CENTRAL FLORIDA
EXPRESSWAY AUTHORITY

Financial Statements and
Supplementary Information

For Years Ended June 30, 2021 and 2020

CENTRAL FLORIDA EXPRESSWAY AUTHORITY

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MSL
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of the
Central Florida Expressway Authority
Orlando, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the Central Florida Expressway Authority ("CFX") as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise CFX's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of CFX as of June 30, 2021 and 2020, and the changes in its financial position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

To the Members of the
Central Florida Expressway Authority

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, trend data on infrastructure condition information, and pension schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise CFX's basic financial statements. The calculation of composite debt service ratio, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. This information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits, of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated October 27, 2021, on our consideration of CFX's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CFX's internal control over financial reporting and compliance.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
October 27, 2021

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, 2021 and 2020. This discussion and analysis is designed to assist the reader in focusing on the significant financial issues and activities and to identify any significant changes in financial position. We encourage readers to consider the information presented here in conjunction with the financial statements as a whole.

Financial Highlights

Operating income for CFX was $363,298,000 (an increase of 15%) and $317,094,000 (a decrease of 7%) for fiscal years 2021 and 2020, respectively. The increase in operating income in fiscal year 2021 is primarily due to higher toll traffic. The decrease in operating income in fiscal year 2020 is primarily due to a decrease in toll traffic which was part of the fallout from restrictions created by the COVID-19 virus that plagued the global economy, and an increase to preservation expenses.

Net income produced an increase in net position of $227,906,000 and $203,751,000 for fiscal years 2021 and 2020, 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 2021, CFX had a net position of $2,888,556,000, an increase of 9% over fiscal year 2020. At the close of fiscal year 2020, CFX had a net position of $2,660,650,000, an increase of 8% over fiscal year 2019. CFX's overall financial position has improved, as shown by the increase in net position.

Overview of the Financial Statements

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

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

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

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

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

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

Financial Analysis

Net position may serve, over time, as a useful indicator of a government's financial position. In the case of CFX, assets and deferred outflows exceeded liabilities and deferred inflows by $2,888,556,000 at the close of the most recent fiscal year. This represents an increase of $227,906,000 (9%) over the previous year, which is attributable to operations. Unrestricted net position increased from $567,069,000 at June 30, 2020 to $744,567,000 at June 30, 2021, an increase of $177,498,000 (31%). This increase was also due to operations and funding CFX's capital plan with bond construction funds.

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.

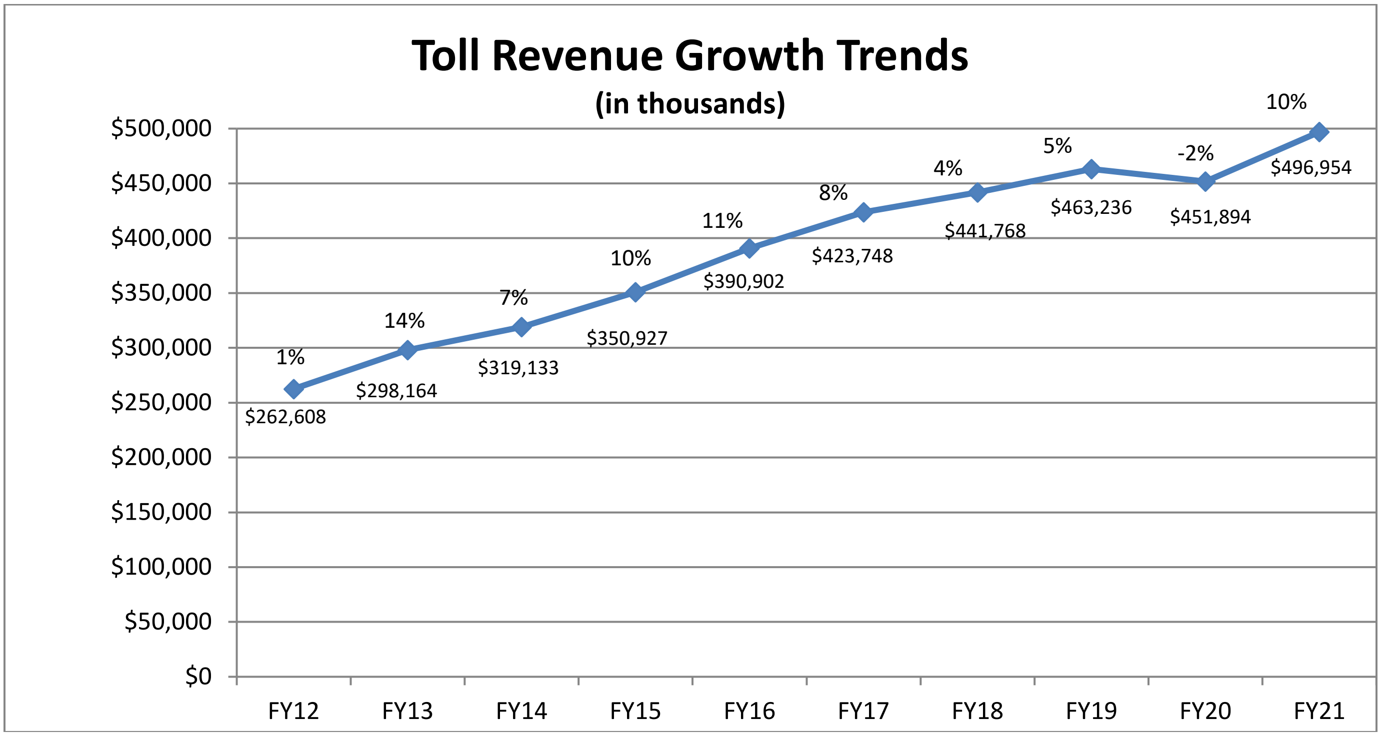
Of the $5,271,214,000 in capital assets, net of accumulated depreciation, $39,998,000 represents the roadway, toll plaza and equipment on the Goldenrod Road Extension. This project, which opened to traffic in March 2003, was jointly funded by CFX, the Greater Orlando Aviation Authority, the City of Orlando, 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 this project is a non-system project, it is accounted for on a single line in the statements of revenues, expenses and changes in net position, in the non-operating revenues (expenses) section. The toll revenue on this non-system project is not pledged to CFX's bond indebtedness.

Central Florida Expressway Authority's Net Position

	June 30, 2021	June 30, 2020	June 30, 2019
	(in thousands)		
Current and other assets	$ 798,296	$ 608,923	$ 447,334
Non-current restricted assets	368,481	563,838	236,992
Capital assets	5,271,214	5,101,819	4,831,730
Total assets	6,437,991	6,274,580	5,516,056
Deferred outflows of resources	306,065	392,764	356,066
Total assets and deferred outflows	6,744,056	6,667,344	5,872,122
Current liabilities:			
Payable from unrestricted assets	57,994	56,176	58,415
Payable from restricted assets	188,927	179,062	134,743
Revenue bonds outstanding (net of current portion)	3,389,071	3,325,414	2,738,514
Other long-term liabilities	214,419	440,336	477,510
Total liabilities	3,850,411	4,000,988	3,409,182
Deferred inflows of resources	5,089	5,706	6,041
Total liabilities and deferred inflows	3,855,500	4,006,694	3,415,223
Net position:			
Net investment in capital assets	2,126,023	2,064,051	1,922,707
Restricted	17,966	29,530	39,106
Unrestricted	744,567	567,069	495,086
Total net position	$ 2,888,556	$ 2,660,650	$ 2,456,899

CFX's toll revenues increased 10% and decreased 2% during the fiscal years ended June 30, 2021 and 2020, respectively. The decrease in fiscal year 2020 was caused by restrictions put in place due to the global pandemic.

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



Central Florida Expressway Authority's Changes in Net Position

Central Florida Expressway Authority's Changes in Net Position

	Years Ended June 30,		
	2021	2020	2019
		(in thousands)	
Revenues:			
Toll revenues	$ 496,954	$ 451,894	$ 463,236
Transponder sales	1,396	820	648
Other operating revenue	9,262	14,650	12,313
Investment income	4,142	21,237	14,082
Goldenrod Road Extension - net	1,308	1,491	1,518
Poinciana Parkway - net	-	-	1,862
Other non-operating revenue	409	452	374
Gain on capital assets	177	-	-
Capital Contribution	-	-	12,294
Total revenues	513,648	490,544	506,327
Expenses:			
Operations	65,807	64,937	62,123
Maintenance	18,552	18,022	17,753
Administrative	8,993	8,910	8,447
Depreciation	18,615	15,384	14,194
Preservation	20,929	31,002	21,586
Other	11,418	12,015	12,068
Interest expense	141,428	134,089	121,608
Loss on capital assets	-	2,434	1,306
Total expenses	285,742	286,793	259,085
Change in net position	227,906	203,751	247,242
Net position, beginning of year	2,660,650	2,456,899	2,209,657
Net position, end of year	$ 2,888,556	$ 2,660,650	$ 2,456,899

CFX's Operations, Maintenance and Administration ("OM&A") expenses for fiscal year 2021 increased 2.0% from fiscal year 2020 and ended the year 1.7% under budget. CFX came in under budget due primarily to the following reasons: 1) There were several roadway maintenance programs that came in under budget 2) due to a variety of reasons such as lower bank and interoperable fees and a reduced workforce, the operation of the plazas came in under budget.

Transponder sales increased by 70% between fiscal years 2020 and 2021 due to a significant focus on branding and marketing of E-PASS and the release of the new Uni transponder.

Investment income decreased by 80% between fiscal years 2020 and 2021. This decrease was expected given the current investment rate climate with treasury yields and other secured investments seeing significant reductions over the past year and a half.

Other operating revenue consists of various fees that are collected, such as statement fees, Pay By Plate fees and fees received for collecting revenue on behalf of other entities. Other operating revenue increased by 19% between fiscal years 2019 and 2020 but decreased by 37% between fiscal years 2020 and 2021. In fiscal year 2021, CFX replaced its previous Pay By Plate structure with a Pay By Plate toll rate. This made the actual toll equitable to CFX's cost to collect and took away added on fees.

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 increased 44% in fiscal year 2020 and then decreased 32% in fiscal year 2021. Fiscal year 2021's expense is comparable to where it was two years ago. These peaks and valleys are expected as the system matures, and sections need additional attention.

Other expenses are expenses that were not part of CFX's OM&A budget, but also were not capitalized. These expenses are expected to fluctuate from year to year depending upon the amount spent on non-capitalized projects. Other expenses decreased by 1% between fiscal years 2019 and 2020 and then decreased by 5% between fiscal year 2020 and 2021. Despite the recent small decreases, this level of expense is greater than what has been seen historically due to additional program support and a rise in new pilot programs and feasibility studies that are not eligible to be capitalized.

There were losses in capital assets in fiscal year 2020 and a small gain in fiscal year 2021. 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 largest contributing factor to the fiscal year 2020 loss is writing off signs that needed to be replaced. In fiscal year 2021 some accumulated depreciation was written off, which resulted in the small gain.

Capital Asset and Debt Administration

Capital Assets - CFX's investment in capital assets amounted to $5,271,214,000 net of accumulated depreciation as of June 30, 2021, an increase of $169,395,000 (3%) over June 30, 2020. CFX's investment in capital assets amounted to $5,101,819,000 net of accumulated depreciation as of June 30, 2020, an increase of $270,89,000 (6%) over June 30, 2019. 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 2021 included the following:

- Completion of the 408/I-4 interchange project.
- Completion of the toll collection system upgrade and replacement project.
- Completion of SR 417 widening from Econlockhatchee Trail to the Orange/Seminole County line.
- Several SR 417 widening projects were started.
- Widening on SR 538 from Ronald Reagan Parkway to the Cypress Parkway was started.

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 2021 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 2020, projected expenses for preservation were $51,040,000 with $31,002,000 being spent. For fiscal year 2021, projected expenses for preservation were $33,064,000 with $20,929,000 being spent. The expenses were lower than projected in fiscal year 2021 due to slower than anticipated start dates on several projects.

Long-term Debt - CFX has outstanding bonds payable of $3,469,181,000 (net of unamortized bond premiums and discounts) as of June 30, 2021.

During fiscal year 2021, CFX issued $155,915,000 of fixed rate refunding revenue bonds (Series 2020A) for the purpose of refunding the series 2010B and 2013C bonds. Also, CFX issued $548,175,000 of fixed rate revenue refunding bonds (Series 2021) for the purpose refunding the remaining series 2008 variable rate bonds. Also, CFX issued $88,135,000 of fixed rate refunding revenue bonds (Series 2021B) for the purpose of refunding a portion of the series 2012 bonds. Finally, CFX issued $53,145,000 of fixed rate refunding revenue bonds (Series 2021C) for the purpose of refunding a portion of the series 2013B bonds.

The annual requirements to amortize all revenue bonds and revenue refunding bonds outstanding as of June 30, 2021, along with more detailed information on long-term debt activity, can be found in Note 5, Long-Term Debt, which begins on page 32 of the financial statements. Of the approximately $3.5 billion in outstanding bonds, $0 are variable rate bonds as CFX was able to eliminate all variable rate bond debt in fiscal year 2021.

To determine the fair market value of its interest rate exchange agreements in prior years, CFX's swap advisor performed a calculation based upon expected forward LIBOR swap rates and discounted cash flows. In the event of a termination, on a current market-to-market basis, CFX would have had to make an estimated termination payment of approximately $230,129,177 as of June 30, 2020 on the swaps related to the Series 2008B Bonds. That liability was reduced to zero as of June 30, 2021.

	June 30, 2021	**June 30, 2020**
Series 2008B	$ 0	$ 230,129,177

CFX's debt service ratio changed to 2.03 for fiscal year 2021 from 2.02 for fiscal year 2020 and 2.33 in fiscal year 2019. Fiscal Year 2021 had a marginal increase resulting from an increase in toll revenue but also an increase in debt service payments. The decrease in fiscal year 2020 is due to a reduction in toll revenue and an increase in 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 that 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, 2021 are as follows:

	Ratings
Standard & Poor's	A+
Moody's	A1
Fitch	A+

Requests for Information

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

BASIC FINANCIAL STATEMENTS

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
Balance Sheets

Assets and Deferred Outflows of Resources	June 30, 2021	June 30, 2020
	(in thousands)	
Current assets:		
Cash and cash equivalents	$ 321,307	$ 148,759
Investments	232,435	248,708
Accrued interest and accounts receivable	37,559	17,263
Prepaid expenses	3,586	3,699
Due from governmental agencies	8,524	7,173
Inventory	1,499	1,655
Total current unrestricted assets	604,910	427,257
Restricted assets:		
Current restricted assets:		
Cash and cash equivalents	188,927	179,062
Total current assets	793,837	606,319
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	171,147	243,411
Investments	197,270	320,362
Accrued interest receivable and prepaid expenses	64	65
Total noncurrent restricted assets	368,481	563,838
Prepaid bond insurance	4,459	2,604
Total noncurrent assets before capital assets	372,940	566,442
Capital assets not being depreciated:		
Infrastructure	4,851,847	4,465,708
Construction in progress	224,079	505,997
Capital assets - net of accumulated depreciation:		
Property and equipment	195,288	130,114
Total capital assets - net of accumulated depreciation	5,271,214	5,101,819
Total noncurrent assets	5,644,154	5,668,261
Total assets	6,437,991	6,274,580
Deferred outflow of resources	306,065	392,764
Total assets and deferred outflows of resources	$ 6,744,056	$ 6,667,344

See notes to financial statements.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
Balance Sheets (continued)

Liabilities, Deferred Inflows of Resources, and Net Position	June 30, 2021 (in thousands)	June 30, 2020 (in thousands)
Current liabilities payable from unrestricted assets:		
Accounts payable and accrued liabilities	$ 16,843	$ 18,838
Unearned toll revenue	21,091	18,136
Unearned other revenue	14,790	15,085
Current portion of due to governmental agencies	5,270	4,117
Total current liabilities payable from unrestricted assets	57,994	56,176
Current liabilities payable from restricted assets:		
Accounts payable and accrued liabilities	48,609	43,475
Interest payable	60,208	62,887
Current portion of revenue bonds payable	80,110	72,700
Total current liabilities payable from restricted assets	188,927	179,062
Total current liabilities	246,921	235,238
Noncurrent liabilities:		
Derivative financial instrument	-	230,129
Revenue bonds payable - less current portion	3,389,071	3,325,414
Due to governmental agencies - less current portion	202,407	200,210
Net pension liability	12,012	9,997
Total noncurrent liabilities	3,603,490	3,765,750
Total liabilities	3,850,411	4,000,988
Deferred inflow of resources	5,089	5,706
Total liabilities and deferred inflows of resources	3,855,500	4,006,694
Net position:		
Net investment in capital assets	2,126,023	2,064,051
Restricted for:		
Operation, maintenance and administrative reserve	12,552	12,552
Renewal and replacement reserve	5,414	16,978
Total restricted net position	17,966	29,530
Unrestricted	744,567	567,069
Total net position	2,888,556	2,660,650
Total liabilities, deferred inflows of resources, and net position	$ 6,744,056	$ 6,667,344

See notes to financial statements.

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

	June 30, 2021	June 30, 2020
	(in thousands)	
Operating revenues:		
Toll revenues	$ 496,954	$ 451,894
Transponder sales	1,396	820
Fees and other	9,262	14,650
Total operating revenues	507,612	467,364
Operating expenses:		
Operations	65,807	64,937
Maintenance	18,552	18,022
Administrative	8,993	8,910
Depreciation	18,615	15,384
Preservation	20,929	31,002
Other expenses	11,418	12,015
Total operating expenses	144,314	150,270
Operating income	363,298	317,094
Nonoperating revenues (expenses):		
Investment income	4,142	21,237
Gain (loss) on capital assets	177	(2,434)
Other nonoperating	409	452
Goldenrod Road Extension - net	1,308	1,491
Interest expense	(141,428)	(134,089)
Total nonoperating revenues (expenses)	(135,392)	(113,343)
Change in net position	227,906	203,751
Net position at beginning of year	2,660,650	2,456,899
Net position at end of year	$ 2,888,556	$ 2,660,650

See notes to financial statements.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
Statements of Cash Flows

	June 30, 2021	June 30, 2020
	(in thousands)	
Operating activities:		
Receipts from customers and users	$ 491,228	$ 467,529
Payments to suppliers	(117,283)	(123,582)
Payments to employees	(6,406)	(6,226)
Net cash provided by operating activities	367,539	337,721
Capital and related financing activities:		
Acquisition and construction of capital assets	(182,688)	(267,248)
Proceeds from issuance of bonds	965,652	676,071
Interest paid on revenue bonds	(152,807)	(104,434)
Payment to refunded bond escrow agent	-	(108,504)
Payment of principal on revenue bonds	(60,114)	(63,025)
Payment of principal on government advances	(245)	(250)
Payments on interest rate swap terminations	(171,167)	-
Payment of bond issuance expense	(5,768)	-
Refunding payments on bonds	(794,231)	-
Net cash provided by (used in) capital and related financing activities	(401,368)	132,610
Investing activities:		
Purchase of investments	(424,617)	(557,592)
Proceeds from sales and maturities of investments	563,982	402,643
Interest received	4,613	22,240
Net cash provided by (used in) investing activities	143,978	(132,709)
Net increase (decrease) in cash and cash equivalents	110,149	337,622
Cash and cash equivalents at beginning of year	571,232	233,610
Cash and cash equivalents at end of year	$ 681,381	$ 571,232

Cash and cash equivalents - unrestricted	$ 321,307	$ 148,759
Restricted cash and cash equivalents - current	188,927	179,062
Restricted cash and cash equivalents - noncurrent	171,147	243,411
	$ 681,381	$ 571,232

See notes to financial statements.

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
Statements of Cash Flows (continued)

	June 30,	
	2021	2020
	(in thousands)	
Reconciliation of operating income to net cash provided by operating activities:		
Income from operations	$ 363,298	$ 317,094
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	18,615	15,384
Goldenrod Road Extension and other miscellaneous	1,706	2,268
Changes in assets and liabilities:		
Accounts receivable	(20,766)	(2,349)
Due from governmental agencies	(1,351)	5,764
Prepaid expenses	114	(148)
Inventory	156	(393)
Deferred outflows - pension-related	(122)	49
Accounts payable and accrued liabilities	(1,995)	574
Due to governmental agencies	3,595	(2,349)
Unearned toll revenue	2,955	589
Unearned other revenue	(295)	(343)
Net pension liability	2,015	1,685
Deferred inflows - pension-related	(386)	(104)
Net cash provided by operating activities	$ 367,539	$ 337,721
Noncash investing, capital, and financing activities:		
Increase (decrease) in fair value of investments	$ (8,231)	$ 5,955
Increase (decrease) in fair value of derivative financial instrument	(58,955)	$ 52,645

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 reported as nonoperating revenues and expenses.

***Lease-Purchase Agreement* -** Under the requirements of the Lease-Purchase Agreement between CFX and the FDOT, dated December 23, 1985, as amended and supplemented, CFX is reimbursed by the FDOT for the maintenance costs of SR 528, portions of SR 408, improvements to the Airport Interchange at SR 528 and State Road 436 (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.

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.

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 position that applies to future periods and will not be recognized as an outflow of resources (expense) until then. CFX has three items that qualify for reporting as deferred outflows of resources.

Accumulated Decrease in Fair Value of Hedging Derivatives - As described in Note 5, CFX has entered into interest rate swap agreements that qualify as effective cash flow hedges in connection with variable rate bonds. The fair value of the swaps is presented on the balance sheets as a deferred outflow of resources and a derivative financial instrument liability in the amount of $0 and $230,129,000 at June 30, 2021 and 2020, respectively, with changes in valuation applied to these balance sheet accounts. Should the swaps be terminated prior to their expected conclusion, or if the hedges cease to significantly reduce risk, accumulated gains or losses will be reported on the operating statement.

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, 2021 and 2020 as a deferred outflow of resources in the amount of $301,415,000 and $158,106,000, 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 $4,650,000 and $4,528,000 at June 30, 2021 and 2020, 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 position that applies to future periods and will not be recognized as an inflow of resources until then. CFX has two 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, 2021 and 2020 as a deferred inflow of resources in the amount of $4,847,000 and $5,078,000, 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, 2021 and 2020 totaled $242,000 and $628,000, 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.

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.

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

Capital Assets (Continued)

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 $212,000 from June 30, 2020 to June 30, 2021.

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.

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 2020 financial statements have been reclassified to conform to the 2021 classifications.

Note 2 - Deposits and Investments

Cash and Cash Equivalents, and Investment Portfolio

Pursuant to Section 218.415, Florida Statutes, CFX has formally adopted a comprehensive investment policy most recently reviewed on April 2, 2018, 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:

Permitted Investments

<table>
<tr><th>Sector</th><th>Sector Maximum (%)</th><th>Per Issuer Maximum (%)</th><th>Minimum Ratings Requirement[1]</th><th>Maximum Maturity</th><th>Master Bond Resolution Permitted Investments</th></tr>
<tr><td>U.S. Treasury</td><td rowspan="3">100%</td><td>100%</td><td rowspan="3">N/A</td><td rowspan="3">5.50 Years
(5.50 Years avg. life[4] for GNMA)</td><td>X</td></tr>
<tr><td>GNMA</td><td>40%</td><td>X</td></tr>
<tr><td>Other U.S. Government Guaranteed (e.g. AID, GTC)</td><td>10%</td><td>X</td></tr>
<tr><td>Federal Agency/GSE: FNMA, FHLMC, FHLB, FFCB*</td><td rowspan="2">75%</td><td>40%[3]</td><td rowspan="2">N/A</td><td rowspan="2">5.50 Years</td><td>X</td></tr>
<tr><td>Federal Agency/GSE other than those above</td><td>10%</td><td>X</td></tr>
<tr><td>Supranationals where U.S. is a shareholder and voting member</td><td>25%</td><td>10%</td><td>Highest ST or Two Highest LT Rating Categories
(A-1/P-1, AAA/Aaa, or equivalent)</td><td>5.50 Years</td><td></td></tr>
<tr><td>Corporates</td><td>50%[2]</td><td>5%</td><td>Highest ST or Three Highest LT Rating Categories
(A-1/P-1, A-/A3 or equivalent)</td><td>5.50 Years</td><td></td></tr>
<tr><td>Municipals</td><td>25%</td><td>5%</td><td>Highest ST or Three Highest LT Rating Categories
(SP-1/MIG 1, A-/A3, or equivalent)</td><td>5.50 Years</td><td>X</td></tr>
<tr><td>Agency Mortgage-Backed Securities (MBS)</td><td>25%</td><td>40%[3]</td><td>N/A</td><td>5.50 Years Avg. Life[4]</td><td></td></tr>
<tr><td>Asset-Backed Securities (ABS)</td><td>25%</td><td>5%</td><td>Highest ST or LT Rating
(A-1+/P-1, AAA/Aaa, or equivalent)</td><td>5.50 Years Avg. Life[4]</td><td></td></tr>
<tr><td>Depository Accounts with Qualified Public Depositories</td><td>75%</td><td>50%</td><td>N/A</td><td>N/A</td><td>X</td></tr>
<tr><td>Non-Negotiable Collateralized Bank Deposits or Savings Accounts</td><td>50%</td><td>None, if fully collateralized</td><td>None, if fully collateralized.</td><td>2 Years</td><td>X</td></tr>
<tr><td>Commercial Paper (CP)</td><td>50%[2]</td><td>5%</td><td>Highest ST Rating Category
(A-1/P-1, or equivalent)</td><td>270 Days</td><td>X</td></tr>
<tr><td>Bankers' Acceptances (BAs)</td><td>10%[2]</td><td>5%</td><td>Highest ST Rating Category
(A-1/P-1, or equivalent)</td><td>180 Days</td><td>X</td></tr>
<tr><td>Repurchase Agreements (Repo or RP)</td><td>40%</td><td>20%</td><td>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</td><td>1 Year</td><td>X</td></tr>
<tr><td>Money Market Funds (MMFs)</td><td>50%</td><td>25%</td><td>Highest Fund Rating by all NRSROs who rate the fund
(AAAm/Aaa-mf, or equivalent)</td><td>N/A</td><td>X</td></tr>
<tr><td>Fixed-Income Mutual Funds</td><td>25%</td><td>10%</td><td>N/A</td><td>3 Years</td><td></td></tr>
<tr><td>Intergovernmental Pools (LGIPs)</td><td>50%</td><td>25%</td><td>Highest Fund Quality and Volatility Rating Categories by all NRSROs who rate the LGIP,
(AAAm/AAAf, S1, or equivalent)</td><td>N/A</td><td></td></tr>
</table>

Sector	Sector Maximum (%)	Per Issuer Maximum (%)	Minimum Ratings Requirement[1]	Maximum Maturity	Master Bond Resolution Permitted Investments
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, 2021, the carrying amount of CFX's various deposits accounts was $681,380,292. 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 – The following is the percent of any issuer with whom CFX had invested more than 5% of the total portfolio as of June 30, 2021 and 2020:

Issuer	2021	2020
Federal National Mortgage Association	8.31%	N/A
Federal Home Loan Mortgage Corporation	13.75%	N/A

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.

Note 2 - Deposits and Investments *(Continued)*

CFX uses the distribution of maturities to manage interest rate risk. As of June 30, 2021, 35% of CFX's investments had a maturity of less than 6 months, 5% had a maturity of 6 to 12 months, 28% had a maturity of 1 to 2 years, 23% had a maturity of 2 to 3 years, 4% had a maturity of 3 to 4 years, and 5% had a maturity of over 4 years. As of June 30, 2020, 23% of CFX's investments had a maturity of less than 6 months, 36% had a maturity of 6 to 12 months, 19% had a maturity of 1 to 2 years, 17% had a maturity of 2 to 3 years, 2% had a maturity of 3 to 4 years, and 3% had a maturity of over 4 years.

Total distributions of maturities are as follows:

As of June 30, 2021 (in thousands)

	Less than 6 months	6 - 12 months	1 - 2 years	2 - 3 years	3+ years	Total
US Treasury Securities	$ 30,392	$ 2,361	$ 58,670	$ 6,704	$ 2,476	$ 100,603
Federal Instruments	-	2,463	30,636	49,806	16,112	99,017
Corporate Note	19,430	-	27,581	29,086	4,873	80,970
Commercial Paper	100,868	13,987	-	-	-	114,855
Municipal Bond Note	-	976	2,644	5,923	704	10,247
Corp. Asset Backed Sec.	-	167	1,012	8,290	14,545	24,014
Total	$ 150,690	$ 19,954	$ 120,543	$ 99,809	$ 38,710	$ 429,706

As of June 30, 2020 (in thousands)

	Less than 6 months	6 - 12 months	1 - 2 years	2 - 3 years	3+ years	Total
US Treasury Securities	$ 17,008	$ 170,446	$ 80,621	$ 49,585	$ -	$ 317,660
Federal Instruments	-	6,354	6,709	18,787	13,754	45,604
Corporate Note	7,426	24,875	18,893	20,079	2,279	73,552
Commercial Paper	103,123	2,993	-	-	-	106,116
Municipal Bond Note	-	-	-	1,766	57	1,823
Corp. Asset Backed Sec.	-	282	3,015	6,189	14,829	24,315
Total	$ 127,557	$ 204,950	$ 109,238	$ 96,406	$ 30,919	$ 569,070

Note 2 - Deposits and Investments *(Continued)*

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

		Fair Value Measurements Using (in thousands)	
	June 30, 2021	**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	$ 100,603	$ 100,603	
Commercial Paper	114,855	114,855	
Federal Instrumentalities	99,017	99,017	
Money Market Mutual Funds	224,405	224,405	
Municipal Bond Note	10,247	10,247	
Corporate Note	80,970	80,970	
Corporate Asset Backed Securities	24,014	-	$ 24,014
Total investments by fair value measure	654,111	$ 630,097	$ 24,014
Total deposits	456,975		
Total deposits and investments	1,111,086		
Restricted	557,344		
Unrestricted	$ 553,742		

Note 2 - Deposits and Investments *(Continued)*

	June 30, 2020	Fair Value Measurements Using (in thousands) Quoted Prices in Active Markets for Identical Assets or Liabilities (Level 1)	Quoted Prices in Active Markets for Similar Assets or Liabilities (Level 2)
United States Treasury Securities	$ 317,660	$ 317,660	
Commercial Paper	106,116	106,116	
Federal Instrumentalities	45,604	45,604	
Money Market Mutual Funds	152,540	152,540	
Municipal Bond Note	1,823	1,823	
Corporate Note	73,551	73,551	
Corporate Asset Backed Securities	24,316	-	$ 24,316
Total investments by fair value measure	721,610	$ 697,294	$ 24,316
Total deposits	418,692		
Total deposits and investments	1,140,302		
Restricted	742,835		
Unrestricted	$ 397,467		

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, and U.S. Government Supported Corporate Debt Notes/Bonds are rated “AA+” by Standard & Poor’s. The investments in Municipal Obligations are rated “AA” by Standard & Poor’s. The Corporate Notes Standard & Poor’s credit ratings are “AAA”, “AA+”, “AA”, “AA-”, “A+”, and “A”. 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, 2021 and 2020, 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,	
	2021	2020
	(in thousands)	
Reserve funds:		
Operations, maintenance and administrative reserve	$ 12,552	$ 12,552
Renewal and replacement reserve	5,414	16,978
Total reserve funds	17,966	29,530
Bond funds:		
Principal and interest accounts	138,114	137,740
Reserve accounts	128,186	127,990
Total bond funds	266,300	265,730
Construction funds:		
2019 construction funds	273,078	447,576
Total construction funds	273,078	447,576
Total restricted cash, cash equivalents and investments	557,344	742,836
Portion related to cash and cash equivalents	360,073	422,474
Portion related to investments	$ 197,271	$ 320,362

Note 3 - Due From Governmental Agencies

Due from governmental agencies consists of the following:

	June 30, 2021	June 30, 2020
	(in thousands)	
E-ZPass - E-Zpass Customers' use of E-PASS Roads	$ 1,583	$ 571
Florida Department of Transportation - Operations and Maintenance Reimbursement	1,054	1,114
Florida Department of Transportation - SunPass Customers' use of E-PASS Roads	4,594	4,373
Florida's Turnpike Enterprise - SR 417 Widening Reimbursement	-	178
Lee County - LeeWay Customers' use of E-PASS Roads	5	3
Orange County - Fines/Fees	298	242
Orange County - JPA Reimbursement	-	389
Orlando Utilities Commission - SR 528/436 Widening Reimbursement	-	292
Osceola County - CR 532 Widening Reimbursement	990	10
	$ 8,524	$ 7,172
Less current portion	(8,524)	(7,172)
	$ -	$ -

Note 4 - Capital Assets

Capital assets are summarized as follows (in thousands):

	June 30, 2020	Additions	Reductions	Transfers	June 30, 2021
Infrastructure (non-depreciable):					
Right-of-way	$ 923,498	$ 395	$ -	$ 68,382	$ 992,275
Highways and bridges	3,542,210	757	(310)	316,915	3,859,572
Total infrastructure (non-depreciable)	4,465,708	1,152	(310)	385,297	4,851,847
Construction in progress (non-depreciable):					
Right-of-way	68,938	346	-	(68,382)	902
Highways and bridges	363,657	155,916	-	(312,910)	206,663
Buildings and toll facilities	1,183	2,459	-	(3,228)	414
Toll equipment	49,270	8,633	-	(57,788)	115
Furniture, equipment and other	22,949	18,827		(25,791)	15,985
Total construction in progress (non-depreciable)	505,997	186,181	-	(468,099)	224,079
Property and equipment (depreciable):					
Toll equipment	101,986	-	(1,312)	57,788	158,462
Buildings and toll facilities	164,025	-	-	3,228	167,253
Furniture, equipment and other	85,767	489	(188)	21,786	107,854
Total property and equipment (depreciable)	351,778	489	(1,500)	82,802	433,569
Less accumulated depreciation for:					
Toll equipment	(96,102)	(5,887)	1,364	-	(100,625)
Buildings and toll facilities	(77,044)	(5,073)	-	-	(82,117)
Furniture, equipment and other	(48,518)	(7,655)	634	-	(55,539)
Total accumulated depreciation	(221,664)	(18,615)	1,998	-	(238,281)
Total property and equipment being depreciated, net	130,114	(18,126)	498	82,802	195,288
Total capital assets	$ 5,101,819	$ 169,207	$ 188	$ -	$ 5,271,214

Note 4 - Capital Assets *(Continued)*

	June 30, 2019	Additions	Reductions	Transfers	June 30, 2020
Infrastructure (non-depreciable):					
Right-of-way	$ 913,613	$ 91	$ (333)	$ 10,127	$ 923,498
Highways and bridges	3,371,577	4,108	(2,160)	168,685	3,542,210
Total infrastructure (non-depreciable)	4,285,190	4,199	(2,493)	178,812	4,465,708
Construction in progress (non-depreciable):					
Right-of-way	8,065	71,000	-	(10,127)	68,938
Highways and bridges	348,888	183,454	-	(168,685)	363,657
Buildings and toll facilities	1,305	189	-	(311)	1,183
Toll equipment	46,015	4,082	-	(827)	49,270
Furniture, equipment and other	8,708	24,432		(10,191)	22,949
Total construction in progress (non-depreciable)	412,981	283,157	-	(190,141)	505,997
Property and equipment (depreciable):					
Toll equipment	102,204	-	(1,045)	827	101,986
Buildings and toll facilities	163,649	65	-	311	164,025
Furniture, equipment and other	76,005	811	(1,240)	10,191	85,767
Total property and equipment (depreciable)	341,858	876	(2,285)	11,329	351,778
Less accumulated depreciation for:					
Toll equipment	(93,709)	(3,425)	1,032	-	(96,102)
Buildings and toll facilities	(71,878)	(5,166)	-	-	(77,044)
Furniture, equipment and other	(42,712)	(6,776)	970	-	(48,518)
Total accumulated depreciation	(208,299)	(15,367)	2,002	-	(221,664)
Total property and equipment being depreciated, net	133,559	(14,491)	(283)	11,329	130,114
Total capital assets	$ 4,831,730	$ 272,865	$ (2,776)	$ -	$ 5,101,819

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	$ 38,010,458

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.

Note 5 - Long-Term Debt

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

	June 30, 2020	Additions	Deletions	June 30, 2021
Bonds Payable:				
Series 2008B1	$ 129,875	$ -	(129,875)	$ -
Series 2008B2	117,395	-	(117,395)	-
Series 2008B3	148,490	-	(148,490)	-
Series 2008B4	98,965	-	(98,965)	-
Series 2010B	60,760	-	(60,760)	-
Series 2012	134,315	-	(108,635)	25,680
Series 2013A	242,320	-	-	242,320
Series 2013B	115,725	-	(68,990)	46,735
Series 2013C	102,820	-	(102,820)	-
Series 2016A	149,495	-	(795)	148,700
Series 2016B	621,990	-	(1,960)	620,030
Series 2017	339,275	-	(645)	338,630
Series 2018	219,035	-	(3,515)	215,520
Series 2019A	129,550	-	(1,180)	128,370
Series 2019B	441,390	-	(3,905)	437,485
Series 2021	-	548,175	-	548,175
Total Bonds Payable	3,051,400	548,175	(847,930)	2,751,645
Direct Borrowings:				
Series 2012A	42,195	-	(6,415)	35,780
Series 2020A	-	155,915	-	155,915
Series 2021B	-	88,135	-	88,135
Series 2021C	-	53,145	-	53,145
Total Direct Borrowings	42,195	297,195	(6,415)	332,975
	3,093,595	845,370	(854,345)	3,084,620
Add unamortized bond premium	304,519	120,282	(40,240)	384,561
Less current portion of revenue bonds payable	(72,700)	(80,110)	72,700	(80,110)
Revenue bonds payable - net of current portion	$ 3,325,414	$ 885,542	$ (821,885)	$ 3,389,071

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

	June 30, 2019	Additions	Deletions	June 30, 2020
Bonds Payable:				
Series 2008B1	$ 130,135	$ -	(260)	$ 129,875
Series 2008B2	117,685	-	(290)	117,395
Series 2008B3	148,790	-	(300)	148,490
Series 2008B4	99,165	-	(200)	98,965
Series 2010B	67,330	-	(6,570)	60,760
Series 2012	157,835	-	(23,520)	134,315
Series 2013A	242,320	-	-	242,320
Series 2013B	135,450	-	(19,725)	115,725
Series 2013C	103,740	-	(920)	102,820
Series 2016A	150,250	-	(755)	149,495
Series 2016B	623,850	-	(1,860)	621,990
Series 2017	339,885	-	(610)	339,275
Series 2018	221,045	-	(2,010)	219,035
Series 2019A	-	129,550	-	129,550
Series 2019B	-	441,390	-	441,390
Total Bonds Payable	2,537,480	570,940	(57,020)	3,051,400
Direct Borrowings:				
Series 2012A	48,200	-	(6,005)	42,195
	2,585,680	570,940	(63,025)	3,093,595
Add unamortized bond premium	215,859	105,131	(16,471)	304,519
Less current portion of revenue bonds payable	(63,025)	(72,700)	63,025	(72,700)
Revenue bonds payable - net of current portion	$ 2,738,514	$ 603,371	$ (16,471)	$ 3,325,414

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.

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

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

As 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.

Fixed Rate Debt

The Central Florida Expressway Authority Taxable Refunding Revenue Bond, Series 2021C, was originally issued on June 24, 2021 and was outstanding in the aggregate principal amount of $53,145,000 and $0 on June 30, 2021 and 2020 respectively. The bond was issued in the form of a bank loan directly with the bondholder, Citizens First Bank. The bond is due in annual installments beginning on July 1, 2022 through July 1, 2025 in amounts ranging from $1,420,000 to $25,180,000 plus interest. Interest on the 2021C Bond is due and paid semiannually. The 2021C Bond is payable from, and secured by, a pledge of net revenues from the operation of the expressway System. The purpose of the Series 2021C Bond was to refund a portion of the Series 2013B Bonds for net present value savings of $2,222,586 which represents $2,253,553 of lower debt service payments over the life of the debt. The deferred outflow on the refunding for accounting purposes was $2,633,478.

The Central Florida Expressway Authority Taxable Convertible Refunding Revenue Bond, Series 2021B, was originally issued on June 24, 2021 and was outstanding in the aggregate principal amount of $88,135,000 and $0 on June 30, 2021 and 2020 respectively. The bond was issued in the form of a bank loan directly with the bondholder, Key Government Finance, Inc. The bond is due in annual installments beginning on July 1, 2022 through July 1, 2025 in amounts ranging from $1,780,000 to $28,820,000 plus interest. Interest on the 2021B Bonds is due and paid semiannually. The 2021B Bond is payable from, and secured by, a pledge of net revenues from the operation of the expressway System. The purpose of the Series 2021B Bonds was to refund a portion of the Series 2012 Bonds for net present value savings of $5,639,891, which represents $5,726,942 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 $548,175,000 and $0 on June 30, 2021 and 2020 respectively, all of which were serial bonds. The outstanding serial bonds are due in annual installments beginning on July 1, 2022 through July 1, 2040 in amounts ranging from $4,300,000 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

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

Fixed Rate Debt *(Continued)*

expressway System. Interest on the 2021 Bonds is due and paid semiannually. The purpose of the Series 2021 Bonds was to lower the risk profile of CFX's debt by refunding the remaining portions of the Series 2008B variable Bonds and terminate the Swaps associated with them, for net present value savings of $1,193,124, which represents $525,607 of higher debt service payments over the life of the debt.

The Central Florida Expressway Authority Refunding Revenue Bond, Series 2020A, was originally issued on August 18, 2020 and was outstanding in the aggregate principal amount of $155,915,000 and $0 on June 30, 2021 and 2020 respectively. The bond was issued in the form of a bank loan directly with the bondholder, STI Institutional & Government, Inc. The bond is due in annual installments beginning on July 1, 2021 through July 1, 2032 in amounts ranging from $1,230,000 to $56,400,000 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.

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 $128,370,000 and $129,550,000 on June 30, 2021 and 2020 respectively, including $64,755,000 of serial bonds and $63,615,000 of term bonds. The outstanding serial bonds are due in annual installments beginning on July 1, 2021 through July 1, 2039 in amounts ranging from $2,125,000 to $5,015,000, plus interest. Two term bonds were issued in the amounts of $28,535,000 and $35,080,000 and mature July 1, 2044 and July 1, 2049, respectively. The 2019A Bonds are payable from, and secured by, a pledge of net revenues from the operation of the expressway System. Interest on the 2019A Bonds is due and paid semiannually. The purpose of the Series 2019A Bonds was to purchase the Poinciana Parkway System from Osceola County.

The Central Florida Expressway Authority Revenue Bonds, Series 2019B, were originally issued on December 5, 2019 and were outstanding in the aggregate principal amount of $437,485,000 and $441,390,000 on June 30, 2021 and 2020, including $214,370,000 of serial bonds and $223,115,000 of term bonds. The outstanding serial bonds are due in annual installments beginning on July 1, 2021 through July 1, 2039 in amounts ranging from $7,020,000 to $16,895,000, plus interest. Two term bonds were issued in the amounts of $98,015,000 and $125,100,000 and mature July 1, 2044 and July 1, 2049, respectively. The 2019B Bonds are payable from, and secured by, a pledge of net revenues from the operation of the expressway System. Interest on the 2019B Bonds is due and paid semiannually. The purpose of the Series 2019B Bonds was to fund a portion of the Five-Year Work Plan.

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

Fixed Rate Debt *(Continued)*

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 $215,520,000 and $219,035,000 on June 30, 2021 and 2020 respectively, including $122,025,000 of serial bonds and $93,495,000 of term bonds. The outstanding serial bonds are due in annual installments beginning on July 1, 2021 through July 1, 2040 in amounts ranging from $3,690,000 to $9,325,000, plus interest. Two term bonds were issued in the amounts of $30,865,000 and $62,630,000 and mature July 1, 2043 and July 1, 2048, respectively. The 2018 Bonds are payable from, and secured by, a pledge of net revenues from the operation of the expressway System. Interest on the 2018 Bonds is due and paid semiannually. The purpose of the Series 2018 Bonds was to fund a portion of the Five-Year Work Plan.

The Central Florida Expressway Authority Refunding Revenue Bonds, Series 2017, were originally issued on December 28, 2017 and were outstanding in the aggregate principal amount of $338,630,000 and $339,275,000 on June 30, 2021 and 2020 respectively, including $240,520,000 of serial bonds and $98,110,000 of term bonds. The outstanding serial bonds are due in annual installments beginning on July 1, 2021 through July 1, 2042 in amounts ranging from $675,000 to $56,340,000, plus interest. The term bond is due on July 1, 2041. The 2017 Bonds are payable from, and secured by, a pledge of net revenues from the operation of the expressway System. Interest on the 2017 Bonds is due and paid semiannually. The purpose of the Series 2017 Bonds was to refund all of the Series 2007A, 2010A, and 2010C Bonds and a portion of the 2010B Bonds, for net present value savings of $39,795,910, which represents $61,030,269 of lower debt service payments over the life of the debt. The deferred outflow on the refunding for accounting purposes was $26,266,627.

The Central Florida Expressway Authority Refunding Revenue Bonds, Series 2016B, were originally issued on November 2, 2016 and were outstanding in the aggregate principal amount of $620,030,000 and $621,990,000 on June 30, 2021 and 2020 respectively, all of which were serial bonds. The outstanding serial bonds are due in annual installments beginning on July 1, 2021 through July 1, 2040 in amounts ranging from $2,035,000 to $66,520,000, 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.

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

Fixed Rate Debt *(Continued)*

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 $148,700,000 and $149,495,000 on June 30, 2021 and 2020 respectively, all of which were serial bonds. The outstanding serial bonds are due in annual installments beginning on July 1, 2021 through July 1, 2032 and July 1, 2036 through July 1, 2037 in amounts ranging from $835,000 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.

The Central Florida Expressway Authority Refunding Revenue Bonds, Series 2013B, were originally issued on January 2, 2013 and were outstanding in the aggregate principal amount of $46,735,000 and $115,725,000 on June 30, 2021 and 2020, respectively, all of which were serial bonds. The outstanding serial bonds are due in annual installments on July 1, 2021 through July 1, 2023 in amounts ranging from $2,475,000 to $22,625,000, plus interest. The 2013B Bonds are payable from, and secured by, a pledge of net revenues from the operation of the expressway System. Interest on the 2013B Bonds is due and paid semiannually. The Series 2013B Bonds were issued for the purpose of refunding the Series 2003C2 and 2003C4 Bonds and to fund the termination payments related to the associated swaps. The refunding resulted in a deferred outflow of $42,223,850, most of which was related to the swap termination payments. The difference between the cash flow of the old debt and the cash flow of the new debt was $5,959,376 higher post–refunding, which represents $4,868,985 on a net present value basis. The purpose of this refunding was to lower the risk profile of CFX's debt at an attractive rate.

The Central Florida Expressway Authority Refunding Revenue Bonds, Series 2013A, were originally issued on April 3, 2013 and were outstanding in the aggregate principal amount of $242,320,000 on June 30, 2021 and 2020, including $110,545,000 of serial bonds and $131,775,000 of term bonds. The serial bonds are due in annual installments beginning on July 1, 2026 through July 1, 2032 in amounts ranging from $7,065,000 to $24,875,000, plus interest. The term bond is due on July 1, 2035. The 2013A Bonds are payable from, and secured by, a pledge of net revenues from the operation of the expressway System. Interest on the 2013A Bonds is due and paid semiannually. The purpose of the Series 2013A Bonds was to refund the Series 2003B Bonds for net present value savings of $35,842,015, which represents $60,831,999 of lower debt service payments over the life of the debt. The deferred outflow on the refunding for accounting purposes was $2,750,505.

The Central Florida Expressway Authority Refunding Revenue Bonds, Series 2012, were originally issued on November 29, 2012 and were outstanding in the aggregate principal amount of $25,680,000 and $134,315,000 on June 30, 2021 and 2020 respectively, all of which were serial bonds. The serial bonds are due on July 1, 2022 for $25,680,000 plus interest. The 2012 Bonds are payable from, and secured by, a pledge of net revenues from the operation of the expressway System. Interest on the 2012 Bonds is due and paid semiannually. See below for the purpose, economic and accounting impacts of the refunding.

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

Fixed Rate Debt *(Continued)*

The Central Florida Expressway Authority General Reserve Fund Obligation Bond, Series 2012A, was originally issued on November 29, 2012 and was outstanding in the aggregate principal amount of $35,780,000 and $42,195,000 on June 30, 2021 and 2020 respectively. The bond was issued in the form of a subordinate bank loan directly with the bondholder, SunTrust Bank. The bond is due in annual installments beginning on July 1, 2020 through July 1, 2025 in amounts ranging from $6,415,000 to $8,485,000, plus interest. The 2012A Bond is payable from, and secured by, a pledge of the general fund, which is junior and subordinate to the net revenues from the operation of the expressway System pledged to senior lien parity bonds. Interest on the 2012A Bond is due and paid semiannually.

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

Variable Rate Debt

On April 22, 2021, CFX issued the Central Florida Expressway Authority Refunding Revenue Bonds, Series 2021 Bonds which refunded and retired all outstanding variable rate debt.

On May 1, 2008, CFX issued Central Florida Expressway Authority Variable Rate Refunding Revenue Bonds, Series 2008B1, 2008B2, 2008B3 and 2008B4 (collectively, "2008B Bonds"), for the purpose of refunding the Series 2005A, 2005B, 2005C, 2005D, and 2005E Bonds (collectively, "2005 Bonds"), of which $0 was outstanding on June 30, 2021 and $129,875,000, $117,395,000, $148,490,000, and $98,965,000 was outstanding on June 30, 2020. The 2008B Bonds were issued in four sub-series in the initial aggregate principal amount of $499,105,000, including Series 2008B1 in the initial principal amount of $131,025,000; Series 2008B2 in the initial principal amount of $118,500,000; Series 2008B3 in the initial principal amount of $149,760,000; and 2008B4 in the initial principal amount of $99,820,000.

The Series 2008B Bonds were dated the date of their original issuance and delivery and had a maturity date of July 1, 2040. The Series 2008B Bonds were initially issued in a variable rate mode, with the interest rate on the Series 2008B Bonds resetting on a weekly basis and interest payable on a monthly basis.

In fiscal year 2012, the Series 2008B3 and 2008B4 Bonds were converted to a bank rate mode and directly placed with the bondholder. In fiscal year 2015, the Series 2008B1 Bonds were converted to a bank rate mode and directly placed with the bondholder. In fiscal year 2016, the Series 2008B2 Bonds were converted to a bank rate mode and directly placed with the bondholder. All 2008B bonds remain in bank purchase mode. The bank rate also resets on a weekly basis and is tied to the SIFMA index plus a spread.

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

Variable Rate Debt *(Continued)*

The 2008B Bonds were subject to optional and mandatory redemption and optional and mandatory tender for purchase prior to maturity. Amortization installments for the mandatory redemption of the 2008B Bonds began on July 1, 2014. All outstanding 2008B Bonds were redeemed on April 22, 2021 and are no longer outstanding.

The annual requirements to amortize all revenue bonds and revenue refunding bonds outstanding as of June 30, 2021, are summarized as follows (all amounts in thousands). The totals below are net of capitalized interest funds available for debt service.

	Bonds Payable			Direct Borrowings		
	Principal	Interest	Total P&I Due	Principal	Interest	Total P&I Due
2022	$ 18,855	$ 119,666	$ 138,521	$ 61,255	$ 3,699	$ 64,954
2023	77,545	125,016	202,561	11,435	3,404	14,839
2024	54,355	120,520	174,875	38,915	2,988	41,903
2025	33,285	117,120	150,405	63,150	2,442	65,592
2026	48,580	115,074	163,654	63,795	1,786	65,581
2027-2031	577,905	499,246	1,077,151	65,590	4,932	70,522
2032-2036	756,845	346,612	1,103,457	28,835	441	29,276
2037-2041	753,160	182,288	935,448	-	-	-
2042-2046	260,770	66,944	327,714	-	-	-
2047-2051	170,345	15,392	185,737	-	-	-
	$ 2,751,645	$ 1,707,879	$ 4,459,524	$ 332,975	$ 19,691	$ 352,666

Hedging Derivative Instruments – Cash Flow Hedges

Variable-to-Fixed Rate Interest Rate Swaps **-** On July 13, 2004, CFX entered into five forward-starting, synthetic fixed rate swap agreements totaling $499,105,000 ("2004 Swaps"), attributable to the $199,645,000 Series 2005A Bonds, the $149,760,000 Series 2005B Bonds, the $99,820,000 Series 2005C Bonds, the $24,940,000 Series 2005D Bonds, and the $24,940,000 Series 2005E Bonds. On May 1, 2008, all Series 2005 Bonds were redeemed, and the 2004 Swaps were then associated with the Series 2008B Refunding Bonds described above. On April 22, 2021, CFX issued the Central Florida Expressway Authority Refunding Revenue Bonds, Series 2021 Bonds which terminated all interest rate swaps.

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

Debt Service Reserve Requirements – CFX has purchased surety policies from bond insurers for the outstanding 2012, 2013A, 2013B, 2016A, and 2021 Bonds. The Series 2016B and Series 2017 Bonds are secured by reserves comprised of a combination of cash and a surety policy. The Series 2018, 2019A, and 2019B Series Bonds are secured by a cash reserve. The 2012A, 2020A, 2021B and 2021C Bonds are not secured by a reserve. Bond covenants do not require minimum ratings for providers of surety policies.

Defeased Bonds - In June of 2021 CFX utilized proceeds from the issuance of the Series 2021B and 2021C Refunding Bonds to fund an escrow to provide for the payment of principal and interest on the refunded Series 2012 and 2013B Bonds as of their call date of July 1, 2022 and July 1, 2023.

Principal maturities on those defeased bonds, based on July 1 payments each year, are as follows (in thousands):

Year Ending June 30,	2012 Bonds	2013B Bonds	Total
2022	$ 84,060	$ -	84,060
2023	-	48,360	48,360
	$ 84,060	$ 48,360	$ 132,420

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

Due to Governmental Agencies

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

	June 30, 2020	Additions	Deletions	June 30, 2021
Advances from FDOT for construction, operations and maintenance of certain plazas and roadways	$ 1,507	$ 1,424	(1,507)	$ 1,424
Loans and advances for specific projects	200,455	2,413	(246)	202,622
Toll revenue due to other state agencies	2,364	99,506	(98,239)	3,631
	204,326	103,343	(99,992)	207,677
Less current portion	(4,117)	(5,270)	4,117	(5,270)
Due to other governments net of current portion	200,209	98,073	(95,875)	202,407

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
2022	$ 5,270
2023	-
2024	-
2025	-
2026	-
Thereafter	202,407
	$ 207,677

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

Included in the Loans and Advances for specific projects is $4,421,000 for advances from the Greater Orlando Aviation Authority, the City of Orlando and Orange County for the extension of Goldenrod Road. The extension is a non-System project, and revenues from this project are utilized solely to pay expenses for the extension and to reimburse the funding partners, including CFX, for their original contribution to the project. Also included in Loans and Advances for specific projects is $197,985,482 for a Transportation Infrastructure Finance and Innovation Act (TIFIA) loan from the US Department of Transportation. This loan was secured from qualifying expenses for the acquisition of right-of-way and construction of the Wekiva Parkway. Principal repayments begin in 2028 and continue through 2049.

Note 6 - Leases

Operating Leases - CFX leases excess capacity of the Fiber Optic Network (FON) to Sprint Communications Company L.P. The original historic cost of this FON of $19,172,000 is not depreciated because its expected life exceeds 100 years. This is a ten-year lease with two five-year renewal options followed by three three-year renewal options. The annual rate of $464,640, adjusted annually by the local Consumer Price Index, is presented as miscellaneous nonoperating revenues. 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 first three-year renewal was executed at the end of fiscal year 2021. The minimum future rentals for the remaining three fiscal years are $464,640 per year for the first two years and $425,920 for the third year, for a total of $1,355,200.

Note 7 - Commitments and Contingencies

Commitments - Outstanding construction and other significant commitments for improvements, maintenance and operation of the System totaled approximately $831,701,000 at June 30, 2021.

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 $5. The minimum payment is $30 and the maximum payment is $150 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 both fiscal 2021 and 2020 were 6.3% for regular class and 7.67% for senior management class.

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 60 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 2021 contribution rate applied to regular employee salaries was 10.00%, including 1.66% for a post-retirement health insurance subsidy (“HIS”). The fiscal year 2020 contribution rate was 8.47%, which included 1.66% for HIS. The fiscal year 2021 contribution rate applied to senior management salaries was 27.29%, including 1.66% HIS. The fiscal year 2020 contribution rate was 25.41%, which included 1.66% for HIS. The fiscal year 2021 contribution rate applied to the salaries of the employees in DROP was 16.98%, including 1.66% for HIS. The fiscal year 2020 contribution rate was 14.60%, which included 1.66% for HIS.

CFX’s actual contributions to the FRS for the fiscal years ended June 30, 2021 and 2020 were $1,059,000 and $936,000, respectively. Employee contributions were $223,000 and $218,000 for the fiscal years ended June 30, 2021 and 2020, respectively.

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

CFX reported a liability of $12,012,000 and $9,997,000, at June 30, 2021 and 2020, respectively, for its proportionate share of the net pension liability of FRS and HIS. The net pension liability as of June 30, 2021 and 2020 was measured as of June 30, 2020 and 2019, 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 2019 and 2020 relative to the historical contributions of all participating employers. At June 30, 2020, CFX’s proportion was 0.02167% and 0.02137% for FRS and HIS, respectively, which was a decrease of 0.00042% and a decrease of 0.00007% from its respective proportion measured as of June 30, 2019.

Note 8 - Retirement Plans *(Continued)*

At June 30, 2019, CFX's proportion was 0.0221% and 0.0214% for FRS and HIS, respectively, which was an increase of 0.0016% and an increase of 0.0012% from its respective proportion measured as of June 30, 2018.

For the year ended June 30, 2021, CFX recognized a total of $2,472,000 pension expense with $2,174,000 and $298,000, for FRS and HIS, respectively. For the year ended June 30, 2020, CFX recognized a total of $2,473,000 pension expense with $2,208,000 and $265,000, for FRS and HIS, respectively.

At June 30, 2021 and June 30, 2020, CFX reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	As of June 30, 2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 467	$ 2
Changes of assumptions	1,983	152
Differences between projected and actual earnings on pension plan investments	561	-
Changes in proportion	675	88
CFX contributions subsequent to the measurement date	964	-
Total	$ 4,650	$ 242

	As of June 30, 2020	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 451	$ 8
Changes of assumptions	2,231	195
Differences between projected and actual earnings on pension plan investments	-	419
Changes in proportion	972	4
CFX contributions subsequent to the measurement date	844	-
Total	$ 4,498	$ 626

$964,000 and $844,000 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, 2022 and June 30, 2021 respectively.

Note 8 - Retirement Plans *(Continued)*

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

Years Ending June 30:	Amount
2022	$ 678
2023	656
2024	609
2025	571
2026	520
Thereafter	410

Actuarial Assumptions – The actuarial assumptions that determined the total pension liability as of June 30, 2021 and June 30, 2020, were based on the results of an actuarial experience study for the period July 1, 2014 – June 30, 2019.

Valuation date	July 1, 2019	July 1, 2020
Measurement date	June 30, 2019	June 30, 2020
Inflation	2.60%	2.40%
Salary increases, including inflation	3.25%	3.25%
Mortality	Generational RP-2000 with Projection Scale BB	PUB2010 base table varies by member category and sex, projected generationally with Scale MP-2018
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 6.80% and 6.90% as of June 30, 2020 and June 30, 2019 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%	2.2%
Fixed Income	19%	3.0%
Global equity	54%	8.0%
Real Estate (property)	10%	6.4%
Private equity	11%	10.8%
Strategic investments	5%	5.5%
Total	100.00%	

Note 8 - Retirement Plans *(Continued)*

Discount Rate – The discount rate used to measure the total pension liability was 6.80% and 6.90% for FRS for June 30, 2020 and June 30, 2019 respectively. The discount rate used to measure the total pension liability was 2.21% and 3.50% for HIS as of June 30, 2020 and June 30, 2019 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 6.80% and 6.90% for FRS for June 30, 2020 and June 30, 2019 respectively. The discount rate of 2.21% and 3.50% was used for HIS for June 30, 2020 and June 30, 2019 respectively. The following also presents what CFX's proportionate share of the net pension liability would be at June 30, 2021 and 2020 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, 2021		
	FRS		
	1% Decrease 5.8%	Current Discount Rate 6.8%	1% Increase 7.8%
CFX's proportionate share of the net pension liability (asset)	$ 15,004,438	$ 9,396,379	$ 4,712,504
	HIS		
	1% Decrease 1.21%	Current Discount Rate 2.21%	1% Increase 3.21%
CFX's proportionate share of the net pension liability (asset)	$ 3,026,081	$ 2,617,818	$ 2,283,656

	As of June 30, 2020		
	FRS		
	1% Decrease 5.9%	Current Discount Rate 6.9%	1% Increase 7.9%
CFX's proportionate share of the net pension liability (asset)	$ 13,151,181	$ 7,607,701	$ 2,977,957
	HIS		
	1% Decrease 2.50%	Current Discount Rate 3.50%	1% Increase 4.50%
CFX's proportionate share of the net pension liability (asset)	$ 2,729,721	$ 2,391,238	$ 2,109,321

Note 8 - Retirement Plans *(Continued)*

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

	June 30, 2020	Additions	Deletions	June 30, 2021	Due Within One year
Net pension liability	$ 9,997	$ 6,782	$ 4,767	$ 12,012	$ -

	June 30, 2019	Additions	Deletions	June 30, 2020	Due Within One year
Net pension liability	$ 8,312	$ 6,883	$ 5,198	$ 9,997	$ -

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

Note 9 - Risk Management

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

No settlements have exceeded coverage levels in place during 2019, 2020 and 2021.

CFX is covered by the State of Florida's State Group Insurance program, a risk management pool to which risk is transferred in exchange for annual premium payments.

Note 10 – Subsequent Events

On July 1, 2021, CFX used legally available moneys on hand to defease all its then-outstanding Refunding Revenue Bonds, Series 2013A balance of $242,320,000.

On July 28, 2021, CFX issued Central Florida Expressway Authority Senior Lien Revenue Series 2021D Bonds in the principal amount of $198,435,000. The bonds were issued as new funds with the purpose to fund portions of the Five-Year Work Plan.

REQUIRED SUPPLEMENTARY INFORMATION

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
Trend Data on Infrastructure Condition

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

Evaluation Period Fiscal Year	**Rating**
2021	93%
2020	91%
2019	91%
2018	92%
2017	89%

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

Fiscal Year	**Budget**	**Actual**
	(in thousands)	
2021	$ 33,064	$ 20,929
2020	51,040	31,002
2019	44,000	21,586
2018	31,850	33,837
2017	38,487	22,447

CENTRAL FLORIDA EXPRESSWAY AUTHORITY
Schedule of CFX's Proportionate Share of the 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
2021	2020	0.0022%	$ 9,396	$ 5,100	184.24%	78.85%
2020	2019	0.0220%	7,608	4,712	161.46%	82.61%
2019	2018	0.0205%	6,180	4,250	145.41%	84.26%
2018	2017	0.0201%	5,958	4,093	145.57%	83.89%
2017	2016	0.0191%	4,812	3,746	128.46%	84.88%
2016	2015	0.0174%	2,249	3,212	70.02%	92.00%
2015	2014	0.0157%	959	2,987	32.11%	96.09%
2014	2013	0.0091%	1,566	2,985	52.46%	88.54%

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
2021	2020	0.0214%	$ 2,618	$ 7,441	35.18%	3.00%
2020	2019	0.0214%	2,391	7,147	33.45%	2.63%
2019	2018	0.0202%	2,134	6,585	32.41%	2.15%
2018	2017	0.0189%	2,021	6,023	33.55%	1.64%
2017	2016	0.0173%	2,018	5,345	37.75%	0.97%
2016	2015	0.0157%	1,603	4,769	33.61%	0.50%
2015	2014	0.0152%	1,418	4,507	31.46%	0.99%
2014	2013	0.0154%	1,343	4,482	29.96%	1.78%

Notes:
1) This schedule is intended to show information for ten years; however, data was unavailalbe prior to 2014. Additional years' information will be presented as it becomes available.

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
2021	$ 835	$ 835	$ -	$ 5,426	15.39%
2020	720	720	-	5,100	14.12%
2019	685	685	-	4,712	14.54%
2018	585	585	-	4,250	13.76%
2017	524	524	-	4,093	12.80%
2016	465	465	-	3,746	12.41%
2015	424	424	-	3,212	13.20%
2014	344	344	-	2,987	11.52%

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
2021	$ 130	$ 130	$ -	$ 7,811	1.66%
2020	124	124	-	7,441	1.67%
2019	119	119	-	7,147	1.67%
2018	109	109	-	6,585	1.66%
2017	100	100	-	6,023	1.66%
2016	89	89	-	5,345	1.67%
2015	60	60	-	4,769	1.26%
2014	52	52	-	4,507	1.15%

Notes:
1) This schedule is intended to show information for ten years; however, data was unavailalbe prior to 2014. Additional years' information will be presented as it becomes available.

OTHER SUPPLEMENTARY INFORMATION

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, 2021	Years Ended June 30, 2020
	(in thousands)	
Revenues:		
Tolls	$ 496,955	$ 451,894
Fees tied to revenue collection	7,164	12,140
Transponder sales	1,396	820
Other operating	1,353	1,778
Interest	9,507	10,817
Miscellaneous	745	732
Total revenues	517,120	478,181
Expenses:		
Operations	65,807	64,937
Maintenance	18,552	18,022
Administration	8,993	8,910
Other operating	3,303	3,580
Total expenses	96,655	95,449
Add deposits into OMA reserve	-	756
Less advances allowable for operations and maintenance expenses received from FDOT	(7,174)	(7,601)
Net expenses	89,481	88,604
Net revenues, as defined, inclusive of advances received from the FDOT	$ 427,639	$ 389,577
Senior lien debt service payments	$ 211,164	$ 192,866
Senior lien debt service ratio of net revenues to debt service payments	2.03	2.02
Subordinate Payments	$ 8,163	$ 7,555
Subordinate Debt Service Ratio*	1.95	1.94

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

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

REPORTS ON COMPLIANCE
AND INTERNAL CONTROL

MSL

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Members of the
Central Florida Expressway Authority
Orlando, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements, as listed in the table of contents, of the Central Florida Expressway Authority ("CFX") as of and for the year ended June 30, 2021, and have issued our report thereon dated October 27, 2021.

Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

To the Members of the
Central Florida Expressway Authority

Compliance and Other Matters

As part of obtaining reasonable assurance about whether CFX's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Pursuant to provisions of Chapter 10.550, *Rules of the Auditor General,* we reported certain matters to management in a separate management letter and Independent Accountant's Report dated October 27, 2021.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of CFX's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering CFX's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
October 27, 2021

MSL

Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE WITH BOND COVENANTS

To the Members of the
Central Florida Expressway Authority
Orlando, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements, as listed in the table of contents, of the Central Florida Expressway Authority ("CFX") as of and for the year ended June 30, 2021, and have issued our report thereon dated October 27, 2021.

Other Matter

In connection with our audit, nothing came to our attention that caused us to believe that CFX failed to comply with the terms, covenants, provisions, or conditions of Sections 5.2, 5.5 to 5.7, 5.9, 5.10, 5.12, and 5.17, inclusive of the Amended and Restated Master Bond Resolution dated February 3, 2003, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding CFX's noncompliance with the above-referenced terms, covenants, provisions, or conditions of the Amended and Restated Master Bond Resolution, insofar as they relate to accounting matters.

Restricted Use Relating to the Other Matter

This communication related to compliance with the aforementioned Amended and Restated Master Bond Resolution and is intended solely for the information and use of CFX members, management, and the bondholders and is not intended to be, and should not be, used by anyone other than these specified parties.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
October 27, 2021

MSL
Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REPORT

To the Members of the
Central Florida Expressway Authority
Orlando, Florida

We have examined the compliance of the Central Florida Expressway Authority ("CFX") with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended June 30, 2021. Management is responsible for CFX's compliance with those requirements. Our responsibility is to express an opinion on CFX's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about CFX's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on CFX's compliance with specified requirements.

In our opinion, CFX complied, in all material respects, with the aforementioned requirements for the fiscal year ended June 30, 2021.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
October 27, 2021

Certified Public Accountants

MANAGEMENT LETTER

To the Members of the
Central Florida Expressway Authority
Orlando, Florida

Report on the Financial Statements

We have audited the financial statements of Central Florida Expressway Authority ("CFX") as of and for the fiscal year ended June 30, 2021, and have issued our report thereon dated October 27, 2021.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Governmental Auditing Standards;* Independent Auditor's Report on Compliance with Bond Covenants; and Independent Accountant's Report on an examination conducted in accordance with AICPA *Professional Standards,* AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General.* Disclosures in those reports, which are dated October 27, 2021, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General,* requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The legal authority is disclosed in the notes to the financial statements.

To the Members of the
Central Florida Expressway Authority

Financial Condition

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General,* require us to apply appropriate procedures and report the results of our determination as to whether or not CFX has met one or more of the conditions described in Section 218.503(1), *Florida Statutes,* and identification of the specific condition(s) met. In connection with our audit, we determined that CFX did not meet any of the conditions described in Section 218.503(1), *Florida Statutes.*

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

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

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General,* requires that we determine whether or not a special district that is a component unit of a county, municipality, or special district, provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), *Florida Statutes.* There were no special district component units that were required to provide financial information to CFX for the fiscal year ended June 30, 2021.

Additional Matters

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the members of CFX's Board, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

MSL, P.A.

Certified Public Accountants

Orlando, Florida
October 27, 2021