

MILLVILLE AREA SCHOOL DISTRICT

Finance Committee Meeting Minutes

April 7, 2026

Mrs. Holloway called the Millville Area School District Finance Committee Meeting to order at 6:06 pm.

Those present in the High School Library were Joseph Rasmus, Superintendent; Whitney Holloway, Business Manager; Corey Whitmoyer, Board/Committee member; Jessica Whitmoyer, Board President; Greg Hemsarh, Board/Committee member; Jonathan Richards, Board Member; Brandon Gordner, Elementary Principal; and Chelsea Rosenberger, Board Recording Secretary.

Preliminary Budget Discussions

- ❖ Dr. Rasmus provided an overview of the concept of the preliminary budget, emphasizing its role in establishing a framework for planning and public review.
- ❖ Mrs. Holloway reviewed the budget timeline, noting the goal to present the preliminary budget on April 13, 2026 with potential adoption at the May Board meeting. She added that there were implications if timelines were not met, including delays in required approvals.
- ❖ Next Mrs. Holloway reviewed the impacts to taxes based on the budget calculations. She shared that there were no anticipated changes to assessed values beyond a recent appeal and that current projections are based on prior year assessed values.
- ❖ Mrs. Holloway explained that the Act 1 index is 4.5%, and the district cannot exceed this increase due to the resolution stating so that was adopted in December. She reviewed various tax increase scenarios based on percentage increases, projected revenue generation, and the average taxpayer impact at each level.
 - Then, Mrs. Holloway clarified the calculations based on the Homestead/Farmstead impact. She explained that taxpayer impact is influenced by Homestead/Farmstead reductions that vary annually based on gaming revenue allocations.
- ❖ Mrs. Holloway then reviewed the local revenue sources for the district. She shared that the interest income was budgeted conservatively. The district was expected to lose income next year due to a special education student from Bloomsburg returning to their school district. The loss of the Bloomsburg tuition revenue would negatively impact the budget.
- ❖ Next, Mrs. Holloway reviewed the state revenue sources in the form of basic education funding. She shared that a slight increase is anticipated, though the final figures are not yet confirmed.
- ❖ Finally, Mrs. Holloway reviewed the federal funding sources. She expected these to remain relatively stable and that final allocations were still pending.

Expenditure Overview

- ❖ Mrs. Holloway explained that the staff salary projections are more stable due to the absence of current negotiations like with last year's budget preparations.
- ❖ In terms of staff benefits, she explained that the CSIU Trust provided a not-to-exceed increase of 7.9% and that the final rates would be reviewed later in April.
 - She added that the increased salaries will result in higher PSERS (pension) costs.
- ❖ Mrs. Holloway highlighted significant cost increases in the district's out-of-district placements for special education students.

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- Dr. Rasmus explained that while unfortunate, these placements are required to meet IEP obligations.
- Mr. Richards asked if it is possible to pursue other disciplinary measures with some students who are causing concern.
- Dr. Rasmus answered that expulsion is not an option for these students when services must be provided.
- The Committee discussed these placement costs.
 - Mrs. Holloway explained that the cost of these placements often significantly exceed typical tuition expenses.
 - Dr. Rasmus noted that the MTSS implementation may help reduce future costs by identifying and supporting students earlier, though some placements will remain necessary.
- ❖ Mrs. Holloway continued by discussing the purchased services and other expenses. She explained that the School Resource Officer (SRO) costs have been moved into salaries and benefits. Other purchased services and operational expenses are generally stable.
- ❖ Next, Mrs. Holloway reviewed the debt expenses of the district, starting with the bond to CMAVTS for their building project.
 - Mrs. Holloway further explained that next year the district was expected to see a projected 4.9% increase in the payment towards the CMAVTS 2026-2027 budget, equating to approximately \$545,000. She added that Millville pays 6.9% of the total CMAVTS budget, which does not directly align with student enrollment percentages.
 - Mr. Richards asked about Benton School District's withdrawal from full participation and whether Benton was still able to send students to the school while not funding them.
 - Dr. Rasmus explained that Benton continues to send students under a tuition-based model.
 - Dr. Rasmus then shared that CMAVTS is reviewing the possibility of a half day CTC model whereby students would return to their sending schools for core classes. He explained that the benefits were increased flexibility for students, improved access for special education students, and the potential for increased participation. However, he added that there were some challenges to this model including transportation logistics.
 - The Committee was interested in seeing the options available for this half day model to offer more flexibility to the district.
- ❖ Mrs. Holloway then shared an update on the discussion about CMAVTS transportation. She explained that in the current arrangement, the district pays for one direction, while CMAVTS pays for the return. There has been discussion regarding a potential shift to the district handling both directions which would be a savings for most districts, but not ours based on the calculation. However, the district would be reimbursed for the transportation costs by the state.

Cyber Charter Costs & Residency

- ❖ In closing, Mrs. Holloway and Dr. Rasmus discussed the rising costs associated with cyber charter enrollment and the recent legislature to combat these concerns. The cyber schools are now required to ensure accurate residency verification from students and if a newly enrolled student was habitually truant, they would not be permitted to enroll at the cyber school.
 - Mrs. Holloway stated that the district needs to increase our monitoring of residency for students.
 - Dr. Rasmus agreed and said that the school police officers could be involved in the verification process.
 - The Committee discussed these procedures and the updated guidelines.
- ❖ Mrs. Holloway stated that the administration is continuing to explore cost reduction strategies but that cyber enrollment and special education placements remain key cost drivers.
 - Dr. Rasmus commented that they would have a continued focus on balancing program needs with fiscal responsibility.

ADJOURNMENT

The Committee adjourned the meeting at 7:02 pm.

Chelsea Rosenberger
Board Recording Secretary