

**ORANGE COUNTY INDUSTRIAL
DEVELOPMENT AUTHORITY**
(A COMPONENT UNIT OF
ORANGE COUNTY, FLORIDA)

FINANCIAL STATEMENTS

As of and for the Years Ended September 30, 2024 and 2023

And Reports of Independent Auditor

**ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF ORANGE COUNTY, FLORIDA)
TABLE OF CONTENTS**

REPORT OF INDEPENDENT AUDITOR..... 1-3

MANAGEMENT’S DISCUSSION AND ANALYSIS (UNAUDITED) 4-5

BASIC FINANCIAL STATEMENTS

 Statements of Net Position 6

 Statements of Revenues, Expenses, and Changes in Net Position 7

 Statements of Cash Flows 8

 Notes to the Financial Statements..... 9

SUPPLEMENTARY REPORTS

 Report of Independent Auditor on Internal Control over Financial Reporting and on
 Compliance and Other Matters Based on an Audit Statements Performed in
 Accordance with *Government Auditing Standards* 10-11

 Independent Auditor’s Management Letter 12-13

Report of Independent Auditor

To the Board of Directors
Orange County Industrial Development Authority
Orlando, Florida

Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of Orange County Industrial Development Authority (the "Authority"), a component unit of Orange County, Florida, as of and for the years ended September 30, 2024 and 2023, the related notes to the financial statements, which collectively comprise the Authority'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 respective financial position of the Authority as of September 30, 2024 and 2023, and for the years then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits 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 Audits of the Financial Statements* section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Prior Year Financial Statements

The financial statements as of and for the year ended September 30, 2023, were audited by other auditors whose report dated March 25, 2024, expressed an unmodified opinion on those financial statements.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Authority and do not purport to, and do not, present fairly the financial position of Orange County, Florida, as of September 30, 2024, the changes in financial position or, where applicable, its cash flows for the year ended in accordance with accounting principles generally accepted in the United State of America.

Responsibilities of Management for the Financial Statements

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 Authority'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 Responsibility of the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, 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 accounting 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 through 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 Authority'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 Authority'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 audits, significant audit findings, and certain internal control related matters that we identified during the audits.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits 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 a report dated February 20, 2025, on our consideration of the Authority'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 Authority'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 Authority's internal control over financial reporting and compliance.

Cherry Bekaert LLP

Orlando, Florida
February 20, 2025

**ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF ORANGE COUNTY, FLORIDA)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**

SEPTEMBER 30, 2024 AND 2023

The Orange County Industrial Development Authority (the Authority) was created January 30, 1979, pursuant to Chapter 159, Part III, Florida Statutes, for the purposes of assisting in financing and refinancing capital projects that will foster economic development in Orange County, Florida (the "County").

The Authority contracts with the Orlando Economic Partnership, Inc. (the "Partnership") to market industrial revenue bonds and notes to local industries and to assist in the administration of the Authority.

The operations of the Authority are accounted for in a single enterprise fund. Enterprise fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. The Authority has no assets or liabilities. The bonds/notes issued by the Authority are conduit debt obligations issued on behalf of independent third parties, and are, therefore, not reported as liabilities of the Authority.

Revenues (fee for service) of the Authority are based on bond/note applications, issuances and other fees, which can vary from year to year. Revenues are recognized when earned. Application fees are received with an application for an industrial revenue bond/note and are nonrefundable. Issuance fees are received at the closing of a bond/note issue and are generally paid from bond/note proceeds. Other fees are received after services are performed.

Expenses are incurred only when bond/note application, issuance and other fees are received. Expenses of the Authority consist of management fees to the Partnership. The management fee represents application, issuance and other fees remitted directly to the Partnership under this agreement and equals 100% of revenues collected.

The Authority adopted a budget in the current year in compliance with state regulations. Since the Authority is a component unit of the County, the budget was included in the County's budget.

During the years ended September 30, 2024, 2023, and 2022, the Authority issued \$16,218,000, \$13,000,000, and \$-0- in industrial revenue bonds/notes, respectively.

Application fees are generally \$1,500 for each application for an industrial revenue bond/note. Issuance fees are assessed at the closing of a bond/note issue at a rate of 0.5% on the first \$4 million borrowed and .25% on the remainder of the amount borrowed up to a maximum of \$75,000. Fees associated with the reissuance of bonds/notes are determined by the Authority on a case-by-case basis. The Authority received \$52,045, \$54,500, and \$-0- in fees during the years ended September 30, 2024, 2023, and 2022, respectively. There was no bond/note activity for the year ended September 30, 2022. The following is a summary of bonds/notes activity for the years ended September 30, 2024 and 2023:

Borrower	2024				
	Bond/Note Amount	Application Fee	Issuance Fee	Other Fee	Total Fees
Central Florida Young Men's Christian Association, Inc.	\$ 16,218,000	\$ 1,500	\$ 50,545	\$ -	\$ 52,045
	<u>\$ 16,218,000</u>	<u>\$ 1,500</u>	<u>\$ 50,545</u>	<u>\$ -</u>	<u>\$ 52,045</u>
Borrower	2023				
	Bond/Note Amount	Application Fee	Issuance Fee	Other Fee	Total Fees
Trinity Preparatory School of Florida, Inc.	\$ -	\$ -	\$ -	\$ 3,500	\$ 3,500
Faith Assembly of God of Orlando, Inc.	-	-	-	3,500	3,500
Vox International Cooperation	-	-	-	3,500	3,500
Foundation Academy of Winter Garden, Inc.	13,000,000	1,500	42,500	-	44,000
	<u>\$ 13,000,000</u>	<u>\$ 1,500</u>	<u>\$ 42,500</u>	<u>\$ 10,500</u>	<u>\$ 54,500</u>

**ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
(A COMPONENT UNIT OF ORANGE COUNTY, FLORIDA)
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)**

SEPTEMBER 30, 2024 AND 2023

Request for Information

This financial report is designed to provide a general overview of the Authority's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Orange County Industrial Development Authority, c/o Orlando Economic Partnership, Inc., 200 S. Orange Avenue, Suite 200, Orlando, FL 32801.

**ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
(COMPONENT UNIT OF ORANGE COUNTY, FLORIDA)
STATEMENTS OF NET POSITION**

SEPTEMBER 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
ASSETS	\$ -	\$ -
LIABILITIES AND NET POSITION	<u>-</u>	<u>-</u>
	<u>\$ -</u>	<u>\$ -</u>

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

ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
(COMPONENT UNIT OF ORANGE COUNTY, FLORIDA)
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	2024	2023
Operating Revenues:	<u>\$ 52,045</u>	<u>\$ 54,500</u>
Application, issuance, and other fees		
Operating Expenses:		
Management fees (Note 2)	<u>52,045</u>	<u>54,500</u>
Change in net position	-	-
Net position, beginning of year	<u>-</u>	<u>-</u>
Net position, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

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

**ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
 (COMPONENT UNIT OF ORANGE COUNTY, FLORIDA)
 STATEMENTS OF CASH FLOWS**

YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Cash flows from operating activities	\$ -	\$ -
Cash flows from investing activities	-	-
Cash flows from financing activities	-	-
Net change in cash flows	-	-
Cash flows, beginning of year	-	-
Cash flows, end of year	<u>\$ -</u>	<u>\$ -</u>
Supplemental disclosure of cash flow information:		
Application, issuance, and other fees remitted directly to the Orlando Economic Partnership, Inc. (the "Partnership") as payment for the Partnership's management fees	<u>\$ 52,045</u>	<u>\$ 54,500</u>

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

**ORANGE COUNTY INDUSTRIAL DEVELOPMENT AUTHORITY
(COMPONENT UNIT OF ORANGE COUNTY, FLORIDA)
NOTES TO THE FINANCIAL STATEMENTS**

SEPTEMBER 30, 2024 AND 2023

Note 1—Nature of organization and significant accounting policies

Nature of Organization – The Orange County Industrial Development Authority (the “Authority”) was created January 30, 1979, pursuant to Chapter 159, Part III, Florida Statutes, for the purpose of assisting in financing and refinancing capital projects which will foster economic development in Orange County, Florida (the “County”). The properties financed or refinanced are pledged as collateral and the bonds/notes are payable solely from payments received from independent third parties on the underlying promissory bonds/notes. In addition, no commitments beyond the collateral, the payments from independent third parties, and maintenance of the tax-exempt status of the conduit debt obligation were extended by the Authority for any of those bonds/notes.

Reporting Entity – The accompanying financial statements include only the functions and activities of the Authority. As the Authority’s five-member board is appointed by the County’s Board of County Commissioners, the Authority is a component unit of the County as defined under *Governmental Accounting Standards*, issued by the Governmental Accounting Standards Board.

A summary of the Authority’s significant accounting policies follows:

Basis of Accounting – The operations of the Authority are accounted for in a single enterprise fund. Enterprise fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recognized when incurred. Revenues (fee for service) of the Authority consist of application, issuance, and other fees. Application fees are received with an application for industrial revenue bonds/notes and are nonrefundable. Issuance fees are received at the closing of a bond/note issue and are generally paid from the bond/note proceeds. Other fees are received after services are performed.

The Authority has no assets or liabilities.

Budgets – The Authority adopted a budget in the current year in compliance with state regulations. Since the Authority is a component unit of the County, the budget was included in the County’s budget.

Note 2—Management fees

The Authority contracts with the Orlando Economic Partnership, Inc. (the “Partnership”) to administer the activities of the Authority. All application, issuance and other fees are remitted directly to the Partnership under this agreement. The Partnership’s primary activity involves promoting economic development in the central Florida area.

Note 3—Bonds/note issues

From inception to September 30, 2024, the Authority has issued \$1,171,814,515 in industrial development revenue bonds/notes. During the years ended September 30, 2024 and 2023, the Authority issued \$16,218,000 and \$13,000,000, respectively, in industrial development revenue bonds/notes. The aggregate principal amount payable for the bonds/notes is approximately \$157,633,833 and \$174,720,000 at September 30, 2024 and 2023, respectively. The bonds/notes issued by the Authority are conduit debt obligations issued on behalf of independent third parties, and are, therefore, not reported as liabilities of the Authority.

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
Orange County Industrial Development Authority
Orlando, Florida

We have audited, in accordance with the 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 Orange County Industrial Development Authority (the "Authority"), a component unit of Orange County, Florida, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements, and have issued our report thereon dated February 20, 2025.

Report on Internal Control Over Financial Reporting

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Authority'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Cherry Bekaert LLP

Orlando, Florida
February 20, 2025

Independent Auditor's Management Letter

To the Board of Directors
Orange County Industrial Development Authority
Orlando, Florida

Report on the Financial Statements

We have audited the financial statements of the Orange County Industrial Development Authority (the "Authority"), a component unit of Orange County, Florida (the "County"), as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated February 20, 2025.

Auditor's Responsibility

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 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*. Disclosures in this report, which is dated February 20, 2025, 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 recommendations were made in the preceding annual 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. The Authority was established as described in Note 1 to the financial statements. There are no component units related to the Authority.

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not the Authority met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined the Authority did not meet 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 Authority. It is management's responsibility to monitor the Authority's financial condition, and our financial condition assessment was based in part on representations made by management and 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.

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, the Authority did not operate a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, within the Authority's geographical boundaries during the fiscal year under audit.

Special District Component Units

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Authority reported (unaudited):

- a. The total number of district employees compensated in the last pay period of the fiscal year: **The Authority has no employees.**
- b. The total number of independent contractors compensated in the last month of the fiscal year: **The Authority has no independent contractors.**
- c. All compensation paid or accrued to employees: **No compensation paid or accrued as the Authority has no employees.**
- d. All compensation paid or accrued to independent contractors: **No compensation paid or accrued as the Authority has no independent contractors.**
- e. Each construction project with a total cost of at least \$65,000 approved by the district and scheduled to begin on or after October 1 of the reporting year and total expenditures of such project: **The Authority has no construction projects.**
- f. A budget variance report based on the budget adopted under Section 189.016(4), Florida Statutes, and the amended budget under Section 189.016(6), Florida Statutes: **The Authority is a component unit of the County, the budget was included in the County's budget.**

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 fraud, waste, or abuse, that have occurred, or is 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

Our management letter is intended solely for the information and use of the Legislative Auditing Committee; members of the Florida Senate and the Florida House of Representatives; the Florida Auditor General, Orange County, Florida; the Board of Directors; and applicable management; and is not intended to be, and should not be, used by anyone other than these specified parties.

Cherry Bekaert LLP

Orlando, Florida
February 20, 2025