TOWN OF OAKLAND, TENNESSEE

ANNUAL FINANCIAL REPORT

JUNE 30, 2025

TOWN OF OAKLAND, TENNESSEE

ANNUAL FINANCIAL REPORT

YEAR ENDED JUNE 30, 2025

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TOWN OF OAKLAND, TENNESSEE
ROSTER OF PUBLICLY ELECTED AND MANAGEMENT OFFICIALS
JUNE 30, 2025

Elected Officials

Adrian Wiggins	Mayor
Frank Cates	Vice-Mayor
Marilyn Austin	Alderwoman
Dan Bailey	Alderman
Harry Campbell	Alderman
Debbie Hummel	Alderwoman

Management Officials

Harvey Ellis	Town Manager
Lorie Rice	Finance Director, CMFO
Yvonne Bullard	City Recorder
Stephen J. Walls	Fire Chief
Christopher H. Earl	Police Chief
Steven D. Mullins	Public Works Director
Eric J. Armstrong	Water Director
Alan B. Coker	Wastewater Director
Edward P. Courton	Planning Director
Joe McDonald	Building Codes
Chase Weston	Parks and Recreation Director
Tom Minor	Town Attorney
Mark McDaniel	Town Judge
Nick Pierotti	Town Prosecutor

GODWIN &
ASSOCIATES, PLLC
CERTIFIED PUBLIC ACCOUNTANTS
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Independent Auditor's Report

To the Mayor and Board of Aldermen
Town of Oakland, Tennessee

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Oakland, Tennessee, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and aggregate remaining fund information of the Town of Oakland, Tennessee, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in Auditor's responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town of Oakland, Tennessee and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Oakland, Tennessee's ability to continue as a going concern for twelve months beyond the financial date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town of Oakland, Tennessee's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town of Oakland, Tennessee's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the schedule of changes in net pension liabitlity (asset) and related ratios based on participation in the public employee pension plan of TCRS, schedule of contributions based on participation in the public employee pension plan of TCRS, and notes to required supplementary information on pages 5 through 9 and 49 through 51 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Oakland, Tennessee's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedules, other supplementary information, and the schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated April 17, 2026, on our consideration of the Town of Oakland, Tennessee's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town of Oakland, Tennessee's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town of Oakland, Tennessee's internal control over financial reporting and compliance.

Alexander & Associates, PLLC

April 17, 2026

Our discussion and analysis of the Town of Oakland, Tennessee, will offer readers of the Town's financial statements a narrative overview and review of the financial activities of the Town for the fiscal year ended June 30, 2025. Readers are encouraged to consider the information presented here in conjunction with the Town's financial statements.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 10 and 11) provide information about the activities of the Town as a whole and present a longer-term view of the Town's finances. Fund financial statements start on page 12. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the Town's operations in more detail than the government-wide statements by providing information about the Town's most significant funds.

Reporting the Town as a Whole

The Statement of Net Position and the Statement of Activities

Our analysis of the Town as a whole begins on page 10. The following is one of the most important questions asked about the Town's finances, "Is the Town as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the Town as a whole and about its activities in a way that helps answer this question. These statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The *statement of net position* presents financial information on all of the Town's assets, liabilities, deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The *statement of activities* presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows of future fiscal periods.

In the Statement of Net Position and the Statement of Activities, we divide the Town into two kinds of activities:

- Governmental activities – Most of the Town's basic services are reported here, including the general government; public safety; public works; health, welfare, and recreation; industrial development; capital projects; and debt service. Property taxes, local sales taxes, and state shared revenue finance most of these activities.

- Business-type activities – The Town charges a fee to customers to help cover all or most of the cost of certain services it provides. The Town's water and sewer operations are reported here.

Reporting the Town's Most Significant Funds

The fund financial statements begin on page 12 and provide detailed information about the most significant funds (not the Town as a whole). Some funds are required to be established by State law. The Town's two kinds of funds – governmental and proprietary – use different accounting approaches.

- *Governmental Funds* – Most of the Town's basic services are reported in governmental funds, which focuses on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the Town's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Town's programs. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation at the bottom of the fund financial statements.

- *Proprietary Funds* – When the Town charges customers for the services it provides, these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the Town's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 26 - 48.

Other Information – In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the Town's progress in funding its obligations to provide pension benefits to its employees. Required supplementary information can be found starting on page 49 of this report.

The combining statements referred to earlier in connection with non-major governmental funds are presented following the required supplementary information on pensions. Combining and individual statements and schedules can be found on pages 52 - 56 of this report.

THE TOWN AS A WHOLE

For the year ended June 30, 2025, net position changed as follows:

TOWN OF OAKLAND'S NET POSITION

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and other assets	$ 17,262,504	$ 14,105,560	$ 23,797,216	$ 20,147,940	$ 41,059,720	$ 34,253,500
Capital assets	41,541,252	39,806,276	55,639,687	38,624,553	97,180,939	78,430,829
Total Assets	58,803,756	53,911,836	79,436,903	58,772,493	138,240,659	112,684,329
Total deferred outflows of resources	611,289	649,389	175,231	216,464	786,520	865,853
Long term liabilities	4,935,264	5,135,078	25,014,180	9,133,660	29,949,444	14,268,738
Other liabilities	1,226,256	433,036	3,798,197	2,053,770	5,024,453	2,486,806
Total liabilities	6,161,520	5,568,114	28,812,377	11,187,430	34,973,897	16,755,544
Total deferred inflows of resources	3,357,950	2,277,374	37,526	29,909	3,395,476	2,307,283
Net Position						
Net investments in capital assets	37,009,257	34,896,281	30,689,524	29,531,029	67,698,781	64,427,310
Restricted	1,826,902	1,428,614	20,297	-	1,847,199	1,428,614
Unrestricted	11,059,416	10,390,842	20,052,410	18,240,589	31,111,826	28,631,431
Total Net Position	$ 49,895,575	$ 46,715,737	$ 50,762,231	$ 47,771,618	$ 100,657,806	$ 94,487,355

During the current fiscal year, the Town's total net position increased by $4,359,477, compared to the prior year increase of $10,257,204.

Governmental Activities

To aid in the understanding of the Statement of Activities some additional explanation is given. Of particular interest is the format that is significantly different than a typical Statement of Revenues, Expenses, and Changes in Fund Balance. You will notice that expenses are listed in the first column with revenues from that particular program reported to the right. The result is a Net (Expense)/Revenue. The reason for this kind of format is to highlight the relative financial burden of each of the functions on the Town's taxpayers. It also identifies how much each function draws from the general revenues or if it is self-financing through fees and grants.

Business-type Activities

The changes in business-type activities net position are described below:

- The Town's Water Fund had a decrease in net position of ($10,136,564) compared to a decrease in the prior year of ($6,072,204).

- The Town's Sewer Fund had an increase in net position of $13,253,065 compared to an increase in the prior year of $12,226,041.

	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program Revenues:						
Fees, fines and charges for services	$ 3,289,278	$ 2,159,786	$ 5,751,383	$ 4,071,978	$ 9,040,661	$ 6,231,764
Operating grants and contributions	397,131	370,973	-	-	397,131	370,973
Capital grants and contributions	715,619	4,377,525	1,275,000	5,529,065	1,990,619	9,906,590
General Revenues:						
Property taxes	2,325,280	2,300,915	-	-	2,325,280	2,300,915
Sales taxes	5,529,493	5,496,840	-	-	5,529,493	5,496,840
Public service taxes	32,258	-	-	-	32,258	-
Investment earnings	474,719	441,650	899,377	661,628	1,374,096	1,103,278
Insurance recoveries	34,095	-	57,019	-	91,114	-
Gain (loss) on sale of assets	11,791	37,645	(4,369)	-	7,422	37,645
Miscellaneous	21,520	9,336	(636)	-	20,884	9,336
Transfers	35,224	-	(35,224)	-	-	-
Total Revenues	12,866,408	15,194,670	7,942,550	10,262,671	20,808,958	25,457,341
Expenses:						
General government	2,182,656	1,710,339	-	-	2,182,656	1,710,339
Public safety	4,708,896	4,431,963	-	-	4,708,896	4,431,963
Public works	4,235,223	4,312,691	-	-	4,235,223	4,312,691
Health, welfare and recreation	385,903	522,398	-	-	385,903	522,398
Bond issued costs	-	-	-	150,672	-	150,672
Interest on long-term debt	110,754	113,912	-	246,967	110,754	360,879
Water and Sewer	-	-	4,826,049	3,711,195	4,826,049	3,711,195
Transfers out	-	-	-	-	-	-
Total Expenses	11,623,432	11,091,303	4,826,049	4,108,834	16,449,481	15,200,137
Increase (decrease) in net position	1,242,976	4,103,367	3,116,501	6,153,837	4,359,477	10,257,204
Net position-beginning, as originally stated	46,715,737	24,433,202	47,771,618	26,114,746	94,487,355	50,547,948
Error Corrections	1,936,862	18,179,168	(125,888)	15,503,035	1,810,974	33,682,203
Net position-beginning, as restated	48,652,599	42,612,370	47,645,730	41,617,781	96,298,329	84,230,151
Net position-end of year	$ 49,895,575	$ 46,715,737	$ 50,762,231	$ 47,771,618	$ 100,657,806	$ 94,487,355

THE TOWN'S FUNDS

As the Town completed the year, its governmental funds (as presented in the balance sheet on page 12) reported a combined fund balance of $12,044,547, which is a 4.73% increase from last year's total of $11,501,075. The increase from prior year to current year appears reasonable.

The following schedule presents a summary of general and, special revenue funds' revenues and expenditures for the fiscal year ended June 30, 2025, and the amount and percentage of increases and decreases in relation to the prior year.

Revenues	**June 30, 2025**	**Percent of Total**	**Increase (Decrease) from June 30, 2024**
Taxes	$ 5,405,214	44.36%	$ 126,033
Intergovernmental	2,947,110	24.19%	79,495
Licenses and permits	569,458	4.67%	287,592
Charges for services	1,691,339	13.88%	525,885
Fines and forfeitures	1,028,481	8.44%	316,015
Other revenues	543,891	4.46%	102,404
Total Revenues	$ 12,185,493	100.00%	$ 1,437,424

The increase in revenues in the current year from the prior year is due to an increase in charges for services, licenses and permits, and fines and forfeitures in the current year.

Expenditures	June 30, 2025	Percent of Total	Increase (Decrease) from June 30, 2024
General government	$ 2,000,543	17.13%	$ 373,381
Public Safety	4,496,042	38.51%	808,517
Public Works	2,511,516	21.51%	(280,655)
Health, welfare, and recreation	356,945	3.06%	71,140
Capital outlay	1,818,501	15.58%	912,215
Debt Service	491,931	4.21%	12,621
Total Expenditures	$ 11,675,478	100.00%	$ 1,897,219

The increase in expenditures in the current year from the prior year is due to an increase public safety and capital outlay in the current year.

General Fund Budgetary Highlights

The Town had various budget amendments during in the fiscal year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2025 the Town had invested $97,180,939 net of accumulated depreciation in a broad range of capital assets, including police and fire equipment; buildings; parks facilities; water and sewer lines; and equipment. This amount represents a net increase (including additions and deductions) of $18,750,110/, or 23.91% above the prior year. Additional information on capital assets is in Note III.A.

Debt

At year-end, the Town had $29,949,444 in outstanding long-term liabilities compared to $14,268,738 last year. Of the total outstanding debt, 16% belongs to the Governmental funds, 2% belongs to the Water Fund, and 82% to the Sewer Fund. Additional information on debt is in Note III.B.

ECONOMIC FACTORS AND SUBSEQUENT EVENTS

The Town expects higher revenues and operating costs in 2025-2026 as compared to 2024-2025.

CONTACTING THE TOWN'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the Town's finances and to show the Town's accountability for the money it receives. If you have any questions about this report or need additional information, contact the Town Recorder at Town of Oakland, 170 Doss Circle, Oakland, Tennessee 38060.

TOWN OF OAKLAND, TENNESSEE
STATEMENT OF NET POSITION
JUNE 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and cash equivalents	$ 11,471,209	$ 13,447,073	$ 24,918,282
Certificates of deposit	262,756	2,831,734	3,094,490
Receivables:			
Property taxes	3,299,646	-	3,299,646
Accounts receivable	528,804	1,058,623	1,587,427
Grant receivable	661,870	1,275,000	1,936,870
Accrued interest receivable	10,591	-	10,591
Due from other governments	952,237	-	952,237
Inventories	-	52,960	52,960
Internal balances	803	(803)	-
Restricted cash and cash equivalents	-	986,066	986,066
Restricted investments	-	4,126,266	4,126,266
Net pension assets	74,588	20,297	94,885
Capital assets (net of accumulated depreciation):			
Nondepreciable	10,219,036	23,772,471	33,991,507
Depreciable	31,322,216	31,867,216	63,189,432
TOTAL ASSETS	58,803,756	79,436,903	138,240,659
DEFERRED OUTFLOWS OF RESOURCES			
Pensions	611,289	175,231	786,520
LIABILITIES			
Accounts payable	45,155	742,644	787,799
Grants payable	997,416	1,275,000	2,272,416
Retainage payable	65,500	1,087,031	1,152,531
Accrued expenses	49,690	33,642	83,332
Accrued interest	44,214	442,248	486,462
Unearned revenues	24,281	37,382	61,663
Customer deposits	-	180,250	180,250
Debt:			
Compensated absences	403,269	64,017	467,286
Due within one year	384,000	1,009,172	1,393,172
Due in more than one year (net of unamortized premiums)	4,147,995	23,940,991	28,088,986
TOTAL LIABILITIES	6,161,520	28,812,377	34,973,897
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues - property taxes	3,245,371	-	3,245,371
Pensions	112,579	37,526	150,105
	3,357,950	37,526	3,395,476
NET POSITION			
Net investment in capital assets	37,009,257	30,689,524	67,698,781
Restricted for:			
State Street Aid Fund	399,146	-	399,146
Drug Fund	151,989	-	151,989
Solid Waste Fund	887,090	-	887,090
Fire Fund	314,089		314,089
Restricted for net pension asset	74,588	20,297	94,885
Unrestricted	11,059,416	20,052,410	31,111,826
TOTAL NET POSITION	$ 49,895,575	$ 50,762,231	$ 100,657,806

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

		Program Revenues			Net (Expenses) Revenue and Changes in Net Position		
Program Activities	**Expenses**	**Fees, Fines and Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Total**
Governmental activities							
General Government	$ 2,182,656	$ 569,766	$ -	$ -	$ (1,612,890)	$ -	$ (1,612,890)
Public Safety	4,708,896	1,064,481	64,073	-	(3,580,342)	-	(3,580,342)
Public Works	4,235,223	1,630,216	333,058	7,942	(2,264,007)	-	(2,264,007)
Health, Welfare and Recreation	385,903	24,815	-	707,677	346,589	-	346,589
Interest on long-term debt	110,754	-	-	-	(110,754)	-	(110,754)
Total governmental activities	11,623,432	3,289,278	397,131	715,619	(7,221,404)	-	(7,221,404)
Business-type activities							
Water	2,003,765	3,318,430	-	-	-	1,314,665	1,314,665
Sewer	2,822,284	2,432,953	-	1,275,000	-	885,669	885,669
Total business-type activities	4,826,049	5,751,383	-	1,275,000	-	2,200,334	2,200,334
Total Government	$16,449,481	$ 9,040,661	$ 397,131	$ 1,990,619	(7,221,404)	2,200,334	

	Governmental Activities	Business-type Activities	Total
General Revenues:			
Taxes:			
Property	2,325,280	-	2,325,280
Sales	5,529,493	-	5,529,493
Public service taxes	32,258	-	32,258
Investment earnings	474,719	899,377	1,374,096
Insurance recoveries	34,095	57,019	91,114
Gain (loss) on sale of capital assets	11,791	(4,369)	7,422
Miscellaneous	21,520	(636)	20,884
Transfers	35,224	(35,224)	-
Total general revenues and transfers	8,464,380	916,167	9,380,547
Change in net position	1,242,976	3,116,501	4,359,477
Net position at beginning of year, as originally reported	46,715,737	47,771,618	94,487,355
Error Correction	1,936,862	(125,888)	1,810,974
Net position at beginning of year, as restated	48,652,599	47,645,730	96,298,329
Net position at end of year	$ 49,895,575	$ 50,762,231	$ 100,657,806

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2025

	General	Solid Waste	Other Nonmajor Governmental Funds	Total
ASSETS				
Cash and cash equivalents	$ 9,943,948	$ 654,928	$ 872,333	$ 11,471,209
Certificates of deposit	262,756	-	-	262,756
Taxes receivable	3,299,646	-	-	3,299,646
Accounts receivable	296,642	232,162	-	528,804
Grant receivable	661,870	-	-	661,870
Accrued interest receivable	10,591	-	-	10,591
Due from other funds	49,652	-	2,991	52,643
Receivables from other governments	898,407	-	53,830	952,237
Total assets	$ 15,423,512	$ 887,090	$ 929,154	$ 17,239,756
LIABILITIES				
Accounts payable	$ 45,155	$ -	$ -	$ 45,155
Grants payable	997,416	-	-	997,416
Retainage payable	65,500	-	-	65,500
Due to other funds	2,188	-	49,652	51,840
Accrued expenses	49,690	-	-	49,690
Unearned revenues - other	10,000	-	14,281	24,281
Total liabilities	1,169,949	-	63,933	1,233,882
DEFERRED INFLOWS OF RESOURCES				
Deferred grant funds	661,681	-	-	661,681
Unavailable revenues - property taxes	3,299,646	-	-	3,299,646
Total deferred inflows of resources	3,961,327	-	-	3,961,327
FUND BALANCES				
Nonspendable				
Prepaid items	-	-	-	-
Restricted				
State street aid	-	-	399,146	399,146
Drug	-	-	151,989	151,989
Fire	-	-	314,086	314,086
Solid Waste	-	887,090	-	887,090
Assigned				
Park development	2,699,988	-	-	2,699,988
Unassigned				
General fund	7,592,248	-	-	7,592,248
Total fund balances	10,292,236	887,090	865,221	12,044,547
Total liabilities, deferred inflows of resources, and fund balances	$ 15,423,512	$ 887,090	$ 929,154	$ 17,239,756

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO STATEMENT OF NET POSITION
JUNE 30, 2025

Total fund balance - total governmental funds		$ 12,044,547
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds balance sheet.		41,541,252
Net pension asset is not recorded on governmental fund balance sheet but is recorded for government-wide purposes.		74,588
Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pension expense in future years.		498,710
Compensated absences are not due and payable in the current period and, therefore, they are not reported in the governmental funds balance sheet.		(403,269)
Long-term liabilities are not due and payable in the current period and, therefore, they are not reported in the governmental funds balance sheet.		
Due within one year	$ 384,000	
Due in more than one year	4,147,995	
		(4,531,995)
Bond premiums are not reported in the governmental funds but are recorded for government-wide purposes.		-
Accrued interest is not reported in the governmental funds balance sheet but is recorded for government-wide purposes.		(44,214)
Deferred grant revenue is recognized at the fund level but not for government-wide purposes		661,681
Some property tax will not be collected for several months after the City's fiscal year end, they are not considered "available" revenues in the governmental funds.		54,275
Net position of governmental activities		$ 49,895,575

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

	General	Solid Waste	Other Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Taxes	$ 5,405,214	$ -	$ -	$ 5,405,214
Intergovernmental revenues	2,634,495	-	312,615	2,947,110
Licenses and permits	569,458	-	-	569,458
Charges for services	61,123	1,630,216	-	1,691,339
Fines, forfeits, and penalties	863,564	-	164,917	1,028,481
Other revenues	482,733	31,764	29,394	543,891
Total Revenues	10,016,587	1,661,980	506,926	12,185,493
Expenditures				
Current				
General government	2,000,543	-	-	2,000,543
Public safety	4,496,042	-	-	4,496,042
Public works	912,917	1,544,719	53,880	2,511,516
Health, welfare, and recreation	356,945	-	-	356,945
Capital outlay	1,698,754	-	119,747	1,818,501
Debt service	321,618	-	170,313	491,931
Total Expenditures	9,786,819	1,544,719	343,940	11,675,478
Excess (deficiency) of revenues over (under) expenditures	229,768	117,261	162,986	510,015
Other financing sources (uses)				
Sale of capital assets	-	-	11,791	11,791
Total other financing sources (uses)	-	-	11,791	11,791
Net change in fund balances	229,768	117,261	174,777	521,806
FUND BALANCES - beginning of year, as originally stated	10,072,461	769,829	658,785	11,501,075
Error Correction	(9,993)	-	31,659	21,666
FUND BALANCES - beginning of year, as restated	10,062,468	769,829	690,444	11,522,741
FUND BALANCES - end of year	$ 10,292,236	$ 887,090	$ 865,221	$ 12,044,547

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2025

Net change in fund balances - total governmental funds	$	521,806
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the government-wide statement of activities, the cost of those assets is allocated over their useful lives as depreciation expense. This is the amount recorded in the current period.		1,818,501
Depreciation expense on capital assets is reported in the government-wide statement of activities, but does not require the use of current financial resources. Therefore, depreciation expense is not reported as an expenditure in governmental funds.		(2,020,387)
Gain on disposal sale of capital assets		-
Principal paid on debt		378,000
Bond amortization expense reported in the statement of activities do not require the use of current resources and, therefore, are not reported as expenditures in the government funds		-
Effect of GASB 68 on retirement expense		50,941
Deferred grant revenue not reported on governmental fund		661,681
Some expenses reported in the statement of activities do not require the use of current resources and, therefore, are not reported as expenditures in the government funds		(175,009)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		7,443
Change in net position of governmental activitites	$	1,242,976

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025

Revenues	Budgeted Amounts Original	Budgeted Amounts Final	Actual	Variance with Final Budget Positive (Negative)
Taxes				
Property taxes - current	$ 2,208,308	$ 2,208,308	$ 2,178,978	$ (29,330)
Property taxes - delinquent	24,000	24,000	51,964	27,964
Local option sales tax	2,705,000	2,705,000	2,720,489	15,489
Wholesale beer tax	248,600	248,600	265,498	16,898
Wholesale wine/liquor taxes	103,508	103,508	98,824	(4,684)
Cable TV franchise tax	40,000	40,000	32,258	(7,742)
Natural gas tax	50,000	50,000	57,203	7,203
Total taxes	5,379,416	5,379,416	5,405,214	25,798
Intergovernmental				
State of Tennessee				
- TVA Payments in Lieu of Taxes	122,843	122,843	108,562	(14,281)
- State Sales Tax	1,127,648	1,127,648	1,127,616	(32)
- State and Local Option tax - parks	1,166,900	1,166,900	1,199,787	32,887
- State Beer Tax	4,613	4,613	3,761	(852)
- Mixed drink taxes	15,000	15,000	17,589	2,589
- State - City Streets and Transportation	18,351	18,351	16,312	(2,039)
- Telecommunication Sales	14,541	14,541	670	(13,871)
- Corporate Excise Tax	700	700	17,996	17,296
- Sportsbetting tax	350	350	20,060	19,710
- Transportation Modernization	30,000	30,000	4,131	(25,869)
- Police salary supplement	-	-	26,400	26,400
- Fire salary supplement	-	-	14,400	14,400
- TDOT Main Thoroughfare Signal Grant (federa	115,500	115,500	7,942	(107,558)
- TDEC Recreation Grant	833,340	833,340	62,531	(770,809)
Local Grants or Contracts	36,000	36,000	-	(36,000)
Federal grant funds - GHSO grant	800	800	6,738	5,938
Total intergovernmental revenues	3,486,586	3,486,586	2,634,495	(852,091)
Licenses and permits				
Alcoholic Beverage Licenses	-	-	500	500
General and Special Privilege Licenses	9,500	9,500	8,950	(550)
Inspection Fees	185,170	185,170	40,535	(144,635)
Permit Proceesing Fees	-	-	2,543	2,543
Subdivision Dev Inspection Fees	50,000	50,000	-	(50,000)
Subdivision Dev Park Fees	104,000	104,000	-	(104,000)
Business Permits	-	-	150	150
Plumbing Permits	36,000	36,000	55,801	19,801
Excavating Permits	8,991	8,991	10,500	1,509
Fireworks Permits	7,250	7,250	17,000	9,750
Fence Permits	4,000	4,000	3,360	(640)
Mechanical Permits	35,000	35,000	68,973	33,973
Sign Permits	2,200	2,200	500	(1,700)
Solicitation Permits	3,500	3,500	2,000	(1,500)
Zoning Permits	19,000	19,000	51,998	32,998
Building permits	62,300	62,300	306,648	244,348
Total licenses and permits	526,911	526,911	569,458	42,547
Charges for services				
Recreation revenue and fees	30,400	30,400	24,815	(5,585)
Fayette County fire calls	40,000	40,000	36,000	(4,000)
Administrative services	36,000	36,000	-	(36,000)
Duplication charges	25	25	308	283
Total charges for services	106,425	106,425	61,123	(45,302)
Fines, forfeits, and penalties				
City Court Fines & Costs	567,847	567,847	863,564	295,717
Total fines, forfeits, and penalties	567,847	567,847	863,564	295,717

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL (continued)
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues (continued)				
Other revenues				
Insurance recoveries	8,000	8,000	34,095	26,095
Interest income	328,200	328,200	401,830	73,630
Penalties	11,000	11,000	11,731	731
Miscellaneous	12,100	12,100	35,077	22,977
Total other revenues	359,300	359,300	482,733	123,433
Total revenues	10,426,485	10,426,485	10,016,587	(409,898)
Expenditures				
General government				
Legislative				
Salaries	510,596	522,883	494,118	28,765
Payroll taxes	39,061	39,061	38,825	236
Employee health insurance	99,120	99,120	111,210	(12,090)
Retirement	29,291	29,291	36,676	(7,385)
Disability	497	497	422	75
Unemployment	2,549	2,549	1,601	948
Employee education and training	6,500	6,500	1,786	4,714
Board training	3,000	3,000	-	3,000
Board travel/per diem	3,000	6,605	8,857	(2,252)
Election officials	800	800	740	60
Other personnel	1,000	1,000	-	1,000
Contractual Services	80,000	80,000	57,828	22,172
Postage, box rent	6,000	6,000	5,314	686
Printing, duplicating	1,000	1,000	543	457
Publication of legal notices	4,200	4,200	2,397	1,803
Subscriptions and periodicals	2,000	2,000	716	1,284
Memberships, Registration Fees	9,200	10,387	12,177	(1,790)
Public relations	500	500	413	87
Utility services	9,000	9,000	10,136	(1,136)
Telephone	20,000	20,000	20,824	(824)
Professional services	3,650	3,650	3,179	471
Legal services	32,000	32,000	24,753	7,247
Accounting and auditing	64,000	64,000	1,753	62,247
Architecural and engineering	-	10,000	510,104	(500,104)
Website	12,000	12,000	10,955	1,045
Repair and maintenance	7,600	7,600	33,793	(26,193)
Travel	8,500	8,500	8,687	(187)
Meals and entertainment	2,500	2,500	1,410	1,090
Office supplies	14,090	14,090	7,694	6,396
Small items of equipment	10,000	10,000	3,468	6,532
Operating supplies	2,500	2,500	312	2,188
Uniforms and clothing	1,200	1,200	1,453	(253)
Gas, oil, diesel fuel	3,200	3,200	3,303	(103)
Insurance	10,847	10,847	8,622	2,225
Surety bonds	2,200	2,200	2,625	(425)
Machinery and equipment	3,000	3,000	-	3,000
Bank service charges	-	-	4,200	(4,200)
Computer software	20,000	25,921	17,922	7,999
Miscellaneous	3,000	3,000	2,077	923
Capital outlay	949,433	949,433	33,871	915,562
Total legislative	1,977,034	2,010,034	1,484,764	525,270
General government buildings				
Employee training	-	-	-	-
Contractual services	-	-	6,450	(6,450)
Repairs and maintenance	-	-	5,304	(5,304)
Household and Janitorial Supplies	-	-	-	-
Capital Outlay	-	-	-	-
Total general government buildings	-	-	11,754	(11,754)

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL (continued)
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Expenditures (continued)				
General government (continued)				
Buildings and codes				
Salaries	146,495	180,119	161,793	18,326
Payroll taxes	11,207	11,207	11,643	(436)
Hospital and Health insurance	40,355	40,355	40,505	(150)
Retirement	8,820	8,820	9,836	(1,016)
Disability	187	187	218	(31)
Unemployment Insurance	175	175	245	(70)
Employee Education	3,000	3,000	958	2,042
Contractual Services	9,500	19,500	12,851	6,649
Postage, Box Rental, Etc.	600	600	700	(100)
Publication of Legal Notices	1,500	1,500	2,286	(786)
Memberships, registration	1,000	1,000	420	580
Utility Services	2,000	2,000	1,441	559
Telephone	10,000	10,000	4,971	5,029
Professional services	2,000	2,000	2,106	(106)
Legal Services	2,400	2,400	2,957	(557)
Repair and maintenance	2,000	11,093	1,007	10,086
Travel	2,000	2,000	1,516	484
Meals and entertainment	-	-	44	(44)
Office Supplies and Materials	2,150	2,150	2,106	44
Small items of equipment	600	600	400	200
Uniforms and clothing	1,500	1,500	634	866
Operating Supplies	15,300	22,583	16,732	5,851
Gas, oil, and diesel	7,500	7,500	4,227	3,273
Surety Bonds for Officials	600	600	700	(100)
Workers compensation	2,880	2,880	2,460	420
Insurance	5,257	5,257	6,416	(1,159)
Service contracts	10,150	10,150	5,250	4,900
Total buildings and codes	289,176	349,176	294,422	54,754
Planning				
Salaries	106,360	106,360	110,034	(3,674)
Payroll taxes	8,137	8,137	8,144	(7)
Hospital and Health insurance	17,296	17,296	17,522	(226)
Retirement	6,453	6,453	6,653	(200)
Disability	112	112	118	(6)
Unemployment Insurance	105	105	105	-
Employee training	1,200	1,200	259	941
Contractual services	2,000	2,000	3,790	(1,790)
Postage	650	650	-	650
Publicity, subscriptions	750	750	806	(56)
Publication of legal notices	3,600	3,600	1,856	1,744
Memberships, registration	2,400	2,400	520	1,880
Utility service	900	900	1,398	(498)
Telephone	1,000	1,000	3,338	(2,338)
Legal services	15,000	15,000	5,969	9,031
Architectural and engineering	185,000	185,000	62,794	122,206
Repair and maintenance	200	200	532	(332)
Travel	1,500	1,500	-	1,500
Ambulance	100	100	-	100
Office supplies	1,700	1,700	1,290	410
Small items of equipment	1,000	1,000	157	843
Operating supplies	800	800	242	558
Uniforms and clothing	500	500	-	500
Gas, oil, diesel	3,600	3,600	1,106	2,494
Insurance	2,679	2,679	6,212	(3,533)
Surety bonds	350	350	350	-
Workers compensation	1,440	1,440	29	1,411
Service contracts	10,150	10,150	10,250	(100)
Capital outlay	35,000	35,000	-	35,000
Total planning	409,982	409,982	243,474	166,508
Total general government	2,676,192	2,769,192	2,034,414	734,778

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL (continued)
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Expenditures (continued)				
Public safety				
Police department				
Police - Salaries	1,537,063	1,537,063	1,580,145	(43,082)
Taxes	117,585	117,585	113,020	4,565
Hospital and Health Insurance	309,435	309,435	340,411	(30,976)
Retirement	92,027	92,027	94,079	(2,052)
Disability	1,693	1,693	1,978	(285)
Unemployment Insurance	1,750	1,750	1,944	(194)
Education/Training	12,000	12,000	3,456	8,544
City Court Contractual Services	34,930	34,930	33,750	1,180
City Court State Fees and Charges	36,000	36,000	39,198	(3,198)
Contractual Services	85,550	111,267	89,060	22,207
Communication and Transportation	2,500	2,500	2,067	433
Postage, Box Rent, Etc	1,200	1,200	1,498	(298)
Printing, Duplicating, Typing	600	600	-	600
Publicity, Subscriptions	1,200	1,200	300	900
Publication of Legal Notices	600	600	-	600
Memberships, Registration Fees	3,600	3,600	1,120	2,480
Public Relations	600	600	-	600
Utility Services	7,500	7,500	6,567	933
Telephone and Other Communications	20,300	20,300	23,076	(2,776)
Legal Services	14,000	14,000	352	13,648
Repair and Maintenance	63,100	85,630	60,295	25,335
Travel	-	-	374	(374)
Towing/Motor Pool	1,000	10,226	7,240	2,986
Ambulance, Clinic, and Hospital	3,600	3,600	2,422	1,178
Office Supplies	6,000	6,000	3,941	2,059
Small Items of Equipment	97,500	106,455	47,404	59,051
Operating Supplies	6,000	6,000	5,609	391
Household and Janitorial Supplies	1,200	1,200	908	292
Uniforms and Clothing	20,000	20,000	415	19,585
Fire Arm Supplies	5,000	5,000	-	5,000
Other Operating Supplies	1,000	1,000	-	1,000
Gas, Oil, Diesel Fuel, Grease	100,800	100,800	96,397	4,403
Tires, Tubes, Etc	8,000	8,000	7,763	237
Safety Supplies	300	300	-	300
General Liability Insurance	38,207	51,822	129,430	(77,608)
Surety Bonds	1,000	1,000	753	247
Workers Compensation Insurance	59,754	59,754	43,177	16,577
Other Liability Insurance	77,608	77,608	-	77,608
Building Insurance	2,135	2,135	2,360	(225)
Miscellaneous/Sundry	614	614	253	361
Capital Outlay - Machinery and Equipment	96,000	96,000	16,079	79,921
Capital Outlay - Transportation Equipment	-	-	109,284	(109,284)
Total police department	2,868,951	2,948,994	2,866,125	82,869
Fire department				
Fire - Salaries	1,350,899	1,350,899	1,165,593	185,306
Taxes	107,396	107,396	85,479	21,917
Hospital and Health Insurance	218,893	218,893	219,958	(1,065)
Retirement	81,129	81,129	69,632	11,497
Disability	1,383	1,383	1,368	15
Unemployment Insurance	1,330	1,330	1,846	(516)
Education/Training	6,500	6,500	5,329	1,171
Volunteer firemen	4,500	4,500	480	4,020
Contractual Services	11,000	11,000	27,733	(16,733)
Postage, Box Rent	-	-	55	(55)
Publicity, Subscriptions, and Dues	3,000	3,000	2,562	438
Publication of Legal Notieces	500	500	-	500
Membership, Registration Fees	6,000	6,000	3,871	2,129
Utility Services	8,000	8,000	6,971	1,029
Telephone and Other Communications	12,000	12,000	14,479	(2,479)
Warning Sirens - Other Utility Services	300	300	2,177	(1,877)
Legal Services	1,000	1,000	-	1,000
Repair and Maintenance	31,500	31,500	27,785	3,715
Travel	4,000	4,000	5,392	(1,392)
Other Contractual Services	1,000	1,000	-	1,000
Ambulance, Clinic, and Hospital	1,800	1,800	1,696	104
Office Supplies and Materials	1,000	1,000	844	156
Small Items of Equipment	19,000	19,000	26,781	(7,781)
Operating Supplies	1,000	1,000	705	295
Chemical, Laboratory, and Medical	5,200	5,200	5,246	(46)
Household and Janitorial Supplies	2,500	2,500	2,315	185
Uniform and Clothing	23,000	23,000	17,427	5,573
Gas, Oil, Diesel Fuel, Grease	15,000	15,000	12,029	2,971
Consumable Tools	500	500	-	500
Safety Supplies	600	600	-	600
General Liability Insurance	17,265	17,265	23,490	(6,225)
Workers Compensation Insurance	29,197	29,197	21,894	7,303
Building Insurance	2,068	2,068	2,122	(54)
Miscellaneous/Sundry	-	-	21	(21)
Capital Outlay	15,000	15,000	24,872	(9,872)
Total fire department	1,983,460	1,983,460	1,780,152	203,308
Total public safety	4,852,411	4,932,454	4,646,277	286,177

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL (continued)
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Expenditures (continued)				
Public works				
Streets and highways				
Salaries	259,829	259,829	226,609	33,220
Taxes	21,555	21,555	17,145	4,410
Hospital and Health Insurance	65,347	65,347	66,880	(1,533)
Retirement	16,429	16,429	13,736	2,693
Disability	449	449	355	94
Unemployment Insurance	420	420	420	-
Employee Education and Training	600	600	-	600
Contractual Services	3,000	3,000	7,800	(4,800)
Publicity, Subscriptions, and Dues	300	300	-	300
Publication of Legal Notices	500	500	915	(415)
Memberships, Registrations	250	250	-	250
Public Relations	500	500	-	500
Utility Services	3,000	3,000	2,894	106
Telephone and Other Communications	15,000	15,000	14,771	229
Legal Services	1,000	1,000	822	178
Architectuaral and Engineering	45,000	45,000	30,965	14,035
Other Professional Services	2,000	2,000	-	2,000
Repair and Maintenance	121,100	121,100	444,619	(323,519)
Travel	500	500	-	500
Ambulance, Clinc, and Hospital	600	600	90	510
Landfill Services	5,500	5,500	7,667	(2,167)
Office Supplies and Materials	200	200	18	182
Small Items of Equipment	4,000	4,000	2,448	1,552
Operating Supplies	5,000	5,000	1,768	3,232
Agriculture and Hort Supplies	1,200	1,200	419	781
Chemical, Laboratory	1,500	1,500	-	1,500
Household and Janitorial Supplies	200	200	-	200
Uniforms and Clothing	5,000	5,000	4,520	480
Gas, Oil and Diesel Fuel	20,000	20,000	13,707	6,293
Tires, Tubes, and Etc	4,000	4,000	2,463	1,537
Sign Parts and Supplies	3,000	3,000	1,654	1,346
Safety Supplies	1,200	1,200	-	1,200
Building Materials	1,500	1,500	-	1,500
Concrete and Clay Products	1,500	1,500	280	1,220
Crushed Stone	1,500	1,500	1,800	(300)
Asphalt and Asphalt Filler	142,000	142,000	19,210	122,790
General Liability Insurance	8,509	8,509	11,452	(2,943)
Surety Bonds	200	200	-	200
Workers Compensation	41,785	41,785	13,786	27,999
Building Insurance	1,084	1,084	1,114	(30)
State Fees and Charges	500	500	2,590	(2,090)
Miscellaneous/Sundry	700	700	-	700
Principal TMBL Paving	160,000	160,000	-	160,000
Interest TMBL Paving	7,444	7,444	-	7,444
Capital Outlay	389,294	675,000	22,785	652,215
Total streets and highways	1,364,195	1,649,901	935,702	714,199
Total public works	1,364,195	1,649,901	935,702	714,199

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL (continued)
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Expenditures (continued)				
Health, welfare, and recreation				
Parks and recreation				
Salaries	148,227	152,426	155,987	(3,561)
Taxes	11,339	11,339	11,337	2
Hospital and Health Insurance	42,114	42,114	42,819	(705)
Retirement	8,965	8,965	9,380	(415)
Disability	224	224	237	(13)
Unemployment Insurance	210	210	210	-
Employee Education and Training	600	600	475	125
Contractual Services	10,000	10,000	18,366	(8,366)
Publicity, Subscriptions	1,500	1,500	1,329	171
Publication of Legal Notices	1,600	1,600	1,230	370
Memberships, Registration	200	200	-	200
Public Relations	34,000	34,000	30,075	3,925
Senior Activities	4,000	9,127	9,056	71
Utility Services	8,500	8,500	9,447	(947)
Telephone and Other Communications	3,200	3,200	4,155	(955)
Legal Services	1,000	1,000	2,578	(1,578)
Architectural and Engineering	5,000	5,000	3,231	1,769
Repair and Maintenance	12,900	21,868	15,481	6,387
Employee Travel and Per Diem	1,200	1,200	638	562
Ambulance, Clinic, and Hospital	100	100	-	100
Office Supplies and Materials	1,000	1,000	255	745
Small Items of Equipment	1,200	1,200	541	659
Athletic Uniforms	20,000	20,000	7,767	12,233
Operating Supplies	2,000	2,000	1,939	61
Agriculture and Horticulture	500	500	-	500
Household and Janitorial	1,000	1,000	989	11
Recreation Supplies	4,000	4,000	2,997	1,003
Uniform and Clothing	600	600	635	(35)
Gas, Oil, and Diesel	2,000	2,000	3,757	(1,757)
Sign Parts and Supplies	1,200	1,200	-	1,200
Building Materials	500	500	-	500
General Liability Insurance	12,625	12,625	11,086	1,539
Surety Bonds	400	400	385	15
Workers Compensation Insurance	3,111	3,111	3,641	(530)
Building Insurance	2,078	2,078	2,273	(195)
Machinery and Equipment	-	-	105	(105)
State Fees and Charges	500	500	-	500
Miscellaneous	100	100	-	100
Legal Services Park Project	1,000	1,000	-	1,000
Architectural and Engineering	-	-	4,544	(4,544)
Capital Park Project Bond First Horizon	215,000	215,000	215,000	-
Interest on Capital Park	115,319	115,319	106,618	8,701
Capital Outlay	1,666,680	1,666,680	1,491,863	174,817
Total parks and recreation	2,345,692	2,363,986	2,170,426	193,560
Total health, welfare, and recreation	2,345,692	2,363,986	2,170,426	193,560
Total expenditures	11,238,490	11,715,533	9,786,819	1,928,714
Excess (deficiency) of revenues over (under) expenditures	(812,005)	(1,289,048)	229,768	1,518,816
Other financing sources (uses)				
Transfers in (out)	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Capital Outlay Note	361,005	361,005	-	(361,005)
Total other financing sources (uses)	361,005	361,005	-	(361,005)
Net change in fund balance	(451,000)	(928,043)	229,768	1,157,811
Fund balance, beginning of year, as originally stated	10,072,461	10,072,461	10,072,461	-
Error Correction			(9,993)	
Fund balance, beginning of year, as restated			10,062,468	
Fund balance, end of year			$ 10,292,236	

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
SOLID WASTE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
Charges for services:				
Disposal charges	$ 1,575,500	$ 1,575,500	$ 1,606,466	$ 30,966
Forfeited discounts and penalties	13,500	13,500	23,750	10,250
Other revenues:				
Interest Income	20,000	20,000	31,764	11,764
Total revenues	1,609,000	1,609,000	1,661,980	52,980
Expenditures:				
Public works:				
Contractual services	1,561,000	1,561,000	1,544,476	16,524
Postage	19,300	19,300	243	19,057
Public relations	1,500	1,500	-	1,500
Legal services	1,500	1,500	-	1,500
Accoutning and audit services	600	600	-	600
Office supplies and materials	250	250	-	250
Capital outlay	-	-	-	-
Total expenditures	1,584,150	1,584,150	1,544,719	39,431
Excess (deficiency) of revenues over (under) expenditures	24,850	24,850	117,261	92,411
Other financing sources (uses)				
Note proceeds	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balance	24,850	24,850	117,261	92,411
Fund Balance, beginning of year	769,829	769,829	769,829	-
Fund Balance, end of the year	$ 794,679	$ 794,679	$ 887,090	$ 92,411

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2025

	Water	Sewer	Total
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	$ 7,491,824	$ 5,955,249	$ 13,447,073
Certificates of deposit	-	2,831,734	2,831,734
Accounts receivable, net of allowance	388,448	670,175	1,058,623
Grant receivable	-	1,275,000	1,275,000
Inventory	39,454	13,506	52,960
TOTAL CURRENT ASSETS	7,919,726	10,745,664	18,665,390
RESTRICTED ASSETS			
Cash and cash equivalents	-	986,066	986,066
Investments	-	4,126,266	4,126,266
TOTAL RESTRICTED ASSETS	-	5,112,332	5,112,332
NONCURRENT ASSETS			
Net pension assets	12,990	7,307	20,297
Capital assets, net	13,411,306	42,228,381	55,639,687
	13,424,296	42,235,688	55,659,984
TOTAL ASSETS	21,344,022	58,093,684	79,437,706
DEFERRED OUTFLOWS OF RESOURCES			
Pensions	109,527	65,704	175,231
LIABILITIES			
CURRENT LIABILITIES			
Accounts payable	1,278	741,366	742,644
Grants payable	-	1,275,000	1,275,000
Retainage payable	-	1,087,031	1,087,031
Accrued expenses	24,930	8,712	33,642
Accrued interest	-	442,248	442,248
Unearned revenue	37,382	-	37,382
Customer deposits	180,250	-	180,250
Due to other funds	-	803	803
Current portion of long-term debt	36,720	972,452	1,009,172
TOTAL CURRENT LIABILITIES	280,560	4,527,612	4,808,172
NONCURRENT LIABILITIES			
Compensated absences	42,121	21,896	64,017
Notes payable (net of unamortized premium)	435,520	23,505,471	23,940,991
TOTAL NONCURRENT LIABILITIES	477,641	23,527,367	24,005,008
TOTAL LIABILITIES	758,201	28,054,979	28,813,180
DEFERRED INFLOWS OF RESOURCES			
Pensions	24,017	13,509	37,526
NET POSITION			
Net investment in capital assets	12,939,066	17,750,458	30,689,524
Restricted for other purposes	12,990	7,307	20,297
Unrestricted	7,719,275	12,333,135	20,052,410
TOTAL NET POSITIONS	$ 20,671,331	$ 30,090,900	$ 50,762,231

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

	Water	Sewer	Total
OPERATING REVENUES			
Water sales	$ 2,670,424	$ -	$ 2,670,424
Sewer sales	-	1,742,932	1,742,932
Charges for services	598,275	661,425	1,259,700
Penalties	47,229	27,471	74,700
Other income	2,502	1,125	3,627
TOTAL OPERATING REVENUES	3,318,430	2,432,953	5,751,383
OPERATING EXPENSES			
Personnel services	756,693	547,853	1,304,546
Contractual services	370,119	421,631	791,750
Supplies	215,736	144,134	359,870
Insurance	43,096	42,980	86,076
Depreciation	612,613	826,680	1,439,293
TOTAL OPERATING EXPENSES	1,998,257	1,983,278	3,981,535
OPERATING INCOME	1,320,173	449,675	1,769,848
NONOPERATING REVENUES (EXPENSES)			
Interest income	274,701	624,676	899,377
Insurance recoveries	57,019	-	57,019
Gain (loss) on disposal of asset	(4,369)	-	(4,369)
Debt fees	-	(636)	(636)
Interest expense	(5,508)	(839,006)	(844,514)
NET NONOPERATING EXPENSES	321,843	(214,966)	106,877
NET INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	1,642,016	234,709	1,876,725
Capital contributions	-	1,275,000	1,275,000
Transfers in - residual equity transfer	-	11,743,356	11,743,356
Transfers out - residual equity transfer	(11,778,580)	-	(11,778,580)
TOTAL CONTRIBUTIONS AND TRANSFERS	(11,778,580)	13,018,356	1,239,776
CHANGE IN NET POSITION	(10,136,564)	13,253,065	3,116,501
NET POSITION - BEGINNING OF YEAR, as originally report	35,545,577	12,226,041	47,771,618
ERROR CORRECTIONS	(4,737,682)	4,611,794	(125,888)
NET POSITION - BEGINNING OF YEAR, as restated	30,807,895	16,837,835	47,645,730
NET POSITION- END OF YEAR	$ 20,671,331	$ 30,090,900	$ 50,762,231

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED JUNE 30, 2025

	Water	Sewer	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash receipts from customers	$ 3,360,967	$ 1,987,464	$ 5,348,431
Cash receipts from other funds for services	-	-	-
Cash payments to suppliers for goods and services	(652,805)	(1,256,241)	(1,909,046)
Cash payments to other funds for services	20,547	10,166	30,713
Cash payments for personnel services	(751,924)	(540,293)	(1,292,217)
CASH PROVIDED BY OPERATING ACTIVITIES	1,976,785	201,096	2,177,881
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Cash equity transfer to sewer fund from water fund	(4,777,457)	4,777,457	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Net acquisition of fixed assets	(216,860)	(16,192,263)	(16,409,123)
Insurance recoveries	57,019	-	57,019
Note proceeds	-	16,788,671	16,788,671
Principal payments on long-term debt	(36,312)	(895,720)	(932,032)
Interest paid on long-term debt	(5,508)	(607,731)	(613,239)
NET CASH PROVIDED BY (USED FOR) CAPITAL AND RELATED FINANCING ACTIVITIES	(201,661)	(907,043)	(1,108,704)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest earned	274,701	695,493	970,194
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,727,632)	4,767,003	2,039,371
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	10,219,456	2,174,312	12,393,768
CASH AND CASH EQUIVALENTS - END OF YEAR	$ 7,491,824	$ 6,941,315	$ 14,433,139
RECONCILIATION OF INCOME FROM OPERATIONS TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income	$ 1,320,173	$ 449,675	$ 1,769,848
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:			
Depreciation	612,613	826,680	1,439,293
GASB 68 adjustments related to pension	(10,014)	(1,538)	(11,552)
Changes in Assets and Liabilities:			
(Increase) decrease in accounts receivable	30,504	(445,489)	(414,985)
(Increase) decrease in due from other funds	20,547	9,363	29,910
(Increase) decrease in inventory	5,882	(7,035)	(1,153)
(Increase) decrease in prepaids	-	-	-
Increase (decrease) in accounts payable	(11,541)	(639,476)	(651,017)
Increase (decrease) in unearned revenue	21,133	-	21,133
Increase (decrease) in accrued liabilities	(18,195)	(985)	(19,180)
Increase (decrease) in due to other funds	-	803	803
Increase (decrease) in compensated absences	14,783	9,098	23,881
Increase (decrease) in customer deposits	(9,100)	-	(9,100)
NET CASH PROVIDED BY OPERATING ACTIVITIES	$ 1,976,785	$ 201,096	$ 2,177,881
NONCASH TRANSACTIONS			
Net acquisition of capital assets per Statement of Revenues, Expenses, and Changes in Net Position	$ (216,860)	$ (18,554,294)	$ (18,771,154)
Add: Current year grants receivable	-	1,275,000	1,275,000
Add: Current year retainage receivable	-	1,087,031	1,087,031
Net acquisition of capital assets per Statement of Cash Flows	$ (216,860)	$ (16,192,263)	$ (16,409,123)

The accompanying notes are an integral part of these financial statements.

NOTE I. - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town complies with generally accepted accounting principles (GAAP). GAAP includes all relevant Governmental Accounting Standards Board (GASB) pronouncements. The accounting and reporting framework and the more significant accounting policies are discussed in subsequent subsections of this Note.

A. REPORTING ENTITY

The Town is a Tennessee municipal corporation with a six-member Town council comprised of the Mayor and five aldermen.

In determining the financial reporting entity, the Town complies with the provisions as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards.*

Blended Component Units

Blended component units are separate legal entities that meet the component unit criteria described in the codification as listed above and whose governing body is the same or substantially the same as the Town Council or the component unit provides services entirely to the Town. These component units' funds are blended into those of the Town's by appropriate activity type to compose the primary government presentation. Currently, the Town has no blended component units.

Discretely Presented Component Units

Discretely presented component units are separate legal entities that meet the component unit criteria described above but do not meet the criteria for blending. Currently, the Town has no discretely presented component units.

B. BASIS OF PRESENTATION

Government-wide Financial Statements:

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. The statements distinguish between governmental and business-type activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments for in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided and other charges between the government's utility functions and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements:

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be separate accounting entities. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, liabilities, fund equity, revenues, and expenditure/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the City or meets the following criteria:

a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and

b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental fund or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

Governmental Funds

General Fund

The General Fund is the primary operating fund of the Town and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for certain purposes.

Proprietary Fund

Enterprise Funds

Enterprise funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector.

Major and Nonmajor Funds

The funds are further classified as major or nonmajor as follows:

Fund	**Brief Description**
Major:	
General	See above for description.
Special Revenue Fund:	
Solid Waste Fund	Accounts for the solid waste revenue and expenditures related to disposal services.
Proprietary Funds:	
Water Fund	Accounts for the activities associated with the water distribution system.
Sewer Fund	Accounts for the activities associated with the sewage facilities.
Nonmajor:	
Special Revenue Funds:	
State Street Aid	Accounts for the state gas tax revenue and the expenditures legally restricted to street maintenance.
Police Drug Fund	Accounts for revenues and expenditures on drug fines and enforcement costs.
Fire Fund	Accounts for revenues of fire fees and expenditures for construction of a new fire hall.

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources.* The basis of accounting indicates timing transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using *economic resources measurement focus* and the *accrual basis of accounting.* Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting.* Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital lease are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual, and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met; including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of yearend). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of yearend). All other revenue items are considered to be measurable and available only when the cash is received by the government.

The proprietary funds are reported using the *economic resources measurement focus* and the *accrual basis of accounting.*

The City does not allocate indirect costs.

D. BUDGETARY INFORMATION

Annual budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America for all governmental funds.

The Town adopts its budget in accordance with the State's legal requirement which is the level of classification detail at which expenditures may not legally exceed appropriations.

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

a. Prior to May 15, the Town Manager submits to the Board of Aldermen a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.

b. The proposed budget is published in the local newspaper with invitations for the public to attend the budget hearings.

c. Prior to July 1, the budget is legally adopted by the Town Manager and Board of Aldermen through adoption of the appropriation ordinance upon two readings.

d. The Town Manager is responsible for controlling expenditures of the various agencies of the Town government within the appropriated amounts. No expenditures shall be made in excess of the appropriations.

Budgeted amounts of the revenues and expenditures presented for the General and Special Revenue Funds are shown as originally adopted and after final amendments by the Board of Commissioners. Budget appropriations lapse at year end. A comparison of the budget with statements of actual revenues and expenditures, including budget variances, of all the funds are presented as fund financial statements.

E. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, AND NET POSTION/FUND BALANCE

Cash and Cash Equivalents

The Town has defined cash and cash equivalents to include cash on hand, demand deposits, and cash with fiscal agent. The Town considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased, to be cash equivalents. Certain cash and cash equivalents of the Town are classified as restricted assets on the Statement of Net Position because they are maintained in separate accounts and/or their use is limited by Town ordinance, certain agreements, and/or contracts with third parties.

Investments

Investments of the governmental type consist of certificates of deposit and are stated at cost, which approximates fair value. Certain investments of the Town are classified as restricted assets on the Statement of Net Position because they are maintained in separate accounts and/or their use is limited by Town ordinance, certain agreements, and/or contracts with third parties. Restricted balances include contractor deposits.

Receivables

In the government-wide statements, receivables consist of all revenues earned at year-end and not yet received. Allowances for uncollectible accounts receivable are based upon historical trends and the periodic aging of accounts receivable. Major receivable balances for the governmental activities include property taxes, sales taxes, and grants. Business-type activities report utilities as their major receivables. Utility receivables are shown net of any allowance for uncollectible accounts. The allowance amounts are as follows: Water - $103,464; and Sewer - $20,561.

Interfund Receivables and Payables

During the course of operations, numerous transactions occur between individual funds that may result in amounts owed between funds. Those related to goods and services type transactions are classified as "due to and from other funds." Short-term interfund loans are reported as "interfund receivables and payables." Long-term interfund loans (noncurrent portion) are reported as "advances from and to other funds." Interfund receivables and payables between funds within governmental activities are eliminated in the Statement of Net Position. See Note IV.B. for details of interfund transactions, including receivables and payables at year-end.

Inventories and Prepaid Expenses

Inventories consist primarily of supplies, valued at cost, which approximates market. Cost is determined using an average-cost method. All Town inventories are maintained on a consumption basis of accounting where items are purchased for inventory and charged to the budgetary accounts as the items are consumed. Prepaid expenses are also maintained on the consumptive basis of accounting.

Restricted Cash

Restricted cash on the enterprise fund consists of demand deposit accounts in local banks for retainage payable and loan proceeds for the wastewater treatment plan expansion. The restricted cash on the general fund consists of demand deposit accounts for parks.

Capital Assets

Capital assets, including property; plant; equipment; and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial cost of more than $5,000 or more and an estimated useful life in excess of three years for property, plant, and equipment. All land, construction in progress, and works of art will be included. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset's life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets of the Town are depreciated using the straight-line basis over the following estimated useful lives:

	Years
Buildings	20-50
Equipment	5-15
Improvements other than buildings	5-40

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Capital assets used in proprietary fund operations are accounted for the same as in the government-wide statements.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Town has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the proprietary Statement of Net Position. These items are for pension changes in experience, changes in pension proportionate share of contributions, as well as employer contributions made to the pension plan after the measurement date.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Town has items that qualify for reporting in this category. Accordingly, the items, are reported in the government-wide Statement of Net Position and the proprietary Statement of Net Position. These items are from the following sources: current and delinquent property taxes, pension changes in experience, and changes in pension investment earnings. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Compensated absences

Employees earn five or more days of vacation each year depending on length of service. Vacation leave is to be taken following the period in which it is earned and up to 360 hours (540 hours for fire department employees) vacation may be carried forward into the next year. Employees also earn one day of sick leave per every month of employment. Sick leave is to be taken the following month in which it is earned and up to 720 hours sick leave may be carried forward into the next year. All annual vacation leave is accrued when incurred in the government-wide and proprietary financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee termination or retirement.

Long-term Debt

The accounting treatment of long-term debt depends on whether the assets are used in governmental fund operations or proprietary fund operations and whether they are reported in the government-wide or fund financial statements.

All long-term debt to be repaid from governmental and business-type resources are reported as liabilities in the government-wide statements. The long-term debt consists primarily of notes payable and accrued compensated absences.

Long-term debt for governmental funds is not reported as liabilities in the fund financial statements. The debt proceeds are reported as other financing sources and payment of principal and interest are reported as expenditures. The accounting for proprietary funds is the same in the fund statements as it is in the government-wide statements.

Net Position Flow Assumption

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which resources are considered applied. It is the government's policy to considered restricted – net position to have been depleted before unrestricted – net position is applied.

Net position is displayed in three components:

a. Net investment in capital assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets.

b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

c. Unrestricted net position – All other net position that do not meet the definition of "restricted" or "net investment in capital assets."

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. The Board of Aldermen is the government's highest level of decision-making authority for the government that can, be adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The governing board has by resolution authorized the finance director to assign fund balance. The council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Nonspendable fund balance is associated with inventories, prepaids, long-term loans and notes receivable, and property held for resale (unless the proceeds are restricted, committed or assigned).

Restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed amounts are constrained to be used for specific purposes by formal action by ordinance adopted by the Town's highest level of decision-making authority, the Mayor and Board of Aldermen. Amounts classified as committed are not subject to legal enforceability like restricted resources; however, they cannot be used for any other purpose unless the Board review or changes the commitment by taking the same action it employed to impose commitment.

The Board of Mayor and Aldermen also established a fire protection fee, the unspent portion of which is shown as committed fund balance for the General Fund.

Assigned amounts are intended to be used by the Town for specific purposes; but are neither restricted nor committed. The intent shall be expressed by the Board of Mayor and Aldermen or a designee, such as the Mayor or a committee, authorized by the Board of Mayor and Aldermen. The nature of the actions necessary to remove or modify an assignment is not as rigid as required under a committed fund balance classification.

The Board of Mayor and Aldermen established a parks and recreation sales tax percentage, the unspent portion of which is shown as assigned fund balance for the General Fund.

Unassigned amounts are available for any purpose in the General Fund.

When expenditures are incurred for purposes, for which both restricted and unrestricted (assigned or unassigned) amounts are available, it shall be the policy of the Town to use the restricted amounts first as permitted under the law. When the expenditure is incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it shall be the policy of the Town to use the assigned amounts first, followed by the unassigned amounts.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Town's participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from the Town's net position have been determined on the same basis as they are reported by the TCRS for the Public Employee Retirement Plan. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Public Employee Retirement Plan of TCRS. Investments are reported at fair value.

F. USE OF ESTIMATES

The presentation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

G. REVENUES, EXPENDITURES AND EXPENSES

Program Revenues

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than as program revenues.

Sales Tax

The Town presently levies a nine and one-quarter percent sales tax on taxable sales within the Town. The sales tax is collected by the Tennessee Department of Revenue remitted to the Town in the month following receipt by the Department of Revenue. The Department of Revenue receives the sales tax approximately one month after collection by vendors. The sales tax is recorded in the General Fund. Sales tax remitted to the Town in July and August has been accrued and is included under the caption "Due from other governments."

Property Tax

Property taxes are levied annually on the first of January. The taxes are due and payable from the following October through February in the year succeeding the tax levy. An unperfected lien attaches by statute to property on March 1 for unpaid taxes from the prior year's levy. Taxes uncollected for one year past the due date are submitted to the Chancery Court for collection. Tax liens become perfected at the time the court enters judgment. In the fund financial statements, property taxes are recorded as revenue in the period levied to the extent they are collected within 60 days of year-end.

Operating Revenues and Expenses

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. It also includes all revenue and expenses not related to capital and related financing, noncapital financing, or investing activities. All revenues that are not generated from the daily operations are defined as non-operating.

Expenditures/ Expenses

In the government-wide financial statements, expenses are classified by function for both governmental and business-type activities.

In the fund financial statements, expenditures are classified as follows:

Governmental funds – by Character:	Current (further classified by function) Debt Service Capital Outlay
Proprietary Fund – By Operating and Nonoperating	

In the fund financial statements, governmental funds report expenditures of financial resources. Proprietary funds report expenses relating to use of economic resources.

Interfund Transfers

Permanent reallocations of resources between funds of the reporting entity are classified as interfund transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

NOTE II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABLITY

By its nature as a local government unit, the Town and its component units are subject to various federal, state, and local laws and contractual regulations. An analysis of the Town's compliance with significant laws and regulations and demonstration of its stewardship over Town resources follows.

A. FUND ACCOUNTING REQUIREMENTS

Fund	**Required By**
Police Drug Fund	State Law

B. DEPOSITS AND INVESTMENTS LAWS AND REGULATIONS

In accordance with state law, all uninsured deposits of municipal funds in financial institutions must be secured with acceptable collateral valued at the lower of market or par. Acceptable collateral includes certain U.S. Government or Government Agency securities, certain State of Tennessee or political subdivision debt obligations, or surety bonds. As required by 12 U.S.C.A., Section 1823(e), all financial institutions pledging collateral to the Town must have a written collateral agreement approved by the board of directors or loan committee.

C. REVENUE RESTRICTIONS

The Town has various restrictions placed over certain revenue sources from state or local requirements. The primary restricted revenue sources include:

Revenue Source	Legal Restrictions of Use
Gasoline Excise Tax	Street purposes
Grants	Grant program expenditures

D. FUND EQUITY RESTRICTIONS

Deficit Prohibition

Tennessee Statutes prohibits the creation of a deficit fund balance in any individual fund. The Town had no deficit fund balances at June 30, 2025.

E. BUDGET APPROPRIATIONS

The Town had no funds with expenditures exceeding appropriations.

NOTE III. - DETAIL NOTES - ALL FUNDS AND ACCOUNT GROUPS

A. ASSETS

Cash and Investments

The Town maintains checking and collection accounts with local banks.

The Town's investment policies are governed by State statute. Permissible investments include direct obligations of the U.S. Government and agency securities, certificates of deposit, and savings accounts. Collateral is required for demand deposits, certificates of deposit, and repurchase agreements at 105% of all amounts not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its subdivisions. The Town has no policy that further limits allowable investments.

Deposits

Deposits are carried at cost plus accrued interest. The carrying amount of deposits is separately displayed on the balance sheet as "Cash and cash equivalents" and "Investments".

The Town's deposits at year-end were not exposed to custodial credit risk due to being entirely covered by depository insurance (a combination of federal depository insurance with the excess covered by the State's Bank Collateral Pool).

Change in Capital Assets

Depreciation was charged to various functions and activities as follows:

Governmental activities		
General government	$	13,124
Public safety		234,911
Public works		1,738,487
Health, welfare and recreation		33,865
Total governmental activities		2,020,387
Business-type activities		
Water and sewer		612,613
Natural gas		826,680
Total business-type	$	1,439,293

During the fiscal year ended June 30, 2025, the following changes in capital assets occurred:

	Balance 7/1/24	Additions	Disposals/ Adjustments	Balance 6/30/25
Governmental activities:				
Capital assets not being depreciated				
Land	$ 2,087,304	$ -	$ -	$ 2,087,304
Construction in progress	6,236,215	1,491,863	(403,654)	8,131,732
Subtotal	8,323,519	1,491,863	(403,654)	10,219,036
Capital assets being depreciated				
Buildings	301,845	33,871	720	334,996
Equipment	5,624,858	292,767	(168,821)	6,086,446
Infrastructure	51,443,730	-	(3,159,189)	54,602,919
Land improvements	1,223,949	-	315	1,223,634
Subtotal	58,594,382	326,638	(3,326,975)	62,247,995
Less accumulated depreciation for:				
Buildings and improvements	177,976	12,904	(12,771)	203,651
Equipment	4,195,540	313,143	(326,401)	4,835,084
Infrastructure	22,473,577	1,660,606	(1,420,943)	25,555,126
Other fixed assets	264,532	33,735	(33,651)	331,918
Subtotal	$ 27,111,625	$ 2,020,388	$ (1,793,766)	30,925,779
Total capital assets, being depreciated, net				31,322,216
Governmental activities capital assets, net				$ 41,541,252
Business-type activities:				
Capital assets not being depreciated				
Land	$ 101,637	$ -	$ -	$ 101,637
Construction in Progress	5,307,808	18,494,618	131,592	23,670,834
Subtotal	5,409,445	18,494,618	131,592	23,772,471
Capital assets being depreciated				
Equipment and vehicles	2,709,379	133,534	(43,912)	2,886,825
Buildings and improvements	52,339,593	-	(1,286,740)	53,626,333
Subtotal	55,048,972	133,534	(1,330,652)	56,513,158
Less accumulated depreciation for:				
Equipment and vehicles	1,444,264	172,375	(114,465)	1,731,104
Buildings and improvements	20,389,600	1,266,917	(1,258,321)	22,914,838
Total accumulated depreciation	$ 21,833,864	$ 1,439,292	$ (1,372,786)	24,645,942
Total capital assets, being depreciated, net				31,867,216
Business-type activities capital assets, net				$ 55,639,687

B. LIABILITIES

Pension Plan Obligations

General Information about the Pension Plan

Plan description. Employees of Oakland are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under Tennessee Code Annotated Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publically available financial report that can be obtained at https://treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies.

Benefits provided. Tennessee Code Annotated Title 8, Chapters 34-37 establishes the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age 60 with 5 years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. Reduced benefits for early retirement are available at age 55 and vested. Members vest with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced 10 percent and include projected service credits. A variety of death benefits are available under various eligibility criteria.

Member and beneficiary annuitants are entitled to automatic cost of living adjustments (COLAs) after retirement. A COLA is granted each July for annuitants retired prior to the 2nd of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at 3 percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half percent and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest.

Employees covered by benefit terms. At the measurement date of June 30, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	21
Inactive employees entitled to but not yet receiving benefits	86
Active employees	74
	181

Contributions. Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute 5 percent of salary. Oakland makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2025, employer contributions for Oakland were $291,458 based on a rate of 6.11 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept Oakland's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contribution (ADC) and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

Net Pension Liability (Asset)

Oakland's net pension liability (asset) was measured as of June 30, 2024, and the total pension liability used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

Actuarial assumptions. The total pension liability as of June 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25 percent
Salary increases	Graded salary ranges from 8.72 to 3.44 percent based on age, including inflation, averaging 4.00 percent.
Investment rate of return	6.75 percent, net of pension plan investment expenses, including inflation
Cost-of-Living Adjustment	2.125 percent

Mortality rates were based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2024 actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2016 through June 30, 2020. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2020 actuarial experience study. A blend of future capital market projections and historical market returns was used in a building-block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) is developed for each major asset class. These best-estimates are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.25 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Long-Term Expected Real Rate of Return	Target Allocation
U.S. equity	4.88%	31%
Developed market international equity	5.37%	14%
Emerging market international equity	6.09%	4%
Private equity and strategic lending	6.57%	20%
U.S. fixed income	1.20%	20%
Real estate	4.38%	10%
Short-term securities	0.00%	1%
		100%

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 6.75 percent based on a blending of the factors described above.

Discount rate. The discount rate used to measure the total pension liability was 6.75 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current rate and that contributions from Oakland will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	**Plan Fiduciary Net Position (b)**	**Net Pension Liability (Asset) (a) - (b)**
Balance at 6/30/23	$ 6,325,929	$ 6,271,621	$ 54,308
Changes for the year:			
Service cost	383,995	-	383,995
Interest	446,031	-	446,031
Differences between			-
expected and actual			-
experience	77,422	-	77,422
Changes in assumption	-	-	-
Contributions - employer	-	239,885	(239,885)
Contributions - employee	-	199,904	(199,904)
Net investment income	-	623,440	(623,440)
Benefit payments, including refunds of employee contributions	(204,105)	(204,105)	-
Administrative expense	-	(6,588)	6,588
Net changes	703,343	852,536	(149,193)
Balance at 6/30/24	$ 7,029,272	$ 7,124,157	$ (94,885)

Sensitivity of the net pension liability (asset) to changes in the discount rate. The following presents the net position liability (asset) of Oakland calculated using the discount rate of 6.75 percent, as well as what the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75 percent) or 1-percentage-point higher (7.75 percent) than the current rate:

	1% Decrease (5.75%)	Current Discount Rate (6.75%)	1% Increase (7.75%)
Oakland's net pension liability (asset)	$ 1,188,622	$ (94,885)	$ (1,106,245)

Pension Expense (Negative Pension Expense) and Deferred Outflows of Resources and Deferred Inflows Of Resources Related to Pensions

Pension expense (negative pension expense). For the year ended June 30, 2025, Oakland recognized pension expense (negative pension expense) of $252,069.

Deferred outflows of resources and deferred inflows of resources. For the year ended June 30, 2025, Oakland reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 312,517	$ 77,238
Net difference between projected and actual earnings on pension plan investments	-	72,867
Changes in Assumptions	182,545	-
Contributions subsequent to the measurement date of June 30, 2024	291,458	N/A
Total	$ 786,520	$ 150,105

The amount shown above for "Contributions subsequent to the measurement date of June 30, 2024," will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	
2026	$27,102
2027	$208,835
2028	$68,753
2029	$27,378
2030	$12,904
Thereafter	$0

In the table shown above, positive amounts will increase pension expense while negative amounts will decrease pension expense.

Payable to the Pension Plan

At June 30, 2025, Oakland reported a payable of $0 for the outstanding amount of contributions to the pension plan required at the year ended June 30, 2025.

Long-Term Obligations

The Town's long-term debt is segregated between amounts to be repaid from governmental activities and amounts to be repaid from business-type activities.

General Obligation Bonds – The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and to refund other general obligation bonds. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of up to 19 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2025, will be retired from various funds as noted in the Schedule of Changes in Long-Term Debt by Individual Issue.

Direct Borrowing and Direct Placements – The Town issues other loans to provide funds for the acquisition and construction of major capital facilities. Loans are direct obligations and pledge the full faith, credit, and taxing authority of the government. The loans outstanding were issued for original terms of up to 10 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All loans included in long-term debt as of June 30, 2025, will be retired from various funds as noted in the Schedule of Changes in Long-Term Debt by Individual Issue.

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities Statement of Net Position. Debt premiums and discounts are deferred and amortized over the life of the debt instrument using the straight-line method. Debt issuance costs are expensed in the period incurred.

In the fund financial statements, governmental funds recognize debt premiums and discounts, as well as debt issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Governmental Activities
As of June 30, 2025, the governmental long-term liabilities of the Town consisted of the following:

General Long-Term Liabilities

General Obligation Bonds	
Tennessee Municipal Bond Fund, dated 3/5/2022, Interest 2.41%, due semi-annually through 2042	$ 4,208,995
Direct Borrowing and Direct Placements	
Trustmark National Bank, dated 9/30/2021, Interest 1.82%, due in semi-annually through 9/2026	323,000
Other liabilities	
Compensated absences	403,269
Total General Long-Term Liabilities	$ 4,935,264

Tennessee Municipal Bond Fund – The Town entered into a loan agreement for Local Government Loan Program Bond funds for a parks project. The total project has an estimated cost of $8,000,000. The total amount of funds being borrowed is $5,200,000. The Town has received $4,838,995 in funding as of June 30, 2025. The Town was still drawing on this debt as of June 30, 2025. This general obligation bond is a direct obligation and pledges the full faith, credit, and taxing authority of the government.

Trustmark SSA Note Payable – The Town entered into a general obligation paving capital outlay note payable for street paving costs during the year. This capital outlay note is a direct obligation and pledges the full faith, credit, and taxing authority of the government.

Business-Type Activities

Water Fund	
Notes Payable	
State Revolving Loan Fund, dated 8/1/16, Interest 1.12%, due 7/2037	472,240
Sewer Fund	
General Obligation Bonds	
Tennessee Municipal Bond Fund, dated 12/1/21 Interest 1.97%, due 12/1/2028	529,000
Notes Payable	
PBA Loan Agreement, dated 12/2/23, Interest 5.84%, due 8/1/2043	6,845,000
PBA Loan Agreement, dated 8/31/23, Interest 5.31%, due 8/1/43	16,327,671
Clean Water State Revolving Loan Fund, dated 6/1/17 Interest 1.60%, due 5/1/40	776,252
Other liabilities	
Compensated absences	64,017
Total Sewer Fund Liabilities	$ 24,541,940
Total Business-Type Activities Liabilities	$ 25,014,180

State Revolving Loan Fund 2016-369 – The Town entered into an agreement with the Tennessee Department of Environment and Conservation and the Tennessee Local Development Authority to secure a loan in the amount of $1,010,365 for the purpose of financing a wastewater facilities project. The loan included a portion that was treated as loan forgiveness by the State of Tennessee that occurred during the fiscal year 2018. The loan is secured by revenues of the Town.

PBA Loan Agreement $7,000,000 – The Town entered into a loan agreement with the Public Building Authority of the Town of Clarksville, Tennessee to borrow funds for the Sewer Fund's construction of waste water improvements. This agreement is considered a balloon indebtedness because it has a scheduled put option at the end of five years. The Board understands in full that it may be required to either pay in full or refund the outstanding debt in the event that the Bank exercises its put option on the scheduled put option date. The loan is payable from any and all funds of the Town. In the event of default, the Bank may declare all loan repayments immediately due.

PBA Loan Agreement $18,000,000 – The Town entered into a loan agreement with the Public Building Authority of the Town of Clarksville, Tennessee to borrow funds for the Sewer Fund's construction of waste water improvements. This agreement is considered a balloon indebtedness because it has a scheduled put option at the end of five years. The Board understands in full that it may be required to either pay in full or refund the outstanding debt in the event that the Bank exercises its put option on the scheduled put option date. The loan is payable from any and all funds of the Town. In the event of default, the Bank may declare all loan repayments immediately due. At June 30, 2025, the Town had drawn $16,896,671 of the loan funds. The Town still has $1,103,329 to draw at June 30, 2025.

Change in Long-term Liabilities

	Beginning Balance	Additions	Retirements	Ending Balance	Due within one year
Governmental Type Activities					
General Obligation Bonds	$ 4,423,995	$ -	$ 215,000	$ 4,208,995	$ 221,000
Notes Payable	486,000	-	163,000	323,000	163,000
Compensated absences	225,083	178,186	-	403,269	-
Total governmental activities	5,135,078	178,186	378,000	4,935,264	384,000
Business Type Activities					
General Obligation Bonds	655,000	-	126,000	529,000	129,000
Notes Payable	8,438,524	16,788,671	806,032	24,421,163	880,172
Compensated absences	40,136	23,881	-	64,017	-
Total business type activities	9,133,660	16,812,552	932,032	25,014,180	1,009,172
Total government	$ 14,268,738	$ 16,990,738	$ 1,310,032	$ 29,949,444	$ 1,393,172

Other Long-term liabilities

Governmental-type compensated absences have been paid in prior years by the General Fund.

Annual Requirements to Retire Debt Outstanding

The annual aggregate maturities for each debt type for years subsequent to June 30, 2025, are as follows:

General Obligation Bonds

Year Ending June 30,	Governmental Activities Principal	Governmental Activities Interest	Business-type Activities Principal	Business-type Activities Interest	Total
2026	$ 221,000	$ 110,137	$ 129,000	$ 9,151	$ 469,288
2027	226,000	104,811	131,000	6,590	468,401
2028	231,000	99,364	133,000	3,989	467,353
2029	237,000	93,798	136,000	1,339	468,137
2030	243,000	88,085	-	-	331,085
2031-2035	1,304,000	349,763	-	-	1,653,763
2036-2040	1,470,000	184,845	-	-	1,654,845
2041	276,995	15,376	-	-	292,371
	$ 4,208,995	$ 1,046,179	$ 529,000	$ 21,069	$ 5,805,243

Notes Payable

Year Ending June 30,	Governmental Activities Principal	Governmental Activities Interest	Business-type Activities Principal	Business-type Activities Interest	Total
2026	$ 221,000	$ 110,137	$ 880,172	$ 1,192,906	$ 2,404,215
2027	226,000	104,811	921,336	1,275,170	2,527,317
2028	231,000	99,364	964,512	1,227,261	2,522,137
2029	237,000	93,798	1,008,700	1,177,014	2,516,512
2030	243,000	88,085	1,055,924	1,124,293	2,511,302
2031-2035	1,304,000	349,763	6,065,400	4,735,995	12,455,158
2036-2040	1,470,000	184,845	7,512,448	2,972,549	12,139,842
2041-2044	276,995	15,376	6,012,671	802,134	7,107,176
	$ 4,208,995	$ 1,046,179	$ 24,421,163	$ 14,507,322	$ 44,183,659

NOTE IV – OTHER NOTES

A. INSURANCE

The Town is exposed to various risks of loss related to torts; damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Commercial insurance is carried for employees bonds and certain property destruction and employee health and accident claims. The Town also participates in the Tennessee Municipal League Risk Management Pool, a public entity risk pool, for errors and omissions; automobile liability and physical damage; workers compensation; and employees' liability. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the three past fiscal years. The Tennessee Municipal League Risk Management Pool has been self-sustaining through member premiums. Members consist of local jurisdiction municipalities and utility districts in the State. Members are responsible for a pro-rata portion of claims that exceed the Pool's reserves. No additional assessments have ever been made by the Pool to its members as a result of losses experienced.

B. INTERFUND TRANSACTIONS AND BALANCES

DUE TO:	General	State Street Aid	Fire	Total
DUE FROM:				
State Street Aid	$ 29,695	$ -	$ 2,188	$ 31,883
Sewer	-	803	-	803
Drug	19,957	-	-	19,957
	$ 49,652	$ 803	$ 2,188	$ 52,643

The outstanding balances between funds result from revenues that are collected by one fund for another fund. These balances are all expected to be repaid within one year.

There were no operating transfers during the fiscal year ending 6/30/2025. A residual equity transfer was made between business-type activities and governmental activities of $35,224 due to correcting misclassifications.

C. COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Town expects such amounts, if any, to be immaterial.

From time to time, lawsuits against the Town are ongoing. The ultimate outcome of the actions is not determinable; however, Town officials believe that the outcome of these proceedings, either singularly or in aggregate, will not have a material adverse effect on the accompanying general purpose financial statements.

The Town has committed to a Wastewater Treatment Plant Project with an estimated cost of $27 million. As of June 30, 2025, the Town received $3,751,074 in ARPA funds. A bond of $18,000,000 has been approved with TMLF as well as an additional line of credit of $7,000,000 which has been received to complete this project. The Town has recorded $23,522,928 in total costs in construction as of June 30, 2025 with all of the ARPA funds being spent along with $23,172,671 of the $25,000,000 bond proceeds.

The Town has an ongoing capital parks project with estimated costs of $8 million. Phase two will cost approximately $5 million. This will be paid with a $2.5 million 2023 Public Recreation Grant from TDEC that the Town has been awarded. This is a 50/50 matching grant, and the Town will be obligated to match these funds of $2.5 million. The local option sales tax of .5% for Parks and Recreation will help to meet this obligation. The Town has recorded $8,131,732 total cost in construction as of June 30, 2025.

NOTE V – RESTATEMENT OF BEGINNING BALANCES

A. PRIOR PERIOD ADJUSTMENTS

The Town has made adjustments to correct errors in the previous year's financial statements. They are listed below:

Government-Wide

Governmental Activities

The Town made an adjustment to record capital assets that had not been recorded in prior years. The entry increased infrastructure $3,730,629, increased the accumulated depreciation by $1,793,767, and increased net position by $1,936,862.

Business-type Activities

The Town made an adjustment to record capital assets that had not been recorded in prior years. The entry increased infrastructure $1,294,952, increased the accumulated depreciation by $1,420,840, and decreased net position by $125,888.

Governmental Funds

General Fund

The Town made an adjustment to reclass grant expenses from the prior year that were misclassified to State Street Aid fund instead of the General Fund in the amount of $9,993.

Nonmajor Funds

State Street Aid Fund

The Town made an adjustment to reclass grant expenses from the prior year that were misclassified to State Street Aid fund instead of the General Fund in the amount of $9,993.

Fire Fee Fund

The Town made an adjustment to reverse retainage payable of $21,666 still on the books that should have been closed out in the prior fiscal year when the project completed.

Proprietary Funds

Water Fund

The Town made adjustments to reclass cash funds due from Water to Sewer that were transferred in a prior year in the amount of $4,777,456. Additionally, the Town made an adjustment to record capital assets that had not been recorded in prior years. The entry increased infrastructure $719,722, increased the accumulated depreciation by $679,948, and increased net position by $39,774. These two transactions resulted in a decrease of net position of $4,737,682.

Sewer Fund

The Town made adjustments to reclass cash funds due from Water to Sewer that were transferred in a prior year in the amount of $4,777,456. Additionally, the Town made an adjustment to record capital assets that had not been recorded in prior years. The entry increased infrastructure $575,230, increased the accumulated depreciation by $740,893, and decreased net position by $165,662. These two transactions resulted in an increase of net position of $4,611,794.

	6/30/2024 As Previously Reported	Error Correction	6/30/2025 As Restated
Government-Wide	$ 46,715,737	$ 1,936,862	$ 48,652,599
Governmental Activities	47,771,618	(125,888)	47,645,730
Business-Type Activities	$ 94,487,355	$ 1,810,974	$ 96,298,329
Total Primary Government			
Governmental Funds			
Major Funds:			
General Fund	$ 10,072,461	$ (9,993)	$ 10,062,468
Solid Waste Fund	769,829	-	769,829
Nonmajor Funds	658,785	31,659	690,444
Total Governmental Funds	$ 11,501,075	21,666	11,522,741
Proprietary Funds			
Major Funds:			
Water Fund	35,545,577	(4,737,682)	30,807,895
Sewer Fund	12,226,041	4,611,794	16,837,835
Total Proprietary Funds	$ 47,771,618	$ (125,888)	$ 47,645,730

TOWN OF OAKLAND, TENNESSEE
SCHEDULE OF CHANGES IN NET PENSION LIABILITY (ASSET) AND RELATED RATIOS BASED ON PARTICIPATION IN THE PUBLIC EMPLOYEE PENSION PLAN OF TCRS
FISCAL YEAR ENDING JUNE 30

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total pension liability										
Service Cost	$ 161,553	$ 177,150	$ 202,093	$ 216,307	$ 221,526	$ 239,337	$ 256,707	$ 307,987	$ 347,084	$ 383,995
Interest	154,467	179,112	202,347	222,299	237,541	276,634	308,306	342,697	398,104	446,031
Differences between actual and expected experience	67,304	9,198	(58,492)	(147,841)	144,836	(24,002)	(100,927)	252,720	101,074	77,422
Change of assumptions	-	-	64,280	-	-	-	409,273	-	-	-
Benefit payments, including refunds of employee contributions	(39,521)	(101,114)	(60,091)	(52,320)	(119,189)	(45,801)	(99,169)	(101,135)	(142,171)	(204,105)
Net change in total pension liability	343,803	264,346	350,137	238,445	484,714	446,168	774,190	802,269	704,091	703,343
Total pension liability - beginning	1,917,766	2,261,569	2,525,915	2,876,052	3,114,497	3,599,211	4,045,379	4,819,569	5,621,838	6,325,929
Total pension liability - ending (a)	$ 2,261,569	$ 2,525,915	$ 2,876,052	$ 3,114,497	$ 3,599,211	$ 4,045,379	$ 4,819,569	$ 5,621,838	$ 6,325,929	$ 7,029,272
Plan fiduciary net position										
Contributions - employer	$ 111,335	$ 113,023	$ 120,748	$ 122,049	$ 138,255	$ 148,388	$ 152,355	$ 161,367	$ 192,095	$ 239,885
Contributions - employee	112,213	114,165	121,968	123,282	139,652	149,888	153,894	162,997	185,064	199,904
Net investment income	67,167	63,661	297,562	257,768	263,098	198,221	1,139,814	(220,620)	387,792	623,440
Benefit payments, including refunds of employee contributions	(39,521)	(101,114)	(60,091)	(52,320)	(119,189)	(45,801)	(99,169)	(101,135)	(142,171)	(204,105)
Administrative expense	(2,781)	(4,215)	(4,996)	(5,639)	(5,680)	(5,847)	(5,999)	(6,967)	(5,566)	(6,588)
Net change in plan fiduciary net position	248,413	185,520	475,191	445,140	416,136	444,849	1,340,895	(4,358)	617,214	852,536
Plan fiduciary net position - beginning	2,102,621	2,351,034	2,536,554	3,011,745	3,456,885	3,873,021	4,317,870	5,658,765	5,654,407	6,271,621
Plan fiduciary net position - ending (b)	$ 2,351,034	$ 2,536,554	$ 3,011,745	$ 3,456,885	$ 3,873,021	$ 4,317,870	$ 5,658,765	$ 5,654,407	$ 6,271,621	$ 7,124,157
Net pension liability (asset) - ending (a) - (b)	$ (89,465)	$ (10,639)	$ (135,693)	$ (342,388)	$ (273,810)	$ (272,491)	$ (839,196)	$ (32,569)	$ 54,308	$ (94,885)
Plan fiduciary net position as a percentage of total pension liability	103.96%	100.42%	104.72%	110.99%	107.61%	106.74%	117.41%	100.58%	99.14%	101.35%
Covered payroll	$ 2,249,200	$ 2,283,297	$ 2,439,355	$ 2,465,632	$ 2,793,040	$ 2,997,743	$ 3,077,879	$ 3,840,286	$ 3,701,254	$ 3,998,070
Net pension liability (asset) as a percentage of covered payroll	-3.98%	-0.47%	-5.56%	-13.89%	-9.80%	-9.09%	-27.27%	-0.85%	1.47%	-2.37%

Notes to Schedule:

Changes of assumptions. In 2021, amounts reported as changes of assumptions resulted from changes to the inflation rate, investment rate of return, cost-of-living adjustment, and mortality improvements. In 2017, amounts reported as changes of assumptions resulted from changes to the inflation rate, investment rate of return, cost-of-living adjustment, salary growth and mortality improvements.

GASB 68 requires a 10-year schedule for this data to be presented starting *with the implementation of GASB 68*. The information in this schedule is not required to be presented retroactively prior to the implementation date. Please refer to previously supplied data from TCRS GASB website for prior years' data, if needed.

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
SCHEDULE OF CONTRIBUTIONS BASED ON PARTICIPATION IN THE PUBLIC EMPLOYEE PENSION PLAN OF TCRS
FISCAL YEAR ENDING JUNE 30

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Actuarially determined contribution	$ 113,023	$ 93,183	$ 98,379	$ 111,163	$ 110,317	$ 113,266	$ 217,895	$ 192,095	$ 239,885	$ 291,458
Contributions in relation to the actuarially determined contribution	113,023	120,748	122,049	138,255	148,388	152,355	161,707	192,095	239,885	291,458
Contribution deficiency (excess)	$ -	$ (27,565)	$ (23,670)	$ (27,092)	$ (38,071)	$ (39,089)	$ 56,188	$ -	$ -	$ -
Covered payroll	$ 2,283,297	$ 2,439,335	$ 2,465,632	$ 2,793,040	$ 2,997,743	$ 3,077,879	$ 3,261,901	$ 3,701,254	$ 3,998,070	$ 4,770,185
Contributions as a percentage to covered payroll	4.95%	4.95%	4.95%	4.95%	4.95%	4.95%	4.96%	5.19%	6.00%	6.11%

GASB 68 requires a 10-year schedule for this data to be presented starting *with the implementation of GASB 68*. The information in this schedule is not required to be presented retroactively prior to the implementation date. Please refer to previously supplied data from TCRS GASB website for prior years' data, if needed.

The accompanying notes are an integral part of these financial statements.

Notes to Schedule

Valuation date: Actuarially determined contribution rates for 2025 were calculated based on the June 30, 2023 actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial cost method	Entry Age Normal
Amortization method	Level dollar, closed (not to exceed 20 years)
Remaining amortization period	Varies by year
Asset valuation	10-year smoothed within a 20 percent corridor to market value
Inflation	2.25 percent
Salary increases	Graded salary ranges from 8.72 to 3.44 percent based on age, including inflation, averaging 4.00 percent
Investment Rate of Return	6.75 percent, net of investment expense, including inflation
Retirement age	Pattern of retirement determined by experience study
Mortality	Customized table based on actual experience including an adjustment for some anticipated improvement
Cost of living adjustments	2.125 percent
Changes of assumptions.	In 2021, the following assumptions were changed: decreased inflation rate from 2.50 percent to 2.25 percent; decreased the investment rate of return from 7.25 percent to 6.75 percent; decreased the cost-of-living adjustment from 2.25 percent to 2.125 percent; and modified mortality assumptions. In 2017, the following assumptions were changed: decreased inflation rate from 3.00 percent to 2.50 percent; decreased the investment rate of return from 7.50 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.50 percent to 2.25 percent; decreased salaaary growth graded ranges from an average of 4.25 percent to an average of 4.00 percent; and modified mortality assumptions.

TOWN OF OAKLAND, TENNESSEE
COMBINING BALANCE SHEET
OTHER GOVERNMENTAL FUNDS
JUNE 30, 2025

	SPECIAL REVENUE			Total Other Nonmajor Governmental Funds
ASSETS	**State Street Aid Fund**	**Drug Fund**	**Fire Fund**	
Cash and cash equivalents	$ 374,208	$ 186,227	$ 311,898	$ 872,333
Receivables from other governments	53,830	-	-	53,830
Due from other funds	803	-	2,188	2,991
Total Assets	$ 428,841	$ 186,227	$ 314,086	$ 929,154
LIABILITIES				
Accounts payable	$ -	$ -	$ -	$ -
Due to other funds	29,695	19,957	-	49,652
Unearned revenues - other	-	14,281	-	14,281
Total liabilities	29,695	34,238	-	63,933
FUND BALANCES				
Restricted				
State street aid	399,146	-	-	399,146
Drug		151,989		151,989
Fire	-	-	314,086	314,086
Total fund balances	399,146	151,989	314,086	865,221
Total liabilites and fund balances	$ 428,841	$ 186,227	$ 314,086	$ 929,154

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
OTHER GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2025

	SPECIAL REVENUE			Total
	State Street Aid Fund	Drug Fund	Fire Fund	Other Nonmajor Governmental Funds
Revenues:				
Intergovernmental revenues	$ 312,615	$ -	$ -	$ 312,615
Fines and forfeitures	-	4,858	160,059	164,917
Interest income	10,588	10,965	7,841	29,394
Total revenues	323,203	15,823	167,900	506,926
Expenditures:				
Public works	224,193	-	-	224,193
Public safety	-	-	-	-
Capital outlay	-	119,747	-	119,747
Total expenditures	224,193	119,747	-	343,940
Excess (deficiency) of revenues over expenditures	99,010	(103,924)	167,900	162,986
Other financing sources (uses):				
Transfer in (out)	-	-	-	-
Sale of Equipment	-	11,791	-	11,791
Total other financing sources (uses)	-	11,791	-	11,791
Net change in fund balances	99,010	(92,133)	167,900	174,777
Fund Balance, beginning of the year, as originally stated	290,143	244,122	124,520	658,785
Error Correction	9,993	-	21,666	31,659
Fund Balance, beginning of year, as restated	300,136	244,122	146,186	690,444
Fund Balance, end of the year	$ 399,146	$ 151,989	$ 314,086	$ 865,221

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
STATE STREET AID FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
State Gas 1989 Tax	$ 28,239	$ 28,239	$ 25,119	$ (3,120)
State Gas 3 Cent Tax	52,948	52,948	46,382	(6,566)
State Gasoline and Motor Fuel	180,023	180,023	160,342	(19,681)
Gas Tax 2017	91,776	91,776	80,772	(11,004)
Interest Earnings	8,500	8,500	10,588	2,088
Total revenues	361,486	361,486	323,203	(38,283)
Expenditures				
Utility services	24,200	24,200	19,727	4,473
Street lighting	3,000	3,000	-	3,000
Architectural and engineering services	48,000	48,000	26,827	21,173
Repair and maintenance	25,000	25,000	7,326	17,674
Sign parts and supplies	2,500	2,500	-	2,500
Operating supplies	5,286	5,286	-	5,286
Debt service - principal	200,000	200,000	163,000	37,000
Debt service - interest	-	-	7,313	(7,313)
Capital outlay	-	-	-	-
Total expenditures	307,986	307,986	224,193	83,793
Excess (deficiency) of revenues over (under) expenditures	53,500	53,500	99,010	45,510
Other financing sources (uses):				
Transfer in (out)	-	-	-	-
Net change in fund balances	$ 53,500	$ 53,500	99,010	$ 45,510
Fund Balance, beginning of the year, as originally stated			290,143	
Error Correction			9,993	
Fund. Balance, beginning of the year, as restated			300,136	
Fund Balance, end of the year			$ 399,146	

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
DRUG FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Fines, fees, and forfeitures	$ 2,881	$ 2,881	$ 4,858	$ 1,977
Interest Earnings	11,000	11,000	10,965	(35)
Total revenues	13,881	13,881	15,823	1,942
Expenditures:				
Capital outlay	96,000	119,747	119,747	-
Total expenditures	96,000	119,747	119,747	-
Excess (deficiency) of revenues over (under) expenditures	(82,119)	(105,866)	(103,924)	1,942
Other financing sources (uses):				
Sale of Equipment	-	11,791	11,791	-
Total other financing sources (uses)	-	11,791	11,791	-
Net change in fund balances	$ (82,119)	$ (94,075)	(92,133)	$ 1,942
Fund Balance, beginning of the year			244,122	
Fund Balance, end of the year			$ 151,989	

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
FIRE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED JUNE 30, 2025

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues:				
Fire protection fees	$ 110,000	$ 110,000	$ 160,059	$ 50,059
Interest Earnings	18,000	18,000	7,841	(10,159)
Total revenues	128,000	128,000	167,900	39,900
Expenditures:				
Capital outlay	5,000	5,000	-	5,000
Total expenditures	5,000	5,000	-	5,000
Excess (deficiency) of revenues over (under) expenditures	123,000	123,000	167,900	44,900
Other financing sources (uses):				
Sale of Equipment	-	-	-	-
Total other financing sources (uses)	-	-	-	-
Net change in fund balances	$ 123,000	$ 123,000	167,900	$ 44,900
Fund Balance, beginning of the year, as originally stated			124,520	
Error Correction			21,666	
Fund. Balance, beginning of the year, as restated			146,186	
Fund Balance, end of the year			$ 314,086	

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
SCHEDULE OF CHANGES IN PROPERTY TAXES RECEIVABLE
FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Tax Levy for Year	Tax Rate	Tax Levy	Beginning Outstanding Taxes	Additions and Adjustments	Collections	Ending Outstanding Taxes	Delinquent Taxes Filed in Chancery Court
2025	0.6342	$ 511,728,358	$ -	$ 3,245,371	$ -	$ 3,245,371	$ -
2024	0.6342	344,946,032	2,187,648	30,860	2,177,689	40,819	-
2023	0.4212	344,358,409	44,677	-	34,809	9,868	9,868
2022	0.4212	316,609,987	13,390	-	10,773	2,617	2,617
2021	0.4212	296,107,456	6,903	-	6,878	25	25
2020	0.5220	235,406,097	88	-	-	88	88
2019	0.5220	222,654,813	391	-	-	391	391
2018	0.5800	214,213,941	45	-	-	45	45
2017	0.2714	206,449,818	18	-	-	18	18
2016	0.2900	185,463,426	15	-	-	15	15
2015	0.2900	178,766,466	15	-	-	15	15
2014	0.2900	174,488,519	374	-	-	374	374
			$ 2,253,564	$ 3,276,231	$ 2,230,149	$ 3,299,646	$ 13,456

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
GENERAL LONG TERM DEBT
JUNE 30, 2025

Year Ending June 30,	NOTES PAYABLE Streets Paving - 2022 Principal	NOTES PAYABLE Streets Paving - 2022 Interest	BONDS PAYABLE Parks - 2022 Principal	BONDS PAYABLE Parks - 2022 Interest	Totals Principal	Totals Interest
2026	$ 163,000	$ 4,504	$ 221,000	$ 110,137	$ 384,000	$ 114,641
2027	160,000	1,511	226,000	104,811	386,000	106,322
2028	-	-	231,000	99,364	231,000	99,364
2029	-	-	237,000	93,798	237,000	93,798
2030	-	-	243,000	88,085	243,000	88,085
2031	-	-	249,000	82,230	249,000	82,230
2032	-	-	254,000	76,228	254,000	76,228
2033	-	-	261,000	70,107	261,000	70,107
2034	-	-	267,000	63,816	267,000	63,816
2035	-	-	273,000	57,382	273,000	57,382
2036	-	-	280,000	50,803	280,000	50,803
2037	-	-	287,000	44,054	287,000	44,054
2038	-	-	294,000	37,138	294,000	37,138
2039	-	-	301,000	30,052	301,000	30,052
2040	-	-	308,000	22,798	308,000	22,798
2041	-	-	276,995	15,376	276,995	15,376
	$ 323,000	$ 6,015	$ 4,208,995	$ 1,046,179	$ 4,531,995	$ 1,052,194

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
WATER FUND
FOR THE YEAR ENDED JUNE 30, 2025

Year Ending June 30,	Notes Payable Loan Program 2016-179 Principal	Notes Payable Loan Program 2016-179 Interest
2026	$ 36,720	$ 5,100
2027	37,128	4,692
2028	37,548	4,272
2029	37,968	3,852
2030	38,400	3,420
2031	38,832	2,988
2032	39,264	2,556
2033	39,708	2,112
2034	40,152	1,668
2035	40,608	1,212
2036	41,064	756
2037	41,508	312
2038	3,340	36
	$ 472,240	$ 32,976

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
SCHEDULE OF LONG-TERM DEBT REQUIREMENTS
SEWER FUND
FOR THE YEAR ENDED JUNE 30, 2025

Year	Notes Payable									
Ending	PBA Loan $7,000,000		PBA Loan $18,000,000		Loan Program 2016-369		Series 2021 CON		Totals	
June 30,	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	$ 202,000	$ 393,850	$ 595,000	$ 781,872	$ 46,452	$ 12,084	$ 129,000	$ 9,151	$ 972,452	$ 1,196,957
2027	215,000	381,673	622,000	877,477	47,208	11,328	131,000	6,590	1,015,208	1,277,068
2028	228,000	368,738	651,000	843,679	47,964	10,572	133,000	3,989	1,059,964	1,226,978
2029	241,000	355,043	681,000	808,315	48,732	9,804	136,000	1,339	1,106,732	1,174,501
2030	256,000	340,530	712,000	771,331	49,524	9,012	-	-	1,017,524	1,120,873
2031	271,000	325,142	744,000	732,674	50,316	8,220	-	-	1,065,316	1,066,036
2032	287,000	308,848	779,000	692,238	51,132	7,404	-	-	1,117,132	1,008,490
2033	305,000	291,562	814,000	649,946	51,960	6,576	-	-	1,170,960	948,084
2034	323,000	273,224	852,000	605,714	52,788	5,748	-	-	1,227,788	884,686
2035	342,000	253,806	890,000	559,461	53,640	4,896	-	-	1,285,640	818,163
2036	363,000	233,220	931,000	511,114	54,504	4,032	-	-	1,348,504	748,366
2037	385,000	211,378	974,000	460,536	55,392	3,144	-	-	1,414,392	675,058
2038	408,000	188,223	1,018,000	407,649	56,280	2,256	-	-	1,482,280	598,128
2039	433,000	163,666	1,065,000	352,345	57,192	1,344	-	-	1,555,192	517,355
2040	459,000	137,619	1,114,000	294,493	53,168	426	-	-	1,626,168	432,538
2041	486,000	110,025	1,165,000	233,985	-	-	-	-	1,651,000	344,010
2042	515,000	80,796	1,218,000	170,716	-	-	-	-	1,733,000	251,512
2043	547,000	49,786	1,274,000	104,554	-	-	-	-	1,821,000	154,340
2044	579,000	16,907	228,671	35,365	-	-	-	-	807,671	52,272
	$ 6,845,000	$ 4,484,036	$ 16,327,671	$ 9,893,464	$ 776,252	$ 96,846	$ 529,000	$ 21,069	$ 24,477,923	$ 14,495,415

TOWN OF OAKLAND, TENNESSEE
SCHEDULE OF CHANGES IN LONG-TERM DEBT BY INDIVIDUAL ISSUE
JUNE 30, 2025

Description of Indebtedness	Original Amount Of Issue	Interest Rate	Date of Issue	Last Maturity Date	Oustanding 7/1/2024	Issued During Period	Paid and/or Matured During Period	Refinancing During Period	Outstanding 6/30/2025
Governmental Activities									
GENERAL OBLIGATION BONDS									
Payable through General Fund									
TN Municipal Bond, Series 2022 (Note 1)	$ 5,200,000	2.41%	3/5/2022	2/1/042	4,423,995	-	215,000	-	4,208,995
TOTAL GENERAL OBLIGATION BONDS - Payable through Town's General Fund	$ 5,200,000				$ 4,423,995	$ -	$ 215,000	$ -	$ 4,208,995
NOTES PAYABLE									
Capital Outlay Notes, Series 2021	$ 800,000	1.82%	9/30/2021	9/1/2026	$ 486,000	$ -	$ 163,000	$ -	$ 323,000
TOTAL NOTES PAYABLE - Payable through Town's General Fund	$ 800,000				$ 486,000	$ -	$ 163,000	$ -	$ 323,000
Business-Type Activities									
GENERAL OBLIGATION BONDS									
Payable through Sewer Fund									
TMBF Series 2021	$ 900,000	1.97%	12/1/2021	12/1/2028	$ 655,000	$ -	$ 126,000	$ -	$ 529,000
TOTAL GENERAL OBLIGATION BONDS - Payable through Town's Sewer Fund					$ 655,000	$ -	$ 126,000	$ -	$ 529,000
NOTES PAYABLE									
Payable through Water Fund									
DGS 2016-179	$ 1,249,850	1.12%	8/1/2016	7/1/2037	$ 508,552	$ -	$ 36,312	$ -	$ 472,240
Payable through Sewer Fund									
PBA Loan Agreement $7,000,000	$ 7,000,000	5.84%	12/2/2023	8/1/2043	$ 7,000,000	$ -	$ 155,000	$ -	$ 6,845,000
PBA Loan Agreement $18,000,000 (Note 2)	$ 18,000,000	5.31%	8/31/2023	8/1/2043	108,000	16,788,671	569,000	-	16,327,671
SRF 2016-369	$ 1,001,243	1.60%	6/1/2017	5/1/2040	821,972	-	45,720	-	776,252
TOTAL NOTES PAYABLE - Payable through Sewer Fund					$ 7,929,972	$ 16,788,671	$ 769,720	$ -	$ 23,948,923
TOTAL NOTES PAYABLE - Business-Type Activities					$ 8,438,524	$ 16,788,671	$ 806,032	$ -	$ 24,421,163

Note 1 - These bonds are still being drawn on and are not finalized. The Town is making payments according to the amortization schedule.

Note 2 - This loan is still being drawn on and is not finalized. The Town is making payments according to the amortization schedule.

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE
SCHEDULE OF UTILITY RATES IN FORCE
FOR THE YEAR ENDED JUNE 30, 2025

Water and Sewer Rates
Sewer rates for the Town of Oakland are 100% of the water charge.

Residential	**Inside City**		**Outside City**	
Quantity	**Water**	**Sewer**	**Water**	**Sewer**
First 2,500 gallons (minimum)	$ 17.47	$ 17.47	$ 24.96	$ 24.96
Over 2,500 gallons (per thousand gallons)	$ 4.99	$ 4.99	$ 6.08	$ 6.08
2,501-5,000 gallons	$ -	$ -	$ 3.20	$ 3.20

(As of 1/1/24, there is no longer a different rate for over 5,000 gallons)

A sewer fee adjustment will automatically be applied for usage during the months of June, July, and August each year. The maximum residential charge will be $18.00.

Commercial	**Inside City**		**Outside City**	
Quantity	**Water**	**Sewer**	**Water**	**Sewer**
First 2,500 gallons (minimum)	$ 26.48	$ 26.48	$ 24.96	$ 24.96
Over 2,500 gallons (per thousand gallons)	$ 7.49	$ 7.49	$ 6.08	$ 6.08
2,501-5,000 gallons	$ -	$ -	$ 3.20	$ 3.20

(As of 1/1/24, there is no longer a different rate for over 5,000 gallons)

Sanitation Rates	
1 residential can	$ 28.50
Each additional can up to 6 cans	$10 per can
6 yard dumpster	$ 126.50

Number of customers at June 30, 2025:

Water	6,084
Sewer	4,954
Sanitation	4,693

The accompanying notes are an integral part of these financial statements.

TOWN OF OAKLAND, TENNESSEE

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

FOR THE YEAR ENDED JUNE 30, 2025

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Expenditures
FEDERAL AWARDS			
US Department of Transportation/State of Tennessee Department of Transportation High Visibility Enforcement of Tennessee Traffic Safety Laws	20.607	Z25THS230	20,868
US Department of Transportation/State of Tennessee Department of Transportation High Visibility Enforcement of Tennessee Traffic Safety Laws	20.607	Z24THS377	2,405
US Department of Transportation/State of Tennessee Department of Transportation Highway Planning and Construction Grant	20.205	STP-M-NH-15(222)	7,942
US Department of Treasury Coronavirus State and Local Recovery Funds - ARPA WIIP Noncompetitive - Sewer	21.027	32701-05453	1,275,000
TOTAL FEDERAL AWARDS			1,306,215
STATE FINANCIAL ASSISTANCE			
State Law Enforcement Fire Supplement	N/A	N/A	14,400
State Law Enforcement Police Supplement	N/A	N/A	26,400
2023 LPRF Town of Oakland Sports Complex Grant	N/A	N/A	62,531
TOTAL STATE AWARDS			103,331
TOTAL FEDERAL AND STATE AWARDS			$ 1,409,546

Basis of Presentation

Note 1: The accompany schedule of Expenditures of Federal Awards and State Financial Assistance summarizes the expenditures of the Town under programs of the federal and state governments for the year ended June 30, 2025. The schedule is presented using the modified accrual basis of accounting.

Note 2 - The Town elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

Note 3 - At June 30, 2025, there were two outstanding balances of $472,240 and $776,252 on state revolving fund loans DG5 16-179 and SRF 16-369, respectively. Payments during the current year were $36,312 and $45,720, respectively.

The accompanying notes are in integral part of these financial statements.

GODWIN &
ASSOCIATES, PLLC
CERTIFIED PUBLIC ACCOUNTANTS

408 Main Street, Savannah, Tennessee 38372
Phone 731.925.6547 Fax 731.925.9524

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Mayor and Board of Aldermen
Town of Oakland, Tennessee

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Town of Oakland, Tennessee (the Town), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, as listed in the table of contents, and have issued our report thereon dated April 17, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those changed with governance.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified a certain deficiency in internal control that we consider to be a material weakness as item 2025-001.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards,* which are described in the accompanying schedule of findings and questioned costs as item 2025-002.

Town's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on The Town's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Town's response was not subject to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Holmin & Associates, PLLC

April 17, 2026

GODWIN & ASSOCIATES, PLLC
CERTIFIED PUBLIC ACCOUNTANTS
408 Main Street, Savannah, Tennessee 38372
Phone 731.925.6547 Fax 731.925.9524

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Mayor and Board of Aldermen
Oakland, Tennessee

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Town of Oakland, Tennessee's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of Town of Oakland, Tennessee's major federal programs for the year ended June 30, 2025. Town of Oakland, Tennessee's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Town of Oakland, Tennessee complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Town of Oakland, Tennessee and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Town of Oakland, Tennessee's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Town of Oakland, Tennessee's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Town of Oakland, Tennessee's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Town of Oakland, Tennessee's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Town of Oakland, Tennessee's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Town of Oakland, Tennessee's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Town of Oakland, Tennessee's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Hodum ! Associates, PLLC

April 17, 2026

TOWN OF OAKLAND, TENNESSEE

SCHEDULE OF DISPOSITION OF PRIOR YEAR AUDIT FINDINGS

FOR THE FISCAL YEAR ENDED JUNE 30, 2025

Financial Statement Findings

Prior Year Finding Number	Finding Title	Status/Current Year Finding Number
2024-001	Financial Statements Materially Misstated (original finding 2022-001)	Repeated/2025-001
2024-002	Reconciliation of Subsidiary Ledgers (original findings 2019-001 through 2019-003 and 2019-005)	Corrected
2024-003	Bank Reconciliations (original finding 2024-003)	Corrected
2024-004	Capital Assets (original finding 2020-006)	Corrected
2024-005	Expenditures Exceed Budgeted Appropriations (original finding 2023-008)	Corrected
2024-006	Untimely Closing of Accounting Records (original finding 2024-006)	Corrected
2024-007	Noncompliance with Debt Requirements (original finding 2024-007)	Corrected
2024-008	Old Outstanding Checks (original finding 2024-008)	Corrected
2024-009	Reporting of Earned Coronavirus State and Local Fiscal Recovery Funds (original finding 2024-009)	Corrected

Federal Award Findings and Questioned Costs

2024-010	Reporting of Earned Coronavirus State and Local Fiscal Recovery Funds	Corrected
2024-011	Incorrect Reporting	Corrected
2024-012	Late filing of Single Audit	Repeated/2025-002

TOWN OF OAKLAND, TENNESSEE
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2025

SECTION I – Summary of Auditor's Results

Financial Statements:

1. Our report on the financial statements of Town of Oakland, Tennessee is unmodified.
2. Internal Control Financial Reporting:
   - Material weakness identified? Yes
   - Significant deficiency identified? None Reported
3. Noncompliance material to the financial statements noted Yes

Federal Awards:

4. Internal Control Over Major Federal Programs:
   - Material weakness identified: No
   - Significant deficiency identified? None Reported
5. Type of report auditor issued on compliance for major programs: Unmodified
6. Any Audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) No
7. Identification of Major Federal Programs:
   - CFDA 21.027 – American Rescue Plan – Local Fiscal Recovery Plan
8. Dollar threshold used to distinguish between Type A and Type B programs: $750,000
9. Auditee qualified as low-risk auditee? No

SECTION II – Financial Statement Findings

2025 – 001 FINANCIAL STATEMENTS MATERIALLY MISSTATED BEFORE ADJUSTMENTS

Condition: The financial statements were materially misstated before audit adjustments due to various transactions misclassified or misstated.

Criteria: Generally accepted accounting principles require that the Town have adequate internal controls over the accounting records and employee an individual with the necessary skills, knowledge, and experience to oversee the accounting records.

Cause: Oversight of staff.

Effect: The Town's financial statements were materially misstated before audit adjustments and required material adjustments because the Town's financial reporting system did not prevent, detect, or correct potential misstatements in the accounting records.

Recommendation: We recommend that the financial statements be materially stated and that the finance director perform a timely year-end close process to ensure records are properly stated.

Management Response: A finance director has been hired and is now responsible for accounting for the Town's accounting records and functions.

2025-002 SINGLE AUDIT NOT FILED TIMELY

Condition: The Town's single audit was not filed with the federal clearinghouse within nine months of the fiscal year-end.

Criteria: 2 CFR 200.512 states "the audit must be completed…and submitted within the earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of the audit period."

Cause: Town failed to have the prior year books closed timely which delayed the audit report.

Effect: Noncompliance with 2 CFR 200.512.

Recommendation: Post transactions properly and timely and close the books timely to verify the audit report is available within nine months of the fiscal year end.

Management's Response: We concur and will correct this deficiency.

SECTION III – Federal Award Findings and Questioned Costs

NONE

TOWN OF OAKLAND
170 DOSS CIRCLE
OAKLAND, TN 38060
901-465-8523 – Fax 901-465-1883

MANAGEMENT'S CORRECTIVE ACTION PLAN

JUNE 30, 2025

2025 – 001 FINANCIAL STATEMENTS MATERIALLY MISSTATED BEFORE AUDIT ADJUSTMENTS

Responsible party

Harvey Ellis, Town Manager and Lorie Rice, CMFO

Corrective action planned

The Town will record all financial information accurately and will strive to improve their accounting and financial reporting.

Anticipated completion date

June 30, 2026

2025 – 002 LATE FILING OF SINGLE AUDIT

Responsible party

Harvey Ellis, Town Manager and Lorie Rice, CMFO

Corrective action planned

The Town will close the books timely and the single audit will be filed within nine months of yearend by the Town's contracted auditing firm.

Anticipated completion date

June 30, 2026

Signature, Town Manager

Signature, CMFO