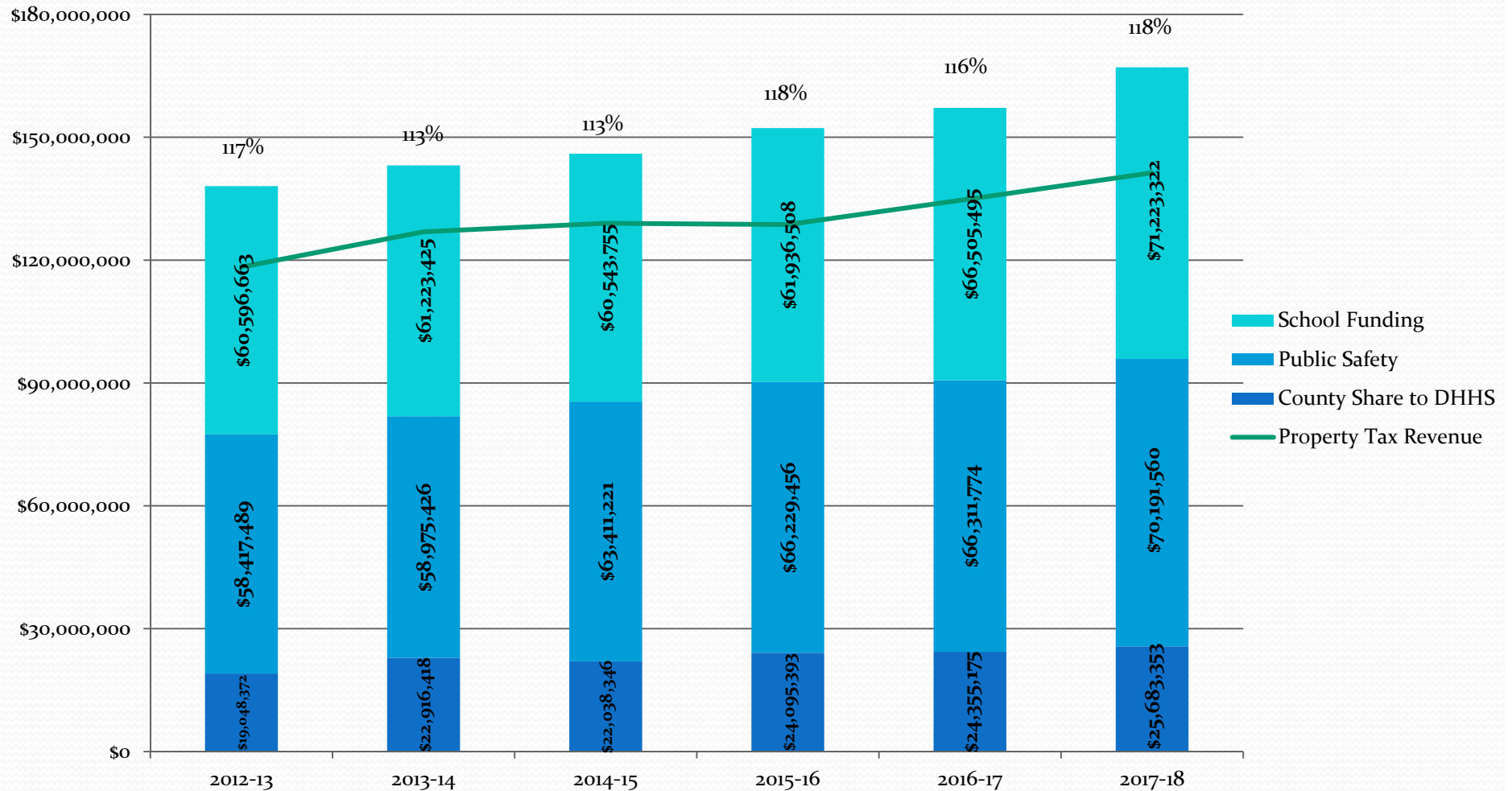


# The Pivotal Importance of Funding for Gaston County Schools

Earl Mathers  
County Manager

# Major County Expenses and Revenue Growth





# The Funding Dilemma in N.C.

*North Carolina's general statutes delineate who is responsible for funding the building of schools (capital spending) and who is responsible for funding the operating of schools (operating spending, also known as current expense). Generally, counties are charged with building, equipping, and maintaining school facilities while the State is charged with funding school operations. – NCACC, Winter 2017*



# Overall School Funding

	FY 2015	FY 2016	FY 2017	FY 2018
Operating	\$ 42,841,194	\$ 44,918,460	\$ 46,469,818	\$ 48,999,014
Capital	\$ 2,227,000	\$ 1,227,000	\$ 1,227,000	\$ 1,227,000
Debt	\$ 15,475,561	\$ 15,791,048	\$ 18,808,677	\$ 20,997,308
<b>Total</b>	<b>\$ 60,543,755</b>	<b>\$ 61,936,508</b>	<b>\$ 66,505,495</b>	<b>\$ 71,223,322</b>

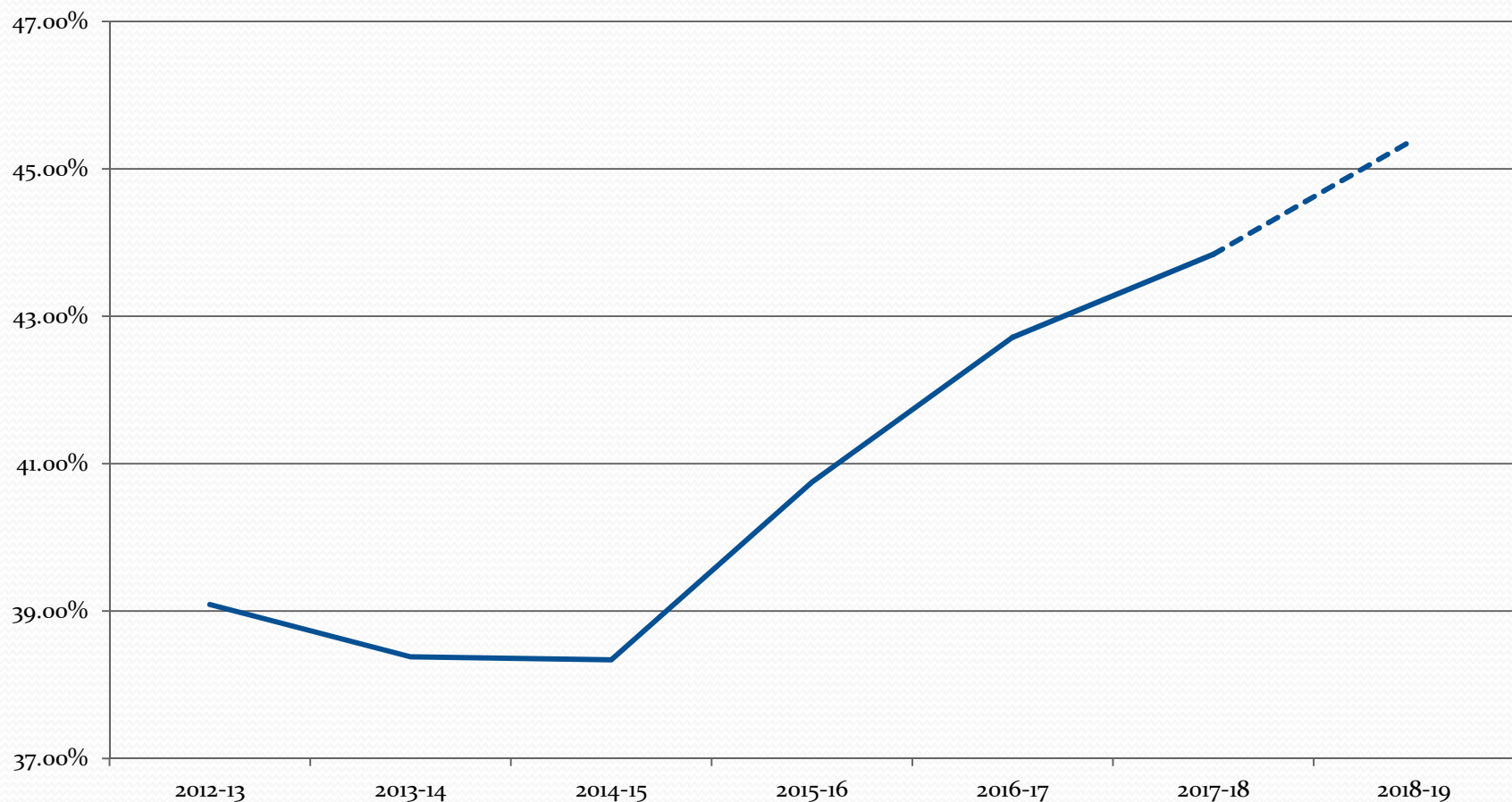
- School funding has increased over 17.6% since 2015.
- Debt alone has increase by over 35% over the same time period.

# Lottery Proceeds

- Gaston County receives about \$2 million annually in lottery proceeds.
- Amount was reduced by nearly  $\frac{1}{2}$  by the state since counties began receiving these funds for education.
- Gaston County lottery funds are fully dedicated for debt service on 2006 school bonds although the amount is insufficient to cover that debt.



# % Property Tax Appropriated for Schools in Gaston County





# Education: Strategic Investment with Long-Term Benefits

*An investment in knowledge pays the best interest.* – Benjamin Franklin

- Critical for economic growth
- Vital for social well-being
- Essential for overcoming poverty
- Necessary for community vitality



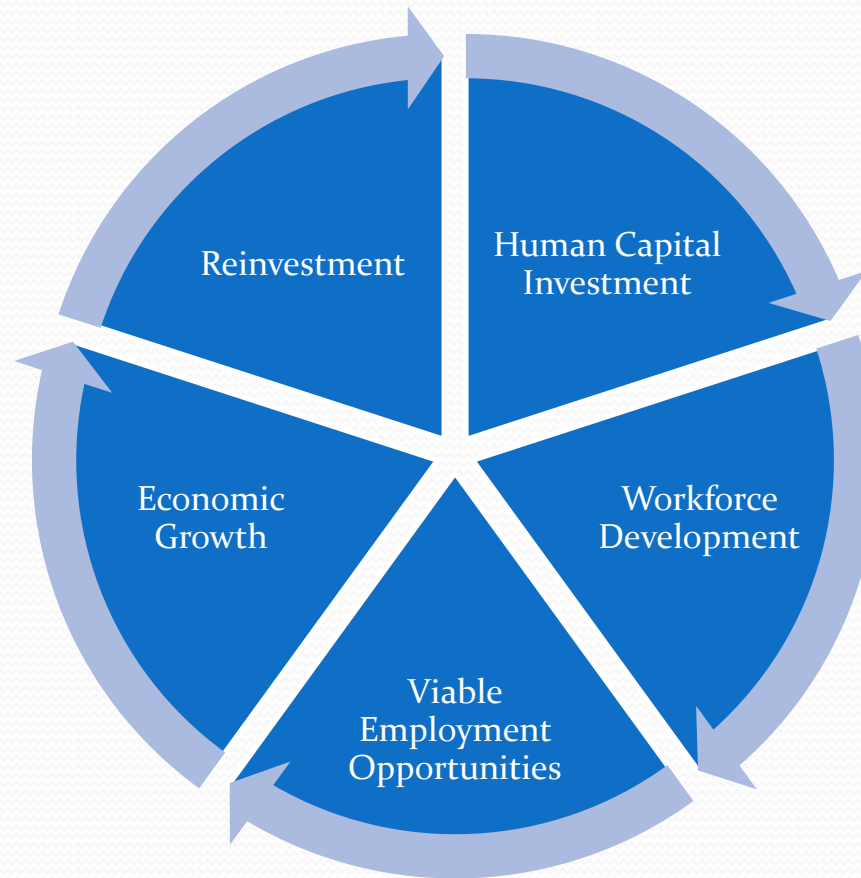
# School Bond and ¼ Cent Sales Tax Referenda Co-Dependence

- School Bond Referendum for \$250 Million
- Quarter Cent Sales Tax yields 6 million annually
- Issuing the \$250 Million depends on the quarter cent sales tax to meet debt service requirements.
- \$250 Million Is a Fraction of the Overall Need
- One additional cent for \$4 Spent with Some Exclusions
- Progressive and sustainable revenue stream





# Community Education Investment Cycle



# Questions?

