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***Economic Dashboard Supplemental Report –
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August 16, 2007

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Economic Dashboard Supplemental Report - Other Social and Economic Indicators

This supplemental report presents the findings for the following 13 local indicators. Several of the local indicators provide more local measures of variables that make up the five growth factors.

Executive Summary Independent Local Indicators

Indicators for the city of Flint

- Unemployment rate
- Poverty rate
- Percent of residential units built before 1939
- Percent of residential units built after 1990
- Percent of workers living in Flint who are knowledge workers
- Percent self-employed in the city of Flint
- Percent of Flint residents earning > \$100,000
- Percent of Flint workforce in mgt. & exe professions.

Public schools

- Enrollment
- Percent economic disadvantage students
- Graduation rates
- MEAP Scores

Flint's financial stability

- Change in net assets

In the process of identifying factors for the Flint, Michigan MSA Economic Dashboard, area economic development stakeholders identified three additional issues that warrant monitoring because of their importance to the economic and social well-being of the greater Flint area:

- health and performance of the area's public schools,
- financial stability of the city of Flint, and
- economic conditions in the city of Flint.

Health and Performance of Public Schools

The development of a dashboard of comprehensive indicators tracking the current conditions and trends of the area public schools is well beyond the scope of this study. Needless to say, the health and performance of the area's public schools do factor into both the area's attractiveness to new residents and employers and the quality and work readiness of the area's future workforce. This is especially true for technical jobs that do not require four-years of college. In discussions with school officials, four measures were identified: two that monitor the economic and social challenges facing the schools and second two measures are performance related.

- enrollment trends
- percent of students who are economically disadvantaged
- graduation rates
- MEAP score for eighth grade math

Given that school funding follows the student in Michigan, tracking enrollment is a simple and effective way to monitor a school district's health. Falling enrollment is troubling because often the school's cost structure is fixed. For instance, an annual decline of 10 students per each grade level would result in a loss of 120 students, and approximately \$800,000 in lost revenue. However, the school's student per teacher ratio would remain nearly unchanged on each grade level and the decline in enrollment would not lower the need for school maintenance, cost of transportation, administration duties, and the payment of health insurance and pension programs. As shown in Table 10, enrollment in the Flint public schools fell by 9.7 percent in the most current two-year period. Only the Muskegon City School District suffered a larger percent decline. At the same time, it is important to note that all major core city schools lost ground during the period except for Ann Arbor.

Studies have shown repeatedly that students, who struggle in poverty, face greater barriers to academic success than other students. These barriers can include unstable living conditions, lack of parental support, unsupportive peer group pressure, and plain hunger. It is extremely difficult for schools to offset these non-school barriers to learning; nevertheless, they are graded on how these students perform academically. In the 2005/2006 school year, more than three-fourths of Flint's public school children were economically disadvantaged.¹

Table 10: School Statistics for the State's Core City Public Schools

	Enrollment				Economically Disadvantaged		
	2003/2004	2004/2005	2005/2006	Pct Chg 2003/2006	2003/2004	2004/2005	2005/2006
Flint Public Schools	20,028	19,025	18,081	-9.7%	70%	70%	77%
Ann Arbor Public Schools	16,619	16,868	16,865	1.5%	19%	18%	18%
Battle Creek Public Schools	7,704	7,534	7,237	-6.1%	58%	66%	65%
Bay City Public Schools	9,851	9,814	9,487	-3.7%	37%	39%	40%
Grand Rapids Public Schools	22,401	21,602	20,518	-8.4%	75%	77%	79%
Jackson Public Schools	7,076	6,776	6,761	-4.5%	62%	64%	65%
Kalamazoo Public Schools	10,741	10,232	10,238	-4.7%	60%	61%	61%
Lansing Public Schools.	16,780	16,618	15,615	-6.9%	61%	63%	67%
Midland Public Schools	9,556	9,503	9,478	-0.8%	16%	17%	19%
Muskegon City Schools	6,943	6,678	5,406	-22.1%	75%	80%	83%
Saginaw City Schools	11,745	11,530	10,717	-8.8%	73%	74%	74%
Traverse City Area Public Schools	10,790	10,740	10,627	-1.5%	26%	28%	29%

Source: Michigan Department of Education

¹An economically disadvantaged student is one whose family income is at or below the national poverty level, whose family receives public assistance, who qualifies for the free or reduced school lunch program, who participates in a federally or state funded program for economically disadvantaged youths, and who requires special services and/or assistance in order to succeed in a career education program.

In Table 11, Flint public schools are compared to other school districts in the Genesee Intermediate School District (GISD). GISD enrollment fell by nearly 1.0 percent during the same two-year period, and 43 percent of all children were economically disadvantaged.

Table 11: School District Conditions in Genesee County

Genesee Intermediate School District	Enrollment			Percent Change	Economically Disadvantaged		
	2003/2004	2004/2005	2005/2006		2003/2004	2004/2005	2005/2006
Flint City	20,028	19,025	18,081	-9.7%	70%	70%	77%
Academy of Flint	445	521	519	16.6%	87%	91%	94%
Atherton Community Schools	1,053	1,046	1,089	3.4%	45%	45%	47%
Beecher Comm. School Dist.	2,091	1,910	1,908	-8.8%	76%	64%	72%
Bendle Public Schools	1,590	1,548	1,584	-0.4%	51%	62%	65%
Bentley Comm. Schools	1,046	972	941	-10.0%	29%	29%	32%
Burton Glen Charter Academy	630	667	715	13.5%	40%	49%	59%
Carman-Ainsworth Comm. Schools	5,363	5,386	5,311	-1.0%	44%	44%	44%
Center Academy	358	371	389	8.7%	88%	75%	89%
Clio Area School District	3,590	3,547	3,519	-2.0%	27%	29%	48%
Davidson Comm. Schools	5,330	5,358	5,364	0.6%	21%	21%	22%
Fenton Area Public Schools	3,753	3,654	3,725	-0.7%	15%	15%	17%
Flushing Comm. Schools	4,443	4,473	4,513	1.6%	12%	15%	17%
Genesee School District	989	979	948	-4.1%	46%	53%	50%
Goodrich Area Schools	2,087	2,106	2,167	3.8%	4%	4%	6%
Grand Blanc Academy	456	488	446	-2.2%	37%	33%	36%
Grand Blanc Comm. Schools	7,322	7,635	7,949	8.6%	15%	16%	16%
International Academy of Flint	642	687	741	15.4%	70%	73%	74%
Kearsley Comm. Schools	3,904	3,976	3,887	-0.4%	27%	26%	28%
Lake Fenton Comm. Schools	1,502	1,624	1,710	13.8%	9%	9%	13%
Lakeville Comm. Schools	2,139	2,031	2,005	-6.3%	29%	33%	33%
Linden Charter Academy	679	671	638	-6.0%	66%	75%	78%
Linden Comm. Schools	2,980	3,002	3,091	3.7%	10%	13%	14%
Madison Academy		112	169			24%	47%
Montrose Comm. Schools	1,737	1,707	1,679	-3.3%	38%	39%	43%
Mt. Morris Consolidated Schools	3,547	3,502	3,554	0.2%	53%	57%	60%
Northridge Academy	341	319	348	2.1%	96%	94%	97%
Richfield Public School Academy	247	354	445	80.2%	53%	70%	79%
Swartz Creek Comm. Schools	4,180	4,239	4,263	2.0%	19%	22%	22%
Westwood Heights Schools	1,291	1,276	1,274	-1.3%	64%	63%	73%
Woodland Park Academy	320	294	327	2.2%	na	na	na
Total	84,083	83,480	83,299	-0.9%	0%	0%	0%

Source: Michigan Department of Education

Neither enrollment trends nor the percent of students who are economically disadvantaged are good measures for school performance. To measure school performance we include graduation rates as defined by the Michigan Department of Education² and the MEAP scores for eighth grade math. As shown in Table 12, the Flint school suffered a serious drop off in its graduation

²Graduation rate is a four-year estimated rate that is derived by multiplying the four gradating class retention rates together.

Table 12: High School Graduation Rates

School District	Graduation Rates:		
	2002/2003	2003/2004	2004/2005
Ann Arbor Public Schools	94.23	92.93	93.33
Battle Creek Public Schools	80.42	80.06	69.46
Bay City School District	88.17	93.24	88.27
Detroit City School District	44.48	60.89	67.93
Flint City School District	71.63	77.87	58.98
Grand Rapids Public Schools	85.52	86.14	74.74
Holland City School District	87.83	73.18	78.32
Jackson Public Schools	86.94	82.73	80.8
Kalamazoo Public School District	84.71	83.07	82.74
Lansing Public School District	70.45	75.44	76.05
Monroe Public Schools	75.62	80.49	89.76
Muskegon City School District	86.18	83.9	84.33
Niles Community School District	80.32	80.10	78.00
Saginaw City School District	81.09	86.77	n/a

Michigan Department of Education

rate in the 2004/2005 school year. Only 58 percent of its high school students graduated. This compares poorly with most of the other inner-city school districts in the state. While this disappointing graduation rate is strongly related to the harsh economic conditions facing many of the city's families, it still presents a challenge for Flint community, not only in preparing the city's young adults for employment, but in attracting new residents into the city.

The graduation rates for most of the other school districts in Genesee County are quite high as shown in Table 13.

Table 13: High School Graduation Rates for Genesee County Schools

School District	Graduation Rates:		
	2002/2003	2003/2004	2004/2005
Atherton Community Schools	82.40	93.51	89.47
Beecher Community School District	69.75	80.5	64.94
Bendle Public Schools	95.60	84.58	93.73
Bentley Community Schools	67.55	94.02	95.94
Carman-Ainsworth Community Schools	92.86	93.56	95.09
Clio Area School District	90.03	90.1	92.9
Davison Community Schools	96.18	96.47	93.81
Fenton Area Public Schools	97.71	90.08	90.17
Flint City School District	71.63	77.87	58.98
Flushing Community Schools	96.30	97.90	97.00
Genesee School District	83.13	96.97	98.67
Goodrich Area Schools	97.27	97.41	96.89
Grand Blanc Community Schools	99.17	97.36	98.67
Kearsley Community Schools	87.31	95.72	93.18
Lake Fenton Community Schools	84.26	89.73	91.83
Lakeville Community Schools	84.96	82.37	73.76
Linden Community Schools	83.62	89.57	91.23
Montrose Community Schools	86.31	90.09	96.53
Mt. Morris Consolidated Schools	82.97	84.26	84.94
Swartz Creek Community Schools	94.26	91.80	83.40
Westwood Heights Schools	82.92	75.47	91.16

Michigan Dept. of Education

Finally, the Michigan Educational Assessment Program (MEAP) tests are often used as a measure of school performance. MEAP tests on various subjects are given almost on every grade level. In this study, we selected the eighth grade math scores as an indicator of academic performance. As shown in Tables 14 and 15, Flint Public School lags behind the other core city school districts in the state with only 27.2 percent of its eight graders passing the MEAP math test. Not surprisingly, eight-graders at the other school districts in Genesee County did much better on the MEAP math exam.

Table 14: Eight-Grade MEAP Scores for Math

District Name	Met or Exceeded Standards	
	2005	2006
Statewide	63.2	68.1
Ann Arbor Public Schools	81.7	86.4
Battle Creek Public Schools	48.3	51.2
Bay City School District	68.7	66.3
Detroit City School District	32.8	39.1
Flint City School District	26.6	27.2
Grand Rapids Public Schools	34.1	39.3
Holland City School District	58.9	56.5
Jackson Public Schools	45.6	55.2
Kalamazoo Public School District	43.4	50.1
Lansing Public School District	44.1	44.4
Monroe Public Schools	57.0	60.9
Muskegon City School District	34.3	47.7
Niles Community School District	71.7	80.6
Saginaw City School District	32.5	39.7

Michigan Department of Education

Table 15: Eight-Grade MEAP Scores for Math

District Name	Met or Exceeded Standards	
	2005	2006
Statewide	63.2	68.1
Atherton Community Schools	40.2	33.3
Beecher Community School District	15.2	19.2
Bendle Public Schools	46.5	53.8
Bentley Community Schools	49.5	48.0
Carman-Ainsworth Community Schools	53.2	60.0
Clio Area School District	68.9	73.7
Davison Community Schools	75.4	84.6
Fenton Area Public Schools	80.8	81.4
Flint City School District	26.6	27.2
Flushing Community Schools	76.0	80.1
Genesee School District	58.7	64.5
Goodrich Area Schools	82.1	82.5
Grand Blanc Community Schools	79.6	84.6
Kearsley Community Schools	68.7	73.7
Lake Fenton Community Schools	65.1	82.7
Lakeville Community Schools	68.5	77.8
Linden Community Schools	75.9	74.0
Montrose Community Schools	65.2	71.8
Mt. Morris Consolidated Schools	49.5	55.3
Swartz Creek Community Schools	79.0	72.7
Westwood Heights Schools	21.3	33.3

Financial Stability of the City of Flint

Declining business activity and population clearly impact the ability of the public sector to deliver crucial public services. Dependent upon a shrinking tax base and a declining flow of revenue from state and federal agencies, local governments are hard pressed to deliver the necessary services to its residents. Moreover, in areas of decline, it is often the case that many of the remaining residents are the more difficult to serve. Decline is often associated with blight and increased opportunities for criminal activity. In short, local governments with declining populations must stretch their limited budgets further and further just to maintain a constant level of service.

As is true with the public schools, the development of a comprehensive set of indicators to monitor the health of the area's local governments is beyond the scope of this report. Nevertheless, in discussions with officials with the City of Flint financial department, one overarching indicator was suggested—the annual change in the net unrestricted assets for the city. If the city is facing a large negative swing in unrestricted assets, it means that it may be unable to meet future service obligations. As shown in Table 16, using this measure indicates that the City of Flint financial situation is not as dire as other Michigan cities such as Grand Rapids and Detroit.

Table 16: Financial Stability - Change in Unrestricted Net Assets

City	2004-2005	2005-2006
Flint	40,256,506	(1,465,603)
Ann Arbor	(3,918,073)	(29,686,784)
Battle Creek	(2,523,055)	1,127,137
Bay City	(2,835,077)	2,798,693
Benton Harbor	(2,308,059)	na
Detroit	(273,891,040)	na
East Lansing	(2,773,741)	(499,112)
Grand Haven	3,251,117	(3,338,052)
Grand Rapids	(11,152,249)	(97,417,216)
Holland	(5,734,115)	13,961,162
Jackson	(148,539)	1,627,391
Kalamazoo	(9,410,252)	na
Lansing	(55,266,503)	3,969,741
Livonia	3,100,411	na
Monroe	47,710	(2,386,204)
Muskegon	(1,580,019)	na
Niles	1,931,877	na
Norton Shores	(411,533)	688,319
Portage	(1,045,220)	1,105,100
Saginaw	5,978,360	3,975,209
Warren	1,270,444	4,247,062
Wyoming	2,903,434	12,778,078

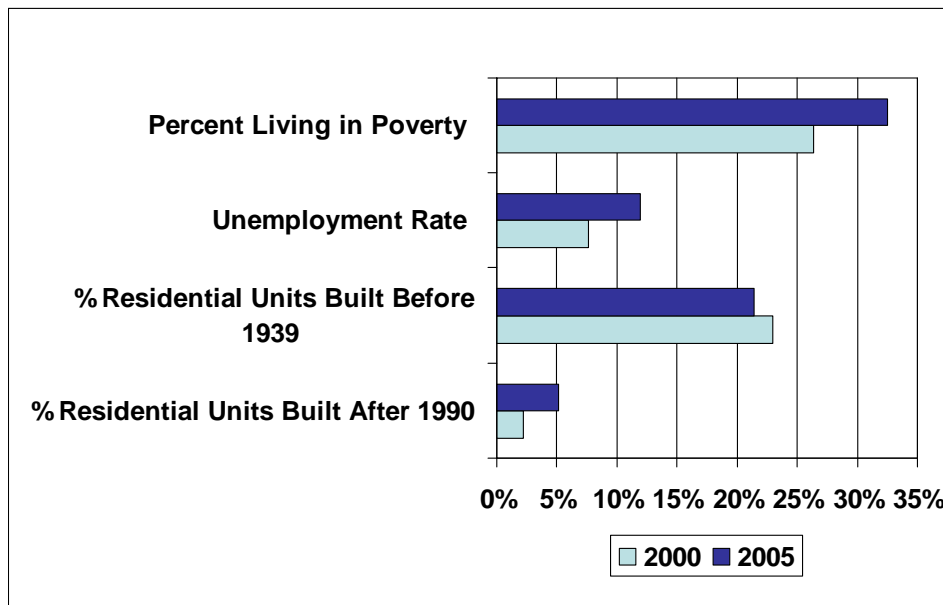
Source: Michigan Department of Treasury

Economic Conditions in the City of Flint

Most of the indicators in this report reflect conditions in the Flint metropolitan area which includes all of Genesee County. Economic activities do not respect government boundaries; hence, it is a sound decision to examine the health of the greater area. Nevertheless, what happens in the city of Flint clearly impacts the health of the entire region. Regional scientists have long argued that areas with declining central cities cannot maintain the same level of growth and well-being as those areas with strong urban cores. In part, it is a matter of perception; outsiders interpret the health of the core city as reflecting that of the greater region. It is also the fact that a healthy core city provides services and a unique environment that can nurture regional economic growth. For example, Chicago's north side provides a very unique living environment for young professionals, but it is also supports suburban growth, as these individuals grow older and start to raise families in the greater Chicago area.

As shown in Chart 9, four additional indicators are offered to monitor key aspects of the economic health of the city of Flint. Economic well-being of city residents is tracked by the change in the percentage living in poverty and the change in the city's unemployment rate. Unfortunately, both indicators have deteriorated from 2000 to 2005. It is important to note that the source of this economic downturn cannot be blamed on the city of Flint; it reflects the harsh economic climate being endured by the entire state.

Chart 9: Economic Indicators for the City of Flint



Source: U.S. Census American Community Survey

Finally, the last two indicators track the ongoing effort to improve the residential environment of the city. Much of the city's housing is tired and obsolete—small bungalows built in the rush to provide housing for the booming auto industry in the late 1920's. An established effort is being

made to demolish these surplus and dilapidated structures. Indeed, the percent of the city housing stock that was built before 1939 has been reduced from 23.0 to 21.4 percent, a removal of nearly 700 units in five years.

At the same time, the city is slowly redeveloping its residential assets. The percentage of housing units built after 1990 increased from 2.2 percent to 5.1 percent, an increase of more than 1,500 single-family and multi-family units. Of all indicators for the city of Flint, this may be the most important because it shows a commitment to reinvest in the city as a location to live and raise a family.