



2019/2020
PRELIMINARY
GENERAL FUND BUDGET
NOVEMBER 12, 2018



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MIDDLE BUCKS INSTITUTE OF TECHNOLOGY

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MIDDLE BUCKS INSTITUTE OF TECHNOLOGY
2019/2020 BUDGET CALENDAR

<u>DATE</u>	<u>DESCRIPTION</u>
August 13, 2018	2019/2020 Budget Calendar adopted by Executive Council
September 4	Finance Committee
September 14 - 24	Budget packet distributed to Management Team & professional staff
September 25	Budget packets gathered from professional staff and reviewed by Asst. Director & CTE Supervisor
October 2	Budget packets due to Business Manager
October 2	Finance Committee
November 6	Preliminary budget presented to Finance Committee
November 12	Budget presentation to Executive Council
November - January	Finance Committee work sessions (if needed)
February 5, 2019	Finance Committee review proposed budget
February 11	Budget presentation to Executive Council
March 11	2018/2019 Budget adopted by Executive Council
March 12 – 15	Recommended budgets sent to member district Superintendents with copies for individual School Directors
March 18– April 30	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 2018.

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 was presented to the Executive Council on November 12, 2018 to provide an estimate of the planned operating and debt service expenditures for school year 2019/2020. The Act 1 Index is 2.3% for 2019/20 and was 2.4% for 2018/2019.

The proposed General Fund expenditures and Authority Lease Rental cost with budget-to-budget comparison are summarized in table A:

Table A
Proposed General Fund Expenditures

	<u>2019/2020</u>	<u>2018/2019</u>	<u>\$ Change</u>	<u>% Change</u>
Proposed General Fund Expenditures	\$10,402,995	\$9,791,364	\$611,631	6.25%
Authority Lease Rental	1,463,196	1,461,996	1,200	0.08%
Total General Fund Expenditures	<u>\$11,866,191</u>	<u>\$11,253,360</u>	<u>\$612,831</u>	<u>5.45%</u>

This proposed financial plan provides a starting point to developing 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, the last two years ending actual ADM and October 1, 2018 PIMS enrollment is used to allocate the member contribution for 2019/2020. This table provides the enrollment information used for 2019/2020 funding. Also see page 16.

Table B
Allocation – Oct 1 PIMS

	2016/2017 School Year	2017/2018 School Year	2018/2019 October 1	2019/2020 School Year <u>Average</u>	
<u>Member Districts</u>	<u>ADM</u>	<u>ADM</u>	<u>PIMS</u>	<u>ADM</u>	<u>%</u>
Centennial	184.88	192.56	205.00	194.15	26.79%
Central Bucks	370.98	359.27	399.00	376.42	51.94%
Council Rock	138.10	131.57	138.00	135.89	18.75%
New Hope-Solebury	23.94	17.85	13.00	18.26	2.52%
	<u>717.90</u>	<u>701.25</u>	<u>755.00</u>	<u>724.72</u>	<u>100.0%</u>

The rolling average projects that 724.72 half day time students on “an about” schedule will attend in 2019/2020 compared to 723.39 in 2018/2019 and 739.30 in 2017/2018. See Table C for

Proposed Member District's Contribution / Revenue from Member Districts.

The actual cash amount to be paid by Member District's in 2019/2020 will be adjusted by the balance due to or from Member Districts as of June 30, 2018 for the 2017/2018 fiscal year. Based on the net secondary vocational costs and actual ADM at year-end June 30, 2018 versus average ADM employed in budget preparation, the net amount due to members is \$140,892. This net amount will be refunded to or collected from members with their 2019/2020 contributions to MBIT. See Table C below and the Total Due with Adjustment \$8,293,011 at bottom of page 16.

Table C
Total Due with Adjustment – Net Due (to) from Members for 2017/2018

<u>2017/2018</u>	<u>Centennial</u>	<u>Central Bucks</u>	<u>Council Rock</u>	<u>New Hope- Solebury</u>	<u>Total</u>
Receipts from Members (+)	\$2,047,453	\$4,251,192	\$1,350,047	\$204,981	\$7,853,673
Voc-Ed Subsidy (+)	103,621	207,855	77,343	13,383	402,202
Net Secondary Costs (-)	<u>2,228,350</u>	<u>4,157,259</u>	<u>1,522,354</u>	<u>206,930</u>	<u>8,114,893</u>
Due to (from) Members	<u>(\$77,276)</u>	<u>\$301,788</u>	<u>(\$94,964)</u>	<u>\$11,434</u>	<u>\$140,982</u>
Proposed 2019/2020 Receipts from Members	\$2,259,467	\$4,380,617	\$1,581,374	\$212,537	\$8,433,995
Less: Due to Members	<u>77,276</u>	<u>(\$301,788)</u>	<u>\$94,964</u>	<u>11,434</u>	<u>140,982</u>
Total Due w/Adjustment Pg16	<u>\$2,336,743</u>	<u>\$4,078,827</u>	<u>\$1,676,338</u>	<u>\$201,103</u>	<u>\$8,293,011</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. These bonds were issued to refinance Series of 2006 bonds issued when school renovation occurred from 2006 to 2008. The Lease Rental for 2019/2020 and 2018/2019 are \$1,463,196 and \$1,461,996, 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 23 for more information.

See Table D below and page 15 for a summary of Member Districts' contributions to fund the preliminary proposed 2019/2020 and approved 2018/2019 budgets.

Table D
Proposed Member Districts' Contributions

	<u>2019/2020</u>	<u>2018/2019</u>	<u>\$ Change</u>	<u>% Change</u>
General Fund Receipts from Members	\$8,433,995	\$8,011,464	\$422,531	5.27%
Authority Lease Rental	1,463,196	1,461,996	1,200	0.08%
Total Projected Contributions	<u>\$9,897,191</u>	<u>\$9,473,460</u>	<u>\$423,731</u>	4.47%

The change for fiscal 2020 is primarily driven by contractual obligations for salaries, health insurance and PSERS retirement cost.

State subsidies are received in form of the Vocational Education Subsidy which is paid based on Vocational Average Daily Membership (VADM). Subsidy received in 2019/2020 will be based upon the VADM from 2018/2019. The Vocational Education Subsidy is projected to increase due to increased funding for vocational education in the state budget for 2018/2019. The state has allocated funds for a Supplemental Equipment Grant for 2018/2019. There is no certainty that one will be paid in 2018/2019 or 2019/2020. 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 \$283,000 compared to \$267,000 for 2018/2019. The 2018/2019 allocation is \$282,995.

OTHER INFORMATION

The annualized CPI-U for the Philadelphia region:

	<u>2018</u>	<u>2017</u>	<u>2016</u>
December	???	0.8%	1.7%
August	1.7%	1.4%	0.3%

<u>Fund Balances as of July 1:</u>	<u>2018</u>	<u>2017</u>
Committed for PSERS – General Fund	<u>\$ -0-</u>	<u>\$20,000</u>
Unassigned – Adult Ed	<u>\$220,223</u>	<u>\$209,181</u>
Unassigned – Production Control	<u>\$194,794</u>	<u>\$74,963</u>
Nonspendable	<u>\$ 5,034</u>	<u>\$134,124</u>

Funds held by Bucks & Montgomery County Schools Health Care Consortium as of June 30, 2018 were \$367,399 and will decrease for run out claims. The remainder will be transferred to the Delaware Valley Health Trust for use as future rate relief.

ASSUMPTIONS

This presentation of the proposed budget includes assumptions for many unknowns including: PSERS employer contribution rate, equivalent premium rates for health insurance, property and casualty insurance rates, contracted services, utilities and others.

Significant assumptions impacting this budget projection include:

1. Object Code 100 – Salaries and wages in this budget increase \$240,367 or 2.45% of the budget-to-budget increase. The teacher salary matrix is prepared using input from member district teachers' contracts and also contemplates changes for step and level of teachers. The salaries for administrators are per Act 93 and for support staff wages are budgeted using a three percent increase.
2. Object Code 200 – Benefits. Overall benefits are projected to increase by \$346,059 or 3.53% 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 will receive first, second and third look of the July 1, 2018 renewal. The first look will be received in January 2019. This budget has used the maximum

increase allowed of 12.5% in first year of joining the Delaware Valley Health Trust. Net increase over 2018/2019 is \$102,724.

- Teachers and all eligible staff participating in the benefits contribute a percentage of the monthly health and prescription plan premium equivalents based on coverage they elect per CBA with MBEA. Employee contribution for the PPO plans is 17.5% or 8% of premium cost depending on coverage elected. For the HMO POS plan, employees share 12.5% of premium. The prescription plan co-pay is \$5/\$25/\$45 for generic, formulary/non-formulary.
 - These costs are self-insured.
 - Health and prescription benefits will be offered by the Delaware Valley Health Trust starting July 1, 2018.
- Dental benefits are provided via United Concordia/School Claims Services and are self-insured. The budget line cost for 2019/2020 are \$15,441 greater when compared to 2018/2019.
 - Retirement has been budgeted using an employer contribution rate of 36%. The PSERS certified employer contribution rate will not be available until December. The certified contribution rate for 2018/2019 is 33.43%. Employer retirement contribution cost increase budget-to-budget \$210,303 or 12.82%.
 - Workers compensation has been budgeted according to projected payroll for 2019/2020 and 5% discount for Safety Committee.
3. Object Code 300 – Purchased Professional & Technical Services increase by \$2,880 or 0.03% budget-to-budget from 2018/2019. The net increase is for professional development, board services, GASB 75 study and other professional services.
 4. Object Code 400 – Purchased Property Services are presented as a net increase of \$4,674 or 0.04% budget-to-budget from 2018/2019. Significant savings in contracted custodial services are offset by increased maintenance cost for building systems.
 5. Object Code 500 – Other Purchased Services shows net increase budget-to-budget of 0.08% or \$8,240 budget-to-budget.
 6. Object Code 600 – Supplies cost have a net increase of \$11,921. Program costs for supplies are budgeted \$5,166 over 2018/2019. Electricity cost are budgeted at same level as 2018/2019. MBIT has a fixed energy price agreement for electricity through July 26, 2021. For natural gas, budget is set level with 2018/2019. The supplies line for Student Activities has been reset to pre 2018 level as our hosting commitment of local SkillsUSA competitions is fulfilled.
 7. Object Code 700 – Equipment are \$2,800 lower than 2018/2019.
 8. Object Code 800 – Other is budgeted virtually even with 2018/2019.

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 0.50% received on deposits over balances required to prevent bank fees.

7000 REVENUE FROM STATE SOURCES

Vocational Educational Subsidies for 2019/2020 reflect estimated ADM enrollment information from 2018/2019.

Revenues from Social Security and Retirement reimbursements are approximately one-half of budgeted Social Security and Retirement expenditures for the 2018/2019 school year.

8000 REVENUE FROM FEDERAL SOURCES

The Perkins Act Local Plan was re-authorized in 2018. The funding for 2019/2020 is \$283,000 reflecting an increase of \$16,000 from 2018/2019. The allocation for 2018/2019 is \$282,995.

9000 FUND BALANCE / INTERFUND TRANSFER

The fund balances are from student based enterprises – Production Control and operation of evening instructional programs – Adult Ed and are accounted for in separate funds. Any excess of revenue over expenditures in the General Fund is returned to member districts in succeeding budget cycle as credit – (due to) or collected from as a debit - due from. See Table C.

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. All member school districts have contracts in place through June 30, 2020.

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, 2021.

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 two year estimate of actuarial study required for GASB 75. Under Facilities 2600 are funds for 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).

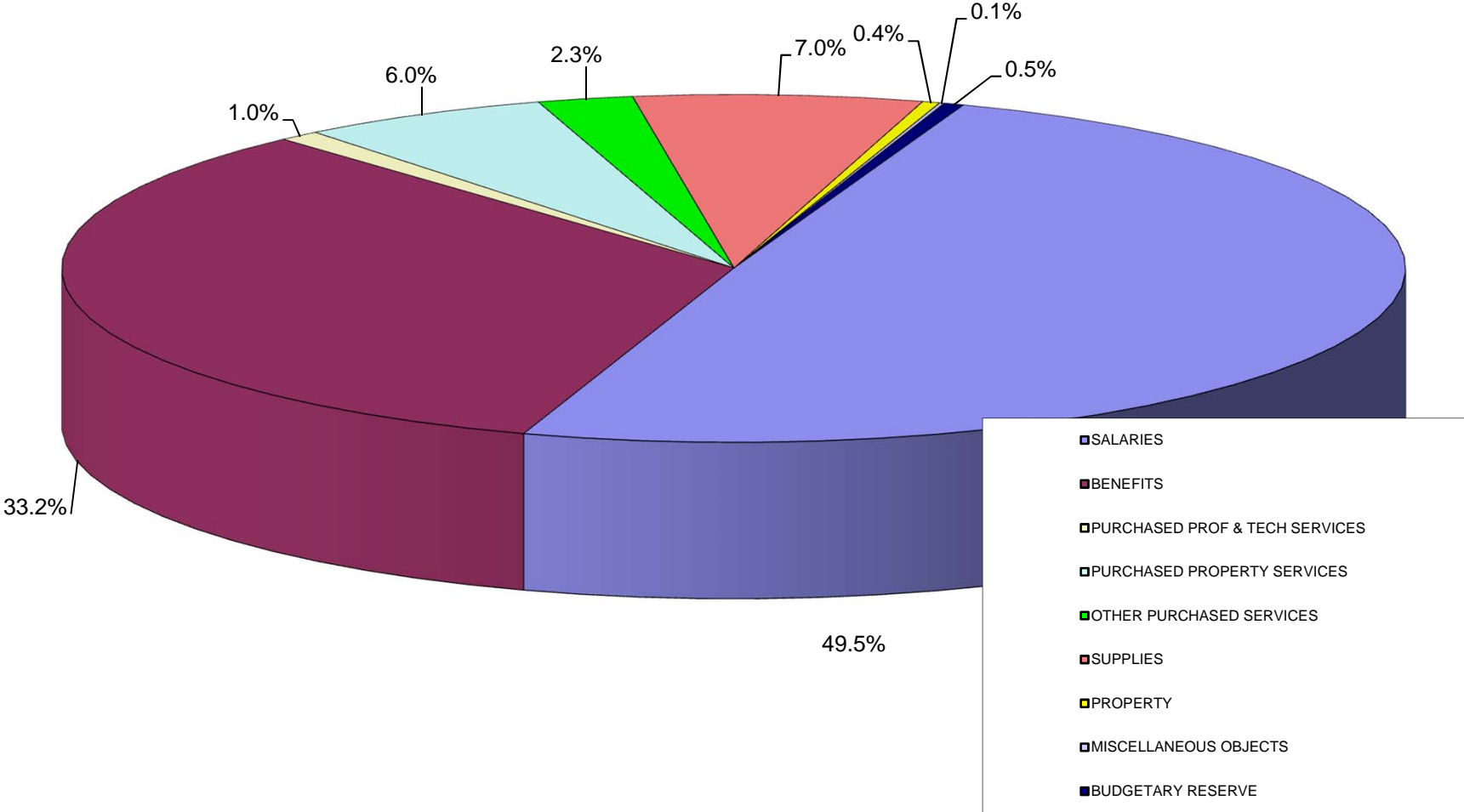
800 OTHER

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.

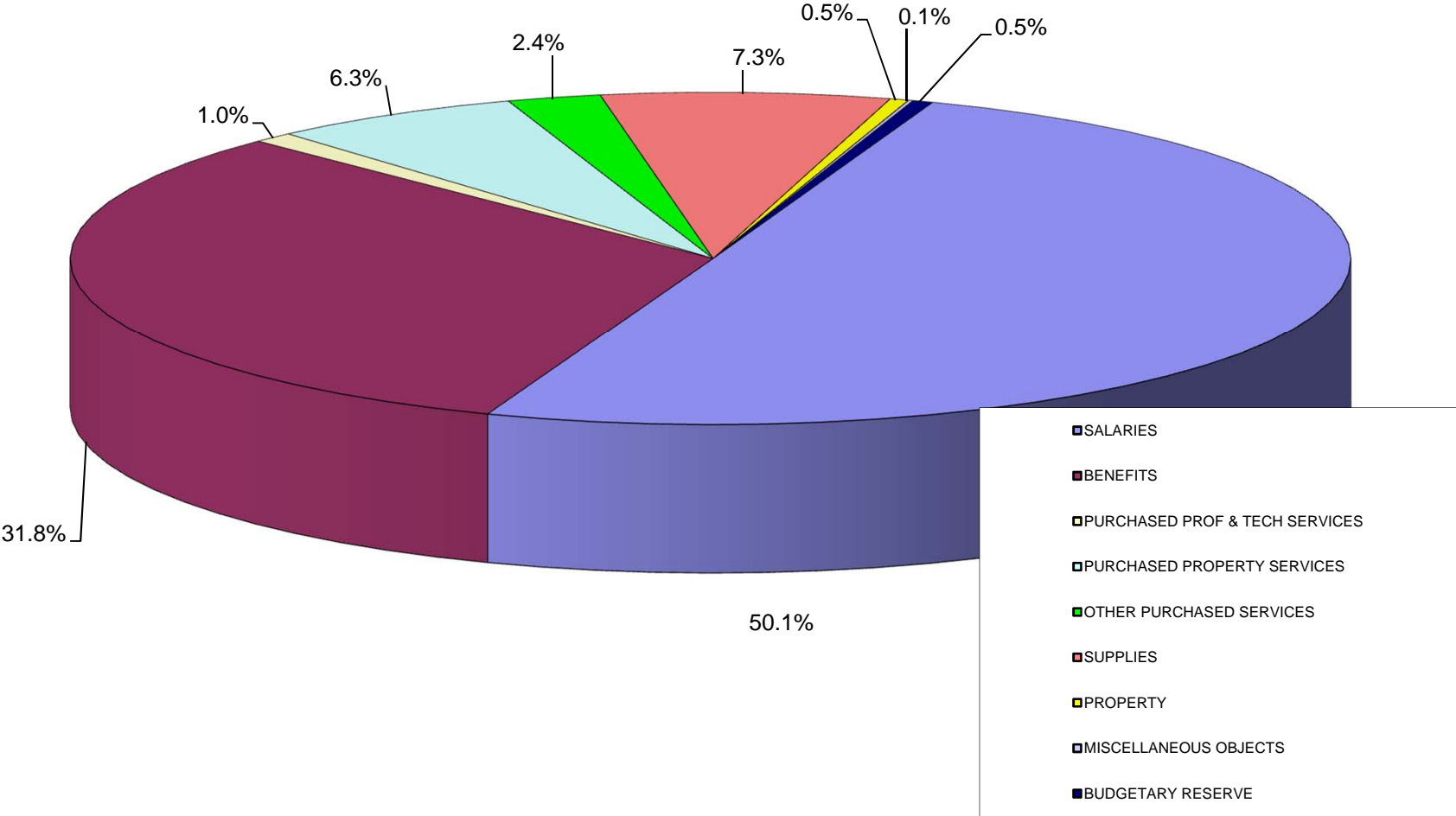
BUDGETARY RESERVE

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
2019/2020 PROPOSED BUDGET
OBJECT CODE ANALYSIS**



**MIDDLE BUCKS INSTITUTE OF TECHNOLOGY
2018/2019 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>2017-2018</u>						
GENERAL FUND	Pg. 15	\$ 2,047,453	\$ 4,251,194	\$ 1,350,047	\$ 204,981	\$ 7,853,674
LEASE RENTAL DEBT	Pg. 22	206,412	\$ 673,039	473,810	112,735	1,465,996
2017-2018 CONTRIBUTIONS		<u>\$ 2,253,865</u>	<u>\$ 4,924,233</u>	<u>\$ 1,823,857</u>	<u>\$ 317,716</u>	<u>\$ 9,319,670</u>
Year-to-year percentage increase						4.57%
<u>2018-2019</u>						
GENERAL FUND	Pg. 15	\$ 2,098,960	\$ 4,128,848	\$ 1,535,061	\$ 248,595	\$ 8,011,464
LEASE RENTAL DEBT	Pg. 22	201,756	\$ 671,787	473,248	115,205	1,461,996
2018-2019 CONTRIBUTIONS		<u>\$ 2,300,716</u>	<u>\$ 4,800,635</u>	<u>\$ 2,008,309</u>	<u>\$ 363,800</u>	<u>\$ 9,473,460</u>
Year-to-year percentage increase						1.65%
<u>2019-2020</u>						
GENERAL FUND	Pg. 15	\$ 2,259,467	\$ 4,380,617	\$ 1,581,374	\$ 212,537	\$ 8,433,995
LEASE RENTAL DEBT	Pg. 22	199,873	\$ 674,972	473,783	114,568	1,463,196
2019-2020 CONTRIBUTIONS		<u>\$ 2,459,340</u>	<u>\$ 5,055,589</u>	<u>\$ 2,055,157</u>	<u>\$ 327,105</u>	<u>\$ 9,897,191</u>
Year-to-year percentage increase						4.47%

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 is allocated based on market value as determined by Pennsylvania State Tax Equalization Board - DCED.

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

REVENUES

CODE	CATEGORY	2017/2018 APPROVED BUDGET	2018/2019 APPROVED BUDGET	2019/2020 PROPOSED BUDGET	% CHANGE
6000	REVENUE FROM LOCAL SOURCES				
6510	INTEREST	\$1,000	\$1,200	\$2,200	
6740	FEES	6,000	6,000	6,000	
6910	RENTAL OF BUILDING	6,000	9,000	9,000	
6943	TUITION - ADULT STUDENTS	36,000	36,000	30,000	
6944	TUITION - NON PARTICIPATING DISTRICT	15,300	15,300	15,300	
6946	RECEIPTS FROM MEMBER DISTRICTS	7,853,674	8,011,464	8,433,995	
6991	REFUND OF PRIOR YEARS EXPENSE	8,000	8,000	8,000	
6999	MISCELLANEOUS REVENUE	12,000	15,000	20,000	
	TOTAL REVENUE LOCAL SOURCES	7,937,974	8,101,964	8,524,495	5.22%
7000	REVENUE FROM STATE SOURCES				
7220	VOCATIONAL EDUCATION SUBSIDIES	420,000	420,000	480,000	
7810	SOCIAL SECURITY-STATE SHARE	177,700	182,400	190,500	
7820	RETIREMENT-STATE SHARE	778,300	820,000	925,000	
	TOTAL REVENUE STATE SOURCES	1,376,000	1,422,400	1,595,500	12.17%
8000	REVENUE FROM FEDERAL SOURCES				
8521	LOCAL PLAN/PERKINS	265,000	267,000	283,000	
	TOTAL REVENUE FEDERAL SOURCES	265,000	267,000	283,000	5.99%
9000	TRANSFERS / OTHER SOURCES				
9810	COMMITTED FUND BALANCE - PSERS	20,000	0	0	
	TOTAL TRANSFERS / OTHER SOURCES	20,000	0	0	0.00%
	TOTAL PROPOSED REVENUES	\$9,598,974	\$9,791,364	\$10,402,995	6.25%

DISTRICT CONTRIBUTION BREAKDOWN					(TABLE C. PAGE 6) TOTAL DUE WITH ADJUSTMENT
			Oct 1 PIMS	Oct 1 PIMS	
CENTENNIAL	26.79%	\$2,047,453	\$2,098,960	\$2,259,467	\$2,336,743
CENTRAL BUCKS	51.94%	\$4,251,194	\$4,128,848	\$4,380,617	\$4,078,827
COUNCIL ROCK	18.75%	\$1,350,047	\$1,535,061	\$1,581,374	\$1,676,338
NEW HOPE-SOLEBURY	2.52%	\$204,981	\$248,595	\$212,537	\$201,103
	100.00%	\$7,853,674	\$8,011,464	\$8,433,995	\$8,293,011

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

EXPENSES		2018/2019 APPROVED BUDGET	2019/2020 PROPOSED BUDGET	% CHANGE
CODE	CATEGORY			
1000	INSTRUCTIONAL SERVICES			
1300-100	SALARIES - 43 / 42 FTE	3,048,911	3,188,043	
-200	EMPLOYEE BENEFITS	1,905,446	2,120,837	
-300	PURCHASED PROF & TECH SERVICES	3,800	3,800	
-400	PURCHASED PROPERTY SERVICES	178,510	185,130	
-500	OTHER PURCHASED SERVICES	58,470	58,040	
-600	SUPPLIES	290,385	295,551	
-700	PROPERTY	0	0	
-800	MISCELLANEOUS OBJECTS	3,325	3,075	
		<hr/>	<hr/>	
1300	TOTAL VOCATIONAL EDUCATION PROGRAMS	5,488,847	5,854,476	6.66%
2000	SUPPORT SERVICES			
2100-100	SALARIES - 5 / 6 FTE	438,916	471,596	
-200	EMPLOYEE BENEFITS	244,870	270,130	
-300	PURCHASED PROF & TECH SERVICES	0	0	
-400	PURCHASED PROPERTY SERVICES	6,550	6,450	
-500	OTHER PURCHASED SERVICES	31,215	33,750	
-600	SUPPLIES	24,850	27,150	
-700	PROPERTY	0	0	
-800	MISCELLANEOUS OBJECTS	930	600	
		<hr/>	<hr/>	
2100	TOTAL SUPPORT SERVICES-PUPIL PERSONNEL	747,331	809,676	8.34%
2200-200	BENEFITS	52,000	52,000	
-300	PROFESSIONAL & TECHNICAL SERVICES	2,500	10,500	
-500	OTHER PURCHASED SERVICES	3,200	3,200	
		<hr/>	<hr/>	
2200	TOTAL INSTRUCTIONAL SUPPORT	57,700	65,700	13.86%

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

EXPENSES		2018/2019	2019/2020	
CODE	CATEGORY	APPROVED	PROPOSED	%
		BUDGET	BUDGET	CHANGE
2000	SUPPORT SERVICES (continued)			
2300-100	SALARIES - 7.5 FTE	622,549	657,508	
-200	EMPLOYEE BENEFITS	378,478	424,344	
-300	PURCHASED PROF & TECH SERVICES	26,670	22,675	
-400	PURCHASED PROPERTY SERVICES	8,575	8,400	
-500	OTHER PURCHASED SERVICES	35,810	37,245	
-600	SUPPLIES	18,000	23,900	
-700	PROPERTY	0	0	
-800	MISCELLANEOUS OBJECTS	3,520	3,290	
2300	TOTAL SUPPORT SERVICES-ADMINISTRATION	1,093,602	1,177,362	7.66%
2400-100	SALARIES - 1 FTE	100,822	106,778	
-200	EMPLOYEE BENEFITS	50,801	57,059	
-300	PURCHASED PROF & TECH SERVICES	1,650	1,850	
-400	PURCHASED PROPERTY SERVICES	350	400	
-500	OTHER PURCHASED SERVICES	430	430	
-600	SUPPLIES	3,100	3,125	
-700	PROPERTY	0	0	
-800	MISCELLANEOUS OBJECTS	135	135	
2400	TOTAL SUPPORT SERVICES-PUPIL HEALTH	157,288	169,777	7.94%
2500-100	SALARIES - 3 FTE	239,978	250,064	
-200	EMPLOYEE BENEFITS	160,731	178,706	
-300	PURCHASED PROF & TECH SERVICES	34,300	32,175	
-400	PURCHASED PROPERTY SERVICES	3,250	2,850	
-500	OTHER PURCHASED SERVICES	17,930	17,985	
-600	SUPPLIES	3,920	3,420	
-700	PROPERTY	0	5,000	
-800	MISCELLANEOUS OBJECTS	1,100	2,200	
2500	TOTAL SUPPORT SERVICES-BUSINESS	461,209	492,400	6.76%

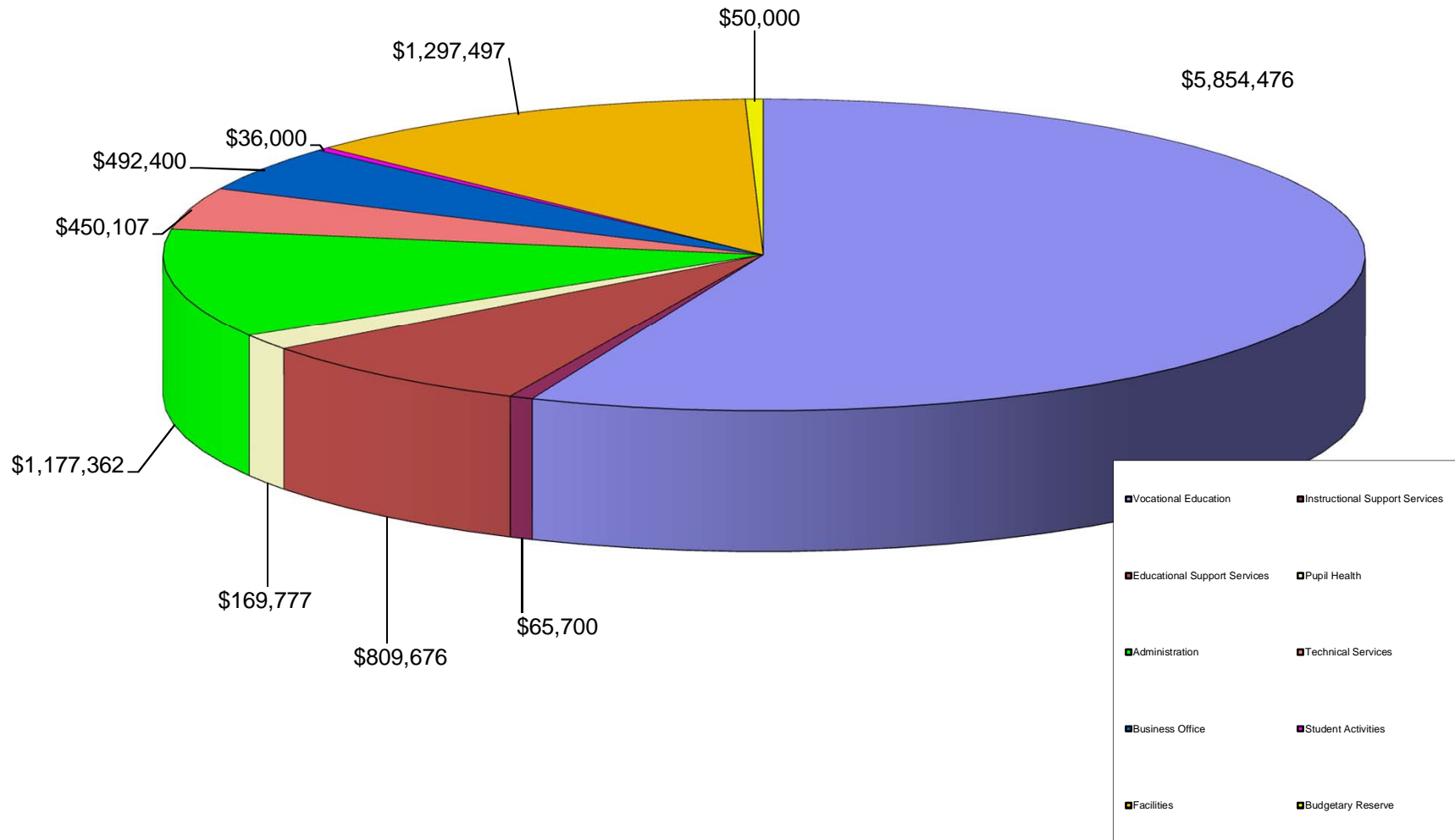
**MIDDLE BUCKS INSTITUTE OF TECHNOLOGY
PROPOSED BUDGET SUMMARY**

EXPENSES		2018/2019	2019/2020	
CODE	CATEGORY	APPROVED BUDGET	PROPOSED BUDGET	% CHANGE
2000	SUPPORT SERVICES (continued)			
2600-100	SALARIES - 5 FTE	266,870	278,717	
-200	EMPLOYEE BENEFITS	191,508	213,280	
-300	PURCHASED PROF & TECH SERVICES	23,500	24,300	
-400	PURCHASED PROPERTY SERVICES	420,001	419,680	
-500	OTHER PURCHASED SERVICES	50,490	55,120	
-600	SUPPLIES	289,345	290,500	
-700	PROPERTY	17,400	14,550	
-800	MISCELLANEOUS OBJECTS	1,350	1,350	
2600	TOTAL SUPPORT SERVICES-FACILITIES	1,260,464	1,297,497	2.94%
2818-100	SALARIES - 2 FTE	190,747	196,454	
-200	EMPLOYEE BENEFITS	128,016	141,553	
-300	PURCHASED PROF & TECH SERVICES	7,000	7,000	
-400	PURCHASED PROPERTY SERVICES	4,000	3,000	
-500	OTHER PURCHASED SERVICES	2,560	2,575	
-600	SUPPLIES	67,125	75,000	
-700	PROPERTY	29,050	24,100	
-800	MISCELLANEOUS OBJECTS	425	425	
2818	TOTAL TECHNICAL SERVICES	428,923	450,107	4.94%
3000	NON-INSTRUCTIONAL SERVICES			
3200-500	OTHER PURCHASED SERVICES	30,000	30,000	
-600	SUPPLIES	15,000	5,000	
-800	MISCELLANEOUS OBJECTS	1,000	1,000	
3200	TOTAL STUDENT ACTIVITIES	46,000	36,000	-21.74%

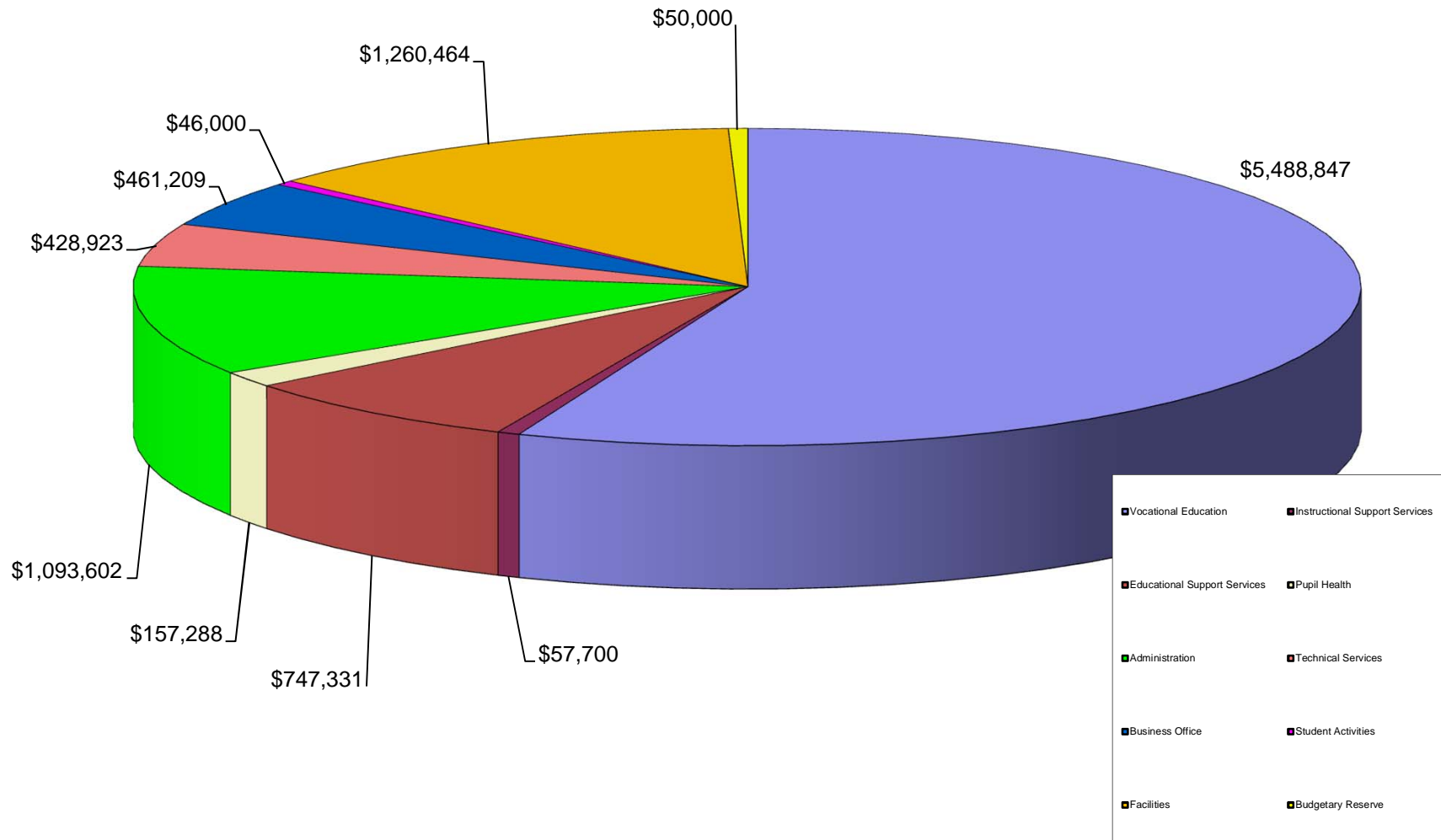
**MIDDLE BUCKS INSTITUTE OF TECHNOLOGY
PROPOSED BUDGET SUMMARY**

EXPENSES		2018/2019 APPROVED BUDGET	2019/2020 PROPOSED BUDGET	% CHANGE
CODE	CATEGORY			
5000	OTHER FINANCING USES			
5900-000	BUDGETARY RESERVE	50,000	50,000	
5900	TOTAL BUDGETARY RESERVE	50,000	50,000	0.00%
	TOTAL PROPOSED BUDGET	<u>\$9,791,364</u>	<u>\$10,402,995</u>	6.25%
	BUDGETARY RESERVE CONSISTS OF:			
	OPERATING RESERVE	50,000	50,000	
	TOTAL BUDGET-TO-BUDGET INCREASE:	<u>\$ 192,390</u>	<u>\$ 611,631</u>	
	SUMMARY OF BUDGET-TO-BUDGET CHANGES:			
	1) Net increase to salaries and wages		\$ 240,367	2.45%
	2) Net increase for health insurance		102,724	1.05%
	3) Increase in employer's cost for PSERS		210,303	2.15%
	4) Net increase for contractual and statutory benefits		33,032	0.34%
	5) Net increase purchased professional services		2,880	0.03%
	6) Net increase in purchased property services		4,674	0.05%
	7) Net increase other purchased services		8,240	0.08%
	8) Net increase for program, other supplies and utilities		11,921	0.12%
	9) Net decrease for equipment		(2,800)	-0.03%
	10) Other costs		290	0.00%
			<u>\$ 611,631</u>	6.25%

MIDDLE BUCKS INSTITUTE OF TECHNOLOGY 2019/2020 PROPOSED BUDGET EXPENDITURES BY FUNCTION



MIDDLE BUCKS INSTITUTE OF TECHNOLOGY 2018/2019 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, 2019	\$ 9,275,000
SERIES OF 2015 BONDS - BALANCE JULY 1, 2019	3,125,000
	<u>\$ 12,400,000</u>

LEASE RENTAL COVERING DEBT SERVICE IS PAID BY THE MEMBER DISTRICTS' DIRECTLY TO THE AUTHORITY'S TRUSTEE FOR THE BOND HOLDERS IN AUGUST & FEBRUARY.

	Budgeted 2018/2019	Actual 2018/2019	Projected 2019/2020
6946 LEASE REVENUE	<u>\$ 1,461,996</u>	<u>\$ 1,459,996</u>	<u>\$ 1,463,196</u>
5110 DEBT SERVICE - AUTHORITY BONDS	<u>\$ 1,461,996</u>	<u>\$ 1,459,996</u>	<u>\$ 1,463,196</u>
PRINCIPAL	\$ 1,035,000	\$ 1,035,000	\$ 1,075,000
INTEREST	418,996	418,996	380,196
ADMINISTRATIVE FEE	8,000	6,000	8,000
	<u>\$ 1,461,996</u>	<u>\$ 1,459,996</u>	<u>\$ 1,463,196</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 DCED 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.

	07/01/2017 STEB Market Value <u>2016</u>	Budgeted using 7/1/2017 STEB MV 2016 <u>2018/2019</u>	Actual using 7/1/2018 STEB MV 2017 <u>2018/2019</u>	Projected using 7/1/2018 STEB MV 2017 <u>2019/2020</u>
Centennial	13.80%	\$ 201,756	\$ 199,435	\$ 199,873
Central Bucks	45.95%	671,787	673,496	674,972
Council Rock	32.37%	473,248	472,747	473,783
New Hope-Solebury	7.88%	115,205	114,318	114,568
	<u>100.00%</u>	<u>\$ 1,461,996</u>	<u>\$ 1,459,996</u>	<u>\$ 1,463,196</u>

The most current STEB MV available is 2016 effective July 1, 2017. 2017 MV is published on July 1, 2018.

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:

	2016 MV STEB	Projected <u>2018/2019</u>	PDE 2071 <u>2018/2019</u>	PDE 2071 <u>2019/2020</u>
Centennial	13.80%	\$ 69,212	\$ 67,643	\$ 66,999
Central Bucks	45.95%	225,676	225,231	226,258
Council Rock	32.37%	158,873	158,667	158,817
New Hope-Solebury	7.88%	37,801	38,625	38,404
	<u>100.00%</u>	<u>\$ 491,562</u>	<u>\$ 490,166</u>	<u>\$ 490,478</u>

**MIDDLE BUCKS INSTITUTE OF TECHNOLOGY
2019/2020 BUDGET SUMMARY
COMMITTEE UPDATE USING OCT 1 PIMS
NOVEMBER 7, 2018**

DESCRIPTION	2016/2017 ACTUAL	2017/2018 ACTUAL	2017/2018 APPROVED BUDGET	2018/2019 APPROVED BUDGET	2019/2020 PROPOSED BUDGET	\$ INCREASE/ (DECREASE)	% INCREASE/ (DECREASE)	% INCREASE/ (DECREASE) BUD. TO BUD.
6000 LOCAL REVENUE								
<u>EDUCATION AND LEASE RENTAL</u>								
CENTENNIAL	\$ 2,040,053	\$ 2,327,037	\$ 2,253,865	\$ 2,300,716	\$ 2,459,340	\$ 158,624	6.89%	1.41%
CENTRAL BUCKS	4,351,610	4,623,030	4,924,233	4,800,635	5,055,590	254,955	5.31%	2.27%
COUNCIL ROCK	1,845,115	1,919,554	1,823,857	2,008,309	2,055,157	46,848	2.33%	0.42%
NEW HOPE-SOLEBURY	349,478	309,067	317,716	363,800	327,105	(36,695)	-10.09%	-0.33%
<u>RECEIPTS FROM MEMBERS</u>	8,586,255	9,178,688	9,319,671	9,473,460	9,897,192	423,732	4.47%	3.77%
OTHER LOCAL SOURCES	66,294	72,398	84,300	90,500	90,500	-	0.00%	0.00%
7000 STATE SOURCES	1,275,631	1,371,220	1,376,000	1,422,400	1,595,500	173,100	12.17%	1.54%
8000 FEDERAL SOURCES	268,272	267,721	265,000	267,000	283,000	16,000	5.99%	0.14%
9000 FUND BALANCE / TRANSFERS	150,869	20,000	20,000			-		0.00%
TOTAL REVENUE	<u>\$ 10,347,322</u>	<u>\$ 10,910,027</u>	<u>\$ 11,064,971</u>	<u>\$ 11,253,360</u>	<u>\$ 11,866,192</u>	<u>\$ 612,832</u>		<u>5.45%</u>
	FUND BALANCES		CONSUMED / UTILIZED					
<u>Fund balance:</u>	<u>6/30/17</u>	<u>6/30/18</u>	<u>2016/2017</u>	<u>2017/2018</u>				
Committed - PSERS	\$ 20,000	\$ -	\$ 55,000	\$ 20,000				
Nonspendable	<u>\$ 134,124</u>	<u>\$ 5,034</u>						
Unassigned - Adult Ed	<u>\$ 209,181</u>	<u>\$ 220,223</u>						
Unassigned - Production Control	<u>\$ 74,963</u>	<u>\$ 194,784</u>						
Premium "holiday" BMCSHCC			\$ 95,869	\$ -				
			\$ 150,869	\$ 20,000				
Balance Due to Member School Districts	<u>\$ 325,840</u>	<u>\$ 140,984</u>						
Member District Contribution for Operations and Lease Rental combined increase for 2018/2019 = 1.65%								

**MIDDLE BUCKS INSTITUTE OF TECHNOLOGY
2019/2020 BUDGET SUMMARY
COMMITTEE UPDATE USING OCT 1 PIMS
NOVEMBER 7, 2018**

DESCRIPTION	2016/2017 ACTUAL	2017/2018 ACTUAL	2017/2018 APPROVED BUDGET	2018/2019 APPROVED BUDGET	2019/2020 PROPOSED BUDGET	\$ INCREASE/ (DECREASE)	% INCREASE/ (DECREASE)	% INCREASE/ (DECREASE) BUD. TO BUD.
100 SALARIES & WAGES:								
TEACHERS - MBEA	\$ 2,938,915	\$ 3,123,349	\$ 3,094,653	\$ 3,188,525	\$ 3,342,504	\$ 153,979	4.83%	1.37%
ADMIN & SUPPORT SERVICES	1,506,882	1,591,634	1,586,502	1,626,153	1,715,642	89,489	5.50%	0.80%
SUBSTITUTES & TEMPORARY	74,763	70,323	99,615	94,115	91,015	(3,100)	-3.29%	-0.03%
200 BENEFITS:								
MEDICAL & PRESCRIPTION	703,407	748,225	819,284	865,586	968,310	102,724	11.87%	0.91%
DENTAL/VISION/LIFE/LTD/CONTRACTUAL	118,751	146,358	179,414	170,006	185,372	15,366	9.04%	0.14%
STATUTORY (FICA, PSERS, WC & UC)	1,761,268	1,975,454	1,989,968	2,076,259	2,304,227	227,968	10.98%	2.03%
300 PROFESSIONAL & TECHNICAL SERVICES	112,874	100,063	113,905	99,420	102,300	2,880	2.90%	0.03%
400 PURCHASED PROPERTY SERVICES	576,484	525,012	638,650	621,235	625,910	4,675	0.75%	0.04%
500 OTHER PURCHASED SERVICES	221,413	233,694	248,970	230,105	238,345	8,240	3.58%	0.07%
600 SUPPLIES:								
INSTRUCTIONAL SUPPLIES	265,900	301,005	294,129	290,385	295,991	5,606	1.93%	0.05%
UTILITIES	213,395	197,929	210,500	210,500	210,600	100	0.05%	0.00%
ALL OTHER SUPPLIES	187,437	218,077	206,050	210,840	217,055	6,215	2.95%	0.06%
700 EQUIPMENT	94,518	100,808	55,550	46,450	43,650	(2,800)	-6.03%	-0.02%
800 OTHER	11,293	12,100	11,785	11,785	12,075	290	2.46%	0.00%
5220 TRANSFER TO CAPITAL RESERVE FUND	100,000	100,000	-	-	-	-		0.00%
5900 BUDGETARY RESERVE			50,000	50,000	50,000	-	0.00%	0.00%
5110 AUTHORITY LEASE RENTAL	1,460,022	1,465,996	1,465,996	1,461,996	1,463,196	1,200	0.08%	0.01%
TOTAL EXPENDITURES	\$ 10,347,322	\$ 10,910,027	\$ 11,064,971	\$ 11,253,360	\$ 11,866,192	\$ 612,832		5.45%