



### Overview

The purpose of this report is to provide an overview of economic indicators that may impact Henrico County's ability to provide its services for the month of July with data received between July 1<sup>st</sup> and July 30<sup>th</sup>, 2025. This report compiles National, State, and Local data that measure current economic conditions from National Financial Markets to Local Car Registrations. Most data will provide complete information for at least the previous fiscal year (FY25) and compare it to the current year (FY26). Data for FY26 is updated monthly as it becomes available. Some data is collected more frequently throughout the month.

### OMB Summary

The month of July yielded varied economic results, rebounding from several points of uncertainty expressed in June. The S&P 500 reached an all-time high in July, building off rebounded growth in June. The Consumer Confidence Index improved by several points from June; the increase cited reduced pessimism about future business conditions and employment, and optimism about future income. Unemployment rates remained stable at the national and state level, while the county level increased by 0.3%. The Median Sales Price of homes sold in the county experienced a \$6,000 decrease, or 1.4%, while the Average Number of Days on the housing market continued to decline from its February peak of 40 to 17 in June, indicating a competitive sellers' market; this is further supported by an increase in Residential Transactions, 126 more than the previous fiscal year.

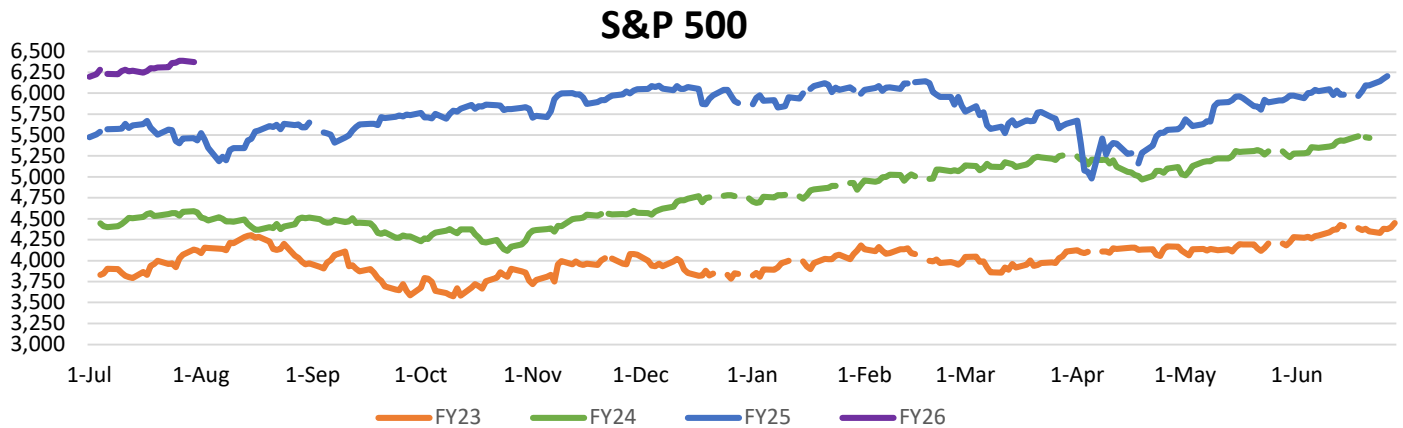
### Metrics Considered

- **National:** S&P 500, Consumer Confidence Index, Real GDP, Wages, Consumer Price Index, Average Hourly Wage Changes against Changes in the Consumer Price Index, 30-Year Fixed Mortgage Rate
- **Virginia:** Unemployment Rate
- **Henrico:** Local Sales & Use Tax, Meals Tax, Real Property Tax, Personal Property Tax, Vehicle Registrations, Occupancy Tax, New Residential Construction, Average Days on the Housing Market & Median Sales Price, Residential Transactions & Foreclosures
- **Area:** Richmond Aviation Activity

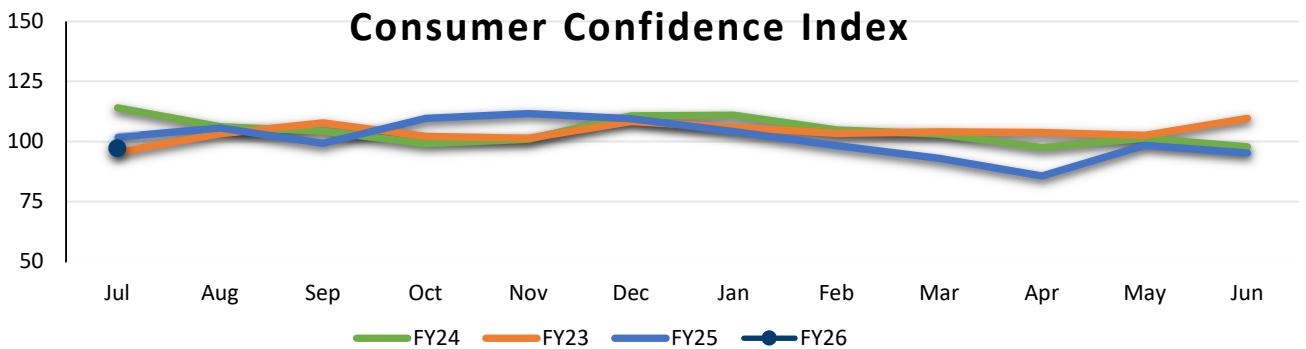


## National Metrics

These indicators provide a mix of hard financial data as well as consumer consensus surveys to provide a macroeconomic and microeconomic view of the United States.



The **S&P 500** is a stock market index measuring the performance of 500 large U.S. companies on stock exchanges and is considered one of the best representations of the U.S. economy. **The S&P 500 experienced strong and steady growth throughout July, marking a significant rebound following the conditions observed in April. This momentum was driven by easing inflation concerns and renewed investor confidence in the U.S. economy.**<sup>1</sup>



The **Consumer Confidence Index** is a monthly survey given to 5,000 randomly selected households gathering opinions on present situations and future expectations. It is benchmarked to 1985 (100) and best compared by reviewing month-over-month changes. **In July, the index improved by 2.0 points from June, consumers cited reduced pessimism about future business conditions and employment, and greater optimism about future income. However, consumers' judgment of current job availability weakened for the seventh consecutive month reaching its lowest level since March 2021.**<sup>2</sup>

<sup>1</sup> Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/SP500>

<sup>2</sup> The Conference Board; [US Consumer Confidence \(conference-board.org\)](https://www.conference-board.org/data/consumer-confidence/)



## National Metrics



The **Real Gross Domestic Product (GDP)** is an inflation adjusted standard measure of all goods and services produced by labor and property located in the United States in a given period. Gross domestic products can be calculated on a nominal or real (adjusted for inflation) basis. Since rising prices influence GDP, removing inflation related price changes isolates changes in production quantity. **In Q2 2025, real GDP increased by 0.677%<sup>3</sup> over Q1 2025, continuing a consistent increase over the past five years.**



The **Average Hourly Earnings of All Private Employees** measures average hourly earnings employers pay that include overtime and shift differentials but excludes benefits, bonuses, retroactive pay, or employer payroll taxes. While earnings data changes capture wage rate adjustments, they can also include changes in the mix of employment. **In June, the average hourly wage increased to \$36.32. This rise of \$0.08 from May (\$36.24) represents an increase of 0.22%.**

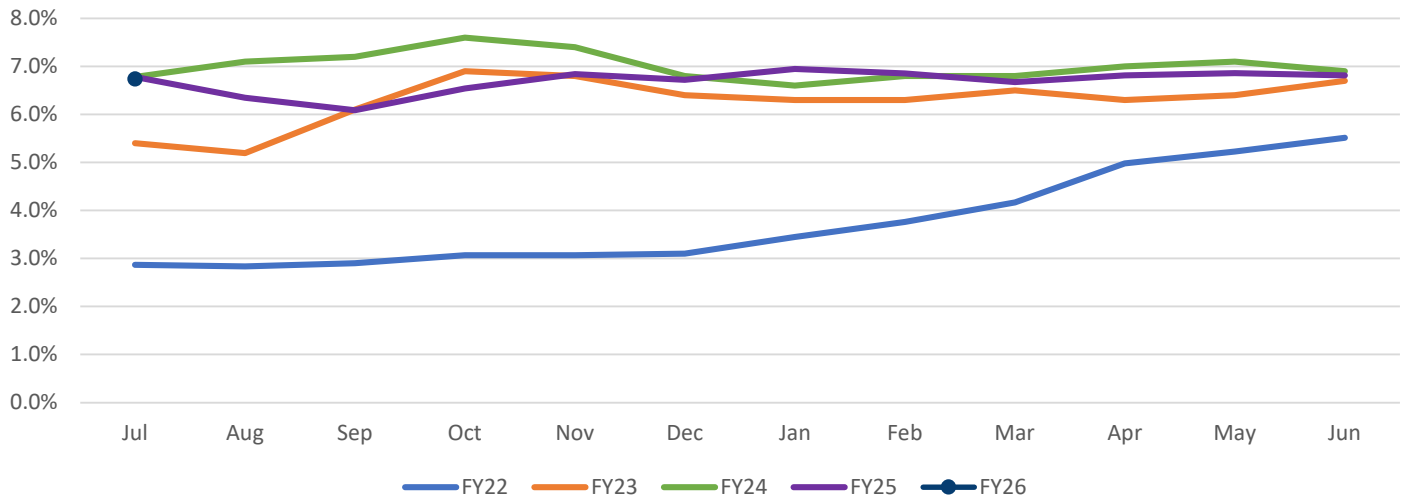
<sup>3</sup> Federal Reserve Bank of St. Louis; <https://fred.stlouisfed.org/series/GDP>; GDP data is published quarterly.





## National Metrics

### 30-Year Fixed Mortgage Rates



The **30-Year Fixed Mortgage Rate** is the most common financing mechanism used by residential home buyers. The interest rate represents the amount a qualified borrower will be charged by a lender over the loan term. **In July, the 30-year fixed mortgage interest rate decreased from 6.81%<sup>5</sup> to 6.74%. This slight decrease is the result of normal market fluctuations as the Federal Reserve held interest rates steady in July FY26.**

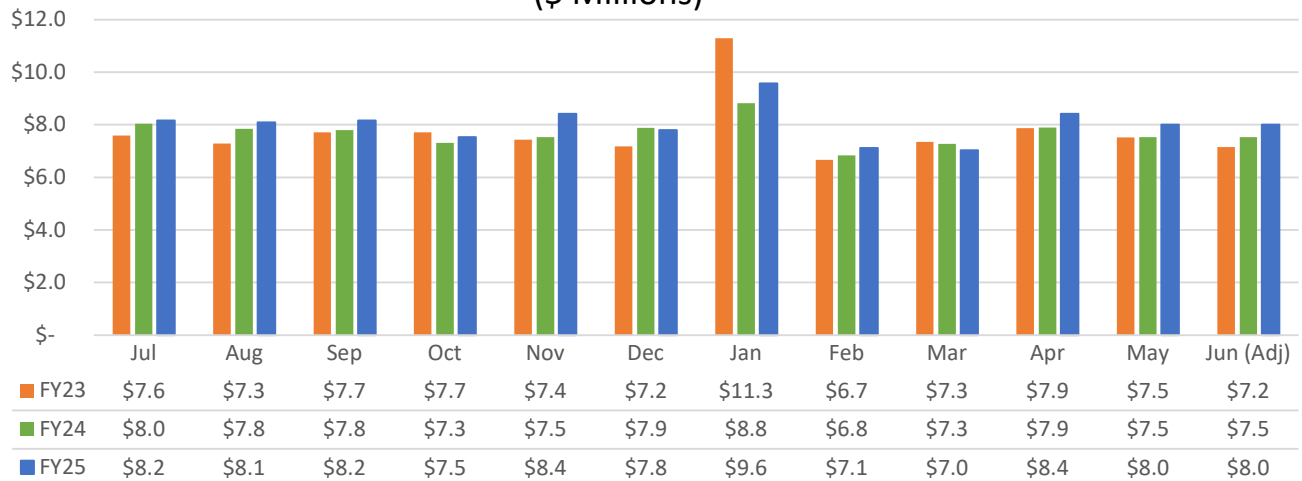
<sup>5</sup> Freddie Mac; [30-Year Fixed-Rate Mortgages Since 1971 - Freddie Mac](#)





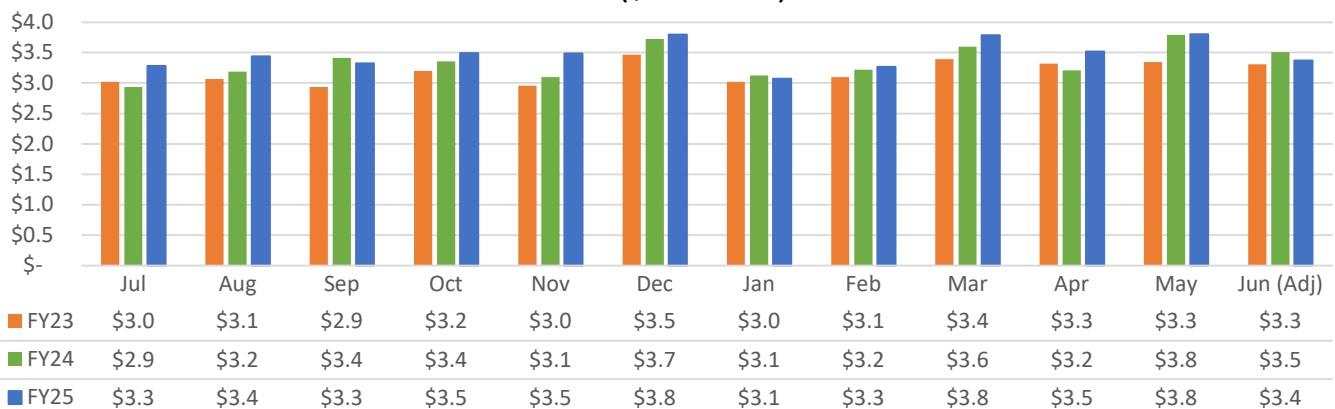
## Henrico Metrics

### Local Sales & Use Tax (\$ Millions)



Henrico County **Sales & Use Tax** amounts to 6% of each purchase collected by the Commonwealth. By law, 1% is then remitted back to the County from the State. **June FY25 recorded collections of \$8.0 million, which is 6.45% more than June FY24 collections. Full year collections total \$96.3 million, which is 4.5% more than FY24.**

### Meals Tax (\$ Millions)

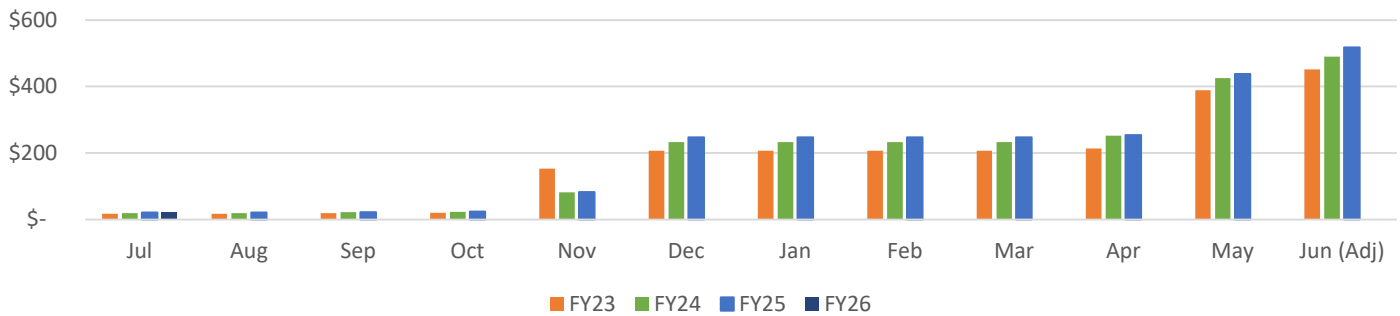


Henrico's **Meals Tax** establishes a 4% tax on prepared food and beverages. Revenue generated by the Meals Tax is dedicated to the operational and capital project needs of Henrico's Public Schools. Collections lag by two months and are compared as year-over-year monthly collections. **June FY25 collections totaled \$3.4 million, 0.1 million less than June FY24. Full year collections total \$41.6 million, which is 3.5% more than FY24.**



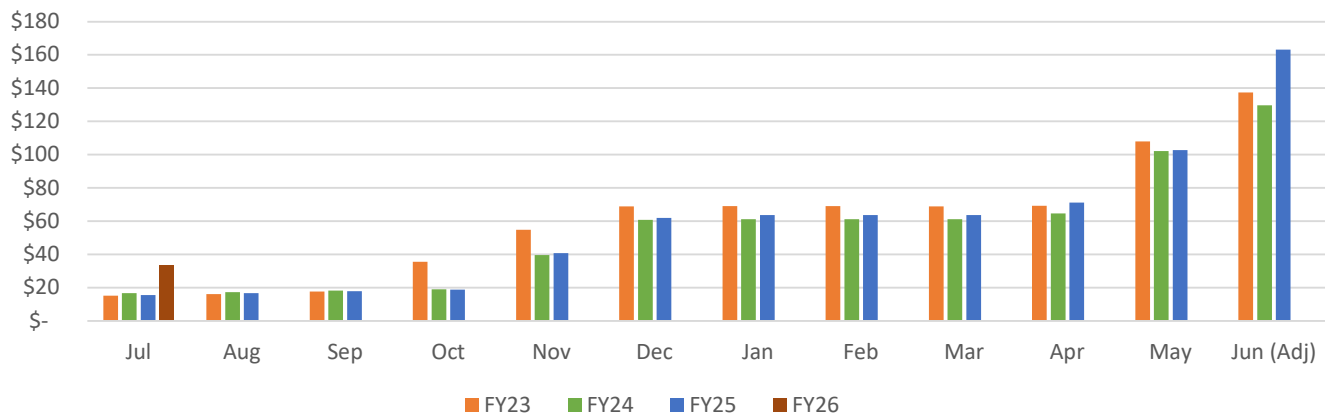
## Henrico Metrics

### Real Property Taxes (\$ Millions, Cumulative)



**Real Property Taxes** are collected on property used for residential and nonresidential purposes. The Code of Virginia provides for assessment of real property at 100% of fair market value, which is the probable amount a property would sell for today if exposed to the market for a reasonable period. Collections are due twice a year in December and June. At the time of publication, **Real Property Tax Collections through July FY26 are \$24 million, a 14.41% increase over FY25 year-to-date.** The graph above represents cumulative collections throughout each fiscal year.

### Personal Property Taxes (\$ Millions, Cumulative)

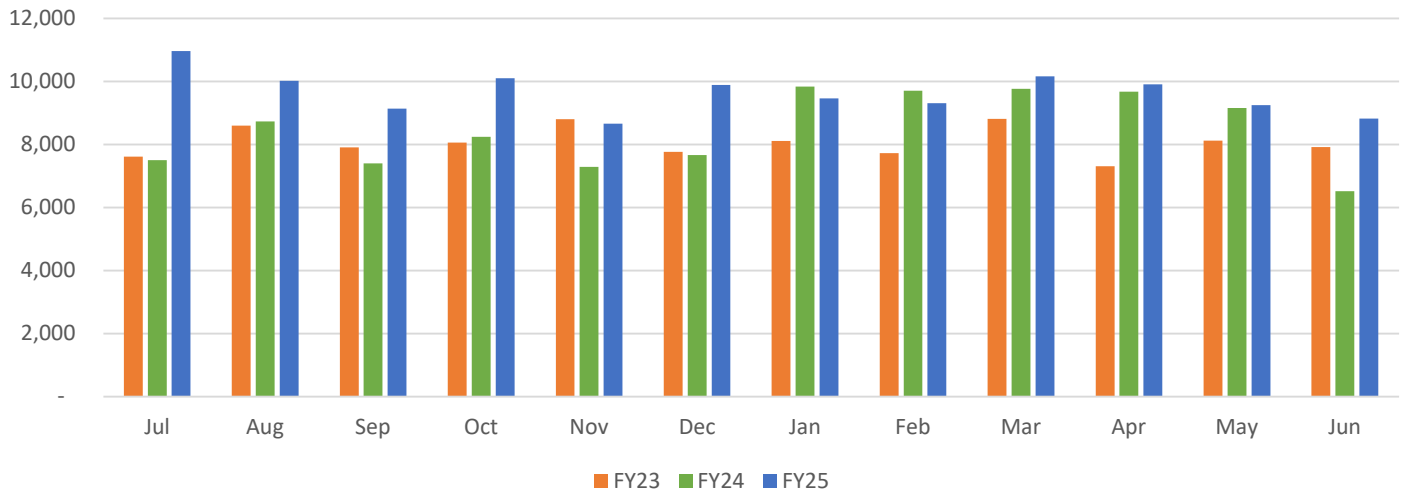


**Personal Property Taxes** are collected on all vehicles including cars, trucks, trailers, motorcycles, motor homes, aircraft, and watercraft. Personal property is collected in the locality where it is normally garaged, docked, or parked. Henrico County uses the J.D. Power Official Used Car Guide as of January 1<sup>st</sup> of each year to establish valuations. Collections are due twice a year in December and June. **Personal Property Tax Collections through July FY26 recorded \$34 million, which is \$18 million more than July FY25 due to several large new taxpayers.**

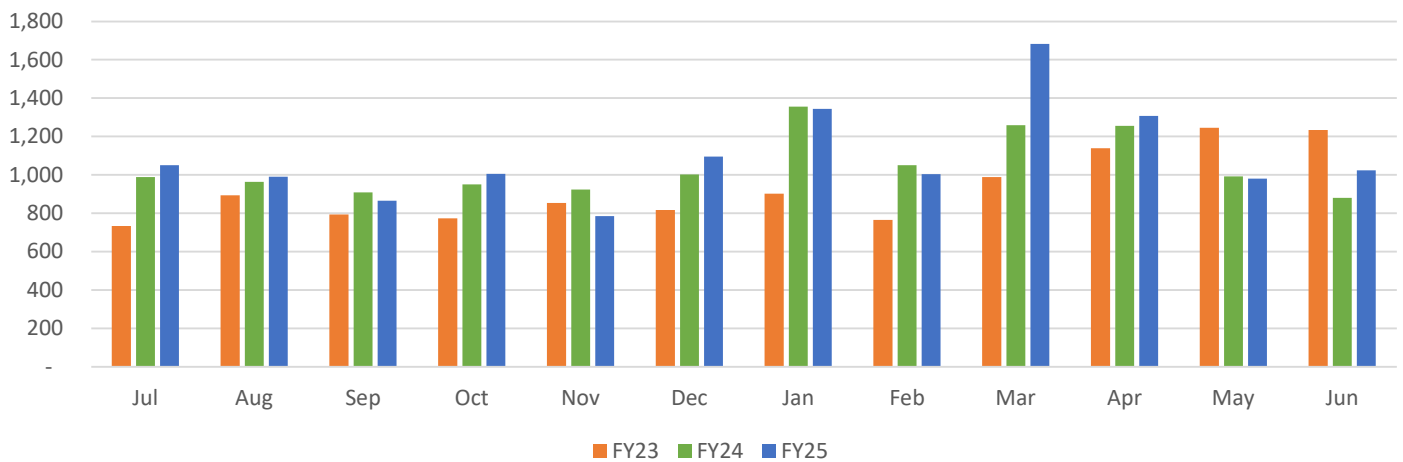


## Henrico Metrics

### Used Car Registration



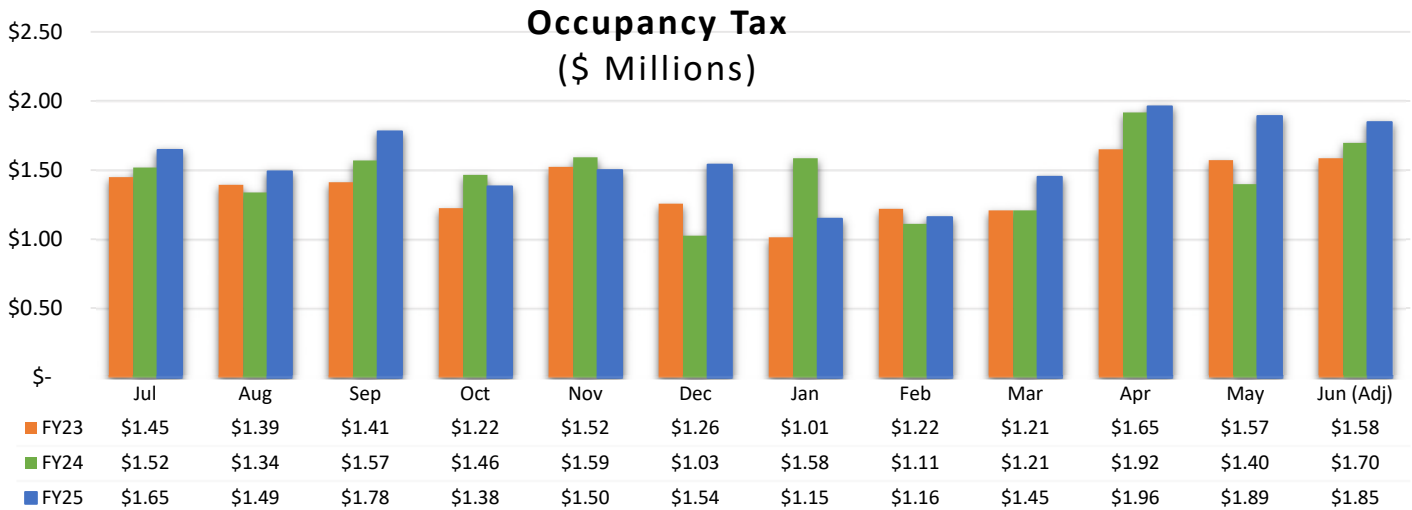
### New Car Registration



**Vehicle Registration** data is acquired from the Virginia Department of Transportation and is comprised of both new and used vehicles; the metric strongly correlates to vehicle sales. **Used Car Registrations in June FY25** recorded 8,822, which is 35.4%, higher than June FY24. **New Car Registrations** recorded 1,024, or 16.4%, higher than June FY24. **FY26 full year Used Car Registrations** totaled 115,673, which is 14% higher than FY25, while **New Car Registrations** totaled 13,133, or 4.8% higher than FY25.

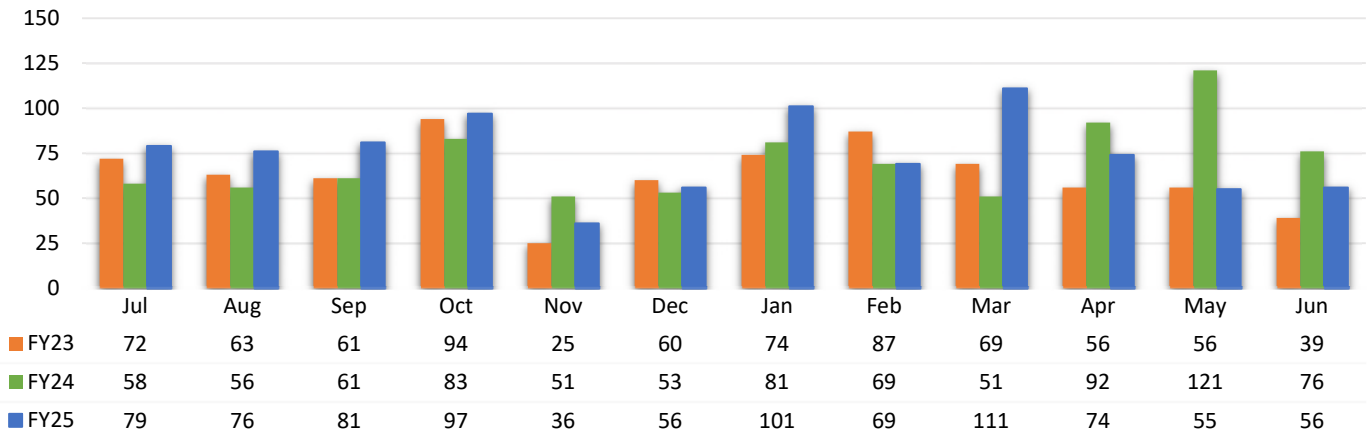


### Henrico Metrics



Henrico’s **Occupancy Tax** is collected at an 8% rate on lodging for overnight stays. **Occupancy Tax collections in June FY25 totaled \$1.85 million, \$0.15 million greater than June FY24. Full year collections totaled \$18.8 million, which is 7.9% higher than FY24.**

#### New Residential Construction

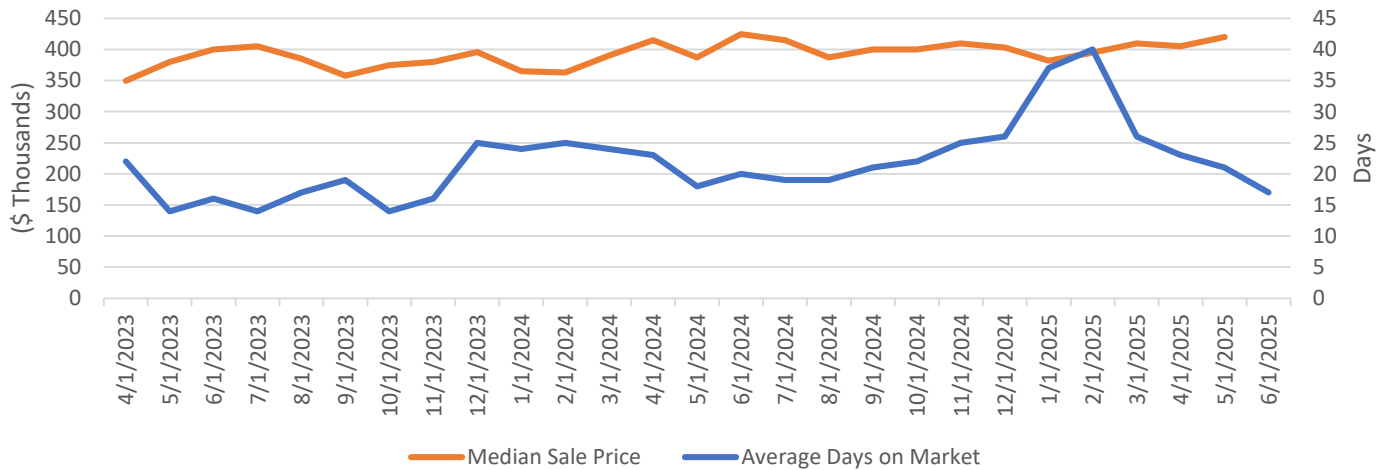


**New Residential Construction** is comprised of new single-family houses that were issued building permits. A slowdown may indicate worsening economic conditions, increased competition from neighboring localities, or a lack of expansion capabilities. **June FY25 construction totaled 56 permits, which is 20 less than June FY24.**



### Henrico Metrics

**Average Days on Housing Market and Median Sales Price (Henrico)**

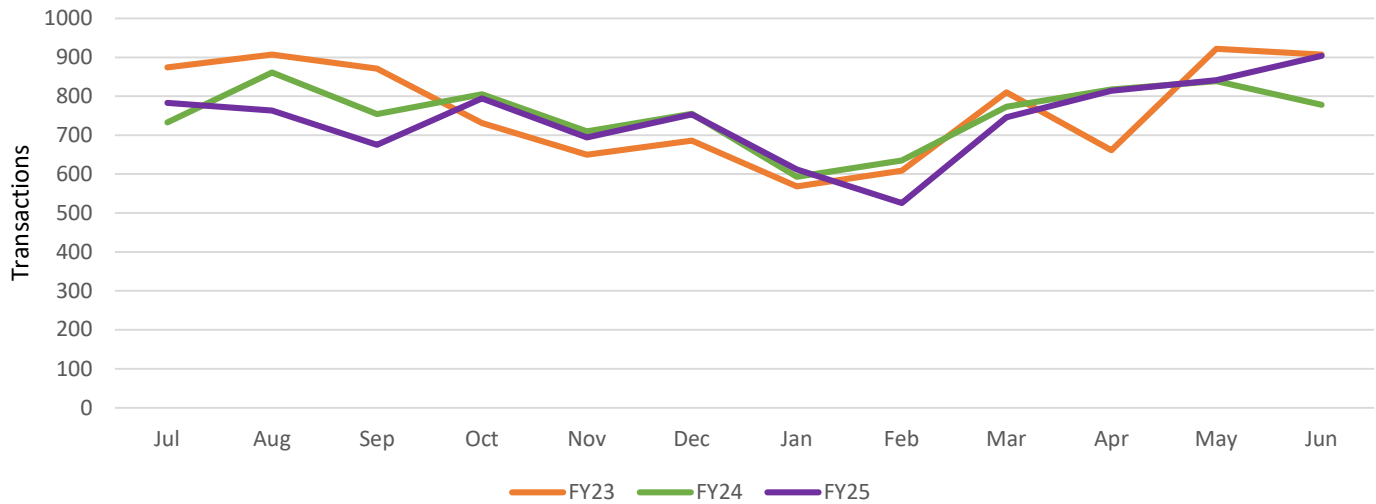


**Average Days on the Housing Market and Median Sale Price** provides a benchmark of the state of the housing market in Henrico. An increase in the time spent on market may indicate a slowing of the housing market, while a decrease may indicate acceleration. Median Sales Price tracks the middle value of homes sold in the County that month and can provide insight into the general direction of the market. **The Median Sales Price for the month of June totaled \$414,515, a \$6,000 decrease from May. Average Days on the Housing Market decreased from 21 in May to 17 in June. This indicates a competitive sellers’ market and with homes selling quickly.**

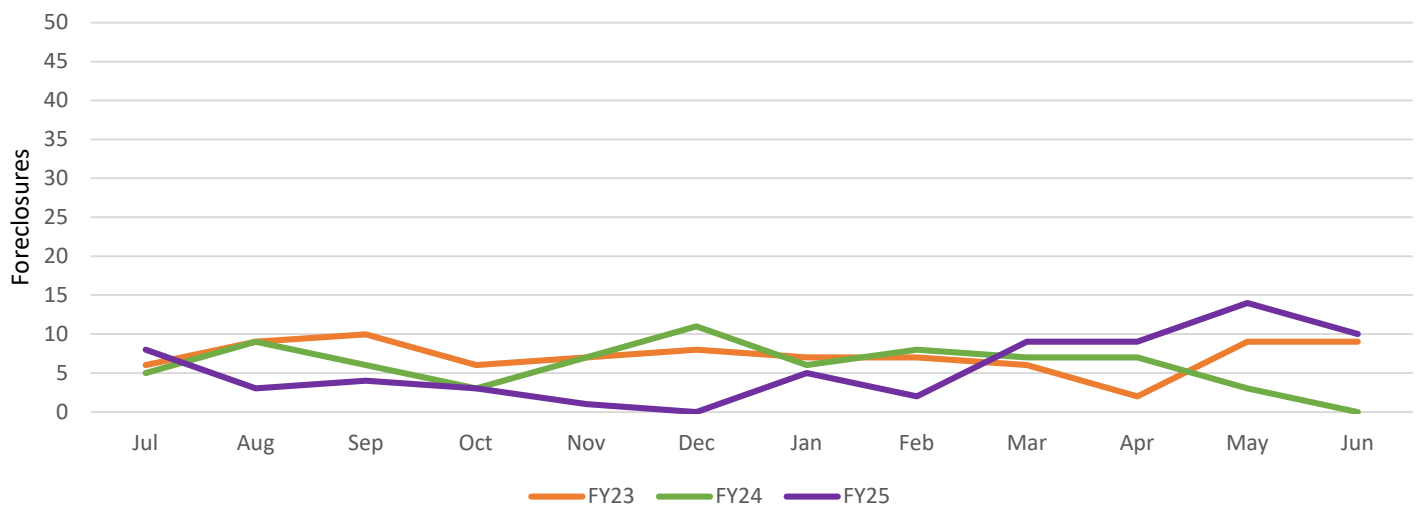


### Henrico Metrics

#### Residential Transactions



#### Residential Foreclosures

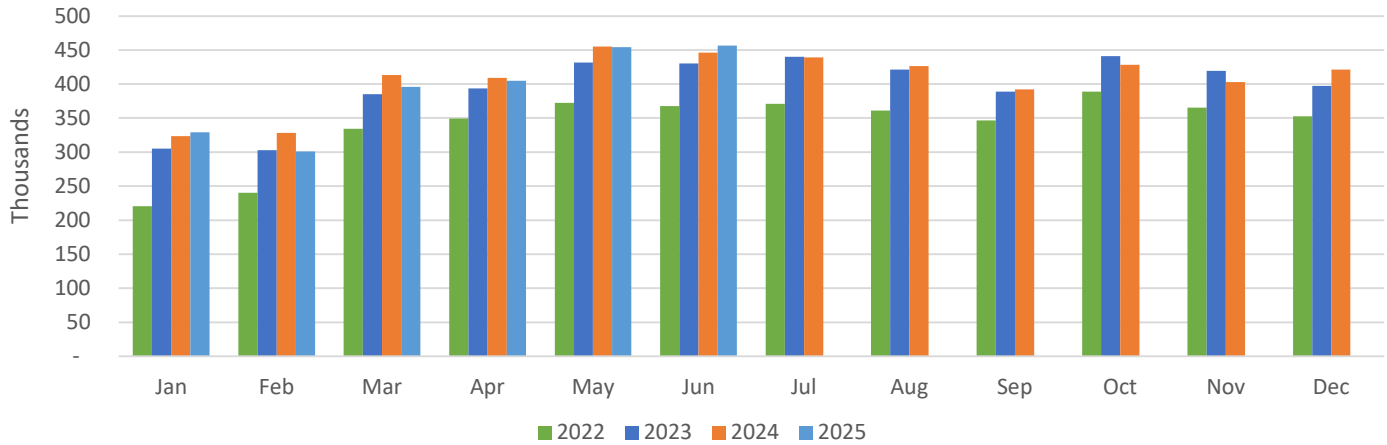


**Foreclosures & Transactions** data represents Henrico’s completed residential sales and reports residential foreclosures. These provide a snapshot of Henrico’s housing market. Consistency in transactions represents a healthy and growing market. **A total of 904 residential transactions were recorded in June FY25, 126 more than the previous fiscal year and 63 more than May FY25.** There were 10 foreclosures reported in June FY25.



## Area Metric

### Richmond Aviation Activity



**Richmond Aviation Activity** represents passenger activity in and out of Richmond International Airport. The value is the combination of enplaned (departing) and deplaned (arriving) passengers. This provides traffic activity as it relates to flights around Henrico. Air travel can provide a benchmark for imported economic activity and is correlated with Occupancy and Meals Tax collections. **June 2025 recorded a total passenger count of 456,381, a 2.29% increase compared to June 2024<sup>7</sup>.**

<sup>7</sup> Richmond International Airport; <https://flyrichmond.com/airport-information/>



### Summary of Financials Period Ended June 30, 2025

	<u>FY25 Approved Budget</u>	<u>FY25 Revised Budget</u>	<u>FY25 YTD Actuals</u>	<u>FY25 Projected Remaining Actuals</u>	<u>Total Projected FY25 Actuals</u>	<u>Over / Under Budget</u>
Revenues from Local Sources	939,696,000	942,566,140	1,037,992,749	17,168,042	1,055,160,791	112,594,651
Revenue from the Commonwealth	489,157,000	501,778,505	539,679,629	700,000	540,379,629	38,601,124
Revenue from the Federal Government	385,000	385,000	1,031,012	-	1,031,012	646,012
<b>Total General Fund Revenues</b>	<b>1,429,238,000</b>	<b>1,444,729,645</b>	<b>1,578,703,390</b>	<b>17,868,042</b>	<b>1,596,571,432</b>	<b>151,841,787</b>
General Government Expenditures	550,697,308	600,672,332	572,236,362	5,000,000	577,236,362	23,435,970
Education Expenditures	704,044,092	753,682,188	728,463,707	5,000,000	733,463,707	20,218,481
<b>Total General Fund Expenditures</b>	<b>1,254,741,400</b>	<b>1,354,354,520</b>	<b>1,300,700,069</b>	<b>10,000,000</b>	<b>1,310,700,069</b>	<b>43,654,451</b>

This **Summary of Financials, Period Ended June 30, 2025**, provides an overview of projected and actual revenues and expenditures for FY25.