



Finance Advisory Committee

Meeting Minutes

Date and Time: March 6th, 2024, at 11:00 AM

ATTENDING:

Committee Members: Alicia Malet Klein (present), Lori Crawford (absent), Sid Landman (present), Ken Blum (absent), and Steve Blass (present).

MWA Staff: CEO Alton B. Nelson, Jr., CFO Wallace Wei, and Director of Finance Hung Mai

Guests: Siobhan McCarthy and Patrick O'Donnell

- **Governor's January Budget Proposal**

- The CFO briefed the committee on the state revenues outlook and the Governor's January budget proposal for 2024-25.
- Under the governor's assumptions, it is projected that the state will face a budget deficit of \$38 billion. However, K-12 education is expected to be largely spared from the cuts.
- The governor proposed a minimal Cost of Living Adjustment (0.78%) for K-12 education.

- **FY24 2nd Interim Budget**

- The CFO highlighted the major changes from the FY'24 1st Interim Budget to the FY'24 2nd Interim Budget.
- Government revenues decreased by \$506K, while the total expenditures decreased by \$834K in the 2nd interim budget.
- MWA plans to "right-size" the budget by \$1.5-2M over the next two fiscal years, starting in FY24-25.
- The committee recommended the 2023-24 2nd Interim Budget to the MWA Board for approval.

- **Special Education Finances Overview**

- The CFO provided the committee with an overview of the economics of the special education program.

- The expenses associated with special education have substantially increased over the past three years due to the rising population of special education students and the types of services and accommodations these students need.