INTERNATIONAL DRIVE MASTER TRANSIT AND IMPROVEMENT DISTRICT
D/B/A INTERNATIONAL DRIVE BUSINESS IMPROVEMENT DISTRICT
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Cherry Bekaert LLP
Your Guide Forward

Report of Independent Auditor

To the Advisory and Governing Board
International Drive Master Transit and Improvement District
d/b/a International Drive Business Improvement District
Orlando, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of International Drive Master Transit and Improvement District d/b/a International Drive Business Improvement District (the "District"), a component unit of Orange County, Florida, as of and for the year ended September 30, 2025, 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the District, as of September 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 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 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 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 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 Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements the collectively comprise the District's basic financial statements. The schedule of revenues, expenditures, and changes in fund balance – budget and actual – municipal service taxing units is presented for purposes of additional analysis and is 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 auditing standards generally accepted in the United States of America. In our opinion, the schedule of revenues, expenditures, and changes in fund balance – budget and actual – municipal service taxing units is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 5, 2026, 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 the District'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 District's internal control over financial reporting and compliance.

Cherry Bekaert LLP

Orlando, Florida
March 5, 2026

As management of the International Drive Master Transit and Improvement District d/b/a International Drive Business Improvement District (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the District's financial activities for the fiscal year ended September 30, 2025.

Overview of the 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 comprise three components: 1) government-wide financial statements, 2) General Fund financial statements, and 3) notes to the financial statements. This report also contains required supplementary information and supplementary information in addition to the basic financial statements.

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.

The statement of net position presents information on all of the District's assets and liabilities, with the difference between the two reported as 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. Also, capital assets are capitalized and depreciated/amortized on the statement of net position whereas related purchases are expensed on General Fund financial statements.

General Fund. The General Fund is used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the General Fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of the General Fund is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the General Fund 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 General Fund balance sheet and the General Fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between General Fund and governmental activities.

The District adopts an annual appropriated budget for its General Fund. A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with this budget.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and General Fund financial statements. The notes to the financial statements are an integral part of the basic financial statements.

Supplementary information. In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information.

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by $7,952,394 at the close of the most recent fiscal year. This compares with $7,762,064 at the close of the previous fiscal year, an increase of $190,330 due to operating results. This increase resulted primarily in an increase in current and other assets.

Restricted net position consists of unspent Master Transit Improvement District Taxing Unit Public Safety Program ad valorem tax revenue, unspent International Drive Bus Service Taxing Unit ad valorem tax revenue, and North International Drive Improvement Municipal Service Taxing Unit ad valorem tax revenue.

	Net Position	
	2025	2024
Assets		
Current and other assets	$ 8,485,374	$ 8,322,654
Capital assets	426,961	579,703
Total Assets	8,912,335	8,902,357
Liabilities		
Current liabilities	830,840	881,115
Noncurrent liabilities	129,101	259,178
Total Liabilities	959,941	1,140,293
Net position		
Net investment in capital assets	167,238	197,786
Restricted:		
Public safety	950,040	820,733
International Drive Bus Service Taxing Unit	-	865,762
North International Drive Improvement Municipal Service Taxing Unit	242,780	217,203
Unrestricted	6,592,336	5,660,580
Total Net Position	$ 7,952,394	$ 7,762,064

Governmental Activities

Governmental activities increased the District's net position by $190,330 in fiscal year 2025, compared to a decrease of $671,655 in the prior fiscal year. Total revenues increased by $1,324,392 from last year, primarily as a result of an increase of $1,102,213 in general revenues from municipal service taxing units. Charges for services consists of pass sales, fare box revenue, advertising revenue, and Pedi-cab license revenue. Total expenses increased by $462,407 primarily as a result of a $266,722 increase in general government expenses due to increased fees to establish the retirement plan.

The net effect of public safety general revenues and expenses was an increase in restricted net position of $129,307 for the year ended September 30, 2025 and a decrease in restricted net position of $97,047 for the year ended September 30, 2024. Exclusive of these effects, the change in net position was an increase of $61,023 and a decrease of $574,608 for the years ended September 30, 2025 and 2024, respectively:

	Changes in Net Position	
	2025	**2024**
Revenues:		
Program Revenues:		
Charges for services	$ 1,205,103	$ 1,048,460
General Revenues:		
Municipal service taxing units	9,591,076	8,488,863
Other general revenues	188,557	123,021
Total General Revenues	9,779,633	8,611,884
Total Revenues	10,984,736	9,660,344
Expenses:		
Program Expenses:		
Transportation services	6,420,951	6,187,424
General government	1,745,004	1,478,282
Public safety	1,854,507	1,885,773
Planning and development	773,944	780,520
Total Program Expenses	10,794,406	10,331,999
Changes in net position	190,330	(671,655)
Net position, beginning of year	7,762,064	8,433,719
Net position, end of year	$ 7,952,394	$ 7,762,064

Financial Analysis of the General Fund

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

The purpose of the District's governmental fund is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unrestricted fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

The District's General Fund activities resulted in a $240,395 increase in fund balance during fiscal 2025, as compared to a $623,813 decrease in fund balance during fiscal 2024. General Fund expenditures increased from $10,348,006 to $10,763,856, with transportation services expenditures increasing $293,662 and public safety expenditures decreasing $31,266 .

General Fund Budgetary Highlights

The original budget was not amended during the current fiscal year. A positive budget variance of $1,644,870 was experienced for the General Fund as a whole, with the following highlights:

- $778,076 positive variance in municipal service taxing units revenues
- $281,118 positive variance in charges for services revenues
- $560,714 positive variance in transportation services expenditures

Capital Asset Administration

The District's capital assets as of September 30, 2025 amount to $426,961, a net decrease of $152,742 from 2024, after recording $152,742 in fiscal 2025 depreciation/amortization expense.

	Capital Assets Net of Accumulated Depreciation/Amortization)	
	2025	2024
Trolley replacement parts	$ 74,507	$ 74,507
Trolley shelters	98,585	123,594
Trolley markers	-	185
Office furniture, equipment and vehicles	60,286	77,229
Right-to-use building lease	193,583	304,188
Total	$ 426,961	$ 579,703

Debt Administration

The District has a loan for one vehicle, for which a loan payable is presented. Details can be found in Note 4 to the financial statements. At the end of the current fiscal year, the District had one outstanding loan payable of $41,718, a decrease of $8,256 from the prior year.

	2025	2024
Lease Liabilities:		
Right-of-Use Asset	$ 218,005	$ 331,943
Loans Payable	41,718	49,974
Total	$ 259,723	$ 381,917

Leases and Other Commitments

The District leases office space, for which a leased asset and liability is presented. Details can be found in Note 5 to the financial statements.

Economic Factors and Conditions

The District had a fiscal 2025 increase in pass sale revenue of 4.8% over prior year. Farebox revenue had a 6.7% increase year over year, due to some busses with no farebox on board taking place over the trolley. Overall, trolley ridership saw a decrease of 6.5% over the prior year. In association with the increase in revenue activity, transportation expenditures increased 3.8%.

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in such. Questions concerning any of the information should be addressed to the Executive Director, 7081 Grand National Drive, Suite 105, Orlando, Florida 32819.

BASIC FINANCIAL STATEMENTS

INTERNATIONAL DRIVE MASTER TRANSIT AND IMPROVEMENT DISTRICT
D/B/A INTERNATIONAL DRIVE BUSINESS IMPROVEMENT DISTRICT
STATEMENT OF NET POSITION

SEPTEMBER 30, 2025

ASSETS		
Cash and cash equivalents	$	8,157,614
Accounts receivable (no allowance for doubtful accounts)		245,484
Interest receivable		15,410
Prepaid items and other assets		66,866
Capital Assets:		
Trolley replacement inventory		74,507
Trolley shelter and marker infrastructure		1,066,899
Office furniture and equipment		178,629
Right-to-use building lease		636,000
Accumulated depreciation and amortization		(1,529,074)
Total Assets		8,912,335
LIABILITIES		
Current Liabilities:		
Accounts payable		586,781
Accrued liabilities		33,983
Loans payable, current		9,593
Lease liability, current		121,029
Unearned revenue		79,454
Total Current Liabilities		830,840
Noncurrent Liabilities:		
Loans payable, long-term		32,125
Lease liability, long-term		96,976
Total Noncurrent Liabilities		129,101
Total Liabilities		959,941
NET POSITION		
Net investment in capital assets		167,238
Restricted for:		
Public safety		950,040
North International Drive Improvement Municipal Service Taxing Unit		242,780
Unrestricted		6,592,336
Total Net Position	$	7,952,394

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

INTERNATIONAL DRIVE MASTER TRANSIT AND IMPROVEMENT DISTRICT
D/B/A INTERNATIONAL DRIVE BUSINESS IMPROVEMENT DISTRICT
STATEMENT OF ACTIVITIES

YEAR ENDED SEPTEMBER 30, 2025

Program Expenses:	
Transportation services	$ 6,420,951
General government	1,745,004
Public safety	1,854,507
Planning and development	773,944
Total Program Expenses	10,794,406
Program Revenues:	
Charges for services	1,205,103
Net Program Expenses	(9,589,303)
General Revenues:	
Municipal service taxing units	9,591,076
Interest income	188,557
Total General Revenues	9,779,633
Change in net position	190,330
Net position, beginning of the year	7,762,064
Net position, end of the year	$ 7,952,394

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

INTERNATIONAL DRIVE MASTER TRANSIT AND IMPROVEMENT DISTRICT
D/B/A INTERNATIONAL DRIVE BUSINESS IMPROVEMENT DISTRICT
BALANCE SHEET – GENERAL FUND

SEPTEMBER 30, 2025

ASSETS		
Cash and cash equivalents	$	8,157,614
Accounts receivable (no allowance for doubtful accounts)		260,894
Prepaid items and other assets		66,866
Total Assets	$	8,485,374
LIABILITIES		
Accounts payable	$	586,781
Accrued liabilities		33,983
Unearned revenues		79,454
Total Liabilities		700,218
DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue		18,272
FUND BALANCE		
Nonspendable:		
Prepaid items and other assets		66,866
Spendable:		
Restricted for:		
Public safety		950,040
North International Drive Improvement Municipal Service Taxing Unit		242,780
Unassigned		6,507,198
Total Fund Balance		7,766,884
Total Liabilities, Deferred Inflows, and Fund Balance	$	8,485,374
Amounts reported in the statement of net position differ from amounts reported above as follows:		
Fund balance - General Fund	$	7,766,884
Amounts to be collected under receivables that are not available to pay for the current period's expenditures and are reported as a deferred inflow of resources in the General Fund.		18,272
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported above.		426,961
Loans payable are not due and payable in the current period and, therefore, are not reported in the funds.		(41,718)
Lease liabilities are not due and payable in the current period and, therefore, are not reported in the funds.		(218,005)
Net Position of Governmental Activities	$	7,952,394

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

INTERNATIONAL DRIVE MASTER TRANSIT AND IMPROVEMENT DISTRICT
D/B/A INTERNATIONAL DRIVE BUSINESS IMPROVEMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – GENERAL FUND

YEAR ENDED SEPTEMBER 30, 2025

Revenues:		
Municipal service taxing units	$	9,591,076
Charges for services		1,224,618
Interest income		188,557
Total Revenues		11,004,251
Expenditures:		
Current:		
Transportation services		6,359,446
General government		1,578,524
Public safety		1,854,507
Planning and development		784,944
Capital outlay		51,546
Debt Service:		
Principal		122,194
Interest		12,697
Total Expenditures		10,763,858
Change in fund balance		240,393
Fund balance, beginning of year		7,526,491
Fund balance, end of year	$	7,766,884

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

Net change in fund balance - General Fund	$	240,393
Receivables uncollected within 60 days of year-end are unavailable to pay for current period expenditures and are reported as a deferred inflow of resources in the General Fund. At the prior year-end, there was unavailable revenue of $37,787, which was all collected in fiscal 2025. At the current year-end, there was unavailable revenue of $18,272. This is the net change in unavailable revenue.		(19,515)
Repayment of long-term debt principal is an expenditure in governmental funds, but repayment reduces long-term liabilities in the statement of net position. This is the amount of debt repayment during the current period.		122,194
Governmental funds report all capital outlay as expenditures. In the Statement of Activities, the costs of capitalized assets are allocated over asset estimated useful life and reported as depreciation or amortization expense. This is the amount by which depreciation or amortization exceeded capitalized capital outlays.		(152,742)
Change in net position of governmental activities	$	190,330

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

Note 1—Summary of significant accounting policies

International Drive Master Transit and Improvement District d/b/a International Drive Business Improvement District (the "District") is an independent special district created pursuant to Article VII of the Florida constitution and Section 125.01(5) of the Florida Statutes through ordinances passed by Orange County, Florida and the City of Orlando, Florida. It was created by Orange County Ordinance 92-37 dated November 10, 1992. Its primary activity is the administration of transportation and capital planning projects along certain segments of International Drive.

The District is funded primarily by ad valorem tax revenues collected and remitted by the Orange County Florida Tax Collector. The ad valorem taxes are assessed through three Municipal Service Taxing Units, described below, created in the International Drive area through ordinances by Orange County, Florida and the City of Orlando, Florida:

Master Transit Improvement District Taxing Unit, which may levy up to 0.3 mill per year; of this levy, 0.1 mill is used for general administration and operations of the District and 0.2 mill is used for funding public safety programs.

International Drive Bus Service Taxing Unit, which may levy up to 1.0 mill per year, is used to provide public transit services in the International Drive area.

North International Drive Improvement Municipal Service Taxing Unit, which may levy up to 0.2 mill per year, is used to improve and beautify portions of the International Drive area.

Each municipal service taxing unit described above may use funding for the purpose of funding other facilities and services for the benefit of its stakeholders and taxpayers.

The accounting policies of the District conform to accounting principles generally accepted in the United States of America as applicable to independent special districts. The following is a summary of the more significant policies:

Reporting Entity – The District is a legally separate entity with no component units. However, two of its three governing board members are members from Orange County Board of County Commissioners and one member is from the City of Orlando; three of the five members of the District's Advisory Board are appointed by Orange County Board of County Commissioners and two are appointed by the City of Orlando. A major portion of the District's funding is derived from Orange County Municipal Service Taxing Units. Therefore, the District, for financial reporting purposes, is considered a component unit of Orange County, Florida. The financial statements of the District are included in Orange County, Florida's annual comprehensive financial report under a discrete presentation format.

Measurement Focus and Basis of Accounting – Government fund financial statements are organized for reporting purposes on the basis of a General Fund, the District's major fund, which accounts for all activities of the District and is accounted for using the modified accrual basis of accounting and the current financial resources measurement focus. Revenues are recognized when they become measurable and available as net current assets. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers all revenues available if collected within 60 days after year-end. Expenditures are recognized when the related fund liability is incurred, except for debt service principal and expenditures on general long-term debt, including lease liabilities, which are recognized when payment is due. General capital asset acquisitions, including entering into contracts giving the District the right to use lease assets, are reported as expenditures in governmental funds. Issuance of long-term debt and financing through leases are reported as other financing sources.

Note 1—Summary of significant accounting policies (continued)

The financial transactions of the District are reported in the major fund of the District in the fund financial statements. The general fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenses. The emphasis on fund financial statements is on the major fund. Governmental accounting reporting standards set forth minimum criteria for the determination of major funds. The District's major fund represents the operations of the general fund. The general fund accounts for all financial resources of the District.

The fund's focus is upon the determination of financial resources, their balance, sources, and use, rather than upon net income. The District follows guidance that classifies fund balances as: nonspendable, restricted, committed, assigned, or unassigned based on the level of constraints on the fund balances. When an expenditure is incurred in which both restricted and unrestricted funds are available for use, it is the District's policy to spend restricted funds first, then unrestricted funds. When an expenditure has been incurred for purposes in which multiple categories of unrestricted funds are available, it is the District's policy to spend funds in the following order: committed, then assigned, and lastly, unassigned funds. The classifications of fund balances are defined as follows:

Nonspendable – This classification consists of fund balances that cannot be spent because they are either not in spendable form, for example, noncash amounts that are not expected to be converted to cash, or the funds are legally or contractually required to be maintained intact.

Restricted – This classification consists of fund balances with external constraints on use imposed by creditors (such as through debt covenants), contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.

Committed – This classification consists of fund balances that can only be used for specific purposes established by formal action of the District's Board of Directors using its highest level of decision making authority. Such commitments should include contractual obligations of fund assets. Fund balance commitments can only be removed by the same process of the same body employed to previously commit those amounts. As of September 30, 2025, the District reported no committed fund balance.

Assigned – Assigned fund balances are intended to be used for specific purposes but are neither restricted or committed. The District gives the authority to assign amounts to specific purposes to the District's controller and personnel under the supervision of the controller tasked with financial recording responsibilities. As of September 30, 2025, the District reported no assigned fund balance.

Unassigned – This classification consists of all fund balances

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Note 1—Summary of significant accounting policies (continued)

Governmental financial reporting standards require the classification of net position into three components: net investment in capital assets, restricted, and unrestricted. These classifications are defined as follows:

Net Investment in Capital Assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation, and reduced by outstanding balances (if any) of bonds, mortgages, notes, leases, or other borrowings that are attributable to the acquisition, construction, or improvements of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.

Restricted – This component of net position consists of constraints placed on net position used through external constraints imposed by creditors (such as through debt covenants), contributors, or laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation.

Unrestricted – This component of net position consists of net position that does not meet the definition of restricted or net investment in capital assets. When both restricted and unrestricted assets are available for use, it is the District's policy to utilize restricted assets first, then unrestricted assets as needed.

Cash and Cash Equivalents – For deposits, this is the risk that, in the event of the failure of a depository financial institution, the District will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. All bank balances of the District are fully insured or collateralized as required by Chapter 280, Florida Statutes. All earnings from cash deposits with financial institutions are allocated monthly to each fund based upon ending balance in that fund.

Capital Assets – The District defines capital assets as assets with an initial, individual cost of $5,000 or more and an estimated useful life of more than one year. Such assets are recorded at cost in the government-wide financial statements. Right-of-use assets are capitalized at an amount equal to the initial measurement of the lease liability. The District does not have donated capital assets.

Infrastructure capital assets (such as bus stop markers and shelters and other assets that are immovable and of value only to the District) have been capitalized and depreciated in the same manner as other capital assets.

Capital assets are depreciated or amortized using the straight-line method over estimated lives ranging from 3 to 15 years, or the term of the lease for right to use assets. Accumulated depreciation or amortization has been recorded based on estimated depreciation or amortization since the date each capital asset was available for service.

Deferred Inflows of Resources – The balance sheet reports a separate section of deferred inflows of resources, which represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The General Fund balance sheet reports amounts not collected within 60 days after year end as unavailable revenue.

Budget – On or before September 30 of each year, the District's Advisory and Governing Board adopts an annual budget sufficient to support the anticipated work program for the year. The budget includes revenues from all sources, including contracts, fees, and other fund sources legitimately available to the District. The District's Advisory and Governing Board can legally amend the budget to the extent deemed necessary, provided the budget remains in balance at the fund level. District management other than the Advisory and Governing Board cannot amend or transfer appropriations.

Note 1—Summary of significant accounting policies (continued)

Use of Estimates – The preparation of the financial statements requires management to make use of estimates that affect reported amounts. Actual results could differ from those estimates.

Note 2—Cash and cash equivalents and investments

The District's cash and cash equivalents consists of demand deposits, one money market account and petty cash of $3,157,214, $5,000,000, and $400, respectively, at September 30, 2025.

The District's investment policy allows for investments in Local Governmental Surplus Funds Investment Pool, Securities and Exchange Commission registered money market funds, savings accounts, certificates of deposit, repurchase agreements, and direct obligations of the United States government or its agencies and instrumentalities. The District's investment policy also limits the maturity of all purchased securities to no more than one year.

Note 3—Changes in capital assets

The following is a summary of changes in capital assets during the year ended September 30, 2025:

Governmental Activities	Balance October 1, 2024	Additions	Deletions	Balance September 30, 2025
Capital assets not depreciated:				
Trolley replacement parts	$ 74,507	$ -	$ -	$ 74,507
Capital assets being depreciated/amortized:				
Office furniture, equipment and vehicles	178,629	-	-	178,629
Trolley shelters	798,103	-	-	798,103
Trolley markers	268,796	-	-	268,796
Right-to-use building lease	636,000	-	-	636,000
Total capital assets being depreciated/amortized	1,881,528	-	-	1,881,528
Less accumulated depreciation/amortization for:				
Office furniture, equipment and vehicles	101,400	16,943	-	118,343
Trolley shelters	674,509	25,009	-	699,518
Trolley markers	268,611	185	-	268,796
Right-to-use building lease	331,812	110,605	-	442,417
Total accumulated depreciation/amortization	1,376,332	152,742	-	1,529,074
Governmental activities capital assets	$ 579,703	$ (152,742)	$ -	$ 426,961

Depreciation/amortization expense amounted to $152,742 during fiscal 2025. Of this amount, $25,194 is included in transportation services expense and $127,548 is included in general government expense on the statement of activities.

Note 4—Loan payable

On August 13, 2024, the District entered into a loan agreement for the purchase of one new vehicle, which serves as collateral for the loan. The term of the loan is 60 months at an interest rate of 8.64%. Monthly payments are $1,069 in total.

Loan payable activity during the fiscal year ended September 30, 2025 was as follows:

Beginning Balance	Additions	Deletions	Ending Balance	Amount Due Within One Year
$ 49,974	$ -	$ (8,256)	$ 41,718	$ 9,593

Following is a schedule of loan payable commitments as of September 30, 2025:

Fiscal Years	Principal	Interest	Total
2026	$ 9,593	$ 3,230	$ 12,823
2027	10,455	2,368	12,823
2028	11,395	1,428	12,823
2029	10,274	412	10,686
	$ 41,718	$ 7,438	$ 49,156

Note 5—Lease

The District is obligated under a lease agreement for an office space expiring July 31, 2027, the present value of which was recorded as a right-of-use asset and a lease liability of $636,000 at October 1, 2021. Accumulated amortization of $442,417 on the right-of-use asset resulted in a net book value of $193,583 at September 30 2025. The total payments under this lease were $113,938 during the year ended September 30, 2025, which are included as part of debt service payments on the statement of revenues, expenditures, and changes in fund balance.

Lease liability activity during the fiscal year ended September 30, 2025 was as follows:

Beginning Balance	Additions	Deletions	Ending Balance	Amount Due Within One Year
$ 331,943	$ -	$ (113,938)	$ 218,005	$ 121,029

This is the schedule of lease liability activity in future years:

Fiscal Years	Principal	Interest	Total
2026	$ 121,029	$ 4,733	$ 125,762
2027	96,976	1,192	98,168
	$ 218,005	$ 5,925	$ 223,930

Note 6—Risk management

The District is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters for which the District purchases commercial insurance.

The District did not reduce insurance coverages during the year ended September 30, 2025. No settlements have exceeded coverage levels in place during the last three fiscal years.

All health insurance claims are covered by Orange County, Florida's Self-Insurance Fund, a risk management pool to which risk is transferred in exchange for annual premium payments.

Note 7—Commitments and contingencies

Trolley Transportation Service – The District has an agreement to pay the Mears Transportation Group through November 6, 2026 for trolley transportation service within the bus service area of International Drive. The agreement provides for hourly rates that increase or decrease by 85% of the annual percentage change in the Consumer Price Index on November 6th of each year. In addition, the hourly rates are subject to periodic fuel price adjustments not to exceed 4.75%.

Law Enforcement Services – The District has an agreement to pay the Orange County Sheriff's Office through September 30, 2025 for the TOPS Program. This program provides law enforcement services in the portion of the District that lies within the unincorporated area of Orange County. The agreement is amended and extended on an annual basis. For fiscal year 2026, the annual fee is $1,794,669.

REQUIRED SUPPLEMENTARY INFORMATION

INTERNATIONAL DRIVE MASTER TRANSIT AND IMPROVEMENT DISTRICT
D/B/A INTERNATIONAL DRIVE BUSINESS IMPROVEMENT DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND

YEAR ENDED SEPTEMBER 30, 2025

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Municipal service taxing units	$ 8,813,000	$ 8,813,000	$ 9,591,076	$ 778,076
Charges for services	943,500	943,500	1,224,618	281,118
Interest income	180,000	180,000	188,557	8,557
Total Revenues	9,936,500	9,936,500	11,004,251	1,067,751
Expenditures:				
Current:				
Transportation services	6,920,160	6,920,160	6,359,446	560,714
General government	1,637,588	1,637,588	1,578,524	59,064
Public safety	1,880,016	1,880,016	1,854,507	25,509
Planning and development	845,000	845,000	784,944	60,056
Capital outlay	96,000	96,000	51,546	44,454
Debt service	-	-	134,891	(134,891)
Total Expenditures	11,378,764	11,378,764	10,763,858	614,906
Change in fund balance	(1,442,264)	(1,442,264)	240,393	1,682,657
Fund balance, beginning of year	7,526,491	7,526,491	7,526,491	-
Fund balance, end of year	$ 6,084,227	$ 6,084,227	$ 7,766,884	$ 1,682,657

SUPPLEMENTARY INFORMATION

INTERNATIONAL DRIVE MASTER TRANSIT AND IMPROVEMENT DISTRICT
D/B/A INTERNATIONAL DRIVE BUSINESS IMPROVEMENT DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – MUNICIPAL SERVICE TAXING UNITS

YEAR ENDED SEPTEMBER 30, 2025

	Master Transit Improvement District Taxing Unit			International Drive Bus Service Taxing Unit		
	Budget	Actual	Variance-Positive (Negative)	Budget	Actual	Variance-Positive (Negative)
Revenues:						
Municipal service taxing units	$ 2,790,000	$ 3,043,877	$ 253,877	$ 5,787,000	$ 6,285,748	$ 498,748
Charges for services	-	43,813	43,813	943,500	1,218,592	275,092
Interest income	89,835	93,974	4,139	89,835	93,973	4,138
Total Revenues	2,879,835	3,181,664	301,829	6,820,335	7,598,313	777,978
Expenditures:						
Current:						
Transportation services	-	-	-	6,920,160	6,359,446	560,714
General government	755,804	774,784	(18,980)	580,109	578,256	1,853
Public safety	1,880,016	1,854,507	25,509	-	-	-
Planning and development	108,000	98,510	9,490	722,000	675,434	46,566
Capital outlay	15,000	15,235	(235)	81,000	36,311	44,689
Debt service	-	134,891	(134,891)	-	-	-
Total Expenditures	2,758,820	2,877,927	(119,107)	8,303,269	7,649,447	653,822
Changes in fund balances	121,015	265,950	144,935	(1,482,934)	(51,134)	1,431,800
Fund balance, beginning of year	461,015	461,015	-	6,848,273	6,848,273	-
Fund balance, end of year	$ 582,030	$ 726,965	$ 144,935	$ 5,365,339	$ 6,797,139	$ 1,431,800

INTERNATIONAL DRIVE MASTER TRANSIT AND IMPROVEMENT DISTRICT
D/B/A INTERNATIONAL DRIVE BUSINESS IMPROVEMENT DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – MUNICIPAL SERVICE TAXING UNITS (CONTINUED)

YEAR ENDED SEPTEMBER 30, 2025

	North International Drive Improvement Municipal Service Taxing Unit			Totals		
	Budget	Actual	Variance-Positive (Negative)	Budget	Actual	Variance-Positive (Negative)
Revenues:						
Municipal service taxing units	$ 236,000	$ 261,451	$ 25,451	$ 8,813,000	$ 9,591,076	$ 778,076
Charges for services	-	-	-	943,500	1,262,405	318,905
Interest income	330	610	280	180,000	188,557	8,557
Total Revenues	236,330	262,061	25,731	9,936,500	11,042,038	1,105,538
Expenditures:						
Current:						
Transportation services	-	-	-	6,920,160	6,359,446	560,714
General government	301,675	225,484	76,191	1,637,588	1,578,524	59,064
Public safety	-	-	-	1,880,016	1,854,507	25,509
Planning and development	15,000	11,000	4,000	845,000	784,944	60,056
Capital outlay	-	-	-	96,000	51,546	44,454
Debt service	-	-	-	-	134,891	(134,891)
Total Expenditures	316,675	236,484	80,191	11,378,764	10,763,858	614,906
Changes in fund balances	(80,345)	25,577	105,922	(1,442,264)	278,180	1,720,444
Fund balance, beginning of year	217,203	217,203	-	7,526,491	7,526,491	-
Fund balance, end of year	$ 136,858	$ 242,780	$ 105,922	$ 6,084,227	$ 7,804,671	$ 1,720,444

SUPPLEMENTARY REPORTS

Cherry Bekaert LLP
Your Guide Forward

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 Advisory and Governing Board
International Drive Master Transit and Improvement District
d/b/a International Drive Business Improvement District
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 major fund of the International Drive Master Transit and Improvement District d/b/a International Drive Business Improvement District (the "District"), a component unit of Orange County, Florida, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated March 5, 2026.

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 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 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. 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 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*.

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.

Cherry Bekaert LLP

Orlando, Florida
March 5, 2026

Cherry Bekaert LLP
Your Guide Forward

Independent Auditor's Management Letter

To the Advisory and Governing Board
International Drive Master Transit and Improvement District
d/b/a International Drive Business Improvement District
Orlando, Florida

Report of the Financial Statements
We have audited the financial statements of the governmental activities and the major fund of the International Drive Master Transit and Improvement District d/b/a International Drive Business Improvement District (the "District"), a component unit of Orange County, Florida, as of and for the year ended September 30, 2025, and have issued our report thereon dated March 5, 2026.

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 performed in accordance with ATC-C Section 315. Disclosures in those reports, which are dated March 5, 2026, 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 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. Such disclosure is included in the notes to the financial statements. There were no component units related to the entity.

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 District has 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, the results of our tests did not indicate the District 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 District. It is management's responsibility to monitor the District'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)7, Rules of the Auditor General, the District provided the following information (unaudited):

a. The total number of District employees compensated in the last pay period of the District's fiscal year as 11.

b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year as 6.

c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as $1,076,804.

d. All compensation earned or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as $6,767,647.

e. Each construction project with a total cost of at least $65,000 approved by the District 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 zero.

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 District amends a final adopted budget under Section 159.016(6), Florida Statutes, as zero. There were no budget amendments during the fiscal year.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)8, Rules of the Auditor General, the District provided the following information (unaudited):

a. The mileage rate or rates imposed by the District as 0.2334 mill within the District MSTU, 0.7523 mills within the Bus Service MSTU and 0.1601 mill within the North I-Drive MSTU.

b. The total amount of ad valorem taxes collected by or on behalf of the District was $9,591,076.

c. The total amount of outstanding bonds issued by the District and the terms of such bonds as zero.

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 has occurred, or is likely to have occurred, that has 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, Federal and other granting agencies, 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
March 5, 2026

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Report of Independent Accountant on Compliance with Local Government Investment Policies

To the Advisory and Governing Board
International Drive Master Transit and Improvement District
d/b/a International Drive Business Improvement District
Orlando, Florida

We have examined International Drive Master Transit and Improvement District d/b/a International Drive Business Improvement District's (the "District") compliance with the local government investment policy requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2025. Management of the District is responsible for the District's compliance with the specified requirements. Our responsibility is to express an opinion on the District'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 District complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the District 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 District's compliance with the specified requirements.

This report is intended solely for the information and use of the Florida Auditor General, the District Board members and applicable management and is not intended to be, and should not be, used by anyone other than the specified parties.

In our opinion, the District complied, in all material respects, with the local government investment policy requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2025.

This report is intended solely for the information and use of the Florida Auditor General, the District Board members and applicable management and is not intended to be, and should not be, used by anyone other than the specified parties.

Cherry Bekaert LLP

Orlando, Florida
March 5, 2026