

**DeSoto Parish Sales & Use Tax Commission
Mansfield, Louisiana**

**Annual Financial Report
For the Year Ended June 30, 2025**

**DeSoto Parish Sales & Use Tax Commission
Mansfield, Louisiana**

**Annual Financial Report
For the Year Ended June 30, 2025**

CONTENTS

	<u>Statement</u>	<u>Page</u>
INDEPENDENT AUDITOR’S REPORT		5-7
REQUIRED SUPPLEMENTARY INFORMATION		8
Management’s Discussion and Analysis (MD&A)		9-14
GOVERNMENT-WIDE FINANCIAL STATEMENTS		15
Statement of Net Position	A	16
Statement of Activities	B	17
FUND FINANCIAL STATEMENTS		18
Governmental Funds – Balance Sheet	C	19
Reconciliation of the Governmental Funds Balance Sheet to The Statement of Net Position	D	20
Governmental Funds – Statement of Revenues, Expenditures, and Changes in Fund Balance	E	21
Reconciliation of the Governmental Funds – Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	F	22
Fiduciary Fund – Statement of Fiduciary Net Position	G	23
Fiduciary Fund – Statement of Changes in Fiduciary Net Position	H	24
NOTES TO THE FINANCIAL STATEMENTS		
Index		25
Notes		26-38
	<u>Exhibit</u>	
REQUIRED SUPPLEMENTARY INFORMATION		39
Schedule of Changes in Total OPEB Liability and Related Ratios	1	40
General Fund Budgetary Comparison Schedule	2	41
Notes to the Budgetary Comparison Schedule		42
SUPPLEMENTARY INFORMATION		43
Schedule of Compensation, Benefits, and Other Payments to Agency Head	3	44
Schedule of Collections, Distributions, and Costs of Collection	4	45
OTHER REPORT REQUIRED BY GOVERNMENT AUDITING STANDARDS		
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>		46-47

DeSoto Parish Sales & Use Tax Commission

This page intentionally left blank.



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive
Monroe, LA 71201

Telephone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205

Partners: Tim Green, CPA
Aimee Buchanan, CPA

Principal: Cindy Thomason, CPA

Audit Managers: Amy Tynes, CPA, CFE
Margie Williamson, CPA
Jennie Henry, CPA, CFE

Supervisor: Sandra Harper, CPA, CFE

Ernest L. Allen, CPA
(Retired) 1963 - 2000

Independent Auditor's Report

Board Members
DeSoto Parish Sales and Use Tax Commission
Mansfield, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the DeSoto Parish Sales and Use Tax Commission, as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the DeSoto Parish Sales and Use Tax Commission, as of June 30, 2025, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission'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 opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgement 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 Commission'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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Commission'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, Schedule of Changes in the Total OPEB Liability and Related Ratios, the Budgetary Comparison Schedules, and the notes to the required supplementary information, as listed in the table of contents, 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 GAAS, 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 DeSoto Parish Sales and Use Tax Commission's basic financial statements. The accompanying supplementary information, as listed in the table of contents, 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 GAAS. In our opinion, the accompanying supplementary information, as listed in the table of contents, is fairly stated, in all material respects, in relation to the basic 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 December 22, 2025, on our consideration of the DeSoto Parish Sales and Use Tax Commission'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 Desoto Parish Sales and Use Tax Commission'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 Commission's internal control over financial reporting and compliance.

Allen, Green & Williamson LLP

ALLEN, GREEN & WILLIAMSON, LLP
Monroe, Louisiana
December 22, 2025

REQUIRED SUPPLEMENTARY INFORMATION:

**MANAGEMENT'S DISCUSSION
AND ANALYSIS (MD&A)**

DeSoto Parish Sales & Use Tax Commission
Management's Discussion and Analysis
June 30, 2025

Our discussion and analysis of the DeSoto Parish Sales and Use Tax Commission's financial performance provides an overview of the Commission's financial activities for the fiscal year ended June 30, 2025.

FINANCIAL HIGHLIGHTS Our government-wide financial statements provide these insights into the results of this year's operations:

The liabilities and deferred inflows of the DeSoto Parish Sales and Use Tax Commission exceeded its assets and deferred outflows at the close of the most recent fiscal year by \$646,807 (net position). This is an increase of \$9,501 from the \$(656,308) reported at fiscal year ended 2024. This increase is mainly due to decrease in OPEB liability.

The Commission's revenue received from charges for services for the year ended June 30, 2025 was \$667,133, this is an increase of \$132,322 from the revenue received from charges for services of \$534,811 in 2024. This increase in revenue is due to an increase in total sales tax collections.

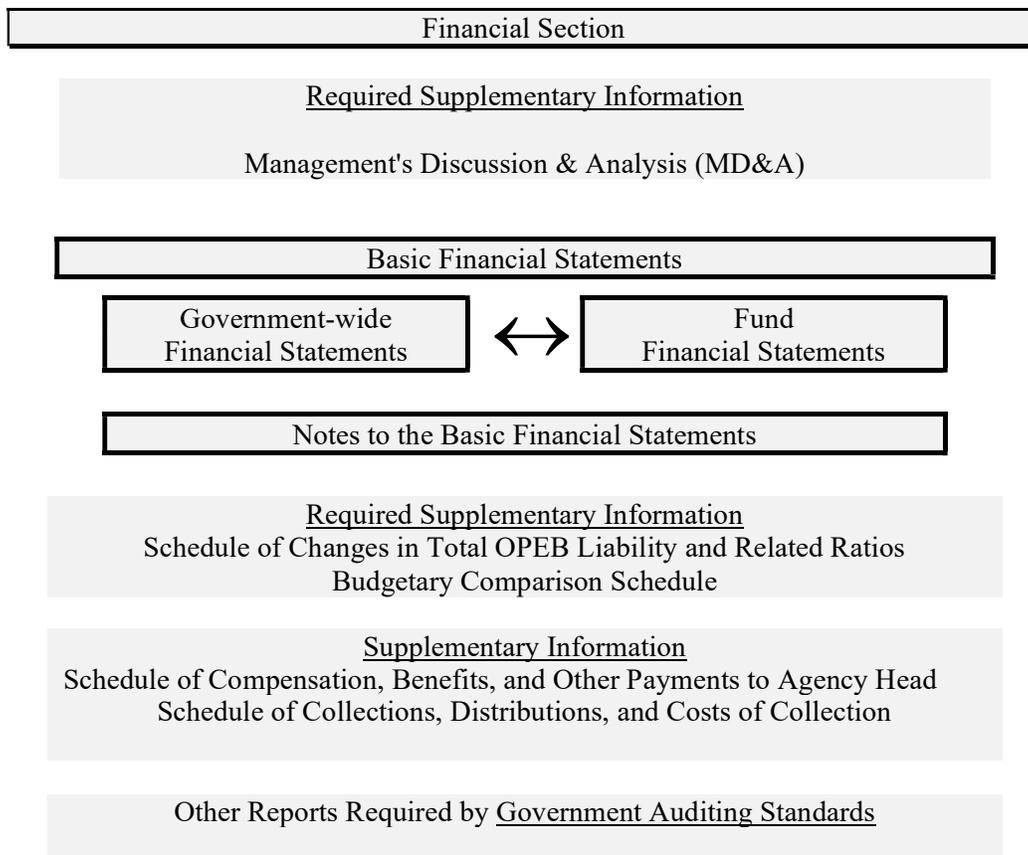
The Commission's total expenses for the year ended June 30, 2025 were \$669,977, this is an increase of \$73,296 from the expenses of \$596,681 in 2024. This increase in expenses was mainly due to paying the salary & benefits of a new employee for the full year versus only three months during the previous year and paying for the services of a new attorney for a full year.

USING THIS ANNUAL REPORT

The DeSoto Parish Sales and Use Tax Commission's annual report consists of a series of financial statements that show information for the DeSoto Parish Sales and Use Tax Commission as a whole, and its funds. The Statement of Net Position and the Statement of Activities provide information about the activities of the Commission as a whole and present a longer-term view of the Commission's finances. For our governmental activities, the fund financial statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the Commission's overall financial health. Fund financial statements also report the Commission's operations in more detail than the government-wide financial statements by providing information about the Commission's General Fund.

DeSoto Parish Sales & Use Tax Commission
Management's Discussion and Analysis
June 30, 2025

The following chart reflects the information included in this annual report.



Our auditor has provided assurance in the independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the Required Supplementary Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts of this report.

Reporting the Commission as a Whole

Our analysis of the DeSoto Parish Sales and Use Tax Commission as a whole begins with the government-wide financial statements. One of the most important questions asked about the Commission's finances is, "Is the Commission as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities, which appear first in the Commission's financial statements, report information about the Commission as a whole and its activities in a way that helps answer this question. We prepare these statements to include all assets, liabilities, and deferred outflow/inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

DeSoto Parish Sales & Use Tax Commission
Management's Discussion and Analysis
June 30, 2025

These two statements report the Commission's net position - the difference between assets and liabilities, as reported in the Statement of Net Position - as one way to measure the DeSoto Parish Sales and Use Tax Commission's financial health, or financial position. Over time, increases or decreases in the Commission's net position as reported in the Statement of Activities are one indicator of whether its financial health is improving or deteriorating. The relationship between revenues and expenses is the Commission's operating results. However, the Commission's goal is to increase sales tax collections and decrease operating expenses.

In the Statement of Net Position and the Statement of Activities, the Commission's activities are shown as:

Governmental Activities - All of the Commission's basic services are reported here, including salaries and contract labor, employee benefits, professional fees, operations and maintenance, repairs and upkeep, and administrative expenses. Sales tax collection fee revenue finances these activities.

Reporting the Commission's Most Significant Funds

Fund Financial Statements

The DeSoto Parish Sales and Use Tax Commission reports all of its activity in one governmental fund which uses the following approach:

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

The DeSoto Parish Sales and Use Tax Commission reports a fiduciary fund. The Commission is the trustee, or fiduciary, for the sales and occupancy tax custodial fund which is reported in the statement of fiduciary net position and statement of changes in fiduciary net position. We exclude these activities from the Commission's other financial statements because the Commission cannot use these assets to finance its operations. The Commission is responsible for ensuring that the assets reported in these funds are used for their intended purpose.

DeSoto Parish Sales & Use Tax Commission
Management's Discussion and Analysis
June 30, 2025

THE COMMISSION AS A WHOLE

Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the Commission's governmental activities.

Table 1
Net Position
June 30,

	2025	2024	Variance
ASSETS			
Other assets	\$ 161,747	\$ 144,500	\$ 17,247
Capital assets (net of accumulated depreciation)	175,121	182,644	(7,523)
Total Assets	336,868	327,144	9,724
DEFERRED OUTFLOWS			
Deferred outflows for OPEB	327,252	390,575	(63,323)
LIABILITIES			
Long-term liabilities	650,193	748,194	(98,001)
Total Liabilities	650,193	748,194	(98,001)
DEFERRED INFLOWS			
Deferred inflows for OPEB	660,734	625,833	34,901
NET POSITION			
Net investment in capital assets	175,121	182,644	(7,523)
Unrestricted	(821,928)	(838,952)	17,024
Total Net Position	\$ (646,807)	\$ (656,308)	\$ 9,501

Net position of the Commission's governmental activities for June 30, 2025 was a deficit of \$646,807. Unrestricted net position that is the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements was a deficit of \$821,928.

**DeSoto Parish Sales & Use Tax Commission
Management's Discussion and Analysis
June 30, 2025**

**Table 2
Changes in Net Position
For the Years Ended June 30,**

	<u>2025</u>	<u>2024</u>	<u>Variance</u>
Program revenues:			
Fees, charges, and commissions for services	\$ 667,133	\$ 534,811	\$ 132,322
General revenues - Interest earned, miscellaneous	<u>12,345</u>	<u>8,344</u>	<u>4,001</u>
Total Revenues	<u>679,478</u>	<u>543,155</u>	<u>136,323</u>
Sales tax collections:			
Personnel services and related benefits	490,659	482,186	8,473
Operating services	146,879	86,439	60,440
Materials and supplies	8,866	9,397	(531)
Travel	9,499	5,807	3,692
Depreciation expense	<u>14,074</u>	<u>12,852</u>	<u>1,222</u>
Total Program Expenses	<u>669,977</u>	<u>596,681</u>	<u>73,296</u>
Change in Net Position	9,501	(53,526)	63,027
Net Position - Beginning of year	<u>(656,308)</u>	<u>(602,782)</u>	<u>(53,526)</u>
Net Position - End of year	<u>\$ (646,807)</u>	<u>\$ (656,308)</u>	<u>\$ 9,501</u>

Governmental Activities

The cost of all governmental activities this year was \$669,977. This was an increase of \$73,296.

THE DESOTO PARISH SALES AND USE TAX COMMISSION'S FUNDS

As the DeSoto Parish Sales and Use Tax Commission completed the year, its governmental funds reported a fund balance of \$161,747 which increased \$17,247 from prior year. Collection fees increased \$132,322 due to an increase in total sales and use tax collections.

GENERAL FUND BUDGETARY HIGHLIGHTS

Actual revenues exceeded budgeted revenues by \$130,279. This positive variance was due to accumulated funds budgeted and carried forward from previous years.

Actual expenditures exceeded budgeted expenditures by \$1,951. This negative variance was due to all employees receiving a one-time pay supplement, legal expenses, and an increase in insurance rates.

The final budgeted revenues increased \$12,577 from the original budgeted revenues and final budgeted expenditures increased \$12,577 from the original budgeted expenditures. Budgeted revenues increased due to an increase in collection fees. The final budgeted expenditures increased due to legal expenses and installing a new fence.

DeSoto Parish Sales & Use Tax Commission
Management's Discussion and Analysis
June 30, 2025

CAPITAL ASSET

At June 30, 2025, the Commission had \$175,121 invested in capital assets, including equipment, and furniture and fixtures. This amount represents a net decrease (including additions, deductions, and depreciation) of \$7,523 or 4.1%, from last year.

Capital Assets at Year-end

	2025	2024	Variance
Building	\$ 389,607	\$ 389,607	\$ -
Equipment and furniture	98,575	105,590	(7,015)
Total	488,182	495,197	(7,015)
Less Accumulated Depreciation	313,061	312,553	508
Net Capital Assets	\$ 175,121	\$ 182,644	\$ (7,523)

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS Our appointed officials and citizens consider many factors when setting the DeSoto Parish Sales and Use Tax Commission's budget and tax rates. One of the most important factors affecting the budget is sales tax collections. 99% of our total revenues are from collection fees charged to collect the tax. We have budgeted no significant changes in revenue and expenditures for the year ending June 30, 2026.

CONTACTING THE COMMISSION'S FINANCIAL MANAGEMENT Our financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the Commission's finances and to show the Commission's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Mr. Chris Robinette, Administrator, P. O. Box 927, Mansfield, LA 71052 or at (318) 872-3343.

**GOVERNMENT-WIDE FINANCIAL
STATEMENTS**

DESOTO PARISH SALES & USE TAX COMMISSION

STATEMENT OF NET POSITION
June 30, 2025

	Statement A
	GOVERNMENTAL ACTIVITIES
ASSETS	
Cash	\$ 160,722
Prepaid items	1,025
Capital assets, net of accumulated depreciation	<u>175,121</u>
 TOTAL ASSETS	 <u>336,868</u>
 DEFERRED OUTFLOWS	
Deferred outflows for OPEB	<u>327,252</u>
 LIABILITIES	
Long-term liabilities:	
Due within one year	28,566
Due in more than one year	21,732
OPEB liability	<u>599,895</u>
 TOTAL LIABILITIES	 <u>650,193</u>
 DEFERRED INFLOWS	
Deferred inflows for OPEB	<u>660,734</u>
 NET POSITION	
Net investment in capital assets	175,121
Unrestricted	<u>(821,928)</u>
 TOTAL NET POSITION	 <u>\$ (646,807)</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

DESOTO PARISH SALES & USE TAX COMMISSION

**STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025**

	Statement B
	GOVERNMENTAL ACTIVITIES
EXPENSES	
Sales Tax Collections:	
Personnel services and related benefits	\$ 490,659
Operating services	146,879
Materials and supplies	8,866
Travel expense	9,499
Depreciation	14,074
 TOTAL PROGRAM EXPENSES	 669,977
 PROGRAM REVENUES	
Charges for services	667,133
 NET PROGRAM EXPENSE	 (2,844)
 GENERAL REVENUES	
Interest earned	7,845
Miscellaneous	4,500
 TOTAL GENERAL REVENUES	 12,345
 CHANGE IN NET POSITION	 9,501
 NET POSITION - BEGINNING	 (656,308)
 NET POSITION - ENDING	 \$ (646,807)

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

DeSoto Parish Sales & Use Tax Commission

FUND FINANCIAL STATEMENTS

DESOTO PARISH SALES & USE TAX COMMISSION

**GOVERNMENTAL FUNDS
Balance Sheet
June 30, 2025**

Statement C

ASSETS	
Cash	\$ 160,722
Prepaid items	1,025
	<hr/>
TOTAL ASSETS	161,747
	<hr/> <hr/>
LIABILITIES	
Accounts payable	-
	<hr/>
TOTAL LIABILITIES	-
	<hr/> <hr/>
FUND BALANCES	
Nonspendable	1,025
Committed	48,676
Unassigned	112,046
	<hr/>
TOTAL FUND BALANCES	161,747
	<hr/> <hr/>
TOTAL LIABILITIES AND FUND BALANCE	\$ 161,747
	<hr/> <hr/>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

DESOTO PARISH SALES & USE TAX COMMISSION

**Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2025**

Statement D

Total fund balances - governmental funds		\$	161,747
<p>The cost of capital assets (land, buildings, furniture, and equipment) purchased or constructed is reported as an expenditure in governmental funds. The Statement of Net Position includes those capital assets among the assets of the Commission as a whole. The cost of those capital assets is allocated over their estimated useful lives (as depreciation expense) to the various programs reported as governmental activities in the Statement of Activities. Because depreciation expense does not affect financial resources, it is not reported in governmental funds.</p>			
Costs of capital assets	\$	488,182	
Accumulated depreciation		<u>(313,061)</u>	
			175,121
<p>Deferred outflows/inflows related to OPEB are not due and payable in the current period and accordingly are not reported in the fund financial statements.</p>			
Deferred inflows			(660,734)
Deferred outflows			327,252
<p>Long-term liabilities applicable to the Commission are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position.</p>			
<p>Balances at June 30, 2025 are:</p>			
OPEB liability			(599,895)
Compensated absences payable			<u>(50,298)</u>
Net Position - Governmental Activities		\$	<u><u>(646,807)</u></u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

DESOTO PARISH SALES & USE TAX COMMISSION

**GOVERNMENTAL FUNDS
Statement of Revenues, Expenditures,
and Changes in Fund Balance
For the Year Ended June 30, 2025**

Statement E

REVENUES	
Local sources:	
Collection fees	\$ 667,133
Interest earned	<u>7,845</u>
TOTAL REVENUES	<u>674,978</u>
EXPENDITURES	
Current:	
Sales tax collections:	
Personal services and related benefits	490,436
Operating services	146,879
Materials and supplies	8,866
Travel expense	9,499
Capital outlay	<u>6,551</u>
TOTAL EXPENDITURES	<u>662,231</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	<u>12,747</u>
OTHER FINANCING SOURCES (USES)	
Insurance recoveries	<u>4,500</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>4,500</u>
Net Change in Fund Balances	17,247
FUND BALANCE - BEGINNING	<u>144,500</u>
FUND BALANCE - ENDING	<u>\$ 161,747</u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

DESOTO PARISH SALES & USE TAX COMMISSION

**Reconciliation of the Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
to the Statement of Activities
For the Year Ended June 30, 2025**

Statement F

Total net change in fund balances - governmental funds \$ 17,247

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

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeds capital outlays in the period:

Capital outlay	\$	6,551	
Depreciation		<u>(14,074)</u>	(7,523)

In the Statement of Activities, certain operating expenses - compensated absences (vacations and sick leave) - 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. (8,442)

The increase in OPEB expense is reported in the Statement of Activities and not reported as expenditures in governmental funds. 8,219

Change in net position of governmental activities \$ 9,501

DESOTO PARISH SALES & USE TAX COMMISSION

**FIDUCIARY FUND
Statement of Fiduciary Net Position
June 30, 2025**

Statement G

**CUSTODIAL
FUND**

ASSETS

Cash	\$	156,535
Sales tax receivable (net of allowance of \$0)		6,248,981
Occupancy tax receivable		18,293
Cash restricted for taxes paid under protest		301

TOTAL ASSETS 6,424,110

LIABILITIES

Due to local governments		<u>6,423,809</u>
--------------------------	--	------------------

TOTAL LIABILITIES 6,423,809

NET POSITION

Restricted for:

Individuals, organizations, and other governments	\$	<u>301</u>
---	----	------------

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

DESOTO PARISH SALES & USE TAX COMMISSION

FIDUCIARY FUND

**Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2025**

Statement H

**CUSTODIAL
FUND**

ADDITIONS	
Sales and occupancy tax collections for other governments	<u>\$ 66,146,030</u>
TOTAL ADDITIONS	<u>66,146,030</u>
DEDUCTIONS	
Payments of sales and occupancy tax to other governments	<u>66,146,091</u>
TOTAL DEDUCTIONS	<u>66,146,091</u>
Net Increase (Decrease) in Fiduciary Net Position	(61)
NET POSITION - Beginning	<u>362</u>
NET POSITION - Ending	<u><u>\$ 301</u></u>

THE NOTES TO THE FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT.

DeSoto Parish Sales & Use Tax Commission
Notes to the Financial Statements
June 30, 2025

INDEX

Page

NOTE	1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES.....	26
	A. REPORTING ENTITY	26
	B. FUNDS	26
	C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING	27
	D. BUDGETS.....	28
	E. DEPOSITS	28
	F. CAPITAL ASSETS.....	29
	G. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES.....	29
	H. COMPENSATED ABSENCES	29
	I. USE OF ESTIMATES	29
	J. FUND EQUITY OF FUND FINANCIAL STATEMENTS.....	29
	K. LONG-TERM LIABILITIES.....	30
NOTE	2 - DEPOSITS	30
NOTE	3 - CAPITAL ASSETS	30
NOTE	4 - RETIREMENT SYSTEMS.....	30
NOTE	5 - COMPENSATED ABSENCES	32
NOTE	6 - LONG-TERM OBLIGATIONS	32
NOTE	7 - RISK MANAGEMENT	32
NOTE	8 - LITIGATION AND CLAIMS	32
NOTE	9 - CUSTODIAL SALES TAX FUND DEPOSITS DUE TO LOCAL GOVERNMENTS	33
NOTE	10 - CUSTODIAL OCCUPANCY TAX COLLECTION FUND DEPOSITS DUE TO LOCAL GOVERNMENTS.....	33
NOTE	11 - SALES TAX AND OCCUPANCY TAX COLLECTIONS AND DISBURSEMENTS	34
NOTE	12 - FUND BALANCE CLASSIFICATION DETAILS	35
NOTE	13 - LIENS OVER SALES TAX REMITTERS	35
NOTE	14 - OTHER POST EMPLOYMENT BENEFITS (OPEB).....	35
NOTE	15 - NEW GASB STANDARDS	38

DeSoto Parish Sales & Use Tax Commission
Notes to the Financial Statements
June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES As provided by Article VII, Section 3 of the Louisiana Constitution of 1974, the DeSoto Parish Sales and Use Tax Commission serves as the collector of sales and use taxes for the parish. The commission is comprised of five members, two each selected from the DeSoto Parish School Board and the DeSoto Parish Police Jury and one selected from the City of Mansfield, in accordance with a joint agreement of the agencies. The commissioners serve for indefinite terms and without benefit of compensation. The accompanying financial statements of the Commission have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

A. REPORTING ENTITY The DeSoto Parish Sales and Use Tax Commission was created as a political subdivision of the state under the provisions of Article VII, Section 3, of the Louisiana Constitution of 1974. Commission board members are appointed by taxing authorities imposing sales taxes within the parish and are solely accountable for fiscal matters, which include fiscal management for controlling the collection and disbursement of funds. Additionally, the Commission is the collector for all sales and use and occupancy taxes within the parish. Based on the above, the Commission was determined to be a separate governmental reporting entity. The Commission includes all funds that are within the primary responsibility of the Commission.

B. FUNDS The accounts of the Commission are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

Funds of the Commission are classified into two categories: governmental and fiduciary. In turn, each category is divided into separate fund types. The fund and a description of each existing fund type follow:

Governmental Funds Governmental funds are used to account for the Commission's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition of capital assets, and the servicing of long-term debt. Governmental funds include:

General fund - the primary operating fund of the Commission. It accounts for all financial resources of the Commission.

Fiduciary Funds Fiduciary funds account for assets held by the government in a trustee capacity or a custodian on behalf of outside parties, including other governments.

Custodial Funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust, or private-purpose trust funds. The custodial funds are as follows:

Sales tax collection custodial fund - accounts for sales tax monies collected on behalf of other taxing authorities within the parish.

Occupancy tax collection custodial fund - accounts for occupancy tax monies collected on behalf of other taxing authorities within the parish.

DeSoto Parish Sales & Use Tax Commission
Notes to the Financial Statements
June 30, 2025

C. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements (GWFS) The Statement of Net Position and the Statement of Activities display information about the reporting government as a whole. The Statement of Net Position and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, liabilities, and deferred outflows/inflows of resources resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, liabilities, and deferred outflows/inflows of resources resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement No. 33 "Accounting and Financial Reporting for Non-exchange Transactions." Fiduciary funds are not included in the government-wide financial statements.

Program revenues Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the Commission's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the Commission's general revenues.

Allocation of indirect expenses The Commission reports all direct expenses by object in the Statement of Activities. Direct expenses are those that are clearly identifiable with an object.

When both restricted and unrestricted resources are available for use, it is the government's policy to use unrestricted resources first, then restricted as needed.

Fund Financial Statements (FFS)

Governmental Funds The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The government considers all revenues available if they are collected within 60 days after year-end. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Operating statements of these funds present increases and decreases in net current assets. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

Fees for the collection of sales and use taxes are recorded when the commission is entitled to the funds which are when the taxes are collected.

Fees for the collection of occupancy taxes are recorded when the commission is entitled to the funds which are when the taxes are collected.

Interest income is recorded monthly as interest is earned.

Other receipts become measurable and available when cash is received by the Commission and are recognized as revenue at that time.

DeSoto Parish Sales & Use Tax Commission
Notes to the Financial Statements
June 30, 2025

Expenditures

Salaries are recorded as earned.

Fiduciary Funds The custodial funds are accounted for using the accrual basis of accounting.

D. BUDGETS

General Budget Policies The Commission follows these procedures in establishing the budgetary data reflected in the combined financial statements:

During March and April, the administrator prepares a preliminary budget for presentation to the Commission. In accordance with adopted policies of the Commission, the budget document must include the following:

1. A budget message, signed by the administrator, which includes a summary description of the most important features and objectives of the budget.
2. A budget summary listing.
3. A proposed budget adoption resolution for the City of Mansfield, DeSoto Parish School Board, and Desoto Parish Police Jury.

The Commission then reviews the proposed budget, makes any changes it deems appropriate, and approves the budget for submission to the taxing bodies on or before May 1. The City, School Board, and Police Jury, no later than June 15, approve or reject the budget.

During the year, the administrator is authorized, subject to approval of the Commission, to make changes within budget classifications as he may deem appropriate. However, any reallocation of budgeted amounts in excess of 5% of total revenues, total expenditures, and/or beginning fund balance, must be approved in advance by the City, School Board, and Police Jury.

Appropriations lapse at year-end and must be re-appropriated for the following year to be expended. Budgeted amounts included in the accompanying financial statements include the original budget amounts and any subsequent amendments.

Formal budget integration (within the accounting records) is not employed. Budget amounts included in the accompanying financial statements include the original and amended adopted budget.

Encumbrances Encumbrance accounting, under which purchase orders are recorded in order to reserve that portion of the applicable appropriation, is not employed. However, outstanding purchase orders are taken into consideration before expenditures are incurred in order to assure that applicable appropriations are not exceeded.

E. DEPOSITS Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposit accounts. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Commission may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law and national banks having their principal offices in Louisiana.

DeSoto Parish Sales & Use Tax Commission
Notes to the Financial Statements
June 30, 2025

F. CAPITAL ASSETS Capital assets are recorded at cost or estimated historical cost if purchased or constructed and depreciated over their estimated useful lives. The capitalization threshold is \$100. Donated capital assets are recorded at their estimated fair value at the date of donation. Estimated useful life is management’s estimate of how long the asset is expected to meet service demands. Straight line depreciation is used, based on the following estimated useful lives:

Buildings	40 years
Furniture and Equipment	5-12 years

G. DEFERRED OUTFLOWS/INFLOWS OF RESOURCES In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Commission has deferred outflows related to OPEB; see Note 14 for additional information. In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time. The Commission has deferred inflows of resources which relate to OPEB obligations. See Note 14 for additional information.

H. COMPENSATED ABSENCES All employees earn up to 18 days of vacation leave each year depending on the length of service. Unused vacation leave may be carried forward to the succeeding year up to a maximum of 25 days and is paid to employees upon separation from service. All employees receive one day of sick leave per month. Unused sick leave may be carried forward to the succeeding year up to a maximum of 25 days and is paid to employees upon separation from service.

I. USE OF ESTIMATES The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

J. FUNDEQUITY OF FUND FINACIAL STATEMENTS GASB 54 requires the fund balance amounts to be reported within the fund balance categories as follows:

Non-spendable: Fund balance that is not in spendable form or legally or contractually required to be maintained intact. This category includes items that are not easily converted to cash such as inventories and prepaid items.

Restricted: Fund balance that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Committed: Fund balance that can only be used for specific purposes determined by the Commission’s highest level of decision-making authority. The Board is the highest level of decision-making authority for the Commission which can commit fund balance prior to the close of the fiscal year through the submission and adoption of a resolution. Committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action it employed to previously commit the funds.

Assigned: Fund balance that is constrained by the Commission’s intent to be used for specific purposes but are neither restricted nor committed. The Commission’s policy does not address assignment of fund balance.

DeSoto Parish Sales & Use Tax Commission
Notes to the Financial Statements
June 30, 2025

Unassigned: Fund balance that is the residual classification for the general fund.

Restricted amounts are considered to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available. The Commission reduces unassigned amounts, followed by committed amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

K. LONG-TERM LIABILITIES The Commission provides certain continuing medical, dental, vision, and life insurance benefits for its retired employees. The OPEB Plan is a single employer defined benefit “substantive plan” as understood by past practices of the Commission.

NOTE 2 - DEPOSITS Deposits are stated at cost, which approximates fair value. 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 fair value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. At year-end, the Commission’s carrying amount of deposits was \$317,558 and the bank balance was \$274,866.

These deposits are reported as follows: Statement A-cash and cash equivalents, \$160,722; Statement G-cash, \$156,535 and restricted cash, \$301. The entire bank balance was collateralized with FDIC Insurance or by collateral that is not held in the Commission’s name. Even though the pledged securities are considered uncollateralized under the provisions of GASB Statement No. 3 Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledge securities within 10 days of being notified by the Commission that the fiscal agent has failed to pay deposited funds upon request. The Commission has no formal custodial credit risk for deposit policy.

Interest rate risk: The Commission’s policy does not address interest rate risk.

Custodial credit risk: The Commission’s policy does not address custodial credit risk.

NOTE 3 - CAPITAL ASSETS The changes in capital assets follow:

	Balance Beginning	Additions	Deletions	Balance Ending
Governmental activities:				
Building	\$ 389,607	\$ -	\$ -	\$ 389,607
Furniture and equipment	105,590	6,551	13,566	98,575
Total	495,197	6,551	13,566	488,182
Less accumulated depreciation:	312,553	14,074	13,566	313,061
Capital assets, net	<u>\$ 182,644</u>	<u>\$ (7,523)</u>	<u>\$ -</u>	<u>\$ 175,121</u>

NOTE 4 - RETIREMENT SYSTEMS All Commission employees participate in the Teachers' Retirement System of Louisiana, which is a cost-sharing, multiple-employer public employee retirement system (PERS). Benefit provisions are ultimately approved and amended by the Louisiana Legislature. Employees of the Commission are enrolled in the retirement system as employees of DeSoto Parish School Board; therefore, the proportionate share of the pension liability is reported by DeSoto Parish School Board. The Commission does not report a pension liability, deferred outflow, or deferred inflows. The Commission reports as an expenditure the

DeSoto Parish Sales & Use Tax Commission
Notes to the Financial Statements
June 30, 2025

amount that has been paid to the School Board which is the actuarially required contribution. The Teacher's Retirement System of Louisiana issues a public report that includes financial statements and required supplementary information. A copy of the report may be obtained from www.trsl.org. Pertinent information relative to the plan is as follows:

General Information about the Pension Plan

Plan Descriptions/Benefits Provided:

Teachers' Retirement System of Louisiana: TRSL administers a plan to provide retirement, disability, and survivor benefits to employees who meet the legal definition of a "teacher" as provided for in R.S 11:701. Eligibility for retirement benefits and the calculation of retirement benefits are provided for in R.S. 11:761. Statutory changes closed existing, and created new, sub-plans for members hired on or after January 1, 2011 and July 1, 2015.

Most members are eligible to receive retirement benefits 1) at the age of 60 with 5 years of service, 2) at the age of 55 with at least 25 years of service, or 3) at any age with at least 30 years of service. For members joining on or after July 1, 2015, retirement benefits are paid at age 62 with at least 5 year of service credit. Members may retire with an actuarially reduced benefit with 20 years of service credit. Retirement benefits are calculated by applying a percentage ranging from 2% to 3% of final average salary multiplied by years of service. Average compensation is defined as the member's average annual earned compensation for the highest 36 consecutive months of employment for members employed prior to January 1, 2011, or highest 60 consecutive months of employment for members employed after that date.

Under R.S. 11:778 and 11:779, members who have suffered a qualified disability are eligible for disability benefits if employed prior to January 1, 2011 and attained at least 5 years of service or if employed on or after January 1, 2011 and attained at least 10 years of service. Members employed prior to January 1, 2011 receive disability benefits equal to 2½% of average compensation multiplied by the years of service, but not more than 50% of average compensation subject to statutory minimums. Members employed on or after January 1, 2011 receive disability benefits equivalent to the regular retirement formula without reduction by reason of age.

Survivor benefits are provided for in R.S. 11:762. In order for survivor benefits to be paid, the deceased member must have been in state service at the time of death and must have a minimum of five years of service, at least two of which were earned immediately prior to death, or must have had a minimum of twenty years of service regardless of when earned in order for a benefit to be paid to a minor or handicapped child. Survivor benefits are equal to 50% of the benefit to which the member would have been entitled if retired on the date of death using a factor of 2½% regardless of years of service or age, or \$600 per month, whichever is greater. Benefits are payable to an unmarried child until age 21, or age 23 if the child remains a full-time student. The minimum service credit requirement is ten years for a surviving spouse with no minor children, and benefits are to be paid for life to the spouse or a qualified handicapped child.

TRSL has established a DROP plan. When members enter DROP, their status changes from active member to retiree even though they continue to work and draw their salary for a period up to three years. The election is irrevocable once participation begins. During participation, benefits otherwise payable are fixed and deposited in an individual DROP account. Upon leaving DROP, members must choose among available alternatives for the distribution of benefits that have accumulated in their DROP accounts.

Contribution rates (as a percentage of covered salaries) for active plan members as established by the Louisiana Legislature for the year ended June 30, 2025, are as follows:

	<u>Employee</u>	<u>Employer</u>
Louisiana Teachers' Retirement System, Regular	8%	21.51%

DeSoto Parish Sales & Use Tax Commission
Notes to the Financial Statements
June 30, 2025

Total covered payroll of the Commission for TRSL - Regular Plan for the year ended June 30, 2025, amounted to \$329,298. Employer contributions to the DeSoto Parish School Board were \$70,832 which was the annual actuarial required contribution for the Commissions employees.

NOTE 5 - COMPENSATED ABSENCES At June 30, 2025, employees of the Commission have accumulated and vested \$50,298 of employee leave benefits including \$719 of salary related benefits, which was computed in accordance with GASB Codification Section C60.

NOTE 6 - LONG-TERM OBLIGATIONS The following is a summary of the long-term obligation transactions for the year ended June 30, 2025:

Governmental activities:	Beginning Balance	Additions	Deductions	Ending Balances	Due within One year
Compensated Absences *	\$ 41,856	\$ 8,442	\$ -	\$ 50,298	\$ 28,566
OPEB liability	706,338	(106,443)	-	599,895	-
Total	\$ 748,194	\$ (98,001)	\$ -	\$ 650,193	\$ 28,566

* Compensated absence liability is a net change for the year.

NOTE 7 - RISK MANAGEMENT The Commission 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 risk of loss, the commission maintains commercial insurance policies covering: automobile liability, medical payments, uninsured motorist, and collision; business liability; property coverage; workers compensation; and surety bond coverage. No claims were paid on any of the policies during the past three years which exceeded the policies' coverage amounts. In addition to the above policies, the commission also maintains an errors and omissions claims paid policy.

NOTE 8 - LITIGATION AND CLAIMS

Taxes Paid Under Protest At June 30, 2025, the Commission is involved in litigations regarding taxes paid under protest. These funds have been placed in an escrow account. Cash of \$301 for taxes paid under protest is included in the custodial fund Statement of Fiduciary Net Position.

Other Claims There are three claims filed with the Board of Tax Appeals for a total of \$1,564,934. Additionally, there are two other claims that are under review and have not been filed with the Board of Tax Appeals totaling \$410,966.

DeSoto Parish Sales & Use Tax Commission
Notes to the Financial Statements
June 30, 2025

NOTE 9 - CUSTODIAL SALES TAX FUND DEPOSITS DUE TO LOCAL GOVERNMENTS The following is a summary of the collections and payments made to local governmental entities for sales tax collections during the year ended June 30, 2025:

BALANCE, Beginning		\$ 4,266,013
<u>Receipts:</u>		
Sales Tax Collections		65,807,971
<u>Disbursements:</u>		
DeSoto Parish School Board		36,230,711
DeSoto Parish Police Jury		14,492,557
DeSoto Parish Law Enforcement District		7,246,543
City of Mansfield		3,062,972
Town of Logansport		366,683
Village of South Mansfield		78,831
Town of Stonewall		729,035
Village of Grand Cane		404,366
Town of Keachi		99,749
Collection fees		655,886
Audit fees (sales tax vendors)		301,135
Total Disbursements		63,668,468
BALANCE, Ending		\$ 6,405,516

NOTE 10 - CUSTODIAL OCCUPANCY TAX COLLECTION FUND DEPOSITS DUE TO LOCAL GOVERNMENTS The following is a summary of the collections and payments made to local governmental entities for occupancy tax collections during the year ended June 30, 2025:

BALANCE, Beginning		\$ 27,777
<u>Receipts:</u>		
Occupancy Tax Collections		403,591
<u>Disbursements:</u>		
City of Mansfield		199,864
Tourist Bureau		208,907
Collection Fee		4,304
Total Disbursements		413,075
BALANCE, Ending		\$ 18,293

DeSoto Parish Sales & Use Tax Commission
Notes to the Financial Statements
June 30, 2025

NOTE 11 - SALES TAX AND OCCUPANCY TAX COLLECTIONS AND DISBURSEMENTS The following are schedules of the sales tax and occupancy tax collections and disbursements on a cash basis collected on behalf of and distributed to local governmental entities for fiscal year ended June 30, 2025:

	SALES TAX			
	Total Collections	Collection Fees	Audit Fees	Total Distribution
DeSoto Parish School Board (2.5%)				
School Board 5/1/68 (1%)	\$ 14,715,196	\$ 151,425	\$ 71,486	\$ 14,492,285
School Board 7/1/86 (.5%)	7,357,597	75,713	35,742	7,246,142
School Board 7/1/86 (.5%)	7,357,597	75,713	35,742	7,246,142
School Board 7/1/01 (.5%)	7,357,597	75,713	35,742	7,246,142
	<u>36,787,987</u>	<u>378,564</u>	<u>178,712</u>	<u>36,230,711</u>
DeSoto Parish Police Jury (1%)				
Police Jury 7/1/81 (.25%)	3,678,867	37,857	17,871	3,623,139
Police Jury 7/1/81 (.50%)	7,357,735	75,714	35,742	7,246,279
Police Jury 7/1/81 (.10%)	1,471,547	15,143	7,148	1,449,256
Police Jury 7/1/81 (.15%)	2,207,320	22,714	10,723	2,173,883
	<u>14,715,469</u>	<u>151,428</u>	<u>71,484</u>	<u>14,492,557</u>
Law Enforcement District (.5%)	7,358,002	75,717	35,742	7,246,543
City of Mansfield (1.5%)				
Mansfield 7/1/80 (1%)	2,067,199	21,730	3,385	2,042,084
Mansfield 1/1/09 (.5%)	1,033,444	10,864	1,692	1,020,888
	<u>3,100,643</u>	<u>32,594</u>	<u>5,077</u>	<u>3,062,972</u>
Town of Logansport (1%)	373,853	3,825	3,345	366,683
Village of South Mansfield (1%)	79,749	826	92	78,831
Town of Stonewall (1%)	739,189	7,669	2,485	729,035
Village of Grand Cane (1.25%)	412,713	4,195	4,152	404,366
Town of Keachi (1%)	100,863	1,068	46	99,749
Total	<u>\$ 63,668,468</u>	<u>\$ 655,886</u>	<u>\$ 301,135</u>	<u>\$ 62,711,447</u>
OCCUPANCY TAX				
	Total Collections	Collection Fees	Audit Fees	Total Distribution
City of Mansfield (3%)	\$ 201,969	\$ 2,105	\$ -	\$ 199,864
Tourist Bureau (3%)	211,106	2,199	-	208,907
	<u>\$ 413,075</u>	<u>\$ 4,304</u>	<u>\$ -</u>	<u>\$ 408,771</u>

DeSoto Parish Sales & Use Tax Commission
Notes to the Financial Statements
June 30, 2025

NOTE 12 - FUND BALANCE CLASSIFICATION DETAILS: The following are details of the fund balance classifications.

Non spendable:	General
Prepaid items	\$ 1,025
Committed to:	
Sick and annual leave pay	48,676
Unassigned	112,046
Total	\$ 161,747

NOTE 13 - LIENS OVER SALES TAX REMITTERS The Commission has outstanding liens against sales tax remitters who have not submitted sales tax reports to the Commission. The Commission cannot determine the exact amounts owed by the sales tax remitters, since no sales tax returns were submitted and processed into the Commission’s accounting records. The lien amounts recorded at the Clerk of Court’s Office are based on estimates determined by the frequency of sales tax returns submitted and the tax liability owed by the remitter in past sales tax returns. Therefore, no amounts are recorded on the Commission’s custodial fund, since the collection of the estimates is not probable.

NOTE 14 - OTHER POST EMPLOYMENT BENEFITS (OPEB) The Desoto Parish Sales and Use Tax Commission has elected to provide post retirement benefits to its employees. Employees of the Commission are included in the health insurance benefit plan of the DeSoto Parish School Board. The School Board does have a trust established for their OPEB plan. The Commission does not have a separate trust established. No assets are accumulated in a trust that meets the criteria in GASB No. 75, paragraph 4, to pay related benefits.

Plan description - The Commission’s OPEB plan is a single-employer defined benefit “substantive plan” as understood by past practices of the Commission and its employees. Although no written plan currently exists or is sanctioned by law, the OPEB plan is reported based on communication to plan members. The plan provides lifetime healthcare insurance for eligible retirees through the Commission’s group health insurance plan. The authority to establish and/or amend the obligation of the employer, employees, and retirees rests with the Commission. Also, no stand-alone financial report was prepared. Substantially all of the Commission’s employees become eligible for these benefits if they reach normal retirement age while working for the Commission, and if the employee chooses to obtain health care benefits from the Commission.

Benefits Provided and Funding Policy - The contribution requirements of plan members and the Commission are established and comply with LRS 42:801-883. Employees do not contribute to their post-employment benefits cost until they become retirees and begin receiving those benefits. The contribution rates are as follows:

Years of Employment	Medical		Dental		Vision	
	% Paid by Retiree	% Paid by Commission	% Paid by Retiree	% Paid by Commission	% Paid by Retiree	% Paid by Commission
Less than 10	80	20	100	0	No insurance	
10 to 14.99	60	40	75	25	No insurance	
15 to 19.99	40	60	50	50	No insurance	
20 or more	20	80	25	75	No insurance	

- Medical - grandfathering provisions apply to those employees hired before January 1, 2010.
- Dental - grandfathering provisions apply to those employees hired before January 1, 2011.
- Vision - grandfathering provisions apply to those employees retired before January 1, 2011.
- Medical – For employees hired after July 1, 2016 and 20 years of experience, the retiree contribution will be 20%.

DeSoto Parish Sales & Use Tax Commission
Notes to the Financial Statements
June 30, 2025

For employees that retired prior to January 1, 2010, the Board pays 100% of the life insurance premium for retired employees with coverage ending at age 99. Employees that retire after December 31, 2009 are eligible for the following life insurance benefits paid based on their years of service working for the Commission when they retire with coverage ending at 80:

<u>Years of Employment</u>	<u>Life Insurance</u>
Less than 20	No insurance
20 to 29	\$5,000
30 or more	\$10,000

Employees Covered by Benefit Terms – At June 30, 2025, the following employees were covered by the benefit terms:

Active employees	5
Total	5

Total OPEB Liability – The Commission’s total OPEB liability of \$599,895 was measured as of June 30, 2025 and was determined by an actuarial valuation as of July 1, 2024.

Actuarial Assumptions and Other Inputs – The total OPEB liability in the June 30, 2025 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Actuarial method	Entry age normal cost - Level percent of pay
Discount rate	5.2% based on 6/30/2025 Bond Buyer General Obligation 20 Municipal Bond Index
Healthcare trend	Ranges from 5.75% in Year 1 to 4.25% after Year 42 plus
Mortality	PubG.H-2010 Mortality tables with generational projection using Scale MP-2021
Turnover	Ranges from 31% at age 18 and less than one year of experience to 5.4% at age 39 and 4 plus years of experience
Retirement rates	30 years of service at any age; age 55 and 25 years of service; or, age 60 with 5 years of service
Salary increase, including inflation	3.25%
Inflation	2.50%

No salary experience studies were conducted. The discount rate was increased from 3.93% in the June 30, 2024 valuation to 5.2%.

DeSoto Parish Sales & Use Tax Commission
Notes to the Financial Statements
June 30, 2025

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at June 30, 2024	\$ 706,338
Changes for the year:	
Service cost	15,516
Interest	28,369
Difference between expected and actual experience	36,723
Effect of assumptions changes or inputs	(187,051)
Benefit payments	-
Net changes	(106,443)
Balance at June 30, 2025	\$ 599,895

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the Commission, as well as what the Commission’s total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower and one percentage point higher than the current discount rate.

	1% Decrease (4.20%)	Discount Rate (5.20%)	1% Increase (6.20%)
Total OPEB liability	\$ 729,678	\$ 599,895	\$ 505,576

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the Commission, as well as what the Commission’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower and one percentage point higher than the current healthcare cost trend rates.

	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	\$ 495,530	\$ 599,895	\$ 841,949

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – For the year ended June 30, 2025, the Commission recognized OPEB benefit of \$8,219. At June 30, 2025, the Commission reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 112,869	\$ 262,891
Changes of assumptions or other inputs	214,383	397,843
	\$ 327,252	\$ 660,734

DeSoto Parish Sales & Use Tax Commission
Notes to the Financial Statements
June 30, 2025

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

Year Ended June 30:		
2026	\$	(52,104)
2027		(52,104)
2028		(80,101)
2029		(89,697)
2030		(53,875)
Thereafter		(5,601)

NOTE 15 - NEW GASB STANDARDS In the current fiscal year the Commission implemented GASB Statement No. 101- *Compensated Absences*. This statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not been paid in cash or settled through noncash means. The adoption of this standard had no impact on the Commission’s financial statements or notes to the financial statements.

**REQUIRED SUPPLEMENTARY
INFORMATION**

DeSoto Parish Sales & Use Tax Commission

Schedule of Changes in Total OPEB Liability and Related Ratios June 30, 2025

Exhibit 1

Total OPEB Liability	2025	2024	2023	2022	2021	2020	2019	2018
Service costs	\$ 15,516	\$ 16,446	\$ 17,390	\$ 27,761	\$ 42,681	\$ 19,361	\$ 18,797	\$ 20,966
Interest	28,369	26,205	30,493	23,905	21,669	24,140	23,957	22,767
Difference between expected and actual experience	36,723	1,279	(343,500)	65,781	129,114	(153,923)	(14,917)	(3,535)
Effect of assumption changes or inputs	(187,051)	(39,093)	153,114	(352,388)	(52,344)	377,899	45,398	(33,650)
Benefit payments	-	-	-	-	-	-	(12,531)	(11,878)
Net change in total OPEB liability	(106,443)	4,837	(142,503)	(234,941)	141,120	267,477	60,704	(5,330)
Total OPEB liability - Beginning	706,338	701,501	844,004	1,078,945	937,825	670,348	609,644	614,974
Total OPEB liability - Ending	<u>\$ 599,895</u>	<u>\$ 706,338</u>	<u>\$ 701,501</u>	<u>\$ 844,004</u>	<u>\$ 1,078,945</u>	<u>\$ 937,825</u>	<u>\$ 670,348</u>	<u>\$ 609,644</u>
Covered employee payroll	323,823	268,158	260,348	321,502	312,138	319,416	311,125	302,063
Total OPEB liability as a percentage of covered employee payroll	185.25%	263.40%	269.45%	262.52%	345.66%	293.61%	215.46%	201.83%

Changes of Assumptions

Changes of assumptions and other inputs reflect the effect of changes in the discount rate each period. The following is the discount rate used:

2025	5.20%
2024	3.93%
2023	3.65%
2022	3.54%
2021	2.16%
2020	2.21%
2019	3.50%
2018	3.87%

Changes in mortality rates:

2022 - 2025 PubG.H-2010 mortality tables with generational projection using Scale MP-2021.

2020 & 2021 PubG.H-2010 mortality tables with generational projection using Scale MP-2020.

2018 & 2019 RP-2000 Combined Mortality Table.

Notes:

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10 year trend is compiled, only information for those years for which information is available is presented.

No assets are accumulated in a trust that meets the criteria in GASB No. 75, paragraph 4, to pay related benefits.

DESOTO PARISH SALES & USE TAX COMMISSION

**GENERAL FUND
Budgetary Comparison Schedule
For the Year Ended June 30, 2025**

Exhibit 2

	BUDGETED AMOUNTS		ACTUAL AMOUNTS	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Local sources:				
Collection fees	\$ 523,495	\$ 536,072	\$ 667,133	\$ 131,061
Interest earned	8,627	8,627	7,845	(782)
TOTAL REVENUES	<u>532,122</u>	<u>544,699</u>	<u>674,978</u>	<u>130,279</u>
EXPENDITURES				
Current:				
Sales tax collections:				
Personal services and related benefits	482,643	491,865	490,436	1,429
Operating services	148,664	150,394	146,879	3,515
Materials and supplies	7,170	6,670	8,866	(2,196)
Travel expense	4,990	9,499	9,499	-
Capital outlay	4,236	1,852	6,551	(4,699)
TOTAL EXPENDITURES	<u>647,703</u>	<u>660,280</u>	<u>662,231</u>	<u>(1,951)</u>
EXCESS (Deficiency) OF REVENUES OVER EXPENDITURES	(115,581)	(115,581)	12,747	128,328
OTHER FINANCING SOURCES (USES)				
Insurance recoveries	-	-	4,500	4,500
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>-</u>	<u>4,500</u>	<u>4,500</u>
Net Change in Fund Balances	(115,581)	(115,581)	17,247	132,828
BUDGETARY FUND BALANCE - BEGINNING	<u>144,500</u>	<u>144,500</u>	<u>144,500</u>	<u>-</u>
BUDGETARY FUND BALANCE - ENDING	<u>\$ 28,919</u>	<u>\$ 28,919</u>	<u>\$ 161,747</u>	<u>\$ 132,828</u>

SEE ACCOMPANYING NOTES TO BUDGETARY COMPARISON SCHEDULE.

DeSoto Parish Sales & Use Tax Commission

Notes to the Budgetary Comparison Schedule For the Year Ended June 30, 2025

A. BUDGETS

General Budget Policies – State statute requires budgets be adopted for the general fund and all special revenue funds. The budget is approved in the April board meeting by the Commission. The operating budgets include proposed expenditures and the means of financing the expenditures. Public hearings are conducted prior to the Commission’s approval to receive comments from the public. It is then submitted for final approval to the City of Mansfield, Desoto Parish School Board, and Desoto Parish Police Jury.

Appropriations (unexpended budget balances) lapse at year end. Formal budget integration (within the accounting records) is not employed as a management control device. Budget amounts included in the accompanying financial statements include the original adopted budget and all subsequent amendments. All budget revisions are approved by the Commission.

Budget Basis of Accounting – The general fund budget is prepared on the modified accrual basis of accounting. Legally, the Commission must adopt a balanced budget; that is, total budgeted revenues and other financing sources including fund balance must equal or exceed total budget expenditures and other financing uses. State statute requires the Commission to amend its budget when revenues plus projected revenues within a fund are expected to be less than budgeted revenues by five percent or more and/or expenditures within a fund are expected to exceed budgeted expenditures by five percent or more.

SUPPLEMENTARY INFORMATION

DeSoto Parish Sales & Use Tax Commission

**Schedule of Compensation, Benefits, and Other Payments to Agency Head
For the Year Ended June 30, 2025**

Exhibit 3

Agency Head : Chris Robinette, Administrator

<u>Purpose</u>		<u>Amount</u>
Salary	\$	108,216
Benefits - Insurance		15,917
Benefits - Retirement		23,266
Per Diem (Cell Phone Allowance)		720
Reimbursements		72
Travel		495
Registration Fees		950
Conference Travel		507
Conference (Hotel)		1,023
Conference (Special Meals)		126

DeSoto Parish Sales & Use Tax Commission

**Schedule of Collections, Distributions, and Costs of Collection
For the Year Ended June 30, 2025**

Exhibit 4

Collections

Sales and Use Tax	\$ 62,368,179
All Other Taxes (Occupancy)	412,257
Interest	518,182
Penalties	180,656
Fees	301,135
Total Collections Received	63,780,409
Less Collections Received and Held in Escrow	-
Total Collections Available for Disbursement	\$ 63,780,409

Amounts Disbursed To Each Local Taxing Authority (Net of Collection Costs)

DeSoto Parish School Board (2.5%)	36,230,711
DeSoto Parish Police Jury (1%)	14,492,557
Law Enforcement District (0.5%)	7,246,543
City of Mansfield (1.5%)	3,062,972
Town of Logansport (1%)	366,683
Village of South Mansfield (1%)	78,831
Town of Stonewall (1%)	729,035
Village of Grand Cane (1.25%)	404,366
Town of Keachi (1%)	99,749
City of Mansfield Occupancy (3%)	199,864
DeSoto Parish Tourist Bureau (3%)	208,907
Total Amounts Disbursed to Local Taxing Authorities	\$ 63,120,218

Total Amount Retained by Collector	\$ 660,191
---	-------------------

Amounts Disbursed for Costs of Collection

Collector Employee Salaries	329,297
Collector Employee Benefits	161,139
Contracted Collector Services	38,510
All Other Costs of Collection	126,566
Total Amounts Disbursed for Costs of Collection	\$ 655,512

Balance in Excess (Deficiency) of Costs of Collection	\$ 4,679
--	-----------------



ALLEN, GREEN & WILLIAMSON, LLP

CERTIFIED PUBLIC ACCOUNTANTS

P. O. Box 6075

Monroe, LA 71211-6075

2441 Tower Drive

Monroe, LA 71201

Telephone: (318) 388-4422

Fax: (318) 388-4664

Toll-free: (888) 741-0205

Partners: Tim Green, CPA
Aimee Buchanan, CPA

Principal: Cindy Thomason, CPA

Audit Managers: Amy Tynes, CPA, CFE
Margie Williamson, CPA
Jennie Henry, CPA, CFE

Supervisor: Sandra Harper, CPA, CFE

Ernest L. Allen, CPA
(Retired) 1963 - 2000

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*

Independent Auditor's Report

Board Members
DeSoto Parish Sales and Use Tax Commission
Mansfield, Louisiana

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 (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of DeSoto Parish Sales and Use Tax Commission as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Commission's basic financial statements, and have issued our report thereon dated December 22, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the DeSoto Parish Sales and Use Tax Commission'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 DeSoto Parish Sales and Use Tax Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the DeSoto Parish Sales and Use Tax Commission'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 DeSoto Parish Sales and Use Tax Commission'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. Although the intended use of these reports may be limited, under Louisiana Revised Statute 24:513, this report is distributed by the Office of the Legislative Auditor as a public document.

Allen, Green & Williamson LLP

ALLEN, GREEN & WILLIAMSON, LLP
Monroe, Louisiana
December 22, 2025