Mayor & Board of Aldermen –Special Call Meeting

Meeting Minutes

- May 21, 2026

Present: Mayor Adrian Wiggins
Vice Mayor Cates
Aldermen Bailey Campbell and LaBudde

1. Call to Order

Mayor Wiggins called the meeting to order.

2. Establish Quorum

Alderman Austin absent

3. Prayer & Pledge of Allegiance

4. Agenda Approval

Alderman LaBudde made a motion to approve the agenda as presented. Alderman Bailey seconded the motion. All voted in favor, none opposed. The motion passed.

5. Citizen's Comments

Richard Olsen – Burr Oak Drive- Related to "Material Weaknesses Identified" inquired if that was a systematic item; and, how significant are those and how soon would you expect those to be corrected?

6. Presentation of FY 2025 Audit By Godwin & Associates, PLLC Certified Public Accounts

Town Manager Ellis thanked Mr. Godwin for his staff for the professional, efficient and friendly service they provided during the FY25 Audit process. He also thanked the finance staff and others involved for their efforts throughout this process.

Mr. Godwin explained that they contracted with the State of Tennessee to render an opinion of the fairness of the town's financial statements. In this case there are 5 governmental funds and 2 proprietary funds, which are all independent funds and a have been reviewed so that the opinion may be given. The audit contract dictates reporting based on that of Governmental Audit Standards. The Federal Grants obtained by the town required an additional audit report known as a Single Audit. A Governance Letter, in which the auditor is required to communicate to the Mayor and Aldermen key audit matters, findings and responsibilities for transparency.

Mr. Godwin stated, that based on the review of every workpaper, and in review of the financial statements, an "Unmodified Opinion" was rendered for the FY25 Town of Oakland Audit. He expressed that the quality and condition of the records are very well. He also commended the high-quality staff here, further stating on behalf of his firm, it was a pleasure in working with them.

He pointed it is not uncommon for adjusting entries to be made during the audit, if they fall within the guidelines of Generally Accepted Accounting Principles (GAAP), there were several prior year-end adjustments that were made allowing the "Unmodified Opinion" to be rendered. See Financial Statement pages 47-48.

He called attention to page 68 the "Schedule of Prior Year Audit Findings", noting that all but two (2) were corrected. The first one, Financial Statement Materially Misstated, is one that is repeated, but is not an uncommon finding. He reported It takes a while to correct, but things are much better. The second repeat finding, "Late Filing of Single Audit", will be one that is not to be expected going forward.

Finance Director Rice thanked and recognized the Finance Department Staff. She thanked Mr. Godwin and the staff Godwin Associates for taking on Oakland's FY25 Audit.

The types of opinions (best to worst):

Unmodified Opinion -Indicates that the financial statements are **fairly presented in all material respects** and comply with applicable accounting standards. No significant deficiency identified.

Qualified Opinion - Indicates there is a **material misstatement,** restricts auditor access to certain records, false or misleading statements, even omission of material.

Adverse Opinion- Indicates the financial statements **do not fairly present** the town's financial position due to **material and pervasive misstatements**

Disclaimer of Opinion - Occurs when auditors **cannot obtain sufficient evidence** to form an opinion or there is **significant uncertainty.**

7. Adjourn

A motion to adjourn was made by Alderman LaBudde.

Date: May 21, 2026

Adrian Wiggins, Mayor

K. Yvonne Bullard, Town Recorder