EMERGENCY MEDICAL SERVICES AUTHORITY

FINANCIAL STATEMENTS
WITH SUPPLEMENTAL SCHEDULES

YEARS ENDED JUNE 30, 2026 AND 2025

WITH

INDEPENDENT AUDITOR'S REPORT

DRAFT
Incomplete Work Product

EMERGENCY MEDICAL SERVICES AUTHORITY

FINANCIAL STATEMENTS
WITH SUPPLEMENTAL SCHEDULES

YEARS ENDED JUNE 30, 2026 AND 2025

WITH

INDEPENDENT AUDITOR'S REPORT

DRAFT
Incomplete Work Product

EMERGENCY MEDICAL SERVICES AUTHORITY

FINANCIAL STATEMENTS
WITH SUPPLEMENTAL SCHEDULES

Years Ended June 30, 2026 and 2025

TABLE OF CONTENTS

	Page
Independent Auditor's Report	1 - 3
Management's Discussion and Analysis and Financial Summary	4 - 6
Financial Statements:	
Statements of Net Position	7
Statements of Revenues, Expenses and Changes in Net Position	8
Statements of Cash Flows	9 - 10
Notes to Basic Financial Statements	11 - 19
Supplementary Information of Operating Divisions:	
Statements of Net Position Information	20 - 21
Statements of Revenues, Expenses and Changes in Net Position Information	22 - 23
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*	24 - 25

DRAFT
Incomplete Work Product

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Emergency Medical Services Authority

Report on the Audit of the Financial Statements

Opinion
We have audited the accompanying financial statements of the Emergency Medical Services Authority (the Authority), as of and for the years ended June 30, 2026 and 2025, and the related notes to financial statements, which collectively comprise the Authority'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 Authority as of June 30, 2026 and 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

DRAFT
Incomplete Work Product

Basis for Opinion
We conducted our audits 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 Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 Authority'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 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 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 GAAS 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 Authority'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 Authority's ability to continue as a going concern for a reasonable period of time.

DRAFT
Incomplete Work Product

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 listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not 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 audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Authority's basic financial statements. The supplementary information as listed in the table of contents is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from

and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 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 September XX, 2026 on our consideration of the Authority'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 Authority'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 Authority's internal control over financial reporting and compliance.

DRAFT
Incomplete Work Product

CERTIFIED PUBLIC ACCOUNTANTS

Wichita, KS
September XX, 2026

EMERGENCY MEDICAL SERVICES AUTHORITY

MANAGEMENT'S DISCUSSION AND ANALYSIS AND FINANCIAL SUMMARY
Year Ended June 30, 2026

This Management's Discussion and Analysis (MD&A) of the Emergency Medical Services Authority (the Authority) provides an overview of the Authority's financial activities for the years ended June 30, 2026 and 2025. Please consider this information in conjunction with the financial statements and the accompanying notes to basic financial statements that follow this section. Unless otherwise indicated, amounts are in thousands.

Financial Highlights

- Cash and cash equivalents increased in 2026 by $3,474 or 17.74% and increased in 2025 by $3,931 or 25.11%

- The Authority's net position increased in 2026 by $7,153 or 10.90% and increased in 2025 by $10,526 or 19.11%

- The Authority reported operating income in 2026 of $8,586 and 2025 of $9,184. The operating income in 2026 decreased by $597 or 6.50% over the operating income reported in 2025. The operating income in 2025 increased by $558 or 6.46% over the operating income reported in 2024.

- Net nonoperating revenues (expenses) decreased by $2,584 or 424.17% in 2026 compared to a decrease of $733 or 54.62% in 2025.

DRAFT
Uncorrected Work Product

Using this Annual Report

The Authority's financial statements consist of three statements - a statement of net position; a statement of revenues, expenses and changes in net position; and a statement of cash flows. These statements provide information about the activities of the Authority, including resources held by the Authority but restricted for specific purposes by creditors, contributors, grantors or enabling legislation. The Authority is accounted for as a business-type activity and presents its financial statements using the economic resources measurement focus and the accrual basis of accounting.

The Statements of Net Position and Statements of Revenues, Expenses and Changes in Net Position

One of the most important questions asked about any organization's finances is, "Is the organization as a whole better or worse off as a result of the year's activities?" The statement of net position and the statements of revenues, expenses and changes in net position report information about the Authority's resources and its activities in a way that helps answer this question. These statements include all restricted and unrestricted assets and all liabilities using the accrual basis of accounting. Using the accrual basis of accounting means that all of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the Authority's net position and changes in them. The Authority's total net position - the difference between assets and liabilities - is one measure of the Authority's financial health whether its financial health is improving or deteriorating. Other nonfinancial factors, such as changes in the Authority's patient base, changes in legislation and regulations, measure of the quantity and quality of services provided to its patients and local economic factors should also be considered to assess the overall financial health of the Authority.

The Statements of Cash Flows
The statements of cash flows report cash receipts, cash payments and net changes in cash resulting from four defined types of activities. They provide answers to such questions as; where did cash come from, what was cash used for, and what was the change in cash during the reporting period?

The Authority's Net Position
The Authority's net position is the difference between its assets and liabilities reported in the statement of net position. The Authority's net position increased by $7,154 or 10.90% in 2026 over 2025 and increased by $10,526 or 19.11% in 2025 over 2024, as shown on Table 1.

Table 1 - Assets, Liabilities and Net Position

	2026	2025	2024
Assets			
Current and other assets	**$ 43,200**	$ 38,983	$ 33,196
Capital assets, net	**41,033**	36,594	31,146
Total assets	**$ 84,233**	$ 75,577	$ 64,342
Liabilities			
Current liabilities	**$ 9,856**	$ 9,964	$ 9,068
Noncurrent liabilities	**1,611**	--	188
Total liabilities	$ **11,466**	$ 9,964	$ 9,256
Net Position			
Investment in capital assets	**$ 38,205**	$ 36,407	$ 30,220
Unrestricted	**34,562**	29,205	24,866
Total net position	**$ 72,767**	$ 65,613	$ 55,086
Total liabilities and net position	**$ 84,233**	$ 75,577	$ 64,342

DRAFT
Incomplete Work Product

Current and other assets increased in 2026 by $4,217 and increased in 2025 by $5,787. Cash and cash equivalents have increased by $3,474 or 17.74%.

Current liabilities decreased in 2026 by $109 or 1.10% and increased in 2025 by $897 or 9.89%. The noncurrent liabilities increased in 2026 due to the long-term portion of an equipment lease. This is further discussed in Note 9 to the financial statements.

The 2026 increase in net position is a result of several factors, all of which are described within the "Operating Results" and "Nonoperating Revenues" sections below.

Operating Results
In 2026, operating revenues increased $6,384 or 5.98%. The increase in operating revenue is due primarily to volume increases in both divisions.

In 2026, operating expenses increased $6,981 or 7.15%, primarily due to increased volume.

Table 2 - Operating Results and Changes in Net Position

	2026	2025	2024
Operating revenues	**$ 113,185**	$ 106,801	$ 107,233
Nonoperating revenues	**680**	780	705
Total revenues	**$ 113,865**	$ 107,581	$ 107,938
Noncapital grants	**$ 542**	$ 733	$ 749
Operating expense	**$ 104,598**	$ 97,617	$ 98,607
Nonoperating expense	**2,655**	171	71
Total expenses	**$ 107,253**	$ 97,788	$ 98,678
Increase in net position	**$ 7,154**	$ 10,526	$ 10,009

Noncapital Grants
Noncapital grants and contributions received decreased in 2026 by $191 or 26.05% and decreased in 2025 by $16 or 2.10%

Nonoperating Revenues
Nonoperating revenues consist primarily of noncapital grants and contributions from various state and federal agencies for specific programs and interest income.

The Authority's Cash Flows
Changes in the Authority's cash flows are consistent with changes in operating income and nonoperating revenues and expenses for 2026 and 2025 discussed earlier.

Capital Assets
At the end of 2026, the Authority had $38,205 invested in capital assets, net of accumulated depreciation, as detailed in Note 5 to the financial statements. In 2026, the Authority purchased new equipment and building improvements costing $10,918 compared to $10,864 in 2025.

Long-Term Obligations
At the end of 2026, the Authority had $1,611 in long-term lease obligation, less current maturities of $1,218, as detailed in Note 9 to the financial statements.

Contacting the Authority's Financial Management
This financial report is designed to provide a general overview of the Authority's finances for all those with an interest. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Chief Financial Officer, 1417 N. Lansing, Tulsa, Oklahoma 74106.

DRAFT
Incomplete Work Product

EMERGENCY MEDICAL SERVICES AUTHORITY

STATEMENTS OF NET POSITION

June 30, 2026 and 2025

ASSETS

	2026	2025
CURRENT ASSETS		
Cash and cash equivalents	**$ 23,058,401**	$ 19,583,992
Patient accounts receivable, net of allowance for bad debts and contractual allowances of $17,386,780 and $18,787,152	**14,331,752**	14,575,099
Grant receivables	**152,320**	184,050
Other receivables	**3,330,515**	2,906,918
Prepaid expenses	**2,326,974**	1,733,244
Total current assets	**43,199,962**	38,983,303
Capital assets, non-depreciable	**3,339,520**	7,244,884
Capital assets, net of depreciation	**37,693,657**	29,349,768
Total assets	**$ 84,233,139**	$ 75,577,955

LIABILITIES AND NET POSITION

	2026	2025
CURRENT LIABILITIES		
Accounts payable and accrued expenses	**$ 8,618,881**	$ 9,722,978
Quality assurance fund payable	**18,913**	54,452
Current maturities of lease liabilities	**1,217,738**	--
Current maturities of long-term debt	**--**	187,475
Total current liabilities	**9,855,532**	9,964,905
Lease liabilities, less current maturities	**1,610,729**	--
Total liabilities	**11,466,261**	9,964,905
NET POSITION		
Net investment in capital assets	**38,204,710**	36,407,177
Unrestricted	**34,562,168**	29,205,873
Total net position	**72,766,878**	65,613,050
Total liabilities and net position	**$ 84,233,139**	$ 75,577,955

DRAFT
Incomplete Work Product

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

EMERGENCY MEDICAL SERVICES AUTHORITY

STATEMENTS OF REVENUES, EXPENSES AND
CHANGES IN NET POSITION

Years Ended June 30, 2026 and 2025

	2026	2025
OPERATING REVENUE, NET	**$ 113,184,781**	$ 106,800,952
OPERATING EXPENSES		
Contracted professional services	**3,935,323**	**3,584,783**
Salaries, wages and benefits	**74,386,476**	**70,790,955**
Lease, maintenance and utilities	**8,925,380**	**9,169,401**
Medical supplies and other	**9,258,342**	**8,117,825**
Grant expenditures	**547,475**	**710,885**
Depreciation	**7,545,124**	**5,243,076**
Total operating expenses	**104,598,120**	**97,616,925**
Operating income	**8,586,661**	**9,184,027**
NONCAPITAL GRANTS		
Noncapital grants and contributions	**542,206**	**733,245**
Operating income and noncapital subsidies	**9,128,867**	**9,917,272**
OTHER NONOPERATING REVENUE (EXPENSE)		
Investment income	**679,878**	**779,969**
Interest expense	**(245,888)**	**(14,865)**
Loss on disposal of fixed assets	**(2,409,029)**	**(155,851)**
Total nonoperating (expenses) revenues	**(1,975,039)**	**609,253**
Change in net position	**7,153,828**	**10,526,525**
Net position, beginning of year	**65,613,050**	**55,086,525**
Net position, end of year	**$ 72,766,878**	$ 65,613,050

DRAFT
Incomplete Work Product

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

EMERGENCY MEDICAL SERVICES AUTHORITY

STATEMENTS OF CASH FLOWS

Years Ended June 30, 2026 and 2025

	2026	2025
Cash flows from operating activities:		
Receipts from and on behalf of patients	**$ 113,004,531**	$ 105,264,716
Payments to suppliers and contractors	**(24,479,301)**	(19,832,429)
Payments to and on behalf of employees	**(73,759,585)**	(70,741,731)
Grant expenditures	**(547,475)**	(710,885)
Net cash flow from operating activities	**14,218,170**	13,979,671
Cash flows from noncapital financing activities:		
Noncapital grants and gifts received	**573,935**	772,444
Net cash flow from noncapital financing activities	**573,935**	772,444
Cash flows from capital and related financing activities:		
Purchase of capital assets	**(10,918,122)**	(10,863,916)
Proceeds on disposal of capital assets	**492,381**	16,836
Payments on lease	**(1,138,470)**	
Payments on long-term debt	**(187,475)**	(739,298)
Interest paid	**(245,888)**	(14,865)
Net cash flow from capital and related financing activities	**(11,997,574)**	(11,601,243)
Cash flows from investing activities:		
Interest on deposits	**679,878**	779,969
Net cash flow from investing activities	**679,878**	779,969
Net change in cash and cash equivalents	**3,474,409**	3,930,841
Cash and cash equivalents, beginning of year	**19,583,992**	15,653,151
Cash and cash equivalents, end of year	**$ 23,058,401**	$ 19,583,992

DRAFT
Incomplete Work Product

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

EMERGENCY MEDICAL SERVICES AUTHORITY

STATEMENTS OF CASH FLOWS
(CONTINUED)

Years Ended June 30, 2026 and 2025

Reconciliation of cash and cash equivalents to the statement of net position:		
Cash and cash equivalents	**$ 23,058,401**	$ 19,583,992
Total cash and cash equivalents	**$ 23,058,401**	$ 19,583,992
Reconciliation of operating income to net cash flow from operating activities:		
Operating income	**$ 8,586,661**	$ 9,184,027
Adjustments to reconcile operating income to net cash flow from operating activities:		
Depreciation	**7,545,124**	5,243,076
Changes in operating assets and liabilities:		
Patient accounts receivable, net	**243,347**	1,045,994
Prepaid expenses	**(593,730)**	(372,090)
Other assets	**(423,596)**	(2,570,010)
Payable to suppliers and contractors	**(1,766,527)**	1,399,450
Payable to employees	**626,891**	49,224
Net cash flow from operating activities	**$ 14,218,170**	$ 13,979,671
Noncash investing capital and financing activities		
Capital assets acquired with lease financings	**$ 3,966,937**	$ --

DRAFT
Incomplete Work Product

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

1. NATURE OF BUSINESS, REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Business - The Emergency Medical Services Authority (the Authority) was organized as a public trust (Trust) in 1977 to provide emergency medical services and transportation for the residents of the City of Tulsa, Oklahoma, who are the sole beneficiary of the Trust. On March 1, 1990, the Trust indenture was amended and restated to include the City of Oklahoma City, Oklahoma, as a beneficiary of the Trust. As a result, certain assets and liabilities of the Oklahoma City Municipal Facilities Authority (OCMFA) were transferred to the Authority. The Authority primarily earns revenues by providing emergency medical services and transportation for the residents of the City of Tulsa and the City of Oklahoma City, and to certain nonbeneficiary member jurisdictions surrounding the City of Tulsa and the City of Oklahoma City, referred to as the Eastern Division and Western Division, respectively.

Reporting Entity - The Authority is a joint venture of the City of Tulsa and the City of Oklahoma City. The City of Tulsa, the City of Oklahoma City and the surrounding nonbeneficiary member jurisdictions provide noncapital subsidies, primarily funded from water-tap assessments to the Authority for use in operations.

In 2005, the Authority created a nonprofit corporation, EMSA Initiatives for Public Health, Inc. (Corporation) to provide free car seats and education to predominately low-income residents of the City of Tulsa, the City of Oklahoma City and the surrounding nonbeneficiary member jurisdictions. The Corporation was formed under Section 501(c)(3) of the Internal Revenue Code. The Corporation had no activity during the years ended June 30, 2026 and 2025.

Basis of Accounting and Presentation - The financial statements of the Authority have been prepared on the accrual basis of accounting using the economic resources measurement focus. Revenues, expenses, gains, losses, assets and liabilities from exchange and exchange-like transactions are recognized when the exchange transaction takes place, while those from voluntary nonexchange transactions (principally federal and state grants) are recognized when all applicable eligibility requirements are met. Amounts shown as grant expenditures in the financial statements are primarily funded through noncapital grants and contributions. Operating revenues and expenses include exchange transactions. Voluntary nonexchange transactions, investment income and interest expense are included in nonoperating revenues and expenses. The Authority first applies restricted net position when an expense or outlay is incurred for purposes for which both restricted and unrestricted net position is available.

The financial statements of the Authority are prepared in accordance with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

Accounting Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying footnotes. Actual results could differ from those estimates.

DRAFT
In Progress Work Product

1. NATURE OF BUSINESS, REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash Equivalents - The Authority considers all liquid investments with original maturities of three months or less to be cash equivalents. The Authority defines cash and cash equivalents used in the statement of cash flows as all cash and liquid investments with original maturities of three months or less (both restricted and unrestricted).

Medical Service Program Fees - The City of Tulsa and the City of Oklahoma City each approved an ordinance establishing a Medical Service Program offering Total Care (now EMSAcare) program membership to single-family and multi-family residential water customers within the corporate limits of either city unless they affirmatively decline participation in the program. Medical Service Program Fees are assessed monthly on the residents' water bill. These funds essentially reimburse the Authority for unpaid medical services provided under the EMSAcare program. Certain eligibility requirements are to be met for the Authority to receive the fees, therefore revenue is recognized when all recognition criteria have been met. The Medical Service Program was effective July 1, 2007 for the City of Tulsa and December 16, 2008 for the City of Oklahoma City. Medical service program fees funded $10,831,000 and $10,643,000 of operating revenue on the statement of revenues, expenses, and changes in net position for the year ended June 30, 2026 and 2025, respectively and are further described in Note 12. Unpaid medical services provided by the Authority under the EMSAcare program were $13,763,000 and $15,806,000 for the year ended June 30, 2026 and 2025, respectively. They are recorded as deductions from patient revenue and included in net operating revenue on the statement of revenues, expenses, and changes in net position for the year ended June 30, 2026 and 2025.

DRAFT
Incomplete Work Product

Risk Management - The Authority is exposed to various risks of loss from torts; theft of, damage to and destruction of assets; business interruption; errors and omissions; employee injuries and illnesses; natural disasters and employee health, dental and accident benefits. Commercial insurance coverage is purchased for claims arising from such matters, except for errors and omissions. Settled claims have not exceeded this commercial coverage in any of the three preceding years.

Patient Accounts Receivable - The Authority reports patient accounts receivable for services rendered at net realizable amounts from third-party payers, patients and others. The Authority provides an allowance for collectible accounts based upon a review of outstanding receivables, historical collection and existing economic conditions.

Capital Assets - Capital assets are defined by the Authority as assets with an initial, individual cost of more than $5,000 and an initial useful life of one year or greater. Capital assets are recorded at cost at the date of acquisition or fair value at the date of donation if acquired by contribution. Depreciation is computed using the straight-line method over the estimated useful life of each asset. Assets under capital lease obligations and leasehold improvements are depreciated over the shorter of the lease term or their respective estimated useful lives. The following estimated useful lives are being used by the Authority:

Buildings and leasehold improvements	7 - 12 years
Ambulances and other transportation equipment	4 - 6 years
Communications and data processing equipment	3 - 5 years
Other equipment	3 - 7 years
Lease equipment	3 - 5 years

1. NATURE OF BUSINESS, REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences - The Authority's policies permit most employees to accumulate vacation benefits that may be realized as paid time off or, in limited circumstances, as a cash payment. Expense and the related liability are recognized as vacation benefits and are earned whether the employee is expected to realize the benefit as time off or in cash. Compensated absence liabilities are computed using the regular pay and termination pay rates in effect at the statement of net position date plus an additional amount for compensation-related payments such as social security and Medicare taxes computed using rates in effect at the date. The compensated absences liability as of June 30, 2026 and 2025 was $1,832,790 and $1,751,378, respectively. The estimated compensated absences liability is expected to be used within one year after the statement of net position date and is included in current liabilities.

Quality Assurance Fund Payable - The Quality Assurance Fund is administered by the Authority on behalf of the Medical Control Board (MCB) to fund the activities and expenses of the MCB. The MCB serves as the regulatory, policy-setting and fact-finding body in providing medical oversight for the regulated service area. The Authority carries a liability on its Statement of Financial Position for funding received in excess of expenses for each fiscal period. As of June 30, 2026 and 2025, this amounted to $18,913 and $54,452, respectively.

Net Position - Net position of the Authority represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets net of accumulated depreciation and reduced by the outstanding balance of borrowings used to finance the purchase or construction of those assets. Net position is reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. When an expense is incurred for the purposes for which both restricted and unrestricted net position is available, the Authority first applies restricted resources. Unrestricted net position is remaining assets less remaining liabilities that do not meet the definition of net investment in capital assets or restricted.

Net Patient Service Revenue and Contractual Allowances - The Authority has agreements with third-party payers that provide for payments to the Authority at amounts different from its established rates. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payers and others for services rendered and a provision for uncollectible accounts. Included in net patient service revenue are the revenues generated by the Total Care membership program.

Income Taxes - The Authority is exempt from taxation under Section 115 of the Internal Revenue Code and a similar provision of state law as a political subdivision of the beneficiaries of the trust. However, the Authority is subject to federal income tax on any unrelated business taxable income.

Reclassifications - Certain reclassifications have been made to the 2025 financial statements to conform to the 2026 financial statement presentation. These reclassifications had no effect on net position.

DRAFT
Information Not Product

1. NATURE OF BUSINESS, REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Subsequent Events - These financial statements considered subsequent events through September XX, 2026, the date the financial statements were available to be issued.

2. CASH AND CASH EQUIVALENTS

As of June 30, 2026 and 2025, the Authority's deposits consisted of checking accounts. The Authority had no investments. Custodial credit risk is the risk that in the event of a bank failure the Authority's deposits may not be returned to it. The Authority does not have a deposit policy for custodial credit risk.

State law requires collateralization of all deposits with federal depository insurance; bonds and other obligations of the U.S. Treasury, U.S. agencies or instrumentalities or the state of Oklahoma; bonds of any city, county, school district or special road district of the state of Oklahoma; bonds of any state; or a surety bond having an aggregate value at least equal; to the amount of the deposits.

As of June 30, 2026 and 2025, all of the Authority's bank balances and deposits were collateralized or insured and were not exposed to custodial credit risk.

DRAFT
Incomplete Work Product

3. BUSINESS AND CREDIT RISKS

The Authority provides emergency medical services for the residents of the City of Tulsa and the City of Oklahoma City and certain cities surrounding the City of Tulsa and the City of Oklahoma City. The Authority provides emergency services to anyone who requests it regardless of the patient's ability or willingness to pay for such services. The Authority does not require collateral or other security in extending credit to patients; however, it routinely obtains assignment of (or is otherwise entitled to receive) patients' benefits payable under their health insurance programs, plans or policies (e.g., Medicare, Medicaid, health maintenance organizations and commercial insurance policies).

Due to the nature of the services it provides and the demographics of the population it serves, the Authority is subject to significant credit risk and high rates of uncollectible accounts.

4. PATIENT ACCOUNTS RECEIVABLE

The Authority grants credit without collateral to its patients, many of whom are area residents and are insured under third-party payor agreements. Patient accounts receivable as of June 30, 2026 and 2025 consisted of:

4. PATIENT ACCOUNTS RECEIVABLE (CONTINUED)

	2026	2025
Medicare	$ 3,064,682	$ 3,298,882
Medicaid	2,038,552	1,957,797
Other third-party payors	6,602,370	8,090,916
Patients	20,012,928	20,014,656
	31,718,532	33,362,251
Less allowance for bad debts and contractual allowances	17,386,780	18,787,152
	$ 14,331,752	$ 14,575,099

5. CAPITAL ASSETS

Capital assets activity for the years ended June 30, 2026 and 2025 was:

DRAFT
Incomplete Work Product

	2026				
	Beginning Balance	Additions	Transfers	Disposals	Ending Balance
Non-depreciable, land	$ 828,658	$ --	$ --	$ --	$ 828,658
Non-depreciable, construction in process	6,416,226	10,918,122	(14,823,486)	--	2,510,862
Total nondepreciable assets	7,244,884	10,918,122	(14,823,486)	--	3,339,520
Depreciable:					
Buildings and leasehold improvements	15,499,477	--	1,338,157	--	16,837,634
Ambulances and other transportation equipment	36,840,653	--	10,352,302	(8,877,724)	38,315,231
Communications and data processing equipment	5,967,992	--	2,710,327	(70,227)	8,608,092
Other equipment	2,363,903	--	422,700	(30,325)	2,756,278
Lease equipment	--	3,966,937	--	--	3,966,937
Total depreciable assets	60,672,025	3,966,937	14,823,486	(8,978,276)	70,484,172
Less accumulated depreciation:					
Buildings and leasehold improvements	7,263,809	967,538	--	--	8,231,347
Ambulances and other transportation equipment	17,233,515	4,622,688	--	(5,985,515)	15,870,688
Communications and data processing equipment	4,898,973	838,306	--	(61,026)	5,676,253
Other equipment	1,925,960	124,858	--	(30,325)	2,020,493
Lease equipment	--	991,734	--	--	991,734
Total accumulated depreciation	31,322,257	7,545,124	--	(6,076,866)	32,790,515
Total capital assets being depreciated, net	29,349,768	(3,578,187)	14,823,486	(2,901,410)	37,693,657
Capital assets, net	$ 36,594,652	$ 7,339,935	$ --	$ (2,901,410)	$ 41,033,177

5. CAPITAL ASSETS (CONTINUED)

	2025				
	Beginning Balance	Additions	Transfers	Disposals	Ending Balance
Non-depreciable, land	$ 64,200	$ --	$ 764,458	$ --	$ 828,658
Non-depreciable, construction in process	2,332,939	10,863,916	(6,780,629)	--	6,416,226
Total nondepreciable assets	2,397,139	10,863,916	(6,016,171)	--	7,244,884
Depreciable:					
Buildings and leasehold improvements	16,146,404	--	(646,927)	(764,458)	15,499,477
Ambulances and other transportation equipment	32,919,816	--	5,760,283	(1,839,446)	36,840,653
Communications and data processing equipment	5,390,897	--	591,702	(14,607)	5,967,992
Other equipment	2,052,790	--	311,113	-	2,363,903
Total depreciable assets	56,509,907	--	6,016,171	(2,618,511)	60,672,025
Less accumulated depreciation:					
Buildings and leasehold improvements	6,334,482	938,818	--	(9,491)	7,263,809
Ambulances and other transportation equipment	15,083,414	3,807,369	--	(1,657,268)	17,233,515
Communications and data processing equipment	4,495,983	417,741	(144)	(14,607)	4,898,973
Other equipment	1,846,668	79,148	144	--	1,925,960
Total accumulated depreciation	27,760,547	5,243,076	--	(1,681,366)	31,322,257
Total capital assets being depreciated, net	28,749,360	(5,243,076)	6,780,629	(937,145)	29,349,768
Capital assets, net	$ 31,146,499	$ 6,385,298	$ --	$ (937,145)	$ 36,594,652

DRAFT Incomplete Work Product

6. ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses included in current liabilities as of June 30, 2026 and 2025 consisted of:

	2026	2025
Payable to suppliers and contractors	$ 3,994,397	$ 5,725,385
Accrued expenses (including payroll taxes and benefits)	4,624,484	3,997,593
	$ 8,618,881	$ 9,722,978

7. LINE OF CREDIT

The Authority has a revolving line of credit with Commerce Bank in the amount of $2,000,000 which expires May 8, 2027. As of June 30, 2026, there were no amounts borrowed and outstanding against the line of credit. There were no draws on the line of credit during the year

7. LINE OF CREDIT (CONTINUED)

ended June 30, 2026. Any amounts borrowed on the line of credit are collateralized by accounts receivable, excluding Medicare receivables. The line of credit bears a variable interest rate based on the Prime Rate, less a margin of 0.50%, with a floor of 3.00% (6.25% for June 30, 2026). The full amount was available for borrowing as of June 30, 2026.

8. LONG-TERM DEBT

Long-term debt consisted of the following at June 30, 2026:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Term note for building expansion	$ 187,475	$ --	$ 187,475	$ --	$ --

Long-term debt consisted of the following at June 30, 2025:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Term note for building expansion	$ 926,773	$ --	$ 739,298	$ --	$ 187,475

On July 1, 2015, the Authority entered into an agreement with Prosperity Bank for a $5,500,000 secured term loan for purposes of financing the construction of a building addition to its headquarters building in Tulsa, Oklahoma. The note bore interest at 2.25% on the outstanding balance. The term note was paid in full during 2026.

DRAFT
Incomplete Work Product

9. LEASES

The Authority leases cardiac monitor and defibrillator equipment under a lease agreement accounted for in accordance with GASB Statement No. 87. The lease commenced July 1, 2025 The agreement also includes service coverage; therefore, consideration is allocated between lease and non-lease components based on their relative standalone values. The non-lease service component is recognized as expense as incurred and is excluded from the measurement of the lease liability.

At June 30, 2026, the Authority reported a right-to-use lease asset of $3,966,937, net of accumulated amortization of $991,734, and a related lease liability of approximately $2,828,467.

The lease liability was measured using a discount rate of 6.75%, and the lease asset is amortized on a straight-line basis over the four-year lease term. During the year ended June 30, 2026, the Authority recognized $991,734 of amortization expense, $244,821 of interest expense, and $262,065 of non-lease service expense related to the agreement.

9. LEASES (CONTINUED)

The principal and interest requirements to maturity as of June 30, 2026, are as follows:

Year Ending June 30,	Total to be Paid	Service Expense	Principal	Interest
2027	$ 1,645,356	$ 262,065	$ 1,217,738	$ 165,553
2028	1,645,356	262,065	1,302,527	80,764
2029	322,346	61,069	308,202	14,145
	$ 3,088,929	$ 585,199	$ 2,828,467	$ 260,462

10. RETIREMENT PLAN

The Authority instituted The Emergency Medical Services Authority 457(b) Matching Plan (Matching Plan) effective December 1, 2020. The Matching Plan is a contributory defined contribution plan and is available for all employees who have attained the age of 18 and completed at least 500 hours of service. The Matching Plan provides for full vesting immediately upon participation in the Matching Plan. Under the provisions of the Matching Plan, the Authority will match up to 6% of total compensation paid. The Authority matches the employees' contribution at the end of the plan year, which is December 31. Total contributions made by the Authority were $1,575,054 and $1,435,848 for years ended June 30, 2026 and 2025, respectively. At June 30, 2026 and 2025, there was $945,033 and $861,509 accrued for matching contributions, respectively.

DRAFT
Incomplete Work Product

The Authority administers and maintains a noncontributory defined contribution plan. Emergency Medical Services Authority Money Purchase Pension Plan (Plan) was available for all employees who met certain eligibility requirements before new enrollments into the Plan were discontinued on December 1, 2020. All participating employees are fully vested in the Plan. Under the provisions of the Plan, the Authority will continue to contribute 10% of total compensation paid. Benefits payable under the Plan are limited to the amount of Plan assets allocable to the account of each participant. Total contributions to the Plan for the years ended June 30, 2026 and 2025 were $278,405 and $277,020, respectively. At June 30, 2026 and 2025, $296,823 and $278,405, respectively, were due from the Authority to the Plan for contributions. There were no forfeitures used to pay administrative expenses or to reduce Authority contributions during fiscal years ending June 30, 2026 and 2025.

11. LITIGATION

In the normal course of business, the Authority is, from time to time, subject to allegations that may or do result in litigation. Some of these allegations are in areas not covered by the Authority's commercial insurance; for example, performance of contracts. The Authority evaluates such allegations by conducting investigations to determine the validity of each potential claim. Based upon the advice of legal counsel, management records an estimate of

11. LITIGATION (CONTINUED)

the amount of ultimate expected loss, if any, for each. Events could occur that would cause the estimate of ultimate loss to differ materially in the near term.

12. RELATED PARTY TRANSACTIONS

When assets are purchased by the City of Tulsa or the City of Oklahoma City for the benefit of the Authority, the Cities hold title to the assets and the Authority is responsible for managing the assets. During the year ended June 30, 2026, and June 30, 2025, the City of Tulsa and the City of Oklahoma City purchased no equipment for the Authority's use. There are no assets still in service that were purchased in prior fiscal years by the City of Tulsa. The cumulative cost of capital assets purchased in prior fiscal years by the City of Oklahoma City and currently in service for the Authority's use is $xx as of June 30, 2026, and June 30, 2025, respectively. If the Authority retained ownership of the assets in the Western Division, the accompanying statement of operations would reflect additional depreciation expense of $6,999 for 2026 and $482,923 for 2025.

During the years ended June 30, the Authority also conducted the following transactions with related entities:

	2026	2025
Payments from the City of Tulsa for medical services program fees	$ 5,250,000	$ 5,160,000
Payments from the City of Oklahoma City for medical services program fees	$ 5,581,000	$ 5,483,000

DRAFT
Incomplete Work Product

The above payments are included in operating revenue on the statement of revenues, expenses and changes in net position.

13. PENDING GOVERNMENTAL ACCOUNTING STANDARDS

GASB Statement No. 105, *Subsequent Events*, improves financial reporting related to subsequent events by clarifying the time frame for subsequent events, what subsequent events constitute recognized and nonrecognized events and specifying the items that are required to be disclosed about subsequent events. The provisions of this statement are effective for financial statements for the Authority's fiscal year ending June 30, 2027.

SUPPLEMENTARY INFORMATION

OF

OPERATING DIVISIONS

DRAFT
Incomplete Work Product

EMERGENCY MEDICAL SERVICES AUTHORITY

SUPPLEMENTARY INFORMATION OF OPERATING DIVISIONS

STATEMENT OF NET POSITION INFORMATION

June 30, 2026

ASSETS

	Eastern Division	Western Division	Eliminations	Total
CURRENT ASSETS				
Cash and investments	$ 20,121,261	$ 2,937,140	$ --	$ 23,058,401
Patient accounts receivable, net	6,623,171	7,708,581	--	14,331,752
Grant receivables	152,320	--	--	152,320
Other receivables	1,284,679	2,045,836	--	3,330,515
Interdivision receivable	328,488	--	(328,488)	--
Prepaid expenses	1,077,192	1,249,782	--	2,326,974
Total current assets	29,587,111	13,941,339	(328,488)	43,199,962
Capital assets, non depreciable	2,845,220	494,300	--	3,339,520
Capital assets, net of depreciation	19,303,034	18,390,623	--	37,693,657
Total assets	$ 51,735,365	$ 32,826,262	$ (328,488)	$ 84,233,139

LIABILITIES AND NET POSITION

	Eastern Division	Western Division	Eliminations	Total
CURRENT LIABILITIES				
Accounts payable and accrued expenses	$ 6,880,007	$ 1,738,874	$ --	$ 8,618,881
Quality assurance fund payable	18,913	--	--	18,913
Current portion of lease liability	547,982	669,756	--	1,217,738
Interdivision payable	--	328,488	(328,488)	--
Total current liabilities	7,446,902	2,737,118	(328,488)	9,855,532
Lease Liability less current portion	724,828	885,901	--	1,610,729
NET POSITION				
Net investment in capital assets	20,875,444	17,329,266	--	38,204,710
Unrestricted	22,688,191	11,873,977	--	34,562,168
Total net position	43,563,635	29,203,243	--	72,766,878
Total liabilities and net position	$ 51,735,365	$ 32,826,262	$ (328,488)	$ 84,233,139

DRAFT
Incomplete Work Product

EMERGENCY MEDICAL SERVICES AUTHORITY

SUPPLEMENTARY INFORMATION OF OPERATING DIVISIONS
(CONTINUED)

STATEMENT OF NET POSITION INFORMATION

June 30, 2025

ASSETS

	Eastern Division	Western Division	Eliminations	Total
CURRENT ASSETS				
Cash and investments	$ 17,681,025	$ 1,902,967	$ --	$ 19,583,992
Patient accounts receivable, net	6,193,128	8,381,971	--	14,575,099
Grant receivables	184,050	--	--	184,050
Other receivables	1,980,911	926,007	--	2,906,918
Interdivision receivable	--	392,137	(392,137)	--
Prepaid expenses	913,178	820,066	--	1,733,244
Total current assets	26,952,292	12,423,148	(392,137)	38,983,303
Capital assets, non depreciable	5,381,104	1,863,780	--	7,244,884
Capital assets, net of depreciation	13,844,889	15,504,879	--	29,349,768
Total assets	$ 46,178,285	$ 29,791,807	$ (392,137)	$ 75,577,955

LIABILITIES AND NET POSITION

	Eastern Division	Western Division	Eliminations	Total
CURRENT LIABILITIES				
Accounts payable and accrued expenses	$ 6,252,676	$ 3,470,302	$ --	$ 9,722,978
Quality assurance fund payable	54,452	--	--	54,452
Current maturities of long-term debt	187,475	--	--	187,475
Interdivision payable	392,137	--	(392,137)	--
Total current liabilities	6,886,740	3,470,302	(392,137)	9,964,905
NET POSITION				
Net investment in capital assets	19,038,518	17,368,659	--	36,407,177
Unrestricted	20,253,027	8,952,846	--	29,205,873
Total net position	39,291,545	26,321,505	--	65,613,050
Total liabilities and net position	$ 46,178,285	$ 29,791,807	$ (392,137)	$ 75,577,955

DRAFT
Incomplete Work Product

EMERGENCY MEDICAL SERVICES AUTHORITY

SUPPLEMENTARY INFORMATION OF OPERATING DIVISIONS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION INFORMATION

Year Ended June 30, 2026

	Eastern Division	Western Division	Eliminations	Total
OPERATING REVENUE, NET	$ 52,806,632	$ 60,378,149	$ --	$ 113,184,781
OPERATING EXPENSES				
Contracted professional services	1,930,433	2,004,890	--	3,935,323
Salaries, wages and benefits	34,368,274	40,018,202	--	74,386,476
Lease, maintenance and utilities	4,098,642	4,826,738	--	8,925,380
Other	4,147,846	5,110,496	--	9,258,342
Grant expenditures	547,475	--	--	547,475
Depreciation	3,403,914	4,141,210	--	7,545,124
Total operating expenses	48,496,584	56,101,536	--	104,598,120
Operating income	4,310,048	4,276,613	--	8,586,661
NONCAPITAL GRANTS				
Noncapital grants and contributions	542,206	--	--	542,206
Operating income	4,852,254	4,276,613	--	9,128,867
OTHER NONOPERATING REVENUE (EXPENSE)				
Investment income	542,797	137,081	--	679,878
Interest expense	(111,236)	(134,652)	--	(245,888)
Loss on disposal of fixed assets	(1,011,725)	(1,397,304)	--	(2,409,029)
Total nonoperating (expenses) revenues	(580,164)	(1,394,875)	--	(1,975,039)
Change in net position	4,272,090	2,881,738	--	7,153,828
Net position, beginning of year	39,291,545	26,321,505	--	65,613,050
Net position, end of year	$ 43,563,635	$ 29,203,243	$ --	$ 72,766,878

DRAFT
Incomplete Work Product

EMERGENCY MEDICAL SERVICES AUTHORITY

SUPPLEMENTARY INFORMATION OF OPERATING DIVISIONS
(CONTINUED)

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION INFORMATION

Year Ended June 30, 2025

	Eastern Division	Western Division	Eliminations	Total
OPERATING REVENUE, NET	$ 50,929,931	$ 55,871,021	$ --	$ 106,800,952
OPERATING EXPENSES				
Contracted professional services	1,607,084	1,977,699	--	3,584,783
Salaries, wages and benefits	31,853,341	38,937,614	--	70,790,955
Lease, maintenance and utilities	4,355,878	4,813,523	--	9,169,401
Other	3,639,715	4,478,110	--	8,117,825
Grant expenditures	710,885	--	--	710,885
Depreciation	2,420,223	2,822,853	--	5,243,076
Total operating expenses	44,587,126	53,029,799	--	97,616,925
Operating income	6,342,805	2,841,222	--	9,184,027
NONCAPITAL GRANTS				
Noncapital grants and contributions	733,245	--	--	733,245
Operating income	7,076,050	2,841,222	--	9,917,272
OTHER NONOPERATING REVENUE (EXPENSE)				
Investment income	430,114	349,855	--	779,969
Interest expense	(14,865)	--	--	(14,865)
Loss on disposal of fixed assets	(26,525)	(129,326)	--	(155,851)
Total nonoperating revenues	388,724	220,529	--	609,253
Change in net position	7,464,774	3,061,751	--	10,526,525
Net position, beginning of year	31,826,771	23,259,754	--	55,086,525
Net position, end of year	$ 39,291,545	$ 26,321,505	$ --	$ 65,613,050

DRAFT
Incomplete Work Product

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

To the Board of Trustees
Emergency Medical Services Authority

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the Emergency Medical Services Authority (Authority) which comprise the statement of net position as of June 30, 2026, the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to basic financial statements as listed in the table of contents, and have issued our report thereon dated September __, 2026.

DRAFT
Incomplete Work Product

Report on Internal Control over Financial Reporting
In planning and performing our audit of the financial statements, we considered the Authority'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 Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority'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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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 of significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters
As part of obtaining reasonable assurance about whether the Authority's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion.

The results of our tests disclosed 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 on compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority'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 Authority's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

CERTIFIED PUBLIC ACCOUNTANTS

Wichita, KS
September __, 2026

DRAFT
Incomplete Work Product