

FACT SHEET

Economic Impact of North Central Michigan College – February, 2016

WHAT ROLE DOES NORTH CENTRAL MICHIGAN COLLEGE PLAY IN THE LOCAL ECONOMY?

The results of this study demonstrate that North Central is a sound investment from multiple perspectives. Taxpayers benefit from an enlarged economy. The community benefits because North Central contributes to a trained workforce and has greatly enhanced the livability of the region. Students benefit from improved lifestyles and increased earnings.

Results of the analysis reflect information from Charlevoix, Cheboygan, Emmet, and Otsego Counties, for calendar year 2015.

Last year, Emmet County taxpayers provided \$5.56 million in property tax revenue to support North Central – In exchange, North Central’s contributions to the local economy are:

\$253.6 MILLION
in total sales
\$66.1 MILLION
in personal income
\$120.2 MILLION
in total gross regional product (GRP).

- The **\$253.6 million increase in total sales** is the purchase of all goods and services in the region including purchases made by businesses to suppliers.
- The **\$66.1 million in personal income** refers to the region’s full-time residents which includes earned income, such as wages and salaries, and unearned income such as pensions and dividends.
- The **\$120.2 million in GRP**, equals the increase in the purchases of goods and services generated by North Central minus the value of all intermediate goods and services that are either shipped or provided outside the region.

North Central Michigan College is a net positive investment for the community.

- The College and its training activity generated **1,470 jobs** in the four-county district.
- Every North Central job **supports 3.2 additional jobs** in the four-county region.
- North Central has partnered with the Little Traverse Bay Bands of Odawa Indians to meet the need to fill middle-skill jobs in Northern Michigan. A stationary lab for Computer Numerical Controlled (CNC) programs was established, to offer advanced manufacturing technology programming on the Petoskey campus. This is in addition to its mobile “Fab Lab,” which provides similar CNC training at various sites within North Central’s service area.

- The livability of the region has been greatly enhanced through programs such as its **lifelong learning** courses in partnership with the Petoskey District Library and the North Central **lecture series** and **luncheon lectures** which bring national and regional speakers into the region and are open to the public.
- North Central’s campus offers the **Harris Sculpture Garden** with more than 25 unique pieces of outdoor art and its 195 acre **natural area** for the public to enjoy.

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North Central increases students’ earning potential.

- During the course of their working career, associate degree holders in northern Michigan earn **\$459,000 more** than persons who only have a high school diploma.
- The net present value of the return on investment for a student successfully completing a two-year associate degree, which discounts the value of future earnings, is estimated to be **between \$6.87 and \$10.70 for each dollar** he/she spent on tuition and foregone income while attending school.
- Annual earnings for associate degree holders in northern Michigan were \$34,000 in 2013 compared to \$22,800 for individuals with only a high school diploma.
- North Central offers an extremely affordable avenue to earn a four-year bachelor’s degree at any of the state’s four-year colleges or universities. **Estimated cost savings of attending North Central Michigan College for the first two years and completing a bachelor degree program at a four-year college or university:**

Student living at home while attending North Central – 2015-16 School Year

<u>Transfer to</u>	<u>Savings</u>
University of Michigan	\$42,931
Michigan State University	\$39,418
Central Michigan University	\$30,178
Northern Michigan University	\$29,765

- **Associate degree holders** in Northern Michigan had a low **6.3 percent unemployment rate** in 2013 (most current data available) compared to a high **12.2 percent rate** for persons with only a **high school degree**.

During the course of their working career, associate degree holders in Northern Michigan earn \$459,000 more than persons who only have a high school diploma.