



Town of Mason Mayor and Board of Alderman Finance Committee Meeting
Workshop Meeting Minutes
Thursday, April 24, 2025, at 6:42PM

Call To Order: Mayor Eddie Noeman

Opening Prayer: Alderman Alethea Harris

Roll Call: Mayor Eddie Noeman, Alderman Carolyn Catron, Alderman Virginia Rivers, Alderman Alethea Harris, Alderman Trowanna Broadnax, and Town Recorder Lureatha Harris
(Vice Mayor Reynaldo Givhan arrived at 6:46pm and Alderman Mary Mason arrived at 6:58pm)

Others In Attendance: Norma Davis, Office Manager; Vernetia Boyd, Finance; Chief Richard Jewell, Mason Police Department; James Lewellen, MTAS; and Lynn Evans, CMFO; attended via a conference call

NEW BUSINESS:

1. REVIEW FINANCIAL STATEMENTS

The amounts on the Ledger Analysis were copied on a separate page due to the format of the documents. Alderman Rivers suggested reviewing the monthly statements, and the income statements. Ms. Evans said the June financials are unaudited statements and suggested waiting on June ending in 2024 for findings from the Auditors because July starts a new year.

Ms. Lynn suggested going to the income statements, this gives balances as identified and make adjustments with supporting documentation to the Auditors. Audit reports present any corrections made. Ms. Lynn recommends looking at the most recent income statements. The February statements show the cumulative amount of monies spent and received and will reflect the year-to-date amounts. The March statements should be submitted in a few days. The Budget reflects twelve months of what's collected or spent. The Town is taken care of through six different funds, **General Fund** – fire, police, property tax, sales tax, fines & forfeitures, copies, building permits, and basic core services. **Utility Service – Water, Gas, and Sanitation.** The utility bills pay employees' salaries. **Street Aid** – receives Grant funds.



Alderman Rivers questioned how much money is owed from one fund to another, Ms. Lynn said she would make that information available after the call. Ms. Lynn said sometimes bills are paid from one fund. Alderman Rivers questioned Ms. Lynn about coming up with the numbers. Under the State Statute the Town operates under the last approved Budget in 2024. Interfund transactions include the approved Budget in 2024.

The report for March will be used for 2025, which was not approved. Ms. Evans said the Board would need to amend the FY25 Budget before the end of the fiscal year. The Board did take action on the original activity where line items were shown to be over budgeted or under budgeted. Alderman Rivers questioned if we were staying in line repaying monies back in thirty days. Ms. Lynn said they plan to get the monies transferred back or the State will look at it as a loan. The payroll comes out of the **Water Funds**, and each fund owed money is paid back. Ms. Lynn would like to present a report to display what funds are owed in the March report.

No report was available from the Fire Department. The February income statements are the current month year-to-date. The actual and plan to collect fines & forfeitures may need to lower revenue numbers up or down would be an example. This would be the same with expenses to reflect in the amendment, an example would be property tax. Expenses are broken down in categories meaning salaries, sub totals, and the police and fire department expenses.

Town borrowing monies includes the principal and interest. The Ledger Analysis report gives details of Water & Sewer transactions service. The **Gas Funds** are the cost associated with the purchase of gas itself from a vendor.

Alderman Harris questioned professional and legal fees if those fees would be added together for an accumulative amount, and the answer was **yes**. Allocated accounting monies in **Gas**, **Water**, and **Sewer**, 50K is showing in legal fees and it's really 30K. **Sanitation Service** is provided by Waste-Pro. The **Street & Drug Funds** have limited activity. The Budget is not truly reflecting 2025, and the finance team will have better numbers actual and amended for the 2025 Budget. Alderman Rivers request the reconciliation report, the expense report, and the analysis report. Ms. Lynn said she would submit the reports requested and will make certain that the Board is provided with the information as being clear and accurate. Ms. Lynn will make certain that Mayor Noeman and Vernetia are made aware of any amendments. Alderman Rivers suggested readjusting the font on the analysis report, and Alderman Mason suggested doing both on another night.

2. REVIEW BUDGET OF 2025

Chief Jewell mentioned four officers getting paid \$800.00, from the State.



Mayor Noeman questioned Chief Jewell about the camera service. Axon is the vendor for the bodycam and camera with lots of benefits. The TN Hwy. Safety Officer Grant is 10K, and four cameras are needed. The PD applied for a 20K Grant from Ford. Chief Jewell said it was paid to Mason, April 16, 2025, for 33K paid by the State. The system will turn on the camera automatically within a certain distance if an officer forgets to turn it on. Maintenance required on vehicles, a 20K Grant is expected from Blue Oval. The THSO Grant is 10K and will pay for overtime and equipment.

Mr. Lewellen said next year's Budget should be adopted by July 1, 2025, and explained how you go about the process and a simple process. The system is designed to give results, design the process to help plan the Budget. The Budget is a spending plan, presenting information from the Comptrollers' State Law fiduciary responsibility. Reviewing priorities and what you're spending your money on. The Board should get together to plan by sitting down with the department heads, questioning how much money does it cost/take to run the departments. The Board needs to work on where the revenues are, and the two most important things are looking at revenues and understanding what affects them. The following are some things that affect revenue property tax, sales tax, and new businesses projections on revenue.

Understanding what drives revenue, and looking at previous years, write down assumptions, go down each line item for a better understanding for projection. Follow the same process for expenses. The difference would be the needs and the like to have. Add the expenses and revenues, you **cannot** put it in the Budget for a one-time expense. The Budget expenses are generated from recurring revenue. Making conscious decisions is recommended. Reoccurring expenses, working on six Budgets to stand on their own. Legal responsibilities, rectify errors quickly repaying monies.

Sanitation pays for itself, look at the actual cost and how much revenue is coming in. Know how vulnerable your revenues are, and knowing when your money is coming in. Mr. Lewellen presented documents that the State likes to see meaning line-item details, supplements, and expenses. Information was presented to Mayor Noeman and the Board members about what's used in the Budget Workshop. Mr. Lewellen recommends that each department head tracks their own Budget for accuracy, line-item Budgets. Example-you cannot buy gas and use tires. See what Budgets are doing throughout the year. A recommendation is to sit down with each department for projections either add revenues or cut expenses.



Mr. Lewellen suggests a Capital Budget, an example would be the purchase of a fire truck, and plan ahead for big Budget surprises. Begin to set monies aside, Alderman Harris mentioned the street paving. Mr. Lewellen mentioned unfunded obligations, and a big part of the expense is personnel, losing four to five percent of expenses every year. Challenge on revenues, fees or tax revenues must be based on something. A fee schedule needs to be adopted regularly. **Adopt the Organizational Structure.** Pull the Budget out and check with the department heads to assign numbers. Mr. Lewellen informed the Board that Eric Spencer can assist with putting the Budget together. When you see there's a problem, fix it, or adopt it. A suggestion is to have one big Budget Amendment at the end of the year. Mayor Noeman mentioned attracting new businesses with water, sewer, cleaning, making it easy to open a business. Cleanup the Town and providing safety. Mayor Noeman mentioned that the Fire Department doesn't bring in revenue, Public Works bring in revenue for the Town. Alderman Harris mentioned the need for infrastructure. The worst thing would be a tornado. The best thing would be for more residents to come in with better infrastructure.

Rainy Day Funds

Set boundaries to set aside monies and prepare.

Alderman Harris would like to overcome the reputation of the Town.

Mr. Lewellen questioned what are the businesses we want to be in, and what are the services.

Look at the community ability to pay, and what can we stop doing, an example was the Fire Department. Look at where the money is going and how the people can benefit from it.

Regarding the Meeting on 4-28-25, Mr. Lewellen recommends looking at revenue, and looking at department expenses for next year. Adopt the Budget Ordinance, the Tax Rate, to send to the State. This would be for the FY26 Budget Work Session

****Mr. Lewellen said it's all about LEADERSHIP****

*******NO OTHER BUSINESS WILL BE DISCUSSED*******

Closing Prayer: Alderman Virginia Rivers

Motion to Adjourn: The Meeting adjourned at 8:42PM and all agreed

Eddie Noeman, Mayor

Date

Lureatha Harris, Town Recorder