

CITY OF JACKSONVILLE

SINGLE AUDIT

**FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2024**

**PREPARED BY THE
DEPARTMENT OF FINANCE
ACCOUNTING DIVISION**



117 W. Duval Street, Suite 325
Jacksonville, FL 32202

City of Jacksonville, Florida
Single Audit
For the Fiscal Year Ended September 30, 2024

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SINGLE AUDIT

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FINANCIAL SECTION



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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, 2024, 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, 2024, 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 82%, 75%, and 86%, 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 7%, 8%, and 7%, 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%, 16%, 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 Housing Finance Authority, whose statements reflect approximately 1%, 1%, and 1%, 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 11%, 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 163 to 165, and other postemployment benefits and pension schedules on pages 166 to 198 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 20, 2025, 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 20, 2025



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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 \$1.78 billion in fiscal year 2024.
- General Fund total increase in revenues was \$148.1 million in fiscal year 2024.
- Property tax revenues in the General Fund experienced a \$130.9 million, 14.4% increase, due primarily to rising home values and new construction.
- Other increases in General Fund revenues related primarily to utility and communications service taxes, local business tax revenues, fines and forfeitures revenues, JEA contributions, and investment earnings.
- Decreases in revenues in the General Fund included \$0.24 million for sales and tourist taxes, \$1.6 million for licenses, permits and fees, \$7 million for intergovernmental revenues, and \$3.2 million for other revenues.
- General Fund total expenses increased by \$132.0 million, 9.6%, primarily due to increased spending in general government, human services, public safety, culture and recreation, transportation, physical environment, capital outlay, and debt service expenses, while economic environment expenses decreased.
- Total citywide governmental activities revenues increased by \$90.5 million in fiscal year 2024, a 3.63% increase from fiscal year 2023.
- Total citywide governmental activity expenses increased \$221.2 million in fiscal year 2024, a 9.50% increase from fiscal year 2023.

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, 2024, 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 as well as continued to increase its unassigned 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 to include septic tank phaseout, premium payments and a part of the raises to government employees, economic assistance to our municipalities and Port, and aid to affordable housing providers, our special events venues, and materials and supplies for public health and safety.
- Strengthened investment in public safety by building new fire stations, renovating multiple 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. The City also formalized a 3-year collective bargaining agreement with public safety unions that brings competitive salaries and benefits and commits to allowing public safety members to enter the Florida Retirement System (defined benefit plan) starting in fiscal year 2027; these changes are having a positive effect on recruiting and retention.
- Secured Jacksonville Jaguars’ continued presence in Jacksonville for the next 30 years by reaching an agreement to jointly renovate Everbank Stadium into the “Stadium of the Future” at a shared cost of \$1.4 billion, the City’s portion of which is \$775 million over the 4-year period starting 2025 with completion in 2028. This agreement includes a 30-year lease, a non-relocation agreement, and funding for riverfront parks and a flex field. The City and Jaguars also jointly funded the largest-ever community benefits agreement of \$300 million to benefit workforce development, affordable housing, and the OutEast neighborhood adjacent to Everbank Stadium.

- Approved 16 new economic development projects with an estimated private capital investment of \$721 million and 1,117 new full-time equivalent jobs in Jacksonville.
- Expended approximately \$12.3 million on economic development incentives for projects that helped generate approximately \$26 million in ad valorem taxes.
- Announced Publix Supermarkets, Inc. plans to construct a new 300,000 square foot cold storage facility with an estimated \$150 million of private capital investment and 150 new full-time equivalent jobs.
- Announced Hermeus Corporation plans to expand its current operations and set up a High Enthalpy Air-Breathing Test (HEAT) facility for hypersonic engine testing with an estimated \$135 million of private capital investment and 100 new full-time equivalent jobs.
- Allocated \$4.75 million to assist with the operations and expansion of the Jacksonville University College of Law in downtown, which was established in August 2022, marking the 12th law school in Florida and the first to open in over 20 years.
- Realized an increase of over 34% in the total contract dollars awarded to Jacksonville Small and Emerging Businesses (JSEBs) year over year, for a total of approximately \$106 million. Increased the total number of certified JSEBs by nearly 40% year over year, to 353 certified businesses.
- Realized growth of over 24% for the Renew Arlington Area Community Redevelopment Area (CRA) and over 32% for the KingSoutel Crossing CRA.
- Received over \$2 million for the sale of Parcel Q-1 at Cecil Commerce Center.
- Approved four incentive packages that paved the way for a new mixed-used district spanning 5 city blocks on previously vacant and undeveloped downtown parcels with minimum private capital investment exceeding \$373 million. The project includes over 1,000 multi-family units, 100,000 square feet of retail, a new public park, and a curbside festival street. Total incentives approved included nearly \$60 million in REV grants and approximately \$39 million in completion grants.
- Induced \$203 million private capital investment with the approval of a \$59 million incentive package for a new high-rise residential development proposed by Related Companies with over 390 residential units, a 4,000 square foot riverfront restaurant, parking garage, and a ship's store to serve the adjacent public boat ramp.
- Spurred 100 new affordable housing units and completion of 57 affordable and 27 workforce housing units with a \$600,000 loan, as well as the reconstruction of Doro apartments that now include 85 rent-restricted workforce housing units with a new incentive package.
- Achieved a new peak in the number of downtown residential units under construction with over 1,000 units in active construction.
- Saw the first new opportunity for home ownership in a decade with the completion of construction and closing on the first LaVilla townhome units.
- Drove continued downtown activation with \$974,000 of incentive awards for 10 new food and beverage establishments bringing over \$11 million in private capital investment.
- Provided oversight and contract management for 71 active downtown construction contracts representing over \$3 billion in private capital investment.
- Renovated 17 playgrounds citywide for \$4 million and installed new artificial turf athletic fields at 3 parks for an additional \$4 million, which allows for reduced maintenance and increased playing time for citizens.
- Invested \$1.5 million in pool renovations and increased pool season lifeguards by 30% to accommodate an additional 68,000 visitors over the prior year.
- Contributed \$5 million in capital improvements as part of a multi-year \$25 million campaign for the Jacksonville Zoo.
- Continued investment in UF Health as a critical community hospital by providing \$20 million for hospital improvements as part of a \$120 million 6-year upgrade.
- Invested over \$5.5 million in health initiatives to include: a telehealth safety net clinic, food insecurity mitigation, suicide prevention support services, infant mortality, pediatric mental health, and training community health workers.
- Supported military and veteran community with over \$3 million in grants facilitating the provision of financial, transportation, tax preparation and military base encroachment protection assistance in addition to a host of programmatic events serving and honoring Jacksonville's large veteran community.
- Developed the City's first Urban Forest Management Plan with a \$500,000 investment to increase the tree canopy citywide to reduce heat and manage stormwater.

- Secured \$250,000 in USDA funding to develop the City's first Community Wildfire Protection Plan to make Jacksonville better prepared for wildfire events and qualify the City for \$10 million dollars in federal funding for mitigation project implementation.
- Leveraged a \$1 million FEMA grant to develop a standardized process to efficiently respond to extreme heat and freeze events, including activation of the Emergency Operation Center, as with other severe storm events.
- Invested \$2.7 million in the first-ever city-wide probabilistic compound flood model and real time flood forecasting system for Jacksonville, which gives the City the most detailed picture of flood risk in the country and is already being used in beta form to guide resilience decisions.
- Completed \$207,000 citywide Vulnerability Assessment funded through the Florida Department of Environmental Protection's Resilient Florida grant program, which allows the City to compete for \$100 million in Resilient Florida grant funding.
- Mowed 169,522 acres of city-owned land and rights of way, edged 40,008 rights of way miles, and planted 1,354 trees.
- Repaired and replaced 99,720 linear feet of sidewalk, repaired 12,516 feet of storm drain utilizing pipelining technology, cleaned 305,942 feet of roadside ditches, and performed ongoing monitoring and maintenance of 1,242 signals and roughly 6,000 streetlights.
- Completed several significant infrastructure projects: Emerald Trail Model Mile, Friendship Fountain, Mayport Docks Redevelopment Phase I, and Northbank Riverwalk Artist Walk Phase II Skate Park.
- Made record investment in Jacksonville's youth by providing \$50+ million funding for programs that serve children, youth, and families a robust support network for literacy, workforce development, juvenile justice, early learning, and special needs.
- Directed \$6.2 million toward early learning opportunities, including literacy and mental health programming, quality improvement initiatives, teacher training, and business leadership coaching that resulted in higher workforce wages, expanded childcare access, and children ready for school.
- Invested \$1.6 million in the juvenile justice diversion program, leading to the successful intervention and support of 917 youth, reducing recidivism and strengthening community-based alternatives to incarceration.
- Allocated \$3.7 million to youth mental health and trauma training, providing counseling for 2,300+ students and training 300+ professionals in Trust-Based Relational Intervention (TBRI) to better support children affected by trauma.
- Allocated \$1.5 million toward case management, transportation, and wraparound services, ensuring children receive comprehensive support beyond the classroom.

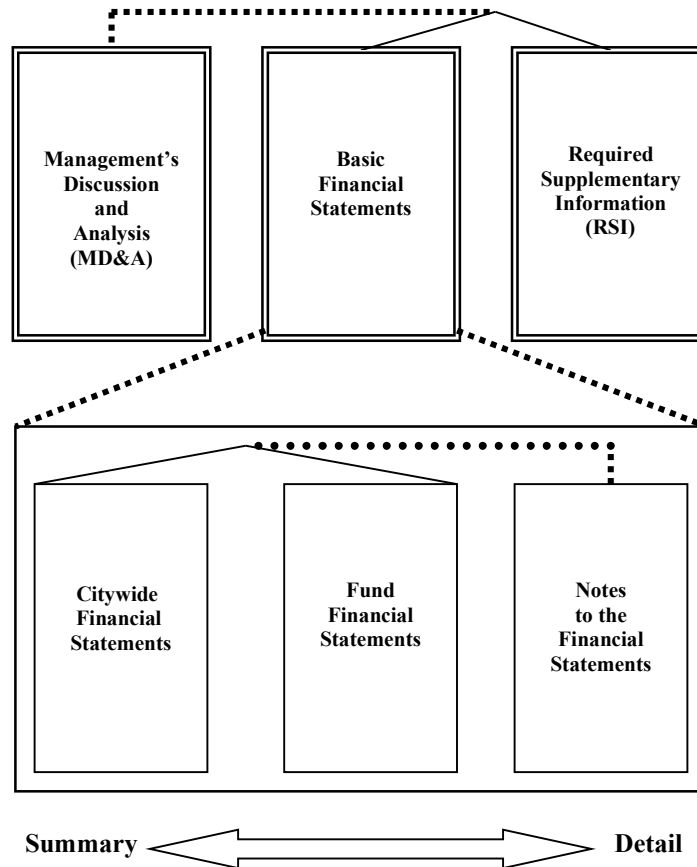
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OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

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 decreased by \$5.4 million in the fiscal year 2024. The negative \$2.58 billion unrestricted net position is primarily due to the \$4.1 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, 2024 and September 30, 2023

	Governmental Activities		Business Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Cash and Investments	\$ 1,890,598	\$ 1,910,459	\$ 269,651	\$ 201,564	\$ 2,160,249	\$ 2,112,023
Current and Other Assets	551,478	347,325	125,137	124,579	676,615	471,904
Capital Assets	3,151,017	2,950,988	561,433	552,758	3,712,450	3,503,746
Total assets	<u>5,593,093</u>	<u>5,208,772</u>	<u>956,221</u>	<u>878,901</u>	<u>6,549,314</u>	<u>6,087,673</u>
Deferred Outflow of Resources	<u>772,102</u>	<u>1,355,425</u>	<u>-</u>	<u>44</u>	<u>772,102</u>	<u>1,355,469</u>
Current Liabilities	315,163	331,418	70,948	80,875	386,111	412,293
Non-current Liabilities	3,040,789	2,892,335	381,742	367,430	3,422,531	3,259,765
Net Pension Liability	4,096,470	4,103,875	-	-	4,096,470	4,103,875
Total liabilities	<u>7,452,422</u>	<u>7,327,628</u>	<u>452,690</u>	<u>448,305</u>	<u>7,905,112</u>	<u>7,775,933</u>
Deferred Inflow of Resources	<u>169,876</u>	<u>418,943</u>	<u>43,862</u>	<u>51,105</u>	<u>213,738</u>	<u>470,048</u>
Net position						
Net investment in capital assets	1,273,973	1,331,763	243,859	222,860	1,517,832	1,554,623
Restricted for:						
Debt service	43,571	73,788	-	-	43,571	73,788
Housing & human serv grants	59,993	40,546	-	-	59,993	40,546
State and federal grants	24,065	19,748	-	-	24,065	19,748
Capital projects	6,076	6,541	-	-	6,076	6,541
Other participant's equity	768	529	-	-	768	529
Permanent Fund non-expendable	1,562	1,393	-	-	1,562	1,393
Other Purposes	128,813	115,344	-	-	128,813	115,344
Unrestricted (deficit)	<u>(2,795,924)</u>	<u>(2,772,026)</u>	<u>215,810</u>	<u>156,675</u>	<u>(2,580,114)</u>	<u>(2,615,351)</u>
Total net position	<u>\$ (1,257,103)</u>	<u>\$ (1,182,374)</u>	<u>\$ 459,669</u>	<u>\$ 379,535</u>	<u>\$ (797,434)</u>	<u>\$ (802,839)</u>

The largest portion of the City's net position reflects its substantial capital assets, net of related debt. This displays the City's commitment to investing in assets that have useful lives in excess of the life of the debt issues used to finance the assets. The net pension liability is expected to increase until 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 2024 and 2023.

Table A-2
Statement of Activities
as of September 30, 2024 and September 30, 2023
(In Thousands)

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2024	2023	2024	2023	2024	2023
Revenues:						
Program Revenues:						
Fines & charges for services	\$ 251,373	\$ 229,896	\$ 166,326	\$ 160,027	\$ 417,699	\$ 389,923
Operating grants/contributions	135,155	228,287	-	-	135,155	228,287
Capital grants/contributions	45,461	67,811	6,193	-	51,654	67,811
General revenues:						
Property taxes	1,067,703	950,745	-	-	1,067,703	950,745
Utility and Communications service taxes	134,001	129,923	-	-	134,001	129,923
Sales and tourist taxes	326,436	322,847	21,184	22,370	347,620	345,217
Local business taxes	6,992	6,779	-	-	6,992	6,779
Intergovernmental	245,986	252,953	-	-	245,986	252,953
Franchise Fees	45,607	47,349	-	-	45,607	47,349
JEA Contribution	123,649	122,424	-	-	123,649	122,424
Earnings on Investments	135,727	64,962	17,784	3,892	153,511	68,854
Miscellaneous	64,316	67,894	26,645	24,325	90,961	92,219
Total Revenues	2,582,406	2,491,870	238,132	210,614	2,820,538	2,702,484
Expenses						
General government	106,780	142,504	-	-	106,780	142,504
Human services	258,940	192,546	-	-	258,940	192,546
Public safety	1,460,293	1,321,783	-	-	1,460,293	1,321,783
Cultural and recreational	155,383	119,894	-	-	155,383	119,894
Transportation	378,366	336,417	-	-	378,366	336,417
Economic & physical environment	151,565	173,900	-	-	151,565	173,900
Interest on long term debt	37,523	40,599	-	-	37,523	40,599
Parking system	-	-	4,555	4,063	4,555	4,063
Motor vehicle inspections	-	-	392	379	392	379
Solid Waste	-	-	123,060	117,689	123,060	117,689
Stormwater services	-	-	28,398	22,751	28,398	22,751
City Venues	-	-	104,877	90,019	104,877	90,019
Sports Complex Capital Maintenance	-	-	30	3,223	30	3,223
Equestrian Center	-	-	4,971	1,364	4,971	1,364
Total Expenses	2,548,850	2,327,643	266,283	239,488	2,815,133	2,567,131
Increases (decreases) in						
net position before transfers	33,556	164,227	(28,151)	(28,874)	5,405	135,353
Transfers	(108,285)	(55,737)	108,285	55,737	-	-
Change in net position	(74,729)	108,490	80,134	26,863	5,405	135,353
Net position (deficit), beginning of year, as restated	(1,182,374)	(1,290,864)	379,535	352,672	(802,839)	(938,192)
Net position (deficit), end of year	\$ (1,257,103)	\$ (1,182,374)	\$ 459,669	\$ 379,535	\$ (797,434)	\$ (802,839)

Governmental activities:

The City's governmental activities revenues increased \$90.5 million from 2023 to 2024 (see Table A-2) and consists of:

- Property tax revenues reflected a \$117.0 million increase, indicating a strong economy in Jacksonville.
- The \$4.1 million increase in utility and communications service taxes indicates an increasing population in Jacksonville.
- The increase of \$3.6 million in sales and tourist taxes reflects the increased growth in tourism revenues than in the previous year.
- The \$7.0 million decrease in intergovernmental revenues is primarily due to decreases in contributions from component units.
- The \$70.8 million increase in earnings on investments is the result of market performance of the pooled cash investments in fiscal year 2024.
- The operating grants/contributions decrease of \$93.1 million.
- The capital grants/contributions decrease of \$22.4 million.
- The decrease of \$3.6 million in miscellaneous revenues.
- The increase of \$21.4 million in fines and charges for services.
- The \$1.5 million decrease in revenues in local business tax receipts and franchise fees.

Governmental activities expenses increased by \$221.2 million from fiscal year 2023 to fiscal year 2024 primarily due to the following:

- General government expenses decreased by \$35.7 million.
- Human services operating expenses increased by \$66.4 million.
- Public safety operating expenses increased by \$138.5 million.
- Cultural and recreational expenses increased by \$35.4 million.
- Transportation expenses increased by \$41.9 million.
- Interest on long-term debt decreased by \$3.1 million.
- Economic and physical environment expenses decreased by \$22.3 million.

Business Type activities:

The City's business type revenues increased \$27.5 million in fiscal year 2024:

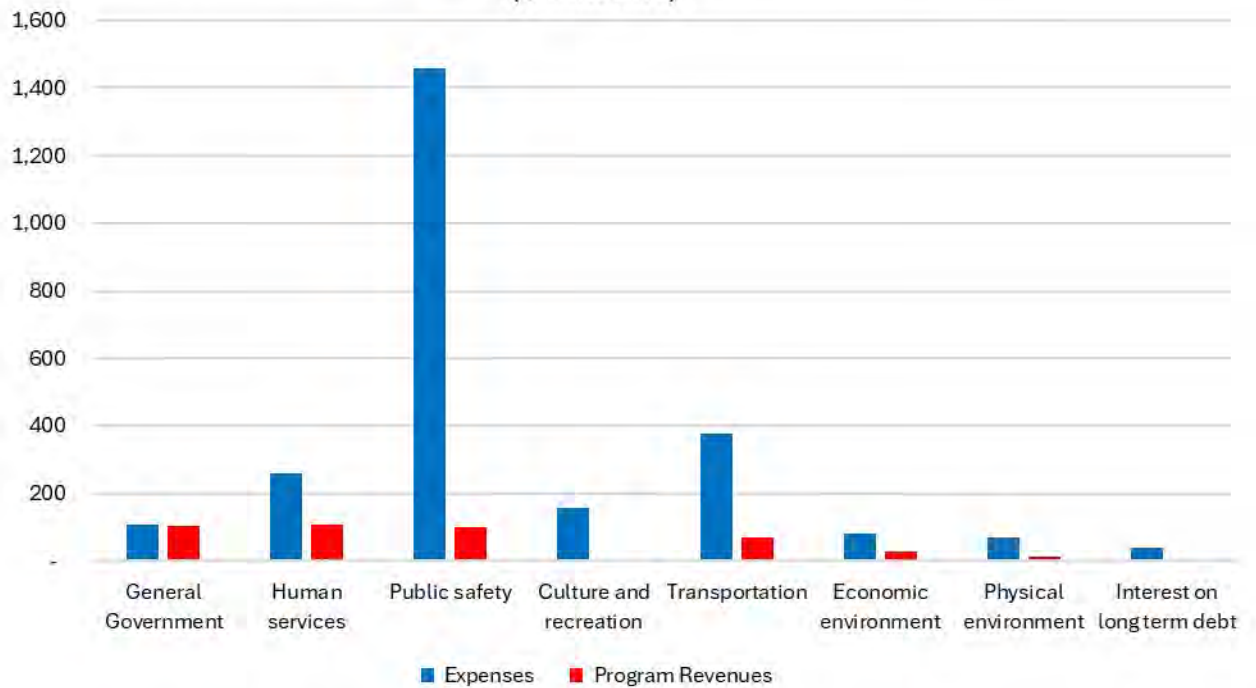
- Fines and charges for services increased by \$6.3 million.
- Capital Grants Contributions increased by \$6.2 million
- Sales and tourist taxes decreased by \$1.2 million.
- Interest earnings increased \$13.9 million due to market performance of pooled cash investments.
- Miscellaneous revenues increased by \$2.3 million.

Business type activities total expenses increased \$26.8 million in fiscal year 2024:

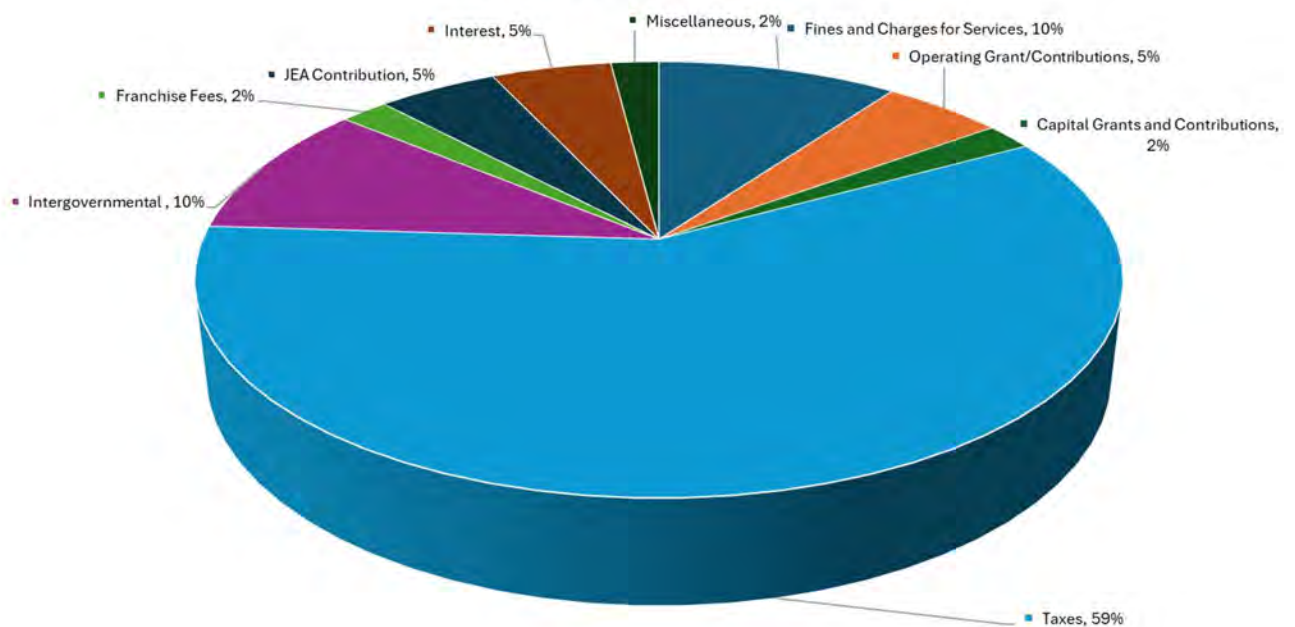
- Solid waste operating expenses increased by \$5.3 million.
- City venues operating activities expenses increased by \$14.8 million.
- Parking system operating expenses increased by \$0.49 million.
- Stormwater services activities operating expenses increased by \$5.6 million.
- Equestrian center operating activities expenses increased by \$3.6 million.
- Motor vehicle inspection operating expenses increased by \$0.01 million.

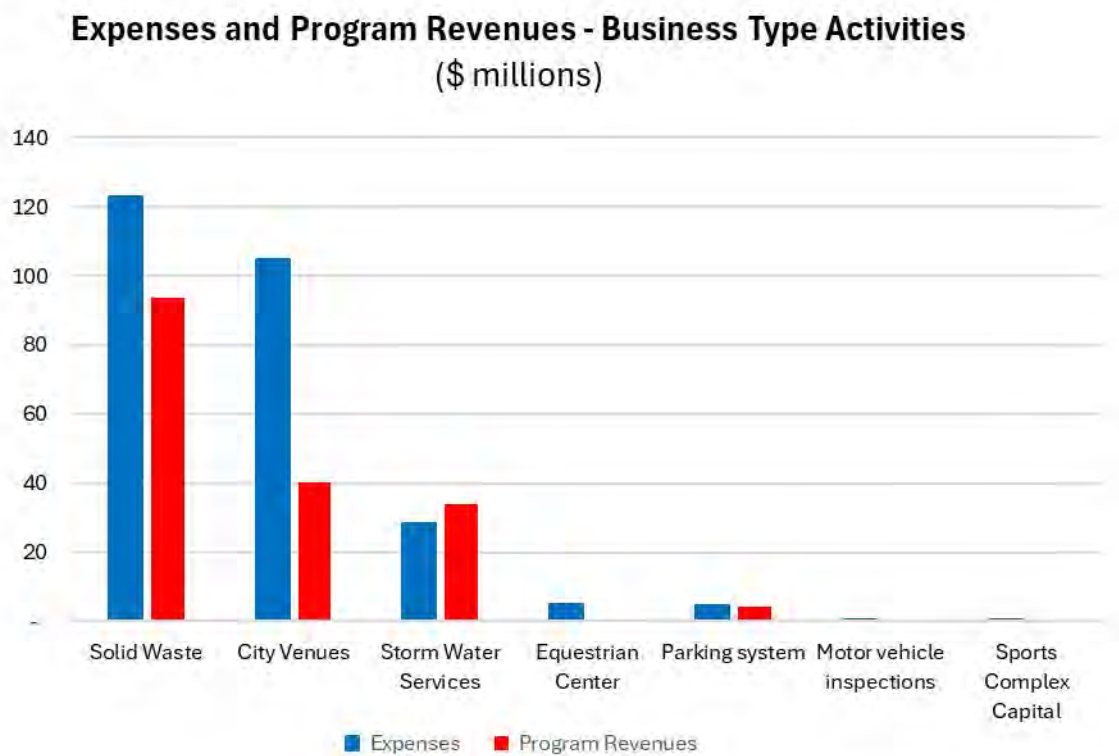
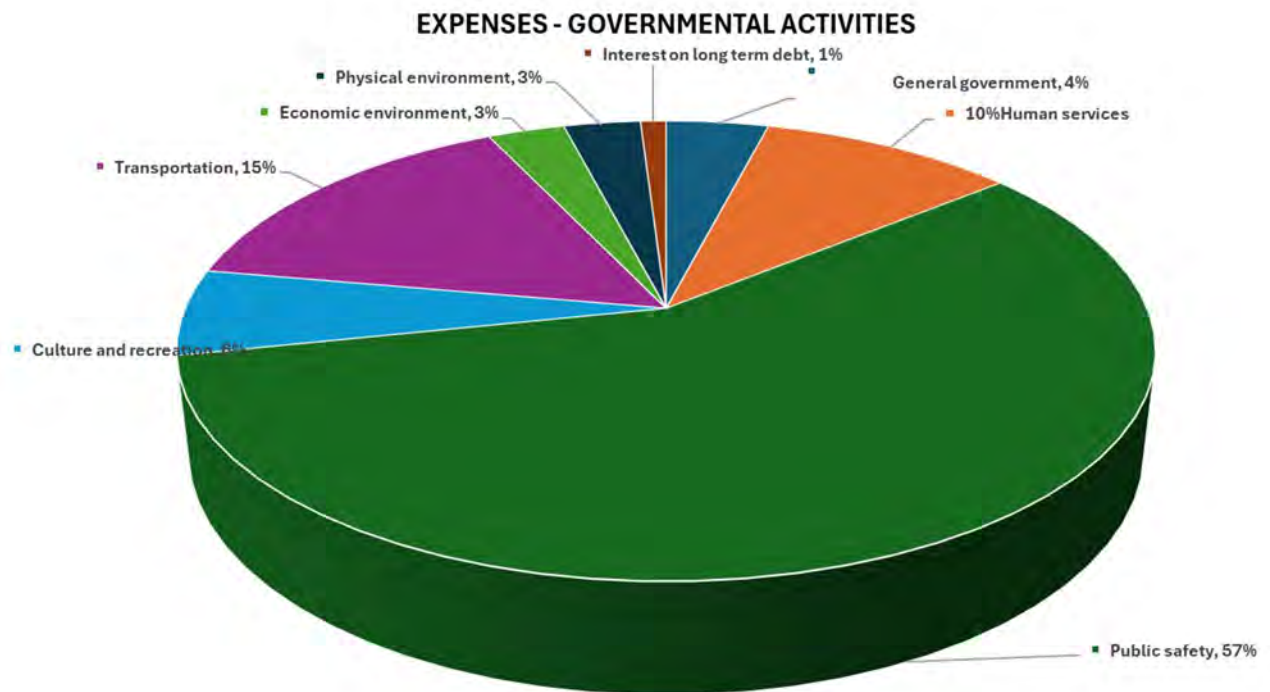
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Expenses and Program Revenues - Governmental Activities (\$ millions)



REVENUES - GOVERNMENTAL ACTIVITIES





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 \$214.1 million. The General Fund's total fund balance was \$649.9 million, with \$128.2 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 2024 operations are as follows:

General Fund:

- Property taxes account for 58.6% of the General Fund revenue and increased by \$131.0 million, a 14.4% increase over the previous fiscal year. Interest revenue increased \$27.5 million due to leases and higher market returns in fiscal year 2024. General Fund revenues had an overall increase of \$148.0 million and an overall increase in expenditures of \$132.0 million as compared to fiscal year 2023. The millage rate for the City of Jacksonville remained the same from fiscal year 2023 to 2024 at 11.3169.

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

- Bonds payable on BJP Special Bonded Debt Obligations decreased by \$49.9 million in fiscal year 2024 due to annual debt service paid. Interest and other fiscal charges decreased by \$3.7 million due to refunding/defeasance activities and lower overall 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 decreased in fiscal year 2024 by \$76.5 million or 52.5%. The City used these revenues accordingly, and expenditures decreased by \$75.9 million or 50.3%. 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 2024 General Projects Fund revenues were \$0.92 million, while the General Project Fund expenditures were \$303.1 million. The General Projects were funded by issuing \$220.5 million in long-term debt and \$24.6 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 2024.

General Fund Budgetary Highlights:

- Total General Fund revenues for fiscal year 2024 were \$1.78 billion which exceeded budget by \$50.3 million. Property tax revenues exceeded budget by \$4.7 million, utility service taxes exceeded budget by \$5.0 million, sales and tourist taxes were under the budget by \$0.48 million, and licenses, permits and fees were under the budget by \$2.6 million. Intergovernmental revenues were under the budget by \$5.9 million, and charges for services exceeded the budget by \$3.0 million. Local business tax receipts revenues exceeded budget by \$0.2 million. However, investment earnings were over the budget by \$46.7 million due to leases and better than expected market performance. Other revenues were under the budget by \$0.9 million.
- Total General Fund actual expenditures for fiscal year 2024 were \$1.5 billion which was under budget by \$243.4 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 \$976.2 million or 64.9% 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, 2024, amounts to \$3.7 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 2024 was on parking, roadway, and other transportation-related projects, various building and park improvement projects, and drainage projects. 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, 2024 and September 30, 2023

	Governmental Activities		Business Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land and easements	\$ 330,394	\$ 328,975	\$ 46,911	\$ 46,911	\$ 377,305	\$ 375,886
Buildings and improvements	898,347	876,853	742,277	741,873	1,640,624	1,618,726
Furniture and equipment	572,163	532,841	19,088	18,813	591,251	551,654
Construction and work in progress	323,158	126,008	130,235	102,355	453,393	228,363
Infrastructure	2,950,214	2,874,273	105,913	102,262	3,056,127	2,976,535
Right-to-use assets	29,648	28,904	220	220	29,868	29,124
Subscription based right-to-use assets	34,444	24,618	-	198	34,444	24,816
Other assets	47,599	47,379	-	-	47,599	47,379
Less accumulated depreciation	(2,034,951)	(1,888,866)	(483,210)	(459,872)	(2,518,161)	(2,348,738)
Total	\$ 3,151,016	\$ 2,950,985	\$ 561,434	\$ 552,760	\$ 3,712,450	\$ 3,503,745

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 2024, the City of Jacksonville had \$2.4 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, 2024 and September 30, 2023
(in Thousands)

	<u>Governmental Activities</u>		<u>Business Type Activities</u>		<u>Total</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Special Obligation Bonds	\$ 318,172	\$ 354,443	\$ -	\$ -	\$ 318,172	\$ 354,443
Special Obligation Bonds - BJP	621,086	671,036	-	-	621,086	671,036
Revenue Bonds Payable	958,394	794,190	184,301	199,339	1,142,695	993,529
Notes Payable	57,100	41,300	-	-	57,100	41,300
Notes Payable - BJP	-	1,735	-	-	-	1,735
Deferred Amounts						
Loss on Adv Ref	(5,182)	(6,060)	-	(44)	(5,182)	(6,104)
Gain on Adv Ref	31,786	31,888	9,623	12,185	41,409	44,073
Issuance premiums	203,922	200,034	10,854	12,096	214,776	212,130
Issuance discounts	(605)	(1,090)	-	-	(605)	(1,090)
Total	\$ 2,184,673	\$ 2,087,476	\$ 204,778	\$ 223,576	\$ 2,389,451	\$ 2,311,052

New indebtedness of the City of Jacksonville consists of:

Closing Date	Par Amount	Source	Primary Use
August 2024	\$ 63,285,000	BJP Infra. Sales Tax Bonds	Refunding
August 2024	265,560,000	Special Revenue Bonds	Project Funding and Refunding
September 2024	57,100,000	Commercial Paper Notes	Project Funding

During fiscal year 2024, the City issued \$385.94 million of bonds and notes and refunded or retired a combined \$308.93 million in principal amount of bonds and notes, resulting in a \$77.01 million net increase in debt outstanding (par).

On August 15, 2024, the City closed on a \$63.285 million bank loan referred to as the Better Jacksonville Sales Tax Refunding Revenue Bond, Series 2024. The 2024 loan has a true interest cost of 3.88%, an average coupon rate of 3.88% and a final maturity date of October 1, 2030. The proceeds of the 2024 loan were used to partially refund Better Jacksonville Sales Tax Refunding Revenue Bonds, Series 2022 (\$47.13 million) and Series 2023 (\$16.20 million).

On August 27, 2024, the City closed on the sale of \$265.56 million of Special Revenue and Refunding Bonds, Series 2024. The Series 2024 bonds have a true interest cost of 3.897%, an average coupon rate of 5.07% and a final maturity date of October 1, 2054. The proceeds of the Series 2024 bonds provided \$184.21 million of new money for the capital improvement program plus refunded a portion of the City's Special Revenue and Refunding Bonds, Series 2014 (\$77.31 million par defeased) and fixed out a portion of the City's outstanding commercial paper (\$41.30 million). The refunding of Series 2014 resulted in net present value savings of \$6.64 million and a decrease in aggregate debt service in the amount of \$7.27 million.

On September 26, 2024, the City closed on the sale of Commercial Paper Notes in the amount of \$57.10 million for the purposes of funding short-term projects, and interim funding for long-term projects, with an initial interest rate of 3.25%.

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 3.0% at the end of fiscal year 2024 according to U.S. Bureau of Labor Statistics.
- The population estimate of the City of Jacksonville at the end of fiscal year 2024 was 1,062,593.
- 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 2025:

- The fiscal year 2025 budget is a continuation of prudent budgeting that addresses the needs of the community while also increasing reserves, which have grown to approximately \$432.3 million unassigned and roughly \$128 million in emergency reserves through fiscal year ending September 30, 2024.
- The City is benefiting from a growing economy, expanding population base, and strong economic activity.
- The \$2.069 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 2025 five-year Capital Improvement Plan (CIP) totals approximately \$2.2 billion of authorizations for 248 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 2025 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.



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FINANCIAL SECTION:

BASIC FINANCIAL STATEMENTS

CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF NET POSITION -
SEPTEMBER 30, 2024
WITH COMPARATIVE TOTALS FOR 2023 (in thousands)

	PRIMARY GOVERNMENT				
	GOVERNMENTAL	BUSINESS-TYPE	TOTALS		COMPONENT
	ACTIVITIES	ACTIVITIES	2024	2023	UNITS
ASSETS:					
Cash and investments	\$ 1,668,389	\$ 193,418	\$ 1,861,807	\$ 1,805,513	\$ 986,267
Cash in escrow and with fiscal agents	222,209	76,233	298,442	306,510	1,866
Securities lending	46,619	-	46,619	39,105	-
Receivables, net	178,490	121,097	299,587	277,646	304,041
Internal Balances	899	(899)	-	-	-
Due from independent agencies and other governments	133,939	424	134,363	142,885	65,142
Inventories	8,535	6	8,541	6,514	205,681
Prepaid expenses and other assets	182,996	4,509	187,505	5,754	110,802
Hedging derivative instrument	-	-	-	-	53,512
Costs to be recovered from future revenues	-	-	-	-	991,923
CAPITAL ASSETS:					
Land, easements, art in public places, and construction in progress	654,829	177,145	831,974	605,390	2,433,267
Other capital assets, net of depreciation	2,496,188	384,288	2,880,476	2,898,356	5,301,674
TOTAL ASSETS	5,593,093	956,221	6,549,314	6,087,673	10,454,175
DEFERRED OUTFLOW OF RESOURCES:					
Pension related	620,236	-	620,236	1,193,342	214,054
Unamortized deferred loss on refunding and defeasance	5,182	-	5,182	6,104	67,054
Accumulated decrease in fair value of hedging instrument	-	-	-	-	64,961
Unrealized asset retirement obligation	-	-	-	-	31,501
Other post employment benefit related	146,684	-	146,684	156,023	13,876
TOTAL DEFERRED OUTFLOW OF RESOURCES	772,102	-	772,102	1,355,469	391,446
LIABILITIES:					
Accounts payable and accrued liabilities	122,269	55,800	178,069	162,165	189,088
Contracts payable	11,102	276	11,378	5,820	128,371
Due to independent agencies and other governments	139	44	183	92	2,147
Deposits	7,058	10,587	17,645	28,222	94,445
Accrued interest payable	34,142	3,045	37,187	34,544	58,867
Unearned revenue	93,834	1,195	95,029	142,345	700
Securities lending	46,619	-	46,619	39,105	-
Other current liabilities	-	-	-	-	15,283
NONCURRENT LIABILITIES:					
Fair value of debt management instrument	-	-	-	-	44,085
Due within one year	264,170	26,142	290,312	208,922	126,658
Due in more than one year:					
Net pension liability	4,096,470	-	4,096,470	4,103,875	1,007,647
Other	2,776,619	355,601	3,132,220	3,050,843	3,926,589
TOTAL LIABILITIES	7,452,422	452,690	7,905,112	7,775,933	5,593,880
DEFERRED INFLOW OF RESOURCES:					
Pension related	8,411	-	8,411	237,238	33,703
Other post employment benefit related	116,507	-	116,507	137,697	19,719
Revenue to be used for future costs	-	-	-	-	296,172
Unamortized deferred gain on refunding	31,786	9,623	41,409	44,073	-
Leases	13,172	34,239	47,411	51,040	-
Accumulated increase in fair value of hedging derivatives	-	-	-	-	53,512
TOTAL DEFERRED INFLOW OF RESOURCES	169,876	43,862	213,738	470,048	403,106
NET POSITION:					
Net investment in capital assets	1,273,973	243,859	1,517,832	1,554,623	4,234,528
Restricted for:					
Debt service	43,571	-	43,571	73,788	126,579
Housing and human services grants	59,993	-	59,993	40,546	-
Other state and federal grants	24,065	-	24,065	19,748	-
Capital projects	6,076	-	6,076	6,541	57,481
Other participant's equity	768	-	768	529	-
Permanent funds, non-expendable	1,562	-	1,562	1,393	-
Other purposes	128,813	-	128,813	115,344	67,431
Unrestricted (deficit)	(2,795,924)	215,810	(2,580,114)	(2,615,351)	362,616
TOTAL NET POSITION	\$ (1,257,103)	\$ 459,669	\$ (797,434)	\$ (802,839)	\$ 4,848,635
See accompanying notes.					

CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF ACTIVITIES -
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024
WITH COMPARATIVE TOTALS FOR 2023 (in thousands)

FUNCTIONS/PROGRAMS	Program Revenues				Net (Expenses) Revenues and Changes in Net Position				
	EXPENSES	FINES AND CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	PRIMARY GOVERNMENT		COMPONENT UNITS
							TOTALS		
							2024	2023	
PRIMARY GOVERNMENT:									
Governmental activities:									
General government	\$ 106,780	\$ 76,369	\$ 28,144	\$ 4,252	\$ 1,985		\$ 1,985	\$ 20,518	
Human services	258,940	75,832	29,893	-	(153,215)		(153,215)	(120,639)	
Public safety	1,460,293	86,224	11,979	-	(1,362,090)		(1,362,090)	(1,204,771)	
Culture and recreation	155,383	5,009	5	623	(149,746)		(149,746)	(109,212)	
Transportation	378,366	50	32,387	38,514	(307,415)		(307,415)	(234,996)	
Economic environment	80,481	6	29,573	-	(50,902)		(50,902)	(53,095)	
Physical environment	71,084	7,883	3,174	2,072	(57,955)		(57,955)	(58,854)	
Interest on long term debt	37,523	-	-	-	(37,523)		(37,523)	(40,599)	
Total governmental activities	2,548,850	251,373	135,155	45,461	(2,116,861)		(2,116,861)	(1,801,648)	
Business-type activities:									
Parking system	4,555	4,370	-	-	-	(185)	(185)	(178)	
Motor vehicle inspections	392	310	-	-	-	(82)	(82)	(46)	
Solid Waste	123,060	92,182	-	1,439	-	(29,439)	(29,439)	(25,841)	
Storm Water Services	28,398	33,784	-	-	-	5,386	5,386	11,737	
City Venues	104,877	35,680	-	4,735	-	(64,462)	(64,462)	(60,546)	
Equestrian Center	4,971	-	-	19	-	(4,952)	(4,952)	(1,364)	
Sports Complex Capital	30	-	-	-	-	(30)	(30)	(3,223)	
Total business-type activities	266,283	166,326	-	6,193	-	(93,764)	(93,764)	(79,461)	
Total primary government	\$ 2,815,133	\$ 417,699	\$ 135,155	\$ 51,654	(2,116,861)	(93,764)	(2,210,625)	(1,881,109)	
COMPONENT UNITS:									
Governmental activities	\$ 5,221	\$ -	\$ -	\$ 9,037					\$ 3,816
Business-type activities	2,418,579	2,019,663	24,500	290,606					(83,810)
Total component units	\$ 2,423,800	\$ 2,019,663	\$ 24,500	\$ 299,643					\$ (79,994)
General revenues and transfers:									
Property taxes					1,067,703	-	1,067,703	950,745	-
Utility and Communications service taxes					134,001	-	134,001	129,923	-
Sales and tourist taxes					326,436	21,184	347,620	345,217	3,000
Local business taxes					6,992	-	6,992	6,779	-
Intergovernmental - unrestricted					245,986	-	245,986	252,953	123,481
JEA Contribution					123,649	-	123,649	122,424	-
Unrestricted earnings on investments					135,727	17,784	153,511	68,854	61,140
Franchise Fees					45,607	-	45,607	47,349	-
Miscellaneous					64,316	26,645	90,961	92,219	89,093
Transfers, net					(108,285)	108,285	-	-	-
Total general revenues and transfers					2,042,132	173,898	2,216,030	2,016,463	276,714
Change in net position					(74,729)	80,134	5,405	135,353	196,720
Net position, beginning of year, as previously reported					(1,295,759)	371980	(923,779)	(949,817)	4,643,736
Restatement (Note 19)					113,385	7,555	120,940	11,625	8,179
Net position, beginning of year, as restated					(1,182,374)	379,535	(802,839)	(938,192)	4,651,915
Net position, end of year					\$ (1,257,103)	\$ 459,669	\$ (797,434)	\$ (802,839)	\$ 4,848,635

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, 2024
WITH COMPARATIVE TOTALS FOR 2023 (in thousands)

	GENERAL FUND	SPECIAL BONDED DEBT- BETTER JACKSONVILLE PLAN OBLIGATIONS	OTHER FEDERAL, STATE AND LOCAL GRANTS
ASSETS:			
Equity in pooled cash and investments	\$ 398,282	\$ 12,235	\$ 89,014
Cash in escrow and with fiscal agents	-	100,648	-
Securities lending collateral	46,619	-	-
Receivables (net, where applicable, of allowances for uncollectibles):			
Accounts	15,793	-	1,356
Loans	7	-	-
Other	448	-	-
Due from other funds	32,022	-	-
Due from independent agencies and other governments	65,738	-	5,018
Inventories	7,551	-	-
Prepaid items and other assets	178,086	-	-
TOTAL ASSETS	744,546	112,883	95,388
LIABILITIES:			
Accounts payable and accrued liabilities	34,587	27	5,696
Contracts payable	-	-	175
Due to other funds	-	-	-
Due to independent agencies and other governments	139	-	-
Bonds payable	-	60,963	-
Interest payable	-	10,295	-
Deposits	2,551	-	-
Unearned revenue	6,647	-	80,873
Securities lending obligations	46,619	-	-
TOTAL LIABILITIES	90,543	71,285	86,744
DEFERRED INFLOW OF RESOURCES			
Leases	818	-	-
Unavailable revenue	3,289	-	-
TOTAL DEFERRED INFLOW OF RESOURCES	4,107	-	-
FUND BALANCES:			
Non Spendable			
Non Spendable	185,637	-	-
Spendable:			
Restricted	3,690	41,598	8,644
Committed	220,208	-	-
Assigned	26,291	-	-
Unassigned	214,070	-	-
TOTAL FUND BALANCES (Deficit)	649,896	41,598	8,644
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES	\$ 744,546	\$ 112,883	\$ 95,388

See accompanying notes.

BETTER JACKSONVILLE PLAN TRUST	GENERAL PROJECTS	NON MAJOR GOVERNMENTAL FUNDS	TOTALS	
			2024	2023
\$ 242,706	\$ 24,499	\$ 529,847	\$ 1,296,583	\$ 1,314,935
-	-	41,045	141,693	193,077
-	-	-	46,619	39,105
-	8	19,464	36,621	37,353
-	-	4,908	4,915	4,908
-	-	12,251	12,699	11,782
-	-	-	32,022	104,056
22,094	-	32,765	125,615	132,384
-	-	-	7,551	5,300
-	-	16	178,102	52
264,800	24,507	640,296	1,882,420	1,842,952
-	34,470	28,216	102,996	102,581
-	10,795	132	11,102	5,701
-	-	25,198	25,198	77,523
-	-	-	139	48
-	-	22,630	83,593	78,411
-	-	6,084	16,379	18,391
-	5	4,489	7,045	7,202
-	-	1,420	88,940	136,928
-	-	-	46,619	39,105
-	45,270	88,169	382,011	465,890
-	-	11,234	12,052	11,175
-	-	-	3,289	3,000
-	-	11,234	15,341	14,175
-	-	1,578	187,215	6,745
-	-	-	-	-
-	-	208,586	262,518	255,609
264,800	-	355,335	840,343	735,751
-	-	-	26,291	21,733
-	(20,763)	(24,606)	168,701	343,049
264,800	(20,763)	540,893	1,485,068	1,362,887
\$ 264,800	\$ 24,507	\$ 640,296	\$ 1,882,420	\$ 1,842,952



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City of Jacksonville, Florida
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
September 30, 2024
(in thousands)

Total fund balances - governmental funds	\$	1,485,068
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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		3,151,017
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Long term liabilities - liabilities are not due and payable in the current period and are not reported in the funds:

Bonds and notes payable	\$ (1,954,752)		
Unamortized bond discounts	605		
Unamortized bond premium	(203,923)		
Unamortized loss on refunding of debt	5,182		
Unamortized gain on refunding of debt	(31,786)		
Total bonds and notes payable			(2,184,674)

Net pension liability	(4,096,470)		
Pension related deferred inflow of resources	(230,236)		
Pension related deferred outflow of resources	842,061		
Pension receivable	3,197		
			(3,481,448)

* 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	83,593		
Compensated absences	(152,288)		
Interest payable, net of amounts at the fund level	(72)		
Estimated liability for self insured losses	(163,713)		
Other post employment benefits (OPEB) liability	(397,903)		
OPEB related deferred inflow of resources	(116,507)		
OPEB related deferred outflow of resources	146,684		
Leases payable	(21,431)		
Leased assets deferred inflow of resources, net of amounts at the fund level	(1,119)		
Software subscriptions payable	(17,684)		
Accrued liability for pollution remediation	(129,700)		
Amounts earned but not available	3,289		
Total			(766,851)

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.

		539,785
Net position of governmental activities	\$	(1,257,103)

* 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, 2024
WITH COMPARATIVE TOTALS FOR 2023 (in thousands)

	GENERAL FUND	SPECIAL BONDED DEBT BETTER JACKSONVILLE PLAN OBLIGATIONS	OTHER FEDERAL, STATE AND LOCAL GRANTS
REVENUES:			
Property taxes	\$ 1,040,678	\$ -	\$ -
Utility and Communications service taxes	134,001	-	-
Sales and tourist taxes	1,278	-	-
Local business taxes	6,992	-	-
Licenses, permits, and fees	46,060	-	-
Intergovernmental	245,986	18,803	68,705
Charges for services	91,035	-	311
Fines and forfeitures	2,285	-	-
JEA Contribution	123,649	-	-
Investment earnings	63,121	3,469	166
Other	20,705	-	175
Total Revenues	1,775,790	22,272	69,357
EXPENDITURES:			
Current:			
General government	216,661	-	12,231
Human services	84,375	-	30,069
Public safety	984,031	-	7,542
Culture and recreation	85,408	-	706
Transportation	36,912	-	194
Economic environment	26,972	-	2,281
Physical environment	38,283	-	1,000
Capital outlay	11,125	-	20,933
Debt Service:			
Principal	1,950	60,963	60
Interest	18,333	21,580	19
Other	3	383	-
Total Expenditures	1,504,053	82,926	75,035
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	271,737	(60,654)	(5,678)
OTHER FINANCING SOURCES (USES):			
Long term debt issued	5,979	-	-
Lease issuance	106	-	-
Software subscription issuance	133	-	-
Refunding bond issued	-	36,194	-
Premium on bonds payable	-	-	-
Payment to escrow agent - refunded debt	-	(36,098)	-
Transfers In	33,369	29,553	5,354
Transfers Out	(242,907)	-	-
Total Other Financing Sources (Uses)	(203,320)	29,649	5,354
NET CHANGE IN FUND BALANCES	68,417	(31,005)	(324)
FUND BALANCE, BEGINNING OF THE YEAR, AS PREVIOUSLY REPORTED	567,153	72,603	8,296
Restatement (Note 19)	14,326	-	672
FUND BALANCE, BEGINNING OF THE YEAR, AS RESTATED	581,479	72,603	8,968
FUND BALANCES (DEFICIT), END OF YEAR	\$ 649,896	\$ 41,598	\$ 8,644

See accompanying notes.

BETTER JACKSONVILLE PLAN TRUST	GENERAL PROJECTS	NON MAJOR GOVERNMENTAL FUNDS	TOTALS	
			2024	2023
\$ -	\$ -	\$ 27,026	\$ 1,067,704	\$ 950,745
-	-	-	134,001	129,923
126,940	-	198,218	326,436	322,847
-	-	-	6,992	6,779
-	-	107,697	153,757	127,723
-	-	89,026	422,520	549,724
-	808	47,012	139,166	142,676
-	-	1,770	4,055	5,584
-	-	-	123,649	122,424
10,500	-	21,079	98,335	53,771
-	107	29,604	50,591	61,506
137,440	915	521,432	2,527,206	2,473,702
-	1,295	31,784	261,971	268,612
-	-	144,194	258,638	192,855
-	-	32,260	1,023,833	955,268
-	58	11,168	97,340	91,364
-	3	191,846	228,955	225,626
-	-	41,391	70,644	87,519
-	84	11,143	50,510	48,642
-	301,623	54,848	388,529	361,616
-	-	27,195	90,168	84,130
-	-	15,125	55,057	51,008
-	-	147	533	445
-	303,063	561,101	2,526,178	2,367,085
137,440	(302,148)	(39,669)	1,028	106,617
-	220,588	-	226,567	219,168
-	-	-	106	-
-	-	-	133	847
-	-	37,948	74,142	79,449
-	-	4,097	4,097	3,747
-	-	(42,313)	(78,411)	(133,359)
-	24,622	113,118	206,016	211,368
(62,142)	(200)	(6,248)	(311,497)	(261,694)
(62,142)	245,010	106,602	121,153	119,526
75,298	(57,138)	66,933	122,181	226,143
189,502	36,375	474,139	1,348,068	1,130,526
-	-	(179)	14,819	6,218
189,502	36,375	473,960	1,362,887	1,136,744
\$ 264,800	\$ (20,763)	\$ 540,893	\$ 1,485,068	\$ 1,362,887

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, 2024
(in thousands)

Net change in fund balances - total governmental funds: \$ 122,181

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	309,360	
Current year depreciation	(125,963)	
		183,397

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 discounts	(484)	
Amortization of bond premium	13,600	
Amortization - gain on refunding	3,182	
Amortization - loss on refunding	(878)	
		15,420

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.

Long-term debt issued	(240,203)	
Leases issued	(3,305)	
Software subscription principal issued	(1,752)	
Long-term debt retired	333,340	
Lease principal retired	4,466	
Software subscription principal retired	2,811	
		95,357

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:

Increase in compensated absences payable	(7,376)	
Increase in other post employment benefits	(42,108)	
Change in deferred outflow and inflow of resources related to OPEB	11,852	
Increase in accrual for pollution remediation	(18,282)	
Net effect of internal loans	(173,617)	
Amounts earned but not available for revenue recognition at the fund level	288	
Decrease in net pension liability	7,405	
Change in deferred outflow and inflow of resources related to pension	(344,280)	

(455,341)

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)	31,738	
Investment revenue (loss)	38,860	
Interest expense	(1,074)	
Other non-operating revenue	4,243	
Capital Contributions	4,079	
Net transfers	(2,812)	
		75,034

Change in Net Position - Governmental Activities		\$ (74,729)
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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, 2024
WITH COMPARATIVE TOTALS FOR 2023 (in thousands)

	BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS							GOVERNMENTAL
	SOLID		STORM			TOTALS		ACTIVITIES
	WASTE	CITY	WATER	NON MAJOR				INTERNAL
	DISPOSAL	VENUES	SERVICES	ENTERPRISE		2024	2023	SERVICE
								FUNDS
ASSETS								
CURRENT ASSETS:								
Equity in pooled cash and investment	\$ 55,617	\$ 46,235	\$ 78,316	\$ 13,250	\$ 193,418	\$ 167,567	\$ 371,806	
Cash in escrow and with fiscal agents	-	66,525	-	9	66,534	33,997	80,516	
Receivables (net, where applicable, of allowances for uncollectibles):								
Accounts	36,760	21,533	23,971	35	82,299	72,273	770	
Loans	-	-	-	-	-	-	57,602	
Other	2	38,494	-	302	38,798	42,496	1,761	
Due from independent agencies and other governments	244	167	-	13	424	205	2,400	
Inventories	-	-	-	6	6	7	984	
Prepaid expenses and other assets	-	4,509	-	-	4,509	1,050	4,894	
Total Current Assets	92,623	177,463	102,287	13,615	385,988	317,595	520,733	
NONCURRENT ASSETS:								
Sinking fund cash and investments	9,699	-	-	-	9,699	8,548	-	
Loans receivable	-	-	-	-	-	-	1,021,810	
Other receivables	-	-	-	-	-	-	6,774	
CAPITAL ASSETS:								
Land, easements and work in progress	62,216	58,724	47,192	9,013	177,145	149,264	30,932	
Other capital assets, net of depreciation	4,887	322,276	49,777	7,348	384,288	403,494	141,403	
Total Noncurrent Assets	76,802	381,000	96,969	16,361	571,132	561,306	1,200,919	
TOTAL ASSETS	169,425	558,463	199,256	29,976	957,120	878,901	1,721,652	
DEFERRED OUTFLOW OF RESOURCES:								
Unamortized deferred loss on refunding	-	-	-	-	-	44	-	

CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
SEPTEMBER 30, 2024
WITH COMPARATIVE TOTALS FOR 2023 (in thousands)

	BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS						GOVERNMENTAL
	SOLID WASTE DISPOSAL	CITY VENUES	STORM WATER SERVICES	NON MAJOR ENTERPRISE	TOTALS		INTERNAL SERVICE FUNDS
					2024	2023	
LIABILITIES							
CURRENT LIABILITIES:							
Accounts payable and accrued liabilities	12,290	41,550	1,804	200	55,844	36,834	19,278
Contracts payable	236	-	40	-	276	119	-
Due to other funds	899	-	-	-	899	1	-
Deposits	272	10,215	84	16	10,587	21,006	14
Accrued interest payable	-	3,039	-	6	3,045	2,970	17,691
Estimated liability for self insured losses, current	-	-	-	-	-	-	35,803
Unearned revenues	-	1,195	-	-	1,195	765	4,894
Accrued compensated absences current portion	716	-	106	70	892	797	1,765
Current portion of lease payable	-	-	-	18	18	-	127
Current portion of Software subscriptions payable	-	-	-	-	-	-	3,522
Current portion of loans payable	2,577	1,000	539	-	4,116	3,589	5,799
Current portion of bonds payable	-	21,097	-	19	21,116	14,794	34,735
Total Current Liabilities	16,990	78,096	2,573	329	97,988	80,875	123,628
NONCURRENT LIABILITIES:							
Estimated liability for self-insured losses	-	-	-	-	-	-	127,910
Liability for landfill closure and post-closure care	71,229	-	-	-	71,229	67,178	-
Accrued compensated absences	1,670	-	247	164	2,081	1,862	4,117
Leases payable	-	-	-	134	134	177	1,383
Software subscriptions payable	-	-	-	-	-	99	13,189
Loans payable	63,611	40,111	4,394	-	108,116	101,474	76,267
Bonds payable	-	172,501	-	1,540	174,041	196,640	1,064,980
Total Noncurrent Liabilities	136,510	212,612	4,641	1,838	355,601	367,430	1,287,846
TOTAL LIABILITIES	153,500	290,708	7,214	2,167	453,589	448,305	1,411,474
DEFERRED INFLOW OF RESOURCES:							
Leases	-	33,944	-	295	34,239	38,920	1,119
Unamortized deferred gain on refunding	-	9,532	-	91	9,623	12,185	10,162
Total Deferred Inflow of Resources	-	43,476	-	386	43,862	51,105	11,281
NET POSITION:							
Net investment in capital assets	1,823	136,287	91,127	14,622	243,859	222,860	131,962
Restricted - other participants equity	-	-	-	-	-	-	768
Unrestricted (deficit)	14,102	87,992	100,915	12,801	215,810	156,675	166,167
TOTAL NET POSITION (DEFICIT)	\$ 15,925	\$ 224,279	\$ 192,042	\$ 27,423	\$ 459,669	\$ 379,535	\$ 298,897

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, 2024
WITH COMPARATIVE TOTALS FOR 2023 (in thousands)

	BUSINESS TYPE ACTIVITIES - ENTERPRISE FUNDS						GOVERNMENTAL
	SOLID WASTE DISPOSAL	CITY VENUES	STORM WATER SERVICES	NONMAJOR ENTERPRISE	TOTALS		INTERNAL SERVICE FUNDS
					2024	2023	
OPERATING REVENUE:							
Sales and tourist taxes	\$ -	\$ 11,737	\$ -	\$ 9,447	\$ 21,184	\$ 22,370	\$ -
Charges for services	92,182	35,680	33,784	4,680	166,326	160,027	387,444
Charges for services for independent authorities	-	-	-	-	-	-	8,872
Other	9	21,321	-	62	21,392	19,387	1,106
Total Operating Revenue	92,191	68,738	33,784	14,189	208,902	201,784	397,422
OPERATING EXPENSES:							
Personal services	10,747	9,873	8,377	2,307	31,304	29,491	41,365
Supplies and materials	2,067	703	4,443	45	7,258	1,213	24,780
Central service	6,181	592	4,200	939	11,912	10,456	27,668
Interdepartmental charges	350	6,097	57	464	6,968	4,452	-
Other services and charges	100,980	62,120	6,619	1,485	171,204	160,965	97,347
Depreciation and amortization	796	17,919	4,657	1,080	24,452	24,830	31,821
Court reporter services	-	-	-	-	-	-	33
Claims and losses	-	-	-	-	-	-	34,227
Insurance premiums and participant dividends	-	-	-	-	-	-	108,443
Total Operating Expenses	121,121	97,304	28,353	6,320	253,098	231,407	365,684
OPERATING (LOSS) INCOME	(28,930)	(28,566)	5,431	7,869	(44,196)	(29,623)	31,738
NON-OPERATING REVENUE (EXPENSES):							
Investment earnings (loss)	6,829	4,573	5,604	778	17,784	3,892	38,860
Interest expense	(1,939)	(7,573)	(45)	(84)	(9,641)	(10,439)	(1,074)
Other	1,699	3,671	(117)	(3,544)	1,709	7,296	4,243
Total Non-Operating Revenue (Expenses)	6,589	671	5,442	(2,850)	9,852	749	42,029
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(22,341)	(27,895)	10,873	5,019	(34,344)	(28,874)	73,767
CAPITAL CONTRIBUTIONS	1,439	4,735	-	19	6,193	-	4,079
TRANSFERS:							
Transfers In	53,400	86,241	-	1,283	140,924	76,732	3,148
Transfers Out	(27,144)	(61)	-	(5,434)	(32,639)	(20,995)	(5,960)
Net Transfers	26,256	86,180	-	(4,151)	108,285	55,737	(2,812)
CHANGES IN NET POSITION	5,354	63,020	10,873	887	80,134	26,863	75,034
NET POSITION, BEGINNING OF THE YEAR, AS PREVIOUSLY REPORTED	4,627	160,546	177,130	29,677	371,980	348,537	225,783
Restatement (Note 19)	5,944	713	4,039	(3,141)	7,555	4,135	(1,920)
NET POSITION, BEGINNING OF THE YEAR, AS RESTATED	10,571	161,259	181,169	26,536	379,535	352,672	223,863
NET POSITION, END OF YEAR	\$ 15,925	\$ 224,279	\$ 192,042	\$ 27,423	\$ 459,669	\$ 379,535	\$ 298,897

See accompanying notes.

CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024
WITH COMPARATIVE TOTALS FOR 2023 (in thousands)

	BUSINESS TYPE ACTIVITIES	
	ENTERPRISE FUNDS	
	SOLID	CITY
	WASTE	VENUES
	DISPOSAL	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers	\$ 93,086	\$ 29,779
Receipts from interfund services provided	-	-
Payments to suppliers	(102,581)	(50,123)
Payments to employees	(10,475)	(9,873)
Internal activity-payments to other funds	(350)	(6,097)
Other cash receipts	9	21,321
Other operating cash payments	-	-
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(20,311)	(14,993)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers from other funds	53,400	86,241
Transfers to other funds	(27,144)	(61)
Cash received (used) from net non-operating revenue (expenses)	1,697	4,135
Cash received (paid) to other funds	899	-
NET CASH PROVIDED BY (USED IN) NONCAPITAL FINANCING ACTIVITIES	28,852	90,315
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:		
Acquisition and construction of capital assets	(12,599)	(14,206)
Proceeds from sale of capital assets	-	116
Cash with fiscal agent	(1,151)	(32,687)
Capital Contributions	1,439	4,735
Decrease (increase) in other financing costs and charges	-	(7,302)
Proceeds from bonds payable	-	1,182,313
Payments on bonds payable	-	(1,198,199)
Proceeds from loans payable	11,097	127,733
Payments on loans payable	(2,594)	(128,633)
Proceeds from notes payable	-	-
Payments on notes payable	-	-
Interest paid on debts	(1,939)	(7,460)
NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES	(5,747)	(73,590)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest and dividends on investments	6,829	4,573
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	6,829	4,573
NET INCREASE (DECREASE) IN CASH AND INVESTMENTS	9,623	6,305
Equity in pooled cash and investments at October 1, 2023	45,994	39,930
Equity in pooled cash and investments at September 30, 2024	\$ 55,617	\$ 46,235

See accompanying notes.

BUSINESS TYPE ACTIVITIES ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES	
STORM WATER SERVICES	NON MAJOR ENTERPRISE	TOTALS		INTERNAL SERVICE FUNDS	
		2024	2023		
\$ 33,916	\$ 14,194	\$ 170,975	\$ 195,464	\$ 8,872	
-	-	-	-	386,834	
(14,586)	(3,448)	(170,738)	(170,485)	(247,231)	
(8,348)	(2,294)	(30,990)	(28,654)	(40,653)	
(57)	(464)	(6,968)	(4,453)	-	
-	62	21,392	19,386	1,106	
-	-	-	-	(216,578)	
10,925	8,050	(16,329)	11,258	(107,650)	
-	1,283	140,924	76,732	3,148	
-	(5,434)	(32,639)	(20,995)	(5,960)	
(98)	(3,458)	2,276	4,940	4,797	
-	(1)	898	1	(18,163)	
(98)	(7,610)	111,459	60,678	(16,178)	
(6,051)	(961)	(33,817)	(26,696)	(60,128)	
6	-	122	-	333	
-	150	(33,688)	(21,705)	(9,629)	
-	19	6,193	-	4,079	
-	103	(7,199)	(6,176)	3,253	
-	44	1,182,357	-	308,006	
-	(436)	(1,198,635)	(3,031)	(126,312)	
10,218	-	149,048	22,457	21,597	
(10,651)	-	(141,878)	(2,676)	(26,745)	
-	-	-	-	98,400	
-	-	-	-	(82,600)	
(47)	(120)	(9,566)	(8,961)	3,509	
(6,525)	(1,201)	(87,063)	(46,788)	133,763	
5,604	778	17,784	3,892	38,860	
5,604	778	17,784	3,892	38,860	
9,906	17	25,851	29,040	48,795	
68,410	13,233	167,567	138,527	323,011	
\$ 78,316	\$ 13,250	\$ 193,418	\$ 167,567	\$ 371,806	

CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024
WITH COMPARATIVE TOTALS FOR 2023 (in thousands)

	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)	\$ (28,930)	\$ (28,566)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	796	17,919
(Increase) decrease in assets:		
Receivables and other current assets, net	1,121	(11,324)
Due from independent agencies and other governments	(208)	-
Inventories	-	-
Other receivables	-	3,666
Loan receivables	-	-
Prepaid expenses and other assets	-	(3,459)
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	2,464	16,751
Estimated liability for self-insured losses	-	-
Contracts payable	132	-
Software subscriptions payable	-	-
Leases payable	-	-
Deposits	(9)	(10,410)
Unearned revenue	-	430
Liability for landfill closure and postclosure care	4,051	-
Accrued compensated absences	272	-
TOTAL ADJUSTMENTS	8,619	13,573
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	\$ (20,311)	\$ (14,993)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:		
Change in the fair value of investments.	\$ (9,623)	\$ (6,305)

See accompanying notes.

BUSINESS TYPE ACTIVITIES ENTERPRISE FUNDS				GOVERNMENTAL ACTIVITIES	
STORM WATER SERVICES	NON MAJOR ENTERPRISE	TOTALS		INTERNAL SERVICE FUNDS	
		2024	2023		
\$ 5,431	\$ 7,869	\$ (44,196)	\$ (29,623)	\$ 31,738	
4,657	1,080	24,452	24,830	31,821	
132	46	(10,025)	1,455	(1,023)	
-	(11)	(219)	240	(474)	
-	1	1	1	223	
-	32	3,698	3,600	645	
-	-	-	-	(185,153)	
-	-	(3,459)	150	(242)	
750	(955)	19,010	(24,043)	7,674	
-	-	-	-	2,835	
25	-	157	118	-	
(99)	-	(99)	99	3,488	
-	(25)	(25)	(16)	(136)	
-	-	(10,419)	7,738	-	
-	-	430	33	242	
-	-	4,051	25,839	-	
29	13	314	837	712	
5,494	181	27,867	40,881	(139,388)	
\$ 10,925	\$ 8,050	\$ (16,329)	\$ 11,258	\$ (107,650)	
\$ (9,906)	\$ (17)	\$ (25,851)	\$ (29,039)	\$ (48,795)	



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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, 2024
WITH COMPARATIVE TOTALS FOR 2023 (in thousands)

	PENSION TRUST FUNDS		PRIVATE PURPOSE TRUST FUNDS		CUSTODIAL FUNDS	
	2024	2023	2024	2023	2024	2023
ASSETS						
Equity in pooled cash and investments	\$ 5,465	\$ 21,701	\$ 12	\$ 8	\$ 149	\$ 187
Cash in escrow and with fiscal agents	-	-	280	269	67,485	63,780
Receivables (net, where applicable, of allowances for uncollectibles):						
Interest and dividends	3,079	4,302	-	-	-	-
Accounts	81	81	-	-	2,768	3,022
Other	196	389	-	-	6	7
Due from independent agencies and other governments	2,852	1,901	-	-	-	-
Prepaid assets	82	82	-	-	-	-
Investments, at fair value:						
Bonds	1,051,794	860,631	-	-	-	-
Short-term investments	69,272	86,580	-	-	-	-
Domestic stocks	1,896,743	1,462,309	-	-	-	-
International stocks	1,233,036	1,030,751	-	-	-	-
Real estate	698,146	742,519	-	-	-	-
Alternative investments	336,240	256,921	-	-	-	-
Equity in pooled investments	374,731	245,800	-	-	-	-
Total investments	5,659,962	4,685,511	-	-	-	-
Capital assets:						
Other capital assets, net of depreciation	-	16	-	-	-	-
Total capital assets, net	-	16	-	-	-	-
Securities lending collateral	100,461	82,110	-	-	-	-
TOTAL ASSETS	5,772,178	4,796,093	292	277	70,408	66,996
DEFERRED OUTFLOW OF RESOURCES:						
Net differences between expected and actual investments earnings	619	861	-	-	-	-
LIABILITIES						
Obligations under securities lending agreement	100,461	82,110	-	-	-	-
Accounts payable and accrued liabilities	4,612	2,887	-	-	-	134
Advance payments	178,068	-	-	-	-	-
Due to other funds	5,922	2,708	3	20	-	-
Due to independent agencies and other governments	-	-	-	-	608	8,035
Due to individuals	-	-	-	-	7,431	692
Deposits held in escrow	-	-	-	-	21,733	19,218
Accrued compensated absences	241	167	-	-	-	-
Terminal leave - group care	8	8	-	-	-	-
Net pension liability - SSVRP	1,246	1,303	-	-	-	-
TOTAL LIABILITIES	290,558	89,183	3	20	29,772	28,079
DEFERRED INFLOW OF RESOURCES:						
Leases	151	332	-	-	-	-
Net differences between expected and actual investments earnings	456	400	-	-	-	-
TOTAL DEFERRED INFLOW OF RESOURCES	607	732	-	-	-	-
NET POSITION						
Restricted for pensions and other purposes	\$ 5,481,632	\$ 4,707,039	\$ 289	\$ 257	\$ 40,636	\$ 38,917

See accompanying notes.

CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024
WITH COMPARATIVE TOTALS FOR 2023 (in thousands)

	PENSION TRUST FUNDS		PRIVATE PURPOSE TRUST FUNDS		CUSTODIAL FUNDS	
	2024	2023	2024	2023	2024	2023
<u>ADDITIONS</u>						
Contributions:						
Employer	\$ 343,213	\$ 299,888	\$ -	\$ -	\$ -	\$ -
Plan member	73,482	70,304	-	-	-	-
Total Contributions	416,695	370,192	-	-	-	-
Other additions:						
State insurance contributions	21,426	18,423	-	-	-	-
Court fines and penalties	673	585	-	-	-	-
Miscellaneous	290	132	-	-	-	-
Collections due to individuals					118,023	136,682
Collections deposits held in escrow					6,949	6,635
Collections due to other governments					3,604,452	3,391,783
Plan transfers in (out)	12,528	10,804	-	-	-	-
Total other additions	34,917	29,944	-	-	3,729,424	3,535,100
Investment income:						
Net change in fair value of investments	884,290	537,051	30	-	-	-
Interest and other miscellaneous	2,747	15,032	7	-	-	-
Dividends	49,295	44,852	-	-	-	-
Rebate of commissions	93	45	-	-	-	-
Rental Income	620	640	-	-	-	-
Total investment income (loss)	937,045	597,620	37	-	-	-
Less investment expense	(36,781)	(30,253)	-	-	-	-
Less rental expense	(258)	(258)	-	-	-	-
Net investment income (loss)	900,006	567,109	37	-	-	-
Securities Lending Activities:						
Securities lending	1,031	236	-	-	-	-
Agent fees	(2)	(8)	-	-	-	-
Total securities lending activities	1,029	228	-	-	-	-
TOTAL ADDITIONS	1,352,647	967,473	37	-	3,729,424	3,535,100
<u>DEDUCTIONS</u>						
Benefit payments	441,283	426,239	-	-	-	-
DROP benefits	41,474	41,261	-	-	-	-
Refund of contributions	56,549	37,539	-	-	-	-
Administrative expenses	4,468	3,760	-	-	-	-
Miscellaneous expenses	34,280	68	5	8	-	-
Payments due to individuals					116,678	137,881
Payments deposits held in escrow					9,234	10,388
Payments due to other governments					3,601,793	3,391,623
Payments miscellaneous					-	-
TOTAL DEDUCTIONS	578,054	508,867	5	8	3,727,705	3,539,892
CHANGES IN NET POSITION	774,593	458,606	32	(8)	1,719	(4,792)
NET POSITION, BEGINNING OF THE YEAR	4,707,039	4,248,433	257	265	38,917	43,709
NET POSITION, END OF YEAR	\$ 5,481,632	\$ 4,707,039	\$ 289	\$ 257	\$ 40,636	\$ 38,917

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, 2024

	MAJOR COMPONENT UNITS		
	JEA	JACKSONVILLE TRANSPORTATION AUTHORITY	JACKSONVILLE PORT AUTHORITY
ASSETS:			
Cash and cash equivalents	\$ 436,242	\$ 66,268	\$ 102,533
Cash in escrow with fiscal agent	-	-	-
Investments	305,295	63,957	-
Accounts and interest receivable	248,996	1,742	6,815
Loans receivable	-	-	-
Other receivables	-	2,371	26,257
Due from other governmental agencies	-	65,142	-
Inventories	199,636	3,487	2,558
Other assets	98,283	12,519	-
Hedging derivative instruments	53,512	-	-
Costs to be recovered from future revenues	991,923	-	-
Capital assets:			
Land, easements, and construction in progress	1,464,320	427,637	541,310
Buildings and improvements	-	189,384	786,387
Vehicles	-	179,232	-
Equipment	-	128,901	151,148
Utility plant in service	13,561,203	-	-
Right-to-use asset - subscriptions	-	950	-
Less: accumulated depreciation	(8,795,288)	(345,064)	(555,179)
Total capital assets, net of depreciation	6,230,235	581,040	923,666
TOTAL ASSETS	8,564,122	796,526	1,061,829
DEFERRED OUTFLOW OF RESOURCES:			
Pension related	192,172	17,791	4,091
Unamortized deferred loss on refunding and defeasance	62,266	-	4,788
Accumulated decrease in fair value of hedging instrument	64,783	178	-
Unrealized asset retirement obligation	31,501	-	-
Other post employment benefit related	13,746	130	-
TOTAL DEFERRED OUTFLOW OF RESOURCES	364,468	18,099	8,879
LIABILITIES:			
Accounts payable and accrued liabilities	146,704	37,863	4,521
Contracts payable	117,524	-	10,847
Due to independent agencies and other governments	-	2,147	-
Deposits	94,245	-	-
Interest payable	55,501	828	2,538
Unearned revenue	-	-	700
Other current liabilities	9,800	-	5,481
Noncurrent liabilities:			
Fair market value of debt management instrument	44,085	-	-
Due within one year:			
Estimated liability for claims payable	-	2,451	-
Subscriptions payable	-	241	-
Compensated absences	-	943	-
Bonds, notes payable	106,305	7,798	8,920
Due in more than one year:			
Net pension liability	965,649	24,474	17,524
Estimated liability for claims payable	-	4,554	-
Bonds, notes payable, and commercial paper	3,122,328	115,454	188,102
Lease liability	87,300	-	-
Compensated absences	44,980	1,898	-
Custodial projects - due to other governments	-	220,936	-
Unearned revenue noncurrent	-	-	19,013
Asset retirement obligation	28,684	-	-
Other noncurrent liabilities	60,417	473	32,433
TOTAL LIABILITIES	4,883,522	420,060	290,079
DEFERRED INFLOW OF RESOURCES:			
Pension related	22,754	8,572	2,377
Other post employment benefit related	19,712	7	-
Revenue to be used for future costs	293,983	2,189	-
Accumulated increase in fair value of hedging derivatives	53,512	-	-
TOTAL DEFERRED INFLOW OF RESOURCES	389,961	10,768	2,377
NET POSITION:			
Net investment in capital assets	3,153,611	355,135	725,782
Restricted for:			
Debt service	106,624	-	19,955
Capital projects	57,481	-	-
Other purposes	1,232	55,973	3,406
Unrestricted	336,159	(27,311)	29,109
TOTAL NET POSITION	\$ 3,655,107	\$ 383,797	\$ 778,252

See accompanying notes.

NON MAJOR COMPONENT UNIT			
JACKSONVILLE HOUSING FINANCE AUTHORITY		TOTAL	
\$	11,972	\$	617,015
	1,866		1,866
	-		369,252
	-		257,553
	17,193		17,193
	667		29,295
	-		65,142
	-		205,681
	-		110,802
	-		53,512
	-		991,923
	-		2,433,267
	-		975,771
	-		179,232
	-		280,049
	-		13,561,203
	-		950
	-		(9,695,531)
	-		7,734,941
	31,698		10,454,175
	-		214,054
	-		67,054
	-		64,961
	-		31,501
	-		13,876
	-		391,446
	-		189,088
	-		128,371
	-		2,147
	200		94,445
	-		58,867
	-		700
	2		15,283
	-		44,085
	-		2,451
	-		241
	-		943
	-		123,023
	-		1,007,647
	-		4,554
	-		3,425,884
	-		87,300
	-		46,878
	-		220,936
	-		19,013
	-		28,684
	17		93,340
	219		5,593,880
	-		33,703
	-		19,719
	-		296,172
	-		53,512
	-		403,106
	-		4,234,528
	-		126,579
	-		57,481
	6,820		67,431
	24,659		362,616
\$	31,479	\$	4,848,635

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF ACTIVITIES -
COMPONENT UNITS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		
		FINES AND CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS
Governmental activities:				
Jacksonville Transportation Authority	\$ 5,221	\$ -	\$ -	\$ 9,037
Total governmental activities	5,221	-	-	9,037
Business-type activities:				
JEA	2,154,541	1,931,295	-	219,666
Jacksonville Transportation Authority	175,115	18,344	24,500	22,409
Jacksonville Port Authority	88,217	70,024	-	48,531
Jacksonville Housing Finance Authority	706	-	-	-
Total business-type activities	2,418,579	2,019,663	24,500	290,606
Total component units	\$ 2,423,800	\$ 2,019,663	\$ 24,500	\$ 299,643

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 19)

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	
\$ 3,816	\$ -	\$ -	\$ -	\$ -	\$ 3,816
3,816	-	-	-	-	3,816
-	-	(3,580)	-	-	(3,580)
-	-	-	(109,862)	-	(109,862)
-	-	-	-	30,338	30,338
-	(706)	-	-	-	(706)
-	(706)	(3,580)	(109,862)	30,338	(83,810)
\$ 3,816	\$ (706)	\$ (3,580)	\$ (109,862)	\$ 30,338	\$ (79,994)
3,000	-	-	-	-	3,000
-	-	-	113,219	10,262	123,481
6,923	-	49,058	408	4,751	61,140
-	-	-	1,418	-	1,418
848	1,738	48,140	-	36,949	87,675
(26,461)	-	-	26,461	-	-
(15,690)	1,738	97,198	141,506	51,962	276,714
(11,874)	1,032	93,618	31,644	82,300	196,720
1,771	22,268	3,561,489	362,256	695,952	4,643,736
-	8,179	-	-	-	8,179
1,771	30,447	3,561,489	362,256	695,952	4,651,915
\$ (10,103)	\$ 31,479	\$ 3,655,107	\$ 393,900	\$ 778,252	\$ 4,848,635



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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 1,062,593 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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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. The 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 an operational responsibility and because of the existence of a financial benefit/burden relationship. The CRAs issue a separate report that may be obtained from the City. Requests for information may be addressed to the City Comptroller, City of Jacksonville, 117 West Duval Street, Suite 375, Jacksonville, 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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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. 16, *Accounting for Compensated Absences*.

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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, 2024, 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 elected to move from a fully insured plan to a self-funded arrangement for its group health coverage. The City obtained stop-loss insurance with a \$550,000 specific deductible. The deductible increased to \$600,000 in 2017, \$650,000 in 2018, \$700,000 in 2019 - 2020, and \$800,000 in 2021-2024. In 2018 the City introduced a new UF health plan option with a separate administrator and stop loss coverage. The stop loss deductible under that option was \$250,000 in 2018 and \$325,000 in 2019 - 2022. As of 2023 the UF Health plan has been incorporated into the same administrator and stop loss policy as all the other health plans. Once a claim exceeds the stop loss threshold, the City is reimbursed for any excess expenses. The plan is funded by contributions from the City and employees. These funds reside in an internal service fund which is used exclusively for Employee Benefits. Florida statutes require a safe harbor threshold to be maintained in plan reserves. See Note 12 for additional risk financing disclosure.

O. Pension Costs

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

T. Deferred Loss on Debt Refundings

Losses resulting from the 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, 2023, from which the summarized information was derived.

Certain amounts for fiscal year 2023 have been reclassified to conform to the 2024 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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 noncancellable 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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 2024, the City adopted the following new statement of financial accounting standards issued by the GASB:

- GASB Statement No. 100, *Accounting Changes and Error Corrections*—an amendment of GASB Statement No. 62

GASB Statement No. 100, *Accounting Changes and Error Corrections* – an amendment of GASB Statement No. 62. The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes.

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

- GASB Statement No. 101, *Compensated Absences*
- GASB Statement No. 102, *Certain Risk Disclosures*
- GASB Statement No. 103, *Financial Reporting Model Improvements*
- GASB Statement No. 104, *Disclosure of Certain Capital Assets*

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

2. BUDGETARY DATA

The City presents a budgetary comparison schedule for the General Fund as required supplementary information. For this reporting period, the Other Federal, State and Local Grants Fund and the Better Jacksonville Plan Trust Fund special revenue funds met the criteria of a major fund but are not annually budgeted. No other special revenue funds met the major fund criteria. The City's budgetary comparison reporting and notes to required supplementary information containing descriptions of the City's budgetary policies and processes are included in the required supplementary information section of this report.

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, 2024, primary government deposits in financial institutions totaled \$428.8 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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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 2024 normal portfolio balance of \$1.73 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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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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, 2024				
Compliance Guideline	Sector Guideline Exposures			
	Exposure to Specific Guideline	Year end Exposure %	% of Normal Portfolio Balance	
			During Year	Maximum By Policy
Duration¹	2.69	NA	2.88	5.00
Liquidity	\$ 426,545,200	24.7%	34.3%	100.0%
Requirements				
USG + Agencies	562,324,850	32.5	34.7	100.0
US Govt (USG)	391,221,406	22.6	24.2	100.0
Constraints				
Agencies	171,103,443	9.9	10.5	45.0
MBS	146,753,283	8.5	8.7	35.0
Agency MBS	101,465,049	5.9	5.9	35.0
Non-Agency MBS	45,288,234	2.6	2.9	15.0
Asset Backed Securities	88,185,627	5.1	5.1	7.5
Corporates	405,256,440	23.4	23.5	60.0
Corporates > 1 Year	275,089,981	15.9	15.9	40.0
Municipal Bonds	6,236,926	0.4	0.7	10.0
Bond Funds	484,864,229	28.0	34.9	85.0
Money Market Funds	388,001,470	22.4	51.0	40.0
Certificates of Deposit	0	0.0	0.0	20.0
Repurchase agreements	0	0.0	0.0	20.0
Rule 144a Securities	76,275,640	4.4	4.4	10.0
Specialty Risk				
High Yield	19,936,289	1.2	1.5	9.0
International	37,371,016	2.2	3.0	7.5
International (non-hedged)	0	0.0	0.0	5.0
Emerging Market	2,732,582	0.2	0.2	5.0
Duration > 8.5	34,427,057	2.0	2.0	7.5
Normal Portfolio Balance	1,730,000,000			

¹Commingled Funds and Cash are excluded.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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.

Fair Value of Assets by Measurement Type
as of September 30, 2024

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	816,308	-	816,308	-
Registered Investment Companies	877,845,502	877,845,502	-	-
U. S. Government Securities	410,729,665	337,051,420	73,678,245	-
Corporate Debt Instruments	427,558,808	-	427,558,808	-
Common/Collective Trust	138,623,758	-	-	138,623,758
**Other Investments	50,668,296	41,981,381	8,686,915	-
Total Investments	\$ 1,906,242,337	\$ 1,256,878,304	\$ 510,740,275	\$ 138,623,758

* 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, 2024.

The City has the following recurring fair value measurements as of September 30, 2024:

- 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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 statute 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, 2024

Asset Type	Equities		Bonds		Other		Cash	Total	Percentage
Equity (Domestic)	\$	770,301,223	\$	-	\$	-	\$ 21,265,280	\$ 791,566,503	33%
Large Cap Value		303,398,922		-		-	14,934,089	318,333,010	14
Large Cap Growth		139,632,476		-		-	39	139,632,516	6
Large Cap Core		119,920,426		-		-	5	119,920,431	5
Small - Mid Cap Value		140,169,600		-		-	4,540,713	144,710,313	6
Small - Mid Cap Growth		67,179,799		-		-	1,790,434	68,970,232	3
Equity (International)		627,974,479		-		-	15,528	627,990,006	25
Value		275,583,117		-		-	15,528	275,598,644	11
Growth		185,576,003		-		-	-	185,576,003	7
Emerging		166,815,359		-		-	-	166,815,359	7
Bonds		-		490,216,918		-	3,423,561	493,640,479	20
Aggregate		-		307,749,744		-	3,418,469	311,168,212	13
Securitized Fixed Income		-		182,467,174		-	5,092	182,472,266	7
Cash Account		-		-		-	5,809,077	5,809,077	0
Other Real and Diversifying Assets		19,662,344		-		549,901,994	(5,533,756)	564,030,583	16
Real Estate Assets		-		-		391,944,531	(4,765,159)	387,179,372	16
Diversifying Assets		19,662,344		-		157,957,463	(815,673.75)	176,804,133	7
Other Assets		-		-		-	47,077	47,077	0
Total Investments	\$	1,417,938,045	\$	490,216,918	\$	549,901,994	\$ 24,979,691	\$ 2,483,036,648	100%

Less: Amount reported as receivables \$ (1,696,869)

Total Investments less receivables \$ 2,481,339,779

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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, 2024

Asset Type	Equities	Bonds	Other	Cash	Total	Percentage
Equity (Domestic)	\$ 1,105,609,818	\$ -	\$ -	\$ 18,067,538	\$ 1,123,677,356	40%
Large Cap Value	301,054,543	-	-	14,678,506	315,733,048	11
Large Cap Growth	318,589,136	-	-	899,045	319,488,181	11
Large Cap Core	314,957,489	-	-	28,116	314,985,605	11
Small Cap Value	84,842,686	-	-	2,453,893	87,296,579	3
SMID Cap Growth	86,165,965	-	-	7,978	86,173,942	3
Equity (International)	627,217,484	-	-	193,144	627,410,628	22
Value	221,342,829	-	-	178,410	221,521,239	8
Growth	204,100,807	-	-	10,519	204,111,326	7
Emerging Markets	201,773,848	-	-	4,216	201,778,064	7
Bonds	-	563,786,226	-	3,089,411	566,875,638	20
Intermediate	-	-	-	44	44	0
Aggregate	-	563,786,226	-	3,089,367	566,875,593	20
Cash Account	-	-	-	3,016,530	3,016,530	0
Other	-	-	464,234,794	20,057,284	484,292,078	17
Core Real Estate	-	-	259,133,538	-	259,133,538	9
Non-Core Real Estate	-	-	51,872,235	825,589	52,697,824	2
Private Credit	-	-	153,229,021	19,231,696	172,460,716	6
Total Investments	\$ 1,732,827,302	\$ 563,786,226	\$ 464,234,794	\$ 44,423,908	\$ 2,805,272,230	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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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

B. Investments and Investment Practices (continued)

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

Jacksonville Retirement System
Fair Value of Assets by Measurement Type
as of September 30, 2024

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	\$ 510,748,320	\$ 510,748,320	\$ -	\$ -
Corporate Stock - Preferred	-	-	-	-
Registered Investment Companies	30,895,462	30,895,462	-	-
U.S. Government Securities	55,857,775	27,662,689	28,195,087	-
Corporate Debt Instruments	64,252,622	-	64,252,622	-
Common/Collective Trust	1,007,121,366	-	-	1,007,121,366
Partnership/Joint Venture Interest	486,148,425	-	-	486,148,425
Pooled Separate Accounts	55,323,704	-	-	55,323,704
**Other Investments	272,688,973	(4,488,276)	1,594,133	275,583,117
Total Investments	\$ 2,483,036,648	\$ 564,818,195	\$ 94,041,842	\$ 1,824,176,612

* 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, 2024.

The City has the following recurring fair value measurements as of September 30, 2024:

- 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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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, 2024

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	\$ 44,423,908	\$ 44,423,908	\$ -	\$ -
Commercial Mortgage Backed Securities	856,765	-	856,765	-
Asset Backed Securities	21,296,406	-	21,296,406	-
Corporate Bonds	192,876,220	-	192,876,220	-
Funds - Other Fixed Income	32,697,203	-	32,697,203	-
Government Bonds	44,692,538	-	44,692,538	-
Government Mortgage Backed Securities	-	-	-	-
Common Stock	1,376,976,913	1,376,976,913	-	-
Preferred Equities	-	-	-	-
International Equities	627,217,484	627,217,484	-	-
Private Venture Capital	178,795,657	178,795,657	-	-
Real Estate	285,439,137	-	280,129,137	5,310,000
Total Investments	\$ 2,805,272,230	\$ 2,227,413,961	\$ 572,548,269	\$ 5,310,000

* 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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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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	10.6%	4.4%	10.4%
Aa1-Aa3	42.2	14.0	0.8
A1-A3	11.1	3.6	4.3
Baa1-Baa3	11.2	9.1	22.9
Ba1-Ba3	1.1	-	5.9
Other	12.2	20.7	55.7
Commingled	11.7	48.2	-
	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

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

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

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

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

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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.

Foreign Currency Exposure September 30, 2024						
	Operating Portfolio		Jacksonville Retirement System		Police and Fire Pension Fund	
	Exposure	Percentage	Exposure	Percentage	Exposure	Percentage
U.S. Dollar	\$ 1,904,359,971	99.90%	\$ 1,931,090,901	77.77%	\$ 2,799,376,019	99.79%
Austrian Dollar	1,753	-	9,085,313	-	-	-
Brazil Real	-	-	11,408,623	0.46	-	-
British Pound	541,863	0.03	51,221,617	2.06	1,284,665	0.05
Canadian Dollar	10,332	-	7,916,632	0.32	36,861	-
Chilean Peso	-	-	1,150	-	-	-
Chinese Yuan Renminbi	-	-	10,470,914	0.42	-	-
Czech Koruna	-	-	48,667	-	-	-
Danish Krone	-	-	11,136,139	0.45	-	-
Egyptian Pound	6,555	-	1,109	-	-	-
Euro Currency Unit	421,522	0.02	126,449,334	5.09	1,496,326	0.05
Hong Kong Dollar	-	-	60,516,352	2.44	-	-
Hungarian Forint	-	-	1,961,422	0.08	-	-
Indian Rupee	-	-	30,997,476	1.25	-	-
Indonesia Rupiah	-	-	3,123,872	0.13	1,219,780	0.04
Japanese Yen	19,722	-	77,857,488	3.14	-	-
Kuwaiti Dinar	-	-	250,159	0.01	-	-
Malaysian Ringgit	-	-	1,551,585	0.06	-	-
Mexican New Peso	-	-	1,148,957	0.05	-	-
New Taiwan Dollar	-	-	48,907,405	1.97	-	-
Nigerian Nigeria	6,844	-	-	-	-	-
Norwegian Krone	343,492	0.02	856,544	0.03	850,542	0.03
Peruvian Nuevo Sol	-	-	7,529	-	-	-
Paraguay Guarani	5,403	-	-	-	-	-
Philippines Peso	-	-	40,827	-	-	-
Polish Zloty	1,008	-	1,911,784	0.08	2,240	-
Qatari Riyal	-	-	326,003	0.01	-	-
Romanian New Leu	3,250	-	-	-	-	-
Saudi Riyal	-	-	4,759,200	0.19	-	-
Singapore Dollar	-	-	9,190,943	0.37	-	-
South African Rand	507,967	0.03	5,648,083	0.23	1,005,798	0.04
South Korean Won	-	-	27,859,877	1.12	-	-
Swedish Krona	-	-	12,372,026	0.50	-	-
Swiss Franc	-	-	21,712,789	0.87	-	-
Thai Baht	-	-	7,825,012	0.32	-	-
Turkish Lira	6,920	-	689,361	0.03	-	-
United Arab Emirates Dir	-	-	4,691,555	0.19	-	-
Uruguayan Peso	5,736	-	-	-	-	-
Total	\$ 1,906,242,337	100.00%	\$ 2,483,036,648	100.00%	\$ 2,805,272,230	100.00%

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 on a daily basis. The weighted average duration of the collateralized loans at September 30, 2024, was 31 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, 2024, the City of Jacksonville maintained a sufficient 102% collateral on loaned securities. During the fiscal year ended September 30, 2024, securities lending net income was \$113,343, composed of \$111,110 for the Operating Portfolio and \$2,233 for the Jacksonville Retirement System. 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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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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, 2024.

Funds	Accounts and Other Receivables	Allowance for Doubtful Accounts	Net Amount Shown on Balance Sheet
Major Governmental Funds			
General Fund	\$ 40,881	\$ (24,640)	\$ 16,241
Other Federal, State & Local Grants	1,404	(48)	1,356
General Projects	8	-	8
Non-Major Governmental Funds	31,715	-	31,715
Major Enterprise Funds			
Solid Waste	40,578	(3,816)	36,762
City Venues	60,180	(153)	60,027
Stormwater	28,752	(4,781)	23,971
Non-Major Enterprise Funds	337	-	337
Internal Service Funds	9,309	(4)	9,305
Fiduciary Funds			
Pension Trust Funds	3,378	(22)	3,356
Custodial Funds	2,774	-	2,774

Funds	Loans Receivable	Allowance for Doubtful Accounts	Net Amount Shown on Balance Sheet
Major Governmental Funds			
General Fund	\$ 124,680	\$ (124,673)	\$ 7
Non-Major Governmental Funds	8,630	(3,722)	4,908
Internal Service Funds	1,079,412	-	1,079,412

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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, 2024.

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

B. Property Tax Calendar:

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

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

6. CAPITAL ASSETS ACTIVITY

Capital assets activity for the year ended September 30 2024, was as follows (in thousands):

Primary Government

	Beginning Balance October 1, 2023	Additions	Dispositions/ Reclassifications	Ending Balance September 30, 2024
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 328,975	\$ 1,419	\$ -	\$ 330,394
Easements	-	-	-	-
Art In Public Places	1,141	135	-	1,277
Construction in progress	126,008	294,814	(97,665)	323,158
Total capital assets not being depreciated	456,125	296,369	(97,665)	654,829
Capital assets being depreciated:				
Buildings and improvements	876,853	21,494	-	898,347
Infrastructure	2,874,273	88,931	(12,990)	2,950,214
Furniture, equipment and library books	532,841	59,208	(19,886)	572,163
Intangible assets	46,238	141	(57)	46,322
Right-to-use asset - buildings	22,388	846	-	23,235
Right-to-use asset - equipment	725	4	-	729
Right-to-use asset - infrastructure	1,504	-	-	1,504
Right-to-use asset - land	868	-	(81)	787
Right-to-use asset - land improvements	26	41	(67)	-
Right-to-use asset - other leases	3,393	-	-	3,393
Right-to-use asset - subscriptions	24,618	10,649	(822)	34,444
Total assets being depreciated	4,383,727	181,314	(33,904)	4,531,138
Less accumulated depreciation for:				
Buildings and improvements	299,933	19,485	-	319,418
Infrastructure	1,240,140	81,177	(23)	1,321,294
Furniture, equipment and library books	293,930	54,615	(17,583)	330,962
Intangible assets	39,843	300	-	40,143
Right-to-use asset - buildings	5,862	2,064	-	7,927
Right-to-use asset - equipment	534	134	-	668
Right-to-use asset - infrastructure	338	113	-	451
Right-to-use asset - land	363	118	(81)	400
Right-to-use asset - land improvements	1	25	(26)	0
Right-to-use asset - other leases	184	115	-	299
Right-to-use asset - subscriptions	7,737	6,348	(695)	13,389
Total accumulated depreciation	1,888,866	164,493	(18,409)	2,034,951
Total capital assets being depreciated, net	2,494,861	16,821	(15,495)	2,496,188
Governmental activities capital assets, net	\$ 2,950,986	\$ 313,189	\$ (113,160)	\$ 3,151,017

CITY OF JACKSONVILLE, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

6. CAPITAL ASSETS ACTIVITY (continued)

	Beginning Balance October 1, 2023	Additions	Dispositions/ Reclassifications	Ending Balance September 30, 2024
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 46,364	\$ -	\$ -	\$ 46,364
Easements	546	-	-	546
Construction in progress	102,355	34,814	(6,933)	130,235
Total capital assets not being depreciated	149,265	34,814	(6,933)	177,145
Capital assets being depreciated:				
Buildings and improvements	741,873	404	-	742,277
Infrastructure	102,262	5,066	(1,415)	105,913
Furniture and equipment	18,813	968	(693)	19,088
Right-to-use asset - land (JEA Bay Street)	220	-	-	220
Right-to-use asset - subscriptions	198	-	(198)	-
Total assets being depreciated	863,366	6,438	(2,305)	867,499
Less accumulated depreciation for:				
Buildings and improvements	309,408	11,699	-	321,107
Infrastructure	135,052	11,557	(755)	146,112
Furniture and equipment	15,296	1,178	(556)	15,918
Right-to-use asset - land (JEA Bay Street)	55	18	-	73
Right-to-use asset - subscriptions	61	-	(61)	-
Total accumulated depreciation	459,872	24,452	(1,372)	483,210
Total capital assets being depreciated, net	403,494	(18,014)	(934)	384,288
Business-type activities capital assets, net	\$ 552,760	\$ 16,800	\$ (7,867)	\$ 561,434

Governmental activities:

Physical environment	\$ 39,440
Economic environment	1,630
Culture & recreation	16,405
General government	83,285
Human services	2,208
Other uses	60
Public safety	14,615
Transportation	6,850
Total depreciation expense - governmental activities	<u>\$ 164,493</u>

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

Business-type activities:

Culture & recreation	\$ 18,325
Physical environment	5,770
Transportation	358
Total depreciation expense - business-type activities	<u>\$ 24,452</u>

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

7. INTERFUND RECEIVABLES, PAYABLES, ADVANCES, AND TRANSFERS

	TRANSFERS OUT			
	GOVERNMENTAL FUNDS			
	General Fund	Better Jacksonville Plan Trust	General Projects	Non-Major Government Funds
TRANSFERS IN				
MAJOR FUNDS				
General Fund	83	-	-	605
Special Bonded Debt Better Jax Plan	-	29,553	-	-
Other Federal State and Local Grants	5,192	-	-	162
Better Jax Plan Trust	-	-	-	-
General Projects	23,472	-	-	1,150
Solid Waste	53,400	-	-	-
City Venues	48,218	32,589	-	-
NON-MAJOR FUNDS				
Non-Major Governmental Funds	108,534	-	200	4,323
Non-Major Enterprise	958	-	-	-
Internal Service	3,050	-	-	-
Pension Plan	-	-	-	8
	242,907	62,142	200	6,248

During the regular course of operations, fund transfers are executed to provide operational support to the recipient fund. In the fiscal year 2024, approximately 29% of the total transfers from the General Fund were allocated to service debt principal and interest. A significant portion of the outflows from the General Fund was directed towards the support of Non-Major Governmental funds, with Special Revenue funds receiving the largest share. The General Fund also facilitated transfers to Major Enterprise funds, which encompass City Venues and Solid Waste Disposal. Internal Service funds, which include Fleet, Information Technologies, and Self Insurance, received less than 1% of the support from the General Fund.

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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

TRANSFERS OUT					
ENTERPRISE FUNDS			INTERNAL SERVICE		
Solid Waste Disposal	City Venues	Non Major Enterprise	Internal Service	Total	
26,819	-	-	5,862	33,369	
-	-	-	-	29,553	
-	-	-	-	5,354	
-	-	-	-	-	
-	-	-	-	24,622	
-	-	-	-	53,400	
-	-	5,434	-	86,241	
-	61	-	-	113,118	
325	-	-	-	1,283	
-	-	-	98	3,148	
-	-	-	-	8	
27,144	61	5,434	5,960	350,096	

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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

As of September 30, 2024, 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 \$32 million. The liability balances due to other funds are presented below:

Due to (Liability)	Amount (in thousands)
Non-major Governmental Funds	
Capital Projects	\$ 344
Special Revenue	24,851
Permanent	3
Pension Trust	5,922
Private Purpose	3
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, 2024, was \$6.77 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, 2024, was \$11.6 million which is recorded in the Downtown Economic Development Fund, within the General Fund. The loan receivable has an allowance of \$11.6 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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

8. LONG-TERM OBLIGATIONS

A. Bonds and Loans Outstanding

Bonds and loans outstanding at September 30, 2024, are comprised of the following (in thousands):

GOVERNMENTAL ACTIVITIES:	<u>Amount Issued</u>	<u>Amount Outstanding</u>	<u>Remaining Coupon Rates</u>	<u>True Interest⁽¹⁾ Cost</u>
Revenue Bonds Supported by General Fund:				
Special Revenue Bonds				
Series 2016A	\$ 48,134	\$ 36,657	3.000 - 5.000%	2.386%
* Series 2017A	10,600	10,600	4.000 - 5.250	3.402
* Series 2019A	100,334	80,352	5.000	2.005 ⁽³⁾
Series 2020C	66,765	60,658	0.819-2.766 (taxable)	2.171
* Series 2022A	68,060	68,060	5.000	2.071
* Series 2023A	23,922	23,922	5.000 - 5.500	3.655
* Series 2024	39,047	37,923	5.000 - 5.250	3.897
Total Revenue Bonds Supported by General Fund	<u>\$ 640,336</u>	<u>\$ 318,172</u>		
	<u>Amount Issued</u>	<u>Amount Outstanding</u>	<u>Remaining Coupon Rates</u>	<u>True Interest⁽¹⁾ Cost</u>
Special Revenue (Covenant) Bonds Payable from Internal Service Operations:				
Special Revenue Bonds:				
Series 2013B	\$ 35,145	\$ 3,745	4.343 - 4.643% (taxable)	3.469%
Series 2016A	44,081	24,188	3.000 - 5.000	2.386
* Series 2017A	80,330	64,985	4.000 - 5.250	3.402
Series 2018	72,540	36,485	5.000	3.212
* Series 2019A	50,960	40,890	5.000	2.534
Series 2020A	122,991	95,350	4.000 - 5.000	2.309
Series 2020C	38,720	29,962	0.819 - 2.766 (taxable)	2.203
* Series 2021A	87,670	78,795	4.000 - 5.000	1.963
Series 2022B	28,682	27,849	2.770	2.816
Series 2022C	99,175	97,685	5.000 - 5.250	3.692
* Series 2023A	232,003	232,003	5.000 - 5.500	3.329
* Series 2024	232,003	226,458	5.000 - 5.250	3.897
Total Special Revenue Bonds Payable from Internal Service Operations	<u>\$ 1,124,300</u>	<u>\$ 958,394</u>		

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

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

(3) Total debt for this line item contains refunding for the ETR09A and Cap Proj 08A and 08B bond issues. TIC was 2.004% for Cap Proj portion and 2.005% for ETR portion. Higher figure of 2.005% used as it was the more conservative option.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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	\$ 67,900	\$ 57,100	Variable ⁽²⁾	N/A
Total Notes Payable from Internal Service Operations	\$ 67,900	\$ 57,100		
Total bonds and notes payable from Internal Service Funds	\$ 1,192,200	\$ 1,015,494		
Revenue Bonds Supported by BJP Revenues:				
Transportation Sales Tax Revenue Bonds:				
Series 2015	\$ 197,295	\$ 180,075	3.000 - 5.000%	3.211%
Series 2018	53,180	8,190	5.000	2.460
Series 2020	155,040	120,945	0.900 - 2.050	1.669
Infrastructure Sales Tax Revenue Bonds:				
* Series 2012A	41,095	4,335	5.000	3.773
Series 2016	67,070	43,010	3.000 - 5.000	2.433
* Series 2022	149,871	84,570	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	\$ 496,501		
Special Revenue (Covenant) Bonds Supported by BJP Revenues:				
Special Obligation Bonds:				
Series 2016B	\$ 58,645	\$ 43,430	2.250 - 5.000%	2.043%
Series 2019B	45,535	45,535	5.000	2.162
Series 2020B	15,670	8,485	5.000	0.578
* Series 2023B	27,135	27,135	5.000	4.230
Total Special Revenue Bonds Supported by BJP Revenues	\$ 146,985	\$ 124,585		
Total Bonds and Notes Supported by BJP Revenues	\$ 915,153	\$ 621,086		
Total Governmental Activities	\$ 2,747,689	\$ 1,954,752		

* 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 3.25% on September 30, 2024.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

8. LONG-TERM OBLIGATIONS (continued)

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

BUSINESS-TYPE ACTIVITIES:

	Amount Issued	Amount Outstanding	Remaining Coupon Rates	True Interest ⁽¹⁾ Cost
Revenue Bonds Supported by Business-Type Activities:				
Infrastructure Sales Tax Revenue Bonds:				
* Series 2012A	\$ 73,795	\$ 4,310	5.000%	3.773%
Special Obligation Bonds:				
* Series 2017A	21,935	17,810	4.000 - 5.250	3.402
* Series 2019A	331	258	5.000	2.004
* Series 2021A	10,230	8,535	3.000-5.000	1.963
* Series 2022	112,879	63,695	2.540	2.590
* Series 2022A	52,320	46,805	5.000	2.071
* Series 2023	21,480	14,521	4.110	4.112
* Series 2024 (BJP)	27,188	27,188	3.879	3.879
* Series 2024	1,155	1,180	5.000 - 5.500	3.897
Total Revenue Bonds Supported by Business-Type Activities	<u>\$ 321,312</u>	<u>\$ 184,301</u>		
Total bonds and notes payable from Business-Type Activities	<u>\$ 321,312</u>	<u>\$ 184,301</u>		

COMPONENT UNITS:

Bond and notes payable:	
JEA	\$ 3,047,050
JPA	216,288
JTA	99,380
Total Component Unit bonds and notes payable	<u>\$ 3,362,718</u>

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

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

8. LONG-TERM OBLIGATIONS (continued)

B. Debt Service Requirements to Maturity

The debt service requirements to maturity on long-term obligations at September 30, 2024, 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 September 30	Bonds and Notes Payable from Governmental Activities				Bonds Payable from Business-type Activities		Principal and Interest- Primary Government	Component Units	
	Supported by General Revenues and Internal Service Funds		Supported by BJP Revenues		Enterprise Funds				
	Principal	Interest	Principal	Interest	Principal	Interest			
									Principal
2025	\$ 57,365	\$ 54,730	\$ 60,963	\$ 20,887	\$ 21,116	\$ 7,303	\$ 222,364	\$ 121,470	\$ 146,592
2026	64,727	58,299	105,908	17,850	44,868	5,695	297,347	124,798	141,188
2027	60,597	55,445	116,954	14,121	41,308	4,230	292,654	310,318	132,309
2028	59,848	52,704	60,712	10,919	15,089	3,205	202,476	177,102	119,309
2029	64,505	49,857	64,589	8,518	15,863	2,504	205,836	168,003	111,394
2030-2034	373,321	199,557	183,721	14,362	39,671	4,094	814,725	859,312	441,138
2035-2039	309,557	116,648	28,240	1,997	6,386	658	463,485	896,168	247,535
2040-2044	166,582	61,703	-	-	-	-	228,285	325,550	121,075
2045-2049	83,810	34,790	-	-	-	-	118,600	150,920	76,048
2050-2054	85,355	13,622	-	-	-	-	98,977	166,250	34,493
2055-2059	8,000	210	-	-	-	-	8,210	38,915	8,110
Totals	\$ 1,333,666	\$ 697,565	\$ 621,086	\$ 88,652	\$ 184,301	\$ 27,689	\$ 2,952,960	\$ 3,338,806	\$ 1,579,189

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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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

8. LONG-TERM OBLIGATIONS (continued)

B. Debt Service Requirements to Maturity (continued)

<i>by Stated Maturity</i>								
Fiscal Year Ending September 30	Supported by General Revenue and Internal Service Funds			Supported by BJP Revenues				Total All Programs
	Special Revenue Series 2022C	Special Revenue Series 2023A	Total	Special Revenue Series 2023B	Sales Tax Series 2022	Sales Tax Series 2023	Total	
2025	\$ -	\$ -	\$ -	\$ 10,000	\$ 37,570	\$ 16,600	\$ 64,170	\$ 64,170
2026	-	-	-	10,000	29,135	17,200	56,335	56,335
2027	-	-	-	-	-	-	-	-
2028	-	-	-	-	-	-	-	-
2029	-	-	-	-	-	-	-	-
2030	-	-	-	-	-	-	-	-
2031	-	7,200	7,200	-	-	-	-	7,200
2032	-	7,200	7,200	-	-	-	-	7,200
2033	9,970	-	9,970	-	-	-	-	9,970
2034	9,970	-	9,970	-	-	-	-	9,970
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	\$ 64,250	\$ 20,000	\$ 66,705	\$ 33,800	\$ 120,505	\$ 184,755

<i>by Designated Maturity</i>								
Fiscal Year Ending September 30	Supported by General Revenue and Internal Service Funds			Supported by BJP Revenues				Total All Programs
	Special Revenue Series 2022C	Special Revenue Series 2023A	Total	Special Revenue Series 2023B	Sales Tax Series 2022	Sales Tax Series 2023	Total	
2025	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2026	-	-	-	-	-	-	-	-
2027	-	-	-	4,700	15,670	5,850	26,220	26,220
2028	-	-	-	4,895	16,320	6,095	27,310	27,310
2029	-	-	-	5,095	17,005	6,350	28,450	28,450
2030	-	-	-	5,310	17,710	15,505	38,525	38,525
2031	-	-	-	-	-	-	-	-
2032	-	-	-	-	-	-	-	-
2033	-	-	-	-	-	-	-	-
2034	-	-	-	-	-	-	-	-
2035	-	-	-	-	-	-	-	-
2036	-	-	-	-	-	-	-	-
2037	-	-	-	-	-	-	-	-
2038	2,465	-	2,465	-	-	-	-	2,465
2039	2,565	-	2,565	-	-	-	-	2,565
2040	2,670	-	2,670	-	-	-	-	2,670
2041	2,780	-	2,780	-	-	-	-	2,780
2042	2,900	-	2,900	-	-	-	-	2,900
2043	3,015	-	3,015	-	-	-	-	3,015
2044	3,145	2,965	6,110	-	-	-	-	6,110
2045	3,275	2,840	6,115	-	-	-	-	6,115
2046	3,410	2,800	6,210	-	-	-	-	6,210
2047	3,550	2,915	6,465	-	-	-	-	6,465
2048	3,695	2,880	6,575	-	-	-	-	6,575
2049	3,850	-	3,850	-	-	-	-	3,850
2050	4,010	-	4,010	-	-	-	-	4,010
2051	4,175	-	4,175	-	-	-	-	4,175
2052	4,345	-	4,345	-	-	-	-	4,345
Total by Series	\$ 49,850	\$ 14,400	\$ 64,250	\$ 20,000	\$ 66,705	\$ 33,800	\$ 120,505	\$ 184,755

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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

8. LONG-TERM OBLIGATIONS (continued)

C. Changes in Long-Term Liabilities

Changes in long-term liabilities for the fiscal year ended September 30, 2024, are as follows (in thousands):

	Balance September 30, 2023	Additions	Reductions	Balance September 30, 2024	Due within one year
Governmental Activities:					
Debt activity supported by general revenues:					
Revenue bonds	\$ 354,443	\$ 37,923	\$ 74,193	\$ 318,172	\$ 22,630
Debt activity- general revenues	\$ 354,443	\$ 37,923	\$ 74,193	\$ 318,172	\$ 22,630
Bonds/notes payable - Debt Management Fund					
Special revenue (covenant) bonds	\$ 794,190	\$ 226,458	\$ 62,254	\$ 958,394	\$ 34,735
Notes payable	41,300	57,100	41,300	57,100	57,100
Debt activity - internal service funds	\$ 835,490	\$ 283,558	\$ 103,554	\$ 1,015,494	\$ 91,835
Debt activity - general revenues and internal service	\$ 1,189,933	\$ 321,481	\$ 177,747	\$ 1,333,666	\$ 114,465
Debt activity supported by BJP revenue:					
Revenue bonds - BJP	\$ 528,830	\$ 36,097	\$ 68,427	\$ 496,501	\$ 43,403
Revenue bonds - BJP from direct borrowing	8,285	-	8,285	-	-
Special revenue (covenant) bonds - BJP	133,920	-	9,335	124,585	17,560
Notes payable - BJP	1,735	-	1,735	-	-
Debt activity - BJP	\$ 672,770	\$ 36,097	\$ 87,782	\$ 621,086	\$ 60,963
Total governmental activities	\$ 1,862,703	\$ 357,578	\$ 265,529	\$ 1,954,752	\$ 175,428
Other related debt amounts:					
Issuance premiums	\$ 200,034	\$ 31,433	\$ 27,544	\$ 203,923	-
Issuance discounts	(1,089)	329	(155)	(605)	-
Total other related debt amounts	\$ 198,945	\$ 31,762	\$ 27,389	\$ 203,318	\$ -
Accrued Compensated Absences	144,201	62,103	54,016	152,288	45,686
Estimated Liability for Self-Insured Losses	160,878	124,285	121,450	163,713	35,803
Pollution Remediation	111,418	18,282	-	129,700	-
Other Post - Employment Benefits	355,796	72,363	30,256	397,903	-
Leases payable	22,772	821	2,162	21,431	2,273
Subscriptions payable	14,807	10,358	7,481	17,684	4,980
Net Pension liability	4,103,874	-	7,404	4,096,470	-
Governmental activity long-term obligations	\$ 6,975,393	\$ 677,552	\$ 515,687	\$ 7,137,259	\$ 264,170

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

8. LONG-TERM OBLIGATIONS (continued)

C. Changes in Long-Term Liabilities (continued)

	Balance September 30, 2023	Additions	Reductions	Balance September 30, 2024	Due within one year
Business-Type Activities:					
Revenue Bonds	\$ 199,339	\$ 28,367	\$ 43,406	\$ 184,301	\$ 21,116
Issuance premiums	12,096	121	1,361	10,856	-
Issuance discounts	-	-	-	-	-
Total Revenue Bonds, less Unamortized					
Discount/(Premium)	\$ 211,435	\$ 28,488	\$ 44,767	\$ 195,157	\$ 21,116
Accrued Compensated Absences	\$ 2,660	\$ 1,020	\$ 707	\$ 2,973	\$ 892
Liability for Landfill Closure and Post Closure Care	67,178	4,051	-	71,229	-
Loans payable - Debt Management	104,623	162,944	155,335	112,232	4,116
Leases payable	177	-	25	152	18
Subscriptions payable	99	-	99	-	-
Business-type activity long-term obligations	<u>\$ 386,172</u>	<u>\$ 196,503</u>	<u>\$ 200,933</u>	<u>\$ 381,743</u>	<u>\$ 26,142</u>
Component Unit Activities:					
JEA	\$ 2,794,885	\$ 689,835	\$ 437,670	\$ 3,047,050	\$ 106,305
JPA	217,662	27,565	15,440	229,787	9,252
JTA	366,423	21,962	20,222	368,163	11,193
Component unit activity long-term obligations	<u>\$ 3,378,970</u>	<u>\$ 739,362</u>	<u>\$ 473,332</u>	<u>\$ 3,645,000</u>	<u>\$ 126,750</u>

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 acquired or constructed for both governmental and business-type activities. As a result, the financial statements report debt outstanding and the related debt service for that combined transaction in both governmental and business-type activities in the relative proportion of the cost of the underlying assets acquired or constructed. When individual business-type revenues are not sufficient to pay for operations inclusive of allocated debt service, 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		Total Amount Outstanding
		Governmental Activities	Business-type Activities	
BJP Infrastructure Sales Tax Revenue Bonds:				
Series 2012A	\$ 114,890	\$ 4,335	\$ 4,310	\$ 8,645
Series 2022	262,750	84,570	63,695	148,265
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	75,585	17,810	93,395
Series 2019A	151,625	121,242	258	121,500
Series 2021A	97,900	78,795	8,535	87,330
Series 2022A	120,380	68,060	46,805	114,865

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

8. LONG-TERM OBLIGATIONS (continued)

E. Pledged Revenues

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

	<u>Range of remaining term</u>	<u>Approximate future principal and interest</u>	<u>Current year revenue received</u>	<u>Current year principal and interest</u>	<u>Principal and interest as % of revenue</u>
Better Jacksonville					
Transportation Sales Tax:	2025 - 2038	\$ 360,466,333	\$ 140,796,173	\$ 26,212,421	18.6%
Better Jacksonville					
Infrastructure Sales Tax:	2025 - 2031	209,778,090	128,165,803	40,539,981	31.6
with SIB Loans:	2025 - 2031	209,778,090	128,165,803	42,309,807	33.0

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 15, 2024, the City closed on a \$63.285 million bank loan referred to as the Better Jacksonville Sales Tax Refunding Revenue Bond, Series 2024. The 2024 loan has a true interest cost of 3.88%, an average coupon rate of 3.88% and a maturity date of October 1, 2030. The proceeds of the 2024 loan were used to refund the City's outstanding Better Jacksonville Sales Tax Refunding Revenue Bonds, Series 2022 and Series 2023. The agreement provided net proceeds of \$63.285 million, which is inclusive of the cost of issuance totaling \$168,054.

On August 27, 2024, the City closed on the sale of \$265.56 million Special Revenue and Refunding Bonds, Series 2024. The Series 2024 bonds have a true interest cost of 3.897%, an average coupon rates of 5.00% (refunding portion) and 5.08% (new-money portion) and maturity dates of October 1, 2034 (refunding portion) and October 1, 2054 (new-money portion). The proceeds of the 2024 bonds were used to fully refund the City's outstanding Series 2014 (\$77.31 million par defeased), to finance and refinance the acquisition and construction of certain capital equipment and improvements for the City (\$184.21 million), and to fix out a portion of the City's outstanding commercial paper debt (\$41.30 million). For the refunding portion, the issuance provided net proceeds of \$70.30 million, which is inclusive of underwriter's discount and cost of issuance totaling \$404,415; it also resulted in net present-value of savings of \$6.64 million and a reduction in debt service in the amount of \$7.27 million; for the new-money and fix-out portion, the issuance provided net proceeds of \$226.81 million, which is inclusive of underwriter's discount and cost of issuance totaling \$1.30 million.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

8. LONG-TERM OBLIGATIONS (continued)

F. New Indebtedness Issued (continued)

On September 26, 2024, the City closed on the sale of Commercial Paper Notes in the amount of \$57.10 million for the purposes of funding short-term projects, and interim funding for long-term projects, with an initial interest rate of 3.25%.

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 August 15, 2024, 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, 2025, 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, 2024, \$57,100,000 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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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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, 2024	Investment Balance with Escrow Agent at September 30, 2024 ^(a)
Special Revenue and Refunding Bonds, Series 2014	Special Revenue and Refunding Bonds, Series 2024	\$ 77,310	\$ 78,797
Special Revenue and Refunding Revenue Bonds, Series 2017B	Cash Defeasance	31,455	32,342
Transportation Refunding Revenue Bonds, Series 2020	Cash Defeasance	7,270	7,303
Better Jacksonville Sales Tax Refunding Revenue Bonds, Series 2022	Better Jacksonville Sales Tax Refunding Revenue Bonds, Series 2023 & Series	43,010	47,394
Better Jacksonville Sales Tax Refunding Revenue Bonds, Series 2023	Better Jacksonville Sales Tax Refunding Revenue Bonds, Series 2024	16,200	16,417

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

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 nongovernmental third party. Although conduit debt bears the name of the City as issuer, it is collateralized by the resources provided by the loan with the third party on whose behalf they are issued. The City acts solely as a conduit issuer with respect to the debt.

Conduit debt is collateralized by the property financed and is payable solely from payments received on the underlying mortgage loans. Upon repayment of the 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, 2024, the City had \$109.9 million of IDBs and PABs total principal outstanding. From time to time, certain issues of such conduit debt may be in default or under investigation as to tax-exempt status of interest on such debt, however, this has no effect on the City's financial position.

As of September 30, 2024, the City had a total of \$292.3 million in conduit debt consisting of Jacksonville Housing Finance Authority, formerly Duval County Housing Finance Authority Multi-Family bonds outstanding.

As of September 30, 2024, outstanding conduit debt includes \$429,235,061 of Jacksonville Health Facilities Authority Bonds.

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

8. LONG-TERM OBLIGATIONS (continued)

J. Interest Expense

Total interest expense for the fiscal year ended September 30, 2024, was \$37.5 million for governmental activities and \$9.6 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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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 requires plan contributions be made annually in amounts determined by an actuarial valuation stated as a percent of covered payroll or in dollars. The Florida Division of Retirement reviews and approves the City's actuarial report to ensure compliance with actuarial standards.
- 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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 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 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 PFPP 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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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		
	<u>Jacksonville Retirement System</u>		
	General Employees' Pension Plan	Corrections Officers' Pension Plan	Police and Fire Pension Plan
	<u>As of 10/1/2023</u>	<u>As of 10/1/2023</u>	<u>As of 10/1/2023</u>
Membership:			
Retirees and beneficiaries currently receiving benefits	5,341	422	2,937
Deferred retirement option (DROP) participants	-	69	473
Terminated employees vested, not yet receiving benefits	134	3	100
Active employment plan members	<u>2,792</u>	<u>345</u>	<u>1,732</u>
Total plan membership	<u>8,267</u>	<u>839</u>	<u>5,242</u>

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:

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 \$15.08 million as of September 30, 2024.

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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 PFPE, 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, 2024, of 13.63% for regular members, 32.79% for special risk members, 58.68% for elected county officials, 34.52% for senior management, and 21.13% for DROP members.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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, 2024, 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, 2024, annual report. The report may be obtained from the City of Jacksonville Beach, 11 North Third Street, Jacksonville Beach, FL 32250.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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	10.00%	10.00%	10.00%
Employee Contributions for Fiscal Year Ended 2024	\$25,836	\$2,854	\$16,885
Required Employer Contribution Rate	42.03%	79.04%	109.09%
Employer Contributions for Fiscal Year Ended 2024	\$96,957	\$19,386	\$174,040

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 1, 2021. 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, 2024.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

9. PENSION PLANS (continued)

G. Pension Investments (continued)

- 2) **Rate of Return** – The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested. For the year ended September 30, 2024, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 16.68% for the JRS and 20.40% for the PFPPF.

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, 2024, are summarized below:

Asset Class	Long-Term Expected Arithmetic Rate of Return
Large/Mid Cap Domestic Equity	6.00%
Small Cap Domestic Equity	6.75
Developed Large/Mid Cap International Equity	8.25
Emerging Markets Equity	10.75
Core Fixed Income	4.50
Core Plus Fixed Income	5.17
High Yield Fixed Income	7.00
Emerging Market Debt (Hard Currency)	7.00
Core Real Estate	6.25
Non Core Real Estate	8.25
Private Equity	9.75
Private Credit	8.00

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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	\$ 1,728	\$ 584	\$ 5,167
Plan fiduciary net position	892	278	2,225
Net pension liability	\$ 836	\$ 306	\$ 2,942
Net position as a % of total pension liability	51.54%	47.67%	43.06%
Actuarial Methods and Assumptions:			
Date of last actuarial valuation	October 1, 2023	October 1, 2023	October 1, 2023
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	PUB-2010 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 that the employer's contributions will be made at rates equal to the actuarially determined contribution rates. Based on these assumptions, the Plans' fiduciary net positions are projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the Plans' investments was applied to all periods of projected benefit payments to determine the total pension liability.
- 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	5.5%	\$ 1,040	5.5%	\$ 389	5.5%	\$ 3,709	
Current Rate	6.5	836	6.5	306	6.5	2,942	
1% Increase	7.5	666	7.5	238	7.5	2,325	

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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, 2024, is as follows (in thousands):

ASSETS

Equity in cash and investments	\$ 3,922
Receivables	2,261
Investments, at fair value	2,459,823
Securities lending collateral	-
Other capital assets	-
TOTAL ASSETS	\$ 2,466,006

LIABILITIES

Obligations under securities lending agreement	\$ -
Accounts payable and accrued liabilities	27
Accrued compensated absences	53
TOTAL LIABILITIES	\$ 80

NET POSITION RESTRICTED FOR PENSIONS	\$ 2,465,926
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- 2) The Statement of Changes in Fiduciary Net Position – Jacksonville Retirement System for the year ended September 30, 2024, is as follows (in thousands):

ADDITIONS

Contributions:

Employer	\$ 116,343
Plan member	28,689
Total contributions	145,032

Other additions	6
Net investment income	373,379
Securities lending	746
TOTAL ADDITIONS	\$ 519,163

DEDUCTIONS

Benefit payments	241,356
Refund of contributions	29,138
Administrative expenses	1,722
TOTAL DEDUCTIONS	\$ 272,216

CHANGE IN NET POSITION	246,947
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NET POSITION, BEGINNING OF YEAR	\$ 2,218,979
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NET POSITION, END OF YEAR	\$ 2,465,926
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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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, 2024, the City of Jacksonville recorded a net pension liability of \$4,096.5 million. The pension plans providing the information and liability balances are reported below:

	Changes in Net Pension Liability (in thousands)		
	General Employees' Pension Plan	Corrections Officers' Pension Plan	Police and Firefighters' Pension Plan
Changes in Total Pension Liability			
Beginning Pension Liability Balance 10/1/2023	\$ 1,688,639	\$ 553,372	\$ 4,933,462
Service cost	18,526	8,023	74,922
Interest	106,559	35,722	318,081
Change of benefit term	-	-	-
Differences in actuarial experience	20,799	9,723	55,615
Change of assumption	10,398	1,104	-
Change in Proportionate Share	(12,144)	-	-
Benefit payments and refund of contributions	(104,975)	(23,654)	(229,356)
Distributions from Reserve Accounts	-	-	(3,978)
Other Adjustments	-	-	17,922
Net Change in total pension liability	39,164	30,919	233,206
Ending Total Pension Liability 9/30/24	\$ 1,727,804	\$ 584,290	\$ 5,166,668
Changes in Plan Fiduciary Net Position			
Beginning Plan fiduciary net position 10/1/2023	\$ 839,996	\$ 249,660	\$ 1,993,278
Contributions - employer	38,190	17,196	156,848
Contributions - employee	11,820	3,333	17,791
Net investment income	107,572	32,101	273,430
Chapter funds and other income	-	-	18,423
Benefit payments and refund of contributions	(104,975)	(23,654)	(229,356)
Administrative expense	(625)	(97)	(2,544)
Distribution from reserve accounts	-	-	(3,978)
Other	-	-	868
Net Change in Plan fiduciary net position	51,982	28,879	231,482
Ending Plan fiduciary net position 9/30/24	\$ 891,978	\$ 278,539	\$ 2,224,760
Net Pension Liability	\$ 835,826	\$ 305,751	\$ 2,941,908
Net Position as a % of Total Liability	51.62%	47.67%	43.06%
Covered-employee payroll	\$ 91,746	\$ 24,527	\$ 159,543
Net liability as a % of covered payroll	911.02%	1246.60%	1843.96%

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%.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 Liability
(in thousands)

	Florida Retirement System	FRS Health Insurance Supplement	Jacksonville Beach Firefighters' Pension Plan
Changes in Total Pension Liability			
Beginning Pension Liability Balance 10/1/2023	\$ 31,366	\$ 781	\$ 20,983
Service Cost	498	17	440
Interest	2,439	33	1,378
Change of benefit term	241	-	-
Differences in actuarial experience	771	0	1,341
Change of assumption	-	(51)	360
Change in Proportionate Share	1,279	131	-
Benefit payments and refund of contributions	(2,125)	(45)	(812)
Net Change in total pension liability	3,105	86	2,706
Ending Total Pension Liability 9/30/24	\$ 34,469	\$ 866	\$ 23,689
Changes in Plan Fiduciary Net Position			
Beginning Plan fiduciary net position 10/1/2023	\$ 26,136	\$ 31	\$ 15,627
Contributions - employer	925	47	997
Contributions - employee	132	0	138
Net investment income	3,087	2	1,505
Benefit payments and refund of contributions	(2,125)	(45)	(812)
Administrative expense	(5)	(0)	(85)
Net Change in Plan fiduciary net position	2,014	4	1,743
Ending Plan fiduciary net position 9/30/24	\$ 28,151	\$ 35	\$ 17,370
Net Pension Liability	\$ 6,320	\$ 831	\$ 6,320
Net Position % of Liability	81.67%	4.04%	73.32%
Covered-employee payroll	\$ 7,289	\$ 2,349	\$ 2,185
Net liability as a % of covered payroll	86.70%	35.43%	289.16%

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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, 2024, the City recognized pension expense of \$337.2 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	\$ 108,579	\$ -	\$ (45,641)	\$ 62,938
Corrections Officers' Pension Plan	46,313	-	(19,386)	26,927
Police & Firefighters' Pension Plan	420,428	-	(174,040)	246,388
Florida State Retirement Pension	526	-	(1,354)	(828)
Florida State Retiree Health Subsidy	-	-	(47)	(47)
Jacksonville Beach Firefighters' Pension Plan	1,682	-	(289)	1,393
Total Pension Expense	<u>\$ 577,528</u>	<u>\$ -</u>	<u>\$ (240,757)</u>	<u>\$ 336,771</u>

3) Contributions

Contributions of \$240.8 million were reported as deferred outflows of resources related to pensions resulting from City of Jacksonville contributions subsequent to the September 30, 2023, measurement date (FRS measurement date, June 30, 2024) and will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2025.

Current Year Employer Contributions
(in thousands)

General Employees' Pension Plan	\$ 45,641
Corrections Officers' Pension Plan	19,386
Police & Firefighters' Pension Plan	174,040
Florida State Retirement Pension	1,354
Florida State Retiree Health Subsidy	47
Jacksonville Beach Firefighters' Pension Plan	289
Total Contributions	<u>\$ 240,757</u>

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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	\$ -	\$ -	\$ -	\$ (6,395)
Corrections Officers' Pension Plan	-	-	-	-
Police and Firefighters' Pension Plan	-	-	-	-
Florida State Retirement Pension	-	-	(420)	(1,007)
Florida State Retiree Health Subsidy	(2)	(99)	-	(138)
Jacksonville Beach Firefighters' Pension Plan	(219)	(131)	-	-
Total	\$ (221)	\$ (230)	\$ (420)	\$ (7,540)

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	\$ 25,480	\$ 25,617	\$ 43,003	\$ 5,046
Corrections Officers' Pension Plan	16,046	11,028	10,053	-
Police and Firefighters' Pension Plan	82,870	61,701	95,291	-
Florida State Retirement Pension	638	866	-	830
Florida State Retiree Health Subsidy	8	14	-	116
Jacksonville Beach Firefighters' Pension Plan	992	612	1,334	-
Total	\$ 126,034	\$ 99,838	\$ 149,681	\$ 5,992

Deferred Outflows and (Inflows) Amortization for Future Years

(in thousands)

	September 30, 2025	September 30, 2026	September 30, 2027	September 30, 2028	September 30, 2029	Thereafter
General Employees' Pension Plan	\$ 41,305	\$ 27,687	\$ 34,756	\$ (10,997)	\$ -	\$ -
Corrections Officers' Pension Plan	16,004	11,569	12,688	(3,134)	-	-
Police and Firefighters' Pension Plan	125,397	53,619	89,892	(29,046)	-	-
Florida State Retirement Pension	728	343	152	(81)	(177)	(58)
Florida State Retiree Health Subsidy	(123)	31	20	4	(8)	(25)
Jacksonville Beach Firefighters' Pension Plan	640	961	1,079	(92)	-	-
Total	\$ 183,951	\$ 94,210	\$ 138,587	\$ (43,346)	\$ (185)	\$ (83)

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 \$88.6 million for the fiscal year ended September 30, 2024. Contributions totaling \$11.9 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 \$52.8 million comprised of employer contributions and investment management fees, net of participant forfeitures in the amount of \$8.5 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.

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

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 two options to purchase health insurance, both of which are single employer, experience-rated health insurance contract plans that provide medical benefits to active and eligible retirees at the City's group rate as mandated by Florida Statute 112.0801. During a recent 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 were spun-off into a new JPOFFHIT plan members-only actuarial valuation for fiscal year ending 2020 and onward.

The State of Florida law prohibits the City from separately rating retirees and active employees. Therefore, the City 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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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

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 policy, 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 \$4.7 million in premiums for fiscal year 2024, representing 41.6% of the total fiscal year 2024 COJ Plan OPEB cost. The following table displays the estimated retiree premiums for 20- year cash flow purposes (in thousands):

20 Year Cash Flow			
FY2025	\$	5,502	FY2035 \$ 7,127
FY2026		5,555	FY2036 7,228
FY2027		5,644	FY2037 7,562
FY2028		5,729	FY2038 7,810
FY2029		5,901	FY2039 8,086
FY2030		6,011	FY2040 8,401
FY2031		6,267	FY2041 8,809
FY2032		6,570	FY2042 9,033
FY2033		6,745	FY2043 9,356
FY2034		6,923	FY2044 9,897

Retired members of the JPOFFHIT Plan contributed \$8.6 million in premiums for fiscal year 2024, representing 28.1% of the total fiscal year 2024 JPOFFHIT Plan OPEB cost. The following table displays the estimated retiree premiums for 20-year cash flow purposes (in thousands):

20 Year Cash Flow			
FY2025	\$	10,663	FY2035 \$ 18,586
FY2026		11,777	FY2036 19,480
FY2027		12,826	FY2037 20,111
FY2028		13,747	FY2038 21,086
FY2029		14,366	FY2039 22,459
FY2030		15,265	FY2040 23,485
FY2031		16,252	FY2041 25,000
FY2032		16,753	FY2042 26,769
FY2033		17,267	FY2043 29,898
FY2034		18,000	FY2044 30,521

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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

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

		<u>OPEB Liability</u>		<u>Deferred Outflows</u>		<u>Deferred Inflows</u>
FY2023	\$	106,728	\$	73,952	\$	30,239
FY2024		118,132		67,924		25,638

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

		<u>OPEB Liability</u>		<u>Deferred Outflows</u>		<u>Deferred Inflows</u>
FY2023	\$	249,067	\$	82,071	\$	107,458
FY2024		279,771		78,760		90,869

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

		<u>FY2024</u>	<u>FY2023</u>
Total OPEB Liability - Beginning of Year	\$	106,728	\$ 73,873
Service Cost		7,189	4,515
Interest Cost		4,562	2,923
Differences between expected and actual exp		-	30,226
Changes in assumptions and other inputs		4,400	(792)
Benefit Payments		(4,747)	(4,017)
Net change in total OPEB liability		11,404	32,856
Total OPEB Liability - End of Year		118,132	106,728

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

		<u>FY2024</u>	<u>FY2023</u>
Total OPEB Liability - Beginning of Year	\$	249,067	\$ 264,526
Service Cost		17,118	13,791
Interest Cost		11,037	10,960
Differences between expected and actual exp		-	(30,789)
Changes in assumptions and other inputs		11,177	(2,097)
Benefit Payments		(8,628)	(7,324)
Net change in total OPEB liability		30,704	(15,459)
Total OPEB Liability - End of Year		279,771	249,067

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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

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	\$ 24,577	\$ (7,615)
Changes of assumptions/inputs	43,348	(18,023)
Net difference between projected and actual investment	-	-

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

FY2025	\$ 5,826
FY2026	6,070
FY2027	7,078
FY2028	7,078
FY2029	7,078
Thereafter	9,159

Deferred Inflows/Outflows for JPOFFHIT 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	\$ 38,703	\$ (27,605)
Changes of assumptions/inputs	40,057	(63,264)
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):

FY2025	\$ (2,101)
FY2026	(1,518)
FY2027	892
FY2028	892
FY2029	141
Thereafter	(10,416)

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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

OPEB Expenses (in thousands):

	<u>FY2024</u>	<u>FY2023</u>
Total COJ Plan OPEB Expenses	\$12,830	\$12,853
Total JPOFFHIT Plan OPEB Expenses	17,426	21,409

Actuarial Assumptions and Methods:

- | | |
|-----------------------------------|---|
| 1) Measurement Date | September 30, 2024 |
| 2) Discount Rate | 4.09% - (BOY), 3.81% (EOY) – Bond Buyer 20-Bond GO Index. |
| 3) Salary Increase Rate | 3.5% per annum |
| 4) Valuation Date and Census Data | Valuation date of September 30, 2023, based on the census provided by the City as of September 2023. |
| 5) Marriage Rate | The assumed number of eligible dependents is based on the current proportions of single and family contracts in the census provided. |
| 6) 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. |
| 7) Medicare Eligibility | All current and future retirees are assumed to be eligible for Medicare at age 65. |
| 8) Actuarial Cost Method | Entry Age Normal based on level percentage of projected salary. |
| 9) Amortization Method | Experience/Assumptions gains and losses are amortized over a closed period of 10.7 years for the COJ Plan and 9.0 years for the JPOFFHIT Plan, starting the current fiscal year, equal to the average remaining service of active and inactive plan members (who have no future service). |
| 10) 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. |

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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

Actuarial Assumptions and Methods (continued):

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

12) Health Care Cost Trend Rate

The health care cost trend assumptions are used to project the cost of health care in future years. The following annual trends are based on the HCA Consulting trend study and are applied on a select and ultimate basis. Select trends are reduced 0.25% each year until reaching the ultimate trend rate.

<u>Expense Type</u>	<u>Select</u>	<u>Ultimate</u>
Pre-Medicare Medical and Rx Benefits	6.5%	4.0%
Medicare Benefits	5.5	4.0
Stop Loss Fees	6.5	4.0
Administrative Fees	4.0	4.0

13) Per Capita Health Care Cost Trend Rate

Expected annual claim costs were developed using 24 months of historical claim experience through October 2023. The age 60 and age 70 claim costs are as follows:

<u>Per Capita Cost</u>	<u>Age 60</u>	<u>Age 70 (Medicare)</u>	<u>(Non-Medicare)</u>
HMO	\$ 16,085	\$ 10,505	\$ 20,915
High HMO	9,337	6,230	12,145
PPO	19,889	11,939	25,883
Future Retirees	16,508	10,578	21,470

14) Non-Claim Expenses

Non-claim expenses are based on the current amounts charged per retired employee as of 2023. The amounts are provided in the table below and are trended at the levels shown in the "Health Care Cost Trend Rate" table in (12) above.

<u>Expense Type</u>	<u>PEPM</u>
Administrative Fee	\$27.16
Stop Loss Fee	13.27

15) Plan Election Percentage

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

<u>Plan Name</u>	
HMO	75 %
High HMO	5
PPO	20

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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

Actuarial Assumptions and Methods (continued):

16) 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.

17) Termination and Retirement Age

For the COJ Plan, the rate of withdrawal for reasons other than death and retirement has been developed from the Florida Retirement System actuarial valuation as of July 1, 2023, City of Jacksonville Correctional Officer Retirement Plan valuation as of October 1, 2023, and the City of Jacksonville General Employees Retirement Plan valuation as of October 1, 2022. The annual termination probability is dependent on an employee's age, gender, and years of service.

For the JPOFFHIT Plan, the rate of withdrawal for reasons other than death and retirement has been developed from are based on the City of Jacksonville Police and Fire Pension Fund actuarial valuation as of October 1, 2022. The annual termination probability 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):

<u>COJ Plan</u>	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Net OPEB liability	\$ 101,661	\$ 118,132	\$ 138,391

<u>JPOFFHIT Plan</u>	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Net OPEB liability	\$ 245,200	\$ 279,771	\$ 332,330

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

<u>COJ Plan</u>	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Net OPEB liability	\$ 103,369	\$ 118,132	\$ 136,323

<u>JPOFFHIT Plan</u>	<u>1% Decrease</u>	<u>Current</u>	<u>1% Increase</u>
Net OPEB liability	\$ 246,129	\$ 279,771	\$ 322,043

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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

Notes to the OPEB RSI:

No assets are held in trust to pay OPEB benefits.

Trend rates were reset to 6.50% (5.50 % for Medicare) and graded down by 0.25% until reaching an ultimate of 4.00% based on current Healthcare Analytics (HCA) consulting trend study; current economic environment suggests a longer period until reaching the ultimate rate.

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 (rails to trails, 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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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

12. RISK FINANCING (continued)

A. Public Liability and Workers Compensation (continued)

Major Categories of Policies Purchased to Transfer Risk

Coverage's	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	1,000,000	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	11,913,504	1,000
Employee Fidelity	5,000,000	75,000 ⁽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)	11,101,089	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	-
Rails to Trail General Liability	4,000,000	1,000
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
Special Events Policy - FL/GA Game, Jazz Fest, WON, Veterans Day	1,000,000	
Cyber, Security & Privacy Coverage	3,000,000	1,000,000

- (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 \$1,500,000 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 3/1/2024 property policy has a \$100,000 "all other peril" deductible per occurrence. For loss associated with events that are "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 a maximum of \$25,000,000 per occurrence. The policy also has \$25,000 deductibles that apply to Jacksonville Port Authority Equipment Floater (equipment valued \$1M 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 and \$75,000, respectively, 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.
- (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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 liability is established at the expected confidence level on a 4% discounted basis in the amount of \$160,326,000 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, 2024, the City has a surplus in the self-insurance fund of \$57.1 million and a self-insurance operating reserve of \$16.7 million for a combined unrestricted net asset surplus of \$73.8 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, 2024.

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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)

	<u>General/Auto Liability</u>		<u>Worker's Compensation</u>		<u>Totals</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Unpaid claims and claims adjustment expenses at beginning of fiscal year	\$ 18,206	\$ 17,878	\$ 139,440	\$ 147,193	\$ 157,646	\$ 165,071
Incurred claims and claim adjustment expenses:						
Provisions for insured events of the current fiscal year	4,174	4,240	11,670	14,548	15,844	18,788
Increases (decreases) in provision for insured events of prior fiscal years	6,185	6,436	12,198	2,628	18,383	9,064
Total incurred claims and claim adjustment expenses	10,359	10,676	23,868	17,176	34,227	27,852
Payments:						
Claims and claim adjustment expenses attributable to insured events of current fiscal year	940	1,311	5,354	7,169	6,294	8,480
Claims and claim adjustment expenses attributable to insured events of prior fiscal year	7,373	9,037	17,880	17,760	25,253	26,797
Total Payments	8,313	10,348	23,234	24,929	31,547	35,277
Total unpaid claims and claim adjustment expenses at end of fiscal year	\$ 20,252	\$ 18,206	\$ 140,074	\$ 139,440	\$ 160,326	\$ 157,646

The following schedule presents the current and noncurrent claims liabilities for the past two years of the self-insurance fund's general liability and automobile liability, and workers' compensation.

SELF-INSURANCE FUND
CURRENT AND NONCURRENT CLAIMS LIABILITIES
FOR THE YEARS ENDING SEPTEMBER 30
(in thousands)

	<u>General/Auto Liability</u>		<u>Worker's Compensation</u>		<u>Totals</u>	
	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>	<u>2023</u>
Current Liability:						
Estimated Liability for self-insured losses	\$ 8,837	\$ 7,914	\$ 23,579	\$ 23,136	\$ 32,416	\$ 31,050
Noncurrent Liability:						
Estimated Liability for self-insured losses	11,415	10,292	116,495	116,304	127,910	126,596
Total Liability	\$ 20,252	\$ 18,206	\$ 140,074	\$ 139,440	\$ 160,326	\$ 157,646

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 an \$800,000 specific deductible in 2024. Once a claim exceeds this threshold, the City is reimbursed for any excess expenses.

The plan is funded by contributions from the City and employees. These funds reside in an internal service fund which is used exclusively for employee benefits. The beginning balance of this fund as of January 1, 2015, was \$6.48 million. The City received a pro-share settlement from Florida Blue of \$1.55 million. This was the result of superior claims performance that the City experienced in calendar year 2013 and calendar year 2014 as a fully insured health plan. The City received a pharmacy rebate, from Florida Blue, of \$1.96 million for calendar year 2017, \$2.44 million for calendar year 2018, \$3.79 million for calendar year 2019, \$2.08 million for calendar year 2020, \$3.50 million for calendar year 2021, \$4.18 million for calendar year 2022, and \$5.4 million for calendar year 2023.

Incurred but not reported (IBNR) claims were estimated at \$3.39 million as of September 30, 2024, and are recorded as a liability on the Statement of Net Position. Changes in the reported liability since January 1, 2015, resulted from the following (in thousands):

Fiscal Year Ended	Beginning Balance	Claims and Changes in Estimates	Claim and Expense Payments	Ending Balance
2015	\$ -	\$ 57,049	\$ 52,851	\$ 4,198
2016	4,198	74,958	74,913	4,243
2017	4,243	73,669	73,153	4,759
2018	4,759	80,380	80,210	4,929
2019	4,929	81,169	80,710	5,388
2020	5,388	74,996	77,078	3,306
2021	3,306	76,077	75,646	3,737
2022	3,737	71,195	72,053	2,879
2023	2,879	75,373	75,021	3,231
2024	3,232	78,154	77,999	3,387

As of September 30, 2024, the operating gain was \$7.14 million. Florida statutes require a safe harbor threshold to be maintained in plan reserves. This threshold for fiscal year 2024 is \$9.33 million and the City has plan reserves of \$13.6 million.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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, 2024, the following individual funds had a deficit (in thousands):

	<u>Fund Deficit</u>
Governmental Funds	
Public Safety	\$ 24,303
General Projects	20,763
Air Pollution Control & Monitoring	303
Internal Service Fund	
Debt Management	16,337
Legal	238
Private Purpose Trust Fund	
James Brady Disabled Scholarship	3

As of September 30, 2024, three governmental funds - Public Safety, General Projects, and Air Pollution Control & Monitoring - 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, while the Air Pollution Control & Monitoring fund is expected to be reimbursed by the United States Environmental Protection Agency (EPA).

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 Legal Internal Service Funds.

The James Brady Disabled Scholarship Fund reported a deficit attributed to the timing of fund transfers from the main Disabled Services Fund. In accordance with Municipal Code 111.180, an annual appropriation of monies collected as fines under Ordinance Code Section 804.1012(c)(1) is to be deposited into the James Brady Disabled Duval County High School Students College Scholarship Trust Fund upon the written request of the Director of the Parks, Recreation and Community Services Department. The transfer of funds process was initiated after the fiscal year-end..

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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. At September 30, 2024 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, 2024, is \$71.2 million with an increase of \$4.1 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 82.05% 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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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, 2024, \$31.4 million has been accumulated for payment of closure and long-term care cost (see summary below).

	<u>Trail Ridge</u>
	(in thousands)
Current cost of closure	\$ 31,203
Annual cost of long-term care	-
Accelerated fund above state minimum	183
Total balance in escrow	<u>\$ 31,386</u>

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 noncancellable, long-term leases of buildings, land, and infrastructures. Lease terms for the leases vary from 22 months to 356 months. The discount rate used for the calculation of the lease receivable varies depending on the length of the respective leases and ranged from 0.24% to 2.96%.

As of September 30, 2024, the City's lease receivable is valued at \$13.7 million for governmental activities and \$38.7 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 \$13.2 million for governmental activities and \$34.2 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 September 30	<u>Governmental Activities</u>			<u>Business-Type Activities</u>		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 1,495	\$ 205	\$ 1,700	\$ 4,250	\$ 670	\$ 4,920
2026	1,402	192	1,594	6,606	598	7,204
2027	1,386	170	1,556	6,527	485	7,012
2028	1,369	147	1,516	6,658	370	7,028
2029	1,118	124	1,242	6,809	254	7,063
2030 - 2034	2,704	462	3,166	4,537	412	4,949
2035 - 2039	2,828	236	3,064	1,796	219	2,015
2040 - 2044	1,042	59	1,101	1,566	50	1,616
2045 - 2049	311	14	325	-	-	-
2050 - 2051	66	0	66	-	-	-
Total	\$ 13,721	\$ 1,609	\$ 15,330	\$ 38,749	\$ 3,058	\$ 41,807

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 14 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, 2024, the City's right-to-use capital assets are \$29.8 million, including governmental activities of \$29.6 million and business-type activities of \$220,000. The associated accumulated amortization is \$9.7 million for governmental activities and \$73,000 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):

Fiscal Year Ending September 30	<u>Governmental Activities</u>			<u>Business-Type Activities</u>		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 2,274	\$ 327	\$ 2,601	\$ 18	\$ 2	\$ 20
2026	1,847	296	2,143	18	2	20
2027	1,411	274	1,685	18	1	19
2028	1,255	255	1,510	19	1	20
2029	1,305	236	1,541	19	1	20
2030 - 2034	6,103	882	6,985	60	1	61
2035 - 2039	4,609	453	5,062	-	-	-
2040 - 2044	1,602	145	1,747	-	-	-
2045 - 2049	716	63	779	-	-	-
2050 - 2051	309	8	317	-	-	-
Total	\$ 21,431	\$ 2,939	\$ 24,370	\$ 152	\$ 8	\$ 160

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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' software 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 software subscription asset, an intangible asset, and a corresponding software 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 ranged from 0.248% to 3.803%.

As of September 30, 2024, the City's subscription payable is valued at \$17.7 million for governmental activities.

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

Fiscal Year Ending September 30	<u>Governmental Activities</u>		
	Principal	Interest	Total
2025	\$ 7,480	\$ 395	\$ 7,875
2026	5,576	196	5,772
2027	1,083	67	1,150
2028	907	51	958
2029	835	37	872
2030 - 2033	1,803	44	1,847
Total	\$ 17,684	\$ 790	\$ 18,474

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 obligating events has occurred:

- The City is compelled to take remediation action because pollution creates an imminent endangerment to public health,
- The City is in violation of pollution prevention,
- The City is named, or has evidence that it will be named as responsible party by a regulator,
- The City is named, or has evidence that it will be named in a lawsuit to enforce cleanup, or
- The City commences or legally obligates itself to conduct pollution remediation activities.

The City recorded a pollution remediation liability as of September 30, 2024, of approximately \$129.7 million (see Note 8C 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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 complete 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 \$35.8 million has been accrued based on the City's estimate used in its five-year capital project plan. As of September 30, 2024, the ash sites accumulated approximately \$195.4 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, Hollybrooke Park and Confederate Park (now known as Springfield Park)*.

These projects, which are estimated to take several years to complete once started, have an estimated remaining cost of \$20 million, which has been accrued by the City and included in the City's five-year capital projects plan. Various other remediation sites exist within the City and \$74 million has been accrued for their estimated liability based on their inclusion in the City's five-year capital projects plan. The increase is attributed to the addition of the Hollybrooke Park site where the assessment and the preliminary remedial action design plans have been completed to the point where a cost estimate was prepared.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

16. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)

F. Construction and Other Significant Commitments

At September 30, 2024, the City had significant commitments for the following projects:

	(in thousands)
Culture & Recreation	
Artist Walk - Riverside Ave to Park Street	\$ 1,895
Blue Cypress - Pool Demo & Replacement	1,420
Countywide Parks - Parks Cap Maintenance - Playground, Ballfield	2,724
Jacksonville Zoo Improvements	9,658
Oak Harbor Boat Ramp Bulkhead	1,526
Oceanway Center - Oceanway Library Replacement	793
Parks QOL – ADA Improvements	640
Parks QOL – Beach & Peach Park	500
Parks QOL – Blue Cypress Golf Course	628
Parks QOL – Fort Family/9A Baymeadows Regional Park	685
Parks QOL – Ringhaver Park	1,200
Parks QOL – St. Johns River Park	1,312
Performing Arts Center - Roof Replacement	6,859
Sheffield Park (N JAX Regional Park) - Soccer Fields	3,202
Sheffield Park - Phase II	513
Special Committee on Parks and Quality of Life	2,604
St. Johns River Park	1,320
St. Johns Marina Boardwalk	857
Yellow Water Road - Trailhead Development	681
Economic Environment	
Armsdale Rd-Duval Rd Improvements	886
CDBG 22-23 PFI LSF Arlington Therapeutic	749
CDBG 23-24 PFI Enterprise Village	1,200
CDBG-CD 3 Subrecipient	3,000
Dunn Ave & Armsdale Rd Improvements	568
Duval Road Widening	1,173
Harts Road - Bridge Replacement	8,106
HOME 22-23 Revolving Loan Fund	2,186
Miscellaneous Grant and Awards (Rental Assistance) ERAP	2,392
SHIP 22-23 Emergency Response	1,000
SHIP 23-24 Rental Housing Development	500
Two Way Street Conversion	5,764

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

16. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)

F. Construction and Other Significant Commitments (continued)

(in thousands)

General Government Services (Non-Court Related)

ADA Compliance - Curb Ramps Sidewalks	\$ 947
ADA Compliance - Public Buildings	580
American Rescue Plan	1,267
Baseball Grounds - MLB Requirements	13,259
Ed Ball Building - Ed Ball Building - Energy Audit	1,736
Enterprise Financial and Resource Management Solution - 1Cloud	3,342
Enterprise Financial and Resource Management Solution - 1Cloud Phase II	4,500
EPA Climate Pollution Reduction Grant	528
Fleet Management IT Projects	520
Hodges Blvd & Glen Kernan Blvd Improvements	1,610
Jacksonville Fair Grounds Relocation	18,157
Jax Ash Site Pollution Remediation	2,147
JFRD Fire Station Apron & Driveway Repairs	505
La Salle Street Outfall	940
McCoy's Creek Greenway - Outfall Improvements with Riverwalk	19,910
Medical Examiner Facility - 04	36,072
Memorial Cemetery Assessment & Restoration	640
Metropolitan Park	535
MOSH and Riverwalk at the Shipyards	531
Mt. Olive Cemetery Assessment & Restoration	592
Municipal Stadium Renovations - 2024	527
Northbank Marina at Metropolitan Park	29,512
Pretrial Detention Facility - Pretrial Det Fac - Cell Door System	1,570
Pretrial Detention Facility - Pretrial Facility Maint - Upgrades	5,927
Shipyards West Park	588
Southbank Bulkhead	1,789
UF Health Capital Improvements	54,334
Water - Wastewater System Fund - Water-Wastewater System Fund	17,574

Human Services

American Rescue Plan	3,165
Ending HIV Epidemic - Ryan White RCB01121	2,127
Ryan White Care Act of 1990 Title I - RCB00924	4,320
SAMHSA - CREATE Program 2023-2027	695

Physical Environment

Confederate Park-MGP Waste Remediation	2,302
Drainage System Rehabilitation - Drainage System Rehabilitation	646
Environmental Compliance - County Wide	2,071
Leachate Evaporator - Landfill Gas Fueled Leachate Evaporator	1,280
Trail Ridge Landfill Const & Expansion - Trail Ridge Landfill Expansion	2,850

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

16. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)

F. Construction and Other Significant Commitments (continued)

(in thousands)

Public Safety

CARES Act Grant Funds	\$ 556
Fire Station #76 - New Construction	6,131
Mayor's Violence Reduction Center CVIPI	1,187
Met Park Marina Fire Station, Museum & Dock/Design (Replacement)	2,362
Port Security Grant Program - CBRNE Vessel Equipment	554

Transportation

ADA Compliance-Curb Ramps Sidewalks	5,910
Arlington Road Bridge	906
Brooklyn Area Drainage & Safety Imprvmnt	1,146
Broward Road Improvements	2,662
Cedar Point/Sawpit Road (New Berlin to Shark)	702
Chaffee Road	912
Collins Road/Blanding to Pine Verde	984
Eastport Road/Pulaski to Zoo Pkwy	1,059
Emerald Trail - Hogan Street Connector	1,076
Hartley Rd & St Augustine To SR 13	664
La Salle Street Outfall	20,696
McCoy's Creek Greenway - McCoys Creek Channel Improve & Restore	553
McCoy's Creek Greenway - McCoys Creek Rbld & Raise Bridge-King	7,780
McCoy's Creek Greenway - Outfall Improvements with Riverwalk	3,094
Northbank Riverwalk - Northbank Bulkhead	19,910
Old Middleburg 103rd-Branan Field - 01	15,120
Park Street Road Diet	7,822
Penman Road Complete Street	697
Racetrack Road Widening	6,640
Resiliency Infrastructure Improvements	6,702
Ricker Rd & Old Middleburg To Morse	1,025
Riverfront Plaza	16,799
Roadway Resurfacing - Roadway Resurfacing	4,755
Roadway Sign Stripe And Signal	1,350
Shindler 103rd To Argyle Forest - Shindler 103rd To Argyle Forest	1,633
Sibbald Road Sidewalk - Extension	2,243
Sidewalk-Curb Construction and Repair	1,545
Southbank Bulkhead	607
Traffic Signal (New) – New Berlin Rd & Cedar Point Rd	662
Urban Core Riverfront Revitalization Hart Expressway Improvement	818
Willowbranch Creek Bulkhead Replacement	544

Total

\$ 453,942

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

16. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)

G. Encumbrances

At September 30, 2024, the City had encumbrances outstanding in the Governmental Funds as follows:

<u>MAJOR FUNDS</u>	(in thousands)
General Fund	\$ 29,813
Other Federal, State and Local Grants	88,261
General Projects	332,817
Total Major Funds	450,890
 <u>NON-MAJOR FUNDS</u>	
Planning, Economic Development & Concurrency Managemen	595
Air Pollution Control & Monitoring	13
Sports, Convention & Tourism Development	2,439
Court Systems State (Clerk of the Court)	175
Transportation Fund	5,763
General Government - Budgeted	4,923
Emergency 911	666
Tax Increment Districts	23,532
Kids Hope Alliance	14,697
Community Development Block Grant	8,903
Maintenance, Parks & Recreation	1,104
Public Safety	4,727
Jacksonville Housing Commission	3,253
General Government - Non-Budgeted	3,755
Better Jacksonville Plan Construction Project Trust Fund	2,718
Bond Projects	359
Grant Projects	14,586
Total Non-Major Funds	94,028
 TOTAL ENCUMBRANCES	 \$ 544,919

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

16. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)

H. Tax Abatements

The City administers the following tax abatement programs.

Name of Program	Programs Administered by City of Jacksonville	
	Recaptured Enhanced Value (REV) Grant	Qualified Target Industry
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.
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.
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.
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.
How recipient taxes are reduced	As refunds on real and personal property taxes paid by the project above the base year.	As refunds on corporate income, sales, ad valorem, intangible personal property, insurance premium, and certain other taxes.
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.
Provision for recapturing abated taxes	N/A	N/A
Amount being abated for the year ended September 30, 2024	Office of Economic Development	Office of Economic Development
	\$9,132,692	\$248,741
	Downtown Investment Authority	Downtown Investment Authority
	\$3,005,746	N/A

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

17. MAJOR DISCRETELY PRESENTED COMPONENT UNITS – ADDITIONAL DISCLOSURE

During fiscal year 2024, the City had financial transactions with its discretely presented component units classified as follows for financial reporting purposes:

A. JEA

Contribution - On October 1, 1968, the City turned its electrical department over to the newly created JEA. Additionally, on June 1, 1997, the JEA assumed the operation and all related assets and liabilities of the water and sewer system from the City. The JEA is required by the City Charter to contribute annually to the General Fund of the City an amount not to exceed 5.513 mills per kilowatt per hour sold and at a rate of 2.149 mills per cubic feet of water sold. For the fiscal year ended September 30, 2024, these contributions totaled \$123.6 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, 2024, the City received from JEA \$32 million and \$11.5 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 \$131 million in fiscal year 2024. 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 the JTA entered into an interlocal agreement for the purpose of jointly exercising the separate powers of each to the maximum extent allowable by the law in the development, scheduling, financing, planning, permitting, design, construction, and implementation of a \$750 million road, bridge and drainage capital improvement work program. The term of the agreement commenced on October 1, 2000, and was to continue in effect until all of the bonds were paid in full or defeased in accordance with their terms. The City and JTA agreed to pledge the sales tax and the constitutional gas tax for the payment of bonds issued to implement the program.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 the JTA's Mass Transit Division.

Beginning September 1, 2016, a new interlocal agreement between the City and JTA went into effect. The sales tax and constitutional gas tax continue to be pledged for the program's debt service. Any Sales Tax revenues available above debt service are returned to JTA and may be used for certain transportation-related purposes as defined by the agreement. Revenues from the constitutional gas tax are to be used for debt service only if the Sales Tax revenues are insufficient. Any constitutional gas tax revenues available above debt service are split equally between the City and JTA. In addition, the new interlocal agreement provides that five-sixths of the Local Option Gas Tax be made available to JTA for the development, construction, operation and/or maintenance of certain roadway projects managed by JTA as identified in the agreement's exhibits.

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 road, bridge, and other transportation facilities as defined by the legislation. The remaining revenues are retained for City use.

C. Jacksonville Port Authority (JPA)

Interlocal Agreement - In connection with a major port and marine facilities capital improvement project (the Project), the City and the JPA entered into an Interlocal Agreement upon the issuance of \$43.6 million Excise Taxes Revenue Bonds, Series 1993 (the 1993 Bonds). Subsequent to this transaction, the parties entered into an Amended and Restated Interlocal Agreement in conjunction with the issuance of \$57.15 million Excise Taxes Revenue Bonds, Series 1996B (the 1996B Bonds). The 1996B Bonds were refunded by the Excise Taxes Revenue Refunding Bonds, Series 2001A (the 2001A Bonds). The 1993 Bonds were partially refunded by the Excise Taxes Revenue Refunding and Improvement Bonds, Series 2003C (the 2003C Bonds). The 2003C Bonds were partially refunded by the Special Revenue Refunding Bonds, Series 2012E (the 2012E Bonds, and together with the 1993 Bonds, 2001A Bonds and 2003C Bonds, the Bonds).

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

17. MAJOR DISCRETELY PRESENTED COMPONENT UNITS – ADDITIONAL DISCLOSURE
(continued)

C. Jacksonville Port Authority (JPA) (continued)

Under the Amended and Restated Interlocal Agreement, the City agreed to issue the Bonds to finance the Project, and JPA, in consideration therefore, agreed to reimburse the City for debt service payments on the Bonds from certain revenues allocated to the JPA. Any insufficiency in the extent of such revenues allocated to the JPA under the Amended and Restated Interlocal Agreement or any amendments to the Amended and Restated Interlocal Agreement does not affect in any manner any obligation of the City pursuant to the terms of the Bonds.

The amended and restated Interlocal Agreement is not for the benefit of the holders of the Bonds and JPA has no obligation under that Amended and Restated Interlocal Agreement to any third-party bondholder. The revenues allocated to JPA are not pledged as security for the Bonds.

The Amended and Restated Interlocal Agreement provides for the allocation of three sources of revenue (collectively referred to as the Pledged Revenues) by the City to 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. Such Pledged Revenues are to be applied by the City to the payment of debt service on the Bonds for such fiscal year prior to being paid to the JPA. The final payments on the last remaining bonds were made on October 1, 2020, so debt service has not been, and will no longer be, deducted from the payment as of that date.

In previous years, the City expended \$43.1 million on the Project from proceeds of the 1993 Bonds for the benefit of JPA under the Amended and Restated Interlocal Agreement, which completed the 1993 Bond Program. In previous years, the City expended \$64 million on the Project from proceeds (inclusive of investment earnings) of the 1996B Bonds for the benefit of JPA under the Interlocal Agreement.

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

18. SUBSEQUENT EVENTS

In December 2024, the City reached a mediated settlement agreement that included a potentially partially forgivable loan in the amount of \$7.6 million in addition to other non-monetary terms.

19. PRIOR PERIOD ADJUSTMENTS

Corrections to Previously Issued Financial Statements

In fiscal year 2024, the City conducted a comprehensive review of the process for capitalized assets within its integrated ERP system. It was determined that construction-in-progress capital assets required restatement. This evaluation also resulted in adjustments to fiscal year 2023 financial statements, including changes to accounts payable and minor modifications to other capital assets, net of accumulated depreciation.

During fiscal year 2024, the City revised the availability period for governmental funds to 90 days. This adjustment led to modifications in the beginning balances of receivables. Additionally, a review of accounts receivable balances was undertaken in fiscal year 2024, identifying and correcting prior-year errors. Adjustments were made across several funds: ambulance billing in the General Fund, revenues in the Other Federal, State, and Local Grants major fund, revenues and expenditures in the Tax Increment District non-major governmental fund, revenues in the Enterprise Venues Fund, and interest receivable adjustments within the Internal Service Funds.

Internal loan balances between the Debt Management Fund and other funds were also corrected during fiscal year 2024 to properly align loans with their respective funds.

Following the fiscal year 2024 audit of the Jacksonville Housing Finance Authority (JHFA), a discretely presented component unit, corrections to beginning balances were made. Additional details can be found in JHFA's separately issued financial report, which may be obtained by contacting the Jacksonville Housing Finance Authority at 214 N. Hogan Street, 8th Floor, Jacksonville, Florida 32202.

The following chart presents the financial impact of the changes to beginning net position or fund balance related to the correction of prior year errors.

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

19. PRIOR PERIOD ADJUSTMENTS (continued)

Restatements of beginning net position or fund balances

	<u>Governmental Funds</u>			<u>Proprietary Funds</u>	
				<u>Enterprise Funds</u>	
	<u>General Fund</u>	<u>Other Federal, State and Local Grants</u>	<u>Non Major Funds</u>	<u>Solid Waste Disposal</u>	<u>City Venues</u>
September 30, 2022, as previously reported (in thousands)	\$ 458,609	\$ -	\$ -	\$ 22,685	\$ -
Error corrections					
Accounts receivables	6,218	-	-	-	-
Capital assets	-	-	-	1,144	-
September 30, 2022, as restated	\$ 464,827	\$ -	\$ -	\$ 23,829	\$ -
September 30, 2023, as previously reported (in thousands)	\$ 567,153	\$ 8,296	\$ 474,139	\$ 4,627	\$ 160,546
Error corrections					
Equity in pooled cash and investments	-	672	-	-	-
Accounts receivables	17,146	-	-	-	1,111
Other receivables	-	-	124	-	-
Capital assets	-	-	-	6,383	(398)
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	\$ 161,259

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

19. PRIOR PERIOD ADJUSTMENTS (continued)

Restatements of beginning net position or fund balances (continued)

Proprietary Funds (continued)			Citywide Statements		Discretely Presented Component Units	
Enterprise Funds (continued)						
Storm Water Services	Non Major Enterprise	Internal Service	Governmental Activities	Business-Type Activities	Jacksonville Housing Finance Authority	
\$ 164,460	\$ -	\$ 177,115	\$ (1,298,354)	\$ 348,537	\$ -	
-	-	(285)	7,490	-	-	
2,991	-	-	-	4,135	-	
\$ 167,451	\$ -	\$ 176,830	\$ (1,290,864)	\$ 352,672	\$ -	
\$ 177,130	\$ 29,677	\$ 225,783	\$ (1,295,759)	\$ 371,980	\$ 22,268	
-	-	-	672	-	-	
-	-	-	17,146	1,111	-	
-	-	(285)	(161)	-	-	
4,039	(3,141)	-	97,667	6,883	-	
-	-	-	-	-	-	
-	-	-	(303)	-	-	
-	-	(1,635)	(1,635)	(439)	-	
						8,179
\$ 181,169	\$ 26,536	\$ 223,863	\$ (1,182,373)	\$ 379,535	\$ 30,447	

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

21. FUND BALANCE DISCLOSURE (continued)

A. FUND BALANCE CLASSIFICATION (in thousands)

	MAJOR FUNDS		
	SPECIAL		
	BONDED DEBT-		
	BETTER		
	JACKSONVILLE		
	PLAN		
	OBLIGATIONS		
	OTHER FEDERAL,		
	STATE, AND		
	LOCAL GRANTS		
GENERAL			
FUND			
FUND BALANCES:			
Non Spendable:			
Imprest cash and cash in escrow	\$ -	\$ -	\$ -
Inventories	7,551	-	-
Other	178,086	-	-
Spendable:			
Restricted for:			
Debt Service Reserved by Debt Covenants	-	41,598	-
Parks and Recreation Projects	-	-	-
Physical Environment	-	-	-
Human Services	-	-	-
Housing and Urban Development	-	-	-
Industry Development	-	-	-
Other	3,690	-	8,644
Committed to:			
Other General Government	66,859	-	-
Drainage Projects	-	-	-
Parks and Recreation Projects	-	-	-
Planning Projects	-	-	-
Transportation Projects	-	-	-
Emergency Reserve	128,213	-	-
Court Projects and Operations	-	-	-
Public Safety	-	-	-
Industry Development	25,079	-	-
Other	57	-	-
Assigned to:			
Parks Projects	550	-	-
Planning Projects	1,134	-	-
Public Safety	9,570	-	-
Industry Development	15,025	-	-
Other	12	-	-
Unassigned	214,070	-	-
Total Fund Balances	\$ 649,896	\$ 41,598	\$ 8,644

MAJOR FUNDS		NON MAJOR		ALL FUNDS	
BETTER JACKSONVILLE PLAN TRUST	GENERAL PROJECTS	GOVERNMENTAL FUNDS	TOTAL		
			2024	2023	
\$ -	\$ -	\$ 123	\$ 123	\$ 123	
-	-	-	7,551	5,300	
-	-	1,455.00	179,541	1,322	
-	-	8,013	49,611	80,294	
-	-	35	35	35	
-	-	-	-	17	
-	-	21,673	21,673	16,253	
-	-	38,320	38,320	24,293	
-	-	125,123	125,123	111,004	
-	-	15,421	27,755	23,713	
-	-	-	66,859	94,975	
-	-	-	-	-	
-	-	29,894	29,894	28,599	
-	-	117,486	117,486	107,044	
-	-	54,127	54,127	50,479	
-	-	9,668	137,881	8,969	
-	-	9,857	9,857	9,036	
-	-	-	-	10,560	
-	-	4,148	29,227	8,910	
264,800	-	130,156	395,013	417,179	
-	-	-	-	-	
-	-	-	550	1,757	
-	-	-	1,134	3,702	
-	-	-	9,570	9,493	
-	-	-	15,025	2,943	
-	-	-	12	3,838	
-	(20,763)	(24,606)	168,701	343,049	
\$ 264,800	\$ (20,763)	\$ 540,893	\$ 1,485,068	\$ 1,362,887	



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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, 2024

	GENERAL FUND					VARIANCE WITH FINAL BUDGET-
	BUDGETED AMOUNTS				BUDGETARY	POSITIVE
	ORIGINAL	FINAL	ACTUAL	ENCUMBRANCES	ACTUAL	(NEGATIVE)
REVENUE:						
Property taxes.....	\$ 1,030,384	\$ 1,036,008	\$ 1,040,678	\$ -	\$ 1,040,678	\$ 4,670
Utility service taxes.....	128,990	128,990	134,001	-	134,001	5,011
Sales and tourist taxes.....	1,326	1,326	1,278	-	1,278	(48)
Local business tax.....	6,772	6,772	6,992	-	6,992	220
Licenses, permits and fees.....	48,644	48,644	46,060	-	46,060	(2,584)
Intergovernmental.....	251,928	251,928	245,986	-	245,986	(5,942)
Charges for services.....	87,734	88,012	91,035	-	91,035	3,023
Fines and forfeitures.....	2,086	2,086	2,285	-	2,285	199
JEA contribution.....	123,649	123,649	123,649	-	123,649	-
Investment Earning.....	14,153	16,413	63,121	-	63,121	46,708
Other.....	20,360	21,620	20,705	-	20,705	(915)
Total Revenue.....	1,716,026	1,725,448	1,775,791	-	1,775,790	50,342
EXPENDITURES AND ENCUMBRANCES:						
City Council.....	16,460	14,193	12,650	166	12,816	1,377
Clerk of the Courts.....	7,172	7,222	6,321	62	6,383	839
Courts.....	6,638	6,874	6,325	225	6,550	324
Downtown Investment Authority.....	1,396	6,656	1,057	462	1,519	5,137
Employee Services.....	8,600	8,968	7,855	551	8,406	562
Finance.....	21,997	22,538	21,167	669	21,836	702
Fire/Rescue.....	382,015	384,078	378,888	477	379,365	4,713
General Counsel.....	2,165	2,165	1,332	12	1,344	821
Health Administrator.....	1,612	1,612	1,608	-	1,608	4
Inspector General.....	1,541	1,562	1,513	26	1,539	23
Office of the Administrative Services.....	15,439	15,630	15,011	29	15,040	590
Jacksonville Children's Commission.....	-	-	12	-	12	(12)
Jacksonville Human Rights Commission.....	1,181	1,209	1,199	7	1,206	3
Mayor.....	5,052	5,474	5,392	2	5,394	80
Advisory Boards and Commissions.....	539	546	523	11	534	12
Medical Examiner.....	7,131	7,136	6,817	3	6,820	316
Military Affairs, Vet & Disabled Services.....	1,512	1,614	1,427	2	1,429	185
Office of Economic Development.....	3,029	14,661	4,190	4,200	8,390	6,271
Office of Ethics.....	754	754	755	-	755	(1)
Parks & Recreation.....	55,170	54,074	52,288	979	53,267	807
Property Appraiser.....	12,701	12,732	12,127	15	12,142	590
Public Defender.....	2,457	2,635	2,616	-	2,616	19
Planning and Development.....	4,571	5,026	4,370	304	4,674	352
Public Libraries.....	42,364	43,371	40,842	1,069	41,911	1,460
Public Works.....	69,860	71,171	68,034	1,573	69,607	1,564
Neighborhoods.....	12,942	17,283	11,324	402	11,726	5,557
Office of Sports & Entertainment.....	12,230	12,919	12,744	225	12,969	(50)
State Attorney.....	2,821	2,825	2,815	3	2,818	7
Supervisor of Elections.....	11,192	14,226	12,424	398	12,822	1,404
Office of the Sheriff.....	578,314	609,164	597,313	7,634	604,947	4,217
Tax Collector.....	26,260	27,141	25,884	249	26,133	1,008
Federal Program Reserve.....	4,225	778	-	-	-	778
Contribution to Shands-Jacksonville.....	28,733	28,733	28,733	-	28,733	-
Cash Carryover Reserves.....	103,463	123,973	-	-	-	123,973
Jacksonville Misc. Citywide Activities.....	207,696	248,342	158,498	10,058	168,556	79,786
Total Expenditures.....	1,659,232	1,777,285	1,504,054	29,813	1,533,867	243,418
EXCESS OF REVENUE OVER (UNDER)						
EXPENDITURES.....	56,794	(51,837)	271,737	(29,813)	241,923	293,760
OTHER FINANCING SOURCES (USES):						
Long term debt issued.....	15,000	20,979	5,979	-	5,979	(15,000)
Lease issuance.....	-	-	106	-	106	106
Software subscription issuance.....	-	-	133	-	133	133
Transfers in.....	29,953	30,352	33,369	-	33,369	3,017
Transfers out.....	(213,535)	(247,987)	(242,907)	-	(242,907)	5,080
Total Other Financing Sources (Uses).....	(168,582)	(196,656)	(203,320)	-	(203,320)	(6,664)
EXCESS (DEFICIENCY) OF REVENUES						
OVER (UNDER) EXPENDITURES	(111,788)	(248,493)	68,417	(29,813)	38,603	287,096
FUND BALANCES - BEGINNING OF YEAR AS RESTATED.....	581,479	581,479	581,479	-	581,479	-
FUND BALANCES - ENDING.....	\$ 469,691	\$ 332,986	\$ 649,896	\$ (29,813)	\$ 620,082	\$ 287,096

CITY OF JACKSONVILLE, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 2024, 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 but are not annually budgeted. The City has opted to make this presentation in the format and classifications of the budget document. These schedules report actual expenditures using generally accepted accounting principles as well as expenditures on the budgetary basis, which include amounts encumbered for future spending.

B. The City adopts annual budgets for the General Fund, certain Special Revenue Funds, and Proprietary Funds. The City reports budgetary comparisons for its General Fund and Major Special Revenue Funds in the Required Supplementary Information section of the report. None of these funds had an excess of expenditures over appropriations for the year ended September 30, 2024. Proprietary Fund budgets are adopted for management control purposes. The City is not required to include Budgetary Comparisons for Proprietary Funds in this report. Project or program budgets, which may not coincide with the City's fiscal year, or which may exceed a single annual period, are adopted by separate ordinance for most Special Revenue Funds and Capital Project Funds. Budgets are not formally adopted for Debt Service Funds as internal spending controls are set by compliance with bond covenants. The Special Revenue Funds which are not annually budgeted include the following: Public Safety, Community Development Block Grant, Job Training Partnership Act Grant, Maintenance Parks and Recreation, Other Federal, State and Local Grants, Better Jacksonville Trust Fund, Housing and Neighborhoods, State Housing Initiative Partnership, Non-Budgeted General Government, and Clerk of Court.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

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 is under \$500,000 during the fiscal year. These transfers are reported to the Finance Committee on a quarterly basis.

D. Supplemental Appropriations - The City Council may, through passage of an ordinance, amend the budget in any manner permissible under state and local law, with one exception. Bond covenants, trust and agency agreements, and certain clauses of ordinances in effect may restrict certain budgetary items in terms of amount or use.

In certain instances, the City may supplement the appropriations in a fund due to unexpected high levels of receipts or under estimates of carry forward balances. Supplemental appropriations to the Fiscal Year 2024 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 SUPPLEMENTAL INFORMATION
SCHEDULE OF CONTRIBUTIONS - LAST 10 FISCAL YEARS
CITY OF JACKSONVILLE RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

(in thousands)

<u>Plan Year Ending September 30</u>	<u>Actuarially Determined Contributions</u>	<u>City Cash Contributions</u>	<u>Contribution Deficiency/ (Excess)**</u>	<u>Covered Payroll*</u>	<u>Actual Contribution as a % of Covered Payroll</u>
General Employees Retirement Plan					
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
2015	86,069	81,751	4,318	262,369	31.16
Corrections Officers Retirement Plan					
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
2015	17,618	17,832	(214)	27,374	65.14

*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 SUPPLEMENTAL INFORMATION
SCHEDULE OF CONTRIBUTIONS - LAST 10 FISCAL YEARS
CITY OF JACKSONVILLE BEACH FIREFIGHTERS PENSION PLAN
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

(in thousands)

<u>Plan Year Ending September 30</u>	<u>Actuarially Determined Contributions</u>	<u>City Cash Contributions</u>	<u>Contribution Deficiency/ (Excess)</u>	<u>Covered Payroll</u>	<u>Actual Contribution as a % of Covered Payroll</u>
Jacksonville Beach Firefighters					
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
2015	368	390	(22)	1,848	21.10

Notes to Schedule of Contributions

Valuation Date October 1, 2023 for period ended September 30, 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 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 SUPPLEMENTAL INFORMATION
SCHEDULE OF CONTRIBUTIONS - LAST 10 FISCAL YEARS
FLORIDA RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

(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					
2024	\$ 925	\$ 925	\$ -	\$ 7,289	12.69%
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
2015	769	774	(5)	2,175	35.60
Health Insurance Subsidy					
2024	\$ 47	\$ 47	\$ -	\$ 2,349	2.00%
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
2015	35	40	(5)	2,175	1.83



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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, 2024

(in thousands)

	2023		2022	
	General Employees' Retirement Plan	Corrections Officers' Retirement Plan	General Employees' Retirement Plan	Corrections Officers' Retirement Plan
Total pension liability				
Service cost*	\$ 40,446	\$ 8,023	\$ 39,951	\$ 7,782
Interest*	232,636	35,722	228,792	33,940
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	45,408	9,723	38,039	9,464
Changes of assumptions	22,701	1,104	48,782	8,805
Benefit payments, including refunds of contributions	(229,177)	(23,654)	(231,842)	(22,269)
Net change in total pension liability	112,014	30,918	123,722	37,722
Total pension liability - beginning balance	3,653,156	553,372	3,529,433	515,649
Total pension liability - ending balance (a)	\$ 3,765,170	\$ 584,290	\$ 3,653,155	\$ 553,371
Plan fiduciary net position				
Contributions - employer	\$ 83,375	\$ 17,196	\$ 84,353	\$ 17,610
Contributions - employee	25,806	3,333	27,713	3,153
Net investment income	234,846	32,101	(351,108)	(45,934)
Benefit payments including refunds of contributions	(229,177)	(23,654)	(231,842)	(22,269)
Administrative expense	(1,365)	(97)	(1,832)	(159)
Other	-	-	-	-
Net change in plan fiduciary net position	113,485	28,879	(472,716)	(47,599)
Plan fiduciary net position - beginning balance	1,826,945	249,660	2,299,661	297,259
Plan fiduciary net position - ending balance (b)	1,940,430	278,539	1,826,945	249,660
Net pension liability - ending balance (a) - (b)	\$ 1,824,740	\$ 305,751	\$ 1,826,210	\$ 303,711
Plan fiduciary net position as a % of total pension liability	51.54%	47.67%	50.01%	45.12%
Covered payroll (in thousands)	\$ 230,710	\$ 24,527	\$ 227,912	\$ 25,261
Net pension liability as % of covered payroll	790.92%	1246.59%	801.28%	1202.29%

Notes to Schedules:

Change of Assumptions:

As of September 30, 2020 the assumed investment return was lowered from 6.90% to 6.80%.
As of September 30, 2021 the assumed investment return was lowered from 6.80% to 6.625%.
As of September 30, 2022 the assumed investment return was lowered from 6.625% to 6.50%.
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, 2018 FRS actuarial valuation for the special risk personnel to 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.

Change of Benefits:

An early retirement window was offered April 1, 2021 through September 30, 2021.
During the window, normal retirement eligibility 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.

2021		2020		2019	
General Employees' Retirement Plan	Corrections Officers' Retirement Plan	General Employees' Retirement Plan	Corrections Officers' Retirement Plan	General Employees' Retirement Plan	Corrections Officers' Retirement Plan
\$ 40,608	\$ 8,106	\$ 39,960	\$ 7,675	\$ 39,905	\$ 7,359
225,729	32,479	222,362	30,633	219,284	29,931
3,982	-	-	-	-	-
25,338	5,071	12,192	9,965	33,435	5,491
65,605	11,440	36,145	6,109	4,913	(7,304)
(221,533)	(21,953)	(207,269)	(20,323)	(207,904)	(18,506)
139,729	35,143	103,390	34,059	89,633	16,971
3,389,704	480,506	3,286,314	446,447	3,196,681	429,474
<u>\$ 3,529,433</u>	<u>\$ 515,649</u>	<u>\$ 3,389,704</u>	<u>\$ 480,506</u>	<u>\$ 3,286,314</u>	<u>\$ 446,447</u>
\$ 77,269	\$ 15,061	\$ 72,194	\$ 15,058	\$ 70,338	\$ 14,498
29,116	3,341	26,014	3,401	28,334	3,225
410,544	61,123	125,958	9,840	14,789	3,496
(221,533)	(21,953)	(207,269)	(20,323)	(207,904)	(18,506)
(1,194)	(160)	(1,084)	(153)	(967)	(158)
-	-	-	-	-	-
294,202	57,412	15,813	7,823	(95,410)	2,555
2,005,459	239,847	1,989,646	232,024	2,085,056	229,469
<u>2,299,661</u>	<u>297,259</u>	<u>2,005,459</u>	<u>239,847</u>	<u>1,989,646</u>	<u>232,024</u>
<u>\$ 1,229,772</u>	<u>\$ 218,390</u>	<u>\$ 1,384,245</u>	<u>\$ 240,659</u>	<u>\$ 1,296,668</u>	<u>\$ 214,423</u>
65.16%	57.65%	59.16%	49.92%	60.54%	51.97%
\$ 233,266	\$ 25,903	\$ 246,387	\$ 28,268	\$ 249,983	\$ 28,726
527.20%	843.11%	561.82%	851.35%	518.70%	746.44%

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, 2024

(in thousands)

	2018		2017	
	General Employees' Retirement Plan	Corrections Officers' Retirement Plan	General Employees' Retirement Plan	Corrections Officers' Retirement Plan
Total pension liability				
Service cost*	\$ 41,477	\$ 7,975	\$ 37,697	\$ 7,330
Interest*	215,034	28,318	210,509	27,284
Changes of benefit terms	17,317	-	1,149	74
Differences between expected and actual experience	(7,275)	719	16,294	(2,054)
Changes of assumptions	80,635	17,045	64,390	9,950
Benefit payments, including refunds of contributions	(191,229)	(19,819)	(192,662)	(17,438)
Net change in total pension liability	155,959	34,238	137,377	25,146
Total pension liability - beginning balance	3,040,721	395,236	2,903,344	370,090
Total pension liability - ending balance (a)	\$ 3,196,680	\$ 429,474	\$ 3,040,721	\$ 395,236
Plan fiduciary net position				
Contributions - employer	\$ 71,024	\$ 13,973	\$ 94,700	\$ 19,162
Contributions - employee	29,919	3,151	23,037	2,500
Net investment income	145,470	19,269	266,138	26,747
Benefit payments including refunds of contributions	(191,229)	(19,819)	(192,662)	(17,438)
Administrative expense	(1,193)	(128)	(787)	(75)
Other	11,397	-	-	-
Net change in plan fiduciary net position	65,388	16,446	190,426	30,896
Plan fiduciary net position - beginning balance	2,019,668	213,023	1,829,242	182,127
Plan fiduciary net position - ending balance (b)	2,085,056	229,469	2,019,668	213,023
Net pension liability - ending balance (a) - (b)	\$ 1,111,624	\$ 200,005	\$ 1,021,053	\$ 182,213
Plan fiduciary net position as a % of total pension liability	65.23%	53.43%	66.42%	53.90%
Covered payroll (in thousands)	\$ 253,982	\$ 28,164	\$ 257,850	\$ 26,585
Net pension liability as % of covered payroll	437.68%	710.14%	395.99%	685.40%

Notes to Schedules:

Change of Assumptions:

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.

2016		2015		2014	
General Employees' Retirement Plan	Corrections Officers' Retirement Plan	General Employees' Retirement Plan	Corrections Officers' Retirement Plan	General Employees' Retirement Plan	Corrections Officers' Retirement Plan
\$ 36,759	\$ 7,091	\$ 40,238	\$ 7,261	\$ 36,950	\$ 6,680
199,659	25,391	194,312	23,652	189,064	21,997
-	-	-	-	-	-
60,437	(1,418)	(4,785)	1,699	(5,356)	5,963
72,969	16,320	(18,044)	(1,243)	101,525	10,765
(183,692)	(17,487)	(170,674)	(13,081)	(171,127)	(14,676)
186,132	29,897	41,047	18,288	151,056	30,729
2,717,212	340,194	2,676,164	321,906	2,525,107	291,177
<u>\$ 2,903,344</u>	<u>\$ 370,091</u>	<u>\$ 2,717,211</u>	<u>\$ 340,194</u>	<u>\$ 2,676,163</u>	<u>\$ 321,906</u>
\$ 84,898	\$ 18,864	\$ 81,751	\$ 17,832	\$ 71,000	\$ 13,522
21,840	2,410	20,893	2,466	20,961	2,253
167,067	11,548	(39,506)	(3,849)	194,864	15,468
(183,692)	(17,486)	(170,674)	(13,081)	(171,127)	(14,677)
(762)	(75)	(762)	(73)	(828)	(65)
-	-	-	-	-	-
89,351	15,261	(108,298)	3,295	114,870	16,501
1,739,891	166,866	1,848,189	163,571	1,733,319	147,070
1,829,242	182,127	1,739,891	166,866	1,848,189	163,571
<u>\$ 1,074,102</u>	<u>\$ 187,964</u>	<u>\$ 977,320</u>	<u>\$ 173,328</u>	<u>\$ 827,974</u>	<u>\$ 158,335</u>
63.00%	49.21%	64.03%	49.05%	69.06%	50.81%
\$ 255,717	\$ 28,091	\$ 254,035	\$ 27,374	\$ 262,369	\$ 27,871
420.04%	669.13%	384.72%	633.18%	315.58%	578.42%

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, 2024

(in thousands)

	2024			2023		
	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*	\$ 498	\$ 17	\$ 440	\$ 364	\$ 10	\$ 394
Interest*	2,439	33	1,378	1,881	18	1,323
Changes of benefit terms	241	-	-	175	264	-
Differences between expected and actual experience	771	-	1,341	413	-	18
Changes of assumptions	-	(51)	360	-	(11)	694
Change in Porportionate Share	1,279	131	-	(344)	(59)	-
Benefit payments, including refunds of contributions	(2,125)	(45)	(812)	(1,681)	(25)	(836)
Net change in total pension liability	3,103	85	2,706	808	197	1,593
Total pension liability - beginning balance	31,366	781	20,983	30,559	583	19,390
Total pension liability - ending balance (a)	\$ 34,469	\$ 866	\$ 23,689	\$ 31,367	\$ 780	\$ 20,983
Plan fiduciary net position						
Contributions - employer	\$ 925	\$ 47	\$ 997	\$ 631	\$ 35	\$ 1,091
Contributions - employee	132	-	138	104	-	135
Net investment income	3,087	2	1,505	1,755	-	(2,881)
Benefit payments including refunds of contributions	(2,125)	(45)	(812)	(1,681)	(25)	(836)
Administrative expense	(5)	-	(85)	(4)	-	(78)
Other	-	-	-	-	-	-
Net change in plan fiduciary net position	2,014	4	1,743	805	10	(2,569)
Plan fiduciary net position - beginning balance	26,136	31	15,627	25,331	24	18,196
Plan fiduciary net position - ending balance (b)	28,151	35	17,370	26,136	34	15,627
Net pension liability - ending balance (a) - (b)	\$ 6,320	\$ 831	\$ 6,320	\$ 5,231	\$ 746	\$ 5,356
Plan fiduciary net position as a % of total pension liability	81.67%	4.04%	73.33%	83.32%	4.36%	74.47%
Covered payroll (in thousands)	\$ 7,289	\$ 2,349	\$ 2,185	\$ 5,507	\$ 1,870	\$ 2,064
Net pension liability as % of covered payroll	86.71%	35.38%	289.24%	94.99%	39.89%	259.50%

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 6.90% for the 2023 valuation and 7.00% for the 2022 valuation. The mortality tables were updated to Pub-2010 with projection scale MP-2018.

2022			2021			2020		
Florida Retirement System	FRS Health Insurance Supplement	Jacksonville Beach Firefighters	Florida Retirement System	FRS Health Insurance Supplement	Jacksonville Beach Firefighters	Florida Retirement System	Health Insurance Supplement	Jacksonville Beach Firefighters
\$ 370	\$ 15	\$ 361	\$ 438	\$ 17	\$ 346	\$ 556	\$ 17	\$ 378
1,969	14	1,363	2,267	16	1,320	2,826	25	1,277
14	-	-	-	-	-	-	-	-
175	(3)	(748)	58	-	(63)	94	28	92
343	(83)	(462)	-	5	-	365	30	1,161
-	-	-	-	-	-	-	-	-
(1,775)	(28)	(840)	(1,981)	(30)	(1,149)	(2,393)	(32)	(968)
1,096	(85)	(326)	782	8	454	1,448	68	1,940
29,463	668	19,716	33,867	742	19,262	41,580	722	17,322
<u>\$ 30,559</u>	<u>\$ 583</u>	<u>\$ 19,390</u>	<u>\$ 34,649</u>	<u>\$ 750</u>	<u>\$ 19,716</u>	<u>\$ 43,028</u>	<u>\$ 790</u>	<u>\$ 19,262</u>
\$ 600	\$ 32	\$ 842	\$ 630	\$ 35	\$ 1,101	\$ 698	\$ 36	\$ 658
108	-	159	125	-	146	157	-	178
(2,001)	-	2,835	7,926	-	1,372	1,121	-	743
(1,775)	(28)	(840)	(1,981)	(30)	(1,149)	(2,393)	(32)	(967)
(3)	-	(76)	(4)	-	(80)	(5)	-	(70)
-	-	-	-	-	-	-	-	-
(3,071)	4	2,920	6,696	5	1,390	(422)	4	542
28,402	24	15,276	26,704	22	13,886	34,348	19	13,344
25,331	28	18,196	33,400	27	15,276	33,926	23	13,886
<u>\$ 5,228</u>	<u>\$ 555</u>	<u>\$ 1,194</u>	<u>\$ 1,249</u>	<u>\$ 723</u>	<u>\$ 4,440</u>	<u>\$ 9,102</u>	<u>\$ 767</u>	<u>\$ 5,376</u>
82.89%	4.80%	93.84%	96.40%	3.60%	77.48%	78.85%	2.91%	72.09%
\$ 5,436	\$ 1,914	\$ 1,871	\$ 1,473	\$ 1,473	\$ 1,871	\$ 2,065	\$ 2,065	\$ 2,244
96.17%	29.00%	63.82%	84.79%	49.08%	237.31%	440.77%	37.13%	239.52%

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 the 2020 valuation and 6.80% 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 7.00% for the 2021 valuation and 7.50% for the 2020 valuation.

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, 2024

(in thousands)

	2019			2018	
	Florida Retirement System	Health Insurance Supplement	Jacksonville Beach Firefighters	Florida Retirement System	Jacksonville Beach Firefighters
Total pension liability					
Service cost*	\$ 575	\$ 16	\$ 306	\$ 666	\$ 302
Interest*	3,005	30	1,207	3,453	1,097
Changes of benefit terms	3	-	-	-	-
Differences between expected and actual experience	56	-	189	162	216
Changes of assumptions	361	36	879	564	717
Change in Porportionate Share	-	-	-	(240)	-
Benefit payments, including refunds of contributions	(2,475)	(35)	(774)	(2,803)	(750)
Net change in total pension liability	1,525	47	1,807	1,802	1,582
Total pension liability - beginning balance	43,576	764	15,515	51,141	13,933
Total pension liability - ending balance (a)	\$ 45,101	\$ 811	\$ 17,322	\$ 52,943	\$ 15,515
Plan fiduciary net position					
Contributions - employer	\$ 706	\$ 39	\$ 608	\$ 802	\$ 501
Contributions - employee	171	-	161	199	169
Net investment income	2,143	-	1,112	3,718	1,322
Benefit payments including refunds of contributions	(2,475)	(35)	(774)	(2,803)	(750)
Administrative expense	(4)	-	(75)	(5)	(71)
Other	-	-	-	-	-
Net change in plan fiduciary net position	541	4	1,032	1,911	1,171
Plan fiduciary net position - beginning balance	36,715	16	12,312	42,170	11,141
Plan fiduciary net position - ending balance (b)	37,256	20	13,344	44,081	12,312
Net pension liability - ending balance (a) - (b)	\$ 7,845	\$ 791	\$ 3,978	\$ 8,862	\$ 3,203
Plan fiduciary net position as a % of total pension liability	82.61%	2.47%	77.03%	83.26%	79.36%
Covered payroll (in thousands)	\$ 1,897	\$ 1,897	\$ 2,230	\$ 2,043	\$ 2,030
Net pension liability as % of covered payroll	413.55%	41.69%	195.97%	433.77%	157.78%

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 2.50%.

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 2018 and 7.90% for the 2017 valuation.

2017		2016		2015	
Florida Retirement System	Jacksonville Beach Firefighters	Florida Retirement System	Jacksonville Beach Firefighters	Florida Retirement System	Jacksonville Beach Firefighters
\$ 592	\$ 282	\$ 592	\$ 245	\$ 629	\$ 246
3,444	994	3,444	952	3,483	913
25	-	25	-	9	(1,652)
386	33	386	117	245	-
2,758	812	2,758	-	369	-
(6,329)	-	(6,329)	-	(533)	-
(2,736)	(933)	(2,736)	(683)	(3,070)	(664)
(1,860)	1,188	(1,860)	631	1,132	(1,157)
53,001	12,745	53,001	12,114	51,869	13,271
<u>\$ 51,141</u>	<u>\$ 13,933</u>	<u>\$ 51,141</u>	<u>\$ 12,745</u>	<u>\$ 53,001</u>	<u>\$ 12,114</u>
\$ 756	\$ 422	\$ 756	\$ 390	\$ 737	\$ 458
204	161	204	147	203	122
5,145	855	5,145	(34)	140	1,010
(2,736)	(933)	(2,736)	(684)	(3,070)	(664)
(5)	(63)	(5)	(66)	(5)	(78)
-	-	-	-	-	-
3,364	442	3,364	(247)	(1,995)	848
38,807	10,700	38,807	10,946	46,853	10,098
42,171	11,142	42,171	10,699	44,858	10,946
<u>\$ 8,970</u>	<u>\$ 2,791</u>	<u>\$ 8,970</u>	<u>\$ 2,046</u>	<u>\$ 8,143</u>	<u>\$ 1,168</u>
82.46%	79.97%	82.46%	83.95%	84.64%	90.36%
\$ 2,048	\$ 2,123	\$ 2,072	\$ 2,123	\$ 2,175	\$ 1,868
437.99%	150.85%	432.92%	150.85%	374.39%	62.52%

Notes to Schedules:

FLORIDA RETIREMENT SYSTEM

The total pension liability for each cost-sharing defined benefit plan was determined using the individual 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 3.50% for 2016 and 2015 valuations.

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 8.00% for 2016 and 2015 valuations.

The mortality tables were updated to the HB mandated FRS mortality tables.

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF MONEY-WEIGHTED RATE OF RETURN - LAST 10 FISCAL YEARS
CITY OF JACKSONVILLE RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

(net of investment expense)

Fiscal Year Ended September 30	City of Jacksonville Retirement System
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
2015	-2.15

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
CITY OF JACKSONVILLE RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
GENERAL EMPLOYEES RETIREMENT PLAN

Valuation date	October 1, 2023
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, 2023, the effective amortization period is 23 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:	
<i>Pre-retirement</i>	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.
<i>Healthy annuitants</i>	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.
<i>Disabled annuitants</i>	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.

**CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
CITY OF JACKSONVILLE RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
CORRECTIONS OFFICERS RETIREMENT PLAN**

Valuation date	October 1, 2023
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, 2023, the effective amortization period is 23 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	3.50% - 10.00%, 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 SUPPLEMENTAL INFORMATION
SCHEDULE OF THE CITY'S PORPORTIONATE SHARE
NET PENSION LIABILITY - LAST 10 FISCAL YEARS

CITY OF JACKSONVILLE RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

(in thousands)

Fiscal Year	City's Proportional Share Percentage	City's Proportion of Net Pension Liability	City's Covered Payroll	City's Net Pension Liability as Percentage of Covered Employee Payroll	Plan Fiduciary Net Position as a % of Total Pension Liability
2024	45.81%	\$ 835,826	\$ 91,746	911.02%	51.54%
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
2015	49.72	411,669	128,869	319.45	69.06

FLORIDA STATE RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

(in thousands)

Fiscal Year	City's Proportional Share Percentage	City's Proportion of Net Pension Liability	City's Covered Payroll	City's Net Pension Liability as Percentage of Covered Payroll	Plan Fiduciary Net Position as a % of Total Pension Liability
Pension Plan					
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
2015	0.03	4,076	2,175	187.40	92.00
Health Insurance Subsidy					
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
2015	0.01	939	2,175	43.17	0.50

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, 2024

(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
2024	\$ 174,039	\$ 174,040	\$ (1)	\$ 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
2015	153,604	153,936	(332)	132,735	115.72

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

Valuation date: October 1, 2023

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 (FRS), as mandated by Chapter 112.63, Florida Statutes.

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF EMPLOYER AND MEMBER CONTRIBUTIONS
POLICE AND FIRE PENSION FUND - SENIOR STAFF VOLUNTARY RETIREMENT PLAN
SEPTEMBER 30, 2024

(in thousands)

Plan Year	Annual		Contribution	Covered	Contribution
Ending	Required City	Employer	Deficiency/	employee	as a % of
September 30	Contribution	Contributions	(excess)*	payroll	covered payroll
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
2015	-	-	-	307	0.00%

* 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:	

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 (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, 2024

(in thousands)

	2023	2022	2021	2020
Total pension liability				
Service Cost (BOY)	\$ 74,922	\$ 71,817	\$ 71,448	\$ 70,110
Interest on total pension liability	318,081	301,237	292,914	283,846
Changes in Benefit Terms	-	-	-	2,706
Experience deviations including buybacks	55,615	114,062	10,351	3,123
Changes of assumptions	-	81,000	162,093	56,025
Benefit payments, including refunds of member contributions	(229,356)	(229,231)	(209,515)	(193,115)
Distribution from Reserve Accounts	(3,978)	(18,013)	(15,238)	(24,557)
Other	17,922	15,798	556	(3,076)
Net change in total pension liability	233,206	336,670	312,609	195,062
Total pension liability -- beginning	4,933,462	4,596,792	4,284,183	4,089,121
Total pension liability -- ending(a)	\$ 5,166,668	\$ 4,933,462	\$ 4,596,792	\$ 4,284,183
Fiduciary net position Contributions--employer				
Contributions--employer	156,848	157,520	134,725	123,328
Contributions--member	17,791	18,277	19,118	19,035
Net investment income	273,430	(432,099)	490,418	159,428
Benefit payments, including refunds of member contributions	(229,356)	(229,231)	(209,515)	(193,114)
Administrative expense	(2,544)	(2,146)	(2,205)	(2,185)
Distribution from Reserve Accounts	(3,978)	(18,013)	(15,238)	(24,557)
Chapter 175/185	18,423	15,798	14,307	13,888
Court Fines	585	667	724	519
Other	283	(518)	(34)	673
Net change in fiduciary net position	231,482	(489,745)	432,300	97,015
Fiduciary net position -- beginning	1,993,278	2,483,023	2,050,722	1,953,707
Fiduciary net position -- ending	2,224,760	1,993,278	2,483,022	2,050,722
less Reserve Accounts and Sr. Staff Assets	-	-	-	-
Total fiduciary net position -- ending(b)	2,224,760	1,993,278	2,483,022	2,020,065
City's fiduciary net pension liability--ending(a)-(b)	\$ 2,941,908	\$ 2,940,184	\$ 2,113,770	\$ 2,264,118
Fiduciary net position as a percentage of the total pension liability	43.06%	40.40%	54.02%	47.15%
Covered payroll	\$159,543	\$162,885	\$161,836	\$174,186
City's fiduciary net pension liability as a percentage of covered-employee payroll	1843.96%	1805.07%	1306.12%	1299.83%

2019	2018	2017	2016	2015	2014
\$ 65,148	\$ 60,154	\$ 45,257	\$ 44,087	\$ 46,663	\$ 47,915
269,658	259,434	233,338	217,546	210,943	203,577
-	-	26,818	-	(28,685)	-
8,465	8,132	24,031	3,566	24,831	22,671
-	-	232,927	97,813	24,514	-
(189,126)	(184,257)	(171,277)	(159,726)	(148,628)	(138,179)
(55,472)	-				
110,375	-				
209,048	143,464	391,094	203,286	129,638	135,984
3,880,073	3,736,609	3,345,515	3,142,229	3,012,590	2,876,606
\$ 4,089,121	\$ 3,880,073	\$ 3,736,609	\$ 3,345,515	\$ 3,142,228	\$ 3,012,590
110,528	115,691	184,526	157,494	154,665	150,520
17,746	16,637	13,571	12,831	12,062	11,584
54,130	156,443	243,422	154,313	(62,884)	147,333
(189,126)	(184,257)	(171,277)	(159,726)	(148,628)	(138,179)
(2,117)	(2,138)	(2,174)	(3,519)	(2,228)	(2,224)
(55,472)	-	-	-	-	-
12,756	11,791	10,875	10,681	10,578	10,110
702	776	759	833	921	881
(3,262)	82	51	122	327	142
(54,115)	115,025	279,753	173,029	(35,187)	180,167
2,007,822	1,892,797	1,613,044	1,437,777	-	1,292,930
1,953,707	2,007,822	1,892,797	1,613,044	(35,187)	1,473,097
-	(126,819)	(127,638)	(99,646)	(83,502)	(83,349)
1,953,707	1,881,003	1,765,159	1,513,398	(118,689)	1,389,748
\$ 2,135,414	\$ 1,999,070	\$ 1,971,450	\$ 1,832,117	\$ 3,260,917	\$ 1,622,842
47.78%	48.48%	47.24%	45.24%	-3.78%	46.13%
\$174,125	\$162,004	\$149,490	\$135,600	\$132,735	\$134,521
1226.37%	1233.97%	1318.78%	1351.12%	2456.71%	1206.38%

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, 2024

(in thousands)

	2023	2022	2021
Total pension liability			
Service Cost (BOY)	\$ -	\$ -	\$ -
Interest on total pension liability	301	302	304
Changes in Benefit Terms	-	-	-
Experience deviations including buybacks	114	117	120
Changes of assumptions	-	51	112
Benefit payments, including refunds of member contributions	(427)	(376)	(375)
Net change in total pension liability	(12)	94	161
Total pension liability -- beginning	4,842	4,748	4,587
Total pension liability -- ending(a)	\$ 4,830	\$ 4,842	\$ 4,748
Fiduciary net position Contributions--employer			
Contributions--employer	15	49	-
Contributions--member	-	-	-
Net investment income	457	(740)	903
Benefit payments, including refunds of member contributions	(427)	(376)	(375)
Other			
Net change in fiduciary net position	45	(1,067)	528
Fiduciary net position -- beginning	3,540	4,606	4,077
Fiduciary net position -- ending (b)	3,586	3,540	4,606
Net Pension Liability -- ending (a) - (b)	\$ 1,244	\$ 1,302	\$ 142
Fiduciary net position as a percentage of the total pension liability	74.25%	73.12%	97.02%
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**

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

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF MONEY-WEIGHTED RATE OF RETURN - LAST 10 FISCAL YEARS
POLICE AND FIRE RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

(net of investment expense)

Fiscal Year Ended September 30	Police and Fire Retirement System
2024	20.40%
2023	13.70
2022	-16.78
2021	23.15
2020	7.98
2019	2.96
2018	10.00
2017	14.27
2016	10.00
2015	-3.95

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, 2024

<u>Fiscal Year</u>	<u>Actuarially Determined Contribution</u>	<u>Contributions in relation to the Determined Contribution</u>	<u>Contribution Deficiency or (Excess)</u>	<u>Covered Employee Payroll</u>	<u>Contribution as a percentage of covered payroll</u>
2017	\$ 18,347,728	\$ 5,231,223	\$ 13,116,505	\$ 366,392,949	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

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 SUPPLEMENTARY INFORMATION
SCHEDULE OF CITY CONTRIBUTIONS – LAST 10 FISCAL YEARS
POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) POLICE & FIRE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

<u>Fiscal Year</u>	<u>Actuarially Determined Contribution</u>	<u>Contributions in relation to the Determined Contribution</u>	<u>Contribution Deficiency or (Excess)</u>	<u>Covered Employee Payroll</u>	<u>Contribution as a percentage of covered payroll</u>
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

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 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, 2024

	<u>FY2024</u>	<u>FY2023</u>	<u>FY2022</u>	<u>FY2021</u>	<u>FY2020</u>	<u>FY2019</u>	<u>FY2018</u>	<u>FY2017</u>
Total OPEB Liability								
Service cost	\$ 7,188,877	\$ 4,515,223	\$ 6,596,811	\$ 5,283,937	\$ 1,999,915	\$ 8,828,783	\$ 11,293,019	\$ 10,839,911
Interest	4,562,144	2,923,236	2,131,546	2,130,089	2,192,473	8,097,713	8,884,615	7,507,817
Changes of benefit terms	-	-	-	-	-	-	-	-
Differences between expected and actual experience	-	30,226,368	-	(9,947,871)	-	(10,029,066)	-	-
Changes in assumptions	4,399,700	(792,368)	(21,331,773)	1,500,025	62,365,376	41,622,149	(30,714,455)	(7,431,307)
Plan change (1/1/2020)	-	-	-	-	(201,346,437)	-	-	-
Benefit payments	(4,746,915)	(4,016,542)	(2,486,900)	(2,207,089)	(3,629,110)	(5,588,925)	(6,060,000)	(5,231,223)
Net change in total OPEB liability	11,403,806	32,855,917	(15,090,316)	(3,240,909)	(138,417,783)	42,930,654	(16,596,821)	5,685,198
Total OPEB liability - beginning	106,728,435	73,872,518	88,962,834	92,203,743	230,621,526	187,690,872	204,287,693	198,602,495
Total OPEB liability - ending (a)	118,132,241	106,728,435	73,872,518	88,962,834	92,203,743	230,621,526	187,690,872	204,287,693
Plan fiduciary net position								
Contributions - employer	4,746,915	4,016,542	2,486,900	2,207,089	3,629,110	5,588,925	6,060,000	5,231,223
Net investment income	-	-	-	-	-	-	-	-
Benefit payments	(4,746,915)	(4,016,542)	(2,486,900)	(2,207,089)	(3,629,110)	(5,588,925)	(6,060,000)	(5,231,223)
Administrative expense	-	-	-	-	-	-	-	-
Net change in plan fiduciary net position	-	-	-	-	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-	-	-	-	-
Plan fiduciary net position - ending (b)	-	-	-	-	-	-	-	-
City's net OPEB liability - ending (a) - (b)	<u>\$ 118,132,241</u>	<u>\$ 106,728,435</u>	<u>\$ 73,872,518</u>	<u>\$ 88,962,834</u>	<u>\$ 92,203,743</u>	<u>\$ 230,621,526</u>	<u>\$ 187,690,872</u>	<u>\$ 204,287,693</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Covered-employee payroll	\$ 229,778,000	\$ 222,007,275	\$ 157,762,000	\$ 153,166,800	\$ 200,775,000	\$ 446,587,932	\$ 379,216,702	\$ 366,392,949
City net OPEB liability as a percentage of covered-employee payroll	51.4%	48.1%	46.8%	58.1%	45.9%	51.6%	49.5%	55.8%

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 4.09% to 3.81%
 - b) Trend rates remained at 6.5% (5.5% for Medicare) and graded down by 0.25% until reaching a ultimate of 4.0% based on current Healthcare Analytics (HCA) consulting trend study; current economic environment suggests a longer period until reaching the ultimate rate

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) POLICE & FIRE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	<u>FY2024</u>	<u>FY2023</u>	<u>FY2022</u>	<u>FY2021</u>	<u>FY2020</u>
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	-	-	-	-	-
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	<u>(8,628,000)</u>	<u>(7,324,336)</u>	<u>(7,042,952)</u>	<u>(6,250,523)</u>	<u>(2,611,660)</u>
Net change in total OPEB liability	30,703,762	(15,458,791)	(62,931,291)	95,992,006	231,464,984
Total OPEB liability - beginning	<u>249,066,908</u>	<u>264,525,699</u>	<u>327,456,990</u>	<u>231,464,984</u>	<u>-</u>
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	8,628,000	7,324,336	7,042,952	6,250,523	2,611,660
Net investment income	-	-	-	-	-
Benefit payments	(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)	<u>\$ 279,770,670</u>	<u>\$ 249,066,908</u>	<u>\$ 264,525,699</u>	<u>\$ 327,456,990</u>	<u>\$ 231,464,984</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.0%	0.0%	0.0%	0.0%	0.0%
Covered-employee payroll	\$ 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	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, 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 4.09% to 3.81%.
 - b) Trend rates remained at 6.5% (5.5% for Medicare) and graded down by 0.25% until reaching an ultimate of 4.0% based on current Healthcare Analytics (HCA) consulting trend study; current economic environment suggests a longer period until reaching the ultimate rate.

**CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB)
OTHER THAN POLICE & FIRE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

Actuarial Assumptions and Methods:

- | | |
|-----------------------------------|--|
| 1) Measurement Date: | September 30, 2024. |
| 2) Discount Rate: | 4.09% (BOY), 3.81% (EOY) – Bond Buyer 20-Bond GO Index. |
| 3) Salary Increase Rate: | 3.5% per annum. |
| 4) Valuation Date and Census Data | Valuation date of September 30, 2023, based on the census provided by the City as of September 2023. |
| 5) Marriage Rate | The assumed number of eligible dependents is based on the current proportions of single and family contracts in the census provided. |
| 6) 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. |
| 7) Medicare Eligibility | All current and future retirees are assumed to be eligible for Medicare at age 65. |
| 8) Actuarial Cost Method | Entry Age Normal based on level percentage of projected salary. |
| 9) Amortization Method | Experience/Assumptions gains and losses are amortized over a closed period of 10.7 years starting the current fiscal year, equal to the average remaining service of active and inactive plan members (who have no future service). |
| 10) 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. |
| 11) Mortality Rates | Pub-2010 generational table scaled using MP-21 and applied on a gender specific and job class basis. |

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB)
OTHER THAN POLICE & FIRE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Actuarial Assumptions and Methods: (continued)

12) Health Care Cost Trend Rate

The health care cost trend assumptions are used to project the cost of health care in future years. The following annual trends are based on the HCA Consulting trend study and are applied on a select and ultimate basis. Select trends are reduced 0.25% each year until reaching the ultimate trend rate.

<u>Expense Type</u>	<u>Select</u>	<u>Ultimate</u>
Pre-Medicare Medical and Rx Benefits	6.5%	4.0%
Medicare Benefits	5.5%	4.0%
Stop Loss Fees	6.5%	4.0%
Administrative Fees	4.0%	4.0%

13) Per Capita Health Care Cost Trend Rate

Expected annual claim costs were developed using 24 months of historical claim experience through October 2023. The age 60 and age 70 claim costs are as follows:

<u>Rate Tier</u>	<u>Age 60</u>	<u>Age 70 (Medicare)</u>	<u>(Non-Medicare)</u>
HMO	\$ 16,085	\$ 10,505	\$ 20,915
High HMO	\$ 9,337	\$ 6,230	\$ 12,145
PPO	\$ 19,889	\$ 11,939	\$ 25,883
Future Retirees	\$ 16,508	\$ 10,578	\$ 21,470

14) Non-Claim Expenses

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

<u>Expense Type</u>	<u>PEPM</u>
Administrative Fee	\$ 27.16
Stop Loss Fee	\$ 13.27

15) Plan Election Percentage

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

<u>Plan Name</u>	
HMO	75 %
High HMO	5 %
PPO	20 %

**CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB)
OTHER THAN POLICE & FIRE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

Actuarial Assumptions and Methods: (continued)

16) 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.

17) Termination and Retirement Age

The rate of withdrawal for reasons other than death and retirement has been developed from the Florida Retirement System Actuarial Valuation as of July 1, 2023, City of Jacksonville Correctional Officer Retirement System Valuation as of October 1, 2022, and the City of Jacksonville General Employees Retirement Plan Valuation as of October 1, 2022. The annual termination probability is dependent on an employee's age, gender, and years of service.

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) POLICE & FIRE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Actuarial Assumptions and Methods:

- | | |
|-----------------------------------|--|
| 1) Measurement Date: | September 30, 2024. |
| 2) Discount Rate: | 4.09% (BOY), 3.81% (EOY) – Bond Buyer 20-Bond GO Index. |
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| 7) Medicare Eligibility | All current and future retirees are assumed to be eligible for Medicare at age 65. |
| 8) Actuarial Cost Method | Entry Age Normal based on level percentage of projected salary. |
| 9) Amortization Method | Experience/Assumptions gains and losses are amortized over a closed period of 9.0 years starting October 1, 2023, equal to the average remaining service of active and inactive plan members (who have no future service). |
| 10) 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. |
| 11) Mortality Rates | Pub-2010 generational table scaled using MP-21 and applied on a gender-specific and job class basis. |

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) POLICE & FIRE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Actuarial Assumptions and Methods (continued):

12) Health Care Cost Trend Rate

The health care cost trend assumptions are used to project the cost of health care in future years. The following annual trends are based on the HCA Consulting trend study and are applied on a select and ultimate basis. Select trends are reduced 0.25% each year until reaching the ultimate trend rate.

<u>Expense Type</u>	<u>Select</u>	<u>Ultimate</u>
Pre-Medicare Medical and Rx Benefits	6.5%	4.0%
Medicare Benefits	5.5	4.0
Stop Loss Fees	6.5	4.0
Administrative Fees	4.0	4.0

13) Per Capita Health Care Cost Trend Rate

Expected annual claim costs were developed using 24 months of historical claim experience through October 2023. The age 60 and age 70 claim costs are as follows:

<u>Per Capita Cost</u>	<u>Age 60</u>	<u>Age 70 (Medicare)</u>	<u>(Non-Medicare)</u>
HMO	\$ 16,085	\$ 10,505	\$ 20,915
High HMO	9,337	6,230	12,145
PPO	19,889	11,939	25,883
Future Retirees	16,508	10,578	21,470

14) Non-Claim Expenses

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

<u>Expense Type</u>	<u>PEPM</u>
Administrative Fee	\$27.16
Stop Loss Fee	13.27

15) Plan Election Percentage

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

<u>Plan Name</u>	
HMO	75 %
High HMO	5
PPO	20

**CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB) POLICE & FIRE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**

Actuarial Assumptions and Methods (continued):

16) 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.

17) Termination and Retirement Age

The rate of withdrawal for reasons other than death and retirement has been developed from the City of Jacksonville Police and Fire Pension Fund Actuarial Valuation as of October 1, 2022. The annual termination probability is dependent on an employee's age, gender, and years of service.



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, 2024, 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 20, 2025. 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 2024-001, 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 Findings

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the findings 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, Rigg & Ingram, L.L.C.

Jacksonville, Florida

June 20, 2025

CITY OF JACKSONVILLE, FLORIDA
SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
FOR YEAR ENDED SEPTEMBER 30, 2024

FEDERAL/STATE AGENCY, PASS-THROUGH ENTITY, FEDERAL PROGRAM/STATE PROJECT	ASSISTANCE LISTING NUMBER	CONTRACT/ GRANT NUMBER	EXPENDITURES	TRANSFER TO SUB RECIPIENT
<u>DEPARTMENT OF COMMERCE</u>				
PASSED THROUGH NATIONAL FISH AND WILDLIFE FOUNDATION:				
Office for Coastal Management	11.473	0318.20.069679	\$ 1,387,635	\$ -
TOTAL DEPARTMENT OF AGRICULTURE			\$ 1,387,635	\$ -
<u>DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
DIRECT PROGRAMS:				
<i>CDBG - Entitlement Grants Cluster</i>				
Community Development Block Grants/Entitlement Grants	14.218	B-23-UC-12-0017	\$ 4,810,830	\$ 1,825,918
COVID-19 - Community Development Block Grants/Entitlement Grants	14.218	B-23-UC-12-0017	\$ 215,720	\$ 63,551
<i>Total CDBG - Entitlement Grants Cluster</i>			\$ 5,026,550	\$ 1,889,469
Emergency Solutions Grant Program	14.231	E-23-UW-12-0017	\$ 624,268	\$ 574,435
COVID-19 - Emergency Solutions Grant Program	14.231	E-23-UW-12-0017	\$ 10,663	\$ -
<i>Total Emergency Solutions Grant Program</i>			\$ 634,931	\$ 574,435
Home Investment Partnerships Program	14.239	M23-UC120209	\$ 2,127,784	\$ 1,718,139
Housing Opportunities for Persons with Aids	14.241	FLH23-F001	\$ 3,055,776	\$ 2,983,733
Fair Housing Assistance Program	14.401	*	\$ 78,739	\$ -
PASSED THROUGH STATE DEPARTMENT OF ECONOMIC OPPORTUNITY:				
Community Development Block Grants/State's program and Non- Entitlement Grants in Hawaii	14.228	HM004	\$ 20,078	\$ -
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			\$ 10,943,858	\$ 7,165,776

CITY OF JACKSONVILLE, FLORIDA
SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
FOR YEAR ENDED SEPTEMBER 30, 2024

FEDERAL/STATE AGENCY, PASS-THROUGH ENTITY, FEDERAL PROGRAM/STATE PROJECT	ASSISTANCE LISTING NUMBER	CONTRACT/ GRANT NUMBER	EXPENDITURES	TRANSFER TO SUB RECIPIENT
<u>DEPARTMENT OF JUSTICE</u>				
DIRECT PROGRAMS:				
Missing Alzheimer's Disease Patient Assistance Program	16.015	15PBJA-23-GG-04243-MAPX	\$ 48,857	\$ -
Justice Systems Response to Families	16.021	15JOVW-22-GG-00232-JFFX	\$ 180,225	\$ 180,225
Veterans Treatment Court Discretionary Grant Program	16.043	15PBJA-23-GG-05239-VTCX	\$ 50,722	\$ -
Community-Based Violence Intervention and Prevention Initiative	16.045	15PBJA-22-GG-04710-CVIP	\$ 249,764	\$ -
Community-Based Violence Prevention Program	16.123	2020-MU-MU-0047	\$ 87,702	\$ -
Crime Victim Assistance/Discretionary Grants	16.582	O-OVC-2022-171328	\$ 100,205	\$ 100,205
State Criminal Alien Assistance Program	16.606	*	\$ 5,278	\$ -
State Criminal Alien Assistance Program	16.606	*	\$ 10,404	\$ -
State Criminal Alien Assistance Program	16.606	15PBJA-20-RR-00190-SCAA	\$ 3,324	\$ -
State Criminal Alien Assistance Program	16.606	15PBJA-21-RR-04822-SCAA	\$ 26,846	\$ -
State Criminal Alien Assistance Program	16.606	15PBJA-22-RR-05316-SCAA	\$ 10,616	\$ -
State Criminal Alien Assistance Program	16.606	15PBJA-23-RR-05599-SCAA	\$ 800	\$ -
<i>Total State Criminal Alien Assistance Program</i>			\$ 57,268	\$ -
Public Safety Partnership and Community Policing Grants	16.710	2020ULWX0031	\$ 409,787	\$ -
Public Safety Partnership and Community Policing Grants	16.710	15JCOPS-21-GG-02310-SPPS	\$ 90,396	\$ -
Public Safety Partnership and Community Policing Grants	16.710	15JCOPS-23-GG-04521-UHPX	\$ 555,569	\$ -
<i>Total Public Safety Partnership and Community Policing Grants</i>			\$ 1,055,752	\$ -
Transitional Housing Assistance for Victims of Domestic Violence, Dating Violence, Stalking, or Sexual Assault	16.736	2020-WH-AX-0002	\$ 96,230	\$ 96,230
Children Exposed to Violence	16.818	15PJDP-22-GK-03779-CEVJ	\$ 339,000	\$ 317,822
Equitable Sharing Program	16.922	*	\$ 102,877	\$ -
PASSED THROUGH STATE DEPARTMENT OF LEGAL AFFAIRS- OFFICE OF ATTORNEY GENERAL:				
Crime Victim Assistance	16.575	VOCA-C-2023-JSO-00005	\$ 92,589	\$ -
Crime Victim Assistance	16.575	VOCA-C-2023-Victim Ser-00211	\$ 249,819	\$ -
<i>Total Crime Victim Assistance</i>			\$ 342,408	\$ -
National Sexual Assault Kit Initiative	16.833	2020-AK-BX-0003	\$ 357,060	\$ -
National Sexual Assault Kit Initiative	16.833	15PBJA-21-GG-04314-SAKI	\$ 167,504	\$ -
National Sexual Assault Kit Initiative	16.833	15PBJA-21-GG-04334-SAKI	\$ 287,024	\$ -
National Sexual Assault Kit Initiative	16.833	15PBJA-21-GG-04305-SAKI	\$ 2,825	\$ -
<i>Total National Sexual Assault Kit Initiative</i>			\$ 814,413	\$ -

CITY OF JACKSONVILLE, FLORIDA
SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
FOR YEAR ENDED SEPTEMBER 30, 2024

FEDERAL/STATE AGENCY, PASS-THROUGH ENTITY, FEDERAL PROGRAM/STATE PROJECT	ASSISTANCE LISTING NUMBER	CONTRACT/ GRANT NUMBER	EXPENDITURES	TRANSFER TO SUB RECIPIENT
<u>DEPARTMENT OF JUSTICE (continued)</u>				
PASSED THROUGH FLORIDA DEPARTMENT OF LAW ENFORCEMENT:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2020-DJ-BX-0866	\$ 68,711	\$ -
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-21-GG-01310-JAGX	\$ 249,217	\$ 26,705
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-22-GG-02078-JAGX	\$ 76,661	\$ 31,574
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-23-GG-03312-JAGX	\$ 43,265	\$ -
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-22-GG-00656-MUMU	\$ 79,975	\$ -
<i>Total Edward Byrne Memorial Justice Assistance Grant Program</i>			\$ 517,829	\$ 58,279
Paul Coverdell Forensic Sciences Improvement Grant Program	16.742	15PBJA-23-GG-00945-COVE	\$ 2,290	\$ -
TOTAL DEPARTMENT OF JUSTICE			\$ 4,045,542	\$ 752,761
<u>DEPARTMENT OF LABOR</u>				
DIRECT PROGRAMS:				
Homeless Veterans Reintegration Program	17.805	HV-36536-21-60-5-12	\$ 167,860	\$ 20,000
Homeless Veterans Reintegration Program	17.805	24560HV000077-01-00	\$ 57,708	\$ -
Homeless Veterans Reintegration Program	17.805	23560SD000063-01-00	\$ 10,000	\$ -
<i>Total Homeless Veterans Reintegration Program</i>			\$ 235,568	\$ 20,000
TOTAL DEPARTMENT OF LABOR			\$ 235,568	\$ 20,000
<u>DEPARTMENT OF TRANSPORTATION</u>				
Consolidated Rail Infrastructure and Safety Improvements	20.325	69A36523403850CRSFL	\$ 66,383	\$ -
Safe Streets and Roads for All	20.939	693JJ32340134	\$ 74,111	\$ -
PASSED THROUGH STATE DEPARTMENT OF TRANSPORTATION:				
Highway Planning and Construction	20.205	G1H12	\$ 289,196	\$ -
<i>Highway Safety Cluster</i>				
State and Community Highway Safety	20.600	G2O81	\$ 36,330	\$ -
State and Community Highway Safety	20.600	G2P11	\$ 205,013	\$ -
State and Community Highway Safety	20.600	G2S39	\$ 60,809	\$ -
National Priority Safety Programs	20.616	G2Q00	\$ 100,073	\$ -
<i>Total Highway Safety Cluster</i>			\$ 402,225	\$ -
TOTAL DEPARTMENT OF TRANSPORTATION			\$ 831,915	\$ -

CITY OF JACKSONVILLE, FLORIDA
SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
FOR YEAR ENDED SEPTEMBER 30, 2024

FEDERAL/STATE AGENCY, PASS-THROUGH ENTITY, FEDERAL PROGRAM/STATE PROJECT	ASSISTANCE LISTING NUMBER	CONTRACT/ GRANT NUMBER	EXPENDITURES	TRANSFER TO SUB RECIPIENT
<u>DEPARTMENT OF TREASURY</u>				
DIRECT PROGRAMS:				
COVID-19 - Emergency Rental Assistance Program	21.023	*	\$ 62,884	\$ 24,292
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	*	\$ 47,784,382	\$ -
PASSED THROUGH FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION:				
COVID-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	SLFRP0125/22FRP100	\$ 15,582,861	\$ -
Total COVID-19 - Coronavirus State and Local Fiscal Recovery Funds			\$ 63,367,243	\$ -
PASSED THROUGH FLORIDA DEPARTMENT OF JUSTICE:				
Equitable Sharing	21.016	*	\$ 6,917	\$ -
TOTAL DEPARTMENT OF TREASURY			\$ 63,437,044	\$ 24,292
<u>ENVIRONMENTAL PROTECTION AGENCY</u>				
DIRECT PROGRAMS:				
Air Pollution Control Program Support	66.001	00402520	\$ 400,322	\$ -
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	01D06020	\$ 78,250	\$ -
Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act	66.034	02D51223	\$ 67,340	\$ -
Total Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act			\$ 145,590	\$ -
Climate Pollution Reduction Grants	66.046	5D-02D57123-0	\$ 380,792	\$ -
TOTAL ENVIRONMENTAL PROTECTION AGENCY			\$ 926,704	\$ -
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
DIRECT PROGRAMS:				
Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	93.104	H79SM082201	\$ 526,877	\$ 526,877
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	5H79TI081064-05	\$ 92,565	\$ -
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	5H79TI085876-01	\$ 229,038	\$ -
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	5H79TI081937-05	\$ 260,257	\$ -
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	1H79SM084915-04	\$ 1,035,812	\$ 995,572
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	5H79SM087690-01	\$ 378,600	\$ 351,235
Total Substance Abuse and Mental Health Services Projects of Regional and National Significance			\$ 1,996,272	\$ 1,346,807

CITY OF JACKSONVILLE, FLORIDA
SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
FOR YEAR ENDED SEPTEMBER 30, 2024

FEDERAL/STATE AGENCY, PASS-THROUGH ENTITY, FEDERAL PROGRAM/STATE PROJECT	ASSISTANCE LISTING NUMBER	CONTRACT/ GRANT NUMBER	EXPENDITURES	TRANSFER TO SUB RECIPIENT
<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES (continued)</u>				
HIV Emergency Relief Project Grants	93.914	5 H89HA00039-29-00	\$ 2,835,110	\$ 2,686,716
HIV Emergency Relief Project Grants	93.914	5 H89HA00039-30-00	\$ 3,168,161	\$ 2,883,481
<i>Total HIV Emergency Relief Project Grants</i>			<u>\$ 6,003,271</u>	<u>\$ 5,570,197</u>
Ending the HIV Epidemic: A Plan for America — Ryan White HIV/AIDS Program Parts A and B	93.686	6 UT8HA33942-05-03	\$ 479,294	\$ 479,294
PASSED THROUGH DEPARTMENT OF ELDER AFFAIRS:				
<i>Aging Cluster</i>				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	A023-JSSP	\$ 63,463	\$ -
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	A024-JSSP	\$ 143,147	\$ -
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	A023-JSSP	\$ 117,125	\$ -
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	A024-JSSP	\$ 698,762	\$ -
Nutrition Services Incentive Program	93.053	A023-JSSP	\$ 39,908	\$ -
Nutrition Services Incentive Program	93.053	A024-JSSP	<u>\$ 105,456</u>	<u>\$ -</u>
<i>Total Aging Cluster</i>			<u>\$ 1,167,861</u>	<u>\$ -</u>
Low-Income Home Energy Assistance	93.568	PO21-COJ	\$ 122,182	\$ -
COVID-19 - Low-Income Home Energy Assistance	93.568	RP21-JSSP	<u>\$ 410,228</u>	<u>\$ -</u>
<i>Total Low-Income Home Energy Assistance</i>			<u>\$ 532,410</u>	<u>\$ -</u>
PASSED THROUGH STATE OF FLORIDA, DEPARTMENT OF REVENUE:				
Child Support Services	93.563	COC16	\$ 822,524	\$ -
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>\$ 11,528,509</u>	<u>\$ 7,923,175</u>

CITY OF JACKSONVILLE, FLORIDA
SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
FOR YEAR ENDED SEPTEMBER 30, 2024

FEDERAL/STATE AGENCY, PASS-THROUGH ENTITY, FEDERAL PROGRAM/STATE PROJECT	ASSISTANCE LISTING NUMBER	CONTRACT/ GRANT NUMBER	EXPENDITURES	TRANSFER TO SUB RECIPIENT
<u>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u>				
DIRECT PROGRAMS:				
AmeriCorps Seniors Retired and Senior Volunteer Program	94.002	22SRHFL002	\$ 23,267	\$ -
<i>Foster Grandparent/Senior Companion Cluster</i>				
AmeriCorps Seniors Foster Grandparent Program	94.011	21SFHFL003	\$ 278,243	\$ -
AmeriCorps Seniors Foster Grandparent Program	94.011	24SFHFL001	\$ 76,538	
<i>Total Foster Grandparent Program</i>			\$ 354,781	\$ -
PASSED THROUGH DEPARTMENT OF ELDER AFFAIRS:				
AmeriCorps Seniors Senior Companion Program	94.016	21SCHFL003	\$ 98,587	\$ -
AmeriCorps Seniors Senior Companion Program	94.016	24SCHFL001	\$ 8,866	\$ -
<i>Total Companion Program</i>			\$ 107,453	\$ -
<i>Total Foster Grandparent/Senior Companion Cluster</i>			\$ 462,234	\$ -
TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE			\$ 485,501	\$ -
<u>FEDERAL EMERGENCY MANAGEMENT AGENCY</u>				
PASSED THROUGH STATE DIVISION OF EMERGENCY MANAGEMENT:				
Flood Mitigation Assistance	97.029	B0205	\$ 500	\$ -
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	17-PA-U5-04-26-01-085	\$ 217,456	\$ -
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	PA-00-04-26-01-024	\$ 1,627,334	\$ -
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	PA-00-04-26-01-026	\$ 175,090	\$ -
Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Z2986	\$ 146,423	\$ -
COVID-19 Disaster Grants - Public Assistance (Presidentially Declared Disasters)	97.036	Z1994	\$ 2,778,352	\$ -
<i>Total Disaster Grants - Public Assistance (Presidentially Declared Disasters)</i>			\$ 4,944,655	\$ -
TOTAL FEDERAL EMERGENCY MANAGEMENT AGENCY			\$ 4,945,155	\$ -

CITY OF JACKSONVILLE, FLORIDA
SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS
FOR YEAR ENDED SEPTEMBER 30, 2024

FEDERAL/STATE AGENCY, PASS-THROUGH ENTITY, FEDERAL PROGRAM/STATE PROJECT	ASSISTANCE LISTING NUMBER	CONTRACT/ GRANT NUMBER	EXPENDITURES	TRANSFER TO SUB RECIPIENT
<u>DEPARTMENT OF HOMELAND SECURITY</u>				
DIRECT PROGRAMS:				
Assistance to Firefighters Grant	97.044	EMW-2021-FP-00043	\$ 267,522	\$ -
Assistance to Firefighters Grant	97.044	EMW-2020-FG-10216	\$ 33,069	
<i>Total Assistance to Firefighters Grant</i>			<u>\$ 300,591</u>	<u>\$ -</u>
Port Security Grant Program	97.056	EMW-2021-PU-00446	\$ 61,430	\$ -
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2019-FF-01640	\$ 2,007,926	\$ -
Homeland Security Biowatch Program	97.091	06OHBIO00012-17-00	\$ (14,651)	\$ -
Homeland Security Biowatch Program	97.091	06OHBIO00012-18-00	\$ 111,259	\$ -
Homeland Security Biowatch Program	97.091	06OHBIO00012-19-01	\$ 97,086	\$ -
<i>Total Homeland Security Biowatch Program</i>			<u>\$ 193,694</u>	<u>\$ -</u>
Regional Catastrophic Preparedness Grant Program	97.111	EMA-2019-GR-00009	\$ 414,565	\$ -
PASSED THROUGH DIVISION OF EMERGENCY MANAGEMENT:				
Hazard Mitigation Grant	97.039	H0337	\$ 393,898	\$ -
Hazard Mitigation Grant	97.039	H0543	\$ 694,568	\$ -
Hazard Mitigation Grant	97.039	H0795	\$ 174,152	\$ -
<i>Total Hazard Mitigation Grant</i>			<u>\$ 1,262,618</u>	<u>\$ -</u>
Emergency Management Performance Grants	97.042	G0466	\$ 202,285	\$ -
Emergency Management Performance Grants	97.042	G0421	\$ 1,270	\$ -
<i>Total Emergency Management Performance Grants</i>			<u>\$ 203,555</u>	<u>\$ -</u>
Homeland Security Grant Program	97.067	R0613	\$ 82,950	\$ -
Homeland Security Grant Program	97.067	R0612	\$ 137,096	\$ -
Homeland Security Grant Program	97.067	R0539	\$ 395,394	\$ -
Homeland Security Grant Program	97.067	R0611	\$ 7,800	\$ -
Homeland Security Grant Program	97.067	R0756	\$ 67,902	\$ -
Homeland Security Grant Program	97.067	R0887	\$ 137,998	\$ -
Homeland Security Grant Program	97.067	R0890	\$ 1,736	\$ -
Homeland Security Grant Program	97.067	R0928	\$ 5,805	\$ -
<i>Total Homeland Security Grant Program</i>			<u>\$ 836,681</u>	<u>\$ -</u>
TOTAL DEPARTMENT OF HOMELAND SECURITY			<u>\$ 5,281,060</u>	<u>\$ -</u>
TOTAL EXPENDITURE OF FEDERAL AWARDS			<u>\$ 104,048,491</u>	<u>\$ 15,886,004</u>

CITY OF JACKSONVILLE FLORIDA
SCHEDULES OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR YEAR ENDED SEPTEMBER 30, 2024

STATE AGENCY	CSFA NUMBER	CONTRACT/ GRANT NUMBER	EXPENDITURES	TRANSFER TO SUB RECIPIENT
<u>EXECUTIVE OFFICE OF GOVERNOR</u>				
DIRECT PROGRAMS:				
Emergency Management Programs	31.063	A0354	\$ 64,061	\$ -
Emergency Management Programs	31.063	A0451	\$ 18,660	\$ -
Emergency Management Projects	31.067	T0353	\$ 9,302	\$ -
Emergency Management Projects	31.067	T0292	\$ 6,230	\$ -
Urban Search and Rescue Sustainment Program	31.078	T0230	\$ 31,597	\$ -
TOTAL EXECUTIVE OFFICE OF GOVERNOR			\$ 129,850	\$ -
<u>DEPARTMENT OF ENVIRONMENTAL PROTECTION</u>				
DIRECT PROGRAMS:				
Beach Management Funding Assistance Program	37.003	23DU1	\$ 161,591	\$ -
Statewide Water Quality Restoration Projects	37.039	22PLN07	\$ 260,016	\$ -
Statewide Water Quality Restoration Projects	37.039	LPA0177	\$ 1,541,638	\$ -
Statewide Water Quality Restoration Projects	37.039	LPA0551	\$ 540,087	\$ -
Resilient Florida Programs	37.098	24SRP44	\$ 5,560,639	\$ -
Office of Resilience and Coastal Protection Hurricane Beach Recovery Program	37.113	23DU2	\$ 224,952	\$ -
TOTAL DEPARTMENT OF ENVIRONMENTAL PROTECTION			\$ 8,288,922	\$ -
<u>DEPARTMENT OF ECONOMIC OPPORTUNITY</u>				
DIRECT PROGRAMS:				
Economic Development Partnerships	40.040	SO219	\$ 86,403	\$ -
Regional Community Development and Infrastructure	40.042	DFT 24-101	\$ 357,043	\$ -
TOTAL DEPARTMENT OF ECONOMIC OPPORTUNITY			\$ 443,446	\$ -
<u>FLORIDA HOUSING FINANCE CORPORATON</u>				
DIRECT PROGRAMS:				
State Housing Initiatives Partnership Program (SHIP)	40.901	HFC01	\$ 5,433,443	\$ 4,518,896
TOTAL FLORIDA HOUSING FINANCE CORPORATION			\$ 5,433,443	\$ 4,518,896

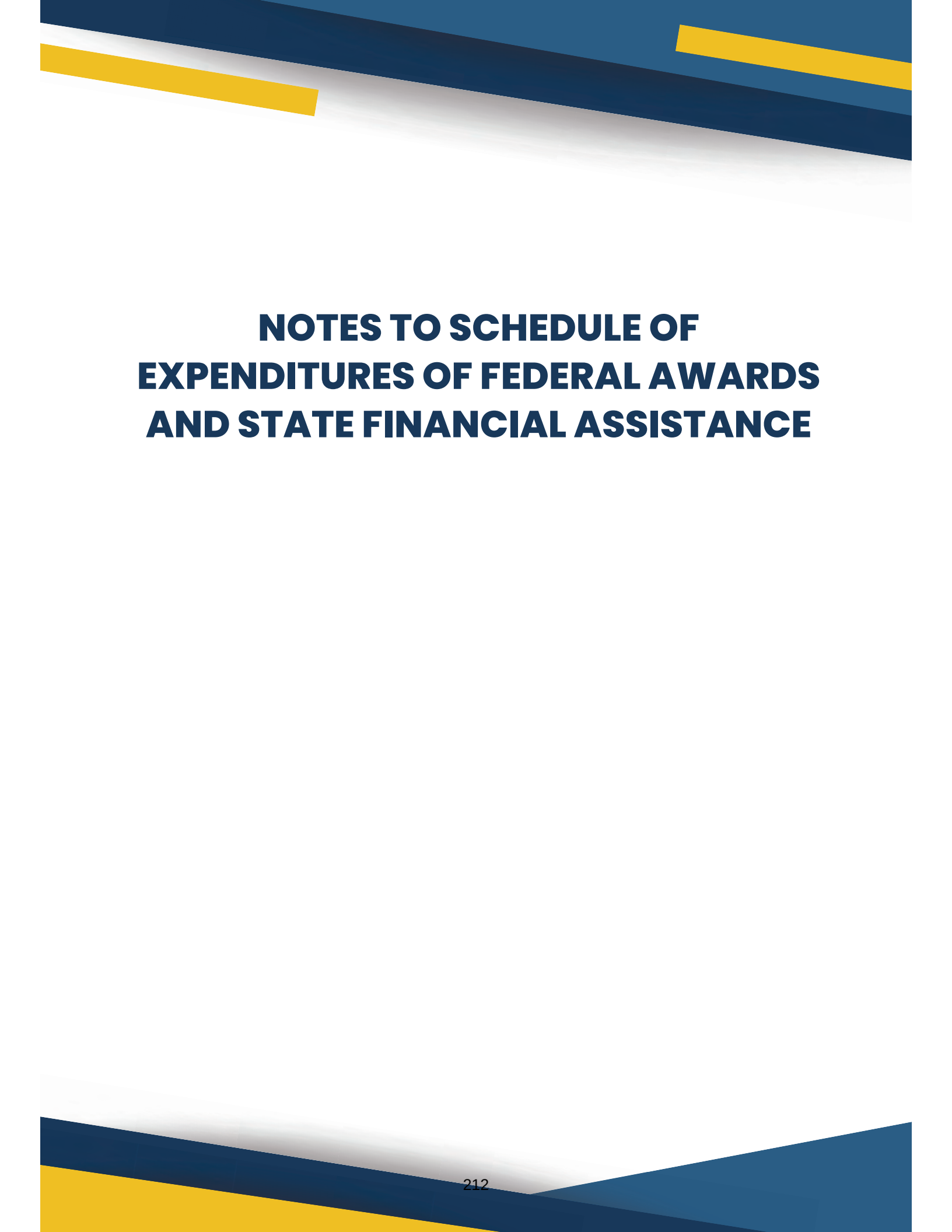
**CITY OF JACKSONVILLE FLORIDA
SCHEDULES OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR YEAR ENDED SEPTEMBER 30, 2024**

STATE AGENCY	CSFA NUMBER	CONTRACT/ GRANT NUMBER	EXPENDITURES	TRANSFER TO SUB RECIPIENT
<u>DEPARTMENT OF FINANCIAL SERVICES</u>				
DIRECT PROGRAMS:				
Grants & Aids-Local Government Fire Service Grants	43.009	FM903	\$ 855,000	\$ -
Grants & Aids-Local Government Fire Service Grants	43.009	FM905	\$ 110,837	\$ -
TOTAL DEPARTMENT OF FINANCIAL SERVICES			\$ 965,837	\$ -
<u>DEPARTMENT OF STATE AND SECRETARY OF STATE</u>				
DIRECT PROGRAMS:				
State Aid to Libraries	45.030	22-ST-22	\$ 718,246	\$ -
Historic Preservation Grants	45.031	24.h.sm.200.030	\$ 50,000	\$ -
TOTAL DEPARTMENT OF STATE AND SECRETARY OF STATE			\$ 768,246	\$ -
<u>DEPARTMENT OF EDUCATION AND COMMISSIONER OF EDUCATION</u>				
DIRECT PROGRAMS:				
Coach Aaron Feis Guardian Program	48.140	96L-90210-4D001	\$ 34,533	\$ -
TOTAL DEPARTMENT OF EDUCATION AND COMMISSIONER OF EDUCATION			\$ 34,533	\$ -
<u>DEPARTMENT OF TRANSPORTATION</u>				
DIRECT PROGRAMS:				
State Highway Project Reimbursement	55.023	AR320	\$ 37,017	\$ -
State Highway Project Reimbursement	55.023	431985-1-58-01	\$ 200,000	\$ -
Local Transportation Projects	55.039	G2S43	\$ 12,533	\$ -
TOTAL DEPARTMENT OF TRANSPORTATION			\$ 249,550	\$ -
<u>DEPARTMENT OF CHILDREN AND FAMILIES</u>				
DIRECT PROGRAMS:				
Criminal Justice, Mental Health, and Substance Abuse Reinvestment Grant Program	60.115	LH824	\$ 362,128	\$ -
Substance Abuse and Mental Health-Community Services	60.153	2018-CA-001438	\$ 4,800,643	\$ 3,832,911
State Opioid Settlement Trust Fund Services	60.355	PO023	\$ 45,739	\$ -
State Opioid Settlement Trust Fund Services	60.355	PO023	\$ 389,416	\$ -
TOTAL DEPARTMENT OF CHILDREN AND FAMILIES			\$ 5,597,926	\$ 3,832,911

CITY OF JACKSONVILLE FLORIDA
SCHEDULES OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR YEAR ENDED SEPTEMBER 30, 2024

STATE AGENCY	CSFA NUMBER	CONTRACT/ GRANT NUMBER	EXPENDITURES	TRANSFER TO SUB RECIPIENT
<u>DEPARTMENT OF HEALTH</u>				
DIRECT PROGRAMS:				
County Grant Awards	64.005	C0016	\$ 18,714	\$ -
County Grant Awards	64.005	C2415	\$ 77,864	\$ -
TOTAL DEPARTMENT OF HEALTH			\$ 96,578	\$ -
<u>DEPARTMENT OF ELDER AFFAIRS</u>				
DIRECT PROGRAMS:				
Respite for Elders Living in Everyday Families (RELIEF)	65.006	R023-JSSP	136,965	\$ -
Respite for Elders Living in Everyday Families (RELIEF)	65.006	R024-JSSP	\$ 18,928	\$ -
TOTAL DEPARTMENT OF ELDER AFFAIRS			\$ 155,893	\$ -
<u>DEPARTMENT OF LAW ENFORCEMENT</u>				
DIRECT PROGRAMS:				
Criminal Justice Training	71.001	D0058	\$ 241,040	\$ -
Criminal Justice Training	71.001	D0058	\$ 35,717	\$ -
State Assistance for Fentanyl Eradication (S.A.F.E.) in Florida	71.122	JA-18-0295	\$ 100,000	\$ -
State Assistance for Fentanyl Eradication (S.A.F.E.) in Florida	71.122	JA-18-0306	\$ 93,154	\$ -
State Assistance for Fentanyl Eradication (S.A.F.E.) in Florida	71.122	OPB-03e-TEMP	\$ 255,805	\$ -
State Assistance for Fentanyl Eradication (S.A.F.E.) in Florida	71.122	OPB-03d-TEMP	\$ 55,553	\$ -
TOTAL DEPARTMENT OF LAW ENFORCEMENT			\$ 781,269	\$ -
<u>DEPARTMENT OF MANAGEMENT SERVICES</u>				
DIRECT PROGRAMS:				
Prepaid Next Generation 911 State Grant	72.003	S22-23-01-19	\$ 243,009	\$ -
TOTAL DEPARTMENT OF MANAGEMENT SERVICES			\$ 243,009	\$ -
<u>DEPARTMENT OF REVENUE</u>				
DIRECT PROGRAMS:				
Facilities for New Professional Sports, Retained Professional Sports, or Retained Spring Training	73.016	*	\$ 1,333,336	\$ -
TOTAL DEPARTMENT OF REVENUE			\$ 1,333,336	\$ -
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			\$ 24,521,838	\$ 8,351,807

* not available



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 end September 30, 2024

Note 1. Basis of Presentation

The accompanying schedules of expenditures of federal awards and state financial assistance includes certain federal and state grant activity of the City of Jacksonville, Florida (the “City”) for the year ended September 30, 2024. The schedules do not include the federal and state grant activity of the City’s discretely presented component units the Jacksonville Housing Authority, JEA, Jacksonville Port Authority, and the Jacksonville Transportation Authority, which received approximately \$49.7 million, and \$47.3 million, respectively. Federal and state grant activity for the discretely presented component units is reported on separately. Because the Schedules present only a selected portion of the operations of the City, they are not intended to and do not present the financial position, changes in net position or cash flows of the City. The City’s reporting entity is defined in Note 1 of the City’s basic financial statements.

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 U.S. 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 10.500, 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 CFDA 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 10% de minimis indirect cost rate.

Note 5. FEMA Expenditures

Expenditures for CFDA No. 97.036 Disaster Grants – Public Assistance, include (\$34,167,221.51) expenditures through fiscal year end 2024 that have not been obligated (approved) by the Federal Emergency Management Agency as of September 30, 2024. This includes the addition of Hurricanes Debby and Helene disaster events occurring in Fiscal Year 2024.



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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, 2024. 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 any federal or state grant activity is not included in the schedules of federal awards and state financial assistance. Our audit, described below, did not include the operations of JEA, Jacksonville Transportation Authority and Jacksonville Port Authority which expended federal awards and state financial assistance of approximately \$6.0 million, \$47.3 million and \$49.7 million, respectively, because the component units engaged 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, 2024.

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 County's basic financial statements include the operations of JEA, Jacksonville Transportation Authority, and Jacksonville Port Authority, which expended \$5,996,581, \$31,615,217, and \$10,171,750 in federal awards, respectively, which is not included in the County's schedule of expenditures of federal awards during the year ended September 30, 2024. Jacksonville Transportation Authority and Jacksonville Port Authority expended \$15,700,272 and \$39,544,269 in state assistance, respectively, which is not included in the County's schedule of expenditures of state assistance during the year ended September 30, 2024. 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

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be a material weakness.

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 or state project 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 or state project 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 or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-002 to be a material weakness.

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.

Government Auditing Standards requires the auditor to perform limited procedures on the City's response to the internal control over compliance finding identified in our compliance audit 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 compliance and, accordingly, we express no opinion on the response.

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 20, 2025

City of Jacksonville, Florida
Schedule of Findings and Questioned Costs
For the Fiscal Year ended September 30, 2024

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? | Yes |
| 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? | Yes |
| 4. Identification of major programs/projects: | |

<u>Federal Programs</u>	<u>ALN</u>
Community Development Block Grants/Entitlement Grants	14.218
Home Investment Partnerships Program	14.238
Housing Opportunities for Persons with AIDS	14.241
COVID-19: Coronavirus State and Local Fiscal Recovery Funds	21.027

<u>State Projects</u>	<u>CSFA #</u>
Resilient Florida Programs	37.098
State Housing Initiatives Partnership Program (SHIP)	40.901
Grants & Aids – Local Government Fire Service Grants	43.009
Substance Abuse and Mental Health - Community Services	60.153
State Assistance for Fentanyl Eradication (S.A.F.E.) in Florida	71.122

- | | |
|---|-------------|
| 5. Dollar threshold used to distinguish between type A and type B federal programs: | \$3,000,000 |
|---|-------------|

City of Jacksonville, Florida
Schedule of Findings and Questioned Costs
For the Fiscal Year ended September 30, 2024

- | | |
|---|-----------|
| 6. Dollar threshold used to distinguish between type A and type B state projects: | \$750,000 |
| 7. Auditee qualified as low risk auditee under 2 CFR 200.520? | No |

City of Jacksonville, Florida
Schedule of Findings and Questioned Costs
For the Fiscal Year ended September 30, 2024

Part II – Financial Statement Findings

2024-001 ACCOUNTING SYSTEM IMPLEMENTATION

Condition: During the audit we found that financial reconciliations for certain account balances were not accurately completed on a timely basis. Internal controls were not in place to ensure the fiscal year cutoff was complete and correct. The financial information provided to us required material correcting entries to be made in the following areas:

- Cash and Cash Equivalents
- Cash in Escrow and Cash with Fiscal Agents
- Accounts Receivable and Due from Independent Agencies and Other Governments
- Revenues
- Accounts Payable and Accrued Liabilities
- Securities Lending Collateral/Obligation
- Interfund Balances Related to Debt
- Beginning Fund Balance and Net Position

Criteria: Section 218.33, Florida Statutes, requires that local government entities follow uniform accounting practices and procedures including the use of proper accounting and fiscal management, which includes establishing and maintaining effective internal control to help ensure that appropriate goals and objectives are met and ensuring that management and financial information is reliable and properly reported.

Cause: The new accounting system was not functioning sufficiently to maintain up-to-date and accurate financial records for multiple classes of transactions and account balances. The annual cutoff process is not sufficient to prevent material misstatements in receivables and payables.

Effect: Multiple material errors were identified during the audit.

Recommendation: Continue to enhance the understanding and user abilities of the accounting system through further training. Ensure that trial balance accounts are reconciled and that the fiscal year end cutoff procedures are fully implemented and documented. Review the annual cutoff process to ensure sufficient effective controls are in place.

Management's Action Plan: The City of Jacksonville continues to make extensive improvements to our ability to maintain up-to-date and accurate financial records since the simultaneous impacts in 2020 of the pandemic shut down and our ERP system conversion.

For the second time since going live with our new system, we are meeting the statutory deadline and submitting both our FY24 ACFR and Single Audit before June 30, 2025.

We continue to enhance our capabilities within our ERP system. Of note, our efforts cleared prior findings for Capital Assets. We are confident that we have developed financial reports that enable us to extract the financial information required by our auditors.

City of Jacksonville, Florida
Schedule of Findings and Questioned Costs
For the Fiscal Year ended September 30, 2024

Our focus now is on developing additional procedures and training to support further adherence to our internal controls throughout the multiple departments within our large city.

The financial system and reporting improvements made by the City since embarking on the challenging journey of converting to a new modern ERP system have been a massive effort that will pay dividends for years to come in the areas of transparency, timeliness and quality of financial reporting.

Contact Names responsible for the plan – Marcia Saulo and Chris Cicero

Anticipated completion date of the plan – December 2025

Part III – Findings and Questioned Costs – Federal Programs

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

Award Year – 2023

Questioned costs – none

Criteria: 2 CFR Part 200 in general and 2 CFR section 200.303(a) require non-Federal entities to establish and maintain effective internal controls over Federal awards, including the requirements for allowable costs, cost principles, period of performance, and special tests and provisions – wage rate requirements. The related compliance requirements are set in 24 CFR Part 570 Subpart D and sections 570.200 through .710, the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the April 30, 2021 Quick Guide, CDBG-CV PPR Tieback Flexibilities, Title I of the Housing Community Development Act (HCDA) of 1974, as amended (Pub. L. No. 93-383) (42 USC 5301), 2 CFR Part 200, Subpart E, Appendices III-V11, and sections 200.330, .331, and .501(h), 31 USC 1552, Section III.B.7 of CDBG-CV Notice, Section 110(a) of the HCD Act, federal awarding agency regulations, and the terms and conditions of the award.

Condition: 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.

Cause: Internal controls over certain payments, including payments requiring review of contractor and subcontractor wage rates were not evidenced with clear documentation.

Effect: Allowable costs, cost principles, period of performance, and special tests and provisions – wage rate requirements compliance requirements may not be met due to lack of reperformable internal controls.

City of Jacksonville, Florida
Schedule of Findings and Questioned Costs
For the Fiscal Year ended September 30, 2024

Recommendation: We recommend that the City ensure wage rate requirement compliance is prioritized when applicable. We recommend that the City ensure that all controls for grants be documented in written procedures which should include the name or title of the positions responsible for each control (preparation, review, reconciliation, etc.) and that the performance of the controls be documented in a clear, reperformable manner including the name and date of each responsible individual and which specific control they performed over compliance for the grant.

Management's Action Plan: The Neighborhoods Department is committed to ensuring wage rate requirements for contractors and subcontractors are prioritized and internal controls are properly documented. In particular, evidence of approvals needed to ensure compliance with allowable costs, cost principles and period of performance requirements will be documented for all invoices and payroll allocations. Weekly payroll reports will be reviewed as part of the special tests and provisions needed to comply with wage rate requirements.

A Labor Standards and Construction Manager has been hired to monitor all contracts with labor standard regulations, including wage rate requirements. This individual will be tasked with setting up tracking systems and monitoring compliance of the various City departments, as well as external subrecipients, to ensure all regulations and requirements for labor standards are followed.

Currently, City Departments using federal funds through a MOU with the Neighborhoods Department can access funds and pay vendors without a review by the Housing & Community Development Division's team. This has led to vendors being paid without submitting the proper wage rate requirement documentation. To mitigate this challenge, the Division has recommended that funds appropriated to other City departments be held by the Housing & Community Development Division, so that verification of wage rate requirements can occur prior to any payment for services.

We will ensure that the written procedures for controls include the title of the positions responsible for each control (preparation, review, reconciliation, etc.) and require that the performance of the controls be documented in a clear, reperformable manner including the name of each responsible individual, the specific control they performed over compliance for the grant and the date(s) the controls were performed.

Contact Names responsible for the plan – Travis Jeffrey
Anticipated completion date of the plan – September 2025

Part IV – Findings and Questioned Costs – State Projects

None

**Summary Schedule of Prior Audit Findings
For the Year Ended September 30, 2022**

Prior Year Financial Statement Finding

2023-001 – 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 2022-001)

- Partially corrected, repeated as substantially the same finding in current year 2024-001.

Prior Year Federal Programs Findings

2023-002 – 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-20-UW-12-0017 & B-21-UC-12-0017: Internal controls related to review of certain invoices, including construction payments and payments to subrecipients, did not have evidence of all required approvals necessary to ensure compliance with allowable costs, cost principles, and period of performance requirements or such approvals were not documented in a manner that is reperformable. Weekly payroll reports were not reviewed as part of the special tests and provisions – wage rate requirements compliance requirement.

- Partially corrected, repeated as substantially the same finding in current year 2024-003.

2023-003 – COVID 19: Coronavirus State and Local Fiscal Recovery Funds; Federal Awarding Agency – U.S. Department of the Treasury; Assistance Listing Number – 21.027; FAIN – n/a; Award Year – 2021: Controls related to calculation and reporting of lost revenue were not effective and the amount calculated as base year revenue was incorrectly reported.

- Corrected in current year.

Prior Year State Project Findings

None.



Carr, Riggs & Ingram, L.L.C.
7411 Fullerton Street
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Jacksonville, FL 32256

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CRIadv.com

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, 2024, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 20, 2025. 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 20, 2025, 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 2023 Finding #	FY 2022 Finding #
2024-001	2023-001	2022-001
Corrected in Prior Year	Corrected in 2023	2022-002
Corrected in Prior Year	Corrected in 2023	2022-003
Corrected in Prior Year	Corrected in 2023	2022-004
Corrected in Current Year	2023-003	2022-005
Corrected in Prior Year	Corrected in 2023	2022-006
2024-002	2023-002	2022-007
Corrected in Prior Year	Corrected in 2023	2022-008
Corrected in Prior Year	Corrected in 2023	2022-009
Corrected in Prior Year	Corrected in 2023	2022-010

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, 2024. 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. In connection with our audit, we did not have any such recommendations.

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 428.
- 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 \$621,132.
- 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:
 - a. Carpet and flooring replacement at Regency Branch began - \$210,002 expended.
 - b. Restroom renovations at Regency Branch - \$205,872 expended.
- 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, 2024**

JACKSONVILLE PUBLIC LIBRARY							
	ORIGINAL	FINAL	ACTUAL	ENCUMBRANCES	BUDGETARY ACTUAL	POSITIVE (NEGATIVE)	
REVENUES:							
Charges for services	\$ 238,000	\$ 238,000	\$ 276,204	\$ -	\$ 276,204	\$ 38,204	
Other	600	600	515	-	515	(85)	
Total Revenue	238,600	238,600	276,720	-	276,720	38,120	
EXPENDITURES:							
Culture & Recreation	42,364,032	43,370,624	40,794,761	1,069,159	41,863,919	1,506,704	
Total Expenditures	42,364,032	43,370,624	40,794,761	1,069,159	41,863,919	1,506,704	
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	\$ (42,125,432)	\$ (43,132,024)	\$ (40,518,041)	\$ (1,069,159)	\$ (41,587,200)	\$ 1,544,824	

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, Rigg & Ingram, L.L.C.

Jacksonville, Florida
June 20, 2025



A NEW DAY.

City of Jacksonville, Florida

Donna Deegan, Mayor

Finance Department
General Accounting Division
117 West Duval Street, Suite 375
Jacksonville, FL 32202
(904) 255-5261
www.jacksonville.gov

June 20th, 2025

Below are the corrective action plans for Audit Findings 2024-001 and 2024-002.

Part II – Financial Statement Findings

2024-001 ACCOUNTING SYSTEM IMPLEMENTATION

Condition: During the audit we found that financial reconciliations for certain account balances were not accurately completed on a timely basis. Internal controls were not in place to ensure the fiscal year cutoff was complete and correct. The financial information provided to us required material correcting entries to be made in the following areas:

- Cash and Cash Equivalents
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Cause: The new accounting system was not functioning sufficiently to maintain up-to-date and accurate financial records for multiple classes of transactions and account balances. The annual cutoff process is not sufficient to prevent material misstatements in receivables and payables.

Effect: Multiple material errors were identified during the audit.

Recommendation: Continue to enhance the understanding and user abilities of the accounting system through further training. Ensure that trial balance accounts are reconciled and that the fiscal year end cutoff procedures are fully implemented and documented. Review the annual cutoff process to ensure sufficient effective controls are in place.

Management's Action Plan: The City of Jacksonville continues to make extensive improvements to our ability to maintain

up-to-date and accurate financial records since the simultaneous impacts in 2020 of the pandemic shut down and our ERP system conversion.

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The financial system and reporting improvements made by the City since embarking on the challenging journey of converting to a new modern ERP system have been a massive effort that will pay dividends for years to come in the areas of transparency, timeliness and quality of financial reporting.

Contact Names responsible for the plan – Marcia Saulo and Chris Cicero
Anticipated completion date of the plan – December 2025

Part III – Findings and Questioned Costs – Federal Programs

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
Award Year – 2023
Questioned costs – none

Criteria: 2 CFR Part 200 in general and 2 CFR section 200.303(a) require non-Federal entities to establish and maintain effective internal controls over Federal awards, including the requirements for allowable costs, cost principles, period of performance, and special tests and provisions – wage rate requirements. The related compliance requirements are set in 24 CFR Part 570 Subpart D and sections 570.200 through .710, the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the April 30, 2021 Quick Guide, CDBG-CV PPR Tieback Flexibilities, Title I of the Housing Community Development Act (HCDA) of 1974, as amended (Pub. L. No. 93-383) (42 USC 5301), 2 CFR Part 200, Subpart E, Appendices III-V11, and sections 200.330, .331, and .501(h), 31 USC 1552, Section III.B.7 of CDBG-CV Notice, Section 110(a) of the HCD Act, federal awarding agency regulations, and the terms and conditions of the award.

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Cause: Internal controls over certain payments, including payments requiring review of contractor and subcontractor wage rates were not evidenced with clear documentation.

Effect: Allowable costs, cost principles, period of performance, and special tests and provisions – wage rate requirements compliance requirements may not be met due to lack of reperformable internal controls.

Recommendation: We recommend that the City ensure wage rate requirement compliance is prioritized when applicable. We recommend that the City ensure that all controls for grants be documented in written procedures which should include the name or title of the positions responsible for each control (preparation, review, reconciliation, etc.) and that the performance of the controls be documented in a clear, reperformable manner including the name and date of each responsible individual and which specific control they performed over compliance for the grant.

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Contact Names responsible for the plan – Travis Jeffrey
Anticipated completion date of the plan – September 2025