

Greensboro/Guilford Financial Capacity Study **Frequently Asked Questions**

1. Why is High Point not included in the report?

The Greensboro / Guilford Financial Capacity Study is a review/analysis of the financial capacity (budgets/finances, etc.) of two overlapping governmental units, not a strategic study of the county or region. The report is sponsored by Action Greensboro, a collaborative between 6 Greensboro philanthropic foundations.

People who live in Greensboro pay Greensboro City and Guilford County taxes – not taxes for High Point (or other municipalities in Guilford). They vote on bond issues for both. They also vote for elected officials in both Greensboro and Guilford, but not High Point. Bond referenda for municipalities (for things like parks and recreation, transportation, etc.) are handled separately by each municipality and only residents of the unit vote on those issues.

There are a total of nine municipalities in Guilford. Greensboro is the largest (population and budget wise). High Point is the second largest, but there are 7 other municipalities who have their own budgets and elected officials.

2. Will the recent influx of American Rescue Plan Act dollars solve many of the challenges outlined in the report?

The significant infusion of federal American Rescue Plan Act (ARPA) funds to Guilford County, Guilford County Schools and the City of Greensboro can help address some of our structural issues, however we are thinking longer-term and looking at systemic challenges. We encourage the County, City and School System to use this historic opportunity to deploy these funds strategically to address our fundamental economic growth and disparity issues outlined in this report. Despite this opportunity, we believe that the community needs to continue to focus on long term strategies to attract and grow jobs, increase tax base and build generational wealth for all.

3. Greensboro's crime rates are higher than many cities (do we have data on this?). Why was public safety not addressed in the report?

This report focused on the interdependence of local economic conditions and local government financial capacity. Public safety is a function of both the City and County governments. Due to the significant length of the report, we did not detail the governmental expenditures related to public safety. However, we did address many of the root causes of our public safety challenges including education, racial equity and wages. Data show that strategic investments and thoughtful policy to support education, equity and wages are the best ways to improve public safety.

4. What most impacts Greensboro's poverty levels?

With a large population of college students in Guilford County, we looked closely at the potential impact of students, many of whom have little or no income, on our poverty levels. However, between 2008 and 2018, the difference in poverty estimates after accounting for college students never exceeds one percent.

5. What do we learn by making a comparison to the Triangle and Charlotte?

Many people in our community make comparisons to Charlotte and the Triangle when they talk about how other communities are doing. This report addressed the financial conditions of the local government and their relation to economic conditions. The Triangle and Charlotte are examples of communities that have strategically grown their economies by focusing on higher paying industry sectors in alignment with talent and workforce. We believe there are opportunities to learn from their success and also their current challenges such as traffic and housing costs. Greensboro is uniquely positioned to grow thoughtfully.

6. Why not provide more specific actions to address some of the challenges we face?

As leaders of local philanthropic, civic, and business interests, we are using data to point our way forward as a community . Data ground our shared considerations that lead to better dialogue about Greensboro's challenges and opportunities. It is important that members of the broader community have a role in generating more specific tactics by using their own lenses and expertise. We hope this report will be a launching pad for the community to coalesce and take action.

7. Who should be responsible for addressing the challenges outlined in the report?

As community residents, we must all take responsibility for the challenges outlined in the report. Action Greensboro will serve as a convenor and connector for residents, corporations, small business, nonprofit and faith based organizations and neighborhoods. We hope the whole community will lean in and find their role. We see a role for many partners, including chamber of commerce, etc.....

8. If our County and City have the highest credit ratings given by independent sources, doesn't that mean we are in good shape financially?

Credit ratings are one piece of the finance puzzle. While the City and County's credit ratings are excellent, they are an indicator that we are managing our finances, including taking on debt, prudently within our ability to take on debt. Other metro areas in NC also have high credit ratings, but more resources (tax base and income levels) to address needs and desires.

9. If we land a major employer at the Greensboro-Randolph mega site, won't that solve a lot of our economic/job growth issues?

The Greensboro-Randolph mega site is a tremendous opportunity for economic growth in our community. The impact will be directly correlated with the type of jobs, wages and additional

development spurred by the growth. To see a true economic impact, our community needs to focus on job growth, job mix and higher wage employment opportunities. The Mega Site is one of many opportunities that our community can rally around to achieve economic growth for everyone. Since the site is physically located outside of Guilford County, the impact on Guilford's and Greensboro's local government finances will likely come from housing, sales and additional jobs a major employer at the site stimulates within those jurisdictions. As a community, we can be looking for many more such solutions, and working together to think through what structures we can put in place to make the impact felt for the long-term.

10. The report clearly points out the racial disparities that exist in our community. Why not talk about institutional/structural racism more directly?

This report focused on the interdependence of local economic conditions and local government financial capacity. These conditions are directly related to racial disparities rooted in institutional and structural racism. When drafting the report, our advisors had a deep dialogue about systemic racism and their relationship to our current conditions, however organizations such as the United Way of Greater Greensboro, NCCJ and other grassroots movements are leading efforts to address and educate the community.

11. If Guilford County Schools is the biggest part of the County budget, why was there not a more in-depth look at school finances?

A thorough analysis of Guilford County School's budget is beyond the scope of this study. While Guilford County's contribution to GCS is a major part of its budget, the largest source of income for schools comes from the State. GCS also receives significant funding from the Federal Government. Guilford County Schools finances are very complex and we encourage a public education advocacy organization, such as the Guilford Education Alliance, to lead a similar study focused on school finances.