

JOHN K. KELLY GRAND BAYOU RESERVOIR COMMISSION

**ANNUAL FINANCIAL REPORT
DECEMBER 31, 2024**

John K. Kelly Grand Bayou Reservoir Commission
Annual Financial Report
December 31, 2024

TABLE OF CONTENTS

	<u>Exhibit</u>	<u>Page</u>
Required Supplementary Information (Part I)		
Management's Discussion and Analysis	-	1-3
Independent Auditor's Report	-	4-6
Basic Financial Statements		
Statement of Net Position	A	7
Statement of Revenues, Expenses, and Change in Net Position	B	8
Statement of Cash Flows	C	9
Notes to Financial Statements	-	11-14
Required Supplementary Information (Part II)		
Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer	1	15
Other Reports		
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 <i>Government Auditing Standards</i>	-	16-17
Schedule of Audit Results		18

JOHN K. KELLY GRAND BAYOU RESERVOIR COMMISSION
Coushatta, Louisiana
MANAGEMENT'S DISCUSSION AND ANALYSIS
As of and for the Year Ended December 31, 2024

As management of the John K. Kelly Grand Bayou Reservoir Commission, Coushatta, Louisiana, (hereafter referred to as the "Commission") we offer the readers of the Commission's financial statements this narrative overview and analysis of the financial activities of the Commission as of and for the year ended December 31, 2024. This document focuses on the current year's activities, resulting changes, and currently known facts. We encourage readers to consider the information presented here in conjunction with the Commission's basic financial statements and supplementary information provided in this report in assessing the efficiency and effectiveness of our stewardship of public resources.

FINANCIAL HIGHLIGHTS

- The Commission experienced a decrease in its net position of 5.19% (\$267,733) during the year ended December 31, 2024 compared to a increase of 6.97% (\$336,317) for the prior year.
- Program revenue decreased \$562,944 (47.96%) for the year ended December 31, 2024, to \$610,890 from \$1,173,834 during the prior year. The primary cause of the revenue decrease was a \$549,150 water sale during the year ending December 31, 2023 which is not a regular occurrence.
- Ad valorem tax revenues remained stable year over year increasing \$4,060 (1.32%) to \$312,544 in 2024 compared to \$308,484 for year ended December 31, 2023.
- Expenses increased \$43,806 (3.82%) to \$1,189,882 for the year ending December 31, 2024, from \$1,146,076 during the prior year. This increase is primarily due to the adoption of GASB Statement 101 regarding compensated absences and a payroll leave policy change made during the year.
- During the year ended December 31, 2024 the Commission purchased \$152,090 in capital assets for the resort and completed \$108,008 in repairs and maintenance.

OVERVIEW OF THE FINANCIAL STATEMENTS

John K. Kelly Grand Bayou Reservoir Commission is a special-purpose government engaged in only one business-type activity, and therefore required to report as an enterprise fund. This business-type function is normally intended to recover all or a significant portion of their costs through user fees and charges to external users of goods and services. The business-type activity of the Commission consists primarily of the rental of lodging and recreational facilities to the general public.

The minimum requirements for the Commission's basic financial statements established by Governmental Accounting Standards Board Statement 34, *Basic Financial Statements--and Management's Discussion and Analysis—for State and Local Governments* consists of three sections—1) Management's Discussion and Analysis (this section) 2) the basic financial statements (including the notes to the financial statements), and 3) required supplementary information.

The required basic financial statement components are described below:

Basic Financial Statements

- The Statement of Net Position presents all of the Commission's assets and liabilities, with the difference between the two reported as "net position". Over time, increases or decreases in the Commission's net position may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating.

- The Statement of Revenues, Expenses, and Change in Net Position presents information showing how the Commission's net position changed during the most recent year using the full accrual basis of accounting. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Therefore, some of the revenues and some expenses that are reported in this statement will not result in cash flows until future years.
- The purpose of the Statement of Cash Flows is to provide relevant information about the cash receipts and cash payments of any entity during a period. Together with other information this will help the user assess the Commission's ability to generate future net cash flows and meet future obligations as they become due.
- The Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided. The notes to the financial statements can be found immediately following the three basic financial statements.

Supplementary Information

The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer is presented to fulfill the requirements of Louisiana Revised Statute 24:513(A)(3).

FINANCIAL ANALYSIS OF ENTITY

Net Position

The Commission's net position totaled \$4,895,374 and \$5,163,107 at the end of the fiscal years ending December 31, 2024 and 2023, respectively.

At December 31, 2024, \$3,832,222 (78.28%) of the Commission's net position reflects the Commission's investment in capital assets such as land, buildings, equipment, water and sewer plant and improvements, less any related debt used to acquire those assets that is still outstanding. The Commission uses these capital assets to provide services to the general public; consequently, these assets are not available for future spending.

The other portion of the Commission's net position, \$1,063,152 (21.72%) is unrestricted and may be used to meet the Commission's ongoing obligations to citizens and creditors at the discretion of the board of commissioners.

Statements of Net Position			
December 31,			
		2024	2023
Assets			
Current and Other Assets	\$	1,100,473	\$ 1,208,399
Capital Assets, net		3,832,222	3,972,893
Total Assets		<u>4,932,695</u>	<u>5,181,292</u>
Liabilities			
Current Liabilities		9,835	18,185
Non-Current Liabilities		27,486	-
Total Liabilities		<u>37,321</u>	<u>18,185</u>
Net Position			
Net Investment in Capital Assets		3,832,222	3,972,893
Unrestricted		1,063,152	1,190,214
Total Net Position	\$	<u><u>4,895,374</u></u>	\$ <u><u>5,163,107</u></u>

Changes in Net Position

The Commission's net position decreased \$267,733 (5.19%) and increased \$336,317 (6.97%) during the years ended December 31, 2024 and 2023, respectively.

Statement of Revenues, Expenses, and Change in Net Position For the years ended December 31,

	2024	2023
Operating Revenues		
Service fees and rental income	\$ 610,890	\$ 1,173,834
Total operating revenues	<u>610,890</u>	<u>1,173,834</u>
Operating expenses		
General operating	445,269	430,329
Payroll and personnel	453,294	430,455
Depreciation	291,319	285,292
Total operating expenses	<u>1,189,882</u>	<u>1,146,076</u>
Operating income (loss)	(578,992)	27,758
Nonoperating income (expense)		
Ad valorem taxes	312,544	308,484
Gain (loss) on sale of assets	(1,442)	-
Interest	157	75
Total nonoperating income (expense)	<u>311,259</u>	<u>308,559</u>
Increase (decrease) in net position	(267,733)	336,317
Net position-beginning	5,163,107	4,826,790
Net position-ending	<u>\$ 4,895,374</u>	<u>\$ 5,163,107</u>

CAPITAL ASSET ADMINISTRATION

The Commission's investment in capital assets as of December 31, 2024, totaled \$10,099,054, net of accumulated depreciation of \$6,266,832, leaving a book value of \$3,832,222. This investment in capital assets consists of land, buildings, equipment, water and sewer plant, and improvements. Depreciation charges for the year 2024 totaled \$291,319 compared to \$285,292 for the prior year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The Commission considered the following factors and indicators when setting next year's budget, rates and fees. These factors and indicators include:

1. Grand Bayou revenues should remain stable year over year.
2. Slight increase in costs for supplies and labor.
3. Ad valorem taxes revenues to be stable.
4. Stable repairs and maintenance expenses.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the finances of the Commission and seeks to demonstrate the Commission's accountability for the money it receives. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the David Pickett, Manager, John K. Kelly Grand Bayou Reservoir Commission, 5286 Highway 784, Coushatta, Louisiana 71019 or by calling (318)932-0066.

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

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

Mark D. Thomas, CPA – A Professional Corporation
Roger M. Cunningham, CPA, LLC
Jessica H. Broadway, CPA – A Professional Corporation
Ryan E. Todtenbier, CPA – A Professional Corporation

321 Bienville Street
Natchitoches, Louisiana 71457
(318) 352-3652
Fax (318) 352-4447
www.tcbtcpa.com

INDEPENDENT AUDITOR’S REPORT

John K. Kelly Grand Bayou Reservoir Commission
Coushatta, Louisiana

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities and major fund of the John K. Kelly Grand Bayou Reservoir Commission (the Commission), as of and for the year ended December 31, 2024, 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and major fund of the Commission as of December 31, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Commission and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, which raise substantial doubt about Commission’s ability to continue as a going concern for twelve months beyond the financial statements date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 judgment, 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 (pages 1 through 3) be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's basic financial statements. The Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Compensation, Benefits and Other Payments to Agency Head or Chief Executive Officer is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 2, 2025, on our consideration of the 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 the 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.



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

June 2, 2025

STATEMENT A

JOHN K. KELLY GRAND BAYOU RESERVOIR COMMISSION
Coushatta, Louisiana

STATEMENT OF NET POSITION
December 31, 2024

ASSETS

Cash and cash equivalents	\$ 750,880
Ad valorem tax receivable	328,960
Other accounts receivable	465
Prepaid expenses	20,103
Capital assets, net of depreciation	3,832,222
Deposits	65
Total assets	<u>4,932,695</u>

LIABILITIES

Accounts payable	5,362
Sales tax payable	3,117
Payroll taxes payable	1,356
Compensated absences due in more than 1 year	27,486
Total liabilities	<u>37,321</u>

NET POSITION

Net investment in capital assets	3,832,222
Unrestricted	1,063,152
Total net position	<u>\$ 4,895,374</u>

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

STATEMENT B

JOHN K. KELLY GRAND BAYOU RESERVOIR COMMISSION
Coushatta, Louisiana

STATEMENT OF REVENUES, EXPENSES, AND CHANGE IN NET POSITION
For the year ended December 31, 2024

Operating revenues

Service fees and rental income	\$ 610,890
Total operating revenue	<u>610,890</u>

Operating expenses

Advertising	1,200
Fuel	9,256
Insurance	77,604
Office supplies	10,177
Repairs and maintenance	108,008
Utilities	126,718
Legal and professional	32,772
Small equipment and supplies	61,476
Salaries and other wages	408,568
Payroll taxes	33,554
Depreciation	291,319
General and administrative	18,058
Pension plan costs	11,172
Total operating expenses	<u>1,189,882</u>

Operating income (loss) (578,992)

Nonoperating revenues (expenses)

Ad valorem taxes	312,544
Interest income	157
Gain (loss) on sale of assets	(1,442)
Total nonoperating revenues (expenses)	<u>311,259</u>

Increase (decrease) in net position (267,733)

Net position, beginning of year	<u>5,163,107</u>
Net position, end of year	<u><u>\$ 4,895,374</u></u>

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

STATEMENT C

JOHN K. KELLY GRAND BAYOU RESERVOIR COMMISSION
Coushatta, Louisiana

STATEMENT OF CASH FLOWS
For the year ended December 31, 2024

Cash flow from operating activities:	
Receipts from customers	\$ 610,594
Cash payments to suppliers for goods and services	(462,180)
Cash payments to employees for services	(428,110)
Net cash used in operating activities	<u>(279,696)</u>
Cash flows from capital and related financing activities:	
Acquisition of capital assets	(152,090)
Ad Valorem tax receipts	307,171
Net cash used in capital and related financing activities	<u>155,081</u>
Cash flows from investing activities:	
Interest income	<u>157</u>
Net cash from investing activities	<u>157</u>
Net change in cash	(124,458)
Cash, beginning of year	<u>875,338</u>
Cash, end of year	\$ <u><u>750,880</u></u>
Reconciliation of operating income	
to cash used in operating activities:	
Operating loss	\$ (578,992)
Adjustments to reconcile operating loss to	
net cash used in operating activities:	
Depreciation expense	291,319
(Increase) Decrease in prepaid expenses	(10,863)
(Increase) Decrease in accounts receivable	(296)
Increase (Decrease) in accounts payable	(5,751)
Increase (Decrease) in sales tax payable	(297)
Increase (Decrease) in payroll taxes payable	(2,302)
Increase (Decrease) in accrued compensated absences	27,486
Net cash flows from operating activities	\$ <u><u>(279,696)</u></u>

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

NOTES TO FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTSDecember 31, 2024

The John K. Kelly Grand Bayou Reservoir Commission (the Commission), which was originally named the Black Lake Bayou Recreation and Water Conservation Commission of Red River Parish, was established by Act 474 of 1958 containing R.S. 38:2701 through 38:2717 of the Louisiana Legislature. The Commission is located in Red River Parish with the purpose of development of the wealth and natural resources of the area by the conservation of soil and water for agricultural, recreational, commercial, industrial, and sanitary purposes.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Commission conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The following is a summary of the significant policies.

Basis of Presentation

The Commission's financial statements are prepared in accordance with GAAP and also with the *Louisiana Governmental Audit Guide*, authorized by LA R.S. 24:513. The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

Reporting Entity

The Commission is a political subdivision of the State of Louisiana and is governed by a board of seven (7) commissioners appointed by the governor for five (5) year terms. For financial reporting purposes, the Commission is considered a special-purpose government engaged only in business-type activities (enterprise fund type).

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The Commission's financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Ad valorem taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Amounts reported as operating revenues include service fees, rental fees, and water sales. Operating expenses are those expenses that are essential to the primary operations of the Commission. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Enterprise fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Change in Net Position, and a Statement of Cash Flows. All assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position. The Statement of Revenues, Expenses, and Change in Net Position presents increases (revenues) and decreases (expenses) in total net position.

Cash and Cash Equivalents

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Prepaid Expenses

Payments made for services benefiting periods beyond December 31, 2024, are recorded as prepaid expenses.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)Receivables

All receivables are reported at their gross value and, where applicable, are reduced by the estimated portion that is expected to be uncollectible. Substantially all receivables are considered to be fully collectible, and, thus, no allowance for uncollectibles is considered necessary. At December 31, 2024, the majority of the Commission's accounts receivable consist of ad valorem taxes due.

Capital Assets

Capital assets are carried at historical costs. Depreciation of all exhaustible capital assets used by the Commission is charged as an expense against operations in the Statement of Revenues, Expenses, and Change in Net Position. Capital assets, net of accumulated depreciation, are reported on the Statement of Net Position. Depreciation is computed using the straight-line method over the estimated useful life of the assets, generally 10 to 40 years for buildings and building improvements and 5 to 10 years for moveable property. Expenditures for maintenance, repairs, and minor renewals are charged to expenses as incurred. Major expenditures for renewals and betterments are capitalized.

Compensated Absences

The Commission's recognition and measurement criteria for compensated absences follows GASB Statement No. 101, which was adopted during the year. Full-time employees of the Commission earn one to three weeks of annual leave, depending on length of service, and one to two weeks of sick leave each year based on length of service. Leave is based on anniversary date of employment and is not subject to any rollover limits or accumulation caps.

Restricted Net Position

Enterprise Fund net position is reported in the following three components:

1. Investment in capital assets, net of related debt – consists of capital assets including restricted capital assets, net of accumulated depreciation, and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributed to the acquisition, construction, or improvement of those assets. At December 31, 2024, the Commission did not have any debt balances.
2. Restricted net position – net position with constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (b) law through constitutional provisions or enabling legislation. At December 31, 2024, the Commission did not have any restricted balances.
3. Unrestricted – all other net position is reported in this category.

The Commission typically uses restricted funds first, followed by unrestricted funds when an expenditure is incurred for purposes for which amounts in either of these classifications could be used.

Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

NOTES TO THE FINANCIAL STATEMENTS

December 31, 2024

2. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS

At December 31, 2024, the Commission had cash and cash equivalent (book balances) totaling \$750,880. Deposits in financial institutions can be exposed to custodial credit risk. Custodial credit risk is the risk that in the event of a financial institution failure, the Commission's deposits may not be returned to them. To mitigate this risk, state law requires deposits to be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent financial institution. As of December 31, 2024, the Commission's bank balance totals \$750,805 and is secured from risk by FDIC insurance of \$250,000 and \$500,805 of pledged marketable securities held by the custodial bank with a market value of \$865,804.

3. LEVIED TAXES

The John K Kelly Grand Bayou Reservoir Commission levies taxes on real and business property located within the boundaries of Red River Parish. Property taxes are levied by the Commission on property values assessed by the Red River Parish Tax Assessor and approved by the State of Louisiana Tax Commission. The Red River Sheriff's office bills and collects property taxes for the Commission. Collections are remitted to the Commission monthly. The Commission recognizes property tax revenues when levied.

The property tax calendar:

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

The Commission has authorized ad valorem tax millage of 1.21 mill and levied taxes of 1.21 mill for 2024. This tax is dedicated for the purpose of maintaining, operating, and supporting the Grand Bayou Resort, including acquiring, constructing, improving, maintaining, and operating facilities, equipment, and programs, and assisting Wildlife and Fisheries in controlling aquatic vegetation in the reservoir. This tax expires after the 2025 tax year. Revaluation of all property is required to be completed no less than every four years. The last revaluation was completed for the roll of January 1, 2024. Total assessed value in the Commission's district was \$270,634,350 for the year ending December 31, 2024. The Commission recognized \$312,544 in ad valorem tax revenues for the year ending December 31, 2024.

Louisiana state law exempts the first \$75,000 of assessed value of a taxpayer's primary residence from parish property taxes. This homestead exemption reduced ad valorem taxes by \$14,919 in 2024. The Louisiana Industrial Ad Valorem Tax Exemption program (Louisiana Administrative Code, Title 13, Chapter 5) is a state incentive program which abates, up to ten years, local ad valorem taxes on a manufacturer's new investment and annual capitalized additions related to the manufacturing site. Applications to exempt qualified property for five years are approved by the Louisiana Economic Development's Board of Commerce and Industry. The exemption may be renewed for an additional five years. Under agreements entered into by the State of Louisiana, through the Louisiana Industrial Ad Valorem Tax Exemption program, the Commission's ad valorem tax revenues were reduced by \$143 for the fiscal year ending December 31, 2024.

JOHN K. KELLY GRAND BAYOU RESERVOIR COMMISSION
Coushatta, Louisiana
NOTES TO THE FINANCIAL STATEMENTS
December 31, 2024

Page 14

4. CAPITAL ASSETS

A summary of the Commission's capital assets at December 31, 2024 follows:

	Balance 1/1/2024	Additions	Disposed/ Reclassified	Balance 12/31/2024
Capital assets not being depreciated:				
Land	\$ 93,000	\$ -	\$ -	\$ 93,000
Capital assets being depreciated:				
Buildings and building improvements	9,554,877	104,983	-	9,659,860
Furniture, fixtures, and equipment	330,814	47,107	(31,727)	346,194
Total capital assets being depreciated	9,885,691	152,090	(31,727)	10,006,054
Less accumulated depreciation for:				
Buildings and building improvements	5,800,863	259,347	-	6,060,210
Furniture, fixtures, and equipment	204,935	31,972	(30,285)	206,622
Total accumulated depreciation	6,005,798	291,319	(30,285)	6,266,832
Total capital assets, net	\$ 3,972,893	\$ (139,229)	\$ (1,442)	\$ 3,832,222

5. LEASES

The Commission has one active lease that is operating on a month-to-month basis.

6. RISK MANAGEMENT/LITIGATION

The Commission is exposed to various risks of loss related to limited torts, theft of or damage to and destruction of assets, and errors and omissions. To handle some of the risk, the Commission maintains surety bond coverage. No settled claims from these risks have exceeded insurance coverage in the last three years. There were no significant changes to insurance coverage during the year ended December 31, 2024. The Commission was not involved in any litigation at December 31, 2024.

7. COMPENSATED ABSENCES

At December 31, 2024, employees of the Commission have accumulated and vested employee leave benefits, computed in accordance with GASB Statement 101. The liability for compensated absences is computed only at the end of the fiscal year. The Commission recognized \$27,486 in expenses related to compensated absences during the fiscal year.

8. COMPENSATION PAID TO BOARD MEMBERS

The members of the Board of Commissioners of the John K. Kelly Grand Bayou Reservoir Commission receive no compensation for their services.

9. SUBSEQUENT EVENTS

Management has performed an evaluation of the Commission's activities through June 2, 2025, and has concluded that there are no significant events requiring recognition or disclosure through the date the financial statements were available to be issued.

Schedule 1

JOHN K. KELLY GRAND BAYOU RESERVOIR COMMISSION
Coushatta, Louisiana

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

For the year ended December 31, 2024

Park Manager	<u>David Pickett</u>
Purpose:	
Salary	\$ 51,892
Benefits-insurance	-
Benefits- retirement	-
Payroll taxes employer	4,169
Car allowance	-
Vehicle provided by government	-
Vehicle Per diem	2,600
Reimbursements	2,727
Travel	-
Registration fees	-
Conference travel	-
Continuing professional education fees	-
Housing	-
Unvouchered expenses	-
Special meals	-

Supplemental information.
See the accompanying independent auditor's report.

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

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

Mark D. Thomas, CPA – A Professional Corporation

Roger M. Cunningham, CPA, LLC

Jessica H. Broadway, CPA – A Professional Corporation

Ryan E. Todtenbier, CPA – A Professional Corporation

321 Bienville Street
Natchitoches, Louisiana 71457

(318) 352-3652

Fax (318) 352-4447

www.tcbtcpa.com

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*

John K. Kelly Grand Bayou Reservoir Commission
Coushatta, 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 and the *Louisiana Governmental Audit Guide*, the financial statements of the business-type activities and major fund as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the John K. Kelly Grand Bayou Reservoir Commission's (Commission) basic financial statements and have issued our report thereon dated June 2, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 the Commission's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 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. However, this report is a matter of public record, and its distribution is not limited. Under Louisiana Revised Statute 24:513, this report is distributed by the Louisiana Legislative Auditor as a public document.

Thomas, Cunningham, Broadway & Todtenbier, CPA's

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

June 2, 2025

John K. Kelly Grand Bayou Reservoir
Commission Schedule of Audit Results
Year Ended December 31, 2024

I. SUMMARY OF AUDIT RESULTS

The following summarize the audit results:

1. An unmodified opinion was issued on the financial statements of the John K. Kelly Grand Bayou Reservoir Commission as of and for the year ended December 31, 2024.
2. The audit disclosed no material weaknesses in internal control.
3. The audit disclosed no instances of noncompliance required to be reported under *Government Auditing Standards*.

II. FINDINGS IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

None identified.

III. PRIOR YEAR AUDIT FINDINGS

None identified.