



# **Gaston County Board of Education**

## **Annual Comprehensive Financial Report**

***For the Fiscal Year Ended June 30, 2023***

**Stephen C. Laws, Ed.D.**  
*Interim Superintendent*

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

[www.gaston.k12.nc.us](http://www.gaston.k12.nc.us)





# **Gaston County Board of Education Gastonia, North Carolina**

# **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

**Fiscal Year Ended June 30, 2023**

**Stephen C. Laws, Ed.D.**

*Interim Superintendent*

**Gary F. Hoskins**

*Associate Superintendent*

*Finance and Operations / Chief Financial Officer*

**Prepared By:**

*Gaston County Schools*

*Finance Department*





# **INTRODUCTORY SECTION**

# Table of Contents



## INTRODUCTORY SECTION

Gaston County Board of Education	v
Letter of Transmittal	vi
Organizational Chart	xv
Certificate of Excellence in Financial Reporting (ASBO International)	xvi
Certificate of Achievement for Excellence in Financial Reporting (GFOA)	xvii

## FINANCIAL SECTION

Independent Auditor's Report	1
<b>MANAGEMENT'S DISCUSSION AND ANALYSIS</b>	5

### Exhibit BASIC FINANCIAL STATEMENTS

	<i>Government-wide Financial Statements</i>	
1	Statement of Net Position	13
2	Statement of Activities	14
	<i>Fund Financial Statements</i>	
3	Balance Sheet - Governmental Funds	16
4	Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	17
5	Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	18
6	Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund and Annually Budgeted Major Special Revenue Fund	19
7	Statement of Net Position - Proprietary Fund	23
8	Statement of Revenues, Expenses, and Changes in Net Position - Proprietary Fund	24
9	Statement of Cash Flows - Proprietary Fund	25
	Notes to the Basic Financial Statements	27

### **REQUIRED SUPPLEMENTARY INFORMATION**

Schedule of Board Contributions - Teachers' and State Employees' Retirement System	54
Schedule of Proportionate Share of the Net Pension Liability - Teachers' and State Employees' Retirement System	55
Schedule of Board Contributions - Disability Income Plan of North Carolina	56
Schedule of the Proportionate Share of the Net OPEB Asset - Disability Income Plan of North Carolina	57
Schedule of Board Contributions - Retiree Health Benefit Fund	58
Schedule of the Board's Proportionate Share of the Net OPEB Liability - Retiree Health Benefit Fund	59

### **COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

	At A Glance	61
A	Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund	62
B	Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Capital Outlay Fund	64
C	Schedule of Revenues and Expenditures - Budget and Actual (Non-GAAP) - School Food Service Fund	65

# Table of Contents



## STATISTICAL SECTION

### Statistical Section Overview

67

#### **Table    *Gaston County Schools Statistical Information***

<b>1</b>	Financial Perspective	68
<b>2</b>	Net Position by Component - Graph	69
	Net Position by Component	70
<b>3</b>	Changes in Net Position	72
<b>4</b>	Governmental Funds - Fund Balance	74
<b>5</b>	Governmental Funds - Changes in Fund Balance	75
<b>6</b>	Capital Outlay - Revenues by Source and Expenditures in Total	76
<b>7</b>	Proprietary Fund - Food Service Operations - Revenues by Source	77
<b>8</b>	Proprietary Fund - Food Service Operations - Expenses by Category	78
<b>9</b>	Operational Expenditures Per Pupil - Expenditures by Function	79
<b>10</b>	Average Daily Membership - Graph	80
<b>11</b>	Full-Time Employees by Category	81
<b>12</b>	School Building Data	82
<b>13</b>	Ratio of Outstanding Debt by Type	84

#### ***Gaston County Statistical Information***

<b>14</b>	Governmental Funds Expenditures by Function	86
<b>15</b>	Property Tax Rates	88
<b>16</b>	Commercial and Industrial Permits Issued and Total Deposits	89
<b>17</b>	Property Tax Levies and Current Collections	90
<b>18</b>	Principal Taxpayers for Gaston County	91
<b>19</b>	Principal Employers for Gaston County	94
<b>20</b>	Average Employment and Unemployment Rate	97
<b>21</b>	Per Capita Personal Income	98
<b>22</b>	Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Governmental Expenditures	99
<b>23</b>	Estimated Actual Value of Taxable Property, Ratio of Net General Bonded Debt to Assessed Value, and Net General Bonded Debt per Capita	100



# Gaston County Board of Education



**Stephen C. Laws, Ed.D.**

*Interim Superintendent*

## Vision

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

## Mission Statement

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

## BOARD OF EDUCATION



**JEFF RAMSEY**  
Chairman  
*At-Large Member*



**DOT CHERRY**  
Vice Chairman  
*At-Large Member*



**JOSH CRISP**  
*Dallas Township*



**LEE DEDMON**  
*Gastonia Township*



**DOT GUTHRIE**  
*Gastonia Township*



**TOD KINLAW**  
*South Point Township*



**ROBBIE LOVELACE**  
*Cherryville Township*



**BRENT MOORE**  
*Crowders Mountain Township*



**A.M. STEPHENS, III**  
*Riverbend 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](http://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](http://www.gaston.k12.nc.us)

# LETTER OF TRANSMITTAL

FOR THE YEAR ENDED JUNE 30, 2023



November 10, 2023

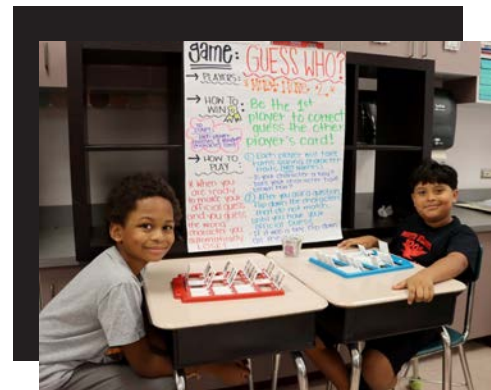
## TO THE CITIZENS OF GASTON COUNTY, NORTH CAROLINA:

We are proud to present our Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. 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 Management'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.



## REPORTING ENTITY

The Gaston County Board of Education (Board) is responsible for public school education in Gaston

# LETTER OF TRANSMITTAL FOR THE YEAR ENDED JUNE 30, 2023 (continued)



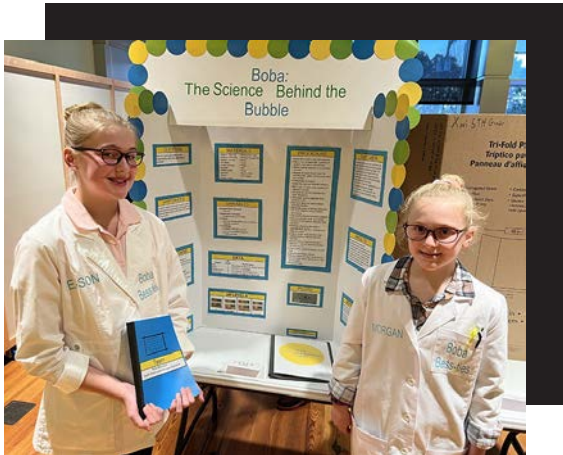
County. The nine-member Board of Education is elected by the citizens of Gaston County and is accountable to the citizens for the education and fiscal operations of the system's 56 schools. As defined by the Governmental Accounting Standards Board, the Gaston County Board of Education is recognized as 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: two Gaston Early College High Schools (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 29,936 students as measured on the August 2022 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, 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 opportunity for firms seeking to optimize their manufacturing operations. National Gypsum, Dole Foods, American and Efird, Mann+Hummel, Pharr Yarns, FMC Corporation, Parker Hannifin,



# LETTER OF TRANSMITTAL FOR THE YEAR ENDED JUNE 30, 2023 (continued)



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-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 \$857 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

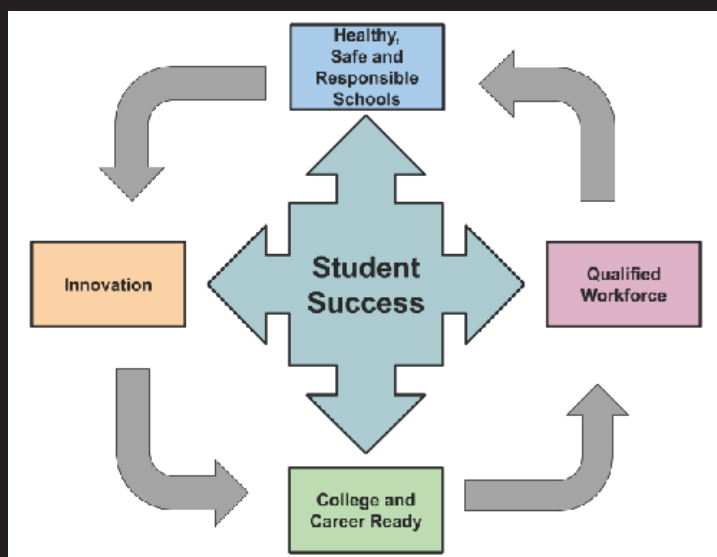
# LETTER OF TRANSMITTAL FOR THE YEAR ENDED JUNE 30, 2023 (continued)



referendum and a quarter of one cent sales tax increase to pay for the bonds. The bonds will pay for new school construction, renovations and additions, and critical school facility repairs. Almost 70% of Gaston County Schools are 40 years old or older.

The funding Gaston County Schools receives from the State comprises approximately 51% of operating funds. This percent has decreased the last few years as Federal COVID funds have been added to assist with funding.

## STRATEGIC PLAN SUMMARY



## CURRENT YEAR ACCOMPLISHMENTS

Gaston County Schools is the tenth largest public school district in North Carolina, and the district is fully accredited as a quality school system by AdvancED (now Cognia), which is the organization that is responsible for granting school accreditation. Additionally, each school has earned full accreditation and the “quality school” distinction.

Year after year, our schools continue to make us proud. 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/College Now partnership with Gaston College, services for exceptional children, and many other academic, student support, athletic, fine arts, and extracurricular programs. Gaston County is home to a North Carolina STEM School of Distinction, three North Carolina A+ Schools that focus on integrating the arts across the curriculum, and two National Blue Ribbon Schools.



Student accomplishments are our most significant points of pride. Over the past few years, students have earned top recognition in a number of areas, including the fine arts, regional and state science and engineering fairs, spelling bee, Battle of the Books, and Scholastic Art and Writing Awards. Additionally, students have won state championships in wrestling, cheerleading, and track and field and captured awards in robotics, theater, yearbook design, business, and technology/engineering.

State testing and accountability data for the 2022-2023 academic year indicates that Gaston County Schools continues to recover from learn-

# LETTER OF TRANSMITTAL

## FOR THE YEAR ENDED JUNE 30, 2022 (continued)



ing loss that occurred as a result of the COVID-19 pandemic. In comparison of the 2022-2023 year to the 2020-2021 year when students returned to school following the COVID-19 shutdown in March 2020, the percentage of students in Gaston County Schools scoring at or above grade level (achieving proficiency) on end-of-grade and end-of-course state tests is higher in all tested areas except for eighth grade science (the decrease in eighth grade science is less than three points). The most notable improvements coming out of the pandemic are in elementary school math and science, middle school reading, and high school math and biology.



The elementary schools with the highest student proficiency are Hawks Nest, New Hope, Belmont Central, North Belmont, W.A. Bess, Pinewood, and Rankin. Kiser (+10.5) leads the elementary schools with the most significant increase in student proficiency. Other elementary schools with a significant increase are Carr (+9.6), New Hope (+6.5), Pinewood (+5.6), and Costner (+5.4). The middle schools with the highest student proficiency are Cramerton, Belmont, and Stanley. Bessemer City (+7.7) had the most significant increase in student proficiency among the middle schools. The high schools with the highest student proficiency are Highland, Gaston Early College, Gaston Early College of Medical Sciences, and South Point. The high schools with the most significant increase in student proficiency are Bessemer City (+13.1), North Gaston (+11.0), and Cherryville (+9.1). The Gaston Virtual Academy (our online school for all grades) had a double-digit increase in student proficiency (+10.6) when compared to the previous year.

Gaston County had 73 percent of its schools (37 of 51) to meet or exceed overall academic growth expectations. At the elementary school level, Carr, Catawba Heights, Lowell, North Belmont, Pinewood, and Rankin exceeded overall academic growth expectations. Bessemer City, Chavis, Cramerton, Southwest, Stanley, and York Chester exceeded overall expectations among the middle schools. At the high school level, Gaston Early College, Gaston Early College of Medical Sciences, Highland, and South Point exceeded overall expectations.



The Gaston County graduation rate for the Class of 2023 is 85.3 percent. Six schools have a graduation rate of 90 percent or higher: Gaston Early College (100 percent), Highland (99.2 percent), South Point (94.2 percent), Cherryville (93.2 percent), East Gaston (91.9 percent) and Forestview (90.4 percent). Cherryville (+7.6) and East Gaston (+5.3) had the most significant increases when compared to the previous year. When the State first calculated the graduation rate in 2005-2006, Gaston County's rate was a mere 68.1 percent.

Gaston County Schools is proud to offer 22 magnet school and academy options for students, including programs that focus on seven specific areas: Careers, Collegiate Prep, Health Sciences, Leadership, Performing Arts, Public Service, and Technology and Industrial Engineer-



# LETTER OF TRANSMITTAL

## FOR THE YEAR ENDED JUNE 30, 2023 (continued)



ing. The magnet school and academy options provide more choices for students and gives them an opportunity to focus on a particular area or pathway to ensure college and career readiness.

Of the ten largest school districts in North Carolina, Gaston County's school safety record continues to rank as one of the best, and our school crime rate has been significantly lower than the state rate for more than a decade. Several initiatives are key to our on-going focus on school security, including a buzz-in entrance system and visitor check-in system at each school, updated camera and surveillance equipment, comprehensive school safety plans, and having a resource officer assigned to every school. Our strong partnership with local law enforcement is an important factor in our efforts to ensure school safety.



Without question, there are many reasons to be proud of Gaston County Schools. 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 significant support from our parents, volunteers, and community partners makes our schools even better. Working together as a school family, Gaston County Schools is able to fulfill its vision of "inspiring success and a lifetime of learning."

## FUTURE INITIATIVES

Looking ahead to the 2023-2024 academic year and beyond, it is an exciting time for Gaston County Schools.

With an elaborate groundbreaking ceremony featuring speeches, applause, and the ceremonial turning of the dirt, the beginning of construction for a new W.P. Grier Middle School campus in Gastonia is underway. The new school will be located on the same 25 acres of land where the existing school sits. Construction will happen in two phases – the 155,000 square-foot school will be built first on land that was used previously for the football field and then the old building will be demolished to make space for a new sports complex. Once the school opens in 2025, it will take another year to build the football, softball, and baseball fields. The new, two-story school will house 1,000 students with the ability to accommodate as many as 1,200. It will include more than 40 contemporary classrooms; various instructional, office, and conference spaces; a multi-use media center and library; a large cafeteria and multi-purpose room; and a modern gymnasium, which will be located behind the main building. The site plan includes more space for parking and additional entrances to improve on-campus traffic flow.

The cost to build the new Grier campus is estimated at \$50-\$60 million, a price that is higher than previous middle school construction projects because of inflation. School bonds, which were approved by voters in May 2018, will be used to pay for the new school. Building on the exist-



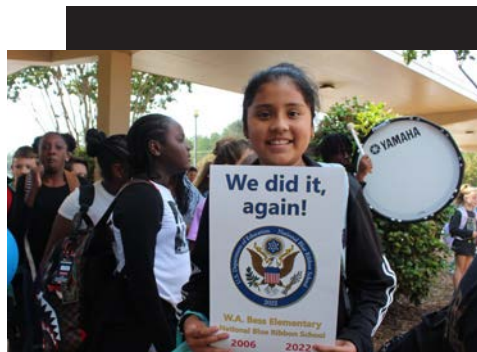


## LETTER OF TRANSMITTAL FOR THE YEAR ENDED JUNE 30, 2023 (continued)

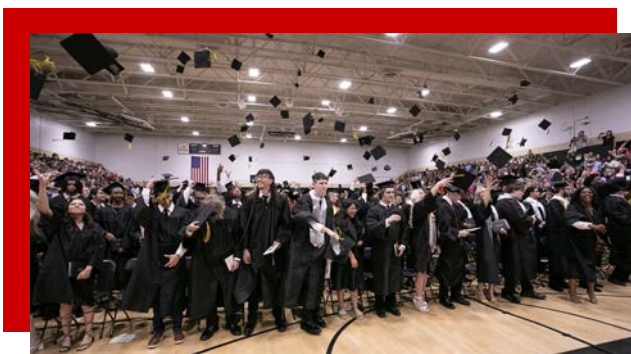


ing campus saves taxpayer funds because no land had to be purchased. Beam Construction Company is building the new school, and LS3P Associates is the architect. LS3P Associates also designed the new Stanley Middle School, which opened in March 2018, and the new Belmont Middle School, which opened in August 2021. The new Grier Middle School is similar in design to both Belmont Middle School and Stanley Middle School. Beam Construction also built the new Belmont Middle School and the new Pleasant Ridge Elementary School in Gastonia, which opened in August 2017.

In addition to the construction of a new Grier Middle School, Gaston County Schools is completing significant renovation and repair projects at many schools. In recent months, more than 50 projects have taken place at school across the county. School bonds and capital funds were used to pay for the projects. Some of the most noticeable projects include parking lot paving at South Point High School, North Gaston High School, Southwest Middle School, and Kiser Elementary School and gym floor replacement at East Gaston High School, Costner Elementary School, Carr Elementary School, and Brookside Elementary School. Additional projects including roofing, lighting, painting, carpet and flooring, life safety, security vestibules, and other upgrades.



Once the Board of Education completes its nationwide superintendent search process, Gaston County Schools will have a new leader. Our next superintendent will be responsible for guiding the school district and working with the Board of Education to move us forward and further enhance public education in our community. One focus for the new superintendent will be overseeing the strategic planning process, which is intended to determine the school district's vision and mission, identify priorities, and set goals for the next five years. Strategic planning includes all stakeholders and involves a robust effort to gain feedback and input from students, employees, parents, community leaders, elected officials, and others regarding the future of Gaston County Schools.



In the area of Career and Technical Education, Gaston County Schools is working now to establish a Career Exploration Center. The center, which will be housed in a portion of the former Forest Heights Elementary School, will provide students with opportunities to engage in hands-on learning, simulations, demonstrations, and seminars. Students will learn about various careers and gain knowledge and skills that will prepare them for the workforce and specialized training once they graduate from high school. Additionally, a cosmetology program is in the works at Hunter Huss High School to provide additional career-related opportunities for students.

During the 2023-2024 year, Gaston County Schools will celebrate having another National Blue Ribbon School. Highland School of Technology has earned the prestigious national designation, which recognizes the school for its long-standing commitment to academic excellence,

# LETTER OF TRANSMITTAL FOR THE YEAR ENDED JUNE 30, 2023 (continued)



for a second time. The school first won the honor in 2017. This makes the second consecutive year that a school in Gaston County has received the National Blue Ribbon School award. W.A. Bess Elementary earned the honor in 2022, giving the school its second award as well. W.A. Bess was first named a National Blue Ribbon School in 2006.

Students, parents, employees, and the community are encouraged to stay connected with Gaston County Schools by visiting the district website ([www.gaston.k12.nc.us](http://www.gaston.k12.nc.us)), each school website, following us on social media (Facebook, Twitter, and Instagram), watching us on Spectrum Cable Channel 21 and YouTube, and downloading our free mobile app, which is available in the Google Play and Apple online stores.



## 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

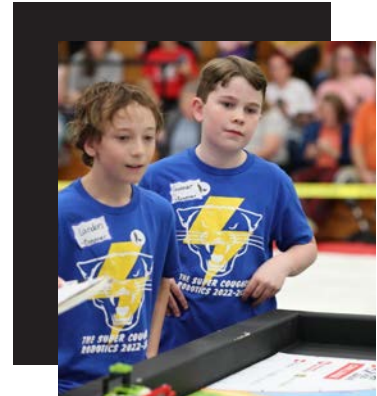
North Carolina's Public School Budget and Fiscal Control Act mandates that the financial statements be audited at the end of each fiscal year. Our selection of an independent auditor has been approved by the State's Local Government Commission as qualified to audit local government accounts.

# LETTER OF TRANSMITTAL FOR THE YEAR ENDED JUNE 30, 2023 (concluded)



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.



## FINANCIAL REPORTING AWARDS

Since 1993 and 1997, respectively, our Annual Comprehensive 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 annual comprehensive 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 Annual Comprehensive 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,

A handwritten signature in black ink, appearing to read "Stephen C. Laws".

**Stephen C. Laws, Ed.D.**  
*Interim Superintendent*

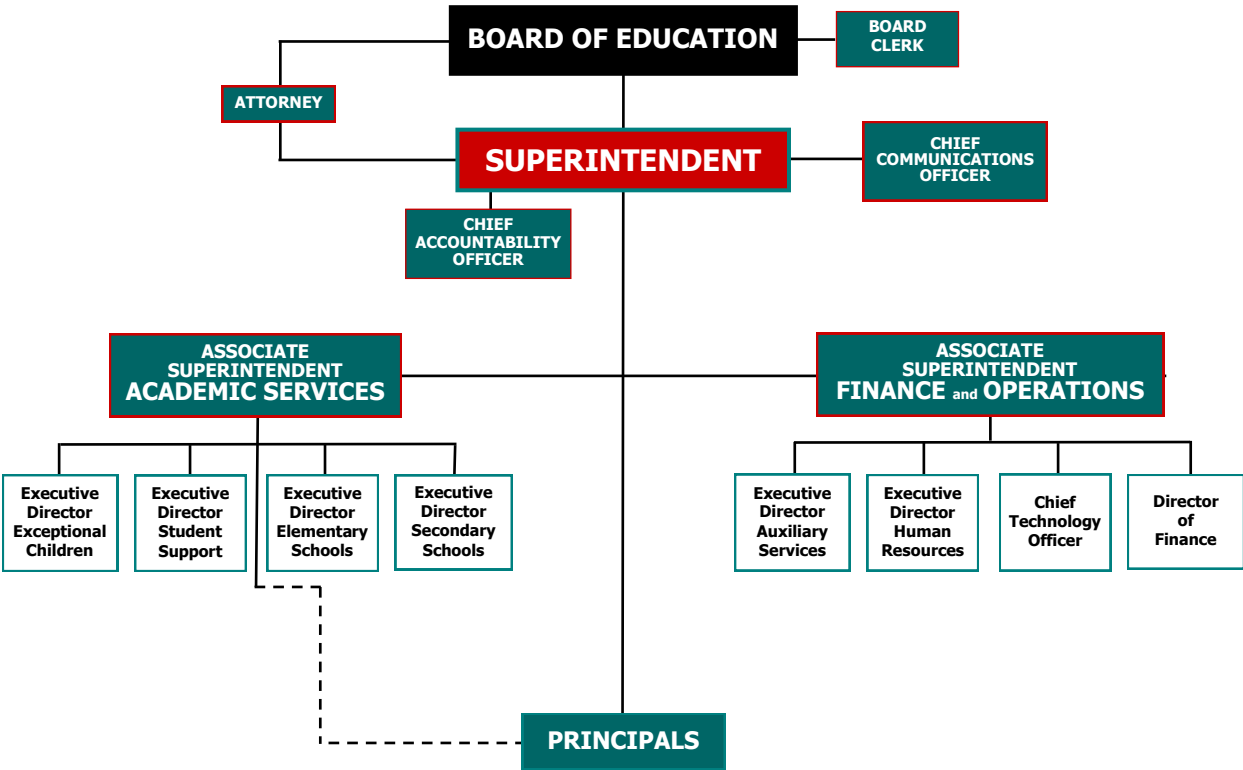
A handwritten signature in black ink, appearing to read "Gary E. Hoskins".

**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 Annual Comprehensive Financial Report  
for the Fiscal Year Ended June 30, 2022.

The district report meets the criteria established for  
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading "John W. Hutchison".

**John W. Hutchison**  
President

A handwritten signature in black ink, reading "Siobhán McMahon".

**Siobhán McMahon, CAE**  
Chief Operations Officer/  
Interim 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**

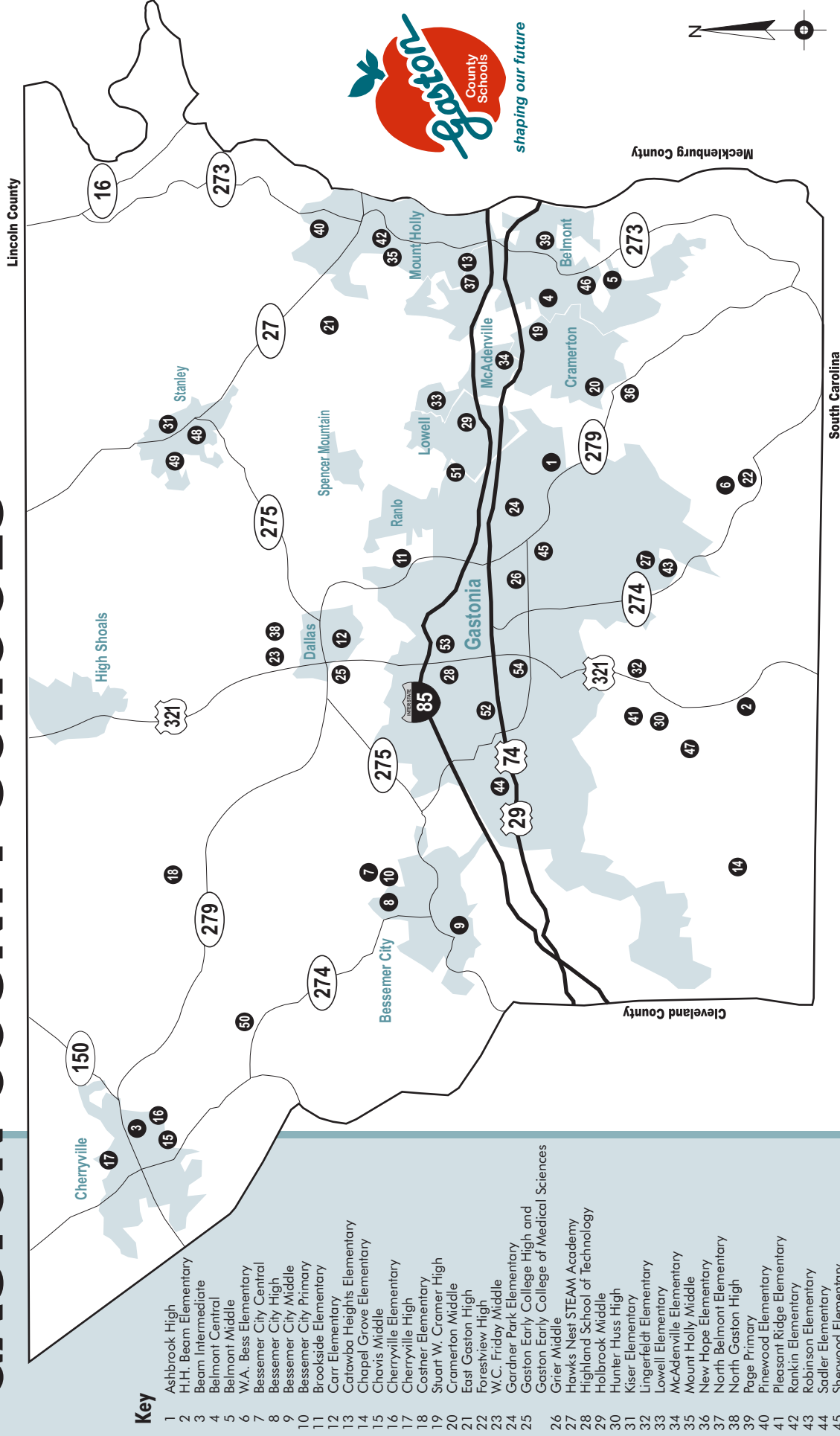
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

June 30, 2022

*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 Cosher 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 and
- 26 Gaston Early College of Medical Sciences
- 27 Grier Middle
- 28 Hawks Nest STEAM Academy
- 29 Highland School of Technology
- 30 Holbrook Middle
- 31 Hunter Huss High
- 32 Kiser Elementary
- 33 Lingerfeldt Elementary
- 34 Lowell Elementary
- 35 McAdenville Elementary
- 36 Mount Holly Middle
- 37 New Hope Elementary
- 38 North Belmont Elementary
- 39 North Gaston High
- 40 Page Primary
- 41 Pinewood Elementary
- 42 Pleasant Ridge Elementary
- 43 Rankin Elementary
- 44 Robinson Elementary
- 45 Sadler Elementary
- 46 Sherwood Elementary
- 47 South Point High
- 48 Southwest Middle
- 49 Springfield Elementary
- 50 Stanley Middle
- 51 Tryon Elementary
- 52 Warlick
- 53 Wabb Street
- 54 Woodhill Elementary
- 55 York Chester Middle



## GASTON COUNTY SCHOOLS

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



# **FINANCIAL SECTION**





# ANDERSON SMITH & WIKE PLLC

*Certified Public Accountants*

4636 Greenhaven Lane  
Gastonia, North Carolina 28056  
(704) 661-0795

220 East Washington Street  
Post Office Box 697  
Rockingham, North Carolina 28380  
(910) 895-2899

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, as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the Board's basic financial statements as listed in the table of contents.

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, the aggregate discretely presented component unit, each major fund, and the aggregate remaining fund information of the Gaston County Board of Education, North Carolina as of June 30, 2023, 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, the Federal Grants and the Other Specific Revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Gaston County Board of Education and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Responsibilities of Management for the Audit of the Financial Statements**

Management is responsible for the preparation and the fair presentation of these financial statements in accordance with 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 misstatements, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Gaston County Board of Education's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing stand-

ards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Gaston County Board of Education's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Gaston County Board of Education's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis on pages 5 through 12 and the Schedule of Proportionate Share of Net Pension and OPEB Liabilities and the Schedule of Board Contributions on pages 54 and 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 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 individual nonmajor fund financial statements and schedules, budgetary schedules, other schedules, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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.

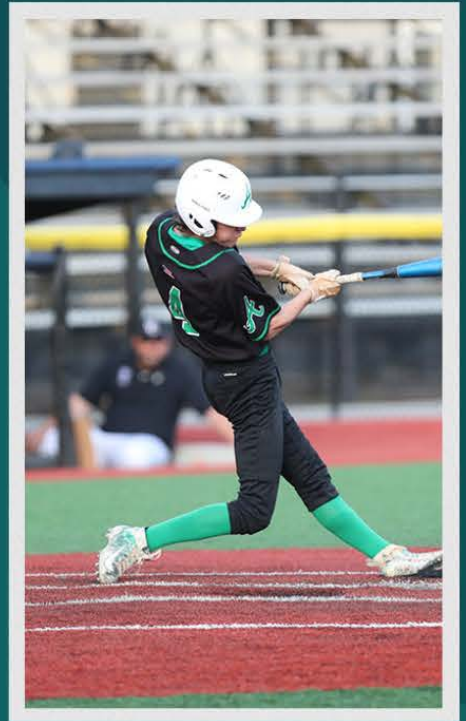
**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2023 on our consideration of Gaston County Board of Education's internal control over financial reporting and our tests of its compliance with certain provisions of 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*

November 10, 2023  
Gastonia, North Carolina







# MANAGEMENT'S DISCUSSION AND ANALYSIS

## FOR THE YEAR ENDED JUNE 30, 2023



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, 2023. 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, 2023, the Board used over \$12.8 million for school renovations and repairs which included new roofs, HVAC systems, life safety equipment, windows, paving and much more. Construction on the new Grier Middle School has begun and is scheduled to open in August 2025.
- Unassigned fund balance for the Board increased from \$5.2 million as of June 30, 2022 to \$5.5 million as of June 30, 2023. This represents an increase of \$380,000 or 7.3%.
- District enrollment increased slightly for the current year at 29,936 students, as compared to enrollment of 29,704 students the previous year.
- Cash position remains strong at \$45.1 million at June 30, 2023, compared to \$39.2 million at June 30, 2022.
- The operational expenditures per pupil increased to \$11,626 this year compared to \$10,348 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, 2023 (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, 2023 (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 \$126.4 million as of June 30, 2023.

Following is a summary of the Statement of Net Position from Exhibit 1:

### CONDENSED STATEMENT OF NET POSITION AS OF JUNE 30, 2023 AND 2022

	Governmental Activities		Business-type Activities		Total Primary Government	
	6/30/2023	6/30/2022	6/30/2023	6/30/2022	6/30/2023	6/30/2022
Current assets	\$ 43,217,298	\$ 33,545,464	\$ 7,288,081	\$ 7,941,576	\$ 50,505,379	\$ 41,487,040
Capital assets	243,750,358	245,761,238	1,974,025	2,007,127	245,724,383	247,768,365
Total assets	286,967,656	279,306,702	9,262,106	9,948,703	296,229,762	289,255,405
Deferred outflows of resources	143,801,096	86,512,159	4,279,683	2,298,235	148,080,779	88,810,394
Current liabilities	24,786,715	16,448,945	210,406	105,535	24,997,121	16,554,480
Long-term liabilities	402,822,442	341,946,894	12,264,340	9,519,662	415,086,782	351,466,556
Total liabilities	427,609,157	358,395,839	12,474,746	9,625,197	440,083,903	368,021,036
Deferred inflows of resources	126,836,728	161,060,929	3,768,225	4,275,160	130,604,953	165,336,089
Net investment in capital assets	243,750,358	245,761,238	1,974,025	2,007,127	245,724,383	247,768,365
Restricted net position	12,665,239	12,253,590	-	19,907	12,665,239	12,273,497
Unrestricted net position	(380,092,730)	(411,652,735)	(4,675,207)	(3,680,453)	(384,767,937)	(415,333,188)
Total net position	\$ (123,677,133)	\$ (153,637,907)	\$ (2,701,182)	\$ (1,653,419)	\$ (126,378,315)	\$ (155,291,326)

# MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2023 (continued)



The following table (information taken from Exhibit 2) 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, 2023 AND 2022

	<u>Governmental</u> <u>Activities</u>		<u>Business-type</u> <u>Activities</u>		<u>Total Primary</u> <u>Government</u>	
	6/30/2023	6/30/2022	6/30/2023	6/30/2022	6/30/2023	6/30/2022
Revenues						
Program revenues:						
Charges for services	\$ 1,225,629	\$ 402,555	\$ 3,254,830	\$ 674,736	\$ 4,480,459	\$ 1,077,291
Operating grants and contributions	290,298,609	262,854,495	17,084,382	23,335,555	307,382,991	286,190,050
General revenues:						
County appropriations	66,494,984	56,651,356	-	-	66,494,984	56,651,356
State appropriations	-	456,593	-	-	-	456,593
Other revenues	21,564,109	23,778,490	45,502	42,977	21,609,611	23,821,467
Total revenues	<u>379,583,331</u>	<u>344,143,489</u>	<u>20,384,714</u>	<u>24,053,268</u>	<u>399,968,045</u>	<u>368,196,757</u>
Expenses						
Governmental activities:						
Instructional services	276,403,619	248,303,136	-	-	276,403,619	248,303,136
System-wide support services	59,095,835	50,537,633	-	-	59,095,835	50,537,633
Ancillary services	1,203,592	1,106,544	-	-	1,203,592	1,106,544
Non-programmed charges	11,340,634	7,419,460	-	-	11,340,634	7,419,460
Unallocated depreciation	1,514,268	1,708,452	-	-	1,514,268	1,708,452
Business-type activities:						
Food service	-	-	21,497,086	20,373,046	21,497,086	20,373,046
Total expenses	<u>349,557,948</u>	<u>309,075,225</u>	<u>21,497,086</u>	<u>20,373,046</u>	<u>371,055,034</u>	<u>329,448,271</u>
Increase in net position before transfers	30,025,383	35,068,264	(1,112,372)	3,838,670	28,913,011	38,906,933
Transfers in (out)	(64,609)	(79,224)	64,609	(79,224)	-	-
Increase in net position	29,960,774	34,989,040	(1,047,763)	3,759,446	28,913,011	38,748,486
Net position, beginning, previously reported	(153,637,907)	(188,626,947)	(1,653,419)	(5,412,865)	(155,291,326)	(194,039,812)
Restatement	-	-	-	-	-	-
Net position, beginning	(153,637,907)	(188,626,947)	(1,653,419)	(5,412,865)	(155,291,326)	(194,039,812)
Net position, ending	<u>\$(123,677,133)</u>	<u>\$(153,637,907)</u>	<u>\$ (2,701,182)</u>	<u>\$ (1,653,419)</u>	<u>\$(126,378,315)</u>	<u>\$(155,291,326)</u>

Total governmental activities generated revenues of \$379.6 million while expenses in this category totaled \$349.6 million for the year ended June 30, 2023. Comparatively, revenues were \$344.1 million and expenses totaled \$309.1 million for the year ended June 30, 2022. After transfers to the business-type activities, the decrease in net position totaled \$30.0 million in 2023, compared to an increase of \$35.0 million in 2022. Instructional services expenses comprised 79.1% of total governmental-type expenses while system-wide support services made up 16.9% of those expenses for 2023.

County funding, for operating and capital, comprised 17.5% of total governmental revenue for 2023. In 2022, County funding was 16.5%. Much of the remaining 82.5% of total governmental revenue for 2023 consisted of restricted State and federal money. For the 2022-2023 fiscal year, business-type activities generated revenue of \$17.1 million and had expenses of \$21.5 million. After transfers in from the governmental activities, net position in the business-type activities decreased by \$1.1 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.

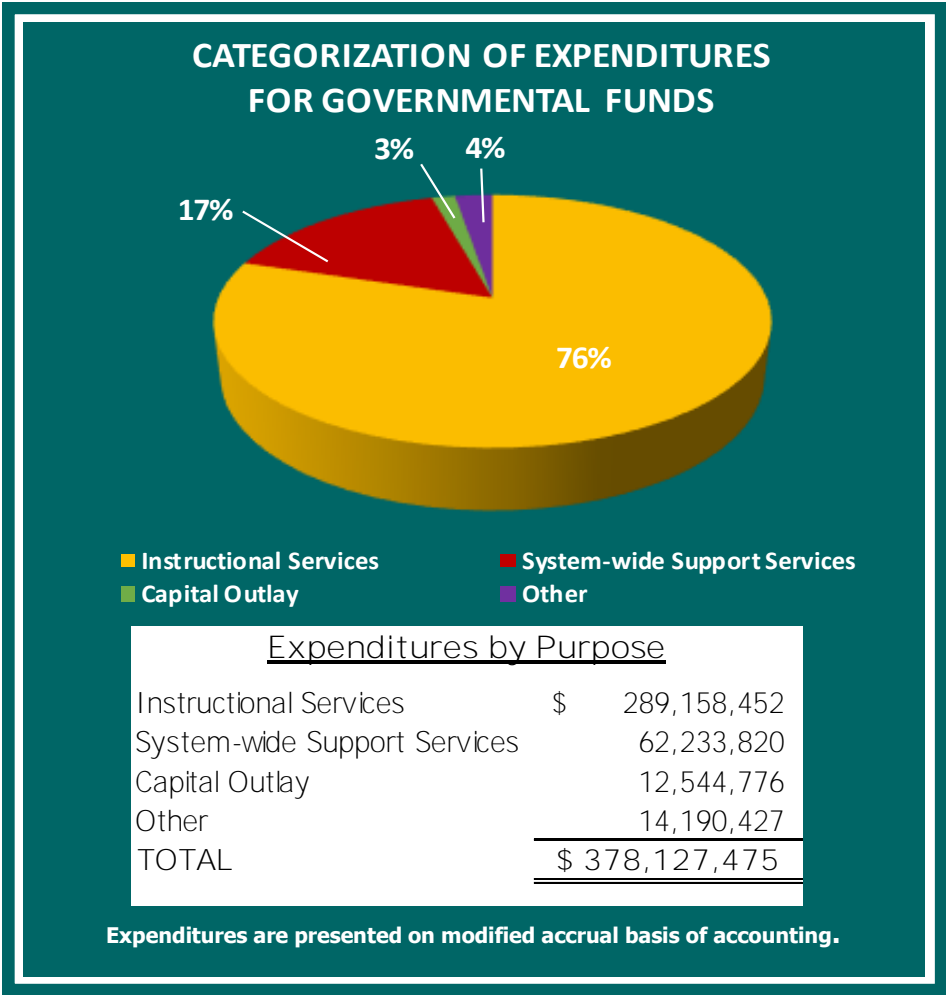


MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2023 (continued)



The Board’s governmental funds reported a combined fund balance of \$18.2 million, a \$1.4 million increase from last year. Expenditures increased by almost 9.3% to \$378.1 million. This increase was largely due to salary increases and the impact of inflation and included over \$12.8 million in capital outlay due to school renovations and repairs.

Total Governmental Funds revenue increased \$35.5 million from \$344.1 million in the prior year to \$379.6 million in the current year. The increase in revenue is mainly attributable to an increase in State and federal revenues. The revenue in the State Public School Fund increased by about \$9.1 million from \$203.5 million in 2022 to \$212.6 million in 2023. Some of this increase represents the increased cost of employee compensation and benefits covered by the State Public School Fund (Exhibit 4).



**Proprietary Fund:** Following the global pandemic years, meals were no longer free to all students. Families had to apply and qualify for free or reduced meals, which caused a reduction in participation as well as reimbursements. As a result, the School Food Service Fund incurred a \$6.3 million decrease in federal reimbursements and commodities and a \$1.1 million decrease in net position (Exhibit 8).



# MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2023 (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 decreased by \$2.0 million, or 0.8% from the previous year to \$245.7 million at June 30, 2023. This was due to normal depreciation. The following is a summary of the capital assets, net of depreciation, at year-end.

#### SUMMARY OF CAPITAL ASSETS AS OF JUNE 30, 2023 AND 2022

	Governmental Activities		Business-type Activities		Total Primary Government	
	6/30/2023	6/30/2022	6/30/2023	6/30/2022	6/30/2023	6/30/2022
Land	\$ 14,759,034	\$ 14,759,034	\$ -	\$ -	\$ 14,759,034	\$ 14,759,034
Construction in progress	-	-	-	-	-	-
Buildings	213,262,802	215,421,778	-	-	213,262,802	215,421,778
Equipment and furniture	381,574	767,093	1,974,025	2,007,127	2,355,599	2,774,220
Vehicles	7,345,832	8,019,616	-	-	7,345,832	8,019,616
Land improvements	8,001,116	6,793,717	-	-	8,001,116	6,793,717
Total	<u>\$ 243,750,358</u>	<u>\$ 245,761,238</u>	<u>\$ 1,974,025</u>	<u>\$ 2,007,127</u>	<u>\$ 245,724,383</u>	<u>\$ 247,768,365</u>

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 \$1.2 million to \$17.7 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, 2023 (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 2022-2023, the County provided approximately \$52.5 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 2022:
  - √ 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 (2017-2021)	65.7%	65.9%
Median value of owner-occupied housing units (2017-2021)	\$ 170,500	\$ 197,500
Persons below poverty level (2017-2021)	14.9%	13.4%
Employed (June 2023)	118,136	5,264,660
Unemployment Rate (June 2023)	3.4%	3.6%
Per Capita Personal Income (2017-2021)	\$ 30,607	\$ 34,209
Median Household Income (2017-2021)	\$ 56,819	\$ 60,516

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, 2023 (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



---

# **BASIC FINANCIAL STATEMENTS**

---

GASTON COUNTY BOARD OF EDUCATION  
STATEMENT OF NET POSITION  
June 30, 2023

Exhibit 1

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 38,444,246	\$ 6,611,782	\$ 45,056,028
Due from other governments	4,427,584	276,330	4,703,914
Receivables (net)	24,881	18,493	43,374
Internal balances	320,587	(320,587)	-
Inventory and prepaid expenses	-	702,063	702,063
Capital assets (Note 1)			
Land and construction in progress	14,759,034	-	14,759,034
Other capital assets, net of depreciation	228,991,324	1,974,025	230,965,349
Total capital assets	243,750,358	1,974,025	245,724,383
Total assets	286,967,656	9,262,106	296,229,762
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
	143,801,096	4,279,683	148,080,779
<b>LIABILITIES</b>			
Accounts payable and accrued expenses	5,866,897	143,319	6,010,216
Accrued salaries, wages, and payroll withholdings	-	-	-
Unearned revenue	13,317,870	67,087	13,384,957
Due to other governments	5,601,948	-	5,601,948
Long-term liabilities			
Net pension liability	161,966,379	4,820,302	166,786,681
Net OPEB liability	223,110,746	6,640,027	229,750,773
Due within one year	10,246,000	490,000	10,736,000
Due in more than one year	7,499,317	314,011	7,813,328
Total liabilities	427,609,157	12,474,746	440,083,903
<b>DEFERRED INFLOWS OF RESOURCES</b>			
	126,836,728	3,768,225	130,604,953
<b>NET POSITION</b>			
Net investment in capital assets	243,750,358	1,974,025	245,724,383
Restricted			
Prepays	-	-	-
Stabilization by state statute	37,747	-	37,747
Individual school activities	3,530,074	-	3,530,074
Other Specific Revenue	9,097,418	-	9,097,418
Unrestricted	(380,092,730)	(4,675,207)	(384,767,937)
Total net position	\$ (123,677,133)	\$ (2,701,182)	\$ (126,378,315)

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, 2023

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	\$ 159,654,001	\$ -	\$ 146,813,138	\$ -
Special populations	32,935,949	-	34,584,426	-
Alternative programs	27,293,210	-	23,185,696	-
School leadership	19,808,202	-	15,575,647	-
Co-curricular	9,030,131	-	3,766,595	-
School-based support	27,682,126	-	26,276,532	-
System-wide support services				
Support and development	2,761,622	-	2,089,691	-
Special population support and development	1,158,529	-	1,098,496	-
Alternative programs and services				
support and development	783,517	-	488,760	-
Technology support	4,004,537	-	2,526,604	-
Operational support	39,362,383	1,225,629	23,299,087	-
Financial and human resource	7,476,843	-	2,705,620	-
Accountability	601,513	-	-	-
System-wide pupil support	383,840	-	254,684	-
Policy, leadership and communications	2,563,051	-	1,177,892	-
Ancillary services	1,203,592	-	1,203,592	-
Non-programed charges	11,340,634	-	5,252,149	-
Unallocated depreciation expense*	1,514,268	-	-	-
Total governmental activities	<u>349,557,948</u>	<u>1,225,629</u>	<u>290,298,609</u>	<u>-</u>
Business-type activities				
School food service	<u>21,497,086</u>	<u>3,254,830</u>	<u>17,084,382</u>	<u>-</u>
Total primary government	<u>\$ 371,055,034</u>	<u>\$ 4,480,459</u>	<u>\$ 307,382,991</u>	<u>\$ -</u>

\*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.

GASTON COUNTY BOARD OF EDUCATION  
STATEMENT OF ACTIVITIES  
For the Year Ended June 30, 2023

Exhibit 2  
(continued)

Functions/Programs	Net (Expense) Revenue and Changes in Net Position		
	Primary Government		
	Governmental Activities	Business-type Activities	Total
Primary government			
Governmental Activities			
Instructional services			
Regular instructional	\$ (12,840,863)	\$ -	\$ (12,840,863)
Special populations	1,648,477	-	1,648,477
Alternative programs	(4,107,514)	-	(4,107,514)
School leadership	(4,232,555)	-	(4,232,555)
Co-curricular	(5,263,536)	-	(5,263,536)
School-based support	(1,405,594)	-	(1,405,594)
System-wide support services	-	-	-
Support and development	(671,931)	-	(671,931)
Special population support and development	(60,033)	-	(60,033)
Alternative programs and services	-	-	-
support and development	(294,757)	-	(294,757)
Technology support	(1,477,933)	-	(1,477,933)
Operational support	(14,837,667)	-	(14,837,667)
Financial and human resource	(4,771,223)	-	(4,771,223)
Accountability	(601,513)	-	(601,513)
System-wide pupil support	(129,156)	-	(129,156)
Policy, leadership and communications	(1,385,159)	-	(1,385,159)
Ancillary services	-	-	-
	(6,088,485)	-	(6,088,485)
Unallocated depreciation expense	(1,514,268)	-	(1,514,268)
Total governmental activities	(58,033,710)	-	(58,033,710)
Business-type activities			
School food service	-	(1,157,874)	(1,157,874)
Total primary government	(58,033,710)	(1,157,874)	(59,191,584)
General revenues			
Unrestricted county appropriations - operating	52,501,704	-	52,501,704
Unrestricted county appropriations - capital	13,993,280	-	13,993,280
Unrestricted State appropriations - operating	-	-	-
Unrestricted State appropriation - capital	-	-	-
Investment earnings, unrestricted	313,578	-	313,578
Miscellaneous, unrestricted	21,250,531	45,502	21,296,033
Transfers	(64,609)	64,609	-
Total general revenues and transfers	87,994,484	110,111	88,104,595
Change in net position	29,960,774	(1,047,763)	28,913,011
Net position, beginning,	(153,637,907)	(1,653,419)	(155,291,326)
Net position, ending	\$ (123,677,133)	\$ (2,701,182)	\$ (126,378,315)

GASTON COUNTY BOARD OF EDUCATION  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2023

Exhibit 3

	Major Funds					Non-major Funds -	Total
	General	State Public School	Capital Outlay	Other Specific Revenue	Federal Grants	Individual School Funds	Governmental Funds
<b>ASSETS</b>							
Cash and cash equivalents	\$ 13,334,124	\$ 1,305,494	\$ 4,771	\$ 19,820,184	\$ 449,599	\$ 3,530,074	\$ 38,444,246
Due from other funds	1,755,093	575	121,731	331,631	220,476	-	2,429,506
Due from other governments	37,747	-	2,565,743	1,824,094	-	-	4,427,584
Accounts receivable	-	-	-	24,881	-	-	24,881
Prepaid items	-	-	-	-	-	-	-
Total assets	<u>\$ 15,126,964</u>	<u>\$ 1,306,069</u>	<u>\$ 2,692,245</u>	<u>\$ 22,000,790</u>	<u>\$ 670,075</u>	<u>\$ 3,530,074</u>	<u>\$ 45,326,217</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>							
<b>Liabilities</b>							
Accounts payable and accrued liabilities	\$ 2,138,641	\$ -	\$ 3,121,412	\$ 606,844	\$ -	\$ -	\$ 5,866,897
Due to other funds	-	1,305,494	-	353,826	449,599	-	2,108,919
Due to other governments	5,601,948	575	-	-	220,476	-	5,822,999
Unearned revenue	1,375,168	-	-	11,942,702	-	-	13,317,870
Accrued salaries and wages payable	-	-	-	-	-	-	-
Total liabilities	<u>9,115,757</u>	<u>1,306,069</u>	<u>3,121,412</u>	<u>12,903,372</u>	<u>670,075</u>	<u>-</u>	<u>27,116,685</u>
Deferred inflows of resources	-	-	-	-	-	-	-
<b>Fund balances</b>							
Nonspendable:							
Prepays	-	-	-	-	-	-	-
Restricted:							
Stabilization by state statute	37,747	-	-	-	-	-	37,747
Individual Schools	-	-	-	-	-	3,530,074	3,530,074
Other Specific Revenue Fund	-	-	-	9,097,418	-	-	9,097,418
Capital Outlay	-	-	-	-	-	-	-
Assigned:							
Subsequent years insurance	-	-	-	-	-	-	-
Subsequent years expenditures	-	-	-	-	-	-	-
Unassigned:	<u>5,973,460</u>	<u>-</u>	<u>(429,167)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,544,293</u>
Total fund balances	<u>6,011,207</u>	<u>-</u>	<u>(429,167)</u>	<u>9,097,418</u>	<u>-</u>	<u>3,530,074</u>	<u>18,209,532</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 15,126,964</u>	<u>\$ 1,306,069</u>	<u>\$ 2,692,245</u>	<u>\$ 22,000,790</u>	<u>\$ 670,075</u>	<u>\$ 3,530,074</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

243,750,358

Deferred outflows related to pensions

96,729,335

Deferred outflows related to OPEB

47,071,761

Some liabilities, including accrued interest, are not due and payable in the current period and therefore are not reported in the funds (Note 2).

(17,745,317)

Net pension liability

(161,966,379)

Net OPEB liability

(223,110,746)

Deferred inflows of resources related to pensions

(6,852,040)

Deferred inflows of resources related to OPEB

(119,763,637)

Net position of governmental activities

\$ (123,677,133)

GASTON COUNTY BOARD OF EDUCATION  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2023

Exhibit 4

	Major Funds					Non-major Funds - Individual Schools Funds	Total Governmental Funds
	General	State Public School	Capital Outlay	Other Specific Revenue	Federal Grants		
REVENUES							
State of North Carolina	\$ -	\$ 212,584,445	\$ -	\$ 5,320,262	\$ -	\$ -	\$ 217,904,707
Gaston County	52,501,704	-	13,993,280	835,799	-	-	67,330,783
U.S. Government	-	-	-	299,072	74,341,862	-	74,640,934
School receipts - athletics, vending, fund raisers, misc.	-	-	-	-	-	7,121,470	7,121,470
Other	1,367,199	-	39,645	11,178,592	-	-	12,585,436
Total revenues	53,868,903	212,584,445	14,032,925	17,633,725	74,341,862	7,121,470	379,583,330
EXPENDITURES							
Current							
Instructional services							
Regular instructional	13,439,984	127,787,278	-	1,562,013	19,025,860	-	161,815,135
Special populations	1,946,548	25,230,147	-	409,311	9,354,279	-	36,940,285
Alternative programs	472,261	6,311,803	-	5,459,797	16,873,893	-	29,117,754
School leadership	6,525,432	14,703,596	-	19,420	872,051	-	22,120,499
Co-curricular	1,928,250	155,750	-	389,826	-	6,761,905	9,235,731
School-based support	1,724,934	17,857,990	-	1,927,582	8,418,542	-	29,929,048
System-wide support services							-
Support and development	854,775	881,602	-	113,831	1,208,089	-	3,058,297
Special population support and development	200,478	315,216	-	5,572	783,280	-	1,304,546
Alternative programs and services support and development	158,671	109,067	-	221,690	379,693	-	869,121
Technology support	1,807,468	2,431,905	-	-	94,699	-	4,334,072
Operational support	13,597,295	12,735,636	-	4,012,561	10,563,451	-	40,908,943
Financial and human resource	2,315,133	2,388,151	-	2,815,071	317,469	-	7,835,824
Accountability	470,747	237,435	-	-	19,378	-	727,560
System-wide pupil support	355,197	236,671	-	-	18,013	-	609,881
Policy, leadership and communications	1,407,684	1,137,589	-	-	40,303	-	2,585,576
Ancillary services	14,019	-	-	69,410	1,120,713	-	1,204,142
Non-programmed charges	6,001,738	-	-	86,747	5,252,149	-	11,340,634
Debt service							-
Principal payment	-	-	-	-	-	-	-
Capital outlay							-
Real property and buildings	-	-	14,190,427	-	-	-	14,190,427
Furniture and equipment	-	-	-	-	-	-	-
Buses and motor vehicles	-	-	-	-	-	-	-
Total expenditures	53,220,614	212,519,836	14,190,427	17,092,831	74,341,862	6,761,905	378,127,475
Excess (deficiency) of revenues over expenditures	648,289	64,609	(157,502)	540,894	-	359,565	1,455,855
Other financing sources (uses)							
Lease obligations issued	-	-	-	-	-	-	-
Net transfers to other funds	-	(64,609)	-	-	-	-	(64,609)
Net change in fund balance	648,289	-	(157,502)	540,894	-	359,565	1,391,246
Fund balances, beginning	5,362,918	-	(271,665)	8,556,524	-	3,170,509	16,818,286
Fund balances, ending	\$ 6,011,207	\$ -	\$ (429,167)	\$ 9,097,418	\$ -	\$ 3,530,074	\$ 18,209,532

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  
STATEMENT OF ACTIVITIES  
*For the Year Ended June 30, 2023*

---

Exhibit 5

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

Net changes in fund balances - total governmental funds	\$ 1,391,246
---	--------------

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 depreciation exceeded capital outlays in the current period.	(2,010,880)
---	-------------

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	30,049,341
--	------------

Contributions to the OPEB plan in current fiscal year are not included on the Statement of Activities	12,085,436
---	------------

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds	
OPEB non-employer contributions	1,744,169

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 similar 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.	-
--	---

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	(31,054,667)
OPEB Expense	16,564,013
Compensated absences	<u>1,192,116</u>

Total changes in net position of governmental activities	<u><u>\$ 29,960,774</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 BUDGET MAJOR SPECIAL REVENUE FUND  
For the Year Ended June 30, 2023

Exhibit 6

	General Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
State of North Carolina	\$ -	\$ -	\$ -	\$ -
Gaston County	52,501,704	52,501,704	52,501,704	-
U.S. Government	-	-	-	-
Other	750,000	790,702	1,367,199	576,497
Total revenues	53,251,704	53,292,406	53,868,903	576,497
Expenditures				
Current				
Instructional services				
Regular	14,872,912	13,446,325	13,439,984	6,341
Special populations	1,598,121	1,946,548	1,946,548	-
Alternative programs	297,626	472,262	472,261	1
School leadership	4,896,940	6,525,436	6,525,432	4
Co-curricular	2,131,125	1,928,250	1,928,250	-
School-based support	1,800,726	1,783,349	1,724,934	58,415
System-wide support services				
Support and development	651,484	854,776	854,775	1
Special population support and development	136,159	200,478	200,478	-
Alternative programs and services support and development	145,100	158,671	158,671	-
Technology support	2,143,200	1,807,470	1,807,468	2
Operational support	15,518,926	13,597,295	13,597,295	-
Financial and human resource	1,087,880	2,315,133	2,315,133	-
Accountability	482,093	484,171	477,144	7,027
System-wide pupil support	490,562	355,197	355,197	-
Policy, leadership and communications	1,498,850	1,407,685	1,407,684	1
Ancillary services	-	14,019	14,019	-
Non-programmed charges	5,500,000	5,995,341	5,995,341	-
Unbudgeted funds	-	-	-	-
Debt service				
Principal payment	-	-	-	-
Interest and other charges	-	-	-	-
Total expenditures	53,251,704	53,292,406	53,220,614	71,792
Revenues over (under) expenditures	-	-	648,289	648,289
Other financing uses				
Transfers to other funds	-	-	-	-
Revenues and other sources over (under) expenditures and other uses	-	-	648,289	648,289
Fund balance appropriated	-	-	-	-
Net change in fund balance	\$ -	\$ -	648,289	\$ 648,289
Fund balances, beginning			5,362,918	
Fund balances, ending			\$ 6,011,207	

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 BUDGET MAJOR SPECIAL REVENUE FUND  
For the Year Ended June 30, 2023

Exhibit 6  
(continued)

	State Public School Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
State of North Carolina	\$ 207,728,801	\$ 218,837,674	\$ 212,584,445	\$ (6,253,229)
Gaston County	-	-	-	-
U.S. Government	-	-	-	-
Other	-	-	-	-
Total revenues	207,728,801	218,837,674	212,584,445	(6,253,229)
Expenditures				
Current				
Instructional services				
Regular	126,973,728	128,451,090	127,787,278	663,812
Special populations	27,294,715	26,758,923	25,230,147	1,528,776
Alternative programs	10,357,809	6,512,229	6,311,803	200,426
School leadership	11,872,125	14,704,219	14,703,596	623
Co-curricular	-	169,645	155,750	13,895
School-based support	12,360,129	20,151,668	17,857,990	2,293,678
System-wide support services				
Support and development	702,828	882,310	881,602	708
Special population support and development	349,978	366,820	315,216	51,604
Alternative programs and services support and development	212,554	121,432	109,067	12,365
Technology support	276,837	2,445,341	2,431,905	13,436
Operational support	13,962,764	14,070,145	12,735,636	1,334,509
Financial and human resource	1,791,001	2,513,534	2,388,151	125,383
Accountability	110,115	241,999	237,435	4,564
System-wide pupil support	196,279	239,889	236,671	3,218
Policy, leadership and communications	1,009,760	1,143,821	1,137,589	6,232
Ancillary services	-	-	-	-
Non-programmed charges	-	-	-	-
Unbudgeted funds	-	-	-	-
Debt service				
Principal payment	-	-	-	-
Interest and other charges	-	-	-	-
Total expenditures	207,470,622	218,773,065	212,519,836	6,253,229
Revenues over (under) expenditures	258,179	64,609	64,609	-
Other financing uses				
Transfers to other funds	(258,179)	(64,609)	(64,609)	-
Revenues and other sources over (under) expenditures and other uses	-	-	-	-
Fund balance appropriated	-	-	-	-
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balances, beginning			-	
Fund balances, ending			\$ -	

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 FUND  
For the Year Ended June 30, 2023

Exhibit 6  
(continued)

	Other Specific Revenue Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
State of North Carolina	\$ -	\$ 11,688,843	\$ 5,320,262	\$ (6,368,581)
Gaston County	-	-	835,799	835,799
U.S. Government	-	-	299,072	299,072
Other	8,259,577	17,539,124	11,178,592	(6,360,532)
Total revenues	8,259,577	29,227,967	17,633,725	(11,594,242)
Expenditures				
Current				
Instructional services				
Regular	39,983	3,344,965	1,562,013	1,782,952
Special populations	1,981,000	5,030,484	409,311	4,621,173
Alternative programs	6,073,429	6,880,450	5,459,797	1,420,653
School leadership	-	44,832	19,420	25,412
Co-curricular	-	389,967	389,826	141
School-based support	-	2,767,655	1,927,582	840,073
System-wide support services				
Support and development	6,943	122,873	113,831	9,042
Special population support and development	1,500	11,000	5,572	5,428
Alternative programs and services support and development	139,222	275,670	221,690	53,980
Technology support	-	-	-	-
Operational support	17,500	7,063,036	4,012,561	3,050,475
Financial and human resource	-	2,828,414	2,815,071	13,343
Accountability	-	-	-	-
System-wide pupil support	-	163,354	-	163,354
Policy, leadership and communications	-	-	-	-
Ancillary services	-	129,347	69,410	59,937
Non-programmed charges	-	175,920	86,747	89,173
Unbudgeted funds	-	-	-	-
Debt service				
Principal payment	-	-	-	-
Interest and other charges	-	-	-	-
Total expenditures	8,259,577	29,227,967	17,092,831	12,135,136
Revenues over (under) expenditures	-	-	540,894	540,894
Other financing uses				
Transfers to other funds	-	-	-	-
Revenues and other sources over (under) expenditures and other uses	-	-	540,894	540,894
Fund balance appropriated	-	-	-	-
Net change in fund balance	\$ -	\$ -	540,894	\$ 540,894
Fund balances, beginning			8,556,524	
Fund balances, ending			\$ 9,097,418	

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 FUND  
For the Year Ended June 30, 2023

Exhibit 6  
(continued)

Federal Grants Fund				
Budgeted Amounts				Variance with Final Budget -
	Original	Final	Actual Amounts	Positive (Negative)
Revenues				
State of North Carolina	\$ -	\$ -	\$ -	\$ -
Gaston County	-	-	-	-
U.S. Government	75,081,039	106,753,772	74,341,862	(32,411,910)
Other	-	-	-	-
Total revenues	75,081,039	106,753,772	74,341,862	(32,411,910)
Expenditures				
Current				
Instructional services				
Regular	22,010,012	20,475,206	19,025,860	1,449,346
Special populations	1,226,525	10,099,818	9,354,279	745,539
Alternative programs	6,761,379	24,151,722	16,873,893	7,277,829
School leadership	-	946,325	872,051	74,274
Co-curricular	-	-	-	-
School-based support	13,161,425	13,386,651	8,418,542	4,968,109
System-wide support services				
Support and development	567,772	1,477,857	1,208,089	269,768
Special population support and development	15,000	1,139,870	783,280	356,590
Alternative programs and services support and development	-	883,302	379,693	503,609
Technology support	-	336,925	94,699	242,226
Operational support	27,975,120	20,058,803	10,563,451	9,495,352
Financial and human resource	-	538,893	317,469	221,424
Accountability	-	19,378	19,378	-
System-wide pupil support	-	18,013	18,013	-
Policy, leadership and communications	-	40,303	40,303	-
Ancillary services	215,647	1,120,713	1,120,713	-
Non-programmed charges	3,148,159	6,700,931	5,252,149	1,448,782
Unbudgeted funds	-	5,359,062	-	5,359,062
Debt service				
Principal payment	-	-	-	-
Interest and other charges	-	-	-	-
Total expenditures	75,081,039	106,753,772	74,341,862	32,411,910
Revenues over (under) expenditures	-	-	-	-
Other financing uses				
Transfers to other funds	-	-	-	-
Revenues and other sources over (under) expenditures and other uses	-	-	-	-
Fund balance appropriated	-	-	-	-
Net change in fund balance	\$ -	\$ -	-	\$ -
Fund balances, beginning				
Fund balances, ending			\$ -	



GASTON COUNTY BOARD OF EDUCATION  
STATEMENT OF NET POSITION  
PROPRIETARY FUND  
For the Year Ended June 30, 2023

Exhibit 7

	Enterprise Fund
	Major Fund
	School Food Service
ASSETS	
Current assets	
Cash and cash equivalents	\$ 6,611,782
Receivables (net)	294,823
Inventories	702,063
Total current assets	<u>7,608,668</u>
Noncurrent assets	
Capital assets, net	<u>1,974,025</u>
Total assets	<u>9,582,693</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>4,279,683</u>
LIABILITIES	
Current liabilities	
Accounts payable and accrued expenses	\$ 143,319
Due to other funds	320,587
Unearned revenue	67,087
Current portion of long-term obligations	<u>490,000</u>
Total current liabilities	<u>1,020,993</u>
Noncurrent liabilities	
Long-term obligations	314,011
Net pension liability	4,820,302
Net OPEB liability	<u>6,640,027</u>
Total noncurrent liabilities	<u>11,774,340</u>
Total liabilities	<u>12,795,333</u>
DEFERRED INFLOWS OF RESOURCES	<u>3,768,225</u>
NET POSITION	
Investment in capital assets	1,974,025
Unrestricted	<u>(4,675,207)</u>
Total net position	<u>\$ (2,701,182)</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

Exhibit 8

*For the Year Ended June 30, 2023*

	Enterprise Fund
	Major Fund
	School Food
	Service
OPERATING REVENUES	
Food sales	\$ 3,254,830
Total operating revenues	3,254,830
OPERATING EXPENSES	
Purchase of food	7,803,746
Salaries and benefits	11,246,688
Indirect costs	852,590
Materials and supplies	1,321,377
Depreciation	272,685
Other	-
Total operating expenses	21,497,086
Operating loss	(18,242,256)
NONOPERATING REVENUES	
Federal reimbursements	14,885,376
Federal commodities	1,346,416
Indirect cost not paid	852,590
Other	45,502
Total nonoperating revenue	17,129,884
Income before transfers	(1,112,372)
Transfers from other funds	64,609
Change in net position	(1,047,763)
Total net position, beginning	(1,653,419)
Total net position, ending	\$ (2,701,182)

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, 2023

Exhibit 9

	Enterprise Fund Major Fund School Food Service
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash received from customers	\$ 3,436,239
Cash paid for goods and services	(10,021,808)
Cash paid to employees for services	(10,986,499)
Net cash used by operating activities	(17,572,068)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Federal reimbursements	16,231,792
Other - noncapital financing activities	45,502
Cash from noncapital financing activities	16,277,294
CASH FLOWS USED IN CAPITAL AND RELATED FINANCING ACTIVITIES	
Acquisition of capital assets	(239,583)
Loss on disposal of capital assets	-
Net cash used in capital and related financing activities	(239,583)
Net increase in cash and cash equivalents	(1,534,357)
Balance, beginning	8,146,139
Balance, ending	\$ 6,611,782
Reconciliation of operating loss to net cash used by operating activities	
Operating loss	\$ (18,242,256)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Depreciation	272,685
Salaries paid by special revenue fund	64,609
Indirect costs not paid	852,590
Changes in assets, liabilities, deferred inflows and deferred outflows of resources:	
Decrease in accounts receivable	114,322
Decrease in OPEB asset	3,894
Decrease in inventory	11,156
Decrease in due to other funds	(1,010,234)
Increase in accounts payable and accrued expenses	37,784
Increase in deferred outflows of resources	(1,981,448)
Increase in net pension liability	3,556,639
Decrease in net OPEB liability	(677,205)
Increase in deferred inflows of resources	(506,935)
Unearned revenue	67,087
Decrease in long-term liabilities	(134,756)
Total adjustments	670,188
Net cash used by operating activities	\$ (17,572,068)

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, 2023*

---

Exhibit 9  
(continued)

Noncash investing, capital, and financing activities:

The State Public School Fund and Federal Fund paid salaries and benefits of \$64,609 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 \$852,590 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 \$1,346,416 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.

# NOTES TO THE BASIC FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2023



## 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, 2023 (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.

*Federal Grants Fund.* The Federal Grants Fund is used to account for grant monies received directly from the federal government.

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

# NOTES TO THE BASIC FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2023 (continued)

---



teams.

### 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 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, 2023 (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, 2023 (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
Mobile Units	15-20
Land Improvements	10-20
Furniture	5-10
Equipment	5-10
Vehicles	6-10
Computers	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 assets 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 Other Postemployment Benefits (OPEB) 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, 2023 (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 assets 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, 2023 (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, 2023 (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 (\$141,886,665) consists of several elements as follows:

<b><u>Description</u></b>	<b><u>Amount</u></b>
Capital assets used in governmental activities are not financial resources and are therefore not reported in the funds	\$ 520,697,705
Less accumulated depreciation	(276,947,347)
Net capital assets	243,750,358
Pension related deferred outflows of resources	96,729,335
OPEB related deferred outflows of resources	47,071,761
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:	
Compensated absences	(17,745,317)
Net pension liability	(161,966,379)
Net OPEB liability	(223,110,746)
Deferred inflows of resources related to pensions	(6,852,040)
Deferred inflows of resources related to OPEB	(119,763,637)
Total adjustment	\$ (141,886,665)

- 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 activities.

# NOTES TO THE BASIC FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2023 (continued)



There are several elements of that total adjustment of \$ 28,569,528 as follows:

<b>Description</b>	<b>Amount</b>
Capital outlay expenditures recorded in the fund statements but capitalized as assets in the Statement of Activities	\$ 5,920,844
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	(7,931,724)
Contributions to the pension plan in current fiscal year are not included on the Statement of Activities	30,049,341
Contributions to the OPEB plans in current fiscal year are not included on the Statement of Activities	12,085,436
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds	
OPEB non-employer contribution	1,744,169
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	(31,054,667)
OPEB Expense	16,564,013
Compensated absences	<u>1,192,116</u>
Total adjustment	<u>\$ 28,569,528</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, 2023 (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, 2023, the Board had deposits with banks and savings and loans with a carrying amount of \$ 28,717,429 and with the State Treasurer of \$ 1,755,093. The bank balances with the financial institutions and the State Treasurer were \$ 58,782,227 and \$ 7,656,898; respectively. Of these balances, \$ 3,780,074 was covered by federal depository insurance and \$ 62,659,051 was covered by collateral held by authorized escrow agents in the name of the State Treasurer.

##### Investments

At June 30, 2023, the Board had invested \$ 14,578,735 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, 2023. The Board has no policy for managing interest rate risk or credit risk. The Board also had \$4,771 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, 2023.

*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, 2023. 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, 2023 (continued)



### Accounts Receivable

Receivables at the government-wide level at June 30, 2023, were as follows:

	Due from Other Governments	Other	Due from Other Funds (Internal Balances)	Total
Governmental activities:				
General Fund	\$ 37,747	\$ -	\$ 1,755,093	\$ 1,792,840
State Public School Fund	-	-	(1,304,919)	(1,304,919)
Capital Outlay Fund	2,565,743	-	121,731	2,687,474
Federal Grants Fund	-	-	(229,123)	(229,123)
Other Specific Revenue Fund	1,824,094	24,881	(22,195)	1,826,780
Total governmental activities	<u>\$ 4,427,584</u>	<u>\$ 24,881</u>	<u>\$ 320,587</u>	<u>\$ 4,773,052</u>
Business-type activities:				
School Food Service Fund	<u>\$ 276,330</u>	<u>\$ 18,493</u>	<u>\$ (320,587)</u>	<u>\$ (25,764)</u>

Due from other governments consists of the following:

Governmental activities:		
General Fund	\$ 37,747	Sales tax refund, Fines & forfeitures
Capital Outlay Fund	2,565,743	Capital reimbursements from County
Other Specific Revenue Fund	1,824,094	Commissioner's Sch of Exc, Medicaid Reimbursements
Total	<u>\$ 4,427,584</u>	
Business-type activities:		
School Food Service Fund	<u>\$ 276,330</u>	USDA reimbursement, summer feeding, and catered lunches

### Capital Assets

Capital assets activity for the year ended June 30, 2023, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 14,759,034	\$ -	\$ -	\$ 14,759,034
Construction in progress	-	-	-	-
Total capital assets not being depreciated	<u>14,759,034</u>	<u>-</u>	<u>-</u>	<u>14,759,034</u>
Capital assets being depreciated:				
Buildings	445,801,632	3,811,126	-	449,612,758
Equipment and furniture	17,355,778	317,307	-	17,673,085
Vehicles	24,856,090	137,658	-	24,993,748
Land improvements	12,004,327	1,654,753	-	13,659,080
Total capital assets being depreciated	<u>500,017,827</u>	<u>5,920,844</u>	<u>-</u>	<u>505,938,671</u>
Less accumulated depreciation for:				
Buildings	230,379,854	5,970,102	-	236,349,956
Equipment and furniture	16,588,685	702,826	-	17,291,511
Vehicles	16,836,474	811,442	-	17,647,916
Land improvements	5,210,610	447,354	-	5,657,964
Total accumulated depreciation	<u>269,015,623</u>	<u>\$ 7,931,724</u>	<u>\$ -</u>	<u>276,947,347</u>
Total capital assets being depreciated, net	<u>231,002,204</u>			<u>228,991,324</u>
Governmental activity capital assets, net	<u>\$ 245,761,238</u>			<u>\$ 243,750,358</u>
Business-type activities:				
School Food Service Fund:				
Capital assets being depreciated:				
Furniture and office equipment	\$ 10,667,083	\$ 239,583	\$ -	\$ 10,906,666
Less accumulated depreciation for:				
Furniture and office equipment	8,659,956	\$ 272,685	\$ -	8,932,641
School Food Service Fund capital assets, net	<u>\$ 2,007,127</u>			<u>\$ 1,974,025</u>

# NOTES TO THE BASIC FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2023 (continued)



Depreciation was charged to governmental functions as follows:

Unallocated depreciation	\$ 1,514,268
Regular instructional services	5,970,102
Operational support services	447,354
Total	<u>\$ 7,931,724</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](http://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, 2023 (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, 2023, was 17.38% 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 \$30,943,643 for the year ended June 30, 2023.

**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, 2023, the Board reported a liability of \$166,786,681 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2021. The total pension liability was then rolled forward to the measurement date of June 30, 2022 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, 2022, and at June 30, 2021, the Board's proportion was 1.04% and 1.09%, respectively.

For the year ended June 30, 2023, the Board recognized pension expense of \$31,982,149. At June 30, 2023, 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	\$ 726,199	\$ 2,273,328
Changes of assumptions	13,158,833	-
Net difference between projected and actual earnings on pension plan investments	54,779,433	-
Changes in proportion and differences between Board contributions and proportionate share of contributions	-	4,782,636
Board contributions subsequent to the measurement date	30,943,643	-
<b>TOTAL</b>	<b>\$ 99,608,108</b>	<b>\$ 7,055,964</b>

# NOTES TO THE BASIC FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2023 (continued)



We reported \$30,943,643 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 ending June 30, 2024. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year Ending June 30:</b>		
2024	\$	15,526,358
2025	\$	14,650,950
2026	\$	5,171,477
2027	\$	26,259,727
Thereafter		-

*Actuarial Assumptions.* The total pension liability in the December 31, 2021 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5 percent
Salary Increases	3.25 to 8.05 percent, including inflation and productivity factor
Investment rate of return	6.50 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, 2021 actuarial valuation are based on the actuarial experience study prepared as of December 31, 2019 and adopted by the Board of Trustees on January 28, 2021.

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, 2023 (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, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Fixed Income	33.0%	0.9%
Global Equity	38.0%	6.5%
Real Estate	8.0%	5.9%
Alternatives	8.0%	8.2%
Credit	7.0%	5.0%
Inflation Protection	6.0%	2.8%
Total	100.0%	

The information above is based on 30 year expectations developed with the consulting actuary for the 2021 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 3.00%. All rates of return and inflation are annualized.

**Discount rate.** The discount rate used to measure the total pension liability reported at June 30, 2023 and 2022 was 6.50%. 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 6.50 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 (5.50 percent) or 1-percentage-point higher (7.50 percent) than the current rate:

	1% Decrease (5.50%)	Discount Rate (6.50%)	1% Increase (7.50%)
Board's proportionate share of the net pension liability (asset)	\$ 294,887,350	\$ 166,786,681	\$ 61,049,824

**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, 2023 (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 Annual Comprehensive Financial Report (ACFR), 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, 2023 (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 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 6.89% for June 30, 2023, of covered payroll which amounted to \$12,267,071. During the current fiscal year, the plan also recognized a one-time transfer of excess funding from the Public Employees Health Benefits Fund totaling \$180.5 million, which was isolated from the OPEB expense and allocated to participating employees as a separate revenue item. The Board's proportionate share of this allocation totaled \$ 1,744,169.

At June 30, 2023, the Board reported a liability of \$ 229,457,377 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021. The total OPEB liability was then rolled forward to the measurement date of June 30, 2022 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, 2022 and 2021, the Board's proportion was .915% and .956%, respectively.

\$12,267,071 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, 2024. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ending June 30:

2024	\$ (31,656,822)
2025	\$ (21,244,729)
2026	\$ (22,633,676)
2027	\$ (12,324,449)
2028	-
Thereafter	-

# NOTES TO THE BASIC FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2023 (continued)



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

Inflation	2.50%
	3.25 - 8.05%
Investment rate of return	6.50%
Healthcare cost trend rate - medical	5.00 - 6.00%
Healthcare cost trend rate - prescription drug	5.00 - 9.50%
Healthcare cost trend rate - administrative	3.00%

*Discount rate.* The discount rate used to measure the total OPEB liability for the RHBF was 3.54% at June 30, 2023, a decrease of 2.16%. 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 3.54% was used as the discount rate used to measure the total OPEB liability. The 3.54% rate is based on the Bond Buyer 20-year General Obligation Index as of June 30, 2022.

*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 (2.54 percent) or 1-percentage point higher (4.54 percent) than the current discount rate:

	1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
Net OPEB Liability	\$ 270,274,353	\$ 229,457,377	\$ 196,120,988

*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 or 1-percentage point higher than the current discount rate:

	1% Decrease (Medical - 4.00 - 5.00%, Pharmacy - 4.00 - 8.50%, Medicare Advantage - 4.00%, Administrative - 2.00%)	Healthcare Trend Rates (Medical - 5.00 - 6.00%, Pharmacy - 5.00 - 9.50%, Medicare Advantage - 5.00%, Administrative - 3.00%)	1% Increase (Medical - 6.00 - 7.00%, Pharmacy - 6.00 - 10.50%, Medicare Advantage - 6.00%, Administrative - 4.00%)
Net OPEB Liability	\$ 188,880,127	\$ 229,457,377	\$ 281,909,272



# NOTES TO THE BASIC FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2023 (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 Annual Comprehensive Financial Report (ACFR), 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, 2023, employers made a statutory contribution of .10% of covered payroll which was equal to the actuarially required contribution. Board contributions to the plan were \$178,042 for the year ended June 30, 2023.

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, 2023 (continued)



eligible to receive disability benefits as an other postemployment benefit.

At June 30, 2023, the Board reported a liability of \$293,396 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2020. The total OPEB liability was then rolled forward to the measurement date of June 30, 2021 utilizing updated 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, 2022 and 2021, the Board's proportion was .921% and .955%, respectively.

\$178,042 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, 2024. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30:	
2024	\$ 138,976
2025	\$ 160,336
2026	\$ 117,581
2027	\$ 89,186
2028	\$ 12,797
Thereafter	\$ 40,417

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

Inflation	2.50%
Salary increases	3.25% - 8.05%, include 3.25% inflation and productivity factor
Investment rate of return	3.00%, net of OPEB plan expense, including inflation

*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 (2.00 percent) or 1-percentage point higher (4.00 percent) than the current discount rate:

	1% Decrease (2.00%)	Discount Rate (3.00%)	1% Increase (4.00%)
Net OPEB Liability	\$ 361,281	\$ 293,396	\$ 225,343

*Common actuarial assumptions for both OPEB plans.* The total OPEB liability was determined by an actuarial valuation performed as of December 31, 2021 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, 2022. 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, 2023 (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, 2015 through December 31, 2019.

DIPNC is primarily invested in the Bond Index Investment Pool as of June 30, 2021. The long-term expected rate of return was determined based on the combination of expected future real rates of return and expected inflation. The long-term expected real rate of return for the Bond Index Investment Pool as of June 30, 2021 is 1.2%.

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

	RHBF	DIPNC	TOTAL
OPEB Expense (Benefit)	\$ (24,399,235)	401,166	\$ (23,998,069)
OPEB Liability (Asset)	\$ 229,457,377	293,396	\$ 229,750,773
Proportionate share of the net OPEB liability (asset)	.966%	.986%	
Deferred Outflows of Resources			
Differences between expected and actual experience	\$ 2,227,728	328,872	\$ 2,556,600
Changes of assumptions	\$ 18,371,044	18,857	\$ 18,389,901
Net difference between projected and actual earnings on plan investments	\$ 1,987,002	310,320	\$ 2,297,322
Changes in proportion and differences between Board contributions and proportionate share of contributions	\$ 12,748,100	35,635	\$ 12,783,735
Board contributions subsequent to the measurement date	\$ 12,267,071	178,042	\$ 12,445,113
Deferred Inflows of Resources			
Differences between expected and actual experience	\$ 634,932	-	\$ 634,932
Changes of assumptions	\$ 104,431,455	54,353	\$ 104,485,808
Net difference between projected and actual earnings on plan investments	\$ 144,643	-	\$ 144,643
Changes in proportion and differences between Board contributions and proportionate share of contributions	\$ 18,127,162	80,036	\$ 18,207,198

### Accounts Payable and Accrued Expenses

Accounts payable at June 30, 2023, are as follows:

	Vendors	Due to other Governments	Total
Governmental Activities:			
General Fund	\$ 2,138,641	\$ 5,601,948	\$ 7,740,589
State Public School Fund	-	-	\$ -
Capital Outlay Fund	3,121,412	-	\$ 3,121,412
Federal Grants Fund	-	-	\$ -
Other Specific Revenue Fund	606,844	-	\$ 606,844
Total governmental activities	<u>\$ 5,866,897</u>	<u>\$ 5,601,948</u>	<u>\$ 11,468,845</u>
Business-type Activities:			
School Food Service Fund	<u>\$ 143,319</u>	<u>\$ -</u>	<u>\$ 143,319</u>

# NOTES TO THE BASIC FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2023 (continued)



### 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	\$ 12,783,735	\$ 22,989,834
Change in assumption	31,548,734	104,485,808
Difference between projected and actual earnings on plan investments	57,076,755	-
Difference between expected and actual experience	3,282,799	2,908,260
Sales tax refunds (State Public School Fund and Federal Grants Fund)	-	221,051
Board contributions subsequent to the measurement date	43,388,756	-
Total	<u>\$ 148,080,779</u>	<u>\$ 130,604,953</u>

### 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)	\$ 13,317,870
Prepaid lunches	(School Food Service)	67,087
Total		<u>\$ 13,384,957</u>

### 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 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

# NOTES TO THE BASIC FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2023 (continued)

---



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 \$10,000 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.
- 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, \$500,000 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.

# NOTES TO THE BASIC FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2023 (continued)



### Contingent Liabilities

At June 30, 2023, 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. 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. At June 30, 2023, assets recorded no direct placement installment purchase contracts.

#### 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, 2023:

	Beginning Balance, restated	Additions	Reductions	Ending Balance	Current Portion
Governmental Activities:					
Leases	\$ -	\$ -	\$ -	\$ -	\$ -
Compensated absences	18,937,433	9,053,601	10,245,717	17,745,317	10,246,000
Net pension liability	47,567,905	114,398,474	-	161,966,379	-
Net OPEB liability	275,441,556	-	52,330,810	223,110,746	-
Total	<u>\$ 341,946,894</u>	<u>\$ 123,452,075</u>	<u>\$ 62,576,527</u>	<u>\$ 402,822,442</u>	<u>\$ 10,246,000</u>
Business-Type Activities:					
Compensated absences	\$ 938,767	\$ 489,949	\$ 624,705	\$ 804,011	\$ 490,000
Net pension liability	1,263,663	3,556,639	-	4,820,302	-
Net OPEB liability	7,317,232	-	677,205	6,640,027	-
Total	<u>\$ 9,519,662</u>	<u>\$ 4,046,588</u>	<u>\$ 1,301,910</u>	<u>\$ 12,264,340</u>	<u>\$ 490,000</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, 2023, consist of the following:

<u>Transfers From</u>	<u>Transfers To</u>	<u>Amount</u>
State Public School Fund	School Food Service Fund	\$ 64,609



# NOTES TO THE BASIC FINANCIAL STATEMENTS

## FOR THE YEAR ENDED JUNE 30, 2023 (concluded)



The State Public School Fund paid salaries and benefits of \$64,609 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 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.

<b>Total fund balance - General Fund</b>	<b>\$ 6,011,207</b>
<i>Less:</i>	
Stabilization by State Statute	37,747
Appropriated Fund Balance in 2023 Budget	-
Remaining Fund Balance	<u><u>\$ 5,973,460</u></u>

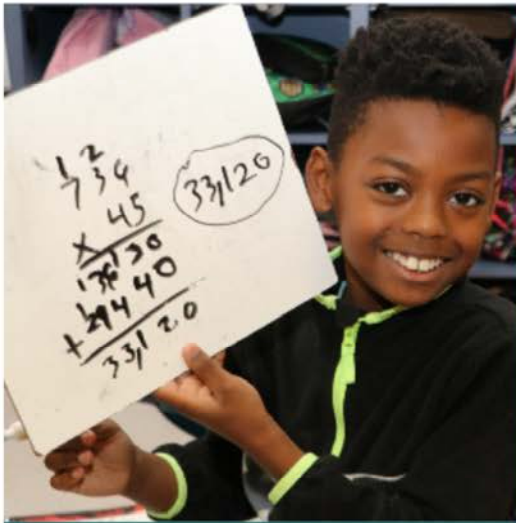
## NOTE 3: SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

### 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 TEN FISCAL YEARS\*

	2023	2022	2021	2020	2019
Contractually required contribution	\$ 30,943,643	\$ 27,766,696	\$ 24,239,220	\$ 21,084,301	\$ 20,017,439
Contributions in relation to the contractually required contribution	\$ 30,943,643	\$ 27,766,696	\$ 24,239,220	\$ 21,084,301	\$ 20,017,439
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Board's covered payroll	\$ 178,041,673	\$ 169,515,850	\$ 164,000,138	\$ 162,562,071	\$ 162,875,827
Contributions as a percentage of covered payroll	17.38%	16.38%	14.78%	12.97%	12.29%
	2018	2017	2016	2015	2014
Contractually required contribution	\$ 17,024,028	\$ 15,052,013	\$ 13,196,128	\$ 13,032,434	\$ 11,661,897
Contributions in relation to the contractually required contribution	\$ 17,024,028	\$ 15,052,013	\$ 13,196,128	\$ 13,032,434	\$ 11,661,897
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Board's covered payroll	\$ 157,922,335	\$ 150,821,769	\$ 144,219,980	\$ 142,430,973	\$ 134,199,040
Contributions as a percentage of covered payroll	10.78%	9.98%	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 TEN FISCAL YEARS\*

	2023	2022	2021	2020	2019
Board's proportion of the net pension liability (asset)	1.12%	1.04%	1.09%	1.10%	1.13%
Board's proportionate share of the net pension liability (asset)	\$166,786,681	\$48,831,568	\$131,214,112	\$114,362,049	\$111,996,045
Board's covered payroll	\$169,515,850	\$164,000,138	\$162,562,071	\$162,875,827	\$157,922,335
Board's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	98.39%	29.78%	80.72%	70.21%	70.92%
Plan fiduciary net position as a percentage of the total pension liability	84.14%	94.86%	85.98%	87.56%	87.61%
	2018	2017	2016	2015	2014
Board's proportion of the net pension liability (asset)	1.10%	1.09%	1.06%	1.04%	1.03%
Board's proportionate share of the net pension liability (asset)	\$87,036,057	\$99,920,315	\$38,920,465	\$12,111,578	\$63,332,870
Board's covered payroll	\$150,821,769	\$144,219,980	\$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	57.71%	69.28%	27.33%	9.03%	46.55%
Plan fiduciary net position as a percentage of the total pension liability	89.51%	87.32%	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 BOARD CONTRIBUTIONS  
DISABILITY INCOME PLAN OF NORTH CAROLINA  
LAST TEN FISCAL YEARS

	2023	2022	2021	2020	2019
Contractually required contribution	\$ 178,042	\$ 152,564	\$ 147,600	\$ 162,562	\$ 228,026
Contributions in relation to the contractually required contribution	<u>178,042</u>	<u>152,564</u>	<u>147,600</u>	<u>162,562</u>	<u>228,026</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Board's covered payroll	\$ 178,041,673	\$ 169,515,850	\$ 164,000,138	\$ 162,562,071	\$ 162,875,827
Contributions as a percentage of covered payroll	0.10%	0.09%	0.09%	0.10%	0.14%
	2018	2017	2016	2015	2014
Contractually required contribution	\$ 221,091	\$ 573,123	\$ 591,302	\$ 583,967	\$ 590,476
Contributions in relation to the contractually required contribution	<u>221,091</u>	<u>573,123</u>	<u>591,302</u>	<u>583,967</u>	<u>590,476</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Board's covered payroll	157,922,335	150,821,769	144,219,980	142,430,973	\$ 134,199,040
Contributions as a percentage of covered payroll	0.14%	0.38%	0.41%	0.41%	0.44%



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

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Board's proportion of the net OPEB asset/liability	0.986%	0.921%	0.955%	0.979%
Board's proportionate share of the net OPEB asset (liability)	\$ (293,396)	\$ 150,475	\$ 469,666	\$ 422,361
Board's covered payroll	\$ 169,515,850	\$ 164,000,138	\$ 162,562,071	\$ 162,875,827
Board's proportionate share of the net OPEB asset/liability as a percentage of its covered payroll	0.17%	0.09%	0.29%	0.26%
Plan fiduciary net position as a percentage of the total OPEB asset/liability	90.34%	105.18%	115.57%	113.00%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	
Board's proportion of the net OPEB asset/liability	1.002%	0.958%	0.974%	
Board's proportionate share of the net OPEB asset (liability)	\$ 304,450	\$ 594,942	\$ 605,096	
Board's covered payroll	\$ 157,922,335	\$ 150,821,769	\$ 144,219,980	
Board's proportionate share of the net OPEB asset/liability as a percentage of its covered payroll	0.19%	0.39%	0.42%	
Plan fiduciary net position as a percentage of the total OPEB asset/liability	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 seven years of data presented.

SCHEDULE OF REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF BOARD CONTRIBUTIONS  
RETIREE HEALTH BENEFIT FUND  
LAST TEN FISCAL YEARS

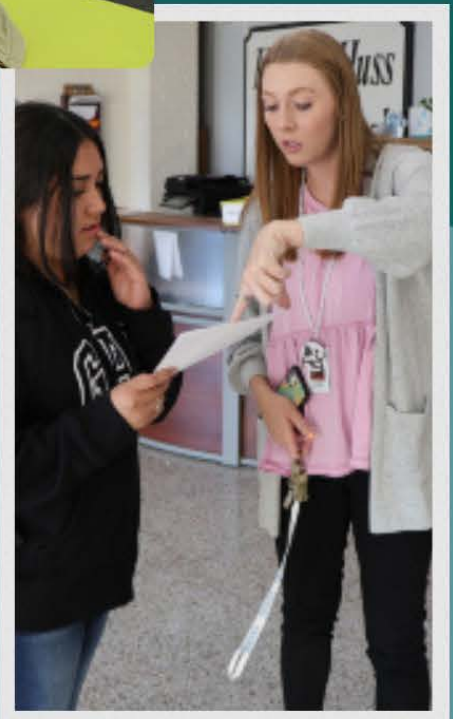
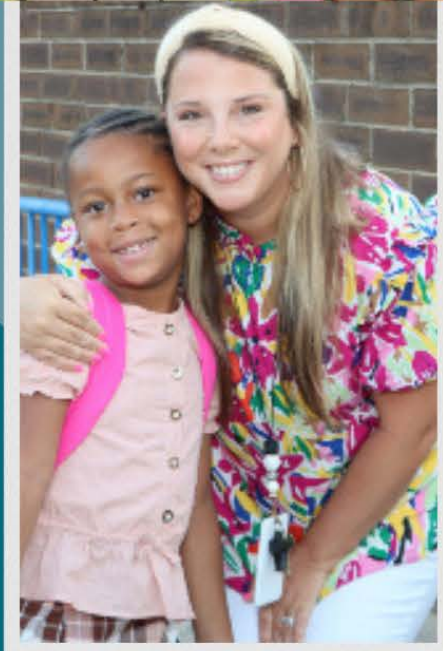
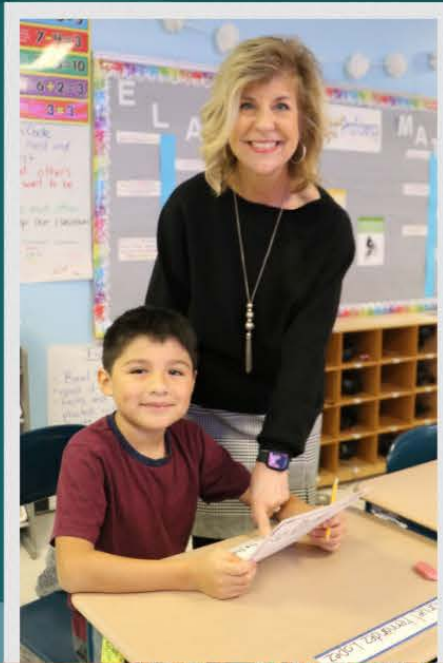
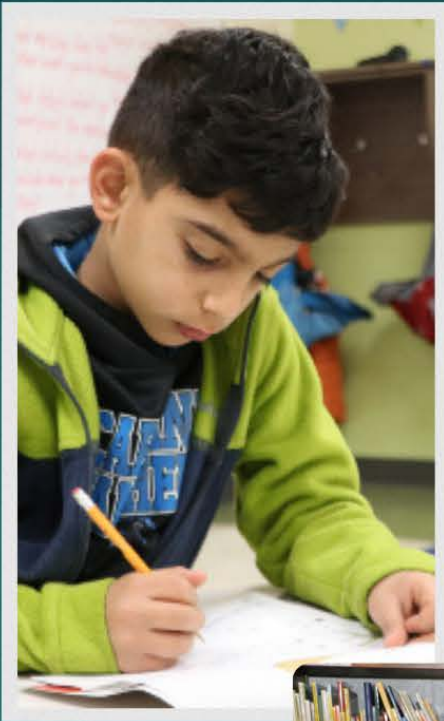
	2023	2022	2021	2020	2019
Contractually required contribution	\$ 12,267,071	\$ 10,662,547	\$ 10,955,209	\$ 10,517,766	\$ 10,212,314
Contributions in relation to the contractually required	<u>12,267,071</u>	<u>10,662,547</u>	<u>10,955,209</u>	<u>10,517,766</u>	<u>10,212,314</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Board's covered payroll	\$ 178,041,673	\$ 169,515,850	\$ 164,000,138	\$ 162,562,071	\$ 162,875,827
Contributions as a percentage of covered payroll	6.89%	6.29%	6.68%	6.47%	6.27%
	2018	2017	2016	2015	2014
Contractually required contribution	\$ 9,554,301	\$ 8,762,745	\$ 8,076,319	\$ 7,819,460	\$ 7,246,748
Contributions in relation to the contractually required	<u>9,554,301</u>	<u>8,762,745</u>	<u>8,076,319</u>	<u>7,819,460</u>	<u>7,246,748</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Board's covered payroll	\$ 157,922,335	\$ 150,821,769	\$ 144,219,980	\$ 142,430,973	\$ 134,199,040
Contributions as a percentage of covered payroll	6.05%	5.81%	5.60%	5.49%	5.40%

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Board's proportion of the net OPEB liability (asset)	0.966%	0.915%	0.956%	0.974%
Board's proportionate share of the net OPEB liability (asset)	\$ 229,457,377	\$ 282,758,788	\$ 265,123,187	\$ 308,233,938
Board's covered payroll	\$ 169,515,850	\$ 164,000,138	\$ 162,562,071	\$ 162,875,827
Board's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	135.36%	172.41%	163.09%	189.24%
Plan fiduciary net position as a percentage of the total OPEB liability	10.58%	7.72%	6.92%	4.40%
	<u>2019</u>	<u>2018</u>	<u>2017</u>	
Board's proportion of the net OPEB liability (asset)	0.993%	0.997%	0.941%	
Board's proportionate share of the net OPEB liability (asset)	\$ 282,751,816	\$ 326,892,034	\$ 409,571,482	
Board's covered payroll	\$ 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	179.04%	216.74%	283.99%	
Plan fiduciary net position as a percentage of the total OPEB liability	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 seven years of data presented.





---

# **COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

---



# At A Glance



## **NUMBER OF SCHOOLS**

Total Number of Schools . . . . .	56
Elementary Schools . . . . .	29
Intermediate Schools . . . . .	1
Middle Schools . . . . .	11
High Schools . . . . .	12
Special Needs School . . . . .	1
Alternate School . . . . .	1
Virtual School . . . . .	1



## **ETHNIC DISTRIBUTION**

Caucasian . . . . .	50.9%
African American . . . . .	24.2%
Hispanic . . . . .	17.4%
Multiracial . . . . .	5.7%
Asian . . . . .	1.5%
American Indian . . . . .	0.2%
Hawaiian or Pacific Islander . . . . .	0.1%



## **CLASS OF 2023**

Number of Graduates . . . . . 2,129

Approximately 934 academic, athletic and merit scholarships offered which total more than \$40 million.

Number of Scholarships valued at \$100,000 or greater . . . . . 107

Graduation rate . . . . . 85.3%



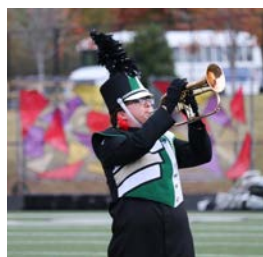
## **TRANSPORTATION**

Total Number of Students	
Transported Daily . . . . .	15,000
Miles Traveled Daily . . . . .	12,000
Yellow Buses . . . . .	211
Activity Buses . . . . .	47
Gallons of Fuel per week . . . . .	15,000



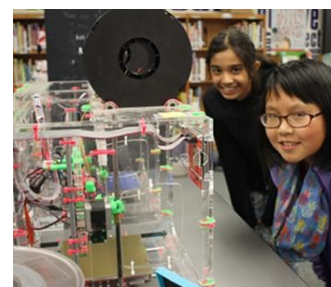
## **ENROLLMENT**

Total Number of Students . . . . .	29,936
Grades K-5 . . . . .	12,974
Grades 6-8 . . . . .	7,211
Grades 9-12 . . . . .	9,660
Early College . . . . .	91



## **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 . . . . .	9,000
Breakfasts Served Annually . . . . .	1.6 million
Lunches Served Daily . . . . .	19,000
Lunches Served Annually . . . . .	3.4 million



## **EMPLOYEES**

Total Number of Employees (Part and Full Time) . . . . .	3,827
Total Number of Teachers . . . . .	1,950
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, 2023

Exhibit A

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
State of North Carolina	\$ -	\$ -	\$ -	\$ -
Gaston County				
Appropriation from general revenues	52,501,704	52,501,704	52,501,704	-
Other				
Fines and forfeitures	700,000	700,000	1,036,967	336,967
Interest earned on investments	50,000	50,000	313,578	263,578
Miscellaneous revenue and reimbursements	-	40,702	16,654	(24,048)
Total other	750,000	790,702	1,367,199	576,497
Total revenues	53,251,704	53,292,406	53,868,903	576,497
Expenditures				
Instructional services				
Regular	14,872,912	13,446,325	13,439,984	6,341
Special populations	1,598,121	1,946,548	1,946,548	-
Alternative programs	297,626	472,262	472,261	1
School leadership	4,896,940	6,525,436	6,525,432	4
Co-curricular	2,131,125	1,928,250	1,928,250	-
School-based support	1,800,726	1,783,349	1,724,934	58,415
Total instructional services	25,597,450	26,102,170	26,037,409	64,761
System-wide support services				
Support and development	651,484	854,776	854,775	1
Special population support and development	136,159	200,478	200,478	-
Alternative programs and services support				
and development	145,100	158,671	158,671	-
Technology support	2,143,200	1,807,470	1,807,468	2
Operational support	15,518,926	13,597,295	13,597,295	-
Financial and human resource	1,087,880	2,315,133	2,315,133	-
Accountability	482,093	484,171	477,144	7,027
System-wide pupil support	490,562	355,197	355,197	-
Policy, leadership and communications	1,498,850	1,407,685	1,407,684	1
Total system-wide support services	22,154,254	21,180,876	21,173,845	7,031
Ancillary services	-	14,019	14,019	-
Non-programmed charges				
Payments to other charter schools	5,500,000	5,995,341	5,995,341	-
Total expenditures	53,251,704	53,292,406	53,220,614	71,792

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, 2023

Exhibit A  
(continued)

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues over (under) expenditures	-	-	648,289	648,289
Other financing uses				
Transfers to other funds	-	-	-	-
Expenditures and other uses over (under) revenues	-	-	648,289	648,289
Fund balance appropriated	-	-	-	-
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	648,289	<u>\$ 648,289</u>
Fund balance, beginning			<u>5,362,918</u>	
Fund balance, ending			<u>\$ 6,011,207</u>	

GASTON COUNTY BOARD OF EDUCATION  
CAPITAL OUTLAY FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
For the Fiscal Year Ended June 30, 2023

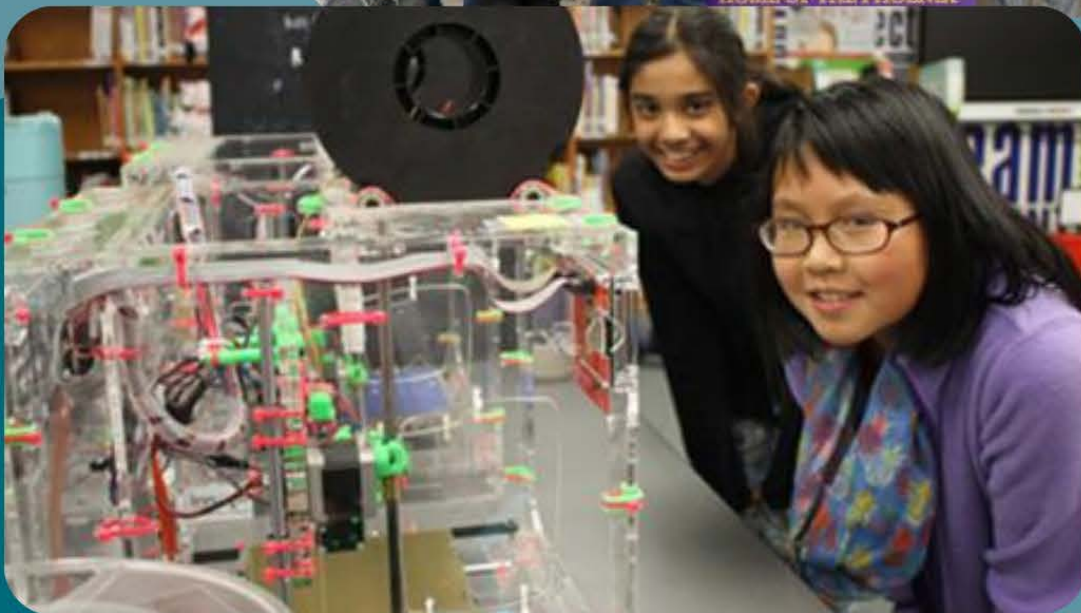
Exhibit B

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Revenues				
State of North Carolina				
Public School Building Capital Fund	\$ -	\$ -	\$ -	\$ -
Sales tax refund	-	-	39,645	39,645
State appropriations - buses	577,710	643,092	-	(643,092)
Total State of North Carolina	577,710	643,092	39,645	(603,447)
Gaston County				
Bonds	10,716,569	27,078,733	5,133,867	(21,944,866)
General county revenues	2,444,819	2,444,819	8,859,413	6,414,594
Total Gaston County	13,161,388	29,523,552	13,993,280	(15,530,272)
Total revenues	13,739,098	30,166,644	14,032,925	(16,133,719)
Expenditures				
Capital outlay				
Real property and buildings	-	-	14,190,427	-
Furniture and equipment	-	-	-	-
Buses and motor vehicles	-	-	-	-
Total capital outlay	13,739,098	30,166,644	14,190,427	15,976,217
Debt service	-	-	-	-
Total expenditures	13,739,098	30,166,644	14,190,427	15,976,217
Revenues over (under) expenditures	-	-	(157,502)	(157,502)
Other financing sources				
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	-	-	(157,502)	(157,502)
Fund balance appropriated	-	-	-	-
Net change in fund balance	\$ -	\$ -	(157,502)	\$ (157,502)
Fund balance, beginning			(271,665)	
Fund balance, ending			\$ (429,167)	

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, 2023

Exhibit C

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget - Positive (Negative)
Operating revenues, food sales	\$ 4,340,500	\$ 5,107,395	\$ 3,254,830	\$ (1,852,565)
Operating expenditures				
Business support services				
Purchase of food			7,792,590	
Salaries and benefits			11,111,932	
Indirect costs			852,590	
Materials and supplies			1,321,377	
Capital outlay			239,583	
Other			-	
Total operating expenditures	21,090,500	21,857,395	21,318,072	539,323
Operating loss	(16,750,000)	(16,750,000)	(18,063,242)	(1,313,242)
Non-operating revenues				
Federal reimbursements			14,885,376	
Federal commodities			1,346,416	
Indirect cost not paid			852,590	
State reimbursements			-	
Other			45,502	
Total non-operating revenues	16,750,000	16,750,000	17,129,884	379,884
Revenues over (under) expenditures before other financing sources	-	-	(933,358)	(933,358)
Other financing sources				
Transfers from other funds	-	-	64,609	64,609
Capital contribution	-	-	-	-
Net change in fund balance	\$ -	\$ -	(868,749)	\$ (868,749)
Reconciliation of modified accrual to full accrual basis				
Reconciling items				
Depreciation			(272,685)	
Indirect costs			(852,590)	
Indirect costs not paid			852,590	
Equipment purchases			239,583	
Increase in accrued vacation pay			(134,756)	
Increase in inventory			(11,156)	
Change in net position (full accrual)			\$ (1,047,763)	





# 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.

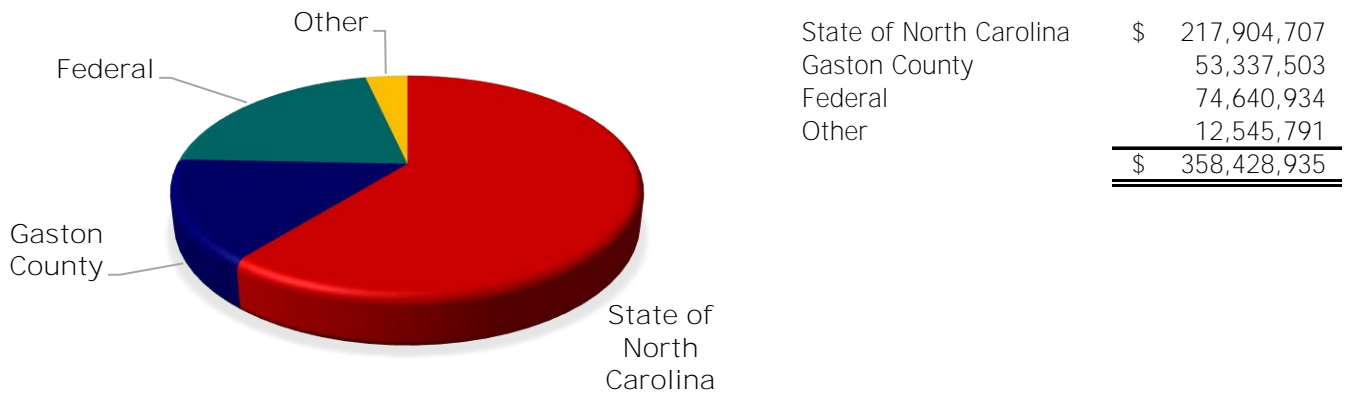
**SOURCES:** *Unless otherwise noted, the information in these schedules is derived from the Annual Comprehensive Financial Reports for the relevant year.*



GASTON COUNTY BOARD OF EDUCATION  
 Financial Perspective  
 Government and Business-type Activities  
 June 30, 2023

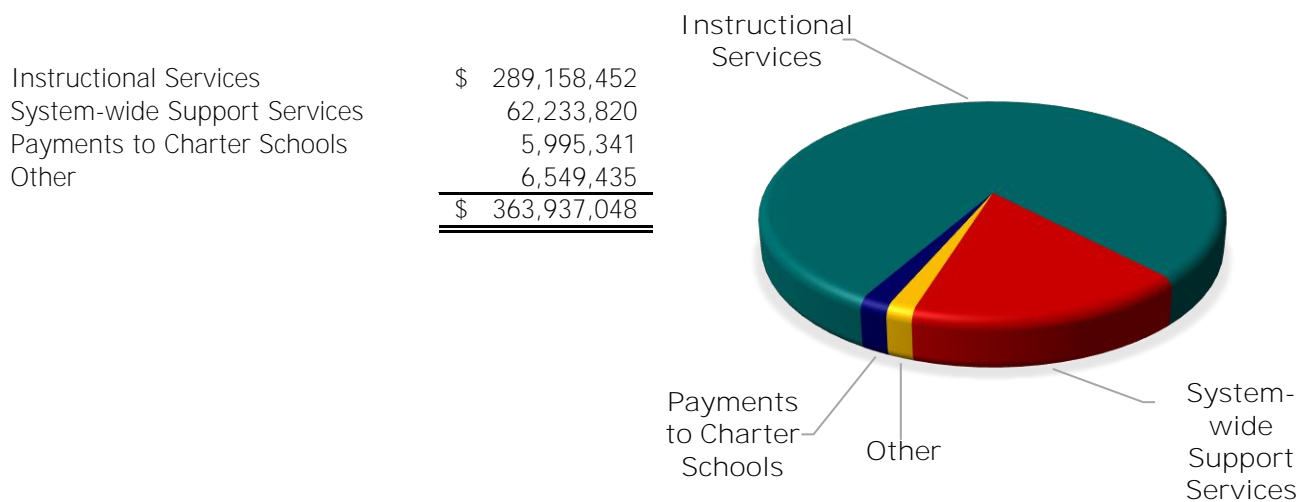
Table 1

Revenue Sources



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

Expenditures/Expenses

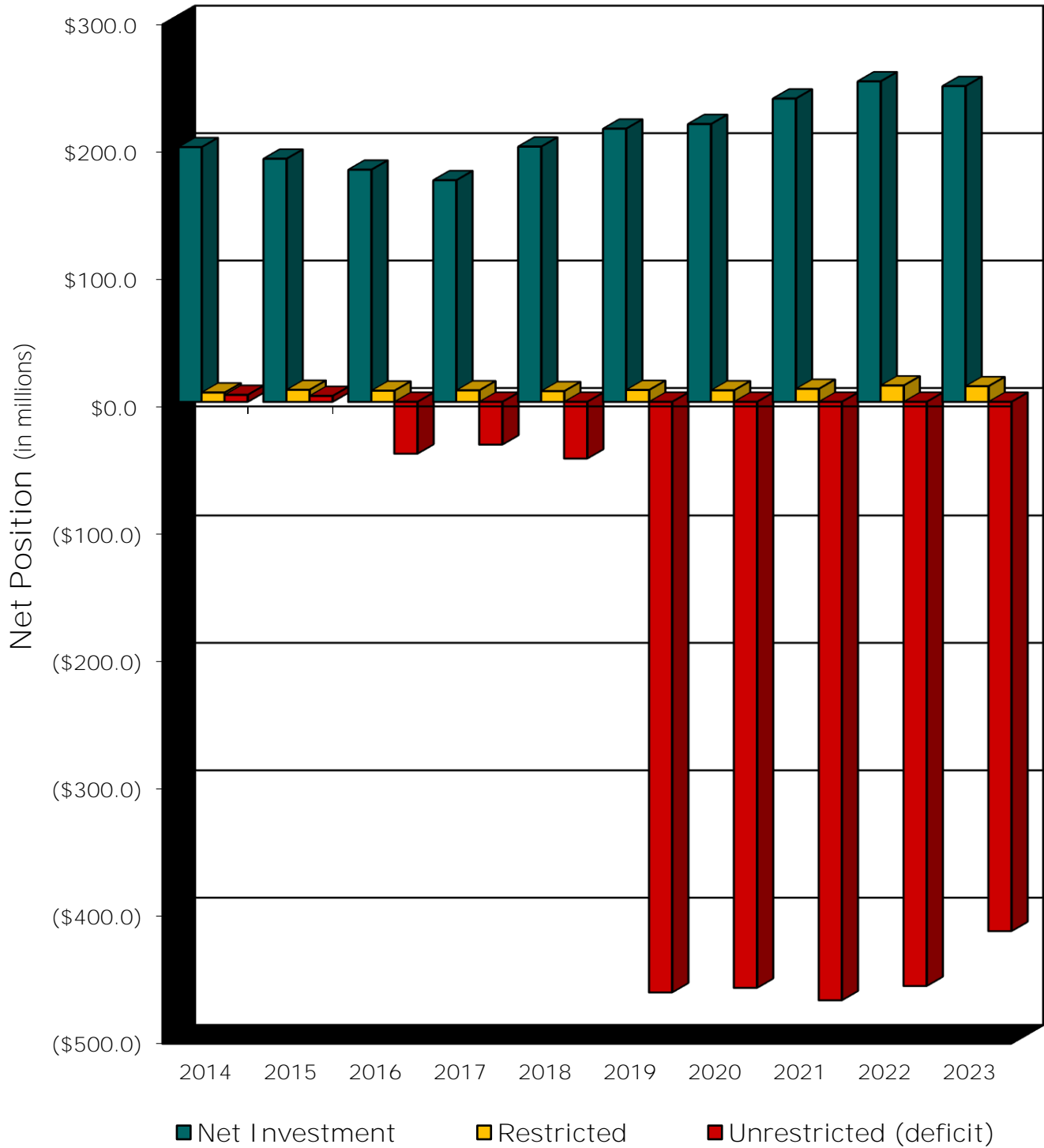


Note: Information taken from Exhibit 4. Expenditures do not include Capital Outlay, but do include payments to charter schools (see Exhibit A).

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: 2014 - 2023 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				
	2014	2015	2016	2017	2018
Governmental activities:					
Net investment in capital assets	\$ 188,745,413	\$ 180,327,473	\$ 172,131,872	\$ 198,386,759	\$ 212,465,825
Restricted	9,425,514	8,770,636	9,009,677	8,368,888	9,307,633
Unrestricted (deficit)	922,157	(42,572,637)	(35,660,161)	(47,034,759)	(457,338,448)
Total	<u>\$ 199,093,084</u>	<u>\$ 146,525,472</u>	<u>\$ 145,481,388</u>	<u>\$ 159,720,888</u>	<u>\$ (235,564,990)</u>
Business-type activities:					
Net investment in capital assets	\$ 2,037,301	\$ 1,867,892	\$ 1,795,280	\$ 1,906,853	\$ 1,894,541
Unrestricted	3,699,955	1,929,895	2,130,593	2,565,169	(6,076,104)
Total	<u>\$ 5,737,256</u>	<u>\$ 3,797,787</u>	<u>\$ 3,925,873</u>	<u>\$ 4,472,022</u>	<u>\$ (4,181,563)</u>
District-wide:					
Net investment in capital assets	\$ 190,782,714	\$ 182,195,365	\$ 173,927,152	\$ 200,293,612	\$ 214,360,366
Restricted	9,425,514	8,770,636	9,009,677	8,368,888	9,307,633
Unrestricted (deficit)	4,622,112	(40,642,742)	(33,529,568)	(44,469,590)	(463,414,552)
Total	<u>\$ 204,830,340</u>	<u>\$ 150,323,259</u>	<u>\$ 149,407,261</u>	<u>\$ 164,192,910</u>	<u>\$ (239,746,553)</u>

SOURCE: 2014 - 2023 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				
	2019	2020	2021	2022	2023
Governmental activities:					
Net investment in capital assets	\$ 216,211,595	\$ 235,525,356	\$ 249,303,302	\$ 245,761,238	\$ 243,750,358
Restricted	9,022,441	10,210,746	12,810,819	12,253,590	12,665,239
Unrestricted (deficit)	(453,985,793)	(459,780,674)	(450,741,068)	(411,652,735)	(380,092,730)
Total	<u>\$ (228,751,757)</u>	<u>\$ (214,044,572)</u>	<u>\$ (188,626,947)</u>	<u>\$ (153,637,907)</u>	<u>\$ (123,677,133)</u>
Business-type activities:					
Net investment in capital assets	\$ 1,806,784	\$ 2,522,255	\$ 2,201,774	\$ 2,027,034	\$ 1,974,025
Unrestricted	(5,882,075)	(9,863,883)	(7,614,639)	(3,680,453)	(4,675,207)
Total	<u>\$ (4,075,291)</u>	<u>\$ (7,341,628)</u>	<u>\$ (5,412,865)</u>	<u>\$ (1,653,419)</u>	<u>\$ (2,701,182)</u>
District-wide:					
Net investment in capital assets	\$ 218,018,379	\$ 238,047,611	\$ 251,505,076	\$ 247,788,272	\$ 245,724,383
Restricted	9,022,441	10,210,746	12,810,819	12,253,590	12,665,239
Unrestricted (deficit)	(459,867,868)	(469,644,557)	(458,355,707)	(415,333,188)	(384,767,937)
Total	<u>\$ (232,827,048)</u>	<u>\$ (221,386,200)</u>	<u>\$ (194,039,812)</u>	<u>\$ (155,291,326)</u>	<u>\$ (126,378,315)</u>

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

Table 3

	Year Ended June 30				
	2014	2015	2016	2017	2018
Expenses					
Governmental activities:					
Instructional services	\$ 200,643,216	\$ 207,118,760	\$ 209,759,726	\$ 226,137,572	\$ 244,365,036
Support services	44,261,929	45,714,523	44,072,329	46,029,116	47,636,755
Ancillary services	193,051	277,824	139,876	144,140	82,844
Non-programmed charges	2,749,875	2,995,395	3,264,607	3,433,535	3,567,059
Interest on long-term debt	-	-	-	-	-
Unallocated depreciation expense	1,406,752	1,463,849	1,398,508	953,840	1,434,754
Total governmental activities expenses	249,254,823	257,570,351	258,635,046	276,698,203	297,086,448
Business-type activities:					
School food service	17,939,751	18,649,941	19,044,418	18,291,494	18,208,948
Total primary government expenses	\$ 267,194,574	\$ 276,220,292	\$ 277,679,464	\$ 294,989,697	\$ 315,295,396
Program revenues					
Governmental activities:					
Charges for services					
Regular instructional	\$ -	\$ -	\$ -	\$ -	\$ -
Special instructional programs	-	-	-	-	-
Operational support services	504,718	1,539,292	594,577	511,750	509,971
Business support services	-	-	-	-	-
Operating grants and contributions	181,909,098	191,705,543	193,283,584	202,570,091	209,647,960
Total governmental activities program revenues	182,413,816	193,244,835	193,878,161	203,081,841	210,157,931
Business-type activities:					
Charges for services	4,783,141	3,630,453	3,450,282	3,311,309	3,640,725
Operating grants and contributions	12,777,485	13,951,649	15,464,393	15,434,170	14,753,544
Capital grants and contributions	-	-	-	27,391	8,429
Total business-type activities program revenues	17,560,626	17,582,102	18,914,675	18,772,870	18,402,698
Total program revenues	\$ 199,974,442	\$ 210,826,937	\$ 212,792,836	\$ 221,854,711	\$ 228,560,629
General revenues and other changes in net position					
Governmental activities:					
Unrestricted county appropriations - operating	\$ 43,547,893	\$ 43,816,704	\$ 43,816,704	\$ 45,351,704	\$ 47,751,704
Unrestricted county appropriations - capital	6,501,962	7,617,271	9,997,818	35,581,481	20,366,466
Unrestricted State appropriation - operating	-	-	-	-	-
Unrestricted State appropriation - capital	197,364	419,873	382,120	776,902	1,320,638
Investment earnings, unrestricted	58,235	58,235	88,059	129,229	129,229
Miscellaneous, unrestricted	9,023,953	10,598,204	9,665,190	10,892,473	12,899,878
Transfers	(261,272)	(246,876)	(237,090)	(64,773)	(50,977)
Total governmental activities general revenues	59,068,135	62,263,411	63,712,801	92,667,016	82,416,938
Business-type activities:					
Unrestricted State appropriations - operating	-	-	-	-	-
Investment earnings, unrestricted	-	-	-	-	-
Miscellaneous, unrestricted	71,236	85,127	20,739	-	8,429
Transfers	261,272	246,876	237,090	64,773	50,977
Total business-type activities general revenues	332,508	332,003	257,829	64,773	59,406
Total general revenues	\$ 59,400,643	\$ 62,595,414	\$ 63,970,630	\$ 92,731,789	\$ 82,476,344
Change in net position					
Governmental activities	\$ (7,772,872)	\$ (2,062,105)	\$ (1,044,084)	\$ 19,050,654	\$ (4,511,579)
Business-type activities	(46,617)	(735,836)	128,086	546,149	244,727
Total primary government change in net position	\$ (7,819,489)	\$ (2,797,941)	\$ (915,998)	\$ 19,596,803	\$ (4,266,852)

SOURCE: 2014 - 2023 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				
	2019	2020	2021	2022	2023
Expenses					
Governmental activities:					
Instructional services	\$ 240,010,632	\$ 236,667,493	\$ 228,071,190	\$ 248,303,136	\$ 276,403,619
Support services	46,682,749	55,157,709	50,105,331	50,537,633	59,095,835
Ancillary services	109,980	52,964	2,136,770	1,106,544	1,203,592
Non-programmed charges	3,789,135	4,480,948	6,060,761	7,419,460	11,340,634
Interest on long-term debt	-	-	-	-	-
Unallocated depreciation expense	1,241,618	5,616,203	4,799,469	1,708,452	1,514,268
Total governmental activities expenses	291,834,114	301,975,317	291,173,521	309,075,225	349,557,948
Business-type activities:					
School food service	17,166,091	19,310,936	13,353,190	20,373,046	21,497,086
Total primary government expenses	\$ 309,000,205	\$ 321,286,253	\$ 304,526,711	\$ 329,448,271	\$ 371,055,034
Program revenues					
Governmental activities:					
Charges for services					
Regular instructional	\$ -	\$ -	\$ -	\$ -	\$ -
Special instructional programs	-	-	-	-	-
Operational support services	780,490	733,344	328,233	402,555	1,225,629
Business support services	-	-	-	-	-
Operating grants and contributions	219,029,025	218,793,807	234,158,532	262,854,495	290,298,609
Total governmental activities program revenues	219,809,515	219,527,151	234,486,765	263,257,050	291,524,238
Business-type activities:					
Charges for services	3,432,214	2,556,257	72,894	674,736	3,254,830
Operating grants and contributions	13,740,769	12,487,566	14,854,423	23,335,555	17,084,382
Capital grants and contributions	44,325	457,093	194,318	-	-
Total business-type activities program revenues	17,217,308	15,500,916	15,121,635	24,010,291	20,339,212
Total program revenues	\$ 237,026,823	\$ 235,028,067	\$ 249,608,400	\$ 287,267,341	\$ 311,863,450
General revenues and other changes in net position					
Governmental activities:					
Unrestricted county appropriations - operating	\$ 48,351,704	\$ 50,311,704	\$ 49,811,704	\$ 51,501,704	\$ 52,501,704
Unrestricted county appropriations - capital	13,728,484	33,486,048	21,266,211	5,149,652	13,993,280
Unrestricted State appropriation - operating	-	-	-	-	-
Unrestricted State appropriation - capital	1,362,340	1,294,495	1,315,528	456,593	-
Investment earnings, unrestricted	273,063	248,101	248,101	248,101	313,578
Miscellaneous, unrestricted	15,176,401	12,314,972	9,518,756	23,530,389	21,250,531
Transfers	(54,160)	(499,969)	(55,919)	(79,224)	(64,609)
Total governmental activities general revenues	78,837,832	97,155,351	82,104,381	80,807,215	87,994,484
Business-type activities:					
Unrestricted State appropriations - operating	-	-	-	-	-
Investment earnings, unrestricted	-	-	-	-	-
Miscellaneous, unrestricted	895	43,715	104,399	42,977	45,502
Transfers	54,160	499,968	55,919	79,224	64,609
Total business-type activities general revenues	55,055	543,683	160,318	122,201	110,111
Total general revenues	\$ 78,892,887	\$ 97,699,034	\$ 82,264,699	\$ 80,929,416	\$ 88,104,595
Change in net position					
Governmental activities	\$ 6,813,233	\$ 14,707,185	\$ 25,417,625	\$ 34,989,040	\$ 29,960,774
Business-type activities	106,272	(3,266,337)	1,928,763	3,759,446	(1,047,763)
Total primary government change in net position	\$ 6,919,505	\$ 11,440,848	\$ 27,346,388	\$ 38,748,486	\$ 28,913,011

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

Table 4

	Year Ended June 30				
	2014	2015	2016	2017	2018
General Fund					
Nonspendable	\$ 1,583,728	\$ 1,357,869	\$ 9,125	\$ -	\$ -
Restricted	3,198,763	1,346,836	602,243	507,429	578,285
Committed	-	-	-	-	-
Assigned	1,350,000	3,149,000	3,299,000	1,350,000	150,000
Unassigned	8,421,435	6,299,324	4,267,131	3,713,330	4,371,959
Reserved	-	-	-	-	-
Unreserved	-	-	-	-	-
Undesignated	-	-	-	-	-
Total General Fund	<u>\$ 14,553,926</u>	<u>\$ 12,153,029</u>	<u>\$ 8,177,499</u>	<u>\$ 5,570,759</u>	<u>\$ 5,100,244</u>
All Other Governmental Funds					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	6,226,751	7,423,800	8,407,434	7,861,459	7,666,213
Unassigned	(23,559)	-	-	-	-
Committed	167,351	-	-	-	-
Reserved	-	-	-	-	-
Undesignated, reported in					
Individual Schools Funds	-	-	-	-	-
Restricted Grants Fund	-	-	-	-	-
Capital Outlay Fund	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 6,370,543</u>	<u>\$ 7,423,800</u>	<u>\$ 8,407,434</u>	<u>\$ 7,861,459</u>	<u>\$ 7,666,213</u>
Total General And All Other Governmental Funds	<u>\$ 20,924,469</u>	<u>\$ 19,576,829</u>	<u>\$ 16,584,933</u>	<u>\$ 13,432,218</u>	<u>\$ 12,766,457</u>

	Year Ended June 30				
	2019	2020	2021	2022	2023
General Fund					
Nonspendable	\$ -	\$ 1,007,251	\$ -	\$ -	\$ -
Restricted	368,862	96,766	242,935	48,897	37,747
Committed	-	-	-	-	-
Assigned	150,000	150,000	150,000	150,000	-
Unassigned	4,277,089	4,851,995	4,722,972	5,164,021	5,973,460
Reserved	-	-	-	-	-
Unreserved	-	-	-	-	-
Undesignated	-	-	-	-	-
Total General Fund	<u>\$ 4,795,951</u>	<u>\$ 6,106,012</u>	<u>\$ 5,115,907</u>	<u>\$ 5,362,918</u>	<u>\$ 6,011,207</u>
All Other Governmental Funds					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	7,374,024	7,424,977	10,613,911	11,455,368	12,627,492
Unassigned	-	-	-	-	(429,167)
Committed	-	-	-	-	-
Reserved	-	-	-	-	-
Undesignated, reported in					
Individual Schools Funds	-	-	-	-	-
Restricted Grants Fund	-	-	-	-	-
Capital Outlay Fund	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 7,374,024</u>	<u>\$ 7,424,977</u>	<u>\$ 10,613,911</u>	<u>\$ 11,455,368</u>	<u>\$ 12,198,325</u>
Total General And All Other Governmental Funds	<u>\$ 12,169,975</u>	<u>\$ 13,530,989</u>	<u>\$ 15,729,818</u>	<u>\$ 16,818,286</u>	<u>\$ 18,209,532</u>

SOURCE: 2014 - 2023 Gaston County Board of Education annual financial statements

# GASTON COUNTY BOARD OF EDUCATION

Table 5

## Governmental Funds Changes in Fund Balances Last Ten Fiscal Years

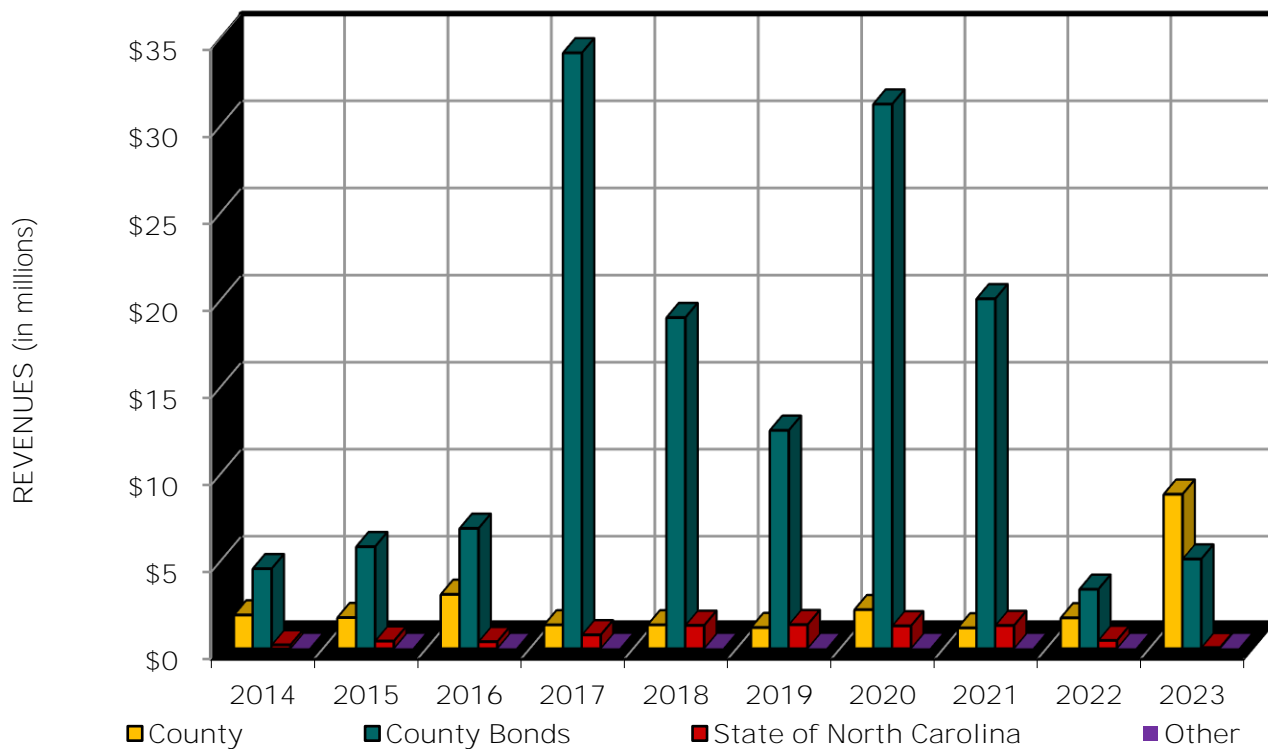
	Year Ended June 30				
	2014	2015	2016	2017	2018
<b>Revenues</b>					
State of North Carolina	\$ 160,299,857	\$ 170,570,712	\$ 173,639,054	\$ 181,821,274	\$ 188,738,980
Gaston County	49,283,666	51,498,975	53,869,522	80,998,185	68,183,170
U.S. Government	20,286,937	20,758,427	18,830,948	21,932,385	23,377,436
School receipts	7,584,887	7,266,206	7,531,290	7,289,187	7,647,441
Other	3,760,436	4,905,760	3,159,808	3,772,599	4,678,817
<b>Total revenues</b>	<b>241,215,783</b>	<b>255,000,080</b>	<b>257,030,622</b>	<b>295,813,630</b>	<b>292,625,844</b>
<b>Expenditures</b>					
Instructional programs	186,065,172	198,628,265	201,343,525	214,112,055	223,027,135
Support services	43,876,298	46,104,517	44,648,312	45,001,043	44,804,721
Ancillary services	777,554	932,528	182,525	144,386	76,863
Non-programmed charges	2,165,338	2,338,628	3,222,438	3,433,535	3,567,059
Debt service					
Principal retirement	160,739	321,229	284,706	775,314	1,287,338
Interest and fiscal charges	-	-	-	-	-
Capital outlay	7,476,750	8,417,167	10,352,353	37,243,849	22,948,254
<b>Total expenditures</b>	<b>240,521,851</b>	<b>256,742,334</b>	<b>260,033,859</b>	<b>300,710,182</b>	<b>295,711,370</b>
Revenues over (under)					
<b>expenditures</b>	<b>693,932</b>	<b>(1,742,254)</b>	<b>(3,003,237)</b>	<b>(4,896,552)</b>	<b>(3,085,526)</b>
<b>Other financing sources (uses)</b>					
Capital lease obligations issued	-	641,490	248,431	1,808,610	2,470,742
Transfers to other funds	(261,272)	(246,876)	(237,090)	(64,773)	(50,977)
Capital contributions	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(261,272)</b>	<b>394,614</b>	<b>11,341</b>	<b>1,743,837</b>	<b>2,419,765</b>
<b>Net change in fund balance</b>	<b>\$ 432,660</b>	<b>\$ (1,347,640)</b>	<b>\$ (2,991,896)</b>	<b>\$ (3,152,715)</b>	<b>\$ (665,761)</b>
<b>Ratio of debt service to total non-capital expenditures</b>	<b>0.07%</b>	<b>0.12%</b>	<b>0.11%</b>	<b>0.29%</b>	<b>0.47%</b>

	Year Ended June 30				
	2019	2020	2021	2022	2023
<b>Revenues</b>					
State of North Carolina	\$ 198,412,573	\$ 198,897,201	\$ 201,123,228	\$ 210,171,970	\$ 217,904,707
Gaston County	62,455,733	84,380,499	71,901,037	57,022,180	67,330,783
U.S. Government	20,481,351	19,948,959	37,021,003	61,098,771	74,640,934
School receipts	7,283,918	6,342,651	2,236,352	5,290,410	7,121,470
Other	10,067,934	7,770,142	7,419,671	10,549,163	12,585,436
<b>Total Revenues</b>	<b>298,701,509</b>	<b>317,339,452</b>	<b>319,701,291</b>	<b>344,132,494</b>	<b>379,583,330</b>
<b>Expenditures</b>					
Instructional programs	233,958,265	229,146,614	236,622,450	273,805,622	289,158,452
Support services	46,214,484	47,031,607	50,003,587	54,719,535	62,233,820
Ancillary services	109,644	52,996	2,136,989	1,105,108	1,204,142
Non-programmed charges	3,789,135	4,480,948	6,060,761	7,419,460	11,340,634
Debt service					
Principal retirement	1,348,792	1,243,131	1,181,300	374,507	-
Interest and fiscal charges	-	-	-	-	-
Capital outlay	14,959,684	33,523,173	21,811,508	5,540,570	14,190,427
<b>Total expenditures</b>	<b>300,380,004</b>	<b>315,478,469</b>	<b>317,816,595</b>	<b>342,964,802</b>	<b>378,127,475</b>
Revenues over (under)					
<b>expenditures</b>	<b>(1,678,495)</b>	<b>1,860,983</b>	<b>1,884,696</b>	<b>1,167,692</b>	<b>1,455,855</b>
<b>Other financing sources (uses)</b>					
Capital lease obligations issued	1,136,173	-	370,052	-	-
Transfers to other funds	(54,160)	(499,969)	(55,919)	(79,224)	(64,609)
Capital contributions	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>1,082,013</b>	<b>(499,969)</b>	<b>314,133</b>	<b>(79,224)</b>	<b>(64,609)</b>
<b>Net change in fund balance</b>	<b>\$ (596,482)</b>	<b>\$ 1,361,014</b>	<b>\$ 2,198,829</b>	<b>\$ 1,088,468</b>	<b>\$ 1,391,246</b>
<b>Ratio of debt service to total non-capital expenditures</b>	<b>0.47%</b>	<b>0.44%</b>	<b>0.40%</b>	<b>0.11%</b>	<b>0.0%</b>

SOURCE: 2014 - 2023 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

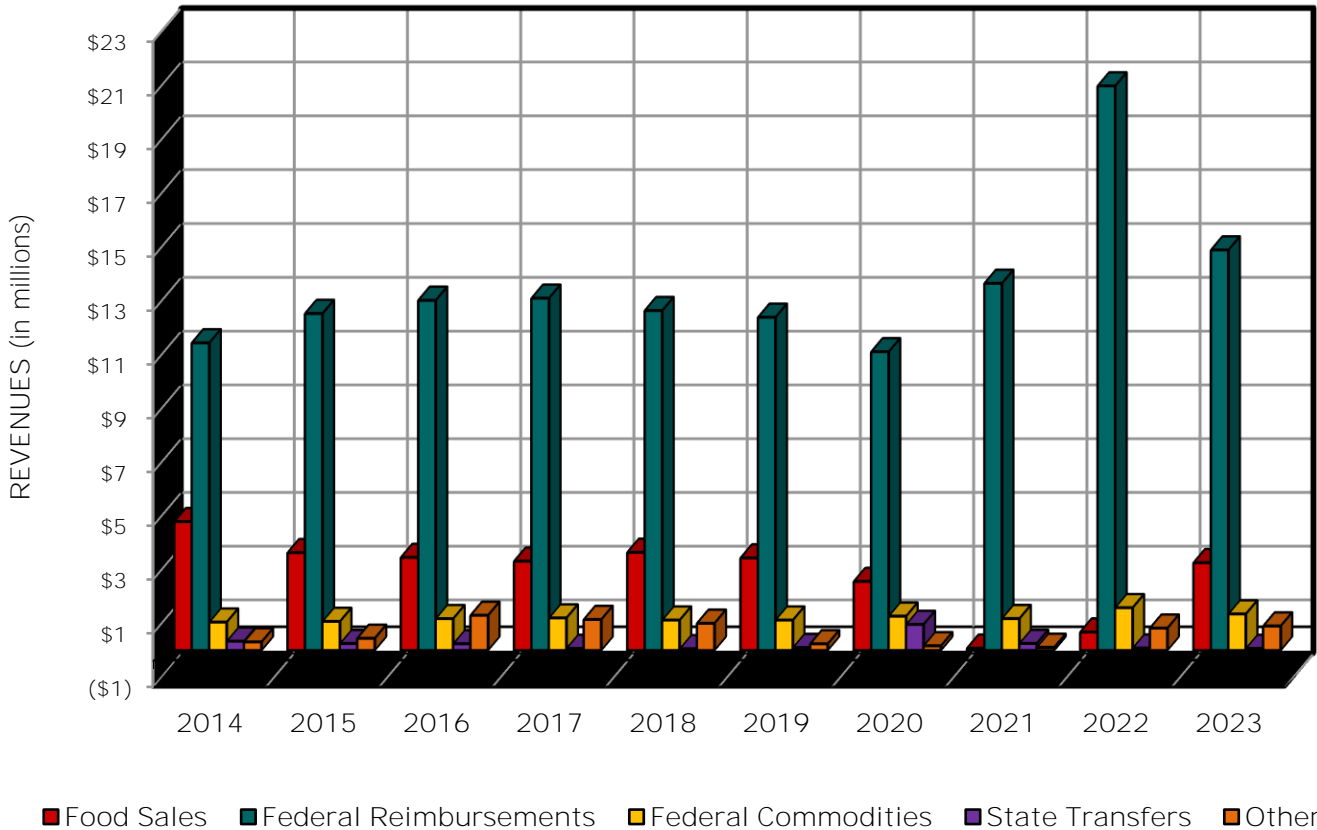


Year Ended June 30	2014	2015	2016	2017	2018
Revenue					
County	\$ 1,920,987	\$ 1,771,953	\$ 3,102,660	\$ 1,350,819	\$ 1,353,419
County Bonds	4,580,975	5,845,318	6,895,158	34,230,662	19,013,047
State of North Carolina	197,364	419,873	382,120	776,902	1,320,638
Other	-	-	-	-	-
Total Revenue	\$ 6,699,326	\$ 8,037,144	\$ 10,379,938	\$ 36,358,383	\$ 21,687,104
Total Expenditures	\$ 7,637,489	\$ 8,738,396	\$ 10,637,059	\$ 38,019,163	\$ 22,948,254
Year Ended June 30	2019	2020	2021	2022	2023
Revenue					
County	\$ 1,195,234	\$ 2,226,931	\$ 1,176,425	\$ 1,753,082	\$ 8,859,413
County Bonds	12,533,250	31,259,117	20,089,786	3,396,570	5,133,867
State of North Carolina	1,362,340	1,294,495	1,315,528	456,593	39,645
Other	-	-	-	-	-
Total Revenue	\$ 15,090,824	\$ 34,780,543	\$ 22,581,739	\$ 5,606,245	\$ 14,032,925
Total Expenditures	\$ 14,959,684	\$ 33,523,173	\$ 21,811,508	\$ 5,540,570	\$ 14,190,427

SOURCE: 2014 - 2023 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

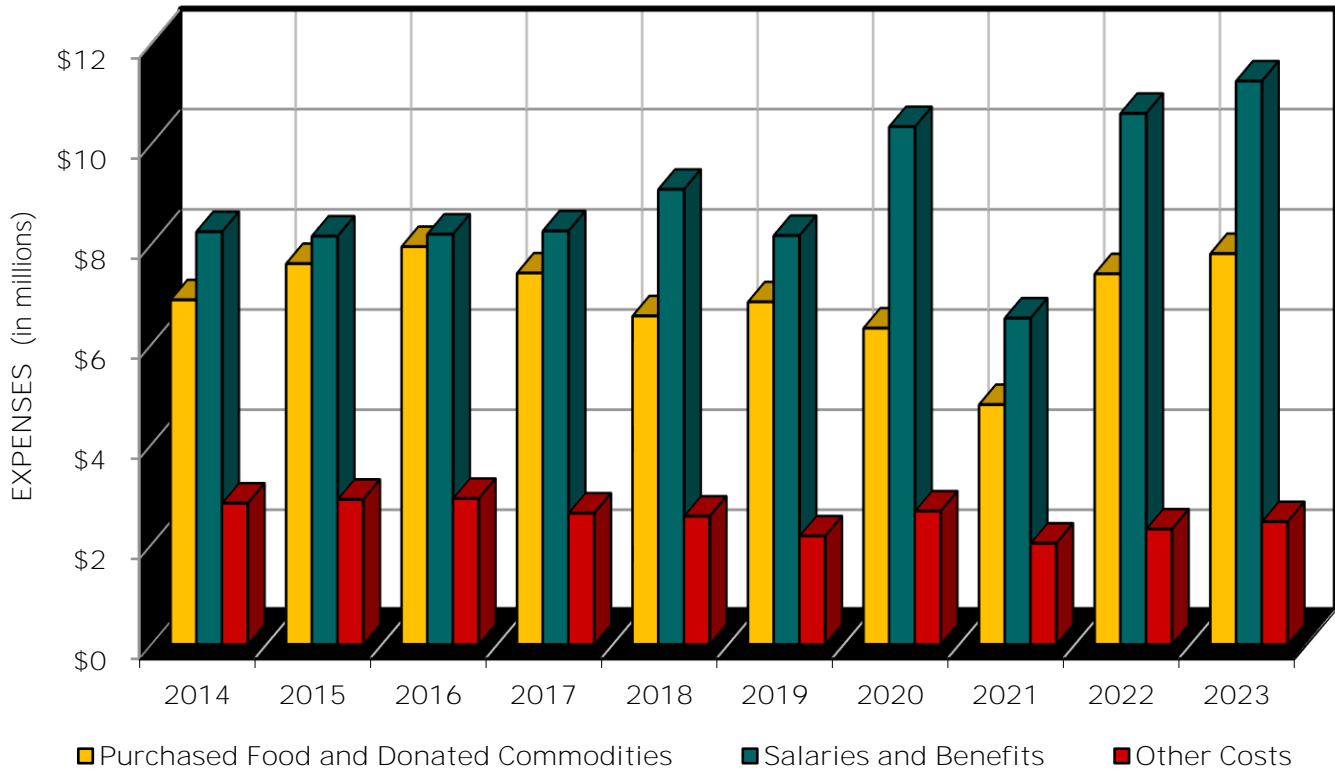


Year Ended June 30	2014	2015	2016	2017	2018
Food Sales	\$ 4,783,141	\$ 3,630,453	\$ 3,450,282	\$ 3,311,309	\$ 3,640,725
Federal Reimbursements	11,436,488	12,526,265	13,016,569	13,094,222	12,634,761
Federal Commodities	1,041,935	1,069,047	1,172,420	1,198,856	1,118,758
Transfers and Capital Contributions	324,997	246,876	237,090	64,773	50,977
Other	306,573	441,464	1,296,143	1,141,092	1,008,454
Totals	\$ 17,893,134	\$ 17,914,105	\$ 19,172,504	\$ 18,810,252	\$ 18,453,675
Year Ended June 30	2019	2020	2021	2022	2023
Food Sales	\$ 3,432,214	\$ 2,556,257	\$ 72,894	\$ 674,736	\$ 3,254,830
Federal Reimbursements	12,385,553	11,104,744	13,647,011	20,980,726	14,885,376
Federal Commodities	1,119,505	1,264,573	1,175,666	1,578,193	1,346,416
Transfers and Capital Contributions	98,485	957,061	250,237	79,224	64,609
Other	236,606	161,964	104,399	819,613	898,092
Totals	\$ 17,272,363	\$ 16,044,599	\$ 15,250,207	\$ 24,132,492	\$ 20,449,323

SOURCE: 2014 - 2023 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



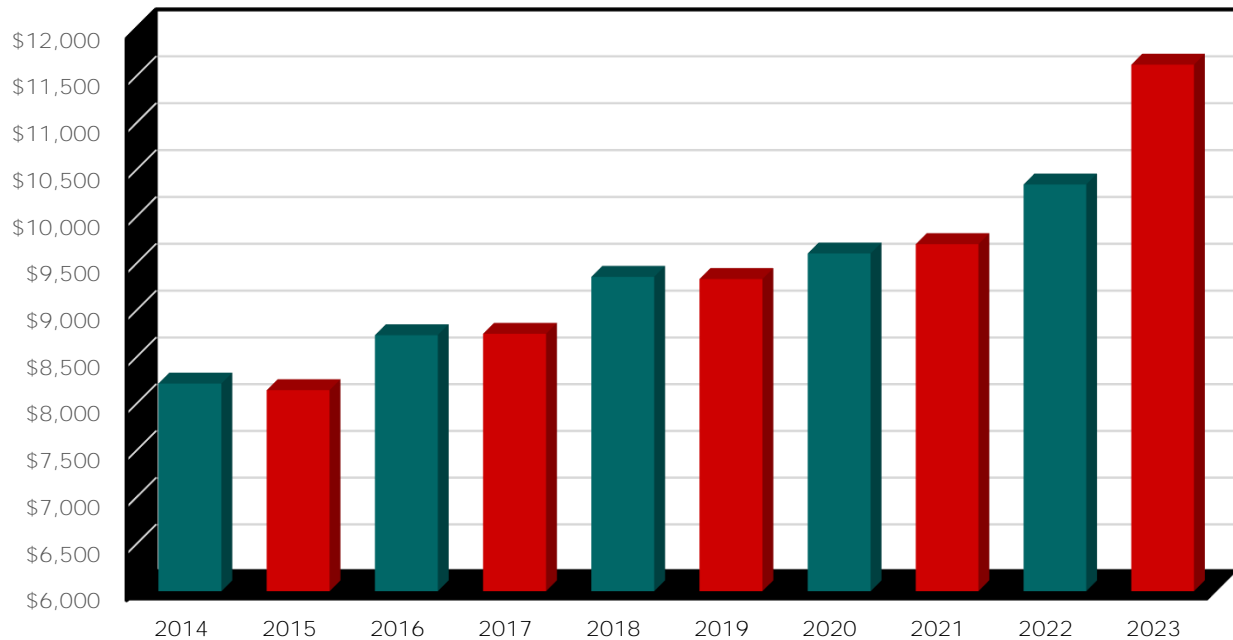
Year Ended June 30	2014	2015	2016	2017	2018
Purchased Food and Donated Commodities	\$ 6,881,864	\$ 7,603,468	\$ 7,942,885	\$ 7,416,516	\$ 6,566,614
Salaries and Benefits	8,240,759	8,152,935	8,189,994	8,256,301	9,085,963
Other Costs	2,817,128	2,893,538	2,911,539	2,618,677	2,556,371
<b>Totals</b>	<b>\$ 17,939,751</b>	<b>\$ 18,649,941</b>	<b>\$ 19,044,418</b>	<b>\$ 18,291,494</b>	<b>\$ 18,208,948</b>
Year Ended June 30	2019	2020	2021	2022	2023
Purchased Food and Donated Commodities	\$ 6,841,081	\$ 6,316,169	\$ 4,788,714	\$ 7,391,096	\$ 7,803,746
Salaries and Benefits	8,163,977	10,335,426	6,516,499	10,633,604	11,246,688
Other Costs	2,161,033	2,659,341	2,016,231	2,348,346	2,446,652
<b>Totals</b>	<b>\$ 17,166,091</b>	<b>\$ 19,310,936</b>	<b>\$ 13,321,444</b>	<b>\$ 20,373,046</b>	<b>\$ 21,497,086</b>

SOURCE: 2014 - 2023 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	2014	2015	2016	2017	2018
Average daily membership (ADM)	31,152	31,421	31,555	31,499	31,581
Expenses					
Instructional	\$ 6,649	\$ 6,592	\$ 7,166	\$ 7,179	\$ 7,738
Support services	1,467	1,455	1,459	1,461	1,508
Ancillary services	9	9	5	5	3
Non-programmed charges	96	95	109	109	113
Operating expenses per pupil	\$ 8,221	\$ 8,151	\$ 8,739	\$ 8,754	\$ 9,362
Year Ended June 30	2019	2020	2021	2022	2023
Average daily membership (ADM)	31,116	30,834	29,489	29,704	29,936
Expenses					
Instructional	\$ 7,713	\$ 7,676	\$ 7,734	\$ 8,359	\$ 9,233
Support services	1,500	1,789	1,699	1,701	1,974
Ancillary services	4	2	72	37	40
Non-programmed charges	122	145	206	250	379
Operating expenses per pupil	\$ 9,339	\$ 9,611	\$ 9,711	\$ 10,348	\$ 11,626

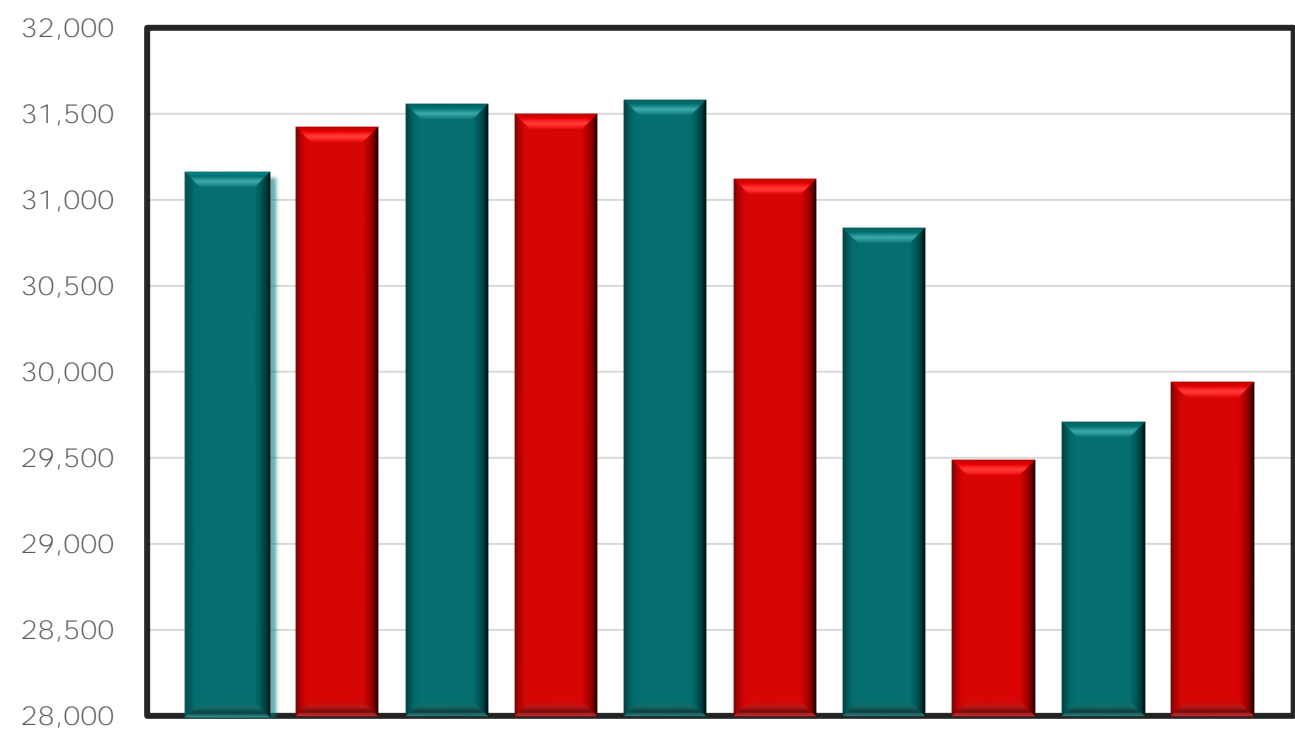
SOURCES: ADM - Principal's Monthly Report - Month 01

2014 - 2023 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



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
ADM	31,152	31,421	31,555	31,499	31,581	31,116	30,834	29,489	29,704	29,936

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									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Administrators, Managers	38	42	41	38	36	36	38	43	49	48
Principals	56	56	54	54	54	54	54	57	56	54
Assistant Principals	58	63	63	69	70	69	68	66	72	73
Teachers	1,898	1,881	1,874	1,864	1,908	1,890	1,840	1,904	1,936	1,882
Guidance Counselors	80	85	83	84	88	93	94	90	108	99
Psychologists	18	15	17	22	19	17	17	14	13	10
Media Specialists	52	51	51	49	48	48	47	48	56	47
Other Professionals	182	194	220	216	199	198	204	191	190	143
Teacher Assistants	417	416	429	425	419	408	377	393	412	422
Technicians	17	17	16	17	17	16	16	18	14	16
Clerical, Secretarial	167	176	178	180	188	185	183	188	207	199
Service Workers	188	203	193	204	214	224	240	262	282	211
Skilled Crafts	50	46	49	49	51	52	53	54	62	53
Total Full-Time Employees	<u>3,221</u>	<u>3,245</u>	<u>3,268</u>	<u>3,271</u>	<u>3,311</u>	<u>3,290</u>	<u>3,231</u>	<u>3,328</u>	<u>3,457</u>	<u>3,257</u>

SOURCES: North Carolina Public Schools Statistical Profile, EEO-5 Data Collection Report

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, 2023

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	75	1948
Belmont Central	2-5	689	54	1969
W.A. Bess	K-5	605	41	1982
Bessemer City Central	3-5	407	24	1999
Bessemer City Primary	K-2	395	47	1976
Brookside	K-5	502	29	1994
Carr	K-5	633	62	1961
Catawba Heights	K-5	259	64	1959
Chapel Grove	K-5	325	69	1954
Cherryville	K-3	365	67	1956
Costner	K-5	485	58	1965
Gardner Park	K-5	503	59	1964
H.H. Beam	K-5	510	49	1974
Hawks Nest	4-5	347	21	2002
Kiser	3-5	329	75	1948
Lingerfeldt	K-5	390	70	1953
Lowell	K-5	409	45	1978
McAdenville	K-5	180	74	1949
New Hope	K-5	520	68	1955
North Belmont	K-5	309	47	1976
Page	K-1	339	50	1973
Pinewood	K-5	467	54	1969
Pleasant Ridge	K-5	866	<b>6</b>	<b>2017</b>
Rankin	K-5	489	73	1950
Robinson	K-3	385	69	1954
Sadler	K-5	305	19	2004
Sherwood	K-5	497	54	1969
Springfield	K-2	282	47	1976
Tryon	K-5	321	83	1940
Woodhill	K-5	462	56	1967

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

GASTON COUNTY BOARD OF EDUCATION  
School Building Data  
June 30, 2023

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	742	2	2021
Bessemer City	6-8	500	69	1954
Chavis	6-8	413	72	1951
Cramerton	6-8	909	25	1998
W.C. Friday	6-8	605	53	1970
Grier	6-8	610	68	1955
Holbrook	6-8	777	69	1954
Mount Holly	6-8	557	84	1939
Southwest	6-8	804	52	1971
Stanley	6-8	670	<b>5</b>	<b>2018</b>
York Chester	6-8	431	84	1939
<u>High Schools</u>				
Ashbrook	9-12	1,303	53	1970
Bessemer City	9-12	566	59	1964
Cherryville	9-12	492	67	1956
Stuart W. Cramer	9-12	964	10	2013
East Gaston	9-12	883	52	1971
Forestview	9-12	1,081	25	1998
Gaston Early College	9-13	230	*	*
Gaston Early College of Medical Sciences	9-13	113	*	*
Highland School of Technology	9-12	514	69	1954
Hunter Huss	9-12	1,120	61	1962
North Gaston	9-12	1,134	53	1970
South Point	9-12	955	59	1964
<u>Special/Alternative Schools</u>				
Gaston Virtual Academy	4-9	462	N/A	N/A
Warlick	6-12	175	74	1949
Webb Street	K-12	148	74	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		Leases per Capita	Leases as a Percentage of Personal Income
	Capital Leases	Per Capita Personal Income	Population		
2023	\$ -	\$ *	234,501	\$ *	*
2022	-	*	234,215	*	*
2021	374,507	48,508	230,856	*	1.295%
2020	1,185,755	44,739	226,568	*	0.377%
2019	2,428,916	41,535	224,529	10.82	0.171%
2018	2,614,505	41,379	224,144	11.66	0.158%
2017	1,458,101	39,578	220,182	6.62	0.271%
2016	424,805	38,261	216,903	1.96	0.901%
2015	461,080	36,950	213,442	2.16	0.801%
2014	140,819	35,531	211,040	0.67	2.523%

SOURCES: 2014 - 2023 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
2023	\$ 46,987,116	\$ 103,775,606	\$ 79,386	\$ 6,464,195	\$ 77,553,881
2022	42,279,544	86,306,054	82,754	5,502,464	83,139,382
2021	38,505,544	74,652,785	-	4,470,307	59,708,312
2020	34,322,360	75,182,323	69,718	4,393,547	59,251,335
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

SOURCE: Gaston County Finance Department

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
2023	\$ 9,007,456	\$ 59,154,335	\$ 32,003,724	\$ 30,416,264	\$ 365,441,963
2022	7,947,537	59,153,869	28,964,166	31,311,385	344,687,155
2021	6,884,869	57,240,267	36,781,478	32,860,308	311,103,870
2020	6,064,538	57,591,462	47,436,706	46,168,999	330,480,988
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	280,497,413
2016	5,384,033	49,693,622	16,317,490	25,316,479	251,657,177
2015	5,235,321	49,517,556	10,176,139	25,492,642	243,494,641
2014	5,141,154	48,108,930	9,219,457	25,462,045	233,769,682

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

Table 15

Municipality	Year Ended June 30									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
County	0.8700	0.8700	0.8700	0.8700	0.8700	0.8700	0.8400	0.8300	0.8100	0.8100
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	0.5300	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	0.3070	0.4100	0.4100	0.4100	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	0.4300	0.4300	0.4300	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	0.2860	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000	0.4000
Spencer Mountain	0.0000	0.0000	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	0.0630	0.0630	0.0630	0.0730	0.0730	0.0730	0.0920	0.0112	0.1200	0.1100
Alexis	0.0850	0.0900	0.0900	0.0950	0.0950	0.0950	0.0790	0.0990	0.1060	0.1100
Chapel Grove	0.0950	0.1050	0.1050	0.1050	0.1050	0.1050	0.0930	0.0930	0.1240	0.0110
Chestnut Ridge	0.0800	0.0840	0.0840	0.0840	0.0840	0.0950	0.0810	0.1010	0.1200	0.1100
Community	0.1000	0.1000	0.1000	0.1000	0.1000	0.1200	0.0990	0.1190	0.1210	0.1100
Crouse	0.0740	0.0740	0.0740	0.0740	0.0740	0.0860	0.0690	0.0750	0.0750	0.1100
East Gaston	0.0840	0.0840	0.0840	0.0840	0.0840	0.0840	0.0720	0.0920	0.0980	0.1100
High Shoals	0.1030	0.1030	0.1030	0.1030	0.1030	0.1030	0.1040	0.1040	0.1040	0.1100
Hughs Pond	0.1010	0.1010	0.1010	0.1100	0.1100	0.1100	0.1050	0.1050	0.1050	0.1100
Long Shoals	0.1030	0.1030	0.1030	0.1030	0.1030	0.1030	0.1040	0.1040	0.1040	0.1100
Lowell	0.0500	0.0500	0.0500	0.0740	0.0740	0.0740	0.0680	0.0680	0.0680	0.1100
Lucia-Riverbend	0.1050	0.1050	0.1050	0.1100	0.1100	0.1140	0.0930	0.1130	0.1250	0.1100
New Hope	0.0800	0.0880	0.0880	0.0880	0.0880	0.1000	0.0840	0.0970	0.0970	0.1100
Ranlo	0.0840	0.0840	0.0840	0.0845	0.0845	0.0840	0.0880	0.0910	0.0910	0.1100
South Gastonia	0.0950	0.1050	0.1050	0.1050	0.1050	0.1050	0.0930	0.0930	0.1240	0.1100
South Point	0.0640	0.0640	0.0640	0.0400	0.0400	0.0400	0.0360	0.0500	0.0500	0.1100
Spencer Mountain	0.0700	0.0800	0.0800	0.0800	0.0800	0.0800	0.0930	0.1030	0.1030	0.1100
Tryonata	0.0800	0.0840	0.0840	0.0840	0.0840	0.0950	0.0810	0.1010	0.1200	0.1100
Union Road	0.0670	0.0770	0.0770	0.0770	0.0770	0.0770	0.0650	0.0760	0.0760	0.1100
Waco	0.0730	0.0730	0.0730	0.0950	0.0950	0.0950	0.0810	0.0950	0.0950	0.1100

SOURCE: Gaston County Finance Department

# GASTON COUNTY, NORTH CAROLINA

Table 16

## Commercial and Industrial Permits Issued and Total Deposits Last Ten Fiscal Years

Year Ended June 30	Commercial Permits	Industrial Permits	Bank Deposits x \$1,000
2023	\$ 538,686,585	\$ 47,000	\$ 3,634,625
2022	236,962,123	75,000	3,768,767
2021	244,330,679	-	3,363,125
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

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
2023	\$ 179,402,454	\$ 177,885,307	99.15%
2022	176,450,171	174,965,654	99.16%
2021	170,971,588	170,364,778	99.65%
2020	166,281,606	165,532,478	99.55%
2019	130,421,455	130,005,492	99.68%
2018	127,701,957	127,317,801	99.70%
2017	123,779,768	123,476,185	99.75%
2016	120,282,146	120,024,706	99.79%
2015	121,177,992	120,905,771	99.78%
2014	127,281,287	127,042,822	99.81%

SOURCE: Gaston County Finance Department

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

Table 18

TAXPAYER	2023			2022		
	Assessed Valuation	Rank	% of Total Assessed Valuation	Assessed Valuation	Rank	% of Total Assessed Valuation
Duke Energy Corporation	\$ 593,951,547	1	3.0%	\$ 672,138,421	1	3.2%
Daimler Trucks North America	167,737,680	2	0.9%	174,211,807	3	0.8%
FMC Corporation	142,492,580	3	0.7%	94,148,631	4	0.4%
Triangle Real Estate	136,333,800	4	0.7%	195,224,770	2	0.9%
Public Service Company	90,051,721	5	0.5%	91,906,852	5	0.4%
Owens Corning Non-Woven	75,282,016	6	0.4%	77,746,463	6	0.4%
Bud Antle Corporation	55,797,005	7	0.3%	45,091,467	9	0.2%
Mann+Hummel Filtration Tech US	51,651,901	8	0.3%	-	-	-
NP Gastonia Industrial LLC	48,811,310	9	0.3%	-	-	-
Southwood Realty Company	47,395,160	10	0.2%	64,848,570	7	0.3%
Pharr Yarns, Inc.	-	-	-	-	-	-
Industrial Fabricators, Inc.	-	-	-	-	-	-
Firestone Fibers & Textiles	-	-	-	-	-	-
Georgia Pacific, LLC	-	-	-	56,254,750	8	0.3%
WalMart Real Est Business	-	-	-	42,268,370	10	0.2%
	<u>\$ 1,409,504,720</u>		<u>7.3%</u>	<u>\$ 1,513,840,101</u>		<u>7.1%</u>

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	67,144,494	5	0.5%	52,384,054	6	0.4%
FMC Corporation	54,593,800	6	0.4%	54,105,672	5	0.4%
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%
AT&T	-	-	-	45,085,544	9	0.3%
Seven Oaks Farm, LLC	-	-	-	-	-	-
Triangle Real Estate	-	-	-	-	-	-
CTL Packaging USA, Inc.	-	-	-	-	-	-
	<u>\$ 1,125,964,973</u>		<u>7.2%</u>	<u>\$ 1,017,710,811</u>		<u>7.2%</u>

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

Table 18  
(continued)

TAXPAYER	2021			2020		
	Assessed Valuation	Rank	% of Total Assessed Valuation	Assessed Valuation	Rank	% of Total Assessed Valuation
Duke Energy Corporation	\$ 557,549,402	1	3.1%	\$ 557,549,402	1	3.1%
Daimler Trucks North America	194,250,532	2	1.1%	194,250,532	2	1.1%
FMC Corporation	63,583,128	7	0.4%	63,583,128	7	0.4%
Triangle Real Estate	70,840,486	6	0.4%	70,840,486	6	0.4%
Public Service Company	118,513,358	3	0.7%	118,513,358	3	0.7%
Owens Corning Non-Woven	75,874,264	4	0.4%	75,874,264	4	0.4%
Bud Antle Corporation	-	-	-	-	-	-
Mann+Hummel Filtration Tech US	49,850,606	10	0.3%	49,850,606	10	0.3%
NP Gastonia Industrial LLC	-	-	-	-	-	-
Southwood Realty Company	73,637,832	5	0.4%	73,637,832	5	0.4%
Pharr Yarns, Inc.	-	-	-	-	-	-
Industrial Fabricators, Inc.	-	-	-	-	-	-
Firestone Fibers & Textiles	53,680,119	8	0.3%	53,680,119	8	0.3%
Georgia Pacific, LLC	50,572,505	9	0.3%	50,572,505	9	0.3%
AT&T	-	-	-	-	-	-
	<u>\$ 1,308,352,232</u>		<u>7.3%</u>	<u>\$ 1,308,352,232</u>		<u>7.3%</u>

TAXPAYER	2016			2015		
	Assessed Valuation	Rank	% of Total Assessed Valuation	Assessed Valuation	Rank	% of Total Assessed Valuation
Duke Energy Corporation	\$ 407,944,704	1	2.9%	\$ 402,344,986	1	2.6%
Daimler Trucks North America	96,565,695	2	0.7%	91,155,042	2	0.6%
Public Service Company	75,773,961	3	0.6%	63,882,771	3	0.4%
Owens Corning Non-Woven	-	-	-	-	-	-
Southwood Realty	-	-	-	44,114,600	8	0.3%
FMC Corporation	-	-	-	50,956,118	6	0.3%
Georgia Pacific, LLC	-	-	-	-	-	-
Mann+Hummel Filtration Tech US	-	-	-	42,237,836	9	0.3%
Bud Antle Corporation	48,181,391	6	0.4%	51,036,603	5	0.3%
Pharr Yarns, Inc.	54,434,517	4	0.4%	47,285,428	7	0.3%
AT&T	-	-	-	53,837,204	4	0.4%
Seven Oaks Farm, LLC	47,307,929	7	0.3%	-	-	-
Triangle Real Estate	45,255,904	8	0.3%	-	-	-
CTL Packaging USA, Inc.	42,762,583	10	0.3%	34,847,979	10	0.2%
	<u>\$ 818,226,684</u>		<u>6.6%</u>	<u>\$ 881,698,567</u>		<u>5.7%</u>



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

Table 18  
(continued)

TAXPAYER	2019		
	Assessed Valuation	Rank	% of Total Assessed Valuation
Duke Energy Corporation	\$ 503,775,335	1	3.4%
Daimler Trucks North America	162,272,723	2	1.1%
FMC Corporation	65,405,762	5	0.4%
Triangle Real Estate	-	-	-
Public Service Company	99,725,580	3	0.7%
Owens Corning Non-Woven	79,742,599	4	0.5%
Bud Antle Corporation	44,212,664	8	0.3%
Mann+Hummel Filtration Tech US	45,967,372	7	0.3%
NP Gastonia Industrial LLC	-	-	-
Southwood Realty Company	51,257,916	6	0.3%
Pharr Yarns, Inc.	42,992,410	9	0.3%
Industrial Fabricators, Inc.	39,786,622	10	0.3%
Firestone Fibers & Textiles	-	-	-
Georgia Pacific, LLC	-	-	-
AT&T	-	-	-
	<u>\$ 1,135,138,983</u>		<u>7.6%</u>

TAXPAYER	2014		
	Assessed Valuation	Rank	% of Total Assessed Valuation
Duke Energy Corporation	\$ 498,336,203	1	3.4%
Daimler Trucks North America	88,931,161	2	0.6%
Public Service Company	62,031,218	3	0.4%
Owens Corning Non-Woven	-	-	-
Southwood Realty	42,768,426	9	0.3%
FMC Corporation	50,308,960	7	0.3%
Georgia Pacific, LLC	-	-	-
Mann+Hummel Filtration Tech US	-	-	-
Bud Antle Corporation	50,507,056	6	0.4%
Pharr Yarns, Inc.	56,470,849	4	0.4%
AT&T	55,073,335	5	0.4%
Seven Oaks Farm, LLC	44,582,006	8	0.3%
Triangle Real Estate	39,939,501	10	0.3%
CTL Packaging USA, Inc.	-	-	-
	<u>\$ 988,948,715</u>		<u>6.8%</u>

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

Table 19

Employer	2023			2022			2021			2020		
	Number of Employees	Rank	Type	Number of Employees	Rank	Type	Number of Employees	Rank	Type	Number of Employees	Rank	Type
Caromont Health	1,000+	1	Health Services	1,000+	1	Health Services	1,000+	1	Health Services	1,000+	2	Health Services
Gaston County Schools	1,000+	2	Education	1,000+	2	Education	1,000+	2	Education	1,000+	1	Education
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
Mann+Hummel Filtration (formerly WIX Corporation)	1,000+	6	Manufacturing	1,000+	6	Manufacturing	1,000+	6	Manufacturing	1,000+	7	Manufacturing
American & Efird, Inc.	1,000+	7	Manufacturing	1,000+	7	Manufacturing	1,000+	7	Manufacturing	1,000+	6	Manufacturing
City of Gastonia	500-999	8	Public Administration	500-999	8	Public Administration	500-999	9	Public Administration	500-999	8	Public Administration
Food Lion	500-999	9	Retail Trade	500-999	9	Retail Trade	500-999	8	Retail Trade	-	-	-
Gaston College	500-999	10	Education	500-999	10	Education	-	-	-	-	-	-
Trion Solutions, Inc.	-	-	-	-	-	-	-	-	-	500-999	9	Professional and Business Services
Pharr Yarns, Inc.	-	-	-	-	-	-	-	-	-	-	-	-
Dole Food Company	-	-	-	-	-	-	-	-	-	-	-	-
Sara Lee Corporation	-	-	-	-	-	-	-	-	-	-	-	-
Bud Antle, Inc.	-	-	-	-	-	-	500-999	10	Manufacturing	500-999	10	Manufacturing

SOURCE: Gaston County Economic Development Commission

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

Table 19  
(continued)

Employer	2019			2018			2017			2016		
	Number of Employees	Rank	Type	Number of Employees	Rank	Type	Number of Employees	Rank	Type	Number of Employees	Rank	Type
Caromont Health	1,000+	2	Health Services	1,000+	2	Health Services	1,000+	2	Health Services	1,000+	2	Health Services
Gaston County Schools	1,000+	1	Education	1,000+	1	Education	1,000+	1	Education	1,000+	1	Education
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
Mann+Hummel Filtration (formerly WIX Corporation)	1,000+	7	Manufacturing	1,000+	7	Manufacturing	1,000+	7	Manufacturing	1,000+	7	Manufacturing
American & Efird, Inc.	1,000+	6	Manufacturing	1,000+	6	Manufacturing	1,000+	6	Manufacturing	1,000+	6	Manufacturing
City of Gastonia	500-999	9	Public Administration	500-999	8	Public Administration	500-999	8	Public Administration	500-999	8	Public Administration
Food Lion	-	-	-	-	-	-	-	-	-	-	-	-
Gaston College	-	-	-	500-999	10	Education	500-999	10	Education	500-999	10	Education
Trion Solutions, Inc.	500-999	8	Professional and Business Services	-	-	-	-	-	-	-	-	-
Pharr Yarns, Inc.	500-999	10	Manufacturing	500-999	9	Manufacturing	500-999	9	Manufacturing	500-999	9	Manufacturing
Dole Food Company	-	-	-	-	-	-	-	-	-	-	-	-
Sara Lee Corporation	-	-	-	-	-	-	-	-	-	-	-	-
Bud Antle, Inc.	-	-	-	-	-	-	-	-	-	-	-	-

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

Table 19  
(continued)

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

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

Table 20

Year Ended June 30	Employed	Unemployment Rate
2023	114,221	3.90%
2022	109,620	4.10%
2021	105,288	5.30%
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%

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 (in thousands of dollars)
2023	\$ *	*	\$ *
2022	*	*	*
2021	48,508	46	*
2020	44,739	46	*
2019	41,535	46	9,319,266
2018	41,379	*	8,944,138
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

SOURCES: 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

Table 22

## Ratio of Annual Debt Service Expenditures for General Bonded Debt to Total General Governmental Expenditures Last Ten Fiscal Years

Year Ended June 30	Total Debt Service Expenditures <sup>(1)</sup>	Total General Governmental Expenditures	Ratio of Debt Service to Total General Expenditures
2023	\$ 30,416,264	\$ 365,441,963	8.3%
2022	31,311,385	344,687,155	9.1%
2021	32,860,308	311,103,870	10.6%
2020	46,168,999	330,480,988	14.0%
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%

(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



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

Table 23

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
2023	\$ 174,951,446	\$ 32,163,590	\$ 22,086,737	0.79%	241,175	\$ 725
2022	188,174,420	25,340,070	21,202,037	0.89%	231,941	811
2021	203,400,222	20,745,544	20,546,387	0.99%	230,378	883
2020	234,753,198	19,934,655	19,745,275	1.19%	228,618	1,027
2019	269,601,609	17,379,041	14,990,972	1.80%	222,744	1,210
2018	186,341,784	14,761,918	16,437,043	1.13%	221,006	843
2017	195,722,876	15,344,435	15,943,318	1.23%	218,445	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

SOURCE: Gaston County Finance Department