



GASTON COUNTY SCHOOLS

2019-20 BUDGET REQUEST



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

Board of Education



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Vision

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.

Our Goals

- Every student will graduate prepared for post-secondary opportunities.
- Every member of our diverse student population has the opportunity for individualized instruction.
- Every employee is capable and committed to the education of the whole child.
- Every school has up-to-date technology to support teaching and learning.
- Every student has the opportunity to learn in a safe school environment.

We Believe In

Diversity Innovation Collaboration
 Excellence Safety

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

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OPERATING REQUEST

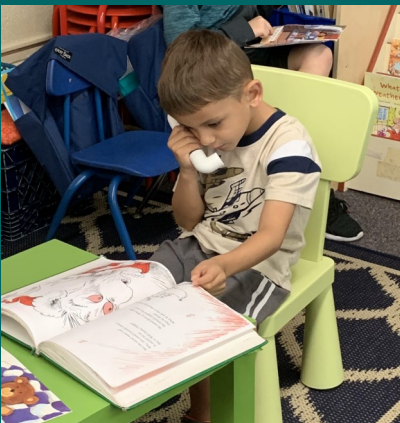
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Gaston County Schools — Celebrating 50 Years!





OVERVIEW

The 2018-19 school year marks 50 years since the merger/consolidation of the county schools with the Gastonia City and the Cherryville City Schools. The unification formed "Gaston County Schools" as we know it today. Events have been planned throughout the year to celebrate.

The "Big 50 Anniversary" year kicked off with our Back-To-School Convocation on August 22. The 2018 Convocation highlighted accomplishments and looking back over the last 50 years, as well as looking forward to the future. The "Not So Over the Hill Band," consisting of employees of Gaston County Schools greeted everyone as they entered the Stuart W. Cramer High School auditorium.

We also celebrated with Highland School of Technology, named a National Blue Ribbon School, Bobbie Cavnar, English teacher at South Point High School and NEA Foundation National Teacher of the Year and Meghan LeFevers, Milken Family Foundation Educator Award winner and Principal of Tryon Elementary School.



During our Convocation, special greetings and congratulations were given by Sylvia Hatchell, *UNC Women's Basketball Coach* and a graduate of Hunter Huss High School, Jeanne Robertson, *Professional Speaker and Humorist*, Jimmy Wayne, *Country Music Singer* and a graduate of Bessemer City High School as well Mr. Reeves McGlohon, *former Superintendent*. Superintendent Jeff Booker highlighted successes of the past 50 years and left us with a challenge to continue the positive momentum into the new school year.

To conclude the convocation, the "Big 50 Ensemble" performed a great rendition of the song, "Rise Up" as some of our students walked to the stage carrying banners that read: *Be My Role Model, Encourage Me to Dream, Ensure My Success, Challenge Me, Make Me a Champion, Inspire Me, Teach Me Something New and Believe In Me!* Our employees left with a renewed sense of excitement to embrace the vision of Gaston County Schools: *"to inspire success and a lifetime of learning!"*

Gaston County Schools — Celebrating 50 Years!



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	58.1%
Black	22.2%
Hispanic	13.2%
Multiracial	4.7%
Asian	1.7%
American Indian	0.1%
Hawaiian or Pacific Islander	0.1%



CLASS OF 2018

Number of Graduates	2,283
Approximately 1,300 academic, athletic and merit scholarships offered, totaling \$58.6 million.	
Graduation rate	85.6%



TRANSPORTATION

Total Number of Students	
Transported Daily	16,700
Miles Traveled Daily	12,000
(that's 2½ trips to and from California)	
Yellow Buses	210
Activity Buses	45
Gallons of Fuel per week	15,000



ENROLLMENT

Total Number of Students	31,581
Grades K-5	14,583
Grades 6-8	7,056
Grades 9-12	9,942
Early College	226



ACADEMIC PERFORMANCE

Met or Exceeded Growth	86.0%
Gaston County Schools SAT Score	1,063



SCHOOL NUTRITION

Breakfasts Served Daily	8,800
Breakfasts Served Annually	1,500,000
Lunches Served Daily	21,500
Lunches Served Annually	3,700,000



EMPLOYEES

Total Number of Employees (Part and Full Time)	3,986
Total Number of Teachers	1,908
Average Years of Experience for Teachers	13

Gaston County Schools — Celebrating 50 Years!



April 15, 2019

To: Gaston County Board of Education

The 2019-20 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 expansion of school choice options, replacement of classroom technology 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.

This school year (2018-19), we are observing the 50th anniversary of Gaston County Schools, and we have many reasons to celebrate. 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 achievements:

- The Class of 2018 was awarded more than \$58 million in academic, athletic, military, and fine arts scholarships to attend the most prestigious colleges and universities in our state and nation. We believe this is the highest amount of scholarship awards ever presented to a senior class in Gaston County Schools.
- More of our schools met or exceeded academic growth expectations on the state testing program. We had 43 of 50 schools (86 percent) to meet or exceed growth. Among the ten largest school districts in the state, Gaston County had the highest percentage of schools meeting or exceeding academic growth expectations in 2017-18.
- Gaston County continues to rank as one of the safest large school districts in North Carolina. All schools are now served by a full-time resource officer and our

on-going, strong partnership with local law enforcement is a key factor in our efforts to ensure school safety.

- Already this school year, we have had state athletic championships in wrestling and cheerleading as well as an outstanding student-athlete who has signed a National Letter of Intent to play football at Yale University, an Ivy League school. Additionally, our students have won honors in the regional and district science and engineering fairs, the Gaston Gazette spelling bee, the Mid-Carolina Scholastic Art and Writing Awards program, and other competitions.
- We would like to bring attention to one more significant achievement. In 2018, Gaston County Schools completed the extensive accreditation process, which was conducted by AdvancED, an organization that is responsible for school accreditation in the United States and around the world. During the review for accreditation, a rating system was used to evaluate various areas. We are pleased to report that we had 10 areas to exceed expectations, 15 areas to meet expectations, 6 areas that were emerging, and no areas in need of improvement. Earning accreditation is an important endorsement or “stamp of approval,” and it is used to signify that a school has earned the distinction of being a quality school. We are very proud to say that all 55 of our schools have been identified as quality schools.

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 the schools as top funding priorities.

Our Budget Request includes approximately \$4.12 million in additional funds from the county to cover costs associated with ongoing expenditures and new initiatives.

- Ongoing Expenditures: Of the \$4.12 million requested in additional funds, approximately \$1.69 million would be used for ongoing expenditures, which include more than \$916,000 for replacing end-of-life mobile devices (computers/technology); \$287,000 for a state-mandated increase in employer-paid benefits; \$52,000 for projected increases in utility costs; \$248,000 for inflation; and \$188,500 for charter school enrollment increase.
- New Initiatives: Of the \$4.12 million requested in additional funds, more than \$2.43 million would be used for new initiatives, which include \$850,000 for expanding school choice options (includes \$200,000 for teacher/staff professional development and training); \$500,000 for teacher supplemental salary increases; \$485,000 for salary increases for classified employees (maintenance, clerical, central office, etc.) and certified employees paid with local funds; \$520,000 for eight additional student support positions (counselors); and \$75,000 for technology infrastructure upgrades.

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. In recent years, we have received \$1.2 million in annual capital funding for upkeep and repairs – this equates to less than \$0.25 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 \$6.1 million. This would increase the allocation of funds to maintain facilities to \$1.18 per square foot, which is the median rate according to the Council of the Great City Schools.

As we prepare our 2019-20 Budget Request, we would like to express our appreciation to the Gaston County Board of Commissioners for providing a \$600,000 increase in last year's budget. These funds were used to increase teacher salary supplements and fund additional school choice opportunities.

Additionally, we are grateful for the commitment from the County Commissioners to place a \$250 million school bond referendum on the May 2018 primary ballot. The referendum was approved by 69 percent of the vote, and the bond funds will allow for the construction of new schools, school additions, and renovations and repairs. Work is already underway on the construction of the new Belmont Middle School, and we have renovation/repair projects planned this year at 12 schools – this includes roof replacement projects at Southwest Middle School and South Point High School that will cost an estimated \$2.8 million.

The 2019-20 Gaston County Schools Budget Request in the amount of \$52.5 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.

We believe the leadership of our community – County Commissioners, civic leaders, business owners, and others – understands the importance of addressing the funding needs of Gaston County Schools. Our Budget Request for local operating and capital funds reflects this community-wide belief and supports the goals and beliefs of Gaston County Schools.

I respectfully submit the 2019-20 Budget Request to the Gaston County Board of Education for review and consideration.

Sincerely,



W. Jeffrey Booker, Ed.D.
Superintendent

Gaston County Schools

Budget Calendar

FY 2019-20

January 2019

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 2019

Budget discussions – Cabinet and Finance Department direct budget discussions to formulate a budget request

Superintendent develops a budget request

March 2019

Joint Budget meeting between Board of Education and County Commissioners to review and discuss funding needs and initial funding request

Presentation of “2019-20 Superintendent’s Budget Request” to the Board of Education for review and discussion

April 2019

Budget discussion with the Board of Education

Board of Education adoption of “2019-20 Budget Request”

May 2019

“2019–20 Budget Request” delivered to County Commissioners

June 2019

County Commissioners adopt a County budget ordinance – notifies Board of Education of local budget allocation

Board of Education adopts 2019-20 Interim Budget

Open

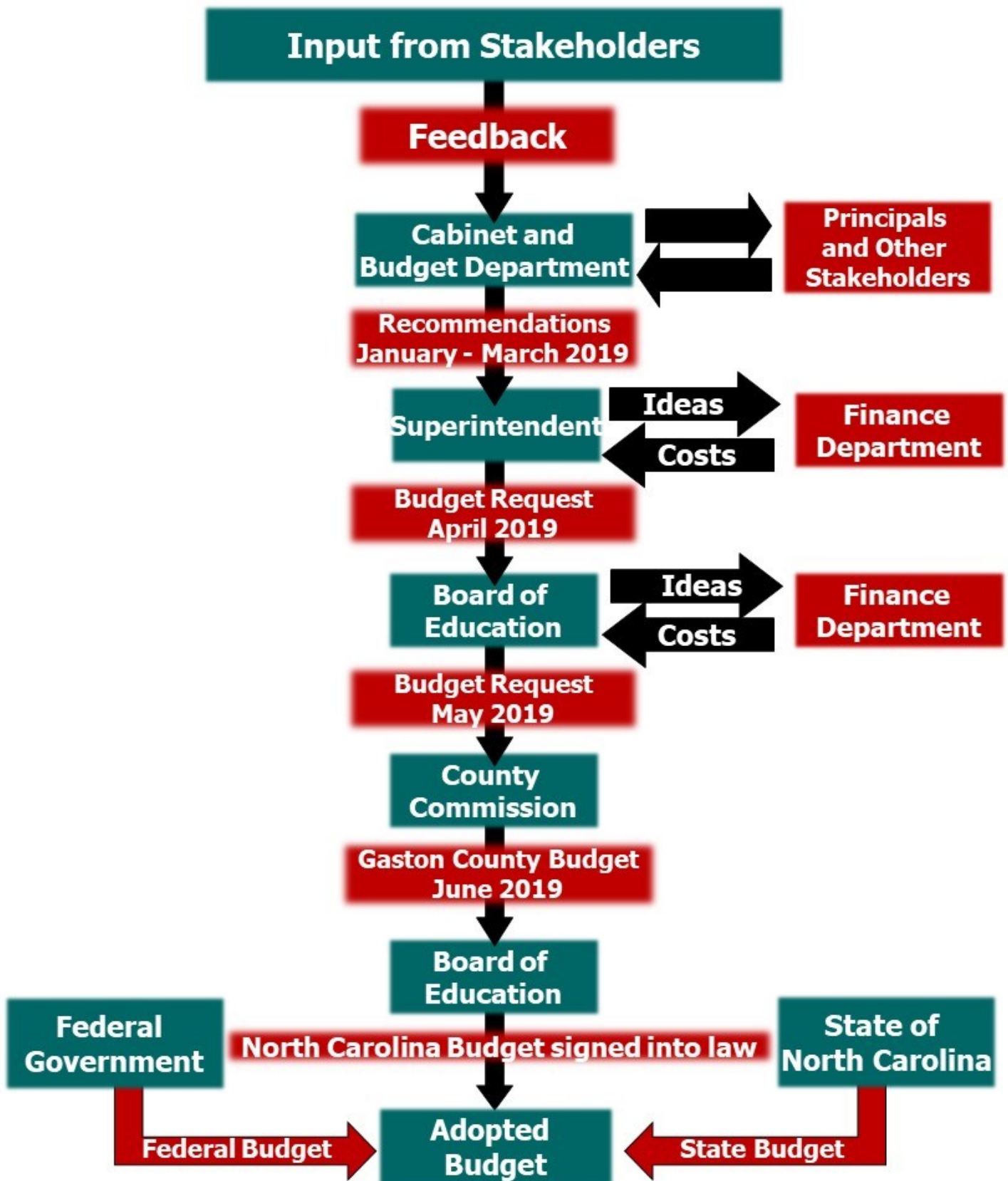
North Carolina Budget signed into law

Superintendent recommends such budget revisions as may be required by State and County budget allocations

Board of Education adopts “2019-20 GCS Budget Resolution”

Final budget compiled, typed, proofed and printed

**Gaston County Schools
 Budgetary Process Flow Chart
 FY 2019-20**



Gaston County Board of Education
Budget Resolution
FY 2018-19

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, 2018, and ending June 30, 2019:

<i>Instructional Services</i>	
Regular Instructional Services	\$ 111,402,804
Special Population Services	20,857,903
Alternative Programs and Services	7,171,251
School Leadership Services	10,094,944
School-Based Support Services	12,935,924
<i>System-Wide Support Services</i>	
Support and Development Services	639,742
Special Population Support and Development Services	305,156
Alternative Programs and Services Support	77,520
Technology Support Services	95,463
Operational Support Services	12,908,713
Financial and Human Resources Services	2,973,839
Accountability Services	152,558
Policy, Leadership & Communication/Public Information Services	935,657
<i>Ancillary Services</i>	
Nutrition Services	53,299
<i>Total State Public School Fund Appropriation</i>	<u>\$ 180,604,773</u>

Section 2 - The following revenues are estimated to be available to the **State Public School Fund** for the fiscal year beginning July 1, 2018, and ending June 30, 2019:

<i>State Public School Fund Allocation</i>	<u>\$ 180,604,773</u>
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Gaston County Board of Education
Budget Resolution
FY 2018-19

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, 2018, and ending June 30, 2019:

<i>Instructional Services</i>	
Regular Instructional Services	\$ 12,783,164
Special Population Services	1,430,996
Alternative Programs and Services	279,830
School Leadership Services	6,421,644
Co-Curricular Services	1,396,803
School-Based Support Services	1,553,134
<i>System-Wide Support Services</i>	
Support and Development Services	536,950
Special Population Support and Development Services	172,417
Alternative Programs and Services Support	139,811
Technology Support Services	3,014,301
Operational Support Services	13,859,763
Financial and Human Resources Services	1,789,495
Accountability Services	481,469
System-Wide Pupil Support Services	605,197
Policy, Leadership & Communication/Public Information Services	1,501,730
<i>Non-Programmed Charges</i>	
Transfers to Charter Schools	3,135,000
<i>Total Local General Fund Appropriation</i>	<u><u>\$ 49,101,704</u></u>

Section 4 - The following revenues are estimated to be available to the **Local General Fund** for the fiscal year beginning July 1, 2018, and ending June 30, 2019:

County Appropriation	\$ 48,351,704
Fines, Forfeitures and Interest	750,000
<i>Total Local General Fund Revenue</i>	<u><u>\$ 49,101,704</u></u>

Gaston County Board of Education
Budget Resolution
FY 2018-19

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, 2018, and ending June 30, 2019:

<i>Instructional Programs</i>	
Regular Instructional Services	\$ 395,973
<i>Non-Programmed Charges</i>	
Payments to Other Governmental Units	<u>20,841</u>
<i>Total Federal Grants Fund Appropriation</i>	<u>\$ 416,814</u>

Section 6 - The following revenues are estimated to be available to the **Federal Grants Fund** for the fiscal year beginning July 1, 2018, and ending June 30, 2019:

<i>Total Federal Grants Fund Revenue</i>	<u>\$ 416,814</u>
--	-------------------

Gaston County Board of Education
Budget Resolution
FY 2018-19

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, 2018, and ending June 30, 2019:

<i>Capital Outlay</i>	
Operational Support Services	\$ 3,900,421
Capital Outlay	4,297,010
	<hr/>
<i>Total Capital Outlay Fund Appropriation</i>	<u><u>\$ 8,197,431</u></u>

Section 8 - The following revenues are estimated to be available to the **Capital Outlay Fund** for the fiscal year beginning July 1, 2018, and ending June 30, 2019:

<i>Other Sources</i>	
Bond Proceeds	\$ 4,297,010
Other <i>(DPI bus purchase, bond interest, sales tax withheld, etc.)</i>	2,673,421
County Capital	1,227,000
	<hr/>
<i>Total Capital Outlay Fund Revenue</i>	<u><u>\$ 8,197,431</u></u>

Gaston County Board of Education
Budget Resolution
FY 2018-19

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, 2018, and ending June 30, 2019:

<i>Ancillary Services</i>	
Nutrition Services	\$ 19,001,616
<i>Total Child Nutrition Fund Appropriation</i>	<u>\$ 19,001,616</u>

Section 10 - The following revenues are estimated to be available to the **Child Nutrition Fund** for the fiscal year beginning July 1, 2018, and ending June 30, 2019:

Local and Other Revenues	\$ 13,613,616
Federal Allocation	5,388,000
<i>Total Child Nutrition Fund Revenue</i>	<u>\$ 19,001,616</u>

**Gaston County Board of Education
Budget Resolution
FY 2018-19**

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, 2018, and ending June 30, 2019:

<i>Instructional Services</i>	
Alternative Programs and Services	\$ 4,964,798
<i>System-Wide Support Services</i>	
Alternative Programs and Services Support	158,872
Financial and Human Resources Services	15,000
	<hr/>
<i>Total Other Special Revenue Fund Allocation</i>	<u><u>\$ 5,138,670</u></u>

Section 12 - The following revenues are estimated to be available to the **Other Special Revenue Fund** for the fiscal year beginning July 1, 2018, and ending June 30, 2019:

<i>Total Other Special Revenue Fund Revenue</i>	<u><u>\$ 5,138,670</u></u>
	<hr/>
TOTAL ALL FUNDS	<u><u>\$ 262,461,008</u></u>

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, 2018, 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.
- 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.

**Gaston County Board of Education
Budget Resolution
FY 2018-19**

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 9th day of July, 2018

Signed

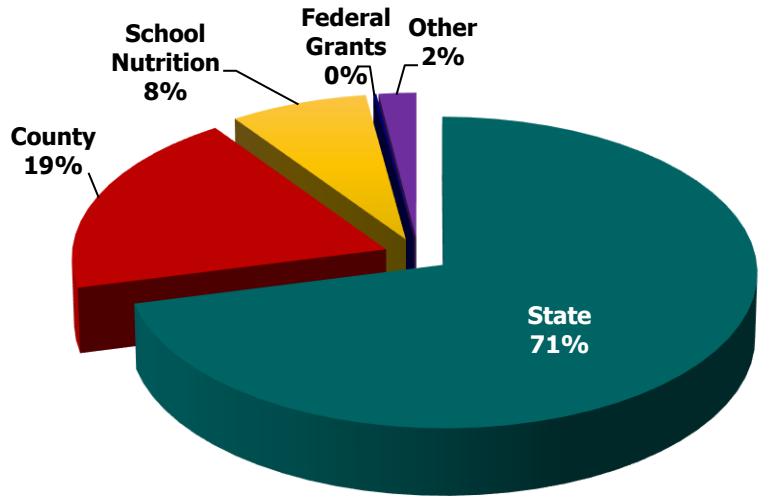
Kevin Collier, *Chairman*

W. Jeffrey Booker, *Superintendent*

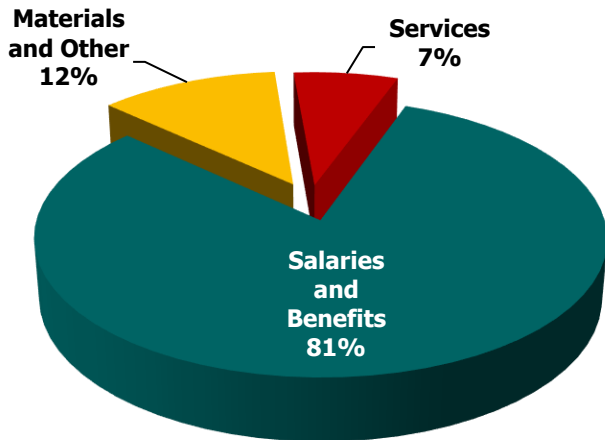
Gaston County Schools
Budgeted Revenues and Expenditures
FY 2018-19

REVENUES

State	\$	180,604,773
County		49,101,704
School Nutrition		19,001,616
Federal Grants		416,814
Other		5,138,670
TOTAL	\$	<u><u>254,263,577</u></u>



Note: Excludes Capital Funds



EXPENDITURES

Salaries and Benefits	206,559,349
Materials and Other	30,166,709
Services	17,537,519
TOTAL	\$ <u><u>254,263,577</u></u>

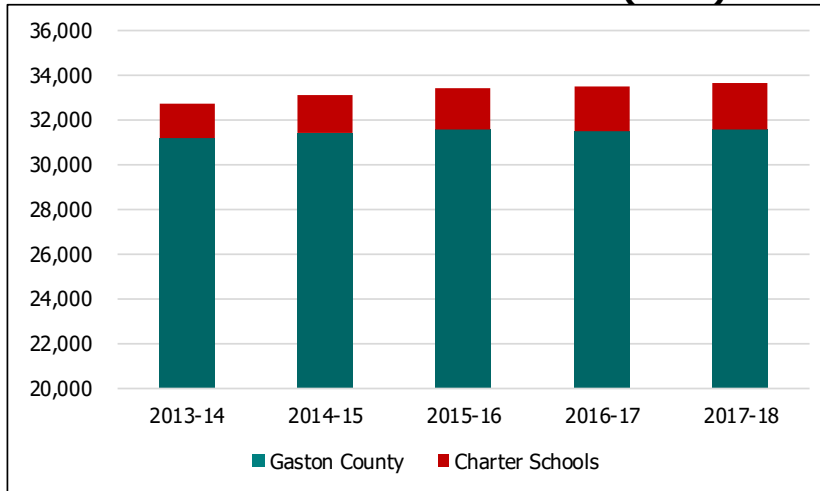
Note: Excludes Capital Funds



5 Years of Facts and History

Celebrating 50 Years!

AVERAGE DAILY MEMBERSHIP (ADM)

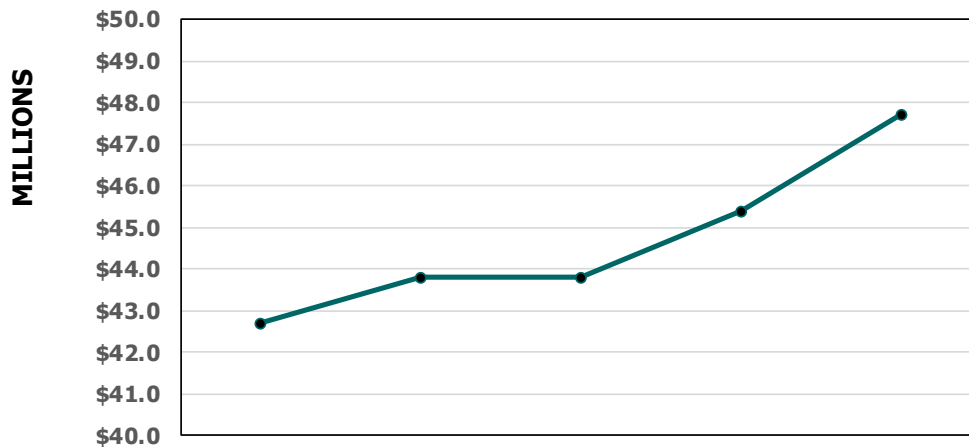


	2013-14	2014-15	2015-16	2016-17	2017-18
Gaston County	31,152	31,421	31,555	31,499	31,581
Charter Schools	1,610	1,728	1,898	2,011	2,096
TOTAL	32,762	33,149	33,453	33,510	33,677

SOURCE: Principal's Monthly Report - Month 01

* These numbers do not include Pre-Kindergarten students

COUNTY APPROPRIATION



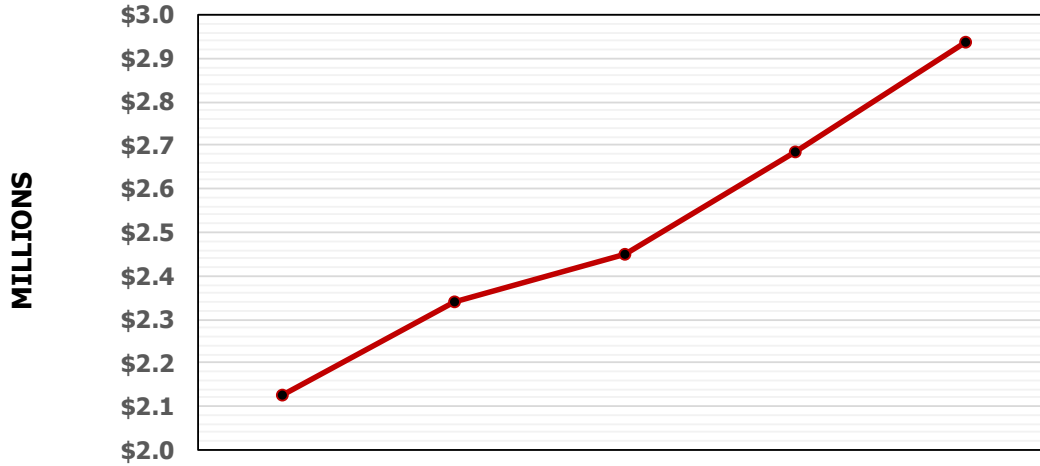
2013-14	2014-15	2015-16	2016-17	2017-18
\$ 42,726,704	\$ 43,816,704	\$ 43,816,704	\$ 45,351,704	\$ 47,751,074



5 Years of Facts and History

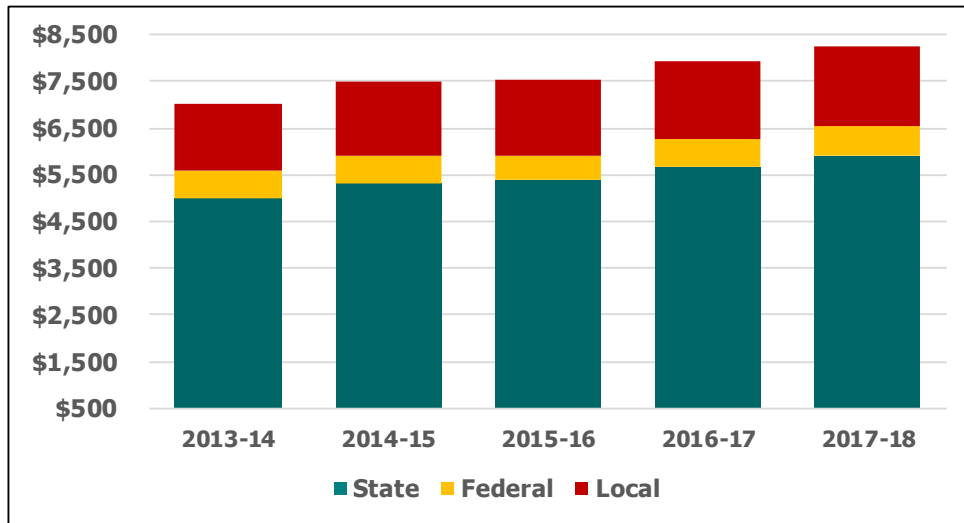
Celebrating 50 Years!

CHARTER SCHOOL PAYMENTS



2013-14	2014-15	2015-16	2016-17	2017-18
\$ 2,126,207	\$ 2,342,018	\$ 2,450,606	\$ 2,686,064	\$ 2,937,635

PER PUPIL EXPENDITURES



	2013-14	2014-15	2015-16	2016-17	2017-18
State	\$ 4,989	\$ 5,327	\$ 5,395	\$ 5,668	\$ 5,914
Federal	596	589	533	591	622
Local	1,423	1,579	1,621	1,687	1,730
TOTAL	\$ 7,008	\$ 7,496	\$ 7,549	\$ 7,946	\$ 8,266

State Rank out
of 115 LEAs

113

110

114

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 2019-20 Funding Request

Operating Revenue	Adopted Budget					Proposed
REVENUE	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Gaston County Appropriation	\$ 43,816,704	\$ 43,816,704	\$ 45,351,704	\$ 47,751,704	\$ 48,351,704	\$ 52,473,404
Other Miscellaneous Revenue	750,000	750,000	750,000	750,000	750,000	750,000
Fund Balance Appropriated	1,200,000	2,849,000	3,149,000	1,200,000	-	-
TOTAL	\$ 45,766,704	\$ 47,415,704	\$ 49,250,704	\$ 49,701,704	\$ 49,101,704	\$ 53,223,404
EXPENDITURES	\$ 45,766,704	\$ 47,415,704	\$ 49,250,704	\$ 49,701,704	\$ 49,101,704	\$ 53,223,404

Capital Outlay Revenue	Adopted Budget					Proposed
REVENUE	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
County Funds	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 6,100,000
State Funds	-	-	-	-	-	-
TOTAL	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 6,100,000
EXPENDITURES	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 6,100,000

Gaston County Schools

Proposed Current Expenses and Funding Request

FY 2019-20

Description	FY 2018-19		FY 2019-20		Increase (Decrease) Over FY 2018-19
	Adopted Budget	Per Pupil Funding	Funding Request	Per Pupil Funding	
Sources of Expenses:					
Instruction, System Wide Support and Development, Services, Admin., Other Operating Expenses	\$ 33,701,704	\$ 1,083	\$ 36,449,904	\$ 1,170	\$ 2,748,200
Transportation	283,000	9	289,000	9	6,000
Facilities Maintenance	3,336,000	107	3,402,800	109	66,800
Utilities	5,200,000	167	5,252,000	169	52,000
Technology	3,446,000	111	4,506,200	145	1,060,200
Charter School Allocation	3,135,000	101	3,323,500	107	188,500
Total Current Expenses	\$ 49,101,704	\$ 1,577	\$ 53,223,404	\$ 1,708	\$ 4,121,700
Adjusted For Expense Reduction Funded from Fund Balance	-	-	-	-	-
Adjusted Current Expenses	\$ 49,101,704	1,577	\$ 53,223,404	\$ 1,708	\$ 4,121,700

Sources of Revenues:					
County Appropriation	\$ 48,351,704	\$ 1,553	\$ 52,473,404	\$ 1,684	\$ 4,121,700
Other - Fines/Forfeitures	700,000	22	700,000	22	-
Interest	50,000	2	50,000	2	-
Fund Balance	-	-	-	-	-
Total Revenues	\$ 49,101,704	\$ 1,577	\$ 53,223,404	\$ 1,708	\$ 4,121,700

Average Daily Membership

31,133 ⁽¹⁾

31,153 ⁽²⁾

20

Notes:

- (1) Based on NCDPI FY 2018-19 Allotment Adjustments for Higher of 1st or 2nd Month ADM calculation
 (2) Based on NCDPI FY 2019-20 Planning Allotment ADM



Projected Average Daily Membership (ADM) Fiscal Year 2019-20

Enter LEA#

360

	<u>PROJECTED</u>
KINDERGARTEN	2,230
GRADE 1	2,364
GRADE 2	2,356
GRADE 3	2,394
GRADE 4	2,478
GRADE 5	2,412
GRADE 6	2,473
GRADE 7	2,479
GRADE 8	2,373
GRADE 9	2,563
GRADE 10	2,461
GRADE 11	2,314
GRADE 12	2,256
TOTAL	<u><u>31,153</u></u>



Gaston County Schools — Celebrating 50 Years!





OPERATING REQUEST

The “Big 50 Parade” was celebrated through downtown Gastonia on September 22. Marching bands from each high school, cheerleaders, dance teams, school mascots, JROTC units, special guests in convertibles and on professional floats and a few surprises were among the lineup. Nearly 90 entries proceeded along Main Avenue to mark Gaston County Schools’ golden milestone.

Seniors representing the Class of 2019 and kindergartners representing the Class of 2031 served as the grand marshals and Ashbrook High School French teacher Mamie Chisholm was the honorary grand marshal. Mrs. Chisholm began her career with Gaston County Schools in August 1968 and is considered to be an “original employee” of the unified school district.



All 55 schools were represented in the parade. Eight local businesses/organizations served as “presenting sponsors” for the parade: American & Efird, Beam Construction Company, CaroMont Health, City of Gastonia, Gaston County Education Foundation, GSM Services, Scribbles Software (AIS—Advanced Imaging Systems) and Wells Fargo.

Band and float sponsors included Beam Construction Company, Duke Energy—Allen Steam Station, Gaston Outside/Gaston County Travel and Tourism, Lanxess, Mann+Hummel, Pharr Yarns, Tindol Ford Subaru ROUSH, Will’s Food Store and Zaxby’s. We appreciate our business partnerships in the community!

Gaston County Schools — Celebrating 50 Years!

Gaston County Schools

Factors Impacting the FY 2019-20 Budget Costs

The Budget Request for FY 2019-20 totaling \$52.5 million, represents an increase of approximately 8.5% over the amount appropriated by the County for FY 2018-19. 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. This uncertainty with State funding increases the risks facing Gaston County Schools' local budget in FY 2019-20, since any reductions in State funding may have to be offset by local dollars.

Some of the external factors impacting the FY 2019-20 budget include:

1. Retirement Contribution and Health Insurance Rates:

The General Assembly may approve changes to the employer matching retirement contribution and health insurance premiums. The Budget Request includes estimated increases in these rates. The estimated rate used to calculate the FY 2019-20 retirement cost is 19.62%, a 4% increase over the FY 2018-19 average rate of 18.86%. It is also anticipated that the State will approve salary increases for employees which could add an additional \$37,000 for matching benefits. This will result in approximately \$237,000 in additional costs to the budget.

The estimated cost used for the employer-paid health insurance premium in the proposed budget is \$6,348, a 4% increase over the average cost of \$6,104 for FY 2018-19. It is estimated this will result in an additional \$50,000 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.

2. Salary Adjustments:

The Budget Request includes a proposed 3% increase in salaries for certified and classified personnel based on an anticipated State mandated adjustment. The estimated impact to the FY 2019-20 budget for certified employees is \$135,000 and for classified employees \$350,000 a total impact to our local budget of \$485,000.

3. Charter Schools Growth:

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. This represents about 130 students transferring to charter schools each year at a per student cost to GCS of \$1,450. If this growth trend continues into FY 2019-20, we are projecting that this will add an additional \$188,500 in costs to our local budget (130 x \$1,450).

4. Inflation:

Another factor impacting the FY 2019-20 budget costs includes the level of inflation being experienced this fiscal year and projected for FY 2019-20. National projections are for inflation rates of 2% in 2018 and a similar rate in 2019. The impact to the budget is calculated at approximately \$248,000 for services, materials and supplies, technology hardware and software and equipment. We note that because of a number of factors beginning in late 2018 and continuing into 2019, oil prices have begun to edge upward and is projected to remain above 2018 prices for the rest of 2019. This will have a direct impact on transportation costs and an indirect impact on the cost of other goods and services.

5. Utilities:

A major utility provider has announced a rate hike proposal that would result in an increase in rates for electricity averaging 1.05% in 2019. Remaining utility costs are projected to increase between 1% and 2% over the next year. Based on annual utility costs of \$5,200,000, a 1% rate increase will add an additional \$52,000 to our local budget.

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

1. 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 2019-20.

2. School Choice:

Funds are being requested to support the expansion of school choice options for students and families. Currently, GCS has six school choice options. GCS plans to increase the number of choice options to nineteen, serving grades K-12. The estimated cost to the local budget is \$850,000.

3. Technology Equipment and Supplies:

Currently there are 11,020 chromebooks in use that are at least three years old. GCS expects to replace 5,090 of these devices during FY 2019-20 at a cost of \$916,200 (5,090 x \$180).

4. Central Office Infrastructure:

The continuing technology upgrades in GCS require that the 'end of life' network switches and access points in Gaston County Schools Central Office locations (Main Office, Facilities, Transportation, DEC, School Nutrition, Rader Center, TRC, and Forest Heights) be replaced. The impact on the budget is estimated to be \$75,000.

The budgeted revenues and expenditures for FY 2019-20 are presented on the following pages for informational purposes.

Gaston County Schools
Narrative of Budget Requirements
FY 2019-20

Description	FY 2018-19	FY 2019-20	FY 2019-20
	Adopted Local Budget	Increase	Local Budget

A. Personnel Cost: Certified

Narrative:

1. Certified Salary Cost

School Administrators (Principals and Assistant Principals)	Salaries	3,533,000	3,533,000
<i>Recurring cost to pay for State mandated salary increase projected at 3%</i>			106,000
Instructional and Instruction Support Staff (Teachers, Guidance Counselors, Media Specialists)	Salaries	980,200	980,200
<i>Recurring cost to pay for State mandated salary increase projected at 3%</i>			29,000
<i>New: Cost to hire eight (8) Guidance Counselors to reduce the counselor to student ratio</i>			520,000

2. School Choice

Expand School choice			
<i>New: Cost to hire instructional and instructional support positions to expand parent/student choice options in several of our elementary, middle and high schools</i>			650,000

3. Supplementary Pay

To retain and attract highly qualified instructional and instructional support personnel	Salaries	6,131,000	6,131,000
<i>Recurring cost to move supplement towards State Average</i>	Supplements		500,000

4. Other Personnel Expenses

Benefits-related pay Include Short term disability payments, leave payoff, longevity pay, etc.	Other Supplementary Pay	664,000	664,000
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5. Employer Paid Benefits

Include employer paid amounts for retirement, social security and health insurance premiums	Benefits	3,324,000	3,324,000
<i>New: Projected increased cost of employer paid benefits (retirement from avg. 18.86% to 19.62%; health insurance rates from \$6,104 to \$6,348) for FY 2019-20 and for salary increases</i>	Benefits		174,000

Total Personnel Cost: Certified

\$ 14,632,200	\$ 1,979,000	\$ 16,611,200
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Gaston County Schools
Narrative of Budget Requirements
FY 2019-20

Description	FY 2018-19	FY 2019-20	FY 2019-20
	Adopted Local Budget	Increase	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	1,367,000	1,367,000
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 and Technicians)	Salaries and Wages	8,241,000	8,241,000
3. <u>Other Personnel Expenses</u>			
Benefits Related/Extra Duty Pay	Other Supplementary Pay	543,400	-
			543,400
4. <u>Classified Employee Salary Adjustment</u>			
<i>New: Classified Salary & Benefits Adjustment Proposed 3% increase</i>			350,000
			350,000
5. <u>Employer Paid Benefits</u>			
Include employer paid amounts for retirement, social security and health insurance premiums	Benefits	3,527,000	3,527,000
<i>New: This amount estimates the increased cost of employer paid benefits, based on proposed rates for retirement (from 18.86% to 19.62%) and for health insurance premiums (from \$6,104 to \$6,348) for FY 2019-20</i>	Benefits		113,000
			113,000
Total Personnel Cost: Non-Certified		\$ 13,678,400	\$ 463,000
			\$ 14,141,400
Total Personnel Cost		\$ 28,310,600	\$ 2,442,000
			\$ 30,752,600

Gaston County Schools
Narrative of Budget Requirements
FY 2019-20

Description	FY 2018-19	FY 2019-20	FY 2019-20
	Adopted Local Budget	Increase	Local Budget

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 Supplies and Materials	3,636,104	3,636,104
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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 Supplies and Materials	174,000	174,000
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3. Charter School Transfers

Payments to charter schools - local appropriation		3,135,000	3,135,000
<i>Increased amount due calculated based on projected growth in charter schools ADM</i>			<i>188,500</i>

4. School Choice

Expand School Choice		100,000	100,000
<i>New: Expansion of School Choice Options</i>	<i>Purchased Services Supplies and Materials</i>		<i>200,000</i>

5. Inflation Impact

<i>Inflation cost impact on instruction/non-instructional support programs. Inflation targeted at 2% by Federal Reserve Bank</i>	<i>Purchased Services Supplies and Materials</i>		<i>77,000</i>
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Total Instructional Support Programs		\$ 7,045,104	\$ 465,500	\$ 7,510,604
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**Gaston County Schools
Narrative of Budget Requirements
FY 2019-20**

Description	FY 2018-19	FY 2019-20	FY 2019-20
	Adopted Local Budget	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	1,481,000	1,481,000
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2. Technology Support Services

Central based activities, supporting and maintaining technical infrastructure, computer hardware and software	Purchased Services Hardware & Software	3,446,000	3,446,000
<i>New: Replacing end of life mobile devices</i>	<i>Hardware & Software</i>		<i>916,200</i>
<i>Replacing end of life central office IT infrastructure</i>			<i>75,000</i>

3. Utilities

Electricity service, natural gas and water supplies	Purchased Services	5,200,000	5,200,000
Anticipated increase in electricity, natural gas and water rates			<i>52,000</i>

4. Facilities Maintenance

Central based activities concerned with the repair and upkeep of buildings, equipment and grounds	Purchased Services	3,336,000	3,336,000
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5. Transportation

Vehicle maintenance and repair costs, fuel and contracted transportation	Supplies and Materials Equipment	283,000	283,000
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6. Inflation Impact

<i>Inflation cost impact on operational support services. Inflation targeted at 2%</i>	<i>Purchased Services Hardware & Software</i>		<i>171,000</i>
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Total Cost of Operations

Total Personnel, Program & Operating Costs	\$ 49,101,704	\$ 4,121,700	\$ 53,223,404
Adjustments for Fund Balance/Other Funding Source	0	0	0
Adjusted Funding Request FY 2019-20	\$ 49,101,704	\$ 4,121,700	\$ 53,223,404

FY 2019-20 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	\$ 287,000	\$ -	\$ 287,000
	Replace End-of-Life Mobile Devices	916,200	-	916,200
	Utility Rate Increases	52,000	-	52,000
	Inflation - Operating Expenses	248,000	-	248,000
	Charter School Student Enrollment Increase	188,500	-	188,500
	New Initiatives			
1	Certified Employee Salary Supplement Adjustment	-	500,000	500,000
2	Expand School Choice Options	-	850,000	850,000
3	Employee Compensation Adjustment - Classified	-	350,000	350,000
4	Employee Compensation Adjustment - Certified	-	135,000	135,000
5	Increase Student Support Personnel	-	520,000	520,000
6	Replace End-of-Life Central Office IT Infrastructure	-	75,000	75,000
	Total	\$ 1,691,700	\$ 2,430,000	\$ 4,121,700

Ongoing Expenditures (FY 2019-20)

School:	All Schools
Department:	Finance
Project Title:	State Mandated Increase in Employer Paid Benefits
Total Cost:	\$ 287,000

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 2019-20. Given the trend over the past few years, this increase is projected to be about 4% next year. This increase would amount to approximately \$50,000 for employees not paid by the State. The State is also expected to approve an increase in retirement rates for FY 2019-2020. A projected rate increase of 4% is comparable to average increases in past years. In FY 2018-19, there was an 8% rate increase, but this was not consistent with previous years. A 4% rate increase in the retirement rate would amount to approximately \$200,000 for our non-State employees. Also, a State mandated salary adjustment for employees will cause an additional increase in retirement and social security costs of approximately \$37,000.

Potential Impact If Not Funded or Delayed

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

Estimated Three Year Costs

Expenditure	FY 2019-20 Request	FY 2020-21 Planning	FY 2021-22 Planning	Total Cost Three Years
Salaries and Benefits	\$ 287,000	\$ 287,000	\$ 287,000	\$ 861,000
Materials and Supplies	-	-	-	-
Hardware and Software	-	-	-	-
Other Operating Expenses	-	-	-	-
Total	\$ 287,000	\$ 287,000	\$ 287,000	\$ 861,000

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

Approved by: Dr. W. Jeffrey Booker, Superintendent

Ongoing Expenditures (FY 2019-20)

School: All Schools
Department: Technology Support Services
Project Title: Replace End-of-Life Mobile Devices
Total Cost: \$ 916,200

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

Currently we have about 2,120 chromebooks that were put into service prior to July 1, 2015, making them at least four years old for the 2019-20 school Year. Based on our historical experience with these types of devices, we are estimating that these four year old devices will soon fail and will need to be replaced. The current cost of a replacement chromebook is about \$180. An additional 8,900 chromebooks were put into service between July 2, 2015 and June 30, 2016. We project one third of these, or about 2,970, will need to be replaced during the next school year. Therefore, we expect to replace 5,090 chromebooks during the 2019-20 school year. The remaining 5,930 chromebooks (two thirds of 8,900) will need to be replaced the following school year. Also, another 7,950 devices were put into service between July 1, 2016 and June 30, 2017. These devices will likely need to be refreshed during the 2021-22 school year.

Potential Impact If Not Funded or Delayed

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

Estimated Three Year Costs

Expenditure	FY 2019-20 Request	FY 2020-21 Planning	FY 2021-22 Planning	Total Cost Three Years
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -
Materials and Supplies	-	-	-	-
Hardware and Software	916,200	1,067,400	1,431,000	3,414,600
Other Operating Expenses	-	-	-	-
Total	\$ 916,200	\$ 1,067,400	\$ 1,431,000	\$ 3,414,600

Requested by: Cindee Matson, Assistant Superintendent for Administration

Approved by: Dr. W. Jeffrey Booker, Superintendent

Ongoing Expenditures (FY 2019-20)

School: All Schools
Department: Finance
Project Title: Utility Rate Increases
Total Cost: \$ 52,000

Project Description

The estimated increase in the cost of all utilities (electricity, natural gas, water, etc.) throughout the school system.

Background & Justification / Status

Total utility costs for GCS in FY 2018-19 are projected to be \$5.2 million. Duke Energy has announced a rate hike proposal that would result in customers incurring an average 1.05% increase in their energy bills in 2019. Remaining utility costs are also projected to increase between 1% and 2% for next year. Based on current utility costs and a 1% increase for next year, we are requesting an additional \$52,000 as an ongoing expenditure expansion for next year.

Potential Impact If Not Funded or Delayed

The local dollars used for other educational purposes will be decreased in order to pay the utility rate increases.

Estimated Three Year Costs

Expenditure	FY 2019-20 Request	FY 2020-21 Planning	FY 2021-22 Planning	Total Cost Three Years
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -
Materials and Supplies	-	-	-	-
Hardware and Software	-	-	-	-
Other Operating Expenses	52,000	52,000	52,000	156,000
Total	\$ 52,000	\$ 52,000	\$ 52,000	\$ 156,000

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

Approved by: Dr. W. Jeffrey Booker, Superintendent

Ongoing Expenditures (FY 2019-20)

School: All Schools
Department: Finance
Project Title: Inflation - Operating Expenses
Total Cost: \$ 248,000

Project Description

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

Background & Justification / Status

A survey of economic reports reveal an expected average inflation rate for 2018 of 2% and a projected rate of 1.9% in 2019 (core inflation of 2%). Over the last three years (FY 2016-17, FY 2017-18, FY 2018-19) Gaston County Schools did not receive any funding increase to cover the price adjustments experienced because of inflation. In the past GCS has relied on using fund balance to offset the inflationary increases in operating expenses. This has reduced fund balance to a level near the State average. Continued use of fund balance would decrease our balance well below the State average and diminish the district's ability to respond quickly to adverse financial issues. As such, we are requesting funding in the amount of \$248,000 to mitigate the expected inflation costs of our normal operating expenses.

Potential Impact If Not Funded or Delayed

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

Estimated Three Year Costs

Expenditure	FY 2019-20 Request	FY 2020-21 Planning	FY 2021-22 Planning	Total Cost Three Years
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -
Materials and Supplies	-	-	-	-
Hardware and Software	-	-	-	-
Other Operating Expenses	248,000	248,000	248,000	744,000
Total	\$ 248,000	\$ 248,000	\$ 248,000	\$ 744,000

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

Approved by: Dr. W. Jeffrey Booker, Superintendent

Ongoing Expenditures (FY 2019-20)

School: All Schools
Department: Finance
Project Title: Charter School Student Enrollment Increase
Total Cost: \$ 188,500

Project Description

Transfer of estimated per pupil funding for Gaston County students attending charter schools.

Background & Justification / Status

For the past two years (FY 2016-17 to FY 2017-18), there has been an increase of approximately 6% each year in the number of Gaston County students attending charter schools. This represents about 130 students each year. We currently remit about \$1,450 per student to charter schools. If the current trend continues into FY 2019-20, this would result in an additional cost of approximately \$188,500 to our local budget.

Potential Impact If Not Funded or Delayed

The local dollars used for other instructional purposes will be decreased.

Estimated Three Year Costs

Expenditure	FY 2019-20 Request	FY 2020-21 Planning	FY 2021-22 Planning	Total Cost Three Years
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -
Materials and Supplies	-	-	-	-
Hardware and Software	-	-	-	-
Other Operating Expenses	188,500	199,800	212,000	600,300
Total	\$ 188,500	\$ 199,800	\$ 212,000	\$ 600,300

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

Approved by: Dr. W. Jeffrey Booker, Superintendent

New Initiatives (FY 2019-20)

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 agreed to increase the certified employee salary supplement by \$500,000 per year for three years. The three year commitment ended during FY 2018-19. While this adjustment was certainly helpful, the average GCS certified salary supplement of \$2,826 for FY 2017-18 is still significantly below the State average of \$4,337. GCS's local supplement is also well below the average certified salary supplements of Union County (\$4,524) and Cabarrus County (\$3,140) which are similar in size and location to us. In fact, despite the \$1,500,000 increase in the local supplement over the past three years, the average GCS supplement is now further behind the State average and the Union 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 by about \$500,000 per year for the next three years.

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 2019-20 Request	FY 2020-21 Planning	FY 2021-22 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 2019-20)

School:	Various
Department:	Academic Services
Project Title:	Expand School Choice Options
Total Cost:	\$ 850,000

Project Description

GCS is requesting additional funding to support the expansion of school choice options for students and families. Currently, Gaston County Schools has six school choice options. This request is to increase the number of school choice options to nineteen that will serve grades K-12. North Gaston High School, WC Friday Middle, and Costner Elementary School will offer the Leadership Academy. The Career Academy has already been implemented at Hunter Huss High School and will begin at the two middle school feeders: York Chester and Southwest Middle. Implementation of the Collegiate Prep Academy will continue at Pleasant Ridge; and will begin at Cramerton Middle School and Forestview High School. Cherryville High School and Chavis Middle School will begin offering the Public Service Academy. Bessemer City High School and Middle School will begin offering the Technology and Industrial Engineering Academy. Hawks Nest STEAM Academy and Stanley Middle School STEAM Academy will continue to offer choice/magnet programs while East Gaston High School will begin offering the Health Sciences Academy. Specialized programs, certifications, and/or credentials will be offered at each of these programs.

Background & Justification / Status

Gaston County Schools has had tremendous success with the current Magnet Programs and Choice Programs. Students and families have expressed interest in growing the current opportunities. Each year the Student Assignment Office receives numerous requests to attend a school with a specialty program or a request to participate in a specific program. Highland School of Technology is a National Blue Ribbon School, an 'A' school, and it has been ranked number one in our region by the North Carolina Business Journal. Gaston Early College is currently celebrating its fourth year as an 'A' school and was ranked number two by the North Carolina Business Journal for our region.

Potential Impact If Not Funded or Delayed

Schools will have difficulty supporting teachers with important training and resources that are necessary to implement strong and successful Choice Programs.

Estimated Three Year Costs

Expenditure	FY 2019-20 Request	FY 2020-21 Planning	FY 2021-22 Planning	Total Cost Three Years
Salaries and Benefits	\$ 650,000	\$ 650,000	\$ 650,000	\$ 1,950,000
Materials and Supplies	100,000	50,000	50,000	200,000
Professional Development	50,000	25,000	25,000	100,000
Hardware and Software	50,000	25,000	25,000	100,000
Other Operating Expenses	-	-	-	-
Total	\$ 850,000	\$ 750,000	\$ 750,000	\$ 2,350,000

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

Approved by: Dr. W. Jeffrey Booker, Superintendent

New Initiatives (FY 2019-20)

School: All Schools
Department: Finance
Project Title: Employee Compensation Adjustment - Classified
Total Cost: \$ 350,000

Project Description

Salaries and benefits adjustments for classified employees such as clerical, maintenance, technology, instruction assistants, and other administrative staff.

Background & Justification / Status

GCS classified employees (including salaried exempt employees) have received State mandated salary adjustments over the last three years as follows, FY 2016-17, 1.5%; FY2017-18, \$1,000; and FY 2018-19, 2%. Given this trend, it is expected that the State budget for FY 2019-20 will include a salary increase, projected at 3% for classified employees. Prior to this, there had been no 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% compensation (salary and benefits) increase for classified employees, non-exempt and exempt given the above assumptions. This would increase the local budget by approximately \$350,000.

Potential Impact If Not Funded or Delayed

GCS will have to fund any such mandatory compensation increase from its existing 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 2019-20 Request	FY 2020-21 Planning	FY 2021-22 Planning	Total Cost Three Years
Salaries and Benefits	\$ 350,000	\$ 350,000	\$ 350,000	\$ 1,050,000
Materials and Supplies	-	-	-	-
Hardware and Software	-	-	-	-
Other Operating Expenses	-	-	-	-
Total	\$ 350,000	\$ 350,000	\$ 350,000	\$ 1,050,000

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

Approved by: Dr. W. Jeffrey Booker, Superintendent

New Initiatives (FY 2019-20)

School: All Schools
Department: Finance
Project Title: Employee Compensation Adjustment - Certified
Total Cost: \$ 135,000

Project Description

Salaries and benefits adjustments for certified employees, including teachers, Principals, assistant principals, guidance counselors, social workers, nurses and media specialists.

Background & Justification / Status

GCS certified employees have received State mandated salary adjustments over the last three financial years ranging from 1.5% to 6.9%. Given this trend and the pronouncements from the Governor and legislators, it is expected that the State budget for FY 2019-20 will include a salary increase, projected at 3% for certified employees. A small percentage of our certified employees are paid from local funds provided by the county and therefore any salary adjustments will have an impact on GCS' local budget. This proposal provides for a 3% compensation (salary and benefits) increase for certified employees and will increase the local budget by \$135,000.

Potential Impact If Not Funded or Delayed

GCS will have to fund any such mandatory compensation increase from its existing budget. This additional expenditure would negatively impact other planned activities and programs funded from local sources.

Estimated Three Year Costs

Expenditure	FY 2019-20 Request	FY 2020-21 Planning	FY 2021-22 Planning	Total Cost Three Years
Salaries and Benefits	\$ 135,000	\$ 135,000	\$ 135,000	\$ 405,000
Materials and Supplies	-	-	-	-
Hardware and Software	-	-	-	-
Other Operating Expenses	-	-	-	-
Total	\$ 135,000	\$ 135,000	\$ 135,000	\$ 405,000

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

Approved by: Dr. W. Jeffrey Booker, Superintendent

New Initiatives (FY 2019-20)

School: Various
Department: Student Support Services
Project Title: Increase Student Support Personnel
Total Cost: \$ 520,000

Project Description

GCS is requesting eight (8) additional counseling positions to support the social/emotional needs of students by reducing the counselor to student ratio. The cost includes salaries of these master level counseling professionals to provide a comprehensive school counseling program directly impacting student development in the following areas: academic/cognitive, career, and social/emotional. School counselors support character education and school-wide positive school climate initiatives focused on respect, responsibility, kindness, commitment, good judgment, honesty, perseverance and self-discipline. School counselors support students' emotional and social well-being in the school environment. Last year, students across the district earned \$58.6 million dollars in scholarship awards for the Class of 2018 with the support of their school counselors.

Background & Justification / Status

Gaston County Schools is a district where a number of students move from school to school frequently. School counselors are often the first person a student and family meets upon enrolling at a school. School counselors help provide continuity of services to students and share additional resources with families to serve students. The American School Counselor Association (ASCA) recommends a ratio of 1 counselor for every 250 students. Currently, Gaston County Schools has a ratio of 1 counselor for every 342 students. School counselors provide a preventative, comprehensive school counseling program to assist with student development. However, one of the most critical roles is crisis management, suicide assessments and referrals for mental health services, including school based therapy and day treatment. In 2017-2018, 472 assessments were completed for students experiencing suicidal ideation. As of January 2019, 256 assessments have been completed. We currently collaborate with four mental health agencies providing school based therapy to 665 students and 91 students receiving day treatment services.

Potential Impact If Not Funded or Delayed

If funding is denied or delayed, additional school counseling positions would not be added, resulting in a high counselor to student ratio. We would not be able to expand our mental health services including small groups, individual counseling, consultation with parents/families, and referrals for additional mental health services (school based therapy, day treatment, other outside counseling).

Estimated Three Year Costs

Expenditure	FY 2019-20 Request	FY 2020-21 Planning	FY 2021-22 Planning	Total Cost Three Years
Salaries and Benefits	\$ 520,000	\$ 520,000	\$ 520,000	\$ 1,560,000
Materials and Supplies	-	-	-	-
Contracted Services	-	-	-	-
Other Operating Expenses	-	-	-	-
Total	\$ 520,000	\$ 520,000	\$ 520,000	\$ 1,560,000

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

Approved by: Dr. W. Jeffrey Booker, Superintendent

New Initiatives (FY 2019-20)

School: Central Office Locations
Department: Technology Support Services
Project Title: Replace End-of-Life Central Office IT Infrastructure
Total Cost: \$ 75,000

Project Description

Replace end of life switches and access points in all Central Office locations - Main Office, Facilities, Transportation, Warehouse, DEC, School Nutrition, Rader, TRC, and Forest Heights.

Background & Justification / Status

A significant number of network switches and access points in our Central Office locations are outdated and considered to be end-of-life. These devices connect to a controller located in the Data Center where school access points are also joined. The Central Office access points are too old to have new code installed on them, therefore the controllers cannot be updated to the latest, most secure code. The same issue occurs with the old switches. Old switches will not support new access points. This old infrastructure could cause a vulnerability to exist within our network. Also, wireless access is not highly available at all of our central office locations. We need 10 switches, 32 access points and related cabling to improve our network security and improve wireless access in our Central Office locations.

Potential Impact If Not Funded or Delayed

Lack of connectivity at Central Office locations. Possible network vulnerability.

Estimated Three Year Costs

Expenditure	FY 2019-20 Request	FY 2020-21 Planning	FY 2021-22 Planning	Total Cost Three Years
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -
Materials and Supplies	-	-	-	-
Hardware and Software	75,000	-	-	75,000
Other Operating Expenses	-	-	-	-
Total	\$ 75,000	\$ -	\$ -	\$ 75,000

Requested by: Cindee Matson, Assistant Superintendent for Administration

Approved by: Dr. W. Jeffrey Booker, Superintendent

SCHOOL CHOICE

in Gaston County Schools

Gaston County Schools is launching new school choice Academy programs for the 2019-20 academic year. The additional programs will triple our number of school choice/magnet school options for students and parents.

New Academy Programs

ELEMENTARY SCHOOL

Leadership Academy @ Costner Elementary

MIDDLE SCHOOL

Career Academy @ Southwest Middle

Career Academy @ York Chester Middle

Gifted and Talented Academy @ Cramerton Middle

Leadership Academy @ W.C. Friday Middle

Public Service Academy @ John Chavis Middle

Technology and Industrial Engineering Academy @ Bessemer City Middle



Gaston County Schools

Career
Academy



Gaston County Schools

Collegiate Prep
Academy



Gaston County Schools

Health Sciences
Academy



Gaston County Schools

Leadership
Academy



Gaston County Schools

Public Service
Academy



Gaston County Schools

Technology and Industrial Engineering
Academy

Existing Choice Programs

In addition to our new Academy programs, we have experienced great success with our six existing school choice/magnet schools.

ELEMENTARY SCHOOL

Hawks Nest STEAM Academy
Gifted and Talented Academy @Pleasant Ridge Elementary School

MIDDLE SCHOOL

STEAM Academy @ Stanley Middle
Gaston County Virtual Academy

HIGH SCHOOL

Gaston Early College High School
Highland School of Technology

New Academy Programs

HIGH SCHOOL

Career Academy @ Hunter Huss High School

Collegiate Prep Academy @ Forestview High School

Leadership Academy @ North Gaston High School

Health Sciences Academy @ East Gaston High School

Public Service Academy @ Cherryville High School

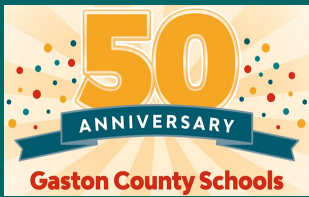
Technology and Industrial Engineering Academy @ Bessemer City High School

Get More Information

Visit the Gaston County Schools website:

www.gaston.k12.nc.us/schoolchoice

If you have questions, email schoolchoice@gaston.k12.nc.us



CAPITAL REQUEST

The 50th Anniversary celebration continues as we celebrate with our community. In October, 50 of the best pictures from the "Big 50 Parade" were printed and hung on the Gaston County Public Library's display wall for our community to see.

Carr Elementary School in Dallas had a family reunion-style event that was an opportunity for students, parents, teachers, former students, former employees and others to come together for a time of fellowship and reminiscing. Carr Elementary has served the Dallas community since 1957 by "preparing our students for success tomorrow." There were lots of "when I went to school here ..." stories that were shared.

Over the past 50 years, our high school and junior high/middle school sports teams have won numerous championships and given us plenty of reasons to cheer. An exhibit was held at the Gaston County Museum displaying some of these highlights. The exhibit offered a glimpse at the history of the school district through pictures, old newsletters and other publications.



"Throwback Thursdays" and "Flashback Fridays" are features on Gaston County Schools Facebook page. We've been digging through our archives, going through pictures and looking through old newsletters and yearbooks. Each Thursday and Friday, there are features on our Facebook page to celebrate the 50th Anniversary of Gaston County Schools. Channel 21 has also featured special programming, highlighting our 50th Anniversary celebration, including the "Big 50 Parade."

We are grateful to our school mentors and business/community partners. A reception will be held in May to recognize these individuals and business/community partners who make investments with Gaston County Schools "to inspire success and a lifetime of learning."

Gaston County Schools — Celebrating 50 Years!

Gaston County Schools Capital Budget Request FY 2019-20

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. 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 2018 entitled, *Managing for Results in America's Great City Schools*. This report was based on data collected during the 2016-17 school year. Based on the information presented in the report, the cost per square foot for routine maintenance ranged from \$1.41 in the upper quartile to \$0.95 in the lower quartile. This equates to a range of \$7.3 million to \$4.9 million for GCS. The median cost for routine maintenance was \$1.18 per square foot, which equates to \$6.1 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. Given the fact that almost 60% of our school buildings are 40 years old or older, this amount of capital funding is well short of what is needed to properly maintain our facilities. As such, we are requesting \$6.1 million, or \$1.18 per square foot, in capital funding for annual routine maintenance and capital replacement. This is consistent with the median routine maintenance rate of \$1.18 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 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 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 2018

RESULTS FROM FISCAL YEAR 2016-17



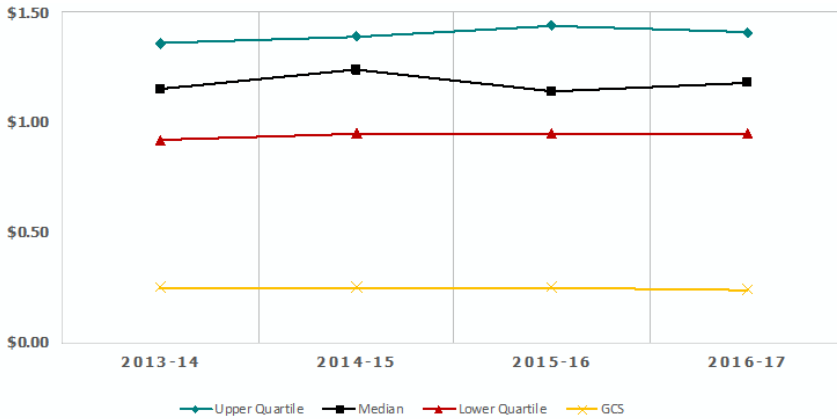
ActPoint KPI
PERFORMANCE MANAGEMENT SYSTEM

A REPORT OF THE PERFORMANCE MEASUREMENT AND BENCHMARKING PROJECT

OCTOBER 2018

MAINTENANCE & OPERATIONS

Routine Maintenance - Cost per Square Foot



	2013-14	2014-15	2015-16	2016-17
Upper Quartile	\$ 1.36	\$ 1.39	\$ 1.44	\$ 1.41
Median	1.15	1.24	1.14	1.18
Lower Quartile	0.92	0.95	0.95	0.95
GCS Funded	0.25	0.25	0.25	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 (2016-2017)

- Baltimore City Public Schools
- Broward County Public Schools
- Denver Public Schools
- Detroit Public Schools
- District of Columbia Public Schools
- El Paso Independent School District
- Guilford County School District
- Jefferson County Public Schools (KY)
- Orange County Public School District
- St. Paul Public Schools

District	2013-2014	2014-2015	2015-2016	2016-2017
1	\$0.71			
2	\$0.65	\$0.67		
3	\$1.00	\$1.09	\$1.06	\$0.90
4		\$1.05	\$1.65	\$1.17
5	\$1.01	\$0.92		
7	\$1.38	\$0.61	\$1.28	\$1.47
8	\$0.92	\$1.00	\$0.96	\$1.08
9	\$1.15	\$1.24	\$1.27	\$1.39
10		\$1.06	\$0.96	\$0.96
12	\$0.92	\$0.95	\$0.59	\$1.20
13	\$1.26	\$1.52	\$1.05	\$0.95
14	\$1.30	\$1.19	\$1.24	\$1.23
16		\$1.05	\$1.35	\$1.33
18	\$0.94	\$1.42	\$1.45	\$1.39
19	\$1.34			
20	\$1.25	\$1.36	\$1.37	\$1.43
21	\$0.83	\$1.62		
23	\$1.07			
28		\$1.57	\$1.58	\$1.41
29				\$0.78
30	\$1.32	\$1.33	\$0.93	\$1.21
32		\$0.91	\$0.83	\$1.63
33	\$1.38			
34	\$1.33	\$1.32	\$1.25	
37	\$0.69		\$0.81	\$0.93
39	\$1.53	\$1.56	\$1.72	\$1.62
41		\$1.39	\$1.08	\$1.06
43	\$1.36		\$1.61	\$1.80
44	\$1.44	\$1.55	\$1.67	\$1.79
46		\$1.26	\$1.08	\$0.79
47	\$1.56	\$1.48	\$1.42	\$1.46
48		\$0.75	\$0.80	\$0.83
49	\$0.67	\$0.68	\$0.66	\$0.86
50				\$0.60
51			\$1.03	\$1.15
52	\$1.88	\$1.48	\$1.76	
53				\$0.61
54			\$1.20	\$1.43
55	\$1.32	\$1.38	\$1.51	\$1.18
57	\$0.61		\$0.63	\$1.25
58	\$0.55	\$0.55	\$0.93	
63	\$0.65	\$0.82	\$0.91	\$1.22
66	\$1.08	\$1.04	\$1.06	\$1.10
67	\$2.56			\$2.70
71	\$1.02	\$1.24	\$1.50	\$1.07
74	\$1.70	\$1.31	\$1.39	\$1.40
76			\$1.01	\$1.05
97				\$1.02
431				\$0.85

Gaston County Schools Capital Outlay Budget FY 2019-20

Revenues	Adopted Budget					Proposed
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
County Funds	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 6,100,000
State Funds	-	-	-	-	-	-
TOTAL	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 6,100,000

Expenditures	Adopted Budget					Proposed	
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	
Computers and Technology	\$ 100,000	\$ 100,000	\$ 84,020	\$ 100,000	\$ 100,000	\$ 150,000	
Vehicles and Activity Buses	150,000	150,000	150,000	150,000	150,000	150,000	
Roofing	290,000	95,000	-	-	-	1,800,000	
Architect and Professional Fees	10,000	10,000	-	-	-	50,000	
Paving and Landscaping	52,000	102,000	-	-	-	500,000	
HVAC	40,000	12,000	-	-	-	850,000	
Plumbing	40,000	50,000	-	-	-	250,000	
Electrical and Electronic Systems	50,000	10,000	-	-	-	250,000	
General Renovations/Improvements	400,000	588,000	882,980	882,000	882,000	2,000,000	
Furniture and Equipment	95,000	110,000	110,000	95,000	95,000	100,000	
TOTAL	COUNTY CAPITAL	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 6,100,000
	STATE FUNDS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	GRAND TOTAL	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000	\$ 6,100,000

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, GCS 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. This is not a sufficient level of funding to properly maintain our schools and supporting offices. We are requesting capital outlay funding of \$6,100,000 which amounts to \$1.18 per square foot. This level is consistent with the median level of routine maintenance funding identified in the 2018 edition of *Managing for Results in America's Great City Schools*.



Gaston County Schools — Celebrating 50 Years!

