

**DESOTO PARISH AMBULANCE SERVICE
DISTRICT d/b/a DESOTO EMS**

**ANNUAL FINANCIAL REPORT
JUNE 30, 2025**

DeSoto Parish Ambulance Service District
d/b/a DeSoto EMS
Annual Financial Report
June 30, 2025

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DESOTO PARISH AMBULANCE SERVICE DISTRICT
d/b/a DeSoto EMS

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For the year ending June 30, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

Within this section of the DeSoto Parish Ambulance Service District's (the District) (doing business as DeSoto EMS) annual financial report, the District's management is pleased to provide this narrative overview and analysis of the financial activities of the District as of and for the fiscal year ended June 30, 2025. The District's financial performance is discussed and analyzed within the context of the accompanying financial statements and disclosures following this section. We encourage readers to consider the information presented here in conjunction with the District's basic financial statements and supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

The DeSoto Parish Ambulance Service District was determined to be a component unit of the DeSoto Parish Police Jury. The Jury is financially accountable for the district because it appoints or ratifies a voting majority of its board and has the ability to impose its will on them. The accompanying financial statements present information only on the funds maintained by the DeSoto Parish Ambulance Service District.

FINANCIAL HIGHLIGHTS

District's net position increased \$560,158 (2.53%) to \$22,731,952 for the year ended June 30, 2025, down from a \$2,159,569 increase in the prior year. The change in net position increase from year to year was primarily the result of decreased revenues experienced during the year of \$1,465,243.

Ad valorem taxes decreased \$149,985 from \$6,415,508 during the year ending June 30, 2024, to \$6,265,523 during the current year. This decrease was due to a slight decrease in property values.

Charges for services revenues decreased \$751,047 (24.24%) in 2025 to \$2,347,132 from \$3,098,179 in 2024.

During the year ended June 30, 2025, the District's expenses remained relatively stable, increasing 1.56% to \$8,708,921 (which includes \$624,456 in depreciation and amortization).

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management's Discussion and Analysis document introduces the District's basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. The basic financial statements include two kinds of financial statements that present different views of the District – Governmental Fund Financial Statements and Government-wide Financial Statements. The Notes to the Financial Statements explain some of the information in the financial statements and provide additional detail. This report also contains additional required supplementary information and other supplementary information in addition to the basic financial statements. These components are described below. The District maintains one governmental fund, the General Fund.

GOVERNMENTAL FUND FINANCIAL STATEMENTS

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives and to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, governmental fund financial statements focus on the District's most significant funds rather than the District as a whole.

Governmental funds are reported in the governmental fund financial statements and encompass the same function reported as governmental activities in the government-wide financial statements. However, the focus is very different with fund statements providing a distinctive view of the District's governmental funds. The governmental fund financial statements report short-term fiscal accountability focusing on the use of spendable resources and balances of spendable resources available at the end of the year. They are useful in evaluating annual financing requirements of governmental programs and commitment of spendable resources for the short term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-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 assist in understanding the differences between these two perspectives. The governmental fund financial statements are presented in the first column of the basic financial statements in this report.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The District's annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the District's overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector with its basis in accrual accounting. These statements report all revenues and expenses connected with the year, even if cash has not been received or paid and the statements include all assets of the District as well as liabilities (long-term debt). The government-wide financial statements include two statements.

Statement of Net Position.

This is the government-wide statement of position presenting information that includes all of the District's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. Evaluation of the overall health of the District would also extend to other non-financial factors such as diversification of the taxpayer base, in addition to the financial information provided in this report.

Statement of Activities.

This reports how the District's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the statement of activities is to show the financial reliance of the District's distinct activities or functions on revenues provided by the District's taxpayers.

Currently, the District has only governmental activities that provide for personnel services, medical supplies, repairs and maintenance, occupancy expenses, and other costs related to the proper administration of the District's ambulance services. Ambulance fees and ad valorem (property) taxes finance these activities. The government-wide financial statements are presented in the last column of the basic financial statements in this report.

NOTES TO THE BASIC FINANCIAL STATEMENTS

The accompanying notes to the financial statements provide additional information essential to a full understanding of the data provided in the government-wide and fund financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget presentations. A budgetary comparison schedule is included as "required supplementary information" for the general fund. This is a required schedule demonstrating compliance with the adopted and final revised budget. Pension schedules required by GASB 68 are also included.

OTHER SUPPLEMENTARY INFORMATION

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The District's total net position changed from a year ago, increasing from \$22,171,794 to \$22,731,952.

The following table provides a summary of the District's net position at:

	<u>June 30, 2025</u>	<u>June 30, 2024</u>
Assets		
Current assets	\$ 15,556,745	\$ 14,802,789
Capital assets	8,449,098	8,466,182
Net pension asset	445,029	-
Total assets	<u>24,450,872</u>	<u>23,268,971</u>
Deferred outflows of resources	<u>467,180</u>	<u>1,043,674</u>
Liabilities		
Current liabilities	728,673	517,748
Non-current liabilities	698,928	1,060,912
Total liabilities	<u>1,427,601</u>	<u>1,578,660</u>
Deferred inflows of resources	<u>758,499</u>	<u>562,191</u>
Net position		
Net investment in capital assets	8,374,911	8,384,009
Unrestricted	14,357,041	13,787,785
Total net position	<u>\$ 22,731,952</u>	<u>\$ 22,171,794</u>

\$445,029 (1.82%) of the total assets reported at June 30, 2025, represent the net pension benefit of the District compared to a net pension liability of \$408,748 (38.53%) of non-current liabilities during the prior year. The District recognized a compensated absences liability under GASB 101 of \$624,741 at June 30, 2025.

A portion of the District's net position, \$8,374,911 (36.84%) reflects its net investment in capital assets such as ambulances, buildings, medical and communication equipment, and software and right-of-use assets less depreciation, amortization and any debt associated therewith. The District uses these capital assets and right-of-use assets to provide the services to the citizens of the parish; consequently, these assets are not available for future spending. There is \$74,187 in outstanding debt (lease obligations) related to these assets.

The remaining and largest portion of the District's net position \$14,357,041 (63.16%) at June 30, 2025, is unrestricted and may be used to meet the District's ongoing obligations to citizens and creditors at the discretion of the Board of Commissioners. These unrestricted assets consists primarily of cash, demand and time deposits, and ambulance service and ad valorem taxes receivable.

The following table provides a summary of the District's changes in net position for the years ending June 30,

	<u>Governmental Activities</u>	
	<u>2025</u>	<u>2024</u>
Revenues		
Program revenues		
Charges for services	\$ 2,347,132	\$ 3,098,179
Operating grants	-	388,543
General revenues		
Ad valorem taxes	6,265,523	6,415,508
Other general revenues	656,423	832,092
Total revenues	<u>9,269,078</u>	<u>10,734,322</u>
Expenses		
Public Safety-EMS	<u>8,708,920</u>	<u>8,574,753</u>
Total expenses	<u>8,708,920</u>	<u>8,574,753</u>
Increases in net position	560,158	2,159,569
Net Position Beginning	<u>22,171,794</u>	<u>20,012,225</u>
Net Position Ending	<u>\$ 22,731,952</u>	<u>\$ 22,171,794</u>

The District is heavily reliant on ad valorem (property) taxes to support its operations. Property taxes provided 67.60% of the total revenues in the year ended June 30, 2025. Ad valorem taxes decreased \$149,985.

Charges for services are for reimbursements from insurance companies; primarily Medicare and Medicaid. The ambulance service is provided at no out-of-pocket cost to parish residents. Charges for services provided 25.32% of the total revenue for the current year and 28.86% of the total revenue for the prior year. These charges decreased \$751,047 (24.24%) from \$3,098,179 for the year ended June 30, 2024, to \$2,347,132 for the year ended June 30, 2025.

GOVERNMENTAL FUND ANALYSIS

As the District completed the year, its general fund reported a fund balance of \$14,781,899, which is a 3.50% increase over last year's fund balance of \$14,282,421. Expenditures increased 9.46% from \$7,919,318 for the year ended June 30, 2024 to \$8,668,304 for June 30, 2025.

BUDGETARY HIGHLIGHTS

The District adopted a budget for its General Fund for the year ended June 30, 2025. The budget was not amended during the year. The District's budgetary comparison is presented as required supplemental information. Highlights for the year are as follows:

- Actual revenues received were more than the budgeted amounts by \$1,341,582 (17.14%) primarily due to a higher amount of ambulance service charges and investment earnings received than anticipated.
- Actual expenditures were less than budgeted amounts by \$662,496 (7.10%).

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of June 30, 2025, the DeSoto Parish Ambulance Service District had invested \$8,449,098 in capital assets as follows:

Capital Assets at Year End (Net of Depreciation)

	Governmental Activities		% Change
	2025	2024	
Ambulances and vehicles	\$ 927,841	\$ 984,264	-5.73%
Building and Land	6,756,727	6,955,171	-2.85%
Furniture, fixtures, and other equipment	110,055	130,354	-15.57%
Medical & communication equipment	586,886	318,438	84.30%
Right-of-use assets	67,589	77,955	-13.30%
Total	<u>\$ 8,449,098</u>	<u>\$ 8,466,182</u>	

The District acquired one new truck, medical equipment, a pressure washer and medical refrigerator. More detailed information about the capital assets is presented in Note 4 to the financial statements.

Debt

Debt activity for the year was as follows:

	Compensated Absences	Pension Liability (Asset)	Lease Liability
Debt at July 1, 2024	\$ 569,991	\$ 408,748	\$ 82,173
Additions	54,751	-	-
Deductions	-	(853,777)	(7,986)
Debt at June 30, 2025	<u>\$ 624,742</u>	<u>\$ (445,029)</u>	<u>\$ 74,187</u>

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The DeSoto Parish Ambulance Service District's management considered many factors when setting the fiscal year ending June 30, 2026, budget. Revenue amounts available for appropriation in the governmental funds are expected to be consistent with last year unless there is some unforeseen change in the local economy.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens and taxpayers with a general overview of the finances for those funds maintained by the DeSoto Parish Ambulance Service District and to show the DeSoto Parish Ambulance Service District's accountability for the money it receives. If there are any questions about this report or additional financial information is needed, contact the Administrator, Joe Magee, at 231 EMS Circle, Mansfield, Louisiana, 71052.

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INDEPENDENT AUDITOR'S REPORT

DeSoto Parish Ambulance Service District
d/b/a DeSoto EMS
231 EMS Circle
Mansfield, Louisiana 71052

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the DeSoto Parish Ambulance Service District (District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District'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 and the major fund of the District as of June 30, 2025, and the respective changes in financial position 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 and the *Louisiana Governmental Audit Guide*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related 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 these 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 District's ability to continue as a going concern for twelve months beyond the financial statement 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 opinion. 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 District'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 District'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, Budgetary Comparison Schedule, Schedule of Proportionate Share of the Net Pension Liability, Schedule of Employer Contributions, and notes to required supplementary information on pages 2 through 6 and 31 through 34 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 District's basic financial statements. The Schedule of Compensation, Benefits and Other Payments to the Agency Head is presented for purposes of additional analysis and is 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 Schedule of Compensation, Benefits and Other Payments to Agency Head is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 8, 2026, on our consideration of the District'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 District'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 District's internal control over financial reporting and compliance.

Thomas, Cunningham, Broadway & Todtenbier, CPA's

Thomas, Cunningham, Broadway & Todtenbier, CPA's
Natchitoches, Louisiana

September 8, 2026

BASIC FINANCIAL STATEMENTS

DESOTO PARISH AMBULANCE SERVICE DISTRICT
d/b/a DeSoto EMS
GOVERNMENTAL FUND BALANCE SHEET / STATEMENT OF NET POSITION
June 30, 2025

	Governmental Fund Financial Statements		Government-wide Statements
	Balance Sheet		Statement of
	General Fund	Adjustments	Net Position
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 585,646	\$ -	\$ 585,646
Investments	13,842,612	-	13,842,612
Accounts receivable, net	1,003,616	-	1,003,616
Prepaid expenses	124,871	-	124,871
Noncurrent assets:			
Capital assets, net (see note 4)	-	8,449,098	8,449,098
Net pension asset	-	445,029	445,029
Total assets	<u>\$ 15,556,745</u>	<u>8,894,127</u>	<u>24,450,872</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension related		<u>467,180</u>	<u>467,180</u>
LIABILITIES			
Current Liabilities:			
Accounts, salaries and other payables	\$ 728,673	-	728,673
Noncurrent liabilities due within one year:			
Compensated absences	-	211,058	211,058
Lease obligation	-	16,095	16,095
Noncurrent liabilities due in more than one year:			
Compensated absences	-	413,683	413,683
Lease obligation	-	58,092	58,092
Total liabilities	<u>728,673</u>	<u>698,928</u>	<u>1,427,601</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable ad valorem taxes	46,173	(46,173)	-
Deferred lease revenue	-	369,045	369,045
Pension related	-	389,454	389,454
Total deferred inflows of resources	<u>46,173</u>	<u>712,326</u>	<u>758,499</u>
FUND BALANCE / NET POSITION			
Fund Balances:			
Nonspendable - prepaid expenses	124,871	(124,871)	-
Unassigned	14,657,028	(14,657,028)	-
Total fund balances	<u>\$ 14,781,899</u>	<u>(14,781,899)</u>	<u>-</u>
Net Position:			
Net investment in capital assets		8,374,911	8,374,911
Unrestricted		14,357,041	14,357,041
Total net position		<u>\$ -</u>	<u>\$ 22,731,952</u>

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

STATEMENT B

DESOTO PARISH AMBULANCE SERVICE DISTRICT
d/b/a DeSoto EMS

**RECONCILIATION OF FUND BALANCE ON THE BALANCE SHEET
FOR GOVERNMENTAL FUNDS TO NET POSITION OF GOVERNMENTAL
ACTIVITIES ON THE STATEMENT OF NET POSITION**
June 30, 2025

Fund Balance - Governmental Fund	\$	14,781,899
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Cost of capital assets	15,327,264	
Less accumulated depreciation and amortization	(6,878,166)	8,449,098

Certain deferred outflows reported in the governmental activities are not financial resources and therefore not reported in the governmental funds:

Deferred outflows-pension related	467,180
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Unavailable ad valorem taxes are reported as deferred inflows of resources in the governmental funds, but are reflected as income in the Government-wide statement.	46,173
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In the governmental funds, lease proceeds collected upfront are recognized as revenue when received. At the government-wide level, that revenue is deferred and amortized over the life of the lease.	(369,045)
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Non-current liabilities are not due and payable in the current period, and therefore, are not reported in the governmental funds:

Compensated absences	(624,741)
Lease obligation	(74,187)
Deferred inflows-pension related	(389,454)
Net pension (liability) benefit	445,029

Total Net Position of Government Activities	\$	<u><u>22,731,952</u></u>
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The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

STATEMENT C

DESOTO PARISH AMBULANCE SERVICE DISTRICT
d/b/a DeSoto EMS

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

For the year ended June 30, 2025

	Governmental Funds 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 - public safety	\$ 8,047,683	\$ 31,518	\$	\$ 8,079,201	
Capital outlays	607,372	(607,372)		-	
Depreciation and amortization	-	624,456		624,456	
Debt service:					
Lease principal	7,986	(7,986)		-	
Interest	5,263	-		5,263	
Total expenditures / expenses	<u>8,668,304</u>	<u>40,616</u>		<u>8,708,920</u>	
Program revenues					
Charges for services	2,335,599	11,533		2,347,132	
Operating grants and contributions	-	-		-	
Total program revenues	<u>2,335,599</u>	<u>11,533</u>		<u>2,347,132</u>	
Net program expense				(6,361,788)	
General revenues					
Ad valorem taxes	6,221,970	43,553		6,265,523	
Miscellaneous income	89,577	46,210		135,787	
Investment earnings	520,636	-		520,636	
Total general revenues	<u>6,832,183</u>	<u>89,763</u>		<u>6,921,946</u>	
Net change in fund balance / Change in net position	499,478	60,680		560,158	
Fund balance / Net position					
Beginning of the year	14,282,421			22,171,794	
End of the year	\$ <u>14,781,899</u>		\$	<u>22,731,952</u>	

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

STATEMENT D

DESOTO PARISH AMBULANCE SERVICE DISTRICT
d/b/a DeSoto EMS

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

For the year ended June 30, 2025

Net change in Fund Balance - Governmental Fund **\$ 499,478**

Governmental funds report capital outlays as expenditures. However in the Statement of Activities, the cost of the assets are capitalized and allocated over their estimated useful lives and reported as depreciation and amortization expense. Therefore, capital expenditures are not recorded in the statement of activities.

Capital outlays	607,372
Depreciation and amortization	(624,456)

Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.

Non-employer contributions to cost-sharing pension plan	46,210
Change in unavailable ad valorem taxes	43,553
Deferred lease income	11,533

The issuance of long-term debt provides current financial resources of governmental funds while principal payments made on long-term debt consume financial resources.

Principal payments on long-term lease	7,986
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In the Statement of Activities pension benefits are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used.

Pension (expense) benefit	23,232	
Compensated absences (expense) benefit	(54,750)	(31,518)

Net change in Net Position **\$ 560,158**

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

NOTES TO THE FINANCIAL STATEMENTS

INTRODUCTION

The DeSoto Parish Ambulance Service District (the District) was created by a parish resolution on July 12, 2000. The District is comprised of all the territory located within the Parish of DeSoto. The District does business as DeSoto EMS. The District is governed by a Board of Commissioners who are appointed by the DeSoto Parish Police Jury. The Board of Commissioners received no compensation during July 1, 2024-June 30, 2025. The purpose of the District is to provide ambulance service for the transportation of persons which necessitate ambulance care and for providing related services. The District averages approximately fifty-seven employees.

1. Summary of Significant Accounting Policies

The accompanying basic financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accompanying basic financial statements have been prepared in conformity with GASB reporting standards and the *Louisiana Governmental Audit Guide*.

The more significant accounting policies established in GAAP and used by the District are discussed below.

A. Reporting Entity

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Under provisions of this Statement, the District is considered a component unit of the DeSoto Parish Police Jury. The Police Jury is financially accountable for the District because it appoints or ratifies a voting majority of the board and has the ability to impose its will on them.

The accompanying financial statements present information only on the funds maintained by the District and do not present information on the Police Jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. Measurement Focus / 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 the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the 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. Ad valorem 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. Amounts reported as program revenues include: (1) ambulance fees billed to insurance companies and individuals; 2) operating grants and contributions; 3) capital grants and contributions; 4) Lease or rent income. General revenues include all ad valorem taxes, investment earnings and other miscellaneous items. Gains on the sale of capital assets are reported as general revenues, losses on the sale of capital assets are reported as program expenses.

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 District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. An exception to this is federal and state grants collected on a reimbursement basis, which are recognized as revenue when reimbursable expenditures are made. 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 leases are reported as other financing sources.

Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized in the period in which the expenditures are recorded. All other revenue items are considered to be measurable and available only when cash is received by the District.

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1. Summary of Significant Accounting Policies (continued)

B. Measurement Focus / Basis of Accounting (continued)

Since the fund level statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented in the middle column of the financial statements to show the conversion from the fund level statements into the government-wide presentations.

The District funds outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed. In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last. Management reserves the right to selectively spend unassigned resources first to defer the use of these other classified funds.

The District's basic financial statements include both government-wide (reporting the funds maintained by the District as a whole) reported in the last column of the financial statements and fund financial statements (reporting the District's major fund the general fund) reported in the first column of the financial statements. Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District's general fund is classified as a governmental activity. 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 District does not report any business-type activities.

Government-Wide Financial Statements

The government-wide financial statements consist of a statement of net position and a statement of activities to report information about the District as a whole and can be found in the last column of the financial statements. The statement of net position reports all financial and capital resources. The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

Fund financial statements are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures. The District only has one fund category: governmental. The District does not have any proprietary or fiduciary funds. An emphasis is placed on major funds within the governmental category. The District only has one fund, the general fund. A fund is considered a major fund if it is the primary operating fund of the entity. The general fund is the only major fund of the District and is used to account for and report all financial resources of the District.

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for the major fund and can be found in the first column of the financial statements. A reconciliation is presented in the middle column of the financial statements to show the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the government-wide financial statements.

1. Summary of Significant Accounting Policies (continued)

C. Cash, Cash Equivalents, and Investments

Cash and cash equivalents includes amounts in demand deposits, interest-bearing demand deposits, and money market accounts or nonnegotiable certificates of deposit with maturities of 90 days or less when purchased. Under state law, the District 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 District 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.

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are nonnegotiable CDs which are not measured under the GASB 72 fair value hierarchy and are carried at cost.

D. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

E. Capital Assets

Capital assets which include property, plant, equipment, and right-of-use leased assets are reported in the governmental activities column in the government-wide financial statements. Under GASB 87, the District recognizes all leases over one year in term, with a present value of future lease payments exceeding \$5,000 as right-of-use assets. For recognized right-of-use asset leases, the present value of the future lease payments are amortized over the term of the leases. All other capital assets are capitalized at historical cost, with a threshold of \$3,000 or more in historical costs to be capitalized. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	25 - 40 years
Ambulances	5 - 7 years
Equipment	5 - 10 years

Depreciation and amortization of all recognized capital assets is reported as an expense in the statement of activities, with accumulated depreciation and amortization reflected in the statement of net position. Assets reported in the fund financial statements for governmental funds exclude capital assets. The governmental funds financial statements report the acquisition of capital assets as expenditures.

F. Compensated Absences

The District's recognition and measurement criteria for compensated absences follows GASB statement no. 101 which was adopted in 2023. The District 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.

The District offers vacation leave to full-time employees in a two tiered system based on employee type. The vacation time granted is based on a calendar year and the employee's length of service. There is no carryover of vacation time from one calendar year to the next. Any vacation leave not used during the calendar year is paid out to employees at year end. Sick leave will accumulate for full-time employees at a rate of 4 hours per pay period to be used after one year of service. There is not a cap for rolling over sick leave but it is forfeited upon separation of employment. The following are the two vacation leave tiers and the associated levels of leave earned by employees based on length of service:

Paramedics Advanced EMT's	New Hires 120 paid hours (24 hours each) = 5 shifts
	After 2 years 192 paid hours (24 hours each) = 8 shifts
	After 3 years 288 paid hours (24 hours each) = 12 shifts
	After 10 years 336 paid hours (24 hours each) = 14 shifts

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NOTES TO THE FINANCIAL STATEMENTS

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1. Summary of Significant Accounting Policies (continued)**F. Compensated Absences (continued)**

Office	New Hires 56 paid hours (8 hours each) = 7 shifts
	After 2 years 96 paid hours (8 hours each) = 12 shifts
	After 5 years 136 paid hours (8 hours each) = 17 shifts
	After 10 years 176 paid hours (8 hours each) = 22 shifts
	Administrator 320 paid hours (8 hours each) = 40 shifts

G. Unavailable Ad Valorem Taxes

Under the modified accrual basis of accounting, the District's governmental funds will not recognize revenue until they are available (collected not later than 60 days after the District's year-end). Accordingly, ad valorem taxes assessed, yet paid under protest, are reported as unavailable revenues in the governmental funds balance sheet only.

H. Risk Management

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, and injuries to employees. To handle such risks of loss, the District maintains commercial insurance policies covering: automobile liability, medical payments, uninsured motorist and collision, health insurance providing 100 percent coverage for any employee injured while on the job; and surety bond coverage. No claims were paid on any of the policies during the past three years that exceeded the policies' coverage amounts. In addition to the above policies, the District also maintains a liability insurance policy with the Louisiana Ambulance Service Districts' Risk Management Program. No claims have been paid on the policy during the past three years nor is the District aware of any unfiled claims.

I. Fund Equity**NET POSITION**

In the government-wide financial statements equity (the difference between assets and liabilities) is classified as net position and is reported in three components:

- *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 improvement of those assets.
- *Restricted net position*—consists of net position with constraints placed on the use by a) external groups, such as creditors, grantors, or laws or regulations of other government; or b) law through constitutional provisions or enabling legislation.
- *Unrestricted net position*—consists of all other assets that do not meet the definition of "restricted" or "net investment in capital assets".

FUND BALANCES

As required by GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, this statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balances more transparent. The following classifications describe the relative strength of the spending constraints:

- *Nonspendable* – Amounts that are not in spendable form (such as prepaid expenses) because they are legally or contractually required to be maintained intact.
- *Restricted* – Amounts constrained to specific purposes by their providers (such as grantors or higher levels of government).
- *Committed* – Amounts which are subject to limitations or constraints to specific purposes the Ambulance District imposes upon itself at its highest level of decision making, the board of directors. These amounts cannot be used for any other purpose unless the Ambulance District takes the same highest level of action to remove or change the constraint.
- *Assigned* – Amounts neither restricted nor committed for which the Ambulance District intends to use for a specific purpose.
- *Unassigned* – Amounts that are available for any purpose.

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June 30, 2025

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1. Summary of Significant Accounting Policies (continued)

J. Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. Actual results could differ from those estimates.

K. Pension Plans

The District is a participating employer in a cost-sharing, multiple-employer defined benefit pension plan as described in Note 6. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension benefit or expense, information about the fiduciary net position of each of the plans, and additions to / deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments have been reported at fair value within the plan.

L. Deferred Outflows/Inflows of Resources Related to Pensions

The Statement of Net Position reports a separate section for deferred outflows and (or) deferred inflows of financial resources. Deferred outflows of resources represent a consumption of net assets that applied to future periods and will not be recognized as an outflow of resources (expense/expenditure) until the applicable period. Deferred inflows of resources represent an acquisition of net assets that applied to future periods and will not be recognized as an inflow of resources until that time.

2. Cash, Cash Equivalents, and Investments

At June 30, 2025, the District has cash and cash equivalents (book balances) totaling \$585,646 in interest-bearing demand and short-term timed deposits. At June 30, 2025, the District has investment balances totaling \$13,842,612, which consist of nonnegotiable certificate of deposit accounts with maturities greater than 90 days at acquisition.

The cash, cash equivalents, and Investments of the District are subject to the following risks:

Custodial Credit Risk: Custodial credit risk for deposits 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 or exceed 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 on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the District that the fiscal agent bank 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 District's name.

At June 30, 2025, the District has \$14,579,420 in collected bank balances. These deposits are secured from risk by \$9,359,468 of federal deposit insurance and pledged securities held by the custodial banks in the name of the fiscal agent banks with a total market value of \$13,635,069.

3. Levied Taxes

The District was authorized an ad valorem tax millage of 7.0 mills and levied taxes of 7.0 mills for 2025. This tax is for the purpose of paying the cost of providing ambulance service in the parish. This tax began in 2009 and was renewed for another period of ten years beginning with the year 2019 and ending with the year 2028.

The property tax calendar is as follows:

Assessment date	January 1, 2024
Levy date	June 30, 2024
Tax bills mailed	October 15, 2024
Total taxes due	December 31, 2024
Penalties & interest added	January 31, 2025
Tax sale	May 15, 2025

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NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

3. Levied Taxes (continued)

A revaluation of all assessed property is required to be completed not less than every four years. The last revaluation was completed for the rolls of January 1, 2024. The total assessed value was \$895,074,912 in 2024. The adjusted ad valorem tax revenue recognized by the District was \$6,265,523.

Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption represents \$62,581,897 in total assessed value and a reduction of \$438,073 in tax revenue to the District for the fiscal year ending June 30, 2025.

The Louisiana Industrial Ad Valorem Tax Exemption program (Louisiana Administrative Code, Title 13, Chapter 5) is a state incentive program which abates, up to ten years, local ad valorem taxes on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. Applications to exempt qualified property for five years are approved by the Louisiana Economic Development's Board of Commerce and Industry. The exemption may be renewed for an additional five years. Under agreements entered into by the State of Louisiana, through the Louisiana Industrial Ad Valorem Tax Exemption program, the District's ad valorem tax revenues were reduced by \$115,407 for the fiscal year ending June 30, 2025.

The following are the principal taxpayers for the parish (June 30, 2024 amounts):

Taxpayer	Type of business	2024 taxable valuation	2024 assessed tax	% of total assessed valuation
COMSTOCK OIL & GAS	Oil & Gas	\$118,507,918	\$829,555	13.24%
INTERNATIONAL PAPER CO	Manufacturing	\$84,674,087	\$592,719	9.46%
SWN PRODUCTION (LOUISIANA), LLC	Oil & Gas	\$77,513,487	\$542,594	8.66%
CHESAPEAKE OPERATING, INC	Oil & Gas	\$61,939,184	\$433,574	6.92%
ENTERPRISE GATHERING L.L.C.	Oil & Gas	\$34,460,384	\$241,223	3.85%
DTM LOUISIANA GAS GATHERING LLC	Oil & Gas	\$33,117,772	\$231,824	3.70%
EXCO OPERATING COMPANY	Oil & Gas	\$25,151,605	\$176,061	2.81%
LOUISIANA MIDSTREAM GAS SVCS, LLC	Oil & Gas	\$24,883,083	\$174,182	2.78%
DTM LEAP GAS GATHERING LLC	Oil & Gas	\$19,333,618	\$135,335	2.16%
ACADIAN GAS PIPELINE SYSTEM	Oil & Gas	\$19,244,111	\$134,709	2.15%
Total		<u>\$498,825,249</u>	<u>\$3,491,776</u>	<u>55.73%</u>

Ad valorem taxes receivable at June 30, 2025, is \$46,865.

4. Long-term Debt

The following is a summary of changes in long-term liabilities reported in the government-wide financial statements for the fiscal year ended June 30, 2025:

	Compensated Absences	Pension Liability (Asset)	Lease Liability
Debt at July 1, 2024	\$ 569,991	\$ 408,748	\$ 82,173
Additions	54,750	-	-
Deductions	-	(853,777)	(7,986)
Debt at June 30, 2025	<u>\$ 624,741</u>	<u>\$ (445,029)</u>	<u>\$ 74,187</u>

	Due within one year		
	Compensated Absences	Pension Liability	Lease Liability
Debt at July 1, 2024	\$ 201,110	\$ -	\$ 15,237
Additions	9,948	-	858
Deductions	-	-	-
Debt at June 30, 2025	<u>\$ 211,058</u>	<u>\$ -</u>	<u>\$ 16,095</u>

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5. Capital Assets and Right-of-Use Assets

Capital asset activity for the year ended June 30, 2025, was as follows:

	6/30/2024	Additions	Reclass/ Deductions	6/30/2025
Capital assets, not depreciated				
Land	\$ 446,990	\$ -	\$ -	\$ 446,990
Total capital assets, not depreciated	<u>446,990</u>	<u>-</u>	<u>-</u>	<u>446,990</u>
Capital assets being depreciated or amortized				
Ambulances & vehicles	3,486,504	193,666	-	3,680,170
Buildings	8,383,402	17,328	-	8,400,730
Furniture, fixtures, and other equipment	361,817	5,550	-	367,367
Medical & communication equipment	1,944,592	390,829	-	2,335,421
Right-of-use assets	96,586	-	-	96,586
Total capital assets being depreciated or amortized	<u>14,272,901</u>	<u>607,373</u>	<u>-</u>	<u>14,880,274</u>
Less accumulated depreciation and amortization				
Ambulances & vehicles	2,502,240	250,089	-	2,752,329
Buildings	1,875,221	215,772	-	2,090,993
Furniture, fixtures, and other equipment	231,463	25,849	-	257,312
Medical & communication equipment	1,626,154	122,381	-	1,748,535
Right-of-use assets	18,631	10,366	-	28,997
Total accumulated depreciation and amortization	<u>6,253,709</u>	<u>624,457</u>	<u>-</u>	<u>6,878,166</u>
Total capital assets, net	<u>\$ 8,466,182</u>	<u>\$ (17,084)</u>	<u>\$ -</u>	<u>\$ 8,449,098</u>

Depreciation and amortization expense for the year ended June 30, 2025, was \$624,457.

The District has the following right-of-use asset leases:

A copier lease effective May 3, 2022, between Canon Financial Services, Inc., as Lessor, and the District, as Lessee, for a term of forty-nine months with a monthly payment of \$104.09.

A building lease for vehicle maintenance purposes effective October 1, 2022, between DeSoto Parish Fire Protection District No 2, as Lessor and the District, as Lessee, for a term of ten years with an annual payment of \$12,000. The \$12,000 payment was made during the year, however, the District is \$12,000 in arrears for prior year payment not made.

The future minimum lease payments and interest required under these leases are as follows:

Year ending June 30,	Principal	Interest	Total
2026	16,095	9,050	25,145
2027	8,224	3,776	12,000
2028	8,758	3,241	11,999
2029	9,328	2,672	12,000
2030	9,934	2,066	12,000
2031	10,580	1,420	12,000
2032	11,268	733	12,001
Totals	<u>\$ 74,187</u>	<u>\$ 22,958</u>	<u>\$ 97,145</u>

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6. Net Ambulance Service Charges/Receivables

The receivable consists of \$919,201 due from insurance and Medicare/Medicaid for ambulance services provided.

Ambulance service charge receivable	\$ 4,775,225
Allowance for doubtful accounts	(3,856,024)
Net ambulance service charges receivable	<u>\$ 919,201</u>

The insurance companies only pay a percentage of the billings and the unpaid balance is recorded as contractual adjustments. Write-offs consist of DeSoto Parish private pay not required to pay for services and out-of-parish residents who have been identified as nonpaying. Accounts receivable activity for the year ending June 30, 2025:

Ambulance service charges and fees	\$ 6,022,382
Less contractual adjustments	(959,622)
Less exempt parish residents charges	(2,689,572)
Less write offs to bad debt expense	(37,589)
Net ambulance service charges and fees	<u>\$ 2,335,599</u>

7. Pension Plan

Plan description. Full-time employees (approximately 39) of the District are members of the Parochial Employees Retirement System of Louisiana (System), a cost-sharing, multiple-employer defined benefit pension plan administered by a separate board of trustees. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the District are members of Plan A. Plan A was designated for employers out of Social Security.

Eligibility Requirements: All permanent employees working at least 28 hours per week are eligible to participate in the System on the date of employment. New employees meeting the age and Social Security criteria have up to 90 days from the date of hire to elect to participate. As of January 1997, elected officials, except coroners, justices of the peace, and parish presidents may no longer join the System.

Retirement Benefits: The following is a description of the plan and its benefits and is provided for general information purposes only. Participants should refer to the appropriate statutes for more complete information.

Any member of Plan A can retire providing he/she meets one of the following criteria:

For employees hired prior to January 1, 2007:

1. Any age with thirty (30) or more years of creditable service
2. Age 55 with twenty-five (25) years of creditable service
3. Age 60 with a minimum of ten (10) years of creditable service.
4. Age 65 with a minimum of seven (7) years of creditable service.

For employees hired after January 1, 2007:

1. Age 55 with 30 years of service
2. Age 62 with 10 years of service
3. Age 67 with 7 years of service

Generally, the monthly amount of the retirement allowance of any member of Plan A shall consist of an amount equal to 3% of the member's final average compensation multiplied by his/her years of creditable service. However, under certain conditions, as outlined in the statutes, the benefits are limited to specified amounts.

Survivor Benefits: Upon the death of any member of Plan A with 5 or more years of creditable service who is not eligible for retirement, the plan provides for benefits for the surviving spouse and minor children, as outlined in the statutes. Any member of Plan A, who is eligible for normal retirement at time of death, the surviving spouse shall receive an automatic Option 2 benefit, as outlined in the statutes.

A surviving spouse who is not eligible for Social Security survivorship or retirement benefits, and married not less than twelve (12) months immediately preceding death of the member, shall be paid an Option 2 benefit beginning at age 50.

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7. Pension Plan (continued)

Deferred Retirement Option Plan: Act 338 of 1990 established the Deferred Retirement Option Plan (DROP) for the System. DROP is an option for that member who is eligible for normal retirement. In lieu of terminating employment and accepting a service retirement, any member of Plan A who is eligible to retire may elect to participate in the Deferred Retirement Option Plan (DROP) in which they are enrolled for three years and defer the receipt of benefits. During participation in the plan, employer contributions are payable but employee contributions cease. The monthly retirement benefits that would be payable, had the person elected to cease employment and receive a service retirement allowance, are paid into the DROP Fund.

Upon termination of employment prior to or at the end of the specified period of participation, a participant in the DROP may receive, at his option, a lump sum from the account equal to the payments into the account, a true annuity based upon his account balance in that fund, or roll over the fund to an Individual Retirement Account.

Interest is accrued on the DROP benefits for the period between the end of DROP participation and the member's retirement date.

For those eligible to enter DROP prior to January 1, 2004, all amounts which remain credited to the individual's subaccount after termination in DROP will be placed in liquid asset money market investments at the discretion of the board of trustees. These subaccounts may be credited with interest based on money market rates of return or, at the option of the System, the funds may be credited to self-directed subaccounts. The participant in the self-directed portion of DROP must agree that the benefits payable to the participant are not the obligations of the state or the System, and that any return and other rights of DROP are the sole liability and responsibility of the participant and the designated provider to which contributions have been made.

Disability Benefits: A member shall be eligible to retire and receive a disability benefit if they were hired prior to January 1, 2007, and has at least five years of creditable service or if hired after January 1, 2007, has seven years of creditable service, and is not eligible for normal retirement and has been officially certified as disabled by the State Medical Disability Board. Upon retirement caused by disability, a member of Plan A shall be paid a disability benefit equal to the lesser of an amount equal to 3% of the member's final average compensation multiplied by his years of service, not to be less than 15, or three percent multiplied by years of service assuming continued service to age 60 for those members who are enrolled prior to January 1, 2007 and to age 62 for those members who are enrolled January 1, 2007 and later.

Cost of Living Increases: The Board is authorized to provide a cost of living allowance for those retirees who retired prior to July 1973. The adjustment cannot exceed 2% of the retiree's original benefit for each full calendar year since retirement and may only be granted if sufficient funds are available from investment income in excess of normal requirements.

In addition, the Board may provide an additional cost of living increase to all retirees and beneficiaries who are over age 65 equal to 2% of the member's benefit paid on the member's retirement date. Also, the Board may provide a cost of living increase up to 2.5% for retirees 62 and older. Lastly, ACT 270 of 2009 provided for further reduced actuarial payments to provide a cost of living increase up to 2.5% cost of living adjustment commencing at age 55.

Contributions

As provided by R.S. 11:103, the employer contributions are actuarially determined each year. For the year ended December 31, 2024, the actuarially determined contribution rate was 7.49% of member's compensation for Plan A. However, the actual rate for the fiscal year ending December 31, 2024, was 11.50%.

According to state statute, the System also receives 1/4th of 1.0% of ad valorem taxes collected with the respective parishes. The System also receives revenue sharing funds each year as appropriated by the legislature. Tax monies and revenue sharing monies are apportioned between Plan A and Plan B in proportion to the member's compensation. These additional sources of income are used as additional employer contributions and are considered support from non-employer contributing entities. The non-employer contribution was \$46,210.

The contribution requirements of plan members and the District are established and may be amended by state statute. The District was accepted into the Plan on January 1, 2003. The District's contributions for the years ending June 30, 2025, 2024, and 2023 were \$399,357, \$374,687, and \$334,915 respectively, equal to the required contributions for each year.

THE DESOTO PARISH AMBULANCE SERVICE DISTRICT
d/b/a DeSoto EMS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

7. Pension Plan (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2025, the District reported a net pension asset of \$445,029 for its proportionate share of the net pension liability of the Plan. The net pension liability was measured as of December 31, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. The historical employer contributions are used to determine the proportionate relationship of each employer to all employers of the Parochial Employees' Retirement System of Louisiana. The employer's proportion was determined on a basis that is consistent with the manner in which contributions to the pension plan are determined. The resulting allocation percentages were used in calculating each employer's proportionate share of the pension amounts.

The allocation method used in determining each employer's proportion was based on each employer's contributions to the plan during the fiscal year ended December 31, 2024, as compared to the total of all employers' contributions received by the plan during the fiscal year ended December 31, 2024.

At December 31, 2024, the District's proportion was 0.442538% which was an increase of 0.013506% from the proportion measured as of December 31, 2023.

For the year ended June 30, 2025, the District recognized a pension benefit of \$23,232, representing its proportionate share of the Plan's net benefit, including amortization of deferred amounts.

At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ 271,581	\$ 38,685
Changes in Assumptions	-	48,969
Net Difference between projected and actual earnings on pension plan	-	293,051
Changes in employer's proportion of beg NPL	-	6,201
Differences between employer and proportionate share of contributions	1,190	2,548
Subsequent Measurement Contributions	194,409	-
Total	\$ 467,180	\$ 389,454

The District reported a total of \$194,409 as deferred outflow of resources related to pension contributions made subsequent to the measurement period of December 31, 2024, which will be recognized as a reduction in net pension liability in the retirement fund year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

June 30,	
2025	163,462
2026	394,355
2027	(453,664)
2028	(220,836)
2029	-
	\$ (116,683)

d/b/a DeSoto EMS

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2025

7. Pension Plan (continued)

Actuarial Methods: The net pension liability was measured as the portion of the present value of projected benefit payments to be provided through the pension plan to current active and inactive employees that is attributed to those employees past periods of service less the amount of the pension plan's fiduciary net position. The components of the net pension liability of the System's employers as of December 31, 2024, are as follows:

Total Pension Liability	\$ 22,584,776
Plan Fiduciary Net Position	23,029,805
Total Net Pension Liability	<u>\$ (445,029)</u>

A summary of the actuarial methods and assumptions used in determining the total pension liability as of December 31, 2024, is as follows:

Valuation date	December 31, 2024
Actuarial cost method	Entry Age Normal
Investment rate of return	6.40%, net of investment expense, including inflation
Expected remaining service lives	4 years
Projected salary increases	4.75%
Inflation Rate	2.30%
Mortality	Pub-2010 Public Retirement Plans Mortality Table for Health Retirees multiplied by 130% for males and 125% for females using MP2021 scale for annuitant and beneficiary mortality. For employees, the Pub-2010 Public Retirement Plans Mortality Table for General Employees multiplied by 130% for males and 125% for females using MP2021 scale. Pub-2010 Retirement Plans Mortality Table for General Disabled Retirees multiplied by 130% for males and 125% for females using MP2021 scale for disabled annuitants.
Cost of Living Adjustments	The present value of future retirement benefits is based on benefits currently being paid by the System and includes previously granted cost of living increases. The present values do not include provisions for potential future increase not yet authorized by the Board of Trustees.

Discount Rate. The discount rate used to measure the total pension liability was 6.40 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rates and that contributions from participating employers and non-employer contributing entities will be made at the actuarially determined contribution rates, which are calculated in accordance with relevant statutes and approved by the Board of Trustees and the Public Retirement Systems' Actuarial Committee. Based on those assumptions, the System's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a triangulation method which integrated the CAPM pricing model, a treasury yield curve approach and an equity building-block model. Risk return and correlations are projected on a forward looking basis in equilibrium, in which best estimates of expected future real rates of return are developed for each major asset class. These rates 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 2.40% and an adjustment for the effect of rebalancing/diversification. The resulting expected long-term rate of return is 7.13% for the year ended December 31, 2024.

THE DESOTO PARISH AMBULANCE SERVICE DISTRICT
d/b/a DeSoto EMS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

7. Pension Plan (continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Asset Allocation	Long-Term Expected Real Rate of Return
Fixed Income	37%	1.08%
Equity	47%	2.82%
Alternatives	15%	0.76%
Real assets	1%	0.07%
Total	100%	4.73%
Inflation		2.40%
Expected Arithmetic Nominal Return		7.13%

The mortality rate assumption used was set based upon an experience study performed on plan data for the period January 1, 2018, through December 31, 2022. The data was assigned credibility weighting and combined with a standard table to produce current levels of mortality.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the net pension liability/(asset) of the District calculated using the discount rate of 6.40 percent, as well as what the District's net pension liability/asset would be if it were calculated using a discount rate that is one percentage point lower (5.40 percent) or one percentage point higher (7.40 percent) than the current rate:

	1% Decrease 5.40%	Current Discount Rate 6.40%	1% Increase 7.40%
Net pension liability (asset) \$	2,271,124	(445,029)	(2,724,922)

Plan Fiduciary Net Position. The changes in the net pension liability for the year ended December 31, 2024, were recognized in the current reporting period as pension expense except as follows:

Differences between Expected and Actual Experience

Differences between expected and actual experience with regard to economic or demographic factors in the measurement of the total pension liability were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. The difference between expected and actual experience resulted in a deferred outflow of resources of \$271,581 and a deferred inflow of resources of \$38,685 as of December 31, 2024.

Differences between Projected and Actual Investment Earnings:

Differences between projected and actual investment earnings on pension plan investments were recognized in pension expense using the straight-line amortization method over a closed five-year period. The difference between projected and actual investment earnings resulted in a deferred inflow of resources of \$293,051 as of December 31, 2024.

Changes of Assumptions:

The changes of assumptions about future economic or demographic factors were recognized in pension expense using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with pensions through the pension plan. Changes of assumptions or other inputs resulted in a deferred inflow of resources of \$48,969 as of December 31, 2024.

THE DESOTO PARISH AMBULANCE SERVICE DISTRICT
d/b/a DeSoto EMS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

Page 28

7. Pension Plan (continued)

Change in Proportion:

Changes in the employers' proportionate shares of the collective net pension liability and collective deferred outflows of resources and deferred inflows of resources since the prior measurement date were recognized in employer's pension expense(benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided pensions through the pension plan. Changes in employer's portion of the beginning net pension liability resulted in a deferred inflow of resources of \$6,201 as of December 31, 2024.

Contributions—Proportionate Share: Differences between contributions remitted to the System and the employer's proportionate share are recognized in pension expense(benefit) using the straight-line amortization method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with a pension through the pension plan. The resulting deferred inflow/outflow and amortization is not reflected in the schedule of employer amounts due to differences that could arise between contributions reported by the System and contributions reported by the participating employer.

Retirement System Audit Report: Parochial Employees' Retirement System of Louisiana issued a stand-alone audit report on its financial statements for the year ended December 31, 2024. Access to the audit report can be found on the System's website: www.persla.org or on the Office of Louisiana Legislative Auditor's official website: www.lla.state.la.us.

Estimates: The process of preparing the schedule of employer allocations and schedule of pension amounts in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Accordingly, actual results may differ from estimated amounts.

Payables to the Pension Plan: These financial statements include payables to the pension plan of \$191,929, which is the legally required contributions due at June 30, 2025. This amount is recorded in current liabilities.

8. Cooperative Endeavor Agreements

In November 2017, the Ambulance District entered into a Cooperative Endeavor Agreement with DeSoto Fire Protection District No. 8 to execute a lease for \$11,533 per year, until November 1, 2057, for two apparatus bays and two dormitories in Station 5 located in Pelican, Louisiana. The Fire District will reimburse half of all the utilities. The Ambulance District accepts responsibility for all insurance and repairs and maintenance. The Fire District prepaid the entire 40 years (\$461,306.34) lease payments at the inception of the lease in the year ended June 30, 2018. The Ambulance District recognized rental income of \$11,533 and deferred revenue of \$369,045 for the year ended June 30, 2025.

On January 14, 2019, the Ambulance District entered into a Cooperative Endeavor Agreement with DeSoto Parish Sheriff's Office. The Sheriff's Office will provide the Ambulance District with adequate dispatching services for the sum of an annual \$275,000 to be paid quarterly during the year. The DeSoto Sheriff agreed to hire all the current full-time Ambulance District dispatchers at the time of the agreement and to employ a communications supervisor for those dispatching for the Ambulance District.

During the fiscal year the District entered into a Cooperative Endeavor Agreement with DeSoto Parish Fire District's 1 and 8 to provide vehicle maintenance services to the Fire Districts for the sum of \$12,500 per year. A similar arrangement was entered into with DeSoto Parish Fire District 5 for \$8,000 per year but no formalized CEA was executed.

9. Litigation and Claims

At June 30, 2025, the District was not involved in any litigation.

10. Contingent Liability

The District acknowledges that the Employee Retention Credit (ERC) claimed under the CARES Act is subject to review and audit by the Internal Revenue Service (IRS). In the event of an audit, the IRS may determine that the District is ineligible for the ERC, either in whole or in part. Should this occur, the District may be required to repay the disallowed amount, along with any applicable penalties and interest. The District has taken reasonable steps to ensure compliance with ERC eligibility requirements; however, there remains a risk of disallowance upon IRS review.

THE DESOTO PARISH AMBULANCE SERVICE DISTRICT
d/b/a DeSoto EMS
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2025

Page 29

11. Compensation Paid Board Members

The Board members were not compensated during the year ended June 30, 2025.

12. Subsequent Events

Management has performed an evaluation of the Ambulance District's activities through September 8, 2026, and has concluded that there are no significant events requiring recognition or disclosure through the date and time these financial statements were available to be issued.

REQUIRED SUPPLEMENTAL INFORMATION (PART II)

DESOTO PARISH AMBULANCE SERVICE DISTRICT
d/b/a DeSoto EMS

BUDGETARY COMPARISON SCHEDULE -- GENERAL FUND

For the year ended June 30, 2025

	Budgeted Amounts		Actual	Variance with final budget positive (negative)
	Original	Final		
Revenues				
Charges for services	\$ 1,207,000	\$ 1,207,000	\$ 2,335,599	\$ 1,128,599
Ad valorem taxes	6,400,000	6,400,000	6,221,970	(178,030)
Miscellaneous income	18,000	18,000	89,577	71,577
Investment earnings	201,200	201,200	520,636	319,436
Total revenues	<u>7,826,200</u>	<u>7,826,200</u>	<u>9,167,782</u>	<u>1,341,582</u>
Expenditures				
Current				
General Government - Public Safety	8,406,800	8,406,800	8,047,683	359,117
Capital outlays	909,000	909,000	607,372	301,628
Debt service	15,000	15,000	13,249	1,751
Total expenditures	<u>9,330,800</u>	<u>9,330,800</u>	<u>8,668,304</u>	<u>662,496</u>
Net change in fund balance	(1,504,600)	(1,504,600)	499,478	2,004,078
Fund Balance				
Beginning of the year	14,282,421	14,282,421	14,282,421	-
End of the year	<u>\$ 12,777,821</u>	<u>\$ 12,777,821</u>	<u>\$ 14,781,899</u>	<u>\$ 2,004,078</u>

The notes to the financial statements are an integral part of this statement.
See the accompanying independent auditor's report.

DESOTO PARISH AMBULANCE SERVICE DISTRICT
d/b/a DeSoto EMS

SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY

For the year ended June 30, 2025

<u>Year*</u>	<u>Employer's proportion of the net pension liability (asset)</u>	<u>Employer's proportionate share of the net pension liability (asset)</u>	<u>Employer's covered employee payroll</u>	<u>Employer's proportionate share of the net pension liability (asset) as a % of its covered payroll</u>	<u>Plan fiduciary net position as a % of the total pension liability</u>
Parochial Employees' Retirement System (PERS) Plan A					
2016	0.281127%	740,007	1,492,589	49.58%	92.23%
2017	0.314539%	647,797	1,865,395	34.73%	94.15%
2018	0.344185%	(255,470)	2,118,522	-12.06%	101.98%
2019	0.394569%	1,751,239	2,536,400	69.04%	88.86%
2020	0.420925%	19,815	2,668,994	0.74%	99.89%
2021	0.427379%	(749,372)	2,856,118	-26.24%	104.00%
2022	0.435954%	(2,053,533)	2,924,965	-70.21%	110.46%
2023	0.430325%	1,656,231	2,922,906	56.66%	91.74%
2024	0.429032%	408,748	3,109,518	13.15%	98.03%
2025	0.442538%	(445,029)	3,409,220	-13.05%	101.97%

**Amounts presented were determined as of the measurement date of the net pension plan.*

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

Schedule 3

DESOTO PARISH AMBULANCE SERVICE DISTRICT
d/b/a DeSoto EMS

SCHEDULE OF EMPLOYER CONTRIBUTIONS TO PENSION PLAN

For the year ended June 30, 2025

<u>Year*</u>	<u>Statutorily required contributions</u>	<u>Contributions in relation to statutorily required contributions</u>	<u>Contribution deficiency (excess)</u>	<u>Employer's covered payroll</u>	<u>Contributions as a % of covered payroll</u>
Parochial Employees' Retirement System (PERS) Plan A					
2016	\$ 244,417	\$ 244,417	\$ -	\$ 1,539,887	15.87%
2017	\$ 247,276	\$ 247,276	\$ -	\$ 1,939,971	12.75%
2018	\$ 288,051	\$ 288,051	\$ -	\$ 2,406,144	11.97%
2019	\$ 297,240	\$ 297,240	\$ -	\$ 2,584,696	11.50%
2020	\$ 318,556	\$ 318,556	\$ -	\$ 2,683,049	11.87%
2021	\$ 356,418	\$ 356,418	\$ -	\$ 2,911,173	12.24%
2022	\$ 358,970	\$ 358,970	\$ -	\$ 3,021,316	11.88%
2023	\$ 334,915	\$ 334,915	\$ -	\$ 2,915,933	11.49%
2024	\$ 374,687	\$ 374,687	\$ -	\$ 3,258,143	11.50%
2025	\$ 399,357	\$ 399,357	\$ -	\$ 3,549,516	11.25%

**Amounts presented were determined as of the end of the fiscal year.*

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

DESOTO PARISH AMBULANCE SERVICE DISTRICT
d/b/a DeSoto EMS

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

As of and for the Year Ended June 30, 2025

Budgetary Information

The District's budget is prepared in accordance with accounting principles generally accepted in the United States of America.

The Louisiana Local Government Budget Act provides that "the total 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.

Expenditures may not legally exceed appropriations at the fund level. Appropriations that are not expended lapse at year-end. The budget was not amended during the year. The budget comparison schedule presents the original adopted budget.

Actual revenues exceeded budgeted revenues by \$1,341,582 (17.14%). Actual expenditures were less than budgeted expenditures by \$662,496 (7.10%). The District is in compliance with the Louisiana Local Government Budget Act.

The District uses the following budget practices:

A budget for the ensuing year is prepared prior to June 30 of each year and is made available for public inspection at least fifteen days prior to the beginning of each fiscal year. The proposed budget is prepared on the modified accrual basis of accounting. The budget is established and controlled by the board of commissioners at the object level of expenditure. Appropriations lapse at year-end and must be reappropriated for the following year to be expended. All changes in the budget must be approved by the board of commissioners.

Pension Information

The schedule of the District's proportionate share of the net pension liability and the schedule of the District's pension contributions are intended to show information for 10 years.

Changes of Assumptions:

Year ended Dec. 31,	Discount Rate	Investment Rate of return	Inflation Rate	Expected Remaining lives	Projected Salary increase
2015	7.00%	7.00%	2.5%	4	5.25%
2016	7.00%	7.00%	2.5%	4	5.25%
2017	6.75%	6.75%	2.5%	4	5.25%
2018	6.50%	6.50%	2.4%	4	4.75%
2019	6.50%	6.50%	2.4%	4	4.75%
2020	6.40%	6.40%	2.3%	4	4.75%
2021	6.40%	6.40%	2.3%	4	4.75%
2022	6.40%	6.40%	2.3%	4	4.75%
2023	6.40%	6.40%	2.3%	4	4.75%
2024	6.40%	6.40%	2.4%	4	4.75%

OTHER SUPPLEMENTAL INFORMATION

DESOTO PARISH AMBULANCE SERVICE DISTRICT
d/b/a DeSoto EMS

**SCHEDULE OF COMPENSATION, BENEFITS, AND OTHER PAYMENTS
TO AGENCY HEAD OR CHIEF EXECUTIVE OFFICER**
For the year ended June 30, 2025

Joe Magee, Director

Purpose:	Amount
Salary	\$ 134,539
Benefits-Insurance	28,923
Benefits-Retirement	15,136
Benefits- Medicare/Social Security	1,838
Deferred compensation	4,500
Other benefits	-
Payroll taxes	-
Car Allowance	-
Dues	-
Travel reimbursements	-
Travel - lodging	-
Registration fees	-
Conferences and seminars	-
Continuing professional education fees	-
Cell phone	-

Supplementary information
See the accompanying independent auditor's report.

OTHER REPORTS/SCHEDULES

T | C | B | T
THOMAS, CUNNINGHAM, BROADWAY & TODTENBIER
Certified Public Accountants

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

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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*

DeSoto Parish Ambulance Service District
d/b/a DeSoto EMS
231 EMS Circle
Mansfield, Louisiana 71052

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 and the *Louisiana Governmental Audit Guide*, the financial statements of the governmental activities and the major fund of the District as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the DeSoto Parish Ambulance Service's (District) basic financial statements and have issued our report thereon dated September 8, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District'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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District'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 financial statements. 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 no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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. However, this report is a matter of public record, and its distribution is not limited. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Thomas, Cunningham, Broadway & Todtenbier, CPA's

Thomas, Cunningham, Broadway & Todtenbier, CPA's
Natchitoches, Louisiana

September 8, 2026

DeSoto Parish Ambulance Service
d/b/a DeSoto EMS
Schedule of Audit Results
Year Ended June 30, 2025

I. SUMMARY OF AUDIT RESULTS

The following summarizes the audit results:

1. An unmodified opinion was issued on the financial statements of the DeSoto Parish Ambulance Service as of and for the year ended June 30, 2025.
2. The audit disclosed no material weaknesses in internal control.
3. The audit disclosed no instances of noncompliance required to be reported under *Government Auditing Standards*.

II. FINDINGS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

No findings identified.

III. PRIOR YEAR AUDIT FINDINGS

Internal Control –

2024-01 Board of Commissioners

Condition – The board only set six meeting dates during the year ended June 30, 2024. Of the six meetings scheduled, one board member did not attend any meetings and two board members only attended half of eligible meetings.

Status – This finding was cleared for June 30, 2025.

Compliance –

2024-02 Noncompliance with the Louisiana Code of Governmental Ethics

Condition – One commissioner did not complete the required training on the Code of Governmental Ethics.

Status – This finding was cleared for June 30, 2025.

2024-03 Information requests related to ethics, related party transactions, and nepotism

Condition – Our workpapers must include documentation that we have considered possible related party transactions and nepotism. This is determined by documenting the outside businesses or business interests of management, members of the board, and the immediate family members thereof. Along with our audit engagement package, we sent out questionnaires to all those charged with management and governance of the District. Six board commissioners and one member of management did not provide the requested information.

Status – This finding was cleared for June 30, 2025.

2024-04 Disposal of Surplus Property

Condition – Surplus property of the District was donated to another governmental entity, whose primary function was not public safety.

Status – This finding was cleared for June 30, 2025.

T | C | B | T
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**INDEPENDENT ACCOUNTANT’S REPORT ON APPLYING
STATEWIDE AGREED-UPON PROCEDURES**

To the DeSoto Parish Ambulance Service District and the Louisiana Legislative Auditor:

We have performed the procedures enumerated below on the control and compliance (C/C) areas identified in the Louisiana Legislative Auditor’s (LLA’s) Statewide Agreed-Upon Procedures (SAUPs) for the fiscal period July 1, 2024 through June 30, 2025. The DeSoto Parish Ambulance Service District’s (District) management is responsible for those C/C areas identified in the SAUPs.

The District has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of the engagement, which is to perform specified procedures on the C/C areas identified in LLA’s SAUPs for the fiscal period July 1, 2024 through June 30, 2025. Additionally, LLA has agreed to and acknowledged that the procedures performed are appropriate for its purposes. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

The procedures and associated findings are as follows:

Written Policies and Procedures

1. We obtained and inspected the entity’s written policies and procedures and observed that they address each of the following categories and subcategories if applicable to public funds and the operations:
 - ***Budgeting***, including preparing, adopting, monitoring, and amending the budget.
 - ***Purchasing***, including (1) how purchases are initiated; (2) how vendors are added to the vendor list; (3) the preparation and approval process of purchase requisitions and purchase orders; (4) controls to ensure compliance with the public bid law; and (5) documentation required to be maintained for all bids and price quotes.
 - ***Disbursements***, including processing, reviewing, and approving.
 - ***Receipts/Collections***, including receiving, recording, and preparing deposits. Also, policies and procedures should include management’s actions to determine the completeness of all collections for each type of revenue or custodial fund additions (e.g. periodic confirmation with outside parties, reconciliation to utility billing after cutoff procedures, reconciliation of traffic ticket number sequences, custodial fund forfeiture monies confirmation.)

- ***Payroll/Personnel***, including (1) payroll processing, and (2) reviewing and approving time and attendance records, including leave and overtime worked, and (3) approval process for employee(s) rate of pay or approval and maintenance of pay rate schedules.
- ***Contracting***, including (1) types of services requiring written contracts, (2) standard terms and conditions, (3) legal review, (4) approval process, and (5) monitoring process.
- ***Credit Cards (and debit cards, fuel cards, purchase cards, if applicable)***, including (1) how cards are to be controlled, (2) allowable business uses, (3) documentation requirements, (4) required approvers of statements, and (5) monitoring card usage (e.g., determining the reasonableness of fuel card purchases).
- ***Travel and expense reimbursement***, including (1) allowable expenses, (2) dollar thresholds by category of expense, (3) documentation requirements, and (4) required approvers.
- ***Ethics***, including (1) the prohibitions as defined in Louisiana Revised Statute 42:1111-1121, (2) actions to be taken if an ethics violation takes place, (3) system to monitor possible ethics violations, and (4) a requirement that documentation is maintained to demonstrate that all employees and officials were notified of any changes to the entity's ethics policy.
- ***Debt Service***, including (1) debt issuance approval, (2) continuing disclosure/EMMA reporting requirements, (3) debt reserve requirements, and (4) debt service requirements.
- ***Information Technology Disaster Recovery/Business Continuity***, including (1) identification of critical data and frequency of data backups, (2) storage of backups in a separate physical location isolated from the network, (3) periodic testing/verification that backups can be restored, (4) use of antivirus software on all systems, (5) timely application of all available system and software patches/updates, and (6) identification of personnel, processes, and tools needed to recover operations after a critical event.
- ***Prevention of Sexual Harassment***, including R.S. 42:342-344 requirements for (1) agency responsibilities and prohibitions, (2) annual employee training, and (3) annual reporting.

Procedure Results: No exceptions were noted as a result of these procedures.

Board or Finance Committee

2. We obtained and inspected the board/finance committee minutes for the fiscal period, as well as the board's enabling legislation, charter, bylaws, or equivalent documents in effect during the fiscal period, and:
 - Observed that the board/finance committee met with a quorum at least monthly, or on a frequency in accordance with the board's enabling legislation, charter, bylaws, or other equivalent document.
 - Observed that the minutes referenced or included monthly budget-to-actual comparisons on the General Fund, quarterly budget-to-actual comparisons on all proprietary funds, and semi-annual budget-to-actual comparisons on all special revenue funds.
 - Obtained the prior year audit report and observed the unassigned fund balance in the General Fund. If the General Fund had a negative ending unrestricted net position in the prior year audit report, observed that the minutes for at least one meeting during the fiscal period referenced or included a formal plan to eliminate the negative unassigned fund balance in the General Fund.

- Observed whether the board/finance committee received written updates of the progress of resolving audit finding(s), according to management's corrective action plan at each meeting until the findings are considered fully resolved.

Procedure Results: No exceptions were noted as a result of these procedures.

Credit Cards/Debit Cards/Fuel Cards/Purchase Cards (Cards)

3. We obtained from management a listing of all active credit cards, bank debit cards, fuel cards, and purchase cards (cards) for the fiscal period, including the card numbers and the names of the persons who maintained possession of the cards. We obtained management's representation that the listing is complete.
4. Using the listing prepared by management, we randomly selected the required amount of cards (up to five) that were used during the fiscal period. We randomly selected one monthly statement or combined statement for each card (for a debit card, randomly selected one monthly bank statement), and obtained supporting documentation, and:
 - We observed that there is evidence that the monthly statement or combined statement and supporting documentation (e.g., original receipts for credit/debit card purchases, exception reports for excessive fuel card usage) was reviewed and approved, in writing (or electronically approved), by someone other than the authorized card holder.
 - We observed that finance charges and late fees were not assessed on the selected statements.
5. Using the monthly statements or combined statements selected under #4 above, excluding fuel cards, we randomly selected the required amount transactions (up to ten) from each statement, and obtained supporting documentation for the transactions. For each transaction, we observed that it is supported by (a) an original itemized receipt that identified precisely what was purchased, (b) written documentation of the business/public purpose, and (c) documentation of the individuals participating in meals (for meal charges only). For missing receipts, we described the nature of the transaction and noted whether management had a compensating control to address missing receipts, such as a "missing receipt statement" that is subject to increased scrutiny.

Procedure Results: No exceptions were noted as a result of these procedures.

Payroll and Personnel

6. We obtained a listing of employees/elected officials employed during the fiscal period and management's representation that the listing is complete. We randomly selected 5 employees or officials, obtained related paid salaries and personnel files, and agreed paid salaries to authorized salaries/pay rates in the personnel files.
7. We randomly selected one pay period during the fiscal period. For the 5 employees or officials selected under #17 above, we obtained attendance records and leave documentation for the pay period, and:
 - We observed that all selected employees or officials documented their daily attendance and leave (e.g., vacation, sick, compensatory).
 - We observed that supervisors approved the attendance and leave of the selected employees or officials.
 - We observed that any leave accrued or taken during the pay period is reflected in the entity's cumulative leave records.
 - We observed that the rate paid to the employees or officials agree to the authorized salary/pay rate found with the personnel file.

8. We obtained a listing of those employees or officials that received termination payments during the fiscal period and management's representation that the list is complete. If applicable, we selected two employees or officials, and obtained related documentation of the hours and pay rates used in management's termination payment calculations and the entity's policy on termination payments. If applicable, we agreed the hours to the employee's or official's cumulative leave records, and the pay rates to the employee's or official's authorized pay rates in the employee's or official's personnel files, and the termination payment to entity policy.
9. We obtained management's representation that employer and employee portions of third-party payroll related amounts (e.g. payroll taxes, retirement contributions, health insurance premiums, garnishments, workers' compensation premiums, etc.) have been paid, and any associated forms have been filed, by required deadlines.

Procedure Results: No exceptions were noted as a result of these procedures.

Ethics

10. Using the 5 randomly selected employees/officials from procedure #6 under "Payroll and Personnel" above, we obtained ethics documentation from management, and:
 - We observed whether the documentation demonstrates that each employee/official completed one hour of ethics training during the calendar year as required by R.S. 42:1170.
 - We observed that the entity maintains documentation which demonstrates each employee and official were notified of any changes to the entity's ethics policy during the fiscal period, as applicable.
11. We inquired and/or observed whether the agency has appointed an ethics designee as required by R.S. 42:1170.

Procedure Results: No exceptions were noted as a result of these procedures.

Prevention of Sexual Harassment

12. We randomly selected the employees/officials from procedure #6 under "Payroll and Personnel" above, obtained sexual harassment training documentation from management, and observed that the documentation demonstrates each employee/official completed at least one hour of sexual harassment training during the calendar year as required by R.S. 42:343.
13. We observed that the entity has posted its sexual harassment policy and complaint procedures on its website (or in a conspicuous location on the entity's premises if the entity does not have a website).
14. We obtained the entity's annual sexual harassment report for the current fiscal period, observed that the report was dated on or before February 1, and observed that it includes the applicable requirements of R.S. 42:344:
 - Number and percentage of public servants in the agency who have completed the training requirements;
 - Number of sexual harassment complaints received by the agency;
 - Number of complaints which resulted in a finding that sexual harassment occurred;
 - Number of complaints in which the finding of sexual harassment resulted in discipline or corrective action; and

- Amount of time it took to resolve each complaint.

Procedure Results: No exceptions were noted as a result of these procedures.

We were engaged by the Commission to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants and applicable standards of *Government Auditing Standards*. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on those C/C areas identified in the SAUPs. 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.

We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely to describe the scope of testing performed on those C/C areas identified in the SAUPs, 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 LLA as a public document.

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September 8, 2026