



IT'S  
ABOUT  
OUR  
FUTURE.

THE  
HEALTH  
of LEE  
COUNTY  
2009

With all there is to choose from, where should we begin with our annual diagnosis of Lee County's health? OK, that was a trick question. All we've heard about in the news and on the streets is unemployment and recession, so let's start with the economy.

In the past, this little thing we call "The Health of Lee County" has been criticized for being too negative — some might say, "too honest" — so this may surprise you, but we'll let you in on a secret: The economy isn't as bad as you might believe.

Now before you summon the psychiatrists, let's make one thing clear. We *know* this is a rough economy. We see the unemployment and we want things to be better, too.

But if we overreact to painful conditions, we can make decisions that won't help us in the long run. So, consider this ....

The U.S. misery index — an economic gauge combining the unemployment and inflation rates to assess how bad off people are economically — now stands at 10.02 percent. While that's not great, it's less than half of the all-time high of 21.98 reached in June 1980, when a 14.38 percent inflation rate was eating away whatever money people managed to make. Our national

unemployment rate was higher as recently as 1982, and our current inflation rate, -0.18 percent, is giving us *more* buying power.

What we're experiencing locally is part of a global recession that's hitting some nations harder than the U.S. and some counties harder than Lee. This doesn't make layoffs or closings any easier, but we need to keep a clear perspective and work constantly to give ourselves a competitive advantage — now and when the business cycle inevitably turns.

Having a clear perspective means realizing what good things are happening, too.

Like Sanford being ranked the nation's

40th top small city in economic strength by POLICOM and being named a "Playful City USA." Red Wolf, Score Energy and other companies expanding. Lee County Schools logging impressive achievements. The crime rate continuing to tumble.

Already, the economic news is looking a little brighter. The question is whether we're ready to compete, and this community has a sound foundation for building a promising future.

"The Health of Lee County 2009" photo featuring Grace Igbinijesu is courtesy of Chip Pate, the Warren Williams Child Development Center and the United Way.



# The Economy

► *Economy?* What economy?

**D**on't know if you've heard it yet, but our economy has been ... *uh* ... struggling. OK, let's be honest. It's tanked.

But before rushing to the gory details, let's take a deep breath and get some honest perspective.

Contrary to fear mongering you hear on the street, this is *not* as bad as it's ever been. In October, the U.S. "misery index" was 10.02 percent, less than half of the number in June of 1980. (For more about that, see the introduction to this summary.)

And raise your hand if you remember sitting in late-70s gas lines or watching retail prices inch higher even while you were standing in the checkout line. (Anyone older than 45 should have one palm held high.)

Then, of course, there was that

small disruption back in the 1930s they call the Great Depression.

Still, the economy's not been good.

What most people fear is our high unemployment, which reached 15.1 percent in February, before steadily declining to the latest rate of 13.5 percent in October.

Taxable sales are hurting, too, but not as much as some might think. For this year so far, the total is down about 11.6 percent from the same period last year; but the latest figure is \$37.4 million in September '09, compared with \$40.3 in September '08, a lighter drop of 7.2 percent.

If you're looking for better news, you may be in luck. The most recent headlines show a rise in area hiring, an improving housing market and a slightly-growing national GDP.

# Labor

► Trend alert: Manufacturing could be sliding.

**O**ne persistent storyline during this annual checkup has been how Lee County manufacturing has stubbornly refused to go with the flow.

While industry almost evaporated elsewhere, the proportion of local manufacturing jobs hovered in the 37 to 39 percent range, often zigging when national numbers zagged.

For the first time, that figure has fallen significantly, with just 34 percent of our workforce now in manufacturing, compared with 10 percent throughout the Research Triangle region. In raw numbers, the decline was 10,066 to 8,376.

It's not entirely clear whether this is short-term fallout from the economic slump or part of a more long-term trend away from

manufacturing. We know several area plants have closed or moved, meaning they're no longer here to grow during a recovery. On the other hand, others — most notably, bricks — expect to grow quickly when the market rebounds, and some companies are actually expanding.

It's a trend worth watching, since manufacturing jobs pay \$45,084 per year on average — far more than the \$22,256 per year for retail jobs or \$27,215 for services, two of Lee's other significant segments.

Overall, Lee County's average wage dipped 1.1 percent to \$35,984, likely due to the economy and drop in manufacturing jobs.

A key challenge will be creating a more-educated workforce to take advantage of better economic times.

excellent

good

fair

poor

## The Bottom Line

Call us optimists, but we're leaving the mercury just barely above "poor." We're not naive; one month ago, we almost certainly would have gone lower. But headlines show trends going in the right direction, and the most depressing number, the unemployment rate, is a lagging indicator, meaning it's always one of the last economic statistics to reflect actual gains.

excellent

good

fair

poor

## The Bottom Line

Manufacturing. It's remained our foundation even as the sector crumbled elsewhere. But now that national trend could — emphasis on *could* — be catching up with us. One thing's for sure: Education is our key to competing in this high-tech economy, and that means doing a whole lot better than having a workforce with more than half holding a high school education or less.

# Education

▶ Lee County Schools makes the distinguished list.

And now for something completely different: Good news, without qualification.

Well, we need to add one minor caveat, that deciphering educational statistics can be like reading tea leaves. But that being said, it's hard to find anything but encouragement in search of the educational grail.

Lee County Schools announced in August that 13 of 14 schools made "expected" or "high" growth in the statewide ABCs report, up from last year, when 11 of 13 schools achieved the mark.

That news came on the heels of another schools accountability study boasting that 11 of 15 local schools made "adequate yearly progress" on reading and math. Last year, 3 of 14 schools passed the test.

If that weren't enough good news, SAT scores were up and the dropout rate was down — to 4.97 percent, its lowest in a decade.

Central Carolina Community College pulled its weight, too, exceeding all performance standards set by the state community college system and becoming the first community college in the nation to open a Confucius Classroom to teach Chinese language and culture.

Education is not only a matter of seeking the meaning of life. It's also the key to our economic future. Lee's 18.8 percent of residents holding a bachelor's degree or higher, for example, is barely half the regional average, which makes it harder to compete for high-paying jobs in our high-tech international economy.

# Quality of Life

▶ Is it ever good when Nancy Grace appears?

It's certainly a subjective sort of thing, but we've always performed our quality of life assessment by looking at a few available statistics and then surveying the cultural scene. What they show this year is a mixed bag.

Those who buy into the myth that economic strife necessarily leads to crime might be surprised to learn that the crime rate actually *dropped* in 2008 for the sixth straight year.

Back in '02, the number stood at 7,201 per 100,000 inhabitants. The latest is just 3,649, which is lower than the Research Triangle region as a whole.

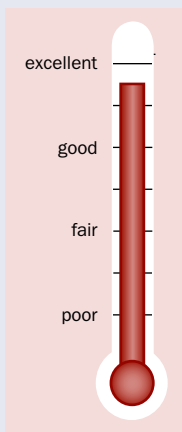
Obviously, that doesn't include some high-profile incidents we've experienced lately. (Who'd have thought Sanford would become

a nightly stop on Nancy Grace's macabre video tour?)

Only time will tell whether heavyweight stories hitting the headlines were aberrations or part of some broader surge in crime.

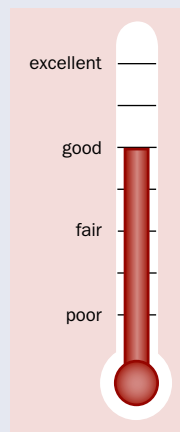
News in the arts focused on the Temple Theatre and its struggle for survival. It's hard to overestimate its importance to our local economy. Not only is it Lee County's largest year-round attraction and a precious resource for youth, but professional theatre helps set our community apart and attract creative types that enrich our civic life and skills base.

Our community rallied to save the theater, while some across the nation couldn't survive, and as the economy improves, prospects for the Temple should, too.



## The Bottom Line

What will the schools do for an encore? Granted, there's *always* room for improvement and we may not be on par yet with top districts around our state. But trends are moving in the right direction for attracting more upscale residents, luring high-paying jobs and giving our own residents a shot at a better, more prosperous life. What could be more important than that?



## The Bottom Line

Despite the Shaniya Davis tragedy that worked its way from Fayetteville to Sanford and onto TVs worldwide, crime continues to fall locally and there's other good news as well. We rallied to save the Temple Theatre, the Sanford Pottery Festival continued its impressive run, Carr Creek Park opened and a parade of touring performers announced dates in Sanford.