

COUNTY OF YORK

MEMORANDUM

DATE: April 18, 2025

TO: York County Board of Supervisors

FROM: Mark L. Bellamy, Jr., County Administrator



SUBJECT: Federal Priorities and Economic Impacts – Presentation by Nikki Johnson

I have attached a copy of Nikki Johnson's presentation on changing federal priorities and their potential impact on the Hampton Roads economy, as shared during Thursday's HRPDC meeting.

The presentation is also available on the HRPDC website, along with additional meeting materials, including the agenda, meeting video, and all presentations, at the following link:

<https://hrpdcva.gov/Calendar.aspx?EID=1442&month=4&year=2025&day=17&calType=0>

Schott/3326

Attachment:

- Federal Priorities and Economic Impacts Presentation

Changing Federal Priorities Potential Implications for the Hampton Roads Economy

Presented to: Hampton Roads Planning District Commission

Nikki Johnson
Regional Economist, HRPDC
April 17, 2025

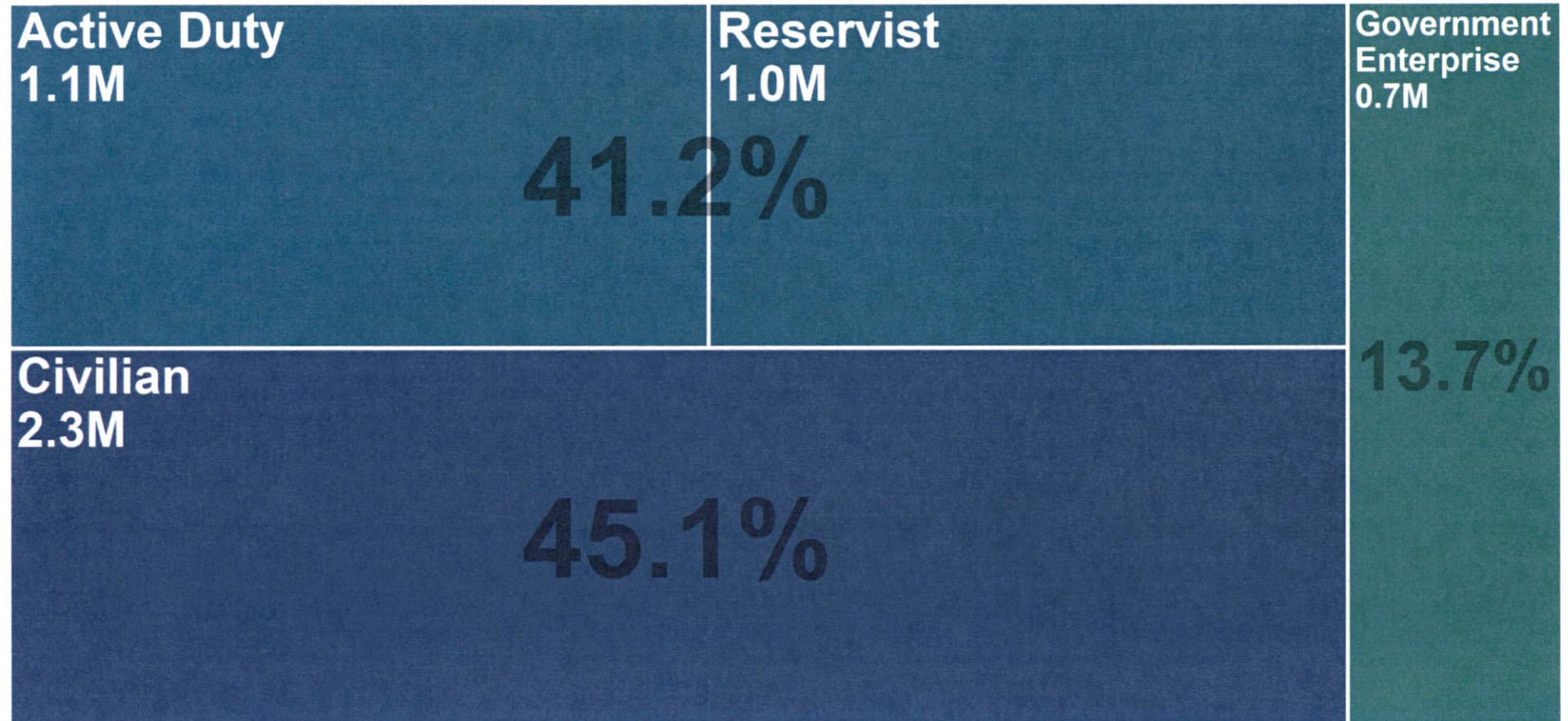


Changing Federal Priorities: Federal Workforce



U.S. Federal Employment

Fiscal Year 2022



Source: Congressional Budget Office, 2024

U.S. Federal Civilian Employment

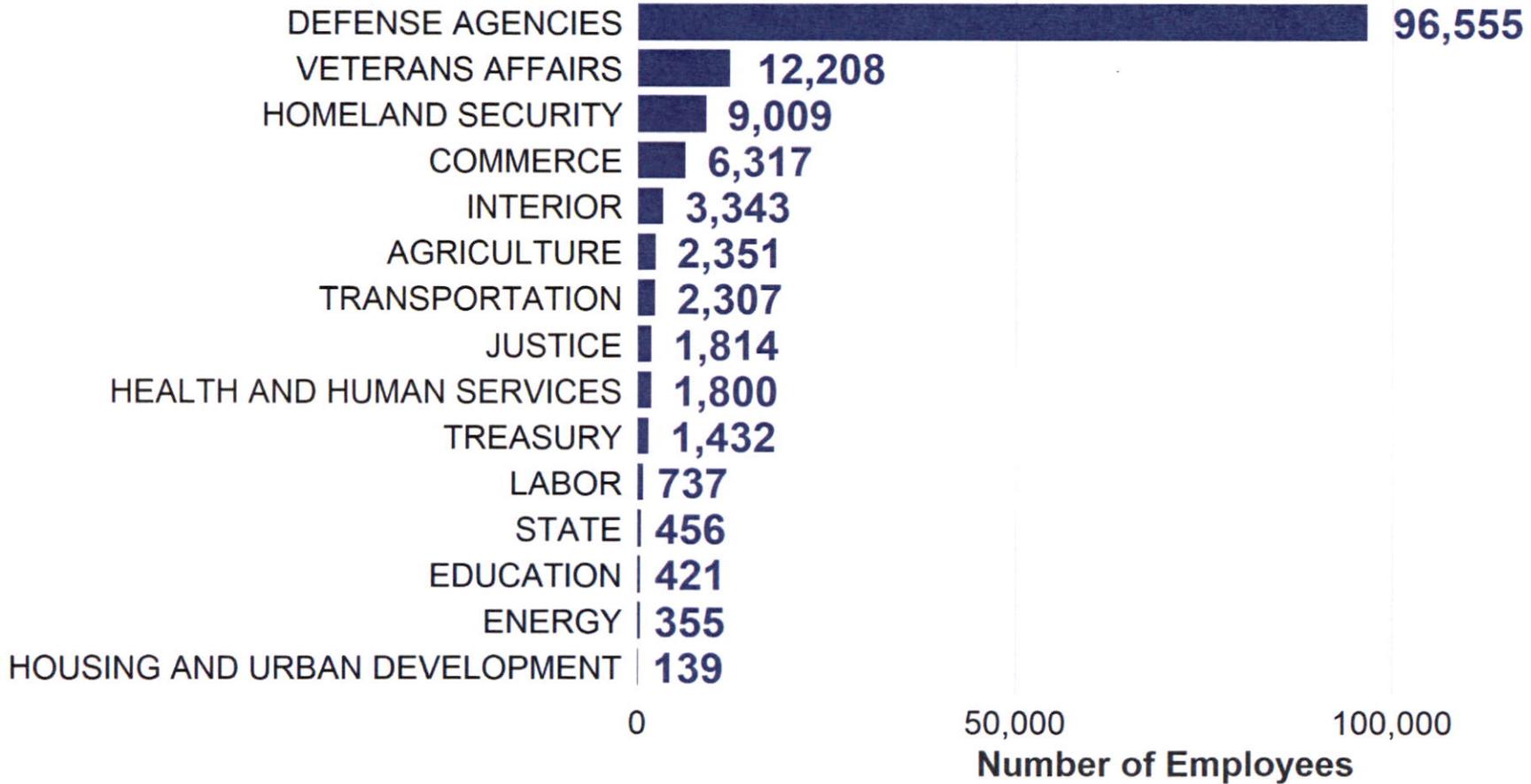
Share of Employment by Branch and Department, FY 2022



Source: Congressional Budget Office, 2024

Virginia Federal Civilian Employment

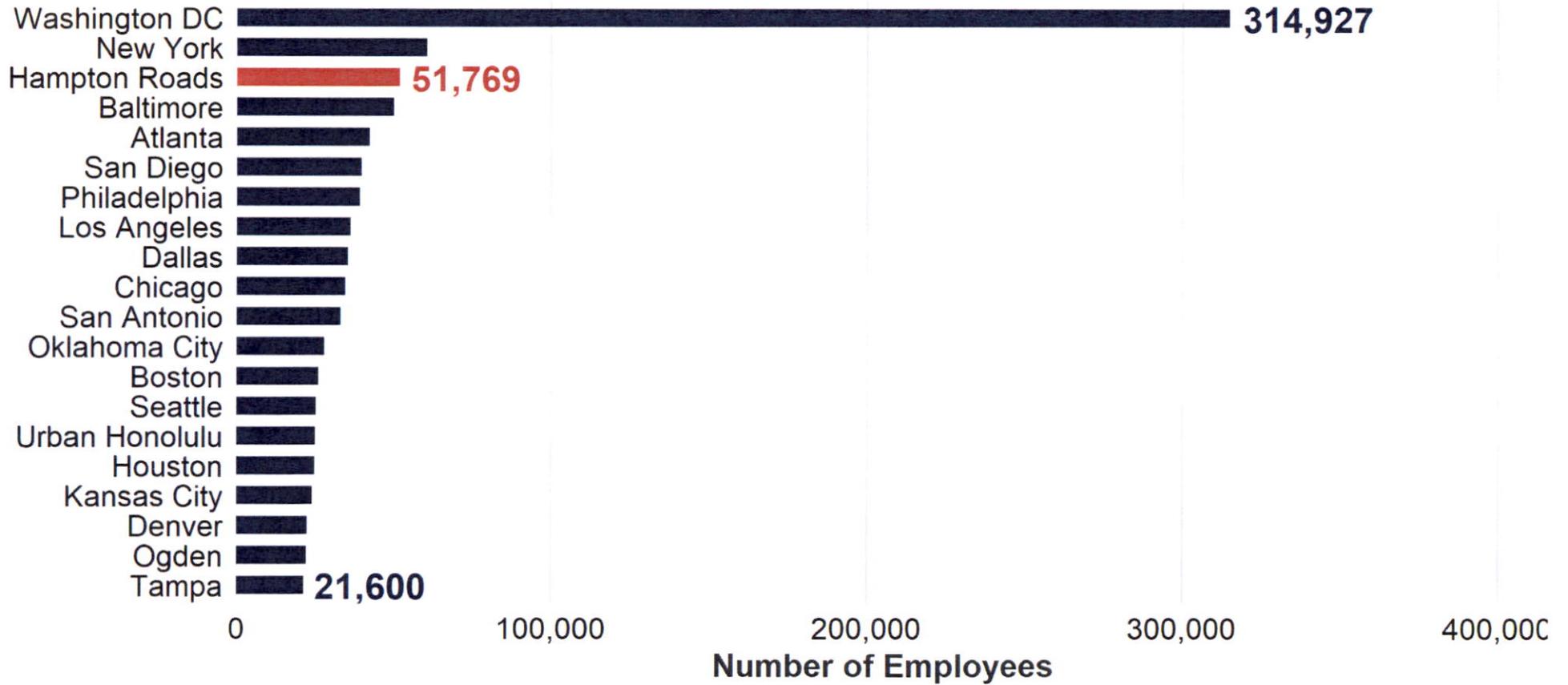
By Agency, September 2024



Source: Office of Personnel Management, HRPDC. Employment by Place of Work.

Federal Civilian Employment

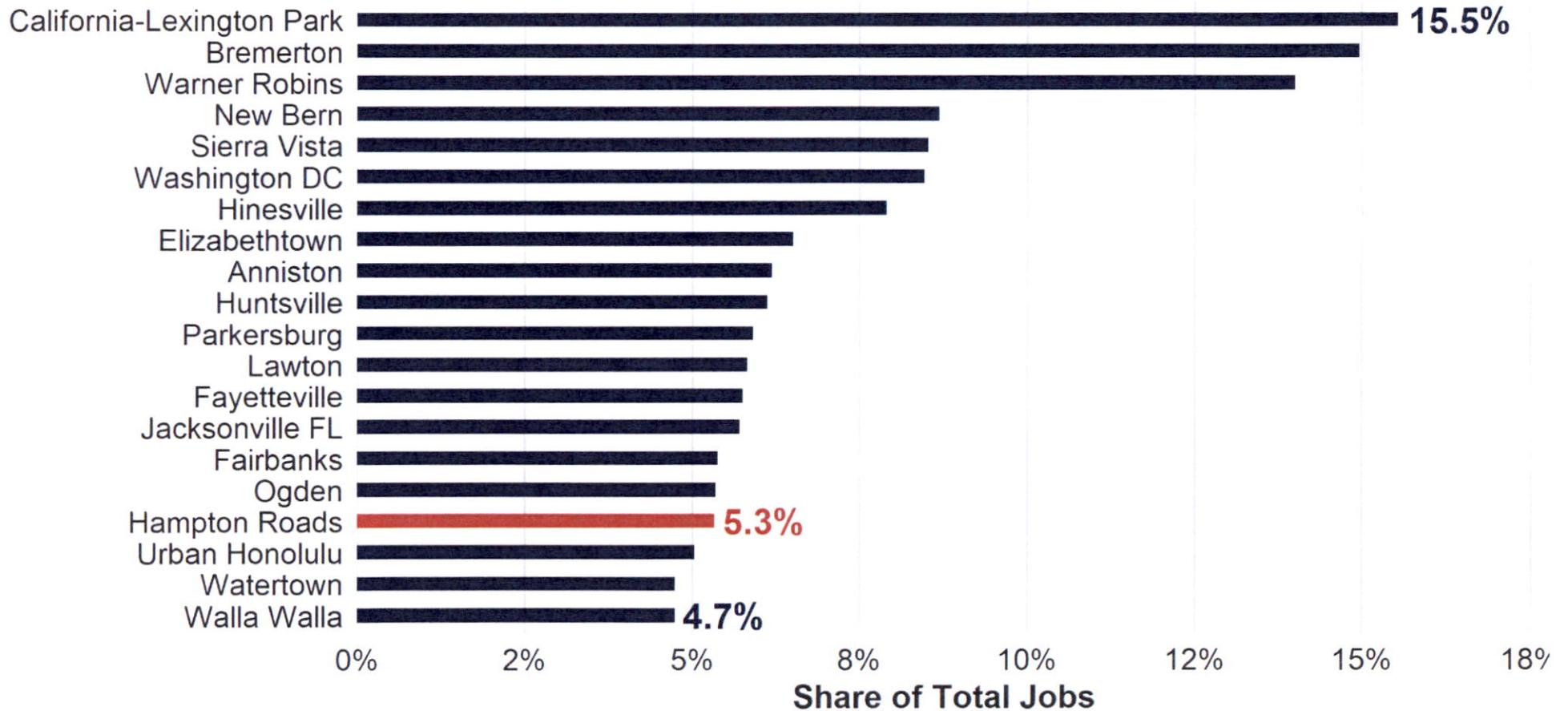
Top 20 Metro Areas, March 2024



Source: Office of Personnel Management, HRPDC. Employment by Place of Work. Hampton Roads reflects the Virginia Beach-Chesapeake-Norfolk, VA-NC MSA.

Federal Civilian Share of Total Employment

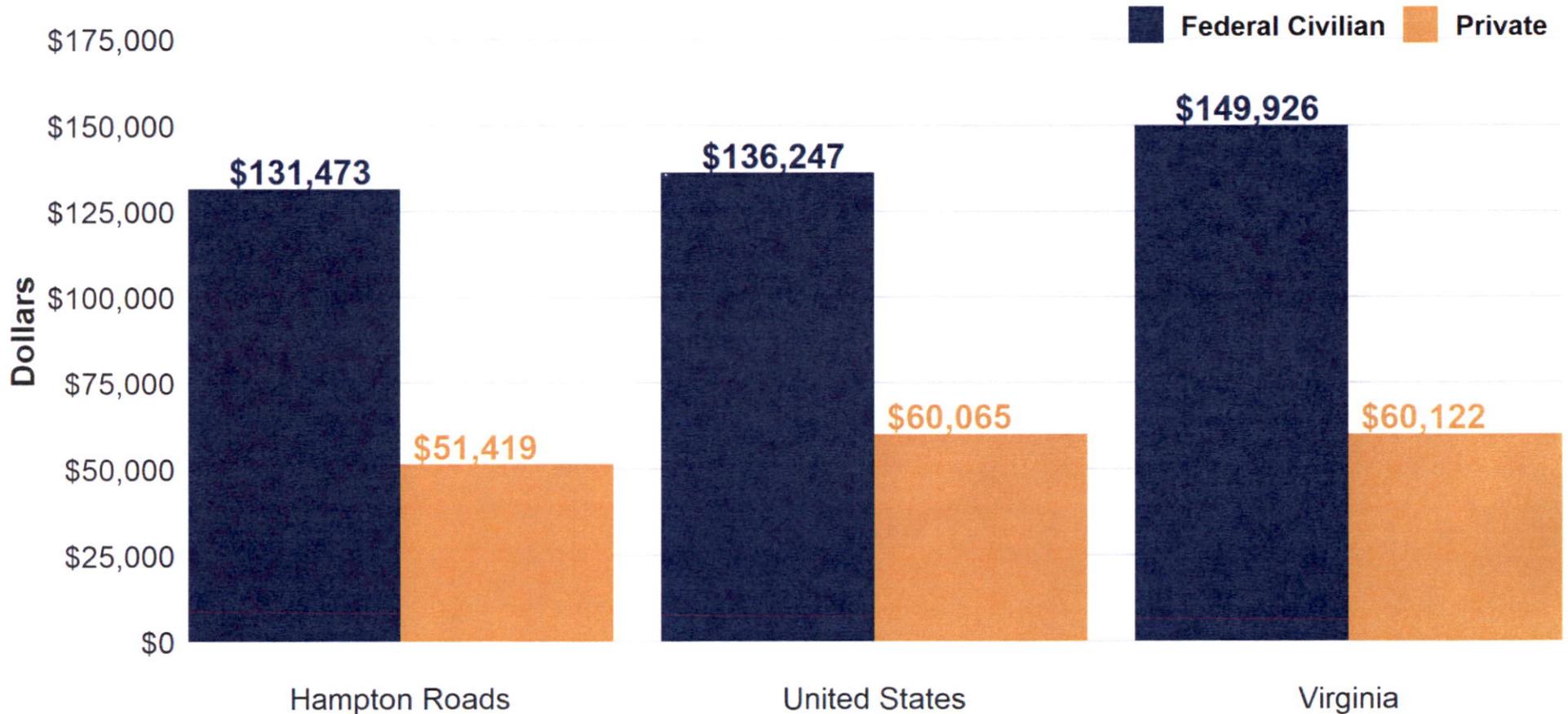
Top 20 Metro Areas, 2022



Source: Bureau of Economic Analysis and HRPDC.

Average Compensation Per Employee

Federal Civilian and Private Sector Employees, 2022



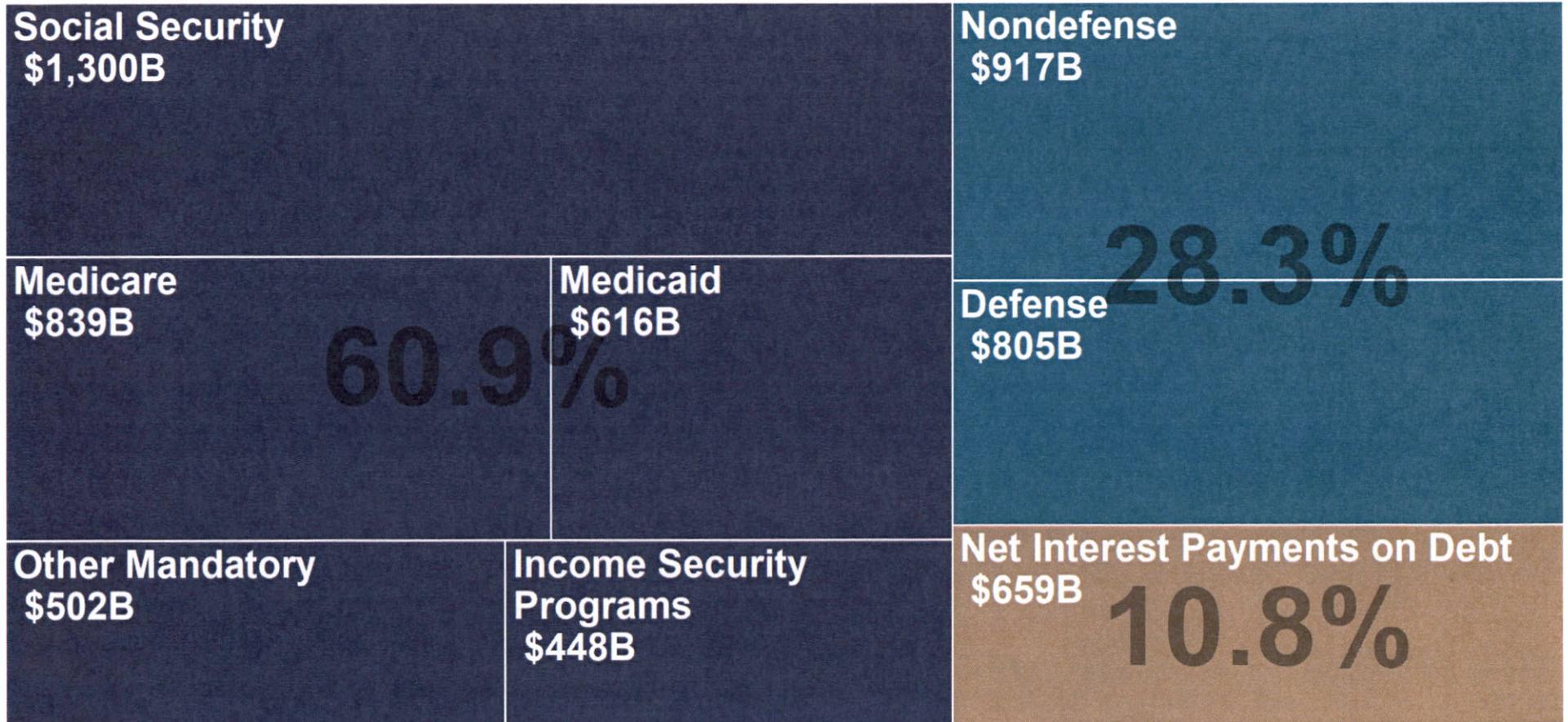
Source: Bureau of Economic Analysis, HRPDC.

Changing Federal Priorities: Federal Spending



Federal Budget Outlays by Function

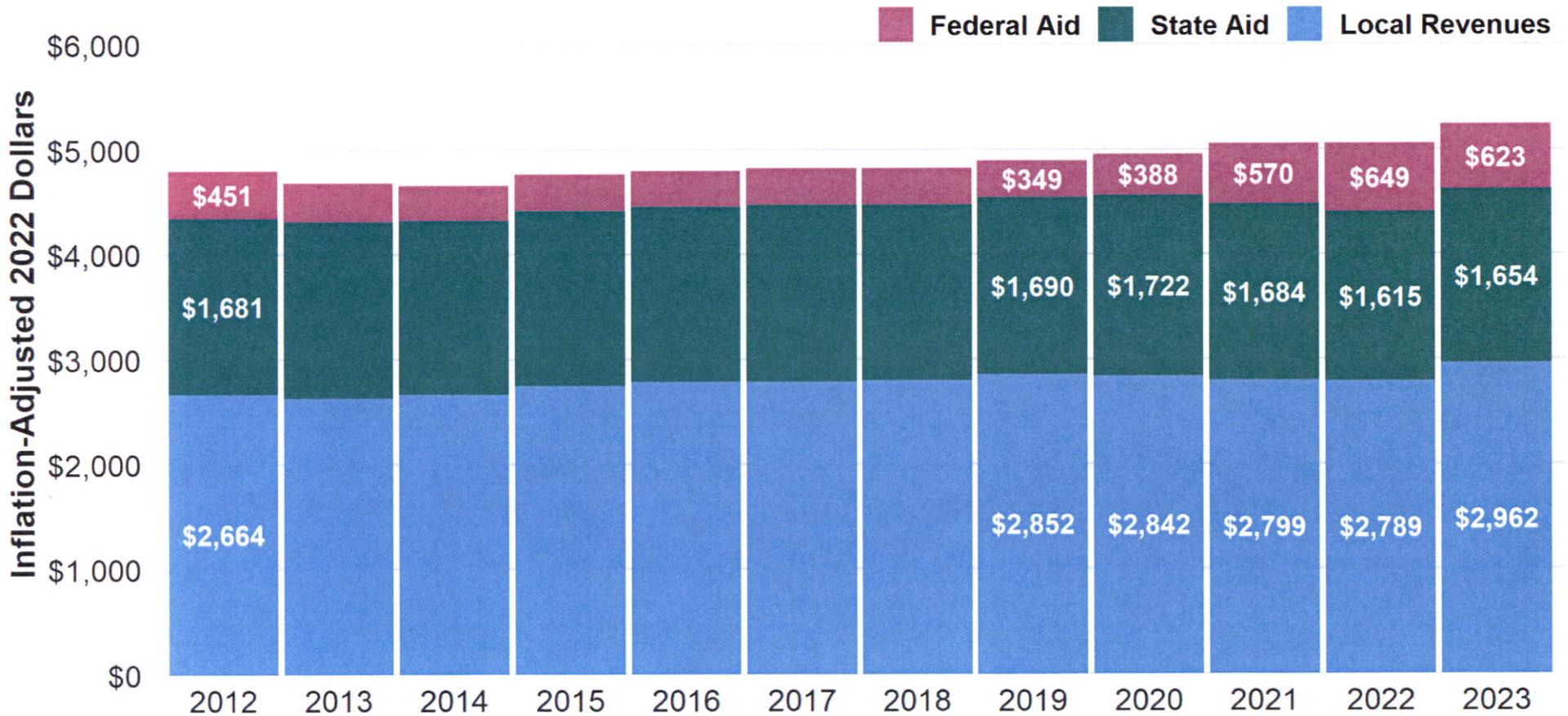
Total Outlays: \$6.1 Trillion, FY 2023



Source: Congressional Budget Office, The Federal Budget in Fiscal Year 2023

Hampton Roads Local Government Revenues

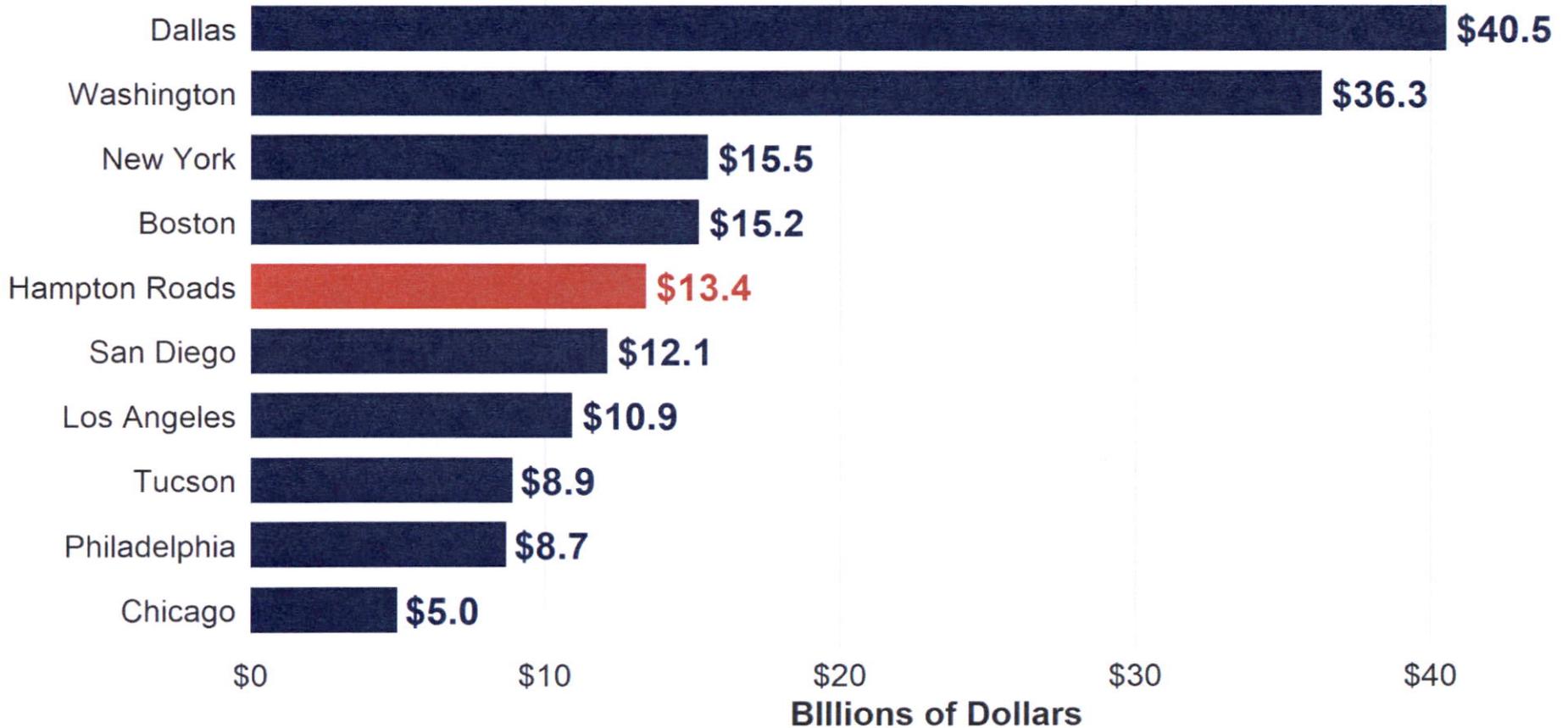
Per Capita Revenues by Source of Funds, 2012-2023



Source: Virginia Auditor of Public Accounts, Bureau of Labor Statistics, and HRPDC.

DoD Contract Spending

Top 10 US Metros, 4-Year Average 2020-2024



Source: Hampton Roads Investment Playbook, Bruce Katz 2024.

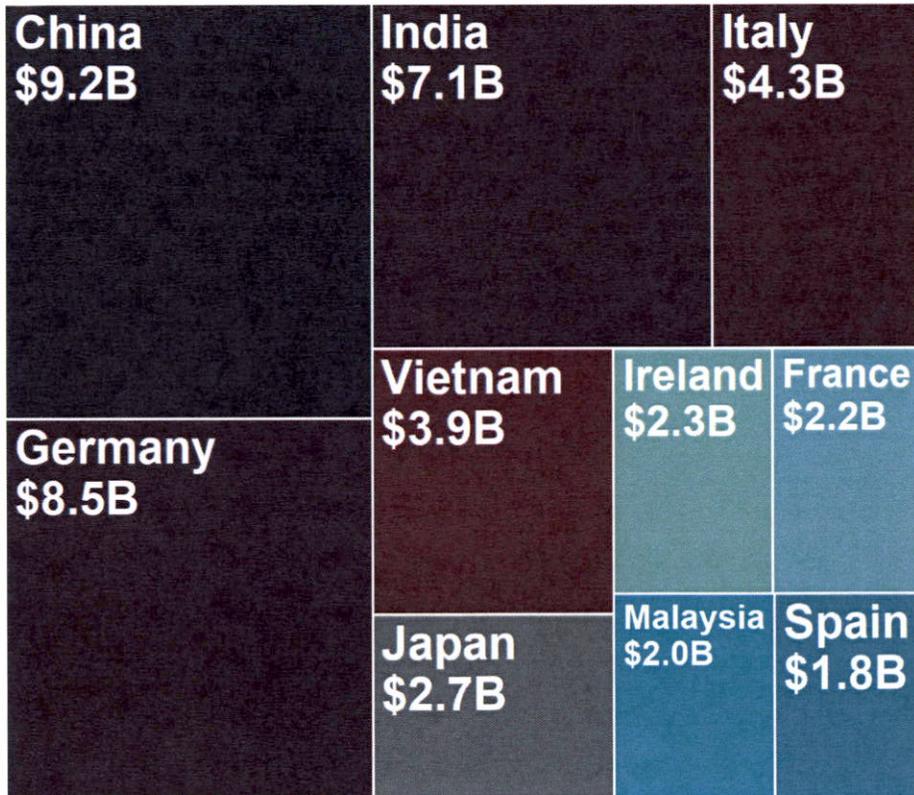
Changing Federal Priorities: International Trade



Top 10 Import & Export Countries by Value

Port of Virginia, 2024

Import Countries



Export Countries



Source: Port of Virginia 2024 Trade Overview, HRPDC

Top 10 Import Commodities by Value

Port of Virginia, 2024

Nuclear Reactors, Boilers, Machinery \$16.0B	Pharmaceutical Products \$3.7B	Vehicles \$3.4B
	Furniture, Bedding, Mattresses, Etc. \$3.1B	Plastics And Articles Thereof \$2.9B
	Articles Of Iron Or Steel \$2.3B	Optical, Photographic Instruments, Etc. \$1.8B
Electrical Machinery And Equipment \$7.1B	Organic Chemicals \$1.9B	Rubber And Articles Thereof \$1.5B

Source: Port of Virginia 2024 Trade Overview, HRPDC

Index of Consumer Sentiment

Jan 2014 - Apr 2025



Source: University of Michigan: Consumer Sentiment, HRPDC. March and April 2025 are preliminary.

Blue Chip Consensus Economic Outlook

Jan 2024 - Apr 2025



Source: Blue Chip Economic Indicators, HRPDC.

Federal Shifts and Regional Exposure

- Region's reliance on federal employment and spending creates exposure to budget adjustments, though details remain uncertain.
- Shifts in trade policy may alter import/export flows and supply chains linked to the port and regional manufacturers.
- Slower international travel and visa-related headwinds could weigh on tourism and higher-ed enrollment.
- Core indicators remain healthy, but lags in data may understate evolving risks.
- Elevated policy **uncertainty** will delay business investment and consumer spending.

Thank you!

Nikki Johnson
Regional Economist
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