

FILED

FEB 28 2023

COUNTY & PROBATE COURT CLERK

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LITTLE BAY & WHITEMANS CREEK DRAINAGE DISTRICT #20

ANNUAL REPORT FOR FISCAL YEAR ENDING OCTOBER 31, 2022  
FOR "TRANSPARENCY" LAW UNDER ACT 359 OF 2022

The Board of Commissioners of Drainage District #20 met in annual session on January 13, 2022, by telephone due to weather and Covid concerns.

On motion of Bradford, seconded by Scott, Bruce West was reelected President and Chairman, and Charles Frierson as Secretary for the coming year.

Bank balance as of October 31, 2022 was \$19,081 at Centennial Bank. Certificates of Deposit were \$105,000.

Tax delinquencies as of January 3, 2023 were \$131.70

It was determined that nothing was needed for maintenance now or in the immediate future.

Report prepared February 25, 2023.

I, Charles Frierson, Secretary of the District affirm that the above is true and correct to the best of my information and belief.

  
Charles Frierson

Exhibit "A" is attached.

EXHIBIT "A"

ANNUAL TAXPAYER TRANSPARENCY IMPROVEMENT DISTRICT REPORT  
REQUIRED BY ACA 14-86-2102

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Name of District: Little Bay & Whiteman's Creek Drainage District #20

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Formation: Formed in 1918, under the general state statutes at that time'

Purpose" To construct various ditches basically connecting to the main channel of Little Bay Ditch, down to the Craighead County South line, and to continuously maintain them.

Contracts Outstanding: None

Current Indebtedness ; None

Outstanding Delinquent Assessments: Minor amounts, available from the County Tax Collector, who is the District's delinquent collector.

District Commissioners: Name, address and phone number:

Bruce West  
1169 CR 612  
Bay, AR 72411  
930 4788

Joe Heath  
2206 Heath Lane  
Jonesboro, AR 72401  
530 1809

Mike Bradford  
306 Vincent St.  
Bay, AR 72411  
926 0909

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KADE HOLLIDAY  
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Annual Meeting: Meetings are not scheduled; are called as need arises.

District Assessor: Assessment of benefits was completed at time of District formation.  
No one serves as Assessor thereafter

Levies of Benefits (taxes): Collected and forwarded to the District by the County Tax Collector or Treasurer; received by the District's Secretary, now Charles Frierson.

Delinquent Penalties are assessed by County officials, according to penalties set forth in State law.

Assessment Computation: Determined initially by local appointees or private contractor; filed and approved by Court Order after notice of hearing published. Flat tax, if used as permitted by State law, does not require assessor, only Commissioner approval, and Court Order.

Income and Expense reports for the most recent fiscal year is attached, copied from Annual Report filed with the County Clerk.

Completed by:

A handwritten signature in cursive script, appearing to read "Charles Frierson", written over a horizontal line.

Charles Frierson, Secretary

Dated January 14, 2016

**FILED**

**DEC 27 2022**

**LESLI PENNY**

**COUNTY & PROBATE COURT CLERK**

**LITTLE BAY & WHITEMAN'S CREEK DRAINAGE DISTRICT  
NO. 20 OF CRAIGHEAD COUNTY ARKANSAS**

**AUDITORS' REPORT AND  
FINANCIAL STATEMENTS**

**OCTOBER 31, 2022**

LITTLE BAY & WHITEMAN'S CREEK DRAINAGE DISTRICT  
NO. 20 OF CRAIGHEAD COUNTY ARKANSAS

OCTOBER 31, 2022

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dls

despain luther short & company

901 Windover Road | Jonesboro, AR 72401 | 870-932-5401 | 870-972-1141

**INDEPENDENT AUDITORS' REPORT**

District Commissioners  
Little Bay & Whiteman's Creek Drainage District No. 20  
of Craighead County Arkansas  
Jonesboro, Arkansas

**OPINION**

We have audited the accompanying financial statements of the Little Bay & Whiteman's Creek Drainage District No. 20 of Craighead County Arkansas, which comprise the statement of assets, liabilities, and net assets (modified cash basis) as of October 31, 2022, and the related statement of cash receipts, disbursements, and changes in net assets (modified cash basis) for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the assets, liabilities, and net assets of the Little Bay & Whiteman's Creek Drainage District No. 20 of Craighead County Arkansas, as of October 31, 2022, and its cash receipts, disbursements, and changes in net assets for the year then ended in accordance with the modified cash basis of accounting as described in Note 1.

**BASIS FOR OPINION**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. 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 Little Bay & Whiteman's Creek Drainage District No. 20 of Craighead County Arkansas, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**BASIS OF ACCOUNTING**

We draw attention to Note 1 of the financial statements, which describes the basis of accounting. The financial statements are prepared on the modified cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to that matter.

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the modified cash basis of accounting as described in Note 1; this includes determining that the modified cash basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible 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.

### AUDITORS' RESPONSIBILITY

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 auditors' 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 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, 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 Whaley and Ark Slough Drainage District No. 20 of Craighead County Arkansas'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 Little Bay & Whiteman's Creek Drainage District No. 20 of Craighead County Arkansas'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 matters that we identified during the audit.

*Despain, Luther, Sherrill  
& Company, CPAs, PA*

Jonesboro, Arkansas  
December 16, 2022

LITTLE BAY & WHITEMAN'S CREEK DRAINAGE DISTRICT  
NO. 20 OF CRAIGHEAD COUNTY ARKANSAS

STATEMENT OF ASSETS, LIABILITIES, AND NET ASSETS  
(MODIFIED CASH BASIS)

OCTOBER 31, 2022

ASSETS

CURRENT ASSETS

CASH

\$ 19,081

CERTIFICATE OF DEPOSIT

105,000

TOTAL CURRENT ASSETS

\$ 124,081

NET ASSETS

NET ASSETS

\$ 124,081

SEE NOTES TO FINANCIAL STATEMENTS



LITTLE BAY & WHITEMAN'S CREEK DRAINAGE DISTRICT  
NO. 20 OF CRAIGHEAD COUNTY ARKANSAS

STATEMENT OF CASH RECEIPTS, DISBURSEMENTS,  
AND CHANGES IN NET ASSETS  
(MODIFIED CASH BASIS)

YEAR ENDED OCTOBER 31, 2022

CASH RECEIPTS	
TAX COLLECTIONS	\$ 12,480
INTEREST INCOME	225
	<u>12,705</u>
CASH DISBURSEMENTS	
LEGAL FEES	1,745
LEVY MAINTENANCE	1,000
OFFICE EXPENSE	0
FILING FEES	60
COMMISSIONER FEES	0
ACCOUNTING FEES	600
	<u>3,405</u>
EXCESS OF CASH RECEIPTS OVER CASH DISBURSEMENTS	9,300
NET ASSETS, BEGINNING OF YEAR	<u>114,781</u>
NET ASSETS, END OF YEAR	<u>\$ 124,081</u>

SEE NOTES TO FINANCIAL STATEMENTS

LITTLE BAY & WHITEMAN'S CREEK DRAINAGE DISTRICT  
NO. 20 OF CRAIGHEAD COUNTY ARKANSAS

NOTES TO FINANCIAL STATEMENTS  
(MODIFIED CASH BASIS)

OCTOBER 31, 2022

NOTE 1: ORGANIZATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

ORGANIZATION

Little Bay & Whiteman's Creek Drainage District No. 20 of Craighead County Arkansas (the District) is a governmental district formed to manage and supervise activities related to the drainage ditches within its district.

BASIS OF ACCOUNTING

The District's accounts are maintained on a modified cash basis, and the financial statements reflect only cash received and disbursed. On the modified cash basis, expenditures for certificates of deposit are not treated as expenses but shown as current assets on the statement of assets, liabilities, and net assets. The financial statements are not intended to present the financial position or results of operations in conformity with generally accepted accounting principles.

INCOME TAXES

The District is a non-taxable governmental entity.

NOTE 2: SUBSEQUENT EVENTS

Management has evaluated subsequent events through December 16, 2022, the date which the financial statements were available to be issued.