

Gaston County Schools

Budget Request 2020—2021



W. Jeffrey Booker, Ed.D., *Superintendent*

943 Osceola Street — P.O. Box 1397

Gastonia, North Carolina 28053

www.gaston.k12.nc.us



GASTON COUNTY BOARD OF EDUCATION



W. JEFFREY BOOKER, Ed.D.
Superintendent

The vision of Gaston County Schools is to inspire success and a lifetime of learning.

Mission Statement

Through outstanding employees and community partners, Gaston County Schools provides innovative educational opportunities for all students in a safe and nurturing learning environment.

Board of Education



BRENT MOORE
Chairman
Crowders Mountain Township



KEVIN COLLIER
Vice Chairman
Riverbend Township



DOT CHERRY
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South Point Township



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Gastonia Township



STEVE HALL
Dallas Township



JEFF RAMSEY
At-Large Member



TERRY USERY
Cherryville Township

Priorities and Goals

- ◆ **College and Career Ready**
Every student will graduate prepared for college, the workforce, and other life-enhancing opportunities.
- ◆ **Healthy, Safe and Responsible Schools**
Every student has the opportunity to learn in a safe school environment.
- ◆ **Innovation**
Every employee uses innovative practices to serve all students, parents and other stakeholders.
- ◆ **Qualified Workforce**
Every employee is qualified and committed to the education of all children.

Learn more about our strategic plan:

www.gaston.k12.nc.us/strategicplan

Gaston County Schools

943 Osceola Street
P.O. Box 1397
Gastonia, North Carolina 28053

Phone: 704-866-6100

GCS 21 Education Station

www.gaston.k12.nc.us

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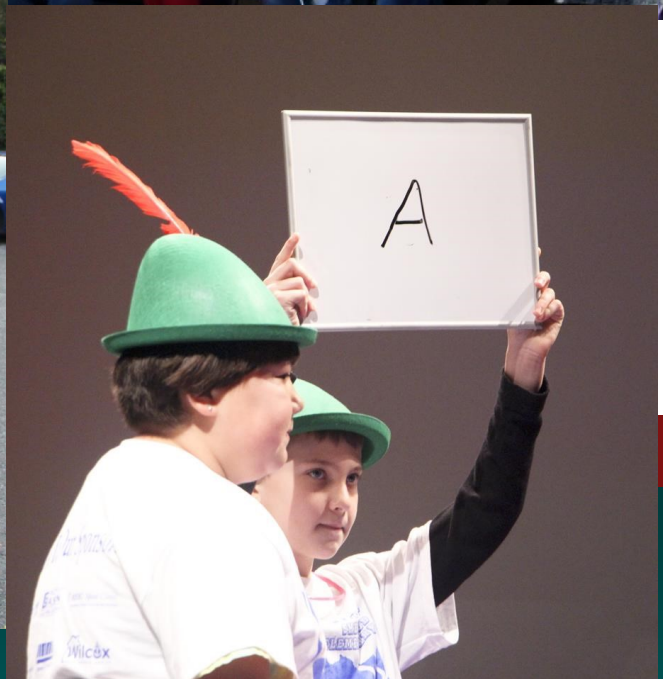
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OVERVIEW



AT A GLANCE

NUMBER OF SCHOOLS

Total Number of Schools . . .	55
Elementary Schools	29
Intermediate Schools	1
Middle Schools	11
High Schools	11
Special Needs School	1
Alternate School	1
Virtual School	1



ETHNIC DISTRIBUTION

White	53.8%
Black.	21.9%
Hispanic	15.0%
Multiracial	7.5%
Asian	1.5%
American Indian	0.2%
Hawaiian or Pacific Islander	0.1%



CLASS OF 2019

Number of Graduates 2,245
 Approximately 1,200 academic, athletic
 and merit scholarships offered, totaling
 more than \$45 million.
 Graduation rate 84.8%



TRANSPORTATION

Total Number of Students	
Transported Daily	16,500
Miles Traveled Daily	12,000
(that's 2½ trips to and from California)	
Yellow Buses	211
Activity Buses	47
Gallons of Fuel per week	15,000



ENROLLMENT

Total Number of Students . . .	30,834
Grades K-5	13,856
Grades 6-8	7,395
Grades 9-12	9,338
Early College	245



ACADEMIC PERFORMANCE

Middle and High School levels — 87% of schools
 Met or Exceeded Growth
 39 schools Met or Exceeded Academic Growth
 Expectations



SCHOOL NUTRITION

Breakfasts Served Daily	8,000
Breakfasts Served Annually	1.4 million
Lunches Served Daily	18,000
Lunches Served Annually	3.2 million



EMPLOYEES

Total Number of Employees (Part and Full Time)	3,847
Total Number of Teachers	1,890
Average Years of Experience for Teachers	11



Gaston County Schools' Budget Request

April 20, 2020

To: Gaston County Board of Commissioners

Due to the ongoing global pandemic, our community, State and country have experienced unprecedented events that have impacted the lives of all our stakeholders. In an effort to reduce the spread of the COVID-19 virus, our State and local leaders have taken proactive actions, which include discontinuing student instruction in our school buildings, closing all non-essential business activities, prohibiting mass gatherings, and requiring that all citizens stay at home. As a result, we are all working to adapt to the "new normal" and prepare for how we will operate in the 2020-2021 school year. Gaston County Schools understands the financial challenges that our State and local leaders now face as a result of this crisis. We look forward to working with our local elected leaders, the County Manager, and the County staff as we strive to ensure that the students of Gaston County continue to receive a quality education.

Our 2020-2021 Budget Request includes the sufficient local funds necessary to maintain essential instructional programs, operate safe schools, and provide the resources and personnel needed to operate at a level consistent with the policies of the State of North Carolina and the Gaston County Board of Education. The Budget Request also includes funds necessary to support several key initiatives, including the replacement of classroom technology; more clerical, custodial, and teacher assistant support in our schools; and the critical repairs and maintenance needs of aging school facilities.

The vision of Gaston County Schools is "to inspire success and a lifetime of learning." We are committed to providing full and equitable educational opportunities for all children in a safe and nurturing learning environment. We believe this is what the citizens of Gaston County expect us to do. This Budget Request provides needed funding to support the vision, mission statement, and goals of Gaston County Schools.

Our students continue to receive praise and recognition in academics, athletics, the fine arts, extracurricular activities, and other areas. The state, regional, and national awards that our students and employees earn are a reflection of their hard work, creativity, and commitment to excellence. Listed below are a few of our most significant academic achievements:

- The Class of 2019 included 2,245 seniors, who were awarded more than \$45 million in academic, athletic, military, and fine arts scholarships to attend the most

prestigious colleges and universities in our state and nation. The graduation rate for the Class of 2019 is 84.8 percent, which is significantly higher than our rate of 68.1 percent in 2006 when the state calculated the graduation rate for the first time. Four schools have a graduation rate that exceeds 90 percent, and six schools saw an increase in the graduation rate when compared to 2018.

- For 2018-2019, our overall student proficiency rate increased slightly when compared to the previous year. Since the state implemented new testing standards in 2013-2014, Gaston's rate has gone up 6.2 points, increasing from 50.2 to 56.4. Thirty-nine of our schools met or exceeded academic growth expectations, and at the middle school and high school levels, 87 percent of schools met or exceeded growth. Our middle schools made the most significant gains on student proficiency with nine of 11 schools seeing an increase. The most significant improvement in a grade level subject area was math for middle schools – each grade level (6-8) posted gains in overall math proficiency. Other areas for improvement were fifth grade science, high school English II, eighth grade science, and high school biology.
- In the area of Career and Technical Education (CTE), our students earned 12,566 credentials, the second highest number in the state. Our proficiency rate for students taking CTE tests is 87.8 percent, and most students earned more than one credential in a particular career area. Offered at all high schools and middle schools, our CTE programs are designed to prepare students for success in college and the workforce by providing them with opportunities to gain knowledge, skills, hands-on experience, and industry-recognized credentials in a variety of career pathways.

As part of the budget process that began in December, we surveyed a number of stakeholders to gain a better understanding of the funding needs of our school system. These stakeholders included students, parents, teachers, principals, assistant principals, district administrators, and community/business leaders, and they identified increasing teacher supplements, providing more school choice options for students, and expanding and upgrading technology in schools as top funding priorities.

Our Budget Request includes approximately \$2.9 million in additional funds from the county to cover costs associated with ongoing expenditures and new initiatives.

- **Ongoing Expenditures:** Approximately \$1.3 million would be used for ongoing expenditures, including funds for the replacement of end-of-life mobile devices (computers/technology); \$483,000 for a state-mandated increase in employer-paid benefits; \$310,000 for increasing the number of work days for teacher assistants; and \$165,000 for projected increases in inflation and operating costs.
- **New Initiatives:** Approximately \$1.6 million would be used for new initiatives, including \$100,000 for supporting the North Carolina A+ School arts program at three elementary schools; \$158,000 for the Career and College Promise program; \$500,000 for teacher supplemental salary increases; \$328,000 for salary increases

for classified employees (maintenance, clerical, central office, etc.); \$139,000 for certified employees; and \$400,000 for additional clerical and custodial personnel.

As challenging as it has been to manage the district's operating budget, it has been more difficult to find adequate capital funding to maintain approximately 5.2 million square feet of space. Last year, we have received \$2.2 million in annual capital funding for upkeep and repairs – this equates to about \$0.43 per square foot to maintain facilities. Without question, more capital funding is necessary to address the substantial maintenance needs of our aging facilities. Therefore, we are requesting that the county increase our annual capital maintenance budget to \$6.2 million. This would increase the allocation of funds to maintain facilities to \$1.19 per square foot, which is the median rate according to the Council of the Great City Schools.

As we prepare our 2020-2021 Budget Request, we would like to express our appreciation to the Gaston County Commissioners for providing a \$1,960,000 increase in last year's budget. These funds were used to increase teacher salary supplements, replace end-of-life mobile devices, and fund additional school choice opportunities.

Additionally, we are grateful for the 2018 school bond referendum that provides \$250 million in bonds for new school construction, school additions, and critical renovations and repairs. Currently, approximately \$43 million in bond funds is being used for the construction of the new Belmont Middle School, which will open in August 2021. We are also using \$17 million in school bonds to complete much-needed renovation/repair projects at more than 20 schools across the county. We expect to exhaust the first allotment of school bond funding (\$60 million) in 2021 and would like to request that the County Commissioners issue additional school bonds at that time. Doing so will make it possible for us to continue the excellent progress made on improving our school facilities for students, teachers, and the community.

The 2020-2021 Gaston County Schools' Budget Request in the amount of \$54.0 million contains the sufficient funding to improve academic achievement, operate safe schools on a daily basis, and provide resources and personnel that will ensure our children acquire the knowledge and skills needed to be successful in college, the military, and the workforce after they graduate from high school. Our Budget Request for local operating and capital funds reflects our community's expectations and supports the vision, mission, and goals of Gaston County Schools.

We respectfully submit the 2020-2021 Budget Request to the Gaston County Board of Commissioners for review and consideration.

Sincerely,



W. Jeffrey Booker, Ed.D.
Superintendent

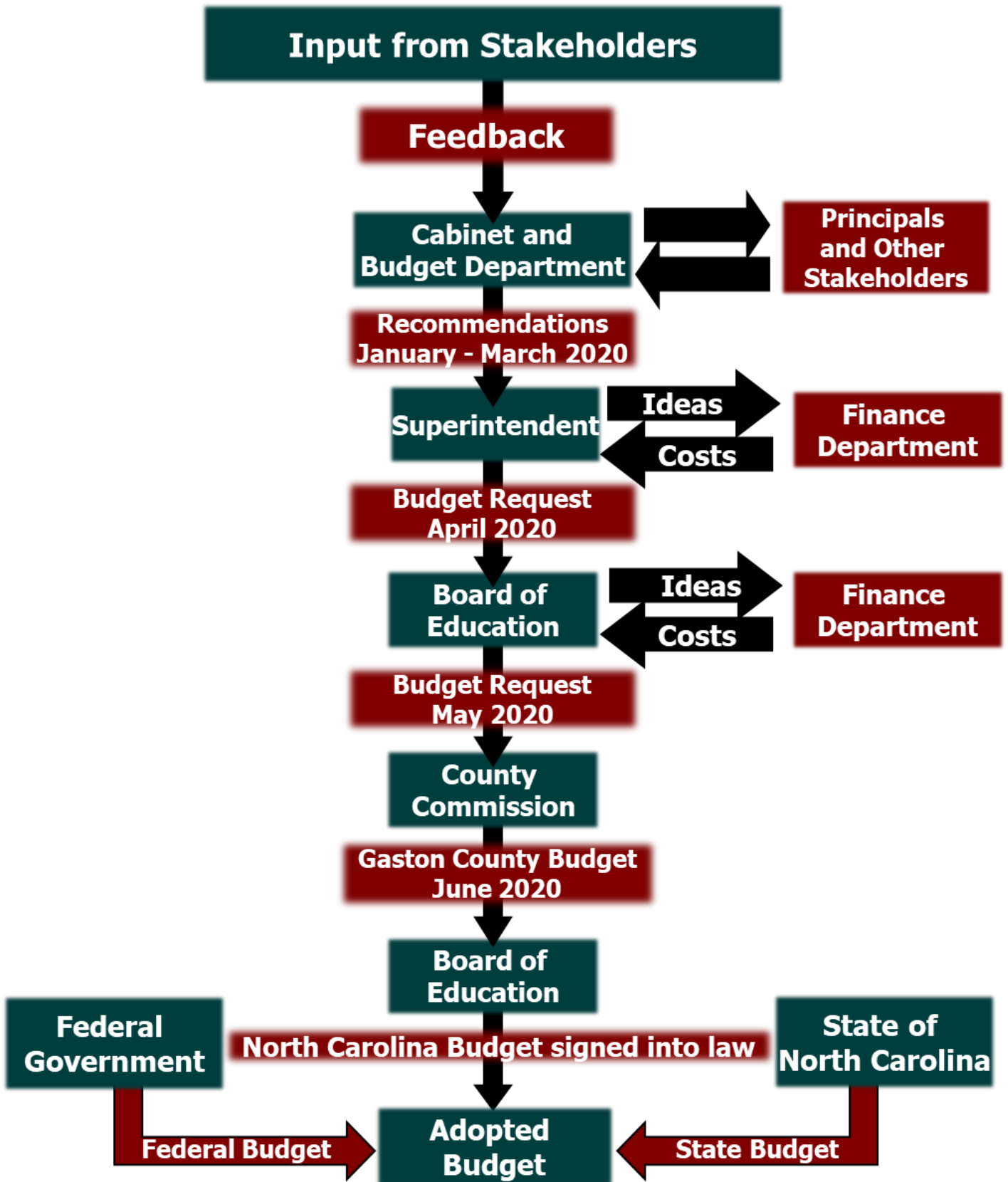


D. Brent Moore
Chairman, Board of Education

Gaston County Schools
Budget Calendar
FY 2020-21

- January 2020** Funding Needs Survey – Stakeholders, Fund Managers and Directors
- Initial Budget discussions – Fund Managers submit budget requests to Finance Department
- Board of Education receives the Budget Calendar and the results of the Funding Needs Survey
- February 2020** Budget discussions – Cabinet and Finance Department direct budget discussions to formulate a budget request
- Superintendent develops a budget request
- March 2020** Presentation of “2020-21 Superintendent’s Budget Request” to the Board of Education for review and discussion
- April 2020** Joint Budget meeting between Board of Education and County Commissioners to review and discuss funding needs and initial funding request
- Board of Education adoption of “2020-21 Budget Request”
- May 2020** “2020–21 Budget Request” delivered to County Commissioners
- June 2020** County Commissioners adopt a County budget ordinance – notifies Board of Education of local budget allocation
- Board of Education adopts 2020-21 Interim Budget
- Open** North Carolina Budget signed into law
- Superintendent recommends such budget revisions as may be required by State and County budget allocations
- Board of Education adopts “2020-21 GCS Budget Resolution”
- Final budget compiled, typed, proofed and printed

**Gaston County Schools
 Budgetary Process Flow Chart
 FY 2020-21**



**Gaston County Board of Education
Budget Resolution
FY 2019-2020**

BE IT RESOLVED by the Board of Education of the Gaston County Schools Administrative Unit:

Section 1 - The following amounts are hereby appropriated for the operation of the school administrative unit in the **State Public School Fund** for the fiscal year beginning July 1, 2019, and ending June 30, 2020:

<i>Instructional Services</i>	
Regular Instructional Services	\$ 116,049,412
Special Population Services	21,400,146
Alternative Programs and Services	7,457,972
School Leadership Services	10,332,908
School-Based Support Services	12,589,603
<i>System-Wide Support Services</i>	
Support and Development Services	805,654
Special Population Support and Development Services	226,963
Alternative Programs and Services Support	84,032
Technology Support Services	101,850
Operational Support Services	12,059,116
Financial and Human Resources Services	2,179,600
Accountability Services	108,972
Program Leadership, Support and Development Services	77,699
Policy, Leadership & Communication/Public Information Services	910,910
<i>Ancillary Services</i>	
Nutrition Services	53,277
<i>Total State Public School Fund Appropriation</i>	<u>\$ 184,438,114</u>

Section 2 - The following revenues are estimated to be available to the **State Public School Fund** for the fiscal year beginning July 1, 2019, and ending June 30, 2020:

<i>State Public School Fund Revenue</i>	<u>\$ 184,438,114</u>
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**Gaston County Board of Education
Budget Resolution
FY 2019-2020**

Section 3 - The following amounts are hereby appropriated for the operation of the school administrative unit in the **Local General Fund** for the fiscal year beginning July 1, 2019, and ending June 30, 2020:

<i>Instructional Services</i>	
Regular Instructional Services	\$ 14,191,834
Special Population Services	1,512,827
Alternative Programs and Services	207,030
School Leadership Services	6,993,346
Co-Curricular Services	1,614,199
School-Based Support Services	2,075,257
<i>System-Wide Support Services</i>	
Support and Development Services	531,127
Special Population Support and Development Services	182,618
Alternative Programs and Services Support	148,794
Technology Support Services	2,859,958
Operational Support Services	13,121,177
Financial and Human Resources Services	1,634,272
Accountability Services	410,175
System-Wide Pupil Support Services	515,158
Policy, Leadership & Communication/Public Information Services	1,403,932
<i>Non-Programmed Charges</i>	
Transfers to Charter Schools	3,660,000
<i>Total Local General Fund Appropriation</i>	<u>\$ 51,061,704</u>

Section 4 - The following revenues are estimated to be available to the **Local General Fund** for the fiscal year beginning July 1, 2019, and ending June 30, 2020:

County Appropriation	\$ 50,311,704
Fines, Forfeitures and Interest	750,000
<i>Total Local General Fund Revenue</i>	<u>\$ 51,061,704</u>

Gaston County Board of Education
Budget Resolution
FY 2019-2020

Section 5 - The following amounts are hereby appropriated for the operation of the school administrative unit in the **Federal Grants Fund** for the fiscal year beginning July 1, 2019, and ending June 30, 2020:

<i>Instructional Programs</i>	
Regular Instructional Services	\$ 489,144
Special Populations Services	6,200,785
Alternative Programs and Services	9,846,702
School-Based Support Services	404,784
<i>System-Wide Support Services</i>	
Support and Development Services	900,210
Special Population Support and Development Services	777,741
Alternative Programs and Services Support	479,055
Technology Support	0
Financial and Human Resources Services	210,191
Policy, Leadership & Communication/Public Information Services	108,827
<i>Non-Programmed Charges</i>	
Payments to Other Governmental Units	509,100
<i>Total Federal Grants Fund Appropriation</i>	<u>\$ 19,926,539</u>

Section 6 - The following revenues are estimated to be available to the **Federal Grants Fund** for the fiscal year beginning July 1, 2019, and ending June 30, 2020:

<i>Total Federal Grants Fund Revenue</i>	<u>\$ 19,926,539</u>
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Section 7 - The following amounts are hereby appropriated for the operation of the school administrative unit in the **Capital Outlay Fund** for the fiscal year beginning July 1, 2019, and ending June 30, 2020:

<i>Capital Outlay</i>	
Operational Support Services	\$ 709,000
Capital Outlay	28,420,713
<i>Total Capital Outlay Fund Appropriation</i>	<u>\$ 29,129,713</u>

Section 8 - The following revenues are estimated to be available to the **Capital Outlay Fund** for the fiscal year beginning July 1, 2019, and ending June 30, 2020:

<i>Other Sources</i>	
Bond Proceeds	\$ 23,055,603
County Capital	2,227,000
Other (DPI bus purchase, bond interest, sales tax withheld, etc.)	3,847,110
<i>Total Capital Outlay Fund Revenue</i>	<u>\$ 29,129,713</u>

**Gaston County Board of Education
Budget Resolution
FY 2019-2020**

Section 9 - The following amounts are hereby appropriated for the operation of the school administrative unit in the **Child Nutrition Fund** for the fiscal year beginning July 1, 2019, and ending June 30, 2020:

<i>Ancillary Services</i>	
Nutrition Services	\$ 19,929,500
<i>Total Child Nutrition Fund Appropriation</i>	<u>\$ 19,929,500</u>

Section 10 - The following revenues are estimated to be available to the **Child Nutrition Fund** for the fiscal year beginning July 1, 2019, and ending June 30, 2020:

Local and Other Revenues	\$ 4,769,500
Federal Allocation	15,160,000
<i>Total Child Nutrition Fund Revenue</i>	<u>\$ 19,929,500</u>

Section 11 - The following amounts are hereby appropriated for the operation of the school administrative unit in the **Other Special Revenue Fund** for the fiscal year beginning July 1, 2019, and ending June 30, 2020:

<i>Instructional Services</i>	
Alternative Programs and Services	\$ 5,167,917
<i>System-Wide Support Services</i>	
Alternative Programs and Services Support	163,820
<i>Total Other Special Revenue Fund Appropriation</i>	<u>\$ 5,331,737</u>

Section 12 - The following revenues are estimated to be available to the **Other Special Revenue Fund** for the fiscal year beginning July 1, 2019, and ending June 30, 2020:

<i>Total Other Special Revenue Fund Revenue</i>	<u>\$ 5,331,737</u>
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TOTAL ALL FUNDS	<u><u>\$ 309,817,307</u></u>
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**Gaston County Board of Education
Budget Resolution
FY 2019-2020**

Section 13 - All appropriations shall be paid firstly from revenues restricted as to use, and secondly from general unrestricted revenues.

Section 14 - All unpaid encumbrances at June 30, 2019, are hereby reappropriated and are to be added to this approved budget.

Section 15 - The Superintendent is hereby authorized to transfer appropriations within a fund under the following conditions:

- a. Proposed expenditures from State, Federal, or other revenue sources may be amended upon receipt of information altering the anticipated revenues. A report of such budget amendments shall be made to the Board of Education on a monthly basis.
- b. Allocations may be transferred within a function without limitation.
- c. Transfers between functions may be made without limitation, with a report of such transfers made to the Board of Education on a monthly basis.
- d. The Superintendent may not transfer any amounts between funds.
- e. The threshold for capitalizing fixed assets is \$5,000 and at least a three-year useful life.

Section 16 - Copies of the Budget Resolution shall be immediately furnished to the Superintendent and School Finance Officer for direction in carrying out their duties.

Adopted this 18th day of November, 2019

Signed

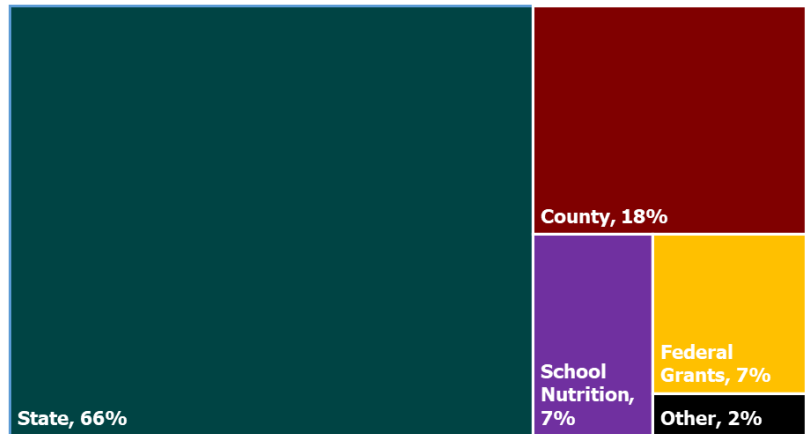
D. Brent Moore, *Chairman*

W. Jeffrey Booker, *Superintendent*

Gaston County Schools
Budgeted Revenues and Expenditures
FY 2019-20

REVENUES

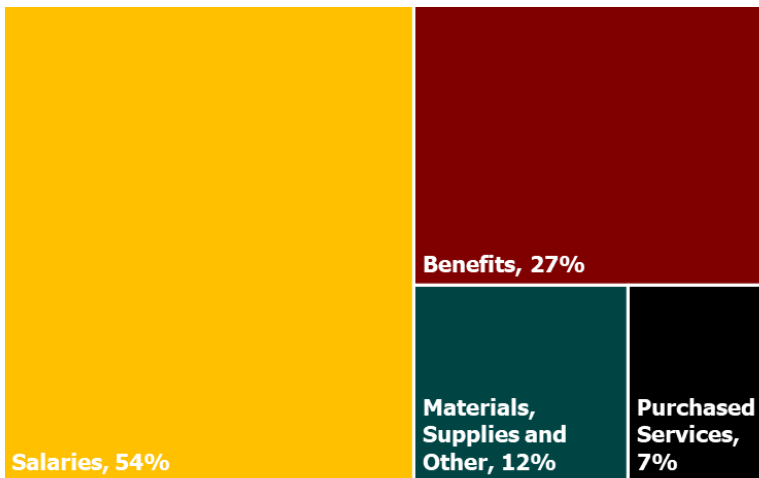
State	\$ 184,438,114
County	51,061,704
Federal Grants	19,926,539
School Nutrition	19,929,500
Other	5,331,737
TOTAL	<u>\$ 280,687,594</u>



Note: Excludes \$29,129,713 in Capital Funds

EXPENDITURES

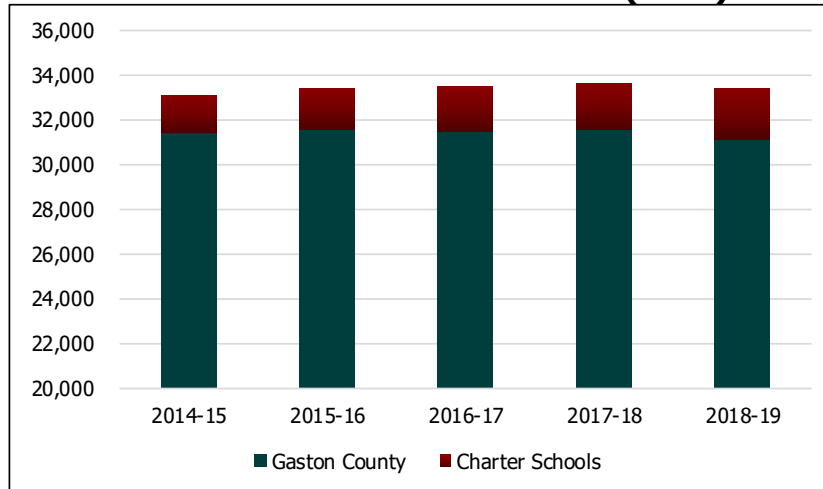
Salaries	\$ 151,725,877
Benefits	75,804,387
Materials and Other	32,538,597
Services	20,618,733
TOTAL	<u>\$ 280,687,594</u>



Note: Excludes \$29,129,713 in Capital Funds

5 Years of Facts and History

AVERAGE DAILY MEMBERSHIP (ADM)

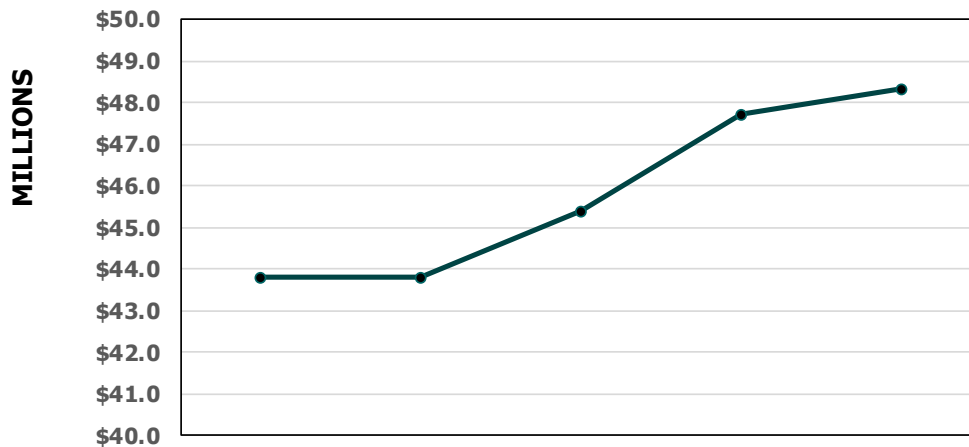


	2014-15	2015-16	2016-17	2017-18	2018-19
Gaston County	31,421	31,555	31,499	31,581	31,116
Charter Schools	1,728	1,898	2,011	2,096	2,269
TOTAL	33,149	33,453	33,510	33,677	33,385

SOURCE: Principal's Monthly Report - Month 01

* These numbers do not include Pre-Kindergarten students

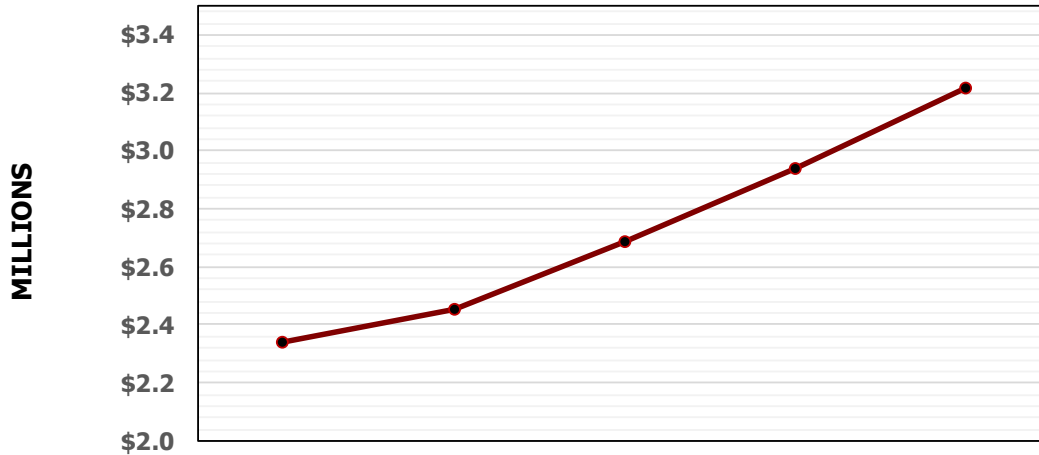
COUNTY APPROPRIATION



2014-15	2015-16	2016-17	2017-18	2018-19
\$ 43,816,704	\$ 43,816,704	\$ 45,351,704	\$ 47,751,704	\$ 48,351,704

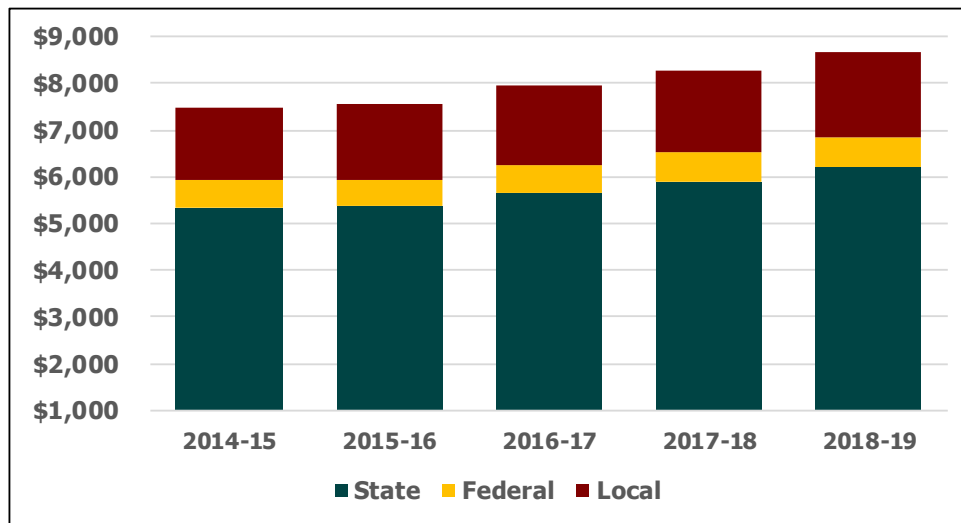
5 Years of Facts and History

CHARTER SCHOOL PAYMENTS



2014-15	2015-16	2016-17	2017-18	2018-19
\$ 2,342,018	\$ 2,450,606	\$ 2,686,064	\$ 2,937,635	\$ 3,215,620

PER PUPIL EXPENDITURES



	2014-15	2015-16	2016-17	2017-18	2018-19
State	\$ 5,327	\$ 5,395	\$ 5,668	\$ 5,914	\$ 6,227
Federal	589	533	591	622	609
Local	1,579	1,621	1,687	1,730	1,829
TOTAL	\$ 7,496	\$ 7,549	\$ 7,946	\$ 8,266	\$ 8,665

State Rank out of 115 LEAs **110** **114** **109** **109** **109**

SOURCE: North Carolina Department of Public Instruction

Gaston County Schools
Budget Summary Narrative
Financial Position – Current Expense

The North Carolina schools, counties, and the State are required to operate under a balanced budget (deficit financing is not allowed). The budgeted revenues included, represent our best approximation of the funding we will receive from the County. In addition to the County Appropriation, we expect to receive State and Federal funding and once the State and Federal revenues are set, the budget is then adjusted to the corresponding revenue and expense amount. A conservative stance is taken when projecting revenues.

Fund balances are appropriated as deemed necessary based upon the amounts available as set forth in North Carolina General Statutes.

As prescribed by the North Carolina General Statute 115C-432, the following directions and limitations shall bind the Board of Education in adopting a budget:

1. The school budget resolution shall conform to the County budget ordinance.
2. The full amount of any lawful deficit from a prior fiscal year shall be appropriated.
3. Contingency appropriations in a fund may not exceed five percent of the total of all appropriations in that fund.
4. Sufficient funds to meet the amounts to be paid during the fiscal year under continuing contracts previously entered into shall be appropriated.
5. The sum of estimated net revenues and appropriated fund balances in each fund shall be equal to the appropriations in that fund.
6. No appropriation may be made that would require the levy of supplemental taxes in excess of the rate of tax approved by voters.
7. Revenues realized from levying school supplemental taxes may not exceed the percentage of that tax actually realized in cash during the preceding fiscal year.
8. Amounts realized from the collection of supplemental taxes levied in prior fiscal years shall be included in estimated revenues.
9. No appropriation may be made to or from the capital outlay fund or to or from any other fund, except as permitted by the North Carolina General Statutes.

A formal presentation of the proposed budget is made to the Board and public hearings will be scheduled as the Board deems appropriate. Approval of the budget request by the Board of Education and submission to the County Commissioners is anticipated by May 15, as required by the North Carolina School Budget and Fiscal Control Act.

Gaston County Schools

Revenue History and

FY 2020-21 Funding Request

Operating Revenue	Adopted Budget					Proposed
REVENUE	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
Gaston County Appropriation	\$ 43,816,704	\$ 45,351,704	\$ 47,751,704	\$ 48,351,704	\$ 50,311,704	\$ 53,251,704
Other Miscellaneous Revenue	750,000	750,000	750,000	750,000	750,000	750,000
Fund Balance Appropriated	2,849,000	3,149,000	1,200,000	-	-	-
REVENUE	\$ 47,415,704	\$ 49,250,704	\$ 49,701,704	\$ 49,101,704	\$ 51,061,704	\$ 54,001,704
EXPENDITURES	\$ 47,415,704	\$ 49,250,704	\$ 49,701,704	\$ 49,101,704	\$ 51,061,704	\$ 54,001,704

Capital Outlay Revenue	Adopted Budget					Proposed
REVENUE	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
County Funds	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 2,227,000	\$ 6,200,000
State Funds	-	-	-	-	-	-
REVENUE	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 2,227,000	\$ 6,200,000
EXPENDITURES	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 2,227,000	\$ 6,200,000

Gaston County Schools

Proposed Current Expenses and Funding Request

FY 2020-21

Description	FY 2019-20		FY 2020-21		Increase (Decrease) Over FY 2019-20
	Amended Budget	Per Pupil Funding	Funding Request	Per Pupil Funding	
Sources of Expenses:					
Instructional Services	\$ 15,873,300	\$ 510	\$ 18,158,309	\$ 586.2	\$ 2,285,009
Instructional Technology/Choice	-	-	(710,000)	(23)	(710,000)
Programs - One Time Funding	-	-	-	-	-
School Administration Services	6,533,100	210	6,765,950	218	232,850
Co-Curricular Services	1,617,800	52	1,650,050	53	32,250
School Based Support Services	1,923,800	62	2,136,600	69	212,800
System-wide Support Services	889,800	29	932,930	30	43,130
Technology Support Services	2,661,300	85	2,772,990	90	111,690
Operational Support Services	13,217,400	424	13,779,598	445	562,198
Financial & Human Resource Services	1,909,000	61	1,980,120	64	71,120
Accountability Services	490,700	16	515,530	17	24,830
System-wide Pupil Support Services	549,504	18	574,457	19	24,953
Policy, Leadership and Community Relations Services	1,366,000	44	1,415,170	46	49,170
Payments to Other Govt. Units	4,030,000	129	4,030,000	130	-
Total Current Expenses	\$ 51,061,704	\$ 1,639	\$ 54,001,704	\$ 1,743	\$ 2,940,000
Adjusted For Expense Reduction Funded from Fund Balance	-	-	-	-	-
Adjusted Current Expenses	\$ 51,061,704	1,639	\$ 54,001,704	\$ 1,743	\$ 2,940,000
Sources of Revenues:					
County Appropriation	\$ 50,311,704	\$ 1,615	\$ 53,251,704	\$ 1,719	\$ 2,940,000
Other - Fines/Forfeitures	700,000	22	700,000	23	-
Interest	50,000	2	50,000	2	-
Fund Balance	-	-	-	-	-
Total Revenues	\$ 51,061,704	\$ 1,639	\$ 54,001,704	\$ 1,743	\$ 2,940,000

Average Daily Membership

31,153 ⁽¹⁾

30,975 ⁽²⁾

(178)

Notes:

(1) Based on NCDPI FY 2019-20 Allotment Adjustments for Higher of 1st or 2nd Month ADM calculation

(2) Based on NCDPI FY 2020-21 Planning Allotment ADM



Projected Average Daily Membership (ADM) Fiscal Year 2020-21

Enter LEA#

360

	<u>PROJECTED</u>
KINDERGARTEN	2,307
GRADE 1	2,157
GRADE 2	2,188
GRADE 3	2,352
GRADE 4	2,362
GRADE 5	2,448
GRADE 6	2,519
GRADE 7	2,470
GRADE 8	2,513
GRADE 9	2,773
GRADE 10	2,440
GRADE 11	2,219
GRADE 12	2,227
TOTAL	<u><u>30,975</u></u>



OPERATING



REQUEST

Gaston County Schools

Factors Impacting the FY 2020 -21 Budget Costs

The Superintendent's Budget Request for FY 2020-21 totaling \$53.3 million, represents an increase of approximately 6% over the amount appropriated by the County for FY 2019-20. County appropriated funds are used mainly to support instructional programs, operate safe schools and for operational support services. The budget is impacted by internal and external factors, some of which are beyond our control and will impact the cost of doing business. Some expenditures are calculated based on estimated cost of inputs, others are estimated based on previous years' expenditure increases as well as possible proposed cost increases such as for salary and benefit increases. Other external factors may arise at a later time depending on decisions made by the Governor and General Assembly. The absence of a comprehensive State budget in FY 2019-20 led to added pressure on our local budget. Any further uncertainty or reduction in state funding for FY 2020-21 will contribute to the increased risks facing Gaston County Schools' local budget for FY 2020-21.

Some of the external factors impacting the FY 2020-21 budget include:

1. COVID-19 Pandemic:

The public education system like the rest of the national economy is being negatively impacted by this virus outbreak. It is extremely difficult to measure the level of impact on our school system given the many unknowns. This budget request therefore does not include a calculated financial impact on our budget. GCS continues to rely on guidance from the Governor, the general assembly and the North Carolina Department of Public Instruction (NCDPI).

2. Retirement Contribution and Health Insurance Rates:

The General Assembly may approve changes to the employer matching retirement contribution and health insurance premiums. The Superintendent's Budget Request includes estimated increases in these rates. The estimated rate used to calculate the FY 2020-21 retirement cost is 21.44%, a 9% increase over the FY 2019-20 average rate of 19.70% that could result in increased costs of \$327,000. It is also anticipated that the State will approve salary increases for employees which could add an additional \$88,000 for matching benefits. This will result in approximately \$415,000 in additional costs to the budget.

The estimated cost used for the employer-paid health insurance premium in the proposed FY 2020-21 budget is \$6,647, a 5.4% increase over the average cost of \$6,306 for FY 2019-20. It is estimated this will result in an additional \$67,500 in costs to the budget.

The rate increase proposed for the employer retirement contribution and the increase proposed for the employer-paid health insurance premium is based on guidance provided by the NC Department of Public Education.

3. Salary Adjustments:

The Superintendent's Budget Request includes a proposed 4% increase in salaries for certified personnel and 3% for classified personnel based on an anticipated State mandated adjustment. The estimated impact to the FY 2020-21 budget for certified employees is \$139,000 and for classified employees \$328,000 a total impact to our local budget of \$467,000.

4. Charter Schools Growth:

The growth of new charter schools in our district presents an ongoing risk to our local budget. For the fiscal years 2017–18 and 2018-19, there has been an increase of approximately 6% each year in the number of Gaston County students attending charter schools, and this increased to 12% in FY 2019-20. Our State budget is computed based on average daily membership and any reduction in ADM will lead to a reduction in State funding and therefore added demands on our local budget.

5. Inflation:

Another factor impacting the FY 2020-21 budget costs (positively or negatively) include the level of inflation being experienced this fiscal year and projected for FY 2020-21. National projections are for inflation rates of 2.0% in 2020 and a rate of 2.1 in 2021. The impact to the budget is calculated at approximately \$165,000 for services, materials and supplies (not including technology, utilities etc.)

Some internal factors impacting the budget include the expansion of current programs and new initiatives:

1. Technology Equipment and Supplies:

GCS need to maintain a minimum stock of over 32,400 chromebooks for use by our nearly 31,000 students and 1,400 teachers. These devices have a useful life of four (4) years and the goal is to replace one fourth of the chromebooks each year (approximately 8,500). 2,635 devices have been replaced this year (FY 2019-20) leaving 5,865 that will need to be replaced during FY 2020-21. The cost per Chromebook is estimated to be \$182, therefore the total cost to replace 5,865 chromebooks is \$1,067,000.

2. Certified Employee Salary Supplement Adjustment:

Gaston County increased salary supplements over the past five years in order to bring supplements in line with the average of regional school districts with a comparable ADM. The impact on the budget is estimated at \$500,000 for the FY 2020-21.

3. Clerical/Custodial Position Increase:

GCS do not have enough clerical and custodial staff to provide the level of service required. To achieve this we plan to add 3.5 clerical, 10.5 custodial positions and to centrally pay for 5 additional schools' lawn care needs. The projected cost is \$900,000 however we are only requesting \$400,000 from the County as other funds (\$600,000) have been earmarked.

4. College and Career Promise:

The Superintendent's Budget Request includes a proposal to expand the college credit learning opportunities for students. The cost for tuition, fees and textbooks in school year 2019-20 is estimated to be \$376,000, about 23% above the cost for year 2018-19 and we estimate that this cost will increase to \$462,000 in school year 2020-21, an increase of 23% or \$86,000. Of this amount, we anticipate that \$200,000 will be available from State funds and \$104,000 from existing local funds. The funding gap is \$158,000.

5. A+ School Designation:

The Superintendent's Budget Request includes a request for funding in the amount of \$100,000 to cover the cost of instructional salary and benefits (\$55,000) and classroom materials and supplies (\$45,000). The goal is to implement this program at Pinewood and Ida Rankin Elementary Schools and to continue services at W.A. Bess Elementary.

Gaston County Schools
Narrative of Budget Requirements
FY 2020-21

Description	FY 2019-20	FY 2020-21	FY 2020-21
	Amended Local Budget as of February 2020	Increase	Local Budget
	\$	\$	\$
A. Personnel Cost: Certified			
Narrative:			
1. Certified Salary Cost			
School Administrators (Principals and Assistant Principals)	Salaries 2,530,000 Salary Adjustments 781,204		2,530,000
<i>Recurring cost to pay for State mandated salary increase projected at 4%</i>		101,000	101,000
Instructional and Instruction Support Staff (Teachers, Guidance Counselors, Media Specialists)	Salaries 950,000		950,000
<i>Recurring cost to pay for State mandated salary increase projected at 4%</i>		38,000	38,000
2. Supplementary Pay			
To retain and attract highly qualified instructional and instructional support personnel	Salary Supplement 6,812,000		6,812,000
<i>Recurring cost to move supplement towards State Average</i>	<i>Supplements</i>	500,000	500,000
3. Other Personnel Expenses			
Benefits-related pay Include Short term disability payments, leave payoff, longevity pay and Bonus pay etc.	Other Supplementary Pay 426,000		426,000
4. Employer Paid Benefits			
Include employer paid amounts for retirement, social security and health insurance premiums	Benefits 4,037,000		4,037,000
<i>New: Projected increased cost of employer paid benefits (retirement from avg. 19.70% to 21.44%; health insurance rates from \$6,306 to \$6,647) for FY 2020-21 and for projected salary increases</i>	<i>Benefits</i>	261,000	261,000
Total Personnel Cost: Certified	\$ 15,536,204	\$ 900,000	\$ 15,655,000

Gaston County Schools
Narrative of Budget Requirements
FY 2020-21

Description	FY 2019-20 Amended Local Budget as of February 2020	FY 2020-21 Increase	FY 2020-21 Local Budget
	\$	\$	\$
B. Personnel Cost: Non-Certified			
Narrative:			
1. <u>Non-Certified Instructional Support</u>			
Salaries, wages and benefits: (technology facilitators, interpreters, teacher assistants, tutors, monitors and substitutes)	Salaries and Wages	1,722,000	1,722,000
<i>New: Teacher Assistant Salary Adjustment for Increased work days from 200 to 215</i>		<i>310,000</i>	<i>310,000</i>
2. <u>Other Non-Certified Personnel</u>			
Salaries, wages, stipends and benefits: (Include leadership personnel, program directors, Supervisors, Clerical Support, Managers, Athletic Coaches, Band Assistants, Skilled Trades, Administrators, Technicians, Custodians)	Salaries and Wages	7,778,000	7,778,000
<i>New: Clerical/Custodial Salary Adjustment for Increase number of clerical/custodial FTEs</i>		<i>400,000</i>	<i>400,000</i>
3. <u>Other Personnel Expenses</u>			
Benefits Related/Extra Duty Pay	Other Supplementary Pay	637,000	- 637,000
4. <u>Non-Certified Employee Salary Adjustment</u>			
<i>New: Non-Certified Salary Adjustment - Proposed 3% increase</i>		<i>328,000</i>	<i>328,000</i>
5. <u>Employer Paid Benefits</u>			
Include employer paid amounts for retirement, social security and health insurance premiums	Benefits	3,367,000	3,367,000
<i>New: This amount estimates the increased cost of employer paid benefits, based on proposed rates for retirement (from 19.70% to 21.44) and for health insurance premiums (from \$6,306 to \$6,647) for FY 2020-21 and salary increases</i>	<i>Benefits</i>		<i>222,000</i> 222,000
Total Personnel Cost: Non-Certified	\$ 13,504,000	\$ 1,260,000	\$ 14,764,000
Total Personnel Cost	\$ 29,040,204	\$ 2,160,000	\$ 30,419,000

Gaston County Schools
Narrative of Budget Requirements
FY 2020-21

Description	FY 2019-20 Amended Local Budget as of February 2020	FY 2020-21 Increase	FY 2020-21 Local Budget
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C. Instructional/Instructional Support Programs

Narrative:

1. School Based Support Services and System-Wide Pupil Support Services

Instructional/Instructional Support services and materials, co-curricular activities, educational media, guidance, social services, health and safety, school administration services and supplies.

Purchased Services	3,764,000		3,764,000
Supplies and Materials			

2. System-Wide Support Services

Program leadership Support and Development Services (Include planning and research, program evaluation, instructional technology and student accounting services)

Purchased Services	113,500		113,500
Supplies and Materials			

New: Cost for tuition, fees and textbooks for Career and College Promise courses

	<i>158,000</i>		158,000
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3. Charter School Transfers

Payments to charter schools - local appropriation

	4,030,000		4,030,000
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4. A+ Designated Schools - Elementary

New: Staff development support for three (3) elementary schools

	<i>100,000</i>		-
			100,000

5. School Choice - Programs

Reduction: One time funding for Choice program included in FY2019-20 appropriation

	<i>(100,000)</i>		<i>(100,000)</i>
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6. Inflation Impact

Inflation cost impact on instruction/non-instructional support programs. Inflation targeted at 2%

Purchased Services		<i>52,000</i>	52,000
Supplies and Materials			

Total Instructional Support Programs

\$	7,907,500	\$	210,000	\$	8,117,500
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**Gaston County Schools
Narrative of Budget Requirements
FY 2020-21**

Description	FY 2019-20	FY 2020-21	FY 2020-21
	Amended Local Budget as of February 2020	Increase	Local Budget
	\$	\$	\$
D. Operations			
Narrative:			
1. Operational Support Services			
Gaston County Schools' Central Office Departments (human resources, finance/risk management, safety & security, and central office administration)	Purchased Services Supplies and Materials	1,854,600	1,854,600
2. Technology Support Services			
Central based activities, supporting and maintaining technical infrastructure, computer hardware and software	Purchased Services Hardware & Software	3,428,000	3,428,000
<i>New: Replacing end of life mobile devices</i>	<i>Hardware & Software</i>	<i>1,067,000</i>	<i>1,067,000</i>
<i>Reduction: One time funding included in FY2019-20 appropriation</i>		<i>(610,000)</i>	<i>(610,000)</i>
3. Utilities			
Electricity service, natural gas and water supplies	Purchased Services	5,024,400	5,024,400
4. Facilities Maintenance			
Central based activities concerned with the repair and upkeep of buildings, equipment and grounds	Purchased Services	3,765,000	3,765,000
5. Transportation			
Vehicle maintenance and repair costs, fuel and contracted transportation	Supplies and Materials Equipment	42,000	42,000
6. Inflation Impact			
<i>Inflation cost impact on operational support services, facilities, maintenance and transportation</i>	<i>Purchased Services</i>	<i>113,000</i>	<i>113,000</i>
<i>Inflation targeted at 2%</i>	<i>Supplies & materials</i>		
Total Cost of Operations		\$ 14,114,000	\$ 14,684,000
Total Personnel, Program & Operating Costs		\$ 51,061,704	\$ 53,220,500
Adjustments for Fund Balance/Other Funding Source		0	0
Adjusted Funding Request FY21		\$ 51,061,704	\$ 54,001,704

FY 2020-21 Local Funding Expansion Request

Gaston County Schools Funding Request

Priority	Recommendation Item	Cost		
		Ongoing	New	Total
Ongoing Expenditures				
	State Mandated Increase in Employer Paid Benefits	\$ 483,000	\$ -	\$ 483,000
	Replace End-of-Life Mobile Devices	1,067,000	-	1,067,000
	One Time Funding Request - Technology	(610,000)		(610,000)
	Teacher Assistants - Increased Work Days	310,000	-	310,000
	Inflation - Operating Expenses	165,000	-	165,000
	One Time Funding Request - Choice Programs	(100,000)		(100,000)
New Initiatives				
1	Certified Employee Salary Supplement Adjustment	-	500,000	500,000
2	Employee Compensation Adjustment - Classified	-	328,000	328,000
3	Employee Compensation Adjustment - Certified	-	139,000	139,000
4	Clerical - Custodial Allotment Increase	-	400,000	400,000
5	College and Career Promise Program	-	158,000	158,000
6	A+ Designation Program for Three Elementary Schools	-	100,000	100,000
7	Student Transportation for New Early College	-	-	-
Total		\$ 1,315,000	\$ 1,625,000	\$ 2,940,000

Ongoing Expenditures (FY 2020-21)

School: All Schools
Department: Finance
Project Title: State Mandated Increase in Employer Paid Benefits
Total Cost: \$ 483,000

Project Description

State mandated increase in employer paid retirement and health insurance benefits rates and an increase based on State mandated salary adjustments.

Background & Justification / Status

Consistent with previous years, the State budget is expected to include a rate increase for health insurance premiums for FY 2020-21. Although the trend over the past four years reflects an approximate annual 4% increase in premiums, the increase this year is projected to be about 5.4% effective January 1, 2021, based on information from DPI. This would increase the employer paid portion of the health insurance premiums from \$6,306 per employee to \$6,647 per employee. The projected expenditure increase would amount to approximately \$67,500 for employees paid from local funds. The State is also expected to approve an increase in retirement rates effective July 1, 2020. The average rate of increase over the past four years has been around 6.5%, including a 10% increase in FY 2018-19. Preliminary information shared from DPI suggests that there would be an increase of 9% in the retirement rate, from 19.70% to 21.44%. This increase in the retirement rate would amount to approximately \$327,000 in additional costs to our local budget. Also, a projected State mandated salary adjustment for non-certified employees of approximately 1.5% will also cause an additional increase in retirement and social security matching costs of approximately \$88,500.

Potential Impact If Not Funded or Delayed

If not funded, the State mandated increase in employee salary and benefit rates will be funded using local funds already budgeted for educational purposes.

Estimated Three Year Costs

Expenditure	FY 2020-21 Request	FY 2021-22 Planning	FY 2022-23 Planning	Total Cost Three Years
Salaries and Benefits	\$ 483,000	\$ 502,500	\$ 522,500	\$ 1,508,000
Materials and Supplies	-	-	-	-
Hardware and Software	-	-	-	-
Other Operating Expenses	-	-	-	-
Total	\$ 483,000	\$ 502,500	\$ 522,500	\$ 1,508,000

Requested by: Gary F. Hoskins, Associate Superintendent for Finance and Operations

Approved by: Dr. W. Jeffrey Booker, Superintendent

Ongoing Expenditures (FY 2020-21)

School: All Schools
Department: Technology Support Services
Project Title: Replace End-of-Life Mobile Devices
Total Cost: \$ 1,067,000

Project Description

Refresh mobile devices (i.e. Chromebooks) that were put into service about four years ago. Also, begin to regularly refresh mobile devices as they approach their expected end-of-life.

Background & Justification / Status

With an enrollment of nearly 31,000 students and 1,400 teachers, Gaston County Schools must maintain a minimum fleet of 32,400 Chromebooks plus extras. This gives our students and teachers the ability to use a computer anytime and anywhere during the school day. Based on our historical experience, we can estimate that these types of devices have a life expectancy of four years. The current cost of a Chromebook is about \$182. Ideally, we would refresh one-fourth (approximately 8,500) of our Chromebook fleet each year. However, we currently have 11,837 in use Chromebooks that either lose Google support or have been used for over 5 years and have reached their end of life. We have been able to refresh 2,635 of these devices this year, leaving 5,865 that will need to be refreshed during the 2020-2021 school year.

Potential Impact If Not Funded or Delayed

Current mobile devices will stop functioning and schools will have fewer devices for student use.

Estimated Three Year Costs

Expenditure	FY 2020-21 Request	FY 2021-22 Planning	FY 2022-23 Planning	Total Cost Three Years
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -
Materials and Supplies	-	-	-	-
Hardware and Software	1,067,000	1,547,000	1,578,000	4,192,000
Other Operating Expenses	-	-	-	-
Total	\$ 1,067,000	\$ 1,547,000	\$ 1,578,000	\$ 4,192,000

Requested by: Dr. Aaron Slutsky, Chief Technology Officer

Approved by: Dr. W. Jeffrey Booker, Superintendent

Ongoing Expenditures (FY 2020-21)

School: All Schools
Department: Finance
Project Title: Teacher Assistants - Increased Work Days
Total Cost: \$ 310,000

Project Description

To increase the annual days worked by Teacher Assistants from 200 to 215 beginning with the school year 2020-21.

Background & Justification / Status

Gaston County Schools (GCS) Teacher Assistants (TAs) currently work and are paid for 200 days each school year. They begin working when students return to school and are not compensated for and available to assist with preparation for school re-opening each semester/each year. We are proposing that TAs be employed for an additional fifteen days which is the same number of days worked as our Teachers. GCS employs approximately four hundred and thirty (430) TAs, however the additional days for only about one hundred and sixty two (162) TAs will be paid for using local funds. The others will be paid for from other State, federal and grant funds. A 215 day Teacher Assistant work calendar is already used by many other school districts and was used by GCS prior to being cut in response to the recession in 2008-09.

Potential Impact If Not Funded or Delayed

The local dollars used for other resources will be decreased in order to pay the additional salary and benefits costs resulting from the additional 15 work days.

Estimated Three Year Costs

Expenditure	FY 2020-21 Request	FY 2021-22 Planning	FY 2022-23 Planning	Total Cost Three Years
Salaries and Benefits	\$ 310,000	\$ 315,000	\$ 320,000	\$ 945,000
Materials and Supplies	-	-	-	-
Hardware and Software	-	-	-	-
Other Operating Expenses	-	-	-	-
Total	\$ 310,000	\$ 315,000	\$ 320,000	\$ 945,000

Requested by: Gary F. Hoskins, Associate Superintendent for Finance and Operations

Approved by: Dr. W. Jeffrey Booker, Superintendent

Ongoing Expenditures (FY 2020-21)

School: All Schools
Department: Finance
Project Title: Inflation - Operating Expenses
Total Cost: \$ 165,000

Project Description

The estimated increase in the cost of procuring all services, utilities, supplies, materials, equipment and technology throughout the school system.

Background & Justification / Status

A survey of economic reports reveal an expected average inflation rate for FY 2019-20 of 2.1%. Core inflation is projected to rise higher than the headline rate to 2.3% by the end of 2020 which will have a direct impact on the price of supplies, materials and services. Over the last four years Gaston County Schools (GCS) has not received any funding increases to cover price adjustments experienced because of inflation. As a result, we have relied on using fund balance and existing local funds to offset increased expenses. Expenditure for services, materials, supplies and equipment for the current year (not including utilities etc.) is projected to be about \$7,850,000. Based on a projected inflation rate of 2.1% for next year (similar to FY2019-20), we are requesting funding in the amount of \$165,000 to mitigate the impact of the expected inflation costs for operational expenses. In addition, Duke Energy has also announced a rate hike proposal that, if approved, would result in customers incurring a 5% increase in their energy bills starting summer of 2020. To date, no increase has been announced by Dominion Energy for supplies of natural gas, but it is anticipated that there will be a 3% rate increase for water. GCS has instituted an energy management program with the aim of reducing utility expenses and we expect that any increased costs will be mitigated by projected savings of about \$250,000. The projected increase of about \$213,000 for electricity and \$24,000 for water supplies, is based on projected current year expenditure of \$4,250,000 for electricity and \$798,000 for water. We are therefore only requesting funding in the amount of \$165,000 to offset the expected increase in costs for our operational/support expenses.

Potential Impact If Not Funded or Delayed

Local dollars used for other resources will be decreased in order to pay the inflationary increase in procuring services, utilities, supplies, materials, equipment and technology.

Estimated Three Year Costs

Expenditure	FY 2020-21 Request	FY 2021-22 Planning	FY 2022-23 Planning	Total Cost Three Years
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -
Materials and Supplies	-	-	-	-
Hardware and Software	-	-	-	-
Other Operating Expenses	165,000	168,500	172,000	505,500
Total	\$ 165,000	\$ 168,500	\$ 172,000	\$ 505,500

Requested by: Gary F. Hoskins, Associate Superintendent for Finance and Operations

Approved by: Dr. W. Jeffrey Booker, Superintendent

New Initiatives (FY 2020-21)

School: All Schools
Department: Finance
Project Title: Certified Employee Salary Supplement Adjustment
Total Cost: \$ 500,000

Project Description

Increase local salary supplements paid to certified school personnel (i.e. teachers, guidance counselors, nurses, etc.)

Background & Justification / Status

GCS has historically had a lower average certified salary supplement than many of our peers. In an effort to make GCS more competitive with our peers, the County has increased the certified employee salary supplement by \$500,000 each year for the last four years. While this yearly adjustment is certainly helpful, the average GCS certified salary supplement of \$3,004 for FY 2019-20 is still significantly below the State average of \$5,216. GCS's local supplement continues to fall well below the average certified salary supplements of Union County (\$4,448) and Cabarrus County (\$3,776) which are similar in size and location to us. In fact, despite the \$2,000,000 increase in the local supplement over the past four years, the average GCS supplement is now further behind the State average and the Cabarrus County average salary supplement. In order to continue to increase the average GCS salary supplement to a more competitive level with our peers, we need to continue to increase our local salary supplement each year.

Potential Impact If Not Funded or Delayed

GCS will continue to experience difficulty in recruiting and retaining highly qualified certified staff as well as boosting morale, if the local certified salary supplements remain uncompetitive.

Estimated Three Year Costs

Expenditure	FY 2020-21 Request	FY 2021-22 Planning	FY 2022-23 Planning	Total Cost Three Years
Salaries and Benefits	\$ 500,000	\$ 1,000,000	\$ 1,500,000	\$ 3,000,000
Materials and Supplies	-	-	-	-
Hardware and Software	-	-	-	-
Other Operating Expenses	-	-	-	-
Total	\$ 500,000	\$ 1,000,000	\$ 1,500,000	\$ 3,000,000

Requested by: Gary F. Hoskins, Associate Superintendent for Finance and Operations

Approved by: Dr. W. Jeffrey Booker, Superintendent

New Initiatives (FY 2020-21)

School: All Schools
Department: Finance
Project Title: Employee Compensation Adjustment - Classified
Total Cost: \$ 328,000

Project Description

Salary adjustments for classified employees such as clerical, maintenance, technology, teacher assistants, and other administrative staff.

Background & Justification / Status

Gaston County Schools classified employees (including salaried exempt employees) have, over the last three years, received State mandated salary adjustments as follows: FY 2016-17, 1.5%; FY2017-18, \$1,000; and FY 2018-19, 2%. However, because of the absence of an approved State budget for FY2019-20, classified staff may not receive an increase, even though other State classified employees have received increases. We are projecting that the State budget for FY 2020-21 will include a salary increase of 1.5% for FY 2020-21 and 1.5% for the current year FY 2019-20 for classified employees, effective July 1, 2020. Prior to FY 2016-17 there had been no consistent yearly salary adjustments for classified employees for several years. The salaries for these positions are now generally below the industry average. As a result, qualified employees are seeking employment elsewhere and vacancies are more difficult to fill. This proposal provides for a 3.0% compensation increase for classified employees. This proposal would increase the local budget by approximately \$328,000.

Potential Impact If Not Funded or Delayed

GCS will have to fund any such mandatory compensation increase from its existing local budget to match the increased compensation (salaries and benefits) for State paid employees. This additional expenditure would negatively impact other planned activities and programs funded from local sources.

Estimated Three Year Costs

Expenditure	FY 2020-21 Request	FY 2021-22 Planning	FY 2022-23 Planning	Total Cost Three Years
Salaries	\$ 328,000	\$ 166,500	\$ 169,000	\$ 663,500
Materials and Supplies	-	-	-	-
Hardware and Software	-	-	-	-
Other Operating Expenses	-	-	-	-
Total	\$ 328,000	\$ 166,500	\$ 169,000	\$ 663,500

Requested by: Gary F. Hoskins, Associate Superintendent for Finance and Operations

Approved by: Dr. W. Jeffrey Booker, Superintendent

New Initiatives (FY 2020-21)

School: All Schools
Department: Finance
Project Title: Employee Compensation Adjustment - Certified
Total Cost: \$ 139,000

Project Description

Salary adjustments for certified employees, including teachers, principals, assistant principals, school counselors, social workers, nurses and media specialists paid from local funds.

Background & Justification / Status

GCS certified employees have historically received State mandated salary adjustments. However, no salary increase has been approved for the fiscal current year (FY 2019-20) as the State budget has not been approved by the General Assembly and the Governor. Despite the absence of any certified salary increases so far this year, it is expected that the State budget for FY 2020-21 will include a salary increase. Based on previous certified salary adjustments, we are estimating that the average increase will be around 4% for certified employees next year. Since a small percentage of our certified employees are paid from local funds provided by the county, any State mandated salary adjustments will have a negative impact on our local budget. This budget request provides for a 4% compensation increase for certified employees resulting in a \$139,000 increase in the GCS local budget.

Potential Impact If Not Funded or Delayed

GCS will have to fund any State mandated certified employee compensation increases for locally paid employees from its existing local budget. This additional expenditure would negatively impact other planned activities and programs funded from local sources.

Estimated Three Year Costs

Expenditure	FY 2020-21 Request	FY 2021-22 Planning	FY 2022-23 Planning	Total Cost Three Years
Salaries	\$ 139,000	\$ 144,500	\$ 150,000	\$ 433,500
Materials and Supplies	-	-	-	-
Hardware and Software	-	-	-	-
Other Operating Expenses	-	-	-	-
Total	\$ 139,000	\$ 144,500	\$ 150,000	\$ 433,500

Requested by: Gary F. Hoskins, Associate Superintendent for Finance and Operations

Approved by: Dr. W. Jeffrey Booker, Superintendent

New Initiatives (FY 2020-21)

School: All Schools
Department: Finance
Project Title: Clerical - Custodial Allotment Increase
Total Cost: \$ 400,000

Project Description

Provide an increased level of clerical and custodial months to our schools, to ensure that the highest level of customer service is provided and to improve the cleanliness of our schools and the appearance of our grounds.

Background & Justification / Status

GCS is operating in an environment that requires a high level of customer service for our students, parents, staff and stakeholders. Currently several schools do not have enough clerical and front office support staff to deliver the necessary level of service to our stakeholders. We are recommending that all elementary schools with 400-499 students be allotted an additional 0.5 full-time equivalent (FTE) position in clerical and front office support. This would add 3.5 clerical positions which would be allocated to seven elementary schools. Also, Gaston County Schools' buildings and facilities are aging and in need of additional upkeep and maintenance to ensure that we have a clean and safe environment for our students and staff. The average area cleaned per custodian in FY 2019-20 is 32,600 square feet. Our goal is to move closer to the industry average of 26,500 square feet per custodian (as defined by the Association of Physical Plant Administrators, or APPA). To achieve this, we recommend that all schools have a minimum of two (2) full time custodians and that high schools have at least one custodian for every 34,000 square feet, every middle school at least one custodian for every 33,000 square feet and every elementary school one custodian for every 32,000 square feet. This would add about 10.5 FTE custodial positions which would be allocated over 38 schools. Finally, we are requesting that we locally pay for the lawncare services for five additional schools. This would allow more custodians to focus on maintaining the inside of our buildings. Currently, custodians are also responsible for lawncare at many schools. The projected cost of these additions is about \$900,000. However, we plan to use about \$500,000 in anticipated increases in State funding and local energy cost savings to cover a portion of this cost. The remaining balance of \$400,000 is being requested as a locally funded new initiative.

Potential Impact If Not Funded or Delayed

Local funds designated for other activities will be decreased in order to fund the additional clerical and custodial staff needed.

Estimated Three Year Costs

Expenditure	FY 2020-21 Request	FY 2021-22 Planning	FY 2022-23 Planning	Total Cost Three Years
Salaries and Benefits	\$ 400,000	\$ 406,000	\$ 412,000	\$ 1,218,000
Materials and Supplies	-	-	-	-
Hardware and Software	-	-	-	-
Other Operating Expenses	-	-	-	-
Total	\$ 400,000	\$ 406,000	\$ 412,000	\$ 1,218,000

Requested by: Gary F. Hoskins, Associate Superintendent for Finance and Operations

Approved by: Dr. W. Jeffrey Booker, Superintendent

New Initiatives (FY 2020-21)

School: All High Schools
Department: Student Support Services
Project Title: College and Career Promise Program
Total Cost: \$ 158,000

Project Description

Expansion of college credit learning opportunities for students. The need for students to have options for accessing learning continues to grow. Career and College Promise (CCP) courses give students the opportunity to earn college credit while in high school. All costs are paid by Gaston County Schools.

Background & Justification / Status

As more and more students take advantage of these alternative learning opportunities, the cost to support these programs is increasing exponentially. During the 2018-19 school year, the total cost to cover tuition, fees and textbooks for students taking Career and College Promise courses totaled \$306,000. This cost is expected to increase by \$70,000 to \$376,000 for the 2019-2020 school year and estimated to increase by \$86,000 for the school year 2020-21 to \$462,000. Of this amount, we anticipate that \$200,000 will be available from State textbook funds to pay for some of the needed textbooks and approximately \$104,000 from existing local funds used to offset tuition fees. We are therefore requesting funding in the amount of \$158,000 to cover the expected funding gap.

Potential Impact If Not Funded or Delayed

Without additional funding for these expanding programs, we will not be able to support the number of students wanting to take advantage of these opportunities.

Estimated Three Year Costs

Expenditure	FY 2020-21 Request	FY 2021-22 Planning	FY 2022-23 Planning	Total Cost Three Years
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -
Materials and Supplies	-	-	-	-
Contracted Services	-	-	-	-
Other Operating Expenses	158,000	166,000	174,000	498,000
Total	\$ 158,000	\$ 166,000	\$ 174,000	\$ 498,000

Requested by: Dr. Cristi Bostic, Executive Director of Student Support

Approved by: Dr. W. Jeffrey Booker, Superintendent

New Initiatives (FY 2020-21)

School: W. A. Bess, Pinewood and Rankin Elementary Schools
Department: Academic Services
Project Title: A+ School Designation
Total Cost: \$ 100,000

Project Description

The A+ School program helps schools to build creative, engaging learning environments that allow students to master the State standards while developing their 21st century skills. A+ Schools of North Carolina is the nation’s longest-running, most successful arts-based whole school transformation model. Newly released research on A+ Schools demonstrates impressive results in school growth, student proficiency and narrowing the achievement gap. The goal is to implement this program at Pinewood and Ida Rankin Elementary Schools and to continue services at W.A. Bess Elementary School.

Background & Justification / Status

A+ Schools increase overall school performance by improving student proficiency. Schools that participate in the A+ School program have a smaller achievement gap. There is a positive cumulative effect on student growth and achievement with prolonged A+ School engagement. In the 2013 cohort data, the number of students achieving grade level proficiency increased by an average of 22%. Participation in the arts correlates to academic success in other subjects like math, science, and reading and better performance on standardized tests such as the SAT. A+ Schools prepare students to succeed in an economy driven by knowledge and ideas. The program provides the 4 Cs: critical thinking, communication, collaboration, and creativity, that are essential to a 21st century workforce. Engagement in the arts decreases at-risk behaviors and encourages students to stay in school. The A+ Schools program provides a clear pathway to the task of reaching the whole child and providing for a well rounded education. The arts provide opportunities for students to make connections and express ideas while developing pride through the accomplishment of authentic work that is shared with an audience.

Potential Impact If Not Funded or Delayed

If not funded, GCS would not be able to implement this program fully in the designated elementary schools, Pinewood and Ida Rankin and continue services at W.A. Bess. Alternatively, other local funds already earmarked for needed programs will have to be reduced to fund the A+ Schools program.

Estimated Three Year Costs

Expenditure	FY 2020-21 Request	FY 2021-22 Planning	FY 2022-23 Planning	Total Cost Three Years
Salaries and Benefits	\$ 55,000	\$ 57,000	\$ 60,000	\$ 172,000
Materials and Supplies	45,000	46,000	47,000	138,000
Contracted Services	-	-	-	-
Other Operating Expenses	-	-	-	-
Total	\$ 100,000	\$ 103,000	\$ 107,000	\$ 310,000

Requested by: Dr. Melissa Balknight, Associate Superintendent of Academic Services

Approved by: Dr. W. Jeffrey Booker, Superintendent

New Initiatives (FY 2020-21)

School: All Schools
Department: Academic Services / Transportation
Project Title: Student Transportation for New Early College
Total Cost: \$ -

Project Description

Provide transportation for students attending the new Cooperative Innovative High School (CIHS) to be located on Gaston College's Kimbrell campus. The high school will commence operations in the 2021-22 school year with grades 9 and 10 students with an anticipated average daily membership of 160, expanding to grade 13 by year 5 (school year 2026-27) with an anticipated average daily membership of 340. Gaston County Schools will provide transportation for students to and from school.

Background & Justification / Status

Gaston County Schools provides transportation on school buses for its students (K-12) during the 180 days school year, and therefore will need to provide transportation for students attending the new CIHS to be located at Gaston College's Kimbrell campus. It is anticipated that initially 60% of the grades 9 - 10 students (96) will be transported. Assignment of buses for new routes will be made on the basis of actual need, in the most efficient way possible. The average cost of transporting a student will vary depending on the cost of fuel and maintenance. We are therefore requesting funding in the amount of \$100,000 to cover the cost of transporting our students beginning in the 2021-22 school year.

Potential Impact If Not Funded or Delayed

Without additional funding for this program, other local resources already earmarked will have to be decreased to fund the transportation cost of students to this new school.

Estimated Three Year Costs

Expenditure	FY 2020-21 Request	FY 2021-22 Planning	FY 2022-23 Planning	Total Cost Three Years
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -
Materials and Supplies	-	-	-	-
Contracted Services	-	-	-	-
Other Operating Expenses	-	100,000	135,000	235,000
Total	\$ -	\$ 100,000	\$ 135,000	\$ 235,000

Requested by: Gary F. Hoskins, Associate Superintendent for Finance and Operations

Approved by: Dr. W. Jeffrey Booker, Superintendent



CAPITAL



REQUEST

Gaston County Schools Capital Budget Request FY 2020-21

The capital budget request is designed to provide funding for the routine repairs and end of service replacement of the school system's major capital assets such as roofs, heating and air conditioning units, furniture, equipment, vehicles, etc. The capital budget is also used for funding major renovation projects, such as media center upgrades (lighting, painting, carpet, etc.). Funding for capital outlay is provided from various sources. These sources include a special sales tax levy authorized by the State of North Carolina and held by the County, (by statute, these amounts must go to reduce the school system's debt service or for capital needs), revenue from annual County appropriation and Capital Improvement Bond issues.

Gaston County Schools (GCS) maintains about 5.2 million square feet of space located across 54 schools (not counting our virtual school) and various administrative buildings which are generally older, converted schools. With the exception of our newest buildings and additions, the vast majority of GCS building systems are either beyond or approaching their expected service life. In some cases, these components have been in service twice as long as their expected life cycle. This not only increases the risk of component failures, but also means that many systems are operating at minimum performance levels which significantly increases utility costs.

The Council of the Great City Schools prepares an annual report of performance measurements and benchmarks for various expenditures for school districts. This is an organization that includes a broad range of school districts from across the country. This organization published a document in October 2019 entitled, *Managing for Results in America's Great City Schools*. This report was based on data collected during the 2017-18 school year. Based on the information presented in the report, the cost per square foot for routine maintenance ranged from \$1.32 in the upper quartile to \$0.99 in the lower quartile. This equates to a range of \$6.9 million to \$5.1 million for GCS. The median cost for routine maintenance was \$1.19 per square foot, which equates to \$6.2 million for GCS.

For the past several years, GCS has received \$1.2 million in funding for maintenance and capital replacement. This amounts to about \$0.24 per square foot. However, last year the County significantly increased this funding to \$2.2 million, or \$0.43 per square foot. Given the fact that about 60% of our school buildings are 40 years old or older, this increased amount of capital funding is still well short of what is needed to properly maintain our facilities. As such, we are requesting \$6.2 million, or \$1.19 per square foot, in capital funding for annual routine maintenance and capital replacement. This is consistent with the median routine maintenance rate of \$1.19 per square foot calculated by the Council of the Great City Schools.

In addition to the annual funding for routine maintenance and capital replacement, GCS has identified capital needs totaling approximately \$650 million. In an effort to address a significant portion of these capital needs, the Gaston County Commissioners authorized a public referendum on a school bond issue in the amount of \$250 million. On May 8, 2018, this referendum was passed by 69% of the vote. In November 2018, the County issued \$60 million in funding from this bond referendum. These funds are being used to build a new Belmont Middle School (the current Belmont Middle School building is more than 75 years old) and to begin addressing some of our most critical facility needs such as new roofs, updated life safety systems (cameras, intercom, fire alarms), etc.

Managing for Results in America's Great City Schools 2019

RESULTS FROM FISCAL YEAR 2017-18

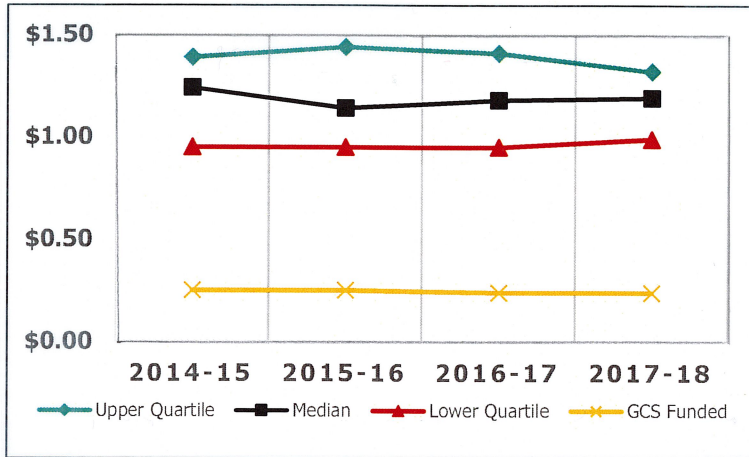


A REPORT OF THE PERFORMANCE MEASUREMENT AND BENCHMARKING PROJECT

OCTOBER 2019

MAINTENANCE & OPERATIONS

Routine Maintenance - Cost per Square Foot



	2014-15	2015-16	2016-17	2017-18
Upper Quartile	\$ 1.39	\$ 1.44	\$ 1.41	\$ 1.32
Median	\$ 1.24	\$ 1.14	\$ 1.18	\$ 1.19
Lower Quartile	\$ 0.95	\$ 0.95	\$ 0.95	\$ 0.99
GCS Funded	\$ 0.25	\$ 0.25	\$ 0.24	\$ 0.24

Description of Calculation

Cost of district-operated maintenance work plus cost of contractor-operated maintenance work, divided by total square footage of non-vacant buildings.

Importance of Measure

This provides a measure of the total costs of routine maintenance relative to the district size (by building square footage).

Factors that Influence

- Age of infrastructure
- Experience of maintenance staff
- Training of custodial staff to do maintenance work
- Deferred maintenance backlog

Districts in Best Quartile (2017-2018)

- Baltimore City Public Schools
- Broward County Public Schools
- Chicago Public Schools
- El Paso Independent School District
- Guilford County School District
- Houston Independent School District
- Jefferson County Public Schools (KY)
- Miami-Dade County Public Schools
- Orange County Public School District

District	2014-2015	2015-2016	2016-2017	2017-2018
2	\$0.67			
3	\$1.09	\$1.06	\$0.90	
4	\$1.05	\$1.65	\$1.17	\$1.21
5	\$0.92		\$1.02	\$1.08
7	\$0.61	\$1.28	\$1.47	\$1.42
8	\$1.00	\$0.96	\$1.08	\$1.32
9	\$1.24	\$1.27	\$1.39	\$1.24
10	\$1.06	\$0.96	\$0.96	\$1.08
12	\$0.95	\$0.59	\$1.20	\$1.14
13	\$1.52	\$1.05	\$0.95	\$0.93
14	\$1.19	\$1.24	\$1.23	\$1.21
16	\$1.05	\$1.35	\$1.33	\$1.37
18	\$1.42	\$1.45	\$1.39	\$1.21
20	\$1.36	\$1.37	\$1.43	\$1.46
21	\$1.62			
23				\$1.18
25				\$1.21
28	\$1.57	\$1.58	\$1.41	\$1.12
29			\$0.78	
30	\$1.33	\$0.93	\$1.21	\$1.10
32	\$0.91	\$0.83	\$1.63	\$0.97
34	\$1.32	\$1.25		
37		\$0.81	\$0.93	
39	\$1.56	\$1.72	\$1.62	\$0.84
41	\$1.39	\$1.08	\$1.06	\$0.99
43		\$1.61	\$1.80	\$1.69
44	\$1.55	\$1.67	\$1.79	\$1.72
46	\$1.26	\$1.08	\$0.79	\$0.98
47	\$1.48	\$1.42	\$1.46	\$1.33
48	\$0.75	\$0.80	\$0.83	\$0.78
49	\$0.68	\$0.66	\$0.86	\$0.67
50			\$0.60	\$1.94
51		\$1.03	\$1.15	
52	\$1.48	\$1.76		
53			\$0.61	\$0.64
54		\$1.20	\$1.43	\$0.62
55	\$1.38	\$1.51	\$1.18	\$1.21
57		\$0.63	\$1.25	\$1.29
58	\$0.55	\$0.93		
63	\$0.82	\$0.91	\$1.22	\$1.40
66	\$1.04	\$1.06	\$1.10	\$1.01
67			\$2.70	\$2.98
71	\$1.24	\$1.50	\$1.07	\$1.19
74	\$1.31	\$1.39	\$1.40	
76		\$1.01	\$1.05	
97			\$1.02	\$1.06
431			\$0.85	\$0.84

Gaston County Schools Capital Outlay Budget FY 2020-21

Revenues	Adopted Budget					Proposed 2020-21
	2015-16	2016-17	2017-18	2018-19	2019-20	
County Funds	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 2,227,000	\$ 6,200,000
State Funds	-	-	-	-	-	-
TOTAL	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 2,227,000	\$ 6,200,000

Expenditures	Adopted Budget					Proposed 2020-21	
	2015-16	2016-17	2017-18	2018-19	2019-20		
Computers and Technology	\$ 100,000	\$ 84,020	\$ 100,000	\$ 100,000	\$ 100,000	\$ 150,000	
Vehicles and Activity Buses	150,000	150,000	150,000	150,000	150,000	150,000	
General Renovations/Improvements	867,000	882,980	882,000	882,000	1,882,000	5,800,000	
Furniture and Equipment	110,000	110,000	95,000	95,000	95,000	100,000	
TOTAL	COUNTY CAPITAL	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 2,227,000	\$ 6,200,000
	STATE FUNDS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	GRAND TOTAL	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 2,227,000	\$ 6,200,000

In 2017, an independent capital needs committee determined that the total capital needs of the district was \$650 million. Over the past few years, the Board of Education consolidated three aging elementary schools into one new elementary school and they replaced one aging middle school with a new middle school. In addition, the County Commissioners agreed to a \$250 million school bond referendum that was approved by the voters in May 2018. In November 2018, the County issued \$60 million from this bond referendum. These funds will be used to build a new Belmont Middle School (the current Belmont Middle School building is more than 75 years old) and to begin addressing some of the most critical needs at our facilities located throughout the county.

These bond projects have had a positive impact on the quality of our schools. However, Gaston County Schools has 54 schools, 60% of which are 40 years old or older, and various central office and support locations which are generally located in older, former schools. The total square footage of all facilities is approximately 5.2 million. The funding for capital outlay is used for routine maintenance and repairs for roofs, parking lots, HVAC, life safety systems (intercom, cameras, etc.), electrical, plumbing, etc. The capital outlay over the past several years has been \$1,227,000, which is \$0.24 to \$0.25 per square foot. Last year, the funding was increased to \$2,227,000, which is \$0.43 per square foot. This is not a sufficient level of funding to properly maintain our schools and supporting offices. We are requesting capital outlay funding of \$6,200,000 which amounts to \$1.19 per square foot. This level is consistent with the median level of routine maintenance funding identified in the 2019 edition of *Managing for Results in America's Great City Schools*.

