



ANNUAL COMPREHENSIVE  
**FINANCIAL**  
**REPORT**



**2023**

Fiscal Year Ending August 31, 2023  
2621 W. Airport Freeway | Irving, TX 75062



**Annual  
Comprehensive Financial  
Report**



**Irving, Texas**

**For the  
Fiscal Year Ended  
August 31, 2023**

Magda Hernandez  
*Superintendent of Schools*

Prepared by  
Irving ISD Business Office  
Fernando Natividad  
*Chief Financial Officer*

Mahdia Lalee  
*Director of Business Operations*



**Irving Independent School District**  
 Comprehensive Annual Financial Report  
 For The Fiscal Year Ended August 31, 2023  
 Table of Contents

	Page	Exhibit
<b>Introductory Section</b>		
Certificate of Board	vi	
Letter of Transmittal	vii	
List of Principal Officials	xiii	
Organizational Chart	xiv	
Government Finance Officers Association:		
Certificate of Achievement for Excellence in Financial Reporting	xv	
Association of School Business Officials International:		
Certificate of Excellence in Financial Reporting	xvi	
<b>Financial Section</b>		
Independent Auditor's Report	3	
Management's Discussion and Analysis	7	
<b>Basic Financial Statements</b>		
<b>Government-Wide Financial Statements:</b>		
Statement of Net Position	21	A-1
Statement of Activities	22	B-1
<b>Governmental Fund Financial Statements:</b>		
Balance Sheet - Governmental Funds	24	C-1
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	27	C-1R
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	28	C-2
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	30	C-3
Statement of Net Position - Proprietary Funds	31	D-1
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds	32	D-2
Statement of Cash Flows - Proprietary Funds	33	D-3
Statement of Fiduciary Net Position	34	E-1
Statement of Changes in Fiduciary Net Position	35	E-2
Notes to the Financial Statements	37	
<b>Required Supplementary Information</b>		
Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual - General Fund	75	G-1
Schedule of Revenues, Expenditures, and Changes in Fund Balance Budget and Actual - Food Service Fund	77	G-2
Schedule of the District's Proportionate Share of the Net Pension Liability of a Cost-Sharing Multiple-Employer Pension Plan - TRS	78	G-3
Schedule of the District's Contributions - TRS	80	G-4
Schedule of the District's Proportionate Share of the Net OPEB Liability of a Cost-Sharing Multiple-Employer OPEB Plan - TRS	82	G-5
Schedule of the District's Contributions to the OPEB Plan - TRS	84	G-6
Notes to the Required Supplementary Information	87	

**Irving Independent School District**  
 Comprehensive Annual Financial Report  
 For The Fiscal Year Ended August 31, 2023  
 Table of Contents – Continued

	Page	Exhibit
<b>Other Supplementary Information</b>		
<b>Combining and Individual Fund Statements and Schedules:</b>		
<b>Nonmajor Governmental Funds:</b>		
Combining Balance Sheet	95	H-1
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	96	H-2
<b>Internal Service Funds:</b>		
Combining Statement of Net Position	98	H-3
Combining Statement of Revenues, Expenses, and Changes in Net Position	100	H-4
Combining Statement of Cash Flows	102	H-5
<b>Fiduciary Funds:</b>		
Combining Statement of Fiduciary Net Position - Custodial Funds	107	H-6
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds	108	H-7
<b>Required T.E.A. Schedules:</b>		
Schedule of Delinquent Taxes Receivable	110	J-1
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Debt Service Fund	112	J-2
Use of Funds Report - Select State Allotment	113	J-4
<b>Statistical Section (Unaudited)</b>		
Net Position by Component	116	S-1
Expenses, Program Revenues, and Net (Expense) Revenue	118	S-2
General Revenues and Changes in Net Position	120	S-3
Fund Balances - Governmental Funds	122	S-4
Governmental Funds Revenues	124	S-5
Governmental Funds Expenditures and Debt Service Ratio	126	S-6
Other Financing Sources and Uses and Net Change in Fund Balances	128	S-7
Appraised Value and Actual Value of Taxable Property	131	S-8
Direct and Overlapping Property Tax Rates	132	S-9
Principal Property Tax Payers	135	S-10
Property Tax Levies and Collections	136	S-11
Outstanding Debt by Type	137	S-12
Direct and Overlapping Governmental Activities Debt	139	S-13
Ratio of Net Bonded Debt to Assessed Value and Per Capita	140	S-14
Demographic and Economic Statistics	141	S-15
Principal Employers	143	S-16
Full-Time Equivalent District Employees by Type	144	S-17
Operating Statistics	147	S-18
Capital Asset Information	148	S-19

**Irving Independent School District**  
 Comprehensive Annual Financial Report  
 For The Fiscal Year Ended August 31, 2023  
 Table of Contents – Continued

	Page	Exhibit
<b>Single Audit Reports</b>		
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	153	
Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance with the Uniform Guidance	155	
Schedule of Expenditures of Federal Awards	158	K-1
Notes to Schedule of Expenditures of Federal Awards	160	
Schedule of Findings and Questioned Costs	161	
Corrective Action Plan	164	
<b>Other Information</b>		
Schedule of Required Responses to Selected School FIRST Indicators (Unaudited)	165	





# Introductory Section

**Certificate of Board**

Irving Independent School District  
Name of School District

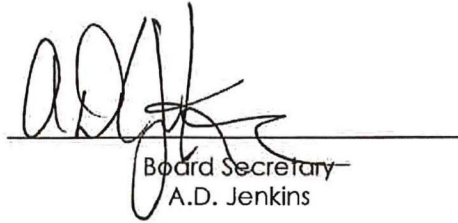
Dallas  
County

057-912  
Co-District Number

We, the undersigned, certify that the attached annual financial reports of the above named school district were reviewed and (check one)  approved  disapproved for the year ended August 31, 2023, at a meeting of the board of school trustees of such school district on the 22<sup>nd</sup> day of January, 2024.



Board President  
Randy Randle



Board Secretary  
A.D. Jenkins

If the board of trustees disapproved of the auditor's report, the reason(s) for disapproving is (are):  
(attach list as necessary).





**FERNANDO NATIVIDAD**  
Chief Financial Officer  
Business Services

**MAGDA HERNANDEZ**  
Superintendent of Schools

January 22, 2024

Citizens of the Irving Independent School District  
and Board of Trustees  
Irving Independent School District  
2621 W. Airport Freeway  
Irving, Texas 75062

Dear Citizens and Board Members:

The Annual Comprehensive Financial Report (ACFR) of Irving Independent School District (the District) for the fiscal year ended August 31, 2023, is submitted herewith. The District's Business Office has prepared this ACFR, assuming full responsibility for the accuracy and completeness of the information contained therein, based upon a comprehensive framework of internal control that has been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

We believe the data is presented in a manner to fairly represent the financial position and results of operations of the District, and that all disclosures necessary to enable the reader to gain the maximum understanding of the District's financial affairs have been included. The ACFR for the year ended August 31, 2023, is prepared in accordance with generally accepted accounting principles (GAAP) and is in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

Weaver and Tidwell, L.L.P. has issued an unmodified ("clean") opinion on the Irving Independent School District's financial statements for the year ended August 31, 2023. The independent auditor's report is located at the front of the Financial Section.

The Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter of transmittal and should be read in conjunction with it.

This report provides valuable information for management as well as other users of the financial statements. The ACFR will be distributed to the Texas Education Agency, financial rating services, and other interested parties. An electronic copy of the ACFR is available on the District's website [www.irvingisd.net](http://www.irvingisd.net).

## Profile of the District

Irving Independent School District is a political subdivision of the State of Texas located in Dallas County. The District, founded in 1909, is in Irving, the 4th largest city in Dallas County. It currently occupies 67.97 square miles and serves over 32,000 students. The District is one of 1,217 school districts and charter schools in the State of Texas. The District's mission is, "We empower today to excel tomorrow."

The District's Board of Trustees (the Board), a seven-member group, has governance responsibilities over all activities related to public elementary and secondary education within the jurisdiction of the District. Since members of the Board are elected by the public and have the authority to make decisions, significantly influence operations, appoint administrators and managers, and have the primary accountability for fiscal matters, the District is not included in any other governmental "reporting entity" as defined in GASB Statement No.14 and as amended by GASB Statement 39. Also, there are no component units for which the District or the Board are financially accountable.

The District provides a comprehensive curriculum of educational services appropriate for students enrolled in pre-kindergarten through Grade 12. Instructional offerings include a strong core curriculum in language arts, mathematics, science, social studies, performing arts, compensatory education, bilingual and limited English proficient education, gifted and talented education for grades 2-12, career and technological education, special education, athletics, and Junior Reserve Officers' Training Corps (JROTC) programs. The District's special programs include a regional school for the deaf, early childhood schools for three and four-year-old students who are limited English proficient and/or economically disadvantaged, an extensive elementary health/safety instruction, and an array of elective courses at the secondary level.

The Board of Trustees and District Administration employ financial management efforts to ensure the District maintains its sound fiscal condition. The latest bond rating by Standard and Poor's was AA+, the second highest bond rating available. Furthermore, no other District in Texas was awarded a higher bond rating. Finally, property values in the District and North Texas continue to increase.

The District measures, monitors, and reports the budget and financial condition to the Finance Committee on a monthly basis. In addition, budget development requires all stakeholders to align the needs of each department's goals and priorities with available resources. During the budget development process, departments summarize their major programs within the budget and measurable goals of the programs. The Superintendent's Cabinet assesses the budget needs and recommends a budget to the Board of Trustees.

Student enrollment is a major factor in the District's current and future financial plan. Enrollment for the 2021-2022 school year, enrollment was 32,378 students. During the 2022-2023 school year, enrollment has decreased to 31,767 students or a decline of 611 students.

The District's facilities include three early childhood schools (PK), twenty elementary schools (K-5), eight middle schools (6-8), three high schools (9-12), a high school academy (9-12), a career preparatory center (9-12), a reassignment center (9-12), and two collegiate academy centers. All campuses are air-conditioned facilities complete with cafeterias, library/media centers and gymnasiums. In addition, the District owns and operates facilities, which include an administration building and an annex, a facilities service center, a safety and security department, a food and nutrition center, a career development center, and an athletic stadium. The age of the District's campuses range from 76 years (Britain Elementary and Bowie Middle School) to 12 years (Lady Bird Johnson Middle School).

The District provides students access to a variety of application-oriented computer labs, mobile multimedia stations, and an automated library circulation and research system. Campus libraries are designed to reflect the goal of being the center of learning by providing ample research materials and integrating all segments of learning in innovative ways. The District's librarians and classroom teachers work together so that information and lessons determined by curriculum needs include hands-on experience and reinforcement through library research and classroom assignments.

The Board is required to adopt a final budget not later than the close of the fiscal year. This annual budget serves as the foundation of the District's financial planning and control. The budget is prepared by fund and function for expenditures, and by fund and object for revenues. If any change in the approved budget is required, requests are presented to the Board for consideration.

## **Economic Condition and Outlook**

### ***Local Economy***

The City of Irving, Texas, is conveniently located between Dallas and Fort Worth and just minutes away from the Dallas/Fort Worth (DFW) International Airport – one of the country's busiest airports. Irving's commitment to providing diverse, business-friendly, economic opportunities has made it the destination for the global headquarters for ten Fortune 500 and four Fortune 1000 companies and the site of more than 100 international companies currently operating throughout the city.

The state's strong economy combined with Irving's numerous economic strengths are the economic drivers to attract national and international companies and commercial and retail development. This has led to several high-profile projects in various stages of completion including Water Street, a mixed-use complex bringing more than 60,000 square feet of shops and restaurants and hundreds of apartments to a lakeside site in the Las Colinas Urban Center, and Toyota Music Factory, a state-of-the-art, destination venue that converts from a 2,500 - seat capacity intimate theater, to a 4,000 – seat capacity indoor theater.

Irving offers a vibrant urban community for new economic development and high-wage jobs and a stable economic setting for some of the most respected and recognized companies in the world including Verizon, Citi Bank, and Microsoft.

### ***Long-term Financial Planning***

The District's unassigned fund balance for the General Fund is approximately 25% of the operating expenditures, or about three months of expenditures. The Board adopted financial policy CE(LOCAL)-X to strive to maintain a minimum general operating fund balance equal to the sum of at least three months (i.e., 25 percent) of total budgeted general fund operating expenditures. For the last thirteen years, the fund balance for the General Fund has consistently been above the 25% goal of Fund Balance to Actual Expenditures.

Much of the District's planning effort is focused on the District's Improvement Plan. The plan demonstrates the commitment to increase student achievement for all students. Campus Improvement Plans, which work in concert with the District's plan, address specific needs of students at individual campuses. The District and Campus Improvement Plans include annual goals for improving student achievement and objective evaluation criteria for measuring success.

The Department of Performance Outcomes & Data begins the budget development planning cycle with the release of the projected student enrollment for the following fall in December. Staffing charts are updated, and campus staff is adjusted by Human Resources to accommodate the changes in student enrollment. The CFO's Office develops a forecast document that compares the prior year's actual expenditures to the current year budget and projects the financial position of the District for the next three years. The parameters for this forecast model are developed early in the budget cycle by the Administration and provided to and discussed with the Finance Committee which is made up of three members of the Board of Trustees, the Chief Financial Officer and three members of the Finance department. Financial calculations such as taxable assessed value growth, optional homestead exemption, employee raises, fund balance levels, and state funding assumptions are determined early in the budget cycle in preparation for accurate budget estimates necessary for budget compilation. This allows the District several months of planning for developing budgets for district-wide staffing, and non-payroll campus and department needs, before the first budget draft is presented to the Board of Trustees in June, with the final adoption of the budget by August 31st each year.

### ***Financial Policies***

The Annual Comprehensive Financial Report for the year ended August 31, 2023, is prepared in accordance with GAAP and in conformance with standards of financial reporting established by GASB using guidelines recommended by the GFOA. This report covers all funds of the District. Presented funds are organized into three types dictated by the nature of the activities involved:

#### Governmental Funds:

- General Fund
- Food Service Fund
- Debt Service Fund
- Capital Projects Fund
- Non-Major Funds

#### Proprietary Funds:

- Internal Service Funds

#### Fiduciary Funds:

- Custodial Funds

### *Single Audit*

As a recipient of Federal financial assistance, the District is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to federal programs, and is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, as amended in 1996 and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). As a part of the District's single audit, tests are made to determine the adequacy of internal controls, including that portion related to Federal financial assistance programs, as well as to determine the District's compliance with applicable laws and regulations. The results of the District's single audit for the fiscal year ended August 31, 2023, provided no conditions that would be considered a material weakness in relation to a Federal financial assistance program, and no material instances of non-compliance with applicable laws and regulations were noted. Information related to this single audit, including the schedule of expenditure of federal awards, findings and recommendations, and independent auditor's reports on internal controls and compliance with applicable laws and regulations, is included in this report.

### *Budgetary Controls*

The District maintains budgetary controls to ensure compliance with the legal provisions of the Texas Education Code, as well as to provide management with an instrument for planning and controlling operations. Annual budgets are legally adopted for the General Fund, Food Service Special Revenue Fund, and the Debt Service Fund at the functional level within each fund. The remaining Special Revenue Funds and the Capital Projects Fund adopt project length budgets. The District maintains an encumbrance accounting system as a method of ascertaining the availability of funds. The encumbrance accounting method provides for recording commitments in the budgetary control accounts. Appropriations are encumbered at the time purchase orders are issued or contracts awarded. Appropriations lapse at fiscal year-end, and encumbrances outstanding at that time are generally re-appropriated in the subsequent year's budget.

### *Internal Controls*

An internal control structure that has been designed, managed and maintained by the District is in place to ensure that the District's assets are protected from loss, theft and misuse, and to ensure that accurate accounting data is compiled in the preparation of financial statements in conformity with GAAP. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met.

### *Independent Audit*

State law and District policy require an annual audit by independent certified public accountants. Weaver and Tidwell, L.L.P. was selected to fulfill this requirement. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirement of the Single Audit Act of 1984, as amended in 1996, and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). The independent auditor's report on the basic financial statements is included in the financial section of this report.

## **Awards**

The Association of School Business Officials awarded the Certificate of Excellence in Financial Reporting, and the Government Finance Officers Association awarded the Certificate of Achievement for Excellence in Financial Reporting, to the District for its annual comprehensive financial report for the fiscal year ended August 31, 2022. To be awarded these certificates, the District must publish an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States of America and applicable legal requirements. This is the thirty-first consecutive year that the district has prepared this report and won these prestigious awards.

These certificates are valid for a period of one year only. We believe that our dedication toward the current comprehensive annual financial report continues to meet the programs' requirements; therefore, we are preparing submissions to ASBO and GFOA, so the organizations can evaluate their eligibility for the fiscal year 2023 certificates.

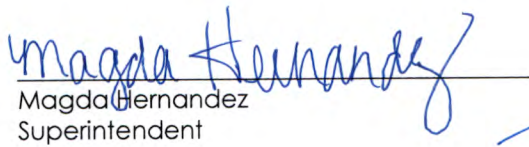
The District received a Superior rating for the 2022 School's Financial Integrity Rating System of Texas (FIRST). For the previous twenty-one years, the District earned a Superior Achievement (or Perfect) rating from the School's FIRST. The superior and perfect ratings confirm the District's excellence in managing and reporting taxpayer dollars.

### Acknowledgements

The preparation of this report on a timely basis could not be accomplished without the efficient and dedicated services of the entire staff of the Business Services Department. We would like to express our appreciation to all members of the department who assisted and contributed to its preparation.

We also wish to thank the Board of Trustees for their continued leadership and support, and for planning and conducting the financial operations of the District in a responsible and progressive manner.

Sincerely,

  
Magda Hernandez  
Superintendent

  
Fernando Natividad  
Chief Financial Officer



# LIST OF PRINCIPAL OFFICIALS

## BOARD OF TRUSTEES

<u>Name</u>	<u>Length of Service</u>	<u>Term Expires</u>	<u>Occupation</u>
Randy Randle, President	11 years	2025	Business Owner
Dr. Rosemary Robbins, Vice President	4 years	2026	Educator
A.D. Jenkins, Secretary	11 years	2025	Software Engineer
Lisa Lobb, Member	2 years	2025	Educator
Mary Richarte, Member	2 years	2024	Community leader
Michael Kelley, Member	4 years	2026	Realtor
Nuzhat Hye, Member	5 years	2024	Educator

---

## ADMINISTRATIVE OFFICIALS

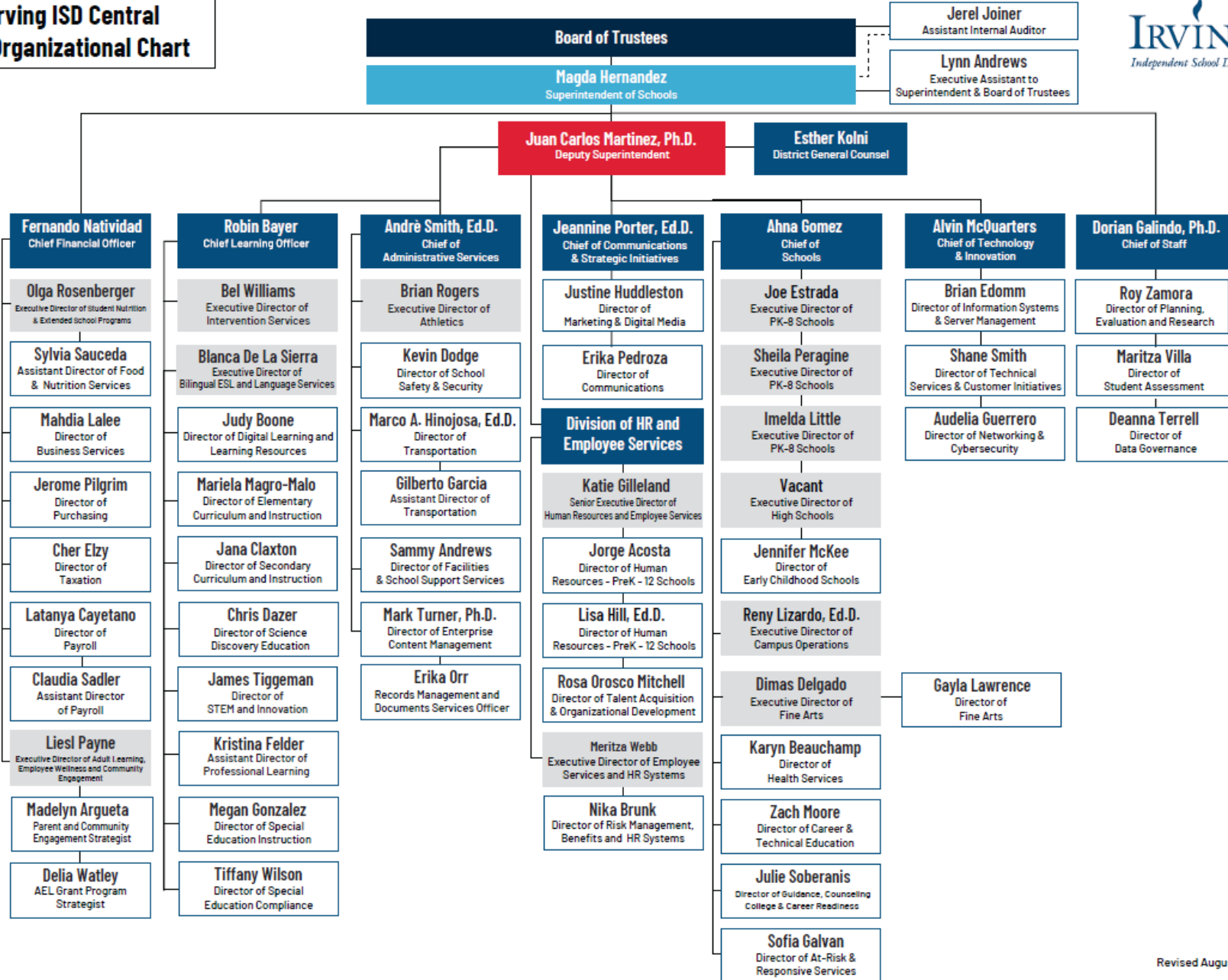
<u>Name</u>	<u>Position</u>	<u>Length of Service</u>
Magda Hernandez	Superintendent	5 years
Juan Carlos Martinez, Ed.D	Deputy Superintendent	4 years
Fernando Natividad	Chief Financial Officer	3 years
Esther Kolni	District General Counsel	3 years

---

## CONSULTANTS AND ADVISORS

Weaver and Tidwell, L.L.P. Dallas, Texas	Independent Auditors
Bracewell & Giuliani, L.L.P. Dallas, Texas	Bond Counsel
RBC Capital Markets Dallas, Texas	Financial Advisor
Brackett & Ellis, P.C. Irving, Texas	Board Legal Counsel
JPMorgan Chase Bank Irving, Texas	Official Depository

# Irving ISD Central Organizational Chart



Revised August 2023



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Irving Independent School District  
Texas**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

August 31, 2022

*Christopher P. Morill*

Executive Director/CEO



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

The Certificate of Excellence in Financial Reporting  
is presented to

## Irving Independent School District

for its Annual Comprehensive Financial Report  
for the Fiscal Year Ended August 31, 2022.

The district report meets the criteria established for  
ASBO International's Certificate of Excellence in Financial Reporting.



A handwritten signature in black ink, reading 'John W. Hutchison'. The signature is written in a cursive style.

John W. Hutchison  
CAE

President

A handwritten signature in black ink, reading 'Siobhán McMahon'. The signature is written in a cursive style.

Siobhán McMahon,

Chief Operations Officer/  
Interim Executive Director

# Financial Section





## Independent Auditor's Report

To the Members of the Board of Trustees  
Irving Independent School District  
Irving, Texas

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Irving Independent School District (the District), as of and for the year ended August 31, 2023, 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, each major fund, and the aggregate remaining fund information of the District, as of August 31, 2023, and the respective changes in financial position and, where applicable, cash flows thereof 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.

#### *Emphasis of Matter*

As discussed in Note 1 to the basic financial statements, during the year ended August 31, 2023, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription Based Information-Technology (IT) Arrangements*. Our opinions are not modified with respect to this matter.

#### *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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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 the required supplementary information, as listed in the table of contents, 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 GAAS, 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.



Members of the Board of Trustees  
Irving Independent School District

***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 other supplementary information, as listed in the table of contents, and the schedule of expenditures of federal awards, as required by Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

***Other Information Included in the Annual Comprehensive Financial Report (ACFR)***

Management is responsible for the other information included in the ACFR. The other information comprises the introductory section, statistical section and schedule of required responses to selected school FIRST indicators but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 18, 2024 on our consideration of the District’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District’s internal control over financial reporting and compliance.

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

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas  
January 18, 2024



## Management's Discussion And Analysis

As management of the Irving Independent School District (the "District"), we offer readers of the District's basic financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended August 31, 2023. We encourage readers to consider the information presented here in conjunction with the District's financial statements and in conjunction with additional information that we have furnished in our letter of transmittal.

### Financial Highlights

- General revenues accounted for \$373,359,104, or 77%, of all fiscal year 2023 revenues. Program-specific revenues in the form of charges for services and grants and contributions accounted for \$109,406,264, or 23%, of total fiscal year 2023 revenues.
- The District had \$426,739,769 in expenses related to governmental activities, of which \$109,406,264 was offset by program-specific charges for services or grants and contributions. General revenues of \$373,359,104 were adequate to provide for the remaining costs of these programs, resulting in a \$56,025,599 increase in net position.
- Among major funds, the General Fund had \$335,630,535 in revenues which primarily consisted of state aid and property taxes, and \$324,816,780 in expenditures. The General Fund's fund balance increased \$15,684,384 from \$98,220,167 as of August 31, 2022 to \$113,904,551 as of August 31, 2023.

### Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements and required supplementary information. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances in a manner similar to a private-sector business. These statements include the statement of net position and the statement of activities. These provide information about the activities of the District as a whole and present a longer-term view of the District's property and debt obligations and other financial matters.

The statement of net position presents information on all of the District's assets, deferred inflows/outflows of resources, liabilities and net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unpaid salary).

The government-wide financial statements outline functions of the District that are principally supported by property taxes and intergovernmental revenues (governmental activities). The governmental activities of the District include instruction, support services, operation and maintenance of plant, student transportation, and operation of non-instructional services.

**Fund financial statements.** The *fund financial statements* report the District's operations in more detail than the government-wide statements by providing information about the District's major funds, as opposed to the District as a whole as presented in the government-wide financial statements. The District's major funds are the general fund, food service fund, debt service fund, and capital projects fund. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

For governmental activities, these statements tell how services were financed in the short term as well as what resources remain for future spending. They reflect the flow of current financial resources and supply the basis for tax levies and the appropriations budget.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

For proprietary activities, fund financial statements tell how goods or services of the District were sold to departments within the District and how the sales revenues covered the expenses of the goods or services. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information.

Lastly, the fiduciary statements provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside of the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs.

**Notes to the basic financial statements.** The notes provide narrative explanations or additional data needed for full disclosure in the government-wide statements or the fund financial statements.

**Other information.** The combining and individual fund statements contain even more information about the District's individual funds. The section labeled Required T.E.A. Schedules contains data used by monitoring or regulatory agencies, such as TEA, for assurance that the District is using funds supplied in compliance with the terms of grants.

The combining and individual fund statements referred to earlier are presented immediately following the general fund and food service fund budgetary comparison.

### **Government-Wide Financial Analysis**

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, the District's overall assets and deferred outflows of resources exceeded the liabilities and deferred inflows of resources by \$103,663,621 as of August 31, 2023.

A portion of the District's net position represents resources subject to external restrictions on how they may be used. As of August 31, 2023, the District's restricted net position for federal and state programs was \$17,117,066 and restricted net position for future debt service payments was \$11,089,055. Unrestricted net position can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements. As of August 31, 2023, unrestricted net position showed a \$125,744,652 deficit at the end of the year.

Net investment in capital assets was \$201,202,152. The District uses capital assets to provide services; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

The following table presents a summary of the District's net position for the fiscal years ended August 31, 2023 and 2022.

	<b>Governmental Activities</b>			
	<b>2023</b>	<b>2022</b>	<b>Increase (Decrease)</b>	<b>Percentage Change</b>
Current and other assets	\$ 545,586,718	\$ 176,271,236	\$ 369,315,482	210%
Capital assets (net)	480,455,557	481,717,155	(1,261,598)	0%
<b>Total assets</b>	<b>1,026,042,275</b>	<b>657,988,391</b>	<b>368,053,884</b>	<b>56%</b>
Deferred outflows	96,821,794	79,853,638	16,968,156	21%
Current liabilities	75,443,381	71,287,863	4,155,518	6%
Long-term liabilities	822,209,807	472,425,664	349,784,143	74%
<b>Total liabilities</b>	<b>897,653,188</b>	<b>543,713,527</b>	<b>353,939,661</b>	<b>65%</b>
Deferred inflows	121,547,260	146,490,480	(24,943,220)	-17%
Net investment in capital assets	201,202,152	162,764,128	38,438,024	24%
Restricted	28,206,121	22,874,463	5,331,658	23%
Unrestricted	(125,744,652)	(138,000,569)	12,255,917	-9%
<b>Total net position</b>	<b>\$ 103,663,621</b>	<b>\$ 47,638,022</b>	<b>\$ 56,025,599</b>	<b>118%</b>

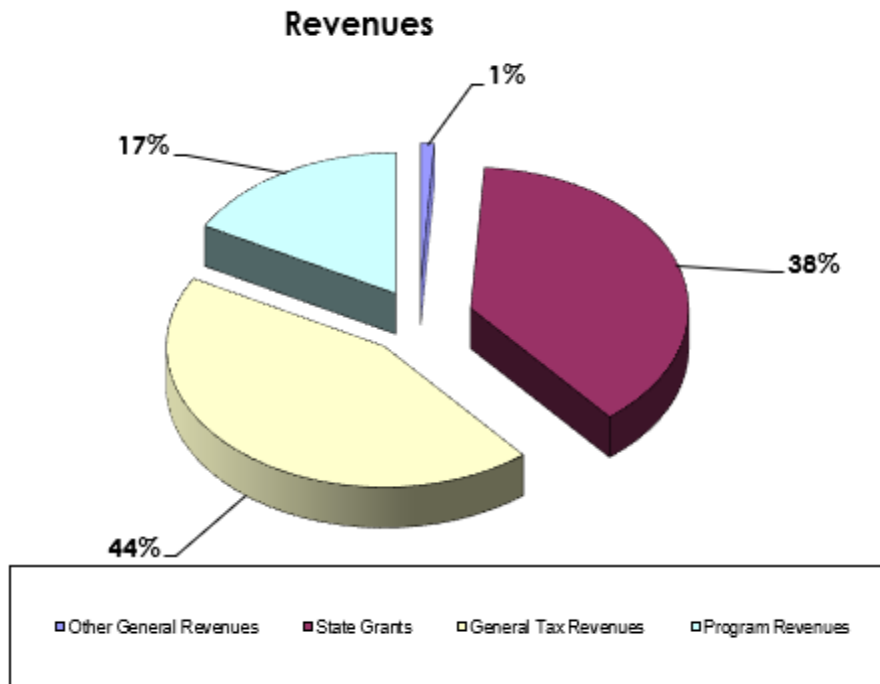
The following are significant current-year transactions that have had an impact on the statement of net position:

- Current and other assets increased by \$369.3 million, or 210%, from the prior year. The District issued \$350.6 million in unlimited tax school building bonds. The proceeds are held in the District's capital projects investment pool.
- Capital assets decreased \$1.3 million, or less than 1%, which was due to depreciation exceeding cost of new assets acquired combined with the implementation of GASB 96.
- Deferred outflows of resources increased by \$17.0 million, or 21%, due to an increase in deferred outflows for pension of \$17 million.
- Deferred inflows of resources decreased \$24.9 million, or 17%, due to a decrease in deferred inflows for pensions of \$52.4 million and an increase in deferred inflows for OPEB of \$27.5 million.
- Long-term liabilities increased \$349.8 million, or 74% from the prior year. Outstanding bonds increased by \$310.6 million due to the issuance of Series 2023 unlimited tax school building bonds.

The District's total revenues for the fiscal year ended August 31, 2023 were \$482,765,368. The total cost of all programs and services was \$426,739,769. The following table presents a summary of the changes in net position for the fiscal years ended August 31, 2023 and 2022.

	<b>Governmental Activities</b>			
	<b>2023</b>	<b>2022</b>	<b>Increase (Decrease)</b>	<b>Percentage Change</b>
Revenues:				
Program revenues:				
Charges for services	\$ 2,724,522	\$ 2,218,812	\$ 505,710	23%
Operating grants and contributions	106,681,742	76,495,151	30,186,591	39%
General revenues:				
Maintenance and operations taxes	172,281,036	151,607,384	20,673,652	14%
Debt service taxes	45,544,234	43,505,087	2,039,147	5%
State grants	142,547,350	167,880,473	(25,333,123)	-15%
Investment earnings	9,209,586	966,403	8,243,183	853%
Miscellaneous	3,776,898	1,662,741	2,114,157	127%
Total revenues	<u>482,765,368</u>	<u>444,336,051</u>	<u>38,429,317</u>	<u>9%</u>
Expenses:				
Instruction, curriculum, and media services	248,514,173	239,276,888	9,237,285	4%
Instructional and school leadership	32,947,103	29,844,412	3,102,691	10%
Student support services, child nutrition and co-curricular activities	65,413,369	64,676,687	736,682	1%
General administration	18,706,548	11,845,009	6,861,539	58%
Plant maintenance, security, and data processing	44,622,561	54,817,642	(10,195,081)	-19%
Community services	3,361,656	3,216,080	145,576	5%
Interest and fiscal charges	11,352,451	11,098,813	253,638	2%
Other facility costs	1,177,950	1,186,808	(8,858)	-1%
Intergovernmental charges	643,958	626,635	17,323	3%
Total expenses	<u>426,739,769</u>	<u>416,588,974</u>	<u>10,150,795</u>	<u>2%</u>
Increase (decrease) in net position	<u>56,025,599</u>	<u>27,747,077</u>	<u>28,278,522</u>	<u>102%</u>
Change in net position	56,025,599	27,747,077	28,278,522	102%
Net position - beginning	<u>47,638,022</u>	<u>19,890,945</u>	<u>47,638,022</u>	<u>239%</u>
<b>Ending net position</b>	<u><u>\$ 103,663,621</u></u>	<u><u>\$ 47,638,022</u></u>	<u><u>\$ 75,916,544</u></u>	<u><u>159%</u></u>

The District's reliance upon tax revenues is demonstrated by the graph below, which indicates that 44% of total revenues for governmental activities come from local taxes.



The District's total revenue this year was \$482,765,368, up \$38,429,317 from the prior year. The increase in revenues was due to the following events:

- Program revenue for operating grants and contributions increased \$30.2 million or 39% from the prior year. The increase is due to the District's increase spending from the ESSER federal grants awarded.
- General revenue, which includes M&O and Debt Service taxes, state grants, investment earnings, and miscellaneous revenues had a net increase of \$7.7 million from prior year.

The cost of all governmental activities this year was \$426,739,769. However, as shown in the statement of activities, the amount that our taxpayers ultimately financed for these activities through district taxes was \$161,799,671 because some of the costs were paid by those who directly benefited from the programs (\$2,724,522), by other governments and organizations that subsidized certain programs with grants and contributions (\$106,681,742), or by state aid (\$142,547,350), investment income (\$9,209,586), and other miscellaneous income (\$3,776,898).

The following table presents the total cost of the District’s major functional activities and the net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs):

	<b>Total Expenses</b>	<b>Net Expenses</b>
Instruction, curriculum, and media services	\$ 248,514,173	\$ 200,680,589
Instructional and school leadership	32,947,103	28,625,476
Student support services, child nutrition and co-curricular activities	65,413,369	31,404,779
General administration	18,706,548	9,884,419
Plant maintenance, security, and data processing	45,800,511	33,822,672
Community services	3,361,656	950,328
Interest and fiscal charges	11,352,451	11,352,451
Intergovernmental charges	643,958	612,791
<b>Total expenses</b>	<b>\$ 426,739,769</b>	<b>\$ 317,333,505</b>

**The District's Funds**

As the District completed the year, its governmental funds reported a combined fund balance of \$499,189,203 which is an increase of \$366,890,197 from the prior year.

The schedule below indicates the fund balance by fund type as of August 31, 2023 and August 31, 2022.

	<b>Fund Balance August 31, 2023</b>	<b>Fund Balance August 31, 2022</b>	<b>Change in Fund Balance</b>
General fund	\$ 113,904,551	\$ 98,220,167	\$ 15,684,384
Food service	17,063,200	12,852,515	4,210,685
Debt service	11,321,661	9,730,167	1,591,494
Capital projects	356,854,709	11,683,215	345,171,494
Nonmajor funds	45,082	(187,058)	232,140
<b>Total</b>	<b>\$ 499,189,203</b>	<b>\$ 132,299,006</b>	<b>\$ 366,890,197</b>

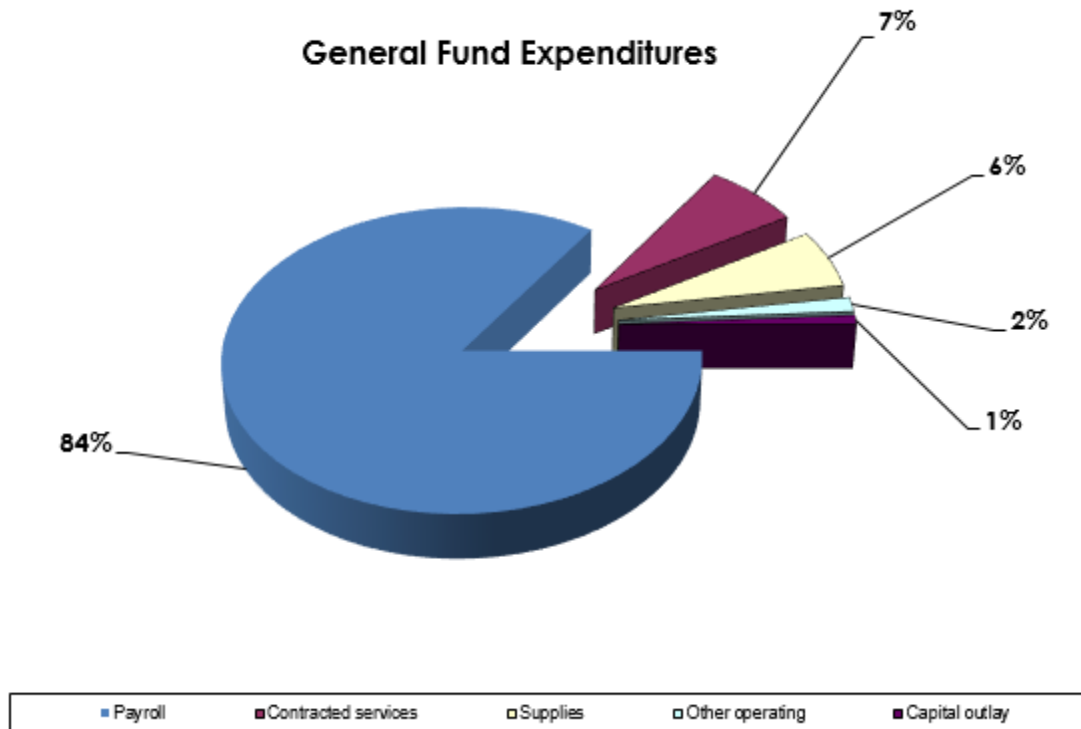
General Fund

The fund balance of the General Fund increased \$15,684,384 from the prior year. The following factors contributed to the increase:

- A total decrease in instruction expenditures by \$9.1 million attributed to payroll expenditures.
- A total decrease in data processing service expenditures by \$4.5 million attributed to decreased spending of supplies for students and staff from the general fund.
- Property tax revenue increased \$18 million due to higher property valuation, which along with a decrease in attendance, led to the decrease in state aid revenue in the current year.
- Overall, these expenditure decreases combined with revenue remaining stable, led to the fund balance increasing compared to the prior year.



The District is a service entity; therefore, the largest portions of the General Fund expenditures are related to payroll and contracted services such as utilities, as illustrated below.



Food Service Fund

The fund balance of the Food Service Fund increased \$4,210,685 from the prior year. Prior year, the District's Food Service was impacted by COVID-19 and distance learning resulting in less meals served but in 2022-2023 operations resumed to pre-COVID-19 times.

Debt Service Fund

The Debt Service fund balance increased \$1,591,494. State revenue in the 2022-2023 fiscal year increased by \$0.6 million and property tax revenue increased by \$2.0 million which is largely attributed to an increase in the current year levy and property valuation.

Capital Projects Fund

The Capital Projects fund balance increased \$345,171,494 from the prior year. In 2022-2023, the District issued \$350.6 million in unlimited tax school building bonds.

## Budgetary Highlights

Over the course of the year, budget amendments are necessary to realign funds, which will increase and/or decrease various function levels and object series within the budget. All necessary budget amendments, which change the function level for appropriations and object series for revenues, are formally approved by the School Board and recorded in the board minutes each month.

The difference between the original budget and the final amended budget were necessary amendments for changes in situations and estimates. Expenditures had budget amendments increasing the appropriation budget by \$11,823,981. Revenues had budget amendment increasing revenue budget by \$1,210,011. The major components of these changes are reflected on Exhibit G-1 and the key factors for the changes can be summarized below.

The following factors contributed to the increase in the expenditures budget:

- Function 51 for plant maintenance and operations was approved to be amended by \$4 million to accommodate greater expenditures that were anticipated in the original budget.
- Function 81 for facilities acquisition and construction was approved to be amended by \$5.5 million.
- There was a \$1,210,011 increase to the final amended budget compared to the original budget for general fund local revenue and other sources. The increase was for campus activity funds to accommodate campus activities as they raise funds throughout the year.

### Final Budget Compared to Actual Results:

As of August 31, 2023, actual revenue exceeded the final estimated revenues by \$1.1 million and final appropriations exceeded actual expenditures by \$27 million. The most significant variances are summarized below:

- Tax collections increased by \$5 million whereas state program revenue and federal program revenue decreased by \$4.2 million resulting in a net increase of revenues of \$1.1 million.
- Expenditures' budget exceeded actual expenditures by \$21.3 million due to varied circumstances of the District. These can be attributed to unfilled positions, unspent funds within departmental/campus budget or incomplete projects by August 31, 2023 that resulted in budget rolling forward into the next year.

## Capital Assets and Debt Administration

### Capital Assets

As of August 31, 2023, the District had invested \$480,455,557 in capital assets, net of accumulated depreciation and amortization of \$515,402,824, including land and improvements, facilities, and equipment for instruction, transportation, athletics, administration, and maintenance. This amount represents a net decrease in capitalized cost of \$1,261,598 from last year. The total depreciation and amortization expense for the year was \$19,977,416. The following schedule presents capital asset balances net of depreciation for the fiscal year ended August 31, 2023:

Land and improvements	\$	25,519,322
Furniture and equipment		23,384,930
Right-to-use leased assets		390,098
SBITA Assets		5,189,661
Buildings and improvements		421,377,387
Construction in progress		4,594,159
<b>Total</b>	<b>\$</b>	<b>480,455,557</b>

More detailed information about the District's capital assets is presented in Note 5 in the financial statements.

### Debt

As of August 31, 2023, the District had \$653,916,996 in general obligation bonds payable, including accreted interest, with \$32,845,000 due within one year. The District continues to have favorable general obligation bond ratings indicated by Aa2 and AA+ ratings from Moody's Investors Service and Standard & Poor's Ratings Group, respectively.

Additional information on the District's long-term debt can be found in Note 8 in the financial statements.

Additional information on the District's Pension and OPEB liabilities can be found in Note 6 and 7, respectively, to the financial statements as indicated in the table of contents of this report.

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

The District's elected and appointed officials considered many factors when preparing the 2023-2024 budget and setting the 2023 tax rates. For the tenth year, property values increased. The certified tax roll reflected values of \$20,003,908,010 which is a 4.7% increase in value compared to the prior fiscal year.

The Board approved a decreased total tax rate of \$1.0281 for the 2023 tax year. The Maintenance and Operations tax rate decreased by \$.1777 from \$0.9056 to \$0.7279; the interest and sinking rate increased by .0584 from \$.2418 to \$.3002. As the result of the decrease to the tax roll, it is anticipated that local property tax collections will decrease by 4% for maintenance and operations.

As of August 31, 2023, the fund balance for the general fund increased by \$15.7 million to \$113,904,551.

- The non-spendable fund balance increased by \$59,959 to \$984,882.
- The unassigned fund balance decreased by \$174,148 to \$81,545,206.
- The assigned fund balance increased by \$15.8 million to \$31,374,463.

### **Contacting the District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Questions concerning any of the information provided in this report, or requests for additional information, should be addressed to the Director of Business Operations, Irving Independent School District, P.O. Box 152637, Irving, Texas, 75015-2637.



# Basic Financial Statements



# **Government-Wide Financial Statements**





Irving Independent School District  
Statement of Net Position  
August 31, 2023

Exhibit A-1

DATA CONTROL CODES		1 GOVERNMENTAL ACTIVITIES
<b>ASSETS</b>		
1110	Cash and cash equivalents	\$ 493,412,292
1120	Investments	27,569,098
1220	Delinquent taxes receivable - net of estimated uncollectible taxes	5,172,211
1240	Due from other governments	17,934,658
1250	Accrued interest	20,070
1290	Other receivables	167,015
1300	Inventories	1,139,553
1490	Other assets	171,821
	Capital Assets	
1510	Land	20,073,841
1515	Land improvements	25,395,073
1520	Buildings and improvements	772,496,276
1530	Furniture and equipment	165,728,418
1550	Right-to-use lease assets	588,479
1553	SBITA assets	6,982,135
1580	Construction in progress	4,594,159
1570	Accumulated depreciation and amortization	(515,402,824)
1000	Total assets	1,026,042,275
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
1701	Deferred charges on refunding	15,940,188
1705	Deferred outflows of resources - pension	57,652,530
1706	Deferred outflows of resources - OPEB	23,229,076
1700	Total deferred outflows of resources	96,821,794
<b>LIABILITIES</b>		
2110	Accounts payable and claims liabilities	3,187,854
2150	Payroll deductions and withholdings	2,758,957
2160	Accrued wages payable	16,788,148
2140	Interest payable	1,336,572
2180	Due to other governments	14,870,426
2300	Unearned revenue	834,892
	Noncurrent liabilities:	
2501	Due within one year	35,666,532
	Due in more than one year	
2502	Bonds payable, claims, leases, SBITAs, etc.	623,594,354
2540	Net pension liability	133,651,888
2545	Net OPEB liability	64,963,565
2000	Total liabilities	897,653,188
<b>DEFERRED INFLOWS OF RESOURCES</b>		
2605	Deferred inflows of resources - pension	15,596,351
2606	Deferred inflows of resources - OPEB	105,950,909
2600	Total deferred inflows of resources	121,547,260
<b>NET POSITION</b>		
3200	Net investment in capital assets	201,202,152
3820	Restricted for federal and state programs	17,117,066
3850	Restricted for debt service	11,089,055
3900	Unrestricted	(125,744,652)
3000	<b>TOTAL NET POSITION</b>	<b>\$ 103,663,621</b>

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

Irving Independent School District  
Statement of Activities  
For the Year Ended August 31, 2023

Exhibit B-1

DATA CONTROL CODES	FUNCTIONS/PROGRAMS	1	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
			2	3	6
		EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES
	<b>GOVERNMENTAL ACTIVITIES</b>				
11	Instruction	\$ 232,424,178	\$ 470,032	\$ 41,059,907	\$ (190,894,239)
12	Instructional resources and media services	5,802,594	-	265,694	(5,536,900)
13	Curriculum development and instructional staff development	10,287,401	-	6,037,951	(4,249,450)
21	Instructional leadership	10,224,061	-	2,257,673	(7,966,388)
23	School leadership	22,723,042	-	2,063,954	(20,659,088)
31	Guidance, counseling, and evaluation services	18,107,767	-	2,534,579	(15,573,188)
32	Social work services	1,376,187	-	228,850	(1,147,337)
33	Health services	4,108,747	-	964,439	(3,144,308)
34	Student (pupil) transportation	9,128,996	-	1,950,505	(7,178,491)
35	Food services	25,656,414	1,119,745	25,802,523	1,265,854
36	Co-curricular/extracurricular activities	7,035,258	1,095,626	312,323	(5,627,309)
41	General administration	18,706,548	-	8,822,129	(9,884,419)
51	Plant maintenance and operations	31,634,395	39,119	6,769,427	(24,825,849)
52	Security and monitoring services	5,918,483	-	1,974,762	(3,943,721)
53	Data processing services	7,069,683	-	3,194,531	(3,875,152)
61	Community services	3,361,656	-	2,411,328	(950,328)
72	Debt service - Interest and fiscal charges	11,352,451	-	-	(11,352,451)
81	Other facility costs	1,177,950	-	-	(1,177,950)
95	Payments to juvenile justice alternative education program	7,236	-	350	(6,886)
99	Other intergovernmental charges	636,722	-	30,817	(605,905)
	<b>TOTAL PRIMARY GOVERNMENT</b>	<b>\$ 426,739,769</b>	<b>\$ 2,724,522</b>	<b>\$ 106,681,742</b>	<b>\$ (317,333,505)</b>

DATA CONTROL CODES		
	General revenues	
	Taxes	
MT	M & O property taxes	\$ 172,281,036
DT	Debt service property taxes	45,544,234
SF	State aid - Not restricted to specific programs	142,547,350
IE	Investment income	9,209,586
MI	Miscellaneous	3,776,898
	<b>Total general revenues</b>	<b>373,359,104</b>
CN	Change in net position	56,025,599
NB	Net position - beginning	47,638,022
NE	<b>NET POSITION - ENDING</b>	<b>\$ 103,663,621</b>

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

# **Governmental Fund Financial Statements**

Irving Independent School District  
Balance Sheet  
Governmental Funds  
August 31, 2023

DATA CONTROL CODES		MAJOR	
		GENERAL	FOOD SERVICE
	<b>ASSETS</b>		
	Current assets		
1110	Cash and cash equivalents	\$ 104,422,781	\$ 15,071,876
1120	Investments	27,569,098	-
	Receivables		
1220	Property taxes - delinquent	5,990,141	-
1230	Allowance for uncollectible taxes	(1,921,896)	-
1240	Due from other governments	1,761,145	1,878,955
1250	Accrued interest	20,070	-
1260	Due from other funds	14,443,657	-
1290	Other receivables	40,221	-
1300	Inventories, at cost	813,061	119,202
1410	Prepaid items	171,821	-
1000	<b>TOTAL ASSETS</b>	<b>\$ 153,310,099</b>	<b>\$ 17,070,033</b>
	<b>LIABILITIES</b>		
	Current liabilities		
2110	Accounts payable	\$ 1,630,171	\$ 6,833
2150	Payroll deductions and withholdings	2,758,957	-
2160	Accrued wages payable	16,788,148	-
2170	Due to other funds	-	-
2180	Due to other governments	14,153,752	-
2300	Unearned revenue	-	-
2000	Total liabilities	35,331,028	6,833
	<b>DEFERRED INFLOWS OF RESOURCES</b>		
2600	Unavailable revenue	4,074,520	-
2600	Total deferred inflows of resources	4,074,520	-
	<b>FUND BALANCES</b>		
	Nonspendable		
3410	Inventory	813,061	-
3430	Prepaid items	171,821	-
	Restricted		
3450	Food service	-	17,063,200
3450	Grant funds	-	-
3470	Capital acquisition and contractual obligation	-	-
3480	Retirement of long-term debt	-	-
	Assigned		
3590	Campus activity funds	1,935,756	-
3590	Insurance deductibles	2,000,000	-
3590	Instructional projects	7,000,000	-
3590	Technology	9,000,000	-
3590	Future debt reduction	3,000,000	-
3590	Other	8,438,707	-
3600	Unassigned	81,545,206	-
3000	Total fund balance	113,904,551	17,063,200
4000	<b>TOTAL LIABILITIES, DEFERRED INFLOWS AND FUND BALANCE</b>	<b>\$ 153,310,099</b>	<b>\$ 17,070,033</b>

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

MAJOR		NONMAJOR	TOTALS
DEBT SERVICE	CAPITAL PROJECTS	OTHER FUNDS	GOVERNMENTAL FUNDS
\$ 11,591,629	\$ 357,846,025	\$ 1,533,218	\$ 490,465,529
-	-	-	27,569,098
1,668,253	-	-	7,658,394
(564,287)	-	-	(2,486,183)
-	-	14,294,558	17,934,658
-	-	-	20,070
-	-	-	14,443,657
-	-	-	40,221
-	-	-	932,263
-	-	-	171,821
<u>\$ 12,695,595</u>	<u>\$ 357,846,025</u>	<u>\$ 15,827,776</u>	<u>\$ 556,749,528</u>
\$ -	\$ 991,316	\$ 555,310	\$ 3,183,630
-	-	-	2,758,957
-	-	-	16,788,148
-	-	13,945,786	13,945,786
269,968	-	446,706	14,870,426
-	-	834,892	834,892
<u>269,968</u>	<u>991,316</u>	<u>15,782,694</u>	<u>52,381,839</u>
1,103,966	-	-	5,178,486
<u>1,103,966</u>	<u>-</u>	<u>-</u>	<u>5,178,486</u>
-	-	-	813,061
-	-	-	171,821
-	-	-	17,063,200
-	-	53,866	53,866
-	356,854,709	-	356,854,709
11,321,661	-	-	11,321,661
-	-	-	1,935,756
-	-	-	2,000,000
-	-	-	7,000,000
-	-	-	9,000,000
-	-	-	3,000,000
-	-	-	8,438,707
-	-	(8,784)	81,536,422
<u>11,321,661</u>	<u>356,854,709</u>	<u>45,082</u>	<u>499,189,203</u>
<u>\$ 12,695,595</u>	<u>\$ 357,846,025</u>	<u>\$ 15,827,776</u>	<u>\$ 556,749,528</u>



**Irving Independent School District**  
 Reconciliation of the Governmental Funds Balance Sheet  
 to the Statement of Net Position  
 August 31, 2023

**Exhibit C-1R**

Total Fund Balances - Governmental Funds	\$	499,189,203																		
<p>Amounts reported for governmental activities in the statement of net position are different because:</p>																				
<p>Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets \$988,376,472 and the accumulated depreciation is \$513,423,846, which does not include those assets held in the internal service fund (\$313,270).</p>		480,142,287																		
<p>Property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.</p>		5,178,486																		
<p>Internal Service Funds are used by the District's management to charge the cost of health insurance, workers compensation, unemployment, and benefits administration to the funds. The assets and liabilities of the Internal Service Funds are included with governmental activities.</p>		1,931,668																		
<p>The deferred loss on refundings is not a current period transaction and therefore is not reported in the funds. The deferred loss on refundings is included in the deferred outflows of resources with governmental activities.</p>		15,940,188																		
<p>Included in the items related to debt is the recognition of the District's proportionate share of the TRS net pension liability (\$133,651,888) and a deferred inflow of resources (\$15,596,351), and a deferred outflow of resources (\$57,652,530). The result is a decrease in net position.</p>		(91,595,709)																		
<p>Included in the items related to debt is the recognition of the District's proportionate share of the TRS-Care net OPEB liability (\$64,963,565) and a deferred inflow of resources (\$105,950,909), and a deferred outflow of resources (\$23,229,076). The result is a decrease in net position.</p>		(147,685,398)																		
<p>Bonds, leases, and SBITAs payable are not due and payable in the current period and therefore are not reported as liabilities in the funds. Bonds, leases, and SBITAs payable and related accounts at year-end consist of (does not include leases held by the internal service fund totaling \$310,195):</p>																				
<table border="0" style="width: 100%;"> <tr> <td style="width: 60%;">Bonds Payable</td> <td style="width: 20%; text-align: right;">\$</td> <td style="width: 20%; text-align: right;">(600,355,825)</td> </tr> <tr> <td>Premium/Discount on Bonds Payable</td> <td></td> <td style="text-align: right;">(53,561,171)</td> </tr> <tr> <td>Interest Payable</td> <td></td> <td style="text-align: right;">(1,336,572)</td> </tr> <tr> <td>SBITA Liability</td> <td></td> <td style="text-align: right;">(4,107,838)</td> </tr> <tr> <td>Leases Payable</td> <td></td> <td style="text-align: right;">(75,698)</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right; border-top: 1px solid black;">(659,437,104)</td> </tr> </table>	Bonds Payable	\$	(600,355,825)	Premium/Discount on Bonds Payable		(53,561,171)	Interest Payable		(1,336,572)	SBITA Liability		(4,107,838)	Leases Payable		(75,698)			(659,437,104)		(659,437,104)
Bonds Payable	\$	(600,355,825)																		
Premium/Discount on Bonds Payable		(53,561,171)																		
Interest Payable		(1,336,572)																		
SBITA Liability		(4,107,838)																		
Leases Payable		(75,698)																		
		(659,437,104)																		
<b>Net Position - Governmental Activities</b>	<b>\$</b>	<b>103,663,621</b>																		

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

**Irving Independent School District**  
Statement of Revenues, Expenditures, and Changes in  
Fund Balances - Governmental Funds  
For the Year Ended August 31, 2023

DATA CONTROL CODES		MAJOR	
		GENERAL	FOOD SERVICE
<b>REVENUES</b>			
5700	Local and intermediate sources	\$ 182,863,220	\$ 2,484,324
5800	State program revenues	141,359,046	95,877
5900	Federal program revenues	11,408,269	25,566,779
5020	Total revenues	335,630,535	28,146,980
<b>EXPENDITURES</b>			
Current:			
0011	Instruction	194,199,985	-
0012	Instructional resources and media services	5,489,533	-
0013	Curriculum development and instructional staff development	4,574,439	-
0021	Instructional leadership	8,496,196	-
0023	School leadership	21,001,354	-
0031	Guidance, counseling, and evaluation services	16,192,414	-
0032	Social work services	1,222,855	-
0033	Health services	3,297,568	-
0034	Student (pupil) transportation	9,350,740	-
0035	Food services	543,058	23,934,833
0036	Co-curricular/extracurricular activities	6,478,685	-
0041	General administration	10,815,186	-
0051	Plant maintenance and operations	26,294,032	241,701
0052	Security and monitoring services	5,767,381	-
0053	Data processing services	5,334,164	-
0061	Community services	1,023,495	-
Debt service:			
0071	Principal on long-term debt	1,897,939	105,114
0072	Interest and charges on long-term debt	25,688	2,879
0073	Bond issuance costs and fees	-	-
0081	Facilities acquisition and construction	2,168,110	-
0095	Payments to juvenile justice alternative education program	7,236	-
0099	Intergovernmental charges	636,722	-
6030	Total expenditures	324,816,780	24,284,527
1100	Excess (deficiency) of revenues over (under) expenditures	10,813,755	3,862,453
<b>OTHER FINANCING SOURCES (USES)</b>			
7911	Issuance of Bonds	-	-
7912	Proceeds from sale of capital assets	172,408	-
7913	Lease proceeds	88,705	-
7916	Premium on Issuance of Debt	-	-
7949	Proceeds from right to use SBITA assets	4,609,516	348,232
7080	Total other financing sources (uses)	4,870,629	348,232
1200	Net change in fund balances	15,684,384	4,210,685
0100	<b>Fund balance, September 1 (beginning)</b>	98,220,167	12,852,515
3000	<b>FUND BALANCE - AUGUST 31 (ENDING)</b>	\$ 113,904,551	\$ 17,063,200

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



MAJOR		NONMAJOR	TOTALS
DEBT SERVICE	CAPITAL PROJECTS	OTHER FUNDS	GOVERNMENTAL FUNDS
\$ 45,952,848	\$ 1,204,345	\$ 479,104	\$ 232,983,841
1,188,304	-	2,312,709	144,955,936
-	-	62,756,577	99,731,625
47,141,152	1,204,345	65,548,390	477,671,402
-	-	31,992,371	226,192,356
-	-	-	5,489,533
-	-	5,808,651	10,383,090
-	260,658	1,845,726	10,602,580
-	-	1,047,485	22,048,839
-	-	1,759,758	17,952,172
-	-	169,663	1,392,518
-	-	807,854	4,105,422
-	-	1,507,504	10,858,244
-	-	113,582	24,591,473
-	-	1,208	6,479,893
-	161,757	8,204,445	19,181,388
-	275,292	5,509,760	32,320,785
-	-	1,699,363	7,466,744
-	186,514	3,513,675	9,034,353
-	-	2,361,766	3,385,261
33,120,000	-	792,833	35,915,886
12,418,958	-	100,547	12,548,072
10,700	2,426,205	-	2,436,905
-	3,329,130	-	5,497,240
-	-	-	7,236
-	-	-	636,722
45,549,658	6,639,556	67,236,191	468,526,712
1,591,494	(5,435,211)	(1,687,801)	9,144,690
-	312,040,000	-	312,040,000
-	-	-	172,408
-	-	-	88,705
-	38,566,705	-	38,566,705
-	-	1,919,941	6,877,689
-	350,606,705	1,919,941	357,745,507
1,591,494	345,171,494	232,140	366,890,197
9,730,167	11,683,215	(187,058)	132,299,006
\$ 11,321,661	\$ 356,854,709	\$ 45,082	\$ 499,189,203

# Irving Independent School District

# Exhibit C-3

## Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities August 31, 2023

Total Net Change in Fund Balances - Governmental Funds		\$ 366,890,197
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation and amortization expense. This is the amount by which depreciation (\$18,084,976) and amortization (\$1,792,474) exceeded capital outlay (\$18,812,611) in the current period.		(1,064,839)
The disposal of capital assets is not recognized in the governmental funds.		(8,610)
Because some property taxes will not be collected for several months after the district's fiscal year ends, they are not considered "available" revenues and are deferred inflows in the governmental funds. Unavailable revenue, net of bad debt, decreased by this amount this year.		1,102,088
Internal Service Funds are used by the district's management to charge the cost of health insurance, workers compensation, unemployment, and benefits administration to the funds. The net revenue (expense) of the Internal Service Funds is reported with governmental activities.		606,450
Current year long-term debt payments on bonds, leases, and SBITA payable, and payments of accreted interest on capital appreciation bonds are expenditures in the fund financial statements, but they also reduce long-term liabilities in the statement of net position.		35,902,858
Bond issuances, leases, SBITAs, and related costs are shown as "other sources" and "other uses" in the governmental funds, but are shown on the statement of net position with related costs amortized over the life of the bonds. Differences consist of the following:		
Building Bonds Issued	\$ (312,040,000)	
Premium on Current Interest Bonds	(38,566,705)	
Leases	(88,705)	
SBITAs	(6,877,689)	
Amortization of Refunding Loss	(2,121,458)	
Amortization of Bond Premiums	6,816,608	
	(352,877,949)	
The net change in net pension liability, deferred outflows, and deferred inflows is reported in the statement of activities but does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. The net change consists of an increase in deferred outflows \$17,130,102; decrease in deferred inflows \$52,477,227; and increase in net pension liability (\$73,978,725).		(4,371,396)
The net change in net OPEB liability, deferred outflows, and deferred inflows is reported in the statement of activities but does not require the use of current financial resources and, therefore, is not reported as expenditures in the governmental funds. The net change consists of an increase in deferred outflows \$1,959,512; increase in deferred inflows (\$27,534,007); and a decrease in net OPEB liability \$36,434,291.		10,859,796
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. Differences consist of the following:		
Change in Accrued Interest	(741,848)	
Interest Accretion	(271,148)	
	(1,012,996)	
<b>Change in Net Position - Governmental Activities</b>		<b>\$ 56,025,599</b>

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

Irving Independent School District  
Statement of Net Position  
Proprietary Funds  
August 31, 2023

Exhibit D-1

<u>DATA CONTROL CODES</u>		<u>GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS</u>
	<b>ASSETS</b>	
	Current assets	
1110	Cash and temporary investments	\$ 2,946,763
1290	Other receivables	126,794
1310	Inventories, at cost	<u>207,290</u>
	Total current assets	3,280,847
	Noncurrent assets	
	Capital assets	
1500	Right-to-use lease assets, net	<u>313,270</u>
	Total noncurrent assets	<u>313,270</u>
1000	Total assets	3,594,117
	<b>LIABILITIES</b>	
	Current liabilities	
2110	Accounts payable	4,224
2170	Due to other funds	497,871
2800	Claims due within one year	352,082
2800	Right-to-use lease liability - current portion	<u>99,841</u>
	Total current liabilities	954,018
	Noncurrent liabilities	
	Claims due in more than one year	498,077
	Right-to-use lease liability	<u>210,354</u>
	Total noncurrent liabilities	<u>708,431</u>
2000	Total liabilities	<u>1,662,449</u>
	<b>NET POSITION</b>	
3900	Unrestricted net position	<u>1,931,668</u>
3000	<b>TOTAL NET POSITION</b>	<u><u>\$ 1,931,668</u></u>

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

**Irving Independent School District**  
Statement of Revenues, Expenses, and Changes in Fund Net Position  
Proprietary Funds  
For the Year Ended August 31, 2023

**Exhibit D-2**

<u>DATA CONTROL CODES</u>		<u>GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUNDS</u>
	<b>OPERATING REVENUES</b>	
5700	Charges for services	\$ 1,984,239
5020	Total operating revenues	1,984,239
	<b>OPERATING EXPENSES</b>	
6100	Payroll costs	343,591
6200	Professional/contracted services	130,729
6300	Supplies and materials	300,095
6400	Claims, administration, and other expenses	701,428
6030	Total operating expenses	1,475,843
	Operating loss	508,396
	<b>NONOPERATING REVENUES</b>	
7955	Interest income	98,054
	<b>CHANGE IN NET POSITION</b>	606,450
0100	Total net position - September 1 (beginning)	1,325,218
3000	<b>TOTAL NET POSITION - AUGUST 31 (ENDING)</b>	<b>\$ 1,931,668</b>

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

Irving Independent School District  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended August 31, 2023

Exhibit D-3

	<b>GOVERNMENTAL ACTIVITIES</b>
	<b>INTERNAL SERVICE FUNDS</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash received for premiums and services	\$ 2,245,044
Cash paid to employees	(343,591)
Cash paid for claims and administration, and other costs	(1,543,648)
Net cash provided by operating activities	357,805
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest received	98,054
Net cash provided by investing activities	98,054
Net increase in cash and cash equivalents	455,859
Cash and cash equivalents at beginning of the year	2,490,904
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<b>\$ 2,946,763</b>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	
Operating income	\$ 508,396
Adjustments to reconcile operating income to net cash provided by operating activities	
Change in current assets and liabilities	
Increase in inventories	(4,735)
Decrease in right-to-use leased assets	188,149
Increase in accounts payable	3,107
Increase in due to other funds	23,369
Decrease in long-term claims reserve	(165,283)
Decrease in right-to-use lease liability	(193,404)
Total adjustments	(150,591)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>\$ 357,805</b>

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

**Irving Independent School District**  
Statement of Fiduciary Net Position  
August 31, 2023

**Exhibit E-1**

	<b>CUSTODIAL FUNDS</b>
<b>ASSETS</b>	
Cash and temporary investments	\$ 962,638
<b>TOTAL ASSETS</b>	<u>\$ 962,638</u>
<b>LIABILITIES</b>	
Accounts payable	\$ 17,852
<b>TOTAL LIABILITIES</b>	17,852
<b>NET POSITION</b>	
Restricted for students and other organizations	944,786
<b>TOTAL NET POSITION</b>	<u>\$ 944,786</u>

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

**Irving Independent School District**  
Statement of Changes in Fiduciary Net Position  
For the Year Ended August 31, 2023

**Exhibit E-2**

	<b>CUSTODIAL FUNDS</b>
<b>ADDITIONS</b>	
Miscellaneous revenue from student groups	\$ 1,222,154
Additions from flex funds	1,150,257
<b>TOTAL ADDITIONS</b>	<b>2,372,411</b>
<b>DEDUCTIONS</b>	
Dues and fees	\$ 1,277,278
Distribution of flex funds	1,027,380
<b>TOTAL DEDUCTIONS</b>	<b>2,304,658</b>
Change in net position	67,753
Net position, beginning	877,033
Net position, ending	<b>\$ 944,786</b>

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





# Irving Independent School District

## Notes to the Financial Statements

### Note 1. Summary of Significant Accounting Policies

Irving Independent School District's (the District) basic financial statements have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to governmental units in conjunction with the Texas Education Agency's (TEA) Financial Accountability System Resource Guide (FASRG). The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

#### A. Reporting Entity

The Board of Trustees, a seven-member group, has financial accountability for all activities related to public elementary and secondary education within the jurisdiction of the District. Since members of the board are elected by the public, they have the authority to make decisions and to appoint administrators and managers.

In evaluating how to define the government for financial reporting purposes, the District's management has considered all potential component units. By applying the criteria set forth in generally accepted accounting principles, the District has determined that no other organizations require inclusion in its reporting entity.

The District receives funding from local, state and federal government sources and is required to comply with the requirements of these funding entities.

#### B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e. the statement of net position and the statement of activities) report information on all non-fiduciary activities of the primary government. As a general rule, the effect of interfund activity has been eliminated from these statements. An exception to this general rule would be amounts that are reasonably equivalent in value to the interfund services provided. The *governmental activities* are supported by tax revenues and intergovernmental revenues. The *business-type activities* rely, to a significant extent, on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include: (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and (2) grants and contributions that are restricted to meeting operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following Major Funds:

**General Fund** - This fund is established to account for resources financing the fundamental operations of the District, in partnership with the community, in enabling and motivating students to reach their full potential. All revenues and expenditures not required to be accounted for in other funds are included here. This is a budgeted fund, and any fund balances are considered resources available for current operations. Fund balances may be appropriated by the Board of Trustees to implement its responsibilities.

## Irving Independent School District

### Notes to the Financial Statements

**Food Service Fund** – This fund is established to account for Food Service Program transactions. The District's Food Service Fund is considered a special revenue fund since it meets the following criteria: (1) User fees are charged to supplement the National School Lunch Program (NSLP), (2) The General Fund subsidizes the Food Service Program for all expenditures in excess of NSLP, and (3) The District does not consider the Food Service Program completely self-supporting. Food Service fund balances are used exclusively for child nutrition program purposes.

**Debt Service Fund** – This governmental fund is established to account for payment of principal and interest on long-term general obligation debt and other long-term debts for which a tax has been dedicated. This is a budgeted fund, and a separate bank account is maintained. Any unused sinking fund balances are transferred to the General Fund after all of the related debt obligations have been met.

**Capital Projects Fund** – This governmental fund is established to account for proceeds, on the modified accrual basis, from the sale of bonds and other resources to be used for Board authorized acquisition, construction or renovation, and furnishing and equipping of major capital facilities. Upon completion of a project, any unused bond proceeds are transferred to the Debt Service Fund and are used to retire related bond principal.

The District reports the following Proprietary Fund:

**Internal Service Funds** – The District utilizes Internal Service Funds to account for its workers' compensation, unemployment insurance, science kit refurbishment and district-wide print shop. The General Fund is contingently liable for liabilities of these funds. The principal operating revenues of the District's internal service funds are charges to other funds for services. Operating expenses for internal service funds include the cost of providing the services and administrative expenses. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. Sub-fund accounting is employed to maintain the integrity of these activities of the District. See Note 1 (O), (P), and (Q) for additional discussion of the District's self-insurance plans.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations.

**Custodial Funds** – The District accounts for resources held for others in a custodial capacity in a custodial fund. The District's custodial funds are the student activity fund and the flexible benefits fund. These funds are used to account for assets held by the District as an agent for student and other organizations. These funds were previously reported as agency funds. This change resulted in reporting more detail of additions to and deductions from custodial funds than was reported for agency funds.

## Irving Independent School District

### Notes to the Financial Statements

#### C. Basis of Accounting/Measurement Focus

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary funds. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements 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* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to claims and judgments, are recorded only when payment is due.

Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State of Texas are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Grant funds are considered earned to the extent of the expenditures made under the provisions of the grant. Accordingly, when such funds are received, they are recorded as unearned revenues until the related and authorized expenditures have been made. If balances have not been expended by the end of the project period, grantors sometimes require the District to refund all or part of the unused amount. In accordance with the Financial Accountability System Resource Guide (FASRG), the District has adopted and installed an accounting system that exceeds the minimum requirements prescribed by the State Board of Education and approved by the State Auditor. Specifically, the District's accounting system uses codes and the code structure presented in the Account Codes section of the FASRG. Mandatory codes are utilized in the form provided in that section.

#### D. Budgetary Data

Formal budgetary accounting is employed for the General, Food Service, and Debt Service Funds, as required in TEA's FASRG. The budget is prepared and controlled at the fund and function level (See Note 1 in the Notes to Required Supplementary Information). The official school budget is prepared for adoption for required Governmental Funds prior to August 20 of the preceding fiscal year for the subsequent fiscal year beginning September 1. The Board of Trustees formally adopts the budget at a public meeting held at least ten days after public notice has been given.

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund, Food Service Special Revenue Fund and Debt Service Fund. The remaining special revenue funds and the Capital Projects Fund adopt project-length budgets, which do not correspond to the District's fiscal year. Each annual budget is presented on the modified accrual basis of accounting, which is consistent with generally accepted accounting principles. The budget was properly amended throughout the year by the Board of Trustees. Such amendments are before the fact and are reflected in the official minutes of the Board.

## Irving Independent School District

### Notes to the Financial Statements

#### E. Encumbrance Accounting

The District employs encumbrance accounting, whereby encumbrances for goods or purchased services are documented by purchase orders and contracts.

An encumbrance represents a commitment of Board appropriations related to unperformed contracts for goods and services. The issuance of a purchase order or the signing of a contract creates an encumbrance but does not represent an expenditure for the period, only a commitment to expend resources. Appropriations lapse at August 31, and encumbrances outstanding at that time are either canceled or provided for in the subsequent year's budget. Outstanding encumbrances at August 31, 2023 that were subsequently provided for in the 2023-2024 budget totaled \$452,739 for the General Fund.

#### F. Deposits and Investments

**Cash and Cash Equivalents** - For purposes of the Statement of Cash Flows, the Proprietary Funds consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

**Investments** – Investments for the District, except for certain investment pools and certificates of deposit, are reported at fair value. The investment pools operate in accordance with appropriate state laws and regulations and are reported at amortized cost or net asset value; i.e. fair value.

#### G. Due From (To) Other Funds

Interfund receivables and payables arise from interfund transactions and are recorded in all affected funds in the period in which transactions are executed in the normal course of operations. See Note 10 for additional discussion of interfund receivables and payables.

#### H. Inventories

The consumption method is used to account for inventories of food products, technology, school supplies and athletic equipment. Under this method, these items are carried in an inventory account of the respective fund at cost, using the first-in, first-out method of accounting and are subsequently charged to expenditures when consumed. The Food Service (Special Revenue Fund) commodity inventories received through the U.S. Department of Agriculture are recorded as inventory on the date received and recognized as revenue. In the governmental funds, inventories are reported as nonspendable fund balance.

#### I. Prepaid Items

Prepaid items of \$171,821 in the General Fund are purchases which benefit the next school year. The consumption method is used to account for these items paid in advance. In the governmental funds, they are reported as nonspendable fund balance.

# Irving Independent School District

## Notes to the Financial Statements

### J. Capital Assets

Capital assets, which include land, buildings, furniture and equipment, and construction in progress, are reported in the governmental activities columns in the government-wide financial statements. Capital assets are defined as land, land improvements, buildings, building improvements with an initial cost of any amount, and vehicles, furniture and equipment with an initial individual cost of more than \$5,000 and an estimated useful life greater than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are recorded at acquisition value rather than fair value.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. When assets are retired, or otherwise disposed of, the related costs or other recorded amounts are removed. Land and construction in progress are not depreciated.

Buildings, land improvements, furniture and equipment are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Building and improvements	40
Land improvements	20
Portable buildings	20
Food service/vocational/athletic equipment	15
Furniture, fixtures and equipment	10
Library books/musical instruments	10
Vehicles	10
Technology/maintenance equipment	5
Software	3

### K. Leases

The District is a lessee for noncancellable leases of copiers. The District recognizes a lease liability, reported with long-term debt, and a right-to-use lease asset (lease asset), reported with other capital assets, in the government-wide and proprietary fund financial statements. The District recognizes lease liabilities with an initial, individual value of \$5,000 or more.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or its useful life.

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

## Irving Independent School District

### Notes to the Financial Statements

- The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, purchase option price that the District is reasonably certain to exercise, lease incentives receivable from the lessor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

The District monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

#### **L. Subscription-Based Information Technology Arrangements (SBITAs)**

The District has noncancellable contracts with SBITA vendors for the right to use information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets). The District recognizes a subscription liability, reported with long-term debt, and a right-to-use subscription asset (an intangible asset), reported with other capital assets, in the government-wide financial statements. The District recognizes subscription liabilities with an initial, individual value of \$5,000 or more.

At the commencement of an SBITA, the District initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of SBITA payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for SBITA payments made at or before the SBITA commencement date, plus certain initial implementation costs. Subsequently, the subscription asset is amortized on a straight-line basis over the shorter of the subscription term or the useful life of the underlying IT assets.

Key estimates and judgments related to SBITAs include how the District determines (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

- The District uses the interest rate charged by the SBITA vendor as the discount rate. When the interest rate charged by the SBITA vendor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for SBITAs.
- The subscription term includes the noncancellable period of the SBITA.
- Subscription payments included in the measurement of the subscription liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, termination penalties if the District is reasonably certain to exercise such options, subscription contract incentives receivable from the SBITA vendor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

The District monitors changes in circumstances that would require a remeasurement of its SBITAs and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

## **Irving Independent School District**

### Notes to the Financial Statements

#### **M. Long-Term Debt**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Deferred losses on refundings are reported as deferred outflows of resources and are amortized over the shorter of the life of the old debt or the life of the new debt. Issuance costs are included in interest and fiscal charges.

In the fund financial statements, governmental funds recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

#### **N. Fund Equity**

In the fund financial statements, governmental funds report 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 the amounts in the respective governmental funds can be spent. The District reports the following classifications of fund balances:

**Nonspendable** -- includes amounts that cannot be spent because they are either not in spendable form or, for legal or contractual reasons, must be kept intact. This classification includes inventories and prepaid items.

**Restricted** -- includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts restricted due to contractual provisions or enabling legislation. This classification includes the child nutrition program, retirement of long-term debt, construction programs and other federal and state grants.

**Committed** -- includes fund balance amounts that are constrained for specific purposes that are internally imposed by the District through formal action of the highest level of decision making authority. Committed fund balance is reported pursuant to resolution passed by the District's Board of Trustees.

**Assigned** -- includes fund balance amounts that are self-imposed by the District to be used for a particular purpose. Board Policy CE (Local) has authorized the Superintendent or Chief Financial Officer to assign fund balance.

## Irving Independent School District

### Notes to the Financial Statements

As of August 31, 2023, the District has assigned fund balance in the General Fund for the following purposes: 1) Campus Activity Funds – assigned to distinguish the portion of fund balance allocated to activity funds, 2) Insurance Deductibles, 3) Instructional projects/opportunities, 4) Technology, and 5) Future Debt Reduction.

Unassigned – includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

When both restricted and unrestricted fund balances are available for use, it is the District's policy to use restricted fund balance first, then unrestricted fund balance. Furthermore, committed fund balances are reduced first, followed by assigned amounts and then unassigned amounts.

It is the desire of the Board to attempt to maintain a fund balance in the general operating fund that is approximately 25 percent, or three months, of general operating expenditures, excluding any nonspendable fund balance.

Net position on the Statement of Net Position includes the following:

Net Investment in Capital Assets – the component of net position that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unspent proceeds, that is directly attributable to the acquisition, construction or improvement of these capital assets.

Restricted for Federal and State Programs – the component of net position that reports the difference between assets and liabilities with constraints placed on their use by the federal and state government.

Restricted for Debt Service – the component of net position that reports the difference between assets, liabilities, and deferred inflows/outflows of resources with constraints placed on their use by law.

Unrestricted – the difference between the assets and liabilities that are not reported in net investment in capital assets and restricted net position.

#### **O. Vacation and Sick Leave**

Vacations are to be taken within the same year they are earned, and any unused days at the end of the year are forfeited. Therefore, no liability has been accrued in the accompanying basic financial statements. Employees of the District are entitled to sick leave based on category/class of employment. Sick leave is allowed to be accumulated but does not vest, therefore, a liability for unused sick leave has not been recorded in the accompanying basic financial statements.

#### **P. Data Control Codes**

Data control codes refer to the account code structure prescribed by the Texas Education Agency's Financial Accountability System Resource Guide.



**Irving Independent School District**

Notes to the Financial Statements

**Q. Self-Insured Workers' Compensation**

On September 1, 1992, the District established its self-funded Workers' Compensation program. The District currently maintains a self-insured retention of \$600,000 per occurrence and purchases excess coverage to statutory limits from Safety National Casualty Company. Claims administration is currently provided by the third party administrator TRISTAR Risk Management Inc.

The total liabilities for the Workers' Compensation self-insurance fund of \$850,410 include incurred but not reported claims in the amount of \$850,159 (of which \$352,082 is expected to be paid within one year) and accounts payable of \$251. The claims liability reported in the fund at August 31, 2023, is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred as of the date of the financial statements, and the amount of loss can be reasonably estimated. Because actual claim liabilities depend on such complex factors as inflation, changes in legal doctrines, and damage awards, the process used in computing the liability does not result necessarily in an exact amount. Lewis & Ellis, Inc. through its actuarial review of the Workers' Compensation self-insurance program, projected an estimated discounted liability of \$842,404 as of August 31, 2023, for the ultimate loss reserve of the fund. The fund had net position at August 31, 2023, of \$1,670,786.

Changes in the workers' compensation claims liability amounts in fiscal year 2023 and 2022 are presented below:

	Beginning of Fiscal-Year Liability	Current-Year Claims & Changes in Estimates	Claim Payments	Balance at Fiscal Year-End
2022 Workers' compensation	\$ 918,253	\$ 2,791,017	\$ 2,693,828	\$ 1,015,442
2023 Workers' compensation	1,015,442	2,809,031	2,974,314	850,159

**R. Self-Insured Unemployment**

The District through a reimbursement program provides unemployment insurance protection through the Texas Workforce Commission (TWC), should an employee experience a job loss through no fault of his own. As a reimbursing employer (IISD employees receive unemployment benefits directly from the Texas Workforce Commission), the District refunds unemployment benefit claims on a quarterly basis to TWC. Unemployment liabilities have been established at \$0 for claims reported and not paid, and net position as of August 31, 2023, was \$550,567.

**S. Risk Management**

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees, and natural disasters. The risk is minimized by the purchase of excess workers' compensation insurance, property and liability coverage, and a set-aside loss fund for damages under a particular deductible or for where no other protection exists. During fiscal year 2023, there were no significant reductions in insurance coverage for any category of risk. In addition, there are no settlements in excess of the insurance coverage in any of the three prior fiscal years.

# Irving Independent School District

## Notes to the Financial Statements

Insurance and coverage policies are purchased for the following exposure with the deductible/retention also indicated.

Insurance/Coverage	Deductible/ Retention	Per Occurrence Limit
Property	\$100,000 \$250,000 Wind/Hail	\$957,450,548 blanket RC
Flood/earthquake/extra exp.	\$100,000	\$10,000,000
EDP equip/EE/data & media	\$10,000	\$4,293,427
Wind turbines, geothermal systems	\$10,000	\$5,721,764
BI/EE	\$10,000	\$25,000
Other equipment breakdown	\$10,000	\$100,000,000
Crime	\$10,000	\$500,000
Valuable papers	\$100,000	\$500,000
Liability (E & O)	\$10,000	\$2,000,000 PO/2,000,000 Agg.
Liability (general)	None	\$2,000,000
Employee benefits	None	\$100,000
Cyber liability - TASB	None	\$100,000/\$10,000 to notify
Cyber liability - endurance	\$75,000	\$1,000,000
Liability (fleet)	\$5,000	\$500,000 CSL
Comprehensive ACV	\$1,000	ACV
Collision ACV	\$1,000	ACV
Catastrophic PD	\$10,000	\$2,621,948
Workers' compensation excess	\$600,000	Statutory

During the fiscal year 2012, the District executed a revised interlocal agreement with the TASB Risk Management Fund (the Fund). In addition to coverage protection, the Fund also provides its members with valuable loss control assistance to include inspections, webinars/seminars, loss prevention grants and awards, and an annual two-day conference each spring. The District is expected to adhere to standards and best practices in the timely reporting of any claims or potential claims, in the implementation of prudent loss control measures, and address any deficiencies noted in a timely manner. Any subrogation cannot be waived without prior approval of the Fund.

The District expects timely payment of any claims and the protection of tort immunity to be exercised as appropriate. The Fund is to provide legal counsel when appropriate to defend a lawsuit against the District, and that the legal counsel arrangement is agreed to either work independently or collaboratively with the District's legal counsel in defense of legal actions. This Fund agreement can renew every year unless a 30-day notice is given to not renew by any party for any reason. If any breach of the agreement occurs, immediate termination of the agreement can go into effect as well.

### T. Pensions

The fiduciary net position of the Teacher Retirement System of Texas (TRS) has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, and information about assets, liabilities and additions to/deductions from TRS fiduciary net position. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

# Irving Independent School District

## Notes to the Financial Statements

### Other Post-Employment Benefits

The fiduciary net position of the Teacher Retirement System of Texas (TRS) TRS-Care Plan has been determined using the flow of economic resources measurement focus and full accrual basis of accounting. This includes for purposes of measuring the Net OPEB Liability, deferred outflows of resources and deferred inflows of resources related to other post-employment benefits, OPEB expense, and information about assets, liabilities and additions to/deductions from TRS-Care's fiduciary net position. Benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as-you-go plan and all cash is held in a cash account.

### U. Deficit Fund Balance

At August 31, 2023, the Federal Special Revenue Fund, a nonmajor governmental funds, had a deficit fund balance of \$8,784. These funds incurred expenditures under grants that were not reimbursed in a timely manner under the modified accrual basis of accounting to be included in revenue. However, the District anticipates receiving reimbursement for these grants in fiscal year 2024.

### GASB Pronouncements Implemented by the District

GASB Statement No. 96, Subscription-Based Information Technology Arrangements (GASB 96), provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users. 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; and 4) requires note disclosures regarding a SBITA. The requirements of this statement are effective for reporting periods beginning after June 15, 2022, with earlier application encouraged.

### Note 2. Deposits and Investments

**Cash Deposits** – The District's funds are required to be deposited and invested under the terms of a depository contract pursuant to the Texas School Depository Act. The depository bank pledges securities which comply with state law, and these securities are held for safekeeping and trust with the District's and the depository bank's agent bank. The pledged securities shall be in an amount sufficient to protect District funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

Under Texas state law, a bank serving as the school depository must have a bond or, in lieu thereof, deposited or pledged securities with the District or an independent third party agent, in an amount equal to the highest daily balance of all deposits the District may have during the term of the depository contract, less any applicable FDIC insurance.

At August 31, 2023, the carrying amount of the District's cash, not including fiduciary funds, was \$3,896. The bank balance was \$2,059,553. During 2022-2023, the District's combined deposits were fully insured by federal depository insurance or collateralized with securities pledged to the District and held in the District's name by the District's agent.

## Irving Independent School District

### Notes to the Financial Statements

In addition, the following is disclosed regarding coverage of combined balances on the date of highest deposit:

1. Name of bank: J.P. Morgan Chase - Irving, Texas.
2. Amount of bond and/or security pledged as of the date of the highest combined balance on deposit was \$33,458,322.
3. Largest combined collected cash account balance required to be collateralized amounted to \$12,475,425 and occurred on February 9, 2023.
4. Total amount of FDIC coverage at the time of the largest combined balance was \$250,000.

**Investments** – The District’s investment policy is in accordance with the Public Funds Investment Act, the Public Funds Collateral Act, and federal and state laws. State law and District policy limits credit risk by allowing investing in: (1) obligations, including letters of credit, of the U.S. or its agencies and instrumentalities, (2) direct obligations of the State of Texas or its agencies and instrumentalities, (3) other obligations guaranteed by the U.S. or the State of Texas or their agencies and instrumentalities, (4) obligations of states, agencies, counties, cities and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received a rating of not less than "A" or its equivalent, (5) guaranteed or secured certificates of deposit issued by state or national banks domiciled in Texas, and (6) fully collateralized repurchase agreements.

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. GASB Statement No. 72, *Fair Value Measurement and Application* provides a framework for measuring fair value which establishes a three-level fair value hierarchy that describes the inputs that are used to measure assets and liabilities.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are inputs—other than quoted prices included within Level 1—that are observable for an asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for an asset or liability.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

# Irving Independent School District

## Notes to the Financial Statements

The District's investments are measured as presented in the table below. The District's investment balances, weighted average maturity, and credit risk of such investments are as follows:

	August 31, 2023	Fair Value Measurements Using			Percent of Total Investments	Weighted Average Maturity (Days)	Credit Risk
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)			
Cash and imprest funds	\$ 3,896	\$ -	\$ -	\$ -	0.00%		
Money market funds	11,154,655	-	-	-	2.14%		
Landing Rock	10,458,451	-	-	-	2.00%		
Investments measured at amortized Cost:							
Certificates of deposit	15,000,000	-	15,000,000	-	2.87%	123	
Investment pools:							
TexPool	1,073,763	-	-	-	0.21%	23	AAAm
Investments measured at net asset Value (NAV):							
Investment pools:							
Lone Star	6,627,824	-	-	-	1.27%	18	AAAm
TexSTAR	9,370,224	-	-	-	1.80%	26	AAAm
Texas CLASS	446,737,472	-	-	-	85.59%	40	AAAm
LOGIC	8,948,645	-	-	-	1.71%	32	AAAm
Investment pools total	472,757,928	-	-	-			
Investments subject to fair value							
Agency securities	12,569,098	-	12,569,098	-	2.41%	197	
<b>Total Value</b>	<b>\$ 521,944,028</b>	<b>\$ -</b>	<b>\$ 27,569,098</b>	<b>\$ -</b>			
Portfolio weighted average maturity						44	

Through the Landing Rock insured deposits program, the District maintains interest-bearing on-demand deposits. The program offered by Landing Rock, invests funds at financial institutions throughout the U.S. The District has entered into an agreement with Landing Rock to act in an agent capacity for the program. Funds in these programs are FDIC insured upon deposit at participating program institutions. Cash deposits are distributed among well capitalized banks in increments of less than \$250,000, the current FDIC insurance limit. Liquidity is at par plus interest, without any early withdrawal penalties or fees.

The TexPool, TexSTAR, Texas CLASS, Lone Star, and LOGIC investment pools are external investment pools measured at amortized cost to report net position to compute share prices. Accordingly, the fair value of the position in these pools is the same as the value of the shares in each pool. In order to meet the criteria to be recorded at amortized cost, investment pools must transact at a stable net asset value per share and maintain certain maturity, quality, liquidity and diversification requirements within the investment pool. The investment pools transact at a net asset value of \$1.00 per share, have weighted average maturity of 60 days or less and weighted average life of 120 days or less, investments held are highly rated by nationally recognized statistical rating organization, have no more than 5% of portfolio with one issuer (excluding US government securities), and can meet reasonably foreseeable redemptions. TexPool and Lone Star have a redemption notice period of one day and no maximum transaction amounts. The investment pools' authorities may only impose restrictions on redemptions in the event of a general suspension of trading on major securities market, general banking moratorium or national or state emergency that affects the pools' liquidity.

## Irving Independent School District

### Notes to the Financial Statements

These local government investment pools operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. The Texas Local Government Investment Pool (TexPool), Local Government Investment Cooperative (LOGIC), Texas Short Term Asset Reserve Program (TexSTAR) and Lone Star Investment Pool are 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. LOGIC and TexSTAR are co-administered by JP Morgan Chase & Co. and First Southwest Asset Management under an agreement with their Boards of Directors.

The Texas Comptroller of Public Accounts is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company, which is authorized to operate TexPool. In addition, the TexPool Advisory Board advises on TexPool's Investment Policy. This Board is composed equally of participants in TexPool and other persons who do not have a business relationship with TexPool who are qualified to advise TexPool.

Lone Star Investment Pool is administered by First Public which is a wholly-owned subsidiary of the Texas Association of School Boards (TASB). First Public is also a registered broker-dealer with the Securities and Exchange Commission. The Lone Star Investment Pool is overseen by a Board of Trustees comprised of pool participants.

Texas Short Term Asset Reserve Program (TexSTAR) is administered by J.P. Morgan Investment Management Inc. (JPMIM) and Hilltop Securities Inc. (HTS) under an agreement with the TexStar board of directors. JPMIM provides investment management services, and FirstSouthwest, a division of HTS, provides participant services and marketing. The fund is rated AAAM by Standard and Poor's Rating Service.

Texas CLASS (Texas Cooperative Liquid Assets Security System) was organized in March 1996 under a trust agreement executed by and among Texas local governmental entities in accordance with the Public Funds Investment Act, and the Texas Government Code and remains in full compliance with Chapter 2256. The fund is administered by Public Trust Advisors, LLC and is rated AAAM by Standard & Poor's Rating Services.

LOGIC is duly chartered by the State of Texas Interlocal Cooperation Act, is administered by First Southwest Asset Management, Inc. and J.P. Morgan Investment Management, Inc. (JPMIM), and managed by JPMIM. J.P. Morgan Chase provides custody, fund accounting and transfer agency services. LOGIC may invest in obligations of the U.S. or its agencies and instrumentalities; repurchase agreements; SEC-registered money market funds rated in the highest rating category by at least one nationally recognized statistical rating organization (NRSRO); and commercial paper rated A-1, P-1 or equivalent by on NRSRO and is fully secured by an irrevocable letter of credit.

Furthermore, Public Trust Advisors, LLC provides specialized investment opportunities and a broad range of services to state and local governments, academic institutions, and other public and private-sector investors.

U.S. Government Agency Securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

Certificates of Deposit are valued at amortized cost, which approximates fair value. These are included as Level 2 in the fair value hierarchy.

## Irving Independent School District

### Notes to the Financial Statements

The Government Accounting Standards Board issued Statement No. 40, Deposit and Investment Risk Disclosures to address common deposit and investment risk related to credit risk, custodial risk, concentration of credit risk, interest rate risk, and foreign currency risk. The District employs various strategies to address these risks.

Interest rate risk occurs whenever rising interest rates will cause a fixed income security to lose fair value. The District manages its exposure to interest rate fluctuations and interest rate risk through its investment policy, through diversity of issuer and maturity and by limiting final maturity of its investments for a maximum of five years, with most purchases between 1.5 and 3.5 years.

The District's investment policy states under the diversity section that, "The investment portfolio shall be diversified in terms of investment instruments, maturity scheduling, and financial institutions to reduce risk of loss resulting from over concentration of assets in a specific class of investments, specific maturity, or specific issuer." Therefore, it manages interest rate risk by laddering the portfolio so that agency positions are not concentrated in one time frame or in one issuer, thereby reducing the overall volatility of the portfolio.

Custodial credit risk-deposits occur when deposits are not covered by depository insurance, and they are uncollateralized or the collateral is held by the financial institution or their trust department but not in the District's name. The District's investment policy requires the District to control this risk by employing a third party, the Federal Reserve Bank, to hold the collateral for the District in the District's name.

Custodial credit risk-investments occur whenever investments are held by the counterparty's trust department but not in the District's name. The District's investment policy requires the District to control this risk by trading all securities on a delivery vs. payment basis through the Federal Reserve book entry system and safekeeping them with a third party, JPMorgan Chase Bank, registered in the District's name.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State law and the District's investment policy limits the District's investments to high quality rated instruments that have been evaluated by agencies such as Standard and Poor's or Moody's Investor Service. The District controls and monitors credit risk by purchasing only quality rated instruments or investing in local government investment pools that have been evaluated by Standard and Poor's, Fitch, or Moody's Investors Service and complies with the Public Funds Investment Act. The Public Funds Investment Act limits investments in commercial paper to A1P1 ratings issued by at least two of the nationally recognized statistical rating organizations (NRSROs), and this is reflected in the investment policy of the District. The school district currently has no direct holdings of commercial paper. The local government investment pools that the District uses are also rated by the NRSROs.

Lone Star and LOGIC are rated AAA by Standard and Poor's. Texas CLASS, TexPool, and TexSTAR are rated AAAM by Standard & Poor's as noted in the table above.

Concentration of credit risk is the risk associated with holding investments that are not in pools and in excess of 5% of the total portfolio. As of August 31, 2023, the District held \$0 of securities with a zero par amount. All agency securities held by the District are rated AA+ by Standard and Poor's and Aaa by Moody's Investors Service. The District controls this risk by laddering the portfolio, limiting the final maturity of each investment of a maximum of five years through its investment policy with most purchases between 1.5 and 3.5 years, and by diversifying between agency types when possible.

Foreign currency risk is the risk of loss due to fluctuations in the exchange rate. The District has no exposure to foreign currency risk.

## Irving Independent School District

### Notes to the Financial Statements

#### Note 3. Property Taxes

Property taxes are considered available when they become due and receivable within the current accounting period or within 60 days thereafter. The District levies taxes on October 1 in conformity with Subtitle E, Texas Property Tax Code. Taxes are due upon receipt of the tax bill and are past due and subject to interest if not paid by the lien date, February 1 of the year following the October 1 levy date. The assessed value of the property tax roll on January 1, 2022, upon which the levy for the 2022-2023 fiscal year was based, was \$19,095,365,105. The roll was subsequently increased to a year-end assessed value of \$19,371,854,815. Taxes not paid by June 30 are subject to both penalty and interest charges plus 20% delinquent collection fees for attorney costs.

The tax rates assessed for the year ended August 31, 2023, to finance General Fund operations and the payment of principal and interest on general obligation long-term debt were \$0.9056 and \$0.2418 per \$100 valuation, respectively, for a total of \$1.1474 per \$100 valuation.

Current tax collections for the year ended August 31, 2023, were 98.57% of the year-end adjusted tax levy. Delinquent taxes are prorated between maintenance and debt service based on rates adopted for the year of the levy. Allowances for uncollectible taxes within the General and Debt Service Funds are based on historical experience in collecting taxes.

Uncollectible personal property taxes are periodically reviewed and written off, but the District is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature. As of August 31, 2023, property taxes receivable, net of estimated uncollectible taxes, totaled \$4,068,245 and \$1,103,966 for the General and Debt Service Funds, respectively.

The District elected to participate in a tax increment reinvestment zone with the City of Irving in August 1999. By terms of the participation agreement with the City, the District will contribute 100% of ad valorem taxes collected on the increased assessed valuation of real property in the tax increment reinvestment zone in excess of the tax increment base value established for the zone on January 1, 1998. The Tax Increment Financing (TIF) Fund with the City of Irving ended in the 2018-2019 fiscal year. The remaining fund balance has been assigned and will be prioritized and spent on projects in the tax increment reinvestment zone.

In return, the City will reimburse the District 75% of the taxes collected for the zone to pay for district projects identified in the project plan to be constructed in the zone for educational facilities and maintenance for operating such facilities. The 25% retained by the City will be used to pay for infrastructure in the zone to promote economic development in the zone, specifically that portion of the tax increment reinvestment zone that encompasses the boundaries of the District.

No remaining tax levy has been collected for the zone in the current fiscal year as the agreement has ended.

Under current state funding laws, as well as a "hold harmless" provision in the participation agreement, the District will remain revenue neutral with respect to the total revenue from local ad valorem taxes and state sources. The District can expect to receive funds for each year it contributes to the tax increment reinvestment zone.



# Irving Independent School District

## Notes to the Financial Statements

### Note 4. Due from Other Governments

The District participates in a variety of federal and state programs from which it receives grants to partially or fully finance certain activities. In addition, the District receives entitlements from the State through the School Foundation and Per Capita Programs. All federal grants included below in Federal & State Special Revenue Funds are passed through the TEA and are reported on the financial statements as Due from Other Governments. Furthermore, there are times when overpayments are received from a State agency and money may be due to a State agency.

Balances at August 31, 2023 consisted of the following Due from Other Governments:

Fund	State Entitlements	Federal Grants
General fund	\$ 1,761,145	\$ -
Food service fund	-	1,878,955
Nonmajor special revenue funds	29,993	14,264,565
<b>Total</b>	<b>\$ 1,791,138</b>	<b>\$ 16,143,520</b>

### Note 5. Capital Assets

Capital asset activity, as reported in governmental activities, for the year ended August 31, 2023, was as follows:

	Beginning Balance	Additions	Deletions / Adjustments	Transfers	Ending Balance
Capital assets not depreciated:					
Land	\$ 20,073,841	\$ -	\$ -	\$ -	\$ 20,073,841
Construction in progress	1,680,420	4,189,479	-	(1,275,740)	4,594,159
<b>Total capital assets not depreciated</b>	<b>21,754,261</b>	<b>4,189,479</b>	<b>-</b>	<b>(1,275,740)</b>	<b>24,668,000</b>
Capital assets depreciated:					
Land improvements	23,801,393	317,940	-	1,275,740	25,395,073
Buildings and improvements	771,884,976	611,300	-	-	772,496,276
Right-to-Use Leased Equipment	613,983	88,705	(114,209)	-	588,479
SBITA Assets	-	6,982,135	-	-	6,982,135
Furniture and equipment	159,182,181	6,623,052	(76,815)	-	165,728,418
<b>Total capital assets depreciated</b>	<b>955,482,533</b>	<b>14,623,132</b>	<b>(191,024)</b>	<b>1,275,740</b>	<b>971,190,381</b>
<b>Total capital assets</b>	<b>977,236,794</b>	<b>18,812,611</b>	<b>(191,024)</b>	<b>-</b>	<b>995,858,381</b>
Less accumulated depreciation/amortization for:					
Land improvements	19,250,994	698,598	-	-	19,949,592
Buildings and improvements	336,496,951	14,621,938	-	-	351,118,889
Right-to-Use Leased Equipment	112,564	111,843	(26,026)	-	198,381
SBITA Assets	-	1,792,474	-	-	1,792,474
Furniture and equipment	139,659,130	2,752,563	(68,205)	-	142,343,488
<b>Total accumulated depreciation/amortization</b>	<b>495,519,639</b>	<b>19,977,416</b>	<b>(94,231)</b>	<b>-</b>	<b>515,402,824</b>
<b>Governmental activities capital assets, net</b>	<b>\$ 481,717,155</b>	<b>\$ (1,164,805)</b>	<b>\$ (96,793)</b>	<b>\$ -</b>	<b>\$ 480,455,557</b>

# Irving Independent School District

## Notes to the Financial Statements

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

Governmental activities:		
Instruction	\$	11,239,170
Instructional resources & media services		361,763
Curriculum development & instructional staff development		15,475
Instructional leadership		116,393
School leadership		919,521
Guidance, counseling & evaluation services		728,430
Health services		165,652
Student transportation		879,597
Food services		1,443,855
Co-curricular/extracurricular activities		662,127
General administration		361,605
Plant maintenance & operations		678,413
Security & monitoring services		172,449
Data processing services		1,055,016
Facilities		1,177,950
		<hr/>
<b>Total depreciation/amortization expense, governmental activities</b>	<b>\$</b>	<b>19,977,416</b>

The District has active construction projects that started near the end of the fiscal year. Of the District's active construction projects, the total construction commitment as of August 31, 2023 is \$11,907,443 for projects under the General and Capital Project funds.

### Note 6. Defined Benefit Pension Plan

#### Plan Description

The District participates in a cost-sharing multiple-employer defined benefit pension that has a special funding situation. The plan is administered by the Teacher Retirement System of Texas (TRS) and is established and administered in accordance with the Texas Constitution, Article XVI, Section 67 and Texas Government Code, Title 8, Subtitle C. The pension trust fund is a qualified pension trust under Section 401(a) of the Internal Revenue Code. The Texas Legislature establishes benefits and contribution rates within the guidelines of the Texas Constitution. The pension's Board of Trustees does not have the authority to establish or amend benefit terms.

All employees of public, state-supported educational institutions in Texas who are employed for one-half or more of the standard work load and who are not exempted from membership under Texas Government Code, Title 8, Section 822.002 are covered by the system.

#### Pension Plan Fiduciary Net Position

Detailed information about the TRS's fiduciary net position is available in a separately-issued Annual Comprehensive Financial Report (ACFR) that includes financial statements and required supplementary information. That report may be obtained on the Internet at [https://www.trs.texas.gov/Pages/about\\_publications.aspx](https://www.trs.texas.gov/Pages/about_publications.aspx) ; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

# Irving Independent School District

## Notes to the Financial Statements

### Benefits Provided

TRS provides service and disability retirement, as well as death and survivor benefits, to eligible employees (and their beneficiaries) of public and higher education in Texas. The pension formula is calculated using 2.3% (multiplier) times the average of the five highest annual creditable salaries times years of credited service to arrive at the annual standard annuity, except for members who are grandfathered where the three highest annual salaries are used. The normal service retirement is at age 65 with 5 years of credited service or when the sum of the member's age and years of credited service equals 80 or more years. Early retirement is at age 55 with 5 years of service credit or earlier than 55 with 30 years of service credit. There are additional provisions for early retirement if the sum of the member's age and years of service credit total at least 80, but the member is less than age 60 or 62 depending on date of employment, or if the member was grandfathered in under a previous rule. There are no automatic postemployment benefit changes, including automatic cost of living adjustments (COLAs). Ad hoc postemployment benefit changes, including ad hoc COLAs can be granted by the Texas Legislature as previously noted in the Plan Description above.

### Contributions

Contribution requirements are established or amended pursuant to Article XVI, section 67 of the Texas Constitution which requires the Texas legislature to establish a member contribution rate of not less than 6% of the member's annual compensation and a state contribution rate of not less than 6% and not more than 10% of the aggregate annual compensation paid to members of the system during the fiscal year. Texas Government Code section 821.006 prohibits benefit improvements if, as a result of the particular action, the time required to amortize TRS' unfunded actuarial liabilities would be increased to a period that exceeds 31 years, or, if the amortization period already exceeds 31 years, the period would be increased by such action.

Employee contribution rates are set in state statute, Texas Government Code 825.402. The TRS Pension Reform Bill (Senate Bill 12) of the 86th Texas Legislature amended Texas Government Code 825.402 for member contributions and increased employee and employer contribution rates for fiscal years 2020 thru 2025.

Rates for such plan fiscal years are as follows:

	Contribution Rates	
	2023	2022
Member	8.00%	8.00%
Non-employer contributing entity (State)	8.00%	7.75%
Employers (District)	8.00%	7.75%

The contribution amounts for the District's fiscal year 2023 are as follows:

2023 Employer Contributions	\$ 10,660,361
2023 Member Contributions	20,134,822
2023 NECE On-behalf Contributions	12,314,060

Contributors to the plan include members, employers and the State of Texas as the only non-employer contributing entity. The State is the employer for senior colleges, medical schools and state agencies including TRS. In each respective role, the State contributes to the plan in accordance with state statutes and the General Appropriations Act.

# Irving Independent School District

## Notes to the Financial Statements

As the non-employer contributing entity for public education and junior colleges, the State of Texas contributes to the retirement system an amount equal to the current employer contribution rate times the aggregate annual compensation of all participating members of the pension trust fund during the fiscal year reduced by the amounts described below which are paid by the employers. Employers (public school, junior college, other entities or the State of Texas as the employer for senior universities and medical schools) are required to pay the employer contribution rate in the following instances:

- On the portion of the member's salary that exceeds the statutory minimum for members entitled to the statutory minimum under Section 21.402 of the Texas Education Code.
- During a new member's first 90 days of employment.
- When any or all of an employee's salary is paid by federal funding sources, a privately sponsored source, from non-educational and general, or local funds.
- When the employing district is a public junior college or junior college district, the employer shall contribute to the retirement system an amount equal to 50% of the state contribution rate for certain instructional or administrative employees; and 100% of the state contribution rate for all other employees.

In addition to the employer contributions listed above, there are two surcharges an employer is subject to:

- When employing a retiree of the Teacher Retirement System, the employer shall pay both the member contribution and the state contribution as an employment-after-retirement surcharge.
- Public education employer contribution - all public schools, charter schools and regional education service centers must contribute 1.7% of the member's salary beginning in fiscal year 2022, gradually increasing to 2.0% in fiscal year 2025.

### **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension**

On August 31, 2023, the District reported a liability of \$133,651,888 for its proportionate share of the TRS's net pension liability. This liability reflects a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District are as follows:

District's proportionate share of the collective net pension liability	\$	133,651,888
State's proportionate share that is associated with the District		<u>156,666,901</u>
<b>Total</b>	<b>\$</b>	<b><u>290,318,789</u></b>

The net pension liability was measured as of August 31, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as August 31, 2021 rolled forward to August 31, 2022. The District's proportion of the net pension liability was based on the District's contributions to the pension plan relative to the contributions of all employers to the plan for the period September 1, 2021 through August 31, 2022.

At the measurement date of August 31, 2022, the District's proportion of the collective net pension liability was 0.2251266%, which was a decrease of 0.00919% from its proportion measured as of August 31, 2021.

For the fiscal year ended August 31, 2023, the District recognized pension expense of \$15,031,757 and revenue of \$12,314,060 for support provided by the State.

# Irving Independent School District

## Notes to the Financial Statements

On August 31, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>                    </u>	<u>                    </u>
Differences between expected and actual economic experience	\$ 1,937,942	\$ 2,913,864
Changes in actuarial assumptions	24,903,697	6,206,697
Difference between projected and actual investment earnings	13,204,379	-
Changes in proportion and difference between the employer's contributions and the proportionate share of contributions	6,946,151	6,475,790
Contributions paid to TRS subsequent to the measurement date	<u>10,660,361</u>	<u>-</u>
<b>Total</b>	<u><u>\$ 57,652,530</u></u>	<u><u>\$ 15,596,351</u></u>

\$10,660,361 reported as deferred outflows of resources resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended August 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending August 31,	Pension Expense (Income)
<u>                    </u>	<u>                    </u>
2024	\$ 8,204,604
2025	4,002,998
2026	1,284,456
2027	15,884,987
2028	<u>2,018,773</u>
<b>Total</b>	<u><u>\$ 31,395,818</u></u>

# Irving Independent School District

## Notes to the Financial Statements

### Actuarial Methods and Assumptions

The actuarial valuation of the total pension liability was performed as of August 31, 2021. Update procedures were used to roll forward the total pension liability to August 31, 2022 and was determined using the following actuarial methods and assumptions:

Actuarial cost method	Individual entry age normal
Asset valuation method	Fair value
Single discount rate	7.00%
Long-term expected rate of return	7.00%
Municipal bond rate as of August 2022	3.91%. Source for the rate is the Fixed Income Market Data / Yield Curve / Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index."
Last year ending August 31 in projection period (100 years)	2121
Inflation	2.30%
Salary increases	2.95% to 8.95% including inflation
Ad hoc postemployment benefit changes	None
Mortality rates	The post-retirement mortality rates for healthy lives were based on the 2021 TRS of Texas Healthy Pensioners Mortality Tables, with full generational projection using the ultimate improvement rates from the most recently published projection scale ("U-MP"). The active mortality rates were based on the published PUB(2010) Mortality Tables for Teachers, below median, also with full generational mortality.

The actuarial methods and assumptions are primarily based on a study of actual experience for the four year period ending August 31, 2021 and adopted in July 2022.

# Irving Independent School District

## Notes to the Financial Statements

### Discount Rate and Long-Term Expected Rate of Return

A single discount rate of 7.00% was used to measure the total pension liability. The single discount rate was based on the expected rate of return on pension plan investments of 7.00%. The projection of cash flows used to determine the single discount rate assumed that contributions from active members and those of the contributing employers and the non-employer contributing entity will be made at the rates set by the legislature in the 2019 session. It is assumed that future employer and state contributions will be 8.50 percent of payroll in fiscal year 2020 gradually increasing to 9.55 percent of payroll over the next several years. This includes all employer and state contributions for active and rehired retirees.

Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimates ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in TRS's target asset allocation as of August 31, 2022 are summarized below:

Asset Class	Target Allocation**	Long-term Expected Geometric Real Rate of Return***	Expected Contribution to Long-term Portfolio Returns
Global equity:			
U.S.	18.00%	4.60%	1.12%
Non-U.S. developed	13.00%	4.90%	0.90%
Emerging markets	9.00%	5.40%	0.75%
Private equity*	14.00%	7.70%	1.55%
Stable value:			
Government bonds	16.00%	1.00%	0.22%
Absolute return*	-	3.70%	-
Stable value hedge funds	5.00%	3.40%	0.18%
Real return:			
Real estate	15.00%	4.10%	0.94%
Energy, natural resources and infrastructure	6.00%	5.10%	0.37%
Commodities	-	3.60%	-
Risk parity:			
Risk parity	8.00%	4.60%	0.43%
Asset allocation leverage:			
Cash	2.00%	3.00%	0.01%
Asset allocation leverage	-6.00%	3.60%	-0.05%
Inflation expectation			2.70%
Volatility drag****			-0.91%
<b>Total</b>	100.00%		8.21%

\* Absolute return includes credit sensitive investments.

\*\* Target allocations are based on the FY 2022 policy model.

\*\*\* Capital market assumptions come from Aon Hewitt (as of 8/31/2022).

\*\*\*\* The volatility drag results from the conversion between arithmetic and geometric mean returns.

# Irving Independent School District

## Notes to the Financial Statements

### Discount Rate Sensitivity Analysis

The following table presents the District's proportionate share of the TRS net pension liability calculated using the discount rate of 7.00%, as well as what the District's proportionate share of the net pension liability would be if it was calculated using a discount rate that is 1% lower or 1% higher than the current rate:

	1% Decrease in Discount Rate (6.00%)	Discount Rate (7.00%)	1% Increase in Discount Rate (8.00%)
District's proportionate share of the net pension liability:	\$ 207,911,663	\$ 133,651,888	\$ 73,460,855

### Change of Assumptions Since the Prior Measurement Date

New assumptions were adopted in conjunction with an actuarial experience study since the prior measurement date that affected measurement of the total pension liability during the measurement period. The primary assumption change was the lowering of the single discount rate from 7.25 percent to 7.00 percent.

### Change of Benefit Terms Since the Prior Measurement Date

There were no changes of benefit terms since the prior measurement date that affected measurement of the total pension liability during the measurement period.

## Note 7. Defined Other Post-Employment Benefit Plan

### Plan Description

The District participates in the Texas Public School Retired Employees Group Insurance Program (TRS-Care). It is a multiple-employer, cost-sharing defined Other Post-Employment Benefit (OPEB) plan that has a special funding situation. TRS-Care was established in 1986 by the Texas Legislature and is administered through a trust by the Teacher Retirement System of Texas (TRS) Board of Trustees in accordance with the Texas Insurance Code, Chapter 1575. The Board may adopt rules, plans, procedures and orders reasonably necessary to administer the program, including minimum benefits and financing standards.

### OPEB Plan Fiduciary Net Position

Detailed information about the TRS-Care's fiduciary net position is available in the separately-issued TRS Annual Comprehensive Financial Report that includes financial statements and required supplementary information. That report may be obtained on the Internet at [https://www.trs.texas.gov/Pages/about\\_publications.aspx](https://www.trs.texas.gov/Pages/about_publications.aspx) ; by writing to TRS at 1000 Red River Street, Austin, TX, 78701-2698; or by calling (512) 542-6592.

### Benefits Provided

TRS-Care provides health insurance coverage to retirees from public schools, charter schools, regional education service centers and other educational districts who are members of the TRS pension plan. Optional dependent coverage is available for an additional fee.

Eligible non-Medicare retirees and their dependents may enroll in TRS-Care Standard, a high-deductible health plan. Eligible Medicare retirees and their dependents may enroll in the TRS-Care Medicare Advantage medical plan and the TRS-Care Medicare Rx prescription drug plan. To qualify for TRS-Care coverage, a retiree must have at least 10 years of service credit in the TRS pension system. There are no automatic post-employment benefit changes; including automatic cost of living adjustments (COLAs). The Board of Trustees of TRS is granted the authority to establish basic and optional group insurance coverage for participants as well as to amend benefit terms as needed under Chapter 1575.052.



# Irving Independent School District

## Notes to the Financial Statements

The premium rates for retirees are reflected in the following table:

TRS-Care Monthly Premium Rates

	<u>Medicare</u>	<u>Non-Medicare</u>
Retiree or surviving spouse	\$ 135	\$ 200
Retiree and spouse	529	689
Retiree or surviving spouse and children	468	408
Retiree and family	1,020	999

### Contributions

Contribution rates for the TRS-Care plan are established in state statute by the Texas Legislature, and there is no continuing obligation to provide benefits beyond each fiscal year. The TRS-Care plan is currently funded on a pay-as-you-go basis and is subject to change based on available funding. Funding for TRS-Care is provided by retiree premium contributions and contributions from the state, active employees, and school districts based upon public school district payroll. The TRS Board of trustees does not have the authority to set or amend contribution rates.

Texas Insurance Code, section 1575.202 establishes the State’s contribution rate which is 1.25% of the employee’s salary. Section 1575.203 establishes the active employee’s rate which is 0.65% of pay. Section 1575.204 establishes an employer contribution rate of not less than 0.25% or not more than 0.75% of the salary of each active employee of the public or charter school. The actual employer contribution rate is prescribed by the Legislature in the General Appropriations Act.

Rates for such plan fiscal years are as follows:

	<u>Contribution Rates</u>	
	<u>2023</u>	<u>2022</u>
Active employee	0.65%	0.65%
Non-employer contribution entity (State)	1.25%	1.25%
Employers (District)	0.75%	0.75%
Federal/private funding*	1.25%	1.25%

\*Contributions paid from federal funds and private grants are remitted by the employer (District) and paid at the State rate.

The contribution amounts for the District’s fiscal year 2023 are as follows:

2023 District contributions	\$ 2,158,628
2023 Member contributions	1,635,954
2023 NECE on-behalf contributions (state)	2,718,319

In addition to the employer contributions listed above, there is an additional surcharge all TRS employers are subject to (regardless of whether or not they participate in the TRS Care OPEB program). When hiring a TRS retiree, employers are required to pay TRS-Care a monthly surcharge of \$535 per retiree.

The State of Texas also contributed \$1,367,642, \$1,072,202 and \$1,114,130 in 2023, 2022, and 2021, respectively, for on-behalf payments for Medicare Part D.

## Irving Independent School District

### Notes to the Financial Statements

TRS-Care received a supplemental appropriation from the State of Texas as the Non-Employer Contributing Entity in the amount of \$83 million in fiscal year 2022 from the Federal Rescue Plan Act (ARPA) to help defray Covid-19 related health care costs during fiscal year 2022.

#### OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

On August 31, 2023, the District reported a liability of \$64,963,565 for its proportionate share of the TRS's net OPEB liability. This liability reflects a reduction for State OPEB support provided by the District. The amount recognized by the District as its proportionate share of the net OPEB liability, the related State support, and the total portion of the net OPEB liability that was associated with the District are as follows:

District's proportionate share of the net OPEB liability	\$ 64,963,565
State's proportionate share of the net OPEB liability associated with the District	<u>79,245,343</u>
<b>Total</b>	<b><u>\$ 144,208,908</u></b>

The net OPEB liability was measured as of August 31, 2022 and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as August 31, 2021 rolled forward to August 31, 2022. The District's proportion of the net OPEB liability was based on the District's contributions to the OPEB plan relative to the contributions of all employers to the plan for the period September 1, 2021 through August 31, 2022.

At the measurement date of August 31, 2022, the employer's proportion of the collective net OPEB liability was 0.2713145% which was an increase of 0.008452% from its proportion measured as of August 31, 2021.

For the fiscal year ended August 31, 2023, the District recognized net OPEB revenue of \$11,245,554 due to recognition of deferred inflows in excess of deferred outflows and current year expense. OPEB revenue of \$2,718,319 was recognized for support provided by the State.

On August 31, 2023, the District reported its proportionate share of the TRS' deferred outflows of resources and deferred inflows of resources related to other post-employment benefits from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<u>                    </u>	<u>                    </u>
Differences between expected and actual economic experience	\$ 3,611,744	\$ 54,120,481
Changes of assumptions	9,895,238	45,132,821
Net difference between projected and actual earnings on plan investments	193,508	-
Changes in proportion and differences between District contributions and proportionate share of contributions (cost-sharing plan)	7,369,958	6,697,607
District contributions after measurement date	<u>2,158,628</u>	<u>-</u>
<b>Totals</b>	<b><u>\$ 23,229,076</u></b>	<b><u>\$ 105,950,909</u></b>

## Irving Independent School District

### Notes to the Financial Statements

\$2,158,628 reported as deferred outflows of resources resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ended August 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending August 31,		
2024	\$	(16,102,096)
2025		(16,101,395)
2026		(13,346,512)
2027		(9,616,890)
2028		(10,855,533)
Thereafter		(18,858,035)
<b>Total</b>	<b>\$</b>	<b>(84,880,461)</b>

#### Actuarial Methods and Assumptions

The actuarial valuation of the total OPEB liability was performed as of August 31, 2021. Update procedures were used to roll forward the total OPEB liability to August 31, 2022.

The actuarial valuation of the OPEB plan offered through TRS-Care is similar to the actuarial valuation performed for the pension plan, except that the OPEB valuation is more complex. The following assumptions used for the valuation of the TRS-Care OPEB liability are identical to the assumptions employed in the August 31, 2021 TRS pension actuarial valuation that was rolled forward to August 31, 2022:

Demographic Assumptions	Economic Assumptions
Rates of mortality	General inflation
Rates of retirement	Wage inflation
Rates of termination	
Rates of disability	

See Note 6 for detail on these assumptions. The demographic assumptions were developed in the experience study performed for TRS for the period ending August 31, 2017.

The active mortality rates were based on 90 percent of the RP-2014 Employee Mortality Tables for males and females. The post-retirement mortality rates for healthy lives were based on the 2018 TRS of Texas Healthy Pensioner Mortality Tables. The rates were projected on a fully generational basis using the ultimate improvement rates from mortality projection scale MP-2018.

The initial medical trend rates were 8.25% for Medicare retirees and 7.25% for non-Medicare retirees. There was an initial prescription drug trend rate of 8.25% for all retirees. The initial trend rates decrease to an ultimate trend rate of 4.25% over a period of 13 years.

# Irving Independent School District

## Notes to the Financial Statements

The following methods and additional assumptions were used in the TRS-Care OPEB valuation:

Actuarial cost method	Individual entry age normal
Single discount rate	3.91%
Aging factors	Based on plan specific experience
Election rates	Normal retirement: 62% participation prior to age 65 and 25% after age 65. Pre-65 retirees: 30% of pre-65 retirees are assumed to discontinue coverage at age 65.
Expenses	Third-party administrative expenses related to the delivery of health care benefits are included in the age-adjusted claims costs.
Ad hoc postemployment benefit changes	None

### Discount Rate

A single discount rate of 3.91% was used to measure the total OPEB liability at August 31, 2022. This was an increase of 1.96% in the discount rate since the August 31, 2021 measurement date. The plan is essentially a “pay-as-you-go” plan, and based on the assumption that contributions are made at the statutorily required rates, the OPEB plan’s fiduciary net position was projected to not be able to make all future benefit payments to current plan members and therefore, the single discount rate is equal to the prevailing municipal bond rate. The source for the rate is the Fixed Income Market Data / Yield Curve / Data Municipal Bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index’s “20-Year Municipal GO AA Index” as of August 31, 2022.

### Sensitivity Analysis of Rates

#### Discount Rate

The following table presents the District’s proportionate share of the TRS-Care net OPEB liability, as well as what the District’s proportionate share of the net OPEB liability would be if it were calculated using a discount rate that was 1% less than and 1% greater than the discount rate that was used (3.91%) in measuring the net OPEB liability.

Sensitivity of the Net OPEB Liability  
to the Single Discount Rate Assumptions

	1% Decrease (2.91%)	Current Discount Rate (3.91%)	1% Increase (4.91%)
District’s Proportionate share of the Net OPEB Liability	\$ 76,597,195	\$ 64,963,565	\$ 55,538,832

## Irving Independent School District

### Notes to the Financial Statements

#### Healthcare Cost Trend Rates

The following table presents the District's proportionate share of net OPEB liability using the assumed healthcare cost trend rate, as well as what the net OPEB liability would be if it were calculated using a trend rate that is 1% lower or 1% higher than the assumed health-care cost trend rate:

Sensitivity of the Net OPEB Liability  
to the Healthcare Cost Trend Rate Assumptions

	<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rate</u>	<u>1% Increase</u>
District's Proportionate share of the Net OPEB Liability	\$ 53,530,270	\$ 64,963,565	\$ 79,785,361

#### **Change of Assumptions Since the Prior Measurement Date**

The following were changes to the actuarial assumptions or other inputs that affected measurement of the total OPEB liability since the prior measurement period:

- The discount rate changed from 1.95% as of August 31, 2021 to 3.91% as of August 31, 2022. This change decreased the total OPEB liability.
- Lower participation rates and updates to the health care trend rate assumptions were also factors that decreased the total OPEB liability.

#### **Change of Benefit Terms Since the Prior Measurement Date**

There were no changes in benefit terms since the prior measurement date.

**Irving Independent School District**  
Notes to the Financial Statements

**Note 8. Long-Term Liabilities**

Long-term liabilities include actuarially determined claims liabilities (which are typically liquidated by the Internal Service fund). These liabilities are detailed as follows:

	Beginning 09/01/22	Increases	Decreases	Balance 08/31/23	Current Portion
Claims payable	\$ 1,015,442	\$ 2,809,031	\$ 2,974,314	\$ 850,159	\$ 352,082

Long-term debt also includes par bonds, capital appreciation (deep discount) serial bonds, and variable rate bonds as follows:

Description	Final Maturity	Interest Rate Payable	Amounts Original Issue	Bonds				Bonds Outstanding at 08/31/2023	Due Within One Year
				Outstanding at 09/01/2022	Additions	Reductions/Refunded	Interest Accretion		
2011 Qualified school construction bond	2026	None	\$ 34,770,000	\$ 7,240,000	\$ -	\$ (1,810,000)	\$ -	\$ 5,430,000	\$ 1,810,000
2012 School building	2025	2.00% - 5.00%	13,985,000	3,760,000	-	(1,205,000)	-	2,555,000	1,255,000
2013 Refunding	2023	2.00% - 4.00%	66,145,000	10,650,000	-	(10,650,000)	-	-	-
2014 Refunding	2027	4.00%	4,685,000	4,140,000	-	(230,000)	-	3,910,000	850,000
2015 Refunding	2033	4.00%	60,010,000	50,800,000	-	(460,000)	-	50,340,000	4,650,000
2015A Refunding	2031	4.00% - 5.00%	139,295,000	108,710,000	-	(11,405,000)	-	97,305,000	18,010,000
2016 Refunding	2038	2.00% - 5.00%	79,345,000	67,035,000	-	(5,130,000)	-	61,905,000	5,085,000
2016A Refunding	2033	3.00% - 5.00%	20,185,000	18,535,000	-	(280,000)	-	18,255,000	295,000
2017 Refunding	2029	3.00% - 5.00%	8,885,000	5,930,000	-	(1,540,000)	-	4,390,000	610,000
2019 Refunding	2040	3.00% - 5.00%	42,020,000	37,900,000	-	-	-	37,900,000	-
2023 School building	2043	5.00%	312,040,000	-	312,040,000	-	-	312,040,000	280,000
<b>Total bonded indebtedness</b>				314,700,000	312,040,000	(32,710,000)	-	594,030,000	32,845,000
Accreted interest and CAB premium				6,464,677	271,148	-	(410,000)	6,325,825	-
Premium/discounts on bonds				21,811,074	38,566,705	(6,816,608)	-	53,561,171	-
<b>Total bonds payable</b>				\$ 342,975,751	\$ 350,877,853	\$ (39,526,608)	\$ (410,000)	\$ 653,916,996	\$ 32,845,000
Right-to-use lease liability				\$ 503,599	\$ 88,705	\$ (206,412)	\$ -	\$ 385,892	\$ 116,673
SBITA liability				-	6,877,688	(2,769,850)	-	4,107,838	2,352,777
Net pension liability				59,673,163	86,398,738	(12,420,013)	-	133,651,888	-
Net OPEB liability				101,397,856	5,913,785	(42,348,076)	-	64,963,565	-
<b>Total long-term liabilities</b>				\$ 504,550,369	\$ 450,156,769	\$ (97,270,959)	\$ (410,000)	\$ 857,026,179	\$ 35,314,450

Debt service principal requirements to maturity (below) exclude accumulated accretion of interest, which is included in the interest column:

Year Ended August 31,	Principal	Interest	Total Requirements
2024	\$ 32,845,000	\$ 28,155,850	\$ 61,000,850
2025	37,650,000	26,649,650	64,299,650
2026	32,195,000	25,277,000	57,472,000
2027	32,590,000	22,925,475	55,515,475
2028	24,385,000	20,589,650	44,974,650
2029-2033	138,130,000	85,647,383	223,777,383
2034-2038	136,265,000	55,366,150	191,631,150
2039-2043	159,970,000	20,486,550	180,456,550
<b>Totals</b>	<b>\$ 594,030,000</b>	<b>\$ 285,097,708</b>	<b>\$ 879,127,708</b>

There are a number of limitations and restrictions contained in the various general obligation bond indentures. The District is in compliance with all limitations and restrictions at August 31, 2023.

# Irving Independent School District

## Notes to the Financial Statements

### Leases Payable

The District has entered into multiple lease agreements as lessee. The leases allow the right-to-use copiers over the term of the lease. The District is required to make monthly payments at its incremental borrowing rate or the interest rate stated or implied within the leases. The lease rate, term and ending lease liability are as follows:

	Interest Rate	Liability at Commencement	Lease Term in Months	Ending Balance
<b>Governmental activities</b>				
Pitney Bowes	3.445%	\$ 88,705	60	\$ 75,697
Xerox	0.712%	498,235	60	309,155
Xerox	0.736%	1,539	60	1,040
Total governmental activities				<u>\$ 385,892</u>

The future principal and interest lease payments as of fiscal year end are as follows:

Fiscal Year Ending	Principal	Interest	Total
2024	\$ 116,673	\$ 4,275	\$ 120,948
2025	117,973	2,975	120,948
2026	119,300	1,648	120,948
2027	27,182	573	27,755
2028	4,764	41	4,805
<b>Total governmental activities</b>	<u>\$ 385,892</u>	<u>\$ 9,512</u>	<u>\$ 395,404</u>

The value of the right-to-use assets as of the end of the current fiscal year was \$588,479 and had accumulated amortization of \$198,381.

### Subscription Based Information Technology Arrangements (SBITA)

The District has entered into multiple SBITAs that allow the right-to-use the SBITA vendor's information technology software over the subscription term. The District is required to make monthly, quarterly, or annual payments at its incremental borrowing rate or the interest rate stated or implied within the SBITAs. The SBITA rate, term and ending subscription liability are as follows:

	Interest Rate(s)	Liability at Commencement	SBITA Term in Months	Ending Balance
Governmental activities				
Software	1.850%-3.409%	\$ 6,877,689	12-43	\$ 4,107,838
<b>Total governmental activities</b>				<u>\$ 4,107,838</u>

# Irving Independent School District

## Notes to the Financial Statements

The future principal and interest SBITA payments as of fiscal year end are as follows:

Fiscal Year Ending	Principal	Interest	Total
2024	\$ 2,352,777	\$ 92,754	\$ 2,445,531
2025	1,205,249	49,283	1,254,532
2026	381,435	14,888	396,323
2027	124,441	4,483	128,924
2028	43,936	1,076	45,012
<b>Total governmental activities</b>	<b>\$ 4,107,838</b>	<b>\$ 162,484</b>	<b>\$ 4,270,322</b>

The value of the subscription assets as of the end of the current fiscal year was \$6,982,135 and had accumulated amortization of \$1,792,474.

### Note 9. Debt Issuances and Defeased Debt

On July 15, 2023, the District issued "Irving Independent School District Unlimited Tax School Building Bonds, Series 2023," totaling \$312,040,000. These bonds incur an average cost over the life of the bonds at a rate of 5.00% and mature annually with semi-annual interest payments. The proceeds were used to construct and renovate school buildings. The bonds will fully mature in 2043.

In prior years, the District issued refunding bonds for the purpose of restructuring outstanding debt service requirements or decreasing the total debt service payments. These refunding issues defeased selected general obligation and maintenance bonds. There was no defeased debt outstanding as of August 31, 2023.

### Note 10. Interfund Receivables, Payables, and Transfers

In the fund financial statements, interfund balances are the results of normal transactions between funds and will be liquidated in the subsequent fiscal year. These balances at August 31, 2023, consisted of the following individual fund receivables and payables:

Fund	Receivable	Payable	Reason
General fund:			
Other nonmajor funds	\$ 13,945,786	\$ -	To reclassify deficit pooled cash
Internal service	497,871	-	To reclassify deficit pooled cash
Other nonmajor funds:			
General fund	-	13,945,786	To reclassify deficit pooled cash
Internal service:			
General fund	-	497,871	To reclassify deficit pooled cash
	<u>\$ 14,443,657</u>	<u>\$ 14,443,657</u>	



# Irving Independent School District

## Notes to the Financial Statements

### Note 11. Litigation, Commitments, and Contingencies

The District is a party to various legal actions, none of which is believed by administration to have a material impact on the financial condition of the District. Accordingly, no provision for losses has been recorded in the accompanying financial statements for such contingencies.

The District participates in numerous state and federal grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies. Therefore, to the extent that the District has not complied with the rules and regulations governing the grants, if any, refunds of any money received may be required and the collectability of any related receivable at August 31, 2023, may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants, therefore, no provision has been recorded in the accompanying financial statements for such contingencies.

### Note 12. Local, Intermediate, and Out-of-State Revenues – Governmental Funds

During the current year, local, intermediate and out-of-state revenues for the fund statements consisted of the following:

	General Fund	Food Service Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Other Funds	Total
Property taxes	\$ 169,416,216	\$ -	\$ 45,216,434	\$ -	\$ -	\$ 214,632,650
Food sales	-	1,119,745	-	-	-	1,119,745
Investment income	6,196,296	1,302,277	408,614	1,204,345	-	9,111,532
Rental of facilities	36,496	-	-	-	-	36,496
Tuition	418,032	-	-	-	-	418,032
Gifts and bequests	157,842	-	-	-	-	157,842
Penalties, interest & other tax-related income	1,762,732	-	327,800	-	-	2,090,532
Co-curricular student activities	895,350	-	-	-	-	895,350
Athletics	200,276	-	-	-	-	200,276
Other	3,779,980	62,302	-	-	479,104	4,321,386
<b>Total</b>	<b>\$ 182,863,220</b>	<b>\$ 2,484,324</b>	<b>\$ 45,952,848</b>	<b>\$ 1,204,345</b>	<b>\$ 479,104</b>	<b>\$ 232,983,841</b>

# Irving Independent School District

## Notes to the Financial Statements

### Note 13. Unearned Revenue and Deferred Inflows of Resources

Governmental funds report deferred inflows of resources in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned (unearned revenue). Unearned revenue and deferred inflows of resources at year-end for the fund statements consisted of the following:

	General Fund	Debt Service Fund	Nonmajor Other Funds	Total
Deferred inflows of resources:				
Net tax revenue	\$ 4,074,520	\$ 1,103,966	\$ -	\$ 5,178,486
Total deferred inflows of resources	<u>\$ 4,074,520</u>	<u>\$ 1,103,966</u>	<u>\$ -</u>	<u>\$ 5,178,486</u>
Unearned revenue:				
Other unearned revenues	\$ -	\$ -	\$ 834,892	\$ 834,892
<b>Total unearned revenue</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 834,892</u>	<u>\$ 834,892</u>

For government-wide financial statements, unavailable revenue relating to taxes is recognized as revenue.

### Note 14. Shared Services Arrangement

The District is the fiscal agent for the Regional Day School for the Deaf (RDSPD) Shared Services Arrangement (SSA), which provides services to students in its member districts, who have educationally significant hearing loss. In addition to the District, other member districts include Duncanville ISD and Grand Prairie ISD. The District, acting as the fiscal agent, manages the shared arrangement’s financial matters, including the budgeting, accounting, auditing, and reporting. In accordance to guidance provided in the TEA’s Financial Accountability System Resource Guide the District has accounted for the activities of the SSA in the appropriate special revenue funds. Additionally, the SSA is accounted for using Model #2 and #3 in Section 1.3.1.6 of the Accounting and Reporting Treatment Guidance.

Expenditures billed to the SSA members as of August 31, 2023, are summarized below:

	2023
Duncanville ISD	\$ 177,507
Grand Prairie ISD	<u>271,597</u>
	<u>\$ 449,104</u>

## Irving Independent School District

### Notes to the Financial Statements

#### Note 15. New Accounting Pronouncements

**GASB Statement No. 99, *Omnibus 2022 (GASB 99)***, enhances comparability in accounting and financial reporting and improves 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 requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance. The requirements related to leases were implemented in the District's fiscal year 2022 financial statements in conjunction with GASB 87. The requirements related to PPPs and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. These requirements for GASB 99 were implemented in the District's fiscal year 2023 financial statements in conjunction with GASB 94 and GASB 96. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. These requirements for GASB 99 will be implemented in the District's fiscal year 2024 financial statements and the impact has not yet been determined.

**GASB Statement No. 100, *Accounting Changes and Error Corrections (GASB 100)***, enhances 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 statement 1) defines accounting changes and corrections of errors; 2) prescribes the accounting and financial reporting for each type of accounting change and error corrections; and 3) clarifies required note disclosures. The requirements of this statement are effective for reporting periods beginning after June 15, 2023, with earlier application encouraged. GASB 100 will be implemented in the District's fiscal year 2024 financial statements and the impact has not yet been determined.

**GASB Statement No. 101, *Compensated Absences (GASB 101)***, improves the information needs of financial statements users by updating the recognition and measurement guidance for compensated absences under a unified model and amending certain previously required disclosures. The requirements of this statement are effective for reporting periods beginning after December 15, 2023, with earlier application encouraged. GASB 101 will be implemented in the District's fiscal year 2025 financial statements and the impact has not yet been determined.

The District will evaluate the impact of the standards on its financial statements and will take the necessary steps to implement them.



## **Required Supplementary Information**



**Irving Independent School District**  
**Schedule of Revenues, Expenditures, and Changes in Fund Balance**  
**Budget and Actual - General Fund**  
**For the Year Ended August 31, 2023**

**Exhibit G-1**

<b>DATA CONTROL CODES</b>		<b>ORIGINAL BUDGET</b>	<b>FINAL AMENDED BUDGET</b>	<b>FISCAL YEAR ACTUAL</b>	<b>VARIANCE POSITIVE OR (NEGATIVE)</b>
<b>REVENUES</b>					
5700	Local and intermediate sources	\$ 176,321,775	\$ 177,531,786	\$ 182,863,220	\$ 5,331,434
5800	State program revenues	143,876,828	143,876,828	141,359,046	(2,517,782)
5900	Federal program revenues	13,100,000	13,100,000	11,408,269	(1,691,731)
5020	Total revenues	333,298,603	334,508,614	335,630,535	1,121,921
<b>EXPENDITURES</b>					
Current					
0010	Instruction and instructional-related services				
0011	Instruction	194,611,448	193,598,037	194,199,985	(601,948)
0012	Instructional resources and media services	5,367,867	5,652,610	5,489,533	163,077
0013	Curriculum and instructional staff development	11,348,109	8,416,444	4,574,439	3,842,005
	Total instruction and instructional-related services	211,327,424	207,667,091	204,263,957	3,403,134
0020	Instructional and school leadership				
0021	Instructional leadership	8,218,767	10,173,085	8,496,196	1,676,889
0023	School leadership	20,342,870	21,372,858	21,001,354	371,504
	Total instructional and school leadership	28,561,637	31,545,943	29,497,550	2,048,393
0030	Support services - student (pupil)				
0031	Guidance, counseling, and evaluation services	20,298,075	18,086,398	16,192,414	1,893,984
0032	Social work services	1,647,872	1,720,384	1,222,855	497,529
0033	Health services	3,411,070	3,633,689	3,297,568	336,121
0034	Student (pupil) transportation	11,597,746	10,756,090	9,350,740	1,405,350
0035	Food services	722,169	720,630	543,058	177,572
0036	Co-curricular/extracurricular activities	4,282,118	7,674,143	6,478,685	1,195,458
	Total support services - student (pupil)	41,959,050	42,591,334	37,085,320	5,506,014
0040	Administrative support services				
0041	General administration	11,719,402	13,271,969	10,815,186	2,456,783
	Total administrative support services	11,719,402	13,271,969	10,815,186	2,456,783
0050	Support services - nonstudent based				
0051	Plant maintenance and operations	27,813,879	31,856,909	26,294,032	5,562,877
0052	Security and monitoring services	4,393,094	5,779,420	5,767,381	12,039
0053	Data processing services	4,766,173	4,941,250	5,334,164	(392,914)
	Total support services - nonstudent based	36,973,146	42,577,579	37,395,577	5,182,002
0060	Ancillary services				
0061	Community services	2,899,810	2,036,452	1,023,495	1,012,957
	Total ancillary services	2,899,810	2,036,452	1,023,495	1,012,957
0070	Debt service				
0071	Principal	-	-	1,897,939	(1,897,939)
0072	Interest and charges on long-term debt	-	-	25,688	(25,688)
	Total debt service	-	-	1,923,627	(1,923,627)
0080	Capital outlay				
0081	Facilities acquisition and construction	14,138	5,588,219	2,168,110	3,420,109
	Total capital outlay	14,138	5,588,219	2,168,110	3,420,109
0090	Intergovernmental charges				
0095	Payments to JJAEP	190,000	190,000	7,236	182,764
0099	Intergovernmental charges	636,721	636,722	636,722	-
	Total intergovernmental charges	826,721	826,722	643,958	182,764
6030	Total expenditures	334,281,328	346,105,309	324,816,780	21,288,529
1100	Excess (deficiency) of revenues over (under) expenditures	(982,725)	(11,596,695)	10,813,755	22,410,450
<b>OTHER FINANCING SOURCES (USES)</b>					
7912	Proceeds from sale of capital assets	-	-	172,408	172,408
7913	Lease proceeds	-	-	88,705	88,705
7949	Proceeds from right to use SBITA assets	-	-	4,609,516	4,609,516
8911	Transfers out	-	(40,700)	-	40,700
	Total other financing sources (uses)	-	(40,700)	4,870,629	4,911,329
1200	Net change in fund balances	(982,725)	(11,637,395)	15,684,384	27,321,779
0100	Fund balance - September 1 (beginning)	98,220,167	98,220,167	98,220,167	-
3000	<b>FUND BALANCE - AUGUST 31 (ENDING)</b>	<b>\$ 97,237,442</b>	<b>\$ 86,582,772</b>	<b>\$ 113,904,551</b>	<b>\$ 27,321,779</b>

See Notes to the Required Supplementary Information.





# Irving Independent School District

# Exhibit G-2

## Schedule of Revenues, Expenditures and Changes In Fund Balance Budget and Actual - Food Service Fund For The Year Ended August 31, 2023

DATA CONTROL CODES		ORIGINAL BUDGET	FINAL AMENDED BUDGET	FISCAL YEAR ACTUAL	VARIANCE POSTIVE OR (NEGATIVE)
<b>REVENUES</b>					
5700	Local and intermediate sources	\$ 2,130,000	\$ 2,130,000	\$ 2,484,324	\$ 354,324
5800	State program revenues	120,000	120,000	95,877	(24,123)
5900	Federal program revenues	23,040,000	23,040,000	25,566,779	2,526,779
5020	Total revenues	25,290,000	25,290,000	28,146,980	2,856,980
<b>EXPENDITURES</b>					
Current					
0030	Support services - student (pupil)				
0035	Food services	20,104,339	23,076,435	23,934,833	(858,398)
	Total support services - student (pupil)	20,104,339	23,076,435	23,934,833	(858,398)
0050	Support services - nonstudent based				
0051	Plant maintenance and operations	759,064	636,968	241,701	395,267
	Total support services - nonstudent based	759,064	636,968	241,701	395,267
0070	Debt service				
0071	Principal	-	-	105,114	(105,114)
0072	Interest and charges on long-term debt	-	-	2,879	(2,879)
	Total debt service	-	-	107,993	(107,993)
0080	Capital outlay				
0081	Facilities acquisition and construction	2,850,000	-	-	-
	Total capital outlay	2,850,000	-	-	-
6030	Total expenditures	23,713,403	23,713,403	24,284,527	(571,124)
1100	Excess (deficiency) of revenues over (under) expenditures	1,576,597	1,576,597	3,862,453	2,285,856
<b>OTHER FINANCING SOURCES (USES)</b>					
7949	Proceeds from right to use SBITA assets	-	-	348,232	348,232
	Total Other Financing Sources and (Uses)	-	-	348,232	348,232
1200	Net change in fund balances	1,576,597	1,576,597	4,210,685	2,634,088
0100	Fund balance - September 1 (beginning)	12,852,515	12,852,515	12,852,515	-
3000	<b>FUND BALANCE - AUGUST 31 (ENDING)</b>	<b>\$ 14,429,112</b>	<b>\$ 14,429,112</b>	<b>\$ 17,063,200</b>	<b>\$ 2,634,088</b>

See Notes to the Required Supplementary Information.

**Irving Independent School District**  
Schedule of the District's Proportionate  
Share of the Net Pension Liability of a Cost-  
Sharing Multiple-Employer Pension Plan - TRS  
For the Last Nine Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>
District's proportion of the net pension liability	0.2251266%	0.2343206%	0.2133212%
District's proportionate share of net pension liability	\$ 133,651,888	\$ 59,673,163	\$ 114,250,470
State's proportionate share of the net pension liability associated with the district	<u>156,666,901</u>	<u>68,972,089</u>	<u>167,803,830</u>
<b>TOTALS</b>	<u>\$ 290,318,789</u>	<u>\$ 128,645,252</u>	<u>\$ 282,054,300</u>
District's covered payroll	257,684,288	247,403,973	234,382,771
District's proportionate share of the net pension liability as a percentage of its covered payroll	51.87%	24.12%	48.75%
Plan fiduciary net position as a percentage of the total pension liability	75.62%	88.79%	75.54%

\*The amounts presented for the fiscal years were determined as of the Plan's fiscal year end, August 31 of the prior year.  
Ten years of data is not available.

**Exhibit G-3**

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
0.2215461%	0.2284947%	0.2323111%	0.2260375%	0.2410883%	0.1782444%
\$ 115,166,596	\$ 125,769,039	\$ 74,280,583	\$ 85,416,214	\$ 85,221,505	\$ 47,611,544
145,983,130	163,101,251	100,274,354	123,700,991	122,441,157	105,347,641
<u>\$ 261,149,726</u>	<u>\$ 288,870,290</u>	<u>\$ 174,554,937</u>	<u>\$ 209,117,205</u>	<u>\$ 207,662,662</u>	<u>\$ 152,959,185</u>
226,131,194	226,139,762	225,816,020	219,842,627	218,700,802	210,264,992
50.93%	55.62%	32.89%	38.85%	38.97%	22.64%
75.24%	73.74%	82.17%	78.00%	78.43%	83.25%

**Irving Independent School District**  
 Schedule of the District's Contributions - TRS  
 For the Last Nine Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Contractually required contribution	\$ 10,660,361	\$ 10,506,255	\$ 8,724,108
Contribution in relation to the contractually required contribution	<u>(10,660,361)</u>	<u>(10,506,255)</u>	<u>(8,724,108)</u>
<b>CONTRIBUTIONS DEFICIENCY (EXCESS)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	251,685,276	257,684,288	247,403,973
Contributions as a percentage of covered payroll	4.24%	4.08%	3.53%

\*The amounts presented for the fiscal years were determined as of the District's fiscal year end.  
 Ten years of data is not available.

**Exhibit G-4**

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$ 7,518,417	\$ 7,798,496	\$ 7,618,803	\$ 7,181,784	\$ 7,138,727	\$ 5,760,719
<u>(7,518,417)</u>	<u>(7,798,496)</u>	<u>(7,618,803)</u>	<u>(7,181,784)</u>	<u>(7,138,727)</u>	<u>(5,760,719)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
234,382,771	226,131,194	226,139,762	225,816,020	219,842,627	218,700,802
3.21%	3.45%	3.37%	3.18%	3.25%	2.63%

**Irving Independent School District**  
 Schedule of the District's Proportionate  
 Share of the Net OPEB Liability of a Cost-  
 Sharing Multiple-Employer OPEB Plan - TRS  
 Last Six Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>
District's proportion of the net OPEB liability	0.2713145%	0.2628626%	0.2575501%
District's proportionate share of net OPEB liability	\$ 64,963,565	\$ 101,397,856	\$ 97,906,438
State's proportionate share of the net OPEB liability associated with the District	<u>79,245,343</u>	<u>135,850,530</u>	<u>131,562,784</u>
<b>TOTALS</b>	<u>\$ 144,208,908</u>	<u>\$ 237,248,386</u>	<u>\$ 229,469,222</u>
District's covered payroll	257,684,288	247,403,973	234,382,771
District's proportionate share of the net pension liability as a percentage of its covered payroll	25.21%	40.98%	41.77%
Plan fiduciary net position as a percentage of the total pension liability	11.52%	6.18%	4.99%

\*The amounts presented for the fiscal years were determined as of the Plan's fiscal year end, August 31 of the prior year.

Ten years of data is not available.

**Exhibit G-5**

<u>2020</u>	<u>2019</u>	<u>2018</u>
0.2669724%	0.2748384%	0.2735990%
\$ 126,254,519	\$ 137,229,320	\$ 118,977,920
<u>167,764,011</u>	<u>191,416,641</u>	<u>174,501,471</u>
<u>\$ 294,018,530</u>	<u>\$ 328,645,961</u>	<u>\$ 293,479,391</u>
226,131,194	226,139,762	225,816,020
55.83%	60.68%	52.69%
2.66%	1.57%	0.91%

**Irving Independent School District**  
 Schedule of the District's Contributions to the  
 OPEB Plan - TRS  
 Last Six Fiscal Years

	<u>2023</u>	<u>2022</u>	<u>2021</u>
Contractually required contribution	\$ 2,158,628	\$ 2,228,657	\$ 2,052,843
Contribution in relation to the contractually required contribution	<u>(2,158,628)</u>	<u>(2,228,657)</u>	<u>(2,052,843)</u>
<b>CONTRIBUTIONS DEFICIENCY (EXCESS)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	251,685,276	257,684,288	247,403,973
Contributions as a percentage of covered payroll	0.86%	0.86%	0.83%

\*The amounts presented for the fiscal years were determined as of the District's fiscal year end.  
 Ten years of data is not available.



**Exhibit G-6**

<u>2020</u>	<u>2019</u>	<u>2018</u>
\$ 1,955,632	\$ 1,895,974	\$ 1,901,915
<u>(1,955,632)</u>	<u>(1,895,974)</u>	<u>(1,901,915)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
234,382,771	226,131,194	226,139,762
0.83%	0.84%	0.84%



**Irving Independent School District**  
Notes to the Required Supplementary Information

**Note 1. Budgetary Legal Compliance**

**A. Budgetary Information**

The Official Budget was prepared for adoption prior to August 16, 2022 for all required Governmental Funds on the modified accrual basis of accounting, which is consistent with generally accepted accounting principles (see Note 1(D) in the Notes to the Financial Statements). The budget is adopted by fund and function for expenditures and by fund and object for revenues. The appropriate department head or campus principal controls the budget. Therefore, management may transfer appropriations at the object level as necessary without the approval of the Board. The Board of Trustees maintains control within Fund Groups at the function code level for appropriations and object code level for revenues.

The Budget is formally adopted by the Board of Trustees at a duly advertised public meeting in accordance with law prior to the expenditure of funds. The approved budget is filed with the TEA through the Public Education Information Management System (PEIMS).

Should any change in the approved budget be required, budget amendment requests are presented to the Board of Trustees for consideration. Amendments are made before the fact and, once approved, are reflected in the official minutes. During the year, the budget was properly amended in accordance with the above procedures. The Board of Trustees approved the final amendment on August 21, 2023.

**B. Budgetary deficit**

In the General Fund, the following functions exceeded budget due to the implementation of GASB 96: Function 11 (Instruction), 53 (Data Processing Services), 71 (Debt Service - Principal) and 72 (Debt Service – Interest).

In the Food Service Fund, the following functions exceeded budget due to the implementation of GASB 96: Function 45 (Food Services), 71 (Debt Service – Principal) and 72 (Debt Service – Interest).



## Other Supplementary Information



## **Combining and Individual Fund Statements and Schedules**





## **Nonmajor Governmental Funds**



Irving Independent School District  
 Combining Balance Sheet  
 Nonmajor Governmental Funds  
 August 31, 2023

Exhibit H-1

DATA CONTROL CODES		FEDERAL SPECIAL REVENUE	STATE SPECIAL REVENUE	LOCAL SPECIAL REVENUE	TOTALS NONMAJOR GOVERNMENTAL FUNDS
<b>ASSETS</b>					
1110	Cash and cash equivalents	\$ 340,100	\$ 1,099,385	\$ 93,733	\$ 1,533,218
	Receivables				
1240	Due from other governments	14,264,565	29,993	-	14,294,558
1000	<b>TOTAL ASSETS</b>	<u>\$ 14,604,665</u>	<u>\$ 1,129,378</u>	<u>\$ 93,733</u>	<u>\$ 15,827,776</u>
<b>LIABILITIES</b>					
2110	Accounts payable	\$ 86,585	\$ 468,725	\$ -	\$ 555,310
2170	Due to other funds	13,945,786	-	-	13,945,786
2180	Due to Other Governments	446,706	-	-	446,706
2300	Unearned revenue	134,372	633,311	67,209	834,892
2000	Totals liabilities	14,613,449	1,102,036	67,209	15,782,694
<b>FUND BALANCE</b>					
	Restricted	-	27,342	26,524	53,866
	Unassigned	(8,784)	-	-	(8,784)
3000	Total fund balance	(8,784)	27,342	26,524	45,082
4000	<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<u>\$ 14,604,665</u>	<u>\$ 1,129,378</u>	<u>\$ 93,733</u>	<u>\$ 15,827,776</u>

**Irving Independent School District**  
Combining Statement of Revenues, Expenditures, and  
Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended August 31, 2023

**Exhibit H-2**

<b>DATA CONTROL CODES</b>		<b>FEDERAL SPECIAL REVENUE</b>	<b>STATE SPECIAL REVENUE</b>	<b>LOCAL SPECIAL REVENUE</b>	<b>TOTALS NONMAJOR GOVERNMENTAL FUNDS</b>
<b>REVENUES</b>					
5700	Local and intermediate sources	\$ -	\$ 449,104	\$ 30,000	\$ 479,104
5800	State program revenues	-	2,312,709	-	2,312,709
5900	Federal program revenues	62,756,577	-	-	62,756,577
5020	Total revenues	62,756,577	2,761,813	30,000	65,548,390
<b>EXPENDITURES</b>					
Current					
0010	Instruction and instructional-related services				
0011	Instruction	29,181,806	2,796,467	14,098	31,992,371
0013	Curriculum development and instructional staff development	5,764,653	43,998	-	5,808,651
	Total instruction and instructional-related services	34,946,459	2,840,465	14,098	37,801,022
0020	Instructional and school leadership				
0021	Instructional leadership	1,669,294	176,432	-	1,845,726
0023	School Leadership	1,047,485	-	-	1,047,485
	Total instructional and school leadership	2,716,779	176,432	-	2,893,211
0030	Support services - student (pupil)				
0031	Guidance, counseling, and evaluation services	1,759,758	-	-	1,759,758
0032	Social work services	169,663	-	-	169,663
0033	Health services	807,854	-	-	807,854
0034	Student (pupil) transportation	1,507,504	-	-	1,507,504
0035	Food services	113,582	-	-	113,582
0036	Co-curricular/extracurricular activities	-	-	1,208	1,208
	Total support services - student (pupil)	4,358,361	-	1,208	4,359,569
0040	Administrative support services				
0041	General administration	8,204,445	-	-	8,204,445
	Total administrative support services	8,204,445	-	-	8,204,445
0050	Support services - nonstudent based				
0051	Plant Maintenance and Operation	5,509,760	-	-	5,509,760
0052	Security and Monitoring Services	1,689,655	9,708	-	1,699,363
0053	Data processing services	3,513,675	-	-	3,513,675
	Total support services - nonstudent based	10,713,090	9,708	-	10,722,798
0060	Ancillary services				
0061	Community services	2,359,417	2,349	-	2,361,766
	Total ancillary services	2,359,417	2,349	-	2,361,766
0070	Debt service				
0071	Principal on long-term debt	325,728	467,105	-	792,833
0072	Interest and charges on long-term debt	80,925	19,622	-	100,547
	Total debt service	406,653	486,727	-	893,380
6030	Total expenditures	63,705,204	3,515,681	15,306	67,236,191
1100	Deficiency of revenues under expenditures	(948,627)	(753,868)	14,694	(1,687,801)
<b>OTHER FINANCING SOURCES</b>					
7949	Proceeds from right to use SBITA assets	948,627	971,314	-	1,919,941
1200	Net change in fund balances	-	217,446	14,694	232,140
0100	Fund balance - September 1 (beginning)	(8,784)	(190,104)	11,830	(187,058)
	<b>FUND BALANCE - AUGUST 31 (ENDING)</b>	<b>\$ (8,784)</b>	<b>\$ 27,342</b>	<b>\$ 26,524</b>	<b>\$ 45,082</b>

# Internal Service Funds

**Irving Independent School District**  
Combining Statement of Net Position  
Internal Service Funds  
August 31, 2023

<u>DATA CONTROL CODES</u>		<u>WORKERS' COMPENSATION</u>	<u>UNEMPLOYMENT</u>
	<b>ASSETS</b>		
	Current assets		
1110	Cash and temporary investments	\$ 2,396,196	\$ 550,567
1290	Other Receivables	125,000	-
1310	Inventories, at cost	-	-
	Total current assets	<u>2,521,196</u>	<u>550,567</u>
	Non-Current Assets:		
1500	Right-to-use leased assets	-	-
	Total Noncurrent Assets	<u>-</u>	<u>-</u>
1000	Total assets	2,521,196	550,567
	<b>LIABILITIES</b>		
	Current liabilities		
2110	Accounts payable	251	-
2170	Due to other funds	-	-
2800	Claims due within one year	352,082	-
2800	Right-to-use lease liability - current portion	-	-
	Total current liabilities	<u>352,333</u>	<u>-</u>
	Noncurrent liabilities		
	Claims due in more than one year	498,077	-
	Right-to-use lease liability	-	-
	Total long-term liabilities	<u>498,077</u>	<u>-</u>
2000	Total liabilities	850,410	-
	<b>NET POSITION</b>		
3900	Unrestricted net position	<u>1,670,786</u>	<u>550,567</u>
3000	<b>TOTAL NET POSITION</b>	<u><u>\$ 1,670,786</u></u>	<u><u>\$ 550,567</u></u>

<u>SCIENCE KIT REFURBISHMENT</u>	<u>PRINT SHOP</u>	<u>TOTALS INTERNAL SERVICE FUNDS</u>
\$ -	\$ -	\$ 2,946,763
1,794	-	126,794
<u>127,242</u>	<u>80,048</u>	<u>207,290</u>
<u>129,036</u>	<u>80,048</u>	<u>3,280,847</u>
-	<u>313,270</u>	<u>313,270</u>
-	<u>313,270</u>	<u>313,270</u>
129,036	393,318	3,594,117
-	3,973	4,224
473,575	24,296	497,871
-	-	352,082
-	<u>99,841</u>	<u>99,841</u>
473,575	128,110	954,018
-	-	498,077
-	<u>210,354</u>	<u>210,354</u>
-	<u>210,354</u>	<u>708,431</u>
473,575	338,464	1,662,449
<u>(344,539)</u>	<u>54,854</u>	<u>1,931,668</u>
<u>\$ (344,539)</u>	<u>\$ 54,854</u>	<u>\$ 1,931,668</u>

**Irving Independent School District**  
Combining Statement of Revenues, Expenses, and  
Changes in Net Position  
Internal Service Funds  
For the Year Ended August 31, 2023

<u>DATA CONTROL CODES</u>		<u>WORKERS' COMPENSATION</u>	<u>UNEMPLOYMENT</u>
	<b>OPERATING REVENUES</b>		
5700	Charges for services	\$ 1,311,537	\$ 11,913
5020	Total operating revenues	1,311,537	11,913
	<b>OPERATING EXPENSES</b>		
6100	Payroll costs	82,246	43,502
6200	Professional/contracted services	65,677	-
6300	Supplies and materials	9,375	-
6400	Claims, administration, and other expenses	598,870	-
6030	Total operating expenses	756,168	43,502
	Operating income (loss)	555,369	(31,589)
	<b>NONOPERATING REVENUES</b>		
7955	Interest income	98,054	-
7915	Transfers in	-	-
	Change in net position	653,423	(31,589)
0100	Total net position - September 1 (beginning)	1,017,363	582,156
3000	<b>TOTAL NET POSITION - AUGUST 31 (ENDING)</b>	<b>\$ 1,670,786</b>	<b>\$ 550,567</b>



<u>SCIENCE KIT REFURBISHMENT</u>	<u>PRINT SHOP</u>	<u>TOTALS INTERNAL SERVICE FUNDS</u>
\$ 445,609	\$ 215,180	\$ 1,984,239
445,609	215,180	1,984,239
217,843	-	343,591
2,173	62,879	130,729
287,573	3,147	300,095
-	102,558	701,428
<u>507,589</u>	<u>168,584</u>	<u>1,475,843</u>
(61,980)	46,596	508,396
-	-	98,054
-	-	-
(61,980)	46,596	606,450
<u>(282,559)</u>	<u>8,258</u>	<u>1,325,218</u>
<u>\$ (344,539)</u>	<u>\$ 54,854</u>	<u>\$ 1,931,668</u>

**Irving Independent School District**  
Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended August 31, 2023

	<u>WORKERS' COMPENSATION</u>	<u>UNEMPLOYMENT</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received for premiums and services	\$ 1,311,537	\$ 11,913
Cash paid to employees	(82,246)	(43,502)
Cash paid for claims, administration, and other costs	(839,897)	-
	<u>389,394</u>	<u>(31,589)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	<u>98,054</u>	<u>-</u>
	<u>98,054</u>	<u>-</u>
Net increase (decrease) in cash & cash equivalents	487,448	(31,589)
Cash and cash equivalents at beginning of the year	<u>1,908,748</u>	<u>582,156</u>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEAR</b>	<u><u>\$ 2,396,196</u></u>	<u><u>\$ 550,567</u></u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>		
Operating income (loss)	<u>\$ 555,369</u>	<u>\$ (31,589)</u>
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities		
Increase in inventories	-	-
Decrease in right-to-use leased assets	-	-
Increase (decrease) in accounts payable	(692)	-
Increase (decrease) in due to other funds	-	-
Decrease in long-term claims reserve	(165,283)	-
Decrease in right-to-use lease liability	-	-
Total adjustments	<u>(165,975)</u>	<u>-</u>
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>	<u><u>\$ 389,394</u></u>	<u><u>\$ (31,589)</u></u>

<u>SCIENCE KIT REFURBISHMENT</u>	<u>PRINT SHOP</u>	<u>TOTALS INTERNAL SERVICE FUNDS</u>
\$ 514,292	\$ 407,302	\$ 2,245,044
(217,843)	-	(343,591)
<u>(296,449)</u>	<u>(407,302)</u>	<u>(1,543,648)</u>
-	-	357,805
-	-	98,054
<u>-</u>	<u>-</u>	<u>98,054</u>
-	-	98,054
-	-	455,859
-	-	2,490,904
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,946,763</u>
<u>\$ (61,980)</u>	<u>\$ 46,596</u>	<u>\$ 508,396</u>
(4,735)	-	(4,735)
-	188,149	188,149
(174)	3,973	3,107
68,683	(45,314)	23,369
-	-	(165,283)
-	(193,404)	(193,404)
<u>61,980</u>	<u>(46,596)</u>	<u>(150,591)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 357,805</u>



# Fiduciary Funds



**Irving Independent School District**  
Combining Statement of Fiduciary Net Position  
Custodial Funds  
August 31, 2023

**Exhibit H-6**

	<u>STUDENT ACTIVITY FUNDS</u>	<u>FLEXIBLE BENEFITS</u>	<u>TOTAL CUSTODIAL FUNDS</u>
<b>ASSETS</b>			
Cash and temporary investments	\$ 659,482	\$ 303,156	\$ 962,638
<b>TOTAL ASSETS</b>	<u>\$ 659,482</u>	<u>\$ 303,156</u>	<u>\$ 962,638</u>
<b>LIABILITIES</b>			
Accounts payable	\$ 17,852	-	\$ 17,852
<b>TOTAL LIABILITIES</b>	<u>17,852</u>	<u>-</u>	<u>17,852</u>
<b>NET POSITION</b>			
Restricted for for students and other organizations	<u>641,630</u>	<u>303,156</u>	<u>944,786</u>
<b>TOTAL NET POSITION</b>	<u>\$ 641,630</u>	<u>\$ 303,156</u>	<u>\$ 944,786</u>

**Irving Independent School District**

**Exhibit H-7**

Combining Statement of Changes in Fiduciary Net Position

Custodial Funds

For the Year Ended August 31, 2023

	<b>STUDENT ACTIVITY FUNDS</b>	<b>FLEXIBLE BENEFITS</b>	<b>TOTAL CUSTODIAL FUNDS</b>
<b>ADDITIONS</b>			
Miscellaneous revenue from student groups	\$ 1,222,154	\$ -	\$ 1,222,154
Additions from flex funds	-	1,150,257	1,150,257
<b>TOTAL ADDITIONS</b>	<u>1,222,154</u>	<u>1,150,257</u>	<u>2,372,411</u>
<b>DEDUCTIONS</b>			
Dues and fees	1,277,278	-	1,277,278
Distribution of flex funds	-	1,027,380	1,027,380
<b>TOTAL DEDUCTIONS</b>	<u>1,277,278</u>	<u>1,027,380</u>	<u>2,304,658</u>
Change in net position	<u>(55,124)</u>	<u>122,877</u>	<u>67,753</u>
Net position, beginning	<u>696,754</u>	<u>180,279</u>	<u>877,033</u>
Net position, ending	<u>\$ 641,630</u>	<u>\$ 303,156</u>	<u>\$ 944,786</u>



## **Required T.E.A. Schedules**

**Irving Independent School District**  
 Schedule of Delinquent Taxes Receivable  
 For the Year Ended August 31, 2023

LAST TEN YEARS TAX ROLL FISCAL YEAR ENDING August 31	OPERATIONS	INTEREST & SINKING	3 ASSESSED/ APPRAISED VALUE FOR SCHOOL TAX
2014 & Prior Years	Various	Various	Various
2015	1.0400	0.3950	9,875,806,062
2016	1.1700	0.4050	10,428,027,790
2017	1.1700	0.2750	11,457,829,623
2018	1.1700	0.2614	12,120,027,696
2019	1.1700	0.2311	13,358,205,288
2020	1.0310	0.2741	14,537,517,847
2021	1.0148	0.2603	15,884,792,736
2022	0.9390	0.2687	16,791,998,908
2023	0.9056	0.2418	19,371,934,822 *

**1000 TOTALS**

**8000 TOTALS**                      **Taxes Refunded**

Column 3 - Assessed/Appraised Value for School Tax Purposes:

This is the net appraised value through the July supplement as reported by the Dallas Central Appraisal District, after exemptions provided by law and those granted by the District, which includes tax abatements.

Column 20 - Current Year's Tax Levy:

This amount is calculated by multiplying the total tax rate times per \$100 of Assessed/Appraised value, then deducting the levy lost due to the over 65 tax freeze exemption and proration of taxes of \$7,645,064.

\* Source: 2022 School District Report of Property Value  
 (Includes all Supplements and Litigated Accounts).

Exhibit J-1

10 BEGINNING BALANCE 9/1/2022	20 CURRENT YEAR'S TOTAL LEVY	30 MAINTENANCE TOTAL COLLECTIONS	30a DEBT SERVICE TOTAL COLLECTIONS	40 FISCAL YEAR'S ADJUSTMENT	50 ENDING BALANCE 8/31/2023
\$ 1,121,476	\$ -	\$ 147,064	\$ 43,872	\$ (38,272)	\$ 892,268
167,047	-	14,885	5,654	(2,076)	144,432
224,210	-	19,133	7,451	(24,247)	173,379
273,373	-	37,393	8,789	(9,807)	217,384
387,542	-	69,236	15,469	(31,586)	271,251
534,227	-	108,195	21,371	(43,250)	361,411
987,484	-	152,956	40,665	(223,606)	570,257
1,182,492	-	203,221	52,127	(143,649)	783,495
2,167,492	-	(713,048)	(204,043)	(1,963,377)	1,121,206
-	214,628,516	169,395,849	45,229,590	3,120,234	3,123,311
<u>\$ 7,045,343</u>	<u>\$ 214,628,516</u>	<u>\$ 169,434,884</u>	<u>\$ 45,220,945</u>	<u>\$ 640,364</u>	<u>\$ 7,658,394</u>
		\$ 17,074			

Column 30 - Fiscal Year Collections:

These are levy collections prior to adjustments described in Column 40, according to each year's tax roll. Penalty and interest collections are not included.

Column 40 - Fiscal Year's Adjustments:

These adjustments include corrections for errors in taxes assessed, total reductions for missing taxpayers and taxes lost due to exemptions. Amount may vary due to rounding.

Column 50 - Ending balance 8/31/23:

This total is displayed in Exhibit C-1, Balance Sheet.

**Irving Independent School District**

**Exhibit J-2**

Schedule of Revenues, Expenditures, and Changes in Fund Balance  
Budget and Actual - Debt Service Fund  
For the Year Ended August 31, 2023

DATA CONTROL CODES		ORIGINAL BUDGET	FINAL AMENDED BUDGET	FISCAL YEAR ACTUAL	VARIANCE POSITIVE OR (NEGATIVE)
<b>REVENUES</b>					
5700	Local and intermediate sources	\$ 45,403,925	\$ 45,403,925	\$ 45,952,848	\$ 548,923
5800	State program revenues	-	-	1,188,304	1,188,304
5020	Total revenues	45,403,925	45,403,925	47,141,152	1,737,227
<b>EXPENDITURES</b>					
0070	Debt service				
0071	Principal	32,710,000	32,985,000	33,120,000	(135,000)
0072	Interest and charges on long-term debt	12,568,925	12,568,925	12,418,958	149,967
0073	Bond issue costs and fees	-	2,420,000	10,700	2,409,300
	Total debt services	45,278,925	47,973,925	45,549,658	2,424,267
6030	Total expenditures	45,278,925	47,973,925	45,549,658	2,424,267
1100	Excess (deficiency) of revenues over (under) expenditures	125,000	(2,570,000)	1,591,494	4,161,494
1200	Net change in fund balances	125,000	(2,570,000)	1,591,494	4,161,494
0100	Fund balance - September 1 (beginning)	9,730,167	9,730,167	9,730,167	-
3000	<b>FUND BALANCE - AUGUST 31 (ENDING)</b>	<b>\$ 9,855,167</b>	<b>\$ 7,160,167</b>	<b>\$ 11,321,661</b>	<b>\$ 4,161,494</b>

<u>Data Codes</u>		<u>Responses</u>
<b><u>Section A: Compensatory Education Programs</u></b>		
AP1	Did your LEA expend any state compensatory education program state allotment funds during the District's fiscal year?	Yes
AP2	Does the LEA have written policies and procedures for its state compensatory education program?	Yes
AP3	List the total state allotment funds received for state compensatory education programs during the District's fiscal year.	\$ 43,818,885
AP4	List the actual direct program expenditures for state compensatory education programs during the LEA's fiscal year. (PICs 24, 26, 28, 29, 30, 34)	\$ 24,219,247
<b><u>Section B: Bilingual Education Programs</u></b>		
AP5	Did your LEA expend any bilingual education program state allotment funds during the LEA's fiscal year?	Yes
AP6	Does the LEA have written policies and procedures for its bilingual education program?	Yes
AP7	List the total state allotment funds received for bilingual education programs during the LEA's fiscal year.	\$ 10,622,730
AP8	List the actual direct program expenditures for bilingual education programs during the LEA's fiscal year. (PICs 25, 35)	\$ 16,384,901

# Irving Independent School District

## Index for Statistical Section

This section presents detailed information as a context for understanding what the information in the financial statements, note disclosures, required supplementary information, and supplementary information says about Irving Independent School District's overall financial health.

<b>Contents</b>	<b>Exhibits</b>
<b>Financial Trends Information</b> These schedules contain trend information intended to help the reader understand how the district's financial position has changed over time.	S1 – S7
<b>Revenue Capacity Information</b> These schedules contain information intended to help the reader assess the district's most significant revenue source, state tax collections.	S8 – S12
<b>Debt Capacity information</b> These schedules contain information intended to assist users in understanding and assessing the district's current levels of outstanding debt and the ability to issue additional debt.	S13 – S14
<b>Demographic and Economic information</b> These schedules provide demographic and economic indicators intended to help the reader understand the socioeconomic environment within which the district's financial activities take place.	S15 – S17
<b>Operating Information</b> These schedules provide contextual information about the district's operations and resources intended to assist readers in using financial statement information to understand and assess the district's economic condition.	S18 – S19



## Irving Independent School District

### Net Position By Component Last Ten Fiscal Years (Unaudited)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Governmental activities				
Net investment in capital assets	\$ 34,787,416	\$ 32,289,637	\$ 32,387,346	\$ 49,947,282
Restricted				
Federal and state programs	5,840,117	5,434,057	6,190,761	6,926,005
Debt service	11,811,520	10,505,814	4,202,628	4,239,051
Unrestricted	25,431,713	(482,474)	19,157,439	32,925,745
<b>TOTAL GOVERNMENTAL NET POSITION</b>	<u>\$ 77,870,766</u>	<u>\$ 47,747,034</u>	<u>\$ 61,938,174</u>	<u>\$ 94,038,083</u>
Business-type activities				
Unrestricted	\$ -	\$ -	\$ -	\$ (48,721)
<b>TOTAL BUSINESS-TYPE NET POSITION</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (48,721)</u>
Total primary government				
Net investment in capital assets	\$ 34,787,416	\$ 32,289,637	\$ 32,387,346	\$ 49,947,282
Restricted				
Federal and state programs	5,840,117	5,434,057	6,190,761	6,926,005
Debt service	11,811,520	10,505,814	4,202,628	4,239,051
Unrestricted	25,431,713	(482,474)	19,157,439	32,877,024
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ 77,870,766</u>	<u>\$ 47,747,034</u>	<u>\$ 61,938,174</u>	<u>\$ 93,989,362</u>

Source: The Statement of Net Position for the Irving Independent School District



Exhibit S-1

2018	2019	2020	2021	2022	2023
\$ 76,698,608	\$ 89,114,218	\$ 118,667,802	\$ 139,875,980	\$ 162,764,128	\$ 201,202,152
6,687,877	5,722,247	2,867,679	5,235,921	12,864,345	17,117,066
4,792,224	16,675,173	14,646,882	11,328,895	10,010,118	11,089,055
(134,227,899)	(127,105,683)	(137,914,164)	(136,549,851)	(138,000,569)	(125,744,652)
<u>\$ (46,049,190)</u>	<u>\$ (15,594,045)</u>	<u>\$ (1,731,801)</u>	<u>\$ 19,890,945</u>	<u>\$ 47,638,022</u>	<u>\$ 103,663,621</u>
\$ (182,385)	\$ -	\$ -	\$ -	\$ -	\$ -
<u>\$ (182,385)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 76,698,608	\$ 89,114,218	\$ 118,667,802	\$ 139,875,980	\$ 162,764,128	\$ 201,202,152
6,687,877	5,722,247	2,867,679	5,235,921	12,864,345	17,117,066
4,792,224	16,675,173	14,646,882	11,328,895	10,010,118	11,089,055
(134,410,284)	(127,105,683)	(137,914,164)	(136,549,851)	(138,000,569)	(125,744,652)
<u>\$ (46,231,575)</u>	<u>\$ (15,594,045)</u>	<u>\$ (1,731,801)</u>	<u>\$ 19,890,945</u>	<u>\$ 47,638,022</u>	<u>\$ 103,663,621</u>

**Irving Independent School District**  
Expenses, Program Revenues, And Net (Expense)/Revenue  
Last Ten Fiscal Years (Unaudited)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>EXPENSES</b>				
Governmental activities				
Instruction	\$ 209,800,052	\$ 211,808,998	\$ 217,338,877	\$ 224,360,321
Instructional resources and media services	5,915,181	5,488,376	6,368,683	6,581,856
Curriculum and staff development services	8,471,201	9,135,362	8,217,047	9,400,847
Instructional leadership	5,112,718	4,577,973	5,027,383	5,654,331
School leadership	19,926,467	20,401,286	21,467,618	22,393,869
Guidance, counseling, & evaluation services	15,040,908	15,721,776	17,071,237	17,081,638
Social work services	584,649	1,576,516	1,556,815	1,728,065
Health services	2,814,171	3,001,895	3,294,065	3,403,554
Student transportation	6,354,947	5,267,894	6,032,429	7,009,837
Food service	19,309,738	19,738,827	21,381,006	22,262,789
Extracurricular activities	6,559,814	6,538,184	6,986,735	7,151,176
General administration	8,104,538	7,122,438	7,791,108	7,939,216
Plant maintenance and operations	21,912,291	22,191,155	23,796,087	25,112,397
Security and monitoring services	3,182,215	3,130,271	3,467,941	3,551,287
Data processing services	4,261,484	4,031,182	4,254,484	4,868,754
Community services	1,818,555	1,724,124	2,323,519	2,144,097
Interest on long-term debt	26,343,364	20,023,429	20,103,591	16,096,943
Facilities acquisition/construction	10,703	71,682	92,834	122,425
Intergovernmental charges	116,850	173,772	15,882	42,900
Payments to TIF	2,182,197	6,465,553	8,945,883	11,010,364
Other intergovernmental charges	534,086	538,945	568,476	583,498
Total governmental activities expenses	<u>368,356,129</u>	<u>368,729,638</u>	<u>386,101,700</u>	<u>398,500,164</u>
Business-type activities				
Vending	-	-	-	476,486
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>476,486</u>
<b>TOTAL PRIMARY EXPENSES</b>	<b><u>\$ 368,356,129</u></b>	<b><u>\$ 368,729,638</u></b>	<b><u>\$ 386,101,700</u></b>	<b><u>\$ 398,976,650</u></b>
<b>PROGRAM REVENUES</b>				
Governmental activities				
Charges for services				
Instruction	\$ 425,016	\$ 360,438	\$ 242,247	\$ 572,448
Food service	3,284,981	3,110,102	3,136,952	2,782,044
Extracurricular activities	1,421,847	1,814,044	1,861,280	1,885,027
Plant maintenance and operations	231,145	388,564	466,364	331,195
Operating grants and contributions	51,231,188	57,542,541	62,385,043	75,499,383
Total governmental activities revenues	<u>56,594,177</u>	<u>63,215,689</u>	<u>68,091,886</u>	<u>81,070,097</u>
Business-type activities				
Charges for services				
Vending	-	-	-	321,361
Total business-type activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>321,361</u>
<b>TOTAL PRIMARY GOVERNMENT REVENUES</b>	<b><u>\$ 56,594,177</u></b>	<b><u>\$ 63,215,689</u></b>	<b><u>\$ 68,091,886</u></b>	<b><u>\$ 81,391,458</u></b>

Source: The Statement of Activities for the Irving Independent School District

2018	2019	2020	2021	2022	2023
\$ 155,169,170	\$ 237,621,653	\$ 246,100,617	\$ 245,346,028	\$ 220,104,380	\$ 232,424,178
7,625,079	6,293,049	6,491,369	6,151,185	5,523,746	5,802,594
7,027,424	10,023,173	10,855,730	11,864,739	13,648,762	10,287,401
3,800,568	6,218,861	7,699,350	7,765,880	8,391,814	10,224,061
14,444,144	23,225,973	24,539,037	24,270,416	21,452,598	22,723,042
11,411,772	17,879,474	20,161,822	19,150,363	20,165,604	18,107,767
1,022,686	1,719,611	1,607,543	1,523,025	1,437,039	1,376,187
2,317,808	3,711,880	4,058,513	3,924,641	4,013,444	4,108,747
6,857,230	10,376,215	7,584,884	7,636,526	10,268,381	9,128,996
18,844,875	22,592,999	23,473,075	21,833,111	22,192,009	25,656,414
5,866,123	7,372,719	7,231,954	6,718,733	6,600,210	7,035,258
5,431,463	8,335,489	9,385,916	14,940,341	11,845,009	18,706,548
23,008,223	28,772,770	27,820,383	28,203,793	33,065,611	31,634,395
3,030,946	4,237,373	4,753,222	5,221,637	5,241,723	5,918,483
4,606,508	7,528,670	9,281,368	12,772,715	16,510,308	7,069,683
1,411,289	2,057,946	2,602,644	2,598,094	3,216,080	3,361,656
13,029,722	13,689,128	12,573,923	11,916,900	11,098,813	11,352,451
475,180	589,580	774,581	1,401,030	1,186,808	1,177,950
21,162	11,322	19,986	2,394	11,094	7,236
13,382,139	15,380,261	248,209	-	-	-
599,317	624,457	607,393	613,334	615,541	636,722
299,382,828	428,262,603	427,871,519	433,854,885	416,588,974	426,739,769
453,958	261,306	-	-	-	-
453,958	261,306	-	-	-	-
<u>\$ 299,836,786</u>	<u>\$ 428,523,909</u>	<u>\$ 427,871,519</u>	<u>\$ 433,854,885</u>	<u>\$ 416,588,974</u>	<u>\$ 426,739,769</u>
\$ 651,901	\$ 651,901	\$ 406,586	\$ 251,178	\$ 560,783	\$ 470,032
2,565,563	2,565,563	1,175,220	290,826	627,849	1,119,745
1,855,358	1,855,358	1,065,052	507,212	975,388	1,095,626
383,429	383,429	72,766	7,004	54,792	39,119
7,052,625	7,052,625	73,015,452	83,618,350	76,495,151	106,681,742
12,508,876	12,508,876	75,735,076	84,674,570	78,713,963	109,406,264
320,294	320,294	-	-	-	-
320,294	320,294	-	-	-	-
<u>\$ 12,829,170</u>	<u>\$ 12,829,170</u>	<u>\$ 75,735,076</u>	<u>\$ 84,674,570</u>	<u>\$ 78,713,963</u>	<u>\$ 109,406,264</u>

**Irving Independent School District**  
 General Revenues and Changes In Net Position  
 Last Ten Fiscal Years (Unaudited)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>NET (EXPENSE)/REVENUE</b>				
Governmental activities	\$ (311,761,952)	\$ (305,513,949)	\$ (318,009,814)	\$ (317,906,553)
Business-type activities	-	-	-	(155,125)
	(311,761,952)	(305,513,949)	(318,009,814)	(318,061,678)
<b>GENERAL REVENUES</b>				
Governmental activities				
Taxes				
Property taxes levied for general purposes	91,269,145	96,135,459	100,440,711	122,229,287
Property taxes levied for debt service	37,578,332	36,447,373	38,749,543	28,770,790
State aid formula grants	184,171,041	187,211,926	184,411,595	187,453,054
Investment earnings	254,184	285,316	832,337	1,612,463
Miscellaneous	2,693,365	9,254,222	7,766,768	9,570,786
Special item	-	-	-	-
Transfers	-	-	-	(106,404)
	315,966,067	329,334,296	332,200,954	349,529,976
Business-type activities				
Transfers	-	-	-	106,404
	-	-	-	106,404
	315,966,067	329,334,296	332,200,954	349,636,380
<b>CHANGE IN NET POSITION</b>				
Governmental activities	4,204,115	23,820,347	14,191,140	31,623,423
Business-type activities	-	-	-	(48,721)
<b>TOTAL PRIMARY GOVERNMENT</b>	<u>\$ 4,204,115</u>	<u>\$ 23,820,347</u>	<u>\$ 14,191,140</u>	<u>\$ 31,574,702</u>

Source: The Statement of Activities for the Irving Independent School District

Exhibit S-3

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ (286,873,952) (133,664)	\$ (415,753,727) 58,988	\$ (352,136,443) -	\$ (349,180,315) -	\$ (337,875,011) -	\$ (317,333,505) -
(287,007,616)	(415,694,739)	(352,136,443)	(349,180,315)	(337,875,011)	(317,333,505)
127,929,303	141,267,808	144,594,888	157,647,163	151,607,384	172,281,036
28,367,128	27,771,138	38,586,051	40,238,396	43,505,087	45,544,234
175,530,606	174,875,485	177,306,711	170,517,817	167,880,473	142,547,350
3,016,736	4,769,472	2,861,202	394,410	966,403	9,209,586
13,846,942	12,302,304	2,649,835	2,005,275	1,662,741	3,776,898
6,268,735	-	-	-	-	-
-	(208,532)	-	-	-	-
354,959,450	360,777,675	365,998,687	370,803,061	365,622,088	373,359,104
-	208,532	-	-	-	-
-	208,532	-	-	-	-
354,959,450	360,986,207	365,998,687	370,803,061	365,622,088	373,359,104
68,085,498 (133,664)	(54,976,052) 267,520	13,862,244 -	21,622,746 -	27,747,077 -	56,025,599 -
<u>\$ 67,951,834</u>	<u>\$ (54,708,532)</u>	<u>\$ 13,862,244</u>	<u>\$ 21,622,746</u>	<u>\$ 27,747,077</u>	<u>\$ 56,025,599</u>

**Irving Independent School District**  
Fund Balances – Governmental Funds  
Last Ten Fiscal Years (Unaudited)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General fund				
Nonspendable	\$ 1,351,036	\$ 976,874	\$ 1,207,087	\$ 1,249,468
Assigned	5,919,083	17,091,518	9,696,748	3,402,196
Unassigned	91,248,384	89,501,266	92,208,290	109,226,931
<b>TOTAL GENERAL FUND</b>	<b><u>\$ 98,518,503</u></b>	<b><u>\$ 107,569,658</u></b>	<b><u>\$ 103,112,125</u></b>	<b><u>\$ 113,878,595</u></b>
All other governmental funds				
Nonspendable	\$ 183,405	\$ 268,747	\$ 283,454	\$ 79,029
Restricted	38,826,806	33,001,787	20,287,005	18,846,703
Assigned	-	-	-	-
Unassigned	-	-	-	-
<b>TOTAL ALL OTHER GOVERNMENTAL FUNDS</b>	<b><u>\$ 39,010,211</u></b>	<b><u>\$ 33,270,534</u></b>	<b><u>\$ 20,570,459</u></b>	<b><u>\$ 18,925,732</u></b>

**Source:** The Balance Sheet of Governmental Funds for the Irving Independent School District

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 738,981	\$ 706,024	\$ 803,181	\$ 767,488	\$ 924,923	\$ 984,882
2,959,931	3,024,775	35,357,935	30,589,413	15,575,890	31,374,463
<u>101,102,211</u>	<u>101,393,315</u>	<u>78,516,748</u>	<u>86,736,133</u>	<u>81,719,354</u>	<u>81,545,206</u>
<u>\$ 104,801,123</u>	<u>\$ 105,124,114</u>	<u>\$ 114,677,864</u>	<u>\$ 118,093,034</u>	<u>\$ 98,220,167</u>	<u>\$ 113,904,551</u>
\$ 301,724	\$ 203,880	\$ -	\$ -	\$ -	\$ -
12,171,275	22,122,651	17,283,119	16,150,478	22,594,512	385,293,436
21,148,829	9,661,547	6,329,038	5,511,642	11,683,215	-
(3,014)	(3,014)	(3,612)	(25,959)	(198,888)	(8,784)
<u>\$ 33,618,814</u>	<u>\$ 31,985,064</u>	<u>\$ 23,608,545</u>	<u>\$ 21,636,161</u>	<u>\$ 34,078,839</u>	<u>\$ 385,284,652</u>

## Irving Independent School District

### Governmental Funds Revenues<sup>1</sup>

Last Ten Fiscal Years (Unaudited)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>REVENUES</b>				
Federal sources				
Federal grants	\$ 22,794,674	\$ 24,456,450	\$ 27,010,564	\$ 27,194,891
Food service	18,888,553	19,241,145	19,662,942	19,972,952
Capital projects	729,889	729,102	-	-
Total federal sources	42,413,116	44,426,697	46,673,506	47,167,843
State sources				
State grants and other	178,517,736	182,775,755	177,764,921	184,875,873
Public education capital outlay				
Food service	119,653	119,678	140,759	119,779
Debt service	12,008,997	10,203,552	8,106,227	5,898,837
Total state sources	190,646,386	193,098,985	186,011,907	190,894,489
Local sources				
Local & intermediate sources	100,004,325	112,277,764	120,590,560	148,042,048
Food service	3,286,672	3,112,454	3,150,051	2,813,945
Debt service	37,613,336	36,478,013	38,831,336	28,920,869
Capital projects	36,458	20,001	58,264	126,741
Total local sources	140,940,791	151,888,232	162,630,211	179,903,603
<b>TOTAL REVENUES</b>	<u>\$ 374,000,293</u>	<u>\$ 389,413,914</u>	<u>\$ 395,315,624</u>	<u>\$ 417,965,935</u>

**Source:** Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds  
for the Irving Independent School District

**Note:**

<sup>1</sup>Includes General, Food Service, Debt Service, Capital Projects, and Special Revenue Funds.



Exhibit S-5

	2018	2019	2020	2021	2022	2023
\$	22,754,974	\$ 28,404,157	\$ 23,476,893	\$ 37,188,710	\$ 48,457,016	\$ 74,164,846
	19,519,459	19,317,791	19,329,531	21,354,176	27,833,604	25,566,779
	-	-	-	2,706,475	-	-
	42,274,433	47,721,948	42,806,424	61,249,361	76,290,620	99,731,625
	174,183,511	179,619,223	178,375,154	171,370,950	169,781,453	143,671,755
	120,605	108,021	101,455	106,702	38,416	95,877
	2,557,992	2,361,280	650,956	1,540,582	574,204	1,188,304
	176,862,108	182,088,524	179,127,565	173,018,234	170,394,073	144,955,936
	160,412,398	174,329,176	152,799,363	160,679,841	157,441,640	183,342,324
	2,667,739	3,055,992	1,533,389	336,446	818,939	2,484,324
	28,450,971	28,079,531	38,792,525	40,252,185	43,527,181	45,952,848
	223,268	-	1,204,345	-	-	1,204,345
	191,754,376	205,464,699	194,329,622	201,268,472	201,787,760	232,983,841
\$	410,890,917	\$ 435,275,171	\$ 416,263,611	\$ 435,536,067	\$ 448,472,453	\$ 477,671,402

# Irving Independent School District

## Governmental Funds Expenditures and Debt Service Ratio<sup>1</sup>

Last Ten Fiscal Years (Unaudited)

	2014	2015	2016	2017
<b>EXPENDITURES</b>				
Governmental funds				
11 Instruction	\$ 195,714,227	\$ 198,653,525	\$ 197,401,989	\$ 200,221,263
12 Instructional resources & media services	5,300,771	4,988,675	5,526,231	5,504,998
13 Curriculum & staff development services	8,456,104	9,182,998	7,969,790	9,020,339
Total function 10	209,471,102	212,825,198	210,898,010	214,746,600
21 Instructional leadership	5,026,844	4,583,961	5,016,246	5,183,399
23 School leadership	19,002,786	19,658,156	19,783,704	20,127,642
Total function 20	24,029,630	24,242,117	24,799,950	25,311,041
31 Guidance, counseling, & evaluation services	14,402,200	15,195,030	15,879,307	15,488,239
32 Social work services	584,539	1,591,463	1,499,289	1,547,947
33 Health services	2,679,805	2,891,635	3,116,593	3,076,661
34 Student transportation	6,327,776	5,240,723	6,005,258	6,982,666
35 Food service	18,468,763	21,441,982	21,770,990	21,909,340
36 Extracurricular activities	5,959,930	6,324,888	6,261,632	6,320,974
Total function 30	48,423,013	52,685,721	54,533,069	55,325,827
41 General administration	7,996,682	7,038,599	7,380,628	7,399,101
Total function 40	7,996,682	7,038,599	7,380,628	7,399,101
51 Plant maintenance and operations	21,707,212	22,166,761	23,605,883	23,849,262
52 Security and monitoring services	3,647,381	3,192,050	3,434,715	3,406,129
53 Data processing services	4,533,127	4,065,945	4,855,841	5,893,963
Total function 50	29,887,720	29,424,756	31,896,439	33,149,354
61 Community services	1,810,100	1,775,912	2,271,083	1,964,314
Total function 60	1,810,100	1,775,912	2,271,083	1,964,314
71 Debt service				
Principal on long-term debt	17,901,432	22,133,623	28,884,818	27,860,000
Interest on long-term debt	28,633,014	24,989,938	25,751,096	18,811,331
Bond issuance costs and fees	150,754	1,147,082	1,895,655	226,110
Total function 70	46,685,200	48,270,643	56,531,569	46,897,441
81 Facilities acquisition/construction	14,841,570	6,679,429	16,547,033	12,528,765
Total function 80	14,841,570	6,679,429	16,547,033	12,528,765
95 Payments to JJAEP	116,850	173,772	15,882	42,900
97 Payments to TIF	2,182,197	6,465,553	8,945,883	11,010,364
99 Intergovernmental charges	534,086	538,945	568,476	583,498
Total function 90	2,833,133	7,178,270	9,530,241	11,636,762
<b>TOTAL EXPENDITURES</b>	<b>\$ 385,978,150</b>	<b>\$ 390,120,645</b>	<b>\$ 414,388,022</b>	<b>\$ 408,959,205</b>
Debt service as a percentage of noncapital expenditures	12.7%	12.5%	14.0%	12.0%

**Source:** Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds for the Irving Independent School District

**Notes:**

<sup>1</sup> Includes General, Food Service, Debt Service, Capital Projects, and Special Revenue Funds.

2018	2019	2020	2021	2022	2023
\$ 199,797,948	\$ 200,765,138	\$ 206,544,626	\$ 220,889,648	\$ 220,891,113	\$ 226,192,356
5,330,043	5,410,461	5,437,001	5,471,182	5,547,623	5,489,533
9,281,871	9,066,158	9,703,012	11,277,269	14,279,397	10,383,090
214,409,862	215,241,757	221,684,639	237,638,099	240,718,133	242,064,979
5,227,105	5,527,490	6,679,890	7,221,635	8,718,837	10,602,580
19,832,979	19,927,818	20,590,610	21,890,998	21,699,233	22,048,839
25,060,084	25,455,308	27,270,500	29,112,633	30,418,070	32,651,419
15,296,284	15,493,457	17,137,376	17,382,209	20,636,591	17,952,172
1,535,770	1,528,468	1,394,998	1,424,180	1,526,276	1,392,518
3,200,964	3,190,606	3,417,307	3,548,961	4,085,252	4,105,422
8,337,203	12,836,911	8,122,489	7,066,573	10,854,688	10,858,244
19,983,800	20,340,593	20,812,466	20,124,379	21,741,390	24,591,473
6,657,455	6,220,574	5,986,379	5,777,843	6,199,256	6,479,893
55,011,476	59,610,609	56,871,015	55,324,145	65,043,453	65,379,722
7,352,690	7,420,674	8,252,606	14,116,306	12,220,044	19,181,388
7,352,690	7,420,674	8,252,606	14,116,306	12,220,044	19,181,388
24,908,521	24,960,391	25,371,458	27,565,054	34,018,940	32,320,785
3,663,243	4,040,839	4,474,203	5,064,923	5,448,649	7,466,744
5,308,629	7,008,988	10,626,975	12,224,096	16,292,987	9,034,353
33,880,393	36,010,218	40,472,636	44,854,073	55,760,576	48,821,882
1,884,851	1,878,956	2,347,479	2,472,111	3,342,497	3,385,261
1,884,851	1,878,956	2,347,479	2,472,111	3,342,497	3,385,261
28,230,000	28,720,000	30,990,000	30,490,000	31,750,000	35,915,886
18,335,258	17,854,470	15,596,599	14,789,600	13,527,025	12,548,072
147,775	14,550	412,082	14,050	8,750	2,436,905
46,713,033	46,589,020	46,998,681	45,293,650	45,285,775	50,900,863
7,122,345	28,277,832	9,540,400	4,809,851	4,085,635	5,497,240
7,122,345	28,277,832	9,540,400	4,809,851	4,085,635	5,497,240
21,162	11,322	19,986	2,394	11,094	7,236
13,382,139	15,380,261	248,209	-	-	-
599,317	624,457	607,393	613,334	615,541	636,722
14,002,618	16,016,040	875,588	615,728	626,635	643,958
\$ 405,437,352	\$ 436,500,414	\$ 414,313,544	\$ 434,236,596	\$ 457,500,818	\$ 468,526,712
11.9%	11.5%	11.6%	10.6%	10.0%	10.8%

## Irving Independent School District

### Other Financing Sources and Uses and Net Change in Fund Balances

Last Ten Fiscal Years (Unaudited)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	\$ (11,977,857)	\$ (706,731)	\$ (19,072,398)	\$ 9,006,730
Other financing sources (uses)				
Proceeds from sale of bonds	-	-	-	-
Premium or (discount) on bonds issued	5,165,908	8,319,033	54,633,023	2,334,052
Proceeds from sale of refunding bonds	4,685,000	60,010,000	218,640,000	20,105,000
Sale of real or personal property	148,857	668,453	25,711	-
Lease proceeds	-	-	-	-
SBITA proceeds	-	-	-	-
Extraordinary other uses	-	2,764,638	-	-
Transfers in	487,672	-	364,551	19,161,450
Transfers out	-	-	(364,551)	(19,267,854)
Insurance recoveries	2,061,466	20,108	-	-
Payments to escrow agents	(9,860,181)	(67,764,023)	(271,383,944)	(22,217,635)
Total other financing sources (uses)	<u>2,688,722</u>	<u>4,018,209</u>	<u>1,914,790</u>	<u>115,013</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ (9,289,135)</u>	<u>\$ 3,311,478</u>	<u>\$ (17,157,608)</u>	<u>\$ 9,121,743</u>

**Source:** Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds  
for the Irving Independent School District

Exhibit S-7

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 5,453,565	\$ (1,225,243)	\$ 745,722	\$ 1,299,471	\$ (9,028,365)	\$ 9,144,690
-	-	-	-	-	312,040,000
1,114,581	-	2,152,914	-	-	38,566,705
8,885,000	-	42,020,000	-	-	-
40,907	123,016	33,128	143,315	40,610	172,408
-	-	-	-	-	88,705
-	-	-	-	-	6,877,689
-	-	-	-	-	-
36,995,556	35,340,431	6,650,000	-	9,965,000	-
(36,995,556)	(35,548,963)	(6,650,000)	-	(10,007,000)	-
-	-	-	-	1,599,566	-
(9,878,443)	-	(43,774,533)	-	-	-
<u>162,045</u>	<u>(85,516)</u>	<u>431,509</u>	<u>143,315</u>	<u>1,598,176</u>	<u>357,745,507</u>
<u>\$ 5,615,610</u>	<u>\$ (1,310,759)</u>	<u>\$ 1,177,231</u>	<u>\$ 1,442,786</u>	<u>\$ (7,430,189)</u>	<u>\$ 366,890,197</u>



**Irving Independent School District**  
 Appraised Value and Actual Value of Taxable Property  
 Last Ten Fiscal Years (Unaudited)

**Exhibit S-8**

<u>IRVING INDEPENDENT SCHOOL DISTRICT</u>				<u>OVERLAPPING RATES <sup>1</sup></u>	
<u>FISCAL YEAR</u>	<u>MAINTENANCE AND OPERATIONS</u>	<u>DEBT SERVICE</u>	<u>TOTAL</u>	<u>CITY OF IRVING</u>	<u>IRVING FLOOD CONTROL DISTRICT SECTION 1</u>
2014	1.040	0.425	1.465	0.594	0.505
2015	1.040	0.395	1.435	0.594	0.520
2016	1.170	0.275	1.445	0.594	0.520
2017	1.170	0.275	1.445	0.594	0.453
2018	1.170	0.261	1.431	0.594	0.446
2019	1.170	0.231	1.401	0.594	0.455
2020	1.031	0.274	1.305	0.594	0.471
2021	1.015	0.260	1.275	0.594	0.506
2022	0.939	0.269	1.208	0.594	0.527
2023	0.905	0.242	1.147	0.589	0.477

**Source:** Appropriate government entities' tax departments

**Note:**

<sup>1</sup> Includes levies for operating and debt service costs.

<sup>2</sup> Information not available.

**Irving Independent School District**  
 Direct and Overlapping Property Tax Rates  
 Last Ten Fiscal Years (Unaudited)

FISCAL YEAR	IRVING INDEPENDENT SCHOOL DISTRICT			OVERLAPPING RATES <sup>1</sup>		
	MAINTENANCE AND OPERATIONS	DEBT SERVICE	TOTAL	CITY OF IRVING	IRVING FLOOD CONTROL DISTRICT SECTION 1	CITY OF GRAND PRAIRIE
2014	1.040	0.425	1.465	0.594	0.505	0.670
2015	1.040	0.395	1.435	0.594	0.520	0.670
2016	1.170	0.275	1.445	0.594	0.520	0.670
2017	1.170	0.275	1.445	0.594	0.453	0.670
2018	1.170	0.261	1.431	0.594	0.446	0.670
2019	1.170	0.231	1.401	0.594	0.455	0.670
2020	1.031	0.274	1.305	0.594	0.471	0.670
2021	1.015	0.260	1.275	0.594	0.506	0.670
2022	0.939	0.269	1.208	0.594	0.527	0.665
2023	0.905	0.242	1.147	0.589	0.477	0.660

**Source:** Appropriate government entities' tax departments

**Note:**

<sup>1</sup> Includes levies for operating and debt service costs.

<sup>2</sup> Information not available.



OVERLAPPING RATES <sup>1</sup>

CITY OF DALLAS	DALLAS COUNTY	DALLAS COUNTY COMMUNITY COLLEGE	DALLAS COUNTY HOSPITAL	DALLAS COUNTY FLOOD CONTROL	DALLAS COUNTY SCHOOLS	DALLAS COUNTY UTILITY AND RECLAMATION
0.797	0.243	0.125	0.276	2.750	0.010	1.983
0.797	0.243	0.124	0.286	2.650	0.010	1.590
0.797	0.243	0.124	0.286	2.250	0.009	1.590
0.783	0.243	0.123	0.279	2.250	0.009	1.295
0.780	0.243	0.124	0.279	2.000	0.010	1.249
0.777	0.243	0.124	0.279	1.800	-	1.111
0.777	0.243	0.124	0.270	1.500	-	0.986
0.776	0.240	0.124	0.266	1.500	-	0.937
0.773	0.228	0.124	0.255	1.300	-	0.817
0.746	0.218	0.116	0.236	1.400	-	0.781



Irving Independent School District  
Principal Property Tax Payers  
Current Year and Nine Years Ago (Unaudited)

Exhibit S-10

TAXPAYER	2023			2014		
	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL TAXABLE ASSESSED	TAXABLE ASSESSED VALUE	RANK	PERCENTAGE OF TOTAL TAXABLE ASSESSED
Amazon Com Services Inc	\$331,039,790	1	1.7%			
AGRE Williams Square	242,083,720	2	1.2%			
Frito Lay Inc.	238,830,260	3	1.2%	\$57,964,990	9	0.6%
Texas Utilities	151,713,750	4	0.8%	88,191,180	3	0.9%
PPF AMLI	146,150,000	5	0.8%			
Las Colinas Irving	143,600,000	6	0.7%			
Alesio Garden &	139,000,000	7	0.7%			
PCPI UT Owners LP	137,747,670	8	0.7%			
JDFW II LLC	134,000,000	9	0.7%			
WWC XLII LP	127,730,000	10	0.7%			
F6TAWs LLC				209,397,000	1	2.2%
Verizon				198,858,320	2	2.1%
SP Millennium				79,500,000	4	0.9%
Dr. Pepper Bottling Co.				68,755,110	5	0.7%
San Mar Corporation				66,176,980	6	0.7%
4150 North MacArthur				62,081,930	7	0.7%
Kroger Limited				59,260,350	8	0.6%
LPC Northwest PH I LP				56,500,000	10	0.6%
	<u>\$ 1,791,895,190</u>		<u>9.2%</u>	<u>\$ 946,685,860</u>		<u>10.0%</u>

Source: Dallas Central Appraisal District

Note:

<sup>1</sup>Total appraised taxable value for 2023 = \$19,371,854,815

<sup>2</sup>Total appraised taxable value for 2014 = \$9,307,845,260

**Irving Independent School District**  
**Property Tax Levies and Collections<sup>1</sup>**  
**Last Ten Fiscal Years (Unaudited)**

**Exhibit S-11**

FISCAL YEAR ENDING	TAXES LEVIED FOR THE FISCAL YEAR <sup>2</sup>	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS OTHER THAN CURRENT YEAR	TOTAL COLLECTION TO DATE <sup>3</sup>	
		AMOUNT	PERCENTAGE OF LEVY	DELINQUENT TAXES	AMOUNT	PERCENTAGE OF TOTAL COLLECTIONS TO TAX LEVY
2014	133,509,350	132,829,508	99.49%	937,831	133,767,339	100.19%
2015	139,082,613	136,448,528	98.11%	(1,092,647)	135,355,881	97.32%
2016	147,746,423	146,065,624	98.86%	(19,273)	146,046,351	98.85%
2017	162,102,609	160,305,584	98.89%	685,256	160,990,840	99.31%
2018	169,627,666	167,602,097	98.81%	(309,075)	167,293,023	98.62%
2019	182,531,008	180,268,628	98.76%	613,277	180,881,906	99.10%
2020	185,126,866	182,282,195	98.46%	422,344	182,704,539	98.69%
2021	197,250,132	194,343,050	98.53%	1,062,331	195,405,381	99.06%
2022	197,463,977	195,296,481	98.90%	(1,013,576)	194,282,905	98.39%
2023	217,748,749	214,625,439	98.57%	30,389	214,655,828	98.58%

**Source:** Dallas Central Appraisal District and IISD Tax Office Year-to-Date records

**Notes:**

- <sup>1</sup> The District performs its own tax collection activities.
- <sup>2</sup> The tax levy reflects the original levy as submitted in the State Property Tax Board School District Report of Property Values, net of any additions or deletions occurring during the year.
- <sup>3</sup> Total cash collections is total cash, net of interest and penalties and other judgments, as a result collections as a percentage of initial levy may exceed 100%.

# Irving Independent School District

Exhibit S-12

## Outstanding Debt By Type<sup>1</sup> Last Ten Fiscal Years (Unaudited)

FISCAL YEAR	GOVERNMENTAL ACTIVITIES		TOTAL PRIMARY GOVERNMENT	PERCENTAGE OF PERSONAL INCOME <sup>2</sup>	PER CAPITA <sup>2</sup>
	GENERAL OBLIGATION BONDS	LEASES PAYABLE			
2014	595,590,237	-	595,590,237	9.73%	2,623
2015	575,787,804	-	575,787,804	9.44%	2,519
2016	548,208,687	-	548,208,687	8.89%	2,373
2017	517,484,320	-	517,484,320	7.44%	2,205
2018	484,133,205	-	484,133,205	6.65%	2,039
2019	449,855,021	-	449,855,021	5.80%	1,817
2020	414,677,805	-	414,677,805	5.04%	1,658
2021	379,227,793	-	379,227,793	4.57%	1,531
2022	342,975,751	503,599	343,479,350	3.49%	1,309
2023	653,916,996	385,892	654,302,888	6.51%	2,523

Source: Dallas Central Appraisal District

**Notes:**

<sup>1</sup> Details of the District's outstanding debt can be found in the notes to the financial statements.

<sup>2</sup> See Schedule S-16 for personal income and population data.



**Irving Independent School District**  
 Direct and Overlapping Governmental Activities Debt  
 Last Ten Fiscal Years (Unaudited)

**Exhibit S-13**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE <sup>1</sup>	ESTIMATED SHARE OF DIRECT AND OVERLAPPING DEBT
City of Irving	\$ 780,295,000	49.91%	\$ 389,445,235
Irving Flood Control District # 1	2,650,000	96.24%	2,550,360
City of Grand Prairie	474,759,000	0.65%	3,085,934
City of Dallas	2,160,855,416	0.22%	4,753,882
Dallas College	375,515,000	5.05%	18,963,508
Dallas County Utility and Reclamation	118,265,000	49.04%	57,997,156
Dallas County Hospital	543,495,000	5.05%	27,446,498
Dallas County Flood Control	17,710,000	39.07%	6,919,297
Dallas County	217,675,000	5.05%	10,992,588
Subtotal, overlapping bonded debt			522,154,458
Irving Independent School District direct debt	\$ 654,302,888	100.00%	\$ 654,302,888
<b>TOTAL DIRECT AND OVERLAPPING DEBT</b>			<b>\$ 1,176,457,346</b>
<b>RATIO OF (NET) GENERAL BONDED DEBT TO THE ESTIMATED ACTUAL PROPERTY VALUE</b>			<b>3.38%</b>

**Source:** Taxable value data used to estimate applicable percentages provided by the Dallas Central Appraisal District. Debt outstanding data provided by each governmental unit.

**Notes:**

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the district. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the district. This process recognizes that, when considering the district's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

<sup>1</sup> The percentage of overlapping debt applicable is estimated using taxable property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

**Irving Independent School District**  
 Ratio of Net Bonded Debt to Assessed Value and Per Capita  
 Last Ten Fiscal Years (Unaudited)

**Exhibit S-14**

FISCAL YEAR	POPULATION <sup>1</sup>	ASSESSED VALUE <sup>2</sup>	TOTAL BONDED DEBT OUTSTANDING <sup>3</sup>	LESS DEBT SERVICE FUNDS	NET BONDED DEBT OUTSTANDING	RATIO OF NET BONDED DEBT ASSESSED VALUE	NET BONDED DEBT PER CAPITA
2014	227,030	\$ 9,307,845,260	\$ 595,590,237	\$ 15,495,011	\$ 580,095,226	6.23%	2,555
2015	228,610	9,875,806,062	575,827,393	14,519,439	561,307,954	5.68%	2,455
2016	231,040	10,428,027,790	542,765,501	6,766,016	535,999,485	5.14%	2,320
2017	234,710	11,457,829,623	517,484,320	6,909,698	510,574,622	4.46%	2,175
2018	237,490	12,120,027,696	484,133,205	5,751,972	478,381,233	3.95%	2,014
2019	247,615	13,358,205,278	449,855,021	16,572,259	433,282,762	3.24%	1,750
2020	250,063	14,537,517,847	414,677,805	14,415,440	400,262,365	2.75%	1,601
2021	247,669	15,884,792,736	379,227,793	10,914,557	368,313,236	2.32%	1,487
2022	261,915	16,791,998,908	343,479,350	9,730,167	333,749,183	1.99%	1,274
2023	259,219	19,371,854,815	653,916,996	11,089,055	642,827,941	3.32%	2,480

**Source:**

<sup>1</sup> See Exhibit S-16 for population data.

<sup>2</sup> See Exhibit S-8 for assessed value.

<sup>3</sup> Details of the District's outstanding debt can be found in the notes to the financial statements.



**Irving Independent School District**  
 Demographic and Economic Statistics  
 Last Ten Calendar Years (Unaudited)

**Exhibit S-15**

<b>PERIOD ENDING</b>	<b>POPULATION <sup>1</sup></b>	<b>PERSONAL INCOME <sup>2</sup> (THOUSANDS OF DOLLARS)</b>	<b>PER CAPITA PERSONAL INCOME <sup>2</sup> (DOLLARS)</b>	<b>UNEMPLOYMENT RATE <sup>3</sup></b>
2014	227,030	6,122,999	26,970	5.79%
2015	228,610	6,096,800	26,669	4.90%
2016	231,040	6,166,771	26,691	3.60%
2017	234,710	6,953,988	29,628	3.52%
2018	237,490	7,281,918	30,662	3.20%
2019	247,615	7,750,597	31,301	3.11%
2020	250,063	8,221,321	32,877	6.79%
2021	247,669	8,295,921	33,496	5.72%
2022	261,915	9,832,027	37,539	3.54%
2023	259,219	10,045,514	38,753	3.51%

**Sources:**

<sup>1</sup> Texas Home Town Locator

<sup>2</sup> Calculated by multiplying population by per capital income divided by 1,000

<sup>3</sup> Texas Workforce Commission



Irving Independent School District  
Principal Employers  
Current Year and Nine Years Ago (Unaudited)

Exhibit S-16

EMPLOYER	2023 <sup>1</sup>			2014 <sup>2</sup>		
	EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT	EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT
Citigroup, Inc.	6,678	1	3.06%	5,700	1	2.25%
Vistra Corp	4,910	2	2.25%			
Irving Independent School District	4,513	3	2.07%	5,439	2	2.15%
Allstate Insurance	3,843	4	1.76%			
Verizon Communications	3,400	5	1.56%	3,260	3	1.29%
DFW International Airport	2,220	6	1.02%			
Microsoft Corporation	2,075	7	0.95%	1,351	10	0.53%
Christus Health	2,000	8	0.92%			
Exeter Finance	1,002	9	0.46%			
Bayroll Scott & White Medical Center	1,907	10	0.87%			
Irving Mall				2,100	4	0.83%
Aegis Communication				2,000	5	0.79%
Allstate Insurance				2,000	6	0.79%
YRC Worldwide				1,941	7	0.77%
Nokia				1,700	8	0.67%
NEC Corp of America				1,515	9	0.60%
<b>TOTAL</b>	<b>32,548</b>		<b>14.92%</b>	<b>27,006</b>		<b>10.67%</b>

Source(s):

<sup>1</sup> Irving - Las Colinas Chamber of Commerce

<sup>2</sup> Irving ISD 2014 ACFR

**Irving Independent School District**  
 Full-Time Equivalent District Employees By Type  
 Last Ten Fiscal Years (Unaudited)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>TEACHERS</b>	2,351.3	2,351.7	2,284.0	2,283.4
<b>PROFESSIONAL SUPPORT</b>				
Associate School Psychologist	10.6	9.2	9.6	10.5
Counselor	85.0	87.4	88.3	87.8
Educational Diagnostician	31.4	36.4	39.9	39.7
Librarian	32.0	32.9	29.0	29.0
Occupational Therapist	5.6	5.6	5.5	7.0
Physical Therapist	2.0	3.0	3.0	3.0
School Nurse	35.9	38.0	38.0	39.0
Speech Therapist/Speech- Language Pathologist	34.9	35.1	38.4	36.9
Teacher Facilitator	40.7	78.4	76.8	85.7
Campus Professional Personnel	83.8	75.1	75.0	77.2
Non-Campus Professional Personnel	78.9	92.0	93.4	95.7
Total Professional Support	440.8	493.1	496.9	511.5
<b>CAMPUS ADMINISTRATION</b>				
Assistant Principal	65.0	71.9	70.2	72.9
Instructional Coach	0.0	0.0	0.0	0.0
Principal	36.9	37.0	37.0	37.0
Teacher Supervisor	33.0	36.9	37.7	37.0
Athletic Director	1.0	1.0	1.0	1.0
Total Campus Administration	135.9	146.8	145.9	147.9
<b>CENTRAL ADMINISTRATION</b>				
Assistant/Assoc/Deputy Superintendent	5.7	4.0	4.0	4.0
Superintendent	0.6	1.0	1.0	1.0
Instructional Program Director or Exec Director	12.0	12.9	13.0	12.0
Business Manager	1.0	1.0	1.0	1.0
Tax Assessor &/or Collector	1.0	3.0	3.0	3.0
Director of Personnel/HR	1.7	2.0	2.0	2.0
Total Central Administration	22.0	23.9	24.0	23.0
<b>EDUCATIONAL AIDES</b>				
Educational Aides	403.5	426.1	437.4	446.1
Interpreter	8.3	9.5	8.5	8.0
Total Educational Aides	411.8	435.6	445.9	454.1
<b>AUXILIARY STAFF</b>	721.3	732.0	709.9	717.1
<b>TOTAL ALL FULL-TIME EQUIVALENT EMPLOYEES</b>	<u>4,083.1</u>	<u>4,183.1</u>	<u>4,106.6</u>	<u>4,137.0</u>

Source: District records from the Fall PEIMS submission

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
2,261.9	2,220.8	2,146.3	2,191.9	2,239.6	2,143.1
10.9	10.0	8.9	9.7	9.0	3.9
89.3	88.6	96.7	95.5	104.4	95.7
38.4	37.9	40.8	41.1	39.6	36.1
28.8	26.9	29.4	31.2	29.1	28.1
7.0	7.0	6.0	6.0	6.0	6.0
2.9	3.0	3.0	4.0	4.0	4.0
37.9	37.5	39.0	37.3	38.9	39.7
36.9	38.7	37.4	41.8	39.7	36.8
87.0	84.4	88.7	68.7	71.0	75.6
59.4	58.8	55.2	66.6	63.6	56.8
75.8	74.2	80.8	89.3	97.5	134.0
474.3	467.0	485.9	491.2	502.8	516.7
73.0	74.0	74.9	77.1	77.1	74.1
0.0	0.0	0.0	0.0	0.0	0.0
37.0	37.0	37.0	37.0	39.0	37.7
37.0	33.0	35.1	38.8	49.8	42.7
1.0	2.0	1.0	1.0	1.0	1.0
148.0	146.0	148.0	153.9	166.9	155.5
4.9	6.0	9.0	7.9	7.0	6.0
1.0	1.0	1.0	1.0	1.0	1.0
52.8	36.0	38.3	37.2	49.6	18.9
1.0	1.0	1.0	1.0	1.0	1.0
3.0	3.0	1.0	1.0	1.0	1.0
3.0	3.0	3.0	4.0	5.0	6.0
65.7	50.0	53.3	52.1	64.6	33.9
460.0	459.7	464.9	534.5	543.1	490.3
7.9	6.0	7.9	7.0	5.5	4.4
467.9	465.7	472.8	541.5	548.6	494.7
676.7	680.4	701.6	826.5	799.6	932.5
4,094.5	4,029.9	4,007.9	4,257.1	4,322.1	4,276.4



Irving Independent School District  
 Operating Statistics  
 Last Ten Fiscal Years (Unaudited)

Exhibit S-18

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF	PUPIL-TEACHING RATIO	PERCENTAGE OF STUDENTS RECEIVING FREE OR REDUCED-PRICE MEALS
2014	35,403	276,784,658	7,818	6.49 %	2,351.3	15.1	80.5%
2015	35,191	288,104,156	8,187	4.72 %	2,351.7	15.0	76.9%
2016	34,929	307,995,593	8,818	7.71 %	2,284.0	15.3	77.2%
2017	34,792	305,606,427	8,784	(0.39)%	2,283.4	15.2	77.2%
2018	33,971	308,520,704	9,082	3.39 %	2,261.9	15.0	73.5%
2019	33,464	320,576,970	9,580	5.48 %	2,220.8	15.1	72.5%
2020	33,544	316,543,475	9,437	(1.49)%	2,146.3	15.6	75.9%
2021	33,544	331,507,325	9,883	4.73 %	2,191.9	15.3	75.0%
2022	32,378	342,430,695	10,576	7.01 %	2,239.6	14.5	76.1%
2023	31,767	324,816,780	10,225	(3.32)%	2,143.1	14.8	77.6%

Source: District records

# Irving Independent School District

## Capital Asset Information

Last Ten Fiscal Years (Unaudited)

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
<b>SCHOOL</b>				
Elementary				
Buildings	24	24	24	24
Square feet	2,025,940	2,027,517	2,027,517	2,027,517
Maximum capacity	20,000	20,000	20,000	20,000
Enrollment	18,406	17,912	17,912	17,912
Middle				
Buildings	8	8	8	8
Square feet	1,328,012	1,328,012	1,328,012	1,328,012
Maximum capacity	8,000	8,000	8,000	8,000
Enrollment	7,355	7,454	7,454	7,454
High				
Buildings	7	7	7	7
Square feet	1,546,281	1,546,281	1,546,281	1,546,281
Maximum capacity	9,800	9,800	9,800	9,800
Enrollment	9,632	9,778	9,778	9,778
Administrative				
Buildings	9	9	9	9
Square feet	247,992	247,992	255,064	255,064
Transportation				
Buses (quantity) <sup>1</sup>	0	0	0	0
Athletics				
Football fields (quantity)	15	15	15	15
Soccer fields (quantity)	11	11	11	11
Running tracks (quantity)	11	11	11	11
Baseball/softball (quantity)	6	6	6	6
Playgrounds (quantity)	24	24	24	24
Natatorium (quantity)	-	-	-	-

**Source:** District records

**Note:**

<sup>1</sup> Buses were titled under Dallas County Schools. Buses were sold to Dallas County Schools in 2012.

<sup>2</sup> Dallas County Schools dissolved in July 2018. As part of the dissolution, Irving ISD took ownership of buses due to the district.

<sup>3</sup> Irving ISD does not own a natatorium, the District paid to upgrade the natatorium owned by North Lake College.



2018	2019	2020	2021	2022	2023
24	24	24	24	24	24
2,027,517	2,027,517	2,027,517	2,027,517	2,027,517	2,027,517
20,000	20,000	20,000	20,000	20,000	20,000
16,585	15,945	15,841	15,203	15,442	15,628
8	8	8	8	8	8
1,328,012	1,328,012	1,328,012	1,328,012	1,328,012	1,328,012
8,000	8,000	8,000	8,000	8,000	8,000
7,451	7,514	7,696	7,533	7,115	6,728
7	7	7	7	7	7
1,546,281	1,587,400	1,587,400	1,587,400	1,587,400	1,587,400
9,800	9,800	9,800	9,800	9,800	9,800
9,935	10,005	10,007	9,946	9,821	9,411
9	9	9	13	9	6
255,064	255,064	255,064	269,286	255,064	234,176
175 <sup>2</sup>	175 <sup>2</sup>	181 <sup>2</sup>	181 <sup>2</sup>	180 <sup>2</sup>	158
15	15	15	15	15	15
11	11	11	11	11	11
11	11	11	11	11	11
6	6	6	6	6	6
24	24	39	39	47	47
1 <sup>3</sup>	1 <sup>3</sup>	1 <sup>3</sup>	1 <sup>3</sup>	1 <sup>3</sup>	1 <sup>3</sup>



# Single Audit Reports





**Independent Auditor's Report on Internal Control Over  
Financial Reporting and on Compliance and Other  
Matters Based on an Audit of Financial Statements Performed  
in Accordance with *Government Auditing Standards***

Board of Trustees  
Irving Independent School District

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Irving Independent School District (the District) as of and for the year ended August 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 18, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying Summary of Findings and Questioned Costs as item 2023-001 that we consider to be a significant deficiency.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Board of Trustees  
Irving Independent School District

### **District's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas  
January 18, 2024



**Independent Auditor's Report on Compliance for Each Major  
Federal Program and Report on Internal Control over Compliance in  
Accordance with the Uniform Guidance**

Board of Trustees  
Irving Independent School District

**Report on Compliance for Each Major Federal Program**

***Opinion on Each Major Federal Program***

We have audited Irving Independent School District's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended August 31, 2023. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2023.

***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the District's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2023-002. Our opinion on each major federal program is not modified with respect to these matters. *Government Auditing Standards* requires the auditor to perform limited procedures on the District's response to the noncompliance findings identified in our audit described in the accompanying Schedule of Findings and Questioned Costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.



### Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-002, to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. *Government Auditing Standards* requires the auditor to perform limited procedures on the District's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

WEAVER AND TIDWELL, L.L.P.

Dallas, Texas  
January 18, 2024

**Irving Independent School District**  
**Schedule of Expenditures of Federal Awards**  
**For the Year Ended August 31, 2023**

Federal Grantor/Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
<b>U.S. DEPARTMENT OF EDUCATION</b>			
<b>Passed Through State Department of Education:</b>			
Texas Education For Homeless Children & Youth	84.196A	234600057110043	\$ 72,566
Title I Part A Improving Basic Programs	84.010A	22610101057912	12,906
Title I Part A Improving Basic Programs	84.010A	23610101057912	10,179,729
2021-2023 TIL I, 1003 ESF-Focused Support	84.010A	226101577110076	993,321
Total Assistance Listing # 84.010A			11,185,956
IDEA-B Formula	84.027A	226600010579126000	5,182
IDEA-B Formula	84.027A	236600010579126000	5,991,926
IDEA-B Preschool	84.173A	236610010579126000	29,148
IDEA-B Discretionary Deaf	84.027A	236610010579126000	83,486
COVID-19 IDEA-B Formula - ARP	84.027X	225350020579125000	1,259,389
COVID-19 IDEA-B Preschool - ARP	84.173X	225360020579125000	69,715
High Cost Fund	84.027A	H027A220008	19,436
Total Special Education Cluster (IDEA) Cluster			7,458,282
2021-2023 P-TECH Planning and Implementation	84.048A	213922027110023	3,620
Carl D Perkins Basic Grant for Career & Technology	84.048A	23420006057912	444,295
Total Assistance Listing # 84.048A			447,915
Title II Part A- Supporting Effective Instruction	84.367A	22694501057912	23,397
Title II Part A- Supporting Effective Instruction	84.367A	23694501057912	1,239,796
Total Assistance Listing # 84.367A			1,263,193
Title IV, Part A, Subpart 1	84.424A	23680101057912	786,449
Title III Part A Limited English Proficiency	84.365A	22671001057912	12,109
Title III Part A Limited English Proficiency	84.365A	23671001057912	1,868,040
Total Assistance Listing # 84.365A			1,880,149
COVID-19 CARES Act ESSER I	84.425D	20521001057912	52,577
COVID-19 CRRSA ESSER II	84.425D	21521001057912	26,083,946
COVID-19 ARP ESSER III	84.425U	21528001057912	16,239,404
COVID-19 TCLAS ESSER III	84.425U	21528042057912	951,615
COVID-19 ARP HOMELESS I- TEHCY SUPPLEMENTAL	84.425W	215330017110043	55,032
COVID-19 ARP HOMELESS II	84.425W	21533002057912	157,741
Total Assistance Listing # 84.425D, 84.425U			43,540,315
<b>Passed Through Education Service Center Region 10:</b>			
Title III Part A Limited English Proficiency	84.365A	23671001057912	423,292
<b>Passed through Dallas County Local Workforce Development Board:</b>			
Adult Ed English Literacy & Civics Awareness	84.002A	IISD-AEL1-2020-1	704,384
<b>TOTAL U.S. DEPARTMENT OF EDUCATION</b>			<b>67,762,501</b>
<b>U.S. TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
<b>Passed through Texas Health and Human Services Commission:</b>			
Medicaid Administrative Claiming (MAC)	93.778	HHS000537900112	308,473
<b>Passed through State Department of Education:</b>			
COVID-19 School Health Support	93.323	39352201	365,610
<b>TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<b>674,083</b>

*Continued*

The Notes to Schedule of Expenditures of Federal Awards are an integral part of this schedule.

Federal Grantor/Pass-Through Grantor/ Program Title	Federal Assistance Listing Number	Pass-Through Entity Identifying Number	Federal Expenditures
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
<b>Child Nutrition Cluster:</b>			
<b>Passed through State Department of Agriculture</b>			
USDA Donated Commodities - Noncash assistance	10.555	806780706	1,738,020
Supply Chain Grant	10.555	-	5,000
<b>Passed through State Department of Education:</b>			
National School Lunch	10.555	71400701	16,242,373
School Breakfast Program	10.553	71300701	6,835,624
Seamless Summer Option Program	10.555	NT4XL1YGLGC5	127,331
<b>Total Child Nutrition Cluster</b>			24,948,348
<b>Passed through State Department of Agriculture:</b>			
Child & Adult Care Program	10.558	00057912	618,431
<b>TOTAL U.S. DEPARTMENT OF AGRICULTURE</b>			25,566,779
<b>U.S. DEPARTMENT OF DEFENSE</b>			
Reserve Officer Training Corps	12.000	N/A	282,243
<b>TOTAL U.S. DEPARTMENT OF DEFENSE</b>			282,243
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			\$ 94,285,606

**Irving Independent School District**  
Notes to Schedule of Expenditures of Federal Awards  
For the Year Ended August 31, 2023

**Note 1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards (the "Schedule") includes the federal grant activity of the District under programs of the federal government for the year ended August 31, 2023. The information in this schedule is presented in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

The District has elected not to use the 10% de minimis indirect cost rate as allowed under Uniform Guidance.

**Note 2. Summary of Significant Accounting Policies**

The District accounts for all awards under federal programs in the General Fund and certain Special Revenue funds in accordance with the Texas Education Agency's Financial Accountability System Resource Guide. These programs are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for these funds. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e. both measurable and available, and expenditures in the accounting period in which the liability is incurred, if measurable, except for certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources. Expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited to reimbursement. Pass-through entity identifying numbers are presented where available.

Federal grant funds are considered to be earned to the extent of expenditures made under the provisions of the grant, and, accordingly, when such funds are received, they are recorded as unearned revenues until earned. Generally, unused balances are returned to the grantor at the close of specified project periods. National School Lunch Program non-cash commodities are recorded at their estimated market value at the time of donation.

**Note 3. Reconciliation to Basic Financial Statements**

The following is a reconciliation of expenditures of federal awards programs per Exhibit K-1 and Federal revenues reported on Exhibit C-2:

Total expenditures of federal awards per Exhibit K-1	\$ 94,285,606
SHARS	<u>5,446,019</u>
<b>Total federal revenues per Exhibit C-2</b>	<b><u>\$ 99,731,625</u></b>

The District implemented GASB 96 Subscription-Based Information Technology Arrangements in the current year. The District recorded a SBITA capital expenditure of \$948,627 in the current year that is not on the SEFA. It will be recorded on the SEFA as the payments for the SBITA are paid.

**Irving Independent School District**  
 Schedule of Findings and Questioned Costs  
 For the Year Ended August 31, 2023

**Section 1. Summary of Auditor’s Results**

Financial Statements

- a. An unmodified opinion was issued on the financial statements.
- b. Internal control over financial reporting:
  - Material weakness(es) identified?  Yes  No
  - Significant deficiency(ies) identified?  Yes  None Reported
- c. Is any noncompliance material to the financial statements noted?  Yes  No

Major Programs

- d. Internal control over major programs:
  - Material weakness(es) identified?  Yes  No
  - Significant deficiency(ies) identified?  Yes  None Reported
- e. An unmodified opinion was issued on compliance for major programs.
- f. Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?  Yes  No
- g. Identification of major programs:
 

84.425D 84.425D 84.425U 84.425U 84.425W 84.425W  84.027/84.173	COVID-19 CARES Act ESSER I COVID-19 CRRSA ESSER II COVID-19 ARP ESSER III COVID-19 TCLAS ESSER III COVID-19 ARP HOMELESS I- TEHCY SUPP. COVID-19 ARP HOMELESS II  Special Education Cluster (IDEA)
---	---
- h. The dollar threshold used to distinguish between Type A and Type B programs: \$2,828,568
- i. Auditee qualified as a low-risk auditee?  Yes  No

## Irving Independent School District

Schedule of Findings and Questioned Costs - Continued

For the Year Ended August 31, 2023

### Section 2. Financial Statement Findings

#### Finding 2023-001 – Payroll Controls

##### Type of Finding – Significant Deficiency in Internal Control

###### Criteria

Upon hire, deductions are selected by the employee for inclusion in their monthly pay check. Human Resources enters the information.

###### Condition

There was one instance in our selection of 60 employees, where a payroll deduction of \$272.00 coded to 901 DMO was made in error.

###### Cause

This deduction was entered in error.

###### Effect

Because the deduction was an error, the employee was due a refund. The refund was paid on November 20, 2023 (monthly payroll) for the 9/6/2022 payroll period.

###### Recommendation

We recommend that management implement controls to prevent and/or detect errors related to employee payment. Additionally, if actions have not already been taken, management should promptly take the appropriate measures to ensure the error is corrected and the employee is refunded.

###### Views of Responsible Officials and Planned Corrective Actions

Management agrees with the finding and recommendation.

### Section 3. Federal Award Findings and Questioned Costs

#### Finding 2023-002 – Activities Allowed or Unallowed, Allowable Cost Principles

##### 84.027/84.173 – Special Education Cluster (IDEA)

##### Type of Finding – Compliance Finding and Significant Deficiency in Internal Control over Compliance

###### Criteria

For federally funded employees, twice a year employees and supervisors sign a Time & Effort Certification to certify that they are a grant-funded employee.

###### Condition

There was one instance where an employee that was paid with IDEA B (Special Education Cluster) funds, but did not have a signed Time & Effort Certification indicating time spent on the grant prior to termination on 8/19/2022.

###### Cause

The employee's termination was prior to the semi-annual process of having employees sign the Time & Effort Certification forms.

## Irving Independent School District

Schedule of Findings and Questioned Costs - Continued

For the Year Ended August 31, 2023

### Effect

Because the employee's termination was prior to the semi-annual process, the form was not signed prior to the employee leaving.

### Recommendation

We recommend that management implement controls to ensure that all grant-funded employees that are terminated have a signed Time & Effort Certification form at the time of termination.

### Views of Responsible Officials and Planned Corrective Actions

Management agrees with the finding and recommendation.

## Section 4. Schedule of Prior Audit Findings and Questioned Costs

None

---

**Finding 2023-001 – Payroll Controls**

Type of Finding – Significant Deficiency in Internal Control

Corrective Action Plan

We will verify that the employee docks are accurate based on their accruals earned/balance with the monthly accrual report we run.

Person(s) Responsible

Latanya Cayetano, Director of Payroll  
Claudia Sadler, Assist. Director of Payroll

Anticipated Completion Date

This refund was paid on November 20th, 2023 (Monthly Payroll) for 09/06/2022

**Finding 2023-002 – Activities Allowed or Unallowed, Allowable Cost Principles**

84.027/84.173 – Special Education Cluster (IDEA)

Type of Finding – Compliance Finding and Significant Deficiency in Internal Control over Compliance

Corrective Action Plan

Federal Programs, along with Human Resources and Business Services improved the current process in place when a federally funded employee resigns. We have put in place the Federal Compliance Officer and the CFO's assistant in the workflow to be notified when a federally funded employee resigns or terminated so they can work with technology to get the Time and Effort certifications signed before their last day.

Person(s) Responsible

Meritza Webb, Executive Director of HR & HRIS  
Mahdia Lalee, Director of Business Services  
Martina Fernandez, Executive Assistant to the CFO  
Dean Garcia, Federal Programs Monitoring & Compliance Specialist

Anticipated Completion Date

12/31/2023



**Irving Independent School District**  
 Schedule of Required Responses to Selected  
 School FIRST Indicators (Unaudited)  
 For the Fiscal Year Ended August 31, 2023

<u>Data Control Codes</u>		<u>Response</u>
SF1	Was there an unmodified opinion in the Annual Financial Report on the financial statements as a whole?	Yes
SF2	Were there any disclosures in the Annual Financial Report and/or other sources of information concerning nonpayment of any terms of any debt agreement at fiscal year-end?	No
SF3	Did the school district make timely payments to the Teacher Retirement System (TRS), Texas Workforce Commission (TWC), Internal Revenue Service (IRS), and other government agencies?	Yes
SF4	Was the school district issued a warrant hold? Even if the issue surrounding the initial warrant hold was resolved and cleared within 30 days, the school district is considered to have been issued a warrant hold.	No
SF5	Did the Annual Financial Report disclose any instances of material weaknesses in internal controls over financial reporting and compliance for local, state, or federal funds?	No
SF6	Was there any disclosure in the Annual Financial Report of material noncompliance for grants, contracts, and laws related to local, state, or federal funds?	No
SF7	Did the school district post the required financial information on its website in accordance with Government Code, Local Government Code, Texas Education Code, Texas Administrative Code and other statutes, laws and rules that were in effect at the school district's fiscal year end?	Yes
SF8	Did the school board members discuss the school district's property values at a board meeting within 120 days before the school district adopted its budget?	Yes
SF9	Total accumulated accretion on capital appreciation bonds included in	\$ 6,325,825