



FINANCE DEPARTMENT

Unaudited Financial Statements

For the three months ended December 31, 2025 and 2024

Orlando International Airport
and Orlando Executive Airport

GREATER ORLANDO AVIATION AUTHORITY

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Independent Accountant's Review Report

Authority Board
Orlando International Airport
(a Department of the Greater Orlando Aviation Authority)
Orlando, Florida

We have reviewed the accompanying interim financial statements of Orlando International Airport (a department of the Greater Orlando Aviation Authority), which comprise the statement of net position as of December 31, 2025, and the related statements of revenues, expenses, and changes in net position, cash flows, and the related notes to the financial statements for each of the three-month periods ended December 31, 2025 and 2024. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the Greater Orlando Aviation Authority (the "Authority"). A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the interim 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

As discussed in Note 1 of the notes to the interim financial statements, the interim financial statements of Orlando International Airport are intended to present the financial position and the changes in financial position, and cash flows of only that portion of the activities of the Authority that is attributable to the transactions of Orlando International Airport. They do not purport to, and do not, present fairly the financial position of the Authority as of December 31, 2025, and the changes in its financial position and its cash flows for the three-month periods ended December 31, 2025 and 2024, in conformity with accounting principles generally accepted in the United States of America.

Accountant’s Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying interim financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that required supplementary information be presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis and, although not a required 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. We have not audited, reviewed, or compiled the required supplementary information and we do not express an opinion, a conclusion, nor provide any assurance on it.

Management has omitted the Management Discussion & Analysis, Pension schedules, and Other Postemployment Benefit schedules that the Governmental Accounting Standards Board requires to be presented to supplement the basic financial statements. Such missing information, although not a required 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context. The results of our review of the basic financial statements are not affected by this missing information.

Prior Period Statements of Net Position

The statement of net position of Orlando International Airport as of September 30, 2025 was audited by us, and we expressed an unmodified opinion on that statement in relation to the financial statements of the Authority as a whole in our report dated February 24, 2026, but we have not performed any auditing procedures since that date.

Forvis Mazars, LLP

**Orlando, Florida
April 3, 2026**

GREATER ORLANDO AVIATION AUTHORITY
ORLANDO INTERNATIONAL AIRPORT
STATEMENTS OF NET POSITION – UNAUDITED
AS OF DECEMBER 31, 2025 and SEPTEMBER 30, 2025
(in thousands)

	December 31, 2025	September 30, 2025
ASSETS AND DEFERRALS		
Current Assets		
Cash and cash equivalents	\$ 480,534	\$ 555,164
Restricted cash and cash equivalents	220,008	265,566
Accounts receivable, less allowance for uncollectibles of \$527 and \$527	61,280	49,197
Interest receivable	3,199	3,758
Lease receivables, current	125,029	129,143
Due from Orlando Executive Airport	-	208
Due from other governmental agencies	677	851
Prepaid expenses and inventory	13,108	16,034
Total current assets	903,835	1,019,921
Noncurrent Assets		
Restricted assets:		
Cash and cash equivalents	895,795	807,130
Accounts receivable	24,801	24,321
Investments	655,289	706,216
Capital reserve receivable	2,707	2,707
Interest receivable	6,331	7,914
Due from other governmental agencies	74,894	81,285
Prepaid expenses	1,802	259
Net pension asset	1,331	1,331
Net OPEB asset	22,842	22,842
Total restricted assets	1,685,792	1,654,005
Unrestricted assets:		
Investments	340,128	349,013
Lease receivables, noncurrent	908,151	939,078
Total unrestricted assets	1,248,279	1,288,091
Capital and lease assets		
Nondepreciable assets and leases		
Land	243,569	243,568
Assets held for future use	78,112	78,112
Construction work in progress	803,721	747,386
Total nondepreciable assets and leases	1,125,402	1,069,066
Depreciable assets and leases		
Building	4,084,328	4,084,242
Improvements	3,147,807	3,144,588
Equipment	736,499	735,931
Motor vehicles	119,636	123,718
Buildings - right to use leased assets	52,276	52,276
Subscription right to use asset	9,900	10,016
Total depreciable assets and leases	8,150,446	8,150,771
Total capital and lease assets	9,275,848	9,219,837
Less accumulated depreciation and amortization	(3,885,437)	(3,833,415)
Capital and lease assets, net	5,390,411	5,386,422
Total noncurrent assets	8,324,482	8,328,518
Total assets	9,228,317	9,348,439
Deferred outflows of resources	14,294	14,396

(continued)

See accompanying independent accountant's review report and notes to financial statements.

GREATER ORLANDO AVIATION AUTHORITY
ORLANDO INTERNATIONAL AIRPORT
STATEMENTS OF NET POSITION - UNAUDITED
AS OF DECEMBER 31, 2025 and SEPTEMBER 30, 2025
(in thousands)

	December 31, 2025	September 30, 2025
LIABILITIES, DEFERRALS, AND NET POSITION		
Current liabilities		
Accounts payable and accrued liabilities	\$ 79,547	\$ 80,736
Lease liability, current	1,702	1,675
Subscription liability, current	2,645	2,615
Unearned revenue	9,667	12,910
Deposits	20,874	19,523
Advance rent from tenants, current	16,700	12,165
Due to Orlando Executive Airport	33	-
Due to other governmental agencies	9,314	3,729
Accrued airline revenue sharing	24,519	96,736
Payable from restricted assets:		
Accrued interest	36,939	75,670
Accounts payable and accrued liabilities	74,236	84,678
Due to other governmental agencies	-	110
Line of credit, current	15,516	15,516
Revenue bonds payable, current	93,317	89,592
Total current liabilities	385,009	495,655
Long-term Liabilities		
Lease liability, long-term	48,565	49,001
Subscription liability, long-term	1,500	1,594
Revenue bonds payable, long-term	3,361,957	3,448,826
Line of credit, long-term	1,185	1,185
Net pension liability	19,351	19,351
Other long-term liabilities	3,005	3,005
Total long-term liabilities	3,435,563	3,522,962
Total liabilities	3,820,572	4,018,617
Deferred inflows of resources	994,364	1,031,351
Net Position		
Net investment in capital assets	2,624,118	2,560,525
Restricted for		
Debt service	119,641	124,380
Capital acquisitions and construction	795,322	732,697
Pension	1,331	1,331
OPEB	22,842	22,842
Total restricted	939,136	881,250
Unrestricted	864,421	871,092
Total net position	\$ 4,427,675	\$ 4,312,867

See accompanying independent accountant's review report and notes to financial statements.

GREATER ORLANDO AVIATION AUTHORITY
ORLANDO INTERNATIONAL AIRPORT
STATEMENTS OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION - UNAUDITED
FOR THE THREE MONTHS ENDED DECEMBER 31, 2025 and 2024
(in thousands)

	2025	2024 (Restated)
Operating Revenues		
Airfield area	\$ 23,933	\$ 22,286
Terminal area	125,777	115,915
Ground transportation	64,729	64,751
Other buildings and grounds	7,954	7,817
Hotel	13,426	12,946
Rail station	1,634	1,786
Other operating revenue	1,593	1,366
Total operating revenues	239,046	226,867
Operating Expenses		
Operations and facilities	78,065	67,506
Safety and security	23,468	20,590
Administration	28,898	26,900
Hotel	10,630	10,185
Other	941	592
Total operating expenses	142,002	125,773
Operating income before depreciation and amortization	97,044	101,094
Depreciation and amortization	(56,679)	(55,415)
Operating income	40,365	45,679
Nonoperating Revenues (Expenses)		
Investment income	20,966	15,582
Net increase (decrease) in the fair value of investments	2,388	(3,445)
Lease interest income	8,594	9,587
Interest expense	(31,571)	(31,380)
Lease interest expense	(821)	(847)
Subscription interest expense	(48)	(21)
Passenger facility charges	26,294	24,854
Customer facility charges	24,468	20,677
Federal and state grants	92	120
Other	16	50
Total nonoperating revenues (expenses)	50,378	35,177
Income before capital contributions	90,743	80,856
Capital Contributions	24,065	19,730
Increase in net position	114,808	100,586
Total Net Position, Beginning of Period	4,312,867	3,873,664
Total Net Position, End of Period	\$ 4,427,675	\$ 3,974,250

See accompanying independent accountant's review report and notes to financial statements.

GREATER ORLANDO AVIATION AUTHORITY
ORLANDO INTERNATIONAL AIRPORT
STATEMENTS OF CASH FLOWS - UNAUDITED
FOR THE THREE MONTHS ENDED DECEMBER 31, 2025 and 2024
(in thousands)

	2025	2024 (Restated)
Cash flows from operating activities		
Cash received from customers, tenants and governmental agencies	\$ 227,960	\$ 218,770
Cash paid to suppliers and governmental agencies	(96,109)	(87,326)
Cash paid to employees for services	(38,025)	(33,010)
Cash paid to airlines	(72,217)	(91,169)
Other operating cash receipts	37	97
Net cash provided by (used for) operating activities	<u>21,646</u>	<u>7,362</u>
Cash flows from noncapital financing activities		
Operating grants	92	120
Net cash provided by (used for) noncapital financing activities	<u>92</u>	<u>120</u>
Cash flows from capital and related financing activities		
Proceeds from issuance of bonds	-	846,115
Proceeds from line of credit	-	21,661
Passenger facility charges	27,641	26,380
Customer facility charges	22,637	16,638
Bond issuance costs	-	(3,709)
Principal payments - bonds	(77,997)	(72,900)
Principal payments - line of credit	-	(59,341)
Lease interest income	8,594	9,587
Interest paid	(75,824)	(59,673)
Lease interest expense	(821)	(847)
Subscription interest expense	(48)	(21)
Proceeds from sale of assets	38	5
Acquisition and construction of capital assets	(73,135)	(98,901)
Capital contributed by federal, state and other agencies	30,410	27,898
Net cash (used for) provided by capital and related financing activities	<u>(138,505)</u>	<u>652,892</u>
Cash flows from investing activities		
Purchase of investments	(38,803)	(30,130)
Proceeds from sale and maturity of investments	101,065	101,551
Interest received	22,982	12,550
Net cash provided by (used for) investing activities	<u>85,244</u>	<u>83,971</u>
Net increase (decrease) in cash and cash equivalents	(31,523)	744,345
Cash and Cash Equivalents, Beginning of Period	1,627,860	1,215,394
Cash and Cash Equivalents, End of Period (1)	<u>\$ 1,596,337</u>	<u>\$1,959,739</u>
(1) Cash and Cash Equivalents – Unrestricted Assets	\$ 480,534	\$ 514,677
Cash and Cash Equivalents – Restricted Assets - Current	220,008	196,861
Cash and Cash Equivalents – Restricted Assets - Noncurrent	895,795	1,248,201
	<u>\$ 1,596,337</u>	<u>\$ 1,959,739</u>

(continued)

See accompanying independent accountant's review report and notes to financial statements.

GREATER ORLANDO AVIATION AUTHORITY
ORLANDO INTERNATIONAL AIRPORT
STATEMENTS OF CASH FLOWS - UNAUDITED
FOR THE THREE MONTHS ENDED DECEMBER 31, 2025 and 2024
(in thousands)

	2025	2024 (Restated)
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 40,365	\$ 45,679
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:		
Depreciation and amortization	56,679	55,415
Other income	37	97
Decrease (Increase) in operating assets:		
Accounts and grants receivable	(12,079)	(10,575)
Lease receivables	35,041	7,995
Due from other governmental agencies	174	220
Prepaid expenses	2,926	2,579
Increase (Decrease) in operating liabilities:		
Accounts payable and accrued liabilities	(985)	(1,020)
Due to other governmental agencies	5,585	3,902
Accrued airline revenue sharing	(72,217)	(91,169)
Unearned revenue	(3,243)	(1,950)
Deposits	1,351	815
Advance rent from tenants	4,535	5,336
Due from other funds	(13)	(91)
Other liabilities	-	(17)
Deferred inflows of resources	(36,510)	(9,854)
Total adjustments	(18,719)	(38,317)
Net cash provided by operating activities	\$ 21,646	\$ 7,362

Noncash Investing, Capital and Financing Activities

Increase in fair value of investments	\$ 2,388	\$ (3,445)
Capital contributions from other governments	\$ (6,345)	\$ (8,168)
Amortization of bond premiums/discounts	\$ 5,147	\$ 4,623
Amortization of deferred bond refunding gain (loss)	\$ 375	\$ 848
Acquisition of capital assets with accounts payable	\$ 74,236	\$ 60,034
Acquisition (retirement) of subscription based IT arrangements	\$ (117)	\$ (1,885)

See accompanying independent accountant's review report and notes to financial statements.

GREATER ORLANDO AVIATION AUTHORITY
 ORLANDO INTERNATIONAL AIRPORT
 NOTES TO FINANCIAL STATEMENTS - UNAUDITED
 FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Purpose: The Orlando International Airport (MCO) functions as a self-supporting department operated by the Greater Orlando Aviation Authority (the Authority) and uses the accrual method of accounting. The Authority also operates Orlando Executive Airport (ORL). The department financial statements of ORL are presented separately.

Basis of Presentation and Accounting: The accompanying unaudited department financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal, recurring accruals) considered necessary for a fair presentation have been included. Prior period amounts have been reclassified to conform to the current period presentations. Operating results for the three months ended December 31, 2025 are not necessarily indicative of the results that may be expected for the year ending September 30, 2026. For further information, refer to the Authority's financial statements and footnotes thereto included in the Annual Comprehensive Financial Report for the year ended September 30, 2025.

Change in Accounting Principle: In fiscal year 2025, the Authority implemented GASB Statement No. 101, Compensated Absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences. This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used. This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

The implementation of GASB 101 resulted in the restatement of certain December 31, 2024 amounts as follows:

	As previously reported December 31, 2024	Net Change	As restated December 31, 2024
Cash and Cash Equivalents - Restricted Assets - Current	\$ 197,373	\$ (512)	\$ 196,861
Cash and Cash Equivalents - Restricted Assets - Noncurrent	1,247,689	512	1,248,201
Total Net Position, Beginning of Period	3,874,939	(1,275)	3,873,664
Total Net Position, End of Period	3,975,525	(1,275)	3,974,250

GREATER ORLANDO AVIATION AUTHORITY
 ORLANDO INTERNATIONAL AIRPORT
 NOTES TO FINANCIAL STATEMENTS - UNAUDITED
 FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

2. CASH DEPOSITS AND INVESTMENTS

The Authority's cash and cash equivalents balances include amounts deposited with commercial banks in interest-bearing and non-interest bearing demand deposit accounts, as well as the Florida State Board of Administration's (the SBA) Local Government Surplus Investment Pool, (the Florida Prime). The commercial bank balances are entirely insured by federal depository insurance or by collateral pursuant to the Florida Security for Public Deposits Act of the State of Florida (the Act). Financial statement for the SBA can be found on the Florida Auditor General's website at https://flauditor.gov/pages/pdf_files/2026-050.pdf.

The Act establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the Authority's deposits in qualified public depositories are considered totally insured. The qualified public depository must pledge at least 50% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. Additional collateral, up to a maximum of 125%, may be required, if deemed necessary under the conditions set forth in the Act. Obligations pledged to secure deposits must be delivered to the State of Florida's Chief Financial Officer (State's CFO) or, with the approval of the State's CFO, to a bank, savings association, or trust company, provided a power of attorney is delivered to the State's CFO.

In accordance with generally accepted accounting principles, the Authority adjusts the carrying value of investments to fair value to be presented as a component of investment income. The fair value of investments is based on available market values. The Florida Prime operated by the SBA is a "2a-7 like" pool and is also presented in accordance with generally accepted accounting principles; therefore, it is not presented at fair value, but at its actual pooled share price which approximates fair value.

At December 31, 2025, and September 30, 2025, the fair value of all securities, regardless of the statement of net position (unaudited) classification, was as follows (in thousands):

	December 31, 2025	September 30, 2025
U.S. Treasury and government agency securities	\$ 995,267	\$ 1,087,032
Asset backed securities	152	180
Local government investment pool	7,047	6,973
Investment in money market funds	941,840	947,173
Total securities	<u>\$ 1,944,306</u>	<u>\$ 2,041,358</u>

These securities are classified on the statements of net position (unaudited) as follows (in thousands):

	December 31, 2025	September 30, 2025
Current Assets		
Unrestricted cash and cash equivalents	\$ 480,534	\$ 555,164
Restricted cash and cash equivalents	220,008	265,566
Investments		
Noncurrent Assets		
Restricted assets:		
Cash and cash equivalents	895,795	807,130
Investments	655,289	706,216
Unrestricted assets:		
Investments	340,128	349,013
Total cash, cash equivalents and investments	2,591,754	2,683,089
Less cash on deposit	(647,448)	(641,731)
Total securities, at fair value	<u>\$ 1,944,306</u>	<u>\$ 2,041,358</u>

GREATER ORLANDO AVIATION AUTHORITY
 ORLANDO INTERNATIONAL AIRPORT
 NOTES TO FINANCIAL STATEMENTS - UNAUDITED
 FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

2. CASH DEPOSITS AND INVESTMENTS (continued)

The Authority is authorized to invest in securities as described in its investment policy and in each bond resolution. As of December 31, 2025, the Authority held the following investments, as categorized below, in accordance with generally accepted accounting principles (in thousands):

Investment Maturities (in thousands) at December 31, 2025

Investment Type	Less than 1 Year	1 to 5 Years	6 to 10 Years	11 to 15 Years	Total	Level
U.S. Treasury and government agency securities	\$ 604,376	\$ 390,891	\$ -	\$ -	\$ 995,267	1
Asset backed securities	7	123	22	-	152	1
Local government investment pool	7,047	-	-	-	7,047	N/A
Money market funds	941,840	-	-	-	941,840	N/A
	<u>\$ 1,553,270</u>	<u>\$ 391,014</u>	<u>\$ 22</u>	<u>\$ -</u>	<u>\$1,944,306</u>	

The Authority had invested in the Florida Prime \$0.8 million as of December 31, 2025 and \$0.8 million as of September 30, 2025. The Authority had invested in the Fixed Income Trust \$6.2 million as of December 31, 2025 and \$6.1 million as of September 30, 2025. Additional information regarding the Local Government Surplus Funds Trust Fund may be obtained from the SBA.

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority generally holds investments to maturity, except for those portions of the portfolio that are actively managed by the Authority's Investment Advisor. The Authority's investment policy requires the investment portfolio to be structured to provide sufficient liquidity to pay obligations as they become due. To the extent possible, investment maturities match known cash needs and anticipated cash flow requirements. Investments under the Bond Resolution shall mature no later than needed, except for 1) investments in the Debt Service Reserve Account, which shall mature not later than fifteen years (unless such investment is redeemable at the option of the holder, in which event the maturity shall not exceed the final maturity date of the bonds secured by such investment); 2) investments in the Operation and Maintenance Fund and Operation and Maintenance Reserve Account shall mature within twelve months; and 3) investments in the Capital Expenditure Fund, the Renewal and Replacement Fund, Improvement and Development Fund, and the Discretionary Fund shall mature within five years.

Investments under the Amended and Restated Master Subordinated Indenture of Trust shall mature no later than needed, except for investments in the Reserve Fund, which shall mature not later than fifteen years from the date of such investment. The Authority portfolio holds a limited number of callable securities. The schedules above present the maturity date of the securities. According to the SBA, the dollar weighted average days to maturity ("WAM") of the Florida Prime at December 31, 2025 is 47 days. Next interest rate reset dates for floating rate securities are used in calculation of the WAM. The weighted average life of the Florida Prime at December 31, 2025, is 72 days. According to the Florida Fixed Income Trust, the dollar weighted average days to maturity to reset ("WAM" to reset) of the Fixed Income Trust at December 31, 2025 is 71 days. Next interest rate reset dates for floating rate securities are used in the calculation of WAM. The weighted average days to maturity to final ("WAM" to final) of the Fixed Income Trust at December 31, 2025 is 251 days.

Credit Risk: The Authority's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and in general, avoid speculative investments. Authority policy limits the purchase of certain investments to specific rating requirements. Investment in commercial paper is limited to ratings of A-1, P-1, or F1 for short-term investments by two of the three rating agencies: S&P, Moody's and Fitch (without regard to gradation). Investment in dollar denominated Corporate securities is limited to companies in the United States which are rated "A" or better by two of the three rating agencies (without regard to gradation). Investments held in obligations of U.S. government agencies were rated AAA by Fitch, Aaa by Moody's and AA+ by S&P. Investments held in the portfolio as of December 31, 2025 were rated consistent with the Authority's investment policy and bond resolutions. Funds invested in money market funds and the Florida Prime are rated AAAM by S&P. Funds invested with the Fixed Income Trust are rated AAAf /S1 by Fitch Rating.

GREATER ORLANDO AVIATION AUTHORITY
ORLANDO INTERNATIONAL AIRPORT
NOTES TO FINANCIAL STATEMENTS - UNAUDITED
FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

2. CASH DEPOSITS AND INVESTMENTS (continued)

Custodial Credit Risk: For an investment, custodial risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the Authority's investments are either held in the name of the Authority or held in trust under the Authority's name.

Concentration of Credit Risk: Concentration of credit risk is the inability to recover the value of deposit, investment, or collateral securities in the possession of an outside party caused by a lack of diversification. The Authority mitigates its concentration of credit risk by diversifying its investment portfolio. At December 31, 2025, and September 30, 2025, the Authority did not hold investments exceeding 5 percent of the total investment portfolio (including cash and cash equivalents), except those expressly permitted pursuant to GASB statement No. 40. The investment policy limits the maximum investment in any one issuer of commercial paper to \$5.0 million dollars.

Foreign Currency Risk Disclosure: The Authority invests only in securities that are denominated in U.S. dollars. According to the latest information available from the SBA, the Florida Prime was not exposed to any foreign currency risk during the period October 1, 2025 through December 31, 2025.

Valuation of Investments: The Authority utilizes the market approach to mark-to-market the fair value of its investment holdings.

GASB 72 established a hierarchy of inputs to valuation techniques used to measure fair value. That hierarchy has three levels. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are inputs - other than quoted prices - included within Level 1 that are observable for the asset or liability, either directly or indirectly. Finally, Level 3 inputs are unobservable inputs, such as management's assumption of the default rate among underlying mortgages of a mortgage-backed security.

GASB 72 generally requires investments to be measured at fair value. Investments not measured at fair value continue to include, for example, money market investments and "2a-7 like" external investment pools, such as the Florida Prime. GASB 72 requires disclosures be made about fair value measurements, the level of fair value hierarchy, and the valuation techniques. The Authority utilizes a third-party pricing service to mark-to-market holdings of U.S. Treasury securities, corporate securities, and government-sponsored enterprise securities, such as Federal National Mortgage Association, Federal Home Loan Bank, and Federal Home Loan Mortgage Association. The Authority derives pricing for commercial paper holdings directly from the custody statements for each account that has commercial paper holdings. Regarding fair value hierarchy disclosure, GASB 72 characterizes Level 1 inputs as quoted prices in active markets for identical assets or liabilities, therefore, the Authority has denoted Level 1 for each of the various holdings, except for money market and Florida Prime investments. Per the SBA, the Florida Prime meets all of the necessary criteria to elect to measure all of the investments in Florida Prime at amortized cost. Therefore, the Authority's participant account balance is considered the fair value of its investment and is considered exempt from the GASB 72 fair value hierarchy disclosures.

GASB 79 states that if a participant has an investment in a qualifying external investment pool that measures for financial reporting purposes all of its investments at amortized cost it should disclose the presence of any limitations or restrictions on withdrawals (such as redemption notice periods, maximum transaction amounts, and the qualifying external investment pool's authority to impose liquidity fees or redemption gates).

According to the SBA, with regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Chief Executive Officer may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Chief Executive Officer has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Chief Executive Officer until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an

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2. CASH DEPOSITS AND INVESTMENTS (continued)

additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case, may the time limit set by the Trustees exceed 15 days." With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made. As of December 31, 2025 there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

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3. RESTRICTED ASSETS

The Bond Resolution and the Amended and Restated Master Subordinated Indenture of Trust authorizing the issuance of the revenue bonds for Orlando International Airport require segregation of certain assets into restricted accounts. At December 31, 2025 and September 30, 2025, composition of restricted accounts is as follows (in thousands):

Restricted Assets (in thousands)		
	December 31, 2025	September 30, 2025
Debt Service	\$ 325,870	\$ 408,464
Capital Acquisition	480,019	407,841
Bond Construction	578,051	592,766
Passenger Facility Charges	197,524	194,767
Customer Facility Charges	203,023	196,399
Operating Reserve	97,140	95,161
Net Pension Asset	1,331	1,331
Net OPEB Asset	22,842	22,842
Total Restricted Assets	\$ 1,905,800	\$ 1,919,571

Reported in the accompanying financial statements as follows:

	December 31, 2025	September 30, 2025
Restricted Cash and Cash Equivalents - Current	\$ 220,008	\$ 265,566
Total Restricted Assets - Non Current	1,685,792	1,654,005
Total Restricted Assets	\$ 1,905,800	\$ 1,919,571

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4. CAPITAL ASSETS

A summary of capital asset activity for the three months ended December 31, 2025, is as follows (in thousands):

	Balance October 1, 2025	Additions and Reclassifications	Deductions	Balance December 31, 2025
Capital and lease assets				
Nondepreciable assets and leases:				
Land	\$ 243,568	\$ 1	\$ -	\$ 243,569
Assets held for future use	78,112	-	-	78,112
Construction work in progress	747,386	59,376	(3,041)	803,721
Total nondepreciable assets and leases	<u>1,069,066</u>	<u>59,377</u>	<u>(3,041)</u>	<u>1,125,402</u>
Depreciable assets and leases:				
Building	4,084,242	86	-	4,084,328
Improvements	3,144,588	3,219	-	3,147,807
Equipment	735,931	921	(353)	736,499
Motor vehicles	123,718	-	(4,082)	119,636
Buildings - right to use leased assets	52,276	-	-	52,276
Subscription right to use asset	10,016	167	(283)	9,900
Total depreciable assets and leases	<u>8,150,771</u>	<u>4,393</u>	<u>(4,718)</u>	<u>8,150,446</u>
Less accumulated depreciation and amortization for:				
Building	(1,422,271)	(25,748)	-	(1,448,019)
Improvements	(1,925,754)	(19,870)	-	(1,945,624)
Equipment	(409,086)	(8,050)	294	(416,842)
Motor vehicles	(64,770)	(1,542)	4,082	(62,230)
Buildings - right to use leased assets	(7,624)	(653)	-	(8,277)
Subscription right to use asset	(3,910)	(818)	283	(4,445)
Total accumulated depreciation and amortization	<u>(3,833,415)</u>	<u>(56,681)</u>	<u>4,659</u>	<u>(3,885,437)</u>
Total depreciable assets and leases, net	<u>4,317,356</u>	<u>(52,288)</u>	<u>(59)</u>	<u>4,265,009</u>
Capital and lease assets, net	<u>\$ 5,386,422</u>	<u>\$ 7,089</u>	<u>\$ (3,100)</u>	<u>\$5,390,411</u>

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5. LEASE AND CONCESSION AGREEMENTS

The Authority accounts for leases in accordance with GASB Statement No. 87, Leases. The Authority's operations consist of agreements for use of land, buildings, terminal space and Minimum Annual Guarantees from concessionaires. The agreements are made up of various agreements for land, buildings, terminal space and concessions, which expire between the years 2026 and 2072. The Orlando International Airport (MCO) reports leases receivable with a carrying amount of \$1.0 billion and \$1.1 billion as of December 31, 2025 and September 30, 2025, respectively, and a deferred inflows lease in the amount of \$1.0 billion and \$1.0 billion as of December 31, 2025 and September 30, 2025, respectively, related to these agreements. The deferred inflows of resources for leases will be recognized as revenue over the term of the lease agreements.

MCO recognized \$36.5 million and \$39.4 million of lease revenue principal and \$8.6 million and \$9.6 million of lease interest income for the three months ended December 31, 2025 and December 31, 2024, respectively.

The Authority has a 50-year lease with Brightline Trains Florida, LLC, formerly known as Virgin Trains USA Florida, LLC that expires in 2072. The terms of this lease extend beyond the current Operation and Use Agreement with the City of Orlando, expiring in 2065 whereby responsibility for operating the Airport would revert to the City. Upon termination of the Operation and Use Agreement with the City and the Authority, the City shall be deemed to be the lessor and bound by all provisions of the lease.

Regulated Leases

The Authority's operations include certain lease agreements that are classified as regulated leases under paragraph 42 of GASB Statement No. 87, Leases. These agreements consist of aeronautical lease agreements, as defined by the Federal Aviation Administration, which are made up of air carrier agreements, facility agreements that directly or substantially relate to the movement of passengers, ticketing, baggage, mail and cargo, and aircraft storage and maintenance service agreements. For these agreements, leases rates cannot exceed a reasonable amount and the Authority cannot deny potential lessees the right to enter into leases if facilities are available, provided that the potential lessee's use of the facilities complies with use restrictions. The Authority recognizes the revenues from these lease agreements as inflows each year based on the payment provisions of each lease contract.

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6. LONG-TERM LIABILITIES

A summary of long-term liability activity for the three months ended December 31, 2025, is as follows (in thousands):

	Balance October 1, 2025	Additions and Adjustments	Deductions	Balance December 31, 2025	Amounts Due Within One Year	Amounts Due After One Year
Airport Facilities Revenue Bonds Public Offerings						
Senior Lien Bonds						
Series 2015A (AMT)	\$ 120,665		\$ (3,410)	\$ 117,255	\$ 3,580	\$ 113,675
Series 2016B (NON-AMT)	79,380	-	(2,110)	77,270	2,190	75,080
Series 2016C (Taxable)	61,515	-	(3,310)	58,205	3,400	54,805
Series 2019A (AMT)	1,015,400	-	(38,275)	977,125	40,190	936,935
Series 2022A (AMT)	177,410	-	(3,060)	174,350	3,215	171,135
Series 2022B (Taxable)	64,050	-	-	64,050	-	64,050
Series 2022C (AMT)	6,055	-	(1,400)	4,655	1,475	3,180
Series 2022D (NON-AMT)	16,515	-	(1,730)	14,785	1,815	12,970
Series 2022E (Taxable)	9,445	-	(1,085)	8,360	1,110	7,250
Series 2024	139,705	-	(2,315)	137,390	3,065	134,325
Priority Subordinated Indebtedness						
Series 2016 Priority Subordinated (AMT)	20,575	-	(6,525)	14,050	6,855	7,195
Series 2017A Priority Subordinated (AMT)	836,920	-	(3,380)	833,540	3,030	830,510
Series 2024	632,710	-	-	632,710	-	632,710
Total Revenue Bonds from Public Offerings	<u>3,180,345</u>	<u>-</u>	<u>(66,600)</u>	<u>3,113,745</u>	<u>69,925</u>	<u>3,043,820</u>
Unamortized premiums and (discounts)	311,281	-	(5,146)	306,135	-	306,135
Net Revenue Bonds	<u>3,491,626</u>	<u>-</u>	<u>(71,746)</u>	<u>3,419,880</u>	<u>69,925</u>	<u>3,349,955</u>
Special Purpose Facilities Bonds						
Series 2018CFC (Taxable)(Direct Placement)	46,792	-	(11,398)	35,394	23,392	12,002
Total Outstanding Bonds	<u>3,538,418</u>	<u>-</u>	<u>(83,144)</u>	<u>3,455,274</u>	<u>93,317</u>	<u>3,361,957</u>
Lease Obligations	50,676	-	(409)	50,267	1,702	48,565
Subscription Liability	4,209	160	(224)	4,145	2,645	1,500
Lines of Credit (Direct Borrowing)	15,516	-	-	15,516	15,516	-
Net Pension Liability	19,351	-	-	19,351	-	19,351
Net OPEB Liability	-	-	-	-	-	-
Advanced Rent from Tenants	12,165	52,713	(48,178)	16,700	16,700	-
Due to Other Governmental Agencies, long-term	5,024	7,589	(2,114)	10,499	9,314	1,185
Other Liabilities						
Compensated Absences (1)	12,571	462	(468)	12,565	10,576	1,989
Pollution Remediation Liability (1)	1,180	(12)	(19)	1,149	133	1,016
Total Other Liabilities	<u>13,751</u>	<u>450</u>	<u>(487)</u>	<u>13,714</u>	<u>10,709</u>	<u>3,005</u>
Total Long-term Liabilities	<u>\$ 3,659,110</u>	<u>\$ 60,912</u>	<u>\$ (134,556)</u>	<u>\$ 3,585,466</u>	<u>\$149,903</u>	<u>\$ 3,435,563</u>

(1) Compensated absences and pollution remediation liabilities due within one year are included in current accounts payable and accrued liabilities on the statement of net position.

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6. LONG-TERM LIABILITIES (continued)

Principal and Interest Requirements to Maturity:

A schedule of debt maturities is as follows (in thousands):

PUBLIC OFFERINGS				
	Fiscal Year	Principal	Interest	Total
Revenue Bonds				
	2026	\$ -	\$ 73,108	\$ 73,108
	2027	69,925	144,527	214,452
	2028	85,900	140,744	226,644
	2029	79,745	136,709	216,454
	2030	77,175	133,122	210,297
	2031-2035	437,480	607,625	1,045,105
	2036-2040	540,905	491,262	1,032,167
	2041-2045	652,825	349,741	1,002,566
	2046-2050	781,585	176,944	958,529
	2051-2055	388,205	27,098	415,303
Total Revenue Bonds		3,113,745	\$ 2,280,880	\$ 5,394,625
Unamortized premiums and (discounts)		306,135		
Net Revenue Bonds – Public Offerings		\$ 3,419,880		

DIRECT PLACEMENT

	Fiscal Year	Principal	Interest	Total
Revenue and Special Bonds				
	2026	\$ 11,595	\$ 616	\$ 12,211
	2027	23,799	623	24,422
Total Revenue and Special Bonds		35,394	\$ 1,239	\$ 36,633
Unamortized premiums and (discounts)		-		
Net Revenue and Special Bonds – Direct Placement		\$ 35,394		
Total Outstanding Bonds		3,149,139	\$ 2,282,119	\$ 5,431,258
Unamortized premiums and (discounts)		306,135		
Total Net Outstanding Bonds		\$ 3,455,274		

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6. LONG-TERM LIABILITIES (continued)

DIRECT BORROWING

Lines of Credit	2026	\$ 15,516
Total Lines of Credit		<u>\$ 15,516</u>

The lines of credit due in fiscal year 2026 includes the short-term portion of the 2024 Term Loan with Wells Fargo. Additionally, it is the Authority's intention to repay the lines of credit debt for any capital program interim funding with proceeds from a future bond issue.

7. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The Authority entered Subscription-Based Information Technology Arrangements (SBITA) that allow the right to use and control a vendor's software, alone or in combination with other assets, the terms of which expire through 2029. These arrangements provide access to airline common use systems, accounts receivable software, public warning platforms, and project management software. The leased assets include access to a third party's proprietary software. The measurement of the subscription liabilities is based on the present value of lease payments expected to be paid during the subscription term, such as fixed payments, variable payments that depend on an index or rate, variable payments that are fixed in substance, and residual value guarantee payments that are fixed in substance. A summary at December 31, 2025, and September 30, 2025, is as follows (in thousands):

	December 31, 2025	September 30, 2025
Subscription Assets	\$ 9,900	\$ 10,016
Accumulated Amortization	<u>(4,445)</u>	<u>(3,910)</u>
Net Subscription Assets	<u>\$ 5,455</u>	<u>\$ 6,106</u>

The interest rates ranged from 3.2328 to 5.2000 percent and were used to measure subscription payables. Subscription liabilities recorded under subscription contracts as of December 31, 2025 and September 30, 2025, were \$4.1 million and \$4.2 million, respectively.

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8. ORLANDO UTILITY COMMISSION (OUC) AGREEMENT

On September 22, 2017, the Aviation Authority, and OUC entered an Interlocal Agreement. Pursuant to the Interlocal Agreement, the Aviation Authority was to identify projects that could expand the then-current utility partnership beyond the traditional power and water services.

The Terminal C projects identified for consideration in the OUC/Aviation Authority partnership include the construction, operation, and maintenance for portions of the:

- 28 MW Backup Generation Plant and 12KV Emergency Distribution.
- 8,790 Ton Central Energy Plant.
- Sustainability Initiatives (solar energy facility).

On October 10, 2018, the Aviation Authority Board approved a Letter of Intent (“LOI”) between the Aviation Authority and OUC to negotiate a series of agreements to be presented to the Boards of both entities for approval as a comprehensive transaction structure. With the authorization from the Aviation Authority Board, the Aviation Authority staff, consultants, and legal counsel entered negotiations with OUC, resulting in the Global Agreement, to effectuate the intent of the LOI.

The Aviation Authority funded the engineering, procurement, and construction of the Backup Generation Facility and the Central Energy Plant. OUC designed, engineered, permitted, and constructed the 12 kV electrical distribution system and solar energy facilities at MCO. The cost of the projects was approximately \$54 million, inclusive of OUC’s capital improvement fund in the amount of \$2.7 million, any portion of which is not expended by the term of the agreement will be returned to the Aviation Authority. Additionally, OUC has waived the system development and connection (SDC) charges up to \$4 million. The SDC charge is an impact fee for all users of the system to cover necessary improvements over the entire system necessitated by the new service. The term of the agreement is twenty (20) years.

In addition to this being a 20-year agreement to provide reliable and sustainable energy services to the Aviation Authority, this is a financing transaction (treated as a lease under GASB 87). OUC purchased the right to operate the equipment from the Aviation Authority that is used to provide chilled water and backup emergency power distribution to Terminal C over a 20-year term. OUC has paid the Aviation Authority \$54 million at the “Turnover Date”, November 3, 2022. On that date OUC acquired the right and obligation to maintain the equipment, risk of loss and risk of maintaining the equipment over the 20-year term. The Aviation Authority used those proceeds to repay a portion of a Line of Credit that had been used to finance the construction of these facilities on an interim basis.

The Aviation Authority will compensate OUC for these services through a series of charges:

- A Capital charge, \$409,940, which is a fixed monthly charge that recovers the cost for the right to use and obligation to maintain the equipment.
- A Capacity charge, which pays for the actual maintenance of the equipment and the labor for operations of the facility. This charge is based on the tons of chilled water in the case of the CEP or Kilowatt hours in the case of the EPG that the facility can produce times the base rate, adjusted by a % of CPI.

All payments to OUC are subordinate to all Aviation Authority Operating and Maintenance Expense payments as well as all debt service payments regardless of lien status.

9. PLEDGED REVENUES

Airport Facilities Revenue Bonds (Senior Lien Bonds)

The Authority issues Airport Facilities Revenue Bonds under and pursuant to the Amended and Restated Airport Facilities Revenue Bond Resolution, authorizing Airport Facilities Revenue Bonds of the City of Orlando, Florida adopted by the governing board of the Authority, on September 16, 2015, having an effective date of May 1, 2017 (the “Bond Resolution”). As of December 31, 2025, the Authority has outstanding \$3.4 billion in Airport Facilities Revenue Bonds issued from 2015 to 2024, and payable through October 1, 2054. Proceeds from the Airport Facilities Revenue Bonds provided financing for various airport capital projects and refunding for previously issued debt.

The Airport Facilities Revenue Bonds are secured by a senior lien on and pledge of airport revenues, net of specified operating expenses, along with certain other revenues to the extent they are expressly pledged by the Authority (e.g. Available PFC Revenues). The Authority has agreed to maintain rates and charges each

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9. PLEDGED REVENUES (continued)

year to provide (i) Net Revenues plus any Transfers (each as defined in the Bond Resolution), equal to at least 1.25 times the sum of the aggregate debt service on all outstanding senior lien Airport Facilities Revenue Bonds each fiscal year, and (ii) Net Revenues plus any Transfers and Subordinated Pledged Revenues (as defined in the Bond Resolution), equal to at least 1.00 times all debt outstanding under the Bond Resolution.

Events of default for bonds issued under the Bond Resolution include nonpayment events, bankruptcy events, and noncompliance with covenants. No assets have been pledged as collateral and no rights of acceleration exist under the Bond Resolution. In the event of default, the Authority shall, if demanded by the trustee, account for all Revenues, moneys, securities, and funds pledged by the Resolution, pay over to the Trustee all moneys, securities and Funds held in any Fund or account under the Resolution and, as received, all Revenues which the Trustee shall first apply to Operation and Maintenance expenses, including payment of reasonable charges of expenses of the Trustee and reasonable fees and disbursements to counsel, and then to payment of interest and principal and redemption price due on the Bonds in order of priority.

Total principal and interest remaining on the Airport Facilities Revenue Bonds as of December 31, 2025, is \$5.4 billion with annual requirements ranging from \$73.1 million due in fiscal year 2026 to \$20.0 million in the final year, with the highest requirement of \$226.6 million in the fiscal year 2028. For the three months ended December 31, 2025, principal and interest requirements were \$54.0 million. The revenues pledged for the year were \$145.0 million. This represents \$123.3 million in Net Revenues as calculated per the Bond Resolution and \$21.7 million of Available PFC Revenues as a direct offset of PFC debt service as authorized under the Bond Resolution.

Priority Subordinated Indebtedness

The Bond Resolution authorizes the Authority to issue Priority Subordinated Indebtedness and Secondary Subordinated Indebtedness. To date, the Authority has issued and has outstanding under the Amended and Restated Master Subordinated Indenture of Trust, dated as of July 1, 2016 (the "Master Subordinated Indenture") both Priority Subordinated Indebtedness and Secondary Subordinated Indebtedness. As of December 31, 2025, the Authority's outstanding Priority Subordinated Indebtedness is comprised of the outstanding Priority Subordinated Airport Facilities Revenue Refunding Bonds, Series 2016, 2017A and 2024 Subordinated. As of December 31, 2025, the Authority's outstanding Secondary Subordinated Indebtedness is comprised of the Lines of Credit.

Priority Subordinated Indebtedness is secured by a lien on and pledge of Pledged Subordinated Revenues (as defined in the Master Subordinated Indenture) that is subordinate to the pledge of senior lien Airport Facilities Revenue Bonds, and senior to the lien of Secondary Subordinated Indebtedness. The Authority has agreed to maintain rates and charges each year to provide (i) Net Revenues plus any Transfers (each as defined in the Bond Resolution), equal to at least 1.10 times the sum of the aggregate debt service on all aggregate annual subordinated debt each fiscal year, under the Bond Resolution.

Events of default for bonds issued under the Master Subordinated Indenture include nonpayment events, bankruptcy events, and noncompliance with covenants. No assets have been pledged as collateral and no rights of acceleration exist under the Master Subordinated Indenture.

Special Purpose Facilities Bonds:

Customer Facility Charge Taxable Revenue Note

The Authority authorized the \$160,000,000 Taxable Revenue Note (CFC Ground Transportation Project) Series 2018, dated March 29, 2018 (the "Series 2018 Note"), of which a portion is due April 1 and October 1 of each year beginning in 2020 through 2027. The coupon interest rate is 3.48% due semi-annually on April 1 and October 1. The \$160.0 million proceeds were drawn over 18 months, by September 30, 2019. Total principal and interest remaining on the note as of December 31, 2025, is \$36.6 million. For the three months ended December 31, 2025, interest requirements were \$0.3 million. As of December 31, 2025, the outstanding principal balance is \$35.4 million.

The repayment of the \$160.0 million in Taxable Revenue Note (CFC Ground Transportation Project) issued in 2018 is payable solely from customer facility charges revenue. Proceeds from the note provided financing for

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9. PLEDGED REVENUES (continued)

the purpose of paying or reimbursing the Authority for a portion of the costs and expenses of financing, designing, constructing, operating, relocating and maintaining the CFC Ground Transportation Project, funding all or a portion of the CFC Stabilization Fund Requirement, and certain costs of issuance. Any bonds issued pursuant to this indenture including the Series 2018 Note are not issued under, and are not subject to the Bond Resolution, and are not secured by the Revenues as defined by the Bond Resolution.

In the event of default, the applicable default rate shall apply to the outstanding principal balance of the note and any additional bonds or refunding bonds for which a default rate is provided, until the event of default no longer exists. No assets have been pledged as collateral and no rights of acceleration exist for this issue.

10. LINE OF CREDIT INDEBTEDNESS

On April 4, 2024, the Authority entered into a new revolving credit agreement with Wells Fargo Bank, N.A. to provide the Authority with a \$275.0 million line of credit. The term of the line of credit expires on March 31, 2026. Annual fees for the unused portion of the line of credit are 20 basis points, subject to the maintenance of the current Authority rating, multiplied by the daily authorized amount less the average daily balance of the principal amount of all outstanding advances for the preceding three months; payable on July 1, 2024, and thereafter, quarterly on the first day of each January, April, July, and October. In the event of a change in the Authority's rating, the unused fee rate shall equal the number of basis points set forth in the level associated with the Authority rating. Draw fees are payable monthly, with taxable draws calculated based on the Daily Simple SOFR plus the applicable spread; currently 67 basis points. Fees for tax-exempt draws are calculated at 79% of the Daily Simple SOFR plus the applicable spread; currently 45 basis points. Fees for term-loan draws are calculated at a set fixed rate, currently 5.93%. As of December 31, 2025, and September 30, 2025, respectively the Authority has drawn \$15.5 million and \$15.5 million on this line of credit. Of this amount, \$15.5 million and \$15.5 million is attributable to term-loan draws as of December 31, 2025, and September 30, 2025, respectively. As of December 31, 2025, and September 30, 2025, respectively, the unused portion of this line of credit was \$259.5 million and \$259.5 million.

In the event of a default for the 2024 Wells Fargo Bank, N.A. agreement, the line of credit shall bear interest at a fluctuating rate of interest per annum equal to the greatest of (1) the Prime Rate in effect at such time plus four percent (4.0%), (2) the Federal Funds Rate in effect at such time plus five percent (5.0%), and (3) ten percent (10.0%) (the "Default Rate"). Once such default is cured to the reasonable satisfaction of the bank, this line of credit shall bear interest at the rate otherwise payable. The default rate shall also apply from acceleration until the amounts payable hereunder or any judgment thereon is paid in full.

On July 8, 2025, the Authority amended the revolving credit agreement with Bank of America, N.A. to provide the Authority with a \$275.0 million line of credit. The term of the line of credit expires on July 31, 2028. Through July 31, 2026, annual fees for the unused portion of the line of credit are 20 basis points, subject to the maintenance of the current Authority rating, multiplied by the daily authorized amount less the average daily balance of the principal amount of all outstanding advances for the preceding three months; payable on October 1, 2024, and thereafter, semiannually on the first day of each April and October. In the event of a change in the Authority's rating, the unused fee rate shall equal the number of basis points set forth in the level associated with the Authority rating. Once the loan is utilized at 50%, no unutilized fees are charged. Draw fees are payable monthly, with taxable draws calculated based on the SOFR with a SOFR adjustment of 10 bps plus 57 basis points. Fees for tax-exempt draws are calculated 79% of SOFR with a SOFR adjustment of 10 bps plus 35 basis points.

Under the amended agreement, effective July 31, 2026, annual fees for the unused portion of the line of credit are 20 basis points, subject to the maintenance of the current Authority rating, multiplied by the daily authorized amount less the average daily balance of the principal amount of all outstanding advances for the preceding three months; payable on October 1, 2026, and thereafter, semiannually on the first day of each April and October. In the event of a change in the Authority's rating, the unused fee rate shall equal the number of basis points set forth in the level associated with the Authority rating. Draw fees are payable monthly, with taxable draws calculated based on the SOFR with a SOFR adjustment of 10 bps plus 60 basis points. Fees for tax-exempt draws are calculated 79% of SOFR with a SOFR adjustment of 10 bps plus 38 basis points. As of December 31, 2025, and September 30, 2025, respectively, the Authority has drawn \$0 and \$0 million on this line of credit. As of December 31, 2025, and September 30, 2025, respectively, the unused portion of this line of credit was \$275 million and \$275 million.

In the event of a default for the 2019 Bank of America, N.A agreement, this line of credit shall bear interest at a rate per annum equal to three percent (3%) plus the greatest of (1) the U.S. prime rate of interest

GREATER ORLANDO AVIATION AUTHORITY
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10. LINE OF CREDIT INDEBTEDNESS (continued)

published in the "Money Rates" section of the Wall Street Journal for the last day of the calendar month immediately preceding the calendar month in which the default occurred; (2) the Tax-Exempt rate; or (3) the Federal Funds Rate published by the U.S. Federal Reserve Bank for the last day of the calendar month immediately preceding the calendar month in which the default occurred plus fifty (50) basis points (0.50%). Once such default is cured to the reasonable satisfaction of the bank, this line of credit shall bear interest at the rate otherwise payable. The default rate shall also apply from acceleration until the amounts payable hereunder or any judgment thereon is paid in full.

11. LEASE LIABILITY

The Aviation Authority agreed to build, and Orlando Utilities Commission (OUC) agreed to finance, operate and maintain a central energy plant ("CEP"), and an emergency power generation and 12kV distribution facility ("EPG") for the South Terminal Complex ("STC"). OUC agreed to staff the CEP with OUC personnel, including onsite personnel for management and provision of emergency response for the EPG. OUC also agreed to construct, own, operate and maintain a solar energy facility (collectively with the CEP and the EPG, the "OUC Projects"). Pursuant to the terms of the Global Agreement, OUC will ultimately transfer ownership of the OUC Projects to the Authority at the end of the term of the agreement. The financial obligations of the Authority, which include repayment of capital and charges for ongoing maintenance pursuant to the Global Agreement, become effective upon the Turnover Date. Amendment Number 2 to the Global Agreement dated as of October 20, 2022, between the Authority and OUC ("Amendment No. 2") closed on November 3, 2022. The Authority received \$52,276,047 upfront payment in exchange for granting OUC the right to finance, operate and maintain the equipment. The Authority will repay OUC in monthly installments at 6.5% interest over 20 years.

The lease liability recorded under the agreement as of December 31, 2025, and September 30, 2025, were \$50.3 million and \$50.7 million, respectively.

12. REFUNDING BOND ISSUANCES AND DEFERRED AMOUNTS

The Authority reported long term debt deferred (gain)/ loss from the following bonds (in thousands):

	December 31, 2025	September 30, 2025
Long Term Debt Deferred (Gain) Loss:		
Series 2016A	\$ (411)	\$ (822)
Series 2016B	(66)	(132)
Series 2016C	3,343	3,445
Total Long Term Debt Net Deferred (Gain) Loss	<u>\$ 2,866</u>	<u>\$ 2,491</u>

13. BOND ISSUANCES (OTHER THAN REFUNDING ISSUES)

The Authority did not have any new bond issuances for fiscal year 2026 as of December 31, 2025.

14. CAPITAL CONTRIBUTIONS

Grants and other contributions used to acquire capital assets are classified as capital contributions. Capital contributions consisted of the following for the three months ended December 31 (in thousands):

	2025	2024
Federal Grants	\$ 13,400	\$ 14,257
State of Florida Grants	10,665	5,473
Total Capital Contributions	<u>\$ 24,065</u>	<u>\$ 19,730</u>

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15. AIRLINE RATES BY RESOLUTION

Effective November 1, 2013, the Authority began operating under a Resolution Relating to Airline Rates and Charges and Airline Operating Terms and Conditions For the Use Of Facilities And Services At Orlando International Airport, adopted by the Authority Board October 16, 2013 and amended and restated as of August 10, 2016 and subsequently amended and restated as of August 28, 2019 (the "Resolution").

The Resolution, which has no expiration date, provides for a compensatory rate-making methodology for use of the terminal facilities, including certain activity-based charges for use of the baggage system, and a residual rate-making methodology to establish landing fees for the use of the airfield. Any airline may commit to use certain terminal space on an exclusive or preferential basis and, as a result, pay a fixed monthly charge for such space. Otherwise, airlines pay for terminal space assigned by the Authority on a per use basis.

Effective October 1, 2024 the Authority entered into a two-year Rate and Revenue Sharing Agreement extension that expires on September 30, 2026. For this extension period, the Authority receives the first \$110 million of Net Remaining Revenues each year for 2025 and 2026. Once that threshold is met, the participating airlines share revenue according to the following three revenue tiers:

Tier 1: The next \$17 million of all Net Remaining Revenues; and

Tier 2: Seventy-five percent (75%) of debt service coverage payments made by all participating airlines to the Authority in connection with certain revenue activities in the respective fiscal year; and

Tier 3: Any remaining revenues that exceed the Tier 2 threshold would be split fifty percent (50%) each between the Authority and participating airlines.

16. OUTSTANDING CONTRACTS

As of December 31, 2025 the Authority had entered into construction contracts, related to MCO, totaling approximately \$3.7 billion for construction, engineering services and equipment, approximately \$0.4 billion of which remains unincurred. Grants, passenger facility charges, and customer facility charges will be utilized to fund a portion of these projects.

17. CONTINGENT LIABILITIES

The Authority does not anticipate any litigation at this time.

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GREATER ORLANDO AVIATION AUTHORITY
 ORLANDO INTERNATIONAL AIRPORT
 NOTES TO FINANCIAL STATEMENTS - UNAUDITED
 FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

18. ENVIRONMENTAL LIABILITIES

The Authority has certain polluted sites primarily from chemical and fuel spills, asbestos, and former landfills whereas the Authority is named or will be named a responsible or potentially responsible party or where pollution remediation has already commenced with monitoring being completed as necessary. The Authority recorded a pollution remediation liability as of October 1, 2008, measured at \$2.2 million, using the expected cash flow technique. Under this technique, the Authority estimated a reasonable range of potential outlays and multiplied those outlays by their probability of occurring. This liability could change over time due to changes in costs of goods and services, changes in remediation technology, or changes in laws and regulations governing the remediation efforts. The possibility of recovery of some of these costs from outside governmental funding or other parties exists; however, the Authority only recognizes these recoveries in the financial statements as they become probable. A summary of the changes in liability for the three months ended December 31, 2025 is as follows (in thousands):

	Balance October 1, 2025	Additions or Adjustments	Payments Current Year	Balance December 31, 2025
Pollution Remediation Liability	\$ 1,180	\$ (12)	\$ (19)	\$ 1,149
Net Pollution Remediation Liability Recorded	<u>\$ 1,180</u>	<u>\$ (12)</u>	<u>\$ (19)</u>	<u>\$ 1,149</u>
Reported as follows (shown as Pollution Remediation Liability on Note 6)				
Due within one year	\$ 164	\$ (12)	\$ (19)	\$ 133
Due after one year	1,016	-	-	1,016
	<u>\$ 1,180</u>	<u>\$ (12)</u>	<u>\$ (19)</u>	<u>\$ 1,149</u>

The Authority has certain land sites that are being evaluated for potential remediation, in accordance with GASB 49, or are in the post-remediation stage with monitoring being completed as necessary.

Additionally, the Authority is involved in litigation for a polluted site from chemical and fuel spills on airport property. The liabilities associated with these sites are not reasonably estimable and, as such are not recorded in the financial statements.

19. SUBSEQUENT EVENTS

On March 31, 2026, the Aviation Authority entered into an amended and restated 2024A revolving credit agreement with Wells Fargo Bank, N.A. to provide the Authority with a \$275.0 million line of credit, with new terms effective March 31, 2026. The term of the line of credit expires March 31, 2028. As of the date of this report, the Authority has a \$26.2 million outstanding balance on the 2024A Wells Fargo Bank line of credit.

On April 1, 2026, the Aviation Authority completed a partial refunding of its Series 2015A General Airport Revenue Bonds (GARBs) in the amount of \$26.2 million.

The redemption was facilitated through a taxable draw on the line of credit facilities, in the amount of \$26.2 million at a variable rate alongside with other legally available funds.

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Independent Accountant's Review Report

Authority Board
Orlando Executive Airport
(a Department of the Greater Orlando Aviation Authority)
Orlando, Florida

We have reviewed the accompanying interim financial statements of Orlando Executive Airport (a department of the Greater Orlando Aviation Authority), which comprise the statement of net position as of December 31, 2025, and the related statements of revenues, expenses, and changes in net position, cash flows, and the related notes to the financial statements for each of the three-month periods ended December 31, 2025 and 2024. A review includes primarily applying analytical procedures to management's financial data and making inquiries of the management of the Greater Orlando Aviation Authority (the "Authority"). A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the interim 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.

Accountant's Responsibility

Our responsibility is to conduct the review engagements in accordance with *Statements on Standards for Accounting and Review Services* promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

As discussed in Note 1 of the notes to the interim financial statements, the interim financial statements of Orlando Executive Airport are intended to present the financial position and the changes in financial position, and cash flows of only that portion of the activities of the Authority that is attributable to the transactions of Orlando Executive Airport. They do not purport to, and do not, present fairly the financial position of the Authority as of December 31, 2025, and the changes in its financial position and its cash flows for the three-month periods ended December 31, 2025 and 2024, in conformity with accounting principles generally accepted in the United States of America.

Accountant’s Conclusion

Based on our review, we are not aware of any material modifications that should be made to the accompanying interim financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that required supplementary information be presented to supplement the basic financial statements. Such information is presented for purposes of additional analysis and, although not a required 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context. Such information is the responsibility of management. We have not audited, reviewed, or compiled the required supplementary information and we do not express an opinion, a conclusion, nor provide any assurance on it.

Management has omitted the Management Discussion & Analysis, Pension schedules, and Other Postemployment Benefit schedules that the Governmental Accounting Standards Board requires to be presented to supplement the basic financial statements. Such missing information, although not a required 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 and for placing the basic financial statements in an appropriate operational, economic, or historical context. The results of our review of the basic financial statements are not affected by this missing information.

Prior Period Statements of Net Position

The statement of net position of Orlando Executive Airport as of September 30, 2025 was audited by us, and we expressed an unmodified opinion on that statement in relation to the financial statements of the Authority as a whole in our report dated February 24, 2026, but we have not performed any auditing procedures since that date.

Forvis Mazars, LLP

**Orlando, Florida
April 3, 2026**

GREATER ORLANDO AVIATION AUTHORITY
 ORLANDO EXECUTIVE AIRPORT
 STATEMENTS OF NET POSITION – UNAUDITED
 AS OF DECEMBER 31, 2025 and SEPTEMBER 30, 2025
 (in thousands)

	December 31, 2025	September 30, 2025
ASSETS AND DEFERRALS		
Current Assets		
Cash and cash equivalents	\$ 14,889	\$ 14,293
Accounts receivable, less allowance		
For uncollectibles of \$0 and \$0	484	392
Interest receivable	63	81
Lease receivables current	939	926
Due from Orlando International Airport	33	-
Due from other governmental agencies	328	537
Prepaid expenses	35	117
Total current assets	16,771	16,346
Noncurrent Assets		
Restricted assets		
Net OPEB asset	586	586
Total restricted assets	586	586
Unrestricted assets:		
Investments	6,907	7,333
Lease receivables noncurrent	18,917	19,158
Total unrestricted assets	25,824	26,491
Capital and lease assets		
Nondepreciable assets and leases		
Land	13,109	13,109
Construction work in progress	2,194	2,251
Total nondepreciable assets and leases	15,303	15,360
Depreciable assets and leases		
Building	13,605	13,605
Improvements	63,356	63,348
Equipment	694	694
Motor vehicles	867	867
Total depreciable assets and leases	78,522	78,514
Total capital and lease assets	93,825	93,874
Less accumulated depreciation and amortization	(60,211)	(59,765)
Capital and lease assets, net	33,614	34,109
Total noncurrent assets	60,024	61,186
Total assets	76,795	77,532
Deferred outflows of resources	42	42

(continued)

See accompanying independent accountant's review report and notes to financial statements.

GREATER ORLANDO AVIATION AUTHORITY
 ORLANDO EXECUTIVE AIRPORT
 STATEMENTS OF NET POSITION – UNAUDITED
 AS OF December 31, 2025 and SEPTEMBER 30, 2025
 (in thousands)

	December 31, 2025	September 30, 2025
LIABILITIES, DEFERRALS, AND NET POSITION		
Current Liabilities		
Accounts payable and accrued liabilities	\$ 348	\$ 734
Deposits	28	28
Advance rent from tenants, current	102	104
Due to Orlando International Airport	-	208
Due to other governmental agencies	-	4
Total current liabilities	478	1,078
Long-term Liabilities		
Advance rent from tenants, long-term	145	169
Other long-term liabilities	291	292
Total long-term liabilities	436	461
Total liabilities	914	1,539
Deferred inflows of resources	18,468	18,790
Net Position		
Net investment in capital assets	33,614	34,109
Restricted for:		
Pension and OPEB	586	586
Unrestricted	23,255	22,550
Total net position	\$ 57,455	\$ 57,245

See accompanying independent accountant's review report and notes to financial statements.

GREATER ORLANDO AVIATION AUTHORITY
 ORLANDO EXECUTIVE AIRPORT
 STATEMENTS OF REVENUES, EXPENSES, AND
 CHANGES IN NET POSITION - UNAUDITED
 FOR THE THREE MONTHS ENDED DECEMBER 31, 2025 and 2024
 (in thousands)

	2025	2024 (Restated)
Operating Revenues		
Airfield area	\$ 226	\$ 139
Terminal area	24	24
Commercial property	467	616
Other airport related	358	291
Total operating revenues	1,075	1,070
Operating Expenses		
Operations and facilities	482	451
Safety and security	263	330
Administration	206	157
Other	44	67
Total operating expenses	995	1,005
Operating income (loss) before depreciation	80	65
Depreciation	(446)	(474)
Operating loss	(366)	(409)
Nonoperating Revenues (Expenses)		
Investment income	192	161
Net increase (decrease) in the fair value of investments	(20)	(94)
Lease interest income	182	163
Other	-	39
Total nonoperating revenues (expenses)	354	269
Loss before capital contributions	(12)	(140)
Capital Contributions	222	202
Increase in net position	210	62
Total Net Position, Beginning of Period	57,245	56,074
Total Net Position, End of Period	\$ 57,455	\$ 56,136

See accompanying independent accountant's review report and notes to financial statements.

GREATER ORLANDO AVIATION AUTHORITY
 ORLANDO EXECUTIVE AIRPORT
 STATEMENTS OF CASH FLOWS - UNAUDITED
 FOR THE THREE MONTHS ENDED DECEMBER 31, 2025 and 2024
 (in thousands)

	2025	2024
Cash flows from operating activities		
Cash received from customers, tenants, and governmental agencies	\$ 873	\$ 949
Cash paid to suppliers and governmental agencies	(729)	(923)
Cash paid to employees for services	(572)	(450)
Other income	-	39
Net cash provided by (used for) operating activities	(428)	(385)
Cash flows from capital and related financing activities		
Acquisition and construction of capital assets	(205)	(252)
Capital contributed by federal grants and state agencies	431	252
Lease interest income	182	163
Net cash provided by (used for) capital and related financing activities	408	163
Cash flows from investing activities		
Purchase of investments	(453)	(459)
Proceeds from sale or maturity of investments	859	779
Interest received	210	147
Net cash provided by (used for) investing activities	616	467
Net increase (decrease) in cash and cash equivalents	596	245
Cash and Cash Equivalents, Beginning of Period	14,293	14,983
Cash and Cash Equivalents, End of Period (1)	\$ 14,889	\$ 15,228
 (1) Cash and Cash Equivalents – Unrestricted Assets	 \$ 14,889	 \$ 15,228
	\$ 14,889	\$ 15,228

(continued)

See accompanying independent accountant's review report and notes to financial statements.

GREATER ORLANDO AVIATION AUTHORITY
 ORLANDO EXECUTIVE AIRPORT
 STATEMENTS OF CASH FLOWS - UNAUDITED
 FOR THE THREE MONTHS ENDED DECEMBER 31, 2025 and 2024
 (in thousands)

	2025	2024
Reconciliation of operating loss to net cash provided by (used for) operating activities		
Operating loss	\$ (366)	\$ (409)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities:		
Depreciation	446	474
Other income	-	39
(Increase) Decrease in operating assets:		
Accounts and grants receivable	(92)	(66)
Lease receivables	228	(269)
Prepaid expenses	82	35
Increase (Decrease) in operating liabilities:		
Accounts payable and accrued liabilities	(386)	(306)
Due to other governmental agencies	(4)	(107)
Advance rent from tenants	(26)	(25)
Due from other funds	13	91
Other liabilities	(1)	(2)
Deferred inflows of resources	(322)	160
Total adjustments	(62)	24
Net cash used for operating activities	\$ (428)	\$ (385)

Noncash Investing, Capital and Financing Activities

Increase (decrease) in fair value of investments	\$ (20)	\$ (94)
Capital contributions from other governments	\$ (209)	\$ (50)

See accompanying independent accountant's review report and notes to financial statements

GREATER ORLANDO AVIATION AUTHORITY
 ORLANDO EXECUTIVE AIRPORT
 NOTES TO FINANCIAL STATEMENTS - UNAUDITED
 FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Purpose: The Orlando Executive Airport (ORL) functions as a self-supporting department operated by the Greater Orlando Aviation Authority (the Authority) and uses the accrual method of accounting. The Authority also operates Orlando International Airport (MCO). The department financial statements of MCO are presented separately.

Basis of Presentation and Accounting: The accompanying unaudited department financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information. Accordingly, they do not include all of the information and footnotes required by generally accepted accounting principles for complete financial statements. In the opinion of management, all adjustments (consisting of normal, recurring accruals) considered necessary for a fair presentation have been included. Prior period amounts have been reclassified to conform to the current period presentations. Operating results for the three months ended December 31, 2025 are not necessarily indicative of the results that may be expected for the year ending September 30, 2026. For further information, refer to the Authority’s financial statements and footnotes thereto included in the Annual Comprehensive Financial Report for the year ended September 30, 2025.

Change in Accounting Principle: In fiscal year 2025, the Authority implemented GASB Statement No. 101, Compensated Absences. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences. This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used. This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee’s pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

The implementation of GASB 101 resulted in the restatement of certain December 31, 2024 amounts as follows:

	As previously reported December 31, 2024	Net Change	As restated December 31, 2024
Total Net Position, Beginning of Period	\$ 56,170	\$ (96)	\$ 56,074
Total Net Position, End of Period	56,232	(96)	56,136

2. CASH DEPOSITS AND INVESTMENTS

The Authority’s cash and cash equivalents balances include amounts deposited with commercial banks in interest-bearing and non-interest-bearing demand deposit accounts, as well as the Florida State Board of Administration’s (the SBA) Local Government Surplus Investment Pool, (the Florida Prime). The commercial bank balances are entirely insured by federal depository insurance or by collateral pursuant to the Florida Security for Public Deposits Act of the State of Florida (the Act). Financial statement for the SBA can be found on the Florida Auditor General’s website at : https://flauditor.gov/pages/pdf_files/2026-050.pdf.

GREATER ORLANDO AVIATION AUTHORITY
ORLANDO EXECUTIVE AIRPORT
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FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

2. CASH DEPOSITS AND INVESTMENTS (continued)

The Act establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the Authority's deposits in qualified public depositories are considered totally insured. The qualified public depository must pledge at least 50% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. Additional collateral, up to a maximum of 125%, may be required, if deemed necessary under the conditions set forth in the Act. Obligations pledged to secure deposits must be delivered to the State of Florida's Chief Financial Officer (State's CFO) or, with the approval of the State's CFO, to a bank, savings association, or trust company provided a power of attorney be delivered to the State's CFO.

In accordance with generally accepted accounting principles, the Authority adjusts the carrying value of investments to fair value to be presented as a component of investment income. The fair value of investments is based on available market values. The Florida Prime operated by the SBA, and the Florida Income Trust are a "2a-7-like" pool and are also presented in accordance with generally accepted accounting principles; therefore, it is not presented at fair value but at its actual pooled share price which approximates fair value.

At December 31, 2025, and September 30, 2025, the fair value of all securities, regardless of the statement of net position classification, was as follows (in thousands):

	December 31, 2025	September 30, 2025
U.S. Treasury and government agency securities	\$ 6,907	\$ 7,333
Local government investment pool	69	68
Money market funds	1,648	1,110
Total securities	<u>\$ 8,624</u>	<u>\$ 8,511</u>

These securities are classified on the statements of net position as follows (in thousands):

	December 31, 2025	September 30, 2025
Current Assets		
Unrestricted assets		
Cash and cash equivalents	\$ 14,889	\$ 14,293
Noncurrent Assets		
Unrestricted Assets		
Investments	6,907	7,333
Total cash, cash equivalents and investments	\$ 21,796	\$ 21,626
Less cash on deposit	(13,172)	(13,115)
Total securities, at fair value	<u>\$ 8,624</u>	<u>\$ 8,511</u>

The Authority is authorized to invest in securities as described in its investment policy and in each bond resolution. As of December 31, 2025, the Authority held the following investments as categorized below in accordance with generally accepted accounting principles:

Investment Type	Less than 1 Year	1 to 5 Years	6 to 10 Years	11 to 15 Years	Total
U.S. Treasury and government agency securities	\$ 1,051	\$ 5,856	\$ -	\$ -	\$ 6,907
Investment pool	69	-	-	-	69
Money market funds	1,648	-	-	-	1,648
Total investment	<u>\$ 2,768</u>	<u>\$ 5,856</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,624</u>

GREATER ORLANDO AVIATION AUTHORITY
ORLANDO EXECUTIVE AIRPORT
NOTES TO FINANCIAL STATEMENTS – UNAUDITED
FOR THE THREE MONTHS ENDED DECEMBER 31, 2025

2. CASH DEPOSITS AND INVESTMENTS (continued)

Interest Rate Risk: As a means of limiting its exposure to fair value losses arising from rising interest rates, the Authority generally holds investments to maturity except for those portions of the portfolio that are actively managed by the Authority's Investment Advisor. The Authority's investment policy requires the investment portfolio to be structured to provide sufficient liquidity to pay obligations as they become due. To the extent possible, investment maturities match known cash needs and anticipated cash flow requirements. Investments under the Bond Resolution shall mature no later than needed, except for 1) investments in the Debt Service Reserve Account which shall mature not later than fifteen years (unless such investment is redeemable at the option of the holder, in which event the maturity shall not exceed the final maturity date of the Bonds secured by such investment), 2) investments in the Operation and Maintenance Fund and Operation and Maintenance Reserve Account shall mature within twelve months, and 3) investments in the Capital Expenditure Fund, the Renewal and Replacement Fund, Improvement and Development Fund, and the Discretionary Fund shall mature within five years. Investments under the Amended and Restated Master Subordinated Indenture of Trust shall mature no later than needed, except for investments in the Reserve Fund, which shall mature not later than fifteen years from the date of such investment. The Authority portfolio holds a limited number of callable securities. The schedules above present the maturity data of the securities. According to the SBA, the dollar weighted average days to maturity ("WAM") of the Florida Prime at December 31, 2025 is 47 days. Next interest rate reset dates for floating rate securities are used in calculation of the WAM. The weighted average life ("WAL") of the Florida Prime at December 31, 2025, is 72 days.

Credit Risk: The Authority's general investment policy is to apply the prudent-person rule: Investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and in general, avoid speculative investments. Authority policy limits the purchase of certain investments to specific rating requirements. Investment in commercial paper is limited to ratings of A-1, P-1, or F1 for short-term investments by two of the three rating agencies: S&P, Moody's and Fitch (without regard to gradation). Investment in dollar-denominated corporate securities is limited to companies in the United States which are rated "A" or better by two of the three rating agencies (without regard to gradation). Investments held in obligations of U.S. government agencies were rated AAA by Fitch, Aaa by Moody's and AA+ by S&P. Investments held in the portfolio as of December 31, 2025, were rated consistent with the Authority's investment policy and bond resolutions. Funds invested in money market funds and the Florida Prime are rated AAAm by S&P. Funds invested with the Fixed Income Trust are rated AAAf/S1 by Fitch Rating.

Custodial Credit Risk: For an investment, custodial risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the Authority's investments are either held in the name of the Authority or held in trust under the Authority's name.

Concentration of Credit Risk: Concentration of credit risk is the inability to recover the value of deposit, investment, or collateral securities in the possession of an outside party caused by a lack of diversification. The Authority mitigates its concentration of credit risk by diversifying its investment portfolio. At December 31, 2025 and September 30, 2025, the Authority did not hold investments exceeding 5 percent of the total investment portfolio (including cash and cash equivalents), except those expressly permitted pursuant to GASB statement No. 40. The investment policy limits the maximum investment in any one issuer of commercial paper to \$5.0 million.

Foreign Currency Risk Disclosure: The Authority invests only in securities that are denominated in U.S. dollars. According to the latest information available from the SBA, the Florida Prime was not exposed to any foreign currency risk during the period October 1, 2025 through December 31, 2025.

Valuation of Investments: The Authority utilizes the market approach to mark-to-market the fair value of its investment holdings.

GASB 72 established a hierarchy of inputs to valuation techniques used to measure fair value. That hierarchy has three levels. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 inputs are inputs - other than quoted prices - included within Level 1 that are observable for the asset or liability either directly or indirectly. Finally, Level 3 inputs are unobservable inputs, such as management's assumption of the default rate among underlying mortgages of a mortgage-backed security.

GASB 72 generally requires investments to be measured at fair value. Investments not measured at fair value continue to include, for example, money market investments and "2a-7 like" external investment pools, such as the Florida Prime. GASB 72 requires disclosures be made about fair value measurements, the level of fair value hierarchy, and the valuation techniques. The Authority utilizes a third-party pricing service to mark-to-market holdings of U.S. Treasury securities, corporate securities, and government-sponsored enterprise securities, such as Federal National Mortgage Association, Federal Home Loan Bank, and Federal Home Loan Mortgage

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2. CASH DEPOSITS AND INVESTMENTS (continued)

Association. The Authority derives pricing for commercial paper holdings directly from the custody statements for each account that has commercial paper holdings. Regarding fair value hierarchy disclosure, GASB 72 characterizes Level 1 inputs as quoted prices in active markets for identical assets or liabilities, therefore, the Authority has denoted Level 1 for each of the various holdings, except for money market and Florida Prime investments. Per the SBA, the Florida Prime meets all of the necessary criteria to elect to measure all of the investments in Florida Prime at amortized cost. Therefore, the Authority's participant account balance is considered the fair value of its investment and is considered exempt from the GASB 72 fair value hierarchy disclosures.

GASB 79 states that if a participant has an investment in a qualifying external investment pool that measures for financial reporting purposes all of its investments at amortized cost, it should disclose the presence of any limitations or restrictions on withdrawals (such as redemption notice periods, maximum transaction amounts, and the qualifying external investment pool's Authority to impose liquidity fees or redemption gates).

According to the SBA, with regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Chief Executive Officer may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practical from the time the Chief Executive Officer has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Chief Executive Officer until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case, may the time limit set by the Trustees exceed 15 days." With regard to liquidity fees, Florida Statute 218.409 (4) provides Authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made. As of December 31, 2025, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

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3. RESTRICTED ASSETS

The Release of Federal Surplus Property Obligations for Orlando Executive Airport require segregation of certain assets into restricted accounts. At December 31, 2025 and September 30, 2025, composition of restricted accounts is as follows (in thousands):

Restricted Assets (in thousands)		
	December 31, 2025	September 30, 2025
Net OPEB Asset	\$ 586	\$ 586
Total Restricted Assets	\$ 586	\$ 586

Reported in the accompanying financial statements as follows:

	December 31, 2025	September 30, 2025
Total Restricted Assets – Non Current	\$ 586	\$ 586
Total Restricted Assets	\$ 586	\$ 586

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4. CAPITAL ASSETS

A summary of capital asset activity for the three months ended December 31, 2025, is as follows (in thousands):

	Balance October 1, 2025	Additions and Reclassifications	Deductions	Balance December 31, 2025
Capital and lease assets				
Nondepreciable assets and leases:				
Land	\$ 13,109	\$ -	\$ -	\$ 13,109
Construction work in progress	2,251	(57)	-	2,194
Total nondepreciable assets and leases	<u>15,360</u>	<u>(57)</u>	<u>-</u>	<u>15,303</u>
Depreciable assets and leases:				
Building	13,605	-	-	13,605
Improvements	63,348	8	-	63,356
Equipment	694	-	-	694
Motor vehicles	867	-	-	867
Total depreciable assets and leases	<u>78,514</u>	<u>8</u>	<u>-</u>	<u>78,522</u>
Less accumulated depreciation and amortization for:				
Building	(9,849)	(86)	-	(9,935)
Improvements	(48,713)	(327)	-	(49,040)
Equipment	(491)	(17)	-	(508)
Motor vehicles	(712)	(16)	-	(728)
Total accumulated depreciation and amortization	<u>(59,765)</u>	<u>(446)</u>	<u>-</u>	<u>(60,211)</u>
Total depreciable assets and leases, net	<u>18,749</u>	<u>(438)</u>	<u>-</u>	<u>18,311</u>
Capital and lease assets, net	<u>\$ 34,109</u>	<u>\$ (495)</u>	<u>\$ -</u>	<u>\$ 33,614</u>

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5. LONG-TERM LIABILITIES

A summary of long-term liability activity for the three months ended December 31, 2025, is as follows (in thousands):

	Balance October 1, 2025	Additions	Deductions	Balance December 31, 2025	Amounts Due Within One Year	Amounts Due After One Year
Advanced Rent from Tenants (1)	\$ 273	\$ 75	\$ (101)	\$ 247	\$ 102	\$ 145
Due to other governmental agencies	4	-	(4)	-	-	-
Other Liabilities						
Compensated Absences (1)	164	8	(6)	166	140	26
Pollution Remediation Liability (1)	317	52	(25)	344	79	265
Total Other Liabilities	<u>481</u>	<u>60</u>	<u>(31)</u>	<u>510</u>	<u>219</u>	<u>291</u>
Total Long-term Liabilities	<u>\$ 758</u>	<u>\$ 135</u>	<u>\$ (136)</u>	<u>\$ 757</u>	<u>\$ 321</u>	<u>\$ 436</u>

(1) Advance rent from tenants due within one year is included with current advanced rent from tenants on the statement of net position; compensated absences and pollution remediation liabilities due within one year are included in current accounts payable and accrued liabilities on the statement of net position.

6. CAPITAL CONTRIBUTIONS

Grants and other contributions used to acquire capital assets are classified as capital contributions. Capital contributions consisted of the following for the three months ended December 31, (in thousands):

	<u>2025</u>	<u>2024</u>
Federal Grants	\$ 201	\$ 127
State Grants	21	75
Total Capital Contributions	<u>\$ 222</u>	<u>\$ 202</u>

7. LEASE AND CONCESSION AGREEMENTS

The Authority accounts for leases in accordance with GASB Statement No. 87, Leases. The Authority's operations consist of agreements for use of land, buildings, terminal space and Minimum Annual Guarantees from concessionaires. The agreements are made up of various agreements for land, buildings, terminal space and concessions, which expire between the years 2026 and 2045. The Orlando Executive Airport (ORL) reports leases receivable with a carrying amount of \$19.9 million and \$20.1 million as of December 31, 2025 and September 30, 2025, respectively, and a deferred inflows lease in the amount of \$18.0 million and \$18.3 million as of December 31, 2025 and September 30, 2025, respectively, related to these agreements. The deferred inflows of resources for leases will be recognized as revenue over the term of the lease agreements.

ORL recognized \$0.3 million and \$0.4 million of lease revenue principal and \$0.2 million and \$0.2 million of lease interest income for the three months ended December 31, 2025 and December 31, 2024, respectively.

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8. OUTSTANDING CONTRACTS

As of December 31, 2025, the Authority had entered into construction contracts totaling approximately \$31.8 million for construction, engineering services and equipment, approximately \$18.4 million of which remains unincurred. Grants, passenger facility charges and customer facility charges will be utilized to fund a portion of these projects.

9. CONTINGENT LIABILITIES

The Authority does not anticipate any litigation at this time.

10. ENVIRONMENTAL LIABILITIES

The Authority has certain polluted sites primarily from chemical and fuel spills, asbestos, and former landfills, whereas the Authority is named or will be named a responsible or potentially responsible party or where pollution remediation has already commenced with monitoring being completed as necessary. The Authority recorded a pollution remediation liability as of October 1, 2008, measured at \$2.0 million, using the expected cash flow technique. Under this technique, the Authority estimated a reasonable range of potential outlays and multiplied those outlays by their probability of occurring. This liability could change over time due to changes in costs of goods and services, changes in remediation technology, or changes in laws and regulations governing the remediation efforts. The possibility of recovery of some of these costs from outside governmental funding or other parties exists; however, the Authority only recognizes these recoveries in its financial statements as they become probable.

The summary of the environmental activity for the three months December 31, 2025, related to ORL is as follows (in thousands):

	Balance October 1, 2025	Additions or Adjustments	Payments Current Year	Balance December 31, 2025
Pollution Remediation Liability	\$ 317	\$ 52	\$ (25)	\$ 344
Net Pollution Remediation Liability Recorded	<u>\$ 317</u>	<u>\$ 52</u>	<u>\$ (25)</u>	<u>\$ 344</u>
Reported as follows (shown as Pollution Remediation Liability on Note 5)				
Due within one year	\$ 52	\$ 52	\$ (25)	\$ 79
Due after one year	265	-	-	265
	<u>\$ 317</u>	<u>\$ 52</u>	<u>\$ (25)</u>	<u>\$ 344</u>

11. SUBSEQUENT EVENTS

The Authority did not have any subsequent events for the Orlando Executive Airport.