

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

**AGENDA
AUDIT COMMITTEE MEETING
OCTOBER 29, 2025
2:00 p.m.**

**Meeting location: Central Florida Expressway Authority
4974 ORL Tower Road
Orlando, FL 32807
Pelican Conference Room**

A. CALL TO ORDER

B. PUBLIC COMMENT

Pursuant to Section 286.0114, Florida Statutes and CFX Rule 1-1.011, the Audit Committee provides for an opportunity for public comment at the beginning of each regular meeting. The Public may address the Committee on any matter of public interest under the Committee's authority and jurisdiction, regardless of whether the matter is on the Committee's agenda but excluding pending procurement issues. Public Comment speakers that are present and have submitted their completed Public Comment form to the Recording Secretary at least 5 minutes prior to the scheduled start of the meeting will be called to speak. Each speaker shall be limited to 3 minutes. Any member of the public may also submit written comments which, if received during regular business hours at least 48 hours in advance of the meeting, will be included as part of the record and distributed to the Committee members in advance of the meeting.

C. APPROVAL OF JUNE 25, 2025 AUDIT COMMITTEE MEETING MINUTES (action item)

D. AGENDA ITEMS

- 1. REPORT ON FISCAL YEAR 2025 FINANCIAL STATEMENTS AND REQUIRED COMMUNICATIONS** – *Joel Knopp, Partner, Forvis Mazars LLP (action item)*
- 2. FISCAL 2026 INTERNAL AUDIT PLAN STATUS UPDATE** – *Jeff Tecau, Managing Director, Protiviti (info item)*
- 3. FISCAL 2026 PRIOR YEAR AUDIT RECOMMENDATIONS: SEMI-ANNUAL FOLLOW-UP**
Landon Willey, Manager, Protiviti (info item)
- 4. FISCAL 2026 PROCUREMENT AND CONTRACT BILLING AUDITS CONTRACT SELECTION**
Jeff Tecau, Managing Director, Protiviti (info item)

(CONTINUED ON NEXT PAGE)

E. OTHER BUSINESS

F. ADJOURNMENT

This meeting is open to the public.

Section 286.0105, Florida Statutes states that if a person decides to appeal any decision made by a board, agency, or commission with respect to any matter considered at a meeting or hearing, they will need a record of the proceedings, and that, for such purpose, they may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

Persons who require translation services, which are provided at no cost, should contact CFX at (407) 690-5000 x5316 or by email at Malaya.Bryan@CFXWay.com at least three (3) business days prior to the event.

In accordance with the Americans with Disabilities Act (ADA), if any person with a disability as defined by the ADA needs special accommodations to participate in this proceeding, then they should contact the Central Florida Expressway Authority at (407) 690-5000 no later than two (2) business days prior to the proceeding.

C.

**Approval
of
Minutes**

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

**MINUTES
CENTRAL FLORIDA EXPRESSWAY AUTHORITY
AUDIT COMMITTEE MEETING
June 25, 2025**

**Location: Central Florida Expressway Authority
4974 ORL Tower Road
Orlando, FL 32807
Pelican Conference Room 107**

Committee Members Present:

Jamie Rowland, Osceola County Representative, Chairman
Lorie Bailey Brown, Seminole County Representative
Jose Fernandez, City of Orlando Representative
Kristy Mullane, Lake County Representative
Ray Walls, Orange County Representative

Committee Members Not Present:

Michelle Miller, Citizen Representative
Kathy Wall, Brevard County Representative

Staff Present:

Michelle Maikisch, Executive Director
Lisa Lumbar, Chief Financial Officer
Cristina Berrios, Deputy General Counsel
Mimi Lamaute, Recording Secretary/ Manager of Executive and Board Services

A. CALL TO ORDER

The meeting was called to order at approximately 2:00 p.m. by Chairman Rowland.

B. PUBLIC COMMENT

There was no public comment.

C. APPROVAL OF THE APRIL 30, 2025 MINUTES

A motion was made by Ms. Mullane and seconded by Mr. Walls to approve the April 30, 2025 meeting minutes as presented. The motion carried unanimously with all five (5) committee

members present voting AYE by voice vote. Two (2) Committee members, Ms. Wall and Ms. Miller, were not present.

D. AGENDA ITEMS

1. FISCAL 2025 INTERNAL AUDIT PLAN STATUS UPDATE

Mr. Jeff Tecau with Protiviti provided a status update on the Fiscal 2025 Internal Audit Plan.

(This item was presented for information only. No committee action was taken.)

2. FISCAL 2025 RIGHT OF WAY AUDIT

Mr. Jeff Tecau with Protiviti presented the Fiscal 2025 Right of Way Audit observations and recommendations.

A motion was made by Ms. Bailey Brown and seconded by Mr. Fernandez to accept the FY 2025 Right of Way Audit as presented. The motion carried unanimously with all five (5) committee members present voting AYE by voice vote. Two (2) Committee members, Ms. Wall and Ms. Miller, were not present.

3. FISCAL 2025 INTELLIGENT TRANSPORTATION SYSTEMS (ITS) SECURITY REVIEW

Mr. Chris Porter with Protiviti presented the Fiscal 2025 Intelligent Transportation Systems (ITS) Security Review.

A motion was made by Mr. Walls and seconded by Ms. Mullane to accept the Fiscal 2025 Intelligent Transportation Systems (ITS) Security Review as presented. The motion carried unanimously with all five (5) committee members present voting AYE by voice vote. Two (2) Committee members, Ms. Wall and Ms. Miller, were not present.

4. REVIEW AND ACCEPTANCE OF FISCAL 2026 INTERNAL AUDIT PLAN, RISK ASSESSMENT AND INTERNAL AUDIT DEPARTMENT CHARTER

Mr. Jeff Tecau with Protiviti presented the Review and Acceptance of Fiscal 2026 Internal Audit Plan, Risk Assessment and Internal Audit Department Charter.

Mr. Chris Porter with Protiviti described the audits under the Operations and IT section of the FY 2026 Internal Audit Plan.

Mr. Tecau discussed additional audits that were considered for fiscal year 2026 but were put in the schedule for fiscal year 2027.

Committee members commented and asked questions which were answered by Mr. Tecau, Ms. Maikisch and Ms. Lombard.

A motion was made by Mr. Fernandez and seconded by Ms. Bailey Brown to accept the Review and Acceptance of Fiscal 2026 Internal Audit Plan, Risk Assessment and Internal Audit Department Charter as presented. The motion carried unanimously with all five (5) committee members present voting AYE by voice vote. Two (2) Committee members, Ms. Wall and Ms. Miller, were not present.

5. ANNUAL MANAGEMENT REVIEW OF INTERNAL CONTROL MATTERS

a. Effectiveness of the Internal Control System, Including IT Security and Control
Ms. Lisa Lombard, Chief Financial Officer, described the internal controls for the agency including IT security and control.

b. Process for Assessing, Monitoring and Controlling Significant Risks
Ms. Lisa Lombard, Chief Financial Officer, described the internal controls for assessing, monitoring and controlling significant risks.

c. System for Monitoring Compliance with Laws and Regulations and Results of Investigation of Any Instances of Non-Compliance
Ms. Cristina Berrios, Deputy General Counsel, described the system for monitoring compliance with laws and regulations and results of investigations of any instances of non-compliance.

d. Adequacy, Administration and Compliance with CFX's Code of Ethics
Ms. Cristina Berrios, Deputy General Counsel, detailed the internal controls for the adequacy, administration and compliance with CFX's Code of Ethics.

e. Procedures for "Hotline" Reporting
Ms. Cristina Berrios, Deputy General Counsel, detailed the internal controls for the procedures for "Hotline" reporting.

The Committee members asked questions which were answered by Ms. Berrios and Ms. Lombard.

(These items were presented for information only. No committee action was taken.)

6. ANNUAL AUDIT COMMITTEE REVIEWS

a. Annual discussion regarding Internal Auditor performance and effectiveness
Ms. Jamie Rowland, Audit Committee Chair discussed the Internal Auditor performance and effectiveness.

Ms. Bailey Brown also commented on the Internal Auditor performance and effectiveness.

b. Confirmation of completion of responsibilities in the Audit Committee Charter
Ms. Jeff Tecau with Protiviti confirmed the completion of responsibilities in the Audit Committee Charter.

(These items were presented for information only. No committee action was taken.)

E. OTHER BUSINESS

Chairman Rowland announced the next Audit Committee meeting is scheduled for October 29, 2025. The incoming Chairman will be Governor appointee representative Michelle Miller.

No other business was discussed.

F. ADJOURNMENT

Chairman Rowland adjourned the meeting at approximately 3:10 p.m.

Minutes approved on _____, 2025.

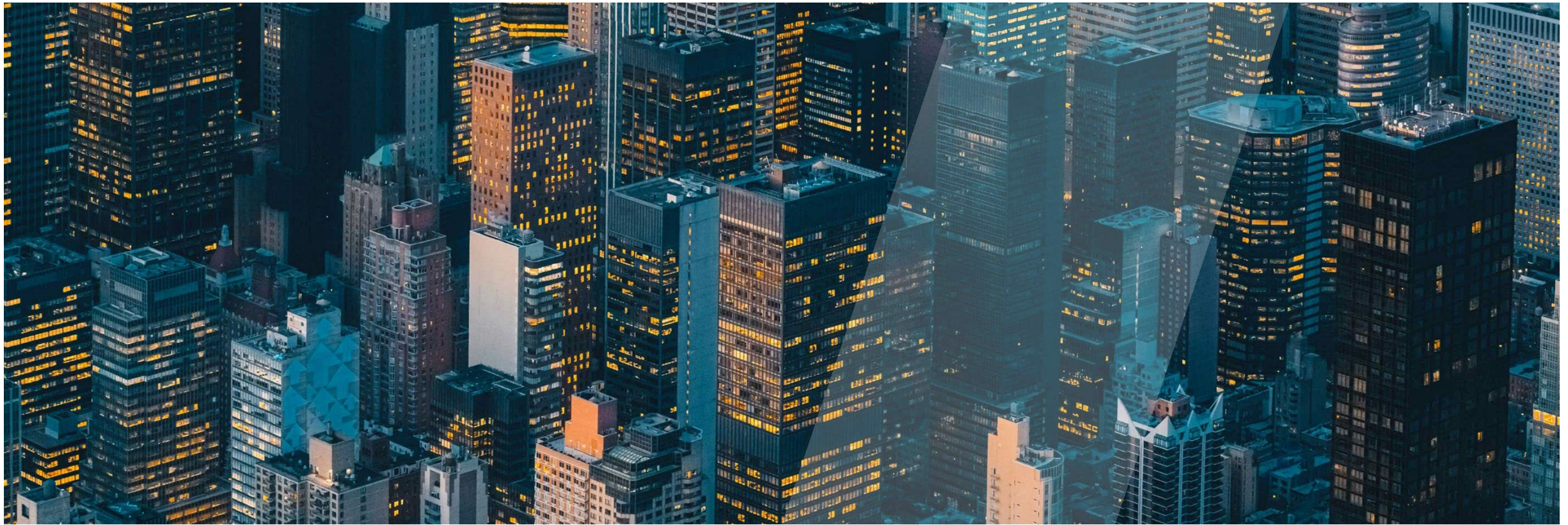
Pursuant to the Florida Public Records Law and CFX Records Management Policy, audio tapes of all Board and applicable Committee meetings are maintained and available upon request to the Records Management Liaison Officer at publicrecords@CFXway.com or 4974 ORL Tower Road, Orlando, FL 32807.

D.

Agenda

Items

D.1.



Central Florida Expressway Authority
REQUIRED AUDITOR COMMUNICATIONS
FISCAL YEAR ENDED JUNE 30, 2025

Joel Knopp, CPA - Partner

Required Communications to Governing Board (Separate letter to be provided)

Those communications include:

- Auditor Responsibilities
- Management Responsibilities
- Management Representations
- Audit Adjustments Identified (none)
- Significant Issues Discussed with Management (none)
- Difficulties Encountered (none)

Services and Deliverables

- **Independent Auditor's Report on Financial Statements (Pages 1-3)**
- **Report on Internal Control over Financial Reporting and on Compliance (Pages 53-54)**
- **Report on Compliance with Bond Covenants (Page 55)**
- **Examination Report on Investment Compliance (Page 56)**
- **Management Letter (Pages 57-59)**

Services and Deliverables *(Cont.)*



- **Examination Report on Investment Compliance (Page 56)**
 - No compliance findings related to investment policy
- **Management Letter (Pages 57-59)**
 - No management letter comments

Financial Highlights



Financial Highlights – Overview

(in thousands)

	2025	2024
Total Assets and Deferred Outflows	\$ 8,152,000	\$ 7,678,000
Total Liabilities and Deferred Inflows	3,580,000	3,590,000
Net Position	4,572,000	4,088,000
Operating Revenue	760,000	721,000
Operating Expenses (incl. Depreciation)	180,000	180,000
Operating Income	581,000	541,000
Nonoperating Revenues (Expenses)	(97,000)	(89,000)
Change in Net Position	484,000	452,000
% Increase in Operating Revenue	5.5%	11.8%
% Increase in Operating Expense	0.0%	2.1%

Financial Highlights – Balance Sheets

(in thousands)

	2025	2024
Current Assets	\$ 749,000	\$ 683,000
Noncurrent Assets other than Capital	261,000	164,000
Capital Assets	6,941,000	6,590,000
Deferred Outflows of Resources	<u>201,000</u>	<u>241,000</u>
Total Assets & Deferred Outflows	<u>8,152,000</u>	<u>7,678,000</u>
Revenue Bonds Payable	3,156,000	3,140,000
Other Liabilities	415,000	441,000
Deferred Inflows of Resources	<u>9,000</u>	<u>9,000</u>
Total Liabilities & Deferred Inflows	3,580,000	3,590,000
Total Net Position	<u>4,572,000</u>	<u>4,088,000</u>
Total Liabilities, Deferred Inflows, & Net Position	\$ <u>8,152,000</u>	\$ <u>7,678,000</u>

Financial Highlights – Operation Overview

(in thousands)

	2025	2024
Operating Revenues	\$ 760,000	\$ 721,000
Other Income, Gains, Contributions	<u>37,000</u>	<u>32,000</u>
Total Revenues	<u>797,000</u>	<u>753,000</u>
Operating Expenses	180,000	180,000
Interest Expense	123,000	117,000
Other Expenses and Losses	<u>10,000</u>	<u>4,000</u>
Total Expenses	<u>313,000</u>	<u>301,000</u>
Change in Net Position	484,000	452,000
Net Position, Beginning of Year	<u>4,088,000</u>	<u>3,636,000</u>
Net Position, End of Year	\$ <u>4,572,000</u>	\$ <u>4,088,000</u>
Debt Service Ratio	2.98	3.09

Contact

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Partner

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The information set forth in this presentation contains the analysis and conclusions of the author(s) based upon his/her/their research and analysis of industry information and legal authorities. Such analysis and conclusions should not be deemed opinions or conclusions by Forvis Mazars or the author(s) as to any individual situation as situations are fact-specific. The reader should perform their own analysis and form their own conclusions regarding any specific situation. Further, the author(s)' conclusions may be revised without notice with or without changes in industry information and legal authorities.

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**CENTRAL FLORIDA
EXPRESSWAY AUTHORITY**

**Financial Statements and
Supplementary Information**

For Years Ended June 30, 2025 and 2024

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

Table of Contents

	<u>Page</u>
Independent Auditor's Report	1 - 3
Management's Discussion and Analysis	4 - 11
BASIC FINANCIAL STATEMENTS	
Balance Sheets	12 - 13
Statements of Revenues, Expenses and Changes in Net Position	14
Statements of Cash Flows	15 - 16
Notes to Financial Statements	17 - 48
REQUIRED SUPPLEMENTARY INFORMATION	
Trend Data on Infrastructure Condition	49
Schedule of CFX's Proportionate Share of the Net Pension Liability – Florida Retirement System (FRS) and Retiree Health Insurance Subsidy (HIS) Program	50
Schedule of CFX Contributions – Florida Retirement System (FRS) and Retiree Health Insurance Subsidy (HIS) Program	51
OTHER SUPPLEMENTARY INFORMATION	
Calculation of the Composite Debt Service Ratio, as Defined by the Bond Resolutions and Related Documents	52
REPORTS ON COMPLIANCE AND INTERNAL CONTROL	
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	53 - 54
Independent Auditor's Report on Compliance with Bond Covenants	55
Independent Accountant's Report	56
Management Letter	57 - 59

MANAGEMENT'S DISCUSSION AND ANALYSIS

As financial management of the Central Florida Expressway Authority (CFX), we offer readers of these financial statements this narrative overview and analysis of the financial activities of CFX for the fiscal years ended June 30, 2025 and 2024. This discussion and analysis is designed to assist the reader in focusing on the significant financial issues and activities and to identify any significant changes in financial position. We encourage readers to consider the information presented here in conjunction with the financial statements as a whole.

Financial Highlights

Operating income for CFX was \$580,844,000 (an increase of 7%) and \$540,776,000 (an increase of 15%) for fiscal years 2025 and 2024, respectively. The increase in operating income in fiscal year 2025 and 2024 is primarily due to increases in toll revenue from higher traffic.

Net income produced an increase in net position of \$484,013,000 and \$452,034,000 for fiscal years 2025 and 2024, respectively. The term "net position" refers to the difference of assets and deferred outflows less liabilities and deferred inflows. At the close of fiscal year 2025, CFX had a net position of \$4,571,845,000, an increase of 12% over fiscal year 2024. At the close of fiscal year 2024, CFX had a net position of \$4,087,832,000, an increase of 12% over fiscal year 2023. CFX's overall financial position has improved, as shown by the increase in net position.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to CFX's financial statements, which is comprised of the basic financial statements and the notes to the financial statements, and supplementary information presented. Since CFX is comprised of a single enterprise fund, fund level financial statements are not shown.

Basic financial statements - The basic financial statements are designed to provide readers with a broad overview of CFX's finances, in a manner similar to a private-sector business.

The balance sheets present information on all CFX's assets and deferred outflows and liabilities and deferred inflows, with the difference between them reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial condition of CFX is improving or deteriorating. Net position increases when revenues exceed expenses. Increases to assets without a corresponding increase to liabilities results in increased net position, which indicates an improved financial condition.

The statements of revenues, expenses and changes in net position present information showing how a government's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event occurs, regardless of timing of related cash flows. Thus, revenues and expenses are reported in these statements for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

Notes to the financial statements - The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Other information - In addition to the basic financial statements and accompanying notes, this report also presents certain *supplementary information* concerning CFX's composite debt service ratio, as defined by the bond resolutions, as well as trend data on infrastructure condition and pension schedules.

Financial Analysis

Net position may serve, over time, as a useful indicator of a government's financial position. In the case of CFX, assets and deferred outflows exceeded liabilities and deferred inflows by \$4,571,845,000 at the close of the most recent fiscal year. This represents an increase of \$484,013,000 (12%) over the previous year, which is attributable to operations. Unrestricted net position increased from \$659,227,000 on June 30, 2024, to \$702,529,000 on June 30, 2025, an increase of \$43,302,000 (7%). This increase was largely due to the decrease in CFX's unrestricted liabilities.

By far, the largest portion of CFX's net position reflects its investment in capital assets (e.g., right-of-way, roads, bridges, buildings, toll equipment, etc.), less any related debt used to acquire those assets that is still outstanding. CFX uses these capital assets to provide service and, consequently, these assets are not available for liquidating liabilities or for other spending.

Of the \$6,940,806,000 in capital assets, net of accumulated depreciation, \$39,749,000 represents the roadway, toll plaza and equipment on the Goldenrod Road Extension. This project, which opened to traffic in March 2003, was jointly funded by CFX, the Greater Orlando Aviation Authority, the City of Orlando, Orange County, Florida, and private developers, with CFX serving as the lead agency on the project. The Goldenrod Road Extension extends from the previous terminus of Goldenrod Road at Narcoossee Road south to Cargo Road. This facility intersects SR 528 (Martin B. Andersen Beachline Expressway), east of the Orlando International Airport, at a system interchange. Each partner contributing to this project will be repaid through toll revenues generated by this road. After all operational expenses are met and the partners are reimbursed for their contributions, the toll plaza will be demolished, and the roadway will be transferred to the City of Orlando. CFX will retain ownership of the interchange to SR 528 and certain portions of the right-of-way.

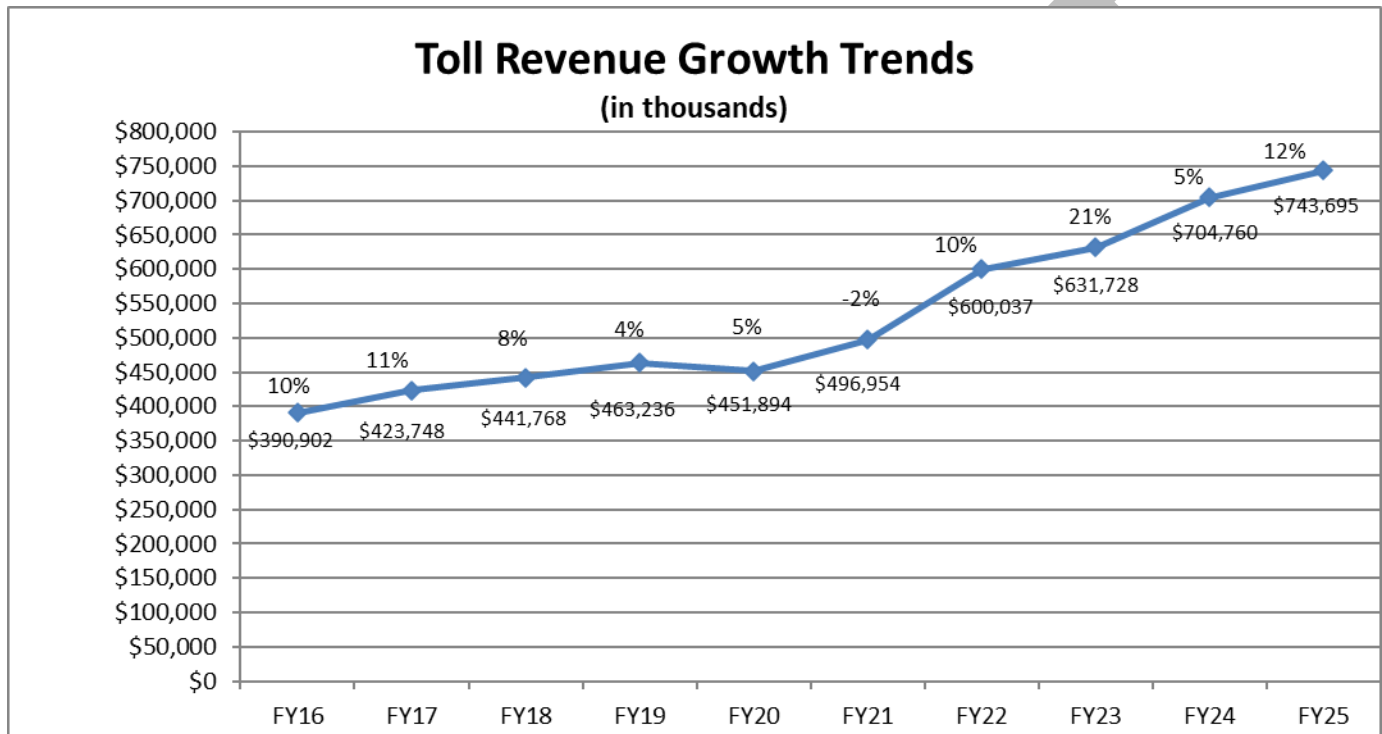
Since the Goldenrod Road Extension is a non-system project, it is accounted for on individual lines in the statements of revenues, expenses and changes in net position, in the non-operating revenues (expenses) section. The toll revenues on this non-system project are not pledged to CFX's bond indebtedness.

Central Florida Expressway Authority's Net Position

	June 30,		
	2025	2024	2023
	(in thousands)		
Current and other assets	\$ 756,324	\$ 690,789	\$ 761,926
Non-current restricted assets	254,252	155,717	157,911
Capital assets	6,940,806	6,590,457	6,134,109
Total assets	7,951,382	7,436,963	7,053,946
Deferred outflows of resources	200,806	240,570	259,292
Total assets and deferred outflows	8,152,188	7,677,533	7,313,238
Current liabilities:			
Payable from unrestricted assets	89,851	158,660	130,288
Payable from restricted assets	221,883	158,662	158,134
Revenue bonds outstanding (net of current portion)	3,041,340	3,043,813	3,161,311
Other long-term liabilities	218,502	219,751	217,719
Total liabilities	3,571,576	3,580,886	3,667,452
Deferred inflows of resources	8,767	8,815	9,988
Total liabilities and deferred inflows	3,580,343	3,589,701	3,677,440
Net position:			
Net investment in capital assets	3,822,263	3,410,080	2,872,312
Restricted	47,053	18,525	24,689
Unrestricted	702,529	659,227	738,797
Total net position	\$ 4,571,845	\$ 4,087,832	\$ 3,635,798

CFX's toll revenues increased 6% and 12% during the fiscal years ended June 30, 2025 and 2024, respectively.

Toll revenue represents approximately 98% of all operating revenues. CFX's toll revenue annual growth rate has averaged 8% over the last 10 years.



Central Florida Expressway Authority's Changes in Net Position

Central Florida Expressway Authority's Changes in Net Position

	Years Ended June 30,		
	2025	2024	2023
	(in thousands)		
Revenues:			
Toll revenues	\$ 743,695	\$ 704,760	\$ 631,728
Transponder sales	2,281	2,187	2,300
Other operating revenue	14,403	13,647	10,539
Investment income	36,348	30,706	23,411
Goldenrod Road Extension - net	-	1,477	1,815
Other non-operating revenue	515	409	316
Total revenues	<u>797,242</u>	<u>753,186</u>	<u>670,109</u>
Expenses:			
Operations	93,133	89,821	83,518
Maintenance	27,428	23,953	21,876
Administrative	12,372	13,249	10,852
Depreciation	25,217	24,036	22,848
Preservation	7,624	16,359	24,177
Other	13,761	12,400	12,836
Interest expense	122,811	117,575	124,692
Goldenrod Road Extension - net	3,572	-	-
Loss on capital assets	7,311	3,759	7,137
Total expenses	<u>313,229</u>	<u>301,152</u>	<u>307,936</u>
Change in net position	484,013	452,034	362,173
Net position, beginning of year	<u>4,087,832</u>	<u>3,635,798</u>	<u>3,273,625</u>
Net position, end of year	<u>\$ 4,571,845</u>	<u>\$ 4,087,832</u>	<u>\$ 3,635,798</u>

CFX's Operations, Maintenance and Administration ("OM&A") expenses for fiscal year 2025 increased 5% from fiscal year 2024 and ended the year 7.4% under budget. CFX came in under budget primarily due to several roadway maintenance and traffic operations programs that came in under budget and unfilled positions.

Transponder sales increased by a modest 4% between fiscal years 2025 and 2024.

Interest income was \$36 million in 2025. This increase of \$5 million between fiscal years 2024 and 2025 was largely due to increased balances in investments for much of the year.

Other operating revenue consists of various fees that are collected, such as statement fees, and fees received for collecting revenue on behalf of other entities. Other operating revenue increased by 29% between fiscal years 2023 and 2024 and increased by 6% between fiscal years 2024 and 2025. These increases are due to a rise in fees collected from the court system for uniform traffic citations.

Preservation expense includes such items as resurfacing and restriping. The budgeted amounts are based on projected requirements to keep the roadway in good condition and, therefore, the expenses related to preservation can vary significantly from year to year. Preservation expense decreased 32% in fiscal year 2024 and 53% in fiscal year 2025. These ups and downs should be expected as the system matures, and various sections need additional attention.

Other expenses are expenses that were not part of CFX's OM&A budget, but also were not capitalized. These expenses are expected to fluctuate from year to year depending upon the amount spent on non-capitalized projects. Other expenses decreased by 3% between fiscal years 2023 and 2024 and then increased by 11% between fiscal year 2024 and 2025. The increase in 2025 is largely due to additional program support and a rise in new pilot programs and feasibility studies that are not eligible to be capitalized. 2024, although decreasing by 3%, remained fairly stable reflecting a continuation of this rise in program support.

There was a loss of \$3.8 million in capital assets in fiscal year 2024 and a loss of \$7.3 million in 2025. There have been various bridges, signs and toll plaza lanes removed and/or demolished to make way for road widening, extension and interchange projects over the past few fiscal years. The bulk of the loss in fiscal year 2024 and 2025 was due to 2 bridges that were torn down and some signs that were replaced.

Capital Asset and Debt Administration

Capital Assets - CFX's investment in capital assets amounted to \$6,940,806,000 net of accumulated depreciation as of June 30, 2025, an increase of \$350,349,000 (5%) over that of June 30, 2024. CFX's investment in capital assets amounted to \$6,590,457,000 net of accumulated depreciation as of June 30, 2024, an increase of \$456,348,000 (7%) over that of June 30, 2023. Capital assets include right-of-way, roads, bridges, buildings, equipment and furniture. A schedule of the change in CFX's capital assets is in Note 4 of the financial statements.

Major capital asset events during fiscal year 2025 included the following:

- Completion of some facility renovations.
- Completion of a systemwide sign and lighting improvements.
- Widening Projects on SR 408 and SR 528 started.
- Construction ramped up on sections of SR 516.
- Newest phase of the wrong way driving countermeasures was launched.

Modified Approach for Infrastructure Assets - CFX has elected to use the modified approach for infrastructure reporting. This means that, in lieu of reporting depreciation on infrastructure, CFX reports as preservation expense the costs associated with maintaining the existing roadway in good condition. CFX's policy is to maintain the roadway condition at a Maintenance Rating Program rating of 80 or better. The Florida Department of Transportation ("FDOT") annually inspects CFX's roadways and has determined in fiscal year 2024 that all its roadways exceed this standard. Pursuant to its bond covenants, CFX maintains a renewal and replacement fund for these preservation expenditures. For fiscal year 2025, projected expenses for preservation were \$32,936,000 with \$7,624,000 being spent. For fiscal year 2024, projected expenses for preservation were \$4,557,000 with \$16,359,000 being spent. The expenses were lower than projected in 2025 and higher in 2024 due to timing on several preservation projects.

Long-term Debt - CFX has outstanding bonds payable of \$3,155,655,000 (net of unamortized bond premiums and discounts) as of June 30, 2025.

During fiscal year 2025, CFX issued \$215,605,000 and \$145,430,000 of fixed rate revenue bonds (Series 2024B and 2024A) on August 14, 2024. \$73,175,000 were term bonds and the rest were serial bonds. The purpose of the 2024A and 2024B series bonds was to fund projects in the Five-Year Work Plan.

The annual requirements to amortize all revenue bonds and revenue refunding bonds outstanding as of June 30, 2025, along with more detailed information on long-term debt activity, can be found in Note 5, Long-Term Debt, which begins on page 36 of the financial statements.

CFX's debt service ratio changed to 2.98 for fiscal year 2025 from 3.09 for fiscal year 2024 and 2.72 in fiscal year 2023. The fiscal year 2025 decrease can be attributed to an increase in debt payments. The fiscal year 2024 increase can be attributed to an increase in toll revenue.

CFX has a Lease-Purchase Agreement (LPA) with the FDOT whereby the FDOT is required to reimburse CFX for the maintenance and operation costs associated with certain portions of the roadways and toll plazas on CFX's System. During fiscal years 2012 and 2013, FDOT did not reimburse CFX for the operations portion of their obligation because the Governor of Florida exercised his line-item veto authority to remove that line from the state's budget. During fiscal year 2013, CFX and FDOT amended the LPA under which the FDOT agreed to uphold its obligation for operations and maintenance costs provided CFX agrees to repay those funds to the FDOT within 60 days. CFX plans to repay those funds in accordance with its Master Bond Resolution, which permits such payments provided CFX is able to fund its OM&A budget, debt service requirements, required reserve deposits, and renewal and replacement fund requirements. The FDOT reimbursement is taken into consideration when calculating CFX's debt service ratio.

CFX's bond ratings as of June 30, 2025 are as follows:

<u>Ratings</u>	
Standard & Poor's	AA-
Moody's	A1
Fitch	A+

Requests for Information

This financial report is designed to provide a general overview of CFX's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, Central Florida Expressway Authority, 4974 ORL Tower Road, Orlando, FL 32807.

DRAFT

BASIC FINANCIAL STATEMENTS

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
Balance Sheets

	June 30,	
	2025	2024
Assets and Deferred Outflows of Resources	(in thousands)	
Current assets:		
Cash and cash equivalents	\$ 319,718	\$ 222,430
Investments	70,589	154,314
Accrued interest and accounts receivable	107,034	97,506
Prepaid expenses	4,732	4,433
Due from governmental agencies	21,626	40,976
Lease receivable	876	842
Inventory	3,142	3,924
Total current unrestricted assets	<u>\$ 527,717</u>	<u>\$ 524,425</u>
Current restricted assets:		
Cash and cash equivalents	221,883	158,662
Total current assets	<u>749,600</u>	<u>683,087</u>
Noncurrent assets:		
Lease receivable	2,844	3,720
Prepaid bond insurance	3,880	3,982
Total noncurrent unrestricted assets	<u>6,724</u>	<u>7,702</u>
Noncurrent restricted assets:		
Cash and cash equivalents	97,568	47,759
Investments	156,172	106,750
Accrued interest receivable and prepaid expenses	512	1,208
Total noncurrent restricted assets	<u>254,252</u>	<u>155,717</u>
Total noncurrent assets before capital assets	<u>260,976</u>	<u>163,419</u>
Capital assets not being depreciated:		
Infrastructure	5,482,638	5,445,673
Construction in progress	1,269,647	956,802
Capital assets - net of accumulated depreciation:		
Property and equipment	<u>188,521</u>	<u>187,982</u>
Total capital assets - net of accumulated depreciation	<u>6,940,806</u>	<u>6,590,457</u>
Total noncurrent assets	<u>7,201,782</u>	<u>6,753,876</u>
Total assets	<u>7,951,382</u>	<u>7,436,963</u>
Deferred outflow of resources	<u>200,806</u>	<u>240,570</u>
Total assets and deferred outflows of resources	<u><u>\$ 8,152,188</u></u>	<u><u>\$ 7,677,533</u></u>

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
Balance Sheets (continued)

	June 30,	
	2025	2024
Liabilities, Deferred Inflows of Resources, and Net Position	(in thousands)	
Current liabilities payable from unrestricted assets:		
Accounts payable and accrued liabilities	\$ 36,405	\$ 87,133
Unearned toll revenue	27,062	48,001
Unearned other revenue	12,532	13,039
Current portion of due to governmental agencies	13,852	10,487
Total current liabilities payable from unrestricted assets	89,851	158,660
Current liabilities payable from restricted assets:		
Accounts payable and accrued liabilities	45,998	2,965
Interest payable	61,570	59,262
Current portion of revenue bonds payable	114,315	96,435
Total current liabilities payable from restricted assets	221,883	158,662
Total current liabilities	311,734	317,321
Noncurrent liabilities:		
Revenue bonds payable - less current portion	3,041,340	3,043,813
Due to governmental agencies - less current portion	206,138	206,414
Net pension liability	12,364	13,337
Total noncurrent liabilities	3,259,842	3,263,564
Total liabilities	3,571,576	3,580,886
Deferred inflow of resources	8,767	8,815
Total liabilities and deferred inflows of resources	3,580,343	3,589,701
Net position:		
Net investment in capital assets	3,822,263	3,410,080
Restricted for:		
Operation, maintenance and administrative reserve	18,323	17,553
Renewal and replacement reserve	28,730	972
Total restricted net position	47,053	18,525
Unrestricted	702,529	659,227
Total net position	4,571,845	4,087,832
Total liabilities, deferred inflows of resources, and net position	\$ 8,152,188	\$ 7,677,533

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
Statements of Revenues, Expenses and Changes in Net Position

	June 30,	
	2025	2024
	(in thousands)	
Operating revenues:		
Toll revenues	\$ 743,695	\$ 704,760
Transponder sales	2,281	2,187
Fees and other	14,403	13,647
Total operating revenues	760,379	720,594
Operating expenses:		
Operations	93,133	89,821
Maintenance	27,428	23,953
Administrative	12,372	13,249
Depreciation	25,217	24,036
Preservation	7,624	16,359
Other expenses	13,761	12,400
Total operating expenses	179,535	179,818
Operating income	580,844	540,776
Nonoperating revenues (expenses):		
Investment income (loss)	36,348	30,706
Gain (loss) on capital assets	(7,311)	(3,759)
Other nonoperating	515	409
Goldenrod Road Extension - net	(3,572)	1,477
Interest expense	(122,811)	(117,575)
Total nonoperating revenues (expenses)	(96,831)	(88,742)
Change in net position	484,013	452,034
Net position at beginning of year	4,087,832	3,635,798
Net position at end of year	\$ 4,571,845	\$ 4,087,832

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
Statements of Cash Flows

	June 30,	
	2025	2024
	(in thousands)	
Operating activities:		
Receipts from customers and users	\$ 726,348	\$ 716,867
Payments to suppliers	(115,169)	(159,353)
Payments to employees	(9,851)	(8,609)
Net cash provided by operating activities	601,328	548,905
Capital and related financing activities:		
Acquisition and construction of capital assets	(397,414)	(469,430)
Proceeds from (payments on) disposal of capital assets	730	(5)
Proceeds from issuance of bonds	361,035	-
Interest paid on revenue bonds	(79,015)	(122,597)
Payment of principal on revenue bonds	(347,370)	(93,270)
Payment of principal on government advances	(323)	(301)
Net cash used in capital and related financing activities	(462,357)	(685,603)
Investing activities:		
Purchase of investments	(303,203)	(321,864)
Proceeds from sales and maturities of investments	337,506	485,818
Interest received	37,044	30,609
Net cash provided by investing activities	71,347	194,563
Net increase in cash and cash equivalents	210,318	57,865
Cash and cash equivalents at beginning of year	428,851	370,986
Cash and cash equivalents at end of year	\$ 639,169	\$ 428,851
Cash and cash equivalents - unrestricted	\$ 319,718	\$ 222,430
Restricted cash and cash equivalents - current	221,883	158,662
Restricted cash and cash equivalents - noncurrent	97,568	47,759
	\$ 639,169	\$ 428,851

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
Statements of Cash Flows (continued)

	June 30,	
	2025	2024
	(in thousands)	
Reconciliation of operating income to net cash provided by operating activities:		
Income from operations	\$ 580,844	\$ 540,776
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	25,217	24,036
Goldenrod Road Extension and other miscellaneous	(3,057)	1,886
Changes in assets and liabilities:		
Accounts receivable	(9,528)	(16,895)
Due from governmental agencies	19,350	(15,583)
Prepaid expenses	(299)	(428)
Lease receivable	842	810
Inventory	782	(830)
Deferred outflows - pension-related	(111)	(74)
Accounts payable and accrued liabilities	6,111	562
Due to governmental agencies	3,412	1,951
Unearned toll revenue	(20,939)	11,165
Unearned other revenue	(507)	117
Net pension liability	(973)	2,355
Deferred inflows - leases	(871)	(872)
Deferred inflows - pension-related	1,055	(71)
Net cash provided by operating activities	\$ 601,328	\$ 548,905
Noncash investing, capital, and financing activities:		
Increase (decrease) in fair value of investments	\$ 7,016	\$ (5,846)

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 1 - Organization and Summary of Significant Accounting Policies

Reporting Entity - The Central Florida Expressway Authority (CFX) is an agency of the state, created by the Florida Legislature. On June 20, 2014, the Governor of Florida signed the bill to create CFX, which assumed the governance and control of the former Orlando-Orange County Expressway Authority, including its assets, personnel, contracts, obligations, liabilities, facilities, and tangible and intangible property. CFX is an independent, locally controlled transportation authority responsible for the construction, maintenance, and operation of toll roads in Seminole, Lake, Osceola and Orange Counties, and may also acquire, construct and equip rapid transit, trams and fixed guideways within the rights-of-way of the expressway system. The governing board of CFX is made up of ten members, consisting of: (a) one member each appointed by the respective chairs of the county commissions of Brevard, Lake, Osceola and Seminole Counties; (b) one member of the Orange County Commission appointed by the mayor of Orange County; (c) three citizens appointed by the Governor; (d) the Mayor of Orange County; and (e) the Mayor of the City of Orlando. The Florida Turnpike Enterprise Executive Director serves as a non-voting advisor. CFX is authorized to issue revenue bonds to finance portions of the System and to execute the refunding of existing revenue bonds.

For financial reporting purposes, CFX is a stand-alone entity; there are no component units included in the accompanying financial statements, and CFX is not considered a component unit of another entity.

Basis of Accounting - CFX prepares its financial statements on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America for proprietary funds, which are similar to those for private business enterprises. Accordingly, revenues are recorded when earned and expenses are recorded when incurred.

The assets, deferred outflows, liabilities, deferred inflows, and net position of CFX are reported in a self-balancing set of accounts, which include restricted and unrestricted resources, representing funds available for support of CFX's operations. When both restricted and unrestricted resources are available for use, it is CFX's policy to use restricted resources first for their intended purpose, and then unrestricted resources, as they are needed.

Operating Revenues and Expenses - CFX's operating revenues and expenses consist of revenues earned and expenses incurred relating to the operation and maintenance of its System. The Goldenrod Road Extension, which is a project outside the normal course of operations, and all other revenues and expenses are reported as nonoperating revenues and expenses.

Lease-Purchase Agreement - Under the requirements of the Lease-Purchase Agreement between CFX and the FDOT, dated December 23, 1985, as amended and supplemented, CFX is reimbursed by the FDOT for the maintenance costs of SR 528, portions of SR 408, improvements to the Airport Interchange at SR 528 and State Road 436 (Seminole Boulevard), and the cost of operations of the Conway and Pine Hills Plazas. However, the reimbursements received are recorded as advances from the FDOT and are included in due to governmental agencies, since they are to be repaid to the FDOT from future toll revenues after the requirements for retirement of bonds and all other obligations have been met.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 1 - Organization and Summary of Significant Accounting Policies (Continued)

While CFX's position has been that the FDOT's obligations under the Lease-Purchase Agreement were not subject to appropriation, the Governor vetoed the operations component of the reimbursement for fiscal year 2013. CFX entered into a Memorandum of Agreement with FDOT on February 14, 2013 where it was agreed that commencing in fiscal year 2014 the operations and maintenance payments made by the FDOT will be refunded to the FDOT within sixty days of payment.

Cash and Cash Equivalents - For purposes of the statements of cash flows, demand deposit accounts with commercial banks, and cash invested in commercial money market funds (including restricted assets) are considered cash equivalents. For investments that are held separately from the pools, those which are highly liquid (including restricted assets), with an original maturity of 90 days or less when purchased or so near their maturity that they present insignificant risk of changes in value because of changes in interest rates, are considered to be cash equivalents.

Investments - Investments consist of unrestricted and restricted investments, and are carried at fair value, as determined in an active market.

Accounts Receivable - The accrued interest and accounts receivable primarily consists of amounts billed to individuals via one or more Pay by Plate invoices for tolls not paid at the point of System use. This item also includes interest earned but not paid by the end of the fiscal year or amounts due from individuals or other entities for prepaid items or for services provided. This amount is recorded at the net realizable value; therefore, a provision for doubtful accounts has been made for the estimated amount of uncollectible Pay by Plate invoices based on historical information.

Lease Receivable - CFX recognizes a lease receivable and a deferred inflow of resources at the commencement of the lease term for lease agreements for which CFX is a lessor. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The deferred inflow of resources is measured as the value of the lease receivable in addition to any payments received at or before the commencement of the lease term that relate to future periods.

Inventory - Inventory, which consists of E-PASS transponders that will be distributed to customers, is carried at the lower-of-cost or market and is valued using the first-in, first-out (FIFO) method.

Restricted Assets - Restricted assets of CFX represent bond proceeds designated for construction, and other monies required to be restricted for debt service, operations, maintenance, administration, renewal, and replacement.

Deferred Outflows / Inflows of Resources - In addition to assets, CFX reports a separate section for deferred outflows of resources on its balance sheets. Deferred outflows of resources represent a consumption of net assets that applies to future periods and will not be recognized as an outflow of resources (expense) until then. CFX has two items that qualify for reporting as deferred outflows of resources.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 1 - Organization and Summary of Significant Accounting Policies (Continued)

Deferred Outflows / Inflows of Resources (Continued)

Deferred Outflow on Refunding of Revenue Bonds - The difference between the re-acquisition price and the net carrying amount of refunded bonds is presented on the balance sheets at June 30, 2025 and 2024 as a deferred outflow of resources in the amount of \$196,371,000 and \$236,246,000, respectively, and is amortized as an adjustment to interest expense on a straight-line basis over the life of the refunded bonds or the life of the refunding bonds, whichever is shorter.

Deferred Outflows Related to Pensions - These deferred outflows of resources are an aggregate of items related to pensions as calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The deferred outflows related to pensions totaled \$4,435,000 and \$4,324,000 at June 30, 2025 and 2024, respectively, and will be recognized as either pension expense or a reduction in the net pension liability in future reporting years. Details on the composition of the deferred outflows of resources related to pensions are further discussed in Note 8.

In addition to liabilities, CFX reports a separate section for deferred inflows of resources on its balance sheets. Deferred inflows of resources represent an acquisition of net assets that applies to future periods and will not be recognized as an inflow of resources until then. CFX has three items that qualify for reporting as deferred inflows of resources.

Deferred Inflow on Interest Rate Exchange - During the fiscal year ended June 30, 2007, CFX entered into six mandatory, cash-settled interest rate exchange agreements, the purpose of which was to lock in the interest rate associated with the Series 2007A Bonds. The result of these agreements was an \$8,078,000 net payment to CFX on June 28, 2007, which is presented on the balance sheets at June 30, 2025 and 2024 as a deferred inflow of resources in the amount of \$3,924,000 and \$4,155,000, respectively, and is amortized as an adjustment to interest expense over the life of the bonds.

Deferred Inflows Related to Pensions - These deferred inflows of resources are an aggregate of items related to pensions as calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The deferred inflows related to pensions at June 30, 2025 and 2024 totaled \$1,429,000 and \$375,000, respectively, and will be recognized as a reduction to pension expense in future reporting years. Details on the composition of the deferred outflows of resources related to pensions are further discussed in Note 8.

Deferred Inflows for Leases - During the fiscal year ended June 30, 2022, CFX implemented GASB Statement No. 87, *Leases*, and recognized a deferred inflow of resources related to a Fiber Optic Conduit Lease Agreement with Sprint Communications Company, L.P. The deferred inflow related to this lease at June 30, 2025 and 2024 totaled \$3,414,000 and \$4,285,000, respectively, and is further discussed in Note 6.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 1 - Organization and Summary of Significant Accounting Policies (Continued)

Capital Assets

Cost Basis - Capital assets are recorded at historical cost with the exception of donated capital assets, which are reported at acquisition value. The cost of property and equipment includes costs for infrastructure assets (right-of-way, highways and bridges substructure, and highways and bridges), toll equipment, buildings, toll facilities, other related costs (including software) and furniture and equipment. Highways and bridges substructure includes road sub-base, grading, land clearing, embankments and other related costs. Costs for infrastructure assets include construction costs, design and engineering fees, administrative and general expenses paid from construction monies, and bond interest expense incurred during the period of construction.

Capitalization Policy - Costs to acquire additional capital assets, and to replace existing assets or otherwise prolong their useful lives, are capitalized for toll equipment, buildings, toll facilities, other related costs, and furniture and equipment. Under CFX's policy of accounting for infrastructure assets pursuant to the "modified approach," property costs represent a historical accumulation of costs expended to acquire rights-of-way and to construct, improve and place in operation the various projects and related facilities. It is CFX's policy to capitalize amounts equal to or in excess of \$5,000.

Depreciation Policy - Depreciation of toll equipment, buildings, toll facilities, other related costs, signs, software, and furniture and equipment is computed using the straight-line method with a half-year convention over the estimated useful lives of the assets as follows:

Software	3 years
Furniture and equipment	7 years
Toll equipment	8 years
Signs	20 years
Buildings, toll facilities and other	30 years

Under the modified approach, infrastructure assets are considered to be "indefinite lived" assets; that is, the assets themselves will last indefinitely and are, therefore, not depreciated. Costs related to maintenance, renewal and replacement for these assets are not capitalized, but instead are considered to be period costs and are included in preservation expense.

Construction in Progress - Construction in progress represents costs incurred by CFX for in-process activities designed to expand, replace, or extend useful lives of existing property and equipment.

Retainage Payable - Retainage payable represents amounts billed to CFX by contractors/consultants for which payment is not due pursuant to retained percentage provisions in various contracts until performance is accepted by CFX.

Compensated Absences - Accumulated vacation pay, vested sick pay, and other compensation payable to employees is recorded and included in accounts payable and accrued liabilities. The balance of compensated absences had a net increase of \$314,000 from June 30, 2024 to June 30, 2025.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 1 - Organization and Summary of Significant Accounting Policies (Continued)

Bond Premium, Discount, and Prepaid Bond Insurance Costs - Bond premium, discount, and prepaid bond insurance costs associated with the issuance of bonds are amortized on a straight-line basis over the life of the bonds, which approximates the effective interest method. Bond premiums and discounts are presented as an addition and a reduction, respectively, of the face amount of revenue bonds payable whereas prepaid bond insurance costs are recorded as assets.

Restricted Net Position - Restricted net position is comprised of amounts reserved for operations, maintenance, administrative expenses and renewals and replacements in accordance with bond covenants.

Pensions - In the balance sheets, net pension liability represents CFX's proportionate share of the net pension liability of the cost-sharing pension plans in which it participates. This proportionate amount represents a share of the present value of projected benefit payments to be provided through the cost-sharing pension plan to current active and inactive employees that is attributed to those employees' past periods of service (total pension liability), less the amount of the cost-sharing pension plan's fiduciary net position.

CFX participates in both the Florida Retirement System (FRS) defined benefit pension plan and the Retiree Health Insurance Subsidy Program (HIS) defined benefit pension plan administered by the Florida Division of Retirement (collectively, FRS/HIS).

For purposes of measuring CFX's net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of FRS/HIS and additions to/deductions from FRS/HIS's fiduciary net position have been determined on the same basis as they are reported by FRS/HIS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Budgets and Budgetary Accounting - CFX abides by the following procedures in establishing budgetary data:

On or before February 1 of each year, CFX completes a review of its financial condition for the purpose of estimating whether the gross revenues, together with series payments, system payments and supplemental payments, if any, for the ensuing fiscal year will be sufficient to provide at least 120% of the annual debt service requirements of the bonds and that gross revenues will be sufficient to pay all other amounts required by the Master Bond Resolution, as amended and restated.

In the event that CFX determines that revenues will not be sufficient to satisfy the above payments, CFX will conduct a study to determine the toll revenue rate increase required to restore the revenue deficiency.

All schedules of toll revenues and revisions thereof are filed with the FDOT.

On or before April 1 of each year, a preliminary budget is prepared for maintenance, operations and administrative expenses for the ensuing fiscal year. The preliminary budget is reviewed by the FDOT and modified, if necessary.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 1 - Organization and Summary of Significant Accounting Policies (Continued)

Budgets and Budgetary Accounting (Continued)

On or before July 1 of each year, a final budget of maintenance, operations and administrative expenses is adopted subject to approval by the FDOT.

CFX may adopt an amended or supplemental annual budget for the remainder of a fiscal year subject to approval by the FDOT.

Reclassifications - Certain amounts in the 2024 financial statements have been reclassified to conform to the 2025 classifications.

Note 2 - Deposits and Investments

Cash and Cash Equivalents, and Investment Portfolio

Pursuant to Section 218.415, Florida Statutes, CFX has formally adopted a comprehensive investment policy most recently reviewed on August 12, 2021, which establishes permitted investments, asset allocation limits and issuer limits, credit rating requirements and maturity limits to protect CFX's cash and investment assets. CFX maintains a common cash and investment pool for the use of all funds. In addition, cash and investments are separately held by CFX's bond proceeds/construction, debt service, capitalized interest, and debt service reserve funds.

The following chart outlines the types of permitted investments, credit quality risk rating requirements by security type, the maximum concentration of credit risk by percentage of the total portfolio that may be invested in a single issuer and in total by security type and maturity limits prescribed to mitigate interest rate risk exposure:

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Permitted Investments

Sector	Sector Maximum (%)	Per Issuer Maximum (%)	Minimum Ratings Requirement ¹	Maximum Maturity	Master Bond Resolution Permitted Investments
U.S. Treasury	100%	100%	N/A	5.50 Years (5.50 Years avg. life ⁴ for GNMA)	X
GNMA		40%			X
Other U.S. Government Guaranteed (e.g. AID, GTC)		10%			X
Federal Agency/GSE: FNMA, FHLMC, FHLB, FFCB*	75%	40% ³	N/A	5.50 Years	X
Federal Agency/GSE other than those above		10%			X
Supranationals where U.S. is a shareholder and voting member	25%	10%	Highest ST or Two Highest LT Rating Categories (A-1/P-1, AAA/Aaa, or equivalent)	5.50 Years	
Corporates	50% ²	5%	Highest ST or Three Highest LT Rating Categories (A-1/P-1, A-/A3 or equivalent)	5.50 Years	
Municipals	25%	5%	Highest ST or Three Highest LT Rating Categories (SP-1/MIG 1, A-/A3, or equivalent)	5.50 Years	X
Agency Mortgage-Backed Securities (MBS)	25%	40% ³	N/A	5.50 Years Avg. Life ⁴	
Asset-Backed Securities (ABS)	25%	5%	Highest ST or LT Rating (A-1+/P-1, AAA/Aaa, or equivalent)	5.50 Years Avg. Life ⁴	
Depository Accounts with Qualified Public Depositories	75%	50%	N/A	N/A	X
Non-Negotiable Collateralized Bank Deposits or Savings Accounts	50%	None, if fully collateralized	None, if fully collateralized.	2 Years	X
Commercial Paper (CP)	50% ²	5%	Highest ST Rating Category (A-1/P-1, or equivalent)	270 Days	X
Bankers' Acceptances (BAs)	10% ²	5%	Highest ST Rating Category (A-1/P-1, or equivalent)	180 Days	X
Repurchase Agreements (Repo or RP)	40%	20%	Counterparty (or if the counterparty is not rated by an NRSRO, then the counterparty's parent) must be rated in the Highest ST Rating Category (A-1/P-1, or equivalent) If the counterparty is a Federal Reserve Bank, no rating is required	1 Year	X
Money Market Funds (MMFs)	50%	25%	Highest Fund Rating by all NRSROs who rate the fund (AAAm/Aaa-mf, or equivalent)	N/A	X

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Sector	Sector Maximum (%)	Per Issuer Maximum (%)	Minimum Ratings Requirement ¹	Maximum Maturity	Master Bond Resolution Permitted Investments
Fixed-Income Mutual Funds and ETFs	25%	10%	N/A	3 Years	
Intergovernmental Pools (LGIPs)	50%	25%	Highest Fund Quality and Volatility Rating Categories by all NRSROs who rate the LGIP, (AAAm/AAAf, S1, or equivalent)	N/A	
Florida Local Government Surplus Funds Trust Funds ("Florida Prime")	25%	N/A	Highest Fund Rating by all NRSROs who rate the fund (AAAm/Aaa-mf, or equivalent)	N/A	X

Notes:

¹ Rating by at least one SEC-registered Nationally Recognized Statistical Rating Organization ("NRSRO"), unless otherwise noted. ST=Short-term; LT=Long-term.

² Maximum allocation to all corporate and bank credit instruments is 50% combined.

³ Maximum exposure to any one Federal agency, including the combined holdings of Agency debt and Agency MBS, is 40%.

⁴ The maturity limit for MBS and ABS is based on the expected average life at time of settlement, measured using Bloomberg or other industry standard methods.

* Federal National Mortgage Association (FNMA); Federal Home Loan Mortgage Corporation (FHLMC); Federal Home Loan Bank or its District banks (FHLB); Federal Farm Credit Bank (FFCB).

Additionally, investments in any derivative products or the use of reverse repurchase agreements are specifically prohibited, unless permitted in Section XV of CFX's Investment Policy.

Deposits

On June 30, 2025, the carrying amount of CFX's various deposits accounts was \$639,168,907. CFX's cash deposits are held by banks that qualify as public depositories under the Florida Security for Public Deposits Act, as required by Chapter 280, Florida Statutes.

Investments

Concentration of Credit Risk – CFX has not invested more than 5% of the total portfolio in any one issuer as of June 30, 2025 and 2024.

Interest Rate Risk - CFX's Investment Policy states that portfolios shall be managed in such a manner that funds are available to meet reasonably anticipated cash flow requirements in an orderly manner. To the extent possible, an attempt will be made to match investment maturities with known cash needs. Investments of current operating funds shall have maturities of no longer than 24 months. Investments of debt obligation reserves, construction funds and other non-operating funds shall have a term appropriate to the need for funds and in accordance with debt covenants. The purchase of investments for core funds with maturities longer than five and a half (5.5) years requires CFX's approval prior to purchase. However, final maximum maturity for any investment is limited to ten (10) years.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 2 - Deposits and Investments (Continued)

CFX uses the distribution of maturities to manage interest rate risk. As of June 30, 2025, 22% of CFX's investments had a maturity of less than 6 months, 5% had a maturity of 6 to 12 months, 12% had a maturity of 1 to 2 years, 51% had a maturity of 2 to 3 years, 4% had a maturity of 3 to 4 years, and 6% had a maturity of over 4 years. As of June 30, 2024, 22% of CFX's investments had a maturity of less than 6 months, 1% had a maturity of 6 to 12 months, 29% had a maturity of 1 to 2 years, 25% had a maturity of 2 to 3 years, 19% had a maturity of 3 to 4 years, and 4% had a maturity of over 4 years.

Total distributions of maturities are as follows:

	As of June 30, 2025 (in thousands)					
	Less than 6 months	6 - 12 months	1 - 2 years	2 - 3 years	3+ years	Total
US Treasury Securities	\$ 23,436	\$ 465	\$ 13,855	\$ 92,649	\$ 626	\$ 131,031
Federal Instruments	7,310	-	1,717	6,033	-	15,060
Corporate Note	203	2,205	11,461	15,380	5,425	34,674
Commercial Paper	20,013	7,609	-	-	-	27,622
Municipal Bond Note	-	-	-	-	-	-
Corp. Asset Backed Sec.	-	-	221	969	17,184	18,374
Total	<u>\$ 50,962</u>	<u>\$ 10,279</u>	<u>\$ 27,254</u>	<u>\$ 115,031</u>	<u>\$ 23,235</u>	<u>\$ 226,761</u>

	As of June 30, 2024 (in thousands)					
	Less than 6 months	6 - 12 months	1 - 2 years	2 - 3 years	3+ years	Total
US Treasury Securities	\$ 41,683	\$ -	\$ 54,968	\$ 34,095	\$ 39,916	\$ 170,662
Federal Instruments	-	88	9,540	1,673	3,046	14,347
Corporate Note	-	824	21,810	33,436	1,901	57,971
Commercial Paper	24,070	3,520	-	-	1,524	29,114
Municipal Bond Note	-	-	403	-	-	403
Corp. Asset Backed Sec.	-	-	2,223	8,031	20,853	31,107
Total	<u>\$ 65,753</u>	<u>\$ 4,432</u>	<u>\$ 88,944</u>	<u>\$ 77,235</u>	<u>\$ 67,240</u>	<u>\$ 303,604</u>

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 2 - Deposits and Investments (Continued)

Credit Risk and Fair Value Measurement - Total CFX deposits and investments are as follows:

	June 30, 2025	Fair Value Measurements Using (in thousands)	
		Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1)	Quoted Prices in Active Markets for Similar Assets or Liabilities (Level 2)
United States Treasury Securities	\$ 131,031	\$ 131,031	
Commercial Paper	27,622	27,622	
Federal Instrumentalities	15,060	15,060	
Money Market Mutual Funds	192,453	192,453	
Corporate Note	34,674	34,674	
Corporate Asset Backed Securities	18,374	-	\$ 18,374
Total investments by fair value measure	419,214	\$ 400,840	\$ 18,374
Total deposits	446,716		
Total deposits and investments	865,930		
Restricted	475,623		
Unrestricted	\$ 390,307		

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 2 - Deposits and Investments (Continued)

	June 30, 2024	Fair Value Measurements Using (in thousands)	
		Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1)	Quoted Prices in Active Markets for Similar Assets or Liabilities (Level 2)
United States Treasury Securities	\$ 170,662	\$ 170,662	
Commercial Paper	29,114	29,114	
Federal Instrumentalities	14,347	14,347	
Money Market Mutual Funds	165,000	165,000	
Municipal Bond Note	403	403	
Corporate Note	57,971	57,971	
Corporate Asset Backed Securities	31,107	-	\$ 31,107
Total investments by fair value measure	468,604	\$ 437,497	\$ 31,107
Total deposits	221,311		
Total deposits and investments	689,915		
Restricted	313,171		
Unrestricted	\$ 376,744		

Securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for identical assets or liabilities. Securities classified in Level 2 of the fair value hierarchy are valued using prices quoted in active markets for similar assets or liabilities.

Federal Instrumentalities are rated "AA+" by Standard & Poor's. The investments in Municipal Obligations are rated "AAA" and "AA" by Standard & Poor's. The Corporate Notes Standard & Poor's credit ratings are "AAA", "AA+", "AA", "AA-", "A+", "A", and "BBB". The Commercial Paper is rated "A-1+" and "A-1" by Standard & Poor's. The Florida PRIME and Money Market Mutual Funds are rated "AAAm" by Standard & Poor's.

Custodial Credit Risk - All CFX depositories are members of the State of Florida collateral pool. The State of Florida collateral pool is a multiple, financial institution collateral pool with the ability to make additional assessments to satisfy the claims of governmental entities if any member institution fails. This ability provides protection, which is similar to depository insurance.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 2 - Deposits and Investments (Continued)

CFX's Investment Policy requires execution of a third-party custodial safekeeping agreement for all purchased securities and requires that securities be designated as an asset of CFX.

As of June 30, 2025 and 2024, all of CFX's securities were held in a bank's trust/custodial department in CFX's name.

Restricted Cash and Investments - Cash, cash equivalents and investments restricted in accordance with bond provisions and other agreements are as follows:

	June 30,	
	2025	2024
	(in thousands)	
Reserve funds:		
Operations, maintenance and administrative reserve	\$ 18,323	\$ 17,553
Renewal and replacement reserve	28,730	972
Total reserve funds	<u>47,053</u>	<u>18,525</u>
Bond funds:		
Principal and interest accounts	183,339	162,805
Reserve accounts	143,839	131,841
Total bond funds	<u>327,178</u>	<u>294,646</u>
Construction funds:		
2024AB construction funds	101,391	-
Total construction funds	<u>101,391</u>	<u>-</u>
Total restricted cash, cash equivalents and investments	475,623	313,171
Portion related to cash and cash equivalents	319,451	206,421
Portion related to investments	<u>\$ 156,172</u>	<u>\$ 106,750</u>

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 3 - Due From Governmental Agencies

Due from governmental agencies consists of the following:

	June 30,	
	2025	2024
	<i>(in thousands)</i>	
City of Orlando - Tolls Recovered	\$ 3	\$ 4
E-ZPass - E-Zpass Customers' use of E-PASS Roads	4,545	2,472
Florida Department of Transportation - Florida Toll Relief	-	23,655
Florida Department of Transportation - Operations and Maintenance Reimbursement	\$ 1,158	1,542
Florida Department of Transportation - SunPass Customers' use of E-PASS Roads	6,661	5,932
Lee County - LeeWay Customers' use of E-PASS Roads	8	7
Orange County - Fines/Fees	830	600
Osceola County - CR 534 Reimbursement	500	500
Osceola County - CR 532 Widening Reimbursement	7,921	5,701
Osceola County - Shingle Creek/Poinciana Ramp Reimbursement	-	563
	<u>\$ 21,626</u>	<u>\$ 40,976</u>
Less current portion	<u>(21,626)</u>	<u>(40,976)</u>
	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 4 - Capital Assets

Capital assets are summarized as follows (in thousands):

	June 30, 2024	Additions	Reductions	Transfers	June 30, 2025
Infrastructure (non-depreciable):					
Right-of-way	\$ 1,092,570	\$ 20,038	\$ (731)	\$ 3,147	\$ 1,115,024
Highways and bridges	4,353,103	20,302	(5,791)	-	4,367,614
Total infrastructure (non-depreciable)	<u>5,445,673</u>	<u>40,340</u>	<u>(6,522)</u>	<u>3,147</u>	<u>5,482,638</u>
Construction in progress (non-depreciable):					
Right-of-way	136,576	43,338	-	(3,147)	176,767
Highways and bridges	766,695	258,036	-	-	1,024,731
Buildings and toll facilities	2,863	4,492	-	(4,757)	2,598
Toll equipment	541	-	-	-	541
Furniture, equipment and other	50,127	31,686	-	(16,803)	65,010
Total construction in progress (non-depreciable)	<u>956,802</u>	<u>337,552</u>	<u>-</u>	<u>(24,707)</u>	<u>1,269,647</u>
Property and equipment (depreciable):					
Toll equipment	96,844	5,113	(1,008)	-	100,949
Buildings and toll facilities	172,065	2	-	4,757	176,824
Furniture, equipment and other	150,797	601	(4,199)	16,803	164,002
Total property and equipment (depreciable)	<u>419,706</u>	<u>5,716</u>	<u>(5,207)</u>	<u>21,560</u>	<u>441,775</u>
Less accumulated depreciation for:					
Toll equipment	(53,133)	(9,289)	907	-	(61,515)
Buildings and toll facilities	(97,529)	(5,229)	-	-	(102,758)
Furniture, equipment and other	(81,062)	(10,699)	2,780	-	(88,981)
Total accumulated depreciation	<u>(231,724)</u>	<u>(25,217)</u>	<u>3,687</u>	<u>-</u>	<u>(253,254)</u>
Total property and equipment being depreciated, net	<u>187,982</u>	<u>(19,501)</u>	<u>(1,520)</u>	<u>21,560</u>	<u>188,521</u>
Total capital assets	<u>\$ 6,590,457</u>	<u>\$ 358,391</u>	<u>\$ (8,042)</u>	<u>\$ -</u>	<u>\$ 6,940,806</u>

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 4 - Capital Assets (Continued)

	June 30, 2023	Additions	Reductions	Transfers	June 30, 2024
Infrastructure (non-depreciable):					
Right-of-way	\$ 995,989	\$ (209)	\$ -	\$ 96,790	\$ 1,092,570
Highways and bridges	3,995,555	3,355	(2,295)	356,488	4,353,103
Total infrastructure (non-depreciable)	<u>4,991,544</u>	<u>3,146</u>	<u>(2,295)</u>	<u>453,278</u>	<u>5,445,673</u>
Construction in progress (non-depreciable):					
Right-of-way	105,260	128,106	-	(96,790)	136,576
Highways and bridges	805,868	317,315	-	(356,488)	766,695
Buildings and toll facilities	1,330	2,931	-	(1,398)	2,863
Toll equipment	1,377	-	-	(836)	541
Furniture, equipment and other	35,301	27,886	-	(13,060)	50,127
Total construction in progress (non-depreciable)	<u>949,136</u>	<u>476,238</u>	<u>-</u>	<u>(468,572)</u>	<u>956,802</u>
Property and equipment (depreciable):					
Toll equipment	91,720	4,303	(15)	836	96,844
Buildings and toll facilities	170,630	37	-	1,398	172,065
Furniture, equipment and other	140,687	414	(3,364)	13,060	150,797
Total property and equipment (depreciable)	<u>403,037</u>	<u>4,754</u>	<u>(3,379)</u>	<u>15,294</u>	<u>419,706</u>
Less accumulated depreciation for:					
Toll equipment	(44,377)	(8,762)	6	-	(53,133)
Buildings and toll facilities	(92,379)	(5,150)	-	-	(97,529)
Furniture, equipment and other	(72,852)	(10,124)	1,914	-	(81,062)
Total accumulated depreciation	<u>(209,608)</u>	<u>(24,036)</u>	<u>1,920</u>	<u>-</u>	<u>(231,724)</u>
Total property and equipment being depreciated, net	<u>193,429</u>	<u>(19,282)</u>	<u>(1,459)</u>	<u>15,294</u>	<u>187,982</u>
Total capital assets	<u>\$ 6,134,109</u>	<u>\$ 460,102</u>	<u>\$ (3,754)</u>	<u>\$ -</u>	<u>\$ 6,590,457</u>

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 4 - Capital Assets (Continued)

Goldenrod Project - On March 24, 1999, CFX signed the Goldenrod Road Extension Development Agreement (the "Agreement") for the extension of Goldenrod Road to SR 528 (the "Extension"). The Agreement is between CFX and other local agencies and governments, including the City of Orlando (the "City"), Greater Orlando Aviation Authority ("GOAA") and Orange County (the "County"). Under the Agreement, each of the parties agreed to contribute a set amount toward construction of the Extension. The contributions made by each party for construction are as follows:

City of Orlando	\$ 2,000,000
GOAA	\$ 4,500,000
Orange County	\$ 1,000,000
CFX	\$ 44,284,529

CFX's responsibilities under the Agreement were to acquire, design and construct the right-of-way for the Extension. Construction of the Extension began in January 2001 and opened to traffic in March 2004. Under the terms of the Agreement, toll revenues generated from the Extension will be distributed, first to operating cost, then to repay the contributions to each contributing party.

The construction costs of the roadway, toll plaza and toll equipment are included in CFX's capital assets. These assets will remain the property of CFX until the final payments of all contributions are made. Upon the final repayment of all contributions, ownership of the roadway will revert to the City and the City will be responsible for all future maintenance costs. CFX will retain ownership of the interchange to SR 528 and certain portions of the right-of-way. Since this project is a non-System project, it is reported net in the non-operating section of the statements of revenues, expenses, and changes in net position. The toll revenues generated from the Extension are not pledged to CFX's bond indebtedness.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 5 - Long-Term Debt

Revenue Bonds Payable - A summary of changes in revenue bonds payable is as follows (in thousands):

	June 30, 2024	Additions	Deletions	June 30, 2025
Bonds Payable:				
Series 2016A	\$ 146,070	\$ -	\$ (41,795)	\$ 104,275
Series 2016B	613,640	-	(212,440)	401,200
Series 2017	318,595	-	(10,400)	308,195
Series 2018	203,885	-	(4,270)	199,615
Series 2019A	121,675	-	(2,460)	119,215
Series 2019B	415,355	-	(8,125)	407,230
Series 2021	539,350	-	(4,730)	534,620
Series 2021D	198,435	-	-	198,435
Series 2024A	-	145,430	-	145,430
Series 2024B	-	215,605	-	215,605
Total Bonds Payable	2,557,005	361,035	(284,220)	2,633,820
Direct Borrowings:				
Series 2012A	16,445	-	(7,960)	8,485
Series 2020A	97,030	-	(1,295)	95,735
Series 2021B	57,610	-	(28,790)	28,820
Series 2021C	50,285	-	(25,105)	25,180
Total Direct Borrowings	221,370	-	(63,150)	158,220
	2,778,375	361,035	(347,370)	2,792,040
Add unamortized bond premium	361,873	44,616	(42,874)	363,615
Less current portion of revenue bonds payable	(96,435)	(114,315)	96,435	(114,315)
Revenue bonds payable - net of current portion	\$ 3,043,813	\$ 291,336	\$ (293,809)	\$ 3,041,340

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 5 - Long-Term Debt (Continued)

	June 30, 2023	Additions	Deletions	June 30, 2024
Bonds Payable:				
Series 2013B	\$ 22,625	\$ -	\$ (22,625)	\$ -
Series 2016A	146,990	-	(920)	146,070
Series 2016B	615,860	-	(2,220)	613,640
Series 2017	328,510	-	(9,915)	318,595
Series 2018	207,955	-	(4,070)	203,885
Series 2019A	124,015	-	(2,340)	121,675
Series 2019B	423,095	-	(7,740)	415,355
Series 2021	543,875	-	(4,525)	539,350
Series 2021D	198,435	-	-	198,435
Total Bonds Payable	2,611,360	-	(54,355)	2,557,005
Direct Borrowings:				
Series 2012A	23,920	-	(7,475)	16,445
Series 2020A	98,285	-	(1,255)	97,030
Series 2021B	86,355	-	(28,745)	57,610
Series 2021C	51,725	-	(1,440)	50,285
Total Direct Borrowings	260,285	-	(38,915)	221,370
	2,871,645	-	(93,270)	2,778,375
Add unamortized bond premium	382,936	-	(21,063)	361,873
Less current portion of revenue bonds payable	(93,270)	(96,435)	93,270	(96,435)
Revenue bonds payable - net of current portion	\$ 3,161,311	\$ (96,435)	\$ (21,063)	\$ 3,043,813

In the 2002 legislative session, the Florida Legislature amended Chapter 348, Part V (now Part III of the "Expressway Act") to, among other things, revise and expand the powers of CFX to finance or refinance its projects, including the power to refund bonds previously issued on behalf of CFX by the State of Florida Division of Bond Finance of the State Board of Administration (Division of Bond Finance), through the issuance of its own bonds or other obligations. Consistent with the authority granted in the Expressway Act, CFX adopted an Authority Bond Resolution on July 2, 2002, authorizing the issuance of up to \$2,000,000,000 of additional bonds or other indebtedness to finance projects of CFX. Although not required, the first issuance of bonds by CFX under the Authority Bond Resolution was validated by the Circuit Court of the Ninth Judicial Circuit of Florida, in Orange County, Florida, on September 20, 2002.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 5 - Long-Term Debt (Continued)

On January 28, 2003, the Division of Bond Finance adopted a resolution formally recognizing CFX as the issuer of bonds under that certain Master Junior Lien Bond Resolution pursuant to which the Division of the Bond Finance had previously issued bonds on behalf of CFX. CFX further adopted, on February 3, 2003, an Amended and Restated Master Bond Resolution pursuant to which CFX amended and restated the Authority Bond Resolution and the Master Junior Lien Resolution into a single, consolidated, single-lien resolution to govern the existing outstanding bonds and future bond indebtedness of CFX. All bonds or other obligations issued under the Amended and Restated Master Bond Resolution are payable from, and secured by, a pledge of net revenues from the operation of the System.

As noted in Note 1, on June 20, 2014, the Governor of Florida signed a bill to create CFX, which assumed the governance and control of the former Orlando-Orange County Expressway Authority, including its assets, personnel, contracts, obligations, liabilities, facilities, and tangible and intangible property. Central Florida Expressway Authority assumed all the debt of the former Orlando-Orange County Expressway Authority pursuant to Chapter 2014-171, Public Laws of Florida.

Fixed Rate Debt

The Central Florida Expressway Authority Revenue Bonds, Series 2024B, were originally issued on August 14, 2024 and were outstanding in the aggregate principal amount of \$215,605,000 and \$0 on June 30, 2025 and 2024, all of which were serial bonds. The outstanding serial bonds are due in annual installments beginning on July 1, 2029 through July 1, 2035 in amounts ranging from \$14,430,000 to \$60,340,000, plus interest. The 2024B Bonds are payable from, and secured by, a pledge of net revenues from the operation of the expressway System. Interest on the 2024B Bonds is due and paid semiannually. The purpose of the Series 2024B Bonds was to fund a portion of the Five-Year Work Plan.

The Central Florida Expressway Authority Revenue Bonds, Series 2024A, were originally issued on August 14, 2024 and were outstanding in the aggregate principal amount of \$145,430,000 and \$0 on June 30, 2025 and 2024, including \$72,255,000 of serial bonds and \$73,175,000 of term bonds. The outstanding serial bonds are due in annual installments beginning on July 1, 2025 through July 1, 2044 in amounts ranging from \$1,940,000 to \$5,540,000, plus interest. Two term bonds were issued in the amounts of \$32,150,000 and \$41,025,000 and mature July 1, 2049 and July 1, 2054, respectively. The 2024A Bonds are payable from, and secured by, a pledge of net revenues from the operation of the expressway System. Interest on the 2024A Bonds is due and paid semiannually. The purpose of the Series 2024A Bonds was to fund a portion of the Five-Year Work Plan.

The Central Florida Expressway Authority Revenue Bonds, Series 2021D, were originally issued on July 28, 2021 and were outstanding in the aggregate principal amount of \$198,435,000 and \$198,435,000 on June 30, 2025 and 2024, all of which were serial bonds. The outstanding serial bonds are due in annual installments beginning on July 1, 2026 through July 1, 2035 in amounts ranging from \$3,220,000 to \$40,675,000, plus interest. The 2021D Bonds are payable from, and secured by, a pledge of net revenues from the operation of the expressway System. Interest on the 2021D Bonds is due and paid semiannually. The purpose of the Series 2021D Bonds was to fund a portion of the Five-Year Work Plan.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 5 - Long-Term Debt (Continued)

Fixed Rate Debt (Continued)

The Central Florida Expressway Authority Taxable Refunding Revenue Bond, Series 2021C, was originally issued on June 24, 2021 and was outstanding in the aggregate principal amount of \$25,180,000 and \$50,285,000 on June 30, 2025 and 2024 respectively. The bond was issued in the form of a bank loan directly with the bondholder, Citizens First Bank. The bond is due in a final installment on July 1, 2025 in the amount of \$25,180,000 plus interest. Interest on the 2021C Bond is due and paid semiannually. The 2021C Bond is payable from, and secured by, a pledge of net revenues from the operation of the expressway System. The purpose of the Series 2021C Bond was to refund a portion of the Series 2013B Bonds for net present value savings of \$2,222,586 which represents \$2,253,553 of lower debt service payments over the life of the debt. The deferred outflow on the refunding for accounting purposes was \$2,633,478.

The Central Florida Expressway Authority Taxable Convertible Refunding Revenue Bond, Series 2021B, was originally issued on June 24, 2021 and was outstanding in the aggregate principal amount of \$28,820,000 and \$57,610,000 on June 30, 2025 and 2024 respectively. The bond was issued in the form of a bank loan directly with the bondholder, Key Government Finance, Inc. The bond is due in a final installment on July 1, 2025 in amount of \$28,820,000 plus interest. Interest on the 2021B Bonds is due and paid semiannually. The 2021B Bond is payable from, and secured by, a pledge of net revenues from the operation of the expressway System. The purpose of the Series 2021B Bonds was to refund a portion of the Series 2012 Bonds for net present value savings of \$5,638,964, which represents \$5,726,048 of lower debt service payments over the life of the debt. The deferred outflow on the refunding for accounting purposes was \$8,697,527.

The Central Florida Expressway Authority Refunding Revenue Bonds, Series 2021, were originally issued on April 22, 2021 and were outstanding in the aggregate principal amount of \$534,620,000 and \$539,350,000 on June 30, 2025 and 2024 respectively, all of which were serial bonds. The outstanding serial bonds are due in annual installments beginning on July 1, 2025 through July 1, 2040 in amounts ranging from \$4,320,000 to \$62,120,000, plus interest. The 2021 Bonds are payable from, and secured by, a pledge of net revenues from the operation of the expressway System. Interest on the 2021 Bonds is due and paid semiannually. The purpose of the Series 2021 Bonds was to lower the risk profile of CFX's debt by refunding the remaining portions of the Series 2008B variable Bonds and terminate the Swaps associated with them, for net present value savings of \$1,193,124, which represents \$525,607 of higher debt service payments over the life of the debt.

The Central Florida Expressway Authority Refunding Revenue Bond, Series 2020A, was originally issued on August 18, 2020 and was outstanding in the aggregate principal amount of \$95,735,000 and \$97,030,000 on June 30, 2025 and 2024 respectively. The bond was issued in the form of a bank loan directly with the bondholder, STI Institutional & Government, Inc. The bond is due in annual installments beginning on July 1, 2025 through July 1, 2032 in amounts ranging from \$1,310,000 to \$15,480,000 plus interest. The 2020A Bond is payable from, and secured by, a pledge of net revenues from the operation of the expressway System. Interest on the 2020A Bond is due and paid semiannually. The purpose of the Series 2020A Bond was to refund portions of the Series 2010B and 2013C Bonds for net present value savings of \$11,219,373, which represents \$12,322,473 of lower debt service payments over the life of the debt. The deferred outflow on the refunding for accounting purposes was \$1,046,259.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 5 - Long-Term Debt (Continued)

Fixed Rate Debt (Continued)

The Central Florida Expressway Authority Revenue Bonds, Series 2019B, were originally issued on December 5, 2019 and were outstanding in the aggregate principal amount of \$407,230,000 and \$415,355,000 on June 30, 2025 and 2024, including \$184,115,000 of serial bonds and \$223,115,000 of term bonds. The outstanding serial bonds are due in annual installments beginning on July 1, 2025 through July 1, 2039 in amounts ranging from \$8,530,000 to \$16,895,000, plus interest. Two term bonds were issued in the amounts of \$98,015,000 and \$125,100,000 and mature July 1, 2044 and July 1, 2049, respectively. The 2019B Bonds are payable from, and secured by, a pledge of net revenues from the operation of the expressway System. Interest on the 2019B Bonds is due and paid semiannually. The purpose of the Series 2019B Bonds was to fund a portion of the Five-Year Work Plan.

The Central Florida Expressway Authority Revenue Bonds, Series 2019A, were originally issued on December 5, 2019 and were outstanding in the aggregate principal amount of \$119,215,000 and \$121,675,000 on June 30, 2025 and 2024 respectively, including \$55,600,000 of serial bonds and \$63,615,000 of term bonds. The outstanding serial bonds are due in annual installments beginning on July 1, 2025 through July 1, 2039 in amounts ranging from \$2,580,000 to \$5,015,000, plus interest. Two term bonds were issued in the amounts of \$28,535,000 and \$35,080,000 and mature July 1, 2044 and July 1, 2049, respectively. The 2019A Bonds are payable from, and secured by, a pledge of net revenues from the operation of the expressway System. Interest on the 2019A Bonds is due and paid semiannually. The purpose of the Series 2019A Bonds was to purchase the Poinciana Parkway System from Osceola County.

The Central Florida Expressway Authority Revenue Bonds, Series 2018, were originally issued on November 29, 2018 and were outstanding in the aggregate principal amount of \$199,615,000 and \$203,885,000 on June 30, 2025 and 2024 respectively, including \$106,120,000 of serial bonds and \$93,495,000 of term bonds. The outstanding serial bonds are due in annual installments beginning on July 1, 2025 through July 1, 2040 in amounts ranging from \$4,485,000 to \$9,325,000, plus interest. Two term bonds were issued in the amounts of \$30,865,000 and \$62,630,000 and mature July 1, 2043 and July 1, 2048, respectively. The 2018 Bonds are payable from, and secured by, a pledge of net revenues from the operation of the expressway System. Interest on the 2018 Bonds is due and paid semiannually. The purpose of the Series 2018 Bonds was to fund a portion of the Five-Year Work Plan.

The Central Florida Expressway Authority Refunding Revenue Bonds, Series 2017, were originally issued on December 28, 2017 and were outstanding in the aggregate principal amount of \$308,195,000 and \$318,595,000 on June 30, 2025 and 2024 respectively, including \$210,085,000 of serial bonds and \$98,110,000 of term bonds. The outstanding serial bonds are due in annual installments beginning on July 1, 2025 through July 1, 2039 and July 1, 2042 in amounts ranging from \$875,000 to \$56,340,000, plus interest. The term bond is due on July 1, 2041. The 2017 Bonds are payable from, and secured by, a pledge of net revenues from the operation of the expressway System. Interest on the 2017 Bonds is due and paid semiannually. The purpose of the Series 2017 Bonds was to refund all the Series 2007A, 2010A, and 2010C

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 5 - Long-Term Debt (Continued)

Fixed Rate Debt (Continued)

Bonds and a portion of the 2010B Bonds, for net present value savings of \$39,795,910, which represents \$61,030,269 of lower debt service payments over the life of the debt. The deferred outflow on the refunding for accounting purposes was \$26,266,627.

The Central Florida Expressway Authority Refunding Revenue Bonds, Series 2016B, were originally issued on November 2, 2016 and were outstanding in the aggregate principal amount of \$401,200,000 and \$613,640,000 on June 30, 2025 and 2024 respectively, all of which were serial bonds. The outstanding serial bonds are due in annual installments beginning on July 1, 2025 through July 1, 2030 and July 1, 2036 through July 1, 2040 in amounts ranging from \$20,290,000 to \$58,590,000, plus interest. The 2016B Bonds are payable from, and secured by, a pledge of net revenues from the operation of the expressway System. Interest on the 2016B Bonds is due and paid semiannually. The purpose of the Series 2016B Bonds was to refund portions of the Series 2007A, 2010A, 2010B and 2010C Bonds for net present value savings of \$65,239,436, which represents \$92,180,669 of lower debt service payments over the life of the debt. The deferred outflow on the refunding for accounting purposes was \$75,028,080. On July 15, 2024 \$210,105,000 of the Series 2016B bonds were defeased with cash on hand.

The Central Florida Expressway Authority Refunding Revenue Bonds, Series 2016A, were originally issued on April 26, 2016 and were outstanding in the aggregate principal amount of \$104,275,000 and \$146,070,000 on June 30, 2025 and 2024 respectively, all of which were serial bonds. The outstanding serial bonds are due in annual installments beginning on July 1, 2025 through July 1, 2028, July 1, 2031 through July 1, 2032 and July 1, 2036 through July 1, 2037 in amounts ranging from \$1,015,000 to \$28,000,000, plus interest. The 2016A Bonds are payable from, and secured by, a pledge of net revenues from the operation of the expressway System. Interest on the 2016A Bonds is due and paid semiannually. The purpose of the Series 2016A Bonds was to refund a portion of the Series 2007A Bonds for net present value savings of \$27,251,546, which represents \$40,378,823 of lower debt service payments over the life of the debt. The deferred outflow on the refunding for accounting purposes was \$5,296,435. On July 15, 2024 \$40,830,000 of the Series 2016A bonds were defeased with cash on hand.

The Central Florida Expressway Authority General Reserve Fund Obligation Bond, Series 2012A, was originally issued on November 29, 2012 and was outstanding in the aggregate principal amount of \$8,485,000 and \$16,445,000 on June 30, 2025 and 2024 respectively. The bond was issued in the form of a subordinate bank loan directly with the bondholder, SunTrust Bank. The bond is due in a final installment on July 1, 2025 for \$8,485,000, plus interest. The 2012A Bond is payable from, and secured by, a pledge of the general fund, which is junior and subordinate to the net revenues from the operation of the expressway System pledged to senior lien parity bonds. Interest on the 2012A Bond is due and paid semiannually.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 5 - Long-Term Debt (Continued)

Fixed Rate Debt (Continued)

Collectively, the purpose of the Series 2012 and 2012A Bonds was to refund the Series 2003C1 and 2003C3 Bonds and to fund the termination payments on the associated swaps. The refunding resulted in a deferred outflow of \$60,159,863, most of which was related to the swap termination payments. The difference between the cash flow of the old debt and the cash flow of the new debt was \$7,202,160 higher post-refunding, which represents \$4,712,369 on a net present value basis. The purpose of this refunding was to lower the risk profile of CFX's debt at an attractive rate.

The annual requirements to amortize all revenue bonds and revenue refunding bonds outstanding as of June 30, 2025, are summarized as follows (all amounts in thousands). The totals below are net of capitalized interest funds available for debt service.

	Bonds Payable			Direct Borrowings		
	Principal	Interest	Total P&I Due	Principal	Interest	Total P&I Due
2026	50,520	118,681	169,201	63,795	1,786	65,581
2027	107,020	115,821	222,841	10,910	1,370	12,280
2028	111,360	110,361	221,721	11,675	1,196	12,871
2029	116,285	104,676	220,961	12,460	1,010	13,470
2030	109,610	99,136	208,746	15,480	795	16,275
2031-2035	677,745	407,978	1,085,723	43,900	1,001	44,901
2036-2040	768,335	240,944	1,009,279	-	-	-
2041-2045	408,295	103,091	511,386	-	-	-
2046-2050	243,625	38,773	282,398	-	-	-
2051-2055	41,025	5,328	46,353	-	-	-
	<u>\$ 2,633,820</u>	<u>\$ 1,344,791</u>	<u>\$ 3,978,611</u>	<u>\$ 158,220</u>	<u>\$ 7,159</u>	<u>\$ 165,379</u>

Debt Service Reserve Requirements – CFX has purchased surety policies from bond insurers for the outstanding 2013B, 2016A, 2021 and 2021D Bonds. The Series 2016B and Series 2017 Bonds are secured by reserves comprised of a combination of cash and a surety policy. The Series 2018, 2019A, and 2019B Series Bonds are secured by a cash reserve. The 2020A, 2021B and 2021C Bonds are not secured by a reserve. Bond covenants do not require minimum ratings for providers of surety policies.

Defeased Bonds - In June of 2021 CFX utilized proceeds from the issuance of the Series 2021B and 2021C Refunding Bonds to fund an escrow to provide for the payment of principal and interest on the refunded Series 2012 and 2013B Bonds as of their call date of July 1, 2022 and July 1, 2023. The principal for the defeased bonds was fully paid as of June 30, 2023. On July 15, 2024 \$250,935,000 of the Series 2016A and 2016B bonds were defeased with cash on hand.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 5 - Long-Term Debt (Continued)

Due to Governmental Agencies

Due to governmental agencies consists of the following (in thousands):

	June 30, 2024	Additions	Deletions	June 30, 2025
Advances from FDOT for construction, operations and maintenance of certain plazas and roadways	\$ 1,542	\$ 1,642	(1,542)	\$ 1,642
Loans and advances for specific projects	206,735	-	(323)	206,412
Toll revenue due to other state agencies	8,624	213,726	(210,414)	11,936
	<u>216,901</u>	<u>215,368</u>	<u>(212,279)</u>	<u>219,990</u>
Less current portion	(10,487)	(13,852)	10,487	(13,852)
Due to other governments net of current portion	<u>\$ 206,414</u>	<u>\$ 201,516</u>	<u>\$ (201,792)</u>	<u>\$ 206,138</u>

The following is a schedule by years of the minimum future payments on the amounts due to governmental agencies (all amounts in thousands):

<u>Year Ending June 30,</u>	<u>Amount</u>
2026	\$ 13,852
2027	-
2028	-
2029	8,087
2030	8,187
Thereafter	<u>189,864</u>
	<u>\$ 219,990</u>

Amounts included in "thereafter" are payable based on future events, as described below:

Included in the Loans and Advances for specific projects is \$3,510,961 for advances from the Greater Orlando Aviation Authority, the City of Orlando and Orange County for the extension of Goldenrod Road. The extension is a non-System project, and revenues from this project are utilized solely to pay expenses for the extension and to reimburse the funding partners, including CFX, for their original contribution to the project. Also included in Loans and Advances for specific projects is \$202,901,038 for a Transportation Infrastructure Finance and Innovation Act (TIFIA) loan from the US Department of Transportation. This loan was secured from qualifying expenses for the acquisition of right-of-way and construction of the Wekiva Parkway. Principal repayments begin in Fiscal Year 2029 and continue through Fiscal Year 2050.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 6 – Leases

CFX leases excess capacity of the Fiber Optic Network (FON) to Sprint Communications Company L.P. This is a ten-year lease with two five-year renewal options followed by three three-year renewal options. If CFX terminates this agreement because of licensee's (Sprint's) default, the licensee shall pay CFX, as liquidated damages, an amount equal to the minimum total fees and charges for the remaining agreement term. There is no termination clause for the licensee except by default of CFX. The second three-year renewal was executed at the end of fiscal year 2024.

CFX recorded \$6,900,000 balances for lease receivable and deferred inflows of resources as of July 1, 2021. The lease receivable balance was reduced by \$842,000 and \$809,000 for fiscal years 2025 and 2024, respectively. Interest income was recognized for \$41,000 and \$48,000 for fiscal years 2025 and 2024, respectively.

Future minimum lease payments are as follows (all amounts in thousands):

Year Ending June 30,	Principal	Interest
2026	\$ 876	\$ 33
2027	911	25
2028	948	17
2029	985	8
	<u>\$ 3,720</u>	<u>\$ 83</u>

Note 7 - Commitments and Contingencies

Commitments - Outstanding construction and other significant commitments for improvements, maintenance and operation of the System totaled approximately \$541,395,000 at June 30, 2025.

Pending Litigation - Various lawsuits and claims arising in the ordinary course of CFX's operations are pending against CFX.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 8 - Retirement Plans

Plan Descriptions

Florida Retirement System (FRS) Pension Plan - Most employees of CFX participate in the State of Florida Retirement System (the "FRS"), a multiple-employer, cost-sharing, defined-benefit retirement plan, or defined-contribution retirement plan, administered by the Florida Department of Administration, Division of Retirement. As a general rule, membership in the FRS is compulsory for all employees working in a regular, established position for a state agency, county government, district school board, state university, community college or a participating city or special district within the state of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. Employees are classified in either the regular service class or the senior management service class ("SMSC"). The SMSC is for members who fill senior-level management positions. Employees classified as SMSC may opt out of participation in the FRS. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida Legislature.

Retiree Health Insurance Subsidy (HIS) Program – Employees of CFX also participate in the Retiree Health Insurance Subsidy (HIS) Program, which is a cost-sharing, multiple-employer defined-benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$7.5. The minimum payment is \$45 and the maximum payment is \$225 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

Public Employee Optional Retirement Program - Employees may participate in the Public Employee Optional Retirement Program (the "Investment Plan"), a defined-contribution retirement program, in lieu of participation in the defined-benefit retirement plan ("Pension Plan"). If the Investment Plan is elected, active membership in the defined-benefit retirement plan is terminated. Eligible members of the Investment Plan are vested at one year of service and receive a contribution for self-direction in an investment product with a third-party administrator selected by the State Board of Administration. The contribution rates for fiscal year 2025 were 11.3% regular class and 12.67% for senior management class and for fiscal year 2024 were 11.3% for regular class and 12.67% for senior management class.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 8 - Retirement Plans (Continued)

Benefits Provided – For employees in FRS, benefits are computed on the basis of age, average final compensation and service credit. Regular class and senior management class employees who were enrolled in the FRS prior to July 1, 2011 and retire at or after age 62 with at least six years of credited service, or 30 years of service, regardless of age, are entitled to a retirement benefit payable monthly for life, based on their final average compensation of their five highest fiscal years of pay for each year of credited service. Employees enrolled on or after July 1, 2011 and who retire at or after age 65 with at least eight years of credited service, or 33 years of service, regardless of age, are entitled to a retirement benefit payable monthly for life, as explained above based on their eight highest fiscal years of pay. Using their date of enrollment as a basis, vested employees with less than the minimum years of service may retire before the minimum age and receive reduced retirement benefits. A post-retirement health insurance subsidy is also provided to eligible retired employees through the FRS defined benefit, in accordance with Florida Statutes.

In addition to the above benefits, the FRS administers a Deferred Retirement Option Program (“DROP”). This program allows eligible employees to defer receipt of monthly retirement benefit payments, while continuing employment with an FRS employer for a period not to exceed 96 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

Contributions - Starting on July 1, 2011, Chapter 2011-68 of the Laws of Florida required members of the FRS not enrolled in DROP to contribute 3% of their salary to their retirement. Governmental employers are required to make contributions to the FRS based on statewide contribution rates. The fiscal year 2025 contribution rate applied to regular employee salaries was 13.63%, including 2.00% for a post-retirement health insurance subsidy (“HIS”). The fiscal year 2024 contribution rate was 13.57%, which included 2.00% for HIS. The fiscal year 2025 contribution rate applied to senior management salaries was 34.52%, including 2.00% HIS. The fiscal year 2024 contribution rate was 34.52%, which included 2.00% for HIS. The fiscal year 2025 contribution rate applied to the salaries of the employees in DROP was 21.13%, including 2.00% for HIS. The fiscal year 2024 contribution rate was 21.13%, which included 2.00% for HIS.

CFX’s actual contributions to the FRS for the fiscal years ended June 30, 2025 and 2024 were \$1,994,000 and \$1,800,000, respectively. Employee contributions were \$335,000 and \$307,000 for the fiscal years ended June 30, 2025 and 2024, respectively.

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

CFX reported a liability of \$12,364,000 and \$13,337,000, at June 30, 2025 and 2024, respectively, for its proportionate share of the net pension liability of FRS and HIS. The net pension liability as of June 30, 2025 and 2024 was measured as of June 30, 2024 and 2023, respectively, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of those dates. CFX’s proportion of the net pension liability was based on CFX’s historical employer contributions to the pension plans for fiscal year 2023 and 2024 relative to the historical contributions of all participating employers. At June 30, 2024, CFX’s proportion was 0.02233% and 0.02485% for FRS and HIS, respectively, which was an decrease of 0.00151% and an increase of 0.00068% from its respective proportion measured as of June 30, 2023.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 8 - Retirement Plans (Continued)

At June 30, 2023, CFX's proportion was 0.02384% and 0.02417% for FRS and HIS, respectively, which was an increase of 0.00099% and an increase of 0.00074% from its respective proportion measured as of June 30, 2022.

For the year ended June 30, 2025, CFX recognized a total of \$1,626,000 pension expense with \$1,368,000 and \$259,000, for FRS and HIS, respectively. For the year ended June 30, 2024, CFX recognized a total of \$3,685,000 pension expense with \$2,133,000 and \$1,552,000, for FRS and HIS, respectively.

At June 30, 2025, CFX reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	FRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual Experience	\$ 872	\$ -
Changes of assumptions	1,184	-
Differences between projected and actual earnings on pension plan investments	-	574
Changes in proportion	334	406
CFX contributions subsequent to the measurement date	1,418	-
Total	\$ 3,808	\$ 980

	HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual Experience	\$ 36	\$ 7
Changes of assumptions	66	441
Differences between projected and actual earnings on pension plan investments	-	1
Changes in proportion	287	-
CFX contributions subsequent to the measurement date	238	-
Total	\$ 627	\$ 449

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 8 - Retirement Plans (Continued)

At June 30, 2024, CFX reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	FRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 892	\$ -
Changes of assumptions	619	-
Differences between projected and actual earnings on pension plan investments	397	-
Changes in proportion	500	34
CFX contributions subsequent to the measurement date	1,265	-
Total	\$ 3,673	\$ 34

	HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 56	\$ 9
Changes of assumptions	101	333
Differences between projected and actual earnings on pension plan investments	2	-
Changes in proportion	282	-
CFX contributions subsequent to the measurement date	210	-
Total	\$ 651	\$ 342

\$1,656,000 and \$1,475,000 reported as deferred outflows of resources related to pensions resulting from CFX contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025 and June 30, 2024 respectively.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions as of June 30, 2025 will be recognized in pension expense as follows (in thousands):

Years Ending June 30:	FRS	HIS
2026	\$ 279	\$ 12
2027	291	12
2028	259	5
2029	198	(14)
2030	246	(33)
Thereafter	137	(42)

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 8 - Retirement Plans (Continued)

Actuarial Assumptions – The actuarial assumptions that determined the total pension liability as of June 30, 2025 and June 30, 2024, were based on the results of an actuarial experience study for the period July 1, 2018 – June 30, 2023.

Valuation date	July 1, 2023	July 1, 2024
Measurement date	June 30, 2023	June 30, 2024
Inflation	2.40%	2.40%
Salary increases, including inflation	3.25%	3.50%
Mortality	PUB-2010 base table varies by member category and sex, projected generationally with Scale MP-2018	PUB-2010 base table varies by member category and sex, projected generationally with Scale MP-2021
Actuarial Cost Method	Individual Entry Age	Individual Entry Age

The long-term expected rate of return, net of investment expense on pension plan investments was 6.70% and 6.70% as of June 30, 2024 and June 30, 2023 respectively. This rate was determined using a forward-looking capital market economic model. The table below shows the assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The expected real rate of return is presented in arithmetic means.

Asset Class	Target Allocation	Annual Arithmetic Return
Cash	1%	3%
Fixed Income	29%	6%
Global equity	45%	9%
Real Estate (property)	12%	8%
Private equity	11%	12%
Strategic investments	2%	7%
Total	100.00%	

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 8 - Retirement Plans (Continued)

Discount Rate – The discount rate used to measure the total pension liability was 6.70% and 6.70% for FRS for June 30, 2024 and June 30, 2023 respectively. The discount rate used to measure the total pension liability was 3.93% and 3.65% for HIS as of June 30, 2024 and June 30, 2023 respectively. For FRS, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the plan sponsor.

Sensitivity of CFX's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents CFX's proportionate share of the net pension liability calculated using the discount rate of 6.70% and 6.70% for FRS for June 30, 2024 and June 30, 2023 respectively. The discount rate of 3.93% and 3.65% was used for HIS for June 30, 2024 and June 30, 2023 respectively. The following also presents what CFX's proportionate share of the net pension liability would be at June 30, 2025 and 2024 if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the respective current rate:

As of June 30, 2025			
FRS			
	1% Decrease 5.7%	Current Discount Rate 6.7%	1% Increase 7.7%
CFX's proportionate share of the net pension liability (asset)	\$ 15,195,726	\$ 8,639,016	\$ 3,146,380
HIS			
	1% Decrease 2.93%	Current Discount Rate 3.93%	1% Increase 4.93%
CFX's proportionate share of the net pension liability (asset)	\$ 4,243,027	\$ 3,727,278	\$ 3,299,123

As of June 30, 2024			
FRS			
	1% Decrease 5.7%	Current Discount Rate 6.7%	1% Increase 7.7%
CFX's proportionate share of the net pension liability (asset)	\$ 16,227,085	\$ 9,499,642	\$ 3,817,132
HIS			
	1% Decrease 2.65%	Current Discount Rate 3.65%	1% Increase 4.65%
CFX's proportionate share of the net pension liability (asset)	\$ 4,379,903	\$ 3,839,178	\$ 3,390,953

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
NOTES TO FINANCIAL STATEMENTS
Years Ended June 30, 2025 and 2024

Note 8 - Retirement Plans (Continued)

Change in Net Pension Liability - The following is a summary of changes in net pension liability (in thousands):

	June 30, 2024	Additions	Deletions	June 30, 2025	Due Within One year
Net pension liability	\$ 13,337	\$ 4,747	\$ 5,720	\$ 12,364	\$ -

	June 30, 2023	Additions	Deletions	June 30, 2024	Due Within One year
Net pension liability	\$ 10,982	\$ 6,928	\$ 4,573	\$ 13,337	\$ -

Pension Plan Fiduciary Net Position – Detailed information about FRS and HIS fiduciary net position is available in the separately issued FRS financial report. The latest available report may be obtained by writing to the Department of Management Services, Office of the Secretary, 4050 Esplanade Way, Tallahassee, FL 32399-0950 or from the website:
http://www.dms.myflorida.com/workforce_operations/retirement/publications

Note 9 - Risk Management

CFX is subject to various risk exposures including liability from tort, errors and omissions, and employment practices. Additional exposures include damage to property, theft of assets, cyber intrusion, loss of revenue, crime and bond, equipment breakdown, automobile, and injuries to employees.

No claims have exceeded coverage limits in place during 2023, 2024 and 2025 year-to-date.

CFX is covered by commercial insurance policies through which risk is transferred in exchange for annual premium payments.

REQUIRED SUPPLEMENTARY INFORMATION

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
Trend Data on Infrastructure Condition

CFX elected to use the modified approach to account for maintenance of its infrastructure assets starting in fiscal year 1997. The FDOT annually inspects CFX's roadways. The FDOT utilizes the Maintenance Rating Program (the "MRP") to assess the condition of the System. Copies of the MRP manual may be obtained from the State Maintenance Office, 605 Suwannee Street, Mail Station 52, Tallahassee, FL 32399-0450. The MRP manual provides a uniform evaluation system for maintenance features of the State Highway System. The roadways are rated on a 100-point scale, with 100 meaning that every aspect of the roadway is in new and perfect condition. CFX's System, as a whole, is given an overall rating, indicating the average condition of all roadways operated by CFX. The assessment of condition is made by visual and mechanical tests designed to reveal any condition that would reduce highway-user benefits below the maximum level of service. CFX's policy is to maintain the roadway condition at a MRP rating of 80 or better. The results of the last five completed inspections are as follows:

Evaluation Period	
Fiscal Year	Rating
2025	95%
2024	92%
2023	92%
2022	92%
2021	93%

The budget-to-actual expenditures for preservation for the past five years are as follows:

Fiscal Year	Budget	Actual
	<i>(in thousands)</i>	
2025	\$ 32,936	\$ 7,624
2024	4,557	16,359
2023	30,101	24,177
2022	39,480	21,465
2021	33,064	20,929
2020	51,040	31,002

Florida Retirement System (FRS) Defined Benefit Pension Plan
(in thousands)

CFX Fiscal Year Ending June 30,	Plan Sponsor Measurement Date June 30,	CFX's Proportion of the FRS Net Pension Liability	CFX's Proportionate Share of the FRS Net Pension Liability	CFX's Covered Payroll	CFX's Proportionate Share of the FRS Net Pension Liability as a Percentage of Covered Payroll	FRS Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2025	2024	0.0223%	\$ 8,639	\$ 6,957	124.18%	83.70%
2024	2023	0.0238%	9,500	6,863	138.42%	82.38%
2023	2022	0.0229%	8,503	6,055	140.43%	82.89%
2022	2021	0.0219%	1,655	5,426	30.50%	96.40%
2021	2020	0.0217%	9,396	5,100	184.24%	78.85%
2020	2019	0.0220%	7,608	4,712	161.46%	82.61%
2019	2018	0.0205%	6,180	4,250	145.41%	84.26%
2018	2017	0.0201%	5,958	4,093	145.57%	83.89%
2017	2016	0.0191%	4,812	3,746	128.46%	84.88%
2016	2015	0.0174%	2,249	3,212	70.02%	92.00%

Retiree Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan
(in thousands)

CFX Fiscal Year Ending June 30,	Plan Sponsor Measurement Date June 30,	CFX's Proportion of the HIS Net Pension Liability	CFX's Proportionate Share of the HIS Net Pension Liability	CFX's Covered Payroll	CFX's Proportionate Share of the HIS Net Pension Liability as a Percentage of Covered Payroll	HIS Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2025	2024	0.0248%	\$ 3,727	\$ 10,582	35.22%	4.80%
2024	2023	0.0242%	3,839	9,577	40.09%	4.12%
2023	2022	0.0234%	2,481	8,537	29.06%	4.81%
2022	2021	0.0221%	2,707	7,811	34.66%	3.56%
2021	2020	0.0214%	2,618	7,441	35.18%	3.00%
2020	2019	0.0214%	2,391	7,147	33.45%	2.63%
2019	2018	0.0202%	2,134	6,585	32.41%	2.15%
2018	2017	0.0189%	2,021	6,023	33.55%	1.64%
2017	2016	0.0173%	2,018	5,345	37.75%	0.97%
2016	2015	0.0157%	1,603	4,769	33.61%	0.50%

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
Schedule of CFX Contributions

Florida Retirement System (FRS) Defined Benefit Pension Plan
(in thousands)

Fiscal Year Ending June 30,	FRS Contractually Required Contribution	FRS Contributions in Relation to the Contractually Required Contribution	FRS Contribution Deficiency (Excess)	CFX's Covered Payroll	FRS Contributions as a Percentage of Covered Payroll
2025	\$ 1,418	\$ 1,418	\$ -	\$ 7,981	17.77%
2024	1,265	1,265	-	6,957	18.18%
2023	1,147	1,147	-	6,863	16.71%
2022	975	975	-	6,055	16.10%
2021	835	835	-	5,426	15.39%
2020	720	720	-	5,100	14.12%
2019	685	685	-	4,712	14.54%
2018	585	585	-	4,250	13.76%
2017	524	524	-	4,093	12.80%
2016	465	465	-	3,746	12.41%

Retiree Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan
(in thousands)

Fiscal Year Ending June 30,	HIS Contractually Required Contribution	HIS Contributions in Relation to the Contractually Required Contribution	HIS Contribution Deficiency (Excess)	CFX's Covered Payroll	HIS Contributions as a Percentage of Covered Payroll
2025	\$ 238	\$ 238	\$ -	\$ 11,887	2.00%
2024	210	210	-	10,582	1.98%
2023	159	159	-	9,577	1.66%
2022	142	142	-	8,537	1.66%
2021	130	130	-	7,811	1.66%
2020	124	124	-	7,441	1.67%
2019	119	119	-	7,147	1.67%
2018	109	109	-	6,585	1.66%
2017	100	100	-	6,023	1.66%
2016	89	89	-	5,345	1.67%

OTHER SUPPLEMENTARY INFORMATION

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
Calculation of the Composite Debt Service Ratio, as Defined
by the Bond Resolutions and Related Documents

		Years Ended June 30,	
		2025	2024
		(in thousands)	
Schedule 1			
Revenues:			
Tolls		\$ 743,695	\$ 704,760
Fees tied to revenue collection		11,033	9,803
Transponder sales		2,281	2,187
Other operating		2,382	2,862
Interest		21,355	17,083
Miscellaneous		988	983
Total revenues		781,734	737,678
Expenses:			
Operations		93,133	89,821
Maintenance		27,428	23,953
Administration		12,372	13,249
Other operating		3,514	3,147
Total expenses		136,447	130,170
Add deposits into OMA reserve		1,763	1,763
Less advances allowable for operations and maintenance expenses received from FDOT		(8,500)	(8,003)
Net expenses		129,710	123,930
Net revenues, as defined, inclusive of advances received from the FDOT		\$ 652,024	\$ 613,748
Senior lien debt service payments		\$ 219,052	\$ 198,743
Senior lien debt service ratio of net revenues to debt service payments		2.98	3.09
Subordinate Payments		\$ 11,012	\$ 10,660
Subordinate Debt Service Ratio*		2.83	2.93

*These calculations are done according to the Master Subordinate Lien Resolution.

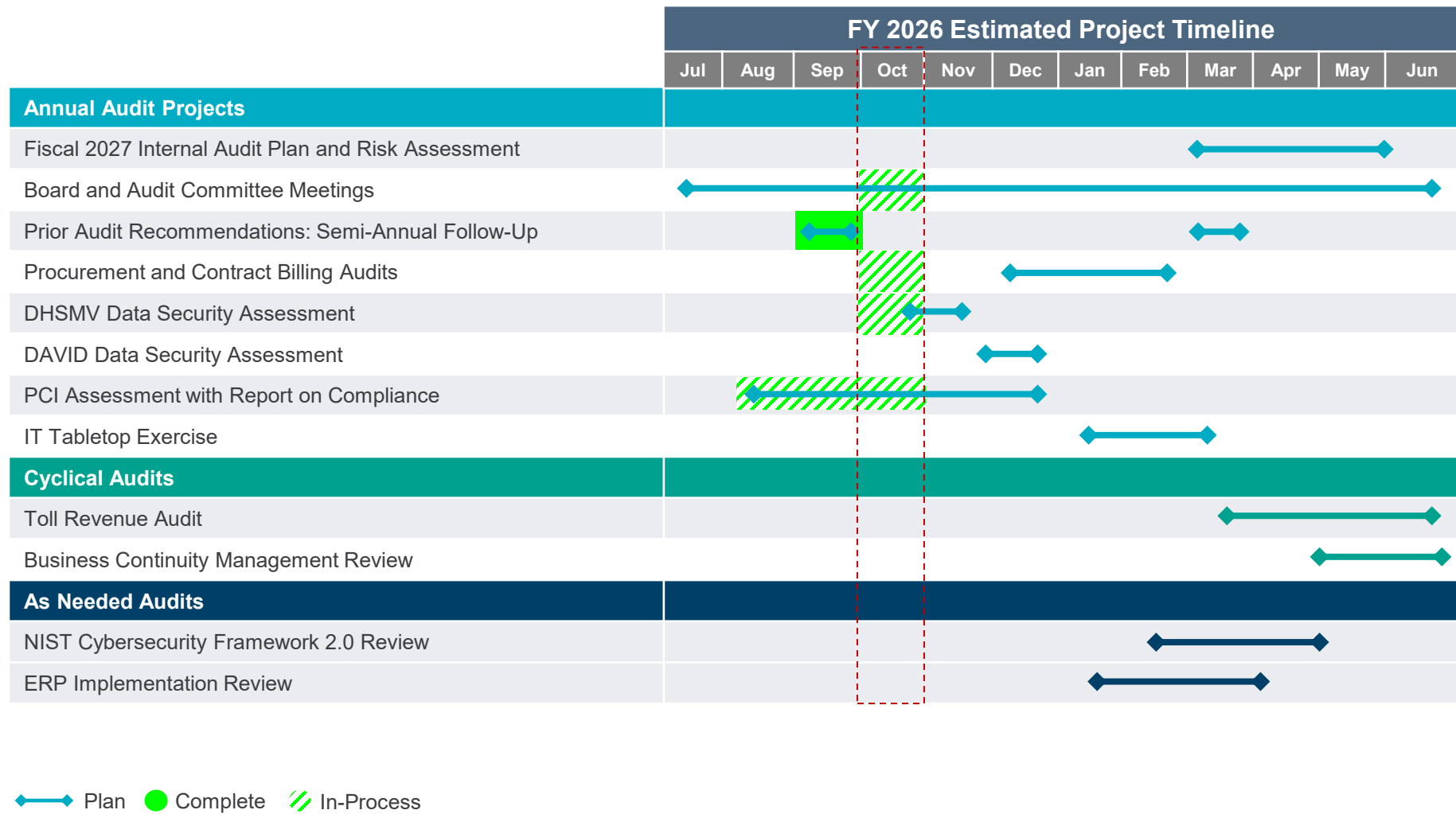
Note: Revenues and expenses are presented on this schedule on the accrual basis in accordance with accounting principles generally accepted in the United States of America. Certain amounts included on the statement of revenues, expenses, and changes in net position are not part of net revenues, as defined, and are, therefore, excluded from this schedule.

**REPORTS ON COMPLIANCE
AND INTERNAL CONTROL**

D.2.

INTERNAL AUDIT TIMELINE

AS OF OCTOBER 29, 2025



D.3.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

Prior Audit Recommendations Follow-Up
September 30th, 2025



TABLE OF CONTENTS



3 Executive Summary

5 Status of Open Recommendations

EXECUTIVE SUMMARY



Overview

As part of the Fiscal Year 2026 Internal Audit plan, Internal Audit performed a review of open audit recommendations from prior audit reports as of September 30, 2025, to verify the implementation status reported by management. Open recommendations from the following audits were evaluated:



2019 Accounting Financial Controls Review	2024 Policy and Procedure Review
2019 IT Project Management Review	2024 Microsoft Cloud Security Review
2020 Secure Code Review	2025 Procurement and Contract Billing Audit
2020 P-Card and Gas Card Audit	2025 COSO Governance Review
2020 Retail Transponder Sales Review	2025 Ethics Policy Compliance Review
2022 Engineering and Construction Invoicing Review	2025 Right of Way Audit
2022 Customer Service Center Performance Assessment	2025 ITS Security Review
2023 Sensitive Data Review	

Internal Audit last reviewed the status of open audit recommendations in March 2025. Results were reported to the Audit Committee in April 2025.



Objectives, Scope, and Approach

This review was completed as of September 30, 2025, and consisted of meetings with management to determine the status of open audit recommendations and testing of management's response and reported status. In addition, only the recommendations that remained open at the time of the last review have been included in this report. If a recommendation was completed as of March 31, 2025, no further work was performed, and the recommendation was not included for review.

Testing performed included inquiry with the employees responsible for completing the recommendations and/or review of documentation evidence to confirm management's reported status and explanation. In instances where the evidence obtained did not agree with management's status, discussions with management were held and the differences were resolved. There were no instances where management and Internal Audit did not come to an agreement on the status of a prior audit recommendation.

EXECUTIVE SUMMARY



Recommendations Summary

Audit	Open as of March 31, 2025	New Action Plans	Completed as of September 30, 2025	In Progress as of September 30, 2025*	Past Due**
2019 Accounting and Financial Controls Audit	1	0	0	1	0
2019 IT Project Management Review	1	0	1	0	0
2020 Secure Code Review	1	0	0	1	1
2020 P-Card and Gas Card Audit	1	0	1	0	0
2020 Retail Transponder Sales Review	1	0	0	1	0
2022 Engineering and Construction Invoicing Review	2	0	0	2	0
2022 Customer Service Center Performance Assessment	1	0	0	1	1
2023 Sensitive Data Review	2	0	1	1	0
2024 Policy and Procedure Review	9	0	3	6	6
2024 Microsoft Cloud Security Review	2	0	0	2	2
2025 Procurement and Contract Billing Audit	1	0	1	0	0
2025 COSO Governance Review	1	0	0	1	0
2025 Ethics Policy Compliance Audit	0	2	1	1	0
2025 Public Records and Information Management Review	0	4	2	2	0
2025 Right of Way Audit	0	2	0	2	0
2025 ITS Security Review	0	3	0	3	0
Total	23	11	10	24	10

*24 recommendations are classified as "In Progress".

Of the 24 "In Progress" recommendations, 15 are past the original agreed-upon due date, although **five of the 15 are contingent upon the implementation of the new ERP or CRM systems and due dates have been revised to reflect this contingency and to match the estimated timing to the necessary event. Of the remaining **ten** recommendations reflected as past due, **one** relates to the 2022 Customer Service Center Performance Assessment which has been impacted by the delay of integration work required with the Dynamics project and has a revised due date of 3/31/2026. **One** relates to the 2020 Secure Code review, which has been impacted by a phased system implementation approach that CFX has chosen to pursue and has a revised due date of 12/31/2025. **Six** recommendations relate to the 2024 Policy and Procedure Review, which have been delayed in consideration of ongoing strategic discussions. **Two** relate to the 2024 Microsoft Cloud Security Review, which have been delayed by the integration work required with the Dynamics project and ongoing investigative procedures.

Face the Future with Confidence

D.4.

Central Florida Expressway Authority
Fiscal 2026
Internal Audit Contract Selections

Fiscal Year	Vendor	Contract #	Type	Contract Total Value	Selection reason
2026 Proposed	PRINCE CONTRACTING, LLC	1813	Construction	\$ 181,397,307	Quantitative: 4th largest active contract by spend #, 95% completed with expiration date passing in August 2025. Qualitative: Vendor last selected for audit in 2013; Audit traditionally includes at least one construction contract as part of annual review.
2026 Proposed	VGS INFRASTRUCTURE SRVC. INC.	1910	Systemwide Facilities Maintenance	\$ 12,960,000	Quantitative: Large maintenance contract, over 55% complete. Qualitative: Vendor has not been previously audited; Audit traditionally includes one non-construction contract as part of annual review.