

CITY OF JACKSONVILLE, FLORIDA COMPREHENSIVE ANNUAL FINANCIAL REPORT



FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2014

CITY OF JACKSONVILLE, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014



PREPARED BY THE DEPARTMENT OF FINANCE
ACCOUNTING DIVISION



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City of Jacksonville, Florida
Comprehensive Annual Financial Report
For the Fiscal Year Ended September 30, 2014
TABLE OF CONTENTS

INTRODUCTORY SECTION

LETTER OF TRANSMITTAL	i – xv
CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING	xvi
ORGANIZATIONAL CHART	xvii
LISTING OF CITY OFFICERS, CONSTITUTIONAL OFFICEHOLDERS, AND CITY COUNCIL OFFICIALS AND STAFF	xviii - xix

FINANCIAL SECTION

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS	1 - 3
MANAGEMENT'S DISCUSSION AND ANALYSIS	5 - 20

BASIC FINANCIAL STATEMENTS

CITYWIDE FINANCIAL STATEMENTS

Statement of Net Position	22
Statement of Activities	23

FUND FINANCIAL STATEMENTS

Balance Sheet - Governmental Funds	28 - 29
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	31
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	32 - 33

FINANCIAL SECTION (CONTINUED)

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds to the Statement of Activities	34
Statement of Net Position - Proprietary Funds	36 - 37
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds	39
Statement of Cash Flows - Proprietary Funds	40 - 43
Statement of Fiduciary Net Position	46
Statement of Changes in Fiduciary Net Position	47
MAJOR COMPONENT UNITS	
Combining Statement of Net Position – Component Units	50 - 51
Combining Statement of Activities – Component Units.....	52 - 53
NOTES TO THE FINANCIAL STATEMENTS	55 -143

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund.....	146
Notes to Required Supplemental Information	147 - 148
Schedule of Funding Progress - City of Jacksonville Retirement System.....	149
Schedule of Contributions - City of Jacksonville Retirement System.....	150
Schedule of Changes in Net Pension Liability - City of Jacksonville Retirement System.....	151
Schedule of Money-Weighted Rate of Return City of Jacksonville Retirement System.....	152
Notes to Required Supplementary Information - City of Jacksonville Retirement System.....	153 - 154

FINANCIAL SECTION (CONTINUED)

Schedule of Funding Progress - Police and Fire Retirement System	155
Schedule of Funding Progress - Police and Fire Pension Fund, Senior Staff Voluntary Retirement Plan.....	156
Schedule of Contributions - Police and Fire Retirement System	157
Schedule of Contributions - Police and Fire Pension Fund, Senior Staff Voluntary Retirement Plan.....	158
Schedule of Changes in Net Pension Liability - Police and Fire Retirement System	159
Schedule of Money-Weighted Rate of Return Police and Fire Retirement System	160
Schedule of Funding Progress - Employment Benefits Other than Pension (OPEB)	161

COMBINING INDIVIDUAL FUND STATEMENTS AND SCHEDULES

GOVERNMENTAL FUNDS

Combining Balance Sheet - Nonmajor Governmental Funds	166 - 172
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds.....	174 - 180
Budgetary Comparison Schedules - Nonmajor Governmental Funds	182 - 189

PROPRIETARY FUNDS

Combining Statement of Net Position - Nonmajor Enterprise Funds	192-193
Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Nonmajor Enterprise Funds.....	194 - 195
Combining Statement of Cash Flows - Nonmajor Enterprise Funds	196 -199

FINANCIAL SECTION (CONTINUED)

INTERNAL SERVICE FUNDS

Combining Statement of Net Position - Internal Service Funds	202 - 203
Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Internal Service Funds	204 - 205
Combining Statement of Cash Flows - Internal Service Funds	206 - 209

FIDUCIARY FUNDS

PENSION TRUST FUNDS

Combining Statement of Fiduciary Net Position - Pension Trust Funds.....	212
Combining Statement of Changes in Fiduciary Net Position - Pension Trust Funds	213

AGENCY FUNDS

Combining Statement of Fiduciary Assets and Liabilities - Agency Funds	214 - 215
Combining Statement of Changes in Assets and Liabilities Fiduciary Funds - All Agency Funds	216 - 218

COMPONENT UNITS

Balance Sheet – Jacksonville Housing Finance Authority	220
Statement of Revenues, Expenditures and Changes in Fund Balances - Jacksonville Housing Finance Authority.....	221

FINANCIAL SECTION (CONTINUED)

SUPPLEMENTAL INFORMATION

Schedule of Long-Term Bonded Indebtedness	224 - 229
Schedule of Debt Service Requirements Compared to Cash in Sinking Fund Long-Term Obligations.....	230 - 233
Schedule of Debt Service Requirements to Maturity - Governmental Activities Revenue Bonds Supported by General Fund	234 - 240
Schedule of Debt Service Requirements to Maturity - Governmental Activities Notes Payable Supported by General Fund	242 - 243
Schedule of Debt Service Requirements to Maturity - Governmental Activities Special Revenue Bonds and Notes Payable from Internal Service Operations	244 - 247
Schedule of Debt Service Requirements to Maturity - Governmental Activities Revenue Bonds Supported by Better Jacksonville Plan Revenues.....	248 - 250
Schedule of Debt Service Requirements to Maturity - Governmental Activities Special Revenue Bonds Supported by Better Jacksonville Plan Revenues	252 - 253
Schedule of Debt Service Requirements to Maturity - Governmental Activities Notes Payable Supported by Better Jacksonville Plan Revenues	254
Schedule of Debt Service Requirements to Maturity - Payable from Enterprise Funds	256 - 259
Schedule of Self Insurance - Workers Compensation	260 - 261
Schedule of Self Insurance – General Liability	262 - 263
Balance Sheet - General Fund by subfund.....	264
Statement of Revenues, Expenditures and Changes in Fund Balances - General Fund by subfund	265

STATISTICAL SECTION (UNAUDITED)

Table of Contents	267
Financial Trends.....	269 - 279
Net Position by Components	270 - 271
Changes in Net Position.....	272 - 275
Fund Balances, Governmental Funds	276
Changes in Fund Balances, Governmental Funds	278 - 279
Revenue Capacity	281 - 289
Assessed Value and Estimated Actual Value of Taxable Property	282 - 283
Direct and Overlapping Property Tax Rates	284
Principal Property Taxpayers.....	286 - 287
Property Tax Levies and Collections	288 - 289
Debt Capacity.....	291 - 301
Ratios of Outstanding Debt by Type to Personal Income and Per Capita	292 - 293
Direct and Overlapping Governmental Activities Debt.....	294
Legal Debt Margin Information.....	294
Pledged Revenue Coverage	296 - 301
Demographic and Economic Information.....	302 - 304
Demographic and Economic Statistics	303
Principal Employers.....	304
Operating Information	306 - 313
Personnel Distribution by Department Classified Positions	307
Operating Indicators by Function/Program	308 - 311
Capital Asset Statistics by Function/Program.....	312 - 313

LETTER OF TRANSMITTAL



OFFICE OF THE MAYOR

ALVIN BROWN
MAYOR

CITY HALL SUITE 400
117 W. DUVAL STREET
JACKSONVILLE, FL 32202

April 30, 2015

Dear Friends:

I am proud to present the City of Jacksonville's Comprehensive Annual Financial Report for Fiscal Year 2013/2014. A tremendous amount of work, from across multiple city departments, went into creating this fiscal guide, and we trust you will find it informative.

As mayor, my goals continue to center around increased accountability and responsibility within our city government through careful stewardship of taxpayer resources. It has been an honor to work with City Council, other elected officials and city employees to reduce the size of local government while overcoming the financial challenges of recent years without raising taxes. The numbers included in the Comprehensive Annual Financial Report reflect sacrifice, teamwork and vision, all aiming to restore economic security and vitality here in Jacksonville. This document details the financial status of our city government while reflecting our continued commitment to the highest standards of financial management and accountability. I remain dedicated to making local government both effective and efficient, insisting that taxpayers get the best return on their investment.

Let us measure Jacksonville for its great potential as we work together to make our city a catalyst for distinctive economic growth. Sound fiscal management is an enormous part of that equation, and we must scrutinize every opportunity to protect our resources, form partnerships and promote Jacksonville. Working side by side, I remain confident that our best days are ahead.

Sincerely,

A handwritten signature in black ink that reads "Alvin Brown". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Alvin Brown
Mayor



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April 30, 2015

The Honorable Mayor Alvin Brown
Members of the City Council
Citizens of Jacksonville

INTRODUCTION

The Comprehensive Annual Financial Report (CAFR) of the City of Jacksonville, Florida (the City) for the fiscal year ended September 30, 2014 is hereby submitted.

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

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

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

The City's Independent Auditor, McGladrey, LLP, issued an opinion letter as required by City Charter, Section 5.11; Chapter 166.241, Florida Statutes and Chapter 10.550 Rules of the Florida Auditor General, which is contained in the Financial Section of this document. McGladrey, based on its audit and the reports of component unit auditors, has opined that the financial statements present fairly, in all material respects, the financial position and changes in financial position of the City as of and for the year ended September 30, 2014.

Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of

Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

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

PROFILE OF THE CONSOLIDATED GOVERNMENT

Governmental Framework

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

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

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

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

Jacksonville Aviation Authority (JAA)
Jacksonville Electric Authority (JEA- electric, water and wastewater utilities)
Jacksonville Port Authority (JPA)
Jacksonville Transportation Authority, (JTA- operates the mass transit system)
Jacksonville Children's Commission (JCC)
Jacksonville Public Library

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

BUDGET AND GOVERNMENTAL FUNDS

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

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

BUDGET APPROPRIATIONS **FY 2013-2015**

<u>Fund Types</u>	<u>FY 2015</u>	<u>FY 2014</u>	<u>FY 2013</u>	Change from <u>FY 2014 to</u> <u>FY 2015</u>	Change from <u>FY 2013 to</u> <u>FY 2014</u>
General Fund	\$1,105,918,070	1,067,187,868	\$1,034,227,938	3.63%	3.19%
Special Revenue	273,046,759	262,576,191	243,852,834	3.99%	7.68%
Capital Projects	4,725,000	46,100,144	34,114,387	-89.75%	35.13%
Enterprise Funds	204,646,034	200,755,084	201,067,212	1.94%	-0.16%
Internal Service Funds	397,418,039	393,238,099	342,863,725	1.06%	14.69%
Trust & Agency Funds	16,258,916	13,519,254	13,683,144	20.26%	-1.20%
Component Units	306,696	2,602,784	2,978,653	-88.22%	-12.62%
Total	\$2,002,319,514	\$1,985,979,424	\$1,872,787,893		

Source: Annual Budget Documents

CAPITAL BUDGET

Capital Improvement Program (CIP) and Debt Affordability Model

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

Capital Improvement Plan

The Capital Improvement Plan identifies the following:

<u>Program Area</u>	<u>FY 14/15</u>	<u>FY 15/16</u>	<u>FY 16/17</u>	<u>FY 17/18</u>	<u>FY 18/19</u>
Environmental/ Ash Remediation	\$12,328,000	\$10,000,000	\$5,500,000	\$ 5,500,000	\$ 1,500,000
Environmental/ Quality of Life	11,457,656	1,250,000	1,500,000	-	-
Government Facilities	7,219,500	2,500,000	2,175,000	2,000,000	1,800,000
Parks	12,961,592	21,425,000	14,400,000	15,800,000	9,950,000
Public Safety	8,651,440	3,600,000	15,828,000	12,228,000	27,914,000
Roads/Infrastructure/ Transportation	55,790,300	49,746,406	36,000,000	36,000,000	25,000,000
Sub-Total	\$108,408,488	\$88,521,406	\$75,403,000	\$71,528,000	\$66,164,000
Solid Waste	49,677,000				
Drainage*	19,081,652	21,926,000	16,000,000	12,500,000	9,000,000
Total	\$177,167,140	\$110,447,406	\$91,403,000	\$84,028,000	\$75,164,000

* Most Drainage projects are budgeted within enterprise funds.

Status of Ongoing Major Projects

Pollution Remediation and Ash Site Settlement

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

The City also negotiated (and finalized a settlement agreement in the fall of 2007) with the U.S. Environmental Protection Agency (EPA) regarding cleanup, which will involve removing two feet of soil around the homes and related park land, putting down a protective mesh, and replacing the removed top cover with new soil in an area that includes more than 1,300 homes. The current estimate for remediation totaling approximately \$164.0 million is accrued as a liability at the end of FY2014.

Better Jacksonville Plan

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

Major projects included improvements to the Jacksonville Zoo and Cecil Field, construction of a new main library and library branch improvements, an arena, a baseball park and a county courthouse.

FUTURE PROSPECTS: ECONOMIC ENVIRONMENT AND MAYORAL PRIORITIES

ECONOMIC ENVIRONMENT: JACKSONVILLE MSA

Jacksonville was founded in 1832 and consolidated with Duval County in 1968, and has an estimated city/county population of 890,066 living within an 840.1 square mile area. Within Duval County there are four separate municipalities (Jacksonville Beach, Neptune Beach, Atlantic Beach and Baldwin) representing a population of 43,272 within 15.9 square miles. The Jacksonville Metropolitan Statistical Area (MSA) consists of five counties: Duval, Clay, St. Johns, Nassau and Baker, which have a total estimated population of 1,394,624.

Selected Economic and Statistical Data

The combined City/County exhibits the following characteristics:

	ECONOMIC SNAPSHOT			FLORIDA	<i>Future Trends</i>
	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2014</u>	
Population (in thousands)	890.0	876.0	870.0	19,507	Positive
Assessed Valuation (in billions)	43.1	43.7	45.9	1,822	Positive
Dollar Value of Building Permits (in millions)	1,067.0	1,016.1	764.5	N/A	Positive
Employment MSA (in thousands)	517.0	509.8	500.6	8,458	Positive
Unemployment Rate	6.0%	6.4%	8.2%	5.8%	Positive
Median Family Income	47,876	43,835	45,995	47,886	Positive

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

Assessed valuation has decreased but appears to have bottomed out. Value of building permits improved once again indicating a recovery in housing and economic growth for the city. It is difficult to forecast the rate of economic improvement but we do anticipate an improvement in assessed values in the near to mid-term future.

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

INDUSTRY SEGMENTS

<u>Segment</u>	<u>% of Total</u>
Trade, Transportation, and Utilities	20.92
Professional and Business Services	16.00
Education and Health Services	15.05
Leisure and Hospitality	11.96
Government	11.88
Financial Activities	9.69
Construction	5.06
Manufacturing	4.43
Other Services	3.50
Information	1.45
Mining and Logging	0.06

Bureau of Labor Statistics November, 2014

Discussion: Jacksonville enjoys a broad base of non-agricultural employment. Downtown Jacksonville is the business, cultural and entertainment center of Duval County. It is the home of more than 3,800 residents and over 1,100 businesses with more than 48,000 employees including 80 corporate or regional headquarters and three Fortune 500 companies.

Jacksonville's central location with access to road, rail, sea and air transportation has made it the international hub of the Southeast. The city is located within 600 miles of two-thirds of the 50 million consumers in the southeastern United States.

The Jacksonville Port Authority (Jaxport) is one of the largest ports on the South Atlantic seaboard and is the third largest container port in Florida. Approximately 1,846 vessels used Jaxport facilities in 2014. The port is expected to remain a major source of economic growth as the expanded Panama Canal opens.

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

10 LARGEST EMPLOYERS IN JACKSONVILLE, FLORIDA

<u>Name of Employer</u>	<u>Product or Service</u>	<u>Employees</u>
Naval Air Station Jacksonville	U.S. Navy	25,240
Duval County Public Schools	Public Education	14,480
Naval Station Mayport	U.S. Navy	9,000
Baptist Health	Hospital	8,270
Bank of America Merrill Lynch	Banking and Investments	8,000
City of Jacksonville	Municipal Government	7,713
Florida Blue	Health Insurance	6,500
Citi	Consumer Finance	5,000
Mayo Clinic	Multi-Specialty Health Care	4,970
United Parcel Services	Logistics	4,100

Discussion: The above table indicates that more than 87% of those employed by the largest employers are from four segments: military (36.7%), medical (21.2%) public education (15.5%) and banking/financial services (13.9%). It is anticipated that all of these segments will continue to grow top line revenue and hire new employees.

MAYORAL PRIORITIES

Mayor Alvin Brown has identified the following priorities and continues to work toward these goals:

- Reforms to the Police and Fire and General Employee Pension Systems.
- Streamline city government to make it as effective and efficient as possible
- Partner with the business community to grow jobs and the local economy
- Build a better education system and improve our public schools
- Continue making Jacksonville the most military and veteran friendly city in the nation
- Enhance our quality of life and create the best urban park system in America

Mayor Brown's agenda has been crafted to take Jacksonville to the next level, with key programs that address the city's most chronic financial needs, efficiency and effectiveness of government, and pension reform. These priorities build upon the existing relationship with the military and recognize the need for economic growth and jobs. It is understood that the future of Jacksonville is inextricably bound to education and the city's quality of life. Government cannot do all this alone. It will require continued partnerships with the business community and outreach to residents for Jacksonville to reach its highest potential.

Financial Policies

Achieving Mayor Brown's goals will require fiscal discipline. His administration is committed to the following goals:

- Actively manage the City's financial affairs by:
 - Controlling operating costs
 - Rebidding contracts
 - Managing the City's debt level and cost
 - Investing to ensure safety, liquidity and conservation of principal

- Invest in the City's Infrastructure
- Build Reserves
- Pension Reform remains the most important financial objective.

Here are a few examples of noteworthy achievements to save taxpayers money:

- The FY 2014 Budget was balanced despite decreased revenues by cutting costs and eliminating positions as needed.
- During the past four years, the City refinanced bonds at lower interest rates which saved Jacksonville taxpayers \$140.7 million present value. The present value savings will be realized over the life of the bonds.
- The City continues to reduce the cost of government through increased efficiency.

Growth/Future Prospects

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

DEBT AND INVESTMENT ACTIVITIES

Debt Administration

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

<u>Debt Administration – Ratings</u>	Moody's	S&P	Fitch
Issuer Credit Rating	Aa2	AA	AA+
Excise Tax Revenue Bonds	Aa2	AA-	AA+
BJP Sales Tax Bonds	A1	A	A+
BJP Transportation Bonds	A1	AA-	AA-
JEA Water & Sewer	Aa2	AA	AA
JAA	A2	A	A

Investment Performance – Both Active and Major Pension Programs

The City is of the opinion that the interest of its citizens can best be served by actively managing City funds through the assumption of a prudent level of risk. Investment objectives (in order of priority) are: safety of capital, liquidity and income realization in excess of stated benchmarks. The City's Investment Policy also establishes an Investment Committee to help manage the funds.

INVESTMENT PORTFOLIO PERFORMANCE

September 30, 2014

(Reported in Percentage and Gross of Investment Management Fees)

	FY 2014	FY 2013	FY 2012	FY 2011	FY 2010	3 - Year Average	5 - Year Average
Operating Fund (All Fixed Income) *	2.38	0.62	4.82	2.23	8.14	2.59	3.60
Policy Benchmark (Weighted Avg Benchmark)**	1.85	-0.292	2.65	2.26	4.81	1.39	2.26
Core Plus	5.8	0.153	9.51	4.94	12.50	5.08	6.50
Intermediate	2.71	-0.506	6.33	NA	NA	2.81	NA
Limited Duration	1.29	0.936	3.15	1.37	4.23	1.79	2.19
Extended Cash	0.62	0.459	1.47	0.41	1.55	0.85	0.90
General Employee Pension Fund (Diversified)	12.06	17.63	18.88	1.20	11.54	16.15	12.09
Policy Benchmark (Weighted Avg Benchmark)**	11.12	13.24	17.02	2.36	8.32	13.94	10.51
Domestic Equity Composite	15.29	25.17	29.00	-0.29	12.53	23.02	15.89
Total Int'l Equity	5.93	23.18	16.06	-5.68	11.16	14.84	9.58
Total Fixed Income	5.07	1.31	10.20	3.72	12.21	5.46	6.45
Total Real Estate	20.63	15.72	19.08	12.27	11.64	18.46	15.29
MLP/Energy	29.83	21.68	NA	NA	NA	NA	NA
Police and Fire Pension Fund (Diversified)	11.55	14.87	19.27	0.53	9.33	11.28	8.30
Policy Benchmark (Weighted Avg Benchmark)**	12.08	15.15	18.69	1.84	7.94	11.65	7.99
Domestic Equity Composite	13.84	22.63	30.18	1.29	10.75	17.38	11.14
Total Int'l Equity	6.18	18.66	14.60	-13.87	7.42	5.47	5.59
Total Fixed Income	3.13	-1.37	6.31	5.11	7.54	3.29	5.78
Total Real Estate	12.23	14.77	12.40	20.69	8.50	15.90	3.59
MLP/Energy	36.54	23.92	30.68	NA	NA	NA	NA
Major Indices							
Russell 3000 Composite	17.86	21.59	30.20	0.55	10.96	23.08	45.78
MSCI EAFE Index	4.7	24.29	14.33	-8.94	3.71	14.16	7.04
NCREIF Property Index	11.26	11	11.00	16.10	5.84	11.09	11.00
Barclays Capital U.S. Aggregate Bond Index	3.96	-1.682	5.16	5.26	8.16	2.43	4.12
Barclays Capital U.S. Gov/Credit Intermediate	2.2	-0.496	4.40	NA	NA	2.01	3.42
BofA ML U.S. Corp & Gov 1-3 Yrs	0.84	0.707	1.52	1.26	3.26	1.02	1.51
BofA ML U.S. Treasury Bills 0-1 Year	0.13	0.214	0.18	0.31	0.39	0.18	0.25
Citigroup Treasury Bill-3 Month	0.04	0.066	0.05	0.11	0.12	0.05	0.08

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

*excludes depository accounts

**Benchmark Composition:

	<u>General and Corrections</u>	<u>Operating Fund</u>	<u>Police and Fire</u>
Barclays Capital Aggregate Bond	25%	35%	9%
Barclays Capital U.S. Govt/Credit Intermediate	0%	5%	2%
BofA ML 1-3 yr Corp/Govt Bond	0%	40%	0%
BofA ML 0-1 yr Treasury Bond	0%	15%	0%
Citigroup 3-month Treasury Bill	0%	5%	0%
Russell 1000 Stock	0%	0%	20%
Russell 2000 Stock	0%	0%	7%
Russell 2500 Stock	0%	0%	5%
Russell 3000 Stock	35%	0%	0%
MSCI EAFE/ACWI Stock	20%	0%	15%
MSCI Emerging Markets	0%	0%	6%
NCREIF Property	20%	0%	10%
S&P 500	0%	0%	7%
S&P MLP Total Return	0%	0%	8%
S&P/LSTA Leverage Loan Index	0%	0%	3%

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

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

LONG-TERM FINANCIAL POSITION

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

REPORTING ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Jacksonville for its Comprehensive Annual Financial Report for the fiscal year ended September 30, 2013. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for the preparation of state and local government financial reports.

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

A Certificate of Achievement is valid for one year only. The City of Jacksonville has received this certificate for 34 consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA for their review.

ACKNOWLEDGMENTS

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

The 2014 Comprehensive Annual Financial Report represents our commitment to this goal and could not have been prepared without the efficient and dedicated efforts of the entire staff of the Department of Finance (Accounting, Budget, Risk Management and Treasury Divisions), who devoted many hours to compiling and assembling the report. We also wish to express our appreciation to all other City personnel who have contributed to its preparation. In addition, we thank the City's independent certified public accountants, McGladrey, LLP and the Office of the Council Auditor, for their efforts and professional conduct throughout the audit engagement.

Special acknowledgment is due to Mayor Alvin Brown, Council President Clay Yarborough, Councilman Richard Clark, Finance Committee Chair, and the remaining members of the City Council for their strong and effective leadership and continued support in the coordination and planning of the financial affairs of the City of Jacksonville.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "C. Ronald Belton". The signature is fluid and cursive, with the first name "C." and last name "Belton" clearly distinguishable.

C. Ronald Belton
Assistant to the Mayor/Chief Financial Officer



Government Finance Officers Association

**Certificate of
Achievement
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in Financial
Reporting**

Presented to

**City of Jacksonville
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

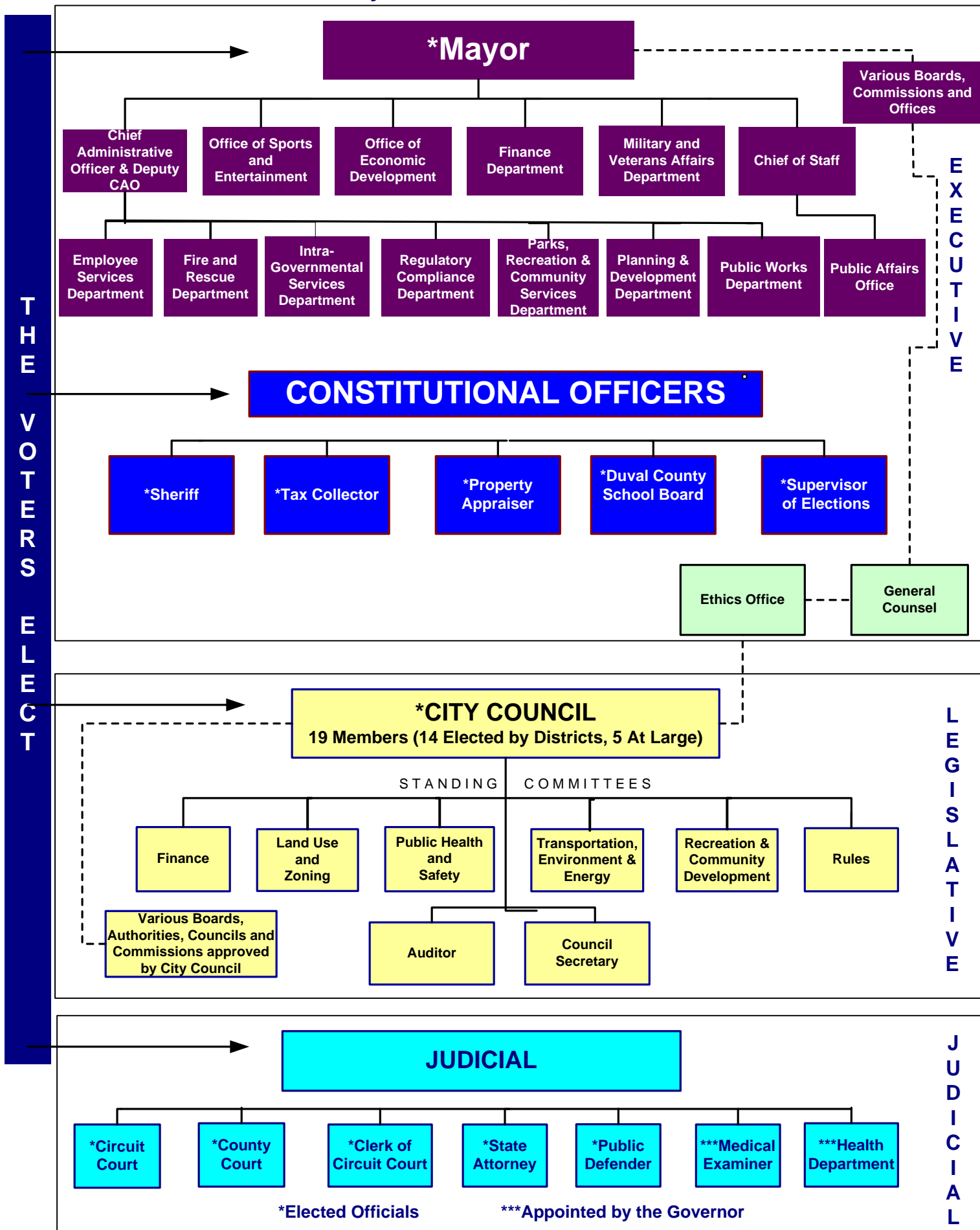
September 30, 2013



Executive Director/CEO

ORGANIZATIONAL CHART

City of Jacksonville, Florida



City of Jacksonville, Florida

City Officers and Constitutional Officeholders

Alvin Brown, Mayor

City Officers

Vacant.....	Chief Administrative Officer
Cleveland Ferguson	Deputy Chief Administrative Officer
Christopher Hand.....	Chief of Staff
Michelle Barth.....	Deputy Chief of Staff
David DeCamp	Director of Public affairs
Jason Gabriel, Esq.	General Counsel
C. Ronald Belton.....	Director of Finance/Chief Financial Officer
Paul Martinez.....	Director, Intra-Governmental Services
Antonio Lopez	Director of Parks, Recreation and Community Services
Martin Senterfitt.....	Director, Fire and Rescue
James Robinson	Director, Public Works
Kimberly Scott.....	Director, Regulatory Compliance
Vacant	Director, Planning and Development
Theodore Carter.....	Economic Development Officer
Adm. Victor Guillory.....	Director, Military & Veterans Affairs
Kelli O’Leary.....	Director, Employee Services
Glenn Hansen.....	Budget Officer
Dave Herrell.....	Sports and Entertainment Officer

Constitutional Officeholders

Ronnie Fussell	Clerk of Circuit Court
Jim Overton, CFA.....	Property Appraiser
John Rutherford.	Sheriff
Jerry Holland	Supervisor of Elections
Michael Corrigan.....	Tax Collector

City of Jacksonville, Florida

City Council Officials and Staff

City Council

President of Council Clay Yarborough
Vice President of Council Greg Anderson

District 1 — Clay Yarborough	District 8 — E. Denise Lee
District 2 — William Bishop	District 9 — Warren A. Jones
District 3 — Richard Clark	District 10 — Reginald L. Brown
District 4 — Don Redman	District 11 — Ray Holt
District 5 — Lori N. Boyer	District 12 — Doyle Carter
District 6 — Matt Schellenberg	District 13 — Bill Gulliford
District 7 — Vacant	District 14 — Jim Love

Group 1 At-Large — Kimberly Daniels
Group 2 At-Large — John R. Crescimbeni
Group 3 At-Large — Stephen C. Joost
Group 4 At-Large — Greg Anderson
Group 5 At-Large — Robin Lumb

Council Staff

Kirk Sherman, CPA Council Auditor
Cheryl Brown Director/Council Secretary
Kristi Sikes Chief of Administrative Services
Dana Farris Chief of Legislative Services
Jeff Clements Chief of Research

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



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Independent Auditor's Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Jacksonville, Florida (the "City"), as of and for the year ended September 30, 2014, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of JEA, which represents 88%, 77%, and 88%, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units. We also did not audit the Police and Fire Rescue Pension Plan Trust Fund which represents 34%, 37%, and 25% of the assets, fund balance/net position, and revenue/additions, respectively, 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 and Police and Fire Rescue Pension Plan Trust Fund, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City, as of September 30, 2014, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As discussed in note 18 B, as of October 1, 2013 the City implemented the provisions of Governmental Accounting Standards Board (GASB) Statement No. 65 and the City's pensions plans adopted the provisions of GASB Statement 67. As a result of these changes in accounting principles, the beginning net position of the governmental activities, the business-type activities, the Solid Waste Disposal fund, Everbank Field, the Jacksonville Retirement System and the Police and Fire Pension fund have been restated. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Supplementary and Other Supplemental Information

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

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

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

McGladrey LLP

Jacksonville, Florida
April 30, 2015



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**MANAGEMENT'S DISCUSSION
AND ANALYSIS**

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

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

Financial Highlights

- The City's General Fund operations had total revenues of \$1 billion in fiscal year 2014, a 9.5% increase over fiscal year 2013.
- Property tax revenues experienced a \$58.4 million, 13.2% increase. This increase as well as the increases in sales/tourist taxes and earnings on investments are strong indicators of an improved economy.
- The \$11.4 million increase in intergovernmental revenues is primarily due to increases in state shared revenues. Operating grants and contributions decreased \$14.5 million.
- Total governmental activities revenues increased by \$123.1 million in fiscal year 2014, an 8.6% increase, as compared to fiscal year 2013.
- There were decreases in general government, transportation and interest expenses, increases of \$42.7 million in public safety, \$6.2 million in human services and culture and recreation, and \$5.4 million in economic environment.
- Total governmental activity expenses increased \$29.1 million or 2.1%.

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

City Highlights

Fiscal year 2014 had a number of positive outcomes. Some of the impact and improvements were as follows:

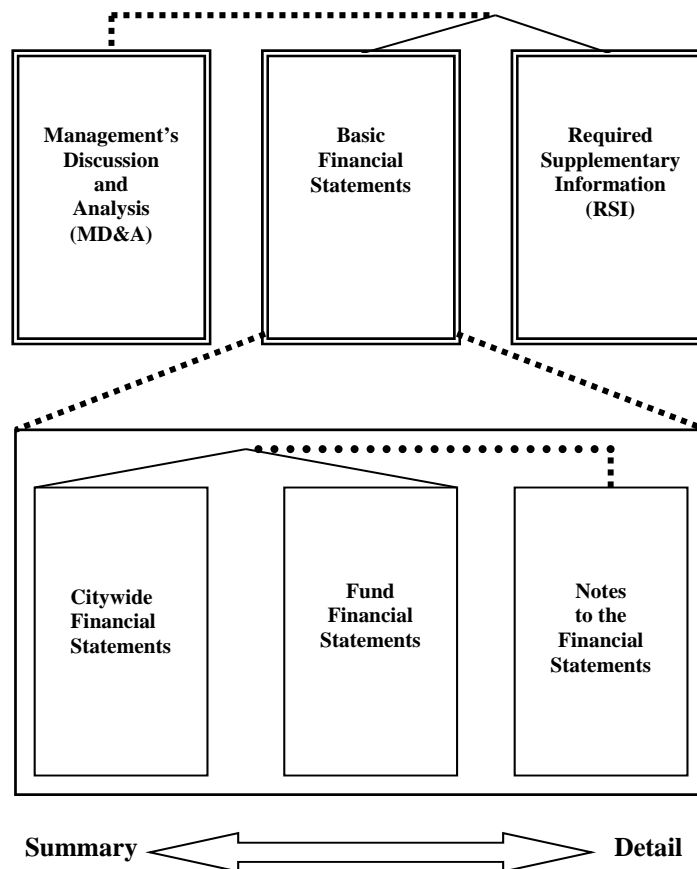
- The total fund balance for the General Fund increased by \$7.1 million for a total of \$182.3 million.
- Progress was made on pension reform. This process will continue into fiscal year 2015.
- The City neared completion on the improvements in the City owned EverBank Field. EverBank Field is one of Jacksonville's most important economic development assets. The improvements will make the City's National Football League stadium a world-class facility and enhance the fan experience.
- The Navy continues to invest in Jacksonville bases with a new runway being constructed at NAS Jax
- There has been a decrease in the unemployment rate, an increase in sales tax revenues and an improved economy in Jacksonville.
- General Electric will locate its subsidiary company at Cecil Field which will improve the marketability of this office park.

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 basic financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains supplementary and statistical information in addition to the basic financial statements themselves.

Figure A-1

COMPONENTS OF THE ANNUAL FINANCIAL REPORT



Citywide Basic Financial Statements

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

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

Component Units are other governmental units over which the City can exercise influence and/or may be obligated to provide financial subsidy. The City of Jacksonville's component units are as follows: Jacksonville Electric Authority (JEA), Jacksonville Transportation Authority (JTA), Jacksonville Port Authority (JPA), and Jacksonville Housing Finance Authority. Separate financial statements are published by JEA, JTA, and JPA. With the passage of ordinance 2012-212-E, Article 24 of the City Charter, Chapter 92-341, Laws of Florida, the Jacksonville Economic Development Commission (JEDC) was repealed and the Office of Economic Development was created within the Office of the Mayor. Beginning in fiscal year 2013, related JEDC financial information is presented as part of the primary government. JEDC operations were previously reported as a discretely presented component unit. The transfer of beginning fund balance is presented as a Special Item in the financial statements. With the fiscal year 2013 implementation of Governmental Accounting Standards Board (GASB) 61 – The Financial Reporting Entity: Omnibus an amendment of GASB Statements No. 14 and No. 34, the Jacksonville Aviation Authority (JAA) and Downtown Vision, Inc. (DVI) no longer meet the requirements of a component unit. The focus of the statements is on the primary government and the presentation allows the user to address the relationship with the Component Units.

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

Fund Financial Statements

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

Governmental Funds

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

This allows readers to better understand the long-term impact of the government's near-term financing decisions.

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

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

Proprietary Funds

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

The City of Jacksonville maintains two major 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 the Solid Waste Disposal Fund, the EverBank Field Fund, the Veteran's Memorial Arena Fund and the Stormwater Services Fund which are all major funds. The Baseball Stadium, Performing Arts, Convention Center, Equestrian Center, Motor Vehicle Inspection, Mayport Ferry, The Ritz Theater and Public Parking are non-major enterprise funds.

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

Fiduciary Funds

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

Notes to the Financial Statements

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

Other Information

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

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

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

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

CITYWIDE FINANCIAL ANALYSIS

The net position may serve over time as a useful indicator of the government's financial position.

As of September 30, 2014, the City of Jacksonville is able to report positive balances in overall net position (See Table A-1).

Table A-1
Summary Statement of Net Position
(In Thousands)
as of September 30, 2014 and September 30, 2013

	Governmental Activities		Business Type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Cash and Investments	\$ 873,309	\$ 870,665	\$ 73,267	\$ 75,536	946,576	946,201
Current and Other Assets	228,422	224,483	62,559	62,466	290,981	286,949
Capital Assets	2,722,103	2,764,758	482,137	439,340	3,204,240	3,204,098
Total assets	<u>3,823,834</u>	<u>3,859,906</u>	<u>617,963</u>	<u>577,342</u>	<u>4,441,797</u>	<u>\$ 4,437,248</u>
Deferred Outflow of Resources	13,000	14,915	239	359	13,239	15,274
Current Liabilities	236,187	227,975	37,998	17,766	274,185	245,741
Non-current Liabilities	2,789,227	2,893,526	373,137	376,386	3,162,364	3,269,912
Total liabilities	<u>3,025,414</u>	<u>3,121,501</u>	<u>411,135</u>	<u>394,152</u>	<u>3,436,549</u>	<u>3,515,653</u>
Deferred Inflow of Resources	-	-	72	90	72	90
Net position						
Net investment in capital assets	918,659	895,899	161,999	128,001	1,080,658	1,023,900
Restricted for:						
State and Federal Grants	47,259	45,025	-	-	47,259	45,025
Capital Projects	-	-	-	1,852	-	1,852
Permanent Fund non-expendable	123	123	-	-	123	123
Other participant's equity	3,248	2,398	-	-	3,248	2,398
Unrestricted	(157,869)	(190,125)	44,996	53,606	(112,873)	(136,519)
Total net position	<u>\$ 811,420</u>	<u>\$ 753,320</u>	<u>\$ 206,995</u>	<u>\$ 183,459</u>	<u>1,018,415</u>	<u>\$ 936,779</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 negative unrestricted net position in the governmental activities is primarily due to non-asset related debt which is a liability of the City, issued for various capital projects that belong to other entities.

The City issued non-asset related debt:

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

On the following page, Table A-2 provides a summary comparison of the City's operations for the 2013 and 2014 fiscal year ends.

Table A-2 Statement of Activities (In Thousands) as of September 30, 2014 and September 30, 2013

	Governmental Activities		Business Type Activities		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Revenues:						
Program Revenues:						
Fines & charges for services	\$ 118,749	\$ 110,451	\$ 119,039	\$ 117,328	\$ 237,788	\$ 227,779
Operating grants/contributions	53,946	68,470	-	-	53,946	68,470
Capital grants/contributions	72,978	55,208	-	-	72,978	55,208
General revenues:						
Property taxes	502,624	444,219	-	-	502,624	444,219
Utility service taxes	122,733	123,785	-	-	122,733	123,785
Sales and tourist taxes	180,964	172,430	13,394	12,385	194,358	184,815
Local business taxes	7,085	7,129	-	-	7,085	7,129
Intergovernmental	138,969	127,561	-	-	138,969	127,561
Franchise Fees	40,417	38,851	-	-	40,417	38,851
JEA Contribution	109,188	106,688	-	-	109,188	106,688
Earnings on Investments	21,690	5,884	2,008	294	23,698	6,178
Miscellaneous	55,227	40,627	16,493	17,081	71,720	57,708
Total Revenues	1,424,570	1,301,303	150,934	147,088	1,575,504	1,448,391
Expenses						
General government	150,118	159,054	-	-	150,118	159,054
Human services	108,596	104,902	-	-	108,596	104,902
Public safety	619,730	577,021	-	-	619,730	577,021
Cultural and recreational	80,844	78,305	-	-	80,844	78,305
Transportation	141,928	147,750	-	-	141,928	147,750
Economic & physical environment	166,919	161,528	-	-	166,919	161,528
Interest on long term debt	87,011	97,531	-	-	87,011	97,531
Parking system	-	-	3,513	3,178	3,513	3,178
Motor vehicle inspections	-	-	464	494	464	494
Solid Waste	-	-	58,429	71,073	58,429	71,073
Stormwater services	-	-	19,796	19,656	19,796	19,656
Mayport Ferry	-	-	2,405	2,767	2,405	2,767
EverBank Field	-	-	25,530	23,136	25,530	23,136
Veterans Memorial Arena	-	-	14,878	14,694	14,878	14,694
Baseball Stadium	-	-	3,216	3,083	3,216	3,083
Performing Arts Center	-	-	4,095	3,850	4,095	3,850
Convention Center	-	-	3,778	3,536	3,778	3,536
Equestrian Center	-	-	1,664	1,465	1,664	1,465
Sports Complex Capital	-	-	-	106	-	106
Ritz Theater	-	-	954	-	954	-
Total Expenses	1,355,146	1,326,091	138,722	147,038	1,493,868	1,473,129
Increases (decreases) in						
net position before transfers and special item	69,424	(24,788)	12,212	50	81,636	(24,738)
Transfers	(11,324)	(4,020)	11,324	4,020	-	-
Special Item-Repeal of JEDC	-	28,970	-	-	-	28,970
Change in net position	58,100	162	23,536	4,070	81,636	4,232
Net position (deficit), beginning of year, as restated	753,320	753,158	183,459	179,389	936,779	932,547
Net position (deficit), end of year	\$ 811,420	\$ 753,320	\$ 206,995	\$ 183,459	\$ 1,018,415	\$ 936,779

Governmental activities:

The City's governmental activities revenues increased \$123.1 million from 2013 to 2014 (see Table A-2) and consists of:

- Property tax revenues reflected a \$58.4 million increase primarily due to the increased millage rate from 10.0353 mills to 11.4419 mills.
- The increases in sales/tourist taxes, earnings on investments as well as the property tax are clear indications of an improving economy in Jacksonville.
- Intergovernmental revenues increased \$11.4 million is due to an increase in shared revenues.
- Contributions from JEA increased \$2.5 million in fiscal year 2014.
- The increase of \$14.2 million in miscellaneous revenues is due to a \$13.5 million Shipyard settlement.
- In fiscal year 2013 a onetime \$8.9 million adjustment was made to reduce ambulance billing revenues due to a review of historic collections. This represents the increase of \$8.3 million in fines & charges for services in fiscal year 2014.
- The decrease in operating grant revenues of \$14.5 is representative of phased out grants in ARRA, Homeland Security, Neighborhood Stabilization, CDBG and SHIP projects.
- The Jacksonville Zoo completed capital improvements to their Tiger Exhibit for \$10.9 million in fiscal year 2014 which is the largest portion of the increase in capital grant revenues.

Increases in governmental activities expenses were \$29.1 million in fiscal year 2014 due to the following:

- Public Safety expense increased \$42.7 million primarily due to a \$39.2 million increase in salaries and benefits of this increase contribution to the Police & Fire Pension Fund was \$26 million, or 67.2%.
- Interest on long term debt decreased by \$10.5 million due to decreased interest rates resulting from bond refunding on outstanding debt made over the past two years.

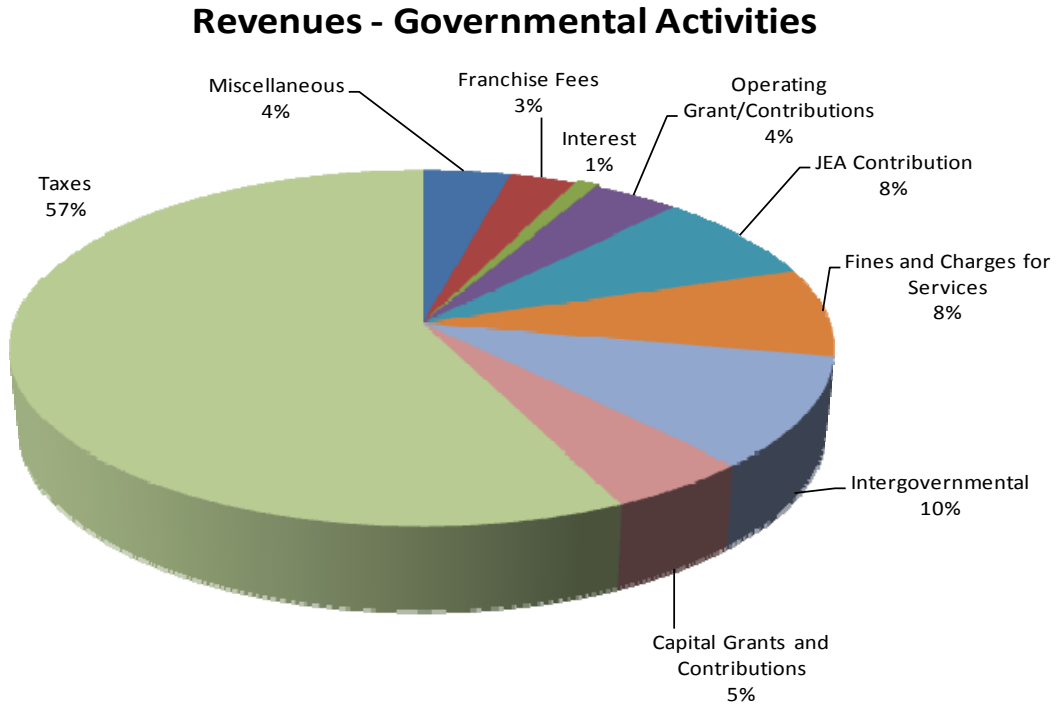
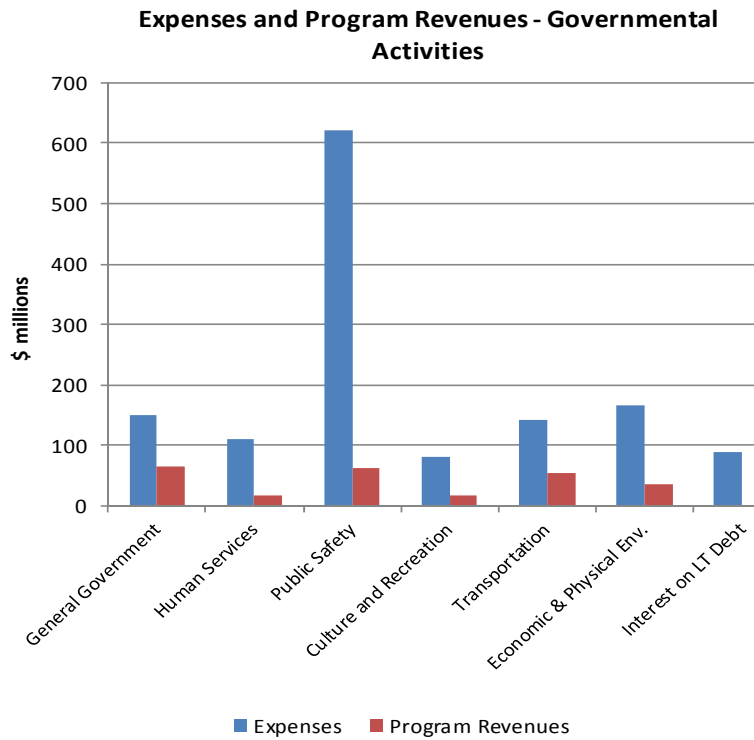
Business Type activities:

The City's business type revenues increased \$3.8 million in fiscal year 2014:

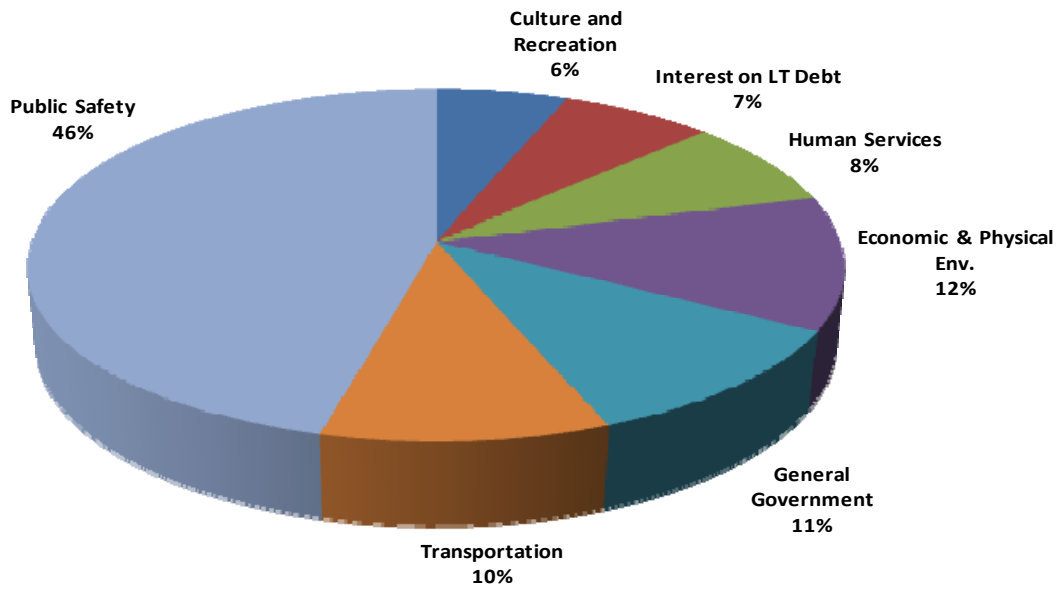
- The increase of \$1 million in sales and tourist taxes is an indication of an improving economy.
- Earnings on investments increased \$1.7 million due to higher interest rates earned on investment portfolios during the fiscal year.
- The Ritz Theater operations were moved to business type activities in fiscal year 2014 and had revenues of \$1 million.

Business type activities total expenses decreased \$8.3 million in fiscal year 2014:

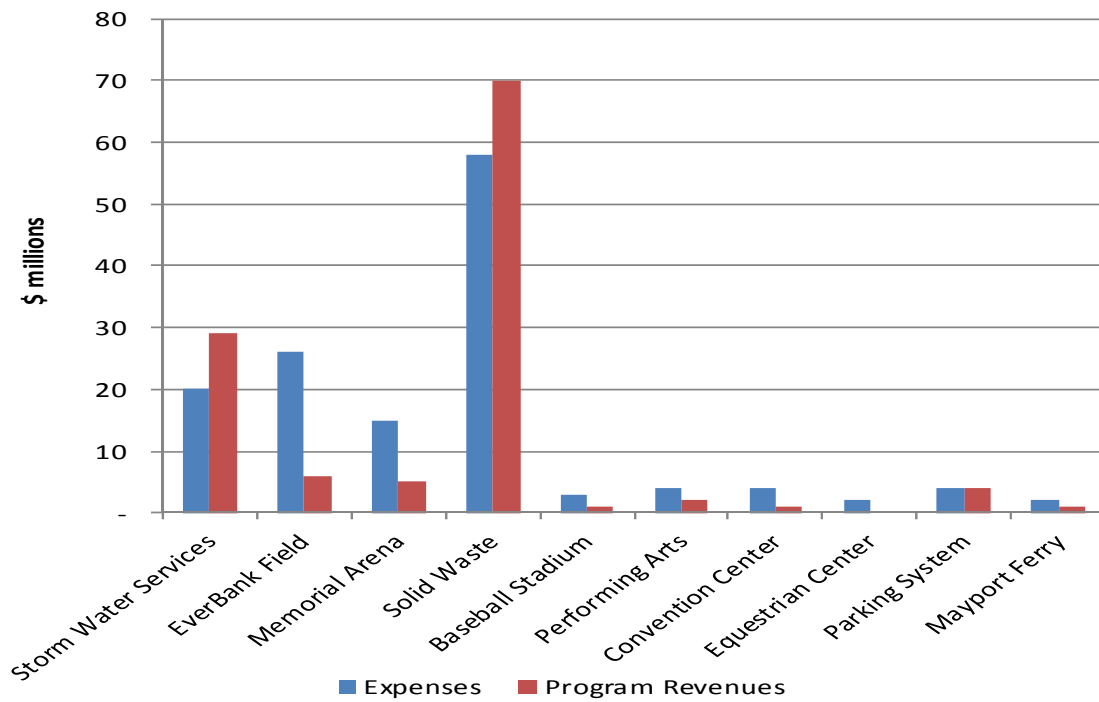
- Solid Waste's expenditures decreased \$12.6 million due to landfill closure/post-closure liability decreases in fiscal year 2014.
- EverBank Field had increased expenses of \$2.4 million in addition to the major improvements. There were other smaller increases in Parking, Stormwater, Veterans Memorial Arena, Baseball Stadium, Performing Arts Center, Convention Center, and Equestrian Center.



Expenses - Governmental Activities



Expenses and Program Revenues - Business Type Activities



FINANCIAL ANALYSIS OF THE CITY GOVERNMENT'S FUNDS

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

Governmental Funds: The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of fiscal year 2014. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

The General Fund is the chief operating fund of the City. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$90.5 million. The General Fund's total fund balance was \$182.3 million, with \$50.2 million committed by City Council as an emergency reserve. The City's Reserve Policy for the General Fund is covered by Section 106.107 of the City's municipal code. The policy requires that the emergency reserve shall not be used except as initiated by the Mayor through written communication to City Council, explaining the emergency, with subsequent approval by two-thirds votes of all City Council members. The Emergency Reserve can be used to address unanticipated non-reimbursed expenditures arising out of a hurricane, tornado, other major weather related events, and/or other massive infrastructure failures or disasters, whether man made or caused by nature. Under normal circumstances, the City would first elect to utilize the Operating Reserve before considering use of its Emergency Reserve.

Key factors affecting changes in major funds and fund balance in fiscal year 2014 operations are as follows:

General Fund:

- Property taxes account for approximately 50% of the General Fund revenue and increased by \$56.8 million, 13.2% increase over the previous fiscal year. Interest revenue increased \$3.1 million due to a higher return in fiscal year 2014. General Fund revenues had an overall increase of \$88.2 million and an overall increase in expenditures of \$39.3 million as compared to fiscal year 2013.

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

- Under the Interlocal Agreement, the City and JTA agreed to pledge a ½ cent sales tax and constitutional gas tax to the payment of the BJP bonds. Outstanding long term BJP debt principal payments increased \$5.2 million for fiscal year 2014 due to the aggressive refunding of debt in fiscal year 2012 and 2013. The City redeemed a total of \$46 million in BJP bonds with a decrease in interest and other fiscal charges of \$1.4 million.

Special Bonded Debt – Obligations:

- Outstanding long term Special Obligation debt principal payments increased \$1 million for fiscal year 2014 due to the aggressive refunding of debt in fiscal year 2013. The City redeemed a total of \$40 million in Special Obligation bonds with a decrease of \$4.6 million in interest and other fiscal charges.

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, Stormwater Services, EverBank Field and the Veteran's Memorial Arena are reported as major proprietary funds in fiscal year 2014.

General Fund Budgetary Highlights:

- Utility service taxes, community service taxes, local business taxes and licenses, permits and fees revenues were under budget a total of \$5.4 million. Property taxes, intergovernmental, other revenues, charges for services and interest earnings were over budget \$14 million. Total actual revenues for fiscal year 2014 were \$8.6 million in excess of the final budget.
- Total general fund actual expenditures for fiscal year 2014 were \$86.5 million under final budget with \$50.4 million, more than half, related to the budgeted but unused emergency reserve.
- Additional savings were due to salary and benefit costs and departmental and non-departmental operating cost savings due to the Administration's strong efforts toward cost reductions.
- Basic public safety costs, fire & rescue and office of the sheriff, continue to increase and account for \$585.2 million of expenditure budget which takes up 60% of total budgeted revenues

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, 2014, amounts to \$3.2 billion net of accumulated depreciation. Although there was less than \$1 million increase from fiscal year 2013, there was a decrease in governmental capital assets due to the depreciation charges on the large number of completed projects. The primary reason for the increase in business type capital assets is major impact of the EverBank Field improvements in fiscal year 2014. The investment in capital assets includes land, buildings and improvements, furniture and equipment, infrastructure, and construction in progress (see Table A-3). With the primary focus on the completion of road, building and drainage projects in fiscal year 2013. The sports complex improvements, the State Attorney courthouse, road projects, and Stormwater drainage projects became the focus in fiscal year 2014. Additional information on the City of Jacksonville's capital assets can be found in the Notes to the Financial Statements, Footnote 6 of this report.

Table A-3
Capital Assets
Net of Accumulated Depreciation
(In Thousands)
as of September 30, 2014 and September 30, 2013

	Governmental Activities		Business Type Activities		Total	
	2014	2013	2014	2013	2014	2013
Land and easements	\$ 312,740	\$ 312,739	\$ 47,152	\$ 46,532	\$ 359,892	\$ 359,271
Buildings and improvements	1,096,976	1,080,314	598,535	565,670	1,695,511	1,645,984
Furniture & Equipment	433,575	423,132	10,397	8,860	443,972	431,992
Construction and work in progress	53,203	13,059	13,154	56	66,357	13,115
Infrastructure	2,198,259	2,166,939	53,261	41,596	2,251,520	2,208,535
Other Assets	42,464	43,051	-	-	42,464	43,051
Less accumulated depreciation	(1,415,114)	(1,274,476)	(240,362)	(223,374)	(1,655,476)	(1,497,850)
Total	\$ 2,722,103	\$ 2,764,758	\$ 482,137	\$ 439,340	\$ 3,204,240	\$ 3,204,098

Major capital asset project costs in fiscal year 2014 included the following (in millions):

	<u>2014</u>	<u>2013</u>	<u>Change</u>
Sports Complex Improvements	\$ 45.6	\$ 4.9	\$ 40.7
Courthouse Projects	22.2	4.9	17.3
Road Projects	21.5	17.0	4.5
Stormwater & Drainage Projects	12.4	10.0	2.4
Miscellaneous Projects	9.3	5.6	3.7
Park Projects	5.8	4.7	1.1
Fire Department Projects	2.0	1.9	0.1
Building Projects	1.7	16.0	(14.3)
Countywide Resurfacing	0.8	0.9	(0.1)
Total	\$121.3	\$65.9	\$55.4

Debt Administration

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

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

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

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

At year-end, the City had \$2.7 billion in bonds and notes outstanding as shown in Table A-4. Additional information on the City of Jacksonville's long term-debt can be found in Notes to the Financial Statements, Footnote 8 of this report.

Table A-4
Bonds and Notes Payable
Outstanding Debt at Year End September 30, 2013
(In Thousands)

	Governmental Activities		Business Type Activities		Total	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Special Obligation Bonds	\$ 719,978	\$ 754,432	\$ -	\$ -	\$ 719,978	\$ 754,432
Special Obligation-BJP	1,249,005	1,290,036			1,249,005	1,290,036
Revenue Bonds Payable	245,975	260,348	272,123	257,674	518,098	518,022
Notes Payable	4,685	15,080	-	-	4,685	15,080
Notes Payable-BJP	47,055	52,311	-	-	47,055	52,311
Deferred Amounts						
Loss on Adv Ref	(985)	(1,397)	34,308	36,233	33,323	34,836
Issuance premiums	136,888	149,082	-	-	136,888	149,082
Issuance discounts	(2,538)	(2,699)	-	-	(2,538)	(2,699)
Advance Refunding	-	-	(167)	-	(167)	-
Total	\$ 2,400,063	\$ 2,517,193	\$ 306,264	\$ 293,907	\$ 2,706,327	\$ 2,811,100

New indebtedness of the City of Jacksonville consists of:

Closing Date	Par Amount	Source	Primary Use
July 2014	\$ 24,225,000	Commercial Paper	Stadium Improvements

The only indebtedness issued during fiscal year 2014 was for the "interim financing" of improvements to EverBank Field, which hosts the NFL's Jacksonville Jaguars. It is anticipated that the interim financing will be refunded with long-term debt during calendar year 2015.

During fiscal year 2014, the City redeemed a combined \$115.3 million in principal amount of bonds and notes, for a net reduction of \$91.1 million in long-term debt. The City has reduced the overall bonded indebtedness over the prior three fiscal years by a total of \$317 million from \$2.856 billion to \$2.539 billion.

The City continued to enjoy low rates on its variable rate debt. The expiring liquidity facility on the Capital Projects Revenue Bonds, Series 2008A was extended until July 18, 2016. The expiring liquidity facility on the Transportation Revenue Bonds, Series 2008A was extended until October 23, 2015.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

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

Other Economic Factors:

- The unemployment rate for the City of Jacksonville is 6%, at the end of fiscal year 2014, a .8% improvement over 2013. This compares favorably to the state's average unemployment rate (5.8%) and the national average unemployment rate of 5.9% as of September, 2014.
- 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 2014-2015:

- The City of Jacksonville has adopted the following priorities:
 - Partner with Business to Grow Jobs and the local economy.
 - Make government as effective and efficient as possible.
 - Making Jacksonville the most military friendly city in America.
 - Welcoming all to the City of Jacksonville.
 - Enhance the quality of life.

Achieving these priorities will require fiscal discipline and innovative approaches.

- The millage rate for the City of Jacksonville was increased from 10.0353 mills in 2012 to 11.4419 mills in 2013 which impacted the fiscal year 2014 revenues.

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) 630-1250.

**CITYWIDE FINANCIAL
STATEMENTS**

CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF NET POSITION -
SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

	PRIMARY GOVERNMENT				COMPONENT UNITS
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS		
			2014	2013	
ASSETS:					
Cash and investments.....	\$ 745,852	\$ 57,727	\$ 803,579	\$ 782,610	\$ 1,695,741
Cash in escrow and with fiscal agents.....	127,457	15,540	142,997	163,591	1,790
Securities lending.....	56,003	-	56,003	52,559	-
Receivables, net.....	70,623	55,438	126,061	122,987	268,003
Due from independent agencies and other governments.....	93,410	595	94,005	93,064	53,150
Inventories.....	5,260	13	5,273	6,128	142,414
Prepaid expenses and other assets.....	3,126	450	3,576	3,668	116,878
Prepaid expense - Landfill related costs.....	-	6,063	6,063	8,543	-
CAPITAL ASSETS:					
Land, easements, art in public places and construction in progress.....	365,943	60,306	426,249	373,150	686,460
Other capital assets, net of depreciation.....	2,356,160	421,831	2,777,991	2,830,948	6,320,568
TOTAL ASSETS.....	3,823,834	617,963	4,441,797	4,437,248	9,285,004
DEFERRED OUTFLOW OF RESOURCES:					
Costs to be recovered by future revenues.....	-	-	-	-	19,715
Unamortized deferred loss on refunding.....	985	239	1,224	1,756	174,589
Accumulated decrease in fair value of hedging instrument.....	12,015	-	12,015	13,518	106,937
TOTAL DEFERRED OUTFLOW OF RESOURCES.....	13,000	239	13,239	15,274	301,241
LIABILITIES:					
Accounts payable and accrued liabilities.....	68,371	23,493	91,864	71,808	147,072
Contracts payable.....	1,672	184	1,856	856	26,262
Due to component units.....	7,843	-	7,843	7,977	-
Due to independent agencies and other governments.....	13,567	-	13,567	13,567	-
Deposits.....	5,202	8,251	13,453	6,343	55,654
Accrued interest payable.....	55,588	5,934	61,522	63,640	97,875
Unearned revenue.....	27,696	136	27,832	28,742	6,791
Securities lending.....	56,003	-	56,003	52,563	-
Other current liabilities.....	245	-	245	245	90,705
NONCURRENT LIABILITIES:					
Fair market value of debt management instrument.....	12,015	-	12,015	13,518	106,937
Due within one year.....	151,362	11,773	163,135	161,291	268,123
Due in more than one year.....	2,625,850	361,364	2,987,214	3,095,103	5,702,325
TOTAL LIABILITIES.....	3,025,414	411,135	3,436,549	3,515,653	6,501,744
DEFERRED INFLOW OF RESOURCES:					
Revenue to be used for future costs.....	-	-	-	-	231,770
Unamortized deferred gain on refunding.....	-	72	72	90	-
TOTAL DEFERRED INFLOW OF RESOURCES	-	72	72	90	231,770
NET POSITION:					
Net investment in capital assets.....	918,659	161,999	1,080,658	1,023,900	1,437,828
Restricted for:					
Debt service.....	-	-	-	-	273,171
Housing and human services grants.....	33,211	-	33,211	29,596	-
Other state and federal grants.....	14,048	-	14,048	15,429	-
Capital projects.....	-	-	-	1,852	308,624
Other participant's equity.....	3,248	-	3,248	2,398	-
Permanent fund, non-expendable.....	123	-	123	123	-
Other purposes.....	-	-	-	-	46,587
Unrestricted (deficit).....	(157,869)	44,996	(112,873)	(136,519)	786,521
TOTAL NET POSITION	\$ 811,420	\$ 206,995	\$ 1,018,415	\$ 936,779	\$ 2,852,731

See accompanying notes.

CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF ACTIVITIES -
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				PRIMARY GOVERNMENT				COMPONENT UNITS
	EXPENSES	FINES AND CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS		
		2014	2013						
PRIMARY GOVERNMENT:									
Governmental activities:									
General government.....	\$ 150,118	\$ 54,713	\$ 7,306	\$ 1,777	\$ (86,322)		\$ (86,322)	\$ (76,496)	
Human services.....	108,596	2,477	14,006	-	(92,113)		(92,113)	(88,423)	
Public safety.....	619,730	55,878	4,695	33	(559,124)		(559,124)	(535,218)	
Culture and recreation.....	80,844	3,440	1,151	11,510	(64,743)		(64,743)	(72,975)	
Transportation.....	141,928	189	6,708	47,070	(87,961)		(87,961)	(99,173)	
Economic environment.....	43,956	1	15,740	1	(28,214)		(28,214)	(25,324)	
Physical environment.....	122,963	2,051	4,340	12,587	(103,985)		(103,985)	(96,822)	
Interest on long term debt.....	87,011	-	-	-	(87,011)		(87,011)	(97,531)	
Total governmental activities.....	1,355,146	118,749	53,946	72,978	(1,109,473)		(1,109,473)	(1,091,962)	
Business-type activities:									
Parking system.....	3,513	3,701	-	-	-	188	188	309	
Motor vehicle inspections.....	464	522	-	-	-	58	58	(60)	
Solid Waste.....	58,429	69,570	-	-	-	11,141	11,141	(2,314)	
Storm Water Services.....	19,796	29,142	-	-	-	9,346	9,346	10,603	
Mayport Ferry.....	2,405	1,123	-	-	-	(1,282)	(1,282)	(1,588)	
EverBank Field.....	25,530	6,476	-	-	-	(19,054)	(19,054)	(18,570)	
Veterans Memorial Arena.....	14,878	4,806	-	-	-	(10,072)	(10,072)	(9,529)	
Baseball Stadium.....	3,216	455	-	-	-	(2,761)	(2,761)	(2,705)	
Performing Arts.....	4,095	1,957	-	-	-	(2,138)	(2,138)	(1,982)	
Convention Center.....	3,778	1,001	-	-	-	(2,777)	(2,777)	(2,523)	
Equestrian Center.....	1,664	233	-	-	-	(1,431)	(1,431)	(1,245)	
Sports Complex Capital Maint.....	-	-	-	-	-	-	-	(106)	
Ritz Theater	954	53	-	-	-	(901)	(901)	-	
Total business-type activities.....	138,722	119,039	-	-	-	(19,683)	(19,683)	(29,710)	
Total primary government.....	\$ 1,493,868	\$ 237,788	\$ 53,946	\$ 72,978	(1,109,473)	(19,683)	(1,129,156)	(1,121,672)	
COMPONENT UNITS:									
Governmental activities.....	\$ 73,661	\$ -	\$ -	\$ -					\$ (73,661)
Business-type activities.....	1,958,496	1,938,947	16,382	71,595					68,428
Total component units.....	\$ 2,032,157	\$ 1,938,947	\$ 16,382	\$ 71,595					\$ (5,233)
General revenues:									
Property taxes.....					502,624	-	502,624	444,219	-
Utility service taxes.....					122,733	-	122,733	123,785	-
Sales and tourist taxes.....					180,964	13,394	194,358	184,815	74,432
Local business taxes.....					7,085	-	7,085	7,129	-
Intergovernmental - unrestricted.....					138,969	-	138,969	127,561	63,449
JEA Contribution.....					109,188	-	109,188	106,688	-
Unrestricted earnings on investments.....					21,690	2,008	23,698	6,178	24,618
Franchise Fees.....					40,417	-	40,417	38,851	-
Miscellaneous.....					55,227	16,493	71,720	57,708	11,627
Transfers.....					(11,324)	11,324	-	-	-
Special Items:									
Repeal of Jacksonville Economic Development Commission.....					-	-	-	28,970	
Total general revenues, transfers, and special items.....					1,167,573	43,219	1,210,792	1,125,904	174,126
Change in net position.....					58,100	23,536	81,636	4,232	168,893
Net position, beginning of year, as restated.....					753,320	183,459	936,779	932,547	2,683,838
Net position, end of year.....					\$ 811,420	\$ 206,995	\$ 1,018,415	\$ 936,779	\$ 2,852,731

See accompanying notes.



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**FUND FINANCIAL
STATEMENTS**



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MAJOR GOVERNMENTAL FUNDS:

GENERAL FUND

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

DEBT SERVICE FUNDS

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

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

CITY OF JACKSONVILLE, FLORIDA
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

	GENERAL FUND	SPECIAL BONDED DEBT- BETTER JACKSONVILLE PLAN OBLIGATIONS	SPECIAL BONDED DEBT- OBLIGATIONS
ASSETS:			
Equity in pooled cash and investments.....	\$ 147,404	\$ 113,374	\$ 28,188
Cash in escrow and with fiscal agents.....	188	56,139	42,696
Securities lending collateral.....	56,003	-	-
Receivables (net, where applicable, of allowances for uncollectibles):			
Accounts and interest.....	18,742	-	-
Mortgages.....	-	-	-
Other.....	16,860	-	-
Due from other funds.....	1,921	-	-
Due from independent agencies and other governments.....	46,702	-	-
Inventories.....	4,186	-	-
Prepaid items.....	-	-	-
TOTAL ASSETS.....	292,006	169,513	70,884
LIABILITIES:			
Accounts payable and accrued liabilities.....	\$ 27,953	\$ 53	\$ 15
Contracts payable.....	-	-	-
Due to other funds.....	-	-	-
Due to component units.....	-	-	-
Due to individuals.....	-	-	-
Bonds payable.....	-	46,260	40,754
Interest payable.....	-	26,887	19,670
Deposits.....	2,400	-	-
Unearned revenue.....	23,172	-	-
Securities lending obligations.....	56,003	-	-
Advances from other funds.....	-	-	-
TOTAL LIABILITIES.....	109,528	73,200	60,439
DEFERRED INFLOW OF RESOURCES:			
Unavailable Revenue.....	180	-	-
FUND BALANCES:			
Non Spendable:			
Non Spendable.....	4,186	-	-
Spendable:			
Restricted.....	-	96,313	10,445
Committed.....	63,646	-	-
Assigned.....	23,978	-	-
Unassigned.....	90,488	-	-
TOTAL FUND BALANCES.....	182,298	96,313	10,445
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES.....	\$ 292,006	\$ 169,513	\$ 70,884

See accompanying notes.

NON MAJOR GOVERNMENTAL FUNDS	TOTALS	
	2014	2013
\$ 279,930	\$ 568,896	\$ 547,752
4,686	103,709	128,844
-	56,003	52,559
1,163	19,905	16,480
4,680	4,680	3,769
25	16,885	17,265
13,000	14,921	5,728
45,059	91,761	90,902
-	4,186	4,189
2	2	179
348,545	880,948	867,667
\$ 22,301	\$ 50,322	\$ 51,020
1,672	1,672	765
14,921	14,921	4,862
7,843	7,843	7,977
245	245	245
-	87,014	80,741
-	46,557	46,427
2,802	5,202	3,802
2,212	25,384	25,937
-	56,003	52,563
4,711	4,711	5,536
56,707	299,874	279,875
-	180	327
225	4,411	4,414
81,929	188,687	196,855
223,732	287,378	283,562
-	23,978	5,516
(14,048)	76,440	97,118
291,838	580,894	587,465
\$ 348,545	\$ 880,948	\$ 867,667



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City of Jacksonville, Florida
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
September 30, 2014
(in thousands)

Total fund balances- governmental funds	\$	580,894
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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		2,722,103
---	--	-----------

Long term liabilities - liabilities are not due and payable in the current period and are not reported in the funds:

Bonds and notes payable	(2,266,698)	
Unamortized bond discounts	2,538	
Unamortized bond premium	(136,888)	
Unamortized loss on advance refunding of debt	985	
Total bonds and notes payable		(2,400,063)

* Certain assets and liabilities 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	87,014	
Compensated absences	(59,323)	
Matured Interest payable	(3,562)	
Estimated liability for self insured losses-current	(23,838)	
Estimated liability for self insured losses-long-term	(79,045)	
Other post employment benefits (OPEB) liability	(50,039)	
Accrued liability for pollution remediation	(163,919)	
Amounts due to independent agencies or other governments	(13,567)	
Amounts earned but not available	180	
Total		(306,099)

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.

214,585

Net position of governmental activities	\$	811,420
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* 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, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

	GENERAL FUND	SPECIAL BONDED DEBT- BETTER JACKSONVILLE PLAN OBLIGATIONS	SPECIAL BONDED DEBT- OBLIGATIONS
REVENUES:			
Property taxes.....	\$ 488,455	\$ -	\$ -
Utility and Communications service taxes.....	122,733	-	-
Sales and tourist taxes.....	1,018	-	-
Local business taxes.....	7,085	-	-
Licenses, permits, and fees.....	40,422	-	-
Intergovernmental.....	138,968	38,799	-
Charges for services.....	63,331	-	-
Fines and forfeitures.....	2,044	-	-
JEA contribution.....	109,188	-	-
Investment earnings.....	7,026	2,854	898
Other.....	32,649	-	-
Total Revenues.....	1,012,919	41,653	898
EXPENDITURES:			
Current:			
General government.....	116,064	-	-
Human services.....	65,215	-	-
Public safety.....	581,053	-	-
Culture and recreation.....	58,912	-	-
Transportation.....	23,945	-	-
Economic environment.....	14,162	-	-
Physical environment.....	20,169	-	-
Capital outlay.....	-	-	-
Debt service:			
Principal.....	-	46,260	40,755
Interest and fiscal charges.....	9,537	54,503	34,742
Other	-	1,260	471
Total Expenditures.....	889,057	102,023	75,968
EXCESS OF REVENUES OVER			
(UNDER) EXPENDITURES.....	123,862	(60,370)	(75,070)
OTHER FINANCING SOURCES (USES):			
Long term debt issued.....	-	-	-
Refunding bond issued.....	-	-	-
Premium on special obligation bonds payable.....	-	-	-
Discount on special obligation bonds payable.....	-	-	-
Payment to escrow agent - refunded bonds.....	-	-	-
Transfers in.....	5,904	54,470	73,936
Transfers out.....	(122,679)	-	(174)
Total Other Financing Sources (Uses).....	(116,775)	54,470	73,762
SPECIAL ITEM:			
Repeal of Jacksonville Economic Development Commission.....	-	-	-
NET CHANGES IN FUND BALANCES.....	7,087	(5,900)	(1,308)
FUND BALANCE, BEGINNING OF YEAR	175,211	102,213	11,753
FUND BALANCES, END OF YEAR.....	\$ 182,298	\$ 96,313	\$ 10,445

See accompanying notes.

NON MAJOR GOVERNMENTAL FUNDS	TOTALS	
	2014	2013
\$ 14,169	\$ 502,624	\$ 444,219
-	122,733	123,785
179,946	180,964	172,430
-	7,085	7,129
12,538	52,960	49,959
65,761	243,528	241,981
37,928	101,259	95,178
2,903	4,947	4,165
-	109,188	106,688
7,093	17,871	6,621
15,894	48,543	36,998
336,232	1,391,702	1,289,153
27,326	143,390	152,308
40,587	105,802	102,051
23,107	604,160	570,893
6,739	65,651	63,100
109,948	133,893	133,075
28,645	42,807	47,184
6,851	27,020	18,253
87,538	87,538	78,354
1,055	88,070	81,776
142	98,924	102,032
-	1,731	4,294
331,938	1,398,986	1,353,320
4,294	(7,284)	(64,167)
18,044	18,044	13,603
-	-	287,888
-	-	41,542
-	-	(159)
-	-	(324,201)
63,062	197,372	183,089
(91,850)	(214,703)	(187,891)
(10,744)	713	13,871
-	-	28,970
(6,450)	(6,571)	(21,326)
298,288	587,465	608,791
\$ 291,838	\$ 580,894	\$ 587,465

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, 2014
(in thousands)

Net change in fund balances- total governmental funds: \$ (6,571)

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	74,453	
Capital assets contributed by developers and other	22,365	
Current year depreciation	(133,910)	
Loss on disposition of assets	(1,028)	
		(38,120)

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	(161)	
Amortization of bond premium	10,159	
Amortization - loss on refunding	(412)	
		9,586

Repayment of bond principal is an expenditure in governmental funds, but the repayment results in a reduction of long-term liabilities in the statement of net position. Issuing debt provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.

Principal repayment	88,070	
		88,070

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	(646)	
Net effect in reversal of interest accrual	3,046	
Increase in other post employment benefits	(7,964)	
Decrease of accrual for pollution remediation	37	
Net effect of internal Banking fund	271	
Amounts earned but not available for revenue recognition at the fund level	180	
		92,580

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 loss	(4,835)	
Investment revenue (loss)	3,819	
Interest expense	(719)	
Other non-operating revenue	5,939	
Transfers in, net	6,007	
		10,211

Change in Net Position - Governmental Activities		\$ 58,100
--	--	-----------

See accompanying notes.

MAJOR ENTERPRISE FUNDS:

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

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

The EverBank Field Fund accounts for events held at the stadium including National Football League and college football games, concerts and other activities.

The Veterans Memorial Arena Fund accounts for events held at the arena including concerts, college basketball games, and other entertainment events such as the circus, ice skating, gymnastics, professional wrestling and motor sports.

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, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

ENTERPRISE FUNDS

	SOLID WASTE DISPOSAL	EVERBANK FIELD	VETERANS MEMORIAL ARENA	STORM- WATER SERVICES	NON MAJOR ENTERPRISE	TOTALS		INTERNAL SERVICE FUNDS
						2014	2013	
ASSETS:								
Equity in pooled cash and investments.....	\$ 13,184	\$ 1,408	\$ 4,975	\$ 16,017	\$ 2,000	\$ 37,584	\$ 40,165	\$ 176,956
Cash with fiscal agents.....	5,112	7,565	2,265	-	598	15,540	15,876	23,748
Receivables (net, where applicable, of allowances for uncollectibles):								
Accounts.....	30,528	409	1,428	22,122	949	55,436	54,161	200
Loans	-	-	-	-	-	-	-	24,690
Other.....	-	-	-	-	-	-	-	1,192
Due from other funds.....	-	3,686	-	-	21,255	24,941	29	-
and other governments.....	245	167	-	-	183	595	325	1,649
Interest and dividend receivables.....	2	-	-	-	-	2	2	-
Inventories.....	-	-	-	-	13	13	13	1,074
Prepaid expenses and other assets.....	-	38	354	-	58	450	288	3,124
Total Current Assets.....	49,071	13,273	9,022	38,139	25,056	134,561	110,859	232,633
NONCURRENT ASSETS:								
Advances to other funds.....	-	-	-	-	-	-	-	4,711
Sinking fund cash and investments.....	20,143	-	-	-	-	20,143	19,495	-
Loans receivable.....	-	-	-	-	-	-	-	210,168
Prepaid expense - Landfill related costs.....	6,063	-	-	-	-	6,063	8,543	-
Other receivables.....	-	-	-	-	-	-	-	11,878
CAPITAL ASSETS:								
Land, easements and work in progress.....	13,485	35,025	1,602	1,525	8,669	60,306	46,588	4,068
Other capital assets, net of depreciation.....	11,668	186,559	98,840	45,612	79,152	421,831	392,752	50,879
Total Noncurrent Assets.....	51,359	221,584	100,442	47,137	87,821	508,343	467,378	281,704
TOTAL ASSETS.....	100,430	234,857	109,464	85,276	112,877	642,904	578,237	514,337
DEFERRED OUTFLOW OF RESOURCES:								
Unamortized deferred loss on refunding.....	239	-	-	-	-	239	359	-

CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF NET POSITION - PROPRIETARY FUNDS
SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

ENTERPRISE FUNDS

	SOLID WASTE DISPOSAL	EVERBANK FIELD	VETERANS MEMORIAL ARENA	STORM- WATER SERVICES	NON MAJOR ENTERPRISE	TOTALS		INTERNAL SERVICE FUNDS
						2014	2013	
LIABILITIES:								
Accounts payable and accrued liabilities.....	\$ 4,049	\$ 2,056	\$ 1,026	\$ 3,456	\$ 12,906	\$ 23,493	\$ 9,171	\$ 18,049
Contracts payable.....	20	-	-	164	-	184	91	-
Due to other funds.....	-	21,255	-	-	3,686	24,941	895	-
Deposits.....	167	176	7,033	16	859	8,251	2,341	-
Accrued interest payable.....	327	2,670	2,265	-	672	5,934	6,105	5,469
Estimated liability for self-insured losses, current portion..	-	-	-	-	-	-	-	23,838
Current portion of bonds payable.....	4,785	4,895	-	-	13	9,693	9,776	18,279
Unearned revenue.....	-	-	136	-	-	136	58	2,312
Accrued compensated absences, current portion.....	203	-	-	33	67	303	424	805
Current portion of notes payable.....	-	-	-	-	-	-	-	3,900
Current portion of loans payable.....	-	-	-	1,777	-	1,777	1,549	4,865
Total Current Liabilities.....	9,551	31,052	10,460	5,446	18,203	74,712	30,410	77,517
NONCURRENT LIABILITIES:								
Estimated liability for self-insured losses.....	-	-	-	-	-	-	-	79,045
Liability for landfill closure and post-closure care.....	48,007	-	-	-	-	48,007	61,759	-
Accrued compensated absences.....	473	-	-	76	158	707	989	1,881
Notes payable.....	-	24,225	-	-	-	24,225	-	-
Loans payable.....	-	-	-	14,106	-	14,106	15,883	12,140
Bonds payable.....	10,347	131,353	100,841	-	29,972	272,513	284,400	247,936
Other liabilities.....	701	-	-	827	278	1,806	1,606	2,388
Total Noncurrent Liabilities.....	59,528	155,578	100,841	15,009	30,408	361,364	364,637	343,390
TOTAL LIABILITIES.....	69,079	186,630	111,301	20,455	48,611	436,076	395,047	420,907
DEFERRED INFLOW OF RESOURCES:								
Unamortized deferred gain on refunding.....	-	-	-	-	72	72	90	-
NET POSITION:								
Net investment in capital assets.....	10,021	61,111	-	33,031	57,836	161,999	128,001	37,942
Restricted for:								
Capital.....	-	-	-	-	-	-	1,852	-
Restricted - other participant's equity.....	-	-	-	-	-	-	-	3,248
Unrestricted (deficit).....	21,569	(12,884)	(1,837)	31,790	6,358	44,996	53,606	52,240
TOTAL NET POSITION (DEFICIT)	\$ 31,590	\$ 48,227	\$ (1,837)	\$ 64,821	\$ 64,194	\$ 206,995	\$ 183,459	\$ 93,430

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, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

	ENTERPRISE FUNDS							
	SOLID WASTE DISPOSAL	EVERBANK FIELD	VETERANS MEMORIAL ARENA	STORM- WATER SERVICES	NON MAJOR ENTERPRISE	TOTALS		INTERNAL SERVICE FUNDS
						2014	2013	
OPERATING REVENUE:								
Sales and tourist taxes.....	\$ -	\$ 7,892	\$ -	\$ -	\$ 5,502	\$ 13,394	\$ 12,385	\$
Charges for services.....	69,570	6,476	4,806	29,142	9,045	119,039	117,328	257,628
Charges for services for independent authorities..	-	-	-	-	-	-	-	12,418
Other.....	8	6,342	2,281	-	2,516	11,147	10,082	1,620
Total Operating Revenue.....	69,578	20,710	7,087	29,142	17,063	143,580	139,795	271,666
OPERATING EXPENSES:								
Personal services.....	6,370	1,589	1,504	6,829	4,924	21,216	22,756	29,258
Supplies and materials.....	66	60	45	259	98	528	460	27,056
Central services.....	3,514	232	149	2,182	977	7,054	6,462	11,173
Interdepartmental charges.....	88	791	395	79	1,200	2,553	2,460	-
Other services and charges.....	45,462	11,409	5,723	7,293	7,677	77,564	83,759	60,691
Depreciation and amortization.....	2,274	6,109	2,524	2,372	3,832	17,111	16,978	19,304
Court reporter services.....	-	-	-	-	-	-	-	59
Claims and losses.....	-	-	-	-	-	-	-	24,034
Insurance premiums and participant dividends.....	-	-	-	-	-	-	-	104,926
Total Operating Expenses.....	57,774	20,190	10,340	19,014	18,708	126,026	132,875	276,501
OPERATING (LOSS) INCOME.....	11,804	520	(3,253)	10,128	(1,645)	17,554	6,920	(4,835)
NON-OPERATING REVENUE (EXPENSES):								
Investment earnings.....	1,264	160	-	546	38	2,008	294	3,819
Interest expense.....	(655)	(5,340)	(4,538)	(782)	(1,381)	(12,696)	(14,163)	(719)
Other.....	1,409	745	934	375	1,883	5,346	6,999	5,939
Total Non-Operating Revenue (Expenses).....	2,018	(4,435)	(3,604)	139	540	(5,342)	(6,870)	9,039
INCOME (LOSS) BEFORE TRANSFERS.....	13,822	(3,915)	(6,857)	10,267	(1,105)	12,212	50	4,204
TRANSFERS:								
Transfers in.....	-	4,312	4,124	1,741	4,565	14,742	20,955	12,067
Transfers out.....	(98)	(388)	-	(2,932)	-	(3,418)	(16,935)	(6,060)
Net Transfers.....	(98)	3,924	4,124	(1,191)	4,565	11,324	4,020	6,007
CHANGES IN NET POSITION.....	13,724	9	(2,733)	9,076	3,460	23,536	4,070	10,211
NET POSITION BEGINNING OF YEAR, AS RESTATED.....	17,866	48,218	896	55,745	60,734	\$ 183,459	179,389	83,219
NET POSITION (DEFICIT), END OF YEAR.....	\$ 31,590	\$ 48,227	(\$ 1,837)	\$ 64,821	\$ 64,194	\$ 206,995	\$ 183,459	\$ 93,430

See accompanying notes.

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
MAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

	SOLID WASTE DISPOSAL	EVERBANK FIELD	VETERANS MEMORIAL ARENA
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers.....	\$ 69,796	\$ 14,766	\$ 4,237
Payments to suppliers.....	(60,574)	(11,698)	(5,763)
Payments to employees	(6,161)	(1,589)	(1,504)
Internal activity-payments to other funds.....	(104)	-	-
Other cash receipts	46	7,122	8,496
Other operating cash payments.....	(2,580)	(1,501)	(395)
NET CASH PROVIDED BY OPERATING ACTIVITIES.....	423	7,100	5,071
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfers from other funds.....	-	4,312	4,124
Transfers to other funds.....	(98)	(388)	-
Cash received from other funds.....	-	21,239	-
Cash paid to other funds.....	-	(3,686)	(1)
NET CASH PROVIDED BY (USED IN) NONCAPITAL FINANCING ACTIVITIES.....	(98)	21,477	4,123
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition and construction of capital assets.....	(1,397)	(43,722)	(21)
Proceeds from sale of capital assets	1,530	-	290
Cash received from (paid to) fiscal agent.....	(787)	(1,001)	1,104
Decrease in landfill costs and other charges.....	2,596	-	-
Proceeds from long-term obligations.....	-	-	-
Contributions from JPA and JTA	-	-	-
Loan repayment from JEA.....	-	-	-
Proceeds from capital debt	-	-	-
Proceeds from bonds payable.....	367	1,919	-
Payments on bonds payable.....	(5,021)	(7,156)	(1,083)
Payments on loans payable.....	-	-	-
Payments on bonds issuance cost	-	-	-
Proceeds from notes payable.....	-	24,225	-
Payments on notes payable.....	-	-	-
Principal paid on debt	-	-	-
Interest paid on debts.....	(762)	(5,379)	(4,558)
NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES.....	(3,474)	(31,114)	(4,268)
CASHFLOWS FROM INVESTING ACTIVITIES:			
Interest and dividends on investments.....	1,264	160	-
NET CASH PROVIDED BY INVESTING ACTIVITIES.....	1,264	160	-
NET CHANGE IN CASH AND INVESTMENTS.....	(1,885)	(2,377)	4,926
Equity in pooled cash and investments at October 1, 2013.....	15,069	3,785	49
Equity in pooled cash and investments at September 30, 2014.....	<u>\$ 13,184</u>	<u>\$ 1,408</u>	<u>\$ 4,975</u>

STORM- WATER SERVICES	NON MAJOR ENTERPRISE	TOTALS		INTERNAL SERVICE FUNDS
		2014	2013	
\$ 27,942	\$ 15,090	\$ 131,831	\$ 126,118	\$ 272,461
(7,825)	(7,878)	(93,738)	(81,605)	(170,804)
(7,256)	(4,852)	(21,362)	(22,468)	(28,530)
-	-	(104)	(6,955)	(11,066)
-	2,142	17,806	11,775	10,386
-	(1,399)	(5,875)	(891)	(35,853)
<u>\$ 12,861</u>	<u>\$ 3,103</u>	<u>\$ 28,558</u>	<u>25,974</u>	<u>36,594</u>
1,741	4,565	14,742	20,955	12,067
(2,932)	-	(3,418)	(16,935)	(6,060)
-	3,225	24,464	972	825
-	(21,641)	(25,328)	(994)	-
<u>(1,191)</u>	<u>(13,851)</u>	<u>10,460</u>	<u>3,998</u>	<u>6,832</u>
(12,363)	(15,747)	(73,250)	(15,545)	(14,765)
-	1,217	3,037	-	4,092
-	371	(313)	1,198	(4,877)
-	-	2,596	-	-
-	24,225	24,225	-	-
-	1,200	1,200	-	-
364	-	364	-	-
-	-	-	(247)	-
-	188	2,474	141,485	2,033
(1,549)	(489)	(15,298)	(135,985)	(16,595)
-	-	-	-	(6,285)
-	-	-	(878)	-
-	-	24,225	-	-
-	-	-	-	(9,340)
-	-	-	(13,154)	-
(782)	(1,386)	(12,867)	(13,185)	250
<u>(14,330)</u>	<u>9,579</u>	<u>(43,607)</u>	<u>(36,311)</u>	<u>(45,487)</u>
<u>546</u>	<u>38</u>	<u>2,008</u>	<u>438</u>	<u>3,819</u>
<u>546</u>	<u>38</u>	<u>2,008</u>	<u>438</u>	<u>3,819</u>
(2,114)	(1,131)	(2,581)	(5,901)	1,758
<u>18,131</u>	<u>3,131</u>	<u>40,165</u>	<u>46,066</u>	<u>175,198</u>
<u>\$ 16,017</u>	<u>\$ 2,000</u>	<u>\$ 37,584</u>	<u>\$ 40,165</u>	<u>\$ 176,956</u>

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
MAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands; continued)

	SOLID WASTE DISPOSAL	EVERBANK FIELD	VETERANS MEMORIAL ARENA
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:			
OPERATING INCOME (LOSS).....	\$ 11,804	\$ 520	(\$ 3,253)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization.....	2,274	6,109	2,524
Other non-operating revenue/(expenses).....	-	-	-
(Increase) decrease in assets:			
Receivables and other current assets, net.....	226	385	(644)
Due from independent agencies and other governments.....	(87)	-	-
Interest and dividend receivables.....	-	-	-
Inventories.....	-	-	-
Other receivables.....	-	-	-
Loan receivables.....	-	-	-
Prepaid expenses and other assets.....	-	13	(169)
Increase (decrease) in liabilities:			
Accounts payable and accrued expenses.....	(236)	3	320
Contracts payable.....	20	-	-
Deposits.....	(8)	(226)	6,012
Accrued interest payable.....	-	296	203
Unearned revenue.....	-	-	78
Other liabilities.....	128	-	-
Liability for landfill closure and postclosure care.....	(13,752)	-	-
Liability for self-insured losses.....	-	-	-
Accrued compensated absences.....	54	-	-
TOTAL ADJUSTMENTS.....	(11,381)	6,580	8,324
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.....	\$ 423	\$ 7,100	\$ 5,071
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:			
Change in the fair value of investments.....	4	1	(1)
Capital assets transferred between proprietary funds	-	13,563	289
Capital assets transferred from governmental activities to proprietary funds of the city.....	3	-	-
Disposal of capital assets.....	-	-	-
Accrued Interest.....	(327)	(2,670)	(2,265)
Gift.....	-	-	-
Accounts payable capital assets.....	-	-	-

STORM- WATER SERVICES	NON MAJOR ENTERPRISE	TOTALS		INTERNAL SERVICE FUNDS
		2014	2013	
<u>\$ 10,128</u>	<u>(\$ 1,645)</u>	<u>\$ 17,554</u>	<u>\$ 6,920</u>	<u>\$ (4,835)</u>
2,372	3,832	17,111	16,978	19,304
-	8	8	1,695	-
(1,197)	(46)	(1,276)	(4,203)	(12)
-	(183)	(270)	(66)	188
-	-	-	-	-
-	-	-	-	852
-	-	-	-	618
-	-	-	-	8,107
-	(6)	(162)	(114)	77
1,927	902	2,916	2,856	6,431
73	-	93	-	-
6	126	5,910	562	(200)
-	50	549	-	-
-	-	78	22	(108)
27	45	200	369	406
-	-	(13,752)	706	-
-	-	-	-	5,443
(475)	20	(401)	54	323
<u>2,733</u>	<u>4,748</u>	<u>11,004</u>	<u>18,859</u>	<u>41,429</u>
<u>\$ 12,861</u>	<u>\$ 3,103</u>	<u>\$ 28,558</u>	<u>\$ 25,779</u>	<u>\$ 36,594</u>
6	(1)	9	(168)	50
-	57,278	71,130	-	-
11	32	46	71	-
-	(672)	(5,934)	(6,106)	-
-	-	-	4,651	-
-	-	-	(1,349)	-



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FIDUCIARY FUND LEVEL STATEMENTS

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

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

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

CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

	PENSION TRUST FUNDS		PRIVATE PURPOSE TRUST FUND		AGENCY FUNDS	
	2014	2013	2014	2013	2014	2013
<u>ASSETS</u>						
CURRENT ASSETS:						
Equity in pooled cash and investments.....	\$ 35,676	\$ 38,631	\$ 249	\$ 248	\$ 51,121	\$ 53,126
Receivables (net, where applicable, of allowances for uncollectibles):						
Interest and dividends.....	4,414	4,711	-	-	-	-
Accounts.....	108	97	-	-	2,470	2,202
Other.....	3,365	1,541	-	-	-	-
Due from independent agencies and other governments.....	4,427	5,314	-	-	-	-
Prepaid assets.....	64	66	-	-	-	-
Investments, at fair value:						
U.S. government obligations.....	172,422	96,207	-	-	-	-
Federal agencies.....	112,667	150,355	-	-	-	-
Municipal bonds.....	853	1,417	-	-	-	-
Domestic corporate bonds.....	218,249	155,984	-	-	-	-
Short-term investments.....	44,592	69,322	-	-	-	-
Domestic stocks.....	1,223,246	1,332,393	-	-	-	-
International stocks.....	773,714	702,100	-	-	-	-
Real estate.....	382,611	276,232	-	-	-	-
Energy market investments.....	115,965	107,284	-	-	-	-
Other fixed income.....	357,012	200,626	-	-	-	-
Alternative investments.....	49,355	44,410	-	-	-	-
Equity in pooled investments.....	11,480	5,860	-	-	-	-
Total investments.....	3,462,166	3,142,190	-	-	-	-
Total Current Assets.....	3,510,220	3,192,550	249	248	53,591	55,328
CAPITAL ASSETS						
Other capital assets, net of depreciation.....	38	47	-	-	-	-
Total Capital Assets, Net.....	38	47	-	-	-	-
Securities lending collateral.....	199,636	57,238	-	-	-	-
TOTAL ASSETS.....	3,709,894	3,249,835	249	248	53,591	55,328
<u>LIABILITIES</u>						
CURRENT LIABILITIES:						
Obligations under securities lending agreement.....	199,639	57,240	-	-	-	-
Accounts payable and accrued liabilities.....	5,437	6,518	-	-	239	577
Due to independent agencies and other governments.....	-	-	-	-	19,246	15,722
Due to individuals.....	-	-	-	-	6,859	7,502
Deposits held in escrow.....	-	-	-	-	26,566	30,846
Miscellaneous liabilities.....	-	-	-	-	681	681
Total Current Liabilities.....	205,076	63,758	-	-	53,591	55,328
NONCURRENT LIABILITIES:						
Other post employment benefits.....	77	62	-	-	-	-
Accrued compensated absences.....	188	129	-	-	-	-
Terminal leave - group care.....	174	272	-	-	-	-
Due to participants.....	-	34	-	-	-	-
Total Noncurrent Liabilities.....	439	497	-	-	-	-
TOTAL LIABILITIES.....	205,515	64,255	-	-	\$ 53,591	\$ 55,328
NET POSITION HELD IN TRUST FOR PENSION BENEFITS AND OTHER PURPOSES.....						
	\$ 3,504,379	\$ 3,185,580	\$ 249	\$ 248		

See accompanying notes.

CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

	PENSION TRUST FUNDS		PRIVATE PURPOSE TRUST	
	2014	2013	2014	2013
<u>ADDITIONS</u>				
Contributions:				
Employer.....	\$ 240,805	\$ 189,917	\$ -	\$ -
Plan members.....	37,501	37,132	-	-
Total contributions.....	278,306	227,049	-	-
Other additions:				
State insurance contributions.....	10,111	9,667	-	-
Court fines & penalties.....	1,208	1,114	-	-
Miscellaneous.....	165	1,295	-	-
Transfers in.....	-	1,102	-	3
Total other additions.....	11,484	13,178	-	3
Investment income:				
Net change in fair value of investments.....	319,818	408,849	-	-
Interest and other miscellaneous.....	27,342	28,310	4	1
Dividends.....	28,118	28,594	-	-
Rebate of commissions.....	100	123	-	-
Rental income.....	530	1,706	-	-
Total investment income	375,908	467,582	4	1
Less investment expense.....	(17,449)	(14,921)	-	-
Less rental expense.....	(258)	(321)	-	-
Net investment income	358,201	452,340	4	1
From Securities Lending Activities:				
Securities lending.....	1,028	428	-	-
Agent fees.....	(237)	(107)	-	-
Total securities lending activities	791	321	-	-
TOTAL ADDITIONS, NET.....	648,782	692,888	4	4
<u>DEDUCTIONS</u>				
Benefit payments.....	269,674	252,844	-	-
DROP benefits.....	26,387	54,249	-	-
Refund of contributions.....	30,792	22,887	-	-
Transfers out.....	-	1,102	-	-
Miscellaneous-Grant LED changeout expense.....	13	60	-	-
Administrative expenses.....	3,117	3,227	-	-
Operating expenses.....	-	-	3	4
TOTAL DEDUCTIONS.....	329,983	334,369	3	4
CHANGE IN NET POSITION.....	318,799	358,519	1	-
NET POSITION, BEGINNING OF YEAR.....				
AS RESTATED.....	3,185,580	2,827,061	248	248
NET POSITION, END OF YEAR.....	\$ 3,504,379	\$ 3,185,580	\$ 249	\$ 248

See accompanying notes.



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COMPONENT UNITS

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

MAJOR COMPONENT UNITS:

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

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

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

COMPONENT UNITS THAT DO NOT ISSUE A SEPARATE REPORT:

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, 2014

	JEA	JACKSONVILLE TRANSPORTATION AUTHORITY	JACKSONVILLE PORT AUTHORITY
ASSETS			
Cash and cash equivalents.....	\$ 589,622	\$ 64,932	\$ 73,330
Cash in escrow with fiscal agent.....	-	-	-
Investments.....	929,989	30,225	-
Due from other governmental agencies.....	-	53,150	-
Accounts and interest receivable.....	239,100	679	4,892
Mortgages receivable.....	-	-	-
Other receivables.....	-	-	10,959
Inventories.....	136,889	3,950	1,575
Other assets.....	27,884	11,513	-
Custodial Assets - Construction projects.....	-	77,481	-
Capital assets:			
Land, easements, and construction in progress.....	335,195	63,327	287,938
Buildings and improvements.....	-	151,098	530,608
Vehicles.....	-	93,942	-
Equipment.....	-	85,954	114,391
Utility plant in service.....	10,491,842	-	-
Less: accumulated depreciation.....	(4,607,417)	(211,203)	(328,647)
Total capital assets, net of depreciation.....	6,219,620	183,118	604,290
TOTAL ASSETS.....	8,143,104	425,048	695,046
DEFERRED OUTFLOW OF RESOURCES:			
Costs to be recovered by future revenues.....	19,715	-	-
Unamortized deferred loss on refundings.....	168,593	-	5,996
Accumulated decrease in fair value of hedging instrument.....	105,615	-	1,322
TOTAL DEFERRED OUTFLOW OF RESOURCES	293,923	-	7,318
LIABILITIES			
Accounts payable and accrued liabilities.....	133,634	9,957	3,461
Contracts payable	22,604	-	3,658
Deposits.....	55,644	-	-
Unearned revenue.....	-	552	6,239
Interest payable.....	94,307	-	3,568
Other current liabilities.....	89,220	-	1,485
Noncurrent liabilities:			
Due within one year:			
Estimated liability for injury and damage claims.....	-	940	-
Bonds, notes payable, capital leases.....	256,630	-	10,267
Compensated absences.....	-	284	-
Due in more than one year:			
Estimated liability for injury and damage claims.....	-	3,309	-
Bonds, capital leases and commercial paper.....	5,207,141	-	206,838
Fair market value of debt management instrument.....	105,615	-	1,322
Compensated absences.....	-	738	-
Custodial projects - due to other governments.....	-	97,147	-
OPEB liability.....	-	399	-
Unearned revenue noncurrent.....	-	-	112,728
Other noncurrent liabilities.....	44,456	784	28,737
TOTAL LIABILITIES.....	6,009,251	114,110	378,303
DEFERRED INFLOW OF RESOURCES:			
Revenue to be used for future costs.....	231,770	-	-
NET POSITION			
Net investment in capital assets.....	976,490	183,118	278,220
Restricted for:			
Capital projects.....	308,624	-	-
Debt service.....	254,993	-	18,178
Other purposes.....	43,882	-	2,705
Unrestricted.....	612,017	127,820	24,958
TOTAL NET POSITION	\$ 2,196,006	\$ 310,938	\$ 324,061

See accompanying notes.

**JACKSONVILLE
HOUSING
FINANCE**

AUTHORITY	TOTAL
\$ 7,643	\$ 735,527
1,790	1,790
-	960,214
-	53,150
-	244,671
12,373	12,373
-	10,959
-	142,414
-	39,397
-	77,481
-	686,460
-	681,706
-	93,942
-	200,345
-	10,491,842
-	(5,147,267)
-	7,007,028
21,806	9,285,004
-	19,715
-	174,589
-	106,937
-	301,241
20	147,072
-	26,262
10	55,654
-	6,791
-	97,875
-	90,705
-	940
-	266,897
2	286
-	3,309
-	5,413,979
-	106,937
33	771
-	97,147
15	414
-	112,728
-	73,977
80	6,501,744
-	231,770
-	1,437,828
-	308,624
-	273,171
-	46,587
21,726	786,521
\$ 21,726	\$ 2,852,731

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF ACTIVITIES -
COMPONENT UNITS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				GOVERNMENTAL ACTIVITIES	
	EXPENSES	FINES AND CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	JACKSONVILLE TRANSPORTATION AUTHORITY	JACKSONVILLE HOUSING FINANCE AUTHORITY
Governmental activities:						
Jacksonville Transportation Authority.....	\$ 73,124	\$ -	\$ -		\$ (73,124)	\$ -
Jacksonville Housing Finance Authority.....	537	-	-	-	-	(537)
Total governmental activities.....	73,661	-	-	-	(73,124)	(537)
Business-type activities:						
JEA.....	1,779,744	1,861,881		38,845	-	-
Jacksonville Transportation Authority.....	111,484	23,875	10,485	15,835	-	-
Jacksonville Port Authority.....	67,268	53,191	5,897	16,915	-	-
Total business-type activities.....	1,958,496	1,938,947	16,382	71,595	-	-
Total component units.....	\$ 2,032,157	\$ 1,938,947	\$ 16,382	\$ 71,595	(73,124)	(537)
General Revenues:						
Sales and tourist taxes.....					74,432	-
Intergovernmental - unrestricted.....					-	-
Unrestricted earnings on investments.....					74	199
Miscellaneous.....					112	341
Total general revenues					74,618	540
Change in net position.....					1,494	3
Net position, beginning of year, as restated.....					118,945	21,723
Net position, end of year.....					\$ 120,439	\$ 21,726

See accompanying notes.

BUSINESS-TYPE ACTIVITIES			TOTAL
JEA	JACKSONVILLE TRANSPORTATION AUTHORITY	JACKSONVILLE PORT AUTHORITY	GOVERNMENTAL AND BUSINESS-TYPE ACTIVITIES
\$ -	\$ -	\$ -	\$ (73,124)
-	-	-	(537)
		-	(73,661)
120,982	-	-	120,982
-	(61,289)	-	(61,289)
-	-	8,735	8,735
120,982	(61,289)	8,735	68,428
120,982	(61,289)	8,735	(5,233)
-	-	-	74,432
-	63,449	-	63,449
24,113	116	116	24,618
11,174	-	-	11,627
35,287	63,565	116	174,126
156,269	2,276	8,851	168,893
2,039,737	188,223	315,210	2,683,838
\$ 2,196,006	\$ 190,499	\$ 324,061	\$ 2,852,731



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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

1.	SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	58 - 73
A.	Basis of Presentation	58
B.	Financial Reporting Entity	58 - 62
C.	Basic Financial Statements	63
D.	Fund Structure	63 - 65
E.	Basis of Accounting	66
F.	Cash, Cash Equivalents and Investments	67
G.	Receivables	67
H.	Inventories	67
I.	Capital Assets	68
J.	Contributions	68
K.	Interfund Activity	68
L.	Restricted Assets	69
M.	Compensated Absences	69
N.	Risk Financing	69
O.	Pension Costs	69
P.	Landfill Closure and Postclosure Care Costs	70
Q.	Long-Term Obligations	70 - 71
R.	Categories and Classification of Fund Balance	71
S.	Bond Discounts, Premiums and Issuance Costs	71
T.	Deferred Loss on Debt Refundings	71
U.	Use of Estimates	72
V.	Reclassification	72
W.	Summarized Comparative Information	72
X.	Prepays	72
Y.	Accounting Pronouncements	72 - 73
2.	BUDGETARY DATA	73
3.	CASH, INVESTMENTS AND SECURITIES LENDING	74 - 81
A.	Cash on Deposit	74 - 75
B.	Investments and Investment Practices	75 - 80
C.	Securities Lending	80 - 81
4.	ACCOUNTS, MORTGAGES, AND OTHER RECEIVABLE	82
5.	PROPERTY TAXES	83
A.	Ad Valorem Property Taxes	83
B.	The Property Tax Calendar	83
6.	CAPITAL ASSET ACTIVITY	84 - 85

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

7.	INTERFUND RECEIVABLES, PAYABLES, ADVANCES AND TRANSFERS	86 – 90
8.	LONG-TERM OBLIGATIONS	91 – 106
	A. Bonds and Loans Outstanding	91 - 93
	B. Debt Service Requirement to Maturity	94 - 95
	C. Changes in Long-Term Liabilities	96 - 97
	D. Reconciliation of Debt Issued to Financial Reporting Classification	98
	E. Pledged Revenues	99
	F. New Indebtedness Issued	100
	G. Demand Bonds	100
	H. Non-Asset Debt	101
	I. Defeased Debt	102
	J. Derivative Instrument Payments and Hedged Debt	103 - 104
	K. Conduit Debt	105
	L. Interest Expense	106
	M. Component Unit Long-term Debt	106
9.	PENSION PLANS	107 - 117
	A. Summary of Significant Accounting Policies	107
	B. Plan Description	107 - 111
	C. Pension Investments	111 - 112
	D. City of Jacksonville Retirement System: Financial Information	112 - 113
	E. City of Jacksonville Retirement System: Net Pension Liability	114
	F. Trend Information and Plan Overview	115
	G. Police and Fire Pension Plan	116
	H. Defined Contribution Plan	116
	I. Florida Retirement System	117
10.	POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB)	118 - 120
11.	DEFERRED COMPENSATION PROGRAM	120
12.	RISK FINANCING	120 - 123
13.	OTHER REQUIRED INDIVIDUAL FUND AND COMPLIANCE DISCLOSURES	124 - 126
	A. Compliance with Finance Related Legal and Contractual Provisions	124
	B. Fund Deficits	124
	C. Landfill Closure and Postclosure Care Costs	125 - 126

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

14.	LESSOR OPERATING LEASE.....	126 - 129
	A. Jacksonville Jaguars, Inc.....	126 - 128
	B. Shands Jacksonville	129
15.	LITIGATION, CONTINGENCIES, AND COMMITMENTS	129 - 134
	A. Litigation.....	129
	B. Grants and Contracts.....	129
	C. Self-Insurance	130
	D. Pollution Remediation	130 - 132
	E. Garage Development Agreement.....	132
	F. Construction and other significant Commitments	133
	G. Encumbrance Commitments	134
16.	MAJOR DISCRETELY PRESENTED COMPONENT UNITS - ADDITIONAL DISCLOSURE	135 - 137
17.	SUBSEQUENT EVENTS	137
18.	NET POSITION.....	138 – 139
	A. Additional Disclosure	138
	B. Restatement due to a change in accounting principle.....	139
19.	FUND BALANCE DISCLOSURE	140 - 143
	A. Fund Balance Classification	142 - 143

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Basis of Presentation:

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

B. Financial Reporting Entity:

The City is a consolidated city/county political entity created by Chapter 67-1320 of the Laws of Florida. When consolidation occurred on October 1, 1968, all existing municipalities, authorities and public agencies within Duval County, except for the Duval County School Board, were merged into a single new corporate and political entity also known as the City of Jacksonville. At the same time, however, the cities of Jacksonville Beach, Atlantic Beach, Neptune Beach and the Town of Baldwin elected to retain local autonomy for certain municipal purposes and were reconstituted as separate and distinct urban service districts. The consolidated city government, which is comprised of an elected City Council (19 members) and mayor, provides, under the administration of the appointed chief administrative officer, services to 890,066 residents living in an 840.1 square-mile area.

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

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Financial Reporting Entity: (continued)

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

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

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

Blended Component Unit. There is one component unit, which is legally separate from the City, but is so intertwined with the City that it is, in substance, the same as the City. It is reported as part of the City and blended into the appropriate funds.

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

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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Financial Reporting Entity: (continued)

Major Component Units

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

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

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

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

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Financial Reporting Entity: (continued)

Component Units that do not issue a separate report

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

Non-major Component Units

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

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Financial Reporting Entity: (continued)

Related Organizations

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

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

Jointly Governed Organization

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

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Basic Financial Statements:

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

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

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

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

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

As a general rule, the effect of interfund activity has been eliminated from the citywide financial statements.

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:

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Fund Structure: (continued)

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

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

Debt Service Funds:

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

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

Other Non-major Governmental Funds:

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

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

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

The EverBank Field Fund accounts for events held at the stadium including National Football League and college football games, concerts and other activities.

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

The Veterans Memorial Arena Fund accounts for events held at the arena including concerts, college basketball games, and other entertainment events such as the circus, ice skating, gymnastics, professional wrestling and motor sports.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Fund Structure: (continued)

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

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

In addition, the City reports the following fund types:

Internal Service Funds - These funds account for services provided primarily to various departments of the City and to other governmental agencies. Since these funds principally service City departments, internal service fund statements are consolidated into the governmental activities column in the citywide presentation. These activities are fleet management, copy center, data processing, legal, various risk management activities, public works, and internal banking 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 funds, which accumulate resources for pension benefit payments for qualified employees.

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

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Basis of Accounting:

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

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

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

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

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

G. Receivables:

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

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

H. Inventories:

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 estimated fair market value on the date received. Generally, capital assets costing \$1,000 or more and having a useful life of more than one year are capitalized. Infrastructure is capitalized based on the accumulated amounts charged to specific capital projects on an annual basis. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets are reported in the applicable governmental or business-type column in the citywide financial statements, and in the Proprietary Fund Level Statements.

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

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

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

J. Contributions:

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

K. Interfund Activity:

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

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

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. Restricted Assets:

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

M. Compensated Absences:

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

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

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 an excess liability policy that provides coverage for general liability at limits of \$5 million per occurrence with a policy aggregate limit of \$5 million, except \$1 million per occurrence for Automobile Liability (Effective 10/1/2013). These limits are subject to a \$1.5 million self-insured retention for the City and all other participating entities. The excess policy includes statutory coverage for worker's compensation benefits including a \$50 million aggregate limit for communicable disease and employer's liability with \$1 million in the aggregate with a self-insured retention per occurrence of \$1.25 million with a \$500,000 otherwise recoverable (aggregate/corridor deductible) excess of \$1.5 million. The City continues to purchase a miscellaneous policy for Out-of State Automobile Liability for JSO with \$1 million in coverage and without a self-insured retention. The liability for self-insured losses is based on individual case estimates for reported claims, historical loss data and valuations performed by independent actuaries at September 30, 2014, for incurred but not yet reported claims, claims development, and unallocated loss adjustment expenses. The liability for self-insured losses is accounted for in the Self-Insurance Fund (internal service fund) that pays for claims made against the City.

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. Employer contributions are recorded as pension expenditure/expenses when the related payroll is accrued based on an actuarially determined rate in accordance with GASB Statement No. 27, Accounting for Pensions by State and Local Governments.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. Landfill Closure and Postclosure Care Costs:

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

Q. Long-Term Obligations:

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

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

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

Non Asset Bonds are created when the City issues debt and either (a) constructs an asset that will become the asset of another entity (e.g. State of Florida); (b) contributes proceeds to another entity (e.g. Shands Jacksonville Hospital) to participate in a construction project; or (c) provides an economic incentive to a development or redevelopment project. Part of the Better Jacksonville Plan (BJP) referendum was to make improvements to state roads and/or interchanges with / between state roads.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. Long-Term Obligations: (continued)

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 Shands Jacksonville Hospital, a provider of health care for indigents, from debt proceeds. The City and/or its Community Redevelopment Authority (CRA) districts, to encourage target development, will enter into incentive agreements (including grants and loans) that are in some instances designed to be repaid by either the CRA's tax increment revenues and/or the developer.

R. Categories and Classification of Fund Balance:

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

S. Bond Discounts, Premiums and Issuance Costs:

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

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

T. Deferred Loss on Debt Refundings:

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

U. Use of Estimates:

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

V. Reclassifications:

Certain 2013 amounts have been reclassified to conform to the 2014 presentation. Additionally, amounts in the separately issued financial statements of component units have been reclassified to conform to the presentation of the primary government.

W. Summarized Comparative Information:

The basic financial statements include certain prior-year summarized comparative information in total but not at the level of detail required for a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the City's financial statements for the year ended September 30, 2013, from which the summarized information was derived. Limited 2013 comparative information was adjusted for comparability on some of the financial statements.

X. Prepaids:

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

Y. Accounting Pronouncements:

In fiscal year 2014, the City adopted new statements of financial accounting standards issued by the GASB:

- Statement No. 65, Items Previously Reported as Assets and Liabilities
- Statement No. 67, Financial Reporting for Pension Plans – an amendment to GASB Statement No. 25

Statement No. 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The adoption of GASB 65 resulted in a restatement in beginning net position. (See Note 18B).

Statement No. 67 provides additional note disclosure and schedule requirements for Pension Plans, reported as Pension Trust Funds, which are included in Note 9 and related Requires Supplemental Schedule section of the report. The adoption of GASB 67 resulted in a restatement in beginning net position of the Police and Fire Pension Fund. (See Note 18B)

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Y. Accounting Pronouncements: (continued)

Significant Unadopted Standards

GASB Statement No. 68, Accounting and Financial Reporting for Pensions, an amendment of GASB Statement No. 27, was issued June 2012. The Statement is intended to improve accounting and financial reporting by state and local governments for pensions. The provisions of this Statement will be effective for the City beginning with fiscal year ending September 30, 2015. The adoption of this statement will require the City to record a liability at the government-wide level and in its proprietary funds for the unfunded portion of its pension plans which are discussed in Note 9 and for the City's portion of any unfunded obligation of the Florida Retirement System. The full effect of this change has not yet been determined.

2. BUDGETARY DATA

The City presents a Budgetary Comparison Schedule for the General Fund as Required Supplementary Information. For this reporting period, no 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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

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 pooled cash and investments” on the City Wide Financial Statements, consists of cash and investments owned by each fund and defined as resources that can be liquidated without delay or penalty. Cash and investments held separately where contractual arrangements and bond covenants require such arrangements, are classified as “restricted assets.” Investment earnings are allocated to the individual funds monthly, based on the funds’ weighted average daily cash and investment balance.

CASH and INVESTMENTS

September 30, 2014

(in thousands)

Primary Government:

Cash and Cash Equivalents	\$133,000
Cash in escrow and with fiscal agents	142,997
Investments - Primary Government	670,579
Primary Government Total:	<u>946,576</u>

Pension and Agency Funds:

Cash and Cash Equivalents	
Pension Trust Funds	35,676
Private Purpose Trust Funds	249
Agency Funds	51,121
Investments - Pensions	3,466,580
Pension and Agency Total:	<u>3,553,626</u>

Component Units:

Cash and Cash Equivalents	735,527
Cash in escrow and with fiscal agents	1,790
Investments - Component Units	960,214
Component Unit Total:	<u>1,697,531</u>

Total Cash and Investments:	<u><u>\$6,197,733</u></u>
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Investments Schedules:

Operating Portfolio	\$1,630,793
(includes interest and dividends receivable)	
Pension Portfolio	3,466,580
(includes interest and dividends receivable)	
Sub-total:	<u>5,097,373</u>

Other Cash/Investments:

Cash	323,148
Cash with Fiscal Agent	144,787
Restricted Funds	632,425
Sub-total:	<u>1,100,360</u>

Total Cash and Investments:	<u><u>\$6,197,733</u></u>
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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

3. CASH, INVESTMENTS AND SECURITIES LENDING (continued)

A. Cash on Deposit (continued)

1. Custodial Credit Risk

As of September 30, 2014, primary government deposits in financial institutions totaled \$122.2 million. Monies on deposit with financial institutions in the form of demand deposit accounts, time deposit accounts and certificates of deposit are defined as public deposits. All of the City's public deposits are held in qualified public depositories pursuant to State of Florida Statutes, Chapter 280, "Florida Security for Public Deposits Act", and covered by federal depository insurance. For amounts in excess of such federal depository insurance the Act provides that all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits, times the depository's collateral pledging level. The pledging level may range from 50% to 125% depending upon the depository's financial condition and establishment period. The Public Deposit Security Trust Fund has a procedure to allocate and recover losses in the event of a default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor is liable for any loss thereof. Any losses to public depositors are covered by applicable deposit insurance, sales of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default.

B. Investments and Investment Practices

1. 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 Investment Policy and performance benchmarks for each of the specific third party managers are established by the Investment Committee. The Policy defines the Average Duration and Compliance Categories for investments. Compliance Category limits are stated as a percentage of the 2013-14 Normal Portfolio Balance of \$849 million, which is defined by Ordinance as the average total portfolio balance for the proceeding twelve months.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

3. CASH, INVESTMENTS AND SECURITIES LENDING (continued)

B. Investments and Investment Practices (continued)

1. General Operating Investments (continued)

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

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

Operating Fund
Compliance Guideline Characteristics
as of September 30, 2014

Compliance Guideline	Sector Guideline Exposures				
	% of Normal Portfolio Balance				
	Maximum				
	Exposure to Specific Guideline	Year end Exposure %	During Year	By Policy	
Duration¹	2.50	NA	2.50	5.00	
Liquidity	\$ 268,569,839	31.6%	46.5%	100.0%	
Requirements					
USG + Agencies	\$ 211,143,695	24.9%	29.4%	100.0%	
US Govt (USG)	154,002,991	18.1%	18.2%	100.0%	
Constraints					
Agencies	\$ 57,140,704	6.7%	11.5%	45.0%	
MBS	43,400,352	5.1%	9.0%	35.0%	
Agency MBS	10,987,645	1.3%	5.3%	35.0%	
Non-Agency MBS	32,412,707	3.8%	3.9%	15.0%	
Asset Backed Securities	32,363,456	3.8%	3.5%	7.5%	
Corporates	273,851,250	32.3%	35.5%	60.0%	
Corporates > 1 Year	141,470,700	16.7%	19.1%	40.0%	
Municipal Bonds	9,137,150	1.1%	1.0%	10.0%	
Bond Funds	121,919,739	14.4%	31.2%	85.0%	
Money Market Funds	42,109,206	5.0%	7.0%	40.0%	
Certificates of Deposit	-	0.0%	0.0%	20.0%	
Repurchase agreements	-	0.0%	0.0%	20.0%	
Rule 144a Securities	34,088,916	4.0%	4.6%	10.0%	
Specialty Risk					
High Yield	\$ 33,188,078	3.9%	4.2%	7.5%	
International	3,412,097	0.4%	0.8%	7.5%	
International (non-hedged)	-	0.0%	0.0%	5.0%	
Emerging Market	1,832,461	0.2%	0.2%	7.5%	
Duration > 8.5	25,564,912	3.0%	3.1%	7.5%	
Normal Portfolio Balance	\$ 849,000,000				

¹Commingled Funds and Cash are excluded

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

3. CASH, INVESTMENTS AND SECURITIES LENDING (continued)
B. Investments and Investment Practices (continued)

2. Pension Plan Investments

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

Jacksonville Retirement System
Distribution by Asset Type
9/30/2014

	Equities	Bonds	Other	Cash	Total	Percentage
Equity (Domestic)	\$ 765,811,027	\$ -	\$ -	\$ 13,201,224	\$ 779,012,251	39%
Large Cap Value	185,115,091	-	-	3,373,938	188,489,029	9%
Large Cap Growth	185,168,606	-	-	4,892,424	190,061,030	10%
Large Cap Core	211,876,884	-	-	1,263,602	213,140,486	11%
Small Cap Value	49,826,032	-	-	755,312	50,581,344	3%
Small Cap Growth	88,246,334	-	-	1,804,057	90,050,391	4%
Small Cap Core	45,578,080	-	-	1,111,891	46,689,971	2%
Transition Account	-	-	-	490	490	0%
Equity (International)	\$ 428,143,499	\$ -	\$ -	\$ -	\$ 428,143,499	23%
Value	201,139,514	-	-	-	201,139,514	11%
Growth	114,729,046	-	-	-	114,729,046	6%
Emerging	112,274,939	-	-	-	112,274,939	6%
Bonds	\$ -	\$ 384,404,863	\$ -	\$ 10,609,129	\$ 395,013,992	19%
Intermediate	-	203,940,050	-	10,556,113	214,496,163	10%
Aggregate	-	137,436,026	-	102	137,436,128	7%
Inflation Protected	-	43,028,787	-	52,914	43,081,701	2%
Cash Account	\$ -	\$ -	-	5,494,108	\$ 5,494,108	0%
Other	\$ 117,608,634	\$ -	\$ 260,739,006	\$ 1,884,845	\$ 380,232,485	19%
Real Assets	117,608,634	-	260,739,006	1,884,845	380,232,485	19%
Total investments	\$ 1,311,563,160	\$ 384,404,863	\$ 260,739,006	\$ 31,189,796	\$ 1,987,896,825	100%
Less: Amount reported as receivables					(2,822,873)	
Total Investments less receivables					\$ 1,985,073,952	

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

3. CASH, INVESTMENTS AND SECURITIES LENDING
B. Investments and Investment Practices (continued)
2. Pension Plan Investments (continued)

Police and Fire Pension Fund
Distribution by Asset Type
9/30/2014

	Equities	Bonds	Other	Cash	Total	Percentage
Equity (Domestic)	\$ 568,574,854	\$ -	\$ -	\$ 6,737,122	\$ 575,311,976	39%
Large Cap Value	148,618,617	-	-	1,158,007	\$ 149,776,624	10%
Large Cap Growth	146,606,939	-	-	3,746,537	\$ 150,353,476	10%
Large Cap Core	96,318,113	-	-	-	\$ 96,318,113	7%
Small Cap Value	100,769,352	-	-	64,903	\$ 100,834,255	7%
SMID Cap Growth	76,261,833	-	-	1,767,675	\$ 78,029,508	5%
Equity (International)	\$ 303,916,242	\$ -	\$ -	\$ 114	\$ 303,916,356	20%
Value	122,532,893	-	-	114	\$ 122,533,007	8%
Growth	94,555,112	-	-	-	\$ 94,555,112	6%
Emerging Markets	86,828,237	-	-	-	\$ 86,828,237	6%
Bonds	\$ -	\$ 311,931,613	\$ -	\$ 456,373	\$ 312,387,986	21%
Intermediate	-	67,738,807	-	(98,460)	\$ 67,640,347	5%
Aggregate	-	244,192,806	-	554,833	\$ 244,747,639	16%
Cash Account	\$ -	\$ -	\$ -	\$ 7,344,512	\$ 7,344,512	1%
Other	\$ -	\$ -	\$ 270,623,989	\$ 2,659,895	\$ 273,283,884	19%
Real Estate	-	-	154,659,253	-	\$ 154,659,253	11%
MLPs	-	-	115,964,736	\$ 2,659,895	\$ 118,624,631	8%
Total investments	\$ 872,491,096	\$ 311,931,613	\$ 270,623,989	\$ 17,198,016	\$ 1,472,244,714	100%

Less: Amount reported as receivables (1,591,014)

Total Investments less receivables \$ 1,470,653,700

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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

3. CASH, INVESTMENTS AND SECURITIES LENDING

B. Investments and Investment Practices (continued)

4. Credit Quality

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

Operating Portfolio		Credit Quality September 30, 2014	
		General Employee Pension Plan	Police and Fire Pension Fund
Quality Breakdown	Portfolio (%)	Portfolio (%)	Portfolio (%)
Aaa	40%	42%	56%
Aa1-Aa3	3%	3%	2%
A1-A3	12%	16%	13%
Baa1-Baa3	21%	17%	14%
Ba1-Ba3	5%	3%	8%
Other	0%	0%	7%
Commingled	19%	19%	0%
	100%	100%	100%

Ratings definitions:

Treasury – United States Treasury Securities

Agency – Government Agency Securities

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 represent predominantly mutual funds that are listed and valued as a whole, not individual holdings, as well as minor exposure to non-investment grade securities.

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 Pension Trust funds.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

3. CASH, INVESTMENTS AND SECURITIES LENDING

B. Investments and Investment Practices (continued)

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, 2014						
	Operating Portfolio		Jacksonville Retirement System		Police and Fire Pension Fund	
	Exposure	Percentage	Exposure	Percentage	Exposure	Percentage
U.S. DOLLAR	\$ 685,444,996	99.50%	\$ 1,989,327,645	99.99%	\$ 1,470,539,352	99.99%
MEXICAN NEW PESO	1,218,825	0.18%	-	0.00%		0.00%
SINGAPORE DOLLAR	925,075	0.13%	-	0.00%		0.00%
BRAZIL REAL	451,592	0.07%	-	0.00%		0.00%
CANADIAN DOLLAR	297,379	0.04%	-	0.00%		0.00%
INDIAN RUPEE	270,907	0.04%	-	0.00%		0.00%
SWISS FRANC	-	0.00%	240,780	0.01%	96,170	0.01%
AUSTRIALIAN DOLLAR	198,652	0.03%	-	0.00%		0.00%
JAPANESE YEN	-	0.00%	10,785	0.00%	5,794	0.00%
EURO CURRENCY UNIT	41,272	0.01%	8,732	0.00%		0.00%
SWEDISH KRONA	-	0.00%	4,829	0.00%		0.00%
BRITISH POUND	-	0.00%	-	0.00%	98	0.00%
Total	<u>\$ 688,848,698</u>	<u>100.00%</u>	<u>\$ 1,989,592,771</u>	<u>100.00%</u>	<u>\$ 1,470,641,414</u>	<u>100.00%</u>

C. Securities Lending

The City participates in securities lending with both its Operating and Pension portfolios. The City has a contract with its custodian, The Bank of New York Mellon (the City's Operating Portfolio and the Jacksonville Retirement System) that allows the custodian, acting as agent, to lend securities held in the portfolios with the intent of generating additional interest income. The transactions are designed to be invisible to our third party money managers and are reviewed by staff on an ongoing basis. The market for securities lending was developed to provide temporary access to a large portfolio of securities for broker/dealers who might have a need to borrow specific instruments. Securities are loaned against collateral that may include cash, U.S government securities and irrevocable letters of credit. Securities are loaned against collateral valued at a minimum of 102% of the market value of the securities plus any accrued interest. If the broker/dealer fails to return the security upon request, the custodian, acting as agent, will utilize the collateral to replace the security borrowed.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

3. CASH, INVESTMENTS AND SECURITIES LENDING
C. Securities Lending (continued)

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, 2014 was 66 days for the City's Operating Portfolio and 114 days for the Jacksonville Retirement System.

As a result of market disruptions, caused by the financial crisis of 2008-2009, those managing the collateral pool of assets have shifted their strategy to maintain a target allocation that closely represents a portfolio managed to money market guidelines as contained in 2a-7 of the SEC Investment Company Act of 1940. Rule 2a-7 of the act restricts the quality, maturity, and diversity of investments by money market funds. While the Securities Lending portfolio is not subject to this rule, the managers see these guidelines as a conservative approach that will serve to reduce the overall risk profile of invested collateral funds.

The transaction establishes a rebate interest rate (assuming cash collateral), which is due back to the broker/dealer upon return of the security. The cash is then invested short-term and the City and the custodian share in the incremental return available above the rebated interest rate. The short-term fixed income instruments can be invested in high quality, dollar-denominated fixed income instruments, with a policy dollar-weighted, average maturity limit of less than thirty days. The City, as a program participant, assumes the risk that (a) the overnight investment will not equal or exceed the rebate interest rate; (b) the overnight investment will experience a loss in fair value (i.e., principal); and (c) the collateral will not be sufficient if the borrower fails to return the security back to the lending bank. As noted above, cash collateral is invested in short-term income instruments. When non-cash collateral is provided the collateral must be obligations issued or guaranteed by the U.S. Government or its agencies and instrumentalities. The City cannot pledge or sell these obligations in the absence of a default by the borrower. 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, 2014, the City of Jacksonville maintained a sufficient 102.6% collateral on loaned securities. During the fiscal year ended September 30, 2014; Securities Lending net income was \$471 thousand (\$62 thousand Operating, \$409 thousand Jacksonville Retirement System).

The City periodically reviews the custodian's practices to insure fair distribution of lending opportunities as well as risk evaluation of prospective broker/dealer borrowers. 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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

4. ACCOUNTS, MORTGAGES, AND OTHER RECEIVABLE

The accounts, mortgages, and other receivable balances in the funds listed below, in thousands, are shown net of an allowance for doubtful accounts. No other funds had an allowance for doubtful accounts at September 30, 2014.

Fund	Accounts and Other Receivables	Allowance for Doubtful Accounts	Net Amount Shown on Balance Sheet
Major Governmental Funds:			
General Fund	\$ 114,871	\$ (79,269)	\$ 35,602
Non-Major Governmental Funds	1,253	(65)	1,188
Major Enterprise Funds:			
Solid Waste Disposal	36,066	(5,538)	30,528
EverBank Field	497	(88)	409
Veterans Memorial Arena	1,499	(71)	1,428
Stormwater	36,693	(14,571)	22,122
Non-Major Enterprise Funds	976	(27)	949
Fiduciary Funds:			
Pension Trust Funds	7,887	-	7,887
Agency Funds	2,470	-	2,470
Fund	Mortgage Receivable	Allowance for Doubtful Accounts	Net Amount Shown on Balance Sheet
Non-Major Governmental Funds	\$ 11,868	\$ (7,188)	\$ 4,680

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

5. PROPERTY TAXES

A. Ad Valorem Property Taxes:

Property tax collections are governed by Chapter 197, Florida Statutes. The Duval County Tax Collector bills and collects all property taxes levied within the consolidated city/county. Discounts of 4, 3, 2, and 1% are allowed for early payment in November, December, January, and February, respectively. The total millage rate levied by the City was 11.44190 for the fiscal year ended September 30, 2014.

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.

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 for. 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. This is the first lien date on the properties.

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

6. CAPITAL ASSET ACTIVITY

Capital asset activity for the year ended September 30, 2014, was as follows (in thousands):

Primary Government

	Beginning Balance October 1, 2013	Additions	Dispositions/ Reclassifications	Ending Balance September 30, 2014
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 307,602	\$ 1	\$ -	\$ 307,603
Easements	5,137	-	-	5,137
Art In Public Places	764	-	-	764
Construction in progress	12,335	40,236	(3,997)	48,574
Furniture and equipment in work in process	724	3,865	(724)	3,865
Purchased Software work in process	-	-	-	-
Software Development Work In Process	-	-	-	-
Total capital assets not being depreciated	326,562	44,102	(4,721)	365,943
Capital assets being depreciated:				
Buildings	796,053	13,534	(777)	808,810
Improvements	284,261	4,905	(1,000)	288,166
Infrastructure	2,166,939	31,320	-	2,198,259
Furniture, equipment and library books	423,132	22,501	(12,058)	433,575
Internal Software	26,863	-	-	26,863
Purchased Software	15,424	177	-	15,601
Total assets being depreciated	3,712,672	72,437	(13,835)	3,771,274
Less accumulated depreciation for:				
Buildings	203,744	15,644	(176)	219,212
Improvements	72,812	12,077	(1,000)	83,889
Infrastructure	685,048	88,458	-	773,506
Furniture, equipment and library books	291,096	33,661	(11,402)	313,355
Internal Software	14,037	2,687	-	16,724
Purchased Software	7,739	689	-	8,428
Total accumulated depreciation	1,274,476	153,216	(12,578)	1,415,114
Total capital assets being depreciated, net	2,438,196	(80,779)	(1,257)	2,356,160
Governmental activities capital assets, net	\$ 2,764,758	\$ (36,677)	\$ (5,978)	\$ 2,722,103

	Beginning Balance October 1, 2013	Additions	Dispositions/ Reclassifications	Ending Balance September 30, 2014
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 45,986	\$ 620	\$ -	\$ 46,606
Easements	546	-	-	546
Construction in progress	56	13,154	(56)	13,154
Total capital assets not being depreciated	46,588	13,774	(56)	60,306
Capital assets being depreciated:				
Buildings and improvements	565,670	32,865	-	598,535
Infrastructure	41,596	11,665	-	53,261
Furniture and equipment	8,860	1,669	(132)	10,397
Total assets being depreciated	616,126	46,199	(132)	662,193
Less accumulated depreciation for:				
Buildings and improvements	212,057	13,938	-	225,995
Infrastructure	5,167	2,372	-	7,539
Furniture and equipment	6,150	801	(123)	6,828
Total accumulated depreciation	223,374	17,111	(123)	240,362
Total capital assets being depreciated, net	392,752	29,088	(9)	421,831
Business-type activities capital assets, net	\$ 439,340	\$ 42,862	\$ (65)	\$ 482,137

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

6. CAPITAL ASSET ACTIVITY

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

Governmental activities:

General government	\$	34,078
Human services		2,003
Public Safety		10,062
Culture and recreation		14,119
Transportation		10,600
Economic environment		60
Physical environment		82,294
Total depreciation expense - governmental activities	\$	<u>153,216</u>

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

Business-type activities:

Parking system	\$	402
Solid Waste		2,274
Mayport Ferry		625
Stormwater Services		2,372
EverBank Field		6,109
Veterans Memorial Arena		2,524
Baseball Stadium		706
Performing Arts		753
Convention Center		637
Equestrian Center		709
Total depreciation expense - business-type activities	\$	<u>17,111</u>

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

7 INTERFUND RECEIVABLES, PAYABLES, ADVANCES, AND TRANSFERS

A summary of interfund balances follows. (in thousands)

TRANSFERS OUT					
MAJOR FUNDS					
General Fund	Solid Waste	Storm Water	Special Bonded Debt	EverBank Field	
TRANSFERS IN					
MAJOR FUNDS					
General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Storm Water	1,741	-	-	-	-
EverBank Field	4,312	-	-	-	-
Veterans Memorial Arena	-	-	-	-	-
Special Bonded Debt	59,375	-	2,932	-	-
Special Bonded Debt-BJP	-	-	-	-	-
NON-MAJOR FUNDS					
Baseball Stadium	281	-	-	-	-
Performing Arts	570	-	-	-	-
Convention Center	1,005	-	-	-	-
Equestrian Center	320	98	-	-	-
Ritz Theatre	752	-	-	-	-
Mayport Ferry	450	-	-	-	-
Special Revenue	31,123	-	-	-	-
General Capital Projects	21,291	-	-	-	388
Grant Capital Projects	188	-	-	-	-
Non Major Debt	-	-	-	-	-
Internal Service	1,271	-	-	174	-
	\$122,679	\$98	\$2,932	\$174	\$388

Transfers between funds are made in the normal course of operations and are for the operational support of the fund receiving the transfer. In fiscal year 2014 transfers in support of Debt Service funds were 58% of total transfers. A large portion of the transfers out of the General Fund was in support of Non-Major Governmental funds including the Jacksonville Childrens Commission, Community Service Grants and Cecil Field Commerce Center. Transfers from the General Fund include support of Major Enterprise funds, Storm Water and EverBank Field. Other support from the General Fund include transfers to Tax Increment in support of debt service and transfers for Capital Improvement Projects. Non-Major Enterprise funds which include the Baseball Stadium, the Performing Arts Center, the Convention Center, the Equestrian Center, the Ritz Theatre and the Mayport Ferry also received support from the General Fund.

TRANSFERS OUT				
NON-MAJOR FUNDS				
Special Revenue	General Capital Project	Grant Capital Projects	Internal Service	Total
\$ 2,527	\$309	\$688	\$2,380	\$ 5,904
-	-	-	-	1,741
-	-	-	-	4,312
4,124	-	-	-	4,124
11,629	-	-	-	73,936
54,470	-	-	-	54,470
1,089	-	-	-	1,370
-	-	-	-	570
-	-	-	-	1,005
-	-	-	-	418
-	-	-	-	752
-	-	-	-	450
75	102	-	-	31,300
9,027	-	-	-	30,706
(38)	-	-	-	150
906	-	-	-	906
51	6,891	-	3,680	12,067
\$83,860	\$7,302	\$688	\$6,060	\$224,181

(continued)

CITY OF JACKSONVILLE, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

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

A summary of interfund balances follows. (in thousands)

DUE FROM OTHER FUNDS		MAJOR		NON-MAJOR		
		ENTERPRISE	GOVERNMENTAL FUNDS			
		DUE TO OTHER FUNDS				
	Total	EverBank Field	Better Jacksonville Plan	Community Development Block Grant		
MAJOR FUNDS:						
General Fund	\$ 1,921	\$ -	\$ 900	\$ 968		
Better Jacksonville Plan Trust	13,000	-	13,000	-		
Ever Bank Field	3,686	-	-	-		
NON MAJOR FUNDS:						
Sports Complex Capital	21,255	21,255	-	-		
TOTAL	\$ 39,862	\$ 21,255	\$ 13,900	\$ 968		

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

ADVANCES TO OTHER FUNDS	AMOUNT	ADVANCES FROM OTHER FUNDS
NON-MAJOR FUNDS:		
Internal Service Funds		
Self Insurance	4,711	General Projects-Loan for Redevelopment Agreement
TOTAL	\$ 4,711	

NON MAJOR GOVERNMENTAL	NON-MAJOR ENTERPRISE FUNDS			
	DUE TO OTHER FUNDS (continued)			
American Recovery & Reinvestment	Sports Complex Capital	Equestrian Center	Performing Arts	Total Due To
\$ 53	\$ -	\$ -	\$ -	\$ 1,921
-	-	-	-	13,000
-	2,983	401	302	3,686
-	-	-	-	21,255
<u>\$ 53</u>	<u>\$ 2,983</u>	<u>\$ 401</u>	<u>\$ 302</u>	<u>\$ 39,862</u>

(continued)

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

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

During fiscal year 1999, the self-insurance fund advanced \$14,000,000 to the capital projects fund for the purpose of fulfilling City obligations under a redevelopment agreement for a new 900-room hotel with substantial convention and business spaces. The total capital investment for the project was \$126.0 million. The City Council passed an ordinance to treat the funding from the self-insurance fund as a loan which will be repaid from general fund revenues commencing on May 1, 2000 in equal annual installments over 20 years, plus simple interest of 4.4%. The balance of this advance was \$4,710,896 at September 30, 2014.

In fiscal year 2003, the City passed an ordinance to enter into a redevelopment agreement with Vestcor Companies and its subsidiaries for the redevelopment of the Lynch Building as a City historic landmark. In fiscal year 2003, the City used internal self-insurance funds, in an amount of \$17,816,000, to provide permanent financing for the Lynch Building project. The self-insurance fund will be repaid on an annual basis with funds from the Northbank Downtown Tax Increment District. The terms of the repayment are a 30-year amortization, with a 20-year term at a fixed interest rate of 6% per year. Annual payments are \$1,294,313 which includes both principal and interest with a balloon payment of \$8,290,400 at the end of the 20-year period. The balance of the loan at September 30, 2014 was \$11,878,149 which is recorded in the Self Insurance Fund as other receivables noncurrent.

Vestcor will repay the City an amount of \$17,816,000 to the Downtown Economic Development fund as created by ordinance 2000-1079-E. The terms of the repayment is a 40-year amortization, with a 20-year term at a fixed interest rate of 1.525% per year. Annual principal and interest payments were initially scheduled for \$595,248, but were reduced to interest-only payments for the three year period beginning March 1, 2010. The deferred principal payments were added to the balloon payment. A second modification agreement (Ordinance 2014-280) allowing suspension of half of the principal payments for a period of three years from October 2013 to September 2016 was approved by Council. Deferred principal payments have been added to the balloon payment which is now \$12,159,285 due on July 1, 2023. The balance of the loan at September 30, 2014 was \$15,183,503 which is recorded in the Office of Economic Development within the General Fund.

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

8. LONG-TERM OBLIGATIONS

A. Bonds and loans outstanding:

The bonds and loans outstanding as of September 30, 2014 are as follows (in thousands):

GOVERNMENTAL ACTIVITIES:	Amount Issued	Amount Outstanding	Remaining Coupon Rates	True Interest Cost ⁽¹⁾
Revenue Bonds Supported by General Fund:				
Excise Taxes Revenue Bonds:				
Series 1993	\$ 43,605	\$ 2,551	6.300%	6.292%
* Series 2005A	42,820	40,090	3.750-5.000%	4.685%
Series 2006A	36,540	32,285	3.750-5.000%	4.559%
Series 2006B (AMT)	9,255	4,040	4.000%	4.169%
Series 2006C	23,555	16,830	5.060-5.220%	5.228%
Series 2007	42,245	35,780	4.000-5.000%	4.534%
Series 2009A	39,585	35,435	3.000-5.000%	4.399%
* Series 2009B	18,535	12,030	5.000%	3.035%
* Series 2009C (ATM)	2,275	710	4.000-5.000%	3.281%
Local Government Sales Tax Revenue Bonds:				
Series 2001	103,725	37,885	5.500%	4.571%
Capital Project Revenue Bonds:				
* Series 2008A	67,037	59,362	Variable, assumed 3.50%. Actual rate 0.06% (7-day).	N/A
* Series 2008B	67,037	59,362	2.890%	N/A
Special Revenue Bonds				
Series 2009C-1	30,170	10,055	5.000-5.250%	2.509%
Series 2009C-2 (Taxable BABS)	10,995	10,995	4.240-4.990% (taxable)	3.111%
Series 2010A	48,000	29,482	3.250-5.000%	2.737%
Series 2011A	76,500	76,500	5.000-5.250%	4.674%
Series 2012B	2,850	2,848	1.120%	1.119%
* Series 2012C	183,058	181,533	5.000%	2.537%
Series 2012D	11,840	10,690	4.000-5.000%	1.573%
Series 2012E	34,340	34,340	1.164-2.372% (taxable)	1.875%
Series 2013A	27,175	27,175	4.250-5.250%	4.885%
Total Revenue Bonds Supported by General Fund	<u>\$ 921,142</u>	<u>\$ 719,978</u>		
Notes Payable Supported by General Fund:				
U.S. Government Guaranteed:				
Series 2010 (Hilton Hotel)	\$ 2,850	\$ 300	2.200% (taxable)	N/A
Series 2010 (La Villa)	1,700	260	2.200-2.660% (taxable)	N/A
Series 2010 (Armor Holdings)	775	160	2.200-2.660% (taxable)	N/A
Series 2010 (Hampton Inns)	550	65	2.200% (taxable)	N/A
Total Notes Payable Supported by General Fund	<u>\$ 5,875</u>	<u>\$ 785</u>		
Total Bonds and Notes Supported by General Fund	<u>\$ 927,017</u>	<u>\$ 720,763</u>		

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

8. LONG-TERM OBLIGATIONS (continued)

A. Bonds and loans outstanding (continued)

	Amount Issued	Amount Outstanding	Remaining Coupon Rates	True Interest Cost ⁽¹⁾
Special Revenue (Covenant) Bonds Payable from Internal Service Operations:				
Special Revenue Bonds (\$163,215 authorized but unissued):				
Series 2008	\$ 54,215	\$ 42,745	3.750-5.625%	4.966%
Series 2009C-1	40,160	12,130	5.000-5.250%	2.509%
Series 2009C-2 (taxable BABs)	26,315	26,315	4.240-4.990% (taxable)	3.111%
Series 2010A	46,945	42,058	3.250-5.000%	2.737%
Series 2010C-1	27,205	24,355	5.000%	2.763%
Series 2011A	32,380	29,855	5.000-5.250%	4.674%
Series 2012A	4,040	3,045	1.120%	1.119%
Series 2012B	3,470	3,467	1.120%	1.119%
Series 2013A	26,860	26,860	2.000-5.250%	4.885%
Series 2013B	35,145	35,145	0.540-4.643% (taxable)	3.469%
Total Special Revenue Bonds Payable from Internal Service Operations	\$ 296,735	\$ 245,975		
Notes Payable from Internal Service Operations:				
Commercial Paper Notes	\$ 137,125	\$ 3,900	Variable, assumed 5.02%. Actual rate 0.09% (various).	N/A
Total bonds and notes payable from Internal Service Funds	\$ 433,860	\$ 249,875		
Revenue Bonds Supported by BJP Revenues:				
Transportation Sales Tax Revenue Bonds:				
Series 2007	\$ 100,675	\$ 81,480	4.750-5.000%	4.745%
Series 2008A	154,535	150,485	Variable, assumed 3.33% Actual rate 0.05% (7-day)	N/A
Series 2008B	121,740	93,105	Variable, assumed 4.19% Actual rate 0.72% (35-day + spread)	N/A
Series 2012A	151,660	151,660	4.000-5.000%	4.324%
Series 2012B	57,730	48,055	3.000-5.000%	3.076%
Infrastructure Sales Tax Revenue Bonds:				
Series 2008	105,470	90,130	4.000-5.000%	4.626%
Series 2011	79,220	68,615	2.375-5.000%	3.615%
* Series 2012	238,570	233,135	3.000-5.000%	3.910%
* Series 2012A	41,095	41,095	5.000%	3.773%
Total Revenue Bonds Supported by BJP Revenues	\$ 1,050,695	\$ 957,760		
Special Revenue (Covenant) Bonds Supported by BJP Revenues:				
Special Obligation Bonds:				
Series 2009B-1A	\$ 52,090	\$ 47,715	3.000-5.000%	4.006%
Series 2009B-1B (taxable BABs)	55,925	55,925	6.259% (taxable)	6.341%
Series 2010B	100,205	77,090	5.000%	2.282%
Series 2011B	86,600	78,950	4.000-5.000%	2.953%
Series 2013C	31,565	31,565	5.250%	2.953%
Total Special Revenue Bonds Supported by BJP Revenues	\$ 326,385	\$ 291,245		

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

8. LONG-TERM OBLIGATIONS (continued)

A. Bonds and loans outstanding (continued)

	Amount Issued	Amount Outstanding	Remaining Coupon Rates	True Interest Cost ⁽¹⁾
Notes Payable Supported by BJP Revenues:				
State of Florida Infrastructure Bank:				
Series 2005	\$ 40,000	\$ 21,417	2.000%	1.901%
Series 2007	48,698	25,638	2.500%	2.456%
Total Notes Payable Supported by BJP Revenues	\$ 88,698	\$ 47,055		
Total Bonds and Notes Supported by BJP Revenues	\$ 1,465,778	\$ 1,296,060		
Total Governmental Activities	\$ 2,826,655	\$ 2,266,698		

BUSINESS-TYPE ACTIVITIES:

Revenue Bonds Supported by Business-Type Activities:

Excise Taxes Revenue Bonds:				
* Series 2005A	\$ 2,000	\$ 2,000	4.250-5.000%	4.685%
* Series 2009B	10,475	4,930	5.000%	3.035%
* Series 2009C (AMT)	21,455	10,205	4.000%	3.281%
Capital Project Revenue Bonds:				
* Series 2008A	248	208	Variable, assumed 3.50% Actual rate 0.06% (7-day)	N/A
* Series 2008B	248	208	2.890%	N/A
Infrastructure Sales Tax Revenue Bonds:				
* Series 2012	41,480	41,480	4.125-5.000%	3.910%
* Series 2012A	73,795	73,795	5.000%	3.773%
Capital Improvement Revenue Bonds:				
Series 2012	118,005	114,150	3.000-5.000%	2.642%
Special Obligation Bonds:				
* Series 2012C	922	922	5.000%	4.821%

Notes Payable Supported by Business-Type Activities:

Commercial Paper Notes	24,225	24,225	Variable, assumed 5.02%. Actual rate 0.09% (various).	N/A
Total bonds and notes payable from Business-Type Activities	\$ 292,853	\$ 272,123		

COMPONENT UNITS (Note 8M):

Bond and notes payable:	
JEA	\$ 5,266,674
JPA	227,832
Total Component Unit bonds and notes payable	\$ 5,494,506

* 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, 2014

8. LONG-TERM OBLIGATIONS (continued)

B. Debt Service Requirements to Maturity:

The Debt service requirements to maturity on long-term obligations at September 30, 2014 are as follows (in thousands). The amounts reported in the table below include designated maturities established by management (see discussion below), but does not reflect any accelerated amortizations that may result under the term out provisions as discussed in Note 8G.

Fiscal Year Ending September 30	Bonds and Notes Payable from Governmental Activities				Bonds Payable from Business-type Activities		Principal and Interest- Primary Government	Component Units	
	Supported by General Revenues and Internal Service Funds		Supported by BJP Revenues		Enterprise Funds				
	Principal	Interest	Principal	Interest	Principal	Interest			
2015	\$ 57,367	\$ 45,032	\$ 51,640	\$ 57,908	\$ 9,693	\$ 12,915	\$ 234,555	\$ 265,813	\$ 102,724
2016	60,256	42,715	54,799	55,798	10,202	12,550	236,320	197,491	196,622
2017	65,655	36,201	60,202	53,309	11,804	12,112	239,283	193,209	190,140
2018	68,663	32,383	48,271	51,134	6,747	11,692	218,890	199,817	199,089
2019	68,624	30,606	55,372	48,800	7,071	11,375	221,848	204,861	174,723
2020-2024	232,124	119,187	317,311	201,884	39,031	51,718	961,255	1,037,857	709,926
2025-2029	176,293	76,082	415,995	114,581	98,802	35,933	917,686	1,027,098	531,924
2030-2034	171,132	34,993	264,660	24,008	85,022	5,876	585,691	980,868	373,690
2035-2039	49,809	9,883	27,810	2,866	1,331	780	92,479	948,932	207,830
2040-2044	20,715	1,427	-	-	1,650	408	24,200	325,305	30,003
2045-2049	-	-	-	-	770	39	809	10,820	670
Totals	\$ 970,638	\$ 428,509	\$ 1,296,060	\$ 610,288	\$ 272,123	\$ 155,398	\$ 3,733,016	\$ 5,392,071	\$ 2,717,341

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

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

Fiscal Year Ending September 30	by Stated Maturity							
	Supported by General Revenue and Internal Service Funds				Supported by BJP Revenues			Total All Programs
	Series 2009C	Series 2010A	Series 2012B	Total	Series 2010B	Series 2011B	Total	
2015	-	-	-	-	-	-	-	-
2016	\$ 7,345	\$ 4,950	-	\$ 12,295	\$ 7,705	\$ 7,000	\$ 14,705	\$ 27,000
2017	-	6,200	\$ 6,295	12,495	7,705	10,175	17,880	30,375
2018	-	6,200	-	6,200	7,715	10,175	17,890	24,090
2019	-	6,160	-	6,160	7,715	10,175	17,890	24,050
2020	-	-	-	-	7,715	10,175	17,890	17,890
2021	-	-	-	-	7,715	10,175	17,890	17,890
Total by Series	\$ 7,345	\$ 23,510	\$ 6,295	\$ 37,150	\$ 46,270	\$ 57,875	\$ 104,145	\$ 141,295

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

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

Fiscal Year Ending September 30	by Designated Maturity							
	Supported by General Revenue and Internal Service Funds				Supported by BJP Revenues			Total
	Series 2009C	Series 2010A	Series 2012B	Total	Series 2010B	Series 2011B	Total	All Programs
2022	-		\$ 2,065	\$ 2,065	\$ 7,705	\$ 6,130	\$ 13,835	\$ 15,900
2023	-		2,165	2,165	7,710	6,375	14,085	16,250
2024	\$ 205		2,065	2,270	7,710	6,630	14,340	16,610
2025	2,385			2,385	7,710	6,895	14,605	16,990
2026	2,510	\$ 3,125		5,635	7,710	7,170	14,880	20,515
2027	2,245	3,280		5,525	7,710	7,460	15,170	20,695
2028	-	3,440		3,440	15	7,755	7,770	11,210
2029	-	3,615		3,615	-	8,070	8,070	11,685
2030	-	3,800		3,800	-	1,390	1,390	5,190
2031	-	1,820		1,820			-	1,820
2032	-	1,910		1,910			-	1,910
2033	-	2,005		2,005			-	2,005
2034	-	515		515			-	515
Total by Series	<u>\$ 7,345</u>	<u>\$ 23,510</u>	<u>\$ 6,295</u>	<u>\$ 37,150</u>	<u>\$ 46,270</u>	<u>\$ 57,875</u>	<u>\$ 104,145</u>	<u>\$ 141,295</u>

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

8. LONG-TERM OBLIGATIONS (continued)

C. Changes in Long-Term Liabilities:

Changes in long-term liabilities for the fiscal year ended September 30, 2014 are as follows (in thousands):

	Balance October 1, 2013	Additions	Reductions	Balance September 30, 2014	Due within one year
Governmental Activities:					
Debt activity supported by general revenues:					
Revenue bonds	\$ 754,432	\$ -	\$ 34,454	\$ 719,978	\$ 35,375
Notes payable	1,840	-	1,055	785	575
Debt activity - general revenues	<u>\$ 756,272</u>	<u>\$ -</u>	<u>\$ 35,509</u>	<u>\$ 720,763</u>	<u>\$ 35,950</u>
Bonds/notes payable - Banking Fund					
Special revenue (covenant) bonds	\$ 260,348	\$ -	\$ 14,373	\$ 245,975	\$ 18,279
Notes payable	13,240	-	9,340	3,900	3,900
Debt activity - internal service funds	<u>273,588</u>	<u>-</u>	<u>23,713</u>	<u>249,875</u>	<u>22,179</u>
Debt activity - general revenues and internal service	<u>\$ 1,029,860</u>	<u>\$ -</u>	<u>\$ 59,222</u>	<u>\$ 970,638</u>	<u>\$ 58,129</u>
Debt activity supported by BJP revenue:					
Revenue bonds - BJP	\$ 996,266	\$ -	\$ 38,506	\$ 957,760	\$ 43,210
Special revenue (covenant) bonds - BJP	293,770	-	2,525	291,245	3,050
Notes payable - BJP	52,311	-	5,256	47,055	5,379
Debt activity - BJP	<u>1,342,347</u>	<u>-</u>	<u>46,287</u>	<u>1,296,060</u>	<u>51,639</u>
Total governmental activities	<u>\$ 2,372,207</u>	<u>\$ -</u>	<u>\$ 105,509</u>	<u>\$ 2,266,698</u>	<u>\$ 109,768</u>
Other related debt amounts:					
Issuance premiums	\$ 149,081	\$ -	\$ 12,193	\$ 136,888	\$ 0
Issuance discounts	(2,699)	-	(161)	(2,538)	-
Total other related debt amounts	<u>\$ 146,382</u>	<u>\$ -</u>	<u>\$ 12,032</u>	<u>\$ 134,350</u>	<u>\$ 0</u>
Accrued Compensated Absences	58,354	34,303	33,334	59,323	17,756
Estimated Liability for Self-Insured Losses	97,435	103,106	97,658	102,883	23,838
Pollution Remediation	163,956	-	37	163,919	-
Other Post - Employment Benefits	41,669	8,370	-	50,039	-
Miscellaneous long-term obligations	5	-	5	-	-
Governmental activity long-term obligations	<u>\$ 2,880,008</u>	<u>\$ 145,779</u>	<u>\$ 248,575</u>	<u>\$ 2,777,212</u>	<u>\$ 151,362</u>

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

8. LONG-TERM OBLIGATIONS (continued)
C. Changes in Long-Term Liabilities: (continued)

	Balance October 1, 2013	Additions	Reductions	Balance September 30, 2014	Due within one year
Business-Type Activities:					
Revenue Bonds	\$ 257,674	\$ 24,225	\$ 9,776	272,123	\$ 9,693
Less: Unamortized Discount/Premium	36,502		2,194	34,308	
Total Revenue Bonds, less Unamortized Discount/Premium	\$ 294,176	\$ 24,225	\$ 11,970	\$ 306,431	\$ 9,693
Accrued Compensated Absences	1,413	598	1,001	1,010	303
Liability for Landfill Closure and Post Closure Care	61,426	-	13,690	47,736	-
Picketville Waste Site	333	-	62	271	-
Other Post - Employment Benefits	1,606	200	-	1,806	-
Loans payable - Banking Fund	17,432	-	1,549	15,883	1,777
Business-type activity long-term obligations	<u>\$ 376,386</u>	<u>\$ 25,023</u>	<u>\$ 28,272</u>	<u>\$ 373,137</u>	<u>\$ 11,773</u>
Component Unit Activities:					
Bonds and notes payable:					
JEA	\$ 5,635,989	\$ 813,295	\$ 1,182,610	\$ 5,266,674	\$ 256,630
JPA	216,270	25,000	13,438	227,832	10,267
Other long-term obligations	19,938	303	1,960	18,281	326
Component unit activity long-term obligations	<u>\$ 5,872,197</u>	<u>\$ 838,598</u>	<u>\$ 1,198,008</u>	<u>\$ 5,512,787</u>	<u>\$ 267,223</u>

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

8. LONG-TERM OBLIGATIONS (continued)

D. Reconciliation of debt issued to financial reporting classifications:

Certain of the City's bonds issued in a single transaction are for assets acquired or constructed for both governmental and business-type activities. As a result, the financial statements report debt outstanding and the related debt service for that combined transaction in both governmental and business-type activities in the relative proportion of the cost of the underlying assets acquired or constructed. When individual business-type revenues are not sufficient to pay for operations inclusive of allocated debt service, 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	
Excise Tax Revenue Bonds:				
Series 2005A	\$ 44,820	\$ 40,090	\$ 2,000	\$ 42,090
Series 2009B	29,010	12,030	4,930	16,960
Series 2009C	23,730	710	10,205	10,915
Capital Projects Revenue Bonds:				
Series 2008A	67,285	59,362	208	59,570
Series 2008B	67,285	59,362	208	59,570
BJP Infrastructure Sales Tax Revenue Bonds:				
Series 2012	280,050	233,135	41,480	274,615
Series 2012A	114,890	41,095	73,795	114,890
Special Revenue Bonds:				
Series 2012C	183,980	181,533	922	182,455
Commercial Paper	161,350	3,900	24,225	28,125

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

8. LONG-TERM OBLIGATIONS (continued)

E. Pledged Revenues:

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

	Range of remaining term	Approximate future principal and interest	Current year revenue received	Current year principal and interest	Principal and interest as % of revenue
Excise Taxes:	2015 - 2034	\$291,234,799	\$124,430,126	\$29,423,705	23.65%
Local Government					
1/2 Cent Sales Tax:	2018	\$42,852,739	\$81,240,214	\$11,881,613	14.63%
JEA Charter Revenues					
(Capital Project Bonds):	2034	\$164,965,560	\$109,187,538	\$7,116,191	6.52%
(Better Jacksonville)					
Transportation Sales Tax:	2022 - 2037	\$788,848,111	\$82,718,849	\$44,979,156	54.38%
Better Jacksonville					
(Infrastructure) Sales Tax:	2021 - 2030	\$821,418,456	\$71,929,782	\$46,871,093	65.16%
with SIB Loans:	2021 - 2030	\$873,495,155	\$71,929,782	\$53,319,893	74.13%
Sports Facilities Capital					
Improvement Revenues:	2030	\$166,713,650	\$20,180,742	\$10,161,475	50.35%

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

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

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

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

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

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

8. LONG-TERM OBLIGATIONS (continued)

F. New Indebtedness Issued:

On July 21, 2014, the City closed on the sale of \$24,225,000 Commercial Paper Notes, Series A, with a coupon at fiscal year end of 0.09% with a maturity date of December 1, 2014. The issuance provided net proceeds of \$23,933,060 after payment of cost of issuance totaling \$291,940.

G. Demand Bonds Issued by the City:

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

\$154,535,000 Transportation Revenue Bonds, Series 2008A:

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

Liquidity Agreement Terms - Liquidity for the Bonds is provided by a Standby Bond Purchase Agreement (the Agreement) with JPMorgan Chase Bank (the Bank) dated April 1, 2008 and expiring July 18, 2016.

Terms of Take Out - The Agreement contains a mandatory purchase provision requiring the Bank to purchase the Bonds if the Agreement is not replaced or renewed by the expiration date. If the Bonds were to be purchased by the Bank, then the City would be required to amortize the balance of the Bonds (\$127,360,000 as of the current termination date) over 12 equal quarterly installments beginning 180 days after the date of purchase.

As of September 30, 2014, there were no advances outstanding or bank bonds held under this Agreement.

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

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

Liquidity Agreement Terms - Liquidity for the Bonds is provided by a Letter of Credit and Reimbursement Agreement (the Agreement) with the Bank of America (the Bank) dated July 1, 2008 and expiring July 15, 2016.

Terms of Take Out - The Agreement contains a mandatory purchase provision requiring the Bank to purchase the Bonds if the Agreement is not replaced or renewed by the expiration date. If either i) the Bonds were to be purchased by the Bank or ii) the Bank extends an advance to the City under the Letter of Credit, then the City would be required to amortize the balance of the Bonds (\$56,095,000 as of the current termination date) over 10 equal semi-annual installments beginning 6 months after the date of purchase or advance.

As of September 30, 2014, there were no advances outstanding or bank bonds held under this Agreement.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

8. LONG-TERM OBLIGATIONS (continued)

H. Non-Asset Debt:

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

Series 1993	Jacksonville Port Authority	\$	2,551
Series SR 2012C bonds	Shands Jacksonville Medical Center		39,725
Series SR 2012E bonds	Jacksonville Port Authority		34,340
<u>Better Jacksonville Plan (BJP) Transportation Bonds</u>			
Series 2007	Jacksonville Transportation Authority (JTA) road projects		50,387
Special Revenue Bonds, Series 2009B-1	Jacksonville Transportation Authority (JTA) road projects		2,310
Special Revenue Bonds, Series 2010B	Jacksonville Transportation Authority (JTA) road projects		11,811
Special Revenue Bonds, Series 2011B	Jacksonville Transportation Authority (JTA) road projects		17,894
Revenue Refunding Bonds, Series 2012B	Jacksonville Transportation Authority (JTA) road projects		48,055
<u>BJP State Infrastructure Bank Loan</u>			
Loan #1	JTA road projects - BJP		21,417
Loan #2	JTA road projects - BJP		25,638
<u>Other Bond Issues</u>			
Various	Misc. projects - BJP		61,547
Various	Misc. projects – other		42,792
<u>Banking Fund Financed Projects</u>			
Various	Misc. projects – other		62,951
TOTAL		\$	421,418

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

8. LONG-TERM OBLIGATIONS (continued)

I. Defeased Debt:

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

As of September 30, 2014, the City had legally defeased the following bond maturities (in thousands):

<u>Issue</u>	<u>Refunded by</u>	<u>Principal Balance at September 30, 2014</u>	<u>Investment Balance with Escrow Agent at September 30, 2014 (a)</u>
Sales Tax Revenue Bonds, Series Series 1996 (RCR)	Cash Refunded on October 10, 2002	\$14,535	\$14,884
Special Revenue Bonds, Series 2009C	Special Revenue Refunding Bonds, Series 2013A	\$13,750	\$14,384
Special Revenue Bonds, Series 2010A	Special Revenue Refunding Bonds, Series 2013A	\$10,840	\$11,368
Special Revenue Bonds, Series 2010B	Special Revenue Refunding Bonds, Series 2013C	\$15,410	\$16,169
Special Revenue Bonds, Series 2011B	Special Revenue Refunding Bonds, Series 2013C	\$7,000	\$7,514

(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, 2014

8. LONG-TERM OBLIGATIONS (continued)

J. Derivative Instrument Payments and Hedged Debt:

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

The City computed the actual synthetic rate for both swaps for the year ended September 30, 2014 by adding the net swap payments to the variable rate interest paid and dividing by the notional amount and determined that the actual synthetic rate fell within 90 to 111 percent of the swap fixed rate. Using the synthetic instrument method as detailed in GASB 53, the swap is deemed an effective hedging instrument and hedge accounting is applied. As a result the accumulated change in fair value of the hedging instrument is included in governmental activities as a deferred outflow of resources and offsets the fair value of the swap liability.

The swap agreements require the City to post cash collateral when the negative market value of the swap exceeds \$25 million equal to the residual exposure. A lower credit rating will also increase the amount of collateral required. The table below summarizes the key elements of the swaps as of September 30, 2014. The fair values were obtained by the counter-parties' mark-to-market reports submitted to the City.

	SIFMA Index	67% LIBOR
	Transportation Revenue Refunding Bonds, Series 2008B ⁽¹⁾	Transportation Revenue Refunding Bonds, Series 2008B ⁽¹⁾
Bond Series	Bonds, Series 2008B ⁽¹⁾	Bonds, Series 2008B ⁽¹⁾
Counterparty (Rating)	Wells Fargo (Aa3)	Wells Fargo (Aa3)
Effective Date	July 1, 2003	September 30, 2004
Maturity Date	October 1, 2020	October 1, 2027
Notional Amount Outstanding	\$30,950,000	\$61,000,000
Variable Rate Received ⁽²⁾	0.058%	0.107%
Fixed Rate Paid	4.010%	3.455%
Change in Fair Value - Current Year	\$911,227	\$591,323
Underlying Fair Value at Fiscal Year End	(\$3,589,716)	(\$8,425,422)
Net Swap Interest	(\$1,223,236)	(\$2,042,305)

(1) On May 14, 2008, the Series 2008B bonds refunded the Series 2003 Transportation Revenue Bonds and Series 2004A Transportation Revenue Bonds. The 2008B bonds were issued as uninsured variable rate demand bonds, which were remarketed every 7 days. On October 23, 2012, the 2008B bonds were converted to a new Index Rate mode bearing interest at the rate of 67% of LIBOR plus an applicable spread. The 2008B bonds will not maintain liquidity support during the Index Rate mode period (initially three years).

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

Credit Risk - As of September 30, 2014, the City was not exposed to credit risk (the risk of economic loss due to a counterparty default on the swap agreements) because each swap had a negative fair value. However, should interest rates change and the fair values of the swaps become positive, the City would then be exposed to credit risk in the amount of the swap's fair value.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

8. LONG-TERM OBLIGATIONS (continued)

J. Derivative Instrument Payments and Hedged Debt (continued)

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

As of September 30, 2014, the City has two floating-to-fixed rate swaps outstanding. The agreement dated January 23, 2003 (the "2003 Swap") provides that the City receive a variable rate payment based on the SIFMA index. The agreement dated August 23, 2004 (the "2004 Swap") provides that the City receive a variable rate payment of 67% of the one month LIBOR rate. On October 1, 2012, the City's outstanding bonds related to the two swaps were converted to a variable Index Rate mode based on 67% of the one month LIBOR rate plus a spread. Therefore, the City is exposed to basis risk on the 2003 Swap. The City is currently not exposed to basis risk on the 2004 Swap.

Market Risk - As of September 30, 2014, the swaps expose the City to market risk (the risk of loss due to the pricing of the swap under the current economic environment) because each swap currently has a negative fair value. If the swaps were to be terminated under the current economic conditions, the City would be liable to the counterparty for a make-whole payment in the amount equal to the negative fair value.

Using rates as of September 30, 2014 and assuming the rates are unchanged for the remaining term of the bonds, the following table shows the debt service requirements and net swap payments for the City's hedged variable rate bonds.

Fiscal Year Ending 9/30	Variable-Rate Bonds			Swap Interest Payments			Total Bonds and Swaps
	Principal	Interest	Total	Fixed Pay	Var. Received	Net Pay	
2015	\$ 5,695	\$ 674	\$ 6,369	\$ 3,136	\$ 72	\$ 3,064	\$ 9,433
2016	5,955	632	6,587	2,914	68	2,846	9,433
2017	8,915	589	9,504	2,587	62	2,525	12,029
2018	8,990	525	9,515	2,248	55	2,193	11,708
2019	9,285	460	9,745	1,896	49	1,847	11,592
2020-2024	32,945	1,384	34,329	5,373	159	5,214	39,543
2025-2029	21,320	394	21,714	1,112	34	1,078	22,792
2030-2034	-	-	-	-	-	-	-
	<u>\$93,105</u>	<u>\$4,658</u>	<u>\$97,763</u>	<u>\$19,266</u>	<u>\$499</u>	<u>\$18,767</u>	<u>\$116,530</u>

The above chart is based upon actual rates as of September 30, 2014. The bond and swap rates as of fiscal year end were as follows:

City of Jacksonville \$47,775,000 Transportation Revenue Bonds, Series 2003 (refunded by the Series 2008B bonds):

The 35-day Index Rate reset was 0.724%

The BMA rate for swap receipts was 0.041%

City of Jacksonville \$80,275,000 Transportation Revenue Refunding Bonds, Series 2004A (refunded by the Series 2008B bonds):

The 35-day Index Rate reset was 0.724%

The 67% of LIBOR rate for swap receipts was 0.104%

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

8. LONG-TERM OBLIGATIONS (continued)

K. Conduit Debt:

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

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

As of September 30, 2014, the City had \$232,138,649 IDB's and PAB's total principal outstanding. From time to time, certain issues of such conduit debt may be in default or under investigation as to tax-exempt status of interest on such debt, however, this has no effect on the City's financial position.

As of September 30, 2014, the City had a total of \$77,445,000 in conduit debt consisting of Jacksonville Housing Finance Authority (JHOFA), formerly Duval County Housing Finance Authority (DCHFA), Single Family and Multi-Family Bonds outstanding. The amount of Single Family Housing Revenue Bonds outstanding was \$6,565,000. The amount of Multi-Family Housing Bonds outstanding was \$70,890,000. Refunding of previous issues make up \$23,695,000 of the total amount outstanding.

As of September 30, 2014, additional conduit debt includes \$992,105,068 Jacksonville Health Facilities Authority (JHFA) Bonds outstanding.

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

8. LONG-TERM OBLIGATIONS (continued)

L. Interest Expense:

Total interest expense for the fiscal year ended September 30, 2014 was \$89.2 million for governmental activities and \$12.7 million for business-type activities.

M. Component Unit Long-Term Debt:

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

JEA
21 West Church Street
Jacksonville, Florida 32202

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

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

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

9. PENSION PLANS

The City's pension plans adopted GASB Statement No. 67, Financial reporting for Pension Plans – an amendment of GASB Statement No. 25, Financial reporting for Pension Plans required for fiscal periods beginning after June 15, 2013 in fiscal 2014. This Statement modifies financial reporting by state and local government pension plans that present pension trust funds. The City plans to adopt GASB Statement No. 68, Accounting and Financial Reporting for Pension – an amendment of GASB Statement No. 27, required for fiscal periods beginning after June 15, 2014, in fiscal 2015. This Statement modifies accounting and financial reporting by state and local governments for pensions. 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. 27.

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. Plan member contributions are recognized in the period in which the contributions are due. Employer contribution 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

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

The JRS is a single employer, contributory defined benefit pension plan with a defined contribution alternative. JRS includes both the General Employees Retirement Plan (GERP) and the Corrections Officers Retirement Plan (CORP). Effective October 1, 2009, the City added an employee choice defined contribution alternative to the defined benefit plan for all members of the GERP. The City hired a third party administrator to assist employees with the management of their individual accounts within a number of investment options including model portfolios. All full-time City employees, the employees of JEA, JHA and the employees of TPO are eligible to participate in the GERP upon employment.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

9. PENSION PLANS (continued)

B. Plan Description (continued)

(1) Plan Administration (continued)

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

(2) The Jacksonville Retirement System is administered by a nine (9) member Board of Trustees. The Board is comprised of the following officers:

1. The Chief Administrative Officer of the City or designee;
2. The Chief Financial Officer or designee;
3. The Chief Human Resources Officer;
4. The Chairperson of the General Employees' Pension Advisory Committee;
5. The Chairperson of the Corrections Officers' Advisory Committee;
6. A GERP retiree chosen by the Retired Employees' Association;
7. A retired corrections officer chosen from the Corrections Officers' Advisory Committee
8. Two citizens appointed by the City Council with professional experience in finance, investments, economics, pension management, pension administration and/or accounting.

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

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

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

9. PENSION PLANS (continued)

B. Plan Description (continued)

(3) **Plan Membership** – Pension plan membership consisted of the following:

	Jacksonville Retirement System		
	General	Corrections	Police
	Employee	Officers	and Fire
	Pension Plan	Pension Plan	Pension Plan
Membership:	As of 10/1/2013	As of 10/1/2013	As of 10/1/2013
Retirees and beneficiaries currently receiving benefits	4,896	148	2,123
Deferred Retirement Option (DROP) participants	NA	126	542
Terminated employees vested, not yet receiving benefits	78	1	60
Active employment plan members:			
Vested	3,339	328	1,852
Non-vested	1,800	303	298
Total plan membership	10,113	906	4,875

(4) **Plan Benefits Provided** - The GERP is open to employees of the JEA, JHA (Jacksonville Housing Authority), TPO (North Florida Transportation Planning Authority), and City of Jacksonville, other than police officers and firefighters. Appointed officials and permanent employees not in the civil service system may opt to become members of the Retirement System. Elected officials are members of the Florida Retirement System Elected Officer Class. Participation in the Retirement System is mandatory for all full time employees of the City who otherwise meet the requirements for participation. Members of the GERP are eligible to retire with a normal pension benefit upon achieving one of the following:

- (a) Completing thirty (30) years of credited service, regardless of age;
- (b) Attaining age fifty-five (55) with twenty (20) years of credited service; or
- (c) Attaining age sixty-five (65) with five (5) years of credited service.
- (d) There is no mandatory retirement age.

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

Each member and survivor is entitled to a cost of living adjustment ("COLA"). The COLA consists of a three (3) percent increase of the retiree's or survivor's pension benefits, which compounds annually. The COLA commences in the first full pay period of April occurring at least 4.5 years (and no more than 5.5 years) after retirement. In addition, there is a supplemental benefit. The supplemental benefit is equal to five dollars (\$5) multiplied by the number of years of credited service. This benefit may not exceed one-hundred and fifty dollars (\$150) per month.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

9. PENSION PLANS (continued)

B. Plan Description (continued)

(4) Plan Benefits Provided (continued) -

The Corrections Officers' Retirement Plan is open solely to corrections officer employees of the City. Participation in the Retirement System is mandatory for all full time corrections officers of the City who otherwise meet the requirements for participation. Members of the Corrections Officers' Retirement Plan are eligible to retire with a full pension benefit upon achieving one of the following:

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

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

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

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

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

The Deferred Retirement Option Program ("DROP") is a program in which a member defers receipt of normal retirement benefits while continuing employment with the City. Upon electing to participate in the DROP, a member must submit forms prescribed by the Board including (1) a written election to participate in the DROP; and (2) a selection of DROP participation and retirement dates. If you elect to participate in the DROP, you must terminate your employment with the City of Jacksonville and retire from service no later than the end of the DROP participation period you designate. Upon the effective date of participating in the DROP, a member's years of service and final monthly compensation become frozen for purposes of determining pension benefits. Additional service beyond the date of DROP participation no longer accrues any additional benefits under the Retirement System.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

9. PENSION PLANS (continued)

B. Plan Description (continued)

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

PENSION CONTRIBUTIONS

(in thousands)

	Jacksonville Retirement System		
	General Employee Pension Plan	Corrections Officers Pension Plan	Police and Fire Pension Plan
Required Employee Contribution Rate	8%	8%	7%
Employee Contributions for Fiscal Year Ended 2014	\$20,961	\$2,253	\$11,584
Required Employer Contribution Rate	28.21%	49.93%	110.85%
Employee Contributions for Fiscal Year Ended 2014	\$70,754	\$12,779	\$150,520
Pension base covered payroll for Fiscal Year 2013	\$265,405	\$27,871	\$134,521

C. Pension Investments

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

Asset Class	Jacksonville Retirement System	Police & Fire Pension Fund
	Target	Target
Domestic equity	35%	35%
International equity	20%	20%
Fixed Income	19%	22%
Real estate	25%	15%
MLPs/Energy		8%
Cash	1%	0%
Total	100%	100%

There were no changes in the investment policy in the current year. There are no individual investments in JRS or PFPF Systems that exceed 5% of plan assets at September 30, 2014.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

9. PENSION PLANS (continued)

C. 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, 2014 the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 11.52% for the Jacksonville Retirement System and 10.73% for the Police and Fire Pension Fund.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (net of investments expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocations as of October 1, 2013 are summarized below:

	Jacksonville Retirement System	Police & Fire Pension Fund
Asset Class	Long-Term Expected Real Rate of Return	Long-Term Expected Real Rate of Return
Domestic equity	6.45%	5.40%
International equity	6.95%	5.50%
Fixed Income	1.65%	1.30%
Real estate	4.25%	4.50%
MLPs/Energy		5.50%
Cash	0.85%	1.40%

D. City of Jacksonville Retirement System: Financial Information

- (1) **The Statement of Fiduciary Net Position** – Jacksonville Retirement System – for the year ended September 30, 2014 is as follows (in thousands):

ASSETS

Equity in cash and investments.....	\$ 30,547
Receivables	6,042
Investments, at fair value	1,985,157
Capital assets, net of depreciation.....	9
Securities Lending Collateral.....	74,569
TOTAL ASSETS.....	2,096,324

LIABILITIES

Obligations Under Securities Lending Agreement.....	74,572
Accounts payable and accrued liabilities.....	1,990
Accrued Compensated Absences.....	21
TOTAL LIABILITIES.....	76,583

NET POSITION HELD IN TRUST FOR

PENSION BENEFITS.....	\$ 2,019,741
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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

9. PENSION PLANS (continued)

D. City of Jacksonville Retirement System: Financial Information (continued)

(2) **The Statement of Changes in Fiduciary Net Position** – Jacksonville Retirement System for the year ended September 30, 2014 is as follows (in thousands):

ADDITIONS

Contributions:

Employer.....	\$ 84,371
Plan Member.....	24,109
Total contributions.....	<u>\$ 108,480</u>
Other additions.....	337
Investment income.....	210,721
Securities Lending.....	409
TOTAL ADDITIONS.....	<u>319,947</u>

DEDUCTIONS

Benefits payments.....	158,250
Refunds of contributions.....	27,904
Administrative expenses.....	893
TOTAL DEDUCTIONS.....	<u>187,047</u>

Net change in net position..... 132,900

NET POSITION, BEGINNING OF YEAR, AS

RESTATED..... 1,886,841

NET POSITION, END OF YEAR..... \$ 2,019,741

The above summarized information excludes the defined contribution plan which is addressed in section H. of this note.

- (3) **DROP Benefits** - The deferred monthly retirement benefits accrue in the Corrections Officers' Pension Plan on behalf of the member, plus interest compounded monthly, for the time of DROP participation. The interest paid on the DROP balance accrues at the same rate as the investment portfolio held by the Retirement System. In addition, the Corrections Officers Pension Plan will deduct two (2) percent deduction from base pay and service raise of DROP participants as their member contributions instead of the normal eight (8) percent deduction. Upon termination of employment, the member will receive the total DROP benefits and begin to receive the previously determined normal retirement benefits. The money that accumulates during DROP participation may be distributed in four different manners: (1) the DROP account may be distributed by lump sum, in which all accrued DROP benefits are paid directly to the DROP participant; (2) the DROP benefits may be distributed by direct rollover, in which all DROP benefits are paid to the custodian of an eligible retirement plan as defined in Section 402(c)(8)(B) of the Internal Revenue Code; (3) the DROP benefits may be distributed in a partial lump sum, in which only a portion of the accrued DROP benefits are distributed, with the remaining amount rolled over to a qualified plan; (4) or by monthly distribution paid in bi-weekly amounts, but not to exceed 90 days following actual retirement. The balance of the DROP benefits held in trust for the DROP Participants totaled \$14,849,657 as of September 30, 2014.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

9. PENSION PLANS (continued)

E. City of Jacksonville Retirement System: Net Pension Liability

- (1) **Net Pension Liability:** The components of the net pension liability of the City as of September 30, 2014 were as follows:

	Net Pension Liability		
	Jacksonville Retirement System		
	General	Corrections	Police
	Employee	Officers	and Fire
	Pension Plan	Pension Plan	Pension Plan
Net Pension Liability (in millions):			
Total pension liability	\$ 2,525	\$ 291	\$ 2,876
Plan fiduciary net position	\$ 1,848	\$ 163	\$ 1,473
Net pension liability	\$ 677	\$ 128	\$ 1,403
Net position as a % of total pension liability	73.19%	55.98%	51.22%

Actuarial Methods and Assumptions:

Date of last actuarial valuation	October 1, 2013	October 1, 2013	October 1, 2013
Experience period	Oct 2007 - Sep 2012	Oct 2007 - Sep 2012	Oct 2006 - Sep 2011
Inflation	3.0%	3.0%	2.5%
Salary increases (Long-Term Payroll Inflation)	3.0%	3.0%	4.0%
Investment Rate of Return	7.75%	7.75%	7.00%
Discount Rate	7.75%	7.75%	7.00%
Mortality Tables in use	RP-2000	RP-2000	RP-2000

- (2) **Discount Rate:** The projection of cash flows used to determine the discount rate assumed plan member contributions are made at their applicable contribution rates and that the employer's contributions will be made at rates equal to the actuarially determined contribution rates. Based on these assumptions the Plans' fiduciary net positions are projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on the Plans' investments was applied to all periods of projected benefit payments to determine the total pension liability. Cash flow projections were run for a 120-year period.
- (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					
	<i>(in millions)</i>					
	Discount	General	Discount	Corrections	Discount	Police and
	Rate	Employee	Rate	Officers	Rate	Fire pension
		pension plan		pension plan		Plan
1% Decrease	6.75%	961	6.75%	168	6.00%	1,870
Current Rate	7.75%	677	7.75%	128	7.00%	1,403
1% Increase	8.75%	437	8.75%	96	8.00%	1,021

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

9. PENSION PLANS (continued)

F. Trend Information and Plan Overviews:

(1) Trend information gives an indication of whether the actuarial value of plan assets is increasing or decreasing, including the funding progress, over time in relation to the actuarial accrued liability for benefits. Historical trend information for all three plans, on a year-by-year basis, is included in the accompanying Required Supplemental Information. The annual pension costs for the fiscal year ended September 30, 2014 were \$96.5 and \$149.1 million for JRS and PFPF respectively. Trend information for each of the City's three plans is as follows:

EMPLOYER CONTRIBUTIONS
(in thousands)

Year-end Date	Annual Pension Cost	Percentage Contributed *	Net Pension Obligation (Asset)
General Employees Pension Plan			
9/30/2012	57,471	87%	5,198
9/30/2013	66,730	83%	16,536
9/30/2014	81,567	87%	27,103
Corrections Officers Pension Plan			
9/30/2012	11,847	76%	1,706
9/30/2013	12,910	83%	3,872
9/30/2014	14,939	91%	18,797
Police and Fire Pension Plan			
9/30/2012	90,278	100%	-
9/30/2013	122,020	100%	-
9/30/2014	149,159	100%	-

* The Florida Constitution requires plan contributions be made annually in amounts determined by an actuarial valuation stated as a percent of covered payroll. For Fiscal Years 2012, 2013 and 2014 the City made 100% of the required contribution as a percentage of actual payroll for both General Employees and Corrections Officers Pension Plans.

FUNDING PROGRESS
(in thousands)

Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability	Unfunded Actuarial Accrued Liability	Funded Ratio	Annual Covered Payroll	Unfunded Actuarial Liability as % of Covered Payroll
General Employees Pension Plan						
10/1/2013	1,565,291	2,512,635	947,344	62.30%	265,405	356.9%
Corrections Officers Pension Plan						
10/1/2013	120,947	271,074	150,127	44.62%	27,871	538.6%
Police and Fire Pension Plan						
10/1/2013	1,228,131	2,876,606	1,648,475	42.69%	130,972	1258.6%

Net Pension Obligation and Annual Pension Cost

(Dollar amounts in thousands)	General Employees Pension Plan	Corrections Officers Pension Plan
Annual required contribution (ARC)	81,351	14,885
Interest on net pension obligation	1,364	319
Adjustment to ARC	(1,148)	(265)
Annual pension cost	81,567	14,939
Contributions made	(71,000)	(13,522)
Increase in net pension obligation (asset)	10,567	1,417
Net pension obligation (asset) beginning of year	16,536	3,872
Net pension obligation end of year	27,103	5,289

Note: Police & Fire Pension Plan did not have a net pension obligation or asset as of fiscal year end.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

9. PENSION PLANS (continued)

G. Police and Fire Pension Plan

- (1) Net Position available for benefits are designated pursuant to an agreement between the Police and Fire Pension Plan Board of Trustees and the City effective April 1, 2000, and codified at section 121.306, Jacksonville City Code, include two actuarially computed components, the City Budget Stabilization Account (CBSA) and the Enhanced Benefit Account (EBA). The CBSA, which has a balance of \$45.9 million as of September 30, 2014, was established for the purpose of cushioning actuarial losses in the base benefits fund and giving the City greater flexibility in its funding of the Plan. The EBA, which has a balance of \$33.2 million as of September 30, 2014, was established to hold any remaining State premium tax refunds not assigned to offset City contribution requirements. The base benefits fund consists of the remaining assets pledged to provide fund benefits.
- (2) During the fiscal year, the Plan received a remittance from the State of Florida in the amount of \$10.1 million pursuant to Chapters 175 and 185, Florida Statutes. Such remittances, which are reported as State insurance contributions in the Statement of Changes in Fiduciary Net Position, are generally earmarked for the purpose of offsetting City contribution requirements and providing for enhanced benefits to public safety pension plans throughout the State of Florida. The remittances received by the Plan are governed by State law, City Code and the Restated Agreement between the Plan and the City.

H. Defined Contribution Plan

The City has, by ordinance a Defined Contribution (DC) plan within the Jacksonville Retirement System for GEPP participants as an employee choice alternative to the DB plans. Both employer and employee contributions to the DC plan stated as a percentage of pay were 7.7% and totaled \$1.8 and \$1.8 million for the 2013-14 fiscal year. Employer contributions totaling \$4.1 million were transferred in to the DC plan for participants that converted to DC from DB. 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. Employees can electively change from the DC plan to the DB plan, or vice versa, up to three times within their first five years of participation. Net transfers from participants to the DC plan from the DB plan totaled \$4 million.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

9. PENSION PLANS (continued)

I. Florida Retirement System

- (1) Plan Description - The City also participates in the Florida Retirement System (FRS), a multiple-employer cost-sharing retirement system which covers less than 1% of the City's full-time employees. FRS is a defined-benefit contributory retirement plan, administered by the State of Florida, Division of Retirement. The City payroll for employees covered by FRS was \$2.8 million during the fiscal year; the City's total payroll for all employees was \$423.1 million.

The System provides vesting of benefits after six years of creditable service. Members are eligible for normal retirement after they have met one of the following; (1) after 30 years of service regardless of age; (2) six years of service and age 62; or (3) 25 years special risk service (age 55 if not continuous). Early retirement may be taken any time after completing six years of service; however, there is a 5% benefit reduction for each year prior to normal retirement. Benefits are computed on the basis of age, average final compensation and service credit. Average final compensation is the average of the five highest years of earnings. The System also provides death and disability benefits. Benefits are established by state statutes.

- (2) A. Employer Contributions – For the fiscal years ended September 30, 2014, 2013, and 2012, the City contributed \$735,000, \$411,000, and \$321,000 respectively, to the System for covered employees. For the Fiscal year ended September 30, 2014, the contributions represented less than 1% of the System's total contributions required by all participating employers of 3.0 billion (unaudited). Contributions in fiscal years 2013 and 2012 were also less than 1% of the total contributions required by all participating employers, which amount to approximately \$2.4 and \$2.3 billion per year (unaudited).

B. Employee Contributions: Effective July 1, 2011 the Senate Bill 2100 – Pension Reform was passed, requiring a 3% Employee Contribution for all Plans except DROP. Total employee contributions from October, 1, 2013 to September 30, 2014 were \$67,653.

The City has contributed 100% of the annual required contribution for each of the last three years.

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 at September 30, 2014, of 7.37% for regular members, 19.82% for special risk members, 43.24% for elected county officials, 21.14% for senior management, and 12.28% for DROP Plan members.

- (3) Trend Information - Ten-year historical trend information showing the System's progress in accumulating sufficient assets to pay benefits when due is presented in the System's June 30, 2014 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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

10. POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB)

Plan Description: The City provides retirees with the option to purchase health insurance from the City's single employer, experience-rated health insurance contract plan (Plan) that provides medical benefits to active and eligible retirees at the City's group rate as mandated by Florida Statute 112.0801 and therefore has an implicit rate subsidy benefit for the retirees' participation. As of the valuation date, the Plan had approximately 6,993 active participants and 1,213 retirees receiving benefits. The Plan does not issue a separate publicly available financial report.

Funding Policy: To date, the City has followed a pay-as-you-go funding policy, contributing only those amounts necessary to provide for its portion of current year benefit costs and expenses plus any addition to the reserve for accrued costs incurred but not yet reported, as determined as part of the insurance contract. The contribution requirements of Plan members are established by the City. The City pays any remaining required amounts after contributions of plan members are taken into account. Currently, retired members pay the full premium associated with the coverage elected; no direct City subsidy is currently applicable; however, there is an implicit cost discussed below. Spouses and other dependents are also eligible for coverage, and the member is responsible for payment of the applicable premiums. Plan members contributed \$4.7 million in premiums for fiscal year 2014, representing 35.3% of the total fiscal year 2014 OPEB cost.

State of Florida law prohibits the City from separately rating retirees and active employees. The City therefore assigns to both groups equal, blended-rate premiums. Although both groups are assigned the same blended-rate premiums, GAAP requires the actuarial liabilities to be calculated using age-adjusted premiums approximating claim costs for retirees separate from active members. The use of age-adjusted premiums results in the full expected retiree obligation recognized in this disclosure.

Annual OPEB Cost and Net OPEB obligation: The City's annual other post-employment benefit cost (expense) is calculated based on the annual required contribution of the employer (ARC).

The City has elected to calculate the ARC and related information using the Entry Age Normal Salary Based Cost Method. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal costs each year and to amortize any unfunded actuarial liability (or funding excess) over a period not to exceed 30 years on an open basis. It is calculated assuming a level percentage of projected payroll. Annual requirements include a 3% general inflation rate assumption, a 4.5% discount rate, compounded annually, based on assumptions that the plan will be unfunded. The annual health care cost trend rate was assumed at 7% at September 30, 2014 grading down by 0.5% each year until an ultimate health care cost trend rate is reached in 2018 of 5.0%. The projected salary increase assumption is 4% per year.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

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

The actuarial accrued liability (AAL) was determined as of September 30, 2014, based on the above assumptions and cost method, and applied to member data current at September 30, 2014. Liabilities were developed based on age adjusted costs for retirees currently receiving Plan benefits as of September 30, 2014, with an AAL calculated to be \$131 million, which is unfunded (or 0% funded). The annual covered payroll is \$340 million, resulting in an unfunded AAL of 38.5%. The actuarial calculations reflect a long-term perspective using methods and assumptions that are designed to reduce short-term volatility in AAL and actuarial value of assets. The Plan provisions affecting the valuation were those in effect on September 30, 2014. The calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point.

OPEB Government Accounting Standards Board (GASB) 45 results are not based on the assumption that all members terminate service as of the valuation date, but rather on the assumption that the various forces of decrement-future disablement, future mortality, future termination of employment, and future retirement-continue to be operative.

Plan Obligation: (in thousands)	2014
Annual Required City Contribution (ARC)	\$ 12,982
Interest on Plan Obligation	1,954
Adjustment to ARC	(1,658)
Annual Plan Retiree Cost	\$ 13,278
Contributions Made	(4,691)
Change in Plan Obligation	8,587
Plan Obligation Beginning of Year	43,429
Plan Obligation End of Year	<u>\$ 52,016</u>

At fiscal year-end 2014, the City accrued \$50 million in the Governmental Activities Statement of Net Position, \$1.8 million in the Business-Type Activities Statement of Net Position, \$15,000 in the Jacksonville Housing Finance Authority (JHFA), discretely presented component unit.

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2014 and the preceding years are as follows: (in thousands)

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
9/30/2012	10,856	44.9%	34,266
9/30/2013	13,238	30.8%	43,429
9/30/2014	13,278	35.3%	52,016

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

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

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

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

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 public liability (general liability and automobile liability) and workers’ compensation self-insurance program (“Program”) covering the activities of the City general government, JEA, Jacksonville Housing Authority, Jacksonville Port Authority, and the Jacksonville Aviation Authority.

The Program’s self-insurance fund provides coverage for the workers’ compensation and tort liability of the city, its officers, employees, or agents. It is established pursuant to Jacksonville City Ordinance, Chapter 128. The Program is a combination of self-insurance, coupled with a layer of excess coverage to mitigate aberrant and substantial unexpected losses.

While the City self-insures for automobile liability and automobile first party property damage, general liability and workers’ compensation; it transfers its risk through the purchase of insurance for its other exposures. As a result of various contractual requirements, the City procures several miscellaneous general liability policies. The following schedule indicates the major categories of policies purchased to transfer risk. The City also purchases Watercraft (P&I)/Hull, Wharfinger Liability, Fine Arts, Out of State Automobile Liability, and General Liability (Rails to Trail, Power Lines Easement, Riverwalk, and Voting Precincts) to transfer risk. The following policies are subject to sublimits, policy aggregates (where applicable) terms, conditions and exclusions as noted in the policies. Coverages are applicable to specific entities named as a named insured.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

12. RISK FINANCING (continued)

Major Categories of Policies purchased to Transfer Risk (unaudited)

Coverages	Limits Occurrence and Aggregate	Retentions/Deductibles
General Liability (City, JEA, JPA, JHA and JAA) - Casualty Package	\$ 5,000,000	\$ 1,500,000 ⁽¹⁾
Automobile Liability	\$ 1,000,000	\$ 1,500,000 ⁽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⁾
Workers' Compensation Aircraft - \$1,000,000 Anyone Life (Coverage a & b)	\$ 5,000,000	\$ 1,250,000
Property (Real & Personal Property)	\$ 400,000,000	\$ 100,000 ⁽²⁾
Property Terrorism (includes a Bodily Injury \$10,000,000 Sublimit)	\$ 100,000,000	\$ 100,000
Boiler and Machinery	\$ 100,000,000	\$ 50,000
Employee Fidelity	\$ 5,000,000	\$ 75,000 ⁽³⁾
Aircraft Liability	\$ 20,000,000	\$ -
Aircraft Physical Damage (Schedule Value)	\$ 6,733,734	Various/Per Schedule ⁽⁴⁾
Watercraft (P&I)	\$ 10,000,000	\$ 2,000
Watercraft Physical Damage	\$ 8,908,870	Various/Per Schedule ⁽⁴⁾
Wharfingers Liability	\$ 5,000,000	\$ 1,000
Fine Arts - Scheduled Value	\$ 2,708,950	\$1,000/2% Named Windstorm
Out of State Automobile Liability	\$ 1,000,000	\$ -
Rails to Trail General Liability	\$ 3,000,000	\$ 1,000
Power Lines Easement General Liability	\$ 2,000,000	\$ 500
Riverwalk General Liability	\$ 5,000,000	\$ 5,000
Voting Precincts General Liability	\$ 1,000,000	\$ 500

(1) Starr Insurance Company discontinued their Florida Municipal Package and issued non-renewal notices to all insureds. Starr Municipal Package included General Liability, Police Professional and Worker's Compensation Coverage. Effective 10/1/2013, the City afforded coverage through Lloyd's of London Brit program. The Casualty Package includes, but is not limited to, General Liability, Law Enforcement Liability, Public Officials/Employment Liability, Automobile and a Workers' Compensation Buffer Layer. N.Y. Marine and General Liability is providing Excess Worker's Compensation Coverage which includes a retention of \$1.5 million with a \$500,000 Otherwise Recoverable/Corridor Deductible excess of \$1.5 million per occurrence.

(2) The property policy deductible for named windstorm losses is equal to 5% of total values of the locations involved in the occurrence, Named Storm (applying once to each combined Wind and Flood loss from the same Named Storm) subject to a minimum deductible of \$500,000 and maximum of \$25 million per occurrence, inclusive of the maximum deductible apply to Duval County Unified Courthouse \$5 million, Jacksonville Municipal Stadium \$5 million, Times Union Center for the Performing Arts \$3.5 million, Main Library \$3.5 million, Jacksonville Veterans Memorial Arena \$2.5 million and Ed Ball Building \$2.5 million. The affected locations individual maximum deductibles are inclusive of the \$25 million Named Storm deductible. The policy also has \$25,000 deductibles that apply to Jacksonville Port Authority Equipment Floater, Fine Arts (Excess over other collected insurance) and Property in Transit and Electronic Data Program Equipment and Media. The policy includes Service Interruption coverage with a 24 hours waiting period.

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

(4) Aircraft physical damage deductibles are for aircrafts not in motion or in motion: (1) \$1,000 is for rotor wings not in motion and \$250 fixed wings; 5% of hull not to exceed \$25,000 value for rotor wings in motion and \$1,000 fixed wings (varies per schedule). Watercraft physical damage deductibles are in the range of \$100 to \$55,000. These deductibles are based upon the vessel value.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

12. RISK FINANCING (continued)

The Division performs the following functions internally: loss prevention, workers' compensation claims, general liability and automobile liability claims, purchase of insurance for its other exposures, and related management activities.

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 Year. The City's Self-Insurance Program liability is established at the expected confidence level on a 3% discounted basis in the amount of \$95,168,000 for General and Automobile Liability, and Workers' Compensation. Actuarial ULAE projections of \$7,715,000 on a 3% discounted basis at the expected confidence level of 55% are not included.

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. Projected ultimate claims payment experience is as of the end of each fiscal year, even though some payments may not be made until a later date.

The City maintains separate fiscal year accounting, which allows any excess revenues available to be returned to the City itself, and component units and the accumulation of an operating reserve authorized by the City of Jacksonville Ordinance Code Section 106.106. As of September 30, 2014, the City has available excess revenues in the Self-Insurance fund of \$3,222 (in thousands) and an operating reserve in the amount of \$305 (in thousands) for a combined net position of \$3,527 (in thousands).

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

12. RISK FINANCING (continued)

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

SELF-INSURANCE FUND
CHANGES IN AGGREGATE CLAIMS LIABILITIES HISTORY (Including ULAE)
FOR THE YEARS ENDING SEPTEMBER 30
(in thousands)

	General/Auto Liability		Workers' Compensation		Totals	
	2014	2013	2014	2013	2014	2013
Unpaid claims and claims adjustment expenses at beginning of fiscal year	\$12,430	\$11,280	\$85,005	\$85,867	\$97,435	\$97,147
Incurring claims and claim adjustment expenses:						
Provisions for insured events of the current fiscal year	5,127	3,843	9,945	9,376	15,072	13,219
Increases (decreases) in provision for insured events of prior fiscal years	1,118	2,422	15,402	9,847	16,520	12,269
Total incurred claims and claim adjustment expenses	6,245	6,265	25,347	19,223	31,592	25,488
Payments:						
Claims and claim adjustment expenses attributable to insured events of current fiscal year	1,776	1,443	4,256	3,762	6,032	5,205
Claims and claim adjustment expenses attributable to insured events of prior fiscal year	4,269	3,672	15,843	16,323	20,112	19,995
Total Payments	6,045	5,115	20,099	20,085	26,144	25,200
Total unpaid claims and claim adjustment expenses at end of fiscal year	\$12,630	\$12,430	\$90,253	\$85,005	\$102,883	\$97,435

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

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

	General/Auto Liability		Workers' Compensation		Totals	
	2014	2013	2014	2013	2014	2013
Current Liability:						
Estimated Liability for self-insured	\$ 6,775	\$ 6,972	\$ 17,063	\$ 18,246	\$ 23,838	\$ 25,218
Noncurrent liability:						
Estimated Liability for self-insured	5,855	5,458	73,190	66,759	79,045	72,217
Total Liability	\$ 12,630	\$ 12,430	\$ 90,253	\$ 85,005	\$ 102,883	\$ 97,435

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014**

13. OTHER REQUIRED INDIVIDUAL FUND AND COMPLIANCE DISCLOSURES

A. Compliance with Finance Related Legal and Contractual Provisions:

In the opinion of management, the City has no violations of finance related legal and contractual provisions.

B. Fund Deficits:

The following individual funds had a fund deficit at September 30, 2014, (in thousands):

	<u>Net Position</u>
Capital Project Funds	
Better Jacksonville Plan	(\$14,048)

The Better Jacksonville Plan has experienced a shortfall of dedicated Sales Tax Revenue collections due to the economic downturn and subsequent slow recovery. Expenditures exceeded anticipated revenues in the short term. The deficit is expected to be eliminated through improving Sales Tax collections in the near future.

Enterprise Funds	
Veterans Memorial Arena	(\$1,837)

The Veterans Memorial Arena fund incurred expenditures in excess of revenues during the fiscal year that will be funded by future operations and additional debt service transfers for Arena asset financing.

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

13. OTHER REQUIRED INDIVIDUAL FUND AND COMPLIANCE DISCLOSURES

C. Landfill Closure and Postclosure Care Costs:

The State of Florida's Solid Waste Management Act of 1988 and regulations of the U.S. Environmental Protection Agency (EPA) and the State of Florida Department of Environmental Protection (FDEP) require the City to be responsible for constructing and maintaining the final landfill cover, monitoring ground water and methane gas, and continuing leachate management 30 years after its municipally owned landfills stop accepting solid waste and are closed. The estimated total costs of municipal solid waste landfill (MSWLF) closure and post closure (long-term) care costs reported by the City are based upon professional consulting engineers' studies prepared annually pursuant to rules promulgated by EPA and FDEP. However, existing EPA and FDEP closure and long-term regulations may change which might require the City to revise its MSWLF cost estimates used in the future.

MSWLF costs, for open landfills, are recognized in accordance with GASB Statement No. 18, Accounting for Municipal Solid Waste Landfill Closure and Post Closure Care Costs. A liability of the Solid Waste Disposal Enterprise Fund is recorded based upon landfill capacity used at fiscal year-end and a current operating expense of the Fund in the fiscal year in which the MSWLF costs are recovered through earned, operating revenue. Expenses for closure and long-term care costs are funded from future operating revenues of the Solid Waste Disposal fund and bond proceeds. As noted in Note 1. P, the application of SFAS No. 71 resulted in certain costs being capitalized and amortized to later periods. The City obtained bond proceeds to support closure and long-term care cost for North and East landfills and Picketville Waste Site. At September 30, 2014 the deferred balance of the capitalized cost is \$6.1 million, which during the year the City amortized \$2.5 million.

Active Landfill – Trail Ridge

The closure and long-term liability for Trail Ridge as of September 30, 2014 is \$43.5 million which represents a decrease of \$12.4 million compared to the preceding year. This decrease 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 80%, with an estimated remaining life of 30 years.

Inactive Landfills – North and East

North and East landfills closed October 1999 and April 1992, respectively. The long-term liability for North and East as of September 30, 2014 is \$3.8 million for 4 years and \$408 thousand for 1 year, respectively. When compared to the preceding year, the liability balances decreased \$1.3 million in aggregate, due to adjustments for current annual closure cost estimates and costs paid for performing and monitoring closure work.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

13. OTHER REQUIRED INDIVIDUAL FUND AND COMPLIANCE DISCLOSURES

C. Landfill Closure and Long-term Care Costs: (continued)

Annually, the City is required by Chapter 62-701.630 of the Florida Administrative Code, to accumulate resources for payment of closure and long-term care cost. The City is in compliance with these requirements. As of September 30, 2014 \$25,805,159, which includes \$1,010,243 for accelerated payments, have been accumulated for payment of closure and long-term care cost (see summary below). Accelerated payments are payments in excess of the required financial assurance balances that are held in reserves for contingencies and are used to offset future operational cost.

	<u>Trail Ridge</u>	<u>North</u>	<u>East</u>	<u>Total</u>
Current cost of closure	\$ 23,430,770	\$ -	\$ -	\$ 23,430,770
Annual cost of long-term care	-	955,681	408,465	1,364,146
Accelerate funds above state minimum	<u>1,010,243</u>	<u>-</u>	<u>-</u>	<u>1,010,243</u>
Total balance in escrow account	<u>24,441,013</u>	<u>\$ 955,681</u>	<u>408,465</u>	<u>25,805,159</u>

14. LESSOR OPERATING LEASE

A. Jacksonville Jaguars, Inc. - The City has entered into a lease dated September 7, 1993, pursuant to which the City leases EverBank Field, a City owned stadium, and adjacent practice facilities to the Jacksonville Jaguars, Inc. (Jaguars) for a period of 30 years from the first National Football League (NFL) regular season play in 1995; Amendment 5, executed September 6, 2002, extends the lease an additional five years. The City uses the Everbank Field enterprise fund to record the stadium, practice facilities, other related capital assets, and all the related revenues and expenses from use of the stadium and practice facilities under this lease agreement.

The lease entitles the Jaguars to use the stadium on game days, for practices and summer training camp, and for the period necessary before game days. During other periods of time, the City has the right to use the stadium, except for certain administrative spaces, training facilities, suites, and other areas that are for the exclusive use of the Jaguars.

For the first five years, rent is deferred in the amount of \$250,000 per year; in years 6-10 rent is \$500,000 per year; in years 11-20 \$1,000,000; and in the final 15 years \$1.25 million, including the lease extension. Amendment 8, executed January 2006, reduced the total Jaguars rent obligations by \$8,600,000, which was provided through rental reductions in the amount of \$1,433,333 for six payments beginning with the November 2005 payment through the June 2008 payment.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

14. LESSOR OPERATING LEASE (continued)

A. Jacksonville Jaguars, Inc. (continued)

Amendment 8 also reduces supplemental lease obligations, with the City's acceptance of payment from the Jaguars in the amount of \$10,197,891 for the full satisfaction of amounts due for Super Bowl net revenues. Rents from years 11 through the end of the lease are subject to escalation based on one-half of any increase in the Consumer Price Index, but not to exceed 2.5% per year.

In addition, the Jaguars are obligated to pay supplemental rent in an amount equal to the annual debt service incurred by the City for certain costs of renovation of \$53.1 million requested by the Jaguars over a 30 year period with interest computed on a tax-exempt basis; inclusive of Amendment 7 executed May 27, 2004.

The lease generally permits the City to retain revenues from City events at the stadium, with some exceptions. Amendment 8 outlines provisions for advertising revenue generated from electronic signage for different stadium functions. The City is required to provide electricity, water and sewer services for the stadium at its expense. The City must maintain the stadium and all leasehold improvements. Per Amendment 8, the City agreed to provide \$1,000,000 for additional electronic signs. The City is required to pay for game day personnel, excluding concessions, on the days of Jaguar games. Amendment 8 gives the Jaguars the responsibility to provide concessions to all events within the concessions area. The Jaguars retain all net revenues from concessions and similar sales on NFL game days. The lease obligates the Jaguars to maintain its franchise at the stadium in Jacksonville and to not relocate unless it pays the City certain guaranteed amounts.

Amendment 9 outlines a revenue sharing agreement for the stadium naming rights and provides the parameters for the marketing of the stadium name. Also, Amendment 9 details additional advertising rights and allows for certain fixed signage at the stadium. However, the subsequent naming rights agreement with EverBank eliminated the City participation in revenue generated from the stadium naming rights.

Amendment 10 outlines the accepted procedures for the use of the City established Sports Complex Capital Maintenance Fund. The agreement allows the Jaguars to advance fund certain capital, repair and maintenance projects at the stadium and receive reimbursement from the City. Amendment 10 also establishes the procedures for the creation of the related capital improvement plan.

Amendment 12 outlines provisions of various improvements to the stadium, including new video boards, renovations and improvements to the North End Zone (NEZ), and stadium Wi-Fi improvements. Total project improvements cost over \$60 million, with the City financing approximately \$44 million.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

14. LESSOR OPERATING LEASE (continued)
A. Jacksonville Jaguars, Inc. (continued)

A summary of scheduled lease payments is as follows:

<u>Year</u>	<u>Payment</u>
2015	3,960,040
2016	4,768,677
2017	4,749,626
2018	4,734,719
2019	4,718,763
2020 - 2024	20,242,264
2025 - 2029	31,100,431
2030	3,074,554

The Jaguars Operating Lease is subject to the rental provisions of GASB #13 – Accounting for Operating Leases with Scheduled Rent Increases.

The Base Rental associated with the startup of operations and the initial capital costs for transforming the stadium to an NFL stadium has deferred rents for the first five years and then scheduled rent increases throughout the term of the lease, Amendment #8 in FY2005 providing rental credits of \$2,866,666 in FY2006, FY2007, and FY2008, which reduced the rental payment in each of those years. Paragraph 6 of GASB #13 states that “Sometimes an operating lease with scheduled rent increases contains payment requirements in a particular year or years that are artificially low when viewed in the context of earlier or later payment requirements.” This occurred with the base rental of the Jaguars contract. Paragraph 6 guidance states that the operating lease transactions should be measured utilizing one of two measures, with Paragraph 6a being “The operating lease transactions may be measured on a straight-line basis over the lease term.” The City has recorded a deferred rent receivable of \$10,860,721 due to the application of GASB #13 based on the difference in the actual rent paid and the calculated straight line rent.

In analyzing the lease, there are two conditions that could affect the collection of the deferred rent receivables. The lease has been modified twelve times since the original agreement, providing for rent reduction as noted in amendment #8. Based on this history of amending the lease, there is uncertainty and a potential for other rental reductions or deferments which could put the collection of the deferred rent receivables at risk. Additionally, the lease has several paragraphs concerning early termination of the contract and provides the City of Jacksonville reasonable liquidated damages in the circumstance of the Jaguars leaving the City. This termination provision, in effect, makes the rental collection subject to a year by year basis. The City has an offsetting allowance for the entire \$10,860,721 deferred rent receivables. As payments are made, the deferred receivables and allowance are adjusted accordingly.

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014**

14. LESSOR OPERATING LEASE (continued)

B. Shands Jacksonville

Under an agreement with a not-for-profit corporation, Shands Jacksonville, also known as University of Florida Health (UFHealth), the City leases to Shands certain capital assets, principally land and buildings, over a term to September 30, 2027 with an option to renew for an additional forty years to 2067 at \$1 per year. In addition, Shands is to be a full service hospital in support of the indigent care programs of the City of Jacksonville and Duval County under the agreement. Shands is to maintain, in good condition, and make improvements and betterments to the Hospital as necessary over the life of the lease. At termination of the lease, all leased property shall revert to the City as a general government asset.

15. LITIGATION, CONTINGENCIES, AND COMMITMENTS

A. Litigation:

The City is named as party in legal proceedings which occur in the normal course of government operations. Such litigation includes, but is not limited to, claims asserted against the City arising from alleged torts, including claims under the public liability in the Self Insurance Fund, alleged breaches of contract, condemnation proceedings and other alleged violations of state or federal laws.

The City self-insures itself through general liability and workers compensation programs for most claims asserted against the City. For all amounts that are probable of loss the City records an estimated liability in the Self Insurance internal service fund. For amounts where it is not possible at the present time to estimate the ultimate outcome or liability, if any, to the City for the proceedings no accrual is recorded. It is the City's opinion that the ultimate liability in these litigation matters, if any, that have not been accrued, is not expected to have a material adverse effect on the City's financial position.

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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

15. 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). The Division administers the public liability (general liability and automobile liability) and workers' compensation self-insurance program covering the activities of the city general government, JEA, Jacksonville Housing Authority, Jacksonville Port Authority, and Jacksonville Aviation Authority under the City's Ordinance Code Chapter 128. The City purchases commercial insurance for workers' compensation claims with a \$1.25 million self-insured retention, a \$250 thousand buffer and a \$500 thousand aggregate corridor deductible for claims in excess of \$1.5 million. The buffer and corridor allow for a lower City exposure despite marketplace demands for the City to have a self-insured retention much higher than \$1.25 million. 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 insurance including real and tangible property. The self-insured programs of the City, which are included in the Self-Insurance Internal Service Fund, are funded on a dollar-for-dollar basis determined actuarially for the estimated losses for claim development and incurred but not reported claims, and unallocated loss adjustment expenses. Claims are reserved on ultimate probable cost basis.

D. Pollution Remediation:

Governmental Accounting Standards Board Statement No. 49 Accounting and Financial Reporting for Pollution Remediation Obligations (GASB 49) provides accounting and financial reporting for pollution remediation obligations. While GASB 49 does not require the City to search for pollution, it does require the City to reasonably estimate and report a remediation liability when any of the following obligating events has occurred:

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

The City recorded a pollution remediation liability as of September 30, 2014 of approximately \$164 million (See Note 8. C for schedule) using the expected cash flow technique. Under this technique, the City estimated a reasonable range of potential outlays and multiplied those outlays by their probability of occurring. However, this liability could change over time due to changes in cost of goods and services, changes in remediation technology, or changes in laws and regulations governing the remediation efforts. The following paragraphs provide further details on the more significant sites.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

15. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)

D. Pollution Remediation: (continued)

Whitehouse Waste Oil Pits Superfund Site

The US Environmental Protection Agency (USEPA) identified the City as a potential responsible party (PRP) at the *Whitehouse Waste Oil Pits Superfund Site* in western Duval County. The City and other (PRPs) participated in the USEPA's Pilot Allocation Project which resulted in the USEPA assuming as much as 65% of the liability at the site, with the City being allocated less than 10% of the liability.

The USEPA estimates \$20 million site costs, with the City paying approximately \$2 million over the life of the project (which includes a 30 year operations and maintenance period). Site work was substantially complete in October 2006 when operations and maintenance work began. The PRPs have more than \$1.9 million on deposit to fund operations and maintenance; however until USEPA officially declares the remedial action complete, the prospect for additional work remains. In January 2008, the City met with adjacent property owners to negotiate the purchase of additional private property to account for the location of the remedial berm. Negotiations are ongoing, with the estimated additional purchase within the limits of the remaining funds contributed by PRPs. 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. Florida Department of Environmental Protection (FDEP) has submitted a demand to the PRPs to assess the site further to determine the extent of contamination that may remain after the removal action. The liability to FDEP is being assessed, but the site may be eligible for the state-funded cleanup program, relieving the City of any financial exposure. Because of the uncertainty of this event, no accrual has been recorded.

Ash Sites

The City has identified four sites that were used for incinerator ash waste. The common practice during the 1950s and 1960s was to incinerate garbage and then mix the residual ash waste with other soil and use it as fill dirt. The City and the USEPA signed an agreement in 1999 to develop a plan to remediate the four sites. In order to make the sites and surrounding areas safe from a variety of residual pollutants, the City has proposed to the EPA a plan to clean up the areas by removing the top two feet of soil, placing a barrier, and then replacing the topsoil with untainted dirt. The project is estimated to take several years to complete once started and a cost estimate of \$75.4 million has been accrued based on the City's estimate used in its five year capital project plan.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

15. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)

D. Pollution Remediation: (continued)

Other Sites

FDEP had identified five sites of potential liability the City is responsible for. These sites are: *Burke St. Lime Pitts, Doe Boy Dump Site, Gold Merit/Pope Plan, Confederate Park, and Southside Incinerator Site.*

These projects, which are estimated to take several years to complete once started, have an estimated cost of \$50.2 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 \$36 million has been accrued for their estimated liability based on their inclusion in the City's five year capital projects plan.

The liability for *Picketville Waste Dump Site* at September 30, 2014, of \$0.3 million is based on the most recent estimate by the Federal Government of the City's allocated share of the clean-up and long term care cost of the site under a Participation Agreement and Consent Decree with the USEPA. The City was identified as a responsible party, sharing 65% of the total clean-up costs.

E. Garage Development Agreement:

The City entered into agreements for a private developer to construct and operate three parking garages. Two of the garages are to support the sports complex and the other is to support a new courthouse site. The current agreement provides an operating subsidy to support debt service, operating deficits, required reserves, and percentage return of equity, totaling approximately \$4 million per year. Associated therewith, the City has options to buyout the current business arrangement, refinance the related non-city debt and assume operational control thereof.

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

15. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)

F. Construction and other significant Commitments: At September 30, 2014, the City had significant commitments for the following projects (in thousands):

General Government	
Southbank Riverwalk	4,291
State Attorney's Office	4,217
Miscellaneous Construction	3,321
LaVilla Brooklyn Project	2,663
Replacement Vehicles	2,174
Professional Services	1,820
Environmental Cleanup	607
Water Street Parking Garage	511
Public Safety	
Security Guard Services	1,933
Physical Environment	
Ash Site Remediation	15,193
Drainage	6,316
Contractual Services	1,057
Professional Services	905
Trailridge Landfill	748
Stormwater	665
Miscellaneous	623
Transportation	
Public Works Road Projects	1,657
Resurfacing	3,593
Southbank Riverwalk	1,202
Patton Park	1,000
Timicuan Bike Trail	803
Economic Environment	
Bay/Hogan Garage	3,500
Miscellaneous	608
Edward Waters College	550
Pinnacle Project	722
Professional Services	611
Southbank Riverwalk	1,929
Human Services	
Subsidies & Contributions to private organizations	5,805
Contractual Services	819
Culture/Recreation	
Contractual Services	761
Everbank Field End Zone	678
Parks	3,216
	<u><u>\$ 74,498</u></u>

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

15. LITIGATION, CONTINGENCIES, AND COMMITMENTS (continued)

G. Encumbrance Commitments:

At September 30, 2014, the City had encumbrance commitments in the Governmental Funds as follows: (in thousands)

<u>MAJOR FUNDS</u>	
General Fund	\$ 12,638
Total Major Funds	<u>12,638</u>
<u>NON-MAJOR FUNDS</u>	
Concurrency Management	1,374
Air Pollution Control and Monitoring	-
Tourism Development	837
Clerk of the Court	38
Transportation Fund	54
Budgeted General Government	2,226
Public Safety	48
Emergency 9-1-1	326
Tax Increment Districts	750
Jacksonville Children's Commission	4,433
American Recovery & Reinvestment Act	170
Community Development Block Grant	2,281
Maintenance, Parks and Recreation	110
Other Federal, State and Local Grants	4,339
Housing and Neighborhoods	502
State Housing Initiative Partnership	836
Non Budgeted General Government	922
General Projects	31,478
Better Jacksonville Plan Construction Project	5,717
Bond Projects	4,985
Grant Projects	2,645
River City Renaissance Project	141
Total Non-Major Funds	<u>64,212</u>
TOTAL ENCUMBRANCES	<u>\$ 76,850</u>

*The Better Jacksonville Plan Construction Project Fund accounts for funds associated with the \$2.25 billion improvement plan. Council appropriated funds for the plan in its entirety at the inception, while funding sources including dedicated sales tax and debt issues are secured as needed. Multi-year contracts are encumbered and funding sources are obtained as construction occurs.

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

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

16. MAJOR DISCRETELY PRESENTED COMPONENT UNITS - ADDITIONAL DISCLOSURE

During fiscal year 2014, 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, 2014 these contributions total \$109,187,538. 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, 2014, the City received from JEA \$29,264,768 and \$9,753,252 of its electric and water and sewer funds.

B. Jacksonville Transportation Authority (JTA) :

Local Option One-Half Cent Sales Tax - On August 11, 1989, Jacksonville citizens voted for the removal of all tolls from county/city bridges and certain roads and replaced the revenue with a local option one-half cent sales tax that provides a permanent funding source for the construction and maintenance of the City's roads and bridges; the operation and maintenance of the bus system and the refinancing of existing bonds issued for the construction of such bridges and roads. All collections from the one-half cent sales tax are statutorily required to be remitted to the JTA. Accordingly, the City remitted all collections from the one-half cent sales tax to the JTA in the amount of \$74.3 million in fiscal year 2014. Such collection and payment by the City of this local option one-half cent sales tax is recorded in the Transportation Special Revenue fund as revenue and a transportation expenditure in the equal amount. The JTA reports the transfer from the City as sales tax revenue.

In fiscal year 2000, the City and the JTA entered into an interlocal agreement for the purpose of jointly exercising the separate powers of each to the maximum extent allowable by the law in the development, scheduling, financing, planning, permitting, design, construction, and implementation of a \$750 million Road, Bridge and Drainage Capital Improvement Work Program. The term of the agreement commenced on October 1, 2000 and continues in effect until all of the bonds have been duly 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, 2014**

16. MAJOR DISCRETELY PRESENTED COMPONENT UNITS - ADDITIONAL DISCLOSURE (continued)

B. Jacksonville Transportation Authority (JTA): (continued)

Monies available above debt service would be collected in a pay-as-you-go fund to assist with the payment of program expenditures. The City is making available the Local Option Gas Tax for the operation of the JTA's Mass Transit Division. In relation to the Road, Bridge and Drainage Capital Improvement Work Program, projects completed by JTA were to be funded by Sales Tax revenues, JTA has recorded an inter-governmental receivable and the City has recorded a long-term inter-governmental payable to JTA in the amount of \$13.5 million to be paid out of Sales Tax collections prior to the end of the program agreement.

C. Jacksonville Port Authority (JPA):

Interlocal Agreement - In connection with a major port and marine facilities capital improvement project (the "Project"), the City and the JPA entered into an Interlocal Agreement upon the issuance of \$43,605,140 Excise Taxes Revenue Bonds, Series 1993 (the "1993 Bonds"). Subsequent to this transaction, the parties entered into an Amended and Restated Interlocal Agreement in conjunction with the issuance of \$57,150,000 Excise Taxes Revenue Bonds, Series 1996B (the "1996B Bonds"). The 1996B Bonds were refunded by the Excise Taxes Revenue Refunding Bonds, Series 2001A (the "2001A Bonds"). The 1993 Bonds were partially refunded by the Excise Taxes Revenue Refunding and Improvement Bonds, Series 2003C (the "2003C Bonds"). The 2003C Bonds were partially refunded by the Special Revenue Refunding Bonds, Series 2012E (the "2012E" Bonds, and together with the 1993 Bonds, 2001A Bonds and 2003C Bonds, the "Bonds").

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

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

The Amended and Restated Interlocal Agreement provides for the allocation of three sources of revenue (collectively referred to as the "Pledged Revenues") by the City to the JPA. The first source of revenue relates to the allocation of half of the increased revenues in the Telecommunications Tax, which is 85% of the Communication Services Tax (the "Authority Allocation No. 1"). The second source of revenue relates to the amount calculated by multiplying one quarter (.25) mills by the gross kilowatt hours (as defined in Article 21 of the City Charter) sold by JEA during the twelve month period ending May 31 of the prior fiscal year (the "Authority Allocation No. 2").

**CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014**

16. MAJOR DISCRETELY PRESENTED COMPONENT UNITS - ADDITIONAL DISCLOSURE (continued)

C. Jacksonville Port Authority (JPA): (continued)

The third source of revenues relates to the \$800,000 annual contribution remitted by the City to the JPA as described in Section 5(a) of the JPA act. Such Pledged Revenues are to be applied by the City to the payment of debt service on the Bonds for such fiscal year prior to being paid to the JPA.

For the fiscal year ended September 30, 2014, the amount of Pledged Revenues in excess of the debt service requirements of the Bonds was \$5.56 million with a total of \$6.08 million being distributed to JPA.

In previous years, the City expended \$43.1 million on the Project from proceeds of the 1993 Bonds for the benefit of the JPA under the Amended and Restated Interlocal Agreement, which completed the 1993 Bond Program. In previous years, the City expended \$64 million on the Project from proceeds (inclusive of investment earnings) of the 1996B Bonds for the benefit of the JPA under the Interlocal Agreement. The City accounted for these expenditures in the Capital Projects Funds. The City does not capitalize these capital outlay expenditures. The capital assets related to these projects are owned by JPA and these amounts are noted earlier as Non-Asset Debt of the City in Note 8H.

17. SUBSEQUENT EVENTS

On November 19, 2014, the City closed on the issuance of its Special Revenue Bonds, Series 2014 (the "2014 Bonds"). The 2014 Bonds currently refunded the Excise Taxes Revenue Bonds, Series 2005A and partially refunded prior bonds for economic savings, as well as provided financing for \$43 million in city-wide capital projects.

Also on November 19, 2014, the City closed on its Commercial Paper Notes, Series A to fund \$19.2 million in stadium improvements at EverBank Field. The issuance of commercial paper was the final tranche of financing related to the approved stadium improvements.

During November 2014, JEA replaced two standby bond purchase agreements relating to Variable Rate Electric System Subordinated Revenue Bonds, 2000 Series A and 2000 Series F-1 with stated expiration dates of November 15, 2017 and June 25, 2018.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

18. NET POSITION:

The government-wide and business-type fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted, and unrestricted.

Net Investment in Capital Assets - is intended to reflect the portion of net position that is associated with capital assets less outstanding capital asset related debt. The net related debt is the debt less the outstanding liquid assets and any associated unamortized cost.

Restricted Net Position – are assets that have third-party (statutory, bond covenant or granting agency) limitations on their use externally imposed by creditors or imposed by law through constitutional provision or enabling legislation. The City would typically use restricted assets first, as appropriate opportunities arise, but reserves the right to selectively defer the use thereof to a future project or replacement equipment acquisition.

Unrestricted Net Position – have no third party limitation on their use, and consists of all net position that do not meet the definition of the other two components, and any net deficits that exist.

While the Unrestricted Net Position balance is a single number in accordance with GASB Statement 34, the impact of non-asset debt will reduce the year-end discretionary balance available to the government.

A. Additional Disclosure:

However, in the City's case, given that a portion of these non-asset bonds/loans reported in the Governmental Activities column have a dedicated revenue source (to amortize the debt over time) the year-end available portion of the Net Position to the City is greater than is apparent. The following schedule illustrates these differences (000s):

Governmental Unrestricted Net Position (per statement – page 22)	\$ (158,049)
Impact of Better Jacksonville Plan's (BJP) bond financed capital expenditures incurred by component units and other entities.	239,059
Economic Incentives to be repaid by TIF revenue and/or Developer	27,480
Governmental - Unrestricted NetPosition (adjusted for dedicated revenue funded portions)	<u><u>\$ 108,490</u></u>

Because the BJP program has dedicated sales tax revenue sources which will be used to repay the related debt service and either the CRA's tax increment financing (TIF) revenue or the Developer repayments are anticipated to address the related debt service principal and all or a portion of the interest, the Government Unrestricted Net Position (adjusted for dedicated revenue funded portions of non-assets debt) more truly reflect the General Government's available (although partially tentatively targeted) portion of net position.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

18. NET POSITION: (continued)

B. Restatement due to a change in accounting principle:

With the fiscal year 2014 implementation of Governmental Accounting Standards Board (GASB) Statement 65 – Items Previously Reported as Assets and Liabilities, debt issue costs that were previously amortized over the life of the underlying debt, were expensed in total, and resulted in a restatement of beginning net position due to a change in accounting principle in the financial statements which resulted in these costs being expensed when incurred.

Net Position (in thousands)	Total Governmental Activities	Total Business Type Activities
Net position, beginning as previously reported	776,835	184,454
Restatement	(23,515)	(995)
Net position, beginning as restated	<u>\$ 753,320</u>	<u>\$ 183,459</u>

Net Position (in thousands)	Business Type Activities Individual Funds restated	
	Solid Waste Disposal	Everbank Field
Net position, beginning as previously reported	17,982	49,097
Restatement	(116)	(879)
Net position, beginning as restated	<u>\$ 17,866</u>	<u>\$ 48,218</u>

With the fiscal year 2014 implementation of Governmental Accounting Standards Board (GASB) Statement 67 – Financial Reporting for Pension Plans – an amendment of GASB No. 25, the removal of the Deferred Retirement Option Program (DROP) liability resulted in a restatement of beginning net position due to a change in accounting principle in the fiduciary funds financial statements.

Net Position (in thousands)	Pension Trust Funds		
	Jacksonville Retirement System	Police and Fire	Total
Net position, beginning as previously reported	1,877,733	1,045,531	2,923,264
Restatement	14,917	247,399	262,316
Net position, beginning as restated	<u>\$ 1,892,650</u>	<u>\$ 1,292,930</u>	<u>\$ 3,185,580</u>

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

19. FUND BALANCE DISCLOSURE:

In accordance with Governmental Accounting Standards Board Statement 54, Fund Balance Reporting and Governmental Fund Type Definitions, the City classifies governmental fund balances as follows:

Nonspendable - includes fund balance amounts that cannot be spent either because it is not in spendable form or because of legal or contractual requirements.

Spendable Fund Balance

- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.
- Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority, City Council, through the issuance of an ordinance. Commitments may only be changed through the same type of formal action that created the commitment.
- Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned through the following: 1) The Director of Finance is authorized by City Council to assign amounts for a specific purpose. (2) The City Council has authorized the Director of Finance, in coordination with the Council Auditor, to recapture excess fund balance that isn't restricted or committed and transfer the excess to the General Fund – General Service District. Excess fund balance that is not recaptured is classified as assigned by the Director of Finance to be used for the purpose of the subfund.
- Unassigned - includes residual positive fund balance within the General Fund that has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted or committed for those specific purposes.

The City uses restricted amounts to be spent 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.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

19. FUND BALANCE DISCLOSURE: (continued)

The City Council established an emergency reserve policy and fund beginning with the fiscal year 2006 budget and amended with Ordinance 2010-852-E, which added “The Emergency Reserve can be used to address unanticipated non-reimbursed expenditures arising out of a hurricane, tornado, other major weather related events, and/or other massive infrastructure failures or other disasters, whether man made or caused by nature.” The emergency reserve is contained as a separate subfund within the General Fund and is included in each annual budget. The emergency reserve shall not be used except as initiated by the mayor through written communication to the City Council, explaining the emergency, and requires approval by two-thirds vote of all City Council members. The emergency reserve will be classified as committed fund balance.

The City does not have a formal minimum fund balance policy. However, the City’s Ordinance Code addresses various targeted reserve positions and the Administration calculates targets and actuals to report the results annually to City Council.

A schedule of City fund balances is provided in the following pages.

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CITY OF JACKSONVILLE, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014

19. FUND BALANCE DISCLOSURE

A. FUND BALANCE CLASSIFICATION (in thousands)

	MAJOR FUNDS		
	GENERAL FUND	SPECIAL BONDED DEBT- BETTER JACKSONVILLE PLAN OBLIGATIONS	SPECIAL BONDED DEBT- OBLIGATIONS
FUND BALANCES:			
Non Spendable:			
Inventories	4,186	-	-
Other	-	-	-
Spendable:			
Restricted for:			
Debt Service Reserved by Debt Covenants	-	96,313	10,445
Park Projects	-	-	-
Physical Environment	-	-	-
Conservation and Resource Management	-	-	-
Transportation Projects	-	-	-
Human Services	-	-	-
Regional Stormwater Facilities	-	-	-
Drainage System Projects	-	-	-
Housing and Urban Development	-	-	-
Building	-	-	-
Public Safety	-	-	-
Industry Development	-	-	-
Other Infrastructure and Development	-	-	-
Other	-	-	-
Committed to:			
City Council Emergency Use	49,219	-	-
Drainage Projects	-	-	-
Park Projects	2,061	-	-
Planning Projects	2,794	-	-
Physical Environment	-	-	-
Conservation and Resource Management	-	-	-
Transportation Projects	-	-	-
Emergency and Disaster Relief	-	-	-
Court Projects and Operations	-	-	-
Public Safety	6,234	-	-
Industry Development	1,893	-	-
Other	1,445	-	-
Assigned to:			
Assigned	-	-	-
Debt Service	-	-	-
Transportation Projects	-	-	-
Parks Projects	3,426	-	-
Planning Projects	4,643	-	-
Public Safety	10,361	-	-
Industry Development	3,147	-	-
Housing and Urban Development	-	-	-
Other	2,401	-	-
Unassigned	90,488	-	-
Total Fund Balances	\$ 182,298	\$ 96,313	\$ 10,445

(Continued)

NON MAJOR GOVERNMENTAL FUNDS	TOTAL ALL FUNDS	
	2014	2013
-	4,186	4,189
225	225	225
-	106,758	112,301
11,596	11,596	20,246
640	640	-
7,501	7,501	7,275
2,535	2,535	641
15,899	15,899	14,503
-	-	4,511
14,711	14,711	11,470
17,312	17,312	15,093
4,636	4,636	5,018
181	181	259
4,786	4,786	3,897
1,681	1,681	1,052
451	451	589
-	49,219	48,214
2,710	2,710	2,283
12,537	14,598	19,124
2,118	4,912	4,576
15,456	15,456	20,265
21,701	21,701	21,497
112,955	112,955	99,887
7,614	7,614	7,335
2,687	2,687	2,241
16,417	22,651	25,927
13,136	15,029	11,728
16,401	17,846	20,485
-	-	1,860
-	-	121
-	3,426	231
-	4,643	481
-	10,361	1,957
-	3,147	-
-	-	866
-	2,401	-
(14,048)	76,440	97,118
<u>\$ 291,838</u>	<u>\$ 580,894</u>	<u>\$ 587,465</u>



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REQUIRED SUPPLEMENTAL INFORMATION

CITY OF JACKSONVILLE, FLORIDA
GENERAL FUND REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL BUDGETARY BASIS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	GENERAL FUND					
	BUDGETED AMOUNTS		ACTUAL	ENCUMBRANCES	BUDGETARY ACTUAL	VARIANCE WITH FINAL BUDGET- POSITIVE (NEGATIVE)
	ORIGINAL	FINAL				
REVENUE:						
Property taxes.....	\$ 487,581	\$ 487,581	\$ 488,455	\$ -	\$ 488,455	\$ 874
Utility service taxes.....	89,224	89,224	86,813	-	86,813	(2,411)
Community service taxes.....	37,307	37,307	35,920	-	35,920	(1,387)
Sales and tourist taxes.....	1,009	1,009	1,018	-	1,018	9
Local business tax.....	7,506	7,506	7,085	-	7,085	(421)
Licenses, permits and fees.....	41,494	41,494	40,422	-	40,422	(1,072)
Intergovernmental.....	134,892	134,892	138,968	-	138,968	4,076
Charges for services.....	58,622	58,952	63,331	-	63,331	4,379
Fines and forfeitures.....	1,875	1,875	2,044	-	2,044	169
JEA contribution.....	109,188	109,188	109,188	-	109,188	-
Investment earnings.....	3,270	3,272	7,026	-	7,026	3,754
Other.....	18,340	32,047	32,649	-	32,649	602
Total Revenue.....	990,308	1,004,347	1,012,919	-	1,012,919	8,572
EXPENDITURES AND ENCUMBRANCES:						
City Council.....	8,947	8,958	8,765	192	8,957	1
Clerk of the Courts.....	3,820	3,820	3,448	145	3,593	227
Courts.....	4,266	4,266	4,244	4	4,248	18
Downtown Investment Authority.....	1,428	1,428	964	47	1,011	417
Employee Services.....	6,115	6,352	5,954	246	6,200	152
Finance.....	6,727	7,047	7,028	19	7,047	-
Fire/Rescue.....	196,712	197,061	196,546	515	197,061	-
General Counsel.....	206	204	186	-	186	18
Health Administrator.....	1,351	1,351	1,350	-	1,350	1
Intra-Governmental Services.....	4,664	5,316	4,875	277	5,152	164
Jacksonville Children's Commission.....	1,231	1,103	1,010	7	1,017	86
Jacksonville Human Rights Commission.....	908	908	900	3	903	5
Mayor.....	3,797	4,575	4,539	25	4,564	11
Mayor's Boards and Commissions.....	386	419	417	2	419	-
Medical Examiner.....	3,519	3,519	3,377	36	3,413	106
Military Affairs, Vet & Disabled Svcs....	1,371	1,236	1,206	1	1,207	29
Office of Economic Development.....	23,202	22,093	7,460	1,674	9,134	12,959
Office of Ethics.....	173	234	182	52	234	-
Parks & Recreation.....	26,517	27,517	25,495	1,339	26,834	683
Property Appraiser.....	9,145	9,145	8,857	15	8,872	273
Public Defender.....	1,711	379	373	-	373	6
Planning and Development.....	6,104	6,379	5,869	510	6,379	-
Public Libraries.....	33,649	33,638	32,966	72	33,038	600
Public Works.....	36,722	39,162	37,805	922	38,727	435
Regulatory Compliance.....	15,714	15,746	14,470	708	15,178	568
Special Services.....	16,168	10,424	9,862	555	10,417	7
State Attorney.....	1,758	1,758	1,758	-	1,758	-
Supervisor of Elections.....	5,713	6,228	5,057	130	5,187	1,041
Office of the Sheriff.....	395,075	388,173	379,103	4,674	383,777	4,396
Tax Collector.....	15,995	15,995	14,680	330	15,010	985
Federal Program Reserve.....	266	212	-	-	-	212
Contribution to Shands-Jacksonville.....	26,276	26,276	26,276	-	26,276	-
Cash Carryover Reserves.....	50,430	50,430	-	-	-	50,430
Jacksonville Misc. Citywide Activities.....	65,966	74,174	74,035	138	74,173	1
Total Expenditures.....	976,032	975,526	889,057	12,638	901,695	73,831
EXCESS OF REVENUE OVER (UNDER)						
EXPENDITURES.....	14,276	28,821	123,862	(12,638)	111,224	82,403
OTHER FINANCING SOURCES (USES):						
Long Term Debt Issued.....	340	340	-	-	-	(340)
Transfers in.....	2,186	5,412	5,904	-	5,904	492
Transfers out.....	(101,715)	(122,805)	(122,679)	-	(122,679)	126
Total Other Financing Sources (Uses).....	(99,189)	(117,053)	(116,775)	-	(116,775)	278
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(84,913)	(88,232)	7,087	(12,638)	(5,551)	82,681
FUND BALANCES - BEGINNING.....	175,211	175,211	175,211	-	175,211	-
FUND BALANCES - ENDING.....	90,298	86,979	182,298	(12,638)	169,660	-

CITY OF JACKSONVILLE, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

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 2014, no special revenue funds met the criteria to be reported as a major fund. The City has opted to make this presentation in the format and classifications of the budget document. These schedules report actual expenditures using generally accepted accounting principles as well as expenditures on the budgetary basis, which include amounts encumbered for future spending.

- B.** The City adopts annual budgets for the General Fund, certain Special Revenue Funds, and Proprietary Funds. The City reports Budgetary Comparisons for its General Fund and Major Special Revenue Funds in the Required Supplementary Information section of the report. None of these funds had an excess of expenditures over appropriations for the year ended September 30, 2014. 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, Metropolitan Planning Organization, Other Federal, State and Local Grants, Better Jacksonville Trust Fund, Housing and Neighborhoods, State Housing Initiative Partnership, Non-Budgeted General Government, Clerk of Court, and American Recovery & Reinvestment Act.

CITY OF JACKSONVILLE, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

1. BUDGETARY DATA (continued)

C. Level of Budgetary Control - Expenditures may not exceed appropriations and are controlled in the following manner:

- (1)** The budget is adopted by ordinance which sets the legal level of control at the fund level by department.
- (2)** The City adopted more stringent administrative policies that control expenditures at the major category (Personal Services, Operating Expense, Capital Outlay, Debt Service) level within divisions within individual funds.
- (3)** The City, additionally, adopted a Municipal Ordinance Code Policy that provides transfer authority to the mayor, without City Council approval, within an individual fund if the total transferred funds for a specific purpose, project or issue is under \$500,000 during the fiscal year. These transfers are reported to the Finance Committee on a quarterly basis.

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

In certain instances the City may supplement the appropriations in a fund due to unexpected high levels of receipts or under estimates of carry forward balances. Supplemental appropriations to the Fiscal Year 2014 Annual Budget Ordinance were made throughout the year, the effects of which were not material.

- E.** All appropriations in annually budgeted funds, except for amounts corresponding to outstanding encumbrances, lapse at year-end or at the close of the authorizing project/program, unless specifically carried forward by ordinance.
- F.** Formal budgetary integration is used as a management control device for all funds of the City, except certain Debt Service Funds as explained in Note to RSI 1.C.
- G.** The City's Annual Financial Plan, or published budget document, may be obtained from the City's Budget Office located at 117 West Duval Street, Suite 325, Jacksonville, Florida 32202.
- H.** The Clerk of Court special revenue fund budget is not approved by the City. The Court subfund is submitted and approved by the State and is based on the State's July 1st to June 30th fiscal year. The Court's Public Modernization Trust subfund and Child Support Enforcement Trust subfund are not budgeted. This special revenue fund does not meet the annually budgeted criteria.

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF FUNDING PROGRESS
CITY OF JACKSONVILLE RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

(in thousands)

Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
General Employees Retirement Plan						
10/1/2008	\$1,673,435	\$2,004,279	\$330,844	83.49%	\$262,345	126.1%
10/1/2009	1,591,345	2,065,464	474,119	77.05%	276,257	171.6%
10/1/2010	1,640,892	2,163,080	522,188	75.86%	322,531	161.9%
10/1/2011	1,582,042	2,217,381	635,339	71.35%	314,054	202.3%
10/1/2012	1,518,578	2,434,275	915,697	62.38%	283,021	323.5%
10/1/2013	1,565,291	2,512,635	947,344	62.30%	265,405	356.9%
Corrections Officers Retirement Plan						
10/1/2008	\$83,056	\$137,830	\$54,774	60.26%	\$26,334	208.0%
10/1/2009	86,358	181,031	94,673	47.70%	27,661	342.3%
10/1/2010	97,464	204,384	106,920	47.69%	32,329	330.7%
10/1/2011	103,154	223,575	120,421	46.14%	31,832	378.3%
10/1/2012	109,474	251,036	141,562	43.61%	28,944	489.1%
10/1/2013	120,947	271,074	150,127	44.62%	27,871	538.6%

Note: Actuarial Assumptions provided in the notes to financial statements

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, 2014

(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 Employee Payroll</u>	<u>Contribution as a % of Covered Payroll</u>
General Employees Retirement Plan					
2005	\$27,724	\$27,724	-	\$226,819	12.22%
2006	28,670	28,670	-	237,108	12.09%
2007	29,297	29,581	(284)	248,887	11.89%
2008	29,371	29,488	(117)	262,345	11.24%
2009	29,374	29,530	(156)	276,257	10.69%
2010	38,612	40,551	(1,939)	322,531	12.57%
2011	39,124	39,378	(254)	314,054	12.54%
2012	57,498	49,899	7,599	283,021	17.63%
2013	66,660	55,386	11,274	265,405	20.87%
2014	81,531	70,754	10,777	262,369	26.97%
Corrections Officers Retirement Plan					
2005	\$3,233	\$3,233	-	\$26,256	12.31%
2006	1,917	1,917	-	27,702	6.92%
2007	1,830	2,482	(652)	27,083	9.16%
2008	4,329	4,350	(21)	26,334	16.52%
2009	5,268	5,247	21	27,661	18.97%
2010	9,097	9,491	(394)	32,329	29.36%
2011	8,885	9,711	(826)	31,832	30.51%
2012	11,861	9,066	2,795	28,944	31.32%
2013	12,885	10,742	2,143	27,871	38.54%
2014	17,619	12,779	4,840	27,374	46.68%

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
CITY OF JACKSONVILLE RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

(in thousands)

	2013		2012		2011	
	General Employees' Retirement Plan	Corrections Officers' Retirement Plan	General Employees' Retirement Plan	Corrections Officers' Retirement Plan	General Employees' Retirement Plan	Corrections Officers' Retirement Plan
Total pension liability						
Service cost	\$ 39,627	\$ 6,904				
Interest	183,151	19,341	<i>Note: Prior Year Information Unavailable</i>			
Changes of benefit terms	-	-				
Differences between expected and actual experience	22,318	6,911				
Changes of assumptions	-	-				
Benefit payments, including refunds of contributions	(166,460)	(12,925)				
Net change in total pension liability	\$ 78,637	\$ 20,232				
Total pension liability - beginning balance	2,446,471	256,029				
Total pension liability - ending balance (a)	\$2,525,108	\$ 276,261				
Plan fiduciary net position						
Contributions - employer	\$ 55,386	\$ 10,742				
Contributions - employee	21,878	2,525				
Net investment income	264,541	18,466				
Benefit payments including refunds of contributions	(166,460)	(12,925)				
Administrative expense	(671)	(50)				
Other	-	392				
Net change in plan fiduciary net position	\$ 174,674	\$ 19,150				
Plan fiduciary net position - beginning balance	1,558,645	113,004				
Plan fiduciary net position - ending balance (b)	\$1,733,319	\$ 132,154				
Net pension liability - ending balance (a) - (b)	\$ 791,789	\$ 144,107				
Plan fiduciary net position as a % of total pension liability	68.64%	47.84%				
Covered employee payroll (in thousands)	\$ 265,405	\$ 27,871				
Net pension liability as % of covered employee payroll	298.33%	517.05%				

Benefit Changes: There have been no benefit provision changes since implementation of GASB 67

Changes of Assumptions: There have been no change in assumptions since implementation of GASB 67

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF MONEY-WEIGHTED RATE OF RETURN
CITY OF JACKSONVILLE RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

(net of investment expense)

Fiscal Year Ended September 30	City of Jacksonville Retirement System
2014	11.52%
2013	17.06%

*Prior Years data unavailable

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**CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
CITY OF JACKSONVILLE RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
GENERAL EMPLOYEES RETIREMENT PLAN**

As of September 30, 2014

Valuation date	October 1, 2013
Methods and used assumptions to determine contribution rates:	
Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percent of payroll, using 2.62% annual increases*
Remaining amortization period	All new bases are amortized over 30 years. Effective period of 26 years remaining as of October 1, 2013
Asset valuation method	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the expected return on the market value, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value.
Actuarial assumptions:	
Investment rate of return	7.75%, including inflation, net of pension plan investment expense
 Inflation rate	 3.00% *
Projected salary increases	3.00% - 6.00%, of which 3.00% is the Plan's long-term payroll inflation assumption
Cost-of-living adjustments	The Plan provisions contain a 3.00% COLA.
Mortality:	
<i>Pre-retirement</i>	RP-2000 Employee Mortality Table, set forward one year and projected to 2013 with Scale BB
<i>Healthy annuitants</i>	RP-2000 Annuitant Mortality Table, set forward one year and projected to 2013 with Scale BB
<i>Disabled annuitants</i>	RP-2000 Disabled Retiree Mortality Table

^{*1}The Fund's payroll inflation assumption is 3.00%. However, based on Part VII, Chapter 112.64(5)(a) of Florida Statutes, an assumption of 2.62% was used for amortization purposes in the October 1, 2013 valuation.

**CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
CITY OF JACKSONVILLE RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014**

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

As of September 30, 2014

Valuation date	October 1, 2013
Methods and used assumptions to determine contribution rates:	
Actuarial cost method	Entry Age Normal Cost Method
Amortization method	Level percent of payroll, using 0.64% annual increases *
Remaining amortization period	All new bases are amortized over 30 years. Effective period of 25 years remaining as of October 1, 2013
Asset valuation method	Market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the expected return on the market value, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the market value.
<hr/>	
Actuarial assumptions:	
Investment rate of return	7.75%, including inflation, net of pension plan investment expense
Inflation rate	3.00%*
Projected salary increases	3.00% - 6.00%, of which 3.00% is the Plan's long-term payroll inflation assumption
Cost-of-living adjustments	The Plan provisions contain a 3.00% COLA.
Mortality:	
<i>Pre-Retirement</i>	RP-2000 Employee Mortality Table, set forward one year and projected to 2013 with Scale BB
<i>Healthy annuitants</i>	RP-2000 Annuitant Mortality Table, set forward one year and projected to 2013 with Scale BB
<i>Disabled annuitants</i>	RP-2000 Disabled Retiree Mortality Table

* The Fund's payroll inflation assumption is 3.00%. However, based on Part VII, Chapter 112.64(5)(a) of Florida Statutes, an assumption of 0.64% was used for amortization purposes in the October 1, 2013 valuation.

**CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF FUNDING PROGRESS
POLICE AND FIRE RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014**

(in thousands)

Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (1) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
10/01/11	\$1,078,907	\$2,762,977	\$1,684,070	39.05%	\$133,611	1260.43%
10/01/12	1,228,131	2,876,606	1,648,475	42.69%	130,972	1258.65%
10/01/13	1,389,748	3,012,591	1,622,843	46.13%	134,521	1206.39%

Actuarial Assumptions are provided in the notes to the financial statements.

¹The actuarial value of assets and AAL reflect accumulated DROP payments along with DROP and RLA interest since these are assets of the Trust. The Senior Staff Voluntary Retirement Plan is recognized as part of the assets of the Trust.

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF FUNDING PROGRESS
POLICE AND FIRE PENSION FUND - SENIOR STAFF VOLUNTARY RETIREMENT PLAN
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

(in thousands)

Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (1) (b)	Unfunded AAL (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
10/01/11	\$3,424	\$3,542	\$118	96.7%	\$273	43.2%
10/01/12	3,919	3,866	(53)	101.4%	292	-18.2%
10/01/13	4,257	4,136	(120)	102.90%	300	-40.10%

¹Plan Assumptions: (10/1/2012 valuation date actuarial study is used for fiscal year ended 2013)

- Earnings Rate - 7.00% compounded annually
- Mortality table in use; RP-2000 Combined Healthy Mortality Table, separate by sex; Projection Scale AA to valuation date.
- Salary scale - none
- Cost of living adjustments (COLA); 3.0% compounded annually
- Percent married: 100%
- Retirement Ages: The active employee is assumed to retire in two years.
- Age differences for spouses of employed: females are 3 years younger than males.

Changes since the October 1, 2012 valuation:

- The active employee is assumed to retire in two years

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS
POLICE AND FIRE RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

(in thousands)

FYE	Actuarially required City contribution	Contribution in relation to the actuarially determined contribution	Contribution deficiency (excess) *	Covered employee payroll	Contribution as a percentage of covered employee payroll
2014	\$142,433	\$149,159	(\$6,726)	\$134,521	110.88%
2013	99,997	122,580	(22,583)	130,972	93.59%
2012	73,729	70,599	3,130	133,611	52.84%
2011	77,065	75,903	1,162	148,968	50.95%
2010	77,182	82,197	(5,015)	158,047	52.01%
2009	50,564	50,235	329	155,558	32.29%
2008	48,807	48,364	443	148,277	32.62%
2007	39,850	44,208	(4,358)	143,006	30.91%
2006	38,230	36,124	2,106	134,694	26.82%
2005	35,929	27,176	8,753	130,392	20.84%

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

Valuation date: Actuarially determined contribution rates are calculated as of October 1, two years 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:	Constant percentage of payroll increasing 3.25% annually; Closed 21 years
Remaining amortization period:	21 Years
Asset valuation method:	Market Value
Inflation:	2.5%
Salary increases:	4.0%, including inflation
Investment rate of return:	7.0%, including inflation Cost of living adjustments:
Mortality Table in use:	RP-2000, Combined Healthy Mortality Table, separate by sex, Projection Scale AA to valuation
Age differences for spouses:	Females are assumed to be 3 years younger than males
Percent married:	Assume 75% of active employees are married, use tax reported status for inactives

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CONTRIBUTIONS FROM EMPLOYER AND MEMBERS
POLICE AND FIRE PENSION FUND – SENIOR STAFF VOLUNTARY RETIREMENT PLAN
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

(in thousands)

Plan Year	Annual	Employee	Employer	Total	Percentage	Net Pension
Ending	Required	Contributions	Contributions	Contributions	Contributions	Obligation
Sept., 30	Contributions	Contributions	Contributions	Contributions	Contributions	(NPO)/(Asset)
		(prior years information is unavailable)				
2008	\$189	\$34	\$155	\$189	100%	-
2009	219	36	183	219	100%	-
2010	135	35	247	282	209%	(148)
2011	142	34	101	135	95%	(141)
2012	523	25	117	142	27%	240
2013	28	20	248	268	957%	-
2014	28	21	7	28	100%	-

NOTES:

Certain adjustments are made in the ARC if the plan carries a NPO. The NPO (asset if a credit) is Defined in GASB No. 27 as the cumulative difference at the date of adoption (or transition) between annual requirements and actual contributions plus the cumulative difference between the requirements and contributions after that date.

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY
POLICE AND FIRE RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

(in thousands)

	2014	2013	2012	2011	2010	2009
Total pension liability						
Service Cost (BOY)	\$47,915	\$46,109	\$47,570			
Interest on total pension liability	203,577	195,520	190,344			
Changes in Benefit Terms	-	-	-			
Experience deviations including buybacks	22,671	(4,676)	(12,513)			
Changes of assumptions	-	5,333	227,333			
Benefit payments, including refunds of member contributions	(138,179)	(128,656)	(116,955)			
Net change in total pension liability	135,984	113,630	335,779			
Total pension liability -- beginning	2,876,606	2,762,977	2,427,198			
Total pension liability -- ending(a)	\$3,012,591	\$2,876,606	\$2,762,977			
Fiduciary net position Contributions--employer						
Contributions--employer	148,277	121,822	69,829	Prior year information is unavailable		
Contributions--member	10,068	9,683	11,204			
Buybacks and transfers--employer	2,243	-	2,814			
Buybacks and transfers--member	1,516	1,071	407			
Net investment income	146,951	169,202	181,653			
Securities Lending	382	-	-			
Benefit payments, including refunds of member contributions	(138,179)	(128,656)	(116,955)			
Administrative expense	(2,224)	(2,506)	(2,352)			
Chapter 175/185	10,110	9,667	9,276			
Court Fines	881	758	770			
Other	142	1,187	55			
Net change in fiduciary net position	180,167	182,229	156,702			
Fiduciary net position -- beginning	1,292,930	1,110,737	954,036			
Fiduciary net position -- ending	1,473,097	1,292,966	1,110,737			
less Reserve Accounts and Sr. Staff Assets	(83,349)	(64,835)	(31,831)			
Total fiduciary net position -- ending(b)	1,389,748	1,228,131	1,078,907			
City's fiduciary net pension liability--ending(a)-(b)	1,622,842.95	1,648,475	1,684,070			
Fiduciary net position as a percentage of the total pension liability	46.13%	42.69%	39.05%			
Covered-employee payroll	\$134,521.22	\$130,972	\$133,611			
City's fiduciary net pension liability as a percentage of covered- employee payroll	1206.38%	1258.65%	1260.42%			

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF MONEY-WEIGHTED RATE OF RETURN
POLICE AND FIRE RETIREMENT SYSTEM
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

(Net of Investment Expense)

<u>FYE</u>	<u>%</u>
2014	10.73%
2013	14.29%
2012	18.25%
2011	0.64%
2010	8.45%
2009	1.70%
2008	-13.07%
2007	15.05%
2006	8.18%
2005	10.77%

CITY OF JACKSONVILLE, FLORIDA
REQUIRED SUPPLEMENTAL INFORMATION
SCHEDULE OF FUNDING PROGRESS
POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB)
SEPTEMBER 30, 2014

(in thousands)

<u>Valuation Date</u>	<u>Actuarial Accrued Liability (AAL)</u>	<u>Actuarial Value of Assets</u>	<u>Unfunded AAL (UAAL)</u>	<u>Percentage Funded</u>	<u>Annual Covered Payroll</u>	<u>UAAL as Percentage of Payroll</u>
10/1/2011	\$126,200	\$0	\$126,200	0.00%	\$362,400	34.8%
10/1/2012	\$129,127	\$0	\$129,127	0.00%	\$340,431	37.9%
10/1/2013	\$129,127	\$0	\$131,003	0.00%	\$339,933	38.5%

Actuarial Assumptions provided in the notes to the financial statements. The City is not funding the AAL.

The decrease in Actuarial Accrued Liability (AAL) from fiscal years 2012 to 2013 and 2014 were due to the following:

- (a) A 4.5% discount rate was used in fiscal year 2012, 2013, and 2014.
- (b) Used marginally lower participation assumptions based on actual data provided by the City.
- (c) The other key assumption was the treatment of retirees who are not eligible for Medicare.

Based on the information provided by the City's health insurance carrier, fiscal years 2012, 2013, and 2014 assumed that 10% of the current retirees would not be eligible for Medicare.



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NON-MAJOR GOVERNMENTAL FUNDS:

SPECIAL REVENUE FUNDS

Special Revenue Funds account for the proceeds of specific revenue sources (other than expendable trusts and major capital projects) that are legally restricted to expenditure for specific purposes as described below.

The Concurrency Management Fund provides funding for maintenance and update of the Concurrency Management System which is the basis for ensuring compliance with the 2010 Comprehensive Plan.

The Air Pollution Control and Monitoring Fund receives revenue from licenses and fees, and contributions from the federal government to monitor and control environmental problems related to the air quality in Jacksonville.

Tourism Development Fund collects revenues from tourist and convention development taxes to fund tourism programs sponsored by the Tourist Development Council through the City.

The Clerk of the Circuit Court Fund receives revenue collected on behalf of the state and City by the courts system for various judgments, fines, bonds, fees and licenses, and other miscellaneous amounts. The Fund includes Public Records Modernization activity which receives revenues from a service charge authorized by Florida Statute 28.24(15)(d) to be held in trust and used exclusively for equipment, personnel training, and technical assistance in modernizing the official public records system of the Clerk's office.

The Transportation Fund accounts for revenue from the City's six cent local option gas tax, the state-shared 5th and 6th cent gas tax, and the one-half cent local option sales tax used to fund major road and related capital infrastructure construction and maintenance and the City's mass transit and automated skyway express system operations.

The Budgeted General Government Fund accounts for numerous smaller accounts whose revenues are dedicated to a variety of specific purposes.

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

The Emergency 9-1-1 Fund receives revenues from a fee added to the telephone bill of telephone customers that may be used for system operations and improvements.

The Tax Increment Districts Fund receives a distribution of ad valorem tax revenue levied and collected in the City's four tax increment districts used to promote future commercial business development that expands property tax base values in the City's core downtown areas and the northwest region.

The Jacksonville Children's Commission Fund receives City funds, and various grants, to serve as the community coalition for children. The autonomous board has the ongoing responsibility of improving the lives of Jacksonville's children by serving as the central focus for the evaluation, planning and distribution of funds for children's services that are consistent with City programs and goals.

The American Recovery & Reinvestment Act Fund accounts for resources received from the American Recovery Act (ARRA) of 2009. The funding supports the City's efforts to address crime and public safety, energy efficiency and environmental quality, infrastructure and transportation improvements, and job creation and workforce development.

The Community Development Block Grant Fund receives monies from the federal government in the form of community development block grants made available to specific targeted areas of Jacksonville to assist in rehabilitation and revitalization in support of the area's future economic growth and stability.

The Job Training Partnership Act Grant Fund accounts for direct federal assistance to the Private Industry Council of Jacksonville in providing employment and training services to the economically disadvantaged and displaced citizens of Jacksonville through cooperative efforts with local private sector businesses.

The Maintenance, Parks and Recreation Fund receives revenues from user fees and charges from parks and recreation facilities that are dedicated to parks maintenance and improvements, and acquisition of new recreational facilities.

The Metropolitan Planning Organization Fund receives funds from the Federal Highway Department and the Federal Urban Mass Transportation Administration, and the Florida Department of Transportation for planning the future of Jacksonville's metropolitan area, principally in the area of transportation.

The Other Federal, State and Local Grants Fund records all other miscellaneous grants administered by the City from federal, state and local sources not specifically accounted for by other funds covering diverse programs such as: day care, adult homemaker, beach erosion, base conversion and redevelopment, economic capital development, aids treatment care, senior services and nutrition, crime prevention and drug abuse, teenage pregnancy and childhood development, foster grandparents, and waste tire disposal.

The Better Jacksonville Plan Trust Fund receives revenue from the half-cent infrastructure sales tax. All monies placed into this trust are appropriated for Debt Service requirements and contributions to the Better Jacksonville Capital Projects Fund.

Housing and Neighborhoods was designated as the housing agency for Affordable Housing, State Housing Initiative Partnership funds, and all other matters related to housing, with the exception of those matters which fall within the responsibility of the Jacksonville Housing Authority.

The State Housing Initiative Partnership Fund accounts for revenue collected by the Clerk of the Circuit Court on certain property transactions in Duval county passed from the State earmarked for housing assistance and financial incentive programs to increase the availability of affordable housing in Jacksonville including down payment assistance, home owner repair and rehabilitation and acquisition of existing single family dwellings for home ownership.

The Non-Budgeted General Government Fund accounts for numerous smaller funds whose revenues are dedicated to a variety of specific purposes.

DEBT SERVICE FUNDS

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

The Other Non-Bonded Debt Obligations Fund accounts for the accumulation of resources for, and the payment of, principal and interest on other non-bonded debt obligations.

CAPITAL PROJECTS FUNDS

Capital Projects Fund account for financial resources segregated for the construction or acquisition of major capital facilities (other than those financed by proprietary funds and fiduciary funds). Descriptions of individual funds in this fund type follow.

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

The Better Jacksonville Plan Construction Projects Fund receives revenues from the two local option sales tax programs and proceeds from the sale of bonded debt issued by the City to fund projects under the Better Jacksonville Plan.

The Bond Projects Fund receives proceeds from the sale of bonded debt issued by the City to fund major capital improvement projects.

The Grant Projects Fund accounts for monies received by the City under various federal, state and local grants restricted to expenditure of specific capital improvements funded under the grant program.

The River City Renaissance Project Fund accounts for proceeds of a comprehensive capital improvement initiative (the "River City Renaissance") for projects concerning the environment, children, health and social services, economic development, neighborhoods and downtown, parks and recreation, and the arts.

PERMANENT FUND

The Permanent Fund is used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that benefit the government or its citizenry. The City accounts for its Cemetery Maintenance Funds as a Permanent Fund.

CITY OF JACKSONVILLE, FLORIDA
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

	SPECIAL REVENUE FUNDS			
	CONCURRENCY MANAGEMENT	AIR POLLUTION CONTROL AND MONITORING	TOURISM DEVELOPMENT	CLERK OF THE COURT
ASSETS:				
Equity in pooled cash and investments.....	\$ 56,098	\$ 1,409	\$ 4,726	\$ 2,121
Cash in escrow and with fiscal agents.....	-	-	80	4,102
Receivables (net, where applicable, of allowances for uncollectibles):				
Accounts	-	-	-	-
Mortgages.....	-	-	-	-
Others.....	-	-	-	-
Due from other funds.....	-	-	-	-
Due from independent agencies and other governments.....	-	395	-	-
Prepaid Items.....	-	-	-	-
TOTAL ASSETS.....	56,098	1,804	4,806	6,223
LIABILITIES:				
Accounts payable and accrued liabilities.....	\$ 177	\$ 145	\$ 129	\$ 419
Contracts payable.....	-	-	-	-
Due to other funds.....	-	-	-	-
Due to component units.....	-	-	-	-
Due to individuals.....	-	-	-	-
Deposits.....	362	-	-	2,000
Advances from other funds.....	-	-	-	-
Unearned revenue.....	-	-	-	-
TOTAL LIABILITIES.....	539	145	129	2,419
FUND BALANCES (DEFICIT):				
Non Spendable:				
Non Spendable.....	-	-	100	-
Spendable:				
Restricted.....	-	1,659	-	-
Committed.....	55,559	-	4,577	3,804
Assigned.....	-	-	-	-
Unassigned.....	-	-	-	-
Total Fund Balances (Deficit).....	55,559	1,659	4,677	3,804
TOTAL LIABILITIES AND FUND BALANCES.....	\$ 56,098	\$ 1,804	\$ 4,806	\$ 6,223

See accompanying notes.

SPECIAL REVENUE FUNDS

TRANSPORTATION FUND	BUDGETED GENERAL GOVERNMENT	PUBLIC SAFETY	EMERGENCY 9-1-1	TAX INCREMENT DISTRICTS	JACKSONVILLE CHILDREN'S COMMISSION	AMERICAN RECOVERY & REINVESTMENT ACT
\$ 24,375	\$ 28,666	\$ 270	\$ 7,528	\$ 3,342	\$ 9,274	\$ -
-	-	-	-	-	-	-
-	4	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
16,590	465	-	342	-	-	53
-	-	-	-	-	-	-
<u>40,965</u>	<u>29,135</u>	<u>270</u>	<u>7,870</u>	<u>3,342</u>	<u>9,274</u>	<u>53</u>
\$ 741	\$ 404	\$ 2	\$ 238	\$ -	\$ 1,738	\$ -
-	-	9	-	-	-	-
-	-	-	-	-	-	53
7,843	-	-	-	-	-	-
-	-	-	-	-	-	-
-	346	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>8,584</u>	<u>750</u>	<u>11</u>	<u>238</u>	<u>-</u>	<u>1,738</u>	<u>53</u>
-	-	-	-	-	-	-
-	-	-	-	-	7,536	-
32,381	28,385	259	7,632	3,342	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>32,381</u>	<u>28,385</u>	<u>259</u>	<u>7,632</u>	<u>3,342</u>	<u>7,536</u>	<u>-</u>
<u>\$ 40,965</u>	<u>\$ 29,135</u>	<u>\$ 270</u>	<u>\$ 7,870</u>	<u>\$ 3,342</u>	<u>\$ 9,274</u>	<u>\$ 53</u>

(continued)

CITY OF JACKSONVILLE, FLORIDA
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands; continued)

	COMMUNITY DEVELOPMENT BLOCK GRANT	JOB TRAINING PARTNERSHIP ACT GRANT	MAINTENANCE, PARKS AND RECREATION	OTHER FEDERAL, STATE AND LOCAL GRANTS
ASSETS:				
Equity in pooled cash and investments.....	\$ 214	\$ 740	\$ 4,594	\$ 10,393
Cash in escrow and with fiscal agents.....	-	-	-	42
Receivables (net, where applicable, of allowances for uncollectibles):				
Accounts	-	-	138	146
Mortgages.....	541	-	-	-
Others.....	-	-	-	-
Due from other funds.....	-	-	-	-
Due from independent agencies and other governments.....	1,970	-	3	4,940
Prepaid Items.....	-	-	2	-
TOTAL ASSETS.....	2,725	740	4,737	15,521
LIABILITIES:				
Accounts payable and accrued liabilities.....	\$ 779	\$ -	\$ 436	\$ 1,729
Contracts payable.....	10	-	-	-
Due to other funds.....	968	-	-	-
Due to component units.....	-	-	-	-
Due to individuals.....	-	-	-	-
Deposits.....	6	-	-	-
Advances from other funds.....	-	-	-	-
Unearned revenue.....	525	-	-	146
TOTAL LIABILITIES.....	2,288	-	436	1,875
FUND BALANCES (DEFICIT):				
Non Spendable:				
Non Spendable.....	-	-	2	-
Spendable:				
Restricted.....	437	740	-	13,646
Committed.....	-	-	4,299	-
Assigned.....	-	-	-	-
Unassigned.....	-	-	-	-
Total Fund Balances (Deficit).....	437	740	4,301	13,646
TOTAL LIABILITIES AND FUND BALANCES.....	\$ 2,725	\$ 740	\$ 4,737	\$ 15,521

See accompanying notes.

SPECIAL REVENUE FUNDS

BETTER JACKSONVILLE PLAN TRUST	HOUSING AND NEIGHBORHOODS	STATE HOUSING INITIATIVE PARTNERSHIP	NON-BUDGETED GENERAL GOVERNMENT	TOTALS	
				2014	2013
\$ 444	\$ 9,406	\$ 3,151	\$ 23,114	\$ 189,865	\$ 180,234
-	381	-	81	4,686	4,469
-	-	-	875	1,163	1,596
-	3,483	656	-	4,680	3,769
-	-	-	15	15	15
13,000	-	-	-	13,000	-
12,773	1,046	-	187	38,764	39,448
-	-	-	-	2	162
<u>26,217</u>	<u>14,316</u>	<u>3,807</u>	<u>24,272</u>	<u>252,175</u>	<u>229,693</u>
\$ -	\$ 488	\$ 12	\$ 1,019	\$ 8,456	\$ 7,100
-	-	-	-	19	54
-	-	-	-	1,021	2,983
-	-	-	-	7,843	7,741
-	-	-	245	245	245
-	77	-	11	2,802	2,705
-	-	-	-	-	-
-	15	656	860	2,202	2,713
-	580	668	2,135	22,588	\$ 23,541
-	-	-	-	102	102
-	13,736	3,139	-	40,893	37,130
26,217	-	-	22,137	188,592	168,920
-	-	-	-	-	-
-	-	-	-	-	-
<u>26,217</u>	<u>13,736</u>	<u>3,139</u>	<u>22,137</u>	<u>229,587</u>	<u>206,152</u>
<u>\$ 26,217</u>	<u>\$ 14,316</u>	<u>\$ 3,807</u>	<u>\$ 24,272</u>	<u>\$ 252,175</u>	<u>\$ 229,693</u>

(continued)

CITY OF JACKSONVILLE, FLORIDA
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands; continued)

DEBT SERVICE FUNDS			
	OTHER NON-BONDED DEBT OBLIGATIONS	TOTALS	
		2014	2013
ASSETS:			
Equity in pooled cash and investments.....	\$ -	\$ -	\$ 195
Cash in escrow and with fiscal agents.....	-	-	-
Receivables (net, where applicable, of allowances for uncollectibles):			
Accounts	-	-	-
Mortgages.....	-	-	-
Others.....	-	-	-
Due from other funds.....	-	-	-
Due from independent agencies and other governments.....	-	-	-
Prepaid Items.....	-	-	-
TOTAL ASSETS.....	-	-	195
LIABILITIES:			
Accounts payable and accrued liabilities.....	\$ -	\$ -	\$ -
Contracts payable.....	-	-	-
Due to other funds.....	-	-	-
Due to component units.....	-	-	-
Due to individuals.....	-	-	-
Deposits.....	-	-	-
Advances from other funds.....	-	-	-
Unearned revenue.....	-	-	-
TOTAL LIABILITIES.....	-	-	-
FUND BALANCES (DEFICIT):			
Non Spendable:			
Non Spendable.....	-	-	-
Spendable:			
Restricted.....	-	-	-
Committed.....	-	-	-
Assigned.....	-	-	195
Unassigned.....	-	-	-
Total Fund Balances (Deficit).....	-	-	195
TOTAL LIABILITIES AND FUND BALANCES.....	\$ -	\$ -	\$ 195

See accompanying notes.

CAPITAL PROJECTS FUNDS

GENERAL PROJECTS	BETTER JACKSONVILLE PLAN CONSTRUCTION PROJECT	BOND PROJECTS	GRANT PROJECTS	RIVER CITY RENAISSANCE PROJECT	TOTALS	
					2014	2013
\$ 48,662	\$ 8	\$ 36,671	\$ 4,021	\$ 451	\$ 89,813	\$ 107,534
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
10	-	-	-	-	10	190
-	-	-	-	-	-	-
-	3,177	-	3,118	-	6,295	3,403
-	-	-	-	-	-	-
<u>48,672</u>	<u>3,185</u>	<u>36,671</u>	<u>7,139</u>	<u>451</u>	<u>96,118</u>	<u>111,127</u>
\$ 8,318	\$ 2,475	\$ 2,431	\$ 621	\$ -	\$ 13,845	\$ 10,932
622	858	21	152	-	1,653	663
-	13,900	-	-	-	13,900	1,879
-	-	-	-	-	-	236
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4,711	-	-	-	-	4,711	5,536
10	-	-	-	-	10	190
<u>13,661</u>	<u>17,233</u>	<u>2,452</u>	<u>773</u>	<u>-</u>	<u>\$ 34,119</u>	<u>\$ 19,436</u>
-	-	-	-	-	-	-
-	-	34,219	6,366	451	41,036	47,424
35,011	-	-	-	-	35,011	44,267
-	-	-	-	-	-	-
-	(14,048)	-	-	-	(14,048)	-
<u>35,011</u>	<u>(14,048)</u>	<u>34,219</u>	<u>6,366</u>	<u>451</u>	<u>61,999</u>	<u>91,691</u>
<u>\$ 48,672</u>	<u>\$ 3,185</u>	<u>\$ 36,671</u>	<u>\$ 7,139</u>	<u>\$ 451</u>	<u>\$ 96,118</u>	<u>\$ 111,127</u>

(continued)

CITY OF JACKSONVILLE, FLORIDA
COMBINING BALANCE SHEET -
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2014

WITH COMPARATIVE TOTALS FOR 2013 (in thousands; continued)

	PERMANENT FUND		TOTAL NONMAJOR GOVERNMENTAL FUNDS	
	CEMETERY MAINTENANCE FUNDS		TOTALS	
	2014	2013	2014	2013
ASSETS:				
Equity in pooled cash and investments.....	\$ 252	\$ 250	\$ 279,930	\$ 288,213
Cash in escrow and with fiscal agents.....	-	-	4,686	4,469
Receivables (net, where applicable, of allowances for uncollectibles):				
Accounts	-	-	1,163	1,596
Mortgages.....	-	-	4,680	3,769
Others.....	-	-	25	205
Due from other funds.....	-	-	13,000	-
Due from independent agencies and other governments.	-	-	45,059	42,851
Prepaid Items.....	-	-	2	162
TOTAL ASSETS.....	252	250	348,545	341,265
LIABILITIES:				
Accounts payable and accrued liabilities.....	\$ -	\$ -	\$ 22,301	\$ 18,032
Contracts payable.....	-	-	1,672	717
Due to other funds.....	-	-	14,921	4,862
Due to component units.....	-	-	7,843	7,977
Due to individuals.....	-	-	245	245
Deposits.....	-	-	2,802	2,705
Advances from other funds.....	-	-	4,711	5,536
Unearned revenue.....	-	-	2,212	2,903
TOTAL LIABILITIES.....	-	-	56,707	42,977
FUND BALANCES (DEFICIT):				
Non Spendable:				
Non Spendable.....	123	123	225	225
Spendable:				
Restricted.....	-	-	81,929	84,554
Committed.....	129	127	223,732	213,314
Assigned.....	-	-	-	195
Unassigned.....	-	-	(14,048)	-
Total Fund Balances (Deficit).....	252	250	291,838	298,288
TOTAL LIABILITIES AND FUND BALANCES.....	\$ 252	\$ 250	\$ 348,545	\$ 341,265

See accompanying notes.



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CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

	SPECIAL REVENUE FUNDS			
	CONCURRENCY MANAGEMENT	AIR POLLUTION CONTROL AND MONITORING	TOURISM DEVELOPMENT	CLERK OF THE COURT
REVENUES:				
Property taxes.....	\$ -	\$ -	\$ -	\$ -
Sales and tourist taxes.....	-	-	5,892	-
Licenses, permits, and fees.....	-	-	-	-
Intergovernmental.....	-	1,756	-	689
Charges for services.....	4,635	-	-	17,879
Fines and forfeitures.....	-	-	-	-
Investment earnings.....	1,134	34	84	-
Other.....	-	-	1,164	268
Total Revenues.....	5,769	1,790	7,140	\$ 18,836
EXPENDITURES:				
General government.....	2,324	-	-	18,370
Human services.....	-	-	-	-
Public safety.....	-	-	-	-
Culture and recreation.....	-	-	832	-
Transportation.....	1,571	-	-	-
Economic environment.....	-	-	5,784	-
Physical environment.....	-	2,241	-	-
Capital outlay.....	-	-	-	-
Debt service:				
Principal.....	-	-	-	-
Interest on fiscal charges.....	-	-	-	-
Total Expenditures.....	3,895	2,241	6,616	18,370
EXCESS OF REVENUES OVER (UNDER)				
EXPENDITURES.....	1,874	(451)	524	\$ 466
OTHER FINANCING SOURCES (USES):				
Long term debt issued.....	-	-	-	-
Transfers in.....	-	424	-	-
Transfers out.....	-	-	-	-
Total Other Financing Sources (Uses).....	-	424	-	-
NET CHANGE IN FUND BALANCES.....	1,874	(27)	524	\$ 466
FUND BALANCES, BEGINNING OF YEAR.....	53,685	1,686	4,153	3,338
FUND BALANCES (DEFICIT), END OF YEAR.....	\$ 55,559	\$ 1,659	\$ 4,677	\$ 3,804

See accompanying notes.

SPECIAL REVENUE FUNDS

TRANSPORTATION FUND	BUDGETED GENERAL GOVERNMENT	PUBLIC SAFETY	EMERGENCY 9-1-1	TAX INCREMENT DISTRICTS	JACKSONVILLE CHILDREN'S COMMISSION	AMERICAN RECOVERY & REINVESTMENT ACT
\$ -	\$ -	\$ -	\$ -	\$ 14,169	\$ -	\$ -
102,124	-	-	-	-	-	-
-	12,414	-	-	-	-	-
6,708	1,337	503	-	-	6,149	970
-	6,744	-	4,109	-	-	-
-	560	-	-	-	-	-
401	546	7	149	-	166	24
-	988	-	-	110	781	-
<u>109,233</u>	<u>22,589</u>	<u>510</u>	<u>4,258</u>	<u>14,279</u>	<u>\$ 7,096</u>	<u>994</u>
-	3,199	-	-	-	-	-
-	871	-	-	-	27,814	-
-	10,413	611	3,907	-	-	105
-	339	-	-	-	-	-
108,375	2	-	-	-	-	-
-	-	-	-	6,963	-	-
-	2,886	-	-	-	-	890
-	-	-	-	-	-	-
-	88	-	-	-	-	-
<u>108,375</u>	<u>17,798</u>	<u>611</u>	<u>3,907</u>	<u>6,963</u>	<u>27,814</u>	<u>995</u>
858	4,791	(101)	351	7,316	(20,718)	(1)
-	-	-	-	-	-	-
-	281	-	-	2,879	21,933	-
-	(2,195)	-	-	(9,234)	(433)	-
-	(1,914)	-	-	(6,355)	21,500	-
858	2,877	(101)	351	961	\$ 782	(1)
<u>31,523</u>	<u>25,508</u>	<u>360</u>	<u>7,281</u>	<u>2,381</u>	<u>6,754</u>	<u>1</u>
<u>\$ 32,381</u>	<u>\$ 28,385</u>	<u>\$ 259</u>	<u>\$ 7,632</u>	<u>\$ 3,342</u>	<u>\$ 7,536</u>	<u>\$ -</u>

(continued)

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

	COMMUNITY DEVELOPMENT BLOCK GRANT	JOB TRAINING PARTNERSHIP ACT GRANT	MAINTENANCE, PARKS AND RECREATION	OTHER FEDERAL, STATE AND LOCAL GRANTS
REVENUES:				
Property taxes.....	\$ -	\$ -	\$ -	\$ -
Sales and tourist taxes.....	-	-	-	-
Licenses, permits, and fees.....	-	-	-	-
Intergovernmental.....	8,904	-	-	15,411
Charges for services.....	-	-	1,927	-
Fines and forfeitures.....	-	-	-	-
Investment earnings.....	-	15	87	158
Other.....	564	-	388	266
Total Revenues.....	\$ 9,468	15	2,402	15,835
EXPENDITURES:				
General government.....	-	-	-	1,735
Human services.....	-	-	-	10,708
Public safety.....	-	-	-	4,074
Culture and recreation.....	-	-	3,969	664
Transportation.....	-	-	-	-
Economic environment.....	8,983	-	-	681
Physical environment.....	3	-	-	444
Capital outlay.....	-	-	-	-
Debt service:				
Principal.....	-	-	-	-
Interest on fiscal charges.....	-	-	-	-
Total Expenditures.....	8,986	-	3,969	18,306
EXCESS OF REVENUES OVER (UNDER)				
EXPENDITURES.....	482	15	(1,567)	(2,471)
OTHER FINANCING SOURCES (USES):				
Long term debt issued.....	-	-	-	-
Transfers in.....	75	-	2,216	3,492
Transfers out.....	(121)	-	(132)	(246)
Total Other Financing Sources (Uses).....	(46)	-	2,084	3,246
NET CHANGE IN FUND BALANCES.....	436	15	517	775
FUND BALANCES, BEGINNING OF YEAR.....	1	725	3,784	12,871
FUND BALANCES (DEFICIT), END OF YEAR.....	\$ 437	\$ 740	\$ 4,301	\$ 13,646

See accompanying notes.

SPECIAL REVENUE FUNDS

BETTER JACKSONVILLE PLAN TRUST	HOUSING AND NEIGHBORHOODS	STATE HOUSING INITIATIVE PARTNERSHIP	NON-BUDGETED GENERAL GOVERNMENT	TOTALS	
				2014	2013
\$ -	\$ -	\$ -	\$ -	\$ 14,169	\$ 12,597
71,930	-	-	-	179,946	171,426
-	-	-	124	12,538	11,103
5,057	5,611	728	123	53,946	67,020
-	1	-	2,572	37,867	36,162
-	-	-	2,343	2,903	2,368
184	125	54	272	3,440	729
-	1,820	119	8,004	14,472	13,439
<u>77,171</u>	<u>7,557</u>	<u>901</u>	<u>13,438</u>	<u>319,281</u>	<u>314,844</u>
-	-	-	1,696	27,324	27,933
-	-	-	1,194	40,587	37,367
-	-	-	3,997	23,107	30,543
-	-	-	935	6,739	6,537
-	-	-	-	109,948	104,646
-	5,692	531	11	28,645	32,114
-	2	-	382	6,848	6,911
-	-	-	-	-	-
-	-	-	-	88	208
<u>-</u>	<u>5,694</u>	<u>531</u>	<u>8,215</u>	<u>243,286</u>	<u>246,259</u>
<u>77,171</u>	<u>1,863</u>	<u>370</u>	<u>5,223</u>	<u>75,995</u>	<u>68,585</u>
-	-	-	-	-	-
-	-	-	-	31,300	27,284
<u>(65,550)</u>	<u>(450)</u>	<u>-</u>	<u>(5,499)</u>	<u>(83,860)</u>	<u>(92,002)</u>
<u>(65,550)</u>	<u>(450)</u>	<u>-</u>	<u>(5,499)</u>	<u>(52,560)</u>	<u>(64,718)</u>
11,621	1,413	370	(276)	23,435	3,867
<u>14,596</u>	<u>12,323</u>	<u>2,769</u>	<u>22,413</u>	<u>206,152</u>	<u>202,285</u>
<u>\$ 26,217</u>	<u>\$ 13,736</u>	<u>\$ 3,139</u>	<u>\$ 22,137</u>	<u>\$ 229,587</u>	<u>\$ 206,152</u>

(continued)

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

DEBT SERVICE FUNDS

	OTHER NON-BONDED DEBT OBLIGATIONS	TOTALS	
		2014	2013
REVENUES:			
Property taxes.....	\$ -	\$ -	\$ -
Sales and tourist taxes.....	-	-	-
Licenses, permits, and fees.....	-	-	-
Intergovernmental.....	-	-	-
Charges for services.....	-	-	-
Fines and forfeitures.....	-	-	-
Investment earnings.....	10	10	8
Other.....	-	-	-
Total Revenues.....	10	10	\$ 8
EXPENDITURES:			
General government.....	2	2	2
Human services.....	-	-	-
Public safety.....	-	-	-
Culture and recreation.....	-	-	-
Transportation.....	-	-	-
Economic environment.....	-	-	-
Physical environment.....	-	-	-
Capital outlay.....	-	-	-
Debt service:			
Principal.....	1,055	1,055	1,035
Interest on fiscal charges.....	54	54	86
Total Expenditures.....	1,111	1,111	1,123
EXCESS OF REVENUES OVER (UNDER)			
EXPENDITURES.....	(1,101)	(1,101)	\$ (1,115)
OTHER FINANCING SOURCES (USES):			
Long term debt issued.....	-	-	-
Transfers in.....	906	906	847
Transfers out.....	-	-	-
Total Other Financing Sources (Uses).....	906	906	847
NET CHANGE IN FUND BALANCES.....	(195)	(195)	\$ (268)
FUND BALANCES, BEGINNING OF YEAR.....	195	195	463
FUND BALANCES (DEFICIT), END OF YEAR.....	\$ -	\$ -	\$ 195

See accompanying notes.

CAPITAL PROJECTS FUNDS

GENERAL PROJECTS	BETTER JACKSONVILLE PLAN CONSTRUCTION PROJECT	BOND PROJECTS	GRANT PROJECTS	RIVER CITY RENAISSANCE PROJECT	TOTALS	
					2014	2013
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	6,429	-	5,386	-	11,815	5,995
61	-	-	-	-	61	59
-	-	-	-	-	-	-
895	-	2,637	96	10	3,638	748
1,392	-	-	30	-	1,422	1,596
<u>2,348</u>	<u>6,429</u>	<u>2,637</u>	<u>5,512</u>	<u>10</u>	<u>16,936</u>	<u>\$ 8,398</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
53,052	20,525	7,354	6,503	104	87,538	78,354
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>53,052</u>	<u>20,525</u>	<u>7,354</u>	<u>6,503</u>	<u>104</u>	<u>87,538</u>	<u>78,354</u>
(50,704)	(14,096)	(4,717)	(991)	(94)	(70,602)	(69,956)
18,044	-	-	-	-	18,044	12,546
30,706	-	-	150	-	30,856	12,431
(7,302)	-	-	(688)	-	(7,990)	(1,109)
<u>41,448</u>	<u>-</u>	<u>-</u>	<u>(538)</u>	<u>-</u>	<u>40,910</u>	<u>23,868</u>
(9,256)	(14,096)	(4,717)	(1,529)	(94)	(29,692)	(46,088)
<u>44,267</u>	<u>48</u>	<u>38,936</u>	<u>7,895</u>	<u>545</u>	<u>91,691</u>	<u>137,779</u>
<u>\$ 35,011</u>	<u>(\$ 14,048)</u>	<u>\$ 34,219</u>	<u>\$ 6,366</u>	<u>\$ 451</u>	<u>\$ 61,999</u>	<u>\$ 91,691</u>

(continued)

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

	PERMANENT FUND		TOTAL NONMAJOR GOVERNMENTAL FUNDS	
	CEMETERY MAINTENANCE FUNDS		TOTALS	
	2014	2013	2014	2013
REVENUES:				
Property taxes.....	\$ -	\$ -	\$ 14,169	\$ 12,597
Sales and tourist taxes.....	-	-	179,946	171,426
Licenses, permits, and fees.....	-	-	12,538	11,103
Intergovernmental.....	-	-	65,761	73,015
Charges for services.....	-	-	37,928	36,221
Fines and forfeitures.....	-	-	2,903	2,368
Investment earnings.....	5	1	7,093	1,486
Other.....	-	-	15,894	15,035
Total Revenues.....	5	1	336,232	323,251
EXPENDITURES:				
General government.....	-	-	27,326	27,935
Human services.....	-	-	40,587	37,367
Public safety.....	-	-	23,107	30,543
Culture and recreation.....	-	-	6,739	6,537
Transportation.....	-	-	109,948	104,646
Economic environment.....	-	-	28,645	32,114
Physical environment.....	3	-	6,851	6,911
Capital outlay.....	-	-	87,538	78,354
Debt service:				
Principal.....	-	-	1,055	1,035
Interest on fiscal charges.....	-	-	142	294
Total Expenditures.....	3	-	331,938	325,736
EXCESS OF REVENUES OVER (UNDER)				
EXPENDITURES.....	2	1	4,294	(2,485)
OTHER FINANCING SOURCES (USES):				
Long term debt issued.....	-	-	18,044	12,546
Transfers in.....	-	-	63,062	40,562
Transfers out.....	-	-	(91,850)	(93,111)
Total Other Financing Sources (Uses).....	-	-	(10,744)	(40,003)
NET CHANGE IN FUND BALANCES.....	2	1	(6,450)	(42,488)
FUND BALANCES, BEGINNING OF YEAR.....	250	249	298,288	340,776
FUND BALANCES (DEFICIT), END OF YEAR.....	\$ 252	\$ 250	\$ 291,838	\$ 298,288

See accompanying notes.



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CITY OF JACKSONVILLE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	FUND 110 - CONCURRENCY MANAGEMENT					
	BUDGETED AMOUNTS				BUDGETARY	VARIANCE WITH
	ORIGINAL	FINAL	ACTUAL	ENCUMBRANCES	ACTUAL	FINAL BUDGET -
						POSITIVE
						(NEGATIVE)
REVENUE:						
Charges for Services	\$ 736	\$ 1,053	\$ 4,635		\$ 4,635	\$ 3,582
Investment earnings	1,030	1,964	1,134		1,134	(830)
Total Revenue	\$ 1,766	\$ 3,017	\$ 5,769	-	\$ 5,769	\$ 2,752
EXPENDITURES:						
Jacksonville Citywide Activities	171	171	-	-	-	171
Planning and Development	6,906	7,223	2,324	-	2,324	4,899
Public Works	29,552	30,486	1,571	1,374	2,945	27,541
Total Expenditures	36,629	37,880	3,895	1,374	5,269	32,611
EXCESS (DEFICIENCY) OF REVENUE						
OVER (UNDER) EXPENDITURES	(34,863)	(34,863)	1,874	(1,374)	500	35,363
NET CHANGE IN FUND BALANCES	(34,863)	(34,863)	1,874	(1,374)	500	35,363
FUND BALANCE, BEGINNING	53,685	53,685	53,685	-	53,685	-
FUND BALANCE, ENDING	\$ 18,822	\$ 18,822	\$ 55,559	\$ (1,374)	\$ 54,185	\$ 35,363

CITY OF JACKSONVILLE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	FUND 120 - AIR POLLUTION CONTROL AND MONITORING					
	BUDGETED AMOUNTS				BUDGETARY	VARIANCE WITH
	ORIGINAL	FINAL	ACTUAL	ENCUMBRANCES	ACTUAL	FINAL BUDGET -
						POSITIVE
						(NEGATIVE)
REVENUE:						
Intergovernmental	\$ 1,545	\$ 2,022	\$ 1,756		\$ 1,756	\$ (266)
Investment earnings	26	26	34		34	8
Total Revenue	\$ 1,571	\$ 2,048	\$ 1,790		\$ 1,790	\$ (258)
EXPENDITURES:						
Jacksonville Citywide Activities	21	21	-	-	-	21
Regulatory Compliance	2,205	2,711	2,241	-	2,241	470
Total Expenditures	2,226	2,732	2,241	-	2,241	491
EXCESS (DEFICIENCY) OF REVENUE						
OVER (UNDER) EXPENDITURES	(655)	(684)	(451)	-	(451)	233
OTHER FINANCING (USES):						
Transfers in	424	424	424	-	424	-
Total Other Financing (Uses)	424	424	424	-	424	-
NET CHANGE IN FUND BALANCES	(231)	(260)	(27)	-	(27)	233
FUND BALANCE, BEGINNING	1,686	1,686	1,686	-	1,686	-
FUND BALANCE, ENDING	\$ 1,455	\$ 1,426	\$ 1,659	-	\$ 1,659	\$ 233

CITY OF JACKSONVILLE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

FUND 130 - SPORTS, CONVENTION AND TOURISM DEVELOPMENT

	BUDGETED AMOUNTS				BUDGETARY	VARIANCE WITH
	ORIGINAL	FINAL	ACTUAL	ENCUMBRANCES	ACTUAL	FINAL BUDGET -
						POSITIVE
						(NEGATIVE)
REVENUE:						
Sales and Tourist Taxes	\$ 5,334	\$ 5,334	\$ 5,892	\$ -	\$ 5,892	\$ 558
Investment earnings	41	82	84	-	84	2
Other	34	1,164	1,164	-	1,164	-
Total Revenue	\$ 5,409	\$ 6,580	\$ 7,140	\$ -	\$ 7,140	\$ 560
EXPENDITURES:						
Finance	3	3	-	-	-	3
City Council	8,123	8,089	5,784	808	6,592	1,497
Neighborhoods	25	28	-	-	-	28
Parks & Recreation	1,688	2,776	828	28	856	1,920
Special Services	54	134	4	1	5	129
Total Expenditures	9,893	11,030	6,616	837	7,453	3,577
EXCESS (DEFICIENCY) OF REVENUE						
OVER (UNDER) EXPENDITURES	(4,484)	(4,450)	524	(837)	(313)	4,137
NET CHANGE IN FUND BALANCES	(4,484)	(4,450)	524	(837)	(313)	4,137
FUND BALANCE, BEGINNING	4,153	4,153	4,153	-	4,153	-
FUND BALANCE, ENDING	\$ (331)	\$ (297)	\$ 4,677	\$ (837)	\$ 3,840	\$ 4,137

CITY OF JACKSONVILLE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	FUND 140 - TRANSPORTATION					
	BUDGETED AMOUNTS				BUDGETARY	VARIANCE WITH
	ORIGINAL	FINAL	ACTUAL	ENCUMBRANCES	ACTUAL	FINAL BUDGET -
						POSITIVE
						(NEGATIVE)
REVENUE:						
Sales and Tourist Taxes	\$ 100,081	\$ 100,081	\$ 102,124		\$ 102,124	\$ 2,043
Intergovernmental	6,770	6,770	6,708		6,708	(62)
Investment earnings	214	214	401		401	187
Total Revenue	\$ 107,065	\$ 107,065	\$ 109,233	-	\$ 109,233	\$ 2,168
EXPENDITURES:						
Public Works	40,019	40,019	28,039	54	28,093	11,926
Jacksonville Misc. Citywide Activities	126,221	126,221	80,336	-	80,336	45,885
Total Expenditures	166,240	166,240	108,375	54	108,429	57,811
EXCESS (DEFICIENCY) OF REVENUE						
OVER (UNDER) EXPENDITURES	(59,175)	(59,175)	858	(54)	804	59,979
NET CHANGE IN FUND BALANCES	(59,175)	(59,175)	858	(54)	804	59,979
FUND BALANCE, BEGINNING	31,523	31,523	31,523	-	31,523	-
FUND BALANCE, ENDING	\$ (27,652)	\$ (27,652)	\$ 32,381	\$ (54)	\$ 32,327	\$ 59,979

CITY OF JACKSONVILLE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

FUND 150 - BUDGETED GENERAL GOVERNMENT						
	BUDGETED AMOUNTS				BUDGETARY ACTUAL	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	ENCUMBRANCES		
REVENUE:						
Licenses, Permits, and Fees	\$ 9,988	\$ 9,988	\$ 12,414	-	12,414	2,426
Intergovernmental	625	1,977	1,337	-	1,337	(640)
Charges for services	6,930	6,930	6,744	-	6,744	(186)
Fines and forfeitures	643	643	560	-	560	(83)
Investment earnings	581	702	546	-	546	(156)
Other	282	372	988	-	988	616
Total Revenue	\$ 19,049	\$ 20,612	\$ 22,589	-	\$ 22,589	\$ 1,977
EXPENDITURES:						
Courts	2,595	2,651	2,028	8	2,036	615
Fire/Rescue	698	698	684	-	684	14
Recreation & Parks	66	66	-	-	-	66
Intra Governmental Services	-	69	-	-	-	69
Jacksonville Citywide Activities	136	136	-	-	-	136
Mayor Board	9	26	18	-	18	8
Public Defender	404	400	389	22	411	(11)
Planning and Development	10,247	10,247	9,816	34	9,850	397
Public Library	411	424	339	26	365	59
Public Works	10,988	11,109	1,273	2,027	3,300	7,809
Regulatory Compliance	2,046	3,585	1,745	10	1,755	1,830
Special Services	1,052	1,044	832	99	931	113
State Attorney	682	682	674	-	674	8
Total Expenditures	29,334	31,137	17,798	2,226	20,024	11,113
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(10,285)	(10,525)	4,791	(2,226)	2,565	13,090
OTHER FINANCING (USES):						
Transfers in	225	281	281	-	281	-
Transfers out	(2,162)	(2,212)	(2,195)	-	(2,195)	17
Total Other Financing (Uses)	(1,937)	(1,931)	(1,914)	-	(1,914)	17
NET CHANGE IN FUND BALANCES	(12,222)	(12,456)	2,877	(2,226)	651	13,107
FUND BALANCE, BEGINNING	25,508	25,508	25,508	-	25,508	-
FUND BALANCE, ENDING	\$ 13,286	\$ 13,052	\$ 28,385	\$ (2,226)	\$ 26,159	\$ 13,107

CITY OF JACKSONVILLE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	FUND 170 - EMERGENCY 9 1 1					
	BUDGETED AMOUNTS		ACTUAL	ENCUMBRANCES	BUDGETARY ACTUAL	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	ORIGINAL	FINAL				
REVENUE:						
Charges for services	\$ 4,043	\$ 4,043	\$ 4,109		\$ 4,109	\$ 66
Investment earnings	58	58	149		149	91
Total Revenue	\$ 4,101	\$ 4,101	\$ 4,258	-	\$ 4,258	\$ 157
EXPENDITURES:						
Jacksonville Citywide Activities	303	303	-	-	-	303
Office of the Sheriff	4,995	4,991	3,907	326	4,233	758
Total Expenditures	5,298	5,294	3,907	326	4,233	1,061
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(1,197)	(1,193)	351	(326)	25	1,218
NET CHANGE IN FUND BALANCES	(1,197)	(1,193)	351	(326)	25	1,218
FUND BALANCE, BEGINNING	7,281	7,281	7,281	-	7,281	-
FUND BALANCE, ENDING	\$ 6,084	\$ 6,088	\$ 7,632	\$ (326)	\$ 7,306	\$ 1,218

CITY OF JACKSONVILLE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	FUND 180 - TAX INCREMENT DISTRICTS					
	BUDGETED AMOUNTS				BUDGETARY	VARIANCE WITH
	ORIGINAL	FINAL	ACTUAL	ENCUMBRANCES	ACTUAL	FINAL BUDGET -
						POSITIVE
						(NEGATIVE)
REVENUE:						
Property taxes	\$ 14,381	\$ 14,381	\$ 14,169		\$ 14,169	\$ (212)
Other	55	55	110		110	55
Total Revenue	\$ 14,436	\$ 14,436	\$ 14,279	-	\$ 14,279	\$ (157)
EXPENDITURES:						
Jacksonville Citywide Activities	9,882	8,176	6,963	375	7,338	838
Office of Economic Development	375	375	-	375	375	-
Total Expenditures	10,257	8,551	6,963	750	7,713	838
EXCESS (DEFICIENCY) OF REVENUE						
OVER (UNDER) EXPENDITURES	4,179	5,885	7,316	(750)	6,566	681
OTHER FINANCING (USES):						
Transfers in	2,879	2,879	2,879	-	2,879	-
Transfers out	(7,808)	(9,513)	(9,234)	-	(9,234)	279
Total Other Financing (Uses)	(4,929)	(6,634)	(6,355)	-	(6,355)	279
NET CHANGE IN FUND BALANCES	(750)	(749)	961	(750)	211	960
FUND BALANCE, BEGINNING	2,381	2,381	2,381	-	2,381	-
FUND BALANCE, ENDING	\$ 1,631	\$ 1,632	\$ 3,342	\$ (750)	\$ 2,592	\$ 960

CITY OF JACKSONVILLE, FLORIDA
BUDGETARY COMPARISON SCHEDULE
NONMAJOR GOVERNMENTAL FUNDS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

FUND 190 - JACKSONVILLE CHILDREN'S COMMISSION						
	BUDGETED AMOUNTS				BUDGETARY ACTUAL	VARIANCE WITH FINAL BUDGET - POSITIVE (NEGATIVE)
	ORIGINAL	FINAL	ACTUAL	ENCUMBRANCES		
REVENUE:						
Intergovernmental	\$ 6,882	\$ 8,433	\$ 6,149	\$ -	\$ 6,149	\$ (2,284)
Investment earnings	40	40	166	-	166	126
Other	306	634	781	-	781	147
Total Revenue	\$ 7,228	\$ 9,107	\$ 7,096	\$ -	\$ 7,096	\$ (2,011)
EXPENDITURES:						
Jacksonville Children's Commission	32,585	34,168	27,814	4,433	32,247	1,921
Total Expenditures	32,585	34,168	27,814	4,433	32,247	1,921
EXCESS (DEFICIENCY) OF REVENUE OVER (UNDER) EXPENDITURES	(25,357)	(25,061)	(20,718)	(4,433)	(25,151)	(90)
OTHER FINANCING (USES):						
Transfers in	21,721	21,934	21,933	-	21,933	(1)
Transfers out	-	(410)	(433)	-	(433)	(23)
Total Other Financing (Uses)	21,721	21,524	21,500	-	21,500	(24)
NET CHANGE IN FUND BALANCE	(3,636)	(3,537)	782	(4,433)	(3,651)	(114)
FUND BALANCE, BEGINNING	6,754	6,754	6,754	-	6,754	-
FUND BALANCE, ENDING	<u>\$ 3,118</u>	<u>\$ 3,217</u>	<u>\$ 7,536</u>	<u>\$ (4,433)</u>	<u>\$ 3,103</u>	<u>\$ (114)</u>



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NON-MAJOR ENTERPRISE FUNDS:

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

The Public Parking System Fund accounts for the City's on-street, off-street, and parking garage facility operations, including revenue collection and enforcement.

The Motor Vehicle Inspection Fund accounts for the operations of the City's motor vehicle inspection stations.

The Mayport Ferry Fund - account for the operations associated with the St. Johns River (Mayport) Ferry service.

The Baseball Stadium Fund accounts for events held at the stadium including professional minor league and college baseball games.

Times Union Center for the Performing Arts (Performing Arts) Fund - accounts for events held at the center such as the symphony, FCCJ performing arts series, dance recitals and concerts.

The Prime Osborn Convention Center (Convention Center) Fund accounts for events held at the center such as gate and trade shows, banquets, meetings and other.

The Equestrian Center Fund accounts for events held at the center including horse shows and competitions, rodeos and concerts.

The Sports Complex Capital Fund accounts for maintenance and upkeep for municipal stadium, baseball stadium, and arena.

The Ritz Theater Fund accounts for the operations of the Ritz Theater and Museum public entertainment facilities.

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF NET POSITION
NONMAJOR ENTERPRISE FUNDS
SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

	PUBLIC PARKING SYSTEM	MOTOR VEHICLE INSPECTION	MAYPORT FERRY	BASEBALL STADIUM
<u>ASSETS</u>				
CURRENT ASSETS:				
Equity in pooled cash and investments.....	\$ 616	\$ 95	\$ 118	\$ 237
Cash with fiscal agents.....	-	-	-	598
Receivables (net, where applicable, of allowances for uncollectibles):				
Accounts.....	5	65	-	161
Due from other funds.....	-	-	-	-
Due from other governments.....	-	-	183	-
Inventories.....	-	13	-	-
Prepaid expenses and other assets.....	-	-	-	12
Total Current Assets.....	621	173	301	1,008
NONCURRENT ASSETS:				
CAPITAL ASSETS:				
Land, easements and work in progress.....	1,768	32	610	-
Other capital assets, net of depreciation.....	6,152	-	3,307	27,389
Total Noncurrent Assets.....	7,920	32	3,917	27,389
TOTAL ASSETS.....	8,541	205	4,218	28,397
<u>LIABILITIES</u>				
CURRENT LIABILITIES:				
Accounts payable and accrued liabilities.....	144	13	5	445
Due to other funds.....	-	-	-	-
Accrued compensated absences, current portion.....	54	13	-	-
Deposits	55	-	-	-
Accrued interest payable.....	-	-	-	598
Current portion of bonds payable.....	-	-	-	-
Total Current Liabilities.....	253	26	5	1,043
NONCURRENT LIABILITIES:				
Accrued compensated absences.....	127	31	-	-
Bonds payable.....	-	-	-	26,646
Other liabilities.....	232	46	-	-
Total Noncurrent Liabilities.....	359	77	-	26,646
TOTAL LIABILITIES.....	612	103	5	27,689
DEFERRED INFLOW OF RESOURCES:				
Unamortized deferred gain on refunding.....	-	-	-	-
NET POSITION:				
Net investment in capital assets.....	7,920	32	3,917	743
Restricted - capital.....	-	-	-	-
Unrestricted (deficit).....	9	70	296	(35)
TOTAL NET POSITION (DEFICIT)	\$ 7,929	\$ 102	\$ 4,213	\$ 708

PERFORMING ARTS	CONVENTION CENTER	EQUESTRIAN CENTER	SPORTS COMPLEX CAPITAL	RITZ THEATER	TOTALS	
					2014	2013
\$ -	\$ 715	\$ -	\$ -	\$ 219	\$ 2,000	\$ 3,131
-	-	-	-	-	598	969
153	264	86	-	215	949	903
-	-	-	21,255	-	21,255	29
-	-	-	-	-	183	-
-	-	-	-	-	13	13
11	10	2	-	23	58	52
164	989	88	21,255	457	25,056	5,097
1,000	5,259	-	-	-	8,669	8,708
20,493	10,924	10,887	-	-	79,152	81,297
21,493	16,183	10,887	-	-	87,821	90,005
21,657	17,172	10,975	21,255	457	112,877	95,102
325	554	70	10,917	433	12,906	1,098
302	-	401	2,983	-	3,686	877
-	-	-	-	-	67	62
587	186	7	-	24	859	733
23	-	51	-	-	672	677
-	-	13	-	-	13	298
1,237	740	542	13,900	457	18,203	3,745
-	-	-	-	-	158	145
922	-	2,404	-	-	29,972	30,155
-	-	-	-	-	278	233
922	-	2,404	-	-	30,408	30,533
2,159	740	2,946	13,900	457	48,611	34,278
72	-	-	-	-	72	90
20,571	16,183	8,470	-	-	57,836	59,462
-	-	-	-	-	-	1,852
(1,145)	249	(441)	7,355	-	6,358	(580)
\$ 19,426	\$ 16,432	\$ 8,029	\$ 7,355	\$ -	\$ 64,194	\$ 60,734

(continued)

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

	PUBLIC PARKING SYSTEM	MOTOR VEHICLE INSPECTION	MAYPORT FERRY	BASEBALL STADIUM
OPERATING REVENUE:				
Sales and tourist taxes.....	\$ -	\$ -	\$ -	\$ -
Charges for services.....	3,701	522	1,123	455
Other.....	2	-	357	99
Total Operating Revenue.....	<u>3,703</u>	<u>522</u>	<u>\$ 1,480</u>	<u>554</u>
OPERATING EXPENSES:				
Personal services.....	1,757	364	-	332
Supplies and materials.....	27	6	-	5
Central services.....	488	24	293	4
Interdepartmental charges.....	217	4	35	185
Other services and charges.....	622	66	1,452	787
Depreciation and amortization.....	402	-	625	706
Total Operating Expenses.....	<u>3,513</u>	<u>464</u>	<u>2,405</u>	<u>2,019</u>
OPERATING INCOME (LOSS).....	<u>190</u>	<u>58</u>	<u>(925)</u>	<u>(1,465)</u>
NON-OPERATING REVENUE (EXPENSES):				
Investment earnings.....	6	2	5	12
Interest expense.....	-	-	-	(1,197)
Other.....	39	-	1,200	628
Total Non-Operating Revenue (Expenses).....	<u>45</u>	<u>2</u>	<u>1,205</u>	<u>(557)</u>
INCOME (LOSS) BEFORE TRANSFERS.....	<u>235</u>	<u>60</u>	<u>280</u>	<u>(2,022)</u>
Transfers in.....	-	-	450	1,370
Transfers out.....	-	-	-	-
CHANGES IN NET POSITION.....	<u>235</u>	<u>60</u>	<u>730</u>	<u>(652)</u>
TOTAL NET POSITION, BEGINNING OF YEAR	<u>7,694</u>	<u>42</u>	<u>3,483</u>	<u>1,360</u>
TOTAL NET POSITION, END OF YEAR	<u>\$ 7,929</u>	<u>\$ 102</u>	<u>\$ 4,213</u>	<u>\$ 708</u>

PERFORMING ARTS	CONVENTION CENTER	EQUESTRIAN CENTER	SPORTS COMPLEX CAPITAL	RITZ THEATER	TOTALS	
					2014	2013
\$ -	\$ -	\$ -	\$ 5,502	\$ -	\$ 5,502	\$ 4,995
1,957	1,001	233	-	53	9,045	8,579
788	984	139	-	147	2,516	1,898
2,745	1,985	372	5,502	200	17,063	15,472
616	1,233	256	-	366	4,924	4,478
22	19	5	-	14	98	100
60	48	28	-	32	977	877
422	241	72	-	24	1,200	1,133
2,150	1,600	482	-	518	7,677	6,130
753	637	709	-	-	3,832	4,338
4,023	3,778	1,552	-	954	18,708	17,056
(1,278)	(1,793)	(1,180)	5,502	(754)	(1,645)	(1,584)
-	10	-	1	2	38	24
(72)	-	(112)	-	-	(1,381)	(1,423)
18	-	(2)	-	-	1,883	1,631
(54)	10	(114)	1	2	540	232
(1,332)	(1,783)	(1,294)	5,503	(752)	(1,105)	(1,352)
570	1,005	418	-	752	4,565	3,590
-	-	-	-	-	-	(306)
(762)	(778)	(876)	5,503	-	3,460	1,932
20,188	17,210	8,905	1,852	-	60,734	58,802
\$ 19,426	\$ 16,432	\$ 8,029	\$ 7,355	\$ -	\$ 64,194	\$ 60,734

(continued)

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

	PUBLIC PARKING SYSTEM	MOTOR VEHICLE INSPECTION	MAYPORT FERRY	BASEBALL STADIUM
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers.....	\$ 3,698	\$ 512	\$ 1,758	\$ 365
Payments to suppliers.....	(1,083)	(92)	(1,766)	(521)
Payments to employees	(1,696)	(353)	-	(332)
Internal activity-payments to other funds.....	-	-	-	-
Other cash receipts	24	-	-	106
Other operating cash payments.....	(215)	(4)	(218)	(185)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.....	728	63	(226)	(567)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfers from other funds.....	-	-	450	1,370
Transfers to other funds.....	-	-	-	-
Cash received from other funds.....	-	-	-	-
Cash paid to other funds.....	(24)	-	(213)	-
NET CASH PROVIDED (USED IN) BY NONCAPITAL FINANCING ACTIVITIES.....	(24)	-	237	1,370
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition and construction of capital assets.....	(104)	-	(1,098)	(419)
Proceeds from sale of Capital Assets	-	-	-	458
Cash received from (paid to) fiscal agent.....	-	-	-	292
Contributions from JPA and JTA.....	-	-	1,200	-
Proceeds from long-term obligations.....	-	-	-	-
Proceeds from bonds payable.....	-	-	-	170
Payments on bonds payable.....	-	-	-	(457)
Payments for bond administration fee.....	-	-	-	-
Interest paid on debt.....	-	-	-	(1,203)
Principal paid on debt.....	-	-	-	-
NET CASH PROVIDED BY (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES.....	(104)	-	102	(1,159)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest and dividends on investments.....	6	2	5	12
NET CASH PROVIDED BY INVESTING ACTIVITIES.....	6	2	5	12
NET INCREASE (DECREASE) IN CASH AND INVESTMENTS.....	606	65	118	(344)
Equity in pooled cash and investments at October 1, 2013.....	10	30	-	581
Equity in pooled cash and investments at September 30, 2014.....	\$ 616	\$ 95	\$ 118	\$ 237

PERFORMING ARTS	CONVENTION CENTER	EQUESTRIAN CENTER	SPORTS COMPLEX CAPITAL	RITZ THEATER	TOTALS	
					2014	2013
\$ 1,969	\$ 1,040	\$ 193	\$ 5,502	\$ 53	\$ 15,090	\$ 13,209
(2,142)	(1,523)	(570)	-	(181)	(7,878)	(6,945)
(616)	(1,233)	(256)	-	(366)	(4,852)	(4,445)
-	-	-	-	-	-	(981)
831	1,037	144	-	-	2,142	2,106
(422)	(241)	(73)	-	(41)	(1,399)	-
(380)	(920)	(562)	5,502	(535)	\$ 3,103	\$ 2,944
570	1,005	418	-	752	4,565	3,590
-	-	-	-	-	-	(306)
-	29	213	2,983	-	3,225	393
(147)	(2)	-	(21,255)	-	(21,641)	(986)
423	1,032	631	(18,272)	752	(13,851)	2,691
(753)	(2)	-	(13,371)	-	(15,747)	(6,013)
759	-	-	-	-	1,217	-
22	-	57	-	-	371	(62)
-	-	-	-	-	1,200	-
-	-	-	24,225	-	24,225	-
18	-	-	-	-	188	-
(18)	-	(14)	-	-	(489)	-
-	-	-	-	-	-	(2)
(71)	-	(112)	-	-	(1,386)	(1,027)
-	-	-	-	-	-	(604)
(43)	(2)	(69)	10,854	-	9,579	(7,708)
-	10	-	1	2	38	-
-	10	-	1	2	38	-
-	120	-	(1,915)	219	(\$ 1,131)	(2,073)
-	595	-	1,915	-	3,131	5,204
\$ -	\$ 715	\$ -	\$ -	\$ 219	\$ 2,000	\$ 3,131

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
NONMAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands; continued)

	<u>PUBLIC PARKING SYSTEM</u>	<u>MOTOR VEHICLE INSPECTION</u>	<u>MAYPORT FERRY</u>	<u>BASEBALL STADIUM</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH USED IN OPERATING ACTIVITIES:				
OPERATING INCOME (LOSS).....	\$ 190	\$ 58	(\$ 925)	(\$ 1,465)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization.....	402	-	625	706
Other non-operating revenue/(expenses).....	8	-	-	-
(Increase) decrease in assets:				
Receivables and other current assets, net.....	(5)	(9)	278	(90)
Due from independent agencies and other governments.....	-	-	(183)	-
Prepaid expenses and other assets.....	-	-	-	-
Increase (decrease) in liabilities:				
Accounts payable and accrued expenses.....	64	4	(21)	275
Deposits.....	14	-	-	-
Accrued interest payable.....	-	-	-	7
Other liabilities.....	38	7	-	-
Accrued compensated absences.....	17	3	-	-
TOTAL ADJUSTMENTS.....	538	5	699	898
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.....	\$ 728	\$ 63	(\$ 226)	(\$ 567)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES:				
Change in the fair value of investments.....	-	-	-	-
Capital assets transferred between proprietary funds.....	-	-	-	458
Capital assets transferred from governmental activities to proprietary funds of the city.....	32	-	-	-
Accrued Interest.....	-	-	-	(598)
Gift.....	-	-	-	-
Accounts payable capital assets.....	-	-	-	-

PERFORMING ARTS	CONVENTION CENTER	EQUESTRIAN CENTER	SPORTS COMPLEX CAPITAL	RITZ THEATER	TOTALS	
					2014	2013
<u>(\$ 1,278)</u>	<u>(\$ 1,793)</u>	<u>(\$ 1,180)</u>	<u>\$ 5,502</u>	<u>(\$ 754)</u>	<u>(\$ 1,645)</u>	<u>(1,584)</u>
753	637	709	-	-	3,832	4,338
-	-	-	-	-	8	210
9	28	(42)	-	(215)	(46)	(359)
-	-	-	-	-	(183)	-
5	11	1	-	(23)	(6)	(36)
88	141	(55)	-	406	902	327
35	54	(1)	-	24	126	(8)
8	2	6	-	27	50	-
-	-	-	-	-	45	39
-	-	-	-	-	20	17
<u>898</u>	<u>873</u>	<u>618</u>	<u>-</u>	<u>219</u>	<u>4,748</u>	<u>4,528</u>
<u>(\$ 380)</u>	<u>(\$ 920)</u>	<u>(\$ 562)</u>	<u>\$ 5,502</u>	<u>(\$ 535)</u>	<u>\$ 3,103</u>	<u>\$ 2,944</u>
-	-	-	(1)	-	(1)	-
-	-	-	56,820	-	57,278	(3,406)
-	-	-	-	-	32	10
(23)	-	(51)	-	-	(672)	(677)
-	-	-	-	-	-	4,651
-	-	-	-	-	-	(1,349)



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INTERNAL SERVICE FUNDS

Internal Service Funds account for the financing of goods and services provided by one City department or agency to other City departments or agencies on a cost-reimbursement basis. Descriptions of individual funds in this category are presented below.

The Fleet Management Fund accounts for the operation of the City's fleet of police cars, fire and rescue vehicles, public works and public utilities trucks, and many other types of on- and off-road automotive equipment.

The Copy Center Fund accounts for the operation of the centralized copy center, mail and messenger service functions for City agencies.

The Public Works Fund accounts for costs of the operation, maintenance, utilities, and security of public buildings.

The Information Technologies Fund accounts for centralized information management and computer services that include data processing, central telephone and network communications, and other voice/data electronic media services.

The Legal Fund accounts for centralized legal services to all City departments and agencies through the Office of General Counsel.

The Self-Insurance Fund accounts for centralized risk management and safety and loss prevention services to all City departments that are self-insured for workers' compensation, public, and general and vehicle liability.

The Group Health Fund accounts for employee health and life insurance premiums and manages third party health care contracts to all City employees.

The Insured Programs Fund accounts for providing all forms of property and casualty, commercial liability and other types of coverage to City departments.

The Banking Fund accounts for commercial paper issued for short intermediate life assets such as personal computers, vehicles, application software, equipment, etc.

COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

	FLEET MANAGEMENT	COPY CENTER	INFORMATION TECHNOLOGIES	PUBLIC WORKS
<u>ASSETS</u>				
CURRENT ASSETS:				
Equity in pooled cash and investments.....	\$ 20,796	\$ 436	\$ 6,224	\$ 5,870
Cash with fiscal agents.....	-	-	-	-
Accounts receivable.....	-	-	-	17
Loans receivable.....	-	-	-	-
Other receivables.....	-	-	-	-
Due from independent agencies and other governments.....	474	-	240	-
Inventories.....	675	-	399	-
Prepaid expenses and other assets.....	-	-	263	-
Total Current Assets.....	21,945	436	7,126	5,887
NONCURRENT ASSETS:				
Advances to other funds.....	-	-	-	-
Loans receivable - noncurrent.....	-	-	-	-
Other receivables - noncurrent.....	-	-	-	-
Total Noncurrent Assets.....	-	-	-	-
CAPITAL ASSETS AND INFRASTRUCTURE				
Land and work in progress.....	3,800	-	245	-
Other capital assets, net of depreciation.....	23,615	7	26,889	19
Total Capital Assets, Net.....	27,415	7	27,134	19
TOTAL ASSETS.....	49,360	443	34,260	5,906
<u>LIABILITIES</u>				
CURRENT LIABILITIES:				
Accounts payable and accrued liabilities.....	3,971	164	2,703	2,984
Deposits.....	-	-	-	-
Estimated liability for self-insured losses, current portion.....	-	-	-	-
Unearned revenue.....	-	-	-	-
Accrued compensated absences, current portion.....	136	8	347	71
Current interest payable.....	-	-	-	-
Current portion of bonds payable.....	-	-	-	-
Current portion of notes payable.....	-	-	-	-
Current portion of loans payable.....	934	-	3,931	-
Total Current Liabilities.....	5,041	172	6,981	3,055
NONCURRENT LIABILITIES:				
Notes payable.....	-	-	-	-
Estimated liability for self-insured losses.....	-	-	-	-
Accrued compensated absences.....	317	19	809	167
Loans payable.....	-	-	12,140	-
Bonds payable.....	-	-	-	-
Other liabilities.....	741	41	959	50
Total Long-Term Liabilities.....	1,058	60	13,908	217
TOTAL LIABILITIES.....	6,099	232	20,889	3,272
NET POSITION:				
Net investment in capital assets.....	26,481	7	11,063	19
Restricted - other participant's equity.....	-	-	-	-
Unrestricted (deficit).....	16,780	204	2,308	2,615
TOTAL NET POSITION.....	\$ 43,261	\$ 211	\$ 13,371	\$ 2,634

See accompanying notes.

LEGAL	SELF- INSURANCE	GROUP HEALTH	INSURED PROGRAMS	BANKING FUND	TOTALS	
					2014	2013
\$ 2,705	\$ 87,741	\$ 14,345	\$ 5,765	\$ 33,074	\$ 176,956	\$ 175,198
-	-	-	-	23,748	23,748	18,871
-	33	150	-	-	200	188
-	-	-	-	24,690	24,690	25,609
-	1,192	-	-	-	1,192	1,262
608	327	-	-	-	1,649	1,837
-	-	-	-	-	1,074	1,926
-	549	-	2,312	-	3,124	3,201
3,313	89,842	14,495	8,077	81,512	232,633	228,092
-	4,711	-	-	-	4,711	5,536
-	-	-	-	210,168	210,168	217,356
-	11,878	-	-	-	11,878	12,427
-	16,589	-	-	210,168	226,757	235,319
-	23	-	-	-	4,068	927
1	287	11	50	-	50,879	58,555
1	310	11	50	-	54,947	59,482
3,314	106,741	14,506	8,127	291,680	514,337	522,893
342	129	7,572	79	105	18,049	11,617
-	-	-	-	-	-	200
-	23,838	-	-	-	23,838	25,218
-	-	-	2,312	-	2,312	2,420
186	23	16	18	-	805	708
-	-	-	-	5,469	5,469	4,500
-	-	-	-	18,279	18,279	14,373
-	-	-	-	3,900	3,900	8,650
-	-	-	-	-	4,865	6,285
528	23,990	7,588	2,409	27,753	77,517	73,971
-	-	-	-	-	-	4,590
-	79,045	-	-	-	79,045	72,222
434	55	38	42	-	1,881	1,655
-	-	-	-	-	12,140	17,005
-	-	-	-	247,936	247,936	268,248
384	124	64	25	-	2,388	1,983
818	79,224	102	67	247,936	343,390	365,703
1,346	103,214	7,690	2,476	275,689	420,907	439,674
1	310	11	50	-	37,942	36,192
-	3,248	-	-	-	3,248	2,398
1,967	(31)	6,805	5,601	15,991	52,240	44,629
\$ 1,968	\$ 3,527	\$ 6,816	\$ 5,651	\$ 15,991	\$ 93,430	\$ 83,219

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

	FLEET MANAGEMENT	COPY CENTER	INFORMATION TECHNOLOGIES	PUBLIC WORKS
OPERATING REVENUE:				
Charges for services.....	\$ 36,513	\$ 2,368	\$ 26,375	\$ 36,838
Charges for services for independent authorities.....	8,738	-	1,790	-
Other.....	1,284	5	33	285
Total Operating Revenue.....	46,535	2,373	28,198	37,123
OPERATING EXPENSES:				
Personal services.....	5,751	232	11,147	3,194
Supplies and materials.....	25,503	526	650	297
Central services.....	1,112	154	1,909	6,616
Other services and charges.....	5,939	1,500	10,018	22,441
Depreciation.....	8,635	15	10,639	1
Court reporter services.....	-	-	-	-
Claims and losses.....	-	-	-	-
Insurance premiums and participant dividends.....	72	1	122	770
Total Operating Expenses.....	47,012	2,428	34,485	33,319
OPERATING INCOME (LOSS).....	(477)	(55)	(6,287)	3,804
NON-OPERATING REVENUE (EXPENSES):				
Investment earnings.....	330	7	94	70
Interest expense	(59)	-	(660)	-
Other.....	617	13	3,462	-
Total Non-Operating Revenue (Expenses)	888	20	2,896	70
INCOME (LOSS) BEFORE OPERATING TRANSFERS..	411	(35)	(3,391)	3,874
TRANSFERS:				
Transfers in.....	6,942	-	200	-
Transfers out.....	-	-	-	(1,240)
Net Transfers.....	6,942	-	200	(1,240)
CHANGE IN NET POSITION.....	7,353	(35)	(3,191)	2,634
NET POSITION, BEGINNING OF YEAR,				
AS RESTATED	35,908	246	16,562	-
NET POSITION, END OF YEAR	\$ 43,261	\$ 211	\$ 13,371	\$ 2,634

See accompanying notes.

LEGAL	SELF- INSURANCE	GROUP HEALTH	INSURED PROGRAMS	BANKING FUND	TOTALS	
					2014	2013
\$ 7,360	\$ 37,407	\$ 89,844	\$ 9,605	\$ 11,318	\$ 257,628	\$ 211,184
1,890	-	-	-	-	12,418	14,977
11	1	1	-	-	1,620	742
9,261	37,408	89,845	9,605	11,318	271,666	226,903
6,439	1,472	560	463	-	29,258	24,990
18	55	2	5	-	27,056	27,302
294	795	237	56	-	11,173	5,534
1,376	7,331	373	-	11,713	60,691	33,669
1	8	2	3	-	19,304	17,108
59	-	-	-	-	59	64
-	23,604	-	430	-	24,034	22,944
42	6,947	88,874	8,098	-	104,926	95,940
8,229	40,212	90,048	9,055	11,713	276,501	227,551
1,032	(2,804)	(203)	550	(395)	(4,835)	(648)
52	1,670	262	221	1,113	3,819	244
-	-	-	-	-	(719)	(981)
-	3	-	-	1,844	5,939	3,016
52	1,673	262	221	2,957	9,039	2,279
1,084	(1,131)	59	771	2,562	4,204	1,631
-	4,751	-	-	174	12,067	1,474
(1,140)	-	-	(3,680)	-	(6,060)	(692)
(1,140)	4,751	-	(3,680)	174	6,007	782
(56)	3,620	59	(2,909)	2,736	10,211	2,413
2,024	(93)	6,757	8,560	13,255	83,219	80,806
\$ 1,968	\$ 3,527	\$ 6,816	\$ 5,651	\$ 15,991	\$ 93,430	\$ 83,219

(continued)

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
ALL INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

	<u>FLEET MANAGEMENT</u>	<u>COPY CENTER</u>	<u>INFORMATION TECHNOLOGIES</u>	<u>PUBLIC WORKS</u>
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers.....	\$ 47,092	\$ 2,373	\$ 28,022	\$ 37,106
Payments to suppliers.....	(30,018)	(2,095)	(8,985)	(20,524)
Payments to employees.....	(5,680)	(227)	(10,918)	(2,906)
Internal activity-payments to other funds.....	(1,112)	(16)	(1,909)	(6,616)
Other receipts.....	1,538	-	-	-
Other operating cash payments.....	(779)	(38)	(208)	-
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.	11,041	(3)	6,002	7,060
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Cash received through transfers from other funds.....	6,942	-	200	-
Cash payments through transfers to other funds.....	-	-	-	(1,240)
Cash received from other funds.....	-	-	-	-
NET CASH PROVIDED BY (USED IN) NONCAPITAL FINANCING ACTIVITIES.....	6,942	-	200	(1,240)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets.....	(9,697)	(13)	(4,682)	(20)
Proceeds from sale of capital assets.....	617	13	3,462	-
Cash with fiscal agent.....	-	-	-	-
Payments on loans payable.....	(2,166)	-	(4,119)	-
Payments on notes payable.....	-	-	-	-
Proceeds from bonds payable.....	-	-	-	-
Payments on bonds payable.....	-	-	-	-
Interest and payments.....	(59)	-	(660)	-
NET CASH (USED IN) CAPITAL AND RELATED FINANCING ACTIVITIES.....	(11,305)	-	(5,999)	(20)
CASH FLOWS FROM INVESTING ACTIVITIES:				
Interest and Dividends.....	330	7	94	70
NET CASH PROVIDED BY INVESTING ACTIVITIES.....	330	7	94	70
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS.....	7,008	4	297	5,870
Equity in pooled cash and investments at October 1, 2013.....	13,788	432	5,927	-
Equity in pooled cash and investments at September 30, 2014.....	<u>\$ 20,796</u>	<u>\$ 436</u>	<u>\$ 6,224</u>	<u>\$ 5,870</u>

<u>LEGAL</u>	<u>SELF- INSURANCE</u>	<u>GROUP HEALTH</u>	<u>INSURED PROGRAMS</u>	<u>BANKING FUND</u>	<u>TOTALS</u>	
					<u>2014</u>	<u>2013</u>
\$ 9,382	\$ 37,718	\$ 89,845	\$ 9,605	\$ 11,318	\$ 272,461	\$ 228,387
(1,301)	(13,127)	(88,816)	(8,774)	2,836	(170,804)	(147,568)
(6,365)	(1,437)	(545)	(452)	-	(28,530)	(24,806)
(292)	(795)	(237)	(89)	-	(11,066)	(3,619)
-	-	-	741	8,107	10,386	42,456
<u>(177)</u>	<u>(19,373)</u>	<u>(279)</u>	<u>(494)</u>	<u>(14,505)</u>	<u>(35,853)</u>	<u>(61,439)</u>
<u>1,247</u>	<u>\$ 2,986</u>	<u>(\$ 32)</u>	<u>537</u>	<u>7,756</u>	<u>\$ 36,594</u>	<u>33,411</u>
-	4,751	-	-	174	12,067	1,474
(1,140)	-	-	(3,680)	-	(6,060)	(692)
<u>-</u>	<u>825</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>825</u>	<u>790</u>
<u>(1,140)</u>	<u>5,576</u>	<u>-</u>	<u>(3,680)</u>	<u>174</u>	<u>6,832</u>	<u>1,572</u>
-	(303)	-	(50)	-	(14,765)	(11,108)
-	-	-	-	-	4,092	4,157
-	-	-	-	(4,877)	(4,877)	(3,736)
-	-	-	-	-	(6,285)	(9,443)
-	-	-	-	(9,340)	(9,340)	(14,750)
-	-	-	-	2,033	2,033	15,894
-	-	-	-	(16,595)	(16,595)	(1,221)
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>969</u>	<u>250</u>	<u>-</u>
<u>-</u>	<u>(303)</u>	<u>-</u>	<u>(50)</u>	<u>(27,810)</u>	<u>(45,487)</u>	<u>(20,207)</u>
<u>52</u>	<u>1,670</u>	<u>262</u>	<u>221</u>	<u>1,113</u>	<u>3,819</u>	<u>(737)</u>
<u>52</u>	<u>1,670</u>	<u>262</u>	<u>221</u>	<u>1,113</u>	<u>3,819</u>	<u>(737)</u>
159	9,929	230	(2,972)	(18,767)	1,758	14,039
<u>2,546</u>	<u>77,812</u>	<u>14,115</u>	<u>8,737</u>	<u>51,841</u>	<u>175,198</u>	<u>161,159</u>
<u>\$ 2,705</u>	<u>\$ 87,741</u>	<u>\$ 14,345</u>	<u>\$ 5,765</u>	<u>\$ 33,074</u>	<u>\$ 176,956</u>	<u>\$ 175,198</u>

(continued)

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
ALL INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands; continued)

	<u>FLEET MANAGEMENT</u>	<u>COPY CENTER</u>	<u>INFORMATION TECHNOLOGIES</u>	<u>PUBLIC WORKS</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES:				
Operating income (loss)	<u>(\$ 477)</u>	<u>(\$ 55)</u>	<u>(\$ 6,287)</u>	<u>\$ 3,804</u>
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation and amortization.....	8,635	15	10,639	1
(Increase) decrease in assets:				
Receivables and other current assets, net.....	-	-	-	(17)
Due from independent agencies and other governments.....	557	-	(176)	-
Other receivables.....	-	-	-	-
Loans receivables.....	-	-	-	-
Inventories.....	718	-	134	-
Prepaid expenses.....	-	-	-	-
Increase (decrease) in liabilities:				
Accounts payable and accrued liabilities.....	1,538	32	1,463	2,984
Accrued compensated absences.....	(38)	-	92	238
Deposits	-	-	-	-
Other liabilities.....	108	5	137	50
Unearned revenue.....	-	-	-	-
Liability for self-insured losses.....	-	-	-	-
TOTAL ADJUSTMENTS.....	<u>11,518</u>	<u>52</u>	<u>12,289</u>	<u>3,256</u>
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES.....	<u>\$ 11,041</u>	<u>(\$ 3)</u>	<u>\$ 6,002</u>	<u>\$ 7,060</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Change in the fair value of investments.....	\$ 7	\$ -	\$ 2	\$ 2

<u>LEGAL</u>	<u>SELF- INSURANCE</u>	<u>GROUP HEALTH</u>	<u>INSURED PROGRAMS</u>	<u>BANKING FUND</u>	<u>TOTALS</u>	
					<u>2014</u>	<u>2013</u>
<u>\$ 1,032</u>	<u>(\$ 2,804)</u>	<u>(\$ 203)</u>	<u>\$ 550</u>	<u>(\$ 395)</u>	<u>(\$ 4,835)</u>	<u>(\$ 648)</u>
1	8	2	3	-	19,304	17,108
-	5	-	-	-	(12)	5
121	(314)	-	-	-	188	721
-	618	-	-	-	618	611
-	-	-	-	8,107	8,107	16,152
-	-	-	-	-	852	80
-	(31)	-	108	-	77	(108)
19	21	358	(28)	44	6,431	(1,034)
11	10	4	6	-	323	(134)
-	-	(200)	-	-	(200)	200
63	25	12	6	-	406	318
-	-	-	(108)	-	(108)	(148)
-	5,448	(5)	-	-	5,443	288
<u>215</u>	<u>5,790</u>	<u>171</u>	<u>(13)</u>	<u>8,151</u>	<u>41,429</u>	<u>34,059</u>
<u>\$ 1,247</u>	<u>\$ 2,986</u>	<u>(\$ 32)</u>	<u>\$ 537</u>	<u>\$ 7,756</u>	<u>\$ 36,594</u>	<u>\$ 33,411</u>
\$ 1	\$ 20	\$ 5	\$ 2	\$ 11	\$ 50	(\$ 5,333)

(continued)



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FIDUCIARY FUNDS

Fiduciary Funds account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. Below are descriptions of the generic fund types within this category and specific funds within each fund type.

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

The Jacksonville Retirement System Fund includes resources accumulated to pay present and future retirement annuities to eligible employees of the City except for sworn officers of the Office of the Sheriff and the firefighters in the Department of Fire and Rescue.

The Police and Fire Pension Trust Fund accounts for a single employer, contributory defined benefit plan for City police officers and firefighters.

AGENCY FUNDS are funds which hold monies in an agency capacity for various government units, individuals or funds. Individual fund descriptions follow.

The Treasurer Fund is the clearing fund used to account for all cash received and disbursed on behalf of the City's payroll.

The Tax Collector Fund accounts for assets and liabilities from the collection of all taxes, revenues and other cash amounts on behalf of the City and various of its agencies, authorities, organizations, individuals, and funds.

Clerk of the Circuit Court accounts for assets and liabilities from revenues collected on behalf of the state and the city by the court system for various judgments, fines, bonds, fees and licenses and other miscellaneous amounts.

Plat Deposits Fund accounts for the deposits placed with the City as collateral to insure the completion of improvements in the event of default by a developer or failure by the developer to complete improvements within the time specified by the ordinance approving the Final Plat.

The Duval County School Readiness Coalition Fund accounts for the assets and liabilities from revenues collected on behalf of the Duval County School Readiness Coalition from the State, pursuant to Florida Statute 411.01, to provide comprehensive programs of readiness services to children.

The Florida Retirement System Fund accounts for a multiple-employer, cost-sharing defined benefit plan for certain City employees who elected to remain with the State of Florida Retirement System.

The Office of the Sheriff accounts for deposits held in accordance with statutes for civil action, safeguarding of monetary evidence, and inmate funds.

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION -
PENSION TRUST FUNDS
SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

	PENSION TRUST FUNDS						
	JACKSONVILLE RETIREMENT SYSTEM						
	GENERAL EMPLOYEES	CORRECTIONS OFFICERS	DISABILITY PENSION	DEFINED CONTRIBUTION	POLICE AND FIRE	TOTALS	
	PLAN	PLAN	PLAN	PLAN	PENSION PLAN	2014	2013
<u>ASSETS</u>							
Equity in pooled cash and investments.....	\$ 22,373	\$ 234	\$ 7,940	\$ 17	\$ 5,112	\$ 35,676	\$ 38,631
Receivables (net, where applicable, of allowances for uncollectibles):							
Interest and dividends.....	2,823	-	-	-	1,591	4,414	4,711
Accounts.....	-	-	-	-	108	108	97
Other.....	2,762	413	44	44	102	3,365	1,541
Due from independent agencies and other governments....	-	-	-	-	4,427	4,427	5,314
Prepaid assets.....	-	-	-	-	64	64	66
Investments, at fair value:							
U.S. government obligations.....	77,428	-	-	-	94,994	172,422	96,207
Federal agencies.....	39,901	-	-	-	72,766	112,667	150,355
Municipal bonds.....	853	-	-	-	-	853	1,417
Domestic corporate bonds.....	154,975	-	-	-	63,274	218,249	155,984
Short-term investments.....	32,327	-	-	-	12,265	44,592	69,322
Domestic stocks.....	823,600	-	-	-	399,646	1,223,246	1,332,393
International stocks.....	469,798	-	-	-	303,916	773,714	702,100
Real estate.....	227,952	-	-	-	154,659	382,611	276,232
Energy market investments.....	-	-	-	-	115,965	115,965	107,284
Other fixed income.....	108,968	-	-	-	248,044	357,012	200,626
Alternative investments.....	49,355	-	-	-	-	49,355	44,410
Equity in pooled investments.....	(163,009)	163,009	-	11,480	-	11,480	5,860
Total investments.....	1,822,148	163,009	-	11,480	1,465,529	3,462,166	3,142,190
Capital assets:							
Other capital assets, net of depreciation.....	9	-	-	-	29	38	47
Net capital assets.....	9	-	-	-	29	38	47
Securities lending collateral.....	68,463	6,106	-	-	125,067	199,636	57,238
TOTAL ASSETS.....	1,918,578	169,762	7,984	11,541	1,602,029	3,709,894	3,249,835
<u>LIABILITIES</u>							
Obligations under securities lending agreement.....	68,466	6,106	-	-	125,067	199,639	57,240
Accounts payable and accrued liabilities.....	1,867	85	3	-	3,482	5,437	6,518
Other post employment benefits.....	35	-	-	-	42	77	62
Accrued compensated absences.....	21	-	-	-	167	188	129
Terminal leave - group care.....	-	-	-	-	174	174	272
Due to participants.....	-	-	-	-	-	-	34
TOTAL LIABILITIES.....	70,389	6,191	3	-	128,932	205,515	64,255
NET POSITION HELD IN TRUST							
FOR PENSION BENEFITS.....	\$ 1,848,189	\$ 163,571	\$ 7,981	\$ 11,541	\$ 1,473,097	\$ 3,504,379	\$ 3,185,580

See accompanying notes.

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)**

	PENSION TRUST FUNDS						
	JACKSONVILLE RETIREMENT SYSTEM						
	GENERAL EMPLOYEES PLAN	CORRECTIONS OFFICERS PLAN	DISABILITY PENSION PLAN	DEFINED CONTRIBUTION PLAN	POLICE AND FIRE PENSION PLAN	TOTALS	
						2014	2013
<u>ADDITIONS</u>							
Contributions:							
Employer.....	\$ 70,754	\$ 12,779	\$ 838	\$ 5,914	\$ 150,520	\$ 240,805	\$ 189,917
Plan member.....	20,961	2,253	895	1,808	11,584	37,501	37,132
Total contributions.....	91,715	15,032	1,733	7,722	\$ 162,104	278,306	227,049
Other additions:							
State insurance contributions.....	-	-	-	-	10,111	10,111	9,667
Court fines & penalties.....	-	327	-	-	881	1,208	1,114
Miscellaneous.....	10	-	-	-	155	165	1,295
Transfers in.....	-	-	-	-	-	-	1,102
Total other additions.....	10	327	-	-	11,147	11,484	13,178
Investment income:							
Net change in fair value of investments.....	176,757	14,067	3	(39)	129,030	319,818	408,849
Interest and other miscellaneous.....	14,549	1,507	144	576	10,566	27,342	28,310
Dividends.....	12,458	1,037	-	-	14,623	28,118	28,594
Rebate of commissions.....	-	-	-	-	100	100	123
Rental Income.....	1	-	-	-	529	530	1,706
Total investment income (loss).....	203,765	16,611	147	537	154,848	375,908	467,582
Less investment expense.....	(9,054)	(747)	(1)	(7)	(7,640)	(17,449)	(14,921)
Less rental expense.....	-	-	-	-	(258)	(258)	(321)
Net investment income (loss).....	194,711	15,864	146	530	146,950	358,201	452,340
From Securities Lending Activities:							
Securities lending.....	507	38	-	-	483	1,028	428
Securities lending expenses.....							
Agent fees.....	(118)	(18)	-	-	(101)	(237)	(107)
Total securities lending activities	389	20	-	-	382	791	321
TOTAL ADDITIONS.....	286,825	31,243	1,879	8,252	320,583	648,782	692,888
<u>DEDUCTIONS</u>							
Benefit payments.....	151,192	6,709	349	-	111,424	269,674	252,844
DROP benefits	-	-	-	-	26,387	26,387	54,249
Refund of contributions.....	19,935	7,969	-	2,520	368	30,792	22,887
Transfers out.....	-	-	-	-	-	-	1,102
Miscellaneous-Grant LED changeout expense.....	-	-	-	-	13	13	60
Administrative expenses.....	828	65	-	-	2,224	3,117	3,227
TOTAL DEDUCTIONS.....	171,955	14,743	349	2,520	140,416	329,983	334,369
CHANGE IN NET POSITION.....	114,870	16,500	1,530	5,732	180,167	318,799	358,519
NET POSITION, BEGINNING OF YEAR, AS RESTATED.....	1,733,319	147,071	6,451	5,809	1,292,930	\$ 3,185,580	2,827,061
NET POSITION, END OF YEAR.....	\$ 1,848,189	\$ 163,571	\$ 7,981	\$ 11,541	\$ 1,473,097	\$ 3,504,379	\$ 3,185,580

See accompanying notes.

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

	<u>TREASURER</u>	<u>TAX COLLECTOR</u>	<u>CLERK OF THE CIRCUIT COURTS</u>	<u>PLAT DEPOSITS</u>
ASSETS:				
Equity in pooled cash and investments.....	\$ 201	\$ 14,485	\$ 33,683	\$ 122
Receivables (net, where applicable, of allowances for uncollectible):				
Accounts.....	22	-	2,448	-
TOTAL ASSETS.....	<u>\$ 223</u>	<u>\$ 14,485</u>	<u>\$ 36,131</u>	<u>\$ 122</u>
LIABILITIES:				
Accounts payable and accrued liabilities.....	\$ 223	\$ -	\$ -	\$ -
Due to independent agencies and other governments.....	-	9,569	9,595	-
Due to individuals.....	-	2,688	4,171	-
Deposits held in escrow.....	-	2,228	22,365	122
Miscellaneous liabilities.....	-	-	-	-
TOTAL LIABILITIES.....	<u>\$ 223</u>	<u>\$ 14,485</u>	<u>\$ 36,131</u>	<u>\$ 122</u>

DUVAL CO SCHOOL READINESS COALITION	FLORIDA RETIREMENT SYSTEM	SHERIFF'S AGENCY FUND	TOTALS	
			2014	2013
\$ 22	\$ 87	\$ 2,521	\$ 51,121	\$ 53,126
-	-	-	2,470	2,202
<u>\$ 22</u>	<u>\$ 87</u>	<u>\$ 2,521</u>	<u>\$ 53,591</u>	<u>\$ 55,328</u>
\$ -	\$ 16	\$ -	\$ 239	\$ 577
-	71	11	19,246	15,722
-	-	-	6,859	7,502
-	-	1,851	26,566	30,846
<u>22</u>	<u>-</u>	<u>659</u>	<u>681</u>	<u>681</u>
<u>\$ 22</u>	<u>\$ 87</u>	<u>\$ 2,521</u>	<u>\$ 53,591</u>	<u>\$ 55,328</u>

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUNDS - ALL AGENCY FUNDS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	BALANCE OCTOBER 1, 2013	ADDITIONS	DEDUCTIONS	BALANCE SEPTEMBER 30, 2014
<u>TREASURER</u>				
<u>ASSETS</u>				
Equity in pooled cash and investments.....	\$ 554	\$ 993,975	\$ 994,328	\$ 201
Accounts receivable.....	23	11	12	22
TOTAL ASSETS.....	\$ 577	\$ 993,986	\$ 994,340	\$ 223
<u>LIABILITIES</u>				
Accounts payable and accrued liabilities.....	\$ 577	\$ 208,856	\$ 209,210	\$ 223
TOTAL LIABILITIES.....	\$ 577	\$ 208,856	\$ 209,210	\$ 223
<u>TAX COLLECTOR</u>				
<u>ASSETS</u>				
Equity in pooled cash and investments.....	\$ 15,594	\$ 296	\$ 1,405	\$ 14,485
TOTAL ASSETS.....	\$ 15,594	\$ 296	\$ 1,405	\$ 14,485
<u>LIABILITIES</u>				
Due to independent agencies and other governments.....	\$ 9,739	-	\$ 170.00	\$ 9,569
Due to individuals.....	3,540	-	852	2,688
Deposits held in escrow.....	2,315	229	316	2,228
TOTAL LIABILITIES.....	\$ 15,594	\$ 229	\$ 1,338	\$ 14,485
<u>CLERK OF THE CIRCUIT COURT</u>				
<u>ASSETS</u>				
Equity in pooled cash and investments.....	\$ 34,134	\$ -	\$ 451	\$ 33,683
Accounts receivable.....	2,179	269	-	2,448
TOTAL ASSETS.....	\$ 36,313	\$ 269	\$ 451	\$ 36,131
<u>LIABILITIES</u>				
Due to independent agencies and other governments.....	\$ 5,916	\$ 3,679	\$ -	\$ 9,595
Due to individuals.....	3,962	209	-	4,171
Deposits held in escrow.....	26,435	-	4,070	22,365
TOTAL LIABILITIES.....	\$ 36,313	\$ 3,888	\$ 4,070	\$ 36,131

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUNDS - ALL AGENCY FUNDS (in thousands)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	BALANCE OCTOBER 1, 2013	ADDITIONS	DEDUCTIONS	BALANCE SEPTEMBER 30, 2014
<u>PLAT DEPOSITS</u>				
<u>ASSETS</u>				
Equity in pooled cash and investments.....	\$ 245	\$ 10	\$ 133	\$ 122
TOTAL ASSETS.....	<u>\$ 245</u>	<u>\$ 10</u>	<u>\$ 133</u>	<u>\$ 122</u>
<u>LIABILITIES</u>				
Accounts payable and accrued liabilities.....	\$ -	\$ 19	\$ 19	\$ -
Deposits held in escrow.....	<u>245</u>	<u>10</u>	<u>133</u>	<u>122</u>
TOTAL LIABILITIES.....	<u>\$ 245</u>	<u>\$ 29</u>	<u>\$ 152</u>	<u>\$ 122</u>
<u>DUVAL CO SCHOOL READINESS COALITION</u>				
<u>ASSETS</u>				
Equity in pooled cash and investments.....	\$ 22	\$ -	\$ -	\$ 22
TOTAL ASSETS.....	<u>\$ 22</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22</u>
<u>LIABILITIES</u>				
Miscellaneous liabilities.....	\$ 22	\$ -	\$ -	\$ 22
TOTAL LIABILITIES.....	<u>\$ 22</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22</u>
<u>FLORIDA RETIREMENT SYSTEM</u>				
<u>ASSETS</u>				
Equity in pooled cash and investments.....	\$ 56	\$ 824	\$ 793	\$ 87
TOTAL ASSETS.....	<u>\$ 56</u>	<u>\$ 824</u>	<u>\$ 793</u>	<u>\$ 87</u>
<u>LIABILITIES</u>				
Accounts payable and accrued liabilities.....	\$ -	\$ 16	\$ -	\$ 16
Due to independent agencies and other governments.....	<u>56</u>	<u>819</u>	<u>804</u>	<u>71</u>
TOTAL LIABILITIES.....	<u>\$ 56</u>	<u>\$ 835</u>	<u>\$ 804</u>	<u>\$ 87</u>

(continued)

CITY OF JACKSONVILLE, FLORIDA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUNDS - ALL AGENCY FUNDS (in thousands; continued)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	BALANCE OCTOBER 1, 2013	ADDITIONS	DEDUCTIONS	BALANCE SEPTEMBER 30, 2014
<u>SHERIFF'S AGENCY FUND</u>				
<u>ASSETS</u>				
Equity in pooled cash and investments.....	\$ 2,521	\$ -	\$ -	\$ 2,521
TOTAL ASSETS.....	<u>\$ 2,521</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,521</u>
<u>LIABILITIES</u>				
Due to independent agencies and other governments.....	\$ 11	\$ -	\$ -	11
Deposits held in escrow.....	1,851	-	-	1,851
Miscellaneous liabilities.....	<u>659</u>	<u>-</u>	<u>-</u>	<u>659</u>
TOTAL LIABILITIES.....	<u>\$ 2,521</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,521</u>
<u>TOTALS - ALL AGENCY FUNDS</u>				
<u>ASSETS</u>				
Equity in pooled cash and investments.....	\$ 53,126	\$ 995,105	\$ 997,110	\$ 51,121
Accounts receivable.....	<u>2,202</u>	<u>280</u>	<u>12</u>	<u>2,470</u>
TOTAL ASSETS.....	<u>\$ 55,328</u>	<u>\$ 995,385</u>	<u>\$ 997,122</u>	<u>\$ 53,591</u>
<u>LIABILITIES</u>				
Accounts payable and accrued liabilities.....	\$ 577	\$ 208,891	\$ 209,229	\$ 239
Due to independent agencies and other governments.....	15,722	4,498	974	19,246
Due to individuals.....	7,502	209	852	6,859
Deposits held in escrow.....	30,846	239	4,519	26,566
Miscellaneous liabilities.....	<u>681</u>	<u>-</u>	<u>-</u>	<u>681</u>
TOTAL LIABILITIES.....	<u>\$ 55,328</u>	<u>\$ 213,837</u>	<u>\$ 215,574</u>	<u>\$ 53,591</u>

(continued)

COMPONENT UNITS

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

COMPONENT UNITS THAT DO NOT ISSUE A SEPARATE REPORT:

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

CITY OF JACKSONVILLE, FLORIDA
BALANCE SHEET - COMPONENT UNIT
JACKSONVILLE HOUSING FINANCE AUTHORITY
SEPTEMBER 30, 2014 (in thousands)

	JACKSONVILLE HOUSING FINANCE AUTHORITY
ASSETS:	
Equity in cash and investments.....	\$ 7,643
Cash in escrow and with fiscal agents.....	1,790
Receivables (net, where applicable, of allowances for uncollectibles):	
Mortgages.....	12,373
TOTAL ASSETS.....	21,806
 <u>LIABILITIES AND FUND BALANCES</u>	
LIABILITIES:	
Accounts payable and accrued liabilities.....	\$ 20
Deposits.....	10
TOTAL LIABILITIES.....	30
FUND BALANCES:	
Non Spendable:	
Imprest cash and cash in escrow.....	1,790
Spendable:	
Restricted	
Economic Environment.....	12,373
Committed	
Housing and Urban Development	7,613
TOTAL FUND BALANCES.....	21,776
TOTAL LIABILITIES AND FUND BALANCES.....	\$ 21,806
 Amounts reported for governmental activities in the statement of net assets are different because:	
 Certain assets and liabilities reported in governmental activities are not financial resources and therefore are not reported in the funds:	
Compensated absences.....	(35)
Other post employment benefits (OPEB) liability.....	(15)
TOTAL NET POSITION	\$ 21,726

See accompanying notes.

CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
COMPONENT UNITS - JACKSONVILLE HOUSING FINANCE AUTHORITY
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014 (in thousands)

	JACKSONVILLE HOUSING FINANCE AUTHORITY
REVENUES:	
Investment earnings.....	\$ 199
Other.....	341
Total Revenues.....	540
EXPENDITURES:	
Current:	
Economic environment.....	526
Total Expenditures.....	526
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES.....	14
NET CHANGES IN FUND BALANCES.....	14
FUND BALANCES, BEGINNING OF YEAR.....	21,762
FUND BALANCES, END OF YEAR.....	\$ 21,776

Amounts reported for governmental activities in the statement of activities are different because:

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)
Increase in other post employment benefits liability.....	(4)
Change in Net Position.....	\$ 3

See accompanying notes.



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SUPPLEMENTAL INFORMATION

The Supplemental Information provided herein contains schedules of long-term bonded indebtedness and debt service requirement detail, Self-Insurance Fund schedules detailing ten year trend information of general liability and workers compensation claims development, and General Fund balance sheet and statement of revenues expenditures and changes in fund balance schedules breaking out the General Service District, Emergency Reserve and other subfunds.

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF LONG-TERM BONDED INDEBTEDNESS (in thousands)
SEPTEMBER 30, 2014

	INTEREST RATES
GOVERNMENTAL ACTIVITIES:	
Revenue Bonds Supported by General Funds:	
Excise Taxes Revenue Bonds, Series 1993.....	6.300%
Local Government Sales Tax Refunding Revenue Bonds, Series 2001.....	5.500%
Excise Taxes Revenue Refunding and Improvement Bonds, Series 2002A.....	5.500%
Excise Taxes Revenue Refunding Bonds, Series 2003C (AMT).....	4.125%
* Excise Taxes Revenue Bonds, Series 2005A.....	3.750 - 5.000%
Excise Taxes Revenue Refunding Bonds, Series 2006A.....	3.750 - 5.000%
Excise Taxes Revenue Refunding Bonds, Series 2006B (AMT).....	4.000%
Excise Taxes Revenue Bonds, Taxable Series 2006C.....	5.060 - 5.220%
Excise Taxes Revenue Bonds, Series 2007.....	4.000 - 5.000%
* Capital Project Revenue Bonds, Series 2008A.....	3.500% (a)
* Capital Project Revenue Bonds, Series 2008B.....	2.890% (a)
Excise Taxes Revenue Bonds, Series 2009A	3.000 - 5.000%
* Excise Taxes Revenue Refunding Bonds, Series 2009B.....	5.000%
* Excise Taxes Revenue Refunding Bonds, Series 2009C (AMT).....	4.000 - 5.000%
* Special Revenue Bonds, Series 2009C-1.....	5.000 - 5.250%
* Special Revenue Bonds, Taxable Series 2009C-2 (Direct Pay Build America Bonds).....	4.240 - 4.990% (b)
* Special Revenue Bonds, Series 2010A.....	3.250 - 5.000%
* Special Revenue Bonds, Series 2011A.....	5.000 - 5.250%
* Special Revenue Bonds, Series 2012B.....	1.120%
* Special Revenue Refunding Bonds, Series 2012C.....	5.000%
Special Revenue Refunding Bonds, Series 2012D.....	4.000 - 5.000%
Special Revenue Refunding Bonds, Series 2012E.....	1.164 - 2.372%
* Special Revenue Bonds, Series 2013A.....	4.250 - 5.250%
Total	
Notes Payable Supported by General Fund:	
U.S. Government Guaranteed Note Payable, Series 1995 (Coach).....	5.190%
U.S. Government Guaranteed Note Payable, Series 2010-B (Hilton).....	2.200%
U.S. Government Guaranteed Note Payable, Series 2010 (LaVilla).....	2.200 - 2.660%
U.S. Government Guaranteed Note Payable, Series 2010 (Armor Holdings).....	2.200 - 2.660%
U.S. Government Guaranteed Note Payable, Series 2010 (Hampton Inns).....	2.200%
Total	

* Indicates individual bond series that were issued in support of multiple operations. The par amount of bonds allocated to the other operations were determined prorata based on the project funding at the time of closing, and must be combined to determine the total amount of bonds outstanding for that bond series.

(a) The above rates represent assumed rates on variable rate debt for coverage analysis or other purposes.

(b) The taxable rates are subsidized under the Build America Bond program.

(c) \$148,505 of Banking Fund projects remain authorized, but unfunded (see Note 17).

(d) \$19,176 of "interim financing" for stadium improvements at EverBank Field remain authorized, but unfunded (see Note 17).

(continued)

<u>PAYMENT DATES</u>	<u>ISSUE DATE</u>	<u>FINAL MATURITY DATE</u>	<u>ISSUED</u>	<u>RETIRED</u>	<u>OUTSTANDING</u>
4/1; 10/1	02/23/93	10/01/15	\$ 43,605	\$ 41,053	\$ 2,551
4/1; 10/1	04/24/01	10/01/18	103,725	65,840	37,885
4/1; 10/1	07/03/02	10/01/13	56,685	56,685	0
4/1; 10/1	07/03/03	10/01/13	34,540	34,540	0
4/1; 10/1	10/10/05	10/01/32	42,820	2,730	40,090
4/1; 10/1	12/29/06	10/01/32	36,540	4,255	32,285
4/1; 10/1	12/29/06	10/01/15	9,255	5,215	4,040
4/1; 10/1	12/29/06	10/01/19	23,555	6,725	16,830
4/1; 10/1	09/19/07	10/01/32	42,245	6,465	35,780
Monthly	07/01/08	10/01/34	67,037	7,675	59,362
Monthly	07/01/08	10/01/34	67,037	7,675	59,362
4/1; 10/1	09/30/09	10/01/34	39,585	4,150	35,435
4/1; 10/1	09/30/09	10/01/19	18,535	6,505	12,030
4/1; 10/1	09/30/09	10/01/16	2,275	1,565	710
4/1; 10/1	12/15/09	10/01/26	30,170	20,115	10,055
4/1; 10/1	12/15/09	10/01/21	10,995	0	10,995
4/1; 10/1	09/29/10	10/01/34	48,000	18,518	29,482
4/1; 10/1	06/10/11	10/01/41	76,500	0	76,500
4/1; 10/1	09/28/12	10/01/22	2,850	2	2,848
4/1; 10/1	12/13/12	10/01/32	183,058	1,525	181,533
4/1; 10/1	12/13/12	10/01/23	11,840	1,150	10,690
4/1; 10/1	12/13/12	10/01/20	34,340	0	34,340
4/1; 10/1	09/16/13	10/01/40	27,175	0	27,175
			<u>\$ 1,012,367</u>	<u>\$ 292,389</u>	<u>\$ 719,978</u>
2/1; 8/1	02/01/95	08/01/14	\$ 3,845	\$ 3,845	\$ 0
2/1; 8/1	11/20/96	08/01/15	2,850	2,550	300
2/1; 8/1	02/19/97	08/01/16	1,700	1,440	260
2/1; 8/1	10/28/97	08/01/16	775	615	160
2/1; 8/1	10/28/97	08/01/15	550	485	65
			<u>\$ 9,720</u>	<u>\$ 8,935</u>	<u>\$ 785</u>

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF LONG-TERM BONDED INDEBTEDNESS (in thousands) (continued)
SEPTEMBER 30, 2014

	INTEREST RATES
Special Revenue Bonds Payable from Internal Service Operations:	
Special Revenue Bonds, Series 2008.....	3.750 - 5.625%
* Special Revenue Bonds, Series 2009C-1.....	5.000 - 5.250% (b)
* Special Revenue Bonds, Taxable Series 2009C-2 (Direct Pay Build America Bonds).....	4.240 - 4.990% (b)
* Special Revenue Bonds, Series 2010A.....	3.250 - 5.000%
Special Revenue Bonds, Series 2010C-1.....	5.000%
* Special Revenue Bonds, Series 2011A.....	5.000 - 5.250%
Special Revenue Bonds, Series 2012A.....	1.120%
* Special Revenue Bonds, Series 2012B.....	1.120%
* Special Revenue Bonds, Series 2013A.....	2.000 - 5.250%
Special Revenue Bonds, Taxable Series 2013B.....	0.540 - 4.643%
Total	
Notes Payable from Internal Service Operations:	
* Commercial Paper.....	5.020% (a)
Total	
Revenue Bonds Supported by BJP Revenues:	
Better Jacksonville Sales Tax Revenue Bonds, Series 2003.....	3.800%
Transportation Revenue Bonds, Series 2007.....	4.750 - 5.000%
Transportation Revenue Bonds, Series 2008A.....	3.330% (a)
Transportation Revenue Bonds, Series 2008B.....	4.190% (a)
Better Jacksonville Sales Tax Revenue Bonds, Series 2008.....	4.000 - 5.000%
Better Jacksonville Sales Tax Revenue Bonds, Series 2011.....	2.375 - 5.000%
* Better Jacksonville Sales Tax Revenue Bonds, Series 2012.....	3.000 - 5.000%
Transportation Revenue Refunding Bonds, Series 2012A.....	4.000 - 5.000%
Transportation Revenue Refunding Bonds, Series 2012B.....	3.000 - 5.000%
* Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2012A.....	5.000%
Total	
Special Revenue Bonds Supported by BJP Revenues:	
Special Revenue Bonds, Series 2009B-1A.....	3.000 - 5.000%
Special Revenue Bonds, Taxable Series 2009B-1B (Direct Pay Build America Bonds).....	6.259% (b)
Special Revenue Bonds, Series 2010B.....	5.000%
Special Revenue Bonds, Series 2011B.....	4.000 - 5.000%
Special Revenue Bonds, Series 2013C.....	5.250%
Total	
Notes Payable Supported by BJP Revenues:	
State Infrastructure Bank Loan #1.....	2.000%
State Infrastructure Bank Loan #2.....	2.500%
Total	
TOTAL GOVERNMENTAL ACTIVITIES	

* Indicates individual bond series that were issued in support of multiple operations. The par amount of bonds allocated to the other operations were determined prorata based on the project funding at the time of closing, and must be combined to determine the total amount of bonds outstanding for that bond series.

(a) The above rates represent assumed rates on variable rate debt for coverage analysis or other purposes.

(b) The taxable rates are subsidized under the Build America Bond program.

(c) \$148,505 of Banking Fund projects remain authorized, but unfunded (see Note 17).

(d) \$19,176 of "interim financing" for stadium improvements at EverBank Field remain authorized, but unfunded (see Note 17).

(continued)

PAYMENT DATES	ISSUE DATE	FINAL MATURITY DATE	ISSUED	RETIRED	OUTSTANDING
4/1; 10/1	09/24/08	10/01/33	\$ 54,215 (c)	\$ 11,470	\$ 42,745
4/1; 10/1	12/15/09	10/01/26	40,160 (c)	28,030	12,130
4/1; 10/1	12/15/09	10/01/21	26,315 (c)	0	26,315
4/1; 10/1	09/29/10	10/01/30	46,945 (c)	4,887	42,058
4/1; 10/1	12/21/10	10/01/20	27,205 (c)	2,850	24,355
4/1; 10/1	06/10/11	10/01/36	32,380 (c)	2,525	29,855
4/1; 10/1	09/28/12	10/01/16	4,040 (c)	995	3,045
4/1; 10/1	09/28/12	10/01/22	3,470 (c)	3	3,467
4/1; 10/1	09/16/13	10/01/40	26,860 (c)	0	26,860
4/1; 10/1	09/16/13	10/01/26	35,145 (c)	0	35,145
			<u>\$ 296,735</u>	<u>\$ 50,760</u>	<u>\$ 245,975</u>
Monthly	11/04/04	12/31/34	<u>\$ 137,125</u>	<u>\$ 133,225</u>	<u>\$ 3,900</u>
			<u>\$ 137,125</u>	<u>\$ 133,225</u>	<u>\$ 3,900</u>
4/1; 10/1	02/19/03	10/01/13	\$ 158,416	\$ 158,416	\$ 0
4/1; 10/1	09/05/07	10/01/37	100,675	19,195	81,480
Monthly	04/25/08	10/01/32	154,535	4,050	150,485
Monthly	05/14/08	10/01/27	121,740	28,635	93,105
4/1; 10/1	09/16/08	10/01/30	105,470	15,340	90,130
4/1; 10/1	07/22/11	10/01/23	79,220	10,605	68,615
4/1; 10/1	03/29/12	10/01/30	238,570	5,435	233,135
4/1; 10/1	03/29/12	10/01/31	151,660	0	151,660
4/1; 10/1	03/29/12	10/01/22	57,730	9,675	48,055
4/1; 10/1	08/30/12	10/01/30	41,095	0	41,095
			<u>\$ 1,209,111</u>	<u>\$ 251,351</u>	<u>\$ 957,760</u>
4/1; 10/1	09/30/09	10/01/25	\$ 52,090	\$ 4,375	\$ 47,715
4/1; 10/1	09/30/09	10/01/30	55,925	0	55,925
4/1; 10/1	09/16/10	10/01/28	100,205	23,115	77,090
4/1; 10/1	06/17/11	10/01/30	86,600	7,650	78,950
4/1; 10/1	09/16/13	10/01/30	31,565	0	31,565
			<u>\$ 326,385</u>	<u>\$ 35,140</u>	<u>\$ 291,245</u>
10/1	07/28/05	10/01/23	\$ 40,000	\$ 18,583	\$ 21,417
10/1	03/13/07	10/01/21	48,698	23,061	25,638
			<u>\$ 88,698</u>	<u>\$ 41,643</u>	<u>\$ 47,055</u>
			<u>\$ 3,080,141</u>	<u>\$ 813,443</u>	<u>\$ 2,266,698</u>

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF LONG-TERM BONDED INDEBTEDNESS (in thousands) (continued)
SEPTEMBER 30, 2014

	INTEREST RATES
BUSINESS-TYPE ACTIVITIES:	
Revenue Bonds Supported by Business-Type Activities:	
* Excise Taxes Revenue Bonds, Series 2005A.....	4.250 - 5.000%
* Capital Project Revenue Bonds, Series 2008A.....	3.500% (a)
* Capital Project Revenue Bonds, Series 2008B.....	2.890% (a)
* Excise Taxes Revenue Refunding Bonds, Series 2009B.....	5.000%
* Excise Taxes Revenue Refunding Bonds, Series 2009C (AMT).....	4.000%
* Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2012.....	4.125 - 5.000%
* Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2012A.....	5.000%
Capital Improvement Revenue Refunding Bonds, Series 2012.....	3.000 - 5.000%
* Special Revenue Refunding Bonds, Series 2012C.....	5.000%
* Commercial Paper.....	5.020% (a)
 TOTAL BUSINESS-LIKE ACTIVITIES	
 TOTAL BONDED INDEBTEDNESS	

* Indicates individual bond series that were issued in support of multiple operations. The par amount of bonds allocated to the other operations were determined prorata based on the project funding at the time of closing, and must be combined to determine the total amount of bonds outstanding for that bond series.

(a) The above rates represent assumed rates on variable rate debt for coverage analysis or other purposes.

(b) The taxable rates are subsidized under the Build America Bond program.

(c) \$148,505 of Banking Fund projects remain authorized, but unfunded (see Note 17).

(d) \$19,176 of "interim financing" for stadium improvements at EverBank Field remain authorized, but unfunded (see Note 17).

(continued)

PAYMENT DATES	ISSUE DATE	FINAL MATURITY DATE	ISSUED	RETIRED	OUTSTANDING
4/1; 10/1	10/10/05	10/01/32	\$ 2,000	\$ 0	\$ 2,000
Monthly	07/01/08	10/01/34	248	40	208
Monthly	07/01/08	10/01/34	248	40	208
4/1; 10/1	09/30/09	10/01/16	10,475	5,545	4,930
4/1; 10/1	09/30/09	10/01/16	21,455	11,250	10,205
4/1; 10/1	03/29/12	10/01/30	41,480	0	41,480
4/1; 10/1	08/30/12	10/01/30	73,795	0	73,795
4/1; 10/1	12/13/12	10/01/30	118,005	3,855	114,150
4/1; 10/1	12/13/12	10/01/18	922	0	922
Monthly	07/21/14	10/01/45	24,225 (d)	0	24,225
			<u>\$ 292,853</u>	<u>\$ 20,730</u>	<u>\$ 272,123</u>
			<u>\$ 3,372,994</u>	<u>\$ 834,173</u>	<u>\$ 2,538,821</u>

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF DEBT SERVICE REQUIREMENTS
COMPARED TO CASH IN SINKING FUND
LONG-TERM OBLIGATIONS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	PRINCIPAL OUTSTANDING
GOVERNMENTAL ACTIVITIES:	
Revenue Bonds Supported by General Funds:	
Excise Taxes Revenue Bonds, Series 1993.....	\$ 2,551,574
Local Government Sales Tax Refunding Revenue Bonds, Series 2001.....	37,885,000
* Excise Taxes Revenue Bonds, Series 2005A.....	40,090,000
Excise Taxes Revenue Refunding Bonds, Series 2006A.....	32,285,000
Excise Taxes Revenue Refunding Bonds, Series 2006B (AMT).....	4,040,000
Excise Taxes Revenue Bonds, Taxable Series 2006C.....	16,830,000
Excise Taxes Revenue Bonds, Series 2007.....	35,780,000
* Capital Project Revenue Bonds, Series 2008A.....	59,361,818
* Capital Project Revenue Bonds, Series 2008B.....	59,361,818
Excise Taxes Revenue Bonds, Series 2009A	35,435,000
* Excise Taxes Revenue Refunding Bonds, Series 2009B.....	12,030,000
* Excise Taxes Revenue Refunding Bonds, Series 2009C (AMT).....	710,000
* Special Revenue Bonds, Series 2009C-1.....	10,055,000
* Special Revenue Bonds, Taxable Series 2009C-2 (Direct Pay Build America Bonds).....	10,995,000
* Special Revenue Bonds, Series 2010A.....	29,482,000
* Special Revenue Bonds, Series 2011A.....	76,500,000
* Special Revenue Bonds, Series 2012B.....	2,847,800
* Special Revenue Refunding Bonds, Series 2012C.....	181,533,000
Special Revenue Refunding Bonds, Series 2012D.....	10,690,000
Special Revenue Refunding Bonds, Series 2012E.....	34,340,000
* Special Revenue and Refunding Bonds, Series 2013A.....	27,175,000
Total.....	<u>\$ 719,978,010</u>
Notes Payable Supported by General Funds:	
U.S. Government Guaranteed Note Payable, Series 1996-B (Hilton).....	\$ 300,000
U.S. Government Guaranteed Note Payable, Series 1997 (LaVilla).....	260,000
U.S. Government Guaranteed Note Payable, Series 1997 (Armor Holdings).....	160,000
U.S. Government Guaranteed Note Payable, Series 1997 (Hampton Inns).....	65,000
Total.....	<u>\$ 785,000</u>
Special Revenue Bonds Payable from Internal Service Operations:	
Special Revenue Bonds, Series 2008.....	\$ 42,745,000
* Special Revenue Bonds, Series 2009C-1.....	12,130,000
* Special Revenue Bonds, Taxable Series 2009C-2 (Direct Pay Build America Bonds).....	26,315,000
* Special Revenue Bonds, Series 2010A.....	42,058,000
Special Revenue Bonds, Series 2010C-1.....	24,355,000
* Special Revenue Bonds, Series 2011A.....	29,855,000
Special Revenue Bonds, Series 2012A.....	3,045,000
* Special Revenue Bonds, Series 2012B.....	3,467,200
* Special Revenue and Refunding Bonds, Series 2013A.....	26,860,000
Special Revenue and Refunding Bonds, Taxable Series 2013B.....	35,145,000
Total.....	<u>\$ 245,975,200</u>
Notes Payable from Internal Service Operations:	
* Commercial Paper.....	<u>\$ 3,900,000</u>
Total.....	<u>\$ 3,900,000</u>

* Indicates individual bond series that were issued in support of multiple operations. The par amount of bonds allocated to the other operations were determined prorata based on the project funding at the time of closing, and must be combined to determine the total amount of bonds outstanding for that bond series.

(continued)

TOTAL INTEREST TO MATURITY	TOTAL DEBT SERVICE REQUIREMENTS TO MATURITY	CASH IN SINKING FUND	CASH IN DEBT SERVICE RESERVE FUND	NET DEBT
\$ 7,503,426	\$ 10,055,000	\$ 4,964,435	\$ 12,591	\$ 5,077,974
4,967,739	42,852,739	11,116,883	515	31,735,341
22,198,055	62,288,055	689,680	0	61,598,375
18,852,076	51,137,076	2,314,050	0	48,823,026
163,400	4,203,400	2,081,646	0	2,121,754
2,739,776	19,569,776	2,316,988	0	17,252,788
18,825,975	54,605,975	2,091,475	0	52,514,500
24,758,740	84,120,558	2,239,674	0	81,880,884
20,914,694	80,276,512	2,039,968	0	78,236,544
19,878,391	55,313,391	2,161,543	0	53,151,848
1,885,000	13,915,000	1,901,332	0	12,013,668
39,400	749,400	242,365	0	507,035
2,364,655	12,419,655	3,404,960	2,179,984	6,834,711
1,504,103	12,499,103	304,769	751,944	11,442,390
15,023,719	44,505,719	1,700,281	3,040,793	39,764,645
68,163,425	144,663,425	2,415,763	2,581,628	139,666,034
270,445	3,118,245	17,837	0	3,100,408
79,801,400	261,334,400	8,363,538	0	252,970,862
2,682,350	13,372,350	1,332,638	0	12,039,712
3,060,958	37,400,958	305,177	0	37,095,781
29,433,324	56,608,324	689,119	0	55,919,205
\$ 345,031,051	\$ 1,065,009,061	\$ 52,694,121	\$ 8,567,455	\$ 1,003,747,485
\$ 6,600	\$ 306,600	\$ 109,118	\$ 0	\$ 197,482
9,776	269,776	0	0	269,776
6,016	166,016	662	0	165,354
1,430	66,430	365	0	66,065
\$ 23,822	\$ 808,822	\$ 110,145	\$ 0	\$ 698,677
\$ 17,358,851	\$ 60,103,851	\$ 3,579,367	\$ 4,289,960	\$ 52,234,524
2,652,375	14,782,375	3,718,226	2,629,856	8,434,293
3,883,913	30,198,913	649,126	1,799,672	27,750,115
14,790,723	56,848,723	3,673,794	4,337,890	48,837,039
4,499,375	28,854,375	3,598,913	1,671,964	23,583,498
15,019,375	44,874,375	2,107,419	1,007,510	41,759,446
51,380	3,096,380	1,022,052	0	2,074,328
324,231	3,791,431	22,836	0	3,768,595
18,147,315	45,007,315	1,453,854	0	43,553,461
6,590,673	41,735,673	3,056,472	0	38,679,201
\$ 83,318,211	\$ 329,293,411	\$ 22,882,059	\$ 15,736,852	\$ 290,674,500
\$ 97,890	\$ 3,997,890	\$ 133,953	\$ 0	\$ 3,863,937
\$ 97,890	\$ 3,997,890	\$ 133,953	\$ 0	\$ 3,863,937

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF DEBT SERVICE REQUIREMENTS
COMPARED TO CASH IN SINKING FUND
LONG-TERM OBLIGATIONS (continued)
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014

	PRINCIPAL OUTSTANDING
Revenue Bonds Supported by BJP Revenues:	
Transportation Revenue Bonds, Series 2007.....	\$ 81,480,000
Transportation Revenue Bonds, Series 2008A.....	150,485,000
Transportation Revenue Bonds, Series 2008B.....	93,105,000
Better Jacksonville Sales Tax Revenue Bonds, Series 2008.....	90,130,000
Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2011.....	68,615,000
* Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2012.....	233,135,000
Transportation Revenue Refunding Bonds, Series 2012A.....	151,660,000
Transportation Revenue Refunding Bonds, Series 2012B.....	48,055,000
* Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2012A.....	41,095,000
Total.....	<u>\$ 957,760,000</u>
Special Revenue Bonds Supported by BJP Revenues:	
Special Revenue Bonds, Series 2009B-1A.....	\$ 47,715,000
Special Revenue Bonds, Taxable Series 2009B-1B (Direct Pay Build America Bonds).....	55,925,000
Special Revenue Bonds, Series 2010B.....	77,090,000
Special Revenue Bonds, Series 2011B.....	78,950,000
Special Revenue Refunding Bonds, Series 2013C.....	31,565,000
Total.....	<u>\$ 291,245,000</u>
Notes Payable Supported by BJP Revenues:	
State Infrastructure Bank Loan.....	\$ 21,417,286
State Infrastructure Bank Loan.....	25,637,527
Total.....	<u>\$ 47,054,813</u>
TOTAL GOVERNMENTAL ACTIVITIES	<u><u>\$ 2,266,698,023</u></u>
BUSINESS-LIKE ACTIVITIES:	
Revenue Bonds Supported by Business-Type Activities:	
* Excise Taxes Revenue Bonds, Series 2005A.....	\$ 2,000,000
* Capital Project Revenue Bonds, Series 2008A.....	208,182
* Capital Project Revenue Bonds, Series 2008B.....	208,182
* Excise Taxes Revenue Refunding Bonds, Series 2009B.....	4,930,000
* Excise Taxes Revenue Refunding Bonds, Series 2009C (AMT).....	10,205,000
* Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2012.....	41,480,000
* Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2012A.....	73,795,000
Capital Improvement Revenue Refunding Bonds, Series 2012.....	114,150,000
* Special Revenue Refunding Bonds, Series 2012C.....	922,000
* Commercial Paper	24,225,000
TOTAL BUSINESS-LIKE ACTIVITIES	<u>\$ 272,123,364</u>
TOTAL BONDED INDEBTEDNESS.....	<u><u>\$ 2,538,821,387</u></u>

* Indicates individual bond series that were issued in support of multiple operations. The par amount of bonds allocated to the other operations were determined prorata based on the project funding at the time of closing, and must be combined to determine the total amount of bonds outstanding for that bond series.

(continued)

TOTAL INTEREST TO MATURITY	TOTAL DEBT SERVICE REQUIREMENTS TO MATURITY	CASH IN SINKING FUND	CASH IN DEBT SERVICE RESERVE FUND	NET DEBT
\$ 65,299,300	\$ 146,779,300	\$ 4,973,091	\$ 6,584,035	\$ 135,222,174
56,886,527	207,371,527	10,216,928	0	197,154,599
23,400,088	116,505,088	6,018,511	0	110,486,577
43,024,562	133,154,562	4,932,198	8,307,232	119,915,132
18,360,901	86,975,901	5,483,814	6,318,725	75,173,362
97,094,717	330,229,717	14,064,625	19,492,273	296,672,819
104,933,896	256,593,896	4,795,151	18,307,915	233,490,830
13,543,300	61,598,300	2,873,112	718,804	58,006,384
30,227,125	71,322,125	1,286,822	3,517,390	66,517,913
<u>\$ 452,770,416</u>	<u>\$ 1,410,530,416</u>	<u>\$ 54,644,252</u>	<u>\$ 63,246,374</u>	<u>\$ 1,292,639,790</u>
\$ 18,396,318	\$ 66,111,318	\$ 2,613,894	\$ 5,834,933	\$ 57,662,491
33,172,210	89,097,210	1,424,899	6,264,516	81,407,795
34,697,750	111,787,750	2,413,947	9,289,963	100,083,840
40,600,250	119,550,250	3,140,416	8,723,163	107,686,671
25,628,799	57,193,799	1,037,827	1,088,340	55,067,632
<u>\$ 152,495,327</u>	<u>\$ 443,740,327</u>	<u>\$ 10,630,983</u>	<u>\$ 31,200,915</u>	<u>\$ 401,908,429</u>
\$ 2,367,039	\$ 23,784,325	\$ 2,256,200	\$ 0	\$ 21,528,125
2,654,847	28,292,374	3,685,397	0	24,606,977
<u>\$ 5,021,886</u>	<u>\$ 52,076,699</u>	<u>\$ 5,941,597</u>	<u>\$ 0</u>	<u>\$ 46,135,102</u>
<u>\$ 1,038,758,603</u>	<u>\$ 3,305,456,626</u>	<u>\$ 147,037,111</u>	<u>\$ 118,751,596</u>	<u>\$ 3,039,667,920</u>
\$ 1,258,326	\$ 3,258,326	\$ 50,104	\$ 0	\$ 3,208,222
81,948	290,130	7,017	0	283,113
70,178	278,360	6,412	0	271,948
377,500	5,307,500	1,688,250	0	3,619,250
626,900	10,831,900	3,424,100	0	7,407,800
28,301,276	69,781,276	669,620	3,468,117	65,643,539
56,159,875	129,954,875	1,213,031	6,316,238	122,425,606
52,563,650	166,713,650	7,525,003	10,502,241	148,686,406
152,350	1,074,350	21,548	0	1,052,802
15,805,847	40,030,847	0	0	40,030,847
<u>\$ 155,397,850</u>	<u>\$ 427,521,214</u>	<u>\$ 14,605,085</u>	<u>\$ 20,286,596</u>	<u>\$ 392,629,533</u>
<u>\$ 1,194,156,453</u>	<u>\$ 3,732,977,840</u>	<u>\$ 161,642,196</u>	<u>\$ 139,038,192</u>	<u>\$ 3,432,297,453</u>

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -
GOVERNMENTAL ACTIVITIES
REVENUE BONDS SUPPORTED BY GENERAL FUND
SEPTEMBER 30, 2014

Fiscal Year	Development of Third Terminal for Operation by the Jacksonville Port Authority		To Refund a Portion of Sales Tax Revenue Bonds, Series 1995 and 1996		To Fund citywide Capital Improvements and River City Marketplace Road and Utility Improvements	
	Excise Taxes Revenue Bonds, Series 1993		Local Government Sales Tax Refunding Revenue Bonds, Series 2001		Excise Taxes Revenue Bonds, Series 2005A	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 1,288,056	\$ 3,631,944	\$ 10,075,000	\$ 1,806,613	\$ 605,000	\$ 1,875,190
2016	1,263,518	3,871,482	6,405,000	1,353,413	630,000	1,850,490
2017			6,760,000	991,375	655,000	1,824,790
2018			7,125,000	609,538	685,000	1,797,562
2019			7,520,000	206,800	710,000	1,768,347
2020					740,000	1,737,534
2021					2,420,278	1,670,378
2022					2,525,403	1,555,812
2023					2,649,553	1,426,438
2024					2,783,053	1,290,623
2025					2,921,553	1,157,108
2026					3,050,379	1,016,969
2027					3,203,229	860,629
2028					3,360,754	704,932
2029					2,398,279	574,364
2030					2,505,804	460,447
2031					2,622,680	341,851
2032					2,744,230	212,596
2033					2,879,805	71,995
2034						
2035						
2036						
2037						
2038						
2039						
2040						
2041						
2042						
2043						
	<u>\$ 2,551,574</u>	<u>\$ 7,503,426</u>	<u>\$ 37,885,000</u>	<u>\$ 4,967,739</u>	<u>\$ 40,090,000</u>	<u>\$ 22,198,055</u>

Interest Rates: 6.300% 5.500% 3.750% - 5.000%

3.750% - 5.000%	4.000%	5.060% - 5.220% (Taxable)	4.000% - 5.000%
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CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -
GOVERNMENTAL ACTIVITIES
REVENUE BONDS SUPPORTED BY GENERAL FUND (continued)
SEPTEMBER 30, 2014

Fiscal Year	To partially Refund the Capital Projects Revenue Bonds, Series 1997-1, 1997-2, 1997-3 and 2002-1		To partially Refund the Capital Projects Revenue Bonds, Series 1997-1, 1997-2, 1997-3 and 2002-1		To Fund Citywide Capital Improvements	
	Capital Projects Revenue Refunding Bonds, Series 2008A		Capital Projects Revenue Refunding Bonds, Series 2008B		Excise Taxes Revenue Bonds, Series 2009A	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 1,688,702	\$ 2,022,032	\$ 1,688,702	\$ 1,691,155	\$ 1,115,000	\$ 1,541,836
2016	1,773,386	1,965,606	1,773,386	1,641,128	1,150,000	1,507,861
2017	2,067,290	1,888,789	2,067,290	1,585,630	1,170,000	1,473,061
2018	1,952,718	1,820,161	1,952,718	1,527,541	1,215,000	1,436,071
2019	1,843,126	1,755,381	1,843,126	1,472,691	1,255,000	1,395,453
2020	2,142,012	1,685,910	2,142,012	1,415,106	1,300,000	1,350,025
2021	2,241,640	1,603,204	2,241,640	1,351,762	1,345,000	1,293,869
2022	2,356,213	1,521,122	2,356,213	1,285,323	1,410,000	1,229,213
2023	2,630,191	1,429,916	2,630,191	1,213,269	1,460,000	1,159,963
2024	2,585,358	1,343,010	2,585,358	1,137,905	1,550,000	1,087,288
2025	2,565,433	1,249,575	2,565,433	1,063,476	1,620,000	1,018,713
2026	2,844,392	1,150,892	2,844,392	985,304	1,685,000	945,609
2027	2,978,891	1,344,089	2,978,891	901,157	1,765,000	863,219
2028	3,123,352	940,807	3,123,352	812,980	1,835,000	782,538
2029	3,367,441	821,183	3,367,441	719,188	1,910,000	696,966
2030	3,347,516	704,043	3,347,516	622,157	2,005,000	601,763
2031	3,601,568	578,805	3,601,568	521,743	2,115,000	502,906
2032	3,775,918	448,435	3,775,918	415,138	2,220,000	399,950
2033	3,960,231	309,256	3,960,231	303,350	2,325,000	292,006
2034	4,169,450	164,027	4,169,450	185,877	2,435,000	178,956
2035	4,346,990	12,497	4,346,990	62,814	2,550,000	121,125
2036						
2037						
2038						
2039						
2040						
2041						
2042						
2043						
	<u>\$ 59,361,818</u>	<u>\$ 24,758,740</u>	<u>\$ 59,361,818</u>	<u>\$ 20,914,694</u>	<u>\$ 35,435,000</u>	<u>\$ 19,878,391</u>

Interest Rates:	Variable Rate Assumed at 3.500%	2.890%	3.000% - 5.000%
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-237-

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -
GOVERNMENTAL ACTIVITIES
REVENUE BONDS SUPPORTED BY GENERAL FUND (continued)
SEPTEMBER 30, 2014

Purpose:						
To Fund the Acquisition and Construction of Various Capital Improvement Projects			To Fund a Portion of the Courthouse		To Refund a Portion of Special Revenue Bonds Series 2009C-1	
Fiscal Year	Special Revenue Bonds, Series 2010A		Special Revenue Bonds, Series 2011A		Special Revenue Bonds, Series 2012B	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 998,000	\$ 1,379,613	\$ 500,000	\$ 3,869,788	\$ 2,200	\$ 31,883
2016	1,026,000	1,329,013	740,000	3,838,788	2,200	31,858
2017	1,059,000	1,276,888	990,000	3,795,538	4,400	31,821
2018	1,097,000	122,987	1,535,000	3,732,413		31,797
2019	1,136,000	1,167,162	1,610,000	3,653,788		31,797
2020	1,175,000	1,109,387	1,695,000	3,571,163		31,797
2021	1,219,000	1,049,537	1,775,000	3,484,413		31,797
2022	1,263,000	987,488	1,865,000	3,393,413		31,797
2023	1,312,000	923,113	1,960,000	3,297,788	2,839,000	15,898
2024	1,367,000	868,099	2,055,000	3,197,413		
2025	1,428,000	821,787	2,155,000	3,092,163		
2026	1,494,000	771,545	2,265,000	2,981,663		
2027	1,566,000	706,250	2,380,000	2,862,563		
2028	1,643,000	626,025	2,505,000	2,734,331		
2029	1,726,000	541,800	2,635,000	2,599,406		
2030	1,814,000	453,300	2,770,000	2,457,525		
2031	1,909,000	360,225	2,920,000	2,308,163		
2032	1,820,000	267,000	3,070,000	2,150,925		
2033	1,910,000	173,750	3,230,000	1,985,550		
2034	2,005,000	75,875	3,405,000	1,811,381		
2035	515,000	12,875	3,580,000	1,632,500		
2036			3,760,000	1,449,000		
2037			3,945,000	1,256,375		
2038			4,190,000	1,053,000		
2039			4,400,000	838,250		
2040			4,620,000	612,750		
2041			4,850,000	376,000		
2042			5,095,000	127,375		
2043						
	<u>\$ 29,482,000</u>	<u>\$ 15,023,719</u>	<u>\$ 76,500,000</u>	<u>\$ 68,163,425</u>	<u>\$ 2,847,800</u>	<u>\$ 270,445</u>

Interest Rates	3.250% - 5.000%	5.000% - 5.250%	1.120%
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(continued)

**To Refund the Excise Taxes
Revenue Bonds, Series 2001B
and 2002B; to refund the
Guaranteed Entitlement Bonds,
Series 2002; and to refund the
Local Gov't Sales Tax Bonds,
Series 1996 and 2002**

**Special Revenue Refunding
Bonds, Series 2012C**

<u>Principal</u>	<u>Interest</u>
\$ 3,865,000	\$ 8,946,475
10,946,000	8,573,600
14,021,000	7,940,350
14,783,000	7,206,975
16,013,000	6,423,100
8,115,000	5,812,725
8,515,000	5,396,975
8,945,000	4,960,475
9,390,000	4,502,100
9,855,000	4,020,975
10,350,000	3,515,850
10,865,000	2,985,475
9,235,000	2,482,975
6,880,000	2,080,100
7,220,000	1,727,600
7,585,000	1,357,475
7,965,000	1,008,550
8,285,000	642,125
8,700,000	217,500

<u><u>\$ 181,533,000</u></u>	<u><u>\$ 79,801,400</u></u>
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5.000%

**To Refund the Excise Taxes
Revenue Bonds, Series 2003A**

**Special Revenue
Refunding Bonds,
Series 2012D**

<u>Principal</u>	<u>Interest</u>
\$ 1,075,000	\$ 488,325
1,130,000	433,200
900,000	382,450
945,000	341,050
985,000	302,450
1,020,000	257,250
1,075,000	204,875
1,130,000	149,750
1,185,000	91,875
1,245,000	31,125

<u><u>\$ 10,690,000</u></u>	<u><u>\$ 2,682,350</u></u>
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4.000% - 5.000%

**To Refund the Excise Taxes
Revenue Bonds, Series 2003C**

**Special Revenue
Refunding Bonds,
Taxable Series 2012E**

<u>Principal</u>	<u>Interest</u>
	\$ 612,244
	612,244
\$ 5,205,000	581,950
6,740,000	504,005
7,080,000	396,067
7,450,000	261,169
7,865,000	93,279

<u><u>\$ 34,340,000</u></u>	<u><u>\$ 3,060,958</u></u>
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1.164% - 2.372%
(Taxable)

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -
GOVERNMENTAL ACTIVITIES
REVENUE BONDS SUPPORTED BY GENERAL FUND (continued)
SEPTEMBER 30, 2014

Purpose: **To Fund Citywide**
 Capital Improvements and
 Refund a Portion of the
 Special Revenue Bonds,
 Series 2009C-1 and 2010A

Fiscal Year	Special Revenue and Refunding Bonds, Series 2013A		Total Principal and Interest
	Principal	Interest	
2015		\$ 1,378,238	\$ 70,082,470
2016		1,378,238	73,052,612
2017		1,378,238	72,394,905
2018		1,378,238	70,174,669
2019		1,378,238	71,578,153
2020		1,378,238	56,002,962
2021		1,378,238	53,899,279
2022		1,378,238	45,954,167
2023		1,378,238	47,582,745
2024		1,378,238	44,549,533
2025		1,378,238	44,026,292
2026		1,378,238	44,382,071
2027		1,378,238	42,624,800
2028	\$ 265,000	1,372,606	38,687,590
2029	1,250,000	1,334,162	38,787,680
2030	1,315,000	1,266,831	38,492,977
2031	1,160,000	1,201,862	38,591,296
2032	1,215,000	1,139,519	38,443,504
2033	1,275,000	1,074,156	38,525,705
2034	2,375,000	978,344	21,953,360
2035	3,520,000	828,000	21,528,791
2036	2,185,000	685,375	8,079,375
2037	2,295,000	573,375	8,069,750
2038	2,405,000	455,875	8,103,875
2039	2,515,000	332,875	8,086,125
2040	2,635,000	204,125	8,071,875
2041	2,765,000	69,125	8,060,125
2042			5,222,375
2043			0
	<u>\$ 27,175,000</u>	<u>\$ 29,433,324</u>	<u>\$ 1,065,009,061</u>

Interest Rates 4.250% - 5.250%



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CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -
GOVERNMENTAL ACTIVITIES
NOTES PAYABLE SUPPORTED BY GENERAL FUND
SEPTEMBER 30, 2014

Purpose:	HUD Section 108 Program Loan for Hilton Hotel Project		HUD Section 108 Program Loan for LaVilla Project		HUD Section 108 Program Loan for Armor Holdings	
	U.S. Government Guaranteed Note Payable, Series 2010		U.S. Government Guaranteed Note Payable, Series 2010		U.S. Government Guaranteed Note Payable, Series 2010	
Fiscal Year	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 300,000	\$ 6,600	\$ 130,000	\$ 6,318	\$ 80,000	\$ 3,888
2016			130,000	3,458	80,000	2,128

(continued)

**HUD Section 108
Program Loan for
Hampton Inns**

**U.S. Government
Guaranteed Note
Payable, Series 2010**

Principal	Interest	Total Principal And Interest
\$ 65,000	\$ 1,430	\$ 593,236 215,586
<u>\$ 65,000</u>	<u>\$ 1,430</u>	<u>\$ 808,822</u>

2.200%
(Taxable)

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -
GOVERNMENTAL ACTIVITIES
SPECIAL REVENUE BONDS AND NOTES PAYABLE FROM INTERNAL SERVICE OPERATIONS
SEPTEMBER 30, 2014

Purpose	To Fund the Banking Fund Program		To Fund the Acquisition and Construction of Various Capital Improvement Projects		To Fund the Acquisition and Construction of Various Capital Improvement Projects	
	Commercial Paper		Special Revenue Bonds, Series 2008		Special Revenue Bonds, Series 2009C-1	
Fiscal Year	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 3,900,000	\$ 97,890	\$ 2,975,000	\$ 1,964,870	\$ 4,020,000	\$ 508,650
2016			3,085,000	1,847,389	4,240,000	302,150
2017			3,210,000	1,721,489		196,150
2018			3,340,000	1,588,401		196,150
2019			3,480,000	1,432,514		196,150
2020			3,655,000	1,263,276		196,150
2021			3,815,000	1,095,201		196,150
2022			3,990,000	914,601		196,150
2023			940,000	796,339		196,150
2024			990,000	748,089	120,000	193,150
2025			1,040,000	696,819	1,310,000	157,400
2026			1,090,000	641,959	1,380,000	90,150
2027			1,145,000	583,563	1,060,000	27,825
2028			1,210,000	520,231		
2029			1,275,000	451,894		
2030			1,345,000	379,844		
2031			1,420,000	303,806		
2032			1,495,000	223,644		
2033			1,580,000	138,094		
2034			1,665,000	46,828		
2035						
2036						
2037						
2038						
2039						
2040						
2041						
2042						
	<u>\$ 3,900,000</u>	<u>\$ 97,890</u>	<u>\$ 42,745,000</u>	<u>\$ 17,358,851</u>	<u>\$ 12,130,000</u>	<u>\$ 2,652,375</u>

Interest Rates:	Variable Rate Assumed at 5.02%	3.750% - 5.625%	5.000% - 5.250%
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4.240% - 4.990%	3.250% - 5.000%	5.000%	5.000% - 5.250%
(2.756% - 3.244% net of subsidy)			
(Taxable)			

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -
GOVERNMENTAL ACTIVITIES
SPECIAL REVENUE BONDS AND NOTES PAYABLE FROM INTERNAL SERVICE OPERATIONS (continued)
SEPTEMBER 30, 2014

Purpose	To Fund the Acquisition and Construction of Various Capital Improvement Projects		To Refund a Portion of Special Revenue Bonds Series 2009C-1		To Refund a Portion of the Special Revenue Bonds, Series 2009C-1 and 2010A	
	Special Revenue Bonds, Series 2012A		Special Revenue Bonds, Series 2012B		Special Revenue and Refunding Bonds, Series 2013A	
Fiscal Year	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 1,005,000	\$ 28,476	\$ 2,800	\$ 38,817	\$ 715,000	\$ 1,292,806
2016	1,015,000	17,164	2,800	38,786	760,000	1,274,256
2017	1,025,000	5,740	5,600	38,739	785,000	1,247,156
2018				37,707	815,000	1,215,156
2019				37,707	850,000	1,177,606
2020				37,707	890,000	1,134,106
2021				37,707	930,000	1,088,606
2022				37,707	980,000	1,040,856
2023			3,456,000	19,354	1,025,000	990,731
2024					1,080,000	938,106
2025					1,135,000	882,731
2026					1,190,000	830,556
2027					195,000	802,735
2028					530,000	787,450
2029					1,770,000	729,725
2030					1,870,000	634,175
2031					1,680,000	540,988
2032					1,755,000	450,819
2033					1,850,000	356,188
2034					1,950,000	256,438
2035					2,055,000	153,875
2036					300,000	95,000
2037					315,000	79,625
2038					335,000	63,375
2039					350,000	46,250
2040					365,000	28,375
2041					385,000	9,625
2042						
	<u>\$ 3,045,000</u>	<u>\$ 51,380</u>	<u>\$ 3,467,200</u>	<u>\$ 324,231</u>	<u>\$ 26,860,000</u>	<u>\$ 18,147,315</u>

Interest Rates: 1.120% 1.120% 2.000% - 5.250%

(continued)

**To Fund the Purchase of
the Godbold City Hall Annex
and Refund the
Special Revenue Bonds,
Series 2009A**

Special Revenue and Refunding Bonds, Taxable Series 2013B		Total Principal And Interest
Principal	Interest	
\$ 2,560,000	\$ 986,033	\$ 32,468,927
2,980,000	964,847	28,918,452
3,760,000	920,361	29,461,669
3,815,000	845,762	30,871,649
4,065,000	744,932	27,651,646
4,180,000	619,435	27,320,467
3,540,000	486,591	26,564,511
3,675,000	353,104	22,482,376
1,385,000	255,410	16,266,710
1,440,000	197,222	10,688,331
1,500,000	134,460	10,660,623
1,565,000	66,730	10,633,663
680,000	15,786	8,112,765
		6,643,131
		7,816,638
		7,816,094
		7,524,088
		5,571,194
		4,608,513
		4,598,229
		2,893,750
		1,074,000
		1,061,250
		398,375
		396,250
		393,375
		394,625
\$ 35,145,000	\$ 6,590,673	\$ 333,291,301

0.540% - 4.643%
(Taxable)

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -
GOVERNMENTAL ACTIVITIES
REVENUE BONDS SUPPORTED BY BJP REVENUES
SEPTEMBER 30, 2014

Purpose:	Better Jacksonville Transportation Projects		To Refund the Transportation Revenue Bonds, Series 2003A and 2003B (Auction Rate Securities)		To Refund the Transportation Revenue Bonds, Series 2003 and 2004A (Auction Rate Securities)	
Fiscal Year	Transportation Revenue Bonds, Series 2007		Transportation Revenue Bonds, Series 2008A		Transportation Revenue Bonds, Series 2008B	
	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 3,780,000	\$ 3,966,200	\$ 11,250,000	\$ 4,664,122	\$ 5,695,000	\$ 3,679,571
2016	3,970,000	3,772,450	11,875,000	4,282,276	5,955,000	3,440,467
2017	4,170,000	3,568,950	11,450,000	3,888,478	8,915,000	3,068,026
2018		3,464,700		3,857,161	8,990,000	2,691,861
2019		3,464,700		3,857,161	9,285,000	2,304,101
2020		3,464,700		3,867,729	9,310,000	1,919,522
2021		3,464,700		3,857,161	9,730,000	1,508,403
2022		3,464,700		3,857,161	4,430,000	1,304,673
2023		3,464,700		3,857,161	4,695,000	1,108,999
2024		3,464,700		3,867,729	4,780,000	911,593
2025		3,464,700	10,460,000	3,537,691	4,965,000	701,892
2026		3,464,700	11,005,000	3,172,966	5,210,000	484,586
2027	4,375,000	3,355,325	11,560,000	2,789,799	5,460,000	256,829
2028	4,595,000	3,131,075	12,155,000	2,393,391	5,685,000	19,565
2029	4,825,000	2,895,575	12,770,000	1,963,674		
2030	5,065,000	2,648,325	13,430,000	1,518,567		
2031	5,320,000	2,395,350	14,110,000	1,050,885		
2032	5,575,000	2,129,625	14,830,000	560,775		
2033	5,850,000	1,844,000	15,590,000	42,640		
2034	6,145,000	1,544,125				
2035	6,450,000	1,229,250				
2036	6,775,000	898,625				
2037	7,115,000	551,375				
2038	7,470,000	186,750				
	<u>\$ 81,480,000</u>	<u>\$ 65,299,300</u>	<u>\$ 150,485,000</u>	<u>\$ 56,886,527</u>	<u>\$ 93,105,000</u>	<u>\$ 23,400,088</u>

Interest Rates	4.750% - 5.000%	Variable Rate Assumed at 3.33%		Variable Rate Assumed at 4.19%	
				Hedges Fixed at 3.455% and 4.010%	

(continued)

Better Jacksonville Infrastructure Projects		To partially Refund the Better Jacksonville Sales Tax Revenue Bonds Series 2001		To partially Refund the Better Jacksonville Sales Tax Revenue Bonds Series 2001, 2003 and 2004		To Refund the Transportation Revenue Bonds, Series 2001	
Better Jacksonville Sales Tax Revenue Bonds, Series 2008		Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2011		Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2012		Transportation Revenue Refunding Bonds, Series 2012A	
Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
\$ 3,490,000	\$ 4,385,550	\$ 5,520,000	\$ 3,236,350	\$ 11,270,000	\$ 11,187,869		\$ 7,469,038
3,665,000	4,206,675	5,740,000	2,982,450	11,660,000	10,701,794		7,469,038
3,850,000	4,018,800	6,025,000	2,694,100	12,235,000	10,106,469		7,469,038
4,040,000	3,821,550	6,315,000	2,391,375	12,850,000	9,479,344		7,469,038
4,245,000	3,614,425	6,630,000	2,074,313	13,490,000	8,821,344		7,469,038
4,455,000	3,396,925	6,950,000	1,743,438	14,170,000	8,130,844		7,469,038
4,680,000	3,168,550	7,295,000	1,389,375	14,880,000	7,405,094		7,469,038
4,915,000	2,928,675	7,660,000	1,015,500	15,620,000	6,645,819		7,469,038
5,160,000	2,676,800	8,040,000	623,000	16,390,000	5,854,794	\$ 2,155,000	7,425,938
5,415,000	2,412,425	8,440,000	211,000	15,945,000	5,052,419	11,140,000	7,104,338
5,685,000	2,134,925			22,970,000	4,079,544	11,690,000	6,533,588
5,970,000	1,843,550			14,340,000	3,146,794	12,265,000	5,934,713
6,270,000	1,537,550			15,055,000	2,411,919	12,870,000	5,306,338
6,585,000	1,224,406			15,815,000	1,659,880	13,510,000	4,650,688
6,895,000	904,256			5,245,000	1,153,091	20,425,000	3,806,163
7,225,000	559,875			5,505,000	884,341	21,445,000	2,759,413
7,585,000	189,625			15,695,000	373,358	22,515,000	1,111,644
						23,645,000	548,769
<u>\$ 90,130,000</u>	<u>\$ 43,024,562</u>	<u>\$ 68,615,000</u>	<u>\$ 18,360,901</u>	<u>\$ 233,135,000</u>	<u>\$ 97,094,717</u>	<u>\$ 151,660,000</u>	<u>\$ 104,933,896</u>
4.000% - 5.000%		2.375% - 5.000%		3.000% - 5.000%		4.000% - 5.000%	

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -
GOVERNMENTAL ACTIVITIES
REVENUE BONDS SUPPORTED BY BJP REVENUES (continued)
SEPTEMBER 30, 2014

Purpose:					
To Refund the State of Florida Senior Lien (Jacksonville Transportation Authority) Refunding Bonds, Series 1997			To partially Refund the Better Jacksonville Sales Tax Revenue Bonds Series 2003 and 2004		
Transportation Revenue Refunding Bonds, Series 2012B			Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2012A		
Fiscal Year	Principal	Interest	Principal	Interest	Total Principal and Interest
2015	\$ 2,205,000	\$ 2,270,225		\$ 2,054,750	\$ 86,123,675
2016	2,185,000	2,193,450		2,054,750	86,153,350
2017	3,350,000	2,082,750		2,054,750	88,946,361
2018	3,575,000	1,926,375		2,054,750	72,926,154
2019	5,720,000	1,694,000		2,054,750	74,723,832
2020	6,055,000	1,399,625		2,054,750	74,386,571
2021	6,380,000	1,088,750		2,054,750	74,370,821
2022	10,115,000	676,375		2,054,750	72,156,691
2023	8,470,000	211,750		2,054,750	72,187,892
2024			\$ 145,000	2,051,125	70,940,329
2025				2,047,500	78,269,840
2026			4,335,000	1,939,125	73,111,434
2027			4,550,000	1,717,000	77,514,760
2028			4,775,000	1,483,875	77,682,880
2029			6,000,000	1,214,500	68,097,259
2030			6,310,000	906,750	68,257,271
2031			14,980,000	374,500	85,700,362
2032					47,289,169
2033					23,326,640
2034					7,689,125
2035					7,679,250
2036					7,673,625
2037					7,666,375
2038					7,656,750
	<u>\$ 48,055,000</u>	<u>\$ 13,543,300</u>	<u>\$ 41,095,000</u>	<u>\$ 30,227,125</u>	<u>\$ 1,410,530,416</u>

Interest Rates 3.000% - 5.000% 5.000%



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CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -
GOVERNMENTAL ACTIVITIES
SPECIAL REVENUE BONDS SUPPORTED BY BJP REVENUES
SEPTEMBER 30, 2014

Purpose:	Better Jacksonville Road and Infrastructure Projects		Better Jacksonville Road and Infrastructure Projects		Better Jacksonville Road and Infrastructure Projects	
	Special Revenue Bonds, Series 2009B-1A		Special Revenue Bonds, Series 2009B-1B (Build America Bonds)		Special Revenue Bonds, Series 2010B	
Fiscal Year	Principal	Interest	Principal	Interest	Principal	Interest
2015	\$ 1,950,000	\$ 2,223,769		\$ 2,275,225		\$ 3,854,500
2016	2,050,000	2,124,719		2,275,225		3,854,500
2017	2,155,000	2,031,319		2,275,225		3,854,500
2018	2,240,000	1,954,619		2,275,225		3,854,500
2019	2,305,000	1,863,394		2,275,225	\$ 7,705,000	3,661,875
2020	2,420,000	1,745,269		2,275,225	7,705,000	3,276,625
2021	2,545,000	1,633,869		2,275,225	7,705,000	2,891,375
2022	2,640,000	1,516,969		2,275,225	7,705,000	2,506,125
2023	4,600,000	1,335,969		2,275,225	7,705,000	2,120,875
2024	7,005,000	1,046,219		2,275,225	7,710,000	1,735,500
2025	7,980,000	677,969		2,275,225	7,710,000	1,350,000
2026	9,825,000	242,234		2,275,225	7,710,000	964,500
2027			\$ 10,310,000	2,065,501	7,710,000	579,000
2028			10,730,000	1,637,511	7,710,000	193,500
2029			11,170,000	1,192,027	15,000	375
2030			11,620,000	728,438		
2031			12,095,000	246,033		
	<u>\$ 47,715,000</u>	<u>\$ 18,396,318</u>	<u>\$ 55,925,000</u>	<u>\$ 33,172,210</u>	<u>\$ 77,090,000</u>	<u>\$ 34,697,750</u>

Interest Rates: 3.000% - 5.000%

6.259%
(4.068% net of subsidy)
(Taxable)

5.000%

(continued)

Better Jacksonville Road and Infrastructure Projects		To Refund a Portion of the Special Revenue Bonds, Series 2010B and 2011B		
Special Revenue Bonds, Series 2011B		Special Revenue Refunding Bonds, Series 2013C		Total Principal and Interest
Principal	Interest	Principal	Interest	
\$ 1,100,000	\$ 3,914,500		\$ 1,657,163	\$ 16,975,157
2,200,000	3,837,500		1,657,163	17,999,107
2,425,000	3,721,875		1,657,163	18,120,082
4,500,000	3,548,750		1,657,163	20,030,257
100,000	3,433,750		1,657,163	23,001,407
1,500,000	3,393,750		1,657,163	23,973,032
4,000,000	3,256,250		1,657,163	25,963,882
5,250,000	3,025,000		1,657,163	26,575,482
6,130,000	2,740,500		1,657,163	28,564,732
6,375,000	2,427,875		1,657,163	30,231,982
6,630,000	2,102,750		1,657,163	30,383,107
6,895,000	1,764,625		1,657,163	31,333,747
7,170,000	1,413,000		1,657,163	30,904,664
7,460,000	1,047,250	\$ 4,325,000	1,543,631	34,646,892
7,755,000	666,875	6,575,000	1,257,506	28,631,783
8,070,000	271,250	6,530,000	913,500	28,133,188
1,390,000	34,750	14,135,000	371,043	28,271,826
<u>\$ 78,950,000</u>	<u>\$ 40,600,250</u>	<u>\$ 31,565,000</u>	<u>\$ 25,628,799</u>	<u>\$ 443,740,327</u>

4.000% - 5.000%

5.250%

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -
GOVERNMENTAL ACTIVITIES
NOTES PAYABLE SUPPORTED BY BJP REVENUES
SEPTEMBER 30, 2014

Purpose	Better Jacksonville Infrastructure Projects		Better Jacksonville Infrastructure Projects		
	State Infrastructure Bank Loan #1; Dated 7/28/05		State Infrastructure Bank Loan #2; Dated 3/13/07		Total Principal And Interest
Fiscal Year	Principal	Interest	Principal	Interest	
2015	\$ 2,020,454	\$ 428,346	\$ 3,359,062	\$ 640,938	\$ 6,448,800
2016	2,056,463	387,937	3,443,038	556,962	6,444,400
2017	2,097,493	346,807	3,529,114	470,886	6,444,300
2018	2,143,543	304,857	3,617,342	382,658	6,448,400
2019	2,184,613	261,987	3,707,776	292,224	6,446,600
2020	2,225,706	218,294	3,800,470	199,530	6,444,000
2021	2,271,820	173,780	3,895,482	104,518	6,445,600
2022	2,317,956	128,344	285,243	7,131	2,738,674
2023	2,364,115	81,985			2,446,100
2024	1,735,123	34,702			1,769,825
	<u>\$ 21,417,286</u>	<u>\$ 2,367,039</u>	<u>\$ 25,637,527</u>	<u>\$ 2,654,847</u>	<u>\$ 52,076,699</u>

Interest Rates: 2.000% 2.500%



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CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -
PAYABLE FROM ENTERPRISE FUNDS
SEPTEMBER 30, 2014

Fiscal Year	To Fund Citywide Capital Improvements and River City Marketplace Road and Utility Improvements		To Partially Refund the Capital Projects Revenue Bonds, Series 1997-1, 1997-2, 1997-3 and Series 2002-1		To Partially Refund the Capital Projects Revenue Bonds, Series 1997-1, 1997-2, 1997-3 and Series 2002-1	
	Excise Taxes Revenue Bonds, Series 2005A		Capital Projects Revenue Refunding Bonds, Series 2008A		Capital Projects Revenue Refunding Bonds, Series 2008B	
	Principal	Interest	Principal	Interest	Principal	Interest
2015		\$ 95,516	\$ 6,298	\$ 7,079	\$ 6,298	\$ 5,925
2016		95,516	6,614	6,867	6,614	5,739
2017		95,516	7,710	6,582	7,710	5,532
2018		95,516	7,282	6,327	7,282	5,315
2019		95,516	6,874	6,085	6,874	5,111
2020		95,516	7,988	5,825	7,988	4,896
2021	\$ 114,722	93,078	8,360	5,517	8,360	4,660
2022	119,597	87,650	8,787	5,211	8,787	4,412
2023	125,447	81,524	9,809	4,871	9,809	4,143
2024	131,947	75,089	9,642	4,545	9,642	3,862
2025	138,447	68,792	9,567	4,199	9,567	3,585
2026	144,621	62,118	10,608	3,830	10,608	3,293
2027	151,771	54,708	11,109	3,444	11,109	2,979
2028	159,246	47,331	11,648	3,046	11,648	2,650
2029	166,721	39,383	12,559	2,600	12,559	2,301
2030	174,196	32,009	12,484	2,164	12,484	1,939
2031	182,320	23,764	13,432	1,697	13,432	1,564
2032	190,770	14,779	14,082	1,209	14,082	1,167
2033	200,195	5,005	14,769	692	14,769	750
2034			15,550	150	15,550	312
2035			3,010	8	3,010	43
2036						
2037						
2038						
2039						
2040						
2041						
2042						
2043						
2044						
2045						
2046						
	<u>\$ 2,000,000</u>	<u>\$ 1,258,326</u>	<u>\$ 208,182</u>	<u>\$ 81,948</u>	<u>\$ 208,182</u>	<u>\$ 70,178</u>

Interest Rates 4.250% - 5.000%

Assumed at 3.50%
Variable Rate

2.890%

5.000%

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY -
PAYABLE FROM ENTERPRISE FUNDS (continued)
SEPTEMBER 30, 2014

Purpose	To Refund the Capital Improvement Revenue Bonds, Series 1997, 1998, 2002A 2002B and 2002C		To Refund a Portion of the Sales Tax Revenue Bonds, Series 1996	
	Capital Improvement Revenue Refunding Bonds, Series 2012		Special Revenue Refunding Bonds, Series 2012C	
Fiscal Year	Principal	Interest	Principal	Interest
2015	\$ 4,895,000	\$ 5,266,475		\$ 46,100
2016	5,040,000	5,117,450	\$ 104,000	43,500
2017	5,240,000	4,937,050	259,000	34,425
2018	5,435,000	4,696,375	272,000	21,150
2019	5,705,000	4,446,400	287,000	7,175
2020	5,945,000	4,213,400		
2021	6,140,000	3,941,000		
2022	6,445,000	3,626,375		
2023	6,770,000	3,296,000		
2024	7,110,000	2,949,000		
2025	7,465,000	2,584,625		
2026	7,345,000	2,214,375		
2027	7,350,000	1,847,000		
2028	7,715,000	1,470,375		
2029	8,105,000	1,074,875		
2030	8,510,000	659,500		
2031	8,935,000	223,375		
2032				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
2041				
2042				
2043				
2044				
2045				
2046				
	<u>\$ 114,150,000</u>	<u>\$ 52,563,650</u>	<u>\$ 922,000</u>	<u>\$ 152,350</u>

Interest Rates:

3.000% - 5.000%

5.000%

(continued)

**To Fund the
Interim Financing
of Stadium Improvements**

Commercial Paper		Total Principal and Interest
Principal	Interest	
	\$ 1,216,095	\$ 22,607,535
	1,216,095	22,752,494
\$ 985,000	1,191,372	23,916,171
1,025,000	1,140,921	18,438,742
1,065,000	1,088,462	18,446,071
1,110,000	1,033,869	18,151,056
1,150,000	977,143	18,169,414
1,195,000	918,284	18,145,677
1,245,000	857,040	18,130,217
1,295,000	793,286	18,152,462
1,345,000	727,022	22,648,003
1,400,000	658,122	26,356,524
1,460,000	586,336	25,973,530
1,530,000	511,287	25,951,460
1,595,000	432,850	33,805,357
1,670,000	350,898	33,754,683
1,745,000	265,182	55,360,333
215,000	215,986	667,075
220,000	205,067	661,247
230,000	193,772	455,334
240,000	181,975	428,046
255,000	169,551	424,551
265,000	156,499	421,499
275,000	142,945	417,945
290,000	128,763	418,763
300,000	113,954	413,954
315,000	98,518	413,518
330,000	82,328	412,328
345,000	65,386	410,386
360,000	47,690	407,690
375,000	29,242	404,242
395,000	9,915	404,915
\$ 24,225,000	\$ 15,805,847	\$ 427,521,214

Variable Rate
Assumed at 5.02%

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF SELF-INSURANCE FUND
TEN YEAR CLAIMS DEVELOPMENT INFORMATION (in thousands)
WORKERS COMPENSATION

	For the Year Ended September 30				
	2005	2006	2007	2008	2009
Revenue	\$ 23,797	\$ 21,723	\$ 25,140	\$ 22,124	\$ 17,692
Interest Revenue	1,782	2,095	2,807	1,404	5,753
Total Revenue	<u>\$ 25,579</u>	<u>\$ 23,818</u>	<u>\$ 27,947</u>	<u>\$ 23,528</u>	<u>\$ 23,445</u>
Unallocated Expenses	<u>\$ 1,962</u>	<u>\$ 1,898</u>	<u>\$ 1,896</u>	<u>\$ 2,113</u>	<u>\$ 2,267</u>
Estimated Incurred Claims and Expense, End of Policy Year	<u>\$ 12,824</u>	<u>\$ 11,799</u>	<u>\$ 10,451</u>	<u>\$ 13,091</u>	<u>\$ 13,418</u>
Paid (Cumulative) as of:					
End of Policy Year	\$ 3,186	\$ 2,339	\$ 1,916	\$ 2,742	\$ 2,923
One Year Later	5,098	4,219	4,003	5,163	6,207
Two Years Later	5,893	4,756	4,576	6,181	7,430
Three Years Later	6,490	5,059	4,976	6,843	8,061
Four Years Later	6,808	5,407	5,212	7,335	8,429
Five Years Later	7,008	6,210	5,395	7,697	8,619
Six Years Later	7,530	6,638	5,559	8,035	
Seven Years Later	7,771	6,977	5,967		
Eight Years Later	8,275	7,270			
Nine Years Later	8,548				
Reestimated incurred Claims and Expense:					
End of Policy Year	\$ 12,824	\$ 11,799	\$ 10,451	\$ 13,091	\$ 13,418
One Year Later	11,609	10,626	10,523	12,684	12,981
Two Years Later	11,537	9,941	9,531	12,809	13,243
Three Years Later	11,397	9,088	8,438	12,329	12,049
Four Years Later	11,693	8,816	8,589	12,432	13,136
Five Years Later	10,758	10,029	8,790	12,617	13,384
Six Years Later	11,581	10,424	9,222	12,850	
Seven Years Later	11,566	10,962	9,584		
Eight Years Later	12,708	11,414			
Nine Years Later	13,217				
Increase (Decrease) in Estimated Incurred Claims and Expense from End of Policy Year	<u>\$ 393</u>	<u>\$ (385)</u>	<u>\$ (867)</u>	<u>\$ (241)</u>	<u>\$ (34)</u>
Available Funding	\$ 25,579	\$ 23,818	\$ 27,947	\$ 23,528	\$ 23,445
Current Reestimated Incurred Claims and Expense	<u>(13,217)</u>	<u>(11,414)</u>	<u>(9,584)</u>	<u>(12,850)</u>	<u>(13,384)</u>
Excess (Deficit) Funding	<u>\$ 12,362</u>	<u>\$ 12,404</u>	<u>\$ 18,363</u>	<u>\$ 10,678</u>	<u>\$ 10,061</u>

For the Year Ended September 30

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 19,369	\$ 19,848	\$ 22,339	\$ 22,904	\$ 32,925
4,218	2,387	2,553	1,346	1,703
<u>\$ 23,587</u>	<u>\$ 22,235</u>	<u>\$ 24,892</u>	<u>\$ 24,250</u>	<u>\$ 34,628</u>
<u>\$ 2,062</u>	<u>\$ 2,198</u>	<u>\$ 2,115</u>	<u>\$ 1,812</u>	<u>\$ 1,749</u>
<u>\$ 13,251</u>	<u>11,694</u>	<u>\$ 14,662</u>	<u>\$ 16,026</u>	<u>\$ 16,294</u>
\$ 3,201	\$ 2,859	\$ 3,672	\$ 3,353	\$ 3,995
5,411	4,444	6,773	5,860	
6,411	5,343	8,423		
7,752	5,936			
8,648				
\$ 13,251	\$ 11,694	\$ 14,662	\$ 16,026	\$ 16,294
13,467	10,381	17,726	15,642	
13,886	12,031	19,270		
16,560	11,814			
17,517				
<u>\$ 4,266</u>	<u>\$ 120</u>	<u>\$ 4,608</u>	<u>\$ (384)</u>	<u>\$ 0</u>
\$ 23,587	\$ 22,235	\$ 24,892	\$ 24,250	\$ 34,628
(17,517)	(11,814)	(19,270)	(15,642)	(16,294)
<u>\$ 6,070</u>	<u>\$ 10,421</u>	<u>\$ 5,622</u>	<u>\$ 8,608</u>	<u>\$ 18,334</u>

**Total Excess (Deficit) Funding of Reestimated
Incurred Claims - 10 Years Shown.**

\$ 112,923

(continued)

CITY OF JACKSONVILLE, FLORIDA
SCHEDULE OF SELF-INSURANCE FUND
TEN YEAR CLAIMS DEVELOPMENT INFORMATION (in thousands)
GENERAL LIABILITY

	For the Year Ended September 30				
	2005	2006	2007	2008	2009
Revenue	\$ 7,880	\$ 6,496	\$ 6,980	\$ 8,283	\$ 7,310
Interest Revenue	601	666	855	510	2,404
Total Revenue	<u>\$ 8,481</u>	<u>\$ 7,162</u>	<u>\$ 7,835</u>	<u>\$ 8,793</u>	<u>\$ 9,714</u>
Unallocated Expenses	<u>\$ 1,562</u>	<u>\$ 1,648</u>	<u>\$ 1,708</u>	<u>\$ 1,911</u>	<u>\$ 2,044</u>
Estimated Incurred Claims and Expense, End of Policy Year	<u>\$ 5,186</u>	<u>\$ 4,651</u>	<u>4,365</u>	<u>5,994</u>	<u>4,794</u>
Paid (Cumulative) as of:					
End of Policy Year	\$ 1,166	\$ 1,063	\$ 857	\$ 1,495	\$ 1,192
One Year Later	2,278	1,709	1,371	2,372	2,082
Two Years Later	3,344	2,294	1,822	3,325	2,972
Three Years Later	3,821	2,693	2,258	3,766	3,257
Four Years Later	4,093	2,743	2,312	4,015	3,918
Five Years Later	4,378	2,830	2,395	4,533	4,088
Six Years Later	4,483	2,837	2,496	4,563	
Seven Years Later	4,636	2,837	2,496		
Eight Years Later	5,459	2,837			
Nine Years Later	5,460				
Reestimated incurred Claims and Expense:					
End of Policy Year	\$ 5,186	\$ 4,651	\$ 4,365	\$ 5,994	\$ 4,794
One Year Later	5,487	3,913	3,779	5,617	4,595
Two Years Later	5,261	3,627	2,857	5,156	4,716
Three Years Later	5,005	3,212	2,636	4,861	4,464
Four Years Later	4,893	2,950	2,617	4,443	4,579
Five Years Later	4,663	2,876	2,407	4,732	4,496
Six Years Later	4,498	2,856	2,496	4,729	
Seven Years Later	4,692	2,867	2,496		
Eight Years Later	5,459	2,898			
Nine Years Later	5,460				
Increase (Decrease) in Estimated Incurred Claims and Expense from End of Policy Year	<u>\$ 274</u>	<u>\$ (1,753)</u>	<u>\$ (1,869)</u>	<u>\$ (1,265)</u>	<u>(298)</u>
Available Funding	\$ 8,481	\$ 7,162	\$ 7,835	\$ 8,793	\$ 9,714
Current Reestimated Incurred Claims and Expense	<u>(5,460)</u>	<u>(2,898)</u>	<u>(2,496)</u>	<u>(4,729)</u>	<u>(4,496)</u>
Excess (Deficit) Funding	<u>\$ 3,021</u>	<u>\$ 4,264</u>	<u>\$ 5,339</u>	<u>\$ 4,064</u>	<u>\$ 5,218</u>

For the Year Ended September 30

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
\$ 6,780	\$ 6,363	\$ 7,052	\$ 8,129	\$ 8,186
1,529	802	1,077	648	644
<u>\$ 8,309</u>	<u>\$ 7,165</u>	<u>\$ 8,129</u>	<u>\$ 8,777</u>	<u>\$ 8,830</u>
<u>\$ 2,087</u>	<u>\$ 2,032</u>	<u>\$ 2,121</u>	<u>\$ 2,109</u>	<u>\$ 2,240</u>
<u>\$ 4,485</u>	<u>\$ 4,794</u>	<u>\$ 4,993</u>	<u>\$ 4,715</u>	<u>\$ 5,126</u>
\$ 1,019	\$ 1,242	\$ 1,333	\$ 1,126	\$ 1,395
2,221	2,329	2,076	2,025	
2,702	3,236	3,071		
3,351	4,106			
3,582				
\$ 4,485	\$ 4,794	\$ 4,993	\$ 4,715	\$ 5,126
4,615	4,483	4,884	4,884	
4,269	5,073	5,260		
4,424	4,857			
4,388				
<u>\$ (97)</u>	<u>\$ 63</u>	<u>\$ 267</u>	<u>\$ 169</u>	<u>\$ 0</u>
\$ 8,309	\$ 7,165	\$ 8,129	\$ 8,777	\$ 8,830
(4,388)	(4,857)	(5,260)	(4,884)	(5,126)
<u>\$ 3,921</u>	<u>\$ 2,308</u>	<u>\$ 2,869</u>	<u>\$ 3,893</u>	<u>\$ 3,704</u>

**Total Excess (Deficit) Funding of Reestimated
Incurred Claims - 10 Years Shown.**

\$ 38,601

(continued)

CITY OF JACKSONVILLE, FLORIDA
BALANCE SHEET - GENERAL FUND
SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

	GENERAL SERVICE DISTRICT	EMERGENCY RESERVE	OTHER GENERAL FUND	TOTALS	
				2014	2013
ASSETS:					
Equity in pooled cash and investments.....	\$ 66,466	\$ 49,219	\$ 31,719	\$ 147,404	\$ 142,509
Cash in escrow and with fiscal agents.....	188	-	-	188	188
Securities lending collateral.....	56,003	-	-	56,003	52,559
Receivables (net, where applicable, of allowances for uncollectibles):					
Accounts and interest.....	14,284	-	4,458	18,742	14,884
Other.....	14,136	-	2,724	16,860	17,060
Due from other funds.....	1,921	-	-	1,921	5,728
Due from independent agencies and other governments.	46,419	-	283	46,702	48,051
Inventories.....	4,186	-	-	4,186	4,189
Prepaid items.....	-	-	-	-	17
TOTAL ASSETS.....	\$ 203,603	49,219	\$ 39,184	\$ 292,006	\$ 285,185
LIABILITIES:					
Accounts payable and accrued liabilities.....	\$ 26,695	\$ -	\$ 1,258	\$ 27,953	\$ 32,905
Contracts payable.....	-	-	-	-	48
Deposits.....	2,000	-	400	2,400	1,097
Unearned revenue.....	20,772	-	2,400	23,172	23,034
Securities lending obligations.....	56,003	-	-	56,003	52,563
TOTAL LIABILITIES.....	105,470	-	4,058	109,528	109,647
DEFERRED INFLOW OF RESOURCES:					
Unavailable Revenue.....	180	-	-	180	327
FUND BALANCES:					
Non Spendable:					
Non Spendable.....	4,186	-	-	4,186	4,189
Spendable:					
Restricted.....	-	-	-	-	-
Committed.....	7,431	49,219	6,996	63,646	70,248
Assigned.....	10,061	-	13,917	23,978	3,656
Unassigned.....	76,275	-	14,213	90,488	97,118
TOTAL FUND BALANCES.....	97,953	49,219	35,126	182,298	175,211
TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCE.....	\$ 203,423	\$ 49,219	\$ 39,184	\$ 292,006	\$ 285,185

See accompanying notes.

CITY OF JACKSONVILLE, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014
WITH COMPARATIVE TOTALS FOR 2013 (in thousands)

	GENERAL SERVICE DISTRICT	EMERGENCY RESERVE	OTHER GENERAL FUND	TOTALS	
				2014	2013
REVENUES:					
Property taxes.....	\$ 488,455	\$ -	\$ -	\$ 488,455	\$ 431,622
Utility and Communications service taxes.....	122,733	-	-	122,733	123,785
Sales and tourist taxes.....	1,018	-	-	1,018	1,004
Local business taxes.....	7,085	-	-	7,085	7,129
Licenses, permits, and fees.....	40,417	-	5	40,422	38,856
Intergovernmental.....	138,939	-	29	138,968	129,011
Charges for services.....	50,621	-	12,710	63,331	58,957
Fines and forfeitures.....	2,044	-	-	2,044	1,797
JEA contribution.....	109,188	-	-	109,188	106,688
Investment earnings.....	4,304	1,005	1,717	7,026	3,916
Other.....	30,608	-	2,041	32,649	21,963
Total Revenues.....	995,412	1,005	16,502	1,012,919	924,728
EXPENDITURES:					
Current:					
General government.....	88,908	-	27,156	116,064	124,373
Human services.....	64,185	-	1,030	65,215	64,684
Public safety.....	580,505	-	548	581,053	540,350
Culture and recreation.....	55,730	-	3,182	58,912	56,563
Transportation.....	23,945	-	-	23,945	28,429
Economic environment.....	12,008	-	2,154	14,162	15,070
Physical environment.....	20,169	-	-	20,169	11,342
Debt service:					
Interest and fiscal charges.....	9,537	-	-	9,537	8,954
Total Expenditures.....	854,987	-	34,070	889,057	849,765
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES.....	140,425	1,005	(17,568)	123,862	74,963
OTHER FINANCING SOURCES (USES):					
Long term debt issued.....	-	-	-	-	1,057
Intrafund Transfer In.....	800	-	18,500	19,300	35,265
Intrafund Transfer Out.....	(18,500)	-	(800)	(19,300)	(35,265)
Transfers in.....	5,879	-	25	5,904	9,165
Transfers out.....	(117,769)	-	(4,910)	(122,679)	(89,065)
Total Other Financing Sources (Uses).....	(129,590)	-	12,815	(116,775)	(78,843)
SPECIAL ITEM:					
Repeal of Jacksonville Economic Development Commission.....	-	-	-	-	28,970
NET CHANGES IN FUND BALANCES..	10,835	1,005	(4,753)	7,087	25,090
FUND BALANCE, BEGINNING OF YEAR ...	87,118	48,214	39,879	175,211	150,121
FUND BALANCES, END OF YEAR.....	\$ 97,953	\$ 49,219	\$ 35,126	\$ 182,298	\$ 175,211



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STATISTICAL SECTION

This part of the City of Jacksonville's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Page(s)

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Net Position by Components	270 - 271
Changes in Net Position.....	272 - 275
Fund Balances, Governmental Funds	276
Changes in Fund Balances, Governmental Funds	278 - 279

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Assessed Value and Estimated Actual Value of Taxable Property	282 - 283
Direct and Overlapping Property Tax Rates.....	284
Principal Property Taxpayers.....	286 - 287
Property Tax Levies and Collections	288 - 289

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Ratios of Outstanding Debt by Type to Personal Income and Per Capita	292 - 293
Direct and Overlapping Governmental Activities Debt.....	294
Legal Debt Margin Information.....	294
Pledged Revenue Coverage	296 - 301

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Demographic and Economic Statistics	303
Principal Employers.....	304

Operating Information

These schedules contain services and infrastructure data to help the reader understand how the information in the City's financial report compares to the services the City provides and the activities it performs.

Personnel Distribution by Department Classified Positions	307
Operating Indicators by Function/Program	308 - 311
Capital Asset Statistics by Function/Program.....	312 - 313

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.



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STATISTICAL SECTION – FINANCIAL TRENDS

CITY OF JACKSONVILLE, FLORIDA
NET POSITION BY COMPONENTS (in thousands)
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
Governmental activities:					
Net investments in capital assets.....	\$ 918,659	\$ 895,899	\$ 948,789	\$ 908,709	\$ 974,561
Restricted	50,630	47,546	50,529	46,503	92,336
Unrestricted.....	(157,869)	(190,125)	(222,645)	(120,998)	(207,729)
Total governmental activities net position	<u>811,420</u>	<u>753,320</u>	<u>776,673</u>	<u>834,214</u>	<u>859,168</u>
Business type activities					
Net investments in capital assets.....	161,999	128,001	128,766	124,213	135,912
Restricted	-	1,852	1,579	2,667	-
Unrestricted.....	44,996	53,606	50,039	38,545	14,586
Total business type activities net position	<u>206,995</u>	<u>183,459</u>	<u>180,384</u>	<u>165,425</u>	<u>150,498</u>
Primary government					
Net investments in capital assets.....	1,080,658	1,023,900	1,077,555	1,032,922	1,110,473
Restricted	50,630	49,398	52,108	49,170	92,336
Unrestricted.....	(112,873)	(136,519)	(172,606)	(82,453)	(193,143)
Total primary government net position	<u>\$ 1,018,415</u>	<u>\$ 936,779</u>	<u>\$ 957,057</u>	<u>\$ 999,639</u>	<u>\$ 1,009,666</u>

Notes:

Net position was reallocated in 2005 to adjust for the consideration of outstanding non-asset backed bonds.

- (1) The City transferred \$404,898 of capital assets associated with the sports venues from governmental activities to business type activities.
- (2) The Pollution Remediation Liability of \$162,710, previously considered a liability of business type activities, was reclassified to a liability of governmental type activities.
- (3) 2013 amounts were adjusted for GASB 65 implementation.

<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ 953,289	\$ 1,000,539 (1)	\$ 1,063,627	\$ 900,373	\$ 786,614
86,676	81,048	41,702	103,733	120,823
<u>(326,149)</u>	<u>(390,777) (2)</u>	<u>(259,189)</u>	<u>(127,555)</u>	<u>(163,353)</u>
<u>713,816</u>	<u>690,810</u>	<u>846,140</u>	<u>876,551</u>	<u>744,084</u>
126,221	114,078 (1)	16,341	13,375	13,742
-	-	8,274	13,045	15,497
<u>19,035</u>	<u>24,060 (2)</u>	<u>(105,181)</u>	<u>(118,120)</u>	<u>(104,700)</u>
<u>145,256</u>	<u>138,138</u>	<u>(80,566)</u>	<u>(91,700)</u>	<u>(75,461)</u>
1,079,510	1,114,617	1,079,968	913,748	800,356
86,676	81,048	49,976	116,778	136,320
<u>(307,114)</u>	<u>(366,717)</u>	<u>(364,370)</u>	<u>(245,675)</u>	<u>(268,053)</u>
<u>\$ 859,072</u>	<u>\$ 828,948</u>	<u>\$ 765,574</u>	<u>\$ 784,851</u>	<u>\$ 668,623</u>

CITY OF JACKSONVILLE, FLORIDA
CHANGES IN NET POSITION (in thousands)
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2014	2013	2012	2011	2010	2009
Expenses						
Government activities						
General government.....	\$ 150,118	\$ 159,054	\$ 156,064	\$ 171,163	\$ 186,072	\$ 180,054
Human services.....	108,596	104,902	113,260	108,837	112,785	107,991
Public safety.....	619,730	577,021	537,222	559,401	549,369	527,227
Culture and recreation.....	80,844	78,305	64,883	74,066	75,451	71,091
Transportation.....	141,928	147,750	154,770	170,557	192,231	217,296
Economic environment.....	43,956	47,394	76,227	124,520	71,082	72,571
Physical environment.....	122,963	114,134	125,407	118,564	98,058	97,114
Interest on long term debt.....	87,011	97,531	128,302	88,404	87,723	94,289
Total governmental activities expenses.....	1,355,146	1,326,091	1,356,135	1,415,512	1,372,771	1,367,633
Business type activities:						
Parking system.....	3,513	3,178	3,499	3,879	3,585	3,417
Sports complex.....	-	-	-	-	-	-
Motor vehicle inspections.....	464	494	477	446	476	433
Solid Waste.....	58,429	71,073	73,111	62,977	73,934	86,674
Storm Water Services.....	19,796	19,656	18,913	18,730	17,340	14,612
Mayport Ferry.....	2,405	2,767	-	-	-	-
EverBank Field.....	25,530	23,136	24,134	23,603	24,485	20,361
Veterans Memorial Arena	14,878	14,694	14,433	14,747	15,602	12,355
Baseball Stadium	3,216	3,083	3,118	3,142	3,335	1,993
Performing Arts	4,095	3,850	4,363	4,369	4,265	4,006
Convention Center	3,778	3,536	3,662	3,764	3,804	4,342
Equestrian Center	1,664	1,465	1,686	1,836	1,816	1,890
Sports Complex Capital Maint	-	106	-	-	-	-
Ritz Theater	954	-	-	-	-	-
Total business type activities expenses.....	138,722	147,038	147,396	137,493	148,642	150,083
Total primary government expenses.....	1,493,868	1,473,129	1,503,531	1,553,005	1,521,413	1,517,716
Program Revenues						
Government activities						
Charges for services:						
General government.....	54,713	71,541	64,104	65,993	67,454	103,824
Public safety.....	55,878	30,137	38,121	45,908	46,457	45,322
Other activities	8,158	8,773	17,181	10,352	5,997	6,865
Operating grants and contributions	53,946	68,470	82,833	96,142	83,456	83,068
Capital grants and contributions	72,978	55,208	41,194	27,565	170,558	52,464
Total governmental activities program revenues	245,673	234,129	243,433	245,960	373,922	291,543
Business type activities:						
Charges for services:						
Sports complex.....	-	-	-	-	-	-
Solid Waste.....	69,570	68,759	69,748	66,610	47,112	42,752
Storm Water.....	29,142	30,259	26,519	20,789	28,035	29,134
EverBank Field.....	6,476	4,566	4,054	3,379	3,719	3,536
Veterans Memorial Arena.....	4,806	5,165	4,641	5,288	4,797	4,704
Other Activities.....	9,045	8,579	7,889	7,473	6,998	7,364
Total business type activities revenue	119,039	117,328	112,851	103,539	90,661	87,490
Total primary government program revenues.....	\$ 364,712	\$ 351,457	\$ 356,284	\$ 349,499	\$ 464,583	\$ 379,033

<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
\$ 174,777	\$ 201,186	\$ 194,406	\$ 160,341
102,076	108,738	106,755	107,588
511,009	472,531	429,207	414,490
67,054	93,197	84,527	88,875
178,949	316,261	216,674	236,998
77,460	77,440	74,030	83,832
125,984	69,211	55,605	52,097
102,835	94,114	92,682	90,738
<u>1,340,144</u>	<u>1,432,678</u>	<u>1,253,886</u>	<u>1,234,959</u>
3,921	6,340	4,975	5,116
-	-	25,964	25,088
462	482	439	555
69,230	71,240	92,935	83,506
55	-	-	-
-	1,937	2,346	1,943
11,850	11,732	-	-
8,055	7,750	-	-
1,297	1,135	-	-
3,264	3,959	-	-
3,681	3,443	-	-
1,449	1,309	-	-
-	-	-	-
-	-	-	-
<u>103,264</u>	<u>109,327</u>	<u>126,659</u>	<u>116,208</u>
<u>1,443,408</u>	<u>1,542,005</u>	<u>1,380,545</u>	<u>1,351,167</u>
94,079	71,614	86,817	79,108
47,233	45,825	45,670	40,517
12,523	18,304	11,491	7,357
82,342	87,234	69,485	89,784
56,230	52,112	76,072	50,241
<u>292,407</u>	<u>275,089</u>	<u>289,535</u>	<u>267,007</u>
-	-	16,004	16,605
39,892	39,123	44,093	41,120
7,506	-	-	-
4,106	3,534	-	-
5,520	5,979	-	-
8,605	10,804	5,570	4,441
<u>65,629</u>	<u>59,440</u>	<u>65,667</u>	<u>62,166</u>
\$ 358,036	\$ 334,529	\$ 355,202	\$ 329,173

CITY OF JACKSONVILLE, FLORIDA
CHANGES IN NET POSITION (in thousands)
LAST TEN FISCAL YEARS
(accrual basis of accounting)

	2014	2013	2012	2011	2010	2009
Net (expense)revenue						
Government activities	\$ (1,109,473)	\$ (1,091,962)	\$ (1,112,702)	\$ (1,169,552)	\$ (998,849)	\$ (1,076,090)
Business type activities	(19,683)	(29,710)	(34,545)	(33,954)	(57,981)	(62,593)
Total primary government net expense	(1,129,156)	(1,121,672)	(1,147,247)	(1,203,506)	(1,056,830)	(1,138,683)
General revenues and other changes in net position						
Government activities:						
Property taxes.....	502,624	444,219	463,680	498,507	493,171	474,381
Utility service taxes.....	122,733	123,785	123,132	127,955	126,653	118,453
Sales and tourist taxes.....	180,964	172,430	164,827	161,943	158,062	162,295
Local business taxes.....	7,085	7,129	7,396	7,447	8,052	7,928
Intergovernmental - unrestricted.....	138,969	127,561	160,793	172,571	170,687	166,923
JEA contributions.....	109,188	106,688	104,188	101,688	99,188	96,961
Unrestricted earnings on investments.....	21,690	5,884	40,329	18,844	57,454	73,326
Franchise fees.....	40,417	38,851	40,624	43,037	39,842	-
Miscellaneous.....	55,227	40,627	33,249	35,693	26,626	29,028
Special item - refinancing state bonds.....	-	-	(61,196)	-	-	-
Special item - Repeal of JEDC.....	-	28,970	-	-	-	-
Transfers.....	(11,324)	(4,020)	(21,861)	(23,087)	(35,534)	(30,199)
Total general revenues, special items, and transfers...	1,167,573	1,092,124	1,055,161	1,144,598	1,144,201	1,099,096
Business type activities						
Unrestricted earnings on investments.....	2,008	294	4,025	2,127	5,770	8,237
Sales and tourist taxes.....	13,394	12,385	11,692	11,134	10,965	10,875
Miscellaneous.....	16,493	17,081	11,926	12,533	10,954	20,400
Special item - pollution remediation & settlement.....	-	-	-	-	-	-
Transfers.....	11,324	4,020	21,861	23,087	35,534	30,199
Total business type activities.....	43,219	33,780	49,504	48,881	63,223	69,711
Total primary government	1,210,792	1,125,904	1,104,665	1,193,479	1,207,424	1,168,807
Changes in net position:						
Governmental activities	58,100	162	(57,541)	(24,954)	145,352	23,006
Business type activities	23,536	4,070	14,959	14,927	5,242	7,118
Total primary government	\$ 81,636	\$ 4,232	\$ (42,582)	\$ (10,027)	\$ 150,594	\$ 30,124

(continued)

2008	2007	2006	2005
\$ (1,047,737)	\$ (1,157,589)	\$ (964,351)	\$ (967,952)
<u>(37,635)</u>	<u>(49,887)</u>	<u>(60,992)</u>	<u>(54,042)</u>
<u>(1,085,372)</u>	<u>(1,207,476)</u>	<u>(1,025,343)</u>	<u>(1,021,994)</u>
477,368	465,918	408,942	365,456
114,392	104,634	104,259	99,463
179,645	181,621	196,257	184,172
7,932	7,618	8,855	8,189
185,041	206,371	228,237	202,510
96,096	92,915	89,188	85,938
15,263	34,033	44,380	23,759
-	-	-	-
48,976	63,772	52,912	43,610
-	-	-	-
-	-	-	-
<u>(232,306)</u>	<u>(29,704)</u>	<u>(36,212)</u>	<u>(35,301)</u>
<u>892,407</u>	<u>1,127,178</u>	<u>1,096,818</u>	<u>977,796</u>
2,516	6,165	4,765	3,368
12,695	12,520	-	-
8,822	12,632	3,776	1,488
-	-	-	(87,995)
<u>232,306</u>	<u>29,704</u>	<u>36,212</u>	<u>35,301</u>
<u>256,339</u>	<u>61,021</u>	<u>44,753</u>	<u>(47,838)</u>
<u>1,148,746</u>	<u>1,188,199</u>	<u>1,141,571</u>	<u>929,958</u>
(155,330)	(30,411)	132,467	9,844
<u>218,704</u>	<u>11,134</u>	<u>(16,239)</u>	<u>(101,880)</u>
<u>\$ 63,374</u>	<u>\$ (19,277)</u>	<u>\$ 116,228</u>	<u>\$ (92,036)</u>

CITY OF JACKSONVILLE, FLORIDA
FUND BALANCES OF GOVERNMENTAL FUNDS (in thousands)
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

Pre-GASB 54				
	2008	2007	2006	2005
General Fund				
Reserved	\$ 57,317	\$ 57,507	\$ 53,935	\$ 14,728
Unreserved	40,841	26,476	23,974	48,267
Total General Fund	\$ 98,158	\$ 83,983	\$ 77,909	\$ 62,995
All other Governmental funds				
Reserved	\$ 312,341	\$ 393,177	\$ 388,723	\$ 448,536
Unreserved, reported in:				
Special revenue funds	181,662	185,307	176,468	148,054
Capital projects funds	(24,510)	(38,688)	17,731	48,064
Permanent fund	195	194	188	178
Total all other governmental funds	\$ 469,688	\$ 539,990	\$ 583,110	\$ 644,832

Post-GASB 54							
	2014	2013	2012	2011	2010	2009	2008
General Fund							
Non Spendable:							
Non Spendable.....	\$ 4,186	\$ 4,189	\$ 5,115	\$ 5,149	\$ 6,604	\$ 6,259	\$ 4,300
Spendable:							
Committed.....	63,646	70,248	69,965	60,012	58,921	62,846	54,889
Assigned.....	23,978	3,656	2,903	1,962	2,766	3,114	3,050
Unassigned.....	90,488	97,118	72,138	61,798	41,774	37,962	35,919
Total General Fund	\$ 182,298	\$ 175,211	\$ 150,121	\$ 128,921	\$ 110,065	\$ 110,181	\$ 98,158
All other Governmental funds							
Non Spendable:							
Non Spendable.....	\$ 225	\$ 225	\$ 224	\$ 124	\$ 127	\$ 123	\$ 123
Spendable:							
Restricted.....	188,687	196,855	241,181	296,901	329,146	221,416	155,333
Committed.....	223,732	213,314	218,283	246,415	214,964	224,657	291,554
Assigned.....	-	1,860	2,653	2,079	3,215	8,764	23,777
Unassigned.....	(14,048)	-	(3,671)	(200)	-	(34,264)	(1,099)
Total all other governmental funds	\$ 398,596	\$ 412,254	\$ 458,670	\$ 545,319	\$ 547,452	\$ 420,696	\$ 469,688

Note: Seven years of data is available for GASB 54 compliance which was adopted in 2009.
2008 data was restated for GASB 54 comparable presentation.



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CITY OF JACKSONVILLE, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (in thousands)
LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	2014	2013	2012	2011
Revenue				
Property taxes.....	\$ 502,624	\$ 444,219	\$ 463,680	\$ 498,507
Utility service taxes.....	122,733	123,785	123,132	127,955
Sales and tourist taxes.....	180,964	172,430	164,827	161,943
Local business taxes.....	7,085	7,129	7,396	7,447
Licenses and permits.....	52,960	49,959	50,198	43,405
Intergovernmental.....	243,528	241,981	249,177	272,446
Charges for services.....	101,259	95,178	105,405	117,749
Fines and forfeitures.....	4,947	4,165	4,427	4,136
JEA contribution.....	109,188	106,688	104,188	101,688
Payment in lieu of taxes.....	-	-	-	-
Investment earnings.....	17,871	6,621	34,698	14,927
Other.....	48,543	36,998	30,428	31,432
Total Revenue.....	1,391,702	1,289,153	1,337,556	1,381,635
Expenditures				
General government.....	143,390	152,308	163,217	171,391
Human services.....	105,802	102,051	110,779	107,895
Public safety.....	604,160	570,893	527,047	553,746
Culture and recreation.....	65,651	63,100	53,763	63,151
Transportation.....	133,893	133,075	140,422	148,793
Economic environment.....	42,807	47,184	67,672	117,876
Physical environment.....	27,020	18,253	20,930	29,314
Capital outlay.....	87,538	78,354	121,541	196,145
Debt service:				
Principal.....	88,070	81,776	76,148	82,942
Interest and fiscal charges.....	98,924	102,032	103,885	90,673
Other.....	1,731	4,294	7,505	4,710
Total Expenditures.....	1,398,986	1,353,320	1,392,909	1,566,636
Excess of Revenue Over				
(Under) Expenditures.....	(7,284)	(64,167)	(55,353)	(185,001)
Other Financing Sources (Uses):				
Long term debt issued.....	18,044	13,603	2,349	210,758
Refunding bond issued.....	-	287,888	491,905	79,220
Premium on special obligation bonds payable.....	-	41,542	46,925	18,481
Discount on special obligation bonds payable.....	-	(159)	-	-
Payment to escrow agent - refunded bonds.....	-	(324,201)	(529,833)	(85,238)
Transfers in.....	197,372	183,089	205,055	174,192
Transfers out.....	(214,703)	(187,891)	(226,497)	(195,689)
Total Other Financing Sources(Uses):	713	13,871	(10,096)	201,724
Special Item:				
Repeal of Jacksonville Economic Development Commission.....	-	28,970	-	-
Net Changes in Fund Balances	\$ (6,571)	\$ (21,326)	\$ (65,449)	\$ 16,723
Debt Service as Percentage of NonCapital Expenditures	14.12%	14.23%	14.10%	12.48%

2010	2009	2008	2007	2006	2005
\$ 493,171	\$ 474,381	\$ 477,368	\$ 465,918	\$ 408,942	\$ 365,456
126,878	118,453	114,392	104,634	104,259	99,463
158,062	162,295	179,645	181,621	196,257	184,172
8,052	7,928	7,932	7,618	8,855	8,189
39,842	38,846	19,424	1,249	1,654	856
268,008	263,316	286,492	299,696	314,959	302,213
112,563	112,013	128,570	128,391	134,977	121,036
5,095	5,152	5,841	6,103	7,347	6,192
99,188	96,688	94,188	91,438	88,688	85,938
-	-	-	3,713	-	-
48,495	62,593	15,346	31,101	41,384	21,676
27,996	29,031	47,443	63,772	52,912	43,609
<u>1,387,350</u>	<u>1,370,696</u>	<u>1,376,641</u>	<u>1,385,254</u>	<u>1,360,234</u>	<u>1,238,800</u>
180,259	167,245	162,202	152,894	136,815	139,092
112,792	107,309	100,858	107,651	105,979	107,104
553,756	527,027	502,305	474,120	427,478	412,054
67,352	64,076	59,096	72,993	72,924	78,066
163,768	144,298	164,918	163,433	148,107	141,195
70,626	66,713	72,433	76,991	72,270	78,323
21,726	24,945	20,539	21,874	19,307	21,215
243,601	273,518	216,770	351,581	302,583	259,078
61,777	79,554	74,365	66,294	64,774	53,320
84,325	89,339	102,423	96,907	95,365	93,074
8,536	2,846	1,607	1,759	1,085	1,773
<u>1,568,518</u>	<u>1,546,870</u>	<u>1,477,516</u>	<u>1,586,497</u>	<u>1,446,687</u>	<u>1,384,294</u>
<u>(181,168)</u>	<u>(176,174)</u>	<u>(100,875)</u>	<u>(201,243)</u>	<u>(86,453)</u>	<u>(145,494)</u>
319,680	166,858	584,893	190,455	114,170	18,319
-	18,200	-	-	-	-
19,543	7,904	3,587	4,097	1,693	-
-	-	-	-	-	-
-	(18,622)	(410,460)	-	(41,457)	(40,668)
181,638	196,914	219,862	192,537	214,270	208,115
<u>(212,543)</u>	<u>(232,049)</u>	<u>(245,238)</u>	<u>(222,892)</u>	<u>(249,031)</u>	<u>(232,209)</u>
<u>308,318</u>	<u>139,205</u>	<u>152,644</u>	<u>164,197</u>	<u>39,645</u>	<u>(46,443)</u>
-	-	-	-	-	-
<u>\$ 127,150</u>	<u>\$ (36,969)</u>	<u>\$ 51,769</u>	<u>\$ (37,046)</u>	<u>\$ (46,808)</u>	<u>\$ (191,937)</u>
10.84%	13.04%	13.93%	11.54%	12.72%	12.11%



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STATISTICAL SECTION – REVENUE CAPACITY

CITY OF JACKSONVILLE, FLORIDA
ASSESSED AND ESTIMATED ACTUAL VALUES OF TAXABLE PROPERTY
LAST EIGHT YEARS (in thousands)

Year	Real Property					Centrally Assessed Property (1)
	Residential Real Property	Commercial Real Property	Industrial Real Property	Other Real Property	Personal Property	
2007	\$ 31,686,651	\$ 13,394,365	\$ 3,199,698	\$ 5,338,289	\$ 7,899,162	\$ 167,104
2008	36,941,849	15,093,348	3,777,631	6,643,841	8,305,449	177,308
2009	39,265,137	16,929,605	4,317,968	7,025,130	11,570,293	200,236
2010	44,839,547	18,085,667	4,507,151	7,994,713	12,081,891	197,806
2011	40,194,453	16,584,154	4,217,089	8,303,924	12,283,738	141,080
2012	36,146,776	15,706,066	3,786,599	7,955,092	12,241,838	158,707
2013	32,988,302	15,589,684	3,728,970	7,989,623	12,562,483	161,349
2014	31,587,050	15,532,668	3,962,211	8,243,727	12,907,988	162,447

(1) Centrally assessed property is primarily railroad property and private car line property, which must be separately assessed.

(2) Estimated actual values are the total "just" values or property subject to taxation, as defined by Section 193.011 of the Florida Statutes.

Note: The information in the schedule is presented to conform with the requirements of GASB statement 44. Prior to the change in format, real assessed values were presented in aggregate. Additionally, all assessed value columns were presented net of tax exempt property. The City is not able to present data in the current format prior to 2007. Additionally information presented for 2007 and 2008 differ from the original final tax roll due to subsequent Value Board Adjustment modifications.

Source: Property Appraiser's Office

Unaudited - see accompanying independent auditors' report.

Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Values (2)	Assessed as a Percentage of Actual Values
\$ 14,055,282	\$ 47,629,987	9.6400	\$ 70,926,829	67.15%
15,713,214	55,226,212	8.4841	83,838,185	65.87%
23,804,210	55,504,160	8.4841	91,002,440	60.99%
34,507,969	53,198,806	9.2727	87,706,774	60.66%
32,283,447	49,440,991	10.0353	81,724,438	60.50%
30,066,283	45,927,695	10.0353	75,993,978	60.44%
29,281,387	43,739,023	10.0353	73,020,410	59.90%
29,249,565	43,146,527	11.4419	72,396,092	59.60%

(continued)

CITY OF JACKSONVILLE, FLORIDA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS (Per \$1,000 of Assessed Value)

Year	City of Jacksonville				Overlapping Rates			
	District (Note 1)	Operating Millage	Debt Service Millage	Total City Millage	Other Taxing Authorities		FIND Millage (Note 2)	Combined Millage Total
					Total School Millage	Water Management District Millage		
2005	GSD	9.6879	0.0000	9.6879	8.5650	0.4620	0.0385	18.7534
2006	GSD	9.6500	0.0000	9.6500	8.4250	0.4620	0.0385	18.5755
2007	GSD	9.6400	0.0000	9.6400	8.0420	0.4620	0.0385	18.1825
2008	GSD	8.4841	0.0000	8.4841	7.7550	0.4158	0.0345	16.6894
2009	GSD	8.4841	0.0000	8.4841	7.5610	0.4158	0.0345	16.4954
2010	GSD	9.2727	0.0000	9.2727	7.5820	0.4158	0.0345	17.3050
2011	GSD	10.0353	0.0000	10.0353	7.8440	0.4158	0.0345	18.3296
2012	GSD	10.0353	0.0000	10.0353	7.5530	0.3313	0.0345	17.9541
2013	GSD	10.0353	0.0000	10.0353	7.6000	0.3313	0.0345	18.0011
2014	GSD	11.4419	0.0000	11.4419	7.3880	0.3283	0.0345	19.1927

(1) The GSD (General Services District) is the most prevalent millage rate. The GSD applies to most taxpayers and is in effect a county-wide rate.

(2) Florida Inland Navigational District

Source: Property Appraiser's Office

Unaudited - see accompanying independent auditors' report.



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**CITY OF JACKSONVILLE, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT AND NINE YEARS AGO**

Taxpayer	Type of Business	2014		
		Valuation	Rank	Percentage
AT&T/Bell South Communications	Communications	\$ 301,206,377	1	0.60%
Anheuser-Busch/Metal Container Corp	Manufacturing	229,081,414	2	0.46%
Stone Mountain Industrial Inc.....	Distribution Center	215,247,424	3	0.43%
Wal-Mart Properties/Stores	Retail	214,065,792	4	0.43%
Vistakon/Johnson & Johnson Vision	Manufacturing	208,331,239	5	0.42%
St Johns Town Center LLC.....	Retail	201,673,256	6	0.42%
Blue Cross & Blue Shield	Insurance	191,175,362	7	0.38%
Mid America Apartment Communities.....	Real Estate Mgmt/Development	189,258,238	8	0.38%
FDG Properties/Flagler Development Company	Real Estate Mgmt/Development	167,607,349	9	0.34%
Beemer & Associates.....	Real Estate Mgmt/Development	161,777,817	10	0.32%
Cedar Bay Generating Co.....	Utilities	-	-	-
First States Investors.....	Real Estate Mgmt/Development	-	-	-
Winn-Dixie Stores/ZSF WD Jacksonville.....	Retail	-	-	-
Comcast Cable.....	Communication	-	-	-
Total Taxable Assessed Value of 10 Largest Taxpayers.....		\$ 2,079,424,268		4.16%
Total Taxable Assessed Value of Other Taxpayers		47,849,685,571		95.84%
Total Taxable Assessed Value of All Taxpayers		\$ 49,929,109,839		100.00%

Source: Tax Collector's Office

2005		
<u>Valuation</u>	<u>Rank</u>	<u>Percentage</u>
\$ 576,401,647	1	1.26%
294,771,519	2	0.65%
-		-
140,418,952	8	-
200,328,816	4	0.44%
-		-
198,293,871	5	0.43%
-		-
213,906,010	3	0.47%
-		-
164,279,314	6	0.36%
142,788,636	7	0.31%
135,345,849	9	0.30%
129,458,821	10	0.28%
<hr/>		<hr/>
\$ 2,195,993,435		4.81%
43,427,997,515		95.19%
<u>\$ 45,623,990,950</u>		<u>100.00%</u>

CITY OF JACKSONVILLE, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Fiscal Year Ended Sept. 30		Taxes Levied for the Fiscal year (1)	Collected within the Fiscal Year of the Levy	
			Amount	Percentage of Levy
2005	General Fund - General Services District	\$ 367,688,578	\$ 365,687,691	99.5%
2006	General Fund - General Services District (2)	\$ 410,959,779	\$ 408,175,252	99.3%
2007	General Fund - General Services District (2)	\$ 471,622,380	\$ 468,874,795	99.4%
2008	General Fund - General Services District (2)	\$ 480,223,601	\$ 478,018,859	99.5%
2009	General Fund - General Services District (2)	\$ 478,948,728	\$ 476,188,360	99.4%
2010	General Fund - General Services District	\$ 497,900,724	\$ 493,688,968	99.2%
2011	General Fund - General Services District	\$ 505,368,958	\$ 500,440,998	99.0%
2012	General Fund - General Services District	\$ 468,994,952	\$ 466,200,537	99.4%
2013	General Fund - General Services District	\$ 447,266,774	\$ 445,217,626	99.5%
2014	General Fund - General Services District	\$ 507,188,920	\$ 503,707,320	99.3%

- (1) Tax levies are final certified amounts net of discounts allowed. The discount schedule is as follows:
For taxes paid in: November - 4%
 December - 3%
 January - 2%
 February - 1%

- (2) Correction made to amounts previously reported to reflect taxes levied amount net of discounts.

Collections in Subsequent Years	Total Collections to date	
	Amount	Percentage of Levy
\$ 924,392	\$ 366,612,083	99.7%
\$ 1,975,147	\$ 410,150,399	99.8%
\$ 974,700	\$ 469,849,495	99.6%
\$ 1,546,439	\$ 479,565,298	99.9%
\$ 1,797,343	\$ 477,985,703	99.8%
\$ 1,372,408	\$ 495,061,376	99.4%
\$ 1,793,595	\$ 502,234,593	99.4%
\$ 1,519,810	\$ 467,720,347	99.7%
\$ 1,677,847	\$ 446,895,473	99.9%
\$ -	\$ 503,707,320	99.3%

Unaudited - see accompanying independent auditors' report.



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STATISTICAL SECTION – DEBT CAPACITY

CITY OF JACKSONVILLE, FLORIDA
RATIO OF OUTSTANDING DEBT BY TYPE
TO PERSONAL INCOME AND PER CAPITA
LAST TEN YEARS

(dollars in thousands, except per capita)

Fiscal Year	Government Activities					
	Revenue Bonds Payable from General Fund	Notes Payable from General Fund	Revenue Bonds Payable from BJP Revenues	Notes Payable from BJP Revenues	Notes and Bonds Payable from Internal Services Fund	Capitalized Lease Obligations
2005	955,206	8,520	1,081,805	18,319	58,565	991
2006	985,840	7,995	1,064,210	15,920	72,205	144
2007	985,015	7,360	1,147,120	57,426	72,205	952
2008	779,533	6,630	1,090,568	66,414	153,730	609
2009	771,550	5,790	1,178,193	60,719	156,643	313
2010	826,574	4,845	1,256,964	65,872	250,713	-
2011	869,266	3,900	1,316,408	62,511	291,154	-
2012	828,572	2,875	1,315,267	57,447	273,813	-
2013	754,432	1,840	1,290,036	52,311	273,588	-
2014	719,978	785	1,249,005	47,055	249,875	-

Business-Type Activities

<u>Revenue Bonds</u>	<u>Capitalized Lease Obligations</u>	<u>Total Primary Government</u>	<u>Percentage of Personal Income</u>	<u>Per Capita</u>	<u>Less Unamortized Discount/Premium and Deferred Loss on Advanced Refunding</u>	<u>Adjusted Primary Government</u>	<u>Percentage of Personal Income</u>	<u>Per Capita</u>
67,990	-	2,191,396	7.21%	2,646.15	2,894	2,194,290	7.22%	2,649.64
63,465	-	2,209,779	6.65%	2,633.54	3,841	2,213,620	6.66%	2,638.12
57,560	-	2,327,638	6.83%	2,746.85	7,516	2,335,154	6.86%	2,755.72
357,124	-	2,454,608	7.19%	2,877.36	11,041	2,465,649	7.22%	2,890.30
341,887	-	2,515,095	7.72%	2,930.35	17,902	2,532,997	7.77%	2,951.21
326,143	-	2,731,111	8.15%	3,160.05	51,782	2,782,893	8.30%	3,219.96
313,015	-	2,856,254	8.23%	3,303.55	73,661	2,929,915	8.45%	3,388.75
287,423	-	2,765,397	7.69%	3,179.61	125,011	2,890,408	8.03%	3,323.34
257,674	-	2,629,881	7.00%	3,001.89	181,219	2,811,100	7.48%	3,208.74
272,123	-	2,538,821	n/a	2,852.59	169,704	2,708,525	n/a	3,043.27

(continued)

CITY OF JACKSONVILLE, FLORIDA
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
as of September 30, 2014

<u>Governmental Unit</u>	<u>Net General Obligation Bonds (1)</u>	<u>Estimated Percentage Applicable (2)</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
Duval County School Board - Bonds	\$ 10,310,000	100.000%	\$ 10,310,000
Duval County School Board - Certificate of Participation	\$ 399,549,405	100.000%	399,549,405
Duval County School Board - Revenue Anticipation Note	\$ 4,910,000	100.000%	4,910,000
Other Debt			
None	-	-	-
Subtotal, Overlapping Debt			\$ 414,769,405
City Direct Debt:			
Government Activities	\$ 2,266,698,021	100.000%	<u>2,266,698,021</u>
Total Direct and Overlapping Debt			<u>\$ 2,681,467,426</u>

(1) The net general obligation debt outstanding includes debt which is secured by the District to levy taxes on real estate less amounts available in debt service funds.

(2) The applicable percentage is based on the District's geographical boundaries within Duval County.

Source: Duval County Public Schools - Business Services

CITY OF JACKSONVILLE, FLORIDA
LEGAL DEBT MARGIN INFORMATION
as of September 30, 2014

The amount of debt the City of Jacksonville can issue is not limited by either the City of Jacksonville charter or code, nor the Florida State Statutes.



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CITY OF JACKSONVILLE, FLORIDA
PLEDGED REVENUE COVERAGE
LAST TEN YEARS
(dollars in thousands)

Excise Tax Revenue Bonds							
Fiscal Year	Utility Service Taxes	Fuel Oil Taxes	Occupational License Taxes	Gross Available Revenues	Debt Service		Coverage
					Principal	Interest	
2005	92,848	113	8,143	101,104	26,120	17,320	2.33 x
2006	97,284	229	8,809	106,322	28,570	17,388	2.31 x
2007	97,833	92	7,618	105,543	31,205	21,578	2.00 x
2008	107,531	71	7,932	115,533	32,930	21,100	2.14 x
2009	111,634	90	7,928	119,652	26,435	19,846	2.59 x
2010	120,333	24	7,867	128,224	21,616	21,463	2.98 x
2011	121,931	45	7,394	129,370	27,386	20,837	2.68 x
2012	117,206	28	7,356	124,591	23,407	20,604	2.83 x
2013	117,939	33	7,129	125,101	19,458	13,310	3.82 x
2014	117,311	34	7,085	124,430	17,048	12,713	4.18 x

Capital Improvement Revenue Bonds								
Franchise Fees	Communication Services Taxes	Sports Facility Sales Tax Rebate	Convention Development Tax (2%)	Sports Facility	Gross Available Revenues	Debt Service		Coverage
				Tourist		Principal	Interest	
				Development Tax (2%)				
1,276	6,502	2,000	4,800	5,108	19,686	1,750	10,441	1.61 x
1,710	6,746	2,000	5,201	5,530	21,187	2,215	8,530	1.97 x
1,335	6,709	2,000	5,118	5,402	20,565	3,675	7,733	1.80 x
1,132	6,790	2,000	5,197	5,498	20,618	3,775	7,631	1.81 x
1,349	6,726	2,000	4,366	4,675	19,117	4,005	7,453	1.67 x
1,351	6,522	2,000	4,238	4,561	18,672	4,140	7,317	1.63 x
1,293	5,980	2,000	4,403	4,731	18,407	4,325	7,132	1.61 x
1,272	5,896	2,000	4,670	5,022	18,860	4,525	6,935	1.65 x
1,247	5,813	2,000	4,995	5,390	19,445	3,855	4,334	2.37 x
1,399	5,388	2,000	5,502	5,892	20,181	4,895	4,340	2.19 x

(continued)

CITY OF JACKSONVILLE, FLORIDA
PLEDGED REVENUE COVERAGE
LAST TEN YEARS
(dollars in thousands)

Fiscal Year	Capital Project Revenue Bonds					
	JEA Contribution - Electric Serices	JEA Contribution - Water and Sewer	Gross Available Revenues	Debt Service		Coverage
				Principal	Interest	
2005	68,677	17,261	85,938	2,205	2,875	16.92 x
2006	71,031	17,657	88,688	2,265	4,478	13.15 x
2007	73,100	18,337	91,438	2,430	5,103	12.14 x
2008	73,847	20,341	94,188	2,495	4,262	13.94 x
2009	76,094	20,593	96,688	2,680	1,581	22.69 x
2010	79,008	20,180	99,188	2,810	474	30.20 x
2011	81,922	19,766	101,688	3,440	898	23.44 x
2012	83,038	21,150	104,188	2,610	1,932	22.94 x
2013	83,969	22,719	106,688	3,240	1,855	20.94 x
2014	87,318	21,870	109,188	3,390	1,764	21.19 x

(continued)

Local Government Sales Tax Revenue Bonds				Better Jacksonville Infrastructure Sales Tax Bonds			
Local Government 1/2 Cent Sales Tax	Debt Service		Coverage	Infrastructure Sales Tax	Debt Service		Coverage
	Principal	Interest			Principal	Interest	
81,355	8,675	8,517	4.73 x	69,337	7,865	29,042	1.88 x
86,763	9,085	8,114	5.04 x	73,227	13,310	28,071	1.77 x
83,940	9,480	7,748	4.87 x	70,665	15,799	28,011	1.61 x
77,529	9,815	7,351	4.52 x	70,262	19,844	27,948	1.47 x
70,510	10,660	6,735	4.05 x	63,330	22,474	33,515	1.13 x
67,642	11,080	6,316	3.89 x	61,322	23,591	32,381	1.10 x
70,774	11,530	5,867	4.07 x	63,061	24,136	29,840	1.17 x
72,636	12,115	5,280	4.18 x	64,573	25,016	20,237	1.43 x
77,657	9,545	2,609	6.39 x	68,531	24,892	29,312	1.26 x
81,240	10,075	2,084	6.68 x	71,930	25,660	28,054	1.34 x

(continued)

CITY OF JACKSONVILLE, FLORIDA
PLEDGED REVENUE COVERAGE
LAST TEN YEARS
(dollars in thousands)

Transportation Revenue Bonds (Better Jax)						
Fiscal Year	Transportation Sales Tax	Gas Tax (Constitutional Fuel Tax)	Gross Available Revenues	Debt Service		Coverage
				Principal	Interest	
2005	71,717	9,280	80,997	4,185	18,148	3.63 x
2006	76,136	9,280	85,416	6,684	22,039	2.97 x
2007	73,543	9,235	82,779	4,495	23,283	2.98 x
2008	72,339	8,856	81,195	2,595	24,408	3.01 x
2009	65,132	8,693	73,825	7,495	21,054	2.59 x
2010	62,868	8,549	71,417	7,705	17,730	2.81 x
2011	65,189	8,392	73,581	20,240	17,816	1.93 x
2012	66,650	8,286	74,936	8,145	13,532	3.46 x
2013	70,532	8,155	78,687	20,240	18,668	2.02 x
2014	74,334	8,385	82,719	22,930	17,953	2.02 x

(continued)

Special Revenue Bonds (Covenant Pledge)

General Fund Revenues (1)	Exclusion of Ad Valorem Tax Revenue	Total Covenant Revenues (2)	Debt Service		Coverage (3)
			Principal	Interest	
-	-	-	-	-	n/a
-	-	-	-	-	n/a
-	-	-	-	-	n/a
-	-	-	-	-	n/a
959,147	(458,539)	500,608	535	2,477	166.18 x
976,476	(476,532)	499,944	7,099	12,723	25.22 x
984,034	(482,694)	501,340	9,551	27,555	13.51 x
954,602	(450,571)	504,031	24,031	33,914	8.70 x
924,728	(431,622)	493,106	26,324	39,828	7.45 x
1,012,919	(488,455)	524,464	30,990	44,227	6.97 x

(1) General Fund revenues are presented in more detail in the section titled Basic Financial Statements - Fund Level.

(2) Covenant Revenues are defined as revenues deposited to the credit of the City's General Fund derived from any source whatsoever that are legally available for the payment of the Special Revenue bond obligations, inclusive of operating transfers from other funds in to the General Fund, but exclusive of revenues derived from ad valorem taxation.

(3) The Series 2008 obligations were the first of the Special Revenue Bonds to be issued on September 28, 2008. The first interest payment date was April 1, 2009. Revenues and coverage is only presented from the first fiscal year in which principal and/or interest was paid.

(continued)

STATISTICAL SECTION – DEMOGRAPHIC AND ECONOMIC INFORMATION

CITY OF JACKSONVILLE, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population (1)	Total Personal Income (thousands) (2)	Per Capita Personal Income	Median Age (3)	Education level in Years of Schooling (3)	School Enrollment (4)	Unemployment rate (5)
2005	828,145	\$ 30,396,105	\$ 36,704	35.4	13.26	126,535	3.3%
2006	839,090	\$ 33,221,579	\$ 39,592	35.5	13.35	125,171	3.1%
2007	847,384	\$ 34,060,804	\$ 40,195	36.1	13.16	125,063	3.9%
2008	853,077	\$ 34,142,370	\$ 40,023	35.3	13.25	125,403	6.5%
2009	858,291	\$ 32,584,235	\$ 37,964	35.5	13.32	123,716	10.5%
2010	864,263	\$ 33,529,211	\$ 38,795	35.8	14.74	124,044	10.4%
2011	864,601	\$ 34,685,340	\$ 40,117	35.8	13.58	125,176	9.4%
2012	869,729	\$ 35,979,716	\$ 41,369	35.7	13.64	126,078	7.6%
2013	876,075	\$ 37,580,871	\$ 42,897	36.1	13.62	126,765	6.4%
2014	890,066	NA	NA	36.2	13.57	127,630	6.0%

Source:

- (1) Florida Office of Economic and Demographic Research
- (2) U.S. Bureau of Economic Analysis
- (3) U.S Census Bureau; 2014 Median Age From Source (1)
- (4) Duval County Public Schools, Budget Department
- (5) US Department of Labor - Bureau of Labor Statistics

Notes:

NA - 2014 data was not available at the time of this report.
2009 educational attainment source is 2009 Decision Data 2009, Discover Jacksonville

CITY OF JACKSONVILLE, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT YEAR

EMPLOYER	Employees*	Rank	% of Total City Employment
Naval Air Station Jacksonville	25,240	1	5.30%
Duval County Public Schools	14,480	2	3.04%
Naval Air Station Mayport	9,000	3	1.89%
Baptist Health	8,270	4	1.74%
Bank of America Merrill Lynch	8,000	5	1.68%
City of Jacksonville **	7,713	6	1.62%
Florida Blue	6,500	7	1.36%
Citi	5,000	8	1.05%
Mayo Clinic Hospital	4,970	9	1.04%
United Parcel Services	4,100	10	0.86%
Total	<u>93,273</u>		<u>19.58%</u>

Notes:

* A complete update of the principal employers list for 2014 was not available at the time of this report.
The above schedule presents the total number of employees for major employers and the percentage of overall City employment each represent . Prior year information from nine years ago is not available.

Source: Jacksonville Regional Chamber of Commerce

** City of Jacksonville - Annual Budget Document (Total Staffing)



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STATISTICAL SECTION – OPERATING INFORMATION

CITY OF JACKSONVILLE, FLORIDA
CITY GOVERNMENT PERSONNEL DISTRIBUTION BY DEPARTMENT CLASSIFIED POSITIONS
LAST 10 YEARS

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Department										
Office of the Sheriff	3,045	3,060	3,301	3,371	3,362	3,199	3,002	2,997	2,976	2,929
Fire and Rescue	1,305	1,305	1,300	1,325	1,339	1,338	1,308	1,329	1,294	1,262
Public Works	502	510	776	790	794	841	853	703	736	779
Intra-Governmental Services	315	323	459	513	-	-	-	-	-	-
Public Libraries	285	285	354	355	363	369	368	382	401	432
Park and Recreation	238	268	133	139	-	-	-	-	-	-
Tax Collector	226	227	235	244	244	223	254	254	254	241
Regulatory Compliance	212	212	243	246	-	-	-	-	-	-
Planning and Development	146	142	161	190	194	238	225	83	86	83
Property Appraiser	120	120	122	128	128	128	128	128	128	122
Finance	93	98	97	100	100	117	117	-	-	-
Office of Economic Development	82	80	84	88	-	-	-	-	-	-
City Council	79	77	78	82	82	82	85	82	82	82
General Counsel	62	62	70	71	74	77	75	75	76	75
Employee Services	50	54	11	12	-	-	-	-	-	-
Special Services	47	51	63	75	-	-	-	-	-	-
Jacksonville Children's Commission	37	38	44	49	50	52	74	58	70	-
Supervisor of Elections	35	35	35	34	34	35	34	33	33	27
Mayor's Office	34	28	35	37	24	16	17	19	21	22
Clerk of the Court	32	30	35	35	37	41	41	41	41	38
Medical Examiner	29	27	27	27	27	27	26	26	26	26
Military Affairs, Veterans & Disabled Svcs	19	17	15	17	-	-	-	-	-	-
Courts	16	16	16	16	22	12	6	5	6	4
Human Rights Commission	9	10	12	13	17	17	20	20	21	22
Downtown Investment Authority	4									
Advisory Boards	4	4	5	5	5	5	5	5	5	5
Jacksonville Housing & Finance Auth.	3	3	3	2	2	1	-	-	-	-
Office of Ethics, Compliance & Oversight	1	-	-	-						
Central Operations	-	-	-	-	401	436	461	-	-	-
Environmental and Compliance	-	-	-	-	294	301	314	343	380	328
Recreation and Community Services	-	-	-	-	238	243	247	-	-	-
Information Technology	-	-	-	-	190	194	200	-	-	-
Jacksonville Economic Dev. Commission	-	-	-	-	17	18	15	28	32	40
Housing and Neighborhoods	-	-	-	-	4	4	39	135	149	142
Administration and Finance	-	-	-	-	-	-	-	651	679	575
Parks, Rec., Enter., and Conservation	-	-	-	-	-	-	-	387	417	281
Community Services	-	-	-	-	-	-	-	134	147	122
Procurement and Supply	-	-	-	-	-	-	-	48	46	50
Agriculture	-	-	-	-	-	-	-	12	13	17
Judicial	-	-	-	-	-	-	-	-	-	-
	7,030	7,082	7,714	7,964	8,042	8,014	7,914	7,978	8,119	7,704

Source: City of Jacksonville - Budget's Annual Financial Plan- (Does not include part-time employees)

CITY OF JACKSONVILLE, FLORIDA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	FISCAL YEAR				
	2014	2013	2012	2011	2010
Police					
Average daily calls received by JSO Communication....	4,028	4,092	4,192	3,992	4,138
Average daily police calls for service	2,463	2,446	2,617	2,833	2,728
Traffic citations issued	91,644	82,408	95,594	118,263	128,152
Total sworn officers	1,603	1,603	1,603	1,726	1,790
Total civilians	1,436	1,439	1,441	1,631	1,637
Average daily population by institution:					
John E Goode Pretrial Detention Facility	2,583	2,474	2,738	2,949	2,825
James I. Montgomery Correctional Center	645	595	649	737	620
Community Corrections Division	247	266	303	308	313
Fire/Rescue					
Fire incidents	14,703	20,836	20,061	21,333	18,991
Rescue incidents	100,843	98,254	93,741	90,182	92,287
Rescue transports	73,290	73,041	73,441	57,162	59,527
Fire /Rescue Communication(9-1-1)					
No. of calls for emergency assistance	115,546	116,209	113,802	115,180	115,204
Fire prevention					
No. of inspections	21,599	19,442	12,952	8,642	7,329
No. of public education participants	85,000	70,580	140,508	56,875	56,312
Solid Waste					
Refuse collections (tons per day)	2,337	2,258	2,255	2,254	2,324
Recyclables collected(tons per day)	312	312	388	366	433
Motor Vehicle					
Number of vehicles inspected	9,760	9,526	9,166	10,282	10,274
Animal Care and Control					
Complaints received	24,452	28,770	28,728	26,564	30,112
Animals impounded	11,257	15,419	16,544	18,029	19,877
License tags dispensed	66,084	74,258	70,977	45,763	24,087
Housing					
Community Development Block Grant(CDBG)					
Limited Repair Program	15	48	64	68	44
Utility top-in Program	31	47	69	85	103
Home Ownership Made Easy(HOME)					
Head Start Homeownership	46	85	116	107	136
Home-American Dream	N/A	N/A	N/A	N/A	N/A
Elderly Relocation/New Construction	1	N/A	N/A	N/A	N/A
Targeted Redevelopment.....	16	N/A	N/A	N/A	N/A
State Housing Initiative Partnership(SHIP)					
Home Owner Rehabilitation	N/A	2	17	42	67
Head Start Homeownership	50	N/A	N/A	N/A	N/A
Targeted Redevelopment.....	31	N/A	N/A	N/A	N/A
Special Needs Housing Rehab.....	240	N/A	N/A	N/A	N/A
Neighborhood Stabilization Program 3 (NSP3)					
Home Rental Rehabilitation.....	N/A	2	N/A	N/A	N/A
Home Ownership Units	7	9	N/A	N/A	N/A

Notes: N/A=Statistical Information is not available

FISCAL YEAR				
2009	2008	2007	2006	2005
4,289	5,045	4,738	4,605	4,660
2,893	3,111	2,982	2,997	2,836
154,806	216,644	220,569	208,825	208,292
1,751	1,704	1,665	1,591	1,609
1,552	1,348	1,335	1,236	1,125
2,692	2,578	2,536	2,322	2,247
659	677	718	747	744
295	297	314	312	337
19,251	21,667	20,835	19,604	19,336
90,851	92,150	92,875	89,260	88,041
53,700	51,013	49,340	45,110	44,533
110,102	113,817	113,710	108,864	107,377
5,717	8,406	8,411	10,351	14,106
75,655	70,388	46,195	48,722	35,278
2,360	2,591	2,731	3,173	3,252
452	505	490	493	586
10,607	10,929	10,895	11,196	11,229
24,849	16,138	16,491	34,398	32,520
25,377	25,368	26,642	25,870	20,497
86,236	65,318	65,369	64,648	89,646
30	44	55	53	37
37	88	78	81	96
160	105	111	46	78
2	27	6	33	36
N/A	1	4	4	4
N/A	N/A	N/A	N/A	N/A
62	28	6	26	156
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A

CITY OF JACKSONVILLE, FLORIDA
OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS (continued)

Function/Program	FISCAL YEAR				
	2014	2013	2012	2011	2010
Parks and Recreations					
Pool Attendance	355,743	477,753	430,873	342,402	435,211
Camp Attendance	880	2,432	1,889	1,502	1,959
Swimming lessons (children)	2,903	2,545	2,430	2,865	3,607
Permits issued(Athletic, special use, picnic)	3,999	3,508	3,153	3,298	3,289
Cecil Attendance	226,352	239,833	259,792	260,737	428,929
Athletic volunteers total hours of service	761,871	717,818	893,253	710,161	728,006
Jacksonville Children's Commission					
Early Learning Coalition-Child Care Service	0	0	12,986	10,399	12,559
Team UP Programs	8,069	7,766	7,926	7,471	7,413
Community Based After School Programs	2,411	2,264	2,209	2,511	2,144
Healthy Kids and Kidcare*	69	N/A	N/A	25	47
Summer Camp Seats.....	5,964	6,151	6,137	5,919	5,830
Summer Lunch Program					
Lunches served daily	241,083	249,252	232,923	231,836	285,924
Snacks served daily	197,743	207,856	192,358	190,740	254,490
Number of Sites	179	185	174	167	173
Number of days served	44	44	44	44	44
After School Food Program					
Snacks served annually	332,182	379,924	328,727	304,911	248,061
Suppers served annually	631,273	639,534	649,064	655,905	574,811
Number of sites	60	56	48	43	42
Early Literacy					
JaxKids Book Club**	10,353	10,353	10,535	10,219	10,180
Others	6,324	6,106	10,364	10,290	5,502
Workforce Development Training Institute	2,101	6,578	6,303	6,724	5,745
Background Screenings	816	1,181	1,137	883	N/A
Mentoring					
No. of children linked with a mentor	1,134	993	989	1,402	1,395
No. of children receiving mental health svcs	1,494	1,490	1,271	1,226	1,240
No. of children receiving community based svcs	867	750	885	999	2,472
Library					
Programs	10,919	8,992	11,268	11,166	10,694
Gate count	3,467,582	3,912,717	4,551,279	4,863,746	5,029,115
Circulation	6,513,057	7,172,084	8,396,991	8,747,754	9,087,192

Source: City of Jacksonville Annual Financial plan
Various City Departments

Notes: N/A=Statistical Information is not available

*New Grant Begun in 2014

**Name changed from Mayor Peyton's Book Club to JaxKids Book Club

FISCAL YEAR				
2009	2008	2007	2006	2005
653,606	411,354	428,403	466,321	462,817
2,323	2,082	5,094	4,956	5,013
5,588	4,444	5,529	4,458	4,447
3,028	1,696	1,912	3,322	1,694
331,691	269,046	264,833	211,320	173,144
776,570	1,081,745	912,550	1,082,695	668,260
12,507	12,844	13,018	13,547	13,394
6,701	4,722	4,129	3,987	5,267
2,440	2,507	2,409	2,365	2,596
24	24	7,430	7,042	10,931
5,979	3,524	4,083	4,972	6,861
308,900	340,838	340,213	323,571	289,627
264,935	299,416	275,421	272,656	233,040
185	201	157	175	157
49	49	57	47	43
457,503	430,843	358,622	409,704	452,544
382,932	293,810	302,231	313,087	369,431
42	28	24	24	24
9,766	9,604	8,818	8,399	8,365
5,856	5,531	6,800	7,851	5,329
4,388	3,713	1,500	1,142	2,718
N/A	N/A	N/A	N/A	N/A
1,157	1,132	403	N/A	N/A
1,301	1,275	1,176	N/A	N/A
2,053	1,829	1,778	N/A	N/A
12,628	11,194	11,417	9,243	6,874
5,257,939	4,829,892	4,703,234	4,365,463	3,768,611
9,156,597	8,824,972	8,378,103	7,948,860	6,145,880

CITY OF JACKSONVILLE, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	Fiscal Year				
	2014	2013	2012	2011	2010
Police					
Vehicular Patrol units					
Patrol Cars	1,259	1,303	1,343	1,460	1,290
Motorcycles	28	22	22	22	21
Other Vehicles	191	156	145	147	343
Unmarked	498	497	497	445	480
Horse Patrol	4	4	4	5	5
Fire Protection					
Stations	53	53	53	53	53
Marine Based stations	2	2	2	2	2
Rescue Units	41	40	34	34	34
Parks and Recreation					
Boat ramps	25	25	25	22	22
Community Center	57	61	61	66	65
Softball and Baseball Diamonds	248	271	271	226	226
Swimming pools	35	34	34	35	35
Tennis Courts	177	161	161	161	161
Soccer Fields	110	84	84	68	68
Street					
Miles of the street maintained.....	3,667	3,667	3,659	3,655	3,626
Street - paved (miles)	3,663	3,663	3,655	3,651	3,622
Street - unpaved (miles)	4	4	4	4	4
Street maintained primary (miles)	358	358	358	358	386
Interstate (miles)	120	120	120	120	95
Parking					
Downtown parking garages capacity	2,812	2,812	2,213	2,586	2,636
Downtown parking lots capacity	524	524	524	1,286	1,205
On street meters	1,690	1,696	1,650	1,323	1,448
Solid Waste					
No. of city landfills in operation	1	1	1	1	1
No. of city yard waste recycling	0	0	0	0	1
Community Services					
Senior Citizen Centers	19	19	19	19	18
Passenger busses	25	25	26	26	26
Library					
Facilities	21	21	21	21	21
Square footage	785,046	785,046	785,046	785,046	785,046
No. of items held(books, DVD's, CD's, etc)	2,344,637	2,413,255	2,875,295	2,875,295	3,023,307

Source: City of Jacksonville Annual Financial plan
Various City Departments

Notes:

N/A=Statistical Information is not available

Fiscal Year				
2009	2008	2007	2006	2005
1,133	1,468	1,468	1,418	1,418
22	20	16	16	16
411	164	160	160	222
412	285	255	255	255
6	6	6	6	6
53	52	50	52	50
2	2	2	2	2
32	31	31	30	30
22	22	32	32	29
65	65	53	53	53
214	210	280	287	277
35	35	36	36	35
161	156	158	156	158
68	68	84	78	76
3,620	3,603	3,570	3,534	3,489
3,616	3,599	3,566	3,530	3,485
4	4	4	4	4
372	372	372	372	371
95	95	115	95	95
2,636	2,576	2,576	2,280	2,280
1,205	1,262	1,262	1,530	1,530
1,448	1,450	1,500	1,600	1,600
1	1	1	1	1
1	1	1	2	2
18	18	18	18	18
26	26	26	26	26
21	21	21	21	20
785,046	785,046	785,046	785,046	785,046
3,147,971	3,113,359	3,071,780	2,856,089	2,682,984



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COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014
CITY OF JACKSONVILLE, FLORIDA