



# Gaston County

Gaston County  
Board of Commissioners  
www.gastongov.com

## Financial and Management Services - Finance Board Action

File #: 25-334

Commissioner Hovis - Financial and Management Services - Finance - To Appropriate **\$2,843,549.42** for the Year-End Entries Associated with GASB 87 Lease Agreements and GASB 96 Subscription Agreements (General Fund **\$2,521,241.43**; Tourism Fund **\$8,746.44**; Property Revaluation Fund **\$81,386.55**; Emergency Telephone Fund **\$88,430.00**; Drug Forfeiture Fund **\$30,000.00**; Debt Service Fund **\$113,745.00**)

### STAFF CONTACT

Kyle Sutherland - Finance - 704-866-3130

### BUDGET IMPACT

General Fund: Increase expense and revenue by \$2,521,241.43  
Tourism Fund: Increase expense and revenue by \$8,746.44  
Property Revaluation Fund: Increase expense and revenue by \$81,386.55  
Emergency Telephone Fund: Increase expense and revenue by \$88,430.00  
Drug Forfeiture Fund: Increase expense and revenue by \$30,000.00  
Debt Service Fund: Increase expense and revenue by \$113,745.00  
No County Funds

### BACKGROUND

The Governmental Accounting Standards Board (GASB) implemented a new standard to account for Lease Agreements (GASB 87) and Subscription Agreements (GASB 96). In FY22 the County implemented GASB 87 and in FY23, the County implemented GASB 96. This Board Action appropriates the necessary year-end adjusting entries associated with both GASB Standards.

(Continued on Page 2)

DO NOT TYPE BELOW THIS LINE

I, Donna S. Buff, Clerk to the County Commission, do hereby certify that the above is a true and correct copy of action taken by the Board of Commissioners as follows:

NO.	DATE	M1	M2	JBailey	CBrown	CCloninger	AFraley	BHovis	TKeigher	SShehan	Vote
2025-215	06/24/2025	BH	JB	A	A	A	A	A	A	A	U

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*GASB 87 information:* It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

*GASB 96 information:* "It has become common for governments to enter into subscription-based contracts to use vendor-provided information technology (IT). Subscription based information technology arrangements (SBITAs) provide governments with access to vendors' IT software and associated tangible capital assets for subscription payments without granting governments perpetual license or title to the IT software and associated tangible capital assets. Prior to the issuance of this Statement, there was no accounting or financial reporting guidance specifically for SBITAs."

### **POLICY IMPACT**

N/A

### **ATTACHMENTS**

Budget Change Request (BCR)

**GASTON COUNTY  
BUDGET CHANGE REQUEST (BCR)**

**TO:** Matthew Rhoten, County Manager

**FROM:**    
 Dept. Code Department Name

Department Director Date

- REQUEST TYPE:**
- Line-Item Transfer Within Department & Fund
  - Project Transfer Within Department & Fund
  - Line-Item Transfer Between Departments
  - Line-Item Transfer Between Funds\*
  - Additional Appropriation of Funds\*
- \*Requires resolution by the Board of Commissioners

ACCOUNT DESCRIPTION As it appears in Munis Ex. Employee Training	ACCOUNT NUMBER Fund-Dept-Div-SubDiv-Prog-SubProg-Future-Obj-Proj XXXX-XXX-XXX-XXXXX-XXXXXX-XXXXXX-XXXX-XX-XXXXXX-XXXX Ex. 1000-BGT-000-00000-000000-0000000-0000-01-520011-	AMOUNT** Whole dollars only Ex. (\$5,000) Ex. \$5,000
Expenditure: Subscription Financing Principal	1000-HRM-000-00000-000000-0000000-0000-01-550003-	132,927.48
Expenditure Interest: Subscriptions	1000-HRM-000-00000-000000-0000000-0000-01-550103-	9,654.91
GASB Adjustments	1000-HRM-000-00000-000000-0000000-0000-01-5300056-	(142,582.39)
Expenditure: Subscription Financing Principal	1000-GPD-201-00000-000000-0000000-0000-02-550003-	12,502.17
Expenditure Interest: Subscriptions	1000-GPD-201-00000-000000-0000000-0000-02-550103-	796.71
GASB Adjustments	1000-GPD-201-00000-000000-0000000-0000-02-530056-	(13,298.88)
Expenditure: Subscription Financing Principal	1000-EMS-000-00000-000000-0000000-0000-02-550003-	10,001.71
Expenditure Interest: Subscriptions	1000-EMS-000-00000-000000-0000000-0000-02-550103-	637.37
GASB Adjustments	1000-EMS-000-00000-000000-0000000-0000-02-530056-	(10,639.08)
Expenditure: Subscription Financing Principal	1000-SHF-000-00000-000000-0000000-0000-02-550003-	41,006.89
Expenditure Interest: Subscriptions	1000-SHF-000-00000-000000-0000000-0000-02-550103-	2,613.20
GASB Adjustments	1000-SHF-000-00000-000000-0000000-0000-02-530056-	(43,620.09)
Expenditure: Subscription Financing Principal	1000-EMG-000-00000-000000-0000000-0000-02-550003-	5,300.88
Expenditure Interest: Subscriptions	1000-EMG-000-00000-000000-0000000-0000-02-550103-	337.80
GASB Adjustments	1000-EMG-000-00000-000000-0000000-0000-02-530056-	(5,638.68)
Expenditure: Subscription Financing Principal	1000-GPD-000-00000-000000-0000000-0000-02-550003-	51,895.92
Expenditure Interest: Subscriptions	1000-GPD-000-00000-000000-0000000-0000-02-550103-	3,307.12
GASB Adjustments	1000-GPD-000-00000-000000-0000000-0000-02-530056-	(55,203.04)
Expenditure: Subscription Financing Principal	1000-TAX-000-00000-000000-0000000-0000-01-550003-	160,972.13
Expenditure Interest: Subscriptions	1000-TAX-000-00000-000000-0000000-0000-01-550103-	3,662.12
GASB Adjustments	1000-TAX-000-00000-000000-0000000-0000-01-530056-	(164,634.25)
Expenditure: Subscription Financing Principal	1000-SHF-000-00000-000000-0000000-0000-02-550003-	4,104.48
Expenditure Interest: Subscriptions	1000-SHF-000-00000-000000-0000000-0000-02-550103-	283.02
GASB Adjustments	1000-SHF-000-00000-000000-0000000-0000-02-530056-	(4,387.50)
Expenditure: Subscription Financing Principal	1000-GPD-000-00000-000000-0000000-0000-02-550003-	13,853.06
Expenditure Interest: Subscriptions	1000-GPD-000-00000-000000-0000000-0000-02-550103-	1,591.01
GASB Adjustments	1000-GPD-000-00000-000000-0000000-0000-02-530056-	(15,444.07)
Expenditure: Subscription Financing Principal	1000-DSS-000-00000-000000-0000000-0000-05-550003-	72,499.59
Expenditure Interest: Subscriptions	1000-DSS-000-00000-000000-0000000-0000-05-550103-	5,300.41
GASB Adjustments	1000-DSS-000-00000-000000-0000000-0000-05-530056-	(77,800.00)
Expenditure: Subscription Financing Principal	1000-ITS-000-00000-000000-0000000-0000-01-550003-	286,367.12
Expenditure Interest: Subscriptions	1000-ITS-000-00000-000000-0000000-0000-01-550103-	20,936.16
GASB Adjustments	1000-ITS-000-00000-000000-0000000-0000-01-530056-	(307,303.28)
Expenditure: Subscription Financing Principal	1000-HLT-000-00000-000000-0000000-0000-05-550003-	68,026.39
<b>SUBOTAL</b>		<b>68,026.39</b>

\*\* Decreases in expenditures and increases in revenue accounts require brackets. Increases in expenditures and decreases in revenue do not require brackets. Please note that transfers between funds require inter-fund transfer accounts.

**JUSTIFICATION FOR REQUEST:**

Appropriate amounts needed to record GASB87 & GASB96 year end entries.

**GASTON COUNTY  
BUDGET CHANGE REQUEST (BCR)**

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<b>ACCOUNT DESCRIPTION</b> As it appears in Munis Ex. Employee Training	<b>ACCOUNT NUMBER</b> Fund-Dept-Div-SubDiv-Prog-SubProg-Future-Obj-Proj XXXX-XXX-XXX-XXXXX-XXXXXX-XXXXXX-XXXX-XX-XXXXXX-XXXXX Ex. 1000-BGT-000-00000-000000-0000000-0000-01-520011-	<b>AMOUNT**</b> Whole dollars only Ex. (\$5,000) Ex. \$5,000
Expenditure Interest: Subscriptions	1000-HLT-000-00000-000000-0000000-0000-05-550103-	4,973.38
GASB Adjustments	1000-HLT-000-00000-000000-0000000-0000-05-530056-	(72,999.77)
Expenditure: Subscription Financing Principal	1000-DSS-000-00000-000000-0000000-0000-05-550003-	165,872.90
Expenditure Interest: Subscriptions	1000-DSS-000-00000-000000-0000000-0000-05-550103-	12,126.89
GASB Adjustments	1000-DSS-000-00000-000000-0000000-0000-05-530056-	(177,999.79)
Expenditure: Subscription Financing Principal	1000-SHF-210-00000-000000-0000000-0000-02-550003-	30,252.29
Expenditure Interest: Subscriptions	1000-SHF-210-00000-000000-0000000-0000-02-550103-	1,747.71
GASB Adjustments	1000-SHF-210-00000-000000-0000000-0000-02-530056-	(32,000.00)
Expenditure: Subscription Financing Principal	1000-HLT-250-00000-000000-0000000-0000-05-550003-	11,887.70
Expenditure Interest: Subscriptions	1000-HLT-250-00000-000000-0000000-0000-05-550103-	687.50
GASB Adjustments	1000-HLT-250-00000-000000-0000000-0000-05-530056-	(12,575.20)
Expenditure: Subscription Financing Principal	1000-SHF-000-00000-000000-0000000-0000-02-550003-	20,089.46
Expenditure Interest: Subscriptions	1000-SHF-000-00000-000000-0000000-0000-02-550103-	518.91
GASB Adjustments	1000-SHF-000-00000-000000-0000000-0000-02-530056-	(20,608.37)
Expenditure: Subscription Financing Principal	1000-EMS-000-00000-000000-0000000-0000-02-550003-	12,217.31
Expenditure Interest: Subscriptions	1000-EMS-000-00000-000000-0000000-0000-02-550103-	720.55
GASB Adjustments	1000-EMS-000-00000-000000-0000000-0000-02-530056-	(12,937.86)
Expenditure: Subscription Financing Principal	1000-BOE-000-00000-000000-0000000-0000-01-550003-	14,438.46
Expenditure Interest: Subscriptions	1000-BOE-000-00000-000000-0000000-0000-01-550103-	556.54
GASB Adjustments	1000-BOE-000-00000-000000-0000000-0000-01-530056-	(14,995.00)
Expenditure: Subscription Financing Principal	1000-ITS-000-00000-000000-0000000-0000-01-550003-	31,987.58
Expenditure Interest: Subscriptions	1000-ITS-000-00000-000000-0000000-0000-01-550103-	28.66
GASB Adjustments	1000-ITS-000-00000-000000-0000000-0000-01-530056-	(32,016.24)
Expenditure: Subscription Financing Principal	1000-DSS-000-00000-000000-0000000-0000-05-550003-	12,795.06
Expenditure Interest: Subscriptions	1000-DSS-000-00000-000000-0000000-0000-05-550103-	11.46
GASB Adjustments	1000-DSS-000-00000-000000-0000000-0000-05-530056-	(12,806.52)
Expenditure: Subscription Financing Principal	1000-HLT-000-00000-000000-0000000-0000-05-550003-	8,225.34
Expenditure Interest: Subscriptions	1000-HLT-000-00000-000000-0000000-0000-05-550103-	7.38
GASB Adjustments	1000-HLT-000-00000-000000-0000000-0000-05-530056-	(8,232.72)
Expenditure: Subscription Financing Principal	1000-EMS-000-00000-000000-0000000-0000-02-550003-	9,710.40
Expenditure Interest: Subscriptions	1000-EMS-000-00000-000000-0000000-0000-02-550103-	561.58
GASB Adjustments	1000-EMS-000-00000-000000-0000000-0000-02-530056-	(10,271.98)
Expenditure: Subscription Financing Principal	1000-SHF-000-00000-000000-0000000-0000-02-550003-	40,929.34
Expenditure Interest: Subscriptions	1000-SHF-000-00000-000000-0000000-0000-02-550103-	2,367.06
GASB Adjustments	1000-SHF-000-00000-000000-0000000-0000-02-530056-	(43,296.40)

**SUBTOTAL** (68,026.39)

\*\* Decreases in expenditures and increases in revenue accounts require brackets. Increases in expenditures and decreases in revenue do not require brackets. Please note that transfers between funds require inter-fund transfer accounts.

**GASTON COUNTY**  
**BUDGET CHANGE REQUEST (BCR)**  
**PAGE 3**

ACCOUNT DESCRIPTION As it appears in Munis Ex. Employee Training	ACCOUNT NUMBER Fund-Dept-Div-SubDiv-Prog-SubProg-Future-Obj-Proj XXXX-XXX-XXX-XXXXX-XXXXXX-XXXXXX-XXXX-XX-XXXXXX-XXXXX Ex. 1000-BGT-000-00000-000000-000000-0000-01-520011-	AMOUNT** Whole dollars only Ex. (\$5,000) Ex. \$5,000
Expenditure: Subscription Financing Principal	1000-EMG-000-00000-000000-000000-0000-02-550003-	5,195.06
Expenditure Interest: Subscriptions	1000-EMG-000-00000-000000-000000-0000-02-550103-	300.45
GASB Adjustments	1000-EMG-000-00000-000000-000000-0000-02-530056-	(5,495.51)
Expenditure: Subscription Financing Principal	1000-GPD-000-00000-000000-000000-0000-02-550003-	65,545.21
Expenditure Interest: Subscriptions	1000-GPD-000-00000-000000-000000-0000-02-550103-	3,790.66
GASB Adjustments	1000-GPD-000-00000-000000-000000-0000-02-530056-	(69,335.87)
Expenditure: Subscription Financing Principal	1000-EMS-000-00000-000000-000000-0000-02-550003-	14,061.39
Expenditure Interest: Subscriptions	1000-EMS-000-00000-000000-000000-0000-02-550103-	38.61
GASB Adjustments	1000-EMS-000-00000-000000-000000-0000-02-530056-	(14,100.00)
Capital Outlay: Subscription	1000-BDS-230-00000-000000-000000-0000-02-540018-	84,552.93
GASB Adjustments	1000-BDS-230-00000-000000-000000-0000-02-530056-	(27,600.00)
Othr Financing Source: Subscriptions	1000-BDS-230-00000-000000-000000-0000-02-470004-	(84,552.93)
Expenditure: Subscription Financing Principal	1000-BDS-230-00000-000000-000000-0000-02-550003-	27,600.00
Capital Outlay: Subscription	1000-DSS-272-00000-000000-000000-0000-05-540018-	78,000.86
GASB Adjustments	1000-DSS-272-00000-000000-000000-0000-05-530056-	(15,616.00)
Othr Financing Source: Subscriptions	1000-DSS-272-00000-000000-000000-0000-05-470004-	(78,000.86)
Expenditure: Subscription Financing Principal	1000-DSS-272-00000-000000-000000-0000-05-550003-	15,616.00
Capital Outlay: Subscription	1000-FIN-000-00000-000000-000000-0000-01-540018-	73,451.05
GASB Adjustments	1000-FIN-000-00000-000000-000000-0000-01-530056-	(22,400.00)
Othr Financing Source: Subscriptions	1000-FIN-000-00000-000000-000000-0000-01-470004-	(73,451.05)
Expenditure: Subscription Financing Principal	1000-FIN-000-00000-000000-000000-0000-01-550003-	22,400.00
Capital Outlay: Subscription	1000-ITS-000-00000-000000-000000-0000-01-540018-	334,790.30
GASB Adjustments	1000-ITS-000-00000-000000-000000-0000-01-530056-	(114,984.46)
Othr Financing Source: Subscriptions	1000-ITS-000-00000-000000-000000-0000-01-470004-	(334,790.30)
Expenditure: Subscription Financing Principal	1000-ITS-000-00000-000000-000000-0000-01-550003-	114,984.46
Expenditure: Subscription Financing Principal	2010-TAX-000-00000-000000-000000-0000-01-550003-	77,338.45
Expenditure Interest: Subscriptions	2010-TAX-000-00000-000000-000000-0000-01-550103-	4,048.10
GASB Adjustments	2010-TAX-000-00000-000000-000000-0000-01-530056-	(81,386.55)
Financing Principal: Leases	1000-EMS-000-00000-000000-000000-0000-02-550002-	2,996.36
GASB Adjustments	1000-EMS-000-00000-000000-000000-0000-02-530056-	(3,000.00)
Interest: Leases	1000-EMS-000-00000-000000-000000-0000-02-550102-	3.64
Interest: Leases	1000-ROD-000-00000-000000-000000-0000-01-550102-	2,759.92
Financing Principal: Leases	1000-ROD-000-00000-000000-000000-0000-01-550002-	58,380.08
GASB Adjustments	1000-ROD-000-00000-000000-000000-0000-01-530056-	(61,140.00)

**SUBTOTAL** 0.00

\*\* Decreases in expenditures and increases in revenue accounts require brackets. Increases in expenditures and decreases in revenue do not require brackets. Please note that transfers between funds require inter-fund transfer accounts.



