

DESOTO PARISH TOURISM COMMISSION
(a component unit of the DeSoto Parish Police Jury)
Mansfield, Louisiana

FINANCIAL REPORT
December 31, 2025

DESOTO PARISH TOURISM COMMISSION
Mansfield, Louisiana
FINANCIAL REPORT
December 31, 2025

Table of Contents

	<u>Statement</u>	<u>Page</u>
Independent Accountant's Review Report		2-3
<u>Required Supplementary Information (Part I):</u>		
Management's Discussion and Analysis		5-7
<u>Basic Financial Statements:</u>		
Governmental Fund Balance Sheet / Statement of Net Position	A	9
Statement of Governmental Fund Revenues, Expenditures, and Changes in Fund Balance / Statement of Activities	B	10
Notes to the Financial Statements		12-16
<u>Required Supplementary Information (Part II):</u>		
Budgetary Comparison Schedule – General Fund	1	18
Note to Budgetary Comparison Schedule		19
<u>Supplementary Information:</u>		
Schedule of Compensation, Benefits, and Other Payments to Agency Head or Chief Executive Officer	2	21
<u>Other Reports Required by <i>Louisiana Governmental Audit Guide</i>:</u>		
Independent Accountant's Report on Applying Agreed-Upon Procedures		23-25
Louisiana Attestation Questionnaire		26-28



Dees Gardner, Certified Public Accountants, LLC

Deborah D. Dees, CPA/CFF
122 Jefferson Street
Mansfield, LA 71052
Phone (318) 872-3007

Maura Dees Gardner, CPA, CFE
1659 Hwy 171 / P.O. Box 328
Stonewall, LA 71078
www.deesgardnercpas.com

Independent Accountant's Review Report

To the Board of Commissioners of the
DeSoto Parish Tourism Commission
Mansfield, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and the major fund of the DeSoto Parish Tourism Commission (Tourism Commission), a component unit of the DeSoto Parish Police Jury, as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Tourism Commission's basic financial statements as listed in the table of contents. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the Tourism Commission. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

The Tourism Commission's 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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement whether due to fraud or error.

Accountant's Responsibility

Our responsibility is to conduct the review in accordance with the *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA, the standards applicable to review engagements contained in *Government Auditing Standards*, issued by the United States Comptroller General and the *Louisiana Governmental Audit Guide*. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion. We are required to be independent of the Tourism Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountant's Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements of the Tourism Commission in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the information listed in the table of contents as Required Supplementary Information Part I and Part II be presented to supplement the basic financial statements. Such information, although not a required 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. Such information is the responsibility of management. We have not subjected the information to the review procedures applied in the review of the basic financial statements, and accordingly, we do not express an opinion, a conclusion, or provide any assurance on it.

Supplementary Information

The information listed in the table of contents as Supplementary Information 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. We have reviewed the information and, based on our review, we are not aware of any material modifications that should be made to the information in order for it to be in accordance with accounting principles generally accepted in the United States of America. We have not audited the information and, accordingly, do not express an opinion on such information.

Report on Other Legal and Regulatory Requirements

In accordance with the *Louisiana Governmental Audit Guide* and the provisions of state law, we have issued a report, dated June 25, 2026, on the results of our agreed-upon procedures.

Dees Gardner, Certified Public Accountants, LLC

Mansfield, Louisiana

June 25, 2026

REQUIRED SUPPLEMENTARY INFORMATION (PART I)

DESOTO PARISH TOURISM COMMISSION

Mansfield, Louisiana

MANAGEMENT'S DISCUSSION AND ANALYSIS

December 31, 2025

As management of the DeSoto Parish Tourism Commission (Tourism Commission), we offer the readers of the Tourism Commission's financial statements this narrative overview and analysis of the financial activities of the Tourism Commission as of and for the year ended December 31, 2025. We encourage readers to consider the information presented here in conjunction with the Tourism Commission's basic financial statements and supplementary information provided in the report in assessing the efficiency and effectiveness of our stewardship of public resources. The Tourism Commission was determined to be a component unit of the DeSoto Parish Police Jury. The accompanying financial statements present information only on the funds maintained by the Tourism Commission.

FINANCIAL HIGHLIGHTS

The Tourism Commission experienced an increase in its total net position of \$98,268 or 9.93% during the year. At December 31, 2025, the assets of the Tourism Commission exceeded its liabilities by \$1,088,149.

The Tourism Commission's total revenues increased \$110,215, or 36.48%, to \$412,372 in 2025 from \$302,157 in 2024. Occupancy taxes accounted for \$53,313 of this increase, rising from \$182,890 in 2024 to \$236,203 in 2025.

The Tourism Commission's total expenses decreased \$45,863 or 12.74% to \$314,104 in 2025 from \$359,967 in 2024. Expenses are normalizing after being higher for several years due to the expenditure of grant funds received in 2021.

OVERVIEW OF FINANCIAL STATEMENTS

This Management Discussion and Analysis document introduces the basic financial statements which includes government-wide financial statements and fund financial statements. These two types of financial statements present the Tourism Commission's financial position and results of operations from differing perspectives, which are described as follows:

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Tourism Commission's finances, in a manner similar to a private-sector business. There are two government-wide statements: the statement of net position and the statement of activities.

The statement of net position presents information on all of the Tourism Commission's assets and liabilities with the difference between them presented as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Tourism Commission is improving or deteriorating.

The statement of activities presents information showing how the government'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 in this statement for some items that will only result in cash flows in future fiscal periods.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Tourism Commission, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Tourism Commission only reports one fund type, governmental funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The Tourism Commission maintains one governmental fund, the general fund, which is its only major fund.

Notes to the Financial Statements

The notes to the financial statements 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 immediately following the basic financial statements.

Required Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. The Tourism Commission adopts an annual budget for the general fund. A budgetary comparison statement is provided for the general fund to demonstrate budgetary compliance.

Supplementary Information

The schedule of compensation, benefits and other payments to agency head or chief executive officer is presented to fulfil the requirements of Louisiana Revised Statute 24:513(A)(3).

FINANCIAL ANALYSIS OF THE TOURISM COMMISSION AS A WHOLE

A Summary of the Statement of Net Position is as follows at December 31,:

	Governmental Activities		
	2025	2024	% Change
ASSETS			
Current and other assets	\$ 1,102,480	\$ 1,007,139	9.47%
Total assets	<u>\$ 1,102,480</u>	<u>\$ 1,007,139</u>	<u>9.47%</u>
LIABILITIES			
Current and other liabilities	\$ 14,331	\$ 12,858	11.46%
Noncurrent liabilities	-	4,400	100.00%
Total liabilities	<u>14,331</u>	<u>17,258</u>	<u>-16.96%</u>
NET POSITION			
Unrestricted	1,088,149	989,881	9.93%
Total net position	<u>\$ 1,088,149</u>	<u>\$ 989,881</u>	<u>9.93%</u>

The comparison of net position from year to year serves to measure a government's financial position. As of December 31, 2025, the Tourism Commission's assets exceed its liabilities by \$1,088,149 (net position). 100% of the total net position is unrestricted as of December 31, 2025 and may be used to meet the ongoing obligations to the citizens of DeSoto Parish.

A Summary of the Statement of Activities is as follows for the years ended December 31,:

	Governmental Activities		
	2025	2024	% Change
Program Revenues:			
Operating grants & contributions	\$ 119,902	\$ 82,708	44.97%
General Revenues:			
Occupancy taxes	236,203	182,890	29.15%
Misc Revenue	14,747	2,451	501.67%
Interest earnings	41,520	34,108	21.73%
Total revenues	<u>412,372</u>	<u>302,157</u>	<u>36.48%</u>
Expenses			
General government - tourism	<u>314,104</u>	<u>359,967</u>	<u>-12.74%</u>
Total expenses	<u>314,104</u>	<u>359,967</u>	<u>-12.74%</u>
Change in net position	98,268	(57,810)	
Net Position, beginning	989,881	1,047,691	-5.52%
Net Position, ending	<u>\$ 1,088,149</u>	<u>\$ 989,881</u>	<u>9.93%</u>

The above schedule compares revenues and expenses for the current and previous year. Approximately, 57.28% of the Tourism Commission's total revenues for 2025 come from occupancy taxes, 29.08% from operating grants and contributions, and 10.07% from interest earnings.

FINANCIAL ANALYSIS OF THE TOURISM COMMISSION'S GOVERNMENT FUNDS

For the year ended December 31, 2025, there was no difference between the ending government-wide net position and the ending government fund balance.

GENERAL FUND BUDGETARY HIGHLIGHTS

Formal budgetary integration is employed as a management control device during the fiscal year. The budget policy of the Tourism Commission complies with state law, as amended, and as set forth in Louisiana Revised Statutes Title 39, Chapter 9, Louisiana Local Government Budget Act (LSA-RS 39:1301 et seq). The Tourism Commission adopted a budget for its General Fund for the year ended December 31, 2025. The budget was amended once during the year. Actual revenues were more than final budgeted amounts by \$23,549 (6.06%). Total actual expenditures were less than the final budgeted amounts by \$70,319 (18.09%).

DEBT ADMINISTRATION

At December 31, 2025, the Tourism Commission had no debt.

CAPITAL ASSETS

The Tourism Commission did not acquire any capital assets in 2025.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The primary revenue source for the Tourism Commission is derived from a three percent tax upon the occupancy of hotel rooms, motel rooms, and overnight camping facilities within the boundaries of DeSoto Parish. This tax is subject to changes in the economy in the short-term and in the long-term. In budgeting for the year ended December 31, 2026, the Tourism Commission expects revenues and expenses to remain stable year over year.

CONTACTING THE TOURISM COMMISSION

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the finances for those funds maintained by the DeSoto Parish Tourism Commission and to show the Tourism Commission's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Charlotte Knotek, Director of the Tourism Commission, at 872-1177.

BASIC FINANCIAL STATEMENTS

DESOTO PARISH TOURISM COMMISSION
Mansfield, Louisiana

STATEMENT A

GOVERNMENTAL FUND BALANCE SHEET / STATEMENT OF NET POSITION

December 31, 2025

	Governmental Fund Financial Statements		Government-wide Statements
	Balance Sheet		Statement of
	General Fund	Adjustments	Net Position
Assets			
Cash and cash equivalents	\$ 265,772	\$ -	\$ 265,772
Investments	818,418	-	818,418
Accounts receivable	17,040	-	17,040
Prepaid expenses	1,250	-	1,250
Total assets	<u>\$ 1,102,480</u>	<u>\$ -</u>	<u>\$ 1,102,480</u>
Liabilities			
Accounts payable	\$ 12,674	\$ -	\$ 12,674
Payroll liabilities	1,657	-	1,657
Total liabilities	<u>14,331</u>	<u>-</u>	<u>14,331</u>
Fund Balance / Net Position			
Fund balances:			
Nonspendable - Prepaid expenses	1,250	(1,250)	
Unassigned	1,086,899	(1,086,899)	-
Total fund balances	<u>1,088,149</u>	<u>(1,088,149)</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 1,102,480</u>	<u>(1,088,149)</u>	<u>14,331</u>
Net position:			
Unrestricted		1,088,149	1,088,149
Total net position		<u>\$ 1,088,149</u>	<u>\$ 1,088,149</u>

The accompanying notes are an integral part of this statement.
See accompanying independent accountant's review report.

DESOTO PARISH TOURISM COMMISSION
Mansfield, Louisiana

**STATEMENT OF GOVERNMENTAL FUND REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE / STATEMENT OF ACTIVITIES**

For the year ended December 31, 2025

	Governmental Fund Financial Statements		Government-wide Statements
	Statement of Revenues Expenditures, and Changes in Fund Balance		Statement of Activities
	General Fund	Adjustments	
Expenditures / Expenses			
Current			
General government - Tourism	\$ 318,504	\$ (4,400)	\$ 314,104
Total expenditures / expenses	<u>318,504</u>	<u>(4,400)</u>	<u>314,104</u>
Program revenues			
Operating grants & contributions	<u>119,902</u>	<u>-</u>	<u>119,902</u>
Total program revenues	<u>119,902</u>	<u>-</u>	<u>119,902</u>
Net program expense			(194,202)
General revenues			
Occupancy taxes	236,203	-	236,203
Interest earnings	41,520	-	41,520
Other income	<u>14,747</u>	<u>-</u>	<u>14,747</u>
Total general revenues	<u>292,470</u>	<u>-</u>	<u>292,470</u>
Net change in fund balance / Change in net position	93,868	4,400	98,268
Fund Balance / Net Position			
Beginning of the year	994,281	(4,400)	989,881
End of the year	<u>\$ 1,088,149</u>	<u>\$ -</u>	<u>\$ 1,088,149</u>

**RECONCILIATION OF GOVERNMENTAL FUND REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES**

Amounts reported for governmental activities in the Statement of Activities are different because:

Net Change in Fund Balance	\$	93,868
----------------------------	----	--------

In the Statement of Activities, certain operating expenses are measured by the amounts accrued during the year. In the governmental funds, however, expenditures for these items are measured by the amounts actually paid.

Compensated absences (expense) benefit		4,400
--	--	-------

Change in Net Position	\$	<u>98,268</u>
------------------------	----	---------------

The accompanying notes are an integral part of this statement.
See accompanying independent accountant's review report.

NOTES TO THE FINANCIAL STATEMENTS

DESOTO PARISH TOURISM COMMISSION

Mansfield, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the year ended December 31, 2025

INTRODUCTION

The DeSoto Parish Tourism Commission (the Tourism Commission) was created by the DeSoto Parish Police Jury (DPPJ), as authorized by Louisiana Revised Statute 33:4574 on June 13, 1984 with the purpose of the promotion of tourism within DeSoto Parish. The Tourism Commission is governed by a seven-member commission appointed by the DPPJ. Appointments are made from a list of nominees submitted to the DPPJ by the DeSoto Parish Chamber of Commerce. The directors are appointed for terms of three years. The commission shall do all things necessary for the promotion and the advertisement and publication of information relating to tourist attractions within DeSoto Parish. The Tourism Commission has one part-time administrative employee and one full-time director.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying basic financial statements of the Tourism Commission have been prepared in conformity with governmental accounting principles generally accepted in the United States of America applicable to state and local governments (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for GAAP for state and local governments through its pronouncements. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:513 and the *Louisiana Governmental Audit Guide*.

A. REPORTING ENTITY

The accompanying financial statements present the Tourism Commission's funds and activities. As required by GAAP, these financial statements present the Tourism Commission as a component unit of the DPPJ. Based on the following criteria, the DPPJ is considered a primary government. A primary government is financially accountable for an organization if (a) it appoints a voting majority of the organization's governing board and is able to impose its will on the organization or there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the primary government; or (b) total outstanding debt, including leases, is expected to be repaid entirely or almost entirely with resources from the primary government. Based upon these criteria, the Tourism Commission is considered to be a component unit of the DPPJ and is disclosed as such in the DPPJ's financial statements.

B. BASIS OF PRESENTATION

The Tourism Commission's basic financial statements consists of government-wide financial statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements

The Statement of Net Position and Statement of Activities display information about the reporting government as a whole. They include the fund of the reporting entity, which is considered to be a governmental activity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Tourism Commission's governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements

The financial transactions of the Tourism Commission are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures/expenses. The emphasis in fund financial statements is on major funds. The only fund of the Tourism Commission is the general fund. The General Fund is available for any purpose provided it is expended or transferred in accordance with state and federal laws and according to the Tourism Commission's policies.

DESOTO PARISH TOURISM COMMISSION

Mansfield, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the year ended December 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. MEASUREMENT FOCUS/ BASIS OF ACCOUNTING

Measurement focus is a term used to describe “which” transactions are recorded within the various financial statements. Basis of accounting refers to “when” transactions are recorded regardless of the measurement focus applied.

Measurement Focus

On the government-wide Statement of Net Position and the Statement of Activities, governmental activities are presented using the economic resources measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net position (or cost recovery) and financial position. All assets and liabilities (whether current or non-current) associated with its activities are reported. Government-wide fund equity is classified as net position.

In the fund financial statements, the “current financial resources” measurement focus is used. Only current financial assets and liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of available spendable financial resources during a given period. This approach is then reconciled, through adjustment, to a government-wide view of the operations.

Basis of Accounting

In the government-wide Statement of Net Position and Statement of Activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

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 enough 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 period. Revenues are classified by source and expenditures are classified by function and character. Expenditures (including capital outlays) generally are recorded when a liability is incurred, as under accrual accounting.

The governmental funds use the following practices in recording revenues and expenditures:

Revenues. Occupancy taxes are recorded in the year in which the taxes are collected. Intergovernmental revenues and grants are recognized when received. Interest income on deposits is recorded monthly when the interest is earned and credited to the account.

Expenditures. Salaries are recorded when employee services are paid. Purchases of various operating supplies are recorded as expenditures in the accounting period in which they are purchased. Substantially all other expenditures are recognized when the related liability is incurred.

D. ASSETS, LIABILITIES AND EQUITY

Cash and Investments

Cash includes amounts in demand accounts, and interest-bearing demand and savings accounts. Investments include only certificate of deposit accounts with original maturities of one year or more. Under state law, the Tourism Commission may deposit funds with a fiscal agent organized under the laws of Louisiana, the laws of any other state in the union, or the laws of the United States. The Tourism Commission may invest in United States bonds, treasury notes and bills, government-backed agency securities, or certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana.

Accounts Receivable

The receivable balance for the governmental activities is primarily occupancy taxes, and a payroll tax overpayment. Substantially all receivables are considered to be fully collectible, and no allowance for uncollectible is used.

DESOTO PARISH TOURISM COMMISSION

Mansfield, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the year ended December 31, 2025

1. **SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

D. **ASSETS, LIABILITIES AND EQUITY** (continued)

Compensated Absences

The Tourism Commission's recognition and measurement criteria for compensated absences follows GASB Statement No. 101. The Tourism Commission recognizes a liability for compensated absences for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means.

Employees of the Tourism Commission earn 5 to 20 days of vacation leave depending on their length of service. Leave is accrued but not available during the first six months of employment. Unused vacation can be carried over to the subsequent year. Employees can be paid up to 300 hours of accumulated vacation at termination of employment. Regular full-time employees earn 5 days of sick leave per year. Employees can carry over up to 20 days of sick leave per year. Sick leave is not paid out at termination of employment.

The Tourism Commission reported no material compensated absences balances as of December 31, 2025.

Equity Classifications

Net Position

The Tourism Commission classifies net position in the government-wide financial statements, as follows:

- Net investment in capital assets – consists of net capital assets reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.
- Restricted net position – net position is considered restricted if its use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws or buyers of the Tourism Commission's bonds. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.
- Unrestricted net position – consists of all other net position that does not meet the definition of the above two components and is available for general use by the Tourism Commission.

Fund Balances

In accordance with GASB Statement No. 54, the Tourism Commission classifies fund balances in governmental funds as follows:

- Nonspendable - Resources that are not in spendable form (such as prepaid expenses) because they are legally or contractually required to be maintained intact.
- Restricted - Resources constrained to specific purposes by their providers (such as grantors or higher levels of government).
- Committed - Resources constrained by the Tourism Commission itself. To be reported as committed, amounts cannot be used for any other purpose unless the Tourism Commission takes the action to remove or change the constraint.
- Assigned - Resources the Tourism Commission intends to use for a specific purpose.
- Unassigned - Resources that are available for any purpose.

The Tourism Commission establishes (and modifies and rescinds) fund balance commitments and assignments through adoption and amendment of the budget. The Tourism Commission would typically use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first and to defer the use of these other classified funds.

The General Fund, the Tourism Commission's only governmental fund, has an unassigned fund balance of \$1,088,149.

DESOTO PARISH TOURISM COMMISSION

Mansfield, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the year ended December 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. USE OF ESTIMATES

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

2. CASH AND INTEREST-BEARING DEPOSITS

At December 31, 2025, the Tourism Commission had cash and investments totaling \$1,084,190 (book balance) as follows:

Cash - Interest bearing demand deposits	\$	265,772
Investments - Certificates of deposit		818,418
	\$	<u>1,084,190</u>

The cash of the DeSoto Parish Tourism Commission is subject to the following risks:

Custodial Credit Risk: Custodial credit risk is the risk that, in the event of the failure of a depository financial institution, the government will not be able to recover its deposits. Under state law, these deposits (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Louisiana Revised Statute 39:1229 imposes a statutory requirement of the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Tourism Commission that the fiscal agent has failed to pay deposited funds upon demand. Further, Louisiana Revised Statute 39:1224 states that securities held by a third party shall be deemed to be held in the Tourism Commission's name.

At December 31, 2025, the Tourism Commission had \$1,025,192 in deposits (collected bank balances). These deposits were secured from risk by \$927,570 of federal deposit insurance and \$582,913 in pledged marketable securities held by custodial banks in the name of the Tourism Commission.

Interest Rate Risk: This is the risk that changes in market interest rates will adversely affect the fair value of the certificate of deposit. Generally, the longer the maturity of the investment, the greater the sensitivity of its fair value is to changes in market interest rates. The Tourism Commission does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Tourism Commission's cash and investments being in demand accounts and CD's with maturities less than one year limits exposure to fair value losses.

3. LEVIED TAXES

Pursuant to RS 33:4574(B) the Tourism Commission is authorized to levy and collect a three percent tax upon the occupancy of hotel rooms, motel rooms, and overnight camping facilities within the boundaries of the Tourism Commission. Collections are made through the DeSoto Parish Sales Tax Commission and remitted to the Tourism Commission monthly. The Tourism Commission recognizes occupancy tax revenues when collected. The total of occupancy tax revenues recognized in 2025 by the Tourism Commission was \$236,203.

4. RISK MANAGEMENT

The Tourism Commission is exposed to various risks of loss related to torts, theft of or damage to and destruction of assets and errors and omissions. To reduce these risks, the Tourism Commission purchases commercial insurance. No settled claims from these risks have exceeded insurance coverage in the last three years. There were no significant changes to insurance coverage during the year ended December 31, 2025.

5. LITIGATION

There is no litigation pending against the Tourism Commission at December 31, 2025, nor is it aware of any unasserted claims.

DESOTO PARISH TOURISM COMMISSION

Mansfield, Louisiana

NOTES TO THE FINANCIAL STATEMENTS

As of and for the year ended December 31, 2025

6. RELATED PARTY TRANSACTIONS

Procedures, observations, and inquiries did not disclose any material related party transactions for the year ended December 31, 2025.

7. COMPENSATION PAID TO BOARD MEMBERS

The members of the Board of Commissioners of the Tourism Commission receive no compensation for their services.

8. RETIREMENT COMMITMENTS

The Tourism Commission had two employees who are members of the Federal Social Security System. The Tourism Commission's contribution to the Federal Social Security System was \$4,008.

9. SUBSEQUENT EVENTS

Management has performed an evaluation of the Tourism Commission's activities through June 25, 2026, and has concluded that there was no significant event requiring recognition or disclosure through the date and time these financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION (PART II)

DESOTO PARISH TOURISM COMMISSION
Mansfield, Louisiana
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
For the year ended December 31, 2025

	Budgeted Amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues				
Occupancy taxes	\$ 160,000	\$ 235,819	\$ 236,203	\$ 384
Operating grants and contributions	84,158	123,902	119,902	(4,000)
Interest income	35,000	14,355	41,520	27,165
Other income	48,000	14,747	14,747	-
Total revenues	<u>327,158</u>	<u>388,823</u>	<u>412,372</u>	<u>23,549</u>
Expenditures				
Current				
General government - tourism	326,198	388,823	318,504	70,319
Total expenditures	<u>326,198</u>	<u>388,823</u>	<u>318,504</u>	<u>70,319</u>
Net Change in Fund Balance	960	-	93,868	93,868
Fund balances, beginning	994,281	994,281	994,281	-
Fund balances, end	<u>\$ 995,241</u>	<u>\$ 994,281</u>	<u>\$ 1,088,149</u>	<u>\$ 93,868</u>

See accompanying independent accountant's review report and notes to required supplementary information.

DESOTO PARISH TOURISM COMMISSION
Mansfield, Louisiana
NOTE TO BUDGETARY COMPARISON SCHEDULE
December 31, 2025

Budgetary Information

DeSoto Parish Tourism Commission (the "Tourism Commission") is required by state law to adopt an annual budget in accordance with the Louisiana Local Government Budget Act (LSA-R.S. 39:1301 et seq.). The budget is adopted on the modified accrual basis of accounting, consistent with the basis used to report the General Fund in the governmental fund financial statements. Under the Tourism Commission's normal process, a proposed budget is prepared by the governing board in November and made available for public inspection no later than 15 days prior to December 31 of each year. Once adopted, the budget may be amended by approval of a majority of the Board at a regular open meeting. The budget comparison schedule presents the original adopted budget and the final amended budget.

The Louisiana Local Government Budget Act provides that "the total of proposed expenditures shall not exceed the total of estimated funds available for the ensuing year". The "total estimated funds available" is the sum of the respective estimated fund balances at the beginning of the year and the anticipated revenues for the current year.

For the year ended December 31, 2025, actual revenues were \$23,549 (6.06%) more than budgeted amounts, and actual expenditures were \$70,319 (18.09%) less than budgeted amounts. The Tourism Commission is in compliance with the Local Government Budget Act.

SUPPLEMENTARY INFORMATION

DESOTO PARISH TOURISM COMMISSION
Mansfield, Louisiana

**SCHEDULE OF COMPENSATION, BENEFITS AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**

For the year ended December 31, 2025

Purpose:	Charlotte Knotek Amount
Salary	46,123
Benefits - medicare taxes	669
Benefits - social security tax	2,860
Benefits - Health insurance	11,954
Benefits - Retirement	-
Car allowance	-
Cell phone allowance	880
Dues/Subscriptions	172
Per diem	-
Reimbursements	46
Travel	2,529
Registration fees	-
Conference travel	-
Training	-
Housing	-
Unvouchered expenses	-
Special meals	-

The accompanying notes are an integral part of this statement.
See accompanying independent accountant's review report.

OTHER REPORTS REQUIRED BY *LOUISIANA GOVERNMENTAL AUDIT GUIDE*



Dees Gardner, Certified Public Accountants, LLC

Deborah D. Dees, CPA/CFF
122 Jefferson Street
Mansfield, LA 71052
Phone (318) 872-3007

Maura Dees Gardner, CPA, CFE
1659 Hwy 171 / P.O. Box 328
Stonewall, LA 71078
www.deesgardnercpas.com

Independent Accountant's Report on Applying Agreed-Upon Procedures

To the Board of Commissioners of the
DeSoto Parish Tourism Commission
Mansfield, Louisiana

We have performed the procedures enumerated below, which were agreed to by the management of the DeSoto Parish Tourism Commission (Tourism Commission) and the Legislative Auditor, State of Louisiana (the specified parties), on the Tourism Commission's compliance with certain laws and regulations contained in the accompanying *Louisiana Attestation Questionnaire* during the fiscal year ended December 31, 2025, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide. Management of the Tourism Commission is responsible for its financial records and compliance with applicable laws and regulations. The sufficiency of these procedures is solely the responsibility of the specified parties. Consequently, we make no representation regarding the sufficiency of the procedures enumerated below either for the purpose for which this report has been requested or for any other purpose.

Public Bid Law

1. Obtain documentation for all expenditures made during the year for materials and supplies exceeding \$60,000, and public works exceeding \$250,000. Compare the documentation for these expenditures to R.S. 38:2211-2296 (the public bid law) or R.S. 39:1551-39:1775 (the state procurement code), whichever is applicable, and report whether the expenditures were made in accordance with these laws.

No expenditures were made during the year for materials and supplies exceeding \$60,000 or public works exceeding \$250,000.

Code of Ethics for Public Officials and Public Employees

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1101-1124 (the code of ethics).

Management provided me with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the fiscal year.

Management provided us with the required list.

4. Report whether any employees' names appear on both lists obtained Procedures 2 and 3.

None of the employees included on the list of employees provided by management (agreed-upon procedure No. 3) appeared on the list provided by management in agreed-upon procedure No. 2.

5. Obtain a list of all disbursements made during the year, and a list of outside business interests of board members, employees, and board members' and employees' immediate families. Report whether any vendors appear on both lists.

A list of disbursements was obtained. None of the business interests were also found as a vendor.

Budgeting

6. Obtain a copy of the legally adopted budget and all amendments.

Management provided us with a copy of the original budget and all amendments to the original budget.

7. Trace documentation for the adoption of the budget and approval of any amendments to the minute book, and report whether there are any exceptions.

The Board adopted the original budget on November 12, 2024. It was not amended during the year.

8. Compare the revenues and expenditures of the final budget to actual revenues and expenditures. Report whether actual revenues failed to meet budgeted revenues by 5% or more, and whether actual expenditures exceeded budgeted amounts by 5% or more.

We compared the revenues and expenditures of the final budget to actual revenue and expenditures. Actual revenues for the year were more than budgeted amounts by \$23,549 (6.06%). Total actual expenditures were less than budgeted amounts by \$70,319 (18.09%).

Accounting and Reporting

9. Obtain the list of disbursements made during the fiscal year. Randomly select six disbursements and obtain documentation from management for these disbursements. Compare the selected disbursements to the supporting documentation, and

- (a) Report whether the six disbursements agree to the amount and payee in the supporting documentation.

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- (b) Report whether the six disbursement are coded to the correct fund and general ledger account.

Payments were found to be properly coded to the correct fund and general ledger account.

- (c) Report whether the six disbursements were approved in accordance with policies and procedures

The payments were found to be approved in accordance with policies and procedures.

Meetings

10. Obtain evidence from management to support that agendas for meetings recorded in the minute book were posted or advertised as required by RS 42:11 through 42:28 (the open meeting law) and report whether there are any exceptions.

Meeting agendas were found to be posted as required.

Debt

11. Obtain bank deposit slips for the fiscal year and scan the deposit slips in order to identify and report whether there are any deposits that appear to be proceeds of bank loans, bonds, or like indebtedness. If any such proceeds are identified, obtain from management evidence of approval by the State Bond Commission, and report any exceptions.

We inspected deposits for the period under examination and found no indication of new bank loans, bonds, or like indebtedness in 2025.

Advances and Bonuses

12. Obtain the list of payroll disbursements and meeting minutes of the governing board, if applicable. Scan these documents to identify and report whether there are any payments or approval of payments to employees that may constitute bonuses, advances, or gifts.

We inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

State Audit Law

13. Report whether the agency provided for a timely report in accordance with R.S. 24:513.

The report was filed timely.

14. Inquire of management and report whether the agency entered into any contracts that utilized state funds as defined in R.S. 39:72.1 A(2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Management did not enter into any contracts that utilized state funds.

Other Matters, Concerns, Suggestions, Recommendations, and/ or Comments

15. Discuss any other matters, concerns, suggestions, recommendations and/ or comments determined during the performance of attestation procedures.

None.

Prior-Year Comments and Recommendations

16. Review any prior-year suggestions, recommendations, and or comments to determine the extent to which such matters have been resolved.

No prior year exceptions noted.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and the standards applicable to attestation engagements contained in Government Auditing Standards, issued by the United States Comptroller General. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the Tourism Commission's compliance with the foregoing matters. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

The purpose of this report is solely to describe the scope of testing performed on the Tourism Commission's compliance with certain laws and regulations contained in the accompanying Louisiana Attestation Questionnaire, as required by Louisiana Revised Statute 24:513 and the Louisiana Governmental Audit Guide, and the result of that testing, and not to provide an opinion on control or compliance. Accordingly, this report is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Dees Gardner, Certified Public Accountants, LLC

Dees Gardner, Certified Public Accountants, LLC
Mansfield, Louisiana
June 25, 2026

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

DATE: February 24, 2026

Dees Gardner, Certified Public Accountants, LLC
122 Jefferson Street
Mansfield, LA 71052

In connection with your engagement to apply agreed-upon procedures to the control and compliance matters identified below, as of December 31, 2025 and for the year then ended, and as required by Louisiana Revised Statute (R.S.) 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you.

Public Bid Law

It is true that we have complied with the state procurement code (R.S. 39:1551 – 39:1755); the public bid law (R.S. 38:2211-2296), and, where applicable, the regulations of the Division of Administration and the State Purchasing Office.

Yes ☒ No ☐ N/A ☐

Code of Ethics for Public Officials and Public Employees

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of R.S. 42:1101-1124.

Yes ☒ No ☐ N/A ☐

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of R.S. 42:1119.

Yes ☒ No ☐ N/A ☐

Budgeting

We have complied with the state budgeting requirements of the Local Government Budget Act (R.S. 39:1301-15), R.S. 39:33, or the budget requirements of R.S. 39:1331-1342, as applicable.

Yes ☒ No ☐ N/A ☐

Accounting and Reporting

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by R.S. 44:1, 44:7, 44:31, and 44:36.

Yes ☒ No ☐ N/A ☐

We have filed our annual financial statements in accordance with R.S. 24:514, and 33:463 where applicable.

Yes ☒ No ☐ N/A ☐

We have had our financial statements reviewed in accordance with R.S. 24:513.

Yes ☒ No ☐ N/A ☐

We did not enter into any contracts that utilized state funds as defined in R.S. 39:72.1 A. (2); and that were subject to the public bid law (R.S. 38:2211, et seq.), while the agency was not in compliance with R.S. 24:513 (the audit law).

Yes ☒ No ☐ N/A ☐

We have complied with R.S. 24:513 A. (3) regarding disclosure of compensation, reimbursements, benefits and other payments to the agency head, political subdivision head, or chief executive officer.

Yes ☒ No ☐ N/A ☐

We have complied with R.S. 24:515.2 regarding reporting of pre- and post- adjudication court costs, fines and fees assessed or imposed; the amounts collected; the amounts outstanding; the amounts retained; the amounts disbursed, and the amounts received from disbursements.

Yes ☒ No ☐ N/A ☐

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

Meetings

We have complied with the provisions of the Open Meetings Law, provided in R.S. 42:11 through 42:28.

Yes [☒] No [] N/A []

Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and R.S. 39:1410.60-1410.65.

Yes [☒] No [] N/A []

Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, R.S. 14:138, and AG opinion 79-729.

Yes [☒] No [] N/A []

Prior-Year Comments

We have resolved all prior-year recommendations and/or comments.

Yes [☒] No [] N/A []

General

We acknowledge that we are responsible for the Agency's compliance with the foregoing laws and regulations and the internal controls over compliance with such laws and regulations.

Yes [☒] No [] N/A []

We acknowledge that we are responsible for determining that the procedures performed are appropriate for the purposes of this engagement.

Yes [☒] No [] N/A []

We have evaluated our compliance with these laws and regulations prior to making these representations.

Yes [☒] No [] N/A []

We have provided you with all relevant information and access under the terms of our agreement.

Yes [☒] No [] N/A []

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations.

Yes [☒] No [] N/A []

We are not aware of any material misstatements in the information we have provided to you.

Yes [☒] No [] N/A []

We have disclosed to you any communications from regulatory agencies, internal auditors, other independent practitioners or consultants, and others concerning noncompliance with the foregoing laws and regulations, including communications received during the period under examination; and will disclose to you any such communication received between the end of the period under examination and the date of your report.

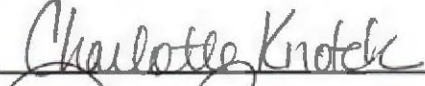
Yes [☒] No [] N/A []

LOUISIANA ATTESTATION QUESTIONNAIRE
(For Attestation Engagements of Governmental Agencies)

We will disclose to you, the Legislative Auditor, and the applicable state grantor agency/agencies all known noncompliance and other events subsequent to the date of this representation and the date of your report that could have a material effect on our compliance with laws and regulations and the internal controls with such laws and regulations, or would require adjustment or modification to the results of the agreed-upon procedures.

Yes ☒ No ☐ N/A ☐

The previous responses have been made to the best of our belief and knowledge.

 _____	Executive Director	<u>2/25/26</u> Date
 _____	Board Chairman	<u>2/25/26</u> Date