



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

**Basic Financial Statements
and Supplemental Schedules
For the Year Ended September 30, 2022
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, 2022
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Financial Section

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of Irving Flood Control District Section III (the District) as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District as of September 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District 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 opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 5–8 and 24 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The Board of Directors of
Irving Flood Control District Section III

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise 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, was 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 12, 2023

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 two 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.

Approximately 97.3% 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 \$22.3 million, with \$9.2 million of unrestricted net position.
- The District's total revenues were \$3.0 million for the year ended September 30, 2022, 97.3% of which were property taxes.
- The District's total expenses were greater than 2021, increasing \$138.3 thousand to \$1.3 million due to increased maintenance projects.
- The fund balance for all funds totaled \$9.2 million. This amount is 21% higher than the total fund balance amount at September 30, 2021.

Condensed Government-Wide Financial Information

Financial Analysis of the District

	2022	2021
Current assets	\$ 9,276,336	\$ 7,706,013
Capital assets	13,043,622	12,959,750
Total assets	<u>\$ 22,319,958</u>	<u>\$ 20,665,763</u>
Current liabilities	\$ 31,187	\$ 42,311
Total liabilities	<u>\$ 31,187</u>	<u>\$ 42,311</u>
Net position		
Net investment in capital assets	\$ 13,043,622	\$ 12,959,750
Unrestricted	9,245,149	7,663,702
Total net position	<u>\$ 22,288,771</u>	<u>\$ 20,623,452</u>
Revenue	\$ 2,987,547	\$ 2,881,218
Expenses		
Operating	929,282	790,002
Depreciation	392,946	393,905
Total expenses	<u>\$ 1,322,228</u>	<u>\$ 1,183,907</u>
Change in net position	<u>\$ 1,665,319</u>	<u>\$ 1,697,311</u>

The District's net position at September 30, 2022 and 2021 was approximately \$22.3 million and \$20.6 million respectively. The net investment in capital assets increased by \$83.9 thousand to \$ 13 million due to the net effect of a \$476.8 thousand capital asset addition and depreciation of \$392.9 thousand.

The District's total revenues were \$3.0 million. 97.3% of the District's revenues come from taxes. Another 2.7% relates to investment earnings, tax penalty and interest, and other revenue. Total revenues of the District increased by 4.0% in fiscal year 2022 due to the increase in the tax revenue, which increased as a result of the increase in the appraised values and greater interest income due to greater investment balances and interest rates.

The 2021 property tax rate (District's fiscal year 2022) remained the same rate of \$0.1236, while the tax base increased from \$2.30 billion to \$2.7 billion, resulting in the increase of tax revenue from \$2.86 million to \$2.91 million.

The total fund level expenditures were \$1.4 million. 77.7% of these expenditures are related to maintenance, 22.1% are administrative expenditures and 1.6% are engineering expenditures. Total government-wide expenses of the District increased by 11.68% in fiscal year 2022 due mainly to the increase in maintenance expenses.

The combined fund balance for both funds was \$9.2 million, a 21% increase from fiscal year 2021. The fund balance of the General Fund was \$2.1 million at September 30, 2022, a \$581.6 thousand decrease from the preceding year due to pump station rehabilitation of \$280 thousand and Water Circle wall repair of \$204 thousand. The fund balance of the Capital Projects Fund was \$7.1 million at September 30, 2022, a \$2.2 million increase from fiscal year 2021 due to timing of capital projects, specifically the tilting weir, pump station discharge channel repair, sluice gate and culvert rehabilitation projects which were moved to the 2023 fiscal year.

Transfers from the general fund to the capital projects fund increased \$884.9 thousand to \$2.1 million.

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 \$1.1 million below the budgeted amounts while revenues were \$43 thousand above the budgeted amounts. These funds will carry over to the next fiscal year for additional capital projects.

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, 2022, the District capitalized major repairs and improvements to flood control systems in the amount of \$476.8 thousand. Funds are on hand for proposed capital improvements and repairs in 2023. 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 three directors with terms expiring in January 2023 and two directors with terms expiring in January 2024.

New Initiatives

On September 19, 2022 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 19, 2022, 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 2023 budget preparation increased by \$325 million, or 13.77% from 2022. 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 2023. The General Fund budget for fiscal year 2023 is \$3.1 million, which is \$175.0 thousand more than the final 2022 budget. This budgeted increase is due to additional capital projects budgeted for 2023. 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 \$250 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, 2022

	Governmental Funds Balance Sheet			Adjustments (Note 2)	Statement of Net Position
	General	Capital Projects	Total		
ASSETS					
Cash	\$ 6,582	\$ 6,236	\$ 12,818	\$ -	\$ 12,818
Investments (cash equivalents)	2,141,978	7,108,701	9,250,679	-	9,250,679
Prepaid expense	2,845	-	2,845	-	2,845
Taxes receivable, net	9,994	-	9,994	-	9,994
Capital assets, net	-	-	-	13,043,622	13,043,622
Total assets	<u>2,161,399</u>	<u>7,114,937</u>	<u>9,276,336</u>	<u>13,043,622</u>	<u>22,319,958</u>
LIABILITIES					
Accounts payable	<u>17,806</u>	<u>13,381</u>	<u>31,187</u>	<u>-</u>	<u>31,187</u>
Total liabilities	<u>17,806</u>	<u>13,381</u>	<u>31,187</u>	<u>-</u>	<u>31,187</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	<u>9,994</u>	<u>-</u>	<u>9,994</u>	<u>(9,994)</u>	<u>-</u>
Total deferred inflows of resources	<u>9,994</u>	<u>-</u>	<u>9,994</u>	<u>(9,994)</u>	<u>-</u>
FUND BALANCES/NET POSITION					
Fund balances:					
Nonspendable:					
Prepays	2,845	-	2,845	(2,845)	-
Assigned:					
Operations & maintenance	2,017,097	-	2,017,097	(2,017,097)	-
Capital projects	-	7,101,556	7,101,556	(7,101,556)	-
Unassigned	<u>113,657</u>	<u>-</u>	<u>113,657</u>	<u>(113,657)</u>	<u>-</u>
Total fund balances	<u>2,133,599</u>	<u>7,101,556</u>	<u>9,235,155</u>	<u>(9,235,155)</u>	<u>-</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 2,161,399</u>	<u>\$ 7,114,937</u>	<u>\$ 9,276,336</u>		
NET POSITION					
Investment in capital assets				13,043,622	13,043,622
Unrestricted				<u>9,245,149</u>	<u>9,245,149</u>
TOTAL NET POSITION				<u>\$ 22,288,771</u>	<u>\$ 22,288,771</u>

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 Funds
For the Fiscal Year Ended September 30, 2022

	Statement of Governmental Funds Revenues, Expenditures, and Changes in Fund Balances			Adjustments (Note 2)	Statement of Activities
	General Fund	Capital Projects	Total		
REVENUES					
General revenues:					
Property taxes	\$ 2,908,263	\$ -	\$ 2,908,263	\$ (1,238)	\$ 2,907,025
Investment earnings	30,784	41,941	72,725	-	72,725
Penalties and interest	7,797	-	7,797	-	7,797
Total revenues	2,946,844	41,941	2,988,785	(1,238)	2,987,547
EXPENDITURES / EXPENSES					
Operations:					
Administrative	292,297	244	292,541	-	292,541
Maintenance	1,075,889	16,233	1,092,122	(476,818)	615,304
Engineering Fees	21,437	-	21,437	-	21,437
Depreciation	-	-	-	392,946	392,946
Total expenditures/expenses	1,389,623	16,477	1,406,100	(83,872)	1,322,228
Excess of revenues over expenditures/ expenses	1,557,221	25,464	1,582,685	82,634	1,665,319
OTHER FINANCING SOURCES (USES)					
Transfers in (out)	(2,138,863)	2,138,863	-	-	-
Net change in fund balance and change in net position	(581,642)	2,164,327	1,582,685	82,634	1,665,319
Fund balance, beginning	2,715,241	4,937,229	7,652,470	12,970,982	20,623,452
FUND BALANCE, ending	\$ 2,133,599	\$ 7,101,556	\$ 9,235,155	\$ 13,053,616	\$ 22,288,771

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 68th 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 uses only 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.

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, 2022, the District had \$2,845 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, 2022 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, 2022, 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:

<u>Asset Class</u>	<u>Estimated Useful Life</u>
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

Reconciliation of Total Governmental Fund Balances to Total Net Position:

TOTAL FUND BALANCE - GOVERNMENTAL FUND	\$	9,235,155
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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.		9,994
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Capital assets used in the governmental activities are not financial resources and, therefore, are not reported in the funds.		13,043,622
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TOTAL NET POSITION - GOVERNMENTAL ACTIVITIES	\$	22,288,771
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Irving Flood Control District Section III

Notes to the Financial Statements

TOTAL NET CHANGE IN FUND BALANCE - GOVERNMENTAL FUND \$ 1,582,685

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. (1,238)

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 maintenance costs (\$476,818) exceeded depreciation expense (\$392,946) in the current period. 83,872

CHANGES IN NET POSITION - GOVERNMENTAL ACTIVITIES \$ 1,665,319

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, 2022, 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	\$ 12,818	\$ 12,868
	\$ 12,818	\$ 12,868

Irving Flood Control District Section III

Notes to the Financial Statements

At September 30, 2022, the District had the following investments:

	Reported Amount	Fair Value	Weighted Average Maturity in Days
Local government investment pools			
TexSTAR	\$ 635,905	\$ 635,905	16
LOGIC	8,614,774	8,614,774	19
	<u>\$ 9,250,679</u>	<u>\$ 9,250,679</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, 2022, 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, 2022.

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 2021 tax year (District's fiscal year 2022) was \$0.1236 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 does not have any outstanding bonds payable.

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 \$9,621.

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, 2021	Additions	Deletions	September 30, 2022
Capital assets not being depreciated:				
Construction in progress	\$ 50,222	\$ 296,403	\$ -	\$ 346,625
Total capital assets, not being depreciated	50,222	296,403	-	346,625
Capital assets being depreciated:				
Flood control and drainage systems	2,339,357	-	-	2,339,357
Equipment	5,560,130	-	-	5,560,130
Fencing	410,788	-	-	410,788
Walls	6,827,646	180,415	-	7,008,061
Structures	32,718	-	-	32,718
Roads	67,700	-	-	67,700
Total capital assets being depreciated	15,238,339	180,415	-	15,418,754
Less accumulated depreciation for:				
Flood control and drainage systems	(521,363)	(48,130)	-	(569,493)
Equipment	(1,200,432)	(151,255)	-	(1,351,687)
Fencing	(155,985)	(13,693)	-	(169,678)
Walls	(443,245)	(171,067)	-	(614,312)
Structures	(3,272)	(6,544)	-	(9,816)
Roads	(4,514)	(2,257)	-	(6,771)
Total accumulated depreciation	(2,328,811)	(392,946)	-	(2,721,757)
Capital assets, being depreciated, net	12,909,528	(212,531)	-	12,696,997
Total capital assets, net	\$ 12,959,750	\$ 83,872	\$ -	\$ 13,043,622

Irving Flood Control District Section III

Notes to the Financial Statements

Note 6. Interfund Transactions

There were no interfund balances at September 30, 2022.

In fiscal year 2022, the District made a budgeted transfer from the General Fund to the Capital Projects Fund in the amount of \$2,138,863. This transfer is the tax collections levied for the purpose of accumulating funds for future capital projects of the District.

Note 7. Commitments and Contingencies

There are no claims or lawsuits pending against the District at September 30, 2022, management is not aware of any contingencies that would have a material effect on the financial statements.

On September 19, 2022, 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 19, 2022, 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 \$470,895 to DCURD in fiscal year 2022.

Irving Flood Control District Section III

Notes to the Financial Statements

Note 10. New Accounting Pronouncements

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 became effective for the District fiscal year 2022. There was no impact to the District related to the implementation.

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 2023. There was no impact to the District related to the implementation.

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 2022. The implementation had no significant impact on the District's financial statements.

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. 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 became effective for the District in fiscal year 2022. There was no impact to the District related to the implementation of this statement

GASB Statement No. 98. The Annual Comprehensive Financial Report was issued on October 2021. The objective of this Statement is to address references in authoritative literature to the term comprehensive annual financial report. This standard became effective for the District fiscal year 2022. There is no impact to the District related to the implementation of this statement.

Irving Flood Control District Section III

Notes to the Financial Statements

GASB Statement No. 99. *Omnibus 2022* was issued on April 2022. The objectives of this Statement are to enhance comparability in accounting and financial reporting and to improve the consistency of authoritative literature by addressing (1) practice issues that have been identified during implementation and application of certain GASB Statements and (2) accounting and financial reporting for financial guarantees. The practice issues addressed by this Statement are as follows:

- Classification and reporting of derivative instruments within the scope of Statement No. 53, Accounting and Financial Reporting for Derivative Instruments, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument
- Clarification of provisions in Statement No. 87, Leases, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives
- Clarification of provisions in Statement No. 94, Public-Private and Public Public Partnerships and Availability Payment Arrangements, related to (a) the determination of the public-private and public-public partnership (PPP) term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset
- Clarification of provisions in Statement No. 96, Subscription-Based Information Technology Arrangements, related to the subscription-based information technology arrangement (SBITA) term, classification of a SBITA as a short term SBITA, and recognition and measurement of a subscription liability
- Extension of the period during which the London Interbank Offered Rate (LIBOR) is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt
- Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP)
- Disclosures related to nonmonetary transactions
- Pledges of future revenues when resources are not received by the pledging government
- Clarification of provisions in Statement No. 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments, as amended, related to the focus of the government-wide financial statements
- Terminology updates related to certain provisions of Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position
- Terminology used in Statement 53 to refer to resource flows statements

This standard becomes effective for the District fiscal year 2023, The District has not determined the impact of this statement.

GASB Statement No. 100. *Accounting Changes and Error Corrections* was issued on June 2022. The primary objective of this Statement is to enhance the accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This standard becomes effective for the District fiscal year 2024, The District has not determined the impact of this statement.

GASB Statement No. 101. *Compensated Absences* was issued on June 2022. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This standard becomes effective for the District fiscal year 2025, The District has not determined the impact of this statement.

Required Supplementary Information

Irving Flood Control District Section III
 Schedule of Budgetary Comparison – General Fund
 For the Fiscal Year Ended September 30, 2022

	Budgeted Amounts		Actual	Variance
	Original	Final		Positive (Negative)
REVENUES				
Taxes	\$ 2,904,573	\$ 2,884,973	\$ 2,908,263	\$ 23,290
Interest income	1,800	11,694	30,784	19,090
Penalty and interest	-	6,926	7,797	871
Total revenues	2,906,373	2,903,593	2,946,844	43,251
EXPENDITURES				
Administrative:				
Administrative	183,281	183,281	169,706	13,575
Salaries & wages	9,000	9,000	6,300	2,700
Insurance	6,650	6,650	6,726	(76)
Miscellaneous/administrative	5,800	5,800	3,743	2,057
Utilities	142,400	142,400	68,286	74,114
Legal	10,000	10,000	9,570	430
Audit fees	7,475	7,475	7,475	-
Tax appraisal and collections	19,861	19,861	17,914	1,947
Bank fees	3,000	3,000	2,577	423
Total administrative	387,467	387,467	292,297	95,170
Maintenance:				
Maintenance and fees	1,801,062	1,976,062	989,457	986,605
Pump station maintenance	12,550	43,202	43,807	(605)
Mowing	34,400	34,400	42,625	(8,225)
Total maintenance	1,848,012	2,053,664	1,075,889	977,775
Engineering	30,000	30,000	21,437	8,563
Total expenditures	2,265,479	2,471,131	1,389,623	1,081,508
Excess of revenues over expenses	640,894	432,462	1,557,221	1,124,759
OTHER FINANCING USES				
Transfers out	(2,313,863)	(2,138,863)	(2,138,863)	-
Net change in fund balance	\$ (1,672,969)	\$ (1,706,401)	(581,642)	\$ 1,124,759
Fund balance at beginning of fiscal year			2,715,241	
FUND BALANCE, ending			<u>\$ 2,133,599</u>	

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 and Capital Projects 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)
 For the Fiscal Year Ended September 30, 2022

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	_____	_____	_____
TOTAL	_____	_____	_____

* 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
 For the Fiscal Year Ended September 30, 2022

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)	_____
_____	_____
_____	_____
TOTAL ANTICIPATED FUNDS TO BE USED*	\$ _____

*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
For the Fiscal Year Ended September 30, 2022

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

For the Fiscal Year Ended September 30, 2022

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
_____	_____	\$ _____ . _____
_____	_____	_____ . _____
Total Rate(s) of Special District(s)		\$ _____ . _____

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>2279</u>
b. City <u>Irving</u> _____	_____ . <u>5941</u>
c. School District <u>Coppell ISD</u> _____	<u>1</u> _____ . <u>292</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>1236</u>
Total Overlapping Tax Rate (Sum of a.-f.)	\$ <u>2</u> . <u>2376</u>

Irving Flood Control District Section III
 TSI-2 Schedule of General Fund Expenditures
 For the Fiscal Year Ended September 30, 2022

Professional fees:		
Auditing	\$	7,475
Legal		9,570
Engineering		21,437
Purchased services for resale:		
Bulk water & wastewater service purchases		-
Tap connection expenditures		-
Contracted services:		
Mowing		42,625
Appraisal district		10,563
Tax collector		7,351
Other contracted services		-
Utilities		68,286
Repairs and maintenance		1,033,264
Administrative expenditures:		
Salaries & wages		6,300
Insurance		6,726
Other administrative expenditures		176,026
Capital outlay		-
Other expenditures		-
Total expenditures	\$	<u>1,389,623</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

September 30, 2022

<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	2.2941%	N/A	\$ 65,912	\$ -
Logic	6238184001	2.4756%	N/A	2,076,066	-
Capital Projects Fund					
TexSTAR	0572311890	2.2941%	N/A	569,993	-
Logic	6238184002	2.4756%	N/A	6,538,708	-
Total - all funds				<u>\$ 9,250,679</u>	<u>\$ -</u>

Irving Flood Control District Section III
 TSI-4 Analysis of Taxes Levied and Receivable
 For the Fiscal Year Ended September 30, 2022

	Maintenance Taxes	Debt Service Taxes	Total	
Taxes receivable, beginning of year	\$ 12,637	\$ 8,169	\$ 20,806	
2021 original tax levy	2,932,394	-	2,932,394	
Total to be accounted for	2,945,031	8,169	2,953,200	
Tax collections:				
Current year	(2,931,561)	-	(2,931,561)	
Prior year	23,298	-	23,298	
Total collections	(2,908,263)	-	(2,908,263)	
Adjustments	(24,945)	(377)	(25,322)	
Taxes receivable, end of year	<u>\$ 11,823</u>	<u>\$ 7,792</u>	<u>\$ 19,615</u>	
Taxes receivable, by years				
2021	\$ 3,564	\$ -	\$ 3,564	
2020	2,854	-	2,854	
2019	2,215	-	2,215	
2018	726	-	726	
2017	635	-	635	
Prior years	1,829	7,792	9,621	
Less: allowance for doubtful accounts	(1,829)	(7,792)	(9,621)	
Taxes receivable, end of year	<u>\$ 9,994</u>	<u>-</u>	<u>\$ 9,994</u>	
	<u>2021-2022*</u>	<u>2020-2021*</u>	<u>2019-2020*</u>	<u>2018-2019*</u>
Property valuations:				
Land	\$ 661,594,380	\$ 646,325,260	\$ 627,836,760	\$ 410,075,820
Improvements	2,139,258,420	2,094,347,655	1,965,277,050	1,989,901,000
Business personal property	39,097,290	37,141,270	36,068,670	37,846,300
Less exemptions	(467,462,951)	(458,175,546)	(443,554,387)	(350,200,091)
Total property valuations	<u>\$ 2,372,487,139</u>	<u>\$ 2,319,638,639</u>	<u>\$ 2,185,628,093</u>	<u>\$ 2,087,623,029</u>
Tax rates per \$100 valuation:				
Debt service tax rates	-	-	-	-
Maintenance tax rates	0.1236	0.1236	0.1250	0.1250
Total tax rates	<u>0.1236</u>	<u>0.1236</u>	<u>0.1250</u>	<u>0.1250</u>
Original tax levy	<u>\$ 2,932,394</u>	<u>\$ 2,857,254</u>	<u>\$ 2,732,035</u>	<u>\$ 2,609,529</u>
Percent of taxes collected to taxes levied	<u>99.2%</u>	<u>104.9%</u>	<u>99.3%</u>	<u>99.2%</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				
	2022	2021	2020	2019	2018	2022	2021	2020	2019	2018
Revenues:										
Property taxes	\$ 2,908,263	\$ 2,863,877	\$ 2,709,460	\$ 2,591,990	\$ 2,434,675	98.7 %	99.5 %	98.7 %	97.6 %	98.4 %
Investment earnings	30,784	2,081	30,774	59,399	35,039	1.0	0.1	1.1	2.2	1.4
Penalties and interest	7,797	11,107	4,970	3,570	5,350	0.3	0.4	0.2	0.1	0.2
Total revenues	2,946,844	2,877,065	2,745,204	2,654,959	2,475,064	100	100	100	100	100
Expenditures:										
Administrative	169,706	169,391	164,040	153,318	151,018	5.8	5.9	6.0	5.8	6.1
Audit Fees	7,475	7,375	7,300	7,225	7,165	0.3	0.3	0.3	0.3	0.3
Maintenance and repairs	1,033,264	629,003	681,526	839,276	1,113,417	35.1	21.9	24.8	31.6	45.0
Utilities	68,286	96,569	126,589	112,232	77,571	2.3	3.4	4.6	4.2	3.1
Engineering	21,437	22,320	154,068	5,464	20,776	0.7	0.8	5.6	0.2	0.8
Legal	9,570	9,788	8,935	8,190	10,625	0.3	0.3	0.3	0.3	0.4
Salaries & Wages	6,300	6,450	7,050	6,600	5,550	0.2	0.2	0.3	0.2	0.2
Insurance	6,726	5,301	5,126	5,046	4,526	0.2	0.2	0.2	0.2	0.2
Bank fees	2,577	2,617	2,024	1,568	2,034	0.1	0.1	0.1	0.1	0.1
Mowing and fertilization	42,625	40,324	36,200	30,710	20,500	1.4	1.4	1.3	1.2	0.8
Miscellaneous	3,743	3,630	4,032	3,416	3,995	0.1	0.1	0.1	0.1	0.2
Tax appraisal and collections	17,914	17,044	16,420	16,837	16,184	0.6	0.6	0.6	0.6	0.7
Total expenditures	\$ 1,389,623	\$ 1,009,812	\$ 1,213,310	\$ 1,189,882	\$ 1,433,361	47.2 %	35.1 %	44.2 %	44.8 %	33.4 %
Excess of revenues over expenditures	\$ 1,557,221	\$ 1,867,253	\$ 1,531,894	\$ 1,465,077	\$ 1,041,703	52.8 %	64.9 %	55.8 %	55.2 %	66.6 %

Irving Flood Control District Section III

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

September 30, 2022

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) 9/30/22	Expense Reimbursements 9/30/22	Title at Year End	Resident of District?
Board Members:					
Chris Calvery 8500 Freeport Parkway South Suite 400 Irving, TX 75063	reappointed on January 14, 2021 to a term ending in January 2023	\$ 970	-	President	Yes
William Correa 6221 Riverside Drive Suite 106 Irving, TX 75039	reappointed on March 10, 2022 to a term ending in January 2024	1,385	-	Vice President	Yes
Shrinivas Asanare 1205 Willowdale Ln Irving, TX 75063	appointed on March 10, 2022 to a term ending January 2023	277	-	Director	Yes
Anna Areco 930 Canal St Irving, TX 75063	re-appointed on March 10, 2022 to a term ending in January 2024	1,385	-	Treasurer	Yes
Douglas Stephan 9620 Santa Fe Cir. Irving, TX 75063	re-appointed on January 14, 2021 to a term ending in January 2023	1,523	-	Secretary	Yes

Irving Flood Control District Section III

TSI-8 Board Members, Key Personnel and Consultants (Unaudited) – Continued
 For the Fiscal Year Ended September 30, 2022

Names and Addresses	Terms of Office (Elected or Appointed) or Date Hired	Fees (Cash Basis) 9/30/22	Expense Reimbursements 9/30/22	Title at Year End	Resident of District?
Consultants:					
Dallas County Utility and Reclamation District P.O. Box 140035 Irving, TX 75014-0035	N/A	\$ 470,895	\$ -	General Management Construction Management Investment Officer	N/A
John Ames Dallas County Tax Office 500 Elm Street Dallas, TX 75202	N/A	7,351	-	Tax Collector	N/A
Weaver & Tidwell L.L.P. 2300 N. Field Street Suite 1000 Dallas, TX 75201	N/A	7,475	-	Auditor	N/A
Boyle & Lowry LLP 4201 Wingren Irving, TX 75062	N/A	9,570	-	Attorneys	N/A
Three Box Strategic Communications 7616 LBJ Freeway Dallas, TX 75251	N/A	71,124	-	PR Consultant	N/A
Half & Associates P.O. Box 678316 Dallas, TX 752267	N/A	197,496	-	Engineers	N/A
EGA Construction Services 937 Behrens Court Crowley, TX 76036	N/A	118,936		Construction Contractors	N/A
Humphrey & Morton Construction Co. P. O. Box 8057 Ft Worth, TX 76124	N/A	23,600		Construction Contractors	N/A