues bonds for School capital projects and improvements.

Loudoun County Public Schools issues a publicly available Comprehensive Annual Financial Report. A copy of that report may be obtained by writing to the Schools Business and Financial Services Department at 21000 Education Court, Ashburn, VA 20148.

(B) **BASIS OF PRESENTATION**

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

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

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all nonfiduciary activities of the primary government and its component units. *Governmental Activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from legally separate *component units* for which the primary government is financially accountable.

Statement of Net Assets - The Statement of Net Assets displays the financial position of the primary government and its discretely presented component units. Governments report all capital assets in the government-wide Statement of Net Assets and report depreciation expense - the cost of "using up" capital assets - in the Statement of Activities. The net assets of a government are broken down into three categories: (1) invested in capital assets, net of related debt; (2) restricted; and (3) unrestricted.

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other

items not properly included among program revenues are reported instead as *general revenues*. The County does not allocate indirect expenses to the governmental functions.

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

The County reports the following major governmental funds:

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

All other nonmajor governmental funds are reported in a single column captioned “Other Governmental Funds” and consist of special revenue funds, a capital asset replacement fund, and permanent funds.

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

Additionally, the government reports the following Fiduciary funds:

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

In accordance with the provisions of GASB Statement No. 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting, (GASB No. 20) the County continues to apply all applicable GASB pronouncements and has elected to apply only those Financial Accounting Standards Board Statements and Interpretations, APB Opinions and Accounting Research Bulletins, issued on or before November 30, 1989, that do not conflict with or contradict GASB pronouncements.

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

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

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

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

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

The County's budgetary comparison schedules are reported as required supplementary information following the notes to the financial statements.

(C) MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

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

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

Governmental fund financial statements are accounted for using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when they become both measurable and available. Accordingly, real and personal property taxes are recorded as deferred revenues and property taxes receivable when billed, net of allowances for uncollectible amounts of \$2,841,834 as of June 30, 2010. Real and personal property taxes recorded at June 30, and received within the first 60 days after year-end are included in tax revenues, with the related amount reduced from deferred revenues. Sales and utility taxes, which are collected by the Commonwealth of Virginia or utility companies and subsequently remitted to the County, are recognized as revenues and amounts receivable when the underlying exchange transaction occurs, which is generally one to two months preceding receipt by the County. Licenses, permits, fines and rents are recorded as revenues when received. Intergovernmental revenues, consisting primarily of Federal, State and other grants for the purpose of specific programs are recognized when earned or at the time of the specific reimbursable expenditure. Revenues from general purpose grants are recognized during the period to which the grants apply. Expenditures are recognized when the related fund liability is incurred, except for principal and interest on long-term debt, which is recognized when due.

The property tax calendar is as follows:

	Real Property	Personal Property
Lien Date	Jan 5/Jul 5	Jun 5/Nov 5
Assessment Date	Jan 1	Jan 1
Levy Date	Apr 1	Mar 1
Due Date and Collection Date	Jun 5/Dec 5	May5/Oct 5

(D) BUDGETS

Budgets are prepared and adopted on a basis consistent with GAAP. Annual appropriation resolutions and budgets are adopted for the Primary Government's General and Debt Service Funds and the School's Operating and Debt Service Funds. The following Primary Government's Special Revenue Funds also have legally adopted budgets: Route 28 Special Improvements, Aldie Sewer Service District, Comprehensive Services Act, Legal Resources Center, Hotel and Motel Room Tax, Hamilton Sewer Service District, Rental Assistance Program, Dulles Industrial Park Water and Sewer, Public Facilities, and Transportation District. The proposed budget also includes a recommended program of capital expenditures to be financed from current operations and a separate six-year capital improvement plan. All annual appropriations lapse at fiscal year-end with the exception of the Capital Project Funds, for which project-length budgets are adopted.

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

(E) CASH AND TEMPORARY INVESTMENTS

Within cash and temporary investments the County includes amounts in demand deposits as well as short-term investments with a maturity date generally within three months of the date acquired by the County.

County investments, Pension Fund investments, and OPEB Trust Fund investment are stated at fair value.

For the Capital Projects and Debt Service Funds, interest income on cash held with fiscal agents and trustees is recorded within these respective funds.

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

All interest is credited to the General Fund, unless law or Board of Supervisors Action requires allocation. Allocation, when required, is based on the monthly interest rate earned on funds invested with the Local Government Investment Pool (LGIP).

(F) RECEIVABLES AND PAYABLES

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

(G) INVENTORIES OF SUPPLIES

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

(H) PREPAID ITEMS

Prepaid items are payments made to vendors for services that will benefit periods after June 30, 2010.

(I) NONCURRENT NOTES AND LOANS RECEIVABLE

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

(J) CAPITAL ASSETS

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

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

Property, plant, and equipment of the primary government, as well as the School Board, is depreciated using the straight-line method over the following estimated useful lives:

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

(K) COMPENSATED ABSENCES

1. Primary Government Employees - In 1994, the Primary Government adopted a policy under which employees can accumulate and be paid-out upon employment separation, a maximum of 364 hours of earned but unused annual (vacation) leave. Employees with accrued balances in excess of 364 hours may utilize their accumulated balances in excess of 364 hours prior to December 31. Annual leave hours accrued in excess of 364 hours by each employee during each year are calculated at December 31, with the Primary Government converting those excess hours into additional sick leave hours. As of June 30, 2010, \$16,749,870 of earned but unused annual leave was accrued as compensated absences.

In 2004, the Primary Government adopted a policy under which non-exempt employees will receive payment at year-end for unused exchange time, with the exception of exchange time earned during the last two full pay periods of the leave year, which will carryover to the following year. Non-exempt employees will receive payment of all exchange time leave balances upon separation from County employment. As of June 30, 2010, \$272,175 of unused exchange time was accrued as compensated absences.

Effective July 1, 2001, employees with 10 years of service are compensated for unused sick leave when they leave County employment. Employees meeting this criteria will be compensated for 25% of unused sick leave to a maximum amount of \$10,000 per individual. As of June 30, 2010, \$4,328,890 of unused sick leave was accrued as compensated absences.

2. School System Employees - School employees, other than teachers, are allowed to accumulate a maximum of 480 hours of vacation leave, which will be paid-out upon employment separation. Teachers do not accumulate annual leave. As of June 30, 2010, \$9,977,918 of accumulated vacation leave was accrued as compensated absences.

Additionally, all School employees with ten or more years of service are compensated for a portion of earned, but unused sick leave upon employment separation to a maximum amount of \$10,125 per individual. As of June 30, 2010, \$6,981,087 of unused sick leave was accrued as compensated absences.

(L) LONG-TERM OBLIGATIONS

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

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

(M) FUND EQUITY

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

(N) ACCOUNTING PRONOUNCEMENTS

The Governmental Accounting Standards Board adopted Statement No. 51, "Accounting and Financial Reporting for Intangible Assets." This Statement requires state and local governments to classify all intangible assets as capital assets. This Statement became effective and was implemented by the County for the fiscal year ended June 30, 2010. Implementation of this Statement had no financial impact on the County.

The Governmental Accounting Standards Board adopted Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments." This Statement addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. This Statement became effective and was implemented by the County for the fiscal year ended June 30, 2010. Implementation of this Statement had no financial impact on the County.

(O) NEW ACCOUNTING PRONOUNCEMENTS TO BE IMPLEMENTED IN THE FUTURE

The Governmental Accounting Standards Board adopted Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This Statement requires state and local governments to use newly created fund balance classifications that can be more consistently applied to enhance the usefulness of fund balance information. Implementation by the County is required for the fiscal year commencing July 1, 2010 and the County expects to be in compliance with this requirement.

NOTE II – LEGAL COMPLIANCE – FUND DEFICITS

As of June 30, 2010, the following funds had deficit fund balances:

- Route 28 Special Improvements Fund – Deficit fund balance of \$18,557 is due to prepaid revenue (2nd half 2010 taxes) that was collected and remitted to the Commonwealth of Virginia.
- Community Development Fund – Deficit fund balance of \$11,389 will be eliminated through the scheduled payments of the Community Development Block Grant loans.

NOTE III - BANK DEPOSITS AND INVESTMENTS

Investment Policy

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

The Policy is written encompassing the General Operating Fund, applicable Trust funds and the Proffer funds. The County retirement fund and bond funds are covered under the County's Fiscal Policy.

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

Investment Type	Maximum Diversification	Limits Within Investment Type
State of Virginia LGIP	75% of Portfolio	
U.S. Treasury Obligations	100% of Portfolio	
U.S. Government Agencies	50% of Portfolio	
Repurchase Agreements	60% of Portfolio	Maximum of 60% of total portfolio with one institution.
Bankers' Acceptances (BA's)	40% of Portfolio	Highline rating of 30 or better or one of the following: Fitch Individual Bank Rating of B or better, S&P Short Term Local Issuer A-1 or better, or Moody's Short Term P-1 or better.
Commercial Paper (CP)	35% of Portfolio, maximum 5% any one issuer within total portfolio at time of purchase	Rating of A-1 P-1 or better. Fitch and Duff and Phelps rating not considered.
Certificates of Deposit - Commercial Banks	90% of Portfolio	Highline rating of 30 or better or one of the following: Fitch Individual Bank Rating of B or better, S&P Short Term Local Issuer A-1 or better, or Moody's Short Term P-1 or better. All banks must comply with the Virginia Public Deposit Act. Maximum 50% of the total portfolio in any one institution.
Certificates of Deposit - Savings and Loans Associations	10% of Portfolio	No more than \$100,000 in any one institution.
Money Market funds (Open Ended Investments funds)	50% of Portfolio	

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

The County limits exposure to interest rate risk by limiting the maturity of investments purchased. The General Fund portfolio can invest up to 15% of the portfolio out to a maximum of 24 months, with the remaining 85% of the portfolio invested out to a maximum of 13 months. Based on market conditions and expected cash flow, an additional 10% of the portfolio may be invested with a maximum of 5 years (60 months). The Proffer fund can invest up to 20% of the portfolio in assets maturing out to a maximum of 24 months, with the remaining 80% of the Proffer portfolio having maturities within 13 months. Based on market conditions and expected cash flow, an additional 10% of the portfolio may be invested with a maximum maturity of 5 years (60 months).

Credit Risk:

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

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

As of June 30, 2010, the Portfolio was invested as follows:

- 10.0% of the portfolio was invested in "Aaa" or better rated obligations
- 23.3% was invested in "A-1" "P-1" or better short term commercial paper/bankers' acceptances
- 43.2% was invested in "AAAm" rated state run pooled money market fund
- 23.5% was invested in fully collateralized bank certificates of deposit and 100% FDIC insured bank accounts.

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

Concentration of Credit Risk

As of June 30, 2010, the portion of the County's portfolio, excluding the Virginia LGIP and U.S. Government guaranteed obligations, that exceed 5% of the total portfolio are as follows:

Issuer	% of Portfolio
TD Bank(fully collateralized money market funds and commercial paper)	7.28%

Interest Rate Risk

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

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

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

As of June 30, 2010 the following securities were held that had call features.

Fund	Maturity Date	Issue	Fair Value	Par/Cost	Yield	Step Features
General Fund	04/18/11	FHLB	\$4,998,437	\$5,000,000	0.60%	Monthly calls starting 6/18/10 - called 7/18/10.
	04/26/11	FFCB	\$5,000,000	\$5,000,000	0.50%	Quarterly calls starting 8/17/10 - called 8/17/10.
	12/30/11	FHLB	\$4,998,437	\$5,000,000	1.00%	Semi-annual step increase, quarterly calls - called 9/30/10.
	01/19/12	FHLB	\$5,023,437	\$5,000,000	1.00%	One time call 4/19/11.
	02/24/12	FHLB	\$5,000,000	\$5,000,000	1.375%	2 year semi-annual step increase, quarterly calls starting 5/24/10 - called 8/24/10.
	06/28/13	FNMA	\$5,003,125	\$5,000,000	2.11%	3 year annual step increase, quarterly calls starting 9/28/10 - called 9/28/10.
Proffer Fund	08/25/11	FHLB	\$5,003,125	\$5,000,000	1.56%	2 year annual step increase, one-time call 8/25/10 - called 8/25/10.
	02/24/12	FHLB	\$5,000,000	\$5,000,000	1.375%	2 year semi-annual step increase, quarterly calls starting 5/24/10 - called 8/24/10.
	04/22/13	FNMA	\$5,020,312	\$5,000,000	2.00%	One time call 10/22/10 - called 10/22/10.
	06/30/15	FHLMC	\$3,029,589	\$3,000,000	2.60%	Callable 6/30/11.

On June 30, 2010, the County had the following investments and maturities (refer to Cash and Cash Equivalents in Exhibit I, Exhibit X and Schedule 37):

Investment Type	Carrying Value	Maturity		
		Less Than 6 Months	Between 6 - 13 Months	Between 13 - 24 Months
Bank Deposits	\$ (6,843,261)	\$ (6,843,261)	\$ 0	\$ 0
Money Market Funds (LGIP)	237,142,279	237,142,279	0	0
Certificates of Deposit - Commercial Banks	127,909,935	104,159,935	21,750,000	2,000,000
U.S. Government Agencies	55,137,854	7,143,604	10,000,000	37,994,250
Bankers Acceptances (BA's)	36,360,466	36,360,466	0	0
Commercial Paper (CP's)	99,757,567	84,818,375	14,939,192	0
Total Deposits and Investments	\$ 549,464,840	\$ 462,781,398	\$ 46,689,192	\$ 39,994,250

Custodial Credit Risk

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

As of June 30, 2010, all of the County's securities, other than bank certificates of deposit, were held in a highly rated bank's safekeeping department in the County's name.

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

NOTE IV – DISAGGREGATION OF RECEIVABLE AND PAYABLE BALANCES**(A) RECEIVABLES**

Receivables at June 30, 2010 are as follows:

	Taxes	Accounts	Due from Other Governments	Total Receivables
<u>Governmental Activities:</u>				
General Fund	\$ 416,508,549	\$ 1,592,400	\$ 38,680,903	456,781,852
Capital Projects Fund	0	179,732	525,382	705,114
Other Governmental Funds	1,094,644	34,224	2,895,832	4,024,700
Internal Service Funds	0	58,684	0	58,684
Total Governmental Activities	\$ 417,603,193	\$ 1,865,040	\$ 42,102,117	\$ 461,570,350
<u>Component Unit - Schools:</u>				
General Fund	\$ 0	\$ 111,262	\$ 20,004,139	20,115,401
Special Revenue Fund	0	47,995	353,313	401,308
Capital Projects Fund	0	2,097	0	2,097
Internal Service Funds	0	73,827	50,000	123,827
Total Component Unit - Schools	\$ 0	\$ 235,181	\$ 20,407,452	\$ 20,642,633

(B) PAYABLES

Payables at June 30, 2010 are as follows:

	Vendors	Salaries and Benefits	Accrued Interest	Total Payables
<u>Governmental Activities:</u>				
General Fund	\$ 6,510,824	\$ 11,393,608	\$ 0	\$ 17,904,432
Public Facilities	75,606	0	0	75,606
Capital Projects Fund	9,434,014	0	0	9,434,014
Debt Service Fund	6,800	0	12,156,378	12,163,178
Other Governmental Funds	8,363,618	40,376	0	8,403,994
Internal Service Funds	1,651,369	38,923	0	1,690,292
Total Governmental Activities	\$ 26,042,231	\$ 11,472,907	\$ 12,156,378	\$ 49,671,516
<u>Component Unit:</u>				
General Fund	\$ 4,315,025	\$ 46,277,088	\$ 0	\$ 50,592,113
Special Revenue Fund	72,419	1,118,373	0	1,190,792
Capital Projects Fund	23,966,103	6,038	0	23,972,141
Debt Service Funds	0	0	584,954	584,954
Internal Service Funds	2,993,582	0	0	2,993,582
Total Component Unit - Schools	\$ 31,347,129	\$ 47,401,499	\$ 584,954	\$ 79,333,582

NOTE V – INTERFUND BALANCES

Due to/from balances represent amounts paid by one entity on behalf of the other entity. Individual interfund balances at June 30, 2010 consist of the following:

DUE FROM	DUE TO General Fund
County-Wide Sewer Service District Fund	\$ 27,078
Transportation District Fund	7,356,654
Debt Service Fund	24,199,555
Total Primary Government	\$ 31,583,287

NOTE VI – INTERFUND TRANSFERS

The primary purpose of interfund transfers is to provide funding for operations and capital projects. Interfund transfers for the year ended June 30, 2010 consist of the following:

	Transfers In	Transfers Out
Primary Government		
General Fund	\$ 12,703,812	\$ 135,521,684
Public Facilities	0	\$ 9,805,733
Capital Projects Fund	60,886,798	17,768,571
Debt Service Fund	120,139,357	6,665,801
Non-major Funds	16,546,002	49,672,902
Internal Service Funds	9,158,722	0
Total Primary Government	\$ 219,434,691	\$ 219,434,691
Component Unit - Schools		
General Fund	\$ 513,117,547	\$ 574,456,488
Special Revenue Fund	140,000	0
Capital Projects Fund	48,281,909	0
Non-major Funds	12,917,032	0
Total Component Unit - Schools	\$ 574,456,488	\$ 574,456,488

NOTE VII – CAPITAL ASSETS

Capital assets activity for the primary government for the year ended June 30, 2010 is as follows:

	Primary Government				
	Balance July 1, 2009	Additions/ Increases	Retirements/ Decreases	Transfers	Balance June 30, 2010
Capital Assets Not Being Depreciated:					
Land	\$ 103,710,309	\$ 13,684,179	\$ (94,973)	\$ 0	\$ 117,299,515
Infrastructure - Ponds	49,878,385	1,943,474	0	0	51,821,859
Construction in Progress	142,682,931	27,066,996	0	(55,620,104)	114,129,823
Total Capital Assets Not Being Depreciated	\$ 296,271,625	\$ 42,694,649	\$ (94,973)	\$ (55,620,104)	\$ 283,251,197
Other Capital Assets:					
Buildings	\$ 175,697,128	\$ 715,423	\$ (617,926)	\$ 52,803,625	\$ 228,598,250
Improvements Other Than Buildings	13,607,662	33,703	(5,675)	1,593,547	15,229,237
Equipment	115,625,804	34,720,771	(2,536,286)	1,222,932	149,033,221
Infrastructure	370,606,521	2,975,449	0	0	373,581,970
Total Other Capital Assets	\$ 675,537,115	\$ 38,445,346	\$ (3,159,887)	\$ 55,620,104	\$ 766,442,678
Less Accumulated Depreciation for:					
Buildings	\$ (34,907,731)	\$ (4,177,675)	\$ 526,307	\$ 0	\$ (38,559,099)
Improvements Other Than Buildings	(11,723,807)	(401,814)	5,675	0	(12,119,946)
Equipment	(74,579,784)	(12,731,355)	2,273,922	0	(85,037,217)
Infrastructure	(60,995,796)	(6,513,895)	0	0	(67,509,691)
Total Accumulated Depreciation	\$ (182,207,118)	\$ (23,824,739)	\$ 2,805,904	\$ 0	\$ (203,225,953)
Other Capital Assets, Net	\$ 493,329,997	\$ 14,620,607	\$ (353,983)	\$ 55,620,104	\$ 563,216,725
Total Capital Assets	\$ 789,601,622	\$ 57,315,256	\$ (448,956)	\$ 0	\$ 846,467,922

Primary government capital assets, net of accumulated depreciation, at June 30, 2010 are comprised of the following:

General Capital Assets, Net	\$ 821,763,875
Internal Service Fund Capital Assets, Net	24,704,047
Total Capital Assets, Net	\$ 846,467,922

Depreciation was charged to governmental functions as follows:

General government administration	\$ 9,591,174
Judicial administration	725,698
Public safety	2,967,375
Public works	7,758,460
Health and welfare	626,596
Parks, recreation and culture	2,063,396
Community development	92,040
Total Depreciation	\$ 23,824,739

Capital asset activity for the Schools for the year ended June 30, 2010 is as follows:

	Component Unit - School				
	Balance July 1, 2009	Additions/ Increases	Retirements/ Decreases	Transfers	Balance June 30, 2010
Capital Assets Not Being Depreciated					
Land	\$ 115,722,240	\$ 6,260,783	\$ (62,501)	\$ 0	\$ 121,920,522
Construction in Progress	228,485,728	113,788,275	0	(171,450,208)	170,823,795
Total Capital Assets Not Being Depreciated	\$ 344,207,968	\$ 120,049,058	\$ (62,501)	\$ (171,450,208)	\$ 292,744,317
Other Capital Assets:					
Buildings	\$ 925,995,526	\$ 575,287	\$ (21,763)	\$ 171,141,718	\$ 1,097,690,768
Improvements Other Than Buildings	864,556	0	0	308,490	1,173,046
Equipment	105,196,304	9,447,647	(3,416,803)	0	111,227,148
Infrastructure	0	1,122	0	0	1,122
Total Other Capital Assets	\$ 1,032,056,386	\$ 10,024,056	\$ (3,438,566)	\$ 171,450,208	\$ 1,210,092,084
Less Accumulated Depreciation for:					
Buildings	\$ (154,508,035)	\$ (22,615,626)	\$ 17,310	\$ 0	\$ (177,106,351)
Improvements Other Than Buildings	(779,554)	(11,704)	0	0	(791,258)
Equipment	(77,685,581)	(10,732,691)	3,361,318	0	(85,056,954)
Infrastructure	0	(28)	0	0	(28)
Total Accumulated Depreciation	\$ (232,973,170)	\$ (33,360,049)	\$ 3,378,628	\$ 0	\$ (262,954,591)
Other Capital Assets, Net	\$ 493,329,997	\$ (23,335,993)	\$ (59,938)	\$ 171,450,208	\$ 947,137,493
Total Capital Assets	\$ 789,601,622	\$ 96,713,065	\$ (122,439)	\$ 0	\$ 1,239,881,810

All depreciation was charged to education.

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

	Program Authorization	Transferred to Fixed Assets by June 30, 2010	Construction In Progress At June 30, 2010	Construction Commitments At June 30, 2010	Remaining to Be Committed At June 30, 2010
General Government Administration	\$ 142,902,960	\$ 51,720,189	\$ 2,538,702	\$ 1,061,674	\$ 87,582,395
Judicial Administration	32,108,915	31,200,224	0	91,660	817,031
Public Safety	252,510,524	95,236,795	76,108,148	8,281,028	72,884,553
Public Works	221,885,578	75,465,372	5,761,860	13,698,346	126,960,000
Health and Welfare	9,986,212	2,759,847	3,120,377	207,322	3,898,666
Parks, Recreation and Culture	106,546,119	58,686,470	26,600,736	2,998,435	18,260,478
Total Primary Government	\$ 765,940,308	\$ 315,068,897	\$ 114,129,823	\$ 26,338,465	\$ 310,403,123
Education	\$ 1,006,761,873	\$ 637,198,981	\$ (170,823,795)	\$ 48,334,893	\$ 150,404,204
Total Component Unit-Schools	\$ 1,006,761,873	\$ 637,198,981	\$ (170,823,795)	\$ 48,334,893	\$ 150,404,204

NOTE VIII - RISK MANAGEMENT

The County General Government's automobile liability, general liability and public officials protection are administered through the Virginia Association of Counties (VACO). These agreements have a \$10 million per occurrence limit. The general liability protections have a \$10 million aggregate limit. Both automobile and general liability policies have \$100,000 retention. Member jurisdictions contribute to the pool based on their size and past claims experience. The County is also insured for constitutional officers and law-enforcement liability risk through the State Division of Risk Management. These programs have a \$1 million per occurrence limit and insure the County Sheriff's Department, other County enforcement agencies, and all elected constitutional officers and their employees against certain types of claims. Claims that arose from incidents occurring prior to the existence of all the foregoing agreements are covered under the County's previous commercial insurance programs.

The Loudoun County School Board's property and liability insurance program is provided through membership in the Virginia Municipal Liability Pool. Member jurisdictions contribute to the pool based on their risk exposures and past claims experience. The property coverage program consists of blanket replacement cost business real and personal property insurance, boiler and machinery insurance, comprehensive crime and employee dishonesty insurance, and automobile physical damage insurance. The business real and personal property insurance carries a \$5,000 deductible per occurrence with the balance of the property coverages carrying a \$2,500 deductible per occurrence. The liability insurance program consists of first dollar insurance for general liability, school board legal professional liability, automobile liability, and excess liability for a total limit of \$10 million per occurrence (no annual aggregate, deductible or retention applies). Claims that arose from incidents occurring prior to the existence of all the foregoing agreements are covered under the Schools' previous commercial insurance programs.

In 1989, the County received a Certificate as a Qualified Self-Insurer from the Virginia Workers Compensation Commission. At that time, the County began to self-insure general government workers' compensation. At the same time, the County purchased excess and employers liability insurance from the Employers Reinsurance Corporation, limiting individual claims against the self-insurance program to \$500,000. A reserve for pending claims and incurred but not reported claims has been accrued as a liability within the self-insurance funds as an estimate based on information received from the County's outside actuary, AON.

In 1990, the School Board received a Certificate as a Qualified Self-Insurer from the Virginia Workers' Compensation Commission. At that time, the Schools began to self-insure statutory workers' compensation and employer's liability coverages. At the same time, the Schools purchased excess workers' compensation and employer's liability insurance from the Employers Reinsurance Corporation which has sold their book of business to Safety National Insurance Company in 2005. This excess insurance provides \$25,000,000 of coverage and limits individual claims against the self-insurance program with a current specific retention level of \$400,000 per occurrence. A reserve for pending claims and incurred but not reported claims has been accrued as a liability within the self-insurance funds as an estimate based on information received from AON. Workers' Compensation claims that arose from incidents occurring prior to the self-insured program are covered under the Schools' previous commercial insurance carrier. A reserve for pending claims and incurred but not reported claims has been accrued as a liability within the self-insurance funds as an estimate based on information received from AON.

The County General Government and Component Unit-Schools contract with a third party administrator to adjust workers' compensation claims, provide underwriting services, and recommend reserve levels, including claims reported but not settled. Claims not closed out at January 1, 1990, remain with the Virginia Municipal Group Self-Insurance Association. All other property and casualty insurance either has been, or is expected to be renewed as it becomes due. The following table shows the amounts that have been accrued for workers' compensation as a liability within the self-insurance fund. The General Government's administrator is Accordia Employers Service, and until the Component Unit-Schools' administrator is Virginia Association of Counties (VACO).

	WORKERS' COMPENSATION		
	Primary Government	Component Unit - Schools	Total
<u>Fiscal Year 2010</u>			
Unpaid Claims Beginning of Fiscal Year	\$ 5,490,176	\$ 2,724,324	\$ 8,214,500
Incurred Claims (Including IBNR)	1,299,923	2,014,431	3,314,354
Claim Payments	(1,622,964)	(1,781,682)	(3,404,646)
Unpaid Claims End of Fiscal Year	\$ 5,167,135	\$ 2,957,073	\$ 8,124,208
<u>Fiscal Year 2009</u>			
Unpaid Claims Beginning of Fiscal Year	\$ 5,220,210	\$ 2,501,405	\$ 7,721,615
Incurred Claims (Including IBNR)	2,759,947	1,807,763	4,567,710
Claim Payments	(2,489,981)	(1,584,844)	(4,074,825)
Unpaid Claims End of Fiscal Year	\$ 5,490,176	\$ 2,724,324	\$ 8,214,500

On October 1, 1994, the County General Government and Component Unit - Schools began to self-insure health care for all eligible employees and all retirees. Eligible employees are regular staff and long-term full-time temporary employees. Eligible retirees include all retirees who immediately begin drawing a retirement annuity from the Virginia Retirement System. Employer contribution rates for employees vary depending on scheduled hours. Employer contribution rates for retirees vary based on the type of retirement, years of service, and type of coverage. The County offers two (2) health plan options, a Point of Service (POS) plan and a High Deductible Health Plan (HDHP) with Health Savings Account (HAS). In-network services for the POS are covered with a \$10 co-pay for Primary Care Physician, \$15 for Specialists. Participants have an option to receive services out-of-network, subject to a \$200 deductible and 10% co-insurance. The HDHP option also offers both in and out-of-network benefits. The HDHP includes a \$1,500 deductible and 10% coinsurance (30% out-of-network coinsurance) along with an Employer HAS contribution. Prescription drugs, dental, and vision services are covered as part of the plan. The County has purchased specific stop loss insurance from Connecticut General Life Insurance Company (CIGNA) limiting claims against the self-insurance program to \$300,000 per occurrence for individual claims. The following table shows the amounts that have been accrued as a liability within the self-insurance fund based upon an estimate from the County's outside actuary.

	HEALTH INSURANCE		
	Primary Government	Component Unit - Schools	Total
Fiscal Year 2010			
Unpaid Claims Beginning of Fiscal Year	\$ 1,814,497	\$ 5,912,066	\$ 7,726,563
Incurred Claims (Including IBNR)	29,144,475	83,632,457	112,776,932
Claim Payments	(29,206,943)	(84,147,407)	(113,354,350)
Unpaid Claims End of Fiscal Year	\$ 1,752,029	\$ 5,397,116	\$ 7,149,145
Fiscal Year 2009			
Unpaid Claims Beginning of Fiscal Year	\$ 1,616,235	\$ 6,075,990	\$ 7,692,225
Incurred Claims (Including IBNR)	28,234,181	82,687,850	110,922,031
Claim Payments	(28,035,919)	(82,851,774)	(110,887,693)
Unpaid Claims End of Fiscal Year	\$ 1,814,497	\$ 5,912,066	\$ 7,726,563

The County General Government's and Component Unit-Schools' health insurance third party administrator is CIGNA. CIGNA is contracted to adjudicate health insurance claims, provide underwriting services, recommend reserve levels, including claims incurred but not yet reported. Delta Dental is the third party administrator for dental benefits and Davis Vision is the third party administrator for vision benefits.

The Board of Supervisors has the authority to modify the provisions of the County's post-employment benefit program. As of June 30, 2010, 309 retirees or individuals who qualify for disability retirement, met the eligibility requirements and are enrolled in the program. During FY2010, expenditures of \$3,094,608 were recorded for retirement health care benefits. These amounts are not accrued over the employees' time of service, but are expensed as incurred.

NOTE IX – OTHER POST-EMPLOYMENT BENEFITS (OPEB) PLANS

1. Plan Description

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

2. Funding Policy

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

The County participates in the Virginia Pooled OPEB Trust Fund, which was established as an investment vehicle for participating employers to accumulate assets to fund OPEB. Plan assets for purposes of GASB Statement No. 45 are usually in the form of stocks, bonds, and other classes of investments, that have been segregated and restricted in a trust, in which (a) contributions to the plan are irrevocable, (b) assets are dedicated to providing benefits to retirees and their beneficiaries, and (c) assets are legally protected from creditors of the employer or plan administrator, for the payment of benefits in accordance with the terms of the plan. The Trust Fund issues a separate report, which can be obtained by requesting a copy from the plan administrator, Virginia Municipal League and the Virginia Association of Counties Finance Program, 1108 East Main Street, Richmond, Virginia 23219.

3. Annual OPEB Cost and Net OPEB Obligation

The County is required to contribute the *annual required contribution of the employer (ARC)*, an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The current employer contribution rates for the County and the Schools are 67.60 percent and 47.54 percent, respectively.

The Primary Government and the Component Unit – Schools' annual OPEB cost and the net OPEB obligation based on estimated rate of 5.5% including an inflation component of 2.5%, and amortizing the initial unfunded actuarial liability over closed 30 years based on a level percent of payroll method for 2010 is as follows:

	Primary Government	Component Unit - Schools
Discount Rate	5.50%	5.50%
Annual Required Contribution (ARC)	\$ 10,286,000	\$ 31,026,000
Interest on Net OPEB Obligation	1,120,542	3,491,711
Adjustment to Annual Required Contribution	(954,799)	(2,975,239)
Annual OPEB Cost (expense)	\$ 10,451,743	\$ 31,542,472
Actual Contributions	(7,065,382)	(14,994,968)
Increase in net OPEB Obligation	3,386,361	16,547,504
Net OPEB Obligation, Beginning of Year	20,373,495	63,485,655
Net OPEB Obligation, End of Year	\$ 23,759,856	\$ 80,033,159
Actual Contribution Rate	67.60%	47.54%

The Primary Government and the Component Unit – School's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, the net OPEB Obligation for FY 2009 and the preceding fiscal year were as follows:

Fiscal Year	Annual OPEB Cost	Percentage of Annual OPEB Contributed	Net OPEB Obligation
Primary Government			
7/1/2009	\$ 10,451,743	67.60%	\$ 23,759,856
7/1/2008	12,217,502	42.26%	20,373,495
7/1/2007	15,297,727	13.23%	13,318,562
Component Unit - Schools			
7/1/2009	\$ 31,542,472	47.54%	\$ 80,033,159
7/1/2008	34,628,926	32.56%	63,485,655
7/1/2007	44,484,651	9.18%	40,132,495

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

For the year ended June 30, 2010, the Primary Government and the Component Unit – Schools' OPEB funding progress are as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
Primary Government						
7/1/2009	\$ 3,061,877	\$ 125,234,991	\$ 122,173,114	2.44%	\$ 169,779,501	71.96%
7/1/2007	-	138,900,336	138,900,336	0.00%	149,394,123	92.98%
Component Unit - Schools						
7/1/2009	\$ 7,183,273	\$ 341,943,541	\$ 334,760,268	2.10%	\$ 433,438,915	77.23%
7/1/2007	-	348,055,997	348,055,997	0.00%	363,466,341	95.76%

The County implemented GASB 45 in FY 2008; therefore, six years of data is not available but will be accumulated over time. The most recent actuarial valuation was done on July 1, 2009 and for the financial reporting purposes, the actuarial valuation will be performed at least biennially.

4. Actuarial Methods and Assumptions

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

The ARC for FY 2010 was determined as part of July 1, 2009 actuarial valuation using the Projected Unit Credit actuarial cost method. Under this method, benefits are projected for life and their present value is determined. The present value is divided into equal parts, which are earned over the period from date of hire to the full eligibility date.

Trend rate for medical benefits (including prescription drugs) for Pre-Medicare rates of 9 percent initially, reduced by decrements to an ultimate rate of 5 percent after eight years (9%, 8%, 7%, 6.5%, 6%, 5.5%, 5%) and Post Medicare rates of 7 percent initially, reduced by decrements to an ultimate rate of 5 percent after eight years (7%, 6.75%, 6.5%, 6.25%, 6%, 5.75%, 5.5%, 5.25%, 5%) including an inflation component of 2.5 percent.

NOTE X - OPERATING LEASES

The County has various long-term non-cancelable operating lease agreements for property and equipment, which expire through fiscal year 2015. Total costs for such leases were \$10,086,746 for fiscal year 2010. Property leases generally provide renewal options and increases based on the Consumer Price Index. The Component Unit-Schools has no operating lease agreements as of June 30, 2010. Non-cancelable operating leases include the following minimum annual rental payments as of June 30, 2010:

Fiscal Year	Primary Government
2011	\$ 8,434,169
2012	5,628,808
2013	4,232,837
2014	1,409,485
2015	559,384
Total	\$ 20,264,683

NOTE XI - CAPITAL LEASES

Capital leases for property and equipment include the following minimum annual lease payments as of June 30, 2010.

Fiscal Year	Primary Government	Component Unit-Schools
2011	\$ 16,926,027	\$ 9,244,007
2012	16,541,378	6,937,781
2013	16,246,276	4,278,670
2014	15,515,040	1,694,670
2015	15,204,687	0
2016-2020	66,234,520	0
2021-2025	27,680,432	0
2026-2031	13,051,254	0
Subtotal	\$ 187,399,614	\$ 22,155,128
Less: Amounts representing interest	(48,430,770)	(1,243,219)
Capital Lease Obligations	\$ 138,968,844	\$ 20,911,909

Capital leases payable as of June 30, 2010, are composed of the following individual items.

Date Issued	Final Maturity	Interest Rate	Issued Amount	Balance at June 30, 2010	Type of Project Financed (the assets acquired secured the related capital lease)
Primary Government					
09/15/90	Apr 2011	7.12%	\$ 8,695,000	\$ 465,000	Library Facility Government Complex
06/17/03	Mar 2019	3.76%	21,530,000	18,185,000	Government Complex
12/16/03	Dec 2012	3.54%	3,726,000	1,213,843	Commuter Bus Lease
12/13/03	Dec 2023	4.20%	35,000,000	23,070,000	Public Safety Facilities
12/10/08	Oct 2028	4.69%	46,240,000	44,165,000	Public Safety Facilities
06/17/09	Oct 2019	2.97%	36,000,000	36,000,000	Capital Vehicles / Computer Equipment
11/19/09	Oct 2016	2.55%	7,745,000	7,745,000	Capital Vehicles / Computer Equipment
03/15/10	Feb 2030	3.43%	985,000	985,000	Public Safety Facilities
06/16/10	Oct 2030	3.84%	7,140,000	7,140,000	Landfill Facilities
Total Primary Government			\$ 167,061,000	\$ 138,968,843	
Component Unit - Schools					
12/08/06	Dec 2010	3.63%	8,276,000	2,069,000	School Equipment
07/13/07	Jul 2011	3.92%	9,959,818	4,979,909	School Equipment
07/23/08	Jul 2012	3.36%	10,000,000	7,500,000	School Equipment
08/26/09	Aug 2013	2.58%	6,363,000	6,363,000	School Equipment
Total Component Unit - Schools			\$ 34,598,818	\$ 20,911,909	

NOTE XII – LONG TERM OBLIGATIONS

The following is a summary of changes in long-term obligations of the Primary Government and Schools for the year ended June 30, 2010:

	Balance at June 30, 2009	Additions	Reductions	Balance at June 30, 2010	Amounts Due Within One Year
Primary Government					
General Obligation Bonds and Loans	\$ 1,007,377,247	\$ 159,850,527	\$ 162,897,774	\$ 1,004,330,000	\$ 82,995,000
Capital Leases	128,696,097	15,870,000	5,597,254	138,968,843	10,785,615
Claims Payable	7,304,673	30,444,398	30,829,907	6,919,164	4,389,693
Compensated Absences	20,359,851	1,933,344	942,260	21,350,935	832,686
Landfill Closure and Postclosure Care	23,621,014	1,525,851	0	25,146,865	0
Total Primary Government	\$ 1,187,358,882	\$ 209,624,120	\$ 200,267,195	\$ 1,196,715,807	\$ 99,002,994
Component Unit - Schools					
Capital Leases	\$ 25,179,363	\$ 6,363,000	\$ 10,630,454	\$ 20,911,909	\$ 8,589,459
Claims Payable	8,636,390	85,646,888	85,929,089	8,354,189	6,626,819
Compensated Absences	16,842,975	1,337,446	1,221,416	16,959,005	1,221,416
Total Component Unit-Schools	\$ 50,658,728	\$ 93,347,334	\$ 97,780,959	\$ 46,225,103	\$ 16,437,694

Long-term obligations of governmental activities are generally liquidated by the general fund, except for claims liabilities, which are liquidated by the internal service fund.

Bonds and loans payable as of June 30, 2010, are as follows:

General Obligation Bonds:

\$16,665,000 School Construction Bonds, Series 1994B, due in annual installments from \$710,000 to \$865,000 through 2013, interest from 6.10% to 6.30%. The proceeds of these bonds were used for new school construction as well as improvements in existing schools.	\$3,420,000
\$18,115,000 School Construction Bonds, Refunding Series 1994A, due in annual installments of \$225,000 to \$1,195,000 through 2011, interest from 5.5% to 8.6%. The proceeds of these bonds were used to refinance four bond issues from 1987, 1989, 1990, and 1991.	725,000
\$10,000,000 School Construction Bonds, Series 1997A, due in annual installments of \$500,000 through 2017, interest from 5.10% to 6.10%. The proceeds of these bonds were used for new school and technology construction.	4,000,000
\$39,770,000 Public Improvement Bonds, Series 1998A, due in annual installments of \$1,460,000 to \$2,965,000 through 2019, interest from 4.00% to 5.00%. The proceeds of these bonds were used to finance the acquisition, construction, renovation, and equipping of public schools in the County.	600,000
\$10,105,000 Public Improvement Bonds, Series 1998B, due in annual installments of \$30,000 to \$1,910,000 through 2016, interest from 4.00% to 5.25%. The proceeds of these bonds were used for the refunding of outstanding bonds originally issued in 1989, 1993, and 1996.	5,310,000
\$20,235,000 School Construction Bonds, Series 1999A, due in annual installments of \$1,010,000 to \$1,015,000 through 2020, interest from 4.10% to 5.23%. The proceeds of these bonds were used for new school and technology construction.	10,100,000
\$3,020,000 School Construction Bonds, Series 2000A, due in annual installments of \$150,000 to \$155,000 through 2021, interest from 5.10% to 6.35%. The proceeds of these bonds were used to finance the design, construction, and equipping of a gymnasium and addition to an existing elementary school in the County.	1,650,000
\$12,060,000 School Construction Bonds, Series 2001A, due in annual installments of \$600,000 to \$605,000 through 2021, interest from 4.10% to 5.60%. The proceeds of these bonds were used to finance the design, construction, and equipping of an elementary school in the County.	7,220,000
\$45,000,000 Public Improvement Bonds, Series 2001B, due in annual installments of \$1,535,00 to \$3,575,00 through 2021, interest from 4.00% to 5.25%. The proceeds of these bonds were used to finance the acquisition, construction, renovation, and equipping of public schools in the County and two of the County's libraries and to enhance the automated systems of the County's libraries.	1,535,000
\$70,000,000 Public Improvement Bonds, Series 2001C, due in annual installments of \$3,010,000 to \$4,410,000 through 2021, interest from 3.25% to 5.25%. The proceeds of these bonds were used to finance the acquisition, construction, renovation, and equipping of public schools in the County, the County's fire and rescue training center, including the replacement of the burn building, two of the County's public safety centers and a County library.	6,020,000

\$90,625,000 Public Improvement Bonds, Series 2002A, due in annual installments of \$3,125,000 to \$5,925,000 through 2022, interest from 2.00% to 5.25%. \$74,000,000 of the proceeds of these bonds were used to finance the acquisition, construction, renovation, and equipping of public schools in the County and a public safety center in the County. \$16,625,000 of the proceeds of these bonds was used for the refunding of bonds originally issued in 1993, 1996 and 1999.	16,820,000
\$110,715,000 Public Improvement Bonds, Series 2003A, due in annual installments of \$4,985,000 to \$6,720,000 through 2022, interest from 3.00% to 5.00%. The proceeds of these bonds were used to finance the acquisition, construction, renovation, and equipping of public schools in the County, a fire/sheriff station, public libraries, and park and recreation facilities in the County.	24,485,000
\$14,075,000 Refunding Bonds, Series 2003B, due in annual installments of \$1,400,000 to \$2,535,000 through 2013, interest from 3.00% to 5.00%. The proceeds of these bonds were used for the advance refunding of outstanding bonds originally issued in 1993.	2,535,000
\$111,000,000 Public Improvement Bonds, Series 2004A, due in annual installments of \$4,705,000 to \$7,120,000 through 2024, interest from 3.25% to 5.25%. The proceeds of these bonds will be used to finance the acquisition, construction, renovation, and equipping of public schools, a fire/sheriff station, public libraries, and park and recreation facilities in the County.	21,235,000
\$66,525,000 School Construction Bonds, Series 2004B, due in annual installments of \$3,325,000 to \$3,330,000 through 2024, interest from 4.10% to 5.60%. The proceeds of these bonds were used to finance the design, construction, and equipping of public schools and a school administration building in the County.	49,875,000
\$158,085,000 Refunding Bonds, Series 2005A, due in annual installments of \$670,000 to \$21,610,000 through 2021, interest from 3.00% to 5.00%. The proceeds of these bonds were used for the advance refunding of outstanding bonds originally issued in 1994, 1996, 1997, 1998, 1999, 2000, 2001, 2002, and 2003.	147,685,000
\$122,365,000 Public Improvement Bonds, Series 2005B, due in annual installments of \$4,935,000 to \$8,315,000 through 2025, interest from 2.627% to 5.00%. The proceeds of these bonds will be used to finance the acquisition, construction, renovation, and equipping of public schools, a fire/sheriff station, public libraries, and park and recreation facilities in the County.	56,115,000
\$60,000,000 Public Improvement Bonds, Series 2005C, due in annual installments of \$1,750,000 to \$3,700,000 through 2025, interest from 3.50% to 5.00%. The proceeds of these bonds will be used to finance the acquisition, construction, renovation, and equipping of public schools, fire/sheriff stations, a public library, and park and recreation facilities in the County.	32,360,000
\$15,225,000 School Construction Bonds, Series 2006A, due in annual installments of \$760,000 to \$765,000 through 2026, interest from 4.10% to 5.10%. The proceeds of these bonds were used to finance the design, construction, renovation, and equipping of public schools in the County.	12,930,000
\$85,000,000 Public Improvement Bonds, Series 2006B, due in annual installments of \$3,805,000 to \$5,075,000 through 2025, interest from 4.25% to 5.00%. The proceeds of these bonds were used to finance the acquisition, construction, renovation, and equipping of public schools, fire/sheriff stations, and park and recreation facilities in the County.	41,870,000
\$4,800,000 School Construction Bonds, Series 2007A, due in annual installments of \$240,000 through 2027, interest from 4.10% to 5.10%. The proceeds of these bonds will be used to finance the design, construction, and equipping of an elementary school in the County.	4,320,000
\$184,000,000 Public Improvement Bonds, Series 2007B, due in annual installments of \$8,675,000 to \$10,175,000 through 2026, interest from 4.50% to 5.00%. The proceeds of these bonds will be used to finance the acquisition, construction, renovation, and equipping of public schools, fire/sheriff stations, public facilities, and transportation projects in the County.	84,065,000
\$12,290,000 School Construction Bonds, Series 2008A, due in annual installments of \$615,000 through 2028, interest from 4.10% to 5.10%. The proceeds of these bonds will be used to finance the design, construction, and equipping of an elementary school and a middle school in the County.	11,675,000
\$168,000,000 Public Improvement Bonds, Series 2009A, due in annual installments of \$1,000,000 to \$11,045,000 through 2028, interest from 2.00% to 5.00%. The proceeds of these bonds will be used to finance the acquisition, construction, renovation and equipping of public schools, a public library, park and recreation facilities, fire/sheriff stations, public facilities, and a transportation project in the County.	167,000,000
\$131,030,000 Refunding Bonds, Series 2009B, due in annual installments of \$1,080,000 to \$30,935,000 through 2020, interest from 3.00% to 5.00%. The proceeds of these bonds were used for the advance refunding of outstanding bonds originally issued in 1999, 2001, 2002, 2003, 2004, 2005, 2006, and 2007.	131,030,000

\$89,120,000 Refunding Bonds, Series 2010A, due in annual installments of \$95,000 to \$20,075,000 through 2026, interest from 3.00% to 5.00%. The proceeds of these bonds were used for the advance refunding of outstanding bonds originally issued in 1998, 2001, 2004, 2005, 2006, and 2007.

89,120,000

\$70,630,000 Public Improvement Bonds, Series 2010B, due in annual installments of \$3,310,000 to \$3,945,000 through 2029, interest from 3.00% to 5.25%. The proceeds of these bonds will be used to finance the acquisition, construction, renovation and equipping of public schools and fire/sheriff stations in the County.

70,630,000

Total General Obligation Bonds

\$1,004,330,000

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

Primary Government Debt Service		
Year Ending June 30	Principal	Interest
2011	\$ 82,995,000	\$ 46,271,251
2012	79,645,000	42,470,944
2013	74,995,000	38,563,134
2014	75,210,000	35,045,300
2015	70,430,000	31,465,121
2016-2020	320,295,000	108,572,946
2021-2025	228,940,000	42,972,609
2026-2030	71,820,000	6,376,294
Total General Obligations and Loans Payable	\$ 1,004,330,000	\$ 351,737,599

In prior years, the County defeased certain general obligation and other bonds by placing the proceeds of the new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account's assets and liabilities for the defeased bonds are not included in the County's financial statements. As of June 30, 2010, \$398,855,000 of bonds outstanding are considered defeased. During fiscal year 2010, the County completed a refunding of certain general obligation bonds. The \$89,120,000 Series 2010A bonds were used to advance refund \$2,070,000 of the Series 1998A bonds, \$3,010,000 of the Series 2001C bonds, \$14,115,000 of the Series 2004A bonds, \$5,550,000 of the Series 2005C bonds, \$15,220,000 of the Series 2006B bonds, and \$52,060,000 of the Series 2007B bonds. A net present value savings of \$2,834,319 resulted from the advance refunding.

NOTE XIII - SOLID WASTE LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

State and federal laws and regulations require the County to place a final cover on its Woods Road landfill site, as well as other sites opened in the future when they stop accepting waste, and to perform certain maintenance and monitoring functions at the sites for thirty years after closure. Although closure and postclosure care cost will be paid only near or after the date that the landfill stops accepting waste, GAAP requires that the County record a portion of these closure and postclosure care costs as a long-term liability in each period based on landfill capacity used as of each fiscal year end. The \$25,146,865 liability for landfill closure and postclosure care cost at June 30, 2010 represents the estimated liability based on the usage of 83.9% of the estimated capacity of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care in the amount of \$4,825,560 as the remaining estimated capacity is used. The liability accrued at June 30, 2010 is based on what it would cost to perform all closure and postclosure care in 2010. Actual cost may differ from this estimate due to inflation, changes in technology or changes in regulation.

NOTE XIV – CONTINGENT LIABILITIES

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

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

NOTE XV- DEFERRED COMPENSATION PLAN

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

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

NOTE XVI - RETIREMENT PLANS

(A) DEFINED BENEFIT PENSION PLAN

1. Plan Description

Name of Plan: Virginia Retirement System (VRS)
Identification of Plan: Agent and Cost-Sharing Multiple-Employer Defined Benefit Pension Plan
Administering Entity: Virginia Retirement System (VRS)

All full-time, salaried permanent employees of participating employers must participate in the VRS. Benefits vest after five years of service. Employees are eligible for an unreduced retirement benefit at age 65 with 5 years of service (age 60 with 5 years of service for participating law enforcement officers and firefighters) or at age 50 with 30 years of service (age 50 with 25 years of service for participating law enforcement officers and firefighters) payable monthly for life in an amount equal to 1.7 percent of their average final compensation (AFC) for each year of credited service. Benefits are actuarially reduced for retirees who retire prior to becoming eligible for full retirement benefits. In addition, retirees qualify for an annual cost-of-living adjustment (COLA) beginning in their second year of retirement. The COLA is limited to 5% per year. AFC is defined as the highest consecutive 36 months of reported compensation. Participating law enforcement officers and firefighters may receive a monthly benefit supplement if they retire prior to age 65. The VRS also provides death and disability benefits. Title 51.1 of the Code of Virginia (1950), as amended, assigns the authority to establish and amend benefit provisions to the General Assembly of Virginia.

The System issues a publicly available comprehensive annual financial report that includes financial statements and required supplementary information for VRS. A copy of that report may be obtained by writing to the System at P O Box 2500, Richmond, VA 23218-2500.

2. Funding Policy and Status

Employees are required by Title 51.1 of the Code of Virginia (1950), as amended, to contribute 5% of their annual salary to the VRS. This 5% member contribution has been assumed both by the County and the School Board for their respective employees. If an employee leaves covered employment, the accumulated contributions plus interest earned may be refunded to the employee. Each participating employer is required by State statute to contribute the remaining amounts necessary to fund the System using the actuarial basis specified by the Code of Virginia (1950), as amended, and approved by the VRS Board of Trustees. State statute may be amended only by the Commonwealth of Virginia Legislature. Contributions made by the Primary Government and the Component Unit – Schools for their employees other than professional employees of the Schools represent 8.11% and 8.09%, respectively, of covered payroll for the fiscal year, while employee contributions represent 5%. Total contributions made by the Schools to the VRS Statewide teacher cost-sharing pool for professional employees of the Schools for the three fiscal years 2008, 2009, and 2010 were \$59,434,156, \$56,885,307, and \$46,418,753 respectively, and represented 16.52%, 14.99% and 12.01% of the covered payroll, respectively.

For the year ended June 2010, the Primary Government and the Component Unit – Schools funding progress are as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
Primary Government						
6/30/2009	\$ 322,065,671	\$ 373,413,874	\$ 51,348,203	86.25%	\$ 161,618,250	31.77%
Component Unit - Schools						
6/30/2009	\$ 68,868,858	\$ 81,632,764	\$ 12,763,906	84.36%	\$ 48,957,722	26.07%

3. Annual Pension Cost

For 2010, the Primary Government and Component Unit-Schools' annual pension cost of \$20,996,618 and \$6,324,055 respectfully, was equal to the Primary Government and Component Unit-Schools' required and actual contributions. The required contribution was determined as part of the June 30, 2009 actuarial valuation using the entry age normal actuarial cost method. The amortization method used is a level percent, open method with an amortization period of 20 years. The actuarial assumptions included (a) 7.50% investment rate of return, (b) projected salary increases of 3.50% to 5.60% per year, and (c) 2.50% per year cost-of-living adjustments. Both (a) and (b) included an inflation component of 2.50%. The actuarial value of the Primary Government and Component Unit-Schools' assets is equal to the modified market value of assets. This method was determined using techniques that smooth the effects of short-term volatility in the market value of assets over a five-year period.

Trend Information - Primary Government			
Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
June 30, 2010	\$20,996,618	100%	\$0
June 30, 2009	\$21,253,078	100%	\$0
June 30, 2008	\$20,550,113	100%	\$0

Trend Information - Component Unit-Schools			
Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
June 30, 2010	\$6,324,055	100%	\$0
June 30, 2009	\$6,378,248	100%	\$0
June 30, 2008	\$5,516,232	100%	\$0

(B) VOLUNTEER FIRE AND RESCUE RETIREMENT SYSTEM

1. Plan Description

The Primary Government is the administrator of a noncontributory, single employer, defined benefit Length of Service Retirement Plan (the Plan). The Plan covers voluntary fire and rescue service members, who are not Primary Government employees, but who serve voluntarily with one of the Primary Government's volunteer fire and rescue companies. The Plan provides retirement benefits as well as death and disability benefits. All benefits vest after ten years of credited service. Members who retire at or after age 55 with ten years of credited service are entitled to an annual retirement benefit, payable monthly for life, in an amount equal to \$12 per month for each year of credited service earned after November 1, 2003 with a maximum benefit of \$300 per month, \$10 per month for each year of credited service earned prior to November 1, 2003, with a maximum benefit of \$250 per month. The Plan has a total of 2,049 members; no member is in retirement status, 496 are former members with vested benefits, resulting in 1,553 active Plan participants for the year. The Loudoun County Board of Supervisors maintains the authority to establish and amend the benefit provisions of the Plan. The Plan is invested in a fixed annuity that pays 4.25%, and beginning with fiscal year 2010 the County diversified the Plan's assets and made a contribution to a money market fund that pays 2.06%. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan. The Plan does not issue a stand alone financial report. All required statements and disclosures are contained in these financial statements.

2. Funding Status and Progress

The Loudoun County Board of Supervisors maintains the authority to establish and amend the funding policy of the Plan. The Plan's funding policy provides for the periodic Primary Government contributions at actuarially determined rates to accumulate sufficient assets to pay benefits when due. Plan members are not required to and do not contribute to the Plan. Plan contributions are held in an unallocated insurance contract with Hartford Insurance Company.

For the year ended June 30, 2010, the funding progress is as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b - a)	Funded Ratio (a / b)	Annual Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b - a) / c)
6/30/2010	\$ 11,888,743	\$ 13,377,690	\$ 1,488,947	88.87%	N/A	N/A

3. Annual Pension Cost

The Primary Governments' contributions to the Plan were equal to the annual required contribution and annual pension cost for each year. The annual and required contribution was determined through a June 30, 2010 actuarial valuation using the Entry Age Normal Frozen Initial Liability (EANFIL) funding method. The amortization method used is a twenty year, level dollar, closed method. The actuarial assumptions included (a) 5.5% investment rate of return and (b) pre-retirement ancillary benefits of 7.5%. The actuarial value of the assets is equal to the market value of the assets.

Trend Information			
Fiscal Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
June 30, 2010	\$765,362	100%	\$0
June 30, 2009	\$682,708	100%	\$0
June 30, 2008	\$701,629	100%	\$0

NOTE XVII - DEFERRED REVENUE

Deferred revenue, representing taxes not yet due of \$395,507,052, uncollected delinquent tax billings of \$8,676,880, business license tax billings of \$1,964,903, grants of \$6,078,487 not available for funding of current expenditures, and miscellaneous revenue of \$2,420,567 totaled \$414,647,889 for both Primary Government and Schools as of June 30, 2010. Certain uncollected business license tax billings, that are reflected as delinquent tax receivables, are being disputed and may not be collected.

Property taxes deferred as a result of land use assessments and tax relief for the elderly and handicapped are not reflected in the financial statements since collection is contingent upon occurrence of certain events prescribed by statute. These contingent amounts represent approximately \$53.8 million at June 30, 2010.

NOTE XVIII - EXCESS EXPENDITURES OVER APPROPRIATIONS

Dulles Industrial Park Water and Sewer Fund expenditures for fiscal year 2010 were \$219,284 which exceeded its legal budget of \$217,000 by \$2,284. Revenues collected in excess of the budget were \$2,284, and, therefore the expenditures were increased.

Public Facilities Trust Fund expenditures for fiscal year 2010 were \$10,607,137 which exceeded its legal budget of \$9,643,810 by \$963,327. Revenues collected in excess of the budget were more than \$963,327, and, therefore, the expenditures were increased.

Transportation District Fund expenditures for fiscal year 2010 were \$14,541,649 which exceeded its legal budget of \$12,217,526 by \$2,324,123. Local gasoline taxes collected are remitted to the Northern Virginia Transportation Commission where they are held in escrow and transferred to the County as revenue upon request to be allocated toward specific transportation projects. Construction on transportation projects accelerated and the additional expenditures were covered by the use of fund balance.

NOTE XIX - NONCURRENT NOTES AND LOANS RECEIVABLE - PRIMARY GOVERNMENT

Noncurrent notes and loans receivable consisted of the following at June 30, 2010.

Notes and Loans Receivable	\$ 4,253,361
Allowance for Uncollectibles	(1,398,212)
Net Notes and Loans Receivable	<u>\$ 2,855,149</u>

Of the gross amount of notes and loans receivable, \$1,105,029 represents loans made to volunteer fire and rescue companies in the County for the purchase of equipment or the renovation and expansion of the companies' facilities. \$793,836 represents loans to towns in the County or Loudoun Water, formerly known as The Loudoun County Sanitation Authority (LCSA), for the expansion of sewage services. Sewage connection fees are used to repay these loans. The remaining \$2,354,495 represents loans to individuals/families under the Affordable Housing Project.

NOTE XX – JOINTLY GOVERNED ORGANIZATION

The County, in conjunction with the Commonwealth of Virginia Transportation Board (the "Transportation Board") and the County of Fairfax, Virginia (Fairfax County), has created the State Route 28 Highway Transportation Improvement District (the "District"). The District was created by resolutions of the Boards of Supervisors of Loudoun and Fairfax Counties. The District is governed by a commission of nine members comprised of four of the elected members of the Board of Supervisors of Loudoun County, four of the elected members of the Board of Supervisors of Fairfax County, and the Chairman of the Transportation Board or his or her designee. The Chairman of the District is elected by and from among its members. The District Act confers powers upon Loudoun and Fairfax Counties to levy annually within the District a limited ad valorem tax on taxable real estate zoned for commercial and industrial use located in the District. This tax, when levied and collected by either County, is to be promptly paid to the fiscal agent of any outstanding bonds issued for construction purposes on State Route 28. The Transportation Board through the Fairfax County Economic Development Authority has issued \$183,795,000 transportation contract revenue bonds for the purpose of financing a portion of the costs of certain grade-separated interchanges on State Route 28 in Loudoun and Fairfax Counties. As of June 30, 2010, the outstanding principal balance on the bonds is \$180,335,000. The Board of Supervisors of Loudoun and Fairfax Counties have agreed to equally support any shortfalls in annual debt service payments arising from a shortage of District tax revenues.

REQUIRED SUPPLEMENTARY INFORMATION

COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2010

	Budgeted Amounts		Actual Amount	Variance with
	Original	Final	(Budgetary Basis)	Final Budget
				Positive
				(Negative)
Resources (Inflows)				
General Property Taxes	\$ 735,101,800	\$ 735,101,800	\$ 768,030,491	\$ 32,928,691
Other Local Taxes	103,482,500	103,482,500	108,698,849	5,216,349
Permits and Licenses	15,596,101	15,621,194	10,791,655	(4,829,539)
Fines and Forfeitures	2,006,380	2,006,380	2,539,918	533,538
Use of Money and Property	4,110,024	4,257,721	3,566,341	(691,380)
Charges for Services	22,743,925	25,221,879	24,739,241	(482,638)
Gifts and Donations and Miscellaneous	356,371	419,121	606,406	187,285
Sales of Capital Assets	-	-	4,014	4,014
Recovered Costs	7,922,318	8,090,591	8,528,735	438,144
Intergovernmental - Commonwealth	78,765,084	81,465,892	72,444,369	(9,021,523)
Intergovernmental - Federal	8,044,202	18,266,129	26,236,938	7,970,809
Transfers from Other Funds	8,710,841	6,825,909	12,703,812	5,877,903
Amounts Available for Appropriation	986,839,546	1,000,759,116	1,038,890,769	38,131,653
Charges to Appropriations (Outflows)				
General Government Administration	42,475,269	50,076,996	57,577,876	(7,500,880)
Judicial Administration	12,533,560	13,105,031	11,882,608	1,222,423
Public Safety	134,111,460	143,606,073	133,710,522	9,895,551
Public Works	26,375,753	29,703,897	27,020,896	2,683,001
Health and Welfare	65,359,458	71,235,722	65,004,188	6,231,534
Parks, Recreation and Culture	42,783,729	43,261,512	39,409,575	3,851,937
Community Development	27,113,966	28,099,272	26,401,755	1,697,517
Education	619,546,477	524,598,644	516,167,178	8,431,466
Transfers to Other Funds	45,894,772	135,230,826	135,521,684	(290,858)
Total Charges to Appropriations	1,016,194,444	1,038,917,973	1,012,696,282	26,221,691
Excess (Deficiency) of Resources Over				
Charges to Appropriations	(29,354,898)	(38,158,857)	26,194,487	64,353,344
Fund Balance at Beginning of Year	160,893,011	160,893,011	160,893,011	-
Fund Balance at End of Year	\$ 131,538,113	\$ 122,734,154	\$ 187,087,498	\$ 64,353,344

**COUNTY OF LOUDOUN, VIRGINIA
NOTES TO BUDGETARY COMPARISON SCHEDULE
June 30, 2010**

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

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

**COUNTY OF LOUDOUN, VIRGINIA
PUBLIC EMPLOYEE RETIREMENT SYSTEMS - PRIMARY GOVERNMENT
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF FUNDING PROGRESS (Unaudited)

		(1)	(2)	(3)	(4)	(5)	(6)
	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL) (2) - (1)	Funded Ratio (1) / (2)	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll ((2)-(1)) / (5)
Volunteer Fire and Rescue Retirement System	6/30/2010	11,888,743	13,377,690	1,488,947	88.87%	N/A	N/A
	6/30/2009	11,777,673	13,294,146	1,516,473	88.59%	N/A	N/A
	6/30/2008	11,144,542	12,672,783	1,528,241	87.94%	N/A	N/A
	6/30/2007	10,656,000	12,194,000	1,538,000	87.39%	N/A	N/A
	6/30/2006	9,989,000	11,564,000	1,575,000	86.38%	N/A	N/A
	6/30/2005	9,654,000	11,260,000	1,606,000	85.74%	N/A	N/A
Virginia Retirement System	6/30/2009	322,065,671	373,413,874	51,348,203	86.25%	161,618,250	31.77%
	6/30/2008	295,576,688	337,607,414	42,030,726	87.55%	156,489,621	26.86%
	6/30/2007	253,575,699	294,255,264	40,679,565	86.18%	146,302,017	27.81%
	6/30/2006	213,516,765	259,948,057	46,431,292	82.14%	129,870,022	35.75%
	6/30/2005	189,121,817	230,592,017	41,470,200	82.02%	112,873,446	36.74%
	6/30/2004	172,862,246	194,092,714	21,230,468	89.06%	104,182,013	20.38%

All six year-recommended trend information has been calculated using the Entry Age Normal actuarial cost method. Under the Entry Age Normal actuarial cost method, the actuarial present value of future benefits for each member is allocated for the members pensionable compensation on a level basis between the entry age of the member and the estimated exit age. The portion of the present value of future benefits not provided for by the present value of future normal costs is called the actuarial accrued liability.

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

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

* Expressing the unfunded actuarial accrued liability as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the plan's progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller the percentage, the stronger the plan.

SCHEDULE OF EMPLOYER CONTRIBUTIONS (Unaudited)

General Employees			Volunteer Firefighter		
Actuarial Valuation Date	Annual Required Contribution	Percentage Contributed	Actuarial Valuation Date	Annual Required Contribution	Percentage Contributed
6/30/2010	20,996,618	100%	6/30/2010	765,362	100%
6/30/2009	21,253,078	100%	6/30/2009	682,708	100%
6/30/2008	20,550,113	100%	6/30/2008	701,629	100%
6/30/2007	18,827,144	100%	6/30/2007	719,556	100%
6/30/2006	15,721,494	100%	6/30/2006	664,950	100%
6/30/2005	13,957,650	100%	6/30/2005	623,238	100%

**COUNTY OF LOUDOUN, VIRGINIA
PUBLIC EMPLOYEE RETIREMENT SYSTEMS - COMPONENT UNIT
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF FUNDING PROGRESS (Unaudited)

		(1)	(2)	(3)	(4)	(5)	(6)
	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL (2) - (1))	Funded Ratio (1) / (2)	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll ((2)-(1)) / (5)
School Board:	6/30/2009	68,868,858	81,632,764	12,763,906	84.36%	48,957,722	26.07%
Virginia Retirement	6/30/2008	61,201,052	74,069,781	12,868,729	82.63%	46,124,197	27.90%
System	6/30/2007	51,844,053	63,623,595	11,779,542	81.49%	40,851,082	28.84%
	6/30/2006	43,303,297	53,516,255	10,212,958	80.92%	36,143,816	28.26%
	6/30/2005	37,762,238	46,094,763	8,332,525	81.92%	30,433,893	27.38%
	6/30/2004	34,291,583	39,518,624	5,227,041	86.77%	26,394,890	19.80%

All six year-recommended trend information has been calculated using the Entry Age Normal actuarial cost method. Under the Entry Age Normal actuarial cost method, the actuarial present value of future benefits for each member is allocated for the members pensionable compensation on a level basis between the entry age of the member and the estimated exit age. The portion of the present value of future benefits not provided for by the present value of future normal costs is called the actuarial accrued liability.

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

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

* Expressing the unfunded actuarial accrued liability as a percentage of annual covered payroll approximately adjusts for the effects of inflation and aids analysis of the plan's progress made in accumulating sufficient assets to pay benefits when due. Generally, the smaller the percentage, the stronger the plan.

SCHEDULE OF EMPLOYER CONTRIBUTIONS (Unaudited)

School Board		
Actuarial Valuation Date	Annual Required Contribution	Percentage Contributed
6/30/2010	6,324,055	100%
6/30/2009	6,378,248	100%
6/30/2008	5,516,232	100%
6/30/2007	4,929,999	100%
6/30/2006	4,321,644	100%
6/30/2005	3,604,150	100%

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF FUNDING PROGRESS FOR THE RETIREE HEALTH PLAN
REQUIRED SUPPLEMENTARY INFORMATION

		(1)	(2)	(3)	(4)	(5)	(6)
	Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL) (2) - (1)	Funded Ratio (1) / (2)	Annual Covered Payroll	UAAL as a Percentage of Covered Payroll ((2)-(1)) / (5)
Primary Government	06/30/2009	3,061,877	125,234,991	122,173,114	2.44%	169,779,501	71.96%
	06/30/2007	-	138,900,336	138,900,336	0.00%	149,394,123	92.98%
Component Unit	6/30/2009	7,183,273	341,943,541	334,760,268	2.10%	433,438,915	77.23%
	6/30/2007	-	348,055,997	348,055,997	0.00%	363,466,341	95.76%

The County is implementing GASB 45 in Fiscal Year 2008; therefore, six years of data is not available, but will be accumulated over time. This valuation has been calculated using the Projected Unit Credit Actuarial Cost Method, discount rates of 4.0%, and the initial unfunded actuarial liability is amortized over 30 years based on a level percent of payroll method. Under this method, benefits are projected for life and their present value is determined. The present value is divided into equal parts, which are earned over the period from date of hire to the full eligibility date.



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OTHER SUPPLEMENTARY INFORMATION

GENERAL FUND

General Fund

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

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010
(With Comparative Actual Amounts for 2009)

	2010		2009	
	Final Budget	Actual	Variance Positive (Negative)	Actual
REVENUES				
From local sources:				
<u>General property taxes:</u>				
Real property taxes	\$ 632,146,000	\$ 651,760,593	\$ 19,614,593	\$ 652,870,448
Real and personal public service corporation property taxes	18,286,000	18,898,112	612,112	16,891,215
Personal property taxes	79,156,800	91,382,900	12,226,100	89,184,805
Machinery and tools taxes	1,125,000	1,095,497	(29,503)	1,232,888
Penalties and interest	4,388,000	4,893,389	505,389	3,848,474
Total general property taxes	735,101,800	768,030,491	32,928,691	764,027,830
<u>Other local taxes:</u>				
Local sales and use taxes	45,100,000	49,729,614	4,629,614	47,342,934
Consumer utility taxes	21,539,000	20,087,509	(1,451,491)	19,891,260
Business license taxes	22,739,500	23,076,923	337,423	25,552,292
Franchise license taxes	-	-	-	-
Motor vehicle licenses	5,000,000	5,486,343	486,343	5,313,822
Bank franchise taxes	350,000	1,098,270	748,270	585,119
Taxes on recordation and wills	6,404,000	7,320,637	916,637	7,294,655
Hotel and motel room taxes	2,350,000	1,899,553	(450,447)	2,229,170
Total other local taxes	103,482,500	108,698,849	5,216,349	108,209,252
<u>Permits, privilege fees and regulatory licenses:</u>				
Animal licenses	151,041	300,752	149,711	230,966
Permits and other licenses	15,470,153	10,490,903	(4,979,250)	11,613,671
Total permits, privilege fees and regulatory licenses	15,621,194	10,791,655	(4,829,539)	11,844,637
<u>Fines and forfeitures:</u>				
Fines and forfeitures	2,006,380	2,539,918	533,538	2,545,492
Total fines and forfeitures	2,006,380	2,539,918	533,538	2,545,492
<u>Revenue from use of money and property:</u>				
Revenue from use of money	3,009,376	2,356,009	(653,367)	5,932,085
Revenue from use of property	1,248,345	1,210,332	(38,013)	1,124,668
Total revenue from use of money and property	4,257,721	3,566,341	(691,380)	7,056,753
<u>Charges for services:</u>				
Boards, Commissions and Committees	-	1,102	1,102	3,967
County Administrator	-	4	4	99
Public Information	-	48	48	-
County Attorney	800	600	(200)	50
County Assessor	3,100	3,471	371	4,050
Treasurer	115,000	249,166	134,166	114,938
Commissioner of the Revenue	40,000	66,423	26,423	45,359
Clerk of the Circuit Court	670,000	895,483	225,483	1,481,997
Commonwealth's Attorney	-	3,511	3,511	3,369
Sheriff	357,150	682,077	324,927	409,163
Management and Financial Services	-	253	253	231
General Services	2,790	3,533	743	1,440
Building and Development	59,500	46,724	(12,776)	53,122
Fire And Rescue Services	-	1,017	1,017	-
Planning	2,500	1,607	(893)	977
Construction and Waste Management	2,849,768	2,658,550	(191,218)	2,449,088
Economic Development	-	-	-	-
Mapping and Geographic Information	67,400	25,499	(41,901)	36,290
Animal Care and Control	99,722	64,699	(35,023)	78,274
Health Services	11,200	3,756	(7,444)	4,611
Transportation	5,643,932	5,644,432	500	4,966,981
Library	9,450	5,614	(3,836)	4,792
Community Court Services	52,650	-	(52,650)	21,730
Mental Health and Mental Retardation	730,305	652,083	(78,222)	643,138
Parks and Recreation	14,506,612	13,729,589	(777,023)	13,016,243
Total charges for services	25,221,879	24,739,241	(482,638)	23,339,909

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010
(With Comparative Actual Amounts for 2009)

	2010		2009	
	Final Budget	Actual	Variance Positive (Negative)	Actual
<u>Miscellaneous revenue:</u>				
Gifts and donations	186,867	237,778	50,911	314,528
Miscellaneous revenue	232,254	368,628	136,374	1,300,446
Sales of capital assets	-	4,014	4,014	2,120,300
Total miscellaneous revenue	419,121	610,420	191,299	3,735,274
<u>Recovered costs:</u>				
Recovered costs	8,090,591	8,528,735	438,144	6,846,220
Total recovered costs	8,090,591	8,528,735	438,144	6,846,220
Total from local sources	894,201,186	927,505,650	33,304,464	927,605,367
From the Commonwealth:				
<u>Non-categorical aid:</u>				
ABC profits	79,000	-	(79,000)	-
Wine taxes	83,000	-	(83,000)	-
Motor vehicle carrier's taxes	4,000	2,785	(1,215)	7,451
Mobile home titling taxes	-	4,938	4,938	3,925
Taxes on deeds	2,200,000	1,969,328	(230,672)	2,054,576
Motor vehicle sales and use taxes	5,973,021	5,670,326	(302,695)	7,023,515
Reimbursement of personal property tax	48,071,000	48,070,701	(299)	48,070,701
State revenue reductions	(1,000,000)	(988,740)	11,260	(989,368)
Total non-categorical aid	55,410,021	54,729,338	(680,683)	56,170,800
<u>Shared expenses:</u>				
Commonwealth's Attorney	692,734	771,848	79,114	817,728
Sheriff	11,002,300	1,386,299	(9,616,001)	7,957,169
Commissioner of Revenue	373,000	339,830	(33,170)	390,873
Treasurer	410,000	344,805	(65,195)	398,065
Registrar	97,147	82,186	(14,961)	92,290
Electoral boards	12,017	15,222	3,205	17,465
Clerk of the Circuit Court	980,879	995,296	14,417	966,907
Total shared expenses	13,568,077	3,935,486	(9,632,591)	10,640,497
<u>Categorical aid:</u>				
<u>Welfare/Family Services:</u>				
<u>Parks and Recreation:</u>				
Local services to elderly	18,663	19,663	1,000	16,663
Community base services	35,985	32,103	(3,882)	35,985
Nutritional services	37,835	37,835	-	37,034
Fan care	220	369	149	389
Total Parks and Recreation	92,703	89,970	(2,733)	90,071
<u>Family Services:</u>				
General relief assistance	46,946	26,408	(20,538)	61,554
Foster care assistance	74,219	81,146	6,927	59,828
Supplemental to the aged, blind and disabled	118,951	106,712	(12,239)	123,807
General administration	20,365	14,837	(5,528)	23,899
Fuel assistance	-	15,100	15,100	11,583
Child health insurance program	10,183	5,455	(4,728)	7,804
Juvenile accountability incentive	168	168	-	-
Food stamp program	304,325	261,000	(43,325)	235,884
Temporary assistance to needy family	445,290	183,863	(261,427)	193,633
Foster care assistance	281,197	216,692	(64,505)	205,788
Discretionary Grants	93,880	332,100	238,220	316,717
Child care and development	1,091,253	961,159	(130,094)	880,765
Family prevention and support services	115,154	77,718	(37,436)	132,041
Adoption assistance	119,265	108,989	(10,276)	97,005
Independent living	3,964	2,081	(1,883)	2,220
Medicaid assistance	236,437	142,783	(93,654)	136,995
Detention study	-	4,549	4,549	1,792
Chafee education and training	2,183	1,954	(229)	2,304

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010
(With Comparative Actual Amounts for 2009)

	2010		2009	
	Final Budget	Actual	Variance Positive (Negative)	Actual
Child welfare services	-	-	-	(8)
Respite care for foster families	4,386	7,167	2,781	4,851
CSA innovative community services	-	-	-	(52)
Total Family Services	2,968,166	2,549,881	(418,285)	2,498,410
Total Welfare/Family Services	3,060,869	2,639,851	(421,018)	2,588,481
Parks and Recreation:				
Regional Organization				
Outdoor recreation	5,000	5,000	-	10,000
Total Regional Organization	5,000	5,000	-	10,000
Total Parks and Recreation	5,000	5,000	-	10,000
Education:				
Non-departmental:				
Lottery proceeds for education	-	2,231,471	2,231,471	3,641,498
Total Education	-	2,231,471	2,231,471	3,641,498
Total categorical aid	3,065,869	4,876,322	1,810,453	6,239,979
<u>Other categorical aid:</u>				
Boards, Commissions and Committees				
Civil war calvary battles	21,920	21,920	-	10,002
Total Boards, Commissions and Committees	21,920	21,920	-	10,002
Clerk of Circuit Court:				
Item conservation	11,712	11,712	-	40,720
Total Clerk of Circuit Court	11,712	11,712	-	40,720
Commonwealth's Attorney:				
Virginia domestic violence victim fund	-	40,000	40,000	40,000
Total Commonwealth's Attorney	-	40,000	40,000	40,000
Sheriff's Office:				
School resource officer	-	-	-	15,730
Triad crime prevention for seniors	2,025	1,920	(105)	2,025
Public emergency assistance	-	3,501	3,501	-
Total Sheriff's Office	2,025	5,421	3,396	17,755
Fire and Rescue:				
EMS motor vehicle registration	114,293	-	(114,293)	623,753
Fire programs	634,426	634,425	(1)	305,171
Public emergency assistance	-	42,437	42,437	-
OEMS consolitated grants	64,195	63,782	(413)	-
Total Fire and Rescue	812,914	740,644	(72,270)	928,924
Construction and Waste Management				
Litter control	48,818	48,807	(11)	59,693
Total Office of Solid Waste Management	48,818	48,807	(11)	59,693
Health Services:				
DEQ water filtration system	2,952	-	(2,952)	-
Total Building and Development	2,952	-	(2,952)	-
Transportation:				
Highway safety	270,981	270,981	-	249,011
Park and ride assistance	68,985	68,985	-	-
Public transportation and ridesharing	188,954	188,954	-	68,861
State formula assistance	1,030,926	1,030,926	-	1,070,305
State capital assistance	206,530	206,530	-	-
State capital lease assistance	303,527	303,527	-	197,293
Comprehensive transit awareness	-	-	-	(3,489)
Total Transportation	2,069,903	2,069,903	-	1,581,981

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010
(With Comparative Actual Amounts for 2009)

	2010		2009	
	Final Budget	Actual	Variance Positive (Negative)	Actual
Library:				
Public libraries	213,123	213,123	-	227,986
Total library	213,123	213,123	-	227,986
Community Corrections:				
Administration of justice services	631,773	626,345	(5,428)	573,193
Total Community Corrections	631,773	626,345	(5,428)	573,193
Mental Health and Mental Retardation:				
Community residential services	50,000	59,969	9,969	30,912
MH Pharmacy	21,781	21,781	-	-
DBH reimbursement	1,000	973	(27)	2,299
Mental health law reform	643,032	321,927	(321,105)	79,620
Wounded warrior	304,747	304,747	-	-
Alcohol abuse services	565,210	565,210	-	566,020
Mental health services	900,764	900,764	-	900,764
Mental retardation services	245,580	244,014	(1,566)	323,046
Mental health transformation	276,450	210,675	(65,775)	70,000
MR family support	51,997	49,362	(2,635)	59,666
NGRI	-	-	-	7,000
Discharge assistance project	253,039	253,039	-	253,039
Early intervention	41,462	86,889	45,427	205,042
Children and adolescents with SED	275,256	275,256	-	225,546
MR OBRA	23,547	-	(23,547)	3,854
Virginia tobacco settlement foundation	64,292	22,839	(41,453)	28,630
Mental health state children services	25,000	25,000	-	25,000
Mental health aftercare	115,500	115,500	-	115,500
Regional discharge assistance project	417,131	355,883	(61,248)	370,845
Governors youth community service	9,212	4,275	(4,937)	5,425
Regional community recovery funding	-	-	-	10,430
Total Mental Health and Mental Retardation	4,285,000	3,818,103	(466,897)	3,282,638
Parks and Recreation:				
Care coordination program	47,500	47,500	-	47,500
Total Parks and Recreation	47,500	47,500	-	47,500
Family Services:				
JDC block grant	625,172	642,510	17,338	652,432
Juvenile confinement	198,533	188,607	(9,926)	198,534
VITA-Earned income tax credit	8,602	7,602	(1,000)	6,398
Homeless intervention programs	220,972	199,460	(21,512)	220,973
Share shelter support	221,006	221,566	560	25,943
CDBG state match	-	-	-	26,037
Total Family Services	1,274,285	1,259,745	(14,540)	1,130,317
Total other categorical aid	9,421,925	8,903,223	(518,702)	7,940,709
Total from the Commonwealth	81,465,892	72,444,369	(9,021,523)	80,991,985
From the Federal government:				
<u>Payments in lieu of taxes:</u>				
Non-departmental:				
Federally owned entitlement lands	1,800	2,909	1,109	2,863
Total payments in lieu of taxes	1,800	2,909	1,109	2,863
<u>Categorical aid:</u>				
Welfare/Family Services:				
Parks and Recreation:				
Programs for the aging-Title III-F	5,413	6,851	1,438	6,794
Programs for the aging-Title III-C	103,155	103,486	331	86,852
Programs for the aging-Title III-B	75,210	77,133	1,923	76,019
Demonstrations VICAP	16,438	22,451	6,013	18,426
Retired seniors' volunteer program	29,524	29,524	-	29,524

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010
(With Comparative Actual Amounts for 2009)

	2010		2009	
	Final Budget	Actual	Variance Positive (Negative)	Actual
Programs for the aging-Title IV	916	915	(1)	881
SPA-Title IV & II Discretionary Project	-	-	-	3,000
Total Parks and Recreation	230,656	240,360	9,704	221,496
Family Services:				
Temporary assistance to needy families	472,499	923,861	451,362	892,009
Child health insurance program	20,365	26,569	6,204	36,698
Juvenile accountability incentive	29,892	28,803	(1,089)	15,020
Child care for homeless children	8,062	-	(8,062)	-
Food stamp program	714,715	1,023,907	309,192	909,970
Refugee assistance	47,500	37,341	(10,159)	28,350
Foster care assistance	717,204	802,406	85,202	881,067
Child care assistance	1,177,815	1,077,885	(99,930)	1,068,768
Discretionary grants	169,948	272,430	102,482	220,411
Child care and development	1,490,407	1,093,993	(396,414)	1,106,125
Child welfare services	138,460	46,083	(92,377)	43,760
Adoption assistance	260,629	179,884	(80,745)	158,294
Independent living	15,854	11,676	(4,178)	12,501
Medicaid assistance	602,529	641,164	38,635	641,469
Family services block grant	20,731	5,112	(15,619)	10,045
Low-income home energy assistance	140	25,553	25,413	20,450
Adoption incentive payment	-	-	-	2,200
Chafee education and training	8,733	7,815	(918)	9,178
Child welfare services	-	-	-	(60)
Respite care for foster families	2,976	-	(2,976)	187
Total Family Services	5,898,459	6,204,482	306,023	6,056,442
Parks Recreation & Community Services - Stimulus:				
ARRA Aging Home Delivery Meal Nutrition Service	5,705	5,705	-	-
ARRA Aging Congregation Meal Nutrition Services	11,589	11,589	-	-
Total Parks and Recreation	17,294	17,294	-	-
Family Services - Stimulus:				
ARRA Child Care and Development Block Grant	-	182,813	182,813	5,966
ARRA Foster Care Title IV-E	-	16,737	16,737	14,168
ARRA Adoption Assistance	-	13,150	13,150	9,625
ARRA homeless prevention and rapid rehousing	165,152	165,152	-	-
ARRA SNAP	-	33,305	33,305	-
Total Family Services - Stimulus	165,152	411,157	246,005	29,759
Total Welfare/Family Services	6,311,561	6,873,293	561,732	6,307,697
Total categorical aid	6,311,561	6,873,293	561,732	6,307,697
Other categorical aid:				
Commonwealth's Attorney:				
V-stop	24,846	24,846	-	26,081
Total Commonwealth's Attorney	24,846	24,846	-	26,081
Sheriff's Office:				
Enhancing response to crime victim	67,597	67,597	-	-
HIDTA	5,000	6,875	1,875	10,864
Byrne discretionary grants	881,613	881,613	-	1,297,887
Presidential inauguration security	-	-	-	24,866
Internet crimes against children task force program	6,036	6,036	-	-
State criminal alien assistance	64,111	64,111	-	146,614
Public emergency assistance	-	23,874	23,874	-
Gang-free schools and community	-	(113)	(113)	354,681
Alcohol traffic safety	40,794	40,789	(5)	54,415
Targeting violent crime	431,936	368,144	(63,792)	605,403
Domestic violence grant	56,249	56,249	-	40,091
Edward Byrne memorial JAG	31,601	31,601	-	29,411
Supreme Court of Virginia drug treatment	580	580	-	-

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010
(With Comparative Actual Amounts for 2009)

	2010		2009	
	Final Budget	Actual	Variance Positive (Negative)	Actual
Homeland security equipment	123,120	123,120	-	-
NCR Urban area security initiative	20,200	20,200	-	-
Total Sheriff's Office	1,728,837	1,690,676	(38,161)	2,564,232
Information Technology:				
PSCI grant	921,969	921,969	-	-
Total Information Technology	921,969	921,969	-	-
Courts:				
HIDTA	91,520	91,520	-	-
Drug Court Discretionary Grant	20,958	20,958	-	15,749
Drug Court Expansion	58,353	43,519	(14,834)	529
Total Courts	170,831	155,997	(14,834)	16,278
Building and Development:				
Wetlands mapping and inventory	-	-	-	22,147
Water resources program	202,062	155,026	(47,036)	338,160
Total Building and Development	202,062	155,026	(47,036)	360,307
Fire and Rescue:				
FEMA - Emergency management preparedness	247	247	-	24,150
State Homeland Security Program	267	276,113	275,846	29,733
Public emergency assistance	-	289,346	289,346	-
Homeland security grant program	2,894,831	1,717,248	(1,177,583)	5,663,648
Homeland security equipment	308,556	315,457	6,901	-
Urban areas security initiative	-	-	-	41,874
UASI training	-	-	-	44,119
NCR urban area security initiative	-	48,843	48,843	-
Total Fire and Rescue	3,203,901	2,647,254	(556,647)	5,803,524
Planning:				
Interactive website	-	-	-	600
Total Planning	-	-	-	600
Construction and Waste Management				
Highway planning and construction (ISTEA)	-	-	-	35,845
Total Construction and Waste Management	-	-	-	35,845
Animal Care and Control				
Homeland security equipment	78,896	51,396	(27,500)	27,500
Total Animal Care and Control	78,896	51,396	(27,500)	27,500
Health Services:				
State homeland security program	10,959	10,959	-	294
Medical reserve corps	5,000	5,000	-	-
Total Health Services	15,959	15,959	-	294
Transportation:				
Highway planning and construction	34,586	34,586	-	133,988
Total Transportation	34,586	34,586	-	133,988
Community Corrections:				
Drug Court expansion	150,977	1,755	(149,222)	-
Domestic violence grant	76,034	76,034	-	62,226
Supreme court of Virginia drug treatment	-	-	-	-
Total Community Corrections	227,011	77,789	(149,222)	62,226
Mental Health and Mental Retardation:				
Community development block grant	40,021	40,021	-	2,768
Public health and family services emergency fund	875	875	-	-
Prevention and treatment of drug abuse	560,489	400,542	(159,947)	401,230

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010
(With Comparative Actual Amounts for 2009)

	2010		2009	
	Final Budget	Actual	Variance Positive (Negative)	Actual
HIDTA	273,312	222,733	(50,579)	48,074
Drug Court Expansion	150,028	-	(150,028)	-
Early intervention-substance abuse	314,211	268,784	(45,427)	235,624
Path	47,303	47,303	-	40,049
Community mental health services	13,506	13,506	-	56,031
FBG/POMS	24,601	24,601	-	24,601
Supreme Court of Virginia drug treatment	-	4,937	4,937	5,000
Total Mental Health and Mental Retardation	1,424,346	1,023,302	(401,044)	813,377
Parks and Recreation:				
National family caregiver support	24,591	25,531	940	24,591
Highway planning and construction (ISTEA)	27,168	27,168	-	1,406
Nutrition program for the elderly	77,352	80,768	3,416	55,210
Aging services network community based	7,850	7,850	-	-
Total Parks and Recreation	136,961	141,317	4,356	81,207
Juvenile Court Services:				
Domestic violence grant	27,335	27,335	-	46,472
JJDP-Detention alternatives	4,362	4,362	-	12,981
Total Juvenile Court Services	31,697	31,697	-	59,453
Family Services:				
Food distribution services	25,000	23,968	(1,032)	26,112
Community development block grant	609,171	609,172	1	746,531
Housing-homeless	168,339	168,339	-	168,339
Neighborhood stabilization program	1,875,758	1,875,758	-	-
Share shelter support	25,169	17,833	(7,336)	16,542
Community services block grant	165,936	173,636	7,700	112,994
Housing counseling assistance	683	683	-	670
Total Family Services	2,870,056	2,869,389	(667)	1,071,188
Other categorical aid: Stimulus				
Commonwealth Attorney:				
ARRA violence against women	34,039	34,039	-	-
Total Commonwealth Attorney	34,039	34,039	-	-
Sheriff's Office:				
ARRA JAG grant	26,064	26,064	-	-
ARRA State Fiscal Stabilization	-	8,005,221	8,005,221	3,139,681
ARRA JAG State	-	641,485	641,485	-
Total Sheriff's Office	26,064	8,672,770	8,646,706	3,139,681
Construction & Waste Management:				
ARRA EECBG	314,035	314,035	-	-
Total Construction & Waste Management	314,035	314,035	-	-
MH, Substance Abuse and Development Services				
ARRA Early intervention-substance abuse	72,080	72,080	-	-
Total MH, Substance Abuse and Development Svcs	72,080	72,080	-	-
Family Services:				
ARRA CDBG	244,615	244,615	-	-
ARRA CSBG	189,977	181,994	(7,983)	-
Total Family Services	434,592	426,609	(7,983)	-
Total other categorical aid	11,952,768	19,360,736	7,407,968	14,195,781
Total from the Federal government	18,266,129	26,236,938	7,970,809	20,506,341
Total Revenues	993,933,207	1,026,186,957	32,253,750	1,029,103,693

EXPENDITURESGeneral government administration:

Legislative:

Boards, Commissions and Committees	1,871,474	1,606,061	265,413	1,727,414
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COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010
(With Comparative Actual Amounts for 2009)

	2010		2009	
	Final Budget	Actual	Variance Positive (Negative)	Actual
County Administrator	948,428	617,528	330,900	697,827
Total legislative	2,819,902	2,223,589	596,313	2,425,241
General and financial administration:				
Boards, Commissions and Committees	124,197	120,829	3,368	51,211
County Administrator	1,579,691	1,656,209	(76,518)	1,858,362
Public information & volunteer services	482,381	349,907	132,474	405,430
County Attorney	2,564,425	2,413,234	151,191	2,583,770
County Assessor	3,446,448	3,170,597	275,851	3,260,407
Treasurer	3,876,134	3,551,617	324,517	3,469,164
Commissioner of Revenue	2,853,882	2,606,822	247,060	2,666,854
Management and Financial Services	10,603,360	9,249,596	1,353,764	9,973,983
Information Technology	17,049,831	15,228,063	1,821,768	17,339,791
General Services	2,870,471	2,175,467	695,004	3,972,180
Planning Services	-	-	-	1,700
Construction and Waste Management	-	-	-	149
Nondepartmental	169,615	13,647,129	(13,477,514)	7,692,006
Total general and financial administration	45,620,435	54,169,470	(8,549,035)	53,275,007
Elections administration:				
Boards, Commissions and Committees	472,163	292,657	179,506	507,085
General Registrar	882,542	622,382	260,160	647,430
General Services	281,954	269,778	12,176	89,916
Total elections administration	1,636,659	1,184,817	451,842	1,244,431
Total general government administration	50,076,996	57,577,876	(7,500,880)	56,944,679
Judicial administration:				
Courts:				
Clerk of the Circuit Court	3,634,635	3,194,632	440,003	3,422,057
Sheriff	4,148,046	3,925,119	222,927	3,943,479
General Services	769,155	605,445	163,710	585,408
Courts (Circuit and District)	1,282,213	1,118,815	163,398	1,050,629
Total courts	9,834,049	8,844,011	990,038	9,001,573
Commonwealth's Attorney:				
Commonwealth's Attorney	3,270,982	3,038,597	232,385	3,124,032
Total Commonwealth's Attorney	3,270,982	3,038,597	232,385	3,124,032
Total judicial administration	13,105,031	11,882,608	1,222,423	12,125,605
Public safety:				
Law enforcement and traffic control:				
Regional Organizations and Contributions	413,173	524,567	(111,394)	576,282
Sheriff	49,523,785	46,608,370	2,915,415	50,048,092
General Services	2,173,195	2,086,303	86,892	2,334,408
Total law enforcement and traffic control	52,110,153	49,219,240	2,890,913	52,958,782
Fire and rescue services:				
Boards, Commissions and Committees	5,574	4,450	1,124	3,772
Information technology	921,969	921,969	-	-
General Services	1,555,484	1,318,792	236,692	1,299,108
Fire, Rescue and Emergency Services	54,554,113	50,600,946	3,953,167	53,512,119
Total fire and rescue services	57,037,140	52,846,157	4,190,983	54,814,999
Corrections and detention:				
Sheriff	16,678,146	15,518,782	1,159,364	14,287,709
General Services	1,036,336	979,642	56,694	1,050,225
Community Corrections	1,881,802	1,607,068	274,734	1,615,706
Parks and Recreation	121,183	108,308	12,875	100,302
Juvenile Court Service Unit	2,041,855	1,747,902	293,953	1,883,376
Family Services	2,727,687	2,418,220	309,467	2,501,677
Total corrections and detention	24,487,009	22,379,922	2,107,087	21,438,995

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010
(With Comparative Actual Amounts for 2009)

	2010		2009	
	Final Budget	Actual	Variance Positive (Negative)	Actual
Inspections:				
Building and Development	7,241,625	6,734,834	506,791	8,039,162
Total inspections	7,241,625	6,734,834	506,791	8,039,162
Other protection:				
Sheriff	1,800	920	880	1,180
General Services	118,679	98,564	20,115	162,995
Animal Control	2,609,667	2,430,885	178,782	2,377,918
Total Other protection	2,730,146	2,530,369	199,777	2,542,093
Total public safety	143,606,073	133,710,522	9,895,551	139,794,031
Public works:				
Maintenance of highways, bridges and sidewalks:				
General Services	3,306,777	2,912,381	394,396	3,120,797
Office of Transportation	8,425,839	8,456,573	(30,734)	7,910,923
Total maint. of highways, streets, bridges & sidewalks	11,732,616	11,368,954	363,662	11,031,720
Sanitation and waste removal:				
General Services	50,013	48,660	1,353	44,124
Construction and Solid Waste Management	4,513,310	4,043,140	470,170	3,676,973
Total sanitation and waste removal	4,563,323	4,091,800	471,523	3,721,097
Maintenance of general buildings and grounds:				
General Services	9,786,352	8,508,108	1,278,244	7,919,547
Construction and Solid Waste Management	3,621,606	3,052,034	569,572	-
Total maintenance of general buildings and grounds	13,407,958	11,560,142	1,847,816	7,919,547
Total public works	29,703,897	27,020,896	2,683,001	22,672,364
Health and welfare:				
Health:				
Regional Organizations and contributions	272,652	271,756	896	225,908
Health Services	4,463,072	4,278,458	184,614	4,248,162
Total health	4,735,724	4,550,214	185,510	4,474,070
Mental Health and Mental Retardation:				
Boards, Commissions and Committees	34,931	29,285	5,646	21,725
General Services	356,956	317,637	39,319	443,102
Mental Health and Mental Retardation	32,423,126	29,541,519	2,881,607	29,626,033
Total mental health and mental retardation	32,815,013	29,888,441	2,926,572	30,090,860
Welfare/Family Services:				
Boards, Commissions and Committees	11,253	5,472	5,781	8,117
Regional Organizations and contributions	998,747	998,747	-	1,013,477
General Services	1,350,778	1,287,174	63,604	1,441,792
Parks and Recreation	5,282,848	4,826,696	456,152	4,731,754
Family Services	26,041,359	23,447,444	2,593,915	21,455,747
Total welfare/family services	33,684,985	30,565,533	3,119,452	28,650,887
Total health and welfare	71,235,722	65,004,188	6,231,534	63,215,817
Parks, recreation and culture:				
Parks and Recreation:				
Boards, Commissions and Committees	21,920	21,920	-	10,003
Regional Organizations	590,047	575,047	15,000	1,265,322
General Services	1,699,262	1,528,030	171,232	1,770,578
Parks and Recreation	28,371,946	25,418,606	2,953,340	26,325,232
Total parks and recreation	30,683,175	27,543,603	3,139,572	29,371,135
Cultural enrichment:				
Regional Organizations and Contributions	387,200	387,200	-	549,066
General Services	114,344	100,223	14,121	113,047
Construction and Waste Management	-	-	-	36,005
Parks and Recreation	210,545	208,208	2,337	199,212
Total cultural enrichment	712,089	695,631	16,458	897,330

COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010
(With Comparative Actual Amounts for 2009)

	2010		2009	
	Final Budget	Actual	Variance Positive (Negative)	Actual
Library:				
Boards, Commissions and Committees	1,670	898	772	1,087
General Services	343,247	265,813	77,434	221,727
Library Services	11,521,331	10,903,630	617,701	11,352,360
Total library	11,866,248	11,170,341	695,907	11,575,174
Total parks, recreation and culture	43,261,512	39,409,575	3,851,937	41,843,639
<u>Community development:</u>				
Planning and community development:				
Boards, Commissions and Committees	280,095	254,289	25,806	258,973
County Administrator	28,250	13,892	14,358	13,380
Regional Organizations and contributions	557,707	557,707	-	570,622
General Services	1,533,297	1,516,293	17,004	1,438,796
Building and Development	13,791,659	13,124,103	667,556	14,290,429
Planning, zoning and community development	3,165,905	2,904,860	261,045	2,972,504
Economic Development	2,224,418	1,979,551	244,867	2,062,585
Construction and Waste Management	2,250	2,250	-	2,250
Office of Mapping and Geographic Information	2,160,391	2,073,605	86,786	2,109,517
Office of Transportation	1,269,996	1,020,773	249,223	1,338,985
Parks Recreation & Community Services	34,351	34,351	-	4,019
Total planning and community development	25,048,319	23,481,674	1,566,645	25,062,060
Environmental management:				
Boards, commissions, and committees	575,595	619,788	(44,193)	660,607
Construction and Solid Waste Management	1,395,336	1,302,971	92,365	1,077,179
Total environmental management	1,970,931	1,922,759	48,172	1,737,786
Cooperative extension program:				
Public information and volunteer services	353,801	330,883	22,918	311,649
Extension services	582,597	522,815	59,782	552,113
Total cooperative extension program	936,398	853,698	82,700	863,762
Transit				
Transportation Services	143,624	143,624	-	-
Total Environmental Management	143,624	143,624	-	-
Total community development	28,099,272	26,401,755	1,697,517	27,663,608
<u>Education:</u>				
Operation and maintenance services:				
General Services	139,000	148,312	(9,312)	164,391
Total operation and maintenance services	139,000	148,312	(9,312)	164,391
Community colleges:				
Regional Organizations and Contributions	300,395	300,395	-	294,059
Total community colleges	300,395	300,395	-	294,059
Total education	439,395	448,707	(9,312)	458,450
Total Expenditures	379,527,898	361,456,127	18,071,771	364,718,193
Excess of revenues over expenditures	614,405,309	664,730,830	50,325,521	664,385,500
Other financing sources (uses):				
Transfers-in	6,825,909	12,703,812	5,877,903	18,109,101
Transfers-out	(135,230,826)	(135,521,684)	(290,858)	(147,284,309)
Transfers from School Board	2,000,000	10,440,778	8,440,778	26,993,930
Transfers to School Board	(526,159,249)	(526,159,249)	-	(558,380,798)
Total other financing sources (uses)	(652,564,166)	(638,536,343)	14,027,823	(660,562,076)
Excess of revenues and other financing sources over (under) expenditures and other financing uses	(38,158,857)	26,194,487	64,353,344	3,823,423
Fund balances at beginning of year	160,893,011	160,893,011	-	157,069,587
Fund balances at end of year	\$ 122,734,154	\$ 187,087,498	\$ 64,353,344	\$ 160,893,011



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Nonmajor Governmental Funds

Nonmajor Governmental Funds

Special Revenue Funds

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

Route 28 Special Improvements Fund (200) - This fund is used to account for the proceeds from the Route 28 Transportation Taxing District that are legally restricted to expenditures for transportation in that district.

Aldie Sewer Service District Fund (202) - This fund is used to account for the proceeds from the Aldie Sewer Service Taxing District that are legally restricted to expenditures for sewers in that district.

Comprehensive Services Act Fund (203) - This fund is used to account for the general operations of the County's Comprehensive Services for At-Risk Youth and Families. Financing is provided primarily by transfers from General Fund and from State grants.

Community Development Fund (204) - This fund is used to account for the operations of the Community Development Block Grant program. Financing is provided by the Federal grant to be used only for community development purposes.

Legal Resource Center Fund (205) - This fund is used to account for the operations of the Law Library. Financing is provided through court order assessments and other contributions.

Federally Forfeited Property Fund (206) - This fund is used to account for the proceeds from confiscated property that are restricted to use for law enforcement purposes.

Hotel and Motel Room Tax Fund (207) - This fund is used to account for 3% of the 5% Transient Occupancy Tax collected from lodging facilities in the County. These funds are used to promote tourism in the County (2% of Transient Occupancy Tax collected is unrestricted and is used as part of the General Fund).

County-Wide Sewer Service District Fund (208) - This fund is used to account for the proceeds from the Virginia Resources Authority that are legally restricted to expenditures for small water facility projects in the County.

Hamilton Sewer Service District Fund (209) - This fund is used to account for the proceeds from the Hamilton Sewer Service Taxing District that are legally restricted to expenditures for sewers in that district.

Community Development Authority Fund (210) - This fund is designed to collect a special assessment on real property for the purpose of paying debt service to finance and construct public infrastructure at the Dulles Town Center development.

Purchase of Development Rights Fund (211) - This fund is used to account for the County-managed Purchase of Development Rights program. These funds are used to enter agreements with landowners to purchase development rights of their property.

Rental Assistance Fund (213) - This fund is used to account for proceeds received from the U.S. Department of Housing and Urban Development (HUD) so the County can act as direct administrator for the Section 8 Rental Assistance Program.

Dulles Industrial Park Water and Sewer (214) - This fund is used to account for the proceeds from the Dulles Industrial Park Water & Sewer Taxing District that are legally restricted to expenditures for the construction of water and sewer lines in that district. The district consists of 24 properties located north of U.S. Route 50, near the Loudoun County-Fairfax County boundary. The special assessment was negotiated on a per property basis and is intended to generate \$1,650,000 in revenue over 10 years.

Greenlea Tax District Fund (215) - This fund is used to account for the proceeds from the Greenlea in the Blue Ridge District that are legally restricted to expenditures for the replacement of the damaged bridge on Crooked Bridge Road. The district consists of 19 properties and the assessment will be allocated equally among 19 properties in the community and is intended to generate \$660,575.18 in revenue over 15 years at six percent (6%) interest per year.

Public Transportation Fund (220) - This fund is used to account for the County's share of construction costs associated with Phases II and III of the Dulles Transit Project. These funds are restricted to this project.

Sheriff's Fund (701) - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for law enforcement purposes.

Animal Shelter Fund (706) - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for the animal shelter.

Housing Fund (707) - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for affordable housing in the County.

Transportation District Fund (709) - This fund is used to account for monies collected as local gas sales tax, restricted to use for transportation purposes.

Uran Holocaust Fund (716) - This fund is used to account for monies provided by a private donor, restricted to use for the purchase of educational holocaust materials in the libraries.

Beautification Fund (717) - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for the planting of trees on the Route 15 bypass.

Horton Program For The Arts Fund (719) - This fund is used to account for monies provided by private donors, restricted to use for the funding of cultured and arts programs at the Eastern Loudoun Regional Library.

Symington Fund (720) - This fund is used to account for monies provided by private donor, restricted to use only for public purposes, including purchase or construction of improvements, purchase of books, services, and equipment in the Rust Library.

Capital Funds

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

Capital Projects Fund (300) - This fund is used to account for the purchase and/or construction of major capital facilities, including buildings, land, major equipment, and other long-lived improvements for the general government. Financing is provided primarily by bond issues, State and Federal grants, and transfers from the General Fund.

Capital Asset Replacement Fund (301) - This fund is used to account for the repair and/or replacement of major capital facilities, including buildings, major equipment, and other long-lived improvements for the general government. Financing is provided primarily by transfers from the General Fund.

Capital Projects Financing Fund (302) - This fund is a pass-through fund that is used to account for the issuance of general obligation bonds and transfer to the appropriate capital projects.

Debt Service Funds

Debt Service Fund (400) - This fund is used to account for the accumulation of resources for and the payment of general long-term debt principal, interest, and related costs. Financing is provided primarily by transfers from the General Fund.



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**COUNTY OF LOUDOUN, VIRGINIA
COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS
AS OF JUNE 30, 2010**

	Special Revenue Funds						
	Route 28 Special Improv.	Aldie Sewer Service District	Comprehensive Services Act	Community Development	Legal Resource Center	Federally Forfeited Property	Hotel and Motel Room Tax
ASSETS							
Cash and Cash Equivalents	\$ 3,244,149	\$ 103,641	\$ 2,471,999	\$ 6,569	\$ 127,905	\$ 241,081	\$ 1,239,842
Cash and Investments with Fiscal Agents	-	-	-	-	-	-	-
Receivables, Net:							
Taxes	206,345	5,932	-	-	-	-	870,809
Accounts	-	-	-	-	-	-	-
Due from Other Governments	-	-	1,339,819	-	-	-	-
Advances to employees	-	-	-	-	-	-	-
Inventory	-	-	-	-	-	-	-
Prepaid Items	-	-	-	-	-	-	-
Notes and Loans Receivable, Net	-	-	-	-	-	-	-
Total Assets	\$ 3,450,494	\$ 109,573	\$ 3,811,818	\$ 6,569	\$ 127,905	\$ 241,081	\$ 2,110,651
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts Payable	\$ 3,244,149	\$ -	\$ 629,559	\$ -	\$ 2,003	\$ 1,175	\$ -
Accrued Liabilities	-	-	-	-	3,176	-	-
Prepaid Revenue	18,557	-	-	-	-	-	-
Deferred Revenue:							
Property Taxes	206,345	5,932	-	-	-	-	-
Other	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	-	-	-	-
Other Liabilities	-	-	-	17,958	-	14,681	-
Total Liabilities	3,469,051	5,932	629,559	17,958	5,179	15,856	-
Fund Balances:							
Reserved for:							
Prepaid Items	-	-	-	-	-	-	-
Encumbrances	-	-	-	-	-	-	-
Notes and Loan Receivable	-	-	-	-	-	-	-
Permanent Fund-Expendable	-	-	-	-	-	-	-
Permanent Fund-Nonexpendable	-	-	-	-	-	-	-
Unreserved, reported in:							
Special Revenue Funds:							
Designated for Fiscal Reserve	-	-	-	-	-	-	284,933
Undesignated	(18,557)	103,641	3,182,259	(11,389)	122,726	225,225	1,825,718
Capital Project Funds:							
Designated for Capital Projects	-	-	-	-	-	-	-
Debt Service Fund:							
Designated for Future Debt Service	-	-	-	-	-	-	-
Total Fund Balances	(18,557)	103,641	3,182,259	(11,389)	122,726	225,225	2,110,651
Total Liabilities and Fund Balances	\$ 3,450,494	\$ 109,573	\$ 3,811,818	\$ 6,569	\$ 127,905	\$ 241,081	\$ 2,110,651

County-Wide Sewer Service District	Hamilton Sewer Service District	Community Devel. Authority	Purchase of Devel. Rights	Rental Assistance Program	Dulles Industrial Park W&S	Greenlea Tax District	Public Transportation
\$ -	\$ 324,827	\$ 1,517,479	\$ 81,250	\$ 1,954,750	\$ -	\$ -	\$ 365,417
-	-	-	-	-	-	-	-
-	5,576	-	-	-	5,729	253	-
242	-	-	-	20,569	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	635,082	-	-	-
39,676	3,715	-	-	-	-	-	-
<u>\$ 39,918</u>	<u>\$ 334,118</u>	<u>\$ 1,517,479</u>	<u>\$ 81,250</u>	<u>\$ 2,610,401</u>	<u>\$ 5,729</u>	<u>\$ 253</u>	<u>\$ 365,417</u>
\$ 83	\$ 55,092	\$ 1,517,479	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	37,200	-	-	-
-	-	-	-	-	-	-	-
-	5,576	-	-	-	5,729	253	-
-	-	-	-	2,399,679	-	-	-
27,078	-	-	-	-	-	-	-
-	-	-	-	173,522	-	-	-
<u>27,161</u>	<u>60,668</u>	<u>1,517,479</u>	<u>-</u>	<u>2,610,401</u>	<u>5,729</u>	<u>253</u>	<u>-</u>
-	-	-	-	635,082	-	-	-
-	-	-	-	-	-	-	-
39,676	3,715	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
(26,919)	269,735	-	81,250	(635,082)	-	-	365,417
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
12,757	273,450	-	81,250	-	-	-	365,417
<u>\$ 39,918</u>	<u>\$ 334,118</u>	<u>\$ 1,517,479</u>	<u>\$ 81,250</u>	<u>\$ 2,610,401</u>	<u>\$ 5,729</u>	<u>\$ 253</u>	<u>\$ 365,417</u>

**COUNTY OF LOUDOUN, VIRGINIA
COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS
AS OF JUNE 30, 2010**

	Special Revenue Funds						
	Sheriff's	Animal Shelter	Housing	Transportation District	Holocaust	Rt 15 Bypass Beautification	Horton Program For the Arts
ASSETS							
Cash and Cash Equivalents	\$ 40,372	\$ 179,691	\$ 10,759,137	\$ -	\$ 346,616	\$ 7,413	\$ 17,520
Cash and Investments with Fiscal Agents	-	-	-	21,560,915	-	-	-
Receivables, Net:							
Taxes	-	-	-	-	-	-	-
Accounts	-	-	-	-	-	-	-
Due from Other Governments	-	-	-	1,556,013	-	-	-
Advances to employees	-	-	-	-	-	-	-
Advances to Employees	-	-	461,384	-	-	-	-
Prepaid Items	-	-	-	5,300	-	-	-
Notes and Loans Receivable, Net	-	-	363,175	-	-	-	-
Total Assets	\$ 40,372	\$ 179,691	\$ 11,583,696	\$ 23,122,228	\$ 346,616	\$ 7,413	\$ 17,520
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts Payable	\$ 4,116	\$ 20	\$ 207	\$ 9,996	\$ 1,019	\$ -	\$ -
Accrued Liabilities	-	-	-	-	-	-	-
Prepaid Revenue	-	-	-	-	-	-	-
Deferred Revenue:							
Property Taxes	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-
Due to Other Funds	-	-	-	7,356,654	-	-	-
Other Liabilities	-	-	-	-	-	-	-
Total Liabilities	4,116	20	207	7,366,650	1,019	-	-
Fund Balances:							
Reserved for:							
Prepaid Items	-	-	-	5,300	-	-	-
Encumbrances	4,535	-	108	57,828	-	-	-
Notes and Loan Receivable	-	-	363,175	-	-	-	-
Permanent Fund-Expendable	-	-	-	-	-	-	-
Permanent Fund-Nonexpendable	-	-	-	-	-	-	-
Unreserved, reported in:							
Special Revenue Funds:							
Designated for Fiscal Cash Liquidity	-	-	-	-	-	-	-
Undesignated	31,721	179,671	11,220,206	15,692,450	345,597	7,413	17,520
Capital Project Funds:							
Designated for Capital Appropriation:	-	-	-	-	-	-	-
Debt Service Fund:							
Designated for Future Debt Service	-	-	-	-	-	-	-
Total Fund Balances	36,256	179,671	11,583,489	15,755,578	345,597	7,413	17,520
Total Liabilities and Fund Balances	\$ 40,372	\$ 179,691	\$ 11,583,696	\$ 23,122,228	\$ 346,616	\$ 7,413	\$ 17,520

Symington	Capital Funds		Total Other Governmental Funds
	Capital Asset Replacement	Capital Project Financing	
\$ 4,115,053	\$ 3,052,185	\$ -	\$ 30,196,896
-	8,273,480	-	29,834,395
-	-	-	1,094,644
13,413	-	-	34,224
-	-	-	2,895,832
-	-	-	-
-	-	-	461,384
-	-	-	640,382
-	-	-	406,566
<u>\$ 4,128,466</u>	<u>\$ 11,325,665</u>	<u>\$ -</u>	<u>\$ 65,564,323</u>
\$ 2,441	\$ 2,896,279	\$ -	\$ 8,363,618
-	-	-	40,376
-	-	-	18,557
-	-	-	223,835
-	-	-	2,399,679
-	-	-	7,383,732
-	-	-	206,161
<u>2,441</u>	<u>2,896,279</u>	<u>-</u>	<u>18,635,958</u>
-	-	-	640,382
5,015	5,569,102	-	5,636,588
-	-	-	406,566
-	-	-	-
-	-	-	-
-	-	-	284,933
4,121,010	-	-	37,099,612
-	2,860,284	-	2,860,284
-	-	-	-
<u>4,126,025</u>	<u>8,429,386</u>	<u>-</u>	<u>46,928,365</u>
<u>\$ 4,128,466</u>	<u>\$ 11,325,665</u>	<u>\$ -</u>	<u>\$ 65,564,323</u>

COUNTY OF LOUDOUN, VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
OTHER GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Special Revenue Funds						
	Route 28 Special Improvements	Aldie Sewer Service District	Comprehensive Services Act	Community Development	Legal Resource Center	Federally Forfeited Property	Hotel and Motel Room Tax
REVENUES							
General Property Taxes	\$ 9,484,377	\$ 26,140	\$ -	\$ -	\$ -	\$ -	\$ -
Other Local Taxes	-	-	-	-	-	-	2,849,330
Permits and Other Licenses	-	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-	-
Use of Money and Property	-	-	-	-	-	519	-
Charges for Services	-	-	-	-	66,004	-	-
Gifts and Donations	-	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-	-
Recovered Costs	-	-	582,915	-	-	77,471	-
Intergovernmental - Commonwealth	-	-	3,759,921	-	48,270	-	-
Intergovernmental - Federal	-	-	-	-	-	-	-
Total Revenues	9,484,377	26,140	4,342,836	-	114,274	77,990	2,849,330
EXPENDITURES							
Current Operating:							
General Government Administration	-	-	-	-	-	-	-
Judicial Administration	-	-	-	-	82,867	28,021	-
Public Safety	-	-	-	-	-	(22,685)	-
Public Works	9,486,289	27,477	-	-	-	-	-
Health and Welfare	-	-	7,349,129	-	-	-	15,802
Parks, Recreation and Culture	-	-	-	-	-	-	2,297,400
Community Development	-	-	-	-	-	-	150,000
Education	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
Debt Service:							
Principal Payments	-	-	-	-	-	-	-
Interest and Service Charges	-	-	-	-	-	-	-
Total Expenditures	9,486,289	27,477	7,349,129	-	82,867	5,336	2,463,202
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,912)	(1,337)	(3,006,293)	-	31,407	72,654	386,128
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	4,771,542	-	-	-	-
Transfers Out	-	-	(183,000)	-	-	-	(1,725,441)
Issuance Premium	-	-	-	-	-	-	-
Bond and Loan Proceeds	-	-	-	-	-	-	-
Proceeds from Capital Leases	-	-	-	-	-	-	-
Sales of Capital Assets	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	-	4,588,542	-	-	-	(1,725,441)
Net Change in Fund Balances	(1,912)	(1,337)	1,582,249	-	31,407	72,654	(1,339,313)
Fund Balances at Beginning of Year	(16,645)	104,978	1,600,010	(11,389)	91,319	152,571	3,449,964
Fund Balances at End of Year	\$ (18,557)	\$ 103,641	\$ 3,182,259	\$ (11,389)	\$ 122,726	\$ 225,225	\$ 2,110,651

County-Wide Sewer Service District	Hamilton Sewer Service District	Community Development Authority	Purchase of Development Rights	Rental Assistance Program	Dulles Industrial Park W&S	Greenlea Tax District	Public Transportation
\$ -	\$ 116,902	\$ 2,965,083	\$ -	\$ -	\$ 219,284	\$ 44,274	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
683	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	31,283	-	-	-
123	25	-	-	500,219	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	8,100,493	-	-	-
806	116,927	2,965,083	-	8,631,995	219,284	44,274	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	219,284	-	-
-	-	-	-	8,643,469	-	-	-
-	-	-	-	-	-	-	-
-	204,902	2,965,083	-	-	-	44,274	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
52,247	-	-	-	-	-	-	-
522	-	-	-	-	-	-	-
52,769	204,902	2,965,083	-	8,643,469	219,284	44,274	-
(51,963)	(87,975)	-	-	(11,474)	-	-	-
-	88,000	-	-	11,474	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	(300,000)
-	88,000	-	-	11,474	-	-	(300,000)
(51,963)	25	-	-	-	-	-	(300,000)
64,720	273,425	-	81,250	-	-	-	665,417
\$ 12,757	\$ 273,450	\$ -	\$ 81,250	\$ -	\$ -	\$ -	\$ 365,417

COUNTY OF LOUDOUN, VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
OTHER GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Special Revenue Funds						
	Sheriff's	Animal Shelter	Housing	Transportation District	Uran Holocaust	Rt 15 Bypass Beautification	Horton Program For the Arts
REVENUES							
General Property Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Local Taxes	-	-	-	7,875,358	-	-	-
Permits and Other Licenses	-	-	-	-	-	-	-
Fines and Forfeitures	-	-	-	-	-	-	-
Use of Money and Property	-	544	27,094	64,074	1,082	22	52
Charges for Services	-	-	-	-	-	-	-
Gifts and Donations	11,112	28,627	2,832,714	-	-	-	1,000
Miscellaneous	-	-	174,607	-	-	-	-
Recovered Costs	-	-	128	-	-	-	-
Intergovernmental - Commonwealth	-	11,977	-	-	-	-	-
Intergovernmental - Federal	-	-	-	-	-	-	-
Total Revenues	11,112	41,148	3,034,543	7,939,432	1,082	22	1,052
EXPENDITURES							
Current Operating:							
General Government Administration	-	-	-	-	-	-	-
Judicial Administration	-	-	-	-	-	-	-
Public Safety	19,156	7,477	-	-	-	-	-
Public Works	-	-	-	-	-	-	-
Health and Welfare	-	-	972,456	-	-	-	-
Parks, Recreation and Culture	-	-	-	-	25,494	-	-
Community Development	-	-	-	5,488,425	-	-	-
Education	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	-	-	-
Debt Service:							
Principal Payments	-	-	-	-	-	-	-
Interest and Service Charges	-	-	-	-	-	-	-
Total Expenditures	19,156	7,477	972,456	5,488,425	25,494	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,044)	33,671	2,062,087	2,451,007	(24,412)	22	1,052
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	2,793,510	36,628	-	-	-
Transfers Out	-	(21,237)	-	(9,053,224)	-	-	-
Issuance Premium	-	-	-	-	-	-	-
Bond and Loan Proceeds	-	-	-	-	-	-	-
Proceeds from Capital Leases	-	-	-	-	-	-	-
Sales of Capital Assets	-	-	-	-	-	-	-
Total Other Financing Sources (uses)	-	(21,237)	2,793,510	(9,016,596)	-	-	-
Net Change in Fund Balances	(8,044)	12,434	4,855,597	(6,565,589)	(24,412)	22	1,052
Fund Balances at Beginning of Year	44,300	167,237	6,727,892	22,321,167	370,009	7,391	16,468
Fund Balances at End of Year	\$ 36,256	\$ 179,671	\$ 11,583,489	\$ 15,755,578	\$ 345,597	\$ 7,413	\$ 17,520

Symington	Capital Funds		Total Other Governmental Funds
	Capital Asset Replacement	Capital Project Financing	
\$ -	\$ -	\$ -	\$ 12,856,060
-	103,789	-	10,828,477
-	-	-	-
-	-	-	-
23,827	-	-	117,897
-	-	-	66,004
5,000	-	-	2,878,453
-	-	-	205,890
-	136,347	-	1,297,228
-	-	-	3,820,168
-	-	-	8,100,493
28,827	240,136	-	40,170,670
-	-	-	-
-	-	-	110,888
-	-	-	3,948
-	5,232,696	-	14,965,746
-	-	-	16,980,856
432,040	-	-	2,754,934
-	-	-	8,852,684
-	-	47,810,000	47,810,000
-	24,430,707	-	24,430,707
-	-	-	52,247
-	-	-	522
432,040	29,663,403	47,810,000	115,962,532
(403,213)	(29,423,267)	(47,810,000)	(75,791,862)
-	8,844,848	-	16,546,002
-	-	(38,690,000)	(49,672,902)
-	-	-	-
-	-	86,500,000	86,500,000
-	-	-	-
-	-	-	(300,000)
-	8,844,848	47,810,000	53,073,100
(403,213)	(20,578,419)	-	(22,718,762)
4,529,238	29,007,805	-	69,647,127
\$ 4,126,025	\$ 8,429,386	\$ -	\$ 46,928,365

COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
ROUTE 28 SPECIAL IMPROVEMENTS FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
General Property Taxes	\$ 9,847,000	\$ 9,484,377	\$ (362,623)
Amounts Available for Appropriation	9,847,000	9,484,377	(362,623)
Charges to Appropriations (Outflows)			
Public Works	9,847,000	9,486,289	360,711
Total Charges to Appropriations	9,847,000	9,486,289	360,711
Excess (Deficiency) of Resources Over Charges to Appropriations	-	(1,912)	(1,912)
Fund Balance at Beginning of Year	(16,645)	(16,645)	-
Fund Balance at End of Year	\$ (16,645)	\$ (18,557)	\$ (1,912)

COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
ALDIE SEWER SERVICE DISTRICT FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
General Property Taxes	\$ 27,476	\$ 26,140	\$ (1,336)
Amounts Available for Appropriation	27,476	26,140	(1,336)
Charges to Appropriations (Outflows)			
Public Works	27,476	27,477	(1)
Total Charges to Appropriations	27,476	27,477	(1)
Excess (Deficiency) of Resources Over Charges to Appropriations	-	(1,337)	(1,337)
Fund Balance at Beginning of Year	104,978	104,978	-
Fund Balance at End of Year	\$ 104,978	\$ 103,641	\$ (1,337)

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
COMPREHENSIVE SERVICES ACT FUND
FOR THE YEAR ENDED JUNE 30, 2010**

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Recovered Costs	\$ 1,140,000	\$ 582,915	\$ (557,085)
Intergovernmental - Commonwealth	4,680,796	3,759,921	(920,875)
Transfers from Other Funds	4,771,542	4,771,542	-
Amounts Available for Appropriation	<u>10,592,338</u>	<u>9,114,378</u>	<u>(1,477,960)</u>
Charges to Appropriations (Outflows)			
Health and Welfare	10,409,338	7,349,129	3,060,209
Transfers to Other Funds	183,000	183,000	-
Total Charges to Appropriations	<u>10,592,338</u>	<u>7,532,129</u>	<u>3,060,209</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	1,582,249	1,582,249
Fund Balance at Beginning of Year	1,600,010	1,600,010	-
Fund Balance at End of Year	<u>\$ 1,600,010</u>	<u>\$ 3,182,259</u>	<u>\$ 1,582,249</u>

COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
LEGAL RESOURCES CENTER FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Charges for Services	\$ 37,046	\$ 66,004	\$ 28,958
Intergovernmental - Commonwealth	48,270	48,270	-
Amounts Available for Appropriation	<u>85,316</u>	<u>114,274</u>	<u>28,958</u>
Charges to Appropriations (Outflows)			
Judicial Administration	85,316	82,867	2,449
Total Charges to Appropriations	<u>85,316</u>	<u>82,867</u>	<u>2,449</u>
Excess (Deficiency) of Resources Over			
Charges to Appropriations	-	31,407	31,407
Fund Balance at Beginning of Year	91,319	91,319	-
Fund Balance at End of Year	<u>\$ 91,319</u>	<u>\$ 122,726</u>	<u>\$ 31,407</u>

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
HOTEL AND MOTEL ROOM TAX FUND
FOR THE YEAR ENDED JUNE 30, 2010**

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Other Local Taxes	\$ 3,129,400	\$ 2,849,330	\$ (280,070)
Amounts Available for Appropriation	<u>3,129,400</u>	<u>2,849,330</u>	<u>(280,070)</u>
 Charges to Appropriations (Outflows)			
Health and Welfare	15,802	15,802	-
Parks, Recreation and Culture	2,694,000	2,297,400	396,600
Community Development	150,000	150,000	-
Transfers to Other Funds	1,725,441	1,725,441	-
Total Charges to Appropriations	<u>4,585,243</u>	<u>4,188,643</u>	<u>396,600</u>
Excess (Deficiency) of Resources Over			
Charges to Appropriations	(1,455,843)	(1,339,313)	116,530
Fund Balance at Beginning of Year	3,449,964	3,449,964	-
Fund Balance at End of Year	<u>\$ 1,994,121</u>	<u>\$ 2,110,651</u>	<u>\$ 116,530</u>

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
HAMILTON SEWER SERVICE DISTRICT FUND
FOR THE YEAR ENDED JUNE 30, 2010**

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
General Property Taxes	\$ 119,000	\$ 116,902	\$ (2,098)
Recovered Costs	-	25	25
Transfers from Other Funds	88,000	88,000	-
Amounts Available for Appropriation	<u>207,000</u>	<u>204,927</u>	<u>(2,073)</u>
Charges to Appropriations (Outflows)			
Community Development	207,000	204,902	2,098
Total Charges to Appropriations	<u>207,000</u>	<u>204,902</u>	<u>2,098</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	25	25
Fund Balance at Beginning of Year	<u>273,425</u>	<u>273,425</u>	<u>-</u>
Fund Balance at End of Year	<u>\$ 273,425</u>	<u>\$ 273,450</u>	<u>\$ 25</u>

COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
RENTAL ASSISTANCE PROGRAM FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Miscellaneous	\$ -	\$ 31,283	\$ 31,283
Recovered Costs	438,500	500,219	61,719
Intergovernmental - Federal	8,229,766	8,100,493	(129,273)
Transfers from Other Funds	11,474	11,474	-
Amounts Available for Appropriation	<u>8,679,740</u>	<u>8,643,469</u>	<u>(36,271)</u>
Charges to Appropriations (Outflows)			
Health and Welfare	<u>8,679,740</u>	<u>8,643,469</u>	<u>36,271</u>
Total Charges to Appropriations	<u>8,679,740</u>	<u>8,643,469</u>	<u>36,271</u>
Excess (Deficiency) of Resources Over			
Charges to Appropriations	-	-	-
Fund Balance at Beginning of Year	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
DULLES INDUSTRIAL PARK WATER AND SEWER FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
General Property Taxes	\$ 217,000	\$ 219,284	\$ 2,284
Amounts Available for Appropriation	<u>217,000</u>	<u>219,284</u>	<u>2,284</u>
Charges to Appropriations (Outflows)			
Public Works	217,000	219,284	(2,284)
Total Charges to Appropriations	<u>217,000</u>	<u>219,284</u>	<u>(2,284)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	-	-
Fund Balance at Beginning of Year	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
PUBLIC FACILITIES FUND
FOR THE YEAR ENDED JUNE 30, 2010**

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Use of Money and Property	\$ 510,883	\$ 274,409	\$ (236,474)
Gifts and Donations	9,132,927	20,490,779	11,357,852
Amounts Available for Appropriation	9,643,810	20,765,188	11,121,378
Charges to Appropriations (Outflows)			
Public Safety	-	321,208	(321,208)
Parks, Recreation and Culture	10,190	91,310	(81,120)
Community Development	61,120	622,119	(560,999)
Education and Transfers to School Board	(233,233)	(233,233)	-
Transfers to Other Funds	9,805,733	9,805,733	-
Total Charges to Appropriations	9,643,810	10,607,137	(963,327)
Excess (Deficiency) of Resources Over Charges to Appropriations	-	10,158,051	10,158,051
Fund Balance at Beginning of Year	88,124,784	88,124,784	-
Fund Balance at End of Year	\$ 88,124,784	\$ 98,282,835	\$ 10,158,051

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
TRANSPORTATION DISTRICT FUND
FOR THE YEAR ENDED JUNE 30, 2010**

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Other Local Taxes	\$ 8,279,875	\$ 7,875,358	\$ (404,517)
Use of Money and Property	800,000	64,074	(735,926)
Charges for Services	125	-	(125)
Transfers from Other Funds	36,628	36,628	-
Amounts Available for Appropriation	<u>9,116,628</u>	<u>7,976,060</u>	<u>(1,140,568)</u>
Charges to Appropriations (Outflows)			
Community Development	3,564,722	5,488,425	(1,923,703)
Transfers to Other Funds	8,652,804	9,053,224	(400,420)
Total Charges to Appropriations	<u>12,217,526</u>	<u>14,541,649</u>	<u>(2,324,123)</u>
Excess (Deficiency) of Resources Over			
Charges to Appropriations	(3,100,898)	(6,565,589)	(3,464,691)
Fund Balance at Beginning of Year	22,321,167	22,321,167	-
Fund Balance at End of Year	<u>\$ 19,220,269</u>	<u>\$ 15,755,578</u>	<u>\$ (3,464,691)</u>

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED JUNE 30, 2010**

	Prior Years	Current Year	Total to Date	Project Authorization
REVENUES				
Other Local Taxes	\$ 1,426,789	\$ 503,990	\$ 1,930,779	\$ 1,930,779
Use of Money and Property	113,075	7,310	120,385	119,308
Charges for Services	11,857,482	1,422,366	13,279,848	14,044,482
Gifts and Donations	1,079,062	-	1,079,062	1,079,062
Miscellaneous	5,414	45,688	51,102	5,414
Recovered Costs	367,583	698,659	1,066,242	1,066,242
Intergovernmental - Commonwealth	11,228,971	3,271,841	14,500,812	23,339,270
Intergovernmental - Federal	2,973,941	2,491,061	5,465,002	12,842,450
Total Revenues	29,052,317	8,440,915	37,493,232	54,427,007
EXPENDITURES				
Public Works	41,898,178	31,889,703	73,787,881	326,990,963
Education	2,280,000	845,598	3,125,598	3,125,598
Capital Outlay	273,388,896	33,622,479	307,011,375	390,612,791
Total Expenditures	317,567,074	66,357,780	383,924,854	720,729,352
Deficiency of Revenues Under Expenditures	(288,514,757)	(57,916,865)	(346,431,622)	(666,302,345)
OTHER FINANCING SOURCES (USES)				
Transfers In	461,274,271	60,886,798	522,161,069	670,905,922
Transfers (Out)	(27,130,421)	(17,768,571)	(44,898,992)	(44,836,082)
Lease/Purchase Financing	34,347,596	-	34,347,596	34,417,596
Sales of Capital Assets	5,049,175	300,000	5,349,175	5,349,175
Total Other Financing Sources (Uses)	473,540,621	43,418,227	516,958,848	665,836,611
Net Change in Fund Balances	\$ 185,025,864	(14,498,638)	\$ 170,527,226	\$ (465,734)
Fund Balance at Beginning of Year		185,025,864		
Fund Balance at End of Year		\$ 170,527,226		

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
CAPITAL ASSET REPLACEMENT FUND
FOR THE YEAR ENDED JUNE 30, 2010**

	Prior Years	Current Year	Total to Date	Project Authorization
REVENUES				
Other Local Taxes	\$ 1,077,420	\$ 103,789	\$ 1,181,209	\$ 1,084,425
Permits and Licenses	974	-	974	974
Charges for Services	840	-	840	840
Recovered Costs	427,369	136,347	563,716	542,277
Intergovernmental - Federal	-	-	-	409,000
Total Revenues	<u>1,506,603</u>	<u>240,136</u>	<u>1,746,739</u>	<u>2,037,516</u>
EXPENDITURES				
Public Works	12,267,314	5,232,696	17,500,010	20,381,670
Capital Outlay	6,185,696	24,430,707	30,616,403	65,760,269
Total Expenditures	<u>18,453,010</u>	<u>29,663,403</u>	<u>48,116,413</u>	<u>86,141,939</u>
Deficiency of Revenues Under Expenditures	<u>(16,946,407)</u>	<u>(29,423,267)</u>	<u>(46,369,674)</u>	<u>(84,104,423)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	45,954,212	8,844,848	54,799,060	84,104,423
Total Other Financing Sources (Uses)	<u>45,954,212</u>	<u>8,844,848</u>	<u>54,799,060</u>	<u>84,104,423</u>
Net Change in Fund Balances	<u>\$ 29,007,805</u>	<u>(20,578,419)</u>	<u>\$ 8,429,386</u>	<u>\$ -</u>
Fund Balance at Beginning of Year		29,007,805		
Fund Balance at End of Year		<u>\$ 8,429,386</u>		

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
CAPITAL PROJECTS FINANCING FUND
FOR THE YEAR ENDED JUNE 30, 2010**

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Issuance of Bonds	\$ 48,630,000	\$ 70,630,000	\$ 22,000,000
Lease Purchase Financing	22,380,476	15,870,000	(6,510,476)
Amounts Available for Appropriation	<u>71,010,476</u>	<u>86,500,000</u>	<u>15,489,524</u>
Charges to Appropriations (Outflows)			
Education and Transfers to School Board	-	47,810,000	(47,810,000)
Transfers to Other Funds	71,010,476	38,690,000	32,320,476
Total Charges to Appropriations	<u>71,010,476</u>	<u>86,500,000</u>	<u>(15,489,524)</u>
Excess (Deficiency) of Resources Over			
Charges to Appropriations	-	-	-
Fund Balance at Beginning of Year	-	-	-
Fund Balance at End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE YEAR ENDED JUNE 30, 2010**

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Use of Money and Property	\$ 3,000,000	\$ 1,840,933	\$ (1,159,067)
Transfers from Other Funds	119,820,999	120,139,357	318,358
Payment from Component Units	6,962,480	6,362,480	(600,000)
Issuance Premium	7,099,027	2,959,133	(4,139,894)
Issuance of Bonds	100,527	89,220,527	89,120,000
Amounts Available for Appropriation	136,983,033	220,522,430	83,539,397
Charges to Appropriations (Outflows)			
Nondepartmental:			
Debt Service	144,276,755	127,171,640	17,105,115
Transfers to Other Funds	7,289,554	6,665,801	623,753
Payments to Refunded Bond Escrow Agent	-	89,120,000	(89,120,000)
Total Charges to Appropriations	151,566,309	222,957,441	(71,391,132)
Excess of Resources Over Charges to Appropriations	(14,583,276)	(2,435,011)	12,148,265
Fund Balance at Beginning of Year	19,116,001	19,116,001	-
Fund Balance at End of Year	\$ 4,532,725	\$ 16,680,990	\$ 12,148,265



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Proprietary Funds

Proprietary Funds

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

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

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

COUNTY OF LOUDOUN, VIRGINIA
COMBINING STATEMENT OF PROPRIETARY NET ASSETS
AS OF JUNE 30, 2010

	Central Service Funds						
	Duplicating	Telephone	Mail	Support	Vehicle Replacement	Self Insurance	Total
ASSETS							
Current Assets:							
Cash and Cash Equivalents	\$ 184,127	\$ 1,737,421	\$ 48,855	\$ 21,511	\$ 18,013,641	\$ 12,234,975	\$ 32,240,530
Cash with Fiscal Agents	-	-	-	-	-	925,000	925,000
Receivables, Net	2,597	8,045	-	-	-	48,042	58,684
Inventory of Supplies	-	-	64,536	10,242	-	-	74,778
Total Current Assets	<u>186,724</u>	<u>1,745,466</u>	<u>113,391</u>	<u>31,753</u>	<u>18,013,641</u>	<u>13,208,017</u>	<u>33,298,992</u>
Noncurrent Assets:							
Capital Assets:							
Depreciable, Net	-	959,295	-	-	23,744,752	-	24,704,047
Total Noncurrent Assets	-	<u>959,295</u>	-	-	<u>23,744,752</u>	-	<u>24,704,047</u>
Total Assets	<u>\$ 186,724</u>	<u>\$ 2,704,761</u>	<u>\$ 113,391</u>	<u>\$ 31,753</u>	<u>\$ 41,758,393</u>	<u>\$ 13,208,017</u>	<u>\$ 58,003,039</u>
LIABILITIES							
Current Liabilities:							
Accounts Payable	\$ 178,211	\$ 51,460	\$ 244	\$ 1,898	\$ 120,038	\$ 1,299,518	\$ 1,651,369
Claims Liabilities	-	-	-	-	-	4,389,693	4,389,693
Accrued Liabilities	6,051	-	3,040	29,832	-	-	38,923
Total Current Liabilities	<u>184,262</u>	<u>51,460</u>	<u>3,284</u>	<u>31,730</u>	<u>120,038</u>	<u>5,689,211</u>	<u>6,079,985</u>
Noncurrent Liabilities:							
Claims Liabilities	-	-	-	-	-	2,529,471	2,529,471
Total Noncurrent Liabilities	-	-	-	-	-	<u>2,529,471</u>	<u>2,529,471</u>
Total Liabilities	<u>\$ 184,262</u>	<u>\$ 51,460</u>	<u>\$ 3,284</u>	<u>\$ 31,730</u>	<u>\$ 120,038</u>	<u>\$ 8,218,682</u>	<u>\$ 8,609,456</u>
NET ASSETS							
Net Assets, Invested in							
Capital Assets	\$ -	\$ 959,295	\$ -	\$ -	\$ 23,744,752	\$ -	\$ 24,704,047
Unrestricted (Deficit)	2,462	1,694,006	110,107	23	17,893,603	4,989,335	24,689,536
Total Net Assets	<u>\$ 2,462</u>	<u>\$ 2,653,301</u>	<u>\$ 110,107</u>	<u>\$ 23</u>	<u>\$ 41,638,355</u>	<u>\$ 4,989,335</u>	<u>\$ 49,393,583</u>

COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF CHANGES IN PROPRIETARY NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2010

	Central Service Funds						
	Duplicating	Telephone	Mail	Support	Vehicle Replacement	Self Insurance	Total
Operating Revenues:							
Charges for services	\$ 1,482,500	\$ 1,165,343	\$ 537,786	\$ 822,654	\$ 7,329,114	\$ 32,347,106	\$ 43,684,503
Use of property	29,828	43,782	-	765	-	-	74,375
Miscellaneous	-	-	-	-	60,298	7,840	68,138
Total Operating Revenues	<u>1,512,328</u>	<u>1,209,125</u>	<u>537,786</u>	<u>823,419</u>	<u>7,389,412</u>	<u>32,354,946</u>	<u>43,827,016</u>
Operating Expenses:							
Personnel services	135,075	-	3,040	744,020	-	51,200	933,335
Other services and charges	1,178,536	889,047	11,798	72,158	964	3,682,647	5,835,150
Materials and supplies	198,717	23,733	412,841	7,241	49,790	-	692,322
Depreciation	-	343,654	-	-	4,855,588	-	5,199,242
Claims	-	-	-	-	-	30,444,398	30,444,398
Total Operating Expenses	<u>1,512,328</u>	<u>1,256,434</u>	<u>427,679</u>	<u>823,419</u>	<u>4,906,342</u>	<u>34,178,245</u>	<u>43,104,447</u>
Operating Income (Loss)	-	(47,309)	110,107	-	2,483,070	(1,823,299)	722,569
Non-Operating Revenues:							
Gain on Sale of Capital Assets	-	-	-	-	46,563	-	46,563
Total Non-Operating Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>46,563</u>	<u>-</u>	<u>46,563</u>
Net Income (Loss) Before Transfers	<u>-</u>	<u>(47,309)</u>	<u>110,107</u>	<u>-</u>	<u>2,529,633</u>	<u>(1,823,299)</u>	<u>769,132</u>
Transfers In	-	96,801	-	-	5,767,998	3,293,923	9,158,722
Total Transfers	<u>-</u>	<u>96,801</u>	<u>-</u>	<u>-</u>	<u>5,767,998</u>	<u>3,293,923</u>	<u>9,158,722</u>
Change in Net Assets	-	49,492	110,107	-	8,297,631	1,470,624	9,927,854
Net Assets at Beginning of Year	2,462	2,603,809	-	23	33,340,724	3,518,711	39,465,729
Net Assets at End of Year	<u>\$ 2,462</u>	<u>\$ 2,653,301</u>	<u>\$ 110,107</u>	<u>\$ 23</u>	<u>\$ 41,638,355</u>	<u>\$ 4,989,335</u>	<u>\$ 49,393,583</u>

**COUNTY OF LOUDOUN, VIRGINIA
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY - INTERNAL SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2010**

Central Service Funds

	Duplicating	Telephone	Mail	Support	Vehicle Replacement	Self Insurance	Total
Cash Flows from Operating Activities:							
Receipts from Customers	\$ 1,513,173	\$ 1,207,373	\$ 537,786	\$ 823,419	\$ 7,389,412	\$ 32,354,935	\$ 43,826,098
Payments to Suppliers for Goods and Services	(1,295,977)	(909,590)	(488,931)	(81,575)	19,261	(3,393,413)	(6,150,225)
Claims Paid	-	-	-	-	-	(30,829,907)	(30,829,907)
Payments to Employees	(134,686)	-	-	(745,306)	-	(51,200)	(931,192)
Net Cash Provided by Operating Activities	82,510	297,783	48,855	(3,462)	7,408,673	(1,919,585)	5,914,774
Cash Flows from Noncapital Financing Activities:							
Transfers In	-	96,801	-	-	5,767,998	3,293,923	9,158,722
Net Cash Flows Used in Noncapital Financing Activities	-	96,801	-	-	5,767,998	3,293,923	9,158,722
Cash Flows from Capital and Related Financing Activities:							
Additions to Capital Assets	-	(378,059)	-	-	(8,276,620)	-	(8,654,679)
Proceeds from Sale of Capital Assets	-	-	-	-	307,935	-	307,935
Net Cash Flows from Capital and Related Financing Activities	-	(378,059)	-	-	(7,968,685)	-	(8,346,744)
Net Increase (Decrease) in Cash and Cash Equivalents	82,510	16,525	48,855	(3,462)	5,207,986	1,374,338	6,726,752
Cash and Cash Equivalents (including those held with Fiscal Agents) at Beginning of Year	101,617	1,720,896	-	24,973	12,805,655	11,785,637	26,438,778
Cash and Cash Equivalents (including those held with Fiscal Agents) at End of Year	\$ 184,127	\$ 1,737,421	\$ 48,855	\$ 21,511	\$18,013,641	\$ 13,159,975	\$ 33,165,530

Reconciliation of Operating (Loss) to Net Cash Provided by Operating Activities:

Operating Income (Loss)	\$ -	\$ (47,309)	\$ 110,107	\$ -	\$ 2,483,070	\$ (1,823,299)	\$ 722,569
Adjustment Not Affecting Cash:							
Depreciation	-	343,654	-	-	4,855,588	-	5,199,242
(Increase) Decrease in Assets and Increase (Decrease) in Liabilities:							
Receivables, Net	845	(1,752)	-	-	-	(11)	(918)
Inventory of Supplies	-	-	17,169	(370)	-	-	16,799
Accounts Payable	81,276	3,190	(734)	(1,806)	70,015	289,234	441,175
Due to Other Funds	-	-	(80,727)	-	-	-	(80,727)
Claims Liabilities	-	-	-	-	-	(385,509)	(385,509)
Accrued Liabilities	389	-	3,040	(1,286)	-	-	2,143
Total Adjustments	82,510	345,092	(61,252)	(3,462)	4,925,603	(96,286)	5,192,205
Net Cash Provided by Operating Activities	\$ 82,510	\$ 297,783	\$ 48,855	\$ (3,462)	\$ 7,408,673	\$ (1,919,585)	\$ 5,914,774

Fiduciary Funds

Fiduciary Funds

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

Pension Trust Funds

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

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

Private Purpose Trust Funds

Senior Center Trust Fund - This fund is used to account for monies provided by private donors and other miscellaneous sources, restricted to use for the senior center.

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

Agency Funds

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

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

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

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

COUNTY OF LOUDOUN, VIRGINIA
 COMBINING STATEMENT OF PENSION TRUST NET ASSETS
 AS OF JUNE 30, 2010

	Volunteer Fire and Rescue Fund	OPEB Trust Fund	Total
ASSETS			
Cash and Cash Equivalents	\$ 683,466	\$ -	\$ 683,466
	<u>683,466</u>	<u>-</u>	<u>683,466</u>
Investments, at Fair Value:			
Guaranteed Investment Accounts	11,205,277	-	11,205,277
Investment in Pooled Funds	<u>-</u>	<u>7,802,098</u>	<u>7,802,098</u>
Total Investments	<u>11,205,277</u>	<u>7,802,098</u>	<u>19,007,375</u>
Total Assets	<u>\$ 11,888,743</u>	<u>\$ 7,802,098</u>	<u>\$ 19,690,841</u>
LIABILITIES			
Accounts Payable	\$ -	\$ -	\$ -
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
NET ASSETS			
Held in Trust for Pension Benefits	<u>\$ 11,888,743</u>	<u>\$ 7,802,098</u>	<u>\$ 19,690,841</u>

COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF CHANGES IN PENSION TRUST NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2010

	Volunteer Fire and Rescue Fund	OPEB Trust Fund	Total
ADDITIONS			
Contributions:			
Employer	\$ 682,708	\$ 7,065,382	\$ 7,748,090
Other	-	107,627	107,627
Total Contributions	<u>682,708</u>	<u>7,173,009</u>	<u>7,855,717</u>
Investment Earnings:			
Net Appreciation in Fair Value of Investments	-	242,799	242,799
Interest	505,322	5,748	511,070
Total Investment Earnings	<u>505,322</u>	<u>248,547</u>	<u>753,869</u>
Less Investment Expense:			
Investment Management Fees	-	(8,326)	(8,326)
Net Investment Income	<u>505,322</u>	<u>240,221</u>	<u>745,543</u>
Total Additions	<u>1,188,030</u>	<u>7,413,230</u>	<u>8,601,260</u>
DEDUCTIONS			
Benefits	1,068,959	1,925,324	2,994,283
Administrative Expense	8,000	747,685	755,685
Total Deductions	<u>1,076,959</u>	<u>2,673,009</u>	<u>3,749,968</u>
Change in Net Assets	111,071	4,740,221	4,851,292
Net Assets at Beginning of Year	<u>11,777,672</u>	<u>3,061,877</u>	<u>14,839,549</u>
Net Assets at End of Year	<u><u>\$ 11,888,743</u></u>	<u><u>\$ 7,802,098</u></u>	<u><u>\$ 19,690,841</u></u>

COUNTY OF LOUDOUN, VIRGINIA
COMBINING STATEMENT OF PRIVATE PURPOSE TRUST NET ASSETS
AS OF JUNE 30, 2010

	<u>Senior Center</u>	<u>War Memorial</u>	<u>Total</u>
ASSETS			
Cash and Cash Equivalents	\$ 470	\$ 8,238	\$ 8,708
Total Assets	<u>\$ 470</u>	<u>\$ 8,238</u>	<u>\$ 8,708</u>
LIABILITIES			
Accounts Payable	\$ -	\$ -	\$ -
Total Liabilities	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
NET ASSETS			
Held in Trust for Private Purposes	<u>\$ 470</u>	<u>\$ 8,238</u>	<u>\$ 8,708</u>

COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF CHANGES IN PRIVATE PURPOSE TRUST NET ASSETS
FOR THE YEAR ENDED JUNE 30, 2010

	Senior Center	War Memorial	Total
ADDITIONS			
Contributions:			
Gifts and Donations	-	-	-
Total Contributions	-	-	-
Investment Earnings:			
Interest	-	25	25
Total Investment Earnings	-	25	25
Total Additions	-	25	25
DEDUCTIONS			
Benefits	-	-	-
Total Deductions	-	-	-
Change in Net Assets	-	25	25
Net Assets at Beginning of Year	470	8,213	8,683
Net Assets at End of Year	<u>\$ 470</u>	<u>\$ 8,238</u>	<u>\$ 8,708</u>

COUNTY OF LOUDOUN, VIRGINIA
COMBINING BALANCE SHEET - AGENCY FUND
AS OF JUNE 30, 2010

	Special Welfare	Performance Bonds	Employee Benefits Distribution	ADC Inmate	Total
ASSETS					
Cash and Cash Equivalents	\$ 157,573	\$ 11,405,671	\$ 9,578,002	\$ 212,982	\$ 21,354,228
Cash with Fiscal Agents	-	-	60,000	-	60,000
Accounts Receivable	-	-	21,138	-	21,138
Total Assets	<u>\$ 157,573</u>	<u>\$ 11,405,671</u>	<u>\$ 9,659,140</u>	<u>\$ 212,982</u>	<u>\$ 21,435,366</u>
LIABILITIES					
Accounts Payable	\$ 2,181	\$ 14,016	\$ 9,659,140	\$ 1,250	\$ 9,676,587
Funds Held in Trust for Others	155,392	11,391,655	-	211,732	11,758,779
Total Liabilities	<u>\$ 157,573</u>	<u>\$ 11,405,671</u>	<u>\$ 9,659,140</u>	<u>\$ 212,982</u>	<u>\$ 21,435,366</u>

COUNTY OF LOUDOUN, VIRGINIA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2010

	Balance July 1, 2008	Additions	Deductions	Balance June 30, 2009
<u>Special Welfare Fund</u>				
Assets:				
Cash and Cash Equivalents	\$ 129,874	\$ 207,676	\$ 179,977	\$ 157,573
Total Assets	<u>\$ 129,874</u>	<u>\$ 207,676</u>	<u>\$ 179,977</u>	<u>\$ 157,573</u>
Liabilities:				
Accounts Payable	\$ 11,566	\$ 79,028	\$ 88,413	\$ 2,181
Funds Held in Trust for Others	118,308	128,648	91,564	155,392
Total Liabilities	<u>\$ 129,874</u>	<u>\$ 207,676</u>	<u>\$ 179,977</u>	<u>\$ 157,573</u>
 <u>Performance Bond Fund</u>				
Assets:				
Cash and Cash Equivalents	\$ 10,775,919	\$ 5,638,717	\$ 5,008,965	\$ 11,405,671
Total Assets	<u>\$ 10,775,919</u>	<u>\$ 5,638,717</u>	<u>\$ 5,008,965</u>	<u>\$ 11,405,671</u>
Liabilities:				
Accounts Payable	\$ 64,690	\$ 2,463,599	\$ 2,514,273	\$ 14,016
Funds Held in Trust for Others	10,711,229	3,175,118	2,494,692	11,391,655
Total Liabilities	<u>\$ 10,775,919</u>	<u>\$ 5,638,717</u>	<u>\$ 5,008,965</u>	<u>\$ 11,405,671</u>
 <u>Employee Benefits Distribution Fund</u>				
Assets:				
Cash and Cash Equivalents	\$ 14,475,452	\$ 298,771,389	\$ 303,668,839	\$ 9,578,002
Cash with Fiscal Agents	40,000	60,000	40,000	60,000
Accounts Receivable	21,138	-	-	21,138
Total Assets	<u>\$ 14,536,590</u>	<u>\$ 298,831,389</u>	<u>\$ 303,708,839</u>	<u>\$ 9,659,140</u>
Liabilities:				
Accounts Payable	\$ 14,536,590	\$ 298,831,389	\$ 303,708,839	\$ 9,659,140
Total Liabilities	<u>\$ 14,536,590</u>	<u>\$ 298,831,389</u>	<u>\$ 303,708,839</u>	<u>\$ 9,659,140</u>
 <u>Adult Detention Center (ADC) Inmate Fund</u>				
Assets:				
Cash and Cash Equivalents	\$ 168,624	\$ 828,366	\$ 784,008	\$ 212,982
Total Assets	<u>\$ 168,624</u>	<u>\$ 828,366</u>	<u>\$ 784,008</u>	<u>\$ 212,982</u>
Liabilities:				
Accounts Payable	\$ -	\$ 7,507	\$ 6,257	\$ 1,250
Funds Held in Trust for Others	168,624	820,859	777,751	211,732
Total Liabilities	<u>\$ 168,624</u>	<u>\$ 828,366</u>	<u>\$ 784,008</u>	<u>\$ 212,982</u>
 <u>Totals - All Agency Funds</u>				
Assets:				
Cash and Cash Equivalents	\$ 25,549,869	\$ 305,446,148	\$ 309,641,789	\$ 21,354,228
Cash with Fiscal Agents	40,000	60,000	40,000	60,000
Accounts Receivable	21,138	-	-	21,138
Total Assets	<u>\$ 25,611,007</u>	<u>\$ 305,506,148</u>	<u>\$ 309,681,789</u>	<u>\$ 21,435,366</u>
Liabilities:				
Accounts Payable	\$ 14,612,846	\$ 301,381,523	\$ 306,317,782	\$ 9,676,587
Funds Held in Trust for Others	10,998,161	4,124,625	3,364,007	11,758,779
Total Liabilities	<u>\$ 25,611,007</u>	<u>\$ 305,506,148</u>	<u>\$ 309,681,789</u>	<u>\$ 21,435,366</u>



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Component Unit - School Board Funds

Component Unit - School Board Funds

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

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

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

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

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

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

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

**COUNTY OF LOUDOUN, VIRGINIA
BALANCE SHEET
COMPONENT UNIT - SCHOOL BOARD
JUNE 30, 2010**

				Other Governmental Funds			
	General	Capital Projects	Special Revenue	Capital Asset Replacement	Debt Service	Permanent Peabody	Total School Board
ASSETS							
Cash and Cash Equivalents	\$ 98,021,684	\$ 36,475,798	\$ 2,287,735	\$ 6,166,539	\$ 2,817,028	\$ 36,818	\$ 145,805,602
Cash and Investments with Fiscal Agents	1,684,771	95,416,956	-	-	-	-	97,101,727
Receivables, Net:							
Accounts	111,262	2,097	47,995	-	-	-	161,354
Dues from Other Governments	20,004,139	-	353,313	-	-	-	20,357,452
Advances to Employees	280	-	-	-	-	-	280
Inventory of Supplies	-	-	328,618	-	-	-	328,618
Prepaid Items	371,696	75,000	790	-	-	-	447,486
Total Assets	\$ 120,193,832	\$ 131,969,851	\$ 3,018,451	\$ 6,166,539	\$ 2,817,028	\$ 36,818	\$ 264,202,519
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts Payable	\$ 4,315,025	\$ 17,460,214	\$ 72,419	\$ 198,791	\$ -	\$ -	\$ 22,046,449
Retainage Payable	-	6,307,098	-	-	-	-	6,307,098
Accrued Liabilities	46,277,088	6,038	1,118,373	-	-	-	47,401,499
Deferred Revenue - Other	2,347,684	-	463,899	-	-	-	2,811,583
Other Liabilities	60,771	-	-	-	-	-	60,771
Total Liabilities	53,000,568	23,773,350	1,654,691	198,791	-	-	78,627,400
Fund Balances:							
Reserved for:							
Prepaid Items	371,696	75,000	790	-	-	-	447,486
Encumbrances	4,735,124	48,334,893	-	1,096,535	-	-	54,166,552
Permanent Fund - Expendable	-	-	-	-	-	1,097	1,097
Permanent Fund - Nonexpendable	-	-	-	-	-	35,721	35,721
Unreserved, reported in:							
Operating:							
Designated for Fiscal Reserve	21,251,835	-	-	-	-	-	21,251,835
Designated for Cafeteria Sales	-	-	1,362,970	-	-	-	1,362,970
Undesignated	40,834,609	-	-	-	-	-	40,834,609
Capital Projects Funds:							
Designated for Capital Appropriations	-	59,786,608	-	-	-	-	59,786,608
Capital Assets Funds:							
Designated for Capital Appropriations	-	-	-	4,871,213	-	-	4,871,213
Debt Service Fund:							
Designated for Future Debt Service	-	-	-	-	2,817,028	-	2,817,028
Total Fund Balances	67,193,264	108,196,501	1,363,760	5,967,748	2,817,028	36,818	185,575,119
Total Liabilities and Fund Balances	\$ 120,193,832	\$ 131,969,851	\$ 3,018,451	\$ 6,166,539	\$ 2,817,028	\$ 36,818	\$ 264,202,519

COUNTY OF LOUDOUN, VIRGINIA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
COMPONENT UNIT - SCHOOL BOARD
FOR THE YEAR ENDED JUNE 30, 2010

	Other Governmental Funds						Total
	General	Capital Projects	Special Revenue	Capital Asset Replacement	Debt Service	Permanent Peabody	School Board
REVENUES							
Use of Money and Property	\$ 1,644,815	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,644,815
Charges for Services	2,184,240	-	14,435,359	-	-	-	16,619,599
Gifts and Donations	962,159	-	-	-	-	-	962,159
Miscellaneous	1,348,182	1,671	-	-	-	-	1,349,853
Recovered Costs	1,491,312	1,805	-	-	-	-	1,493,117
Intergovernmental - Commonwealth	168,183,563	-	283,204	-	-	-	168,466,767
Intergovernmental - Federal	36,522,793	-	5,431,139	-	-	-	41,953,932
Payments from Primary Government	513,117,547	48,281,909	140,000	1,400,000	11,517,032	-	574,456,488
Total Revenues	725,454,611	48,285,385	20,289,702	1,400,000	11,517,032	-	806,946,730
EXPENDITURES							
Current Operating:							
Education	709,696,403	87,766	19,590,724	3,452,132	-	745	732,827,770
Payments to Primary Government	9,540,778	6,237,354	900,000	-	-	-	16,678,132
Capital Outlay	-	120,813,979	-	78,998	-	-	120,892,977
Debt service:							
Principal Payments	-	-	-	-	10,630,454	-	10,630,454
Interest and Service Charges	-	-	-	-	824,868	-	824,868
Transfer to Other Funds	2,307,825	-	-	-	-	-	2,307,825
Total Expenditures	721,545,006	127,139,099	20,490,724	3,531,130	11,455,322	745	884,162,026
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,909,605	(78,853,714)	(201,022)	(2,131,130)	61,710	(745)	(77,215,296)
OTHER FINANCING SOURCES (USES)							
Lease/Purchase Financing	6,363,000	-	-	-	-	-	6,363,000
Sales of Capital Assets	181,286	-	-	-	-	-	181,286
Total Other Financing Sources (Uses)	6,544,286	-	-	-	-	-	6,544,286
Net Change in Fund Balances	10,453,891	(78,853,714)	(201,022)	(2,131,130)	61,710	(745)	(70,671,010)
Fund Balances at Beginning of Year	56,739,373	187,050,215	1,564,782	8,098,878	2,755,318	37,563	256,246,129
Fund Balances at End of Year	\$ 67,193,264	\$ 108,196,501	\$ 1,363,760	\$ 5,967,748	\$ 2,817,028	\$ 36,818	\$ 185,575,119

COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
COMPONENT UNIT - SCHOOL BOARD
SCHOOL GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Use of Money and Property	\$ 1,830,100	\$ 1,644,815	\$ (185,285)
Charges for Services	2,165,275	2,184,240	18,965
Gifts and Donations	961,159	962,159	1,000
Miscellaneous	1,571,854	1,348,182	(223,672)
Recovered Costs	506,760	1,491,312	984,552
Intergovernmental - Commonwealth	177,615,749	168,183,563	(9,432,186)
Intergovernmental - Federal	30,120,232	36,522,793	6,402,561
Sales of Capital Assets	-	181,286	181,286
Payment from Primary Government	513,117,547	513,117,547	-
Lease/Purchase Financing	6,363,000	6,363,000	-
Amounts Available for Appropriation	<u>734,251,676</u>	<u>731,998,897</u>	<u>(2,252,779)</u>
Charges to Appropriations (Outflows)			
Education	760,954,337	709,696,403	51,257,934
Nondepartmental:			
Transfers to Other Funds	-	2,307,825	(2,307,825)
Payment to Primary Government	2,000,000	9,540,778	(7,540,778)
Total Charges to Appropriations	<u>762,954,337</u>	<u>721,545,006</u>	<u>41,409,331</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	(28,702,661)	10,453,891	39,156,552
Fund Balance at Beginning of Year	56,739,373	56,739,373	-
Fund Balance at End of Year	<u>\$ 28,036,712</u>	<u>\$ 67,193,264</u>	<u>\$ 39,156,552</u>

COUNTY OF LOUDOUN, VIRGINIA
BUDGETARY COMPARISON SCHEDULE
COMPONENT UNIT - SCHOOL BOARD
SCHOOL SPECIAL REVENUE FUND
FOR THE YEAR ENDED JUNE 30, 2010

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Charges for Services	\$ 18,037,884	\$ 14,435,359	\$ (3,602,525)
Miscellaneous	6,000	-	(6,000)
Intergovernmental - Commonwealth	253,935	283,204	29,269
Intergovernmental - Federal	4,583,611	5,431,139	847,528
Payment from Primary Government	140,000	140,000	-
Amounts Available for Appropriation	<u>23,021,430</u>	<u>20,289,702</u>	<u>(2,731,728)</u>
Charges to Appropriations (Outflows)			
Education	23,021,430	19,590,724	3,430,706
Nondepartmental:			
Payment to Primary Government	-	900,000	(900,000)
Total Charges to Appropriations	<u>23,021,430</u>	<u>20,490,724</u>	<u>2,530,706</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	(201,022)	(201,022)
Fund Balance at Beginning of Year	1,564,782	1,564,782	-
Fund Balance at End of Year	<u>\$ 1,564,782</u>	<u>\$ 1,363,760</u>	<u>\$ (201,022)</u>

COUNTY OF LOUDOUN, VIRGINIA
 BUDGETARY COMPARISON SCHEDULE
 COMPONENT UNIT - SCHOOL BOARD
 SCHOOL CAPITAL PROJECTS FUND
 FOR THE YEAR ENDED JUNE 30, 2010

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Use of Money and Property	\$ 2,411	\$ -	\$ (2,411)
Charges for Services	-	-	-
Miscellaneous	60,475	1,671	(58,804)
Recovered Costs	1,805	1,805	-
Payment from Primary Government	\$ (3,780,773)	\$ 48,281,909	\$ 52,062,682
Amounts Available for Appropriation	<u>(3,716,082)</u>	<u>48,285,385</u>	<u>52,001,467</u>
Charges to Appropriations (Outflows)			
Education	-	87,766	(87,766)
Capital Outlay	(10,805,847)	120,813,979	(131,619,826)
Nondepartmental:			
Transfers to Other Funds	2,411	-	2,411
Payment to Primary Government	6,837,354	6,237,354	600,000
Total Charges to Appropriations	<u>(3,966,082)</u>	<u>127,139,099</u>	<u>(131,105,181)</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	250,000	(78,853,714)	(79,103,714)
Fund Balance at Beginning of Year	187,050,215	187,050,215	-
Fund Balance at End of Year	<u>\$ 187,300,215</u>	<u>\$ 108,196,501</u>	<u>\$ (79,103,714)</u>

COUNTY OF LOUDOUN, VIRGINIA
 BUDGETARY COMPARISON SCHEDULE
 COMPONENT UNIT - SCHOOL BOARD
 SCHOOL CAPITAL ASSET REPLACEMENT FUND
 FOR THE YEAR ENDED JUNE 30, 2010

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Payment from Primary Government	\$ 1,400,000	\$ 1,400,000	\$ -
Amounts Available for Appropriation	<u>1,400,000</u>	<u>1,400,000</u>	<u>-</u>
Charges to Appropriations (Outflows)			
Education	1,182,161	3,452,132	(2,269,971)
Capital Outlay	217,839	78,998	138,841
Total Charges to Appropriations	<u>1,400,000</u>	<u>3,531,130</u>	<u>(2,131,130)</u>
Excess (Deficiency) of Resources Over			
Charges to Appropriations	-	(2,131,130)	(2,131,130)
Fund Balance at Beginning of Year	8,098,878	8,098,878	-
Fund Balance at End of Year	<u><u>\$ 8,098,878</u></u>	<u><u>\$ 5,967,748</u></u>	<u><u>\$ (2,131,130)</u></u>

COUNTY OF LOUDOUN, VIRGINIA
 BUDGETARY COMPARISON SCHEDULE
 COMPONENT UNIT - SCHOOL BOARD
 SCHOOL DEBT SERVICE FUND
 FOR THE YEAR ENDED JUNE 30, 2010

	Final Budgeted Amount	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (Inflows)			
Transfers from Other Funds	\$ 2,411	\$ -	\$ (2,411)
Payment from Primary Government	11,517,032	11,517,032	-
Amounts Available for Appropriation	<u>11,519,443</u>	<u>11,517,032</u>	<u>(2,411)</u>
Charges to Appropriations (Outflows)			
Nondepartmental:			
Debt Service	11,519,443	11,455,322	64,121
Total Charges to Appropriations	<u>11,519,443</u>	<u>11,455,322</u>	<u>64,121</u>
Excess (Deficiency) of Resources Over Charges to Appropriations	-	61,710	61,710
Fund Balance at Beginning of Year	2,755,318	2,755,318	-
Fund Balance at End of Year	<u>\$ 2,755,318</u>	<u>\$ 2,817,028</u>	<u>\$ 61,710</u>

COUNTY OF LOUDOUN, VIRGINIA
COMBINING STATEMENT OF PROPRIETARY NET ASSETS
COMPONENT UNIT - SCHOOL BOARD
FOR THE YEAR ENDED JUNE 30, 2010

	Central Service Fund	Self Insurance Fund	Total
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 3,760,112	\$ 20,864,088	\$ 24,624,200
Cash with Fiscal Agents	-	2,378,000	2,378,000
Receivables, Net	-	73,827	73,827
Due from Other Governments	-	50,000	50,000
Inventory of Supplies	514,712	-	514,712
Total Current Assets	<u>4,274,824</u>	<u>23,365,915</u>	<u>27,640,739</u>
Noncurrent Assets:			
Capital Assets:			
Depreciable, Net	220,012	-	220,012
Total Noncurrent Assets	<u>220,012</u>	<u>-</u>	<u>220,012</u>
Total Assets	<u>\$ 4,494,836</u>	<u>\$ 23,365,915</u>	<u>\$ 27,860,751</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	\$ 343,065	\$ 2,650,517	\$ 2,993,582
Claims Liabilities	-	6,626,819	6,626,819
Total Current Liabilities	<u>343,065</u>	<u>9,277,336</u>	<u>9,620,401</u>
Noncurrent Liabilities:			
Claims Liabilities	-	1,727,370	1,727,370
Total Noncurrent Liabilities	<u>-</u>	<u>1,727,370</u>	<u>1,727,370</u>
Total Liabilities	<u>\$ 343,065</u>	<u>\$ 11,004,706</u>	<u>\$ 11,347,771</u>
NET ASSETS			
Net Assets, Invested in			
Capital Assets	\$ 220,012	\$ -	\$ 220,012
Unrestricted	3,931,759	12,361,209	16,292,968
Total Net Assets	<u>\$ 4,151,771</u>	<u>\$ 12,361,209</u>	<u>\$ 16,512,980</u>

COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF CHANGES IN PROPRIETARY NET ASSETS
COMPONENT UNIT - SCHOOL BOARD
FOR THE YEAR ENDED JUNE 30, 2010

	Central Service Fund	Self Insurance Fund	Total
Operating Revenues:			
Charges for services	\$ 16,933,445	\$ 94,026,104	\$ 110,959,549
Use of property	14,681	-	14,681
Total Operating Revenues	<u>16,948,126</u>	<u>94,026,104</u>	<u>110,974,230</u>
Operating Expenses:			
Personnel services	4,749,830	-	4,749,830
Other services and charges	1,236,839	6,677,832	7,914,671
Materials and supplies	8,926,056	-	8,926,056
Depreciation	43,407	-	43,407
Claims	-	85,646,888	85,646,888
Total Operating Expenses	<u>14,956,132</u>	<u>92,324,720</u>	<u>107,280,852</u>
Operating Income (Loss)	1,991,994	1,701,384	3,693,378
Non-Operating Revenues:			
Gain on Sale of Capital Assets	(11,289)	-	(11,289)
Total Non-Operating Revenues	<u>(11,289)</u>	<u>-</u>	<u>(11,289)</u>
Net Income (Loss) Before Transfers	<u>1,980,705</u>	<u>1,701,384</u>	<u>3,682,089</u>
Transfers In	-	2,307,825	2,307,825
Total Transfers	<u>-</u>	<u>2,307,825</u>	<u>2,307,825</u>
Change in Net Assets	1,980,705	4,009,209	5,989,914
Net Assets at Beginning of Year	2,171,066	8,352,000	10,523,066
Net Assets at End of Year	<u><u>\$ 4,151,771</u></u>	<u><u>\$ 12,361,209</u></u>	<u><u>\$ 16,512,980</u></u>

COUNTY OF LOUDOUN, VIRGINIA
 COMBINING STATEMENT OF CASH FLOWS
 PROPRIETARY - INTERNAL SERVICE FUNDS
 COMPONENT UNIT - SCHOOL BOARD
 FOR THE YEAR ENDED JUNE 30, 2010

	Central Service Fund	Self Insurance Fund	Total
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 16,948,950	\$ 94,005,746	\$ 110,954,696
Payments to Suppliers for Goods and Services	(10,144,728)	(6,185,841)	(16,330,569)
Claims Paid	-	(85,929,089)	(85,929,089)
Payments to Employees	(4,751,001)	-	(4,751,001)
Net Cash Provided by Operating Activities	<u>2,053,221</u>	<u>1,890,816</u>	<u>3,944,037</u>
Cash Flows from Noncapital Financing Activities:			
Transfers In	-	2,307,825	2,307,825
Net Cash Flows Used in Noncapital Financing Activities	<u>-</u>	<u>2,307,825</u>	<u>2,307,825</u>
Cash Flows from Capital and Related Financing Activities:			
Additions to Capital Assets	(36,802)	-	(36,802)
Net Cash Flows from Capital and Related Financing Activities	<u>(36,802)</u>	<u>-</u>	<u>(36,802)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	2,016,419	4,198,641	6,215,060
Cash and Cash Equivalents (including those held with Fiscal Agents) at Beginning of Year	1,743,693	19,043,447	20,787,140
Cash and Cash Equivalents (including those held with Fiscal Agents) at End of Year	<u>\$ 3,760,112</u>	<u>\$ 23,242,088</u>	<u>\$ 27,002,200</u>

Reconciliation of Operating (Loss) to Net Cash Provided by Operating Activities:

Operating Income (Loss)	\$ 1,991,994	\$ 1,701,384	\$ 3,693,378
Adjustment Not Affecting Cash:			
Depreciation	43,407	-	43,407
(Increase) Decrease in Assets and Increase (Decrease) in Liabilities:			
Receivable, Net	824	29,642	30,466
Inventory of Supplies	(70,810)	-	(70,810)
Accounts Payable	88,977	491,991	580,968
Claims Liabilities	-	(282,201)	(282,201)
Accrued Liabilities	(1,171)	-	(1,171)
Total Adjustments	<u>61,227</u>	<u>239,432</u>	<u>300,659</u>
Net Cash Provided by Operating Activities	<u>\$ 2,053,221</u>	<u>\$ 1,940,816</u>	<u>\$ 3,994,037</u>

COUNTY OF LOUDOUN, VIRGINIA
COMBINING STATEMENT OF PENSION TRUST NET ASSETS
COMPONENT UNIT - SCHOOL BOARD
FOR THE YEAR ENDED JUNE 30, 2010

	<u>OPEB Trust Fund</u>
ASSETS	
Investments, at Fair Value:	
Investments in Pooled Funds	\$ 18,230,756
Total Investments	<u>18,230,756</u>
Total Assets	<u>\$ 18,230,756</u>
LIABILITIES	
Accounts Payable	\$ -
Total Liabilities	<u>\$ -</u>
NET ASSETS	
Held in Trust for Pension Benefits	<u>\$ 18,230,756</u>

COUNTY OF LOUDOUN, VIRGINIA
STATEMENT OF CHANGES IN PENSION TRUST NET ASSETS
COMPONENT UNIT - SCHOOL BOARD
FOR THE YEAR ENDED JUNE 30, 2010

	<u>OPEB Trust Fund</u>
ADDITIONS	
Contributions:	
Employer	\$ 14,994,968
Other	<u>142,322</u>
Total Contributions	<u>15,137,290</u>
Investment Earnings:	
Net Appreciation in Fair Value of Investments	567,336
Interest	<u>13,478</u>
Total Investment Earnings	<u>580,814</u>
Less Investment Expense:	
Investment Management Fees	<u>(19,442)</u>
Net Investment Income	<u>561,372</u>
Total Additions	<u>15,698,662</u>
 DEDUCTIONS	
Benefits	3,271,455
Administrative Expense	<u>1,379,724</u>
Total Deductions	<u>4,651,179</u>
 Change in Net Assets	 11,047,483
 Net Assets at Beginning of Year	 <u>7,183,273</u>
Net Assets at End of Year	<u><u>\$ 18,230,756</u></u>

COUNTY OF LOUDOUN, VIRGINIA
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - AGENCY FUNDS
 COMPONENT UNIT - SCHOOL BOARD
 FOR THE YEAR ENDED JUNE 30, 2010

	Balance July 1, 2009	Additions	Deductions	Balance June 30, 2010
<u>School Activity Fund</u>				
Assets:				
Cash and Temporary Investments	\$ 4,873,759	\$ 12,981,892	\$ 12,762,433	\$ 5,093,218
Total Assets	<u>\$ 4,873,759</u>	<u>\$ 12,981,892</u>	<u>\$ 12,762,433</u>	<u>\$ 5,093,218</u>
Liabilities:				
Collections Held in Trust	\$ 4,873,759	\$ 12,981,892	\$ 12,762,433	\$ 5,093,218
Total Liabilities	<u>\$ 4,873,759</u>	<u>\$ 12,981,892</u>	<u>\$ 12,762,433</u>	<u>\$ 5,093,218</u>

Capital Assets

Capital Assets

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

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

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

**COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF CAPITAL ASSETS BY SOURCES
AT JUNE 30, 2010**

CAPITAL ASSETS

Land	\$ 117,299,515
Buildings	228,598,250
Improvements Other Than Buildings	15,229,237
Equipment	149,033,221
Infrastructure	425,403,829
Construction in Progress	114,129,823
Total Current Assets	<u>1,049,693,875</u>
Less Accumulated Depreciation	<u>(203,225,953)</u>
Net Capital Assets	<u><u>\$ 846,467,922</u></u>

INVESTMENTS IN CAPITAL ASSETS

General Fund	\$ 380,433,341
Special Revenue Fund	14,424,412
Capital Projects Fund	118,989,211
Donations	481,966,989
Internal Service Fund	53,879,922
Total Investments in Capital Assets	<u>1,049,693,875</u>
Less Accumulated Depreciation	<u>(203,225,953)</u>
Net Capital Assets	<u><u>\$ 846,467,922</u></u>

**COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF CAPITAL ASSETS
BY FUNCTION AND ACTIVITY
AT JUNE 30, 2010**

Function and Program	Land	Buildings	Improvements other than Buildings	Machinery and Equipment	Infrastructure	Total
General Government Administration:						
Legislative	\$ 13,923,200	\$ 1,046,922	\$ -	\$ -	\$ -	\$ 14,970,122
General and Financial Administration	3,555,475	34,046,643	-	100,347,803	-	137,949,921
Elections Administration	-	-	-	479,968	-	479,968
Total General Government	17,478,675	35,093,565	-	100,827,771	-	153,400,011
Judicial Administration:						
Courts	398,112	33,967,319	-	1,504,882	-	35,870,313
Commonwealth's Attorney	-	-	-	9,300	-	9,300
Total judicial Administration	398,112	33,967,319	-	1,514,182	-	35,879,613
Public Safety:						
Law Enforcement and Traffic Control	4,880,557	4,295,143	-	10,275,360	477,550	19,928,610
Fire and Rescue Services	31,710,569	26,886,063	-	10,509,016	921,969	70,027,617
Corrections and Detention	264,996	29,810,401	-	218,702	-	30,294,099
Inspections	-	-	-	35,000	-	35,000
Other Protection	17,637	1,777,854	-	29,236	-	1,824,727
Total Public Safety	36,873,759	62,769,461	-	21,067,314	1,399,519	122,110,053
Public Works:						
Sanitation and Waste Removal	18,307,219	1,128,000	270,479	16,479,498	423,411,775	459,596,971
Maintenance of General Building and Ground	7,009,423	2,096,545	-	415,634	211,690	9,733,292
Total public Works	25,316,642	3,224,545	270,479	16,895,132	423,623,465	469,330,263
Health and Welfare:						
Health	-	-	-	75,936	-	75,936
Mental Health and Mental Retardation	1,252,364	6,422,185	26,789	202,924	-	7,904,262
Welfare and Social Services	2,816,242	20,677,276	-	1,406,154	-	24,899,672
Total Health and Welfare	4,068,606	27,099,461	26,789	1,685,014	-	32,879,870
Parks, Recreation and Culture:						
Parks and Recreation	22,002,459	34,415,046	14,931,969	3,041,614	380,845	74,771,933
Library	4,123,234	30,802,217	-	2,523,423	-	37,448,874
Total Parks, Recreation and Culture	26,125,693	65,217,263	14,931,969	5,565,037	380,845	112,220,807
Community Development:						
Planning, Community Development and Economic Development	7,038,028	1,226,636	-	1,454,207	-	9,718,871
Environmental Management	-	-	-	24,564	-	24,564
Total Community Development	7,038,028	1,226,636	-	1,478,771	-	9,743,435
Total Capital Assets Allocation to Functions	117,299,515	228,598,250	15,229,237	149,033,221	425,403,829	935,564,052
Less: Accumulated Depreciation	-	(38,559,099)	(12,119,946)	(85,037,217)	(67,509,691)	(203,225,953)
Total	\$ 117,299,515	\$ 190,039,151	\$ 3,109,291	\$ 63,996,004	\$ 357,894,138	732,338,099
Contruction in Progress						114,129,823
Total Capital Assets						\$ 846,467,922

**COUNTY OF LOUDOUN, VIRGINIA
SCHEDULE OF CHANGES IN CAPITAL ASSETS
BY FUNCTION AND ACTIVITY
YEAR ENDED JUNE 30, 2010**

Function and Program	Fixed Assets July 1, 2009	Additions	Deductions	Transfers In / (Out)	Fixed Assets June 30, 2010
General Government Administration:					
Legislative	\$ 14,970,122	\$ -	\$ -	\$ -	\$ 14,970,122
General and Financial Administration	107,306,043	8,256,830	2,586,170	24,973,218	137,949,921
Elections Administration	473,874	-	-	6,094	479,968
Total General Government	122,750,039	8,256,830	2,586,170	24,979,312	153,400,011
Judicial Administration:					
Courts	32,524,342	75,279	-	3,270,692	35,870,313
Commonwealth's Attorney	9,300	-	-	-	9,300
Total judicial Administration	32,533,642	75,279	-	3,270,692	35,879,613
Public Safety:					
Law Enforcement and Traffic Control	13,912,301	237,532	13,919	5,792,696	19,928,610
Fire and Rescue Services	61,713,752	60,948,585	452,892	(52,181,828)	70,027,617
Corrections and Detention	4,587,404	-	5,675	25,712,370	30,294,099
Inspections	35,000	-	-	-	35,000
Other Protection	1,833,946	-	-	(9,219)	1,824,727
Total Public Safety	82,082,403	61,186,117	472,486	(20,685,981)	122,110,053
Public Works:					
Sanitation and Waste Removal	454,993,981	10,626,650	9,913	(6,013,747)	459,596,971
Maintenance of General Building and Ground	9,690,649	21,757	-	20,886	9,733,292
Total public Works	464,684,630	10,648,407	9,913	(5,992,861)	469,330,263
Health and Welfare:					
Health	68,266	13,029	5,359	-	75,936
Mental Health and Mental Retardation	6,394,773	10,432	-	1,499,057	7,904,262
Welfare and Social Services	17,738,161	13,894	-	7,147,617	24,899,672
Total Health and Welfare	24,201,200	37,355	5,359	8,646,674	32,879,870
Parks, Recreation and Culture:					
Parks and Recreation	69,633,283	671,011	166,673	4,634,312	74,771,933
Cultural Enrichment	-	-	-	-	-
Library	27,152,718	224,666	-	10,071,490	37,448,874
Total Parks, Recreation and Culture	96,786,001	895,677	166,673	14,705,802	112,220,807
Community Development:					
Planning, Community Development and Economic Development	6,063,330	40,330	14,259	3,629,470	9,718,871
Environmental Management	24,564	-	-	-	24,564
Total Community Development	6,087,894	40,330	14,259	3,629,470	9,743,435
Total Capital Assets Allocation to Function	829,125,809	81,139,995	3,254,860	28,553,108	935,564,052
Construction in Progress	142,682,931	-	-	(28,553,108)	114,129,823
Total	971,808,740	81,139,995	3,254,860	-	1,049,693,875
Less: Accumulated Depreciation	(182,207,118)	(23,824,739)	(2,805,904)	-	(203,225,953)
Net Capital Assets	\$ 789,601,622	\$ 57,315,256	\$ 448,956	\$ -	\$ 846,467,922

STATISTICAL SECTION

STATISTICAL SECTION (1)

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

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	128
Revenue Capacity These schedules contain information to help the reader assess the County's significant local revenue sources, the property tax, as well as other revenue sources.	132
Debt Capacity These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.	137
Economic and Demographic Information which the County's financial activities take place and to help make comparisons over time and with other governments.	140
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.	142

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

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

COUNTY OF LOUDOUN, VIRGINIA

NET ASSETS BY COMPONENT

(accrual basis of accounting)

	Fiscal Years				
	2010	2009	2008	2007	2006
Primary government:					
Invested in Capital Assets, Net of Related Debt	\$ 585,178,496	\$ 527,364,157	\$ 489,043,054	\$ 485,203,057	\$ 450,622,376
Restricted	117,028,380	140,839,102	120,692,734	104,274,450	58,775,047
Unrestricted	(574,814,326)	(588,919,383)	(514,969,805)	(570,530,797)	(452,463,564)
Total Primary Government Net Assets	127,392,550	79,283,876	94,765,983	18,946,710	56,933,859
Component Unit: (1)					
Invested in Capital Assets, Net of Related Debt	1,218,969,901	1,118,111,822	1,074,201,984	948,053,632	854,667,866
Restricted	95,452,677	160,182,948	94,027,547	194,986,560	132,512,303
Unrestricted	8,838,292	25,363,594	56,218,412	56,951,907	62,921,591
Total Component Unit Net Assets	1,323,260,870	1,303,658,364	1,224,447,943	1,199,992,099	1,050,101,760
Total Reporting Entity: (2)					
Invested in Capital Assets, Net of Related Debt	873,938,252	720,468,499	743,562,715	498,936,494	194,886,496
Restricted	212,481,057	301,059,613	214,720,281	299,261,010	191,287,350
Unrestricted	364,234,111	361,314,128	360,930,930	420,741,305	413,025,169
Total Reporting Entity Net Assets	\$ 1,450,653,420	\$ 1,382,842,240	\$ 1,319,213,926	\$ 1,218,938,809	\$ 799,199,015

(1) Component unit net asset components are included in this table due to School Board being a significant portion of the County. In Virginia, the County issues debt to finance the construction of school facilities for the School Board because the School Board do not have borrowing or taxing authority.

(2) The sum of the rows does not equal the Total Reporting Entity row because the debt related to the School Board Component Unit is reflected in the Primary Government's Net Asset row reducing unrestricted net assets. The assets are reflected in the School Board Component Unit row as Invested in Capital Assets, net of related debt. The Total Reporting Entity row matches the asset with the debt and reports the net amount on the Invested in Capital Assets, net of related debt line.

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

	Fiscal Years				
	2010	2009	2008	2007	2006
Primary government:					
Expenses					
General government administration	\$ 62,275,751	\$ 62,794,860	\$ 54,163,097	\$ 48,641,131	\$ 42,390,229
Judicial administration	13,084,786	12,175,981	12,415,109	11,206,162	9,421,505
Public safety	135,811,664	146,120,323	133,916,663	117,055,912	104,510,514
Public works	83,018,922	89,886,977	62,113,825	47,266,712	25,304,009
Health and welfare	83,308,597	82,564,565	84,210,143	75,735,343	71,913,073
Parks, recreation and culture	44,790,131	47,984,817	47,532,636	40,930,646	38,482,645
Community development	36,448,585	38,613,816	34,967,931	36,666,748	32,264,015
Education	558,227,063	648,732,511	548,330,118	613,870,706	555,326,309
Interest and other debt service charges	42,984,767	38,106,182	44,058,386	38,586,954	37,448,682
Total primary government expenses	\$ 1,059,950,266	\$ 1,166,980,032	\$ 1,021,707,908	\$ 1,029,960,314	\$ 917,060,981
Program Revenues					
Charges for services:					
General government administration	\$ 910,614	\$ 606,793	\$ 677,837	\$ 1,307,134	\$ 1,513,538
Judicial administration	1,625,414	1,917,761	2,169,739	2,768,699	3,986,859
Public safety	9,726,430	10,178,142	11,623,822	11,613,689	16,623,902
Public works	8,237,790	7,425,096	6,207,081	5,132,341	4,007,114
Health and welfare	6,733,728	7,427,949	8,747,922	7,463,705	7,524,397
Parks, recreation and culture	15,771,925	13,596,218	12,988,787	10,651,233	10,141,694
Community development	7,491,838	8,441,084	13,102,383	13,531,332	13,080,279
Education	4,188	61,609	205,369	261,219	195,665
Operating grants and contributions	69,632,131	65,454,346	58,817,127	55,204,835	54,198,572
Capital grants and contributions	17,632,716	50,436,513	37,425,105	12,012,850	323,674,706
Total primary government program revenues	\$ 137,766,774	\$ 165,545,511	\$ 151,965,172	\$ 119,947,037	\$ 434,946,726
Total primary government net expense (1)	\$ (922,183,492)	\$ (1,001,434,521)	\$ (869,742,736)	\$ (910,013,277)	\$ (482,114,255)
General Revenues and Other Changes in Net Assets					
Taxes:					
Property taxes	\$ 779,918,323	\$ 780,314,126	\$ 739,793,194	\$ 657,976,780	\$ 589,577,533
Local sales and use taxes	57,604,972	55,353,088	57,209,778	54,099,950	53,558,311
Consumer utility taxes	20,087,509	19,891,260	20,940,326	19,263,192	17,131,137
Business license taxes	23,076,923	25,552,292	25,464,522	26,718,562	25,782,305
Franchise license taxes	503,990	424,254	-	857,820	1,545,845
Motor vehicle licenses	5,486,343	5,313,822	5,189,600	5,064,223	4,897,059
Bank franchise taxes	1,098,270	585,119	365,769	465,944	530,806
Taxes on recordation and wills	7,424,426	7,401,252	9,166,347	12,944,088	18,106,921
Hotel and motel room taxes	4,748,883	5,572,925	5,995,828	5,664,725	5,313,708
Interest and investment earnings	4,354,103	12,778,635	25,083,075	24,839,817	16,680,416
Unrestricted grants and contributions	64,333,552	64,279,639	68,754,567	63,336,342	65,325,019
Miscellaneous	1,654,872	2,104,896	2,370,314	794,685	218,978
Special Item	-	6,381,106	-	-	-
Total primary government general revenues	\$ 970,292,166	\$ 985,952,414	\$ 960,333,320	\$ 872,026,128	\$ 798,668,038
Change in Net Assets	\$ 48,108,674	\$ (15,482,107)	\$ 90,590,584	\$ (37,987,149)	\$ 316,553,783

(1)

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

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

	Fiscal Years				
	2010	2009	2008	2007	2006
General Fund:					
Reserved	\$ 13,868,810	\$ 13,116,086	\$ 11,316,291	\$ 14,568,061	\$ 13,594,685
Unreserved					
Designated	105,275,591	105,123,783	99,502,387	91,334,925	89,415,523
Undesignated	67,943,097	42,653,142	46,250,909	57,711,167	68,641,407
Total General Fund	<u>\$ 187,087,498</u>	<u>\$ 160,893,011</u>	<u>\$ 157,069,587</u>	<u>\$ 163,614,153</u>	<u>\$ 171,651,615</u>
Other Governmental Funds:					
Reserved	\$ 33,507,606	\$ 80,629,313	\$ 82,116,013	\$ 23,271,448	\$ 26,468,393
Unreserved					
Designated:					
Special Revenue Funds	284,933	-	-	1,244,469	350,000
Capital Project Funds	146,563,440	135,914,520	75,864,057	146,568,818	93,244,558
Debt Service Fund	16,680,990	19,116,001	23,324,983	27,321,218	33,378,305
Undesignated:					
Special Revenue Funds	135,382,447	126,253,942	117,590,281	109,464,235	90,708,497
Total Other Governmental Funds	<u>\$ 332,419,416</u>	<u>\$ 361,913,776</u>	<u>\$ 298,895,334</u>	<u>\$ 307,870,188</u>	<u>\$ 244,149,753</u>
Total Governmental Funds	<u><u>\$ 519,506,914</u></u>	<u><u>\$ 522,806,787</u></u>	<u><u>\$ 455,964,921</u></u>	<u><u>\$ 471,484,341</u></u>	<u><u>\$ 415,801,368</u></u>

TABLE D

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

	Fiscal Years				
	2010	2009	2008	2007	2006
Revenues					
General property taxes	\$ 780,886,551	\$ 777,764,635	\$ 741,296,705	\$ 653,847,833	\$ 586,523,922
Other local taxes	120,031,316	120,094,012	124,332,170	125,084,324	127,126,072
Permits and licenses	10,791,655	11,844,637	15,023,716	15,301,258	20,885,155
Use of money and property	2,539,918	2,545,492	2,069,644	1,938,316	2,056,027
Fines and forfeitures	5,806,890	15,356,324	30,090,220	29,738,479	19,935,999
Charges for services	26,227,611	25,121,561	24,898,207	23,232,267	23,354,171
Gifts and donations	23,607,010	16,038,282	20,225,374	13,941,107	17,657,593
Miscellaneous	620,206	1,333,558	360,477	825,273	252,974
Recovered costs	10,524,622	8,345,611	10,734,882	7,322,441	7,228,536
Intergovernmental - Commonwealth of Virginia	79,536,378	92,494,168	90,654,860	87,360,501	83,331,960
Intergovernmental - Federal Government	36,828,492	31,208,905	20,156,214	20,442,859	23,328,040
Total revenues	1,097,400,649	1,102,147,185	1,079,842,469	979,034,658	911,680,449
Expenditures					
General government administration	57,577,876	56,944,679	52,300,831	46,607,778	39,418,734
Judicial administration	11,993,496	11,120,759	10,870,215	10,196,938	9,125,914
Public safety	134,035,678	141,417,228	127,494,424	115,525,145	100,054,647
Public works	73,876,345	64,591,593	53,059,188	40,021,939	34,668,918
Health and welfare	81,985,044	80,678,203	81,062,302	74,960,350	71,144,052
Parks, recreation and culture	42,255,819	44,352,919	43,955,920	38,667,077	35,850,669
Community development	35,876,558	37,918,229	32,800,582	36,333,528	31,767,895
Education	558,227,063	648,732,511	540,545,166	610,932,770	551,793,905
Capital outlay	58,053,186	85,295,782	31,636,288	29,325,928	38,198,152
Debt service:					
Principal payments	76,369,500	83,497,294	79,752,802	71,513,776	66,615,202
Interest and service charges	50,854,909	48,380,508	49,049,819	43,366,778	40,576,792
Total expenditures	1,181,105,474	1,302,929,705	1,102,527,537	1,117,452,007	1,019,214,880
Excess of revenues over (under) expenditures	(83,704,825)	(200,782,520)	(22,685,068)	(138,417,349)	(107,534,431)
Other financing sources (uses)					
Transfers in	210,275,969	305,928,123	170,873,438	186,836,497	144,180,421
Transfers (out)	(219,434,691)	(314,474,722)	(177,004,116)	(192,689,670)	(148,141,538)
Issuance premium	2,959,133	18,065,439	895,654	10,652,401	5,412,077
Issuance of bonds	175,720,527	382,004,977	12,290,000	189,286,065	160,225,000
Payments to refunded bond escrow agent	(89,120,000)	(131,030,000)	-	-	-
Sales of capital assets	4,014	7,169,475	110,672	15,029	652,421
Total other financing sources (uses)	80,404,952	267,663,292	7,165,648	194,100,322	162,328,381
Net change in fund balances	\$ (3,299,873)	\$ 66,880,772	\$ (15,519,420)	\$ 55,682,973	\$ 54,793,950
Debt service as a percentage of noncapital expenditures (Primary Government Only)					
Total debt service	\$ 127,224,409	\$ 131,877,802	\$ 128,802,621	\$ 114,880,554	\$ 107,191,994
Total expenditures	1,181,105,474	1,302,929,705	1,102,527,537	1,117,452,007	1,019,214,880
Capital outlay - Primary Government Only	(60,858,796)	(87,290,325)	(36,744,321)	(31,622,908)	(40,161,282)
Noncapital Expenditure	\$ 1,120,246,678	\$ 1,215,639,380	\$ 1,065,783,216	\$ 1,085,829,099	\$ 979,053,598
Debt service as a percentage of noncapital expenditures	11.36%	10.85%	12.09%	10.58%	10.95%

TABLE E

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

Fiscal Year	Property	Sales & Use	Utility	Business License	Franchise	Motor Vehicle	Recordation & Will	Hotel & Motel Room	Total
2010	\$ 780,886,551	\$ 57,604,972	\$ 20,087,509	\$ 23,076,923	\$ 1,602,260	\$ 5,486,343	\$ 7,424,426	\$ 4,748,883	\$ 900,917,867
2009	\$ 777,764,635	\$ 55,353,088	\$ 19,891,260	\$ 25,552,292	\$ 1,009,373	\$ 5,313,822	\$ 7,401,252	\$ 5,572,925	\$ 897,858,647
2008	\$ 741,296,705	\$ 57,209,778	\$ 20,940,326	\$ 25,464,522	\$ 365,769	\$ 5,189,600	\$ 9,166,347	\$ 5,995,828	\$ 865,628,875
2007	\$ 653,847,833	\$ 54,099,950	\$ 19,263,192	\$ 26,724,382	\$ 1,323,764	\$ 5,064,223	\$ 12,944,088	\$ 5,664,725	\$ 778,932,157
2006	\$ 586,523,922	\$ 53,558,311	\$ 17,131,137	\$ 26,042,285	\$ 2,076,651	\$ 4,897,059	\$ 18,106,921	\$ 5,313,708	\$ 713,649,994

TABLE F

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

Fiscal Year	REAL PROPERTY (2)			PERSONAL PROPERTY (3)		Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate
	Residential Property	Commercial Property	Agricultural Property	Motor Vehicles	Other			
2010	\$ 39,017,317,800	\$ 16,916,450,500	\$ 3,195,328,500	\$ 2,562,680,569	\$ 1,635,460,725	\$ 4,830,803,300	\$ 58,496,434,794	\$ 1.300
2009	\$ 39,830,524,980	\$ 17,976,712,400	\$ 4,009,280,100	\$ 2,432,432,641	\$ 1,625,541,457	\$ 5,023,445,900	\$ 60,851,045,678	\$ 1.245
2008	\$ 45,791,942,249	\$ 17,475,243,500	\$ 4,794,833,700	\$ 2,297,252,769	\$ 1,619,759,946	\$ 4,882,198,700	\$ 67,096,833,464	\$ 1.140
2007	\$ 48,322,231,082	\$ 15,810,626,800	\$ 4,143,962,100	\$ 2,188,395,870	\$ 1,387,749,362	\$ 4,725,959,400	\$ 67,127,005,814	\$ 0.917
2006	\$ 48,470,341,430	\$ 13,161,987,200	\$ 3,937,053,100	\$ 2,175,881,822	\$ 1,374,701,107	\$ 3,784,146,100	\$ 65,335,818,559	\$ 0.890

- (1) Property in Loudoun County is assessed annually at fair market value with the date of value being January 1. Property is assessed at 100% of estimated actual value. Tax rates are per \$100 of assessed value.
- (2) Loudoun County Office of the County Assessor, Land Book for each year
- (3) Loudoun County Office of the Commissioner of Revenue, for the end of June of each year

TABLE G

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

Type of tax	Fiscal Years				
	2010	2009	2008	2007	2006
LOUDOUN COUNTY					
Countywide Tax Levies:					
Real Estate	\$ 1.300	\$ 1.245	\$ 1.14	\$ 0.917	\$ 0.89
Special District Levies:					
Route 28 Highway Improvement	\$ 0.18	\$ 0.18	\$ 0.20	\$ 0.20	\$ 0.20
Aldie Sewer Service District	\$ 0.13	\$ 0.13	\$ 0.13	\$ 0.13	\$ 0.13
Hamilton Sewer Service District	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30
Fire/Emergency Medical Services	n/a	n/a	n/a	\$ 0.043	n/a
Dulles Industrial Park Water & Sewer	Per property basis	Per property basis	Per property basis	Per property basis	n/a
OVERLAPPING GOVERNMENTS					
Real Estate:					
Town of Hamilton	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25
Town of Leesburg	\$ 0.195	\$ 0.195	\$ 0.18	\$ 0.18	\$ 0.18
Town of Lovettsville	\$ 0.21	\$ 0.18	\$ 0.18	\$ 0.18	\$ 0.18
Town of Middleburg	\$ 0.19	\$ 0.15	\$ 0.15	\$ 0.15	\$ 0.10
Town of Purcellville	\$ 0.225	\$ 0.22	\$ 0.19	\$ 0.18	\$ 0.17
Town of Round Hill	\$ 0.20	\$ 0.20	\$ 0.16	\$ 0.14	\$ 0.14

Note: Town of Hillsboro has no tax assesement

TABLE H

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

Taxpayer	2010			2001		
	Taxable Assessed Value	Rank	Percentage of Taxable Real Property Assessed Value	Taxable Assessed Value	Rank	Percentage of Taxable Real Property Assessed Value
Verizon Business (formerly MCI Worldcom)	\$ 312,485,000	1	0.58%			
America Online/Time Warner	305,979,900	2	0.56%			
Dulles Town Center Mall LLC	278,623,100	3	0.51%			
Virginia Electric & Power Company	268,075,800	4	0.49%	123,495,100	5	0.58%
VISA USA, Inc	207,163,200	5	0.38%			
Toll Road Investors Partnership II, LP	171,457,800	6	0.32%	136,700,000	4	0.65%
Verizon Virginia, Inc	141,187,900	7	0.26%			
Brambleton Group LLC	136,413,000	8	0.25%			
Chelsea GCA Realty Partnership LP	126,340,400	9	0.23%			
Quest Communications Corp of VA	111,308,400	10	0.20%			
WXIII/Oxford DTC Real Estate LLC	-		-	228,585,800	1	1.08%
Winkler South Towers	-		-	206,539,700	2	0.98%
Washington Gas and Light Company	-		-	161,385,600	3	0.76%
VMS - Lansdowne Limited Partnership	-		-	120,668,700	6	0.57%
UUNET Technologies, Inc				111,289,300	7	0.53%
Trizechahn Regional Poolin, LLC				72,581,400	8	0.34%
South Rding LP	-		-	65,530,500	9	0.31%
SPH University Center LLC	-		-	64,182,600	10	0.30%
Total	<u>\$ 2,059,034,500</u>		<u>3.78%</u>	<u>\$ 1,290,958,700</u>		<u>6.10%</u>

Source: Loudoun County Office of the County Assessor

TABLE I

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

Fiscal Year Ended June 30,	Total Tax Levy for Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2010	\$ 777,591,117	\$ 769,011,072	98.90%	\$ 2,704,919	\$ 771,715,991	99.24%
2009	\$ 778,479,460	\$ 769,016,213	98.78%	\$ 3,458,759	\$ 772,474,972	99.23%
2008	\$ 736,460,357	\$ 727,907,315	98.84%	\$ 2,515,036	\$ 730,422,351	99.18%
2007	\$ 651,303,109	\$ 643,512,026	98.80%	\$ 4,135,327	\$ 647,647,353	99.44%
2006	\$ 579,252,028	\$ 573,495,172	99.01%	\$ 4,870,971	\$ 578,366,143	99.85%

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

TABLE J

**COUNTY OF LOUDOUN, VIRGINIA
RATIOS OF OUTSTANDING DEBT BY TYPE**

Fiscal Year	Primary Government Governmental Activities		Component Unit School Board		Total Reporting Entity	Percentage of Personal Income	Debt Per Capita
	General Obligation Bonds	Capital Leases	General Obligation Bonds	Capital Leases			
2010	\$ 1,004,330,000	\$ 138,968,844	\$ 0	\$ 20,911,909	\$ 1,164,210,753	7.88%	\$ 4,015
2009	\$ 1,007,377,247	\$ 128,696,096	\$ 0	\$ 25,179,363	\$ 1,161,252,706	8.02%	\$ 4,099
2008	\$ 919,280,193	\$ 55,650,444	\$ 0	\$ 24,389,818	\$ 999,320,455	7.05%	\$ 3,587
2007	\$ 984,781,111	\$ 57,612,328	\$ 0	\$ 23,288,748	\$ 1,065,682,187	8.43%	\$ 3,930
2006	\$ 865,810,040	\$ 59,297,176	\$ 0	\$ 21,763,752	\$ 946,870,968	8.08%	\$ 3,605

TABLE K

**COUNTY OF LOUDOUN, VIRGINIA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING**

Fiscal Year	General Obligation Bonds	Less: Amounts Available in Debt Service Fund	Total	Percentage of Taxable Assessed Value of Property	Bonded Debt Per Capita
2009	\$ 1,004,330,000	\$ 0	\$ 1,004,330,000	1.72%	\$ 3,463
2009	\$ 1,007,377,247	\$ 0	\$ 1,007,377,247	1.66%	\$ 3,556
2008	\$ 919,280,193	\$ 0	\$ 919,280,193	1.37%	\$ 3,300
2007	\$ 984,781,111	\$ 0	\$ 984,781,111	1.47%	\$ 3,632
2006	\$ 865,810,040	\$ 0	\$ 865,810,040	1.33%	\$ 3,296

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

TABLE L

Fiscal Policy Guideline	Fiscal Years				
	2010	2009	2008	2007	2006
Ratio Data:					
Population	289,977	283,315	278,591	271,177	262,647
Estimated Market Value of Taxable Property	\$58,496,434,794	\$60,851,045,678	\$67,096,833,464	\$67,127,005,814	\$65,335,818,559
Per Capita Income	\$ 50,951	\$ 51,083	\$ 50,884	\$ 46,621	\$ 44,617
Governmental Expenditures	\$ 1,774,733,828	\$ 1,895,186,256	\$ 1,568,547,711	\$ 1,446,619,735	\$ 1,268,524,255
Total Reporting Entity Outstanding Debt	\$ 1,164,210,753	\$ 1,161,252,706	\$ 999,320,455	\$ 1,065,682,187	\$ 946,870,968
Total Reporting Entity Debt Service Expenditures	\$ 138,679,732	\$ 141,921,045	\$ 138,365,448	\$ 122,205,086	\$ 112,877,657
Debt Capacity Goals / Ratios:					
Annual Debt Issuance Limit	\$ 200,000,000	\$ 92,863,000	\$ 260,240,000	\$ 22,249,818	\$ 197,076,000
Debt Per Capita	\$ 2,500	\$ 4,015	\$ 4,099	\$ 3,587	\$ 3,930
Debt To Estimated Market Value of Taxable Property	3.00%	1.99%	1.91%	1.49%	1.59%
Debt To Per Capita Income	7.50%	7.88%	8.02%	7.05%	8.43%
Debt Service To Expenditures	10.00%	7.81%	7.49%	8.82%	8.45%
Affordability Index:					
Fiscal Year 2010	\$1,322,524,096	\$ 1,164,210,753			
Fiscal Year 2009	\$1,343,051,845	\$ 1,161,252,706			
Fiscal Year 2008	\$1,417,218,143		\$ 999,320,455		
Fiscal Year 2007	\$1,373,669,830			\$ 1,065,682,187	
Fiscal Year 2006	\$1,320,968,232				\$ 946,870,968
OVERLAPPING DEBT (2)					
Commonwealth of Virginia	\$ 133,091,834	\$ 152,523,472	\$ 132,445,972	\$ 124,238,284	\$ 109,694,931
Peumansend Creek Regional Jail Authority	569,600	658,400	748,000	929,600	1,020,000
Northern Virginia Criminal Justice Academy	5,387,250	5,651,250	5,907,000	7,755,000	955,350
Loudoun County Sanitation Authority	164,858	192,335	219,811	274,764	315,980
Dulles Town Center Community Development Authority	35,405,000	36,060,000	36,605,000	36,410,000	36,735,000
Virginia Revolving Loan Fund	1,293,433	1,409,497	1,522,155	1,873,383	1,873,383
Total Overlapping Debt	\$ 175,911,975	\$ 196,494,954	\$ 177,447,938	\$ 171,481,031	\$ 150,594,644
Fiscal Policy Guideline	\$ 584,964,348	\$ 608,510,457	\$ 670,968,335	\$ 671,270,058	\$ 653,358,186

- (1) The Code of Virginia has no legal debt margin limit set on the Counties. However, Loudoun County's Fiscal Policy sets forth the following primary goals relating to debt capacity.
- (2) Overlapping debt is not considered a general obligation of the County and, therefore is not reflected in the financial statements. Loudoun County's Fiscal Policy states that total overlapping debt should not exceed 1% of the total assessed value of taxable property within the County.

TABLE M

**COUNTY OF LOUDOUN, VIRGINIA
DEMOGRAPHIC STATISTICS**

Year	Population (1)	Personal Income (1)	Per Capita Personal Income (1)	Unemployment Rate (2)	School Enrollment (3)
2010	289,977	\$ 14,774,594,000	\$ 50,951	5.00%	60,096
2009	283,315	\$ 14,472,522,000	\$ 51,083	5.20%	57,009
2008	278,591	\$ 14,175,739,000	\$ 50,884	2.9%	54,047
2007	271,177	\$ 12,642,678,000	\$ 46,621	2.2%	50,478
2006	262,647	\$ 11,718,523,000	\$ 44,617	2.4%	47,361

Sources: (1) County of Loudoun Management and Financial Services
(2) Virginia Employment Commission for the month of June
(3) Loudoun County Public Schools, for the end of September of the given fiscal year

TABLE N

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

Employer	2010			2001		
	Rank	Number of Employees (1)	Percentage of Total County Employment (2)	Rank	Number of Employees (1)	Percentage of Total County Employment (2)
Loudoun County Public Schools	1	9,838	7.54%	1	4,065	4.44%
County of Loudoun	2	3,302	2.53%	4	2,132	2.33%
M. C. Dean, Inc	3	1,000-5,000	2.30%		1,000-5,000	3.28%
Worldcom	4	1,000-5,000	2.30%		-	-
United Airlines	5	1,000-5,000	2.30%	3	1,000-5,000	3.28%
U.S. Department of Homeland Defense	6	1,000-5,000	2.30%		-	-
Loudoun Hospital Center	7	1,000-5,000	2.30%	10	1,000-5,000	3.28%
Orbital Sciences Corporation	8	1,000-5,000	2.30%		500-999	0.82%
AOL LLC	9	1,000-5,000	2.30%	2	500-999	0.82%
Walmart	10	1,000-5,000	2.30%		1,000-5,000	3.28%
Atlantic Coast Airlines United Express	-	-		5	1,000-5,000	3.28%
United States Postal Service	-	-		6	1,000-5,000	3.28%
United Parcel Service, Inc.	-	-		7	1,000-5,000	3.28%
United States Department of Transportati	-	-		8	1,000-5,000	3.28%
FEMA, National Financial Center	-	-		9	1,000-5,000	3.28%
Totals			<u>28.47%</u>			<u>37.93%</u>

Sources:

- (1) Virginia Employment Commission, 4th Quarter 2009 and 2000, Loudoun County Public Schools, and Loudoun County Department of Management and Financial Services.
- (2) Percentages are based on the midpoint of the employment range and average total Loudoun County employment of prior calendar year according to the Virginia Employment Commission.

TABLE O

COUNTY OF LOUDOUN, VIRGINIA
COUNTY GOVERNMENT EMPLOYEES BY FUNCTION

Function/Program	Full-time Equivalent Employees as of June 30,				
	2010	2009	2008	2007	2006
General Government Administration	379	348	352	339	344
Judicial Administration	128	126	128	128	125
Public Safety	1,294	1,294	1,331	1,322	1,232
Public Works	83	113	120	124	116
Health and Welfare	599	598	603	601	603
Parks, Recreation and Culture	570	572	573	573	556
Community Development	249	253	268	266	274
Total Primary Government	3,302	3,304	3,375	3,353	3,250
Education	9,838	10,533	9,309	8,844	7,648
Total Reporting Entity	13,140	13,837	12,684	12,197	10,898

Source: County of Loudoun Management and Financial Services

TABLE P

COUNTY OF LOUDOUN, VIRGINIA
OPERATING INDICATORS BY FUNCTION

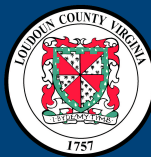
Function	Fiscal Years				
	2010	2009	2008	2007	2006
General Government Administration					
County's bond ratings					
Moody's	Aaa	Aaa	Aaa	Aaa	Aaa
Standard and Poor's	AAA	AAA	AAA	AAA	AAA
Fitch	AAA	AAA	AAA	AAA	AAA
Energy cost per square foot of owned space	\$ 2.42	\$ 2.96	\$ 2.60	\$ 1.97	\$ 1.78
Major computer availability	100.0%	100.0%	100.0%	100.0%	99.7%
Judicial Administration					
Number of Deed book recording	64,312	61,946	65,951	87,922	126,013
Public Safety					
Sheriff's Office					
Average response time for emergency calls	9.28 min	8.69 min	8:04 min	8:12 min	8:36 min
Average response time for non-emergency calls	13.35 min	14.21 min	11:89 min	10:24 min	11:37 min
Fire and Rescue Services					
Number of emergency medical incidents responded	16,060	15,888	16,381	16,204	14,328
Health and Welfare					
Number of senior meals provided	113,276	111,252	113,444	95,879	92,725
Number of age appropriate vaccinations provided	8,838	4,212	7,868	9,586	12,367
Number of Loudoun residents in the Medical Reserve Corps	1,189	900	816	700	550
Parks, Recreation, and Culture					
Annual park visits	541,358	775,928	849,462	637,443	613,517
Number of adults participating in adult sports leagues	6,934	10,124	10,386	9,871	9,119
Number of children participating in youth sports	63,680	62,075	87,985	86,700	82,400
Community Development					
Number of new homes approved	1,063	2,085	2,391	2,739	3,061
Number of new structures completed after January 1st of tax year	1,360	1,260	4,332	3,109	3,903
Number of subdivision applications submitted	193	284	364	479	381
Education					
Per Pupil Expenditures	\$ 11,774	\$ 13,473	\$ 13,293	\$ 12,388	\$ 11,759
High School Completion Rate	95.95%	96.08%	95.27%	94.27%	94.36%
Pupil-Teacher Ratio					
Kindergarten	24.0	23.0	22.0	22.0	22.0
Elementary	24.0	23.0	22.0	22.0	22.0
Intermediate/Middle	23.6	22.6	21.6	21.6	21.6
High	27.9	26.9	25.9	25.9	25.9
SAT Scores					
Math	536	535	531	527	528
Critical reading	535	533	525	522	525
Writing	<u>526</u>	<u>525</u>	<u>519</u>	<u>511</u>	<u>508</u>
Total	1,597	1,593	1,575	1,560	1,561

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

Function	Fiscal Years				
	2010	2009	2008	2007	2006
General Government Administration					
Square footage of office space - Owned	297,321	297,321	297,321	297,321	297,321
Square footage of office space - Leased	261,633	250,412	225,826	192,471	172,962
Square footage of court space	171,309	169,709	165,783	159,255	159,255
Public Safety					
Police					
Sheriff substations	4	3	3	2	2
Jail capacity	220	220	220	220	220
Square footage of jail	114,924	87,850	87,850	87,850	87,850
Fire and Rescue					
Fire and Rescue stations	19	18	19	18	18
Other protections					
Animal shelters	1	1	1	1	1
Public Works					
Transportation					
Community buses	45	38	35	33	31
Health and Welfare					
Mental Health and Mental Retardation					
Group homes - Mental Health	11	11	11	11	11
Group homes - Developmental Services	7	7	7	7	7
Family Services					
Homeless shelters	1	1	1	1	1
Transition shelters	1	1	1	1	1
Youth shelters	1	1	1	1	1
Parks, Recreation and Culture					
Libraries	7	7	7	7	7
Square footage of libraries	123,200	108,200	108,200	107,600	107,600
Parks and Recreation Facilities					
Regional parks	2	2	2	2	2
District parks	3	3	2	2	2
Community parks	12	10	5	4	4
Acres of parks	3,316	2,965	2,746	2,746	2,746
Recreation Center	1	1	1	-	-
Square Footage of recreation center	98,000	98,000	98,000	-	-
Community Centers	7	7	10	11	11
Square Footage of community centers	76,274	76,274	99,445	96,644	96,644
Respite centers	2	2	2	2	1
Senior citizen centers	2	2	2	2	1
Community Development					
Landfill					
Landfills	1	1	1	1	1
Recycling drop-off centers	9	9	9	9	9
Education					
Elementary Schools					
Buildings	51	50	47	44	44
Square footage	3,588,208	3,497,213	3,227,060	2,919,888	2,919,888
Capacity	32,318	31,731	29,299	26,598	26,818
Middle Schools					
Buildings	13	13	13	12	12
Square footage	2,056,399	2,029,747	2,029,747	1,860,987	1,860,987
Capacity	15,476	15,403	15,300	13,419	13,356
High Schools					
Buildings*	10	10	10	11	11
Square footage	2,342,849	2,342,849	2,342,849	2,406,968	2,406,968
Capacity	15,118	15,206	15,257	15,161	14,980
Alternative Schools					
Buildings*	2	2	2	1	1
Square footage	124,862	124,862	124,862	47,022	47,022
School Buses	746	731	742	744	675

* CS Monroe Technology Center classification changed from High School to Alternative to better reflect actual function

** Community Center statistic previously included leased facilities



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