

FILED

DEC 31 2025

COUNTY & PROBATE COURT CLERK

**CACHE RIVER DRAINAGE DISTRICT  
OF CRAIGHEAD, JACKSON, AND LAWRENCE COUNTIES**

**ANNUAL TRANSPARENCY REPORT**

- 1. District Name:** Cache River Drainage District of Craighead, Jackson, and Lawrence Counties
- 2. Date District Formed:** October 28, 1916
- 3. Statutory or Legal Authority Under Which District Was Formed:** Petition approved by Craighead County Circuit Court Order, October 18, 1916
- 4. Description of District's Boundaries and Map of District:** Previously submitted to the Court in compliance with Act 386 of 2009 and no longer required. However, it shall be noted that the District encompasses property in three counties: Craighead, Jackson, and Lawrence Counties in Arkansas.
- 5. Names, Phone Numbers, Addresses, and Emails for District's Directors or Commissioners or Officers with Respective Terms of Office:**
  - A. Shannon Davis, Chair, Term Ending December 31 2026  
P.O. Box 483, Bono, Arkansas 72416  
(870) 926-5050  
[shannondavisfarms@gmail.com](mailto:shannondavisfarms@gmail.com)
  - B. Joe Christian, Vice Chair, Term Ending December 31, 2032  
5116 Woodsprings Road, Jonesboro, Arkansas 72494  
870-219-1403  
[Jlag4157@gmail.com](mailto:Jlag4157@gmail.com)
  - C. Joshua Cureton, Acting Secretary, Term Ending December 31, 2029  
P.O. Box 9, Cash, Arkansas 72421  
(870) 930-5914  
[jtcureton@gmail.com](mailto:jtcureton@gmail.com)

In addition, CRDD has its own mailing address: CRDD, P.O. Box 147, Bono, Arkansas 72416.

- 6. Any Vacancy on District Board or Commission:** None
- 7. Date, Time and Location of District's Next Annual Meeting:** Thursday, January 8, 2026,

at the Cash Community Center, 4000 AR-18, 72421.

**8. General Description of District's Current and Future Maintenance and Repairs Needed:** Maintenance for 2026 has been discussed, but not yet finalized. No specific repairs are planned for 2026 at this time.

**9. List of Contracts (Identity of Parties and District's Obligations):** Loan with First Security Bank for \$4,000,000 for the Craighead County Circuit Court's approved flat tax project which included a right of way and channel maintenance project.

**10. Any Indebtedness with Reason and Payout or Maturity Date:** As of October 31, 2025, total outstanding bond balance is \$3,048,806.24 with First Security Bank. Maturity Date of the Bond: December 6, 2036.

**11. Total Existing Delinquent Assessments and Parties Responsible for Collection:** The respective county collector for the counties keep this information:

**12. District Assessor's Contact Information (Name, Phone Number, Address, and Email):**

Craighead County Assessor  
511 Union Street, Suite 130, Jonesboro, Arkansas 72401  
(870) 933-4570

Jackson County Assessor  
208 Main Street, Newport, Arkansas 72112  
(870) 523-7410

Lawrence County Assessor  
315 West Main Street, Suite 14, Walnut Ridge, Arkansas 72476  
(870) 886-1135

**13. Whom the County Treasurer Pays to for the District Assessments:** Shannon Davis, c/o CRDD, P.O. Box 147, Bono, Arkansas 72416.

**14. Explanation of Statutory Penalties, Interest and Cost:** The District follows Arkansas statutes and county ordinances/policies.

**15. Method Used to Calculate District Assessments:** \$4.50 per acre flat tax per assessed acre and regular assessment is based upon assessment of benefits schedule.

**16. Statement Itemizing Income and Expenditures of District (Include Statement of Fund and Account Balances of Most Recent Fiscal Year):** See attached Financial Report.

Submitted on Behalf of the District,

A handwritten signature in cursive script, appearing to read "Shannon Davis", is written over a horizontal line.

Date: December 31, 2025

Shannon Davis, Chair

CRDD

P.O. Box 147

Bono, Arkansas 72416

(870) 926-5050

[shannondavisfarms@gmail.com](mailto:shannondavisfarms@gmail.com)

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**DEC 31 2025**

COUNTY & PROBATE COURT CLERK

**Cache River Drainage District**  
of Craighead, Lawrence, and Jackson Counties Arkansas

**Audited Financial Statements**

**For the Year Ended October 31, 2025**

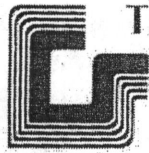
**Thomas, Speight & Noble**  
**Certified Public Accountants**

1120 Windover Rd  
Jonesboro, AR 72401  
(870) 932-5858

**Cache River Drainage District**  
**of Craighead, Lawrence, and Jackson Counties Arkansas**  
**Audited Financial Statements**  
**For the Year Ended October 31, 2025**

**CONTENTS**

<b>INDEPENDENT AUDITORS' REPORT</b> .....	1-3
<b>BASIC FINANCIAL STATEMENTS:</b>	
Statement of Assets, Liabilities, and Net Assets (modified cash basis) .....	4
Statement of Cash Receipts, Disbursements and Changes in Net Assets (modified cash basis) .....	5
Notes to the Financial Statements (modified cash basis) .....	6-7



## THOMAS, SPEIGHT & NOBLE, CPAs

A PROFESSIONAL ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS  
MEMBER OF THE PRIVATE COMPANIES SECTION OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

### INDEPENDENT AUDITOR'S REPORT

To the District Commissioners  
Cache River Drainage District  
of Craighead, Lawrence, and Jackson Counties Arkansas  
Jonesboro, Arkansas

#### Opinion

We have audited the accompanying financial statements of Cache River Drainage District of Craighead, Lawrence, and Jackson Counties Arkansas, which comprise the statement of assets, liabilities, and net assets (modified cash basis) as of October 31, 2025, 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 Cache River Drainage District of Craighead, Lawrence, and Jackson Counties Arkansas as of October 31, 2025, 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 Cache River Drainage District of Craighead, Lawrence, and Jackson Counties 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.

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420 West Walnut  
PO Box 205  
Blytheville, AR 72315  
870-762-5831  
Fax 870-762-5833

1400 West Keiser  
PO Box 644  
Osceola, AR 72370  
870-563-2638  
Fax 870-563-3794

915 Townsend Drive  
PO Box 700  
Pocahontas, AR 72455  
870-892-2575  
Fax 870-892-2576

501 Ward Avenue  
PO Box 1154  
Caruthersville, MO 63830  
573-333-4225  
Fax 573-333-4443

## **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the 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.

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 Cache River Drainage District of Craighead, Lawrence, and Jackson Counties Arkansas's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

## **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 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 Cache River Drainage District of Craighead, Lawrence, and Jackson Counties 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 Cache River Drainage District of Craighead,

Lawrence, and Jackson Counties 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 related matters that we identified during the audit.

*Thomas, Speight & Noble, CPAs*

Thomas, Speight & Noble, CPAs

Jonesboro, Arkansas

December 30, 2025

Cache River Drainage District  
of Craighead, Lawrence, and Jackson Counties Arkansas  
Statement of Assets, Liabilities, and Net Assets (Modified Cash Basis)  
October 31, 2025

**ASSETS**

**Current Assets**

Cash in Bank	\$ 954,904
Total Current Assets	954,904

<b>TOTAL ASSETS</b>	<b>\$ 954,904</b>
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**LIABILITIES AND NET ASSETS**

**Long-term Liabilities**

Bond Payable	\$ 3,048,806
Total Long-term Liabilities	3,048,806

<b>TOTAL LIABILITIES</b>	<b>3,048,806</b>
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**NET ASSETS**

Without donor restrictions	(2,093,902)
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Total net assets	(2,093,902)
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<b>TOTAL LIABILITIES &amp; NET ASSETS</b>	<b>\$ 954,904</b>
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*The accompanying notes are an integral part of these financial statements.*

**Cache River Drainage District**  
**of Craighead, Lawrence, and Jackson Counties Arkansas**  
**Statement of Cash Receipts, Disbursements, and Changes in Net Assets**  
**(Modified Cash Basis)**  
**Year Ended October 31, 2025**

<b>Cash Receipts</b>	
Tax collections	\$ 480,773
Interest income	2,721
<b>Total cash receipts</b>	483,494
 <b>Cash Disbursements</b>	
Legal fees	3,751
Filing fees	30
Levy and ditch maintenance	37,629
Penalty payment	15,689
Meetings	325
Jonesboro sun	945
Interest expense	151,860
Accounting fees	750
<b>Total cash disbursements</b>	210,979
 <b>Excess of Cash Receipts over Cash Disbursements</b>	 272,515
Net assets, beginning of year	(2,366,417)
Net assets - end of year	\$(2,093,902)

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

**Cache River Drainage District**  
**Of Craighead, Lawrence, and Jackson Counties Arkansas**  
**Notes to Financial Statements (Modified Cash Basis)**

October 31, 2025

**Note 1 – Organization and Summary of Significant Accounting Policies**

Organization

Cache River Drainage District of Craighead, Lawrence, and Jackson Counties 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 30, 2025, the date which the financial statements were available to be issued.

**Note 3 – Bond Payable**

The District issued an Arkansas Improvement Bond on December 6, 2021, as pursuant of Section 22 of Act No. 279 of the Acts of Arkansas of 1909, as amended, and act No. 203 of the Acts of Arkansas of 1927, as amended.

The District shall be entitled to demand advances under this Bond from time to time for the purpose of paying the costs of the cleaning, deepening and, widening of the District's system of ditches and drains in accordance with the terms of the Loan Instruments, but no more often than monthly, and only after complying with the conditions precedent set forth in the Loan Agreement and the Pledge and Mortgage, up to an aggregate principal balance not to exceed Four Million and 00/100 Dollars (\$4,000,000.00).

The District is to pay all sums advanced to or for the benefit of the District as follows:

- a) On December 6, 2022, December 6, 2023 and December 6, 2024, a payment of accrued interest only calculated on principal advanced and outstanding; and
- b) On December 6, 2025 and on each December 6 thereafter until Maturity, a payment to amortize the Bond over a 15 year period; with a final payment on the Maturity date of December 6, 2036.

**Cache River Drainage District**  
**Of Craighead, Lawrence, and Jackson Counties Arkansas**  
**Notes to Financial Statements (Modified Cash Basis)**

October 31, 2025

**Note 3 – Bond Payable (Continued)**

The interest rate is as follows:

- a) From December 6, 2021, until December 5, 2028, is 3.25% per annum;
- b) From December 6, 2028, until December 5, 2031, rate equal to the Wall Street Journal prime rate announced on December 5, 2028;
- c) From December 6, 2031, until December 5, 2036, a rate equal to the Wall Street Journal prime rate announced on December 5, 2031.