AGENDA
AUDIT COMMITTEE MEETING
November 4, 2026
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 24, 2026 AUDIT COMMITTEE MEETING MINUTES (action item)

D. AGENDA ITEMS

1. **REPORT ON THE FISCAL YEAR 2026 FINANCIAL STATEMENTS AND REQUIRED COMMUNICATIONS** – *Joel Knopp, Shareholder, Forvis Mazars LLP* (action item)

2. **FISCAL YEAR 2027 INTERNAL AUDIT PLAN STATUS UPDATE** – *Jeff Tecau, Managing Director, Protiviti* (info item)

3. **FISCAL YEAR 2026 BUSINESS CONTINUITY MANAGEMENT REVIEW** – *Chris Porter, Director, Protiviti* (action item)

4. **FISCAL YEAR 2026 TOLL REVENUE AUDIT**– *Landon Willey, Manager, Protiviti* (action item)

5. **FISCAL YEAR 2027 FRAUD RISK ASSESSMENT** – *Landon Willey, Senior Manager, Protiviti* (action item)

6. **FISCAL YEAR 2027 PRIOR YEAR AUDIT RECOMMENDATIONS: SEMI-ANNUAL FOLLOW-UP** *Landon Willey, Senior Manager, 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 COMMITTEE MEETING MINUTES

MINUTES
CENTRAL FLORIDA EXPRESSWAY AUTHORITY
AUDIT COMMITTEE MEETING
June 24, 2026

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

DRAFT

Committee Members Present:
Michelle Miller, Citizen Representative, Chairman
Lorie Bailey Brown, Seminole County Representative
Jose Fernandez, City of Orlando Representative
Kristy Mullane, Lake County Representative
Kathy Wall, Brevard County Representative

Committee Members Not Present:
Jamie Rowland, Osceola County Representative
Ray Walls, Orange County Representative

Staff Present:
Michelle Maikisch, Executive Director
Lisa Lumbard, Chief Financial Officer
Cristina T. Berrios, General Counsel
Mimi Lamaute, Recording Secretary/Manager of Executive and Board Services

A. CALL TO ORDER

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

B. PUBLIC COMMENT

Ms. Mimi Lamaute, Recording Secretary, announced there were no requests to speak or written requests to speak from members of the audience.

C. APPROVAL OF THE APRIL 29, 2026 MINUTES

A motion was made by Ms. Bailey Brown and seconded by Mr. Walls to approve the April 29, 2026 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. Rowland and Mr. Walls were not present.

D. AGENDA ITEMS

1. FISCAL YEAR 2026 INTERNAL AUDIT PLAN STATUS UPDATE

Mr. Landon Willey with Protiviti provided a status update on the Fiscal Year 2026 Internal Audit Plan.

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

2. FISCAL YEAR 2027 INTERNAL AUDIT PLAN AND RISK ASSESSMENT

Mr. Landon Willey with Protiviti presented the Fiscal Year 2027 Internal Audit Plan and Risk Assessment. Committee members discussed key risk areas and audit priorities for the upcoming fiscal year.

The committee members asked questions which were answered by Mr. Taylor, Mr. Jim Greer, Chief Technology & Operations Officer, Ms. Berrios, Ms. Maikisch and Ms. Lumbard.

A motion was made by Ms. Mullane and seconded by Ms. Wall to accept the Fiscal Year 2027 Internal Audit Plan and Risk Assessment as presented. The motion carried unanimously with all five (5) committee members present voting AYE by voice vote. Two (2) Committee members, Ms. Rowland and Mr. Walls were not present.

3. FISCAL YEAR 2026 NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY (NIST) CYBERSECURITY FRAMEWORK 2.0 REVIEW

Mr. David Taylor with Protiviti presented the Fiscal Year 2026 National Institute of Standards and Technology (NIST) Cybersecurity Framework 2.0 Review, including the review scope, cybersecurity functions, and key observations.

The committee members asked questions which were answered by Mr. Greer and Mr. Taylor.

A motion was made by Mr. Fernandez and seconded by Ms. Mullane to accept the National Institute of Standards and Technology (NIST) Cybersecurity Framework 2.0 Review report as presented. The motion carried unanimously with all five (5) committee members present voting AYE by voice vote. Two (2) Committee members, Ms. Rowland and Mr. Walls were not present.

DRAFT

4. **ANNUAL MANAGEMENT REVIEW OF INTERNAL CONTROL MATTERS**

a. Effectiveness of the Internal Control System, including IT security and control – *Lisa Lumbard, Chief Financial Officer*
b. Process for assessing, monitoring and controlling significant risks – *Lisa Lumbard, Chief Financial Officer*
c. System for monitoring compliance with laws and regulations and results of investigation of any instances of non-compliance – *Cristina Berrios, General Counsel*
d. Adequacy, administration and compliance with CFX's Code of Ethics – *Cristina Berrios, General Counsel*
e. Procedures for "Hotline" reporting for the anonymous and confidential submission of complaints and concerns – *Cristina Berrios, General Counsel*

Ms. Lisa Lumbard, Chief Financial Officer, and Ms. Cristina Berrios, General Counsel, presented the annual updates on:

- Effectiveness of the internal control system, including IT security
- Risk assessment and monitoring processes
- Compliance with laws and regulations
- Code of Ethics compliance
- Hotline reporting procedures

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

5. **ANNUAL AUDIT COMMITTEE REVIEWS**

a. Annual discussion regarding internal auditor performance and effectiveness

Ms. Michelle Miller, Audit Committee Chairman, commented on Protiviti's internal auditor performance and effectiveness. Committee members commented on Protiviti's comprehensive audit work and professional presentation of the audit results and findings, noting a job well done.

b. Confirmation of completion of responsibilities in the Audit Committee Charter

Ms. Lisa Lumbard, Chief Financial Officer, confirmed the completion of responsibilities in the Audit Committee Charter.

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

DRAFT

E. OTHER BUSINESS

Ms. Mullane announced that this would be her last meeting as she will be retiring in September. She introduced Mary Burns, the current Accounting Director, who will be assuming her role upon her retirement.

Chairman Miller announced the next Audit Committee meeting is scheduled for October 28, 2026.

No other business was discussed.

F. ADJOURNMENT

Chairman Miller adjourned the meeting at approximately 2:37 p.m.

Minutes approved on _____, 2026.

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.

DRAFT

D.
Agenda Items

D.1



Central Florida Expressway Authority

REQUIRED AUDITOR COMMUNICATIONS

FISCAL YEAR ENDED JUNE 30, 2026

Joel Knopp, CPA - Partner

forvis mazars

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)

© 2024 Forvis Mazars, LLP. All rights reserved.

Services and Deliverables

- **Independent Auditor's Report on Financial Statements (Pages 1-3)**
- **Report on Internal Control over Financial Reporting and on Compliance (Pages 54-55)**
- **Report on Compliance with Bond Covenants (Page 56)**
- **Examination Report on Investment Compliance (Page 57)**
- **Management Letter (Pages 58-60)**

© 2024 Forvis Mazars, LLP. All rights reserved.

Financial Highlights



Financial Highlights – Overview
(in thousands)

	2026	2025
Total Assets and Deferred Outflows	$ 8,542,000	$ 8,152,000
Total Liabilities and Deferred Inflows	3,445,000	3,580,000
Net Position	5,097,000	4,572,000
Operating Revenue	780,000	763,000
Operating Expenses	178,000	185,000
Operating Income	602,000	578,000
Nonoperating Revenues (Expenses)	(77,000)	(94,000)
Change in Net Position	525,000	484,000
% Increase in Operating Revenue	2.2%	5.5%
% Increase (Decrease) in Operating Expense	(4.2%)	0.0%

© 2024 Forvis Mazars, LLP. All rights reserved.

Financial Highlights – Balance Sheets
(in thousands)

	2026	2025
Current Assets	$ 703,000	$ 749,000
Noncurrent Assets other than Capital	395,000	261,000
Capital Assets	7,289,000	6,941,000
Deferred Outflows of Resources	155,000	201,000
Total Assets & Deferred Outflows	8,542,000	8,152,000
Revenue Bonds Payable	2,991,000	3,156,000
Other Liabilities	445,000	415,000
Deferred Inflows of Resources	9,000	9,000
Total Liabilities & Deferred Inflows	3,445,000	3,580,000
Total Net Position	5,097,000	4,572,000
Total Liabilities, Deferred Inflows, & Net Position	$ 8,542,000	$ 8,152,000

© 2024 Forvis Mazars, LLP. All rights reserved.

Financial Highlights – Operation Overview
(in thousands)

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

	2026	2025
Operating Revenues	$ 780,000	$ 763,000
Investment Income, Capital Contributions	52,000	36,000
Total Revenues	832,000	799,000
Operating Expenses	178,000	185,000
Interest Expense	122,000	123,000
Loss on Disposal of Capital Assets	7,000	7,000
Total Expenses	307,000	315,000
Change in Net Position	525,000	484,000
Net Position, Beginning of Year	4,572,000	4,088,000
Net Position, End of Year	$ 5,097,000	$ 4,572,000
Debt Service Ratio	2.83	2.98

© 2024 Forvis Mazars, LLP. All rights reserved.

forvis mazars

Contact

Forvis Mazars

Joel Knopp
Partner
P: 407.740.5400
Joel.Knopp@us.forvismazars.com

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.

© 2024 Forvis Mazars, LLP. All rights reserved.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

Financial Statements and Supplementary Information

For Years Ended June 30, 2026 and 2025

DRAFT

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

Table of Contents

	Page
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 - 49
REQUIRED SUPPLEMENTARY INFORMATION	
Trend Data on Infrastructure Condition	50
Schedule of CFX's Proportionate Share of the Net Pension Liability – Florida Retirement System (FRS) and Retiree Health Insurance Subsidy (HIS) Program	51
Schedule of CFX Contributions – Florida Retirement System (FRS) and Retiree Health Insurance Subsidy (HIS) Program	52
OTHER SUPPLEMENTARY INFORMATION	
Calculation of the Composite Debt Service Ratio, as Defined by the Bond Resolutions and Related Documents	53
REPORTS ON COMPLIANCE AND INTERNAL CONTROL	
Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* – Independent Auditor's Report	54 - 55
Report on Compliance with Bond Covenants – Independent Auditor's Report	56
Independent Accountant's Report	57
Management Letter	58 - 60

DRAFT

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, 2026 and 2025. 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.

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 Summary

Operating income for CFX was $602,237,000 (an increase of 4%) and $577,787,000 (an increase of 7%) for fiscal years 2026 and 2025, respectively. The increase in operating income in fiscal year 2026 and 2025 is primarily due to increases in toll revenue from higher traffic.

Net income produced an increase in net position of $525,503,000 and $484,013,000 for fiscal years 2026 and 2025, 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 2026, CFX had a net position of $5,097,348,000, an increase of 11% over fiscal year 2025. At the close of fiscal

DRAFT

year 2025, CFX had a net position of $4,571,845,000, an increase of 12% over fiscal year 2024. CFX's overall financial position has improved, as shown by the increase in net position.

Detailed 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 $5,097,348,000 at the close of the most recent fiscal year. This represents an increase of $525,503,000 (11%) over the previous year, which is attributable to operations. Unrestricted net position increased from $702,529,000 on June 30, 2025, to $736,146,000 on June 30, 2026, an increase of $33,617,000 (5%). This increase was tied to the increase in CFX's toll revenues.

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 $7,289,136,000 in capital assets, net of accumulated depreciation, $39,631,000 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. The toll revenues on this non-system project are not pledged to CFX's bond indebtedness.

DRAFT

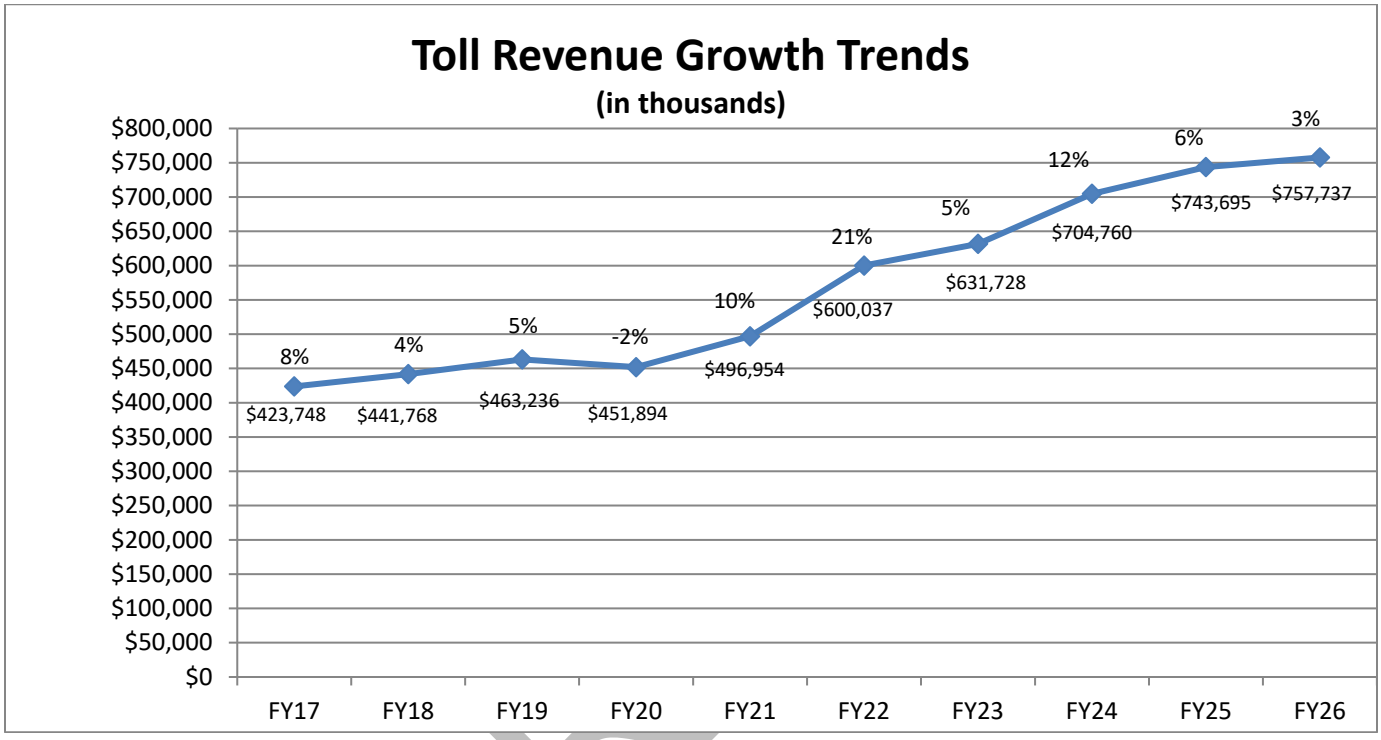
Central Florida Expressway Authority's Net Position

	June 30,		
	2026	**2025**	**2024**
	(in thousands)		
Current and non-current unrestricted assets	$ 708,646	$ 756,324	$ 690,789
Non-current restricted assets	389,227	254,252	155,717
Capital assets	7,289,136	6,940,806	6,590,457
Total assets	8,387,009	7,951,382	7,436,963
Deferred outflow of resources	154,566	200,806	240,570
Total assets and deferred outflows	8,541,575	8,152,188	7,677,533
Current liabilities			
Payable from unrestricted assets	122,329	89,851	158,660
Payable from restricted assets	223,830	221,883	158,662
Revenue bonds outstanding (net of current portion)	2,872,819	3,041,340	3,043,813
Other long-term liabilities	216,652	218,502	219,751
Total liabilities	3,435,630	3,571,576	3,580,886
Deferred inflows of resources	8,597	8,767	8,815
Total liabilities and deferred inflows	3,444,227	3,580,343	3,589,701
Net position:			
Net investment in capital assets	4,322,714	3,822,263	3,410,080
Restricted	38,488	47,053	18,525
Unrestricted	736,146	702,529	659,227
Total net position	$ 5,097,348	$ 4,571,845	$ 4,087,832

DRAFT

CFX's toll revenues increased 3% and 6% during the fiscal years ended June 30, 2026 and 2025, respectively. This increase was tied to an increase in traffic on the CFX system.

Toll revenue represents approximately 98% of all operating revenues. CFX's toll revenue annual growth rate has averaged 7% over the last 10 years.



DR

Central Florida Expressway Authority's Changes in Net Position

Central Florida Expressway Authority's Changes in Net Position

	Years Ended June 30,		
	2026	2025	2024
		(in thousands)	
Revenues:			
Toll revenues	$ 757,737	$ 743,695	$ 704,760
Transponder sales	2,066	2,281	2,187
Fees and Other operating revenue	17,617	14,918	14,056
Investment income	27,234	36,348	30,706
Goldenrod Road Extension revenues	2,447	2,383	1,477
Capital Contribution	25,000	-	-
Total revenues	832,101	799,625	753,186
Expenses:			
Operations	87,551	93,133	89,821
Maintenance	31,674	27,428	23,953
Administrative	12,533	12,372	13,249
Depreciation	25,927	25,217	24,036
Preservation	8,987	7,624	16,359
Other	9,689	13,761	12,400
Interest expense	121,649	122,811	117,575
Goldenrod Road Extension expenses	1,269	5,955	-
Loss on capital assets	7,319	7,311	3,759
Total expenses	306,598	315,612	301,152
Change in net position	525,503	484,013	452,034
Net position, beginning of year	4,571,845	4,087,832	3,635,798
Net position, end of year	$ 5,097,348	$ 4,571,845	$ 4,087,832

DRAFT

CFX's Operations, Maintenance and Administration ("OM&A") expenses for fiscal year 2026 decreased 1% from fiscal year 2025 and ended the year 5.1% 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.

Interest income was $27 million in 2026 and $36 million in 2025. This decrease of $9 million between fiscal years 2025 and 2026 was largely due to decreased 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 6% between fiscal years 2024 and 2025 and increased by 15% between fiscal years 2025 and

2026. 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 53% in fiscal year 2025 and 18% in fiscal year 2026. 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 increased by 11% between fiscal years 2024 and 2025 and then decreased by 30% between fiscal year 2025 and 2026. 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. Although other expenses decreased by 30% in 2026, they remained consistent with historical averages, reflecting the continued level of program support.

There was a loss of $7.3 million in capital assets in both fiscal year 2025 and 2026. 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 majority of the fiscal year 2025 loss resulted from the demolition of two bridges and the replacement of several signs. In fiscal year 2026, most of the loss resulted from the disposal of obsolete toll equipment.

Significant Capital Asset and Long-Term Financing Activity

Capital Assets - CFX's total capital assets – net of accumulated depreciation amounted to $7,289,136,000 as of June 30, 2026, an increase of $348,330,000 (5%) over that of June 30, 2025. CFX's total capital assets – net of accumulated depreciation amounted to $6,940,806,000 as of June 30, 2025, an increase of $350,349,000 (5%) over that of June 30, 2024. 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 2026 included the following:

- Completion of system safety improvement projects designed to enhance roadway conditions and support safer travel throughout the CFX system.
- Completion of widening improvements along portions of SR 429 to add roadway capacity to accommodate continued traffic growth.
- Initiation of interchange improvement construction on SR 408 to improve traffic flow and enhance access at key connections.
- Continued construction of the first phase of the SR 516 roadway while beginning construction on the next phases.

DRAFT

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 2025 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 2026, projected expenses for preservation were $30,144,000 with $8,987,000 being spent. For fiscal year 2025, projected expenses for preservation were $32,936,000 with $7,624,000 being spent. The expenses were lower than projected in 2026 and 2025 due to timing on several preservation projects.

Long-term Debt - CFX has outstanding bonds payable of $2,990,749,000 (net of unamortized bond premiums and discounts) as of June 30, 2025.

On November 25, 2025, CFX issued $276,240,000 of fixed-rate Series 2025A Revenue Bonds. The bonds were issued entirely as serial bonds to finance projects included in CFX's Five-Year Work Plan.

The annual requirements to amortize all revenue bonds and revenue refunding bonds outstanding as of June 30, 2026, along with more detailed information on long-term debt activity, can be found in Note 5, Long-Term Debt, which begins on page 33 of the financial statements.

CFX's debt service ratio decreased to 2.83 in fiscal year 2026, compared with 2.98 in fiscal year 2025 and 3.09 in fiscal year 2024. The decreases in fiscal years 2025 and 2026 were primarily attributable to increased debt service payments.

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, 2026 are as follows:

	Ratings
Standard & Poor's	AA-
Moody's	Aa3
Fitch	A+

DRAFT

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

DRAFT

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
Balance Sheets

Assets and Deferred Outflows of Resources	June 30, 2026	June 30, 2025
	(in thousands)	
Current assets:		
Cash and cash equivalents	$ 291,232	$ 319,718
Investments	70,890	70,589
Accrued interest and accounts receivable	91,256	107,034
Prepaid expenses	2,759	4,732
Due from governmental agencies	19,261	21,626
Lease receivable	911	876
Inventory	2,880	3,142
Total current unrestricted assets	479,189	527,717
Current restricted assets:		
Cash and cash equivalents	223,830	221,883
Total current assets	703,019	749,600
Noncurrent assets:		
Lease receivable	1,933	2,844
Prepaid bond insurance	3,694	3,880
Total noncurrent unrestricted assets	5,627	6,724
Noncurrent restricted assets:		
Cash and cash equivalents	243,266	97,568
Investments	145,508	156,172
Accrued interest receivable and prepaid expenses	453	512
Total noncurrent restricted assets	389,227	254,252
Total noncurrent assets before capital assets	394,854	260,976
Capital assets not being depreciated:		
Infrastructure	6,160,587	5,482,638
Construction in progress	942,111	1,269,647
Capital assets - net of accumulated depreciation:		
Property and equipment	186,438	188,521
Total capital assets - net of accumulated depreciation	7,289,136	6,940,806
Total noncurrent assets	7,683,990	7,201,782
Total assets	8,387,009	7,951,382
Deferred outflow of resources	154,566	200,806
Total assets and deferred outflows of resources	$ 8,541,575	$ 8,152,188

DRAFT

See notes to financial statements.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
Balance Sheets (continued)

Liabilities, Deferred Inflows of Resources, and Net Position	June 30, 2026	June 30, 2025
	(in thousands)	
Current liabilities payable from unrestricted assets:		
Accounts payable and accrued liabilities	$ 64,423	$ 36,405
Unearned toll revenue		27,062
Unearned other revenue	21,485	12,532
Current portion of due to governmental agencie	11,630	13,852
Total current liabilities payable from unrestricted assets	97,538	89,851
Current liabilities payable from restricted assets		
Accounts payable and accrued liabilities	46,532	45,998
Interest payable	59,368	61,570
Current portion of revenue bonds payable	117,930	114,315
Total current liabilities payable from restricted assets	223,830	221,883
Total current liabilities	321,368	311,734
Noncurrent liabilities:		
Revenue bonds payable - less current portion	2,872,819	3,041,340
Due to governmental agencies - less current portion	205,874	206,138
Net pension liability	10,778	12,364
Total noncurrent liabilities	3,089,471	3,259,842
Total liabilities	3,410,839	3,571,576
Deferred inflow of resources	8,597	8,767
Total liabilities and deferred inflows of resources	3,419,436	3,580,343
Net position:		
Net investment in capital assets	4,322,714	3,822,263
Restricted for:		
Operation, maintenance and administrative reserve	18,323	18,323
Renewal and replacement reserve	20,165	28,730
Total restricted net position	38,488	47,053
Unrestricted	736,146	702,529
Total net position	5,097,348	4,571,845
Total liabilities, deferred inflows of resources, and net position	$ 8,516,784	$ 8,152,188

DRAFT

See notes to financial statements.

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

	June 30, 2026	June 30, 2025
	(in thousands)	
Operating revenues:		
Toll revenues	$ 757,737	$ 743,695
Transponder sales	2,066	2,281
Fees and other	17,617	14,918
Goldenrod Road Extension Revenues	2,447	2,383
Total operating revenues	779,867	763,277
Operating expenses:		
Operations	87,551	93,133
Maintenance	31,674	27,428
Administrative	12,533	12,372
Depreciation	25,927	25,217
Preservation	8,987	7,624
Other expenses	9,689	13,761
Goldenrod Road Extension Expenses	1,269	5,955
Total operating expenses	177,630	185,490
Operating income	602,237	577,787
Nonoperating revenues (expenses):		
Investment income	27,234	36,348
Loss on disposal of capital assets	(7,319)	(7,311)
Interest expense	(121,649)	(122,811)
Capital Contribution	25,000	-
Total nonoperating revenues (expenses)	(76,734)	(93,774)
Change in net position	525,503	484,013
Net position at beginning of year	4,571,845	4,087,832
Net position at end of year	$ 5,097,348	$ 4,571,845

DRAFT

See notes to financial statements.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
Statements of Cash Flows

	June 30, 2026	June 30, 2025
	(in thousands)	
Operating activities:		
Receipts from customers and users	$ 802,327	$ 732,303
Payments to suppliers	(137,665)	(121,198)
Payments to employees	(10,732)	(9,851)
Net cash provided by operating activities	653,930	601,254
Capital and related financing activities:		
Acquisition and construction of capital assets	(354,703)	(397,340)
Proceeds from capital contributions	25,000	-
Proceeds from disposal of capital assets	226	730
Proceeds from issuance of bonds	314,624	405,651
Interest paid on revenue bonds	(136,550)	(123,631)
Payment of principal on revenue bonds	(420,750)	(347,370)
Payment of principal on government advances	(274)	(323)
Net cash provided by (used in) capital and related financing activities	(572,427)	(462,283)
Investing activities:		
Purchase of investments	(312,941)	(303,203)
Proceeds from sales and maturities of investments	323,304	337,506
Interest received	27,293	37,044
Net cash provided by (used in) investing activities	37,656	71,347
Net increase (decrease) in cash and cash equivalents	119,159	210,318
Cash and cash equivalents at beginning of year	639,169	428,851
Cash and cash equivalents at end of year	$ 758,328	$ 639,169
Cash and cash equivalents - unrestricted	$ 291,232	$ 319,718
Restricted cash and cash equivalents - current	223,830	221,883
Restricted cash and cash equivalents - noncurrent	243,266	97,568
	$ 758,328	$ 639,169

DRAFT

See notes to financial statements.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
Statements of Cash Flows (continued)

	June 30, 2026	June 30, 2025
	(in thousands)	
Reconciliation of operating income to net cash provided by operating activities:		
Income from operations	$ 602,237	$ 577,787
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	25,927	25,217
Changes in assets and liabilities:		
Accounts receivable	15,778	(9,528)
Due from governmental agencies	2,365	19,350
Prepaid expenses	1,973	(299)
Lease receivable	876	842
Inventory	262	782
Deferred outflows - pension-related	114	(111)
Accounts payable and accrued liabilities	1,454	6,037
Due to governmental agencies	(2,212)	3,412
Unearned toll revenue	(2,271)	(20,939)
Unearned other revenue	8,953	(507)
Net pension liability	(1,586)	(973)
Deferred inflows - leases	(872)	(871)
Deferred inflows - pension-related	932	1,055
Net cash provided by operating activities	$ 653,930	$ 601,254
Noncash investing, capital, and financing activities:		
Increase (decrease) in fair value of investments	$ (6,411)	$ 7,016
Increase (decrease) in capital-related accounts payable and retainage	27,098	(13,806)

DRAFT

See notes to financial statements.

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 (d) 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 now also reported as operating revenues and expenses due to the GASB 103 implementation.

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 (Semoran 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.

DRAFT

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.

DRAFT

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, 2026 and 2025 as a deferred outflow of resources in the amount of $150,245,000 and $196,371,000, 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 $4,321,000 and $4,435,000 at June 30, 2026 and 2025, 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, 2026 and 2025 as a deferred inflow of resources in the amount of $3,693,000 and $3,924,000, 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, 2026 and 2025 totaled $2,362,000 and $1,429,000, 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 - CFX 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, 2026 and 2025 totaled $2,542,000 and $3,414,000, respectively, and is further discussed in Note 6.

DRAFT

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 $144,000 from June 30, 2025 to June 30, 2026.

DRAFT

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.

DRAFT

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 2025 financial statements have been reclassified to conform to the 2026 classifications due to the implementation of GASB 103, *Financial Reporting Model Improvements*.

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:

DRAFT

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)	75%	25%	Highest Fund Rating by all NRSROs who rate the fund (AAAm/Aaa-mf, or equivalent)	N/A	X
Fixed-Income Mutual Funds and ETFs	25%	10%	N/A	3 Years	

DRAFT

Sector	Sector Maximum (%)	Per Issuer Maximum (%)	Minimum Ratings Requirement[1]	Maximum Maturity	Master Bond Resolution Permitted Investments
Intergovernmental Pools (LGIPs)	75%	50%	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, 2026, the carrying amount of CFX's various deposits accounts was $560,207,271. 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, 2026 and 2025.

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.

DRAFT

Note 2 - Deposits and Investments *(Continued)*

CFX uses the distribution of maturities to manage interest rate risk. As of June 30, 2026, 8% of CFX's investments had a maturity of less than 6 months, 4% had a maturity of 6 to 12 months, 13% had a maturity of 1 to 2 years, 36% had a maturity of 2 to 3 years, 39% had a maturity of 3 to 4 years, and 1% had a maturity of over 4 years. 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.

Total distributions of maturities are as follows:

	As of June 30, 2026 (in thousands)					
	Less than 6 months	6 - 12 months	1 - 2 years	2 - 3 years	3+ years	Total
US Treasury Securities	$ -	$ -	$ 6,072	$ 58,449	$ 68,672	$ 133,193
Federal Instruments	498	832	5,491	680	-	7,501
Corporate Note	-	-	15,656	15,699	2,668	34,023
Commercial Paper	15,866	7,055	-	-	-	22,921
Municipal Bond Note	-	-	-	-	-	-
Corp. Asset Backed Sec.	-	-	125	2,805	15,830	18,760
Total	$ 16,364	$ 7,887	$ 27,344	$ 77,633	$ 87,170	$ 216,398

	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	$ 50,962	$ 10,279	$ 27,254	$ 115,031	$ 23,235	$ 226,761

DRAFT

Note 2 - Deposits and Investments *(Continued)*

Credit Risk and Fair Value Measurement - Total CFX deposits and investments are as follows (in thousands):

	June 30, 2026	Fair Value Measurements Using	
		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	$ 133,193	$ 133,193	$ -
Commercial Paper	22,921	22,921	-
Federal Instrumentalities	7,501	7,501	-
Money Market Mutual Funds	198,121	198,121	-
Corporate Note	34,023	34,023	-
Corporate Asset Backed Securities	18,760	-	18,760
Total investments by fair value measure	414,519	$ 395,759	$ 18,760
Total deposits	560,207		
Total deposits and investments	974,726		
Restricted	612,604		
Unrestricted	$ 362,122		

DRAFT

Note 2 - Deposits and Investments *(Continued):*
(in thousands):

	June 30, 2025	Fair Value Measurements Using: Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1)	Fair Value Measurements Using: 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		

DRAFT

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.

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, 2026 and 2025, 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,	
	2026	2025
	(in thousands)	
Reserve funds:		
Operations, maintenance and administrative reserve	$ 18,323	$ 18,323
Renewal and replacement reserve	20,165	28,730
Total reserve funds	38,488	47,053
Bond funds:		
Principal and interest accounts	182,713	183,339
Reserve accounts	142,232	143,839
Total bond funds	324,945	327,178
Construction funds:		
2024AB construction funds	-	101,391
2025A construction funds	249,171	-
Total construction funds	249,171	101,391
Total restricted cash, cash equivalents and investments	612,604	475,623
Portion related to cash and cash equivalents	467,096	319,451
Portion related to investments	$ 145,508	$ 156,172

DRAFT

Note 3 - Due From Governmental Agencies

Due from governmental agencies consists of the following:

	June 30, 2026	June 30, 2025
	(in thousands)	
City of Orlando - Tolls Recovered	$ -	$ 3
E-ZPass - E-Zpass Customers' use of E-PASS Roads	2,759	4,545
Florida Department of Transportation - Operations and Maintenance Reimbursement	1,064	1,158
Florida Department of Transportation - SunPass Customers' use of E-PASS Roads	5,913	6,661
Lee County - LeeWay Customers' use of E-PASS Roads	9	8
Orange County - Fines/Fees	981	830
Osceola County - CR 534 Reimbursement	500	500
Osceola County - CR 532 Widening Reimbursement	7,920	7,921
Tohopekaliga Water Authority	115	-
	$ 19,261	$ 21,626
Less current portion	(19,261)	(21,626)
	$ -	$ -

DRAFT

Note 4 - Capital Assets

Capital assets are summarized as follows (in thousands):

	June 30, 2025	Additions	Reductions	Transfers	June 30, 2026
Infrastructure (non-depreciable):					
Right-of-way	$ 1,115,024	$ 6,074		$ 9,248	$ 1,130,346
Highways and bridges	4,367,614	34,621	(4,759)	632,765	5,030,241
Total infrastructure (non-depreciable)	5,482,638	40,695	(4,759)	642,013	6,160,587
Construction in progress (non-depreciable):					
Right-of-way	176,767	65,654	(18)	(9,248)	233,155
Highways and bridges	1,024,731	253,837	(108)	(632,765)	645,695
Buildings and toll facilities	2,598	81	(10)	(2,598)	71
Toll equipment	541	2,514	-	(139)	2,916
Furniture, equipment and other	65,010	7,473	(89)	(12,120)	60,274
Total construction in progress (non-depreciable)	1,269,647	329,559	(225)	(656,870)	942,111
Property and equipment (depreciable):					
Toll equipment	100,949	-	(5,913)	139	95,175
Buildings and toll facilities	176,824	3,367	-	2,598	182,789
Furniture, equipment and other	164,002	8,180	(5,735)	12,120	178,567
Total property and equipment (depreciable)	441,775	11,547	(11,648)	14,857	456,531
Less accumulated depreciation for:					
Toll equipment	(61,515)	(8,610)	5,913	-	(64,212)
Buildings and toll facilities	(102,758)	(5,282)	-	-	(108,040)
Furniture, equipment and other	(88,981)	(12,035)	3,175	-	(97,841)
Total accumulated depreciation	(253,254)	(25,927)	9,088	-	(270,093)
Total property and equipment being depreciated, net	188,521	(14,380)	(2,560)	14,857	186,438
Total capital assets	$ 6,940,806	$ 355,874	$ (7,544)	$ -	$ 7,289,136

DRAFT

Note 4 - Capital Assets *(Continued)*

	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)	5,445,673	40,340	(6,522)	3,147	5,482,638
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)	956,802	337,552	-	(24,707)	1,269,647
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)	419,706	5,716	(5,207)	21,560	441,775
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	(231,724)	(25,217)	3,687	-	(253,254)
Total property and equipment being depreciated, net	187,982	(19,501)	(1,520)	21,560	188,521
Total capital assets	$ 6,590,457	$ 358,391	$ (8,042)	$ -	$ 6,940,806

DRAFT

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.

DRAFT

Note 5 - Long-Term Debt

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

	June 30, 2025	Additions	Deletions	June 30, 2026
Bonds Payable:				
Series 2016A	$ 104,275	$ -	$ (1,015)	$ 103,260
Series 2016B	401,200	-	(22,720)	378,480
Series 2017	308,195	-	(129,635)	178,560
Series 2018	199,615	-	(76,490)	123,125
Series 2019A	119,215	-	(2,580)	116,635
Series 2019B	407,230	-	(8,530)	398,700
Series 2021	534,620	-	(114,045)	420,575
Series 2021D	198,435	-	-	198,435
Series 2024A	145,430	-	(1,940)	143,490
Series 2024B	215,605	-	-	215,605
Series 2025A	-	276,240	-	276,240
Total Bonds Payable	2,633,820	276,240	(356,955)	2,553,105
Direct Borrowings:				
Series 2012A	8,485	-	(8,485)	-
Series 2020A	95,735	-	(1,310)	94,425
Series 2021B	28,820	-	(28,820)	-
Series 2021C	25,180	-	(25,180)	-
Total Direct Borrowings	158,220	-	(63,795)	94,425
Total revenue bonds	2,792,040	276,240	(420,750)	2,647,530
Add unamortized bond premium	363,615	38,384	(58,780)	343,219
Less current portion of revenue bonds payable	(114,315)	(117,930)	114,315	(117,930)
Revenue bonds payable - net of current portion	$ 3,041,340	$ 196,694	$ (365,215)	$ 2,872,819

DRAFT

Note 5 - Long-Term Debt *(Continued)*

Comparative activity for the prior fiscal year 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
Total revenue bonds	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

DRAFT

Note 5 - Long-Term Debt *(Continued)*

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.

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 notated 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.

DRAFT

Note 5 - Long-Term Debt *(Continued)*

Fixed Rate Debt

The Central Florida Expressway Authority Revenue Bonds, Series 2025A, were originally issued on November 25, 2025 and were outstanding in the aggregate principal amount of $276,240,000 and $0 at June 30, 2026 and 2025, respectively. The outstanding principal is scheduled in installments beginning on July 1, 2029 through July 1, 2039 in amounts ranging from $5,385,000 to $60,405,000, plus interest. The 2025A Bonds are payable from, and secured by, a pledge of net revenues from the operation of the expressway System. Interest on the 2025A Bonds is due and paid semiannually. The purpose of the Series 2025A Bonds was to fund a portion of the Five-Year Work Plan.

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 at both June 30, 2026 and 2025. The outstanding principal is scheduled in 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 $143,490,000 and $145,430,000 at June 30, 2026 and 2025, respectively. The outstanding principal is scheduled in annual installments beginning on July 1, 2026 through July 1, 2054 in amounts ranging from $2,305,000 to $9,025,000, plus interest. 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 at both June 30, 2026 and 2025. The outstanding principal is scheduled 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.

DRAFT

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 had no outstanding principal at June 30, 2026, compared with $25,180,000 at June 30, 2025. The bond was issued in the form of a bank loan directly with the bondholder, Citizens First Bank, and the final principal installment of $25,180,000 plus interest was due July 1, 2025. Interest on the 2021C Bond was due and paid semiannually. The 2021C Bond was 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 had no outstanding principal at June 30, 2026, compared with $28,820,000 at June 30, 2025. The bond was issued in the form of a bank loan directly with the bondholder, Key Government Finance, Inc., and the final principal installment of $28,820,000 plus interest was due July 1, 2025. Interest on the 2021B Bond was due and paid semiannually. The 2021B Bond was payable from, and secured by, a pledge of net revenues from the operation of the expressway System. The purpose of the Series 2021B Bond 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 $420,575,000 and $534,620,000 at June 30, 2026 and 2025, respectively. The outstanding principal is scheduled in installments beginning on July 1, 2026 through July 1, 2040 in amounts ranging from $23,200,000 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-rate bonds and terminating the associated swaps, 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 $94,425,000 and $95,735,000 at June 30, 2026 and 2025, respectively. The bond was issued in the form of a bank loan directly with the bondholder, STI Institutional & Government, Inc. The outstanding principal is scheduled in annual installments beginning on July 1, 2026 through July 1, 2032 in amounts ranging from $10,910,000 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.

DRAFT

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 $398,700,000 and $407,230,000 at June 30, 2026 and 2025, respectively. The outstanding principal is scheduled in annual installments beginning on July 1, 2026 through July 1, 2049 in amounts ranging from $8,960,000 to $27,520,000, plus interest. 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 $116,635,000 and $119,215,000 at June 30, 2026 and 2025, respectively. The outstanding principal is scheduled in annual installments beginning on July 1, 2026 through July 1, 2049 in amounts ranging from $2,710,000 to $7,455,000, plus interest. 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 $123,125,000 and $199,615,000 at June 30, 2026 and 2025, respectively. The outstanding principal is scheduled in installments beginning on July 1, 2026 through July 1, 2048 in amounts ranging from $4,710,000 to $13,780,000, plus interest. 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 $178,560,000 and $308,195,000 at June 30, 2026 and 2025, respectively. The outstanding principal is scheduled in installments beginning on July 1, 2026 through July 1, 2042 in amounts ranging from $875,000 to $61,935,000, plus interest. 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 Bonds and a portion of the Series 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.

DRAFT

Note 5 - Long-Term Debt *(Continued)*

Fixed Rate Debt *(Continued)*

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 $378,480,000 and $401,200,000 at June 30, 2026 and 2025, respectively. The outstanding principal is scheduled in installments beginning on July 1, 2026 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 $92,180,668.91 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 $103,260,000 and $104,275,000 at June 30, 2026 and 2025, respectively. The outstanding principal is scheduled in installments beginning on July 1, 2026 through July 1, 2037 in amounts ranging from $1,065,000 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 had no outstanding principal at June 30, 2026, compared with $8,485,000 at June 30, 2025. The bond was issued in the form of a subordinate bank loan directly with the bondholder, SunTrust Bank, and the final principal installment of $8,485,000 plus interest was due July 1, 2025. The 2012A Bond was 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 was due and paid semiannually.

Collectively, the purpose of the Series 2012 and 2012A Bonds was to refund the Series 2003C1 and 2003C3 Bonds and to fund termination payments on the associated swaps. The purpose of the refunding was to lower the risk profile of CFX’s debt at an attractive rate.

DRAFT

Note 5 - Long-Term Debt *(Continued)*

Fixed Rate Debt *(Continued)*

The annual requirements to amortize all revenue bonds and revenue refunding bonds outstanding as of June 30, 2026, are summarized as follows (all amounts in thousands). The totals below are net of capitalized interest funds available for debt service.

Year	Bonds Principal	Bonds Interest	Total P&I Due	Direct Principal	Direct Interest	Total P&I
2027	107,020	114,606	221,626	10,910	1,370	12,280
2028	111,360	109,146	220,506	11,675	1,196	12,871
2029	116,285	103,461	219,746	12,460	1,110	13,570
2030	106,375	98,001	204,736	15,480	795	16,275
2031	115,500	92,733	208,233	15,065	560	15,625
2032-2036	711,425	371,442	1,082,867	28,835	441	29,276
2037-2041	760,225	206,746	966,971	-	-	-
2042-2046	287,215	87,218	374,433	-	-	-
2047-2051	204,100	28,176	232,726	-	-	-
2052-2056	33,600	3,463	37,063	-	-	-
Total	$ 2,553,105	$ 1,214,991	$ 3,768,096	$ 94,425	$ 5,373	$ 99,798

DRAFT

Debt Service Reserve Requirements - CFX has purchased surety policies from bond insurers for the outstanding 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, 2019B, 2024A, 2024B, and 2025A Bonds are secured by a cash reserve. The Series 2020A Bond is not secured by a reserve. Bond covenants do not require minimum ratings for providers of surety policies.

Defeased Bonds - In June 2021, CFX used proceeds from the Series 2021B and 2021C Refunding Bonds to fund an escrow for principal and interest on the refunded Series 2012 and 2013B Bonds through their call dates. The principal for those defeased bonds was fully paid as of June 30, 2023. On July 15, 2024, $250,935,000 of Series 2016A and 2016B Bonds were defeased with cash on hand. On October 28, 2025, $306,435,000 of Series 2017, 2018, and 2021 were defeased with cash on hand.

Note 5 - Long-Term Debt *(Continued)*

Due to Governmental Agencies

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

	June 30, 2025	Additions	Deletions	June 30, 2026
Advances from FDOT for construction, operations and maintenance of certain plazas and roadways	$ 1,642	$ 1,064	$ (1,642)	$ 1,064
Loans and advances for specific projects	206,412	-	(274)	206,138
Toll revenue due to other state agencies	11,936	236,775	(238,409)	10,302
Total due to governmental agencies	219,990	237,839	(240,325)	217,504
Less current portion	(13,852)	(11,630)	13,852	(11,630)
Due to other governments net of current portion	$ 206,138	$ 226,209	$ (226,473)	$ 205,874

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

Year Ending June 30,	Amount
2027	$ 11,630
2028	-
2029	8,087
2030	8,187
2031	8,288
Thereafter	181,312
	$ 217,504

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

Included in loans and advances for specific projects is $3,237,286 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 the project are used solely to pay extension expenses and reimburse the funding partners, including CFX, for their original contributions. 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 U.S. Department of Transportation. The loan was secured from qualifying expenses for acquisition of right-of-way and construction of the Wekiva Parkway. Principal repayments begin in fiscal year 2029 and continue through fiscal year 2050.

DRAFT

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 $876,000 and $842,000 for fiscal years 2026 and 2025, respectively. Interest income was recognized for $33,000 and $41,000 for fiscal years 2026 and 2025, respectively.

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

Year Ending June 30,	Principal	Interest
2027	911	25
2028	948	17
2029	985	8
	$ 2,844	$ 50

DRAFT

Note 7 - Commitments and Contingencies

Commitments - Outstanding construction and other significant commitments for improvements, maintenance and operation of the System totaled approximately $581,629,000 at June 30, 2026.

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

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 2026 were 11.3% regular class and 12.67% for senior management class and for fiscal year 2025 were 11.3% for regular class and 12.67% for senior management class.

DRAFT

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 2026 contribution rate applied to regular employee salaries was 14.03%, including 2.00% for a post-retirement health insurance subsidy ("HIS"). The fiscal year 2025 contribution rate was 13.63%, which included 2.00% for HIS. The fiscal year 2026 contribution rate applied to senior management salaries was 33.24%, including 2.00% HIS. The fiscal year 2025 contribution rate was 34.52%, which included 2.00% for HIS. The fiscal year 2026 contribution rate applied to the salaries of the employees in DROP was 22.02%, 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, 2026 and 2025 were $2,046,000 and $1,994,000, respectively. Employee contributions were $338,000 and $335,000 for the fiscal years ended June 30, 2026 and 2025, respectively.

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

CFX reported a liability of $10,778,000 and $12,364,000, at June 30, 2026 and 2025, respectively, for its proportionate share of the net pension liability of FRS and HIS. The net pension liability as of June 30, 2026 and 2025 was measured as of June 30, 2025 and 2024, 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 2024 and 2025 relative to the historical contributions of all participating employers. At the measurement date of June 30, 2025, CFX's proportion was 0.02375% and 0.02659% for FRS and HIS, respectively, which was an increase of 0.00142% and an increase of 0.00174% from its respective proportion measured as of June 30, 2024.

DRAFT

Note 8 - Retirement Plans *(Continued)*

At the measurement date of 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.

For the year ended June 30, 2026, CFX recognized a total of $1,092,000 pension expense with $888,000 and $204,000, for FRS and HIS, respectively. 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.

At June 30, 2026, 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	$ 787	$ -
Changes of assumptions	856	-
Differences between projected and actual earnings on pension plan investments	-	1,231
Changes in proportion	560	299
CFX contributions subsequent to the measurement date	1,402	-
Total	$ 3,605	$ 1,530

	HIS	
	Deferred Outflows of Resources	**Deferred Inflows of Resources**
Differences between expected and actual Experience	$ 21	$ 6
Changes of assumptions	30	824
Differences between projected and actual earnings on pension plan investments	-	3
Changes in proportion	435	-
CFX contributions subsequent to the measurement date	230	-
Total	$ 716	$ 833

DRAFT

Note 8 - Retirement Plans *(Continued)*

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	334	574
Changes in proportion	500	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

DRAFT

$1,632,000 and $1,656,000 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, 2027 and June 30, 2026 respectively.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions as of June 30, 2026 will be recognized in pension expense as follows (in thousands):

Years Ending June 30:	FRS	HIS
2027	$ 183	$ (9)
2028	179	(9)
2029	147	(15)
2030	86	(34)
2031	105	(84)
Thereafter	(27)	(196)

Note 8 - Retirement Plans *(Continued)*

Actuarial Assumptions – The actuarial assumptions that determined the total pension liability as of the measurement dates 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.

Fiscal Year	June 30, 2025	June 30, 2026
Valuation date	July 1, 2024	July 1, 2025
Measurement date	June 30, 2024	June 30, 2025
Inflation	2.40%	2.40%
Salary increases, including inflation	3.50%	3.50%
Mortality	PUB-2010 base table varies by member category and sex, projected generationally with Scale MP-2021	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 the measurement dates of June 30, 2025 and June 30, 2024 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%	

DRAFT

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, 2025 and June 30, 2024 respectively. The discount rate used to measure the total pension liability was 5.20% and 3.93% for HIS as of June 30, 2025 and June 30, 2024 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 the fiscal years ended June 30, 2026 and June 30, 2025 respectively. The discount rate of 5.2% and 3.93% was used for HIS for the fiscal years ended June 30, 2026 and June 30, 2025 respectively. The following also presents what CFX's proportionate share of the net pension liability would be at June 30, 2026 and 2025 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, 2026		
	FRS		
	1% Decrease 5.7%	Current Discount Rate 6.7%	1% Increase 7.7%
CFX's proportionate share of the net pension liability (asset)	$ 14,467,134	$ 7,371,846	$ 1,423,259
	HIS		
	1% Decrease 4.2%	Current Discount Rate 5.2%	1% Increase 6.2%
CFX's proportionate share of the net pension liability (asset)	$ 3,842,947	$ 3,407,892	$ 3,043,020

DRAFT

Note 8 - Retirement Plans *(Continued)*

	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

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

	June 30, 2025	Additions	Deletions	June 30, 2026	Due Within One year
Net pension liability	$ 12,364	$ 4,878	$ 6,464	$ 10,778	$ -

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

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

DRAFT

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 2024, 2025 and 2026 year-to-date.

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

Note 10 – Subsequent Events

On July 21, 2026, CFX issued Central Florida Expressway Authority Senior Lien Refunding Revenue Bonds, Series 2026A in the principal amount of $295,430,000. The bonds were issued for the purpose of refunding a portion of the outstanding Central Florida Expressway Authority Senior Lien Refunding Revenue Bonds, Series 2016B. The refunding resulted in net present value savings of approximately $10,707,000.

DRAFT

REQUIRED SUPPLEMENTARY INFORMATION

DRAFT

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
2026	95%
2025	95%
2024	92%
2023	92%
2022	92%

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

(in thousands)

Fiscal Year	Budget	Actual
2026	$ 30,114	$ 8,987
2025	32,936	7,624
2024	4,557	16,359
2023	30,101	24,177
2022	39,480	21,465

DRAFT

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
Share of Net Pension Liability

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
2026	2025	0.0238%	$ 7,372	$ 7,981	92.37%	87.26%
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%

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
2026	2025	0.0266%	$ 3,408	$ 11,534	29.55%	6.36%
2025	2024	0.0248%	$ 3,727	$ 11,887	31.36%	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%

DRAFT

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
2026	$ 1,402	$ 1,402	$ -	$ 7,912	17.72%
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%

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
2026	$ 230	$ 230	$ -	$ 11,534	2.00%
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%

DRAFT

OTHER SUPPLEMENTARY INFORMATION

DRAFT

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

Schedule 1

	Years Ended June 30, 2026	Years Ended June 30, 2025
	(in thousands)	
Revenues:		
Tolls	$ 757,737	$ 743,695
Fees tied to revenue collection	13,731	11,033
Transponder sales	2,066	2,281
Other operating	1,793	2,382
Interest	20,676	21,355
Miscellaneous	992	988
Total revenues	796,995	781,734
Expenses:		
Operations	87,551	93,133
Maintenance	31,674	27,428
Administration	12,533	12,372
Other operating	3,716	3,514
Total expenses	135,474	136,447
Add deposits into OMA reserve	-	770
Less advances allowable for operations and maintenance expenses received from FDOT	(6,814)	(8,500)
Net expenses	128,660	128,717
Net revenues, as defined, inclusive of advances received from the FDOT	$ 668,335	$ 653,017
Senior lien debt service payments	$ 235,949	$ 219,052
Senior lien debt service ratio of net revenues to debt service payments	2.83	2.98
Subordinate Payments	$ 1,579	$ 11,012
Subordinate Debt Service Ratio*	2.81	2.84

DRAFT

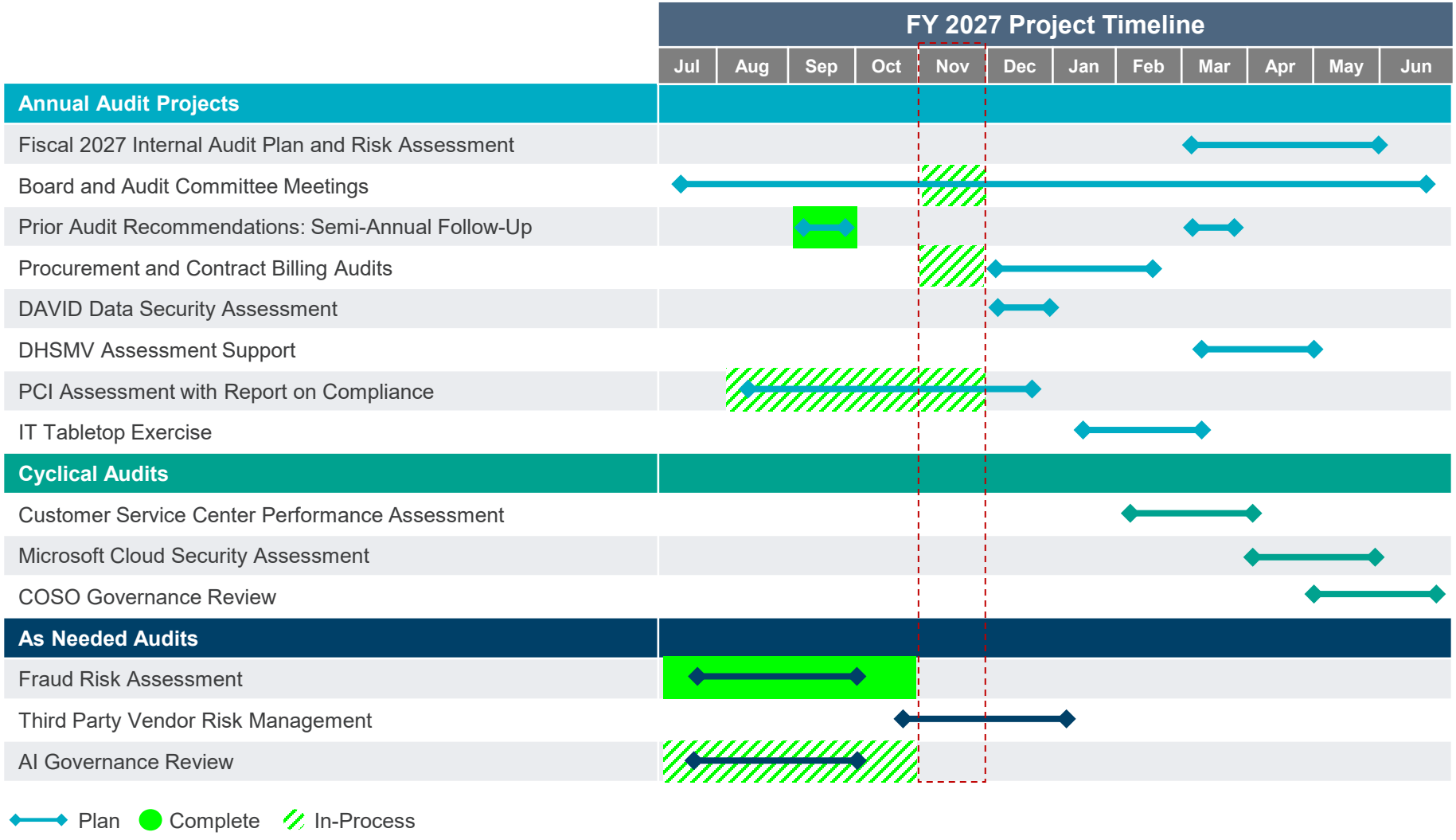
*These calculations are done according to the Master Subordinate Lien Resolution.

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.

D.2

INTERNAL AUDIT TIMELINE

AS OF NOVEMBER 4, 2026



© 2026 Protiviti Inc. All Rights Reserved. This document has been prepared for use by the CFX's management, audit committee, and board of directors. This report provides information about the condition of risks and internal controls at one point in time. Future events and changes may significantly and adversely impact these risks and controls in ways that this report did not and cannot anticipate.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY protiviti

D.3

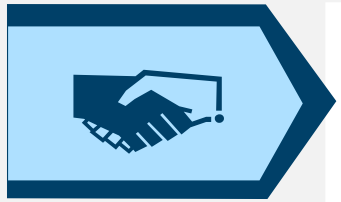
CFX BUSINESS CONTINUITY MANAGEMENT REVIEW SUMMARY

June 2026

protiviti®

Global Business Consulting

Executive Summary



Overview and Objectives

The objective of the Business Continuity Management Review was to evaluate how **Central Florida Expressway Authority** ("**CFX**") manages Business Continuity, including IT Disaster Recovery plans and Crisis Management. This review assessed the effectiveness of documented plans and foundational efforts, such as the Business Impact Analysis (BIA), that were performed to create these plans.

Project Scope and Approach

As part of this review, Protiviti:

- **Obtained an understanding of the current Business Continuity framework:**
  - Reviewed existing Business Continuity plans, IT Disaster Recovery plans, and Crisis Management protocols within CFX.
  - Assessed the foundational efforts, including the Business Impact Analysis conducted in 2021.
- **Defined the assessment criteria:**
  - Focused on the alignment of CFX's practices with industry standards and best practices for Business Continuity Management.
- **Performed a gap analysis:**
  - Identified deficiencies and areas for improvement in current Business Continuity and Disaster Recovery plans.
  - Compared existing practices against best practices identified in the 2021 Business Continuity audit.
- **Reviewed policies and procedures:**
  - Assessed documentation related to Business Continuity, IT Disaster Recovery, and Crisis Management for completeness and relevance.
- **Conducted interviews with key personnel:**
  - Engaged with stakeholders involved in Business Continuity planning and response to understand the implementation and management of these practices.
- **Testing and validation:**
  - Assessed the effectiveness of testing strategies, training schedules, and the overall preparedness of CFX staff in responding to business disruptions.

During the course of the audit, Protiviti identified **three observations** spanning the organization's business continuity management program, all related to **documentation**.



© 2026 Protiviti – Confidential. An Equal Opportunity Employer M/F/Disability/Veterans. Protiviti is not licensed or registered as a public accounting firm and does not issue opinions on financial statements or offer attestation services. All registered trademarks are the property of their respective owners.

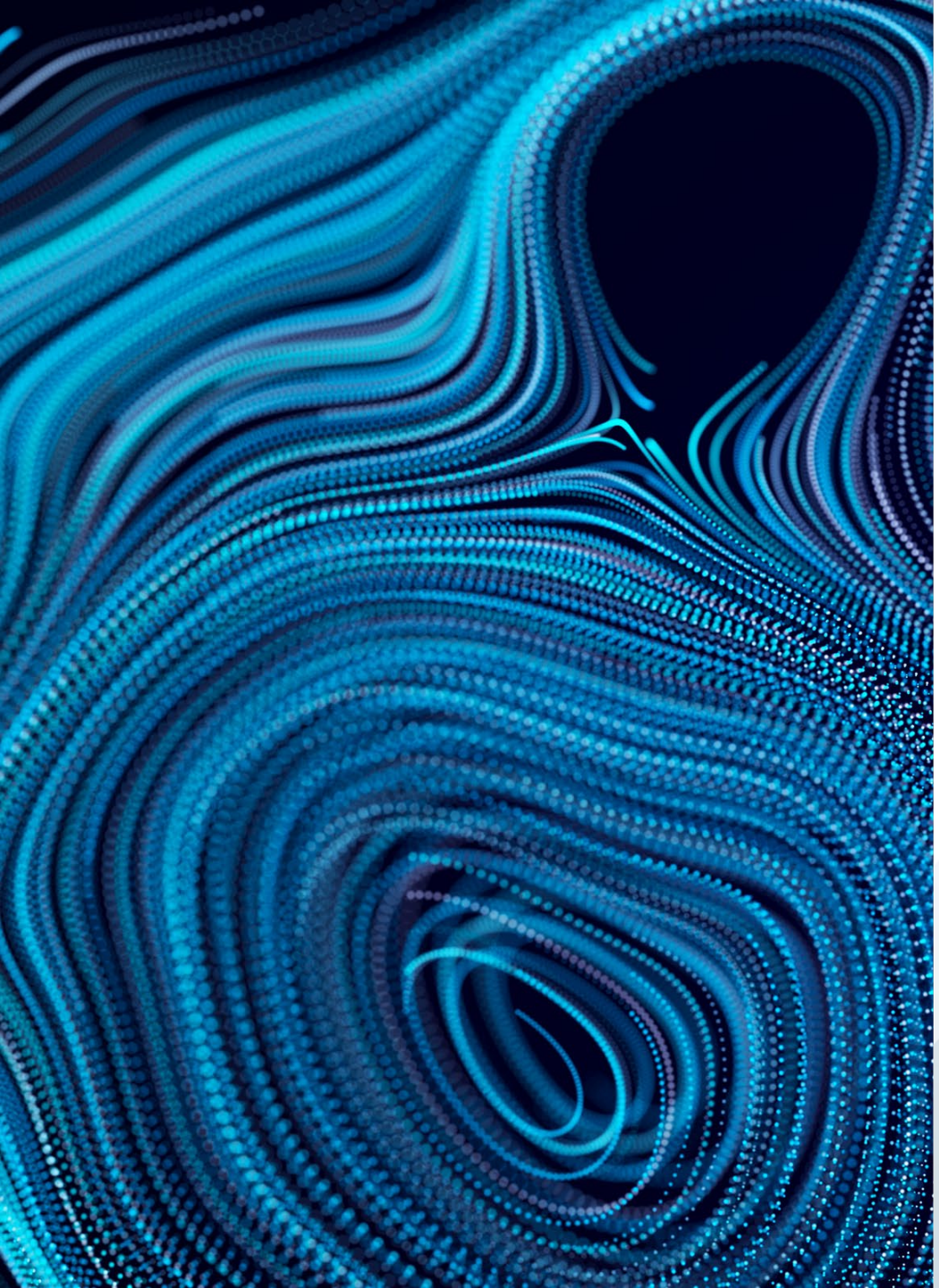
protiviti

Face the Future with Confidence®

© 2026 Protiviti – Confidential. An Equal Opportunity Employer M/F/Disability/Veterans. Protiviti is not licensed or registered as a public accounting firm and does not issue opinions on financial statements or offer attestation services. All registered trademarks are the property of their respective owners.

protiviti®
Global Business Consulting

D.4



TOLL REVENUE AUDIT

Central Florida Expressway Authority

July 2026

protiviti®
Global Business Consulting

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

Table of contents

Section	Page
Executive Summary	3
Objectives, Scope, and Approach	6
Summary of Audit Procedures Performed and Results	7
Appendix A – Detailed Audit Procedures Performed	8

Executive Summary

Overview

The Central Florida Expressway Authority (“CFX”) owns and operates a total of 125 centerline miles of roadway, consisting of 116 centerline miles in Orange County, seven centerline miles in Osceola County, and two centerline miles in Lake County. The roadway network includes 33 centerline miles on State Road (SR) 417, 30 centerline miles on SR 429, 23 centerline miles on SR 528, 22 centerline miles on SR 408, seven centerline miles on SR 538, six centerline miles on SR 414, and two centerline miles each on SR 451 and SR 453. On average, more than 1.6 million electronic toll transactions are recorded daily. CFX operates E-PASS, the first electronic toll collection system in Florida, with more than one million E-PASS accounts.

In accordance with the 2026 Internal Audit Plan, Internal Audit reviewed and tested internal controls over Electronic Toll Revenue for the 18-month period July 1, 2024, through December 31, 2025. For historical reference on revenue trends, toll revenue collection figures for the fiscal years ended June 30, 2024, June 30, 2025, and June 30, 2026, are provided in the table below:

Fiscal Year	Total Toll Revenue ($000s)	Transponder Toll Collection Revenue (ETC*)	% ETC* of FY Total Rev.	Pay By Plate Revenue (PBP)	% PBP of FY Total Rev.	Cash Revenue	% Cash of FY Total Rev.
2024	$704,760	$585,270	83.1%	$107,206	15.2%	$12,284	1.7%
2025	$743,695	$612,690	82.4%	$121,924	16.4%	$9,081	1.2%
2026**	$755,800	$647,073	85.6%	$107,899	14.3%	$828	0.1%

*ETC refers to Electronic Toll Collections of toll transactions involving a transponder (E-PASS, SunPass, etc.).
**2026 Toll Revenues are based on CFX's Statistical Report prepared for the June 2026 CFX Board Meeting. Year-end financials were not finalized at the time this report was prepared. There, this does not reflect the final amount that may be reported in CFX's financial statements for the year ended June 30, 2026.

Cash Toll Collections

On September 30, 2025, CFX completed a transition to an all-electronic, cashless toll collection roadway system. While customers are still able to pay tolls using cash, checks, or money orders via mail or in-person at the E-PASS Customer Service Center located in Downtown Orlando, **cash toll revenue** activity represents a minimal and declining portion of total toll revenue and **was therefore not included within the scope of this audit**. Accordingly, Internal Audit’s procedures were focused solely on processes and internal controls related to electronic toll revenue.

Executive Summary

Electronic Toll Revenue

Transponder-based Toll Collections (E-PASS and other transponders)

Customers who drive on CFX roadways have the option of utilizing a prepaid E-PASS account through the use of a transponder. Each time a customer travels through a tolling location where E-PASS is accepted, Automatic Vehicle Identification (AVI) equipment reads the transponder and identifies the associated customer account. The applicable toll is electronically deducted from the prepaid account balance. Customers may add funds to their E-PASS accounts online, by phone, or through available customer service options and authorized reload channels. E-PASS is interoperable with other tolling agencies, allowing customers to use transponders on toll facilities operated by agencies participating in the SunPass and E-ZPass networks. In addition, E-PASS transponders may be used at certain parking facilities within Central Florida, including Orlando International Airport.

The day-to-day operations associated with E-PASS accounts are outsourced to a third-party contractor. The contractor is responsible for staffing customer service operations and performing account administration activities through multiple customer support channels, including walk-in service, telephone support, mail, email, and the E-PASS website. Responsibilities also include various back-office processing and reconciliation activities associated with E-PASS account management.

Pay By Plate Toll Collections

Pay By Plate (PBP) toll invoicing is an option for customers to “pay as you go” without maintaining an E-PASS account. When a vehicle travels through a tolling location without a valid transponder, an image of the vehicle’s license plate is captured and used to identify the registered owner. The applicable toll is then assessed to the registered vehicle owner through CFX’s tolling system; A monthly toll invoice is subsequently generated and mailed to the registered owner of the vehicle. Customers may remit payment through a variety of available channels, including online, by phone, by mail, and through other authorized in-person options. Pay By Plate customers pay higher toll rates than E-PASS customers and are not eligible for E-PASS discounts and savings programs.

Pay By Plate invoice payments are due within 30 days to avoid toll violations and associated fees. Customers with unpaid invoices are issued additional notices requesting payment. For in-state customers who remain delinquent, CFX coordinates with the Florida Department of Highway Safety and Motor Vehicles (DHSMV) to place registration holds as part of the collection process. Upon payment of outstanding balances, CFX notifies the DHSMV to release applicable holds.

Executive Summary

Information Technology (IT) and Key Systems

The toll revenue capture process is dependent on various electronic systems used to capture, process, monitor, and report toll revenue. The Information Technology platforms that significantly impact the toll revenue process are as follows:

- **Infinity Digital Lane System** – Infinity is the electronic tolling system implemented across CFX's network of plazas and ramp gantries. It supports electronic and Pay By Plate tolling operations through advanced vehicle classification, vehicle identification, and image capture technology.
- **Q-Free Image Review Software** – Q-Free is a component of the Infinity system, which captures images of vehicles passing through Pay By Plate toll lanes.
- **Advanced Revenue Collection System (ARCS)** – The ARCS database stores transactional data generated and transmitted by the respective toll plazas. For this database, Internal Audit tested the effectiveness of controls in place around Computer Operations (e.g., data backups, job scheduling, and batch processing).
- **Toll Revenue Information Management System (TRIMS)** – TRIMS supports customer service center operations including the maintenance of customer account information and processing of payments.
- **Workday** – Workday is CFX's enterprise resource planning system and general ledger. It was implemented on July 1, 2025, replacing the legacy ERP system, Eden. Workday is a cloud-based ERP platform that integrates core business functions, including financial management, procurement, and human capital management within a single system. The platform provides real-time processing, configurable workflows, role-based security, and embedded reporting and analytics to support financial reporting, operational efficiency, and governance.
- **EDEN** – Eden was CFX's general ledger system until July 1, 2025.

Objectives, Scope, and Approach

The objectives of the toll revenue audit were to assess whether processes and internal controls were in place and operating effectively regarding the following areas:

- Processes and internal controls related to electronic toll revenue (transponder and pay-by-plate), collection, and monitoring;
- Internal controls related to processing revenue adjustments to customer accounts;
- Internal controls related to the E-PASS Volume Savings Program;
- Reconciliation controls to monitor revenue related to interoperability agreements;
- Processes and controls related to registration holds; and
- IT general controls (specifically, access rights and backup processes) around supporting systems and information technology.

The scope of work included documenting current state revenue processes, identification of key internal controls, reviews of control design, and testing of key controls for electronic toll collections and supporting IT general controls. The timeframe for processes and testing of transactions in scope for this audit covered 18 months, from July 1, 2024, through December 31, 2025.

The audit approach included the following:

- Conducting interviews with key CFX and subcontractor personnel to gain an understanding of current-state processes and updating of existing audit process documentation where applicable,
- Identifying key risks and internal controls, and reviewing for gaps in internal control,
- Evaluating key controls for design effectiveness, and
- Performing procedures to evaluate the operating effectiveness of key controls related to the objectives above.

Face the Future with Confidence®

© 2026 Protiviti – Confidential. An Equal Opportunity Employer M/F/Disability/Veterans. Protiviti is not licensed or registered as a public accounting firm and does not issue opinions on financial statements or offer attestation services. All registered trademarks are the property of their respective owners.

protiviti®
Global Business Consulting

D.5

protiviti®

Face the Future with Confidence



FRAUD RISK ASSESSMENT

September 2026

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

Internal Audit, Risk, Business & Technology Consulting

TABLE OF CONTENTS

Section	Page
Executive Summary	3
Interview List	5
Fraud Risk Map	6
Risk Coverage	7

© 2026 Protiviti An Equal Opportunity Employer M/F/Disability/Veterans. Protiviti is not licensed or registered as a public accounting firm and does not issue opinions on financial statements or offer attestation services. All registered trademarks are the property of their respective owners.

protiviti

EXECUTIVE SUMMARY

Overview and Objectives

In accordance with the FY2027 Internal Audit Plan, Internal Audit performed an enterprise-wide fraud risk assessment for Central Florida Expressway Authority (CFX).

The objectives of this assessment were to identify likely fraud scenario risks at CFX, identify internal controls, management, or other governance-related activities that mitigate these risks, and review for control gaps where fraud scenarios are not directly monitored and managed.

Scope and Approach

To execute this audit, Internal Audit performed the following procedures:

- Performed Fraud Risk Assessment
  - Developed universe of fraud risks through interviews with management and past audits and reviews
  - Prioritized top fraud scenarios using risk analysis and input from key stakeholders using a web-based survey
    - Analysis of fraud risk factors considered the following:
      - Opportunities, attitudes, rationalization, incentives, and pressures of fraud
      - Likelihood / probability of fraud scenario occurring, based on factors such as:
        - Past issues
        - Prevalence of fraud risk within industry
        - Volume of transactions
        - Number of people involved in the related business process or management of related asset
      - Significance / impact of fraud risk:
        - Financial
        - Operational
        - Reputation
        - Criminal, civil, and regulatory liability
- Identified Control Activities in place to monitor and manage the top fraud risks based on survey results
  - For the top fraud risks, identified and evaluated internal control activities, processes, and governance activities designed to mitigate the fraud risks; performed limited design analysis of control activities as deemed necessary
  - Identified potential gaps and provided recommendations to improve the control environment

© 2026 Protiviti An Equal Opportunity Employer M/F/Disability/Veterans. Protiviti is not licensed or registered as a public accounting firm and does not issue opinions on financial statements or offer attestation services. All registered trademarks are the property of their respective owners.

EXECUTIVE SUMMARY

Summary of Results

Internal Audit identified 20 CFX-specific fraud risk scenarios through interviews with eight members of management, review of prior audit results, and independent research into fraud risks and leading industry practices. Internal Audit surveyed all 12 stakeholders to prioritize the 20 fraud scenarios; 11 of 12 stakeholders provided survey responses.

Internal Audit selected the top 10 (top 50%) fraud risk scenarios for further analysis of internal control activities, processes, and governance activities designed to mitigate the fraud risks. Based on this analysis, for 8 of the top 10 fraud risk scenarios, internal controls were identified as designed and in place to mitigate the fraud risk, and/or a recent internal audit has been performed as a third line of defense to address the fraud risk and related internal controls. For the other two fraud risks, while internal controls were identified that exist to help mitigate the risk, opportunities to enhance the overall internal control design were identified as outlined below.

Top 10 Risk Scenarios

1. Cyberattacks: Phishing, Ransomware, and Cyber-Enabled Fraud
2. Theft or misuse of confidential customer information, (e.g., credit card numbers, bank account information, etc.)
3. Third-party technology or software supply chain compromise
4. Toll violations
5. Price fixing
6. Payment is made for inadequately supported or fictitious invoices
7. Unauthorized / improper use of corporate credit cards / misuse of company funds
8. Unauthorized adjustment E-PASS or customer accounts
9. Bid rigging
10. Preferential treatment by employees to potential vendors during bidding or purchasing

Additional Risk Scenarios Identified

11. Use of fictitious vendors or employees
12. Misuse and/or theft of company assets
13. Theft of cash / fraudulent reporting of cash
14. Misleading reports
15. Hit-and-run: Damage to CFX property
16. Falsification of hours worked
17. Counterfeit cash and cash equivalents
18. Nepotism
19. Unauthorized adjustment of salary / wages
20. Use of confidential information for personal gain

Gaps / Improvement Opportunities Identified
Risk 3. – Third-party technology / software supply chain compromise: See slide 10.
Risk 7. – Unauthorized / improper use of corporate credit cards: See slide 13.

© 2026 Protiviti An Equal Opportunity Employer M/F/Disability/Veterans. Protiviti is not licensed or registered as a public accounting firm and does not issue opinions on financial statements or offer attestation services. All registered trademarks are the property of their respective owners.

Face the Future with Confidence

© 2026 Protiviti An Equal Opportunity Employer M/F/Disability/Veterans. Protiviti is not licensed or registered as a public accounting firm and does not issue opinions on financial statements or offer attestation services. All registered trademarks are the property of their respective owners.

protiviti

D.6

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

protiviti®
Global Business Consulting



CENTRAL FLORIDA EXPRESSWAY AUTHORITY

Prior Audit Recommendations Follow-Up

September 30, 2026

Pages of this document are exempt from public records disclosure pursuant to F.S. 282.318.

TABLE OF CONTENTS



3 Executive Summary

5 Status of Open Recommendations

© 2026 Protiviti Inc. All Rights Reserved. This document has been prepared for use by CFXs management, audit committee, and board of directors. This report provides information about the condition of risks and internal controls at one point in time. Future events and changes may significantly and adversely impact these risks and controls in ways that this report did not and cannot anticipate.

protiviti

EXECUTIVE SUMMARY

Overview

As part of the Fiscal Year 2027 Internal Audit plan, Internal Audit performed a review of open audit recommendations from prior audit reports as of September 30, 2026, to assess the implementation status reported by the CFX management team. Open recommendations from the following audits were evaluated:

- 2020 Secure Code Review
- 2020 Retail Transponder Sales Review
- 2022 Engineering and Construction Invoicing Review
- 2022 Customer Service Center Performance Assessment
- 2024 Policy and Procedure Review
- 2025 COSO Governance Review
- 2025 Public Records and Information Management Review
- 2026 ERP Implementation Review
- 2026 NIST CSF Review

Internal Audit last reviewed the status of open audit recommendations as of March 31, 2026. Results were reported to the Audit Committee in April 2026.

Objectives, Scope, and Approach

This review was completed as of September 30, 2026, and consisted of meetings with the CFX management team to determine the status of open audit recommendations in conjunction with testing of management's response and reported status.

Only recommendations that remained open at the time of the last review and new recommendations have been included in this report. If a recommendation was completed as of March 31, 2026, no further work was performed, and the recommendation was excluded from this review.

Testing performed included inquiry with the employees responsible for completing the recommendations and/or review of documentation evidence to evaluate 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.

© 2026 Protiviti Inc. All Rights Reserved. This document has been prepared for use by CFXs management, audit committee, and board of directors. This report provides information about the condition of risks and internal controls at one point in time. Future events and changes may significantly and adversely impact these risks and controls in ways that this report did not and cannot anticipate.

EXECUTIVE SUMMARY

Recommendations Summary

Audit	Open as of March 31, 2026	New Action Plans	Completed as of September 30, 2026	In Progress as of September 30, 2026*	Past Due**
2020 Secure Code Review	1	0	0	1	1
2020 Retail Transponder Sales Review	1	0	1	0	0
2022 Engineering and Construction Invoicing Review	1	0	0	1	1
2022 Customer Service Center Performance Assessment	1	0	1	0	0
2024 Policy and Procedure Review	5	0	0	5	5
2025 COSO Governance Review	1	0	0	1	1
2025 Public Records and Information Management Review	1	0	0	1	0
2026 ERP Implementation Review	0	2	0	2	1
2026 NIST CSF Review	0	1	0	1	0
Total	**11**	**3**	**2**	**12**	**9**

***12** recommendations are classified as "In Progress".
Of the **12 "In Progress" recommendations, **nine** are past the original agreed-upon due date. Of the **nine** past due recommendations, **three** are pending completion of system implementation activities: **one** relates to the 2022 Engineering and Construction Invoicing Review and is contingent upon full implementation of the new ERP system modules, **one** relates to the 2025 COSO Governance Review and is contingent upon full implementation of the new ERP system modules, and **one** relates to the 2020 Secure Code Review and is contingent upon full implementation of the CRM system. **Two** past due items are policy and procedure related. The remaining **one** past-due items relate to reports issued in FY 2026, and is expected to be completed by December 31, 2026.

© 2026 Protiviti Inc. All Rights Reserved. This document has been prepared for use by CFXs management, audit committee, and board of directors. This report provides information about the condition of risks and internal controls at one point in time. Future events and changes may significantly and adversely impact these risks and controls in ways that this report did not and cannot anticipate.

Face the Future with Confidence

© 2026 Protiviti Inc. All Rights Reserved. This document has been prepared for use by CFXs management, audit committee, and board of directors. This report provides information about the condition of risks and internal controls at one point in time. Future events and changes may significantly and adversely impact these risks and controls in ways that this report did not and cannot anticipate.

protiviti®