

**CITY OF JACKSONVILLE  
COMPREHENSIVE ANNUAL  
FINANCIAL REPORT  
FISCAL YEAR 2018**

# CITY OF JACKSONVILLE, FLORIDA

## COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018



PREPARED BY THE DEPARTMENT OF FINANCE  
ACCOUNTING DIVISION



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**City of Jacksonville, Florida**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended September 30, 2018**  
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**LETTER OF TRANSMITTAL**





## OFFICE OF THE MAYOR

March 29, 2019

Dear Citizens:

As I have learned from my experience in the private sector, you can tell a lot about the values, priorities and leadership of an organization by examining its finances. Since day one, my administration has committed to bold, innovative and disciplined fiscal management practices and solutions that enable us to better invest in key priorities for our city.

This Comprehensive Annual Financial Report (CAFR) highlights our unwavering promise to be responsible stewards of taxpayer resources. To earn and maintain public trust, we must ensure that every dollar is invested wisely, and maximizes benefits for our community.



Because of the important work of many dedicated public servants, Jacksonville is in its strongest financial position in years. In this first term, our collaborative work and efforts solved Jacksonville's long-standing pension crisis, paid down \$376 million in municipal debt, and earned the first AAA credit rating in City history. We now have the means and ability to properly invest in our city's future with funding to support public safety, economic and community development, neighborhood infrastructure and more – all without increasing the tax burden on our citizens.

As we continue our work in the coming years, I will maintain my commitment to leadership and financial management practices that contribute to Jacksonville's continued success.

Sincerely,

A handwritten signature in black ink that reads "Lenny Curry".

Lenny Curry  
Mayor



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March 29, 2019

The Honorable Mayor Lenny Curry  
Members of the City Council  
Citizens of Jacksonville

## **INTRODUCTION**

The Comprehensive Annual Financial Report (CAFR) of the City of Jacksonville, Florida (the City) for the fiscal year ended September 30, 2018 is hereby submitted.

The financial reporting entity includes all funds of the consolidated government of the City of Jacksonville and Duval County, as well as all of its component units. Component units are legally separate organizations for which the City is financially accountable and, for financial statement purposes, are either blended with the activities of the City or discretely presented.

Responsibility for both the accuracy of the data and the completeness and fairness of its presentation, including all disclosures, rests with the City. Management believes the data, as presented, is accurate in all material respects. It is presented in a manner designed to set forth the financial position and the results of operations of the City on a government-wide and fund basis. Disclosures necessary to enable the reader to gain an understanding of the City's financial activities are included.

Internal controls are designed to provide reasonable assurance that the financial statements are free from material misstatement. Management is primarily responsible for internal control. There are inherent limitations of internal control due to cost/benefit considerations of providing the control as a certain degree of risk would be unavoidable due to the cost of providing the control. Also, effectiveness of control procedures may be diminished due to collusion where several employees conspire to circumvent the control.

As part of the independent audit process, the Chief Financial Officer issues a letter of representation that attests to his responsibility to establish and maintain effective internal control over financial reporting among other things. The letter also acknowledges his responsibility for the design and implementation of programs and controls to provide reasonable assurance that fraud is prevented and detected. Management acknowledges that they have no knowledge of misstatements in the financial statements of the City or of any fraud or suspected fraud that could have a material effect on the financial statements.

The City's Independent Auditor, Carr, Riggs & Ingram, LLC (CRI), issued an opinion letter as required by City Charter, Section 5.11; Chapter 218.39, Florida Statutes and Chapter 10.550 Rules of the Florida Auditor General, which is contained in the Financial Section of this document. CRI, based on its audit and the reports of component unit auditors, has opined that the financial statements present fairly, in all material respects, the financial position and changes in financial position of the City as of and for the year ended September 30, 2018.

Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

The City of Jacksonville's MD&A can be found immediately following the report of the independent certified public accountants.

## **PROFILE OF THE CONSOLIDATED GOVERNMENT**

### **Governmental Framework**

The City of Jacksonville was consolidated with Duval County in 1968 to streamline government and eliminate the cost of duplicative City and County services. Four municipalities were not consolidated: Atlantic Beach, Jacksonville Beach, Neptune Beach and Baldwin. The City has entered into interlocal agreements with the unconsolidated entities to provide cost effective services to residents in unconsolidated Duval County.

The City operates under a strong Mayor/City Council form of government. The 19-member City Council is made up of 14 district council members and 5 at-large council members. These 20 elected officials stand for election every four years (having no mid-term elections) and are subject to a two-term limitation.

The Charter of the Consolidated Government of the City of Jacksonville provides for three branches: Executive, Legislative and Judicial. The Executive branch includes the Office of the Mayor and Constitutional officers: Sheriff, Tax Collector, Property Appraiser, Supervisor of Elections and the Duval County School Board. The Legislative branch includes the City Council and a group of standing committees. There is also a Council Auditor and Council Secretary. The Judicial branch includes: the Circuit Court, County Court, Clerk of the Circuit Court, State Attorney, Public Defender and Medical Examiner. The independent Office of Inspector General provides additional oversight to promote increased accountability, integrity, and oversight of the City.

Certain governmental entities are organized as independent authorities and/or commissions in city government, which include:

Jacksonville Aviation Authority (JAA)  
Jacksonville Electric Authority (JEA- electric, water and wastewater utilities)  
Jacksonville Port Authority (JPA)  
Jacksonville Transportation Authority, (JTA- operates the mass transit system)  
Jacksonville Public Library  
Kids Hope Alliance (KHA)

Each authority/commission is subject to annual budget submission to the City and approval by the City Council.

## BUDGET AND GOVERNMENTAL FUNDS

Florida Law, the City Charter and the City's Ordinance Code establish provisions that regulate the City's budget, tax levies and appropriations. The Mayor is required to submit a proposed budget to the City Council by July 15th of each year that is balanced and identifies revenues and other financial resources that are anticipated to be available for appropriations. The Mayor also makes recommendations for appropriations, expenditures and uses of financial resources, and otherwise presents concise policy direction and guidance for the continuing financial operation of the City. Prior to the beginning of each new fiscal year, the City Council adopts, by ordinance, a balanced budget.

The City's accounting system is organized and operated on a fund basis. A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. The types of funds to be used are determined by generally accepted governmental accounting principles, and the number of individual funds established is determined by sound financial administration and the statutory and ordinance requirements of the Council.

### BUDGET APPROPRIATIONS FY2017 - FY2019

<u>Fund Types</u>	<u>FY2017</u>	<u>FY2018</u>	<u>FY2019</u>	<u>Change from FY2017 to FY2018</u>	<u>Change from FY2018 to FY2019</u>
General Fund	1,197,619,690	1,270,250,846	1,314,410,978	6.06%	3.48%
Special Revenue	292,890,954	335,502,845	355,714,776	14.55%	6.02%
Capital Projects	50,928,163	127,446,162	124,708,552	150.25%	-2.15%
Enterprise	213,978,694	223,215,531	231,643,862	4.32%	3.78%
Internal Service	421,832,651	508,964,069	567,336,949	20.66%	11.47%
Trust & Agency	15,554,259	15,610,197	17,580,535	0.36%	12.62%
Other	891,059	473,559	2,500,000	-46.85%	427.92%
Total	2,193,695,470	2,481,463,209	2,613,895,652	13.12%	5.34%

Source: Budget Office

## CAPITAL BUDGET

### Capital Improvement Program (CIP) and Debt Affordability Model

The City annually approves a 5-year Capital Improvement Program (CIP) that anticipates a specific level of borrowing and is financially feasible. Concurrent with the submission of the 5-year CIP, the City reviews its Debt Affordability Model which a) looks backward 5 years to compare history; b) measures the City's performance against self-imposed ratio targets and maximum/minimum limits; c) compares the City to national Aa/AA category norms; and d) projects the City's performance within targets/limits for the next 5 years.



## Capital Improvement Plan

The Capital Improvement Plan identifies the following:

<u>Program Area</u>	<u>FY18/19</u>	<u>FY19/20</u>	<u>FY20/21</u>	<u>FY21/22</u>	<u>FY22/23</u>	<u>Beyond 5th</u>
Environmental/Quality of Life	\$ 5,904,400	\$ 12,916,500	\$ 8,010,000	\$ 3,050,000	\$ 2,250,000	\$ 8,201,787
Parks/Preservation Land/Wetland	20,036,000	22,249,000	16,680,000	6,672,000	16,575,000	28,750,000
Public Facilities	45,060,945	41,518,881	37,327,197	44,675,000	46,507,242	467,823,613
Public Safety	2,700,000	2,500,000	4,526,250	4,526,250	4,533,750	33,348,336
Roads/Infrastructure/Transportation	81,508,189	73,122,332	59,853,400	61,705,400	52,205,000	71,640,000
Solid Waste*	4,804,000	11,522,360	17,626,323	12,396,650	2,089,000	16,219,278
Storm Water/Drainage*	6,000,000	10,000,000	10,000,000	10,000,000	10,400,000	47,139,247
	\$ 166,013,534	\$ 173,829,073	\$ 154,023,170	\$ 143,025,300	\$ 134,559,992	\$ 673,122,261

\* Most projects are budgeted within enterprise funds.

## Status of Ongoing Major Projects

### Pollution Remediation and Ash Site Settlement

During 2004-2005, the City was able to settle a long-standing class action suit regarding land value diminution and personal injury that arose out of a solid waste practice, prior to the early 1970's, of using incinerator ash mixed with soil as fill in low lying areas. The City agreed to pay \$25 million and to allow the plaintiffs to pursue the City's then-insurance providers related thereto. In FY 2009, the City issued variable debt from the Banking Fund and is amortizing the remaining \$22.5 million over a 12 year period.

The City also negotiated (and finalized a settlement agreement in the fall of 2007) with the U.S. Environmental Protection Agency (EPA) regarding cleanup, which will involve removing two feet of soil around the homes and related park land, putting down a protective mesh, and replacing the removed top cover with new soil in an area that includes more than 1,300 homes.

The City has spent \$175.6 million on this remediation and has accrued \$38 million as a liability at the end of FY 2018.

The City has several other pollution remediation sites that are in various stages of clean-up and has spent \$9.3 million on those sites. The City has accrued an additional \$73 million liability for future years estimated remediation expense.

## Better Jacksonville Plan

The Better Jacksonville Plan is a comprehensive undertaking by the City to provide: road, transportation and infrastructure improvements, park and environmental improvements, economic development and public facilities. The Plan was approved by the City in July 2000. Improvements include projects such as: road resurfacing, drainage, sidewalks, bike paths and landscaping, safety improvements at grade crossings, environmental land preservation, parks, and environmental clean-up.

Major projects included improvements to the Jacksonville Zoo and Cecil Field, construction of a new main library and library branch improvements, an arena, a baseball park and a county courthouse. The City has spent over \$2 billion on the plan and most projects have been completed.

## FUTURE PROSPECTS: ECONOMIC ENVIRONMENT AND MAYORAL HIGHLIGHTS

### ECONOMIC ENVIRONMENT: JACKSONVILLE MSA

Jacksonville was founded in 1832 and consolidated with Duval County in 1968, and has an estimated city/county population of 952,861 living within an 840.1 square mile area. Within Duval County there are four separate municipalities (Jacksonville Beach, Neptune Beach, Atlantic Beach and Baldwin) representing a population of 45,768 within 15.9 square miles. The Jacksonville Metropolitan Statistical Area (MSA) consists of five counties: Duval, Clay, St. Johns, Nassau and Baker, which have a total estimated population of 1,514,037.

### Selected Economic and Statistical Data

The combined City/County exhibits the following characteristics:

#### ECONOMIC SNAPSHOT

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<b>Florida</b> <u>2018</u>
Population (in thousands)	905.6	923.6	936.8	952.9	20,841
City Assessed Valuation (in billions)	45.3	47.6	49.9	53.2	2,344
Dollar Value of Building Permits (in millions)	1,351	1,959	2,776	1,869	N/A
*Employment - MSA (in thousands)	685.9	712.4	737.6	763.5	9,734
Unemployment Rate	5.2%	5.0%	3.5%	3.0%	3.5%
*Median Household Income - MSA	47,690	49,196	51,296	51,296	50,883

\*The Bureau of Labor Statistics has revised the Employment Estimates from 2015-2017, updates have been made to amounts previously reported.

\* 2018 updated estimates were not available at the time of this report

**Discussion:** The consolidated city of Jacksonville is the most populated city in Florida based on the 2010 Census. It is anticipated that the city’s population will grow significantly over the next few years reflecting the general economic recovery, in-migration of businesses and the growth of the port due to increased local economic activity.

Assessed valuation has increased. The value of building permits has improved significantly indicating a recovery in housing and economic growth for the city. It is difficult to forecast the rate of economic improvement but we do anticipate continued improvement in assessed values in the near to mid-term future.

Unemployment continues to decline and MSA employment continues to increase; both very positive trends.

### INDUSTRY SEGMENTS

<u>Segment</u>	
Trade, Transportation, and Utilities	19.86%
Education and Health Services	15.17%
Professional and Business Services	15.77%
Leisure and Hospitality	12.47%
Government	10.88%
Financial Activities	9.85%
Construction	6.59%
Manufacturing	4.39%
Other Services	3.67%
Information	1.29%
Mining and Logging	0.06%

\* Source: U.S. BLS, Current Employment Statistics

**Discussion:** Jacksonville is the economic driver for the seven-county, Northeast Florida region of approximately 1.5 million residents. Jacksonville has a broad base of non-agricultural employment and is home to a qualified and diverse labor force.

Jacksonville’s central location with access to road, rail, sea and air transportation has made it the international hub of the Southeast. Florida is the nation’s third most populous state, and more than 60 million U.S. consumers live within a one day truck-drive of Jacksonville’s port. The Jacksonville Port Authority (JAXPORT) terminals are serviced by three U.S. interstates (I-10, I-95 and I-75), and the city has 36 daily train departures via three railroads: CSX, Norfolk Southern, and Florida East Coast railway.

JAXPORT is one of the largest ports on the South Atlantic seaboard. More than 1.3 million containers moved through the Port last year. Jacksonville is also one of the nation’s busiest ports for total vehicle handling, with recent Port annual auto volume of 693,000. Among JAXPORT’s major projects is a Harbor Deepening effort which will add seven feet of water depth for larger container cargo ships and has the potential to significantly increase container business. JAXPORT’s internationally ranked foreign trade zone spans more than 5,000 square miles in Northeast Florida, and helps shippers save time and money by streamlining customs clearance.

Financial services, trade, transportation and utilities are also significant employers in Jacksonville. It is anticipated that these segments will also grow as the port grows.

### **Growth/Future Prospects**

Jacksonville is the gateway to Florida and to world trade on the east coast. It is also an important location for the country's military and our nation's defense. Jacksonville is ideally positioned for economic expansion due to its diverse economic base, expressway system, rail service and the port.

### **10 LARGEST EMPLOYERS IN JACKSONVILLE, FLORIDA**

<b><u>Employer</u></b>	<b><u>Product or Service</u></b>	<b><u>Employees</u></b>
Naval Air Station Jacksonville	U.S. Navy	19,800
Duval County Public Schools	Public Education	12,060
Baptist Health	Hospital	10,500
Naval Station Mayport	U.S. Navy	9,000
Bank of America Merrill Lynch	Banking and Investments	8,000
City of Jacksonville	Municipal Government	7,374
Florida Blue	Health Insurance	7,000
Mayo Clinic	Multi-Specialty Health Care	6,000
Southeastern Grocers	Corporate Headquarters & Grocery Distribution Center	5,700
St. Vincent's HealthCare	Health Care	5,300

**Discussion:** The above table indicates that more than 85% of those employed by the largest employers are from four segments: military (32%), medical (32%), public education (13%), and banking/financial services (9%). It is anticipated that all of these segments will continue to grow top line revenue and hire new employees.



# 2018 YEAR IN REVIEW HIGHLIGHTS

## PUBLIC SAFETY

- \$30 million budgetary increase for the Jacksonville Sheriff's Office, including funding for a Real-time Crime Center.
- \$17 million increase for the Jacksonville Fire & Rescue Department for additional personnel, new fire station, rescue units and a state-of-the-art Backup 911 Call Center.
- Allocated \$2.75 million for crosswalks and pedestrian safety improvements.

## LEADERSHIP & ACCOUNTABILITY

- Earned AAA rating from Fitch in September 2018 for the first time in Jacksonville history, demonstrating the success of the City's strong fiscal management practices.
- Paid down \$376 million in municipal debt from July 2015 to Oct. 2018, signifying the City's strong commitment to sound fiscal stewardship.
- Implemented a new parental leave policy for City employees offering six weeks of paid leave following the birth or adoption of a child.

## YOUTH INITIATIVES

- Collaborated with Duval County Public Schools and United Way of Northeast Florida to fund therapist positions at local schools to ensure access to mental health and wellness support for youth.
- Provided employment opportunities, education and career pathways for over 400 youth as part of the Mayor's Youth at Work Partnership in collaboration with more than 40 nonprofit and private sector employers.
- Distributed 13,000 books and related early learning/literacy materials to infants, encouraging parents to read to their children and inspire them to reach for their dreams.

## ECONOMIC DEVELOPMENT

- The City invested in 13 economic development projects that will result in a projected 1,117 jobs, \$152 million in new private capital investments and a \$51 million increase in personal incomes.
- Committed funding to develop important downtown properties including The Shipyards, Lot J, The District, Laura Street Trio and includes \$12.4 million to reconfigure the Hart Bridge off-ramps.
- The city saw \$3.5 billion in downtown projects in 2017, a 96 percent housing occupancy rate and the lowest vacancy numbers for office space since 2000.

## HEALTH & WELLNESS

- Committed to a 6-year, \$120 million program for improvements to city-owned facilities at UF Health Jacksonville.
- Improved quality health ranking from 55th to 42nd in the state, our healthiest position in the history of the report and one of the most improved (Robert Wood Johnson Foundation.)
- Recognized by the First Coast Worksite Wellness Council as one of the region's healthiest places to work.

## NEIGHBORHOODS & COMMUNITIES

- Provided funding for expanded hours, additional personnel and \$850,000 for new materials at Jacksonville Public Libraries.
- Created a \$106.6 million capital improvement plan with more than 124 projects that invest in neglected infrastructure throughout the city.
- Implemented a 4-year, \$60.3 million plan to develop the Emerald Necklace along McCoy's Creek, providing for improved drainage and additional greenspace around downtown Jacksonville.

## DEBT AND INVESTMENT ACTIVITIES

### Debt Administration

The City's Debt Management Policy promotes effective and efficient management of the City's debt program. It provides a framework for the structuring and monitoring of debt issuances and emphasizes prudent long-term financial planning. The Policy establishes a Debt Oversight Committee and a Debt Affordability model which uses measures accepted within the credit community. The City's sound financial condition is evidenced by the continuation of its long-held high-grade bond ratings on indebtedness from the major credit rating services.

	<u>Moody's</u>	<u>S&amp;P</u>	<u>Fitch</u>
Issuer Credit Rating	Aa2	AA	AA
Covenant Bonds	Aa3	AA	AA-
Capital Improvement Revenue Bonds	Aa3	n/a	AA
Capital Project Revenue Bonds	Aa3	n/a	AA-
Excise Tax Revenue Bonds	Aa2	AA	AAA
Local Government Sales Tax Revenue Bonds	Aa2	AA+	AA
BJP Sales Tax Bonds	A1	A+	A+
BJP Transportation Revenue Bonds	A1	AA-	AA-

## Investment Performance – Both Active and Major Pension Programs

The City is of the opinion that the interest of its citizens can best be served by actively managing City funds through the assumption of a prudent level of risk. Investment objectives of the Operating Fund (in order of priority) are: safety of capital, liquidity and income realization in excess of stated benchmarks. The City's Investment Policy also establishes an Investment Committee to help manage the funds. The investment objectives of the General Employee Pension Fund and the Police and Fire Pension Fund are established by their Boards of Trustees and governed by their Investment Policy Statements for the purpose of providing long term benefits to the Fund's participants and their beneficiaries.

### INVESTMENT PORTFOLIO PERFORMANCE

September 30, 2018

(Reported in Percentage and Gross of Investment Management Fees)

	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014	3 - Year Average	5 - Year Average
<b>Operating Fund ( All Fixed Income ) *</b>	<b>0.70</b>	<b>1.28</b>	<b>3.07</b>	<b>1.32</b>	<b>2.38</b>	<b>1.68</b>	<b>1.75</b>
Policy Benchmark (Weighted Avg Benchmark)**	-0.06	0.44	2.59	1.66	1.85	0.98	1.29
Core Plus	-0.03	2.60	7.31	1.44	5.80	3.25	3.39
Intermediate	-0.46	0.36	3.30	2.81	2.71	-0.51	1.73
Limited Duration	0.85	1.04	1.75	1.34	1.29	0.94	1.25
Extended Cash	1.26	1.23	0.95	0.53	0.62	1.14	0.92
<b>General Employee Pension Fund ( Diversified )</b>	<b>7.87</b>	<b>15.21</b>	<b>9.93</b>	<b>-1.67</b>	<b>12.06</b>	<b>10.96</b>	<b>8.53</b>
Policy Benchmark (Weighted Avg Benchmark)**	8.28	11.50	10.55	-1.79	11.12	10.10	7.94
Domestic Equity Composite	16.53	20.79	11.66	1.90	15.29	16.27	13.05
Total Int'l Equity	1.57	27.11	12.74	-10.18	5.93	23.18	6.73
Total Fixed Income	-0.64	4.57	5.12	-1.22	5.07	2.98	2.54
Total Real Estate	8.14	5.13	9.78	-0.31	20.63	7.67	8.46
Real Assets (MLPs/Timber)	8.00	2.26	11.09	-22.20	29.83	7.05	4.38
<b>Police and Fire Pension Fund ( Diversified )</b>	<b>8.44</b>	<b>14.55</b>	<b>10.98</b>	<b>-3.35</b>	<b>11.55</b>	<b>11.30</b>	<b>8.26</b>
Policy Benchmark (Weighted Avg Benchmark)**	8.33	12.16	10.34	-3.79	12.08	10.38	7.84
Domestic Equity Composite	16.87	19.73	13.47	-1.22	13.84	16.66	12.29
Total Int'l Equity	1.64	26.61	12.05	-11.33	6.18	12.98	6.32
Total Fixed Income	-0.29	2.29	5.69	2.67	3.13	2.53	2.68
Total Real Estate	8.46	8.08	9.83	14.95	12.23	8.80	10.69
MLP/Energy	6.61	-1.20	14.53	-33.11	36.54	6.45	1.96
<b>Major Indices</b>							
Russell 3000 Composite	17.58	18.71	14.96	-0.49	17.76	21.60	13.46
MSCI EAFE Index	3.25	19.65	7.06	-8.27	4.70	9.77	4.90
NCREIF Property Index	7.16	6.89	9.22	13.48	11.26	7.75	9.57
Barclays Capital U.S. Aggregate Bond Index	-1.22	0.07	5.19	2.94	3.96	1.31	2.16
Barclays Capital U.S. Gov/Credit Intermediate	-0.96	0.23	3.52	2.68	2.20	0.91	1.52
ICE BofA ML U.S. Corp & Gov 1-3 Yrs	0.28	0.65	1.32	1.16	0.84	0.75	0.85
ICE BofA ML U.S. Treasury Bills 0-1 Year	1.51	0.70	0.48	0.18	0.13	0.89	0.60
FTSE Treasury Bill-3 Month	1.57	0.64	0.2	0.02	0.04	0.80	0.49

NA = Specific consolidation / strategy did not exist at that time

\*excludes depository accounts

(Continued)

**\*\*Benchmark Composition:**

	<u>Operating Fund</u>	<u>GEPP</u>	<u>Police and Fire</u>
Barclays Capital Aggregate Bond	35%	0%	4%
Barclays Capital U.S. Govt/Credit Intermediate	5%	0%	0%
Barclays Capital U.S. Universal	0%	19%	16%
ICE BofA ML 1-3 yr US Corp/Govt Bond	40%	0%	0%
ICE BofA ML 0-1 yr US Treasury Bond	15%	0%	0%
FTSE 3-month Treasury Bill	5%	1%	1%
Russell 1000 Stock	0%	0%	0%
Russell 2000 Stock	0%	0%	0%
Russell 2500 Stock	0%	0%	0%
Russell 3000 Stock	0%	35%	39%
MSCI AC World ex USA	0%	20%	20%
MSCI EAFE/ACWI Stock	0%	0%	0%
MSCI Emerging Markets	0%	0%	0%
NCREIF Property	0%	0%	0%
NCREIF ODCE Index[M]	0%	15%	15%
S&P 500	0%	0%	0%
S&P MLP Total Return	0%	6.7%	5%
S&P/LSTA Leverage Loan Index	0%	0%	0%
Thompson Policy Index	0%	0%	0%
NCREIF Timberland	0%	3.3%	0%
Real Asset Policy	0%	0%	0%
90 Day U.S. Treasury Bill	0%	0%	0%

Benchmarks for the General Employee and Police and Fire Pension funds are calculated by Summit Strategies while the Operating Portfolio Policy Benchmark is derived from BNY Mellon custody reporting data.

\*\*Index compositions are subject to change over time as target allocations change within the portfolios.

The previous schedule provides the investment performance for the City's Active Portfolio, the City Retirement Systems (covering both General employees and Corrections Officers) and the Police and Firefighter Pension Plan.



## LONG-TERM FINANCIAL POSITION

Jacksonville will benefit from the recovering economy and the growth of the region. The administrations' commitment to efficient and effective government, conservative investment policies and careful debt management will provide for a prosperous city over the long run.

## REPORTING ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Jacksonville for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2017. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for the preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such comprehensive annual financial reports must satisfy both accounting principles generally accepted in the United States and applicable legal requirements.

A Certificate of Achievement is valid for one year only. The City of Jacksonville has received this certificate for 38 consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA for their review.

## ACKNOWLEDGMENTS

The extensive effort of preparation and distribution of this report fulfills the Department of Finance and Administration's goal of full disclosure of the City's finances. We are committed to issuing reports that are informative and meet the highest standards of governmental accounting and financial reporting. Reports that meet these standards provide the reader with an opportunity to make more informed judgments about the government's financial position and changes in financial position.

The 2018 Comprehensive Annual Financial Report represents our commitment to this goal and could not have been prepared without the efficient and dedicated efforts of the staff of the Department of Finance and Administration (Accounting, Budget, Risk Management and Treasury Divisions), who devoted many hours to compiling and assembling the report. We also wish to express our appreciation to all other City personnel who have contributed to its preparation. In addition, we thank the City's independent certified public accountants, Carr, Riggs & Ingram, LLC and the Office of the Council Auditor, for their efforts and professional conduct throughout the audit engagement.

Special acknowledgment is due to Mayor Lenny Curry and the members of the City Council for their strong and effective leadership and continued support in the coordination and planning of the financial affairs of the City of Jacksonville.

Respectfully Submitted,



Patrick "Joey" Greive  
Chief Financial Officer; Director, Finance and Administration



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Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Jacksonville  
Florida**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

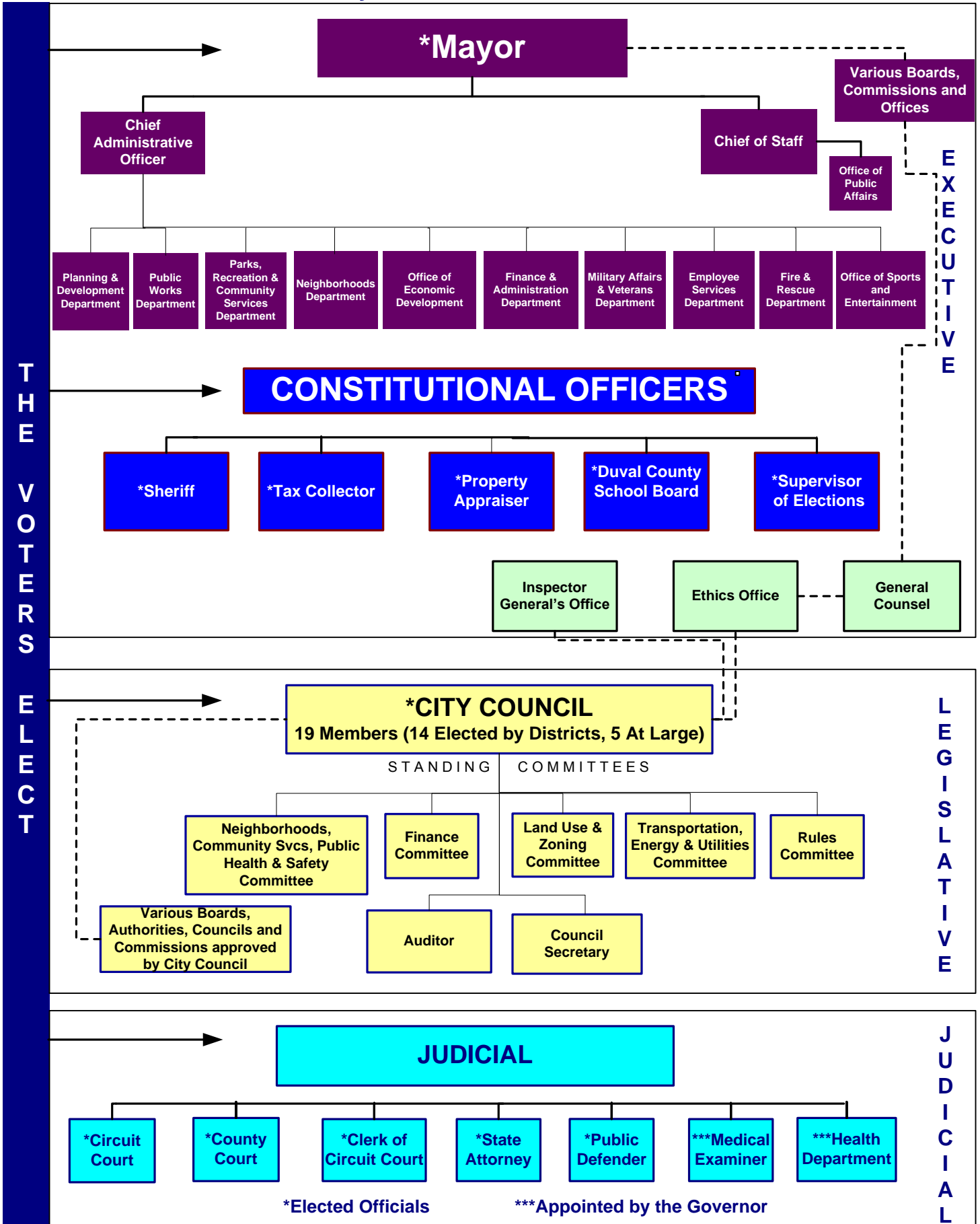
**September 30, 2017**

*Christopher P. Morrill*

Executive Director/CEO

# ORGANIZATIONAL CHART

City of Jacksonville, Florida



# City of Jacksonville, Florida

## City Officers and Constitutional Officeholders

---

### Lenny Curry, Mayor

#### City Officers

Sam Mousa.....	Chief Administrative Officer
Brian Hughes.....	Chief of Staff
Jason Gabriel, Esq.....	General Counsel
William Killingsworth.....	Director, Planning and Development
John Pappas.....	Director, Public Works
Daryl Joseph.....	Director, Parks, Recreation and Community Services
Stephanie Burch.....	Director, Neighborhoods
Kirk Wendland.....	Economic Development Officer
Joey Greive.....	Director, Finance & Administration/CFO
William Spann.....	Director, Military Affairs & Veterans
Diane Moser.....	Director, Employee Services
Kurt Wilson.....	Director, Fire and Rescue
Angela Moyer.....	Budget Officer
Vacant.....	Sports and Entertainment Officer
Kevin Stork.....	Comptroller
Randall Barnes.....	Treasurer

#### Constitutional Officeholders

Ronnie Fussell.....	Clerk of Circuit Court
Jerry Holland.....	Property Appraiser
Mike Williams.....	Sheriff
Mike Hogan.....	Supervisor of Elections
Jim Overton.....	Tax Collector

# City of Jacksonville, Florida

## City Council Officials and Staff

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### City Council

President of Council.....Aaron L. Bowman  
Vice President of Council.....Scott Wilson

District 1 — Joyce Morgan  
District 2 — Al Ferraro  
District 3 — Aaron L. Bowman  
District 4 — Scott Wilson  
District 5 — Lori N. Boyer  
District 6 — Matt Schellenberg  
District 7 — Reggie Gaffney

District 8 — Ju’Coby Pittman  
District 9 — Garrett L. Dennis  
District 10 — Terrance Freeman  
District 11 — Danny Becton  
District 12 — Randy White  
District 13 — Bill Gulliford  
District 14 — Jim Love

Group 1 At-Large — Anna Lopez Brosche  
Group 2 At-Large — John R. Crescimbeni  
Group 3 At-Large — Tommy Hazouri  
Group 4 At-Large — Greg Anderson  
Group 5 At-Large — Samuel Newby

### Council Staff

Kyle Billy, CPA.....Council Auditor  
Cheryl L. Brown.....Director/Council Secretary  
Kristi Sikes.....Chief of Administrative Services  
Carol Owens.....Chief of Legislative Services  
Jeff Clements.....Chief of Research

\* Schedule represents principal officials in office at the time of the report issuance.



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Carr, Riggs & Ingram, LLC  
637 Park Street  
Jacksonville, Florida 32204

(904) 356-6023  
(904) 353-5836 (fax)  
CRIcpa.com

## **INDEPENDENT AUDITORS' REPORT**

The Honorable Mayor and Members of the City Council  
City of Jacksonville, Florida

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Jacksonville, Florida (the "City"), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of JEA, which represents approximately 85%, 80%, and 87%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. We also did not audit the financial statements of Jacksonville Transportation Authority which represents approximately 6%, 8%, and 8%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. We also did not audit the financial statements of Jacksonville Port Authority, which represents approximately 9%, 11%, and 4%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for JEA, Jacksonville Transportation Authority and Jacksonville Port Authority, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.



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

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

### ***Opinions***

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City, as of September 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Emphasis of Matter - Adoption of New Accounting Pronouncement***

As described in Note 18.B to the financial statements, the City adopted Government Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, which resulted in a restatement to the September 30, 2017 net positions. Our opinions are not modified with respect to this matter.

### ***Required Supplementary Information***

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

### ***Supplementary and Other Supplemental Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund statements and schedules, other supplemental information and the statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund statements and schedules, and other supplemental information are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and the other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of other auditors, the combining and individual fund statements and schedules, and other supplemental information are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

This introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2019, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain positions of laws, regulations, contracts, and grant agreements and other matters. That report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*Carly Riggs & Ingram, L.L.C.*

Jacksonville, Florida

March 29, 2019

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

To the Honorable Mayor and Members of the City Council  
City of Jacksonville, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Jacksonville, Florida (the "City") as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated March 29, 2019. Our report includes a reference to other auditors who audited the financial statements of JEA, Jacksonville Transportation Authority and Jacksonville Port Authority, as described in our report on the City's financial statements. Our report also includes an emphasis of matter paragraph relating to the City's adoption of Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, effective for reporting periods beginning after June 15, 2017. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

***Internal Control over Financial Reporting***

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

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

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

### ***Compliance and Other Matters***

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

### ***Purpose of this Report***

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

*Carr, Riggs & Ingram, L.L.C.*

Jacksonville, Florida

March 29, 2019



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**MANAGEMENT'S DISCUSSION  
AND ANALYSIS**

## MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

The City of Jacksonville's discussion and analysis is designed to provide an objective and easy to read overview of the City's financial activities focusing on significant financial issues, as well as identifying material deviations from the financial plan (the approved budget), changes in the City's financial position (its ability to address the next and subsequent year challenges), and individual fund issues or concerns.

The Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts. The information contained within this MD&A should be considered only as a part of the City's Comprehensive Annual Financial Report (CAFR).

### Financial Highlights

- The City's General Fund operations had total revenues of \$1.2 billion in fiscal year 2018.
- Due primarily to rising home values and new construction, property tax revenues in the General Fund experienced a \$38.2 million, 6.7% increase. There were also increases in revenues related to sales & tourism, intergovernmental transfers, charges for services, fines & forfeitures, and JEA contributions.
- Interest earnings on short term cash and other revenue decreased \$3.4 million.
- General Fund total increase in revenues was \$49.4 million in fiscal year 2018.
- General Fund total expenses decreased by 29.1 million, 3.2%, primarily due to decreased spending in General Government, Fire Rescue, and the Sheriff's Office.
- Total governmental activities revenues increased by \$30.9 million in fiscal year 2018, a 1.9% increase over fiscal year 2017.
- Total governmental activity expenses increased \$111.6 million in fiscal year 2018, a 7.2% increase over fiscal year 2017. Included in this amount was \$51.6 million in expenses incurred for Hurricane Irma, of which the City expects to be reimbursed at least \$44.8 by FEMA and the State of Florida.
- The City received a capital contribution of \$48.1 million from the Jacksonville Jaguars for facilities improvements at the amphitheater and flex field (indoor practice field).

Additional information that explains these financial highlights may be found on following pages of this report.

### City Highlights

Fiscal year 2018 had a number of positive outcomes. Some of the impact and improvements were as follows:

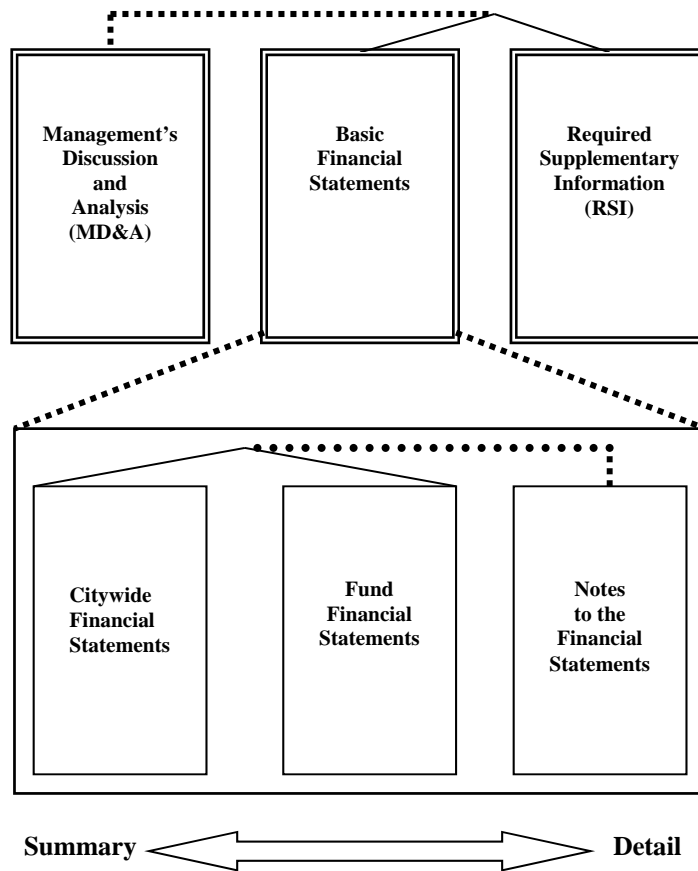
- The City invested in 13 economic development projects that will result in a projected 1,117 jobs, \$152 million in new private capital investments and a \$51 million increase in personal incomes.
- Committed funding to develop important downtown properties including The Shipyards, Lot J, the District, Laura Street Trio, and includes \$12.4 million to reconfigure the Hart Bridge off-ramps.
- Created a \$106.6 million capital improvement plan with more than 124 projects that invest in neglected infrastructure throughout the City.
- Implemented a 4-year, \$60.3 million plan to develop the Emerald Necklace along McCoy's Creek, providing for improved drainage and additional greenspace around downtown Jacksonville.
- Increased the Jacksonville Sheriff's Office budget by \$30 million to enhance public safety and included funding for a real-time Crime Center.
- Add additional budget of \$17 million for the Jacksonville Fire & Rescue Department for additional personnel, a new fire station, rescue units, and a state-of-the-art Backup 911 Call Center.
- Collaborated with Duval County Public Schools and United Way of Northeast Florida to fund therapist positions at local schools to ensure access to mental health and wellness support for youth.
- Distributed 13,000 books and related early learning/literacy materials to infants, encouraging parents to read to their children and inspire them to reach for their dreams.
- Provided employment opportunities, education, and career pathways for over 400 youth as part of the Mayor's Youth at Work Partnership in collaboration with more than 40 nonprofit and private sector employers.
- Implemented a new parental leave policy for City employees offering six weeks of paid leave following the birth or adoption of a child.
- Achieved the above while adding to unassigned reserves driven primarily by pension reform cost savings.

## OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City of Jacksonville's basic financial statements. As indicated in the following graphic (Figure A-1), the City's basic financial statements are comprised of three components: 1) citywide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary and statistical information in addition to the basic financial statements themselves.

**Figure A-1**

### COMPONENTS OF THE ANNUAL FINANCIAL REPORT





## **Citywide Basic Financial Statements**

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

The focus of the Statement of Net Position is designed to be similar to bottom line results for the City and its governmental and business-type activities. This statement combines and consolidates governmental funds, current financial resources (short-term spendable resources) with capital assets and long term obligations. The Statement of Activities distinguishes functions of the City of Jacksonville that are principally supported by taxes and intergovernmental revenues (governmental activities such as: police, fire, public works, recreation, and general administration) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities such as: solid waste, stormwater, sports complex, motor vehicle and public parking).

Component Units are other governmental units over which the City can exercise influence and/or may be obligated to provide financial subsidy. The City of Jacksonville's component units are as follows: Jacksonville Electric Authority (JEA), Jacksonville Transportation Authority (JTA), Jacksonville Port Authority (JPA), and Jacksonville Housing Finance Authority. Separate financial statements are published by JEA, JTA, and JPA. The focus of the statements is on the primary government and the presentation allows the user to address the relationship with the Component Units.

The two statements (Statement of Net Position and Statement of Activities) demonstrate how the City's net position has changed. Increases or decreases in net position are good indicators of whether the City's financial health is improving or deteriorating over time. Other non-financial factors such as changes in the City's property tax base are important considerations to assess the City's overall financial condition.

## **Fund Financial Statements**

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. The focus is on Major Funds, rather than fund types, which provides detailed information about the most significant funds. The City of Jacksonville, like other state and local governments, uses funds to ensure and demonstrate compliance with financial requirements imposed by law, bond covenants and local administrative and legislative actions. All of the City's funds can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

### **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the citywide basic financial statements. However, unlike the citywide basic financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Since the focus of governmental funds is narrower than that of the citywide basic financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the citywide basic financial statements. This allows readers to better understand the long-term impact of the government's near-term financing decisions.

Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Governmental fund information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Special Bonded Debt Obligations Fund and Better Jacksonville Plan Special Bonded Debt Obligations Fund, all of which are considered to be major funds. Information from other non-major funds is combined into a single, aggregated presentation.

**Proprietary Funds**

Proprietary funds provide the same type of information as the business-type activities in the citywide basic financial statements, only in more detail. The proprietary fund financial statements can be found in the Fund Financial Statements section of this report.

The City of Jacksonville maintains two types of proprietary funds.

*Enterprise funds* are used to report the same functions presented as business-type activities in the citywide basic financial statements. The City uses enterprise funds to report separate information on operations such as Solid Waste Disposal, Stormwater Services and City Venues which are all major funds. The Sports Complex Capital, Motor Vehicle Inspection and Public Parking are non-major enterprise funds.

*The internal service funds* are used to account for activities that provide goods and services to the City's other programs and activities. Since the internal service funds predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the citywide basic financial statements.

**Fiduciary Funds**

The City of Jacksonville is the trustee, or fiduciary, for trusts such as the City employee's retirement plans. Because of a trust arrangement, these assets can be used only for the trust beneficiaries. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the City of Jacksonville's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. These activities are excluded from the citywide basic financial statements because the assets cannot be used to support or finance the City's programs or operations. The Fiduciary Funds Statement of Changes in Net Position can be found in the Fund Financial Statement section of this report.

**Notes to the Financial Statements**

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the citywide and fund financial statements. The notes can be found as a part of the Basic Financial Statements section of this report.

**Other Information**

This report additionally includes required supplementary information (RSI) containing budgetary comparisons with related notes and the progress of the City's employee pension obligations and other post-employment obligations.

The combined statements in connection with non-major governmental and enterprise funds, internal service funds, fiduciary funds and non-major component units are presented following the required supplemental information.

Additional statistical information is presented to give report users a better historical perspective and assist in assessing current financial status and trends of the governmental unit.

Economic data is presented to allow a broader understanding of the economic and social environment in which the City government operates.

## CITYWIDE FINANCIAL ANALYSIS

The net position may serve over time as a useful indicator of the government's financial position. The City's net position decreased \$80.6 million due primarily to an increase of \$95.6 in the net pension liability. The negative \$2.1 billion unrestricted net position is primarily due to the \$2.6 billion Net Pension Liability (See Table A-1).

**Table A-1**  
**Summary Statement of Net Position**  
(In Thousands)  
as of September 30, 2018 and September 30, 2017

	Governmental Activities		Business Type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Cash and Investments	\$ 1,099,146	\$ 971,344	\$ 109,220	\$ 90,614	1,208,366	1,061,958
Current and Other Assets	252,052	358,855	66,897	51,774	318,949	410,629
Capital Assets	2,534,072	2,564,433	599,427	558,300	3,133,499	3,122,733
Total assets	<u>3,885,270</u>	<u>3,894,632</u>	<u>775,544</u>	<u>700,688</u>	<u>4,660,814</u>	<u>\$ 4,595,320</u>
Deferred Outflow of Resources	613,111	567,068	77	77	613,188	567,145
Current Liabilities	169,649	217,225	37,641	26,362	207,290	243,587
Non-current Liabilities	2,644,423	2,721,791	395,935	406,436	3,040,358	3,128,227
Net Pension Liability	2,635,990	2,540,432	-	-	2,635,990	2,540,432
Total liabilities	<u>5,450,062</u>	<u>5,479,448</u>	<u>433,576</u>	<u>432,798</u>	<u>5,883,638</u>	<u>5,912,246</u>
Deferred Inflow of Resources	245,534	96,685	-	18	245,534	96,703
Net position						
Net investment						
in capital assets	730,505	719,194	236,652	188,640	967,157	907,834
Restricted for:						
Debt Service	123,165	124,954	-	-	123,165	124,954
Housing & human serv grants	34,898	33,686	-	-	34,898	33,686
State and federal grants	10,017	10,835	-	-	10,017	10,835
Capital projects	12,224	16,466	-	-	12,224	16,466
Other participant's equity	893	93	-	-	893	93
Permanent Fund						
non-expendable	1,527	123	-	-	1,527	123
Other Purposes	12,548	11,924	-	-	12,548	11,924
Unrestricted (deficit)	<u>(2,122,995)</u>	<u>(2,033,866)</u>	<u>105,393</u>	<u>82,097</u>	<u>(2,017,602)</u>	<u>(1,951,769)</u>
Total net position	<u>\$ (1,197,218)</u>	<u>\$ (1,116,591)</u>	<u>\$ 342,045</u>	<u>\$ 270,737</u>	<u>(855,173)</u>	<u>(\$ 845,854)</u>

The largest portion of the City's net position reflects its substantial capital assets, net of related debt. This displays the City's commitment to investing in assets that have useful lives in excess of the life of the debt issues used to finance the assets. The net pension liability is expected to increase until FY2030 when an additional dedicated ½ cent sales tax begins to fund the pension liability.

Along with the unfunded pension liability, the negative unrestricted net position in the governmental activities also includes non-asset related debt which is a liability of the City, issued for various capital projects that belong to other entities.

The City issued non-asset related debt:

- for the Jacksonville Transportation Authority for state highway projects within the City.
- for the Jacksonville Port Authority for their port terminal facilities.
- to finance improvements at Shands-Jacksonville – a large regional hospital serving the City's citizens, including its indigent population.
- to provide economic development incentives to entice developers to invest in downtown and other targeted areas of the City using Tax Increment District funds to provide a dedicated revenue source for payment of the debt for other projects within the City, such as pollution remediation, etc.

On the following page, Table A-2 provides a summary comparison of the City's operations for the 2018 and 2017 fiscal year ends.

Table A-2 Statement of Activities (In Thousands) as of September 30, 2018 and September 30, 2017

Revenues:	Governmental Activities		Business-Type Activities		Total Primary Government	
	2018	2017	2018	2017	2018	2017
Program Revenues:						
Fines & charges for services	\$ 145,422	\$ 134,322	\$ 135,516	\$ 121,702	\$ 280,938	\$ 256,024
Operating grants/contributions	56,161	79,887	-	-	56,161	79,887
Capital grants/contributions	48,893	47,856	-	-	48,893	47,856
General revenues:						
Property taxes	626,382	586,122	-	-	626,382	586,122
Utility service taxes	123,140	120,692	-	-	123,140	120,692
Sales and tourist taxes	223,824	209,928	18,550	17,044	242,374	226,972
Local business taxes	7,091	7,081	-	-	7,091	7,081
Intergovernmental	169,177	180,149	-	-	169,177	180,149
Franchise Fees	40,288	39,600	-	-	40,288	39,600
JEA Contribution	116,620	115,823	-	-	116,620	115,823
Earnings on Investments	6,121	13,467	1,154	377	7,275	13,844
Miscellaneous	51,588	48,897	69,656	19,879	121,244	68,776
<b>Total Revenues</b>	<b>1,614,707</b>	<b>1,583,824</b>	<b>224,876</b>	<b>159,002</b>	<b>1,839,583</b>	<b>1,742,826</b>
Expenses						
General government	189,130	240,937	-	-	189,130	240,937
Human services	122,664	113,367	-	-	122,664	113,367
Public safety	867,834	789,041	-	-	867,834	789,041
Cultural and recreational	87,491	84,675	-	-	87,491	84,675
Transportation	157,898	96,645	-	-	157,898	96,645
Economic & physical environment	159,911	146,164	-	-	159,911	146,164
Interest on long term debt	75,883	78,420	-	-	75,883	78,420
Parking system	-	-	3,795	3,758	3,795	3,758
Motor vehicle inspections	-	-	367	380	367	380
Solid Waste	-	-	78,217	77,565	78,217	77,565
Stormwater services	-	-	23,670	23,181	23,670	23,181
City Venues	-	-	75,914	63,527	75,914	63,527
Spots Complex Capital Maintenance	-	-	4,901	-	4,901	-
Equestrian Center	-	-	1,227	1,224	1,227	1,224
<b>Total Expenses</b>	<b>1,660,811</b>	<b>1,549,249</b>	<b>188,091</b>	<b>169,635</b>	<b>1,848,902</b>	<b>1,718,884</b>
Increases (decreases) in						
net position before transfers	(46,104)	34,575	36,785	(10,633)	(9,319)	23,942
Transfers	(34,523)	(18,473)	34,523	18,473	-	-
<b>Change in net position</b>	<b>(80,627)</b>	<b>16,102</b>	<b>71,308</b>	<b>7,840</b>	<b>(9,319)</b>	<b>23,942</b>
Net position (deficit), beginning of year	(1,116,591)	(1,132,693)	270,737	262,897	(845,854)	(869,796)
<b>Net position (deficit), end of year</b>	<b>\$ (1,197,218)</b>	<b>\$ (1,116,591)</b>	<b>\$ 342,045</b>	<b>\$ 270,737</b>	<b>\$ (855,173)</b>	<b>\$ (845,854)</b>

**Governmental activities:**

The City's governmental activities revenues increased \$32.6 million from 2017 to 2018 (see Table A-2) and consists of:

- Property tax revenues reflected a \$40.3 million increase which is a clear indication of a strong economy in Jacksonville.
- The \$11.0 million decrease in intergovernmental revenues is due to a \$7.4 million FY2017 contribution from component units.
- The increase of \$13.9 million in sales and tourist taxes is a result of increases in tourist development and local option sales taxes.
- Operating grant/contributions had a decrease of \$23.7 million due to FEMA reimbursements in FY2017 for Hurricane Matthew while FEMA has not approved obligating funds for reimbursement of Hurricane Irma expenditures incurred in FY2018, thus the City has not accrued \$45.2 in operating grant revenue yet.
- The increase of \$11.1 million in fines & charges for services is due to decreases in ambulance insurance contractual costs, ADP collections true up and increases in mobility plan revenues.
- The decrease of \$7.3 million in earnings on investments is a result of unrealized losses in fiscal year 2018 that were recorded.
- The City received \$7.6 million in contributions from private sources.

Increases in governmental activities expenses were \$122.2 million in fiscal year 2018 due to the following:

- Public Safety expense increased by \$89.0 million primarily for an increase in emergency incidents of \$51.6 million due to storms and hurricanes and also for recording the increase in public safety pension expense when calculating the net pension obligation.
- The decrease in general government is due to FY2017 recording a \$59.7 million increase in capital outlay and recording the general government portion of GASB 68 pension related expenses.
- The increase in human services of \$9.3 million expenses as the spending for the Kids Hope Alliance (KHA) increased \$7.2 million.
- There was an increase of \$61.3 million as transportation projects in fiscal year 2018 returned to a normal level.
- There were increases of \$13.7 million in economic & physical environment mainly due to increased depreciation of physical facilities.

**Business Type activities:**

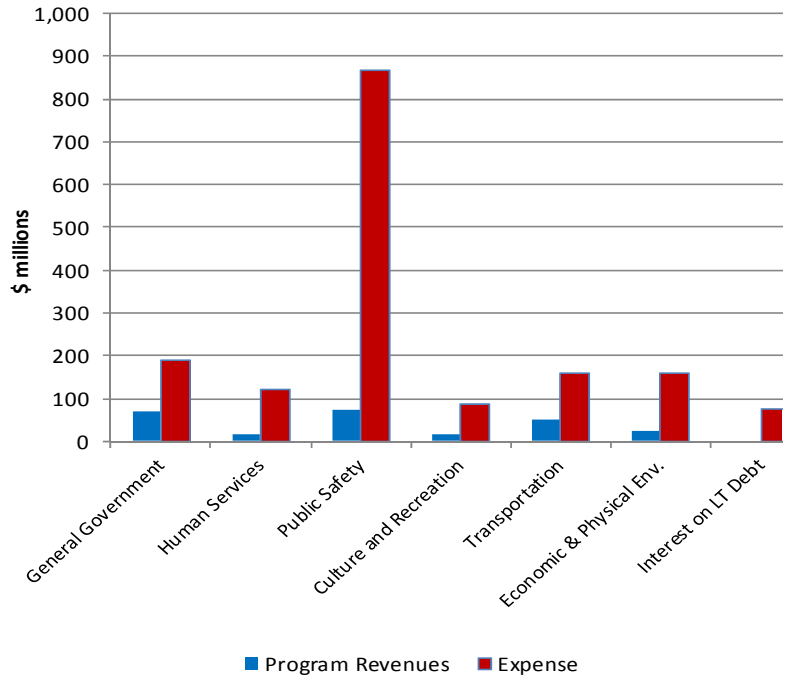
The City's business type revenues increased \$65.9 million in fiscal year 2018:

- Charges for services increased \$13.8 million; \$8.1 million at the Jacksonville Municipal Stadium – TIAA Field for events held at the Stadium and \$4.8 million for Stormwater charges.
- \$48.1 million increase represents the Jaguar's contribution toward improvements at the Amphitheater and Indoor Practice Facilities (Flexfield).
- The City received \$0.8 million in cash contributions from private sources.

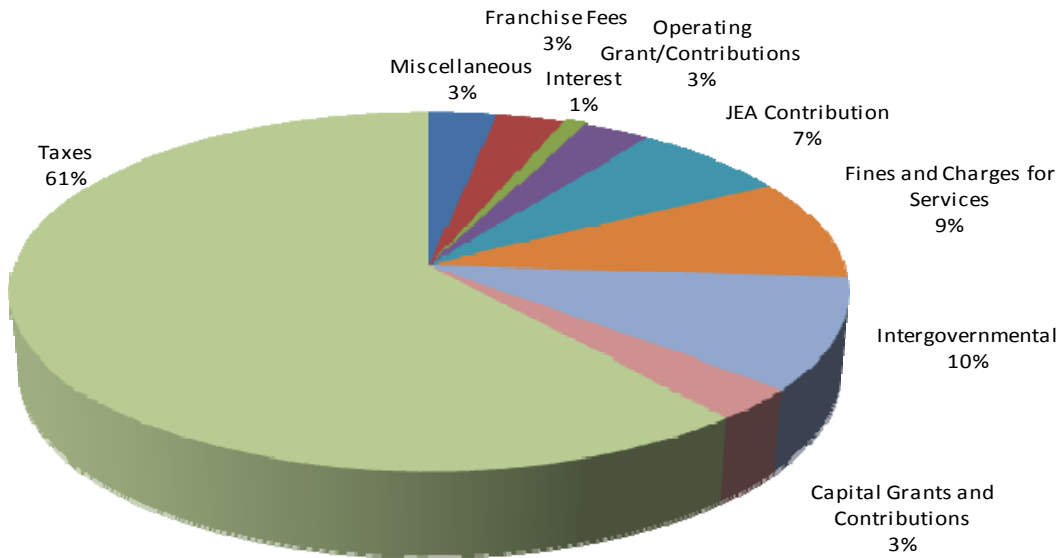
Business type activities total expenses increased \$18.5 million in fiscal year 2018:

- Costs at the Sports and Entertainment Venues increased \$12.2 million, primarily at the Jacksonville Municipal Stadium – TIAA Field for events held at the Stadium.
- In FY2018, the City created a dedicated source of funding to perform capital maintenance at the Sports Venues and \$4.9 million was used for that.

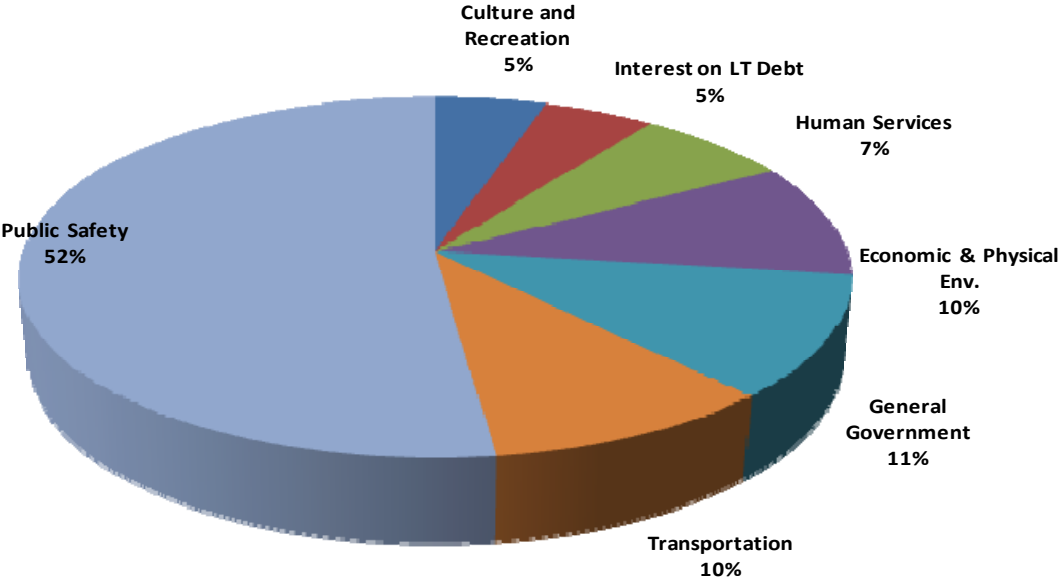
### Expenses and Program Revenues - Governmental Activities



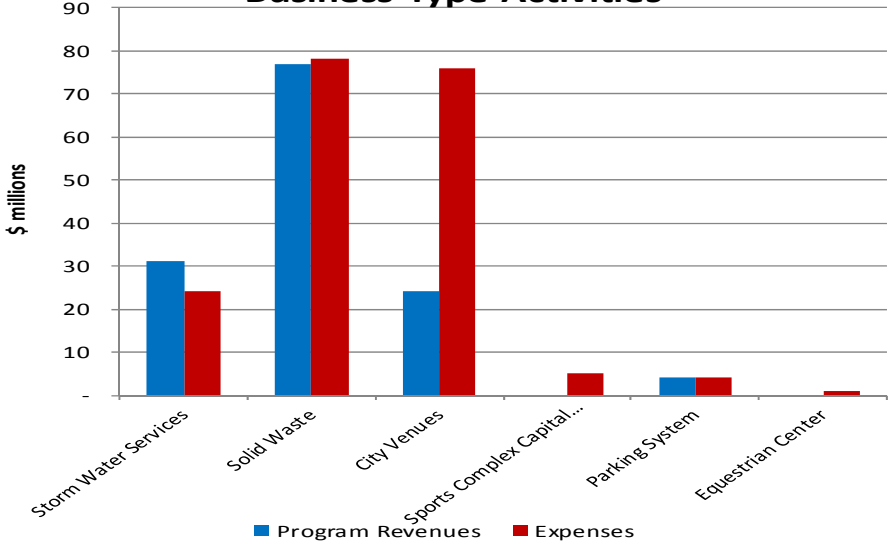
### Revenues - Governmental Activities



# Expenses - Governmental Activities



# Expenses and Program Revenues - Business Type Activities



## FINANCIAL ANALYSIS OF THE CITY GOVERNMENT'S FUNDS

As noted earlier, the City of Jacksonville uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

**Governmental Funds:** The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of fiscal year 2018. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

All non-major funds of each governmental fund type with legally adopted annual budgets are included in the Combining Schedule of Revenue, Expenditures, and Changes in Fund Balance – Budget and Actual, which can be found in the Combining Individual Fund Statements and Schedules. The General Fund and Major Special Revenue Fund Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual is included as Required Supplementary Information following the Notes to the Financial Statements.

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$146.4 million. The General Fund's total fund balance was \$266.1 million, with \$61.5 million committed by City Council as an emergency reserve. The City's Reserve Policy for the General Fund is covered by Section 106.107 of the City's municipal code. The policy requires that the emergency reserve shall not be used except as initiated by the Mayor through written communication to City Council, explaining the emergency, with subsequent approval by two-thirds votes of all City Council members. The Emergency Reserve can be used to address unanticipated non-reimbursed expenditures arising out of a hurricane, tornado, other major weather related events, and/or other massive infrastructure failures or disasters, whether man made or caused by nature. Under normal circumstances, the City would first elect to utilize the Operating Reserve before considering use of its Emergency Reserve.

Key factors affecting changes in major funds and fund balance in fiscal year 2018 operations are as follows:

### General Fund:

- Property taxes account for 54.0% of the General Fund revenue and increased by \$38.2 million, 6.7% increase over the previous fiscal year. Interest revenue decreased \$2.7 million due to a lower return in fiscal year 2018. General Fund revenues had an overall increase of \$49.4 million and an overall decrease in expenditures of \$29.1 million as compared to fiscal year 2017. The millage rate for the City of Jacksonville remained the same from fiscal year 2017 to 2018 at 11.4419

### Special Bonded Debt – Better Jacksonville Plan Obligations (BJP):

- Outstanding long term BJP debt principal payments decreased by \$49.9 million for fiscal year 2018 due to the amortization schedule of BJP Transportation bonds, which were structured to match expected revenues over time.

### Special Bonded Debt – Obligations:

- Outstanding long term Special Obligation debt principal payments increased \$1.9 million for fiscal year 2018 due to year over year differences in the amortization schedule. The City redeemed a total of \$52.6 million in Special Obligation bonds with a decrease of \$1.8 million in interest and other fiscal charges.

### Public Safety:

- This fund is used to track emergency incidents. In FY2018, the City spent \$51.7million in expenditures for Hurricane Irma damage. FEMA has not approved obligating funds for reimbursement of Hurricane Irma expenditures incurred in FY2018, thus the City has not accrued the expected \$45.2 in operating grant revenue yet. The City usually funds its share of expenses once the FEMA reimbursement firms up. The FY2018 fund balance and change in fund balance are negative due to the timing of these revenues.

**Proprietary Funds:** The City's proprietary funds provide the same type of information found in the government-wide business-type activities financial statements, but in more detail. Solid Waste, Storm Water Services and City Venues are reported as major proprietary funds in fiscal year 2018.



General Fund Budgetary Highlights:

- Property tax revenues were over budget \$8.0 million and charges for services were over budget \$2.8 million. Community service taxes, licenses, permits & fees, intergovernmental, fines & forfeitures, interest, and miscellaneous revenues were under budget a total of \$12.6 million. Total actual revenues for fiscal year 2018 were \$2.1 million under the final budget.
- Total general fund actual expenditures for fiscal year 2018 were \$132.0 million under final budget with \$60.7 million, related to the budgeted but unused emergency reserve. Another \$52.6 contingency associated with Mayor Curry’s pension reform was budgeted but was unused.
- Additional savings were due to salary and benefit costs and departmental and non-departmental operating cost savings due to the Administration’s strong efforts toward cost reductions.
- Basic public safety costs, fire & rescue and the office of the sheriff, account for \$632.2 million of the general fund budget, which is 49.6% of the General Fund’s total, although both were under budget, \$2.8 million and \$3.7 million respectively.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

The City of Jacksonville’s investment in capital assets for its governmental and business-type activities as of September 30, 2018 amounts to \$3.1 billion net of accumulated depreciation. The investment in capital assets includes land, buildings and improvements, furniture and equipment, infrastructure, and construction in progress, other assets include public art and purchased/internally developed software (see Table A-3). The primary focus was on the building projects, sports complex improvements, road projects, and Parks and Recreation projects in fiscal year 2018. The Sports Complex Amphitheatre and Practice Facilities (Flexfield) continued work progress that started in FY2017. Additional information on the City of Jacksonville’s capital assets can be found in the Notes to the Financial Statements, Footnote 6 of this report.

**Table A-3**  
**Capital Assets**  
**Net of Accumulated Depreciation**  
**(In Thousands)**  
**as of September 30, 2018 and September 30, 2017**

	<b>Governmental Activities</b>		<b>Business Type Activities</b>		<b>Total</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
Land and easements	\$ 314,407	\$ 314,328	\$ 46,907	\$ 46,907	\$ 361,314	\$ 361,235
Buildings and improvements	1,218,376	1,189,705	739,213	647,216	1,957,589	1,836,921
Furniture & Equipment	488,662	470,260	17,023	16,660	505,685	486,920
Construction and work in progress	42,903	24,660	37,411	78,022	80,314	102,682
Infrastructure	2,334,576	2,307,552	85,145	71,089	2,419,721	2,378,641
Other Assets	44,795	43,414	-	-	44,795	43,414
Less accumulated depreciation	(1,909,647)	(1,785,486)	(326,272)	(301,594)	(2,235,919)	(2,087,080)
<b>Total</b>	<b>\$ 2,534,072</b>	<b>\$ 2,564,433</b>	<b>\$ 599,427</b>	<b>\$ 558,300</b>	<b>\$ 3,133,499</b>	<b>\$ 3,122,733</b>

Major capital asset project costs in fiscal year 2018 included the following (in millions):

	<b>2018</b>	<b>2017</b>	<b>Change</b>
Sports Complex Buildings & Improvements	27.3	43.6	( 6.2)
Road & Bridge Projects	21.4	34.1	(12.7)
Building Projects	36.4	1.0	35.4
Stormwater Projects	5.9	9.1	( 3.2)
Parks and Recreation Projects	5.7	1.8	3.9
Environmental Projects	3.8	4.4	( 0.6)
Other Improvements	5.0	15.2	(10.2)

## Debt Administration

**Debt Service Funds** account for the accumulation of resources for and the payment of, interest and principal on most general governmental obligations. Individual debt service funds are described below.

**The Special Bonded Debt Obligations Fund** accounts for the accumulation of resources for, and the payment of, principal and interest on the City's special and limited bonded obligations payable solely from and secured by a lien upon and pledge of the revenues under the respective bond ordinances.

**The Special Bonded Debt - Better Jacksonville Plan Obligations Fund** accounts for the accumulation of resources for and the payment of, principal and interest on the City's special bonded obligations payable, which are related to the Better Jacksonville Plan.

**The Other Non-Bonded Debt Obligations Fund** accounts for the accumulation of resources for and the payment of, principal and interest on other non-bonded debt obligations including the U. S. Government Guaranteed Notes Payable (HUD 108 loans).

At year-end, the City had \$2.4 billion in bonds and notes outstanding as shown in Table A-4. Additional information on the City of Jacksonville's long term-debt can be found in Notes to the Financial Statements, Note 8 of this report.

**Table A-4**  
**Bonds and Notes Payable**  
**Outstanding Debt at September 30, 2018 and September 30, 2017**  
(In Thousands)

	Governmental Activities		Business Type Activities		Total	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Special Obligation Bonds	\$ 549,698	\$ 594,708	\$ -	\$ -	\$ 549,698	\$ 594,708
Special Obligation-BJP	1,036,880	1,079,780			1,036,880	1,079,780
Revenue Bonds Payable	360,274	312,442	249,556	256,248	609,830	568,690
Notes Payable	15,634	35,759	-	-	15,634	35,759
Notes Payable-BJP	24,788	30,549	-	-	24,788	30,549
Deferred Amounts						
Loss on Adv Ref	-	-	29,636	31,987	29,636	31,987
Issuance premiums	174,836	179,962	-	-	174,836	179,962
Issuance discounts	(1,894)	(2,055)	-	-	(1,894)	(2,055)
Advance Refunding	-	-	-	-	-	-
<b>Total</b>	<b>\$ 2,160,216</b>	<b>\$ 2,231,145</b>	<b>\$ 279,192</b>	<b>\$ 288,235</b>	<b>\$ 2,439,408</b>	<b>\$ 2,519,380</b>

New indebtedness of the City of Jacksonville consists of:

<b>Closing Date</b>	<b>Par Amount</b>	<b>Source</b>	<b>Primary Use</b>
Sep. 2018	72,540,000	Special Revenue Bonds	Project
Funding/Refinancing Sep. 2018	7,700,000	Commercial Paper Notes	Project Funding

New debt was issued during the fiscal year for the purpose of refunding existing debt, funding short-term projects, and the interim funding of long-term capital projects.

On September 25, 2018, the City closed on the sale of \$72.5 million Special Revenue Bonds, Series 2018. The 2018 bonds have a true interest cost of 3.21% and an average coupon rate of 5.00% with a mandatory sinking schedule beginning October 1, 2019, and a maturity date of October 1, 2038. The proceeds of the 2018 bonds were used to refund a portion of the City's commercial paper notes (\$23.6 million) and fund previously-approved capital project expenditures (\$57.4 million). The issuance provided net proceeds of \$81.0 million, which is inclusive of underwriter's discount and cost of issuance totaling \$0.5 million.

On September 28, 2018, the City closed on the sale of Commercial Paper Notes in the amount of \$7.7 million for the purposes of funding short-term projects and interim funding for long-term projects with an initial interest rate of 1.77%.

During fiscal year 2018, the City refunded or paid off a combined \$152.9 million in principal amount of bonds and notes, for a net reduction of \$72.7 million in debt. The City has reduced the overall bonded indebtedness since the end of Fiscal Year 2014 by a total of \$302 million from \$2.539 billion to \$2.237 billion.

## **ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES**

The State of Florida, by constitution, does not have a state personal income tax and therefore the State operates primarily using sales, gasoline and corporate income taxes. Local governments (cities, counties and school boards) primarily rely on property and a limited array of permitted other taxes (sales, gasoline, utilities services, etc.) and fees (franchise, occupational license, etc.) for their governmental activities. There are a limited number of state-shared revenues and recurring and non-recurring (one-time) grants from both the state and federal governments.

Other Economic Factors:

- The unemployment rate for the City of Jacksonville is 3.0%, at the end of fiscal year 2018.
- The population of the City of Jacksonville at the end of fiscal year 2018 was 952.9 thousand.
- Jacksonville has the largest Empowerment Zone in the nation.
- Jacksonville has a major port, is home to the National Football League's (NFL) Jacksonville Jaguars, is the insurance and financial center of Florida and is the site of key U.S. Navy bases.

Budget Highlights for fiscal 2019

- The fiscal year 2019 budget focuses heavily on public safety with the addition of fifty-seven positions within the Jacksonville Fire and Rescue Department public safety positions and the associated operating and equipment costs for:
  - Eighteen positions for new fire station 61.
  - Twenty-one positions for three rescue units at three fire stations. The City now has rescue units at all its fire stations.
  - Fifteen firefighter position to help with relief.
  - Three firefighter positions for fire prevention/inspection.
- The addition of four positions within the Jacksonville Sheriffs Office along with funding of \$1.9 million for the real time crime center.
- The fiscal year 2019 capital improvement plan totaled \$147.0 million while only authorizing \$105.8 million in additional borrowing.
- The City and all of its employee unions reached a three year labor agreement during fiscal year 2016-2017. The agreement, for the first several years, provides pension savings which offset some of the cost of base salary increases. To help smooth the financial impact of the three year agreements, the City has set aside a total of \$74 million, \$60 million from FY2018 and \$14 million from FY2019, in a contingency to cover future costs, if needed.

## **CONTACTING THE CITY'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Department of Finance, Accounting Division, 117 West Duval Street, Suite 375, Jacksonville, Florida 32202, or call (904) 255-5261.

**CITYWIDE FINANCIAL  
STATEMENTS**

**CITY OF JACKSONVILLE, FLORIDA**  
**STATEMENT OF NET POSITION -**  
**SEPTEMBER 30, 2018**  
**WITH COMPARATIVE TOTALS FOR 2017 (in thousands)**

	PRIMARY GOVERNMENT		TOTALS		COMPONENT UNITS
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	2018	2017	
<b>ASSETS:</b>					
Cash and investments.....	\$ 925,310	\$ 97,271	\$ 1,022,581	\$ 886,730	\$ 1,615,106
Cash in escrow and with fiscal agents.....	173,836	11,949	185,785	175,228	1,631
Securities lending.....	36,604	-	36,604	73,954	-
Receivables, net.....	103,231	65,070	168,301	164,156	275,436
Due from independent agencies and other governments.....	105,236	1,532	106,768	165,315	34,243
Inventories.....	4,208	12	4,220	4,111	100,472
Prepaid expenses and other assets.....	2,773	283	3,056	3,093	27,514
Costs to be recovered from future revenues.....	-	-	-	-	808,096
<b>CAPITAL ASSETS:</b>					
Land, easements, art in public places and construction in progress.....	358,396	84,318	442,714	463,917	1,153,228
Other capital assets, net of depreciation.....	2,175,676	515,109	2,690,785	2,658,816	5,265,935
<b>TOTAL ASSETS.....</b>	<b>3,885,270</b>	<b>775,544</b>	<b>4,660,814</b>	<b>4,595,320</b>	<b>9,281,661</b>
<b>DEFERRED OUTFLOW OF RESOURCES:</b>					
Pension related.....	604,624	-	604,624	557,580	190,612
Unamortized deferred loss on refunding.....	8,487	77	8,564	9,565	145,117
Accumulated decrease in fair value of hedging instrument.....	-	-	-	-	86,371
Unrealized asset retirement obligation.....	-	-	-	-	29,173
Other post employment benefit related.....	-	-	-	-	4,078
<b>TOTAL DEFERRED OUTFLOW OF RESOURCES.....</b>	<b>613,111</b>	<b>77</b>	<b>613,188</b>	<b>567,145</b>	<b>455,351</b>
<b>LIABILITIES:</b>					
Accounts payable and accrued liabilities.....	75,528	24,445	99,973	102,013	173,662
Contracts payable.....	509	55	564	691	54,860
Due to independent agencies and other governments.....	6	-	6	6	1,850
Deposits.....	4,795	7,288	12,083	8,341	60,040
Accrued interest payable.....	43,202	5,743	48,945	48,007	77,704
Unearned revenue.....	8,741	110	8,851	10,311	6,281
Securities lending.....	36,604	-	36,604	73,954	-
Other current liabilities.....	264	-	264	264	54,895
<b>NONCURRENT LIABILITIES:</b>					
Fair value of debt management instrument.....	-	-	-	-	86,371
Due within one year.....	178,192	11,698	189,890	181,054	204,378
Due in more than one year:					
Net pension liability.....	2,635,993	-	2,635,993	2,540,432	574,974
Other.....	2,466,231	384,237	2,850,468	2,947,173	4,634,381
<b>TOTAL LIABILITIES.....</b>	<b>5,450,065</b>	<b>433,576</b>	<b>5,883,641</b>	<b>5,912,246</b>	<b>5,929,396</b>
<b>DEFERRED INFLOW OF RESOURCES:</b>					
Pension related.....	210,448	-	210,448	87,316	57,157
Other post employment benefit related.....	33,082	-	33,082	6,606	8,714
Revenue to be used for future costs.....	-	-	-	-	294,560
Unamortized deferred gain on refunding.....	2,004	-	2,004	2,151	-
Accumulated increase in fair value of hedging derivatives.....	-	-	-	-	2,536
<b>TOTAL DEFERRED INFLOW OF RESOURCES.....</b>	<b>245,534</b>	<b>-</b>	<b>245,534</b>	<b>96,073</b>	<b>362,967</b>
<b>NET POSITION:</b>					
Net investment in capital assets.....	730,505	236,652	967,157	907,834	2,451,548
Restricted for:					
Debt service.....	123,165	-	123,165	124,954	205,653
Housing and human services grants.....	34,898	-	34,898	33,686	-
Other state and federal grants.....	10,017	-	10,017	10,835	-
Capital projects.....	12,224	-	12,224	16,466	-
Other participant's equity.....	893	-	893	93	-
Permanent funds, non-expendable.....	1,527	-	1,527	123	-
Other purposes.....	12,548	-	12,548	11,924	370,466
Unrestricted (deficit).....	(2,122,995)	105,393	(2,017,602)	(1,951,769)	416,982
<b>TOTAL NET POSITION.....</b>	<b>(\$ 1,197,218)</b>	<b>\$ 342,045</b>	<b>(\$ 855,173)</b>	<b>(\$ 845,854)</b>	<b>\$ 3,444,649</b>

See accompanying notes.

**CITY OF JACKSONVILLE, FLORIDA**  
**STATEMENT OF ACTIVITIES -**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**  
**WITH COMPARATIVE TOTALS FOR 2017 (in thousands)**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				PRIMARY GOVERNMENT		TOTAL		COMPONENT UNITS
	EXPENSES	FINES AND CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	2018	2017	
<b>PRIMARY GOVERNMENT:</b>									
Governmental activities:									
General government.....	\$ 189,130	\$ 66,282	\$ 2,637	\$ 629	(\$ 119,582)		(\$ 119,582)	(\$ 177,343)	
Human services.....	122,664	2,256	14,025	55	(106,328)		(106,328)	(96,156)	
Public safety.....	867,834	67,868	5,803	145	(794,018)		(794,018)	(690,261)	
Culture and recreation.....	87,491	4,702	1,330	10,432	(71,027)		(71,027)	(75,238)	
Transportation.....	157,898	62	14,521	35,033	(108,282)		(108,282)	(58,050)	
Economic environment.....	57,284	202	14,434	2,286	(40,362)		(40,362)	(44,252)	
Physical environment.....	102,627	4,050	3,411	313	(94,853)		(94,853)	(67,464)	
Interest on long term debt.....	75,883	-	-	-	(75,883)		(75,883)	(78,420)	
<b>Total governmental activities.....</b>	<b>1,660,811</b>	<b>145,422</b>	<b>56,161</b>	<b>48,893</b>	<b>(1,410,335)</b>		<b>(1,410,335)</b>	<b>(1,287,184)</b>	
Business-type activities:									
Parking system.....	3,795	3,986	-	-	-	191	191	(3)	
Motor vehicle inspections.....	367	433	-	-	-	66	66	11	
Solid Waste.....	78,217	76,314	-	-	-	(1,903)	(1,903)	(1,994)	
Storm Water Services.....	23,670	30,958	-	-	-	7,288	7,288	3,056	
City Venues.....	75,914	23,825	-	-	-	(52,089)	(52,089)	(47,779)	
Equestrian Center.....	1,227	-	-	-	-	(1,227)	(1,227)	(1,224)	
Sports Complex Capital Maint....	4,901	-	-	-	-	(4,901)	(4,901)	-	
Ritz Theater	-	-	-	-	-	-	-	-	
<b>Total business-type activities.....</b>	<b>188,091</b>	<b>135,516</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(52,575)</b>	<b>(52,575)</b>	<b>(47,933)</b>	
<b>Total primary government.....</b>	<b>\$ 1,848,902</b>	<b>\$ 280,938</b>	<b>\$ 56,161</b>	<b>\$ 48,893</b>	<b>(1,410,335)</b>	<b>(52,575)</b>	<b>(1,462,910)</b>	<b>(1,335,117)</b>	
<b>COMPONENT UNITS:</b>									
Governmental activities.....	\$ 35,446	\$ -	\$ -	\$ 17,517					(\$ 17,929)
Business-type activities.....	1,850,198	1,881,895	15,595	15,285					62,578
<b>Total component units.....</b>	<b>\$ 1,885,644</b>	<b>\$ 1,881,895</b>	<b>\$ 15,595</b>	<b>\$ 32,802</b>					<b>\$ 44,649</b>
General revenues:									
Property taxes.....					626,382	-	626,382	586,122	-
Utility and Communications service taxes.....					123,140	-	123,140	120,692	-
Sales and tourist taxes.....					223,824	18,550	242,374	226,972	2,033
Local business taxes.....					7,091	-	7,091	7,081	-
Intergovernmental - unrestricted.....					169,177	-	169,177	180,149	81,644
JEA Contribution.....					116,620	-	116,620	115,823	-
Unrestricted earnings on investments.....					6,121	1,154	7,275	13,844	19,276
Franchise Fees.....					40,288	-	40,288	39,600	-
Miscellaneous.....					51,588	69,656	121,244	68,776	25,550
Transfers.....					(34,523)	34,523	-	-	-
Special Item:									
Special item -JEA adjustment to regulatory balances.....					-	-	-	-	(45,099)
<b>Total general revenues,transfers,and special item.....</b>					<b>1,329,708</b>	<b>123,883</b>	<b>1,453,591</b>	<b>1,359,059</b>	<b>83,404</b>
Change in net position.....					(80,627)	71,308	(9,319)	23,942	128,053
Net position, beginning of year, as restated.....					(1,116,591)	270,737	(845,854)	(869,796)	3,316,596
<b>Net position, end of year.....</b>					<b>(\$ 1,197,218)</b>	<b>\$ 342,045</b>	<b>(\$ 855,173)</b>	<b>(\$ 845,854)</b>	<b>\$ 3,444,649</b>

See accompanying notes.



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**FUND FINANCIAL  
STATEMENTS**





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## **MAJOR GOVERNMENTAL FUNDS:**

### **GENERAL FUND**

The **General Fund** is the principal fund of the City and is used to account for all activities not included in other funds. The General Fund accounts for the normal recurring activities of the City (i.e, police, fire, public works, courts, general government, etc.). These activities are funded principally by property taxes, intergovernmental revenues, and licenses and fees.

### **DEBT SERVICE FUNDS**

**The Special Bonded Debt Obligations Fund** accounts for the accumulation of resources for, and the payment of, principal and interest on the City's special and limited bonded obligations, which are payable solely from and secured by a lien upon and pledge of the revenues under the respective bond ordinances.

**The Special Bonded Debt - Better Jacksonville Plan Obligations Fund** accounts for the accumulation of resources for, and the payment of, principal and interest on the City's special bonded obligations payable, which are related to the Better Jacksonville Plan.

### **SPECIAL REVENUE FUND**

**The Public Safety Fund** accounts for specific public safety programs through user fees and intergovernmental revenue for emergency management planning and disaster medical services provided by the Office of the Sheriff and the City Department of Fire and Rescue.

**CITY OF JACKSONVILLE, FLORIDA**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2018**  
**WITH COMPARATIVE TOTALS FOR 2017 (in thousands)**

	<b>GENERAL FUND</b>	<b>SPECIAL BONDED DEBT- BETTER JACKSONVILLE PLAN OBLIGATIONS</b>	<b>SPECIAL BONDED DEBT- OBLIGATIONS</b>
<b>ASSETS:</b>			
Equity in pooled cash and investments.....	\$ 185,542	\$ 112,646	\$ 10,683
Cash in escrow and with fiscal agents.....	187	74,490	64,252
Securities lending collateral.....	36,604	-	-
Receivables (net, where applicable, of allowances for uncollectibles):			
Accounts and interest.....	4,075	-	-
Mortgages.....	-	-	-
Other.....	-	-	-
Due from other funds.....	51,687	-	-
Due from independent agencies and other governments.....	59,077	-	-
Inventories.....	3,161	-	-
Prepaid items.....	-	-	-
<b>TOTAL ASSETS.....</b>	<b>340,333</b>	<b>187,136</b>	<b>74,935</b>
<b>LIABILITIES:</b>			
Accounts payable and accrued liabilities.....	\$ 30,561	\$ -	\$ 163
Contracts payable.....	-	-	-
Due to other funds.....	-	-	-
Due to independent agencies and other governments.....	6	-	-
Due to individuals.....	-	-	-
Bonds payable.....	-	49,875	52,598
Interest payable.....	-	24,615	11,655
Deposits.....	1,408	-	-
Unearned revenue.....	5,430	-	-
Securities lending obligations.....	36,604	-	-
Advances from other funds.....	-	-	-
<b>TOTAL LIABILITIES.....</b>	<b>74,009</b>	<b>74,490</b>	<b>64,416</b>
<b>DEFERRED INFLOW OF RESOURCES:</b>			
Unavailable Revenue.....	180	-	-
<b>FUND BALANCES:</b>			
<b>Non Spendable:</b>			
Non Spendable.....	3,161	-	-
<b>Spendable:</b>			
Restricted.....	2,599	112,646	10,519
Committed.....	98,806	-	-
Assigned.....	15,147	-	-
Unassigned.....	146,431	-	-
<b>TOTAL FUND BALANCES.....</b>	<b>266,144</b>	<b>112,646</b>	<b>10,519</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES.....</b>	<b>\$ 340,333</b>	<b>\$ 187,136</b>	<b>\$ 74,935</b>

See accompanying notes.

PUBLIC SAFETY	NON MAJOR GOVERNMENTAL FUNDS	TOTALS	
		2018	2017
\$ -	\$ 378,966	\$ 687,837	\$ 574,728
-	5,336	144,265	134,144
-	-	36,604	73,954
-	537	4,612	6,336
-	5,184	5,184	2,584
-	-	-	2,115
-	-	51,687	47,091
275	44,280	103,632	159,789
-	-	3,161	3,165
-	16	16	16
<u>275</u>	<u>434,319</u>	<u>1,036,998</u>	<u>1,003,922</u>
\$ 1,055	\$ 23,197	\$ 54,976	\$ 70,160
-	509	509	625
51,687	-	51,687	35,497
-	-	6	6
-	264	264	264
-	-	102,473	93,671
-	-	36,270	37,353
-	3,384	4,792	5,027
-	1,316	6,746	8,378
-	-	36,604	73,954
-	1,026	1,026	2,008
<u>52,742</u>	<u>29,696</u>	<u>295,353</u>	<u>326,943</u>
-	-	180	180
-	1,688	4,849	3,448
-	67,088	192,852	197,865
-	335,847	434,653	378,863
-	-	15,147	14,060
(52,467)	-	93,964	82,563
<u>(52,467)</u>	<u>404,623</u>	<u>741,465</u>	<u>676,799</u>
<u>\$ 275</u>	<u>\$ 434,319</u>	<u>\$ 1,036,998</u>	<u>\$ 1,003,922</u>



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**City of Jacksonville, Florida**  
**Reconciliation of the Governmental Funds Balance Sheet**  
**to the Statement of Net Position**  
**September 30, 2018**  
**(in thousands)**

Total fund balances- governmental funds		\$ 741,465
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds		2,534,072
Long term liabilities - liabilities are not due and payable in the current period and are not reported in the funds:		
Bonds and notes payable	(1,987,274)	
Unamortized bond discounts	1,894	
Unamortized bond premium	(174,836)	
Unamortized loss on advance refunding of debt	8,487	
Total bonds and notes payable		(2,151,729)
Net pension liability	(2,635,993)	
Pension related deferred inflow of resources	(210,448)	
Pension related deferred outflow of resources	604,624	
		(2,241,817)
* Certain assets, liabilities, deferred inflow of resources, and deferred outflow of resources reported in governmental activities are not financial resources and therefore are not reported in the funds:		
Matured notes and bonds payable accrual at the fund level	102,473	
Compensated absences	(66,128)	
Estimated liability for self insured losses-current	(33,242)	
Estimated liability for self insured losses-long-term	(86,139)	
Other post employment benefits (OPEB) liability	(187,691)	
OPEB related deferred inflow of resources	(33,082)	
Accrued liability for pollution remediation	(111,007)	
Deferred gain on refunding	(2,004)	
Amounts earned but not available	180	
Total		(416,640)
Internal service funds are used by management to charge the costs of certain activities, such as fleet maintenance and insurance, to individual funds. The Capital Assets and Long term liabilities are consolidated with the governmental funds on an entity-wide basis. This amount represents the net of Current Assets and Current Liabilities of the Internal Service Funds.		337,431
Net position of governmental activities		\$ (1,197,218)

\* Exception - The City deposits amounts in debt service funds to pay unmatured payables early in the following year.

See accompanying notes.

**CITY OF JACKSONVILLE, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -**  
**GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**  
**WITH COMPARATIVE TOTALS FOR 2017 (in thousands)**

	<b>GENERAL FUND</b>	<b>SPECIAL BONDED DEBT- BETTER JACKSONVILLE PLAN OBLIGATIONS</b>	<b>SPECIAL BONDED DEBT- OBLIGATIONS</b>
<b>REVENUES:</b>			
Property taxes.....	\$ 603,910	\$ -	\$ -
Utility and Communications service taxes.....	123,140	-	-
Sales and tourist taxes.....	1,238	-	-
Local business taxes.....	7,091	-	-
Licenses, permits, and fees.....	43,684	-	-
Intergovernmental.....	169,382	34,634	-
Charges for services.....	68,576	-	-
Fines and forfeitures.....	2,060	-	-
JEA contribution.....	116,620	-	-
Investment earnings.....	1,539	1,233	535
Other.....	18,719	-	-
<b>Total Revenues.....</b>	<b>1,155,959</b>	<b>35,867</b>	<b>535</b>
<b>EXPENDITURES:</b>			
Current:			
General government.....	124,488	-	-
Human services.....	71,628	-	-
Public safety.....	626,061	-	-
Culture and recreation.....	67,262	-	-
Transportation.....	26,970	-	-
Economic environment.....	10,661	-	-
Physical environment.....	24,589	-	-
Capital outlay.....	-	-	-
Debt service:			
Principal.....	-	49,875	52,598
Interest.....	11,531	50,241	23,319
Other.....	-	50	355
<b>Total Expenditures.....</b>	<b>963,190</b>	<b>100,166</b>	<b>76,272</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>192,769</b>	<b>(64,299)</b>	<b>(75,737)</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Long term debt issued.....	4,950	-	-
Refunding bond issued.....	-	-	-
Premium on special obligation bonds payable.....	-	-	-
Payment to escrow agent - refunded bonds.....	-	-	-
Transfers in.....	19,827	63,264	75,158
Transfers out.....	(161,813)	-	(175)
<b>Total Other Financing Sources (Uses).....</b>	<b>(137,036)</b>	<b>63,264</b>	<b>74,983</b>
<b>NET CHANGES IN FUND BALANCES.....</b>	<b>55,733</b>	<b>(1,035)</b>	<b>(754)</b>
<b>FUND BALANCE, BEGINNING OF YEAR.....</b>	<b>210,415</b>	<b>113,681</b>	<b>11,273</b>
Change in Inventory of Supplies.....	(4)	-	-
<b>FUND BALANCES, END OF YEAR.....</b>	<b>\$ 266,144</b>	<b>\$ 112,646</b>	<b>\$ 10,519</b>

See accompanying notes.

PUBLIC SAFETY	NON MAJOR GOVERNMENTAL FUNDS	TOTAL	
		2018	2017
\$ -	\$ 22,472	\$ 626,382	\$ 586,122
-	-	123,140	120,692
-	222,586	223,824	209,928
-	-	7,091	7,081
-	24,564	68,248	65,340
(1,683)	61,138	263,471	294,347
3,000	39,396	110,972	101,480
-	4,430	6,490	7,102
-	-	116,620	115,823
-	2,349	5,656	11,758
-	28,782	47,501	40,711
1,317	405,717	1,599,395	1,560,384
609	28,051	153,148	171,734
-	48,612	120,240	112,194
52,322	31,846	710,229	713,466
-	9,266	76,528	73,144
-	132,434	159,404	157,092
-	46,402	57,063	53,992
483	6,482	31,554	37,192
-	61,665	61,665	67,173
-	-	102,473	93,671
-	-	85,091	87,773
-	-	405	512
53,414	364,758	1,557,800	1,567,943
(52,097)	40,959	41,595	(7,559)
-	39,023	43,973	35,636
-	-	-	42,055
-	-	-	9,871
-	-	-	(50,821)
7,000	82,718	247,967	199,384
-	(106,877)	(268,865)	(215,742)
7,000	14,864	23,075	20,383
(45,097)	55,823	64,670	12,824
(7,370)	348,800	676,799	664,083
-	-	(4)	(108)
\$ (52,467)	\$ 404,623	\$ 741,465	\$ 676,799



**City of Jacksonville, Florida**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances of Governmental Funds to the Statement of Activities**  
**For The Year Ended September 30, 2018**  
**(in thousands)**

Net change in fund balances- total governmental funds:	\$	64,670
<p>Amounts reported for governmental activities in the statement of activities are different because Certain assets and liabilities reported in governmental activities are not current financial resources or do not require the use of current financial resources.</p> <p>Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. Also, certain capital assets are contributed to the City upon completion, requiring recognition of capital contributions not reported in the funds.</p>		
Capital assets acquired by use of financial resources		72,496
Capital assets contributed by developers and other		14,847
Current year depreciation		(127,171)
Loss on disposition of assets		(2,961)
		(42,789)
<p>Governmental funds report certain bond transactions as sources or uses. However, in the statement of activities these transactions are reported over the life of the debt as expenses.</p>		
Amortization of bond discounts		(161)
Recording and amortization of bond premium		10,805
Amortization -gain on refunding		69
Amortization - loss on refunding		(1,001)
		9,712
<p>Repayment of bond principal is an expenditure in governmental funds, but the repayment results in a reduction of long-term liabilities in the statement of net position. Issuing debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.</p>		
Long-term debt retired		102,473
		102,473
<p>Some revenues and expenses reported in the statement of activities did not require the use of or provide current financial resources and therefore are not reported in governmental funds</p>		
Increase in compensated absences payable		(8,357)
Increase in other post employment benefits		(9,879)
Decrease of accrual for pollution remediation		6,014
Net effect of internal Debt Management fund		(23,082)
Change in inventory of supplies		(4)
Increase in net pension liability		(95,561)
Change in deferred outflow and inflow of resources related to pension		(76,088)
		(94,772)
<p>Internal service funds are used to charge the cost of certain activities to individual funds. The net revenue (expense) and transfers are reported with governmental activities</p>		
Operating gain (loss)		6,189
Investment revenue (loss)		465
Interest expense		(504)
Other non-operating revenue		(261)
Transfers out, net		(13,625)
		(7,736)
Change in Net Position - Governmental Activities	\$	(80,627)

See accompanying notes.

## **MAJOR ENTERPRISE FUNDS:**

**Enterprise Funds** account for operations that are financed and operated in a manner similar to private business enterprises and where the costs of providing goods or services to the general public are recovered primarily through user charges; or where the City has decided that determination of net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. Individual major enterprise funds are described below.

**The Solid Waste Disposal Fund** accounts for collection, recycling and disposal of commercial and residential garbage services throughout the city, including the operation of three municipally owned landfill sites, two of which are closed.

**The City Venues Fund** accounts for events held at TIAA Bank Field, Veterans Memorial Arena, the Baseball Field, Times Union Center for the Performing Arts, Prime Osborn Convention Center, and Ritz Theater.

**The Storm Water Services Fund** accounts for the storm water utility financed by service charges, to be used to pay the expenses of constructing and maintaining the storm water management system.

CITY OF JACKSONVILLE, FLORIDA  
STATEMENT OF NET POSITION - PROPRIETARY FUNDS  
SEPTEMBER 30, 2018  
WITH COMPARATIVE TOTALS FOR 2017 (in thousands)

	ENTERPRISE FUNDS						
	SOLID WASTE DISPOSAL	CITY VENUES	STORM- WATER SERVICES	NON MAJOR ENTERPRISE	TOTALS		INTERNAL SERVICE FUNDS
					2018	2017	
<b>ASSETS:</b>							
Equity in pooled cash and investments.....	\$ 24,031	\$ 16,415	\$ 32,762	\$ 15,496	\$ 88,704	\$ 70,952	\$ 237,473
Cash with fiscal agents.....	-	11,889	-	60	11,949	11,061	29,571
Receivables (net, where applicable, of allowances for uncollectibles):							
Accounts.....	33,151	10,150	21,682	85	65,068	59,414	25
Loans .....	-	-	-	-	-	-	45,481
Other.....	-	-	-	-	-	-	301
Due from independent agencies and other governments.....	4	1,528	-	-	1,532	950	1,604
Interest and dividend receivables.....	2	-	-	-	2	2	-
Inventories.....	-	-	-	12	12	13	1,047
Prepaid expenses and other assets.....	-	283	-	-	283	395	2,757
<b>Total Current Assets.....</b>	<b>57,188</b>	<b>40,265</b>	<b>54,444</b>	<b>15,653</b>	<b>167,550</b>	<b>142,787</b>	<b>318,259</b>
<b>NONCURRENT ASSETS:</b>							
Advances to other funds.....	-	-	-	-	-	-	1,026
Sinking fund cash and investments.....	8,567	-	-	-	8,567	8,601	-
Loans receivable.....	-	-	-	-	-	-	351,341
Other receivables.....	-	-	-	-	-	-	9,527
<b>CAPITAL ASSETS:</b>							
Land, easements and work in progress.....	39,512	36,117	6,854	1,835	84,318	124,929	14,041
Other capital assets, net of depreciation.....	13,282	426,142	62,923	12,762	515,109	433,371	93,350
<b>Total Noncurrent Assets.....</b>	<b>61,361</b>	<b>462,259</b>	<b>69,777</b>	<b>14,597</b>	<b>607,994</b>	<b>566,901</b>	<b>469,285</b>
<b>TOTAL ASSETS.....</b>	<b>118,549</b>	<b>502,524</b>	<b>124,221</b>	<b>30,250</b>	<b>775,544</b>	<b>709,688</b>	<b>787,544</b>
<b>DEFERRED OUTFLOW OF RESOURCES:</b>							
Unamortized deferred loss on refunding.....	-	-	-	77	77	77	-

See accompanying notes.

CITY OF JACKSONVILLE, FLORIDA  
STATEMENT OF NET POSITION - PROPRIETARY FUNDS  
SEPTEMBER 30, 2018  
WITH COMPARATIVE TOTALS FOR 2017 (in thousands)

	ENTERPRISE FUNDS						INTERNAL SERVICE FUNDS
	SOLID WASTE DISPOSAL	CITY VENUES	STORM- WATER SERVICES	NON MAJOR ENTERPRISE	TOTALS		
					2018	2017	
<b>LIABILITIES:</b>							
Accounts payable and accrued liabilities.....	\$ 5,653	\$ 14,909	\$ 2,649	\$ 1,234	\$ 24,445	\$ 17,478	\$ 20,552
Contracts payable.....	-	-	55	-	55	66	-
Due to other funds.....	-	-	-	-	-	9,000	-
Deposits.....	135	7,010	59	84	7,288	3,311	3
Accrued interest payable.....	-	5,697	-	46	5,743	5,339	6,932
Estimated liability for self-insured losses, current portion.....	-	-	-	-	-	-	33,242
Unearned revenue.....	-	110	-	-	110	168	1,995
Accrued compensated absences, current portion.....	187	-	63	56	306	288	883
Current portion of notes payable.....	-	-	-	-	-	970	-
Current portion of loans payable.....	2,777	430	1,979	-	5,186	3,728	8,099
Current portion of bonds payable.....	-	6,192	-	14	6,206	5,722	22,639
<b>Total Current Liabilities.....</b>	<b>8,752</b>	<b>34,348</b>	<b>4,805</b>	<b>1,434</b>	<b>49,339</b>	<b>46,070</b>	<b>94,345</b>
<b>NONCURRENT LIABILITIES:</b>							
Estimated liability for self-insured losses.....	-	-	-	-	-	-	86,139
Liability for landfill closure and post-closure care.....	32,168	-	-	-	32,168	31,463	-
Accrued compensated absences.....	437	-	146	103	686	644	2,061
Notes payable.....	-	16,375	-	-	16,375	16,375	15,633
Loans payable.....	25,078	44,811	8,508	-	78,397	79,290	30,342
Bonds payable.....	-	254,229	-	2,382	256,611	265,168	391,596
<b>Total Noncurrent Liabilities.....</b>	<b>57,683</b>	<b>315,415</b>	<b>8,654</b>	<b>2,485</b>	<b>384,237</b>	<b>392,940</b>	<b>525,771</b>
<b>TOTAL LIABILITIES.....</b>	<b>66,435</b>	<b>349,763</b>	<b>13,459</b>	<b>3,919</b>	<b>433,576</b>	<b>439,010</b>	<b>620,116</b>
<b>DEFERRED INFLOW OF RESOURCES:</b>							
Unamortized deferred gain on refunding.....	-	-	-	-	-	18	1,317
<b>NET POSITION:</b>							
Net investment in capital assets.....	24,939	140,222	59,290	12,201	236,652	188,640	68,950
Restricted for:							
Restricted - other participant's equity.....	-	-	-	-	-	-	893
Unrestricted (deficit).....	27,175	12,539	51,472	14,207	105,393	82,097	96,268
<b>TOTAL NET POSITION (DEFICIT) .....</b>	<b>\$ 52,114</b>	<b>\$ 152,761</b>	<b>\$ 110,762</b>	<b>\$ 26,408</b>	<b>\$ 342,045</b>	<b>\$ 270,737</b>	<b>\$ 166,111</b>

See accompanying notes.



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CITY OF JACKSONVILLE, FLORIDA  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018  
WITH COMPARATIVE TOTALS FOR 2017 (in thousands)

	ENTERPRISE FUNDS						
	SOLID WASTE DISPOSAL	CITY VENUES	STORM- WATER SERVICES	NON MAJOR ENTERPRISE	TOTALS		INTERNAL SERVICE FUNDS
					2018	2017	
<b>OPERATING REVENUE:</b>							
Sales and tourist taxes.....	\$ -	\$ 10,569	\$ -	\$ 7,981	\$ 18,550	\$ 17,044	\$ -
Charges for services.....	76,314	23,825	30,958	4,419	135,516	121,702	278,708
Charges for services for independent authorities.....	-	-	-	-	-	-	7,838
Other.....	6	14,126	-	16	14,148	12,614	1,442
Total Operating Revenue.....	76,320	48,520	30,958	12,416	168,214	151,360	287,988
<b>OPERATING EXPENSES:</b>							
Personal services.....	7,696	7,453	8,004	2,124	25,277	24,291	33,044
Supplies and materials.....	69	290	296	34	689	574	19,905
Central services.....	4,125	341	2,815	620	7,901	7,263	14,876
Interdepartmental charges.....	122	1,847	157	101	2,227	2,081	-
Other services and charges.....	61,650	37,926	7,836	1,394	108,806	98,858	61,528
Depreciation and amortization.....	3,298	16,947	4,100	1,092	25,437	24,595	21,020
Court reporter services.....	-	-	-	-	-	-	37
Claims and losses.....	-	-	-	-	-	-	28,623
Insurance premiums and participant dividends.....	-	-	-	-	-	-	102,766
Total Operating Expenses.....	76,960	64,804	23,208	5,365	170,337	157,662	281,799
<b>OPERATING (LOSS) INCOME.....</b>	<b>(640)</b>	<b>(16,284)</b>	<b>7,750</b>	<b>7,051</b>	<b>(2,123)</b>	<b>(6,302)</b>	<b>6,189</b>
<b>NON-OPERATING REVENUE (EXPENSES):</b>							
Investment earnings (loss).....	618	207	203	126	1,154	377	465
Interest expense.....	(1,257)	(11,110)	(462)	(57)	(12,886)	(11,973)	(504)
Other.....	1,369	53,819	252	(4,800)	50,640	7,265	(261)
Total Non-Operating Revenue (Expenses).....	730	42,916	(7)	(4,731)	38,908	(4,331)	(300)
<b>INCOME (LOSS) BEFORE TRANSFERS.....</b>	<b>90</b>	<b>26,632</b>	<b>7,743</b>	<b>2,320</b>	<b>36,785</b>	<b>(10,633)</b>	<b>5,889</b>
<b>TRANSFERS:</b>							
Transfers in.....	12,280	24,795	2,964	564	40,603	142,140	1,372
Transfers out.....	(455)	(948)	-	(4,677)	(6,080)	(123,667)	(14,997)
Net Transfers.....	11,825	23,847	2,964	(4,113)	34,523	18,473	(13,625)
<b>CHANGES IN NET POSITION.....</b>	<b>11,915</b>	<b>50,479</b>	<b>10,707</b>	<b>(1,793)</b>	<b>71,308</b>	<b>7,840</b>	<b>(7,736)</b>
<b>NET POSITION (DEFICIT), BEGINNING OF YEAR</b>							
AS RESTATED.....	40,199	102,282	100,055	28,201	270,737	262,897	173,847
<b>NET POSITION (DEFICIT), END OF YEAR.....</b>	<b>\$ 52,114</b>	<b>\$ 152,761</b>	<b>\$ 110,762</b>	<b>\$ 26,408</b>	<b>\$ 342,045</b>	<b>\$ 270,737</b>	<b>\$ 166,111</b>

See accompanying notes.

**CITY OF JACKSONVILLE, FLORIDA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**  
**WITH COMPARATIVE TOTALS FOR 2017 (in thousands)**

	<b>SOLID WASTE DISPOSAL</b>	<b>CITY VENUES</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from customers.....	\$ 77,093	\$ 43,016
Receipts from interfund services provided.....	-	-
Payments to suppliers.....	(66,508)	(45,379)
Payments to employees .....	(7,624)	(7,453)
Internal activity-receipts from other funds.....	-	-
Internal activity-payments to other funds.....	(2)	(580)
Other cash receipts .....	6	18,548
Other operating cash payments.....	(136)	(1,847)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES.....</b>	<b>2,829</b>	<b>6,305</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Transfers from other funds.....	12,280	24,795
Transfers to other funds.....	(455)	(948)
Cash received from other funds.....	-	-
Cash paid to other funds.....	(9,000)	-
<b>NET CASH PROVIDED BY (USED IN) NONCAPITAL FINANCING ACTIVITIES.....</b>	<b>2,825</b>	<b>23,847</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Acquisition and construction of capital assets.....	(3,577)	(53,917)
Proceeds from sale of capital assets.....	1,369	53,060
Cash with fiscal agent.....	34	(889)
Decrease in landfill costs and other charges.....	-	-
Proceeds from long-term obligations.....	-	-
Contributions from JEA.....	-	-
Loan repayment from JEA.....	-	-
Contributions from Amphitheater.....	-	761
Proceeds from bonds payable.....	-	470
Payments on bonds payable.....	-	(8,492)
Proceeds from loans payable.....	2,699	-
Payments on loans payable.....	-	(250)
Proceeds from notes payable.....	-	-
Payments on notes payable.....	-	(970)
Interest paid on debts.....	(1,257)	(10,724)
<b>NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES.....</b>	<b>(732)</b>	<b>(20,951)</b>
<b>CASHFLOWS FROM INVESTING ACTIVITIES:</b>		
Interest and dividends on investments.....	618	207
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES.....</b>	<b>618</b>	<b>207</b>
<b>NET CHANGE IN CASH AND INVESTMENTS.....</b>	<b>5,540</b>	<b>9,408</b>
Equity in pooled cash and investments at October 1, 2017.....	18,491	7,007
Equity in pooled cash and investments at September 30, 2018.....	<b>\$ 24,031</b>	<b>\$ 16,415</b>

See accompanying notes.

STORM- WATER SERVICES	NON MAJOR ENTERPRISE	TOTAL		INTERNAL SERVICE FUNDS
		2018	2017	
\$ 32,047	\$ 12,710	\$ 164,866	\$ 147,112	\$ 7,838
-	-	-	-	281,361
(10,958)	(3,665)	(126,510)	(118,276)	(161,275)
(8,013)	(2,151)	(25,241)	(24,148)	(32,809)
-	-	-	2	-
-	-	(582)	(948)	(14,712)
8	69	18,631	16,711	401
(157)	(118)	(2,258)	(4,196)	(73,701)
<u>12,927</u>	<u>6,845</u>	<u>28,906</u>	<u>16,257</u>	<u>7,103</u>
2,964	564	40,603	142,138	1,372
-	(4,677)	(6,080)	(26,835)	(14,997)
-	-	-	8,411	982
-	(41)	(9,041)	(340)	-
<u>2,964</u>	<u>(4,154)</u>	<u>25,482</u>	<u>123,374</u>	<u>(12,643)</u>
(8,982)	(4,924)	(71,400)	(500,192)	(33,731)
-	-	54,429	48,410	476
-	1	(854)	(18,909)	452
-	-	-	2,115	-
-	-	-	5	-
-	-	-	127	-
252	-	252	-	-
-	-	761	558	-
-	-	470	296,860	54,886
-	(50)	(8,542)	(5,371)	(272)
94	-	2,793	54,022	10,765
(1,978)	-	(2,228)	(1,916)	(1,847)
-	-	-	17,345	-
-	-	(970)	-	(20,126)
(462)	(59)	(12,502)	(6,777)	(504)
<u>(11,076)</u>	<u>(5,032)</u>	<u>(37,791)</u>	<u>(113,723)</u>	<u>10,099</u>
<u>203</u>	<u>127</u>	<u>1,155</u>	<u>377</u>	<u>465</u>
<u>203</u>	<u>127</u>	<u>1,155</u>	<u>377</u>	<u>465</u>
5,018	(2,214)	17,752	26,285	5,024
<u>27,744</u>	<u>17,710</u>	<u>70,952</u>	<u>44,667</u>	<u>232,449</u>
<u>\$ 32,762</u>	<u>\$ 15,496</u>	<u>\$ 88,704</u>	<u>\$ 70,952</u>	<u>\$ 237,473</u>



**CITY OF JACKSONVILLE, FLORIDA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**  
**WITH COMPARATIVE TOTALS FOR 2017 (in thousands; continued)**

	<b>SOLID WASTE DISPOSAL</b>	<b>CITY VENUES</b>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
OPERATING INCOME (LOSS).....	(\$ 640)	(\$ 16,284)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization.....	3,298	16,947
Other non-operating revenue/(expenses).....	-	-
(Increase) decrease in assets:		
Receivables and other current assets, net.....	(763)	(4,704)
Due from independent agencies and other governments.....	(2)	(581)
Interest and dividend receivables.....	-	-
Inventories.....	-	-
Other receivables.....	-	-
Loan receivables.....	-	-
Prepaid expenses and other assets.....	-	111
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses.....	160	6,452
Contracts payable.....	-	-
Deposits.....	(15)	3,972
Accrued interest payable.....	-	450
Unearned revenue.....	-	(58)
Liability for landfill closure and postclosure care.....	705	-
Liability for self-insured losses.....	-	-
Accrued compensated absences.....	86	-
<b>TOTAL ADJUSTMENTS.....</b>	<b>3,469</b>	<b>22,589</b>
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.....</b>	<b>\$ 2,829</b>	<b>\$ 6,305</b>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:		
Change in the fair value of investments.....	229	-
Capital assets transferred between proprietary funds.....	-	(3)
Capital assets transferred from governmental activities to proprietary funds of the city.....	(39)	14
Long Term Notes & Bonds Payable transferred between proprietary funds		(1)

See accompanying notes.

STORM- WATER SERVICES	NON MAJOR ENTERPRISE	TOTAL		INTERNAL SERVICE FUNDS
		2018	2017	
\$ 7,750	\$ 7,051	(\$ 2,123)	(\$ 6,302)	\$ 6,189
4,100	1,092	25,437	24,595	21,020
-	40	40	50	-
(177)	(13)	(5,657)	(5,238)	(6)
-	-	(583)	(946)	378
-	-	-	-	-
-	1	1	-	(114)
-	-	-	-	839
-	-	-	-	(32,562)
-	-	111	(395)	(75)
1,263	(1,314)	6,561	1,276	6,178
(12)	-	(12)	(176)	-
7	11	3,975	3,064	-
-	-	450	978	-
-	-	(58)	168	230
-	-	705	(913)	-
-	-	-	-	4,790
(4)	(23)	59	93	236
5,177	(206)	31,029	22,556	914
\$ 12,927	\$ 6,845	\$ 28,906	\$ 16,257	\$ 7,103

(404)	(73)	(248)	(12)	(1,300)
-	-	(3)	-	-
-	27	2	8	-
-	-	(1)	-	-



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## **FIDUCIARY FUND LEVEL STATEMENTS**

**PENSION TRUST FUNDS** are funds administered by independent boards for which the City performs a fiduciary role under a defined benefit, defined contribution and disability programs. The participant's retirement annuity is based on a statutory formula using such factors as age, average salary, length of service and others.

**PRIVATE PURPOSE TRUST FUND** is used to report all trust arrangements, other than those properly reported in pension trust funds, under which principal and income benefit individuals. The City reports its James Brady Disabled Scholarship, Michael Jackson Music Scholarship, J.B. Smith Memorial Scholarship, and Lex Hester Memorial Scholarship funds as private purpose trusts.

**AGENCY FUNDS** are funds which hold monies in an agency capacity for various government units, individuals or funds.

**CITY OF JACKSONVILLE, FLORIDA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**SEPTEMBER 30, 2018**  
**WITH COMPARATIVE TOTALS FOR 2017 (in thousands)**

	<b>PENSION TRUST FUNDS</b>		<b>PRIVATE PURPOSE TRUST FUND</b>		<b>AGENCY FUNDS</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
<b><u>ASSETS</u></b>						
<b>CURRENT ASSETS:</b>						
Equity in pooled cash and investments.....	\$ 55,776	\$ 23,117	\$ 39	\$ 281	\$ 56,002	\$ 85,875
Cash in escrow.....	-	-	1,649	-	-	-
Receivables (net, where applicable, of allowances for uncollectibles):						
Interest and dividends.....	5,310	4,828	-	-	-	-
Accounts.....	91	10,956	-	-	2,362	2,743
Other.....	40	2,827	-	-	212	2,683
Due from independent agencies and other governments..	30	7,113	-	-	-	-
Prepaid assets.....	82	82	-	-	-	-
Investments, at fair value:						
Bonds.....	624,928	798,271	-	-	-	-
Short-term investments.....	20,823	2,231	-	-	-	-
Domestic stocks.....	1,967,938	1,545,068	-	-	-	-
International stocks.....	911,376	956,976	-	-	-	-
Real estate.....	593,906	549,545	-	-	-	-
Alternative investments.....	156,496	251,638	-	-	-	-
Equity in pooled investments.....	46,641	30,972	-	-	-	-
Total investments.....	4,322,108	4,134,701	-	-	-	-
Total Current Assets.....	4,383,437	4,183,624	1,688	281	58,576	91,301
<b>CAPITAL ASSETS</b>						
Other capital assets, net of depreciation.....	3	17	-	-	-	-
Total Capital Assets, Net.....	3	17	-	-	-	-
Securities lending collateral.....	194,503	208,958	-	-	-	-
<b>TOTAL ASSETS.....</b>	<b>4,577,943</b>	<b>4,392,599</b>	<b>1,688</b>	<b>281</b>	<b>58,576</b>	<b>91,301</b>
<b>DEFERRED OUTFLOW OF RESOURCES:</b>						
Net differences between expected and actual investments earnings.....	112	112	-	-	-	-
<b><u>LIABILITIES</u></b>						
<b>CURRENT LIABILITIES:</b>						
Obligations under securities lending agreement.....	194,503	208,958	-	-	-	-
Accounts payable and accrued liabilities.....	13,366	14,739	7	-	321	211
Due to other funds.....	-	-	-	-	-	2,559
Due to independent agencies and other governments.....	-	-	-	-	16,870	43,559
Due to individuals.....	-	-	-	-	8,273	7,439
Deposits held in escrow.....	-	-	-	-	32,728	36,916
Miscellaneous liabilities.....	-	-	-	-	384	617
Total Current Liabilities.....	207,869	223,697	7	-	58,576	91,301
<b>NONCURRENT LIABILITIES:</b>						
Other post employment benefits.....	-	140	-	-	-	-
Accrued compensated absences.....	62	53	-	-	-	-
Terminal leave - group care.....	26	43	-	-	-	-
Total Noncurrent Liabilities.....	88	236	-	-	-	-
<b>TOTAL LIABILITIES.....</b>	<b>207,957</b>	<b>223,933</b>	<b>7</b>	<b>-</b>	<b>\$ 58,576</b>	<b>\$ 91,301</b>
<b>NET POSITION:</b>						
Restricted for Pensions and other purposes.....	\$ 4,370,098	\$ 4,168,778	\$ 1,681	\$ 281		

See accompanying notes.

**CITY OF JACKSONVILLE, FLORIDA**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**  
**WITH COMPARATIVE TOTALS FOR 2017 (in thousands)**

	<b>PENSION TRUST FUNDS</b>		<b>PRIVATE PURPOSE TRUST</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
<b><u>ADDITIONS</u></b>				
Contributions:				
Employer.....	\$ 209,558	\$ 296,336	\$ -	\$ -
Plan members.....	55,314	43,268	-	-
Total contributions.....	<u>264,872</u>	<u>339,604</u>	<u>-</u>	<u>-</u>
Other additions:				
State insurance contributions.....	11,791	10,875	-	-
Court fines & penalties.....	1,101	1,112	-	-
Miscellaneous.....	207	58	-	-
Plan transfers in/(out).....	48,463	6,186	-	-
Total other additions.....	<u>61,562</u>	<u>18,231</u>	<u>-</u>	<u>-</u>
Investment income:				
Net change in fair value of investments.....	284,866	505,773	-	-
Interest and other miscellaneous.....	26,283	26,675	1,406	4
Dividends.....	29,071	27,807	-	-
Rebate of commissions.....	35	-	-	-
Rental income.....	786	771	-	-
Total investment income .....	<u>341,041</u>	<u>561,026</u>	<u>1,406</u>	<u>4</u>
Less investment expense.....	(18,801)	(17,784)	-	-
Less rental expense.....	(258)	(175)	-	-
Net investment income .....	<u>321,982</u>	<u>543,067</u>	<u>1,406</u>	<u>4</u>
From Securities Lending Activities:				
Securities lending.....	772	1,110	-	-
Agent fees.....	(90)	(278)	-	-
Total securities lending activities .....	<u>682</u>	<u>832</u>	<u>-</u>	<u>-</u>
<b>TOTAL ADDITIONS, NET.....</b>	<u>649,098</u>	<u>901,734</u>	<u>1,406</u>	<u>4</u>
<b><u>DEDUCTIONS</u></b>				
Benefit payments.....	337,312	325,393	-	-
DROP benefits.....	34,588	31,210	-	-
Refund of contributions.....	29,636	31,294	-	-
Administrative expenses.....	46,242	3,036	-	-
Operating expenses.....	-	-	6	1
<b>TOTAL DEDUCTIONS.....</b>	<u>447,778</u>	<u>390,933</u>	<u>6</u>	<u>1</u>
<b>CHANGE IN NET POSITION.....</b>	<u>201,320</u>	<u>510,801</u>	<u>1,400</u>	<u>3</u>
<b>NET POSITION, BEGINNING OF YEAR.....</b>	<u>4,168,778</u>	<u>3,657,977</u>	<u>281</u>	<u>278</u>
<b>NET POSITION, END OF YEAR.....</b>	<u>\$ 4,370,098</u>	<u>\$ 4,168,778</u>	<u>\$ 1,681</u>	<u>\$ 281</u>

See accompanying notes.



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## COMPONENT UNITS

**Component Units** are legally separate organizations for which the primary government is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's governing body with certain exceptions, and either (a) the ability to impose will by the primary government; or (b) the potential for the organization to provide financial benefits to, or impose financial burdens on the primary government. Financial accountability may also be determined if the component unit is fiscally dependent on the City and a potential financial benefit / burden relationship exists.

### MAJOR COMPONENT UNITS:

**The JEA** manages and operates an electric utility system and a water and sewer utility system in the Consolidated City of Jacksonville/Duval County area.

**The Jacksonville Transportation Authority** is responsible for construction, improvement, and maintenance of the Jacksonville Expressway System and operation of the City's mass transit systems, including bus and automated skyway express throughout Duval County.

**The Jacksonville Port Authority** manages and operates the City's marine port facilities.

### NON MAJOR COMPONENT UNIT:

**The Jacksonville Housing Finance Authority** provides money for loans and technical assistance for construction and rehabilitation of housing to alleviate a shortage of housing and capital for investment in housing in Jacksonville.



**CITY OF JACKSONVILLE, FLORIDA  
COMBINING STATEMENT OF NET POSITION -  
COMPONENT UNITS (in thousands)  
SEPTEMBER 30, 2018**

	<b>MAJOR COMPONENT UNITS</b>		
	<b>JEA</b>	<b>JACKSONVILLE TRANSPORTATION AUTHORITY</b>	<b>JACKSONVILLE PORT AUTHORITY</b>
<b>ASSETS</b>			
Cash and cash equivalents.....	\$ 555,782	\$ 30,203	\$ 51,142
Cash in escrow with fiscal agent.....	-	-	-
Investments.....	816,937	148,391	5,065
Accounts and interest receivable.....	251,210	1,008	6,868
Mortgages receivable.....	-	-	-
Other receivables.....	-	-	3,514
Due from other governmental agencies.....	-	34,243	-
Inventories.....	96,075	2,612	1,785
Other assets.....	22,686	4,828	-
Costs to be recovered from future revenues.....	808,096	-	-
Capital assets:			
Land, easements, and construction in progress.....	667,915	167,360	317,953
Buildings and improvements.....	-	172,899	674,609
Vehicles.....	-	125,340	-
Equipment.....	-	95,734	154,162
Utility plant in service.....	11,231,095	-	-
Less: accumulated depreciation.....	(6,518,751)	(258,115)	(411,038)
Total capital assets, net of depreciation.....	<u>5,380,259</u>	<u>303,218</u>	<u>735,686</u>
<b>TOTAL ASSETS.....</b>	<u><b>7,931,045</b></u>	<u><b>524,503</b></u>	<u><b>804,060</b></u>
<b>DEFERRED OUTFLOW OF RESOURCES:</b>			
Pension related.....	171,367	13,267	5,978
Unamortized deferred loss on refunding.....	143,722	-	1,395
Accumulated decrease in fair value of hedging instrument.....	86,356	-	15
Unrealized asset retirement obligation.....	29,173	-	-
Other post employment benefit related.....	4,078	-	-
<b>TOTAL DEFERRED OUTFLOW OF RESOURCES</b>	<u><b>434,696</b></u>	<u><b>13,267</b></u>	<u><b>7,388</b></u>
<b>LIABILITIES</b>			
Accounts payable and accrued liabilities.....	147,361	20,031	6,252
Contracts payable.....	53,369	-	1,491
Due to other governmental agencies.....	-	1,850	-
Deposits.....	59,883	-	-
Interest payable.....	73,737	755	3,212
Unearned revenue.....	-	-	6,281
Other current liabilities.....	54,370	-	525
Noncurrent liabilities			
Fair market value of debt management instrument.....	86,356	-	15
Due within one year:			
Estimated liability for injury and damage claims.....	-	2,061	-
Bonds, notes payable, capital leases.....	185,790	3,679	12,580
Other noncurrent liabilities.....	-	268	-
Due in more than one year:			
Net pension liability.....	544,203	16,056	14,715
Estimated liability for injury and damage claims.....	-	2,949	-
Bonds, capital leases and commercial paper.....	3,966,571	107,332	230,449
Compensated absences.....	-	1,544	-
Custodial projects - due to other governments.....	-	93,361	-
Other post employment benefit.....	18,835	169	-
Unearned revenue noncurrent.....	-	-	117,055
Asset retirement obligation.....	22,526	-	-
Other noncurrent liabilities.....	49,227	-	24,363
<b>TOTAL LIABILITIES.....</b>	<u><b>5,262,228</b></u>	<u><b>250,055</b></u>	<u><b>416,938</b></u>
<b>DEFERRED INFLOW OF RESOURCES:</b>			
Pension related.....	50,124	5,268	1,765
Other post employment benefit related.....	8,712	2	-
Revenue to be used for future costs.....	286,832	7,728	-
Accumulated increase in fair value of hedging derivative.....	2,536	-	-
<b>TOTAL DEFERRED INFLOW OF RESOURCES</b>	<u><b>348,204</b></u>	<u><b>12,998</b></u>	<u><b>1,765</b></u>
<b>NET POSITION</b>			
Net investment in capital assets.....	1,856,725	231,201	363,622
Restricted for:			
Debt service.....	187,374	-	18,279
Capital projects.....	-	-	-
Other purposes.....	354,663	-	2,967
Unrestricted.....	356,547	43,516	7,877
<b>TOTAL NET POSITION</b>	<u><b>\$ 2,755,309</b></u>	<u><b>\$ 274,717</b></u>	<u><b>\$ 392,745</b></u>

See accompanying notes.

**NON MAJOR  
COMPONENT UNIT**

<b>JACKSONVILLE HOUSING FINANCE AUTHORITY</b>	<b>TOTAL</b>
\$ 7,586	\$ 644,713
1,631	1,631
-	970,393
-	259,086
12,836	12,836
-	3,514
-	34,243
-	100,472
-	27,514
-	808,096
-	1,153,228
-	847,508
-	125,340
-	249,896
-	11,231,095
-	(7,187,904)
-	6,419,163
22,053	9,281,661
-	190,612
-	145,117
-	86,371
-	29,173
-	4,078
-	455,351
18	173,662
-	54,860
-	1,850
157	60,040
-	77,704
-	6,281
-	54,895
-	86,371
-	2,061
-	202,049
-	268
-	574,974
-	2,949
-	4,304,352
-	1,544
-	93,361
-	19,004
-	117,055
-	22,526
-	73,590
175	5,929,396
-	57,157
-	8,714
-	294,560
-	2,536
-	362,967
-	2,451,548
-	205,653
-	-
12,836	370,466
9,042	416,982
\$ 21,878	\$ 3,444,649

**CITY OF JACKSONVILLE, FLORIDA  
 COMBINING STATEMENT OF ACTIVITIES -  
 COMPONENT UNITS (in thousands)  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			
	EXPENSES	FINES AND CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
Governmental activities:				
Jacksonville Transportation Authority.....	\$ 33,715	\$ -	\$ -	\$ 17,517
Jacksonville Housing Finance Authority.....	1,731	-	-	-
Total governmental activities.....	35,446	-	-	17,517
Business-type activities:				
JEA.....	1,621,454	1,789,982		(34,463)
Jacksonville Transportation Authority.....	135,137	24,966	12,844	29,833
Jacksonville Port Authority.....	93,607	66,947	2,751	19,915
Total business-type activities.....	1,850,198	1,881,895	15,595	15,285
Total component units.....	\$ 1,885,644	\$ 1,881,895	\$ 15,595	\$ 32,802

General Revenues, Transfers, and Special Items:

Sales and tourist taxes.....	
Intergovernmental - unrestricted.....	
Unrestricted earnings on investments.....	
Miscellaneous.....	
Special Item-JEA adjustment to regulatory balances.....	
Total general revenues, transfers, and special item .....	
Change in net position.....	
Net position, beginning of year, as restated.....	
Net position, end of year.....	

See accompanying notes.

GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES			TOTAL
MAJOR COMPONENT UNIT	NON MAJOR COMPONENT UNIT	MAJOR COMPONENT UNITS			GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
JACKSONVILLE TRANSPORTATION AUTHORITY	JACKSONVILLE HOUSING FINANCE AUTHORITY	JEA	JACKSONVILLE TRANSPORTATION AUTHORITY	JACKSONVILLE PORT AUTHORITY	
\$ (16,198)	\$ -	\$ -	\$ -	\$ -	\$ (16,198)
-	(1,731)	-	-	-	(1,731)
(16,198)	(1,731)				(17,929)
-	-	134,065	-	-	134,065
-	-	-	(67,493)	-	(67,493)
-	-	-	-	(3,994)	(3,994)
-	-	134,065	(67,493)	(3,994)	62,578
(16,198)	(1,731)	134,065	(67,493)	(3,994)	44,649
2,033	-	-	-	-	2,033
-	-	-	81,644	-	81,644
2,004	993	15,900	43	336	19,276
3,705	224	21,621	-	-	25,550
		(45,099)			(45,099)
7,742	1,217	(7,578)	81,687	336	83,404
(8,455)	(514)	126,487	14,194	(3,658)	128,053
49,480	22,392	2,628,822	219,499	396,403	3,316,596
\$ 41,025	\$ 21,878	\$ 2,755,309	\$ 233,693	\$ 392,745	\$ 3,444,649



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**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies of the City of Jacksonville, Florida (the City) conform to accounting principles generally accepted in the United States (GAAP) as applicable to governments. The following is a summary of the more significant policies. Notes 1C through 19 are note disclosures of the primary government with significant disclosures for major component units incorporated within. Additional significant component unit disclosures are presented in Note 16.

**A. Basis of Presentation:**

The accompanying financial statements of the City have been prepared in conformity with GAAP as prescribed by the Governmental Accounting Standards Board (GASB). GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles for units of local government.

**B. Financial Reporting Entity:**

The City is a consolidated city/county political entity created by Chapter 67-1320 of the Laws of Florida. When consolidation occurred on October 1, 1968, all existing municipalities, authorities and public agencies within Duval County, except for the Duval County School Board, were merged into a single new corporate and political entity also known as the City of Jacksonville. At the same time, however, the cities of Jacksonville Beach, Atlantic Beach, Neptune Beach and the Town of Baldwin elected to retain local autonomy for certain municipal purposes and were reconstituted as separate and distinct urban service districts. The consolidated city government, which is comprised of an elected City Council (19 members) and mayor, provides, under the administration of the appointed chief administrative officer, services to 952,861 residents living in an 840.1 square-mile area.

To conform to the traditional county organization of government in the State of Florida, the City retained the offices of the Sheriff, Property Appraiser, Tax Collector, Supervisor of Elections, and Clerk of the Circuit Court, which are also elected by the citizenry. These officers are considered to be not only county officers, but also officers of the consolidated government, and therefore are considered as part of the primary government. The three beach cities and the Town of Baldwin continue to function as separate municipal governments.

This report includes all funds, departments, agencies, boards and commissions, and other organizational units that are administered by the mayor and/or controlled by or dependent upon the City Council as set forth in the City Charter. The City, a primary government, has also considered for inclusion all potential component units for which it may be financially accountable and other organizations for which the nature and significance of their relationship with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. In GASB codification section 2100 Defining the Financial Reporting Entity, the GASB has set forth criteria to be considered in determining financial accountability.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Financial Reporting Entity: (continued)**

These criteria include appointing a voting majority of an organization's governing body and (1) the ability of the City to impose its will on that organization; or (2) the potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City. Additionally, an entity may also meet the criteria for inclusion if the organization is fiscally dependent on the City and the potential financial benefit/burden relationship mentioned above exists.

As required by GAAP, these financial statements present the City of Jacksonville (the primary government) and its component units. The City has identified and included within the financial reporting entity, as its component units, legally separate organizations for which the City is financially accountable or for which a significant relationship with the City exists such that exclusion would cause the City's financial statements to be misleading or incomplete.

The Jacksonville Public Library Board and the Downtown Investment Authority (DIA) are classified as dependent special districts. Per GASB codification section 2100, the Library Board and DIA are not considered component units as they are not legally separate organizations. Therefore, these activities are included as part of the primary government.

**Blended Component Unit.** There are two component units, which are legally separate from the City, but are so intertwined with the City that they are, in substance, the same as the City. They are reported as part of the City and blended into the appropriate funds.

The **Jacksonville Police and Fire Pension Board of Trustees**, created under Article 22 of the City Charter, provide retirement services and benefits to eligible employees of the Office of the Sheriff and the Department of Fire and Rescue. The City appoints two members of the five-member board; one member is a police officer; one member is a firefighter; and the remaining member is appointed by the other four members. As sponsor, the City has the ability to modify the plan and to approve the defined benefit contribution to the Police and Fire Pension Board of Trustees in the City's annual budget. The Police and Fire Pension Board of Trustees issues separate financial statements on the fund, which may be obtained from its administrative office at One West Adams Street, Suite 100, Jacksonville, Florida 32202-3616. These transactions are blended in the Fiduciary Funds.

**Community redevelopment agencies (CRAs) JIA, KingSoutel Crossing, Renew Arlington, Southside and Northbank Downtown** are blended component units that are reported within the Tax Incremental Districts special revenue fund. The City serves as the Board for JIA, KingSoutel Crossing, and Renew Arlington CRAs. The Downtown Investment Authority serves as the Board for Southside and Northbank Downtown. The CRAs are blended because City Council has an operational responsibility and because of the existence of a financial benefit/burden relationship. The CRAs issue a separate report that may be obtained from the City. Requests for information may be addressed to the City Comptroller, City of Jacksonville, 117 West Duval Street, Suite 375, Jacksonville, Florida 32202.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Financial Reporting Entity: (continued)**

**Discrete Component Units.** These component units are entities that are legally separate from the City, but are financially accountable to the City, or whose relationships with the City are such that exclusion would cause the City's financial statements to be misleading or incomplete. The component units are reported separately to emphasize that they are legally separate from the primary government and are governed by separate boards. The footnotes include financial data for these entities. Each component unit listed below has a September 30 fiscal year end.

**Major Component Units**

**JEA** (formerly known as the Jacksonville Electric Authority) was created by Chapter 67-1569 of the Laws of Florida to own, manage, and operate an electric utility system and a water and sewer utility system in Jacksonville and any or all counties adjacent thereto. The governing body of the JEA consists of seven members appointed by the mayor and confirmed by the City Council. The City has the ability to impose its will on JEA, manifested principally through formal budgetary approval. The JEA engages only in business-type activities and issues separate financial statements, which may be obtained from its administrative office in the JEA Plaza at 21 West Church Street, Jacksonville, Florida 32202.

The **Jacksonville Port Authority (JPA)** was created by Chapter 2001-319 of the Laws of Florida to operate, manage, and control the publicly owned seaport and ancillary facilities located within Duval County and outside such boundary lines. The governing body of the JPA consists of seven members, four of whom are appointed by the mayor and confirmed by the City Council, and three of whom are appointed by the governor. The City can impose its will on the JPA through modification and approval of its budgets, which ensures strong accountability to the local constituent citizenry. The JPA engages only in business-type activities and issues separate financial statements. Requests for information may be addressed to the chief financial officer, Jacksonville Port Authority, P.O. Box 3005, Jacksonville, FL 32206-0005.

The **Jacksonville Transportation Authority (JTA)** is a public body politic and corporate agency of the State of Florida under Chapter 349 of the Florida Statutes. The governing body of the JTA consists of seven members, three of whom are appointed by the governor of Florida, three of whom are appointed by the mayor and confirmed by the City Council, and the seventh member is the district two secretary of the Florida Department of Transportation.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Financial Reporting Entity: (continued)**

The JTA is empowered to construct, improve, operate and lease the Jacksonville Expressway System. The JTA is, however, fiscally dependent upon the City under Section 14 of the City Charter through approval of its budgets, which ensures strong accountability to the local constituent citizenry. Additionally, a financial burden relationship exists through the provisions of an interlocal agreement.

The JTA engages in both governmental and business-type activities and issues separate financial statements, which may be obtained from its administrative office at 121 West Forsyth Street, Suite 200, Jacksonville, Florida 32202.

**Non-major Component Units**

The **Jacksonville Housing Finance Authority (JHFA)**, The Jacksonville Housing Finance Authority (JHFA) was established pursuant to Chapter 52, Jacksonville Municipal Code, to alleviate a shortage of housing and capital investment for the people of Duval County, pursuant to Florida Statutes, Section 159.604. The City appoints all seven of the board members. The City has the ability to impose its will on the JHFA. The JHFA operates in conjunction with the Jacksonville Housing Commission, also created by Ordinance 2003-1058, and has the rights and duties necessary under Florida Statutes, Chapter 159, Part IV, to preserve outstanding debt, issue new debt and to shield the City from financial liability. The bonds issued and outstanding are included in Note 8K Conduit Debt. The JHFA engages only in governmental activities. There are no separately issued financial statements for the JHFA, whose financial activity is accounted for by the City. The JHFA financial statements are presented in the financial section of the City report.

The **Jacksonville Health Facilities Authority**, created under Chapter 490 of the City Ordinance Code pursuant to Chapter 154 Part III, Laws of Florida, provides appropriate additional means to assist in the development, improvement and maintenance of the public health. The Health Facilities Authority provides a method for the financing and refinancing, on a tax-exempt basis, projects on behalf of private corporations and organized not-for-profits that are authorized by law to provide hospital or nursing home services, thus providing facilities at favorable interest costs with a resultant decrease in health care costs for the users of health facilities within the City. All five members are appointed by the City Council, and the City is able to impose its will on the Health Facilities Authority.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

---

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**B. Financial Reporting Entity: (continued)**

The bonds issued by the Health Facilities Authority are special limited obligations of the Health Facilities Authority and the principal and interest are payable from rental payments. The principal and interest on the bonds shall never constitute an indebtedness of the City of Jacksonville, Duval County, the State of Florida or any municipality or political subdivision thereof. Accordingly, the bonds issued and outstanding are included in Note 8K Conduit Debt. During the fiscal year presented, the Health Facilities Authority had no financial transactions or assets and liabilities to report. Therefore, there are no separately issued financial statements.

**Related Organizations**

The **Jacksonville Housing Authority (JHA)** is governed by a seven member board, whose members are appointed by the mayor and confirmed by City Council. However, the City does not have the ability to impose its will on JHA. The City cannot remove appointed members from the JHA Board at will. JHA managers are appointed by the JHA Board of Directors. The Board approves the operating budget and amendments to the budget. The City does not exercise influence in JHA management or operations. It does not approve JHA budgets, and does not provide or collect major revenues of the JHA. Accordingly, the financial activities of the JHA are not included in the City's financial statements.

The **Duval County Research and Development Authority (Authority)** is governed by a five member board whose members are appointed by the City Council. However, the City does not have the ability to impose its will on the Authority. The City does not exercise influence over the management or operations of the Authority and is not financially accountable for the actions of the Authority. Accordingly, the financial activities of the Authority are not included in the City's financial statements.

**Jointly Governed Organization**

The **North Florida Transportation Planning Organization (TPO)** is an independent regional transportation planning agency for Duval, Clay, Nassau and St. Johns counties. The mayor, three Jacksonville City council members, and various other leaders of the other affiliated communities and transportation agencies make up the board. There are currently 15 voting board members and five non-voting members.

The City does not have an ongoing financial interest or responsibility to the TPO. However, since the board includes members from each of the governments that created it, the TPO is considered a jointly governed organization of the City.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**C. Basic Financial Statements:**

The basic financial statements include both citywide and fund level statements. The City, as the primary government, is reported separately from its component units. The citywide statements report on all of the activities of the City and its component units except those that are fiduciary in nature.

Statements for fiduciary activities, such as employee pension plans, are presented in a separate section of this report. Both the citywide and fund level statements classify primary activities of the City as either governmental activities, which are primarily supported by taxes and intergovernmental revenues, or business type activities, which are primarily supported by user fees and charges.

The citywide statement of net position reports all assets, deferred outflows of resources, liabilities, and deferred inflow of resources of the City, including both long-term assets and long-term debt and other obligations. The statement of activities reports the degree to which direct expenses of City functions are offset by program revenues, which include program specific grants and charges for services provided by a specific function. Direct expenses are those that are clearly identifiable with a specific function or program. The net cost of these programs is funded from general revenues such as taxes, intergovernmental revenue and interest earnings.

The fund level statements report on governmental, proprietary and fiduciary fund activities. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund level financial statements.

Since the fund level statements for governmental activities are presented using a different measurement focus and basis of accounting than the citywide statements governmental column (as discussed under Basis of Accounting in this summary of significant accounting policies), a reconciliation is presented on the page following each governmental fund financial statement that briefly explains the adjustments necessary to convert the fund level statements into the citywide governmental column presentations.

As a general rule, the interfund activity has been eliminated from the citywide financial statements to avoid the doubling effect of internal service activity. However, functional expenses remain for services provided, and any remaining net resource is reported as program revenue.

**D. Fund Structure:**

The City's accounts are maintained in accordance with the principles of fund accounting to ensure compliance with limitations and restrictions placed on the use of resources available to it. Under fund accounting, individual funds are established for the purpose of carrying on activities or attaining objectives in accordance with specific regulations, restrictions or limitations. Each individual fund is a self-balancing set of accounts recording assets, liabilities and residual equities or balances and revenues, expenditures / expenses and changes therein.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Fund Structure: (continued)**

For financial statement presentation, funds with similar characteristics, including those component units referenced above, are grouped into generic classifications as required by GAAP. A brief description of these classifications follows:

**Governmental Funds.** These funds report transactions related to resources received and used for those services traditionally provided by city/county government. The following are major governmental funds used by the City:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

**Debt Service Funds:**

The Special Bonded Debt – Better Jacksonville Plan Obligations Fund accounts for the accumulation of resources for, and the payment of, principal and interest on the City’s special bonded obligations payable, which are related to the Better Jacksonville Plan.

The Special Bonded Debt Obligations Fund accounts for the accumulation of resources for, and the payment of, principal and interest on the City’s special and limited bonded obligations, which are payable solely from and secured by a lien upon and pledge of the revenues under the respective bond ordinances.

**Special Revenue Fund:**

The Public Safety Fund accounts for specific public safety programs through user fees and intergovernmental revenue for emergency management planning and disaster medical services provided by the Office of the Sheriff and the City Department of Fire and Rescue.

**Other Non-major Governmental Funds:**

This is the aggregate of all of the non-major governmental funds.

**Proprietary Funds.** These funds report transactions related to activities similar to those found in the private sector. Major proprietary funds include:

The Solid Waste Disposal Fund accounts for the collection, recycling, and disposal of commercial and residential garbage services throughout the City, including the operation of three municipally owned landfill sites, two of which are closed.

The City Venues Fund accounts for events held at TIAA Bank Field, Daily’s Place, Veterans Memorial Arena, the Baseball Stadium, Times Union Center for the Performing Arts, Prime Osborn Convention Center, and Ritz Theater.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Fund Structure: (continued)**

The Storm Water Services Fund accounts for the storm water utility financed by service charges, to be used for paying for costs of constructing and maintaining the storm water management system.

Other Non-major Enterprise - This is the aggregate of all of the non-major enterprise funds.

Proprietary funds distinguish operating revenues and expenses from non-operating revenues and expenses. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the funds' principal ongoing operation. The principal operating revenues for the City's proprietary funds are charges to customers for sales and services. Operating expenses include direct expenses of providing the goods or services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

In addition, the City reports the following fund types:

**Internal Service Funds** - These funds account for services provided primarily to various departments of the City and to other governmental agencies. Since these funds principally service City departments, internal service fund statements are consolidated into the governmental activities column in the citywide presentation. These activities are fleet management, copy center, information technologies, legal, risk management activities, group health, public works, and the internal debt management fund. Services provided to other governmental agencies are not considered to be material.

**Private-purpose Trust Funds** - These funds account for resources legally held in trust for the benefit of individuals pursuing higher education in music and urban studies. Earnings on invested resources may be used to support these activities but no expenditure may be made from the principal of these funds.

**Pension Trust Funds** - These funds account for the activities of the Jacksonville Retirement System, the Defined Contribution Plans, and the Police and Fire Pension funds, which accumulate resources for pension benefit payments for qualified employees.

**Permanent Fund** - This fund is used to account for activities of the City relative to cemetery maintenance at specified locations and supporting the Art in Public Places program. Fund resources are restricted. Only earnings on invested resources may be used to support these activities.



**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**D. Fund Structure: (continued)**

**Agency Funds** - These custodial funds account for monies held as an agent for other governmental units or individuals. The City utilizes several agency funds including the Treasurer Fund to clear cash received and disbursed, the Tax Collector Fund accounts for the collection of all taxes, revenues and other cash, the Clerk of the Circuit Court Fund accounts for revenues collected by the court system, the Plat Deposits Fund accounts for collateral to insure the completion of public improvements, the Duval County School Readiness Coalition Fund accounts for similar collections, the Florida Retirement System Fund accounts for a multiple-employer, cost-sharing defined benefit plan for certain City employees who elected to remain with the state plan, and the Sheriffs Fund accounts for deposits held in accordance with statutes for civil action, safeguarding of monetary evidence, and inmate funds.

**E. Basis of Accounting:**

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The citywide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary pension trust fund financial statements. Agency funds are accounted for using the full accrual basis of accounting. Agency funds are custodial in nature (i.e., assets equal liabilities) and do not measure the results of operations. Under this method, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenue in the year in which they are levied for. Grants and similar items are recognized as revenue when all eligibility requirements imposed by the provider are met.

Governmental fund financial statements are reported using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus only current assets, current liabilities, deferred outflow of resources, and deferred inflow of resources generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Major revenues that are determined to be susceptible to accrual include property taxes, taxpayer-assessed tax revenues including sales and utilities services taxes, state shared revenue, intergovernmental revenue, charges for services and investment income. Generally, the City considers a 60-day availability period for revenue recognition. Federal and state grants collected on a reimbursement basis are recognized as revenue when reimbursable expenditures are made, and the City considers amounts received within one year as available. Ambulance billings also have a one year availability period.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**E. Basis of Accounting: (continued)**

Expenditures are recorded when the related fund liability is incurred, except for items that are not planned to be liquidated with expendable available resources. The City records an accrual for debt service liabilities and expenditures by providing financial resources to a debt service fund for payment of liabilities that will mature early in the following year. Exceptions to the general modified accrual expenditure recognition criteria include capital lease obligations that are recognized when paid, and payments for compensated absences, pension, OPEB (other post-employment benefits), pollution remediation obligations, and claims and judgments that are recognized when due.

The City's policy is to use restricted resources first, then unrestricted resources, when both are available for use to fund an activity.

**F. Cash, Cash Equivalents, and Investments:**

Cash, cash equivalents and investments and related accrued investment earnings are reported in the financial statements as "Equity in cash and investments" under the City's "pooling" concept (See Note 3). All monies, which are not legally restricted to separate administration, are pooled together for investment purposes while each individual fund and/or account is maintained on a daily transaction basis by the City Treasurer. Cash in escrow with fiscal agents is not included in the Statement of Cash Flows ending balances as the funds have been sent to trustee entities to be held for payment of bond principal and interest. Investment earnings are distributed in accordance with the participating funds' relative percentage of investments. All fund types deposit monies into the equity in cash and investment pool of the City. The Proprietary Fund types use this pool as a demand deposit account, and accordingly all amounts in the pool are considered cash and cash equivalents for purposes of the Statement of Cash Flows. Operating and Pension Trust investments are stated at fair value, generally based on quoted market prices except as disclosed herein. Securities, traded on national or international exchanges are valued at the last reported sales price at current exchange rates. The fair value of real estate investments are based on independent appraisals or estimates of fair value as provided by third party fund managers. Investments that do not have an established market are reported at estimated fair value as provided by third party fund managers. Increases and decreases in the fair value of investments are reported as investment income. The City of Jacksonville's swap policy allows for the use of interest rate swaps and other financial instruments to manage the City's financial exposure. This policy went into effect on October 1, 2003 and was revised on August 9, 2011. While the City is authorized to utilize interest rate swaps to manage the interest rate risk associated with various assets, no investment interest rate swaps were used during the reporting period.

**CITY OF JACKSONVILLE, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**G. Receivables:**

Receivables are stated net of estimated allowances for uncollectible amounts, which are determined based on past collection experience and current economic conditions, to the net realizable values. Types of receivables include amounts that are principally due from the State of Florida for state-shared revenues, mortgage, loan, and other receivables that have arisen in the ordinary course of business.

Certain receivables and some mortgage receivables are related to loans made for economic development purposes. Repayment of these loans is contingent upon a number of economic factors that are outside of the control of the City. Due to the uncertainty over the ultimate collectability of these amounts, an allowance has been recorded in the amount equal to the balance of the receivable.

**H. Inventories:**

Inventories of materials and supplies are determined by both physical counts and through perpetual inventory systems stated at cost, which approximates market, using the average weighted costing method. Reported inventories in governmental funds are included within nonspendable fund balance because it is not in spendable form. In proprietary fund types, inventories are expended when consumed.

**I. Capital Assets:**

All purchased capital assets are recorded at cost when historical records are available and at estimated cost when no historical records exist. Donated capital assets are valued at their acquisition value on the date received. Generally, capital assets costing \$1,000 or more and having a useful life of more than one year are capitalized. Infrastructure is capitalized based on the accumulated amounts charged to specific capital projects on an annual basis. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are reported in the applicable governmental or business-type column in the citywide financial statements, and in the Proprietary Fund Level Statements.

Depreciation on all capital assets is calculated using the straight line method over the following useful lives:

Infrastructure - Other	12 - 50 years
Infrastructure - Bridges	100 years
Buildings and improvements	12 - 45 years
Furniture, equipment and library books	3 - 10 years
Software Development	10 years

The City capitalizes collections, such as artwork. The City has a collection of artwork in various sites throughout the interior and exterior of its public facilities. The value of the art is expected to either remain the same or increase over time, so it is not depreciated. Software development is capitalized if over a threshold of \$30,000.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**J. Contributions:**

Contributions in the form of cash and capital assets to the governmental activities of the City are recognized on the Statement of Activities as revenues in the period they are received. Contributions of capital assets, primarily completed infrastructure from developers, are recognized at the fair value at the date of donation. All contributions are reported on the Statement of Activities as program revenues, with operating contributions reported separately from capital contributions.

**K. Interfund Activity:**

Interfund activity within and among the City's three fund categories (governmental, proprietary, and fiduciary) are classified as reciprocal interfund activity and nonreciprocal interfund activity.

Reciprocal interfund resources flow between funds with an expectation of repayment and are reported as interfund receivable and payables.

Nonreciprocal interfund activities are flows of assets between funds without an equivalent flow of assets in return or without a requirement for repayment and are reported as transfers in governmental funds in the other financing sources section as well as after the non-operating revenues and expenses section in proprietary funds.

**L. Restricted Assets:**

Assets are reported as restricted in the Citywide Statement of Net Position and the enterprise fund level statements when constraints are placed on net position use. The constraints are either: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law or through constitutional provisions or enabling legislation.

**M. Compensated Absences:**

City employees may accumulate earned personal leave benefits (compensated absences) at various rates within limits specified in collective bargaining agreements. This liability reflects amounts attributable to employee services already rendered, cumulative, probable for payment, and reasonably estimated in conformity with GASB Statement No. 16, Accounting for Compensated Absences.

Compensated absences liabilities are accrued when incurred in the citywide financial statements, and the proprietary and fiduciary fund level financial statements. No expenditure is reported in the governmental funds for these amounts until the payment is made. No liability is recorded for nonvesting, accumulated sick pay benefits. Compensated absences liability is determined based on current rates of pay.

**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES** (continued)

**N. Risk Financing:**

Pursuant to Florida Statute 768.28 “Sovereign Immunity” the City is self-insured for general and automobile liability for state tort claims in excess of \$200,000 per person, and \$300,000 per occurrence. The City has a package excess liability policy, which provides coverage for general liability at limits of \$5 million per occurrence with a policy aggregate limit of \$5 million and \$1 million per occurrence for Automobile Liability. These limits are subject to a \$1.5 million self-insured retention for the City and all other participating entities. The City continues to purchase a miscellaneous policy for Out-of State Automobile Liability for JSO and JFRD with \$1 million in coverage, without a self-insured retention, for those instances where JSO or JFRD must cross state lines.

The City has an excess worker’s compensation policy with a self-insured retention of \$1.5 million per occurrence and includes unlimited statutory coverage for worker’s compensation benefits, except a \$50 million aggregate limit for communicable disease and a \$1 million limit for employer’s liability. The liability for self-insured losses is based on individual case estimates for reported claims, historical loss data and valuations performed by independent actuaries as of September 30, 2018, for incurred but not yet reported claims, claims development, and unallocated loss adjustment expenses. The liability for self-insured losses is accounted for in the Self-Insurance Fund (internal service fund) that pays for claims made against the City.

Effective January 1, 2015 the City elected to move from a fully insured plan to a self-funded arrangement for its group health coverage. The City obtained stop-loss insurance with a \$550,000 specific deductible. The deductible was increased to \$600,000 in 2017 and to \$650,000 in 2018. In 2018 the City introduced a new health plan option with a separate administrator and stop loss coverage. The stop loss deductible under that option is \$250,000. Once a claim exceeds this threshold, the City is reimbursed for any excess expenses. The plan is funded by contributions from the City and employees. These funds reside in an internal service fund which is used exclusively for Employee Benefits. Florida statutes require a safe harbor threshold be maintained in plan reserves. See Note 12 for additional risk financing disclosure.

**O. Pension Costs:**

Substantially all permanent, full-time employees of the City are covered under two city sponsored defined benefit pension plans and a city sponsored defined contribution plan. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense and fiduciary net position; the City and the Pension plans use the same basis for reporting as outlined in the notes to the financial statements. Employer contributions made subsequent to the measurement date and before the fiscal year end are recorded as deferred outflow of resources. Investments are reported at fair value.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**P. Landfill Closure and Postclosure Care Costs:**

The City recognizes municipal solid waste landfill closure and postclosure care costs under the State of Florida's Solid Waste Management Act of 1988, regulations of the Federal Environmental Protection Agency (EPA), and GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance contained in pre-November 30, 1989 FASB and AICPA pronouncements. For those landfills that stopped accepting solid waste prior to final implementation of the 1988 Act and EPA regulations, the total cost of municipal solid waste landfill (MSWLF) closure is recognized as a prepaid expense in the Solid Waste Disposal Enterprise Fund. The City issued bonds to pay for closure costs on closed landfills. Post-closure care costs on closed landfills are recorded as a liability based on engineer's estimates. The City Council establishes rates that are designed to recover costs and believes it is reasonable to assume that such rates, which will recover the costs, can be charged to and collected from customers. The City intends to recover these MSWLF costs through future operating revenues of the Solid Waste Disposal Enterprise Fund. Accordingly, MSWLF costs are recognized as expenses each year to match the flow of revenue and bonds principal payments, thereby reducing the deferred charge. Expenses for closure and postclosure care costs are recorded each year and the liability is adjusted to the engineer's estimate. MSWLF closure and postclosure care costs incurred for landfills accepting solid waste after final implementation of the 1988 Act and EPA regulations are recognized as an expense. A liability is recorded based upon the landfill capacity used during that year applied to the engineer's estimate of closure and postclosure care costs. (See Note 13C.)

**Q. Long-Term Obligations:**

In the city-wide financial statements, and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary funds statement of net position.

Special obligation bonds, which are supported by certain pledged revenues (other than ad valorem taxes), do not constitute a debt of the City and the City is not obligated to pay the bonds except from revenues pledged for such debt payments.

Each governmental fund that has long-term liabilities, such as, compensated absences and pension liabilities are responsible for liquidating the same.

Non Asset Bonds are created when the City issues debt and either (a) constructs an asset which will become the asset of another entity (e.g. State of Florida), (b) contributes proceeds to another entity (e.g. Shands Jacksonville Hospital) to participate in a construction project, or (c) provides an economic incentive to a development or redevelopment project. Part of the Better Jacksonville Plan (BJP) referendum was to make improvements to state roads and/or interchanges with/between state roads. While these projects enhance traffic movements in and around Jacksonville, the constructed assets and the future maintenance responsibility are transferred to the Florida Department of Transportation.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Q. Long-Term Obligations (continued)**

Additionally, under the BJP program, the City provided for non-capital expenditures, such as septic tank remediation and ash clean up, from debt proceeds, which will not result in a capital asset of the City. The City has also provided grants to Shands Jacksonville Hospital, a provider of health care for indigents, from debt proceeds. The City and/or its Community Redevelopment Authority (CRA) districts, to encourage target development, will enter into incentive agreements (including grants and loans) which are, in some instances, designed to be repaid by either the CRA's tax increment revenues and/or the developer.

**R. Categories and Classification of Fund Balance:**

Fund balance is classified using a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Under GASB 54, fund balance categories include Nonspendable, Restricted, Committed, Assigned, and Unassigned. These classifications reflect not only the nature of funds, but also provide clarity to the level of constraint placed upon fund balance. Fund balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund. The General Fund should be the only fund that reports a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance. For further details of the various fund balance classifications refer to Note 19.

**S. Bond Discounts, Premiums and Issuance Costs:**

In the fund financial statements, governmental funds recognize bond discounts, premiums and issuance costs in the current period. The face amount of debt issued and bond premiums are reported as other financing sources while discounts on debt issuance is reported as other financing uses. Issuance costs, whether or not withheld from the debt proceeds received, are reported as debt service expenditures.

In the city-wide financial statements and for proprietary funds, material bond discounts and/or premiums are deferred and amortized as a component of interest expense over the term of the bonds using the straight-line method, which approximates the effective interest method. Issuance costs are expensed in the period in which they are incurred.

**T. Deferred Loss on Debt Refundings:**

Losses resulting from advance refundings of debt in the city-wide and proprietary fund statements are deferred and amortized, using a straight-line method, which approximates the effective interest method, over the shorter of the life of the new debt or the remaining life of the old debt. The amount deferred is reported as a component of Deferred Outflows in the accompanying financial statements and is expensed and reported as a component of interest expense.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**U. Use of Estimates:**

The preparation of financial statements, in accordance with GAAP, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**V. Reclassifications:**

Certain 2017 amounts have been reclassified to conform to the 2018 presentation. Additionally, amounts in the separately issued financial statements of component units have been reclassified to conform to the presentation of the primary government.

**W. Summarized Comparative Information:**

The basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the City's financial statements for the year ended September 30, 2017, from which the summarized information was derived. Limited 2017 comparative information was adjusted for comparability on some of the financial statements.

**X. Prepaids:**

Prepaid items consist of certain costs that have been paid prior to the end of the fiscal year, but represent items that are applicable to future accounting periods. These amounts do not constitute available spendable resources even though they are a component of current assets. Prepaids are processed using the consumption method.

**Y. Accounting Pronouncements:**

In fiscal year 2018, the City adopted new statement of financial accounting standards issued by the GASB:

- GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB)
- GASB Statement No. 81, Irrevocable Split-Interest Agreements;
- GASB Statement No. 85, Omnibus 2017
- GASB Statement No. 86, Certain Debt Extinguishment issues

GASB Statement No. 75 establishes standards related to other post-employment benefits (OPEB) for recognizing and measuring liabilities, deferred inflows and outflows of resources, and expenses. Methods and assumptions used to project benefit payments and related obligations, and guidance for note disclosure and required supplementary information is provided. Implementing this standard resulted in the restatement of beginning net position in the Citywide, Enterprise, and Internal Service statements. (see Note 18B)



**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Y. Accounting Pronouncements: (continued)**

GASB Statement No. 81, Irrevocable Split-Interest Agreements addresses accounting and financial reporting by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement.

GASB Statement No. 85 Omnibus 2017, addresses various practice issues identified in the implementation or application of other GASB Statements.

GASB Statement No. 86, Certain Debt Extinguishment Issues provides guidance for accounting and financial reporting for in-substance defeasance of debt and prepaid insurance on debt that is extinguished.

The Governmental Accounting Standards Board has issued statements that will become effective in 2019.

- GASB Statement No. 83, Certain Asset Retirement Obligations
- GASB Statement No. 88, Certain Disclosures Related To Debt, Including Direct Borrowings and Direct Placements

The City is currently evaluating the effects that these statements will have on its 2019 financial statements.

**2. BUDGETARY DATA**

The City presents a Budgetary Comparison Schedule for the General Fund as Required Supplementary Information. For this reporting period, the Public Safety special revenue fund met the criteria of a major fund, but is not annually budgeted. No other special revenue funds met the major fund criteria. The City's budgetary comparison reporting and Notes to Required Supplementary Information containing descriptions of the City's budgetary policies and processes are included in the Required Supplementary Information section of this report.

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**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**3. CASH, INVESTMENTS AND SECURITIES LENDING**

**A. Cash on Deposit**

The City maintains a cash and investment pool that is available for use by all funds except for monies legally restricted to separate administration (i.e. pension plan custodians and deferred compensation plan administrators). The “Equity in Cash and Investments” on the City Wide Financial Statements, consists of cash and investments owned by each fund and defined as resources that can be liquidated without delay or penalty. Cash and investments held separately where contractual arrangements and bond covenants require such arrangements, are classified as “restricted assets.” Investment earnings are allocated to the individual funds monthly based on the funds’ weighted average daily cash and investment balance.

At September 30, 2018, primary government deposits in financial institutions totaled \$244.0 million. Monies on deposit with financial institutions in the form of demand deposit accounts, time deposit accounts and certificates of deposit are defined as public deposits. All of the City’s public deposits are held in qualified public depositories pursuant to State of Florida Statutes, Chapter 280, “Florida Security for Public Deposits Act”, and covered by federal depository insurance. For amounts in excess of such federal depository insurance, the Act provides that all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits, times the depository’s collateral pledging level. The pledging level may range from 50% to 125% depending upon the depository’s financial condition and establishment period. The Public Deposit Security Trust Fund has a procedure to allocate and recover losses in the event of a default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor is liable for any loss thereof. Any losses to public depositors are covered by applicable deposit insurance, sales of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default.

**B. Investments and Investment Practices**

**1. a. General Operating Investments**

The City’s operating fund investment guidelines are defined by City Ordinance Code Section 110, Part 2 and a written Investment Policy (the “Policy”) as approved by City Council. The Policy establishes a diversified investment strategy, both by type of investment and by manager, a minimum credit quality, and duration limitations. An internal Investment Committee has oversight, within Policy limits, of the implementation and direction of investment strategies. The Policy is reviewed annually for any adjustments due to changes or developments within the investment markets that may provide enhanced investment and/or risk management opportunities. The City’s Pension Funds and Component units maintain their own investment policies.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**3. CASH, INVESTMENTS AND SECURITIES LENDING (continued)**

**B. Investments and Investment Practices (continued)**

**1. a. General Operating Investments (continued)**

Other than operating cash invested overnight through the City's zero balance sweep accounts, all invested cash is managed by third-party money managers. Performance benchmarks for the Portfolio are established in the Investment Policy and performance benchmarks for each of the specific third party managers are established by the Investment Committee. The Policy defines the Average Duration and Compliance Categories for investments. Compliance Category limits are stated as a percentage of the Fiscal Year 2017 Normal Portfolio Balance of \$869 million, which is defined by Ordinance as the average total portfolio balance for the preceding twelve months.

Performance and compliance reports are prepared for the Investment Committee monthly. The City employs an independent investment custodian who takes direction from the money managers and independently settles all trades. The custodian provides performance and compliance reporting at both the portfolio level and by individual manager.

The following schedule reports portfolio compliance at year end, as well as the maximum exposure for each compliance category during the year. Certain compliance categories include assets also measured in another compliance category, i.e. "US Government" issued treasury bonds are also appropriately included in the "US Government plus agencies" category. As a result, the amounts reported as year-end compliance exposures exceed the portfolio balance at year end in aggregate.

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**3. CASH, INVESTMENTS AND SECURITIES LENDING (continued)**

**B. Investments and Investment Practices (continued)**

**1. a. General Operating Investments (continued)**

**Operating Fund  
Compliance Guideline Characteristics  
as of September 30, 2018**

Compliance Guideline	Sector Guideline Exposures			
	Exposure to Specific Guideline	Year end Exposure %	% of Normal Portfolio Balance	
			During Year	Maximum By Policy
<b>Duration<sup>1</sup></b>	2.68	NA	2.86	5.00
<b>Liquidity</b>	\$ 339,911,364	39.1%	70.7%	100.0%
<b>Requirements</b>				
USG + Agencies	\$ 401,868,496	46.2%	58.4%	100.0%
US Govt (USG)	284,641,417	32.8%	42.4%	100.0%
<b>Constraints</b>				
Agencies	\$ 117,227,080	13.5%	16.0%	45.0%
MBS	84,231,567	9.7%	11.2%	35.0%
Agency MBS	65,585,379	7.5%	8.9%	35.0%
Non-Agency MBS	18,646,188	2.1%	2.5%	15.0%
Asset Backed Securities	34,156,094	3.9%	4.1%	7.5%
Corporates	300,654,914	34.6%	36.5%	60.0%
Corporates > 1 Year	236,994,219	27.3%	29.4%	40.0%
Municipal Bonds	5,005,606	0.6%	1.1%	10.0%
Bond Funds	194,194,759	22.3%	43.1%	85.0%
Money Market Funds	23,185,840	2.7%	6.7%	40.0%
Certificates of Deposit	-	0.0%	0.1%	20.0%
Repurchase agreements	-	0.0%	0.0%	20.0%
Rule 144a Securities	35,589,988	4.1%	4.1%	10.0%
<b>Specialty Risk</b>				
High Yield	\$ 36,496,704	4.2%	4.4%	9.0%
International	44,710,708	5.1%	6.2%	7.5%
International (non-hedged)	-	0.0%	0.0%	5.0%
Emerging Market	3,478,728	0.4%	0.7%	5.0%
Duration > 8.5	18,477,594	2.1%	3.4%	7.5%
Normal Portfolio Balance	\$ 868,996,000			

<sup>1</sup>Commingled Funds and Cash are excluded

**b. General Operating Investments - Fair Value Measurements**

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**3. CASH, INVESTMENTS AND SECURITIES LENDING (continued)**

**B. Investments and Investment Practices (continued)**

**1. b. General Operating Investments - Fair Value Measurements (continued)**

**Operating Fund  
Fair Value of Assets by Measurement Type  
as of September 30, 2018**

<b>Investment Type</b>	<b>Total Fair Value</b>	<b>Quoted Prices in Active Markets For Identical Assets (Level 1)</b>	<b>Significant Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
Corporate Stock - Common	-	-	-	-
Corporate Stock - Preferred	1,034,231	-	1,034,231	-
Registered Investment Companies	120,744,776	120,744,776	-	-
U. S. Government Securities	284,402,006	233,101,830	51,300,176	-
Corporate Debt Instruments	308,618,511	-	308,618,511	-
Common/Collective Trust	116,835,931	-	-	116,835,931
**Other Investments	707,069	(6,318,739)	7,025,808	-
<b>Total Investments</b>	<b>\$ 832,342,524</b>	<b>\$ 347,527,867</b>	<b>\$ 367,978,726</b>	<b>\$ 116,835,931</b>

\*\*Composed of Taxable Municipals, Non-US Bonds, Other Short Term Bonds, and Cash/Interest/Pending trades as of 9/30/18.

The City has the following recurring fair value measurements as of September 30, 2018:

- Corporate Stock (Common) – Valued using the primary exchange closing price.
- Corporate Stock (Preferred) – Valued using prevailing market bids and based upon calculations that reflect the expected price to an investor in an orderly transaction.
- Registered Investment Co. – Valued at the daily closing net asset value (NAV) as reported by the fund. Short term fixed income investment funds (security maturities that do not exceed one year) may be valued using book value.
- U.S. Government Securities – Short term US government fixed income securities (with maturities that do not exceed one year) are valued using book value. Securities with maturities greater than one year are valued using prevailing market bids and based upon calculations that reflect the expected price to an investor in an orderly transaction.
- Corporate Debt Instruments – Short term corporate debt securities (with maturities that do not exceed one year) are valued using book value. Securities with maturities greater than one year are valued using prevailing market bids or a measurable market close and are based upon calculations that reflect the expected price to an investor in an orderly transaction.
- Common/Collective Trusts – Valued based on an appraisal or calculated and assigned by a general or managing partner of the vehicle in which the investment is held.

In addition to the assets listed in the charts above, the City also maintains liquid funds at its primary banking institution in a general deposit account and a money market account. The balances in these accounts as of 9/30/18 were \$49.8 million in the general deposit and \$160.3 million in the money market.

**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**3. CASH, INVESTMENTS AND SECURITIES LENDING (continued)**

**B. Investments and Investment Practices (continued)**

**2. a. Pension Plan Investments**

The City's two separate defined benefit pension plans are the Jacksonville Retirement System and the Police and Fire Pension Plan. Investments in the City's two plans are governed by state statute and locally adopted investment policies. These policies establish investment objectives and guidelines for the portfolio as a whole, for each individual manager, as well as by instrument and issuer. The following schedules are presented for only the Jacksonville Retirement System and Police and Fire Pension Fund investments:

**Jacksonville Retirement System**  
**Distribution by Asset Type**  
**9/30/2018**

	Equities	Bonds	Other	Cash	Total	Percentage
Equity (Domestic)	\$ 835,050,837	\$ -	\$ -	\$ 9,900,140	\$ 844,950,977	37%
Large Cap Value	222,618,611	-	-	3,441,307	226,059,918	11%
Large Cap Growth	218,461,903	-	-	262,620	218,724,523	9%
Large Cap Core	183,214,959	-	-	1,054,788	184,269,747	8%
Small Cap Value	117,257,758	-	-	2,364,777	119,622,535	5%
Small Cap Growth	93,497,606	-	-	2,746,934	96,244,540	4%
Small Cap Core	-	-	-	29,714	29,714	0%
Transition Account	-	-	-	20,900	20,900	0%
Equity (International)	\$ 516,120,735	\$ -	\$ -	\$ 764	\$ 516,121,499	22%
Value	259,512,712	-	-	-	259,512,712	11%
Growth	131,411,783	-	-	764	131,412,547	6%
Emerging	125,196,240	-	-	-	125,196,240	5%
Bonds	\$ -	\$ 314,367,249	\$ 101,954,697	\$ 4,367,436	\$ 420,689,382	18%
Intermediate	-	249,184,901	-	4,367,176	253,552,077	11%
Aggregate	-	65,182,348	101,954,697	260	167,137,305	7%
Inflation Protected	-	-	-	-	-	0%
Cash Account	\$ -	\$ -	\$ -	\$ 3,608,085	\$ 3,608,085	0%
Other	\$ 101,960,093	\$ -	\$ 419,386,695	\$ 1,712,212	\$ 523,059,000	23%
Real Assets	101,960,093	-	419,386,695	1,712,212	523,059,000	23%
<b>Total investments</b>	<b>\$ 1,453,131,665</b>	<b>\$ 314,367,249</b>	<b>\$ 521,341,392</b>	<b>\$ 19,609,537</b>	<b>\$ 2,308,449,843</b>	<b>100%</b>
Less: Amount reported as receivables					(3,229,730)	
<b>Total Investments less receivables</b>					<b>\$ 2,305,220,113</b>	

**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**3. CASH, INVESTMENTS AND SECURITIES LENDING (continued)**

**B. Investments and Investment Practices (continued)**

**2. a. Pension Plan Investments (continued)**

**Police and Fire Pension Fund**  
**Distribution by Asset Type**  
**9/30/2018**

	Equities	Bonds	Other	Cash	Total	Percentage
Equity (Domestic)	\$ 850,635,977	\$ -	\$ -	\$ 6,059,991	\$ 856,695,968	43%
Large Cap Value	223,787,838	-	-	162,740	223,950,578	11%
Large Cap Growth	240,318,649	-	-	3,924,596	244,243,245	12%
Large Cap Core	221,621,079	-	-	17,096	221,638,175	11%
Small Cap Value	77,639,802	-	-	1,955,559	79,595,361	4%
SMID Cap Growth	87,268,609	-	-	-	87,268,609	5%
Equity (International)	\$ 395,965,296	\$ -	\$ -	\$ 3,613	\$ 395,968,909	20%
Value	153,178,727	-	-	-	153,178,727	8%
Growth	123,586,961	-	-	3,496	123,590,457	6%
Emerging Markets	119,199,608	-	-	117	119,199,725	6%
Bonds	\$ -	\$ 395,364,219	\$ -	\$ 1,934,213	\$ 397,298,432	20%
Intermediate	-	75,053,977	-	1,647,202	76,701,179	4%
Aggregate	-	320,310,242	-	287,011	320,597,253	16%
Cash Account	\$ -	\$ -	\$ -	\$ 8,668,446	\$ 8,668,446	1%
Other	\$ -	\$ -	\$ 313,153,050	\$ 541,135	\$ 313,694,185	16%
Real Estate	-	-	228,085,778	-	228,085,778	12%
MLPs	-	-	85,067,272	541,135	85,608,407	4%
<b>Total investments</b>	<b>\$ 1,246,601,273</b>	<b>\$ 395,364,219</b>	<b>\$ 313,153,050</b>	<b>\$ 17,207,398</b>	<b>\$ 1,972,325,940</b>	<b>100%</b>

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**3. CASH, INVESTMENTS AND SECURITIES LENDING (continued)**

**B. Investments and Investment Practices (continued)**

**2. b. Pension Plan Investments – Fair Value Measurements**

The Pension Plans categorize its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 input are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

**Jacksonville Retirement System  
Fair Value of Assets by Measurement Type  
as of September 30, 2018**

<b>Investment Type</b>	<b>Total Fair Value</b>	<b>Quoted Prices in Active Markets For Identical Assets (Level 1)</b>	<b>Significant Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
Corporate Stock - Common	638,797,198	638,797,198	-	-
Corporate Stock - Preferred	-	-	-	-
Registered Investment Companies	23,050,619	23,050,619	-	-
U. S. Government Securities	94,865,172	50,809,666	44,055,506	-
Corporate Debt Instruments	151,361,780	-	151,361,780	-
Common/Collective Trust	540,008,423	-	-	540,008,423
Partnership/Joint Venture Interest	498,706,816	80,479,917	-	418,226,899
Pooled Separate Accounts	101,030,652	-	-	101,030,652
**Other Investments	260,629,183	275,538	854,690	259,498,955
<b>Total Investments</b>	<b>\$ 2,308,449,843</b>	<b>\$ 793,412,938</b>	<b>\$ 196,271,976</b>	<b>\$ 1,318,764,929</b>

\*\*Composed of 103-12 Investments, Other Short Term Bonds, Derivatives, and Cash/Dividends/Interest/Misc. Payables/Pending Trades as of 9/30/18.

The City has the following recurring fair value measurements as of September 30, 2018:

- Corporate Stock (Common) – Valued using the primary exchange close price.
- Corporate Stock (Preferred) – Valued using prevailing market bids and based upon calculations that reflect the expected price to an investor in an orderly transaction.
- Registered Investment Co. – Valued at the daily closing net asset value (NAV) as reported by the fund and as supplied by third party vendors to the City’s custodian. Short term fixed income investment funds (security maturities that do not exceed one year) may be valued using book value.
- U.S. Government Securities – Short term US government fixed income securities (with maturities that do not exceed one year) are valued using book value. Securities with maturities greater than one year are valued using prevailing market bids and based upon calculations that reflect the expected price to an investor in an orderly transaction.
- Corporate Debt Instruments – Short term corporate debt securities (with maturities that do not exceed one year) are valued using book value. Securities with maturities greater than one year are valued using prevailing market bids or a measurable market close and are based upon calculations that reflect the expected price to an investor in an orderly transaction.



**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**3. CASH, INVESTMENTS AND SECURITIES LENDING (continued)**

**B. Investments and Investment Practices (continued)**

**2. b. Pension Plan Investments – Fair Value Measurements (continued)**

- Common/Collective Trusts – Valued based on an appraisal or calculated and assigned by a general or managing partner of the vehicle in which the security is held.
- Partnership/Joint Venture Interests – Underlying equity investments valued using the primary exchange close price. Underlying non-equity investments valued based on an appraisal or calculated and assigned by a general or managing partner of the vehicle in which the investment is held.
- Pooled Separate Accounts - Valued based on an appraisal or calculated and assigned by a general or managing partner of the vehicle in which the investment is held.

**Police and Fire Pension Fund  
Fair Value of Assets by Measurement Type  
as of September 30, 2018**

<b>Investment Type</b>	<b>Total Fair Value</b>	<b>Quoted Prices in Active Markets For Identical Assets (Level 1)</b>	<b>Significant Observable Inputs (Level 2)</b>	<b>Significant Unobservable Inputs (Level 3)</b>
Cash and Short Term Investments	17,193,026	17,193,026		-
Commercial Mortgage Backed Securities	1,406,633		1,406,633	-
Corporate Bonds	130,481,337		130,481,337	-
Funds - Other Fixed Income	24,107,518		24,107,518	-
Government Bonds	32,872,190	32,872,190		-
Government Mortgage Backed Securities	16,730,229		16,730,229	-
Common Stock	422,901,545	422,901,545		-
Preferred Equities	374,550	374,550		-
Funds - Common Stock	887,439,182		887,439,182	-
Hedge Equity	123,586,961			123,586,961
Real Estate	313,153,049			313,153,049
<b>Total Investments</b>	<b>\$ 1,970,246,220</b>	<b>\$ 473,341,311</b>	<b>\$ 1,060,164,899</b>	<b>\$ 436,740,010</b>

Separately issued financial statements for the Police and Fire Pension Plan are available from:

Police and Fire Pension Fund  
One West Adams Street, Suite 100  
Jacksonville, FL 32202

**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**3. CASH, INVESTMENTS AND SECURITIES LENDING (continued)**

**B. Investments and Investment Practices (continued)**

**3. Interest Rate Risk**

Interest rate risk is controlled primarily through duration, which is a measure that approximates the change in value of a bond, or bond portfolio, for a given change in interest rates. In general, shorter duration measures are less sensitive to interest rate shifts, while longer durations are more sensitive. To limit the portfolio volatility associated with changes in interest rates, the City's Investment Policy Statement restricts the average duration of the overall portfolio to a range of 0.75 – 5.00 years, of which, no more than 7.5% of the individual securities in the portfolio can have a duration greater than 8.5 years. This guideline applies to all investment types underlying the portfolio including, but not limited to, government, agency, corporate, international, and mortgage backed securities, as referenced in Section 3. B. 1.

**4. Credit Quality**

The Operating and Pension portfolios measure credit quality of the fixed income holdings contained therein using Moody's rating schedule. Within the Operating Portfolio, the City's Investment Policy Statement is designed to control credit risk by requiring both, minimum amounts that must be invested in the highest quality U.S. Government securities, as well as a maximum limit of 9.0% of the normal portfolio balance in non-investment grade securities. This is reported and monitored monthly by the Investment Committee and staff. Credit Quality for the Pension Plan is reported on a quarterly basis and is monitored by the Pension Board of Trustees, staff to the board, and by the plan's consultant. Credit Quality reports are provided on the overall portfolios to illustrate the credit risk at fiscal-year end.

Operating Portfolio		Credit Quality September 30, 2018	
Quality Breakdown	Portfolio (%)	General Employee Pension Plan Portfolio (%)	Police and Fire Pension Fund Portfolio (%)
Aaa	51%	30%	18%
Aa1-Aa3	9%	4%	6%
A1-A3	15%	19%	13%
Baa1-Baa3	17%	18%	32%
Ba1-Ba3	3%	2%	9%
Other	4%	2%	22%
Commingled	1%	25%	0%
	100%	100%	100%

Ratings definitions:

Treasury – United States Treasury Securities (Included in Aaa)

Agency – Government Agency Securities (Included in Aaa)

Aaa (AAA) – Highest Investment Grade Quality Rating

Aa1–Aa3 (AA+ to AA-) – Medium Investment Grade Quality Rating

A1-A3 (A+ to A-) – Medium Low Investment Grade Quality Rating

Baa1-Baa3 (BBB+ to BBB-) – Lowest Investment Grade Quality Rating

Ba1-Ba3 (BB+ to BB-) – Highest Non-investment Grade Quality Rating

Commingled – Securities that are not applicable to Quality Ratings - they predominantly represent mutual funds that are listed and valued as a whole, not individual holdings, as well as minor exposure to non-investment grade securities.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**3. CASH, INVESTMENTS AND SECURITIES LENDING (continued)**

**B. Investments and Investment Practices (continued)**

**5. Custodial Credit Risk**

The custodial relationship for General Investments and Pension plans are governed by written agreements that are executed by all parties and specifies that, all securities owned and cash held by the City or its Pension plans shall be held in the City's, or its nominee's, name in an account separate from all other accounts maintained by the custodian and shall at all times, while in the custody of the Custodian, be designated as an asset of the City or its Pension Trust.

**6. Foreign Currency**

The City has nominal exposure to foreign currencies due to investments in non-U.S. markets implemented through our money managers' portfolios. Foreign currencies will fluctuate relative to the U.S. dollar, but it is believed that the diversification benefits outweigh potential risks. Given the limited exposure, foreign currency risk is considered minor.

	Operating Portfolio		Jacksonville Retirement System		Police and Fire Pension Fund	
	Exposure	Percentage	Exposure	Percentage	Exposure	Percentage
U.S. DOLLAR	\$ 832,309,711	100.00%	\$ 2,308,192,238	99.99%	\$1,971,985,358	99.98%
ARGENTINE PESO	-	0.0%	-	0.00%	340,582	0.02%
MEXICAN NEW PESO	32,813	0.00%	-	0.00%	-	0.00%
SWISS FRANC	-	0.00%	235,530	0.01%	-	0.00%
JAPANESE YEN	-	0.00%	10,133	0.00%	-	0.00%
EURO CURRENCY UNIT	-	0.00%	8,028	0.00%	-	0.00%
SWEDISH KRONA	-	0.00%	3,914	0.00%	-	0.00%
Total	\$ 832,342,524	100.00%	\$ 2,308,449,843	100.00%	\$1,972,325,940	100.00%

**C. Securities Lending**

The City participates in securities lending with both its Operating and Pension portfolios. The City has a contract with its custodian, The Bank of New York Mellon (the City's Operating Portfolio and the Jacksonville Retirement System) that allows the custodian, acting as agent, to lend securities held in the portfolios with the intent of generating additional interest income. Securities are loaned against collateral valued at a minimum of 102% of the market value of the securities plus any accrued interest. If the broker/dealer fails to return the security upon request, the custodian, acting as agent, will utilize the collateral to replace the security borrowed.

The securities loaned are on a rolling daily basis and the cash collateral can be deposited and/or withdrawn from the investment on a daily basis. The weighted average duration of the collateralized loans at September 30, 2018 was 20 days for the City's Operating Portfolio and 89 days for the Jacksonville Retirement System.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**3. CASH, INVESTMENTS AND SECURITIES LENDING (continued)**

**C. Securities Lending (continued)**

The net asset value of the collateral may fluctuate and potentially subject the City to credit risk if the above-mentioned 102% daily adjusted collateral were to fall below 100%. As of September 30, 2018, the City of Jacksonville maintained a sufficient 102% collateral on loaned securities. During the fiscal year ended September 30, 2018; Securities Lending net income was \$349 thousand (\$81 thousand Operating, \$268 thousand Jacksonville Retirement System).

The City reviews the custodian's securities lending operations on a monthly basis to ensure the appropriate risk/return trade-off. For accounting purposes, the Statements of Net Position and Changes in Net Position reflect the increase in assets, liabilities, interest income and expense associated with securities lending activity.

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**4. ACCOUNTS, MORTGAGES, AND OTHER RECEIVABLE**

The accounts, mortgages, and other receivable balances in the funds listed below, in thousands, are shown net of an allowance for doubtful accounts. No other funds had an allowance for doubtful accounts at September 30, 2018.

<u>Fund</u>	<u>Accounts Receivable</u>	<u>Allowance for Doubtful Accounts</u>	<u>Net Amount Shown on Balance Sheet</u>
Major Governmental Funds:			
General Fund	\$ 115,052	\$ (110,976)	\$ 4,075
Non-Major Governmental Funds	605	(68)	537
Major Enterprise Funds:			
Solid Waste Disposal	39,176	(6,026)	33,151
City Venues	10,184	(35)	10,150
Stormwater	28,425	(6,743)	21,682
Non-Major Enterprise Funds	94	(9)	85
Internal Service Funds	339	(13)	326
Fiduciary Funds:			
Pension Trust Funds	153	(21)	131
Agency Funds	2,574	-	2,574
<u>Fund</u>	<u>Mortgages Receivable</u>	<u>Allowance for Doubtful Accounts</u>	<u>Net Amount Shown on Balance Sheet</u>
Non-Major Governmental Funds	\$ 8,652	\$ (3,467)	\$ 5,184

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**5. PROPERTY TAXES**

**A. Ad Valorem Property Taxes:**

Property tax collections are governed by Chapter 197, Florida Statutes. The Duval County Tax Collector bills and collects all property taxes levied within the consolidated city/county. Discounts of 4, 3, 2, and 1% are allowed for early payment in November, December, January, and February, respectively. The total millage rate levied by the City was 11.44190 for the fiscal year ended September 30, 2018.

The Florida Constitution, as amended under Article VII, Section 4, limits the increase in homestead property valuations for ad valorem tax purposes to a maximum of the lesser of (i) three percent (3%) of the assessment for the prior year, or (ii) the percent change in the Consumer Price Index for the preceding calendar year. The first tax year in which the limitations of these constitutional provisions applied was January 1, 1995. Calendar year 1995 is the base year upon which assessed just value of the homestead property is determined. For non-homesteaded property, increases are capped at 10% of the previous year's assessed value, regardless of market value changes. This process is referred to as "recapture" and was enacted into law in 2009. It does not apply to any millage levied by the School Board. (Section 193.1555 FS)

**B. Property Tax Calendar:**

The Tax Collector remits collected taxes at least monthly to the City. The City recognizes property tax revenue as it is received from the Tax Collector since virtually all taxes levied will be collected through the tax collection process within the fiscal year levied. The calendar of events is as follows:

January 1	Property taxes are based on assessed value at this date as determined by the Duval County Property Appraiser.
July 1	Assessment roll approved by the state.
September 30	Millage resolution approved by the City Council.
October 1	Beginning of fiscal year for which taxes have been levied.
November 30	Last day for 4% maximum discount.
April 1	Unpaid property taxes become delinquent.
May 31	Tax certificates are sold by the Duval County Tax Collector by this date. This is the first lien date on the properties.

**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**6. CAPITAL ASSET ACTIVITY**

Capital asset activity for the year ended September 30, 2018, was as follows (in thousands):

**Primary Government**

	Beginning Balance October 1, 2017	Additions	Dispositions / Reclassifications	Ending Balance September 30, 2018
<b>Governmental activities:</b>				
Capital assets not being depreciated:				
Land	\$ 308,225	\$ 79	(\$ 390)	\$ 307,914
Easements	6,103	390	-	6,493
Art In Public Places	1,086	-	-	1,086
Construction in progress	15,969	29,023	(15,846)	29,146
Furniture and equipment in work in process	5,823	7,782	(5,823)	7,782
Purchased Software work in process	1,782	4,456	(263)	5,975
Total capital assets not being depreciated	338,988	41,730	(22,322)	\$ 358,396
Capital assets being depreciated:				
Buildings	856,938	9,681	-	866,619
Improvements	332,767	19,018	(28)	351,757
Infrastructure	2,307,552	27,024	-	2,334,576
Furniture, equipment and library books	470,260	46,322	(27,920)	488,662
Internal Software	27,274	-	-	27,274
Purchased Software	16,140	295	-	16,435
Total capital assets being depreciated	4,010,931	102,340	(27,948)	4,085,323
Less accumulated depreciation for:				
Buildings	268,241	18,315	-	286,556
Improvements	118,953	19,457	(28)	138,382
Infrastructure	1,034,825	76,492	-	1,111,317
Furniture, equipment and library books	329,340	31,446	(24,001)	336,785
Internal Software	23,915	1,810	-	25,725
Purchased Software	10,212	670	-	10,882
Total accumulated depreciation	1,785,486	148,190	(24,029)	1,909,647
Total capital assets being depreciated, net	2,225,445	(45,850)	(3,919)	2,175,676
Governmental activities capital assets, net	\$ 2,564,433	(\$ 4,120)	(\$ 26,241)	\$ 2,534,072
<b>Business-type activities:</b>				
Capital assets not being depreciated:				
Land	\$ 46,361	\$ -	\$ -	\$ 46,361
Easements	546	-	-	546
Construction in progress	78,022	7,190	(47,801)	37,411
Total capital assets not being depreciated	124,929	7,190	(47,801)	84,318
Capital assets being depreciated:				
Buildings and improvements	647,216	135,203	(43,206)	739,213
Infrastructure	71,089	14,056	-	85,145
Furniture and equipment	16,660	1,395	(1,032)	17,023
Total capital assets being depreciated	734,965	150,654	(44,238)	841,381
Less accumulated depreciation for:				
Buildings and improvements	274,901	19,520	(51)	294,370
Infrastructure	18,015	4,105	-	22,120
Furniture and equipment	8,678	1,812	(708)	9,782
Total accumulated depreciation	301,594	25,437	(759)	326,272
Total capital assets being depreciated, net	433,371	125,217	(43,479)	515,109
Business-type activities capital assets, net	\$ 558,300	\$ 132,407	(\$ 91,280)	\$ 599,427

**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**6. CAPITAL ASSET ACTIVITY**

Depreciation expense was charged to the functions of the primary government as follows (in thousands):

<b>Governmental activities:</b>	
General government	\$ 38,896
Human services	1,997
Public Safety	11,103
Culture and recreation	14,135
Transportation	8,708
Economic environment	1,086
Physical environment	72,265
Total depreciation expense - governmental activities	<u>\$ 148,190</u>

Depreciation expense was charged to the functions of the business -type activities as follows (in thousands):

<b>Business-type activities:</b>	
Parking system	\$ 385
Solid Waste	3,298
Stormwater Services	4,100
Equestrian Center	707
City Venues	16,947
Total depreciation expense - business-type activities	<u>\$ 25,437</u>

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**7. INTERFUND RECEIVABLES, PAYABLES, ADVANCES, AND TRANSFERS**

**Interfund Transfers (in thousands)**

	TRANSFERS OUT			
	MAJOR FUNDS			
	General Fund	Solid Waste	City Venues	Special Bonded Debt
<b>TRANSFERS IN</b>				
MAJOR FUNDS				
General Fund		-	-	-
Public Safety	7,000	-	-	-
Solid Waste	12,059	-	-	-
Storm Water	2,526	-	-	-
City Venues	15,131	-	-	175
Special Bonded Debt	62,985	-	-	-
Special Bonded Debt-BJP	-	-	-	-
NON-MAJOR FUNDS				
Special Revenue	38,435	-	-	-
Capital Projects	22,196	-	948	-
Enterprise	109	455	-	-
Internal Service	1,372	-	-	-
	<b>\$ 161,813</b>	<b>\$ 455</b>	<b>\$ 948</b>	<b>\$ 175</b>

Transfers between funds are made in the normal course of operations and are for the operational support of the fund receiving the transfer. In fiscal year 2018, transfers in support of Debt Service funds were 48% of total transfers. A large portion of the transfers out of the General Fund was in support of Non-Major Governmental funds, the largest being the Kids Hope Alliance. \$22 million was also transferred to support authorized capital projects. Transfers from the General Fund include support of Major Enterprise funds, including the City Venues, Solid Waste, and Storm Water. Other support from the General Fund include transfers to the Public Safety Fund in support of emergency spending due to recent storms. Non-Major Internal Service funds, which include Fleet Management and Self Insurance, also received support from the General Fund.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
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**7. INTERFUND RECEIVABLES, PAYABLES, ADVANCES, AND TRANSFERS (continued)**

TRANSFERS OUT				
NON-MAJOR FUNDS				
Enterprise	Special Revenue	Capital Projects	Internal Service	Total
-	4,545	285	14,997	19,827
-	-	-	-	7,000
-	-	221	-	12,280
-	-	438	-	2,964
4,427	5,062	-	-	24,795
-	12,173	-	-	75,158
-	63,264	-	-	63,264
-	737	215	-	39,387
250	19,864	73	-	43,331
-	-	-	-	564
-	-	-	-	1,372
<b>\$ 4,677</b>	<b>\$ 105,645</b>	<b>\$ 1,232</b>	<b>\$ 14,997</b>	<b>\$ 289,942</b>

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**CITY OF JACKSONVILLE, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**7. INTERFUND RECEIVABLES, PAYABLES, ADVANCES, AND TRANSFERS (continued)**

<u>DUE FROM OTHER FUNDS</u>	<u>AMOUNT</u>	<u>DUE TO OTHER FUNDS</u>
General Fund	51,687	Public Safety
<b>TOTAL</b>	<b><u>\$ 51,687</u></b>	

The purpose of the Due To/From is to provide temporary interfund loans for regular operations.

<u>ADVANCES TO OTHER FUNDS</u>	<u>AMOUNT</u>	<u>ADVANCES FROM OTHER FUNDS</u>
<b>Internal Service Funds</b>		
Self Insurance	1,026	General Projects-Loan for Redevelopment Agreement
<b>TOTAL</b>	<b><u>\$ 1,026</u></b>	

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**7. INTERFUND RECEIVABLES, PAYABLES, ADVANCES, AND TRANSFERS (continued)**

During fiscal year 1999, the self-insurance fund advanced \$14,000,000 to the capital projects fund for the purpose of fulfilling City obligations under a redevelopment agreement for a new 900-room hotel with substantial convention and business spaces. The total capital investment for the project was \$126.0 million. The City Council passed an ordinance to treat the funding from the self-insurance fund as a loan which will be repaid from general fund revenues commencing on May 1, 2000 in equal annual installments over 20 years, plus simple interest of 4.4%. The balance of this advance was \$1,025,953 at September 30, 2018.

In fiscal year 2003, the City passed an ordinance to enter into a redevelopment agreement with Vestcor Companies and its subsidiaries for the redevelopment of the Lynch Building as a City historic landmark. In fiscal year 2003, the City used internal self-insurance funds, in an amount of \$17,816,000, to provide permanent financing for the Lynch Building project. The self-insurance fund will be repaid on an annual basis with funds from the Northbank Downtown Tax Increment District. The terms of the repayment are a 30-year amortization, with a 20-year term at a fixed interest rate of 6% per year. Annual payments are \$1,294,313 which includes both principal and interest with a balloon payment of \$8,290,400 at the end of the 20-year period. The balance of the loan at September 30, 2018 was \$9,527,284 which is recorded in the Self Insurance Fund as other receivables noncurrent.

Vestcor will repay the City an amount of \$17,816,000 to the Downtown Economic Development fund as created by ordinance 2000-1079-E. The terms of the repayment is a 40-year amortization, with a 20-year term at a fixed interest rate of 1.525% per year. Annual principal and interest payments were initially scheduled for \$595,248, but were reduced to interest-only payments for the three year period beginning March 1, 2010. The deferred principal payments were added to the balloon payment. A second modification agreement (Ordinance 2014-280) allowing suspension of half of the principal payments for a period of three years from October 2013 to September 2016 was approved by Council. Deferred principal payments have been added to the balloon payment which is now \$12,125,133 due on August 1, 2023. The balance of the loan at September 30, 2018 was \$14,067,666 which is recorded in the Office of Economic Development within the General Fund.

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**8. LONG-TERM OBLIGATIONS**

**A. Bonds and loans outstanding:**

The bonds and loans outstanding as of September 30, 2018 are as follows (in thousands):

<b>GOVERNMENTAL ACTIVITIES:</b>	<u>Amount Issued</u>	<u>Amount Outstanding</u>	<u>Remaining Coupon Rates</u>	<u>True Interest Cost<sup>(1)</sup></u>
<b>Revenue Bonds Supported by General Fund:</b>				
Excise Taxes Revenue Bonds:				
Series 2006C	\$ 23,555.0	\$ 6,180.0	5.190 - 5.220%	5.228%
Series 2009A	39,585.0	30,785.0	3.375 - 5.000%	4.399%
Series 2009B	18,535.0	4,385.0	5.000%	3.035%
Local Government Sales Tax Revenue Bonds:				
Series 2001	103,725.0	7,520.0	5.500%	4.571%
Capital Project Revenue Bonds:				
* Series 2008A	67,037.0	51,879.7	Variable <sup>(2)</sup>	N/A
* Series 2008B	67,037.0	51,879.7	1.159 - 2.900%	N/A
Special Revenue Bonds				
Series 2009C-2 (Taxable BABS)	10,995.0	5,840.0	4.590 - 4.990% (taxable)	3.111%
Series 2010A	48,000.0	4,231.0	5.000%	2.737%
Series 2011A	76,500.0	72,735.0	5.000 - 5.250%	4.674%
* Series 2012C	183,058.0	137,918.0	4.000 - 5.000%	2.537%
Series 2012D	11,840.0	6,640.0	4.000 - 5.000%	1.573%
Series 2012E	34,340.0	22,395.0	1.703 - 2.372% (taxable)	1.875%
Series 2013A	27,175.0	27,175.0	4.250 - 5.250%	4.885%
* Series 2014	61,401.0	61,401.0	5.000%	3.284%
Series 2016A	48,134.0	48,133.7	4.000 - 5.000%	2.386%
* Series 2017A	10,600.0	10,600.0	5.000%	3.402%
<b>Total Revenue Bonds Supported by General Fund</b>	<b>\$ 831,517.0</b>	<b>\$ 549,698.1</b>		
	<u>Amount Issued</u>	<u>Amount Outstanding</u>	<u>Remaining Coupon Rates</u>	<u>True Interest Cost<sup>(1)</sup></u>
<b>Special Revenue (Covenant) Bonds Payable from Internal Service Operations:</b>				
Special Revenue Bonds:				
Series 2008	\$ 54,215.0	\$ 3,480.0	4.125-5.000%	4.966%
Series 2009C-2 (Taxable BABS)	26,315.0	15,289.0	4.590-4.990% (taxable)	3.111%
Series 2010A	46,945.0	28,029.0	3.250-5.000%	2.737%
Series 2010C-1	27,205.0	11,460.0	5.000%	2.763%
Series 2011A	32,380.0	24,015.0	5.000-5.250%	4.674%
Series 2013A	26,860.0	23,785.0	4.000-5.250%	4.885%
Series 2013B	35,145.0	22,030.0	2.777-4.643% (taxable)	3.469%
* Series 2014	36,975.0	36,110.0	5.000%	3.284%
Series 2016A	44,081.0	43,206.3	3.000 - 5.000%	2.386%
* Series 2017A	80,330.0	80,330.0	3.000 - 5.250%	3.402%
Series 2018	72,540.0	72,540.0	5.000%	3.212%
<b>Total Special Revenue Bonds Payable from Internal Service Operations</b>	<b>\$ 482,991.0</b>	<b>\$ 360,274.3</b>		

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**8. LONG-TERM OBLIGATIONS (continued)**

**A. Bonds and loans outstanding (continued) (in thousands)**

<b>Notes Payable from Internal Service Operations:</b>	Amount Issued	Amount Outstanding	Remaining Coupon Rates	True Interest Cost <sup>(1)</sup>
Amortizing Short Term Debt	\$ 13,273.6	\$ 13,273.6	Variable <sup>(3)</sup>	N/A
Interim Short Term Debt	2,359.8	2,359.8		
 Total Notes Payable from Internal Service Operations	 <u>\$ 15,633.4</u>	 <u>\$ 15,633.4</u>		
 Total bonds and notes payable from Internal Service Funds	 <u>\$ 498,624.4</u>	 <u>\$ 375,907.7</u>		
 <b>Revenue Bonds Supported by BJP Revenues:</b>				
Transportation Sales Tax Revenue Bonds:				
Series 2008B	\$ 121,740.0	\$ 63,550.0	Variable <sup>(4)</sup>	N/A
Series 2012A	151,660.0	151,660.0	4.000-5.000%	4.324%
Series 2012B	57,730.0	36,740.0	5.000%	3.076%
Series 2015	197,295.0	182,620.0	2.000-5.000%	3.211%
Infrastructure Sales Tax Revenue Bonds:				
Series 2008	105,470.0	4,245.0	5.000%	4.626%
Series 2011	79,220.0	45,015.0	3.125-5.000%	3.615%
* Series 2012	238,570.0	185,120.0	4.000-5.000%	3.910%
* Series 2012A	41,095.0	41,095.0	5.000%	3.773%
Series 2016	<u>\$ 67,070.0</u>	<u>\$ 67,070.0</u>	3.000 - 5.000%	2.433%
 Total Revenue Bonds Supported by BJP Revenues	 <u>\$ 1,059,850.0</u>	 <u>\$ 777,115.0</u>		
 <b>Special Revenue (Covenant) Bonds Supported by BJP Revenues:</b>				
Special Obligation Bonds:				
Series 2009B-1A	\$ 52,090.0	\$ 4,725.0	5.000%	4.006%
Series 2009B-1B (Taxable BABs)	55,925.0	55,925.0	6.259% (taxable)	6.341%
Series 2010B	100,205.0	46,250.0	5.000%	2.282%
Series 2011B	86,600.0	31,200.0	5.000%	2.953%
Series 2013C	31,565.0	31,565.0	5.250%	2.953%
Series 2016B	58,645.0	58,645.0	2.250 - 5.000%	2.043%
Series 2017B	<u>\$ 31,455.0</u>	<u>\$ 31,455.0</u>	5.000%	2.038%
 Total Special Revenue Bonds Supported by BJP Revenues	 <u>\$ 416,485.0</u>	 <u>\$ 259,765.0</u>		
	Amount Issued	Amount Outstanding	Remaining Coupon Rates	True Interest Cost <sup>(1)</sup>
 <b>Notes Payable Supported by BJP Revenues:</b>				
State of Florida Infrastructure Bank:				
Series 2005	\$ 40,000.0	\$ 13,099.3	2.000%	1.901%
Series 2007	48,698.0	11,689.0	2.500%	2.456%
 Total Notes Payable Supported by BJP Revenues	 <u>\$ 88,698.0</u>	 <u>\$ 24,788.3</u>		
 Total Bonds and Notes Supported by BJP Revenues	 <u>\$1,565,033.0</u>	 <u>\$ 1,061,668.3</u>		
 Total Governmental Activities	 <u>\$2,895,174.4</u>	 <u>\$ 1,987,274.1</u>		

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**8. LONG-TERM OBLIGATIONS (continued)  
A. Bonds and loans outstanding (continued) (in thousands)**

**BUSINESS-TYPE ACTIVITIES:**

<b>Revenue Bonds Supported by Business-Type Activities</b>	<b>Amount Issued</b>	<b>Amount Outstanding</b>	<b>Remaining Coupon Rates</b>	<b>True Interest Cost <sup>(1)</sup></b>
Capital Project Revenue Bonds:				
* Series 2008A	\$ 248.0	\$ 180.3	Variable <sup>(2)</sup>	N/A
* Series 2008B	248.0	180.3	1.159 - 2.900%	N/A
Infrastructure Sales Tax Revenue Bonds:				
* Series 2012	41,480.0	41,480.0	4.125-5.000%	3.910%
* Series 2012A	73,795.0	73,795.0	5.000%	3.773%
Capital Improvement Revenue Bonds:				
Series 2012	118,005.0	93,540.0	4.000-5.000%	2.642%
Special Obligation Bonds:				
* Series 2012C	922.0	287.0	5.000%	4.821%
* Series 2014	1,784.0	1,784.0	5.000%	3.284%
* Series 2017A	21,935.0	21,935.0	3.000 - 5.250%	3.402%
Total Revenue Bonds Supported by Business-Type Activities	<u>\$ 258,417.0</u>	<u>\$ 233,181.6</u>		

**Notes Payable Supported by Business-Type Activities:**

Amortizing Short Term Debt	\$ 16,375.0	\$ 16,375.0	Variable <sup>(3)</sup>	N/A
Total Notes Payable from Internal Service Operations	<u>\$ 16,375.0</u>	<u>\$ 16,375.0</u>		
Total bonds and notes payable from Business-Type Activities	<u>\$ 274,792.0</u>	<u>\$ 249,556.6</u>		

**COMPONENT UNITS:**

Bond and notes payable:				
JEA		3,999,470.0		
JPA		244,856.0		
JTA		<u>91,280.0</u>		
Total Component Unit bonds and notes payable		<u>\$ 4,335,606.0</u>		

\* Indicates individual bond series that were issued in support of both Governmental Activities and Business-Type Activities.

(1) True Interest Cost (TIC) is the actual cost of financing debt and refers to the overall rate of interest to be paid over the life of the bonds, factoring in coupon interest, any premium or discounts, and the time value of money.

(2) Variable Rate Debt - interest rates were 1.54% at September 30, 2018

(3) Variable Rate Debt - interest rates ranged from 1.72% to 1.77% at September 30, 2018

(4) Variable Rate Debt - interest rates were 1.55% at September 30, 2018

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**8. LONG-TERM OBLIGATIONS (continued)**

**B. Debt Service Requirements to Maturity:**

The Debt service requirements to maturity on long-term obligations at September 30, 2018 are as follows (in thousands). The amounts reported in the table below include designated maturities established by management (see discussion below), but does not reflect any accelerated amortizations that may result under the term out provisions as discussed in Note 8G.

Fiscal Year Ending September 30	Bonds and Notes Payable from Governmental Activities				Bonds Payable from Business-type Activities		Principal and Interest- Primary Government	Component Units	
	Supported by General Revenues and Internal Service Funds		Supported by BJP Revenues		Enterprise Funds			Principal	Interest
	Principal	Interest	Principal	Interest	Principal	Interest			
2019	\$ 76,247	\$ 37,822	\$ 55,767	\$ 47,422	\$ 7,131	\$ 11,764	\$ 236,154	\$ 204,645	\$ 85,858
2020	72,592	37,271	58,706	44,874	7,626	11,557	232,625	200,108	161,762
2021	67,985	34,365	63,102	42,129	7,963	11,287	226,831	149,808	152,912
2022	57,762	31,623	60,658	39,305	8,371	10,894	208,613	152,152	146,769
2023	48,940	29,154	65,414	36,314	8,783	10,481	199,086	165,310	140,521
2024-2028	213,846	114,683	388,780	128,536	82,256	42,663	970,765	891,381	602,197
2029-2033	221,417	65,473	334,495	34,379	119,601	12,476	787,841	1,017,405	410,261
2034-2038	105,228	25,477	34,745	3,065	7,827	1,012	177,354	1,043,557	215,414
2039-2043	47,845	8,457	-	-	-	-	56,302	465,940	53,043
2044-2048	13,745	1,878	-	-	-	-	15,623	41,380	5,295
2049-2053	-	-	-	-	-	-	-	3,920	98
Totals	\$ 925,607	\$ 386,204	\$ 1,061,667	\$ 376,024	\$ 249,558	\$ 112,134	\$ 3,111,194	\$ 4,335,606	\$ 1,974,130

The City’s Covenant Bond program allows for the issuance of debt which has both a stated maturity date and a designated maturity date. The stated maturity date is the initial maturity as the bond was sold, whereas the designated maturity date reflects the City’s intended maturity after a series of rolls/refundings. At each stated maturity the City can retire the maturing amount in whole or in part, or refund the maturing bonds as a part of its annual capital borrowing into another stated maturity, variable rate debt, or fixed rate debt amortized to maturity as determined by then market conditions. There can be no assurance that the stated debt maturities can be revised in accordance with management’s intended plan.

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**8. LONG-TERM OBLIGATIONS (continued)  
B. Debt Service Requirements to Maturity: (continued)**

A comparison of the stated maturity debt and designated maturity debt outstanding at fiscal year-end are shown in the tables below (in thousands).

Fiscal Year Ending September 30	by Stated Maturity		
	Supported by BJP Revenues		Total All Programs
	Series 2010B	Series 2011B	
2019	\$ -	\$ -	\$ -
2020	7,715	10,175	17,890
2021	7,715	10,175	17,890
Total by Series	\$ 15,430	\$ 20,350	\$ 35,780

Fiscal Year Ending September 30	by Designated Maturity		
	Supported by BJP Revenues		Total All Programs
	Series 2010B	Series 2011B	
2022	\$ 7,705	\$ 6,130	\$ 13,835
2023	7,710	6,375	14,085
2024	15	6,630	6,645
2025	-	1,215	1,215
2026	-	-	-
2027	-	-	-
2028	-	-	-
2029	-	-	-
Total by Series	\$ 15,430	\$ 20,350	\$ 35,780

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**8. LONG-TERM OBLIGATIONS (continued)**

**C. Changes in Long-Term Liabilities:**

Changes in long-term liabilities for the fiscal year ended September 30, 2018 are as follows (in thousands):

	Balance September 30, 2017	Additions	Reductions	Balance September 30, 2018	Due within one year
<b>Governmental Activities:</b>					
Debt activity supported by general revenues:					
Revenue bonds	\$ 594,708	\$ -	\$ 45,010	\$ 549,698	\$ 46,706
Debt activity- general revenues	\$ 594,708	\$ -	\$ 45,010	\$ 549,698	\$ 46,706
Bonds/notes payable - Debt Management Fund					
Special revenue (covenant) bonds	\$ 312,442	\$ 72,540	\$ 24,708	\$ 360,274	\$ 22,639
Notes payable	35,759	7,700	27,825	15,634	-
Debt activity - internal service funds	\$ 348,201	\$ 80,240	\$ 52,533	\$ 375,908	\$ 22,639
Debt activity - general revenues and internal service	\$ 942,909	\$ 80,240	\$ 97,543	\$ 925,606	\$ 69,345
Debt activity supported by BJP revenue:					
Revenue bonds - BJP	\$ 813,275	\$ -	\$ 36,160	\$ 777,115	\$ 39,765
Special revenue (covenant) bonds - BJP	266,505	-	6,740	259,765	10,110
Notes payable - BJP	30,549	-	5,761	24,788	5,892
Debt activity - BJP	\$ 1,110,329	\$ -	\$ 48,661	\$ 1,061,668	\$ 55,767
Total governmental activities	\$ 2,053,238	\$ 80,240	\$ 146,204	\$ 1,987,274	\$ 125,112
Other related debt amounts:					
Issuance premiums	\$ 179,962	\$ 8,969	\$ 14,095	\$ 174,836	\$ -
Issuance discounts	(2,055)	-	(161)	(1,894)	-
Total other related debt amounts	\$ 177,907	\$ 8,969	\$ 13,934	\$ 172,942	\$ -
Accrued Compensated Absences	57,534	8,761	167	66,128	19,838
Estimated Liability for Self-Insured Losses	114,591	107,310	102,520	119,381	33,242
Pollution Remediation	117,021	9,318	15,332	111,007	-
*Other Post - Employment Benefits	204,288	-	16,597	187,691	-
Net Pension liability	2,560,432	578,814	503,253	2,635,993	-
Governmental activity long-term obligations	\$ 5,285,011	\$ 793,412	\$ 798,007	\$ 5,280,416	\$ 178,192

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**8. LONG-TERM OBLIGATIONS (continued)**

**C. Changes in Long-Term Liabilities: (continued)**

	Balance September 30, 2017	Additions	Reductions	Balance September 30, 2018	Due within one year
<b>Business-Type Activities:</b>					
Revenue Bonds	\$ 256,248	\$ -	\$ 6,692	\$ 249,556	\$ 7,131
Less: Unamortized Discount/Premium	31,987	-	2,351	29,636	-
Total Revenue Bonds, less Unamortized Discount/Premium	\$ 288,235	\$ -	\$ 9,043	\$ 279,192	\$ 7,131
Accrued Compensated Absences	932	90	30	992	306
Liability for Landfill Closure and Post Closure Care	31,463	1,275	570	32,168	-
Loans payable - Debt Management	83,018	565	-	83,583	5,186
Business-type activity long-term obligations	<u>\$ 403,648</u>	<u>\$ 1,930</u>	<u>\$ 9,643</u>	<u>\$ 395,935</u>	<u>\$ 12,623</u>

\*The above reflects restated OPEB beginning balances for Governmental and Business type activities per GASB 75 implementation.

**Component Unit Activities:**

Bonds and notes payable:					
JEA	\$ 4,401,255	\$ 821,000	\$ 1,222,785	\$ 3,999,470	\$ 185,790
JPA	199,444	108,054	62,642	244,856	12,580
JTA	94,430	-	3,150	91,280	3,275
Component unit activity long-term obligations	<u>\$ 4,695,129</u>	<u>\$ 929,054</u>	<u>\$ 1,288,577</u>	<u>\$ 4,335,606</u>	<u>\$ 201,645</u>

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**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**8. LONG-TERM OBLIGATIONS (continued)**

**D. Reconciliation of debt issued to financial reporting classifications:**

Certain of the City's bonds issued in a single transaction are for assets acquired or constructed for both governmental and business-type activities. As a result, the financial statements report debt outstanding and the related debt service for that combined transaction in both governmental and business-type activities in the relative proportion of the cost of the underlying assets acquired or constructed. When individual business-type revenues are not sufficient to pay for operations inclusive of allocated debt service, inter-fund transfers are made in amounts to address the shortfall. The following table shows the original combined issue amount and where the debt is reported (in thousands).

Bond Series	Original Amount Issued	Outstanding debt reported in		Total Amount Outstanding
		Governmental Activities	Business-type Activities	
Capital Projects Revenue Bonds:				
Series 2008A	67,285	51,880	180	52,060
Series 2008B	67,285	51,880	180	52,060
BJP Infrastructure Sales Tax Revenue Bonds:				
Series 2012	280,050	185,120	41,480	226,600
Series 2012A	114,890	41,095	73,795	114,890
Special Revenue Bonds:				
Series 2012C	183,980	137,918	287	138,205
Series 2014	100,160	97,511	1,784	99,295
Series 2017A	112,865	90,930	21,935	112,865
Amortizing Short Term Debt	47,241	13,274	16,375	29,649
Interim Short Term Debt	5,863	2,360	-	2,360

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**8. LONG-TERM OBLIGATIONS (continued)**

**E. Pledged Revenues:**

The City has formally committed to secure certain debt issued by the City with specific future revenues. A summary of those debt issues and the related pledged revenues follows. The detailed listing of individual series by pledge source is included in Note 8A.

	Range of remaining term	Approximate future principal and interest	Current year revenue received	Current year principal and interest	Principal and interest as % of revenue
<b>Excise Taxes:</b>	2019 - 2035	\$ 55,757,196	\$ 125,456,366	\$ 15,278,660	12.2%
<b>Local Government</b>					
<b>1/2 Cent Sales Tax:</b>	2019	7,726,800	99,223,021	7,734,538	7.8%
<b>JEA Charter Revenues (Capital Project Bonds):</b>	2035	132,139,175	116,619,815	5,185,703	4.4%
<b>Better Jacksonville Transportation Sales Tax:</b>	2023 - 2038	610,214,964	101,762,413	33,043,201	32.5%
<b>Better Jacksonville Infrastructure Sales Tax:</b>	2019 - 2031	624,627,647	90,042,674	46,067,744	51.2%
<b>with SIB Loans:</b>	2019 - 2031	650,918,446	90,042,674	52,516,144	58.3%
<b>Sports Facilities Capital Improvement Revenues:</b>	2031	126,086,300	24,782,766	10,177,050	41.1%

**Excise Taxes** - Bonds have been issued to fund citywide capital projects, and are supported by a pledge against the proceeds of the Utilities Services Taxes and the Occupational License Taxes.

**Local Government 1/2 Cent Sales Tax** - Bonds have been issued to fund the River City Renaissance program and various citywide capital improvements, and are supported by a pledge against the proceeds of the local government half-cent sales tax.

**JEA Charter Revenues (Capital Project Bonds)** - Bonds have been issued to fund drainage and general capital programs, and are supported by a pledge against the JEA Contribution, which is annually appropriated to the City from available Electric and Water & Sewer revenues.

**Better Jacksonville Transportation Sales Tax** - Bonds have been issued to fund acquisition and construction of road, bridge, drainage and other transportation projects, and are supported by a pledge against the discretionary half-cent Transportation Sales Tax and Gas Tax.

**Better Jacksonville Infrastructure Sales Tax** - Bonds have been issued to fund the acquisition and construction of capital projects constituting part of the Better Jacksonville Plan, and are supported by a pledge against the discretionary half-cent Infrastructure Sales Tax.

**Sports Facilities Capital Improvement Revenues** - Bonds have been issued to fund renovations to the Municipal Stadium, and are supported by a pledge against the proceeds of Franchise Fees, 15% of the Communications Services Taxes, Sports Facility Sales Tax Rebates, Convention Development Taxes and the Sports Facilities Tourist Development Taxes.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**8. LONG-TERM OBLIGATIONS (continued)**

**F. New Indebtedness Issued:**

On September 25, 2018, the City closed on the sale of \$72.5 million Special Revenue Bonds, Series 2018. The 2018 bonds have a true interest cost of 3.21% and an average coupon rate of 5.00% with a mandatory sinking schedule beginning October 1, 2019, and a maturity date of October 1, 2038. The proceeds of the 2018 bonds were used to refund a portion of the City's commercial paper notes (\$23.6 million) and fund previously-approved capital project expenditures (\$57.4 million). The issuance provided net proceeds of \$81.0 million, which is inclusive of underwriter's discount and cost of issuance totaling \$0.5 million.

On September 28, 2018, the City closed on the sale of Commercial Paper Notes in the amount of \$7.7 million for the purposes of funding short-term projects and interim funding for long-term projects with an initial interest rate of 1.77%.

**G. Demand Bonds Issued by the City:**

The series of demand bonds listed below meets the criteria for inclusion as long term debt of the City.

**\$67,285,000 Capital Projects Bonds, Series 2008A:**

***Bond Terms*** - The Series 2008A Capital Projects Bonds (the Bonds) are uninsured variable rate demand bonds which mature and are remarketed every seven days at a reset interest rate.

***Liquidity Agreement Terms*** - Liquidity for the Bonds is provided by a Letter of Credit and Reimbursement Agreement (the Agreement) with Bank of America, N.A. (the Bank) originally dated July 1, 2008, and now under its fourth amendment dated June 14, 2018, and expiring July 15, 2020.

***Terms of Take Out*** - The Agreement contains a mandatory purchase provision requiring the Bank to purchase the Bonds if the Agreement is not replaced or renewed by the expiration date. If either i) the Bonds were to be purchased by the Bank or ii) the Bank extends an advance to the City under the Letter of Credit, then the City would be required to amortize the balance of the Bonds (\$48,060,000 as of the current termination date) over 10 equal semi-annual installments beginning 6 months after the date of purchase or advance.

As of September 30, 2018, there were no advances outstanding or bank bonds held under this Agreement.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**8. LONG-TERM OBLIGATIONS (continued)**

**H. Non-Asset Debt:**

The City has issued debt for the benefit of its component units or other public use entities where the asset acquired or constructed will not be owned by the primary government. An expense is recorded by the City instead of a capital asset on the citywide statements, while the debt remains as a liability of the City. The following is a listing of the outstanding debt in the Governmental Activities that was issued for non-asset backed debt (in thousands):

<u>Debt Type</u>	<u>Entity or Purpose</u>	<u>Amount</u>
<u>Special Revenue Bonds</u>		
Special Revenue Refunding Bonds, Series 2012C	Shands Jacksonville Medical Center	30,795
Special Revenue Refunding Bonds, Taxable Series 2012E	Jacksonville Port Authority	22,395
Total Special Revenue Bonds		<u>\$ 53,190</u>
<u>Better Jacksonville Plan (BJP) Transportation Bonds</u>		
Special Revenue Bonds, Series 2009B-1	Jacksonville Transportation Authority (JTA) road projects	1,732
Special Revenue Bonds, Series 2010B	Jacksonville Transportation Authority (JTA) road projects	8,437
Special Revenue Bonds, Series 2011B	Jacksonville Transportation Authority (JTA) road projects	13,917
Revenue Refunding Bonds, Series 2012B	Jacksonville Transportation Authority (JTA) road projects	36,740
Revenue Refunding Bonds, Series 2015	Jacksonville Transportation Authority (JTA) road projects	41,624
Total Better Jacksonville Plan (BJP) Transportation Bonds		<u>\$ 102,450</u>
<u>BJP State Infrastructure Bank Loan</u>		
Loan #1	JTA road projects - BJP	13,099
Loan #2	JTA road projects - BJP	11,689
Total BJP State Infrastructure Bank Loan		<u>\$ 24,788</u>
<u>Other Bond Issues</u>		
Various	Misc. projects - BJP	23,604
Various	Misc. projects – other	30,622
Total Other Bond Issues		<u>\$ 54,226</u>
<u>Debt Management Fund Financed Projects</u>		
Various	Misc. projects – other	\$ 86,866
GRAND TOTAL		<u>\$ 321,520</u>

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**8. LONG-TERM OBLIGATIONS (continued)**

**I. Defeased Debt:**

The City has defeased certain serial bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements.

As of September 30, 2018, the City had legally defeased the following bond maturities (in thousands):

Issue	Refunded by	Principal Balance at September 30, 2018	Investment Balance with Escrow Agent at September 30, 2018 (a)
Sales Tax Revenue Bonds Series 1996 (RCR)	Cash Refunded on October 10, 2002	3,910	4,010
BJP Sales Tax Revenue Bonds Series 2008	BJP Sales Tax Revenue Refunding Bonds, Series 2016	70,840	72,581
Special Revenue Bonds, Series 2008	Special Revenue Refunding Bonds, Series 2016A	26,655	27,327
Special Revenue Bonds, Series 2009B-1A	Special Revenue Refunding Bonds, Series 2016B	34,595	36,839
Special Revenue Bonds, Series 2010A	Special Revenue Refunding Bonds, Series 2017A	12,360	12,798
Special Revenue Bonds, Series 2010B	Special Revenue Refunding Bonds, Series 2017B	15,430	15,978
Special Revenue Bonds, Series 2011B	Special Revenue Refunding Bonds, Series 2017B	20,350	21,072

(a) Source: Escrow Agent's Records (unaudited)



**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**8. LONG-TERM OBLIGATIONS (continued)**

**J. Derivative Instrument Payments and Hedged Debt:**

The City has entered into two interest rate swaps structured as integrated hedges with the same amortization as the hedged bonds, which results in synthetic fixed rate debt in the Better Jacksonville Plan program. For purposes of credit, the swaps are secured by a pledge on the City's transportation sales tax and constitutional gas tax with a lien on parity to the bonds. The counterparty does not have the right to terminate these transactions unless a termination event occurs. The City retains the right to terminate the swap agreements at any time.

Using the synthetic instrument method as detailed in GASB 53, the City computed the actual synthetic rate for both swaps as a blended unit for the year ended September 30, 2018. It was determined that the actual synthetic rate for the swap agreement dated January 23, 2003 (the "2003 Swap") and the swap agreement dated August 23, 2004 (the "2004 Swap"), did not meet the criteria necessary to be deemed an effective hedge and hedge accounting is not applied.

The swap agreements require the City to post cash collateral when the negative market value of the swap exceeds \$25 million equal to the residual exposure. A lower credit rating will also increase the amount of collateral required. The table below summarizes the key elements of the swaps as of September 30, 2018. The fair values were obtained by the counter-parties' mark-to-market reports submitted to the City.

	2003 Swap (SIFMA Index)	2004 Swap (67% LIBOR)
	Transportation Revenue Refunding	Transportation Revenue Refunding
Bond Series	Bonds, Series 2008B <sup>(1)</sup>	Bonds, Series 2008B <sup>(1)</sup>
Counterparty (Rating)	Wells Fargo (Aa2)	Wells Fargo (Aa2)
Effective Date	July 1, 2003	September 30, 2004
Maturity Date	October 1, 2020	October 1, 2027
Notional Amount Outstanding	\$15,890,000	\$46,625,000
Variable Rate Received <sup>(2)</sup>	1.227%	1.164%
Fixed Rate Paid	4.010%	3.455%
Change in Fair Value - Current Year	\$657,600	\$2,385,085
Underlying Fair Value at Fiscal Year End	(\$620,274)	(\$3,740,521)
Net Swap Interest	(\$436,866)	(\$1,064,472)

(1) On May 14, 2008, the Series 2008B bonds refunded the Series 2003 Transportation Revenue Bonds and Series 2004A Transportation Revenue Bonds. The 2008B bonds were issued as uninsured variable rate demand bonds, which were remarketed every 7 days. On October 23, 2012, the 2008B bonds were converted to a new Index Rate mode bearing interest at the rate of 67% of LIBOR plus an applicable spread.

(2) Weighted average of rates throughout the fiscal year.

**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**8. LONG-TERM OBLIGATIONS (continued)**

**J. Derivative Instrument Payments and Hedged Debt (continued)**

**Credit Risk** - As of September 30, 2018, the City was not exposed to credit risk (the risk of economic loss due to a counterparty default on the swap agreements) because each swap had a negative fair value. However, should interest rates change and the fair values of the swaps become positive, the City would then be exposed to credit risk in the amount of the swap's fair value.

**Basis Risk** - Basis risk is the exposure of the issuer to the difference between the floating rate paid on a variable rate bond and the floating rate received from the swap counterparty. This may occur when the floating rate on the bonds is based on a different index than that is used under the swap agreement. This basis mismatch may result in a revenue shortfall when the variable rate payment received from the swap counterparty is less than the variable rate payment due on the bonds.

As of September 30, 2018, the City has two floating-to-fixed rate swaps outstanding. The 2003 Swap agreement provides that the City receive a variable rate payment based on the SIFMA index. The 2004 Swap agreement provides that the City receive a variable rate payment of 67% of the one month LIBOR rate. On October 1, 2012, the City's outstanding bonds related to the two swaps were converted to a variable Index Rate mode based on 67% of the one month LIBOR rate plus a spread. Therefore, the City is exposed to basis risk on the 2003 Swap. The City is currently not exposed to basis risk on the 2004 Swap.

**Market Risk** - As of September 30, 2018, the swaps expose the City to market risk (the risk of loss due to the pricing of the swap under the current economic environment) because each swap currently has a negative fair value. If the swaps were to be terminated under the current economic conditions, the City would be liable to the counterparty for a make-whole payment in the amount equal to the negative fair value.

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**8. LONG-TERM OBLIGATIONS (continued)**

**J. Derivative Instrument Payments and Hedged Debt (continued)**

Using rates as of September 30, 2018, and assuming the rates are unchanged for the remaining term of the bonds, the following table shows the debt service requirements and net swap payments for the City’s hedged variable rate bonds.

*(in thousands)*

Fiscal Year Ending 9/30	Variable-Rate Bonds			Swap Interest Payments			Total Bonds and Swaps
	Principal	Interest	Total	Fixed Pay	Var. Received	Net Pay	
2019	\$ 9,285	\$ 1,181	\$ 10,466	\$ 1,896	\$ 814	\$ 1,082	\$ 11,548
2020	9,310	1,009	10,319	1,549	675	874	11,193
2021	9,730	836	10,566	1,189	528	661	11,227
2022	4,430	655	5,085	1,037	461	576	5,661
2023	4,695	572	5,267	880	391	489	5,756
2024-2028	26,100	1,498	27,598	1,829	814	1,015	28,613
	<u>\$63,550</u>	<u>\$5,751</u>	<u>\$69,301</u>	<u>\$8,380</u>	<u>\$3,683</u>	<u>\$4,697</u>	<u>\$73,998</u>

The above chart is based upon actual rates as of September 30, 2018. The bond and swap rates as of fical year end were as follows:

City of Jacksonville \$121,740,000 Transportation Revenue Bonds, Series 2008B:

The 35-day Index Rate reset was 1.859%

The BMA rate for swap receipts was 1.511%

Subsequent to September 30, 2018, the City terminated both interest rate exchange agreements simultaneously with the refunding of the related Transportation Revenue Refunding Bonds, Series 2008B on October 22, 2018. See Note 17, Subsequent Events, for more information.

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**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**8. LONG-TERM OBLIGATIONS (continued)**

**K. Conduit Debt:**

The City issued certain conduit debt in the form of industrial development revenue bonds (IDB's) and private activity bonds (PAB's) to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. Conduit debt refers to certain limited-obligation revenue bonds or similar debt instruments issued by the City for the express purpose of providing capital financing for a specific nongovernmental third party. Although conduit debt bears the name of the City as issuer, it is collateralized by the resources provided by the loan with the third party on whose behalf they are issued. The City acts solely as a conduit issuer with respect to the debt.

Conduit debt is collateralized by the property financed and is payable solely from payments received on the underlying mortgage loans. Upon repayment of the IDB's and PAB's, ownership of the acquired facilities transfers to the private-sector entity on whose behalf the bonds were issued. None of the assets or revenues of the City are pledged to the payment of IDB's or PAB's and under the constitution and laws of Florida, the City may not legally pledge any of its revenues or assets to the payment thereof. Neither the City, the state, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of **September 30, 2018**, the City had **\$182,968,339** IDB's and PAB's total principal outstanding. From time to time, certain issues of such conduit debt may be in default or under investigation as to tax-exempt status of interest on such debt, however, this has no effect on the City's financial position.

As of **September 30, 2018**, the City had a total of **\$93,900,000** in conduit debt consisting of Jacksonville Housing Finance Authority, formerly Duval County Housing Finance Authority Single Family and Multi-Family Bonds outstanding. The amount of Single Family Housing Revenue Bonds outstanding was \$0. The amount of Multi-Family Housing Bonds outstanding was **\$93,900,000**. Refunding of previous issues make up **\$0** of the total amount outstanding.

As of **September 30, 2018**, additional conduit debt includes **\$910,747,027** Jacksonville Health Facilities Authority Bonds outstanding.

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**8. LONG-TERM OBLIGATIONS (continued)**

**L. Interest Expense:**

Total interest expense for the fiscal year ended September 30, 2018 was \$75.9 million for governmental activities and \$12.9 million for business-type activities.

**M. Component Unit Long-Term Debt:**

The long-term debt presentations for the major component units in Note 8A through Note 8C contains highly summarized data. Detailed debt presentations are available in each major component unit's separately issued financial report, which may be obtained from the finance offices below.

JEA  
21 West Church Street  
Jacksonville, Florida 32202

JPA  
P.O. Box 3005  
Jacksonville, Florida 32206-0005

JTA  
121 West Forsyth Street, Suite 200  
Jacksonville, Florida 32202

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**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**9. A. PENSION PLANS**

The City's pension plans adopted GASB Statements No. 67, Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pensions, No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68, No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68 and No. 82 Pension Issues - and amendment of GASB Statements No. 67, No. 68 and No. 73. These Statements modify financial reporting by state and local government pension plans that present pension trust funds. Accordingly, disclosures required for the City's pension plans are presented in accordance with GASB Statement No. 67, and disclosures required for employers regarding pension plans are presented in accordance with GASB Statement No. 68 as modified by GASB Statement No. 71, GASB No. 73 and GASB Statement No. 82, Pension Issues – an amendment of GASB Statements 67, 68 and 73 required for fiscal periods beginning after June 15, 2016.

**1. Summary of Significant Accounting Policies**

- a) **Basis of Accounting** – The City's pension trust financial statements are prepared using the accrual basis of accounting. Contributions, benefit payments and refunds are recognized when due and payable in accordance with the terms of each plan. The Florida Constitution and the Division of Retirement requires plan contributions be made annually in amounts determined by an actuarial valuation stated as a percent of covered payroll or in dollars. The Florida Division of Retirement reviews and approves the City's actuarial report to ensure compliance with actuarial standards.
- b) **Method Used to Value Investments** – Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. The fair value of real estate investments is based on independent appraisals or estimates of fair value as provided by third party fund managers. Investments that do not have an established market are reported at estimated fair value as provided by third party fund managers. Investments are managed by third party money managers while cash and securities are generally held by the City's independent custodian. The City receives a monthly reconciliation of any material differences in pricing by the custodian and manager.

**2. Plan Description**

- a) **Plan Administration** - The City sponsors two public employee retirement systems (PERS) administered by separate pension boards of trustees that provide retirement, death and disability benefits: the City of Jacksonville Retirement System (JRS) and the Police and Fire Pension Plan. The JRS arises out of Chapter 16 of the City Charter, Chapter 120 of Ordinance Code of the City of Jacksonville, and Chapter 112, Part VII, Florida Statutes. The City Council is responsible for establishing or amending the pension plan provisions. The Police and Fire Pension Plan (PFPF) is administered independently by a five-member board. Substantially all employees of the City participate in one of these two plans with less than 1% of City employees participating in the State of Florida Retirement System.

The JRS is a multiple employer cost sharing, contributory defined benefit pension plan with a defined contribution alternative. JRS includes both the General Employees' Retirement Plan (GERP) and the Corrections Officers' Retirement Plan (CORP). Effective October 1, 2009, the City added an employee choice defined contribution alternative to the defined benefit plan for all members of the GERP. The City hired a third party administrator to assist employees with the management of their individual accounts within a number of investment options including model portfolios.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**9. A. PENSION PLANS (continued)**

**2. Plan Description (continued)**

**a) Plan Administration (continued)**

All full-time employees of the City, JEA (Jacksonville Electric Authority), JHA (Jacksonville Housing Authority) and NFTPO (North Florida Transportation Planning Authority) are eligible to participate in GERP.

All certified Corrections Officers employed by the City were eligible to participate in the CORP upon employment. There are no separately issued financial statements for the City of Jacksonville Retirement System.

As of September 30, 2017, the City's pension plans in JRS and the PFPF were closed to new employees in favor of the defined contribution plan. This was the result of pension reform efforts that included the creation of a Pension Liability Surtax to fund underfunded defined benefit pensions, passage of a local referendum in Fiscal Year 2016 to approve the Surtax, and adoption of legislation by the City Council in April 2017 to approve the reform plans and dedicate the Surtax as a funding source for the City's three defined benefit pension plans. The Pension Liability Surtax will go into effect after the termination of the Local Infrastructure Sales Surtax, which will occur no later than December 31, 2030, and will remain in effect until the earlier of December 31, 2060, or when it is determined by actuarial report to the Florida Department of Management Services that the funding level of each of the City's three defined benefit pension plans are expected to reach or exceed a 100% funding level in that year.

- b) The Jacksonville Retirement System's defined benefit pension plans are administered by a nine (9) member Board of Trustees. The Board is comprised of the following officers:
- i. The Chief Administrative Officer of the City or designee;
  - ii. The Chief Financial Officer or designee;
  - iii. The Chief Human Resources Officer;
  - iv. The Chairperson of the General Employees' Pension Advisory Committee;
  - v. The Chairperson of the Corrections Officers' Pension Advisory Committee;
  - vi. A GERP retiree chosen by the Retired Employees' Association;
  - vii. A retired corrections officer chosen by the Corrections Officers' Advisory Committee.
  - viii. Two citizens appointed by the City Council with professional experience in finance, investments, economics, pension management, pension administration and/or accounting.

The General Employees' Pension Advisory Committee consists of seven (7) members. Six (6) members are elected from among the active contributing participants of the GERP and one (1) member is a retiree elected by the Retired Employees Association. Committee members are elected in even years for a two (2) year term. The Pension Advisory Committee performs all fact finding duties for retirement benefit applications, recommends approval or denial of benefits and reviews all applications to participate in the GERP to the Board of Trustees.

The Corrections Officers' Pension Advisory Committee consists of five (5) members who must be active contributing members of the CORP. Committee members are elected in even years for a two (2) year term. The Corrections Officers' Pension Advisory Committee performs all fact finding duties for retirement benefit applications, recommends approval or denial of benefits and all applications to participate in the CORP to the Board of Trustees.

**CITY OF JACKSONVILLE, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**9. A. PENSION PLANS (continued)**

**3. The Police and Fire Pension Plan** is a single-employer contributory defined benefit pension plan covering all full-time certified police officers and firefighters employed by the City of Jacksonville Sheriff’s Office and Fire and Rescue Department, respectively. The separately issued financial statements for the PFPF are available from the Police and Fire Pension Fund, located at One West Adams Street, Suite 100, Jacksonville, FL 32202.

**4. Plan Membership**

Pension plan membership consisted of the following:

**Pension Membership**

	Jacksonville Retirement System		
	General	Corrections	Police
	Employee'	Officers'	and Fire
	Pension Plan	Pension Plan	Pension Plan
Membership:	As of 10/1/2017	As of 10/1/2017	As of 10/1/2017
Retirees and beneficiaries currently receiving benefits	5,105	276	2,546
Deferred retirement Option (DROP) participants	-	92	436
Terminated employees vested, not yet receiving benefits	195	4	73
Active employment plan members	4,644	638	2,362
Total plan membership	9,944	1,010	5,417

**5. Plan Benefits Provided:**

- a) **General Employee Retirement Plan** was closed for new employees of the City of Jacksonville, JEA (Jacksonville Electric Authority), JHA (Jacksonville Housing Authority) and NFTPO (North Florida Transportation Planning Authority) - other than police officers and firefighters hired after October 1, 2017. Appointed officials and permanent employees not in the civil service system may opt to become members of the Retirement System. Elected officials are members of the Florida Retirement System - Elected Officer Class. Participation in the Retirement System was mandatory for all full time employees of the City who otherwise meet the requirements for participation. Members of the GERP are eligible to retire with a normal pension benefit upon achieving one of the following:
- i. Completing thirty (30) years of credited service, regardless of age;
  - ii. Attaining age fifty-five (55) with twenty (20) years of credited service; or
  - iii. Attaining age sixty-five (65) with five (5) years of credited service.
  - iv. There is no mandatory retirement age.

Upon reaching one of the three conditions for retirement described above, a member is entitled to a retirement benefit of two and one-half (2.5) percent of final average compensation, multiplied by the number of years of credited service, up to a maximum benefit of eighty (80) percent of final monthly compensation. A time service retirement benefit is payable bi-weekly to commence upon the first payday coincident with or next payday following the member’s actual retirement and will continue until death.

Each member and survivor is entitled to a cost of living adjustment (“COLA”). The COLA consists of a three (3) percent increase of the retiree’s or survivor’s pension benefits, which compounds annually. The COLA commences in the first full pay period of April occurring at least 4.5 years (and no more than 5.5 years) after retirement. In addition, there is a supplemental benefit. The supplemental benefit is equal to five dollars



**CITY OF JACKSONVILLE, FLORIDA  
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FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**9. A. PENSION PLANS (continued)**

**5. Plan Benefits Provided (continued)**

**a) General Employee Retirement Plan (continued)**

(\$5) multiplied by the number of years of credited service. This benefit may not exceed one-hundred and fifty dollars (\$150) per month.

b) **The Corrections Officers' Retirement Plan** was closed to all new hires after October 1, 2107. It consists solely of Corrections Officer employees of the City. Participation in the Retirement System was mandatory for all full time Corrections Officers of the City who otherwise meet the requirements for participation. Members of the Corrections Officers' Retirement Plan are eligible to retire with a full pension benefit upon achieving one of the following:

- i. completing twenty (20) years of service, regardless of age; or
- ii. attaining age sixty-five (65) with five (5) years of service.
- iii. There is no mandatory retirement age.

Upon reaching one of the above described conditions required for a time service retirement. A member's time service retirement benefit is calculated as follows:

- i. The first twenty (20) years of credited service are multiplied by three (3) percent of final monthly compensation, up to a maximum of sixty (60) percent of final monthly compensation.
- ii. For service time beyond twenty (20) years of credited service, the number of years and months in excess of twenty (20) years is multiplied by two (2) percent of final monthly compensation, up to a maximum of twenty (20) percent of final monthly compensation.

A member's time service retirement benefit may not exceed eighty (80) percent of final monthly compensation. A time service retirement is payable on a bi-weekly basis and will continue until death.

Each member and survivor is entitled to a cost of living adjustment ("COLA"). The COLA consists of a three (3) percent annual increase of the retiree's or survivor's pension benefits, which compounds annually. In addition, there is a supplemental benefit equal to five dollars (\$5) multiplied by the number of years of credited service. This benefit may not exceed one-hundred and fifty dollars (\$150) per month.

The Deferred Retirement Option Program ("DROP") is a program in which a member defers receipt of normal retirement benefits while continuing employment with the City. If a member elects to participate in the DROP, they must terminate their employment with the City of Jacksonville and retire from service no later than the end of the DROP participation period previously designated. Upon the effective date of participating in the DROP, a member's years of service and final monthly compensation become frozen for purposes of determining pension benefits. Additional service beyond the date of DROP participation no longer accrues any additional benefits under the Retirement System.

The deferred monthly retirement benefits accrue in the Corrections Officers' Pension Plan on behalf of the member, plus interest compounded monthly, for the time of DROP participation. The interest paid on the DROP balance accrues at the same rate as the investment portfolio held by the Retirement System. In addition, the Corrections Officers' Pension Plan will deduct two (2) percent from base pay and any service raise of DROP

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**9. A. PENSION PLANS (continued)**

**5. Plan Benefits Provided (continued)**

**b) The Corrections Officers' Retirement Plan (continued)**

participants as their member contributions instead of the normal ten (10) percent deduction. Upon termination of employment, the member will receive the total DROP benefits and begin to receive the previously determined normal retirement benefits. The money that accumulates during DROP participation may be distributed in accordance with the criteria set forth in Municipal Code Section 120. The balance of the DROP benefits held in trust for DROP Participants totaled \$12.8 million as of September 30, 2018.

- c) **The Police and Fire Pension** plan which provides retirement, disability and death benefits for Police Officers and Firefighters was closed to new hires after October 1, 2017. Retirement benefits are calculated as 3 percent of the employee's final 2-year average salary times the employee's years of service up to 20 years and 2 percent thereafter (80 percent maximum benefit). Employees with 5 or more years of continuous service are eligible to retire at 20 years from the date of employment. Benefits are increased 3 percent annually after retirement.

Employees are eligible for non-duty related death and disability benefits after 10 years of service and for duty-related death and disability benefits upon hire. Terminated vested employees have the option to withdraw their contributions, while non-vested terminated employees must withdraw their contributions.

In April 2017, the City Council passed legislation dedicating a Pension Liability Surtax as a funding source for the General Employees' Retirement Plan, Corrections Officers' Plan and the Police and Fire Pension Plan. The benefits that were modified in 2015, impacting both existing employees and new hires were repealed by the new legislation. The bill deleted the definition of Group I and Group II members (hired before and after the effective date of Ordinance 2015-304-E) and provides that no employee hired on or after October 1, 2017 is eligible for membership in the Police and Fire defined benefit pension plan. All new hires must be a member of the defined contribution plan. The employee contribution rate to the defined benefit pension is increased from 8% to 10% of salary and the employer contribution is set as the actuarially determined Employer Contribution as provided in relevant statutes and ordinances. For a full breakdown of the new benefit package please see City Ordinance Code Section 121, Part 2.

For a full description of benefits provided by PFPF, refer to the separately issued financial statements for the Police and Fire Pension Plan that are available from the Police and Fire Pension Fund, located at One West Adams Street, Suite 100, Jacksonville, FL 32202.

**d) Florida Retirement System**

**Plan Description** - The City also participates in the Florida Retirement System (FRS), a multiple-employer cost-sharing retirement system which covers less than 1% of the City's full-time employees. FRS is a defined-benefit contributory retirement plan, administered by the State of Florida, Division of Retirement. The System provides vesting of benefits after six years of creditable service. Members are eligible for normal retirement after they have met one of the following; (1) after 30 years of service regardless of age; (2) six years of service and age 62; or (3) 25 years special risk service (age 55 if not continuous). Early retirement may be taken any time after completing six years of service; however, there is a 5% benefit reduction for each year prior to normal retirement. Benefits are computed on the

**CITY OF JACKSONVILLE, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**9. A. PENSION PLANS (continued)**

**5. Plan Benefits Provided (continued)**

**d) Florida Retirement System (continued) -**

basis of age, average final compensation and service credit. Average final compensation is the average of the five highest years of earnings. The System also provides death and disability benefits. Benefits are established by state statutes.

The funding methods and the determination of benefits payable are provided in various Acts of the State Legislature. These Acts require that employers make actuarially determined contributions at the rates in effect as of September 30, 2018, of 3.50% for regular members, 10.60% for special risk members, 38.48% for elected county officials, 17.89% for senior management, and 7.96% for DROP Plan members.

For a full description of benefits and historical trend information showing the progress in accumulating sufficient assets to pay benefits when due, is presented in the Florida State Retirement System’s June 30, 2016 annual financial report. The report may be obtained from the State of Florida, Department of Management Services, Division of Retirement P.O. Box 9000, Tallahassee, Florida 32315-9000.

**6. Contributions -** The Florida Constitution requires plan contributions be made annually in amounts determined by an actuarial valuation in either dollars or as a percentage of payroll. The Florida Division of Retirement reviews and approves the City’s actuarial report to ensure compliance with actuarial standards and appropriateness for funding purposes.

**Pension Contributions  
 (in thousands)**

	Jacksonville Retirement System		
	General Employees' Pension Plan	Corrections Officers' Pension Plan	Police and Fire Pension Plan
Required Employee Contribution Rate	10%	10%	10%
Employee Contributions for Fiscal Year Ended 2018	\$29,919	\$3,151	\$16,637
Required Employer Contribution Rate	27.55%	51.91%	97.63%
Employer Contributions for Fiscal Year Ended 2018	\$71,024	\$13,973	\$115,691
Pension base covered payroll for Fiscal Year 2018	\$253,982	\$28,164	\$162,004

**7. Pension Investments**

a) **Investment Policy -** The purpose of the City of Jacksonville Retirement System Board and the Police and Fire Pension Board is to administer long-term benefits to the Plans’ participants and their beneficiaries. It is the Board’s intention that the investment policies be sufficiently specific to be meaningful but adequately flexible to be practical. The investment objective is to preserve the purchasing power of assets and earn a reasonable real rate of return (after inflation) over the long term while minimizing, to the extent reasonable, the short-term volatility of returns. After a thorough review of the expected risk and return of various asset mixes, the Boards of Trustees have established the following target asset allocations for all assets of the City of Jacksonville Retirement System and Police and Fire Pension Fund as indicated in the table below:

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**9. A. PENSION PLANS (continued)**

**7. Pension Investments (continued)**

**a) Investment Policy (continued) -**

Asset Class	Jacksonville Retirement System Target	Police & Fire Pension Fund Target
Domestic equity	30.0%	39.0%
International equity	20.0%	20.0%
Fixed Income	20.0%	20.5%
Real estate/Real assets*	15.0%	15.0%
MLPs/Energy	0.0%	5.5%
Diversifying Assets**	15.0%	0.0%
Total	100%	100%

\*JRS classifies MLPs/Energy as Real estate/Real assets

\*\*Private Equity, Private Debt and real assets

There were changes in the investment policy statement for the Jacksonville Retirement System ratified on October 26, 2017. There are no individual investments in JRS or PFPF Systems that exceed 5% of plan assets at September 30, 2018.

- b) **Rate of Return** – The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the year ended September 30, 2018 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 7.44% for the Jacksonville Retirement System and 10.00% for the Police and Fire Pension Fund.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (net of investments expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocations as of October 1, 2017 are summarized below:

Asset Class	Jacksonville Retirement System Long-Term Expected Real Rate of Return	Police & Fire Pension Fund Long-Term Expected Real Rate of Return
Domestic equity	6.40%	5.40%
International equity	7.40%	5.50%
Fixed Income	1.75%	1.30%
Real estate/Real assets*	5.10%	4.50%
MLPs/Energy	-	1.40%
Private real Assets		5.50%
Cash	1.10%	0.00%

\*JRS classifies MLPs/Energy as Real estate/Real assets

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**9. A. PENSION PLANS (continued)**

**8. Pension Plans: Net Pension Liability**

a) The components of the net pension liability as of September 30, 2018 were as follows:

	<b>Net Pension Liability</b>		
	<i>(in millions)</i>		
	Jacksonville Retirement System		
	General Employees' Pension Plan	Corrections Officers; Pension Plan	Police and Fire Pension Plan
<b>Net Pension Liability (in millions): 10/01/2017</b>			
Total pension liability	\$ 3,041	\$ 395	\$ 3,736
Plan fiduciary net position	<u>\$ 2,020</u>	<u>\$ 213</u>	<u>\$ 1,765</u>
Net pension liability	\$ 1,021	\$ 182	\$ 1,971
Net position as a % of total pension liability	66.42%	53.90%	47.24%

**Actuarial Methods and Assumptions:**

Date of last actuarial valuation	October 1, 2017	October 1, 2017	October 1, 2017
Inflation	2.75%	2.75%	2.50%
Salary increases (Long-Term Payroll Inflation)	2.75%	2.75%	3.50%
Investment Rate of Return	7.20%	7.20%	7.00%
Discount Rate	7.20%	7.20%	7.00%
Mortality Tables in use	RP-2000	RP-2000	RP-2000

- b) **Discount Rate:** The projection of cash flows used to determine the discount rate assumes plan member contributions are made at their applicable contribution rates and that the employer's contributions will be made at rates equal to the actuarially determined contribution rates. Based on these assumptions the Plans' fiduciary net positions are projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the Plans' investments was applied to all periods of projected benefit payments to determine the total pension liability. Cash flow projections were run for a 120-year period.
- c) **Sensitivity of the net pension liability to changes in the discount rate:** The following presents the net pension liabilities of the Plans, calculated using the discount rate and what the Plans' net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	<b>Net Pension Liability</b>					
	<i>(in millions)</i>					
	General Employees' pension plan		Corrections Officers' pension plan		Police and Fire pension Plan	
	Discount Rate	Net Pension Liability*	Discount Rate	Net Pension Liability	Discount Rate	Net Pension Liability
1% Decrease	6.20%	640	6.20%	239	6.00%	2,520
Current Rate	7.20%	473	7.20%	182	7.00%	1,971
1% Increase	8.20%	334	8.20%	136	8.00%	1,529

\* Net Pension Liability represents the City of Jacksonville portion only.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**9. A. PENSION PLANS (continued)**

**9. City of Jacksonville Retirement System: Financial Information**

a) The Statement of Net Position – Jacksonville Retirement System - General Employees’ and Corrections Officers’ Plan for the year ended September 30, 2018 is as follows (in thousands):

**ASSETS**

Equity in cash and investments .....	\$ 11,991
Receivables .....	3,268
Investments, at fair value.....	2,305,221
Capital assets, net of depreciation.....	3
Securities Lending Collateral.....	89,867
<b>TOTAL ASSETS.....</b>	<b>2,410,350</b>

**LIABILITIES**

Obligations under Securities Lending Agreement....	89,867
Accounts payable and accrued liabilities .....	5,943
Accrued Compensated Absences .....	15
<b>TOTAL LIABILITIES.....</b>	<b>95,825</b>

<b>NET POSITION RESTRICTED FOR PENSIONS.....</b>	<b>2,314,525</b>
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b) The Statement of Changes in Fiduciary Net Position – Jacksonville Retirement System for the year ended September 30, 2018 is as follows (in thousands):

**ADDITIONS**

Contributions:

Employer.....	\$ 84,997
Plan member.....	33,070
<b>Total contributions.....</b>	<b>118,067</b>

Other Additions.....	11,882
Net investment income.....	163,985
Securities lending.....	269
<b>TOTAL ADDITIONS.....</b>	<b>294,203</b>

**DEDUCTIONS**

Benefit payments.....	188,391
Refund of contributions.....	22,657
Administrative expenses.....	1,321
<b>TOTAL DEDUCTIONS.....</b>	<b>212,369</b>

<b>CHANGE IN NET POSITION.....</b>	<b>81,834</b>
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<b>NET NET POSITION, BEGINNING OF YEAR.....</b>	<b>2,232,691</b>
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<b>NET POSITION, END OF YEAR.....</b>	<b>\$ 2,314,525</b>
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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**9. B. PENSION LIABILITY, EXPENSE, DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS**

**1. Pension Liability**

At the year ending September 30, 2018 the City of Jacksonville recorded a total Pension Liability of \$2,635.9 million. The pension plans providing the information and liability balances are reported below:

**Changes in Net pension Liability**  
(in thousands)

	General Employees' Pension Plan	Corrections Officers' Pension Plan	Police & Firefighters' Pension Plan	Florida Retirement System
<b>Changes in Net Pension Liability</b>				
Beginning Total Pension Liability FY 2018	\$ 1,382,282	\$ 370,092	\$ 3,345,515	\$ 51,141
Service Cost	17,480	7,330	45,257	666
Interest	97,613	27,284	233,338	3,453
Change of benefit term	533	73	26,818	-
Differences in actuarial experience	7,555	(2,055)	24,031	162
Change of assumption	29,858	9,951	232,927	564
Change in Porportionate Share	(13,319)	-	-	(240)
Benefit payments and refund of contributions	(89,337)	(17,438)	(171,276)	(2,803)
Net Change in total pension liability	50,383	25,145	391,095	1,802
Ending Total Pension Liability FY 2018	\$ 1,432,665	\$ 395,237	\$ 3,736,610	\$ 52,943
<b>Changes in Plan Fiduciary Net Position</b>				
Beginning Plan fiduciary net position FY 2018	\$ 870,902	\$ 182,127	\$ 1,485,406	\$ 42,170
Contributions - employer	43,913	19,162	184,526	802
Contributions - employee	10,682	2,500	13,570	199
Net investment income	123,408	26,747	243,422	3,718
Chapter funds and other income	-	-	11,685	-
Benefit payments and refund of contributions	(89,337)	(17,438)	(171,277)	(2,803)
Administrative expense	(365)	(75)	(2,173)	(5)
Net Change in Plan fiduciary net position	88,301	30,896	279,753	1,910
Ending Plan fiduciary net position FY 2018	\$ 959,203	\$ 213,023	\$ 1,765,159	\$ 44,080
Net Pension Liability	\$ 473,462	\$ 182,214	\$ 1,971,451	\$ 8,863

**Notes to Schedule:**

**Benefit changes:** The employee contribution rate increased from 7.7% to 9.7% of pay effective October 1, 2017. For accounting purposes, this change is reflected on September 30, 2017. The plan was closed to new entrants as of October 1, 2017. This closure had no immediate impact on the total pension liability.

**Change of Assumptions:** As of September 30, 2016, the mortality assumption was updated pursuant to Florida Statute Section 112.63(f), the assumed investment return was lowered from 7.50% to 7.40%, and the inflation component of the salary scale was adjusted for the following three years to reflect bargained increases with employee unions. As of September 30, 2017, the assumed investment return was lowered from 7.40% to 7.20%.

**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**9. B. PENSION LIABILITY, EXPENSE, DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS**

**2. Pension Expense**

For the year ended September 30, 2018 the City recognized pension expense of \$171.9 million. The City reported pension expense, deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**Pension Expense**

*(in thousands)*

	Actuarial Pension Expense	Deferred Outflow Contribution Amortization	Reclass of Current Year Contributions to Deferred Outflow	Pension Expense as reported for Fiscal Year 2018
General Employees' Pension Plan	\$ 59,143	\$ -	\$ (33,758)	\$ 25,386
Corrections Officers' Pension Plan	24,412	-	(13,974)	10,439
Police & Firefighters' Pension Plan	260,912	-	(115,693)	135,219
Florida State Retirement System	1,439	214	(177)	853
Total Pension Expense	\$ 345,906	\$ 214	\$ (163,602)	\$ 171,897

**3. Contributions -**

Contributions of \$163.6 million were reported as deferred outflows of resources related to pensions resulting from City of Jacksonville contributions subsequent to the September 30, 2017 measurement date (FRS measurement date, June 30, 2018) and will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2018.

**Current Year Employer Contributions**

*(in thousands)*

	General Employees' Pension Plan	Corrections Officers' Pension Plan	Police & Firefighters' Pension plan	Florida State Retirement System
Fiscal Year ended 9/30/2018	33,758	13,974	115,693	790

**4. Deferred Outflow/Inflow Amortization**

Other amounts reported as deferred outflows of resources and deferred inflows of resources are illustrated below.

**Deferred Outflows and (Inflows) of resources**

*(in thousands)*

	General Employees' Pension Plan	Corrections Officers' Pension Plan	Police & Firefighters' Pension plan	Florida State Retirement System
Differences in expected and actual experience	\$ 21,475	\$ 753	\$ 29,787	\$ 666
Changes in assumptions	50,256	24,090	238,752	2,626
Difference in projected and actual investment earnings	(33,880)	(4,081)	(81,483)	(619)
Changes in proportion	(17,753)	-	-	(15)
Total	\$ 20,098	\$ 20,762	\$ 187,056	\$ 2,658



**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**9. B. PENSION LIABILITY, EXPENSE, DEFERRED OUTFLOWS AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS (continued)**

**4. Deferred Outflow/Inflow Amortization (continued)**

**Deferred Outflows/(Inflows) Amortization for future years**

*(in thousands)*

	General Employees' Pension Plan	Corrections Officers' Pension Plan	Police & Firefighters' Pension plan	Florida State Retirement System
September 30, 2019	\$ 15,503	\$ 5,781	\$ 81,373	\$ 1,255
September 30, 2020	12,286	6,587	81,685	737
September 30, 2021	(369)	3,310	28,089	(6)
September 30, 2022	(7,123)	699	(4,091)	378
September 30, 2023	-	3,257	-	265
Thereafter	-	1,128	-	29
<b>Total</b>	<b>\$ 20,298</b>	<b>\$ 20,762</b>	<b>\$ 187,056</b>	<b>\$ 2,658</b>

**C. DEFINED CONTRIBUTION PLAN**

The City has, by ordinance established a Defined Contribution plan within the Jacksonville Retirement System for the general employee participants of the City of Jacksonville, Jacksonville Electric Authority and the Jacksonville Housing Authority, as an alternative to the Defined Benefit plan. In April 2017, the City Council passed legislation that provides that no employee hired on or after October 1, 2017 is eligible for membership in the defined benefit pension plans. This legislation established a defined contribution retirement system which shall include a General Employees' Defined Contribution Plan (GEDC) and a Public Safety Defined Contribution Plan (PSDC) to include Police, Fire and Corrections employees. All provisions of these Defined Contribution Plans is administered and managed by the City.

Contributions to the GEDC plan, stated as a percentage of pay, were 8 percent for plan members and 12 percent for the employer. Contributions to the PSDC plan, stated as a percentage of pay, were 10 percent for plan members and 25 percent for the employer. A portion of the Member contributions of both Defined Contribution plans, equal to 0.3 percent, is used to fund disability and survivor benefits in the GEDC and PSDC. The City shall contribute such additional sums, as necessary, to fund the disability and survivor benefits on a sound actuarial basis. Employees vest in the employer contributions to the plan at 25% after two years, and 25% per year thereafter until fully vested after five years of service. Members may make additional contributions on an after-tax basis, to the extent permitted by law. Members may also rollover to the GEDC/PSDC plan benefits accrued in other qualified plans consistent with the then prevailing provisions of the Internal Revenue Code.

Total contributions were \$14.5 million for the 2017-18 fiscal year. Contributions totaling \$5.2 million was transferred in to the DC plan for participants that converted from DB to DC in addition to employer and employee contributions.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**9. D. UNFUNDED PENSION LIABILITY**

The City recorded its unfunded pension liability in the City-wide Governmental Activities financial statements. There was not an allocation of this liability to the proprietary funds/Business-type Activities or fiduciary funds as there is not an expectation that those type funds/activities will be paying or raising rates to pay for the unfunded liability.

Police and Fire Pension and Corrections Pension are governmental fund activities so their entries are recorded in the City-wide Governmental Activities financial statements as well.

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**CITY OF JACKSONVILLE, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**10. POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB)**

*Plan Description:* The City provides retirees with the option to purchase health insurance from the City’s single employer, experience rated health insurance contract plan (Plan) that provides medical benefits to active and eligible retirees at the City’s group rate as mandated by Florida Statute 112.0801. The State of Florida law prohibits the City from separately rating retirees and active employees. The City therefore assigns to both groups equal, blended-rate premiums. Although both groups are assigned the same blended rate premiums, GAAP requires the actuarial liabilities to be calculated using age-adjusted premiums approximating claim costs for retirees separate from active members. Therefore there is an implicit cost (rate) subsidy benefit and obligation for the retirees’ participation.

*Funding Policy:* The City has followed a pay-as- you-go policy, contributing only those amounts necessary to provide for its portion of current year benefit costs and expenses plus any addition to the reserve for accrued costs incurred but not yet reported, as determined as part of the insurance contract. Since the implicit cost subsidy is the only OPEB benefit and having a pay as you go system with no funding to a trust, any administration costs are paid by the general fund and are considered immaterial. Since the City is on a pay-as-you-go, the OPEB entries are recorded in the Governmental Activities Statement of Net Position and Statement of Activities. The contribution requirements of Plan members are established by the City. Retired members pay the full premium for the Plan at the Group rate for the coverage elected; no direct City subsidy is currently applicable; however, there is an implicit cost (rate) subsidy as discussed in the Plan Description paragraph above. Retired members contributed \$6,060,000 in premiums for FY2018, representing 30.0% of the total FY2018 OPEB cost. The following displays the estimated retiree premiums for 20 year cash flow purposes:

FY2018	\$6,060,000	FY2028	\$12,276,000
FY2019	\$6,358,000	FY2029	\$12,824,000
FY2020	\$6,829,000	FY2030	\$13,473,000
FY2021	\$7,228,000	FY2031	\$14,251,000
FY2022	\$7,853,000	FY2032	\$15,208,000
FY2023	\$8,227,000	FY2033	\$15,931,000
FY2024	\$8,880,000	FY2034	\$16,413,000
FY2025	\$9,724,000	FY2035	\$16,866,000
FY2026	\$10,578,000	FY2036	\$16,918,000
FY2027	\$11,401,000	FY2037	\$16,867,000

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**10. POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) (continued)**

*Implementation of GASB #75:* The Government Accounting Standards Board (GASB) issued GASB #75 in June 2015 to replace GASB #45 with an effective date for fiscal years beginning after June 15, 2017, thus the City’s FY2018 reporting year. Since the City displays comparative statements with the preceding year, ending balances are restated back to FY2016 OPEB balances for GASB #75 and corresponding entries in FY2017 and FY2018 reflect the restatement. The following displays the OPEB ending balances at fiscal year-end as restated:

	<u>OPEB Liability</u>	<u>Deferred Inflows</u>
FY2016	\$198,602,495	\$ -
FY2017	\$204,287,693	\$ 6,605,606
FY2018	\$187,690,872	\$33,081,643

***Summary of GASB #75 versus GASB #45 key changes:***

- 1) The City must now recognize the total OPEB liability, as opposed to an amortized portion of the liability (the Net OPEB Obligation).
- 2) The annual OPEB expense replaces the Annual Required Contribution (ARC), with faster recognition than what was previously required.
- 3) The entry age normal cost method is required to determine the liability.
- 4) The discount rate is based on employer’s assets and calculation of Actuarial Determined Contribution (ADC) if prefunding. If the plan is unfunded, the 20 year tax exempt municipal bond yield is used.
- 5) Enhanced disclosures of historical contributions, funding status, and basis for actuarial assumptions are required.
- 6) Description of any benefit and assumption changes as well as an expanded Notes section and Required Supplementary Information (RSI) requirement.

**Changes in Net OPEB Liability:**

	<u>FY2017</u>	<u>FY2018</u>
Total OPEB Liability – Beginning of Year	\$198,602,495	\$204,287,693
Service cost	10,839,911	11,293,019
Interest cost	7,507,817	8,884,615
Changes in assumptions and other inputs	(7,431,307)	(30,714,456)
Benefit Payments	(5,231,223)	(6,060,000)
Net change in total OPEB liability	<u>5,685,198</u>	<u>(16,596,821)</u>
Total OPEB Liability – End of Year	<u>\$204,287,693</u>	<u>\$187,690,872</u>

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**10. POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) (continued)  
Schedule of Deferred Inflows/Outflows of Resources at September 30, 2018:**

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions/inputs	\$ -	(\$33,081,643)
Net difference between projected and actual investments	\$ -	\$ -

Amounts reported as Deferred Inflows of Resources at FYE2018:

FY2019	(\$4,238,418)
FY2020	(\$4,238,418)
FY2021	(\$4,238,418)
FY2022	(\$4,238,418)
FY2023	(\$4,238,418)
Thereafter	(\$11,889,553)

**OPEB Expenses:**

	<b><u>FY2017</u></b>	<b><u>FY2018</u></b>
Total OPEB Expenses	\$12,291,000	\$9,879,000

***Actuarial Assumptions and Methods:***

- 1) Valuation Date: September 30, 2018
- 2) Discount Rate: 4.18% - Bond Buyer 20-Bond GO Index
- 3) Salary Increase Rate: 3.5% per annum
- 4) Medical Consumer Price Index Trend 3.0% per annum
- 5) Inflation Rate 3.0% per annum
- 6) Census Data The census is as of September 1, 2017, as provided by the City.
- 7) Marriage Rate The assumed number of eligible dependents is based on the current proportions of single and Family contracts in the census provided.

**CITY OF JACKSONVILLE, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**10. POST EMPLOYEMENT BENEFITS OTHER THAN PENSION (OPEB) (continued)**  
*Actuarial Assumptions and Methods: (continued)*

- 8) Spouse Age  
 Spouse dates of birth were provided by the City. Where this information is missing, male spouses are assumed to be three years older than female spouses.
- 9) Medicare Eligibility  
 All current and future retirees are assumed to be Eligible for Medicare at age 65.
- 10) Actuarial Cost Method  
 Entry Age Normal based on level percentage of projected salary.
- 11) Amortization Method  
 Experience gains and losses are amortized over a closed period of 9 years starting October 1, 2016, equal to the average remaining service of active and inactive plan members (who have no future service).
- 12) Plan Participation Percentage  
 That 60% of future pre 65 retirees will participate in the pre-65 medical plan and 15% (30% for those hired prior to 1/1/1987) continue upon Medicare eligibility. This assumes that a one-time irrevocable election to participate is made at retirement.
- 13) Mortality Rates  
 RP-2014 generational table scaled using MP-17 and applied on a gender-specific basis.
- 14) Health Care Cost Trend Rate  
 The health care cost trend assumptions are used to project the cost of health care in future years. The following annual trends are based on the HCA Consulting trend study, and are applied on a select and ultimate basis. Select trends are reduced 0.5% each year until reaching the ultimate trend rate.

<u>Expense Type (FY2017)</u>	<u>Select</u>	<u>Ultimate</u>
Pre-Medicare Medical and Rx Benefits	7.0%	4.5%
Medicare Benefits	6.0%	4.5%
Administrative Fees	4.5%	4.5%

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**10. POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) (continued)**  
*Actuarial Assumptions and Methods: (continued)*

15) Per Capita Health Care Cost Trend Rate

Expected annual claim costs were developed from a blend of the previous valuations' claim costs with historical claim experience through October 2017. The age 60 and age 70 adjusted claim costs are as follows:

<u>Rate Tier</u>	<u>Age 60</u>	<u>Age 70 (Medicare)</u>	<u>(Non-Medicare)</u>
HMO 48	\$12,198	\$7,809	\$15,935
HDHP 65	\$ 9,330	\$5,314	\$12,152
PPO	\$13,793	\$8,256	\$18,019
Future Retirees	\$12,349	\$7,815	\$16,131

16) Non-Claim Expenses

Non-claim expenses are based on the current amounts charged per retired employee as of January 1, 2017. The amounts are provided in the table below and are trended at the levels shown in the "Health Care Cost Trend Rate" table in 14) above.

<u>Rate Tier</u>	<u>Age 60</u>
ASO-PEPM	\$27.70
Stop Loss – PEPM	\$ 9.04

17) Plan Election Percentage

Future eligible retirees are assumed to elect coverage based on the following percentages:

<u>Rate Tier</u>	<u>Age 60</u>
HMO 48	81%
HDHP 65	3%
PPO	16%

18) Age Based Morbidity

The assumed per capita health claim costs are adjusted to reflect expected increases related to age and gender. These increases are based on a 2013 Society of Actuaries study.

19) Termination and Retirement Age

The rate of withdrawal for reasons other than death and retirement has been developed from the Florida Retirement System Actuarial Valuation as of July 1, 2016, City of Jacksonville Correctional Officer Retirement System Valuation as of October 1, 2016, the City of Jacksonville General Employees Retirement Plan Valuation as of October 1, 2016, and the City of Jacksonville Police & Fire Pension Fund Actuarial Valuation as of October 1, 2016. The annual termination probability is dependent on an employee's age, gender, and years of service.

**CITY OF JACKSONVILLE, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**10. POST EMPLOYEMENT BENEFITS OTHER THAN PENSION (OPEB) (continued)**  
*Actuarial Assumptions and Methods: (continued)*

20) Valuation of Excise Tax

A retiree pre-65 plan cost is projected at health care cost trend and compared to the excise tax cost threshold beginning in 2020 and continuing thereafter. The City will be liable for 40% of the difference between plan costs and the cost threshold, when the plan costs are greater than the cost threshold.

21) Excise Tax Thresholds

The 2020 annual threshold costs for excise tax are as follows:

Pre-65 Retiree Single \$11,850  
 Pre-65 Retiree Family \$30,950

On December 18, 2015, a bill was signed delaying the excise tax for two years. The above thresholds will soon be updated to reflect this two-year delay. The active and pre-65 retiree thresholds have been weighted by current census headcounts. The threshold is assumed to increase at health CPI trend each year.

*Sensitivity to the City’s net OPEB liability to changes in the healthcare cost trend rates:  
 (rounded to thousands)*

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Net OPEB liability	\$149,793,000	\$187,691,000	\$208,749,000

*Sensitivity to the City’s net OPEB liability to changes in the discount rate:*

	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Net OPEB liability	\$149,030,000	\$187,691,000	\$210,547,000

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**11. DEFERRED COMPENSATION PROGRAM**

The City offers its employees a deferred compensation program created in accordance with Internal Revenue Code (IRC) Section 457 and Chapter 112.215, Florida Statutes. During the year ended September 30, 1999, the City complied with the requirements of subsection (g) of IRC Section 457 and, accordingly, all assets and income of the plan are held in trust for the exclusive benefit of the participants and their beneficiaries. Pursuant to the provisions of GASB Statement No. 32, Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans, the financial statements do not display deferred compensation balances in an Agency Fund.

**12. RISK FINANCING**

**A. Public Liability and Workers Compensation:**

The City is exposed to various risks of loss related to torts, theft, damage to and destruction of assets, errors and omission, injuries to employees and natural disasters. The Risk Management Division (“Division”) administers the self-insured public liability (general liability and automobile liability) and workers’ compensation coverages (the “Program”). The Program covers the activities of the City general government and the JEA, Jacksonville Housing Authority, Jacksonville Port Authority, and the Jacksonville Aviation Authority (“Members”).

Jacksonville’s City Ordinance, Chapter 128, establishes the Program’s self-insurance fund. The Program is a combination of self-insurance, coupled with certain layers of excess coverage to mitigate aberrant and substantial unexpected losses.

The City does transfer some its risk through the purchase of insurance for its other exposures. The City purchases Watercraft, Wharfingers Liability, Out of State Automobile Liability, Aviation, Crime, Cyber Liability Property and other certain General Liability policies (Special Events, Rails to Trails, Power Lines Easement, Riverwalk, and Voting Precincts) to transfer risk. These policies are subject to sublimits, policy aggregates (where applicable) terms, conditions and exclusions as noted in the policies. Coverages are applicable to specific entities listed as named insureds. The attached schedule indicates the major categories of coverage transferred to insurers.

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**12. RISK FINANCING (continued)**

**A. Public Liability and Workers Compensation: (continued)**

Coverage's	Limits Occurrence and Aggregate	Retentions/Deductibles
Excess Casualty Package -		
General Liability	\$ 5,000,000	\$ 1,500,000 <sup>(1)</sup>
Automobile Liability	\$ 1,000,000	\$ 1,500,000 <sup>(1)</sup>
Workers' Compensation Benefits	Statutory	\$ 1,250,000 <sup>(1)</sup>
Worker's Compensation Employers' Liability	\$ 1,000,000	\$ 1,250,000 <sup>(1)</sup>
Worker's Compensation Communicable Disease (Coverage a & b)	\$ 50,000,000	\$ 1,250,000 <sup>(1)</sup>
Property (Real & Personal Property) -	\$ 400,000,000	\$ 100,000/250,000 <sup>(2)</sup>
Property Terrorism (includes a Bodily Injury \$10,000,000 Sublimit)	\$ 100,000,000	\$ 100,000
Boiler and Machinery	\$ 100,000,000	\$ 50,000
Fine Arts - Scheduled Value	\$ 2,733,150	\$ 1,000
Employee Fidelity	\$ 5,000,000	\$ 75,000 <sup>(3)</sup>
Aircraft Liability (P&I)	\$ 20,000,000	\$ -
Aircraft Physical Damage (Schedule Value)	\$ 6,733,734	Various/Per Schedule <sup>(4)</sup>
Watercraft (P&I)	\$ 10,000,000	\$ 2,000
Watercraft Physical Damage (Scheduled Value)	\$ 8,908,870	Various/Per Schedule <sup>(5)</sup>
Wharfingers Liability	\$ 5,000,000	\$ 1,000
Out of State Automobile Liability	\$ 1,000,000	\$ -
Rails to Trail General Liability	\$ 3,000,000	\$ 1,000
Power Lines Easement General Liability	\$ 2,000,000	\$ 500
Riverwalk General Liability	\$ 5,000,000	\$ 5,000
Voting Precincts General Liability	\$ 1,000,000	\$ 500

(1) The Self-Insurance Program is comprised of two policies: A stand alone Excess Workers' Compensation policy from New York Marine and General Liability, which includes a retention of \$1.5 million (only \$500,000 for JHA and JPA), and a Casualty Package provided by Lloyds of London Brit Program, which includes General Liability, Law Enforcement Liability, Public Officials/Employment Liability, Automobile Liability and a Workers' Compensation Buffer Layer of \$250,000. The Self-Insurance Program covers the City government and its Members (JEA, JPA, JHA and JAA).

(2) The property policy has a \$100,000 "all other peril" deductible for events that are named windstorm; windstorm deductible losses is equal to 5% of the total insured values and applied separately to Building(s) and their associated Contents subject to a minimum deductible of \$250,000 and maximum of \$25,000,000 per occurrence. The policy also has \$25,000 deductibles that apply to Jacksonville Port Authority Equipment Floater, Fine Arts (Excess over other collected insurance) and Property in Transit and Electronic Data Program Equipment and Media. The policy includes Service Interruption coverage with a 24 hours waiting period.

(3) Crime coverage affords a \$5 million Employee Theft/ Faithful Performance except \$3 million each for Forgery or Alteration. Inside the Premises (Theft of Money and Securities), Inside Premises (Robbery or Safe Burglary of Other Property), Outside the Premises, Computer Fraud, Funds Transfer Fraud and Money Orders and Counterfeit Money. Employee Theft Deductibles (as applicable) is \$75,000 except all others with a \$25,000 deductible applicable per loss or occurrence basis.

(4) Aircraft physical damage deductibles are: (1) for aircrafts not in motion, \$1,000 for rotor wings and \$250 fixed wings; (2) for aircraft in motion, 5% of the hull scheduled value, not to exceed \$25,000 for rotor wings and \$1,000 fixed wings.

(5) Watercraft physical damage deductibles is 1% of the hull scheduled value or \$250 per occurrence for trailers.

(6) In the past three (3) years, none of the listed commercial policies have incurred a loss that resulted in a settlement amount in excess of the policy limit.

**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**12. RISK FINANCING (continued)**

**A. Public Liability and Workers Compensation: (continued)**

Annually, as of September 30, the Program has a third party actuary review the claim history for all open claim years. The actuary projects the ultimate claim payment obligation (including the incurred but not reported claims and claim development) for each year's claim experience and the probable loss fund cost for the new fiscal year. The City uses in-house defense counsel for General and Automobile Liability and outside defense counsel for Workers' Compensation. The City's Self-Insurance Program liability is established at the expected confidence level on a four percent (4%) discounted basis in the amount of \$107,180,000 for General Liability, Automobile Liability and Workers' Compensation. Actuarial also projects \$7,271,000 of unallocated loss adjustment expenses on a four percent (4%) discounted basis at the expected confidence level.

The probable loss fund estimate is used to budget the self-insurance fund for general liability, automobile liability, and workers' compensation. As an internal service fund, charges are billed to the various funds and component units of the City. If an adjustment is necessary to increase the reported fund liability to reflect the actuary's estimated ultimate claim payment, then the self-insurance fund will either draw upon its accumulated net assets and/or initiate a year-end billing to the City itself and component units of the City.

The City's practice of cash funding the projected ultimate claims payment is intended to temporarily accumulate net assets, which can be used to meet changes in estimates over time. Projected ultimate claims payment experience is as of the end of each fiscal year, even though some payments may not be made until a later date.

The City maintains separate fiscal year accounting, which allows any excess revenues available to be returned to the City itself, and component units and the accumulation of an operating reserve authorized by the City of Jacksonville Ordinance Code Section 106.106. As of September 30, 2018, the City has a Surplus in the Self-Insurance fund of \$1,413,237 and an operating reserve in the amount of \$2,229,704 for a combined unrestricted net asset surplus of \$3,642,941. In the Supplemental Section of the City's Comprehensive Annual Financial Report, is a trend information schedule for general/auto liability and workers' compensation, entitled "Schedule of Self-Insurance Ten Year Claims Development Information," which reflects the claims paid and liability projection development of each of the most recent ten years as of September 30, 2018.

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**12. RISK FINANCING (continued)**

**A. Public Liability and Workers Compensation: (continued)**

The following schedule presents the changes in aggregate claims liabilities for the past two years of the self-insurance fund's general liability, automobile liability, and workers' compensation.

**SELF-INSURANCE FUND  
CHANGES IN AGGREGATE CLAIMS LIABILITIES HISTORY (Including ULAE)  
FOR THE YEARS ENDING SEPTEMBER 30**

	General/Auto Liability		Workers Compensation		Totals	
	2018	2017	2018	2017	2018	2017
Unpaid claims and claims adjustment expenses at beginning of fiscal year	\$15,531,000	\$17,132,000	\$94,300,000	\$90,873,000	\$109,831,000	\$108,005,000
Incurred claims and claim adjustment expenses:						
Provisions for insured events of the current fiscal year	3,941,305	4,030,049	11,745,214	10,633,917	15,686,519	14,663,966
Increases (decreases) in provision for insured events of prior fiscal years	3,231,824	4,779,613	17,310,864	13,682,936	20,542,688	18,462,549
Total incurred claims and claim adjustment expenses	7,173,129	8,809,662	29,056,078	24,316,853	36,229,207	33,126,515
Payments:						
Claims and claim adjustment expenses attributable to insured events of current fiscal year	1,317,590	1,474,763	4,481,276	4,427,901	5,798,867	5,902,664
Claims and claim adjustment expenses attributable to insured events of prior fiscal year	6,086,539	8,935,899	19,723,802	16,461,952	25,810,341	25,397,851
Total Payments	7,404,129	10,410,662	24,205,078	20,889,853	31,609,207	31,300,515
Total unpaid claims and claim adjustment expenses at end of fiscal year	\$15,300,000	\$15,531,000	\$99,151,000	\$94,300,000	\$114,451,000	\$109,831,000

The following schedule presents the current and noncurrent claims liabilities for the past two years of the self-insurance fund's general liability and automobile liability, and workers' compensation.

**SELF-INSURANCE FUND  
CURRENT AND NONCURRENT CLAIMS LIABILITIES (Including ULAE)  
FOR THE YEARS ENDING SEPTEMBER 30**

	General/Auto Liability		Workers Compensation		Totals	
	2018	2017	2018	2017	2018	2017
Current Liability:						
Estimated Liability for Self-Insured losses	\$8,374,800	\$8,246,400	\$19,937,400	\$17,454,150	\$28,312,200	\$25,700,550
Noncurrent Liability:						
Estimated Liability for Self-Insured losses	6,925,200	7,284,600	79,213,600	76,845,850	86,138,800	84,130,450
Total Liability	\$15,300,000	\$15,531,000	\$99,151,000	\$94,300,000	\$114,451,000	\$109,831,000

**CITY OF JACKSONVILLE, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**12. RISK FINANCING (continued)  
 B. Self-Insured Health Plan:**

Effective January 1, 2015 the City elected to move from a fully insured plan to a self-funded arrangement for its group health coverage. The primary driver of this decision was the prohibitive cost of commercial health insurance. The City historically utilized Florida Blue as the third party administrator which provides claims adjudication services, provider network contracting and maintenance, and other valuable services. Florida Blue pays claims as they are incurred and bills the City monthly. In order to better manage the risk, the City has contracted for stop-loss insurance with a \$650,000 specific deductible in 2018. Once a claim exceeds this threshold, the City is reimbursed for any excess expenses. In 2018, the City added a new health plan option administered by Integra Administrative Group. That plan has its own stop loss with a deductible of \$250,000.

The plan is funded by contributions from the City and employees. These funds reside in an internal service fund which is used exclusively for Employee Benefits. The beginning balance of this fund as of January 1, 2015 was \$6,479,716. The City received a pro-share settlement from Florida Blue of \$1,547,615. This was the result of superior claims performance that the City experienced in CY2013 and CY2014 as a fully insured health plan. In September 2018 the City received a pharmacy rebate, from Florida Blue, of \$1,961,600 for the CY2017.

Incurred but not reported (IBNR) claims were estimated at \$4,930,000 as of September 30, 2018 and are recorded as a liability on the Statement of Net Position. Changes in the reported liability since January 1, 2015 resulted from the following:

Fiscal Year Ended	Beginning Balance	Claims and Changes in Estimates	Claim and Expense Payments	Ending Balance
2015	\$ -	\$57,049,414	\$52,850,908	\$4,198,505
2016	\$4,198,505	\$74,958,235	\$74,912,875	\$4,243,865
2017	\$4,243,865	\$73,669,055	\$73,152,818	\$4,760,102
2018	\$4,760,102	\$80,379,534	\$80,209,535	\$4,930,101

As of September 30, 2018 the operating gain was \$23,173,741. The Florida state statutes require a safe harbor threshold to be maintained in plan reserves. This threshold for FY2018 is \$12,769,093 and the City has plan reserves of \$29,653,458.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**13. OTHER REQUIRED INDIVIDUAL FUND AND COMPLIANCE DISCLOSURES**

**A. Compliance with Finance Related Legal and Contractual Provisions:**

In the opinion of management, the City has no violations of finance related legal and contractual provisions.

**B. Fund Deficits:**

The following individual funds had a fund deficit at September 30, 2018, (in thousands):

Governmental Funds	<u>Net Position</u>
Public Safety	(\$52,467)

The Public Safety fund had a deficit balance due to excess expenditures resulting from Tropical Storms and Hurricanes. These expenditures are anticipated to be reimbursed by FEMA, the Federal Emergency Management Agency.

Additionally, the Public Safety fund includes negative intergovernmental revenue resulting from the reversal of fiscal year 2017 accruals that were greater than actual revenue received from FEMA.

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**13. OTHER REQUIRED INDIVIDUAL FUND AND COMPLIANCE DISCLOSURES  
C. Landfill Closure and Postclosure Care Costs:**

The State of Florida's Solid Waste Management Act of 1988 and regulations of the U.S. Environmental Protection Agency (EPA) and the State of Florida Department of Environmental Protection (FDEP) require the City to be responsible for constructing and maintaining the final landfill cover, monitoring ground water and methane gas, and continuing leachate management 30 years after its municipally owned landfills stop accepting solid waste and are closed. The estimated total costs of municipal solid waste landfill (MSWLF) closure and post closure (long-term) care costs reported by the City are based upon professional consulting engineers' studies prepared annually pursuant to rules promulgated by EPA and FDEP. However, existing EPA and FDEP closure and long-term regulations may change which might require the City to revise its MSWLF cost estimates used in the future.

MSWLF costs, for open landfills, are recognized in accordance with GASB Statement No. 18, Accounting for Municipal Solid Waste Landfill Closure and Post Closure Care Costs. A liability of the Solid Waste Disposal Enterprise Fund is recorded based upon landfill capacity used at fiscal year-end and a current operating expense of the Fund in the fiscal year in which the MSWLF costs are recovered through earned, operating revenue. Expenses for closure and long-term care costs are funded from future operating revenues of the Solid Waste Disposal fund and bond proceeds. As noted in Note 1. P, the application of SFAS No. 71 resulted in certain costs being capitalized and amortized to later periods. The City obtained bond proceeds to support closure and long-term care cost for North and East landfills and Picketville Waste Site. At September 30, 2018 the prepaid balance of the capitalized cost is \$0.

**Active Landfill – Trail Ridge**

The closure and long-term liability for Trail Ridge as of September 30, 2018 is \$32.2 million which represents an increase of \$1.3 million compared to the preceding year. This increase resulted from adjustments for inflation and current annual closure and long-term care cost estimates. The percentage of landfill capacity used is estimated to be 77.61%, with an estimated life of 33.50 years.

**Inactive Landfills – North and East**

North and East landfills closed October 1999 and April 1992, respectively. The long-term liability for North as of September 30, 2018 is \$0. When compared to the preceding year, the liability balances decreased \$570 thousand in aggregate, due to adjustments for current annual closure cost estimates and costs paid for performing and monitoring closure work.

**CITY OF JACKSONVILLE, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**13. OTHER REQUIRED INDIVIDUAL FUND AND COMPLIANCE DISCLOSURES  
 C. Landfill Closure and Long-term Care Costs: (continued)**

Annually, the City is required by Chapter 62-701.630 of the Florida Administrative Code, to accumulate resources for payment of closure and long-term care cost. The City is in compliance with these requirements. Due to inflationary increases over the years for costs expended on closing the landfill, costs exceeded the revenue derived from tonnage filling the landfill. The revenue rate structure had not changed in many years and did not keep up with inflation. The City decided to implement a three phase strategy to address the problem. In FY2017, the City’s General Fund initiated a \$9 million loan to the landfill closure/post closure sub fund as Phase 1. In FY2018, the City implemented Phase 2 and made permanent transfers of \$9 million to firm up the previous amount loaned. Phase 3 will address a rate review for the landfill closure/post closure revenue projections vs. cost projections, in order to keep the sub fund compliant with the Florida Administrative Code. As of September 30, 2018, \$17.7 million, which includes \$3.2 million for accelerated payments, have been accumulated for payment of closure and long-term care cost (see summary below). Accelerated payments are payments in excess of the required financial assurance balances that are held in reserves for contingencies and are used to offset future operational cost.

	<b>Trail Ridge</b>
Current Cost of Closure	\$ 14,549,113
Annual cost of long-term care	-
Accelerated funds above state minimum	3,188,231
Total balance in escrow account	\$ 17,737,344

**14. LESSOR OPERATING LEASE**

**A. Jacksonville Jaguars, LLC.** - The City entered into a lease dated September 7, 1993, pursuant to which the City leases TIAA Bank Field, a City owned stadium, and adjacent practice facilities to the Jacksonville Jaguars, Inc. (Jaguars) for a period of 30 years from the first National Football League (NFL) regular season play in 1995; Amendment 5, executed September 6, 2002, extends the lease an additional five years. The City uses the City Venues enterprise fund to record the stadium, practice facilities, other related capital assets, and all the related revenues and expenses from use of the stadium and practice facilities under this lease agreement.

The lease entitles the Jaguars to use the stadium on game days, for practices and summer training camp, and for the period necessary before game days. During other periods of time, the City has the right to use the stadium, except for certain administrative spaces, training facilities, suites, and other areas that are for the exclusive use of the Jaguars.

For the first five years, rent is deferred in the amount of \$250,000 per year; in years 6-10 rent is \$500,000 per year; in years 11-20 \$1,000,000; and in the final 15 years \$1.25 million, including the lease extension. Amendment 8, executed January 2006, reduced the total Jaguars rent obligations by \$8,600,000, which was provided through rental reductions in the amount of \$1,433,333 for six payments beginning with the November 2005 payment through the June 2008 payment.



**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**14. LESSOR OPERATING LEASE (continued)**

**A. Jacksonville Jaguars, LLC. (continued)**

Amendment 8 also reduces supplemental lease obligations, with the City's acceptance of payment from the Jaguars in the amount of \$10,197,891 for the full satisfaction of amounts due for Super Bowl net revenues. Rents from years 11 through the end of the lease are subject to escalation based on one-half of any increase in the Consumer Price Index, but not to exceed 2.5% per year.

In addition, the Jaguars are obligated to pay supplemental rent in an amount equal to the annual debt service incurred by the City for certain costs of renovation of \$53.1 million requested by the Jaguars over a 30 year period with interest computed on a tax-exempt basis; inclusive of Amendment 7 executed May 27, 2004.

The lease generally permits the City to retain revenues from City events at the stadium, with some exceptions. Amendments 8 and 12 outline provisions for advertising revenue generated from electronic signage for different stadium functions. The City is required to provide electricity, water and sewer services for the stadium at its expense. The City must maintain the stadium and all leasehold improvements. Per Amendment 8, the City agreed to provide \$1,000,000 for additional electronic signs. The City is required to pay for game day personnel, excluding concessions, on the days of Jaguar games. Amendment 8 gives the Jaguars the responsibility to provide concessions to all events within the concessions area. The Jaguars retain all net revenues from concessions and similar sales on NFL game days. The lease obligates the Jaguars to maintain its franchise at the stadium in Jacksonville and to not relocate unless it pays the City certain guaranteed amounts.

Amendment 9 outlines a revenue sharing agreement for the stadium naming rights and provides the parameters for the marketing of the stadium name. Also, Amendment 9 details additional advertising rights and allows for certain fixed signage at the stadium. However, the subsequent naming rights agreement with TIAA Bank eliminated the City participation in revenue generated from the stadium naming rights.

Amendment 10 outlines the accepted procedures for the use of the City established Sports Complex Capital Maintenance Fund. The agreement allows the Jaguars to advance fund certain capital, repair and maintenance projects at the stadium and receive reimbursement from the City. Amendment 10 also establishes the procedures for the creation of the related capital improvement plan.

Amendment 12 outlines provisions of various improvements to the stadium, including new video boards, renovations and improvements to the North End Zone (NEZ), and stadium Wi-Fi improvements. Total project improvements cost over \$60 million, with the City financing approximately \$44 million. Amendment 13 clarifies or modifies miscellaneous provisions of the lease, and outlines certain rights of the City and Jaguars with regards to the electric signage included in the improvements of Amendment 12.

**CITY OF JACKSONVILLE, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**14. LESSOR OPERATING LEASE (continued)**

**A. Jacksonville Jaguars, LLC. (continued)**

Amendment 14 outlines provisions of various improvements, including stadium club and south end zone improvements, and the addition of a covered football field practice facility and outdoor amphitheater. Total project improvements cost over \$90 million, with the City financing approximately \$45 million.

A summary of scheduled lease payments is as follows:

<u>Year</u>	<u>Payment</u>
2019	4,718,763
2020	4,701,756
2021	3,883,700
2022	3,885,526
2023	3,886,040
2024 - 2028	28,273,742
2029 - 2030	9,786,485

The Jaguars Operating Lease is subject to the rental provisions of GASB #13 – Accounting for Operating Leases with Scheduled Rent Increases.

The Base Rental associated with the startup of operations and the initial capital costs for transforming the stadium to an NFL stadium has deferred rents for the first five years and then scheduled rent increases throughout the term of the lease, Amendment #8 in FY2005 providing rental credits of \$2,866,666 in FY2006, FY2007, and FY2008, which reduced the rental payment in each of those years. Paragraph 6 of GASB #13 states that “Sometimes an operating lease with scheduled rent increases contains payment requirements in a particular year or years that are artificially low when viewed in the context of earlier or later payment requirements.” This occurred with the base rental of the Jaguars contract. Paragraph 6 guidance states that the operating lease transactions should be measured utilizing one of two measures, with Paragraph 6a being “The operating lease transactions may be measured on a straight-line basis over the lease term.” The City has recorded a deferred rent receivable of \$8,212,997 due to the application of GASB #13 based on the difference in the actual rent paid and the calculated straight line rent.

In analyzing the lease, there are two conditions that could affect the collection of the deferred rent receivables. The lease has been modified multiple times since the original agreement, providing for rent reduction as noted in amendment #8. Based on this history of amending the lease, there is uncertainty and a potential for other rental reductions or deferments which could put the collection of the deferred rent receivables at risk. Additionally, the lease has several paragraphs concerning early termination of the contract and provides the City of Jacksonville reasonable liquidated damages in the circumstance of the Jaguars leaving the City. This termination provision, in effect, makes the rental collection subject to a year by year basis. The City has an offsetting allowance for the entire \$8,212,997 deferred rent receivables. As payments are made, the deferred receivables and allowance are adjusted accordingly.

**CITY OF JACKSONVILLE, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**14. LESSOR OPERATING LEASE (continued)  
 A. Jacksonville Jaguars, LLC. (continued)**

A summary of the leased asset value is as follows:

Cost of leased assets	437,895,646
Accumulated depreciation	<u>(130,617,875)</u>
Carrying Value of leased assets	\$ 307,277,771

**B. Shands Jacksonville:**

Under an agreement with a not-for-profit corporation, Shands Jacksonville, also known as University of Florida Health (UFHealth), the City leases to Shands certain capital assets, principally land and buildings, over a term to September 30, 2027 with an option to renew for an additional forty years to 2067 at \$1 per year. In addition, Shands is to be a full service hospital in support of the indigent care programs of the City of Jacksonville and Duval County under the agreement. Shands is to maintain, in good condition, and make improvements and betterments to the Hospital as necessary over the life of the lease. At termination of the lease, all leased property shall revert to the City as a general government asset.

**15. LITIGATION, CONTINGENCIES, AND COMMITMENTS**

**A. Litigation:**

The City is named as party in legal proceedings which occur in the normal course of government operations. Such litigation includes, but is not limited to, claims asserted against the City arising from alleged torts, including claims under the public liability in the Self Insurance Fund, alleged breaches of contract, condemnation proceedings and other alleged violations of state or federal laws.

The City self-insures itself through general liability and workers compensation programs for most claims asserted against the City. For all amounts that are probable of loss the City records an estimated liability in the Self Insurance internal service fund. For amounts where it is not possible at the present time to estimate the ultimate outcome or liability, if any, to the City for the proceedings no accrual is recorded. It is the City’s opinion that the ultimate liability in these litigation matters, if any, that have not been accrued, is not expected to have a material adverse effect on the City’s financial position.

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**15. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)**

**B. Grants and Contracts:**

The City participates in various federal and state assisted grant programs that are subject to review and audit by the grantor agencies. Entitlement to these resources is generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal and state regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a federal or state audit may become a liability of the City. All City agencies and departments are required to comply with various federal regulations issued by the U.S. Office of Management and Budget if such agency or department is a recipient of a federal grant, contract or their sponsored agreement. Certain agencies and departments may not be in total compliance with these regulations. Failure to comply may result in questions concerning eligibility of related direct and indirect charges pursuant to such agreements. It is believed that the ultimate disallowance pertaining to these regulations, if any, will be immaterial to the overall financial condition of the City.

**C. Self-Insurance:**

Through the City's Risk Management Division, the City maintains an insurance and self-insurance program (See Note 12). Under the laws of the State of Florida, the City has sovereign immunity for state tort claims in excess of \$200,000 per person and \$300,000 per occurrence. The City retains coverage on all other types of major exposures including real and tangible property. The self-insured programs of the City, which are included in the Self-Insurance Internal Service Fund, are funded on a dollar-for-dollar basis determined actuarially for the estimated losses for claim development and incurred but not reported claims, and unallocated loss adjustment expenses. Claims are reserved on ultimate probable cost basis.

**D. Pollution Remediation:**

Governmental Accounting Standards Board Statement No. 49 Accounting and Financial Reporting for Pollution Remediation Obligations (GASB 49) provides accounting and financial reporting for pollution remediation obligations. While GASB 49 does not require the City to search for pollution, it does require the City to reasonably estimate and report a remediation liability when any of the following obligating events has occurred:

- The City is compelled to take remediation action because pollution creates an imminent endangerment to public health,
- The City is in violation of pollution prevention,
- The City is named, or has evidence that it will be named as responsible party by a regulator,
- The City is named, or has evidence that it will be named in a lawsuit to enforce cleanup, or
- The City commences or legally obligates itself to conduct pollution remediation activities.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**15. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)  
D. Pollution Remediation: (continued)**

The City recorded a pollution remediation liability as of September 30, 2018 of approximately \$111.01 million (See Note 8. C for schedule) using the expected cash flow technique. Under this technique, the City estimated a reasonable range of potential outlays and multiplied those outlays by their probability of occurring. However, this liability could change over time due to changes in cost of goods and services, changes in remediation technology, or changes in laws and regulations governing the remediation efforts. The following paragraphs provide further details on the more significant sites.

*Whitehouse Waste Oil Pits Superfund Site*

The US Environmental Protection Agency (USEPA) identified the City as a potential responsible party (PRP) at the *Whitehouse Waste Oil Pits Superfund Site* in western Duval County. The City and other (PRPs) participated in the USEPA's Pilot Allocation Project which resulted in the USEPA assuming as much as 65% of the liability at the site, with the City being allocated less than 10% of the liability.

The USEPA estimates \$20 million site costs, with the City paying approximately \$2 million over the life of the project (which includes a 30 year operations and maintenance period). Site work was substantially complete in October 2006 when operations and maintenance work began. The PRPs have more than \$1.9 million on deposit to fund operations and maintenance; however until USEPA officially declares the remedial action complete, the prospect for additional work remains. In January 2008, the City met with adjacent property owners to negotiate the purchase of additional private property to account for the location of the remedial berm. The City and other PRPs settled with the USEPA which had sought reimbursement of its cost of a removal action in 1995, regarding the Bill Johns Waste Oil Site.

The City's liability is based on contracting with the waste oil service to empty used oil collection points operated under a recycling grant from the State. The remedial action was completed in late 2006 and early 2007 and following approval of the Remedial Action Report (May 2007), the site was approved for the 30 year long term Operations and Maintenance of the facility. The PRP are responsible for the long term O&M costs for the total 30 year period. We are currently in year 13 of the 30 year period.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**15. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)**

**D. Pollution Remediation: (continued)**

*Ash Sites*

The City has identified four sites that were used for incinerator ash waste. The common practice during the 1950s and 1960s was to incinerate garbage and then mix the residual ash waste with other soil and use it as fill dirt. The City and the USEPA signed an agreement in 1999 to develop a plan to remediate the four sites. In order to make the sites and surrounding areas safe from a variety of residual pollutants, the City has proposed to the EPA a plan to clean up the areas by removing the top two feet of soil, placing a barrier, and then replacing the topsoil with untainted dirt. The project is estimated to take several years to complete once started and a cost estimate of \$37.97 million has been accrued based on the City's estimate used in its five year capital project plan. As of September 30, 2018, the Ash Sites accumulated approximately \$175.54 million of expenditures.

*Other Sites*

FDEP had identified five sites of potential liability the City is responsible for. These sites are: *Burke St. Lime Pitts, Doe Boy Dump Site, Gold Merit/Pope Plan, Confederate Park, and Southside Incinerator Site.*

These projects, which are estimated to take several years to complete once started, have an estimated cost of \$30.53 million, which has been accrued by the City and included in the City's five year capital projects plan. Various other remediation sites exist within the City and \$42.51 million has been accrued for their estimated liability based on their inclusion in the City's five year capital projects plan.

The *Picketville Waste Dump Site* future costs are dependent upon information received from the USEPA and FDEP for the final groundwater monitoring report. The City has completed its longterm O&M responsibilities. However, groundwater impacts above regulatory levels were still present in the last samples for the final report. The City recommended continued groundwater monitoring in lieu of additional assessment and/or remediation.

**E. Garage Development Agreement:**

The City entered into agreements for a private developer to construct and operate three parking garages. Two of the garages are to support the sports complex and the other is to support a new courthouse site. The current agreement provides an operating subsidy to support debt service, operating deficits, required reserves, and percentage return of equity, totaling approximately \$4 million per year. Associated therewith, the City has options to buyout the current business arrangement, refinance the related non-city debt and assume operational control thereof.

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**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**15. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)**

**F. Construction and other significant Commitments:**

At September 30, 2018, the City had significant commitments for the following projects (in thousands):

General Government	
Unified cad System -JSO/JFRD	2,201
ERP-Financial/Resource Management	1,395
Edward Waters College-Student Housing	1,395
Pretrial Det. Facility - Cell Door System	530
ADA Compliance - Curb Ramps Sidewalks	13,849
Liberty St/Coastline Dr. Parking Decks	10,844
Pavement Markings	741
Old City hall Remediation/Demolition	3,952
Crime Gun Intelligent Control - Ed Austin Building	622
Public Safety	
Fire Equipment -Diesel Exhaust System	1,841
Fire Station #73 Construction	3,005
Rogero Rd Ditch Embankment - Emergency	600
Physical Environment	
Jax Ash Site Pollution Remediation	4,096
Jax Ash Site	2,619
Southside Incinerator Site	689
Environmental Compliance- County Wide	1,134
Gold Merit/Pope Place	5,299
Lower Eastside Drainage	4,338
Drainage System Rehabilitation	1,566
Trail Ridge Landfill Expansion	3,721
Transportation	
Collins Rd/Westport to Rampart	8,984
Roadway Sign, Stripe and Signal	681
Roadway Resurfacing	2,055
Cahoon Rd/Normandy BLVD to Beaver St	8,500
Hart Bridge Ramp Modification	1,490
Moncrief-Dinsmore Rd Bridge Replacement	1,248
Old Middleburg Rd/103 Rd-Branan Field	21,565
Collins Rd/Shindler to Old Middleburg Rd	2,315
Crystal Springs/Chaffee Rd to Cahoon Phase 2	1,697
Hartley Rd/Saint Augustine S.R.13	8,228
Ricker Rd/Old Middleburg to Morse	10,682
Shindler Rd/103 Rd to Argyle Forest	17,770
Cecil Rd Con/Brannan-Chaffee to Comm Center	5,926
Courthouse-Old Duval-Remediation-demolition	2,087
UNF Development Agreement	3,855
Chaffee Rd	732
Economic Environment	
Riverside-Museum Circle to Prudential Dr	4,240
Barnett Bank- DIA	4,000
Culture & Recreation	
Equestrian Center - Practice Rink Cover	1,125
Huguenot Memorial Park Beach Access	800
Edward Waters College -Community Field	4,000
Other Uses	
Administrative Cost	3,317
Total	<u>\$ 179,731</u>

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**15. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)**

**G. Encumbrance Commitments:**

At September 30, 2018, the City had encumbrance commitments in the Governmental Funds as follows: (in thousands)

<b><u>MAJOR FUNDS</u></b>	
General Fund	17,691
Special Bonded Debt-Better Jacksonville Plan Obligations	5
Public Safety	4,509
<b>Total Major Funds</b>	<b>\$ 22,205</b>
<b><u>NON-MAJOR FUNDS</u></b>	
Concurrency Management	5,662
Air Pollution Control and Monitoring	34
Tourism Development	428
Clerk of the Court	3
Transportation Fund	2,770
Budgeted General Government	1,662
Emergency 9-1-1	64
Tax Increment Districts	708
Kids Hope Alliance	4,615
Community Development Block Grant	1,058
Maintenance, Parks and Recreation	432
Other Federal, State and Local Grants	4,744
Housing and Neighborhoods	1,805
State Housing Initiative Partnership	790
Non Budgeted General Government	1,343
General Projects	75,385
Better Jacksonville Plan Construction Project	521
Bond Projects	1,423
Grant Projects	2,296
River City Renaissance Project	6
<b>Total Non-Major Funds</b>	<b>105,750</b>
<b>TOTAL ENCUMBRANCES</b>	<b>\$ 127,955</b>

\*The Better Jacksonville Plan Construction Project Fund accounts for funds associated with the \$2.25 billion improvement plan. Council appropriated funds for the plan in its entirety at the inception, while funding sources including dedicated sales tax and debt issues are secured as needed. Multi-year contracts are encumbered and funding sources are obtained as construction occurs.

The encumbrances are recorded within fund balance based on the source of funds as restricted, committed, or assigned as appropriate.



**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
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**15. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)**

**H. Tax Abatements:**

The City administers the following tax abatement programs.

Name of Program	Recaptured Enhanced Value (REV) Grant	Qualified Target Industry
<b>Purpose of program</b>	Designed to bring new capital investment and development or redevelopment to a project site to support a new business or to expand an existing business, thus resulting in the creation of new full time jobs.	To attract greater private sector investment, to expand the opportunity for individuals to gain high wage employment, and to lower the overall unemployment rate in Duval County by providing jobs at a wage level that is rarely available in an economically distressed area.
<b>Tax being abated</b>	Real and/or Tangible Personal Property Tax	Corporate Income Tax, Sales Tax, Ad valorem Tax, Insurance Premium Tax, Intangible Personal Property Tax, Excise Tax, State Communication Service Tax
<b>Authority under which abatement agreements are entered into</b>	Part 2, Chapter 26, City of Jacksonville Ordinance Code and Ordinance 2016-382-E (Public Investment Policy), Florida Statutes 125.045 County Economic Development Powers	Florida Statute 288.106 Tax refund program for qualified target industry businesses
<b>Eligibility criteria</b>	The company is required to be on a Targeted Industry Category. The company must create at least 10 new full time jobs with wages greater than or equal to 100% of the State of Florida average wage, or greater than or equal to 60% of Duval County's average annual wage. The company must commit a minimum of \$3 million private capital investment.	The company is required to be in a Targeted Industry Category. The company must create at least 10 new full time jobs with an average annual wage that is at least 115% of the State, Metropolitan Statistical Area, or local average wages.
<b>How recipient taxes are reduced</b>	As refunds on real and personal property taxes paid by the project above the base year.	As refunds on corporate income, sales, ad valorem, intangible personal property, insurance premium, and certain other taxes.
<b>How amount of abatements is determined</b>	Utilizing a "base year" assessed property value for the project, a certain percentage of the City's portion of the incremental increase in ad valorem taxes on real and /or tangible personal property paid by the project above the base year amount is available. In general, the standard grants will be up to 50% of the increment up to 10 years. They are capped at a maximum amount. The percentage and length of time is negotiated between parties. Higher percentages or timeframes may be awarded for projects with high volumes of job creation and capital investment.	Pre-approved applicants receive tax refunds of \$3,000 per net new Florida full time equivalent job created. For businesses paying 150% of average annual wage, add \$1,000 per job; for businesses paying 200% of the average wage, add \$2,000 per job. The agreement is between the State of Florida's Department of Economic Opportunity (DEO) and the company. The State agency reviews and audits information provided by the Company and sends an invoice to the City of Jacksonville. The City then sends 20% Local Financial Support to the State, who subsequently pays the Company.
<b>Provision for recapturing abated taxes</b>	N/A	N/A
<b>Amount being abated for the year ended September 30, 2018</b>	<b>Office of Economic Development</b> \$ 2,398,550 <b>Downtown Investment Authority</b> \$ 1,951,677	<b>Office of Economic Development</b> \$ 523,810 <b>Downtown Investment Authority</b> N/A

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**16. MAJOR DISCRETELY PRESENTED COMPONENT UNITS - ADDITIONAL DISCLOSURE**

During fiscal year 2018, the City had financial transactions with its discretely presented component units classified as follows for financial reporting purposes:

**A. JEA:**

Contribution - On October 1, 1968, the City turned its electrical department over to the newly created JEA. Additionally, on June 1, 1997, the JEA assumed the operation and all related assets and liabilities of the water and sewer system from the City. The JEA is required by the City Charter to contribute annually to the General Fund of the City an amount not to exceed 5.513 mills per kilowatt per hour sold and at a rate of 2.149 mills per cubic feet of water sold. For the fiscal year ended September 30, 2018 these contributions total \$116,619,815. Such contributions to the City's General Fund are for the use of the public right-of-way in connection with its electric distribution system and its water sewer distribution and collection system and are based on calculations contained within section 21.07 of the City Charter.

Franchise Fees - Effective April 1, 2008, the City enacted a 3% franchise fee from designated revenues of the Electric and Water and Sewer Utility systems. The ordinance authorizes JEA to pass through these fees to its electric and water and sewer funds. For the year ended September 30, 2018, the City received from JEA \$28,239,241 and \$10,514,763 of its electric and water and sewer funds.

**B. Jacksonville Transportation Authority (JTA) :**

Local Option One-Half Cent Sales Tax - On August 11, 1989, Jacksonville citizens voted for the removal of all tolls from county/city bridges and certain roads and replaced the revenue with a local option one-half cent sales tax that provides a permanent funding source for the construction and maintenance of the City's roads and bridges; the operation and maintenance of the bus system and the refinancing of existing bonds issued for the construction of such bridges and roads. All collections from the one-half cent sales tax are statutorily required to be remitted to the JTA. Accordingly, the City remitted all collections from the one-half cent sales tax to the JTA in the amount of \$92 million in fiscal year 2018. Such collection and payment by the City of this local option one-half cent sales tax is recorded in the Transportation Special Revenue fund as revenue and a transportation expenditure in the equal amount. The JTA reports the transfer from the City as sales tax revenue.

In fiscal year 2000, the City and the JTA entered into an interlocal agreement for the purpose of jointly exercising the separate powers of each to the maximum extent allowable by the law in the development, scheduling, financing, planning, permitting, design, construction, and implementation of a \$750 million Road, Bridge and Drainage Capital Improvement Work Program. The term of the agreement commenced on October 1, 2000 and was to continue in effect until all of the bonds were paid in full or defeased in accordance with their terms. The City and JTA agreed to pledge the Sales Tax and the Constitutional Gas Tax for the payment of bonds issued to implement the program.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**16. MAJOR DISCRETELY PRESENTED COMPONENT UNITS - ADDITIONAL DISCLOSURE (continued)**

**B. Jacksonville Transportation Authority (JTA): (continued)**

Any funds available above debt service would be collected in a pay-as-you-go fund to assist with the payment of program expenditures. In addition, the City made available revenues from the Local Option Gas Tax for the operation of the JTA's Mass Transit Division.

Beginning September 1, 2016, a new interlocal agreement between the City and JTA went into effect. The Sales Tax and Constitutional Gas Tax continue to be pledged for the program's debt service. Any Sales Tax revenues available above debt service are returned to JTA and may be used for certain transportation-related purposes as defined by the agreement. Revenues from the Constitutional Gas Tax are to be used for debt service only if the Sales Tax revenues are insufficient. Any Constitutional Gas Tax revenues available above debt service are split equally between the City and JTA. In addition, the new interlocal agreement provides that five-sixths of the Local Option Gas Tax be made available to JTA for the development, construction, operation and/or maintenance of certain roadway projects managed by JTA as identified in the agreement's exhibits.

**C. Jacksonville Port Authority (JPA):**

Interlocal Agreement - In connection with a major port and marine facilities capital improvement project (the "Project"), the City and the JPA entered into an Interlocal Agreement upon the issuance of \$43,605,140 Excise Taxes Revenue Bonds, Series 1993 (the "1993 Bonds"). Subsequent to this transaction, the parties entered into an Amended and Restated Interlocal Agreement in conjunction with the issuance of \$57,150,000 Excise Taxes Revenue Bonds, Series 1996B (the "1996B Bonds"). The 1996B Bonds were refunded by the Excise Taxes Revenue Refunding Bonds, Series 2001A (the "2001A Bonds"). The 1993 Bonds were partially refunded by the Excise Taxes Revenue Refunding and Improvement Bonds, Series 2003C (the "2003C Bonds"). The 2003C Bonds were partially refunded by the Special Revenue Refunding Bonds, Series 2012E (the "2012E" Bonds, and together with the 1993 Bonds, 2001A Bonds and 2003C Bonds, the "Bonds").

Under the Amended and Restated Interlocal Agreement, the City agreed to issue the Bonds to finance the Project, and the JPA, in consideration therefore, agreed to reimburse the City for debt service payments on the Bonds from certain revenues allocated to the JPA. Any insufficiency in the extent of such revenues allocated to the JPA under the Amended and Restated Interlocal Agreement or any amendments to the Amended and Restated Interlocal Agreement does not affect in any manner any obligation of the City pursuant to the terms of the Bonds.

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**16. MAJOR DISCRETELY PRESENTED COMPONENT UNITS - ADDITIONAL DISCLOSURE (continued)**

**C. Jacksonville Port Authority (JPA): (continued)**

The amended and restated Interlocal Agreement is not for the benefit of the holders of the Bonds and the JPA has no obligation under that Amended and Restated Interlocal Agreement to any third party bondholder. The revenues allocated to the JPA are not pledged as security for the Bonds.

The Amended and Restated Interlocal Agreement provides for the allocation of three sources of revenue (collectively referred to as the “Pledged Revenues”) by the City to the JPA. The first source of revenue relates to the allocation of half of the increased revenues in the Telecommunications Tax, which is 85% of the Communication Services Tax (the “Authority Allocation No. 1”). The second source of revenue relates to the amount calculated by multiplying one quarter (.25) mills by the gross kilowatt hours (as defined in Article 21 of the City Charter) sold by JEA during the twelve month period ending May 31 of the prior fiscal year (the “Authority Allocation No. 2”).

The third source of revenues relates to the \$800,000 annual contribution remitted by the City to the JPA as described in Section 5(a) of the JPA act. Such Pledged Revenues are to be applied by the City to the payment of debt service on the Bonds for such fiscal year prior to being paid to the JPA.

For the fiscal year ended September 30, 2018, the amount of Pledged Revenues in excess of the debt service requirements of the Bonds was \$2.75 million with a total of \$2.72 million being distributed to JPA.

In previous years, the City expended \$43.1 million on the Project from proceeds of the 1993 Bonds for the benefit of the JPA under the Amended and Restated Interlocal Agreement, which completed the 1993 Bond Program. In previous years, the City expended \$64 million on the Project from proceeds (inclusive of investment earnings) of the 1996B Bonds for the benefit of the JPA under the Interlocal Agreement. The City accounted for these expenditures in the Capital Projects Funds. The City does not capitalize these capital outlay expenditures. The capital assets related to these projects are owned by JPA and these amounts are noted earlier as Non-Asset Debt of the City in Note 8H.

**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**17. SUBSEQUENT EVENTS**

On October 11, 2018, Moody's Investors Service downgraded the City's Issuer Credit Rating and Excise Taxes Revenue bonds to 'A2' from 'Aa2', its Capital Projects and Capital Improvement Revenue bonds to 'A2' from 'Aa3', its Infrastructure Sales Tax and Transportation Sales Tax Revenue bonds to 'A2' from 'A1', and its Special Revenue bonds to 'A3' from 'Aa3'. Moody's stated in a credit opinion dated October 12, 2018, that their rationale for the downgrades was directly related to the City's participation as a plaintiff with JEA against Municipal Energy Authority of Georgia (MEAG) in litigation to have a Florida state court invalidate a "take-or-pay" power contract between JEA and MEAG. Moody's opinion is that the City's action to participate in this litigation "calls into question its willingness to support an absolute and unconditional obligation of its largest municipal enterprise," which "weakens the City's creditworthiness on all of its debt."

The City strongly disagrees with the action taken by Moody's. The City does not believe that its participation in the litigation with JEA in any way reflects the City's willingness or ability to pay its own obligations, and has consistently demonstrated over time that it makes payments to all counterparties when due. In a report dated October 23, 2018, S&P Global Ratings affirmed its current 'AA' rating on each of the City's various bonds, citing that City officials have "indicated payment of current debt obligations remains a priority" and that the City's has strong finances with the ability to deal with the "unlikely situation" of having to support JEA's debt burden associated with their power contract with MEAG. Fitch Ratings took no action on the matter.

On October 22, 2018, the City closed on the sale of \$53.2 million Transportation Refunding Revenue Bonds, Series 2018. The 2018 bonds have a true interest cost of 2.46% and an average coupon rate of 5.00% with a mandatory sinking schedule beginning October 1, 2019, and a maturity date of October 1, 2025. The proceeds of the 2018 bonds were used to refund all of the City's variable rate Transportation Revenue Bonds, Series 2008B (\$54.3 million) and make termination payments on two interest rate exchange agreements related to the Series 2008B bonds between the City and Wells Fargo Bank, N.A. (\$3.2 million). The issuance provided net proceeds of \$57.7 million, which is inclusive of underwriter's discount and cost of issuance totaling \$0.3 million. As a result of the refunding, aggregate debt service payments over the remaining life of the refunded bonds was reduced by \$4.5 million and, by terminating the interest rate exchange agreements, the City eliminated its remaining exposure to derivatives.

On October 29, 2018, the City executed the Second Amended and Restated Fee Letter related to the City's Reimbursement Agreement with Bank of America, N.A., regarding an Irrevocable Direct-Pay Letter of Credit issued by Bank of America, N.A., in support of the City's Commercial Paper Notes. The amended Fee Letter added language that disregards the lowest rating in determination of the Letter of Credit Fee Rate if there are three ratings from rating agencies in effect.

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**CITY OF JACKSONVILLE, FLORIDA  
 NOTES TO FINANCIAL STATEMENTS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**18. NET POSITION:**

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

**Net Investment in Capital Assets** - is intended to reflect the portion of net position that is associated with capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost.

**Restricted Net Position** – are assets that have third-party (statutory, bond covenant or granting agency) limitations on their use externally imposed by creditors or imposed by law through constitutional provision or enabling legislation. The City would typically use restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use thereof to a future project or replacement equipment acquisition.

**Unrestricted Net Position** – have no third party limitation on their use, and consists of all net position that do not meet the definition of the other two components, and any net deficits that exist.

While the Unrestricted Net Position balance is a single number in accordance with GASB Statement 34, the impact of non-asset debt will reduce the year-end discretionary balance available to the government.

**A. Additional Disclosure:**

However, in the City’s case, given that a portion of these non-asset bonds/loans reported in the Governmental Activities column have a dedicated revenue source (to amortize the debt over time) the year-end available portion of the Net Position to the City is greater than is apparent. The following schedule illustrates these differences (000s):

Governmental Unrestricted Net Position (page 22)	\$ (2,122,995)
Impact of Better Jacksonville Plan's (BJP) bond financed capital expenditures incurred by component units and other entities.	150,842
Economic Incentives to be repaid by TIF revenue and/or Developer	15,303
Governmental - Unrestricted Net Position (adjusted for dedicated revenue funded portions)	\$ (1,956,850)

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**18. NET POSITION:** (continued)

**A. Additional Disclosure:** (continued)

Because the BJP program has dedicated sales tax revenue sources which will be used to repay the related debt service and either the CRA’s tax increment financing (TIF) revenue or the Developer repayments are anticipated to address the related debt service principal and all or a portion of the interest, the Government Unrestricted Net Position (adjusted for dedicated revenue funded portions of non-asset debt) more truly reflect the General Government’s available (although partially tentatively targeted) portion of net position.

**B. Restatement due to a change in accounting principle:** (continued)

With the fiscal year 2018 implementation of Governmental Accounting Standards Board (GASB) Statement 75 – Accounting and Financial Reporting for Post-Employment Benefits Other than Pensions (OPEB), the City adopted methods and assumptions used to project benefit payments and related obligations. The unfunded portion of the OPEB benefits are recorded as a liability in the government-wide statements and resulted in a restatement of beginning net position due to a change in accounting principle for Governmental Activities, Enterprise Activities, and major component units.

Net Position (in thousands)	Total	Total	Total
	Governmental Activities	Business-Type Activities	Primary Government
Beginning as previously reported	(989,425)	267,949	(721,476)
Restatement	(127,166)	2,788	(124,378)
Beginning as restated	<u>\$ (1,116,591)</u>	<u>\$ 270,737</u>	<u>\$ (845,854)</u>

Net Position (in thousands)	Major Component Units	
	JEA	JTA
Beginning as previously reported	2,631,546	269,229
Restatement	(2,724)	(250)
Beginning as restated	<u>\$ 2,628,822</u>	<u>\$ 268,979</u>

JPA did not restate net position as the impact of GASB 75 was considered not significant.

At the fund level, the beginning net positions for the following Proprietary Funds are restated.

Net Position (in thousands)	Solid	Stormwater	Non Major	Internal
	Waste	Services	Enterprise	Service
Beginning as previously reported	38,958	98,992	27,717	169,588
Restatement	1,241	1,063	484	4,259
Beginning as restated	<u>\$ 40,199</u>	<u>\$ 100,055</u>	<u>\$ 28,201</u>	<u>\$ 173,847</u>

**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**19. FUND BALANCE DISCLOSURE:**

In accordance with Governmental Accounting Standards Board Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions, the City classifies governmental fund balances as follows:

Nonspendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

**Spendable Fund Balance**

- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
- Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority, City Council, through the issuance of an ordinance. Commitments may only be changed through the same type of formal action that created the commitment.
- Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned through the following: 1) The Director of Finance is authorized by City Council to assign amounts for a specific purpose. (2) The City Council has authorized the Director of Finance, in coordination with the Council Auditor, to recapture excess fund balance that isn't restricted or committed and transfer the excess to the General Fund – General Service District. Excess fund balance that is not recaptured is classified as assigned by the Director of Finance to be used for the purpose of the subfund.
- Unassigned - includes residual positive fund balance within the General Fund that has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted or committed for those specific purposes.



**CITY OF JACKSONVILLE, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**19. FUND BALANCE DISCLOSURE: (continued)**

The City uses restricted amounts first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made, with the exception of the emergency reserve established by the City Council. Under normal circumstances, the City would first elect to utilize the Operating Reserve (Unassigned fund balance in the General Fund) before considering use of its Emergency Reserve.

The City Council established an emergency reserve policy and fund beginning with the fiscal year 2006 budget and amended with Ordinance 2010-852-E, which added “The Emergency Reserve can be used to address unanticipated non-reimbursed expenditures arising out of a hurricane, tornado, other major weather related events, and/or other massive infrastructure failures or other disasters, whether man made or caused by nature.” The emergency reserve is contained as a separate subfund within the General Fund and is included in each annual budget. The emergency reserve shall not be used except as initiated by the mayor through written communication to the City Council, explaining the emergency, and requires approval by two-thirds vote of all City Council members. The emergency reserve will be classified as committed fund balance.

The City does not have a formal minimum fund balance policy. However, the City’s Ordinance Code addresses various targeted reserve positions and the Administration calculates targets and actuals to report the results annually to City Council.

A schedule of City fund balances is provided in the following pages.

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CITY OF JACKSONVILLE, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
NONMAJOR GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2018

19. FUND BALANCE DISCLOSURE

A. FUND BALANCE CLASSIFICATION (in thousands)

	MAJOR FUNDS		
	GENERAL FUND	SPECIAL BONDED DEBT- BETTER JACKSONVILLE PLAN OBLIGATIONS	SPECIAL BONDED DEBT- OBLIGATIONS
<b>FUND BALANCES:</b>			
<b>Non Spendable:</b>			
Imprest cash and cash in escrow	\$ -	\$ -	\$ -
Inventories	3,161	-	-
Other	-	-	-
<b>Spendable:</b>			
<b>Restricted for:</b>			
Debt Service Reserved by Debt Covenants	-	112,646	10,519
Park Projects	-	-	-
Physical Environment	-	-	-
Conservation and Resource Management	-	-	-
Transportation Projects	-	-	-
Human Services	-	-	-
Housing and Urban Development	-	-	-
Building	-	-	-
Public Safety	-	-	-
Industry Development	-	-	-
Other	2,599	-	-
<b>Committed to:</b>			
City Council Emergency Use	61,541	-	-
Drainage Projects	-	-	-
Park Projects	1,622	-	-
Planning Projects	2,257	-	-
Physical Environment	-	-	-
Conservation and Resource Management	-	-	-
Transportation Projects	-	-	-
Emergency and Disaster Relief	-	-	-
Court Projects and Operations	-	-	-
Public Safety	7,693	-	-
Industry Development	21,984	-	-
Other	3,709	-	-
<b>Assigned to:</b>			
Debt Service	-	-	-
Parks Projects	1,180	-	-
Planning Projects	1,642	-	-
Public Safety	5,596	-	-
Industry Development	4,031	-	-
Other	2,698	-	-
<b>Unassigned</b>	146,431	-	-
Total Fund Balances	\$ 266,144	\$ 112,646	\$ 10,519

(Continued)

	PUBLIC SAFETY	NON MAJOR GOVERNMENTAL FUNDS	TOTAL ALL FUNDS	
			2018	2017
\$	-	161	\$ 161	\$ 160
	-	-	3,161	3,165
	-	1,527	1,527	123
	-	-	123,165	124,954
	-	6,333	6,333	10,089
	-	1,246	1,246	1,802
	-	1,667	1,667	2,071
	-	7,735	7,735	6,614
	-	14,701	14,701	15,139
	-	20,197	20,197	18,595
	-	2,074	2,074	3,422
	-	1,097	1,097	1,615
	-	11,212	11,212	10,959
	-	826	3,425	2,605
	-	-	61,541	56,157
	-	4,120	4,120	3,911
	-	21,330	22,952	19,553
	-	1,022	3,279	7,941
	-	13,432	13,432	13,378
	-	29,004	29,004	26,343
	-	137,552	137,552	113,396
	-	8,375	8,375	8,027
	-	3,601	3,601	2,793
	-	35,091	42,784	48,928
	-	12,868	34,852	12,797
	-	69,452	73,161	65,639
	-	-	-	1
	-	-	1,180	945
	-	-	1,642	2,084
	-	-	5,596	7,415
	-	-	4,031	1,749
	-	-	2,698	1,866
	(52,467)	-	93,964	82,563
\$	(52,467)	\$ 404,623	\$ 741,465	\$ 676,799



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**REQUIRED SUPPLEMENTAL INFORMATION**

**CITY OF JACKSONVILLE, FLORIDA**  
**GENERAL FUND REQUIRED SUPPLEMENTAL**  
**SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES - BUDGET AND ACTUAL BUDGETARY BASIS (in thousands)**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

<b>GENERAL FUND</b>						
	<b>BUDGETED AMOUNTS</b>		<b>ACTUAL</b>	<b>ENCUMBRANCES</b>	<b>BUDGETARY ACTUAL</b>	<b>VARIANCE WITH</b>
	<b>ORIGINAL</b>	<b>FINAL</b>				<b>FINAL BUDGET- POSITIVE (NEGATIVE)</b>
<b>REVENUE:</b>						
Property taxes.....	\$ 595,915	\$ 595,915	\$ 603,910	\$ -	\$ 603,910	\$ 7,995
Utility service taxes.....	91,763	91,763	91,308	-	91,308	(455)
Community service taxes.....	32,856	32,856	31,832	-	31,832	(1,024)
Sales and tourist taxes.....	1,159	1,159	1,238	-	1,238	79
Local business tax.....	7,106	7,106	7,091	-	7,091	(15)
Licenses, permits and fees.....	43,946	43,946	43,684	-	43,684	(262)
Intergovernmental.....	174,564	174,709	169,382	-	169,382	(5,327)
Charges for services.....	65,798	65,798	68,576	-	68,576	2,778
Fines and forfeitures.....	1,882	1,882	2,060	-	2,060	178
JEA contribution.....	116,755	116,755	116,620	-	116,620	(135)
Interest.....	3,416	3,848	1,539	-	1,539	(2,309)
Other.....	18,603	22,357	18,719	-	18,719	(3,638)
<b>Total Revenue.....</b>	<b>1,153,763</b>	<b>1,158,094</b>	<b>1,155,959</b>	<b>-</b>	<b>1,155,959</b>	<b>(2,135)</b>
<b>EXPENDITURES AND ENCUMBRANCE</b>						
City Council.....	10,239	10,082	9,739	96	9,835	247
Clerk of the Courts.....	5,009	5,154	4,290	165	4,455	699
Courts.....	4,011	4,192	4,201	5	4,206	(14)
Downtown Investment Authority.....	2,391	3,463	2,072	520	2,592	871
Employee Services.....	7,494	7,455	6,738	413	7,151	304
Finance.....	13,377	13,398	12,178	221	12,399	999
Fire/Rescue.....	217,000	217,059	214,079	218	214,297	2,762
General Counsel.....	291	3,019	806	-	806	2,213
Health Administrator.....	1,120	1,120	1,123	-	1,123	(3)
Inspector General.....	1,000	1,007	901	-	901	106
Intra-Governmental Services.....	43	16	10	6	16	-
Jacksonville Children's Commission.....	779	257	236	21	257	-
Jacksonville Human Rights Commission...	756	788	760	-	760	28
Mayor.....	4,175	4,251	3,807	10	3,817	434
Mayor's Boards and Commissions.....	482	482	440	2	442	40
Medical Examiner.....	4,547	4,541	4,495	88	4,583	(42)
Military Affairs, Vet & Disabled Svcs.....	1,204	1,203	1,187	2	1,189	14
Office of Economic Development.....	12,392	4,796	2,982	4,085	7,067	(2,271)
Office of Ethics.....	310	309	322	-	322	(13)
Parks & Recreation.....	45,831	42,599	40,711	757	41,468	1,131
Property Appraiser.....	10,283	10,283	9,916	85	10,001	282
Public Defender.....	2,164	2,164	2,146	1	2,147	17
Planning and Development.....	4,916	4,743	4,149	199	4,348	395
Public Libraries.....	33,242	33,227	32,362	551	32,913	314
Public Works.....	44,837	44,754	42,287	1,224	43,511	1,243
Neighborhoods.....	20,877	21,020	20,084	409	20,493	527
Sports & Entertainment.....	4,496	4,528	4,216	54	4,270	258
State Attorney.....	1,708	1,740	1,735	2	1,737	3
Supervisor of Elections.....	6,095	6,031	5,153	264	5,417	614
Office of the Sheriff.....	415,789	415,178	405,854	5,636	411,490	3,688
Tax Collector.....	17,592	17,765	16,333	179	16,512	1,253
Federal Program Reserve.....	250	-	-	-	-	-
Contribution to Shands-Jacksonville.....	26,276	26,276	26,265	10	26,275	1
Cash Carryover Reserves.....	61,032	60,733	-	-	-	60,733
Jacksonville Misc. Citywide Activities.....	141,449	137,787	81,613	2,468	84,081	53,706
<b>Total Expenditures.....</b>	<b>1,123,457</b>	<b>1,111,420</b>	<b>963,190</b>	<b>17,691</b>	<b>980,881</b>	<b>130,539</b>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES.....</b>	<b>30,306</b>	<b>46,674</b>	<b>192,769</b>	<b>(17,691)</b>	<b>175,078</b>	<b>128,404</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Long Term Debt Issued.....	-	-	4,950	-	4,950	4,950
Transfers in.....	5,472	14,609	20,127	-	20,127	5,518
Transfers out.....	(147,124)	(163,608)	(162,113)	-	(162,113)	1,495
<b>Total Other Financing Sources (Uses).....</b>	<b>(141,652)</b>	<b>(148,999)</b>	<b>(137,036)</b>	<b>-</b>	<b>(137,036)</b>	<b>11,963</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(111,346)</b>	<b>(102,325)</b>	<b>55,733</b>	<b>(17,691)</b>	<b>38,042</b>	<b>140,367</b>
<b>FUND BALANCES - BEGINNING.....</b>	<b>211,369</b>	<b>211,369</b>	<b>210,415</b>	<b>-</b>	<b>210,415</b>	<b>-</b>
Change in Inventory of Supplies.....	-	-	(4)	-	(4)	-
<b>FUND BALANCES - ENDING.....</b>	<b>100,023</b>	<b>109,044</b>	<b>266,144</b>	<b>(17,691)</b>	<b>248,453</b>	<b>-</b>

**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**1. BUDGETARY DATA**

The City uses the following procedures in establishing the budgetary data reflected in the financial statements.

**A.** The City adopts its budget in accordance with Chapters 129 and 200, Florida Statutes, the City Charter and Municipal Ordinance Code.

(1) The Mayor's Proposed Budget is presented to the City Council on the second Tuesday in July; the budget ordinance, millage levy ordinance and related resolutions are introduced.

(2) During the first Council meeting in September, public hearings are held on both the budget and the millage rate. Following the public hearings, the Council adopts a tentative budget and tentative millage rate. A final budget and millage is adopted by full Council, and is effective on October 1.

The City presents a Budgetary Comparison Schedule as Required Supplementary Information for the General Fund and each major special revenue fund with a legally adopted budget. For the Fiscal Year 2018, Public Safety Fund met the criteria to be reported as a major fund, but is not annually budgeted. The City has opted to make this presentation in the format and classifications of the budget document. These schedules report actual expenditures using generally accepted accounting principles as well as expenditures on the budgetary basis, which include amounts encumbered for future spending.

**B.** The City adopts annual budgets for the General Fund, certain Special Revenue Funds, and Proprietary Funds. The City reports Budgetary Comparisons for its General Fund and Major Special Revenue Funds in the Required Supplementary Information section of the report. None of these funds had an excess of expenditures over appropriations for the year ended September 30, 2018. Proprietary Fund budgets are adopted for management control purposes. The City is not required to include Budgetary Comparisons for Proprietary Funds in this report. Project or program budgets, which may not coincide with the City's fiscal year, or which may exceed a single annual period, are adopted by separate ordinance for most Special Revenue Funds and Capital Project Funds. Budgets are not formally adopted for Debt Service Funds as internal spending controls are set by compliance with bond covenants. The Special Revenue Funds which are not annually budgeted include the following: Public Safety, Community Development Block Grant, Job Training Partnership Act Grant, Maintenance Parks and Recreation, Other Federal, State and Local Grants, Better Jacksonville Trust Fund, Housing Services, State Housing Initiative Partnership, Non-Budgeted General Government, Clerk of Court, and American Recovery & Reinvestment Act.



**CITY OF JACKSONVILLE, FLORIDA**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**1. BUDGETARY DATA** (continued)

**C.** Level of Budgetary Control - Expenditures may not exceed appropriations and are controlled in the following manner:

- (1) The budget is adopted by ordinance which sets the legal level of control at the fund level by department.
- (2) The City adopted more stringent administrative policies that control expenditures at the major category (Personal Services, Operating Expense, Capital Outlay, Debt Service) level within divisions within individual funds.
- (3) The City, additionally, adopted a Municipal Ordinance Code Policy that provides transfer authority to the mayor, without City Council approval, within an individual fund if the total transferred funds for a specific purpose, project or issue is under \$500,000 during the fiscal year. These transfers are reported to the Finance Committee on a quarterly basis.

**D.** Supplemental Appropriations - The City Council may, through passage of an ordinance, amend the budget in any manner permissible under state and local law, with one exception. Bond covenants, trust and agency agreements, and certain clauses of ordinances in effect may restrict certain budgetary items in terms of amount or use.

In certain instances the City may supplement the appropriations in a fund due to unexpected high levels of receipts or under estimates of carry forward balances. Supplemental appropriations to the Fiscal Year 2018 Annual Budget Ordinance were made throughout the year, the effects of which were not material.

**E.** All appropriations in annually budgeted funds, except for amounts corresponding to outstanding encumbrances, lapse at year-end or at the close of the authorizing project/program, unless specifically carried forward by ordinance.

**F.** Formal budgetary integration is used as a management control device for all funds of the City, except certain Debt Service Funds as explained in Note to RSI 1.C.

**G.** The City's Annual Financial Plan, or published budget document, may be obtained from the City's Budget Office located at 117 West Duval Street, Suite 325, Jacksonville, Florida 32202.

**H.** The Clerk of Court special revenue fund budget is not approved by the City. The Court subfund is submitted and approved by the State and is based on the State's July 1st to June 30th fiscal year.

**CITY OF JACKSONVILLE, FLORIDA  
REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF CONTRIBUTIONS - LAST 10 FISCAL YEARS  
CITY OF JACKSONVILLE RETIREMENT SYSTEM  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

(in thousands)

Plan Year Ending September 30	Actuarially Determined Contributions	City Cash Contributions	Contribution Deficiency/ (Excess)**	Covered Employee Payroll*	Actual Contribution as a % of Covered Payroll
<b>General Employees Retirement Plan</b>					
2018	70,166	74,024	(3,858)	253,982	29.15%
2017	94,527	94,700	(173)	250,894	37.75%
2016	89,059	84,898	4,161	255,717	33.20%
2015	86,069	81,751	4,318	254,035	32.18%
2014	81,531	71,000	10,531	262,369	27.06%
2013	66,660	55,386	11,274	265,405	20.87%
2012	57,498	49,899	7,599	283,021	17.63%
2011	39,124	39,378	(254)	314,054	12.54%
2010	38,612	40,551	(1,939)	322,531	12.57%
2009	29,374	29,530	(156)	276,257	10.69%
<b>Corrections Officers Retirement Plan</b>					
2018	18,643	13,973	4,670	28,164	49.61%
2017	19,156	19,162	(6)	26,585	72.08%
2016	18,864	18,864	0	28,091	67.15%
2015	17,618	17,832	(214)	27,374	65.14%
2014	14,885	13,522	1,363	27,871	48.52%
2013	12,885	10,742	2,143	28,944	37.11%
2012	11,861	9,066	2,795	31,832	28.48%
2011	8,885	9,711	(826)	32,329	30.04%
2010	9,097	9,491	(394)	28,624	33.16%
2009	5,268	5,247	21	27,661	18.97%

\*Pensionable payroll as of the valuation measurement date 10/1.

\*\*The City contributed the percentage of payroll represented by the actuarially determined contributions in the corresponding actuarial valuation. Actual dollar contributions may be more or less than the actuarially determined contributions due to actual payroll being different than projected payroll.

**SCHEDULE OF CONTRIBUTIONS - LAST 10 FISCAL YEARS  
FLORIDA RETIREMENT SYSTEM  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

(in thousands)

Plan Year Ending September 30	Actuarially Determined Contributions	City Cash Contributions	Contribution Deficiency/ (Excess)	Covered Employee Payroll	Actual Contribution as a % of Covered Payroll
2018	790	797	(7)	2,043	39.01%
2017	732	746	(14)	2,048	36.43%
2016	742	761	(19)	2,072	36.73%
2015	778	814	(36)	2,175	37.43%
2014	<i>Prior years information is unavailable</i>				

**CITY OF JACKSONVILLE, FLORIDA  
REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY – LAST 10 FISCAL YEARS  
CITY OF JACKSONVILLE RETIREMENT SYSTEM  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

(in thousands)

	2017		2016	
	General Employees' Retirement Plan	Corrections Officers' Retirement Plan	General Employees' Retirement Plan	Corrections Officers' Retirement Plan
<b>Total pension liability</b>				
Service cost*	\$ 37,697	\$ 7,330	\$ 36,759	\$ 7,091
Interest*	210,509	27,284	199,659	25,391
Changes of benefit terms	1,149	74	-	-
Differences between expected and actual experience	16,294	(2,054)	60,437	(1,418)
Changes of assumptions	64,390	9,950	72,969	16,320
Benefit payments, including refunds of contributions	(192,662)	(17,438)	(183,692)	(17,486)
<b>Net change in total pension liability</b>	<b>\$ 137,377</b>	<b>\$ 25,146</b>	<b>\$ 186,132</b>	<b>\$ 29,898</b>
<b>Total pension liability - beginning balance</b>	<b>2,903,344</b>	<b>370,092</b>	<b>2,717,212</b>	<b>340,194</b>
<b>Total pension liability - ending balance (a)</b>	<b>\$ 3,040,721</b>	<b>\$ 395,238</b>	<b>\$ 2,903,344</b>	<b>\$ 370,092</b>
<b>Plan fiduciary net position</b>				
Contributions - employer	\$ 94,700	\$ 19,162	\$ 84,898	\$ 18,864
Contributions - employee	23,037	2,500	21,840	2,410
Net investment income	266,138	26,747	167,067	11,548
Benefit payments including refunds of contributions	(192,662)	(17,438)	(183,692)	(17,486)
Administrative expense	(787)	(75)	(762)	(75)
Other	-	-	-	-
<b>Net change in plan fiduciary net position</b>	<b>\$ 190,426</b>	<b>\$ 30,896</b>	<b>\$ 89,351</b>	<b>\$ 15,261</b>
<b>Plan fiduciary net position - beginning balance</b>	<b>1,829,242</b>	<b>182,127</b>	<b>1,739,891</b>	<b>166,866</b>
<b>Plan fiduciary net position - ending balance (b)</b>	<b>\$ 2,019,668</b>	<b>\$ 213,023</b>	<b>\$ 1,829,242</b>	<b>\$ 182,127</b>
<b>Net pension liability - ending balance (a) - (b)</b>	<b>\$ 1,021,053</b>	<b>\$ 182,215</b>	<b>\$ 1,074,102</b>	<b>\$ 187,965</b>
<b>Plan fiduciary net position as a % of total pension liability</b>	<b>66.42%</b>	<b>53.90%</b>	<b>63.00%</b>	<b>49.21%</b>
<b>Covered employee payroll (in thousands)</b>	<b>\$ 250,894</b>	<b>\$ 26,585</b>	<b>\$ 255,717</b>	<b>\$ 28,091</b>
<b>Net pension liability as % of covered employee payroll</b>	<b>406.97%</b>	<b>685.41%</b>	<b>420.04%</b>	<b>669.13%</b>

\*Prior to 2016, the service cost included interest to the end of the measurement year. Beginning with 2016, this interest is reflected under the interest on the total pension liability, consistent with typical actuarial practice.

**Notes to Schedule:**

**Benefit changes:** The employee contribution rate increased from 7.7% to 9.7% of pay effective October 1, 2017. For accounting purposes, this change is reflected on September 30, 2017.

The plan was closed to new entrants as of October 1, 2017. This closure had no immediate impact on the total pension liability.

**Change of Assumptions:** As of September 30, 2016, the mortality assumption was updated pursuant to Florida Statute Section 112.63(f), the assumed investment return was lowered from 7.50% to 7.40%, and the inflation component of the salary scale was adjusted for the following three years to reflect bargained increases with employee unions.

As of September 30, 2017, the assumed investment return was lowered from 7.40% to 7.20%.

**CITY OF JACKSONVILLE, FLORIDA  
REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY – LAST 10 FISCAL YEARS  
CITY OF JACKSONVILLE RETIREMENT SYSTEM  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

(in thousands)

2015		2014		2013		2012
General Employees' Retirement Plan	Corrections Officers' Retirement Plan	General Employees' Retirement Plan	Corrections Officers' Retirement Plan	General Employees' Retirement Plan	Corrections Officers' Retirement Plan	
\$ 40,238	\$ 7,261	\$ 36,950	\$ 6,680	\$ 39,627	\$ 6,904	Prior years information is unavailable
194,312	23,652	189,064	21,997	183,151	20,476	
-	-	-	-	-	-	
(4,785)	1,699	(5,356)	5,963	22,318	5,777	
(18,044)	(1,243)	101,525	10,765	-	-	
(170,674)	(13,081)	(171,127)	(14,676)	(166,460)	(12,369)	
\$ 41,047	\$ 18,288	\$ 151,056	\$ 30,729	\$ 78,636	\$ 20,788	
2,676,164	321,906	2,525,107	291,177	2,446,471	270,389	
\$ 2,717,211	\$ 340,194	\$ 2,676,163	\$ 321,906	\$ 2,525,107	\$ 291,177	
\$ 81,751	\$ 17,832	\$ 71,000	\$ 13,522	\$ 55,386	\$ 10,742	
20,893	2,466	20,961	2,253	21,878	2,525	
(39,506)	(3,849)	194,864	15,468	264,541	18,466	
(170,674)	(13,081)	(171,127)	(14,677)	(166,460)	(12,369)	
(762)	(73)	(828)	(65)	(671)	(50)	
-	-	-	-	-	392	
\$ (108,298)	\$ 3,295	\$ 114,870	\$ 16,501	\$ 174,674	\$ 19,706	
1,848,189	163,571	1,733,319	147,070	1,558,645	127,364	
\$ 1,739,891	\$ 166,866	\$ 1,848,189	\$ 163,571	\$ 1,733,319	\$ 147,070	
\$ 977,320	\$ 173,328	\$ 827,974	\$ 158,335	\$ 791,788	\$ 144,107	
64.03%	49.05%	69.06%	50.81%	68.64%	50.51%	
\$ 254,035	\$ 27,374	\$ 262,369	\$ 27,871	\$ 265,405	\$ 28,944	
384.72%	633.18%	315.58%	578.42%	298.33%	497.88%	

\*Prior to 2016, the service cost included interest to the end of the measurement year. Beginning with 2016, this interest is reflected under the interest on the total pension liability, consistent with typical actuarial practice.

**Notes to Schedule:**

**Benefit Changes:** There have been no benefit provision changes since implementation of GASB 67 in FY 2014.

**Changes of Assumptions:** In 2014, the assumed investment return was lowered from 7.75% to 7.50% and the mortality assumptions were changed to reflect recent experience and to include generational projection of mortality improvements.

**Change of Assumptions:** As of September 30, 2015, based on the Society of Actuaries' most recently published analysis and guidance on projected national mortality improvements, the mortality improvement scale was changed from MP2014 to MP2015.

**CITY OF JACKSONVILLE, FLORIDA**  
**REQUIRED SUPPLEMENTAL INFORMATION**  
**SCHEDULE OF MONEY-WEIGHTED RATE OF RETURN – LAST 10 FISCAL YEARS**  
**CITY OF JACKSONVILLE RETIREMENT SYSTEM**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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(net of investment expense)

Fiscal Year Ended September 30	City of Jacksonville Retirement System
2018	7.44%
2017	14.71%
2016	9.45%
2015	-2.15%
2014	11.52%
2013	17.06%

\*Prior Years data unavailable

**CITY OF JACKSONVILLE, FLORIDA  
REQUIRED SUPPLEMENTAL INFORMATION  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
CITY OF JACKSONVILLE RETIREMENT SYSTEM  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
GENERAL EMPLOYEES RETIREMENT PLAN**

<b>Valuation date</b>	October 1, 2017
<b>Methods and used assumptions to determine contribution rates:</b>	
<b>Actuarial cost method</b>	Entry Age Normal Cost Method
<b>Amortization method</b>	Level percent of payroll, using 1.14% annual increases
<b>Remaining amortization period</b>	All new bases are amortized over 30 years. Effective period for combined bases as of October 1, 2015 was 24 years.
<b>Asset valuation method</b>	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the expected return on the market value, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value.
<b>Actuarial assumptions:</b>	
Investment rate of return	7.50%, including inflation, net of pension plan investment expense
Inflation rate	2.75%*
Projected salary increases	3.00% - 6.00%, of which 2.75% is the Plan's long-term payroll inflation assumption.
Cost-of-living adjustments	The Plan provisions contain a 3.00% COLA.
<b>Mortality:</b>	
<i>Pre-retirement</i>	50% RP2000 Combined Healthy White Collar and 50% RP2000 Combined Healthy Blue Collar, set forward 2.5 years, projected generationally with Scale BB for males; RP2000 Combined Healthy White Collar, set forward 2.5 years, projected generationally with Scale BB for females.
<i>Healthy annuitants</i>	50% RP2000 White Collar Annuitant and 50% RP2000 Blue Collar Annuitant, set forward 2.5 years, projected generationally with Scale BB for males; RP2000 White Collar Annuitant, set forward 2.5 years, projected generationally with Scale BB for females.
<i>Disabled annuitants</i>	RP-2000 Disabled Retiree Mortality Table, setback four years for males and set forward two years for females.

\*<sup>1</sup>The Fund's payroll inflation assumption is 2.75%. However, based on Part VII, Chapter 112.64(5)(a) of Florida Statutes, an assumption of 1.50% was used for amortization purposes in the October 1, 2017 valuation.

**CITY OF JACKSONVILLE, FLORIDA  
REQUIRED SUPPLEMENTAL INFORMATION  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
CITY OF JACKSONVILLE RETIREMENT SYSTEM  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
CORRECTIONS OFFICERS RETIREMENT PLAN**

<b>Valuation date</b>	October 1, 2017
<b>Methods and used assumptions to determine contribution rates:</b>	
<b>Actuarial cost method</b>	Entry Age Normal Cost Method
<b>Amortization method</b>	Level percent of payroll, using 0.68% annual increases*
<b>Remaining amortization period</b>	All new bases are amortized over 30 years. Effective period for combined bases as of October 1, 2015 was 23 years.
<b>Asset valuation method</b>	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the expected return on the market value, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value.
<b>Actuarial assumptions:</b>	
Investment rate of return	7.50%, including inflation, net of pension plan investment expense
Inflation rate	2.75%*
Projected salary increases	3.00% - 6.00%, of which 2.75% is the Plan's long-term payroll inflation assumption. The inflation component of the salary increase assumption was adjusted to reflect bargained increases over the next three years.
Cost-of-living adjustments	The Plan provisions contain a 3.00% COLA.
Mortality:	
Pre-Retirement	10% RP2000 Combined Healthy White Collar and 90% RP2000 Combined Healthy Blue Collar, set forward 2.5 years, projected generationally with Scale BB for males; RP2000 Combined Healthy White Collar, set forward 2.5 years, projected generationally with Scale BB for females.
Healthy annuitants	10% RP2000 White Collar Annuitant and 90% RP2000 Blue Collar Annuitant, set forward 2.5 years, projected generationally with Scale BB for males; RP2000 White Collar Annuitant, set forward 2.5 years, projected generationally with Scale BB for females.
Disabled annuitants	RP-2000 Disabled Retiree Mortality Table, setback four years for males and set forward two years for females.

\* The Fund's payroll inflation assumption is 2.75%. However, based on Part VII, Chapter 112.64(5) (a) of Florida Statutes, an assumption of 0.68% was used for amortization purposes in the October 1, 2017 valuation.

**CITY OF JACKSONVILLE, FLORIDA**  
**REQUIRED SUPPLEMENTAL INFORMATION**  
**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE**  
**NET PENSION LIABILITY – LAST 10 FISCAL YEARS**

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**CITY OF JACKSONVILLE RETIREMENT SYSTEM**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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(in thousands)

Fiscal Year	City's	City's Proportion	City's Covered	City's Net Pension	Plan Fiduciary Net
	Proportional	of Net Pension	Employee Payroll	Liability as	Position as a % of
	Share Percentage	Liability		Percentage of	Total Pension
				Covered	Liability
				Employee Payroll	
2017	46.37%	473,462	118,506	399.53%	63.71%
2016	47.61%	511,380	118,973	429.83%	63.00%
2015	48.78%	476,737	121,601	392.05%	64.03%
2014	49.72%	411,669	128,869	319.45%	69.06%
2013	49.72%	393,677	129,951	302.94%	68.64%

**FLORIDA STATE RETIREMENT SYSTEM**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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(in thousands)

Fiscal Year	City's	City's Proportion	City's Covered	City's Net Pension	Plan Fiduciary Net
	Proportional	of Net Pension	Employee Payroll	Liability as	Position as a % of
	Share Percentage	Liability		Percentage of	Total Pension
				Covered	Liability
				Employee Payroll	
2018	0.022%	8,863	2,043	433.82%	79.86%
2017	0.022%	8,970	2,048	437.99%	83.89%
2016	0.022%	8,143	2,072	393.00%	84.88%
2015	0.029%	5,015	2,175	230.57%	92.00%
2014					
2013					

Prior year information is unavailable



**CITY OF JACKSONVILLE, FLORIDA  
REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS – FOR LAST 10 FISCAL YEARS  
POLICE AND FIRE RETIREMENT SYSTEM  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

(in thousands)

FYE	Actuarially required City contribution	Contribution in relation to the actuarially determined contribution	Contribution deficiency (excess) *	Covered employee payroll	Contribution as a percentage of covered employee payroll
2018	135,648	135,691	(43)	155,558	87.23%
2017	165,772	177,788	(12,016)	132,735	133.94%
2016	154,540	154,540	-	135,600	113.97%
2015	153,604	153,936	(332)	132,735	115.97%
2014	142,433	149,159	(6,726)	134,521	110.88%
2013	99,997	122,580	(22,583)	130,972	93.59%
2012	73,729	70,599	3,130	133,611	52.84%
2011	77,065	75,903	1,162	148,968	50.95%
2010	77,182	82,197	(5,015)	158,047	52.01%
2009	50,564	50,235	329	155,558	32.29%

\* Contribution deficiency (excess) is assigned to the City Budget Stabilization Account

Valuation date: October 1, 2018

**Methods used to determine contribution rates:**

- Actuarial cost method: Individual entry age
- Amortization method: Level Percent of Payroll, Closed
- Remaining amortization period: 30 Years
- Asset valuation method: Market Value
- Inflation: 2.5%
- Salary increases: 10% in 2017 and 2018, 10.5% in 2019, then 3.5% per year in 2020 and forward
- Investment rate of return: 7.00%
- Retirement Age: Experience-based table of rates that are specific to the type of eligibility condition.
- Mortality : RP-2000 combined Healthy Participant Mortality Table (for pre-retirement mortality) and the RP-2000 Mortality Table for Annuitants (for postretirement mortality) with mortality improvements projected to all future years after 2000 using scale BB. For males, the base mortality rates include a 90% blue collar adjustment and a 10% white collare adjustment. For females, the base mortality rates include a 100% white collare adjustment.

**CITY OF JACKSONVILLE, FLORIDA  
REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF CONTRIBUTIONS FROM EMPLOYER – FOR LAST 10 FISCAL YEARS  
POLICE AND FIRE PENSION FUND – SENIOR STAFF VOLUNTARY RETIREMENT PLAN  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

(in thousands)

<b>Plan Year Ending September 30</b>	<b>Annual Required City Contribution</b>	<b>Employer Contributions</b>	<b>Contribution Deficiency/ (excess)*</b>	<b>Covered employee payroll</b>	<b>Contribution as a % of covered payroll</b>
2009	219	183	36	508	36.10%
2010	135	247	(112)	506	48.90%
2011	142	101	41	484	20.87%
2012	523	117	406	355	33.09%
2013	28	248	(220)	290	85.59%
2014	28	7	21	298	2.41%
2015	-	-	-	307	0.00%
2016*	-	-	-	-	N/A
2017*	-	-	-	-	N/A
2018*	-	-	-	-	N/A

\* No contribution amount was required because the Plan has no active employees for FY 2017

**NOTES:**

Valuation date: Actuarially determined contribution rates are calculated as of October 1, each year prior to the end of the fiscal year in which contributions are reported.

Methods used to determine contribution rates:

Actuarial cost method: Individual entry age  
Amortization method: Aggregate method  
Asset valuation method: Market Value  
Inflation: 2.5%  
Investment rate of return: 7.0%, including inflation  
Cost of living adjustments: 3.00%  
Mortality Table in use: Postretirement: RP-2014 Blue Collar Annuitant  
Postretirement: RP-2014 Disabled Annuitant  
All tables are set forward 2 years for males and 1 year for females, use  
MP-2014 Improvement Scale, 2D generational, separate by sex.  
Age differences for spouses: Females are assumed to be 3 years younger than males  
Percent married: 100%

**CITY OF JACKSONVILLE, FLORIDA  
REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY – LAST 10 FISCAL YEARS  
POLICE AND FIRE RETIREMENT SYSTEM  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

(in thousands)

	2017	2016	2015
<b>Total pension liability</b>			
Service Cost (BOY)	\$45,257	\$44,087	\$46,663
Interest on total pension liability	233,338	217,546	210,943
Changes in Benefit Terms	26,818	-	(28,685)
Experience deviations including buybacks	24,031	3,566	24,831
Changes of assumptions	232,927	97,813	24,514
Benefit payments, including refunds of member contributions	(171,277)	(159,726)	(148,628)
Net change in total pension liability	391,094	203,286	129,638
Total pension liability -- beginning	3,345,515	3,142,229	3,012,590
<b>Total pension liability -- ending(a)</b>	<b>3,736,609</b>	<b>3,345,515</b>	<b>3,142,228</b>
<b>Fiduciary net position Contributions--employer</b>			
Contributions--employer	184,526	157,494	154,665
Contributions--member	13,571	12,831	12,062
Net investment income	243,422	154,313	(62,884)
Benefit payments, including refunds of member contributions	(171,277)	(159,726)	(148,628)
Administrative expense	(2,174)	(3,519)	(2,228)
Chapter 175/185	10,875	10,681	10,578
Court Fines	759	833	921
Other	51	122	327
Net change in fiduciary net position	279,753	173,029	(35,187)
Fiduciary net position -- beginning	1,613,044	1,437,777	1,473,097
Fiduciary net position -- ending	1,892,797	1,613,044	1,437,910
less Reserve Accounts and Sr. Staff Assets	(127,638)	(99,646)	(83,502)
<b>Total fiduciary net position -- ending(b)</b>	<b>1,765,159</b>	<b>1,513,398</b>	<b>1,354,408</b>
<b>City's fiduciary net pension liability--ending(a)-(b)</b>	<b>1,971,450</b>	<b>1,832,117</b>	<b>1,787,820</b>
Fiduciary net position as a percentage of the total pension liability	47.24%	45.24%	43.10%
Covered-employee payroll	\$149,490	\$135,600	\$132,735
City's fiduciary net pension liability as a percentage of covered- employee payroll	1318.78%	1351.12%	1346.91%

\*Prior years information is unavailable

**CITY OF JACKSONVILLE, FLORIDA  
REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY – LAST 10 FISCAL YEARS  
POLICE AND FIRE RETIREMENT SYSTEM  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

(in thousands)

2014	2013	2012*	2011
\$47,915	\$46,109	\$47,570	
203,577	195,520	190,344	
-	-	-	Prior years
22,671	(4,676)	(12,513)	information is
-	5,333	227,333	unavailable
(138,179)	(128,656)	(116,955)	
135,984	113,630	335,779	
2,876,606	2,762,977	2,427,198	
\$3,012,590	\$2,876,606	\$2,762,977	
150,520	121,822	72,643	
11,584	10,754	11,611	
147,333	169,202	181,653	
(138,179)	(128,656)	(116,955)	Prior years
(2,224)	(2,506)	(2,352)	information is
10,110	9,667	9,276	unavailable
881	758	770	
142	1,187	55	
180,167	182,229	156,702	
1,292,930	1,110,737	954,036	
1,473,097	1,292,966	1,110,737	
(83,349)	(64,835)	(31,831)	
1,389,748	1,228,131	1,078,907	
1,622,842	1,648,475	1,684,070	
46.13%	42.69%	39.05%	
\$134,521	\$130,972	\$133,611	
1206.38%	1258.65%	1260.42%	

**CITY OF JACKSONVILLE, FLORIDA  
REQUIRED SUPPLEMENTAL INFORMATION  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY – LAST 10 FISCAL YEARS  
POLICE AND FIRE PENSION FUND - SENIOR STAFF VOLUNTARY RETIREMENT PLAN  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

(in thousands)

	2016	2015	2014
<b>Total pension liability</b>			
Service Cost (BOY)	\$ -	\$ (57)	
Interest on total pension liability	298	282	
Changes in Benefit Terms	89	-	Prior year
Experience deviations including buybacks	27	-	is unavailable
Changes of assumptions	149	154	
Benefit payments, including refunds of member contributions	(286)	(109)	
Net change in total pension liability	278	270	
Total pension liability -- beginning	4,406	4,136	
<b>Total pension liability -- ending(a)</b>	<b>4,684</b>	<b>4,406</b>	
<b>Fiduciary net position Contributions--employer</b>			
Contributions--employer	-	-	
Contributions--member	-	22	
Net investment income	386	(167)	
Benefit payments, including refunds of member contributions	(286)	(109)	
Other	-	-	
Net change in fiduciary net position	100	(254)	
Fiduciary net position -- beginning	4,002	4,257	
Fiduciary net position -- ending (b)	4,102	4,002	
<b>Net Pension Liability -- ending (a) - (b)</b>	<b>582</b>	<b>404</b>	
Fiduciary net position as a percentage of the total pension liability	87.57%	90.83%	
Covered-employee payroll	\$0.00	\$0.00	
City's fiduciary net pension liability as a percentage of covered- employee payroll	N/A	N/A	

**CITY OF JACKSONVILLE, FLORIDA**  
**REQUIRED SUPPLEMENTAL INFORMATION**  
**SCHEDULE OF MONEY-WEIGHTED RATE OF RETURN – LAST 10 FISCAL YEARS**  
**POLICE AND FIRE RETIREMENT SYSTEM**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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(net of investment expense)

Fiscal Year Ended <u>September 30</u>	Police and Fire <u>Retirement System</u>
2018	10.00%
2017	14.27%
2016	10.00%
2015	-3.95%
2014	10.73%
2013	14.29%
2012	18.25%
2011	0.64%
2010	8.45%
2009	1.70%

**CITY OF JACKSONVILLE, FLORIDA  
REQUIRED SUPPLEMENTAL INFORMATION  
POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB)  
SCHEDULE OF CITY CONTRIBUTIONS – LAST TWO FISCAL YEARS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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<u>Fiscal Year</u>	<u>Actuarially Determined Contribution</u>	<u>Contributions in relation to the Determined Contribution</u>	<u>Contribution Deficiency or (Excess)</u>	<u>Covered Employee Payroll</u>	<u>Contribution as a percentage of covered payroll</u>
2017	\$18,347,728	\$5,231,223	\$13,116,505	\$366,392,949	3.60%
2018	\$20,177,634	\$6,060,000	\$14,117,634	\$379,216,702	1.60%

Other: This schedule is presented for the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City will present information for the years for which information is available.

**CITY OF JACKSONVILLE, FLORIDA  
REQUIRED SUPPLEMENTAL INFORMATION  
POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB)  
SCHEDULE OF CHANGES IN THE CITY’S NET OPEB LIABILITY AND RELATED RATIOS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	<u>2018</u>	<u>2017</u>
Total OPEB liability		
Service cost	\$ 11,293,019	\$ 10,839,911
Interest	\$ 8,884,615	\$ 7,507,817
Changes of benefit terms	\$ -	\$ -
Differences between expected and actual experience	\$ -	\$ -
Changes in assumptions	\$ (30,714,455)	\$ (7,431,307)
Benefit payments	<u>\$ (6,060,000)</u>	<u>\$ (5,231,223)</u>
Net change in total OPEB liability	\$ (16,596,821)	\$ 5,685,198
Total OPEB liability – beginning	<u>\$ 204,287,693</u>	<u>\$ 198,602,495</u>
Total OPEB liability – ending (a)	\$ 187,690,872	\$ 204,287,693
 Plan fiduciary net position		
Contributions – employer	\$ 6,060,000	\$ 5,231,223
Net investment income	\$ -	\$ -
Benefit payments	\$ (6,060,000)	\$ (5,231,223)
Administrative expense	\$ -	\$ -
Net change in plan fiduciary net position	\$ -	\$ -
Plan fiduciary net position – beginning	\$ -	\$ -
Plan fiduciary net position -ending (b)	\$ -	\$ -
 City’s net OPEB liability – ending (a) – (b)	\$ 187,690,872	\$ 204,287,693
 Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%
 Covered payroll	\$ 379,216,702	\$ 366,392,949
 City net OPEB liability as a percentage of covered employee payroll	49.50%	55.70%

Other: This schedule is presented for the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City will present information for the years for which information is available.



**CITY OF JACKSONVILLE, FLORIDA  
 REQUIRED SUPPLEMENTAL INFORMATION  
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
 POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB)  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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*Actuarial Assumptions and Methods:*

- |                                       |  |
|---------------------------------------|--|
| 1) Valuation Date:                    | September 30, 2018   |
| 2) Discount Rate:                     | 3.06% as of 10/1/16, 3.63% as of 9/30/2017,<br>4.18% - Bond Buyer 20-Bond GO Index   |
| 3) Salary Increase Rate:              | 3.5% per annum   |
| 4) Medical Consumer Price Index Trend | 3.0% per annum   |
| 5) Inflation Rate                     | 3.0% per annum   |
| 6) Census Data                        | The census is as of September 1, 2017,<br>as provided by the City.   |
| 7) Marriage Rate                      | The assumed number of eligible dependents is<br>based on the current proportions of single and<br>Family contracts in the census provided.   |
| 8) Spouse Age                         | Spouse dates of birth were provided by the City.<br>Where this information is missing, male spouses are<br>assumed to be three years older than female<br>spouses.   |
| 9) Medicare Eligibility               | All current and future retirees are assumed to be<br>Eligible for Medicare at age 65.  |
| 10) Actuarial Cost Method             | Entry Age Normal based on level percentage of<br>projected salary.   |
| 11) Amortization Method               | Experience gains and losses are amortized over<br>a closed period of 9 years starting October 1, 2016,<br>equal to the average remaining service of active and<br>inactive plan members (who have no future<br>service).   |
| 12) Plan Participation Percentage     | That 60% of future pre 65 retirees will<br>participate in the pre-65 medical plan and 15%<br>(30% for those hired prior to 1/1/1987) continue<br>upon Medicare eligibility. This assumes that a one-<br>time irrevocable election to participate is made at<br>retirement. |
| 13) Mortality Rates                   | RP-2014 generational table scaled using MP-17<br>and applied on a gender-specific basis.   |

**CITY OF JACKSONVILLE, FLORIDA  
 REQUIRED SUPPLEMENTAL INFORMATION  
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
 POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB)  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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*Actuarial Assumptions and Methods: (continued)*

14) Health Care Cost Trend Rate

The health care cost trend assumptions are used to project the cost of health care in future years. The following annual trends are based on the HCA Consulting trend study, and are applied on a select and ultimate basis. Select trends are reduced 0.5% each year until reaching the ultimate trend rate.

<u>Expense Type (FY2017)</u>	<u>Select</u>	<u>Ultimate</u>
Pre-Medicare Medical and Rx Benefits	7.0%	4.5%
Medicare Benefits	6.0%	4.5%
Administrative Fees	4.5%	4.5%

15) Per Capita Health Care Cost Trend Rate

Expected annual claim costs were developed from a blend of the previous valuations' claim costs with historical claim experience through October 2017. The age 60 and age 70 adjusted claim costs are as follows:

<u>Rate Tier</u>	<u>Age 60</u>	<u>Age 70 (Medicare)</u>	<u>(Non-Medicare)</u>
HMO 48	\$12,198	\$7,809	\$15,935
HDHP 65	\$ 9,330	\$5,314	\$12,152
PPO	\$13,793	\$8,256	\$18,019
Future Retirees	\$12,349	\$7,815	\$16,131

16) Non-Claim Expenses

Non-claim expenses are based on the current amounts charged per retired employee as of January 1, 2017. The amounts are provided in the table below and are trended at the levels shown in the "Health Care Cost Trend Rate" table in 14) above.

<u>Rate Tier</u>	<u>Age 60</u>
ASO-PEPM	\$27.70
Stop Loss – PEPM	\$ 9.04

17) Plan Election Percentage

Future eligible retirees are assumed to elect coverage based on the following percentages:

<u>Rate Tier</u>	<u>Age 60</u>
HMO 48	81%
HDHP 65	3%
PPO	16%

18) Age Based Morbidity

The assumed per capita health claim costs are adjusted to reflect expected increases related to age and gender. These increases are based on a 2013 Society of Actuaries study.

**CITY OF JACKSONVILLE, FLORIDA  
REQUIRED SUPPLEMENTAL INFORMATION  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB)  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

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*Actuarial Assumptions and Methods: (continued)*

19) Termination and Retirement Age

The rate of withdrawal for reasons other than death and retirement has been developed from the Florida Retirement System Actuarial Valuation as of July 1, 2016, City of Jacksonville Correctional Officer Retirement System Valuation as of October 1, 2016, the City of Jacksonville General Employees Retirement Plan Valuation as of October 1, 2016, and the City of Jacksonville Police & Fire Pension Fund Actuarial Valuation as of October 1, 2016. The annual termination probability is dependent on an employee's age, gender, and years of service.

20) Valuation of Excise Tax

A retiree pre-65 plan cost is projected at health care cost trend and compared to the excise tax cost threshold beginning in 2020 and continuing thereafter. The City will be liable for 40% of the difference between plan costs and the cost threshold, when the plan costs are greater than the cost threshold.

21) Excise Tax Thresholds

The 2020 annual threshold costs for excise tax are as follows:

Pre-65 Retiree Single \$11,850  
Pre-65 Retiree Family \$30,950

On December 18, 2015, a bill was signed delaying the excise tax for two years. The above thresholds will soon be updated to reflect this two-year delay. The active and pre-65 retiree thresholds have been weighted by current census headcounts. The threshold is assumed to increase at health CPI trend each year.

***Notes to the Required Supplementary Information (RSI) OPEB:***

There are not any assets in trust to pay OPEB benefits.

There are not any changes in the trends that affect the assumptions used by the actuary to develop the OPEB liability.

## **NON-MAJOR GOVERNMENTAL FUNDS:**

### **SPECIAL REVENUE FUNDS**

**Special Revenue Funds** account for the proceeds of specific revenue sources (other than expendable trusts and major capital projects) that are legally restricted to expenditure for specific purposes as described below.

**The Concurrency Management Fund** provides funding for maintenance and update of the Concurrency Management System which is the basis for ensuring compliance with the 2010 Comprehensive Plan.

**The Air Pollution Control and Monitoring Fund** receives revenue from licenses and fees, and contributions from the federal government to monitor and control environmental problems related to the air quality in Jacksonville.

**Tourism Development Fund** collects revenues from tourist and convention development taxes to fund tourism programs sponsored by the Tourist Development Council through the City.

**The Clerk of the Circuit Court Fund** receives revenue collected on behalf of the state and City by the courts system for various judgments, fines, bonds, fees and licenses, and other miscellaneous amounts. The Fund includes Public Records Modernization activity which receives revenues from a service charge authorized by Florida Statute 28.24(15)(d) to be held in trust and used exclusively for equipment, personnel training, and technical assistance in modernizing the official public records system of the Clerk's office.

**The Transportation Fund** accounts for revenue from the City's six cent local option gas tax, the state-shared 5th and 6th cent gas tax, and the one-half cent local option sales tax used to fund major road and related capital infrastructure construction and maintenance and the City's mass transit and automated skyway express system operations.

**The Budgeted General Government Fund** accounts for numerous smaller accounts whose revenues are dedicated to a variety of specific purposes.

**The Emergency 9-1-1 Fund** receives revenues from a fee added to the telephone bill of telephone customers that may be used for system operations and improvements.

**The Tax Increment Districts Fund** receives a distribution of ad valorem tax revenue levied and collected in the City's four tax increment districts used to promote future commercial business development that expands property tax base values in the City's core downtown areas and the northwest region.

**The Kids Hope Alliance Fund** receives City funds, and various grants, to provide a continuum of services for the City's children and youth. The Kids Hope Alliance is responsible for comprehensively developing, overseeing, managing and implementing the Essential Services Plan for Kids.

**The Community Development Block Grant Fund** receives monies from the federal government in the form of community development block grants made available to specific targeted areas of Jacksonville to assist in rehabilitation and revitalization in support of the area's future economic growth and stability.

**The Job Training Partnership Act Grant Fund** accounts for direct federal assistance to the Private Industry Council of Jacksonville in providing employment and training services to the economically disadvantaged and displaced citizens of Jacksonville through cooperative efforts with local private sector businesses.

**The Maintenance, Parks and Recreation Fund** receives revenues from user fees and charges from parks and recreation facilities that are dedicated to parks maintenance and improvements, and acquisition of new recreational facilities.

**The Other Federal, State and Local Grants Fund** records all other miscellaneous grants administered by the City from federal, state and local sources not specifically accounted for by other funds covering diverse programs such as: day care, adult homemaker, beach erosion, base conversion and redevelopment, economic capital development, aids treatment care, senior services and nutrition, crime prevention and drug abuse, teenage pregnancy and childhood development, foster grandparents, and waste tire disposal.

**The Better Jacksonville Plan Trust Fund** receives revenue from the half-cent infrastructure sales tax. All monies placed into this trust are appropriated for Debt Service requirements and contributions to the Better Jacksonville Capital Projects Fund.

**Housing and Neighborhoods** was designated as the housing agency for Affordable Housing, State Housing Initiative Partnership funds, and all other matters related to housing, with the exception of those matters which fall within the responsibility of the Jacksonville Housing Authority.

**The State Housing Initiative Partnership Fund** accounts for revenue collected by the Clerk of the Circuit Court on certain property transactions in Duval county passed from the State earmarked for housing assistance and financial incentive programs to increase the availability of affordable housing in Jacksonville including down payment assistance, home owner repair and rehabilitation and acquisition of existing single family dwellings for home ownership.

**The Non-Budgeted General Government Fund** accounts for numerous smaller funds whose revenues are dedicated to a variety of specific purposes.

## **DEBT SERVICE FUNDS**

**Debt Service Funds** account for the accumulation of resources for, and the payment of, interest and principal on most general governmental obligations. Individual debt service funds are described below.

**The Other Non-Bonded Debt Obligations Fund** accounts for the accumulation of resources for, and the payment of, principal and interest on other non-bonded debt obligations.

## **CAPITAL PROJECTS FUNDS**

**Capital Projects Fund** account for financial resources segregated for the construction or acquisition of major capital facilities (other than those financed by proprietary funds and fiduciary funds). Descriptions of individual funds in this fund type follow.

**The General Projects Fund** receives monies appropriated from the General Fund and other sources including proceeds from non-bonded debt for general capital improvements.

**The Better Jacksonville Plan Construction Projects Fund** receives revenues from the two local option sales tax programs and proceeds from the sale of bonded debt issued by the City to fund projects under the Better Jacksonville Plan.

**The Bond Projects Fund** receives proceeds from the sale of bonded debt issued by the City to fund major capital improvement projects.

**The Grant Projects Fund** accounts for monies received by the City under various federal, state and local grants restricted to expenditure of specific capital improvements funded under the grant program.

**The River City Renaissance Project Fund** accounts for proceeds of a comprehensive capital improvement initiative (the "River City Renaissance") for projects concerning the environment, children, health and social services, economic development, neighborhoods and downtown, parks and recreation, and the arts.

## **PERMANENT FUNDS**

**Permanent Funds** are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that benefit the government or its citizenry. The Cemetery Maintenance Fund and Art in Public Places Fund are accounted for as Permanent Funds.

CITY OF JACKSONVILLE, FLORIDA  
 COMBINING BALANCE SHEET -  
 NONMAJOR GOVERNMENTAL FUNDS  
 SEPTEMBER 30, 2018  
 WITH COMPARATIVE TOTALS FOR 2017 (in thousands)

SPECIAL REVENUE FUNDS

	CONCURRENCY MANAGEMENT	AIR POLLUTION CONTROL AND MONITORING	TOURISM DEVELOPMENT	CLERK OF THE COURT
<b>ASSETS:</b>				
Equity in pooled cash and investments.....	\$ 59,141	\$ 1,349	\$ 9,559	\$ 295
Cash in escrow and with fiscal agents.....	-	-	80	3,609
Receivables (net, where applicable, of allowances for uncollectibles):				
Accounts .....	-	-	-	378
Mortgages.....	-	-	-	-
Due from independent agencies and other governments.....	-	122	-	-
Prepaid Items.....	-	-	-	-
<b>TOTAL ASSETS.....</b>	<b>59,141</b>	<b>1,471</b>	<b>9,639</b>	<b>4,282</b>
<b>LIABILITIES:</b>				
Accounts payable and accrued liabilities.....	\$ 505	\$ 210	\$ 1,012	\$ 593
Contracts payable.....	7	1	-	-
Due to other funds.....	-	-	-	-
Due to individuals.....	-	-	-	-
Deposits.....	566	-	-	2,000
Unearned revenue.....	-	-	-	-
Advances from other funds.....	-	-	-	-
<b>TOTAL LIABILITIES.....</b>	<b>1,078</b>	<b>211</b>	<b>1,012</b>	<b>2,593</b>
<b>FUND BALANCES (DEFICIT):</b>				
<b>Non Spendable:</b>				
Non Spendable.....	-	-	80	-
<b>Spendable:</b>				
Restricted.....	-	1,260	-	-
Committed.....	58,063	-	8,547	1,689
Assigned.....	-	-	-	-
Total Fund Balances (Deficit).....	58,063	1,260	8,627	1,689
<b>TOTAL LIABILITIES AND FUND BALANCES.....</b>	<b>\$ 59,141</b>	<b>\$ 1,471</b>	<b>\$ 9,639</b>	<b>\$ 4,282</b>

**SPECIAL REVENUE FUNDS**

<b>TRANSPORTATION FUND</b>	<b>BUDGETED GENERAL GOVERNMENT</b>	<b>EMERGENCY 9-1-1</b>	<b>TAX INCREMENT DISTRICTS</b>	<b>KIDS HOPE ALLIANCE</b>
\$ 27,831	\$ 52,795	\$ 8,137	\$ 10,222	\$ 9,775
-	-	-	-	-
-	5	-	-	-
-	-	-	-	-
20,438	516	356	-	868
-	-	-	-	-
<u>48,269</u>	<u>53,316</u>	<u>8,493</u>	<u>10,222</u>	<u>10,643</u>
\$ 1,703	\$ 1,056	\$ 118	\$ 273	\$ 3,674
1	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	759	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>1,704</u>	<u>1,815</u>	<u>118</u>	<u>273</u>	<u>3,674</u>
-	-	-	-	-
-	-	-	9,949	6,969
46,565	51,501	8,375	-	-
-	-	-	-	-
<u>46,565</u>	<u>51,501</u>	<u>8,375</u>	<u>9,949</u>	<u>6,969</u>
<u>\$ 48,269</u>	<u>\$ 53,316</u>	<u>\$ 8,493</u>	<u>\$ 10,222</u>	<u>\$ 10,643</u>

(continued)



CITY OF JACKSONVILLE, FLORIDA  
 COMBINING BALANCE SHEET -  
 NONMAJOR GOVERNMENTAL FUNDS  
 SEPTEMBER 30, 2018  
 WITH COMPARATIVE TOTALS FOR 2017 (in thousands; continued)

SPECIAL REVENUE FUNDS

	COMMUNITY DEVELOPMENT BLOCK GRANT	JOB TRAINING PARTNERSHIP ACT GRANT	MAINTENANCE, PARKS AND RECREATION	OTHER FEDERAL, STATE AND LOCAL GRANTS
<b>ASSETS:</b>				
Equity in pooled cash and investments.....	\$ 801	\$ 787	\$ 9,792	\$ 8,987
Cash in escrow and with fiscal agents.....	-	-	-	40
Receivables (net, where applicable, of allowances for uncollectibles):				
Accounts .....	-	-	1	107
Mortgages.....	1,240	-	-	-
Due from independent agencies and other governments.....	44	-	-	3,012
Prepaid Items.....	-	-	16	-
<b>TOTAL ASSETS.....</b>	<b>2,085</b>	<b>787</b>	<b>9,809</b>	<b>12,146</b>
<b>LIABILITIES:</b>				
Accounts payable and accrued liabilities.....	\$ 479	\$ -	\$ 412	\$ 1,634
Contracts payable.....	27	-	-	-
Due to other funds.....	-	-	-	-
Due to individuals.....	-	-	-	-
Deposits.....	7	-	25	-
Unearned revenue.....	525	-	-	120
Advances from other funds.....	-	-	-	-
<b>TOTAL LIABILITIES.....</b>	<b>1,038</b>	<b>-</b>	<b>437</b>	<b>1,754</b>
<b>FUND BALANCES (DEFICIT):</b>				
<b>Non Spendable:</b>				
Non Spendable.....	-	-	-	-
<b>Spendable:</b>				
Restricted.....	1,047	787	-	10,392
Committed.....	-	-	9,372	-
Assigned.....	-	-	-	-
Total Fund Balances (Deficit).....	1,047	787	9,372	10,392
<b>TOTAL LIABILITIES AND FUND BALANCES.....</b>	<b>\$ 2,085</b>	<b>\$ 787</b>	<b>\$ 9,809</b>	<b>\$ 12,146</b>

**SPECIAL REVENUE FUNDS**

<b>BETTER JACKSONVILLE PLAN TRUST</b>	<b>HOUSING AND NEIGHBORHOODS</b>	<b>STATE HOUSING INITIATIVE PARTNERSHIP</b>	<b>NON-BUDGETED GENERAL GOVERNMENT</b>	<b>TOTALS</b>	
				<b>2018</b>	<b>2017</b>
\$ 16,472	\$ 12,671	\$ 4,246	\$ 27,252	\$ 260,112	\$ 227,450
-	-	-	81	3,810	2,932
-	-	-	46	537	467
-	3,311	633	-	5,184	2,584
15,685	-	-	512	41,553	59,564
-	-	-	-	16	16
<u>32,157</u>	<u>15,982</u>	<u>4,879</u>	<u>27,891</u>	<u>311,212</u>	<u>293,013</u>
\$ -	\$ 634	\$ 375	\$ 661	\$ 13,339	\$ 20,416
-	-	-	-	36	28
-	-	-	-	-	3,200
-	-	-	264	264	264
-	25	-	2	3,384	3,155
-	15	656	-	1,316	1,316
-	-	-	-	-	-
<u>-</u>	<u>674</u>	<u>1,031</u>	<u>927</u>	<u>18,339</u>	<u>\$ 28,379</u>
-	-	-	81	161	160
-	15,308	3,848	-	49,560	49,222
32,157	-	-	26,883	243,152	215,252
-	-	-	-	-	-
<u>32,157</u>	<u>15,308</u>	<u>3,848</u>	<u>26,964</u>	<u>292,873</u>	<u>264,634</u>
<u>\$ 32,157</u>	<u>\$ 15,982</u>	<u>\$ 4,879</u>	<u>\$ 27,891</u>	<u>\$ 311,212</u>	<u>\$ 293,013</u>

(continued)

CITY OF JACKSONVILLE, FLORIDA  
 COMBINING BALANCE SHEET -  
 NONMAJOR GOVERNMENTAL FUNDS  
 SEPTEMBER 30, 2018  
 WITH COMPARATIVE TOTALS FOR 2017 (in thousands; continued)

DEBT SERVICE FUNDS

	OTHER NON-BONDED DEBT OBLIGATIONS	TOTALS	
		2018	2017
<b>ASSETS:</b>			
Equity in pooled cash and investments.....	\$ -	\$ -	\$ 1
Cash in escrow and with fiscal agents.....	-	-	-
Receivables (net, where applicable, of allowances for uncollectibles):			
Accounts .....	-	-	-
Mortgages.....	-	-	-
Due from independent agencies and other governments.....	-	-	-
Prepaid Items.....	-	-	-
<b>TOTAL ASSETS.....</b>	<b>-</b>	<b>-</b>	<b>1</b>
<b>LIABILITIES:</b>			
Accounts payable and accrued liabilities.....	\$ -	\$ -	\$ -
Contracts payable.....	-	-	-
Due to other funds.....	-	-	-
Due to individuals.....	-	-	-
Deposits.....	-	-	-
Unearned revenue.....	-	-	-
Advances from other funds.....	-	-	-
<b>TOTAL LIABILITIES.....</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FUND BALANCES (DEFICIT):</b>			
<b>Non Spendable:</b>			
Non Spendable.....	-	-	-
<b>Spendable:</b>			
Restricted.....	-	-	-
Committed.....	-	-	-
Assigned.....	-	-	1
Total Fund Balances (Deficit).....	-	-	1
<b>TOTAL LIABILITIES AND FUND BALANCES.....</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1</b>

**CAPITAL PROJECTS FUNDS**

GENERAL PROJECTS	BETTER JACKSONVILLE PLAN CONSTRUCTION PROJECT	BOND PROJECTS	GRANT PROJECTS	RIVER CITY RENAISSANCE PROJECT	TOTAL	
					2018	2017
\$ 85,336	\$ 15,186	\$ 12,556	\$ 5,612	\$ 45	\$ 118,735	\$ 90,634
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	2,725	-	2	-	2,727	3,469
-	-	-	-	-	-	-
<u>85,336</u>	<u>17,911</u>	<u>12,556</u>	<u>5,614</u>	<u>45</u>	<u>121,462</u>	<u>94,103</u>
\$ 9,147	\$ 56	\$ 350	\$ 305	\$ -	\$ 9,858	\$ 7,593
436	5	27	5	-	473	583
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
1,026	-	-	-	-	1,026	2,008
<u>10,609</u>	<u>61</u>	<u>377</u>	<u>310</u>	<u>-</u>	<u>11,357</u>	<u>\$ 10,184</u>
-	-	-	-	-	-	-
-	-	12,179	5,304	45	17,528	21,637
74,727	17,850	-	-	-	92,577	62,282
-	-	-	-	-	-	-
<u>74,727</u>	<u>17,850</u>	<u>12,179</u>	<u>5,304</u>	<u>45</u>	<u>110,105</u>	<u>83,919</u>
<u>\$ 85,336</u>	<u>\$ 17,911</u>	<u>\$ 12,556</u>	<u>\$ 5,614</u>	<u>\$ 45</u>	<u>\$ 121,462</u>	<u>\$ 94,103</u>

(continued)

CITY OF JACKSONVILLE, FLORIDA  
 COMBINING BALANCE SHEET -  
 NONMAJOR GOVERNMENTAL FUNDS  
 SEPTEMBER 30, 2018  
 WITH COMPARATIVE TOTALS FOR 2017 (in thousands; continued)

	PERMANENT FUNDS				TOTAL NONMAJOR GOVERNMENTAL FUNDS	
	CEMETERY MAINTENANCE	ART IN PUBLIC PLACES	TOTALS		TOTALS	
			2018	2017	2018	2017
<b>ASSETS:</b>						
Equity in pooled cash and investments.....	\$ 119	\$ -	\$ 119	\$ 246	\$ 378,966	\$ 318,331
Cash in escrow and with fiscal agents.....	122	1,404	1,526	-	5,336	2,932
Receivables (net, where applicable, of allowances for uncollectibles):						
Accounts .....	-	-	-	-	537	467
Mortgages.....	-	-	-	-	5,184	2,584
Due from independent agencies and other governments.....	-	-	-	-	44,280	63,033
Prepaid Items.....	-	-	-	-	16	16
<b>TOTAL ASSETS.....</b>	<b>241</b>	<b>1,404</b>	<b>1,645</b>	<b>246</b>	<b>434,319</b>	<b>387,363</b>
<b>LIABILITIES:</b>						
Accounts payable and accrued liabilities.....	\$ -	\$ -	\$ -	\$ -	\$ 23,197	\$ 28,009
Contracts payable.....	-	-	-	-	509	611
Due to other funds.....	-	-	-	-	-	3,200
Due to individuals.....	-	-	-	-	264	264
Deposits.....	-	-	-	-	3,384	3,155
Unearned revenue.....	-	-	-	-	1,316	1,316
Advances from other funds.....	-	-	-	-	1,026	2,008
<b>TOTAL LIABILITIES.....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,696</b>	<b>38,563</b>
<b>FUND BALANCES (DEFICIT):</b>						
<b>Non Spendable:</b>						
Non Spendable.....	123	1,404	1,527	123	1,688	283
<b>Spendable:</b>						
Restricted.....	-	-	-	-	67,088	70,859
Committed.....	118	-	118	123	335,847	277,657
Assigned.....	-	-	-	-	-	1
Total Fund Balances (Deficit).....	241	1,404	1,645	246	404,623	348,800
<b>TOTAL LIABILITIES AND FUND BALANCES.....</b>	<b>\$ 241</b>	<b>\$ 1,404</b>	<b>\$ 1,645</b>	<b>\$ 246</b>	<b>\$ 434,319</b>	<b>\$ 387,363</b>



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CITY OF JACKSONVILLE, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018  
 WITH COMPARATIVE TOTALS FOR 2017 (in thousands)

SPECIAL REVENUE FUNDS

	CONCURRENCY MANAGEMENT	AIR POLLUTION CONTROL AND MONITORING	TOURISM DEVELOPMENT	CLERK OF THE COURT
<b>REVENUES:</b>				
Property taxes.....	\$ -	\$ -	\$ -	\$ -
Sales and tourist taxes.....	-	-	8,569	-
Licenses, permits, and fees.....	6,173	-	-	-
Intergovernmental.....	-	1,561	-	-
Charges for services.....	934	-	-	19,340
Fines and forfeitures.....	-	-	-	-
Investment earnings.....	694	7	91	-
Other.....	-	-	1,563	-
<b>Total Revenues.....</b>	<b>7,801</b>	<b>1,568</b>	<b>10,223</b>	<b>19,340</b>
<b>EXPENDITURES:</b>				
Current:				
General government.....	879	-	-	18,424
Human services.....	-	-	-	-
Public safety.....	-	-	-	-
Culture and recreation.....	-	-	1,387	-
Transportation.....	3,770	-	-	-
Economic environment.....	-	-	7,272	-
Physical environment.....	-	1,924	-	-
Capital outlay.....	-	-	-	-
Debt service:				
Other.....	-	-	-	-
<b>Total Expenditures.....</b>	<b>4,649</b>	<b>1,924</b>	<b>8,659</b>	<b>18,424</b>
<b>EXCESS OF REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES.....</b>	<b>3,152</b>	<b>(356)</b>	<b>1,564</b>	<b>\$ 916</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Long term debt issued.....	-	-	-	-
Transfers in.....	150	424	-	-
Transfers out.....	-	(650)	-	-
<b>Total Other Financing Sources (Uses).....</b>	<b>150</b>	<b>(226)</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>3,302</b>	<b>(582)</b>	<b>1,564</b>	<b>\$ 916</b>
FUND BALANCES, BEGINNING OF YEAR.....	54,761	1,842	7,063	773
<b>FUND BALANCES (DEFICIT), END OF YEAR.....</b>	<b>\$ 58,063</b>	<b>\$ 1,260</b>	<b>\$ 8,627</b>	<b>\$ 1,689</b>

SPECIAL REVENUE FUNDS

TRANSPORTATION FUND	BUDGETED GENERAL GOVERNMENT	EMERGENCY 9-1-1	TAX INCREMENT DISTRICTS	KIDS HOPE ALLIANCE
\$ -	\$ -	\$ -	\$ 22,472	\$ -
123,974	-	-	-	-
-	17,392	-	-	-
14,521	1,825	-	-	6,662
-	9,961	4,332	-	-
-	465	-	-	-
121	351	72	275	78
27	2,122	-	710	114
<u>138,643</u>	<u>32,116</u>	<u>4,404</u>	<u>23,457</u>	<u>6,854</u>
91	6,248	-	-	-
-	470	-	-	35,767
-	12,932	4,056	-	-
-	321	-	-	-
128,664	-	-	-	-
-	-	-	13,615	2
-	2,986	-	-	-
-	-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>128,755</u>	<u>22,957</u>	<u>4,056</u>	<u>13,615</u>	<u>35,769</u>
<u>9,888</u>	<u>9,159</u>	<u>348</u>	<u>9,842</u>	<u>(28,915)</u>
-	-	-	-	-
-	646	-	200	30,283
-	(3,054)	-	(9,965)	(482)
<u>-</u>	<u>(2,408)</u>	<u>-</u>	<u>(9,765)</u>	<u>29,801</u>
9,888	6,751	348	77	886
<u>36,677</u>	<u>44,750</u>	<u>8,027</u>	<u>9,872</u>	<u>6,083</u>
<u>\$ 46,565</u>	<u>\$ 51,501</u>	<u>\$ 8,375</u>	<u>\$ 9,949</u>	<u>\$ 6,969</u>

(continued)



**CITY OF JACKSONVILLE, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES,**  
**AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**  
**WITH COMPARATIVE TOTALS FOR 2017 (in thousands; continued)**

**SPECIAL REVENUE FUNDS**

	<b>COMMUNITY DEVELOPMENT BLOCK GRANT</b>	<b>JOB TRAINING PARTNERSHIP ACT GRANT</b>	<b>MAINTENANCE, PARKS AND RECREATION</b>	<b>OTHER FEDERAL, STATE AND LOCAL GRANTS</b>
<b>REVENUES:</b>				
Property taxes.....	\$ -	\$ -	\$ -	\$ -
Sales and tourist taxes.....	-	-	-	-
Licenses, permits, and fees.....	-	-	-	-
Intergovernmental.....	4,306	-	-	17,482
Charges for services.....	-	-	2,983	40
Fines and forfeitures.....	-	-	-	-
Investment earnings.....	-	-	-	-
Other.....	1,271	-	2,704	261
<b>Total Revenues.....</b>	<b>5,577</b>	<b>-</b>	<b>5,687</b>	<b>17,783</b>
<b>EXPENDITURES:</b>				
Current:				
General government.....	-	-	-	748
Human services.....	-	-	-	10,505
Public safety.....	-	-	-	8,704
Culture and recreation.....	-	-	4,069	1,388
Transportation.....	-	-	-	-
Economic environment.....	5,142	1	2,389	505
Physical environment.....	-	-	-	484
Capital outlay.....	-	-	-	-
Debt service:				
Other .....	-	-	-	-
<b>Total Expenditures.....</b>	<b>5,142</b>	<b>1</b>	<b>6,458</b>	<b>22,334</b>
<b>EXCESS OF REVENUES OVER (UNDER)</b>				
<b>EXPENDITURES.....</b>	<b>\$ 435</b>	<b>(1)</b>	<b>(771)</b>	<b>\$ (4,551)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Long term debt issued.....	-	-	-	-
Transfers in.....	77	-	1,804	3,573
Transfers out.....	(114)	-	(511)	(669)
<b>Total Other Financing Sources (Uses).....</b>	<b>(37)</b>	<b>-</b>	<b>1,293</b>	<b>2,904</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>398</b>	<b>(1)</b>	<b>522</b>	<b>(1,647)</b>
FUND BALANCES, BEGINNING OF YEAR.....	649	788	8,850	12,039
<b>FUND BALANCES (DEFICIT), END OF YEAR.....</b>	<b>\$ 1,047</b>	<b>\$ 787</b>	<b>\$ 9,372</b>	<b>\$ 10,392</b>

SPECIAL REVENUE FUNDS

BETTER JACKSONVILLE PLAN TRUST	HOUSING AND NEIGHBORHOODS	STATE HOUSING INITIATIVE PARTNERSHIP	NON-BUDGETED GENERAL GOVERNMENT	TOTALS	
				2018	2017
\$ -	\$ -	\$ -	\$ -	\$ 22,472	\$ 20,382
90,043	-	-	-	222,586	208,790
-	-	-	999	24,564	22,570
1,144	5,631	4,168	543	57,843	61,815
-	202	-	1,531	39,323	39,686
-	-	-	3,965	4,430	5,584
-	-	-	86	1,775	2,131
-	8,069	511	8,838	26,190	18,541
91,187	13,902	4,679	15,962	399,183	379,499
16	-	-	1,644	28,050	39,806
-	-	-	1,870	48,612	42,038
-	-	-	6,154	31,846	29,742
-	-	-	2,101	9,266	8,086
-	-	-	-	132,434	129,586
-	11,275	6,099	102	46,402	43,934
-	-	-	1,083	6,477	6,305
-	-	-	-	-	-
-	-	-	-	-	1
16	11,275	6,099	12,954	303,087	299,498
91,171	2,627	(1,420)	3,008	96,096	80,001
-	-	-	-	-	-
-	-	-	631	37,788	34,478
(86,874)	-	-	(3,326)	(105,645)	(90,985)
(86,874)	-	-	(2,695)	(67,857)	(56,507)
4,297	2,627	(1,420)	313	28,239	23,494
27,860	12,681	5,268	26,651	264,634	241,140
\$ 32,157	\$ 15,308	\$ 3,848	\$ 26,964	\$ 292,873	\$ 264,634

(continued)

CITY OF JACKSONVILLE, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018  
 WITH COMPARATIVE TOTALS FOR 2017 (in thousands; continued)

DEBT SERVICE FUNDS

	OTHER NON-BONDED DEBT OBLIGATIONS	TOTALS	
		2018	2017
<b>REVENUES:</b>			
Property taxes.....	\$ -	\$ -	\$ -
Sales and tourist taxes.....	-	-	-
Licenses, permits, and fees.....	-	-	-
Intergovernmental.....	-	-	-
Charges for services.....	-	-	-
Fines and forfeitures.....	-	-	-
Investment earnings.....	-	-	-
Other.....	-	-	-
Total Revenues.....	-	-	-
<b>EXPENDITURES:</b>			
Current:			
General government.....	1	1	21
Human services.....	-	-	-
Public safety.....	-	-	-
Culture and recreation.....	-	-	-
Transportation.....	-	-	-
Economic environment.....	-	-	-
Physical environment.....	-	-	-
Capital outlay.....	-	-	-
Debt service:			
Other.....	-	-	-
Total Expenditures.....	1	1	21
<b>EXCESS OF REVENUES OVER (UNDER)</b>			
<b>EXPENDITURES.....</b>	<b>(1)</b>	<b>(1)</b>	<b>(21)</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Long term debt issued.....	-	-	-
Transfers in.....	-	-	370
Transfers out.....	-	-	-
Total Other Financing Sources (Uses).....	-	-	370
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>(1)</b>	<b>(1)</b>	<b>349</b>
FUND BALANCES, BEGINNING OF YEAR.....	1	1	(348)
<b>FUND BALANCES (DEFICIT), END OF YEAR.....</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1</b>

**CAPITAL PROJECTS FUNDS**

GENERAL PROJECTS	BETTER JACKSONVILLE PLAN CONSTRUCTION PROJECT	BOND PROJECTS	GRANT PROJECTS	RIVER CITY RENAISSANCE PROJECT	TOTALS	
					2018	2017
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,419	-	-	876	-	3,295	5,253
73	-	-	-	-	73	84
-	-	-	-	-	-	-
224	350	-	-	-	574	1,521
1,188	-	-	-	-	1,188	2,681
3,904	350	-	876	-	5,130	9,539
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
52,546	2,800	4,211	2,088	20	61,665	67,173
-	-	-	-	-	-	-
52,546	2,800	4,211	2,088	20	61,665	67,173
(48,642)	(2,450)	(4,211)	(1,212)	(20)	(56,535)	(57,634)
38,981	-	-	42	-	39,023	35,636
31,030	12,211	-	1,689	-	44,930	18,177
(835)	-	-	(386)	(11)	(1,232)	(1,216)
69,176	12,211	-	1,345	(11)	82,721	52,597
20,534	9,761	(4,211)	133	(31)	26,186	(5,037)
54,193	8,089	16,390	5,171	76	83,919	88,956
\$ 74,727	\$ 17,850	\$ 12,179	\$ 5,304	\$ 45	\$ 110,105	\$ 83,919

(continued)

**CITY OF JACKSONVILLE, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018  
WITH COMPARATIVE TOTALS FOR 2017 (in thousands; continued)**

	PERMANENT FUNDS				TOTAL NONMAJOR GOVERNMENTAL FUNDS	
	CEMETERY MAINTENANCE	ART IN PUBLIC PLACES	TOTALS		TOTALS	
			2018	2017	2018	2017
<b>REVENUES:</b>						
Property taxes.....	\$ -	\$ -	\$ -	\$ -	\$ 22,472	\$ 20,382
Sales and tourist taxes.....	-	-	-	-	222,586	208,790
Licenses, permits, and fees.....	-	-	-	-	24,564	22,570
Intergovernmental.....	-	-	-	-	61,138	67,068
Charges for services.....	-	-	-	-	39,396	39,770
Fines and forfeitures.....	-	-	-	-	4,430	5,584
Investment earnings.....	-	-	-	4	2,349	3,656
Other.....	-	1,404	1,404	-	28,782	21,222
<b>Total Revenues.....</b>	<b>-</b>	<b>1,404</b>	<b>1,404</b>	<b>4</b>	<b>405,717</b>	<b>389,042</b>
<b>EXPENDITURES:</b>						
Current:						
General government.....	-	-	-	-	28,051	39,827
Human services.....	-	-	-	-	48,612	42,038
Public safety.....	-	-	-	-	31,846	29,742
Culture and recreation.....	-	-	-	-	9,266	8,086
Transportation.....	-	-	-	-	132,434	129,586
Economic environment.....	-	-	-	-	46,402	43,934
Physical environment.....	5	-	5	12	6,482	6,317
Capital outlay.....	-	-	-	-	61,665	67,173
Debt service:						
Other.....	-	-	-	-	-	1
<b>Total Expenditures.....</b>	<b>5</b>	<b>-</b>	<b>5</b>	<b>12</b>	<b>364,758</b>	<b>366,704</b>
<b>EXCESS OF REVENUES OVER (UNDER)</b>						
<b>EXPENDITURES.....</b>	<b>(5)</b>	<b>1,404</b>	<b>1,399</b>	<b>(8)</b>	<b>40,959</b>	<b>22,338</b>
<b>OTHER FINANCING SOURCES (USES):</b>						
Long term debt issued.....	-	-	-	-	39,023	35,636
Transfers in.....	-	-	-	-	82,718	53,025
Transfers out.....	-	-	-	-	(106,877)	(92,201)
<b>Total Other Financing Sources (Uses).....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,864</b>	<b>(3,540)</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>(5)</b>	<b>1,404</b>	<b>1,399</b>	<b>(8)</b>	<b>55,823</b>	<b>18,798</b>
<b>FUND BALANCES, BEGINNING OF YEAR.....</b>	<b>246</b>	<b>-</b>	<b>246</b>	<b>254</b>	<b>348,800</b>	<b>330,002</b>
<b>FUND BALANCES (DEFICIT), END OF YEAR.....</b>	<b>\$ 241</b>	<b>\$ 1,404</b>	<b>\$ 1,645</b>	<b>\$ 246</b>	<b>\$ 404,623</b>	<b>\$ 348,800</b>



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**CITY OF JACKSONVILLE, FLORIDA**  
**BUDGETARY COMPARISON SCHEDULE**  
**NONMAJOR GOVERNMENTAL FUNDS (in thousands)**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**FUND 110 - CONCURRENCY MANAGEMENT**

	<b>BUDGETED AMOUNTS</b>				<b>VARIANCE WITH FINAL BUDGET -</b>	
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>	<b>ENCUMBRANCES</b>	<b>BUDGETARY ACTUAL</b>	<b>POSITIVE (NEGATIVE)</b>
<b>REVENUE:</b>						
Licenses, permits, and fees	\$ -	\$ -	\$ 6,173	\$ -	\$ 6,173	\$ 6,173
Charges for Services	324	942	934	-	934	(8)
Interest	706	671	694	-	694	23
Miscellaneous	-	-	-	-	-	-
<b>Total Revenue</b>	<b>1,030</b>	<b>1,613</b>	<b>7,801</b>	<b>-</b>	<b>7,801</b>	<b>6,188</b>
<b>EXPENDITURES:</b>						
Jacksonville Citywide	37	37	-	-	-	37
Planning and Development	5,449	7,121	879	56	935	6,186
Public Works	25,020	31,677	3,770	5,606	9,376	22,301
<b>Total Expenditures</b>	<b>30,506</b>	<b>38,835</b>	<b>4,649</b>	<b>5,662</b>	<b>10,311</b>	<b>28,524</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(29,476)</b>	<b>(37,222)</b>	<b>3,152</b>	<b>(5,662)</b>	<b>(2,510)</b>	<b>34,712</b>
<b>OTHER FINANCING (USES):</b>						
Operating transfers in	-	150	150	-	150	-
<b>Total Other Financing (Uses)</b>	<b>-</b>	<b>150</b>	<b>150</b>	<b>-</b>	<b>150</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(29,476)</b>	<b>(37,072)</b>	<b>3,302</b>	<b>(5,662)</b>	<b>(2,360)</b>	<b>34,712</b>
<b>FUND BALANCE, BEGINNING</b>	<b>54,761</b>	<b>54,761</b>	<b>54,761</b>		<b>54,761</b>	<b>-</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 25,285</b>	<b>\$ 17,689</b>	<b>\$ 58,063</b>	<b>\$ (5,662)</b>	<b>\$ 52,401</b>	<b>\$ 34,712</b>

**CITY OF JACKSONVILLE, FLORIDA**  
**BUDGETARY COMPARISON SCHEDULE**  
**NONMAJOR GOVERNMENTAL FUNDS (in thousands)**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**FUND 120 - AIR POLLUTION CONTROL AND MONITORING**

	<b>BUDGETED AMOUNTS</b>				<b>VARIANCE WITH FINAL BUDGET -</b>	
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>	<b>ENCUMBRANCES</b>	<b>BUDGETARY ACTUAL</b>	<b>POSITIVE (NEGATIVE)</b>
<b>REVENUE:</b>						
Intergovernmental	\$ 1,483	\$ 1,555	\$ 1,561	\$ -	\$ 1,561	\$ 6
Interest	14	14	7		7	(7)
Miscellaneous	-	-	-	-	-	-
<b>Total Revenue</b>	<b>1,497</b>	<b>1,569</b>	<b>1,568</b>	<b>-</b>	<b>1,568</b>	<b>(1)</b>
<b>EXPENDITURES:</b>						
Jacksonville Citywide	87	87	-	-	-	87
Neighborhoods	1,626	1,934	1,924	34	1,958	(24)
<b>Total Expenditures</b>	<b>1,713</b>	<b>2,021</b>	<b>1,924</b>	<b>34</b>	<b>1,958</b>	<b>63</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(216)</b>	<b>(452)</b>	<b>(356)</b>	<b>(34)</b>	<b>(390)</b>	<b>62</b>
<b>OTHER FINANCING (USES):</b>						
Operating transfers in	424	424	424	-	424	-
Operating transfers out	(3)	(650)	(650)	-	(650)	-
<b>Total Other Financing (Uses)</b>	<b>421</b>	<b>(226)</b>	<b>(226)</b>	<b>-</b>	<b>(226)</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>205</b>	<b>(678)</b>	<b>(582)</b>	<b>(34)</b>	<b>(616)</b>	<b>62</b>
<b>FUND BALANCE, BEGINNING</b>	<b>1,841</b>	<b>1,841</b>	<b>1,842</b>	<b>-</b>	<b>1,842</b>	<b>1</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 2,046</b>	<b>\$ 1,163</b>	<b>\$ 1,260</b>	<b>\$ (34)</b>	<b>\$ 1,226</b>	<b>\$ 63</b>



**CITY OF JACKSONVILLE, FLORIDA**  
**BUDGETARY COMPARISON SCHEDULE**  
**NONMAJOR GOVERNMENTAL FUNDS (in thousands)**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**FUND 130 - SPORTS, CONVENTION AND TOURISM DEVELOPMENT**

	<b>BUDGETED AMOUNTS</b>				<b>BUDGETARY ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>	<b>ENCUMBRANCES</b>		
<b>REVENUE:</b>						
Sales and Use Tax	\$ 7,900	\$ 7,900	\$ 8,569	\$ -	\$ 8,569	\$ 669
Interest	10	36	91	-	91	55
Other	146	1,561	1,563	-	1,563	2
<b>Total Revenue</b>	<b>8,056</b>	<b>9,497</b>	<b>10,223</b>	<b>-</b>	<b>10,223</b>	<b>726</b>
<b>EXPENDITURES:</b>						
Finance	3	3	-	2	2	1
City Council	12,001	13,260	7,272	424	7,696	5,564
Jacksonville Citywide	-	-	-	-	-	-
Neighborhoods	34	114	75	2	77	37
Parks & Recreation	1,750	2,840	1,309	-	1,309	1,531
Sports & Entertainment	70	70	3	-	3	67
Intergovernmental Services	62	60	-	-	-	60
<b>Total Expenditures</b>	<b>13,920</b>	<b>16,347</b>	<b>8,659</b>	<b>428</b>	<b>9,087</b>	<b>7,260</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(5,864)</b>	<b>(6,850)</b>	<b>1,564</b>	<b>(428)</b>	<b>1,136</b>	<b>7,986</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(5,864)</b>	<b>(6,850)</b>	<b>1,564</b>	<b>(428)</b>	<b>1,136</b>	<b>7,986</b>
<b>FUND BALANCE, BEGINNING</b>	<b>7,064</b>	<b>7,064</b>	<b>7,063</b>	<b>-</b>	<b>7,063</b>	<b>(1)</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 1,200</b>	<b>\$ 214</b>	<b>\$ 8,627</b>	<b>\$ (428)</b>	<b>\$ 8,199</b>	<b>\$ 7,985</b>

**CITY OF JACKSONVILLE, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 NONMAJOR GOVERNMENTAL FUNDS (in thousands)  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**FUND 140 - TRANSPORTATION**

	<b>BUDGETED AMOUNTS</b>				<b>BUDGETARY ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>	<b>ENCUMBRANCES</b>		
<b>REVENUE:</b>						
Sales and Use Taxes	\$ 121,636	\$ 121,636	\$ 123,974	\$ -	\$ 123,974	\$ 2,338
Intergovernmental	20,172	20,172	14,521	-	14,521	(5,651)
Interest	-	-	121	-	121	121
Other	-	-	27	-	27	27
<b>Total Revenue</b>	<b>141,808</b>	<b>141,808</b>	<b>138,643</b>	<b>-</b>	<b>138,643</b>	<b>(3,165)</b>
<b>EXPENDITURES:</b>						
Public Works	453,347	45,341	39,376	2,770	42,146	3,195
Jacksonville Misc Citywide Activities	134,004	134,005	89,379	-	89,379	44,626
<b>Total Expenditures</b>	<b>587,351</b>	<b>179,346</b>	<b>128,755</b>	<b>2,770</b>	<b>131,525</b>	<b>47,821</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES</b>						
	(445,543)	(37,538)	9,888	(2,770)	7,118	44,656
<b>OTHER FINANCING (USES):</b>						
Operating transfers in	-	-	-	-	-	-
Operating transfers out	-	-	-	-	-	-
<b>Total Other Financing (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(445,543)</b>	<b>(37,538)</b>	<b>9,888</b>	<b>(2,770)</b>	<b>7,118</b>	<b>44,656</b>
<b>FUND BALANCE, BEGINNING</b>	<b>36,677</b>	<b>36,677</b>	<b>36,677</b>	<b>-</b>	<b>36,677</b>	<b>-</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ (408,866)</b>	<b>\$ (861)</b>	<b>\$ 46,565</b>	<b>\$ (2,770)</b>	<b>\$ 43,795</b>	<b>\$ 44,656</b>

**CITY OF JACKSONVILLE, FLORIDA**  
**BUDGETARY COMPARISON SCHEDULE**  
**NONMAJOR GOVERNMENTAL FUNDS (in thousands)**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**FUND 150 - BUDGETED GENERAL GOVERNMENT**

	<b>BUDGETED AMOUNTS</b>				<b>VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)</b>	
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>	<b>ENCUMBRANCES</b>	<b>BUDGETARY ACTUAL</b>	
<b>REVENUE:</b>						
Permits, Fees & Special Assessments	\$ 13,937	\$ 13,937	\$ 17,392	\$ -	\$ 17,392	\$ 3,455
Intergovernmental	1,727	2,759	1,825	-	1,825	(934)
Charges for services	7,526	7,612	9,961	-	9,961	2,349
Fines and forfeitures	7,957	7,957	465	-	465	(7,492)
Interest	662	618	351	-	351	(267)
Other	446	902	2,122	-	2,122	1,220
<b>Total Revenue</b>	<b>32,255</b>	<b>33,785</b>	<b>32,116</b>	<b>-</b>	<b>32,116</b>	<b>(1,669)</b>
<b>EXPENDITURES:</b>						
Courts	3,385	3,835	2,664	9	2,673	1,162
Finance	237	224	224	-	224	-
Fire/Rescue	1,082	1,143	1,076	1	1,077	66
Intra-Governmental Services	10	10	8	-	8	2
Jacksonville Citywide Activities	3,268	3,268	-	-	-	3,268
Mayor Board	6	7	1	-	1	6
Neighborhoods	3,192	4,446	2,512	140	2,652	1,794
Public Defender	553	548	507	28	535	13
Planning and Development	14,001	14,629	14,356	5	14,361	268
Public Library	555	565	321	15	336	229
Public Works	6,459	6,985	712	1,464	2,176	4,809
State Attorney	557	557	576	-	576	(19)
<b>Total Expenditures</b>	<b>33,305</b>	<b>36,217</b>	<b>22,957</b>	<b>1,662</b>	<b>24,619</b>	<b>11,598</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(1,050)</b>	<b>(2,432)</b>	<b>9,159</b>	<b>(1,662)</b>	<b>7,497</b>	<b>9,929</b>
<b>OTHER FINANCING (USES):</b>						
Operating transfers in	646	646	646	-	646	-
Operating transfers out	(2,710)	(2,867)	(3,054)	-	(3,054)	(187)
<b>Total Other Financing (Uses)</b>	<b>(2,064)</b>	<b>(2,221)</b>	<b>(2,408)</b>	<b>-</b>	<b>(2,408)</b>	<b>(187)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(3,114)</b>	<b>(4,653)</b>	<b>6,751</b>	<b>(1,662)</b>	<b>5,089</b>	<b>9,742</b>
<b>FUND BALANCE, BEGINNING</b>	<b>44,750</b>	<b>44,750</b>	<b>44,750</b>	<b>-</b>	<b>44,750</b>	<b>-</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ 41,636</b>	<b>\$ 40,097</b>	<b>\$ 51,501</b>	<b>\$ (1,662)</b>	<b>\$ 49,839</b>	<b>\$ 9,742</b>

**CITY OF JACKSONVILLE, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 NONMAJOR GOVERNMENTAL FUNDS (in thousands)  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**FUND 170 - EMERGENCY 9 1 1**

	<b>BUDGETED AMOUNTS</b>				<b>BUDGETARY ACTUAL</b>	<b>VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)</b>
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>	<b>ENCUMBRANCES</b>		
<b>REVENUE:</b>						
Charges for services	\$ 4,404	\$ 4,404	\$ 4,332	\$ -	\$ 4,332	\$ (72)
Interest	42	42	72	-	72	30
Other	-	-	-	-	-	-
Total Revenue	4,446	4,446	4,404	-	4,404	(42)
<b>EXPENDITURES:</b>						
Jacksonville Citywide Activities	336	336	-	-	-	336
Office of the Sheriff	4,843	4,839	4,056	64	4,120	719
Total Expenditures	5,179	5,175	4,056	64	4,120	1,055
<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES</b>	(733)	(729)	348	(64)	284	1,013
<b>NET CHANGE IN FUND BALANCES</b>	(733)	(729)	348	(64)	284	1,013
FUND BALANCE, BEGINNING	8,028	8,028	8,027	-	8,027	(1)
<b>FUND BALANCE, ENDING</b>	<b>\$ 7,295</b>	<b>\$ 7,299</b>	<b>\$ 8,375</b>	<b>\$ (64)</b>	<b>\$ 8,311</b>	<b>\$ 1,012</b>

**CITY OF JACKSONVILLE, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 NONMAJOR GOVERNMENTAL FUNDS (in thousands)  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**FUND 180 - TAX INCREMENT DISTRICTS**

	BUDGETED AMOUNTS			ENCUMBRANCES	BUDGETARY ACTUAL	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL			
<b>REVENUE:</b>						
Property taxes	\$ 22,361	\$ 22,472	22,472	\$ -	\$ 22,472	\$ -
Interest	-	1	275		275	274
Other	1,102	1,102	710	-	710	(392)
<b>Total Revenue</b>	<b>23,463</b>	<b>23,575</b>	<b>23,457</b>	<b>-</b>	<b>23,457</b>	<b>(118)</b>
<b>EXPENDITURES:</b>						
Downtown Investment Authority	9,882	8,631	2,576	-	2,576	6,055
Jacksonville Citywide Activities	13,438	9,891	6,140	546	6,686	3,205
Office of Economic Development	5,314	5,309	4,899	162	5,061	248
<b>Total Expenditures</b>	<b>28,634</b>	<b>23,831</b>	<b>13,615</b>	<b>708</b>	<b>14,323</b>	<b>9,508</b>
<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(5,171)</b>	<b>(256)</b>	<b>9,842</b>	<b>(708)</b>	<b>9,134</b>	<b>9,390</b>
<b>OTHER FINANCING (USES):</b>						
Operating transfers in	200	200	200	-	200	-
Operating transfers out	(8,018)	(9,849)	(9,965)	-	(9,965)	(116)
<b>Total Other Financing (Uses)</b>	<b>(7,818)</b>	<b>(9,649)</b>	<b>(9,765)</b>	<b>-</b>	<b>(9,765)</b>	<b>(116)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(12,989)</b>	<b>(9,905)</b>	<b>77</b>	<b>(708)</b>	<b>(631)</b>	<b>9,274</b>
<b>FUND BALANCE, BEGINNING</b>	<b>9,872</b>	<b>9,872</b>	<b>9,872</b>	<b>-</b>	<b>9,872</b>	<b>-</b>
<b>FUND BALANCE, ENDING</b>	<b>\$ (3,117)</b>	<b>\$ (33)</b>	<b>\$ 9,949</b>	<b>\$ (708)</b>	<b>\$ 9,241</b>	<b>\$ 9,274</b>

**CITY OF JACKSONVILLE, FLORIDA  
 BUDGETARY COMPARISON SCHEDULE  
 NONMAJOR GOVERNMENTAL FUNDS (in thousands)  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

**FUND 190 - KIDS HOPE ALLIANCE**

	<b>BUDGETED AMOUNTS</b>				<b>VARIANCE WITH FINAL BUDGET -</b>	
	<b>ORIGINAL</b>	<b>FINAL</b>	<b>ACTUAL</b>	<b>ENCUMBRANCES</b>	<b>BUDGETARY ACTUAL</b>	<b>POSITIVE (NEGATIVE)</b>
<b>REVENUE:</b>						
Intergovernmental	\$ 6,162	\$ 6,616	\$ 6,662	\$ -	\$ 6,662	\$ 46
Interest	33	33	78	-	78	45
Other	82	87	114	-	114	27
Total Revenue	6,277	6,736	6,854	-	6,854	118
<b>EXPENDITURES:</b>						
Kids Hope Alliance	31,085	40,549	35,769	4,615	40,384	165
Jacksonville Citywide Activities	10,248	202	-	-	-	202
Total Expenditures	41,333	40,751	35,769	4,615	40,384	367
<b>EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES</b>	<b>(35,056)</b>	<b>(34,015)</b>	<b>(28,915)</b>	<b>(4,615)</b>	<b>(33,530)</b>	<b>485</b>
<b>OTHER FINANCING (USES):</b>						
Operating transfers in	29,860	30,135	30,283	-	30,283	148
Operating transfers out	(488)	(488)	(482)	-	(482)	6
Total Other Financing (Uses)	29,372	29,647	29,801	-	29,801	154
<b>NET CHANGE IN FUND BALANCES</b>	<b>(5,684)</b>	<b>(4,368)</b>	<b>886</b>	<b>(4,615)</b>	<b>(3,729)</b>	<b>639</b>
FUND BALANCE, BEGINNING	6,083	6,083	6,083	-	6,083	-
<b>FUND BALANCE, ENDING</b>	<b>\$ 399</b>	<b>\$ 1,715</b>	<b>\$ 6,969</b>	<b>\$ (4,615)</b>	<b>\$ 2,354</b>	<b>\$ 639</b>



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## **NON-MAJOR ENTERPRISE FUNDS:**

**Enterprise Funds** account for operations that are financed and operated in a manner similar to private business enterprises and where the costs of providing goods or services to the general public are recovered primarily through user charges; or where the City has decided that determination of net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes. Individual non-major enterprise funds are described below.

**The Public Parking System Fund** accounts for the City's on-street, off-street, and parking garage facility operations, including revenue collection and enforcement.

**The Motor Vehicle Inspection Fund** accounts for the operations of the City's motor vehicle inspection stations.

**The Equestrian Center Fund** accounts for events held at the center including horse shows and competitions, rodeos and concerts.

**The Sports Complex Capital Fund** accounts for maintenance and upkeep for the municipal stadium, baseball stadium, and arena.



CITY OF JACKSONVILLE, FLORIDA  
 COMBINING STATEMENT OF NET POSITION  
 NONMAJOR ENTERPRISE FUNDS  
 SEPTEMBER 30, 2018  
 WITH COMPARATIVE TOTALS FOR 2017 (in thousands)

	PUBLIC PARKING SYSTEM	MOTOR VEHICLE INSPECTION	EQUESTRIAN CENTER	SPORTS COMPLEX CAPITAL
<b>ASSETS</b>				
<b>CURRENT ASSETS:</b>				
Equity in pooled cash and investments.....	\$ 2,707	\$ 236	\$ 92	\$ 12,461
Cash with fiscal agents.....	-	-	60	-
Receivables (net, where applicable, of allowances for uncollectibles):				
Accounts.....	4	81	-	-
Inventories.....	-	12	-	-
Total Current Assets.....	<u>2,711</u>	<u>329</u>	<u>152</u>	<u>12,461</u>
<b>NONCURRENT ASSETS:</b>				
<b>CAPITAL ASSETS:</b>				
Land, easements and work in progress.....	1,803	32	-	-
Other capital assets, net of depreciation.....	4,703	1	8,058	-
Total Noncurrent Assets.....	<u>6,506</u>	<u>33</u>	<u>8,058</u>	<u>-</u>
<b>TOTAL ASSETS.....</b>	<u><b>9,217</b></u>	<u><b>362</b></u>	<u><b>8,210</b></u>	<u><b>12,461</b></u>
<b>DEFERRED OUTFLOW OF RESOURCES:</b>				
Unamortized deferred loss on refunding.....	-	-	77	-
<b>LIABILITIES</b>				
<b>CURRENT LIABILITIES:</b>				
Accounts payable and accrued liabilities.....	166	11	12	1,045
Deposits .....	84	-	-	-
Accrued interest payable.....	-	-	46	-
Accrued compensated absences, current portion.....	51	5	-	-
Current portion of bonds payable.....	-	-	14	-
Total Current Liabilities.....	<u>301</u>	<u>16</u>	<u>72</u>	<u>1,045</u>
<b>NONCURRENT LIABILITIES:</b>				
Accrued compensated absences.....	90	13	-	-
Bonds payable.....	-	-	2,382	-
Total Noncurrent Liabilities.....	<u>90</u>	<u>13</u>	<u>2,382</u>	<u>-</u>
<b>TOTAL LIABILITIES.....</b>	<u><b>391</b></u>	<u><b>29</b></u>	<u><b>2,454</b></u>	<u><b>1,045</b></u>
<b>NET POSITION:</b>				
Net investment in capital assets.....	6,506	33	5,662	-
Unrestricted (deficit).....	2,320	300	171	11,416
<b>TOTAL NET POSITION (DEFICIT) .....</b>	<u><b>\$ 8,826</b></u>	<u><b>\$ 333</b></u>	<u><b>\$ 5,833</b></u>	<u><b>\$ 11,416</b></u>

<b>TOTALS</b>	
<b>2018</b>	<b>2017</b>
\$ 15,496 60	\$ 17,710 61
85 12	72 13
<u>15,653</u>	<u>17,856</u>
1,835 12,762	1,800 13,803
<u>14,597</u>	<u>15,603</u>
<u>30,250</u>	<u>33,459</u>
<u>77</u>	<u>77</u>
1,234 84 46 56 14	2,589 73 46 63 -
<u>1,434</u>	<u>2,771</u>
103 2,382	118 2,446
<u>2,485</u>	<u>2,564</u>
<u>3,919</u>	<u>5,335</u>
12,201 14,207	13,157 15,044
<u>\$ 26,408</u>	<u>\$ 28,201</u>

CITY OF JACKSONVILLE, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND  
 CHANGES IN FUND NET POSITION  
 NONMAJOR ENTERPRISE FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018  
 WITH COMPARATIVE TOTALS FOR 2017 (in thousands)

	PUBLIC PARKING SYSTEM	MOTOR VEHICLE INSPECTION	EQUESTRIAN CENTER	SPORTS COMPLEX CAPITAL
<b>OPERATING REVENUE:</b>				
Sales and tourist taxes.....	\$ -	\$ -	\$ -	\$ 7,981
Charges for services.....	3,986	433	-	-
Other.....	16	-	-	-
Total Operating Revenue.....	<u>4,002</u>	<u>433</u>	<u>-</u>	<u>7,981</u>
<b>OPERATING EXPENSES:</b>				
Personal services.....	1,845	279	-	-
Supplies and materials.....	31	3	-	-
Central services.....	583	37	-	-
Interdepartmental charges.....	99	2	-	-
Other services and charges.....	852	46	462	34
Depreciation and amortization.....	385	-	707	-
Total Operating Expenses.....	<u>3,795</u>	<u>367</u>	<u>1,169</u>	<u>34</u>
<b>OPERATING INCOME (LOSS).....</b>	<u>207</u>	<u>66</u>	<u>(1,169)</u>	<u>7,947</u>
<b>NON-OPERATING REVENUE (EXPENSES):</b>				
Investment earnings (loss).....	10	-	-	116
Interest expense.....	-	-	(57)	-
Other.....	68	-	(1)	(4,867)
Total Non-Operating Revenue (Expenses).....	<u>78</u>	<u>-</u>	<u>(58)</u>	<u>(4,751)</u>
<b>INCOME (LOSS) BEFORE TRANSFERS.....</b>	<u>285</u>	<u>66</u>	<u>(1,227)</u>	<u>3,196</u>
<b>TRANSFERS:</b>				
Transfers in.....	-	-	564	-
Transfers out.....	(250)	-	-	(4,427)
Net Transfers.....	<u>(250)</u>	<u>-</u>	<u>564</u>	<u>(4,427)</u>
<b>CHANGES IN NET POSITION.....</b>	<u>35</u>	<u>66</u>	<u>(663)</u>	<u>(1,231)</u>
<b>TOTAL NET POSITION, BEGINNING OF YEAR</b>				
AS RESTATED .....	<u>8,791</u>	<u>267</u>	<u>6,496</u>	<u>12,647</u>
<b>TOTAL NET POSITION, END OF YEAR .....</b>	<u>\$ 8,826</u>	<u>\$ 333</u>	<u>\$ 5,833</u>	<u>\$ 11,416</u>

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<b>TOTALS</b>	
<b>2018</b>	<b>2017</b>
\$ 7,981	\$ 7,254
4,419	4,146
16	11
<u>12,416</u>	<u>11,411</u>
2,124	2,060
34	29
620	528
101	109
1,394	1,449
1,092	1,089
<u>5,365</u>	<u>5,264</u>
<u>7,051</u>	<u>6,147</u>
126	(121)
(57)	(97)
(4,800)	(5,612)
<u>(4,731)</u>	<u>(5,830)</u>
<u>2,320</u>	<u>317</u>
564	11,387
(4,677)	(111,892)
<u>(4,113)</u>	<u>(100,505)</u>
(1,793)	(100,188)
<u>\$ 28,201</u>	<u>128,389</u>
<u>\$ 26,408</u>	<u>\$ 28,201</u>

**CITY OF JACKSONVILLE, FLORIDA  
COMBINING STATEMENT OF CASH FLOWS  
NONMAJOR ENTERPRISE FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018  
WITH COMPARATIVE TOTALS FOR 2017 (in thousands)**

	<b>PUBLIC PARKING SYSTEM</b>	<b>MOTOR VEHICLE INSPECTION</b>	<b>EQUESTRIAN CENTER</b>	<b>SPORTS COMPLEX CAPITAL</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers.....	\$ 4,021	\$ 435	\$ -	\$ 8,254
Payments to suppliers.....	(1,513)	(99)	(450)	(1,603)
Payments to employees.....	(1,871)	(280)	-	-
Other cash receipts.....	69	-	-	-
Other operating cash payments.....	(116)	(2)	-	-
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.....</b>	<b>590</b>	<b>54</b>	<b>(450)</b>	<b>6,651</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>				
Transfers from other funds.....	-	-	564	-
Transfers to other funds.....	(250)	-	-	(4,427)
Cash received from other funds.....	-	-	-	-
Cash paid to other funds.....	-	-	-	(41)
<b>NET CASH PROVIDED BY (USED IN) BY NONCAPITAL FINANCING ACTIVITIES.....</b>	<b>(250)</b>	<b>-</b>	<b>564</b>	<b>(4,468)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>				
Acquisition and construction of capital assets.....	(57)	-	-	(4,867)
Cash with fiscal agent.....	-	-	1	-
Proceeds from long-term obligations.....	-	-	-	-
Proceeds from bonds payable.....	-	-	-	-
Payments on bonds payable.....	-	-	(50)	-
Interest paid on debt.....	-	-	(59)	-
<b>NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES.....</b>	<b>(57)</b>	<b>-</b>	<b>(108)</b>	<b>(4,867)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest and dividends on investments.....	10	-	1	116
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES.....</b>	<b>10</b>	<b>-</b>	<b>1</b>	<b>116</b>
<b>NET INCREASE (DECREASE) IN CASH AND INVESTMENTS.....</b>	<b>293</b>	<b>54</b>	<b>7</b>	<b>(2,568)</b>
Equity in pooled cash and investments at October 1, 2017.....	2,414	182	85	15,029
Equity in pooled cash and investments at September 30, 2018.....	<u>\$ 2,707</u>	<u>\$ 236</u>	<u>\$ 92</u>	<u>\$ 12,461</u>

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**TOTALS**

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<u>2018</u>	<u>2017</u>
\$ 12,710	\$ 12,246
(3,665)	(2,035)
(2,151)	(2,066)
69	73
<u>(118)</u>	<u>(109)</u>
 6,845	 8,109
 564	 11,387
(4,677)	(15,059)
-	11
<u>(41)</u>	<u>(340)</u>
 <u>(4,154)</u>	 <u>(4,001)</u>
  1	  -
(4,924)	(44,193)
-	5
-	38,524
(50)	(17)
<u>(59)</u>	<u>(97)</u>
 <u>(5,032)</u>	 <u>(5,778)</u>
  127	  (121)
 127	 (121)
(2,214)	(1,791)
 <u>17,710</u>	 <u>19,501</u>
 <u>\$ 15,496</u>	 <u>\$ 17,710</u>

(continued)

CITY OF JACKSONVILLE, FLORIDA  
 COMBINING STATEMENT OF CASH FLOWS  
 NONMAJOR ENTERPRISE FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018  
 WITH COMPARATIVE TOTALS FOR 2017 (in thousands; continued)

	<u>PUBLIC PARKING SYSTEM</u>	<u>MOTOR VEHICLE INSPECTION</u>	<u>EQUESTRIAN CENTER</u>	<u>SPORTS COMPLEX CAPITAL</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED IN OPERATING ACTIVITIES:				
OPERATING INCOME (LOSS).....	\$ 207	\$ 66	(\$ 1,169)	\$ 7,947
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization.....	385	-	707	-
Other non-operating revenue/(expenses).....	40	-	-	-
(Increase) decrease in assets:				
Receivables and other current assets, net.....	1	(14)	-	-
Inventories.....	-	1	-	-
Increase (decrease) in liabilities:				
Accounts payable and accrued expenses.....	(31)	1	12	(1,296)
Deposits.....	11	-	-	-
Accrued compensated absences.....	(23)	-	-	-
TOTAL ADJUSTMENTS.....	<u>383</u>	<u>(12)</u>	<u>719</u>	<u>(1,296)</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.....	<u>\$ 590</u>	<u>\$ 54</u>	<u>(\$ 450)</u>	<u>\$ 6,651</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Change in the fair value of investments.....	(28)	(3)	-	(42)
Capital assets transferred between proprietary funds.....	-	-	-	-
Capital assets transferred from governmental activities to proprietary funds of the city.....	27	-	-	-
Long Term Notes & Bonds Payable transferred between proprietary funds			-	-

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**TOTALS**

**2018**

**2017**

\$ 7,051

\$ 6,147

1,092  
40

1,089  
50

(13)  
1

(1)  
-

(1,314)  
11  
(23)

819  
7  
(2)

(206)

1,962

\$ 6,845

\$ 8,109

(73)  
-

40  
(396,309)

27  
-

(3)  
306,557





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## INTERNAL SERVICE FUNDS

**Internal Service Funds** account for the financing of goods and services provided by one City department or agency to other City departments or agencies on a cost-reimbursement basis. Descriptions of individual funds in this category are presented below.

**The Fleet Management Fund** accounts for the operation of the City's fleet of police cars, fire and rescue vehicles, public works and public utilities trucks, and many other types of on- and off-road automotive equipment.

**The Copy Center Fund** accounts for the operation of the centralized copy center, mail and messenger service functions for City agencies.

**The Information Technologies Fund** accounts for centralized information management and computer services that includes data processing, central telephone and network communications, and other voice/data electronic media services.

**The Public Works Fund** accounts for the cost of operation, maintenance, utilities and security of public buildings.

**The Legal Fund** accounts for centralized legal services to all City departments and agencies through the Office of General Counsel.

**The Self-Insurance Fund** accounts for centralized risk management and safety and loss prevention services to all City departments that are self-insured for workers' compensation, public, and general and vehicle liability.

**The Group Health Fund** accounts for employee health and life insurance premiums and manages third party health care contracts to all City employees.

**The Insured Programs Fund** accounts for providing all forms of property and casualty, commercial liability and other types of coverage to City departments.

**The Debt Management Fund** accounts for commercial paper issued for short intermediate life assets such as personal computers, vehicles, application software, equipment, etc.

**COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
SEPTEMBER 30, 2018  
WITH COMPARATIVE TOTALS FOR 2017 (in thousands)**

<u>ASSETS</u>	<u>FLEET MANAGEMENT</u>	<u>COPY CENTER</u>	<u>INFORMATION TECHNOLOGIES</u>	<u>PUBLIC WORKS</u>
<b>CURRENT ASSETS:</b>				
Equity in pooled cash and investments.....	\$ 33,358	\$ 525	\$ 10,257	\$ 9,304
Cash with fiscal agents.....	-	-	-	-
Accounts receivable.....	-	-	-	25
Loans receivable.....	-	-	-	-
Other receivables.....	-	-	-	-
Due from independent agencies and other governments.....	308	-	111	-
Inventories.....	644	-	403	-
Prepaid expenses and other assets.....	-	-	263	-
<b>Total Current Assets.....</b>	<b>34,310</b>	<b>525</b>	<b>11,034</b>	<b>9,329</b>
<b>NONCURRENT ASSETS:</b>				
Advances to other funds.....	-	-	-	-
Loans receivable - noncurrent.....	-	-	-	-
Other receivables - noncurrent.....	-	-	-	-
<b>Total Noncurrent Assets.....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>CAPITAL ASSETS AND INFRASTRUCTURE</b>				
Land and work in progress.....	5,993	-	8,048	-
Other capital assets, net of depreciation.....	79,242	8	13,588	118
<b>Total Capital Assets, Net.....</b>	<b>85,235</b>	<b>8</b>	<b>21,636</b>	<b>118</b>
<b>TOTAL ASSETS.....</b>	<b>119,545</b>	<b>533</b>	<b>32,670</b>	<b>9,447</b>
<b><u>LIABILITIES</u></b>				
<b>CURRENT LIABILITIES:</b>				
Accounts payable and accrued liabilities.....	7,557	135	3,638	3,345
Deposits.....	-	-	-	3
Accrued interest payable.....	-	-	-	-
Estimated liability for self-insured losses, current portion.....	-	-	-	-
Unearned revenue.....	-	-	-	-
Accrued compensated absences, current portion.....	117	4	345	89
Current portion of notes payable.....	-	-	-	-
Current portion of loans payable.....	7,450	-	649	-
Current portion of bonds payable.....	-	-	-	-
<b>Total Current Liabilities.....</b>	<b>15,124</b>	<b>139</b>	<b>4,632</b>	<b>3,437</b>
<b>NONCURRENT LIABILITIES:</b>				
Estimated liability for self-insured losses.....	-	-	-	-
Accrued compensated absences.....	273	10	806	208
Notes payable.....	-	-	-	-
Loans payable.....	23,267	-	7,075	-
Bonds payable.....	-	-	-	-
<b>Total Long-Term Liabilities.....</b>	<b>23,540</b>	<b>10</b>	<b>7,881</b>	<b>208</b>
<b>TOTAL LIABILITIES.....</b>	<b>38,664</b>	<b>149</b>	<b>12,513</b>	<b>3,645</b>
<b>DEFERRED INFLOW OF RESOURCES:</b>				
Unamortized deferred gain on refunding.....	-	-	-	-
<b>NET POSITION:</b>				
Net investment in capital assets.....	54,518	8	13,912	118
Restricted - other participant's equity.....	-	-	-	-
Unrestricted (deficit).....	26,363	376	6,245	5,684
<b>TOTAL NET POSITION.....</b>	<b>\$ 80,881</b>	<b>\$ 384</b>	<b>\$ 20,157</b>	<b>\$ 5,802</b>

LEGAL	SELF-INSURANCE	GROUP HEALTH	INSURED PROGRAMS	DEBT MANAGEMENT	TOTALS	
					2018	2017
\$ 2,339	\$ 106,531	\$ 38,296	\$ 5,630	\$ 31,233	\$ 237,473	\$ 232,449
-	-	-	-	29,571	29,571	30,023
-	-	-	-	-	25	19
-	-	-	-	45,481	45,481	32,558
-	301	-	-	-	301	641
1,156	29	-	-	-	1,604	1,982
-	-	-	-	-	1,047	933
-	499	-	1,995	-	2,757	2,682
<u>3,495</u>	<u>107,360</u>	<u>38,296</u>	<u>7,625</u>	<u>106,285</u>	<u>318,259</u>	<u>301,287</u>
-	1,026	-	-	-	1,026	2,008
-	-	-	-	351,341	351,341	331,702
-	9,527	-	-	-	9,527	10,026
-	10,553	-	-	351,341	361,894	343,736
-	-	-	-	-	14,041	7,885
7	383	3	1	-	93,350	87,077
<u>7</u>	<u>383</u>	<u>3</u>	<u>1</u>	<u>-</u>	<u>107,391</u>	<u>94,962</u>
<u>3,502</u>	<u>118,296</u>	<u>38,299</u>	<u>7,626</u>	<u>457,626</u>	<u>787,544</u>	<u>739,985</u>
393	129	5,204	114	37	20,552	14,375
-	-	-	-	-	3	3
-	-	-	-	6,932	6,932	5,315
-	28,312	4,930	-	-	33,242	30,461
-	-	-	1,995	-	1,995	1,765
271	22	15	20	-	883	813
-	-	-	-	-	-	4,245
-	-	-	-	-	8,099	7,938
-	-	-	-	22,639	22,639	24,708
<u>664</u>	<u>28,463</u>	<u>10,149</u>	<u>2,129</u>	<u>29,608</u>	<u>94,345</u>	<u>89,623</u>
-	86,139	-	-	-	86,139	84,130
633	51	34	46	-	2,061	1,894
-	-	-	-	15,633	15,633	31,513
-	-	-	-	-	30,342	21,585
-	-	-	-	391,596	391,596	336,016
<u>633</u>	<u>86,190</u>	<u>34</u>	<u>46</u>	<u>407,229</u>	<u>525,771</u>	<u>475,138</u>
<u>1,297</u>	<u>114,653</u>	<u>10,183</u>	<u>2,175</u>	<u>436,837</u>	<u>620,116</u>	<u>564,761</u>
-	-	-	-	1,317	1,317	1,377
7	383	3	1	-	68,950	65,439
-	893	-	-	-	893	93
2,198	2,367	28,113	5,450	19,472	96,268	108,315
<u>\$ 2,205</u>	<u>\$ 3,643</u>	<u>\$ 28,116</u>	<u>\$ 5,451</u>	<u>\$ 19,472</u>	<u>\$ 166,111</u>	<u>\$ 173,847</u>

**CITY OF JACKSONVILLE, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENSES, AND  
CHANGES IN FUND NET POSITION  
INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018  
WITH COMPARATIVE TOTALS FOR 2017 (in thousands)**

	<b>FLEET MANAGEMENT</b>	<b>COPY CENTER</b>	<b>INFORMATION TECHNOLOGIES</b>	<b>PUBLIC WORKS</b>
<b>OPERATING REVENUE:</b>				
Charges for services.....	\$ 48,811	\$ 2,670	\$ 34,436	\$ 45,707
Charges for services for independent authorities.....	4,080	-	815	-
Other.....	982	-	-	310
<b>Total Operating Revenue.....</b>	<b>53,873</b>	<b>2,670</b>	<b>35,251</b>	<b>46,017</b>
<b>OPERATING EXPENSES:</b>				
Personal services.....	5,993	239	11,817	3,874
Supplies and materials.....	17,200	585	964	1,026
Central services.....	1,194	193	1,941	10,005
Other services and charges.....	6,267	1,371	12,518	24,582
Depreciation.....	16,922	1	4,030	27
Court reporter services.....	-	-	-	-
Claims and losses.....	-	-	-	-
Insurance premiums and participant dividends.....	43	1	124	1,177
<b>Total Operating Expenses.....</b>	<b>47,619</b>	<b>2,390</b>	<b>31,394</b>	<b>40,691</b>
<b>OPERATING INCOME (LOSS).....</b>	<b>6,254</b>	<b>280</b>	<b>3,857</b>	<b>5,326</b>
<b>NON-OPERATING REVENUE (EXPENSES):</b>				
Investment earnings (loss) .....	210	(13)	(21)	16
Interest expense .....	(432)	-	(72)	-
Other.....	441	-	(229)	(13)
<b>Total Non-Operating Revenue (Expenses) .....</b>	<b>219</b>	<b>(13)</b>	<b>(322)</b>	<b>3</b>
<b>INCOME (LOSS) BEFORE OPERATING TRANSFERS..</b>	<b>6,473</b>	<b>267</b>	<b>3,535</b>	<b>5,329</b>
<b>TRANSFERS:</b>				
Transfers in.....	300	-	-	-
Transfers out.....	-	(135)	-	(4,950)
<b>Net Transfers.....</b>	<b>300</b>	<b>(135)</b>	<b>-</b>	<b>(4,950)</b>
<b>CHANGE IN NET POSITION.....</b>	<b>6,773</b>	<b>132</b>	<b>3,535</b>	<b>379</b>
<b>NET POSITION, BEGINNING OF YEAR</b>				
<b>AS RESTATED .....</b>	<b>74,108</b>	<b>252</b>	<b>16,622</b>	<b>5,423</b>
<b>NET POSITION, END OF YEAR .....</b>	<b>\$ 80,881</b>	<b>\$ 384</b>	<b>\$ 20,157</b>	<b>\$ 5,802</b>

LEGAL	SELF-INSURANCE	GROUP HEALTH	INSURED PROGRAMS	DEBT MANAGEMENT	TOTALS	
					2018	2017
\$ 7,848	\$ 39,669	\$ 76,438	\$ 7,360	\$ 15,769	\$ 278,708	\$ 274,686
2,943	-	-	-	-	7,838	7,996
52	1	-	97	-	1,442	1,357
<u>10,843</u>	<u>39,670</u>	<u>76,438</u>	<u>7,457</u>	<u>15,769</u>	<u>287,988</u>	<u>284,039</u>
8,280	1,441	751	649	-	33,044	32,697
38	82	6	4	-	19,905	17,326
464	785	161	133	-	14,876	14,890
983	3,738	439	-	11,630	61,528	57,425
2	36	2	-	-	21,020	19,983
37	-	-	-	-	37	45
-	28,623	-	-	-	28,623	26,371
32	6,565	87,282	7,542	-	102,766	92,947
<u>9,836</u>	<u>41,270</u>	<u>88,641</u>	<u>8,328</u>	<u>11,630</u>	<u>281,799</u>	<u>261,684</u>
<u>1,007</u>	<u>(1,600)</u>	<u>(12,203)</u>	<u>(871)</u>	<u>4,139</u>	<u>6,189</u>	<u>22,355</u>
27	(267)	622	107	(216)	465	1,709
-	-	-	-	-	(504)	(542)
-	(6)	-	-	(454)	(261)	6,551
<u>27</u>	<u>(273)</u>	<u>622</u>	<u>107</u>	<u>(670)</u>	<u>(300)</u>	<u>7,718</u>
1,034	(1,873)	(11,581)	(764)	3,469	5,889	30,073
-	1,072	-	-	-	1,372	5,516
(912)	(1,299)	-	-	(7,701)	(14,997)	(7,637)
<u>(912)</u>	<u>(227)</u>	<u>-</u>	<u>-</u>	<u>(7,701)</u>	<u>(13,625)</u>	<u>(2,121)</u>
122	(2,100)	(11,581)	(764)	(4,232)	(7,736)	27,952
<u>2,083</u>	<u>5,743</u>	<u>39,697</u>	<u>6,215</u>	<u>23,704</u>	<u>173,847</u>	<u>145,895</u>
<u>\$ 2,205</u>	<u>\$ 3,643</u>	<u>\$ 28,116</u>	<u>\$ 5,451</u>	<u>\$ 19,472</u>	<u>\$ 166,111</u>	<u>\$ 173,847</u>

**CITY OF JACKSONVILLE, FLORIDA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**ALL INTERNAL SERVICE FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**  
**WITH COMPARATIVE TOTALS FOR 2017 (in thousands)**

	<u>FLEET MANAGEMENT</u>	<u>COPY CENTER</u>	<u>INFORMATION TECHNOLOGIES</u>	<u>PUBLIC WORKS</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>				
Receipts from customers.....	\$ 4,080	\$ -	\$ 815	\$ -
Receipts from interfund services provided.....	49,846	2,670	34,605	46,011
Payments to suppliers.....	(19,707)	(1,988)	(10,405)	(24,306)
Payments to employees.....	(5,992)	(238)	(11,745)	(3,851)
Internal activity-payments to other funds.....	(1,194)	(30)	(1,941)	(10,005)
Other receipts.....	-	-	-	-
Other operating cash payments.....	(782)	(106)	(992)	(1,466)
<b>NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.....</b>	<b>26,251</b>	<b>308</b>	<b>10,337</b>	<b>6,383</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Cash received through transfers from other funds.....	300	-	-	-
Cash payments through transfers to other funds.....	-	(135)	-	(4,950)
Cash received from other funds.....	-	-	-	-
<b>NET CASH PROVIDED BY (USED IN) NONCAPITAL FINANCING ACTIVITIES.....</b>	<b>300</b>	<b>(135)</b>	<b>-</b>	<b>(4,950)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Acquisition and construction of capital assets.....	(24,306)	(4)	(9,359)	(21)
Proceeds from sale of capital assets.....	441	-	-	-
Cash with fiscal agent.....	-	-	-	-
Proceeds from bonds payable.....	-	-	-	-
Payments on bonds payable.....	-	-	-	-
Proceeds from loans payable.....	6,606	-	4,159	-
Payments on loans payable.....	-	-	(1,847)	-
Proceeds from notes payable.....	-	-	-	-
Payments on notes payable.....	-	-	-	-
Interest and payments.....	(432)	-	(72)	-
<b>NET CASH (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES.....</b>	<b>(17,691)</b>	<b>(4)</b>	<b>(7,119)</b>	<b>(21)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>				
Interest and Dividends.....	210	(13)	(21)	16
<b>NET CASH PROVIDED BY INVESTING ACTIVITIES.....</b>	<b>210</b>	<b>(13)</b>	<b>(21)</b>	<b>16</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS.....</b>				
Equity in pooled cash and investments at October 1, 2017.....	9,070	156	3,197	1,428
Equity in pooled cash and investments at October 1, 2017.....	24,288	369	7,060	7,876
Equity in pooled cash and investments at September 30, 2018.....	<b>\$ 33,358</b>	<b>\$ 525</b>	<b>\$ 10,257</b>	<b>\$ 9,304</b>

<u>LEGAL</u>	<u>SELF-INSURANCE</u>	<u>GROUP HEALTH</u>	<u>INSURED PROGRAMS</u>	<u>DEBT MANAGEMENT</u>	<u>TOTALS</u>	
					<u>2018</u>	<u>2017</u>
\$ 2,943	\$ -	\$ -	\$ -	\$ -	\$ 7,838	\$ 11,743
7,574	40,991	76,438	7,457	15,769	281,361	272,843
(828)	(8,726)	(87,590)	(7,725)	-	(161,275)	(152,617)
(8,149)	(1,433)	(765)	(636)	-	(32,809)	(32,841)
(463)	(785)	(161)	(133)	-	(14,712)	(14,733)
-	-	170	230	1	401	1,551
(273)	(25,752)	(51)	-	(44,279)	(73,701)	(104,707)
<u>804</u>	<u>4,295</u>	<u>(11,959)</u>	<u>(807)</u>	<u>(28,509)</u>	<u>7,103</u>	<u>(18,761)</u>
-	1,072	-	-	-	1,372	5,516
(912)	(1,299)	-	-	(7,701)	(14,997)	(7,637)
-	982	-	-	-	982	941
<u>(912)</u>	<u>755</u>	<u>-</u>	<u>-</u>	<u>(7,701)</u>	<u>(12,643)</u>	<u>(1,180)</u>
-	(41)	-	-	-	(33,731)	(34,854)
-	35	-	-	-	476	4,887
-	-	-	-	452	452	(4,449)
-	-	-	-	54,886	54,886	73,783
-	-	-	-	(272)	(272)	(850)
-	-	-	-	-	10,765	8,609
-	-	-	-	-	(1,847)	(5,352)
-	-	-	-	-	-	2,801
-	-	-	-	(20,126)	(20,126)	-
-	-	-	-	-	(504)	(542)
<u>-</u>	<u>(6)</u>	<u>-</u>	<u>-</u>	<u>34,940</u>	<u>10,099</u>	<u>44,033</u>
<u>27</u>	<u>(267)</u>	<u>622</u>	<u>107</u>	<u>(216)</u>	<u>465</u>	<u>1,709</u>
<u>27</u>	<u>(267)</u>	<u>622</u>	<u>107</u>	<u>(216)</u>	<u>465</u>	<u>1,709</u>
(81)	4,777	(11,337)	(700)	(1,486)	5,024	25,801
<u>2,420</u>	<u>101,754</u>	<u>49,633</u>	<u>6,330</u>	<u>32,719</u>	<u>232,449</u>	<u>206,648</u>
<u>\$ 2,339</u>	<u>\$ 106,531</u>	<u>\$ 38,296</u>	<u>\$ 5,630</u>	<u>\$ 31,233</u>	<u>\$ 237,473</u>	<u>\$ 232,449</u>

(continued)



**CITY OF JACKSONVILLE, FLORIDA  
COMBINING STATEMENT OF CASH FLOWS  
ALL INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018  
WITH COMPARATIVE TOTALS FOR 2017 (in thousands; continued)**

	<u>FLEET MANAGEMENT</u>	<u>COPY CENTER</u>	<u>INFORMATION TECHNOLOGIES</u>	<u>PUBLIC WORKS</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating income (loss) .....	\$ 6,254	\$ 280	\$ 3,857	\$ 5,326
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation and amortization.....	16,922	1	4,030	27
(Increase) decrease in assets:				
Receivables and other current assets, net.....	-	-	-	(6)
Due from independent agencies and other governments.....	53	-	169	-
Inventories.....	(136)	-	22	-
Other receivables.....	-	-	-	-
Loans receivables.....	-	-	-	-
Prepaid expenses.....	-	-	-	-
Increase (decrease) in liabilities:				
Accounts payable and accrued liabilities.....	3,157	26	2,187	1,012
Unearned revenue.....	-	-	-	-
Liability for self-insured losses.....	-	-	-	-
Accrued compensated absences.....	1	1	72	24
TOTAL ADJUSTMENTS.....	<u>19,997</u>	<u>28</u>	<u>6,480</u>	<u>1,057</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.....	<u>\$ 26,251</u>	<u>\$ 308</u>	<u>\$ 10,337</u>	<u>\$ 6,383</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Change in the fair value of investments.....	-	-	-	-
TOTAL NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES.....	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>LEGAL</u>	<u>SELF-INSURANCE</u>	<u>GROUP HEALTH</u>	<u>INSURED PROGRAMS</u>	<u>DEBT MANAGEMENT</u>	<u>TOTALS</u>	
					<u>2018</u>	<u>2017</u>
\$ 1,007	(\$ 1,600)	(\$ 12,203)	(\$ 871)	\$ 4,139	\$ 6,189	\$ 22,355
2	36	2	-	-	21,020	19,983
-	-	-	-	-	(6)	(5)
(326)	482	-	-	-	378	(138)
-	-	-	-	-	(114)	(24)
-	839	-	-	-	839	691
-	-	-	-	(32,562)	(32,562)	(64,729)
-	155	-	(230)	-	(75)	(107)
(10)	(245)	86	51	(86)	6,178	817
-	-	-	230	-	230	70
-	4,620	170	-	-	4,790	2,343
131	8	(14)	13	-	236	(17)
(203)	5,895	244	64	(32,648)	914	(41,116)
<u>\$ 804</u>	<u>\$ 4,295</u>	<u>(\$ 11,959)</u>	<u>(\$ 807)</u>	<u>(\$ 28,509)</u>	<u>\$ 7,103</u>	<u>(\$ 18,761)</u>
(52)	(579)	(651)	(105)	87	(1,300)	(1,300)
<u>(\$ 52)</u>	<u>(\$ 579)</u>	<u>(\$ 651)</u>	<u>(\$ 105)</u>	<u>\$ 87</u>	<u>(\$ 1,300)</u>	<u>(\$ 1,300)</u>



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## **FIDUCIARY FUNDS**

**Fiduciary Funds** account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. Below are descriptions of the generic fund types within this category and specific funds within each fund type.

**PENSION TRUST FUNDS** are funds administered by independent boards for which the City performs a fiduciary role under a defined benefit, defined contribution and disability programs. The participant's retirement annuity is based on a statutory formula utilizing such factors as age, average salary, length of service and others. The City has two pension trust funds as described below.

**The Jacksonville Retirement System Fund** includes resources accumulated to pay present and future retirement annuities to eligible employees of the City except for sworn officers of the Office of the Sheriff and the firefighters in the Department of Fire and Rescue.

**The Police and Fire Pension Trust Fund** accounts for a single employer, contributory defined benefit plan for City police officers and firefighters.

**AGENCY FUNDS** are funds which hold monies in an agency capacity for various government units, individuals or funds. Individual fund descriptions follow.

**The Treasurer Fund** is the clearing fund used to account for all cash received and disbursed on behalf of the City's payroll.

**The Tax Collector Fund** accounts for assets and liabilities from the collection of all taxes, revenues and other cash amounts on behalf of the City and various of its agencies, authorities, organizations, individuals, and funds.

**Clerk of the Circuit Court** accounts for assets and liabilities from revenues collected on behalf of the state and the city by the court system for various judgments, fines, bonds, fees and licenses and other miscellaneous amounts.

**Plat Deposits Fund** accounts for the deposits placed with the City as collateral to insure the completion of improvements in the event of default by a developer or failure by the developer to complete improvements within the time specified by the ordinance approving the Final Plat.

**The Duval County School Readiness Coalition Fund** accounts for the assets and liabilities from revenues collected on behalf of the Duval County School Readiness Coalition from the State, pursuant to Florida Statute 411.01, to provide comprehensive programs of readiness services to children.

**The Florida Retirement System Fund** accounts for a multiple-employer, cost-sharing defined benefit plan for certain City employees who elected to remain with the State of Florida Retirement System.

**The Office of the Sheriff** accounts for deposits held in accordance with statutes for civil action, safeguarding of monetary evidence, and inmate funds.

**CITY OF JACKSONVILLE, FLORIDA**  
**COMBINING STATEMENT OF FIDUCIARY NET POSITION**  
**PENSION TRUST FUNDS**  
**SEPTEMBER 30, 2018**  
**WITH COMPARATIVE TOTALS FOR 2017 (in thousands)**

PENSION TRUST FUNDS							
JACKSONVILLE							
RETIREMENT SYSTEM							
	GENERAL	CORRECTIONS	DEFINED CONTRIBUTION		POLICE	TOTALS	
	EMPLOYEES	OFFICERS	PENSION	DISABILITY	AND FIRE	2018	2017
	PLAN	PLAN	PLAN	PLAN	PENSION PLAN		
<b>ASSETS</b>							
Equity in pooled cash and investments.....	\$ 11,339	\$ 652	\$ 38	\$ 1,071	\$ 42,676	\$ 55,776	\$ 23,117
Receivables (net, where applicable, of allowances for uncollectibles):							
Interest and dividends.....	3,230	-	-	-	2,080	5,310	4,828
Accounts.....	-	-	-	-	91	91	10,956
Other.....	9	29	2	-	-	40	2,827
Due from independent agencies and other governments....	-	-	-	-	30	30	7,113
Prepaid assets.....	-	-	-	-	82	82	82
Investments, at fair value:							
Bonds.....	420,108	-	-	-	204,820	624,928	798,271
Short-term investments.....	3,630	-	-	-	17,193	20,823	2,231
Domestic stocks.....	843,756	-	-	-	1,124,182	1,967,938	1,545,068
International stocks.....	515,411	-	-	-	395,965	911,376	956,976
Real estate.....	365,820	-	-	-	228,086	593,906	549,545
Alternative investments.....	156,496	-	-	-	-	156,496	251,638
Equity in pooled investments.....	(229,369)	229,369	46,641	-	-	46,641	30,972
Total investments.....	2,075,852	229,369	46,641	-	1,970,246	4,322,108	4,134,701
Capital assets:							
Other capital assets, net of depreciation.....	3	-	-	-	-	3	17
Net capital assets.....	3	-	-	-	-	3	17
Securities lending collateral.....	82,004	7,863	-	-	104,636	194,503	208,958
<b>TOTAL ASSETS.....</b>	<b>2,172,437</b>	<b>237,913</b>	<b>46,681</b>	<b>1,071</b>	<b>2,119,841</b>	<b>4,577,943</b>	<b>4,392,599</b>
<b>DEFERRED OUTFLOW OF RESOURCES:</b>							
Net differences between expected and actual investments earnings.....	-	-	-	-	112	112	112
<b>LIABILITIES</b>							
Obligations under securities lending agreement.....	82,004	7,863	-	-	104,636	194,503	208,958
Accounts payable and accrued liabilities.....	5,362	581	-	1	7,422	13,366	14,739
Other post employment benefits.....	-	-	-	-	-	-	140
Accrued compensated absences.....	15	-	-	-	47	62	53
Terminal leave - group care.....	-	-	-	-	26	26	43
<b>TOTAL LIABILITIES.....</b>	<b>87,381</b>	<b>8,444</b>	<b>-</b>	<b>1</b>	<b>112,131</b>	<b>207,957</b>	<b>223,933</b>
<b>NET POSITION RESTRICTED FOR PENSIONS.....</b>	<b>\$ 2,085,056</b>	<b>\$ 229,469</b>	<b>\$ 46,681</b>	<b>\$ 1,070</b>	<b>\$ 2,007,822</b>	<b>\$ 4,370,098</b>	<b>\$ 4,168,778</b>

**CITY OF JACKSONVILLE, FLORIDA**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**PENSION TRUST FUNDS**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**  
**WITH COMPARATIVE TOTALS FOR 2017 (in thousands)**

	PENSION TRUST FUNDS						
	JACKSONVILLE					TOTALS	
	RETIREMENT SYSTEM						
	GENERAL EMPLOYEES PLAN	CORRECTIONS OFFICERS PLAN	DEFINED CONTRIBUTION PENSION PLAN	CONTRIBUTION DISABILITY PLAN	POLICE AND FIRE PENSION PLAN	2018	2017
<b>ADDITIONS</b>							
Contributions:							
Employer.....	\$ 71,024	\$ 13,973	\$ 8,718	\$ 152	\$ 115,691	\$ 209,558	\$ 296,336
Plan member.....	29,919	3,151	5,458	149	16,637	55,314	43,268
Total contributions.....	<u>100,943</u>	<u>17,124</u>	<u>14,176</u>	<u>301</u>	<u>132,328</u>	<u>264,872</u>	<u>339,604</u>
Other additions:							
State insurance contributions.....	-	-	-	-	11,791	11,791	10,875
Court fines & penalties.....	-	325	-	-	776	1,101	1,112
Miscellaneous.....	160	-	-	-	47	207	58
Plan transfers in/(out).....	11,397	-	36,302	764	-	48,463	6,186
Total other additions.....	<u>11,557</u>	<u>325</u>	<u>36,302</u>	<u>764</u>	<u>12,614</u>	<u>61,562</u>	<u>18,231</u>
Investment income:							
Net change in fair value of investments.....	134,552	14,594	1,549	-	134,171	284,866	505,773
Interest and other miscellaneous.....	8,525	4,165	917	40	12,636	26,283	26,675
Dividends.....	10,775	1,166	-	-	17,130	29,071	27,807
Rebate of commissions.....	-	-	-	-	35	35	-
Rental Income.....	-	-	-	-	786	786	771
Total investment income (loss).....	<u>153,852</u>	<u>19,925</u>	<u>2,466</u>	<u>40</u>	<u>164,758</u>	<u>341,041</u>	<u>561,026</u>
Less investment expense.....	(8,788)	(1,004)	(67)	-	(8,942)	(18,801)	(17,784)
Less rental expense.....	-	-	-	-	(258)	(258)	(175)
Net investment income (loss).....	<u>145,064</u>	<u>18,921</u>	<u>2,399</u>	<u>40</u>	<u>155,558</u>	<u>321,982</u>	<u>543,067</u>
From Securities Lending Activities:							
Securities lending.....	328	31	-	-	413	772	1,110
Securities lending expenses.....	-	-	-	-	-	-	-
Agent fees.....	(82)	(8)	-	-	-	(90)	(278)
Total securities lending activities.....	<u>246</u>	<u>23</u>	<u>-</u>	<u>-</u>	<u>413</u>	<u>682</u>	<u>832</u>
<b>TOTAL ADDITIONS.....</b>	<u>257,810</u>	<u>36,393</u>	<u>52,877</u>	<u>1,105</u>	<u>300,913</u>	<u>649,098</u>	<u>901,734</u>
<b>DEDUCTIONS</b>							
Benefit payments.....	175,217	13,174	-	35	148,886	337,312	325,393
DROP benefits.....	-	-	-	-	34,588	34,588	31,210
Refund of contributions.....	16,012	6,645	6,197	-	782	29,636	31,294
Administrative expenses.....	1,193	128	31,128	12,162	1,631	46,242	3,036
<b>TOTAL DEDUCTIONS.....</b>	<u>192,422</u>	<u>19,947</u>	<u>37,325</u>	<u>12,197</u>	<u>185,887</u>	<u>447,778</u>	<u>390,933</u>
<b>CHANGE IN NET POSITION.....</b>	<u>65,388</u>	<u>16,446</u>	<u>15,552</u>	<u>(11,092)</u>	<u>115,026</u>	<u>201,320</u>	<u>510,801</u>
<b>NET POSITION, BEGINNING OF YEAR.....</b>	<u>2,019,668</u>	<u>213,023</u>	<u>31,129</u>	<u>12,162</u>	<u>1,892,796</u>	<u>4,168,778</u>	<u>3,657,977</u>
<b>NET POSITION, END OF YEAR.....</b>	<u>\$ 2,085,056</u>	<u>\$ 229,469</u>	<u>\$ 46,681</u>	<u>\$ 1,070</u>	<u>\$ 2,007,822</u>	<u>\$ 4,370,098</u>	<u>\$ 4,168,778</u>

**CITY OF JACKSONVILLE, FLORIDA**  
**COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**SEPTEMBER 30, 2018**  
**WITH COMPARATIVE TOTALS FOR 2017 (in thousands)**

	<u>TREASURER</u>	<u>TAX COLLECTOR</u>	<u>CLERK OF THE CIRCUIT COURTS</u>	<u>PLAT DEPOSITS</u>
<b>ASSETS:</b>				
Equity in pooled cash and investments.....	\$ 98	\$ 15,735	\$ 36,513	\$ 691
Receivables (net, where applicable, of allowances for uncollectible):				
Accounts.....	11	8	2,343	-
Other.....	212	-	-	-
	<u>321</u>	<u>15,743</u>	<u>38,856</u>	<u>691</u>
<b>TOTAL ASSETS.....</b>	<b><u>\$ 321</u></b>	<b><u>\$ 15,743</u></b>	<b><u>\$ 38,856</u></b>	<b><u>\$ 691</u></b>
<b>LIABILITIES:</b>				
Accounts payable and accrued liabilities.....	\$ 321	\$ -	\$ -	\$ -
Due to other funds.....	-	-	-	-
Due to independent agencies and other governments.....	-	9,480	7,390	-
Due to individuals.....	-	2,651	5,622	-
Deposits held in escrow.....	-	3,612	25,844	691
Miscellaneous liabilities.....	-	-	-	-
	<u>321</u>	<u>15,743</u>	<u>38,856</u>	<u>691</u>
<b>TOTAL LIABILITIES.....</b>	<b><u>\$ 321</u></b>	<b><u>\$ 15,743</u></b>	<b><u>\$ 38,856</u></b>	<b><u>\$ 691</u></b>

DUVAL CO SCHOOL READINESS COALITION	FLORIDA RETIREMENT SYSTEM	SHERIFF'S AGENCY FUND	TOTALS	
			2018	2017
\$ 22	\$ -	\$ 2,943	\$ 56,002	\$ 85,875
-	-	-	2,362	2,743
-	-	-	212	2,683
<u>\$ 22</u>	<u>\$ -</u>	<u>\$ 2,943</u>	<u>\$ 58,576</u>	<u>\$ 91,301</u>
\$ -	\$ -	\$ -	\$ 321	\$ 211
-	-	-	-	2,559
-	-	-	16,870	43,559
-	-	-	8,273	7,439
-	-	2,581	32,728	36,916
<u>22</u>	<u>-</u>	<u>362</u>	<u>384</u>	<u>617</u>
<u>\$ 22</u>	<u>\$ -</u>	<u>\$ 2,943</u>	<u>\$ 58,576</u>	<u>\$ 91,301</u>



**CITY OF JACKSONVILLE, FLORIDA  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FIDUCIARY FUNDS - ALL AGENCY FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018 (in thousands)**

	<u>BALANCE OCTOBER 1, 2017</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE SEPTEMBER 30, 2018</u>
<b><u>TREASURER</u></b>				
<b><u>ASSETS</u></b>				
Equity in pooled cash and investments.....	\$ -	\$ 1,102,389	\$ 1,102,291	\$ 98
Accounts receivable.....	11	-	-	11
Other receivable.....	2,683	3	2,474	212
<b>TOTAL ASSETS.....</b>	<b>\$ 2,694</b>	<b>\$ 1,102,392</b>	<b>\$ 1,104,765</b>	<b>\$ 321</b>
<b><u>LIABILITIES</u></b>				
Accounts payable and accrued liabilities.....	\$ 132	\$ 217,665	\$ 217,476	\$ 321
Due to other funds.....	2,559	-	2,559	-
Miscellaneous liabilities.....	3	-	3	-
<b>TOTAL LIABILITIES.....</b>	<b>\$ 2,694</b>	<b>\$ 217,665</b>	<b>\$ 220,038</b>	<b>\$ 321</b>
<b><u>TAX COLLECTOR</u></b>				
<b><u>ASSETS</u></b>				
Equity in pooled cash and investments.....	\$ 41,576	\$ 3,022	\$ 28,863	\$ 15,735
Accounts receivable.....	10	-	2	8
<b>TOTAL ASSETS.....</b>	<b>\$ 41,586</b>	<b>\$ 3,022</b>	<b>\$ 28,865</b>	<b>\$ 15,743</b>
<b><u>LIABILITIES</u></b>				
Accounts payable and accrued liabilities.....	\$ 56	\$ 379	\$ 435	\$ -
Due to independent agencies and other governments.....	32,023	-	22,543	9,480
Due to individuals.....	2,751	-	100	2,651
Deposits held in escrow.....	6,756	13,890	17,034	3,612
<b>TOTAL LIABILITIES.....</b>	<b>\$ 41,586</b>	<b>\$ 14,269</b>	<b>\$ 40,112</b>	<b>\$ 15,743</b>
<b><u>CLERK OF THE CIRCUIT COURT</u></b>				
<b><u>ASSETS</u></b>				
Equity in pooled cash and investments.....	\$ 41,115	\$ -	\$ 4,602	\$ 36,513
Accounts receivable.....	2,722	-	379	2,343
<b>TOTAL ASSETS.....</b>	<b>\$ 43,837</b>	<b>\$ -</b>	<b>\$ 4,981</b>	<b>\$ 38,856</b>
<b><u>LIABILITIES</u></b>				
Due to independent agencies and other governments.....	\$ 11,536	\$ -	\$ 4,146	\$ 7,390
Due to individuals.....	4,688	934	-	5,622
Deposits held in escrow.....	27,613	-	1,769	25,844
<b>TOTAL LIABILITIES.....</b>	<b>\$ 43,837</b>	<b>\$ 934</b>	<b>\$ 5,915</b>	<b>\$ 38,856</b>

**CITY OF JACKSONVILLE, FLORIDA  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 FIDUCIARY FUNDS - ALL AGENCY FUNDS  
 FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018 (in thousands)**

	<u>BALANCE OCTOBER 1, 2017</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE SEPTEMBER 30, 2018</u>
<b><u>PLAT DEPOSITS</u></b>				
<b><u>ASSETS</u></b>				
Equity in pooled cash and investments.....	\$ 180	\$ 548	\$ 37	\$ 691
TOTAL ASSETS.....	<u>\$ 180</u>	<u>\$ 548</u>	<u>\$ 37</u>	<u>\$ 691</u>
<b><u>LIABILITIES</u></b>				
Accounts payable and accrued liabilities.....	\$ 23	\$ 15	\$ 38	\$ -
Deposits held in escrow.....	157	549	15	691
TOTAL LIABILITIES.....	<u>\$ 180</u>	<u>\$ 564</u>	<u>\$ 53</u>	<u>\$ 691</u>
<b><u>DUVAL CO SCHOOL READINESS COALITION</u></b>				
<b><u>ASSETS</u></b>				
Equity in pooled cash and investments.....	\$ 22	\$ -	\$ -	\$ 22
TOTAL ASSETS.....	<u>\$ 22</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22</u>
<b><u>LIABILITIES</u></b>				
Miscellaneous liabilities.....	\$ 22	\$ -	\$ -	\$ 22
TOTAL LIABILITIES.....	<u>\$ 22</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22</u>
<b><u>FLORIDA RETIREMENT SYSTEM</u></b>				
<b><u>ASSETS</u></b>				
Equity in pooled cash and investments.....	\$ -	\$ 879	\$ 879	\$ -
TOTAL ASSETS.....	<u>\$ -</u>	<u>\$ 879</u>	<u>\$ 879</u>	<u>\$ -</u>
<b><u>LIABILITIES</u></b>				
Due to independent agencies and other governments.....	\$ -	\$ 874	\$ 874	\$ -
TOTAL LIABILITIES.....	<u>\$ -</u>	<u>\$ 874</u>	<u>\$ 874</u>	<u>\$ -</u>

(continued)

**CITY OF JACKSONVILLE, FLORIDA  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
FIDUCIARY FUNDS - ALL AGENCY FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018 (in thousands; continued)**

	<u>BALANCE OCTOBER 1, 2017</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE SEPTEMBER 30, 2018</u>
<b><u>SHERIFF'S AGENCY FUND</u></b>				
<b><u>ASSETS</u></b>				
Equity in pooled cash and investments.....	\$ 2,982	\$ -	\$ 39	\$ 2,943
TOTAL ASSETS.....	<u>\$ 2,982</u>	<u>\$ -</u>	<u>\$ 39</u>	<u>\$ 2,943</u>
<b><u>LIABILITIES</u></b>				
Deposits held in escrow.....	\$ 2,390	\$ 191	\$ -	\$ 2,581
Miscellaneous liabilities.....	592	-	230	362
TOTAL LIABILITIES.....	<u>\$ 2,982</u>	<u>\$ 191</u>	<u>\$ 230</u>	<u>\$ 2,943</u>
<b><u>TOTALS - ALL AGENCY FUNDS</u></b>				
<b><u>ASSETS</u></b>				
Equity in pooled cash and investments.....	\$ 85,875	\$ 1,106,838	\$ 1,136,711	\$ 56,002
Accounts receivable.....	2,743	-	381	2,362
Other receivables.....	2,683	3	2,474	212
TOTAL ASSETS.....	<u>\$ 91,301</u>	<u>\$ 1,106,841</u>	<u>\$ 1,139,566</u>	<u>\$ 58,576</u>
<b><u>LIABILITIES</u></b>				
Accounts payable and accrued liabilities.....	\$ 211	\$ 218,059	\$ 217,949	\$ 321
Due to other funds.....	2,559	-	2,559	-
Due to independent agencies and other governments.....	43,559	874	27,563	16,870
Due to individuals.....	7,439	934	100	8,273
Deposits held in escrow.....	36,916	14,630	18,818	32,728
Miscellaneous liabilities.....	617	-	233	384
TOTAL LIABILITIES.....	<u>\$ 91,301</u>	<u>\$ 234,497</u>	<u>\$ 267,222</u>	<u>\$ 58,576</u>

(continued)

## **COMPONENT UNITS**

**Component Units** are legally separate organizations for which the primary government is financially accountable. Financial accountability is defined as the appointment of a voting majority of the component unit's governing body with certain exceptions, and either (a) the ability to impose will by the primary government; or (b) the potential for the organization to provide financial benefits to, or impose financial burdens on the primary government. Financial accountability may also be determined if the component unit is fiscally dependent on the City and the potential financial benefit/burden relationship mentioned above exists.

### **NON MAJOR COMPONENT UNIT:**

**The Jacksonville Housing Finance Authority** provides money for loans and technical assistance for construction and rehabilitation of housing to alleviate a shortage of housing and capital for investment in housing in Jacksonville.

**CITY OF JACKSONVILLE, FLORIDA**  
**BALANCE SHEET - COMPONENT UNIT**  
**JACKSONVILLE HOUSING FINANCE AUTHORITY**  
**SEPTEMBER 30, 2018 (in thousands)**

	<b>JACKSONVILLE HOUSING FINANCE AUTHORITY</b>
<b>ASSETS:</b>	
Equity in cash and investments.....	\$ 7,586
Cash in escrow and with fiscal agents.....	1,631
Receivables (net, where applicable, of allowances for uncollectibles):	
Mortgages.....	12,836
<b>TOTAL ASSETS.....</b>	<b>22,053</b>
 <b><u>LIABILITIES AND FUND BALANCES</u></b>	
<b>LIABILITIES:</b>	
Accounts payable and accrued liabilities.....	18
Deposits.....	157
<b>TOTAL LIABILITIES.....</b>	<b>175</b>
 <b>FUND BALANCES:</b>	
<b>Non Spendable:</b>	
Imprest cash and cash in escrow.....	1,631
 <b>Spendable:</b>	
Restricted	
Economic Environment.....	12,836
Committed	
Housing and Urban Development.....	7,411
<b>TOTAL FUND BALANCES.....</b>	<b>21,878</b>
<b>TOTAL LIABILITIES AND FUND BALANCES.....</b>	<b>\$ 22,053</b>

**CITY OF JACKSONVILLE, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
COMPONENT UNITS - JACKSONVILLE HOUSING FINANCE AUTHORITY  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018 (in thousands)**

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	<b>JACKSONVILLE HOUSING FINANCE AUTHORITY</b>
<b>REVENUES:</b>	
Investment earnings.....	\$ 993
Other.....	224
	<hr/>
Total Revenues.....	1,217
	<hr/>
<b>EXPENDITURES:</b>	
Current:	
Economic environment.....	1,731
	<hr/>
Total Expenditures.....	1,731
	<hr/>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>(514)</b>
	<hr/>
<b>NET CHANGES IN FUND BALANCES.....</b>	<b>(514)</b>
	<hr/>
FUND BALANCES, BEGINNING OF YEAR.....	22,392
	<hr/>
<b>FUND BALANCES, END OF YEAR.....</b>	<b>\$ 21,878</b>
	<hr/> <hr/>



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## **SUPPLEMENTAL INFORMATION**

The Supplemental Information provided herein contains schedules of long-term bonded indebtedness and debt service requirement detail, Self-Insurance Fund schedules detailing ten year trend information of general liability and workers compensation claims development, and General Fund balance sheet and statement of revenues expenditures and changes in fund balance schedules breaking out the General Service District, Emergency Reserve and other subfunds.



**CITY OF JACKSONVILLE, FLORIDA**  
**SCHEDULE OF LONG-TERM BONDED INDEBTEDNESS (in thousands)**  
**SEPTEMBER 30, 2018**

	<b>INTEREST RATES</b>	<b>PAYMENT DATES</b>
<b>GOVERNMENTAL ACTIVITIES:</b>		
<b>Revenue Bonds Supported by General Funds:</b>		
Local Government Sales Tax Refunding Revenue Bonds, Series 2001	5.500%	4/1; 10/1
Excise Taxes Revenue Bonds, Taxable Series 2006C	5.170 - 5.220%	4/1; 10/1
Capital Project Revenue Refunding Bonds, Series 2008A	3.000% (a)	Monthly
Capital Project Revenue Refunding Bonds, Series 2008B	1.159 - 2.900% (a)	Monthly
Excise Taxes Revenue Bonds, Series 2009A	3.000 - 5.000%	4/1; 10/1
Excise Taxes Revenue Refunding Bonds, Series 2009B	5.000%	4/1; 10/1
Special Revenue Bonds, Taxable Series 2009C-2 (Build America Bonds)	4.440 - 4.990% (b)	4/1; 10/1
Special Revenue Bonds, Series 2010A	3.250 - 5.000%	4/1; 10/1
Special Revenue Bonds, Series 2011A	5.000 - 5.250%	4/1; 10/1
Special Revenue Refunding Bonds, Series 2012C	4.000 - 5.000%	4/1; 10/1
Special Revenue Refunding Bonds, Series 2012D	4.000 - 5.000%	4/1; 10/1
Special Revenue Refunding Bonds, Series 2012E	1.414 - 2.372%	4/1; 10/1
Special Revenue Bonds, Series 2013A	4.250 - 5.250%	4/1; 10/1
Special Revenue Refunding Bonds, Series 2014	5.000%	4/1; 10/1
Special Revenue Bonds, Series 2016A	4.000 - 5.000%	4/1; 10/1
Special Revenue and Refunding Bonds, Series 2017A	5.000%	4/1; 10/1
<b>Total Revenue Bonds Supported by General Funds</b>		

(a) Represents assumed rate on variable rate debt

(b) Taxable rate; Actual rate is lower because bonds are subsidized under the Build America Bond program

(continued)

<b>ISSUE DATE</b>	<b>FINAL MATURITY DATE</b>	<b>BONDS ISSUED</b>	<b>BONDS RETIRED</b>	<b>BONDS OUTSTANDING</b>
04/24/01	10/01/18	103,725.0	96,205.0	7,520.0
12/29/06	10/01/19	23,555.0	17,375.0	6,180.0
07/01/08	10/01/34	67,036.8	15,157.1	51,879.7
07/01/08	10/01/34	67,036.8	15,157.1	51,879.7
09/30/09	10/01/34	39,585.0	8,800.0	30,785.0
09/30/09	10/01/19	18,535.0	14,150.0	4,385.0
12/15/09	10/01/21	10,995.0	5,155.0	5,840.0
09/29/10	10/01/29	48,000.0	43,769.0	4,231.0
06/10/11	10/01/41	76,500.0	3,765.0	72,735.0
12/13/12	10/01/32	183,058.0	45,140.0	137,918.0
12/13/12	10/01/23	11,840.0	5,200.0	6,640.0
12/13/12	10/01/20	34,340.0	11,945.0	22,395.0
09/16/13	10/01/40	27,175.0	-	27,175.0
11/19/14	10/01/32	61,401.0	-	61,401.0
09/15/16	10/01/33	48,133.7	-	48,133.7
09/20/17	10/01/29	10,600.0	-	10,600.0
		<b>831,516.2</b>	<b>281,818.1</b>	<b>549,698.1</b>

**CITY OF JACKSONVILLE, FLORIDA**  
**SCHEDULE OF LONG-TERM BONDED INDEBTEDNESS (in thousands) (continued)**  
**SEPTEMBER 30, 2018**

	<b>INTEREST RATES</b>	<b>PAYMENT DATES</b>
<b>Special Revenue Bonds Payable from Internal Service Operations:</b>		
Special Revenue Bonds, Series 2008	4.125 - 5.000%	4/1; 10/1
Special Revenue Bonds, Taxable Series 2009C-2 (Build America Bonds)	4.440 - 4.990% (b)	4/1; 10/1
Special Revenue Bonds, Series 2010A	3.250 - 5.000%	4/1; 10/1
Special Revenue Bonds, Series 2010C-1	5.000%	4/1; 10/1
Special Revenue Bonds, Series 2011A	5.000 - 5.250%	4/1; 10/1
Special Revenue Bonds, Series 2013A	4.000 - 5.250%	4/1; 10/1
Special Revenue Bonds, Taxable Series 2013B	2.327 - 4.643%	4/1; 10/1
Special Revenue and Refunding Bonds, Series 2014	5.000%	4/1; 10/1
Special Revenue Bonds, Series 2016A	3.000 - 5.000%	4/1; 10/1
Special Revenue and Refunding Bonds, Series 2017A	3.000 - 5.250%	4/1; 10/1
Special Revenue Bonds, Series 2018	5.000%	4/1; 10/1
<b>Total Special Revenue Bonds Payable from Internal Service Operations</b>		
<b>Notes Payable from Internal Service Operations:</b>		
Amortizing Short Term Debt	2.500 - 3.500% (a)	Variable; 10/1
Interim Short Term Debt	2.500 - 3.500% (a)	Variable
<b>Total Notes Payable from Internal Service Operations</b>		
<b>Revenue Bonds Supported by BJP Revenues:</b>		
Transportation Revenue Bonds, Series 2008B	3.600% (a)	Monthly
Better Jacksonville Sales Tax Revenue Bonds, Series 2008	5.000%	4/1; 10/1
Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2011	2.375 - 5.000%	4/1; 10/1
Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2012	4.000 - 5.000%	4/1; 10/1
Transportation Revenue Refunding Bonds, Series 2012A	4.000 - 5.000%	4/1; 10/1
Transportation Revenue Refunding Bonds, Series 2012B	4.000 - 5.000%	4/1; 10/1
Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2012A	5.000%	4/1; 10/1
Transportation Revenue Refunding Bonds, Series 2015	2.000 - 5.000%	4/1; 10/1
Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2016	3.000 - 5.000%	4/1; 10/1
<b>Total Revenue Bonds Supported by BJP Revenues</b>		
<b>Special Revenue Bonds Supported by BJP Revenues:</b>		
Special Revenue Bonds, Series 2009B-1A	3.000 - 5.000%	4/1; 10/1
Special Revenue Bonds, Taxable Series 2009B-1B (Build America Bonds)	6.259% (b)	4/1; 10/1
Special Revenue Bonds, Series 2010B	5.000%	4/1; 10/1
Special Revenue Bonds, Series 2011B	5.000%	4/1; 10/1
Special Revenue Refunding Bonds, Series 2013C	5.250%	4/1; 10/1
Special Revenue Refunding Bonds, Series 2016B	2.250 - 5.000%	4/1; 10/1
Special Revenue Refunding Bonds, Series 2017B	5.000%	4/1; 10/1
<b>Total Special Revenue Bonds Supported by BJP Revenues</b>		
<b>Notes Payable Supported by BJP Revenues:</b>		
State Infrastructure Bank Loan #1	2.000%	10/1
State Infrastructure Bank Loan #2	2.500%	10/1
<b>Total Notes Payable Supported by BJP Revenues</b>		
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>		

(a) Represents assumed rate on variable rate debt

(b) Taxable rate; Actual rate is lower because bonds are subsidized under the Build America Bond program

(continued)

<b>ISSUE DATE</b>	<b>FINAL MATURITY DATE</b>	<b>BONDS ISSUED</b>	<b>BONDS RETIRED</b>	<b>BONDS OUTSTANDING</b>
09/24/08	10/01/18	54,215.0	50,735.0	3,480.0
12/15/09	10/01/21	26,315.0	11,025.0	15,290.0
09/29/10	10/01/25	46,945.0	18,916.0	28,029.0
12/21/10	10/01/20	27,205.0	15,745.0	11,460.0
06/10/11	10/01/36	32,380.0	8,365.0	24,015.0
09/16/13	10/01/40	26,860.0	3,075.0	23,785.0
09/16/13	10/01/26	35,145.0	13,115.0	22,030.0
11/19/14	10/01/34	36,975.0	865.0	36,110.0
09/15/16	10/01/40	44,081.3	875.0	43,206.3
09/20/17	10/01/47	80,330.0	-	80,330.0
09/25/18	10/01/38	72,540.0	-	72,540.0
		<b>482,991.3</b>	<b>122,716.0</b>	<b>360,275.3</b>
Various	10/01/22	13,273.6	-	13,273.6
Various	TBD	2,359.8	-	2,359.8
		<b>15,633.4</b>	<b>-</b>	<b>15,633.4</b>
05/14/08	10/01/27	121,740.0	58,190.0	63,550.0
09/16/08	10/01/18	105,470.0	101,225.0	4,245.0
07/22/11	10/01/23	79,220.0	34,205.0	45,015.0
03/29/12	10/01/30	238,570.0	53,450.0	185,120.0
03/29/12	10/01/31	151,660.0	-	151,660.0
03/29/12	10/01/22	57,730.0	20,990.0	36,740.0
08/30/12	10/01/30	41,095.0	-	41,095.0
12/30/15	10/01/37	197,295.0	14,675.0	182,620.0
03/24/16	10/01/30	67,070.0	-	67,070.0
		<b>1,059,850.0</b>	<b>282,735.0</b>	<b>777,115.0</b>
09/30/09	10/01/19	52,090.0	47,365.0	4,725.0
09/30/09	10/01/30	55,925.0	-	55,925.0
09/16/10	10/01/26	100,205.0	53,955.0	46,250.0
06/17/11	10/01/28	86,600.0	55,400.0	31,200.0
09/16/13	10/01/30	31,565.0	-	31,565.0
09/15/16	10/01/30	58,645.0	-	58,645.0
09/20/17	10/01/28	31,455.0	-	31,455.0
		<b>416,485.0</b>	<b>156,720.0</b>	<b>259,765.0</b>
07/28/05	10/01/23	40,000.0	26,900.7	13,099.3
03/13/07	10/01/21	48,698.2	37,009.2	11,689.0
		<b>88,698.2</b>	<b>63,909.9</b>	<b>24,788.3</b>
		<b>2,895,174.2</b>	<b>907,899.1</b>	<b>1,987,275.1</b>

**CITY OF JACKSONVILLE, FLORIDA**  
**SCHEDULE OF LONG-TERM BONDED INDEBTEDNESS (in thousands) (continued)**  
**SEPTEMBER 30, 2018**

	<b>INTEREST RATES</b>	<b>PAYMENT DATES</b>
<b>BUSINESS-TYPE ACTIVITIES:</b>		
<b>Revenue Bonds Supported by Business-Type Activities:</b>		
Capital Project Revenue Bonds, Series 2008A	3.000% (a)	Monthly
Capital Project Revenue Bonds, Series 2008B	1.159 - 2.900% (a)	Monthly
Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2012	4.125 - 5.000%	4/1; 10/1
Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2012A	5.000%	4/1; 10/1
Capital Improvement Revenue Refunding Bonds, Series 2012	5.000%	4/1; 10/1
Special Revenue Refunding Bonds, Series 2012C	5.000%	4/1; 10/1
Special Revenue and Refunding Bonds, Series 2014	5.000%	4/1; 10/1
Special Revenue and Refunding Bonds, Series 2017A	3.000 - 5.000%	4/1; 10/1
Amortizing Short Term Debt	2.500 - 3.500% (a)	Variable; 10/1

**TOTAL BUSINESS-TYPE ACTIVITIES**

**TOTAL BONDED INDEBTEDNESS**

(a) Represents assumed rate on variable rate debt

(b) Taxable rate; Actual rate is lower because bonds are subsidized under the Build America Bond program

(continued)

<b>ISSUE DATE</b>	<b>FINAL MATURITY DATE</b>	<b>BONDS ISSUED</b>	<b>BONDS RETIRED</b>	<b>BONDS OUTSTANDING</b>
07/01/08	10/01/34	248.2	67.9	180.3
07/01/08	10/01/34	248.2	67.9	180.3
03/29/12	10/01/30	41,480.0	-	41,480.0
08/30/12	10/01/30	73,795.0	-	73,795.0
12/13/12	10/01/30	118,005.0	24,465.0	93,540.0
12/13/12	10/01/18	922.0	635.0	287.0
11/19/14	10/01/32	1,784.0	-	1,784.0
09/20/17	10/01/37	21,935.0	-	21,935.0
Various	10/01/31	16,375.0	-	16,375.0
		<u>274,792.5</u>	<u>25,235.9</u>	<u>249,556.6</u>
		<u>3,169,966.6</u>	<u>933,134.9</u>	<u>2,236,831.7</u>

**CITY OF JACKSONVILLE, FLORIDA  
SCHEDULE OF DEBT SERVICE REQUIREMENTS  
COMPARED TO CASH IN SINKING FUND  
LONG-TERM OBLIGATIONS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	<b>PRINCIPAL OUTSTANDING</b>	<b>TOTAL INTEREST TO MATURITY</b>
<b>GOVERNMENTAL ACTIVITIES:</b>		
<b>Revenue Bonds Supported by General Funds:</b>		
Local Government Sales Tax Refunding Revenue Bonds, Series 2001	\$ 7,520,000	\$ 206,800
Excise Taxes Revenue Bonds, Taxable Series 2006C	6,180,000	326,321
Capital Project Revenue Refunding Bonds, Series 2008A	51,879,722	14,370,129
Capital Project Revenue Refunding Bonds, Series 2008B	51,879,722	13,557,328
Excise Taxes Revenue Bonds, Series 2009A	30,785,000	13,859,000
Excise Taxes Revenue Refunding Bonds, Series 2009B	4,385,000	221,875
Special Revenue Bonds, Taxable Series 2009C-2 (Build America Bonds)	5,840,000	375,118
Special Revenue Bonds, Series 2010A	4,231,020	391,579
Special Revenue Bonds, Series 2011A	72,735,000	52,926,898
Special Revenue Refunding Bonds, Series 2012C	137,918,000	47,126,825
Special Revenue Refunding Bonds, Series 2012D	6,640,000	1,037,325
Special Revenue Refunding Bonds, Series 2012E	22,395,000	750,515
Special Revenue Bonds, Series 2013A	27,175,000	23,920,372
Special Revenue Refunding Bonds, Series 2014	61,401,000	28,152,875
Special Revenue Bonds, Series 2016A	48,133,669	21,445,094
Special Revenue and Refunding Bonds, Series 2017A	10,600,000	5,258,500
<b>Total Revenue Bonds Supported by General Funds</b>	<b>\$ 549,698,133</b>	<b>\$ 223,926,554</b>
<b>Special Revenue Bonds Payable from Internal Service Operations:</b>		
Special Revenue Bonds, Series 2008	\$ 3,480,000	\$ 87,000
Special Revenue Bonds, Taxable Series 2009C-2 (Build America Bonds)	15,290,000	993,590
Special Revenue Bonds, Series 2010A	28,028,980	4,601,809
Special Revenue Bonds, Series 2010C-1	11,460,000	878,250
Special Revenue Bonds, Series 2011A	24,015,000	9,541,069
Special Revenue Bonds, Series 2013A	23,785,000	13,117,941
Special Revenue Bonds, Taxable Series 2013B	22,030,000	2,873,670
Special Revenue and Refunding Bonds, Series 2014	36,110,000	18,496,000
Special Revenue Bonds, Series 2016A	43,206,331	15,571,306
Special Revenue and Refunding Bonds, Series 2017A	80,330,000	64,485,975
Special Revenue Bonds, Series 2018	72,540,000	30,212,950
<b>Total Special Revenue Bonds Payable from Internal Service Operations</b>	<b>\$ 360,275,311</b>	<b>\$ 160,859,560</b>
<b>Notes Payable from Internal Service Operations:</b>		
Amortizing Short Term Debt	\$ 13,273,646	\$ 676,469
Interim Short Term Debt	2,359,751	741,013
<b>Total Notes Payable from Internal Service Operations</b>	<b>\$ 15,633,397</b>	<b>\$ 1,417,482</b>

(continued)

<b>TOTAL DEBT SERVICE REQUIREMENTS TO MATURITY</b>	<b>CASH IN SINKING FUND</b>	<b>CASH IN DEBT SERVICE RESERVE FUND</b>	<b>NET DEBT</b>
\$ 7,726,800	\$ 7,741,970	\$ -	\$ -
6,506,321	2,527,344	-	3,978,977
66,249,851	2,100,150	-	64,149,701
65,437,050	2,074,384	-	63,362,666
44,644,000	3,826,684	-	40,817,316
4,606,875	394,881	-	4,211,994
6,215,118	1,563,364	385,809	4,265,945
4,622,599	430,694	316,590	3,875,315
125,661,898	3,463,563	6,099,513	116,098,822
185,044,825	19,458,862	-	165,585,963
7,677,325	1,148,758	-	6,528,567
23,145,515	7,323,022	-	15,822,493
51,095,372	690,329	-	50,405,043
89,553,875	1,537,832	-	88,016,043
69,578,763	2,027,916	-	67,550,847
15,858,500	1,079,020	-	14,779,480
<b>\$ 773,624,687</b>	<b>\$ 57,388,773</b>	<b>\$ 6,801,912</b>	<b>\$ 709,449,172</b>
\$ 3,567,000	\$ 3,574,465	\$ -	\$ -
16,283,590	4,000,469	1,010,105	11,273,016
32,630,789	3,943,503	2,097,295	26,589,991
12,338,250	3,929,206	679,082	7,729,962
33,556,069	3,198,056	2,013,884	28,344,129
36,902,941	1,443,752	-	35,459,189
24,903,670	4,296,800	-	20,606,870
54,606,000	2,033,534	-	52,572,466
58,777,637	1,956,231	-	56,821,406
144,815,975	2,498,054	-	142,317,921
102,752,950	-	-	102,752,950
<b>\$ 521,134,871</b>	<b>\$ 30,874,070</b>	<b>\$ 5,800,366</b>	<b>\$ 484,467,900</b>
\$ 13,950,115	\$ -	\$ -	\$ 13,950,115
3,100,764	-	-	3,100,764
<b>\$ 17,050,879</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 17,050,879</b>



**CITY OF JACKSONVILLE, FLORIDA**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS**  
**COMPARED TO CASH IN SINKING FUND**  
**LONG-TERM OBLIGATIONS (continued)**  
**FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018**

	<b>PRINCIPAL OUTSTANDING</b>	<b>TOTAL INTEREST TO MATURITY</b>
<b>Revenue Bonds Supported by BJP Revenues:</b>		
Transportation Revenue Bonds, Series 2008B	\$ 63,550,000	\$ 9,038,804
Better Jacksonville Sales Tax Revenue Bonds, Series 2008	4,245,000	106,125
Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2011	45,015,000	7,056,626
Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2012	185,120,000	55,619,241
Transportation Revenue Refunding Bonds, Series 2012A	151,660,000	75,606,513
Transportation Revenue Refunding Bonds, Series 2012B	36,740,000	5,070,500
Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2012A	41,095,000	22,008,125
Transportation Revenue Refunding Bonds, Series 2015	182,620,000	85,929,147
Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2016	67,070,000	20,462,675
<b>Total Revenue Bonds Supported by BJP Revenues</b>	<b>\$ 777,115,000</b>	<b>\$ 280,897,756</b>
<b>Special Revenue Bonds Supported by BJP Revenues:</b>		
Special Revenue Bonds, Series 2009B-1A	\$ 4,725,000	\$ 239,125
Special Revenue Bonds, Taxable Series 2009B-1B (Build America Bonds)	55,925,000	24,071,310
Special Revenue Bonds, Series 2010B	46,250,000	8,097,000
Special Revenue Bonds, Series 2011B	31,200,000	7,276,500
Special Revenue Refunding Bonds, Series 2013C	31,565,000	19,000,147
Special Revenue Refunding Bonds, Series 2016B	58,645,000	22,111,250
Special Revenue Refunding Bonds, Series 2017B	31,455,000	12,828,125
<b>Total Special Revenue Bonds Supported by BJP Revenues</b>	<b>\$ 259,765,000</b>	<b>\$ 93,623,457</b>
<b>Notes Payable Supported by BJP Revenues:</b>		
State Infrastructure Bank Loan #1	\$ 13,099,333	\$ 899,092
State Infrastructure Bank Loan #2	11,688,971	603,403
<b>Total Notes Payable Supported by BJP Revenues</b>	<b>\$ 24,788,304</b>	<b>\$ 1,502,495</b>
<b>TOTAL GOVERNMENTAL ACTIVITIES</b>	<b>\$ 1,987,275,145</b>	<b>\$ 762,227,304</b>
<b>BUSINESS-LIKE ACTIVITIES:</b>		
<b>Revenue Bonds Supported by Business-Type Activities:</b>		
Capital Project Revenue Bonds, Series 2008A	\$ 180,278	\$ 47,223
Capital Project Revenue Bonds, Series 2008B	180,278	44,495
Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2012	41,480,000	20,153,980
Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2012A	73,795,000	41,400,875
Capital Improvement Revenue Refunding Bonds, Series 2012	93,540,000	32,546,300
Special Revenue Refunding Bonds, Series 2012C	287,000	7,175
Special Revenue and Refunding Bonds, Series 2014	1,784,000	851,250
Special Revenue and Refunding Bonds, Series 2017A	21,935,000	12,986,875
Amortizing Short Term Debt	16,375,000	4,097,540
<b>TOTAL BUSINESS-TYPE ACTIVITIES</b>	<b>\$ 249,556,556</b>	<b>\$ 112,135,713</b>
<b>TOTAL BONDED INDEBTEDNESS</b>	<b>\$ 2,236,831,701</b>	<b>\$ 874,363,017</b>

(continued)

<b>TOTAL DEBT SERVICE REQUIREMENTS TO MATURITY</b>	<b>CASH IN SINKING FUND</b>	<b>CASH IN DEBT SERVICE RESERVE FUND</b>	<b>NET DEBT</b>
\$ 72,588,804	\$ 3,393,225	\$ -	\$ 69,195,579
4,351,125	293,959	-	4,057,166
52,071,626	3,117,217	4,129,867	44,824,542
240,739,241	12,819,263	\$18,731,467.00	209,188,511
227,266,513	9,118,909	17,707,572	200,440,032
41,810,500	2,209,078	3,621,844	35,979,578
63,103,125	2,845,763	4,421,437	55,835,925
268,549,147	10,980,451	8,625,097	248,943,599
87,532,675	4,644,490	7,216,105	75,672,080
<b>\$ 1,058,012,756</b>	<b>\$ 49,422,355</b>	<b>\$ 64,453,389</b>	<b>\$ 944,137,012</b>
\$ 4,964,125	\$ 327,199	\$ 334,282	\$ 4,302,644
79,996,310	3,872,717	7,725,095	68,398,498
54,347,000	3,202,738	5,324,342	45,819,920
38,476,500	2,160,550	4,295,940	32,020,010
50,565,147	2,185,826	4,360,172	44,019,149
80,756,250	4,061,072	8,100,818	68,594,360
44,283,125	2,178,208	4,344,978	37,759,939
<b>\$ 353,388,457</b>	<b>\$ 17,988,310</b>	<b>\$ 34,485,627</b>	<b>\$ 300,914,520</b>
\$ 13,998,425	\$ 3,413,394	\$ -	\$ 10,585,031
12,292,374	3,045,886	-	9,246,488
<b>\$ 26,290,799</b>	<b>\$ 6,459,280</b>	<b>\$ -</b>	<b>\$ 19,831,519</b>
<b>\$ 2,749,502,449</b>	<b>\$ 162,132,788</b>	<b>\$ 111,541,294</b>	<b>\$ 2,475,851,002</b>
\$ 227,501	\$ 5,117	\$ -	\$ 222,384
224,773	5,117	-	219,656
61,633,980	2,872,424	4,197,176	54,564,380
115,195,875	5,110,186	7,939,652	102,146,037
126,086,300	10,149,788	10,413,015	105,523,497
294,175	-	-	294,175
2,635,250	50,635	-	2,584,615
34,921,875	2,380,111	-	32,541,764
20,472,540	-	-	20,472,540
<b>\$ 361,692,269</b>	<b>\$ 20,573,378</b>	<b>\$ 22,549,843</b>	<b>\$ 318,569,048</b>
<b>\$ 3,111,194,718</b>	<b>\$ 182,706,166</b>	<b>\$ 134,091,137</b>	<b>\$ 2,794,420,050</b>



**To partially Refund the  
Capital Projects Revenue Bonds,  
Series 1997-1, 1997-2, 1997-3  
and 2002-1**

**To partially Refund the  
Capital Projects Revenue Bonds,  
Series 1997-1, 1997-2, 1997-3  
and 2002-1**

**Capital Projects  
Revenue Refunding Bonds,  
Series 2008A**

**Capital Projects  
Revenue Refunding Bonds,  
Series 2008B**

<b>Principal</b>		<b>Interest</b>		<b>Principal</b>		<b>Interest</b>	
\$	1,843,126	\$	1,504,612	\$	1,843,126	\$	590,809
	2,142,012		1,445,066		2,142,012		1,345,005
	2,241,640		1,374,174		2,241,640		1,356,439
	2,356,213		1,303,819		2,356,213		1,289,770
	2,630,191		1,225,642		2,630,191		1,217,467
	2,585,358		1,151,152		2,585,358		1,141,842
	2,565,433		1,071,065		2,565,433		1,067,156
	2,844,392		986,479		2,844,392		988,713
	2,978,891		897,504		2,978,891		904,275
	3,123,352		806,406		3,123,352		815,793
	3,367,441		703,871		3,367,441		721,676
	3,347,516		603,466		3,347,516		624,310
	3,601,568		496,118		3,601,568		523,548
	3,775,918		384,373		3,775,918		416,574
	3,960,231		265,077		3,960,231		304,400
	4,169,450		140,594		4,169,450		186,520
	4,346,990		10,711		4,346,990		63,031

\$ 51,879,722   \$ 14,370,129

\$ 51,879,722   \$ 13,557,328

Assumed at 3.000%  
Variable Rate

Fixed at 1.159% through 5/2/19  
Assumed at 2.900% thereafter

**CITY OF JACKSONVILLE, FLORIDA  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY  
GOVERNMENTAL ACTIVITIES  
REVENUE BONDS SUPPORTED BY GENERAL FUND (continued)  
SEPTEMBER 30, 2018**

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Fiscal Year	To Fund Citywide Capital Improvements		To Refund the Excise Taxes Revenue Bonds, Series 1996A and 1999A	
	Excise Taxes Revenue Bonds, Series 2009A		Excise Taxes Revenue Refunding Bonds, Series 2009B	
	Principal	Interest	Principal	Interest
2019	\$ 1,255,000	\$ 1,395,453	\$ 2,140,000	\$ 165,750
2020	1,300,000	1,350,025	2,245,000	56,125
2021	1,345,000	1,293,869		
2022	1,410,000	1,229,213		
2023	1,460,000	1,159,963		
2024	1,550,000	1,087,288		
2025	1,620,000	1,018,713		
2026	1,685,000	945,609		
2027	1,765,000	863,219		
2028	1,835,000	782,538		
2029	1,910,000	696,966		
2030	2,005,000	601,763		
2031	2,115,000	502,906		
2032	2,220,000	399,950		
2033	2,325,000	292,006		
2034	2,435,000	178,956		
2035	2,550,000	60,563		
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2050				
	<u>\$ 30,785,000</u>	<u>\$ 13,859,000</u>	<u>\$ 4,385,000</u>	<u>\$ 221,875</u>

Interest Rate: 3.375% - 5.000% 5.000%

(continued)

**To Fund the Acquisition  
and Construction of Various  
Capital Improvement Projects**

**To Fund the Acquisition  
and Construction of Various  
Capital Improvement Projects**

**Special Revenue Bonds  
Taxable Series 2009C-2,  
(Build America Bonds)**

**Special Revenue Bonds,  
Series 2010A**

<b>Principal</b>		<b>Interest</b>	
\$	1,420,000	\$	161,231
	1,450,000		117,710
	1,475,000		71,932
	1,495,000		24,245

<b>Principal</b>		<b>Interest</b>	
\$	1,136,000	\$	183,151
	1,175,000		125,376
	1,219,000		65,526
	701,020		17,526

\$ 5,840,000   \$ 375,118

\$ 4,231,020   \$ 391,579

4.590% - 4.990%  
(Taxable)

5.000%

**CITY OF JACKSONVILLE, FLORIDA  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY  
GOVERNMENTAL ACTIVITIES  
REVENUE BONDS SUPPORTED BY GENERAL FUND (continued)  
SEPTEMBER 30, 2018**

Fiscal Year	Special Revenue Bonds, Series 2011A		Special Revenue Refunding Bonds, Series 2012C	
	Principal	Interest	Principal	Interest
2019	\$ 1,610,000	\$ 3,653,788	\$ 16,013,000	\$ 6,415,925
2020	1,695,000	3,571,163	8,115,000	5,812,725
2021	1,775,000	3,484,413	8,515,000	5,396,975
2022	1,865,000	3,393,413	8,945,000	4,960,475
2023	1,960,000	3,297,788	9,390,000	4,502,100
2024	2,055,000	3,197,413	9,855,000	4,020,975
2025	2,155,000	3,092,163	10,350,000	3,515,850
2026	2,265,000	2,981,663	10,865,000	2,985,475
2027	2,380,000	2,862,563	9,235,000	2,482,975
2028	2,505,000	2,734,331	6,880,000	2,080,100
2029	2,635,000	2,599,406	7,220,000	1,727,600
2030	2,770,000	2,457,525	7,585,000	1,357,475
2031	2,920,000	2,308,163	7,965,000	1,008,550
2032	3,070,000	2,150,925	8,285,000	642,125
2033	3,230,000	1,985,550	8,700,000	217,500
2034	3,405,000	1,811,381		
2035	3,580,000	1,632,500		
2036	3,760,000	1,449,000		
2037	3,945,000	1,256,375		
2038	4,190,000	1,053,000		
2039	4,400,000	838,250		
2040	4,620,000	612,750		
2041	4,850,000	376,000		
2042	5,095,000	127,375		
2043				
2044				
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2050				
	<u>\$ 72,735,000</u>	<u>\$ 52,926,898</u>	<u>\$ 137,918,000</u>	<u>\$ 47,126,825</u>

Interest Rate: 5.000% - 5.250% 4.000% - 5.000%

(continued)

<b>To Refund the Excise Taxes Revenue Bonds, Series 2003A</b>		<b>To Refund the Excise Taxes Revenue Bonds, Series 2003C</b>		<b>To Fund Citywide Capital Improvements and Refund a Portion of the Special Revenue Bonds, Series 2009C-1 and 2010A</b>	
<b>Special Revenue Refunding Bonds, Series 2012D</b>		<b>Special Revenue Refunding Bonds, Taxable Series 2012E</b>		<b>Special Revenue and Refunding Bonds, Series 2013A</b>	
<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
\$ 985,000	\$ 302,450	\$ 7,080,000	\$ 396,067		\$ 1,378,238
1,020,000	257,250	7,450,000	261,169		1,378,238
1,075,000	204,875	7,865,000	93,279		1,378,238
1,130,000	149,750				1,378,238
1,185,000	91,875				1,378,238
1,245,000	31,125				1,378,238
					1,378,238
					1,378,238
					1,378,238
				\$ 265,000	1,372,606
				1,250,000	1,334,162
				1,315,000	1,266,831
				1,160,000	1,201,862
				1,215,000	1,139,519
				1,275,000	1,074,156
				2,375,000	978,344
				3,520,000	828,000
				2,185,000	685,375
				2,295,000	573,375
				2,405,000	455,875
				2,515,000	332,875
				2,635,000	204,125
				2,765,000	69,125
<b>\$ 6,640,000</b>	<b>\$ 1,037,325</b>	<b>\$ 22,395,000</b>	<b>\$ 750,515</b>	<b>\$ 27,175,000</b>	<b>\$ 23,920,372</b>

4.000% - 5.000%

1.703% - 2.372%  
(Taxable)

4.250% - 5.250%



**CITY OF JACKSONVILLE, FLORIDA  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY  
GOVERNMENTAL ACTIVITIES  
REVENUE BONDS SUPPORTED BY GENERAL FUND (continued)  
SEPTEMBER 30, 2018**

Fiscal Year	To Fund a Portion of the Various Capital Project Costs; to refund a portion of the Excise Taxes Revenue Bonds, Series 2005A and 2006A		To Refund a Portion of Commercial Paper Notes and Refund a Portion of the Special Revenue Bonds, Series 2009C-1, 2010A, and 2012B, and Excise Tax Revenue Bonds, Series 2007	
	Special Revenue and Refunding Bonds, Series 2014		Special Revenue Refunding Bonds, Series 2016A	
	Principal	Interest	Principal	Interest
2019		\$ 3,070,050	850,000	\$ 2,327,065
2020		3,070,050	1,483,416	2,268,730
2021	\$ 1,804,000	3,024,950	1,692,032	2,189,343
2022	3,092,000	2,902,550	1,777,550	2,102,604
2023	4,422,000	2,714,700	2,765,623	1,989,024
2024	4,641,000	2,488,125	2,907,627	1,847,193
2025	4,876,000	2,250,200	4,005,836	1,674,357
2026	5,120,000	2,000,300	3,155,548	1,495,322
2027	5,374,000	1,737,950	3,313,173	1,333,604
2028	5,643,000	1,462,525	3,106,541	1,173,111
2029	4,785,000	1,201,825	2,504,452	1,032,836
2030	5,022,000	956,650	3,617,742	879,782
2031	5,278,000	699,150	6,453,420	628,002
2032	5,539,000	428,725	4,663,863	350,070
2033	5,805,000	145,125	4,904,025	135,393
2034			932,820	18,656
2035				
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2050				
	<u>\$ 61,401,000</u>	<u>\$ 28,152,875</u>	<u>\$ 48,133,669</u>	<u>\$ 21,445,094</u>

Interest Rate: 5.000% 4.000% - 5.000%





(continued)

<b>Better Jacksonville Road and Infrastructure Projects</b>		<b>Better Jacksonville Road and Infrastructure Projects</b>		<b>To Refund a Portion of the Special Revenue Bonds, Series 2010B and 2011B</b>	
<b>Special Revenue Bonds, Series 2010B</b>		<b>Special Revenue Bonds, Series 2011B</b>		<b>Special Revenue Refunding Bonds, Series 2013C</b>	
<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
7,705,000	\$ 2,312,500	\$ 100,000	\$ 1,557,500	\$	1,657,163
7,705,000	1,927,250	1,500,000	1,517,500		1,657,163
7,705,000	1,542,000	4,000,000	1,380,000		1,657,163
7,705,000	1,156,750	5,250,000	1,148,750		1,657,163
7,705,000	771,500	6,130,000	864,250		1,657,163
7,710,000	386,250	6,375,000	551,625		1,657,163
15,000	750	6,630,000	226,500		1,657,163
		1,215,000	30,375		1,657,163
					1,657,163
				\$ 4,325,000	1,543,631
				6,575,000	1,257,506
				6,530,000	913,500
				14,135,000	371,043
<u>\$ 46,250,000</u>	<u>\$ 8,097,000</u>	<u>\$ 31,200,000</u>	<u>\$ 7,276,500</u>	<u>\$ 31,565,000</u>	<u>\$ 19,000,147</u>

5.000%

5.000%

5.250%

**CITY OF JACKSONVILLE, FLORIDA  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -  
GOVERNMENTAL ACTIVITIES  
SPECIAL REVENUE BONDS SUPPORTED BY BJP REVENUES (continued)  
SEPTEMBER 30, 2018**

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**Purpose:**                      **To Refund a Portion of the**  
   **Special Revenue Bonds,**  
   **Series 2009B-1, 2010B, and 2011B**                      **To Refund a Portion of the**  
   **Special Revenue Bonds,**  
   **Series 2010B and 2011B**

<b>Fiscal Year</b>	<b>Special Revenue Refunding Bonds, Series 2016B</b>		<b>Special Revenue Refunding Bonds, Series 2017B</b>	
	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2019		\$ 2,840,400		\$ 1,572,750
2020		2,840,400		1,572,750
2021	\$ 2,160,000	2,786,400		1,572,750
2022	2,260,000	2,675,900		1,572,750
2023	4,205,000	2,514,275		1,572,750
2024	6,590,000	2,244,400		1,572,750
2025	7,545,000	1,891,025	\$ 6,050,000	1,421,500
2026	9,510,000	1,510,575	9,570,000	1,031,000
2027	7,715,000	1,125,875	6,820,000	621,250
2028	3,390,000	848,250	7,165,000	271,625
2029	6,825,000	592,875	1,850,000	46,250
2030	7,850,000	226,000		
2031	595,000	14,875		
2032				
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2050				
	<u>\$ 58,645,000</u>	<u>\$ 22,111,250</u>	<u>\$ 31,455,000</u>	<u>\$ 12,828,125</u>

Interest Rate:                      2.250% - 5.000%                      5.000%



**CITY OF JACKSONVILLE, FLORIDA  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -  
GOVERNMENTAL ACTIVITIES  
REVENUE BONDS SUPPORTED BY BJP REVENUES  
SEPTEMBER 30, 2018**

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Fiscal Year	To Refund the Transportation Revenue Bonds, Series 2003 and 2004A		Better Jacksonville Infrastructure Projects	
	Transportation Revenue Bonds, Series 2008B		Better Jacksonville Sales Tax Revenue Bonds, Series 2008	
	Principal	Interest	Principal	Interest
2019	\$ 9,285,000	\$ 1,979,657	\$ 4,245,000	\$ 106,125
2020	9,310,000	1,649,232		
2021	9,730,000	1,296,002		
2022	4,430,000	1,120,960		
2023	4,695,000	952,839		
2024	4,780,000	783,230		
2025	4,965,000	603,058		
2026	5,210,000	416,351		
2027	5,460,000	220,664		
2028	5,685,000	16,810		
2029				
2030				
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	<u>\$ 63,550,000</u>	<u>\$ 9,038,804</u>	<u>\$ 4,245,000</u>	<u>\$ 106,125</u>

Interest Rate: Variable Rate Assumed at 3.600% 5.000%  
Hedges Fixed at 3.455% and 4.010%

(continued)

<b>To partially Refund the Better Jacksonville Sales Tax Revenue Bonds Series 2001</b>		<b>To partially Refund the Better Jacksonville Sales Tax Revenue Bonds Series 2001, 2003 and 2004</b>		<b>To Refund the Transportation Revenue Bonds, Series 2001</b>	
<b>Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2011</b>		<b>Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2012</b>		<b>Transportation Revenue Refunding Bonds, Series 2012A</b>	
<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
\$ 6,630,000	\$ 2,074,313	\$ 13,490,000	\$ 8,821,344		\$ 7,469,038
6,950,000	1,743,438	14,170,000	8,130,844		7,469,038
7,295,000	1,389,375	14,880,000	7,405,094		7,469,038
7,660,000	1,015,500	15,620,000	6,645,819		7,469,038
8,040,000	623,000	16,390,000	5,854,794	\$ 2,155,000	7,425,938
8,440,000	211,000	15,945,000	5,052,419	11,140,000	7,104,338
		22,970,000	4,079,544	11,690,000	6,533,588
		14,340,000	3,146,794	12,265,000	5,934,713
		15,055,000	2,411,919	12,870,000	5,306,338
		15,815,000	1,659,880	13,510,000	4,650,688
		5,245,000	1,153,091	20,425,000	3,806,163
		5,505,000	884,341	21,445,000	2,759,413
		15,695,000	373,358	22,515,000	1,660,413
				23,645,000	548,769
<u>\$ 45,015,000</u>	<u>\$ 7,056,626</u>	<u>\$ 185,120,000</u>	<u>\$ 55,619,241</u>	<u>\$ 151,660,000</u>	<u>\$ 75,606,513</u>

3.125% - 5.000%

4.000% - 5.000%

4.000% - 5.000%



**CITY OF JACKSONVILLE, FLORIDA  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -  
GOVERNMENTAL ACTIVITIES  
REVENUE BONDS SUPPORTED BY BJP REVENUES (continued)  
SEPTEMBER 30, 2018**

Purpose:  Fiscal Year	To Refund the State of Florida Senior Lien (Jacksonville Transportation Authority) Refunding Bonds, Series 1997  Transportation Revenue Refunding Bonds, Series 2012B		To partially Refund the Better Jacksonville Sales Tax Revenue Bonds Series 2003 and 2004  Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2012A	
	Principal	Interest	Principal	Interest
2019	\$ 5,720,000	\$ 1,694,000		\$ 2,054,750
2020	6,055,000	1,399,625		2,054,750
2021	6,380,000	1,088,750		2,054,750
2022	10,115,000	676,375		2,054,750
2023	8,470,000	211,750		2,054,750
2024			\$ 145,000	2,051,125
2025				2,047,500
2026			4,335,000	1,939,125
2027			4,550,000	1,717,000
2028			4,775,000	1,483,875
2029			6,000,000	1,214,500
2030			6,310,000	906,750
2031			14,980,000	374,500
2032				
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2050				
	<u>\$ 36,740,000</u>	<u>\$ 5,070,500</u>	<u>\$ 41,095,000</u>	<u>\$ 22,008,125</u>

Interest Rate: 5.000% 5.000%



**CITY OF JACKSONVILLE, FLORIDA**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -**  
**GOVERNMENTAL ACTIVITIES**  
**NOTES PAYABLE SUPPORTED BY BJP REVENUES**  
**SEPTEMBER 30, 2018**

Fiscal Year	Better Jacksonville Infrastructure Projects		Better Jacksonville Infrastructure Projects		Total Principal and Interest
	State Infrastructure Bank Loan #1; Dated 7/28/05		State Infrastructure Bank Loan #2; Dated 3/13/07		
	Principal	Interest	Principal	Interest	
2019	\$ 2,184,613	\$ 261,987	\$ 3,707,776	\$ 292,224	\$ 6,446,600
2020	2,225,706	218,294	3,800,470	199,530	6,444,000
2021	2,271,820	173,780	3,895,482	104,518	6,445,600
2022	2,317,956	128,344	285,243	7,131	2,738,674
2023	2,364,115	81,985			2,446,100
2024	1,735,123	34,702			1,769,825
2025					-
2026					-
2027					-
2028					-
2029					-
2030					-
2031					-
2032					-
2033					-
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2047					-
2048					-
2049					-
2050					-
	<u>\$ 13,099,333</u>	<u>\$ 899,092</u>	<u>\$ 11,688,971</u>	<u>\$ 603,403</u>	<u>\$ 26,290,799</u>

Interest Rate:

2.000%

2.500%



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**CITY OF JACKSONVILLE, FLORIDA  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -  
GOVERNMENTAL ACTIVITIES  
SPECIAL REVENUE BONDS AND NOTES PAYABLE FROM INTERNAL SERVICE OPERATIONS  
SEPTEMBER 30, 2018**

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Purpose:	To Fund the Acquisition and Construction of Various Capital Improvement Projects		To Fund the Acquisition and Construction of Various Capital Improvement Projects	
	Special Revenue Bonds, Series 2008		Special Revenue Bonds, Taxable Series 2009C-2 (Build America Bonds)	
Fiscal Year	Principal	Interest	Principal	Interest
2019	\$ 3,480,000	\$ 87,000	\$ 3,625,000	\$ 423,811
2020			3,750,000	311,967
2021			3,885,000	192,455
2022			4,030,000	65,357
2023				
2024				
2025				
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2050				
	<u>\$ 3,480,000</u>	<u>\$ 87,000</u>	<u>\$ 15,290,000</u>	<u>\$ 993,590</u>

Interest Rate: 4.125% - 5.000% 4.590% - 4.990% (Taxable)

(continued)

<b>To Fund the Acquisition and Construction of Various Capital Improvement Projects</b>		<b>To Fund the Acquisition and Construction of Various Capital Improvement Projects</b>		<b>To Fund the Acquisition and Construction of Various Capital Improvement Projects</b>	
<b>Special Revenue Bonds, Series 2010A</b>		<b>Special Revenue Bonds, Series 2010C-1</b>		<b>Special Revenue Bonds, Series 2011A</b>	
<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
\$ 3,309,000	\$ 1,169,799	\$ 3,635,000	\$ 482,125	\$ 1,650,000	\$ 1,181,513
3,145,000	1,008,449	3,815,000	295,875	1,730,000	1,097,013
3,321,000	846,799	4,010,000	100,250	1,820,000	1,008,263
4,068,980	662,050			1,910,000	915,013
5,005,000	435,200			2,005,000	817,138
2,960,000	261,975			2,105,000	714,388
3,060,000	162,238			1,020,000	636,263
3,160,000	55,300			1,070,000	584,013
				1,125,000	527,731
				1,180,000	467,225
				1,245,000	403,569
				1,310,000	336,500
				1,375,000	266,019
				1,455,000	191,731
				545,000	139,231
				570,000	109,963
				605,000	79,875
				630,000	49,000
				665,000	16,625
<b>\$ 28,028,980</b>	<b>\$ 4,601,809</b>	<b>\$ 11,460,000</b>	<b>\$ 878,250</b>	<b>\$ 24,015,000</b>	<b>\$ 9,541,069</b>

3.250% - 5.000%

5.000%

5.000% - 5.250%

**CITY OF JACKSONVILLE, FLORIDA  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -  
GOVERNMENTAL ACTIVITIES  
SPECIAL REVENUE BONDS AND NOTES PAYABLE FROM INTERNAL SERVICE OPERATIONS (continued)  
SEPTEMBER 30, 2018**

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Fiscal Year	Special Revenue and Refunding Bonds, Series 2013A		Special Revenue and Refunding Bonds, Taxable Series 2013B	
	Principal	Interest	Principal	Interest
2019	\$ 850,000	\$ 1,177,606	\$ 4,065,000	\$ 744,932
2020	890,000	1,134,106	4,180,000	619,435
2021	930,000	1,088,606	3,540,000	486,591
2022	980,000	1,040,856	3,675,000	353,104
2023	1,025,000	990,731	1,385,000	255,410
2024	1,080,000	938,106	1,440,000	197,222
2025	1,135,000	882,731	1,500,000	134,460
2026	1,190,000	830,556	1,565,000	66,730
2027	195,000	802,735	680,000	15,786
2028	530,000	787,450		
2029	1,770,000	729,725		
2030	1,870,000	634,175		
2031	1,680,000	540,988		
2032	1,755,000	450,819		
2033	1,850,000	356,188		
2034	1,950,000	256,438		
2035	2,055,000	153,875		
2036	300,000	95,000		
2037	315,000	79,625		
2038	335,000	63,375		
2039	350,000	46,250		
2040	365,000	28,375		
2041	385,000	9,625		
2042				
2043				
2044				
2045				
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2049				
2050				
	<u>\$ 23,785,000</u>	<u>\$ 13,117,941</u>	<u>\$ 22,030,000</u>	<u>\$ 2,873,670</u>

Interest Rate: 4.000% - 5.250% 2.777% - 4.643%  
(Taxable)

(continued)

<b>To Fund a Portion of Various Capital Project Costs; to refund a portion of the Excise Taxes Revenue Bonds, Series 2005A and 2006A</b>		<b>To Refund a Portion of Commercial Paper Notes and Refund a Portion of the Special Revenue Bonds, Series 2009C-1, 2010A, and 2012B, and Excise Tax Revenue Bonds, Series 2007</b>		<b>To Fund a Portion of Various Capital Project Costs; and to refund a Portion of Commercial Paper Notes</b>	
<b>Special Revenue and Refunding Bonds, Series 2014</b>		<b>Special Revenue Refunding Bonds, Series 2016A</b>		<b>Special Revenue and Refunding Bonds, Series 2017A</b>	
<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
\$ 600,000	\$ 1,790,500	\$ 955,000	\$ 2,023,710	\$ 470,000	\$ 4,037,850
230,000	1,769,750	4,111,584	1,897,045	7,380,000	3,846,300
1,360,000	1,730,000	4,457,968	1,682,807	3,295,000	3,579,425
1,730,000	1,652,750	4,687,450	1,454,171	1,000,000	3,472,050
1,815,000	1,564,125	2,344,377	1,278,376	1,560,000	3,408,050
1,910,000	1,471,000	2,462,373	1,158,207	1,640,000	3,328,050
2,005,000	1,373,125	2,959,164	1,022,668	1,720,000	3,244,050
2,105,000	1,270,375	2,254,452	892,328	1,805,000	3,155,925
2,210,000	1,162,500	2,366,827	776,796	1,905,000	3,063,175
2,320,000	1,049,250	1,813,459	672,289	1,995,000	2,965,675
2,435,000	930,375	1,465,548	590,314	2,095,000	2,863,425
2,555,000	805,625	1,562,258	514,619	2,195,000	2,756,175
2,685,000	674,625	1,726,580	432,398	2,315,000	2,643,425
2,820,000	537,000	1,746,137	345,580	2,425,000	2,524,925
2,960,000	392,500	1,840,975	265,107	2,790,000	2,394,550
3,105,000	240,875	2,452,180	179,244	2,935,000	2,251,425
3,265,000	81,625	1,020,000	109,800	3,085,000	2,100,925
		460,000	82,500	3,235,000	1,942,925
		475,000	68,475	3,395,000	1,777,175
		490,000	54,000	4,145,000	1,588,675
		505,000	39,075	2,765,000	1,429,750
		515,000	23,775	2,870,000	1,299,113
		535,000	8,025	3,030,000	1,144,238
				3,185,000	981,094
				3,350,000	809,550
				2,475,000	656,644
				2,605,000	523,294
				2,740,000	382,988
				2,885,000	235,331
				3,040,000	79,800
<b>\$ 36,110,000</b>	<b>\$ 18,496,000</b>	<b>\$ 43,206,331</b>	<b>\$ 15,571,306</b>	<b>\$ 80,330,000</b>	<b>\$ 64,485,975</b>

5.000%

3.000% - 5.000%

3.000% - 5.250%



**CITY OF JACKSONVILLE, FLORIDA**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -**  
**GOVERNMENTAL ACTIVITIES**  
**SPECIAL REVENUE BONDS AND NOTES PAYABLE FROM INTERNAL SERVICE OPERATIONS (continued)**  
**SEPTEMBER 30, 2018**

Purpose:	To Fund Various Capital Projects and Refund a Portion of Commercial Paper Notes		To Fund Various Short Term Capital Projects	
	Special Revenue Bonds, Series 2018		Amortizing Short Term Debt	
Fiscal Year	Principal	Interest	Principal	Interest
2019	\$ -	\$ 1,873,950	\$ 6,735,706	\$ 247,645
2020	8,110,000	3,424,250	1,697,940	142,224
2021	8,595,000	3,006,625	1,410,000	120,525
2022	9,030,000	2,566,000	1,410,000	95,375
2023	6,235,000	2,184,375	1,010,000	53,025
2024	4,085,000	1,926,375	1,010,000	17,675
2025	1,705,000	1,781,625		
2026	1,785,000	1,694,375		
2027	1,880,000	1,602,750		
2028	1,975,000	1,506,375		
2029	2,075,000	1,405,125		
2030	2,180,000	1,298,750		
2031	2,290,000	1,187,000		
2032	2,400,000	1,069,750		
2033	2,520,000	946,750		
2034	2,645,000	817,625		
2035	2,780,000	682,000		
2036	2,920,000	539,500		
2037	3,055,000	390,125		
2038	3,220,000	233,250		
2039	3,055,000	76,375		
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	<u>\$ 72,540,000</u>	<u>\$ 30,212,950</u>	<u>\$ 13,273,646</u>	<u>\$ 676,469</u>

Interest Rate: 5.000%

Assumed at 2.500% - 3.500%  
Variable Rate

**Interim Funding  
for Various Capital Projects  
(Indicative Amortization of  
Future Bond Issuance)**

<b>Interim Short Term Debt</b>		<b>Total Principal And Interest</b>
<b>Principal</b>	<b>Interest</b>	
\$ 167,408	\$ 56,901	44,839,456
164,560	52,752	54,803,249
112,500	58,865	50,637,678
112,500	65,066	44,975,721
112,500	61,129	33,544,435
112,500	57,191	28,875,062
112,500	53,254	24,507,077
112,500	49,316	23,645,869
112,500	45,379	18,471,178
112,500	41,441	17,415,664
112,500	37,504	18,158,084
112,500	33,566	18,164,168
112,500	29,629	17,958,163
112,500	25,691	17,859,133
112,500	21,754	17,134,554
112,500	17,816	17,643,065
112,500	13,879	16,144,479
112,500	9,941	10,376,366
112,500	6,004	10,355,529
60,440	2,977	10,192,717
54,843	960	8,322,253
		5,101,263
		5,111,888
		4,166,094
		4,159,550
		3,131,644
		3,128,294
		3,122,988
		3,120,331
		3,119,800
		-
		-
<b>\$ 2,359,751</b>	<b>\$ 741,013</b>	<b>\$ 538,185,750</b>

Assumed at 2.500 - 3.500%  
Variable Rate

**CITY OF JACKSONVILLE, FLORIDA**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -**  
**PAYABLE FROM ENTERPRISE FUNDS**  
**SEPTEMBER 30, 2018**

---

Fiscal Year	To Partially Refund the Capital Projects Revenue Bonds, Series 1997-1, 1997-2, 1997-3 and Series 2002-1		To Partially Refund the Capital Projects Revenue Bonds, Series 1997-1, 1997-2, 1997-3 and Series 2002-1	
	Capital Projects Revenue Refunding Bonds, Series 2008A		Capital Projects Revenue Refunding Bonds, Series 2008B	
	Principal	Interest	Principal	Interest
2019	\$ 6,874	\$ 5,216	\$ 6,874	\$ 2,050
2020	7,988	4,992	7,988	4,653
2021	8,360	4,729	8,360	4,676
2022	8,787	4,467	8,787	4,427
2023	9,809	4,175	9,809	4,158
2024	9,642	3,896	9,642	3,876
2025	9,567	3,599	9,567	3,597
2026	10,608	3,283	10,608	3,304
2027	11,109	2,951	11,109	2,990
2028	11,648	2,611	11,648	2,660
2029	12,559	2,229	12,559	2,309
2030	12,484	1,855	12,484	1,945
2031	13,432	1,454	13,432	1,570
2032	14,082	1,037	14,082	1,171
2033	14,769	593	14,769	752
2034	15,550	129	15,550	313
2035	3,010	7	3,010	44
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2050				
	<u>\$ 180,278</u>	<u>\$ 47,223</u>	<u>\$ 180,278</u>	<u>\$ 44,495</u>

Interest Rate:                      Assumed at 3.000%  
    Variable Rate                                      Fixed at 1.159% through 5/2/19  
       Assumed at 2.900% thereafter

(continued)

<b>To Partially Refund the Better Jacksonville Sales Tax Revenue Bonds, Series 2001, 2003 and 2004</b>		<b>To Partially Refund the Better Jacksonville Sales Tax Revenue Bonds, Series 2003 and 2004</b>		<b>To Refund the Capital Improvement Revenue Bonds, Series 1997, 1998, 2002A 2002B and 2002C</b>	
<b>Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2012</b>		<b>Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2012A</b>		<b>Capital Improvement Revenue Refunding Bonds, Series 2012</b>	
<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
	\$ 2,036,824		\$ 3,689,750	\$ 5,705,000	\$ 4,446,400
	2,036,824		3,689,750	5,945,000	4,213,400
	2,036,824		3,689,750	6,140,000	3,941,000
	2,036,824		3,689,750	6,445,000	3,626,375
	2,036,824		3,689,750	6,770,000	3,296,000
	2,036,824	\$ 45,000	3,688,625	7,110,000	2,949,000
\$ 4,685,000	1,919,699		3,687,500	7,465,000	2,584,625
4,935,000	1,679,199	4,310,000	3,579,750	7,345,000	2,214,375
5,185,000	1,426,199	4,525,000	3,358,875	7,350,000	1,847,000
5,440,000	1,167,354	4,755,000	3,126,875	7,715,000	1,470,375
5,605,000	898,009	13,180,000	2,678,500	8,105,000	1,074,875
5,885,000	610,759	13,830,000	2,003,250	8,510,000	659,500
9,745,000	231,817	33,150,000	828,750	8,935,000	223,375

<b>\$ 41,480,000</b>	<b>\$ 20,153,980</b>	<b>\$ 73,795,000</b>	<b>\$ 41,400,875</b>	<b>\$ 93,540,000</b>	<b>\$ 32,546,300</b>
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4.125% - 5.000%

5.000%

5.000%

**CITY OF JACKSONVILLE, FLORIDA**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -**  
**PAYABLE FROM ENTERPRISE FUNDS**  
**SEPTEMBER 30, 2018**

Fiscal Year	To Refund a Portion of the Sales Tax Revenue Bonds, Series 1996		To Fund a Portion of the Various Capital Project Costs; to Refund a Portion of the Excise Taxes Revenue Bonds, Series 2005A and 2006A		To Refund a Portion of of Commercial Paper Notes	
	Special Revenue Refunding Bonds, Series 2012C		Special Revenue and Refunding Bonds, Series 2014		Special Revenue and Refunding Bonds, Series 2017A	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	\$ 287,000	\$ 7,175		\$ 89,200	\$ 200,000	\$ 1,089,750
2020				89,200	705,000	1,069,125
2021			\$ 71,000	87,425	745,000	1,032,875
2022			98,000	83,200	785,000	994,625
2023			103,000	78,175	825,000	954,375
2024			109,000	72,875	865,000	912,125
2025			114,000	67,300	910,000	867,750
2026			120,000	61,450	955,000	821,125
2027			126,000	55,300	1,000,000	772,250
2028			132,000	48,850	1,050,000	721,000
2029			165,000	41,425	1,105,000	667,125
2030			173,000	32,975	1,160,000	610,500
2031			182,000	24,100	1,220,000	551,000
2032			191,000	14,775	1,280,000	488,500
2033			200,000	5,000	1,340,000	423,000
2034					1,410,000	354,250
2035					1,480,000	282,000
2036					1,555,000	206,125
2037					1,630,000	126,500
2038					1,715,000	42,875
2039						
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2049						
2050						
	<u>\$ 287,000</u>	<u>\$ 7,175</u>	<u>\$ 1,784,000</u>	<u>\$ 851,250</u>	<u>\$ 21,935,000</u>	<u>\$ 12,986,875</u>

Interest Rate: 5.000% 5.000% 3.000% - 5.000%



**CITY OF JACKSONVILLE, FLORIDA**  
**SCHEDULE OF SELF-INSURANCE FUND**  
**TEN YEAR CLAIMS DEVELOPMENT INFORMATION (in thousands)**  
**WORKERS COMPENSATION**

	For the Year Ended September 30				
	2009	2010	2011	2012	2013
Revenue	\$ 17,692	\$ 19,369	\$ 19,848	\$ 22,339	\$ 22,904
Interest Revenue	5,753	4,218	2,387	2,553	1,346
Total Revenue	<u>\$ 23,445</u>	<u>\$ 23,587</u>	<u>\$ 22,235</u>	<u>\$ 24,892</u>	<u>\$ 24,250</u>
Unallocated Expenses	<u>\$ 3,309</u>	<u>\$ 3,051</u>	<u>\$ 3,116</u>	<u>\$ 2,528</u>	<u>\$ 2,360</u>
Estimated Incurred Claims and Expense, End of Policy Year	<u>\$ 13,418</u>	<u>\$ 13,251</u>	<u>\$ 11,694</u>	<u>\$ 14,662</u>	<u>\$ 16,026</u>
Paid (Cumulative) as of:					
End of Policy Year	\$ 2,923	\$ 3,201	\$ 2,859	\$ 3,672	\$ 3,353
One Year Later	6,207	5,411	4,444	6,773	5,860
Two Years Later	7,430	6,411	5,343	8,423	6,886
Three Years Later	8,061	7,752	5,936	10,130	7,511
Four Years Later	8,429	8,648	6,433	10,908	7,935
Five Years Later	8,619	9,129	6,527	11,337	8,724
Six Years Later	9,016	9,424	6,627	11,896	
Seven Years Later	9,267	9,719	6,855		
Eight Years Later	9,579	10,039			
Nine Years Later	9,776				
Reestimated incurred Claims and Expense:					
End of Policy Year	\$ 13,418	\$ 13,251	\$ 11,694	\$ 14,662	\$ 16,026
One Year Later	12,981	13,467	10,381	17,726	15,642
Two Years Later	13,243	13,886	12,031	19,270	16,365
Three Years Later	12,049	16,560	11,814	20,730	16,030
Four Years Later	13,136	17,517	12,137	19,672	15,028
Five Years Later	13,384	16,373	11,922	18,796	15,880
Six Years Later	13,415	15,570	11,499	19,155	
Seven Years Later	13,513	15,403	11,251		
Eight Years Later	13,738	15,090			
Nine Years Later	13,503				
Increase (Decrease) in Estimated Incurred Claims and Expense from End of Policy Year	<u>\$ 85</u>	<u>\$ 1,839</u>	<u>\$ (443)</u>	<u>\$ 4,493</u>	<u>\$ (146)</u>

<b>For the Year Ended September 30</b>				
<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 32,925	\$ 26,580	\$ 30,387	\$ 27,196	\$ 30,339
1,703	1,861	2,825	1,065	574
<u>\$ 34,628</u>	<u>\$ 28,441</u>	<u>\$ 33,212</u>	<u>\$ 28,261</u>	<u>\$ 30,913</u>
<u>\$ 3,442</u>	<u>\$ 3,404</u>	<u>\$ 3,421</u>	<u>\$ 3,279</u>	<u>\$ 3,359</u>
<u>\$ 16,294</u>	<u>\$ 18,844</u>	<u>\$ 22,189</u>	<u>\$ 21,618</u>	<u>21,688</u>
\$ 3,995	\$ 4,210	\$ 4,550	\$ 4,217	\$ 4,266
6,744	7,885	8,198	8,268	
8,096	9,680	9,341		
8,582	11,002			
9,263				
\$ 16,294	\$ 18,844	\$ 22,189	\$ 21,618	\$ 21,688
18,062	22,422	22,123	22,298	
19,066	21,223	21,364		
17,366	21,882			
17,755				
<u>\$ 1,461</u>	<u>\$ 3,038</u>	<u>\$ (825)</u>	<u>\$ 680</u>	<u>0</u>

Continuation



**CITY OF JACKSONVILLE, FLORIDA**  
**SCHEDULE OF SELF-INSURANCE FUND**  
**TEN YEAR CLAIMS DEVELOPMENT INFORMATION (in thousands)**  
**GENERAL LIABILITY**

	<b>For the Year Ended September 30</b>				
	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
Revenue	\$ 7,310	\$ 6,780	\$ 6,363	7,052	\$ 8,129
Interest Revenue	24,004	1,529	802	1,077	648
Total Revenue	<u>\$ 31,314</u>	<u>\$ 8,309</u>	<u>7,165</u>	<u>8,129</u>	<u>\$ 8,777</u>
Unallocated Expenses	<u>\$ 2,044</u>	<u>2,087</u>	<u>\$ 2,032</u>	<u>2,121</u>	<u>\$ 2,109</u>
Estimated Incurred Claims and Expense, End of Policy Year	<u>\$ 4,794</u>	<u>\$ 4,485</u>	<u>\$ 4,794</u>	<u>\$ 4,993</u>	<u>\$ 4,715</u>
Paid (Cumulative) as of:					
End of Policy Year	\$ 1,192	\$ 1,019	1,242	1,333	\$ 1,126
One Year Later	2,082	2,221	2,329	2,076	2,025
Two Years Later	2,972	2,702	3,236	3,071	3,311
Three Years Later	3,257	3,351	4,106	4,013	4,349
Four Years Later	3,918	3,582	4,464	4,297	4,768
Five Years Later	4,088	3,686	5,697	6,259	5,014
Six Years Later	4,297	3,762	6,756	6,482	
Seven Years Later	4,400	3,765	7,393		
Eight Years Later	4,424	3,766			
Nine Years Later	4,424				
Reestimated incurred Claims and Expense:					
End of Policy Year	\$ 4,794	\$ 4,485	4,794	4,993	\$ 4,715
One Year Later	4,595	4,615	4,483	4,884	4,884
Two Years Later	4,716	4,269	5,073	5,260	5,232
Three Years Later	4,464	4,424	4,857	5,419	5,362
Four Years Later	4,579	4,388	8,010	5,239	5,469
Five Years Later	4,496	4,262	7,983	6,669	5,416
Six Years Later	4,515	4,136	7,995	6,717	
Seven Years Later	4,504	4,147	7,988		
Eight Years Later	4,424	3,893			
Nine Years Later	4,481				
Increase (Decrease) in Estimated Incurred Claims and Expense from End of Policy Year	<u>\$ (313)</u>	<u>\$ (592)</u>	<u>\$ 3,194</u>	<u>\$ 1,724</u>	<u>\$ 701</u>

**For the Year Ended September 30**

<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
\$ 8,186	\$ 10,494	\$ 8,170	\$ 9,341	\$ 9,329
644	594	857	376	183
<u>\$ 8,830</u>	<u>\$ 11,088</u>	<u>\$ 9,027</u>	<u>\$ 9,717</u>	<u>\$ 9,512</u>
<u>\$ 2,240</u>	<u>\$ 2,301</u>	<u>\$ 2,340</u>	<u>\$ 2,469</u>	<u>\$ 2,581</u>
<u>\$ 5,126</u>	<u>\$ 5,623</u>	<u>\$ 5,827</u>	<u>\$ 6,144</u>	<u>6,097</u>
\$ 1,395	\$ 1,372	\$ 1,349	\$ 1,227	\$ 1,099
3,084	3,119	2,458	2,810	
4,066	4,089	3,386		
5,044	4,910			
5,679				
\$ 5,126	\$ 5,623	\$ 5,827	\$ 6,144	\$ 6,097
6,393	6,177	5,553	6,165	
6,237	6,047	5,436		
6,334	6,034			
6,489				
<u>\$ 1,363</u>	<u>\$ 411</u>	<u>\$ (391)</u>	<u>\$ 21</u>	<u>\$ 0</u>

Continuation

**CITY OF JACKSONVILLE, FLORIDA**  
**BALANCE SHEET - GENERAL FUND**  
**SEPTEMBER 30, 2018**  
**WITH COMPARATIVE TOTALS FOR 2017 (in thousands)**

	GENERAL SERVICE DISTRICT	EMERGENCY RESERVE	OTHER GENERAL FUND	TOTALS	
				2018	2017
<b>ASSETS:</b>					
Equity in pooled cash and investments.....	\$ 100,320	\$ 61,541	\$ 23,681	\$ 185,542	\$ 131,326
Cash in escrow and with fiscal agents.....	187	-	-	187	187
Securities lending collateral.....	36,604	-	-	36,604	73,954
Receivables (net, where applicable, of allowances for uncollectibles):					
Accounts and interest.....	4,075	-	-	4,075	5,869
Other.....	-	-	-	-	2,115
Due from other funds.....	51,687	-	-	51,687	47,091
Due from independent agencies and other governments..	58,703	-	374	59,077	67,017
Inventories.....	3,161	-	-	3,161	3,165
<b>TOTAL ASSETS.....</b>	<b>\$ 254,737</b>	<b>\$ 61,541</b>	<b>\$ 24,055</b>	<b>\$ 340,333</b>	<b>\$ 330,724</b>
<b>LIABILITIES:</b>					
Accounts payable and accrued liabilities.....	\$ 29,568	\$ -	\$ 993	\$ 30,561	\$ 37,235
Due to independent agencies and other governments.....	6	-	-	6	6
Deposits.....	1,408	-	-	1,408	1,872
Unearned revenue.....	5,430	-	-	5,430	7,062
Securities lending obligations.....	36,604	-	-	36,604	73,954
<b>TOTAL LIABILITIES.....</b>	<b>73,016</b>	<b>-</b>	<b>993</b>	<b>74,009</b>	<b>120,129</b>
<b>DEFERRED INFLOW OF RESOURCES:</b>					
Unavailable Revenue.....	180	-	-	180	180
<b>FUND BALANCES:</b>					
<b>Non Spendable:</b>					
Non Spendable.....	3,161	-	-	3,161	3,165
<b>Spendable:</b>					
Restricted.....	-	-	2,599	2,599	2,052
Committed.....	18,470	61,541	18,795	98,806	101,206
Assigned.....	13,479	-	1,668	15,147	14,059
Unassigned.....	146,431	-	-	146,431	89,933
<b>TOTAL FUND BALANCES.....</b>	<b>181,541</b>	<b>61,541</b>	<b>23,062</b>	<b>266,144</b>	<b>210,415</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCE.....</b>	<b>\$ 254,737</b>	<b>\$ 61,541</b>	<b>\$ 24,055</b>	<b>\$ 340,333</b>	<b>\$ 330,724</b>

**CITY OF JACKSONVILLE, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
GENERAL FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2018  
WITH COMPARATIVE TOTALS FOR 2017 (in thousands)**

	GENERAL SERVICE DISTRICT	EMERGENCY RESERVE	OTHER GENERAL FUND	TOTALS	
				2018	2017
<b>REVENUES:</b>					
Property taxes.....	\$ 603,910	\$ -	\$ -	\$ 603,910	\$ 565,740
Utility and Communications service taxes....	123,140	-	-	123,140	120,692
Sales and tourist taxes.....	1,238	-	-	1,238	1,138
Local business taxes.....	7,091	-	-	7,091	7,081
Licenses, permits, and fees.....	40,815	-	2,869	43,684	42,770
Intergovernmental.....	169,329	-	53	169,382	166,362
Charges for services.....	54,885	-	13,691	68,576	61,710
Fines and forfeitures.....	2,060	-	-	2,060	1,518
JEA contribution.....	116,620	-	-	116,620	115,823
Investment earnings.....	1,315	16	208	1,539	4,199
Other.....	18,459	-	260	18,719	19,489
<b>Total Revenues.....</b>	<b>1,138,862</b>	<b>16</b>	<b>17,081</b>	<b>1,155,959</b>	<b>1,106,522</b>
<b>EXPENDITURES:</b>					
Current:					
General government.....	93,938	-	30,550	124,488	131,865
Human services.....	71,304	-	324	71,628	70,156
Public safety.....	626,052	-	9	626,061	653,267
Culture and recreation.....	60,907	-	6,355	67,262	65,058
Transportation.....	26,970	-	-	26,970	27,506
Economic environment.....	8,945	-	1,716	10,661	10,058
Physical environment.....	24,589	-	-	24,589	23,889
Debt service:					
Interest and fiscal charges.....	11,531	-	-	11,531	10,458
<b>Total Expenditures.....</b>	<b>924,236</b>	<b>-</b>	<b>38,954</b>	<b>963,190</b>	<b>992,257</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES.....</b>	<b>214,626</b>	<b>16</b>	<b>(21,873)</b>	<b>192,769</b>	<b>114,265</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Long term debt issued.....	4,950	-	-	4,950	-
Intrafund Transfer In.....	-	5,368	21,432	26,800	27,058
Intrafund Transfer Out.....	(26,800)	-	-	(26,800)	(27,058)
Transfers in.....	19,827	-	-	19,827	11,657
Transfers out.....	(161,813)	-	-	(161,813)	(123,382)
<b>Total Other Financing Sources (Uses).....</b>	<b>(163,836)</b>	<b>5,368</b>	<b>21,432</b>	<b>(137,036)</b>	<b>(111,725)</b>
<b>NET CHANGES IN FUND BALANCES..</b>	<b>50,790</b>	<b>5,384</b>	<b>(441)</b>	<b>55,733</b>	<b>2,540</b>
<b>FUND BALANCE, BEGINNING OF YEAR</b>	<b>130,755</b>	<b>56,157</b>	<b>23,503</b>	<b>210,415</b>	<b>207,983</b>
Change in Inventory of Supplies.....	(4)	-	-	(4)	(108)
<b>FUND BALANCES, END OF YEAR.....</b>	<b>\$ 181,541</b>	<b>\$ 61,541</b>	<b>\$ 23,062</b>	<b>\$ 266,144</b>	<b>\$ 210,415</b>



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## STATISTICAL SECTION

This part of the City of Jacksonville’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City’s overall financial health.

### Page(s)

#### Financial Trends

These schedules contain trend information to help the reader understand how the City’s financial performance and well-being have changed over time.

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These schedules contain information to help the reader assess the City’s most significant local revenue source, the property tax.

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#### Debt Capacity

These schedules present information to help the reader assess the affordability of the City’s current levels of outstanding debt and the City’s ability to issue additional debt in the future.

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#### Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City’s financial activities take place.

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#### Operating Information

These schedules contain services and infrastructure data to help the reader understand how the information in the City’s financial report compares to the services the City provides and the activities it performs.

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*Sources:* Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

**STATISTICAL SECTION – FINANCIAL TRENDS**



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**CITY OF JACKSONVILLE, FLORIDA**  
**NET POSITION BY COMPONENTS (in thousands)**  
**LAST TEN FISCAL YEARS**  
**(accrual basis of accounting)**

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>Governmental activities:</b>					
Net investments in capital assets.....	\$ 730,505	\$ 874,935	\$ 895,670	\$ 882,202	\$ 918,659
Restricted .....	195,272	56,661	53,682	47,181	50,630
Unrestricted.....	(2,122,995)	(2,048,187)	(2,082,045)	(2,042,815)	(157,869)
<b>Total governmental activities net position</b>	<b>(1,197,218)</b>	<b>(1,116,591)</b>	<b>(1,132,693)</b>	<b>(1,113,432)</b>	<b>811,420</b>
<b>Business type activities</b>					
Net investments in capital assets.....	236,652	188,640	205,955	163,294	161,999
Restricted		-	-	-	-
Unrestricted.....	105,393	82,097	56,942	55,048	44,996
<b>Total business type activities net position</b>	<b>342,045</b>	<b>270,737</b>	<b>262,897</b>	<b>218,342</b>	<b>206,995</b>
<b>Primary government</b>					
Net investments in capital assets.....	967,157	1,063,575	1,101,625	1,045,496	1,080,658
Restricted .....	195,272	56,661	53,682	47,181	50,630
Unrestricted.....	(2,017,602)	(1,841,712)	(1,900,046)	(1,987,767)	(112,873)
<b>Total primary government net position</b>	<b>\$ (855,173)</b>	<b>\$ (845,854)</b>	<b>\$ (869,796)</b>	<b>\$ (895,090)</b>	<b>\$ 1,018,415</b>

**Notes:**

- (1) 2013 amounts were adjusted for GASB 65 implementation.
- (2) 2016 and 2017 amounts were restated for GASB 75 implementation

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<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
\$ 895,899	\$ 948,789	\$ 908,709	\$ 974,561	\$ 953,289
47,546	50,529	46,503	92,336	86,676
<u>(190,125)</u>	<u>(222,645)</u>	<u>(120,998)</u>	<u>(207,729)</u>	<u>(326,149)</u>
<u>753,320</u>	<u>776,673</u>	<u>834,214</u>	<u>859,168</u>	<u>713,816</u>
128,001	128,766	124,213	135,912	126,221
1,852	1,579	2,667	-	-
<u>53,606</u>	<u>50,039</u>	<u>38,545</u>	<u>14,586</u>	<u>19,035</u>
<u>183,459</u>	<u>180,384</u>	<u>165,425</u>	<u>150,498</u>	<u>145,256</u>
1,023,900	1,077,555	1,032,922	1,110,473	1,079,510
49,398	52,108	49,170	92,336	86,676
<u>(136,519)</u>	<u>(172,606)</u>	<u>(82,453)</u>	<u>(193,143)</u>	<u>(307,114)</u>
<u>\$ 936,779</u>	<u>\$ 957,057</u>	<u>\$ 999,639</u>	<u>\$ 1,009,666</u>	<u>\$ 859,072</u>

**CITY OF JACKSONVILLE, FLORIDA**  
**CHANGES IN NET POSITION (in thousands)**  
**LAST TEN FISCAL YEARS**  
**(accrual basis of accounting)**

	2018	2017	2016	2015	2014
<b>Expenses</b>					
Government activities					
General government.....	\$ 189,130	\$ 240,937	\$ 164,860	\$ 148,592	\$ 150,118
Human services.....	122,664	113,367	123,752	108,830	108,596
Public safety.....	867,834	789,041	625,227	629,100	619,730
Culture and recreation.....	87,491	84,675	89,053	79,883	80,844
Transportation.....	157,898	96,645	148,663	150,470	141,928
Economic environment.....	57,284	61,753	43,292	45,062	43,956
Physical environment.....	102,627	84,411	109,536	114,932	122,963
Interest on long term debt.....	75,883	78,420	82,255	82,828	87,011
Total governmental activities expenses.....	1,660,811	1,549,249	1,386,638	1,359,697	1,355,146
Business type activities:					
Parking system.....	3,795	3,758	3,496	3,496	3,513
Motor vehicle inspections.....	367	380	441	430	464
Solid Waste.....	78,217	77,565	71,433	70,316	58,429
Storm Water Services.....	23,670	23,181	24,386	23,022	19,796
City Venues.....	75,914	63,527	-	-	-
Mayport Ferry.....	-	-	2,675	2,069	2,405
TIAA Bank Field.....	-	-	30,519	28,494	25,530
Veterans Memorial Arena .....	-	-	17,670	17,649	14,878
Baseball Stadium .....	-	-	4,796	4,406	3,216
Performing Arts .....	-	-	4,214	3,932	4,095
Convention Center .....	-	-	4,057	3,889	3,778
Equestrian Center .....	1,227	1,224	1,206	1,139	1,664
Ritz Theater .....	4,901	-	1,173	1,416	954
Total business type activities expenses.....	188,091	169,635	166,066	160,258	138,722
Total primary government expenses.....	1,848,902	1,718,884	1,552,704	1,519,955	1,493,868
<b>Program Revenues</b>					
Government activities					
Charges for services:					
General government.....	66,282	61,205	57,289	53,029	54,713
Public safety.....	67,868	62,390	56,426	50,684	55,878
Other activities .....	11,272	10,727	9,012	8,681	8,158
Operating grants and contributions .....	56,161	79,887	56,751	59,379	53,946
Capital grants and contributions .....	48,893	47,856	56,066	70,271	72,978
Total governmental activities program revenues .....	250,476	262,065	235,544	242,044	245,673
Business type activities:					
Charges for services:					
Solid Waste.....	76,314	75,571	70,857	69,649	69,570
Storm Water.....	30,958	26,237	29,090	29,087	29,142
TIAA Bank Field.....	-	-	4,870	6,438	6,476
Veterans Memorial Arena.....	-	-	6,839	6,261	4,806
Other Activities.....	28,244	19,894	9,711	9,862	9,045
Capital grants and contributions .....	-	-	36,928	-	-
Total business type activities revenue .....	135,516	121,702	158,295	121,297	119,039
Total primary government program revenues.....	\$ 385,992	\$ 383,767	\$ 393,839	\$ 363,341	\$ 364,712

	2013	2012	2011	2010	2009
\$	159,054	\$ 156,064	\$ 171,163	\$ 186,072	\$ 180,054
	104,902	113,260	108,837	112,785	107,991
	577,021	537,222	559,401	549,369	527,227
	78,305	64,883	74,066	75,451	71,091
	147,750	154,770	170,557	192,231	217,296
	47,394	76,227	124,520	71,082	72,571
	114,134	125,407	118,564	98,058	97,114
	97,531	128,302	88,404	87,723	94,289
	<u>1,326,091</u>	<u>1,356,135</u>	<u>1,415,512</u>	<u>1,372,771</u>	<u>1,367,633</u>
	3,178	3,499	3,879	3,585	3,417
	494	477	446	476	433
	71,073	73,111	62,977	73,934	86,674
	19,656	18,913	18,730	17,340	14,612
	-	-	-	-	-
	2,767	-	-	-	-
	23,136	24,134	23,603	24,485	20,361
	14,694	14,433	14,747	15,602	12,355
	3,083	3,118	3,142	3,335	1,993
	3,850	4,363	4,369	4,265	4,006
	3,536	3,662	3,764	3,804	4,342
	1,465	1,686	1,836	1,816	1,890
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>147,038</u>	<u>147,396</u>	<u>137,493</u>	<u>148,642</u>	<u>150,083</u>
	<u>1,473,129</u>	<u>1,503,531</u>	<u>1,553,005</u>	<u>1,521,413</u>	<u>1,517,716</u>
	71,541	64,104	65,993	67,454	103,824
	30,137	38,121	45,908	46,457	45,322
	8,773	17,181	10,352	5,997	6,865
	68,470	82,833	96,142	83,456	83,068
	55,208	41,194	27,565	170,558	52,464
	<u>234,129</u>	<u>243,433</u>	<u>245,960</u>	<u>373,922</u>	<u>291,543</u>
	68,759	69,748	66,610	47,112	42,752
	30,259	26,519	20,789	28,035	29,134
	4,566	4,054	3,379	3,719	3,536
	5,165	4,641	5,288	4,797	4,704
	8,579	7,889	7,473	6,998	7,364
	-	-	-	-	-
	<u>117,328</u>	<u>112,851</u>	<u>103,539</u>	<u>90,661</u>	<u>87,490</u>
\$	<u>351,457</u>	<u>\$ 356,284</u>	<u>\$ 349,499</u>	<u>\$ 464,583</u>	<u>\$ 379,033</u>

**CITY OF JACKSONVILLE, FLORIDA**  
**CHANGES IN NET POSITION (in thousands)**  
**LAST TEN FISCAL YEARS**  
**(accrual basis of accounting)**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Net (expense)revenue</b>					
Government activities .....	\$ (1,410,335)	\$ (1,287,184)	\$ (1,151,094)	\$ (1,117,653)	\$ (1,109,473)
Business type activities .....	(52,575)	(47,933)	(7,771)	(38,961)	(19,683)
Total primary government net expense	<u>(1,462,910)</u>	<u>(1,335,117)</u>	<u>(1,158,865)</u>	<u>(1,156,614)</u>	<u>(1,129,156)</u>
<b>General revenues and other changes in net position</b>					
Government activities:					
Property taxes.....	626,382	586,122	557,917	527,754	502,624
Utility and Communications service taxes.....	123,140	120,692	123,118	124,006	122,733
Sales and tourist taxes.....	223,824	209,928	201,906	194,148	180,964
Local business taxes.....	7,091	7,081	7,172	7,324	7,085
Intergovernmental - unrestricted.....	169,177	180,149	164,728	148,440	138,969
JEA contributions.....	116,620	115,823	114,188	111,688	109,188
Unrestricted earnings on investments.....	6,121	13,467	26,431	9,365	21,690
Franchise fees.....	40,288	39,600	40,401	41,013	40,417
Miscellaneous.....	51,588	48,897	40,012	36,233	55,227
Special item - refinancing state bonds.....	-	-	-	-	-
Special item - Repeal of JEDC.....	-	-	-	-	-
Transfers.....	(34,523)	(18,473)	(16,635)	(15,290)	(11,324)
Total general revenues, special items, and transfers.....	<u>1,329,708</u>	<u>1,303,286</u>	<u>1,259,238</u>	<u>1,184,681</u>	<u>1,167,573</u>
Business type activities					
Unrestricted earnings on investments.....	1,154	377	2,181	1,251	2,008
Sales and tourist taxes.....	18,550	17,044	15,904	14,541	13,394
Miscellaneous.....	69,656	19,879	15,258	19,226	16,493
Transfers.....	34,523	18,473	16,635	15,290	11,324
Total business type activities.....	<u>123,883</u>	<u>55,773</u>	<u>49,978</u>	<u>50,308</u>	<u>43,219</u>
Total primary government .....	<u>1,453,591</u>	<u>1,359,059</u>	<u>1,309,216</u>	<u>1,234,989</u>	<u>1,210,792</u>
<b>Changes in net position:</b>					
Governmental activities .....	(80,627)	16,102	108,144	67,028	58,100
Business type activities .....	71,308	7,840	42,207	11,347	23,536
Total primary government .....	<u>\$ (9,319)</u>	<u>\$ 23,942</u>	<u>\$ 150,351</u>	<u>\$ 78,375</u>	<u>\$ 81,636</u>

Notes:

- (1) In 2017, the TIAA Bank Field, Veterans Memorial Arena, Baseball Stadium, Performing Arts, Convention Center, and Ritz Theater Funds were combined into the Venues Fund.
- (2) 2017 amounts were restated for GASB 75 implementation

(continued)

<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ (1,091,962)	\$ (1,112,702)	\$ (1,169,552)	\$ (998,849)	\$ (1,076,090)
<u>(29,710)</u>	<u>(34,545)</u>	<u>(33,954)</u>	<u>(57,981)</u>	<u>(62,593)</u>
<u>(1,121,672)</u>	<u>(1,147,247)</u>	<u>(1,203,506)</u>	<u>(1,056,830)</u>	<u>(1,138,683)</u>
444,219	463,680	498,507	493,171	474,381
123,785	123,132	127,955	126,653	118,453
172,430	164,827	161,943	158,062	162,295
7,129	7,396	7,447	8,052	7,928
127,561	160,793	172,571	170,687	166,923
106,688	104,188	101,688	99,188	96,961
5,884	40,329	18,844	57,454	73,326
38,851	40,624	43,037	39,842	-
40,627	33,249	35,693	26,626	29,028
-	(61,196)	-	-	-
28,970	-	-	-	-
<u>(4,020)</u>	<u>(21,861)</u>	<u>(23,087)</u>	<u>(35,534)</u>	<u>(30,199)</u>
<u>1,092,124</u>	<u>1,055,161</u>	<u>1,144,598</u>	<u>1,144,201</u>	<u>1,099,096</u>
294	4,025	2,127	5,770	8,237
12,385	11,692	11,134	10,965	10,875
17,081	11,926	12,533	10,954	20,400
<u>4,020</u>	<u>21,861</u>	<u>23,087</u>	<u>35,534</u>	<u>30,199</u>
<u>33,780</u>	<u>49,504</u>	<u>48,881</u>	<u>63,223</u>	<u>69,711</u>
<u>1,125,904</u>	<u>1,104,665</u>	<u>1,193,479</u>	<u>1,207,424</u>	<u>1,168,807</u>
162	(57,541)	(24,954)	145,352	23,006
<u>4,070</u>	<u>14,959</u>	<u>14,927</u>	<u>5,242</u>	<u>7,118</u>
<u>\$ 4,232</u>	<u>\$ (42,582)</u>	<u>\$ (10,027)</u>	<u>\$ 150,594</u>	<u>\$ 30,124</u>

**CITY OF JACKSONVILLE, FLORIDA**  
**FUND BALANCES OF GOVERNMENTAL FUNDS (in thousands)**  
**LAST TEN FISCAL YEARS**  
**(modified accrual basis of accounting)**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>General Fund</b>										
<b>Non Spendable:</b>										
Non Spendable.....	\$ 3,161	\$ 3,165	\$ 3,273	\$ 4,120	\$ 4,186	\$ 4,189	\$ 5,115	\$ 5,149	\$ 6,604	\$ 6,259
<b>Spendable:</b>										
Restricted.....	2,599	2,052	2,287	-	-	-	-	-	-	-
Committed.....	98,806	101,206	93,999	58,646	63,646	70,248	69,965	60,012	58,921	62,846
Assigned.....	15,147	14,059	11,122	15,574	23,978	3,656	2,903	1,962	2,766	3,114
Unassigned.....	146,431	89,933	97,302	98,659	90,488	97,118	72,138	61,798	41,774	37,962
<b>Total General Fund .....</b>	<u>\$ 266,144</u>	<u>\$ 210,415</u>	<u>\$ 207,983</u>	<u>\$ 176,999</u>	<u>\$ 182,298</u>	<u>\$ 175,211</u>	<u>\$ 150,121</u>	<u>\$ 128,921</u>	<u>\$ 110,065</u>	<u>\$ 110,181</u>
<b>All other Governmental funds</b>										
<b>Non Spendable:</b>										
Non Spendable.....	\$ 1,688	\$ 283	\$ 284	\$ 123	\$ 125	\$ 225	\$ 224	\$ 124	\$ 127	\$ 123
<b>Spendable:</b>										
Restricted.....	190,253	195,813	198,229	190,769	188,687	196,855	241,181	296,901	329,146	221,416
Committed.....	335,847	277,657	257,935	275,258	223,832	213,314	218,283	246,415	214,964	224,657
Assigned.....	-	1	-	-	-	1,860	2,653	2,079	3,215	8,764
Unassigned.....	(52,467)	(7,370)	(348)	(11,960)	(14,048)	-	(3,671)	(200)	-	(34,264)
<b>Total all other governmental funds .</b>	<u>\$ 475,321</u>	<u>\$ 466,384</u>	<u>\$ 456,100</u>	<u>\$ 454,190</u>	<u>\$ 398,596</u>	<u>\$ 412,254</u>	<u>\$ 458,670</u>	<u>\$ 545,319</u>	<u>\$ 547,452</u>	<u>\$ 420,696</u>



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**CITY OF JACKSONVILLE, FLORIDA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (in thousands)**  
**LAST TEN FISCAL YEARS**  
**(modified accrual basis of accounting)**

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
<b>Revenue</b>				
Property taxes.....	\$ 626,382	\$ 586,122	\$ 557,917	\$ 527,754
Utility service taxes.....	123,140	120,692	123,118	124,006
Sales and tourist taxes.....	223,824	209,928	201,906	194,148
Local business taxes.....	7,091	7,081	7,172	7,324
Licenses, permits, and fees.....	68,248	65,340	62,042	57,454
Intergovernmental.....	263,471	294,347	269,190	256,336
Charges for services.....	110,972	101,480	93,544	89,351
Fines and forfeitures.....	6,490	7,102	7,542	6,602
JEA contribution.....	116,620	115,823	114,188	111,688
Payment in lieu of taxes.....	-	-	-	-
Investment earnings.....	5,656	11,758	20,243	6,602
Other.....	47,501	40,711	36,466	32,805
<b>Total Revenue.....</b>	<b>1,599,395</b>	<b>1,560,384</b>	<b>1,493,328</b>	<b>1,414,070</b>
<b>Expenditures</b>				
General government.....	153,148	171,734	147,658	143,516
Human services.....	120,240	112,194	112,234	107,035
Public safety.....	710,229	713,466	645,270	630,540
Culture and recreation.....	76,528	73,144	70,627	68,093
Transportation.....	159,404	157,092	153,249	140,616
Economic environment.....	57,063	53,992	43,546	43,556
Physical environment.....	31,554	37,192	36,590	28,600
Capital outlay.....	61,665	67,173	50,507	54,128
Debt service:				
Principal.....	102,473	93,671	104,369	94,563
Interest and fiscal charges.....	85,091	87,773	90,593	95,820
Other.....	405	512	5,094	1,515
<b>Total Expenditures.....</b>	<b>1,557,800</b>	<b>1,567,943</b>	<b>1,459,737</b>	<b>1,407,982</b>
<b>Excess of Revenue Over</b>				
<b>(Under) Expenditures.....</b>	<b>41,595</b>	<b>(7,559)</b>	<b>33,591</b>	<b>6,088</b>
<b>Other Financing Sources (Uses):</b>				
Long term debt issued.....	43,973	35,636	5,931	60,720
Refunding bond issued.....	-	42,055	371,144	61,401
Premium on special obligation bonds payable.....	-	9,871	41,072	11,001
Discount on special obligation bonds payable.....	-	-	-	-
Payment to escrow agent - refunded bonds.....	-	(50,821)	(403,225)	(71,915)
Transfers in.....	247,967	199,384	223,970	213,114
Transfers out.....	(268,865)	(215,742)	(238,743)	(230,114)
<b>Total Other Financing Sources(Uses):</b>	<b>23,075</b>	<b>20,383</b>	<b>149</b>	<b>44,207</b>
<b>Special Item:</b>				
Repeal of Jacksonville Economic Development Commission.....	-	-	-	-
<b>Net Changes in Fund Balances</b>	<b>\$ 64,670</b>	<b>\$ 12,824</b>	<b>\$ 33,740</b>	<b>\$ 50,295</b>
Change in Inventory of Supplies.....	(4)	(108)	(846)	-
<b>Debt Service as Percentage of NonCapital Expenditures</b>	<b>12.63%</b>	<b>12.11%</b>	<b>13.84%</b>	<b>13.99%</b>

	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
\$	502,624	\$ 444,219	\$ 463,680	\$ 498,507	\$ 493,171	\$ 474,381
	122,733	123,785	123,132	127,955	126,878	118,453
	180,964	172,430	164,827	161,943	158,062	162,295
	7,085	7,129	7,396	7,447	8,052	7,928
	52,960	49,959	50,198	43,405	39,842	38,846
	243,528	241,981	249,177	272,446	268,008	263,316
	101,259	95,178	105,405	117,749	112,563	112,013
	4,947	4,165	4,427	4,136	5,095	5,152
	109,188	106,688	104,188	101,688	99,188	96,688
	-	-	-	-	-	-
	17,871	6,621	34,698	14,927	48,495	62,593
	48,543	36,998	30,428	31,432	27,996	29,031
	<u>1,391,702</u>	<u>1,289,153</u>	<u>1,337,556</u>	<u>1,381,635</u>	<u>1,387,350</u>	<u>1,370,696</u>
	143,390	152,308	163,217	171,391	180,259	167,245
	105,802	102,051	110,779	107,895	112,792	107,309
	604,160	570,893	527,047	553,746	553,756	527,027
	65,651	63,100	53,763	63,151	67,352	64,076
	133,893	133,075	140,422	148,793	163,768	144,298
	42,807	47,184	67,672	117,876	70,626	66,713
	27,020	18,253	20,930	29,314	21,726	24,945
	87,538	78,354	121,541	196,145	243,601	273,518
	88,070	81,776	76,148	82,942	61,777	79,554
	98,924	102,032	103,885	90,673	84,325	89,339
	1,731	4,294	7,505	4,710	8,536	2,846
	<u>1,398,986</u>	<u>1,353,320</u>	<u>1,392,909</u>	<u>1,566,636</u>	<u>1,568,518</u>	<u>1,546,870</u>
	<u>(7,284)</u>	<u>(64,167)</u>	<u>(55,353)</u>	<u>(185,001)</u>	<u>(181,168)</u>	<u>(176,174)</u>
	18,044	13,603	2,349	210,758	319,680	166,858
	-	287,888	491,905	79,220	-	18,200
	-	41,542	46,925	18,481	19,543	7,904
	-	(159)	-	-	-	-
	-	(324,201)	(529,833)	(85,238)	-	(18,622)
	197,372	183,089	205,055	174,192	181,638	196,914
	<u>(214,703)</u>	<u>(187,891)</u>	<u>(226,497)</u>	<u>(195,689)</u>	<u>(212,543)</u>	<u>(232,049)</u>
	<u>713</u>	<u>13,871</u>	<u>(10,096)</u>	<u>201,724</u>	<u>308,318</u>	<u>139,205</u>
	-	28,970	-	-	-	-
\$	<u>(6,571)</u>	<u>(21,326)</u>	<u>(65,449)</u>	<u>16,723</u>	<u>127,150</u>	<u>(36,969)</u>
	-	-	-	-	-	-
	14.12%	14.23%	14.10%	12.48%	10.84%	13.04%



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**STATISTICAL SECTION – REVENUE CAPACITY**

**CITY OF JACKSONVILLE, FLORIDA**  
**ASSESSED AND ESTIMATED ACTUAL VALUES OF TAXABLE PROPERTY**  
**LAST 10 YEARS (in thousands) (unaudited)**

<b>Year</b>	<b>Real Property</b>					<b>Centrally Assessed Property (1)</b>
	<b>Residential Real Property</b>	<b>Commercial Real Property</b>	<b>Industrial Real Property</b>	<b>Other Real Property</b>	<b>Personal Property</b>	
2009	39,265,137	16,929,605	4,317,968	7,025,130	11,570,293	200,236
2010	44,839,547	18,085,667	4,507,151	7,994,713	12,081,891	197,806
2011	40,194,453	16,584,154	4,217,089	8,303,924	12,283,738	141,080
2012	36,146,776	15,706,066	3,786,599	7,955,092	12,241,838	158,707
2013	32,988,302	15,589,684	3,728,970	7,989,623	12,562,483	161,349
2014	31,587,050	15,532,668	3,962,211	8,243,727	12,907,988	162,447
2015	34,047,629	16,841,558	3,981,164	8,404,475	15,280,372	172,360
2016	36,523,696	17,390,055	4,019,960	8,328,020	15,068,570	172,784
2017	38,774,889	18,069,547	4,112,975	8,373,290	14,239,152	179,254
2018	41,768,006	19,153,619	4,244,834	8,496,732	15,487,993	199,620

(1) Centrally assessed property is primarily railroad property and private car line property, which must be separately assessed.

(2) Estimated actual values are the total "just" values or property subject to taxation, as defined by Section 193.011 of the Florida Statutes.

Source: Property Appraiser's Office

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<b>Less: Tax Exempt Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Values (2)</b>	<b>Assessed as a Percentage of Actual Values</b>
23,804,210	55,504,160	8.4841	91,002,440	60.99%
34,507,969	53,198,806	9.2727	87,706,774	60.66%
32,283,447	49,440,991	10.0353	81,724,438	60.50%
30,066,283	45,927,695	10.0353	75,993,978	60.44%
29,281,387	43,739,023	10.0353	73,020,410	59.90%
29,249,565	43,146,527	11.4419	72,396,092	59.60%
33,456,738	45,270,814	11.4419	78,727,557	57.50%
34,219,134	47,579,191	11.4419	81,798,325	58.17%
34,115,297	49,946,100	11.4419	84,061,397	59.42%
36,464,975	53,213,500	11.4419	89,678,474	59.34%

(continued)

**CITY OF JACKSONVILLE, FLORIDA**  
**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS**  
**LAST TEN FISCAL YEARS (Per \$1,000 of Assessed Value) (unaudited)**

Year	City of Jacksonville				Overlapping Rates			
	District (Note 1)	Operating Millage	Debt Service Millage	Total City Millage	Other Taxing Authorities			Combined Millage Total
					Total School Millage	Water Management District Millage	FIND Millage (Note 2)	
2009	GSD	8.4841	0.0000	8.4841	7.5610	0.4158	0.0345	16.4954
2010	GSD	9.2727	0.0000	9.2727	7.5820	0.4158	0.0345	17.3050
2011	GSD	10.0353	0.0000	10.0353	7.8440	0.4158	0.0345	18.3296
2012	GSD	10.0353	0.0000	10.0353	7.5530	0.3313	0.0345	17.9541
2013	GSD	10.0353	0.0000	10.0353	7.6000	0.3313	0.0345	18.0011
2014	GSD	11.4419	0.0000	11.4419	7.3880	0.3283	0.0345	19.1927
2015	GSD	11.4419	0.0000	11.4419	7.1170	0.3023	0.0320	18.8932
2016	GSD	11.4419	0.0000	11.4419	6.8020	0.2885	0.0320	18.5644
2017	GSD	11.4419	0.0000	11.4419	6.4850	0.2724	0.0320	18.2313
2018	GSD	11.4419	0.0000	11.4419	6.2930	0.2562	0.0320	18.0231

(1) The GSD (General Services District) is the most prevalent millage rate. The GSD applies to most taxpayers and is in effect a county-wide rate.

(2) Florida Inland Navigational District

Source: Property Appraiser's Office



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**CITY OF JACKSONVILLE, FLORIDA  
 PRINCIPAL PROPERTY TAXPAYERS  
 CURRENT AND NINE YEARS AGO (unaudited)**

Taxpayer	Type of Business	2018		
		Valuation	Rank	Percentage
Vistakon/Johnson & Johnson Vision.....	Manufacturing	\$ 426,067,407	1	0.67%
Anheuser Busch/Metal Container Corp.....	Manufacturing	351,423,250	2	0.55%
AT&T/Bellsouth Communications.....	Communications	320,348,199	3	0.50%
St Johns Town Center LLC.....	Retail	318,755,515	4	0.50%
Wal-Mart Properties/Stores.....	Retail	220,617,531	5	0.35%
Mid America Apartment Communities.....	Real Estate Mgmt/Development	212,661,165	6	0.33%
Blue Cross & Blue Shield.....	Insurance	199,711,392	7	0.31%
Stone Mountain/Gwinnett Industrial Inc.....	Distribution Center	195,963,497	8	0.31%
Beemer & Associates.....	Real Estate Mgmt/Development	190,693,867	9	0.30%
Amazon.com.....	Online Retail	170,040,759	10	0.27%
FDG Properties/Flagler Development Company.....	Real Estate Mgmt/Development	-	-	-
Liberty Property Limited Partnership.....	Real Estate Mgmt/Development	-	-	-
Winn-Dixie Stores/ZSF WD Jacksonville.....	Retail	-	-	-
Total Taxable Assessed Value of 10 Largest Taxpayers.....		\$ 2,606,282,582		4.09%
Total Taxable Assessed Value of Other Taxpayers .....		61,070,599,057		95.91%
Total Taxable Assessed Value of All Taxpayers .....		\$ 63,676,881,639		100.00%

Source: Tax Collector's Office

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<b>2009</b>		
<u>Valuation</u>	<u>Rank</u>	<u>Percentage</u>
\$ 229,751,890	5	0.39%
311,666,543	2	0.53%
393,189,795	1	0.67%
253,749,134	4	0.43%
219,472,203	6	0.38%
212,346,045	7	0.36%
206,484,550	8	0.35%
286,501,028	3	0.49%
170,172,370	9	0.29%
169,047,935	10	0.29%
<hr/>		
\$ 2,452,381,493		4.20%
55,930,098,702		95.80%
<u>\$ 58,382,480,195</u>		<u>100.00%</u>

(continued)

**CITY OF JACKSONVILLE, FLORIDA  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS (unaudited)**

<b>Fiscal Year Ended Sept. 30</b>		<b>Taxes Levied for the Fiscal year (1)</b>	<b>Collected within the Fiscal Year of the Levy</b>	
			<b>Amount</b>	<b>Percentage of Levy</b>
2008	General Fund - General Services District (2)	\$ 480,223,601	\$ 478,018,859	99.5%
2009	General Fund - General Services District (2)	\$ 478,948,728	\$ 476,188,360	99.4%
2010	General Fund - General Services District	\$ 497,900,724	\$ 493,688,968	99.2%
2011	General Fund - General Services District	\$ 505,368,958	\$ 500,440,998	99.0%
2012	General Fund - General Services District	\$ 468,994,952	\$ 466,200,537	99.4%
2013	General Fund - General Services District	\$ 447,266,774	\$ 445,217,626	99.5%
2014	General Fund - General Services District	\$ 507,188,920	\$ 503,707,320	99.3%
2015	General Fund - General Services District	\$ 532,856,955	\$ 529,934,810	99.5%
2016	General Fund - General Services District	\$ 561,708,397	\$ 560,315,189	99.8%
2017	General Fund - General Services District	\$ 592,864,612	\$ 591,773,194	99.8%
2018	General Fund - General Services District	\$ 631,313,811	\$ 630,756,806	99.9%

(1) Tax levies are final certified amounts net of discounts allowed. The discount schedule is as follows:

For taxes paid in:

- November - 4%
- December - 3%
- January - 2%
- February - 1%

(2) Correction made to amounts previously reported to reflect taxes levied amount net of discounts.

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<b>Collections in Subsequent Years</b>	<b>Total Collections to date</b>	
	<b>Amount</b>	<b>Percentage of Levy</b>
\$ 1,752,248	\$ 479,771,107	99.9%
\$ 2,160,938	\$ 478,349,298	99.9%
\$ 2,107,860	\$ 495,796,828	99.6%
\$ 2,752,257	\$ 503,193,255	99.6%
\$ 2,537,374	\$ 468,737,911	99.9%
\$ 3,259,391	\$ 448,477,017	100.3%
\$ 2,717,969	\$ 506,425,289	99.8%
\$ 2,499,217	\$ 532,434,027	99.9%
\$ 1,617,712	\$ 561,932,901	100.0%
\$ 1,521,130	\$ 593,294,324	100.1%
\$ -	\$ 630,756,806	99.9%

(continued)



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**STATISTICAL SECTION – DEBT CAPACITY**

**CITY OF JACKSONVILLE, FLORIDA**  
**RATIO OF OUTSTANDING DEBT BY TYPE**  
**TO PERSONAL INCOME AND PER CAPITA**  
**LAST TEN YEARS**  
*(dollars in thousands, except per capita)*

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<b>Fiscal Year</b>	<b>Revenue Bonds Payable from General Fund</b>	<b>Notes Payable from General Fund</b>	<b>Revenue Bonds Payable from BJP Revenues</b>	<b>Notes Payable from BJP Revenues</b>	<b>Notes and Bonds Payable from Internal Services Fund</b>	<b>Capitalized Lease Obligations</b>
<b>2009</b>	771,550	5,790	1,178,193	60,719	156,643	313
<b>2010</b>	826,574	4,845	1,256,964	65,872	250,713	-
<b>2011</b>	869,266	3,900	1,316,408	62,511	291,154	-
<b>2012</b>	828,572	2,875	1,315,267	57,447	273,813	-
<b>2013</b>	754,432	1,840	1,290,036	52,311	273,588	-
<b>2014</b>	719,978	785	1,249,005	47,055	249,875	-
<b>2015</b>	677,328	210	1,202,745	41,675	289,670	-
<b>2016</b>	640,708	-	1,137,345	36,176	285,822	-
<b>2017</b>	594,709	-	1,079,780	30,549	348,201	-
<b>2018</b>	549,698	-	1,036,880	24,788	375,909	-

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<b>Fiscal Year</b>	<b>Revenue Bonds</b>	<b>Total Primary Government</b>	<b>Percentage of Personal Income</b>	<b>Per Capita</b>	<b>Less Unamortized Discount/Premium</b>	<b>Adjusted Primary Government</b>	<b>Percentage of Personal Income</b>	<b>Per Capita</b>
<b>2009</b>	341,887	2,515,095	7.97%	2,930.35	21,966	2,537,061	8.04%	2,955.95
<b>2010</b>	326,143	2,731,111	8.37%	3,160.05	55,168	2,786,279	8.54%	3,223.88
<b>2011</b>	313,015	2,856,254	8.35%	3,303.55	76,368	2,932,622	8.57%	3,391.88
<b>2012</b>	287,423	2,765,397	7.77%	3,179.61	127,039	2,892,436	8.13%	3,325.68
<b>2013</b>	257,674	2,629,881	7.41%	3,001.89	182,615	2,812,496	7.93%	3,210.34
<b>2014</b>	272,123	2,538,821	6.85%	2,852.59	168,658	2,707,479	7.30%	3,042.09
<b>2015</b>	281,400	2,493,028	6.53%	2,752.98	170,900	2,663,928	6.97%	2,941.70
<b>2016</b>	271,198	2,371,249	6.01%	2,567.27	200,489	2,571,738	6.52%	2,784.33
<b>2017</b>	256,248	2,309,487	5.55%	2,465.26	209,894	2,519,381	6.06%	2,689.32
<b>2018</b>	249,557	2,236,832	n/a	2,347.49	202,578	2,439,410	n/a	2,560.09

(1) Source: Office of Economic and Demographic Research.

(2) Population figures have been restated utilizing 2010 Census data.  
Source: Office of Economic and Demographic Research.

(continued)



**CITY OF JACKSONVILLE, FLORIDA**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**as of September 30, 2018**

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<u>Governmental Unit</u>	<u>Net General Obligation Bonds (1)</u>	<u>Estimated Percentage Applicable (2)</u>	<u>Estimated Share of Overlapping Debt</u>
<b>Debt Repaid with Property Taxes</b>			
Duval County School Board - Bonds	\$ 130,000	100.000%	\$ 130,000
Duval County School Board - Certificate of Participation	\$ 385,723,624	100.000%	385,723,624
<b>Subtotal, Overlapping Debt</b>			<u>\$ 385,853,624</u>
<b>City Direct Debt:</b>			
Government Activities	\$ 2,160,216	100.000%	<u>2,160,216</u>
<b>Total Direct and Overlapping Debt</b>			<u><u>\$ 388,013,840</u></u>

(1) The net general obligation debt outstanding includes debt which is secured by the District to levy taxes on real estate less amounts available in debt service funds.

(2) The applicable percentage is based on the District's geographical boundaries within Duval County.

Source: Duval County Public Schools - Business Services

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**CITY OF JACKSONVILLE, FLORIDA**  
**LEGAL DEBT MARGIN INFORMATION**  
**as of September 30, 2018**

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The amount of debt the City of Jacksonville can issue is not limited by either the City of Jacksonville charter or code, nor the Florida State Statutes.



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**CITY OF JACKSONVILLE, FLORIDA**  
**PLEDGED REVENUE COVERAGE**  
**LAST TEN YEARS**  
*(dollars in thousands)*

**Excise Tax Revenue Bonds**

<b>Fiscal Year</b>	<b>Utility Service Taxes</b>	<b>Fuel Oil Taxes</b>	<b>Occupational License Taxes</b>	<b>Gross Available Revenues</b>	<b>Debt Service</b>		<b>Coverage</b>
					<b>Principal</b>	<b>Interest</b>	
<b>2009</b>	111,634	90	7,928	119,652	26,435	19,846	2.59 x
<b>2010</b>	120,333	24	7,867	128,224	21,616	21,463	2.98 x
<b>2011</b>	121,931	45	7,394	129,370	27,386	20,837	2.68 x
<b>2012</b>	117,206	28	7,356	124,591	23,407	20,604	2.83 x
<b>2013</b>	117,939	33	7,129	125,101	19,458	13,310	3.82 x
<b>2014</b>	117,311	34	7,085	124,430	17,048	12,713	4.18 x
<b>2015</b>	118,546	27	7,324	125,897	17,048	10,684	4.54 x
<b>2016</b>	118,203	24	7,172	125,399	17,079	8,552	4.89 x
<b>2017</b>	116,017	20	7,081	123,118	12,695	2,584	8.06 x
<b>2018</b>	118,340	25	7,091	125,456	7,505	2,128	13.02 x

**Capital Improvement Revenue Bonds**

Franchise Fees	Communication Services Taxes	Sports Facility Sales Tax Rebate	Convention Development Tax (2%)	Sports Facility		Gross Available Revenues	Debt Service		Coverage
				Tourist Development Tax (2%)			Principal	Interest	
1,349	6,726	2,000	4,366	4,675	19,117	4,005	7,453	1.67 x	
1,351	6,522	2,000	4,238	4,561	18,672	4,140	7,317	1.63 x	
1,293	5,980	2,000	4,403	4,731	18,407	4,325	7,132	1.61 x	
1,272	5,896	2,000	4,670	5,022	18,860	4,525	6,935	1.65 x	
1,247	5,813	2,000	4,995	5,390	19,445	3,855	4,334	2.37 x	
1,399	5,388	2,000	5,502	5,892	20,181	4,895	4,340	2.19 x	
1,413	5,433	2,000	6,004	6,538	21,388	4,895	5,266	2.10 x	
1,198	4,891	2,000	6,687	7,217	21,993	5,040	5,118	2.17 x	
1,356	4,655	2,000	7,254	7,790	23,055	5,240	4,937	2.27 x	
1,459	4,775	2,000	7,981	8,569	24,784	5,435	4,696	2.45 x	

(continued)

**CITY OF JACKSONVILLE, FLORIDA**  
**PLEDGED REVENUE COVERAGE**  
**LAST TEN YEARS**  
*(dollars in thousands)*

<b>Capital Project Revenue Bonds</b>						
<b>Fiscal Year</b>	<b>JEA</b>	<b>JEA</b>	<b>Gross Available Revenues</b>	<b>Debt Service</b>		<b>Coverage</b>
	<b>Contribution - Electric Services</b>	<b>Contribution - Water and Sewer</b>		<b>Principal</b>	<b>Interest</b>	
<b>2009</b>	76,094	20,593	96,688	2,680	1,581	22.69 x
<b>2010</b>	79,008	20,180	99,188	2,810	474	30.20 x
<b>2011</b>	81,922	19,766	101,688	3,440	898	23.44 x
<b>2012</b>	83,038	21,150	104,188	2,610	1,932	22.94 x
<b>2013</b>	83,969	22,719	106,688	3,240	1,855	20.94 x
<b>2014</b>	87,318	21,870	109,188	3,240	1,789	21.71 x
<b>2015</b>	90,109	21,579	111,688	3,390	1,729	21.82 x
<b>2016</b>	91,720	22,468	114,188	3,560	1,763	21.45 x
<b>2017</b>	92,271	23,552	115,823	4,150	988	22.54 x
<b>2018</b>	91,472	25,148	116,620	3,920	1,266	22.49 x

(continued)

<b>Local Government Sales Tax Revenue Bonds</b>				<b>Better Jacksonville Infrastructure Sales Tax Bonds</b>			
<b>Local Government 1/2 Cent Sales Tax</b>	<b>Debt Service</b>		<b>Coverage</b>	<b>Infrastructure Sales Tax</b>	<b>Debt Service</b>		<b>Coverage</b>
	<b>Principal</b>	<b>Interest</b>			<b>Principal</b>	<b>Interest</b>	
70,510	10,660	6,735	4.05 x	63,330	22,474	33,515	1.13 x
67,642	11,080	6,316	3.89 x	61,322	23,591	32,381	1.10 x
70,774	11,530	5,867	4.07 x	63,061	24,136	29,840	1.17 x
72,636	12,115	5,280	4.18 x	64,573	25,016	20,237	1.43 x
77,657	9,545	2,609	6.39 x	68,531	24,892	29,312	1.26 x
81,240	10,075	2,084	6.68 x	71,930	25,660	28,054	1.34 x
87,046	10,075	1,807	7.33 x	77,596	25,660	27,660	1.46 x
89,912	6,405	1,353	11.59 x	80,290	26,565	24,863	1.56 x
93,674	6,760	991	12.09 x	83,715	27,871	24,734	1.59 x
99,223	7,125	610	12.83 x	90,043	28,966	23,550	1.71 x

(continued)

**CITY OF JACKSONVILLE, FLORIDA**  
**PLEGDED REVENUE COVERAGE**  
**LAST TEN YEARS**  
*(dollars in thousands)*

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**Transportation Revenue Bonds (Better Jax)**

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<b>Fiscal Year</b>	<b>Transportation Sales Tax</b>	<b>Gas Tax (Constitutional Fuel Tax)</b>	<b>Gross Available Revenues</b>	<b>Debt Service</b>		<b>Coverage</b>
				<b>Principal</b>	<b>Interest</b>	
<b>2009</b>	65,132	8,693	73,825	7,495	21,054	2.59 x
<b>2010</b>	62,868	8,549	71,417	7,705	17,730	2.81 x
<b>2011</b>	65,189	8,392	73,581	20,240	17,816	1.93 x
<b>2012</b>	66,650	8,286	74,936	8,145	13,532	3.46 x
<b>2013</b>	70,532	8,155	78,687	20,240	18,668	2.02 x
<b>2014</b>	74,334	8,385	82,719	22,930	17,953	2.02 x
<b>2015</b>	80,097	8,743	88,840	22,930	17,713	2.19 x
<b>2016</b>	82,876	8,669	91,545	23,985	17,179	2.22 x
<b>2017</b>	86,872	9,084	95,956	26,550	20,579	2.04 x
<b>2018</b>	92,373	9,390	101,763	12,955	17,781	3.31 x

(continued)

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**Special Revenue Bonds (Covenant Pledge)**

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General Fund Revenues (1)	Exclusion of Ad Valorem Tax Revenue	Total Covenant Revenues (2)	Debt Service		Coverage (3)
			Principal	Interest	
959,147	(458,539)	500,608	535	2,477	166.18 x
976,476	(476,532)	499,944	7,099	12,723	25.22 x
984,034	(482,694)	501,340	9,551	27,555	13.51 x
954,602	(450,571)	504,031	24,031	33,914	8.70 x
924,728	(431,622)	493,106	26,324	39,828	7.45 x
1,012,919	(488,455)	524,464	30,990	44,227	6.97 x
1,016,728	(512,359)	504,369	30,990	45,178	6.62 x
1,069,321	(539,881)	529,440	41,020	46,765	6.03 x
1,106,522	(565,740)	540,782	52,420	42,574	5.69 x
1,161,149	(603,910)	557,239	58,195	45,650	5.37 x

(1) General Fund revenues are presented in more detail in the section titled Basic Financial Statements - Fund Level.

(2) Covenant Revenues are defined as revenues deposited to the credit of the City's General Fund derived from any source whatsoever that are legally available for the payment of the Special Revenue bond obligations, inclusive of operating transfers from other funds in to the General Fund, but exclusive of revenues derived from ad valorem taxation.

(3) The Series 2008 obligations were the first of the Special Revenue Bonds to be issued on September 28, 2008. The first interest payment date was April 1, 2009. Revenues and coverage is only presented from the first fiscal year in which principal and/or interest was paid.



**STATISTICAL SECTION – DEMOGRAPHIC AND ECONOMIC INFORMATION**

**CITY OF JACKSONVILLE, FLORIDA  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN FISCAL YEARS**

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<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Total Personal Income (thousands) (2)</b>	<b>Per Capita Personal Income</b>	<b>Median Age (1)</b>	<b>Educational Attainment Rate (3)</b>	<b>School Enrollment (4)</b>	<b>Unemployment rate (5)</b>
2009	858,291	\$ 32,584,235	\$ 37,964	35.5	26.10%	123,716	10.5%
2010	864,263	\$ 33,529,211	\$ 38,795	35.8	24.90%	124,044	10.4%
2011	864,601	\$ 34,685,340	\$ 40,117	35.8	25.50%	125,176	9.4%
2012	869,729	\$ 35,979,716	\$ 41,369	35.7	26.40%	126,078	7.6%
2013	876,075	\$ 37,580,871	\$ 42,897	36.1	27.40%	126,765	6.4%
2014	890,066	\$ 37,088,909	\$ 41,670	36.2	26.10%	127,630	6.0%
2015	905,574	\$ 37,743,087	\$ 41,679	36.3	29.00%	129,225	5.2%
2016	923,647	\$ 39,434,433	\$ 42,694	36.4	29.40%	128,723	5.0%
2017	936,811	\$ 41,594,654	\$ 44,400	36.5	28.70%	129,288	3.5%
2018	952,861	N/A	N/A	36.7	N/A	128,838	3.0%

**Source:**

- (1) Florida Office of Economic and Demographic Research
- (2) U.S. Bureau of Economic Analysis
- (3) U.S. Census Bureau
- (4) Duval County Public Schools, Budget Department
- (5) US Department of Labor - Bureau of Labor Statistics

**Notes:**

Population figures represent estimates for Duval County.  
 NA - Data was not available at the time of this report.  
 The educational attainment rate measures the percentage of the population 25 years and older with a bachelor's degree or higher.

**CITY OF JACKSONVILLE, FLORIDA  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

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**2018**

<b>EMPLOYER</b>	<b>Employees</b>	<b>Rank</b>	<b>% of Total City Employment</b>
Naval Air Station Jacksonville	19,800	1	4.09%
Duval County Public Schools	12,060	2	2.49%
Baptist Health	10,500	3	2.17%
Naval Station Mayport	9,000	4	1.86%
Bank of America Merrill Lynch	8,000	5	1.65%
City of Jacksonville	7,374	6	1.52%
Florida Blue	7,000	7	1.45%
Mayo Clinic	6,000	8	1.24%
Southeastern Grocers	5,700	9	1.18%
St. Vincent's HealthCare	5,300	10	1.10%
Total	<u>90,734</u>		<u>18.76%</u>

**2009**

<b>EMPLOYER</b>	<b>Employees</b>	<b>Rank</b>	<b>% of Total City Employment</b>
Naval Air Station Jacksonville	19,500	1	4.95%
Naval Air Station Mayport	15,293	2	3.88%
Duval County Public Schools	14,489	3	3.68%
Blue Cross & Blue Shield	9,000	4	2.29%
City of Jacksonville	8,014	5	2.04%
Publix Distribution Center	6,615	6	1.68%
Winn-Dixie	6,200	7	1.57%
Baptist Health	5,600	8	1.42%
Mayo Clinic	5,000	9	1.27%
CitiBank (Citi-Cards)	5,000	10	1.27%
Total	<u>94,711</u>		<u>24.06%</u>

Notes:

The above schedule presents the total number of employees for major employers and the percentage of overall employment each represent. For comparability, the source of the 2009 total employment of the City employment was modified.

Sources:

- Jacksonville Regional Chamber of Commerce
- City Annual Budget Document (City of Jacksonville figure only )



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**STATISTICAL SECTION – OPERATING INFORMATION**

**CITY OF JACKSONVILLE, FLORIDA**  
**CITY GOVERNMENT PERSONNEL DISTRIBUTION BY DEPARTMENT CLASSIFIED POSITIONS**  
**LAST 10 YEARS**

<b>Department</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
Office of the Sheriff	3,282	3,182	3,102	3,039	3,045	3,060	3,301	3,371	3,362	3,199
Fire and Rescue	1,346	1,303	1,304	1,304	1,305	1,305	1,300	1,325	1,339	1,338
Public Works	524	520	520	520	502	510	776	790	794	841
Intra-Governmental Services	-	-	313	314	315	323	459	513	-	-
Public Libraries	300	300	296	285	285	285	354	355	363	369
Park and Recreation	285	277	279	280	238	268	133	139	-	-
Neighborhoods	238	233	206	-	-	-	-	-	-	-
Tax Collector	226	226	226	226	226	227	235	244	244	223
Regulatory Compliance	-	-	-	206	212	212	243	246	-	-
Planning and Development	176	169	168	153	146	142	161	190	194	238
Property Appraiser	116	118	120	120	120	120	122	128	128	128
Finance	391	391	94	93	93	98	97	100	100	117
Office of Economic Development	12	13	56	56	82	80	84	88	-	-
City Council	83	82	79	79	79	77	78	82	82	82
General Counsel	71	66	63	62	62	62	70	71	74	77
Employee Services	51	50	50	50	50	54	11	12	-	-
Special Services	-	-	-	-	47	51	63	75	-	-
Jacksonville Children's Commission	38	38	38	38	37	38	44	49	50	52
Supervisor of Elections	31	31	33	33	35	35	35	34	34	35
Mayor's Office	28	28	32	35	34	28	35	37	24	16
Clerk of the Court	35	32	32	32	32	30	35	35	37	41
Medical Examiner	29	26	27	28	29	27	27	27	27	27
Office of Sports and Entertainment	19	19	18	18	-	-	-	-	-	-
Military Affairs, Veterans & Disabled Svcs	14	14	14	14	19	17	15	17	-	-
Inspector General	8	8	7	-	-	-	-	-	-	-
Courts	17	17	17	16	16	16	16	16	22	12
Human Rights Commission	7	6	6	6	9	10	12	13	17	17
Downtown Investment Authority	41	41	5	5	4	-	-	-	-	-
Advisory Boards	5	4	4	4	4	4	5	5	5	5
Jacksonville Housing & Finance Auth.	-	-	-	-	3	3	3	2	2	1
Office of Ethics, Compliance & Oversight	1	1	1	1	1	-	-	-	-	-
Central Operations	-	-	-	-	-	-	-	-	401	436
Environmental and Compliance	-	-	-	-	-	-	-	-	294	301
Recreation and Community Services	-	-	-	-	-	-	-	-	238	243
Information Technology	-	-	-	-	-	-	-	-	190	194
Jacksonville Economic Dev. Commission	-	-	-	-	-	-	-	-	17	18
Housing and Neighborhoods	-	-	-	-	-	-	-	-	4	4
	<b>7,374</b>	<b>7,195</b>	<b>7,110</b>	<b>7,017</b>	<b>7,030</b>	<b>7,082</b>	<b>7,714</b>	<b>7,964</b>	<b>8,042</b>	<b>8,014</b>

Source: City of Jacksonville - Budget's Annual Financial Plan- (Does not include part-time employees)

**CITY OF JACKSONVILLE, FLORIDA  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS**

Function/Program	FISCAL YEAR			
	2018	2017	2016	2015
<b>Police</b>				
Average daily calls received by JSO Communication.....	4,001	4,099	4,222	4,105
Average daily police calls for service .....	2,452	2,415	2,354	2,440
Traffic citations issued .....	94,991	92,803	78,688	78,472
Total sworn officers .....	1,768	1,668	1,628	1,603
Total civilians .....	1,508	1,509	1,468	1,430
Average daily population by institution:				
John E Goode Pretrial Detention Facility .....	2,171	2,159	2,541	2,650
James I. Montgomery Correctional Center .....	546	521	503	560
Community Corrections Division .....	191	244	272	252
<b>Fire/Rescue</b>				
Fire incidents .....	17,075	18,919	16,244	15,427
Rescue incidents .....	130,648	122,895	126,365	116,730
Rescue transports .....	83,829	83,755	82,553	81,420
Fire /Rescue Communication(9-1-1)				
No. of calls for emergency assistance .....	121,515	123,753	118,780	110,797
Fire prevention				
No. of inspections .....	16,054	14,894	21,622	15,644
No. of public education participants .....	91,828	638	67,768	85,000
<b>Solid Waste</b>				
Refuse collections (tons per day) .....	2,536	2,476	2,348	2,335
Recyclables collected(tons per day) .....	533	539	502	451
<b>Motor Vehicle</b>				
Number of vehicles inspected .....	9,470	8,645	9,900	9,450
<b>Animal Care and Control</b>				
Complaints received .....	30,605	22,714	21,641	22,742
Animals impounded .....	11,087	12,642	11,849	11,358
License tags dispensed .....	67,815	67,211	88,931	63,274
<b>Housing</b>				
Community Development Block Grant(CDBG)				
Limited Repair Program .....	0	0	18	21
Utility top-in Program .....	0	0	47	45
Home Ownership Made Easy(HOME)				
Head Start Homeownership .....	36	0	40	40
Substantial Rehab (Owner Occupied) .....	60	31	17	N/A
Elderly Relocation/New Construction .....	0	0	N/A	N/A
Targeted Redevelopment.....	4	0	15	18
State Housing Initiative Partnership(SHIP)				
Home Owner Rehabilitation .....	38	24	27	27
Head Start Homeownership .....	75	66	71	71
Targeted Redevelopment.....	N/A	N/A	N/A	8
Special Needs Housing Rehab.....	88	N/A	10	15
Housing Development for Ownership .....	0	12	N/A	N/A
SHIP Rental Rehabilitation .....	50	150	4	4
Neighborhood Stabilization Program 3 (NSP3)				
Home Rental Rehabilitation.....	0	0	N/A	40
Home Ownership Units .....	0	0	4	4

Notes: N/A=Statistical Information is not available

<b>FISCAL YEAR</b>					
<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
4,028	4,092	4,192	3,992	4,138	4,289
2,463	2,446	2,617	2,833	2,728	2,893
91,644	82,408	95,594	118,263	128,152	154,806
1,603	1,603	1,603	1,726	1,790	1,751
1,436	1,439	1,441	1,631	1,637	1,552
2,583	2,474	2,738	2,949	2,825	2,692
645	595	649	737	620	659
247	266	303	308	313	295
14,703	20,836	20,061	21,333	18,991	19,251
100,843	98,254	93,741	90,182	92,287	90,851
73,290	73,041	73,441	57,162	59,527	53,700
115,546	116,209	113,802	115,180	115,204	110,102
21,599	19,442	12,952	8,642	7,329	5,717
85,000	70,580	140,508	56,875	56,312	75,655
2,337	2,258	2,255	2,254	2,324	2,360
312	312	388	366	433	452
9,760	9,526	9,166	10,282	10,274	10,607
24,452	28,770	28,728	26,564	30,112	24,849
11,257	15,419	16,544	18,029	19,877	25,377
66,084	74,258	70,977	45,763	24,087	86,236
15	48	64	68	44	30
31	47	69	85	103	37
46	85	116	107	136	160
N/A	N/A	N/A	N/A	N/A	N/A
1	N/A	N/A	N/A	N/A	N/A
16	N/A	N/A	N/A	N/A	N/A
N/A	2	17	42	67	62
50	N/A	N/A	N/A	N/A	N/A
31	N/A	N/A	N/A	N/A	N/A
240	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
N/A	2	N/A	N/A	N/A	N/A
7	9	N/A	N/A	N/A	N/A



**CITY OF JACKSONVILLE, FLORIDA  
OPERATING INDICATORS BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS (continued)**

Function/Program	FISCAL YEAR			
	2018	2017	2016	2015
<b>Parks and Recreations</b>				
Pool Attendance .....	344,456	389,973	432,665	496,693
Camp Attendance .....	1393	1057	703	700
Swimming lessons (children) .....	16,763	15,376	8,654	7,456
Permits issued(Athletic, special use, picnic) .....	3,837	3,590	4,756	3,524
Cecil Attendance .....	133,516	124,374	120,390	232,547
Athletic volunteers total hours of service .....	760,060	715,185	764,627	740,949
<b>Kids Hope Alliance</b>				
Early Learning Coalition-Child Care Service .....	N/A	N/A	N/A	N/A
Child Abuse Prevention Healthy Families No. of Children Served*	1,204	1,307	1,092	1,146
Team UP Programs .....	9,993	9,206	8,736	8,255
Community Based After School Programs .....	3,056	2,405	2,639	2,713
Healthy Kids and Kidcare .....	N/A	N/A	N/A	600
Summer Camp Seats.....	7,911	7,251	7,829	5,715
<b>Summer Lunch Program</b>				
Lunches served daily .....	198,502	217,770	237,279	254,856
Snacks served daily .....	180,697	195,737	215,030	22,378
Number of Sites .....	158	172	184	182
Number of days served .....	49	44	44	44
<b>After School Food Program</b>				
Snacks served annually	318,400	334,261	409,513	379,415
Suppers served annually	788,222	577,457	736,118	656,469
Number of sites	158	79	63	62
<b>Early Literacy</b>				
JaxKids Book Club** .....	9,778	9,106	9,635	9,807
Others .....	4,603	5,782	5,782	3,687
<b>Workforce Development Training Institute .....</b>				
Background Screenings	N/A	N/A	702	914
Participants Trained (New)	1,092	2,213	2,908	N/A
<b>Mentoring</b>				
No. of children linked with a mentor	601	750	1,074	1,402
No. of children receiving mental health svcs	3,339	3,407	3,483	1,323
No. of children receiving community based mental health svcs	668	924	1,008	832
<b>Library</b>				
Programs .....	14,676	14,455	13,669	10,924
Gate count .....	3,120,911	3,403,267	3,435,036	3,366,944
Circulation .....	4,770,548	5,110,204	5,734,938	5,913,850

Source: City of Jacksonville Annual Financial plan  
Various City Departments

Notes: N/A=Statistical Information is not available

\*New Grant Began in 2017

\*\*Name changed from Mayor Peyton's Book Club to JaxKids Book Club

<b>FISCAL YEAR</b>					
<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
355,743	477,753	430,873	342,402	435,211	653,606
880	2,432	1,889	1,502	1,959	2,323
2,903	2,545	2,430	2,865	3,607	5,588
3,999	3,508	3,153	3,298	3,289	3,028
226,352	239,833	259,792	260,737	428,929	331,691
761,871	717,818	893,253	710,161	728,006	776,570
N/A	N/A	12,986	10,399	12,559	12,507
1,125	1,091	1,305	1,454	1,812	1,918
8,069	7,766	7,926	7,471	7,413	6,701
2,411	2,264	2,209	2,511	2,144	2,440
69	N/A	N/A	25	47	24
5,964	6,151	6,137	5,919	5,830	5,979
241,083	249,252	232,923	231,836	285,924	308,900
197,743	207,856	192,358	190,740	254,490	264,935
179	185	174	167	173	185
44	44	44	44	44	49
332,182	379,924	328,727	304,911	248,061	457,503
631,273	639,534	649,064	655,905	574,811	382,932
60	56	48	43	42	42
10,353	10,353	10,535	10,219	10,180	9,766
6,324	6,106	10,364	10,290	5,502	5,856
2,101	6,578	6,303	6,724	5,745	4,388
816	1,181	1,137	883	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A
1,134	993	989	1,402	1,395	1,157
1,494	1,490	1,271	1,226	1,240	1,301
867	750	885	999	2,472	2,053
10,919	8,992	11,268	11,166	10,694	12,628
3,467,582	3,912,717	4,551,279	4,863,746	5,029,115	5,257,939
6,513,057	7,172,084	8,396,991	8,747,754	9,087,192	9,156,597

**CITY OF JACKSONVILLE, FLORIDA**  
**CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM**  
**LAST TEN FISCAL YEARS**

Function/Program	Fiscal Year				
	2018	2017	2016	2015	2014
<b>Police</b>					
Vehicular Patrol units					
Patrol Cars .....	1,425	1,348	1,232	1,298	1,259
Motorcycles .....	26	29	31	27	28
Other Vehicles .....	277	275	258	88	191
Unmarked .....	592	526	506	512	498
Horse Patrol .....	4	4	4	4	4
<b>Fire Protection</b>					
Stations .....	58	53	53	53	53
Marine Based stations .....	2	2	2	2	2
Rescue Units .....	48	42	41	41	41
<b>Parks and Recreation</b>					
Boat ramps .....	25	25	25	25	25
Community Center .....	57	57	57	57	57
Softball and Baseball Diamonds .....	248	248	248	248	248
Swimming pools .....	35	35	35	35	35
Tennis Courts .....	183	183	177	177	177
Soccer Fields .....	110	110	110	110	110
<b>Street</b>					
Miles of the street maintained.....	3,723	3,712	3,697	3,689	3,667
Street - paved (miles) .....	3,719	3,708	3,693	3,685	3,663
Street - unpaved (miles) .....	4	4	4	4	4
Street maintained primary (miles) .....	360	360	360	360	358
Interstate (miles) .....	120	120	120	120	120
<b>Parking</b>					
Downtown parking garages capacity .....	3,160	3,160	3,160	3,115	2,812
Downtown parking lots capacity .....	133	133	133	180	524
On street meters .....	1,420	1,420	1,554	1,690	1,690
<b>Solid Waste</b>					
No. of city landfills in operation .....	1	1	1	1	1
No. of city yard waste recycling .....	0	0	0	0	0
<b>Community Services</b>					
Senior Citizen Centers .....	20	20	20	20	19
Passenger busses .....	25	25	26	26	25
<b>Library</b>					
Facilities .....	21	21	21	21	21
Square footage .....	820,732	785,046	785,046	785,046	785,046
No. of items held(books, DVD's, CD's, etc) .....	2,795,463	2,074,728	2,724,187	2,354,787	2,344,637

Source: City of Jacksonville Annual Financial plan  
Various City Departments

<b>Fiscal Year</b>				
<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2008</b>
1,303	1,343	1,460	1,290	1,468
22	22	22	21	20
156	145	147	343	164
497	497	445	480	285
4	4	5	5	6
53	53	53	53	52
2	2	2	2	2
40	34	34	34	31
25	25	22	22	22
61	61	66	65	65
271	271	226	226	210
34	34	35	35	35
161	161	161	161	156
84	84	68	68	68
3,667	3,659	3,655	3,626	3,603
3,663	3,655	3,651	3,622	3,599
4	4	4	4	4
358	358	358	386	372
120	120	120	95	95
2,812	2,213	2,586	2,636	2,576
524	524	1,286	1,205	1,262
1,696	1,650	1,323	1,448	1,450
1	1	1	1	1
0	0	0	1	1
19	19	19	18	18
25	26	26	26	26
21	21	21	21	21
785,046	785,046	785,046	785,046	785,046
2,413,255	2,875,295	2,875,295	3,023,307	3,113,359



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**DEPARTMENT OF FINANCE**  
**117 W. DUVAL ST., SUITE 325 JACKSONVILLE, FL 32202**  
**WWW.COJ.NET | (904) 630-CITY**

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