



***IRVING FLOOD CONTROL DISTRICT,  
SECTION III***

**Basic Financial Statements  
and Supplemental Schedules  
For the Year Ended September 30, 2020  
and Independent Auditor's Report**

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**Irving Flood Control District Section III**  
 Basic Financial Statements and Supplemental Schedules  
 For the Fiscal Year Ended September 30, 2020  
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# Financial Section



## Independent Auditor's Report

To the Board of Directors of  
Irving Flood Control District Section III

We have audited the accompanying financial statements of the governmental activities and each major fund of the Irving Flood Control District Section III (the District) as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### Management's Responsibility 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; this includes 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.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Irving Flood Control District Section III as of September 30, 2020, 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.

**Other Matters**

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-7 and the budgetary comparison schedule on page 24 be presented to supplement the basic financial statements. Such information, 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.

Other Information

Our audit was conducted for the purpose of forming an opinion on the District's basic financial statements. The Texas Supplementary Information listed in the table of contents is required by the Texas Commission on Environmental Quality as published in the *Water District Financial Management Guide* and is presented for the purposes of additional analysis and is not a required part of the basic financial statements. The Texas Supplementary Information is the responsibility of management. The accompanying supplementary information, excluding the portion marked "Unaudited," for which we express no opinion, has been derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such 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 (other than information marked as "Unaudited"), is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

*Weaver and Tidwell, L.L.P.*

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas  
January 15, 2021

## Management's Discussion and Analysis

The following discussion and analysis of Irving Flood Control District Section III's (District) financial performance is presented as required by Governmental Accounting Standards Board (GASB) Statement No. 34. The overview is to be reviewed in conjunction with the District's financial statements, including notes thereto and supplemental information contained therein.

### Financial Statement Overview

The District is a special purpose governmental entity created solely for the governmental purpose of reclaiming and protecting property in the District from flooding.

The District's financial condition is reported in financial statements entitled "Statement of Net Position and Governmental Funds Balance Sheet" and "Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances" which combine government-wide and fund financial statements into one set of statements. These statements are itemized by the District's three separate governmental funds.

**General Fund.** The General Fund is the general operating fund of the District.

**Capital Projects Fund.** The Capital Projects Fund accounts for the construction activity of the District.

**Debt Service Fund.** The Debt Service Fund accounts for the accumulation of resources for and the payment of long-term debt principal and interest.

Approximately 97.5% of District revenues are derived from ad valorem taxes collected by the Dallas County Tax Collector under the contract with the District. Tax revenues are based upon taxable values set by the Dallas Central Appraisal District for property in the District and a tax rate established by the District each year. Property in the District is predominantly single family and multi-family housing. The District has granted a 20% Homestead Exemption but does not allow Freeport Exemptions, any Tax Abatement, or participation in any Tax Increment Reinvestment Zone.

### District Management

The District is governed by a board of five directors appointed by the City Council of the City of Irving (City Council). All directors appointed by the City Council are residents and taxpayers of the District. The District is subject to the supervision and filing requirements of the Texas Commission on Environmental Quality (TCEQ), which requires an annual independent audit of the District. The District is also subject to the applicable rules and regulations of various federal agencies.

### Financial Highlights

- In the government-wide financial statements, assets of the District exceeded liabilities by \$18.9 million, with \$5.8 million of unrestricted net assets.
- The District's total revenues were \$2.8 million for the year ended September 30, 2020, 97.5% of which were property taxes.
- The District's total expenses increased by 28.1% to \$1.2 million due to a \$63.2 thousand increase in maintenance expenses, a \$15.4 increase in utilities and a \$149.6 increase in engineering.
- The fund balance for all funds totaled \$5.8 million. This amount is 17% higher than the total fund balance amount at September 30, 2019.

## Condensed *Government-Wide* Financial Information

### Financial Analysis of the District

	2020	2019
Current assets	\$ 5,963,160	\$ 5,317,836
Capital assets	\$ 13,133,845	\$ 12,386,586
Total assets	<u>\$ 19,097,005</u>	<u>\$ 17,704,422</u>
Current liabilities	\$ 170,864	\$ 349,463
Total liabilities	<u>\$ 170,864</u>	<u>\$ 349,463</u>
Net position		
Net investment in capital assets	\$ 13,133,845	\$ 12,386,586
Unrestricted	\$ 5,792,296	\$ 4,968,373
Total net position	<u>\$ 18,926,141</u>	<u>\$ 17,354,959</u>
Revenue	\$ 2,781,603	\$ 2,714,563
Expenses		
Operating	\$ 917,624	\$ 674,172
Depreciation	292,797	270,445
Total expenses	<u>\$ 1,210,421</u>	<u>\$ 944,617</u>
<b>Change in net position</b>	<u>\$ 1,571,182</u>	<u>\$ 1,769,946</u>

The District's net position at September 30, 2020 and 2019 was approximately \$18.9 million and \$17.4 million respectively. The net investment in capital assets increased by \$747.3 thousand to \$ 13.13 million due to a \$729.8 thousand capital asset addition.

The District's total revenues were \$2.8 million. 97.5% of the District's revenues come from taxes. Another 2.5% relates to investment earnings, tax penalty and interest, and other revenue. Total revenues of the District increased by 2.5% in fiscal year 2020 due to the increase in the tax revenue, which, in turn, increased as a result of the increase in the appraised values offset by lower interest income due to lower interest rates.

The 2019 property tax rate (District's fiscal year 2020) remained the same rate of \$0.125, while the tax base increased from \$2.09 billion to \$2.19 billion, resulting in the increase of tax revenue from \$2.6 million to \$2.7 million.

The total expenses were \$1.2 million. 34.9% of these expenses are related to maintenance, 28.2 % are administrative expenses and 12.7% are engineering expenses. Total expenses of the District increased by 28.1% in fiscal year 2020 due mainly to the increase in the maintenance expenses due to capitalization of the Water Circle Dredging, Silt Wall Dredging project expenses, interior drainage study expenses and greater utilities due to greater pump usage due to heavier rains in 2020.

The combined fund balance for all funds was \$5.8 million, a 17% increase from fiscal year 2019. The fund balance of the General Fund was \$2.1 million at September 30, 2020, a \$301.6 thousand increase from the preceding year due to the timing of the tilting weir project of \$161 thousand and savings in the Water Circle Dredging project of \$233.6 thousand. The fund balance of the Capital Projects Fund was \$3.7 million at September 30, 2020, a \$519.8 thousand increase from fiscal year 2019 due to savings of \$305 thousand on the Cowboys Canal Phase IV project.

### **General Fund Budget Compared with Actual Expenditures**

The District's operating expenses have historically been under the budget to properly allow for increased repairs and operating costs caused by unpredictable weather conditions and other unforeseeable events. Actual expenditures were \$1.3 million below the budgeted amounts while revenues were \$10 thousand above the budgeted amounts.

**Capital Assets.** In accordance with GASB 34, the District is considered a small, special purpose district and has chosen to capitalize its infrastructure prospectively, effective October 1, 2003. During the year ended September 30, 2020, the District capitalized major repairs and improvements to flood control systems in the amount of \$1,040,056. Funds are on hand for proposed capital improvements and repairs in 2020. More detailed information about the District's capital assets is presented in Note 5 to the financial statements.

### **Certification**

The District's engineers, Halff Associates, Inc., have certified to the Federal Emergency Management Agency that the District's levees are in compliance with all applicable federal standards.

### **Board of Directors**

By Texas statute, the District's Board of Directors is appointed by the City of Irving. The current Board of Directors includes two directors with terms expiring in January 2022 and three directors with terms expiring in January 2021.

### **New Initiatives**

On September 14, 2020 the District renewed the Interlocal Agreement with the Dallas County Utility and Reclamation District (DCURD), to provide certain consulting, management, operational and maintenance services to the District. Like the District, DCURD is a political subdivision of the State of Texas and provides flood control and other services within the City of Irving. The agreement is for a one-year term, renewable annually.

On September 14, 2020, the District renewed the agreement with Three Box Strategic Communications for the purpose of increasing public awareness of the District's role and current and future projects and services among the District taxpayers. The agreement is for a one-year term, renewable annually.

### **Economic Factors and Next Year's Budgets and Rates**

Appraised value used for the 2021 budget preparation increased by \$102.5 million, or 4.7% from 2020. The increase in appraised values is primarily the result of the increased taxable value of the residential property within the District. The taxable values are escalating due to the improving market conditions, which are not unique to the District.



These indicators were taken into account when adopting the operating budget for 2021. The General Fund budget for fiscal year 2021 is \$2.8 million, which is \$25.3 thousand more than the final 2020 budget. This budgeted increase is due to additional maintenance projects budgeted for 2021. Property taxes will increase due to an increase in the taxable values within the District. If these estimates are realized, the District's budgetary General Fund balance will remain the same at \$250.0 thousand.

### **Requests for Information**

This financial report is designed to provide a general overview of the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be directed to:

Tammy Tyrone, Controller  
P. O. Box 140035, Irving, Texas 75014-0035  
972-556-0625

# Basic Financial Statements

# Irving Flood Control District Section III

## Statement of Net Position and Governmental Funds Balance Sheet

September 30, 2020

	Governmental Funds Balance Sheet			Adjustments (Note 2)	Statement of Net Position
	General	Capital Projects	Total		
<b>ASSETS</b>					
Cash	\$ 3,107	\$ 12,059	\$ 15,166	\$ -	\$ 15,166
Investments (cash equivalents)	2,173,113	3,761,483	5,934,596	-	5,934,596
Prepaid Expense	2,696	-	2,696	-	2,696
Accounts receivable	345	-	345	-	345
Taxes receivable, net	10,357	-	10,357	-	10,357
Capital assets, net	-	-	-	13,133,845	13,133,845
<b>Total assets</b>	<b>2,189,618</b>	<b>3,773,542</b>	<b>5,963,160</b>	<b>13,133,845</b>	<b>19,097,005</b>
<b>LIABILITIES</b>					
Accounts payable	77,270	20,630	97,900	-	97,900
Retainage payable	-	72,964	72,964	-	72,964
<b>Total liabilities</b>	<b>77,270</b>	<b>93,594</b>	<b>170,864</b>	<b>-</b>	<b>170,864</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Unavailable revenue	10,357	-	10,357	(10,357)	-
<b>Total deferred inflows of resources</b>	<b>10,357</b>	<b>-</b>	<b>10,357</b>	<b>(10,357)</b>	<b>-</b>
<b>FUND BALANCES/NET POSITION</b>					
Fund balances:					
Nonspendable:					
Prepays	2,696	-	2,696	(2,696)	-
Assigned:					
Operations & maintenance	1,620,520	-	1,620,520	(1,620,520)	-
Capital projects	-	3,679,948	3,679,948	(3,679,948)	-
Unassigned	478,775	-	478,775	(478,775)	-
<b>Total fund balances</b>	<b>2,101,991</b>	<b>3,679,948</b>	<b>5,781,939</b>	<b>(5,781,939)</b>	<b>-</b>
<b>Total liabilities, deferred inflows of resources, and fund balances</b>	<b>\$ 2,189,618</b>	<b>\$ 3,773,542</b>	<b>\$ 5,963,160</b>		
<b>NET POSITION</b>					
Investment in capital assets				13,133,845	13,133,845
Unrestricted				5,792,296	5,792,296
<b>TOTAL NET POSITION</b>				<b>\$ 18,926,141</b>	<b>\$ 18,926,141</b>

The Notes to the Financial Statements are an integral part of this statement.

## Irving Flood Control District Section III

Statement of Activities and Governmental Funds Revenues,  
Expenditures and Changes in Fund Balance – Governmental Fund  
For the Fiscal Year Ended September 30, 2020

	Statement of Governmental Funds Revenues, Expenditures, and Changes in Fund Balances			Adjustments (Note 2)	Statement of Activities
	General Fund	Capital Projects	Total		
<b>REVENUES</b>					
General revenues:					
Property taxes	\$ 2,709,460	\$ -	\$ 2,709,460	\$ 2,580	\$ 2,712,040
Investment earnings	30,774	33,819	64,593	-	64,593
Penalties and interest	4,970	-	4,970	-	4,970
Total revenues	2,745,204	33,819	2,779,023	2,580	2,781,603
<b>EXPENDITURES</b>					
Operations:					
Administrative	341,516	-	341,516	-	341,516
Maintenance	717,726	-	717,726	(295,685)	422,041
Engineering Fees	154,068	14,566	168,634	(14,567)	154,067
Capital Outlay	-	729,805	729,805	(729,805)	-
Depreciation	-	-	-	292,797	292,797
Total expenditures/expenses	1,213,310	744,371	1,957,681	(747,260)	1,210,421
Excess (deficiency) of revenues over expenditures/ change in net position	1,531,894	(710,552)	821,342	749,840	1,571,182
<b>OTHER FINANCING SOURCES</b>					
Transfers in (out)	(1,230,309)	1,230,309	-	-	-
Net change in fund balance and change in net position	301,585	519,757	821,342	749,840	1,571,182
Fund balance, beginning	1,800,406	3,160,191	4,960,597	12,394,362	17,354,959
<b>FUND BALANCE, ending</b>	<b>\$ 2,101,991</b>	<b>\$ 3,679,948</b>	<b>\$ 5,781,939</b>	<b>\$ 13,144,202</b>	<b>\$ 18,926,141</b>

The Notes to the Financial Statements are an integral part of this statement.

## Irving Flood Control District Section III

### Notes to the Financial Statements

#### Note 1. Summary of Significant Accounting Policies

The financial statements of the Irving Flood Control District Section III (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The District's significant accounting policies are described below.

##### A. Creation of District

Effective October 1, 1983, the District became a totally independent and separate governmental entity by virtue of House Bill 2391, Acts of the 68<sup>th</sup> Legislature of Texas, R.S., 1983. The District is governed by the provisions of Article 8280-477, V.A.C.S. except to the extent provided in said H.B. 2391, and is also empowered and authorized to engage in all functions and purposes of Chapter 57 of the Texas Water Code except where in conflict with said H.B. 2391 and Article 8280-477.

Prior to the enactment of H.B. 2391, this District was a "separately defined area" of the Irving Flood Control District and governed by the board of directors of that district, which was created in 1971 by the Texas Legislature. This District is now governed by its own board of directors and has no legal connection with the Irving Flood Control District.

##### B. Reporting Entity

The District has adopted GASB Statements No. 14, *The Financial Reporting Entity*, No. 39, *Determining Whether Certain Organizations Are Component Units*, and No. 61, *The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34*. In accordance with these statements, a financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. There are no component units that are legally separate for which the District is considered financially accountable.

The District is governed by the Board of Directors, each of whom must either own land in or be a resident of the District. The City of Irving appoints the directors, but otherwise has no control over the District. As required by GAAP, these financial statements present the activities of the District, which is considered to be the primary government as well as the reporting entity.

##### C. Basis of Presentation – Government-Wide Financial Statement

The District is considered a special-purpose government engaged in a single governmental program. In accordance with GASB 34, the District has elected to combine its government-wide and fund financial statements into one set of financial statements with a reconciliation of the individual line items in a separate column on the financial statements. The financial statements are referred to as the "Statement of Net Position and Governmental Funds Balance Sheet" and the "Statement of Activities and Governmental Funds Revenues, Expenditures, and Changes in Fund Balances."

The government-wide financial statement columns are labeled "Statement of Net Position" and "Statement of Activities". They report financial information for the District as a whole.

The governmental fund financial statement columns are provided for each of the major individual governmental funds, with a total column for all funds. The financial statements include an adjustment column which reconciles the governmental fund financial statements to the government-wide financial statements.

## Irving Flood Control District Section III

### Notes to the Financial Statements

#### D. Measurement Focus and Basis of Accounting

The financial statements of the District are prepared in accordance with accounting principles generally accepted in the United States of America.

The government-wide financial statement columns are reported using the economic resources measurement focus and the accrual basis of accounting, generally including the elimination of activity between or within funds. Property tax revenues are recognized in the year for which they are levied. Expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statement columns are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available if they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, except for principal and interest on long-term debt, which are recognized when due.

#### E. Fund Accounting

The District uses funds to maintain its financial records during the year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The District only uses governmental funds.

#### F. Governmental Funds

Governmental funds are those through which most governmental functions typically are financed. Governmental funds reporting focuses on the sources, uses and balances of current financial resources. Expendable assets and deferred outflows are assigned to the various governmental funds according to the purpose for which they may or must be used. Current liabilities and deferred inflows are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows and liabilities and deferred inflows is reported as a fund balance.

The District reports the following major governmental funds:

The *general fund* is used to account for all financial resources of the District except for those required to be accounted for in another fund. The general fund is the general operating fund of the District.

The *capital projects fund* is used to account for the acquisition or construction of major capital facilities. Principal sources of revenue are the investment earnings and other financing sources in the form of general fund transfers.

The *debt service fund* accounts for all accumulation of resources for, and the payment of, general long-term debt principal and interest and related costs.

#### G. Governmental Fund Balances

*Fund Balance Classification* – The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

***Non-Spendable fund balance.*** Assets that will never convert to cash, such as inventory and prepaid items. At September 30, 2020, the District had \$2,588 of non-spendable fund balance.

## Irving Flood Control District Section III

### Notes to the Financial Statements

**Restricted fund balance.** The portion of fund balance that reflects resources that are subject to externally enforceable legal restrictions imposed by parties outside the District. At September 30, 2020 the District had no restricted fund balance.

**Committed fund balance.** The portion of fund balance that reflects resources that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Directors. These amounts cannot be used for any other purpose unless the Board of Directors removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. At September 30, 2020, the District had no committed fund balance.

**Assigned fund balance.** The portion of fund balance that reflects resources intended for a specific purpose. Intent is expressed or authorized by the Board of Directors. This classification includes the residual fund balance for the Capital Projects Fund. It also includes a portion of the existing General Fund balance that is included as a budgetary resource in the subsequent year's budget to eliminate a projected excess of expected expenditures over expected revenues.

**Unassigned fund balance.** The portion of fund balances in excess of non-spendable, restricted, committed, and assigned. This classification includes the residual fund balance for the General Fund.

*Spending Prioritization in Using Available Resources* – when both restricted and unrestricted (i.e. committed, assigned, and unassigned) resources are available to be used for the same purpose, the District considers the restricted resources to be expended first. When all categories of unrestricted fund balance are available, the flow assumption is as follows: the committed resources get expended first, the assigned resources get expended second, and the unassigned resources get expended last.

#### H. Revenues and expenditures/Expenses

##### 1. Revenues - Property Taxes

Property taxes attach as an enforceable lien on property as of January 1 of the taxable year. Taxes are levied on or about October 1 and are due and payable at that time. All unpaid taxes levied October 1 become delinquent February 1 of the following year.

In the governmental fund financial statement columns, property tax revenues are recognized when they become available. The amount available includes those property tax receivables expected to be collected within 60 days after the fiscal year end.

In the government-wide financial statement columns, property tax revenues are recorded when due regardless of when cash is received.

##### 2. Capital Assets

Purchased or constructed capital assets are reported at cost. General infrastructure assets acquired prior to October 1, 2003, are not reported in the basic financial statements. The District generally capitalizes assets with a cost of \$5,000 or more as purchases and construction outlays occur. The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed of, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

# Irving Flood Control District Section III

## Notes to the Financial Statements

Estimated useful lives, in years, for depreciable assets are as follows:

Asset Class	Estimated Useful Life
Earthen Levees & Sumps	100 years
Drainage Channels	40 years
Gravity and Auto. Discharge Gates	30 years
Vertical Turbine Pumps	35-40 years
Electric Motors & Controls	30-45 years
SCADA System	12 years
Fencing	30 years
Walls	40 years

### 3. Budgets and Budgetary Accounting

The District prepares an operating budget which includes proposed expenditures and the means of financing them for the upcoming year. Prior to September 30, the budget is adopted by passage by the Board of Directors. The annual operating budget is adopted on a basis consistent with GAAP. Any subsequent amendment to the budget must be approved by the Board of Directors. All unused budget authorizations lapse at year end.

### 4. Estimates

The District uses estimates and assumptions in preparing the basic financial statements. Those estimates and assumptions affect the reported assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

### Note 2. Reconciliation of Fund Statements to Government-Wide Statements

<b>TOTAL FUND BALANCE - GOVERNMENTAL FUND</b>	\$	5,781,939
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Amounts reported in governmental activities in the statement of net position are different because:

Receivables not available to pay for current period expenditures are deferred in the funds.		10,357
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Capital assets used in the governmental activities are not financial resources and, therefore, are not reported in the funds.		13,133,845
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<b>TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES</b>	<b>\$</b>	<b>18,926,141</b>
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# Irving Flood Control District Section III

## Notes to the Financial Statements

**TOTAL NET CHANGE IN FUND BALANCE - GOVERNMENTAL FUND** \$ 821,342

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

Revenue from property taxes is deferred in the fund financial statements until it is considered available to finance current expenditures, but such revenues are recognized when assessed, net of an allowance for uncollectible accounts, in the government-wide financial statements. 2,580

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over the estimated useful lives and reported as depreciation expense. This is the amount by which capitalizable engineering fees, capitalizable maintenance costs and capital outlays (\$1,040,056) exceeded depreciation (\$292,797) in the current period. 747,259

**CHANGES IN NET POSITION - GOVERNMENTAL ACTIVITIES** \$ 1,571,181

### Note 3. Cash and Investments

Funds of the District may be invested and reinvested by the Board or its authorized representative in investments authorized by the Public Funds Investment Act, Government Code Section 2256.005 (Act). The Act authorizes the District to invest funds under a written investment policy. The District’s deposits and investments are invested pursuant to the investment policy, which is approved by the Board of Directors. The primary objectives of the District’s investment strategy, in order of priority, are safety, liquidity, public trust and yield.

The District is authorized to invest in obligations of the United States, State of Texas and their agencies and instrumentalities, certificates of deposit issued by a depository institution that has its main office or a branch office in Texas, fully collateralized direct repurchase agreements, money market mutual funds regulated by the Securities and Exchange Commission and rated AAA by at least one nationally recognized rating service, and eligible local government investment pools.

At September 30, 2020, the District’s cash consisted of two operating bank accounts and three high yield savings accounts with the balances as follows:

	Carrying amount	Bank balance
Checking accounts	\$ 6,993	\$ 6,993
High yield savings accounts	8,173	8,173
	\$ 15,166	\$ 15,166

## Irving Flood Control District Section III

### Notes to the Financial Statements

At September 30, 2020, the District had the following investments:

	Reported Amount	Fair Value	Weighted Average Maturity in Days
Local government investment pools			
TexSTAR	\$ 1,634,069	\$ 1,634,069	39
LOGIC	4,300,527	4,300,527	54
	<u>\$ 5,934,596</u>	<u>\$ 5,934,596</u>	

Investment pools are measured at amortized cost and are exempt for fair value reporting.

**TexSTAR:** J.P. Morgan Investment Management Inc. and First Southwest Company serve as co-administrators for TexSTAR under an agreement with the TexSTAR board of directors. J.P. Morgan Investment Management Inc. provides investment management services, and First Southwest Company provides participant services and marketing. Custodial, fund accounting and depository services are provided by JPMorgan Chase Bank, N.A. and/or its subsidiary J.P. Morgan Investor Services Co. TexSTAR is Texas Short Term Asset Reserve Program organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. It is rated AAAM by Standard & Poor's. The primary objectives of TexSTAR are, in order of priority, preservation and protection of principal, maintenance of sufficient liquidity to meet participants' needs, diversification to avoid unreasonable or avoidable risks, and yield.

**LOGIC:** LOGIC is administered by First Southwest and JPMorgan Chase. Together, these organizations bring to the LOGIC program the powerful partnership of two leaders in financial services with a proven track record in local government investment pool management and extensive industry resources. LOGIC is a local government investment cooperative created under the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and operates under the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. LOGIC is an AAA rated local government investment pool created by Texas local government officials who understand the specific needs and challenges of investing public funds. The general investment objectives of LOGIC are safety of principal, liquidity in accordance with the operating requirements of the Participants, and a competitive rate of return.

*Credit Risk.* Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized agencies are designed to give an indication of credit risk. At September 30, 2020, investments were included in local governmental investment pools with AAAM rating from Standard and Poor's in compliance with the District's investment policy. The District's cash and investments were partially covered by the Federal depository insurance, and the balance was fully collateralized by securities held by the District's agent in the District's name as of September 30, 2020.

*Interest Rate Risk.* Interest rate risk is the risk that the interest earnings and the market value of investments in the portfolio will fall due to changes in general interest rates. In accordance with its investment policy, the District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to six months (185 days).

## Irving Flood Control District Section III

### Notes to the Financial Statements

#### Note 4. Property Taxes

All property values are determined by the Dallas Central Appraisal District. A tax lien attaches to properties within the District on January 1 of each year when property valuations for the use in levying taxes are established. Taxes are levied on or about October 1 and are due and payable at that time. All unpaid taxes levied on October 1 become delinquent on February 1 of the following year. The Dallas County Tax Assessor/Collector bills and collects the District's property taxes.

The tax rate for the 2019 tax year (District's fiscal year 2020) was \$0.125 per \$100 assessed valuation and in its entirety went to finance general governmental services. The District did not levy any taxes for the debt service payment purpose since it has enough resources in the Debt Service Fund to make debt service payments until the maturity of the outstanding bonds.

In the governmental fund financial statement columns, the receivables at year end represent delinquent taxes. If delinquent taxes are not paid within sixty days of year end, they are recorded as unavailable revenue.

In the government-wide financial statement columns, property taxes receivable and related revenue include all amounts due to the District regardless of when cash is received. Property taxes receivable are recorded net of allowance of \$12,130.

#### Note 5. Capital Assets

In accordance with GASB 34, the District is considered a small district and has chosen to capitalize its infrastructure prospectively effective October 1, 2003. A summary by category of changes in general fixed assets is as follows:

	October 1, 2019	Additions	Deletions	September 30, 2020
Capital assets not being depreciated:				
Construction in progress	\$ 2,853,725	\$ (2,851,503)	\$ -	\$ 2,222
Total capital assets, not being depreciated	2,853,725	(2,851,503)	-	2,222
Capital assets being depreciated:				
Flood control and drainage systems	1,974,422	364,935	-	2,339,357
Equipment	5,525,109	35,021	-	5,560,130
Fencing	410,788	-	-	410,788
Walls	3,196,951	3,491,603	-	6,688,554
Roads	67,700	-	-	67,700
Total capital assets being depreciated	11,174,970	3,891,559	-	15,066,529
Less accumulated depreciation for:				
Flood control and drainage systems	(433,029)	(40,204)	-	(473,233)
Equipment	(885,243)	(156,719)	-	(1,041,962)
Fencing	(128,599)	(13,693)	-	(142,292)
Walls	(195,238)	(79,924)	-	(275,162)
Roads	-	(2,257)	-	(2,257)
Total accumulated depreciation	(1,642,109)	(292,797)	-	(1,934,906)
Capital assets, being depreciated, net	9,532,861	3,598,762	-	13,131,623
<b>Total capital assets, net</b>	<b>\$ 12,386,586</b>	<b>\$ 747,259</b>	<b>\$ -</b>	<b>\$ 13,133,845</b>

## **Irving Flood Control District Section III**

### Notes to the Financial Statements

#### **Note 6. Interfund Transactions**

There were no interfund balances at September 30, 2020.

In fiscal year 2020, the District made a budgeted transfer from the General Fund to the Capital Projects Fund in the amount of \$1,230,309. This transfer is the tax collections levied for the purpose of accumulating enough funds for the third phase of the Cowboys Canal Wall Replacement.

#### **Note 7. Commitments and Contingencies**

There are no claims or lawsuits pending against the District at September 30, 2020, management is not aware of any contingencies that would have a material effect on the financial statements.

On September 14, 2020, the District renewed the interlocal agreement with the Dallas County Utility and Reclamation District (DCURD), a political subdivision of the State of Texas, whereas DCURD will provide consulting, management, operation and maintenance services for the District. The initial term of the agreement is for one year and shall continue for successive one-year terms unless either party terminates the agreement upon providing thirty-day advanced written notice.

On September 14, 2020, the District renewed the agreement with Three Box Strategic Communications for the purpose of increasing public awareness of the District's role and current and future projects and services among the District taxpayers. The original agreement was signed on November 10, 2008 and is for a one-year term, renewable annually.

#### **Note 8. Risk Management**

The general liability coverage carried by the District covers damage resulting from claims for bodily injury, property damage, and personal injury. Covered parties include District directors, appointed and employed consultants, and persons and volunteers acting within the scope of their duties for the District. The insurer has the right and duty to defend the District against any suit for damages. Certain types of actions are excluded, including primarily damages or injuries related to aircraft and law enforcement activities. This coverage is in addition to the legal limitations the District is subject to under the Texas Tort Claims Act. In addition, the District carries Errors and Omissions coverage to secure the faithful performance of the District's directors.

The District participates in the Texas Municipal League Intergovernmental Risk Pool (Pool), which is the predominant insurer for most governmental entities in Texas. The rights and duties of the Pool and the insured are described in detail in the interlocal agreement between the parties. The Pool covers General Liability and Errors and Omissions Liability to \$5,000,000 each occurrence and \$10,000,000 annual aggregate limits. In addition, Automobile Liability coverage limit of liability is \$2,000,000 each occurrence with medical payments limited to \$25,000 each person.

The District had no claims or lawsuits within the past three years.

#### **Note 9. Related Party Transactions**

The District has an Interlocal Agreement with the Dallas County Utility and Reclamation District (DCURD) for consulting, management, and operation and maintenance services. In accordance with the agreement, the District paid \$402,108 to DCURD in fiscal year 2020.

## Irving Flood Control District Section III

### Notes to the Financial Statements

#### Note 10. New Accounting Pronouncements

GASB Statement No. 83. Certain Asset Retirement Obligations. Statement 83 was issued on November 2016. This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for asset retirement obligations (AROs). This Statement requires that recognition occur when the liability is both incurred and reasonably estimable. The determination of when the liability is incurred should be based on the occurrence of external laws, regulations, contracts or court judgement, together with the occurrence of an internal event that obligates a government to perform asset retirement activities. This standard was implemented during fiscal year 2020. The implementation had no significant effect on the district's financial statements.

GASB Statement No. 84. Fiduciary Activities. Statement 84 was issued on January 2017. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with who a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. This standard was implemented during fiscal year 2020. The implementation had no significant effect on the district's financial statements.

GASB Statement No. 87. Leases. Statement 87 was issued on June 2017. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. This standard becomes effective for the District fiscal year 2021. The District has not determined the impact of this statement

GASB Statement No. 89. Accounting for Interest Cost Incurred Before the End of a Construction Period. Statement 89 was issued on June 2018. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of the construction period. This statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles. This standard becomes effective for the District fiscal year 2020. The District has not determined the impact of this statement.

GASB Statement No. 91. Conduit Debt Obligations. Statement 91 was issued on May 2019. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This standard becomes effective for the District fiscal year 2022. The District has not determined the impact of this statement.

## Irving Flood Control District Section III

### Notes to the Financial Statements

GASB Statement No. 92, Omnibus 2020. Statement 92 was issued January 2020. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics and includes specific provisions about the following:

- The effective date of Statement No. 87, Leases, and Implementation Guide No. 2019-3, Leases, for interim financial reports
- Reporting of intra-entity transfers of assets between a primary government employer and a component unit defined benefit pension plan or defined benefit other postemployment benefit (OPEB) plan
- The applicability of Statements No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68, as amended, and No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, as amended, to reporting assets accumulated for postemployment benefits
- The applicability of certain requirements of Statement No. 84, Fiduciary Activities, to postemployment benefit arrangements
- Measurement of liabilities (and assets, if any) related to asset retirement obligations (AROs) in a government acquisition
- Reporting by public entity risk pools for amounts that are recoverable from reinsurers or excess insurers
- Reference to nonrecurring fair value measurements of assets or liabilities in authoritative literature
- Terminology used to refer to derivative instruments. This standard becomes effective for the District fiscal year 2021. The District has not determined the impact of this statement.

GASB Statement No. 93, Replacement of Interbank Offered Rates. Statement 93 was issued March 2020.

The objective of this Statement is to address those and other accounting and financial reporting implications that result from the replacement of an IBOR. This Statement achieves that objective by:

- Providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment
- Clarifying the hedge accounting termination provisions when a hedged item is amended to replace the reference rate
- Clarifying that the uncertainty related to the continued availability of IBORs does not, by itself, affect the assessment of whether the occurrence of a hedged expected transaction is probable
- Removing LIBOR as an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap
- Identifying a Secured Overnight Financing Rate and the Effective Federal Funds Rate as appropriate benchmark interest rates for the qualitative evaluation of the effectiveness of an interest rate swap
- Clarifying the definition of *reference rate*, as it is used in Statement 53, as amended

This standard becomes effective for the District fiscal year 2022. The District has not determined the impact of this statement.

## Irving Flood Control District Section III

### Notes to the Financial Statements

*GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements.* Statement 94 was issued on March 2020. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement. This standard becomes effective for the District fiscal year 2023, The District has not determined the impact of this statement.

*GASB Statement No. 95, Postponement of Effective Dates of Certain Authoritative Guidance.* Statement 95 was issued on May 2020. The primary objective of this Statement is to provide temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

The effective dates of certain provisions contained in the following pronouncements are postponed by one year:

- Statement No. 83, *Certain Asset Retirement Obligations*
- Statement No. 84, *Fiduciary Activities*
- Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements*
- Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*
- Statement No. 90, *Majority Equity Interests*
- Statement No. 91, *Conduit Debt Obligations*
- Statement No. 92, *Omnibus 2020*
- Statement No. 93, *Replacement of Interbank Offered Rates*
- Implementation Guide No. 2017-3, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (and Certain Issues Related to OPEB Plan Reporting)*
- Implementation Guide No. 2018-1, *Implementation Guidance Update—2018*
- Implementation Guide No. 2019-1, *Implementation Guidance Update—2019*
- Implementation Guide No. 2019-2, *Fiduciary Activities.*

The effective dates of the following pronouncements are postponed by 18 months:

- Statement No. 87, *Leases*
- Implementation Guide No. 2019-3, *Leases.*

Earlier application of the provisions addressed in this Statement is encouraged and is permitted to the extent specified in *each* pronouncement as originally issued. This standard becomes effective at the time the standard was issued. The implementation had no significant effect on the District's financial statements.

## Irving Flood Control District Section III

### Notes to the Financial Statements

GASB Statement No. 96. Subscription -Based Information Technology Arrangements. Statement 96 was issued on May 2020. This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. This standard becomes effective for the District fiscal year 2023, The District has not determined the impact of this statement.

GASB Statement No. 97. Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans-an Amendment of GASB Statements No. 14 and No. 84 and a Supersession of GASB Statement No. 32. Statement 97 was issued on June 2020.

The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. This standard becomes effective for the District fiscal year 2022, The District has not determined the impact of this statement.

#### **Note 11. Subsequent Event**

##### COVID-19 Pandemic

In March 2020, the World Health Organization declared the novel coronavirus (“COVID-19”) a global pandemic and recommended containment and mitigation measures worldwide. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economies, and financial markets globally, potentially leading to an economic downturn. It has also disrupted the normal operations of many businesses and organizations. It is not possible for management to predict the duration or magnitude of the adverse results of the outbreak and its disruptive effects on the District’s operations and financial results at this time.



## **Required Supplementary Information**

**Irving Flood Control District Section III**  
 Schedule of Budgetary Comparison – General Fund  
 For the Fiscal Year Ended September 30, 2020

	Budgeted Amounts		Actual	Variance
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Taxes	\$ 2,720,800	\$ 2,678,728	\$ 2,709,460	\$ 30,732
Interest income	55,000	55,000	30,774	(24,226)
Penalty and interest	-	1,286	4,970	3,684
Total revenues	2,775,800	2,735,014	2,745,204	10,190
<b>EXPENDITURES</b>				
Administrative:				
Administrative	165,944	165,944	164,040	1,904
Salaries & wages	9,000	9,000	7,050	1,950
Insurance	5,180	5,180	5,126	54
Miscellaneous/administrative	5,800	5,800	4,032	1,768
Utilities	84,620	134,620	126,589	8,031
Legal	36,465	36,465	8,935	27,530
Audit fees	7,442	7,442	7,300	142
Tax appraisal and collections	18,353	18,353	16,420	1,933
Bank fees	2,000	2,000	2,024	(24)
Total administrative	334,804	384,804	341,516	43,288
Maintenance:				
Maintenance and fees	1,888,242	1,888,240	670,838	1,217,402
Pump station maintenance	11,370	11,370	10,688	682
Mowing	32,251	32,251	36,200	(3,949)
Total maintenance	1,931,863	1,931,861	717,726	1,214,135
Engineering	213,800	213,800	154,068	59,732
Total expenditures	2,480,467	2,530,465	1,213,310	1,317,155
Excess of revenues over (under) expenses	295,333	204,549	1,531,894	1,327,345
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in (out)	(1,230,309)	(1,230,309)	(1,230,309)	-
Net change in fund balance	\$ (934,976)	\$ (1,025,760)	301,585	\$ 1,327,345
Fund balance at beginning of fiscal year			1,800,406	
<b>FUND BALANCE, ending</b>			\$ 2,101,991	

The Notes to the Required Supplementary Information are an integral part of this statement.

## **Irving Flood Control District Section III**

Notes to the Required Supplementary Information (Unaudited)

### **Note 1. Budgets And Budgetary Accounting**

The District maintains control over operating expenditures by the establishment of an annual operating budget which includes the General Fund, Capital Projects Fund and Debt Service Fund. The annual operating budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. The budget, as formally adopted by the Board of Directors, establishes the maximum authorization of operating funds to be expended by any fund. Any subsequent amendment thereto must be approved by the President of the Board of Directors and/or the Board of Directors. All unused budget authorizations lapse at the end of the year.

## Texas Supplementary Information

# Irving Flood Control District Section III

TSI-1 Services and Rates (Unaudited)

September 30, 2020

**1. Services Provided by the District:**

- |   |   |  |
|---|---|--|
| <input type="checkbox"/> Retail Water   | <input type="checkbox"/> Wholesale Water          | <input checked="" type="checkbox"/> Drainage |
| <input type="checkbox"/> Retail Wastewater  | <input type="checkbox"/> Wholesale Wastewater     | <input type="checkbox"/> Irrigation          |
| <input type="checkbox"/> Parks/Recreation   | <input type="checkbox"/> Fire Protection          | <input type="checkbox"/> Security            |
| <input type="checkbox"/> Solid Waste/Garbage  | <input checked="" type="checkbox"/> Flood Control | <input type="checkbox"/> Roads               |
| <input type="checkbox"/> Participates in joint venture, regional system and/or wastewater service (other than emergency interconnect) |   |  |
| <input type="checkbox"/> Other (specify): _____   |   |  |

**2. Retail Rates Based on 5/8" Meter:**  Retail Rates Not Applicable

Most prevalent type of meter (if not a 5/8"): \_\_\_\_\_

	Minimum Charge	Minimum Usage	Flat Rate Y/N	Rate per 1000 Gallons Over Minimum	Usage Levels
WATER:	\$ _____	_____	_____	\$ _____	_____ to _____
				\$ _____	_____ to _____
WASTEWATER:	\$ _____	_____	_____	\$ _____	_____ to _____
				\$ _____	_____ to _____
SURCHARGE:	\$ _____	_____	_____	\$ _____	_____ to _____

District employs winter averaging for wastewater usage? Yes  No

Total water and wastewater charges per 10,000 gallons usage (including surcharges). \$ \_\_\_\_\_

**3. Retail Service Providers:** Number of retail water and/or wastewater\* connections within the District as of the fiscal year end. Provide actual numbers and single family equivalents (ESFC) as noted:

N/A	Active Connections	Active ESFC	Inactive Connections (ESFC)**
Single Family	_____	_____	_____
Multi-Family	_____	_____	_____
Commercial	_____	_____	_____
Other - recreational centers, government & VFD	_____	_____	_____
<b>TOTAL</b>	=====	=====	=====

\* Number of connections relates to water service, if provided. Otherwise, the number of wastewater connections should be provided.

\*\* "Inactive" means that water and wastewater connections were made, but service is not being provided.

**Irving Flood Control District Section III**

TSI-1 Services and Rates (Unaudited) – Continued

September 30, 2020

**4. Total Water Consumption (In Thousands) During The Fiscal Year:**

Gallons pumped into system: N/A

Gallons billed to customers: N/A

**5. Standby Fees: Does the District assess standby fees? Yes  No**

For the most recent full fiscal year, FYE \_\_\_\_\_, :

Debt Service:	Total levy	\$ _____
	Total Collected	\$ _____
	Percentage Collected	_____ %
Operation & Maintenance:	Total levy	\$ _____
	Total Collected	\$ _____
	Percentage Collected	_____ %

Have standby fees been levied in accordance with Water Code Section 49.231, thereby constituting a lien on property? Yes  No

**6. Anticipated sources of funds to be used for debt service payments in the district's following fiscal year:**

	<u>Amount</u>
a. Debt Service Tax Receipts	\$ _____
b. Surplus Construction Funds	_____
c. Water and/or Wastewater Revenue	_____
d. Standby Fees	_____
e. Debt Service Fund Balance To Be Used	_____
f. Interest Revenues	_____
g. Other (Describe)	_____
_____	_____
_____	_____
<b>TOTAL ANTICIPATED FUNDS TO BE USED*</b>	<b>\$ _____</b>

\*This total should equal the district's total annual debt service for the fiscal year following the fiscal year reported or in the audited financial statements.

**Irving Flood Control District Section III**

TSI-1 Services and Rates (Unaudited) – Continued

September 30, 2020

**7. Location of District:**

County(ies) in which district is located. Dallas County \_\_\_\_\_

Is the District located entirely within one county?    Yes  No

Is the District located within a city?    Entirely  Partly  Not at all

City(ies) in which district is located. Irving \_\_\_\_\_

Is the District located within a city's extra territorial jurisdiction (ETJ)?  
Entirely  Partly  Not at all

ETJ's in which district is located. N/A \_\_\_\_\_

Is the general membership of the Board appointed by an office outside the district?  
Yes             No

If Yes, by whom? Irving City Council \_\_\_\_\_

### Irving Flood Control District Section III

TSI-1 Services and Rates (Unaudited) – Continued

September 30, 2020

Tax rate for any other special district which (a) encompasses less than a county, (b) provides water, wastewater collection, drainage or roads to property in the district **AND** (C) taxes property in the district. [Do not include taxes levied by the district.]

Name of Special District(s)	Service Provided	Tax Rate
_____	_____	\$ _____ . _____
_____	_____	_____ . _____
<b>Total Rate(s) of Special District(s)</b>		<b>\$ _____ . _____</b>

Tax rates for all overlapping jurisdictions. Include any taxing entities which overlap **10% or more** of the district.

	Taxing Jurisdiction	Tax Rate
a.	County <u>Dallas</u>	\$ _____ . <u>2431</u>
b.	City <u>Irving</u>	_____ . <u>5941</u>
c.	School District <u>Coppell ISD</u>	<u>1</u> . <u>4605</u>
d.	Special District(s) not included above:	
	_____	_____ . _____
	_____	_____ . _____
e.	Total Special District(s) (from top of this page)	_____ . _____
f.	Total District (from previous page)	_____ . <u>1250</u>
	<b>Total Overlapping Tax Rate (Sum of a.-f.)</b>	<b>\$ <u>2</u> . <u>4227</u></b>



**Irving Flood Control District Section III**  
 TSI-2 Schedule of General Fund Expenditures  
 For the Fiscal Year Ended September 30, 2020

Professional fees:		
Auditing	\$	7,300
Legal		8,935
Engineering		154,068
Purchased services for resale:		
Bulk water & wastewater service purchases		-
Tap connection expenditures		-
Contracted services:		
Mowing		36,200
Appraisal district		10,161
Tax collector		6,259
Other contracted services		-
Utilities		126,589
Repairs and maintenance		681,525
Administrative expenditures:		
Salaries & wages		7,050
Insurance		5,126
Other administrative expenditures		170,097
Capital outlay		-
Other expenditures		-
Total expenditures	\$	<u>1,213,310</u>
Number of persons employed by the District:	-0- Full-time	-0- Part-time

**Irving Flood Control District Section III**  
 TSI-3 Schedule of Temporary Investments  
 For the Fiscal Year Ended September 30, 2020

<u>Funds</u>	<u>Account Number</u>	<u>Average Monthly Yield</u>	<u>Maturity Date</u>	<u>Balance at End of Year</u>	<u>Accrued Interest Receivable at End of Year</u>
General Fund					
TexSTAR	0572311110	0.1339%	N/A	\$ 974,986	\$ -
Logic	6238184001	0.2565%	N/A	1,198,127	
Capital Projects Fund					
TexSTAR	0572311890	0.1339%	N/A	659,083	-
Logic	6238184002	0.2565%	N/A	3,102,400	-
<b>Total - all funds</b>				<u>\$ 5,934,596</u>	<u>\$ -</u>

**Irving Flood Control District Section III**  
 TSI-4 Analysis of Taxes Levied and Receivable  
 September 30, 2020

	<u>Maintenance Taxes</u>	<u>Debt Service Taxes</u>	<u>Total</u>
Taxes receivable, beginning of year	\$ 9,276	\$ 12,075	\$ 21,351
2019 original tax levy	<u>2,732,035</u>	<u>-</u>	<u>2,732,035</u>
Total to be accounted for	2,741,311	12,075	2,753,386
Tax collections:			
Current year	(2,731,005)	-	(2,731,005)
Prior year	<u>21,880</u>	<u>(334)</u>	<u>21,546</u>
Total collections	(2,709,125)	(334)	(2,709,459)
Adjustments	<u>(19,912)</u>	<u>(1,528)</u>	<u>(21,440)</u>
Taxes receivable, end of year	<u>\$ 12,274</u>	<u>\$ 10,213</u>	<u>\$ 22,487</u>
Taxes receivable, by years			
2019	\$ 5,363	\$ -	\$ 5,363
2018	2,039	-	2,039
2017	1,115	-	1,115
2016	958	-	958
2015	881	-	881
Prior years	<u>1,917</u>	<u>10,213</u>	<u>12,130</u>
Taxes receivable, end of year	<u>\$ 12,274</u>	<u>\$ 10,213</u>	<u>\$ 22,486</u>
	<u>2019-2020*</u>	<u>2018-2019*</u>	<u>2017-2018*</u>
Property valuations:			
Land	\$ 627,836,760	\$ 410,075,820	\$ 400,963,690
Improvements	1,965,277,050	1,989,901,000	1,836,578,390
Business personal property	36,068,670	37,846,300	38,297,020
Less exemptions	<u>(443,554,387)</u>	<u>(350,200,091)</u>	<u>(327,128,547)</u>
Total property valuations	<u>\$ 2,185,628,093</u>	<u>\$ 2,087,623,029</u>	<u>\$ 1,948,710,553</u>
Tax rates per \$100 valuation:			
Debt service tax rates	-	-	-
Maintenance tax rates	<u>0.1250</u>	<u>0.1250</u>	<u>0.1250</u>
Total tax rates	<u>0.1250</u>	<u>0.1250</u>	<u>0.1250</u>
Original tax levy	<u>\$ 2,732,035</u>	<u>\$ 2,609,529</u>	<u>\$ 2,435,888</u>
Percent of Taxes collected to taxes levied	<u>100.0%</u>	<u>100.0%</u>	<u>99.3%</u>

\* Total property values reflect a 20% homestead tax reduction for qualified resident homeowners.

## Irving Flood Control District Section III

TSI-7 Comparative Schedule of Revenues and Expenditures

General Fund

For the Last Five Fiscal Years Ended September 30

	Amounts					Percent of Fund Total Revenues				
	2020	2019	2018	2017	2016	2020	2019	2018	2017	2016
Revenues:										
Property taxes	\$ 2,709,460	\$ 2,591,990	\$ 2,434,675	\$ 2,265,402	\$ 2,084,692	98.7 %	97.6 %	98.4 %	99.8 %	99.4 %
Investment earnings	30,774	59,399	35,039	2,053	84	1.1	2.2	1.4	0.1	0.0
Penalties and interest	4,970	3,570	5,350	2,698	3,721	0.2	0.1	0.2	0.1	0.2
Other	-	-	-	-	8,115	-	-	-	-	0.4
<b>Total revenues</b>	<b>2,745,204</b>	<b>2,654,959</b>	<b>2,475,064</b>	<b>2,270,153</b>	<b>2,096,612</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
Expenditures:										
Administrative	164,040	153,318	151,018	126,373	130,908	6.0	5.8	6.1	5.6	6.2
Audit Fees	7,300	7,225	7,165	6,825	6,500	0.3	0.3	0.3	0.3	0.3
Maintenance and repairs	681,526	839,276	1,113,417	484,503	342,135	24.8	31.6	45.0	21.3	16.3
Utilities	126,589	112,232	77,571	51,290	147,361	4.6	4.2	3.1	2.3	7.0
Engineering	154,068	5,464	20,776	1,453	4,391	5.6	0.2	0.8	0.1	0.2
Legal	8,935	8,190	10,625	18,942	15,518	0.3	0.3	0.4	0.8	0.7
Salaries & Wages	7,050	6,600	5,550	6,600	6,450	0.3	0.2	0.2	0.3	0.3
Insurance	5,126	5,046	4,526	3,452	2,669	0.2	0.2	0.2	0.2	0.1
Bank fees	2,024	1,568	2,034	1,620	998	0.1	0.1	0.1	0.1	0.0
Mowing and fertilization	36,200	30,710	20,500	34,500	24,500	1.3	1.2	0.8	1.5	1.2
Miscellaneous	4,032	3,416	3,995	4,257	4,661	0.1	0.1	0.2	0.2	0.2
Tax appraisal and collections	16,420	16,837	16,184	16,062	14,036	0.6	0.6	0.7	0.7	0.7
<b>Total expenditures</b>	<b>\$ 1,213,310</b>	<b>\$ 1,189,882</b>	<b>\$ 1,433,361</b>	<b>\$ 755,877</b>	<b>\$ 700,127</b>	<b>44.2 %</b>	<b>44.8 %</b>	<b>33.4 %</b>	<b>33.2 %</b>	<b>24.7 %</b>
<b>Excess of revenues over expenditures</b>	<b>\$ 1,531,894</b>	<b>\$ 1,465,077</b>	<b>\$ 1,041,703</b>	<b>\$ 1,514,276</b>	<b>\$ 1,396,485</b>	<b>55.8 %</b>	<b>55.2 %</b>	<b>66.6 %</b>	<b>66.8 %</b>	<b>75.3 %</b>

# Irving Flood Control District Section III

TSI-8 Board Members, Key Personnel and Consultants (Unaudited)

September 30, 2020

Complete District mailing address Irving Flood Control District Section III  
P. O. Box 140035  
Irving, Texas 75014-0035

District business telephone number (972) 556-0625

Names and addresses	Terms of Office (Elected or Appointed) or Date Hired	Fees (Cash Basis) 9/30/20	Expense Reimbursements 9/30/20	Title at Year End	Resident of District?
<b>Board Members:</b>					
Chris Calvery 8500 Freeport Parkway South Suite 400 Irving, TX 75063	reappointed on December 13, 2018 to a term ending in January 2021	\$ 1,385	-	President	Yes
William Correa 6221 Riverside Drive Suite 106 Irving, TX 75039	reappointed on January 18, 2018 to a term ending in January 2022	1,524	-	Vice President	Yes
Mazhar Islamraja 1200 W. Walnut Hill Ln. Suite 3200 Irving, TX 75038	reappointed on December 13, 2018 to a term ending in January 2021	554	-	Treasurer	Yes
Anna Areco 930 Canal St Irving, TX 75063	appointed on July 15, 2019 to a term ending in January 2022	1,524	-	Director	Yes
Douglas Stephan 9620 Santa Fe Cir. Irving, TX 75063	re-appointed on December 13, 2018 to a term ending in January 2021	1,247	-	Secretary	Yes

### Irving Flood Control District Section III

TSI-8 Board Members, Key Personnel and Consultants (Unaudited) – Continued

September 30, 2020

Names and addresses	Terms of Office (Elected or Appointed) or Date Hired	Fees (Cash Basis) 9/30/20	Expense Reimbursements 9/30/20	Title at Year End	Resident of District?
<b>Consultants:</b>					
Dallas County Utility and Reclamation District P.O. Box 140035 Irving, TX 75014-0035	N/A	\$ 544,639	\$ -	General Management Construction Management Investment Officer	N/A
John Ames Dallas County Tax Office 500 Elm Street Dallas, TX 75202	N/A	6,259	-	Tax Collector	N/A
Weaver & Tidwell L.L.P. 2300 N. Field Street Suite 1000 Dallas, TX 75201	N/A	7,300	-	Auditor	N/A
Boyle & Lowry LLP 4201 Wingren Irving, TX 75062	N/A	8,935	-	Attorneys	N/A
Three Box Strategic Communications 7616 LBJ Freeway Dallas, TX 75251	N/A	72,896	-	PR Consultant	N/A
Half & Associates P.O. Box 678316 Dallas, TX 75267	N/A	156,290	-	Engineers	N/A
Lamb Star Engineering 5700 W Plano Parkway Plano, TX 75093	N/A	17,793	-	Engineers	N/A
Alpha Testing 2209 Wincousin Dallas, TX 75229	N/A	14,566	-	Engineers	N/A
North Rock Construction 525 S Loop 288 Suite 105 Denton, TX 76205	N/A	729,638	-	Construction Contractors	N/A