

VOLUME
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BLUEPRINT CHESTERFIELD PRESENTS:

KEY FINANCIAL INDICATORS
QUARTERLY REPORT
SECOND QUARTER CY2020

KEY FINANCIAL INDICATORS

SECOND QUARTER CY2020

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REPORT OVERVIEW

This report has been designed to provide strategic insight into key financial and economic measures for Chesterfield County. The County has a long-standing history of evaluating and reviewing these measures on a regular basis, however, with this report, we are now able to communicate this information to a larger audience. The County remains committed to strong fiscal stewardship; this report showcases relevant and informative financial, economic, and general Countywide indicators that are important in informing both current and future programs, services, and resource allocation.

Information in this report is represented based on various time series: monthly, quarterly, and calendar year or fiscal year basis, reflecting year-to-year comparisons. Throughout this report are some common acronyms such as YoY, Year-over-Year; and YTD, Year To Date. Leading each data set is a short narrative intended to offer insight on information presented.

UPDATE: In order to provide up-to-date information on the impact of the COVID-19 pandemic, this issue provides the most current data available at the time of printing. As such, some indicators will have more recent data than others depending on the reporting frequency of the source data.

A NOVEL APPROACH: USING NON-TRADITIONAL DATASETS

Unsurprisingly, Chesterfield was not immune to the pervasive effects of economic fall-out resulting from the COVID-19 pandemic. Based on initial economic data through May 2020, the impact of the virus shows a enervating effect at all levels of the economy. Unlike prior economic shocks, the exogenous catalyst of this downturn, coupled with the deliberate and wholesale closing of large parts of the economy, prompted immediate spending reductions in the current fiscal year as well as a full-scale revision of the proposed budget.

The County's novel approach to projecting the local economic impacts from the pandemic has been to incorporate non-traditional datasets that provide more helpful real-time insights into economic activity. With the widespread advancement of technology it is now possible to precisely track consumer and corporate activity through a wide variety of metrics. By using this data to gauge economic activity as it is happening, it allows for a more proactive, rather than reactive, approach to forecasting revenues and a better gauge of conditions as the County recovers from the pandemic.

Specific data sets utilized for this purpose comes from non-profits, private businesses, and governmental agency sources, and is available as often as daily. By capitalizing on this data, the County has built real-time comprehensive metrics to track where people in the County, region, state, and in cases, nationally are traveling, be it their workplace, retail stores, parks, or transit stations; how many miles are being traveled by residents; how many hours are being worked by hourly employees; the number of local businesses open; and how many and what type of job postings are advertised.

By baselining each dataset against a pre-pandemic state, it becomes readily apparent when the effects of the pandemic began, such as by seeing when activity in the County began to decline and what sectors were affected. Alternatively, these same datasets can be used to proactively gauge the effectiveness of recovery efforts, by monitoring the restoration of activity in accordance with phased re-openings in the County and surrounding region(s). From data viewed through Google Mobility Reports and Streetlight Data as of early June 2020, it would appear that the worst effects of the lockdown have passed, and that activity in the County is beginning to increase again – though not yet at pre-pandemic levels. Using just traditional metrics, the only barometer of retail activity in the County would be anecdotal reports, or sales tax distribution reports which lag two months from the point of sale. However, by capitalizing on non-traditional sources, the County is able to gauge where consumer based revenues and economic activity are heading, positioning the County to proactively respond to changing economic circumstances – be they positive or negative.

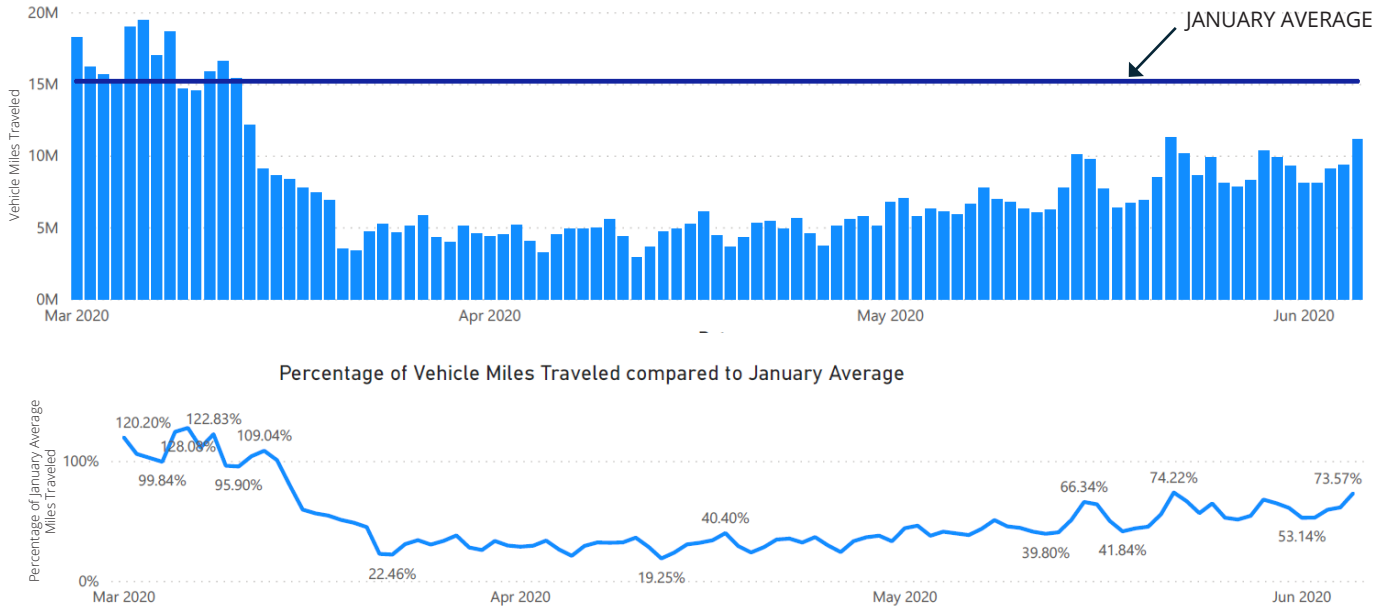
While the use of non-traditional datasets is a crucial step in tracking the economic health of the County, it represents only the first iteration of how Chesterfield plans to monitor conditions going forward. For example, while the return of foot-traffic to retail stores may indicate overall increased consumer activity, it could also be reflective of simple relocation of the same spending from online, back to brick-and-mortar. As such, efforts are also underway to gain a deeper understanding of this data by tracking detailed anonymized consumer spending activity in the County. By cross-referencing these datasets, the County has its finger on the pulse of economic life, positioning it to respond nimbly to rapidly changing economic situations.

Examples of some of these non-traditional datasets, along with some traditional datasets, can be viewed on the following pages.

VEHICLE MILES TRAVELED IN CHESTERFIELD

Data Description: This measure takes the average vehicle miles traveled by users within Chesterfield for a given date and compares the miles traveled to the daily average miles traveled in January 2020 (standard pre-pandemic month).

Last Updated: 6/8/2020



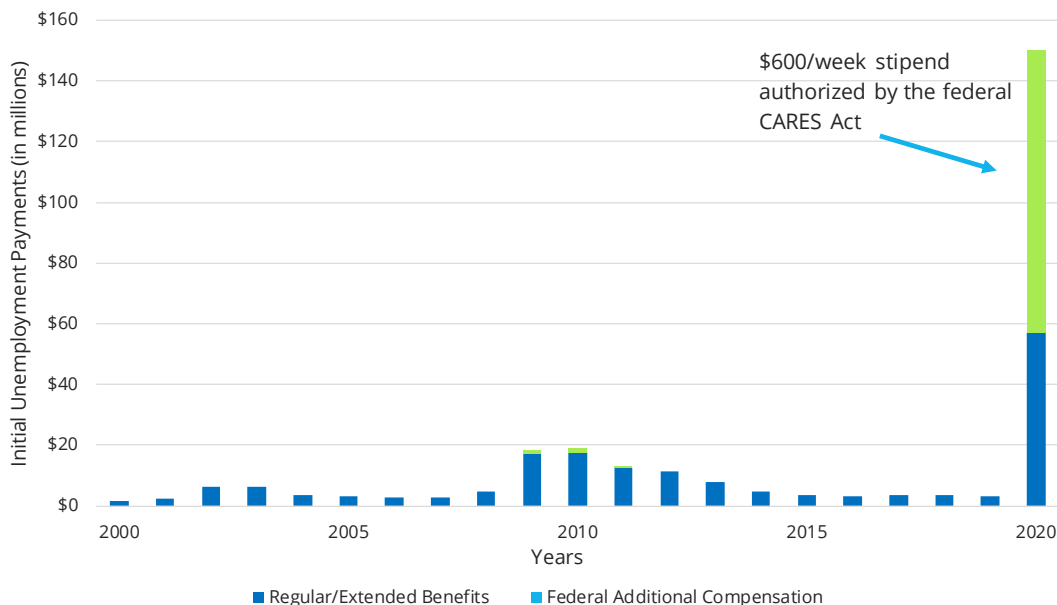
Source: Streetlight Data; VMT Monitor

INITIAL UNEMPLOYMENT PAYMENTS

Data Description: Data tracking initial Unemployment Claims payments for the month of April for the Richmond Metropolitan Area (Chesterfield, Hanover, Henrico, City of Richmond), from 2000-2020.

Last Updated: 6/8/2020

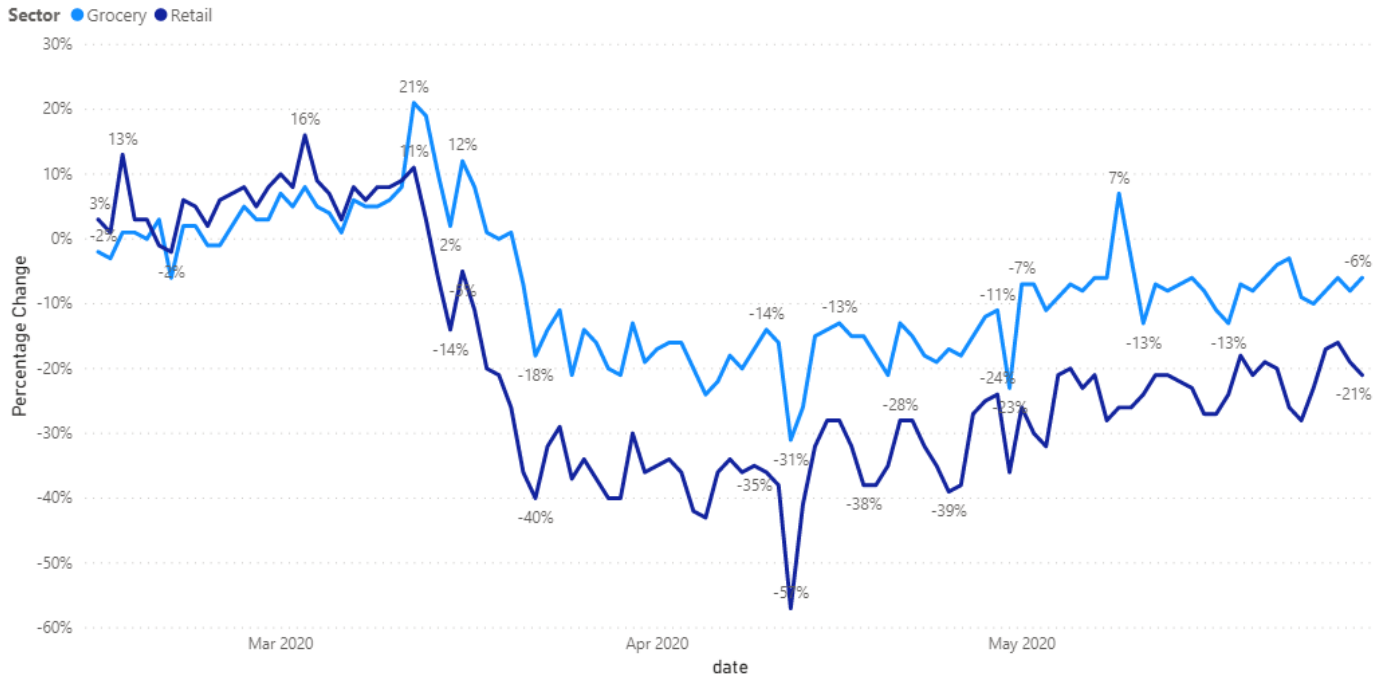
Initial Unemployment Payments in April Year-over-Year for the Richmond Metropolitan Area (Chesterfield, Hanover, Henrico, City of Richmond)



Source: Virginia Employment Commission

PERCENTAGE CHANGE IN VISITS TO GROCERY AND RETAIL STORES IN CHESTERFIELD

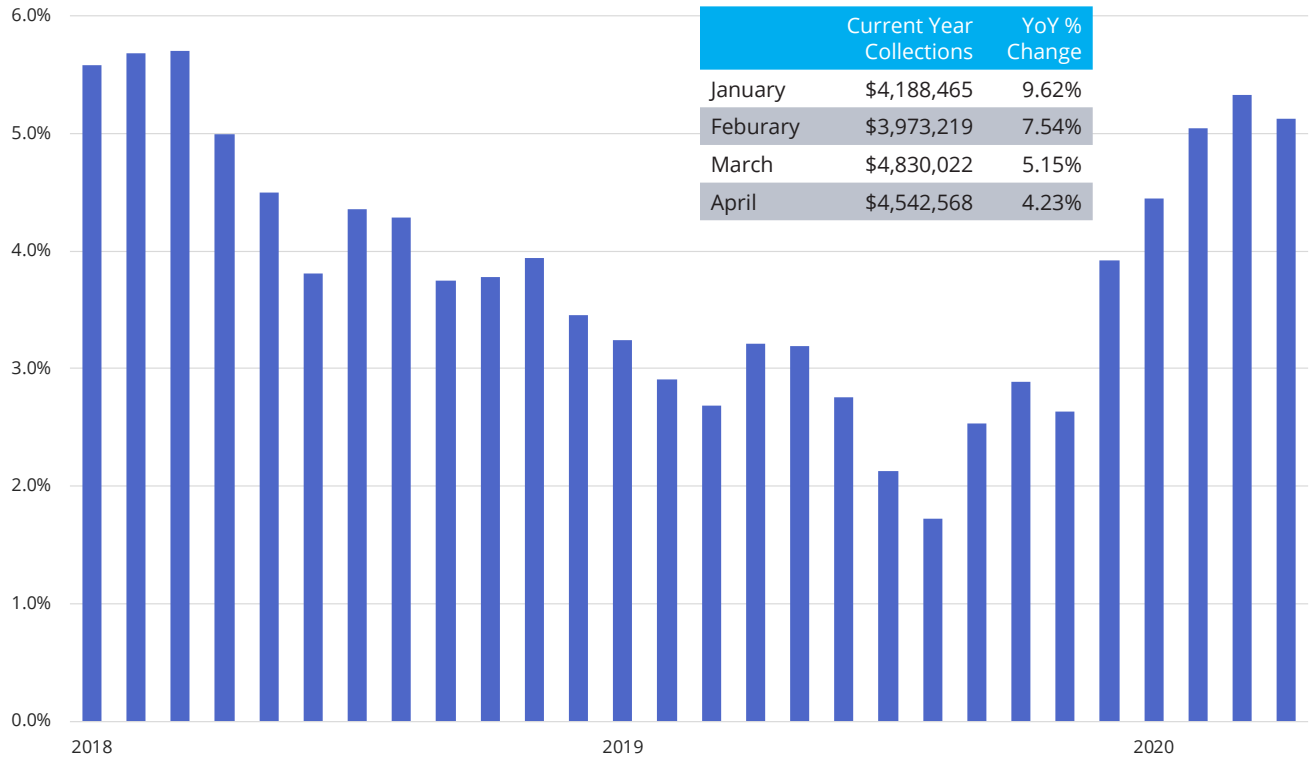
Percentage change in visits to grocery and retail stores



Source: Google, Google Mobility Report

LOCAL SALES TAX

Local Sales Tax
(Year-over-Year Change, 12-Month Moving Average)



Source: Virginia Department of Taxation, Weldon Cooper

NATIONAL ECONOMIC CONDITIONS

ADVANCE RETAIL SALES, EXCLUDING FOOD SERVICES (\$ MILLIONS)

Provides an early estimate of the dollar value of monthly sales in retail trade. The reading for May is \$446,918, reflecting a 1.46% year-over-year decline in consumer demand that is consistent with statewide taxable sales revenue. The large month-over-month increase referenced in headlines as 17.7% (though represented here as 16.8%, excluding food services) largely reflects a rebound from the drop of 12.7% between March and April, the largest single-month decline since the last recession. Sustained growth in this metric will be hard to maintain once the additional \$600 federal unemployment benefits run out in July. The categories with the largest reductions in spending include clothing and shoes, furniture and home furnishings, and electronics – these categories are likely to fall again as consumers' weekly income via unemployment is reduced.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change
\$446,918	\$453,522	\$441,597	-1.46%
MAY 20	MAY 19	MAY 18	

CONSUMER PRICE INDEX (CPI)

Measures the average change in the price of goods and services paid by urban consumers. The percentage change in the CPI between April 2019 and 2020 is 0.3%, which is 1.7 percentage points lower than the previous year-over-year change. Stable growth from year-to-year is a sign of normal inflation within the economy. This indicator is another sign of softening growth at the national level, as consumer demand declines.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change
0.3%	2.0%	2.5%	-1.7% pts
APR 20	APR 19	APR 18	

MANUFACTURERS' NEW ORDERS - DURABLE GOODS (\$ MILLIONS)

Provides current data on industrial activity and indicates future business trends in the domestic manufacturing sector. At \$169,966 in April 2020, this indicator shows a 29.3% decrease from April 2019. Though this is largely attributable to demand disruptions in response to COVID-19, this indicator has shown signs of contracting in the previous two quarters as well. When the nation begins to normalize again, the overall trend will be monitored closely for signs that it continues to lag.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change
169,966	240,268	244,315	-29.3%
APR 20	APR 19	APR 18	

% CHANGE IN REAL GROSS DOMESTIC PRODUCT

Gross Domestic Product (GDP) measures the percent change in the value of goods and services produced in the U.S., less the cost of production. This measure read -5.0% in the third quarter of FY2020, an 8.1 percentage point decline from the same period last year. This decline was driven in large part by a 4.75% decrease in the services sector specifically. This quarter saw the early impacts of the pandemic, though the annualized rate may exaggerate the impact of the change seen in a single quarter.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change
-5.00%	3.10%	2.50%	-8.10% pts
Q3 - FY20	Q3 - FY19	Q3 - FY18	

UNEMPLOYMENT RATE

Percentage of employable people living in the United States over the age of 16 who have either lost their jobs or unsuccessfully sought jobs, and are actively seeking work. In April 2020, the national unemployment rate was 13.3, which is 9.7 percentage points above the April 2019 measure. This metric did fall by 1.4 percentage points from April to May, however, due to a misclassification as 'employed but absent from work' for those who were on temporary layoffs due to the pandemic. The Bureau of Labor Statistics estimates that this misclassification accounts for a difference of 3 percentage points in the unemployment rate for the month of May. The unprecedented level of unemployment has led to new challenges in accurately representing employment in the nation. It has rarely been so crucial to have accurate national statistics, in order to quickly and effectively respond to economic needs.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change
13.30%	3.60%	4.00%	9.70% pts
APR 20	APR 19	APR 18	

NEW BUSINESS FORMATION, U.S.

A measure of new businesses in the nation as represented by the business applications for tax ID, with some exceptions (including certain sectors such as private households, or civic and social organizations). On a year-over-year basis, applications for tax IDs are up 6.9%. However, the number within a subset of those applications, the number of businesses ranked with a high propensity of turning into businesses with payroll fell year-over-year by 4.5%, possibly driven by uncertainty over ability to hire due to the pandemic.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change	YTD YoY Change
74,120	69,320	69,430	6.9%	5.1%
WEEK ENDING 6/6/20	WEEK ENDING 6/8/19	WEEK ENDING 6/9/18		

NET PERCENTAGE OF DOMESTIC BANKS TIGHTENING STANDARDS ON CONSUMER LOANS

Measures the willingness of domestic banks to issue consumer installment loans. The net percentage tightening standards was 38.5% in the first quarter of 2020, with an uptick of 23.3 percentage points from first quarter of 2019, and the largest quarter-over-quarter growth since the last recession. While standards for consumer auto loans were moderately tightened, standards for credit card loans and other consumer loans were significantly affected, a sign of growing uncertainty regarding consumers' ability to pay. However demand for all three categories, especially consumer auto loans and credit cards, declined in the same quarter in response to the pandemic. We will continue to monitor this measure for any sustained impact to the consumer economy.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change
38.50%	15.20%	9.40%	23.30% pts
Q3 - FY20	Q3 - FY19	Q3 - FY18	

STATE ECONOMIC CONDITIONS

SALES TAX (\$000'S)

State sales tax collections reflect consumer spending across Virginia. The state saw a 12.5% decrease from the same period last year. May reflects the reduced spending of many consumers across the state facing uncertainty caused by the pandemic. This decline reflects the lost business from store closings across the state. Year-to-date collections remain up 5.44%, driven by strong performance earlier in the year.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change	YTD YoY Change
\$269,467	\$308,091	\$280,867	-12.54%	5.44%
MAY 20	MAY 19	MAY 18		

INDIVIDUAL INCOME TAX WITHHOLDING (\$000'S)

A measure of job creation and wage growth in the state economy. Tax withholdings in Virginia have decreased 25.9% over the same period last year, and 3.6% year-to-date, following a period of solid growth earlier in the fiscal year. This drop came about partially due to the extension on the payment date as well as reduced number of firms paying as a result of pandemic-related closures.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change	YTD YoY Change
\$1,291,413	\$1,876,274	\$1,401,855	-31.17%	-0.38%
MAY 20	MAY 19	MAY 18		

VEHICLE REGISTRATIONS

Vehicle registrations in May 2020 across the state are down 45.4% from May 2019, and down 10.1% year-to-date as well. These effects closely match the County-level vehicle registrations data, where vehicle purchases appear to be on hold for many while the long-term economic impacts of the pandemic remain uncertain.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change	YTD YoY Change
85,854	157,156	164,778	-45.37%	-10.11%
MAY 20	MAY 19	MAY 18		

% CHANGE IN REAL GROSS DOMESTIC PRODUCT

The change in the value of goods and services produced in the state, less the cost of goods and services used in production. This measure grew by 2.1% on an annualized basis, between the first and second quarter of FY2020. This data precedes the economic impact of the pandemic. The underlying data shows contraction in the construction, manufacturing, and other services sectors. However, this was more than offset by growth in the retail trade, professional, scientific, and technical services, finance and insurance, and utilities industries.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change
2.10%	0.50%	2.50%	1.60% pts
Q2-FY20	Q2-FY19	Q2-FY18	

NEW BUSINESS FORMATION, VIRGINIA

A measure of new businesses in the state as represented by the business applications for tax ID, with some exceptions (including certain sectors such as private households, or civic and social organizations). On a year-over-year basis, applications in Virginia are up 8.4%. However, the number within a subset of those applications, the number of businesses ranked with a high propensity of turning into businesses with payroll fell year-over-year by 1.7%, possibly driven by uncertainty over ability to hire due to the pandemic.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change	YTD YoY Change
1,940	1,790	1,750	8.4%	-5.4%
WEEK ENDING 6/6/20	WEEK ENDING 6/8/19	WEEK ENDING 6/9/18		

UNEMPLOYMENT RATE

Percentage of employable people living in Virginia over the age of 16 who have either lost their jobs or unsuccessfully sought jobs, and are actively seeking work. The state unemployment rate as of April 2020 is 0.1 percentage point lower than Chesterfield County's rate. This represents an increase of 7.7 percentage points from April 2019. This indicator shifted quickly based on the impact of the pandemic, driven by losses in the leisure and hospitality, education and health services, and trade and transportation sectors. We will continue to monitor this indicator for signs of improving unemployment as the state's phased reopening continues.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change
10.60%	2.90%	3.10%	7.9% pts
APR 20	APR 19	APR 18	

NUMBER OF FILED BANKRUPTCIES

In March 2020, the state saw 2,102 bankruptcies filed, a decrease of 9.9% from March 2019, most likely in response to both the increased opportunities for flexibility from financial institutions and utility providers during the pandemic, as well as court closures across the state. The year-to-date reading shows an increase of 1.1%, indicating that bankruptcies remain overall on track with 2019. This measure normally serves as a leading indicator of potential financial difficulties for both consumers and businesses, whereby any sustained uptick in this indicator suggests that business and consumer financial positions may be weakening, which may precipitate a decline in spending in the economy. However, the public health nature of this economic disruption and the resulting court closures make interpretation of this indicator less clear. With the reopening of courts, this measure may soon more plainly indicate the strength of the state economy.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change	YTD YoY Change
2,102	2,332	2,344	-9.9%	1.1%
MAR 20	MAR 19	MAR 18		

LOCAL ECONOMIC CONDITIONS

SALES TAX

A key measure of consumer spending and consumer confidence in the local economy. Consumer spending in the County is up 5.16% from one year ago for the April reading, despite the economic impact of the pandemic. One possible driver of April's performance is that, as a bedroom community with a higher proportion of residents working from home, the shopping of those residents has moved closer to home as a result. Additionally, the April reading remained up 4.07% year-to-date, boosted primarily by holiday sales in the previous quarter. The Budget Department monitors sales tax activity closely to assess the economic impacts of pandemic.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change	YTD YoY Change
\$4,830,267	\$4,593,356	\$4,505,818	5.16%	4.07%
APR 20	APR 19	APR 18		

AVERAGE WEEKLY WAGE

At \$970, average weekly wages across government and private sectors in the County are up 3.52% as of March 2020 compared to 2018. Impacts of the pandemic will not show up in average weekly wage until Q1 and Q2 of 2020 (when additional data is available), though the positive reading in Q4 2019 suggests the County went into the pandemic in a strong position.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change
\$970	\$937	\$917	3.52%
Q2-FY2020	Q2-FY2019	Q2-2018	

VEHICLE REGISTRATIONS

The number of new and used vehicle registrations. In response to both the pandemic-driven economic uncertainty, as well as the number people frequently staying home compared to the prior year, vehicle registrations fell significantly, down 43.47% from May of 2019. As vehicle taxes are the largest component of personal property taxes (the County's second largest General Fund revenue source), the County continues to closely monitor this activity to assess its impact on revenue during the pandemic.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change	YTD YoY Change
3,504	6,198	6,198	-43.47%	-10.90%
MAY 20	MAY 19	MAY 18		

PAYROLL EMPLOYMENT

With 162,869 workers employed in the County as of April 2020, this represents a 11.0% decrease compared to April 2019. While this may have otherwise had a negative impact on consumer sales observed through sales tax revenue, the additional federal unemployment support has supplemented income for many Chesterfield residents. When the federal benefit period ends in July, this decline in employment may have a sharp impact on consumer decisions.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change
162,869	182,994	178,920	-11.00%
APR 20	APR 19	APR 18	

LABOR FORCE TO JOBS RATIO

This measure tracks the ratio of jobs at Chesterfield firms to the number of County residents that are actively engaged in the labor force. At 74.2%, this ratio has decreased 2.51 percentage points from same period last year, indicating that fewer Chesterfield residents are employed within the County. While the labor pool of the County continued to grow, rising by 1.72% year-over-year, the labor force employed within the County declined by 1.61%. While two-thirds of employment sectors within the County experienced job growth, adding 2,556 jobs (1,000 in the Professional and business services sector alone), the trade, transportation, and utilities sector shed 4,186 jobs year-over-year, which is the primary driver of the decline in the ratio. With updated data available over the next few months, we anticipate a potential decline in this ratio due to the impacts of COVID-19. Despite future challenges associated with the pandemic, the County remains committed to its goal of bringing the ratio closer to 80% over time and will monitor this indicator as progress is made.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change
74.26%	76.77%	76.65%	-2.51 pts
DEC 19	DEC 18	DEC 17	

UNEMPLOYMENT RATE

Percentage of employable people living in Chesterfield County over the age of 16 who have either lost their jobs or unsuccessfully sought jobs, and are actively seeking work. Entering the pandemic, the County unemployment rate was consistently below both the national and state rates at 2.6% in February and 3.1% in March, though the rate increased to 10.7% as the impacts of the economic disruption appeared in April. However, the County remains one of the lowest in the region, on par with the state rate, and below the national rate for April.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change
10.70%	2.40%	2.70%	8.30% pts
APR 20	APR 19	APR 18	

OCCUPANCY TAX

This is a local tax levied on hotels and other lodging places within the County for any person who obtains lodging for less than thirty days. The County's rate is eight percent. Increased social distancing measures and reduced travel statewide produced a considerable decline in occupancy tax revenue for the month of March compared to March 2019. Chesterfield experienced the highest occupancy levels in the Richmond-Petersburg region for the month of April, recording a 37.2% occupancy rate, 6.3 percentage points above the regional average. As the state's phased approach to reopening continues, tourism in the County may improve in response.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change	YTD YoY Change
\$156,796	\$382,336	\$356,721	-58.99%	-7.17%
MAR 20	MAR 19	MAR 18		

OPERATING CASH INVESTMENT BALANCE

General overview of Countywide cash investment balances. The amounts listed here represent the short-term cash component of the County's total investment balances. This balance has decreased over time as more cash has moved into longer-term investments generating higher returns for the County. As such, the cash balance is not a reflection of lower overall County balances.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change
\$132.8M	\$110.7M	\$140.8M	19.99%
APR 20	APR 19	APR 18	

AVERAGE YIELD ON INVESTMENTS

Measuring the County's investment effectiveness. The objective is to obtain the highest possible yield on available financial assets, consistent with constraints imposed by safety objectives, cash flow considerations, and the laws of the Commonwealth of Virginia that restrict the placement of public funds. Compared to the same period in 2019, yields are up down by 0.98 percentage points.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change
1.49%	2.47%	1.54%	-0.98% pts
APR 20	APR 19	APR 18	

INTEREST EARNINGS

This is the amount, in thousands of dollars, that the County is earning per month on longer-term investment balances in investment vehicles permissible by State Code. For the month of April, investment earnings reached \$772k. Compared to the same period one year ago, investment earnings are down by 32.2%. A recent drop in interest rates in response to the pandemic have produced this decline in monthly earnings, though high interest rates earlier in the fiscal year have generated enough that year-to-date earnings remain up by 30.0% compared to FY2019.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change	YTD YoY Change
\$772K	\$1,138K	\$527K	-32.16%	30.03%
APR 20	APR 19	APR 18		

LONG-TERM LIABILITIES

As required by GAAP, a long-term liability has been recorded for the VRS Plan, the County Supplemental Retirement Plan, Retiree Healthcare, and the County Line of Duty Plan for the cumulative difference between the total pension/OPEB liabilities and fiduciary net position as of the measurement date. Incremental improvement to the funded status of each could be a result of additional funding directed to the respective trust, investment returns, or program eligibility/participation.

	FY2019	FY2018	FY2017	FY2016
VRS AGENT MULTIPLE-EMPLOYER				
	85.61%	84.48%	79.67%	82.05%
COUNTY SUPPLEMENTAL RETIREMENT PLAN				
	98.77%	99.84%	97.86%	88.86%
RETIREE HEALTHCARE				
	33.63%	28.57%	22.43%	20.63%
LINE OF DUTY				
	59.86%	73.56%	51.99%	55.70%

FINANCE AND BUDGET (LOCAL)

TAX COLLECTION RATE

Property taxes are primarily generated from levies on real estate and personal property and are the dominant revenue source for the County, more than half of the general fund budget. Therefore, timely collection of those revenues are critical to operations. This metric is demonstrating the percentage of the original tax level collected within the fiscal year of the levy.

96.86%	97.26%	95.03%	95.71%
FY2019	FY2018	FY2017	FY2016

PERCENT SPEND WITH CHESTERFIELD BUSINESSES

Measuring the percent of Chesterfield businesses responding to and entering into agreements for Chesterfield County goods and services and construction contracts. With several large capital project expenditures over the last few years, County expenditures with national companies that specialize in such projects have significantly increased. The County continues to monitor this measure and is committed to utilizing local businesses for goods and services. In the future, this indicator will report out on goods and services versus capital expenditures.

8.25%	10.04%	16.13%	14.91%
FY2019	FY2018	FY2017	FY2016

NET CHANGE IN FUND BALANCE

The net increase or decrease resulting from the use of and contribution to reserves in a given fiscal year. Each year, results of operations (both County and Schools) are set aside for revenue stabilization needs in less favorable economies as well as capital projects. Contributions from restricted revenues that cannot be used to fund general operations (occupancy taxes, BPOL) are also included below.

\$25.9M	\$14.4M	\$30.2M	\$40.8M
FY2019	FY2018	FY2017	FY2016

APPEALS DATA

As an indicator of the accuracy of the assessment data, this measures the number of residential assessments actually changed by the Board of Equalization (BOE).

	FY2019	FY2018	FY2017	FY2016
TOTAL NUMBER OF APPLICATIONS	140	116	108	103
TOTAL NUMBER OF APPEALS REVIEWED BY BOE	12	8	5	4
NUMBER OF APPLICATIONS OVERTURNED BY BOE	2	0	1	0
AVERAGE VALUE CHANGED	(\$11,949,650)	\$0	(\$15,000)	\$0

HOUSING AND REAL ESTATE (LOCAL)

HOME SALES

Indicating the number of homes sold (new and existing) in a given month, compared to historical data. Single family homes sold in April were down 2.4% from 2019, while condo and townhome sales remained relatively steady year-over-year. The delay between contract and closings likely minimized the impact of early pandemic disruptions. Low interest rates, combined with a desire for comfort while social distancing, may support home sales throughout the pandemic, even while demand for other types of purchases (such as vehicles) may remain lower than usual.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change	YTD YoY Change
SINGLE FAMILY				
492	504	476	-2.4%	4.25%
CONDO/TOWNHOMES				
53	53	54	0.0%	18.93%
APR 20	APR 19	APR 18		

BUILDING PERMITS

As a leading indicator, this measure provides insight on the new housing market and commercial activity in Chesterfield. Building permits for single family homes have been consistently above 2019 levels during FY2020 and April continued this trend. Multi-family permits and commercial permits are often lumpy, demonstrated by the 36.7% and 21.9% year-over-year declines in multi-family and commercial, respectively. This is one positive indicator for the health of the Chesterfield market despite the pandemic.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change	YTD YoY Change
MULTIFAMILY PERMITS				
31	49	20	-36.7%	-8.2%
SINGLE FAMILY PERMITS				
165	127	128	29.9%	9.8%
COMMERCIAL PERMIT VALUE				
\$13,843,953	\$21,424,652	\$15,325,863	-35.4%	-21.9%
APR 20	APR 19	APR 18		

COMMERCIAL/RESIDENTIAL RATIO

An annual review of the County's commercial base compared with its residential base.

YEAR	RESIDENTIAL	COMMERCIAL
2020	78.70%	21.30%
2019	79.24%	20.76%
2018	79.12%	20.88%
2017	78.75%	21.25%
2016	78.27%	21.73%
2015	78.25%	21.75%
2014	78.08%	21.92%
2013	77.91%	22.09%
2012	78.42%	21.58%
2011	79.57%	20.43%
2010	80.19%	19.81%

HOMES PRICES

Indicating the average value for homes sold during a given month, compared to historical data. Year-over-year change for a single family home shows a 5.5% increase, reflecting a healthy demand for Chesterfield housing.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change
SINGLE FAMILY			
\$278,250	\$263,750	\$259,495	5.5%
CONDO/TOWNHOMES			
\$246,660	\$260,000	\$227,643	-5.1%
APR 20	APR 19	APR 18	

OFFICE AND RETAIL VACANCIES

As a component in assessing the economic vitality of the local market, this measure offers insight in the vacancy ratio among office and retail businesses. Continuing last quarter's downward trend, the third quarter of FY2020 saw a 3.0 percentage point decline in office vacancies, suggesting further increasing demand for office space. Retail vacancies continue to fall as well, with the latest measurement showing a 0.2 percentage point decline year-over-year, which, coupled with continued growth in retail space suggests a robust market in the third quarter. The market's response to the pandemic may be more evident in future quarters, as more firms become equipped for a full-time telework environment, and needs for office space may decline.

CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change
OFFICE VACANCIES			
6.3%	9.3%	10.0%	-3 % pts
RETAIL VACANCIES			
4.2%	4.4%	6.0%	-0.2 % pts
Q3-FY20	Q3-FY19	Q3-FY18	

ANNUAL RESIDENTIAL REVALUATION

A key annual measure to monitor assessments and housing market trends. Tracking the overall year-over-year change in value for existing residential properties.

YEAR	PERCENT CHANGE
2020	3.81%
2019	3.25%
2018	3.77%
2017	3.10%
2016	2.50%
2015	2.90%
2014	2.10%
2013	-1.30%
2012	-5.30%
2011	-5.00%
2010	-4.80%



COMMUNITY AND DEMOGRAPHICS

GROUP A CLEARANCE RATE AND CRIME RATE

A measure of the effectiveness of the Police Department in resolving Group A incidents. The number of National Incident Based Reporting System (NIBRS) Group A actual incidents that are solved, cleared by arrest, or cleared exceptionally. The incidents include arson, assault, burglary, drug/narcotic offenses, fraud, homicide, kidnapping, theft, vandalism, and weapon violations.

	FY2019	FY2018	FY2017	FY2016
CLEARANCE RATE	46%	52%	59%	55%
REPORTED INCIDENTS	16,147	16,126	16,569	16,417
CRIME RATE (PER 100K CITIZENS)	4,627	4,688	4,873	4,872

REHABILITATION INCENTIVE PROGRAM

Intended to offer funding assistance in mature or older areas of the County, participation in this program grants partial tax exemption for the rehabilitation, renovation, or replacement of aging structures. Increased utilization in this program (for commercial, industrial, historic, or residential properties) can be an indication of investment in revitalization areas.

CY2019	CY2018	CY2017	CY2016	CY2015
7	11	5	9	10

SOCIAL SERVICES RECIPIENTS

Residents accessing Medicaid services increased year-over-year, driven partially by the Medicaid expansion in Virginia and partially by the unprecedented rise in unemployment during a national health crisis. A small decline in TANF (Temporary Assistance for Needy Families) access occurred in FY2020, while SNAP (Supplemental Nutrition Assistance Program) saw the largest growth year-over-year in May, with food as the resource most needed in response to increased unemployment resulting from the pandemic.

	CURRENT READING	YEAR AGO	TWO YEARS AGO	YoY Change
MEDICAID	67,913	62,052	48,964	9.45%
TANF	1,198	1,238	1,204	-3.23%
SNAP	30,248	25,923	27,751	16.68%
	MAY 20	MAY 19	MAY 18	

TAX RELIEF FOR THE ELDERLY AND DISABLED

Program which allows relief on real estate taxes for the elderly, disabled, surviving spouses of certain emergency service providers, and surviving spouses of members of the armed forces killed in action or died of wounds received in action. This measure tracks the value of real estate taxes relieved for such exemptions.

FY2019	FY2018	FY2017	FY2016
\$7,745,665	\$7,451,824	\$6,666,904	\$5,744,939

COUNTY WORKFORCE

Identified below are the number of full-time vacancies within Chesterfield County government, as well as the voluntary turnover rate. These measures provide valuable personnel insight.

FY2019	FY2018	FY2017	FY2016
NUMBER OF FULL-TIME VACANCIES AT FISCAL YEAR END			
260	264	216	195
VOLUNTARY TURNOVER RATE			
11.3%	7.1%	6.4%	6.8%

POPULATION

Chesterfield County is the most populated locality in the Richmond/Petersburg MSA and the fifth most populated locality in the Commonwealth of Virginia. The County's population continues to experience a gradual but steady increase.

FY2019	FY2018	FY2017	FY2016
349,000	344,000	340,000	337,000

SCHOOL ENROLLMENT

Chesterfield County Public Schools is one of the 100 largest school systems in the US and the fifth largest in Virginia and educated more than 61,000 students in 2018-2019. Student growth in the County has stabilized with minimal increases for the past decade. Projections suggest this student membership trend around 1-2% increases annually will continue for the foreseeable future.

2019-2020	2018-2019	2017-2018	2016-2017
62,669	61,608	60,976	60,103



VOLUME
07

KEY FINANCIAL INDICATORS QUARTERLY REPORT

SECOND QUARTER CY2020

SOURCES

Data in this document has been sourced from various County departments including, Accounting, Budget and Management, Building Inspection, Chesterfield County Public Schools, Commissioner of the Revenue, Procurement, Real Estate Assessments, and Treasurer. External resources include the Administrative Offices of the United States Courts, Bureau of Economic Analysis, Bureau of Labor Statistics, Burning Glass Technologies, Equifax, Federal Reserve, Federal Reserve Bank of New York (FRBNY), Federal Reserve Bank of Philadelphia, Google, IHS Market, Richmond Association of Realtors, Streetlight Data, Thalhimer, U.S. Census Bureau, Virginia Department of Education, Virginia Department of Motor Vehicles, Virginia Department of Taxation, Virginia Employment Commission, and Weldon Cooper.

This report was prepared by Budget and Management. For comments or question regarding this document, call (804) 748-1548 or visit www.chesterfield.gov. Published June 2020.