



MIDDLE BUCKS
Institute of Technology

Merging Business, Industry, and Technology

2017/2018

PRELIMINARY

GENERAL FUND BUDGET

NOVEMBER 14, 2016

MIDDLE BUCKS INSTITUTE OF TECHNOLOGY

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MIDDLE BUCKS INSTITUTE OF TECHNOLOGY
2017/2018 BUDGET CALENDAR

<u>DATE</u>	<u>DESCRIPTION</u>
August 8, 2016	2017/2018 Budget Calendar adopted by Executive Council
September 6	Finance Committee
September 7 - 16	Budget packet distributed to Management Team & professional staff
September 26	Budget packets gathered from professional staff and reviewed by Asst. Director & CTE Supervisor
October 3	Budget packets due to Business Manager
October 4	Finance Committee
November 1	Preliminary budget presented to Finance Committee
November 14	Budget presentation to Executive Council
November - January	Finance Committee work sessions (if needed)
February 7, 2017	Finance Committee review proposed budget
February 13	Budget presentation to Executive Council
March 13	2017/2018 Budget adopted by Executive Council
March 14 – 17	Recommended budgets sent to member district Superintendents with copies for individual School Directors
March 20 – April 28	Member School Boards approve recommended budget
May– June	Approved budget submitted to PDE

EXPLANATION OF THE MAJOR EXPENDITURE FUNCTIONS

The format of the proposed budget is from the Manual of Accounting and Financial Reporting for Pennsylvania Public Local Educational Agencies (LEAs) as maintained by the Pennsylvania Office of the Budget, Office of Comptroller Operations, Central Agencies & School Finance Unit, revised August 2016.

The following statements will serve as a brief summary of the various functions performed to accomplish the objectives of the Middle Bucks Institute of Technology.

1000 INSTRUCTION - Those activities dealing directly with the interaction between teachers and students and related costs, which can be directly attributed to a program of instruction.

1100 REGULAR PROGRAMS - Activities designed to provide our students with learning experiences of an academic nature to prepare them to function as well rounded citizens and family members.

1300 VOCATIONAL EDUCATION - Approved programs which provide organized learning experiences designed to develop skills, knowledge, attitudes, and work habits in order to prepare individuals for entrance into and progress through various levels of employment in career and technical fields.

2000 SUPPORT SERVICES - Those services that provide administrative, technical and logistical support to facilitate and enhance instruction.

2100 SUPPORT SERVICES-STUDENTS - Activities designed to assess and improve the well-being of students to supplement the teaching process and to meet the applicable provisions of the Public School Code of 1949 as amended, and Chapter 7 of the State Board of Education Regulations.

2200 INSTRUCTIONAL STAFF – Activities associated with assisting, supporting, advising and directing the instructional staff with or on the content and process of providing learning experiences for students.

2300 ADMINISTRATION - Activities concerned with establishing and administering policy in connection with operating the system.

2400 PUPIL HEALTH - Activities that provide students with appropriate nurse services.

2500 BUSINESS - Activities concerned with paying, transporting, exchanging, and maintaining goods and services for the LEA.

2600 OPERATION AND MAINTENANCE OF PLANT SERVICES - Activities concerned with keeping the physical plant open, comfortable, and safe for use, and keeping the grounds, buildings and equipment in effective working condition and state of repair.

2818 SYSTEM-WIDE TECHNOLOGY SERVICES – Those activities concerned with coordinating, planning, researching, developing and evaluating the LEA’s technology functions. This function category includes the costs associated with the immediate staff assigned to coordinating, planning, researching, developing and evaluating the LEA’s technology functions.

3000 OPERATION OF NON-INSTRUCTIONAL SERVICES - Those activities concerned with providing non-instructional services to students, staff or the community.

3200 STUDENT ACTIVITIES - School sponsored activities under the guidance and supervision of the LEA staff.

5000 OTHER EXPENDITURE AND FINANCING USES - The category includes current debt service expenditures and other expenses. Other financing uses represent the disbursement of governmental funds not classified in other functional areas that require budgetary and accounting control.

5900 BUDGETARY RESERVE is not an expenditure function or account. It is strictly a budgetary account.

The following statements will serve as a brief summary of the object code (service or goods) to be obtained as a result of the budgeted expenditures within each function:

100 SALARIES - Gross salaries budgeted to employees of the system who are considered to be in positions of a permanent nature or hired temporarily, including personnel substituting for those in permanent positions.

200 EMPLOYEE BENEFITS - Amounts paid by the system on behalf of the employees. Included are retirement, FICA, group insurance, workers' compensation, tuition reimbursement, and unemployment compensation.

300 PURCHASED PROFESSIONAL AND TECHNICAL SERVICES - Services which by their nature require persons or firms with specialized skills and knowledge. Included are legal, auditing and architectural services among others.

400 PURCHASED PROPERTY SERVICE - Services purchased to operate, repair, maintain, and rent property owned by the system. Included are disposal services, building and equipment repairs and maintenance services, and construction services for renovating and remodeling paid to contractors.

500 OTHER PURCHASED SERVICES - Services rendered by organizations or personnel not applicable to 300 or 400 services. Included are transportation, fire and liability insurance, communications, advertising and travel, among others.

600 SUPPLIES - Amounts paid for items of an expendable nature that are consumed, worn out, or deteriorate in use. Included are general supplies, electricity, gasoline, and books and periodicals.

700 PROPERTY - Expenditures for the acquisition of fixed assets including initial equipment, additional equipment, and replacement of equipment.

800 OTHER OBJECTS - Amounts paid for goods and services not otherwise classified in the 100 to 700 services.

900 OTHER USES OF FUNDS – This series of codes is used to classify transactions which record redemption of principal on long-term debt, authority obligations, fund transfers, and transfers to component units (as defined by GASB Statement # 14).

GENERAL FUND BUDGET HIGHLIGHTS

GENERAL OVERVIEW

To assist Member School Districts with Act 1 of 2006, a preliminary proposed General Fund Budget is being presented to the Executive Council on November 14, 2016 to provide an estimate of the planned operating and debt service expenditures for school year 2017/2018. For 2017/2018, the Act 1 Index is 2.5% vs. 2.4% for 2016/2017.

The proposed General Fund expenditures and building lease rental budgets with budget-to-budget comparison summarized in table A:

	<u>2017/2018</u>	<u>2016/2017</u>	<u>\$ Change</u>	<u>% Change</u>
Preliminary Proposed Expenditures	\$9,672,449	\$9,254,304	\$418,145	4.52%
Authority Lease Rental	1,465,996	1,460,022	5,974	0.40%
Total General Fund Expenditures	<u>\$11,138,445</u>	<u>\$10,714,326</u>	<u>\$424,119</u>	3.96%

This proposed financial plan provides a realistic budget to continue providing a high quality education to our students and demonstrates an effort by the Administration to continue their fiscal responsibility.

PROJECTED MEMBER DISTRICTS' CONTRIBUTIONS & OTHER FUNDING SOURCES

MBIT receives its funding and revenue from local, state and federal sources. The largest portion of local revenue is Member Districts' contributions to the General Fund for career and technical education and operating expenditures. Per the Articles of Agreement, the Member Districts share the cost of operating the School based on the average daily membership (ADM) of students. For budgeting and as has been the practice, a three year rolling average is used to allocate the member contribution for 2017/2018. The rolling average projects that 739.3 half day time students on an about schedule will attend in 2017/2018 compared to 752.6 in 2016/2017 and 743.8 in 2015/2016. See Table C for Proposed Member District's Contribution / Revenue from Member Districts.

The actual amount to be paid by Member District's in 2017/2018 will be adjusted by the balance due to or from Member Districts as of June 30, 2016 for the 2015/2016 fiscal school year. Based on the net secondary vocational costs and actual ADM at year-end June 30, 2016 versus average ADM employed in budget preparation, the net amount due to members from 2015/2016 is \$245,472. This net amount will be refunded to or collected from members with their 2017/2018 contributions to MBIT. See Table B and the bottom of page 15 – Total Due with Adjustment = \$7,943,289.

Table B.

Total Due with Adjustment – Net Due (to) from Members 2015/2016

<u>2015/2016</u>	<u>Centennial</u>	<u>Central Bucks</u>	<u>Council Rock</u>	<u>New Hope- Solebury</u>	<u>Total</u>
Receipts from Members (+)	\$1,962,548	\$4,008,114	\$1,143,303	\$168,218	\$7,28,183
Voc-Ed Subsidy (+)	106,835	224,717	72,608	11,783	415,943
Net Secondary Costs (-)	<u>1,928,747</u>	<u>3,879,107</u>	<u>1,394,392</u>	<u>250,409</u>	<u>7,452,655</u>
Due to (from) Members	<u>\$ 140,636</u>	<u>\$353,725</u>	<u>(\$178,481)</u>	<u>(\$70,408)</u>	<u>\$245,472</u>
Proposed 2017/2018 Receipts from Members	\$2,070,815	\$4,229,702	\$1,365,451	\$207,320	\$7,943,289
Less: Due to Members	<u>(\$ 140,636)</u>	<u>(\$353,725)</u>	<u>\$178,481</u>	<u>70,408</u>	<u>(\$245,472)</u>
Contribution Due w/Adjust.	<u>\$1,930,179</u>	<u>\$3,875,977</u>	<u>\$1,543,932</u>	<u>\$277,728</u>	<u>\$7,697,817</u>

LEASE RENTAL

The Member Districts make lease rental payments on behalf of MBIT to the Middle Bucks AVTS Authority to fund repayment of the Series of 2014 and 2015 bonds. The Lease Rental for 2017/2018 and 2016/2017 are \$1,465,996 and \$1,460,022, respectively. Per the Articles of Agreement, the Authority’s debt service is allocated to Member Districts using the market value as determined by the State Tax Equalization Board. See page 22 for more information.

Table C below and page 14 for a summary of Member Districts’ contributions to fund the preliminary proposed 2017/2018 and approved 2016/2017 budgets.

Table C
Proposed Member Districts’ Contributions

	<u>2017/2018</u>	<u>2016/2017</u>	<u>\$ Change</u>	<u>% Change</u>
General Fund Receipts from Members	\$7,943,289	\$7,452,075	\$491,214	6.59%
Authority Lease Rental	1,465,996	1,460,022	5,974	0.40%
Total Projected Contributions	<u>\$9,409,285</u>	<u>\$8,912,097</u>	<u>\$497,188</u>	<u>5.58%</u>

The change for the General fund is greater due to use in 2016/2017 of fund balances and other one-time funding to mitigate costs increases for mandated retirement contributions.

State subsidies are received in form of the Vocational Education Subsidy which is paid based on Vocational Average Daily Membership (VADM). Subsidy received in 2017/2018 will be based upon the VADM from 2016/2017. The Vocational Education Subsidy is projected even with 2016/2017. The state also pays subsidies for Social Security and Retirement that are approximately one-half of employer’s budgeted payroll expense.

Federal subsidy is for Carl D. Perkins Local Plan and has been projected to be \$265,000 compared to \$281,000 for 2016/2017. The 2016/2017 allocation is \$275,013.

OTHER INFORMATION

The annualized CPI-U for the Philadelphia region:

	<u>2016</u>	<u>2015</u>	<u>2014</u>
December	?	-0.2%	0.8%
August	0.3%	-0.3%	1.3%

<u>Fund Balances as of July 1:</u>	<u>2016</u>	<u>2015</u>
Committed for PSERS – General Fund	<u>\$75,000</u>	<u>\$145,000</u>
Unassigned – Adult Ed	<u>\$205,090</u>	<u>\$241,353</u>
Unassigned – Production Control	<u>\$223,409</u>	<u>\$330,229</u>

Funds held by Bucks & Montgomery County Schools Health Care Consortium from the Bucks Limited Health Care Consortium restricted as to use = \$95,869. The March 14, 2016 approved budget includes use of \$95,869 as a “premium holiday” in 2016/2017.

ASSUMPTIONS

As of the November 14, 2016, presentation of the preliminary budget there were many unknowns including: member district contract negotiations, equivalent premium rates for health insurance, certified PSERS employer contribution rate, property and casualty insurance rates, and utilities. This presentation includes assumptions to deal with the unknowns.

Significant assumptions impacting this budget projection include:

1. Object Code 100 – Salaries and wages in this budget increase \$155,837 or 1.68% of the budget-to-budget increase. The teacher salary matrix is prepared using input from member district teachers’ contracts. One of the member districts maybe in status quo with their teachers. The budget for teachers’ salaries assumes this and also contemplates changes for step and level of teachers as well as a sabbatical and necessary substitute. The salaries for administrators is based on Act 93 agreement. The support staff wages includes a new half-time Human Resources Specialist position (statutory benefits only) and provision for wage adjustments along with base percentage increase.
2. Object Code 200 – Benefits. Overall benefits are projected to increase by \$216,107 or 2.34% of the budget-to-budget increase. More specifically:
 - Medical & prescription benefit cost are budgeted using the plans offered under the teachers’ contract to all eligible employees and known elections thereunder. MBIT receives first, second and third look of the renewal. The first look medical increase is 11.6% and prescription increase of 41.4% for overall change of 11.6%. The result is the budget line costs increase by \$52,893.

- Teachers and all eligible staff participating in the benefits contribute a percentage of the health and prescription plan equivalent premium based on coverage they elect. Employee contribution for the PPO plans is 22% or 17% of premium cost depending on coverage elected. For the HMO POS plan, employees share 12% of premium. The prescription plan co-pay is \$5/\$25/\$40 for generic, formulary/non-formulary.
 - These costs are self-insured.
 - Health and prescription benefits are offered via the Bucks & Montgomery County Schools Health Care Consortium.
 - Dental benefits are provided via United Concordia/School Claims Services and are self-insured. The budget line cost for 2017/2018 are \$1,504 lower when compared to 2016/2017.
 - Retirement has been budgeted using the PDE recommended PSERS employer contribution rate of 32.23% for 2017/2018. For 2016/2017, the PSERS certified rate is 30.03%. The certified rate will not be available until December 2016. Employer retirement contribution cost increase budget-to-budget \$154,231 or 1.65%. The Executive Council has approved creation of a Committed Fund Balance for purposes of mitigating the escalating employer contributions to PSERS. The Committed Fund Balance is currently \$75,000 with \$55,000 being used for 2016/2016. This proposal uses the remaining \$20,000 for 2017/2018.
 - Workers compensation has been budgeted using highest rate SDIC charges due to our recent claims experience.
3. Object Code 300 – Purchased Professional & Technical Services increase by \$16,830 or 0.18% budget-to-budget from 2016/2017. The increase includes money for GASB 75 actuarial study and provision for negotiator when current teachers' contract expires.
 4. Object Code 400 – Purchased Property Services are presented as a net increase of \$37,923 or 0.41% budget-to-budget from 2016/2017. The net increase results from increases in cost of maintaining shop equipment and facility needs.
 5. Object Code 500 – Other Purchased Services shows net decrease -0.05% or -\$4,315 budget-to-budget.
 6. Object Code 600 – Supplies cost have a net decrease of -\$9,197 or -0.10% budget-to-budget compared to 2016/2017. Program costs for supplies are budget \$6,423 higher compared to 2016/2017. Electricity cost are budgeted lower for 2017/2018. MBIT has a fixed energy price agreement through June 30, 2019 and natural gas basis agreement for July 2015 through July 2017.
 7. Object Code 700 – Equipment are \$5,250 higher or 0.05% budget-to-budget.

REVENUES

6000 REVENUE FROM LOCAL SOURCES

Revenues from local sources reflect Member Districts' contributions and other revenues stemming from operation of the School. Member Districts will be billed on the approved three-year averaging formula with adjustments made the following fiscal year based on actual district enrollment. Rental of Building is projected based on known past events, which are expected to reoccur. Interest income is projected using rate of 0.10% received on deposits.

7000 REVENUE FROM STATE SOURCES

Vocational Educational Subsidies for 2017/2018 reflect estimated ADM enrollment information from 2016/2017.

Revenues from Social Security and Retirement reimbursements are approximately one-half of budgeted Social Security and Retirement expenditures for the 2017/2018 school year.

8000 REVENUE FROM FEDERAL SOURCES

The Perkins Act Local Plan was last re-authorized in 2006. It has been extended by continuing resolutions in Congress. The funding for 2017/2018 is \$265,000 reflecting a decrease of \$16,000 from 2016/2017. The allocation for 2016/2017 is \$275,013.

9000 FUND BALANCE / INTERFUND TRANSFER

For 2017/2018, the remaining portion, \$20,000 of the General Fund Committed Fund balance is utilized to mitigate the increase in PSERS employer contribution rate increase.

EXPENDITURES

The following information is presented by Object Code. Functional account numbers are referenced parenthetically where appropriate.

100 SALARIES & WAGES

The teachers' salaries are calculated using an averaging formula utilizing the median of the highest masters' step from the member school district teachers' matrices. In preparing the first draft, one member school districts is anticipated to be out of contract. The MBEA teachers' contract expires June 30, 2017.

All non-bargaining unit wages are budgeted with base percentage increase and are subject to Executive Council approval. Administrators and management team salaries have been budgeted according to the Act 93 plan. The Act 93 plan expires June 30, 2018.

200 EMPLOYEE BENEFITS

All cost for employee benefits have been budgeted as mandated by regulations and using known contractual obligations.

300 PURCHASED PROFESSIONAL AND TECHNICAL SERVICES

Included here are items such as Solicitor's fee, Audit fees and Technology Technical Support costs (1300, 2100, 2300, 2500, and 2800). Included in 2500 is once every three year estimate of actuarial study required for GASB 45. Under Facilities (2600) are listed such items as hazardous waste disposal, water testing, security, and Right-to-Know.

400 PURCHASED PROPERTY SERVICES

Included here are all repairs, operating leases, maintenance and rental contracts as well as all non-scheduled maintenance activities (all functions). Cleaning, construction, extermination, water, and disposal services appear under Facilities.

500 OTHER PURCHASED SERVICES

Professional development, travel and transportation to clinical educational experiences (1300, 2100, 2300, 2400 and 2500) are included. Printing, advertising, postage and telephone (2100, 2300, 2500) as well as general liability and property insurance (2600) are included here. The Internet connection is reflected throughout and costs associated with marketing (2100) are also included.

600 SUPPLIES

All consumable supplies, books and software along with costs for heat and light are budgeted in this category.

700 PROPERTY

Equipment replacement includes instructional laboratory equipment (1300), facilities (2600) and technology equipment upgrades (2800).

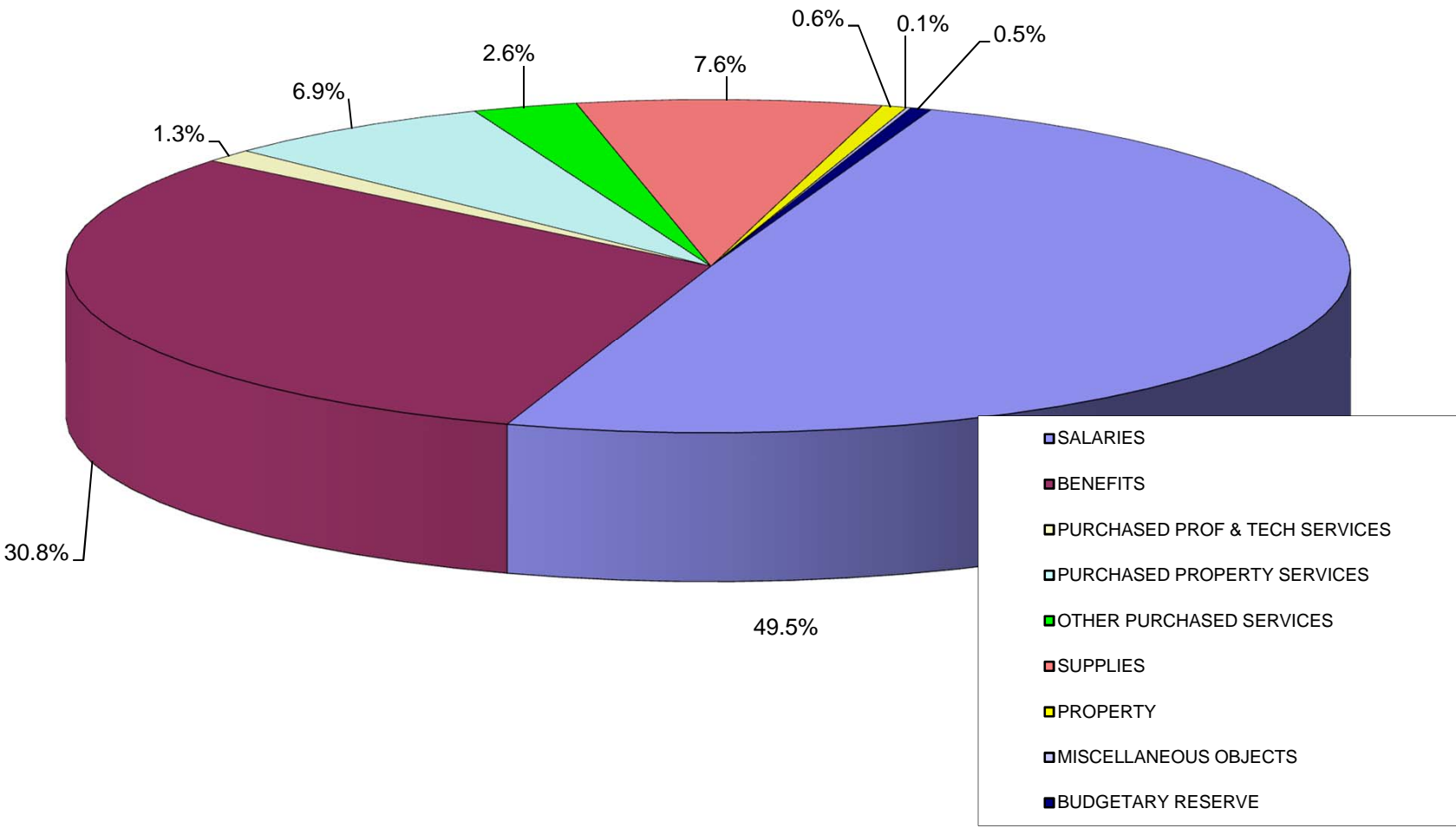
800 OTHER

Incidental dues and fees, such as PACTA, PASA, PASBO and educational trade association memberships (1300, 2100, 2300, 2500, 2600 and 2800), are reflected. Banks fees, are also captured in this object code.

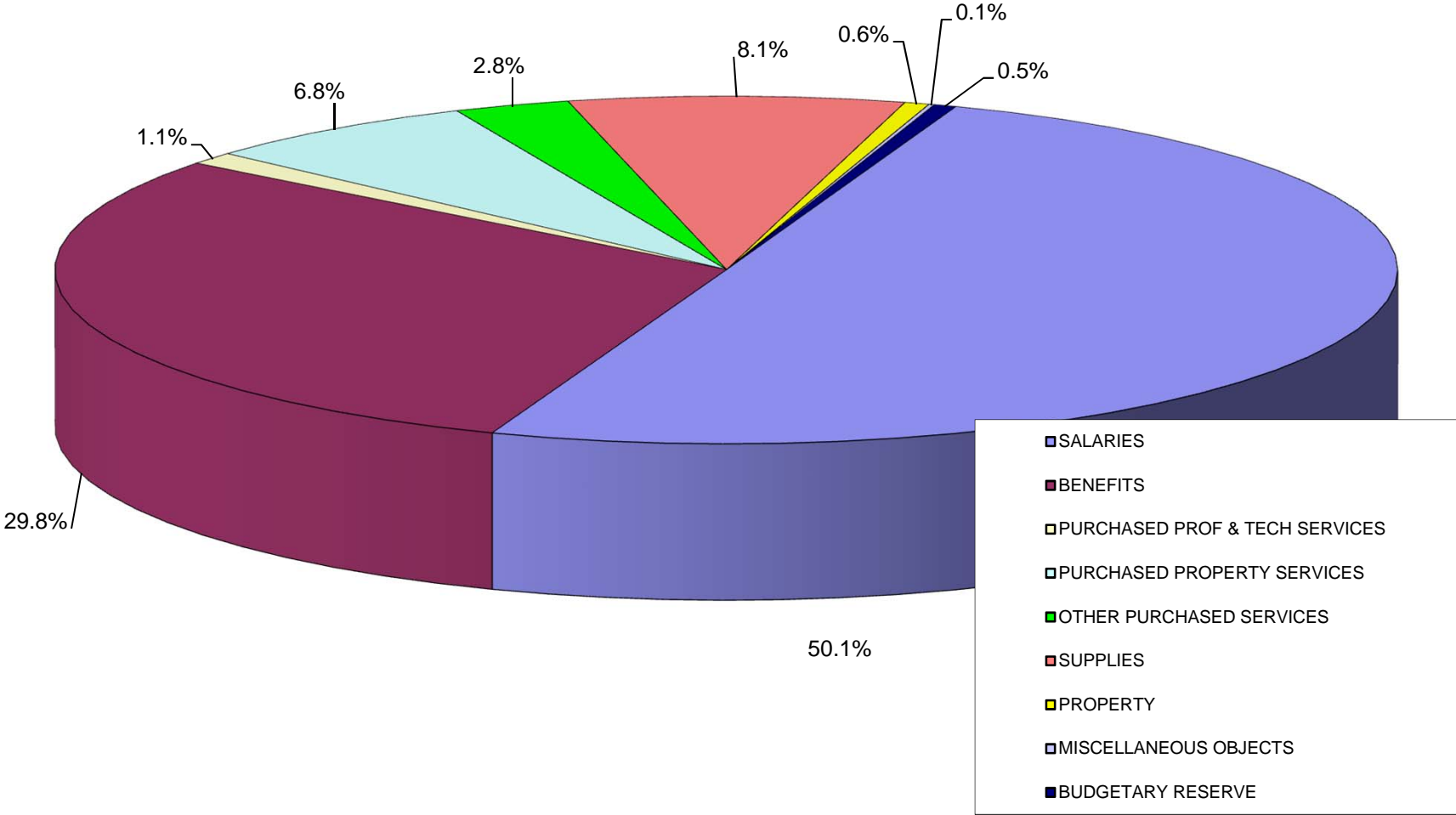
BUDGETARY RESERVE

These funds are intended as a safeguard against unanticipated revenue reductions or unanticipated expenditures and provide for the possibility of salary, benefit, insurance cost and other unknown cost adjustments. Use of these funds, once approved, is subject to Executive Council action.

**MIDDLE BUCKS INSTITUTE OF TECHNOLOGY
2017/2018 PROPOSED BUDGET
OBJECT CODE ANALYSIS**



**MIDDLE BUCKS INSTITUTE OF TECHNOLOGY
2016/2017 APPROVED BUDGET
OBJECT CODE ANALYSIS**



**MIDDLE BUCKS INSTITUTE OF TECHNOLOGY
PROPOSED BUDGET SUMMARY**

BUDGETED GENERAL FUND CONTRIBUTIONS BY MEMBER DISTRICTS RECORDED TO 1300-564.

		CENTENNIAL	CENTRAL BUCKS	COUNCIL ROCK	NEW HOPE- SOLEBURY	TOTAL
<u>2015- 2016</u>						
GENERAL FUND		\$ 1,962,548	\$ 4,008,114	\$ 1,143,303	\$ 168,218	\$ 7,282,183
LEASE RENTAL DEBT		220,723	\$ 665,849	471,778	114,116	1,472,466
2015-2016 CONTRIBUTIONS		<u>\$ 2,183,271</u>	<u>\$ 4,673,963</u>	<u>\$ 1,615,081</u>	<u>\$ 282,334</u>	<u>\$ 8,754,649</u>
Year-to-year percentage increase						0.20%
<u>2016-2017</u>						
GENERAL FUND	Pg. 15	\$ 1,960,641	\$ 4,112,055	\$ 1,205,746	\$ 173,633	\$ 7,452,075
LEASE RENTAL DEBT	Pg. 22	206,739	\$ 667,960	472,609	112,714	1,460,022
2016-2017 CONTRIBUTIONS		<u>\$ 2,167,380</u>	<u>\$ 4,780,015</u>	<u>\$ 1,678,355</u>	<u>\$ 286,347</u>	<u>\$ 8,912,097</u>
Year-to-year percentage increase						1.80%
<u>2017-2018</u>						
GENERAL FUND	Pg. 15	\$ 2,070,815	\$ 4,299,702	\$ 1,365,451	\$ 207,320	\$ 7,943,289
LEASE RENTAL DEBT	Pg. 22	206,412	\$ 673,039	473,810	112,735	1,465,996
2017-2018 CONTRIBUTIONS		<u>\$ 2,277,228</u>	<u>\$ 4,972,741</u>	<u>\$ 1,839,261</u>	<u>\$ 320,055</u>	<u>\$ 9,409,285</u>
Year-to-year percentage increase						5.58%

Note: General fund contribution is allocated to member districts using a three-year averaging of ADM.
Lease rental debt is for the Series of 2014 and 2015 Middle Bucks AVTS Authority Revenue Bonds. Lease Rental Debt is allocated based on market value as determined by Pennsylvania State Tax Equalization Board.

**MIDDLE BUCKS INSTITUTE OF TECHNOLOGY
PROPOSED BUDGET SUMMARY**

REVENUES

CODE	CATEGORY	2015/2016 APPROVED BUDGET	2016/2017 APPROVED BUDGET	2017/2018 PROPOSED BUDGET	% CHANGE
6000	REVENUE FROM LOCAL SOURCES				
6510	INTEREST	\$1,250	\$1,000	\$1,000	
6740	FEES	\$6,000	\$6,000	\$6,000	
6910	RENTAL OF BUILDING	6,000	6,000	6,000	
6943	TUITION - ADULT STUDENTS	36,000	36,000	36,000	
6944	TUITION - NON PARTICIPATING DISTRICT	15,300	15,300	15,300	
6946	RECEIPTS FROM MEMBER DISTRICTS	7,282,183	7,452,075	7,943,289	
6991	REFUND OF PRIOR YEARS EXPENSE	8,000	8,000	8,000	
6999	MISCELLANEOUS REVENUE	6,000	10,000	12,000	
	TOTAL REVENUE LOCAL SOURCES	7,360,733	7,534,375	8,027,589	6.55%
7000	REVENUE FROM STATE SOURCES				
7220	VOCATIONAL EDUCATION SUBSIDIES	400,000	420,000	420,000	
7810	SOCIAL SECURITY-STATE SHARE	169,100	171,860	171,860	
7820	RETIREMENT-STATE SHARE	588,100	696,200	768,000	
	TOTAL REVENUE STATE SOURCES	1,157,200	1,288,060	1,359,860	5.57%
8000	REVENUE FROM FEDERAL SOURCES				
8521	LOCAL PLAN/PERKINS	265,000	281,000	265,000	
	TOTAL REVENUE FEDERAL SOURCES	265,000	281,000	265,000	-5.69%
9000	TRANSFERS / OTHER SOURCES				
9810	TRANSFER FROM ADULT ED	52,000	0	0	
9810	TRANSFER FROM PRODUCTION	78,000	0	0	
9810	COMMITTED FUND BALANCE - PSERS	70,000	55,000	20,000	
9900	BMCSHCC - MBIT FB PREMIUM HOLIDAY	0	95,869	0	
	TOTAL TRANSFERS / OTHER SOURCES	200,000	150,869	20,000	-86.74%
	TOTAL PROPOSED REVENUES	\$8,982,933	\$9,254,304	\$9,672,449	4.52%

					(TABLE B. PAGE 6) TOTAL DUE WITH ADJUSTMENT
CENTENNIAL	26.07%	\$1,962,548	\$1,960,641	\$2,070,815	\$1,930,179
CENTRAL BUCKS	54.13%	\$4,008,114	\$4,112,055	\$4,299,702	\$3,945,977
COUNCIL ROCK	17.19%	\$1,143,303	\$1,205,746	\$1,365,451	\$1,543,932
NH/SOLEBURY	2.61%	\$168,218	\$173,633	\$207,320	\$277,728
	100.00%	\$7,282,183	\$7,452,075	\$7,943,289	\$7,697,817

**MIDDLE BUCKS INSTITUTE OF TECHNOLOGY
PROPOSED BUDGET SUMMARY**

EXPENSES		2016/2017 APPROVED BUDGET	2017/2018 PROPOSED BUDGET	% CHANGE
CODE	CATEGORY			
1000	INSTRUCTIONAL SERVICES			
1300-100	SALARIES - 40.8 FTE	2,941,846	3,002,792	
-200	EMPLOYEE BENEFITS	1,732,277	1,882,056	
-300	PURCHASED PROF & TECH SERVICES	4,350	4,250	
-400	PURCHASED PROPERTY SERVICES	179,952	180,740	
-500	OTHER PURCHASED SERVICES	62,070	61,580	
-600	SUPPLIES	304,335	310,758	
-700	PROPERTY	0	0	
-800	MISCELLANEOUS OBJECTS	3,800	3,800	
		<hr/>	<hr/>	
1300	TOTAL VOCATIONAL EDUCATION PROGRAMS	5,228,630	5,445,976	4.16%
2000	SUPPORT SERVICES			
2100-100	SALARIES - 4.5 / 5 FTE	360,450	394,250	
-200	EMPLOYEE BENEFITS	221,081	220,407	
-300	PURCHASED PROF & TECH SERVICES	100	100	
-400	PURCHASED PROPERTY SERVICES	7,965	7,500	
-500	OTHER PURCHASED SERVICES	36,325	36,470	
-600	SUPPLIES	23,010	21,710	
-700	PROPERTY	0	0	
-800	MISCELLANEOUS OBJECTS	915	710	
		<hr/>	<hr/>	
2100	TOTAL SUPPORT SERVICES-PUPIL PERSONNEL	649,846	681,147	4.82%
2200-300	PROFESSIONAL & TECHNICAL SERVICES	4,000	2,500	
-500	OTHER PURCHASED SERVICES	4,200	4,200	
		<hr/>	<hr/>	
2200	TOTAL INSTRUCTIONAL SUPPORT	8,200	6,700	-18.29%

**MIDDLE BUCKS INSTITUTE OF TECHNOLOGY
PROPOSED BUDGET SUMMARY**

EXPENSES		2016/2017	2017/2018	%
CODE	CATEGORY	APPROVED BUDGET	PROPOSED BUDGET	CHANGE
2000	SUPPORT SERVICES (con't)			
2300-100	SALARIES - 7 / 7.5 FTE	562,183	610,268	
-200	EMPLOYEE BENEFITS	338,175	379,297	
-300	PURCHASED PROF & TECH SERVICES	28,900	44,330	
-400	PURCHASED PROPERTY SERVICES	11,670	10,800	
-500	OTHER PURCHASED SERVICES	39,990	41,600	
-600	SUPPLIES	17,500	19,200	
-700	PROPERTY	0	0	
-800	MISCELLANEOUS OBJECTS	3,360	3,275	
		<hr/>	<hr/>	
2300	TOTAL SUPPORT SERVICES-ADMINISTRATION	1,001,778	1,108,770	10.68%
2400-100	SALARIES - 1.5 / 1 FTE	103,248	93,820	
-200	EMPLOYEE BENEFITS	61,455	46,228	
-300	PURCHASED PROF & TECH SERVICES	1,650	1,650	
-400	PURCHASED PROPERTY SERVICES	300	300	
-500	OTHER PURCHASED SERVICES	490	490	
-600	SUPPLIES	3,100	3,100	
-700	PROPERTY	0	0	
-800	MISCELLANEOUS OBJECTS	125	125	
		<hr/>	<hr/>	
2400	TOTAL SUPPORT SERVICES-PUPIL HEALTH	170,368	145,713	-14.47%
2500-100	SALARIES - 3 FTE	229,337	237,769	
-200	EMPLOYEE BENEFITS	142,205	155,171	
-300	PURCHASED PROF & TECH SERVICES	32,000	36,000	
-400	PURCHASED PROPERTY SERVICES	3,980	2,800	
-500	OTHER PURCHASED SERVICES	20,700	20,470	
-600	SUPPLIES	6,500	5,565	
-700	PROPERTY	0	0	
-800	MISCELLANEOUS OBJECTS	1,350	1,350	
		<hr/>	<hr/>	
2500	TOTAL SUPPORT SERVICES-BUSINESS	436,072	459,125	5.29%

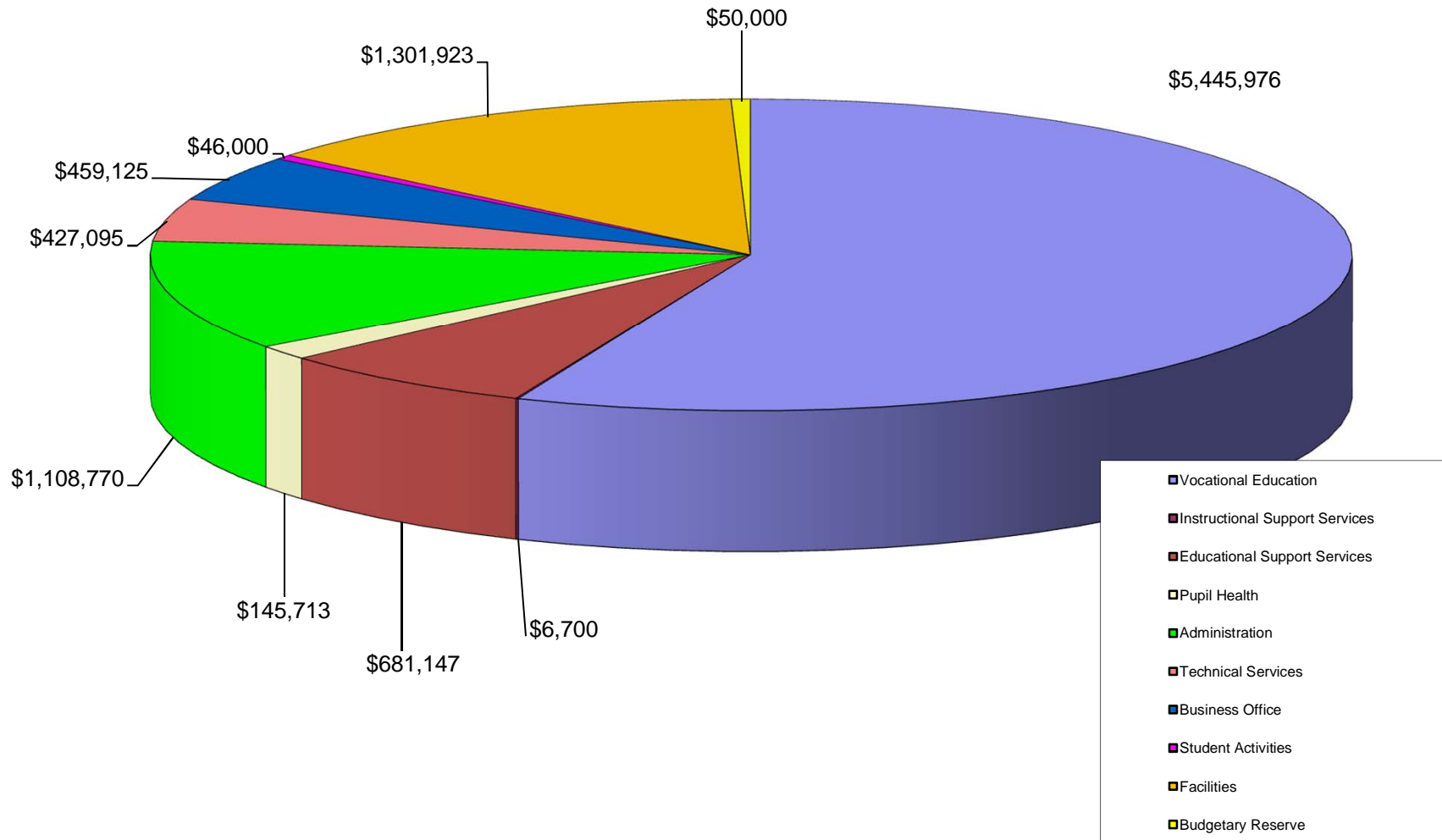
**MIDDLE BUCKS INSTITUTE OF TECHNOLOGY
PROPOSED BUDGET SUMMARY**

EXPENSES		2016/2017	2017/2018	%
CODE	CATEGORY	APPROVED	PROPOSED	CHANGE
		BUDGET	BUDGET	
2000	SUPPORT SERVICES (con't)			
2600-100	SALARIES - 5 FTE	256,363	264,242	
-200	EMPLOYEE BENEFITS	156,807	173,181	
-300	PURCHASED PROF & TECH SERVICES	27,300	26,300	
-400	PURCHASED PROPERTY SERVICES	417,860	457,510	
-500	OTHER PURCHASED SERVICES	58,760	55,640	
-600	SUPPLIES	318,565	294,400	
-700	PROPERTY	28,800	29,300	
-800	MISCELLANEOUS OBJECTS	1,350	1,350	
		<hr/>	<hr/>	
2600	TOTAL SUPPORT SERVICES-FACILITIES	1,265,805	1,301,923	2.85%
2818-100	SALARIES - 2 FTE	183,263	189,386	
-200	EMPLOYEE BENEFITS	110,397	122,164	
-300	PURCHASED PROF & TECH SERVICES	7,000	7,000	
-400	PURCHASED PROPERTY SERVICES	4,000	4,000	
-500	OTHER PURCHASED SERVICES	5,400	3,170	
-600	SUPPLIES	74,620	69,700	
-700	PROPERTY	26,500	31,250	
-800	MISCELLANEOUS OBJECTS	425	425	
		<hr/>	<hr/>	
2818	TOTAL TECHNICAL SERVICES	411,605	427,095	3.76%
3000	NON-INSTRUCTIONAL SERVICES			
3200-500	OTHER PURCHASED SERVICES	30,000	30,000	
-600	SUPPLIES	1,000	15,000	
-800	MISCELLANEOUS OBJECTS	1,000	1,000	
		<hr/>	<hr/>	
3200	TOTAL STUDENT ACTIVITIES	32,000	46,000	43.75%

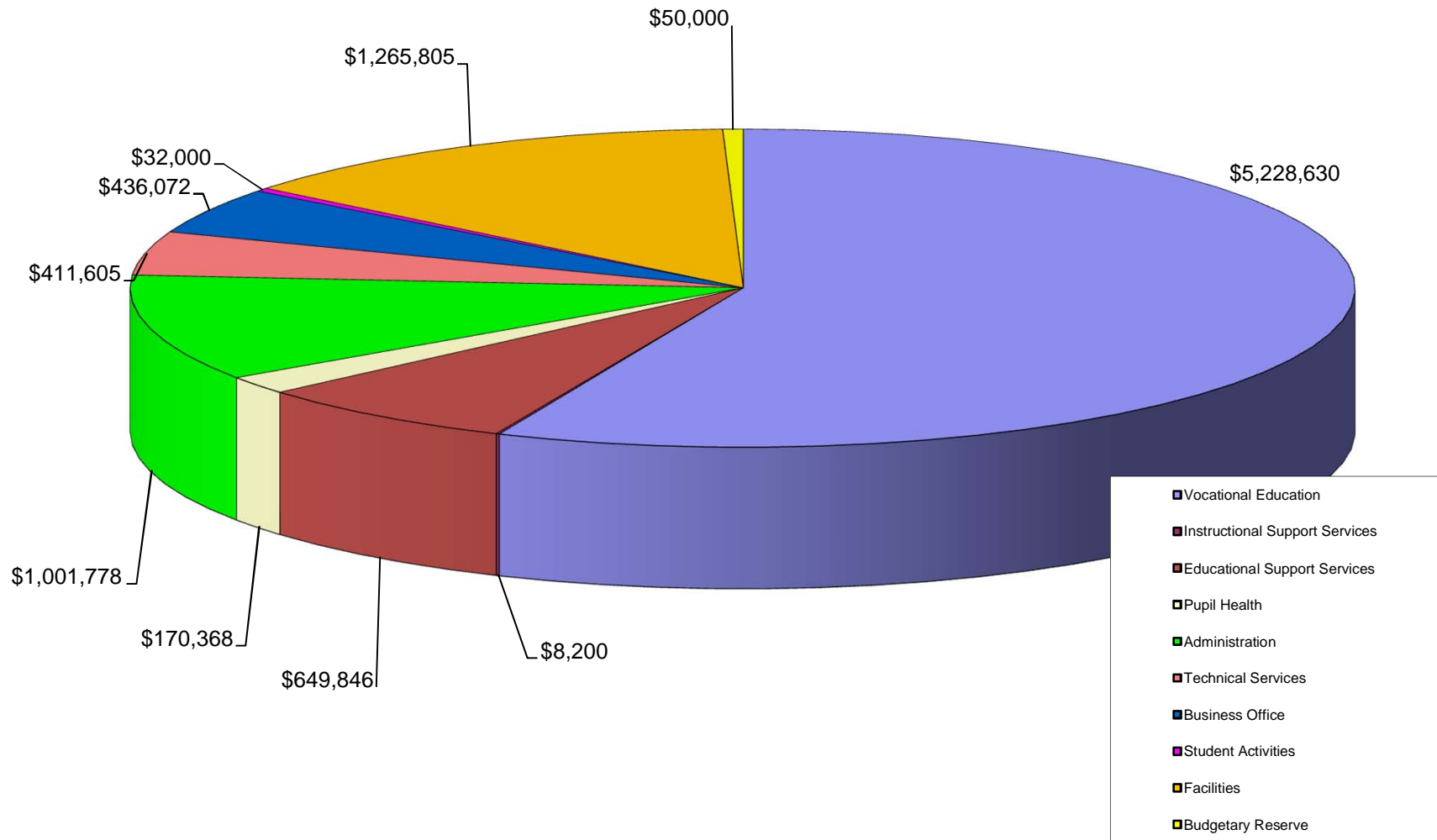
**MIDDLE BUCKS INSTITUTE OF TECHNOLOGY
PROPOSED BUDGET SUMMARY**

EXPENSES		2016/2017 APPROVED BUDGET	2017/2018 PROPOSED BUDGET	% CHANGE
CODE	CATEGORY			
5000	OTHER FINANCING USES			
5900-000	BUDGETARY RESERVE	<u>50,000</u>	<u>50,000</u>	
5900	TOTAL BUDGETARY RESERVE	50,000	50,000	0.00%
	TOTAL PROPOSED BUDGET	<u>\$9,254,304</u>	<u>\$9,672,449</u>	4.52%
	BUDGETARY RESERVE CONSISTS OF:			
	OPERATING RESERVE	50,000	50,000	
	TOTAL BUDGET-TO-BUDGET INCREASE:	<u>\$ 271,371</u>	<u>\$ 418,145</u>	
	SUMMARY OF BUDGET-TO-BUDGET CHANGES:			
	1) Net increase to salaries and wages		\$ 155,837	1.68%
	2) Net increase for health insurance		52,893	0.57%
	3) Increase in employer's cost for PSERS		152,231	1.64%
	4) Net increase for contractual and statutory benefits		10,983	0.12%
	5) Net increase for purchased professional services		16,830	0.18%
	6) Net increase in purchased property services		37,923	0.41%
	7) Net decrease other purchased services		(4,315)	-0.05%
	8) Net decrease for program, other supplies and utilities		(9,197)	-0.10%
	9) Net increase for equipment		5,250	0.06%
	10) Net decrease for other costs		(290)	0.00%
			<u>\$ 418,145</u>	4.52%

MIDDLE BUCKS INSTITUTE OF TECHNOLOGY 2017/2018 PROPOSED BUDGET EXPENDITURES BY FUNCTION



MIDDLE BUCKS INSTITUTE OF TECHNOLOGY 2016/2017 APPROVED BUDGET EXPENDITURES BY FUNCTION



**MIDDLE BUCKS INSTITUTE OF TECHNOLOGY
PROPOSED BUDGET SUMMARY - LEASE RENTAL**

SCHOOL FACILITIES LEASE - MIDDLE BUCKS VOCATIONAL-TECHNICAL SCHOOL AUTHORITY

SERIES OF 2014 BONDS - BALANCE JULY 1, 2017	\$ 9,535,000
SERIES OF 2015* BONDS - BALANCE JULY 1, 2017	4,910,000
	<u>\$ 14,445,000</u>

* The Series of 2015 bonds were issued in Dec. 2015 retiring and refunding the Series of 2003 & 2006, respectively.

LEASE RENTAL COVERING DEBT SERVICE IS PAID BY THE MEMBER DISTRICTS' DIRECTLY TO THE TRUSTEE UNIVEST BANK & TRUST CO. FOR THE BOND HOLDERS IN AUGUST & FEBRUARY.

	Budgeted 2016/2017	Actual 2016/2017	Projected 2017/2018
6946 LEASE REVENUE	<u>\$ 1,460,021</u>	<u>\$ 1,460,021</u>	<u>\$ 1,465,996</u>
5110 DEBT SERVICE - AUTHORITY BONDS	<u>\$ 1,460,021</u>	<u>\$ 1,460,021</u>	<u>\$ 1,465,996</u>
PRINCIPAL	\$ 995,000	\$ 995,000	\$ 1,010,000
INTEREST	457,021	457,021	447,996
ADMINISTRATIVE FEE	8,000	8,000	8,000
	<u>\$ 1,460,021</u>	<u>\$ 1,460,021</u>	<u>\$ 1,465,996</u>

Rental is allocated to the member districts' on the basis of the proportion which the market value of each Participating School District bears to the total market valuation of all the Participating School Districts, as certified by the State Tax Equalization Board annually. An annual administrative fee equaling \$4,000 per bond issue is paid by the sending districts in addition to the debt service.

	7/1/2016 STEB Market Value <u>2015</u>	Budgeted using 7/1/2015 STEB MV 2014 <u>2016/2017</u>	Actual using 7/1/2016 STEB MV 2015 <u>2016/2017</u>	Projected using 7/1/2016 STEB MV 2015 <u>2017/2018</u>
Centennial	14.08%	\$ 206,739	\$ 205,571	\$ 206,412
Central Bucks	45.91%	667,960	670,296	673,039
Council Rock	32.32%	472,609	471,879	473,810
New Hope-Solebury	7.69%	112,714	112,276	112,735
	<u>100.00%</u>	<u>\$ 1,460,022</u>	<u>\$ 1,460,021</u>	<u>\$ 1,465,996</u>

The most current STEB MV available is 2015 effective July 1, 2016. 2016 MV available on July 1, 2017. Member School Districts should use the Projected column numbers to budget lease rental.

Member School Districts will receive a subsidy from the Pennsylvania Department of Education for reimbursement of the cost of construction from the 2006-2008 renovations at MBIT. Members should include in their projected state subsidies the following:

	2015 MV STEB	Projected 2016/2017	PDE 2071 2016/2017	PDE 2071 2017/2018
Centennial	14.08%	\$ 57,567	\$ 51,765	\$ 69,212
Central Bucks	45.91%	185,996	168,786	225,676
Council Rock	32.32%	131,600	118,823	158,873
New Hope-Solebury	7.69%	31,388	28,272	37,801
	<u>100.00%</u>	<u>\$ 406,551</u>	<u>\$ 367,646</u>	<u>\$ 491,561</u>

**MIDDLE BUCKS INSTITUTE OF TECHNOLOGY
PRELIMINARY 2017/2018 BUDGET
NOVEMBER 14, 2016**

DESCRIPTION	2014/2015 ACTUAL	2015/2016 ACTUAL	2015/2016 APPROVED BUDGET	2016/2017 PROPOSED BUDGET	2017/2018 PROPOSED BUDGET	\$ INCREASE/ (DECREASE)	% INCREASE/ (DECREASE)	% INCREASE/ (DECREASE) BUD. TO BUD.
6000 LOCAL REVENUE								
<i>EDUCATION AND LEASE RENTAL</i>								
CENTENNIAL	\$ 2,029,958	\$ 2,029,268	\$ 2,183,271	\$ 2,167,380	\$ 2,277,227	\$ 109,847	5.07%	1.03%
CENTRAL BUCKS	4,472,502	4,324,343	4,673,963	4,780,015	4,972,741	192,726	4.03%	1.80%
COUNCIL ROCK	1,712,250	1,795,805	1,615,081	1,678,355	1,839,261	160,906	9.59%	1.50%
NEW HOPE-SOLEBURY	319,533	351,676	282,334	286,347	320,055	33,708	11.77%	0.31%
<i>RECEIPTS FROM MEMBERS</i>	8,534,243	8,501,092	8,754,649	8,912,097	9,409,285	497,188	5.58%	4.64%
OTHER LOCAL SOURCES	116,590	79,676	78,550	82,300	84,300	2,000	2.43%	0.02%
7000 STATE SOURCES	1,129,748	1,175,150	1,157,200	1,288,060	1,359,860	71,800	5.57%	0.67%
8000 FEDERAL SOURCES	265,507	281,445	265,000	281,000	265,000	(16,000)	-5.69%	-0.15%
9000 FUND BALANCE / TRANSFERS			200,000	150,869	20,000	(130,869)	-86.74%	-1.22%
TOTAL REVENUE	\$ 10,046,088	\$ 10,037,363	\$ 10,455,399	\$ 10,714,326	\$ 11,138,445	\$ 424,119		3.96%
Added to committed fund balance	\$ -							
			CONSUMED					
<u>Fund balance:</u>	<u>6/30/2015</u>	<u>6/30/2016</u>	<u>2015/2016</u>	<u>2016/2017</u>	<u>2017/2018</u>			
Committed - PSERS	\$ 145,000	\$ 75,000	\$ 70,000	\$ 55,000	\$ 20,000			
Unassigned - Adult Ed	\$ 241,353	\$ 205,090	52,000					
Unassigned - Production Control	\$ 330,229	\$ 223,409	78,000					
			\$ 200,000					
Premium "holiday" BMCSHCC				\$ 95,869	\$ -			
				\$ 150,869	\$ 20,000			
Balance Due to Member School Districts	\$ 205,947	\$ 245,472						
Member District Contribution for Operations and Lease Rental combined increase for 2017/2018 = 5.58%								

**MIDDLE BUCKS INSTITUTE OF TECHNOLOGY
PRELIMINARY 2017/2018 BUDGET
NOVEMBER 14, 2016**

DESCRIPTION	2014/2015 ACTUAL	2015/2016 ACTUAL	2015/2016 APPROVED BUDGET	2016/2017 PROPOSED BUDGET	2017/2018 PROPOSED BUDGET	\$ INCREASE/ (DECREASE)	% INCREASE/ (DECREASE)	% INCREASE/ (DECREASE) BUD. TO BUD.
100 SALARIES & WAGES:								
TEACHERS - MBEA	\$ 2,754,466	\$ 2,902,510	\$ 2,943,036	\$ 3,008,769	\$ 3,100,518	91,749	3.05%	0.86%
ADMIN & SUPPORT SERVICES	1,570,662	1,468,887	1,516,255	1,533,076	1,590,644	57,568	3.76%	0.54%
SUBSTITUTES & TEMPORARY	125,024	110,397	92,945	94,845	101,365	6,520	6.87%	0.06%
200 BENEFITS:								
MEDICAL & PRESCRIPTION	781,899	752,399	792,454	773,362	826,255	52,893	6.84%	0.49%
DENTAL/VISION/LIFE/LTD/CONTRACTUAL	122,493	146,050	162,843	177,350	180,284	2,934	1.65%	0.03%
STATUTORY (FICA, PSERS, WC & UC)	1,284,017	1,524,713	1,587,151	1,811,685	1,971,965	160,280	8.85%	1.50%
300 PROFESSIONAL & TECHNICAL SERVICES	85,893	77,343	124,895	105,300	122,130	16,830	15.98%	0.16%
400 PURCHASED PROPERTY SERVICES	640,439	632,756	586,683	625,727	663,650	37,923	6.06%	0.35%
500 OTHER PURCHASED SERVICES	221,015	206,531	275,361	257,935	253,620	(4,315)	-1.67%	-0.04%
600 SUPPLIES:								
INSTRUCTIONAL SUPPLIES	303,451	299,432	327,195	304,335	310,758	6,423	2.11%	0.06%
UTILITIES	210,403	216,131	238,265	235,265	210,500	(24,765)	-10.53%	-0.23%
ALL OTHER SUPPLIES	191,028	167,704	213,615	209,030	218,175	9,145	4.37%	0.09%
700 EQUIPMENT	171,335	108,264	59,550	55,300	60,550	5,250	9.49%	0.05%
800 OTHER	12,337	9,866	12,685	12,325	12,035	(290)	-2.35%	0.00%
5220 TRANSFER TO CAPITAL RESERVE FUND	100,000	150,000	-	-	-	-		0.00%
5900 BUDGETARY RESERVE	-		50,000	50,000	50,000	-	0.00%	0.00%
5110 AUTHORITY LEASE RENTAL	1,471,626	1,464,380	1,472,466	1,460,022	1,465,996	5,974	0.41%	0.06%
TOTAL EXPENDITURES	\$ 10,046,088	\$ 10,237,363	\$ 10,455,399	\$ 10,714,326	\$ 11,138,445	\$ 424,119		3.96%

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