

**INTERNATIONAL DRIVE COMMUNITY REDEVELOPMENT AGENCY**

**A Component Unit of Orange County, Florida**

**FINANCIAL STATEMENTS**

**And Report of Independent Auditor**

**for the year ended September 30, 2023**

**INTERNATIONAL DRIVE COMMUNITY REDEVELOPMENT AGENCY**  
**(A Component Unit of Orange County, Florida)**  
**FINANCIAL STATEMENTS**  
**for the year ended September 30, 2023**

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## **Report of Independent Auditor**

To the Board of Directors of International Drive  
Community Redevelopment Agency  
Orlando, Florida

### **Report on the Audit of the Financial Statements**

#### ***Opinions***

We have audited the accompanying financial statements of the governmental activities and the General Fund of the International Drive Community Redevelopment Agency (the “Agency”), a component unit of Orange County, Florida, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Agency’s basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and the General Fund of the Agency, as of September 30, 2023, and the respective changes in financial position 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 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 Agency, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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

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

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 Agency’s ability to continue as a going concern for one year beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

#### ***Auditor’s Responsibility for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards 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 generally accepted auditing standards 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 Agency'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 where, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency'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 schedule of revenues, expenditures, and changes in fund balance – budget and actual be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquires of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated March 25, 2024, on our consideration of the Agency'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 the Agency's 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 Agency's internal control over financial reporting and compliance.

*Cherry Bekaert LLP*

Orlando, Florida  
March 25, 2024

## **Management's Discussion and Analysis**

The International Drive Community Redevelopment Area's (CRA) discussion and analysis offers readers of the CRA's financial statements a narrative overview and analysis of the financial activity for the fiscal year ended September 30, 2023. We encourage readers to consider the information presented here in conjunction with additional information that has been furnished in the financial statements and notes to the financial statements.

The CRA is a component unit of Orange County, Florida, (County) and the financial information detailed in this report is also contained in the Orange County, Florida Annual Comprehensive Financial Report.

### **Financial Highlights**

- The CRA's assets exceeded its liabilities at September 30, 2023 by \$140.8 million (fund balance / net position). All of this amount is restricted as the funds are to be used solely for revitalization projects located within the boundaries of the CRA.
- The CRA's total fund balance / net position increased by \$22.5 million, compared to the previous year's amount.

### **Overview of the Financial Statements**

Management's discussion and analysis is intended to serve as an introduction to the CRA's basic financial statements. The basic financial statements consist of fund financial statements and notes to the financial statements that provide more detail regarding information in the financial statements.

### **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Like other local governments, the CRA uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental fund financial statements focus on how money flows in and out of the fund and the balances left at year-end that are available for spending. For purposes of the CRA, the governmental fund financial statements are those of its General Fund. This fund is reported on the modified accrual basis of accounting, which recognizes revenues when they are measurable and available, and expenditures are recognized in the period in which the related liability is incurred, if measurable. Information in the fund financial statements provide a short-term view of the CRA's financial operations. Because of the nature of the CRA's activities, there are no differences between the modified accrual basis of accounting at the fund level and the accrual basis at the government-wide level.

Continued

Capital assets resulting from the CRA's expenditures are owned by the County and, therefore, are recorded on the books and records of the County. Accordingly, the CRA does not have any long-term assets.

An annual budget is adopted for the CRA and a budget comparison schedule is located on page 13 to demonstrate compliance with the budget.

### Financial Analysis

The balance sheet / statement of net position may serve over time as a useful indicator of the CRA's financial position. The fund balance / net position, or the difference between assets and liabilities, is one indicator which can be used to determine if the CRA's financial position is improving or deteriorating. For Fiscal Year 2023, the CRA's assets exceeded liabilities by \$140.8 million, representing an increase in total fund balance / net position for the year amounting to \$22.5 million.

The table below presents a summary of the CRA's fund balance / net position over the last two fiscal years:

<b>Fund Balance / Net Position</b>				
<b>(in millions)</b>				
	<u>2023</u>	<u>2022</u>	<u>Dollar</u> <u>Change</u>	<u>Percent</u> <u>Change</u>
<b>Assets:</b>				
Current and other assets	\$ 141.4	\$ 118.6	\$ 22.8	19.2%
Total assets	<u>141.4</u>	<u>118.6</u>	<u>22.8</u>	19.2%
<b>Liabilities:</b>				
Current liabilities	<u>0.6</u>	<u>0.3</u>	<u>0.3</u>	100.0%
Total liabilities	<u>0.6</u>	<u>0.3</u>	<u>0.3</u>	100.0%
<b>Fund balance / net position:</b>				
Restricted	<u>140.8</u>	<u>118.3</u>	<u>22.5</u>	19.0%
Total fund balance / net position	<u>\$ 140.8</u>	<u>\$ 118.3</u>	<u>\$ 22.5</u>	19.0%

Continued

Current assets is comprised of cash and cash equivalents, along with accrued interest earned. Fund balance / net position increased during Fiscal Year 2023 as a result of increases to total tax incremental revenue collected and investment income earned offset by increases in repairs and maintenance, research and studies, payments to other governments, contractual services, residential rehab assistance, and capital expenditures.

The changes in fund balance / net position displayed below shows the activities during the previous two fiscal years. The change in fund balance / net position for each year represents the extent to which revenues exceeded expenditures / expenses during the year.

**Revenues and Expenditures / Expenses  
and Changes in Fund Balance / Net Position  
(in thousands)**

	<u>2023</u>	<u>2022</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Revenues:				
Tax increment	\$ 24.6	\$ 21.2	\$ 3.4	16.0%
Investment income (loss)	6.0	(2.3)	11.3	360.9%
Total revenues	<u>30.6</u>	<u>18.9</u>	<u>14.7</u>	77.8%
Expenditures / expenses:				
Economic Environment	1.2	0.4	0.8	200.0%
Human Services	0.2	0.3	(0.1)	(33.3%)
Transportation	4.8	2.4	2.4	100.0%
Total expenditures / expenses	<u>6.2</u>	<u>3.1</u>	<u>3.1</u>	100.0%
Operating Income	<u>24.4</u>	<u>15.8</u>	<u>8.6</u>	54.4%
Transfers out	<u>(1.9)</u>	<u>-</u>	<u>(1.9)</u>	100.0%
Change in fund balance / net position	<u>22.5</u>	<u>15.8</u>	<u>6.7</u>	42.4%
Fund balance / net position, beginning of year	<u>118.3</u>	<u>102.5</u>	<u>15.8</u>	15.4%
Fund balance / net position, end of year	<u>\$ 140.8</u>	<u>\$ 118.3</u>	<u>\$ 22.5</u>	19.0%

The CRA is primarily financed through a portion of the countywide millage assessed on the taxable value of the property located within the International Drive area. As the taxable value increased for Fiscal Year 2023, the portion allocated to the CRA also increased. This resulted in an increase in tax increment revenues over the prior fiscal year.

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

As noted above, the CRA is primarily financed through a portion of the countywide millage assessment. For the next fiscal year, the taxable value of property located within the International Drive area has increased by approximately 9.0%, which will result in an increase in the net incremental revenue allocated to the CRA in Fiscal Year 2024.

For Fiscal Year 2024, the current approved redevelopment plan will be primarily focused on the following key areas: capital improvement projects, transportation projects, affordable and attainable housing, economic development, community, cultural and institutional programs, and beautification and aesthetics.

## **Requests for Information**

This financial report is designed to provide a general overview of the International Drive CRA's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Phil Diamond, County Comptroller, Post Office Box 38, Orlando, Florida 32802-0038.



## **FINANCIAL STATEMENTS**

**International Drive Community Redevelopment Area**  
**(A Component Unit of Orange County, Florida)**  
**Balance Sheet - General Fund /**  
**Statement of Net Position**  
**September 30, 2023**

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ASSETS

Cash and cash equivalents	\$ 140,841,237
Accrued interest receivable	538,690
Accounts receivable	<u>38,099</u>
Total assets	<u>\$ 141,418,026</u>

LIABILITIES AND FUND BALANCE / NET POSITION

Liabilities:	
Accounts payable	<u>\$ 576,634</u>
Total liabilities	<u>576,634</u>
Fund balance / net position:	
Restricted	<u>140,841,392</u>
Total fund balance / net position	<u>140,841,392</u>
Total liabilities and fund balance / net position	<u>\$ 141,418,026</u>

See accompanying notes to financial statements.

**International Drive Community Redevelopment Agency**  
**(A Component Unit of Orange County, Florida)**  
**Statement of Revenues, Expenditures**  
**and Changes in Fund Balance /**  
**Statement of Activities**  
**for the year ended September 30, 2023**

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General revenues:	
County tax increment	\$ 23,481,790
City of Orlando tax increment	1,136,375
Investment income	<u>6,033,142</u>
Total general revenues	<u>30,651,307</u>
Expenditures / expenses:	
Economic Environment	1,239,042
Human Services	213,502
Transportation	<u>4,843,909</u>
Total expenditures / expenses	<u>6,296,453</u>
Operating income	<u>24,354,854</u>
Other financings uses:	
Transfers out	<u>(1,872,983)</u>
Total other finance uses	<u>(1,872,983)</u>
Change in fund balance / net position	22,481,871
Fund balance / net position, October 1, 2022	<u>118,359,521</u>
Fund balance / net position, September 30, 2023	<u>\$ 140,841,392</u>

See accompanying notes to financial statements.

**INTERNATIONAL DRIVE COMMUNITY REDEVELOPMENT AGENCY**  
**(A Component Unit of Orange County, Florida)**  
**NOTES TO FINANCIAL STATEMENTS**  
**for the year ended September 30, 2023**

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**A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The International Drive Community Redevelopment Agency (CRA) is a blended component unit of Orange County, Florida (County), established pursuant to Resolution No. 98-M-06 of the Board of County Commissioners (Board). Blended component units are legally separate entities that are in substance part of the County's operations, as they either have governing bodies that are substantively the same as the Board and there is a financial benefit or burden relationship between the Board and the component unit, or they provide their services exclusively or almost exclusively to the County. The CRA serves to provide improved transportation and roadway conditions in the International Drive corridor. The governing body of the CRA is the Board of County Commissioners, which provides substantial funding of operations. The County is obligated to pay the CRA from its current year ad valorem tax increment related to taxable property improvements made since the designated "base year".

Effective for Fiscal Year 2020, the State of Florida Legislature enacted Chapter 2019-163, Laws of Florida, which amended section 163.387(8), Florida Statutes, to require each CRA that has revenues or a total of expenditures and expenses in excess of \$100,000, to have performed a separate audit. In accordance with Florida Auditor General Rule 10.557(3), the CRA audit report must include basic financial statements, notes to the financial statements, and management's discussion and analysis and other required supplementary information.

The following is a summary of the significant accounting principles and policies used in the preparation of the accompanying financial statements.

Basis of Accounting and Financial Statement Presentation:

The accounting records of the CRA are organized on the basis of funds as prescribed by accounting principles generally accepted in the United States of America (GAAP) applicable to governments as established by the Governmental Accounting Standards Board (GASB). Operations are accounted for within a separate fund with a set of self-balancing accounts recording cash and other financial resources, together with related liabilities, fund balance, revenues and expenditures. The major fund of the CRA is the General Fund.

The CRA's financial statements are prepared in accordance with Section 218.39(2), Florida Statutes, and Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*. The government-wide financial statements use the accrual basis of accounting to determine results of activities and financial position. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred. The fund-level accounts are maintained on the modified accrual basis of accounting. Under this basis, expenditures are recorded at the time liabilities are incurred and revenues are recorded when they are considered both measurable and available and as such, susceptible to accrual. For this purpose, the CRA considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Because of the nature of the CRA's activities, and

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**INTERNATIONAL DRIVE COMMUNITY REDEVELOPMENT AGENCY**  
**(A Component Unit of Orange County, Florida)**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**for the year ended September 30, 2023**

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**A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued**

ownership of the capital assets by the County, there are no differences in amounts recorded between the modified accrual basis of accounting and the accrual basis of accounting.

Encumbrances:

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of moneys are recorded as a reservation of budget, is employed as an extension of the statutorily required budgetary process. Under Florida Statutes, appropriations, even if encumbered, lapse at fiscal year-end. Encumbrances outstanding at September 30, 2023, represented by purchase orders and other executory contracts, were approximately \$6.2 million.

Cash Equivalents:

All funds of the CRA are invested with the Board's investment pool, which consists of the Board's investments and includes the component unit community redevelopment agencies. There are no restrictions on the CRA's ability to withdraw funds from the Board's pool, so all amounts are considered cash equivalents. Cash equivalents are stated at fair value, based on the CRA's investment portion of the fair value of the Board's pooled investments. The Board's investment pool is not rated.

Use of Estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the financial statement date and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Property Tax Revenues:

Ad valorem property taxes levied in September 2023 are for the purpose of financing the budget of the 2024 fiscal year. Property tax revenues recognized for the 2023 fiscal year were levied in September 2022. Virtually all unpaid taxes are collected via the sale of tax certificates prior to fiscal year end; thus there is no receivable reported for property taxes in the financial statements.

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**INTERNATIONAL DRIVE COMMUNITY REDEVELOPMENT AGENCY**  
**(A Component Unit of Orange County, Florida)**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**for the year ended September 30, 2023**

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**B. SOURCES AND USES OF FUNDS**

As explained in Note A, the International Drive Community Redevelopment Agency is a blended component unit of the County and is presented as a nonmajor special revenue fund in the County's Annual Comprehensive Financial Report. As required by State statute, additional information regarding CRA financial activity during Fiscal Year 2023 is as follows:

Source of Deposits

County tax increment	\$ 23,481,790
City of Orlando tax increment	1,136,375
Investment income	<u>4,019,429</u>
Total deposits	<u>\$ 28,637,594</u>

Purpose of Withdrawals

CRA administration	\$ 175
Residential and commercial development	1,393,281
Roadway improvements	4,921,408
Neighborhood enhancements	229,910
Transfers out	<u>1,872,983</u>
Total withdrawals	<u>\$ 8,417,757</u>

Note: The above activity is reported on a cash basis.

CRA Indebtedness

The CRA does not have pledged incremental revenues and has not incurred any debt to carry out its activities.

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**INTERNATIONAL DRIVE COMMUNITY REDEVELOPMENT AGENCY**  
**(A Component Unit of Orange County, Florida)**  
**NOTES TO FINANCIAL STATEMENTS, Continued**  
**for the year ended September 30, 2023**

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**C. BUDGETARY LEGAL COMPLIANCE**

The CRA budgets are prepared in accordance with GAAP. Certain supplemental appropriations were provided in the fiscal year. For the fiscal year ended September 30, 2023, no excess of expenditures over appropriations at the legal level of budgetary control occurred.

**D. RELATED PARTY TRANSACTIONS**

The CRA reported \$2,602,253, including \$122,717 recorded as accounts payable, in expenditures for Fiscal Year 2023 related to the purchase or construction of capital assets that are held in the name of the County.

**REQUIRED SUPPLEMENTARY INFORMATION**



**International Drive Community Redevelopment Agency**  
**(A Component Unit of Orange County, Florida)**  
**SCHEDULE OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**for the year ended September 30, 2023**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues:</b>				
County tax increment	\$ 24,232,200	\$ 24,232,200	\$ 23,481,790	\$ (750,410)
City of Orlando tax increment	1,152,000	1,152,000	1,136,375	(15,625)
Investment income	100,000	100,000	6,033,142	5,933,142
Less statutory deduction	(62,600)	(62,600)	-	62,600
<b>Total revenues</b>	<b>25,421,600</b>	<b>25,421,600</b>	<b>30,651,307</b>	<b>5,229,707</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Economic Environment	2,910,639	3,010,640	1,239,042	1,771,598
Human Services	3,200,000	3,696,765	213,502	3,483,263
Transportation	9,834,090	17,839,923	4,843,909	12,996,014
Reserve for contingencies	114,444,132	116,810,830	-	116,810,830
<b>Total expenditures</b>	<b>130,388,861</b>	<b>141,358,158</b>	<b>6,296,453</b>	<b>135,061,705</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(104,967,261)</b>	<b>(115,936,558)</b>	<b>24,354,854</b>	<b>140,291,412</b>
<b>Other financing uses:</b>				
Transfers out	(2,422,963)	(2,422,963)	(1,872,983)	549,980
<b>Total other finance uses</b>	<b>(2,422,963)</b>	<b>(2,422,963)</b>	<b>(1,872,983)</b>	<b>549,980</b>
<b>Net change in fund balances</b>	<b>(107,390,224)</b>	<b>(118,359,521)</b>	<b>22,481,871</b>	<b>140,841,392</b>
<b>Fund balance, October 1, 2022</b>	<b>107,390,224</b>	<b>118,359,521</b>	<b>118,359,521</b>	<b>-</b>
<b>Fund balance, September 30, 2023</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 140,841,392</b>	<b>\$ 140,841,392</b>

**SUPPLEMENTARY REPORTS OF INDEPENDENT AUDITOR**

**Report of Independent Auditor 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**

To the Board of Directors of International Drive  
Community Redevelopment Agency  
Orlando, Florida

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 and the General Fund of the International Drive Community Redevelopment Agency (the “Agency”), a component unit of Orange County, Florida, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Agency’s basic financial statements, and have issued our report thereon dated March 25, 2024.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Agency’s internal control over financial reporting (“internal control”) as a basis for designing audit 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 Agency’s internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency’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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Agency’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*.

**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 entity'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 Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Cherry Bekaert LLP*

Orlando, Florida  
March 25, 2024

## **Independent Auditor's Management Letter**

To the Board of Directors of International Drive  
Community Redevelopment Agency  
Orlando, Florida

### **Report of the Financial Statements**

We have audited the financial statements of the International Drive Community Redevelopment Agency (the "Agency"), a component unit of Orange County, Florida, as of and for the year ended September 30, 2023, and have issued our report thereon dated March 25, 2024.

### **Auditor's Responsibility**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

### **Other Reporting Requirements**

We have issued our Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, and Report of Independent Accountant on Compliance with Local Government Investment Policies and Community Redevelopment Agency Requirements. Disclosures in those reports, which are dated March 25, 2024, should be considered in conjunction with this management letter.

### **Prior Audit Findings**

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. No findings or recommendations were made in the preceding financial audit report.

### **Official Title and Legal Authority**

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. Such disclosure is included in the notes to the financial statements. There were no component units related to the Agency.

### **Financial Condition and Management**

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the Agency has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, the results of our tests did not indicate the Agency met any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the Agency. It is management's responsibility to monitor the Agency's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

### **Specific Information**

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Agency, a discretely presented component unit of Orange County, Florida, reported:

- a. The total number Agency employees compensated in the last pay period of the Agency's fiscal year as zero.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Agency's fiscal year as six.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as zero.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as \$2,415,196.71.
- e. Each construction project with a total cost of at least \$65,000 approved by the Agency that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as none.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Agency amends a final adopted budget under Section 189.016(6), Florida Statutes, as \$8,135,469.

We provide no assurance regarding the information presented above since it was not subjected to auditing procedures.

### **Additional Matters**

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material, but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

### **Purpose of this Letter**

The purpose of this management letter is to communicate certain matters prescribed by Chapter 10.550, Rules of the Auditor General. Accordingly, this management letter is not suitable for any other purpose.

*Cherry Bekaert LLP*

Orlando, Florida  
March 25, 2024

**Report of Independent Accountant on Compliance with  
Local Government Investment Policies and Community  
Redevelopment Agency Requirements**

To the Board of Directors of International Drive  
Community Redevelopment Agency  
Orange, Florida

We have examined the International Drive Community Redevelopment Agency's (the "Agency") compliance with the local government investment policy requirements of Section 218.415, Florida Statutes, and the community redevelopment agency requirements of Section 163.387, Florida Statutes, as of and for the year ended September 30, 2023. Management of the Agency is responsible for the Agency's compliance with the specified requirements. Our responsibility is to express an opinion on the Agency's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Agency complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Agency complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe the evidence obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Agency's compliance with the specified requirements.

The purpose of this report is to comply with the audit requirements of Sections 218.415 and 163.387, Florida Statutes, and Rules of the Auditor General.

In our opinion, the Agency complied, in all material respects, with the local investment policy requirements of Section 218.415, Florida Statutes, and the community redevelopment agency requirements of Section 163.387, Florida Statutes, as of and for the year ended September 30, 2023.

*Cherry Bekaert LLP*

Orlando, Florida  
March 25, 2024