CITY OF JACKSONVILLE

SINGLE AUDIT

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2025

PREPARED BY THE
DEPARTMENT OF FINANCE
ACCOUNTING DIVISION

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City of Jacksonville, Florida

Single Audit
For the Fiscal Year Ended September 30, 2025

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

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, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

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, 2025, 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.

We did not audit the financial statements of JEA, whose statements reflect approximately 84%, 75%, and 85%, 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, whose statements reflect approximately 6%, 6%, and 6%, 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, whose statements reflect approximately 10%, 18%, and 9%, 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 Housing Finance Authority, whose statements reflect approximately 0%, 1%, and 0%, 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 Police and Fire Pension Fund, whose statements reflect approximately 35%, 41%, and 8%, respectively, of the assets, equity, and revenues/additions of the aggregate remaining fund information. 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, Jacksonville Port Authority, Jacksonville Housing Finance Authority, and Jacksonville Police and Fire Pension Fund is based solely on the reports of the other auditors.

Basis for Opinions

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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of a Certain Matter

Correction of an Error

As described in Note 19 to the financial statements, the City's financial statements have been corrected for prior period errors. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison information on pages 165 to 169, and other postemployment benefits and pension schedules on pages 170 to 202 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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 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 accompanying schedules of expenditures of federal awards and expenditures of state financial assistance, which are required by the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.550, Rules of the Auditor General, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and

relates directly to the underlying accounting and other records used to prepare the basic financial statements. The 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 basic 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 the schedules of expenditures of federal awards and expenditures of state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2026, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. 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.

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

Jacksonville, Florida
June 30, 2026

MANAGEMENT'S DISCUSSION & ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

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

Financial Highlights

- The City's General Fund operations had total revenues of $1.85 billion in fiscal year 2025.
- General Fund total increase in revenues was $76.7 million in fiscal year 2025.
- Property tax revenues in the General Fund experienced a $75.9 million, 7.3% increase, due primarily to rising home values and new construction.
- Other increases in General Fund revenues related primarily to $11.4 million for utility and communications service taxes, $.016 million for sales and tourist taxes, $4.3 million licenses, permits, and fees revenues, $0.12 million for intergovernmental revenues, and $13.8 million for JEA contributions.
- Decreases in revenues in the General Fund included $0.07 million for local business taxes, $0.9 million for charges for services revenues, $0.21 fines and forfeitures revenues, $26.8 million for investment earnings revenues, and $0.86 million for other revenues.
- General Fund total expenses increased by $154.1 million, 10.24%, primarily due to increased spending in human services, public safety, culture and recreation, economic environment, capital outlay, and debt service-interest. There were decreases in general government, transportation, physical environment, and debt service-principal expenses.
- Total citywide governmental activities revenues increased by $80.3 million in fiscal year 2025, a 3.1% increase from fiscal year 2024.
- Total citywide governmental activity expenses decreased $420.7 million in fiscal year 2025, a 16.5% decrease from fiscal year 2024.

Additional information explaining these financial highlights may be found on the following pages of this report.

City Highlights

Some of the impacts and improvements for the fiscal year ending September 30, 2025, were as follows:

- Maintained fiscally responsible practices to ensure Jacksonville's financial stability and preparedness today and beyond.
- Continued to operate within or favorably to debt policy targets and increase its total reserves.
- Closely monitored the obligation and use of the combined $343 million 2021 and 2022 tranches of ARPA funds to ensure full use of these Federal dollars in accordance with the City's planned uses.
- Strengthened investment in public safety by building a new fire station, renovating existing fire stations, on-boarding new classes of firefighters and police officers, and investing in the purchase or refurbishment of first-responder equipment and technology. These fire station investments assist in mitigating property insurance costs.
- Secured over $3 million in Federal funds to train an additional 60 paramedics, secure 40 personnel protective equipment washers/extractors, and to enhance the urban area's capabilities and capacity to prevent, respond to, and recover from the effects of a terrorist act.
- Increased staffing in fire plans review to speed the reviewing of construction plans, thereby more quickly delivering improved properties to the tax roll.
- Allocated $5 million in opioid abatement program funds to private and government entities providing opioid addiction support, prevention, treatment, and recovery efforts and staffed the Coordinated Opioid Recovery (CORE) program providing a non-traditional approach to addressing substance use disorder including the field administration of Medication-Assisted Therapy (MAT) and connecting individuals to long-term care and wraparound services.
- Committed to allowing public safety members to enter the Florida Retirement System (defined benefit plan) starting in fiscal year 2027; these changes continue to have a positive effect on recruiting and retention.

- Executed a $1 million agreement with UF Health Jacksonville to operate a Mobile Stroke Treatment Unit (MSTU) which offers high-quality advanced emergency care and improved outcomes for stroke patients in the community.
- Implemented the Providing Assistance to The Homeless (PATH) unit/program which transports unhoused individuals to homeless shelters and offers outreach, education and resources to eliminate unlawful unhoused camping on public property; this investment responds to an unfunded State mandate. The City also added 100 beds in partnership with local nonprofit organizations serving unhoused individuals.
- Approved 7 new economic development projects with an estimated private capital investment of $756 million and 1,265 new full-time equivalent jobs in Jacksonville.
- Pledged nearly $28 million on economic development incentives for projects that will generate approximately $57 million in ad valorem taxes.
- Announced Otto Aviation's plans to locate a new production facility in Jacksonville with an estimated $430 million of private capital investment and 400 new full-time equivalent jobs with an average wage of $90,000.
- Achieved a ratio of public to private investment of 27:1 in our FY 2025 economic development deals.
- Realized a 13+% increase in total contract dollars awarded to Jacksonville Small and Emerging Businesses (JSEBs) representing nearly $120 million awarded. Increased the total number of certified JSEBs by nearly 40% to almost 500 certified businesses.
- Executed a landmark redevelopment agreement with the University of Florida (UF) to establish the new UF Jacksonville Campus in LaVilla, including conveyance of City-owned land, project coordination, and administration of up to $105 million in City funding to support Phase 1 facilities and long-term campus expansion.
- Approved a $1.4 million retail enhancement grant and a $.7 million recapture enhanced value grant for Gateway Jax to support the build-out of a $5 million, 31,500-square-foot Publix in the NorthCore Pearl Square mixed-use development (N7), securing Downtown's first full-service grocer and advancing a major business improvement district goal.
- Oversaw coordination and supported the completion and openings of RiversEdge Parks and Riverfront Plaza – two flagship riverfront parks critical to activating Downtown's waterfront and expanding public river.
- Drove continued downtown activation with $2.2 million of incentive awards for 11 new food and beverage establishments bringing over $8.4 million in private capital investment (not including furniture, fixtures and equipment).
- Allocated $4.5 million in tax increment financing funding to advance the restoration of the historic Snyder Memorial Church – preserving one of Downtown's most significant landmark structures and positioning it for new community-serving uses in the heart of the urban core.
- Allocated $3.3 million in tax increment financing funding to support construction of a new signature riverfront restaurant at St. Johns River Park, enhancing activation around the iconic Friendship Fountain and strengthening the waterfront dining and recreation experience for residents and visitors.
- Approved three incentive packages supporting the historic renovation and adaptive reuse of three landmark buildings in the heart of Downtown's core: 225 N. Laura Street (Juliette Balcony), 231 N. Laura Street, and 38–44 W. Monroe Street. Collectively, these projects will restore historic façades and interiors, deliver new ground-floor retail and restaurant space, and add a mix of residential units that enhance vibrancy within the City Center. The projects represent a combined minimum private investment of $14.7 million and include $6.1 million in Downtown Preservation and Revitalization Program (DPRP) incentives.
- Invested $15.3 million in renovations of 12 community/senior centers, our first Airnasium (outdoor covered basketball space), and reopened a community pool.
- Renovated 15 playgrounds citywide for $3 million and installed new artificial turf athletic fields at 3 parks for an additional $3.5 million, which allows for reduced maintenance and increased playing time for citizens.
- Awarded $2 million of Florida Inland Navigation District (FIND) grant funds for waterway improvement projects including the construction of the Pottsburg Creek/Beach Blvd Boat Ramp and Seiden Park design.
- Contributed $4 million in capital improvements as part of a multi-year $25 million campaign for the Jacksonville Zoo.
- Invested over $150,000 in downtown community programming which activated and attracted thousands of visitors for events, including the Ice Rink, Movies in the Park, Yoga at the Fountain, First Friday's, Silent Disco, Art in the Park.
- Continued investment in UF Health as a critical community hospital by providing $56 million in operating support and $24 million for hospital improvements as part of a $134 million 5-year upgrade.

- Invested $2.2 million in a telehealth safety net clinic to improve access to care for the uninsured, reducing emergency room strain and providing wrap around services to address the social determinants of health for the individuals and neighborhoods in need. In FY 2025, HealthLink Jax encountered over 6,500 patients and saved the healthcare system between $8 and $11 million.
- Allocated $2.2 million to mitigate food insecurity for seniors by delivering nutritious food, personal connection, and stability to older adults and improving health outcomes, reducing isolation, and allowing seniors to age with dignity. In FY 2025, distributed food to an additional 1,902 clients, served over 270,000 meals, and reduced the wait list by 67.1%.
- Provided $.2 million in suicide prevention support services and strengthened the fast-response system that prevents tragedies, connects people to lifesaving care/resources, and offers hope on the other end of the line. In FY 2025, answered over 14,000 calls, 91.7% of which were answered locally with a 98.3% de-escalation rate.
- Invested nearly $.5 million in infant mortality reduction efforts, pediatric mental health first aid training, and training community health workers. In FY 2025, the community health workers engaged 635 women/families and referred 79 women to home visitation programs, care coordination and clinical services; over 220 received mental health first aid training and made 158 referrals to local behavioral health clinics, hotlines, mental health support websites/initiatives; and 180 people completed training to become community health workers, 50% of whom will sit for the certifying exam.
- Created the Food Farmacy in partnership with local nonprofit organizations that provided 2,900 active-duty military families with fresh groceries at locations in Mayport and the Westside.
- Assisted 74 homeless Veterans in achieving independence through providing case management and career training and resources that led to full-time employment and stable housing.
- Mowed 173,600 acres of city-owned land and rights of way, edged 44,441 rights of way miles, and planted 1,422 trees.
- Restored 78 miles of asphalt pavement, repaired 2,867 potholes, constructed 1,433 ADA compliant curb ramps, completed bridge and guardrail repairs at 19 sites throughout the county, and installed 65 speed humps and 8 pedestrian crossings.
- Completed 41 capital improvement projects totaling $116.2 million including: 14 drainage projects, 7 roadway projects, phase 1 of McCoy's Creek restoration, 1 new fire station, and the LaSalle Street pump station.
- Acquired 109 property interests for the following capital improvement projects: Old Middleburg Road phases 1 and 2, Chaffee Road, Fennel Road, Belfort Road, and Commonwealth Avenue.
- Managed 7 cellular facility leases resulting in $.3 million in revenue and processed 3 additional cellular facility leases.
- Completed over $4 million in traffic signal projects and approximately 4.5 miles of fiber optic cable, and retimed 29 signals and intersection enhancements. Addressed 8,963 citizen requests in MyJax related to: 2,919 signs, 5,235 signals, and 809 engineering studies. Addressed over 400 issues identified through the Office of Blight.
- Issued more than 93,000 building permits with a total value of $7 billion for continued local economic growth.
- Invested $52 million in Jacksonville's youth and families through early learning, literacy, out-of-school time, juvenile justice prevention, workforce readiness, pre-teen/teen and mental health support. This includes over $20 million for after school and summer learning in safe, enriching, and academically focused environments for over 15,000 children.
- Served over 1 million meals/snacks during after-school and summer months through nutrition program.
- Directed $6.8 million toward early childhood programs, literacy interventions, book distribution, and quality-improvement support for kindergarten readiness.
- Supported emerging community-based organizations serving children and families with $.5 million investment prioritizing first-time city-funded providers.
- Allocated $.6 million to strengthen workforce development through the Jacksonville Upward Mobility Program initiative supporting credential attainment, employment, and entrepreneurship.
- Launched Mayor Deegan's River City Readers Bookmobile with the Kids Hope Alliance resulting in more than 1,500 cardholders receiving outreach services and more than 7,300 children receiving free books.
- Renovated the public restrooms at the Regency Branch Library, replaced original carpeting and flooring at the Main Library, upgraded lighting in the Main Library courtyard, providing an enhanced customer experience and improving customer safety and security, and refreshed building exteriors at Highlands Regional Branch, San Marco Branch , Regency Branch, Charles Webb Wesconnett Regional Branch, Mandarin Branch, Bill Brinton Murray Hill Branch, Beaches Branch, and Brentwood Branch.

- Renovated the Library security control office to allow security to interact with all libraries in real time and aid in emergency response.
- Replaced and upgraded the Library's Integrated Library System (ILS) which provides modern discovery tools with personalized bookshelves, curated showcases that highlight library collections, and a responsive design that makes it easier for users to find, access and use physical and digital materials.
- Implement RFID technology across the Library collection providing faster checkouts and returns, streamlined inventory management with improved catalog accuracy, and enhanced security through new RFID-enabled gates. Self-service borrowing of physical materials jumped from 62% of customers to more than 80% from FY 2024 to the end of FY 2025.
- Digitized over 1,400 envelopes for 10 business processes improving document signature processes from an average of 10 days to 5.8 days (60+% improvement).
- Won six National Association of Counties awards for various financial dashboards bringing financial and operating transparency to the citizens and saving almost 5,000 hours of internal processing time.
- Constructed new radio tower boosting public safety signal coverage for the Montgomery Correctional Center and fire station 47.
- Built the Unhoused Processing Management System (UPMS) to facilitate the tracking of unhoused individual belongings in connection with PATH team interactions saving almost 5,000 hours annually.
- Completed second year of 904LEAN continuous improvement initiative certifying 243 white belts, 85 green belts, and 2 master black belts and eliminating over 300,000 hours of process waste through electronic signature adoption, enhanced first review turnaround times for residential and nonresidential permits, and streamlined certificate of use and special event permitting.

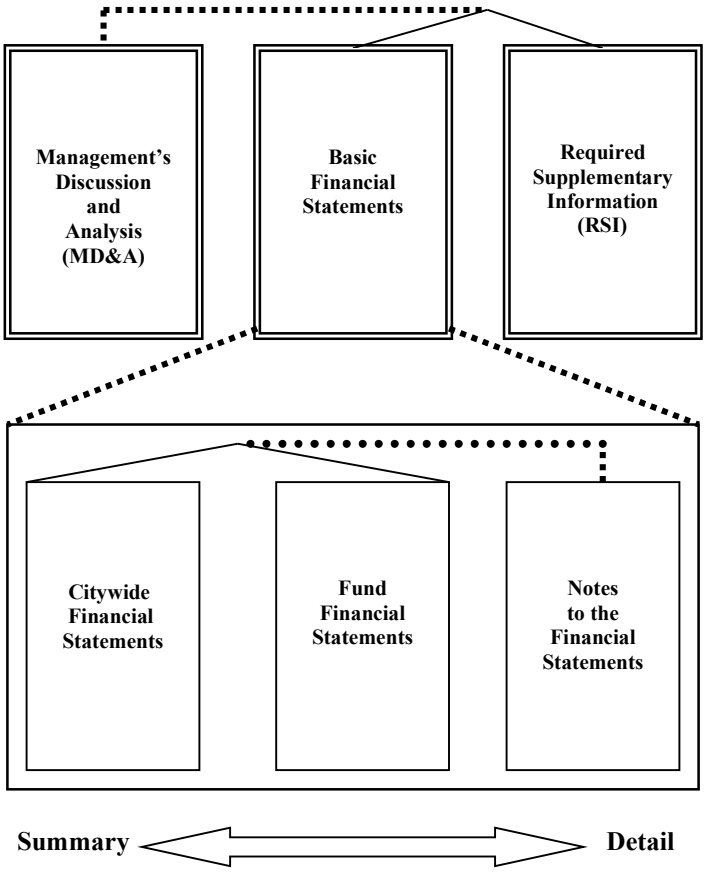
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OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

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 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 and 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: JEA (formerly Jacksonville Electric Authority), Jacksonville Transportation Authority (JTA), Jacksonville Port Authority (JPA), and Jacksonville Housing Finance Authority (JHFA). Separate financial statements are published by JEA, JTA, JPA, and JHFA. The focus of the statements is on the primary government and the presentation allows the user to review the City's 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 to be familiar. 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. The focus is on Major Funds, rather than fund types, to provide detailed information about the most significant funds. All 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 for the General Fund, Better Jacksonville Plan Special Bonded Debt Obligations Fund, Other Federal and Local Grant Fund, Better Jacksonville Plan Trust Fund, and General Projects Fund, all of which are considered to be major funds, are presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. Fund information for the 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, City Venues, and Stormwater Services, which are all major funds. The Sports Complex Capital, Motor Vehicle Inspection, Public Parking and Equestrian Center are non-major enterprise funds.

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 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 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 the 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 increased by $431.2 million in the fiscal year 2025. The negative $2.2 billion unrestricted net position is primarily due to the $4.0 billion Net Pension Liability (See Table A-1).

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Table A-1
Summary Statement of Net Position
(In Thousands)
for the fiscal year ended September 30, 2025 and September 30, 2025

	Governmental Activities		Business Type Activities		Total Primary Government	
	2025	2024	2025	2024	2025	2024
Cash and Investments	$ 1,861,278	$ 1,896,944	$ 262,118	$ 263,660	$ 2,123,396	$ 2,160,604
Current and Other Assets	863,285	553,499	218,440	125,137	1,081,725	678,636
Capital Assets	3,726,809	3,288,439	676,080	635,046	4,402,889	3,923,485
Total assets	6,451,372	5,738,882	1,156,638	1,023,843	7,608,010	6,762,725
Deferred Outflow of Resources	802,170	772,102	-	-	802,170	772,102
Current Liabilities	322,157	315,034	68,397	70,948	390,554	385,982
Non-current Liabilities	3,007,440	3,040,789	534,072	381,742	3,541,512	3,422,531
Net Pension Liability	4,043,631	4,096,454	-	-	4,043,631	4,096,454
Total liabilities	7,373,228	7,452,277	602,469	452,690	7,975,697	7,904,967
Deferred Inflow of Resources	556,428	169,114	38,167	43,862	594,595	212,976
Net position						
Net investment in capital assets	1,555,992	1,411,395	216,610	317,472	1,772,602	1,728,867
Restricted for:						
Debt service	51,798	45,592	-	-	51,798	45,592
Housing & human serv grants	50,844	59,993	-	-	50,844	59,993
State and federal grants	19,103	24,065	-	-	19,103	24,065
Capital projects	6,077	6,076	-	-	6,077	6,076
Other participant's equity	1,592	768	-	-	1,592	768
Permanent Fund non-expendable	1,561	1,562	-	-	1,561	1,562
Other Purposes	138,834	128,813	-	-	138,834	128,813
Unrestricted (deficit)	(2,501,915)	(2,788,687)	307,278	209,495	(2,194,637)	(2,579,192)
Total net position	$ (676,114)	$ (1,110,423)	$ 523,888	$ 526,967	$ (152,226)	$ (583,456)

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 the fiscal year 2030 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.

On the following page, Table A-2 provides a summary comparison of the City's operations for the fiscal years ended 2025 and 2024.

Table A-2
Statement of Activities
as of September 30, 2025 and September 30, 2024
(In Thousands)

	Governmental Activities		Business-TypeActivities		Total Primary Government	
Revenues:	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Program Revenues:						
Fines & charges for services	$ 258,286	$ 251,373	$ 194,218	$ 166,326	$ 452,504	$ 417,699
Operating grants/contributions	135,484	133,577	-	-	135,484	133,577
Capital grants/contributions	51,784	45,461	-	6,193	51,784	51,654
General revenues:						
Property taxes	1,144,190	1,067,703	-	-	1,144,190	1,067,703
Utility and Communications service taxes	145,440	134,001	-	-	145,440	134,001
Sales and tourist taxes	333,422	326,436	20,605	21,184	354,027	347,620
Local business taxes	6,919	6,992	-	-	6,919	6,992
Intergovernmental	246,108	245,986	-	-	246,108	245,986
Franchise Fees	49,956	45,607	-	-	49,956	45,607
JEA Contribution	137,424	123,649	-	-	137,424	123,649
Earnings on Investments	92,029	142,073	8,067	17,461	100,096	159,534
Miscellaneous	65,378	63,283	28,643	26,645	94,021	89,928
Total Revenues	**2,666,420**	**2,586,141**	**251,533**	**237,809**	**2,917,953**	**2,823,950**
Expenses						
General government	421,584	106,117	-	-	421,584	106,117
Human services	290,531	258,940	-	-	290,531	258,940
Public safety	1,059,848	1,460,293	-	-	1,059,848	1,460,293
Cultural and recreational	60,021	155,383	-	-	60,021	155,383
Transportation	171,425	378,366	-	-	171,425	378,366
Economic & physical environment	171,814	151,565	-	-	171,814	151,565
Interest on long term debt	52,623	37,523	-	-	52,623	37,523
Parking system	-	-	4,980	4,555	4,980	4,555
Motor vehicle inspections	-	-	460	392	460	392
Solid Waste	-	-	131,796	123,060	131,796	123,060
Stormwater services	-	-	27,631	28,398	27,631	28,398
City Venues	-	-	92,427	104,877	92,427	104,877
Sports Complex Capital Maintenance	-	-	68	30	68	30
Equestrian Center	-	-	1,525	4,971	1,525	4,971
Total Expenses	**2,227,846**	**2,548,187**	**258,887**	**266,283**	**2,486,733**	**2,814,470**
Increases (decreases) in net position before transfers	438,574	37,954	(7,354)	(28,474)	431,220	9,480
Transfers	(4,265)	(108,285)	4,275	108,285	10	-
Change in net position	**434,309**	**(70,331)**	**(3,079)**	**79,811**	**431,230**	**9,480**
Net position (deficit), beginning of year, as restated	(1,110,423)	(1,040,092)	526,967	447,156	(583,456)	(592,936)
Net position (deficit), end of year	**$ (676,114)**	**$ (1,110,423)**	**$ 523,888**	**$ 526,967**	**$ (152,226)**	**$ (583,456)**

Governmental activities:

The City's governmental activities revenues increased $80.3 million from 2024 to 2025 (see Table A-2) and consists of:

- Property tax revenues reflected a $76.5 million increase, indicating a strong economy in Jacksonville.
- The $11.4 million increase in utility and communications service taxes indicates an increasing population in Jacksonville.
- The increase of $6.9 million in sales and tourist taxes reflects the increased growth in tourism revenues than in the previous year.
- The $0.12 million increase in intergovernmental revenues is primarily due to increases in contributions from component units.
- The $50.0 million decrease in earnings on investments is the result of unrealized losses in the market performance of the pooled cash investments in fiscal year 2025.
- The operating grants/contributions increase of $1.9 million.
- The capital grants/contributions increase of $6.3 million.
- The increase of $2.1 million in miscellaneous revenues.
- The increase of $6.9 million in fines and charges for services.
- The $4.3 million increase in revenues in local business tax receipts and franchise fees.

Governmental activities expenses decreased by $320.3 million from fiscal year 2024 to fiscal year 2025 primarily due to the following:

- General government expenses increased by $315.5 million.
- Human services operating expenses increased by $31.6 million.
- Public safety operating expenses decreased by $400.4 million.
- Cultural and recreational expenses decreased by $95.4 million.
- Transportation expenses decreased by $206.9 million.
- Interest on long-term debt increased by $15.1 million.
- Economic and physical environment expenses increased by $20.2 million.

Business Type activities:

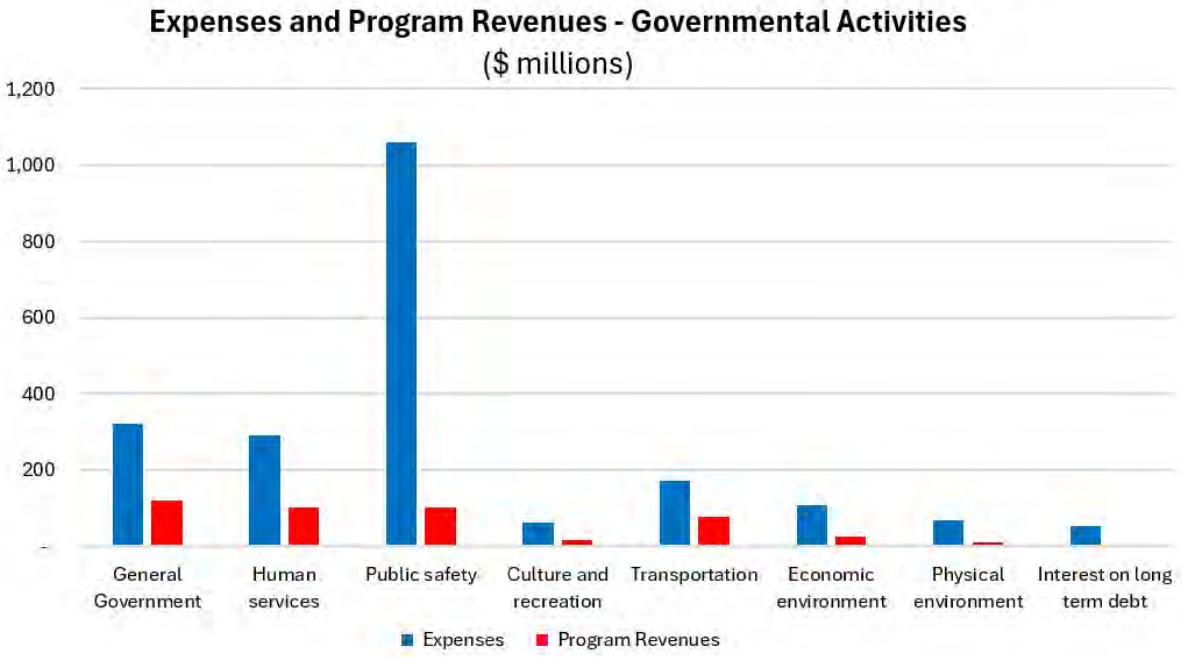
The City's business type revenues increased $13.7 million in fiscal year 2025:

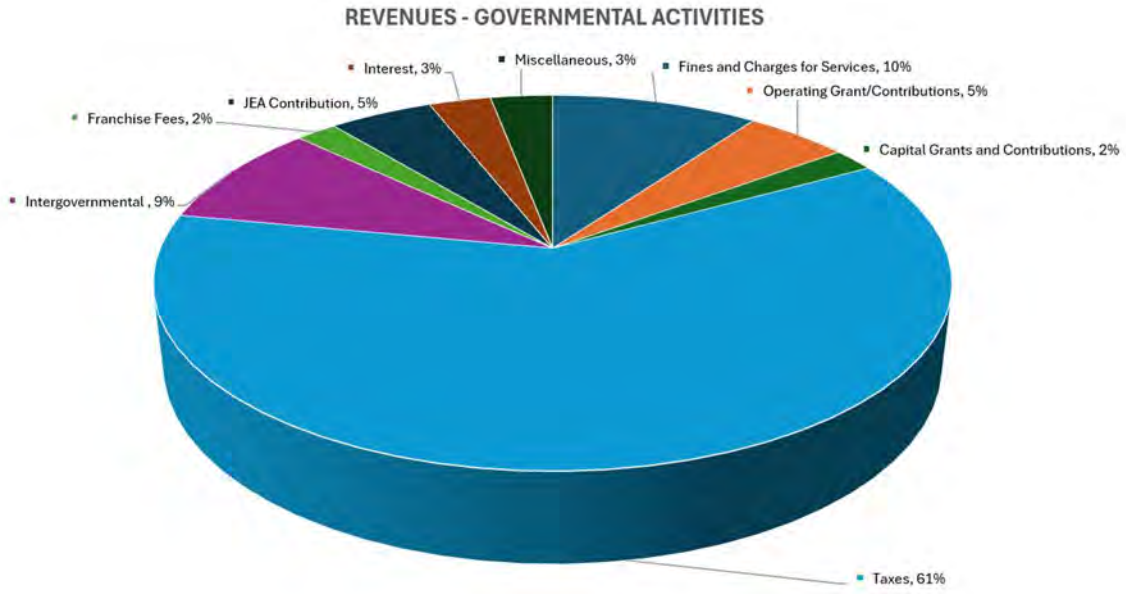
- Fines and charges for services increased by $27.9 million.
- Capital Grants Contributions decreased by $6.2 million
- Sales and tourist taxes decreased by $0.58 million.
- Interest earnings decreased $9.4 million due to unrealized losses in the market performance of pooled cash investments.
- Miscellaneous revenues increased by $2.0 million.

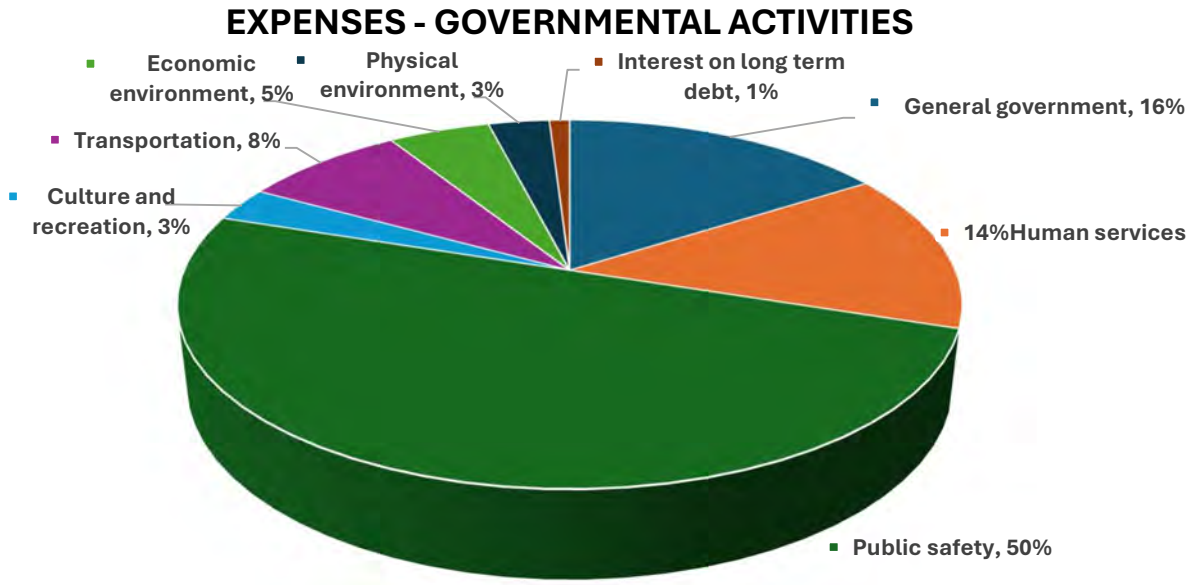
Business type activities total expenses decreased $7.4 million in fiscal year 2025:

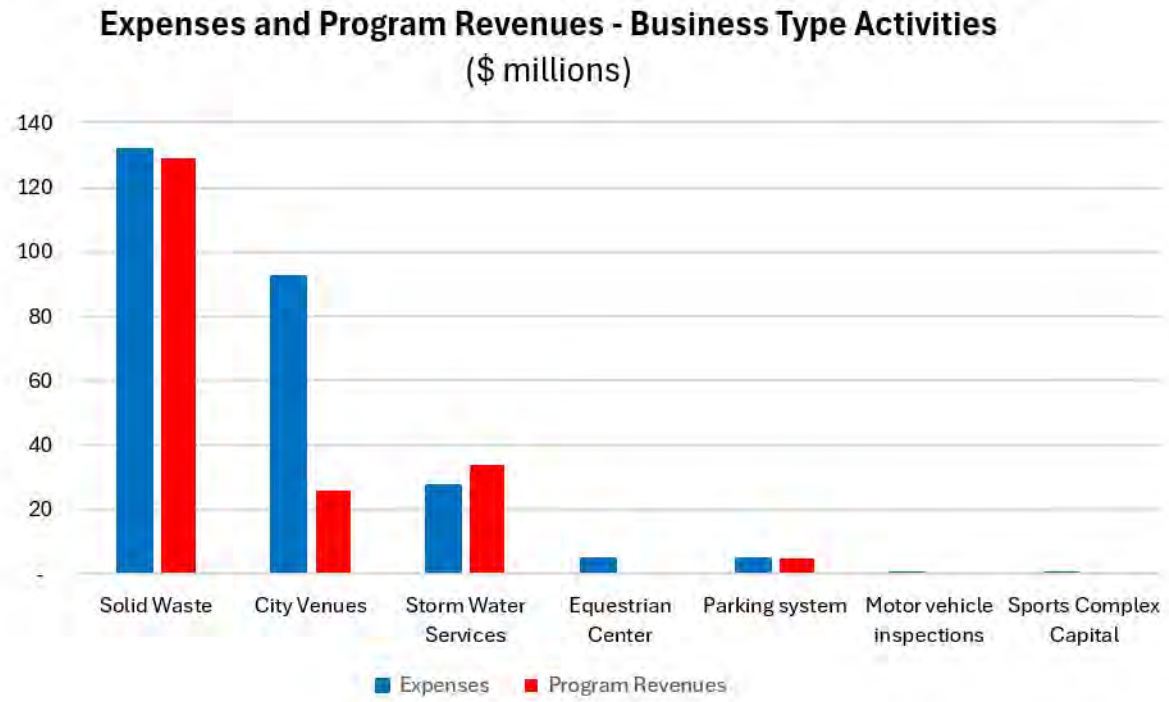
- Solid waste operating expenses increased by $8.7 million.
- City venues operating activities expenses decreased by $12.5 million.
- Parking system operating expenses increased by $0.43 million.
- Stormwater services activities operating expenses decreased by $0.7 million.
- Equestrian center operating activities expenses decreased by $3.4 million.
- Motor vehicle inspection operating expenses increased by $0.07 million.

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Expenses and Program Revenues - Governmental Activities
($ millions)
1,200
1,000
800
600
400
200
-
General Government
Human services
Public safety
Culture and recreation
Transportation
Economic environment
Physical environment
Interest on long term debt
Expenses
Program Revenues


REVENUES - GOVERNMENTAL ACTIVITIES
Interest, 3%
Miscellaneous, 3%
Fines and Charges for Services, 10%
Operating Grant/Contributions, 5%
JEA Contribution, 5%
Franchise Fees, 2%
Capital Grants and Contributions, 2%
Intergovernmental , 9%
Taxes, 61%


EXPENSES - GOVERNMENTAL ACTIVITIES
Economic environment, 5%
Physical environment, 3%
Interest on long term debt, 1%
General government, 16%
Transportation, 8%
Culture and recreation, 3%
14%Human services
Public safety, 50%


Expenses and Program Revenues - Business Type Activities
($ millions)
140
120
100
80
60
40
20
-
Solid Waste
City Venues
Storm Water Services
Equestrian Center
Parking system
Motor vehicle inspections
Sports Complex Capital
Expenses
Program Revenues

FINANCIAL ANALYSIS OF THE CITY GOVERNMENT'S FUNDS

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 2024. 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 Balances – 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 $392.1 million. The General Fund's total fund balance was $765.9 million, with $133.1 million committed by the 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 the 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 the use of its Emergency Reserve.

Key factors affecting changes in major funds and fund balances in fiscal year 2025 operations are as follows:

General Fund:

- Property taxes account for 60.3% of the General Fund revenue and increased by $75.9 million, a 7.3% increase over the previous fiscal year. Interest revenue decreased $26.8 million due to unrealized losses in the market performance of pooled cash investments in fiscal year 2025. General Fund revenues had an overall increase of $76.7 million and an overall increase in expenditures of $154.1 million as compared to fiscal year 2024. The millage rate for the City of Jacksonville remained the same from fiscal year 2024 to 2025 at 11.3169.

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

- Bonds payable on BJP Special Bonded Debt Obligations decreased by $93.5 million in fiscal year 2025 due to $61.0 million of annual debt service payments plus an additional $32.5 million cash defeasance. Interest and other fiscal charges decreased by $3.8 million primarily due to lower outstanding Special Bonded Debt - BJP obligations.

Other Federal, State and Local Grants Fund:

- This fund records all other miscellaneous grants administered by the City from federal, state, and local sources not specifically accounted for by other funds. These revenues increased in fiscal year 2025 by $3.7 million or 5.36%. The City used these revenues accordingly and expenditures increased by $5.1 million or 6.8%. These grant funds enhanced programs for General Government, Human Services, Public Safety, Culture and Recreation, Transportation, Economic Development and Physical Environment, covering diverse programs such as day care, adult homemakers, 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.

General Projects Fund:

- This fund receives monies appropriated from the General Fund and other resources including proceeds from non-bonded debt for general capital improvements. During fiscal year 2025 General Projects Fund revenues were $1.59 million, while the General Project Fund expenditures were $330.0 million. The General Projects were funded by issuing $218.4 million in long-term debt and $129.4 million of transfers-in from the other funds.

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 the fiscal year 2025.

General Fund Budgetary Highlights:

- Total General Fund revenues for fiscal year 2025 were $1.85 billion which exceeded budget by $28.7 million. Property tax revenues exceeded budget by $12.9 million, utility service taxes exceeded budget by $12.8 million, sales and tourist taxes exceeded budget by $0.04 million, and licenses, permits and fees exceeded budget by $6.4 million. Intergovernmental revenues were under budget by $6.9 million, and charges for services were under budget by $1.6 million. Local business tax receipts were under budget by $0.1 million. However, investment earnings exceeded budget by $3.9 million due to leases and better than expected market performance. Other revenues exceeded budget by $1.3 million.
- Total General Fund actual expenditures for fiscal year 2025 were $1.66 billion which was under budget by $257.7 million mainly due to departmental and non-departmental operating cost savings reflecting the administration's strong efforts toward cost reductions.
- Fire and Rescue and the Office of the Sheriff accounted for $1.10 billion or 64.8% of the General Fund expenditures.

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, 2025, amounts to $4.4 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 in fiscal year 2025 was on parking, roadway, and other transportation-related projects, various building and park improvement projects, and drainage projects. Additionally, land additions included The business-type infrastructure increase was due to drainage projects.

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.

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Table A-3
Capital Assets
Net of Accumulated Depreciation
(In Thousands)
as of September 30, 2025 and September 30, 2024

	Governmental Activities		Business Type Activities		Total	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**
Land and easements	$ 392,755	$ 330,394	$ 98,703	$ 46,910	$ 491,458	$ 377,304
Buildings and improvements	893,271	898,347	601,648	742,277	1,494,919	1,640,624
Furniture and equipment	614,152	572,163	18,929	19,088	633,081	591,251
Construction and work in progress	868,994	323,157	177,162	130,235	1,046,156	453,392
Infrastructure	3,012,881	2,950,214	287,660	105,913	3,300,541	3,056,127
Right-to-use assets	27,786	29,648	220	220	28,006	29,868
Subscription based right-to-use assets	29,508	34,444	-	-	29,508	34,444
Other assets	48,305	47,599	-	-	48,305	47,599
Less accumulated depreciation	(2,160,844)	(2,034,951)	(508,241)	(483,210)	(2,669,085)	(2,518,161)
Total	**$ 3,726,808**	**$ 3,151,015**	**$ 676,081**	**$ 561,433**	**$ 4,402,889**	**$ 3,712,448**

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 the end of fiscal year 2025, the City of Jacksonville had $2.6 billion in bonds and notes outstanding as shown in Table A-4. Additional information on the City's long-term debt can be found in the Notes to the Financial Statements, Note 8.

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Table A-4
Bonds and Notes Payable
Outstanding Debt as of September 30, 2025 and September 30, 2024
(in Thousands)

	Governmental Activities		Business Type Activities		Total	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**
Special Obligation Bonds	$ 295,542	$ 318,172	$ -	$ -	$ 295,542	$ 318,172
Special Obligation Bonds - BJP	527,628	621,086	-	-	527,628	621,086
Revenue Bonds Payable	1,261,819	958,394	163,185	184,301	1,425,004	1,142,695
Notes Payable	100,300	57,100	-	-	100,300	57,100
Notes Payable - BJP	-	-	-	-	-	-
Deferred Amounts						
Loss on Adv Ref	(3,318)	(5,182)	-	-	(3,318)	(5,182)
Gain on Adv Ref	28,190	31,786	8,375	9,623	36,565	41,409
Issuance premiums	214,338	203,922	9,276	10,854	223,614	214,776
Issuance discounts	(497)	(605)	-	-	(497)	(605)
Total	**$ 2,424,002**	**$ 2,184,673**	**$ 180,836**	**$ 204,778**	**$ 2,604,838**	**$ 2,389,451**

New indebtedness of the City of Jacksonville consists of:

Closing Date	Par Amount	Source	Primary Use
August 2025	$338,160,000	Special Revenue Bonds	Project Funding and Refunding
September 2025	100,300,000	Commercial Paper Notes	Project Funding

During fiscal year 2025, the City issued $438.46 million of bonds and notes and refunded or retired a combined $229.04 million in principal amount of bonds and notes, resulting in a $209.42 million net increase in debt outstanding (par).

On August 20, 2025, the City closed on the sale of $338.16 million Special Revenue Bond, Series 2025. The Series 2025 bonds have a true interest cost of 3.915%, an average coupon rate of 5.00% and maturity date of October 1, 2045. The proceeds of the 2025 bond were used to finance the ongoing “Stadium of the future” construction ($138.68 million) and refinance the acquisition and construction of certain capital equipment and improvements for the City ($146.66 million), and to fix out a portion of the City’s outstanding commercial paper debt ($52.84 million). For the stadium portion, the issuance provided net proceeds of $150.78 million, which is inclusive of underwriter’s discount and cost of issuance totaling $0.78 million. For the new-money and fix-out portion, the issuance provided net proceeds of $216.87 million, which is inclusive of underwriter’s discount and cost of issuance totaling $1.15 million.

On September 30, 2025, the City closed on the sale of Commercial Paper Notes in the amount of $100.3 million for the purposes of providing interim funding for long-term capital projects, with an initial interest rate of 2.70%.

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 was 4.3% at the end of fiscal year 2025 according to U.S. Bureau of Labor Statistics.
- The population estimate of the City of Jacksonville at the end of fiscal year 2024 was 1,079,044.

- 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 year 2026:

- The fiscal year 2026 budget is a continuation of prudent budgeting that addresses the needs of the community while also increasing reserves, which have grown to approximately $396.2 million unassigned and roughly $133 million in emergency reserves through fiscal year ending September 30, 2025.
- The City is benefiting from a growing economy, expanding population base, and strong economic activity.
- The $2.217 billion dollar balanced general fund budget addresses the critical needs of the city such as infrastructure, economy, community outreach, public safety, health, art, culture and entertainment, youth and literacy and resilience.
- The adopted fiscal year 2026 five-year Capital Improvement Plan (CIP) totals approximately $1.8 billion of authorizations for various projects. The CIP focuses efforts on repair and maintenance of City drainage, environmental improvements which increase quality of life (water treatment plants), parks, public facilities, public safety, roads, infrastructure, transportation, and economic development.
- Fiscal year 2026 will have pre-programmed raises for employees based on negotiated collective bargaining agreements.

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.

FINANCIAL SECTION:

BASIC FINANCIAL STATEMENTS

CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF NET POSITION -
SEPTEMBER 30, 2025
WITH COMPARATIVE TOTALS FOR 2024 (in thousands)

	PRIMARY GOVERNMENT				
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS 2025	TOTALS 2024	COMPONENT UNITS
ASSETS:					
Cash and investments	$ 1,861,278	$ 262,118	$ 2,123,396	$ 1,855,816	$ 1,034,786
Cash in escrow and with fiscal agents	293,325	59,983	353,308	304,465	1,927
Securities lending	46,619	-	46,619	46,619	-
Receivables, net	357,971	152,124	510,095	301,608	313,933
Internal Balances	899	(899)	-	-	-
Due from independent agencies and other governments	160,045	464	160,509	134,363	31,319
Inventories	4,393	7	4,400	8,541	214,898
Prepaid expenses and other assets	33	6,761	6,794	187,505	166,252
Hedging derivative instrument	-	-	-	-	58,775
Costs to be recovered from future revenues	-	-	-	-	1,082,220
CAPITAL ASSETS:					
Land, easements, art in public places, and construction in progress	1,263,730	275,864	1,539,594	996,996	2,286,325
Other capital assets, net of depreciation	2,463,079	400,216	2,863,295	2,926,488	5,854,747
TOTAL ASSETS	6,451,372	1,156,638	7,608,010	6,762,402	11,045,182
DEFERRED OUTFLOW OF RESOURCES:					
Pension related	741,355	-	741,355	620,236	137,783
Unamortized deferred loss on refunding and defeasance	3,318	-	3,318	5,182	15,505
Accumulated decrease in fair value of hedging instrument	-	-	-	-	31,525
Unrealized asset retirement obligation	-	-	-	-	83,808
Other post employment benefit related	57,497	-	57,497	146,684	13,827
TOTAL DEFERRED OUTFLOW OF RESOURCES	802,170	-	802,170	772,102	282,448
LIABILITIES:					
Accounts payable and accrued liabilities	172,377	52,442	224,819	177,940	198,192
Contracts payable	18,825	599	19,424	11,378	199,925
Due to independent agencies and other governments	104	44	148	183	-
Deposits	6,852	10,437	17,289	17,645	108,500
Accrued interest payable	38,514	3,238	41,752	37,187	80,959
Unearned revenue	38,866	1,637	40,503	95,029	5,062
Securities lending	46,619	-	46,619	46,619	-
Other current liabilities	-	-	-	-	16,756
NONCURRENT LIABILITIES:					
Fair value of debt management instrument	-	-	-	-	-
Due within one year	248,440	49,911	298,351	290,312	124,793
Due in more than one year:					
Net pension liability	4,043,631	-	4,043,631	4,096,470	912,095
Other	2,759,000	484,161	3,243,161	3,132,220	4,186,747
TOTAL LIABILITIES	7,373,228	602,469	7,975,697	7,904,983	5,833,029
DEFERRED INFLOW OF RESOURCES:					
Pension related	472,535	-	472,535	8,411	109,853
Other post employment benefit related	39,224	-	39,224	115,745	19,767
Revenue to be used for future costs	-	-	-	-	287,987
Unamortized deferred gain on refunding	28,190	8,375	36,565	41,409	-
Leases	16,479	29,792	46,271	47,411	-
Subscription	-	-	-	-	-
Accumulated increase in fair value of hedging derivatives	-	-	-	-	74,687
TOTAL DEFERRED INFLOW OF RESOURCES	556,428	38,167	594,595	212,976	492,294
NET POSITION:					
Net investment in capital assets	1,555,992	216,610	1,772,602	1,728,867	4,356,675
Restricted for:					
Debt service	51,798	-	51,798	45,592	126,024
Housing and human services grants	50,844	-	50,844	59,993	-
Other state and federal grants	19,103	-	19,103	24,065	-
Capital projects	6,077	-	6,077	6,076	104,136
Other participant's equity	1,592	-	1,592	768	-
Permanent funds, non-expendable	1,561	-	1,561	1,562	-
Other purposes	138,834	-	138,834	128,813	69,706
Unrestricted (deficit)	(2,501,915)	307,278	(2,194,637)	(2,579,192)	345,764
TOTAL NET POSITION	$ (676,114)	$ 523,888	$ (152,226)	$ (583,456)	$ 5,002,305

See accompanying notes.

CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF ACTIVITIES -
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
WITH COMPARATIVE TOTALS FOR 2024 (in thousands)

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position				
					PRIMARY GOVERNMENT				
FUNCTIONS/PROGRAMS	EXPENSES	FINES AND CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS 2025	TOTALS 2024	COMPONENT UNITS
PRIMARY GOVERNMENT:									
Governmental activities:									
General government	$ 421,584	$ 80,803	$ 38,251	$ 801	$ (301,729)		$ (301,729)	$ 1,070	
Human services	290,531	80,949	18,604	-	(190,978)		(190,978)	(153,215)	
Public safety	1,059,848	84,105	16,692	1,390	(957,661)		(957,661)	(1,362,090)	
Culture and recreation	60,021	5,850	7,479	1,396	(45,296)		(45,296)	(149,746)	
Transportation	171,425	139	27,344	47,506	(96,436)		(96,436)	(307,415)	
Economic environment	105,793	89	22,817	680	(82,207)		(82,207)	(50,902)	
Physical environment	66,021	6,351	4,297	11	(55,362)		(55,362)	(57,955)	
Interest on long term debt	52,623	-	-	-	(52,623)		(52,623)	(37,523)	
Total governmental activities	2,227,846	258,286	135,484	51,784	(1,782,292)		(1,782,292)	(2,117,776)	
Business-type activities:									
Parking system	4,980	4,740	-	-	-	(240)	(240)	(185)	
Motor vehicle inspections	460	326	-	-	-	(134)	(134)	(82)	
Solid Waste	131,796	129,146	-	-	-	(2,650)	(2,650)	(29,439)	
Storm Water Services	27,631	34,042	-	-	-	6,411	6,411	5,386	
City Venues	92,427	25,964	-	-	-	(66,463)	(66,463)	(64,462)	
Equestrian Center	1,525	-	-	-	-	(1,525)	(1,525)	(4,952)	
Sports Complex Capital	68	-	-	-	-	(68)	(68)	(30)	
Total business-type activities	258,887	194,218	-	-	-	(64,669)	(64,669)	(93,764)	
Total primary government	$ 2,486,733	$ 452,504	$ 135,484	$ 51,784	(1,782,292)	(64,669)	(1,846,961)	(2,211,540)	
COMPONENT UNITS:									
Governmental activities	$ 5,724	$ -	$ -	$ 138					$ (5,586)
Business-type activities	2,619,708	2,209,456	22,728	322,537					(64,987)
Total component units	$ 2,625,432	$ 2,209,456	$ 22,728	$ 322,675					$ (70,573)
General revenues and transfers:									
Property taxes					1,144,190	-	1,144,190	1,067,703	-
Utility and Communications service taxes					145,440	-	145,440	134,001	-
Sales and tourist taxes					333,422	20,605	354,027	347,620	3,000
Local business taxes					6,919	-	6,919	6,992	-
Intergovernmental - unrestricted					246,108	-	246,108	245,986	132,831
JEA Contribution					137,424	-	137,424	123,649	-
Unrestricted earnings on investments					92,029	8,067	100,096	159,534	43,119
Franchise Fees					49,956	-	49,956	45,607	-
Miscellaneous					65,376	28,643	94,019	89,928	63,560
Transfers, net					(4,265)	4,275	10	-	-
Total general revenues and transfers					2,216,599	61,590	2,278,189	2,221,020	242,510
Change in net position					434,307	(3,079)	431,228	9,480	171,937
Net position, beginning of year, as previously reported					(1,257,103)	459,669	(797,434)	(802,839)	4,848,635
Restatement (Note 19)					146,680	67,298	213,978	209,903	(18,267)
Net position, beginning of year, as restated					(1,110,423)	526,967	(583,456)	(592,936)	4,830,368
Net position, end of year					$ (676,116)	$ 523,888	$ (152,228)	$ (583,456)	$ 5,002,305

See accompanying notes.



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FUND FINANCIAL STATEMENTS

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 - 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 FUNDS

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 as: day care, library aid, housing initiative partnerships, highway planning, construction and safety, beach erosion, disaster assistance, port security, military defense support task force and infrastructure development, AIDS treatment care, COVID-19 community development and emergency assistance and solutions, senior services and nutrition, crime prevention, violence protection, education and training to end violence and abuse against women with disabilities, criminal justice training, mental health, drug abuse, foster grandparents, hazardous materials planning and prevention, urban search and rescue sustainment and prevention, water quality restoration, waste disposal, cleanup and quality restoration.

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.

CAPITAL PROJECTS FUNDS

The **General Projects Fund** receives monies appropriated from the General Fund and other sources including proceeds from non-bonded debt for general capital improvements.

CITY OF JACKSONVILLE, FLORIDA
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025
WITH COMPARATIVE TOTALS FOR 2024 (in thousands)

	GENERAL FUND	SPECIAL BONDED DEBT-BETTER JACKSONVILLE PLAN OBLIGATIONS	OTHER FEDERAL, STATE AND LOCAL GRANTS
ASSETS:			
Equity in pooled cash and investments	$ 688,266	$ 15,388	$ 39,920
Cash in escrow and with fiscal agents	-	151,581	-
Securities lending collateral	46,619	-	-
Receivables (net, where applicable, of allowances for uncollectibles):			
Accounts	8,470	-	2,744
Loans	53	-	-
Other	12,788	-	-
Due from other funds	65,145	-	-
Due from independent agencies and other governments	58,667	-	5,101
Inventories	3,321	-	-
Prepaid items and other assets	18	-	-
TOTAL ASSETS	883,347	166,969	47,765
LIABILITIES:			
Accounts payable and accrued liabilities	56,869	5	7,481
Contracts payable	-	-	828
Due to other funds	-	-	-
Due to independent agencies and other governments	104	-	-
Bonds payable	-	105,908	-
Interest payable	-	9,258	-
Deposits	2,566	-	-
Unearned revenue	6,669	-	30,908
Securities lending obligations	46,619	-	-
TOTAL LIABILITIES	112,827	115,171	39,217
DEFERRED INFLOW OF RESOURCES			
Leases	561	-	-
Unavailable revenue	4,051	-	-
TOTAL DEFERRED INFLOW OF RESOURCES	4,612	-	-
FUND BALANCES:			
Non Spendable			
Non Spendable	3,339	-	-
Spendable:			
Restricted	7,035	51,798	8,548
Committed	318,926	-	-
Assigned	44,470	-	-
Unassigned	392,138	-	-
TOTAL FUND BALANCES (Deficit)	765,908	51,798	8,548
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES	$ 883,347	$ 166,969	$ 47,765

See accompanying notes.

BETTER JACKSONVILLE PLAN TRUST	GENERAL PROJECTS	NON MAJOR GOVERNMENTAL FUNDS	TOTALS	
			2025	2024
$ 144,525	$ 68,823	$ 569,517	$ 1,526,439	$ 1,296,583
-	-	52,717	204,298	148,253
-	-	-	46,619	46,619
-	8	10,611	21,833	36,621
-	-	4,908	4,961	4,915
-	4	17,697	30,489	12,699
-	-	-	65,145	32,022
31,283	-	42,474	137,525	125,615
-	-	-	3,321	7,551
-	-	16	34	178,102
175,808	68,835	697,940	2,040,664	1,888,980
-	52,824	35,586	152,765	102,683
-	17,357	520	18,705	11,102
-	-	45,248	45,248	25,198
-	-	-	104	139
-	-	27,761	133,669	83,593
-	-	6,528	15,786	16,379
-	5	4,266	6,837	7,045
-	-	1,288	38,865	88,940
-	-	-	46,619	46,619
-	70,186	121,197	458,598	381,698
-	-	14,885	15,446	12,052
-	-	-	4,051	3,473
-	-	14,885	19,497	15,525
-	-	1,577	4,916	187,215
-	-	199,275	266,656	269,078
175,808	-	401,888	896,622	840,343
-	-	-	44,470	26,291
-	(1,351)	(40,882)	349,905	168,830
175,808	(1,351)	561,858	1,562,569	1,491,757
$ 175,808	$ 68,835	$ 697,940	$ 2,040,664	$ 1,888,980



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City of Jacksonville, Florida
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
September 30, 2025
(in thousands)

Total fund balances - governmental funds		$ 1,562,569
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		3,726,809
Long term liabilities - liabilities are not due and payable in the current period and are not reported in the funds:		
Bonds and notes payable	$ (2,185,289)	
Unamortized bond discounts	497	
Unamortized bond premium	(214,337)	
Unamortized loss on refunding of debt	3,318	
Unamortized gain on refunding of debt	(28,190)	
Total bonds and notes payable		(2,424,001)
Net pension liability	(4,043,633)	
Pension related deferred inflow of resources	(472,538)	
Pension related deferred outflow of resources	741,352	
Pension receivable	2,657	
		(3,772,162)
* 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	133,669	
Compensated absences	(148,054)	
Interest payable, net of amounts at the fund level	(177)	
Estimated liability for self insured losses	(168,362)	
Other post employment benefits (OPEB) liability	(105,848)	
OPEB related deferred inflow of resources	(39,224)	
OPEB related deferred outflow of resources	57,497	
Leases payable	(19,209)	
Leased assets deferred inflow of resources, net of amounts at the fund level	(1,034)	
Software subscriptions payable	(12,515)	
Accrued liability for pollution remediation	(154,322)	
Amounts earned but not available	4,053	
Total		(453,526)
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, net of certain interfund eliminations.		684,197
Net position of governmental activities		$ (676,114)

* 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, 2025
WITH COMPARATIVE TOTALS FOR 2024 (in thousands)

	GENERAL FUND	SPECIAL BONDED DEBT BETTER JACKSONVILLE PLAN OBLIGATIONS	OTHER FEDERAL, STATE AND LOCAL GRANTS
REVENUES:			
Property taxes	$ 1,116,563	$ -	$ -
Utility and Communications service taxes	145,440	-	-
Sales and tourist taxes	1,294	-	-
Local business taxes	6,919	-	-
Licenses, permits, and fees	50,385	-	-
Intergovernmental	246,109	37,744	71,241
Charges for services	88,846	-	1,140
Fines and forfeitures	2,072	-	-
JEA Contribution	137,424	-	-
Investment earnings	36,290	4,667	283
Other	19,837	-	414
Total Revenues	1,851,179	42,411	73,078
EXPENDITURES:			
Current:			
General government	214,675	-	1,137
Human services	117,391	-	20,272
Public safety	1,079,764	-	8,177
Culture and recreation	86,399	-	672
Transportation	36,831	-	97
Economic environment	47,845	-	1,352
Physical environment	37,097	-	650
Capital outlay	12,822	-	47,764
Debt Service:			
Principal	51	105,908	-
Interest	25,245	18,005	11
Other	4	149	-
Total Expenditures	1,658,124	124,062	80,132
EXCESSS OF REVENUES OVER (UNDER) EXPENDITURES	193,055	(81,651)	(7,054)
OTHER FINANCING SOURCES (USES):			
Long term debt issued	-	-	-
Lease issuance	15	-	-
Software subscription issuance	2,093	-	-
Refunding bond issued	-	-	-
Premium on bonds payable	-	-	-
Payment to escrow agent - refunded debt	-	(32,415)	-
Transfers In	106,533	117,592	5,925
Transfers Out	(185,813)	-	-
Total Other Financing Sources (Uses)	(77,172)	85,177	5,925
NET CHANGE IN FUND BALANCES	115,883	3,526	(1,129)
FUND BALANCE, BEGINNING OF THE YEAR, AS PREVIOUSLY REPORTED	649,896	41,598	8,644
Restatement (Note 19)	129	6,675	1,033
FUND BALANCE, BEGINNING OF THE YEAR, AS RESTATED	650,025	48,273	9,677
FUND BALANCES (DEFICIT), END OF YEAR	$ 765,908	$ 51,799	$ 8,548

See accompanying notes.

BETTER JACKSONVILLE PLAN TRUST	GENERAL PROJECTS	NON MAJOR GOVERNMENTAL FUNDS	TOTALS 2025	TOTALS 2024
$ -	$ -	$ 27,627	$ 1,144,190	$ 1,067,704
-	-	-	145,440	134,001
129,858	-	202,270	333,422	326,436
-	-	-	6,919	6,992
-	-	114,118	164,503	153,757
-	-	78,285	433,379	422,520
-	336	49,330	139,652	137,874
-	-	2,126	4,198	4,055
-	-	-	137,424	123,649
9,005	1,157	24,764	76,166	104,895
-	96	47,773	68,120	50,591
138,863	1,589	546,293	2,653,413	2,532,474
-	-	36,528	252,340	261,971
-	-	154,071	291,734	258,638
-	-	46,657	1,134,598	1,023,833
-	-	11,594	98,665	97,340
-	-	196,432	233,360	228,955
-	-	63,950	113,147	70,644
-	7	9,659	47,413	50,510
-	329,976	62,471	453,033	388,529
-	-	27,763	133,722	90,168
-	-	14,108	57,369	55,057
-	-	24	177	533
-	329,983	623,257	2,815,558	2,526,178
138,863	(328,394)	(76,964)	(162,145)	6,296
-	218,416	-	218,416	226,567
-	-	-	15	106
-	-	-	2,093	133
-	-	-	-	74,142
-	-	-	-	4,097
-	-	-	(32,415)	(78,411)
-	129,431	102,374	461,855	206,016
(227,855)	(41)	(5,897)	(419,606)	(311,497)
(227,855)	347,806	96,477	230,358	121,153
(88,992)	19,412	19,513	68,213	127,449
264,800	(20,763)	540,893	1,485,068	1,362,887
-		1,452	9,289	1,421
264,800	(20,763)	542,345	1,494,357	1,364,308
$ 175,808	$ (1,351)	$ 561,858	$ 1,562,570	$ 1,491,757

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, 2025
(in thousands)

Net change in fund balances - total governmental funds:			$ 68,213
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.			
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.			
Capital assets acquired by use of financial resources		605,546	
Current year depreciation		(148,141)	
Loss on disposition of assets		(19,036)	
			438,369
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.			
Amortization of bond premium	(10,415)		
Amortization - Gain on Refunding	3,596		
Amortization - Loss on Refunding	(1,864)		
Repayment of debt 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.			
Net Increase / Decrease in Estimated Liability for Self-Insured Losses	(4,649)		
Net Increase / Decrease in Leases payable	2,220		
Net Increase / Decrease in Notes payable	(43,200)		
Net Increase / Decrease in Subscriptions payable	5,169		
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:			
Net Increase / Decrease in Pollution Remediation	(24,621)		
Net Increase / Decrease in Net Pension liability	52,838		
Net Increase / Decrease in Deferred Outflows and Inflows related to Pension	(343,011)		
Net Increase / Decrease in Deferred Outflows and Inflows related to OPEB	(11,904)		
Net Increase / Decrease in Accrued Compensated Absences	4,234		
Net Increase / Decrease in Special revenue (covenant) bonds	(303,425)		
Net Increase / Decrease in Revenue Bonds	116,089		
Net Increase / Decrease in Issuance Discounts	(108)		
Net Increase / Decrease in Other Post Employment Benefits	292,055		
Net Effect of Internal Loans	171,374		
Net Increase / Decrease in Unearned Revenue	54,968		
Change in Pension Related Receivable	(540)		
Other Revenue			
			(41,195)
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.			
Operating gain (loss)		40,409	
Investment revenue (loss)		16,842	
Interest expense		(38,504)	
Other non-operating revenue		(3,300)	
Net transfers		(46,525)	
			(31,078)
Change in Net Position - Governmental Activities			$ 434,309

See accompanying notes.

PROPRIETARY FUND FINANCIAL STATEMENTS

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 EverBank 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, 2025
WITH COMPARATIVE TOTALS FOR 2024 (in thousands)

	BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS						GOVERNMENTAL ACTIVITIES
	SOLID WASTE DISPOSAL	CITY VENUES	STORM WATER SERVICES	NON MAJOR ENTERPRISE	TOTALS 2025	TOTALS 2024	INTERNAL SERVICE FUNDS
ASSETS							
CURRENT ASSETS:							
Equity in pooled cash and investment	$ 17,628	$ 131,236	$ 85,517	$ 27,737	$ 262,118	$ 187,427	$ 334,839
Cash in escrow and with fiscal agents	-	49,889	-	31	49,920	66,211	89,027
Receivables (net, where applicable, of allowances for uncollectibles):							
Accounts	67,791	25,723	23,954	85	117,553	82,299	235
Loans	-	-	-	-	-	-	47,792
Other	2	34,304	-	265	34,571	38,798	1,516
Due from independent agencies and other governments	275	167	-	22	464	424	3,524
Inventories	-	-	-	7	7	6	1,072
Prepaid expenses and other assets	-	6,761	-	-	6,761	4,509	-
Total Current Assets	85,696	248,080	109,471	28,147	471,394	379,674	478,005
NONCURRENT ASSETS:							
Sinking fund cash and investments	10,063	-	-	-	10,063	9,699	-
Loans receivable	-	-	-	-	-	-	1,382,935
Other receivables	-	-	-	-	-	-	6,178
CAPITAL ASSETS:							
Land, easements and work in progress	73,501	116,586	21,274	64,502	275,863	242,891	48,472
Other capital assets, net of depreciation	5,961	304,503	83,469	6,282	400,215	384,288	146,727
Total Noncurrent Assets	89,525	421,089	104,743	70,784	686,141	636,878	1,584,312
TOTAL ASSETS	175,221	669,169	214,214	98,931	1,157,535	1,016,552	2,062,317

CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
SEPTEMBER 30, 2025
WITH COMPARATIVE TOTALS FOR 2024 (in thousands)

	BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS						GOVERNMENTAL ACTIVITIES
	SOLID WASTE DISPOSAL	CITY VENUES	STORM WATER SERVICES	NON MAJOR ENTERPRISE	TOTALS 2025	TOTALS 2024	INTERNAL SERVICE FUNDS
LIABILITIES							
CURRENT LIABILITIES:							
Accounts payable and accrued liabilities	11,086	38,274	2,827	299	52,486	55,844	19,614
Contracts payable	572	1	26	-	599	276	120
Due to other funds	899	-	-	-	899	899	-
Deposits	333	10,004	84	16	10,437	10,587	14
Accrued interest payable	-	3,232	-	6	3,238	3,045	22,549
Estimated liability for self insured losses, current	-	-	-	-	-	-	6,197
Unearned revenues	-	1,637	-	-	1,637	1,195	-
Accrued compensated absences current portion	546	-	233	175	954	892	2,745
Current portion of lease payable	-	-	-	18	18	18	142
Current portion of software subscriptions payable	-	-	-	-	-	-	5,094
Current portion of loans payable	2,397	1,150	524	-	4,071	4,116	3,371
Current portion of bonds payable	-	44,847	-	21	44,868	21,116	34,896
Total Current Liabilities	15,833	99,145	3,694	535	119,207	97,988	94,742
NONCURRENT LIABILITIES:							
Estimated liability for self-insured losses	-	-	-	-	-	-	162,165
Liability for landfill closure and post-closure care	75,257	-	-	-	75,257	71,229	-
Accrued compensated absences	988	-	38	41	1,067	2,081	1,988
Leases payable	-	-	-	114	114	134	1,301
Software subscriptions payable	-	-	-	-	-	-	4,806
Loans payable	72,375	203,885	3,870	-	280,130	108,116	130,516
Bonds payable	-	126,207	-	1,386	127,593	174,041	1,388,606
Total Noncurrent Liabilities	148,620	330,092	3,908	1,541	484,161	355,601	1,689,382
TOTAL LIABILITIES	164,453	429,237	7,602	2,076	603,368	453,589	1,784,124
DEFERRED INFLOW OF RESOURCES:							
Leases	-	29,529	-	263	29,792	34,239	1,034
Unamortized deferred gain on refunding	-	8,027	-	348	8,375	9,623	9,449
Total Deferred Inflow of Resources	-	37,556	-	611	38,167	43,862	10,483
NET POSITION:							
Net investment in capital assets	5,504	44,025	98,273	68,808	216,610	309,605	146,931
Restricted - other participants equity	-	-	-	-	-	-	1,592
Unrestricted (deficit)	5,264	158,351	108,339	27,436	299,390	209,496	119,187
TOTAL NET POSITION (DEFICIT)	$ 10,768	$ 202,376	$ 206,612	$ 96,244	$ 516,000	$ 519,101	$ 267,710

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, 2025
WITH COMPARATIVE TOTALS FOR 2024 (in thousands)

	BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS						GOVERNMENTAL ACTIVITIES
	SOLID WASTE DISPOSAL	CITY VENUES	STORM WATER SERVICES	NONMAJOR ENTERPRISE	TOTALS 2025	TOTALS 2024	INTERNAL SERVICE FUNDS
OPERATING REVENUE:							
Sales and tourist taxes	$ -	$ 10,876	$ -	$ 9,729	$ 20,605	$ 21,184	$ -
Charges for services	129,146	25,964	34,042	5,066	194,218	166,326	386,384
Charges for services for independent authorities	-	-	-	-	-	-	8,823
Other	5	17,840	2	58	17,905	21,392	2,654
Total Operating Revenue	129,151	54,680	34,044	14,853	232,728	208,902	397,861
OPERATING EXPENSES:							
Personal services	9,425	10,853	8,632	2,679	31,589	31,304	43,250
Supplies and materials	304	907	370	137	1,718	7,258	26,361
Central service	5,202	389	3,565	1,022	10,178	11,912	24,248
Interdepartmental charges	340	6,282	113	507	7,242	6,968	-
Other services and charges	113,761	50,004	8,415	1,323	173,503	171,204	63,387
Depreciation and amortization	654	17,769	5,677	1,106	25,206	24,452	38,626
Court reporter services	-	-	-	-	-	-	40
Claims and losses	-	-	-	-	-	-	95,578
Insurance premiums and participant dividends	-	-	-	-	-	-	65,962
Total Operating Expenses	129,686	86,204	26,772	6,774	249,436	253,098	357,452
OPERATING (LOSS) INCOME	(535)	(31,524)	7,272	8,079	(16,708)	(44,196)	40,409
NON-OPERATING REVENUE (EXPENSES):							
Investment earnings (loss)	1,648	3,042	2,924	453	8,067	17,461	16,842
Interest expense	(2,110)	(6,223)	(92)	(259)	(8,684)	(9,641)	(38,504)
Other	209	8,801	(6,926)	-	2,084	1,730	(3,304)
Total Non-Operating Revenue (Expenses)	(253)	5,620	(4,094)	194	1,467	9,550	(24,966)
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(788)	(25,904)	3,178	8,273	(15,241)	(34,646)	15,443
CAPITAL CONTRIBUTIONS	-	-	-	-	-	6,193	-
TRANSFERS:							
Transfers In	49,754	12,563	-	14,193	76,510	140,924	52,835
Transfers Out	(57,551)	(8,239)	-	(6,445)	(72,235)	(32,639)	(99,360)
Net Transfers	(7,797)	4,324	-	7,748	4,275	108,285	(46,525)
CHANGES IN NET POSITION	(8,585)	(21,580)	3,178	16,021	(10,966)	79,832	(31,082)
NET POSITION, BEGINNING OF THE YEAR, AS PREVIOUSLY REPORTED	15,925	224,279	192,042	27,423	459,669	379,535	298,897
Restatement (Note 19)	3,428	(323)	11,393	52,800	67,298	59,734	(106)
NET POSITION, BEGINNING OF THE YEAR, AS RESTATED	19,353	223,956	203,435	80,223	526,967	439,269	298,791
NET POSITION, END OF YEAR	$ 10,768	$ 202,376	$ 206,613	$ 96,244	$ 516,001	$ 519,101	$ 267,709

See accompanying notes.

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
WITH COMPARATIVE TOTALS FOR 2024 (in thousands)

	BUSINESS TYPE ACTIVITIES ENTERPRISE FUNDS	
	SOLID WASTE DISPOSAL	CITY VENUES
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	$ 98,145	$ 37,071
Receipts from interfund services provided	-	-
Payments to suppliers	(116,111)	(56,827)
Payments to employees	(10,277)	(10,853)
Internal activity-payments to other funds	(340)	(6,282)
Other cash receipts	5	13,425
Other cash payments	-	-
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(28,578)	(23,466)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES::		
Transfers from other funds	49,754	12,563
Transfers to other funds	(57,551)	(8,239)
Cash received from other funds	-	-
Cash paid to other funds	-	-
Cash received (used) from net non-operating revenue (expenses)	212	8,805
NET CASH PROVIDED BY (USED IN) NONCAPITAL FINANCING ACTIVITIES	(7,585)	13,129
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(7,216)	(57,862)
Proceeds from disposition of capital assets	-	-
Principal and interest repayments of bond issues	(364)	16,313
Amortization of bond premium	-	(1,505)
Capital contributions	-	-
Proceeds from bonds payable	-	120
Payments on bonds payable	-	(22,664)
Proceeds from loans payable	19,868	164,924
Payments on loans payable	(11,285)	(1,000)
Proceeds from notes payable	-	-
Payments on notes payable	-	-
Interest paid on debts	(2,110)	(6,030)
NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	(1,107)	92,296
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest and dividends on investments	1,648	3,042
NET CASH PROVIDED BY INVESTING ACTIVITIES	1,648	3,042
NET INCREASE(DECREASE) IN CASH AND INVESTMENTS	(35,622)	85,001
Equity in pooled cash and investments at October 1, 2024, as restated	53,250	46,235
Equity in pooled cash and investments at September 30, 2025	$ 17,628	$ 131,236

See accompanying notes.

BUSINESS TYPE ACTIVITIES ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES
STORM WATER SERVICES	NON MAJOR ENTERPRISE	TOTALS 2025	TOTALS 2024	INTERNAL SERVICE FUNDS
$ 34,059	$ 14,773	$ 184,048	$ 181,186	$ 8,823
-	-	-	-	381,742
(11,341)	(2,407)	(186,686)	(169,728)	(181,573)
(8,714)	(2,697)	(32,541)	(30,875)	(44,399)
(113)	(508)	(7,243)	(6,009)	
2	26	13,458	17,204	2,569
-	-	-	(12,793)	(442,284)
13,893	9,187	(28,964)	(21,015)	(275,122)
-	14,193	76,510	140,924	52,835
-	(6,445)	(72,235)	(32,639)	(99,360)
-	-	-	907	-
-	-	-	-	-
(5,361)	(2)	3,654	5,709	(3,040)
(5,361)	7,746	7,929	114,901	(49,565)
-	(2,729)	(67,807)	(39,113)	(62,713)
-	-	-	(314)	1,067
-	(22)	15,927	(314)	(8,725)
-	257	(1,248)	(33,686)	(713)
-	1	1	2,493	-
-	41	161	6,474	467,946
-	(192)	(22,856)	(23,147)	(100,959)
-	-	184,792	11,547	14,420
(539)	-	(12,824)	(3,939)	(5,799)
-	-	-	-	-
-	-	-	-	-
(92)	(259)	(8,491)	(12,125)	(33,646)
(631)	(2,903)	87,655	(92,124)	270,878
2,924	453	8,067	17,784	16,841
2,924	453	8,067	17,784	16,841
10,825	14,483	74,687	19,546	(36,968)
74,692	13,250	187,427	167,567	371,806
$ 85,517	$ 27,733	$ 262,114	$ 187,113	$ 334,838

COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
WITH COMPARATIVE TOTALS FOR 2024 (in thousands; continued)

	BUSINESS TYPE ACTIVITIES ENTERPRISE FUNDS	
	SOLID WASTE DISPOSAL	CITY VENUES
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:		
OPERATING INCOME(LOSS)	$ (538)	$ (31,524)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	654	17,769
(Increase) decrease in assets:		
Receivables and other current assets net	(31,031)	(4,190)
Due from independent agencies and other governments	(31)	-
Interest and dividend receivables	-	-
Inventories	-	-
Other receivables	-	4,190
Loan receivables	-	-
Prepaid expenses and other assets	-	(2,252)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	(1,205)	(3,276)
Contracts payable	336	1
Deposits	61	(211)
Lease payable	-	-
Unearned revenue	-	442
Software subscription payable		
Liability for landfill closure and postclosure care	4,028	-
Change in leases (Deferred Inflow of resources)	-	(4,415)
Liability for self-insured losses		
Accrued compensated absences	(852)	-
TOTAL ADJUSTMENTS	(28,040)	8,058
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	$ (28,578)	$ (23,466)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:		
Change in the fair value of investments.	(1,211)	87

See accompanying notes.

BUSINESS TYPE ACTIVITIES ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES
STORM WATER SERVICES	NON MAJOR ENTERPRISE	TOTALS 2025	TOTALS 2024	INTERNAL SERVICE FUNDS
$ 7,272	$ 8,075	$ (16,715)	$ (44,198)	$ 40,410
5,677	1,106	25,206	24,452	38,626
17	(50)	(35,254)	(7,441)	535
-	(9)	(40)	(221)	(1,124)
-	-	-	3	-
-	(1)	(1)	-	(88)
-	37	4,227	-	841
-	-	-	-	(351,315)
-	-	(2,252)	(3,459)	4,894
1,023	99	(3,359)	19,999	336
(14)	-	323	155	120
-	-	(150)	12	-
-	(20)	(20)	-	(67)
-	-	442	(14,682)	(4,894)
				(6,811)
-	-	4,028	4,051	-
-	(32)	(4,447)	4,051	(85)
				4,649
(82)	(18)	(952)	314	(1,149)
6,621	1,112	(12,249)	27,234	(315,532)
$ 13,893	$ 9,187	$ (28,964)	$ (16,964)	$ (275,122)
(462)	(55)	(1,641)	(25,851)	-



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FIDUCIARY FUND FINANCIAL STATEMENTS

Pension Trust Funds are funds administered by independent boards for which the City performs a fiduciary role under 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 Funds are 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.

Custodial Funds account for fiduciary activities that are not required to be presented as pension trust funds or private purpose trust funds.

CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2025
WITH COMPARATIVE TOTALS FOR 2024 (in thousands)

	PENSION TRUST FUNDS		PRIVATE PURPOSE TRUST FUNDS		CUSTODIAL FUNDS	
	2025	2024	2025	2024	2025	2024
ASSETS						
Equity in pooled cash and investments	$ 17,764	$ 5,481	$ 7	$ 12	$ 174	$ 149
Cash in escrow and with fiscal agents	-	-	289	280	67,613	67,485
Receivables (net, where applicable, of allowances for uncollectibles):						
Interest and dividends	2,583	3,079	-	-	-	-
Accounts	81	81	-	-	2,883	2,768
Other	1,007	196	-	-	6	6
Due from independent agencies and other governments	2,574	2,852	-	-	-	-
Prepaid assets	82	82	-	-	-	-
Investments, at fair value:						
Bonds	1,162,290	1,051,794	-	-	-	-
Short-term investments	68,734	69,272	-	-	-	-
Domestic stocks	2,011,095	1,896,743	-	-	-	-
International stocks	1,354,171	1,233,036	-	-	-	-
Real estate	631,860	698,146	-	-	-	-
Alternative investments	493,893	336,240	-	-	-	-
Equity in pooled investments	523,882	374,731	-	-	-	-
Total investments	6,245,925	5,659,962	-	-	-	-
Capital assets:						
Other capital assets, net of depreciation	65	-	-	-	-	-
Total capital assets, net	65	-	-	-	-	-
Securities lending collateral	92,509	100,461	-	-	-	-
TOTAL ASSETS	6,362,590	5,772,194	296	292	70,676	70,408
DEFERRED OUTFLOW OF RESOURCES:						
Net differences between expected and actual investments earnings	413	619	-	-	-	-
LIABILITIES						
Obligations under securities lending agreement	92,509	100,461	-	-	-	-
Accounts payable and accrued liabilities	207,561	4,612	-	-	114	-
Advance payments	-	178,068	-	-	-	-
Due to other funds	18,991	5,922	5	3	-	-
Due to independent agencies and other governments	-	-	-	-	6,596	608
Due to individuals	-	-	-	-	209	7,431
Deposits held in escrow	-	-	-	-	23,997	21,733
Accrued compensated absences	102	241	-	-	-	-
Terminal leave - group care	8	8	-	-	-	-
Net pension liability - SSVRP	841	1,246	-	-	-	-
TOTAL LIABILITIES	320,012	290,558	5	3	30,916	29,772
DEFERRED INFLOW OF RESOURCES:						
Leases	977	151	-	-	-	-
Net differences between expected and actual investments earnings	654	456	-	-	-	-
TOTAL DEFERRED INFLOW OF RESOURCES	1,631	607	-	-	-	-
NET POSITION						
Restricted for pensions and other purposes	$ 6,041,360	$ 5,481,648	$ 291	$ 289	$ 39,760	$ 40,636

See accompanying notes.

CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025
WITH COMPARATIVE TOTALS FOR 2024 (in thousands)

	PENSION TRUST FUNDS		PRIVATE PURPOSE TRUST FUNDS		CUSTODIAL FUNDS	
	2025	2024	2025	2024	2025	2024
ADDITIONS						
Contributions:						
Employer	$ 378,675	$ 343,213	$ -	$ -	$ -	$ -
Plan member	78,635	73,482	-	-	-	-
Total Contributions	457,310	416,695	-	-	-	-
Other additions:						
State insurance contributions	23,579	21,426	-	-	-	-
Court fines and penalties	592	673	-	-	-	-
Miscellaneous	630	306	-	-	83	-
Collections due to individuals					616,055	118,023
Collections deposits held in escrow					8,454	6,949
Collections due to other governments					3,896,738	3,604,452
Plan transfers in (out)	43,016	12,528	-	-	-	-
Total other additions	67,817	34,933	-	-	4,521,330	3,729,424
Investment income:						
Net change in fair value of investments	601,929	884,290	-	30	-	-
Interest and other miscellaneous	20,550	2,747	10	7	-	-
Dividends	63,860	49,295	-	-	-	-
Rebate of commissions	77	93	-	-	-	-
Rental Income	602	620	-	-	-	-
Total investment income (loss)	687,018	937,045	10	37	-	-
Less investment expense	(30,569)	(36,781)	-	-	-	-
Less rental expense	(258)	(258)	-	-	-	-
Net investment income (loss)	656,191	900,006	10	37	-	-
Securities Lending Activities:						
Securities lending	1,834	1,031	-	-	-	-
Agent fees	-	(2)	-	-	-	-
Total securities lending activities	1,834	1,029	-	-	-	-
TOTAL ADDITIONS	1,183,152	1,352,663	10	37	4,521,330	3,729,424
DEDUCTIONS						
Benefit payments	455,265	441,283	-	-	-	-
DROP benefits	43,201	41,474	-	-	-	-
Refund of contributions	101,201	56,549	-	-	-	-
Administrative expenses	3,307	4,468	-	-	-	-
Miscellaneous expenses	20,466	34,280	8	5	-	-
Payments due to individuals					617,263	116,678
Payments deposits held in escrow					7,562	9,234
Payments due to other governments					3,897,381	3,601,793
TOTAL DEDUCTIONS	623,440	578,054	8	5	4,522,206	3,727,705
CHANGES IN NET POSITION	559,712	774,609	2	32	(876)	1,719
NET POSITION, BEGINNING OF THE YEAR, AS PREVIOUSLY REPORTED	5,481,632	4,707,039	289	257	40,636	38,917
Restatement (Note 19)	16	-	-	-	-	-
NET POSITION, BEGINNING OF THE YEAR, AS RESTATED	5,481,648	4,707,039	289	257	40,636	38,917
NET POSITION, END OF YEAR	$ 6,041,360	$ 5,481,648	$ 291	$ 289	$ 39,760	$ 40,636

See accompanying notes.



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COMPONENT UNIT FINANCIAL STATEMENTS

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

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, 2025

	MAJOR COMPONENT UNITS		
	JEA	JACKSONVILLE TRANSPORTATION AUTHORITY	JACKSONVILLE PORT AUTHORITY
ASSETS:			
Cash and cash equivalents	$ 499,991	$ 62,703	$ 78,755
Cash in escrow with fiscal agent	-	-	-
Investments	354,376	26,681	-
Accounts and interest receivable	265,162	6,158	8,661
Loans receivable	-	-	-
Other receivables	-	2,336	11,101
Due from other governmental agencies	-	31,319	-
Inventories	205,273	4,104	5,521
Other assets	146,531	19,721	-
Hedging derivative instruments	58,775	-	-
Costs to be recovered from future revenues	1,082,220	-	-
Capital assets:			
Land, easements, and construction in progress	1,480,524	200,157	605,644
Buildings and improvements	-	290,438	885,750
Vehicles	-	201,016	-
Equipment	-	162,408	153,399
Utility plant in service	14,293,400	-	-
Right-to-use asset - subscriptions	-	950	-
Less: accumulated depreciation	(9,158,810)	(382,871)	(590,933)
Total capital assets, net of depreciation	6,615,114	472,098	1,053,860
TOTAL ASSETS	9,227,442	625,120	1,157,898
DEFERRED OUTFLOW OF RESOURCES:			
Pension related in	121,337	13,341	3,105
Unamortized deferred loss on refunding and defeasance	11,082	-	4,423
Accumulated decrease in fair value of hedging instrument	31,525	-	-
Unrealized asset retirement obligation	83,808	-	-
Other post employment benefit related	13,731	96	-
TOTAL DEFERRED OUTFLOW OF RESOURCES	261,483	13,437	7,528
LIABILITIES:			
Accounts payable and accrued liabilities	146,939	45,297	5,956
Contracts payable	165,702	-	34,223
Due to independent agencies and other governments	-	-	-
Deposits	108,420	-	-
Interest payable	77,237	1,294	2,428
Unearned revenue	-	4,361	700
Other current liabilities	12,537	-	4,197
Noncurrent liabilities:			
Fair market value of debt management instrument	-	-	-
Due within one year:			
Estimated liability for claims payable < 1 year	-	2,298	-
Subscriptions payable	-	87	-
Compensated absences < 1 year	-	1,064	-
Bonds, notes payable	105,445	6,715	9,184
Due in more than one year:			
Net pension liability	878,778	19,271	14,046
Estimated liability for claims payable > 1 year	-	5,407	-
Bonds, notes payable, and commercial paper	3,544,691	88,564	178,729
Lease liability	84,899	-	-
Compensated absences	45,621	2,168	-
Custodial projects - due to other governments	-	108,663	-
Unearned revenue noncurrent	-	-	17,241
Asset retirement obligation	28,353	-	-
Other noncurrent liabilities	67,101	318	14,981
TOTAL LIABILITIES	5,265,723	285,507	281,685
DEFERRED INFLOW OF RESOURCES:			
Pension related out	95,519	10,766	3,568
Other post employment benefit related	19,767	-	-
Revenue to be used for future costs	285,882	2,105	-
Accumulated increase in fair value of hedging derivatives	58,774	15,913	-
TOTAL DEFERRED INFLOW OF RESOURCES	459,942	28,784	3,568
NET POSITION:			
Net investment in capital assets	3,166,224	356,768	833,683
Restricted for:			
Debt service	106,180	-	19,844
Capital projects	104,136	-	-
Other purposes	1,739	56,491	3,549
Unrestricted	384,981	(88,995)	23,097
TOTAL NET POSITION	$ 3,763,260	$ 324,264	$ 880,173

See accompanying notes.

NON MAJOR COMPONENT UNIT JACKSONVILLE HOUSING FINANCE AUTHORITY	TOTAL
$ 12,280	$ 653,729
1,927	1,927
-	381,057
-	279,981
19,738	19,738
777	14,214
-	31,319
-	214,898
-	166,252
-	58,775
-	1,082,220
-	2,286,325
-	1,176,188
-	201,016
-	315,807
-	14,293,400
-	950
-	(10,132,614)
-	8,141,072
34,722	11,045,182
-	137,783
-	15,505
-	31,525
-	83,808
-	13,827
-	282,448
-	198,192
-	199,925
-	-
80	108,500
-	80,959
-	5,062
22	16,756
-	-
-	2,298
-	87
-	1,064
-	121,344
-	912,095
-	5,407
-	3,811,983
-	84,899
-	47,789
-	108,663
-	17,241
-	28,353
12	82,412
114	5,833,029
-	109,853
-	19,767
-	287,987
-	74,687
-	492,294
-	4,356,675
-	126,024
-	104,136
7,927	69,706
26,681	345,764
$ 34,608	$ 5,002,305

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF ACTIVITIES -
COMPONENT UNITS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES: FINES AND CHARGES FOR SERVICES	PROGRAM REVENUES: OPERATING GRANTS AND CONTRIBUTIONS	PROGRAM REVENUES: CAPITAL GRANTS AND CONTRIBUTIONS
Governmental activities:				
Jacksonville Transportation Authority	$ 5,724	$ -	$ -	$ 138
Total governmental activities	5,724	-	-	138
Business-type activities:				
JEA	2,269,056	2,113,375	-	170,665
Jacksonville Transportation Authority	215,844	19,993	22,728	14,573
Jacksonville Port Authority	134,736	76,088	-	137,299
Jacksonville Housing Finance Authority	72	-	-	-
Total business-type activities	2,619,708	2,209,456	22,728	322,537
Total component units	$ 2,625,432	$ 2,209,456	$ 22,728	$ 322,675
General Revenues:				
Sales and tourist taxes				
Intergovernmental - unrestricted				
Unrestricted earnings on investments				
Proceeds on sale of surplus property				
Miscellaneous				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position, beginning of year, as previously reported				
Restatement (Note 18)				
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	
$ (5,586)	$ -	$ -	$ -	$ -	$ (5,586)
(5,586)	-	-	-	-	(5,586)
-	-	14,984	-	-	14,984
-	-	-	(158,550)	-	(158,550)
-	-	-	-	78,651	78,651
-	(72)	-	-	-	(72)
-	(72)	14,984	(158,550)	78,651	(64,987)
$ (5,586)	$ (72)	$ 14,984	$ (158,550)	$ 78,651	$ (70,573)
3,000	-	-	-	-	3,000
-	-	-	113,108	19,723	132,831
2,718		36,048	806	3,547	43,119
-	-	-	(48)	-	(48)
3,286	3,201	57,121	-	-	63,608
(46,534)	-	-	46,534	-	-
(37,530)	3,201	93,169	160,400	23,270	242,510
(43,116)	3,129	108,153	1,850	101,921	171,937
(10,103)	31,479	3,655,107	393,900	778,252	4,848,635
(4,125)		-	(14,142)	-	(18,267)
(14,228)	31,479	3,655,107	379,758	778,252	4,830,368
$ (57,344)	$ 34,608	$ 3,763,260	$ 381,608	$ 880,173	$ 5,002,305



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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 20 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 17.

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 1,079,044 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. In GASB Codification Section 2100 - *Defining the Financial Reporting Entity*, the GASB has set forth criteria to be considered in determining financial accountability. 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Financial Reporting Entity (continued)

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 Units

Blended 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. These Community Redevelopment Agencies (CRAs) are reported as part of the City and blended into the governmental funds.

Community Redevelopment Agencies (CRAs), KingSoutel Crossing, Renew Arlington, Downtown Southside and Downtown Northbank are blended component units that are reported within the Tax Increment Districts special revenue fund. The City serves as the Board for KingSoutel Crossing, and Renew Arlington CRAs. The Downtown Investment Authority serves as the Board for Downtown Southside and Downtown Northbank. The CRAs are blended because the City Council has 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, FL 32202.

Component Unit Reported as a Fiduciary Fund

The **Jacksonville Police and Fire Pension Board of Trustees**, created under Article 22 of the City Charter, provides retirement services and benefits to eligible employees of the Office of the Sheriff and the Department of Fire and Rescue. The Board consists of five members. Two members are appointed by the City Council; the other three members include a police officer, a firefighter; and the last is chosen by a majority of the previous 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, FL 32202-3616. These transactions are recorded in the Pension Trust Funds within the Fiduciary Funds financial statements.

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 JEA consists of seven members, four nominated by the City Council President and confirmed by the City Council, and three 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 located at 225 N. Pearl Street, Jacksonville, FL 32202.

The **Jacksonville Port Authority** (JPA or JAXPORT) 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 are appointed by the mayor and three 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 members are appointed by the governor and confirmed by the Florida Senate, three 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 (FDOT). 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 100 LaVilla Center Drive, Jacksonville, FL 32204.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Financial Reporting Entity (continued)

Nonmajor Component Units

The **Jacksonville Health Facilities Authority**, created under Chapter 490 of the Jacksonville Municipal 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 has the ability to impose its will on the Health Facilities Authority. 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 8J Conduit Debt. During the fiscal year presented, the Jacksonville Health Facilities Authority had no financial transactions or assets and liabilities to report. Therefore, there are no separately issued financial statements.

The **Jacksonville Housing Finance Authority** (JHFA) was established pursuant to Chapter 52 of the 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 board members. The City has the ability to impose its will on 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. In 2023, City Council passed Ordinance 2023-492-E granting JHFA control over its own finances and procurement. Requests for information may be addressed to the Jacksonville Housing Finance Authority, 214 N. Hogan Street, 8th Floor, Jacksonville, Florida 32202

Related Organizations

The **Jacksonville Housing Authority** (JHA) is governed by a seven-member board, whose members are appointed by the mayor, confirmed by the City Council, and eleven advisory members. 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Financial Reporting Entity (continued)

The **Duval County Research and Development Authority** (Authority) is governed by a five-member board whose members are appointed by the City Council. 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 city council members, and various other leaders from 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.

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basic Financial Statements (continued)

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.

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.

Special Revenue Funds

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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Fund Structure (continued)

Special Revenue Funds (continued)

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 Plan Construction Projects Fund.

Capital Projects Funds – The General Projects Fund receives monies appropriated from the General Fund and other sources including proceeds from non-bonded debt for general capital improvements.

Nonmajor Governmental Funds – This is the aggregate of all the nonmajor 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 EverBank Stadium, Daily's Place, VyStar Veterans Memorial Arena, 121 Financial Ballpark, Jacksonville Center for the Performing Arts, Prime F. Osborn III Convention Center, and the Ritz Theater and Museum.

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

Other Nonmajor Enterprise Fund – This is the aggregate of all of the nonmajor 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 of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Fund Structure (continued)

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 and the Police and Fire Pension Fund, which accumulate resources for pension benefit payments for qualified employees.

Custodial Funds – These funds account for fiduciary activities that are not required to be presented as pension trust funds or private purpose trust funds. 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, 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 fund financial statements. 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 period in which the taxes are levied, provided they are available within 90 days after the end of the fiscal period. Sales taxes are recognized as revenue when the underlying exchange transaction occurs, provided they are available within 90 days after the end of the fiscal period. Grants and entitlements are recognized as revenue when all eligibility requirements are met, and the revenue is available.

Governmental fund financial statements are reported using 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Basis of Accounting (continued)

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 90-day availability period for revenue recognition. Ambulance billings have a 90-day availability period. Federal and state grants collected on a reimbursement basis are recognized as revenue when reimbursable expenditures are made, and amounts are anticipated to be received within one year after the end of the fiscal period as available.

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 lease obligations that are recognized when paid, and payments for compensated absences, pension, other post-employment benefits (OPEB), 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Cash, Cash Equivalents, and Investments (continued)

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.

G. Receivables

Receivables are presented after deducting the estimated allowances for amounts deemed uncollectible. These allowances are calculated based on historical collection data and the prevailing economic conditions, resulting in the net realizable values. The receivables primarily consist of amounts due from the State of Florida for shared revenues, along with mortgage, loan, and other receivables that have been accrued in the normal course of business operations.

A portion of these receivables, including some mortgage receivables, are associated with loans extended for the purpose of economic development. The repayment of these loans is dependent on various economic factors beyond the City's control. Given the uncertainty surrounding the ultimate collectability of these amounts, allowances equivalent to the balances of these receivables have been established.

H. Inventories

Inventories of materials and supplies are determined by physical counts at the end of the fiscal year, and balances are adjusted in accordance with the consumption method. The stated cost of these inventories, which closely mirrors market values, is predicated on the actual quantities of materials and supplies available.

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 $5,000 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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

I. Capital Assets (continued)

The City capitalizes collections, such as artwork. The City has a collection of artworks 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.

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 receivables 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. 101, *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 non-vesting, accumulated sick pay benefits. Compensated absences liability is determined based on current rates of pay.

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 $2.5 million per occurrence with a policy aggregate limit of $2.5 million and $2.5 million per occurrence for automobile liability. These limits are subject to a $2 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 Jacksonville Sheriff's Office, Jacksonville Fire and Rescue Department, Jacksonville Aviation Authority and the Department of Neighborhoods' Animal Care and Protective Services Division with $1 million in coverage, without a self-insured retention, for those instances where vehicles from these insureds must cross state lines.

The City has an excess worker's compensation policy with a self-insured retention of $1.25 million per occurrence and includes unlimited statutory coverage for workers' compensation benefits, with exception of 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, 2025, for incurred but not yet reported claims and claims development. 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 transitioned from a fully insured health plan to a self-funded arrangement for its group health coverage. Under this arrangement, the City assumes the financial responsibility for paying health claims, with funding provided through contributions from both the City and its employees/retirees. To limit exposure to large claims, the City maintains stop-loss insurance with a $1 million deductible as of 2025. When an individual claim exceeds this stop loss threshold, the City is reimbursed for expenses above the limit. All contributions and reimbursements are accounted for in an internal service fund dedicated exclusively to Employee Benefits. In accordance with Florida statutes, the plan is required to maintain a safe harbor reserve threshold. Additional details regarding risk financing are provided in Note 12.

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 a deferred outflow of resources. Investments are reported at fair value.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. Landfill Closure and Postclosure Care Costs

The City acknowledges the costs associated with the closure and postclosure care of municipal solid waste landfills, in compliance with the Solid Waste Management Act of 1988 enacted by the State of Florida, the 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 landfills that ceased accepting solid waste prior to the 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 within the Solid Waste Disposal Enterprise Fund. The City has issued bonds to finance the closure costs of these landfills.

Postclosure care costs for closed landfills are recorded as a liability, based on estimates provided by engineers. The City Council has established rates designed to recover these costs, and it is considered reasonable to assume that such rates can be levied upon and collected from customers.

The City plans to recover these MSWLF costs through future operating revenues of the Solid Waste Disposal Enterprise Fund. Consequently, MSWLF costs are recognized as expenses each year to align with the flow of revenue and principal payments of bonds, thereby reducing the deferred charge.

Annual expenses for closure and postclosure care costs are recorded, and the liability is adjusted according to the engineer's estimate. MSWLF closure and postclosure care costs incurred for landfills that began accepting solid waste after the final implementation of the 1988 Act and EPA regulations are recognized as an expense. A liability is recorded based on 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 citywide financial statements, 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. Long-Term Obligations (continued)

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. UF Health Jacksonville) 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. 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 UF Health Jacksonville, a provider of health care for indigents, from debt proceeds. The City and/or its Community Redevelopment Agency (CRA) districts, to encourage targeted 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 Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions,* fund balance categories include non-spendable, 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 the 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 21 Fund Balance Disclosure.

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 par amount of debt issued and bond premiums are reported as other financing sources while discounts on debt issuance are reported as other financing uses. Issuance costs, whether or not withheld from the debt proceeds received, are reported as debt service expenditures.

In the citywide 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

T. Deferred Loss on Debt Refundings

Losses resulting from refunding of debt in the citywide 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.

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. Summarized Comparative Information and Reclassifications

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, 2024, from which the summarized information was derived.

Certain amounts for fiscal year 2024 have been reclassified to conform to the 2025 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. 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.

X. Leases

Leases are defined as a contract that conveys control of the right to use another entity's non-financial asset (the underlying asset).

The City is a lessee for noncancelable leases of building, equipment, infrastructure, land, and land improvements. The City recognizes a lease liability and a right-to-use lease asset in the citywide and proprietary fund financial statements. Leased assets are reported with other capital assets and lease liabilities are reported with long- term debt on the statement of net position. At the commencement of the lease term, the City recognizes a lease liability and a lease asset "intangible right-to-use lease asset", unless the lease is a short-term lease or transfers ownership of the underlying asset. The City initially measures the lease liability at the present value of lease payments expected to be made during the lease term. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

X. Leases (continued)

made at or before the lease commencement date, plus certain initial costs. Subsequently, the lease liability is reduced by the principal portion of lease payments made and the lease asset is amortized over the shorter of the lease term or the useful life of the underlying asset.

The City is a lessor for noncancelable leases of building, land, and infrastructure. The City recognizes a lease receivable and a deferred inflow of resources in the citywide and proprietary fund and governmental fund financial statements. At the commencement of the lease, the City recognizes a lease receivable and a deferred inflow of resources, which does not apply to leases of assets held as investments, certain regulated leases, short-term leases, and leases that transfer ownership of the underlying asset. The City initially measures the lease receivable at the present value of lease payments expected to be received during the lease term. The deferred inflow of resources is initially measured at the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the lease receivable is reduced by the principal portion of lease payments received and the deferred inflow of resources is recognized as revenue over the life of the lease term.

Y. Subscription-Based Information Technology Arrangements (SBITA)

GASB Statement No. 96 defines Subscription-Based Information Technology Arrangements (SBITA) as a contract that conveys control of the right to use another party's (a SBITA vendor's) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange-like transaction. The City has entered into several non-cancellable software subscriptions. The related obligations are presented in the amounts equal to the present value of subscription payments, payable during the remaining subscription term. Assets are presented in Note 6 as right-to-use software subscriptions and liabilities are presented in Note 8C as software subscriptions payable.

SBITA terms include the period during which a government has a noncancellable right to use the underlying IT assets. The subscription term also includes periods covered by an option to extend (if it is reasonably certain that the government or the subscription vendor will exercise that option) or to terminate (if it is reasonably certain that the government or subscription vendor will not exercise that option). Short-term subscriptions have a maximum possible term under the subscription contract of 12 months (or less), including any options to extend, regardless of their probability of being exercised. Subscription payments for short-term contracts are recognized as outflows of resources.

The City recognizes a right-to-use software subscription asset, an intangible asset, and a corresponding software subscription liability. The City recognizes the subscription liability at the commencement of the subscription term, which is when the subscription asset is placed into service. The subscription liability is measured at the present value of subscription payments expected to be made during the subscription term.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Y. Subscription-Based Information Technology Arrangements (SBITA) (continued)

The subscription asset is initially measured as the sum of (1) the initial subscription liability amount, (2) payments made to the SBITA vendor before commencement of the subscription term, and (3) capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term.

Z. Accounting Pronouncements

In fiscal year 2025, the City adopted the following new statements of financial accounting standards issued by the GASB:

- GASB Statement No. 101, *Compensated Absences*

GASB Statement No. 101, *Compensated Absences* – replaces GASB Statement No. 16. The primary objective of GASB 101 is to create a unified, clearer, and more comparable framework to recognize and measure liabilities for employee leave, improving transparency by establishing consistent principles for when such leave becomes a definite liability, even if it does not vest or get paid out at termination, focusing on the "more likely than not" use for time off or cash settlement.

- GASB Statement No. 102, *Certain Risk Disclosures*

The primary objective of GASB 102 is to enhance transparency by informing users about risks that could affect a government's ability to meet its obligations or provide services. Disclosures include vulnerabilities from concentrations, where a significant portion of resources come from few sources, or constraints, limitations imposed by external parties or the government itself that restrict resource acquisition or spending, or if events could substantially impact services within twelve months.

The Governmental Accounting Standards Board has issued the following statements that will become effective in the future:

- GASB Statement No. 103, *Financial Reporting Model Improvements*
- GASB Statement No. 104, *Disclosure of Certain Capital Assets*
- GASB Statement No. 105, *Subsequent Events*

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

2. BUDGETARY DATA

The City provides a budgetary comparison schedule for the General Fund as part of the required supplementary information. During this reporting period, the Other Federal, State and Local Grants Fund and the Better Jacksonville Trust Fund qualified as major special revenue funds; however, they are not subject to annual budgeting. No other special revenue funds met the criteria for major fund classification. The City's budgetary comparison schedules, along with the accompanying notes describing the City's budgetary policies and procedures, are included in the required supplementary information section of this report.

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 citywide 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, 2025, primary government deposits in financial institutions totaled $631.5 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.

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3. CASH, INVESTMENTS AND SECURITIES LENDING (continued)

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.

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 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 2025 normal portfolio balance of $2.15 billion, which is defined by Ordinance Code 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 fiscal 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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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, 2025

		Sector Guideline Exposures		
		% of Normal Portfolio Balance		
			Maximum	
Compliance Guideline	**Exposure to Specific Guideline**	**Year end Exposure %**	**During Year**	**By Policy**
Duration[1]	2.65	NA	2.69	5.00
Liquidity	$ 776,643,192	36.1%	36.8%	100.0%
Requirements				
USG + Agencies	718,472,401	33.4	41.8	100.0
US Govt (USG)	533,591,989	24.8	29.9	100.0
Constraints				
Agencies	184,880,412	8.6	11.9	45.0
MBS	152,352,618	7.1	9.3	35.0
Agency MBS	107,329,106	5.0	6.9	35.0
Non-Agency MBS	45,023,512	2.1	2.4	15.0
Asset Backed Securities	85,670,776	4.0	4.0	7.5
Corporates	410,363,724	19.1	21.2	60.0
Corporates > 1 Year	284,518,328	13.2	15.1	40.0
Municipal Bonds	5,452,108	0.3	0.4	10.0
Bond Funds	484,539,190	22.5	29.0	85.0
Money Market Funds	333,248,009	15.5	34.8	40.0
Certificates of Deposit	-	-	-	20.0
Repurchase agreements	-	-	-	20.0
Rule 144a Securities	80,859,230	3.8	3.8	10.0
Specialty Risk				
High Yield	26,029,655	1.2	1.3	9.0
International	43,140,429	2.0	2.2	7.5
International (non-hedged)	-	-	-	5.0
Emerging Market	3,372,936	0.2	0.2	5.0
Duration > 8.5	30,608,026	1.4	1.6	7.5
Normal Portfolio Balance	2,150,000,000			

[1]Commingled Funds and Cash are excluded.

3. CASH, INVESTMENTS AND SECURITIES LENDING (continued)

B. Investments and Investment Practices (continued)

1. 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 and valued with the market approach valuation technique; Level 3 inputs are significant unobservable inputs.

Operating Fund
Fair Value of Assets by Measurement Type
as of September 30, 2025

Investment Type	Total Fair Value	Quoted Prices in Active Markets For Identical Assets (Level 1)	Significant Observable Inputs (Level 2) *	Significant Unobservable Inputs (Level 3)
Corporate Stock - Common	$ -	$ -	$ -	$ -
Corporate Stock - Preferred	746,003	-	746,003	-
Registered Investment Companies	1,039,069,750	1,039,069,750	-	-
U. S. Government Securities	564,820,106	484,373,362	80,446,745	-
Corporate Debt Instruments	429,336,748	-	429,336,748	-
Common/Collective Trust	143,624,574	-	-	143,624,574
**Other Investments	(4,905,100)	(12,528,437)	7,623,337	-
Total Investments	$ 2,172,692,081	$ 1,510,914,674	$ 518,152,833	$ 143,624,574

* Market approach valuation technique used.

** Composed of Taxable Municipals, Non-US Bonds, Other Short Term Bonds, and Cash/Interest/Pending trades as of September 30, 2025.

The City has the following recurring fair value measurements as of September 30, 2025:

- 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 Company – 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 U.S 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.

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 Fund. Investments in the City's two plans are governed by state statutes and locally adopted investment policies. These policies establish investment objectives and guidelines for the portfolios, 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
as of September 30, 2025

Asset Type	Equities	Bonds	Other	Cash	Total	Percentage
Equity (Domestic)	$ 787,619,920	$ -	$ -	$ 17,937,156	$ 805,557,076	31%
Large Cap Value	330,307,833	-	-	12,742,299	343,050,132	14
Large Cap Growth	153,234,791	-	-	320	153,235,111	6
Large Cap Core	103,727,669	-	-	0	103,727,669	4
Small - Mid Cap Value	138,296,065	-	-	2,330,354	140,626,419	5
Small - Mid Cap Growth	62,053,562	-	-	2,864,182	64,917,744	2
Small Cap Core	-	-	-	-	-	-
Equity (International)	667,683,576	-	-	208	667,683,784	25
Value	280,289,386	-	-	-	280,289,386	11
Growth	195,150,541	-	-	208	195,150,749	7
Emerging	192,243,649	-	-	-	192,243,649	7
Bonds	-	564,155,740	-	1,774,447	565,930,187	22
Intermediate	-	-	-	-	-	0
Aggregate	-	355,271,934	-	1,774,438	357,046,371	14
Securitized Fixed Income	-	208,883,806	-	9	208,883,815	8
Cash Account	-	-	-	12,959,304	12,959,304	-
Other Real and Diversifying Assets	19,143,441	-	570,383,001	(17,584,265)	571,942,178	13
Real Estate Assets	-	-	359,899,057	(15,583,347)	344,315,710	13
Diversifying Assets	19,143,441	-	210,483,945	(2,047,995.05)	227,579,391	9
Other Assets	-	-	-	47,077	47,077	-
Total Investments	$ 1,474,446,937	$564,155,740	$570,383,001	$ 15,086,850	$ 2,624,072,529	100%

Less: Amount reported as receivables	$ (1,499,666)
Total Investments less receivables	$ 2,622,572,862

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
as of September 30, 2025

Asset Type	Equities	Bonds	Other	Cash	Total	Percentage
Equity (Domestic)	$ 1,224,075,197	$ -	$ -	$ 26,774,034	$ 1,250,849,231	40%
Large Cap Value	340,198,354			12,067,164	352,265,518	11
Large Cap Growth	347,492,349			6,871,241	354,363,590	11
Large Cap Core	336,366,752			874,160	337,240,912	11
Small Cap Value	109,523,444			5,991,469	115,514,913	4
SMID Cap Growth	90,494,298			970,000	91,464,298	3
Equity (International)	686,937,255	-	-	308,742	687,245,997	22
Value	247,839,118			293,391	248,132,509	8
Growth	231,344,183			10,960	231,355,143	7
Emerging Markets	207,753,954			4,391	207,758,346	7
Bonds	-	598,583,696	-	14,240,450	612,824,145	20
Intermediate	-	-	-	-	-	-
Aggregate	-	598,583,696		14,240,450	612,824,145	20
Cash Account	-	-	-	6,584,601	6,584,601	1
Other	-	-	536,226,926	5,738,899	541,965,825	17
Core Real Estate	-	-	271,960,797	234,017	272,194,814	9
Non-Core Real Estate	-	-	90,454,113	1,647,156	92,101,269	3
Private Credit	-	-	173,812,015	3,857,726	177,669,742	6
Total Investments	$ 1,911,012,452	$598,583,696	$536,226,926	$ 53,646,725	$ 3,099,469,799	100%

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 and valued with the market approach valuation technique; Level 3 inputs are significant unobservable inputs.

3. CASH, INVESTMENTS AND SECURITIES LENDING (continued)

B. Investments and Investment Practices (continued)

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

Fair Value of Assets by Measurement Type
as of September 30, 2025

Investment Type	Total Fair Value	Quoted Prices in Active Markets For Identical Assets (Level 1)	Significant Observable Inputs (Level 2)*	Significant Unobservable Inputs (Level 3)
Corporate Stock - Common	$ 530,657,460	$ 530,657,460	$ -	$ -
Corporate Stock - Preferred	-	-	-	-
Registered Investment Companies	33,256,283	33,256,283	-	-
U.S. Government Securities	71,583,759	42,508,818	29,074,941	-
Corporate Debt Instruments	66,999,967	-	66,999,967	-
Common/Collective Trust	1,094,684,597	-	-	1,094,684,597
Partnership/Joint Venture Interest	510,339,061	-	-	510,339,061
Pooled Separate Accounts	50,908,040	-	-	50,908,040
**Other Investments	265,643,362	(16,765,038)	2,119,015	280,289,386
Total Investments	$ 2,624,072,529	$ 589,657,523	$ 98,193,922	$ 1,936,221,084

* Market approach valuation technique used.

** Composed of 103-12 Investments, Other Short Term Bonds, Derivatives, and Cash/Dividends/Interest/Misc. Payables Pending trades as of September 30, 2025.

The City has the following recurring fair value measurements as of September 30, 2025:

- 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 Companies – 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 U.S. 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 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.

3. CASH, INVESTMENTS AND SECURITIES LENDING (continued)

B. Investments and Investment Practices (continued)

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

Police and Fire Pension Fund
Fair Value of Assets by Measurement Type
as of September 30, 2025

Investment Type	Total Fair Value	Quoted Prices in Active Markets For Identical Assets (Level 1)	Significant Observable Inputs (Level 2)*	Significant Unobservable Inputs (Level 3)
Cash and Short Term Investments	$ 53,646,725	$ -	$ 53,646,725	$ -
Commercial Mortgage Backed Securities	785,983	-	785,983	-
Convertible equity	182,413	-	182,413	-
Corporate Bonds	488,938,631	-	488,938,631	-
Funds - Other Fixed Income	67,837,015	-	67,837,015	-
Government Bonds	42,272,983	42,272,983	-	-
Government Mortgage Backed Securities	-	-	-	-
Common Stock	1,066,846,988	1,066,846,988	-	-
Hedge Equity	231,344,183	-	-	231,344,183
Common Stock Funds	612,821,281	-	612,821,281	-
Real Estate	266,228,706	-	-	266,228,706
Partnership Alternatives	268,564,891	-	-	268,564,891
Total Investments	$ 3,099,469,799	$ 1,109,119,971	$ 1,224,212,048	$ 766,137,780

* Market approach valuation technique used

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

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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 the fiscal year-end.

	Operating Portfolio	**Jacksonville Retirement System**	**Police and Fire Pension Fund**
Quality Breakdown	Portfolio (%)	Portfolio (%)	Portfolio (%)
Aaa	9.2%	3.4%	0.7%
Aa1-Aa3	49.2	15.0	6.3
A1-A3	11.2	3.4	4.7
Baa1-Baa3	10.7	7.4	21.3
Ba1-Ba3	1.4	-	6.5
Other	6.7	25.3	60.5
Commingled	11.6	45.6	-
	100.0%	100.0%	100.0%

Ratings definitions:

Treasury – United States Treasury Securities (Included in Aaa)

Agency – Government Agency Securities (Included in Aaa)

Aaa (AAA) – Highest 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.

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.

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3. CASH, INVESTMENTS AND SECURITIES LENDING (continued)

B. Investments and Investment Practices (continued)

6. Foreign Currency (continued)

Foreign Currency Exposure
September 30, 2025

	Operating Portfolio		Jacksonville Retirement System		Police and Fire Pension Fund	
	Exposure	Percentage	Exposure	Percentage	Exposure	Percentage
U.S. Dollar	$ 2,172,676,303	100.00%	$ 2,023,761,125	77.12%	$ 3,089,643,184	99.68%
Austrialian Dollar	125	0.00	8,443,354	0.32	884,720	0.03
Brazil Real	1,366	-	11,266,105	0.43	-	-
British Pound	4,691	0.02	64,170,498	2.45	1,290,970	0.04
Canadian Dollar	(1,013)	-	10,611,609	0.40	-	-
Chilean Peso	-	-	354,741	0.01	-	-
Chinese Yuan Renminbi	-	-	11,847,522	0.45	-	-
Czech Koruna	-	-	-	-	-	-
Danish Krone	-	-	11,321,500	0.43	-	-
Egyptian Pound	2,465	0.01	30,274	-	-	-
Euro Currency Unit	5,251	0.02	135,463,777	5.16	4,061,077	0.13
Hong Kong Dollar	-	-	66,386,122	2.53	-	-
Hungarian Forint	959	-	3,055,907	0.12	-	-
Indian Rupee	-	-	24,931,450	0.95	-	-
Indonesia Rupiah	-	-	1,289,678	0.05	-	-
Japanese Yen	(5,105)	-	82,919,111	3.16	-	-
Kuwaiti Dinar	-	-	817,400	0.03	-	-
Malaysian Ringgit	-	-	418,431	0.02	-	-
Mexican New Peso	-	-	1,798,998	0.07	1,369,779	0.04
New Taiwan Dollar	-	-	55,589,215	2.12	-	-
Nigerian Nigeria	2,134	0.01	-	-	-	-
Norwegian Krone	-	-	2,081,691	0.08	-	-
Peruvian Nuevo Sol	-	-	16,088	-	-	-
Paraguay Guarani	-	-	-	-	-	-
Philippines Peso	-	-	58,267	-	-	-
Polish Zloty	-	-	3,625,773	0.14	-	-
Qatari Riyal	-	-	213,473	0.01	-	-
Romanian New Leu	999	0.01	-	-	-	-
Saudi Riyal	-	-	5,243,162	0.20	-	-
Singapore Dollar	-	-	8,408,863	0.32	-	-
South African Rand	-	-	7,174,027	0.27	2,220,069	0.07
South Korean Won	-	-	35,241,352	1.34	-	-
Swedish Krona	-	-	9,357,756	0.36	-	-
Swiss Franc	-	-	22,797,516	0.87	-	-
Thai Baht	-	-	7,591,358	0.29	-	-
Turkish Lira	3,906	0.02	738,310	0.03	-	-
United Arab Emirates Dirham	-	-	7,048,077	0.27	-	-
Uruguayan Peso	-	-	-	-	-	-
Total	$ 2,172,692,081	100.00%	$ 2,624,072,529	100.00%	$ 3,099,469,799	100.00%

3. CASH, INVESTMENTS AND SECURITIES LENDING (continued)

C. Securities Lending

The City participates in securities lending with its Operating portfolio. The City has a contract with its custodian, The Bank of New York Mellon (the City's Operating) 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 fair 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 daily. The weighted average duration of the collateralized loans at September 30, 2025, was 49 days for the City's Operating Portfolio.

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, 2025, the City of Jacksonville maintained a sufficient 102% collateral on loaned securities. For the fiscal year ended September 30, 2025, the Operating Portfolio was the sole source of securities lending activity, generating net income of $97,650. Economic factors led the Jacksonville Retirement System to exit its securities lending program in November 2023. The Jacksonville Retirement System will monitor market conditions and consider re-entry if the economics become more favorable.

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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4. ACCOUNTS, LOANS, AND OTHER RECEIVABLES

The accounts, loans, 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, 2025.

Funds	Accounts and Other Receivables	Allowance for Doubtful Accounts	Net Amount Shown on Balance Sheet
Major Governmental Funds			
General Fund	$ 72,004	$ (50,746)	$ 21,258
Other Federal, State & Local Grants	2,744	-	2,744
General Projects	12	-	12
Non-Major Governmental Funds	28,308	-	28,308
Major Enterprise Funds			
Solid Waste	75,425	(7,632)	67,793
City Venues	60,064	(37)	60,027
Stormwater	28,569	(4,615)	23,954
Non-Major Enterprise Funds	350	-	350
Internal Service Funds	7,933	(4)	7,929
Fiduciary Funds			
Pension Trust Funds	3,693	(22)	3,671
Custodial Funds	2,889	-	2,889

Funds	Loans Receivable	Allowance for Doubtful Accounts	Net Amount Shown on Balance Sheet
Major Governmental Funds			
General Fund	$ 125,651	$ (125,598)	$ 53
Non-Major Governmental Funds	11,775	(6,867)	4,908
Internal Service Funds	1,430,727	-	1,430,727

Funds	Due From	Due To
General Fund	$ 65,145	$ -
NonMajor		45,248
Enterprise - Solid Waste		899
Pension Trust		18,996
Component Units		2
Total	$ 65,145	$ 65,145

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 11.3169 for the fiscal year ended September 30, 2025.

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.



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6. CAPITAL ASSETS ACTIVITY

Capital assets activity for the year ended September 30 2025, was as follows (in thousands):

Primary Government

	Beginning Balance October 1, 2024	Prior Period	Additions	Category Change Reclassifications	Dispositions	Ending Balance September 30, 2025
Governmental activities:						
Capital assets not being depreciated:						
Land	$ 330,394	$ 68,024	$ -	$ (5,635)	$ (28)	$ 392,755
Easements	-	-	-	-	-	-
Art In Public Places	1,277	-	692	12	-	1,981
Construction in progress	323,157	32,163	542,146	-	(28,472)	868,994
Total capital assets not being depreciated	654,828	100,187	542,837	(5,623)	(28,500)	1,263,730
Capital assets being depreciated:						
Buildings and improvements	898,347		154	(5,230)	-	893,271
Infrastructure	2,950,214	37,092	28,472	8,154	(11,050)	3,012,881
Furniture, equipment and library books	572,163	664	56,709	2,699	(18,082)	614,152
Intangible assets	46,322	-	-	-	-	46,322
Right-to-use asset - buildings	23,235	-	-	-	(1,375)	21,860
Right-to-use asset - equipment	729	-	82	-	(569)	241
Right-to-use asset - infrastructure	1,504	-	-	-	-	1,504
Right-to-use asset - land	787	-	-	-	-	787
Right-to-use asset - land improvements	-	-	-	-	-	-
Right-to-use asset - other leases	3,393	-	-	-	-	3,393
Right-to-use asset - subscriptions	34,444	-	5,764	-	(10,700)	29,508
Total assets being depreciated	4,531,138	37,756	91,181	5,623	(41,777)	4,623,921
Less accumulated depreciation for:						
Buildings and improvements	319,418	-	19,668	-	(3)	339,084
Infrastructure	1,321,294	521	64,262	-	(30)	1,386,048
Furniture, equipment and library books	330,962	-	53,304	-	(13,076)	371,189
Intangible assets	40,143	-	288	-	-	40,431
Right-to-use asset - buildings	7,927	-	2,115	-	(1,375)	8,666
Right-to-use asset - equipment	668	-	44	-	(569)	143
Right-to-use asset - infrastructure	451	-	113	-	-	564
Right-to-use asset - land	400	-	100	-	-	500
Right-to-use asset - land improvements	-	-	-	-	-	-
Right-to-use asset - other leases	299	-	115	-	-	413
Right-to-use asset - subscriptions	13,389	-	8,132	-	(7,716)	13,806
Total accumulated depreciation	2,034,951	521	148,141	-	(22,768)	2,160,844
Total capital assets being depreciated, net	2,496,187	37,235	(56,960)	5,623	(19,008)	2,463,077
Governmental activities capital assets, net	$ 3,151,015	$ 137,422	$ 485,877	$ -	$ (47,508)	$ 3,726,807

6. CAPITAL ASSETS ACTIVITY (continued)

Business-type activities:	Beginning Balance October 1, 2024	Prior Period	Additions	Reclassifications	Dispositions	Ending Balance September 30, 2025
Capital assets not being depreciated:						
Land	$ 46,364	$ 52,819	$ -	$ (1,025)	$ -	$ 98,158
Easements	545	-	-	-	-	545
Construction in progress	130,235	12,016	66,209	-	(31,298)	177,162
Total capital assets not being depreciated	177,144	64,835	66,209	(1,025)	(31,298)	275,866
Capital assets being depreciated:						
Buildings and improvements	742,277	-	21	(140,651)	-	601,648
Infrastructure	105,913	8,799	31,298	141,649	-	287,660
Furniture and equipment	19,088	-	18	27	(203)	18,929
Right-to-use asset - land (JEA Bay Street)	220	-	-	-	-	220
Right-to-use asset - subscriptions	-	-	-	-	-	-
Total assets being depreciated	867,499	8,799	31,338	1,025	(203)	908,456
Less accumulated depreciation for:						
Buildings and improvements	321,107	-	11,521	-	(6)	332,622
Infrastructure	146,112	21	12,853	-	11	158,996
Furniture and equipment	15,918	-	814	-	(201)	16,530
Right-to-use asset - land (JEA Bay Street)	73	-	18	-	-	92
Right-to-use asset - subscriptions	-	-	-	-	-	-
Total accumulated depreciation	483,210	21	25,206	-	(196)	508,241
Total capital assets being depreciated, net	384,288	8,778	6,132	1,025	(7)	400,216
Business-type activities capital assets, net	$ 561,433	$ 73,613	$ 72,341	$ -	$ (31,305)	$ 676,081

Governmental activities:	
Industry development	$ 115
Culture & recreation	643
General government	146,093
Human services	475
Public safety	815
Total depreciation expense - governmental activities	$ 148,141

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

Business-type activities:	
Culture & recreation	$ 19,434
Physical environment	5,396
Transportation	376
Total depreciation expense - business-type activities	$ 25,206

7. INTERFUND RECEIVABLES, PAYABLES, ADVANCES, AND TRANSFERS

During normal operations, fund transfers are made to provide financial support to the receiving funds. In fiscal year 2025, approximately 38 percent of total General Fund transfers were used to pay debt service principal and interest. About 17 percent supported Internal Service Funds, including Fleet, Information Technologies, and Self-Insurance. Another 17 percent of General Fund transfers were directed to Major Enterprise Funds, such as City Venues and Solid Waste Disposal.

Funds	Transfers Out	Transfers In
Major Funds		
General Fund	$ 185,814	$ 106,533
Special Bonded Debt Better Jax Plan	-	117,592
Other Federal State and Local Grants	-	5,925
Better Jax Plan Trust	227,854	-
General Projects	40	129,431
Solid Waste	57,551	49,754
City Venues	8,239	12,563
Non-major Funds		
Non-Major Government Funds	5,897	102,374
Non-Major Enterprise	6,445	14,193
Internal Service	99,360	52,835
Total	$ 591,200	$ 591,200

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

As of September 30, 2025, a few funds had negative cash balances. To adequately bolster these funds, a cash transfer was executed between the General Fund and the funds with negative cash balances. This transfer utilized 'due from / due to' account combinations, representing receivables and payables, respectively. The asset balance of the General Fund, due from other funds, is $57 million. The liability balances due to other funds are presented below. These amounts are also included in the Due To/Due From schedule in Note 4, Accounts, Loans, and Other Receivables.

Due to (Liability)	**Amount** (in thousands)
Non-major Governmental Funds	
Special Revenue	$37,241
Permanent	55
Pension Trust	18,991
Private Purpose	5
Solid Waste	899

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 $17.8 million to provide 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 repayment are a 30-year amortization, with a 20-year term at a fixed interest rate of 6% per year. Annual payments are $800,000 which includes both principal and interest. The balance of the loan at September 30, 2025, was $6.2 million which is recorded in the Self Insurance Fund as other receivables noncurrent.

Vestcor will repay the City an amount of $17.8 million to the Downtown Economic Development fund as initially created by ordinance 2000-1079-E. The original terms of the repayment were 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 $11 million due on March 1, 2026. The balance of the loan at September 30, 2025, was $11.1 million which is recorded in the Downtown Economic Development Fund, within the General Fund. The loan receivable has an allowance of $11.1 million due to the various changes in the agreement terms.

The loan agreement was revised again through Resolution 2023-313-E to modify the interest rate from 1.525% to 3% beginning July 1, 2023, for the remainder of the term. The new due date will be March 1, 2026.

8. LONG-TERM OBLIGATIONS

A. Bonds and Loans Outstanding

Bonds and loans outstanding at September 30, 2025, are comprised of the following (in thousands):

GOVERNMENTAL ACTIVITIES:	Amount Issued	Amount Outstanding	Remaining Coupon Rates	True Interest Cost [1]
Revenue Bonds Supported by General Fund:				
Special Revenue Bonds				
Series 2016A	$ 48,134	$ 32,652	3.000 - 5.000%	2.386%
* Series 2017A	10,600	10,600	4.000 - 5.250	3.402
* Series 2019A	100,334	74,691	5.000	2.005
Series 2020C	66,765	57,725	0.939-2.766 (taxable)	2.171
* Series 2022A	68,060	58,545	5.000	2.071
Series 2023A	23,922	23,405	5.000 - 5.500	3.655
* Series 2024	37,923	37,923	5.000 - 5.250	3.897
Total Revenue Bonds Supported by General Fund	$ 639,212	$ 295,541		

	Amount Issued	Amount Outstanding	Remaining Coupon Rates	True Interest Cost [1]
Special Revenue (Covenant) Bonds Payable from Internal Service Operations:				
Special Revenue Bonds:				
Series 2013B	$ 35,145	$ 2,245	4.493 - 4.643% (taxable)	3.469%
Series 2016A	44,081	21,228	3.000 - 5.000	2.386
* Series 2017A	80,330	63,265	4.000 - 5.250	3.402
Series 2018	72,540	34,780	5.000	3.212
* Series 2019A	50,960	39,155	5.000	2.534
Series 2020A	122,991	86,540	4.000 - 5.000	2.309
Series 2020C	38,720	27,725	0.939 - 2.766 (taxable)	2.203
* Series 2021A	87,670	73,365	4.000 - 5.000	1.963
Series 2022B	28,682	26,635	2.770	2.816
Series 2022C	99,175	94,265	5.000 - 5.250	3.692
Series 2023A	232,003	227,999	5.000 - 5.500	3.329
* Series 2024	226,458	226,458	5.000 - 5.250	3.897
Series 2025	338,160	338,160	5.000%	3.920
Total Special Revenue Bonds Payable from Internal Service Operations	$ 1,456,915	$ 1,261,820		

* 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.

8. LONG-TERM OBLIGATIONS (continued)

A. Bonds and Loans Outstanding (continued) (in thousands)

	Amount Issued	Amount Outstanding	Remaining Coupon Rates	True Interest [1] Cost
Notes Payable from Internal Service Operations:				
Amortizing Short Term Debt	$ 100,300	$ 100,300	Variable [2]	N/A
Total Notes Payable from Internal Service Operations	$ 100,300	$ 100,300		
Total bonds and notes payable from Internal Service Funds	$ 1,557,215	$ 1,362,120		
Revenue Bonds Supported by BJP Revenues:				
Transportation Sales Tax Revenue Bonds:				
Series 2015	$ 197,295	$ 170,240	5.000%	3.211%
Series 2018	53,180	4,190	5.000	2.460
Series 2020	155,040	113,065	1.000 - 2.050	1.669
Infrastructure Sales Tax Revenue Bonds:				
* Series 2012A	41,095	4,335	5.000	3.773
Series 2016 (Fully defeased Aug. 2025)	67,070	5,930	3.000 - 5.000	2.433
* Series 2022	149,871	67,466	2.540	2.590
* Series 2023	28,520	19,279	4.110	4.112
* Series 2024	36,097	36,097	3.879	3.879
Total Revenue Bonds Supported by BJP Revenues	$ 728,168	$ 420,602		
Special Revenue (Covenant) Bonds Supported by BJP Revenues:				
Special Revenue Bonds:				
Series 2016B	$ 58,645	$ 35,885	2.250 - 5.000%	2.043%
Series 2019B	45,535	45,535	5.000	2.162
Series 2020B	15,670	5,605	5.000	0.578
Series 2023B	27,135	20,000	5.000	4.230
Total Special Revenue Bonds Supported by BJP Revenues	$ 146,985	$ 107,025		
Total Bonds and Notes Supported by BJP Revenues	$ 915,153	$ 527,627		
Total Governmental Activities	$ 3,112,705	$ 2,185,288		

* 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 rate of 2.7% on September 30, 2025.

8. LONG-TERM OBLIGATIONS (continued)

A. Bonds and Loans Outstanding (continued) (in thousands)

BUSINESS-TYPE ACTIVITIES:

Revenue Bonds Supported by Business-Type Activities	Amount Issued	Amount Outstanding	Remaining Coupon Rates	True Interest [1] Cost
Infrastructure Sales Tax Revenue Bonds:				
* Series 2012A	$ 73,795	$ 4,310	5.000%	3.773%
* Series 2022	112,879	50,814	2.540	2.590
* Series 2023	21,480	14,521	4.110	4.112
* Series 2024	27,188	27,188	3.879	3.879
Special Revenue Bonds:				
* Series 2017A	21,935	16,900	4.000 - 5.250	3.402
* Series 2019A	331	239	5.000	2.004
* Series 2021A	10,230	7,635	4.000-5.000	1.963
* Series 2022A	52,320	40,400	5.000	2.071
* Series 2024	1,180	1,180	5.000 - 5.250	3.897
Total Revenue Bonds Supported by Business-Type Activities	$ 321,338	$ 163,186		
Total bonds and notes payable from Business-Type Activities	$ 321,338	$ 163,186		

COMPONENT UNITS:

Bond and notes payable:	
JEA	$ 3,397,050
JPA	195,887
JTA	81,010
Total Component Unit bonds and notes payable	$ 3,673,947

* 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.

8. LONG-TERM OBLIGATIONS (continued)

B. Debt Service Requirements to Maturity

The debt service requirements to maturity on long-term obligations at September 30, 2025, 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 term out provisions.

Fiscal Year Ending	Bonds and Notes Payable from Governmental Activities				Bonds Payable from Business-type Activities		Principal and Interest-		
	Supported by General Revenues and Internal Service Funds		Supported by BJP Revenues		Enterprise Funds		Primary	Component Units	
September 30	Principal	Interest	Principal	Interest	Principal	Interest	Government	Principal	Interest
2026	62,657	68,211	105,908	17,382	44,868	5,695	304,720	120,329	171,524
2027	88,282	73,307	110,724	13,045	41,308	4,230	330,896	142,448	164,661
2028	85,678	69,909	54,302	10,065	15,089	3,205	238,248	169,588	157,255
2029	90,495	65,726	58,229	7,920	15,863	2,504	240,736	310,013	148,707
2030	92,909	61,390	61,166	5,581	16,579	1,769	239,394	161,773	134,931
2031-2035	462,627	239,057	115,775	9,193	24,578	2,607	853,836	870,856	554,427
2036-2040	349,782	141,062	21,525	1,143	4,900	376	518,787	822,258	350,934
2041-2045	217,047	75,819	-	-	-	-	292,866	323,245	233,217
2046-2050	102,865	37,214	-	-	-	-	140,079	310,090	157,522
2051-2055	105,320	12,132	-	-	-	-	117,452	382,660	66,319
2056-2060	0	87	-	-	-	-	87	48,255	4,974
Totals	1,657,661	843,914	527,628	64,328	163,185	20,385	3,277,102	3,661,515	2,144,471

The City's debt management policy allows for the issuance of debt that 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 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.

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

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8. LONG-TERM OBLIGATIONS (continued)

B. Debt Service Requirements to Maturity (continued)

by Stated Maturity

Fiscal Year Ending September 30	Supported by General Revenue and Internal Service Funds				Supported by BJP Revenues				
	Special Revenue Series 2022C	Special Revenue Series 2023A	Special Revenue Series 2025	Total	Special Revenue Series 2023B	Sales Tax Series 2022	Sales Tax Series 2023	Total	Total All Programs
2026	$ -	$ -	$ -	$ -	$ 10,000	$ 29,135	$ 17,200	$ 56,335	$ 56,335
2027	-	-	25,000	25,000	-	-	-	-	25,000
2028	-	-	25,000	25,000	-	-	-	-	25,000
2029	-	-	25,000	25,000	-	-	-	-	25,000
2030	-	-	25,000	25,000	-	-	-	-	25,000
2031	-	7,200	12,500	19,700	-	-	-	-	19,700
2032	-	7,200	12,500	19,700	-	-	-	-	19,700
2033	9,970	-	12,500	22,470	-	-	-	-	22,470
2034	9,970	-	12,500	22,470	-	-	-	-	22,470
2035	9,970	-	-	9,970	-	-	-	-	9,970
2036	9,970	-	-	9,970	-	-	-	-	9,970
2037	9,970	-	-	9,970	-	-	-	-	9,970
Total by Series	$ 49,850	$ 14,400	$ 150,000	$ 214,250	$ 10,000	$ 29,135	$ 17,200	$ 56,335	$ 270,585

by Designated Maturity

Fiscal Year Ending September 30	Supported by General Revenue and Internal Service Funds				Supported by BJP Revenues				
	Special Revenue Series 2022C	Special Revenue Series 2023A	Special Revenue Series 2025	Total	Special Revenue Series 2023B	Sales Tax Series 2022	Sales Tax Series 2023	Total	Total All Programs
2026	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2027	-	-	-	-	2,300	6,740	2,975	12,015	12,015
2028	-	-	-	-	2,430	7,090	3,100	12,620	12,620
2029	-	-	-	-	2,565	7,460	3,230	13,255	13,255
2030	-	-	-	-	2,705	7,845	7,895	18,445	18,445
2031	-	-	-	-	-	-	-	-	-
2032	-	-	-	-	-	-	-	-	-
2033	-	-	-	-	-	-	-	-	-
2034	-	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-	-
2036	-	-	-	-	-	-	-	-	-
2037	-	-	-	-	-	-	-	-	-
2038	2,515	-	-	2,515	-	-	-	-	2,515
2039	2,610	-	-	2,610	-	-	-	-	2,610
2040	2,710	-	-	2,710	-	-	-	-	2,710
2041	2,815	-	-	2,815	-	-	-	-	2,815
2042	2,925	-	-	2,925	-	-	-	-	2,925
2043	3,040	-	-	3,040	-	-	-	-	3,040
2044	3,155	3,030	-	6,185	-	-	-	-	6,185
2045	3,280	2,905	-	6,185	-	-	-	-	6,185
2046	3,405	2,865	11,610	17,880	-	-	-	-	17,880
2047	3,540	2,825	12,250	18,615	-	-	-	-	18,615
2048	3,675	2,775	12,935	19,385	-	-	-	-	19,385
2049	3,815	-	13,660	17,475	-	-	-	-	17,475
2050	3,965	-	14,420	18,385	-	-	-	-	18,385
2051	4,120	-	15,220	19,340	-	-	-	-	19,340
2052	4,280	-	16,085	20,365	-	-	-	-	20,365
2053	-	-	16,975	16,975	-	-	-	-	16,975
2054	-	-	17,925	17,925	-	-	-	-	17,925
2055	-	-	18,920	18,920	-	-	-	-	18,920
Total by Series	$ 49,850	$ 14,400	$ 150,000	$ 214,250	$ 10,000	$ 29,135	$ 17,200	$ 56,335	$ 270,585

The debt service requirements to maturity for the City's direct borrowings and direct placements are presented within the Supplementary Information section; these direct borrowings are comprised of (i) Taxable Special Revenue Bond, Series 2022B, (ii) Better Jacksonville Sales Tax Revenue Refunding Bond, Series 2022, (iii) Better Jacksonville Sales Tax Revenue Refunding Bond, Series 2023, and (iv) Better Jacksonville Sales Tax Refunding Revenue Bond, Series 2024.

8. LONG-TERM OBLIGATIONS (continued)

C. Changes in Long-Term Liabilities

Changes in long-term liabilities for the fiscal year ended September 30, 2025, are as follows (in thousands):

	Balance September 30, 2024	Additions	Reductions		Balance September 30, 2025	Due within one year
Governmental Activities:						
Debt activity supported by general revenues:						
Revenue bonds	$ 318,172	$ -	$ 22,630		$ 295,542	$ 27,761
Revenue bonds from direct borrowing	-	-	-		-	-
Debt activity- general revenues	$ 318,172	$ -	$ 22,630		$ 295,542	$ 27,761
Bonds/notes payable - Debt Management Fund						
Special revenue (covenant) bonds	$ 958,394	$ 338,160	$ 34,735		$1,261,819	$ 34,896
Notes payable	57,100	100,300	57,100		100,300	-
Debt activity - internal service funds	$1,015,494	$ 438,460	$ 91,835		$1,362,119	$ 34,896
Debt activity - general revenues and internal service	$1,333,666	$ 438,460	$ 114,465		$1,657,661	$ 62,657
Debt activity supported by BJP revenue:						
Revenue bonds - BJP	$ 356,555	$ -	$ 58,795		$ 297,760	$ 40,500
Revenue bonds - BJP direct borrowing '22, '23, '24	139,946	-	17,103		122,843	42,868
Special revenue (covenant) bonds - BJP	124,585	-	17,560		107,025	22,540
Notes payable - BJP	-	-	-		-	-
Debt activity - BJP	$ 621,086	$ -	$ 93,458		$ 527,628	$105,908
Total governmental activities	$1,954,752	$ 438,460	$ 207,923		$2,185,289	$168,565
Other related debt amounts:						
Issuance premiums	$ 203,923	$ 29,486	$ 19,071		$ 214,338	-
Issuance discounts	(605)	-	(108)		(497)	-
Total other related debt amounts	$ 203,318	$ 29,486	$ 18,963		$ 213,840	$ -
Accrued Compensated Absences	152,288	-	4,234	*	148,054	66,325
Estimated Liability for Self-Insured Losses	163,713	174,518	169,869		168,362	6,196
Pollution Remediation	129,700	24,621	-		154,321	-
Other Post Employment Benefits	397,903	267,346	559,400		105,849	-
Leases payable	21,431	82	2,303		19,210	1,864
Subscriptions payable	17,684	5,656	10,825		12,515	5,490
Net Pension liability	4,096,470	-	52,839		4,043,631	-
Governmental activity long-term obligations	$7,137,259	$ 940,169	$1,026,356		$7,051,071	$248,440

* Net change to comply with GASB 101.

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8. LONG-TERM OBLIGATIONS (continued)

C. Changes in Long-Term Liabilities (continued)

	Balance September 30, 2024	Additions	Reductions		Balance September 30, 2025	Due within one year
Business-Type Activities:						
Revenue Bonds	$ 184,301	$ 161	$ 21,276		$ 163,186	$ 44,868
Revenue Bonds from direct borrowing	-				-	-
Issuance premiums	10,856	-	1,580		9,276	-
Total Revenue Bonds, less Unamortized Discount/(Premium)	$ 195,157	$ 161	$ 22,856		$ 172,462	$ 44,868
Accrued Compensated Absences	$ 2,973	$ -	$ 952	*	$ 2,021	$ 954
Liability for Landfill Closure and Post Closure Care	71,229	4,028	-		75,257	-
Loans payable - Debt Management	112,232	184,792	12,824		284,200	4,071
Leases payable	152	-	20		132	18
Business-type activity long-term obligations	$ 381,743	$ 188,981	$ 36,652		$ 534,072	$ 49,911
Component Unit Activities:						
JEA	$3,272,718	$1,351,234	$ 973,816		$3,650,136	$105,445
JPA	197,022	-	9,109		187,913	9,184
JTA	123,252	58,945	86,918		95,279	6,715
Component unit activity long-term obligations	$3,592,992	$1,410,179	$1,069,843		$3,933,328	$121,344

* Net change to comply with GASB 101.

To enhance comparability across component units and ensure reporting consistency, the methodology for determining long-term obligations has been revised to include only long-term bonded debt, net unamortized premium, and direct borrowing. Some beginning balances have been revised to comform with the new reporting method.

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8. LONG-TERM OBLIGATIONS (continued)

D. Reconciliation of Debt Issued with Financial Reporting Classifications

Certain of the City's bonds issued in a single transaction are for assets used in 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, interfund 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 Governmental Activities	Outstanding debt reported in Business-type Activities	Total Amount Outstanding
BJP Infrastructure Sales Tax Revenue Bonds:				
Series 2012A	$114,890	$ 4,335	$ 4,310	$ 8,645
Series 2022	262,750	67,466	50,814	118,280
Series 2023	50,000	19,279	14,521	33,800
Series 2024	63,285	36,097	27,188	63,285
Special Revenue Bonds:				
Series 2017A	112,865	73,865	16,900	90,765
Series 2019A	151,625	113,847	239	114,086
Series 2021A	97,900	73,365	7,635	81,000
Series 2022A	120,380	58,545	40,400	98,945

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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 follow. 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
Better Jacksonville Transportation Sales Tax:	2026 - 2038	$329,532,410	$143,711,615	$30,933,924	21.5%
Better Jacksonville Infrastructure Sales Tax:	2026 - 2031	139,894,505	128,632,269	37,395,343	29.1

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.

F. New Indebtedness Issued

On August 20, 2025, the City closed on the sale of $338.16 million Special Revenue Bond, Series 2025. The Series 2025 bonds have a true interest cost of 3.915%, an average coupon rate of 5.00% and maturity date of October 1, 2045. The proceeds of the 2025 bond were used to finance the ongoing “Stadium of the future” construction ($138.68 million) and refinance the acquisition and construction of certain capital equipment and improvements for the City ($146.66 million), and to fix out a portion of the City’s outstanding commercial paper debt ($52.84 million). For the stadium portion, the issuance provided net proceeds of $150.78 million, which is inclusive of underwriter’s discount and cost of issuance totaling $0.78 million. For the new-money and fix-out portion, the issuance provided net proceeds of $216.87 million, which is inclusive of underwriter’s discount and cost of issuance totaling $1.15 million.

On September 30, 2025, the City closed on the sale of Commercial Paper Notes in the amount of $100.3 million for the purposes of funding short-term projects, and interim funding for long-term projects, with an initial interest rate of 2.70%.

8. LONG-TERM OBLIGATIONS (continued)

G. Additional Debt Disclosures, including Direct Borrowing and Direct Placements

The City has authorized the issuance of its commercial paper notes in the aggregate principal amount of up to $150,000,000 outstanding at any one time; however, such amount is limited to the capacity of an applicable credit facility. On September 8, 2025, the City amended its existing letter of credit with Bank of America, N.A. (the "Credit Facility Provider"), the sole credit facility supporting its commercial paper program. The letter of credit now supports the issuance of $150,000,000 in principal amount of commercial paper notes. The letter of credit has a stated expiration date of September 8, 2027, subject to reduction and earlier termination in accordance with its terms. The commercial paper notes are payable from certain excise taxes and the local government half cent sales taxes received by the City and are issued on a junior and subordinate basis to certain outstanding and future senior lien debt issued by the City and payable from excise taxes or local government half cent sales taxes.

As of September 30, 2025, $100,300,000 in commercial paper notes were outstanding. In the event of a default under the reimbursement agreement governing the letter of credit, the Credit Facility Provider may reduce the stated amount of the letter of credit to the amount then outstanding under the letter of credit, issue a final drawing notice which would terminate the letter of credit 15 days after receipt thereof, or seek enforcement under the authorizing ordinance by law or equity, by suit, action or mandamus, or other proceeding, including the right to appoint a receiver to enforce and compel performance under the ordinance.

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8. LONG-TERM OBLIGATIONS (continued)

H. 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.

The City presently has outstanding the following bond issues, which are legally defeased (in thousands):

Issue	Refunded by	Principal Balance at September 30, 2025	Investment Balance with Escrow Agent at September 30, 2025 [(a)]
Better Jacksonville Sales Tax Refunding Revenue Bonds, Series 2016	Cash Defeasance	32,495	32,416
Special Revenue and Refunding Revenue Bonds, Series 2017B	Cash Defeasance	25,405	25,942

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

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8. LONG-TERM OBLIGATIONS (continued)

I. Conduit Debt

The City issued certain conduit debt in the form of industrial development revenue bonds (IDBs) and private activity bonds (PABs) 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 non-governmental 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 IDBs and PABs, 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, 2025, the City had $109.1 million in outstanding principal related to IDBs and PABs. Certain conduit debt issues may periodically be in default or under review regarding the tax-exempt status of their interest; however, these matters do not affect the City’s financial position.

As of the same date, the City also had $371.7 million in conduit debt outstanding through the Jacksonville Housing Finance Authority (formerly the Duval County Housing Finance Authority) for multifamily housing bonds.

In addition, outstanding conduit debt included $420.5 million in Jacksonville Health Facilities Authority bonds as of September 30, 2025.

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8. LONG-TERM OBLIGATIONS (continued)

J. Interest Expense

Total interest expense for the fiscal year ended September 30, 2025, was $15.4 million for governmental activities and $8.7 million for business-type activities.

K. Component Unit Long-Term Debt

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

JEA
225 North Pearl Street
Jacksonville, Florida 32202

Jacksonville Port Authority (JPA)
P.O. Box 3005
Jacksonville, Florida 32206-0005

Jacksonville Transportation Authority (JTA)
100 LaVilla Center Drive
Jacksonville, Florida 32204

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9. 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.

A. Summary of Significant Accounting Policies

1) **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 require 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.

2) **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.

B. Plan Description and 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 Fund. 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 Fund (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.

9. PENSION PLANS (continued)

B. Plan Description and Administration (continued)

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 plan alternative to the defined benefit plan for all members of the GERP and CORP. The City hired a third-party administrator to assist employees with the management of their individual defined contribution plan accounts within a number of investment options including model portfolios.

All full-time employees of the City, JEA, JHA (Jacksonville Housing Authority) and NFTPO (North Florida Transportation Planning Organization) were 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 defined benefit 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.

The Jacksonville Retirement System's defined benefit pension plans are administered by a nine-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; and
viii. Two citizens appointed by the City Council with professional experience in finance, investments, economics, pension management, pension administration and/or accounting.

9. PENSION PLANS (continued)

B. Plan Description and Administration (continued)

The General Employees' Pension Advisory Committee consists of seven members. Six members are elected from among the active contributing participants of the GERP and one member is a retiree elected by the Retired Employees' Association. Committee members are elected in even years for a two-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.

The Corrections Officers' Pension Advisory Committee consists of five members who must be active contributing members of the CORP. Committee members are elected in even years for a two-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.

C. The Police and Fire Pension Fund is a single-employer contributory defined benefit pension plan covering some 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.

D. Plan Membership

Pension plan membership consisted of the following:

Pension Membership

	Jacksonville Retirement System		
	General Employees' Pension Plan	Corrections Officers' Pension Plan	Police and Fire Pension Plan
Membership:	As of 10/1/2024	As of 10/1/2024	As of 10/1/2024
Retirees and beneficiaries currently receiving benefits	5,344	432	2,971
Deferred retirement option (DROP) participants	-	73	565
Terminated employees vested, not yet receiving benefits	129	4	91
Active employment plan members	2,587	319	1,576
Total plan membership	8,060	828	5,203

E. Plan Benefits Provided

1) The **General Employees' Retirement Plan** (defined benefit) was closed for new employees of the City of Jacksonville, JEA, JHA (Jacksonville Housing Authority), and NFTPO (North Florida Transportation Planning Organization) hired after October 1, 2017. Elected officials are members of the Florida Retirement System - Elected Officer Class. Participation in the Jacksonville Retirement System was mandatory for all full-time employees of the City who otherwise met the requirements for participation. Members of the GERP are eligible to retire with a normal pension benefit upon achieving one of the following:

9. PENSION PLANS (continued)

E. Plan Benefits Provided (continued)

1) The **General Employees' Retirement Plan** (continued)

i. Completing 30 years of credited service, regardless of age;
ii. Attaining age 55 with 20 years of credited service; or
iii. Attaining age 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 2.5% of final 3-year average compensation, multiplied by the number of years of credited service, up to a maximum benefit of 80% 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 3% 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 $5 multiplied by the number of years of credited service. This benefit may not exceed $150 per month.

2) The **Corrections Officers' Retirement Plan** was closed to all new hires after October 1, 2017. It consists solely of corrections officer employees of the City. Participation in the Jacksonville Retirement System was mandatory for all full-time corrections officers of the City who otherwise met 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 20 years of service, regardless of age; or
ii. Attaining age 65 with 5 years of service.
iii. There is no mandatory retirement age.

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

iv. The first 20 years of credited service are multiplied by 3% of final monthly compensation, up to a maximum of 60% of final monthly compensation.
v. For credited service years beyond 20 years, the years and months in excess of 20 years are multiplied by 2% of final monthly compensation, up to a maximum of 20% of final monthly compensation.

9. PENSION PLANS (continued)

E. Plan Benefits Provided (continued)

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

A member's time service retirement benefit may not exceed 80% 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 3% annual increase of the retiree's or survivor's pension benefits, which compounds annually. In addition, there is a supplemental benefit equal to $5 multiplied by the number of years of credited service. This benefit may not exceed $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 Jacksonville 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 Jacksonville Retirement System. In addition, the Corrections Officers' Pension Plan will deduct 2% from base pay and any service raise of DROP participants as their member contributions instead of the normal 10% deduction.

Upon termination of employment, the member will receive the total DROP benefit 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 $19.31 million as of September 30, 2025.

3) The **Police and Fire Pension Fund** is a single-employer contributory defined benefit pension plan covering some full-time certified police officers and firefighters employed by the City of Jacksonville Sheriff's Office and Fire and Rescue Department, respectively. The defined benefit 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 at 3% of the employee's final 2-year average salary times the employee's years of service, up to 20 years and 2% thereafter (80% maximum benefit). Employees with 5 or more years of continuous service are eligible to retire at 20 years from the date of employment. Benefits increase 3% annually after retirement.

9. PENSION PLANS (continued)

E. Plan Benefits Provided (continued)

3) The **Police and Fire Pension Fund** (continued)

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 Fund. 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 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, 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 Fund that are available from the Police and Fire Pension Fund, located at One West Adams Street, Suite 100, Jacksonville, FL 32202.

4) Florida Retirement System

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. FRS provides vesting of benefits after six to eight years of creditable service depending on enrollment date.

Members are eligible for normal retirement after they have met one of the following: (1) after 30 or 33 years of service regardless of age; (2) six to eight years of service and age 62 or age 65; or (3) 25 years special risk service (age 55 if not continuous). Early retirement may be taken any time after vesting; however, there is a 5% benefit reduction for each year prior to normal retirement. Benefits are computed on the basis of age, average final compensation, and service credit. Average final compensation is the average of the five highest years of earnings. FRS 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 July 1, 2025, of 14.03% for regular members, 35.19% for special risk members, 54.57% for elected county officials, 33.24% for senior management, and 22.02% for DROP members.

9. PENSION PLANS (continued)

E. Plan Benefits Provided (continued)

4) Florida Retirement System (continued)

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 FRS June 30, 2025, 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.

5) Jacksonville Beach Firefighters' Retirement Plan

Effective November 19, 2019, the City of Jacksonville entered into an agreement with the City of Jacksonville Beach to provide advanced life support and fire services to residents and businesses of Jacksonville Beach. The Jacksonville Beach firefighters became employees of the City of Jacksonville. At that time, the Jacksonville Beach Firefighters' Retirement Plan was closed to new members. Each firefighter in active service on the effective date was given the opportunity to individually elect to continue participating in the Jacksonville Beach Firefighters' Retirement Plan or join the City of Jacksonville's defined contribution retirement plan. Those who elected to continue participating in the Jacksonville Beach Firefighters' Retirement Plan must continue to make legally required contributions and accrue service benefits under the Plan for as long as they are employed as certified firefighters by the City of Jacksonville.

The City of Jacksonville Beach will continue to be the plan administrator and is responsible for the unfunded actuarial accrued liability as determined by the plan actuary as of November 22, 2019. The City of Jacksonville Beach agreed to pay the unfunded liability (representing a fixed contractual obligation) at that time totaling $5,318,174 into the Plan over a 10-year period. Annual contributions towards the unfunded liability are $707,653 including interest. The City of Jacksonville is responsible for paying the total required contribution to the Jacksonville Beach Firefighters' Pension Plan and estimated annual employee contributions attributable to services rendered after November 23, 2019.

The Jacksonville Beach Firefighters' Retirement Plan is supported by member contributions, local employers' contributions (from the cities of Jacksonville and Jacksonville Beach), and investment income from Jacksonville Beach Firefighter Retirement Plan assets.

Members are eligible for normal retirement after they have met one of the following: (1) 30 years of service and any age; (2) 25 years of service and age 52; or (3) 5 years of service and age 55. Pension benefit is 3% for each year of service up to 30 years, 2% over 30 years. Additional provisions include cost of living increases and death benefits.

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 City of Jacksonville Beach's September 30, 2025, annual report. The report may be obtained from the City of Jacksonville Beach, 11 North Third Street, Jacksonville Beach, FL 32250.

9. PENSION PLANS (continued)

F. 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 reports 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 2025	$24,806	$3,086	$17,145
Required Employer Contribution Rate	48.37%	79.70%	106.86%
Employer Contributions for Fiscal Year Ended 2025	$113,564	$21,981	$178,068

G. Pension Investments

1) 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 Boards' 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:

Asset Class	Jacksonville Retirement System Target	Police & Fire Pension Fund Target
Domestic equity	30%	37%
International equity	23	20
Fixed income	20	20
Real estate	15	15
Diversifying assets/private investments*	12	8
Total	100%	100%

*Inclusive of MLPs, Private Equity, and Private Credit

The investment policy statement for the Jacksonville Retirement System was ratified on July 24, 2025. The investment policy statement for the Jacksonville Police and Fire Pension Fund was ratified on December 15, 2023. There are no individual investments in JRS or PFPF that exceed 5% of plan assets on September 30, 2025.

9. PENSION PLANS (continued)

G. Pension Investments (continued)

2) Rate of Return – The money-weighted rate of return expresses investment performance, net of investment expenses, adjusted for the changing amounts actually invested. For the year ended September 30, 2025, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 10.20% for the JRS and 11.80% for the PFPF.

The long-term expected rate of return on pension plan investments is determined annually by the Board of Trustees of each plan. In determining the long-term expected rate of return, each Board considers the most up-to-date long-term capital markets assumptions of its investment consultant. The long-term capital market assumptions for each major asset class considered by both pension boards as of September 30, 2025, are summarized below:

Asset Class	Long-Term Expected Arithmetic Rate of Return
Large/Mid Cap Domestic Equity	5.75%
Small Cap Domestic Equity	6.75
Developed Large/Mid Cap International Equity	7.50
Emerging Markets Equity	10.00
Core Fixed Income	4.25
Core Plus Fixed Income	4.92
High Yield Fixed Income	6.25
Emerging Market Debt (Hard Currency)	6.50
Core Real Estate	6.50
Non Core Real Estate	8.50
Private Equity	9.50
Private Credit	7.75

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9. PENSION PLANS (continued)

H. Net Pension Liability

1) The components of the net pension liability were as follows:

Net Pension Liability
(in millions)

	Jacksonville Retirement System		
	General Employees' Pension Plan*	Corrections Officers' Pension Plan	Police and Fire Pension Plan
Net Pension Liability :			
Total pension liability	$ 1,789	$ 636	$ 5,533
Plan fiduciary net position	988	322	2,612
Net pension liability	$ 802	$ 314	$ 2,921
Net position as a % of total pension liability	55.21%	50.60%	47.21%
Actuarial Methods and Assumptions:			
Date of last actuarial valuation	October 1, 2024	October 1, 2024	October 1, 2024
Experience period	5 years	5 years	N/A
Inflation	2.50%	2.50%	2.25%
Salary increases (Long-Term Payroll Inflation)	varied	varied	varied
Investment Rate of Return	6.500%	6.500%	6.500%
Discount Rate	6.500%	6.500%	6.500%
Mortality Tables in use	FRS Non-Special Risk Scale MP2018	FRS Special Risk Scale MP2018	Headcount Weighted Safety Healthy Employee

2) **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 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.

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9. PENSION PLANS (continued)

H. Net Pension Liability (continued)

3) 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.

Net Pension Liability
(in millions)

	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	5.500%	$ 1,013	5.500%	$ 404	5.500%	$ 3,750
Current Rate	6.500%	$ 802	6.500%	$ 314	6.500%	$ 2,921
1% Increase	7.500%	$ 624	7.500%	$ 241	7.500%	$ 2,255

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

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9. PENSION PLANS (continued)

I. City of Jacksonville Retirement System – Financial Information

1) The Statement of Net Position – Jacksonville Retirement System – General Employees' and Corrections Officers' Plan for the year ended September 30, 2025, is as follows (in thousands):

ASSETS		
Equity in cash and investments	$	151
Receivables		1,659
Investments, at fair value		2,599,725
Securities lending collateral		-
Other capital assets		-
TOTAL ASSETS	$	2,601,535
LIABILITIES		
Obligations under securities lending agreement	$	19,047
Accounts payable and accrued liabilities		68
Accrued compensated absences		38
TOTAL LIABILITIES	$	19,153
NET POSITION RESTRICTED FOR PENSIONS	$	2,582,382

2) The Statement of Changes in Fiduciary Net Position – Jacksonville Retirement System for the year ended September 30, 2025, is as follows (in thousands):

ADDITIONS		
Contributions:		
Employer	$	135,545
Plan member		27,892
Total contributions		163,437
Other additions		-
Net investment income		255,001
Securities lending		1,518
TOTAL ADDITIONS	$	419,956
DEDUCTIONS		
Benefit payments		248,091
Refund of contributions		54,073
Administrative expenses		1,336
TOTAL DEDUCTIONS	$	303,500
CHANGE IN NET POSITION		116,456
NET POSITION, BEGINNING OF YEAR	$	2,465,926
NET POSITION, END OF YEAR	$	2,582,382

9. PENSION PLANS (continued)

J. Pension Liability, Expense, Deferred Outflows, and Deferred Inflows of Resources Related to Pensions

1) Pension Liability

As of September 30, 2025, the City of Jacksonville recorded a net pension liability of $4,043.6 million. The pension plans providing the information and liability balances are reported below:

Changes in Net Pension Liabilty

(in thousands)

	General Employees' Pension Plan	Corrections Officers' Pension Plan	Police and Firefighters' Pension Plan
Changes in Total Pension Liability			
Beginning Pension Liability Balance 10/1/2024	$ 1,727,804	$ 584,290	$ 5,166,668
Service cost	21,367	8,737	73,440
Interest	112,846	37,719	331,800
Change of benefit term	-	-	-
Differences in actuarial experience	19,566	5,652	38,574
Change of assumption	-	24,991	176,325
Change in Proportionate Share	23,141	-	-
Benefit payments and refund of contributions	(115,341)	(25,471)	(237,442)
Distributions from Reserve Accounts	-	-	(37,880)
Other Adjustments	-	-	21,426
Net Change in total pension liability	61,580	51,627	366,243
Ending Total Pension Liability 9/30/25	$ 1,789,384	$ 635,918	$ 5,532,912
Changes in Plan Fiduciary Net Position			
Beginning Plan fiduciary net position 10/1/2024	$ 891,978	$ 278,539	$ 2,224,760
Contributions - employer	45,641	19,386	174,040
Contributions - employee	12,162	2,854	16,885
Net investment income	154,164	46,635	452,300
Chapter funds and other income	-	-	21,426
Benefit payments and refund of contributions	(115,341)	(25,471)	(237,442)
Administrative expense	(732)	(138)	(2,871)
Distribution from reserve accounts	-	-	(37,880)
Other	-	-	991
Net Change in Plan fiduciary net position	95,895	43,266	387,450
Ending Plan fiduciary net position 9/30/25	$ 987,872	$ 321,805	$ 2,612,210
Net Pension Liability	**$ 801,511**	**$ 314,113**	**$ 2,920,701**
Net Position as a % of Total Liability	55.21%	50.60%	47.21%
Covered-employee payroll	$ 88,469	$ 27,581	$ 148,090
Net liability as a % of covered payroll	905.98%	1138.86%	1972.25%

Notes to Schedule:
Change of Assumptions: Jacksonville Retirement System: As of September 30, 2022, the assumed investment return was lowered from 6.625% to 6.50%.

9. PENSION PLANS (continued)

J. Pension Liability, Expense, Deferred Outflows, and Deferred Inflows of Resources Related to Pensions (continued)

1) Pension Liability (continued)

The pension plans providing the information and liability balances are continued below:

Changes in Net Pension Liabilty

(in thousands)

	Florida Retirement System	FRS Health Insurance Supplement	Jacksonville Beach Firefighters' Pension Plan
Changes in Total Pension Liability			
Beginning Pension Liability Balance 10/1/2024	$ 34,469	$ 867	$ 23,689
Service Cost	527	13	479
Interest	2,453	31	1,530
Change of benefit term	129	-	-
Differences in actuarial experience	-	-	(1,335)
Change of assumption	-	(107)	-
Change in Proportionate Share	(267)	(78)	-
Benefit payments and refund of contributions	(2,131)	(41)	(791)
Net Change in total pension liability	712	(183)	(118)
Ending Total Pension Liability 9/30/25	$ 35,181	$ 684	$ 23,572
Changes in Plan Fiduciary Net Position			
Beginning Plan fiduciary net position 10/1/2024	$ 28,150	$ 35	$ 17,370
Contributions - employer	934	45	1,097
Contributions - employee	128	0	153
Net investment income	3,248	2	4,017
Benefit payments and refund of contributions	(2,131)	(41)	(791)
Administrative expense	(5)	(0)	(81)
Net Change in Plan fiduciary net position	2,175	6	4,395
Ending Plan fiduciary net position 9/30/25	$ 30,326	$ 41	$ 21,765
Net Pension Liability	**$ 4,856**	**$ 644**	**$ 1,806**
Net Position % of Liability	86.20%	5.95%	92.34%
Covered-employee payroll	$ 7,349	$ 2,247	$ 2,336
Net liability as a % of covered payroll	66.08%	28.68%	77.34%

9. PENSION PLANS (continued)

J. Pension Liability, Expense, Deferred Outflows, and Deferred Inflows of Resources Related to Pensions (continued)

2) Pension Expense

For the year ended September 30, 2025, the City recognized pension expense of $292 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 2024
General Employees' Pension Plan	$ 101,766	$ -	$ (50,451)	$ 51,315
Corrections Officers' Pension Plan	46,235	-	(21,981)	24,254
Police & Firefighters' Pension Plan	395,445	-	(178,068)	217,377
Florida State Retirement Pension	114	-	(934)	(820)
Florida State Retiree Health Subsidy	33	-	(45)	(12)
Jacksonville Beach Firefighters' Pension Plan	481	-	(389)	92
Total Pension Expense	$ 544,074	$ -	$ (251,868)	$ 292,206

3) Contributions

Contributions of $251.9 million were reported as deferred outflows of resources related to pensions resulting from City of Jacksonville contributions subsequent to the September 30, 2024, measurement date (FRS measurement date, June 30, 2025) and will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2026.

Current Year Employer Contributions

(in thousands)

General Employees' Pension Plan	$ 50,451
Corrections Officers' Pension Plan	21,981
Police & Firefighters' Pension Plan	178,068
Florida State Retirement Pension	934
Florida State Retiree Health Subsidy	45
Jacksonville Beach Firefighters' Pension Plan	389
Total Contributions	$ 251,868

9. PENSION PLANS (continued)

J. Pension Liability, Expense, Deferred Outflows, and Deferred Inflows of Resources Related to Pensions (continued)

4. Deferred Outflow/Inflow Amortization

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

Deferred Inflows of Resources

(in thousands)

	Differences in expected and actual experience	Changes in assumptions	Net difference in projected and actual investment earnings	Changes in proportion
General Employees' Pension Plan	$ -	$ -	$ (43,397)	$ (3,197)
Corrections Officers' Pension Plan	-	-	(15,071)	-
Police and Firefighters' Pension Plan	-	-	(405,161)	-
Florida State Retirement Pension	-	-	(811)	(645)
Florida State Retiree Health Subsidy	(1)	(156)	-	(155)
Jacksonville Beach Firefighters' Pension Plan	(990)	(21)	(2,930)	-
Total	$ (991)	$ (177)	$ (467,370)	$ (3,997)

Deferred Outflows of Resources

(in thousands)

	Differences in expected and actual experience	Changes in assumptions	Net difference in projected and actual investment earnings	Changes in proportion
General Employees' Pension Plan	$ 24,646	$ 9,303	$ -	$ 14,957
Corrections Officers' Pension Plan	12,010	21,702	-	-
Police and Firefighters' Pension Plan	50,444	114,092	237,876	-
Florida State Retirement Pension	519	564	-	637
Florida State Retiree Health Subsidy	4	6	-	94
Jacksonville Beach Firefighters' Pension Plan	630	344	1,659	-
Total	$ 88,253	$ 146,011	$ 239,535	$ 15,688

Deferred Outflows and (Inflows) Amortization for Future Years

(in thousands)

	September 30, 2026	September 30, 2027	September 30, 2028	September 30, 2029	September 30, 2030	Thereafter
General Employees' Pension Plan	$ 22,538	$ 29,749	$ (30,638)	$ (19,337)	$ -	$ -
Corrections Officers' Pension Plan	16,056	17,174	(8,861)	(5,728)	-	-
Police and Firefighters' Pension Plan	75,933	74,283	(91,006)	(61,960)	-	-
Florida State Retirement Pension	588	(105)	(78)	(141)	-	-
Florida State Retiree Health Subsidy	(67)	(58)	(40)	(21)	(22)	-
Jacksonville Beach Firefighters' Pension Plan	6	125	(865)	(575)	-	-
Total	$ 115,054	$ 121,168	$ (131,488)	$ (87,762)	$ (22)	$ -

9. PENSION PLANS (continued)

J. Pension Liability, Expense, Deferred Outflows, and Deferred Inflows of Resources Related to Pensions (continued)

5) Defined Contribution Plans

The City established a defined contribution plan within the Jacksonville Retirement System for the general employee participants of the City of Jacksonville, JEA, 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 are administered and managed by the City.

Contributions to the GEDC plan, stated as a percentage of pay, were 8% for plan members and 12% for the employer. Contributions to the PSDC plan, stated as a percentage of pay, were 10% for plan members and 25% for the employer. A portion of the member contributions of both defined contribution plans, equal to 0.3%, 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 roll over to the GEDC/PSDC plan benefits accrued in other qualified plans consistent with the then prevailing provisions of the Internal Revenue Code.

Total contributions, including forfeitures, were $97.3 million for the fiscal year ending September 30, 2025. Contributions totaling $42.8 million were transferred into the defined contribution plan for participants that converted from defined benefit to defined contribution in addition to employer and employee contributions. Employer pension expense totaled $62.4 million comprised of employer contributions and investment management fees, net of participant forfeitures in the amount of $2.7 million.

6) Unfunded Pension Liability

The City recorded its unfunded pension liability in the citywide 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 citywide governmental activities' financial statements as well.

10. POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB)

Implementation of GASB No.75:
The Government Accounting Standards Board (GASB) issued GASB No. 75 in June 2015 to replace GASB No. 45, with an effective date for fiscal years beginning after June 15, 2017, thus the City's fiscal year 2018 reporting year.

Summary of GASB No. 75 versus GASB No. 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 is required as well as expanded Notes and Required Supplementary Information (RSI).

Plan Description: The City provides retirees with an option to purchase health insurance, which is single employer, experience-rated health insurance contract plan that provides medical benefits to active and eligible retirees at the City's group rate as mandated by Florida Statute 112.0801. During a plan change, effective January 1, 2020, members of the Jacksonville Sheriff's Office and the Jacksonville Fire and Rescue Department, including their retirees, left the City's health plan (COJ Plan) to participate in a newly formed health plan, the Jacksonville Police Officers and Fire Fighters Health Insurance Trust (JPOFFHIT Plan). As a result, the OPEB liability pertaining to the JPOFFHIT members was spun-off into a new JPOFFHIT plan members-only actuarial valuation for fiscal year ending 2020 and onward.

Based on the language in the Collective Bargaining Agreement (CBA), beginning in fiscal year 2025, the City implemented a change in how employer health insurance contributions are paid to JPOFFHIT. Previously, contributions were paid based on a percentage of projected claims. Starting in fiscal year 2025, the City transitioned to a flat rate per covered employee per month.

In late 2025, a meeting was held between the actuaries, the City's external auditor CRI, and City representatives to review this change. It was determined that separate actuarial reporting by the City was no longer necessary as the City retains no defined benefit liability for this plan. The City's contribution to the JPOFFHIT plan for fiscal year 2025 was $29,497,188.

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

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. This requirement delineates the City's implicit cost (rate) subsidy benefit and obligation for the retirees' participation.

Funding Policy: The City follows 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 contracts. Because the City is on pay-as-you-go, the OPEB entries are recorded in the governmental activities statement of net position and statement of activities. Since the implicit cost subsidy is the only OPEB benefit and the pay-as-you-go system provides no funding to a trust, any administration costs are paid by the general fund and are considered immaterial. The contribution requirements for members are established by the City. Retired members pay the full premium at the group rate for the coverage elected. No direct City subsidy is currently applicable; however, as discussed in the plan description paragraph above, an implicit cost (rate) subsidy is applicable.

Retired members of the COJ Plan contributed $4.3 million in premiums for fiscal year 2025, representing 26.9% of the total fiscal year 2025 COJ Plan OPEB cost. The following table displays the estimated retiree premiums for 20- year cash flow purposes (in thousands):

	20 Year Cash Flow		
FY2026	$ 5,110	FY2036	$ 7,658
FY2027	5,650	FY2037	7,931
FY2028	5,854	FY2038	8,264
FY2029	5,976	FY2039	8,586
FY2030	6,166	FY2040	8,862
FY2031	6,547	FY2041	9,262
FY2032	6,916	FY2042	9,530
FY2033	7,105	FY2043	9,840
FY2034	7,396	FY2044	10,402
FY2035	7,710	FY2045	10,648

The following displays the COJ Plan OPEB ending balances at fiscal year-end (in thousands):

	OPEB Liability	**Deferred Outflows**	**Deferred Inflows**
FY2024	$ 118,132	$ 67,924	$ 25,638
FY2025	105,848	57,497	39,224

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

Changes in Net OPEB Liability for COJ Plan (in thousands):

	FY2025	FY2024
Total OPEB Liability - Beginning of Year	$ 118,132	$ 106,728
Service Cost	7,969	7,189
Interest Cost	4,723	4,562
Changes in benefit terms	(695)	-
Differences between expected and actual experience	(10,045)	-
Changes in assumptions and other inputs	(9,961)	4,400
Benefit Payments	(4,274)	(4,747)
Net change in total OPEB liability	(12,284)	11,404
Total OPEB Liability - End of Year	$ 105,848	$ 118,132

Deferred Inflows/Outflows for COJ Plan:

The following displays the Schedule of Deferred Inflows/Outflows of Resources at fiscal year-end (in thousands):

	Deferred Outflows	Deferred Inflows
Differences between expected and actual experience	$ 21,752	$ (15,542)
Changes of assumptions/inputs	35,745	(23,682)
Net difference between projected and actual investments	-	-

The following displays the amounts reported as Deferred Inflows and Deferred Outflow of Resources at fiscal year-end (in thousands):

FY2026	$ 4,251
FY2027	5,259
FY2028	5,259
FY2029	5,259
FY2030	1,020
Thereafter	(2,774)

OPEB Expenses** (in thousands)**:

	FY2025	**FY2024**
Total COJ Plan OPEB Expenses	$11,729	$12,830

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

Actuarial Assumptions and Methods:

1) Measurement Date	August 20, 2025
2) Discount Rate	3.81% - (BOY), 4.90% (EOY) – Bond Buyer 20-Bond GO Index.
3) Salary Increase Rate	3.5% per annum
4) Inflation	2.6% per annum
5) Valuation Date and Census Data	Valuation date of September 30, 2025, based on the census provided by the City as of August 20, 2025.
6) Marriage Rate	The assumed number of eligible dependents is based on the current proportions of single and family contracts in the census provided.
7) 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.
8) Medicare Eligibility	All current and future retirees are assumed to be eligible for Medicare at age 65.
9) Actuarial Cost Method	Entry Age Normal based on level percentage of projected salary.
10) Amortization Method	Experience/Assumptions gains and losses are amortized over a closed period of 11.0 years starting the current fiscal year, equal to the average remaining service of active and inactive plan members (who have no future service).
11) Plan Participation Percentage	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.

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

Actuarial Assumptions and Methods *(continued):*

12) Mortality Rates — Pub-2010 generational table scaled using MP-21 and applied on a gender specific basis.

13) Health Care Cost Trend Rate

The health care cost trend assumptions are used to project the cost of health care in future years. Select trends are reduced 0.39% each year for nine years and 0.10% thereafter until reaching the ultimate trend rate.

Expense Type	Select	Ultimate
Pre-Medicare Medical and Rx Benefits	8.50%	4.0%
Medicare Benefits	5.25	4.0
Stop Loss Fees	8.50	4.0
Administrative Fees	4.00	4.0

14) Per Capita Health Care Cost Trend Rate

Expected annual claim costs were developed using 24 months of historical claim experience through July 2025. The Medicare PPO premium rate is expected to represent the per capita claims of the post-65 retirees.

15) Non-Claim Expenses

Non-claim expenses are based on the current amounts charged per retired employee as of 2025.

Expense Type	PEPM
Administrative Fee	$28.90
Stop Loss Fee	15.02

16) Plan Election Percentage

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

Plan Name	Pre-65 Election Rate	Post-65 Election Rate
HMO	78 %	69%
High HMO	2	3
PPO	20	24
Medicare Advantage Elite	N/A	4

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

Actuarial Assumptions and Methods *(continued):*

17) Termination and Retirement Age

The rate of withdrawal is based on the withdrawal assumption used in the City of Jacksonville General Employees Retirement Plan Actuarial Valuation as of October 1, 2024, the City of Jacksonville Correctional Officer Retirement System Actuarial Valuation as of October 1, 2024, and the FRS Actuarial Valuation as of July 1, 2024. The rate of withdrawal for reasons other than death and retirement is dependent on an employee's age, gender and years of service.

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

	1% Decrease	Current	1% Increase
Net OPEB liability	$91,983	$105,848	$122,993

Sensitivity to the City's net OPEB liability to changes in the discount rate *(in thousands)**:***

	1% Decrease	Current	1% Increase
Net OPEB liability	$119,905	$105,848	$94,189

Notes to the OPEB RSI:

No assets are held in trust to pay OPEB benefits.

Trend rates were updated to an initial rate of 8.5% (7.5% for Post-65) and graded down to an ultimate rate of 4.0%. The select trend rates are updated to reflect a higher than anticipated rising health care cost environment.

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 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 of its risk through the purchase of insurance for its other exposures. The City purchases watercraft, wharfingers liability, out of state automobile liability, aviation, terrorism, crime, property, and other certain general liability policies (power lines easement, riverwalk, and voting precincts) to transfer risk. These policies are subject to sub limits, 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 below indicates the major categories of coverage transferred to insurers.

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12. RISK FINANCING (continued)

A. Public Liability and Workers Compensation (continued)

Major Categories of Policies Purchased to Transfer Risk

Coverages	Limits Occurrence and/or Aggregate	Retentions/ Deductibles	
Excess Casualty Package -			
General Liability, Law Enforcement, Public Officials, Emp Practices	$ 2,500,000	$ 2,000,000	(1)
Automobile Liability	2,500,000	2,000,000	(1)
Workers' Compensation Benefits	Statutory	1,250,000	(1)
Worker's Compensation Employers' Liability	1,000,000	1,250,000	(1)
Worker's Compensation Communicable Disease (Coverage a & b)	50,000,000	1,250,000	(1)
Property (Real & Personal Property) -	400,000,000	100,000/250,000	(2)
Property Terrorism includes a $50,000,000 Liability Limit	200,000,000	10,000	
Boiler and Machinery	250,000,000	50,000	
Fine Arts - Scheduled Value	11,863,504	1,000	
Employee Fidelity	5,000,000	50,000	(3)
Aircraft Liability (P&I)	20,000,000	-	
Aircraft Physical Damage (Schedule Value)	19,250,000	Various/Per Schedule	(4)
Watercraft Protection & Indemnity and Hull Coverage	1,000,000	$2000BI/$2000PD	
Watercraft Physical Damage (Scheduled Value)	11,740,621	Various/Per Schedule	(5)
Watercraft Excess Protection & Indemnity	9,000,000		
Wharfingers Liability	5,000,000	5,000	
Out of State Automobile Liability	1,000,000	-	
Power Lines Easement General Liability	4,000,000	1,000	
Riverwalk General Liability	6,000,000	5,000	
Voting Precincts General Liability	2,000,000	5,000	
River Jams	1,000,000		
Cyber, Security & Privacy Coverage	3,000,000	500,000	

Note: Please see footnotes on the following page.

12. RISK FINANCING (continued)

A. Public Liability and Workers Compensation (continued)

Major Categories of Policies Purchased to Transfer Risk (continued)

(1) The Self-Insurance Program is comprised of three policies: An excess workers' compensation policy from Safety National Casualty Corporation, which includes a retention of $1.5 million (except $500,000 JPA & JHA). A buffer workers' compensation policy with Fortegra Specialty with a $250,000 limit of coverage for the purpose of reducing the $1.5 million Safety National retention by $250,000 for the City. A casualty package provided by Ambridge Public Entity, which includes general liability, law enforcement liability, public officials/employment practices liability, and automobile liability. The Self-Insurance Program covers the City government and its Members (JEA, JPA, JHA and JAA). Ambridge also provides buffer workers' compensation coverage with a $250,000 limit for the JHA/JPA only, which effectively reduces their retention to $250,000.

(2) The 3/1/2025 property policy has a $100,000 "all other peril" deductible per occurrence. For loss associated with events that are a "named windstorm", the deductible 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 (equipment valued $1 million or less), property in transit and electronic data program equipment and media. Fine arts (excess over other collected insurance) is subject to $1,000 deductible. The policy includes service interruption coverage with a 24-hour waiting period.

(3) Crime coverage affords a $5 million employee theft/faithful performance with a deductible of $50,000, all other coverage limits are $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; all with a $10,000 deductible applicable per loss. Impersonation fraud coverage of $100,000 per occurrence with a deductible of $50,000.

(4) Aircraft physical damage deductibles are: (1) for aircrafts not in motion, $1,000 for rotor wings; (2) for aircraft in motion, 2% of the hull scheduled value.

(5) Watercraft physical damage deductibles are 1-3% of the hull scheduled value or $250 per occurrence for trailers.

In the past four (4) years, none of the listed commercial policies have incurred a loss that resulted in a settlement amount in excess of the policy limit.

12. RISK FINANCING (continued)

A. Public Liability and Workers Compensation (continued)

Annually, as of September 30, the Program has a third-party actuary review of 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's liability is established at the expected confidence level on a 4% discounted basis in the amount of $164,996,000 for general liability, automobile liability, and workers' compensation.

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 for return via a dividend formula in Ordinance Code Section 128.311, to the City itself and component units, and the accumulation of a self-insurance operating reserve authorized by the City of Jacksonville Ordinance Code Section 128.312. As of September 30, 2025, the City has a surplus in the self-insurance fund of $21.2 million, a self-insurance operating reserve of $18.8 million, and an unassigned surplus of $10.7 million, for a combined unrestricted net asset surplus of $50.7 million. In the Supplemental Section of the City's Annual Comprehensive 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, 2025.

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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
FOR THE YEARS ENDING SEPTEMBER 30
(in thousands)

	General/Auto Liability		Worker's Compensation		Totals	
	2025	2024	2025	2024	2025	2024
Unpaid claims and claims adjustment expenses at beginning of fiscal year	$ 20,252	$ 18,206	$ 140,074	$ 139,440	$ 160,326	$ 157,646
Incurred claims and claim adjustment expenses:						
Provisions for insured events of the current fiscal year	4,593	4,174	11,430	11,670	16,023	15,844
Increases (decreases) in provision for insured events of prior fiscal years	5,713	6,185	18,181	12,198	23,894	18,383
Total incurred claims and claim adjustment expenses	10,306	10,359	29,611	23,868	39,917	34,227
Payments:						
Claims and claim adjustment expenses attributable to insured events of current fiscal year	1,177	940	5,649	5,354	6,827	6,294
Claims and claim adjustment expenses attributable to insured events of prior fiscal year	7,918	7,373	20,502	17,880	28,420	25,253
Total Payments	9,095	8,313	26,152	23,234	35,247	31,547
Total unpaid claims and claim adjustment expenses at end of fiscal year	$ 21,463	$ 20,252	$ 143,533	$ 140,074	$ 164,996	$ 160,326

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 NONCURENT CLAIMS LIABILITIES
FOR THE YEARS ENDING SEPTEMBER 30
(in thousands)

	General/Auto Liability		Worker's Compensation		Totals	
	2025	2024	2025	2024	2025	2024
Current Liability:						
Estimated Liability for self-insured losses	$ 9,095	$ 8,837	$ 26,152	$ 23,579	$ 35,247	$ 32,416
Noncurrent Liability:						
Estimated Liability for self-insured losses	12,368	11,415	117,381	116,495	129,749	127,910
Total Liability	$ 21,463	$ 20,252	$ 143,533	$ 140,074	$ 164,996	$ 160,326

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. To better manage the risk, the City has contracted for stop-loss insurance for all health plans with a $1 million specific deductible, per individual claim in 2025. Once a claim exceeds this threshold in the plan year, the City is reimbursed for any excess expenses.

The plan is funded by contributions from the City and employees/retirees. These funds reside in an internal service fund which is used exclusively for employee benefits. In 2025, the City received a pharmacy rebate from Florida Blue of $6.5 million for calendar year 2024. The pharmacy rebate was used to offset claim expenses in the health fund. The pharmacy rebate is material compared to health claim expenses and is recurring on an annual basis.

As of September 30, 2025, claims incurred but not reported (IBNR) were estimated at $3.37 million and were recorded as a liability on the Statement of Net Position. The IBNR amount was determined using historical claims trends and actuarial analysis. The estimate was certified by an actuary. Florida statutes require health plan reserves to meet a safe harbor threshold, which for fiscal year 2025 is $9.7 million. The City's current health plan reserves total $994,900. To address this, the City will provide the State of Florida with a letter certifying that the unassigned surplus balance in the General Fund will be available to cover any obligations of the health plan.

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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

As of September 30, 2025, the following individual funds had a deficit (in thousands):

	Fund Deficit
Governmental Funds	
Public Safety	$ 29,569
General Projects	1,351
Community Development Block Grant	6,415
Special Bonded Debt-Obligations	4,898
Internal Service Fund	
Debt Management	32,515

As of September 30, 2025, four governmental funds - Public Safety, General Projects, Community Development Block Grant, and Special Bonded Debt - Obligations reported deficits in their respective fund balances. The deficit in the Public Safety fund primarily resulted from expenditures incurred in response to past hurricanes and tropical storms. Reimbursement for these expenses is expected from State and Federal governments through the Public Assistance Program, contingent upon the completion of all related work and subsequent review and approval by the Federal Emergency Management Agency (FEMA) and the Florida Department of Emergency Management (FDEM). The General Projects fund is anticipated to receive financial support from the General Fund. The Community Development Block Grant fund is expected to be reimbursed by the United States Department of Housing and Urban Development. The deficit in the Special Bonded Debt fund is primarily due to timing differences between revenues and expenditures.

The City monitors internal service billings, including rates, to ensure appropriate funding for operations. It is anticipated that future billings will cover expenses and eliminate the fund deficit in the Debt Management Fund.

13. OTHER REQUIRED INDIVIDUAL FUND AND COMPLIANCE DISCLOSURES (continued)

C. Landfill Closure and Long-Term 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 costs for North and East landfills and Picketville Waste Site. On September 30, 2025, 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, 2025, is $75.3 million with an increase of $4 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 84.62% based on the estimated operational life of 39 years for the constructed landfill disposal units 1-7. The percentage of the capacity used does not include the remaining permitted disposal units 8 through 14 since these have not been built and are excluded from the financial assurance requirements until they are built and operational for accepting solid waste.

Inactive Landfills – North and East

North and East landfills closed October 1999 and April 1992, respectively. Post closure care requirements have been met for both closed landfills.

13. OTHER REQUIRED INDIVIDUAL FUND AND COMPLIANCE DISCLOSURES (continued)

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 costs. 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. Ordinance 2021-592-E increased fees to the host fee for the closure fund portion which increased the rate of $1.98 per ton to $2.11 per ton in the closure escrow account. As of September 30, 2025, $33 million has been accumulated for payment of closure and long-term care cost (see summary below).

	Trail Ridge (in thousands)
Current cost of closure	$ 32,989
Annual cost of long-term care	-
Accelerated fund above state minimum	-
Total balance in escrow	$ 32,989

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14. LEASES

The City's financial statements reflect the adoption of GASB Statement No. 87, *Leases*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below.

Lessor Leases

The City is a lessor for various non-cancellable, long-term leases of buildings, land, and infrastructures. Lease terms for the leases vary from 50 months to 359 months. The discount rate used for the calculation of the lease receivable varies depending on the length of the respective leases and ranged from 0.243% to 3.995%.

As of September 30, 2025, the City's lease receivable is valued at $17.9 million for governmental activities and $34.5 million for business-type activities. Deferred inflow of resources associated with the leases that will be recognized as revenue over the term of the leases are $16.5 million for governmental activities and $29.8 million for business-type activities.

Future principal and interest related to the City's lease receivables are estimated as follows (in thousands):

Fiscal Year Ending	Governmental Activities			Business-Type Activities		
September 30	Principal	Interest	Total	Principal	Interest	Total
2026	$ 1,579	$ 354	$ 1,934	$ 6,606	$ 598	$ 7,204
2027	1,571	326	1,896	6,527	485	7,012
2028	1,561	297	1,858	6,658	370	7,028
2029	1,445	268	1,714	6,809	254	7,063
2030	791	249	1,040	3,300	134	3,435
2031 - 2035	4,128	991	5,120	1,561	334	1,894
2036 - 2040	4,062	578	4,640	1,888	187	2,075
2041 - 2045	1,870	233	2,102	1,131	26	1,157
2046 - 2050	547	82	629	-	-	-
2051 - 2055	312	25	337	-		
Total	**$ 17,867**	**$ 3,402**	**$ 21,269**	**$ 34,480**	**$ 2,388**	**$ 36,868**

14. LEASES (continued)

Lessee Leases

The City is a lessee for various leases for buildings, equipment, land, land improvements, and infrastructures. Lease terms for the leases vary from 23 months to 355 months. The discount rate used for the calculation of the lease liability varies depending on the length of the respective leases and ranged from 0.349% to 3.894%.

As of September 30, 2025, the City's lease liability is $19.2 million for governmental activities and $132,000 for business-type activities. The right-to-use capital assets are $28 million, including governmental activities of $27.8 million and business-type activities of $220,000. The associated accumulated amortization is $10.3 million for governmental activities and $92,000 for business-type activities. Lease asset information is also included in Note 6 Capital Asset Activity.

Future principal and interest related to the City's lease liability are estimated as follows (in thousands):

	Governmental Activities			Business-Type Activities		
Fiscal Year Ending September 30	Principal	Interest	Total	Principal	Interest	Total
2026	$ 1,864	$ 298	$ 2,162	$ 18	$ 2	$ 20
2027	1,427	276	1,703	18	1	20
2028	1,272	256	1,528	19	1	20
2029	1,319	237	1,556	19	1	20
2030	1,364	217	1,581	19	1	20
2031 - 2035	5,655	788	6,443	39	-	39
2036 - 2040	4,453	372	4,825	-	-	-
2041 - 2045	1,000	120	1,120	-	-	-
2046 - 2050	709	50	759	-	-	-
2051	147	3	150	-	-	-
Total	**$ 19,210**	**$ 2,617**	**$ 21,827**	**$ 132**	**$ 6**	**$ 138**

Additional lease liability disclosures are also included in Note 8C Changes in Long-Term Liabilities.

15. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The City's financial statements reflect the adoption of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that software subscriptions are financings of the right to use an underlying asset. Under this statement, an organization is required to recognize a right-to-use subscription asset, an intangible asset, and a corresponding subscription liability. For additional information, refer to the disclosures below.

The City entered into various subscription-based information technology arrangements. Subscription terms vary from 30 months to 131 months. The discount rate used for the calculation of the subscription payable varies depending on the length of the respective subscriptions and ranges from 0.328% to 3.803%.

As of September 30, 2025, the City's subscription payable is valued at $12.5 million for governmental activities.

Future principal and interest related to the City's subscription payables are estimated as follows (in thousands):

	Governmental Activities		
Fiscal Year Ending September 30	**Principal**	**Interest**	**Total**
2026	$ 5,490	$ 282	$ 5,772
2027	2,027	137	2,165
2028	1,109	94	1,203
2029	1,032	74	1,106
2030	1,070	57	1,127
2031 - 2034	1,787	82	1,868
Total	**$ 12,515**	**$ 726**	**$ 13,241**

Additional subscription payable disclosures are also included in Note 8C Changes in Long-Term Liabilities.

16. 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 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, no accrual is recorded. It is the City's opinion that the ultimate liability in these litigation matters, if any, that has not been accrued, is not expected to have a material adverse effect on the City's financial position.

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.

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16. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)

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

GASB Statement No. 49 *Accounting and Financial Reporting for Pollution Remediation Obligations* provides accounting and financial reporting guidance 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 obligatory events 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.

The City recorded a pollution remediation liability as of September 30, 2025, of approximately $154.3 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 U.S. 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.

16. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)

D. Pollution Remediation (continued)

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 operation and maintenance period). Site work was substantially completed in October 2006 when operations and maintenance work began. The PRPs have more than $1.21 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 PRPs are responsible for the long-term operations and maintenance costs for the total 30-year period. We are currently in year 17 of the 30-year period.

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 USEPA 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 $55 million has been accrued based on the City’s estimate used in its five-year capital project plan. As of September 30, 2025, the ash sites accumulated approximately $206 million of expenditures.

Other Sites

FDEP identified other sites of potential liability the City is responsible for. These sites include *Doe Boy Dump Site, Gold Merit/Pope Place, Confederate Park (now known as Springfield Park), McCoys Creek Waste Oil Petroleum Discharge and Hollybrooke Park.*

These projects are included within the City’s five-year capital projects plan with an estimated remaining cost of $55.1 million and are anticipated to require several years to complete upon commencement. Additionally, the plan accounts for $44.2 million in remaining estimated costs associated with various other remediation sites. The increase is attributed to the addition of Hollybrooke Park and McCoys Creek Waste Oil Petroleum Discharge sites where the assessment and the preliminary remedial action design plans have been completed to the point where a cost estimate was prepared.

16. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)

D. Pollution Remediation (continued)

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 long-term operations and maintenance 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. The City awaits a response from the USEPA and FDEP on this matter. The USEPA and FDEP still have not responded to the City's requests to modify the groundwater monitoring plan, the original parameter list and frequency of sample events have not been altered.

E. Garage Development Agreement

In 2004, the City entered into an agreement to loan funds to Metropolitan Parking Solutions (MPS) for construction and operation of three downtown parking garages consisting of the Courthouse Garage, the Sports Complex Garage, and the Arena Garage. In the event MPS sustained operational expenses in excess of revenues received for any semi-annual period, the agreement also required the City to make a development loan to MPS in the total amount of such expenses in excess of revenues. In 2020, MPS and the City became parties to litigation with cross claims of breach of contract. City Ordinance 2021-179-E authorized funding to exercise an option in the agreement and buy-out MPS.

In 2022, the City, the Downtown Investment Authority (DIA) and MPS entered a mediated settlement agreement as provided in City Ordinance 2022-138-E which gave operational control of the garages to the DIA and stipulates an annual rental payment of $150,000 from the City to MPS and annual loan forgiveness in the initial amount of $2.5 million. The principal value of the forgivable loan is approximately $92 million and will be reduced in tranches annually. The loan is carried as an uncollectible asset in the City's general ledger.

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16. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)

F. Construction and Other Significant Commitments

On September 30, 2025, the City had significant commitments for the following projects:

	(in thousands)
Culture and Recreation	
9A/Baymeadows - Park	$ 705
Artist Walk-Riverside Ave to Park Street	4,217
Care System - Call Center - Care Replacement	860
Charles Boobie Clark Park - Pool Retrofit	12,431
Confederate Park-MGP Waste Remediation	1,565
Countywide Community Center Improvements	2,072
Countywide Parks - Parks Cap Maintenance-Playgrnd,Ballfield	4,046
Countywide Parks - Pool Maintenance & Upgrades	2,101
Countywide Parks & Recreation Projects	5,044
Drew Park - Field Improvements	1,711
Ivey Road Park - Design & Develop per the Master Plan	1,269
James P. Small Park	2,951
James Weldon Johnson Park	551
Metropolitan Park	2,143
Oceanway Center - Oceanway Library Replacement	953
Park Street Road Diet	12,246
Parks Miscellaneous	6,266
Parks QOL - St Johns River Park	2,836
Parks QOL ADA Improvements	2,469
Parks QOL Ed Austin Regional Park	597
Parks QOL Lift Ev'ry Voice and Sing Park	2,155
Parks QOL Losco Regional Park	1,181
Parks QOL Pine Forest Park	600
Parks QOL West Jacksonville Community Center	597
Parks QOL-Blue Cypress Golf Course	815
Patton Park Youth Turf Soccer Field	1,180
Performing Arts Center - Musical Garden	1,940
Performing Arts Center - Performing Arts Center-Building Systems	1,577
Riverview Park Boat Ramp Design	1,204
Sheffield Park (N JAX Regional Park)-Soccer Fields	2,296
Shipyards West Park	2,834
Special Committee on Parks and Quality of Life	7,391
St Johns River Park	4,143
Tactical Research and Development Center	656
Traffic Signals San Pablo Parkway	1,379
Yates Parking Garage Maintenance Repairs	521
Economic Environment	
Affordable Housing Inventory Auction - EROAHI - Grant	507

16. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)

F. Construction and Other Significant Commitments (continued)

	(in thousands)
General Government Services	
103rd Street Sports Complex Renovations	$ 1,817
2020 Trail Ridge Projects Baldwin-Yellow Water	566
ADA Compliance-Curb Ramps Sidewalks	18,861
ADA Compliance-Public Buildings	2,019
Animal Care & Protective Services HVAC Replacement	1,871
Armsdale Rd-Duval Rd Improvements	1,491
Aruba Wireless Replacement - VVMA	2,132
Baseball Grounds - MLB Requirements	15,028
Beverly Hills East Septic Tank Phase-out	1,542
Blue Cypress - Pool Demo & Replacement	6,936
Building Systems-Prime Osborn Conv Ctr	2,350
Cahoon Rd&Normandy Blvd To Beaver St	635
Cecil Mega Site Rail Spur	983
Cecil Piping Repair	710
Cedar Forest (DSR) - Capital Improvement	2,863
Cemetery Entrance Enhancements	577
Children's Way Nira St Pedestrian Improv	513
Christobel Septic Tank Phase-Out	750
Council District 8	668
Countywide Intersection Imp-Intersection	601
Ed Ball Building - Ed Ball Building - Energy Audit	2,206
Ed Ball Hearing Room & Restroom Improvements	1,393
Ed Ball Radio Tower and Back up System	2,041
Edgewood Circle (DSR) - Capital Improvements	3,310
Emerald Trail - Hogan Street Connector	7,835
Emerald Trail - Model Project	1,007
Emerald Trail - S Line to Stonewall Street Improvements	1,948
Enterprise Financial&Resource Mgmt Solut - ERP-Financial&Resource Management	19,755
Facilities Capital Maintenance-Govt	2,676
Facilities Capital Maintenance-Govt - Facilities Cap Assessment & Remediation	981
Florida Theatre - Facility Improvements	1,101
Gold Merit-Pope Place	1,128
Hardscape - County Wide	3,214
Hodges Blvd & Glen Kernan Blvd Improvements	2,831
Ice Plant Replacement - VVMA	644
Ingleside Avenue (DSR) - Capital Improvement	868
Jacksonville Fair Grounds Relocation	15,590
Jacksonville Zoo Improvements	24,807
Jax Ash Site Pollution Remediation	10,336
La Salle Street Outfall	55,805

16. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)

F. Construction and Other Significant Commitments (continued)

	(in thousands)
General Government Services (continued)	
Liberty Street Marina	$ 747
Lone Star & Townsend Mast Arm Replacement	1,235
Major Outfall Ditch Restoration/Cleaning	7,938
Mayport Dock Redevelopment	1,052
McCoy’s Creek Waste Oil Petroleum Discharge	7,964
McCoy's Creek Greenway - Jax Ash - McCoys Creek Standard Remed	1,619
McCoy's Creek Greenway - McCoys Creek Bank Bulkhead Restoration	2,814
McCoy's Creek Greenway - McCoys Creek Channel Improve&Restore	2,064
McCoy's Creek Greenway - McCoy's Creek Greenway	576
McCoy's Creek Greenway -Outfall Improvements with Riverwalk	57,736
McCoy's Creek Improvements - McCoy's Creek Improvements	5,710
Medical Examiner Facility - 04	89,660
Memorial Cemetery Assessment&Restoration	1,695
Miscellaneous	18,971
Mt Olive Cemetery Assessment&Restoration	612
Murray Hill Playground	1,939
Northbank Central Marina	16,060
Northbank Riverwalk - Northbank Artist Walk Extension	1,771
Northbank Riverwalk - Northbank Bulkhead	44,129
Oak Harbor Boat Ramp Bulkhead	1,630
Ortega Hills Ingress & Egress Land Acqui	1,064
Pavement Markings	984
Permit Man-Enterprise Solution-Permit Mgmt	5,689
Pretrial Detention Facility - Pretrial Det Fac-Cell Door System	2,129
Pretrial Detention Facility - Pretrial Facility Maint-Upgrades	5,546
Pre-Trial Detention Facility Water Line Replacement	568
Public Buildings - Roofing	1,193
Radio Site Expansion - Montgomery Correctional	2,699
Resiliency Infrastructure Improvements	4,071
Ritz Theatre Improvements - Building Systems - Ritz Theatre & Museum	806
Riverfront Plaza	20,443
Roof Restoration - VVMA	1,217
Salesforce Public Sector Platform Implementation	1,644
Sidewalk-Curb Construction And Repair	7,860
Southbank Bulkhead	6,346
Sports Complex - Sports Complex Marquee	30,321
Two Way Street Conversion	6,626
Waterproofing - PAC	3,449
Water-Wastewater System Fund - Water-Wastewater System Fund	12,126

16. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)

F. Construction and Other Significant Commitments (continued)

	(in thousands)
General Government Services (continued)	
Webb Wesconnett Library Improvements - AHU's	$ 541
Wells Creek and US 1 Intersection Improvements	1,229
Widening of Lane Avenue North	11,768
Human Services	
Department of Health Generator Replacement-HMGP	833
UF Health Capital Improvements	42,738
Physical Environment	
Armsdale Road Drainage Improvements	6,525
Drainage System Rehabilitation - DSR General Capital Projects	2,940
Environmental Cleanup	919
Environmental Compliance - County Wide	7,558
Forest Trail Drainage Improvements	1,819
Grant Avenue Drainage Improvements	1,568
Hopkins Creek Regional Stormwater Improvements	659
Howalt Court Drainage Improvements-DSR	522
Landfill Acq-Compressed Natural Gas Conv	35,508
Longview Dr S Drainage Improvements-DSR	524
Macy Avenue Drainage Improvements (DSR)	2,111
Silver Street Drainage Improvements	1,710
Snowbrook Ct. and Cherokee Trail Underdrain Improvements	537
Stormwater Management Plan - Stormwater Master Plan Alternative	1,532
Stormwater Station Generator Backup	1,108
Trail Ridge Landfill Const & Expansion - Trail Ridge Landfill Gas Mgmt System	1,250
Underdrain Replacements	6,032
Woolery Drive Drainage Study and Improvements	2,027
Yacht Club Road Drainage Improvements	637
Publice Safety	
Fire Station #12 Renovation	2,858
Fire Station #17 Renovation	3,124
Fire Station #22 - New Construction	7,074
Fire Station #47 Replacement	3,536
Fire Station #76 - New Construction	8,077
Fire Station #78	1,225
Fire Station Capital Maintenance Misc Improvements	1,771
JFRD Fire Station Apron & Driveway Repairs	1,826
Marine Fire Station #68 (new)	869
Met Park Marina Fire Station, Museum & Dock/Design (Replacement)	11,797
Transportaion	
Adams & Lee Traffic Signal Rebuild	2,350
Alta Drive Bridge	612

16. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)

F. Construction and Other Significant Commitments (continued)

	(in thousands)
Transportaion (continued)	
Arlington Road Bridge	$ 3,695
Art Museum Drive Bridge	1,056
Broward Road Improvements	2,074
Broward Road Widening	1,641
Cedar Point/Sawpit Road (New Berlin to Shark)	2,810
Chaffee Road	5,260
Cole Road W-Cole to Main-Roadway Resurfacing-Mobility bb	7,883
Collins Road / Blanding to Pine Verde	2,213
Countywide Intersection Imp,Brge-Bridges	1,611
Dunn Ave at Braddock Rd Signal Improvements	40,450
Dunn Ave&Armsdale Rd Improvements	1,405
Duval Road Widening	566
Eastport Road / Pulaski to Zoo Pkwy	4,546
Hartley Rd&St Augustine To SR 13	1,868
Harts Road-Bridge Replacement	652
Jork Road - Jork Road Bridge	923
Lone Star Road Extension	1,149
Magnolia St Bridge Rehab	1,464
McCoy's Creek Greenway - McCoys Creek Rbld& Raise Bridge-King	17,229
McCoy's Creek Greenway - McCoys Creek Rbld&Raise Bridge-Stockton	2,125
Monument Rd Pedestrian Crossing	2,148
New Berlin Rd(Cedar Pt To Starrt/Pulsky)	1,410
Old Middleburg 103rd-Branan Field - 01	16,554
Orange Picker / Brady Road	3,194
Penman Road Complete Streets	1,093
Racetrack Road Widening	6,772
Roadway Resurfacing - Roadway Resurfacing	64,867
Roadway Sign Stripe And Signal	4,854
Rogero Road - Rogero Roundabout Design	2,357
Shindler 103Rd To Argyle Forest - Shindler 103rd To Argyle Forest	2,073
Sibbald Road Sidewalk Extension	3,055
Soutel Drive & New Kings Road Intersection Improvements	708
St Johns Bluff at Alumni Way - Traffic Signal	700
Tar Kiln Bridge	903
Traffic Calming Construction	38,759
Traffic Signal (New) - Baymeadows Rd E & Hampton	1,195
Traffic Signal (New) - Baymeadows Rd E & Stonebridge Village	531
Traffic Signal (New) - new Berlin Rd & Cedar Point Rd	3,395
Traffic Signalization-Countywide	6,417
Yellow Bluff Road - Bridge Repair	748
Total	**$ 1,141,167**

16. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)

G. Encumbrances

On September 30, 2025, the City had encumbrances outstanding in the Governmental Funds as follows:

MAJOR FUNDS		(in thousands)
General Fund	$	47,667
Other Federal, State and Local Grants		38,923
General Projects		264,340
Total Major Funds		350,929
NON-MAJOR FUNDS		
Planning, Economic Development & Concurrency Management		1,515
Air Pollution Control & Monitoring		16
Sports, Convention & Tourism Development		2,230
Court Systems State (Clerk of the Court)		56
Transportation Fund		7,313
General Government - Budgeted		4,153
Emergency 911		76
Tax Increment Districts		21,825
Kids Hope Alliance		15,126
Community Development Block Grant		7,493
Maintenance, Parks & Recreation		832
Public Safety		646
Jacksonville Housing Commission		15,677
General Government - Non-Budgeted		3,657
Better Jacksonville Plan Construction Project Trust Fund		2,589
Bond Projects		318
Grant Projects		3,164
Total Non-Major Funds		88,128
TOTAL ENCUMBRANCES	**$**	**439,057**

The encumbrances are recorded within fund balance based on the source of funds as restricted, committed, or assigned as appropriate.

16. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)

H. Tax Abatements

The City administers the following tax abatement programs.

	Office of Economic Development		Downtown Investment Authority
Name of Program	**Recaptured Enhanced Value (REV) Grant**	**Qualified Target Industry**	**Recaptured Enhanced Value (REV) Grant**
Purpose of program	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 above average wage levels in the county.	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.
Tax being abated	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.	Real and/or Tangible Personal Property Tax.
Authority under which abatement agreements are entered into	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.	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.
Eligibility criteria	The company is required to be in 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.	In addition to the REV Grants offered by the Office of Economic Development and criteria for the same, the Downtown Investment Authority offers a Multi-Family Housing REV Grant, a Small Scale Multi-Family Housing REV Grant and a Targeted Hotel REV Grant, each with varying criteria for size, number of units, amount of capital investment, parking capacity, type of hotel, etc.
How recipient taxes are reduced	As refunds of a portion of the 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.	As refunds of a portion of the real and personal property taxes paid by the project above the base year.
How amount of abatements is determined	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. For projects located in a designated Brownfield Area, add $2,500 per job. For businesses that fall within a designated high impact sector, 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.	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, grants can be from 50% to 75% of the increment for a period of 10 to 20 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.
Provision for recapturing abated taxes	N/A	N/A	N/A
Amount being abated for the year ended September 30, 2025	$11,044,076	$538,813	$5,033,529

17. MAJOR DISCRETELY PRESENTED COMPONENT UNITS – ADDITIONAL DISCLOSURE

During fiscal year 2025, 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, JEA assumed the operation and all related assets and liabilities of the water and sewer system from the City. 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 hour sold and at a rate of 2.149 mills per cubic feet of water sold. For the fiscal year ending September 30, 2025, these contributions totaled $137.4 million. 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, 2025, the City received from JEA $35 million and $12 million of its electric and water and sewer funds, respectively.

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 JTA. Accordingly, the City remitted all collections from the one-half cent sales tax to JTA in the amount of $134 million in fiscal year 2025. 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. JTA reports the transfer from the City as sales tax revenue.

In fiscal year 2000, the City and 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 program. The term of the agreement commenced on October 1, 2000, and was to continue in effect until all 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.

17. 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 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 services 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.

On May 26, 2021, legislation was passed to increase the Local Option Gas Tax from $.06 per gallon to $.11 cents while also levying an additional $.01 per gallon Ninth-Cent Local Option Gas Tax with both collections commencing on January 1, 2022. A new interlocal agreement between the City and JTA was entered into to accompany and complement the BJPI Interlocal Agreement, as supplemented and amended by the 2014 interlocal agreement, for the purpose of defining the allocation of the additional tax revenues. As defined by the agreement, one-half of the revenues generated from the additional Local Option Gas Tax revenues are sent to JTA for use in funding the planning, design, permitting, development, acquisition and construction of roads, bridges, and other transportation facilities as defined by the legislation. The remaining revenues are retained for City use.

C. Jacksonville Port Authority (JPA)

Interlocal Agreement - 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 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 JPA as described in Section 5(a) of JPA act.

18. SUBSEQUENT EVENTS

On March 24, 2026, the City closed on the sale of $129.24 million Transportation Refunding Revenue Bonds, Series 2026. The Series 2026 bonds have a true interest cost of 2.65%, an average coupon rate of 5.00% and a final maturity date of October 1, 2037. The issuance provided proceeds of $144.11 million, which is inclusive of underwriter's discount and cost of issuance totaling $0.87 million. The proceeds of the Series 2026 bonds along with $19.58 million of debt service and debt service reserve funds were used to refund the City's Transportation Revenue Bonds, Series 2015 maturing in years 2026 through 2037. The refunding of the Transportation Refunding Revenue Bonds, Series 2015 resulted in net present-value savings of $15.11 million and a decrease in debt service in the amount of $17.17 million.

19. PRIOR PERIOD ADJUSTMENTS

Corrections to Previously Issued Financial Statements

During fiscal year 2025, the City continued its comprehensive review of capital assets recorded in the integrated ERP system. This review identified adjustments related to real estate, construction in progress, and other depreciable capital assets that required restatements of beginning net position for fiscal years 2024 and 2025.

The City also identified ERP subledger reconciliation issues related to equity in pooled cash and investments, as well as accounts payable and accrued liabilities. These corrections resulted in additional restatements of beginning net position for 2024 and 2025.

Further restatements were necessary for adjustments in cash in escrow and with fiscal agents, as well as with deferred inflows of resources - unavailable revenue.

The following chart presents the financial impact of these corrections to beginning net position or fund balance for the affected periods.

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19. PRIOR PERIOD ADJUSTMENTS (continued)

Restatements of beginning net position or fund balances

	Governmental Funds				Proprietary Funds
					Enterprise Funds
	General Fund	Other Federal, State and Local Grants	Special Bonded Debt - Better Jacksonville Plan Obligations	Non Major Funds	Solid Waste Disposal
September 30, 2023, as previously reported (in thousands)	$ 567,153	$ 8,296	$ -	$ 474,139	$ 4,627
Error corrections					
Equity in pooled cash and investments	-	672	-	-	-
Accounts receivables	17,146	-	-	-	-
Other receivables	-	-	-	124	-
Capital assets	-	-	-	-	6,383
Unavailable revenue	(2,820)		-	-	-
Accounts payable and accrued liabilities	-	-	-	(303)	-
Internal loans	-	-	-	-	(439)
Component unit	-	-	-	-	-
September 30, 2023, as restated	$ 581,479	$ 8,968	$ -	$ 473,960	$ 10,571
September 30, 2024, as previously reported (in thousands)	$ 649,896	$ 8,644	$ 41,598	$ 540,893	$ 15,925
Error corrections					
Equity in pooled cash and investments	-	-	-	-	(2,367)
Cash in escrow and with fiscal agents	-	-	6,675	(115)	-
Accounts receivables	-	-	-	-	-
Capital assets	-	1,033	-	1,567	5,795
Accounts payable and accrued liabilities	313	-	-	-	-
Deferred Inflow of Resources - Unavailable revenue	(184)	-	-	-	-
September 30, 2024, as restated	$ 650,025	$ 9,677	$ 48,273	$ 542,345	$ 19,353

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Proprietary Funds (continued)					Citywide Statements		Discretely Presented Component Units	Fiduciary Funds
Enterprise Funds (continued)								
City Venues	Storm Water Services	Non Major Enterprise	Internal Service		Governmental Activities	Business-Type Activities	Jacksonville Housing Finance Authority	Police and Fire Pension
$ 160,546	$ 177,130	$ 29,677	$ 225,783		$ (1,295,759)	$ 371,980	$ 22,268	$ -
-	-	-	-		672	-	-	-
1,111	-	-	-		17,146	1,111	-	-
-	-	-	(285)		(161)	-	-	-
(398)	4,039	(3,141)	-		97,667	6,883	-	-
-	-	-	-		(2,820)	-	-	-
-	-	-	-		(303)	-	-	-
-	-	-	(1,635)		(1,635)	(439)	-	-
-	-	-	-		-	-	8,179	-
$ 161,259	$ 181,169	$ 26,536	$ 223,863		$ (1,185,193)	$ 379,535	$ 30,447	$ -
$ 224,279	$ 192,042	$ 27,423	$ 298,897		$ (1,257,103)	$ 459,669	$ -	$ 2,616,113
-	(3,624)	-	-		-	(5,991)	-	16
(323)	-	-	(214)		6,346	(323)	-	-
-	-	-	-		2,022	-	-	-
-	15,017	52,800	108		137,421	73,612	-	-
-	-	-			313	-	-	-
-	-	-	-		578	-	-	-
$ 223,956	$ 203,435	$ 80,223	$ 298,791		$ (1,110,423)	$ 526,967	$ -	$ 2,616,129

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20. 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 positions that do not meet the definition of the other two components, and any net deficits that exist.

21. FUND BALANCE DISCLOSURE

In accordance with GASB Statement No. 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 nor committed. Assigned figures include the total encumbered balances of the General Service District within the General Fund as of the fiscal year-end.

- 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.

21. 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.

21. FUND BALANCE DISCLOSURE (continued)

A. FUND BALANCE CLASSIFICATION (in thousands)

	MAJOR FUNDS		
	GENERAL FUND	**SPECIAL BONDED DEBT-BETTER JACKSONVILLE PLAN OBLIGATIONS**	**OTHER FEDERAL, STATE, AND LOCAL GRANTS**
FUND BALANCES:			
Non Spendable:			
Imprest cash and cash in escrow	$ -	$ -	$ -
Inventories	3,321	-	-
Other	18	-	-
Spendable:			
Restricted for:			
Debt Service Reserved by Debt Covenants	-	51,798	-
Parks and Recreation Projects	-	-	-
Physical Environment	-	-	-
Conservation and Resource Management	-	-	-
Transportation Projects	-	-	-
Other Grants	-	-	-
Human Services	-	-	-
Housing and Urban Development	-	-	-
Building	-	-	-
Public Safety	-	-	-
Industry Development	-	-	-
Other	7,035	-	8,548
Committed to:			
Other General Government	92,044	-	-
Drainage Projects	-	-	-
Parks and Recreation Projects	-	-	-
Planning Projects	-	-	-
Physical Environment	-	-	-
Conservation and Resource Management	-	-	-
Transportation Projects	-	-	-
Emergency Reserve	133,082	-	-
Court Projects and Operations	-	-	-
Public Safety	-	-	-
Industry Development	93,716	-	-
Other	83	-	-
Assigned to:			
Parks Projects	492	-	-
Planning Projects	3,103	-	-
Public Safety	17,317	-	-
Industry Development	22,142	-	-
Other	1,416	-	-
Unassigned	392,138	-	-
Total Fund Balances	$ 765,908	$ 51,798	$ 8,548

MAJOR FUNDS			NON MAJOR	ALL FUNDS	
BETTER JACKSONVILLE PLAN TRUST	GENERAL PROJECTS	GOVERNMENTAL FUNDS	TOTAL 2025	TOTAL 2024
$ -	$ -	$ 123	$ 123	$ 123
-	-	-	3,321	7,551
-	-	1,454	1,472	179,541
-	-	6,041	57,839	56,171
-	-	36	36	35
-	-	990	990	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	14,669	14,669	21,673
-	-	36,175	36,175	38,320
-	-	-	-	-
-	-	-	-	-
-	-	131,799	131,799	125,123
-	-	9,565	25,148	27,755
-	-	-	92,044	66,859
-	-	-	-	-
-	-	29,986	29,986	29,894
-	-	132,981	132,981	117,486
-	-	-	-	-
-	-	-	-	-
-	-	57,678	57,678	54,127
-	-	9,286	142,368	137,881
-	-	11,261	11,261	9,857
-	-	-	-	-
-	-	297	94,013	29,226
175,808	-	160,399	336,290	395,013
			-	-
-	-	-	492	550
-	-	-	3,103	1,134
-	-	-	17,317	9,570
-	-	-	22,142	15,024
-	-	-	1,416	12
-	(1,351)	(40,882)	349,905	168,830
$ 175,808	$ (1,351)	$ 561,858	$ 1,562,568	$ 1,491,756



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REQUIRED SUPPLEMENTARY INFORMATION



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CITY OF JACKSONVILLE, FLORIDA
GENERAL FUND REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL BUDGETARY BASIS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	GENERAL FUND					
	BUDGETED AMOUNTS					VARIANCE WITH FINAL BUDGET-
	ORIGINAL	FINAL	ACTUAL	ENCUMBRANCES	BUDGETARY ACTUAL	POSITIVE (NEGATIVE)
REVENUE:						
Property taxes	$ 1,103,689	$ 1,103,689	$ 1,116,563	$ -	$ 1,116,563	$ 12,874
Utility service taxes	132,633	132,633	145,440	-	145,440	12,807
Sales and tourist taxes	1,257	1,257	1,294	-	1,294	37
Local business tax	7,015	7,015	6,919	-	6,919	(96)
Licenses, permits and fees	43,939	43,939	50,385	-	50,385	6,446
Intergovernmental	253,044	253,021	246,109	-	246,109	(6,912)
Charges for services	90,494	90,494	88,846	-	88,846	(1,648)
Fines and forfeitures	2,135	2,135	2,072	-	2,072	(63)
JEA contribution	137,424	137,424	137,424	-	137,424	-
Investment Earning	29,867	32,387	36,290	-	36,290	3,903
Other	18,482	18,521	19,837	-	19,837	1,316
Total Revenue	1,819,979	1,822,515	1,851,179	-	1,851,179	28,664
EXPENDITURES AND ENCUMBRANCES:						
City Council	13,927	29,391	13,238	37	13,275	16,116
Clerk of the Courts	6,871	6,920	6,168	18	6,186	734
Courts	6,264	6,489	6,366	20	6,386	103
Downtown Investment Authority	1,477	35,020	1,177	736	1,913	33,107
Employee Services	8,391	8,788	7,935	347	8,282	506
Finance	19,824	22,796	20,067	1,292	21,359	1,437
Fire/Rescue	386,240	407,712	412,158	5,601	417,759	(10,047)
General Counsel	153	164	111	-	111	53
Health Administrator	1,903	1,903	1,901	-	1,901	2
Inspector General	1,613	1,675	1,565	25	1,590	85
Office of the Administrative Services	17,222	17,163	16,428	94	16,522	641
Jacksonville Human Rights Commission	1,021	1,049	1,041	7	1,048	1
Mayor	5,582	6,022	5,708	460	6,168	(146)
Advisory Boards and Commissions	593	655	592	1	593	62
Medical Examiner	7,179	7,312	7,099	172	7,271	41
Military Affairs, Vet & Disabled Services	1,659	1,702	1,654	6	1,660	42
Office of Economic Development	3,391	13,808	4,059	1,845	5,904	7,904
Office of Ethics	819	819	783	-	783	36
Parks & Recreation	57,669	56,977	53,551	1,024	54,575	2,402
Property Appraiser	14,531	14,535	13,992	31	14,023	512
Public Defender	2,538	2,745	2,564	199	2,763	(18)
Planning and Development	4,422	4,667	4,090	321	4,411	256
Public Libraries	40,867	42,176	43,404	696	44,100	(1,924)
Public Works	67,545	69,393	66,700	3,470	70,170	(777)
Neighborhoods	12,555	16,819	14,377	526	14,903	1,916
Office of Sports & Entertainment	12,270	12,914	12,544	479	13,023	(109)
State Attorney	2,912	3,385	3,216	3	3,219	166
Supervisor of Elections	8,356	8,978	7,075	206	7,281	1,697
Office of the Sheriff	633,225	680,536	662,405	10,948	673,353	7,183
Tax Collector	26,179	29,341	26,456	69	26,525	2,816
Federal Program Reserve	6,228	1,500	-	-	-	1,500
Contribution to Shands-Jacksonville	56,000	56,000	56,000	-	56,000	-
Cash Carryover Reserves	128,783	131,290	-	-	-	131,290
Jacksonville Misc. Citywide Activities	180,800	262,878	183,700	19,034	202,734	60,144
Total Expenditures	1,739,009	1,963,522	1,658,124	47,667	1,705,791	257,731
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	80,970	(141,007)	193,055	(47,667)	145,388	286,395
OTHER FINANCING SOURCES (USES):						
Long term debt issued	15,000	15,000	-	-	-	(15,000)
Lease issuance	-	-	15	-	15	15
Software subscription issuance	-	-	2,093		2,093	2,093
Transfers in	61,116	95,356	106,533	-	106,533	11,177
Transfers out	(228,587)	(231,548)	(185,813)	-	(185,813)	45,735
Total Other Financing Sources (Uses)	(152,471)	(121,192)	(77,172)	-	(77,172)	44,020
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(71,501)	(262,199)	115,883	(47,667)	68,216	330,415
FUND BALANCES - BEGINNING OF YEAR AS RESTATED	650,025	650,025	650,025	-	650,025	-
FUND BALANCES - ENDING	$ 578,524	$ 387,826	$ 765,908	$ (47,667)	$ 718,241	$ 330,415

CITY OF JACKSONVILLE, FLORIDA
OTHER FEDERAL, STATE, AND LOCAL GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL BUDGETARY BASIS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	OTHER FEDERAL, STATE, AND LOCAL GRANTS FUND					
	BUDGETED AMOUNTS					VARIANCE WITH FINAL BUDGET-POSITIVE
	ORIGINAL	FINAL	ACTUAL	ENCUMBRANCES	BUDGETARY ACTUAL	(NEGATIVE)
REVENUE:						
Intergovernmental	$ -	$ 21,158	$ 71,241	$ -	$ 71,241	$ 50,083
Charges for services	-	1,300	1,140	-	1,140	(160)
Fines and forfeitures	-	-	-	-	-	0
JEA contribution	-	-	-	-	-	-
Investment Earning	-	32	283	-	283	251
Other	-	297	414	-	414	117
Total Revenue	-	22,787	73,078	-	73,078	50,291
EXPENDITURES AND ENCUMBRANCES:						
Courts	-	2,322	646	-	646	1,676
Employee Services	-	407	407	-	407	-
Finance	-	3,222	356	80	436	2,786
Fire/Rescue	-	12,269	3,387	879	4,266	8,003
Office of the Administrative Services	-	1,015	345	4	349	666
Jacksonville Children's Commission	-	1,716	1,494	37	1,531	185
Jacksonville Human Rights Commission	-	(184)	173	-	173	(357)
Mayor	-	9	-	-	-	9
Medical Examiner	-	6	-	-	-	6
Military Affairs, Vet & Disabled Services	-	4,259	483	7	490	3,769
Parks & Recreation	-	39,257	24,158	1,755	25,913	13,344
Planning and Development	-	2,471	585	-	585	1,886
Public Libraries	-	1,794	682	(10)	672	1,122
Public Works	-	75,282	33,885	33,236	67,121	8,161
Neighborhoods	-	2,055	892	1,244	2,136	(81)
Supervisor of Elections	-	1,194	421	131	552	642
Office of the Sheriff	-	15,412	8,571	983	9,554	5,858
Jacksonville Misc. Citywide Activities	500	9,450	3,649	573	4,222	5,228
Total Expenditures	500	171,956	80,134	38,919	119,053	52,903
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	(500)	(149,169)	(7,056)	(38,919)	(45,975)	103,194
OTHER FINANCING SOURCES (USES):						
Transfers in	500	5,925	5,925	-	5,925	-
Transfers out	-	(43)	-	-	-	43
Total Other Financing Sources (Uses)	500	5,882	5,925	-	5,925	43
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(143,287)	(1,131)	(38,919)	(40,050)	103,237
FUND BALANCES - BEGINNING OF YEAR AS RESTATED	8,644	8,644	8,644	-	8,644	-
FUND BALANCES - ENDING	$ 8,644	$ (134,643)	$ 7,513	$ (38,919)	$ (31,406)	$ 103,237

CITY OF JACKSONVILLE, FLORIDA
BETTER JACKSONVILLE PLAN TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL BUDGETARY BASIS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	BETTER JACKSONVILLE PLAN TRUST FUND					
	BUDGETED AMOUNTS					VARIANCE WITH FINAL BUDGET- POSITIVE
	ORIGINAL	FINAL	ACTUAL	ENCUMBRANCES	BUDGETARY ACTUAL	(NEGATIVE)
REVENUE:						
Sales and tourist taxes	$ 516,761	$ 516,596	$ 129,858	$ -	$ 129,858	$ (386,738)
Investment Earning	3,743	3,743	9,005	-	9,005	5,262
Total Revenue	520,504	520,339	138,863	-	138,863	(381,476)
OTHER FINANCING SOURCES (USES):						
Transfers out	(520,504)	(582,554)	(227,855)	-	(227,855)	354,699
Total Other Financing Sources (Uses)	(520,504)	(582,554)	(227,855)	-	(227,855)	354,699
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	(62,215)	(88,992)	-	(88,992)	(26,777)
FUND BALANCE - BEGINNING OF THE YEAR	264,800	264,800	264,800	-	264,800	-
FUND BALANCE - END OF THE YEAR	$ 264,800	$ 202,585	$ 175,808	$ -	$ 175,808	$ (26,777)

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 2025, the Other Federal, State, and Local Grants Fund and the Better Jacksonville Plan Trust Fund met the criteria to be reported as a major fund. 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, 2025. 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, Housing and Neighborhoods, State Housing Initiative Partnership, Non-Budgeted General Government, and Clerk of Court.

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 (personnel 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 to include unique chart of account combinations if the total transferred funds for a specific purpose, project or issue are 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 2025 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 fund 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 SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS - LAST 10 FISCAL YEARS
CITY OF JACKSONVILLE RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

(in thousands)

Plan Year Ending September 30	Actuarially Determined Contributions	City Cash Contributions	Contribution Deficiency/ (Excess)**	Covered Payroll*	Actual Contribution as a % of Covered Payroll
General Employees Retirement Plan					
2025	$ 113,300	$ 113,564	$ (264)	$ 234,803	48.37%
2024	96,593	96,957	(364)	230,710	42.03
2023	83,607	82,517	1,090	227,912	36.21
2022	83,697	84,354	(657)	233,266	36.16
2021	76,833	77,269	(436)	246,864	31.30
2020	71,250	72,193	(943)	249,983	28.88
2019	69,248	70,338	(1,090)	253,982	27.69
2018	70,166	71,024	(858)	257,850	27.54
2017	94,527	94,700	(173)	250,894	37.75
2016	89,059	84,898	4,161	254,034	33.42
Corrections Officers Retirement Plan					
2025	$ 21,981	$ 21,981	$ -	$ 27,581	79.70%
2024	19,386	19,386	-	24,527	79.04
2023	17,186	17,196	(10)	25,261	68.07
2022	17,592	17,610	(18)	25,903	67.98
2021	15,045	15,061	(16)	28,268	53.28
2020	15,043	15,045	(2)	28,726	52.37
2019	14,498	14,498	-	28,164	51.48
2018	13,973	13,973	-	27,548	50.72
2017	19,156	19,162	(6)	26,585	72.08
2016	18,864	18,864	-	28,091	67.15

* 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.

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS - LAST 10 FISCAL YEARS
CITY OF JACKSONVILLE BEACH FIREFIGHTERS PENSION PLAN
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

(in thousands)

Plan Year Ending September 30	Actuarially Determined Contributions	City Cash Contributions	Contribution Deficiency/ (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
Jacksonville Beach Firefighters					
2025	$ 1,032	$ 1,032	$ -	$ 2,336	44.18%
2024	1,097	1,097	-	2,185	50.21
2023	997	997	-	2,064	48.30
2022	969	1,091	(122)	1,871	58.31
2021	983	842	141	1,874	44.92
2020	1,067	1,102	(35)	1,832	60.15
2019	658	658	-	2,444	26.92
2018	608	608	-	2,030	29.95
2017	501	501	-	2,123	23.60
2016	422	422	-	2,020	20.89

Notes to Schedule of Contributions

Valuation Date October 1, 2024

Actuarial Cost Method: Entry Age Normal

Amortization Method: Level Dollar, Closed

Remaining Amortization Period: 9 Years

Asset Valuation Method: 4-Year Smoothed Market

Actuarial Assumptions:

Inflation 2.5% wage inflation, 2.5% price inflation

Investment Rate of Return 6.5%

Projected Salary Increases 3.5% to 10.0%

Retirement Age Age and experience-based table of rates that are specific to the type of eligibility condition. Last updated for the 2002 valuation.

Mortality The Florida Retirement System (FRS) mortality tables which use variations of the fully generational RP-2000 Mortality Tables with projection scale BB.

Other Information: The employer contribution for September 30, 2020, was recalculated in the October 1, 2019, actuarial valuation report dated February 14, 2020, in accordance with the Interlocal Agreement with the City of Jacksonville.

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS - LAST 10 FISCAL YEARS
FLORIDA RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

(in thousands)

Plan Year Ending September 30	Actuarially Determined Contributions	City Cash Contributions	Contribution Deficiency/ (Excess)	Covered Payroll	Actual Contribution as a % of Covered Payroll
Pension Plan					
2025	$ 934	$ 934	$ -	$ 7,349	12.71%
2024	925	1,026	(101)	7,289	14.08
2023	631	631	-	5,507	11.46
2022	600	630	(30)	5,436	11.59
2021	630	641	(11)	1,473	43.52
2020	698	755	(57)	2,065	36.56
2019	706	732	(26)	1,897	38.59
2018	759	758	1	2,043	37.10
2017	712	710	2	2,048	34.65
2016	695	724	(29)	2,072	34.93
Health Insurance Subsidy					
2025	$ 45	$ 45	$ -	$ 2,247	2.00%
2024	47	21	26	2,349	0.89
2023	31	31	-	1,870	1.66
2022	32	25	7	2,031	1.23
2021	35	33	2	1,473	2.24
2020	36	39	(3)	2,065	1.89
2019	39	38	1	1,897	1.98
2018	43	39	4	2,043	1.91
2017	43	36	7	2,048	1.78
2016	42	37	5	2,072	1.79



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CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY - LAST 10 FISCAL YEARS
CITY OF JACKSONVILLE RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

(in thousands)

	2024		2023	
	General Employees' Retirement Plan	Corrections Officers' Retirement Plan	General Employees' Retirement Plan	Corrections Officers' Retirement Plan
Total pension liability				
Service cost*	$ 45,391	$ 8,737	$ 40,446	$ 8,023
Interest*	239,723	37,719	232,636	35,722
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	41,566	5,652	45,408	9,723
Changes of assumptions	-	24,991	22,701	1,104
Benefit payents, including refunds of contributions	(245,023)	(25,471)	(229,177)	(23,654)
Net change in total pension liability	81,657	51,628	112,014	30,918
Total pension liability - beginning balance	3,765,170	584,290	3,653,156	553,372
Total pension liability - ending balance (a)	$ 3,846,827	$ 635,918	$ 3,765,170	$ 584,290
Plan fiduciary net position				
Contributions - employer	$ 96,957	$ 19,386	$ 83,375	$ 17,196
Contributions - employee	25,836	2,854	25,806	3,333
Net investment income	327,497	46,635	234,846	32,101
Benefit payments including refunds of contributions	(245,023)	(25,471)	(229,177)	(23,654)
Administrative expense	(1,554)	(138)	(1,365)	(97)
Other	-	-	-	-
Net change in plan fiduciary net position	203,713	43,266	113,485	28,879
Plan fiduciary net position - beginning balance	1,940,430	278,539	1,826,945	249,660
Plan fiduciary net position - ending balance (b)	2,144,143	321,805	1,940,430	278,539
Net pension liability - ending balance (a) - (b)	$ 1,702,684	$ 314,113	$ 1,824,740	$ 305,751
Plan fiduciary net position as a % of total pension liability	55.74%	50.60%	51.54%	47.67%
Covered payroll *(in thousands)*	$ 234,803	$ 27,581	$ 230,710	$ 24,527
Net pension liability as % of covered payroll	725.15%	1138.87%	790.92%	1246.59%

Notes to Schedules:

Change of Assumptions:

As of September 30, 2024, the assumed investment return remained at 6.50%.
As of September 30, 2023, the assumed investment return remained at 6.50%.

Change of Benefits:

There have been no recent changes to benefits.

2022		2021		2020	
General Employees' Retirement Plan	Corrections Officers' Retirement Plan	General Employees' Retirement Plan	Corrections Officers' Retirement Plan	General Employees' Retirement Plan	Corrections Officers' Retirement Plan
$ 39,951	$ 7,782	$ 40,608	$ 8,106	$ 39,960	$ 7,675
228,792	33,940	225,729	32,479	222,362	30,633
-	-	3,982	-	-	-
38,039	9,464	25,338	5,071	12,192	9,965
48,782	8,805	65,605	11,440	36,145	6,109
(231,842)	(22,269)	(221,533)	(21,953)	(207,269)	(20,323)
123,722	37,722	139,729	35,143	103,390	34,059
3,529,433	515,649	3,389,704	480,506	3,286,314	446,447
$ 3,653,155	$ 553,371	$ 3,529,433	$ 515,649	$ 3,389,704	$ 480,506
$ 84,353	$ 17,610	$ 77,269	$ 15,061	$ 72,194	$ 15,058
27,713	3,153	29,116	3,341	26,014	3,401
(351,108)	(45,934)	410,544	61,123	125,958	9,840
(231,842)	(22,269)	(221,533)	(21,953)	(207,269)	(20,323)
(1,832)	(159)	(1,194)	(160)	(1,084)	(153)
-	-	-	-	-	-
(472,716)	(47,599)	294,202	57,412	15,813	7,823
2,299,661	297,259	2,005,459	239,847	1,989,646	232,024
1,826,945	249,660	2,299,661	297,259	2,005,459	239,847
$ 1,826,210	$ 303,711	$ 1,229,772	$ 218,390	$ 1,384,245	$ 240,659
50.01%	45.12%	65.16%	57.65%	59.16%	49.92%
$ 227,912	$ 25,261	$ 233,266	$ 25,903	$ 246,387	$ 28,268
801.28%	1202.29%	527.20%	843.11%	561.82%	851.35%

Notes to Schedules:

Change of Assumptions:

As of September 30, 2022, the assumed investment return was lowered from 6.625% to 6.50%.
As of September 30, 2021, the assumed investment return was lowered from 6.80% to 6.625%.
As of September 30, 2020, the assumed investment return was lowered from 6.90% to 6.80%.

Change of Benefits:

An early retirement window was offered April 1, 2021 through September 30, 2021.
During the window, normal retirement eligibilty was changed from either: age 65 with five years of credited service, age 55 with 20 years of credited service, or any age with 30 years of credited service.

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY - LAST 10 FISCAL YEARS
CITY OF JACKSONVILLE RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

(in thousands)

	2019		2018	
	General Employees' Retirement Plan	Corrections Officers' Retirement Plan	General Employees' Retirement Plan	Corrections Officers' Retirement Plan
Total pension liability				
Service cost*	$ 39,905	$ 7,359	$ 41,477	$ 7,975
Interest*	219,284	29,931	215,034	28,318
Changes of benefit terms	-	-	17,317	-
Differences between expected and actual experience	33,435	5,491	(7,275)	719
Changes of assumptions	4,913	(7,304)	80,635	17,045
Benefit payents, including refunds of contributions	(207,904)	(18,506)	(191,229)	(19,819)
Net change in total pension liability	89,633	16,971	155,959	34,238
Total pension liability - beginning balance	3,196,681	429,474	3,040,721	395,236
Total pension liability - ending balance (a)	$ 3,286,314	$ 446,447	$ 3,196,680	$ 429,474
Plan fiduciary net position				
Contributions - employer	$ 70,338	$ 14,498	$ 71,024	$ 13,973
Contributions - employee	28,334	3,225	29,919	3,151
Net investment income	14,789	3,496	145,470	19,269
Benefit payments including refunds of contributions	(207,904)	(18,506)	(191,229)	(19,819)
Administrative expense	(967)	(158)	(1,193)	(128)
Other	-	-	11,397	-
Net change in plan fiduciary net position	(95,410)	2,555	65,388	16,446
Plan fiduciary net position - beginning balance	2,085,056	229,469	2,019,668	213,023
Plan fiduciary net position - ending balance (b)	1,989,646	232,024	2,085,056	229,469
Net pension liability - ending balance (a) - (b)	$ 1,296,668	$ 214,423	$ 1,111,624	$ 200,005
Plan fiduciary net position as a % of total pension liability	60.54%	51.97%	65.23%	53.43%
Covered payroll *(in thousands)*	$ 249,983	$ 28,726	$ 253,982	$ 28,164
Net pension liability as % of covered payroll	518.70%	746.44%	437.68%	710.14%

Notes to Schedules:

Change of Assumptions:

As of September 30, 2019, the assumed investment return was lowered from 7.00% to 6.90%.

As of September 30, 2019, the mortality assumptions were changed from being based on the FRS mortality.

Tables used in the July 1, 2019, FRS actuarial valuation for special risk personnel. The set forward used to adjust for the plan's experience was changed for healthy pre- and post-retirement lives was changed from 2.5 years to 2.0 years with the adoption of the new base table. The mortality improvement scale was changed from scale BB to scale MP2018 in conjunction with this change.

Tables used in the July 1, 2018, FRS actuarial valuation for the special risk personnel to the FRS mortality.

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. There was no immediate impact on the total pension liability.

2017		2016		2015	
General Employees' Retirement Plan	Corrections Officers' Retirement Plan	General Employees' Retirement Plan	Corrections Officers' Retirement Plan	General Employees' Retirement Plan	Corrections Officers' Retirement Plan
$ 37,697	$ 7,330	$ 36,759	$ 7,091	$ 40,238	$ 7,261
210,509	27,284	199,659	25,391	194,312	23,652
1,149	74	-	-	-	-
16,294	(2,054)	60,437	(1,418)	(4,785)	1,699
64,390	9,950	72,969	16,320	(18,044)	(1,243)
(192,662)	(17,438)	(183,692)	(17,487)	(170,674)	(13,081)
137,377	25,146	186,132	29,897	41,047	18,288
2,903,344	370,090	2,717,212	340,194	2,676,164	321,906
$ 3,040,721	$ 395,236	$ 2,903,344	$ 370,091	$ 2,717,211	$ 340,194
$ 94,700	$ 19,162	$ 84,898	$ 18,864	$ 81,751	$ 17,832
23,037	2,500	21,840	2,410	20,893	2,466
266,138	26,747	167,067	11,548	(39,506)	(3,849)
(192,662)	(17,438)	(183,692)	(17,486)	(170,674)	(13,081)
(787)	(75)	(762)	(75)	(762)	(73)
-	-	-	-	-	-
190,426	30,896	89,351	15,261	(108,298)	3,295
1,829,242	182,127	1,739,891	166,866	1,848,189	163,571
2,019,668	213,023	1,829,242	182,127	1,739,891	166,866
$ 1,021,053	$ 182,213	$ 1,074,102	$ 187,964	$ 977,320	$ 173,328
66.42%	53.90%	63.00%	49.21%	64.03%	49.05%
$ 257,850	$ 26,585	$ 255,717	$ 28,091	$ 254,035	$ 27,374
395.99%	685.40%	420.04%	669.13%	384.72%	633.18%

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY - LAST 10 FISCAL YEARS
FLORIDA RETIREMENT SYSTEM & JACKSONVILLE BEACH FIREFIGHTERS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

(in thousands)

	2025			2024		
	Florida Retirement System	FRS Health Insurance Supplement	Jacksonville Beach Firefighters	Florida Retirement System	FRS Health Insurance Supplement	Jacksonville Beach Firefighters
Total pension liability						
Service cost*	$ 527	$ 13	$ 479	$ 498	$ 17	$ 440
Interest*	2,453	31	1,530	2,439	33	1,378
Changes of benefit terms	129	-	-	241	-	-
Differences between expected and actual experience	-	-	(1,335)	771	-	1,341
Changes of assumptions	-	(107)	-	-	(51)	360
Change in Porportionate Share	(267)	(78)	-	1,279	131	-
Benefit payents, including refunds of contributions	(2,131)	(41)	(791)	(2,125)	(45)	(812)
Net change in total pension liability	711	(182)	(118)	3,103	85	2,706
Total pension liability - beginning balance	34,469	866	23,689	31,366	781	20,983
Total pension liability - ending balance (a)	$ 35,180	$ 684	$ 23,571	$ 34,469	$ 866	$ 23,689
Plan fiduciary net position						
Contributions - employer	$ 934	$ 45	$ 1,097	$ 925	$ 47	$ 997
Contributions - employee	128	-	153	132	-	138
Net investment income	3,248	2	4,017	3,087	2	1,505
Benefit payments including refunds of contributions	(2,131)	(41)	(791)	(2,125)	(45)	(812)
Administrative expense	(5)	-	(81)	(5)	-	(85)
Other	-	-	-	-	-	-
Net change in plan fiduciary net position	2,174	6	4,395	2,014	4	1,743
Plan fiduciary net position - beginning balance	28,151	35	17,370	26,136	31	15,627
Plan fiduciary net position - ending balance (b)	30,326	41	21,765	28,151	35	17,370
Net pension liability - ending balance (a) - (b)	$ 4,856	$ 643	$ 1,807	$ 6,320	$ 831	$ 6,320
Plan fiduciary net position as a % of total pension liability	86.20%	5.99%	92.34%	81.67%	4.04%	73.33%
Covered payroll *(in thousands)*	$ 7,349	$ 2,247	$ 2,336	$ 7,289	$ 2,349	$ 2,185
Net pension liability as % of covered payroll	66.08%	28.62%	77.35%	86.71%	35.38%	289.24%

Notes to Schedules:

FLORIDA RETIREMENT SYSTEM

The total pension liability for each cost-sharing defined benefit plan was determined using the individual entry age actuarial cost method.
Inflation increases for both plans is assumed at 2.40%. Payroll growth, including inflation, for both plans is assumed at 3.25%.
Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments is 6.70%.

JACKSONVILLE BEACH FIREFIGHTERS

Inflation increase is assumed at 2.50%.
Payroll growth, including inflation, is assumed at 2.70% to 6.30%.
Both the discount rate and the long-term expected rate of return used for investments is 6.50% for the 2025 and 2024 valuations.
The mortality tables were updated to Pub-2010 with projection scale MP-2018.

2023			2022			2021		
Florida Retirement System	FRS Health Insurance Supplement	Jacksonville Beach Firefighters	Florida Retirement System	FRS Health Insurance Supplement	Jacksonville Beach Firefighters	Florida Retirement System	FRS Health Insurance Supplement	Jacksonville Beach Firefighters
$ 364	$ 10	$ 394	$ 370	$ 15	$ 361	$ 438	$ 17	$ 346
1,881	18	1,323	1,969	14	1,363	2,267	16	1,320
175	264	-	14	-	-	-	-	-
413	-	18	175	(3)	(748)	58	-	(63)
-	(11)	694	343	(83)	(462)	-	5	-
(344)	(59)	-	-	-	-	-	-	-
(1,681)	(25)	(836)	(1,775)	(28)	(840)	(1,981)	(30)	(1,149)
808	197	1,593	1,096	(85)	(326)	782	8	454
30,559	583	19,390	29,463	668	19,716	33,867	742	19,262
$ 31,367	$ 780	$ 20,983	$ 30,559	$ 583	$ 19,390	$ 34,649	$ 750	$ 19,716
$ 631	$ 35	$ 1,091	$ 600	$ 32	$ 842	$ 630	$ 35	$ 1,101
104	-	135	108	-	159	125	-	146
1,755	-	(2,881)	(2,001)	-	2,835	7,926	-	1,372
(1,681)	(25)	(836)	(1,775)	(28)	(840)	(1,981)	(30)	(1,149)
(4)	-	(78)	(3)	-	(76)	(4)	-	(80)
-	-	-	-	-	-	-	-	-
805	10	(2,569)	(3,071)	4	2,920	6,696	5	1,390
25,331	24	18,196	28,402	24	15,276	26,704	22	13,886
26,136	34	15,627	25,331	28	18,196	33,400	27	15,276
$ 5,231	$ 746	$ 5,356	$ 5,228	$ 555	$ 1,194	$ 1,249	$ 723	$ 4,440
83.32%	4.36%	74.47%	82.89%	4.80%	93.84%	96.40%	3.60%	77.48%
$ 5,507	$ 1,870	$ 2,064	$ 5,436	$ 1,914	$ 1,871	$ 1,473	$ 1,473	$ 1,871
94.99%	39.89%	259.50%	96.17%	29.00%	63.82%	84.79%	49.08%	237.31%

Notes to Schedules:

FLORIDA RETIREMENT SYSTEM

The total pension liability for each cost-sharing defined benefit plan was determined using the individual entry age actuarial cost method.
Inflation increases for both plans is assumed at 2.40%. Payroll growth, including inflation, for both plans is assumed at 3.25%.
Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments is 6.7% for 2023 and 2022, and 6.8% for the 2021 valuation.

JACKSONVILLE BEACH FIREFIGHTERS

Inflation increase is assumed at 2.50%.
Payroll growth, including inflation, is assumed at 2.70% to 6.30%.
Both the discount rate and the long-term expected rate of return used for investments is 6.90% for the 2023 valuation and 7.00% for the 2022 and 2021 valuations. The mortality tables were updated to Pub-2010 with projection scale MP-2018.
Both the discount rate and the long-term expected rate of return used for investments is 6.90% for 2023, 7.00% for 2022 and the 2021 valuations.

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY - LAST 10 FISCAL YEARS
FLORIDA RETIREMENT SYSTEM & JACKSONVILLE BEACH FIREFIGHTERS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

(in thousands)

	2020			2019		
	Florida Retirement System	Health Insurance Supplement	Jacksonville Beach Firefighters	Florida Retirement System	Health Insurance Supplement	Jacksonville Beach Firefighters
Total pension liability						
Service cost*	$ 556	$ 17	$ 378	$ 575	$ 16	$ 306
Interest*	2,826	25	1,277	3,005	30	1,207
Changes of benefit terms	-	-	-	3	-	-
Differences between expected and actual experience	94	28	92	56	-	189
Changes of assumptions	365	30	1,161	361	36	879
Change in Porportionate Share	-	-	-	-	-	-
Benefit payents, including refunds of contributions	(2,393)	(32)	(968)	(2,475)	(35)	(774)
Net change in total pension liability	1,448	68	1,940	1,525	47	1,807
Total pension liability - beginning balance	41,580	722	17,322	43,576	764	15,515
Total pension liability - ending balance (a)	$ 43,028	$ 790	$ 19,262	$ 45,101	$ 811	$ 17,322
Plan fiduciary net position						
Contributions - employer	$ 698	$ 36	$ 658	$ 706	$ 39	$ 608
Contributions - employee	157	-	178	171	-	161
Net investment income	1,121	-	743	2,143	-	1,112
Benefit payments including refunds of contributions	(2,393)	(32)	(967)	(2,475)	(35)	(774)
Administrative expense	(5)	-	(70)	(4)	-	(75)
Other	-	-	-	-	-	-
Net change in plan fiduciary net position	(422)	4	542	541	4	1,032
Plan fiduciary net position - beginning balance	34,348	19	13,344	36,715	16	12,312
Plan fiduciary net position - ending balance (b)	33,926	23	13,886	37,256	20	13,344
Net pension liability - ending balance (a) - (b)	$ 9,102	$ 767	$ 5,376	$ 7,845	$ 791	$ 3,978
Plan fiduciary net position as a % of total pension liability	78.85%	2.91%	72.09%	82.61%	2.47%	77.03%
Covered payroll *(in thousands)*	$ 2,065	$ 2,065	$ 2,244	$ 1,897	$ 1,897	$ 2,230
Net pension liability as % of covered payroll	440.77%	37.13%	239.52%	413.55%	41.69%	195.97%

Notes to Schedules:

FLORIDA RETIREMENT SYSTEM

The total pension liability for each cost-sharing defined benefit plan was determined using the individual entry age actuarial cost method.
Inflation increases for both plans is assumed at 2.40%. Payroll growth, including inflation, for both plans is assumed at 3.25%.
Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments is 7.00% for 2020 and 6.8% for the 2019 valuation.

JACKSONVILLE BEACH FIREFIGHTERS

Inflation increase is assumed at 2.50%.
Payroll growth, including inflation, is assumed at 2.70% to 6.30%.
Both the discount rate and the long-term expected rate of return used for investments is 7.50% for 2020 and 7.90% for the 2019 valuation.

2018		2017		2016	
Florida Retirement System	Jacksonville Beach Firefighters	Florida Retirement System	Jacksonville Beach Firefighters	Florida Retirement System	Jacksonville Beach Firefighters
$ 666	$ 302	$ 592	$ 282	$ 592	$ 245
3,453	1,097	3,444	994	3,444	952
-	-	25	-	25	-
162	216	386	33	386	117
564	717	2,758	812	2,758	-
(240)	-	(6,329)	-	(6,329)	-
(2,803)	(750)	(2,736)	(933)	(2,736)	(683)
1,802	1,582	(1,860)	1,188	(1,860)	631
51,141	13,933	53,001	12,745	53,001	12,114
$ 52,943	$ 15,515	$ 51,141	$ 13,933	$ 51,141	$ 12,745
$ 802	$ 501	$ 756	$ 422	$ 756	$ 390
199	169	204	161	204	147
3,718	1,322	5,145	855	5,145	(34)
(2,803)	(750)	(2,736)	(933)	(2,736)	(684)
(5)	(71)	(5)	(63)	(5)	(66)
-	-	-	-	-	-
1,911	1,171	3,364	442	3,364	(247)
42,170	11,141	38,807	10,700	38,807	10,946
44,081	12,312	42,171	11,142	42,171	10,699
$ 8,862	$ 3,203	$ 8,970	$ 2,791	$ 8,970	$ 2,046
83.26%	79.36%	82.46%	79.97%	82.46%	83.95%
$ 2,043	$ 2,030	$ 2,048	$ 2,123	$ 2,072	$ 2,123
433.77%	157.78%	437.99%	150.85%	432.92%	150.85%

Notes to Schedules:

FLORIDA RETIREMENT SYSTEM

The total pension liability for each cost-sharing defined benefit plan was determined using the individual entry age actuarial cost method.
Inflation increases for both plans is assumed at 2.40%. Payroll growth, including inflation, for both plans is assumed at 3.25%.
Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments is 6.80%.

JACKSONVILLE BEACH FIREFIGHTERS

Inflation increase is assumed at 2.5% for 2018 and 2017, and 3.50% for the 2016 valuation.
Payroll growth, including inflation, is assumed at 2.50% to 6.30%.
Both the discount rate and the long-term expected rate of return used for investments is 7.5% for 2018, 7.9% for 2017, and 8.00% for the 2016 valuation.
The mortality tables were updated to the HB mandated FRS mortality tables.

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF MONEY-WEIGHTED RATE OF RETURN - LAST 10 FISCAL YEARS
CITY OF JACKSONVILLE RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

(net of investment expense)

Fiscal Year Ended September 30	City of Jacksonville Retirement System
2025	10.20%
2024	16.68
2023	12.99
2022	-15.17
2021	21.32
2020	6.02
2019	0.88
2018	7.44
2017	14.71
2016	9.45

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
GENERAL EMPLOYEES RETIREMENT PLAN

Valuation date	October 1, 2024
Methods and used assumptions to determine contribution rates:	
Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percent of payroll, using 1.50% annual increases
Remaining amortization period	As of October 1, 2024, the effective amortization period is 22 years.
Asset valuation method	The market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between actual and expected returns on a market value basis and is recognized over a five-year period. The deferred return is further adjusted, if necessary, so that the actuarial value of assets will stay within 20% of the market value of assets.
Actuarial assumptions:	
Investment rate of return	6.50%, net of pension plan investment expense, including inflation..
Inflation rate	2.50%
Projected salary increases	3.50% - 10.00%, of which 2.50% is the Plan's long-term payroll inflation.
Cost-of-living adjustments	The Plan provisions contain a 3.00% COLA.
Mortality:	
Pre-retirement	FRS pre-retirement mortality tables for personnel other than special risk and K-12 instructional personnel, set forward 2 years, projected generationally from 2010 with Scale MP2018.
Healthy annuitants	FRS healthy post-retirement mortality tables for personnel other than special risk and K-12 instructional personnel, set forward 2 years, projected generationally from 2010 with Scale MP2018.
Disabled annuitants	FRS disabled mortality tables for personnel other than special risk, with no set forward, projected generationally from 2010 with Scale MP2018.
	The FRS tables for personnel other than special risk and K-12. instructional personnel, set forward 2 years, reasonably reflect the healthy annuitant mortality experience of the General Employees Retirement Plan as of the measurement date. The FRS disabled mortality tables for personnel other than special risk reasonably reflect the disabled annuitant mortality experience as of the measurement date.

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
CORRECTIONS OFFICERS RETIREMENT PLAN

Valuation date	October 1, 2024
Methods and used assumptions to determine contribution rates:	
Actuarial cost method	Entry Age Normal Cost Method.
Amortization method	Level percent of payroll, using 1.25% annual increases
Remaining amortization period	As of October 1, 2024, the effective amortization period is 22 years.
Asset valuation method	The market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between actual and expected returns on a market value basis and is recognized over a five-year period. The deferred return is further adjusted, if necessary, so that the actuarial value of assets will stay within 20% of the market value of assets.
Actuarial assumptions:	
Investment rate of return	6.50%, including inflation, net of pension plan investment expense
Inflation rate	2.50%
Projected salary increases	2.80% - 7.50%, of which 2.50% is the Plan's long-term payroll inflation assumption.
Cost of living adjustments	The Plan provisions contain a 3.00% COLA.
Mortality:	
Pre-Retirement	FRS pre-retirement mortality tables for special risk personnel, set forward 2 years, projected generationally from 2010 with Scale MP2018
Healthy annuitants	FRS healthy post-retirement mortality tables for special risk personnel, set forward 2 years, projected generationally from 2010 with Scale MP2018.
Disabled annuitants	FRS disabled mortality tables for personnel other than special risk, with no set forward, projected generationally from 2010 with Scale MP2018.
	The FRS tables for special risk personnel, set forward 2 years, reasonably reflect the healthy annuitant mortality experience of the General Employees Retirement Plan as of the measurement date. The FRS disabled mortality tables for special risk personnel reasonably reflect the disabled annuitant mortality experience as of the measurement date.

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE
NET PENSION LIABILITY - LAST 10 FISCAL YEARS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

CITY OF JACKSONVILLE RETIREMENT SYSTEM

(in thousands)

Fiscal Year	City's Proportional Share Percentage	City's Proportion of Net Pension Liability	City's Covered Payroll	Citys Net Pension Liability as Percentage of Covered Employee Payroll	Plan Fiduciary Net Position as a % of Total Pension Liability
2025	47.07%	$ 801,511	$ 88,469	905.98%	55.21%
2024	45.81	835,826	91,746	911.02	51.62
2023	46.47	848,644	95,951	884.46	50.01
2022	46.08	566,670	98,891	573.02	65.16
2021	45.27	626,624	108,965	575.07	59.16
2020	49.23	638,350	110,781	576.23	60.54
2019	47.35	526,354	113,773	462.64	65.23
2018	46.37	473,462	118,506	399.53	63.71
2017	47.61	511,380	118,973	429.83	63.00
2016	48.78	476,737	121,601	392.05	64.03

FLORIDA STATE RETIREMENT SYSTEM

(in thousands)

Fiscal Year	City's Proportional Share Percentage	City's Proportion of Net Pension Liability	City's Covered Payroll	Citys Net Pension Liability as Percentage of Covered Payroll	Plan Fiduciary Net Position as a % of Total Pension Liability
Pension Plan					
2025	0.02%	$ 4,856	$ 7,349	66.08%	86.20%
2024	0.02	6,319	7,289	86.69	84.81
2023	0.00	5,230	5,507	94.97	82.38
2022	0.01	5,229	5,436	96.19	82.89
2021	0.02	1,248	1,473	84.73	83.44
2020	0.02	9,101	2,065	440.73	78.85
2019	0.02	7,844	1,897	413.49	82.61
2018	0.03	8,023	2,043	392.71	84.26
2017	0.03	8,097	2,048	395.36	83.89
2016	0.03	7,197	2,072	347.35	84.88
Health Insurance Subsidy					
2025	0.01%	$ 644	$ 2,247	28.68%	5.95%
2024	0.00	832	2,349	35.42	4.76
2023	0.00	749	1,870	40.05	4.63
2022	0.01	556	2,031	27.38	4.85
2021	0.01	723	1,473	49.08	3.56
2020	0.01	767	2,065	37.14	3.00
2019	0.01	790	1,897	41.64	2.63
2018	0.01	842	2,043	41.21	2.15
2017	0.01	876	2,048	42.77	1.64
2016	0.01	947	2,072	45.70	0.97

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS - LAST 10 FISCAL YEARS
POLICE AND FIRE RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

(in thousands)

FYE	Actuarially required City contribution	Contribution in relation to the actuarially determined contribution	Contribution deficiency (excess) *	Covered payroll	Contribution as a percentage of covered payroll
2025	$ 178,068	$ 178,068	$ -	$ 148,090	120.24%
2024	174,040	174,040	-	159,543	109.09
2023	156,994	156,994	-	162,885	96.38
2022	157,352	157,352	-	161,836	97.23
2021	148,476	148,477	(1)	161,836	91.74
2020	140,293	140,293	-	174,186	80.54
2019	135,264	135,264	-	174,125	77.68
2018	135,648	135,691	(43)	162,004	83.73
2017	165,772	177,788	(12,016)	149,490	110.89
2016	154,540	154,540	-	135,600	113.97

* Contribution deficiency (excess) is assigned to the City Budget Stabilization Account

Valuation date: October 1, 2024

Methods used to determine contribution rates:

Actuarial Cost Method:	Entry Age Normal Cost
Amortization method:	Level Percent of Payroll, Closed
Remaining amortization period:	25 Years
Asset valuation method:	5-year smoothed market
Inflation:	2.25%
Salary increases:	A range of 2.75% to 11.50% depending on complete years of service, including inflation
Investment rate of return:	6.500%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality:	MortalityPUB-2010 Headcount Weighted Safety Healthy Employee Mortality Table (for pre-retirement mortality) and the PUB-2010 Headcount Weighted Safety Healthy Retiree Mortality Table (for post-retirement mortality), with separate rates for males and females and ages set forward one year, with mortality improvements projected to all future years after 2010 using Scale MP-2018. For males, the base mortality rates for both pre-retirement and post-retirement mortality are based on the Below Median Healthy tables. These are the same rates currently in use for Special Risk Class members of the Florida Retirement System

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER AND MEMBER CONTRIBUTIONS
POLICE AND FIRE PENSION FUND - SENIOR STAFF VOLUNTARY RETIREMENT PLAN
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

(in thousands)

Plan Year Ending September 30	Annual Required City Contribution	Employer Contributions	Contribution Deficiency/ (excess)*	Covered Employee Payroll	Contribution as a % of Covered Payroll
2025	$ 84	$ 84	$ -	$ -	N/A
2024	59	59	-	-	N/A
2023	15	15	-	-	N/A
2022	49	49	-	-	N/A
2021*	-	-	-	-	N/A
2020*	-	-	-	-	N/A
2019*	-	-	-	-	N/A
2018*	-	-	-	-	N/A
2017*	-	-	-	-	N/A
2016*	-	-	-	-	N/A

* No contribution amount was required because the Plan has no active employees since FY 2016

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:	2.25%
Investment rate of return:	6.50%
Cost of living adjustments:	3.00%
Mortality Table in use:	Mortality PUB-2010 Headcount Weighted Safety Healthy Employee Mortality Table (for pre-retirement mortality) and the PUB-2010 Headcount Weighted Safety Healthy Retiree Mortality Table (for post-retirement mortality), with separate rates for males and females and ages set forward one year, with mortality improvements projected to all future years after 2010 using Scale MP-2018. For males, the base mortality rates for both pre-retirement and post-retirement mortality are based on the Below Median Healthy tables. These are the same rates currently in use for Special Risk Class members of the Florida Retirement System (FRS), as mandated by Chapter 112.63, Florida Statutes.

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY - LAST 10 FISCAL YEARS
POLICE AND FIRE PENSION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

(in thousands)

Total pension liability	2024	2023	2022	2021
Service Cost (BOY)	$ 73,440	$ 74,922	$ 71,817	$ 71,448
Interest on total pension liability	331,800	318,081	301,237	292,914
Changes in Benefit Terms	-	-	-	-
Experience deviations including buybacks	38,574	55,615	114,062	10,351
Changes of assumptions	176,325	-	81,000	162,093
Benefit payments, including refunds of member contributions	(237,442)	(229,356)	(229,231)	(209,515)
Distribution from Reserve Accounts	(37,880)	(3,978)	(18,013)	(15,238)
Other	21,426	17,922	15,798	556
Net change in total pension liability	366,243	233,206	336,670	312,609
Total pension liability -- beginning	5,166,668	4,933,462	4,596,792	4,284,183
Total pension liability -- ending(a)	$ 5,532,911	$ 5,166,668	$ 4,933,462	$ 4,596,792
Fiduciary net position Contributions--employer				
Contributions--employer	174,040	156,848	157,520	134,725
Contributions--member	16,885	17,791	18,277	19,118
Net investment income	452,300	273,430	(432,099)	490,418
Benefit payments, including refunds of member contributions	(237,442)	(229,356)	(229,231)	(209,515)
Administrative expense	(2,871)	(2,544)	(2,146)	(2,205)
Distribution from Reserve Accounts	(37,880)	(3,978)	(18,013)	(15,238)
Chapter 175/185	21,426	18,423	15,798	14,307
Court Fines	673	585	667	724
Other	318	283	(518)	(34)
Net change in fiduciary net position	387,449	231,482	(489,745)	432,300
Fiduciary net position -- beginning	2,224,760	1,993,278	2,483,023	2,050,722
Fiduciary net position -- ending	2,612,209	2,224,760	1,993,278	2,483,022
less Reserve Accounts and Sr. Staff Assets	-	-	-	-
Total fiduciary net position -- ending(b)	2,612,209	2,224,760	1,993,278	2,483,022
City's fiduciary net pension liability--ending(a)-(b)	$ 2,920,702	$ 2,941,908	$ 2,940,184	$ 2,113,770
Fiduciary net position as a percentage of the total pension liability	47.21%	43.06%	40.40%	54.02%
Covered payroll	$148,090	$159,543	$162,885	$161,836
City's fiduciary net pension liability as a percentage of covered-employee payroll	1972.25%	1843.96%	1805.07%	1306.12%

2020	2019	2018	2017	2016	2015
$ 70,110	$ 65,148	$ 60,154	$ 45,257	$ 44,087	$ 46,663
283,846	269,658	259,434	233,338	217,546	210,943
2,706	-	-	26,818	-	(28,685)
3,123	8,465	8,132	24,031	3,566	24,831
56,025	-	-	232,927	97,813	24,514
(193,115)	(189,126)	(184,257)	(171,277)	(159,726)	(148,628)
(24,557)	(55,472)	-			
(3,076)	110,375	-			
195,062	209,048	143,464	391,094	203,286	129,638
4,089,121	3,880,073	3,736,609	3,345,515	3,142,229	3,012,590
$ 4,284,183	$ 4,089,121	$ 3,880,073	$ 3,736,609	$ 3,345,515	$ 3,142,228
123,328	110,528	115,691	184,526	157,494	154,665
19,035	17,746	16,637	13,571	12,831	12,062
159,428	54,130	156,443	243,422	154,313	(62,884)
(193,114)	(189,126)	(184,257)	(171,277)	(159,726)	(148,628)
(2,185)	(2,117)	(2,138)	(2,174)	(3,519)	(2,228)
(24,557)	(55,472)	-	-	-	-
13,888	12,756	11,791	10,875	10,681	10,578
519	702	776	759	833	921
673	(3,262)	82	51	122	327
97,015	(54,115)	115,025	279,753	173,029	(35,187)
1,953,707	2,007,822	1,892,797	1,613,044	1,437,777	-
2,050,722	1,953,707	2,007,822	1,892,797	1,613,044	(35,187)
-	-	(126,819)	(127,638)	(99,646)	(83,502)
2,020,065	1,953,707	1,881,003	1,765,159	1,513,398	(118,689)
$ 2,264,118	$ 2,135,414	$ 1,999,070	$ 1,971,450	$ 1,832,117	$ 3,260,917
47.15%	47.78%	48.48%	47.24%	45.24%	-3.78%
$174,186	$174,125	$162,004	$149,490	$135,600	$132,735
1299.83%	1226.37%	1233.97%	1318.78%	1351.12%	2456.71%

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY - LAST 10 FISCAL YEARS
POLICE AND FIRE PENSION FUND - SENIOR STAFF VOLUNTARY RETIREMENT PLAN
FOR THE YEAR ENDED SEPTEMBER 30, 2025

(in thousands)

Total pension liability	2024	2023	2022
Service Cost (BOY)	$ -	$ -	$ -
Interest on total pension liability	300	301	302
Changes in Benefit Terms	-	-	-
Experience deviations including buybacks	54	114	117
Changes of assumptions	-	-	51
Benefit payments, including refunds of member contributions	(440)	(427)	(376)
Net change in total pension liability	(86)	(12)	94
Total pension liability -- beginning	4,830	4,842	4,748
Total pension liability -- ending(a)	$ 4,744	$ 4,830	$ 4,842
Fiduciary net position Contributions--employer			
Contributions--employer	59	15	49
Contributions--member	-	-	-
Net investment income	699	457	(740)
Benefit payments, including refunds of member contributions	(440)	(427)	(376)
Other			
Net change in fiduciary net position	318	45	(1,067)
Fiduciary net position -- beginning	3,586	3,540	4,606
Fiduciary net position -- ending (b)	3,905	3,586	3,540
Net Pension Libility -- ending (a) - (b)	$ 839	$ 1,244	$ 1,302
Fiduciary net position as a percentage of the total pension liability	82.32%	74.25%	73.12%
Covered-employee payroll	$ -	$ -	$ -
City's fiduciary net pension liability as a percentage of covered-employee payroll	N/A	N/A	N/A

***Prior years information is unavailable**

2021	2020	2019	2018	2016	2015*
$ -	$ -	$ -	$ -	$ -	$ (57)
304	205	208	209	298	282
-	1,517	-	-	89	-
120	143	-	39	27	-
112	272	-	-	149	154
(375)	(614)	(258)	(257)	(286)	(109)
161	1,523	(50)	(9)	278	270
4,587	3,064	3,113	3,122	4,406	4,136
$ 4,748	$ 4,587	$ 3,063	$ 3,113	$ 4,684	$ 4,406
-	-	-	-	-	-
-	-	-	-	-	22
903	331	129	342	386	(167)
(375)	(614)	(258)	(257)	(286)	(109)
			-	-	-
528	(283)	(129)	85	100	(254)
4,077	4,360	4,489	4,405	4,002	4,257
4,606	4,077	4,360	4,489	4,102	4,002
$ 142	$ 510	$ (1,297)	$ (1,376)	$ 582	$ 404
97.02%	88.89%	142.32%	144.20%	87.57%	90.83%
$ -	$ -	$ -	$ -	$ -	$ -
N/A	N/A	N/A	N/A	N/A	N/A

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF MONEY-WEIGHTED RATE OF RETURN - LAST 10 FISCAL YEARS
POLICE AND FIRE RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

(net of investment expense)

Fiscal Year Ended September 30	Police and Fire Retirement System
2025	11.84%
2024	20.42
2023	13.70
2022	-16.78
2021	23.15
2020	7.98
2019	2.96
2018	7.99
2017	14.27
2016	10.00

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS – LAST 10 FISCAL YEARS
POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) OTHER THAN POLICE & FIRE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

Fiscal Year	Actuarially Determined Contribution	Contributions in relation to the Determined Contribution	Contribution Deficiency or (Excess)	Covered Employee Payroll	Contribution as a percentage of covered payroll
2017	$ 18,347,728	$ 5,231,223	$ 13,116,505	$ 366,392,949	1.4 %
2018	20,177,634	6,060,000	14,117,634	379,216,702	1.6
2019	16,926,496	5,588,925	11,337,571	446,587,932	1.3
2020	16,952,454	3,629,110	13,323,344	200,775,000	1.8
2021	11,180,763	2,207,089	8,973,674	153,166,800	1.4
2022	10,412,785	2,486,900	7,925,885	157,762,000	1.6
2023	8,360,672	4,016,542	4,344,130	222,007,275	1.8
2024	15,338,086	4,746,915	10,591,171	229,778,000	2.1
2025	14,261,000	4,273,790	9,987,210	250,838,000	1.7

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
SCHEDULE OF CITY CONTRIBUTIONS – LAST FOUR FISCAL YEARS
POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) POLICE & FIRE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

Fiscal Year	Actuarially Determined Contribution	Contributions in relation to the Determined Contribution	Contribution Deficiency or (Excess)	Covered Employee Payroll	Contribution as a percentage of covered payroll
2020	$ 10,786,515	$ 2,611,660	$ 8,174,856	$ 261,444,000	1.0 %
2021	30,704,888	6,250,523	24,454,365	433,771,559	1.4
2022	34,632,216	7,042,952	27,589,264	446,785,000	1.6
2023	27,465,326	7,324,336	20,140,990	303,809,859	2.4
2024	36,149,316	8,628,000	27,521,316	314,443,000	2.7
2025	N/A	29,497,188	N/A	377,291,103	7.8

Notes:
1) This schedule is presented for the requirement to show information for 10 years; however, the City is presenting information for the years for which a liabilty existed.
2) Due to the change in benefit terms, the plan no longer has an actuarially determined contribution.



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CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S NET OPEB LIABILITY AND RELATED RATIOS
POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) OTHER THAN POLICE & FIRE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	FY2025	FY2024	FY2023	FY2022
Total OPEB Liability				
Service cost	$ 7,968,718	$ 7,188,877	$ 4,515,223	$ 6,596,811
Interest	4,723,031	4,562,144	2,923,236	2,131,546
Changes of benefit terms	(695,379)	-	-	-
Differences between expected and actual experience	(10,045,087)	-	30,226,368	-
Changes in assumptions	(9,961,475)	4,399,700	(792,368)	(21,331,773)
Plan change (1/1/2020)			-	-
Benefit payments	(4,273,790)	(4,746,915)	(4,016,542)	(2,486,900)
Net change in total OPEB liability	(12,283,982)	11,403,806	32,855,917	(15,090,316)
Total OPEB liability - beginning	118,132,241	106,728,435	73,872,518	88,962,834
Total OPEB liability - ending (a)	105,848,259	118,132,241	106,728,435	73,872,518
Plan fiduciary net position				
Contributions - employer	4,273,790	4,746,915	4,016,542	2,486,900
Net investment income	-	-	-	-
Benefit payments	(4,273,790)	(4,746,915)	(4,016,542)	(2,486,900)
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)	$ 105,848,259	$ 118,132,241	$ 106,728,435	$ 73,872,518
Plan fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%	0.0%	0.0%
Covered-employee payroll	$ 250,838,000	$ 229,778,000	$ 222,007,275	$ 157,762,000
City net OPEB liability as a percentage of covered-employee payroll	42.2%	51.4%	48.1%	46.8%

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.

Notes to Required Schedules:

1) The City does not accumulate assets in a trust to pay related benefits.
2) Significant changes in assumptions that affect trends in the amounts reported:
   a) The discount rate was updated from 3.81% to 4.90%.
   b) Trend rates updated to an initial rate of 8.5% (7.5% for Post-65) and graded down to an ultimate rate of 4.0%. The Select trend rates are updated to relect the higher than anticiptated rising health care cost environment.
   c) The retirement and termination rates were upated to the rates from the City of Jacksonville General Employees Retirement Plan and Corrections Officedrs Retirement Plan valuations as of October 1, 2024, and the Florida Retirement System Pension Plan valuation as of July 1, 2024.

FY2021	FY2020	FY2019	FY2018	FY2017
$ 5,283,937	$ 1,999,915	$ 8,828,783	$ 11,293,019	$ 10,839,911
2,130,089	2,192,473	8,097,713	8,884,615	7,507,817
-	-	-	-	-
(9,947,871)	-	(10,029,066)	-	-
1,500,025	62,365,376	41,622,149	(30,714,455)	(7,431,307)
-	(201,346,437)			
(2,207,089)	(3,629,110)	(5,588,925)	(6,060,000)	(5,231,223)
(3,240,909)	(138,417,783)	42,930,654	(16,596,821)	5,685,198
92,203,743	230,621,526	187,690,872	204,287,693	198,602,495
88,962,834	92,203,743	230,621,526	187,690,872	204,287,693
2,207,089	3,629,110	5,588,925	6,060,000	5,231,223
-	-	-	-	-
(2,207,089)	(3,629,110)	(5,588,925)	(6,060,000)	(5,231,223)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
$ 88,962,834	$ 92,203,743	$ 230,621,526	$ 187,690,872	$ 204,287,693
0.0%	0.0%	0.0%	0.0%	0.0%
$ 153,166,800	$ 200,775,000	$ 446,587,932	$ 379,216,702	$ 366,392,949
58.1%	45.9%	51.6%	49.5%	55.8%

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CHANGES IN THE CITY'S NET OPEB LIABILITY AND RELATED RATIOS
POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) POLICE & FIRE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	FY2025	FY2024	FY2023	FY2022	FY2021	FY2020
Total OPEB Liability						
Service cost	$ -	$ 17,117,935	$ 13,790,954	$ 20,667,941	$ 15,844,688	$ 10,507,028
Interest	-	11,036,743	10,960,378	7,788,038	5,396,475	4,191,742
Changes of benefit terms	(279,770,670)	-	-	-	-	-
Differences between expected and actual experience	-	-	(30,788,582)	-	69,664,625	-
Changes in assumptions	-	11,177,084	(2,097,205)	(84,344,318)	11,336,741	18,031,436
Plan change (1/1/2020)	-	-	-	-	-	201,346,437
Benefit payments	-	(8,628,000)	(7,324,336)	(7,042,952)	(6,250,523)	(2,611,660)
Net change in total OPEB liability	(279,770,670)	30,703,762	(15,458,791)	(62,931,291)	95,992,006	231,464,984
Total OPEB liability - beginning	279,770,670	249,066,908	264,525,699	327,456,990	231,464,984	-
Total OPEB liability - ending (a)	-	279,770,670	249,066,908	264,525,699	327,456,990	231,464,984
Plan fiduciary net position						
Contributions - employer	29,497,188	8,628,000	7,324,336	7,042,952	6,250,523	2,611,660
Net investment income	-	-	-	-	-	-
Benefit payments	(29,497,188)	(8,628,000)	(7,324,336)	(7,042,952)	(6,250,523)	(2,611,660)
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)	$ -	$ 279,770,670	$ 249,066,908	$ 264,525,699	$ 327,456,990	$ 231,464,984
Plan fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Covered employee payroll	$ 377,291,103	$ 314,443,000	$ 303,809,859	$ 446,785,000	$ 433,771,559	$ 261,444,000
City net OPEB liability as a percentage of covered employee payroll	0.0%	89.0%	82.0%	59.2%	75.5%	88.5%

Other: This schedule is presented for the requirement to show information for 10 years.
However, the City is presenting information for the years for which a liaibilty existed.

Notes to Required Schedules:

1) The City does not accumulate assets in a trust to pay related benefits.
2) Significant changes in assumptions that affect trends in the amounts reported:
   a) Beginning in FY2025, based on changes from the Collective Bargaining Agreement (CBA) to how employer health insurance contributions are paid to JPOFFHIT, the City no longer retains any defined benefit liability for this plan.
   b) The City's contribution to the JPOFFHIT plan for FY25 was $29,497,188.

Actuarial Assumptions and Methods:

1) Measurement Date:	August 20, 2025.
2) Discount Rate:	3.81% (BOY), 4.90% (EOY) – Bond Buyer 20-Bond GO Index.
3) Salary Increase Rate:	3.5% per annum.
4) Inflation	2.6% per annum.
5) Valuation Date and Census Data	Valuation date of September 30, 2025, based on the census provided by the City as of August 20, 2025.
6) Marriage Rate	The assumed number of eligible dependents is based on the current proportions of single and family contracts in the census provided.
7) 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.
8) Medicare Eligibility	All current and future retirees are assumed to be eligible for Medicare at age 65.
9) Actuarial Cost Method	Entry Age Normal based on level percentage of projected salary.
10) Amortization Method	Experience/Assumptions gains and losses are amortized over a closed period of 11.0 years starting the current fiscal year, equal to the average remaining service of active and inactive plan members (who have no future service).
11) 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.
12) Mortality Rates	Pub-2010 generational table scaled using MP-21 and applied on a gender specific and job class basis.

Actuarial Assumptions and Methods: (continued)

13) 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 applied on a select and ultimate basis. Select trends are reduced 0.39% each year for nine years, and 0.10% thereafter until reaching the ultimate trend rate.

Expense Type	Select	Ultimate
Pre-Medicare Medical and Rx Benefits	8.50%	4.0%
Medicare Benefits	5.25%	4.0%
Stop Loss Fees	8.50%	4.0%
Administrative Fees	4.00%	4.0%

14) Per Capita Health Care Cost Trend Rate

Expected retiree annual claim costs were developed using 24 months of historical claim experience through July 2025. The Medicare PPO premium rate is expected to represent the per capital claims of the post-65 retirees.

15) Non-Claim Expenses

Non-claim expenses are based on the current amounts charged per retired employee as of 2023.

Expense Type	PEPM
Administrative Fee	$ 28.90
Stop Loss Fee	$ 15.02

16) Plan Election Percentage

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

Plan Name	Pre-65 Election Rate	Post-65 Election Rate
HMO	78 %	69%
High HMO	2 %	3%
PPO	20 %	24%
Medicare Advantage Elite	N/A	4%

17) 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.

Actuarial Assumptions and Methods: (continued)

18) Termination and Retirement Age

The rate of withdrawal is based on the withdrawal assumption used in the City of Jacksonville General Employees Retirement Plan Actuarial Valuation as of October 1, 2024, the City of Jacksonville Correctional Officer Retirement System Actuarial Valuation as of October 1, 2024, and the FRS Actuarial Valuation as of July 1, 2024. The rate of withdrawal for reasons other than death and retirement is dependent on an employee's age, gender and years of service.

Actuarial Assumptions and Methods:

Based on the language in the Collective Bargaining Agreement (CBA), beginning in fiscal year 2025, the City implemented a change in how employer health insurance contributions are paid to JPOFFHIT. Previously, contributions were paid based on a percentage of projected claims. Starting in fiscal year 2025, the City transitioned to a flat rate per covered employee per month.

In late 2025, a meeting was held between the actuaries, the City's external auditor CRI, and City representatives to review this change. It was determined that separate actuarial reporting by the City was no longer necessary as the City retains no defined benefit liability for this plan. The City's contribution to the JPOFFHIT plan for fiscal year 2025 was $29,497,188.

SINGLE AUDIT

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the 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, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated June 30, 2026. Our report includes a reference to other auditors who audited the financial statements of JEA, Jacksonville Transportation Authority, Jacksonville Port Authority, Jacksonville Housing Finance Authority, and Jacksonville Police and Fire Pension Fund, as described in our report on the City's financial statements. 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.

Report on 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) as a basis for designing 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control described in the accompanying Schedule of Findings and Questioned Costs as item 2025-001, which we consider to be a material weakness.

Report on 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the finding identified in our audit and described in the accompanying Schedule of Findings and Questioned Costs. The City's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

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
June 30, 2026

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR YEAR ENDED SEPTEMBER 30, 2025

FEDERAL/STATE AGENCY, PASS-THROUGH ENTITY, FEDERAL PROGRAM/STATE PROJECT	ASSISTANCE LISTING NUMBER	CONTRACT/ GRANT NUMBER	EXPENDITURES	TRANSFER TO SUB RECIPIENT
DEPARTMENT OF COMMERCE				
PASSED THROUGH NATIONAL FISH AND WILDLIFE FOUNDATION:				
Office for Coastal Management	11.473	0318.20.069679	$ 553,302	$ -
TOTAL DEPARTMENT OF COMMERCE			**$ 553,302**	**$ -**
DEPARTMENT OF DEFENSE				
DIRECT PROGRAMS:				
Ease 3.0	12.219	H98210-24-1-0006	$ 148,420	$ -
TOTAL DEPARTMENT OF DEFENSE			**$ 148,420**	**$ -**
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
DIRECT PROGRAMS:				
CDBG - Entitlement Grants Cluster				
Community Development Block Grants/Entitlement Grants	14.218	B-23-UC-12-0017	$ 8,324,476	$ 893,416
COVID-19 - Community Development Block Grants/Entitlement Grants	14.218	B-23-UC-12-0017	$ 531,792	$ 531,792
Total CDBG - Entitlement Grants Cluster			$ 8,856,268	$ 1,425,208
Emergency Solutions Grant Program	14.231	E-23-UW-12-0017	$ 594,978	$ 569,814
Emergency Solutions Grant Program	14.231	E-23-UW-12-0017	$ 3,291	$ -
Total Emergency Solutions Grant Program			$ 598,269	$ 569,814
Home Investment Partnerships Program	14.239	M23-UC120209	$ 3,088,767	$ 2,514,896
Housing Opportunities for Persons with Aids	14.241	FLH23-F001	$ 2,469,603	$ 2,387,510
Fair Housing Assistance Program	14.401	FF204K204024	$ 135,993	$ -
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			**$ 15,148,900**	**$ 6,897,428**
DEPARTMENT OF JUSTICE				
DIRECT PROGRAMS:				
Missing Alzheimer's Disease Patient Assistance Program	16.015	15PBJA-23-GG-04243-MAPX	$ 45,010	$ -
Justice Systems Response to Families	16.021	15JOVW-22-GG-00232-JFFX	$ 210,853	$ 209,228
Veterans Treatment Court Discretionary Grant Program	16.043	15PBJA-23-GG-05239-VTCX	$ 171,309	$ -
Community-Based Violence Intervention and Prevention Initiative	16.045	15PBJA-22-GG-04710-CVIP	$ 107,381	$ -
Crime Victim Assistance/Discretionary Grants	16.582	O-OVC-2022-171328	$ 172,386	$ 172,386
State Criminal Alien Assistance Program	16.606	15PBJA-22-RR-05316-SCAA	$ 7,262	$ -
State Criminal Alien Assistance Program	16.606	15PBJA-23-RR-05599-SCAA	$ 17,029	$ -
Total State Criminal Alien Assistance Program			$ 24,291	$ -
Public Safety Partnership and Community Policing Grants	16.710	2020ULWX0031	$ 9,602	$ -
Public Safety Partnership and Community Policing Grants	16.710	15JCOPS-21-GG-02310-SPPS	$ 118,776	$ 118,776
Public Safety Partnership and Community Policing Grants	16.710	15JCOPS-23-GG-02527-PPSE	$ 213,412	$ -
Public Safety Partnership and Community Policing Grants	16.710	15JCOPS-23-GG-04521-UHPX	$ 1,578,105	$ -
Total Public Safety Partnership and Community Policing Grants			$ 1,919,895	$ 118,776

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR YEAR ENDED SEPTEMBER 30, 2025

FEDERAL/STATE AGENCY, PASS-THROUGH ENTITY, FEDERAL PROGRAM/STATE PROJECT	ASSISTANCE LISTING NUMBER	CONTRACT/ GRANT NUMBER	EXPENDITURES	TRANSFER TO SUB RECIPIENT
Transitional Housing Assistance for Victims of Domestic Violence, Dating Violence, Stalking, or Sexual Assault	16.736	2020-WH-AX-0002	$ 128,718	$ 128,718
Children Exposed to Violence	16.818	15PJDP-22-GK-03779-CEVJ	$ 289,499	$ 289,499
Equitable Sharing Program	16.922	*	$ 506,600	$ -
PASSED THROUGH STATE DEPARTMENT OF LEGAL AFFAIRS-OFFICE OF ATTORNEY GENERAL:				
Crime Victim Assistance	16.575	VOCA-C-2024-COJ, Victim Ser-00105	$ 249,819	$ -
Crime Victim Assistance	16.575	'VOCA-C-2024-JSO-00015	$ 112,344	$ -
Total Crime Victim Assistance			$ 362,163	$ -
PASSED THROUGH FLORIDA DEPARTMENT OF LAW ENFORCEMENT:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-21-GG-01310-JAGX	$ 1,569	$ -
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-22-GG-02078-JAGX	$ 5,130	$ 5,130
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-23-GG-03312-JAGX	$ 136,885	$ -
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-23-GG-02972-MUMU	$ 89,662	$ -
Total Edward Byrne Memorial Justice Assistance Grant Program			$ 233,246	$ 5,130
TOTAL DEPARTMENT OF JUSTICE			**$ 4,171,351**	**$ 923,737**
DEPARTMENT OF LABOR				
DIRECT PROGRAMS:				
Homeless Veterans Reintegration Program	17.805	24560HV000077-01-00	$ 217,903	$ 20,000
Homeless Veterans Reintegration Program	17.805	25560SD000109-01-00	$ 10,000	$ -
Total Homeless Veterans Reintegration Program			$ 227,903	$ 20,000
TOTAL DEPARTMENT OF LABOR			**$ 227,903**	**$ 20,000**
DEPARTMENT OF TRANSPORTATION				
Safe Streets and Roads for All	20.939	693JJ32340134	$ 203,580	$ -
PASSED THROUGH STATE DEPARTMENT OF TRANSPORTATION:				
Highway Safety Cluster				
State and Community Highway Safety	20.600	G3340	$ 42,232	$ -
State and Community Highway Safety	20.600	G3436	$ 88,976	$ -
State and Community Highway Safety	20.600	G3465	$ 196,375	$ -
State and Community Highway Safety	20.600	G3346	$ 128,419	$ -
Total Highway Safety Cluster			$ 456,002	$ -
Asset Concessions and Innovative Finance Assistance	20.945	DOT-IFACGP-FY2223-01	$ 76,853	$ -
TOTAL DEPARTMENT OF TRANSPORTATION			**$ 736,435**	**$ -**
DEPARTMENT OF TREASURY				
DIRECT PROGRAMS:				
Social Impact Partnerships to Pay for Results Act (SIPPRA)	21.017	*	$ 221,713	$ 191,613

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR YEAR ENDED SEPTEMBER 30, 2025

FEDERAL/STATE AGENCY, PASS-THROUGH ENTITY, FEDERAL PROGRAM/STATE PROJECT	ASSISTANCE LISTING NUMBER	CONTRACT/ GRANT NUMBER	EXPENDITURES	TRANSFER TO SUB RECIPIENT
COVID-19 - Emergency Rental Assistance Program	21.023	ERAE0411/ERAE0410	$ 6,429,334	$ 3,163,080
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	SLFRP3403/SLFRP0197	$ 49,831,244	$ -
PASSED THROUGH FLORIDA DEPARTMENT OF ECONOMIC OPPORTUNITY				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	G0105	$ 680,000	$ -
PASSED THROUGH FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION:				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	SLFRP0125/22FRP100	$ 4,417,139	$ -
Total COVID-19 - Coronavirus State and Local Fiscal Recovery Funds			$ 54,928,383	$ -
PASSED THROUGH FLORIDA DEPARTMENT OF JUSTICE:				
Equitable Sharing	21.016	*	$ 41,674	$ -
TOTAL DEPARTMENT OF TREASURY			**$ 61,621,104**	**$ 3,354,693**
ENVIRONMENTAL PROTECTION AGENCY				
DIRECT PROGRAMS:				
Air Pollution Control Program Support	66.001	00402525	$ 290,875	$ -
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	01D06020	$ 33,314	$ -
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	03D14624	$ 235,976	$ -
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	05D37825	$ 30,206	$ -
Total Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act			$ 299,496	$ -
Climate Pollution Reduction Grants	66.046	5D-02D57123-0	$ 252,447	$ -
TOTAL ENVIRONMENTAL PROTECTION AGENCY			**$ 842,818**	**$ -**
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
DIRECT PROGRAMS:				
Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	93.104	5H79SM087690	$ 871,276	$ 816,875
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	5H79TI085876-02	$ 381,255	$ -
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	1H79SM084915-05	$ 1,013,555	$ 956,883
Total Substance Abuse and Mental Health Services Projects of Regional and National Significance			$ 1,394,810	$ 956,883
HIV Emergency Relief Project Grants	93.914	5 H89HA00039-30-03	$ 2,613,788	$ 2,388,034
HIV Emergency Relief Project Grants	93.914	6 H89HA00039-31-03	$ 3,482,907	$ 3,100,846
Total HIV Emergency Relief Project Grants			$ 6,096,695	$ 5,488,880
Ending the HIV Epidemic: A Plan for America — Ryan White HIV/AIDS Program Parts A and B	93.686	6 UT8HA33942-05-03	$ 1,439,864	$ 1,404,515
Ending the HIV Epidemic: A Plan for America — Ryan White HIV/AIDS Program Parts A and B	93.686	6 UT8HA33942-06-04	$ 649,366	$ 599,755
Total Ending the HIV Epidemic: A Plan for America — Ryan White HIV/AIDS Program Parts A and B			$ 2,089,230	$ 2,004,270

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR YEAR ENDED SEPTEMBER 30, 2025

FEDERAL/STATE AGENCY, PASS-THROUGH ENTITY, FEDERAL PROGRAM/STATE PROJECT	ASSISTANCE LISTING NUMBER	CONTRACT/ GRANT NUMBER	EXPENDITURES	TRANSFER TO SUB RECIPIENT
PASSED THROUGH DEPARTMENT OF ELDER AFFAIRS:				
Aging Cluster				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	A024-JSSP	$ 77,699	$ -
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	A025-JSSP	$ 219,826	$ -
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	A024-JSSP	$ 248,102	$ -
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	A025-JSSP	$ 875,460	$ -
Nutrition Services Incentive Program	93.053	A024-JSSP	$ 23,615	$ -
Nutrition Services Incentive Program	93.053	A025-JSSP	$ 82,026	$ -
Total Aging Cluster			$ 1,526,728	$ -
COVID-19 - Low-Income Home Energy Assistance	93.568	PO21-COJ	$ 151,961	$ -
PASSED THROUGH STATE OF FLORIDA, DEPARTMENT OF REVENUE:				
Child Support Services	93.563	COC16	$ 816,479	$ -
PASSED THROUGH DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES DIVISION OF ADMINISTRATION:				
Epidemiology and Laboratory Capacity for Infectious Diseases	93.323	31825	$ 7,932	$ -
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES			**$ 12,955,111**	**$ 9,266,908**
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE				
DIRECT PROGRAMS:				
AmeriCorps Seniors Retired and Senior Volunteer Program	94.002	22SRHFL002	$ 62,350	$ -
Foster Grandparent/Senior Companion Cluster				
AmeriCorps Seniors Foster Grandparent Program	94.011	24SFHFL001	$ 255,587	$ -
PASSED THROUGH DEPARTMENT OF ELDER AFFAIRS:				
AmeriCorps Seniors Senior Companion Program	94.016	24SCHFL001	$ 185,280	$ -
Total Foster Grandparent/Senior Companion Cluster			$ 440,867	$ -
TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE			**$ 503,217**	**$ -**
DEPARTMENT OF HOMELAND SECURITY				
PASSED THROUGH STATE DIVISION OF EMERGENCY MANAGEMENT:				
Flood Mitigation Assistance	97.029	B0205	$ 395,848	$ -
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	17-PA-U5-04-26-01-085	$ 5,341,199	$ -
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	PA-00-04-26-01-024	$ 129,572	$ -
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Z2986	$ 634,655	$ -
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	PA-00-04-26-01-069	$ 913,512	$ -
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	PA-00-04-26-01-189	$ 1,447,251	$ -
COVID-19 Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Z1994	$ 487,100	$ -
Total Disaster Grants - Public Assistance (Presidentially Declared Disasters)			$ 8,953,289	$ -

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR YEAR ENDED SEPTEMBER 30, 2025

FEDERAL/STATE AGENCY, PASS-THROUGH ENTITY, FEDERAL PROGRAM/STATE PROJECT	ASSISTANCE LISTING NUMBER	CONTRACT/ GRANT NUMBER	EXPENDITURES	TRANSFER TO SUB RECIPIENT
DIRECT PROGRAMS:				
Assistance to Firefighters Grant	97.044	EMW-2023-FG-01743	$ 301,222	$ -
Port Security Grant Program	97.056	EMW-2021-PU-00047	$ 203,125	$ -
Port Security Grant Program	97.056	EMW-2022-PU-00202	$ 261,278	$ -
Port Security Grant Program	97.056	EMW-2022-PU-00070	$ 352,734	$ -
Port Security Grant Program	97.056	EMW-2023-PU-00111	$ 474,759	$ -
Port Security Grant Program	97.056	EMW-2024-PU-05221	$ 117,308	$ -
Total Port Security Grant Program			$ 1,409,204	$ -
Homeland Security Biowatch Program	97.091	06OHBIO00012-18-00	$ 19,422	$ -
Homeland Security Biowatch Program	97.091	06OHBIO00012-19-01	$ 107,746	$ -
Total Homeland Security Biowatch Program			$ 127,168	$ -
Regional Catastrophic Preparedness Grant Program	97.111	EMA-2023-CA-00003	$ 305,278	$ 305,278
PASSED THROUGH DIVISION OF EMERGENCY MANAGEMENT:				
Hazard Mitigation Grant	97.039	H0543	$ 104,148	$ -
Hazard Mitigation Grant	97.039	H0984	$ 311,639	$ -
Hazard Mitigation Grant	97.039	H1110	$ 338	$ -
Hazard Mitigation Grant	97.039	H1111	$ 338	$ -
Total Hazard Mitigation Grant			$ 416,463	$ -
Emergency Management Performance Grants	97.042	G0466	$ 16,647	$ -
Emergency Management Performance Grants	97.042	G0540	$ 166,804	$ -
Total Emergency Management Performance Grants			$ 183,451	$ -
Homeland Security Grant Program	97.067	R0507	$ 9,197	$ -
Homeland Security Grant Program	97.067	R0611	$ 5,112	$ -
Homeland Security Grant Program	97.067	R0612	$ 65,505	$ -
Homeland Security Grant Program	97.067	R0887	$ 15,982	$ -
Homeland Security Grant Program	97.067	R0888	$ 141,816	$ -
Homeland Security Grant Program	97.067	R0890	$ 54,786	$ -
Homeland Security Grant Program	97.067	R0928	$ 1,206,993	$ -
Homeland Security Grant Program	97.067	R1137	$ 34,206	$ -
Homeland Security Grant Program	97.067	R1130	$ 5,665	$ -
Homeland Security Grant Program	97.067	R1149	$ 270,467	$ -
Homeland Security Grant Program	97.067	R1138	$ 16,704	$ -
Total Homeland Security Grant Program			$ 1,826,433	$ -
TOTAL DEPARTMENT OF HOMELAND SECURITY			**$ 13,918,356**	**$ 305,278**
TOTAL EXPENDITURE OF FEDERAL AWARDS			**$ 110,826,917**	**$ 20,768,044**

* not available

CITY OF JACKSONVILLE FLORIDA
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR YEAR ENDED SEPTEMBER 30, 2025

STATE AGENCY	CSFA NUMBER	CONTRACT/ GRANT NUMBER	EXPENDITURES	TRANSFER TO SUB RECIPIENT
EXECUTIVE OFFICE OF GOVERNOR				
DIRECT PROGRAMS:				
Emergency Management Programs	31.063	A0451	$ 86,665	$ -
TOTAL EXECUTIVE OFFICE OF GOVERNOR			**$ 86,665**	**$ -**
DEPARTMENT OF ENVIRONMENTAL PROTECTION				
DIRECT PROGRAMS:				
Beach Management Funding Assistance Program	37.003	23DU1	$ 18,496	$ -
Local Government Cleanup Contracting	37.024	GC892	$ 1,199,560	$ -
Statewide Water Quality Restoration Projects	37.039	LPA0551	$ 209,913	$ -
Resilient Florida Programs	37.098	24SRP44	$ 5,269,106	$ -
Office of Resilience and Coastal Protection Hurricane Beach Recovery Program HURRICANE RESTORATION REIMBURSEMENT GRANT PROGRAM	37.113	23DU2	$ 312,375	$ -
TOTAL DEPARTMENT OF ENVIRONMENTAL PROTECTION			**$ 7,009,450**	**$ -**
DEPARTMENT OF COMMERCE				
DIRECT PROGRAMS:				
Regional Community Development and Infrastructure	40.042	DFT 24-101	$ 127,104	$ -
Regional Community Development and Infrastructure	40.042	S0237	$ 22,465	$ -
TOTAL DEPARTMENT OF COMMERCE			**$ 149,569**	**$ -**
FLORIDA HOUSING FINANCE CORPORATON				
DIRECT PROGRAMS:				
State Housing Initiatives Partnership Program (SHIP)	40.901	HFC01	$ 9,163,574	$ -
TOTAL FLORIDA HOUSING FINANCE CORPORATION			**$ 9,163,574**	**$ -**
DEPARTMENT OF FINANCIAL SERVICES				
DIRECT PROGRAMS:				

CITY OF JACKSONVILLE FLORIDA
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR YEAR ENDED SEPTEMBER 30, 2025

STATE AGENCY	CSFA NUMBER	CONTRACT/ GRANT NUMBER	EXPENDITURES	TRANSFER TO SUB RECIPIENT
Grants & Aids-Local Government Fire Service Grants	43.009	FM905	$ 309,185	$ -
TOTAL DEPARTMENT OF FINANCIAL SERVICES			**$ 309,185**	**$ -**
DEPARTMENT OF STATE AND SECRETARY OF STATE				
DIRECT PROGRAMS:				
State Aid to Libraries	45.030	22-ST-22	$ 681,908	$ -
Historic Cemeteries Program Grants	45.067	24.h.ac.100.142	$ 50,000	$ -
TOTAL DEPARTMENT OF STATE AND SECRETARY OF STATE			**$ 731,908**	**$ -**
DEPARTMENT OF EDUCATION AND COMMISSIONER OF EDUCATION				
DIRECT PROGRAMS:				
Coach Aaron Feis Guardian Program THE CHRIS HIXON, COACH AARON FEIS, AND COACH SCOTT BEIGEL GUARDIAN PROGRAM	48.140	96L-90210-5D001	$ 39,590	$ -
TOTAL DEPARTMENT OF EDUCATION AND COMMISSIONER OF EDUCATION			**$ 39,590**	**$ -**
DEPARTMENT OF TRANSPORTATION				
DIRECT PROGRAMS:				
Keep Florida Beautiful	55.048	G3558	$ 13,204	$ -
TOTAL DEPARTMENT OF TRANSPORTATION			**$ 13,204**	**$ -**
DEPARTMENT OF CHILDREN AND FAMILIES				
DIRECT PROGRAMS:				
Criminal Justice, Mental Health, and Substance Abuse Reinvestment Grant Program	60.115	LH824	$ 152,301	$ 152,301
Criminal Justice, Mental Health, and Substance Abuse Reinvestment Grant Program	60.115	LH881	$ 139,286	$ 116,598
Substance Abuse and Mental Health-Community Services	60.153	LH874	$ 39,538	$ -
Substance Abuse and Mental Health-Community Services	60.153	2018-CA-001438	$ 5,524,758	$ 3,997,386
State Opiod Settlement Trust Fund Services	60.355	PO023	$ 216,467	$ -
TOTAL DEPARTMENT OF CHILDREN AND FAMILIES			**$ 6,072,350**	**$ 4,266,285**
DEPARTMENT OF ELDER AFFAIRS				
DIRECT PROGRAMS:				
Respite for Elders Living in Everyday Families (RELIEF)	65.006	R024-JSSP	$ 164,918	$ -
TOTAL DEPARTMENT OF ELDER AFFAIRS			**$ 164,918**	**$ -**

CITY OF JACKSONVILLE FLORIDA
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR YEAR ENDED SEPTEMBER 30, 2025

STATE AGENCY	CSFA NUMBER	CONTRACT/ GRANT NUMBER	EXPENDITURES	TRANSFER TO SUB RECIPIENT
DEPARTMENT OF LAW ENFORCEMENT				
DIRECT PROGRAMS:				
Criminal Justice Training	71.001	D0058	$ 204,443	$ -
Criminal Justice Training	71.001	D0058	$ 45,554	$ -
FDLE Drone Replacement Program	71.092	3X109	$ 499,495	$ -
FDLE Drone Replacement Program	71.092	3X082	$ 48,884	$ -
State Assistance for Fentanyl Eradication (S.A.F.E.) in Florida	71.122	JA-18-0306	$ 56,846	$ -
State Assistance for Fentanyl Eradication (S.A.F.E.) in Florida	71.122	OPB-03e-TEMP	$ 34,195	$ -
State Assistance for Fentanyl Eradication (S.A.F.E.) in Florida	71.122	OPB-03d-TEMP	$ 93,941	$ -
State Assistance for Fentanyl Eradication (S.A.F.E.) in Florida	71.122	OPB-03g-TEMP	$ 16,357	$ -
State Assistance for Fentanyl Eradication (S.A.F.E.) in Florida	71.122	OPB-03h-TEMP	$ 26,168	$ -
State Assistance for Fentanyl Eradication (S.A.F.E.) in Florida	71.122	OPB-03f-TEMP	$ 350,483	$ -
State Assistance for Fentanyl Eradication (S.A.F.E.) in Florida	71.122	OPB-03i-TEMP	$ 31,944	$ -
Online Sting Operations Grant Program	71.148	OS011	$ 96,455	$ -
Florida Fusion Center Network (FFCN) Position Support Grant Program	71.162	FC242	$ 33,174	$ -
Florida Fusion Center Network (FFCN) Position Support Grant Program	71.162	FC252	$ 59,662	$ -
TOTAL DEPARTMENT OF LAW ENFORCEMENT			**$ 1,597,601**	**$ -**
DEPARTMENT OF MANAGEMENT SERVICES				
DIRECT PROGRAMS:				
Prepaid Next Generation 911 State Grant	72.003	S22-23-01-19	$ 142,997	$ -
TOTAL DEPARTMENT OF MANAGEMENT SERVICES			**$ 142,997**	**$ -**
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			**$ 25,481,011**	**$ 4,266,285**

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

City of Jacksonville, Florida
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance
For the fiscal year ended September 30, 2025

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards and Schedule of Expenditures of State Financial Assistance detail the grant activity for the City of Jacksonville, Florida (the "City") for the fiscal year ended September 30, 2025. These schedules present only a portion of the broader City reporting entity (defined in *Note 1* of the basic financial statements) and do not include the grant activity for the following discretely presented component units:

- Jacksonville Housing Finance Authority
- JEA
- Jacksonville Port Authority
- Jacksonville Transportation Authority

Because these schedules reflect only a selected portion of City operations, they are not intended to, and do not present the financial position, changes in net position, or cash flows of the City.

Note 2. Basis of Accounting

The schedules are presented using the modified accrual basis of accounting for grants which are accounted for in governmental funds and on the accrual basis of accounting for grants which are accounted for in proprietary funds. Such expenditures are recognized following the cost principles in Title 2 United States Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), wherein certain types of expenditures are not allowable or are limited as to reimbursement. The information in these schedules is presented in accordance with the requirements of the Uniform Guidance, *Audits of States, Local Governments, and Non-Profit Organizations* and Chapter 10.550, Rules of the Auditor General. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 3. Program Clusters

The Uniform Guidance defines a cluster of programs as a grouping of closely related programs that share common compliance requirements. Accordingly, federal programs and related ALN numbers reported within the schedule of expenditures include the CDBG-Entitlement Cluster 14.218, Highway Safety Cluster 20.600, Aging Cluster 93.044, 93.045 and 93.053, and the Foster Grandparent/Senior Companion Cluster 94.011 and 94.016.

Note 4. Indirect Cost

The City has not elected to use the de minimis indirect cost rate.

Note 5. FEMA Expenditures

Expenditures for ALN 97.036 Disaster Grants – Public Assistance, include ($49,378,406) expenditures through fiscal year end 2025 that are reported on the City's financial statements but have not been obligated (approved) by the Federal Emergency Management Agency as of September 30, 2025. This includes the addition of Hurricane Milton disaster event occurring in fiscal year 2025. Because these expenditures were not obligated by FEMA as of year-end, they are not included on the SEFA. In addition, the FY2025 SEFA currently reports $8.9 million in FEMA Public Assistance expenditures that relate to prior-year expenditures.

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND EACH MAJOR STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

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

Report on Compliance for Each Major Federal Program and Each Major State Project

Opinion on Each of the Major Federal Programs and Each Major State Project

We have audited the City of Jacksonville, Florida's (the "City") compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* and the requirements identified as subject to audit in the Florida Department of Financial Services State Projects Compliance Supplement that could have a direct and material effect on each of the City's major federal programs and major state financial assistance projects for the year ended September 30, 2025. The City's major federal programs and major state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The City's basic financial statements include the operations of JEA, Jacksonville Transportation Authority, and Jacksonville Port Authority, for which federal award and state financial assistance activity is not included in the City's Schedule of Expenditures of Federal Awards or Schedule of Expenditures of State Financial Assistance. Our audit, described below, did not include the operations of JEA, Jacksonville Transportation Authority, and Jacksonville Port Authority because those component units engage other auditors to perform audits in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General.*

In our opinion, the City complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and each of its major state projects identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal Program and Each Major State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the audit requirements of Title 2 *U.S. Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General*. Our responsibilities under those standards, the Uniform Guidance, and Chapter 10.550, *Rules of the*

Auditor General are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and each major state project. Our audit does not provide a legal determination of the City's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the City's federal programs and state projects.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the City's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General* will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the City's compliance with the requirements of each major federal program and each major state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, Chapter 10.550, *Rules of the Auditor General*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the City's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the City's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters – Federal Expenditures Not Included in the Compliance Audit

The City's basic financial statements include the operations of JEA, Jacksonville Transportation Authority, and Jacksonville Port Authority, which each expended federal awards and state financial assistance that are not included in the City's schedule of expenditures of state assistance during the year ended September 30, 2025. Our audit, described in the Opinion on Each of the Major Federal Programs and Each Major State Project section, did not include the operations of JEA, Jacksonville Transportation Authority, and Jacksonville Port Authority because they each engaged other auditors to perform the audit of compliance.

Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

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

Jacksonville, Florida
June 30, 2026

Part I – Summary of Auditor's Results

Financial Statements:

1. Type of auditor's report issued — Unmodified
2. Internal control over financial reporting:
   a. Material weaknesses identified? — Yes
   b. Significant deficiencies identified not considered to be material weaknesses? — None noted
   c. Noncompliance material to the financial statements noted? — No

Federal and State Awards:

1. Type of auditor's report issued on compliance for major programs/projects — Unmodified
3. Internal control over major programs/projects:
   a. Material weaknesses identified? — No
   b. Significant deficiencies identified not considered to be material weaknesses? — None noted
3. Any audit findings disclosed that are required to be reported in accordance with 2CFR section 200.516(a) and Chapter 10.557, Rules of the Auditor General? — No
4. Identification of major programs/projects:

Federal Programs	ALN
Community Development Block Grants/Entitlement Grants	14.218
Public Safety Partnership and Community Policing Grants	16.710
COVID-19: Emergency Rental Assistance Program	21.023
COVID-19: Coronavirus State and Local Fiscal Recovery Funds	21.027

State Projects	CSFA #
Local Government Cleanup Contracting	37.024
Resilient Florida Programs	37.098
State Housing Initiatives Partnership Program (SHIP)	40.901

5. Dollar threshold used to distinguish between type A and type B federal programs: $3,000,000
6. Dollar threshold used to distinguish between type A and type B state projects: $764,430
7. Auditee qualified as low risk auditee under 2 CFR 200.520? — No

Part II – Financial Statement Findings

2025-001 Financial Statement Presentation

Criteria: The City is required to present financial statements in accordance with generally accepted accounting principles.

Condition: During the year-end audit, certain adjusting entries were determined to be necessary as a result of audit procedures to present the annual comprehensive financial report in accordance with generally accepted accounting principles.

Cause: During the fiscal year, Solid Waste Disposal Fund accounts receivable and revenue were increased as a result of adopting new legislation to increase charges for services starting in January 2025. However, the associated allowance for uncollectible accounts was not adjusted proportionally based on collectability assumptions. In addition, deposits were not made timely and reconciliations were not performed for the Other Federal, State and Local Grants Fund which resulted in FY24 revenues being recorded in FY25. This led to an overstatement of revenue in the current year. In addition, debt principal and interest payables should have been moved from the Special Bonded Debt Obligations Fund to the Special Bonded Debt – BJP Obligations Fund, and revenues related to JTA's contributions to cover debt service should have been moved from BJP Construction Project Fund to Special Bonded Debt. Capital assets were not adequately reviewed and completion of capital projects were not being tracked for capitalization in the correct period causing construction in progress and land balances to be overstated.

Effect: Adjusting entries were discovered as a result of audit procedures and recorded during the audit to increase Solid Waste Disposal Fund allowance for uncollectible accounts; allowance was increased by $4,642,123 and revenues were decreased by $4,642,123. In addition, adjusting entries were also recorded to move intergovernmental revenues in the Other Federal, State and Local Grants Fund to a prior period; intergovernmental revenues decreased by $1,032,954 and beginning fund balance increased by $1,032,954. Adjusting entries were also recorded to move debt principal and interest payables between funds; Special Bonded Debt Obligations Fund debt principal and interest decreased $7,098,202 and Special Bonded Debt – BJP Obligations Fund debt principal and interest increased $7,098,202. In addition, revenues related to JTA's contributions to cover debt service were required to be moved from BJP Construction Project Fund to Special Bonded Debt – BJP Obligations Fund; BJP Construction Project Fund revenues decreased $3,145,295 and Special Bonded Debt – BJP Obligations Fund revenues increased $3,145,295. The capital asset adjustments resulted in the Governmental Activities land decreasing $28,252,128, construction in progress decreased $62,801,892 and infrastructure increased $28,472,089. Storm Water Fund construction in progress decreased $32,210,070 and Infrastructure increased by $32,210,070.

Recommendation: The City should ensure procedures are in place to review and properly adjust management estimates of collectability for charges for services particularly when new legislation is adopted. In addition, the City should ensure that all deposits are made timely and adequate revenue cut off procedures are performed at year-end to ensure proper revenue recognition between years. The City should also review year end recording of general ledger entries for debt principal and interest payable and JTA contributions to cover debt service to ensure they are recorded to the proper fund.

Capital projects should be tracked for proper accounting of capital assets when projects are completed. Land values should be assigned in the accounting records in accordance with the City's accounting policies. The City should designate an individual in management to review capital asset accounting records on a regular basis and at year end to ensure capital assets are valued and classified correctly and recorded in the proper period.

Management's Action Plan: The City of Jacksonville will strengthen its financial reporting close procedures to include more frequent reconciliations at the account, fund, and combined statement levels. Such reconciliations and financial statement analysis will facilitate proper evaluation of revenue and expenditure cutoff, recording of general ledger entries to proper funds, and ensuring the accounting records are in accordance with the City's accounting policies. The City of Jacksonville will also strengthen its review of management estimates contained within its financial statements and ensure it considers the impact of relevant new legislation that may impact such estimates.

Contact Names responsible for the plan – Michelle Begley and Chris Cicero
Anticipated completion date of the plan – December 2026

Part III – Findings and Questioned Costs – Federal Programs

None

Part IV – Findings and Questioned Costs – State Projects

None

Prior Year Financial Statement Findings

2024-001 – ACCOUNTING SYSTEM IMPLEMENTATION: During the audit we found that financial records for many classes of transactions and account balances were not accurately completed on a timely basis. Financial reports were not in place to extract the financial information required and the financial information provided to us required material correcting entries to be made. (also previously reported as 2023-001)

- Corrected in current year

Prior Year Federal Programs Findings

2024-002 – COVID 19: Community Development Block Grants/Entitlement Grants; Federal Awarding Agency – U.S. Department of Housing and Urban Development; Assistance Listing Number – 14.218; FAIN – B-23-UC-12-0017: Internal controls related to review of one invoice for a payment to a subrecipient, did not have evidence of all required approvals necessary to ensure compliance with allowable costs, cost principles, and period of performance requirements. One monthly payroll allocation journal entry did not have evidence of required approval necessary to ensure compliance with allowable costs, cost principles, and period of performance requirements. Controls were not sufficient over the special tests and provisions – wage rate requirements compliance requirement. (also previously reported as 2023-002)

- Corrected in current year.

Prior Year State Project Findings

None.

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MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550 OF THE RULES OF THE AUDITOR GENERAL

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

Report on the Financial Statements

We have audited 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 fiscal year ended September 30, 2025, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 30, 2026. Our report on the basic financial statements included reference to the reports of other auditors. This management letter does not include the findings and recommendations of the other auditors that are reported on separately by those auditors.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General. Our report includes a reference to other auditors who audited the financial statements of JEA, Jacksonville Transportation Authority, Jacksonville Port Authority, and Jacksonville Housing Finance Authority, discretely presented component units of the City and the Police and Fire Pension Fund, a fiduciary fund included in the aggregate remaining fund information.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Reports on examinations conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated June 30, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. If the audit findings in the preceding audit report are uncorrected, we are required to identify those findings that were also included in the second preceding audit report. The table below details such for each finding reported.

Tabulation of Current and Prior Year Audit Findings		
Current Year Finding #	**FY 2024 Finding #**	**FY 2023 Finding #**
2025-001	**N/A**	**N/A**
Corrected in Current Year	**2024-001**	**2023-001**
Corrected in Current Year	**2024-002**	**2023-002**

Official Title and Legal Authority

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

Financial Condition and Management

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

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the City as of September 30, 2025. It is management's responsibility to monitor the City's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. Please see Finding Number 2025-001 in the Schedule of Findings and Questioned Costs.

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, City management represented that a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did not operate within the City's geographical boundaries during the fiscal year under audit.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7., Rules of the Auditor General, the Jacksonville Public Library reported:

a) The total number of district employees compensated in the last pay period of the district's fiscal year as 419.
b) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as 0.
c) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as $641,384.
d) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as $0.
e) Each construction project with a total cost of at least $65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as none.
f) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as:

CITY OF JACKSONVILLE, FLORIDA
BUDGET VARIANCE REPORT
JACKSONVILLE PUBLIC LIBRARY
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	JACKSONVILLE PUBLIC LIBRARY					
	BUDGETED AMOUNTS					
	ORIGINAL	FINAL	ACTUAL	ENCUMBRANCES	BUDGETARY ACTUAL	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
REVENUES:						
Charges for services	$ 289,456	$ 289,456	$ 288,149	$ -	$ 288,149	$ (1,307)
Other	600	600	649	-	649	49
Total Revenue	290,056	290,056	288,798	-	288,798	(1,258)
EXPENDITURES:						
Culture & Recreation	40,867,079	42,175,804	41,203,371	696,494	41,899,866	275,938
Total Expenditures	40,867,079	42,175,804	41,203,371	696,494	41,899,866	275,938
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	$ (40,577,023)	$ (41,885,748)	$ (40,914,574)	$ (696,494)	$ (41,611,068)	$ 274,680

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)7., Rules of the Auditor General, the Jacksonville Health Facilities Authority reported:

a) The total number of district employees compensated in the last pay period of the district's fiscal year as 0.
b) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as 0.
c) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as $0.
d) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as $0.
e) Each construction project with a total cost of at least $65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as none.
f) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as none.

Specific information for the other dependent special districts included in the City's financial statement audit are presented in the Management Letter in each of those districts' separately issued financial statement audits.

Additional Matters

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, City Council, and applicable management, and appropriate audit agencies, and is not intended to be and should not be used by anyone other than these specified parties.

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

Jacksonville, Florida
June 30, 2026

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

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

We have examined compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, of the City of Jacksonville, Florida (the "City") for the year ended September 30, 2025. Management of the City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied with the specified requirements referenced above, in all material respects. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination does not provide a legal determination on the City's compliance with the specified requirements.

In our opinion, the City complied with the aforementioned requirements for the year ended September 30, 2025, in all material respects.

This report is intended solely for the information and use of management and the State of Florida Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.

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

Jacksonville, Florida
June 30, 2026

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTIONS 365.172(10) AND 365.173(2)(d), FLORIDA STATUTES

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

We have examined compliance with the requirements of Section 365.172(10), Florida Statutes, *Authorized Expenditures of E911 Fee*, and Section 365.173(2)(d), Florida Statutes, *Distribution and Use of (E911) Funds,* of the City of Jacksonville, Florida (the "City") during the year ended September 30, 2025. Management of the City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied with the specified requirements referenced above, in all material respects. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination does not provide a legal determination on the City's compliance with the specified requirements.

In our opinion, the City complied with the aforementioned requirements for the year ended September 30, 2025, in all material respects.

This report is intended solely for the information and use of management and the State of Florida Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.

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

Jacksonville, Florida
June 30, 2026

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTIONS 28.35 AND 28.36, FLORIDA STATUTES

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

We have examined compliance with the requirements of Section 28.35, Florida Statutes, *Florida Clerks of Court Operations Corporation*, and Section 28.36, Florida Statutes, *Budget Procedure*, of the City of Jacksonville, Florida (the "City") during the year ended September 30, 2025. Management of the City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied with the specified requirements referenced above, in all material respects. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination does not provide a legal determination on the City's compliance with the specified requirements.

In our opinion, the City complied with the aforementioned requirements for the year ended September 30, 2025, in all material respects.

This report is intended solely for the information and use of management and the State of Florida Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.

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

Jacksonville, Florida
June 30, 2026

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 61.181, FLORIDA STATUTES

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

We have examined compliance with the requirements of Section 61.181, Florida Statutes, *Depository for Alimony Transactions, Support, Maintenance, and Support Payments; Fees*, of the City of Jacksonville, Florida (the "City") during the year ended September 30, 2025. Management of the City is responsible for the City's compliance with the specified requirements. Our responsibility is to express an opinion on the City's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the City complied with the specified requirements referenced above, in all material respects. An examination involves performing procedures to obtain evidence about whether the City complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

Our examination does not provide a legal determination on the City's compliance with the specified requirements.

In our opinion, the City complied with the aforementioned requirements for the year ended September 30, 2025, in all material respects.

This report is intended solely for the information and use of management and the State of Florida Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.

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

Jacksonville, Florida
June 30, 2026