



Gaston County Board of Education

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2020



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

**COMPREHENSIVE
ANNUAL
FINANCIAL
REPORT**

Fiscal Year Ended June 30, 2020

W. Jeffrey Booker, Ed.D.

Superintendent

Gary F. Hoskins

Associate Superintendent—Finance and Operations / Chief Financial Officer

Prepared by:

Gaston County Schools Finance Department

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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
At-Large Member



JUSTIN DAVIS
South Point Township



LEE DEDMON
Gastonia Township



DOT GUTHRIE
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



LETTER OF TRANSMITTAL FOR THE YEAR ENDED JUNE 30, 2020

TO THE CITIZENS OF GASTON COUNTY, NORTH CAROLINA:

We are proud to present our Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020. This report has been prepared by the Finance Department of Gaston



County Schools in accordance with the requirements promulgated by the Governmental Accounting Standards Board. We publish this report for all citizens to facilitate a full understanding of the financial operations of Gaston County Schools. We believe the data is accurate in all material respects and is presented in a manner designed to obtain a clear understanding of the financial position and operations of Gaston County Schools. Additional discussion and analysis of the financial performance of the Gaston County Board of Education are included in the Man-

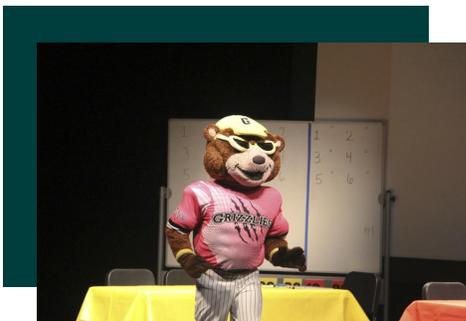
agement's Discussion and Analysis section (MD&A).

ORDER OF PRESENTATION

This report is presented in three main sections: (1) Introductory Section, (2) Financial Section and (3) Statistical Section. The Introductory Section contains a general discussion of the report and its content, the School System's accounting control environment, as well as, conditions and initiatives in Gaston County and its schools. The Financial Section contains the audited Basic Financial Statements and their accompanying Individual Fund Statements. Various unaudited demographic and statistical information is presented in the Statistical Section.



MANAGEMENT'S DISCUSSION AND ANALYSIS



Generally Accepted Accounting Principles (GAAP) requires management to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis. This Letter of Transmittal is designed to complement the MD&A and should be read in connection with it. The MD&A can be found in the Financial Section immediately following the Independent Auditors' Report.



LETTER OF TRANSMITTAL FOR THE YEAR ENDED JUNE 30, 2020 (continued)

REPORTING ENTITY

The Gaston County Board of Education (Board) is responsible for public school education in Gaston County. The nine-member Board of Education is elected by the citizens of Gaston County and is accountable to the citizens for the education and fiscal operations of the system's 55 schools. As defined by the Governmental Accounting Standards Board, the Gaston County Board of Education is recognized as a separate governmental reporting entity. These statements cover all financial resources of Gaston County Schools — federal, State, local — as well as funds received at each school for fund-raising, athletics and other fees.



The major purpose of the Board is to provide public education for those who reside within the boundaries of Gaston County. To accomplish this purpose, the Board provides nine traditional high schools, eleven middle schools and thirty elementary schools. The Board also offers special programs: Gaston Early College High School (students receive collegiate credentials and a high school diploma), Highland School of Technology (a technical curricula magnet school), Warlick Academy (an alternative school for middle and high school students), Webb Street School (a school serving students with disabilities) and Gaston County Academy Virtual School (an online virtual school). The Board served 30,834 students as measured on the August 2019 fall enrollment count.

ECONOMIC CONDITION AND OUTLOOK

Gaston County is located in the south central Piedmont region of North Carolina and is the State's tenth most populated county and Gaston County Schools is among the State's ten largest school districts. With a population of over 220,000, Gaston County contains 15 municipalities within its 365 square mile area. Gastonia, the county seat, is the thirteenth largest city in North Carolina. Located a few miles west of Charlotte, the county is close enough to utilize many resources of its larger neighbor, such as an international airport, professional sports teams and an active arts culture, yet far enough away to retain a smaller town character. Gaston County has quality healthcare,





LETTER OF TRANSMITTAL FOR THE YEAR ENDED JUNE 30, 2020 (continued)

millions of square feet of shopping, numerous parks and recreation centers, the Schiele Museum, Daniel Stowe Botanical Garden and many other amenities. We are also the home of Christmas Town USA, where McAdenville's homes and businesses put on an impressive light show every December, attracting visitors from all over the world.

Once a hub for the textile industry, Gaston County has transformed into an attractive location for modern manufacturers due to its centralized location along the Interstate 85 corridor, between Atlanta, Georgia and Raleigh, North Carolina, which provides an excellent op-



portunity for firms seeking to optimize their manufacturing operations. National Gypsum, Dole Foods, American and Efird, Mann+Hummel (formerly WIX Filtration), Curtiss Wright, Pharr Yarns, FMC Corporation, Parker Hannifin, Bridgestone/Firestone, Buckeye Technologies and Hunter Douglas are just some of the major corporations that have established roots in Gaston County. These businesses have a major investment in Gaston County, and their employees and leaders represent many countries around the world, bringing diversity and a global heritage to the region.

As the third-largest county in the Charlotte region, Gaston County has a great deal to offer businesses and residents. Most of the county is within a 30-minute drive of the Charlotte Douglas International Airport, which provides a portal for business and leisure to the world. Interstate 85 and U.S. Highway 321 provide our residents with the ability to travel quickly and efficiently throughout the region. Gaston's long heritage as a hard-working, manufacturing center has been enhanced in recent years with a steady growth in high-tech manufacturing, service-related firms and the rapid expansion of retail stores and shopping centers.



Residents of the county's many communities enjoy a proximity to nationally-ranked public schools, institutions of higher education, abundant training resources and a future workforce of capable, local graduates. The county is fortunate to have Gaston College, a local public two-



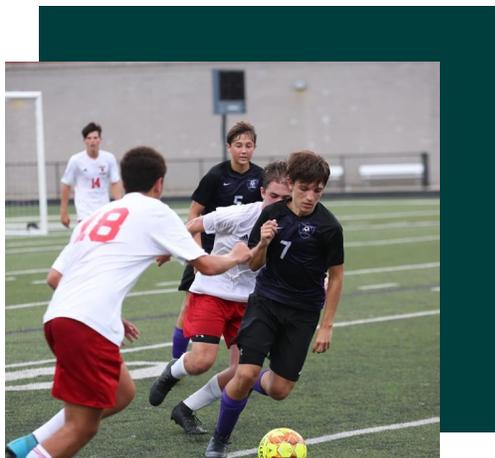
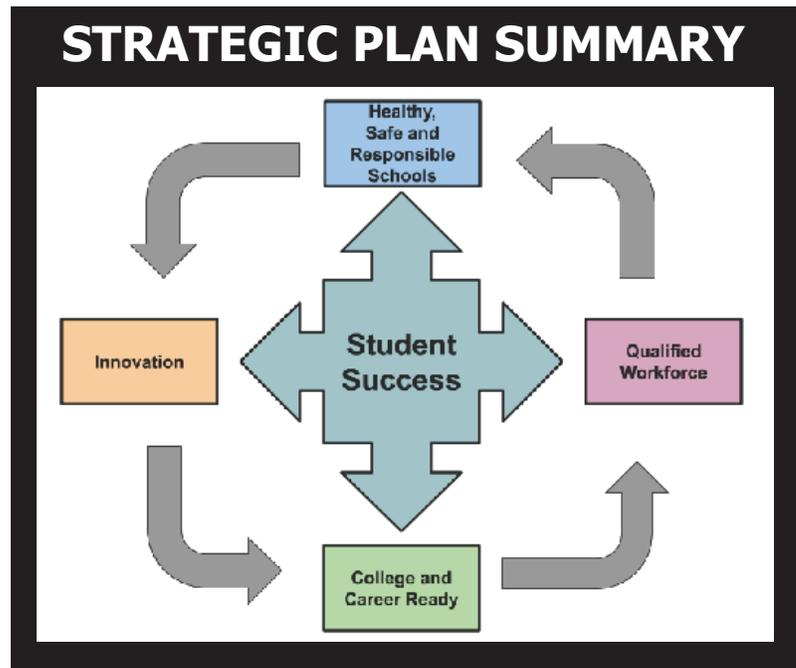
LETTER OF TRANSMITTAL FOR THE YEAR ENDED JUNE 30, 2020 (continued)

year institution, and Belmont Abbey, a private, four-year Catholic university, as partners in the training and education of the residents and workers in the area. With the continued help of our local businesses, residents, and educational professionals, the economic outlook for Gaston County is strong.

LONG-TERM FINANCIAL PLANNING

The Board’s long-term financial plans are guided by its Strategic Plan. This plan provides a focus for student success, student safety and the continuing plan to provide current technology for students. The Strategic Plan was updated during fiscal year 2018-19. The five-year plan will guide the Board not only for student outcomes but also for the funding necessary to achieve these goals.

Another focus of long-term financial planning for Gaston County Schools has been on capital funding. Gaston County Schools has identified over \$650 million in capital needs throughout the district. The Board of Education has been working with the Board of County Commissioners to address some of these funding needs for building maintenance and refurbishment.



In May 2018, the citizens of Gaston County voted in favor of a \$250 million school bond referendum. The bonds will pay for new school construction, renovations and additions, and critical school facility repairs. The bonds won overwhelmingly with more than 69% of the vote. Voters also approved a quarter of one-cent sales tax increase to pay for the bonds.

The funding Gaston County Schools receives from the State comprises approximately 70% of operating funds. Unfortunately, for fiscal year 2019-20 there was no comprehensive State budget. The State relied upon recurring funding

from the previous fiscal year along with a series of similar funding bills to provide funds for fiscal year 2019-2020.



LETTER OF TRANSMITTAL FOR THE YEAR ENDED JUNE 30, 2020 (continued)

CURRENT YEAR ACCOMPLISHMENTS

Gaston County Schools is among the ten largest public school districts in the State and we are fully accredited as a quality school system by AdvancED and the Southern Association of Colleges and Schools. In 2018, each school earned full accreditation and the "quality school" distinction. All schools have a comprehensive instructional program with opportunities for every student at every ability level. The district offers Advanced Placement (AP) and honors courses, Career and Technical Education programs, the Career and College Promise partnership with Gaston College, services for exceptional children, and many other academic and student support programs.



Gaston County Schools' graduation rate for the Class of 2020 is 88 percent, This rate is 3.1 points higher than last year. This year, all eleven high schools achieved a graduation rate that exceeds 80 percent and seven schools have a rate that is higher than 90 percent. For the second year in a row, the Gaston Early College High School and Highland School of Technology earned a perfect graduation rate of 100 percent.

"We are very pleased to see an increase in our graduation rate and we applaud our schools for their efforts. The graduation rate is an important factor that measures student success and we are proud to see our schools making progress in this area," stated Superintendent Jeff Booker.



We are proud of the continued progress we have made over the past years with providing up-to-date technology in our schools. Our schools have been equipped with wireless internet access for six years and we continue to improve. This year, we added outdoor access points for park and learn hotspots due to the pandemic. Staff and students are able to park their cars and access the district WiFi network from one of these hotspots. All of our classrooms are equipped with an LED display or SMARTBoard and all students have access to a computing device

(Chromebook, tablet, etc).



LETTER OF TRANSMITTAL FOR THE YEAR ENDED JUNE 30, 2020 (continued)

Of the ten largest school districts in the State, Gaston County's school safety rate is one of the best. Gaston's school crime rate has also been significantly lower than the State rate for the past nine years. We continue our emphasis on school safety through several initiatives, including a buzz-in entrance system and visitor check-in system at each school, updated camera and surveillance equipment, comprehensive school safety plans and our on-going partnership with local law enforcement. Thanks to additional funds from the County, all schools now have a full-time school resource officer. Previously, resource officers were full-time in middle schools and high schools and part-time in elementary schools. Our on-going, strong partnership with local law



enforcement is a key factor in our effort to ensure school safety.



When school districts across North Carolina closed buildings for in-person instruction because of the coronavirus, Gaston County Schools transitioned to remote learning at home. Through the i-Ready computer program, students were able to engage in online instruction in reading and math. Now, Curriculum Associates, the company that provides i-Ready to school districts, is recognizing eight elementary schools in Gaston County for the outstanding efforts to use the program.

Belmont Central, W.A. Bess, Catawba Heights, Cherryville, Costner, Hawks Nest STEAM Academy, New Hope and Page Primary received the "Distinguished School for Remote Learning Success" recognition based on how the schools used i-Ready this spring to personalize instruction for students. Not only were students able to complete math and reading lessons through i-Ready, teachers received information that identified students' strengths and areas for improvement. Teachers then used the data to provide targeted instruction for students with both print and digital curriculum resources and lessons.



Our students continue to excel in every arena: in the classroom, on the athletic field, in the performing arts, and through extracurricular activities. Our employees are highly qualified professionals who care deeply about the success of children, and the tremendous support from our parents, volunteers, and community partners makes our schools even better. Without question, there are many reasons to be proud of Gaston County Schools.



LETTER OF TRANSMITTAL FOR THE YEAR ENDED JUNE 30, 2020 (continued)

FUTURE INITIATIVES

This year, like every year, the emphasis is on academics. Much time and energy have been put into enhancing our curriculum programs. Through Career and Technical Education, students are learning how to be prepared for life after graduation, whether it's going to college or into the workforce. Programs such as Students@Work and Educators in the Workplace with the Gaston Regional Chamber and Career and College Promise with Gaston College are helping students to make connections between school and "the real world." To further enhance academics, the district is continuing its efforts to provide up-to-date technology for our students and teachers to use in our classrooms.



We have school choice options at each level: elementary, middle and high school. Some of the choice options include a leadership academy at the elementary school level and career academies, leadership academy, Trade & Industrial Engineering Academy, STEAM, SEM (Schoolwide Enrichment Model) and Gifted and Talented Academy at the middle and high school levels in addition to a Collegiate Prep Academy and Academy of Health Sciences at the high school level. This will give students new and innovative opportunities for learning. In addition, we plan to open the Gaston Early College of Medical Sciences in the fall of 2021. This will be our second early college.

A groundbreaking ceremony was held in March 2019 for the new Belmont Middle School. Significant progress has been made on the construction of the new school and it is expected to be ready for the 2021-2022 academic year. The project is funded by \$250 million school bonds that voters approved in May 2018. In addition to the new Belmont Middle School, school bond funds are being used for renovation and repair projects at numerous schools. These improvements include gymnasium floors, media center renovations, fencing, roofing, parking lot and driveway paving, painting and life safety updates (cameras, intercoms and doors/entry access).



We encourage our students, parents, employees and the community to stay connected with Gaston County Schools by visiting the district website (www.gaston.k12.nc.us), each school website, "liking" us on Facebook, following us on Twitter, watching us on Spectrum Cable Channel 21 and YouTube and downloading our free mobile app.

Our Gaston County Schools family anticipates another productive school year. Working together, we will have many more reasons to celebrate Gaston County Schools!



LETTER OF TRANSMITTAL FOR THE YEAR ENDED JUNE 30, 2020 (continued)

BUDGETARY AND INTERNAL CONTROL STRUCTURES

As required by North Carolina's School Budget and Fiscal Control Act, Gaston County Schools adopts balanced annual budgets for the governmental and propriety funds. The law specifies that the budgets be prepared on the modified accrual basis of accounting. The same method is used to record all financial transactions.

Expenditures may not legally exceed budgeted amounts. All purchase orders are pre-audited to ensure that budgeted funds are available before any expenditures are authorized.

Gaston County Schools maintains a system of internal accounting controls to provide the citizens of Gaston County and the School's management with reasonable assurance that assets are being safeguarded and that all transactions are properly authorized and recorded. Every effort has been made to establish an effective system of checks and balances and to maintain a proper segregation of duties in order to protect the public interest.

The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the valuation of costs and benefits requires estimates and judgments by management.



INDEPENDENT AUDIT

North Carolina's Public School Budget and Fiscal Control Act mandates that the financial statements be audited at the end of each fiscal year. Our selection of an independent auditor has been approved by the State's Local Government Commission as qualified to audit local government accounts.

The Basic Financial Statements and Individual Fund Statements and Schedules have been audited by Anderson Smith & Wike PLLC, Certified Public Accountants. These statements, as well as the auditor's unmodified opinion on these statements, appear in the Financial Section of this report.

These financial statements have also been audited by the independent auditor under requirements of the Single Audit Act, for which separate compliance reports are issued.



LETTER OF TRANSMITTAL FOR THE YEAR ENDED JUNE 30, 2020 (concluded)

FINANCIAL REPORTING AWARDS

Since 1993 and 1997, respectively, our Comprehensive Annual Financial Report earned the Government Finance Officers Association of the United States and Canada (GFOA) *Certificate of Achievement for Excellence in Financial Reporting* and the Association of School Business Officials International (ASBO) *Certificate of Excellence in Financial Reporting* awards.

In order to receive these prestigious awards, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. The report must satisfy both generally accepted accounting principles and applicable legal requirements.



The Certificate of Achievement and Certificate of Excellence are valid for a period of one year only. We believe our current report continues to conform to the GFOA and ASBO requirements, and we will submit it for determination of its eligibility for renewed awards.

ACKNOWLEDGEMENTS

The preparation of the Comprehensive Annual Financial Report in a timely manner could not have been accomplished without the efforts and dedication of our Finance Department, the Communications Department and our independent audit firm, Anderson, Smith and Wike, PLLC. We would like to express our appreciation to all the staff members who contributed in the development of this report. Also, our appreciation is expressed to the Gaston County Finance Department, to the Gaston County Economic Development Commission, the Gaston County Inspection Department and to the State of North Carolina Banking Commission for providing certain statistical data.

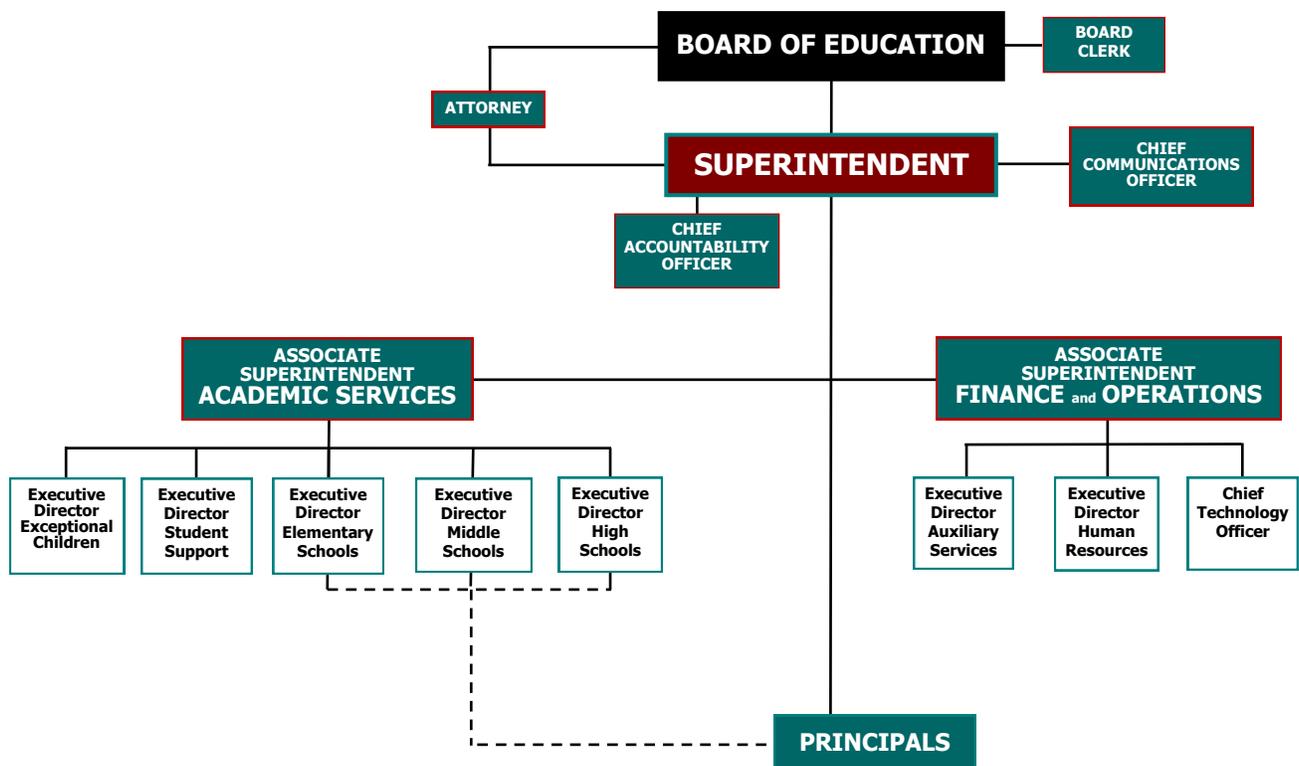
Respectfully submitted,

W. Jeffrey Booker, Ed.D.
Superintendent

Gary E. Hoskins
Associate Superintendent - Finance and Operations / Chief Financial Officer

ORGANIZATIONAL CHART

GASTON COUNTY SCHOOLS ORGANIZATIONAL CHART



CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Gaston County Board of Education

for its **Comprehensive Annual Financial Report (CAFR)**
for the **Fiscal Year Ended June 30, 2019.**

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink that reads 'Claire Hertz'.

Claire Hertz, SFO
President

A handwritten signature in black ink that reads 'David J. Lewis'.

David J. Lewis
Executive Director

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

**Gaston County Board of Education
North Carolina**

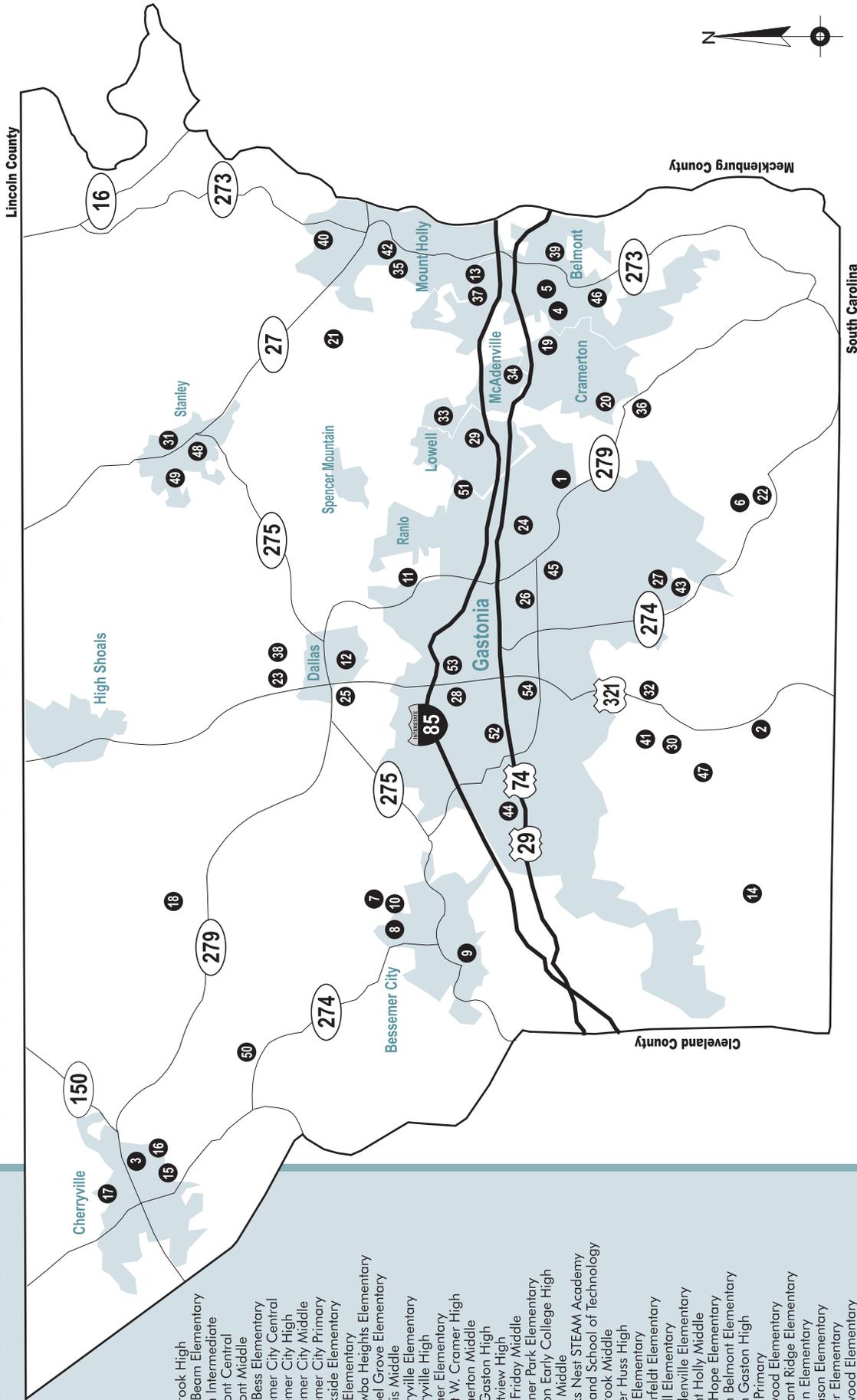
For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

GASTON COUNTY SCHOOLS



Key

- 1 Ashbrook High
- 2 H.H. Beam Elementary
- 3 Beam Intermediate
- 4 Belmont Central
- 5 Belmont Middle
- 6 W.A. Bess Elementary
- 7 Bessemer City Central
- 8 Bessemer City High
- 9 Bessemer City Middle
- 10 Bessemer City Primary
- 11 Brookside Elementary
- 12 Carr Elementary
- 13 Catawba Heights Elementary
- 14 Chapel Grove Elementary
- 15 Chavis Middle
- 16 Cherryville Elementary
- 17 Cherryville High
- 18 Costner Elementary
- 19 Stuart W. Cramer High
- 20 Cramerton Middle
- 21 East Gaston High
- 22 Forestview High
- 23 W.C. Friday Middle
- 24 Gardner Park Elementary
- 25 Gaston Early College High
- 26 Grier Middle
- 27 Hawks Nest STEAM Academy
- 28 Highland School of Technology
- 29 Holbrook Middle
- 30 Hunter Huss High
- 31 Kiser Elementary
- 32 Lingerfeldt Elementary
- 33 Lowell Elementary
- 34 McAdenville Elementary
- 35 Mount Holly Middle
- 36 New Hope Elementary
- 37 North Belmont Elementary
- 38 North Gaston High
- 39 Page Primary
- 40 Pinewood Elementary
- 41 Pleasant Ridge Elementary
- 42 Rankin Elementary
- 43 Robinson Elementary
- 44 Sadler Elementary
- 45 Sherwood Elementary
- 46 South Point High
- 47 Southwest Middle
- 48 Springfield Elementary
- 49 Stanley Middle
- 50 Tryon Elementary
- 51 Warrick
- 52 Webb Street
- 53 Woodhill Elementary
- 54 York-Chester Middle

GASTON COUNTY SCHOOLS

P.O. Box 1397 Phone: (704) 866-6100
 Gastonia, NC 28053 Fax: (704) 866-6175
 GCS 21 Education Station www.gaston.k12.nc.us

FINANCIAL SECTION

FINANCIAL SECTION



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Certified Public Accountants

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104 Court Street, Suite D
Statesville, North Carolina 28677
(704) 562-5039

INDEPENDENT AUDITOR'S REPORT

**TO THE BOARD OF EDUCATION
GASTON COUNTY SCHOOLS
GASTONIA, NORTH CAROLINA**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Gaston County Board of Education, North Carolina, as of and for the year then ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the Gaston County Board of Education's basic financial statements listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Gaston County Board of Education, North Carolina as of June 30, 2020, and the respective changes in financial position and cash flows, where applicable, thereof

and the respective budgetary comparison for the General, the State Public School, and the Other Specific Revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 4 through 11 and the Schedule of Board Contributions and the Schedule of the Proportionate Share of the Net Pension and OPEB Liabilities on pages 54 through 59, respectively be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with the auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements of Gaston County Board of Education, North Carolina. The introductory information, individual non-major fund financial statements and schedules, budgetary schedules, other schedules and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The individual non-major fund statements and schedules, budgetary schedules and other schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual non-major fund financial statements and schedules, budgetary schedules, and other schedules, are fairly stated in all material respects in relation to the financial statements taken as a whole.

The introductory information and the statistical sections have not been subjected to the auditing procedures applied in the audit of basic financial statements, and accordingly, we do not express an opinion or provide assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2020 on our consideration of Gaston County Board of Education's internal control over financial reporting and our tests of its compliance with certain laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Gaston County Board of Education's internal control over financial reporting and compliance.

Anderson Smith & Wike PLLC

October 26, 2020

Gastonia, North Carolina

CONGRATULATIONS! CLASS OF 2020!

Although the last three months of their senior year was disrupted by COVID-19, the Class of 2020 continued their quest for excellence. Our seniors captured many outstanding awards and honors in academics, sports, the fine arts, community service and other areas. Perhaps most notable, our seniors earned millions of dollars in scholarships to attend the most prestigious colleges and universities in our State and across the country. Additionally, the Class of 2020 is responsible for bringing regional, statewide and national recognition to our schools and community. Here are some of their most outstanding achievements:

- *Our seniors were offered more than \$37.6 million in academic, athletic, military and fine arts scholarships from 284 colleges and universities across the State and nation.*
- The Class of 2020 included a National Merit Scholar, a UNC-Chapel Hill Morehead-Cain Scholar, N.C. State University Goodnight Scholars, a UNC-Charlotte Levine Scholar, a Duke University Benjamin N. Duke Scholar, a University of Pennsylvania Belk Scholar, a QuestBridge Scholar, and various presidential scholars.
- *Our seniors were accepted to attend several of the prestigious Ivy League Schools, including Brown University, Columbia University, Dartmouth College and Yale University.*
- One senior received an appointment to the United States Air Force Academy.
- *One senior was a finalist in the U.S. Presidential Scholars Program in recognition of excellence in Career and Technical Education.*
- Our seniors won all three scholarship's presented by The Gaston Gazette's "Best and Brightest" recognition program.
- *Our seniors earned awards and honors in the regional science fair, the fine arts (band, chorus, theater and visual arts), Career and Technical Education, creative writing and other academic areas.*
- Our seniors received regional and/or State recognition in sports, including participation in the Shrine Bowl of the Carolinas and the East-West All-Star Games, capturing the Carolina Panthers "Community Captain" distinction, earning the Heisman High School Scholarship Award and achieving scholar-athlete honors (team and individual awards).
- *The Class of 2020 won State athletic championships in cheerleading and indoor track and field, had a State runner-up in wrestling and a regional finalist team in men's basketball and received a number of conference and player of the year honors in various sports.*





MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2020

This section of the Gaston County Board of Education's (*the Board*) financial report represents our discussion and analysis of the financial performance of the Board for the year ended June 30, 2020. This information should be read in conjunction with the audited financial statements included in this report.

Financial Highlights

- The Board continues to utilize the funds from the \$60 million school bond offering. During the fiscal year ending June 30, 2020, the Board used over \$9.1 million for school renovations and repairs which included new roofs, HVAC systems, life safety equipment, windows, paving and much more. Construction on the new Belmont Middle School also continued to progress on schedule and under budget.
- Unassigned fund balance for the Board increased from \$4.4 million as of June 30, 2019 to \$4.9 million as of June 30, 2020. This represents an increase of \$575,000 or 13.4%.
- District enrollment decreased slightly for the current year at 30,834 students, as compared to enrollment of 31,116 students the previous year.
- Cash position remains strong at \$19.1 million at June 30, 2020, compared to \$19.7 million at June 30, 2019.
- The operational expenditures per pupil increased to \$9,611 this year compared to \$9,339 for the previous year.



Overview of the Financial Statements

The audited financial statements of the Gaston County Board of Education consist of five components. They are as follows:

- *Independent Auditor's Report*
- *Management's Discussion and Analysis (required supplementary information)*
- *Basic Financial Statements*
- *Required supplemental section that presents the Schedules of the Board's Proportionate Share of Net Pension and OPEB Liabilities (Assets) and the Schedules of Board Contributions.*
- *Supplementary section that presents budgetary statements for governmental and enterprise funds.*

The *Basic Financial Statements* include two types of statements that present different views of the Board's finances. The first is the *Government-wide Statements*. The Government-wide Statements are presented on the full accrual basis of accounting and include the Statement of Net Position and the Statement of Activities. The Statement of Net Position includes all of the Board's assets, deferred outflows of resources, liabilities and deferred inflows of resources. Assets and liabilities are classified in the order of relative liquidity for assets and due date for liabilities. This statement provides a summary of the Board's investment in assets, deferred outflows of resources, deferred inflows of resources and obligations to creditors. Liquidity and financial flexibility can be evaluated using the information contained in this statement. The Statement of Activities summarizes the Board's revenues and expenses for the current year. A net (expense) revenue format is used to indicate to what extent each function is self-sufficient.



MANAGEMENT’S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

The second set of statements included in the Basic Financial Statements is the *Fund Financial Statements*, which are presented for the Board’s governmental, proprietary and fiduciary funds. These statements present the governmental funds on the modified accrual basis of accounting, measuring the near term inflows and outflows of financial resources and what is available at year-end to spend in the next fiscal year. The proprietary funds are presented on the full accrual basis of accounting.



The Fund Financial Statements focus on the Board’s most significant funds. Because a different basis of accounting is used in the Government-wide Statements, a reconciliation from the governmental Fund Financial Statements to the Government-wide Statements is required. The Government-wide Statements provide information about the Board as an economic unit while the Fund Financial Statements provide information on each of the financial resources of the Board’s major funds.

Government-wide Statements

The Government-wide Statements are shown as Exhibits 1 and 2 of this report.



The Government-wide Statements report information about the Board as a whole using accounting methods similar to those used by private-sector companies. The Statement of Net Position includes all of the Board’s assets, deferred inflows of resources and liabilities. All of the current year’s revenues and expenses are accounted for in the Statement of Activities regardless of when cash is received or paid.

The two Government-wide Statements report the Board’s net position and how it has changed. Net position – the difference between the Board’s assets plus deferred outflows and the total of liabilities and deferred inflows – is one way to measure the unit’s financial health or position.

- Over time, increases or decreases in the Board’s net position are an indicator of whether its financial position is improving or deteriorating.
- To assess the Board’s overall health, you need to consider additional non-financial factors such as changes in the County’s property tax base and the condition of its school buildings and other physical assets.

The unit’s activities are divided into two categories in the Government-wide Statements:

- Governmental activities: Most of the Board’s basic services are included here, such as regular and special education, transportation and administration. County funding and State and federal aid finance most of these activities.
- Business-type activities: The Board charges fees to help it cover the costs of school food services.

Fund Financial Statements

The governmental fund statements are shown as Exhibits 3, 4, 5 and 6 of this report.

The Fund Financial Statements provide more detailed information about the Board’s funds, focusing on its most significant or “major” funds – not the unit as a whole. Funds are accounting devices the Board uses



MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

to keep track of specific sources of funding and spending on particular programs.

- Some funds are required by State law, such as the State Public School Fund.
- The Board has established other funds to control and manage money for a particular purpose or to show that it is properly using certain revenues, such as in the Federal Grants Fund and Other Specific Revenue Fund.



Gaston County Board of Education has two types of funds:

Governmental funds: Most of the Board's basic services are included in the governmental funds, which generally focus on two things – how cash and other assets can readily be converted to cash flow in and out, and the balances left at year-end that are available for spending. As a result of this focus, the governmental funds statements provide a detailed short-term view that helps the reader determine whether there are more or fewer financial resources that can be spent in the coming year to finance the Board's programs. Because this information does not encompass the additional long-term focus of the Government-wide Statements, additional information at the bottom of the governmental funds statements, in the form of a reconciliation, explains the relationship (or differences) between the Government-wide and the Fund Statements. The Board has several governmental funds: the General Fund, the State Public School Fund, the Capital Outlay Fund, the Federal Grants Fund and the Other Specific Revenue Fund.

Proprietary fund: Services for which the Board charges a fee are generally reported in the proprietary fund. The Proprietary Fund Statements are shown as Exhibits 7, 8 and 9 of this report. The Proprietary Fund Statements are reported on the same basis of accounting as the Government-wide Statements - full accrual. Gaston County Board of Education has one proprietary fund - an enterprise fund - the School Food Service Fund.

Financial Analysis of the Schools as a Whole

Liabilities and deferred inflows of resources exceeded assets and deferred outflows of resources by \$221.4 million as of June 30, 2020.

Following is a summary of the Statement of Net Position:

CONDENSED STATEMENT OF NET POSITION AS OF JUNE 30, 2020 AND 2019						
	Governmental Activities		Business-type Activities		Total Primary Government	
	6/30/2020	6/30/2019	6/30/2020	6/30/2019	6/30/2020	6/30/2019
Current assets	\$ 36,510,182	\$ 30,398,272	\$ 2,442,565	\$ 4,765,689	\$ 38,952,747	\$ 35,163,961
Capital assets	236,711,111	218,640,511	2,494,341	1,777,855	239,205,452	220,418,366
Total assets	<u>273,221,293</u>	<u>249,038,783</u>	<u>4,936,906</u>	<u>6,543,544</u>	<u>278,158,199</u>	<u>255,582,327</u>
Deferred outflows of resources	81,369,114	87,065,871	2,012,840	1,968,461	83,381,954	89,034,332
Current liabilities	22,540,025	17,864,752	452,288	72,316	22,992,313	17,937,068
Long-term liabilities	429,879,713	404,817,680	10,746,966	9,197,335	440,626,679	414,015,015
Total liabilities	<u>452,419,738</u>	<u>422,682,432</u>	<u>11,199,254</u>	<u>9,269,651</u>	<u>463,618,992</u>	<u>431,952,083</u>
Deferred inflows of resources	116,215,241	142,173,979	3,092,120	3,317,645	119,307,361	145,491,624
Net investment in capital assets	235,525,356	216,211,595	2,494,341	1,777,855	238,019,697	217,989,450
Restricted net position	10,210,746	9,022,441	27,914	28,929	10,238,660	9,051,370
Unrestricted net position	<u>(459,780,674)</u>	<u>(453,985,793)</u>	<u>(9,863,883)</u>	<u>(5,882,075)</u>	<u>(469,644,557)</u>	<u>(459,867,868)</u>
Total net position	<u>\$ (214,044,572)</u>	<u>\$ (228,751,757)</u>	<u>\$ (7,341,628)</u>	<u>\$ (4,075,291)</u>	<u>\$ (221,386,200)</u>	<u>\$ (232,827,048)</u>



MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

The following table shows the revenues and expenses for the Board for the current and prior fiscal years:

CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION FOR THE FISCAL YEARS ENDED JUNE 30, 2020 AND 2019

	<u>Governmental</u> <u>Activities</u>		<u>Business-type</u> <u>Activities</u>		<u>Total Primary</u> <u>Government</u>	
	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2020</u>	<u>6/30/2019</u>
Revenues						
Program revenues:						
Charges for services	\$ 733,344	\$ 780,490	\$ 2,556,257	\$ 3,432,214	\$ 3,289,601	\$ 4,212,704
Operating grants and contributions	218,793,807	219,029,025	12,487,566	13,740,769	231,281,373	232,769,794
General revenues:						
County appropriations	83,797,752	62,080,188	-	-	83,797,752	62,080,188
State appropriations	1,294,495	1,362,340	-	-	1,294,495	1,362,340
Other revenues	12,563,073	15,449,464	43,715	895	12,606,788	15,450,359
Total revenues	<u>317,182,471</u>	<u>298,701,507</u>	<u>15,087,538</u>	<u>17,173,878</u>	<u>332,270,009</u>	<u>315,875,385</u>
Expenses						
Governmental activities:						
Instructional services	236,667,493	240,010,632	-	-	236,667,493	240,010,632
System-wide support services	55,157,709	46,682,749	-	-	55,157,709	46,682,749
Ancillary services	52,964	109,980	-	-	52,964	109,980
Non-programmed charges	4,480,948	3,789,135	-	-	4,480,948	3,789,135
Unallocated depreciation	5,616,203	1,241,618	-	-	5,616,203	1,241,618
Business-type activities:						
Food service	-	-	19,310,936	17,166,091	19,310,936	17,166,091
Total expenses	<u>301,975,317</u>	<u>291,834,114</u>	<u>19,310,936</u>	<u>17,166,091</u>	<u>321,286,253</u>	<u>309,000,205</u>
Decrease in net position before transfers	15,207,154	6,867,393	(3,766,305)	52,112	11,440,848	6,919,505
Transfers in (out)	(499,969)	(54,160)	499,968	54,160	-	-
Increase (Decrease) in net position	14,707,185	6,813,233	(3,266,337)	106,272	11,440,848	6,919,505
Net position, beginning, previously reported	(228,751,757)	(235,564,990)	(4,075,291)	(4,181,563)	(232,827,048)	(239,746,553)
Restatement	-	-	-	-	-	-
Net position, beginning	(228,751,757)	(235,564,990)	(4,075,291)	(4,181,563)	(232,827,048)	(239,746,553)
Net position, ending	<u>\$(214,044,572)</u>	<u>\$(228,751,757)</u>	<u>\$(7,341,628)</u>	<u>\$(4,075,291)</u>	<u>\$(221,386,200)</u>	<u>\$(232,827,048)</u>

Total governmental activities generated revenues of \$317.2 million while expenses in this category totaled \$302.0 million for the year ended June 30, 2020. Comparatively, revenues were \$298.7 million and expenses totaled \$291.8 million for the year ended June 30, 2019. After transfers to the business-type activities, the increase in net position stands at \$14.7 million in 2020, compared to a increase of \$6.8 million in 2019. Instructional services expenses comprised 78.4% of total governmental-type expenses while system-wide support services made up 18.3% of those expenses for 2020.

County funding, for operating and capital, comprised 26.4% of total governmental revenue for 2020. In 2019, County funding was 20.8%. Much of the remaining 73.6% of total governmental revenue for 2020 consists of restricted State and federal money. For the 2019-2020 fiscal year, business-type activities generated revenue of \$15.1 million and had expenses of \$19.3 million. After transfers in from the governmental activities, net position in the business-type activities decreased by \$3.3 million.

Financial Analysis of the Board's Funds

Governmental Funds: The focus of Gaston County Board of Education's governmental funds is to provide information on near-term inflows, outflows and balances of usable resources. Such information is useful in assessing the Board's financing requirements.



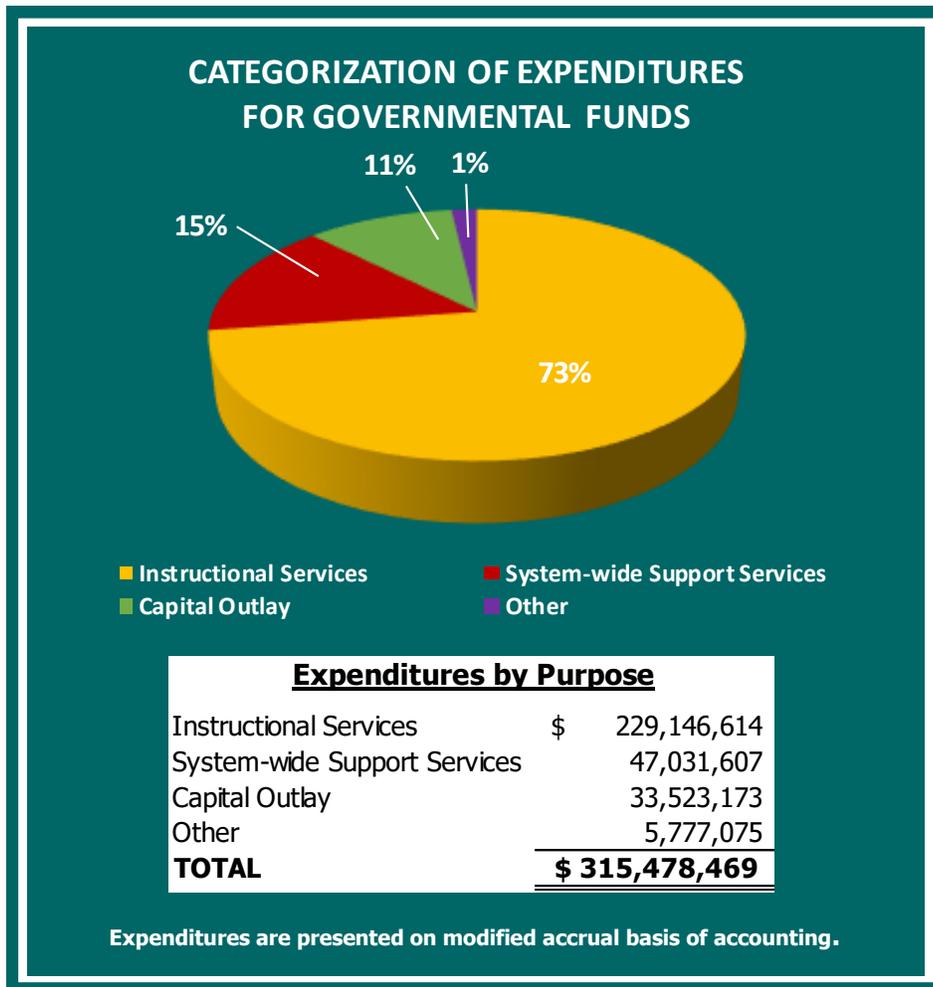
MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

The Board's governmental funds reported a combined fund balance of \$13.5 million, a \$1.4 million increase from last year. Expenditures increased and included over \$33.5 million in capital outlay due to the construction of a replacement middle school.

Total Governmental Funds revenue increased \$18.5 million from \$298.7 million in the prior year to \$317.2 million in the current year. The increase in revenue is mainly attributable to an increase in county capital contributions. The revenue in the State Public School Fund increased by about \$800,000 from \$191.6 million in 2019 to \$192.4 million in 2020. Most of this increase represents the increased cost of employee compensation and benefits covered by the State Public School Fund.



The revenue also increased slightly in the Federal Grants Fund from \$22.0 million in 2019 to \$30.3 million in 2020.



Proprietary Fund: The global pandemic caused by COVID-19 had a negative financial impact on School Food Service. Normal School Food Service activities were discontinued in March 2020 for the remainder of the year and School Nutrition transitioned to the summer feeding "grab and go" meal program. As a result, the School Food Service Fund incurred a \$1.3 million decrease in federal reimbursements and commodities and a \$3.3 million decrease in net position.



MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

Financial Operations

General Fund Budgetary Highlights

Over the course of the year, the Board revised the budget several times to account for changes in revenue expectations and to reduce or increase appropriations in light of the changed revenue estimates. Also, budget amendments were made because at the time of the original resolution some funding sources amounts were not known.

The budget variances for the General Fund are within normally expected variance amounts.



Capital Assets

Capital assets increased by \$18.8 million, or 7.85% from the previous year to \$239.2 million at June 30, 2020. This was due to the construction of a new middle school and renovations. The following is a summary of the capital assets, net of depreciation, at year-end.

SUMMARY OF CAPITAL ASSETS AS OF JUNE 30, 2020 AND 2019

	Governmental Activities		Business-type Activities		Total Primary Government	
	6/30/2020	6/30/2019	6/30/2020	6/30/2019	6/30/2020	6/30/2019
Land	\$ 14,759,034	\$ 14,725,792	\$ -	\$ -	\$ 14,759,034	\$ 14,725,792
Construction in progress	30,274,470	9,065,264	-	-	30,274,470	9,065,264
Buildings	172,737,369	175,051,174	-	-	172,737,369	175,051,174
Equipment and furniture	3,902,522	8,657,142	2,494,340	1,777,855	6,396,862	10,434,997
Vehicles	8,849,977	6,932,759	-	-	8,849,977	6,932,759
Land improvements	6,187,739	4,208,380	-	-	6,187,739	4,208,380
Total	\$ 236,711,111	\$ 218,640,511	\$ 2,494,340	\$ 1,777,855	\$ 239,205,451	\$ 220,418,366

Additional information related to the Board's capital assets is included in Note 2, A, "Capital Assets" in the Notes to the Basic Financial Statements.



Debt Outstanding

During the year, the Board's Governmental Activities outstanding debt decreased by \$1.3 million to \$17.5 million. The Board is limited by North Carolina General Statutes with regards to the types of debt it can issue and for what purpose that debt can be used. The County holds virtually all debt issued for school capital construction.



MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

Additional information related to the Board's outstanding debt is included in Note 2, B, "Long-Term Obligations" in the Notes to the Basic Financial Statements.

Economic Factors

County funding is a significant source of income for the Board; therefore the County's economic outlook directly affects that of the school district. The following factors affect the economic outlook of Gaston County:

- For the fiscal year 2019-2020, the County provided approximately \$53 million for local current operating and capital expenditures.
- Gaston County has over 4,100 businesses and government entities, with the largest employment numbers in the following sectors: Services, Retail Trade, Construction, Manufacturing, Finance, Insurance and Real Estate.
- Gaston County Key Economic Indicators for the calendar year ending 2019:
 - √ Taxable retail sales were over \$3.2 billion.



The following are key economic indicators for Gaston County and the State of North Carolina:

Indicator	Gaston County	North Carolina
Homeownership rate (2014-2018)	66.3%	65.0%
Median value of owner-occupied housing units (2014-2018)	\$ 136,500	\$ 165,900
Persons below poverty level (2014-2018)	14.2%	13.6%
Employed (June 2020)	107,008	4,819,363
Unemployment Rate (June 2020)	8.5%	7.9%
Per Capita Personal Income (2014-2018)	\$ 26,069	\$ 29,456
Median Household Income (2014-2018)	\$ 49,384	\$ 52,413



Data source: North Carolina Office of State Budget and Management, North Carolina Employment Security Commission, U.S. Bureau of Economic Analysis, the U.S. Census Bureau and North Carolina Department of Commerce, Labor and Economic Analysis Division



MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2020 (concluded)

Requests for Information



This report is intended to provide a summary of the financial condition of Gaston County Board of Education. Questions or requests for additional information should be addressed to:

Gary F. Hoskins

Associate Superintendent—Finance and Operations/Chief Financial Officer
Gaston County Board of Education
1351 Bradford Heights Road
Gastonia, North Carolina 28054

ELEMENTARY SCHOOLS EARN DISTINGUISHED SCHOOL STATUS

EIGHT ELEMENTARY SCHOOLS EARN DISTINGUISHED SCHOOL STATUS FOR USE OF i-READY

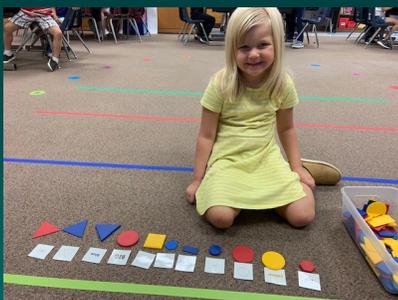
When school districts across North Carolina closed buildings for in-person instruction because of the coronavirus in March, Gaston County Schools transitioned to remote learning at home.

Through the i-Ready computer program, students were able to engage in online instruction in reading and math. Now, Curriculum Associates, the company that provides i-Ready to school districts, is recognizing eight elementary schools in Gaston County for their outstanding efforts to use the program.

Belmont Central, W.A. Bess, Catawba Heights, Cherryville, Costner, Hawks Nest STEAM Academy, New Hope and Page Primary received the “Distinguished School for Remote Learning Success” recognition based on how the schools used i-Ready last spring to personalize instruction for students.

Not only were students able to complete math and reading lessons through i-Ready, teacher received information that identified students’ strengths and areas for improvement. Teachers then used the data to provide targeted instruction for students with both print and digital curriculum resources and lessons.

The distinction is based on how well the schools used the i-Ready program.





BASIC FINANCIAL STATEMENTS

GASTON COUNTY BOARD OF EDUCATION
STATEMENT OF NET POSITION
June 30, 2020

Exhibit 1

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 17,037,636	\$ 2,058,430	\$ 19,096,066
Due from other governments	16,595,376	635,947	17,231,323
Receivables (net)	35,365	9,512	44,877
Net OPEB asset	412,165	10,196	422,361
Internal balances	869,073	(869,073)	-
Inventory and prepaid expenses	1,560,567	597,553	2,158,120
Capital assets (Note 1)			
Land and construction in progress	45,033,504	-	45,033,504
Other capital assets, net of depreciation	191,677,607	2,494,341	194,171,948
Total capital assets	<u>236,711,111</u>	<u>2,494,341</u>	<u>239,205,452</u>
Total assets	<u>273,221,293</u>	<u>4,936,906</u>	<u>278,158,199</u>
DEFERRED OUTLOWS OF RESOURCES	<u>81,369,114</u>	<u>2,012,840</u>	<u>83,381,954</u>
LIABILITIES			
Accounts payable and accrued expenses	8,458,223	452,288	8,910,511
Accrued salaries, wages, and payroll withholdings	9,715,435	-	9,715,435
Unearned revenue	4,323,916	-	4,323,916
Due to other governments	42,451	-	42,451
Long-term liabilities			
Net pension liability	111,601,349	2,760,700	114,362,049
Net OPEB liability	300,793,171	7,440,767	308,233,938
Due within one year	9,690,000	210,000	9,900,000
Due in more than one year	7,795,193	335,499	8,130,692
Total liabilities	<u>452,419,738</u>	<u>11,199,254</u>	<u>463,618,992</u>
DEFERRED INFLOWS OF RESOURCES	<u>116,215,241</u>	<u>3,092,120</u>	<u>119,307,361</u>
NET POSITION			
Net investment in capital assets	235,525,356	2,494,341	238,019,697
Restricted			
Prepays	1,560,567	-	1,560,567
Stabilization by state statute	96,766	-	96,766
Individual school activities	2,497,930	-	2,497,930
Other Specific Revenue	4,848,863	-	4,848,863
Capital Outlay	78,184	-	78,184
DIPNC OPEB plan	1,128,436	27,914	1,156,350
Unrestricted	<u>(459,780,674)</u>	<u>(9,863,883)</u>	<u>(469,644,557)</u>
Total net position	<u>\$ (214,044,572)</u>	<u>\$ (7,341,628)</u>	<u>\$ (221,386,200)</u>

The notes to the basic financial statements are an integral part of this statement.

GASTON COUNTY BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2020

Exhibit 2

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental Activities				
Instructional services				
Regular instructional	\$ 137,228,142	\$ -	\$ 117,245,123	\$ -
Special populations	33,153,603	-	29,367,899	-
Alternative programs	19,511,216	-	13,366,785	-
School leadership	18,688,339	-	12,030,125	-
Co-curricular	7,868,928	-	7,584,887	-
School-based support	20,217,265	-	16,699,835	-
System-wide support services				
Support and development	2,388,792	-	1,615,753	-
Special population support and development	885,462	-	680,350	-
Alternative programs and services support and development	670,595	-	278,308	-
Technology support	3,595,972	-	1,026,596	-
Operational support	37,067,103	733,344	14,978,507	-
Financial and human resource	6,820,271	-	2,137,055	-
Accountability	590,525	-	-	-
System-wide pupil support	701,376	-	152,907	-
Policy, leadership and communications	2,437,613	-	1,152,148	-
Ancillary services	52,964	-	52,964	-
Non-programed charges	4,480,948	-	424,565	-
Unallocated depreciation expense*	5,616,203	-	-	-
Total governmental activities	301,975,317	733,344	218,793,807	-
Business-type activities				
School food service	19,310,936	2,556,257	12,487,566	457,093
Total primary government	\$ 321,286,253	\$ 3,289,601	\$ 231,281,373	\$ 457,093

*This amount excludes the depreciation that is included in the direct expenses of the various programs. The notes to the basic financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
Functions/Programs	Governmental Activities	Business-type Activities	Total
Primary government			
Governmental Activities			
Instructional services			
Regular instructional	\$ (19,983,019)	\$ -	\$ (19,983,019)
Special populations	(3,785,704)	-	(3,785,704)
Alternative programs	(6,144,431)	-	(6,144,431)
School leadership	(6,658,214)	-	(6,658,214)
Co-curricular	(284,041)	-	(284,041)
School-based support	(3,517,430)	-	(3,517,430)
System-wide support services			
Support and development	(773,039)	-	(773,039)
Special population support and development	(205,112)	-	(205,112)
Alternative programs and services support and development	(392,287)	-	(392,287)
Technology support	(2,569,376)	-	(2,569,376)
Operational support	(21,355,252)	-	(21,355,252)
Financial and human resource	(4,683,216)	-	(4,683,216)
Accountability	(590,525)	-	(590,525)
System-wide pupil support	(548,469)	-	(548,469)
Policy, leadership and communications	(1,285,465)	-	(1,285,465)
Ancillary services	-	-	-
Non-programed charges	(4,056,383)	-	(4,056,383)
Unallocated depreciation expense	(5,616,203)	-	(5,616,203)
Total governmental activities	<u>(82,448,166)</u>	<u>-</u>	<u>(82,448,166)</u>
Business-type activities			
School food service	-	(3,810,020)	(3,810,020)
Total primary government	<u>(82,448,166)</u>	<u>(3,810,020)</u>	<u>(86,258,186)</u>
General revenues			
Unrestricted county appropriations - operating	50,311,704	-	50,311,704
Unrestricted county appropriations - capital	33,486,048	-	33,486,048
Unrestricted State appropriations - operating	-	-	-
Unrestricted State appropriation - capital	1,294,495	-	1,294,495
Investment earnings, unrestricted	248,101	-	248,101
Miscellaneous, unrestricted	12,314,972	43,715	12,358,687
Transfers	(499,969)	499,968	(1)
Total general revenues and transfers	<u>97,155,351</u>	<u>543,683</u>	<u>97,699,034</u>
Change in net position	14,707,185	(3,266,337)	11,440,848
Net position, beginning	<u>(228,751,757)</u>	<u>(4,075,291)</u>	<u>(232,827,048)</u>
Net position, ending	<u>\$ (214,044,572)</u>	<u>\$ (7,341,628)</u>	<u>\$ (221,386,200)</u>

**GASTON COUNTY BOARD OF EDUCATION
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2020**

Exhibit 3

	Major Funds				Non-Major Governmental Funds	Total Governmental Funds
	General	State Public School	Capital Outlay	Other Specific Revenue		
ASSETS						
Cash and cash equivalents	\$ 7,596,401	\$ -	\$ 4,590	\$ 6,938,715	\$ 2,497,930	\$ 17,037,636
Due from other funds	-	7,732	51,364	900,001	19,271	978,368
Due from other governments	96,766	7,916,468	7,273,361	770,814	537,967	16,595,376
Accounts receivable	-	-	-	35,365	-	35,365
Prepaid items	1,007,251	-	-	553,316	-	1,560,567
Total assets	<u>\$ 8,700,418</u>	<u>\$ 7,924,200</u>	<u>\$ 7,329,315</u>	<u>\$ 9,198,211</u>	<u>\$ 3,055,168</u>	<u>\$ 36,207,312</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities						
Accounts payable and accrued liabilities	\$ 571,888	\$ -	\$ 7,251,131	\$ 635,204	\$ -	\$ 8,458,223
Due to other funds	109,295	-	-	-	-	109,295
Due to other governments	42,451	-	-	-	-	42,451
Unearned revenue	763,266	-	-	3,560,650	-	4,323,916
Accrued salaries and wages payable	1,107,506	7,916,468	-	153,494	537,967	9,715,435
Total liabilities	<u>2,594,406</u>	<u>7,916,468</u>	<u>7,251,131</u>	<u>4,349,348</u>	<u>537,967</u>	<u>22,649,320</u>
Deferred inflows of resources	-	7,732	-	-	19,271	27,003
Fund balances						
Nonspendable:						
Prepays	1,007,251	-	-	-	-	1,007,251
Restricted:						
Stabilization by state statute	96,766	-	-	-	-	96,766
Individual Schools	-	-	-	-	2,497,930	2,497,930
Other Specific Revenue Fund	-	-	-	4,848,863	-	4,848,863
Capital Outlay	-	-	78,184	-	-	78,184
Assigned:						
Subsequent years insurance	150,000	-	-	-	-	150,000
Subsequent years expenditures	-	-	-	-	-	-
Unassigned:	4,851,995	-	-	-	-	4,851,995
Total fund balances	<u>6,106,012</u>	<u>-</u>	<u>78,184</u>	<u>4,848,863</u>	<u>2,497,930</u>	<u>13,530,989</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 8,700,418</u>	<u>\$ 7,924,200</u>	<u>\$ 7,329,315</u>	<u>\$ 9,198,211</u>	<u>\$ 3,055,168</u>	

Amounts reported for governmental activities in the statement of net position (Exhibit 1) are different because:

Net OPEB asset	412,165
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	236,711,111
Deferred outflows related to pensions	44,302,853
Deferred outflows related to OPEB	37,066,261
Some liabilities, including accrued interest, are not due and payable in the current period and therefore are not reported in the funds (Note 2).	(17,485,193)
Net pension liability	(111,601,349)
Net OPEB liability	(300,793,171)
Deferred inflows of resources related to pensions	(1,995,795)
Deferred inflows of resources related to OPEB	<u>(114,192,443)</u>
Net position of governmental activities	<u>\$ (214,044,572)</u>

The notes to the basic financial statements are an integral part of this statement.

GASTON COUNTY BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2020

Exhibit 4

	Major Funds			Other Specific Revenue	Non-major Governmental Funds	Total Governmental Funds
	General	State Public School	Capital Outlay			
REVENUES						
State of North Carolina	\$ -	\$ 192,364,092	\$ 1,294,495	\$ 5,238,614	\$ -	\$ 198,897,201
Gaston County	50,311,704	-	33,486,048	582,747	-	84,380,499
U.S. Government	-	-	-	369,948	19,579,011	19,948,959
School receipts - athletics, vending, fund raisers, misc.	-	-	-	-	6,342,651	6,342,651
Other	1,070,942	-	-	6,699,200	-	7,770,142
Total revenues	<u>51,382,646</u>	<u>192,364,092</u>	<u>34,780,543</u>	<u>12,890,509</u>	<u>25,921,662</u>	<u>317,339,452</u>
EXPENDITURES						
Current						
Instructional services						
Regular instructional	13,464,260	116,468,962	-	1,065,169	776,161	131,774,552
Special populations	2,147,428	23,088,627	-	856,857	6,279,272	32,372,184
Alternative programs	214,922	3,986,350	-	5,573,461	9,380,435	19,155,168
School leadership	6,206,774	12,030,125	-	211	-	18,237,110
Co-curricular	1,591,161	162,535	-	-	6,075,111	7,828,807
School-based support	1,708,514	15,859,412	-	1,370,444	840,423	19,778,793
System-wide support services						
Support and development	493,509	853,587	-	221,636	762,166	2,330,898
Special population support and development	166,595	185,258	-	10,022	495,092	856,967
Alternative programs and services support and development	138,032	48,715	-	237,550	229,593	653,890
Technology support	2,505,069	1,026,596	-	-	-	3,531,665
Operational support	13,338,580	14,978,507	-	934,610	-	29,251,697
Financial and human resource	1,901,475	1,974,888	-	2,711,688	162,167	6,750,218
Accountability	439,991	111,006	-	-	13,637	564,634
System-wide pupil support	452,524	152,907	-	50,861	-	656,292
Policy, leadership and communications	1,280,970	936,648	-	2,228	215,500	2,435,346
Ancillary services	19,918	-	-	33,078	-	52,996
Non-programmed charges	4,002,863	-	-	53,520	424,565	4,480,948
Debt service						
Principal payment	-	-	1,243,131	-	-	1,243,131
Capital outlay						
Real property and buildings	-	-	33,123,395	-	-	33,123,395
Furniture and equipment	-	-	351,461	-	-	351,461
Buses and motor vehicles	-	-	48,317	-	-	48,317
Total expenditures	<u>50,072,585</u>	<u>191,864,123</u>	<u>34,766,304</u>	<u>13,121,335</u>	<u>25,654,122</u>	<u>315,478,469</u>
Excess (deficiency) of revenues over expenditures	1,310,061	499,969	14,239	(230,826)	267,540	1,860,983
Other financing sources (uses)						
Capital lease obligations issued	-	-	-	-	-	-
Net transfers to other funds	-	(499,969)	-	-	-	(499,969)
Net change in fund balance	1,310,061	-	14,239	(230,826)	267,540	1,361,014
Fund balances, beginning	<u>4,795,951</u>	<u>-</u>	<u>63,945</u>	<u>5,079,689</u>	<u>2,230,390</u>	<u>12,169,975</u>
Fund balances, ending	<u>\$ 6,106,012</u>	<u>\$ -</u>	<u>\$ 78,184</u>	<u>\$ 4,848,863</u>	<u>\$ 2,497,930</u>	<u>\$ 13,530,989</u>

The notes to the basic financial statements are an integral part of this statement.

GASTON COUNTY BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2020

Exhibit 5

Amounts reported for governmental activities in the statement of activities are different because:

Net changes in fund balances - total governmental funds	\$ 1,361,014
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.	18,227,583
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
Contributions to the pension plan in current fiscal year are not included on the Statement of Activities	20,575,326
Contributions to the OPEB plan in current fiscal year are not included on the Statement of Activities	10,422,505
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principle of long-term debt consumes the current financial resources of the governmental funds. Neither transaction has any effect on the net position. Also, governmental funds report the effect of premiums, discounts and similiar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.	1,243,131
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Pension Expense	(39,043,036)
OPEB Expense	2,008,669
Compensated absences	68,976
Loss on disposal of assets	<u>(156,983)</u>
Total changes in net position of governmental activities	<u>\$ 14,707,185</u>

The notes to the basic financial statements are an integral part of this statement.

GASTON COUNTY BOARD OF EDUCATION Exhibit 6
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND AND ANNUALLY BUDGETED MAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2020

	General Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
State of North Carolina	\$ -	\$ -	\$ -	\$ -
Gaston County	50,311,704	50,311,704	50,311,704	-
U.S. Government	-	-	-	-
Other	750,000	750,609	1,070,942	320,333
Total revenues	<u>51,061,704</u>	<u>51,062,313</u>	<u>51,382,646</u>	<u>320,333</u>
Expenditures				
Current				
Instructional services				
Regular	14,191,834	13,464,260	13,464,260	-
Special populations	1,512,827	2,147,428	2,147,428	-
Alternative programs	207,030	214,922	214,922	-
School leadership	6,993,345	6,206,774	6,206,774	-
Co-curricular	1,614,199	1,591,161	1,591,161	-
School-based support	2,075,258	1,708,514	1,708,514	-
System-wide support services				
Support and development	531,127	493,509	493,509	-
Special population support and development	182,618	166,595	166,595	-
Alternative programs and services support and development	148,794	138,032	138,032	-
Technology support	2,859,958	2,505,069	2,505,069	-
Operational support	13,121,177	13,710,217	13,338,580	371,637
Financial and human resource	1,634,272	2,519,565	1,901,475	618,090
Accountability	410,175	439,991	439,991	-
System-wide pupil support	515,158	452,524	452,524	-
Policy, leadership and communications	1,403,932	1,280,970	1,280,970	-
Ancillary services	-	19,918	19,918	-
Non-programmed charges	3,660,000	4,002,864	4,002,863	1
Unbudgeted funds	-	-	-	-
Debt service				
Principal payment	-	-	-	-
Interest and other charges	-	-	-	-
Total expenditures	<u>51,061,704</u>	<u>51,062,313</u>	<u>50,072,585</u>	<u>989,728</u>
Revenues over (under) expenditures	-	-	1,310,061	1,310,061
Other financing uses				
Transfers to other funds	-	-	-	-
Revenues and other sources over (under) expenditures and other uses	-	-	1,310,061	1,310,061
Fund balance appropriated	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	1,310,061	<u>\$ 1,310,061</u>
Fund balances, beginning			4,795,951	
Fund balances, ending			<u>\$ 6,106,012</u>	

The notes to the basic financial statements are an integral part of this statement.

GASTON COUNTY BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND AND ANNUALLY BUDGETED MAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2020

Exhibit 6
(continued)

	State Public School Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
State of North Carolina	\$ 184,438,114	\$ 197,287,869	\$ 192,364,092	\$ (4,923,777)
Gaston County	-	-	-	-
U.S. Government	-	-	-	-
Other	-	-	-	-
Total revenues	<u>184,438,114</u>	<u>197,287,869</u>	<u>192,364,092</u>	<u>(4,923,777)</u>
Expenditures				
Current				
Instructional services				
Regular	116,049,414	117,698,926	116,468,962	1,229,964
Special populations	21,400,146	23,365,231	23,088,627	276,604
Alternative programs	7,457,972	3,988,430	3,986,350	2,080
School leadership	10,332,908	12,030,125	12,030,125	-
Co-curricular	-	162,535	162,535	-
School-based support	12,589,603	16,795,840	15,859,412	936,428
System-wide support services				
Support and development	805,654	853,587	853,587	-
Special population support and development	226,963	185,258	185,258	-
Alternative programs and services support and development	84,032	48,715	48,715	-
Technology support	101,850	1,656,061	1,026,596	629,465
Operational support	12,059,115	14,978,507	14,978,507	-
Financial and human resource	2,179,599	1,974,888	1,974,888	-
Accountability	108,972	111,006	111,006	-
System-wide pupil support	77,699	152,907	152,907	-
Policy, leadership and communications	910,910	936,648	936,648	-
Ancillary services	-	-	-	-
Non-programmed charges	-	-	-	-
Unbudgeted funds	-	-	-	-
Debt service				
Principal payment	-	-	-	-
Interest and other charges	-	-	-	-
Total expenditures	<u>184,384,837</u>	<u>194,938,664</u>	<u>191,864,123</u>	<u>3,074,541</u>
Revenues over (under) expenditures	53,277	2,349,205	499,969	(1,849,236)
Other financing uses				
Transfers to other funds	<u>(53,277)</u>	<u>(2,349,205)</u>	<u>(499,969)</u>	<u>1,849,236</u>
Revenues and other sources over (under) expenditures and other uses				
	-	-	-	-
Fund balance appropriated	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balances, beginning			-	
Fund balances, ending			<u>\$ -</u>	

The notes to the basic financial statements are an integral part of this statement.

GASTON COUNTY BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND AND ANNUALLY BUDGETED MAJOR SPECIAL REVENUE FUNDS
For the Year Ended June 30, 2020

Exhibit 6
(continued)

	Other Specific Revenue Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
State of North Carolina	\$ 5,331,737	\$ 5,670,647	\$ 5,238,614	\$ (432,033)
Gaston County	-	585,599	582,747	(2,852)
U.S. Government	-	366,153	369,948	3,795
Other	-	7,052,253	6,699,200	(353,053)
Total revenues	<u>5,331,737</u>	<u>13,674,652</u>	<u>12,890,509</u>	<u>(784,143)</u>
Expenditures				
Current				
Instructional services				
Regular	-	1,065,169	1,065,169	-
Special populations	-	856,857	856,857	-
Alternative programs	5,167,917	5,573,462	5,573,461	1
School leadership	-	211	211	-
Co-curricular	-	-	-	-
School-based support	-	1,370,444	1,370,444	-
System-wide support services				
Support and development	-	221,636	221,636	-
Special population support and development	-	10,022	10,022	-
Alternative programs and services support and development	163,820	237,550	237,550	-
Technology support	-	-	-	-
Operational support	-	934,610	934,610	-
Financial and human resource	-	3,265,004	2,711,688	553,316
Accountability	-	-	-	-
System-wide pupil support	-	50,861	50,861	-
Policy, leadership and communications	-	2,228	2,228	-
Ancillary services	-	33,078	33,078	-
Non-programmed charges	-	53,520	53,520	-
Unbudgeted funds	-	-	-	-
Debt service				
Principal payment	-	-	-	-
Interest and other charges	-	-	-	-
Total expenditures	<u>5,331,737</u>	<u>13,674,652</u>	<u>13,121,335</u>	<u>553,317</u>
Revenues over (under) expenditures	-	-	(230,826)	(230,826)
Other financing uses				
Transfers to other funds	-	-	-	-
Revenues and other sources over (under) expenditures and other uses	-	-	(230,826)	(230,826)
Fund balance appropriated	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(230,826)</u>	<u>\$ (230,826)</u>
Fund balances, beginning			<u>5,079,689</u>	
Fund balances, ending			<u>\$ 4,848,863</u>	

The notes to the basic financial statements are an integral part of this statement.

GASTON COUNTY BOARD OF EDUCATION
STATEMENT OF NET POSITION
PROPRIETARY FUND
For the Year Ended June 30, 2020

Exhibit 7

	Enterprise Fund
	Major Fund
	School Food
	Service
ASSETS	
Current assets	
Cash and cash equivalents	\$ 2,058,430
Receivables (net)	645,459
Net OPEB asset	10,196
Inventories	597,553
Total current assets	<u>3,311,638</u>
Noncurrent assets	
Capital assets, net	<u>2,494,341</u>
Total assets	<u>5,805,979</u>
DEFERRED OUTFLOWS OF RESOURCES	
	<u>2,012,840</u>
LIABILITIES	
Current liabilities	
Accounts payable and accrued expenses	452,288
Due to other funds	869,073
Current portion of long-term obligations	210,000
Total current liabilities	<u>1,531,361</u>
Noncurrent liabilities	
Long-term obligations	335,499
Net pension liability	2,760,700
Net OPEB liability	7,440,767
Total noncurrent liabilities	<u>10,536,966</u>
Total liabilities	<u>12,068,327</u>
DEFERRED INFLOWS OF RESOURCES	
	<u>3,092,120</u>
NET POSITION	
Investment in capital assets	2,494,341
Restricted for DIPNC OPEB plan	27,914
Unrestricted	(9,863,883)
Total net position	<u>\$ (7,341,628)</u>

The notes to the basic financial statements are an integral part of this statement.

GASTON COUNTY BOARD OF EDUCATION
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
PROPRIETARY FUND
For the Year Ended June 30, 2020

Exhibit 8

	<u>Enterprise Fund</u> <u>Major Fund</u> <u>School Food</u> <u>Service</u>
OPERATING REVENUES	
Food sales	\$ 2,556,257
Total operating revenues	<u>2,556,257</u>
OPERATING EXPENSES	
Purchase of food	6,316,169
Salaries and benefits	10,335,426
Indirect costs	1,018,249
Materials and supplies	1,289,694
Depreciation	351,398
Other	-
Total operating expenses	<u>19,310,936</u>
Operating loss	<u>(16,754,679)</u>
NONOPERATING REVENUES	
Federal reimbursements	11,104,744
Federal commodities	1,264,573
Indirect cost not paid	118,249
Other	43,715
Total nonoperating revenue	<u>12,531,281</u>
Income before transfers	(4,223,398)
Transfers from other funds	499,968
Capital contributions	457,093
Change in net position	(3,266,337)
Total net position, beginning	<u>(4,075,291)</u>
Total net position, ending	<u>\$ (7,341,628)</u>

The notes to the basic financial statements are an integral part of this statement.

GASTON COUNTY BOARD OF EDUCATION
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
For the Fiscal Year Ended June 30, 2020

Exhibit 9

	<u>Enterprise Fund</u>
	<u>Major Fund</u>
	<u>School Food</u>
	<u>Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 2,183,204
Cash paid for goods and services	(7,976,431)
Cash paid to employees for services	(9,059,164)
Net cash used by operating activities	<u>(14,852,391)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Federal reimbursements	12,369,317
Other	43,715
Cash from noncapital financing activities	<u>12,413,032</u>
CASH FLOWS USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	<u>(610,791)</u>
Net cash used in capital and related financing activities	<u>(610,791)</u>
Net increase in cash and cash equivalents	(3,050,150)
Balance, beginning	<u>5,108,580</u>
Balance, ending	<u>\$ 2,058,430</u>
Reconciliation of operating loss to net cash used by operating activities	
Operating loss	<u>\$ (16,754,679)</u>
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation	351,398
Salaries paid by special revenue fund	499,968
Indirect costs not paid	118,249
Changes in assets and liabilities:	
Increase in accounts receivable	(373,053)
Increase in OPEB asset	(3,465)
Increase in inventory	(137,988)
Decrease in due to other funds	(212,520)
Increase in accounts payable and accrued expenses	379,972
Increase in deferred outflows of resources	(44,379)
Increase in net pension liability	284,579
Increase in net OPEB liability	1,189,407
Decrease in deferred inflows of resources	(225,525)
Increase in long-term liabilities	75,645
Total adjustments	<u>1,902,288</u>
Net cash used by operating activities	<u>\$ (14,852,391)</u>

The notes to the basic financial statements are an integral part of this statement.

GASTON COUNTY BOARD OF EDUCATION
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
For the Fiscal Year Ended June 30, 2020

Exhibit 9
(continued)

Noncash investing, capital, and financing activities:

The State Public School Fund and Federal Fund paid salaries and benefits of \$499,968 to administrative personnel of the School Food Service Fund during the fiscal year. The payments are reflected as a transfer in and an operating expense on Exhibit 8.

Indirect costs of \$118,249 that would be due to the General Fund were not paid. These unpaid costs are reflected as a non-operating revenue and an operating expense on Exhibit 8.

The School Food Service Fund received donated commodities with a value of \$1,264,573 during the fiscal year. The receipt of the commodities is recognized as a nonoperating revenue. The Fund recorded the consumption of the donated commodities during the fiscal year as an operating expense. These transactions are reported on Exhibit 8.

THREE HIGH SCHOOLS EARN SPORTSMANSHIP STATUS

GOOD SPORTSMANSHIP EARNS 'EJECTION – FREE' STATUS FOR THREE HIGH SCHOOLS

For three high schools in Gaston County Schools, their commitment to outstanding sportsmanship has resulted in a special recognition from the North Carolina High School Athletic Association (NCHSAA).

Stuart W. Cramer High School, Forestview High School and ***Highland School of Technology*** earned the “ejection free” school status for the 2019-2020 year. The status indicates that no student-athlete or coach was ejected from a sport for the year.

“We are pleased to recognize the coaches and student-athletes for their positive attitude on the field and on the court,” said Gaston County Schools Athletic Director Chad Duncan. “More important than winning is exhibiting good sportsmanship and good behavior. This is what we want to see all of the time at our athletic events.”

Gaston County Schools has had at least one high school to be recognized as “ejection-free” each year since the NCHSAA began tracking coach and student conduct in 1997.

Schools across the State with no ejections for the 2019-2020 year received a certificate of recognition at the recent NCHSAA regional meetings. Unsportsmanlike acts such as fighting, taunting, profanity, obscene gestures, or disrespectfully addressing or contacting officials are reasons for an ejection, according to the NCHSAA.





NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Gaston County Board of Education conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant accounting policies:

A. Reporting Entity

The Gaston County Board of Education (Board) is a Local Education Agency (LEA) empowered by State law (Chapter 115C of the North Carolina General Statutes) with the responsibility to oversee and control all activities related to public school education in Gaston County, North Carolina. The members of the Board are elected by the public and have decision making authority. Although the County levies all taxes, the Board determines how the school system will spend the funds generated for schools. The County cannot modify the school system's budget, nor is the County entitled to share in any surpluses or required to finance any deficits of the school system. For these reasons, the Board as a whole is not fiscally dependent on or financially accountable to the County and therefore is recognized as a primary government. The Board also receives local, State and federal government funding and must adhere to the legal requirements of each funding entity. The Board has no component units.

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity* and Statement No. 39, *Determining Whether Certain Organizations Are Component Units*.

B. Basis of Presentation

Government-wide Statements: The Statement of Net Position and the Statement of Activities display information about the Board. These statements include the financial activities of the overall government. Eliminations have been made to minimize the effect of internal activities upon revenues and expenses. Interfund services provided and used are not eliminated in the process of consolidation. These statements distinguish between the *governmental* and *business-type activities* of the Board. Governmental activities generally are financed through intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in part by fees charged to external parties.

The Statement of Activities presents a comparison between direct expenses and program revenues for the different business-type activities of the Board and for each function of the Board's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the Board's



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

funds. Separate statements for each fund category – *governmental and proprietary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities. Operating expenses for the proprietary fund includes the cost of sales and services, administrative expenses, indirect costs, and depreciation on capital assets. All expenses not meeting this definition are reported as non-operating expenses.

The Board reports the following major governmental funds:

General Fund. The General Fund is the general operating fund of the Board. The General Fund accounts for all financial resources except those that are required to be accounted for in another fund. This fund is mandated by State law [G.S. 115C-426].

State Public School Fund. The State Public School Fund includes appropriations from the Department of Public Instruction for the current operating expenditures of the public school system.

Capital Outlay Fund. The Capital Outlay Fund accounts for financial resources to be used for the acquisition and construction of major capital facilities, real property, furniture and equipment (other than those financed by the proprietary fund). It is mandated by State law [G.S. 115C-426]. Capital projects are funded by Gaston County appropriations, restricted sales tax monies, proceeds of Gaston County bonds issued for public school construction, lottery proceeds, as well as certain State assistance.

Other Specific Revenue Fund. The Other Specific Revenue Fund is used to account for reimbursements, including indirect costs, fees for actual costs, tuition, sales tax refunds, gifts and grants restricted as to use, trust funds, federal grants restricted as to use, federal appropriations made directly to the school administration units and funds received for pre-kindergarten programs.

The Board reports the following major enterprise fund:

School Food Service Fund. The School Food Service Fund is used to account for the food service program within the school system.

The Board reports the following non-major governmental funds:

Individual Schools Fund. The Individual Schools Fund includes revenues and expenditures of the activity funds of the individual schools. The primary revenue sources include funds held on the behalf of various clubs and organizations, receipts from athletic events, and proceeds from various fund raising activities. The primary expenditures are for instructional needs, club programs, activity buses and athletic teams.

Federal Grants Fund. The Federal Grants Fund is used to account for grant monies received directly



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

from the federal government.

C. Measurement Focus and Basis of Accounting

Government-wide and Proprietary Fund Financial Statements. The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the Board gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants and donations. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The Board considers all revenues reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. These could include federal, State and County grants, and some charges for services. Expenditures are recorded when the related fund liability is incurred, except for claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the Board funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus when program expenses are incurred, there are both restricted and unrestricted net positions available to finance the program. It is the Board's policy to first apply cost-reimbursement grant resources to such programs and then general revenues. All governmental and business-type activities and enterprise funds of the Board follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

D. Budgetary Data

The Board's budgets are adopted as required by the North Carolina General Statutes. Annual budgets are adopted for all funds, except for the individual schools special revenue funds, as required by the North Carolina General Statutes. No budget is required by State law for individual school funds. All appropriations lapse at the fiscal year-end. All budgets are prepared using the modified accrual basis of accounting.

Expenditures may not legally exceed appropriations at the functional level for all annually budgeted funds. The Superintendent is authorized by the Board of Education to transfer monies within a function without limitation. The Superintendent may also transfer between functions with a report on such transfers being required at the next meeting of the Board of Education. Transfers or amendments not authorized by the Superintendent require Board approval. Amendments which alter or transfer the



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

County current expense appropriation to or from the Capital Outlay Fund require the approval of the County Commissioners. During the year, several amendments to the original budget were necessary. The budget ordinances must be adopted by July 1 of the fiscal year or the governing board must adopt an interim budget that covers that time until the budget ordinance can be adopted.

E. Assets, Liabilities, Deferred Inflows and Fund Equity

Deposits and Investments

All deposits of the Board are made in Board-designated official depositories and are secured as required by State law [G.S. 115C-444]. The Board may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the Board may establish time deposit accounts such as NOW and SuperNOW accounts, money market accounts and certificates of deposit. The Board also has money credited in its name with the State Treasurer and may issue State warrants against these funds.

State law [G.S. 115C-443] authorizes the Board to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and bankers' acceptances; the North Carolina Capital Management Trust (NCCMT), an SEC-registered (2a-7) money market mutual fund and the North Carolina State Treasurer's Short Term Investment Fund (STIF). The STIF is managed by the staff of the Department of State Treasurer and operated in accordance with State laws and regulations. It is not registered with the SEC. It consists of an internal portion and an external portion in which the Board participates. Investments are restricted to those enumerated in G.S. 147-69.1.

The Board's investments are reported at amortized cost or at fair value as determined by either quoted market prices or a matrix pricing model. Bank deposits and the NCCMT are measured at amortized cost, which is the NCCMT's share price. Ownership interest in the STIF is determined on a fair market valuation basis as of fiscal year end in accordance with the STIF operating procedures. Valuation of the underlying assets is performed by the custodian. All investments are measured using the market approach. The STIF is classified as Level 2 in the fair value hierarchy and is valued using prices that are either directly or indirectly observable for an asset or liability. Under the authority of G.S. 147-69.3, no unrealized gains or losses of the STIF are distributed to external participants of the fund.

Cash and Cash Equivalents

The Board pools money from several funds to facilitate disbursement and investment and to maximize investment income. Therefore, all cash and investments are essentially demand deposits and are considered cash and cash equivalents.

Inventories

The inventories of the Board are valued at average cost, which approximates the first-in, first-out



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

(FIFO) method, or market. Proprietary Fund inventories consist of food and supplies and are recorded as expenses when consumed.

Prepaid Items

Items that benefit future periods are recorded as prepaid and included in assets. The balance will be included as an expenditure in the period that the item benefits.

Capital Assets

The Board's capital assets are recorded at original cost. Donated assets are listed at their estimated acquisition value at the date of donation or forfeiture. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets. Certain items acquired before July 1, 1993 are recorded at an estimated original historical cost. The total of these estimates is not considered large enough that any errors would be material when capital assets are considered as a whole.

It is the policy of the Board to capitalize all capital assets costing more than \$5,000 with an estimated useful life of three or more years. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives is not capitalized.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Buildings	30-50
Land Improvement	10-20
Equipment and furniture	5-10
Vehicles	6-10
Computer equipment	3-5

Depreciation for building and equipment that serve multiple purposes cannot be allocated ratably and is therefore reported as "unallocated depreciation" on the Statement of Activities.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflow of resources. This separate financial statement element, *Deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The Board has several items that meet this criterion—a pension and OPEB (Other Postemployment Benefits) related deferral and contributions made to the plans subsequent to the measurement date.



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *Deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Board has several items that meet this criterion—sales tax refunds receivable in the State Public School Fund and Federal Grants Fund and pension and OPEB related deferrals.

Compensated Absences

The Board follows the State's policy for vacation and sick leave. Employees may accumulate up to thirty (30) days earned vacation leave with such leave being fully vested when earned. For the Board, the current portion of the accumulated vacation pay is not considered to be material. The Board's liability for accumulated earned vacation and the salary-related payments as of June 30, 2016 is recorded in the government-wide and proprietary fund financial statements on a FIFO basis. An estimate has been made based on prior years' records, of the current portion of compensated absences.

The sick leave policy of the Board provides for an unlimited accumulation of earned sick leave. Sick leave does not vest, but any unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the Board has no obligation for accumulated sick leave until it is actually taken, no accrual for sick leave has been made.

Net Position/Fund Balances

Net Position

Net position in the government-wide and proprietary fund financial statements is classified as net investment in capital assets, net of related debt; restricted and unrestricted. Restricted net positions represents constraints on resources that are either externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments, or imposed by law through State statute.

Fund Balances

In the governmental fund financial statements, fund balance is composed of five classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent.

The governmental fund types classify fund balances as follows:

Nonspendable Fund Balance—This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Prepays—portion of fund balance that is not an available resource because it represents the year-end balance of prepaid items, which are not spendable resources.



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

Restricted Fund Balance—This classification includes amounts that are restricted to specific purposes externally imposed by creditors or imposed by law.

Restricted for Stabilization by State Statute—portion of fund balance that is restricted by State Statute [G.S. 115C-425(a)].

Restricted for Individual Schools—revenue sources restricted for expenditures for the various clubs and organizations, athletic events, and various fund raising activities for which they were collected.

Restricted for Other Specific Revenue Fund—The Other Specific Revenue Fund is used to account for the proceeds of specific revenue sources, other than debt service or capital projects, that are restricted by Federal and other providers to be spent for specific purposes. The major source of revenue is a grant from the State of North Carolina for a pre-school program. This grant accounts for over half of the Other Specific Revenue Fund. Numerous other grants are accounted for in the Other Specific Revenue Fund, many of which are less than \$100,000.

Committed Fund Balance—portion of fund balance that can only be used for specific purpose as set forth in a resolution approved by majority vote by a quorum of the Board of Education's governing body (highest level of decision-making authority) and in certain instances approval by the County's governing body is required. Any changes or removal of specific purpose requires majority action by the governing bodies that approved the original action. Committed Fund Balance in the Capital Outlay Fund represents construction contracts approved by Board of Education votes.

Assigned Fund Balance—This classification includes the portion of fund balance that the Board intends to use for specific purposes.

Subsequent year's insurance—portion of fund balance that is assigned to insurance cost that is not already classified in restricted or committed. The governing body approved the assignment.

Subsequent year's expenditures—portion of fund balance that is appropriated in the next year's budget that is not already classified in restricted or committed. The Board of Education approves the appropriation.

Unassigned Fund Balance—This classification includes the portion of fund balance that has not been restricted, committed or assigned to specific purposes of other funds and is only recorded in the general fund.

The Board has a revenue spending policy that provides guidance for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: bond proceeds, federal funds, State funds, local non-Board of Education funds and Board of Education funds. For purposes of fund balance classification, expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the Board.



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

Reconciliation of Government-wide and Fund Financial Statements

- A. Explanation of certain differences between the Governmental Fund Balance Sheet (Exhibit 3), and the Government-wide Statement of Net Position (Exhibit 1).

The Governmental Fund Balance Sheet includes a reconciliation between total fund balances and net position of governmental activities as reported in the Statement of Net Position. The net adjustment of (\$227,575,561) consists of several elements as follows:

Description	Amount
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds	\$ 484,259,486
Less accumulated depreciation	<u>(247,548,375)</u>
Net capital assets	236,711,111
Net OPEB Asset	412,165
Pension related deferred outflows of resources	44,302,853
OPEB related deferred outflows of resources	37,066,261
Liabilities that, because they are not due and payable in the current period, do not require current resources to pay and are therefore not recorded in the fund statements:	
Leases and installment financing	(1,185,755)
Compensated absences	(16,299,438)
Net pension liability	(111,601,349)
Net OPEB liability	(300,793,171)
Deferred inflows of resources related to pensions	(1,995,795)
Deferred inflows of resources related to OPEB	<u>(114,192,443)</u>
Total adjustment	<u>\$ (227,575,561)</u>

- B. Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balance and the government-wide statement of activities.

The Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances (Exhibit 5) includes a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

activities. There are several elements of that total adjustment of \$ 13,346,171 as follows:

Description	Amount
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the Statement of Activities	\$ 45,008,169
Depreciation expense, the allocation of those assets over their useful lives, that is recorded on the Statement of Activities but not in the fund statements	(26,780,586)
New debt issued during the year is recorded as a source of funds on the fund statements; it has no effect on the Statement of Activities-it affects only the government-wide statement of net position	-
Principal payments on debt owed are recorded as a use of funds on the fund statements but again affect only the statement of net positions in the government-wide statements	1,243,131
Contributions to the pension plan in current fiscal year are not included on the Statement of Activities	20,575,326
Contributions to the OPEB plans in current fiscal year are not included on the Statement of Activities	10,422,505
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	
Pension Expense	(39,043,036)
OPEB Expense	2,008,669
Compensated absences	68,976
Remaining book value of disposed capital assets	(156,983)
Total adjustment	<u>\$ 13,346,171</u>

Defined Benefit Pension Plan and Other Post Employment Benefits (OPEB) Plans

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers' and State Employees' Retirement System (TSERS), the Retiree Health Benefit Fund (RHBF) and the Disability Income Plan of NC (DIPNC) and additions to/deductions from TSERS, RHBF and DIPNC's fiduciary net position has been determined on the same basis as they are reported by TSERS, RHBF and DIPNC. For this purpose, plan member contributions are recognized in the period in which the contributions are due. The Board's employer contributions are recognized when due and the Board has a legal requirement to provide contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of TSERS, RHBF and DIPNC. Investments are reported at fair value.



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

NOTE 2: DETAIL NOTES ON ALL FUNDS

A. Assets

Deposits

All of the Board's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits exceeding the federal depository insurance coverage level are collateralized with securities held by the Board's agents in the unit's name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the Board, these deposits are considered to be held by the agent in the Board's name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest-bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State Treasurer does not confirm this information with the Board or with the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the Board under the Pooling Method, the potential exists for under-collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method. The Board has no policy regarding custodial credit risk for deposits.

At June 30, 2020, the Board had deposits with banks and savings and loans with a carrying amount of \$ 3,878,053 and with the State Treasurer of \$ 0. The bank balances with the financial institutions and the State Treasurer were \$ 10,613,604 and \$ 11,006,645; respectively. Of these balances, \$ 2,747,930 was covered by federal depository insurance and \$ 18,872,319 was covered by collateral held by authorized escrow agents in the name of the State Treasurer.

Investments

At June 30, 2020, the Board had invested \$ 14,166,541 with the State Treasurer in the Short Term Investment Fund (STIF). The STIF is unrated and had a weighted average maturity of 1.3 years at June 30, 2020. The Board has no policy for managing interest rate risk or credit risk. The Board also had \$4,590 invested with the NC Capital Management Trust Government Portfolio which carried a credit rating of AAAM by Standard and Poor's.

Interest Rate Risk. The Board of Education does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The STIF had a weighted average maturity of 1.3 years as of June 30, 2020.

Credit Risk. The Board's investments in the NC Capital Management Trust Government Portfolio carried a credit rating of AAAM by Standard and Poor's as of June 30, 2020. The STIF is unrated and is authorized under NC General Statute 147-69.1. The Board has no policy on credit risk.

Concentration of Credit Risk. The Board places no limit on the amount the Board may invest in any one issuer. More than 5 percent of the Board's investments are invested with the State Treasurer in the STIF. This investment is 99.9% of the Board's total investments.



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

Accounts Receivable

Receivables at the government-wide level at June 30, 2020, were as follows:

	Due from Other		Due from Other	Total	Purpose of Internal Balances
	Governments	Other	Funds (Internal Balances)		
Governmental activities:					
General Fund	\$ 96,766	\$ -	\$ (109,295)	\$ (12,529)	Sales tax refund allocation
State Public School Fund	7,916,468	-	7,732	7,924,200	Sales tax refund allocation
Capital Outlay Fund	7,095,198	-	51,364	7,146,562	Sales tax refund allocation
Federal Grants Fund	537,967	-	19,271	557,238	Sales tax refund allocation
Other Specific Revenue Fund	770,814	35,365	900,001	1,706,180	Worker's Compensation, Indirect Cost
Total governmental activities	\$ 16,417,213	\$ 35,365	\$ 869,073	\$ 17,321,651	
Business-type activities:					
School Food Service Fund	\$ 635,947	\$ 9,512	\$ (869,073)	\$ (223,614)	Worker's Compensation, Indirect Cost

Due from other governments consists of the following:

	Due from Other		Due from Other	Total	Purpose of Internal Balances
	Governments	Other	Funds (Internal Balances)		
Governmental activities:					
General Fund	\$ 96,766	\$ -	\$ (109,295)	\$ (12,529)	Sales tax refund allocation
State Public School Fund	7,916,468	-	7,732	7,924,200	Sales tax refund allocation
Capital Outlay Fund	7,095,198	-	51,364	7,146,562	Sales tax refund allocation
Federal Grants Fund	537,967	-	19,271	557,238	Sales tax refund allocation
Other Specific Revenue Fund	770,814	35,365	900,001	1,706,180	Worker's Compensation, Indirect Cost
Total governmental activities	\$ 16,417,213	\$ 35,365	\$ 869,073	\$ 17,321,651	
Business-type activities:					
School Food Service Fund	\$ 635,947	\$ 9,512	\$ (869,073)	\$ (223,614)	Worker's Compensation, Indirect Cost

Capital Assets

Capital assets activity for the year ended June 30, 2020, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 14,725,792	\$ 54,737	\$ 21,495	\$ 14,759,034
Construction in progress	9,065,264	21,209,206	-	30,274,470
<i>Total capital assets not being depreciated</i>	<u>23,791,056</u>	<u>21,263,943</u>	<u>21,495</u>	<u>45,033,504</u>
Capital assets being depreciated:				
Buildings	375,140,100	11,504,877	954,041	385,690,936
Equipment and furniture	24,065,532	861,583	7,065,576	17,861,539
Vehicles	28,056,471	8,599,944	11,658,564	24,997,851
Land improvements	7,998,207	2,777,822	100,373	10,675,656
<i>Total capital assets being depreciated</i>	<u>435,260,310</u>	<u>23,744,226</u>	<u>19,778,554</u>	<u>439,225,982</u>
Less accumulated depreciation for:				
Buildings	200,088,926	13,738,076	873,435	212,953,567
Equipment and furniture	15,408,390	5,616,203	7,065,576	13,959,017
Vehicles	21,123,712	6,632,372	11,608,210	16,147,874
Land improvements	3,789,827	793,935	95,845	4,487,917
<i>Total accumulated depreciation</i>	<u>240,410,855</u>	<u>\$ 26,780,586</u>	<u>\$ 19,643,066</u>	<u>247,548,375</u>
<i>Total capital assets being depreciated, net</i>	<u>194,849,455</u>			<u>191,677,607</u>
Governmental activity capital assets, net	\$ 218,640,511			\$ 236,711,111
Business-type activities:				
School Food Service Fund:				
Capital assets being depreciated:				
Furniture and office equipment	\$ 9,959,217	\$ 1,084,878	\$ 55,278	\$ 10,988,817
Less accumulated depreciation for:				
Furniture and office equipment	8,181,362	351,398	38,283	8,494,477
School Food Service Fund capital assets, net	\$ 1,777,855			\$ 2,494,340



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

Depreciation was charged to governmental functions as follows:

Unallocated depreciation	\$ 3,026,269
Regular instructional services	1,905,057
Operational support services	729,687
Total	<u>\$ 5,661,013</u>

B. Liabilities

Pension Plan and Other Postemployment Obligations

Teachers' and State Employees' Retirement System

Plan Description. The Board is a participating employer in the statewide Teachers' and State Employees' Retirement System (TSERS), a cost-sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. TSERS membership is comprised of employees of the State (State agencies and institutions), universities, community colleges, and certain proprietary component units along with the employees of Local Education Agencies and charter schools. Article 1 of G.S. Chapter 135 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. Management of the plan is vested in the TSERS Board of Trustees, which consists of 13 members—eight appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer, the State Superintendent and the Director of the Office of State Human Resources, who serve as ex-officio members. The Teachers' and State Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the State of North Carolina. The State's CAFR includes financial statements and required supplementary information for TSERS. That report may be obtained by writing to the Office of the State Controller, 1410 Mail Service Center, Raleigh, North Carolina 27699-1410, by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. TSERS provides retirement and survivor benefits. Retirement benefits are determined as 1.82% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. General employee plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service, at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. General employee plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 60 with five years of creditable service. Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

TSERS plan members who are Law Enforcement Officers (LEOs) are eligible to retire with full retirement benefits at age 55 with five years of creditable service as an officer, or at any age with 30 years of creditable service. LEO plan members are eligible to retire with partial retirement benefits at age 50 with 15 years of creditable service as an officer. Survivor benefits are available to eligible benefi-



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

ciaries of LEO members who die while in active service or within 180 days of their last day of service and who also have either completed 20 years of creditable service regardless of their age, or have completed 15 years of service as a LEO and have reached age 50, or have completed five years of creditable service as a LEO and have reached age 55, or have completed 15 years of creditable service as a LEO if killed in the line of duty. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate Benefit for life or a return of the member's contributions.

Contributions. Contribution provisions are established by General Statute 135-8 and may be amended only by the North Carolina General Assembly. Board employees are required to contribute 6% of the compensation. Employer contributions are actuarially determined and set annually by the TSERS Board of Trustees. The Board's contractually required contribution rate for the year ended June 30, 2020, was 12.97% of covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the Board were \$21,084,301 for the year ended June 30, 2020.

Refunds of Contributions. Board employees who have terminated service as a contributing member of TSERS, may file an application for a refund of their contributions. By State law, refunds to members with at least five years of service include 4% interest. State law requires a 60 day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by TSERS.

Pension Liabilities, Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2020, the Board reported a liability of \$114,362,049 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2018. The total pension liability was then rolled forward to the measurement date of June 30, 2019 utilizing update procedures incorporating the actuarial assumptions. The Board's proportion of the net pension liability was based on a projection of the Board's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating TSERS employers, actuarially determined. At June 30, 2019, and at June 30, 2018, the Board's proportion was 1.106% and 1.13%, respectively.

For the year ended June 30, 2020, the Board recognized pension expense of \$40,948,745. At June 30, 2020, the Board reported deferred outflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 9,566,254	\$ 228,946
Changes of assumptions	12,185,726	-
Net difference between projected and actual earnings on pension plan investments	2,192,160	-
Changes in proportion and differences between Board contributions and proportionate share of contributions	370,339	1,816,220
Board contributions subsequent to the measurement date	21,084,301	-
TOTAL	\$ 45,398,780	\$ 2,045,166



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

We reported \$21,084,301 as deferred outflows of resources related to pensions resulting from Board contributions subsequent to the measurement date will be recognized as a decrease of the net pension liability in the year ended June 30, 2021. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:

2021	\$	16,387,084
2022	\$	3,643,755
2023	\$	1,471,605
2024	\$	766,870
Thereafter		-

Actuarial Assumptions. The total pension liability in the December 31, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary Increases	3.5 to 8.10 percent, including inflation and productivity factor
Investment rate of return	7.20 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officer) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The assumptions used for the December 31, 2018 actuarial valuation are based on the experience study prepared as of December 31, 2014 and adopted by the Board of Trustees on January 21, 2016.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	29.0%	1.4%
Global Equity	42.0%	5.3%
Real Estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation Protection	6.0%	4.0%
Total	100.0%	

The information above is based on 30 year expectations developed with the consulting actuary for the 2018 asset liability and investment policy study for the North Carolina Retirement Systems, including TSERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.05%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County's proportionate share of the net pension asset to changes in the discount rate. The following presents the Board's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the Board's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
Board's proportionate share of the net pension liability (asset)	\$ 217,662,793	\$ 114,362,049	\$ 27,705,891

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the State of North Carolina.



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

Other Postemployment Benefits

Healthcare Benefits

Plan description. The Retiree Health Benefit Fund (RHBF) has been established as a fund to provide health benefits to retired and disabled employees and their applicable beneficiaries. RHBF is established by General Statute 135-7, Article 1. It is a cost-sharing, multiple-employer, defined benefit healthcare plan, exclusively for the benefit of former employees of the State, the University of North Carolina System, and community colleges. In addition, LEAs, charter schools, and some select local governments also participate.

Management of the plan is vested in the State Health Plan Board of Trustees, which consists of 13 members – eight appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer, the State Superintendent, and the Director of the Office of State Human Resources who serve as ex-officio members. RHBF is supported by a percent of payroll contribution from participating employing units. Each year the percentage is set in legislation, as are the maximum per retiree contributions from RHBF to the State Health Plan. The State Treasurer, with the approval of the State Health Plan Board of Trustees, then sets the employer contributions (subject to the legislative cap) and the premiums to be paid by retirees, as well as the health benefits to be provided through the State Health Plan.

The financial statements and other required disclosures for the plan are presented in the State of North Carolina's CAFR, which can be found at <https://www.osc.nc.gov/public-information/reports>.

Benefits provided. Plan benefits received by retired employees and disabled employees from RHBF are OPEB. The healthcare benefits for retired and disabled employees who are not eligible for Medicare are the same as for active employees. The plan options change when former employees become eligible for Medicare. Medicare retirees have the option of selecting one of two fully-insured Medicare Advantage/Prescription Drug Plan (MA-PDP) options of the self-funded Traditional 70/30 preferred Provider Organization plan option that is also offered to non-Medicare members. If the Traditional 70/30 Plan is selected by a Medicare retiree, the self-funded State Health Plan coverage is secondary to Medicare.

Those former employees who are eligible to receive medical benefits from RHBF are long-term disability beneficiaries of the Disability Income Plan of North Carolina (DIPNC) and retirees of the TSERS, the Consolidated Judicial Retirement System (CJRS), the Legislative Retirement System (LRS), the University Employees' Optional Retirement Program (ORP), and a small number of local governments, with five or more years of contributory membership service in their retirement system prior to disability or retirement, with the following exceptions: for employees first hired on or after October 1, 2006, and members of the General Assembly first taking office on or after February 1, 2007, future coverage as retired employees and retired members of the General Assembly is subject to the requirement that the future retiree have 20 or more years of retirement service credit in order to receive coverage on a noncontributory basis. Employees first hired on or after October 1, 2006 and members of the General Assembly first taking office on or after February 1, 2007 with 10 but less than 20 years of retirement



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

service credit are eligible for coverage on a partially contributory basis. For such future retirees, the State will pay 50% of the State Health Plan’s noncontributory premium.

Section 35.21 (c) and (d) of Session Law 2017-57 repeals retiree medical benefits for employees first hired January 1, 2021. The new legislation amends Article 3B of Chapter 135 of the General Statutes to require that retirees must earn contributory retirement service in TSERS (or in an an allowed local system unit), CJRS, or LRS prior to January 1, 2021, and not withdraw that service, in order to be eligible for retiree medical benefits under the amended law. Consequently, members first hired on and after January 1, 2021 will not be eligible to receive retiree medical benefits.

RHBF’s benefit and contribution provisions are established by Chapter 135-7, Article 1 and Chapter 135, Article 3B of the General Statutes and may be amended only by the North Carolina General Assembly. RHBF does not provide for automatic post-retirement benefit increases.

Contributions. By General Statute, accumulated contributions from employers to RHBF and any earnings on those contributions shall be used to provide health benefits to retired and disabled employees and their applicable beneficiaries. By statute, contributions to RHBF are irrevocable. Also by law, fund assets are dedicated to providing benefits to retired and disabled employees and their applicable beneficiaries and are not subject to the claims of creditors of the employers making contributions to RHBF. However, RHBF assets may be used for reasonable expenses to administer the RHBF, including costs to conduct required actuarial valuations of state—supported retired employees’ health benefits. Contribution rates to RHBF, which are intended to finance benefits and administrative expenses on a pay-as-you-go basis are determined by the General Assembly in the Appropriations Bill. For the current fiscal year, the Board contributed 6.47% of covered payroll which amounted to \$10,517,766.

At June 30, 2020, the Board reported a liability of \$308,233,938 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2018. The total OPEB liability was then rolled forward to the measurement date of June 30, 2019 utilizing update procedures incorporating the actuarial assumptions. The Board’s proportion of the net OPEB liability was based on a projection of the Board’s present value of future salary, actuarially determined. At June 30, 2019 and 2018, the Board’s proportion was .974% and .993%, respectively.

\$10,517,766 reported as deferred outflows of resources related to OPEB resulting from Board contributions subsequent to the measurement date will be recognized as a decrease of the net OPEB liability in the year ending June 30, 2021. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30:	
2021	\$ 27,453,750
2022	\$ 27,453,750
2023	\$ 27,424,073
2024	\$ 9,184,235
2025	\$ (1,309,868)
Thereafter	-



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

Actuarial assumptions. Common actuarial assumptions for both OPEB plans follow individual note disclosures for each OPEB plan.

Inflation	3.00%
	3.50 - 8.10%, include 3.50% inflation and productivity factor
Salary increases investment rate of return	7.00%, net of OPEB plan investment expense, including inflation
Healthcare cost trend rate - medical	5.00 - 6.50%
Healthcare cost trend rate - prescription drug	5.00 - 9.50%
Healthcare cost trend rate - Medicare advantage	5.00%
Healthcare cost trend rate - administrative	3.00%

Discount rate. The discount rate used to measure the total OPEB liability for the RHBF was 3.5%, a decrease of .37%. The projection of cash flow used to determine the discount rate assumed that contributions from employers would be made at the current statutorily determined contribution rate. Based on the above assumptions, the plan's fiduciary net position was not projected to be available to make projected future benefit payments of current plan members. As a result, a municipal bond rate of 3.5% was used as the discount rate used to measure the total OPEB liability. The 3.5% rate is based on the Bond Buyer 20-year General Obligation Index as of June 30, 2019.

Sensitivity of the Board's proportionate share of the net OPEB liability to changes in the discount rate. The following presents the Board's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50 percent) or 1-percentage point higher (4.5 percent) than the current discount rate:

	1% Decrease (2.50%)	Discount Rate (3.50%)	1% Increase (4.50%)
Net OPEB Liability	\$ 366,294,827	\$ 308,233,938	\$ 261,746,511

Sensitivity of the Board's proportionate share of the net OPEB liability to changes in the healthcare trend rates. The following presents the Board's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.50 percent) or 1-percentage point higher (4.50 percent) than the current discount rate:

	1% Decrease	Healthcare Trend Rates	1% Increase
	(Medical - 4.00 - 5.50%, Pharmacy - 4.00 - 8.50%, Medicare Advantage - 4.00%, Administrative - 2.00%)	(Medical - 5.00 - 6.50%, Pharmacy - 5.00 - 9.50%, Medicare Advantage - 5.00%, Administrative - 3.00%)	(Medical - 6.00 - 7.50%, Pharmacy - 6.00 - 10.50%, Medicare Advantage - 6.00%, Administrative - 4.00%)
Net OPEB Liability	\$ 253,808,349	\$ 308,233,938	\$ 379,797,925



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

OPEB plan fiduciary net position. Detailed information about the OPEB plan's fiduciary net position is available in the separately issued CAFR for the State of North Carolina.

Disability Benefits

Plan description. Short-term and long-term disability benefits are provided through the Disability Income Plan of North Carolina (DIPNC), a cost-sharing, multiple-employer defined benefit plan, to the eligible members of TSERS which includes employees of the State, the University of North Carolina System, community colleges, certain Local Education Agencies, and ORP.

Management of the plan is vested in the State Health Plan Board of Trustees, which consists of 13 members – eight appointed by the Governor, one appointed by the State Senate, one appointed by the State House of Representatives, and the State Treasurer, the State Superintendent, and the Director of the Office of State Human Resources who serve as ex-officio members.

The financial statements and other required disclosures for the plan are presented in the State of North Carolina's CAFR, which can be found at <https://www.osc.nc.gov/public-information/reports>.

Benefits Provided. Long-term disability benefits are payable as an OPEB from DIPNC after the conclusion of the short-term disability period or after salary continuation payments cease, whichever is later, for as long as an employee is disabled. An employee is eligible to receive long-term disability benefits provided the following requirements are met: (1) the employee has five or more years of contributing membership service in TSERS or ORP, earned within 96 months prior to the end of the short-term disability period or cessation of salary continuation payments, whichever is later; (2) the employee must make application to receive long-term benefits within 180 days after the conclusion of the short-term disability period or after salary continuation payments cease or after monthly payments for Workers' Compensation cease (excluding monthly payments for permanent partial benefits), whichever is later; (3) the employee must be certified by the Medical Board to be mentally or physically disabled for the further performance of his/her usual occupation; (4) the disability must have been continuous, likely to be permanent, and incurred at the time of active employment; (5) the employee must not be eligible to receive an unreduced retirement benefit from TSERS after (1) reaching the age of 65 and completing 5 years of membership service, or (2) reaching the age of 60 and completing 25 years of creditable service, or (3) completing 30 years of service at any age.

Contributions. Benefit and contribution provisions are established by Chapter 135, Article 6, of the General Statutes and may be amended only by the North Carolina General Assembly. The plan does not provide for automatic post-retirement benefit increases. Disability income benefits are funded by actuarially determined employer contributions that are established in the Appropriations Bill by the General Assembly and coincide with the State fiscal year. For the fiscal year ended June 30, 2020, employers made a statutory contribution of .10% of covered payroll which was equal to the actuarially required contribution. Board contributions to the plan were \$162,562 for the year ended June 30, 2020.

The contributions cannot be separated between the amounts that relate to other postemployment benefits and employment benefits for active employees. Those individuals who are receiving extended short-term disability benefit payments cannot be separated from the number of members currently



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

eligible to receive disability benefits as an other postemployment benefit.

At June 30, 2020, the Board reported an asset of \$422,361 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2019, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2018. The total OPEB asset was then rolled forward to the measurement date of June 30, 2019 utilizing update procedures incorporating the actuarial assumptions. The Board's proportion of the net OPEB liability was based on a projection of the Board's present value of future salary, actuarially determined. At June 30, 2019 and 2018, the Board's proportion was .979% and 1.002%, respectively.

\$162,562 reported as deferred outflows of resources related to OPEB resulting from Board contributions subsequent to the measurement date will be recognized as a decrease of the net OPEB liability in the year ending June 30, 2021. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended June 30:	
2021	\$164,585
2022	\$117,166
2023	\$ 84,424
2024	\$ 51,125
2025	\$ 72,334
Thereafter	\$ 1,913

Actuarial assumptions. Common actuarial assumptions for both OPEB plans follow individual note disclosures for each OPEB plan.

Inflation	3.00%
Salary increases	3.5% - 8.10%, include 3.5% inflation and productivity factor
Investment rate of return	3.75%, net of OPEB plan expense, including inflation

Sensitivity of the Board's proportionate share of the net OPEB asset to changes in the discount rate. The following presents the Board's proportionate share of the net OPEB liability, as well as what the District's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.75percent) or 1-percentage point higher (4.75 percent) than the current discount rate:

	1% Decrease (2.75%)	Discount Rate (3.75%)	1% Increase (4.75%)
Net OPEB Asset	\$ 357,729	\$ 422,361	\$ 485,162

Common actuarial assumptions for both OPEB plans. The total OPEB liability was determined by an actuarial valuation performed as of December 31, 2018 using the following actuarial assumptions, applied to all periods in the measurement, unless otherwise specified. The total OPEB liability was calculated through the use of update procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2019. The update procedures incorporated the actuarial assumptions used in the valuation. The entry age normal cost method was utilized.



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. teacher, general, law enforcement officer), and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions were based on the results of an actuarial experience review for the period January 1, 2010 through December 31, 2014.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Fixed Income	29.0%	1.4%
Global Equity	42.0%	5.3%
Real Estate	8.0%	4.3%
Alternatives	8.0%	8.9%
Credit	7.0%	6.0%
Inflation Protection	6.0%	4.0%
Total	100.0%	

Following is information related to the proportionate share and pension expense:

	<u>RHBF</u>	<u>DIPNC</u>	<u>TOTAL</u>
OPEB Expense	\$ (2,454,755)	\$ 394,582	\$ (2,060,173)
OPEB Liability (Asset)	308,233,938	(422,361)	307,811,577
Proportionate share of the net OPEB liability (asset)	.974%	.979%	
Deferred Outflows of Resources			
Differences between expected and actual experience	-	431,474	431,474
Changes of assumptions	14,815,174	46,788	14,861,962
Net difference between projected and actual earnings on plan investments	205,259	80,449	285,708
Changes in proportion and differences between Board contributions and proportionate share of contributions	11,710,986	12,716	11,723,702
Board contributions subsequent to the measurement date	10,517,766	162,562	10,680,328
Deferred Inflows of Resources			
Differences between expected and actual experience	15,538,873	-	15,538,873
Changes of assumptions	92,668,631	43,332	92,711,963
Net difference between projected and actual earnings on plan investments	-	-	-
Changes in proportion and differences between Board contributions and proportionate share of contributions	8,729,854	36,549	8,766,403



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

Accounts Payable and Accrued Expenses

Accounts payable at June 30, 2020, are as follows:

	Vendors	Salaries and Benefits	Due to other Governments	Total
Governmental Activities:				
General Fund	\$ 571,888	\$ 1,107,506	\$ 42,451	\$ 1,721,845
State Public School Fund	-	7,916,468	-	7,916,468
Capital Outlay Fund	8,142,079	-	-	8,142,079
Federal Grants Fund	-	537,967	-	537,967
Other Specific Revenue Fund	635,204	153,494	-	788,698
Total governmental activities	\$ 9,349,171	\$ 9,715,435	\$ 42,451	\$ 19,107,057
Business-type Activities:				
School Food Service Fund	\$ 452,288	\$ -	\$ -	\$ 452,288

Deferred Inflows of Resources

The balance in deferred inflows of resources at year-end is composed of the following elements:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in proportion and difference between employer contributions and proportionate share of contributions	\$ 12,094,041	\$ 10,582,623
Change in assumption	27,047,688	92,711,963
Difference between projected and actual earnings on plan investments	2,477,868	-
Difference between expected and actual experience	9,997,728	15,767,819
Sales tax refunds (State Public School Fund and Federal Grants Fund)	-	27,003
Prepaid lunches	-	217,953
Board contributions subsequent to the measurement date	31,764,629	-
Total	\$ 83,381,954	\$ 119,307,361

Unearned Revenues

The balance in unearned revenues at year-end is composed of the following elements:

	Unavailable Revenue
Grants not yet earned (General & Other Specific Revenue Fund)	\$ 4,323,916
Total	\$ 4,323,916



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

Risk Management

The Board is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. Statutory workers' compensation coverage is purchased through private insurers. Coverage is provided to the extent employees are paid from Federal or local funds. Workers' Compensation coverage is provided by the State of North Carolina through a self-insured fund, to the extent employees are paid from State funds.

The Board carries commercial coverage for all other risks of loss. There have been no significant reductions in insurance coverage in the prior year, and claims have not exceeded coverage in any of the past three fiscal years.

- The general liability coverage provides limits of \$1 million per occurrence subject to a \$2 million aggregate. Third party medical payments at \$15,000. Third party fire damage at \$500,000. Employee benefits are covered at \$1 million per occurrence, \$3 million aggregate. Health Occupational Education coverage is at \$1 million per occurrence and \$1 million aggregate and Job Shadowing and Job Internship coverage is \$10,000 accidental death benefit, \$10,000 accidental dismemberment and \$10,000 accidental medical expense. Abuse or Molestation coverage provides a \$1 million per occurrence subject to a \$2 million aggregate. Law Enforcement coverage provides \$1 million per wrongful act subject to a \$1 million aggregate.
- The automobile policy has a \$1 million combined single limit for bodily injury and property damage for all owned vehicles. There is not an aggregate limit for automobile liability. Coverage for under insured and uninsured motorist is \$1 million. Scheduled autos are covered for physical damage up to actual cash value (cost to repair or replace less depreciation). Hired autos are also covered for physical damage at the actual cash value. Coverage for garage keepers' comprehensive and collision is \$60,000 each.
- School Leaders Errors and Omissions liability coverage with a \$1 million per occurrence subject to a \$2 million aggregate, which carries a \$5,000 deductible.
- Umbrella coverage in the amount of \$5 million per occurrence subject to a \$5 million aggregate applies as excess over the general liability, automobile liability and employer's liability, employee benefits liability, school leaders errors and omissions, abuse or molestation, law enforcement professional liability, and health occupational education liability; subject to a self-insured retention of \$10,000.
- The property policy provides blanket real and personal property coverage with a total limit of \$500 million, which carries a \$25,000 deductible per incident.
- Flood coverage is provided at a limit of \$5 million, with a \$50,000 deductible in all zones except for zone A which carries a \$1 million limit. There are no school buildings in zone A.
- Earthquake coverage is provided at a limit of \$5 million, with a \$50,000 deductible.
- Boiler and machinery coverage is provided at specific locations with a total blanket limit of \$100 million subject to a \$5,000 deductible.



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

- Inland marine coverage is provided for certain property at scheduled limits, which carries a \$500 deductible per incident.
- Crime coverage is also provided with a \$500,000 limit for public employees' dishonesty, \$500,000 for forgery or alteration subject to a \$2,500 deductible and, \$100,000 inside and outside premises for theft of money and securities subject to a \$2,500 deductible.
- Performance bond is provided for the Finance Officer with \$100,000 coverage.

The Board also participates in the Teachers' and State Employees' Comprehensive Major Medical Plan, a self-funded risk financing pool of the State administered by Blue Cross and Blue Shield of North Carolina. Through the Plan, permanent full-time employees of the Board are eligible to receive health care benefits with an unlimited lifetime limit. The Board pays the full cost of coverage for employees enrolled in the Comprehensive Major Medical Plan.

Contingent Liabilities

At June 30, 2020, the Board was a defendant to various lawsuits. In the opinion of the Board's management and the Board's attorney, the ultimate effect of these legal matters will not have a material adverse effect on the Board's financial position.

Long-Term Obligations

a. Capital Leases

As authorized in State law [G.S. 115C-528(a)], the Board entered into various lease agreements for certain vehicles and equipment. The leasing arrangements were made for various years, and at the conclusion of each term, ownership is transferred to the Board. The direct placement installment purchase contracts are summarized below.

At June 30, 2020, assets recorded direct placement installment purchase contracts were as follows:

<u>Classes of Property</u>	<u>Cost</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
Buses	\$ 6,948,433	\$ 2,983,821	\$ 3,964,612

The following is a schedule of the future minimum payments of the direct placement installment purchases as of June 30, 2020:

<u>Year Ending June 30</u>	<u>Governmental Activities</u>
2021	992,000
2022	193,755
	\$ 1,185,755



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (continued)

b. Long-Term Obligations

The following is a summary of changes in the Board's long-term obligations for the fiscal year ended June 30, 2020:

	Beginning Balance, restated	Additions	Reductions	Ending Balance	Current Portion
Governmental Activities:					
Capitalized leases	\$ 2,428,886	\$ -	\$ 1,243,131	\$ 1,185,755	\$ 992,000
Compensated absences	16,368,414	8,629,125	8,698,101	16,299,438	8,698,000
Net pension liability	109,519,924	2,081,425	-	111,601,349	-
Net OPEB liability	276,500,456	24,292,715	-	300,793,171	-
Total	<u>\$ 404,817,680</u>	<u>\$ 35,003,265</u>	<u>\$ 9,941,232</u>	<u>\$ 429,879,713</u>	<u>\$ 9,690,000</u>
Business-Type Activities:					
Compensated absences	\$ 469,854	\$ 285,427	\$ 209,782	\$ 545,499	\$ 210,000
Net pension liability	2,476,121	284,579	-	2,760,700	-
Net OPEB liability	6,251,360	1,189,407	-	7,440,767	-
Total	<u>\$ 9,197,335</u>	<u>\$ 1,759,413</u>	<u>\$ 209,782</u>	<u>\$ 10,746,966</u>	<u>\$ 210,000</u>

The Board is authorized to finance the purchase of school buses under G.S. 115C-528(a). Session law 2003-284, section 7.25 authorized the State Board of Education to allot monies for the payments on financing contracts entered into pursuant to G.S. 115C-528. The financing contract requires only principal payments of each contract year.

Compensated absences for governmental activities are typically liquidated by the general and other governmental funds.

C. **Interfund Activity**

Transfers to/from other funds at June 30, 2020, consist of the following:

Transfers From	Transfers To	Amount
State Public School Fund	School Food Service Fund	\$ 499,968

The State Public School Fund paid salaries and benefits of \$499,968 to administrative personnel of the School Food Service Fund during the fiscal year. The salaries and benefits are paid to meet requirements of the United States Department of Agriculture Food and Nutrition Service which requires a local effort, or contribution, to the program.

D. **Fund Balance**

The Board of Education has a revenue spending policy that provides policy for programs with multiple revenue sources. The Finance Officer will use resources in the following hierarchy: federal funds, State funds, local non-Board of Education funds, Board of Education funds. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in-order by



NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020 (concluded)

committed fund balance, assigned fund balance and lastly unassigned fund balance. The Finance Officer has the authority to deviate from this policy if it is in the best interest of the Board of Education.

The following schedule provides management and citizens with information on the portion of General fund balance that is available for appropriation.

Total fund balance - General Fund	\$	6,106,012
<i>Less:</i>		
Prepays		1,007,251
Stabilization by State Statute		96,766
Appropriated Fund Balance in 2020 Budget		150,000
Remaining Fund Balance	<u>\$</u>	<u>4,851,995</u>

Encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end.

		<u>General Fund</u>
Encumbrances	\$	-

NOTE 3: SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

Federal and State Assisted Programs

The Board has received proceeds from several federal and State grants. Periodic audits of these grants are required and certain costs may be questioned as not being appropriate expenditures under the grant agreements. Such audits could result in the refund of grant monies to the grantor agencies. Management believes that any required refunds will be immaterial. No provision has been made in the accompanying financial statements for the refund of grant monies.

REQUIRED SUPPLEMENTARY INFORMATION



**GASTON COUNTY SCHOOLS, NORTH CAROLINA
SCHEDULE OF BOARD CONTRIBUTIONS
TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM
LAST SEVEN FISCAL YEARS***

	2020	2019	2018	2017
Contractually required contribution	\$ 21,084,301	\$ 20,017,439	\$ 17,024,028	\$ 15,052,013
Contributions in relation to the contractually required contribution	\$ 21,084,301	\$ 20,017,439	\$ 17,024,028	\$ 15,052,013
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Board's covered payroll	\$ 162,562,071	\$ 162,875,827	\$ 157,922,335	\$ 150,821,769
Contributions as a percentage of covered payroll	12.97%	12.29%	10.78%	9.98%
	2016	2015	2014	
Contractually required contribution	\$ 13,196,128	\$ 13,032,434	\$ 11,661,897	
Contributions in relation to the contractually required contribution	\$ 13,196,128	\$ 13,032,434	\$ 11,661,897	
Contribution deficiency (excess)	\$ -	\$ -	\$ -	
Board's covered payroll	\$ 144,219,980	\$ 142,430,973	\$ 134,199,040	
Contributions as a percentage of covered payroll	9.15%	9.15%	8.69%	

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30. Information is not required to be presented retroactively.

**GASTON COUNTY SCHOOLS, NORTH CAROLINA
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM
LAST SEVEN FISCAL YEARS***

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Board's proportion of the net pension liability (asset)	1.10%	1.13%	1.10%	1.09%
Board's proportionate share of the net pension liability (asset)	\$ 114,362,049	\$ 111,996,045	\$ 87,036,057	\$ 99,920,315
Board's covered payroll	\$ 162,875,827	\$ 157,922,335	\$ 150,821,769	\$ 144,219,980
Board's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	70.21%	70.92%	57.71%	69.28%
Plan fiduciary net position as a percentage of the total pension liability	87.56%	87.61%	89.51%	87.32%
	<u>2016</u>	<u>2015</u>	<u>2014</u>	
Board's proportion of the net pension liability (asset)	1.06%	1.04%	1.03%	
Board's proportionate share of the net pension liability (asset)	\$ 38,920,465	\$ 12,111,578	\$ 63,332,870	
Board's covered payroll	\$ 142,430,973	\$ 134,199,040	\$ 136,064,083	
Board's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	27.33%	9.03%	46.55%	
Plan fiduciary net position as a percentage of the total pension liability	94.64%	98.24%	90.60%	

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30. Information is not required to be presented retroactively.

**GASTON COUNTY BOARD OF EDUCATION
SCHEDULE OF CONTRIBUTIONS
DISABILITY INCOME PLAN OF NORTH CAROLINA
LAST TEN FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 162,562	\$ 228,026	\$ 221,091	\$ 573,123	\$ 591,302
Contributions in relation to the contractually required contribution	<u>162,562</u>	<u>228,026</u>	<u>221,091</u>	<u>573,123</u>	<u>591,302</u>
Contribution deficiency (excess)	<u>\$ -</u>				
Board's covered payroll	\$ 162,562,071	\$ 162,875,827	\$ 157,922,335	\$ 150,821,769	\$ 144,219,980
Contributions as a percentage of covered payroll	0.10%	0.14%	0.14%	0.38%	0.41%
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually required contribution	\$ 583,967	\$ 590,476	\$ 598,682	\$ 713,141	\$ 759,568
Contributions in relation to the contractually required contribution	<u>583,967</u>	<u>590,476</u>	<u>598,682</u>	<u>713,141</u>	<u>759,568</u>
Contribution deficiency (excess)	<u>\$ -</u>				
Board's covered payroll	\$ 142,430,973	\$ 134,199,040	\$ 136,064,083	\$ 137,142,500	\$ 146,070,769
Contributions as a percentage of covered payroll	0.41%	0.44%	0.44%	0.52%	0.52%

**GASTON COUNTY BOARD OF EDUCATION
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB ASSET
DISABILITY INCOME PLAN OF NORTH CAROLINA
LAST FOUR FISCAL YEARS***

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Board's proportion of the net OPEB asset	0.979%	1.002%	0.958%	0.974%
Board's proportionate share of the net OPEB asset	\$ 422,361	\$ 304,450	\$ 594,942	\$ 605,096
Board's covered payroll	\$ 162,875,827	\$ 157,922,335	\$ 150,821,769	\$ 144,219,980
Board's proportionate share of the net OPEB asset as a percentage of its covered payroll	0.26%	0.19%	0.39%	0.42%
Plan fiduciary net position as a percentage of the total OPEB asset	113.00%	108.47%	116.23%	116.06%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

Note: This is a ten year schedule. However, GASB 75 was not adopted until the fiscal year ended June 30, 2018. Therefore, there are only four years of data presented.

**GASTON COUNTY BOARD OF EDUCATION
SCHEDULE OF BOARD CONTRIBUTIONS
RETIREE HEALTH BENEFIT FUND
LAST TEN FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually required contribution	\$ 10,517,766	\$ 10,212,314	\$ 9,554,301	\$ 8,762,745	\$ 8,076,319
Contributions in relation to the contractually required contribution	<u>10,517,766</u>	<u>10,212,314</u>	<u>9,554,301</u>	<u>8,762,745</u>	<u>8,076,319</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Board's covered payroll	\$ 162,562,071	\$ 162,875,827	\$ 157,922,335	\$ 150,821,769	\$ 144,219,980
Contributions as a percentage of covered payroll	6.47%	6.27%	6.05%	5.81%	5.60%
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Contractually required contribution	\$ 7,819,460	\$ 7,246,748	\$ 7,211,396	\$ 6,857,126	\$ 7,157,465
Contributions in relation to the contractually required contribution	<u>7,819,460</u>	<u>7,246,748</u>	<u>7,211,396</u>	<u>6,857,126</u>	<u>7,157,465</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Board's covered payroll	\$ 142,430,973	\$ 134,199,040	\$ 136,064,083	\$ 137,142,500	\$ 146,070,769
Contributions as a percentage of covered payroll	5.49%	5.40%	5.30%	5.00%	4.90%

**GASTON COUNTY BOARD OF EDUCATION
 SCHEDULE OF THE BOARD'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
 RETIREE HEALTH BENEFIT FUND
 LAST FOUR FISCAL YEARS***

	2020	2019	2018	2017
Board's proportion of the net OPEB liability (asset)	0.974%	0.993%	0.997%	0.941%
Board's proportionate share of the net OPEB liability (asset)	\$ 308,233,938	\$ 282,751,816	\$ 326,892,034	\$ 409,571,482
Board's covered payroll	\$ 162,875,827	\$ 157,922,335	\$ 150,821,769	\$ 144,219,980
Board's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	189.24%	179.04%	216.74%	283.99%
Plan fiduciary net position as a percentage of the total OPEB liability	4.40%	4.40%	3.52%	2.41%

* The amounts presented for each fiscal year were determined as of the prior fiscal year ending June 30.

Note: This is a ten year schedule. However, GASB 75 was not adopted until the fiscal year ended June 30, 2018. Therefore, there are only four years of data presented.





**COMBINING AND
INDIVIDUAL FUND STATEMENTS
AND SCHEDULES**

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 2020

Number of Graduates 2,246
 Approximately 900 academic, athletic
 and merit scholarships offered, totaling
 more than \$37.6 million.
 Graduation rate 88.0%



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)	3,827
Total Number of Teachers	1,840
Average Years of Experience for Teachers	13

GASTON COUNTY BOARD OF EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
For the Fiscal Year Ended June 30, 2020

Exhibit A

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
State of North Carolina	\$ -	\$ -	\$ -	\$ -
Gaston County				
Appropriation from general revenues	50,311,704	50,311,704	50,311,704	-
Other				
Fines and forfeitures	700,000	700,000	822,193	122,193
Interest earned on investments	50,000	50,000	248,141	198,141
Miscellaneous revenue and reimbursements	-	609	608	(1)
Total other	750,000	750,609	1,070,942	320,333
Total revenues	51,061,704	51,062,313	51,382,646	320,333
Expenditures				
Instructional services				
Regular	14,191,834	13,464,260	13,464,260	-
Special populations	1,512,827	2,147,428	2,147,428	-
Alternative programs	207,030	214,922	214,922	-
School leadership	6,993,345	6,206,774	6,206,774	-
Co-curricular	1,614,199	1,591,161	1,591,161	-
School-based support	2,075,258	1,708,514	1,708,514	-
Total instructional services	26,594,493	25,333,059	25,333,059	-
System-wide support services				
Support and development	531,127	493,509	493,509	-
Special population support and development	182,618	166,595	166,595	-
Alternative programs and services support and development	148,794	138,032	138,032	-
Technology support	2,859,958	2,505,069	2,505,069	-
Operational support	13,121,177	13,710,217	13,338,580	371,637
Financial and human resource	1,634,272	2,519,565	1,901,475	618,090
Accountability	410,175	439,991	439,991	-
System-wide pupil support	515,158	452,524	452,524	-
Policy, leadership and communications	1,403,932	1,280,970	1,280,970	-
Total system-wide support services	20,807,211	21,706,472	20,716,745	989,727
Ancillary services	-	19,918	19,918	-
Non-programmed charges				
Payments to other charter schools	3,660,000	4,002,864	4,002,863	1
Total expenditures	51,061,704	51,062,313	50,072,585	989,728

**GASTON COUNTY BOARD OF EDUCATION
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL - GENERAL FUND
 For the Fiscal Year Ended June 30, 2020**

**Exhibit A
 (continued)**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues over (under) expenditures	-	-	1,310,061	1,310,061
Other financing uses				
Transfers to other funds	-	-	-	-
Expenditures and other uses over (under) revenues	-	-	1,310,061	1,310,061
Fund balance appropriated	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	1,310,061	<u>\$ 1,310,061</u>
Fund balance, beginning			<u>4,795,951</u>	
Fund balance, ending			<u>\$ 6,106,012</u>	

**GASTON COUNTY BOARD OF EDUCATION
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 For the Fiscal Year Ended June 30, 2020**

Exhibit B-1

	<u>Individual Schools Fund</u>	<u>Federal Grants Fund</u>	<u>Total Non-Major Governmental Funds</u>
Assets			
Cash and cash equivalents	\$ 2,497,930	\$ -	\$ 2,497,930
Due from other funds	-	19,271	19,271
Due from other governments	-	537,967	537,967
Total revenues	<u>\$ 2,497,930</u>	<u>\$ 557,238</u>	<u>\$ 3,055,168</u>
Liabilities and Fund Balances			
Liabilities			
Accrued salaries and wages payable	\$ -	\$ 537,967	\$ 537,967
Total liabilities	<u>-</u>	<u>537,967</u>	<u>537,967</u>
Deferred inflows of resources	-	19,271	19,271
Fund balances			
Restricted:			
Individual Schools	<u>2,497,930</u>	<u>-</u>	<u>2,497,930</u>
Total fund balances	<u>2,497,930</u>	<u>-</u>	<u>2,497,930</u>
Total liabilities and fund balances	<u>\$ 2,497,930</u>	<u>\$ 557,238</u>	<u>\$ 3,055,168</u>

GASTON COUNTY BOARD OF EDUCATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended June 30, 2020

Exhibit B-2

	<u>Individual Schools Fund</u>	<u>Federal Grants Fund</u>	<u>Total Non-Major Governmental Funds</u>
Revenues			
State of North Carolina	\$ -	\$ -	\$ -
Gaston County	-	-	-
U.S. Government	-	19,579,011	19,579,011
Other	6,342,651	-	6,342,651
Total revenues	<u>6,342,651</u>	<u>19,579,011</u>	<u>25,921,662</u>
Expenditures			
Current			
Instructional services			
Regular	-	776,161	776,161
Special populations	-	6,279,272	6,279,272
Alternative programs	-	9,380,435	9,380,435
School leadership	-	-	-
Co-curricular	6,075,111	-	6,075,111
School-based support	-	840,423	840,423
System-wide support services			
Support and development	-	762,166	762,166
Special population support and development	-	495,092	495,092
Alternative programs and services support and development	-	229,593	229,593
Technology support	-	-	-
Operational support	-	-	-
Financial and human resource	-	162,167	162,167
Accountability services	-	13,637	13,637
Policy, leadership and public relations	-	215,500	215,500
Ancillary services	-	-	-
Non-programmed charges	-	424,565	424,565
Total expenditures	<u>6,075,111</u>	<u>19,579,011</u>	<u>25,654,122</u>
Revenues over expenditures	267,540	-	267,540
Other financing uses			
Transfers to other funds	-	-	-
Net change in fund balance	267,540	-	267,540
Fund balances, beginning	<u>2,230,390</u>	<u>-</u>	<u>2,230,390</u>
Fund balances, ending	<u>\$ 2,497,930</u>	<u>\$ -</u>	<u>\$ 2,497,930</u>

**GASTON COUNTY BOARD OF EDUCATION
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
FEDERAL GRANTS FUND
For the Fiscal Year Ended June 30, 2020**

Exhibit B-3

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
U. S. Government	\$ 19,927,885	\$ 30,288,665	\$ 19,579,011	\$ (10,709,654)
Total revenues	<u>19,927,885</u>	<u>30,288,665</u>	<u>19,579,011</u>	<u>(10,709,654)</u>
Expenditures				
Instructional services	16,942,726	23,422,349	17,276,291	6,146,058
System-wide support services	2,476,024	5,518,167	1,878,155	3,640,012
Ancillary Services	-	277,446	-	277,446
Non-programmed charges	509,135	1,070,703	424,565	646,138
Unbudgeted funds	-	-	-	-
Total expenditures	<u>19,927,885</u>	<u>30,288,665</u>	<u>19,579,011</u>	<u>10,709,654</u>
Revenues over expenditures	-	-	-	-
Transfers to other funds	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund balance, beginning			-	
Fund balance, ending			<u>\$ -</u>	

GASTON COUNTY BOARD OF EDUCATION
SCHEDULES OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL OUTLAY FUND
For the Fiscal Year Ended June 30, 2020

Exhibit C

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
State of North Carolina				
Public School Building Capital Fund	\$ -	\$ -	\$ -	\$ -
Sales tax refund	-	-	51,364	51,364
State appropriations - buses	-	1,527,182	1,243,131	(284,051)
Total State of North Carolina	-	1,527,182	1,294,495	(232,687)
Gaston County				
Bonds	6,507,935	60,848,474	31,259,117	(29,589,357)
General county revenues	1,689,496	2,965,358	2,226,931	(738,427)
Total Gaston County	8,197,431	63,813,832	33,486,048	(30,327,784)
Total revenues	8,197,431	65,341,014	34,780,543	(30,560,471)
Expenditures				
Capital outlay				
Real property and buildings	-	-	33,123,395	-
Furniture and equipment	-	-	351,461	-
Buses and motor vehicles	-	-	48,317	-
Total capital outlay	8,197,431	65,341,014	33,523,173	31,817,841
Debt service	-	-	1,243,131	(1,243,131)
Total expenditures	8,197,431	65,341,014	34,766,304	30,574,710
Revenues over (under) expenditures	-	-	14,239	14,239
Other financing sources				
Capital lease obligations issued	-	-	-	-
Transfers to other funds	-	-	-	-
Transfers from other funds	-	-	-	-
Total other financing sources	-	-	-	-
Revenues and other sources over(under) expenditures and other uses	-	-	14,239	14,239
Fund balance appropriated	-	-	-	-
Net change in fund balance	\$ -	\$ -	14,239	\$ 14,239
Fund balance, beginning			63,945	
Fund balance, ending			\$ 78,184	

**GASTON COUNTY BOARD OF EDUCATION
SCHEDULE OF REVENUES AND EXPENDITURES
BUDGET AND ACTUAL (NON-GAAP)
SCHOOL FOOD SERVICE FUND
For the Fiscal Year Ended June 30, 2020**

Exhibit D

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Operating revenues, food sales	\$ 4,570,000	\$ 4,568,172	\$ 2,556,257	\$ (2,011,915)
Operating expenditures				
Business support services				
Purchase of food			6,454,157	
Salaries and benefits			10,411,071	
Indirect costs			900,000	
Materials and supplies			1,289,694	
Capital outlay			610,791	
Other			-	
Total operating expenditures	<u>19,929,500</u>	<u>19,927,672</u>	<u>19,665,713</u>	<u>261,959</u>
Operating loss	(15,359,500)	(15,359,500)	(17,109,456)	(1,749,956)
Non-operating revenues				
Federal reimbursements			11,104,744	
Federal commodities			1,264,573	
Indirect cost not paid			-	
State reimbursements			-	
Other			43,715	
Total non-operating revenues	<u>15,084,500</u>	<u>15,084,500</u>	<u>12,413,032</u>	<u>(2,671,468)</u>
Revenues over (under) expenditures before other financing sources	(275,000)	(275,000)	(4,696,424)	(4,421,424)
Other financing sources				
Transfers from other funds	275,000	275,000	499,968	224,968
Capital contribution	-	-	457,093	457,093
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>(3,739,363)</u>	<u>\$ (4,196,456)</u>
Reconciliation of modified accrual to full accrual basis				
Reconciling items				
Depreciation			(351,398)	
Indirect costs			(118,249)	
Indirect costs not paid			118,249	
Equipment purchases			610,791	
Increase in accrued vacation pay			75,645	
Increase in inventory			137,988	
Change in net position (full accrual)			<u>\$ (3,266,337)</u>	

STATISTICAL SECTION

STATISTICAL SECTION OVERVIEW

The Statistical Section provides financial statement users with additional historical perspective, context, and detail to assist in using information in the financial statements, including information to facilitate in understanding the County's economic condition.

Information is presented in five categories:

Financial Trends

These schedules contain trend information to help the reader understand how the Board's financial performance and well-being have changed over time.

Debt Capacity

This schedule presents information to help the reader assess the affordability of the Board's current levels of outstanding debt.

Revenue Capacity

These schedules contain information to help the reader assess the Board's most significant local revenue source, the property tax.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Board's financial activities take place.

Operating Information

These schedules contain information about operations and resources to help the reader understand how the information in the Board's financial report relates to the services the Board provides and the activities it performs.

SOURCES: *Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports (CAFR) for the relevant year.*

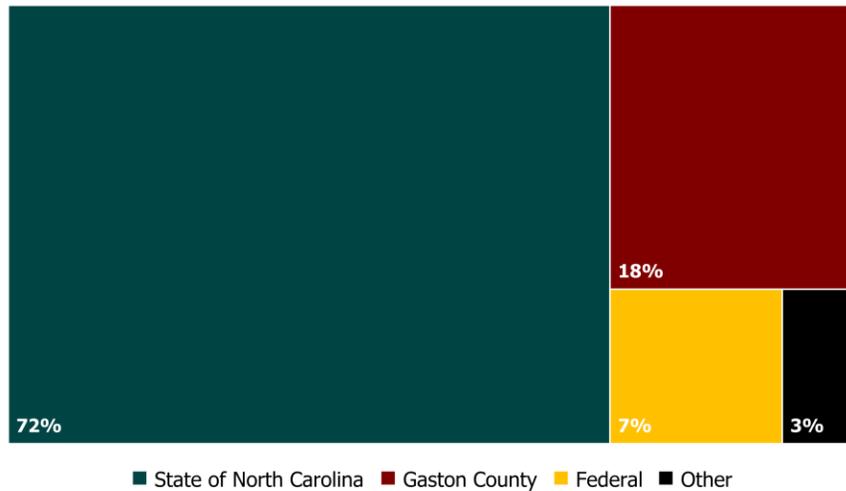


**GASTON COUNTY BOARD OF EDUCATION
Financial Perspective
Government and Business-type Activities
June 30, 2020**

Table 1

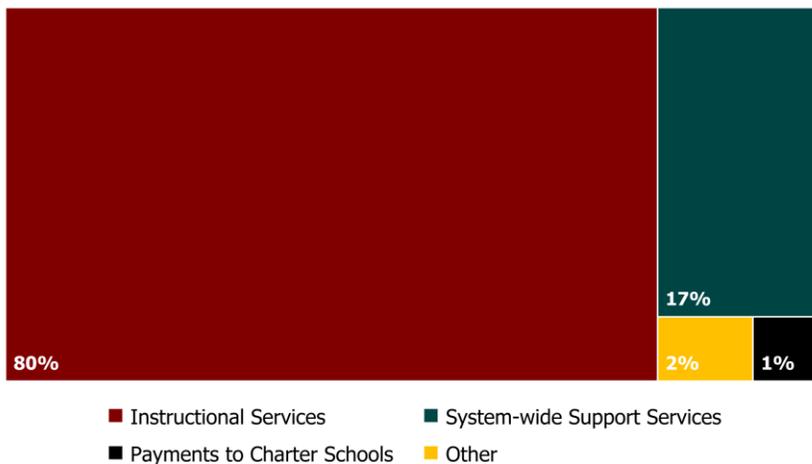
Revenue Sources

State of North Carolina	\$ 197,602,706
Gaston County	50,894,451
Federal	19,948,959
Other	7,770,142
	<u>\$ 276,216,258</u>



Note: Information taken from Exhibit 4. Revenues Sources do not include Capital Outlay or School receipts.

Expenditures/Expenses



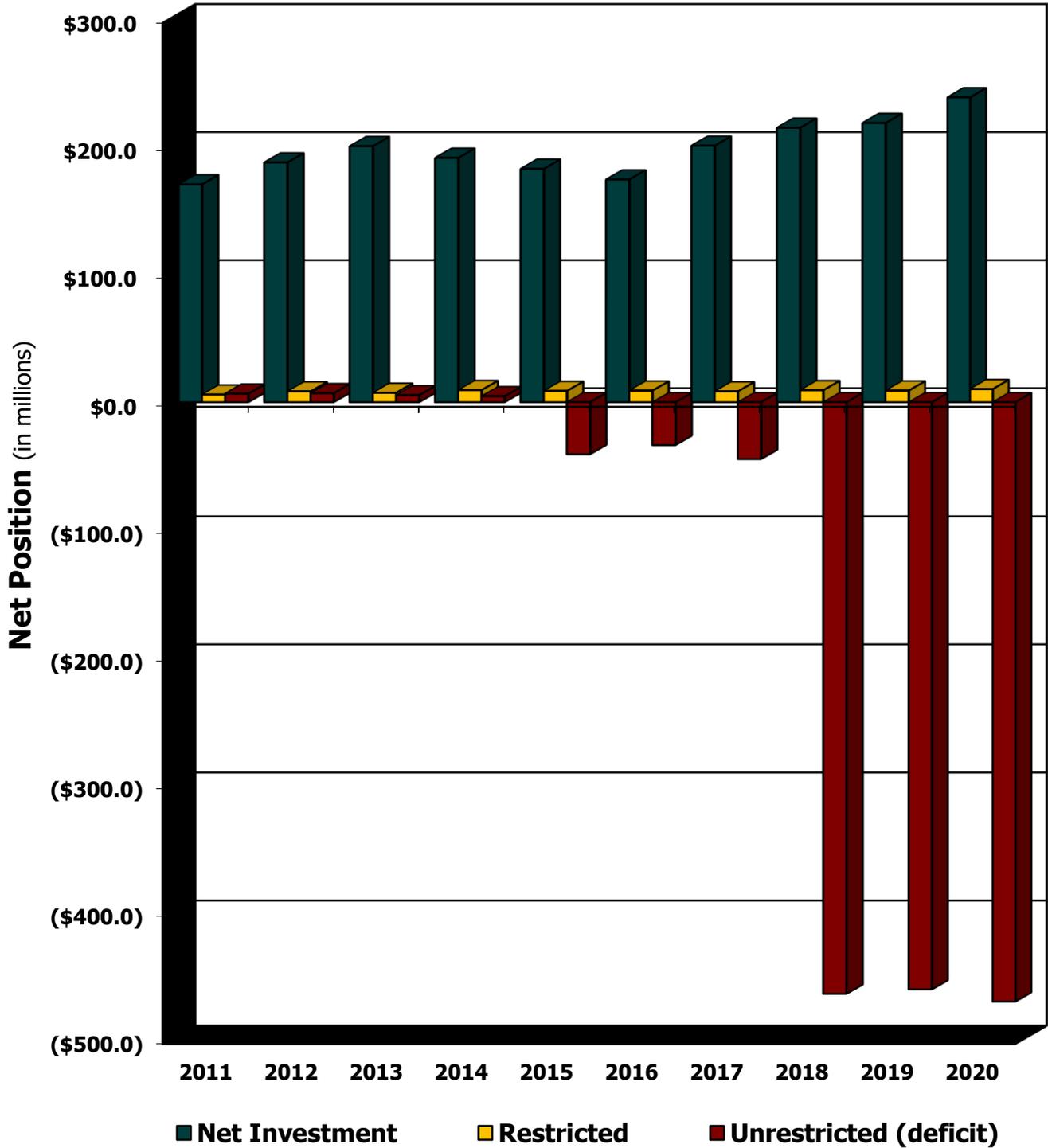
Instructional Services	\$ 229,146,614
System-wide Support Services	47,031,607
Payments to Charter Schools	4,002,863
Other	5,777,075
	<u>\$ 285,958,159</u>

Note: Information taken from Exhibit 4. Expenditures do not include Capital Outlay, but do include payments to charter schools (see Exhibit A).

Source: Gaston County Board of Education annual financial statements

GASTON COUNTY BOARD OF EDUCATION
Net Position by Component
Last Ten Fiscal Years

Table 2



Source: 2011 - 2020 Gaston County Board of Education annual financial statements

GASTON COUNTY BOARD OF EDUCATION
Net Position by Component
Last Ten Fiscal Years

Table 2

	Year Ended June 30				
	2011	2012	2013	2014	2015
Governmental activities:					
Net investment in capital assets	\$ 168,448,485	\$ 185,023,993	\$ 197,764,753	\$ 188,745,413	\$ 180,327,473
Restricted	5,889,512	8,400,901	7,294,071	9,425,514	8,770,636
Unrestricted (deficit)	3,458,544	3,501,197	1,807,132	922,157	(42,572,637)
Total	<u>\$ 177,796,541</u>	<u>\$ 196,926,091</u>	<u>\$ 206,865,956</u>	<u>\$ 199,093,084</u>	<u>\$ 146,525,472</u>
Business-type activities:					
Net investment in capital assets	\$ 1,637,804	\$ 2,165,677	\$ 2,130,673	\$ 2,037,301	\$ 1,867,892
Unrestricted	3,161,912	3,498,791	3,653,200	3,699,955	1,929,895
Total	<u>\$ 4,799,716</u>	<u>\$ 5,664,468</u>	<u>\$ 5,783,873</u>	<u>\$ 5,737,256</u>	<u>\$ 3,797,787</u>
District-wide:					
Net investment in capital assets	\$ 170,086,289	\$ 187,189,670	\$ 199,895,426	\$ 190,782,714	\$ 182,195,365
Restricted	5,889,512	8,400,901	7,294,071	9,425,514	8,770,636
Unrestricted (deficit)	6,620,456	6,999,988	5,460,332	4,622,112	(40,642,742)
Total	<u>\$ 182,596,257</u>	<u>\$ 202,590,559</u>	<u>\$ 212,649,829</u>	<u>\$ 204,830,340</u>	<u>\$ 150,323,259</u>

SOURCE: 2011 - 2020 Gaston County Board of Education annual financial statements

GASTON COUNTY BOARD OF EDUCATION
Net Position by Component
Last Ten Fiscal Years

Table 2
(continued)

	Year Ended June 30				
	2016	2017	2018	2019	2020
Governmental activities:					
Net investment in capital assets	\$ 172,131,872	\$ 198,386,759	\$ 212,465,825	\$ 216,211,595	\$ 235,525,356
Restricted	9,009,677	8,368,888	9,307,633	9,022,441	10,210,746
Unrestricted (deficit)	(35,660,161)	(47,034,759)	(457,338,448)	(453,985,793)	(459,780,674)
Total	<u>\$ 145,481,388</u>	<u>\$ 159,720,888</u>	<u>\$ (235,564,990)</u>	<u>\$ (228,751,757)</u>	<u>\$ (214,044,572)</u>
Business-type activities:					
Net investment in capital assets	\$ 1,795,280	\$ 1,906,853	\$ 1,894,541	\$ 1,806,784	\$ 2,522,255
Unrestricted	2,130,593	2,565,169	(6,076,104)	(5,882,075)	(9,863,883)
Total	<u>\$ 3,925,873</u>	<u>\$ 4,472,022</u>	<u>\$ (4,181,563)</u>	<u>\$ (4,075,291)</u>	<u>\$ (7,341,628)</u>
District-wide:					
Net investment in capital assets	\$ 173,927,152	\$ 200,293,612	\$ 214,360,366	\$ 218,018,379	\$ 238,047,611
Restricted	9,009,677	8,368,888	9,307,633	9,022,441	10,210,746
Unrestricted (deficit)	(33,529,568)	(44,469,590)	(463,414,552)	(459,867,868)	(469,644,557)
Total	<u>\$ 149,407,261</u>	<u>\$ 164,192,910</u>	<u>\$ (239,746,553)</u>	<u>\$ (232,827,048)</u>	<u>\$ (221,386,200)</u>

GASTON COUNTY BOARD OF EDUCATION
Changes in Net Position
Last Ten Fiscal Years

Table 3

	Year Ended June 30				
	2011	2012	2013	2014	2015
Expenses					
Governmental activities:					
Instructional services	\$ 207,016,747	\$ 196,324,372	\$ 197,557,244	\$ 200,643,216	\$ 207,118,760
Support services	40,043,977	43,322,050	42,533,124	44,261,929	45,714,523
Ancillary services	150,272	316,217	319,519	193,051	277,824
Non-programmed charges	-	-	1,989,509	2,749,875	2,995,395
Interest on long-term debt	-	-	-	-	-
Unallocated depreciation expense	842,048	1,019,489	1,278,125	1,406,752	1,463,849
Total governmental activities expenses	<u>248,053,044</u>	<u>240,982,128</u>	<u>243,677,521</u>	<u>249,254,823</u>	<u>257,570,351</u>
Business-type activities:					
School food service	16,203,289	16,285,984	17,300,067	17,939,751	18,649,941
Total primary government expenses	<u>\$ 264,256,333</u>	<u>\$ 257,268,112</u>	<u>\$ 260,977,588</u>	<u>\$ 267,194,574</u>	<u>\$ 276,220,292</u>
Program revenues					
Governmental activities:					
Charges for services					
Regular instructional	\$ 27,967	\$ 21,606	\$ 23,854	\$ -	\$ -
Special instructional programs	-	-	-	-	-
Operational support services	1,194,728	1,161,630	422,214	504,718	1,539,292
Business support services	-	-	-	-	-
Operating grants and contributions	201,774,988	192,810,554	181,434,462	181,909,098	191,705,543
Total governmental activities program revenues	<u>202,997,683</u>	<u>193,993,790</u>	<u>181,880,530</u>	<u>182,413,816</u>	<u>193,244,835</u>
Business-type activities:					
Charges for services	5,528,653	5,274,162	4,873,192	4,783,141	3,630,453
Operating grants and contributions	11,215,217	11,550,953	12,220,781	12,777,485	13,951,649
Capital grants and contributions	-	-	-	-	-
Total business-type activities program revenues	<u>16,743,870</u>	<u>16,825,115</u>	<u>17,093,973</u>	<u>17,560,626</u>	<u>17,582,102</u>
Total program revenues	<u>\$ 219,741,553</u>	<u>\$ 210,818,905</u>	<u>\$ 198,974,503</u>	<u>\$ 199,974,442</u>	<u>\$ 210,826,937</u>
General revenues and other changes in net position					
Governmental activities:					
Unrestricted county appropriations - operating	\$ 41,526,704	\$ 41,526,704	\$ 41,526,704	\$ 43,547,893	\$ 43,816,704
Unrestricted county appropriations - capital	18,932,042	24,735,219	18,523,321	6,501,962	7,617,271
Unrestricted State appropriation - operating	-	-	-	-	-
Unrestricted State appropriation - capital	1,223,462	895,296	732,456	197,364	419,873
Investment earnings, unrestricted	817,570	258,363	12,979	58,235	58,235
Miscellaneous, unrestricted	343,216	1,236,684	11,215,942	9,023,953	10,598,204
Transfers	(267,439)	(302,851)	(274,546)	(261,272)	(246,876)
Total governmental activities general revenues	<u>62,575,555</u>	<u>68,349,415</u>	<u>71,736,856</u>	<u>59,068,135</u>	<u>62,263,411</u>
Business-type activities:					
Unrestricted State appropriations - operating	9,300	21,270	-	-	-
Investment earnings, unrestricted	2,113	-	-	-	-
Miscellaneous, unrestricted	-	1,500	50,953	71,236	85,127
Transfers	267,439	302,851	274,546	261,272	246,876
Total business-type activities general revenues	<u>278,852</u>	<u>325,621</u>	<u>325,499</u>	<u>332,508</u>	<u>332,003</u>
Total general revenues	<u>\$ 62,854,407</u>	<u>\$ 68,675,036</u>	<u>\$ 72,062,355</u>	<u>\$ 59,400,643</u>	<u>\$ 62,595,414</u>
Change in net position					
Governmental activities	\$ 17,520,194	\$ 19,129,550	\$ 9,939,865	\$ (7,772,872)	\$ (2,062,105)
Business-type activities	819,433	864,752	119,405	(46,617)	(735,836)
Total primary government change in net position	<u>\$ 18,339,627</u>	<u>\$ 19,994,302</u>	<u>\$ 10,059,270</u>	<u>\$ (7,819,489)</u>	<u>\$ (2,797,941)</u>

SOURCE: 2011 - 2020 Gaston County Board of Education annual financial statements

GASTON COUNTY BOARD OF EDUCATION
Changes in Net Position
Last Ten Fiscal Years

Table 3
(continued)

	Year Ended June 30				
	2016	2017	2018	2019	2020
Expenses					
Governmental activities:					
Instructional services	\$ 209,759,726	\$ 226,137,572	\$ 244,365,036	\$ 240,010,632	\$ 236,667,493
Support services	44,072,329	46,029,116	47,636,755	46,682,749	55,157,709
Ancillary services	139,876	144,140	82,844	109,980	52,964
Non-programmed charges	3,264,607	3,433,535	3,567,059	3,789,135	4,480,948
Interest on long-term debt	-	-	-	-	-
Unallocated depreciation expense	1,398,508	953,840	1,434,754	1,241,618	5,616,203
Total governmental activities expenses	<u>258,635,046</u>	<u>276,698,203</u>	<u>297,086,448</u>	<u>291,834,114</u>	<u>301,975,317</u>
Business-type activities:					
School food service	19,044,418	18,291,494	18,208,948	17,166,091	19,310,936
Total primary government expenses	<u>\$ 277,679,464</u>	<u>\$ 294,989,697</u>	<u>\$ 315,295,396</u>	<u>\$ 309,000,205</u>	<u>\$ 321,286,253</u>
Program revenues					
Governmental activities:					
Charges for services					
Regular instructional	\$ -	\$ -	\$ -	\$ -	\$ -
Special instructional programs	-	-	-	-	-
Operational support services	594,577	511,750	509,971	780,490	733,344
Business support services	-	-	-	-	-
Operating grants and contributions	193,283,584	202,570,091	209,647,960	219,029,025	218,793,807
Total governmental activities program revenues	<u>193,878,161</u>	<u>203,081,841</u>	<u>210,157,931</u>	<u>219,809,515</u>	<u>219,527,151</u>
Business-type activities:					
Charges for services	3,450,282	3,311,309	3,640,725	3,432,214	3,432,214
Operating grants and contributions	15,464,393	15,434,170	14,753,544	13,740,769	13,740,769
Capital grants and contributions	-	27,391	8,429	44,325	44,325
Total business-type activities program revenues	<u>18,914,675</u>	<u>18,772,870</u>	<u>18,402,698</u>	<u>17,217,308</u>	<u>17,217,308</u>
Total program revenues	<u>\$ 212,792,836</u>	<u>\$ 221,854,711</u>	<u>\$ 228,560,629</u>	<u>\$ 237,026,823</u>	<u>\$ 236,744,459</u>
General revenues and other changes in net position					
Governmental activities:					
Unrestricted county appropriations - operating	\$ 43,816,704	\$ 45,351,704	\$ 47,751,704	\$ 48,351,704	\$ 50,311,704
Unrestricted county appropriations - capital	9,997,818	35,581,481	20,366,466	13,728,484	33,486,048
Unrestricted State appropriation - operating	-	-	-	-	-
Unrestricted State appropriation - capital	382,120	776,902	1,320,638	1,362,340	1,294,495
Investment earnings, unrestricted	88,059	129,229	129,229	273,063	248,101
Miscellaneous, unrestricted	9,665,190	10,892,473	12,899,878	15,176,401	12,314,972
Transfers	(237,090)	(64,773)	(50,977)	(54,160)	(499,969)
Total governmental activities general revenues	<u>63,712,801</u>	<u>92,667,016</u>	<u>82,416,938</u>	<u>78,837,832</u>	<u>97,155,351</u>
Business-type activities:					
Unrestricted State appropriations - operating	-	-	-	-	-
Investment earnings, unrestricted	-	-	-	-	-
Miscellaneous, unrestricted	20,739	-	8,429	895	8,429
Transfers	237,090	64,773	50,977	54,160	50,977
Total business-type activities general revenues	<u>257,829</u>	<u>64,773</u>	<u>59,406</u>	<u>55,055</u>	<u>59,406</u>
Total general revenues	<u>\$ 63,970,630</u>	<u>\$ 92,731,789</u>	<u>\$ 82,476,344</u>	<u>\$ 78,892,887</u>	<u>\$ 97,214,757</u>
Change in net position					
Governmental activities	\$ (1,044,084)	\$ 19,050,654	\$ (4,511,579)	\$ 6,813,233	\$ 14,707,185
Business-type activities	128,086	546,149	244,727	106,272	(3,266,337)
Total primary government change in net position	<u>\$ (915,998)</u>	<u>\$ 19,596,803</u>	<u>\$ (4,266,852)</u>	<u>\$ 6,919,505</u>	<u>\$ 11,440,848</u>

GASTON COUNTY BOARD OF EDUCATION
Governmental Funds
Fund Balances
Last Ten Fiscal Years

Table 4

	Year Ended June 30				
	2011	2012	2013	2014	2015
General Fund					
Nonspendable	\$ -	\$ 1,596,923	\$ 2,018,326	\$ 1,583,728	\$ 1,357,869
Restricted	1,169,337	1,224,358	983,495	3,198,763	1,346,836
Committed	-	\$ 1,375,000	-	-	-
Assigned	1,500,500	1,500,500	1,500,500	1,350,000	3,149,000
Unassigned	11,583,881	6,902,946	8,596,957	8,421,435	6,299,324
Reserved	-	-	-	-	-
Unreserved	-	-	-	-	-
Undesignated	-	-	-	-	-
Total General Fund	<u>\$ 14,253,718</u>	<u>\$ 12,599,727</u>	<u>\$ 13,099,278</u>	<u>\$ 14,553,926</u>	<u>\$ 12,153,029</u>
All Other Governmental Funds					
Nonspendable	\$ 627,265	\$ -	\$ -	\$ -	\$ -
Restricted	4,720,175	7,176,543	6,310,576	6,226,751	7,423,800
Unassigned	(108,285)	(92,564)	(53,385)	(23,559)	-
Committed	-	4,004,093	1,135,340	167,351	-
Reserved	-	-	-	-	-
Undesignated, reported in					
Individual Schools Funds	-	-	-	-	-
Restricted Grants Fund	-	-	-	-	-
Capital Outlay Fund	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 5,239,155</u>	<u>\$ 11,088,072</u>	<u>\$ 7,392,531</u>	<u>\$ 6,370,543</u>	<u>\$ 7,423,800</u>
Total General And All Other Governmental Funds	<u>\$ 19,492,873</u>	<u>\$ 23,687,799</u>	<u>\$ 20,491,809</u>	<u>\$ 20,924,469</u>	<u>\$ 19,576,829</u>
Year Ended June 30					
	2016	2017	2018	2019	2020
General Fund					
Nonspendable	\$ 9,125	\$ -	\$ -	\$ -	\$ 1,007,251
Restricted	602,243	507,429	578,285	368,862	96,766
Committed	-	-	-	-	-
Assigned	3,299,000	1,350,000	150,000	150,000	150,000
Unassigned	4,267,131	3,713,330	4,371,959	4,277,089	4,851,995
Reserved	-	-	-	-	-
Unreserved	-	-	-	-	-
Undesignated	-	-	-	-	-
Total General Fund	<u>\$ 8,177,499</u>	<u>\$ 5,570,759</u>	<u>\$ 5,100,244</u>	<u>\$ 4,795,951</u>	<u>\$ 6,106,012</u>
All Other Governmental Funds					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	8,407,434	7,861,459	7,666,213	7,374,024	7,424,977
Unassigned	-	-	-	-	-
Committed	-	-	-	-	-
Reserved	-	-	-	-	-
Undesignated, reported in					
Individual Schools Funds	-	-	-	-	-
Restricted Grants Fund	-	-	-	-	-
Capital Outlay Fund	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 8,407,434</u>	<u>\$ 7,861,459</u>	<u>\$ 7,666,213</u>	<u>\$ 7,374,024</u>	<u>\$ 7,424,977</u>
Total General And All Other Governmental Funds	<u>\$ 16,584,933</u>	<u>\$ 13,432,218</u>	<u>\$ 12,766,457</u>	<u>\$ 12,169,975</u>	<u>\$ 13,530,989</u>

SOURCE: 2011 - 2020 Gaston County Board of Education annual financial statements

GASTON COUNTY BOARD OF EDUCATION
Governmental Funds
Changes in Fund Balance
Last Ten Fiscal Years

Table 5

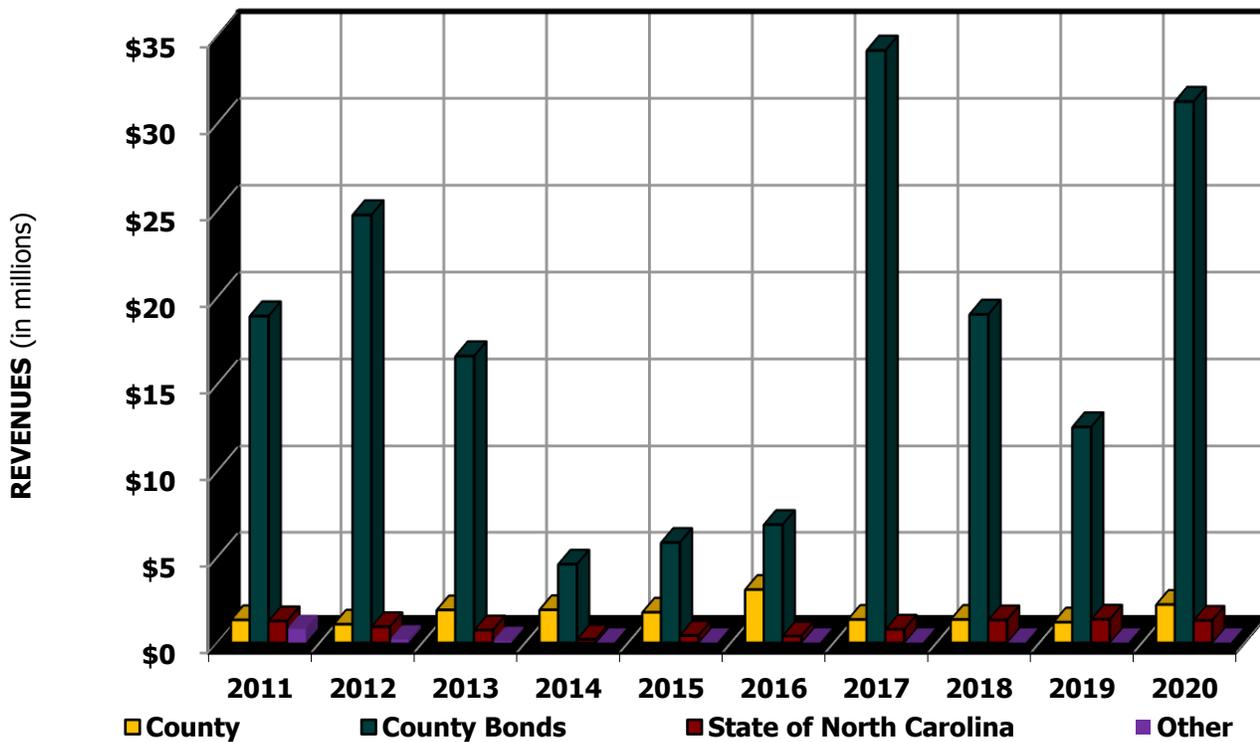
	Year Ended June 30				
	2011	2012	2013	2014	2015
Revenues					
State of North Carolina	\$ 155,852,596	\$ 156,683,540	\$ 161,077,198	\$ 160,299,857	\$ 170,570,712
Gaston County	61,786,070	67,330,656	60,050,025	49,283,666	51,498,975
U.S. Government	38,064,755	26,631,342	21,812,505	20,286,937	20,758,427
School receipts	6,894,458	7,251,449	7,202,786	7,584,887	7,266,206
Other	6,815,453	4,619,756	3,298,153	3,760,436	4,905,760
Total revenues	<u>269,413,332</u>	<u>262,516,743</u>	<u>253,440,667</u>	<u>241,215,783</u>	<u>255,000,080</u>
Expenditures					
Instructional programs	196,478,318	186,613,722	187,412,607	186,065,172	198,628,265
Support services	39,324,637	41,308,542	42,120,477	43,876,298	46,104,517
Ancillary services	158,588	33,213	319,925	777,554	932,528
Non-programmed charges	2,811,159	2,317,074	1,989,509	2,165,338	2,338,628
Debt service					
Principal retirement	1,196,899	337,680	679,074	160,739	321,229
Interest and fiscal charges	-	-	-	-	-
Capital outlay	22,516,992	27,408,735	24,375,092	7,476,750	8,417,167
Total expenditures	<u>262,486,593</u>	<u>258,018,966</u>	<u>256,896,684</u>	<u>240,521,851</u>	<u>256,742,334</u>
Revenues over (under) expenditures	<u>6,926,739</u>	<u>4,497,777</u>	<u>(3,456,017)</u>	<u>693,932</u>	<u>(1,742,254)</u>
Other financing sources (uses)					
Capital lease obligations issued	1,350,718	-	642,957	-	641,490
Transfers to other funds	(267,439)	(266,532)	(2,611,911)	(261,272)	(246,876)
Capital contributions	-	(36,319)	2,228,981	-	-
Total other financing sources (uses)	<u>1,083,279</u>	<u>(302,851)</u>	<u>(382,930)</u>	<u>(261,272)</u>	<u>394,614</u>
Net change in fund balance	<u>\$ 8,010,018</u>	<u>\$ 4,194,926</u>	<u>\$ (3,838,947)</u>	<u>\$ 432,660</u>	<u>\$ (1,347,640)</u>
Ratio of debt service to total non-capital expenditures	0.50%	0.15%	0.29%	0.07%	0.12%

	Year Ended June 30				
	2016	2017	2018	2019	2020
Revenues					
State of North Carolina	\$ 173,639,054	\$ 181,821,274	\$ 188,738,980	\$ 198,412,573	\$ 198,897,201
Gaston County	53,869,522	80,998,185	68,183,170	62,455,733	84,380,499
U.S. Government	18,830,948	21,932,385	23,377,436	20,481,351	19,948,959
School receipts	7,531,290	7,289,187	7,647,441	7,283,918	6,342,651
Other	3,159,808	3,772,599	4,678,817	10,067,934	7,770,142
Total Revenues	<u>257,030,622</u>	<u>295,813,630</u>	<u>292,625,844</u>	<u>298,701,509</u>	<u>317,339,452</u>
Expenditures					
Instructional programs	201,343,525	214,112,055	223,027,135	233,958,265	229,146,614
Support services	44,648,312	45,001,043	44,804,721	46,214,484	47,031,607
Ancillary services	182,525	144,386	76,863	109,644	52,996
Non-programmed charges	3,222,438	3,433,535	3,567,059	3,789,135	4,480,948
Debt service					
Principal retirement	284,706	775,314	1,287,338	1,348,792	1,243,131
Interest and fiscal charges	-	-	-	-	-
Capital outlay	10,352,353	37,243,849	22,948,254	14,959,684	33,523,173
Total expenditures	<u>260,033,859</u>	<u>300,710,182</u>	<u>295,711,370</u>	<u>300,380,004</u>	<u>315,478,469</u>
Revenues over (under) expenditures	<u>(3,003,237)</u>	<u>(4,896,552)</u>	<u>(3,085,526)</u>	<u>(1,678,495)</u>	<u>1,860,983</u>
Other financing sources (uses)					
Capital lease obligations issued	248,431	1,808,610	2,470,742	1,136,173	-
Transfers to other funds	(237,090)	(64,773)	(50,977)	(54,160)	(499,969)
Capital contributions	-	-	-	-	-
Total other financing sources (uses)	<u>11,341</u>	<u>1,743,837</u>	<u>2,419,765</u>	<u>1,082,013</u>	<u>(499,969)</u>
Net change in fund balance	<u>\$ (2,991,896)</u>	<u>\$ (3,152,715)</u>	<u>\$ (665,761)</u>	<u>\$ (596,482)</u>	<u>\$ 1,361,014</u>
Ratio of debt service to total non-capital expenditures	0.11%	0.29%	0.47%	0.47%	0.44%

SOURCE: 2011 - 2020 Gaston County Board of Education annual financial statements

GASTON COUNTY BOARD OF EDUCATION
Capital Outlay
Revenues by Source and Expenditures in Total
Last Ten Fiscal Years

Table 6

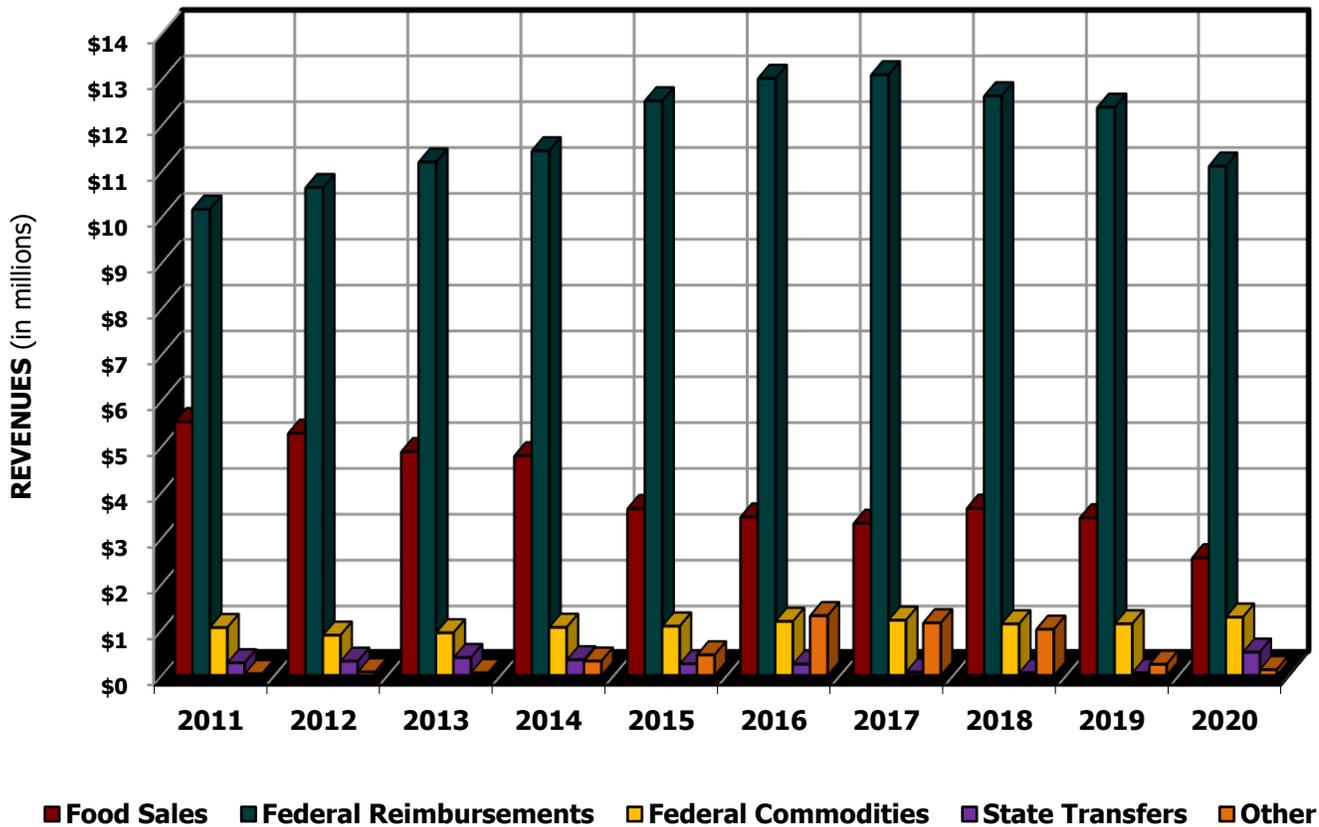


Year Ended June 30	2011	2012	2013	2014	2015
Revenue					
County	\$ 1,327,324	\$ 1,068,733	\$ 1,907,273	\$ 1,920,987	\$ 1,771,953
County Bonds	18,914,210	24,730,833	16,616,048	4,580,975	5,845,318
State of North Carolina	1,263,462	926,717	732,456	197,364	419,873
Other	805,183	191,566	96,877	-	-
Total Revenue	\$ 22,310,179	\$ 26,917,849	\$ 19,352,654	\$ 6,699,326	\$ 8,037,144
Total Expenditures	\$ 23,713,891	\$ 27,746,415	\$ 25,054,166	\$ 7,637,489	\$ 8,738,396
Year Ended June 30	2016	2017	2018	2019	2020
Revenue					
County	\$ 3,102,660	\$ 1,350,819	\$ 1,353,419	\$ 1,195,234	\$ 2,226,931
County Bonds	6,895,158	34,230,662	19,013,047	12,533,250	31,259,117
State of North Carolina	382,120	776,902	1,320,638	1,362,340	1,294,495
Other	-	-	-	-	-
Total Revenue	\$ 10,379,938	\$ 36,358,383	\$ 21,687,104	\$ 15,090,824	\$ 34,780,543
Total Expenditures	\$ 10,637,059	\$ 38,019,163	\$ 22,948,254	\$ 14,959,684	\$ 33,523,173

SOURCE: 2011 - 2020 Gaston County Board of Education annual financial statements

GASTON COUNTY BOARD OF EDUCATION
Proprietary Fund - Food Service Operations
Revenues by Source
Last Ten Fiscal Years

Table 7

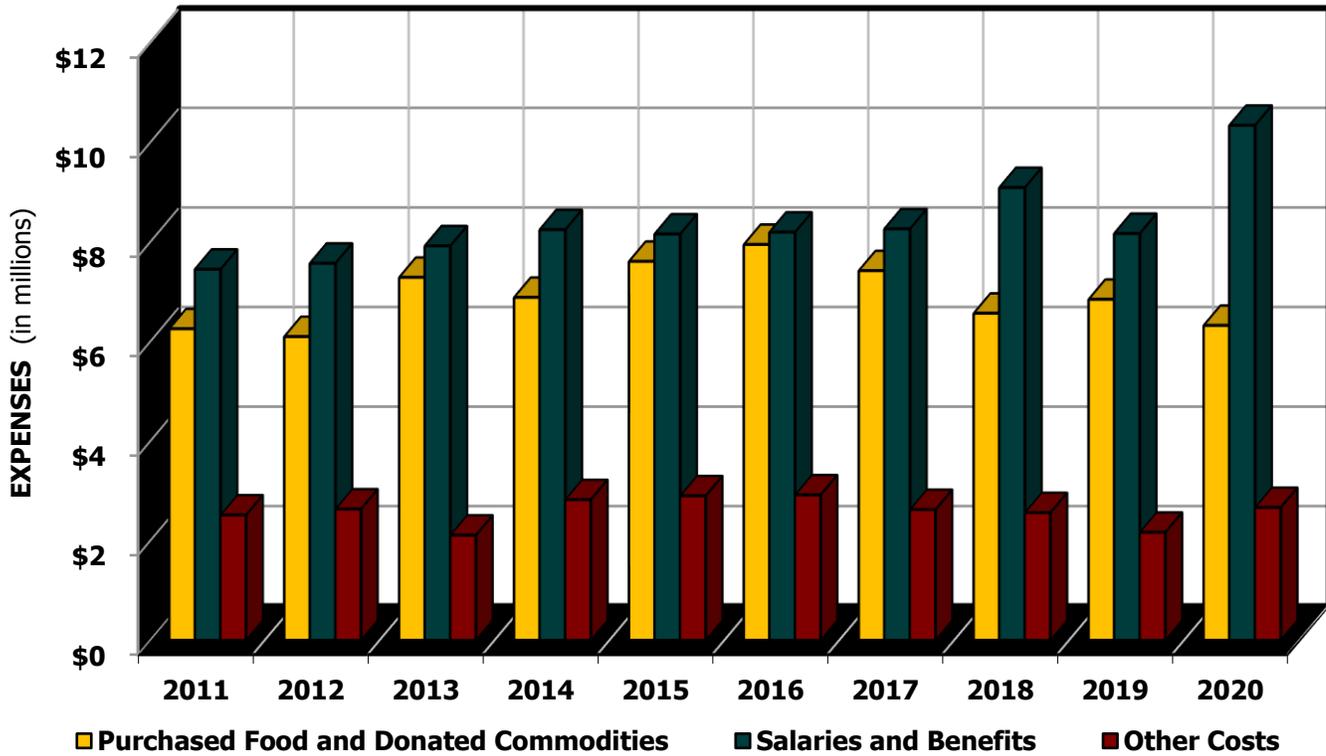


Year Ended June 30	2011	2012	2013	2014	2015
Food Sales	\$ 5,528,653	\$ 5,274,162	\$ 4,873,192	\$ 4,783,141	\$ 3,630,453
Federal Reimbursements	10,160,131	10,634,459	11,190,070	11,436,488	12,526,265
Federal Commodities	1,037,603	870,953	922,327	1,041,935	1,069,047
Transfers and Capital Contributions	267,439	302,851	382,930	324,997	246,876
Other	28,896	68,311	50,953	306,573	441,464
Totals	\$ 17,022,722	\$ 17,150,736	\$ 17,419,472	\$ 17,893,134	\$ 17,914,105
Year Ended June 30	2016	2017	2018	2019	2020
Food Sales	\$ 3,450,282	\$ 3,311,309	\$ 3,640,725	\$ 3,432,214	\$ 2,556,257
Federal Reimbursements	13,016,569	13,094,222	12,634,761	12,385,553	11,104,744
Federal Commodities	1,172,420	1,198,856	1,118,758	1,119,505	1,264,573
Transfers and Capital Contributions	237,090	64,773	50,977	54,160	499,968
Other	1,296,143	1,141,092	1,000,025	235,711	118,249
Totals	\$ 19,172,504	\$ 18,810,252	\$ 18,445,246	\$ 17,227,143	\$ 15,543,791

SOURCE: 2011- 2020 Gaston County Board of Education annual financial statements

GASTON COUNTY BOARD OF EDUCATION
Proprietary Fund - Food Service Operations
Expenses by Category
Last Ten Fiscal Years

Table 8



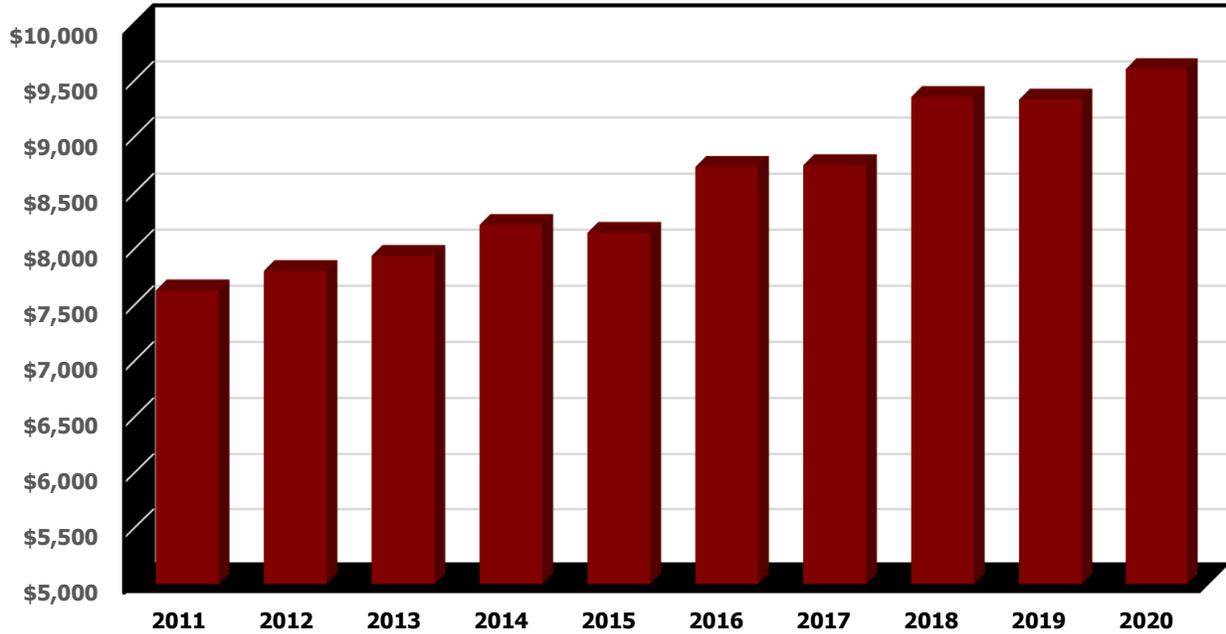
Year Ended June 30	2011	2012	2013	2014	2015
Purchased Food and Donated Commodities	\$ 6,249,611	\$ 6,092,145	\$ 7,282,399	\$ 6,881,864	\$ 7,603,468
Salaries and Benefits	7,445,308	7,565,703	7,914,153	8,240,759	8,152,935
Other Costs	2,508,370	2,628,136	2,103,515	2,817,128	2,893,538
Totals	\$ 16,203,289	\$ 16,285,984	\$ 17,300,067	\$ 17,939,751	\$ 18,649,941

Year Ended June 30	2016	2017	2018	2019	2020
Purchased Food and Donated Commodities	\$ 7,942,885	\$ 7,416,516	\$ 6,566,614	\$ 6,841,081	\$ 6,316,169
Salaries and Benefits	8,189,994	8,256,301	9,085,963	8,163,977	10,335,426
Other Costs	2,911,539	2,618,677	2,556,371	2,161,033	2,659,341
Totals	\$ 19,044,418	\$ 18,291,494	\$ 18,208,948	\$ 17,166,091	\$ 19,310,936

SOURCE: 2011 - 2020 Gaston County Board of Education annual financial statements

GASTON COUNTY BOARD OF EDUCATION
Operational Expenditures Per Pupil
Expenditures by Function
Last Ten Fiscal Years

Table 9



Year Ended June 30	2011	2012	2013	2014	2015
Average daily membership (ADM)	31,415	31,033	31,189	31,152	31,421
Expenses					
Instructional	\$ 6,249	\$ 6,366	\$ 6,433	\$ 6,649	\$ 6,592
Support services	1,379	1,371	1,419	1,467	1,455
Ancillary services	10	10	6	9	9
Non-programmed charges	-	64	88	96	95
Operating expenses per pupil	\$ 7,638	\$ 7,811	\$ 7,946	\$ 8,221	\$ 8,151
Year Ended June 30	2016	2017	2018	2019	2020
Average daily membership (ADM)	31,555	31,499	31,581	31,116	30,834
Expenses					
Instructional	\$ 7,166	\$ 7,179	\$ 7,738	\$ 7,713	\$ 7,676
Support services	1,459	1,461	1,508	1,500	1,789
Ancillary services	5	5	3	4	2
Non-programmed charges	109	109	113	122	145
Operating expenses per pupil	\$ 8,739	\$ 8,754	\$ 9,362	\$ 9,339	\$ 9,611

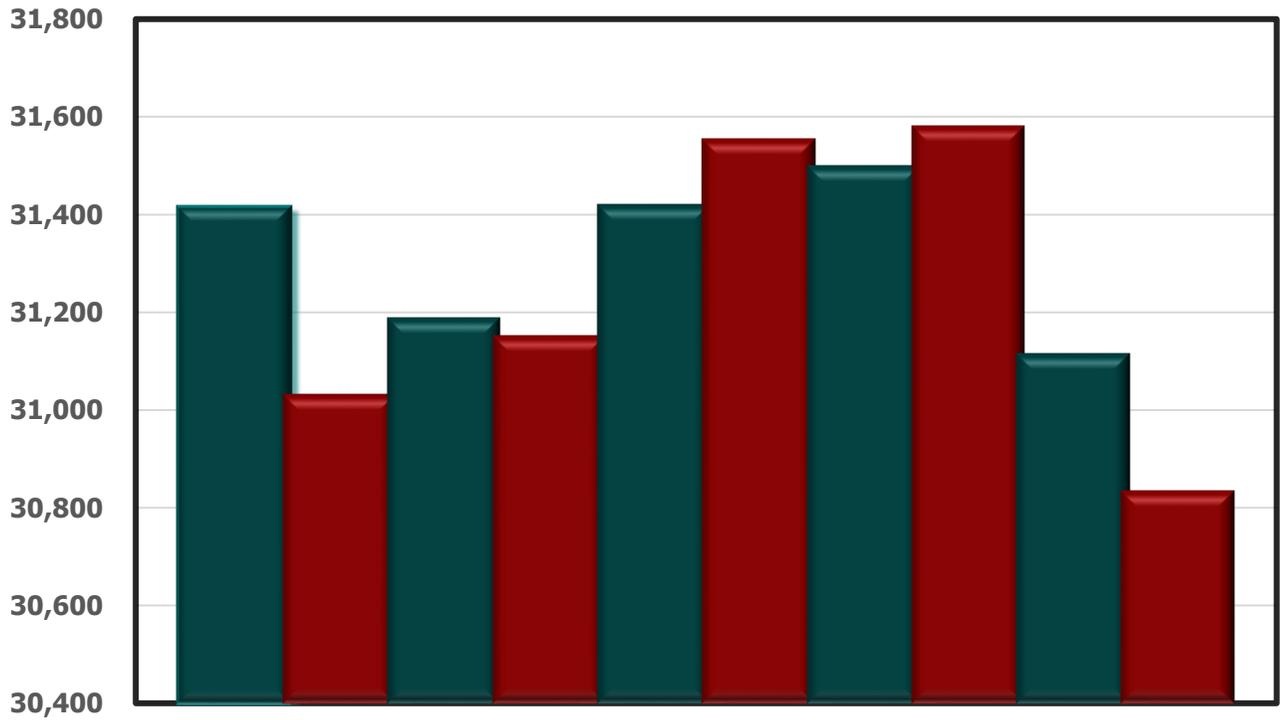
SOURCES: ADM - Principal's Monthly Report - Month 01

2011 - 2020 Gaston County Board of Education annual financial statements

All dollar amounts are expressed in nominal dollars

GASTON COUNTY BOARD OF EDUCATION
Average Daily Membership
Last Ten Fiscal Years

Table 10



	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
ADM	31,415	31,033	31,189	31,152	31,421	31,555	31,499	31,581	31,116	30,834

SOURCE: Principal's Monthly Report - Month 01

GASTON COUNTY BOARD OF EDUCATION
Full-Time Employees by Category
Government-Wide
Last Ten Fiscal Years

Table 11

Category	Year Ended June 30									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Administrators, Managers	36	35	36	38	42	41	38	36	36	38
Principals	55	55	56	56	56	54	54	54	54	54
Assistant Principals	56	57	55	58	63	63	69	70	69	68
Teachers	1,864	1,852	1,875	1,898	1,881	1,874	1,864	1,908	1,890	1,840
Guidance Counselors	86	81	82	80	85	83	84	88	93	94
Psychologists	17	17	16	18	15	17	22	19	17	17
Media Specialists	50	50	51	52	51	51	49	48	48	47
Other Professionals	157	168	174	182	194	220	216	199	198	204
Teacher Assistants	514	430	388	417	416	429	425	419	408	377
Technicians	11	13	17	17	17	16	17	17	16	16
Clerical, Secretarial	173	182	169	167	176	178	180	188	185	183
Service Workers	182	184	187	188	203	193	204	214	224	240
Skilled Crafts	63	49	46	50	46	49	49	51	52	53
Total Full-Time Employees	3,264	3,173	3,152	3,221	3,245	3,268	3,271	3,311	3,290	3,231

SOURCE: North Carolina Public Schools Statistical Profile

Other Professionals include persons who cannot be properly placed in any classification such as non-classroom teachers, speech therapists, school social workers, community workers, attendance officers, attorneys, registered nurses and other non-instructional staff.

GASTON COUNTY BOARD OF EDUCATION
School Building Data
June 30, 2020

Table 12

School	Grade Span	Average Daily Membership	Age (Years) of Original Construction	Date of Original Construction
<u>Elementary Schools</u>				
Beam Intermediate	4-5	203	72	1948
Belmont Central	2-5	734	51	1969
W.A. Bess	K-5	596	38	1982
Bessemer City Central	3-5	450	21	1999
Bessemer City Primary	K-2	384	44	1976
Brookside	K-5	538	26	1994
Carr	K-5	688	59	1961
Catawba Heights	K-5	315	61	1959
Chapel Grove	K-5	397	66	1954
Cherryville	K-3	403	64	1956
Costner	K-5	391	55	1965
Gardner Park	K-5	568	56	1964
H.H. Beam	K-5	613	46	1974
Hawks Nest	4-5	339	18	2002
Kiser	3-5	368	72	1948
Lingerfeldt	K-5	400	67	1953
Lowell	K-5	488	42	1978
McAdenville	K-5	177	71	1949
New Hope	K-5	507	65	1955
North Belmont	K-5	352	44	1976
Page	K-1	318	47	1973
Pinewood	K-5	503	51	1969
Pleasant Ridge	K-5	916	68	1952
Rankin	K-5	586	70	1950
Robinson	K-3	406	66	1954
Sadler	K-5	420	16	2004
Sherwood	K-5	580	51	1969
Springfield	K-2	365	44	1976
Tryon	K-5	328	80	1940
Woodhill	K-5	469	53	1967

SOURCES: Principal's Monthly Report - Month 01
Gaston County Schools Operations Department

GASTON COUNTY BOARD OF EDUCATION
School Building Data
June 30, 2020

Table 12
(continued)

School	Grade Span	Average Daily Membership	Age (Years) of Original Construction	Date of Original Construction
<u>Middle Schools</u>				
Belmont	6-8	704	82	1938
Bessemer City	6-8	545	66	1954
Chavis	6-8	416	69	1951
Cramerton	6-8	858	22	1998
W.C. Friday	6-8	650	50	1970
Grier	6-8	733	65	1955
Holbrook	6-8	788	66	1954
Mount Holly	6-8	675	81	1939
Southwest	6-8	841	49	1971
Stanley	6-8	683	61	1959
York Chester	6-8	399	81	1939
<u>High Schools</u>				
Ashbrook	9-12	1,286	50	1970
Bessemer City	9-12	626	56	1964
Cherryville	9-12	510	64	1956
Stuart W. Cramer	9-12	1,040	7	2013
East Gaston	9-12	862	49	1971
Forestview	9-12	1,080	22	1998
Gaston Early College	9-13	245	*	*
Highland School of Technology	9-12	553	66	1954
Hunter Huss	9-12	1,054	58	1962
North Gaston	9-12	1,092	50	1970
South Point	9-12	999	56	1964
<u>Special/Alternative Schools</u>				
Gaston Virtual Academy	4-9	101	N/A	N/A
Warlick	6-12	151	71	1949
Webb Street	K-12	141	71	1949

* Housed on the campus of Gaston College

GASTON COUNTY BOARD OF EDUCATION
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

Table 13

Year Ended June 30	Governmental Activities		Demographic Information		Capital Leases per Capita	Capital Leases as a Percentage of Personal Income
	Capital Leases	Per Capita Personal Income	Population			
2020	\$ 1,185,755	\$ *	*		\$ *	*
2019	2,428,916	*	224,529		*	*
2018	2,614,505	41,379	224,144		11.66	0.016%
2017	1,458,101	39,578	220,182		6.62	0.003%
2016	424,805	38,261	216,903		1.96	0.009%
2015	461,080	36,950	213,442		2.16	0.008%
2014	140,819	35,531	211,040		0.67	0.025%
2013	301,558	34,549	209,450		1.44	0.011%
2012	337,675	34,221	208,161		1.62	0.010%
2011	675,355	33,275	206,086		3.28	0.005%

SOURCES: 2011 - 2020 Gaston County Board of Education annual financial statements
North Carolina Public Schools Statistical Profile
U.S. Department of Labor, Bureau of Labor Statistics

* Information not available

GASTON COUNTY STATISTICAL INFORMATION



This section provides statistical data from Gaston County.

GASTON COUNTY, NORTH CAROLINA
Governmental Funds Expenditures by Function
Last Ten Fiscal Years

Table 14

Year Ended June 30	General Government	Public Safety	Environmental Protection	Economic & Physical Development	Human Services
2020	\$ *	\$ *	\$ *	\$ *	\$ *
2019	31,726,839	84,276,206	65,385	4,496,983	57,772,654
2018	30,290,301	65,452,881	81,533	4,417,548	56,434,756
2017	26,609,035	62,119,338	60,916	4,567,632	61,588,632
2016	26,296,804	60,586,898	64,799	4,192,734	61,931,748
2015	25,227,484	58,366,090	83,892	3,457,506	58,703,124
2014	23,965,459	56,497,044	49,390	3,422,972	58,547,080
2013	23,467,884	55,756,864	63,277	3,492,907	58,648,954
2012	22,561,773	53,465,283	65,307	3,484,415	58,013,720
2011	21,358,174	53,458,038	57,977	3,027,110	59,844,306

SOURCE: Gaston County Finance Department

* Information not available

GASTON COUNTY, NORTH CAROLINA
Governmental Funds Expenditures by Function
Last Ten Fiscal Years

Table 14
(continued)

Year Ended June 30	Cultural & Recreational	Education	Capital Projects	Debt Service	Total
2020	\$ *	\$ *	\$ *	\$ *	\$ *
2019	5,902,072	55,485,329	31,036,309	26,214,094	296,975,871
2018	5,819,668	54,073,032	28,481,094	88,979,085	334,029,898
2017	5,548,764	51,384,897	38,538,487	28,348,246	278,765,947
2016	5,384,033	49,693,622	16,317,490	25,316,479	249,784,607
2015	5,235,321	49,517,556	10,176,139	25,492,642	236,259,754
2014	5,141,154	48,108,930	9,219,457	25,462,045	230,413,531
2013	4,988,208	46,691,012	24,619,020	26,253,651	243,981,777
2012	5,694,779	46,484,966	39,983,931	26,264,338	256,018,512
2011	5,635,311	46,415,215	28,962,640	25,723,915	244,482,686

GASTON COUNTY, NORTH CAROLINA
Property Tax Rates
 (Per \$100 of Assessed Value)
 Last Ten Fiscal Years

Table 15

Municipality	Year Ended June 30									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
County	0.8350	0.8350	0.8350	0.8700	0.8700	0.8700	0.8700	0.8700	0.8700	0.8400
Cities and Towns										
Belmont	0.4750	0.4750	0.4750	0.4750	0.4750	0.4750	0.4750	0.4750	0.4750	0.4750
Bessemer City	0.4300	0.4300	0.4300	0.4300	0.4300	0.4300	0.4300	0.4300	0.4300	0.4300
Cherryville	0.4600	0.4600	0.4600	0.4600	0.4600	0.4600	0.4600	0.4600	0.4600	0.4600
Cramerton	0.4750	0.4750	0.4750	0.4750	0.4750	0.4750	0.4750	0.4750	0.4750	0.4750
Dallas	0.3800	0.3800	0.3800	0.3800	0.3800	0.3800	0.3800	0.3800	0.3800	0.3800
Gastonia	0.5300	0.5200	0.5300	0.5300	0.5300	0.5300	0.5300	0.5300	0.5300	0.5300
Gastonia Service Distr.	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000	0.2000
High Shoals	0.3030	0.3030	0.3130	0.3070	0.4100	0.4100	0.4100	0.4100	0.4100	0.4100
Kings Mountain	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000
Lowell	0.4000	0.4000	0.4000	0.4000	0.4300	0.4300	0.4300	0.4300	0.4300	0.4300
McAdenville	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000	0.3000
Mt. Holly	0.5300	0.5300	0.5300	0.5300	0.5300	0.5300	0.5300	0.5300	0.5300	0.5300
Ranlo	0.2910	0.2910	0.2860	0.2860	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000
Spencer Mountain	0.1300	0.1300	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Stanley	0.5400	0.5400	0.5400	0.5400	0.5400	0.5400	0.5400	0.5400	0.5400	0.5400
Fire Districts										
Agriculture Center	0.0600	0.0630	0.0630	0.0630	0.0630	0.0630	0.0730	0.0730	0.0730	0.0920
Alexis	0.0850	0.0850	0.0850	0.0850	0.0900	0.0900	0.0950	0.0950	0.0950	0.0790
Chapel Grove	0.0750	0.0950	0.0950	0.0950	0.1050	0.1050	0.1050	0.1050	0.1050	0.0930
Chestnut Ridge	0.0730	0.0730	0.0800	0.0800	0.0840	0.0840	0.0840	0.0840	0.0950	0.0810
Community	0.0930	0.0930	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1200	0.0990
Crouse	0.0740	0.0740	0.0740	0.0740	0.0740	0.0740	0.0740	0.0740	0.0860	0.0690
East Gaston	0.0740	0.0840	0.0840	0.0840	0.0840	0.0840	0.0840	0.0840	0.0840	0.0720
High Shoals	0.0970	0.0970	0.1030	0.1030	0.1030	0.1030	0.1030	0.1030	0.1030	0.1040
Hughs Pond	0.1010	0.1010	0.1010	0.1010	0.1010	0.1010	0.1100	0.1100	0.1100	0.1050
Long Shoals	0.0970	0.0970	0.1030	0.1030	0.1030	0.1030	0.1030	0.1030	0.1030	0.1040
Lowell	0.0500	0.0500	0.0500	0.0500	0.0500	0.0500	0.0740	0.0740	0.0740	0.0680
Lucia-Riverbend	0.1050	0.1050	0.1050	0.1050	0.1050	0.1050	0.1100	0.1100	0.1140	0.0930
New Hope	0.0700	0.0800	0.0800	0.0800	0.0880	0.0880	0.0880	0.0880	0.1000	0.0840
Ranlo	0.0790	0.0840	0.0840	0.0840	0.0840	0.0840	0.0845	0.0845	0.0840	0.0880
South Gastonia	0.0750	0.0950	0.0950	0.0950	0.1050	0.1050	0.1050	0.1050	0.1050	0.0930
South Point	0.0540	0.0640	0.0640	0.0640	0.0640	0.0640	0.0400	0.0400	0.0400	0.0360
Spencer Mountain	0.0620	0.0700	0.0700	0.0700	0.0800	0.0800	0.0800	0.0800	0.0800	0.0930
Tryonata	0.0730	0.0730	0.0800	0.0800	0.0840	0.0840	0.0840	0.0840	0.0950	0.0810
Union Road	0.0670	0.0670	0.0670	0.0670	0.0770	0.0770	0.0770	0.0770	0.0770	0.0650
Waco	0.0730	0.0730	0.0730	0.0730	0.0730	0.0730	0.0950	0.0950	0.0950	0.0810

SOURCE: Gaston County Finance Department

GASTON COUNTY, NORTH CAROLINA
Commercial and Industrial Permits Issued and Total Deposits
Last Ten Fiscal Years

Table 16

Year Ended June 30	Commercial Permits	Industrial Permits	Bank Deposits x \$1,000
2020	\$ 94,056,648	\$ -	\$ 2,960,947
2019	33,436,947	6,922,773	3,316,064
2018	116,548,437	5,404,798	3,244,933
2017	148,170,838	13,208,389	3,124,742
2016	207,061,632	26,293,418	2,378,335
2015	61,141,664	31,029,991	2,331,107
2014	25,138,335	88,179,891	2,247,186
2013	47,521,513	41,135,183	2,264,468
2012	30,271,622	63,913,694	2,415,502
2011	53,399,163	2,037,275	2,470,391

SOURCES: Gaston County Inspection Department
State of North Carolina Banking Commission

GASTON COUNTY, NORTH CAROLINA
Property Tax Levies and Current Collections
Last Ten Fiscal Years

Table 17

Year Ended June 30	Total Tax Levy	Current Tax Collections	Percent of Levy Collected
2020	\$ 150,276,225	\$ 147,998,086	98.48%
2019	130,421,455	129,624,565	99.39%
2018	127,701,957	127,042,648	99.48%
2017	123,779,768	123,309,007	99.62%
2016	120,282,146	119,904,135	99.69%
2015	121,177,992	120,794,529	99.68%
2014	127,281,287	126,964,172	99.75%
2013	125,234,084	124,982,011	99.80%
2012	123,490,459	123,263,663	99.82%
2011	122,722,967	122,492,699	99.81%

SOURCE: Gaston County Finance Department

GASTON COUNTY, NORTH CAROLINA
Principal Taxpayers for Gaston County
Last Ten Fiscal Years

Table 18

TAXPAYER	2020			2019		
	Assessed Valuation	Rank	% of Total Assessed Valuation	Assessed Valuation	Rank	% of Total Assessed Valuation
Duke Energy Corporation	\$ 557,549,402	1	3.1%	\$ 503,775,335	1	3.4%
Daimler Trucks North America	194,250,532	2	1.1%	162,272,723	2	1.1%
Public Service Company	118,513,358	3	0.7%	99,725,580	3	0.7%
Owens Corning Non-Woven	75,874,264	4	0.4%	79,742,599	4	0.5%
Southwood Realty Company	73,637,832	5	0.4%	51,257,916	6	0.3%
Triangle Real Estate	70,840,486	6	0.4%	-	-	-
FMC Corporation	63,583,128	7	0.4%	65,405,762	5	0.4%
Firestone Fibers & Textiles	53,680,119	8	0.3%	-	-	-
Georgia Pacific, LLC	50,572,505	9	0.3%	-	-	-
Mann+Hummel Filtration Tech US	49,850,606	10	0.3%	45,967,372	7	0.3%
Bud Antle Corporation	-	-	-	44,212,664	8	0.3%
Pharr Yarns, Inc.	-	-	-	42,992,410	9	0.3%
Industrial Fabricators, Inc.	-	-	-	39,786,622	10	0.3%
AT&T	-	-	-	-	-	-
CTL Packaging USA, Inc.	-	-	-	-	-	-
	\$ 1,308,352,232		7.3%	\$ 1,135,138,983		7.6%

TAXPAYER	2015			2014		
	Assessed Valuation	Rank	% of Total Assessed Valuation	Assessed Valuation	Rank	% of Total Assessed Valuation
Duke Energy Corporation	\$ 402,344,986	1	2.6%	\$ 498,336,203	1	3.4%
Daimler Trucks North America	91,155,042	2	0.6%	88,931,161	2	0.6%
Public Service Company	63,882,771	3	0.4%	62,031,218	3	0.4%
AT&T	53,837,204	4	0.4%	55,073,335	5	0.4%
Bud Antle Corporation	51,036,603	5	0.3%	50,507,056	6	0.4%
FMC Corporation	50,956,118	6	0.3%	50,308,960	7	0.3%
Pharr Yarns, Inc.	47,285,428	7	0.3%	56,470,849	4	0.4%
Southwood Realty	44,114,600	8	0.3%	42,768,426	9	0.3%
Mann+Hummel Filtration Tech US	42,237,836	9	0.3%	-	-	-
CTL Packaging USA, Inc.	34,847,979	10	0.2%	-	-	-
Seven Oaks Farm, LLC	-	-	-	44,582,006	8	0.3%
Triangle Real Estate	-	-	-	39,939,501	10	0.3%
Rutherford EMS	-	-	-	-	-	-
Dole Food Company	-	-	-	-	-	-
Clariant Corporation	-	-	-	-	-	-
	\$ 881,698,567		5.7%	\$ 988,948,715		6.8%

SOURCE: Gaston County Finance Department

GASTON COUNTY, NORTH CAROLINA
Principal Taxpayers for Gaston County
Last Ten Fiscal Years

Table 18
(continued)

TAXPAYER	2018			2017		
	Assessed Valuation	Rank	% of Total Assessed Valuation	Assessed Valuation	Rank	% of Total Assessed Valuation
Duke Energy Corporation	\$ 482,863,599	1	3.3%	\$ 438,806,658	1	3.1%
Daimler Trucks North America	163,183,107	2	1.1%	149,977,069	2	1.1%
Public Service Company	92,372,331	3	0.6%	80,741,839	3	0.6%
Owens Corning Non-Woven	92,000,551	4	0.6%	61,493,960	4	0.4%
Southwood Realty Company	67,144,494	5	0.5%	52,384,054	6	0.4%
Triangle Real Estate	-	-	-	-	-	-
FMC Corporation	54,593,800	6	0.4%	54,105,672	5	0.4%
Firestone Fibers & Textiles	-	-	-	-	-	-
Georgia Pacific, LLC	44,215,294	7	0.3%	-	-	-
Mann+Hummel Filtration Tech US	44,177,458	8	0.3%	45,504,877	8	0.3%
Bud Antle Corporation	43,290,371	9	0.3%	45,590,270	7	0.3%
Pharr Yarns, Inc.	42,123,968	10	0.3%	44,020,868	10	0.3%
Industrial Fabricators, Inc.	-	-	-	-	-	-
AT&T	-	-	-	45,085,544	9	0.3%
CTL Packaging USA, Inc.	-	-	-	-	-	-
	\$ 1,125,964,973		7.7%	\$ 1,017,710,811		7.2%

TAXPAYER	2013			2012		
	Assessed Valuation	Rank	% of Total Assessed Valuation	Assessed Valuation	Rank	% of Total Assessed Valuation
Duke Energy Corporation	\$ 465,560,162	1	3.1%	\$ 434,574,340	1	2.9%
Daimler Trucks North America	88,867,953	2	0.6%	82,433,260	2	0.6%
Public Service Company	62,344,340	3	0.4%	70,687,341	3	0.5%
AT&T	61,527,015	4	0.4%	62,739,817	4	0.4%
Bud Antle Corporation	48,345,182	7	0.3%	-	-	-
FMC Corporation	49,385,583	6	0.3%	47,865,974	7	0.3%
Pharr Yarns, Inc.	55,808,813	5	0.4%	48,879,634	6	0.3%
Southwood Realty	-	-	-	34,443,012	9	0.2%
Mann+Hummel Filtration Tech US	35,399,963	9	0.2%	-	-	-
CTL Packaging USA, Inc.	-	-	-	-	-	-
Seven Oaks Farm, LLC	-	-	-	-	-	-
Triangle Real Estate	47,186,108	8	0.3%	60,574,305	5	0.4%
Rutherford EMS	34,403,963	10	0.2%	34,403,963	10	0.2%
Dole Food Company	-	-	-	37,749,384	8	0.3%
Clariant Corporation	-	-	-	-	-	-
	\$ 948,829,082		6.2%	\$ 914,351,030		6.1%

GASTON COUNTY, NORTH CAROLINA
Principal Taxpayers for Gaston County
Last Ten Fiscal Years

Table 18
(continued)

TAXPAYER	2016		
	Assessed Valuation	Rank	% of Total Assessed Valuation
Duke Energy Corporation	\$ 407,944,704	1	2.9%
Daimler Trucks North America	96,565,695	2	0.7%
Public Service Company	75,773,961	3	0.6%
Owens Corning Non-Woven	-	-	-
Southwood Realty Company	48,181,391	6	0.4%
Triangle Real Estate	-	-	-
FMC Corporation	54,434,517	4	0.4%
Firestone Fibers & Textiles	-	-	-
Georgia Pacific, LLC	-	-	-
Mann+Hummel Filtration Tech US	42,762,583	10	0.3%
Bud Antle Corporation	47,307,929	7	0.3%
Pharr Yarns, Inc.	45,255,904	8	0.3%
Industrial Fabricators, Inc.	-	-	-
AT&T	52,230,356	5	0.4%
CTL Packaging USA, Inc.	44,953,282	9	0.3%
	\$ 915,410,322		6.6%

TAXPAYER	2011		
	Assessed Valuation	Rank	% of Total Assessed Valuation
Duke Energy Corporation	\$ 465,647,782	1	3.2%
Daimler Trucks North America	82,065,820	2	0.6%
Public Service Company	60,963,226	4	0.4%
AT&T	65,710,574	3	0.4%
Bud Antle Corporation	-	-	-
FMC Corporation	47,847,724	6	0.3%
Pharr Yarns, Inc.	42,201,404	7	0.3%
Southwood Realty	-	-	-
Mann+Hummel Filtration Tech US	35,641,428	10	0.2%
CTL Packaging USA, Inc.	-	-	-
Seven Oaks Farm, LLC	-	-	-
Triangle Real Estate	60,574,305	5	0.4%
Rutherford EMS	-	-	-
Dole Food Company	36,307,284	9	0.2%
Clariant Corporation	36,710,842	8	0.2%
	\$ 933,670,389		6.2%

GASTON COUNTY, NORTH CAROLINA
Principal Employers for Gaston County
Last Ten Fiscal Years

Table 19

Employer	2020			2019			2018			2017		
	Number of Employees	Rank	Type	Number of Employees	Rank	Type	Number of Employees	Rank	Type	Number of Employees	Rank	Type
Gaston County Schools	1,000+	1	Education	1,000+	1	Education	1,000+	1	Education	1,000+	1	Education
Caromont Health	1,000+	2	Health Services	1,000+	2	Health Services	1,000+	2	Health Services	1,000+	2	Health Services
Freightliner Corporation	1,000+	3	Manufacturing	1,000+	3	Manufacturing	1,000+	3	Manufacturing	1,000+	3	Manufacturing
County of Gaston	1,000+	4	Public Administration	1,000+	4	Public Administration	1,000+	4	Public Administration	1,000+	4	Public Administration
Wal-Mart Associates, Inc.	1,000+	5	Retail Trade	1,000+	5	Retail Trade	1,000+	5	Retail Trade	1,000+	5	Retail Trade
American & Efird, Inc.	1,000+	6	Manufacturing	1,000+	6	Manufacturing	1,000+	6	Manufacturing	1,000+	6	Manufacturing
Mann+Hummel Filtration (formerly WIX Corporation)	1,000+	7	Manufacturing	1,000+	7	Manufacturing	1,000+	7	Manufacturing	1,000+	7	Manufacturing
City of Gastonia	500-999	8	Public Administration	500-999	9	Public Administration	500-999	8	Public Administration	500-999	8	Public Administration
Trion Solutions, Inc.	500-999	9	Professional and Business Services	500-999	8	Professional and Business Services	-	-	-	-	-	-
Bud Antle, Inc.	500-999	10	Manufacturing	-	-	-	-	-	-	-	-	-
Pharr Yarns, Inc.	-	-	-	500-999	10	Manufacturing	500-999	9	Manufacturing	500-999	9	Manufacturing
Gaston College	-	-	-	-	-	-	500-999	10	Education	500-999	10	Education
Dole Food Company	-	-	-	-	-	-	-	-	-	-	-	-
Olsten Staffing	-	-	-	-	-	-	-	-	-	-	-	-
Sara Lee Corporation	-	-	-	-	-	-	-	-	-	-	-	-

SOURCE: Gaston County Economic Development Commission

GASTON COUNTY, NORTH CAROLINA
Principal Employers for Gaston County
Last Ten Fiscal Years

Table 19
(continued)

Employer	2016			2015			2014			2013		
	Number of Employees	Rank	Type									
Gaston County Schools	1,000+	1	Education									
Caromont Health	1,000+	2	Health Services									
Freightliner Corporation	1,000+	3	Manufacturing	1,000+	3	Manufacturing	1,000+	3	Manufacturing	500-999	10	Manufacturing
County of Gaston	1,000+	4	Public Administration	1,000+	5	Public Administration	1,000+	5	Public Administration	1,000+	4	Public Administration
Wal-Mart Associates, Inc.	1,000+	5	Retail Trade	1,000+	4	Retail Trade	1,000+	4	Retail Trade	1,000+	3	Retail Trade
American & Efird, Inc.	1,000+	6	Manufacturing	1,000+	6	Manufacturing	1,000+	7	Manufacturing	1,000+	7	Manufacturing
Mann+Hummel Filtration (formerly WIX Corporation)	1,000+	7	Manufacturing	1,000+	7	Manufacturing	1,000+	6	Manufacturing	1,000+	5	Manufacturing
City of Gastonia	500-999	8	Public Administration	500-999	8	Public Administration	500-999	9	Public Administration	500-999	8	Public Administration
Trion Solutions, Inc.	-	-	-	-	-	-	-	-	-	-	-	-
Bud Antle, Inc.	-	-	-	-	-	-	-	-	-	-	-	-
Pharr Yarns, Inc.	500-999	9	Manufacturing	500-999	9	Manufacturing	500-999	8	Manufacturing	1,000+	6	Manufacturing
Gaston College	500-999	10	Education	-	-	-	-	-	-	-	-	-
Dole Food Company	-	-	-	-	-	-	500-999	10	Manufacturing	500-999	9	Manufacturing
Olsten Staffing	-	-	-	-	-	-	-	-	-	-	-	-
Sara Lee Corporation	-	-	-	500-999	10	Manufacturing	-	-	-	-	-	-

GASTON COUNTY, NORTH CAROLINA
Principal Employers for Gaston County
Last Ten Fiscal Years

Table 19
(continued)

Employer	2012			2011		
	Number of Employees	Rank	Type	Number of Employees	Rank	Type
Gaston County Schools	1,000+	1	Education	1,000+	1	Education
Caromont Health	1,000+	2	Health Services	1,000+	2	Health Services
Freightliner Corporation	1,000+	5	Manufacturing	500-999	9	Manufacturing
County of Gaston	1,000+	3	Public Administration	1,000+	3	Public Administration
Wal-Mart Associates, Inc.	1,000+	4	Retail Trade	1,000+	4	Retail Trade
American & Efird, Inc.	1,000+	7	Manufacturing	1,000+	6	Manufacturing
Mann+Hummel Filtration (formerly WIX Corporation)	1,000+	6	Manufacturing	1,000+	5	Manufacturing
City of Gastonia	500-999	9	Public Administration	500-999	8	Public Administration
Trion Solutions, Inc.	-	-	-	-	-	-
Bud Antle, Inc.	-	-	-	-	-	-
Pharr Yarns, Inc.	1,000+	8	Manufacturing	1,000+	7	Manufacturing
Gaston College	500-999	10	Education	-	-	-
Dole Food Company	-	-	-	-	-	-
Olsten Staffing	-	-	-	500-999	10	Professional Services
Sara Lee Corporation	-	-	-	-	-	-

GASTON COUNTY, NORTH CAROLINA
Average Employment and Unemployment Rate
Last Ten Fiscal Years

Table 20

Year Ended June 30	Employed	Unemployment Rate
2020	98,149	8.30%
2019	109,329	4.40%
2018	106,884	4.10%
2017	103,388	4.20%
2016	100,489	5.20%
2015	97,358	6.30%
2014	91,654	9.00%
2013	90,841	10.20%
2012	87,083	10.80%
2011	85,032	12.20%

SOURCE: Gaston County Economic Development Commission

GASTON COUNTY, NORTH CAROLINA
Per Capita Personal Income
Last Ten Fiscal Years

Table 21

Year Ended June 30	Per Capita Income	Per Capita Rank Within State of NC	Total Personal Income <small>(in thousands of dollars)</small>
2019	\$ *	*	\$ *
2019	*	*	*
2018	41,379	*	9,221,142
2017	39,578	*	8,714,408
2016	38,565	29	8,298,882
2015	36,950	33	7,886,647
2014	35,531	28	7,685,932
2013	34,549	30	7,329,247
2012	34,221	32	7,308,588
2011	33,275	32	6,952,806

SOURCES: North Carolina Public Schools Statistical Profile
U.S. Department of Commerce, Bureau of Economic Analysis
U.S. Department of Labor, Bureau of Labor Statistics

* Information not available

GASTON COUNTY, NORTH CAROLINA
Ratio of Annual Debt Service Expenditures for General
Bonded Debt to Total General Governmental Expenditures
Last Ten Fiscal Years

Table 22

Year Ended June 30	Total Debt Service Expenditures ⁽¹⁾	Total General Governmental Expenditures	Ratio of Debt Service to Total General Expenditures
2020	\$ *	\$ *	*
2019	26,214,094	296,975,871	8.8%
2018	88,979,085	334,029,898	26.6%
2017	28,348,246	278,765,947	10.1%
2016	25,316,479	249,784,607	10.1%
2015	25,492,462	236,259,754	10.8%
2014	25,462,045	230,413,531	11.1%
2013	26,253,651	243,981,777	10.8%
2012	26,264,338	256,018,512	10.3%
2011	25,723,915	244,482,686	10.5%

(1) Excludes debt service on certificates of participation and installment purchase agreements; thus, this amount will not agree with debt service expenditures on the "General Governmental Expenditures by Function" schedule.

SOURCE: Gaston County Finance Department

* Information not available

GASTON COUNTY, NORTH CAROLINA
Estimated Actual Value of Taxable Property,
Ratio of Net General Bonded Debt to Assessed Value,
and Net General Bonded Debt Per Capita
Last Ten Fiscal Years

Year Ended June 30	Net General Bonded Debt	Estimated Actual Value of Taxable Property x \$1,000	Assessed Value x \$1,000	Ratio - Debt to Assessed Value	Population	Debt Per Capita
2020	\$ *	\$ 19,878,026	\$ 17,878,297	*	223,842	\$ *
2019	269,601,609	15,456,204	14,990,972	1.80%	222,744	1,210
2018	186,341,784	16,984,621	14,664,522	1.27%	221,607	843
2017	195,722,876	15,344,435	14,207,412	1.38%	218,754	896
2016	213,575,436	14,112,891	13,808,053	1.55%	215,439	992
2015	178,203,288	13,971,891	13,907,621	1.28%	212,405	840
2014	193,470,690	13,515,569	14,652,228	1.32%	210,356	920
2013	207,119,648	12,981,058	13,733,960	1.51%	209,483	989
2012	223,792,514	12,308,264	13,541,552	1.65%	208,428	1,074
2011	231,300,411	13,091,671	13,513,223	1.71%	207,373	1,116

SOURCE: Gaston County Finance Department

* Information not available