

Mrs. Holloway called the Millville Area School District Finance Committee Meeting to order at 3:36 pm.

Those present in the High School Library were Joseph Rasmus, Superintendent; Whitney Holloway, Business Manager; Corey Whitmoyer, Board/Committee member; Greg Hemsarth, Board/Committee member; Jonathan Richards, Board/Committee Member; Gena Maize, Board/Committee member; Jessica Whitmoyer, Board President; Brandon Gordner, Elementary Principal; Danielle Fritz, Director of Student Services; Amanda Harding; and Chelsea Rosenberger, Board Recording Secretary.

### **Final Budget Discussions**

- ❖ Dr. Rasmus opened the discussion by emphasizing that every budgetary decision ultimately impacts students. He stated that while the administration continues to review potential reductions and cost-saving measures, the goal remains to minimize negative impacts on educational opportunities and student services.
- ❖ Mrs. Holloway reviewed the proposed 2026-2027 budget and noted that budgeted expenditures exceed the prior year budget by approximately \$763,000. She reviewed several major cost drivers contributing to the increase, including salaries with an approximate \$189,000 increase; pension contributions at approximately \$43,000 increase, Social Security and Medicare taxes at approximately \$14,000 increase, and healthcare costs at approximately \$136,000 increase.
  - The Committee noted that contractual obligations account for approximately \$382,000 of the overall increase.
  - Mrs. Holloway further reported that out-of-district placements continue to place significant pressure on the district budget, with expenditures increasing approximately \$312,000 over the prior year.
  - Dr. Rasmus explained that budgeting for out-of-district placements is particularly difficult due to the unpredictable nature of student needs and placement requirements. He noted that these programs are often costly and largely beyond district control.
  - Mrs. Whitmoyer asked whether the district is beginning to see benefits from Dr. Meadows' behavioral expertise and support services.
  - Dr. Rasmus indicated that positive effects are beginning to emerge but stated that the greatest benefits are expected over time as proactive supports become more established. He discussed the district's continued development of MTSS systems and the goal of responding earlier to both behavioral and academic concerns.
- ❖ Mr. Richards asked questions regarding disciplinary procedures involving students with Individualized Education Programs (IEPs).
  - The Committee discussed legal requirements, discipline considerations, and the additional challenges associated with addressing behavioral concerns while maintaining compliance with special education regulations.
  - Mr. Hemsarth expressed concern regarding the increasing financial burden associated with special education services and noted the limited local control districts possess regarding these expenditures. He suggested that greater advocacy may be necessary at the state level regarding funding and mandates.

- ❖ Committee members discussed contract renewals and therapeutic services.
  - Ms. Maize requested a comprehensive list of vendors currently providing therapeutic, behavioral, and specialized educational services to the district.
  - Mrs. Holloway agreed to provide the requested information.
  - Dr. Rasmus shared previous experiences from another district involving the transfer of specialized services to district employees. He explained that such efforts did not ultimately generate significant savings once salaries, benefits, and operational costs were considered.

#### Building Costs and Tuition Increases

- Ms. Maize requested information regarding the percentage of district costs attributable to each school building.
- The committee discussed tuition expenditures, cost allocation methods, and year-over-year increases associated with specialized placements and educational services.

#### CMAVTS Budget Discussion

- ❖ Dr. Rasmus provided an update regarding the Columbia-Montour Area Vocational-Technical School (CMAVTS) budget. He explained that CMAVTS recently completed a comprehensive study and assessment of its programming model and enrollment structure. Significant discussions have occurred regarding enrollment, utilization, and funding.
- ❖ Dr. Rasmus reported that CMAVTS currently has approximately 83 vacant program slots and is proposing a 4.9% budget increase to participating districts.
  - The committee discussed current enrollment trends, utilization of available program capacity, and possible future modifications to the funding model.
  - Dr. Rasmus noted that the Joint Operating Committee (JOC) continues to evaluate alternative models and approaches. Three districts have already approved the proposed budget, and a fourth approval is needed to move the budget forward. Current discussions include approving the budget while continuing work on longer-term structural changes.

#### Tax Increase Discussion

- ❖ Committee members reviewed multiple tax increase scenarios and their impact on district finances.
  - Mr. Whitmoyer asked where remaining deficits would be addressed if additional expenditure reductions are not implemented.
  - Mrs. Holloway explained that the current budget projections have not been adjusted since prior discussions and noted that any year-end surplus could be retained and utilized in future years.
- ❖ The committee reviewed projected deficits under various tax increase scenarios and discussed the district's overall financial outlook.
  - Dr. Rasmus reported that information regarding band uniform needs remains pending. The music department is currently reviewing student sizing needs and evaluating the condition of existing uniforms.

- Mr. Richards asked whether the district could simply purchase only the uniforms necessary to meet immediate student needs.
- Ms. Harding stated that pricing information is still being gathered.
- Following discussion, the committee agreed to remove the proposed band uniform expenditure from the current budget.
- ❖ Ms. Harding discussed elementary music instrument replacement needs. She explained that while some instruments are rented, rental costs can create financial burdens for families. She noted that many existing instruments are reaching the end of their useful life due to age and regular use rather than misuse. Ms. Harding credited the district's representative from Robert M. Sides for assisting the district with maintenance and repair needs.
  - Mr. Richards expressed support for continuing maintenance funding to preserve existing instruments whenever possible.

#### CMAVTS Athletics and Transportation

- ❖ Mr. Hemsarth discussed previous conversations regarding CMAVTS students potentially returning to Millville for athletic participation and questioned whether the district would be willing to revisit related transportation considerations.
  - Additional discussion occurred regarding ninth-grade participation, transportation limitations, scheduling logistics, and district responsibilities.
- ❖ The committee discussed transportation provided to students attending CMAVTS and reviewed current transportation arrangements, responsibilities, and associated costs. Discussion occurred regarding student driving privileges, available seating capacity, transportation efficiency, and future route evaluations.
  - Administration indicated transportation routes would be reviewed during summer planning discussions to identify potential efficiencies and cost savings.

#### Track and Field Transportation

- ❖ Ms. Maize requested further review of transportation provided for track and field participants.
- ❖ The committee continued discussion regarding district-funded transportation for students participating in the Northwest Area Track and Field cooperative program. Committee members noted that transportation had initially been approved under unique circumstances and evolved from transporting a small number of students to requiring larger vehicles due to increased participation. Concerns were raised regarding consistency with prior district practices involving non-boundary cooperative programs.
- ❖ Administration reviewed the district's longstanding practice of not providing transportation to non-boundary schools participating in cooperative athletic agreements. Discussion included comparisons to volleyball transportation arrangements and concerns regarding equitable treatment of student participants across programs.
  - Dr. Rasmus discussed the district's responsibilities regarding student supervision and transportation liability. He explained that district procedures

## MILLVILLE AREA SCHOOL DISTRICT

### Finance Committee Meeting Minutes

June 3, 2026

- generally require students to travel using approved district transportation unless parents provide appropriate written authorization.
- The committee reviewed concerns regarding student transportation to practices and events; liability associated with students transporting other students; parent permission requirements; district supervision obligations; and transportation practices utilized by neighboring districts.
  - Several committee members noted that parents historically coordinated transportation arrangements independently; however, administration emphasized that district liability considerations require careful review and consultation with legal counsel.
  - Dr. Rasmus indicated additional discussion with the district solicitor may be warranted regarding transportation responsibilities in cooperative athletic arrangements.
  - Mr. Hemsarth expressed concern regarding district restrictions on students transporting one another.
  - Mrs. Holloway noted that transportation costs continue to be significant and that providing transportation in these circumstances presents both financial and liability concerns.
  - The committee also discussed transportation arrangements involving CMAVTS students.

### Insurance Renewal

- ❖ Mrs. Holloway reported that the district had received its annual insurance renewal information.
- ❖ The Committee discussed property insurance costs, workers' compensation rates, vehicle additions associated with the School Police Department, safety improvements completed by the district, and liability considerations.
  - Mrs. Holloway reported that workers' compensation costs increased despite relatively limited claim activity, noting that multiple smaller claims can significantly affect insurance experience ratings.

### Taxpayer Impact

- ❖ Mrs. Holloway presented estimated impacts of various tax increase options on the average taxpayer. She explained that Homestead/Farmstead exclusions are expected to remain consistent with the prior year, meaning taxpayers will not experience the same reduction in tax burden realized in the previous year.
  - Committee members reviewed projected tax impacts under multiple scenarios and discussed balancing taxpayer concerns with district financial obligations.

### Fund Balance and Long-Term Sustainability

- ❖ The committee discussed the district's ability to continue absorbing operating deficits.
  - Mr. Hemsarth asked how long the district could reasonably sustain ongoing deficit spending.
  - Mrs. Holloway reviewed current fund balance information, accruals, reserve balances, and various financial factors that influence long-term sustainability.

MILLVILLE AREA SCHOOL DISTRICT

Finance Committee Meeting Minutes

June 3, 2026

- Committee members discussed school district consolidation, potential implications, and the complexity of the consolidation process. Discussion included operational, financial, governance, and community considerations associated with potential consolidation efforts.
- Ms. Maize expressed interest in developing a long-range strategic plan for the district.
  - Dr. Rasmus suggested utilizing an external facilitator or consulting organization to assist with future strategic planning efforts in order to ensure objectivity and community engagement.

Final Tax Increase Recommendation

- ❖ Mr. Richards stated that if additional tax revenue is necessary, he believes school funding is an appropriate community investment.
- ❖ The committee reviewed the following scenarios:
  - 50% of Act 1 Index (approximately 2.25%) – projected deficit approximately \$426,000
  - 2.75% increase – projected deficit approximately \$400,000
  - 3.0% increase – projected deficit approximately \$380,000
- ❖ Following extensive discussion regarding district needs, taxpayer impact, and long-term financial sustainability, the committee reached consensus to recommend utilizing a 3.0% tax increase scenario for purposes of final budget preparation.
  - Mrs. Holloway noted that final calculations would still need to be completed and updated to reflect all budget factors.
- ❖ The committee requested that administration continue preparing explanatory materials regarding the budget development process, major expenditure drivers, and CMAVTS-related impacts for presentation to the full Board.

**ADJOURNMENT**

The Committee adjourned the meeting at 5:43 pm.

Chelsea Rosenberger  
Board Recording Secretary