



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 June with data received between June 1st and June 30th, 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 (FY24) and compare it to the current year (FY25). Data for FY25 is updated monthly as it becomes available. Some data is collected more frequently throughout the month.

OMB Summary

The month of June yielded varying economic results, rebounding from several points of uncertainty expressed in May. The S&P 500 reached an all-time high in June, building off rebounded growth in May; the Consumer Confidence Index decreased with consumers citing concerned outlooks on future business conditions with continued wariness over the current job market. Unemployment rates remained stable at the national, state, and county levels. While the Median Sales Price of homes sold in the county experienced a \$15,000 increase, the Average Number of Days on the housing market continued to decrease from its February peak; this is further supported by an increase in Residential Transactions. Year-to-date tax collections remain strong across all tax bases with strong growth in real and personal property tax revenue.

Metrics Considered

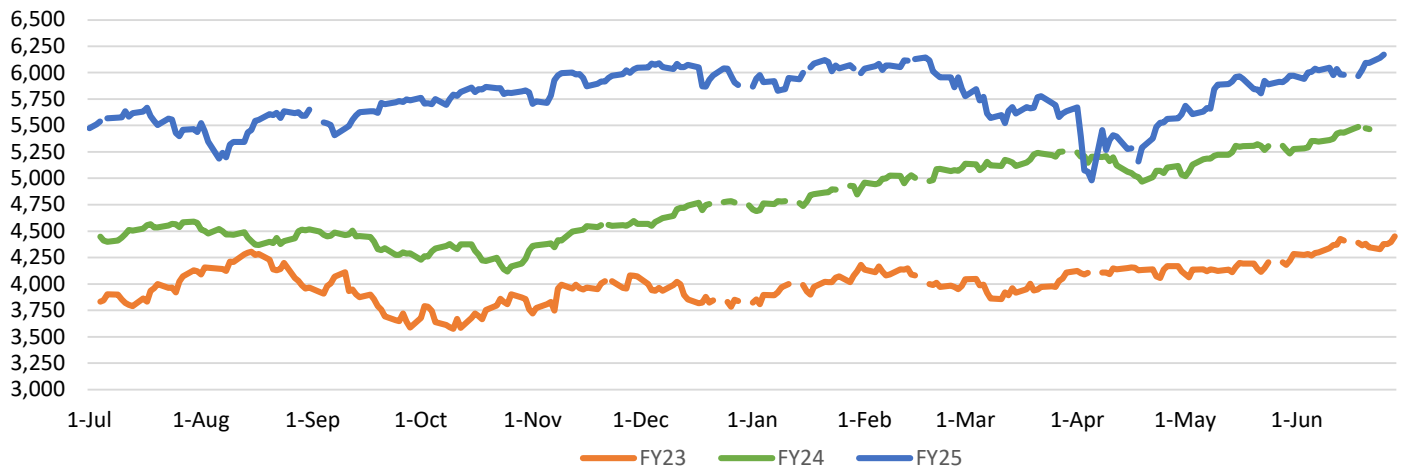
- **National:** S&P 500, Consumer Confidence Index, Real GDP, Wages, Consumer Price Index, Average Hourly Wage Changes against Changes in the Consumer Price Index, 30-Year Fixed Mortgage Rate
- **Virginia:** Unemployment Rate
- **Henrico:** Local Sales & Use Tax, Meals Tax, Real Property Tax, Personal 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



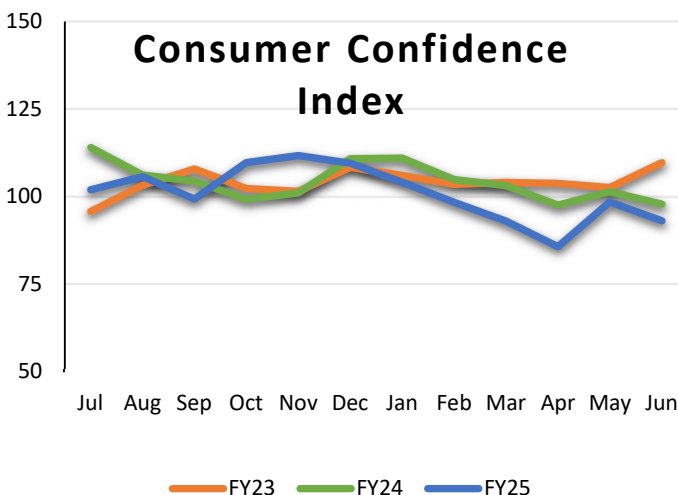
National Metrics

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.

S&P 500



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 sustained growth throughout June, 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.¹**



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 June, the index fell by 5.4 points from May, the decline follows an overall trend of decline with consumers becoming less optimistic about their economic futures. Tariffs and rising prices were concerns cited by consumers².**

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

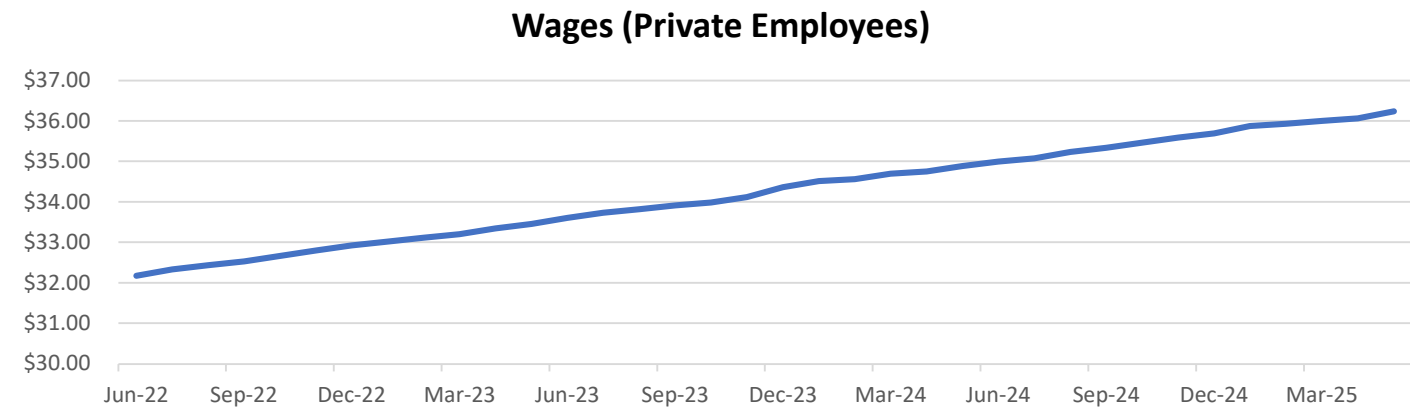
² The Conference Board; [US Consumer Confidence \(conference-board.org\)](https://www.conference-board.org/consumer-confidence)



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 Q1 2025, real GDP decreased by 0.07%³ over Q4 2024, leveling off after consistent increases over the past five years.**



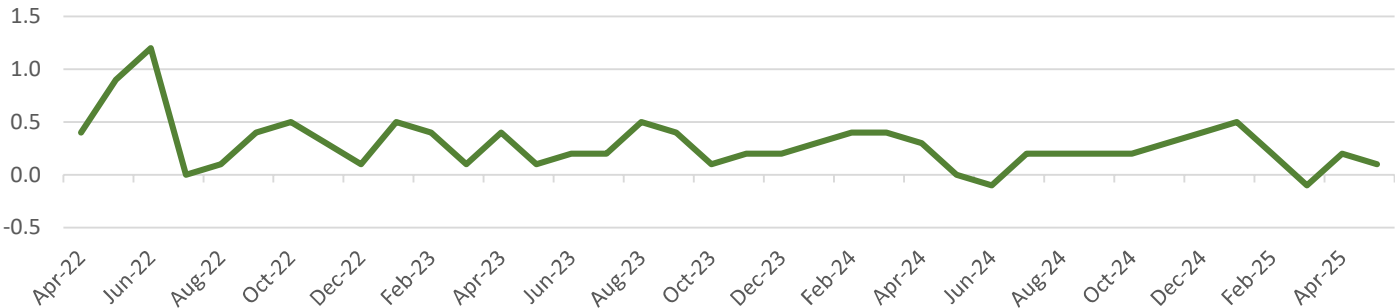
The **Average Hourly Earnings of All Private Employees** measures average hourly earnings employers pay that include overtime and shift differentials but excludes benefits, bonuses, retroactive pay, or employer payroll taxes. While earnings data changes capture wage rate adjustments, they can also include changes in the mix of employment. **In May, the average hourly wage increased to \$36.24. This rise of \$0.18 from April (\$36.06) represents an increase of 0.50%.**

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



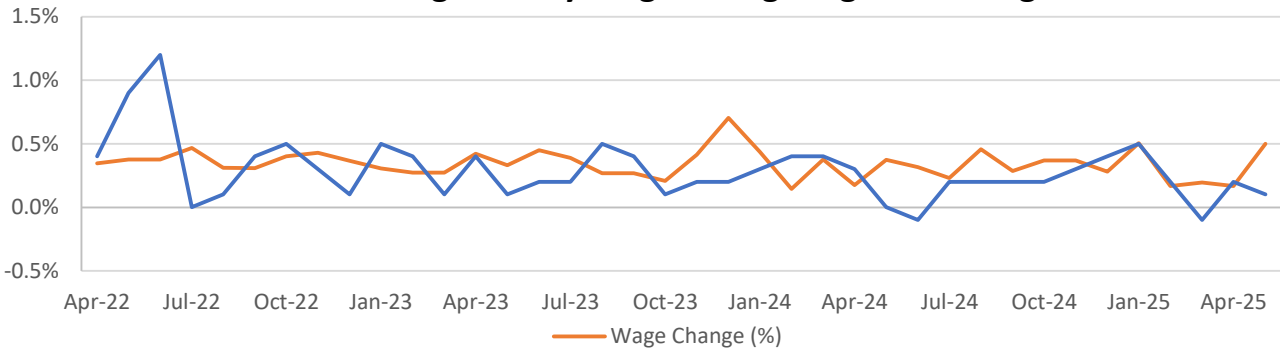
National Metrics

Consumer Price Index



The **Consumer Price Index** (CPI) is a weighted average of the prices of an identified basket of consumer goods and services used to help monitor inflation. The index measures the average change in price that consumers pay overtime. The data is presented as a 1-month percent change, which means that anything shown greater than zero is indicative of inflation (prices increasing) while anything below zero is indicative of deflation (prices decreasing). **During the month of May, the consumer price index rose by 0.1%⁴.** The current 12-month CPI growth is 2.02% (unadjusted) as reported by the Bureau of Labor Statistics. This is 1.33% less than the trailing 12-month average of 3.35%, indicating continued inflation less than that of last year.

Average Hourly Wage Changes against Changes in CPI



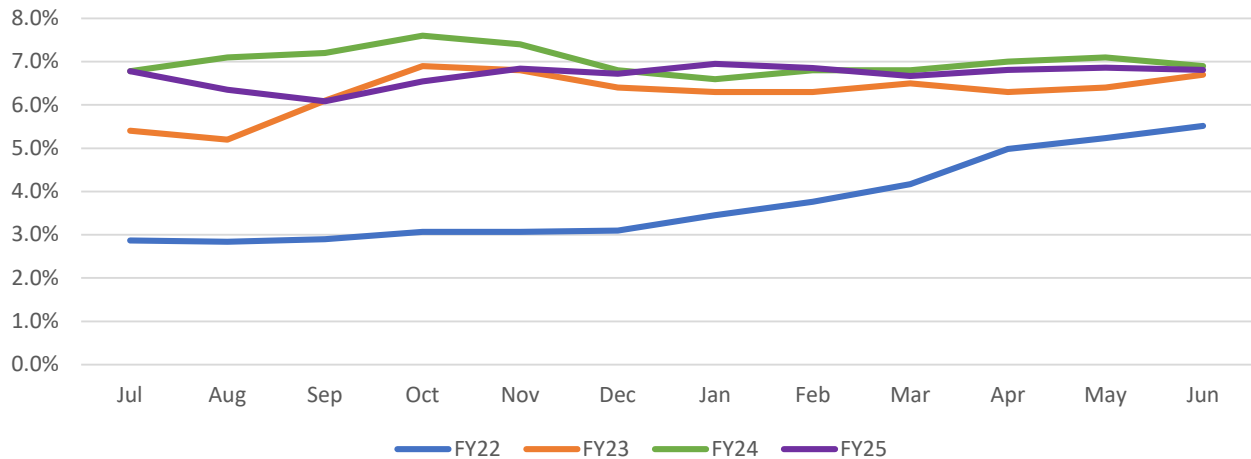
Average Hourly Wage Changes against Changes in the Consumer Price Index analyzes the relationship between national wages and consumer pricing, and more loosely, its affiliate inflation. It should be noted that this graph encompasses month over month changes, with both metrics demonstrating continuous upward growth over the past 2 years of recorded data. **May had a monthly wage growth of 0.5% while the CPI increased 0.1%, a strong outcome for consumer buying power.**

⁴ U.S. Bureau of Labor Statistics; [Bureau of Labor Statistics Data \(bls.gov\)](https://www.bls.gov)



National Metrics

30-Year Fixed Mortgage Rates



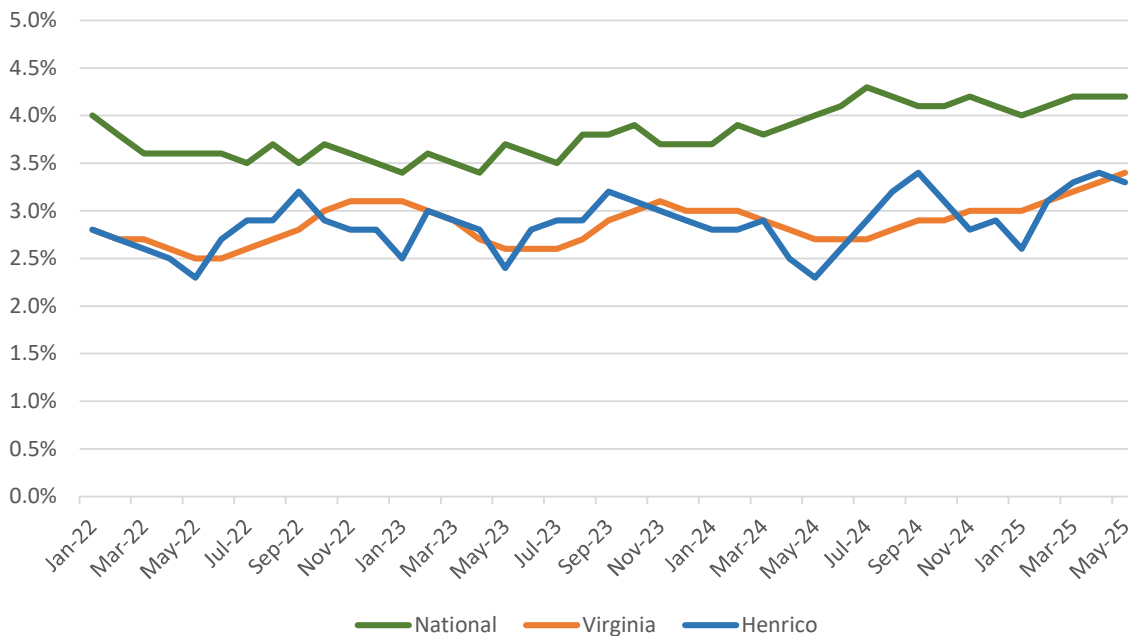
The **30-Year Fixed Mortgage Rate** is the most common financing mechanism used by residential home buyers. The interest rate represents the amount a qualified borrower will be charged by a lender over the loan term. **In June, the 30-year fixed mortgage interest rate decreased from 6.86%⁵ to 6.81%. This slight decrease is a result of normal market fluctuation as the Federal Reserve held interest rates steady in June FY25.**

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



Combined Metrics

Unemployment Rates



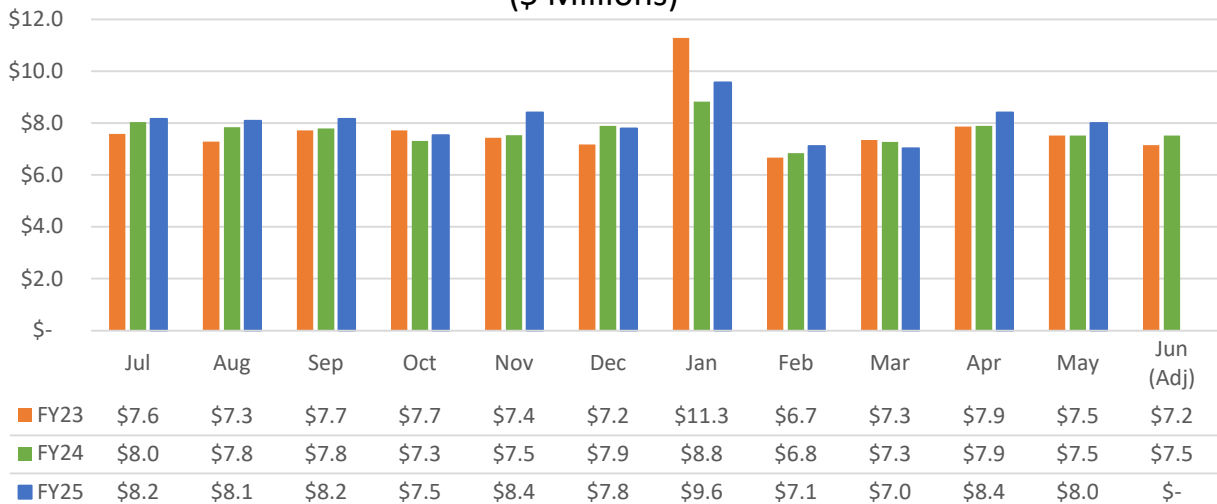
The **Unemployment Rate** shows the number of unemployed people as a percentage of the workforce. Known as the U-3 unemployment rate, an individual must be actively seeking work or laid off to be included. State unemployment data lags roughly six weeks while local unemployment data lags nine weeks. **In the month of May, unemployment rates remained relatively flat at the National and State levels. While Henrico County's unemployment rate remained unchanged at 3.3%⁶.** Historically, Henrico unemployment rates have trended closely with the National and State levels.

⁶ US Bureau of Labor Statistics; <https://data.bls.gov/lausmap/showMap.jsp>



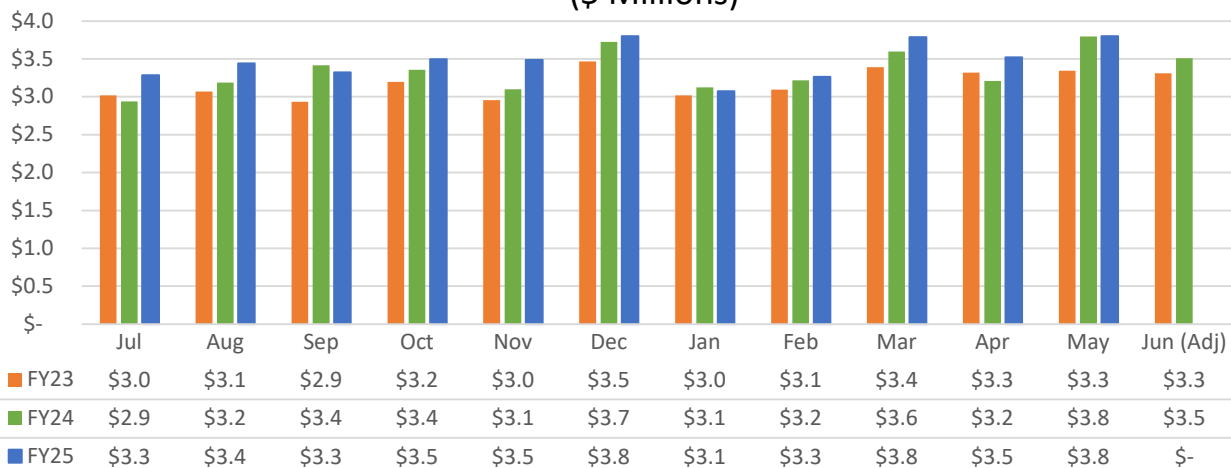
Henrico Metrics

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. **May FY25 recorded collections of \$8.0 million, \$0.5 million more than May FY24 collections.**

Meals Tax (\$ Millions)

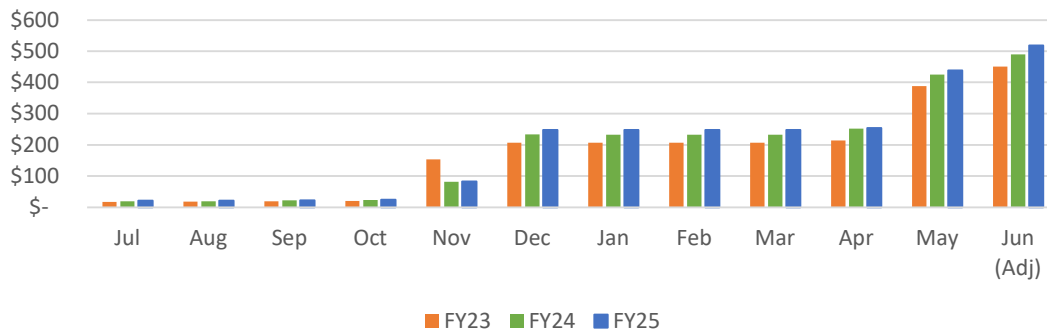


Henrico's **Meals Tax** establishes a 4% tax on prepared food and beverages. Revenue generated by the Meals Tax is dedicated to the operational and capital project needs of Henrico's Public Schools. Collections lag by two months and are compared as year-over-year monthly collections. **May FY25 collections totaled \$3.8 million, with year-to-date collections similar to FY24.**



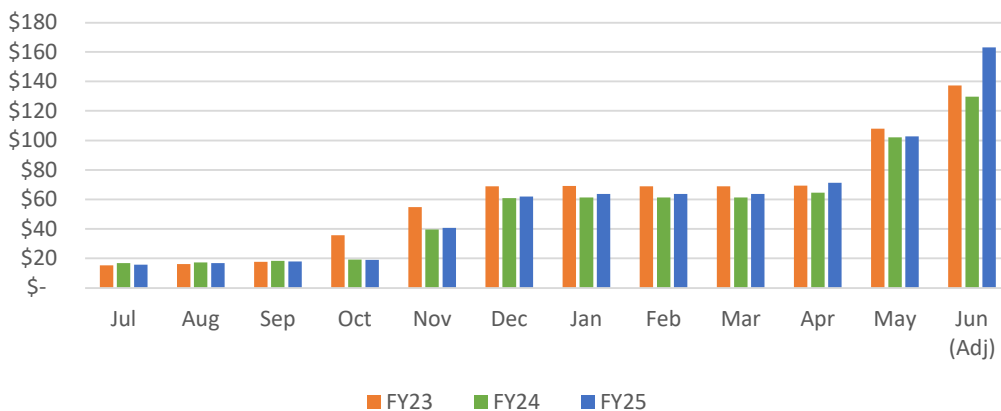
Henrico Metrics

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 June FY25 are \$518 million, a 5.7% increase over FY24 year-to-date.** The graph above represents cumulative collections throughout each fiscal year.

Personal Property Taxes
(\$ Millions, Cumulative)

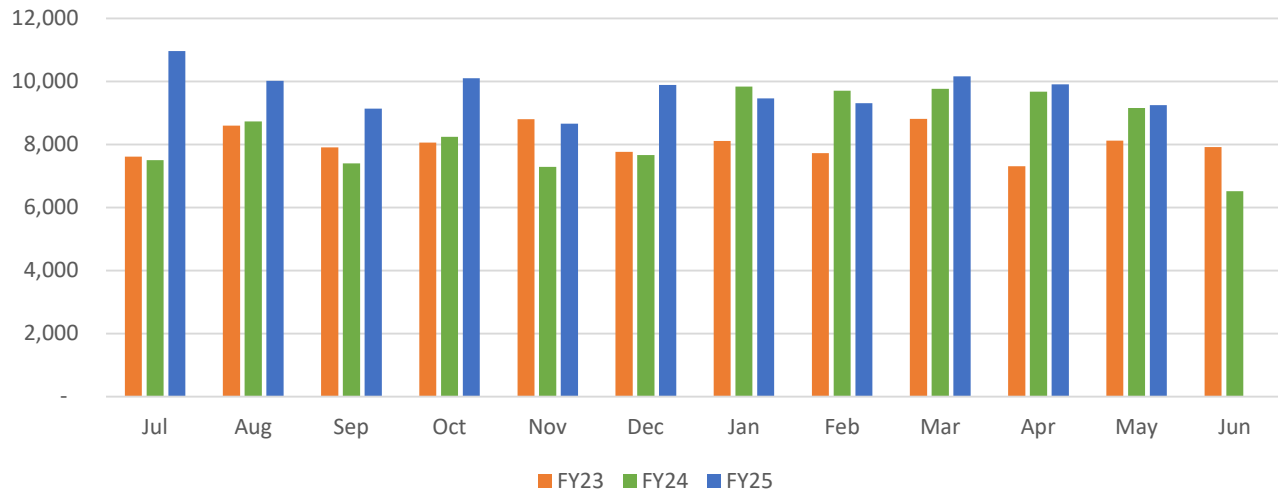


Personal Property Taxes are collected on all vehicles including cars, trucks, trailers, motorcycles, motor homes, aircraft, and watercraft. Personal property is collected in the locality where it is normally garaged, docked, or parked. Henrico County uses the J.D. Power Official Used Car Guide as of January 1st of each year to establish valuations. Collections are due twice a year in December and June. **Personal Property Tax Collections through June FY25 recorded \$163 million, \$33 million more than June FY24. The Personal Property Tax rate was lowered to \$3.35 in FY25, impacting collection totals compared to FY24.**

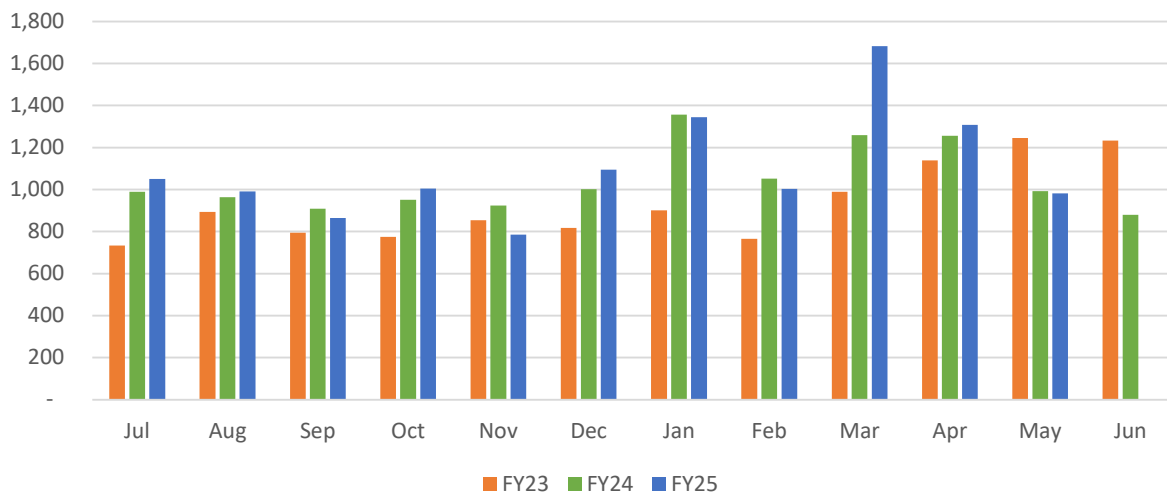


Henrico Metrics

Used Car Registration



New Car Registration

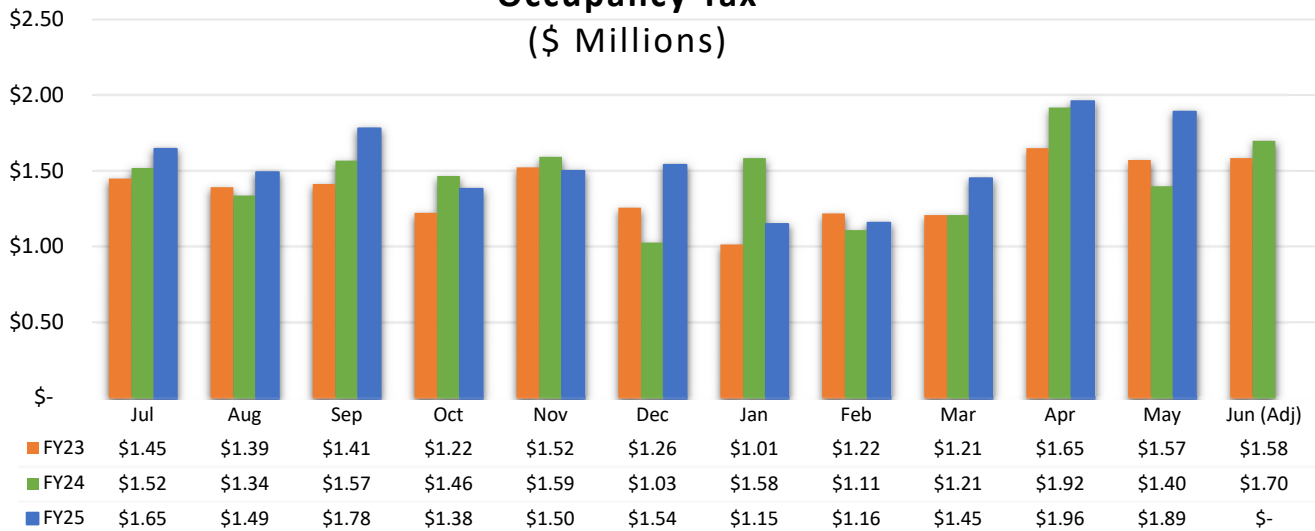


Vehicle Registration data is acquired from the Virginia Department of Transportation and is comprised of both new and used vehicles; the metric strongly correlates to vehicle sales. **Used Car Registrations in May FY25 recorded 9,243, 92 higher than May FY24.** **New Car Registrations recorded 981, 11 lower than May FY24.**



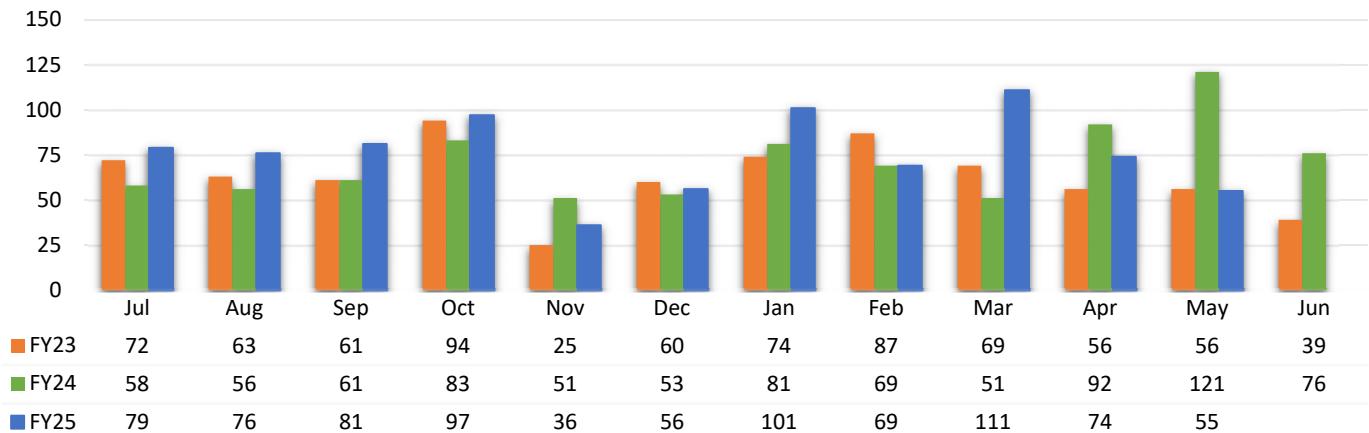
Henrico Metrics

Occupancy Tax (\$ Millions)



Henrico's **Occupancy Tax** is collected on lodging for overnight stays. **Occupancy Tax collections in May FY25 totaled \$1.89 million, \$0.49 million greater than May FY24.**

New Residential Construction

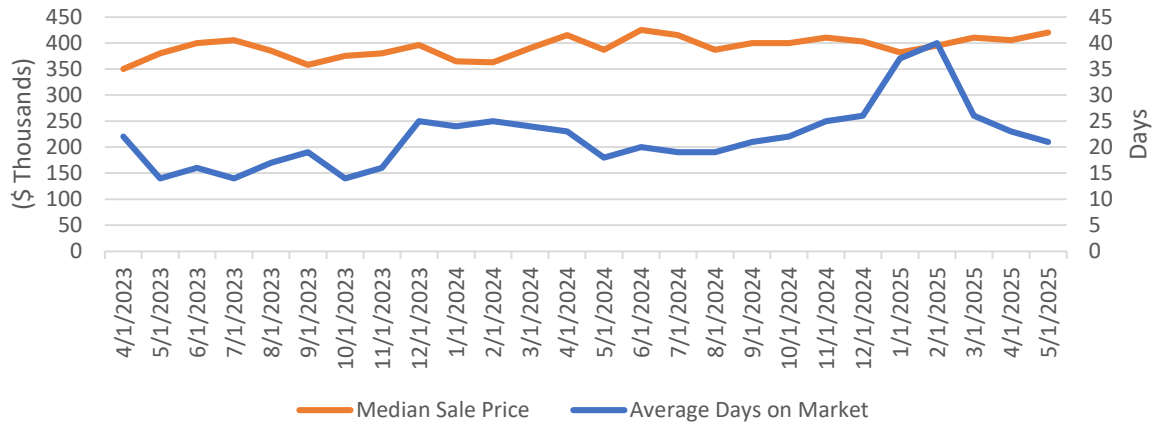


New Residential Construction is comprised of new single-family houses that were issued building permits. A slowdown may indicate worsening economic conditions, increased competition from neighboring localities, or a lack of expansion capabilities. **May FY25 construction totaled 55 permits, 66 less than May FY24.**



Henrico Metrics

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

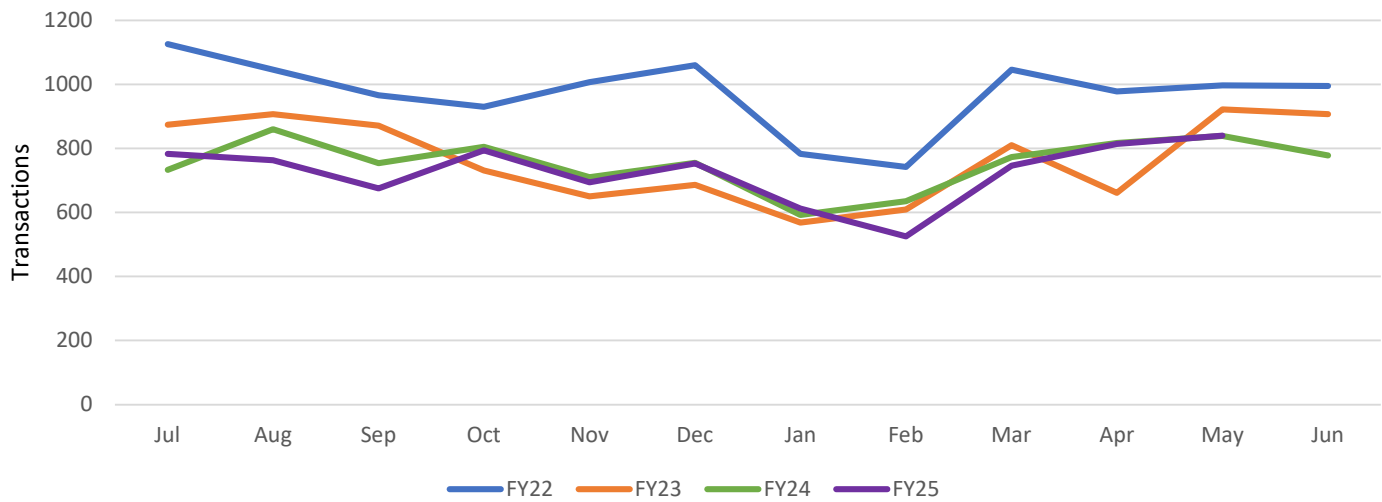


Average Days on the Housing Market and Median Sale Price provides a benchmark of the state of the housing market in Henrico. An increase in the time spent on market may indicate a slowing of the housing market, while a decrease may indicate acceleration. Median Sales Price tracks the middle value of 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 May totaled \$420,000, a \$15,000 increase from April. Average Days on the Housing Market decreased from 23 in April to 21 in May. This continues the reversal of spikes witnessed in the preceding months and restores customary levels in Average Days on the Housing Market.**

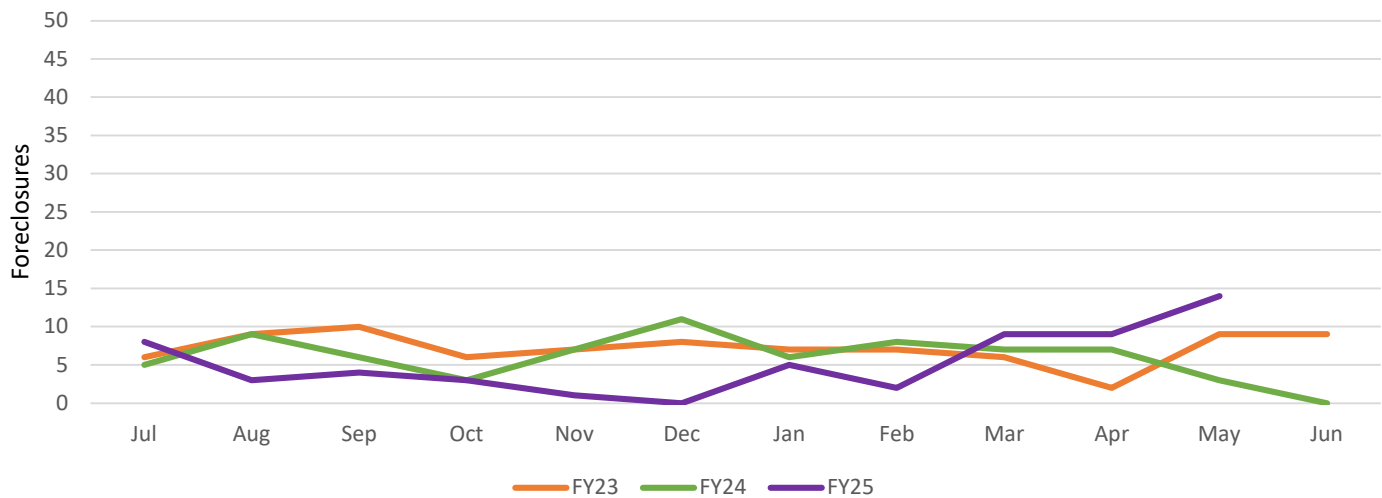


Henrico Metrics

Residential Transactions



Residential Foreclosures

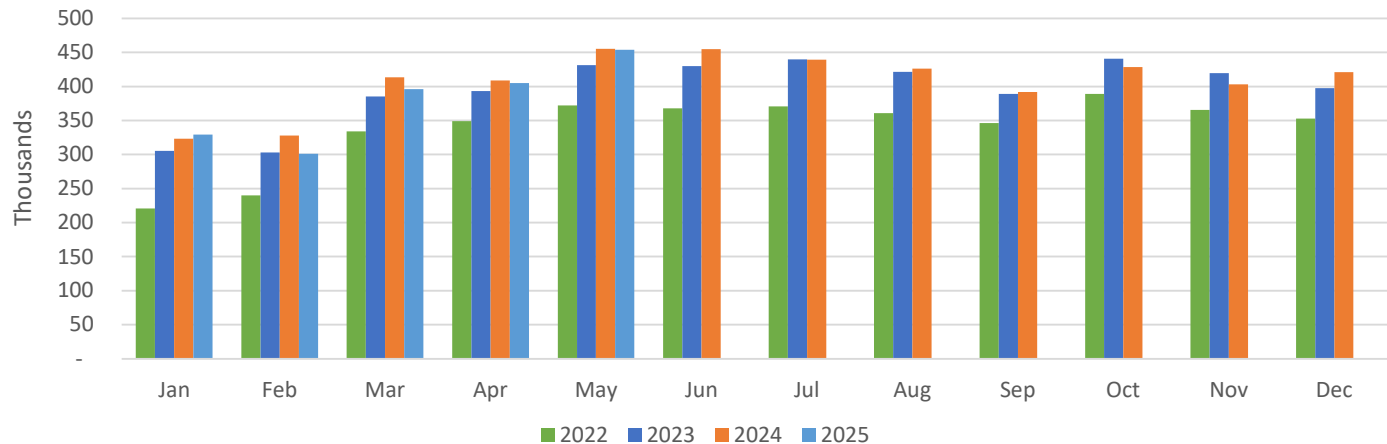


Foreclosures & Transactions data represents Henrico's completed residential sales and reports residential foreclosures. These provide a snapshot of Henrico's housing market. Consistence in transactions represents a healthy and growing market. **A total of 841 residential transactions were recorded in May FY25, 2 more than the previous fiscal year and 27 more than April FY25. There were 14 foreclosures reported in May 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. **May 2025 recorded a total passenger count of 454,021, a 0.24% slight decrease compared May 2024⁷.**

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