



NEW ISSUE – BOOK-ENTRY ONLY

Ratings: See "RATINGS" herein.

*In the opinion of Bond Counsel to be delivered upon the issuance of the Series 2025 Bonds (as hereinafter defined) under existing law and assuming continuing compliance by the City with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), that must be met subsequent to the issuance of the Series 2025 Bonds, with which the City has certified, represented and covenanted its compliance, (i) interest on the Series 2025 Bonds is excludable from gross income for federal income tax purposes; (ii) interest on the Series 2025 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; and (iii) in the case of the alternative minimum tax imposed by Section 55(b)(2) of the Code on applicable corporations (as defined in Section 59(k) of the Code), interest on the Series 2025 Bonds is not excluded from the determination of adjusted financial statement income. Bond Counsel is also of the opinion that the Series 2025 Bonds and the income thereon will not be subject to taxation under the laws of the State of Florida, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined in said Chapter 220. See "TAX MATTERS" for a description of certain other tax consequences to the Series 2025 Bonds.*



\$354,510,000\*

## CITY OF JACKSONVILLE, FLORIDA SPECIAL REVENUE BONDS, SERIES 2025

**Dated: Date of Delivery****Due: October 1, as shown on page following cover**

The City of Jacksonville, Florida (the "City") is issuing its \$354,510,000\* Special Revenue Bonds, Series 2025 (the "Series 2025 Bonds").

The Series 2025 Bonds will be issued for the purpose of (i) financing a portion of the acquisition and construction of certain capital equipment and improvements, (ii) refinancing certain commercial paper notes issued pursuant to the City's commercial paper program and (iii) paying the costs of issuance related to the Series 2025 Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" and "THE SERIES 2025 PROJECT AND PLAN OF REFINANCING" herein.

All capitalized terms used in this Official Statement and not otherwise defined herein have the meanings set forth in "APPENDIX B — SUMMARY OF CERTAIN PROVISIONS OF THE SPECIAL REVENUE BOND ORDINANCE — Definitions of Certain Terms" attached hereto or, if not defined therein, will have the same meanings ascribed to such terms in the Special Revenue Bond Ordinance or the Bond Terms Agreement (as defined herein), as applicable.

The Series 2025 Bonds are being issued as Additional Bonds under the Special Revenue Bond Ordinance and as fully registered bonds in denominations equal to the principal amount of each maturity shown on the inside cover page and, when issued, will be registered in the name of Cede & Co., as Bondholder and securities depository nominee of The Depository Trust Company ("DTC"). Individual purchases of beneficial interests in the Series 2025 Bonds will be made in book-entry only form through DTC Participants in the principal amount of \$5,000 or any integral multiple thereof. Purchasers of beneficial interests in the Series 2025 Bonds will not receive physical delivery of bond certificates. Interest on the Series 2025 Bonds will be paid semiannually on April 1 and October 1 of each year, commencing April 1, 2026 (each, an "Interest Payment Date"). Payments of principal of and interest on the Series 2025 Bonds will be made to purchasers of beneficial interests in the Series 2025 Bonds by DTC Participants. See "BOOK-ENTRY ONLY SYSTEM" herein. Computershare Trust Company, N.A., as successor to Wells Fargo Bank, N.A., Minneapolis, Minnesota, will serve as Deputy Registrar and Paying Agent for the Series 2025 Bonds.

The Series 2025 Bonds may be subject to redemption prior to their stated dates of maturity to the extent and as more fully described herein. See "DESCRIPTION OF THE SERIES 2025 BONDS — Redemption" herein.

The Series 2025 Bonds are limited obligations of the City payable from Covenant Revenues (as defined herein) and other legally available revenues of the City budgeted and appropriated in the manner and to the extent provided in the Special Revenue Bond Ordinance. The Series 2025 Bonds will not be secured by a lien on Covenant Revenues or any other revenues of the City until such funds are actually budgeted and appropriated therefor and deposited in the funds and accounts under the Special Revenue Bond Ordinance. The obligation of the City to budget, appropriate and make payments from Covenant Revenues is subject to the availability of Covenant Revenues in the General Fund after the satisfaction of the funding requirements for obligations having an express lien on or pledge of such revenues and the funding requirements for essential governmental services of the City. The City may not expend money not appropriated or in excess of its current budgeted revenues to pay debt service on the Series 2025 Bonds. The City also has certain other obligations outstanding which are payable from Covenant Revenues, all as described herein. See "SECURITY FOR THE SERIES 2025 BONDS" and "ADDITIONAL DEBT" herein.

The Series 2025 Bonds shall not be secured by the Reserve Account or any Subaccount therein referred to in the Special Revenue Bond Ordinance.

**Principal of the Series 2025 Bonds, the redemption premium, if any, and the interest thereon shall not be deemed to constitute a general or moral obligation or indebtedness of the City, or of the State of Florida (the "State") or any political subdivision thereof within the meaning of the Constitution and laws of the State. Neither the City nor the State nor any political subdivision thereof shall be obligated to pay the principal of, redemption premium, if any, or the interest on the Series 2025 Bonds except from the revenues and funds herein described and neither the faith and credit nor any taxing power of the City or the State or any political subdivision thereof is pledged to the payment of the principal of or interest on the Series 2025 Bonds or other costs incident thereto. The City is not obligated to maintain or continue any activities that generate Covenant Revenues.**

This cover page contains certain information for quick reference only. It is not a summary of the issue. Investors must read the entire Official Statement to obtain information essential to making an informed investment decision.

*The Series 2025 Bonds are offered for delivery when, as and if issued by the City and received by the Underwriters of the Series 2025 Bonds, subject to the delivery of an approving opinion as to the legality of the Series 2025 Bonds by Greenberg Traurig, P.A., Orlando, Florida, serving as Bond Counsel to the City. Certain legal matters will be passed upon for the City by GrayRobinson, P.A., Jacksonville, Florida, and Ezell Law Firm, P.A., Jacksonville, Florida, serving as Co-Disclosure Counsel to the City. Certain other legal matters will be passed upon for the City by its Office of General Counsel. Butler Snow LLP, Jacksonville, Florida, is serving as counsel to the Underwriters. PFM Financial Advisors LLC, Orlando, Florida, is acting as municipal advisor to the City in connection with the issuance of the Series 2025 Bonds. It is expected that the Series 2025 Bonds will be available for delivery through the facilities of DTC on or about August 20, 2025.*

**Ramirez & Co., Inc.****BofA Securities****Raymond James****TD Securities**

Dated: \_\_\_\_\_, 2025

\* Preliminary, subject to change.

This Preliminary Official Statement and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2025 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration, qualification or exemption under the securities laws of such jurisdiction. The City has deemed this Preliminary Official Statement "final," except for certain permitted omissions, within the contemplation of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

**MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS, PRICES  
AND CUSIP NUMBERS**

**\$354,510,000\***  
**CITY OF JACKSONVILLE, FLORIDA**  
**SPECIAL REVENUE BONDS,**  
**SERIES 2025**

**\$354,510,000\* Serial Series 2025 Bonds**

<b>Maturity (October 1)*</b>	<b>Principal Amount*</b>	<b>Interest Rate</b>	<b>Yield</b>	<b>Price</b>	<b>CUSIP No.**</b>
2027	\$3,275,000				
2028	1,410,000				
2029	1,560,000				
2030	1,010,000				
2031	5,080,000				
2032	5,330,000				
2033	5,610,000				
2034	5,880,000				
2035	13,975,000				
2036	12,695,000				
2037	13,330,000				
2038	13,995,000				
2039	14,685,000				
2040	15,420,000				
2041	14,300,000				
2042	15,010,000				
2043	15,760,000				
2044	16,550,000				
2045	17,385,000				

\$73,870,000\* \_\_\_\_% Term Series 2025 Bonds due October 1, 2050\*; Yield \_\_\_\_%; Price \_\_\_\_, CUSIP No. \_\_\_\_\*\*

\$88,380,000\* \_\_\_\_% Term Series 2025 Bonds due October 1, 2055\*; Yield \_\_\_\_%; Price \_\_\_\_, CUSIP No. \_\_\_\_\*\*

\* Preliminary, subject to change.

\*\* Neither the City nor the Underwriters are responsible for the use of CUSIP numbers, nor is any representation made as to their correctness. CUSIP numbers have been assigned by an independent company not affiliated with the City or the Underwriters and are included solely for the convenience of the registered owners of the applicable bonds. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2025 Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part or as a result of the procurement of secondary markets portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2025 Bonds.

**CITY OF JACKSONVILLE, FLORIDA**

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117 W. Duval Street, Suite 300  
Jacksonville, Florida 32202

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Donna Deegan

**COUNCIL MEMBERS**

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PFM Financial Advisors LLC  
Orlando, Florida

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THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE A CONTRACT BETWEEN THE CITY OR THE UNDERWRITERS AND ANY ONE OR MORE OWNERS OF SERIES 2025 BONDS NOR DOES IT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE SERIES 2025 BONDS IN ANY JURISDICTION TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH AN OFFER IN SUCH JURISDICTION.

NO DEALER, BROKER, SALESMAN OR ANY OTHER PERSON HAS BEEN AUTHORIZED BY THE CITY TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS, OTHER THAN THOSE CONTAINED HEREIN, IN CONNECTION WITH THE OFFERING OF THE SERIES 2025 BONDS; AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE CITY. THE INFORMATION SET FORTH HEREIN, INCLUDING IN THE APPENDICES, HAS BEEN OBTAINED FROM THE CITY AND OTHER SOURCES WHICH ARE BELIEVED TO BE RELIABLE. THE INFORMATION AND EXPRESSIONS OF OPINION HEREIN ARE SUBJECT TO CHANGE WITHOUT NOTICE; AND NEITHER THE DELIVERY OF THIS OFFICIAL STATEMENT NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE THE IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE MATTERS DESCRIBED HEREIN SINCE THE DATE HEREOF.

THE SERIES 2025 BONDS ARE OFFERED FOR SALE TO THE PUBLIC AT THE PRICES DERIVED FROM THE YIELDS SET FORTH ON THE INSIDE COVER PAGE OF THIS OFFICIAL STATEMENT. THE SERIES 2025 BONDS MAY BE OFFERED AND SOLD TO CERTAIN DEALERS (INCLUDING DEALERS DEPOSITING SERIES 2025 BONDS INTO INVESTMENT TRUSTS) AT PRICES LOWER THAN SUCH OFFERING PRICES, AND SUCH PUBLIC OFFERING PRICES MAY BE CHANGED, FROM TIME TO TIME, BY THE UNDERWRITERS.

THE UNDERWRITERS HAVE PROVIDED THE FOLLOWING SENTENCE FOR INCLUSION IN THIS OFFICIAL STATEMENT: THE UNDERWRITERS HAVE REVIEWED THE INFORMATION IN THIS OFFICIAL STATEMENT IN ACCORDANCE WITH, AND AS PART OF, THEIR RESPECTIVE RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITERS DO NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

IN MAKING AN INVESTMENT DECISION, INVESTORS MAY RELY ON THEIR OWN EXAMINATION OF THE CITY, AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. FURTHERMORE, OTHER THAN AS EXPRESSLY PROVIDED IN CERTIFICATES TO BE DELIVERED TO THE UNDERWRITERS IN CONNECTION WITH THE CLOSING, THE CITY HAS NOT CONFIRMED THE ACCURACY OR DETERMINED THE ACCURACY OF THIS OFFICIAL STATEMENT.

THE SERIES 2025 BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE SPECIAL REVENUE BOND ORDINANCE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE REGISTRATION OR QUALIFICATION OF THE SERIES 2025 BONDS IN ACCORDANCE WITH APPLICABLE PROVISIONS OF THE SECURITIES LAWS OF THE STATES, IF ANY, IN WHICH THE SERIES 2025 BONDS HAVE BEEN REGISTERED OR QUALIFIED AND THE EXEMPTION FROM REGISTRATION OR QUALIFICATION IN CERTAIN OTHER STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THESE STATES NOR ANY OF THEIR AGENCIES HAVE PASSED UPON THE MERITS OF THE SERIES 2025 BONDS OR THE ACCURACY OR COMPLETENESS OF

THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

ALL SUMMARIES HEREIN OF DOCUMENTS AND AGREEMENTS ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO SUCH DOCUMENTS AND AGREEMENTS, AND ALL SUMMARIES HEREIN OF THE SERIES 2025 BONDS ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE FORM THEREOF INCLUDED IN THE AFORESAID DOCUMENTS AND AGREEMENTS.

CERTAIN STATEMENTS INCLUDED OR INCORPORATED BY REFERENCE IN THIS OFFICIAL STATEMENT CONSTITUTE "FORWARD-LOOKING STATEMENTS." SUCH STATEMENTS GENERALLY ARE IDENTIFIABLE BY THE TERMINOLOGY USED, SUCH AS "PLAN," "EXPECT," "ESTIMATE," "BUDGET" OR OTHER SIMILAR WORDS. THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS INCLUDED IN THIS OFFICIAL STATEMENT. ASIDE FROM ITS CUSTOMARY FINANCIAL REPORTING ACTIVITIES, THE CITY DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR, SUBJECT TO ANY CONTRACTUAL OR LEGAL RESPONSIBILITIES TO THE CONTRARY.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS IN EITHER BOUND OR PRINTED FORMAT ("ORIGINAL BOUND FORMAT"), OR IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITE: [WWW.MUNIOS.COM](http://WWW.MUNIOS.COM). PROSPECTIVE PURCHASERS MAY RELY ON THE INFORMATION CONTAINED IN THIS OFFICIAL STATEMENT IN THE ORIGINAL BOUND FORMAT OR IN ELECTRONIC FORMAT; PROVIDED, HOWEVER, THAT PROSPECTIVE PURCHASERS MUST READ THE ENTIRE OFFICIAL STATEMENT (INCLUDING THE COVER PAGE AND ALL APPENDICES ATTACHED HERETO) TO OBTAIN ALL OF THE INFORMATION ESSENTIAL TO THE MAKING OF AN INFORMED INVESTMENT DECISION.

REFERENCES TO WEBSITE ADDRESSES PRESENTED HEREIN, INCLUDING THE CITY'S WEBSITE OR ANY OTHER WEBSITE CONTAINING INFORMATION ABOUT THE CITY, ARE FOR INFORMATIONAL PURPOSES ONLY AND MAY BE IN THE FORM OF A HYPERLINK SOLELY FOR THE READER'S CONVENIENCE. UNLESS SPECIFIED OTHERWISE, SUCH WEBSITES AND THE INFORMATION OR LINKS CONTAINED THEREIN ARE NOT INCORPORATED INTO, AND ARE NOT PART OF, THIS OFFICIAL STATEMENT FOR ANY PURPOSE INCLUDING FOR PURPOSES OF RULE 15c2-12 PROMULGATED BY THE SECURITIES AND EXCHANGE COMMISSION.

THIS PRELIMINARY OFFICIAL STATEMENT IS IN A FORM DEEMED FINAL BY THE CITY FOR THE PURPOSE OF RULE 15C2-12 UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, EXCEPT FOR CERTAIN INFORMATION PERMITTED TO BE OMITTED UNDER RULE 15C2-12(B)(1).

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## OFFICIAL STATEMENT

*relating to*

**\$354,510,000\***

### **CITY OF JACKSONVILLE, FLORIDA SPECIAL REVENUE BONDS, SERIES 2025**

## INTRODUCTION

### **General**

The purpose of this Official Statement, which includes the cover page, the inside cover page and the appendices attached hereto, is to furnish information in connection with the sale by the City of Jacksonville, Florida (the "City") of its \$354,510,000\* Special Revenue Bonds, Series 2025 (the "Series 2025 Bonds"). The Series 2025 Bonds are being issued pursuant to Section 159.11, Florida Statutes and Chapters 125 and 166, Florida Statutes, Article VIII, Section 2, Constitution of the State of Florida, Chapter 92-341, Laws of Florida, Special Acts of 1992, as amended and supplemented, and other applicable provisions of law (collectively, the "Act"), Ordinance 2006-888-E, enacted on September 12, 2006, as supplemented and amended from time to time, particularly as amended by Ordinance 2012-620-E, enacted on November 13, 2012 (collectively, the "Special Revenue Bond Ordinance"), and particularly as supplemented by Ordinance 2025-0329-E enacted on June 10, 2025 (the "2025 Supplemental Ordinance") and a Bond Terms Agreement to be dated as of August 1, 2025 relating to the Series 2025 Bonds (the "Bond Terms Agreement"). The form of the Bond Terms Agreement is attached hereto as APPENDIX C.

All capitalized terms used in this Official Statement and not otherwise defined herein have the meanings set forth under "APPENDIX B — SUMMARY OF CERTAIN PROVISIONS OF THE SPECIAL REVENUE BOND ORDINANCE — Definitions of Certain Terms" attached hereto or, if not defined therein, will have the same meanings ascribed to such terms in the Special Revenue Bond Ordinance or the Bond Terms Agreement.

This Official Statement and the appendices attached hereto contain descriptions of the Series 2025 Bonds, the Special Revenue Bond Ordinance, the 2025 Supplemental Ordinance, the Act and the City. Such information, descriptions and summaries do not purport to be complete or definitive; and reference is made to each such document for the complete details of all the terms and conditions thereof. All references herein to the Series 2025 Bonds, the Bond Terms Agreement, the Special Revenue Bond Ordinance and the 2025 Supplemental Ordinance are qualified in their entirety by such documents, copies of which may be obtained from (i) the City's Chief Financial Officer, Director of Finance, 117 West Duval Street, Suite 300, Jacksonville, Florida 32202, telephone number (904) 255-5354, (ii) PFM Financial Advisors LLC, the City's Municipal Advisor, 200 South Orange Avenue, Suite 760, Orlando, Florida 32801, or (iii) <http://www.cityofjaxinvestors.com>.

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\* Preliminary, subject to change.

## **The Series 2025 Bonds**

The Series 2025 Bonds are being issued in book-entry only form as fully registered bonds in denominations equal to the principal amount of each maturity as set forth on the inside cover page, and when issued, shall, as described herein, be registered in the name of Cede & Co., as Bondholder and securities depository nominee of The Depository Trust Company ("DTC"). Individual purchases of beneficial interests in the Series 2025 Bonds will be made in book-entry only form through Direct Participants, as described herein. See "BOOK-ENTRY ONLY SYSTEM" herein. Interest will accrue from the dated date of the Series 2025 Bonds, payable on each April 1 and October 1, commencing on April 1, 2026.

The Series 2025 Bonds are subject to redemption prior to their stated dates of maturity as more fully described herein. See "DESCRIPTION OF THE SERIES 2025 BONDS — Redemption" herein.

## **Purpose of Series 2025 Bonds**

The Series 2025 Bonds will be issued for the purpose of (i) financing a portion of the acquisition and construction of certain capital equipment and improvements (see "THE SERIES 2025 PROJECT AND PLAN OF REFINANCING – The Series 2025 Project" below), (ii) refinancing certain commercial paper notes issued pursuant to the City's commercial paper program (the "Refunded CP Loans") and (iii) paying the costs of issuance related to the Series 2025 Bonds.

See "ESTIMATED SOURCES AND USES OF FUNDS" and "THE SERIES 2025 PROJECT AND PLAN OF REFINANCING" herein.

## **Payment and Security for the Series 2025 Bonds**

The Series 2025 Bonds are being issued as Additional Bonds under the Special Revenue Bond Ordinance and are limited obligations of the City payable from Covenant Revenues (as defined herein) and other legally available revenues of the City budgeted and appropriated in the manner and to the extent provided in the Special Revenue Bond Ordinance. The Series 2025 Bonds will not be secured by a lien on Covenant Revenues or any other revenues of the City until such funds are actually budgeted and appropriated therefor and deposited in the funds and accounts established under the Special Revenue Bond Ordinance. The obligation of the City to budget, appropriate and make payments from Covenant Revenues is subject to the availability of Covenant Revenues in the General Fund of the City after the satisfaction of the funding requirements for obligations having an express lien on or pledge of such revenues and the funding requirements for essential governmental services of the City. The City may not expend monies not appropriated or in excess of its current budgeted revenues to pay debt service on the Series 2025 Bonds. In addition to the Series 2025 Bonds, the City also has certain other obligations which are payable from Covenant Revenues ("Covenant Obligations"), all as described herein. See "SECURITY FOR THE SERIES 2025 BONDS" and "ADDITIONAL DEBT" herein.

The Series 2025 Bonds and the indebtedness represented thereby shall not constitute a lien upon any property of the City. None of the officials of the City or any persons executing the Series 2025 Bonds are liable personally on the Series 2025 Bonds.

The Series 2025 Bonds shall not be secured by the Reserve Account or any Subaccount therein referred to in the Special Revenue Bond Ordinance. See "SECURITY FOR THE SERIES 2025 BONDS – Reserve Account" herein.

## Obligations Payable from Covenant Revenues

The City has previously issued the following obligations payable from the Covenant Revenues and other Non-Self Sufficient Debt as more fully described herein under "ADDITIONAL DEBT — Outstanding Non-Self Sufficient Debt" and the table "CITY OF JACKSONVILLE, FLORIDA NON-SELF SUFFICIENT DEBT."

### OBLIGATIONS PAYABLE FROM COVENANT REVENUES<sup>(1)</sup>

<u>Principal Amount Issued</u>	<u>Description of the Bonds</u>	<u>Balance 9/30/2024</u>
\$35,145,000	Taxable Special Revenue and Refunding Bonds, Series 2013B (the "Series 2013B Bonds")	\$3,745,000
\$92,215,000	Special Revenue Refunding Bonds, Series 2016A (the "Series 2016A Bonds")	60,845,000
\$58,645,000	Special Revenue Refunding Bonds, Series 2016B (the "Series 2016B Bonds" and, together with the Series 2016A Bonds, the "Series 2016 Bonds")	43,430,000
\$112,865,000	Special Revenue and Refunding Bonds, Series 2017A (the "Series 2017A Bonds")	93,395,000
\$72,540,000	Special Revenue Bonds, Series 2018 (the "Series 2018 Bonds")	36,485,000
\$151,625,000	Special Revenue and Refunding Bonds, Series 2019A (the "Series 2019A Bonds")	121,500,000
\$45,535,000	Special Revenue Refunding Bonds, Series 2019B (the "Series 2019B Bonds" and, together with the Series 2019A Bonds, the "Series 2019 Bonds")	45,535,000
\$123,630,000	Special Revenue and Refunding Bonds, Series 2020A (the "Series 2020A Bonds")	95,350,000
\$15,670,000	Special Revenue Refunding Bonds, Series 2020B (the "Series 2020B Bonds")	8,485,000
\$105,485,000	Taxable Special Revenue and Refunding Bonds, Series 2020C (the "Series 2020C Bonds" and, together with the Series 2020A Bonds and the Series 2020B Bonds, the "Series 2020 Bonds")	90,620,000
\$97,900,000	Special Revenue Bonds, Series 2021A (the "Series 2021A Bonds")	87,330,000
\$120,380,000	Special Revenue Refunding Bonds, Series 2022A (Forward Delivery) (the "Series 2022A Bonds")	114,865,000
\$28,682,400	Taxable Special Revenue Bond, Series 2022B (the "Series 2022B Bond")	27,848,800
\$99,175,000	Special Revenue Bonds, Series 2022C (the "Series 2022C Bonds")	97,685,000
\$255,925,000	Special Revenue and Refunding Bonds, Series 2023A (the "Series 2023A Bonds")	255,925,000
\$27,135,000	Special Revenue Refunding Bonds, Series 2023B (the "Series 2023B Bonds" and, together with the Series 2023A Bonds, the "Series 2023 Bonds")	27,135,000
\$265,560,000	Special Revenue and Refunding Bonds, Series 2024 (the "Series 2024 Bonds")	<u>265,560,000</u>
	TOTAL BALANCE:	\$1,475,738,000

<sup>(1)</sup> All obligations referenced in this table are collectively referred to herein as the "Outstanding Special Revenue Bonds."

Source: City Department of Finance.

The Special Revenue Bond Ordinance permits the issuance of Additional Bonds payable from Covenant Revenues and secured on a parity with the Outstanding Special Revenue Bonds and the Series 2025 Bonds. The City is also permitted under the Special Revenue Bond Ordinance to issue Non-Self Sufficient Debt for which there may be granted a prior lien on all or a portion of the Covenant Revenues; provided, that the City first complies with the requirements of the Anti-Dilution Test described herein. Self Sufficient Debt is permitted to be issued, without limit, and may be secondarily secured by a prior lien on or payable from Covenant Revenues, if certain debt service coverage tests are met and are expected to be met, as described herein. See "ADDITIONAL DEBT" herein.

## **THE CITY OF JACKSONVILLE**

On August 8, 1967, the electors of Duval County, Florida approved by referendum a charter of a consolidated government of the City of Jacksonville. Such consolidated government went into effect on October 1, 1968, and extends throughout Duval County, except that the Cities of Jacksonville Beach, Atlantic Beach and Neptune Beach and the Town of Baldwin (referred to as the Second, Third, Fourth and Fifth Urban Services Districts, respectively) remain as urban services districts and each retains its individual municipal charter. The City of Jacksonville, as so consolidated, is herein referred to as the "City." For additional information concerning the City see "APPENDIX A — GENERAL INFORMATION ON THE CITY OF JACKSONVILLE, FLORIDA" attached hereto.

## **THE SERIES 2025 PROJECT AND PLAN OF REFINANCING**

### **The Series 2025 Project**

Pursuant to the 2025 Supplemental Ordinance, a portion of the proceeds of the Series 2025 Bonds will be used to finance and refinance the acquisition and construction of certain capital equipment and improvements for the City, all as more particularly described in Exhibit 1, attached to the 2025 Supplemental Ordinance (the "Series 2025 Project"). The improvements comprising the Series 2025 Project have been previously authorized by the City and a portion have been initially financed through the City's commercial paper program.

### **The Plan of Refinancing**

A portion of the proceeds of the Series 2025 Bonds will be used to refinance the Refunded CP Loans. See "ESTIMATED SOURCES AND USES OF FUNDS" below.

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## ESTIMATED SOURCES AND USES OF FUNDS

<b>Sources:</b>	<u>Series 2025 Bonds</u>
Par Amount	\$ _____
[Plus/Less] [Net] Bond [Premium/Discount]	_____
TOTAL SOURCES OF FUNDS:	\$ _____
 <b>Uses:</b>	
Deposit to Series 2025 Subaccount of the Project	
Account of the Special Revenue Bond Fund <sup>(1)</sup>	\$ _____
Costs of Issuance <sup>(2)</sup>	_____
TOTAL USES OF FUNDS:	\$ _____

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<sup>(1)</sup> \$[\_\_\_\_\_] will be used to refund the Refunded CP Loans.

<sup>(2)</sup> Includes, among other things, Underwriters' discount, rating agency fees, and legal, financial and administrative expenses with respect to the Series 2025 Bonds.

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## DESCRIPTION OF THE SERIES 2025 BONDS

### General Description

The Series 2025 Bonds will bear interest at the rates and mature on the dates and in the amounts shown on the inside cover page of this Official Statement.

The Series 2025 Bonds will be dated their date of delivery, and will bear interest from such date. Interest on the Series 2025 Bonds will be payable semiannually on April 1 and October 1 of each year, with the first interest payment to be made on April 1, 2026. Computershare Trust Company, N.A., as successor to Wells Fargo Bank, N.A., Minneapolis, Minnesota, will serve as Deputy Registrar and Paying Agent for the Series 2025 Bonds (the "Deputy Registrar and Paying Agent").

The Series 2025 Bonds will be issued in fully registered form in denominations equal to the principal amount of each maturity shown on the inside cover page in book-entry only form as described below under "BOOK-ENTRY ONLY SYSTEM."

So long as the Series 2025 Bonds are registered in the registration books kept by the Deputy Registrar and Paying Agent in the name of Cede & Co., as nominee of DTC, the City and the Deputy Registrar and Paying Agent will have no responsibility or obligation to any DTC Participant (as defined herein). Without limiting the immediately preceding sentence, the City and the Deputy Registrar and Paying Agent will have no responsibility or obligation with respect to: (a) the accuracy of the records of DTC, Cede & Co. or any DTC Participant with respect to any ownership interest in the Series 2025 Bonds; (b) the delivery to any DTC Participant or any other person other than a Bondholder, as shown in the registration books kept by the Deputy Registrar and Paying Agent, of any notice with respect to the Series 2025 Bonds, including any notice of redemption; or (c) the payment to any DTC Participant or any other Person, other than a Bondholder, as shown in the registration books kept by the Deputy Registrar and Paying Agent, of any amount with respect to principal of, redemption premium, if any, or interest on the Series 2025 Bonds. The City and the Deputy Registrar and Paying Agent may treat and consider the person in whose name each Series 2025 Bond is registered in the registration books kept by the Deputy Registrar as the absolute owner of such Series 2025 Bond for the purpose of payment of principal of and interest with respect to such Series 2025 Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2025 Bond, for the purpose of registering transfers with respect to such Series 2025 Bond, and for all other purposes whatsoever. The Deputy Registrar and Paying Agent will pay all principal of, redemption premium, if any, and interest on the Series 2025 Bonds only to or upon the order of the respective Bondholders, as shown in the registration books kept by the Deputy Registrar and Paying Agent, or their respective attorneys duly authorized in writing, as provided in the Special Revenue Bond Ordinance, and all such payments will be valid and effective to fully satisfy and discharge the City's obligations with respect to payment of principal of, redemption premium, if any, and interest on the Series 2025 Bonds to the extent of the sum or sums so paid. No person other than an owner, as shown in the registration books kept by the Deputy Registrar and Paying Agent, will receive a certificated Series 2025 Bond evidencing the obligation of the City to make payments of principal of, redemption premium, if any, and interest pursuant to the provisions of the Special Revenue Bond Ordinance.

## Redemption

### Optional Redemption

The Series 2025 Bonds maturing on or prior to October 1, 20[ ] are not subject to optional redemption prior to maturity. The Series 2025 Bonds maturing on and after October 1, 20[ ] shall be subject to redemption prior to their stated dates of maturity, at the option of the City, in whole or in part, on any date on or after October 1, 20[ ], in such maturities as the City shall in its discretion select or by lot within a maturity if less than a full maturity, at a redemption price equal to 100% of the principal amount of the Series 2025 Bonds to be redeemed plus accrued interest to the redemption date, but without premium.

### Mandatory Sinking Fund Redemption

The Series 2025 Bonds maturing on October 1, 20[ ] are subject to mandatory sinking fund redemption in part on October 1, in each year listed below at a redemption price equal to 100% of the principal amount redeemed plus accrued interest thereon to the redemption date, in the principal amount set forth below:

October 1 of the Year	Amortization Installment
	\$

\*

\_\_\_\_\_  
\*Maturity.

The Series 2025 Bonds maturing on October 1, 20[ ] are subject to mandatory sinking fund redemption in part on October 1, in each year listed below at a redemption price equal to 100% of the principal amount redeemed plus accrued interest thereon to the redemption date, in the principal amount set forth below:

October 1 of the Year	Amortization Installment
	\$

\*

\_\_\_\_\_  
\*Maturity.

## Notice of Redemption

Notice of redemption will be given by mail by the Deputy Registrar and Paying Agent not more than sixty (60) days nor less than thirty (30) days prior to the redemption date to all Registered Owners of the Series 2025 Bonds to be redeemed at their addresses as they appear on the registration books of the

Deputy Registrar and Paying Agent as of the date that is at least forty-five (45) days prior to the redemption date; provided, however, that failure to so file or mail any such notice of redemption shall not affect the validity of the proceedings for such redemption with respect to Registered Owners of the Series 2025 Bonds to whom notice was mailed. The Deputy Registrar and Paying Agent must send a second notice of redemption by certified mail return receipt requested to any registered Holder who has not submitted Bonds called for redemption 30 days after the redemption date; provided, however, that the failure to give any second notice by mailing, or any defect in such notice, will not affect the validity of any proceedings for the redemption of any of the Series 2025 Bonds and the Deputy Registrar and Paying Agent shall not be liable for their failure to send any second notice. Interest shall cease to accrue on the redemption date on any Series 2025 Bonds duly called for redemption, if payment for the redemption price has been duly provided.

The Series 2025 Bonds in denominations greater than a minimum Authorized Denomination shall be deemed to be an equivalent number of Series 2025 Bonds in the denomination of a minimum Authorized Denomination. If a Series 2025 Bond is of a denomination larger than a minimum Authorized Denomination, a portion of such Series 2025 Bond may be redeemed, in the amount of such minimum Authorized Denomination or integral multiples thereof.

Notice of any redemption of Series 2025 Bonds shall either (i) explicitly state that the proposed redemption is conditioned on there being on deposit in the applicable fund or account on the redemption date sufficient money to pay the full redemption price of the Series 2025 Bond to be redeemed or (ii) be sent only if sufficient money to pay the full redemption price of the Series 2025 Bonds to be redeemed is on deposit in the applicable fund or accounts.

### **Conditional Notice of Redemption**

Notwithstanding the foregoing or any other provision of the Special Revenue Bond Ordinance, notice of optional redemption may be conditioned upon the occurrence or non-occurrence of such event or events as shall be specified in such notice of optional redemption and may also be subject to rescission by the City if expressly set forth in such notice.

### **Effect of Notice of Redemption**

Notice having been given in the manner and under the conditions provided in the Special Revenue Bond Ordinance and upon the satisfaction of any conditions to such redemption specified in such notice, the Series 2025 Bonds or portions of Series 2025 Bonds so called for redemption shall, on the redemption date designated in such notice, become and be due and payable at the redemption price provided for redemption of such Series 2025 Bonds or portions of such Series 2025 Bonds on such date. On the date so designated for redemption, monies for payment of the redemption price being held in separate accounts by the Deputy Registrar and Paying Agent in trust for the Registered Owners of the Series 2025 Bonds or portions thereof to be redeemed, all as provided in the Special Revenue Bond Ordinance, interest and, if applicable, principal, on the Series 2025 Bonds or portions of Series 2025 Bonds so called for redemption shall cease to accrue, such Series 2025 Bonds and portions of Series 2025 Bonds shall cease to be entitled to any lien, benefit or security under the Special Revenue Bond Ordinance, and the Registered Owners of such Series 2025 Bonds or portions of Series 2025 Bonds shall have no right in respect thereof except to receive payment of the redemption price thereof and, to the extent provided in the Special Revenue Bond Ordinance, to receive Series 2025 Bonds for any unredeemed portions of the Series 2025 Bonds.



## **BOOK-ENTRY ONLY SYSTEM**

The information in this caption concerning DTC and DTC's book-entry system has been obtained from DTC and neither the City nor the Underwriters make any representation or warranty or take any responsibility for the accuracy or completeness of such information.

DTC will act as securities depository for the Series 2025 Bonds. The Series 2025 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2025 Bond certificate will be issued for each maturity of each Series of the Series 2025 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Series 2025 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2025 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2025 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2025 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2025 Bonds, except in the event that use of the book-entry system for the Series 2025 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2025 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2025 Bonds with DTC and their

registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2025 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2025 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2025 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2025 Bonds, such as redemptions, defaults, and proposed amendments to the Special Revenue Bond Ordinance. For example, Beneficial Owners of Series 2025 Bonds may wish to ascertain that the nominee holding the Series 2025 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Deputy Registrar and Paying Agent and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2025 Bonds of a maturity of a series are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2025 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2025 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payment of the principal of, redemption premium, if any, and interest on the Series 2025 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or the Deputy Registrar and Paying Agent, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Direct Participants and Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Direct Participant and Indirect Participant and not of DTC, the Deputy Registrar and Paying Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of the principal of, redemption premium, if any, and interest on the Series 2025 Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Deputy Registrar and Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as depository with respect to the Series 2025 Bonds at any time by giving reasonable notice to the City or the Deputy Registrar and Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, Series 2025 Bond certificates are required to be printed and delivered.

The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Series 2025 Bond certificates will be printed and delivered to the Deputy Registrar and Paying Agent.

## **SECURITY FOR THE SERIES 2025 BONDS**

### **Covenant Revenues**

The Series 2025 Bonds are limited obligations of the City payable from Covenant Revenues and other legally available revenues of the City budgeted and appropriated in the manner and to the extent provided in the Special Revenue Bond Ordinance.

"Covenant Revenues" are defined in the Special Revenue Bond Ordinance as those revenues of the City that are deposited to the credit of the City's General Fund derived from any source whatsoever that are legally available for the payment of the obligations of the City under the Special Revenue Bond Ordinance, inclusive of operating transfers from other funds into the General Fund, but exclusive of revenues derived from ad valorem taxation. Pursuant to the Special Revenue Bond Ordinance, it shall be assumed for purposes of calculating Covenant Revenues and Self Sufficient Debt that amounts required to be transferred from the City's General Fund to community redevelopment trust funds pursuant to Section 163.387 of the Florida Statutes or for other purposes for which tax increment revenues are pledged or committed, will come from revenues derived from ad valorem taxation and not Covenant Revenues. For the calculation of Covenant Revenues for the past five Fiscal Years, see the table entitled "CALCULATION OF ANTI-DILUTION TEST" under "ADDITIONAL DEBT — Calculation of Covenant Revenues and Anti-Dilution Test Limitation" herein.

### **Covenant to Budget and Appropriate Covenant Revenues**

The Series 2025 Bonds are being issued as Additional Bonds under the Special Revenue Bond Ordinance. The Series 2025 Bonds, the Outstanding Special Revenue Bonds and other Bonds Outstanding under the Special Revenue Bond Ordinance from time to time shall be payable from the Covenant Revenues and other legally available revenues actually budgeted and appropriated and deposited into the funds and accounts created and established pursuant to and in the manner provided in the Special Revenue Bond Ordinance. Until actually deposited into the funds and accounts created under the Special Revenue Bond Ordinance, Covenant Revenues are not pledged for the payment of the Series 2025 Bonds and the Holders of the Series 2025 Bonds will not have a lien thereon. The City has covenanted, to the extent permitted by and in accordance with applicable law and budgetary processes, to prepare, approve and appropriate in its Annual Budget for each Fiscal Year, by amendment if necessary, and to deposit to the credit of the Revenue Account established pursuant to the Special Revenue Bond Ordinance, Covenant Revenues in an amount which together with other legally available funds budgeted and appropriated for such purpose are equal to the Debt Service Requirement with respect to all Bonds Outstanding under the Special Revenue Bond Ordinance for the applicable Fiscal Year, plus an amount sufficient to satisfy all other payment obligations of the City under the Special Revenue Bond Ordinance for the applicable Fiscal Year, including, without limitation, the obligations of the City to fund and cure deficiencies in any subaccounts in the Reserve Account created under the Special Revenue Bond Ordinance. Such covenant and agreement on the part of the City to budget and appropriate sufficient amounts of Covenant Revenues shall be cumulative, and shall continue until such Covenant Revenues in amounts, together with any other legally available funds budgeted and appropriated for such purposes, sufficient to make all required payments under the Special Revenue Bond Ordinance as and when due, including any delinquent

payments, shall have been budgeted, appropriated and actually paid into the appropriate funds and accounts created under the Special Revenue Bond Ordinance.

The covenant described above does not create a lien, either legal or equitable, on any of the City's Covenant Revenues or other revenues or funds, nor shall it preclude the City from pledging in the future any of its Covenant Revenues or other revenues to other obligations, nor shall it give the Bondholders a prior claim on Covenant Revenues. Anything in the Special Revenue Bond Ordinance to the contrary notwithstanding, all obligations of the City under the Special Revenue Bond Ordinance shall be payable only from Covenant Revenues and other legally available revenues actually budgeted and appropriated and deposited into the funds and accounts created under the Special Revenue Bond Ordinance, as provided for therein. The City may not expend monies not appropriated or in excess of its current budgeted revenues.

The obligation of the City to budget, appropriate and make payments thereunder from its Covenant Revenues is subject to the availability of Covenant Revenues in the General Fund of the City after satisfying funding requirements for obligations having an express lien on or pledge of such revenues and after satisfying funding requirements for essential governmental services of the City.

The City has not covenanted to maintain any programs or other activities which generate Covenant Revenues.

The exercise of remedies by the holders of other Covenant Obligations (whether or not so secured by a lien), including Non-Self Sufficient Debt which is not issued as Bonds under the Special Revenue Bond Ordinance and judgment creditors, may result in the payment of debt service on some Covenant Obligations prior to the payment of debt service on other Non-Self Sufficient Debt, including the Series 2025 Bonds.

### **Reserve Account**

General. In each supplemental ordinance or resolution authorizing the issuance of a Series of Bonds under the Special Revenue Bond Ordinance, the City is required to designate or provide for the designation as to whether such Series of Bonds is to be secured by the Composite Reserve Subaccount, a separate subaccount or is not to be secured by the Reserve Account and, if such Series is to be secured by a separate account, the Reserve Requirement with respect thereto. Bonds of each Series shall be secured only by the subaccount in the Reserve Account, if any, designated to secure such Series of Bonds and shall have no lien on or right to payment from any other subaccount in the Reserve Account. Funds on deposit in the separate subaccounts in the Reserve Account shall be used only for the purpose of curing deficiencies in the Debt Service Account with respect to the Series of Bonds to which such subaccount pertains and for no other purpose. In no event shall monies in a subaccount in the Reserve Account be used or available for the payment of principal of or interest on any other payments with respect to Bonds of any Series not secured by such subaccount. If funds on deposit in the applicable subaccount in the Reserve Account for a particular Series of Bonds exceed, in the aggregate, the Reserve Requirement with respect to such Series of Bonds (other than due to the substitution of a Reserve Product as described below), the excess funds shall be deposited into the Revenue Account for the benefit of all Bonds issued under the Special Revenue Bond Ordinance.

The City has previously designated certain series of the Outstanding Special Revenue Bonds to be secured by amounts on deposit in the Reserve Account and may also designate future series of Additional Bonds to be secured by the Reserve Account. The Special Revenue Bond Ordinance permits the City, at any

time, to substitute a Reserve Product for any cash or investments deposited to the Reserve Account. The Reserve Product must be provided by a nationally recognized bond insurance provider or a bank or other financial institution providing such Reserve Product.

Series 2025 Bonds. The Series 2025 Bonds shall **not** be secured by the Reserve Account or any Subaccount therein referred to in the Special Revenue Bond Ordinance.

### **Infrastructure Sales Tax; Special Revenue (BJP) Bonds**

Pursuant to Section 212.055(2), Florida Statutes, the City Council of the City (the "City Council") enacted Ordinance 2000-572-E, on July 11, 2000, as amended (collectively, the "BJP Ordinance"), establishing the Better Jacksonville Plan providing for the acquisition, construction and development of the Better Jacksonville Projects with a total authorized cost of \$1,500,000,000. The BJP Ordinance also provided for the levying and imposition, throughout the City, of an additional sales tax of 0.5% on all taxable transactions occurring in the City (the "Infrastructure Sales Tax"). The levy of the Infrastructure Sales Tax was approved by a majority of the electors of the City who voted in a referendum election on September 5, 2000. The Infrastructure Sales Tax is effective for a thirty-year period which commenced January 1, 2001. The outstanding Special Revenue (BJP) Bonds mature prior to the sunset of the Infrastructure Sales Tax.

Pursuant to Ordinance 2009-446-E enacted on August 11, 2009 (the "BJP Supplemental Ordinance"), the City has, in addition to the covenant to budget and appropriate Covenant Revenues as provided in the Special Revenue Bond Ordinance, provided for payment of the Special Revenue (BJP) Bonds from Infrastructure Sales Tax revenues available after satisfying debt service and reserve account funding requirements with respect to bonds secured by a prior lien on Infrastructure Sales Tax revenues. Infrastructure Sales Tax revenues remaining after funding debt service and reserve deposit requirements under Ordinance 2001-431-E (as amended and supplemented, the "Better Jacksonville Bond Ordinance") with respect to Better Jacksonville Bonds secured by a prior lien thereon are required to be deposited in the Better Jacksonville Revenue Account created under the BJP Supplemental Ordinance as a trust fund for the benefit of the Bondholders of the Special Revenue (BJP) Bonds. The Better Jacksonville Bond Ordinance provides that, if necessary, amounts in the Better Jacksonville Revenue Account be utilized to cure deficiencies in the debt service and reserve accounts securing the Special Revenue (BJP) Bonds. The Series 2025 Bonds are **not** Special Revenue (BJP) Bonds and are not additionally secured by available Infrastructure Sales Tax revenues.

Infrastructure Sales Tax revenues, to the extent available, are required to be deposited to the Better Jacksonville Revenue Account in amounts required to be deposited under the Special Revenue Bond Ordinance described below under "FLOW OF FUNDS" with respect to the Special Revenue (BJP) Bonds. However, it will not be a default under the Special Revenue Bond Ordinance if such available Infrastructure Sales Tax revenues are at any time insufficient for such purposes. Holders of the Special Revenue (BJP) Bonds shall have no lien on Infrastructure Sales Tax revenues unless and until such amounts are deposited in the Better Jacksonville Revenue Account. Amounts in the Better Jacksonville Revenue Account are required to be disbursed to make deposits described below under "FLOW OF FUNDS" with respect to the Special Revenue (BJP) Bonds. The Series 2025 Bonds are **not** Special Revenue (BJP) Bonds and are not additionally secured by available Infrastructure Sales Tax revenues.

In any event, the City is obligated pursuant to the Special Revenue Bond Ordinance to budget and appropriate Covenant Revenues in an amount sufficient, together with any amounts transferred from the Better Jacksonville Revenue Account, to satisfy the funding obligations of the City with respect to the

Special Revenue (BJP) Bonds in the manner and to the extent provided in the Special Revenue Bond Ordinance. See "SECURITY FOR THE SERIES 2025 BONDS — Covenant to Budget and Appropriate Covenant Revenues" herein.

### **Limited Obligations**

Anything in the Special Revenue Bond Ordinance to the contrary notwithstanding, all obligations of the City under the Special Revenue Bond Ordinance shall be payable only from the Covenant Revenues and other legally available revenues actually budgeted and appropriated and deposited into the funds and accounts created in the Special Revenue Bond Ordinance, as provided for therein. Nothing in the Special Revenue Bond Ordinance shall be deemed to create a pledge of or lien on the Covenant Revenues, the Infrastructure Sales Tax revenues, the ad valorem tax revenues of the City or any other revenues of the City or to permit or constitute a mortgage or lien upon any assets owned by the City. No Bondholder shall ever have the right to compel any exercise of the ad valorem taxing power of the City for any purpose, including, without limitation, to pay the principal of or interest on the Bonds or to make any other payment required thereunder or to maintain or continue any of the activities of the City which generate user service charges, regulatory fees or any other Covenant Revenues, nor shall the Bonds constitute a charge, lien or encumbrance, either legal or equitable, on any property, assets or funds of the City. The obligation of the City to budget, appropriate and make payments required by the Special Revenue Bond Ordinance from its Covenant Revenues is subject to the availability of Covenant Revenues in the General Fund after the satisfaction of the funding requirements for obligations having an express lien on or pledge of such revenues and the funding requirements for essential governmental services of the City.

The Series 2025 Bonds, the redemption premium, if any, and the interest thereon shall not be secured by any proceeds from the sale, lease or other disposition, if any, of property financed with the proceeds of the Series 2025 Bonds, or any part thereof, or on any other property of the City. None of the officials of the City nor any persons executing the Series 2025 Bonds are liable personally on the Series 2025 Bonds.

### **FLOW OF FUNDS**

The Special Revenue Bond Ordinance establishes the "Special Revenue Bond Fund" and the following accounts therein to be known as: the "Project Account," the "Revenue Account," the "Debt Service Account," the "Fee and Expense Account," the "Reserve Account," and the "Rebate Account." The Special Revenue Bond Fund and all accounts therein shall all constitute trust funds for the purposes provided in the Special Revenue Bond Ordinance, shall be delivered to and held by the Chief Financial Officer (or an Authorized Depositary designated by the Chief Financial Officer), who shall act as trustee of such funds for the purposes of the Special Revenue Bond Ordinance, shall be subject to a lien and charge in favor of the Holders and Registered Owners of the Bonds (provided that monies held in the separate subaccounts in the Reserve Account shall secure only the Bonds of the Series designated to be secured thereby and amounts on deposit in the Better Jacksonville Revenue Account shall only secure Special Revenue (BJP) Bonds), and shall at all times be kept separate and distinct from all other funds of the City and used only as provided in the Special Revenue Bond Ordinance.

*Better Jacksonville Revenue Account.* Pursuant to the BJP Supplemental Ordinance, any Infrastructure Sales Tax revenues on deposit in the Better Jacksonville Revenue Account shall be applied monthly to make the deposits described below solely with respect to the Special Revenue (BJP) Bonds. Infrastructure Sales

Tax revenues on deposit in the Better Jacksonville Revenue Account are only available to make such deposits with respect to the Special Revenue (BJP) Bonds. The Series 2025 Bonds do not constitute Special Revenue (BJP) Bonds and are not payable from amounts deposited in the Better Jacksonville Revenue Account. Whenever monies available in the Better Jacksonville Revenue Account are not sufficient to make the deposits required with respect to the Special Revenue (BJP) Bonds such deposits are required to be made from Covenant Revenues budgeted, appropriated and deposited for such purpose in the manner and to the extent provided in the Special Revenue Bond Ordinance.

Revenue Account. On or before the 15<sup>th</sup> day of each month, there shall be deposited to the credit of the Revenue Account, Covenant Revenues budgeted and appropriated for such purposes in amounts which, together with funds on deposit therein (including funds transferred from the Better Jacksonville Revenue Account for the benefit of the Special Revenue (BJP) Bonds), will be sufficient to satisfy the cumulative deposit requirements described in paragraphs (a) through (d) below. Funds on deposit in the Revenue Account shall be disbursed in the following order and priority:

(a) First, by deposit into the Debt Service Account an amount which, together with any other amounts required to be deposited therein pursuant to the Special Revenue Bond Ordinance, will equal: (i) one-sixth of the interest maturing on the Bonds on the next semiannual interest payment date, with respect to Bonds that bear interest payable semiannually, (ii) the amount of interest next becoming due or maturing on Bonds that bear interest payable monthly, (iii) the amount of interest accruing in such month on Bonds that bear interest payable on other than a monthly or semiannual basis (other than Bonds that bear interest payable only on maturity or redemption), (iv) the amount of any Qualified Hedge Payments associated with Bonds Outstanding under the Special Revenue Bond Ordinance becoming due in such month, (v) one-twelfth of all principal maturing or becoming due during the current Bond Year (or within twelve months of such deposit date) on the various Series of Serial Bonds that mature annually, (vi) one-sixth of all principal maturing on the next maturity date in such Bond Year on the various Series of Serial Bonds that mature semiannually, and (vii) one-twelfth (one-sixth with respect to semiannual Amortization Installments) of the Amortization Installments and unamortized principal balances of Term Bonds coming due during the current Bond Year with respect to the Bonds, until there are sufficient funds then on deposit equal to the sum of the interest, principal and redemption payments due on the Bonds on the next interest, principal and redemption dates in such Bond Year and to timely pay Qualified Hedge Payments associated with Bonds Outstanding under the Special Revenue Bond Ordinance coming due.

Deposits shall be increased or decreased to the extent required to pay principal and interest and any Qualifying Hedge Payments associated with Bonds Outstanding under the Special Revenue Bond Ordinance coming due, after making allowance for any accrued and capitalized interest and taking into account deficiencies in prior months' deposits. Additionally, if Bonds constituting Variable Rate Debt are outstanding on the 25<sup>th</sup> day of such month, unless the City shall establish a different procedure for the payment of monthly interest on Bonds constituting Variable Rate Debt, the City shall deposit into the Debt Service Account in lieu of the monthly interest deposit or the one-sixth semiannual interest deposit described above, the interest actually accruing on such Bonds for such month (plus any deficiencies in interest deposits for the preceding month), assuming the interest rate thereon for the remainder of such month is equal to 110% of the interest rate applicable thereto on the date of deposit of funds from the Revenue Account. On or before each interest payment date and each payment date for Qualified Hedge Payments, the City shall make up any deficiencies in such interest deposit, based on the actual interest accruing through such date, from and to the extent of the funds remaining on deposit in the Revenue Account or from other Covenant Revenues budgeted and appropriated and available for such purpose.

(b) Second, by deposit to the credit of the Fee and Expense Account, an amount which, together with amounts then on deposit therein, shall be sufficient to pay all fees, expenses and other amounts payable (excluding reimbursements for amounts advanced for the payment of principal of or interest or premiums on the Bonds to the extent such reimbursements are payable from amounts deposited in the Debt Service Account pursuant to paragraph (a) above) due or to become due and payable in such month to any credit or liquidity facility providers, trustees, paying agents, registrars, tender agents, remarketing agents, indexing agents, auction agents or escrow agents with respect to the Bonds and any similar fees and expenses incurred with respect to the Bonds or the administration thereof.

(c) Third, by deposit to each subaccount of the Reserve Account, amounts, including amounts necessary to reimburse the issuer of a Reserve Product for draws thereunder in order to reinstate such Reserve Product, which, after taking into account other funds then on deposit therein (including amounts available under any Reserve Product), will be sufficient to make the funds or amounts of Reserve Product on deposit therein equal to the Reserve Account Requirement for each subaccount; provided, however, that if the funds on deposit in the Reserve Account are less than the Reserve Account Requirement as a result of a withdrawal therefrom for the payment of debt service on the Bonds due to a deficiency in the amounts available in the Debt Service Account, the amount of such deficiency may be made up through 12 substantially equal monthly installments, with such installments to commence the month after such withdrawal from the Reserve Account. Notwithstanding the foregoing, if a deficiency occurs in the Reserve Account due to the valuation of investments held therein as a result of the valuation required by the Special Revenue Bond Ordinance, the City may cure such deficiency by making substantially equal monthly deposits to the Reserve Account over a period commencing the month following the valuation giving rise to the deficiency and ending not later than 12 months after such valuation. To the extent there are insufficient monies in the Revenue Account to make the required monthly deposit into each subaccount of the Reserve Account, such deposits shall be made to each subaccount on a pro rata basis in relation to the amount of the deficiency existing in each subaccount.

(d) Then, to the Rebate Account an amount which, together with other amounts then on deposit therein, shall equal the Rebate Amount as of the most recent calculation date.

(e) Then, by payment to the City to be used for any lawful purpose.

Debt Service Account.

(a) Monies on deposit in the Debt Service Account shall be used solely for the payment of principal of, interest on and any redemption premiums required with respect to the Bonds and associated Qualified Hedge Payments; provided, however, that if such principal and interest payments, or a portion thereof, have been made on behalf of the City by an insurer, credit facility issuer or other entity insuring, guaranteeing or providing for the payment of Bonds, or any Series thereof, monies on deposit therein and allocable to such Series shall be paid to such insurer, credit facility issuer or entity having theretofore made a corresponding payment.

(b) At the maturity date of each Bond and at the due date of each Amortization Installment and installment of interest on each Bond, the City shall transfer from the Debt Service Account to the Deputy Registrar and Paying Agent for such Bonds sufficient monies to pay all principal of, premium, if any, and interest then due and payable with respect to such Bonds. Interest accruing with respect to any fully registered Bond shall be paid by check or draft of the Deputy Registrar and Paying Agent to the Registered Owner thereof.



(c) Monies deposited in the Debt Service Account for the redemption of Bonds shall be applied to the retirement of Bonds issued under the provisions of the Special Revenue Bond Ordinance and then Outstanding in the following order:

(i) The City shall first endeavor to purchase Outstanding Term Bonds of each Series redeemable from Amortization Installments, and pro rata (based on the principal amount of the Amortization Installments due in such Bond Year for each such Series of Term Bonds) among all such Bonds if more than one Series of such Term Bonds are Outstanding, or if no such Term Bonds are Outstanding, Serial Bonds, whether or not such Bonds shall then be subject to redemption, but only to the extent monies are available therefor, at the most advantageous price obtainable, such price not to exceed the principal of such Bonds plus accrued interest, but no such purchase shall be made by the City within a period of 30 days next preceding any interest payment date on which such Bonds are subject to call for redemption under the provisions of the Special Revenue Bond Ordinance;

(ii) Then, to the extent monies remain on deposit in the Debt Service Account that are held for the redemption of Bonds, the City shall call for redemption on each interest payment date on which Bonds are subject to redemption, with or without premium, from such monies, such amount of Term Bonds subject to the Amortization Installments for such Bond Year that have not been purchased pursuant to clause (i) above; and

(iii) Then, to the extent monies remain on deposit in the Debt Service Account that were deposited therein pursuant to the Special Revenue Bond Ordinance for the purpose of redeeming Bonds, the City shall call any remaining Bonds then subject to redemption, in such order and by such selection method as the City, in its discretion, may determine, from such funds as will exhaust the money then held for the redemption of such Bonds as nearly as may be possible.

If Term Bonds are purchased or redeemed in excess of the Amortization Installments for such Bond Year, such excess principal amount of such Term Bonds so purchased or redeemed shall be credited against subsequent Amortization Installments for Bonds in such Series in such Bond Year or Years as the City may determine and as may be reflected in the City's permanent accounting records. Such election shall be included in the annual audited reports of the City.

Fee and Expense Account. Amounts deposited to the credit of the Fee and Expense Account shall be withdrawn and applied by the City from time to time to pay the fees, expenses and other amounts for the payment of which such amounts were deposited.

Withdrawal of Monies. No less frequently than once every 12 months, amounts deposited in the Special Revenue Bond Fund and not credited to one of the accounts created therein pursuant to the Special Revenue Bond Ordinance shall be withdrawn by the City and used for any lawful purpose.

## **ADDITIONAL DEBT**

### **General**

The Special Revenue Bond Ordinance permits the issuance of Additional Bonds (which will be payable from Covenant Revenues on a parity with the Outstanding Special Revenue Bonds and the Series 2025 Bonds), as well as other Non-Self Sufficient Debt and Self Sufficient Debt. The City is permitted under the Special Revenue Bond Ordinance to issue Non-Self Sufficient Debt for which there may be granted a

prior lien on all or a portion of the Covenant Revenues; provided, that the City first complies with the requirements of the Anti-Dilution Test described below. Self Sufficient Debt is permitted to be issued, without limit, and may be secondarily secured by or payable from Covenant Revenues, if certain debt service coverage tests are met and are expected to be met, as described below. The Series 2025 Bonds, Outstanding Special Revenue Bonds, Additional Bonds, Non-Self Sufficient Debt and Covenant Obligations are all payable from the Covenant Revenues.

"Non-Self Sufficient Debt" means any indebtedness of the City for the payment of borrowed money other than Self Sufficient Debt.

"Self Sufficient Debt" means any indebtedness of the City for borrowed money that is either (a) secured by or payable exclusively from a source of revenues other than Covenant Revenues, or (b) primarily payable from revenues of the type described in clause (a) above and secondarily from Covenant Revenues if the Covenant Revenues have not been used (or, as provided below, deemed to have been used) to pay any portion of such indebtedness for the three Fiscal Years preceding the date of determination and if the City projects that the Covenant Revenues will not be so used during the next two Fiscal Years; and either (c) that is secured by a revenue source that has been in effect for at least three Fiscal Years and that would have provided coverage of at least 125% of the average annual debt service on such obligations secured by such revenue source in each of the three preceding Fiscal Years, or (d) if the revenue source has not been in existence for at least three Fiscal Years, that is secured by a revenue source that would have provided coverage of at least 150% of the average annual debt service on such obligations secured by such revenue source in at least the last full Fiscal Year preceding the issuance of such obligations and that is projected to provide at least 150% debt service coverage (based on revenue and debt service projections of the City) in each of the three ensuing Fiscal Years; and (e) in any such case, in the three preceding Fiscal Years, no debt service on which has been paid (or, as provided below, deemed to have been paid) from Covenant Revenues. For purposes of calculating the coverage requirements described in this definition, the historical and projected receipts of a particular revenue source shall be adjusted retroactively to the initial date of the calculation period to reflect changes in rates, levies or impositions enacted prior to the date of calculation. For purposes of this definition, Covenant Revenues will be deemed to have been used to pay debt service on any debt if Covenant Revenues have been transferred in the relevant period, other than pursuant to a Capital Transfer (as defined below), to a fund or account used to pay debt service on such debt. Pursuant to the Special Revenue Bond Ordinance, a "Capital Transfer" means any interfund transfer from the City's General Fund to another fund of the City, designated for a specific capital project (and not for debt service with respect to debt incurred for such capital project).

City obligations payable primarily from revenues other than Covenant Revenues and secondarily from Covenant Revenues (including the Special Revenue (BJP) Bonds, as more particularly described below under "ADDITIONAL DEBT — Outstanding Non-Self Sufficient Debt" may constitute Self Sufficient Debt or Non-Self Sufficient Debt on any given test date based upon the criteria provided in the definition of Self Sufficient Debt and, therefore, may or may not be treated as Non-Self Sufficient Debt for purposes of the Anti-Dilution Test described below on any given test date.

#### **Non-Self Sufficient Debt; Anti-Dilution Test**

The information contained under this heading describes the provisions of the Special Revenue Bond Ordinance governing the issuance of Non-Self Sufficient Debt. See the table "CITY OF JACKSONVILLE, FLORIDA NON-SELF SUFFICIENT DEBT TABLE" for a listing of the City's Non-Self Sufficient Debt outstanding as of September 30, 2024.

(a) The City has covenanted in the Special Revenue Bond Ordinance not to issue any Non-Self Sufficient Debt (including Additional Bonds) unless there shall be filed with the City a certificate by the Chief Financial Officer of the City that as of the sale date of such additional Non-Self Sufficient Debt, the total amount of Covenant Revenues based on the most recent Fiscal Year for which audited financial statements are available, plus any applicable Supplemental Revenues, will be equal to or greater than 2.00 times the Maximum Annual Debt Service with respect to (i) all Non-Self Sufficient Debt then outstanding and (ii) the Non-Self Sufficient Debt proposed to be issued.

"Supplemental Revenues" as defined in the Special Revenue Bond Ordinance, means (i) any revenues other than Covenant Revenues that are available for, and have been pledged to, the payment of debt service with respect to one or more Series of Bonds Outstanding under the Special Revenue Bond Ordinance or outstanding Non-Self Sufficient Debt, and (ii) reasonably projected receipts of any new source of Covenant Revenues that have been levied to the extent not fully reflected in the most recent audited financial statements.

(b) Concurrently with the issuance of Non-Self Sufficient Debt, the Mayor of the City shall certify (i) the dates and the principal amounts of such Non-Self Sufficient Debt (other than Designated Maturity Debt and Commercial Paper Obligations) that will be paid or redeemed in advance of the final maturity thereof to the extent that (A) separate serial maturities or Amortization Installments have not been established for such Non-Self Sufficient Debt and (B) amortization of such debt is otherwise required pursuant to the Special Revenue Bond Ordinance, as discussed under "ADDITIONAL DEBT — Amortization of Variable Rate Bonds and Designated Maturity Debt," herein, and (ii) with respect to Designated Maturity Debt and Commercial Paper Obligations, the principal amortization for each series thereof is in accordance with the Special Revenue Bond Ordinance, as discussed under "ADDITIONAL DEBT — Amortization of Variable Rate Bonds and Designated Maturity Debt," herein, assuming that the final maturity of each series of Designated Maturity Debt and Commercial Paper Obligations shall be no later than thirty years from the date of original issuance thereof. Each proposed Amortization Installment set forth in such certificate shall be on a date which is on or after the first optional redemption date for such Non-Self Sufficient Debt.

The City may, from time to time, amend the amortization certificate described in paragraph (b) above if the new amortization would not cause the City to violate the amortization requirements set forth in paragraph (a) above and the amortization requirements of Variable Rate Bonds and Non-Self Sufficient Debt as set forth in the Special Revenue Bond Ordinance, as discussed under "ADDITIONAL DEBT — Amortization of Variable Rate Bonds and Designated Maturity Debt," herein, as re-calculated on the date of amendment to such amortization.

The certificate of amortization provided pursuant to paragraph (b) above, as amended from time to time as provided above, shall not create an enforceable right or expectation of Bondholders to have Bonds redeemed or retired in accordance therewith but is intended to document the City's ability and intent to comply with the requirements of the Special Revenue Bond Ordinance.

#### **Issuance of Additional Bonds**

The City may not issue any obligations payable from the amounts deposited in the funds and accounts created under the Special Revenue Bond Ordinance, or voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge having priority to or being on a parity

with the lien of any Bonds issued pursuant to the Special Revenue Bond Ordinance upon such funds and accounts, except under the conditions and in the manner described below.

Except as otherwise provided in the Special Revenue Bond Ordinance, no Series of Additional Bonds may be issued under the Special Revenue Bond Ordinance unless the City shall have first complied with the requirements set forth below, among others:

(a) There shall have been obtained and filed with the Governing Body the report required for the issuance of such Additional Bonds as Non-Self Sufficient Debt as described under paragraphs (a) and (b) above under "ADDITIONAL DEBT — Non-Self Sufficient Debt; Anti-Dilution Test."

(b) In addition to the foregoing, the City may issue at any time and from time to time Additional Bonds for the purpose of refunding any Series of Bonds, or any Bonds within a Series, without the necessity of complying with the requirements contained in paragraph (a) above, provided that prior to the issuance of such Bonds there shall be filed with the Governing Body of the City a certificate of the Chief Financial Officer of the City to the effect that (i) the net proceeds from such Additional Bonds will be sufficient to cause the lien created by the Special Revenue Bond Ordinance with respect to the Bonds to be refunded to be defeased pursuant to the Special Revenue Bond Ordinance and (ii) the Debt Service Requirement with respect to such Additional Bonds in each Bond Year following the issuance thereof shall be equal to or less than the Debt Service Requirement for such Bond Year with respect to the Bonds which would have been outstanding in that Bond Year had the same not been refunded pursuant to the Special Revenue Bond Ordinance. In addition, prior to the issuance of such Bonds, there shall be filed with the Governing Body of the City an opinion of Bond Counsel to the effect that (i) the proceeds from the sale of such Additional Bonds have been set aside in irrevocable escrow for the payment of the Bonds to be refunded in the manner described in the Special Revenue Bond Ordinance and (ii) the issuance of such Additional Bonds and the use of the proceeds thereof as described above will not have the effect of causing the interest on any Bond then outstanding under the Special Revenue Bond Ordinance (other than Bonds issued as Taxable Debt), including the Bonds to be refunded, to become includable in the gross income of the owner thereof for federal income tax purposes.

The Chief Financial Officer of the City shall also certify that the City is not in default in the performance of any of the covenants and obligations assumed by the City under the Special Revenue Bond Ordinance and that all payments required to be made into the funds and accounts provided by the Special Revenue Bond Ordinance have been made in full to the extent required.

Bonds issued pursuant to the terms and conditions of the Special Revenue Bond Ordinance shall be deemed on a parity with the Series 2025 Bonds and all Bonds then Outstanding, and all of the covenants and other provisions of the Special Revenue Bond Ordinance shall be for the equal benefit, protection and security of the Holders of any Bonds originally authorized and issued pursuant to the Special Revenue Bond Ordinance and the Holders of any Bonds evidencing additional obligations subsequently created within the limitations of and in compliance with the Special Revenue Bond Ordinance.

#### **Amortization of Variable Rate Bonds and Designated Maturity Debt**

The City has covenanted in the Special Revenue Bond Ordinance that it will not issue Bonds constituting Variable Rate Debt under the terms of the Special Revenue Bond Ordinance, unless the maximum interest rate payable on such Bonds does not exceed 12% per annum.

With respect to each Series of Non-Self Sufficient Debt, the City covenants to refund or redeem Bonds or other Non-Self Sufficient Debt of such Series in such amounts and at such times as shall cause the original principal of such Series of Bonds or other Non-Self Sufficient Debt to be amortized (by payment or defeasance) no less quickly than in equal annual installments over at least the last one-third of the original stated term to maturity (or with respect to Designated Maturity Debt, over the last one-third of the amortization schedule with respect to such Designated Maturity Debt as set forth in the Amortization Certificate). Pursuant to the Special Revenue Bond Ordinance, "Designated Maturity Debt" means all Non-Self Sufficient Debt of a Series, or a particular maturity thereof, with a stated maturity of 15 years or less, designated as such by the City prior to the issuance thereof, for which either (a) no Serial maturities or Amortization Installments or mandatory sinking fund redemption installments (with respect to other Non-Self Sufficient Debt) have been established or (b) the aggregate of such Serial maturities and Amortization Installments or mandatory sinking fund redemption installments that have been established is less than the principal amount of such Non-Self Sufficient Debt. The City designated a portion of the October 1, 2033 through and including 2037 maturities of the Series 2022C Bonds as Designated Maturity Debt. The City has designated a portion of the Series 2023A Bonds maturing on October 1, 2031 and 2032 and the Series 2023B Bonds as Designated Maturity Debt.

For purposes of the Anti-Dilution Test described above under "ADDITIONAL DEBT — Non-Self Sufficient Debt; Anti-Dilution Test," the Debt Service Requirement (used in calculating Maximum Annual Debt Service) is required by the Special Revenue Bond Ordinance to be calculated assuming that the principal amount of each Series of Designated Maturity Debt shall have a final maturity of not later than 30 years from the date of initial issuance thereof and shall be amortized in accordance with the Amortization Certificate provided by the City, assuming such Designated Maturity Debt bears interest at the Certified Interest Rate based on such amortization. Designation of Bonds as Designated Maturity Debt does not affect the City's obligation to pay such Bonds on their stated maturity dates, but provides for a longer term amortization to be assumed for purposes of the Anti-Dilution Test.

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## Outstanding Non-Self Sufficient Debt

General. The City has previously issued various series of bonds and other indebtedness that constitute Non-Self Sufficient Debt for purposes of the Special Revenue Bond Ordinance. The following table lists all of the City's Non-Self Sufficient Debt outstanding as of September 30, 2024 (the "Non-Self Sufficient Debt Table").

### CITY OF JACKSONVILLE, FLORIDA NON-SELF SUFFICIENT DEBT TABLE

	<b>Balance 9/30/2024</b>
<b>Special Obligation Bonds Payable:</b>	
Special Revenue Refunding Bonds, Series 2016A	\$36,657,421
Special Revenue and Refunding Bonds, Series 2017A <sup>(1)</sup>	10,600,000
Special Revenue and Refunding Bonds, Series 2019A <sup>(1)</sup>	80,352,300
Taxable Special Revenue and Refunding Bonds, Series 2020C	60,657,600
Special Revenue Bonds, Series 2021A	8,535,000
Special Revenue Refunding Bonds, Series 2022A (Forward Delivery) <sup>(1)</sup>	68,060,000
Special Revenue and Refunding Bonds, Series 2023A <sup>(1)</sup>	23,922,337
Special Revenue and Refunding Bonds, Series 2024 <sup>(1)</sup>	<u>37,922,569</u>
<b>Total Special Obligation</b>	<b>\$326,707,227</b>
 <b>Bonds &amp; Notes Payable from Internal Service Operations:</b>	
Taxable Special Revenue and Refunding Bonds, Series 2013B	\$3,745,000
Special Revenue Refunding Bonds, Series 2016A	24,187,579
Special Revenue and Refunding Bonds, Series 2017A <sup>(1)</sup>	64,985,000
Special Revenue Bonds, Series 2018	36,485,000
Special Revenue and Refunding Bonds, Series 2019A <sup>(1)</sup>	40,890,000
Special Revenue and Refunding Bonds, Series 2020A	95,350,000
Taxable Special Revenue and Refunding Bonds, Series 2020C	29,962,400
Special Revenue Bonds, Series 2021A	78,795,000
Taxable Special Revenue Bond, Series 2022B	27,848,800
Special Revenue Bonds, Series 2022C	97,685,000
Special Revenue and Refunding Bonds, Series 2023A <sup>(1)</sup>	232,002,663
Special Revenue and Refunding Bonds, Series 2024 <sup>(1)</sup>	226,457,530
Commercial Paper Notes <sup>(2)</sup>	<u>57,100,000</u>
<b>Total Bonds &amp; Notes Payable from Internal Service Operations</b>	<b>\$1,015,493,973</b>
 <b>Special Revenue (Covenant) Bonds Supported by BJP Revenues<sup>(3)</sup>:</b>	
Special Revenue Refunding Bonds, Series 2016B	\$43,430,000
Special Revenue Refunding Bonds, Series 2019B	45,535,000
Special Revenue Refunding Bonds, Series 2020B	8,485,000
Special Revenue Refunding Bonds, Series 2023B	<u>27,135,000</u>
<b>Total Special Revenue (Covenant) Bonds Supported by BJP Revenues</b>	<b>\$124,585,000</b>
<b>TOTAL NON-SELF SUFFICIENT DEBT</b>	<b><u>\$1,466,786,199</u></b>

<sup>(1)</sup> A portion of these bonds are not considered Non-Self Sufficient Debt, therefore such portion is not included in this presentation.

<sup>(2)</sup> A portion of the proceeds of the Series 2025 are being used to refinance all or a portion of the City's outstanding commercial paper notes. See "ESTIMATED SOURCES AND USES OF FUNDS" herein.

<sup>(3)</sup> These Special Revenue Bonds are payable from BJP Revenues to the extent available, in addition to Covenant Revenues.

Source: City Department of Finance.

The Commercial Paper Notes listed in the Non-Self Sufficient Debt Table are payable from taxes collected by the City on purchases of electricity; gas (natural, liquefied petroleum or manufactured); grades No. 1 (kerosene), No. 2 and No. 3 fuel oil; communications services; and occupational licenses and the local government half-cent sales tax distributed to the City from the State.

*Ratings on Outstanding Special Revenue Bonds.* Certain of the Special Revenue Bonds listed in the Non-Self Sufficient Debt Table are currently rated "AA" (stable outlook) by S&P Global Ratings ("S&P"), "AA+" (stable outlook) by Fitch Ratings, Inc. ("Fitch"), "AA" (stable outlook) by Kroll Bond Rating Agency ("Kroll") and "Aa2" (stable outlook) by Moody's Investors Service, Inc. ("Moody's"). See also "RATINGS" herein for more information regarding the ratings on the Series 2025 Bonds assigned by S&P, Fitch and Kroll.

*Banking Fund Bond Ordinance Litigation Settlement Payments.* Pursuant to Ordinance 2007-816-E enacted on September 25, 2007 (the "Banking Fund Bond Ordinance"), the City has authorized the issuance of Bonds in one or more Series for the purpose of financing certain litigation settlement payments, refunding certain outstanding commercial paper obligations and financing the acquisition and construction of certain capital equipment and improvements. Pursuant to the authorization provided in the Banking Fund Bond Ordinance, the City has previously issued the Better Jacksonville Sales Tax Revenue Bonds, Series 2008 (which are no longer outstanding), the Special Revenue Bonds, Series 2009C-1 (which are no longer outstanding), the Taxable Special Revenue Bonds, Series 2009C-2 (which are no longer outstanding), the Special Revenue Bonds, Series 2010C-1 (which are no longer outstanding), the Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2012A (which are no longer outstanding), the Special Revenue and Refunding Bonds, Series 2013A (which are no longer outstanding), the Series 2013B Bonds, a portion of the Special Revenue and Refunding Bonds, Series 2014 Bonds (which are no longer outstanding), the Series 2020A Bonds and the Series 2020C Bonds.

*Special Revenue (BJP) Bonds and Senior BJP Obligations.* Pursuant to the BJP Supplemental Ordinance, the City authorized the issuance of Additional Bonds under the Special Revenue Bond Ordinance in an aggregate amount necessary to provide not in excess of \$300,000,000 in net project funds (the "Special Revenue (BJP) Bonds") to finance a portion of the cost of a voter-approved capital improvement program known as the Better Jacksonville Plan. The City has previously issued the Special Revenue Bonds, Series 2009B-1A (which are no longer outstanding), the Taxable Special Revenue Bonds, Series 2009B-1B (which are no longer outstanding), the Special Revenue Bonds, Series 2010B (which are no longer outstanding), the Special Revenue Bonds, Series 2011B Bonds (which are no longer outstanding), the Special Revenue Refunding Bonds, Series 2013C Bonds (which are no longer outstanding), the Series 2016B Bonds, the Special Revenue Refunding Bonds, Series 2017B Bonds (which are no longer outstanding), the Series 2019B Bonds, the Series 2020B Bonds and the Series 2023B Bonds as Special Revenue (BJP) Bonds. To finance the Better Jacksonville Plan, as authorized by the voter referendum, the City has levied the Infrastructure Sales Tax. In addition to the security provided by the Special Revenue Bond Ordinance for the Special Revenue (BJP) Bonds, the BJP Supplemental Ordinance provides for the payment of the Special Revenue (BJP) Bonds, on a subordinate basis, by required transfer of Infrastructure Sales Tax revenues available after funding debt service and reserve requirements with respect to obligations secured by a prior lien on the Infrastructure Sales Tax revenues (the "Senior BJP Obligations") to the Better Jacksonville Revenue Account established by the BJP Supplemental Ordinance in an amount up to the amounts required to be deposited under the Special Revenue Bond Ordinance with respect to the Special Revenue (BJP) Bonds. Pursuant to the Better Jacksonville Bond Ordinance, amounts may be withdrawn from the Better Jacksonville Revenue Account as necessary to cure deficiencies in the debt service or reserve accounts created under the Better Jacksonville Bond Ordinance. The Infrastructure Sales Tax is a limited purpose tax. Holders of the Special

Revenue (BJP) Bonds shall have no lien on Infrastructure Sales Tax revenues unless and until such amounts are deposited into the Better Jacksonville Revenue Account. Infrastructure Sales Tax revenues are not a component of Covenant Revenues and are not available to pay debt service on Bonds outstanding under the Special Revenue Bond Ordinance, other than the Special Revenue (BJP) Bonds to the limited extent provided in the BJP Supplemental Ordinance. The Series 2016B Bonds, the Series 2019B Bonds, the Series 2020B Bonds and the Series 2023B Bonds constitute Non-Self Sufficient Debt for purposes of the Special Revenue Bond Ordinance.

Infrastructure Sales Tax collections for Fiscal Year ended September 30, 2024 (excluding accruals) were approximately \$128 million. The net debt service requirements for the Senior BJP Obligations for Fiscal Year ended September 30, 2024, were approximately \$37 million, which left approximately \$91 million of Infrastructure Sales Tax revenues available for transfer to the Better Jacksonville Revenue Account to fund debt service payments on the Special Revenue (BJP) Bonds. No assurances can be given as to the amount of Infrastructure Sales Tax revenues that will be available to pay debt service on the Special Revenue (BJP) Bonds and no inference should be drawn that a similar amount of Infrastructure Sales Tax revenues will be available in future years to fund debt service payments on the Special Revenue (BJP) Bonds. It is not possible to accurately predict future Infrastructure Sales Tax collections. The total amount of Infrastructure Sales Tax revenue received by the City is subject to change due to increases or decreases in the dollar volume of taxable sales within the City, which in turn, is subject to among other things (i) state legislative changes which may include or exclude sales of particular goods or services from taxation, and (ii) changes in the dollar volume of purchases in the City, which is affected by changes in population and economic conditions which are beyond the City's control. The amount of Infrastructure Sales Tax revenues available for payment of the Special Revenue (BJP) Bonds, may also be reduced by the issuance of additional Senior BJP Obligations to complete the funding of the Better Jacksonville Plan.

Since their respective dates of issuance, the Series 2016B Bonds, the Series 2019B Bonds, the Series 2020B Bonds and the Series 2023B Bonds have constituted Non-Self Sufficient Debt and do not currently qualify as Self Sufficient Debt for purposes of the Special Revenue Bond Ordinance. Based upon its current revenue projections and the constraints of its Debt Management Policy, the City does not currently anticipate that the outstanding Special Revenue (BJP) Bonds, or any additional Special Revenue (BJP) Bonds issued in the future will qualify as Self Sufficient Debt for purposes of the Special Revenue Bond Ordinance. If Special Revenue (BJP) Bonds were to qualify as Self Sufficient Debt, they would not have to be taken into account in calculating limitations under the Anti-Dilution Test for issuing additional Non-Self Sufficient Debt under the Special Revenue Bond Ordinance, but would still have the benefit of the covenant to budget and appropriate Covenant Revenues for the payment of debt service thereon as provided in the Special Revenue Bond Ordinance.

Pursuant to the Special Revenue Bond Ordinance, the City has reserved the right to issue additional Non-Self Sufficient Debt. See "SECURITY FOR THE SERIES 2025 BONDS" and "ADDITIONAL DEBT" herein.

#### **Calculation of Covenant Revenues and Anti-Dilution Test Limitation**

As provided in the Special Revenue Bond Ordinance, the City may issue Non-Self Sufficient Debt (including Additional Bonds) if it has complied with the requirements of the Special Revenue Bond Ordinance. The following table shows the historical calculation of Covenant Revenues for each of the past five Fiscal Years calculated pursuant to the requirements of the Special Revenue Bond Ordinance.



**CITY OF JACKSONVILLE**  
**CALCULATION OF ANTI-DILUTION TEST**  
**FISCAL YEARS ENDED SEPTEMBER 30,**  
**(in thousands)**

<u><b>Covenant Revenues</b></u>	<u><b>2020</b></u>	<u><b>2021</b></u>	<u><b>2022</b></u>	<u><b>2023</b></u>	<u><b>2024</b></u>
Total General Fund Revenues <sup>(1)</sup>	\$1,278,173	\$1,361,620	\$1,409,145	\$1,619,614	\$1,775,790
Less: Property Tax Revenues <sup>(1)</sup>	(699,218)	(752,018)	(807,606)	(909,762)	(1,040,678)
Total Covenant Revenues <sup>(1)</sup>	\$578,955	\$609,602	\$601,539	\$709,852	\$735,112
Supplemental Revenues <sup>(2)</sup>					\$16,626
Total Covenant Revenues and Supplemental Revenues					<u>\$751,738</u>
Maximum Annual Debt Service <sup>(3)</sup>					\$171,875
Coverage <sup>(4)</sup>					4.37x

Note: Revenues and Debt Service are reported on an accrued basis.

(1) Audited numbers derived from City's Annual Comprehensive Financial Reports for Fiscal Years ending 2020 through 2024.

(2) The Supplemental Revenues consist of the Infrastructure Sales Tax revenues remaining after payment of debt service for the Fiscal Years shown on the Senior BJP Obligations that are available and provided for the payment of debt service on the Special Revenue (BJP) Bonds. The Series 2025 Bonds are not Special Revenue (BJP) Bonds and are not additionally secured by available Infrastructure Sales Tax revenues.

(3) Maximum Annual Debt Service includes actual debt service on Outstanding Non-Self Sufficient Debt and estimated debt service on the Series 2025 Bonds based on a final maturity date of October 1, 2055 at an estimated true interest cost of 4.832%. Maximum Annual Debt Service calculated per the Special Revenue Bond Ordinance with the debt service calculation made with respect to Variable Rate Debt based on the amended definition of "Certified Interest Rate."

(4) The Special Revenue Bond Ordinance prohibits the City from issuing any Non-Self Sufficient Debt unless the total amount of Covenant Revenues plus any applicable Supplemental Revenues is at least 2.00 times the Maximum Annual Debt Service on all Outstanding and proposed Non-Self Sufficient Debt. Notwithstanding the foregoing, the City is not required by the terms of the Special Revenue Bond Ordinance to maintain a minimum coverage level annually. See "SECURITY FOR THE SERIES 2025 BONDS – Covenant to Budget and Appropriate Covenant Revenues" herein and "APPENDIX B – SUMMARY OF CERTAIN PROVISIONS OF THE SPECIAL REVENUE BOND ORDINANCE" attached hereto.

The primary sources of Covenant Revenues include sales tax, State revenue sharing and utilities service taxes. The amount of such revenues is subject to increase or decrease due to (i) increases or decreases in the dollar volume of taxable sales within the City, (ii) changes in population in the City, (iii) legislative changes, (iv) in the case of communications services taxes, technological advances which could affect consumer preferences and (v) in the case of utilities service taxes, fluctuations in the price of utility services. In addition, the State has the authority under Florida law to withhold monthly distribution to the City of certain sales tax and revenue sharing funds if the City does not comply with certain eligibility requirements and the State must withhold sales tax revenue distribution to the City if the City fails to remit required matching funds to the State for the federal Medicaid program. To date, the City has not failed to comply

with eligibility requirements relating to the receipt of sales tax or revenue sharing distributions from the State and has complied with its Medicaid reimbursement obligations to the State.

### **GENERAL FUND**

The following describes the state of the City's financial position as of the dates shown. Although this section includes a description of the City's General Fund, only Covenant Revenues budgeted and appropriated and deposited into the funds and accounts established under the Special Revenue Bond Ordinance are pledged to payment of the Series 2025 Bonds.

The City's General Fund provides funding for basic governmental services, such as public safety, public works, parks and recreation, and libraries, as well as typical county services, such as jails, courts, and indigent medical care. The City's primary sources of revenue are property taxes, utility and communications service (excise) taxes, sales taxes, revenue sharing and an "in lieu of tax" contribution from JEA, an independent authority which provides electric and water and sewer utilities services.

The following table shows the revenues and expenditures of the General Fund from Fiscal Years 2020 through 2024. Although this schedule includes all General Fund revenues, only the Covenant Revenues are subject to the covenant to budget and appropriate funds for the payment of the Series 2025 Bonds. Revenues which are not available for debt service include, but are not limited to, property taxes (revenues derived from ad valorem taxation). Approximately 42% of General Fund revenues for the Fiscal Year 2024 were Covenant Revenues.

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**CITY OF JACKSONVILLE, FLORIDA**  
**GENERAL FUND**  
**SCHEDULE OF REVENUES AND EXPENDITURES**  
(in thousands)

	<b>AUDITED</b>				
	<b>Year Ended <u>09/30/2020</u></b>	<b>Year Ended <u>9/30/2021</u></b>	<b>Year Ended <u>9/30/2022</u></b>	<b>Year Ended <u>9/30/2023</u></b>	<b>Year Ended <u>9/30/2024</u></b>
<b>REVENUE:</b>					
Property Taxes	\$699,218	\$752,018	\$807,606	\$909,762	\$1,040,678
Utility and Community Service Taxes	124,789	123,699	129,727	129,923	134,001
Sales and Tourist Taxes	1,164	1,250	1,260	1,302	1,278
Local Business Tax	7,122	6,993	6,975	6,779	6,992
Licenses, Permits and Fees	41,295	41,782	47,514	47,656	46,060
Intergovernmental <sup>(1)</sup>	183,073	207,049	241,028	252,953	245,986
Charges for Services	68,418	81,862	82,550	87,080	91,035
Fines and Forfeitures	1,894	2,713	2,426	2,281	2,285
JEA Contribution	118,824	120,012	121,212	122,424	123,649
Investment Earnings	17,113	5,287	(44,315)	35,535	63,121
Other	15,263	18,955	13,162	23,919	20,705
Total Revenue <sup>(3)</sup>	\$1,278,173	\$1,361,620	\$1,409,145	\$1,619,614	\$1,775,790
<b>EXPENDITURES AND ENCUMBRANCES<sup>(2)</sup>:</b>					
City Council	\$12,825	\$11,760	\$11,294	\$11,932	\$12,650
Clerk of the Courts	4,893	5,365	5,609	6,492	6,321
Courts	4,415	5,450	4,922	5,965	6,325
Downtown Investment Authority	1,046	916	4,299	11,470	1,057
Employee Services	10,480	6,967	7,094	7,617	7,855
Office of Ethics	402	423	505	625	755
Finance	13,177	20,168	22,513	23,718	21,167
Fire/Rescue	264,231	287,609	310,315	345,129	378,888
General Counsel	91	134	93	160	1,332
Health Administrator	1,142	1,115	1,286	1,728	1,608
Inspector General	1,159	1,247	1,368	1,327	1,513
Office of the Administrative Services	--	--	--	--	15,011
Jacksonville Children's Commission	--	--	--	--	12
Jacksonville Human Rights Commission	755	752	804	865	1,199
Mayor	4,310	4,591	4,290	4,598	5,392
Mayor's Boards and Commissions	503	487	535	516	523
Medical Examiner	5,282	5,457	5,791	6,281	6,817
Military Affairs, Vet & Disabled Services	1,298	1,427	1,327	1,374	1,427
Neighborhoods	20,650	22,379	21,886	21,857	11,324
Office of Economic Development	1,868	3,318	2,232	2,227	4,190

[Table Continued on Following Page]

AUDITED					
	<u>Year Ended 09/30/2020</u>	<u>Year Ended 9/30/2021</u>	<u>Year Ended 9/30/2022</u>	<u>Year Ended 9/30/2023</u>	<u>Year Ended 9/30/2024</u>
<b>EXPENDITURES AND ENCUMBRANCES<sup>(2)</sup>:</b>					
Parks & Recreation	41,778	43,841	43,434	49,283	52,288
Planning and Development	3,794	4,049	4,343	4,846	4,370
Property Appraiser	10,642	11,156	11,523	11,667	12,127
Public Defender	2,469	2,472	2,323	2,550	2,616
Public Libraries	33,670	35,244	35,564	38,272	40,842
Public Works	46,312	49,962	51,822	56,663	68,034
Sheriff	472,363	484,725	515,231	550,790	597,313
Sports & Entertainment	8,073	5,011	11,021	11,299	12,744
State Attorney	2,008	2,286	2,291	2,939	2,815
Supervisor of Elections	7,885	7,540	11,101	10,812	12,424
Tax Collector	20,653	19,913	23,974	23,369	25,884
Contribution to Shands-Jacksonville	34,276	29,472	30,276	30,276	28,733
Jacksonville Misc. Citywide Activities	168,738	108,897	113,898	125,376	158,498
Total Expenditures	\$1,201,188	\$1,184,133	\$1,262,964	\$1,372,023	\$1,504,053
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	\$76,985	\$177,487	\$146,181	\$247,592	\$271,737
Transfers in	\$19,051	\$16,351	\$16,460	\$22,386	\$33,369
Transfers out	(146,444)	(127,705)	(118,674)	(161,703)	(242,907)
Software Subscription Issuance	-	-	-	-	133
Lease Proceeds	-	-	2,127	270	106
Long term debt issued	72,700	-	4,722	-	5,979
Total Other Financing Sources (Uses)	(\$54,693)	(\$111,354)	(\$95,365)	(\$139,047)	(\$203,320)
<b>NET CHANGES IN FUND BALANCES</b>	\$22,292	\$66,133	\$50,816	\$108,545	\$68,417

- (1) Intergovernmental revenues are comprised of shared sales tax revenues received by the City from the State.
- (2) Debt service on Special Revenue Bonds, other than Special Revenue (BJP) Bonds, is allocated among the applicable entities listed under the caption "Expenditures and Encumbrances."
- (3) Totals may not foot due to rounding.
- Source: Audited numbers for Fiscal Years 2020 through 2023 were extracted from the City's Annual Comprehensive Financial Reports for Fiscal Years 2020 through 2024.

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## DEBT SERVICE SCHEDULE

<u>Year Ending October 1</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
2050			
2051			
2052			
2053			
2054			
2055			
Total	<hr/>		

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## RECENT LEGISLATION

In past sessions of the Florida Legislature, legislation has been introduced that, had it been enacted, could have had a material impact on the various sources of non-ad valorem revenues received by the City. House Bill 7031 ("HB 7031") was passed on June 16, 2025 and signed by the Governor with an effective date of July 1, 2025. HB 7031, among other things, provides for (i) elimination of business rent tax beginning October 1, 2025, (ii) delays the imposition of the scheduled natural gas fuel tax from January 1, 2026 to January 1, 2030, and (iii) the extension of the current freeze on rate increases for local communications services taxes from January 1, 2026 to January 1, 2031. Additionally, HB 7031 provides for various sales tax exemptions, including, but not limited to, a permanent back to school holiday for the month of August each year, and permanent exemptions on various items including certain batteries, portable generators, admission to Florida state parks, ground anchor systems, sunscreens, insect repellent, life jackets, five gallon or less fuel cans, and waterproof tarpaulins and other waterproof sheeting. The City does not expect HB 7031 will have a material impact on its ability to pay debt service on the Series 2025 Bonds.

## FLORIDA CONSTITUTIONAL LIMITATIONS AND PROPERTY TAX REFORM

Covenant Revenues do not include ad valorem tax revenues. However, pursuant to the Special Revenue Bond Ordinance, funding requirements for essential governmental services of the City must be satisfied prior to budgeting and appropriating Covenant Revenues for the payment of the Series 2025 Bonds and other obligations payable from Covenant Revenues. Ad valorem revenues have historically been used in part by the City to fund essential services of the City. Therefore, a decrease in ad valorem tax revenues may in turn increase the amount of Covenant Revenues required to fund essential governmental services of the City and thereby reduce the amount of Covenant Revenues available to be budgeted and appropriated to satisfy the obligation of the City under the Special Revenue Bond Ordinance. The City has provided the following discussion of property tax reform in the State of Florida, to illustrate the various initiatives put forth by the State Legislature and their respective impact on the City's financial and budgetary matters.

Millage Rollback Legislation. In 2007, the State Legislature adopted a property tax plan which significantly impacted ad valorem tax collections for State local governments (the "Millage Rollback Legislation"). One component of the Millage Rollback Legislation required counties, cities and special districts to rollback their millage rates for the 2007-2008 Fiscal Year to a level that, with certain adjustments and exceptions, would generate the same level of ad valorem tax revenue as in Fiscal Year 2006-2007; provided, however, depending upon the relative growth of each local government's own ad valorem tax revenues from 2001 to 2006, such rolled back millage rates were determined after first reducing 2006-2007 ad valorem tax revenues by zero to nine percent (0% to 9%). In addition, the Rollback Legislation also limited how much the aggregate amount of ad valorem tax revenues may increase in future fiscal years. A local government may override certain portions of these requirements by a supermajority, and for certain requirements, a unanimous vote of its governing body.

Constitutional Exemptions. Certain exemptions from property taxes have been enacted. Constitutional exemptions include, but are not limited to, property owned by a municipality and used exclusively by it for municipal or public purposes, certain household goods and personal effects to the value fixed by general law, certain locally approved community and economic development ad valorem tax exemptions to new businesses and expansions of existing businesses, as defined by general law and historic preservation ad valorem tax exemptions to owners of historic properties, \$25,000 of the assessed

value of property subject to tangible personal property tax, the assessed value of solar devices or renewable energy source devices subject to tangible personal property tax may be exempt from ad valorem taxation, subject to limitations provided by general law, and certain real property dedicated in perpetuity for conservation purposes, including real property encumbered by perpetual conservation easements or by other perpetual conservation protections, as defined by general law.

Limitation on Increase in Assessed Value of Property. The State Constitution limits the increases in assessed just value of homestead property to the lower of (1) three percent of the assessment for the prior year or (2) the percentage change in the Consumer Price Index for all urban consumers, U.S. City Average, all items 1967=100, or successor reports for the preceding calendar year as initially reported by the United States Department of Labor, Bureau of Labor Statistics. The accumulated difference between the assessed value and the just value is known as the "Save Our Homes Benefit." Further, any change of ownership of homestead property or upon termination of homestead status such property shall be reassessed at just value as of January 1 of the year following the year of sale or change of status; new homestead property shall be assessed at just value as of January 1 of the year following the establishment of the homestead; and changes, additions, reductions or improvements to the homestead shall initially be assessed as provided for by general law.

Owners of homestead property may transfer up to \$500,000 of their Save Our Homes Benefit to a new homestead property purchased within three years of the sale of their previous homestead property to which such benefit applied if the just value of the new homestead is greater than or is equal to the just value of the prior homestead. If the just value of the new homestead is less than the just value of the prior homestead, then owners of homestead property may transfer a proportional amount of their Save Our Homes Benefit, such proportional amount equaling the just value of the new homestead divided by the just value of the prior homestead multiplied by the assessed value of the prior homestead.

For all levies other than school district levies, assessment increases for specified non-homestead real property may not exceed ten percent (10%) of the assessment for the prior year. This assessment limitation was by its terms, to be repealed effective January 1, 2019; however, the legislature by joint resolution approved an amendment abrogating such repeal, which was approved by the electors in the November 6, 2018 general election and went into effect January 1, 2019.

Homestead Exemption. In addition to the exemptions described above, the State Constitution also provides for a homestead exemption. Every person who has the legal or equitable title to real property in the State and who resides thereon and in good faith makes the same his or her permanent residence or the permanent residence of others legally or naturally dependent upon such person is eligible to receive a homestead exemption of up to \$50,000. The first \$25,000 applies to all property taxes, including school district taxes. The additional exemption, up to \$25,000, applicable to the assessed value of the property between \$50,000 and \$75,000, applies to all levies other than school district levies. A person who is receiving or claiming the benefit of an ad valorem tax exemption or a tax credit in another state where permanent residency, or residency of another legally or naturally dependent upon the owner, is required as a basis for the granting of that ad valorem tax exemption or tax credit is not entitled to the homestead exemption. In addition to the general homestead exemption described in this paragraph, the following homestead exemptions are authorized by State law.

Property Dedicated In Perpetuity for Conservation. The State Constitution provides that there shall be granted an ad valorem tax exemption for certain real property dedicated in perpetuity for conservation

purposes, including real property encumbered by perpetual conservation easements or by other perpetual conservation protections, as defined by general law.

Tangible Personal Property and Solar Devices. The State Constitution provides that by general law and subject to conditions specified therein, \$25,000 of the assessed value of property subject to tangible personal property tax shall be exempt from ad valorem taxation. Effective January 1, 2018 through December 31, 2037, the assessed value of solar devices or renewable energy source devices subject to tangible personal property tax may be exempt from ad valorem taxation, subject to limitations provided by general law.

Certain Persons 65 or Older. A board of county commissioners or the governing authority of any municipality may adopt an ordinance to allow an additional homestead exemption equal to (i) of up to \$50,000 for persons age 65 or older with household income that does not exceed the statutory income limitation of \$20,000 (as increased by the percentage increase in the average cost of living index each year since 2001) or (ii) the assessed value of the property with a just value less than \$250,000, as determined the first tax year that the owner applies and is approved, for any person 65 or older who has maintained the residence as his or her permanent residence for not less than 25 years and whose household income does not exceed the statutory income. The City enacted an ordinance providing for the exemption from City ad valorem taxes described in this paragraph.

In addition, veterans 65 or older who are partially or totally permanently disabled may receive a discount from tax on homestead property if the disability was combat related and the veteran was honorably discharged upon separation from military service. The discount is a percentage equal to the percentage of the veteran's permanent, service-connected disability as determined by the United States Department of Veteran's Affairs. The City has not enacted an ordinance providing for the exemption from City ad valorem taxes described in this paragraph.

Deployed Military Personnel. The State Constitution provides that by general law and subject to certain conditions specified therein, each person who receives a homestead exemption who was a member of the United States military or military reserves, the United States Coast Guard or its reserves, or the Florida National Guard; and who was deployed during the preceding calendar year on active duty outside the continental United States, Alaska, or Hawaii in support of military operations designated by the legislature shall receive an additional exemption equal to a percentage of the taxable value of his or her homestead property. The applicable percentage shall be calculated as the number of days during the preceding calendar year the person was deployed on active duty outside the continental United States, Alaska, or Hawaii in support of military operations designated by the legislature divided by the number of days in that year.

Certain Active Duty Military and Veterans. A military veteran who was honorably discharged, is a resident of the State, and is disabled to a degree of 10% or more because of misfortune or while serving during wartime may be entitled to a \$5,000 reduction in the assessed value of his or her property. This exemption is not limited to homestead property. A military veteran who was honorably discharged with a service-related total and permanent disability may be eligible for a total exemption from taxes on homestead property. A similar exemption is available to disabled veterans confined to wheelchairs. Under certain circumstances, the veteran's surviving spouse may be entitled to carry over these exemptions. Additionally, as of January 1, 2021, a constitutional amendment to the discount on ad valorem taxes provided to certain honorably discharged veterans to their spouses (the "Surviving Spouse Exemption") went into effect. Specifically, the Surviving Spouse Exemption allows the same ad valorem tax discount on



homestead property for combat-disabled veterans age 65 or older to transfer to the surviving spouse of a veteran receiving the discount if the surviving spouse holds the legal or beneficial title to the homestead, permanently resides thereon, and does not remarry.

Certain Totally and Permanently Disabled Persons. Real estate used and owned as a homestead by a quadriplegic, less any portion used for commercial purposes, is exempt from all ad valorem taxation. Real estate used and owned as a homestead by a paraplegic, hemiplegic, or other totally and permanently disabled person, who must use a wheelchair for mobility or who is legally blind, is exempt from taxation if the gross household income is below statutory limits.

Survivors of First Responders. Any real estate that is owned and used as a homestead by the surviving spouse of a first responder (law enforcement officer, correctional officer, firefighter, emergency medical technician or paramedic), who died in the line of duty may be granted a total exemption on homestead property if the first responder and his or her surviving spouse were permanent residents of the State on January 1 of the year in which the first responder died.

Exemption for Disabled First Responders. First responders (law enforcement officer, correctional officer, firefighter, emergency medical technician or paramedic) who are totally and permanently disabled as a result of injuries sustained in the line of duty may be granted ad valorem tax relief on homestead property. The amount of tax relief can equal the total amount or a portion of the ad valorem tax otherwise owed on the homestead property.

Historic Preservation. The State Constitution provides that any county or municipality may, for the purpose of its respective tax levy and subject to the provisions of the State Constitution and general law, grant historic preservation ad valorem tax exemptions to owners of historic properties. This exemption may be granted only by ordinance of the county or municipality. The amount or limits of the amount of this exemption and the requirements for eligible properties must be specified by general law. State law provides that such exemption may be for an amount up to 50% of the assessed value of the property. The period of time for which this exemption may be granted may continue until the ordinance is repealed or the property no longer qualifies for the exemption. This exemption does not apply to the levy of taxes for the payment of bonds. The City has implemented the exemption described in this paragraph.

Save Our Homes Portability Affected by Storm Damage (SOH). Owners of homestead property that was significantly damaged or destroyed as a result of a named tropical storm or hurricane can elect to have the property deemed abandoned if the owner establishes a new homestead by January 1 of the second year immediately following the storm or hurricane. This will allow the owner of the homestead property to keep their SOH benefit if they move from the significantly damaged or destroyed property to establish a new homestead by the end of the year following the storm.

Recent Amendments Relating to Ad Valorem Taxation. During the 2018 State legislative session, the State Legislature passed House Joint Resolution 7001, proposing an amendment to the State Constitution providing that no state tax or fee may be imposed, authorized, raised by the State Legislature, or authorized by the State Legislature to be raised, except through legislation approved by two-thirds of the membership of each house of the State Legislature (the "Supermajority Amendment"). The Supermajority Amendment applies the same two-thirds approval requirement to decreasing or eliminating any state tax or fee exemption or credit. The Supermajority Amendment also required that any proposed state tax or fee imposition, authorization or increase must be contained in a separate bill that contains no other subject. The text of the Supermajority Amendment provided that such amendment would not apply

to any tax or fee imposed by, or authorized to be imposed by, a county, municipality, school board, or special district. In the November 2018 General Election, voters approved the Supermajority Amendment to the State Constitution. Although the Supermajority Amendment does not subject local taxes and fees to the stricter voting requirement, local governments could be adversely impacted during recessionary economic environments if State lawmakers are unable to raise taxes.

During the 2023 State legislative session, the State Legislature passed CS/SB 102 which went into effect on July 1, 2023. Among other things, CS/SB 102 provides an (i) ad valorem tax exemption for land owned by a non-profit entity leased for 99 or more years for the purpose of affordable housing, (ii) ad valorem tax exemption for newly constructed or substantially rehabilitated developments with 70 or more units dedicated to providing affordable low to moderate-income housing (portions of the property dedicated to "moderate income" housing (between 80% and 120% Area Median Income) will receive a 75% exemption while those serving low-income residents (less than 80% Area Median Income) will receive a full exemption) and (iii) permits local governments to offer an additional local option ad valorem tax exemption to property owners who dedicate units to extremely-low income or very-low income residents if certain qualifications are satisfied.

During the 2024 State legislative session, the State Legislature passed CS/HJR 7017 and CS/HB 7019 in its 2024 legislative session which amended the State Constitution and Florida Statutes, respectively. The bills required the \$25,000 of assessed value that is exempt from all ad valorem taxes other than school district taxes be adjusted annually for positive inflation growth. It also applies to any future homestead exemption applying only to ad valorem taxes other than school district taxes. The joint resolutions took effect on January 1, 2025.

During the 2025 State legislative session, the State Legislature passed CS/HJR 1215 and HB 7031. CS/HJR 1215 proposes an amendment to the Florida Constitution to exempt tangible personal property from ad valorem taxes when the tangible personal property is habitually located or typically present on agricultural land, used in the production of agricultural products or for agritourism activities, and owned by the landowner or leaseholder of the agricultural land. However, this exemption is subject to the approval by 60% of voters voting during the 2026 general election and, if approved, will take effect on January 1, 2027. The City cannot predict whether CS/HJR 1215 will be approved by voters, however, if approved does not expect it will have a material impact on its collection of ad valorem taxes. HB 7031 directs the Office of Economic and Demographic Research to conduct a study of the state's property tax system and make a report and recommendations to the State Legislature by November 1, 2025. Additionally, HB 7031 includes various expansions or creations of new exemptions for affordable housing, which are expected to apply to the 2026 tax rolls.

Future Amendments Relating to Ad Valorem Taxation. Historically, various legislative proposals and constitutional amendments relating to ad valorem taxation have been introduced in each session of the State Legislature. Many of these proposals have provided for new or increased exemptions to ad valorem taxation and limited increases in assessed valuation of certain types of property or otherwise restricted the ability of local governments in the State to levy ad valorem taxes at current levels. Particularly, during the 2025 State legislative session a number of bills were proposed which could have had a material impact on the collection of ad valorem taxes by local governments within the State. While none of the proposed bills passed, there can be no assurance that similar or additional legislative or other proposals will not be introduced or enacted in the future that would have a material adverse effect upon the collection of ad valorem taxes by the City, the City's finances in general or the City's ad valorem taxing power.

## **FISCAL MATTERS**

### **General**

As of February 2025, overall employment in the Jacksonville MSA was estimated to be approximately 821,180. In February 2025, the unemployment rate for the Jacksonville MSA was approximately 3.8% and the State unemployment rate was approximately 3.6%. The City has a well-diversified employer base, with the largest nonfarm sectors being Trade, Transportation, Utilities, Education and Health Services, Professional and Business Services, Leisure and Hospitality, Government, and Financial Activities.

As reported by the Northeast Florida Association of Realtors, the housing markets in Northeast Florida continue to be fueled by a net inflow of residents. Comparing 12-month averages from March 2025 to March 2024, median sales prices are up 1.7%.

The Jacksonville MSA's 2024 population was estimated to be 1,760,548, an increase of approximately 30.51% since 2010. The median household income as of 2023 for the Jacksonville MSA was estimated to be \$77,013.

Assessed valuation within the City has increased by approximately 13% from 2023 to 2024.

General Fund revenues for the Fiscal Year 2024 were approximately \$1.8 billion, which exceeded the Fiscal Year 2023-24 Budget by approximately \$72.3 million.

### **Fiscal Year 2025 Budget**

The Fiscal Year 2024-25 General Fund General Services District budget was approved by City Council of the City at its regular meeting on September 24, 2024. Revenue was budgeted to be approximately \$1.88 billion.

### **Fiscal Year 2026 Budget**

The City's Fiscal Year 2025-26 budget has been proposed by the Mayor to the City Council. Revenue is budgeted to be around \$2 billion. Since the Fiscal Year 2025-26 budget has not been finalized, this information is subject to change.

### **Capital Improvement Program**

The City annually approves a 5-year Capital Improvement Program ("CIP"), the first year of which is authorized by the City Council for project spending during the budget process. With the authorization to spend, the City incurs capital project expenditures to be later funded through its annual bond issuance process. The City currently has approximately \$1.3 billion of capital project spending previously authorized for which debt has not yet been issued.

The proposed Fiscal Year 2025-26 budget could authorize an approximately \$687 million in additional capital projects. The adopted CIP for the Fiscal Years 2025 through and including 2029 included a total of approximately \$2.2 billion to fund a total of approximately 248 projects with approximately \$1.4 billion of debt funded projects. The CIP focuses efforts on repair and maintenance of City drainage,

environmental improvements, parks, public facilities, public safety, roads, infrastructure, transportation and economic development.

## **PENSION AND OTHER POST-EMPLOYMENT BENEFITS**

*The information provided in this section relies on information produced by independent accountants and actuaries for the below-described pension plans. Actuarial assessments are "forward-looking" information that reflect the judgment of the fiduciaries of the pension plans and are based upon a variety of assumptions, one or more of which may prove to be inaccurate or be changed in the future, and will change with the future experience of the pension plans.*

### **Introduction**

The City sponsors two employer public employee retirement systems, administered by two separate and distinct pension boards of trustees, that provide retirement, death, and disability benefits: the City of Jacksonville Retirement System (the "CJRS") and the Police and Fire Pension Plan (the "PFPP"). The CJRS consists of two defined benefit pension plans known as the General Employees Pension Plan ("GEPP") and the Corrections Officers Pension Plan ("COPP"), a defined contribution plan, and a disability plan. The PFPP is a single employer defined benefit plan for City police officers and firefighters. Substantially all employees of the City participate in one of these plans. In addition, less than 1.0% of City employees participate in the State of Florida Retirement System.

For information regarding the State of Florida Retirement System, see [https://www.dms.myflorida.com/workforce\\_operations/retirement/publications/annual\\_reports](https://www.dms.myflorida.com/workforce_operations/retirement/publications/annual_reports).

Both the CJRS and the PFPP have adopted Governmental Accounting Standards Board ("GASB") Statement 67, Financial Reporting for Pension Plans (effective for the Fiscal Year ended 2014) and Statement 68, Accounting and Financial Reporting for Pensions (effective for the Fiscal Year ended 2015), Statement 71, Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of Statement 68, Statement 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of Statement 68, Amendments to Certain Provisions of Statements 67 and 68 and 82 Pension Issues – and amendment of Statements 67, 68 and 73. These statements collectively require the City to report plan unfunded liabilities on the City's balance sheet and change how the CJRS and PFPP calculate expenses for financial disclosures. Information within this section for Fiscal Years prior to Fiscal Year Ended September 30, 2015 is based on prior GASB Statements 25 and 27.

The unfunded actuarial liability for both the City's combined pension plans grew to over \$4.8 billion (unaudited) as of the Fiscal Year ended in 2023, with the City's contributions to the plan requiring a substantial portion of the City's general fund revenue for such Fiscal Year. Based on the actuarial valuations, the pension reform measures described below are anticipated to reduce and slow what would have been the continued significant growth of the City's contributions to the plans in the near to mid-term.

The actuarial valuations are based on certain assumptions that may or may not occur. For full copies of such actuarial valuations with respect to the City's pension plans, see <http://www.coj.net/departments/police-fire-pension-fund/annual-report> and <http://www.coj.net/departments/finance/retirement-system/gasb-and-plan-valuation-statements>.

## **Summary of Plan Funding Policy and Status**

With respect to the CJRS and PFPP defined benefit pension plans, the City's funding policy provides for contributions at actuarially determined rates, and based on certain assumptions, that, expressed as a percentage of annual covered payroll, are adequate to accumulate sufficient assets to pay benefits when due. The City is in compliance with its funding policy using percent of payroll funding methods. See "- City of Jacksonville Retirement System – Funding Policy" and "- Police and Fire Pension Plan (PFPP) – Funding Policy" below.

The global financial crisis and the ensuing recession led to a decline in the health of the pension funds. The City took action to meet budget needs from 2010 through 2013 by pursuing layoffs and by not raising the general levels of pay. As a result, contributions fell short of 100% of that recommended for the CJRS for Fiscal Years beginning in 2012 because actual payroll figures were lower than projected during the valuation. The City periodically reviews its funding methods and will recommend changes should such review produce a method more suitable for adequate funding given the City's specific economics.

Beginning in Fiscal Year 2010, the City lowered its assumed rate of return from 8.40% to its current level of 6.90% and also adopted updated mortality tables. The plans have generally improved in the recovery years following the 2008-2009 economic slowdown as investment markets have recovered; however, the unfunded actuarial accrued liability ("UAAL") as a percentage of covered payroll remains high. See "- City of Jacksonville Retirement System – Funding Policy" and "- Police and Fire Pension Plan (PFPP) – Funding Policy" herein.

For the plan year beginning October 1, 2024, the CJRS and PFPP both adopted a 6.50% return assumption. That assumption, along with moving to updated mortality tables, and lowering the payroll growth rate assumptions reflect the pension boards' efforts to use more conservative assumptions. The City views these assumptions as prudent in reestablishing positive trends in pension funding levels and restoring the pension funds to healthier levels over time. CJRS and PFPP have adopted the tables in use by the Florida Retirement System, as required by state law.

## **Collective Bargaining Activities**

In 2017, the City reached collective bargaining agreements with all six of the unions representing City employees: Communications Workers of America ("CWA"); Fraternal Order of Police, Lodge 5-30 ("FOP"); American Federation of State, County and Municipal Employees ("AFSCME"); Jacksonville Supervisors Association ("JSA"); Local 122 of the International Association of Firefighters ("IAFF"); and Northeast Florida Public Employees' Local 630 Laborers' International Union of North America ("LIUNA"). The agreements, ratified by the City Council on April 24, 2017, covered the three-year period from October 1, 2017 through September 30, 2020.

The only changes made in 2017 to the six prior agreements are to the areas of pension benefits and wages. The changes to pension benefits are explained in detail under "Pension Reform; Pension Liability Surtax" below. The changes to wages are as follows: Members of IAFF (Firefighters) and FOP (Police and Corrections Officers), received a one-time, lump sum payment of 3% in Fiscal Year 2017, received a wage increase of 6.5%, 6.5% and 7% in Fiscal Years 2018, 2019 and 2020, respectively; Members of FOP (Judicial Officers and Sworn Bailiffs), AFSCME, and JSA received a one-time, lump sum payment of 3% in Fiscal Year 2017, received a wage increase of 5%, 4.5% and 4.5% in Fiscal Years 2018, 2019 and 2020, respectively;

Members of CWA and LIUNA received a one-time, lump sum payment of 2% in Fiscal Year 2017, received a wage increase of 5%, 4.5% and 4.5% in Fiscal Years 2018, 2019 and 2020, respectively.

Negotiations were reopened in Fiscal Year 2018 with regard to issues other than wages and pension benefits. Collective bargaining agreements were reached with all unions. The City Council ratified the agreements with non-public safety unions on September 9, 2018, and the agreements with the public safety unions on December 11, 2018. The agreements covered the three-year period from October 1, 2017 through September 30, 2020.

The 2020 Fiscal Year was the final year of the three-year collective bargaining agreement with the City's six unions. Those agreements provided for the first general wage increases in almost ten years and closed the defined benefit pension to new members. The Public Safety unions have formed an independent health care trust and separated their membership from the City's health plans in 2020. Due to stay-at-home orders and economic shutdowns implemented to combat the spread of the COVID-19 virus in 2020, terms of the expired agreements were adhered to until negotiations were reopened the following year, and new collective bargaining agreements were completed with all six of the City's unions prior to the conclusion of Fiscal Year 2021. The agreements took effect October 1, 2021, and were valid through September 30, 2024. The City then formalized three-year collective bargaining agreements valid from October 1, 2024 through September 30, 2027 with public safety unions that brings competitive salaries and benefits and commits to allowing public safety members to enter the FRS starting in fiscal year 2027.

On July 1, 2023, the State of Florida legislated changes to several of the processes governing Florida public sector union operation. Most significantly, the City is no longer able to provide a union dues deduction mechanism through the payroll system. Additionally, unions must now achieve a 60% level of dues paying membership to maintain a certified status with the municipal entity. All public safety unions, including the IAFF and FOP at the City are excluded from the requirements of the new legislation.

These legislative changes have resulted in the decertification of one of the City's civilian unions, JSA. All three remaining civilian unions, AFSCME, CWA and LIUNA are still navigating the certification process with no assurances that they will be successful in maintaining their certification. The initiation of full contract collective bargaining with the City's civilian unions was delayed by the uncertainty with certification requirements. Since bargaining had yet to commence, the City and the civilian unions agreed only to a modest wage increase of 3% for Fiscal Year 2025 and the contracts remained in status quo for all other terms and conditions pursuant to Florida statute. The City and CWA, LIUNA and AFSCME commenced full bargaining in earnest in December 2024 and continue bargaining in good faith. The negotiations have resulted in significant progress with the desire to have new agreements in place by October 1, 2025.

Negotiations with the City's two public safety unions, the FOP and the IAFF, concluded in July 2024 with fully ratified and approved 2024-2027 agreements in place October 1, 2024. The new agreements addressed significant issues with hiring and retention pervasive throughout municipal governments in the State. The City had seen a significant outflow of personnel to other agencies in the state with much more lucrative agreements and a defined benefit pension like City of Tampa. Entering bargaining, the Jacksonville Sheriff's Office had historically high vacant positions, especially in Corrections posing significant operational challenges. Since implementation, hiring has already shown improvement and vacancies have been reduced.

The new public safety agreements include large wage increases of at least 12-15% in year one then moderating in years two and three to 5-8%. FOP Corrections was a central focus with the largest increases being given to sworn Corrections personnel.

Beyond wages, public safety bargaining also focused on retirement. The City is currently the only municipality in the State without access to a defined benefit form of pension for public safety and this limitation provided an additional impediment to recruiting the best and brightest. Therefore, in addition to addressing the wage gap concerns, the City agreed to provide the option of a defined benefit pension by the end of the CBA terms. The City did not agree to re-open the City pensions closed in 2017, but agreed to enter in the Florida Retirement System ("FRS") for eligible public safety employees by September 20, 2027. See "—Florida Retirement System" below for more information. The lack of a defined benefit pension for IAFF and FOP members which remains the gold standard retirement within the first responder ranks contributed to the hiring and retention struggles. General employees will not be allowed to move to FRS and will still be within a Defined Contribution retirement structure.

The City anticipates that the positive trends in hiring and retention will continue to improve under the newly reached public safety agreements.

### **Overview of Pension Plans**

The table below summarizes the plan membership, benefit structure and financial information for each of the City's defined benefit plans as of October 1, 2024.

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## CJRS AND PFPP OVERVIEW

	City of Jacksonville Retirement System		
	General Employee Pension Plan <sup>(1)</sup>	Corrections Officers Pension Plan <sup>(2)</sup>	Police and Fire Pension Plan <sup>(3)</sup>
	As of October 1, 2024	As of October 1, 2024	As of October 1, 2024
	Hired Prior to Plan Changes	Hired Prior to Plan Changes	Hired Prior to Plan Changes
<b>Applicable Employees</b>			
<b>Membership:</b>			
Retirees and beneficiaries currently receiving benefits	5,350	437	2,966
Deferred Retirement Option (DROP) participants	N/A	72	570
Terminated employees vested, not yet receiving benefits	129	4	91
Active employment plan members:	2,587	319	1,576
Total plan membership	8,066	832	5,203
<b>Benefit structure:</b>			
<b>Accrual rate</b>			
Years one through twenty	2.5%	3.0%	3.0%
Years twenty-one and after	2.5%	2.0%	2.0%
Years of service required to vest	5	5	5
Years of service required – normal retirement	20	20	20
Final average pay parameters	3 years	3 years	2 years
Maximum benefit as % applied to final average pay	80%	80%	80%
Cost of living (COLA) adjustments:			
Years delay after retirement	5	1	1
Annual percentage increase	3%	3%	3%
DROP structure:			
Options	Back	Forward	Forward
Maximum duration – years	5	5	5
Earnings rate on benefit payments held in trust	actual with +4% ceiling, -4% floor	actual with 0% floor	8.4%
<b>Financial information (Dollars in Millions)</b>			
Annual contributions – 2023-2024			
City	\$96.96	\$19.39	\$134.73
Other participating employers	N/A	N/A	N/A
Other Sources	N/A	N/A	13.75
Employer contribution stated as percentage of covered payroll:			
Fiscal Year end 9-30-23	50.98%	90.55%	110.23%
Fiscal Year end 9-30-24	58.31%	102.16%	119.37%
Employee contribution stated as percentage of pay	10.00%	10.00%	10.00%
Covered Payroll	\$224.25	\$24.07	\$148.09
Benefit payments (including DROP Payments)	\$245.02	\$27.03	\$236.53

Benefit structure information is available in the Actuarial Valuations listed in footnotes (1) and (2) below and can be found at <https://www.coj.net/departments/finance/retirement-system/gasb-and-plan-valuation-statements>; and Actuarial Valuations listed in footnote (3) below can be found at <http://www.coj.net/departments/police-fire-pension-fund/annual-report>, respectively.

- (1) City of Jacksonville General Employees Retirement Plan Actuarial Valuation and Review as of October 1, 2024.
- (2) City of Jacksonville Corrections Officers Retirement Plan Actuarial Valuation and Review as of October 1, 2024.
- (3) Jacksonville Police and Fire Pension Fund Actuarial Valuation Report as of October 1, 2024.



## City of Jacksonville Retirement System

Plan Establishment and Administration. The CJRS was established pursuant to Chapter 16 of the City Charter, Chapter 120 of the Ordinance Code of the City of Jacksonville, and Chapter 112, Part VII, Florida Statutes, as amended. The CJRS includes the GEPP and the COPP, both defined benefit pension plans, as well as a defined contribution plan and a disability plan. All full-time City employees, the employees of JEA and the employees of the Jacksonville Housing Authority are eligible to participate in the GEPP Plan upon employment. All certified corrections officers employed by the City are eligible to participate in the COPP upon employment. The City Council is responsible for establishing or amending the CJRS pension plan provisions. By ordinance, no additional benefits may be added to a plan if the funded ratio for the plan is less than 90%. However, the City Council may waive this requirement by ordinance.

The CJRS is sponsored by the City and administered by a nine-member board of trustees (the "CJRS Board") that has the fiduciary responsibility for the CJRS's administration, the investment of CJRS assets, and the management of CJRS operations. The CJRS Board is composed of the following officers: the City's Chief Administrative Officer, Director of Finance ("CFO") and Chief of Employee Services ("HR") Officer; the chair of the General Employees Advisory Committee; the chair of the Corrections Officers Advisory Committee; a retiree designated by the Retired Employees Association; two citizen appointees, each with experience in banking or insurance; and a retired corrections officer selected from among retired members of the COPP.

Funding Policy. All members of the CJRS are required to contribute 10% of their earnings, which is inclusive of disability benefit funding. The City's funding policy provides for employer contributions at actuarially determined rates that, expressed as percentage of annual covered payroll, are adequate to accumulate sufficient assets to pay benefits when due. Level percentages of payroll employer contribution rates are determined using the "entry age" actuarial cost method. Under this method, the cost of each member's projected retirement benefit is funded through a series of payments, determined as a level percentage of each year's earnings, from age at hire to assumed exit age.

The level-percentage-of-payroll method is also used to amortize the unfunded liability and changes in plan provisions, actuarial assumptions and gains and losses over a period of 30 years. If the pension plan is in a surplus position, the surplus is recognized as an amortization credit in a level dollar amount over 10 years. The amortization period is closed.

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The following tables provide a historical schedule of employer contributions for the CJRS, GEPP and COPP.

**SCHEDULE OF CONTRIBUTIONS – LAST TEN FISCAL YEARS  
CITY OF JACKSONVILLE RETIREMENT SYSTEM**

(in thousands)

**General Employees Pension Plan (GEPP)**

<b>Plan Year Ended September 30</b>	<b>Annual Required Contributions</b>	<b>City Cash Contributions</b>	<b>Contribution Deficiency/ (Excess)<sup>(1)</sup></b>	<b>Covered Employee Payroll<sup>(2)</sup></b>	<b>Actual Contribution as a % of Covered Payroll</b>
2015	\$86,069	\$81,751	\$4,318	\$262,369	31.16%
2016	89,059	84,898	4,161	254,034	33.42
2017	94,527	94,700	(173)	250,894	37.75
2018	70,166	71,024	(858)	257,850	27.54
2019	69,248	70,338	(1,090)	253,982	27.69
2020	71,250	72,193	(943)	249,983	28.88
2021	76,833	77,269	(436)	246,864	31.30
2022	83,697	84,354	(657)	233,266	36.16
2023	83,607	82,517	1,090	227,912	36.21
2024	96,593	96,957	(364)	230,710	42.03

<sup>(1)</sup> The City contributed the percentage of payroll represented by the actuarially determined contributions in the corresponding actuarial valuation. Actual dollar contributions may be more or less than the actuarially determined contributions due to actual payroll being different than projected payroll.

<sup>(2)</sup> Pensionable payroll as of the valuation measurement date October 1.

Source: City of Jacksonville, Florida Annual Comprehensive Financial Report Fiscal Year ended September 30, 2024.

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**Corrections Officers Pension Plan (COPP)**  
(in thousands)

<b>Plan Year Ending September 30</b>	<b>Annual Determined Contributions</b>	<b>City Cash Contributions</b>	<b>Contribution Deficiency/ (Excess)<sup>(1)</sup></b>	<b>Covered Employee Payroll<sup>(2)</sup></b>	<b>Actual Contribution as a % of Covered Payroll</b>
2015	\$17,618	\$17,832	(\$214)	\$27,343	65.14%
2016	18,864	18,864	0	28,091	67.15
2017	19,156	19,162	(6)	26,585	72.08
2018	13,973	13,973	0	27,548	50.72
2019	14,498	14,498	0	28,164	51.48
2020	15,043	15,045	(2)	28,726	52.37
2021	15,045	15,061	(16)	28,268	53.28
2022	17,592	17,610	(18)	25,903	67.98
2023	17,186	17,196	(10)	25,261	68.07
2024	19,386	19,386	0	24,527	80.54

(1) The City contributed the percentage of payroll represented by the actuarially determined contributions in the corresponding actuarial valuation. Actual dollar contributions may be more or less than the actuarially determined contributions due to actual payroll being different than projected payroll.

(2) Pensionable payroll as of the valuation measurement date October 1.

Source: City of Jacksonville, Florida Annual Comprehensive Financial Report Fiscal Year ended September 30, 2024.

**Police and Fire Pension Plan (PFPP)**

Plan Establishment and Administration. The PFPP is a single-employer defined benefit pension plan covering all full-time police officers and firefighters of the City hired before October 1, 2017. The PFPP covers all full-time civil service members of the City's Sheriff's Office and Fire and Rescue Departments. The PFPP was created by the Florida legislature pursuant to Chapter 18615, Laws of Florida, Acts of 1937, as amended, and is structured as an independent agency of the City of Jacksonville pursuant to Article 22 of the City Charter and Chapter 121 of the City's Ordinance Code. The City Council and State legislature have the responsibility for establishing benefit levels and providing statutory guidance for the administration of the Plan. The PFPP is administered by a five-member board of trustees (the "PFPP Board"). Two trustees are appointed by the City Council; one trustee is an active police officer elected by active police members; one trustee is an active firefighter elected by active firefighters; two citizen appointees, each with experience in banking or insurance; and one trustee is an individual selected by the other four trustees and confirmed by the City Council.

Funding Policy. All members of the PFPP are required to contribute 10% of their earnings, which is actuarially determined. The City's contributions are a function of actuarially determined rates that, expressed as percentage of annual covered payroll, are adequate to accumulate sufficient assets to pay benefits when due, after accounting for revenues available from other sources. In addition to member and City contributions, the PFPP receives an annual distribution of State premium tax proceeds pursuant to Chapters 175 and 185, Florida Statutes. Net assets available for benefits are held pursuant to an agreement

between the PFPP Board and the City consisting of (1) a stabilization reserve account that 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, (2) an enhanced benefits account that was established to hold any remaining State premium tax refunds not assigned to offset City contribution requirements, and (3) a base benefits fund that consists of the assets pledged to provide benefits for the plan.

The following table provides a historical schedule of employer contributions for the PFPP.

**SCHEDULE OF CONTRIBUTIONS –LAST TEN FISCAL YEARS  
POLICE AND FIRE PENSION PLAN  
(in thousands)**

<b>FYE</b>	<b>Actuarially required City Contribution</b>	<b>Actual Contribution</b>	<b>Contribution Deficiency (Excess)<sup>(1)</sup></b>	<b>Covered Employee Payroll</b>	<b>Contribution as a % of Covered Payroll</b>
2015	\$153,604	\$153,936	(\$332)	\$132,735	115.97%
2016	149,499	149,499*	-	135,600	110.25
2017	167,788	167,788**	-	149,490	112.24
2018	135,648	115,691	19,957***	162,004	71.41
2019	135,264	110,528	24,736***	174,125	63.48
2020	140,293	123,328	16,964***	174,186	70.80
2021	148,476	134,725	13,751***	161,836	83.25
2022	157,352	157,352	-	162,885	96.60
2023	156,994	156,848	146***	159,543	98.31
2024	174,040	174,040	-	148,090	117.52

<sup>(1)</sup> Contribution deficiency (excess) is assigned to the City Budget Stabilization Account.

\* Plus \$5.0 million supplemental payment

\*\* Plus \$10.0 million supplemental payment.

\*\*\* Contributions of \$20,000,000, \$24,736,292, \$16,964,149, \$13,750,618 and \$146,246 were allocated from the City Contribution Reserve (resulting from previous years' excess contributions) to fully meet the Actuarially Determined Contributions for fiscal years ended September 30, 2018, 2019, 2020, 2021 and 2023, respectively.

Source: Jacksonville Police and Fire Pension Fund Actuarial Valuation Report as of October 1, 2024.

The required contribution payable October 1, 2025 has been calculated to be approximately \$201,499,077. The PFPP Fund's assets are insufficient to cover the actuarial liabilities for inactive members. As of October 1, 2024, the market value of assets, net of reserves, was approximately \$2.59 billion, and the actuarial liability for current inactive members was approximately \$4.19 billion. See "—Pension Reform; Pension Liability Surtax" below.

### **Florida Retirement System**

The City also participates in the Florida Retirement System ("FRS"), a multiple-employer cost-sharing retirement system which covers less than 1% of the City's full-time employees. FRS is a defined-benefit contributory retirement plan, administered by the State's Division of Retirement. FRS provides vesting benefits after six to eight years of creditable service depending on enrollment date.

The funding methods and the determination of benefits payable are provided in various Acts of the State Legislature. These Acts require that employers make actuarially determined contributions at the rates in effect as of July 1, 2024, of 13.63% for regular members, 32.79% for special risk members, 58.68% for elected county officials, 34.52% for senior management and 21.13% for DROP members.

### **Actuarial Valuations**

General. The purpose of an actuarial valuation is to calculate the actuarial accrued liability in each of the pension plans, which estimates on the basis of demographic and economic assumptions the present value of benefits each of the pension plans will pay to its retired members and active members upon retirement. The actuarial valuation compares the actuarial accrued liability with the actuarial value of the assets and any excess of that liability over the assets forms an unfunded actuarial accrued liability or "UAAL" of the applicable pension plan. An actuarial valuation will express the percentage that a pension plan is funded through a "Funded Ratio" which represents the quotient obtained by dividing the actuarial value of assets of the pension plan by the actuarial accrued liability of the pension plan. An actuarial valuation will also state an actuarially determined employer contribution rate ("ADEC"), which is a recommended rate of covered payroll that the City should contribute to the applicable pension plan. The actuarially recommended contribution consists of two components: (1) normal cost, which represents the portion of the present value of retirement benefits that are allocable to active members' current year service, and (2) an amortized portion of the UAAL.

To calculate the actuarial value of assets and actuarial accrued liability of each of the pension plans, the actuarial valuations use several actuarial assumptions. These assumptions include an expected rate of return of assets, age of retirement of active members, future pay increases for current employees, assumed rates of disability and post-employment life expectancies of retirees and beneficiaries. See "Actuarial Plan Assumptions" below. If the experience of the pension plans is different from these assumptions, the UAAL of the pension plans may increase or decrease to the extent of any variances. Consequently, the ADEC's may be impacted, which may increase or decrease the amount of the City's contributions to the pension plans.

In addition, the actuarial valuations of the pension plans use several actuarial methods to calculate the actuarial value of assets and actuarial accrued liability of the pension plans. For example, the CJRS uses an asset valuation method of smoothing the difference between the market value of assets and the actuarial value of assets over a five-year period to prevent extreme fluctuations that may result from temporary or cyclical economic and market conditions. The PFPP currently uses the market value method.

City Actuarial Valuations. Actuarial valuations are used to calculate funding requirements for the fiscal year following the date of the valuation (i.e., a valuation as of October 1, 2024 was used to determine the required contribution for the 2024-25 Fiscal Year). Florida law requires that all pension plans must conduct an actuarial valuation at least every three years. By ordinance, the City has a policy of obtaining actuarial valuations of the CJRS and PFPP annually. The requirement for annual actuarial valuations may, however, be waived by ordinance of the City. The City Council waived the requirement for an annual valuation as of October 1, 2009 due to the extraordinary market disruptions in 2008 and 2009. The CJRS has prepared an annual valuation each year since October 1, 2010 in accordance with the local policy of obtaining annual valuations. The consulting actuaries prepare the actuarial valuations and reports for the pension plans. Informational copies of these reports as well as other financial information are available on the City's website at: <http://www.coj.net/departments/police-fire-pension-fund/annual-report> and <http://www.coj.net/departments/finance/retirement-system/gasb-and-plan-valuation-statements>.

In addition, information regarding the City's pension plans is available in the City's Annual Comprehensive Financial Reports. See "ANNUAL FINANCIAL REPORTS" herein.

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Actuarial Plan Assumptions. Below are the assumptions used by the actuaries for the most recent annual actuarial reports:

### **General Employees Retirement Plan**

Valuation date	October 1, 2024
Actuarial cost method	Entry Age Actuarial Cost Method
Amortization method	Level percent of payroll, using 1.50% annual increases
Remaining amortization period	All new bases amortized over 25 years, will be further reduced by one year each successive year
Asset valuation method	The market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual and expected returns on a market value basis and is recognized over a five-year period. The deferred return is further adjusted, if necessary, so that the actuarial value of assets will stay within 20% of the market value of assets.
Actuarial Assumptions:	
Investment rate of return	6.50%, net of pension plan investment expense, including inflation
Inflation rate	2.50%
Projected salary increases	3.00% to 7.00%; 2.50% is the Plan's long-term payroll inflation assumption.
Cost-of-living adjustments	The Plan provisions contain a 3.00% COLA
Mortality	
Healthy pre-retirement	FRS pre-retirement mortality tables for personnel other than special risk and K-12 instructional personnel, set forward 2 years, projected generationally from 2010 with Scale MP2018.
Healthy post-retirement	FRS healthy post-retirement mortality tables for personnel other than special risk and K-12 instructional personnel, set forward 2 years, projected generationally from 2010 with Scale MP2018.
Disabled	FRS disabled mortality tables for personnel other than special risk, with no set forward, projected generationally from 2010 with Scale MP2018. The FRS tables for personnel other than special risk and K-12 instructional personnel, set forward 2 years, reasonably reflect the healthy annuitant mortality experience of the General Employees Retirement Plan as of the measurement date. The FRS disabled mortality tables for personnel other than special risk reasonably reflect the disabled annuitant mortality experience as of the measurement date.

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Source: City of Jacksonville General Employees Retirement Plan Actuarial Valuation and Review as of October 1, 2024.

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## Correction Officers Retirement Plan

Valuation date	October 1, 2024
Actuarial cost method	Entry Age Actuarial Cost Method
Amortization method	Level percent of payroll, using 1.25% annual increases*
Remaining amortization period	All new bases amortized over 25 years, will be further reduced by one year each successive year.
Asset valuation method	Fair 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 fair value, and is recognized over a five-year period, further adjusted, if necessary, to be within 20% of the fair value.
Actuarial Assumptions:	
Investment rate of return	6.50%, net of pension plan investment expense, including inflation
Inflation rate	2.50%
Projected salary increases	2.80% to 7.50%; 2.50% is the Plan's long-term payroll inflation assumption.
Cost-of-living adjustments	The Plan provisions contain a 3.00% COLA
Mortality	
Healthy pre-retirement	FRS pre-retirement mortality tables for special risk personnel, set forward 2 years, projected generationally from 2010 with Scale MP2018.
Healthy post-retirement	FRS healthy post-retirement mortality tables for special risk personnel, set forward 2 years, projected generationally from 2010 with Scale MP2018.
Disabled	FRS disabled mortality tables for personnel other than special risk, with no set forward, projected generationally from 2010 with Scale MP2018. The FRS tables for special risk personnel, set forward 2 years, reasonably reflect the healthy annuitant mortality experience of the General Employees Retirement Plan as of the measurement date. The FRS disabled mortality tables for special risk personnel reasonably reflect the disabled annuitant mortality experience as of the measurement date.

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\* The Fund's payroll inflation assumption was 2.50% as of October 1, 2019. Per Part VII, Chapter 112.64(5)(a) of Florida Statutes, the payroll growth assumption used for amortization of the unfunded liability is not allowed to exceed the average annual payroll growth for the proceeding ten years. However, pursuant to Chapter 112.64(5)(b), and after adjusting this analysis to account for bargained pay level increases and inclusion of DC plan participants in the total payroll, the assumption was set at 1.25%

Source: City of Jacksonville Corrections Officers Retirement Plan Actuarial Valuation and Review as of October 1, 2024.

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### Police and Fire Pension

Valuation Date	September 30, 2024
Measurement Date	September 30, 2024
Methods and Assumptions Used to Determine Net Pension Liability	
Actuarial cost method	Entry Age Normal
Inflation	2.25%
Salary increases:	A range of 2.75% to 11.50%, depending on completed years of service, including inflation. For 2024 only, the 2.25% inflation component has been replaced with 12% for Firefighters and 13% for Police Officers. For 2025 and 2026, the 2.25% inflation component has been replaced with 5.0%.
Investment rate of return	6.50%
Retirement Age:	Experience-based table of rates that are specific to the type of eligibility condition
Mortality	PUB-2010 Headcount Weighted Safety Healthy Employee Mortality Table (for pre-retirement mortality) and the PUB-2010 Headcount Weighted Safety Healthy Retiree Mortality Table (for postretirement mortality), with separate rates for males and females and ages set forward one year, with mortality improvements projected to all future years after 2010 using Scale MP-2018. For males, the base mortality rates for both pre-retirement and post-retirement mortality are based on the Below Median Healthy tables. These are the same rates currently in use for Special Risk Class members of the Florida Retirement System (FRS), as mandated by Chapter 112.63, Florida Statutes.

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Source: Jacksonville Police and Fire Pension Fund Actuarial Valuation Report as of October 1, 2024.

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## Funding Progress

The following tables provide a historical schedule of funding progress for the CJRS and the PFPP.

### SCHEDULE OF FUNDING PROGRESS CJRS - General Employees Pension Plan (in thousands)

Valuation Date October 1	Actuarial Value of Assets <sup>(1)</sup> (a)	Actuarial Accrued Liability (AAL) (b)	UAAL (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	UAAL as a % of Covered Payroll ((b-a)/c)
2015	\$1,811,172	\$2,711,409	\$900,237	66.80%	\$254,034	354.38%
2016	1,872,790	2,897,287	1,024,497	64.64	250,894	408.34
2017	1,952,333	3,033,646	1,081,313	64.36	257,850	419.36
2018	2,021,545	3,196,680	1,175,135	63.24	253,982	462.68
2019	2,008,173	3,286,313	1,278,140	61.11	249,983	511.29
2020	2,042,780	3,389,704	1,346,924	60.26	246,864	545.61
2021	2,119,188	3,529,434	1,410,245	60.04	233,267	604.56
2022	2,079,638	3,653,156	1,573,518	56.93	227,912	690.41
2023	2,030,156	3,765,170	1,735,014	53.92	230,710	752.03
2024	2,051,953	3,820,831	1,768,878	53.70	224,250	788.80

Source: City of Jacksonville General Employees Retirement Plan Actuarial Valuation and Review as of October 1, 2024.

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**SCHEDULE OF FUNDING PROGRESS**  
**CJRS - Corrections Officers Pension Plan**  
(in thousands)

<b>Valuation Date October 1</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) (b)</b>	<b>UAAL (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Annual Covered Payroll (c)</b>	<b>UAAL as a % of Covered Payroll ((b-a)/c)</b>
2015	\$159,914	\$319,656	\$159,741	50.03%	\$28,091	568.66%
2016	175,333	354,235	178,901	49.50	26,585	672.94
2017	191,741	377,380	185,639	50.81	27,548	673.87
2018	207,090	416,673	209,583	49.70	28,164	744.15
2019	220,335	434,177	213,842	50.75	28,726	744.42
2020	234,514	468,831	234,317	50.02	28,268	828.91
2021	255,559	503,742	248,184	50.73	25,903	958.13
2022	265,245	540,179	274,933	49.10	25,261	1,088.38
2023	273,139	570,772	297,633	47.85	24,527	1,213.51
2024	289,708	595,849	306,141	48.62	24,071	1,271.82

Source: City of Jacksonville Corrections Officers Retirement Plan Actuarial Valuation and Review as of October 1, 2024.

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**SCHEDULE OF FUNDING PROGRESS**  
**CJRS - Police and Fire Pension Plan**  
(in thousands)

<b>Valuation Date October 1</b>	<b>Actuarial Value of Assets (a)</b>	<b>Actuarial Accrued Liability (AAL) (b)</b>	<b>UAAL<sup>(1)</sup> (b-a)</b>	<b>Funded Ratio (a/b)</b>	<b>Annual Covered Payroll (c)</b>	<b>UAAL as a % of Covered Payroll ((b-a)/c)</b>
2015	\$1,354,405	\$3,142,228	\$1,787,823	43.1%	\$132,735	1,346.9%
2016	1,513,398	3,518,252	2,004,853	43.0	135,600	1,478.5
2017	1,765,159	3,736,610	1,971,451	47.2	149,490	1,318.8
2018	1,865,496	3,880,073	2,014,577	48.1	162,004	1,243.5
2019	1,946,967	4,036,925	2,089,958	48.2	174,125	1,200.3
2020	2,041,049	4,253,525	2,212,476	48.0	174,186	1,270.2
2021	2,198,635	4,574,334	2,375,699	48.1	161,836	1,468.0
2022	2,259,230	4,916,393	2,657,163	46.0	162,885	1,631.3
2023	2,297,064	5,133,762	2,836,697	44.7	159,543	1,778.0
2024	2,431,723	5,513,314	3,081,591	44.1	166,632	1,849.3

Note: Totals may not foot due to rounding.

Source: City of Jacksonville Police and Firefighter Retirement Plan Actuarial Valuation and Review as of October 1, 2024.

### Investment Policy

In the case of the expected rate of return of assets, the actual rate of return on the pension plans depends on the performance of their respective investment portfolios. The investment portfolios of the respective pension plans can be highly volatile. The value of the securities in the investment portfolios can dramatically change from one fiscal year to the next, which could in turn, cause substantial increases or decreases in the applicable UAAL.

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

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<b>Asset Class</b>	<b>Jacksonville Retirement System Target</b>	<b>Police &amp; Fire Pension Fund Target</b>
Domestic Equity	30%	37%
International Equity	23	20
Fixed Income	20	20
Real Estate	15	8
Diversifying Assets/Private Investments*	12	10

\* Inclusive of MLPs, Private Equity, and Private Credit.

Source: City of Jacksonville General Employees Retirement Plan Actuarial Valuation and Review as of October 1, 2024, City of Jacksonville Corrections Officers Retirement Plan Actuarial Valuation and Review as of October 1, 2024 and Jacksonville Police and Fire Pension Fund Actuarial Valuation Report as of October 1, 2024.

The investment policy statement for the Jacksonville Retirement System was ratified on July 1, 2021. The investment policy statement for the Jacksonville Police & Fire Pension Fund was ratified on May 21, 2021. There are no individual investments in JRS or PFPF Systems that exceed 5% of plan assets on September 30, 2023.

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, 2023, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 12.99% for the Jacksonville Retirement System and 13.70% for the Police and Fire Pension Fund.

The long-term expected rate of return on pension plan investments is determined annually by the Board of Trustees of each plan. In determining the long-term expected rate of return, each Board considers the most up-to-date long-term capital markets assumptions of its investment consultant. The long-term capital market assumptions for each major asset class considered by both pension boards as of September 30, 2023, are summarized below:

<b>Asset Class</b>	<b>Long-Term Expected Arithmetic Rate of Return</b>
Large/Mid Cap Domestic Equity	6.75%
Small Cap Domestic Equity	7.25
Developed Large/Mid Cap International Equity	8.50
Emerging Markets Equity	11.25
Core Fixed Income	4.00
Global Fixed Income	3.25
High Yield Fixed Income	7.25
Emerging Market Debt (Hard Currency)	7.50
Core Real Estate	5.75
Non Core Real Estate	8.00
Private Equity	10.00
Private Credit	8.00

## Defined Contribution Plan

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

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

Total contributions were \$677.4 million for the Fiscal Year 2024. Contributions totaling \$11.9 million were transferred into the DC plan for participants that converted from DB to DC in addition to employer and employee contributions. Employer Pension Expense totaled \$51 million comprised of employer contributions and investment management fees net of participant forfeitures in the amount of \$2.1 million.

Plan participation and contributions by employer and employees for the Fiscal Years 2021 through 2024 are shown in the table below.

### SCHEDULE OF CONTRIBUTIONS Defined Contribution Retirement Plan (Dollar Amounts in thousands)

Fiscal Year Ended September 30	Number of Participants	Employer Contribution	Employee Contributions
2021	15,194	\$26,127	\$29,544
2022	16,339	35,447	36,445
2023	13,987	41,774	21,737
2024	15,269	50,717	46,013

Source: City of Jacksonville, Florida – Department of Finance.

## Pension Reform; Pension Liability Surtax

Financial pressures mounted during and after the 2008 national recession as a result of both declining revenues (due primarily to both the economic slowdown and property value decreases) and increasing pension contributions (due primarily to poor funding levels and unrealized assumptions). As a

response to these pressures, the City pursued major cost savings efforts by cutting payroll, limiting major capital spending, and by implementing retirement system reforms. The reform effort set out to address, among other matters, reducing plan benefits and limiting the growth of the City's exposure to defined benefit plans, improving governance of the fund, as well as finding methods for paying down the unfunded liabilities more rapidly. The pension reform measures provide a dedicated future funding source with the goal of ensuring that the defined benefit plans remain financially sound and to reduce and slow what would have been the continued significant growth of the City's contributions to the plans in the near to mid-term.

During the 2016 Florida legislative session, Section 212.055(9), Florida Statutes, was enacted which authorizes the levy of a half-cent sales tax by ordinance to fund an underfunded defined benefit retirement plan or system. Such pension liability surtax was required to be approved by local referendum and is subject to certain restrictions, including, but not limited to, (a) plans which receive funds from such surtax must be closed to new participants, (b) employee pension contributions must be increased to 10% for all employees, (c) the local government must currently levy a local government infrastructure surtax which is scheduled to terminate and is not subject to renewal, and (d) the pension liability surtax will not take effect until the existing local government infrastructure surtax is terminated, as described below. Such pension liability surtax must terminate on December 31 of the year in which the actuarial funding level is expected to reach or exceed 100% for the defined benefit retirement plan or system for which the surtax was levied or December 31, 2060, whichever occurs first. A local referendum to approve such pension liability surtax in the City was held on August 30, 2016 and was approved by 65% of the voters.

In accordance with the requirements described above, the CJRS and PFPP defined benefit pension plans have been closed to all future City employees, including public safety, hired on or after October 1, 2017. Those current employees remaining in the defined benefit plans will contribute 10% of their salaries, an increase from their previous contribution rate of 8%. All employees hired after October 1, 2017 enter the City's defined contribution plan. By closing the defined benefit plan, the City has now met all local requirements to collect the pension liability surtax with the exception of the sunset of the existing Infrastructure Sales Tax that is set to expire upon the earlier of the City fulfilling all of its obligations secured thereby or 2030. At that point, the pension liability surtax approved by the voters will begin to be levied and collected in the same amount as the expiring tax and proceeds will be dedicated to the underfunded and closed CJRS and PFPP defined benefit pension plans. At this time, the City expects the existing Infrastructure Sales Tax will continue until its expiration in 2030. See "SECURITY FOR THE SERIES 2025 BONDS – Infrastructure Sales Tax; Special Revenue (BJP) Bonds" herein for more information.

The pension liability surtax is estimated by the City to generate approximately \$9.6 billion between 2031 and 2060. Pursuant to Section 212.055(9), Florida Statutes, the City is recognizing the present value of the future revenue stream from the pension liability surtax as an offset to the unfunded liabilities of the CJRS and PFPP defined benefit pension plans, in their pro-rata share of total unfunded liabilities. The present value of the future revenue stream is determined by the plan actuaries based on an annual growth rate established by resolution by the City Council by October 31 of each year. This results in a reduction of the City's contribution, shifting those costs, together with interest on the portion being deferred, to the period in which the pension liability surtax revenue will exist to cover such costs (expected to be 2031). Due to this shift of costs, the traditional metrics of "funded ratio" and UAAL are expected to appear not to improve until the revenue stream of the pension liability surtax commences. To mitigate concerns of stagnant pension funding metrics and lower than desired liquidity during this period, the City enacted an ordinance mandating a liquidity requirement with a minimum of five times the actual market value of assets in the CJRS and PFPP defined benefit pension plans to annual benefit payments. If the minimum

requirement is not met, the City is required, subject to appropriation of legally available funds, to make additional contributions necessary to meet the minimum. The CJRS and PFPP defined benefit plans currently meet the minimum requirement. In addition, that ordinance also requires the City to make a minimum contribution to each of the CJRS and PFPP defined benefit plans regardless of whether the liability offset produces a lower contribution requirement.

Should the economy fail to grow at 2.5% and should investments not perform within 1% of the actuarial assumptions, both measured over three-year periods, either the City or the unions have the right to reopen negotiations.

With the above-described pension reforms, it is expected that the City will be able to use available future property and sales tax revenue growth, if any, to address other demands on its resources such as public safety, capital maintenance, capital improvement, and other growth opportunities for the community rather than diverting such growth, if any, to growing pension costs as has been the case over the past decade. Fully enacted pension reforms are designed to alleviate budget pressure, reduce the City's financial risk and provide additional dedicated funding to ensure the long-term financial stability of the City's pension plans.

#### **Other Post-Employment Benefits (OPEB)**

The City provides retirees with two options to purchase health insurance, both of which are single employer, experience-rated health insurance contract plans that provide medical benefits to active and eligible retirees at the City's group rate as mandated by Section 112.0801, Florida Statutes. During a recent plan change, effective January 1, 2020, members of the Jacksonville Sheriff's Office and the Jacksonville Fire and Rescue Department, including their retirees, left the City's health plan ("COJ Plan") to participate in the newly formed health plan, the Jacksonville Police Officers & Fire Fighters Health Insurance Trust ("JPOFFHIT Plan"). As a result, the OPEB liability pertaining to the JPOFFHIT members were spun-off into a new JPOFFHIT plan members-only actuarial valuation for Fiscal Year 2020 and onward.

The State of Florida law prohibits the City from separately rating retirees and active employees. The City therefore assigns to both groups equal, blended-rate premiums. Although both groups are assigned the same blended rate premiums, GAAP requires the actuarial liabilities to be calculated using age-adjusted premiums approximating claim costs for retirees separate from active members. This requirement delineates the City's implicit cost (rate) subsidy benefit and obligation for the retirees' participation.

The City follows a pay-as-you-go policy, contributing only those amounts necessary to provide for its portion of current year benefit costs and expenses plus any addition to the reserve for accrued costs incurred but not yet reported, as determined as part of the insurance contracts. Because the City is on pay-as-you-go, the OPEB entries are recorded in the Governmental Activities Statement of Net Position and Statement of Activities. Since the implicit cost subsidy is the only OPEB benefit and the pay-as-you-go system provides no funding to a trust, any administration costs are paid by the general fund and are considered immaterial. The contribution requirements for members are established by the City. Retired members pay the full premium at the Group rate for the coverage elected. No direct City subsidy is currently applicable; however, as discussed in the Plan Description paragraph above, an implicit cost (rate) subsidy is applicable.

Total OPEB expenses for the COJ Plan and JPOFFHIT Plan for the Fiscal Year 2024 were approximately \$12,830,000 and \$17,426,000, respectively.



## **INVESTMENT POLICY**

Pursuant to Section 218.415, Florida Statutes, the City has adopted an Investment Policy (the "Investment Policy"). The original Investment Policy was adopted on March 1, 2004 and later amended to reflect its current form on August 9, 2011, although the City is currently in the process of updating the document. The Investment Policy applies to all funds under the control of the City in excess of those required to meet short-term expenses, including funds related to the issuance of debt by the City. The Investment Policy does not apply to any financial assets of the Jacksonville Retirement System, the Police and Fire Pension Fund, certain Constitutional Officers of Duval County, or various independent authorities. The Investment Policy may be amended from time to time by the City Council. The Investment Policy is expected to be revised in late 2025. Amounts held in the funds and accounts established under the Special Revenue Bond Ordinance may be invested in Investment Securities, the definition of which refers to the Investment Policy.

The City's Investment Policy provides that its investment portfolio shall be managed with the primary objective of safety of capital, the secondary objective of liquidity, and the third objective of income realization in excess of stated benchmarks. Pursuant to the Investment Policy, the City will strive to meet earnings expectations while protecting the safety of capital, maintaining the liquidity of the portfolio, and following prudent investment principles. The Investment Policy states that the structure of the portfolio should be based on an understanding of the variety of risks and the basic principle of diversification, imposed by the policy, on the structure of the portfolio. It is the position of the City that the interest of the citizens of the City of Jacksonville can best be served by actively managing the City funds, through the assumption of a prudent level of risk, in order to achieve a total return commensurate with the level of risk assumed. The City, in adopting the Investment Policy, recognizes that the goal of total return portfolio management is to add economic value to a portfolio under circumstances prevailing from time to time. This may necessitate the sale of securities at a loss in order to reduce portfolio risk (without a material reduction in return) or to achieve a greater overall return (without assuming any material amount of additional risk) that could have been obtained if the original position had been held.

The City, upon approval of the Investment Policy, hired external money managers to manage its aggregate and liquidity portfolios. Under the Investment Policy the following classes of securities are deemed suitable for investment by the City and may be purchased up to the limits and subject to standards defined within the Investment Policy for each asset type: U.S. Government and Agency Debt Obligations, U.S. Government Instrumentality Debt Obligations, High Grade Corporate Debt, Mortgage-Backed Securities, Bank Certificates of Deposit, Repurchase Agreements, Money Market Mutual/Trust Funds, State and Local Taxable and/or Tax Exempt Debt, Fixed Income Mutual Funds, Other Externally Managed Funds, Derivative Securities, limited amounts of below investment grade and international bonds, and Reverse Repurchase Agreements.

## **DEBT MANAGEMENT POLICY**

In June 2009, the City Council approved the first substantial rewrite of the City's Debt and Swap Policy (the "Debt Management Policy") since 2003. Amendments to the Debt Management Policy were approved by the City Council in February 2011 and again in November 2015. Prepared by the City's Finance Department, the Debt Management Policy is a broad policy document providing guidance designed to promote effective and efficient management of the City's debt program, providing a framework for the structuring and monitoring of debt issuances, and demonstrating a commitment to long-term financial

planning. The policies are intended to ensure that future elected officials have reasonable flexibility to address emerging issues within a consistently applied framework.

The Debt Management Policy establishes a Debt Oversight Committee consisting of the Chief Financial Officer (as Chairman), the Chief Administrative Officer or his/her designee, the Treasurer, the Comptroller, the Budget Officer, the Senior Debt Manager, and others designated by the CFO, with the Council Auditor, or his/her designee, acting as an ex officio member.

The City's annual Debt Affordability Model is a critical element in maintaining and improving its current "Aa" or equivalent rating by the national rating agencies by establishing and routinely evaluating appropriate objective guidelines and parameters for debt issuance. The 2015 revision requires two annual debt affordability models. One is a baseline model with all existing and planned debt factored in, the second layers in the level of Capital Improvement Program borrowing proposed by the mayor as part of the budget process as well as each \$10 million level above and below that within a 50% band. This is to provide the City Council with the transparency of what issuing varying levels of debt is forecast to do to the City's various financial ratios and will result in more foresight in planning.

A Debt Management Policy revision has been introduced into legislation with the final approval by City Council expected in late July to early August.

## **INVESTMENT CONSIDERATIONS**

This section does not purport to summarize all risks that may be associated with purchasing or owning the Series 2025 Bonds and prospective purchasers are advised to read this Official Statement in its entirety for a more complete description of investment considerations relating to the Series 2025 Bonds.

### **Pandemics and Other Public Health Concerns**

The City's financial results could be harmed by a national or localized outbreak of a highly contagious, epidemic or pandemic disease. For example, the spread of the novel strain of coronavirus called COVID-19, along with various governmental measures taken to protect public health in light of the pandemic, had a negative financial impact on local, state and national economies, including the City.

There can be no guarantee that COVID-19 or another outbreak of a highly contagious disease will not have negative impacts on economic activity within the City in the future.

### **Extreme Weather and Natural Disasters**

The State is naturally susceptible to the effects of extreme weather events and natural disasters including floods, droughts, and hurricanes, which could result in negative economic impacts on coastal communities such as the City. Such effects can be exacerbated by a longer-term shift in the climate over several decades (commonly referred to as climate change), including increasing global temperatures and rising sea levels. The occurrence of such extreme weather events could damage local infrastructure that provides essential services to the City. The economic impacts resulting from such extreme weather events could include a loss of revenue, interruption of service, and escalated recovery costs.

The City has taken steps to protect against potential damage from these natural disasters. Jacksonville's Storm Resiliency and Infrastructure Development Review Committee was established and is charged with evaluating controls, including existing infrastructure, with the purpose of preventing and

mitigating the effects of severe storms in addition to elevated water levels. The committee has also contributed to enacting legislation to protect new infrastructure from storm related impacts.

### **Cybersecurity**

The City has implemented a variety of technologies, processes and practices designed to protect its information and information systems, including its computers, networks, programs and data, from attack, damage or unauthorized access. These initiatives include: (i) an experienced cyber security team, (ii) modernized inventory of technology with the latest software suites, (iii) an employee education program, (iii) daily back up of assets and information, and (iv) continual implementation of new technologies and undergoing risk assessments to strengthen protection and mitigate risk. Additionally, the City has purchased a cyber-liability insurance policy and has adopted a Continuity of Operations Plan, which details steps to take in the event of a serious breach. The City's cyber security team is complemented by third-party intrusion detection services tasked with providing alerts and assessments to maximize the mitigation of risk. Additionally, the City has also procured penetration testing assessment services and will be performing those tests on an annual basis.

### **Inflation and Economic Issues**

The United States has been experiencing high levels of inflation which has had an impact on the cost of goods and services, including construction materials and products and installations thereof needed by the City, and could influence discretionary spending of consumers, including tourism. Additionally, general economic policy, including tariff policies, that may be in effect from time to time now or in the future may have significant adverse impacts on economic conditions and/or the price of imported goods. As a result, the City may experience delays and increased costs that might be incurred due to inflation and such supply chain issues. Therefore, for new projects that have not yet started, the City is taking these factors into account in budgeting and scheduling.

## **VARIABLE RATE DEBT EXPOSURE**

### **Variable Rate Debt**

Pursuant to the Debt Management Policy, variable rate debt may not exceed 30% of the total debt of the City. The City's Commercial Paper Notes (the "Commercial Paper Notes"), which are issued with maturities of one to 270 days, are the only variable rate debt obligations outstanding. As of September 30, 2024, the City had outstanding Commercial Paper Notes in the principal amount of \$57,100,000, all or a portion of which will be refinanced through the issuance of the Series 2025 Bonds.

An irrevocable direct pay letter of credit issued by Bank of America, N.A., provides liquidity support for the City's Commercial Paper Notes (the "Commercial Paper LOC"). The Commercial Paper LOC expires on September 8, 2025. The City anticipates extending the Commercial Paper LOC for an additional two years.

### **Interest Rate Exchange Agreements**

Pursuant to the Debt Management Policy and City ordinances, the maximum net notional amount of interest rate swaps permitted to be outstanding is \$400,000,000. The term of fixed to floating rate swaps may not exceed five years and the term of floating to fixed rate swaps may not exceed 20 years but will be determined based on the life of the related instrument being hedged. All providers of interest rate swaps,

caps, options and other hedging agreements are required pursuant to the Debt Management Policy to either (a) be rated AA-/Aa3 or better by at least two rating agencies at the time of execution and enter into a collateral agreement to provide collateral in the event the rating falls below the AA-/Aa3 level or (b) be rated A/A2 or better by at least two rating agencies at the time of execution and enter into a collateral agreement.

The City does not have any hedging agreements outstanding as of the date hereof. The City may enter into hedging agreements in the future or amend or terminate one or more of its then outstanding hedging agreements, to assist in managing exposure to fluctuations in interest rates. Upon the occurrence of certain events provided in the hedging agreements, such agreements may be terminated prior to their stated termination dates, requiring the City to make, or entitling the City to receive, a termination payment, based upon the market value of the terminated agreement at the time of termination.

### **MUNICIPAL ADVISOR**

PFM Financial Advisors LLC, Orlando, Florida, is acting as Municipal Advisor to the City in connection with the issuance of the Series 2025 Bonds. The Municipal Advisor will not engage in any underwriting activities with regard to the issuance and sale of the Series 2025 Bonds. The Municipal Advisor is not obligated to undertake and has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement and is not obligated to review or ensure compliance with the undertaking by the City to provide continuing secondary market disclosure.

### **UNDERWRITING**

The Series 2025 Bonds are being purchased by Samuel A. Ramirez & Co., Inc., on behalf of itself and the underwriters listed on the cover page of this Official Statement, subject to certain terms and conditions. The aggregate purchase price for the Series 2025 Bonds payable to the City is \$[\_\_\_\_\_] (representing the par amount of the Series 2025 Bonds of \$[\_\_\_\_\_] [plus/less] bond [premium/discount] of \$[\_\_\_\_\_] and less an Underwriters' discount of \$[\_\_\_\_\_]). The Underwriters are committed to purchase all the Series 2025 Bonds if any are purchased. The Series 2025 Bonds are offered for sale to the public at the prices derived from the yields set forth on the inside cover page of this Official Statement. The Series 2025 Bonds may be offered and sold to certain dealers (including dealers depositing Series 2025 Bonds into investment trusts) at prices lower than such offering prices, and such public offering prices may be changed, from time to time, by the Underwriters.

The Underwriters have provided the following statements for inclusion in this Official Statement:

The Underwriters and their affiliates are full-service financial institutions engaged in various activities, that may include securities trading, commercial and investment banking, municipal advisory, brokerage, and asset management. In the ordinary course of business, the Underwriters and their affiliates may actively trade debt and, if applicable, equity securities (or related derivative securities) and provide financial instruments (which may include bank loans, credit support or interest rate swaps). The Underwriters and their affiliates may engage in transactions for their own accounts involving the securities and instruments made the subject of this securities offering or other offering of the City. The Underwriters and their affiliates may also communicate independent investment recommendations, market color or trading ideas and publish independent research views in respect of this securities offering or other offerings of the City. The Underwriters and their affiliates may make a market in credit default swaps with respect to municipal securities in the future.

BofA Securities, Inc., an underwriter of the Series 2025 Bonds, has entered into a distribution agreement with its affiliate Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S"). As part of this arrangement, BofA Securities, Inc. may distribute securities to MLPF&S, which may in turn distribute such securities to investors through the financial advisor network of MLPF&S. As part of this arrangement, BofA Securities, Inc. may compensate MLPF&S as a dealer for their selling efforts with respect to the Series 2025 Bonds.

TD Securities (USA) LLC, one of the Underwriters of the Series 2025 Bonds, has entered into two negotiated dealer agreements (the "TD Dealer Agreements") with Charles Schwab & Co., Inc. ("CS&Co.") and Revere Securities LLC ("Revere") for the retail distribution of certain securities offerings, including the offered Series 2025 Bonds at the original issue prices. Pursuant to the TD Dealer Agreements, CS&Co. and Revere may purchase Series 2025 Bonds from TD Securities (USA) LLC at the original issues prices less a negotiated portion of the selling concession applicable to any of the Bonds CS&Co. and Revere sells.

## **RATINGS**

S&P, Fitch and Kroll have assigned ratings of "AA" (stable outlook), "AA+" (stable outlook) and "AA" (stable outlook), respectively, to the Series 2025 Bonds. Such ratings reflect the view of such organizations and an explanation of the significance of such respective ratings may only be obtained from the rating agencies furnishing the same. Generally, rating agencies base their ratings on the information and materials furnished to them and, in addition, on investigations, studies and assumptions made by the rating agencies themselves. There is no assurance that the ratings mentioned above will continue for any given period of time or that they may not be lowered or withdrawn entirely by the rating agencies or either of them, if in their or its judgment, circumstances so warrant. Any such downward revision in or withdrawal of any of such ratings may have an adverse effect on the market price of the Series 2025 Bonds. The City and the Underwriters are not obligated to appeal or contest any lowered or withdrawn ratings. For any additional description of the ratings and their meanings S&P, Fitch and Kroll should be contacted.

## **LEGAL MATTERS**

Legal matters incident to the validity of the Series 2025 Bonds including their authorization, issuance and sale by the City, are subject to the unqualified approving legal opinion of Greenberg Traurig, P.A., Orlando, Florida, Bond Counsel. Certain legal matters will be passed on for the City by GrayRobinson, P.A., Jacksonville, Florida, and Ezell Law Firm P.A., Jacksonville, Florida, Co-Disclosure Counsel, and its Office of General Counsel. Certain legal matters will be passed on for the Underwriters by their counsel, Butler Snow LLP, Jacksonville, Florida. The form of Bond Counsel Opinion appears as APPENDIX D to this Official Statement.

## **TAX MATTERS**

### **General - Opinions**

The following discussion is a summary of the opinion of Bond Counsel to the City that is to be rendered on the tax status of interest on the Series 2025 Bonds and of certain federal income tax considerations that may be relevant to prospective purchasers of the Series 2025 Bonds. This summary is based on existing law, including current provisions of the Internal Revenue Code of 1986, as amended (the "Code"), existing and proposed regulations under the Code, and current administrative rulings and court decisions, all of which are subject to change.

Upon issuance of the Series 2025 Bonds, Bond Counsel to the City will provide its opinion, expected to be in the proposed form set forth in APPENDIX D, to the effect that, under existing law, as currently enacted and construed, and subject to the assumptions described below: (i) interest on the Series 2025 Bonds is excludable from gross income for federal income tax purposes; (ii) interest on the Series 2025 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; and (iii) in the case of the alternative minimum tax imposed by Section 55(b)(2) of the Code on applicable corporations (as defined in Section 59(k) of the Code), interest on the Series 2025 Bonds is not excluded from the determination of adjusted financial statement income. Bond Counsel is also of the opinion that the Series 2025 Bonds and the income thereon will not be subject to taxation under the laws of the State of Florida, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined in said Chapter 220.

The foregoing federal tax opinions as to excludability of interest on the Series 2025 Bonds from federal gross income will assume continuing compliance by the City with certain requirements of the Code that must be met subsequent to the issuance of the Series 2025 Bonds. The City will certify, represent and covenant to comply with such requirements. Failure to comply with such requirements could cause the interest on the Series 2025 Bonds to be included in gross income, or could otherwise adversely affect such opinions, retroactive to the date of issuance of the Series 2025 Bonds.

Except as described above under "General – Opinions," Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the receipt or accrual of the interest on the Series 2025 Bonds, or the ownership or disposition of the Series 2025 Bonds. Prospective purchasers of Series 2025 Bonds should be aware that the ownership of Series 2025 Bonds may result in other collateral federal tax consequences, including (a) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry the Series 2025 Bonds, (b) the reduction of the loss reserve deduction for property and casualty insurance companies by the applicable statutory percentage of certain items, including the interest on the Series 2025 Bonds, (c) the inclusion of the interest on the Series 2025 Bonds in the earnings of certain foreign corporations doing business in the United States for purposes of a branch profits tax, (d) the inclusion of the interest on the Series 2025 Bonds in the passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year and (e) the inclusion of interest on the Series 2025 Bonds in the determination of the taxability of certain Social Security and Railroad Retirement benefits to certain recipients of such benefits (vi) net gain realized upon the sale or other disposition of property such as the Series 2025 Bonds generally must be taken into account when computing the Medicare tax with respect to net investment income or undistributed net investment income, as applicable, imposed on certain high income individuals and specified trusts and estates and (vii) receipt of certain investment income, including interest on the Series 2025 Bonds, is considered when determining qualification limits for obtaining the earned income credit provided by Section 32(a) of the Code. The nature and extent of the other tax consequences described above will depend on the particular tax status and situation of each owner of the Series 2025 Bonds. Prospective purchasers of the Series 2025 Bonds should consult their own tax advisors as to the impact of these and any other tax consequences.

The IRS has an ongoing program of auditing state and local government obligations, which may include randomly selected bond issues for audit, to determine whether interest paid to the holders is properly excludable from gross income for federal income tax purposes. It cannot be predicted whether the Series 2025 Bonds will be audited. If an audit is commenced, under current IRS procedures the holders of the Series 2025 Bonds may not be permitted to participate in the audit process. Moreover, public awareness of an audit of the Series 2025 Bonds could adversely affect their value and liquidity.

Bond Counsel to the City will render its opinion as of the issuance date and will assume no obligation to update their opinions after the issuance date to reflect any future facts or circumstances, or any future changes in law or interpretation, or otherwise. Moreover, the opinions of Bond Counsel are not binding in the courts or on the IRS; rather, such opinions represent Bond Counsel's legal judgment based upon their review of existing law and upon the certifications, representations and covenants referenced above.

### **Original Issue Discount and Premium**

Certain of the Series 2025 Bonds (the "Discount Series 2025 Bonds") may be offered and sold to the public at an original issue discount ("OID"). OID is the excess of the stated redemption price at maturity (the principal amount) over the "issue price" of a Discount Bond and determined under Code Section 1273 or 1274 (i.e., for obligations issued for money in a public offering, the initial offering price to the public, excluding bond houses and brokers), at which price a substantial amount of such Discount Series 2025 Bonds of the same maturity was sold pursuant to such offering. For federal income tax purposes, OID accrues to the owner of a Discount Series 2025 Bond over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the period of ownership of a Discount Series 2025 Bond (i) is interest excludable from the owner's gross income for federal income tax purposes to the same extent, and subject to the same considerations discussed above, as other interest on the Series 2025 Bonds, and (ii) is added to the owner's tax basis for purposes of determining gain or loss on the maturity, redemption, prior sale or other disposition of that Discount Series 2025 Bond.

Certain of the Series 2025 Bonds ("Premium Series 2025 Bonds") may be offered and sold to the public at a price in excess of their stated redemption price (the principal amount) at maturity (or earlier for certain Premium Series 2025 Bonds callable prior to maturity). That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Series 2025 Bond, based on the yield to maturity of that Premium Series 2025 Bond (or, in the case of a Premium Series 2025 Bond callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Series 2025 Bond), compounded semiannually (or over a shorter permitted compounding interval selected by the owner). No portion of that bond premium is deductible by the owner of a Premium Series 2025 Bond. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity), or other disposition of a Premium Series 2025 Bond, the owner's tax basis in the Premium Series 2025 Bond is reduced by the amount of bond premium that accrues during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Series 2025 Bond for an amount equal to or less than the amount paid by the owner for that Premium Series 2025 Bond.

*Owners of Discount Series 2025 Bonds and Premium Series 2025 Bonds should consult their own tax advisers as to the determination for federal income tax purposes of the amount of OID or bond premium properly accruable in any period with respect to the Discount Series 2025 Bonds or Premium Series 2025 Bonds and as to other federal tax consequences, and the treatment of OID and bond premium for purposes of state and local taxes on, or based on, income.*

### **Information Reporting**

Interest paid on bonds such as the Series 2025 Bonds is subject to information reporting to the IRS in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the

excludability of interest on the Series 2025 Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of Series 2025 Bonds, under certain circumstances, to "backup withholding" at the rates set forth in the Code, with respect to payments on the Series 2025 Bonds and proceeds from the sale of Series 2025 Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Series 2025 Bonds. This withholding generally applies if the owner of Series 2025 Bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the Series 2025 Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

### **Changes in Federal and State Tax Law**

From time to time, there are legislative proposals suggested, debated, introduced or pending in Congress that, if enacted into law, could alter or amend one or more of the federal tax matters described above including, without limitation, the excludability from gross income of interest on the Series 2025 Bonds, adversely affect the market price or marketability of the Series 2025 Bonds, or otherwise prevent the holders from realizing the full current benefit of the status of the interest thereon. It cannot be predicted whether or in what form any such proposal may be enacted, or whether, if enacted, any such proposal would apply to the Series 2025 Bonds. If enacted into law, such legislative proposals could affect the market price or marketability of the Series 2025 Bonds. Prospective purchasers of the Series 2025 Bonds should consult their tax advisors as to the effects of any proposed or pending legislation.

### **LITIGATION**

In the opinion of the Office of General Counsel of the City of Jacksonville, there is no pending litigation against the City which would have any material adverse effect upon the sources or collection of the Covenant Revenues or contesting the validity of the Series 2025 Bonds. The Office of General Counsel is not aware of any threatened litigation contesting the validity of the Series 2025 Bonds or the right of the City to issue the Series 2025 Bonds or which would have any material adverse effect upon the source or collection of the Covenant Revenues.

### **ENFORCEABILITY OF REMEDIES**

The remedies available to the Holders of the Series 2025 Bonds upon an event of default under the Special Revenue Bond Ordinance are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically Title 11 of the United States Code (the federal bankruptcy code), the remedies provided with respect to the Series 2025 Bonds under the Special Revenue Bond Ordinance may not be readily available or may be limited. The various legal opinions delivered or to be delivered concurrently with the delivery of the Series 2025 Bonds will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors generally.

Pursuant to the Special Revenue Bond Ordinance, no Bondholder has any right to institute any suit, action or proceeding in equity or at law for the execution of any trust thereunder or for any other



remedy thereunder unless such Bondholder previously shall have given to the Trustee appointed to represent the Bondholders, in accordance with the Special Revenue Bond Ordinance, written notice of the event of default on account of which such suit, action or proceeding is to be taken, and unless the holders of not less than 25% of the Bond Obligation then outstanding shall have made written request of the Trustee after the right to exercise such powers or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted by the Special Revenue Bond Ordinance or to institute such action, suit or proceeding in its or their name and the Trustee refuses or neglects to comply with such request. The Trustee is entitled to reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, including the reasonable fees of its attorneys (including fees on appeal). See "APPENDIX B — SUMMARY OF CERTAIN PROVISIONS OF THE SPECIAL REVENUE BOND ORDINANCE — Restrictions on Actions by Individual Bondholders" attached hereto.

### **CONTINGENCY FEES**

The City has retained Bond Counsel, the Municipal Advisor, and Co-Disclosure Counsel with respect to the authorization, sale, execution and delivery of the Series 2025 Bonds. Payment of the fees of such professionals and an underwriting discount to the Underwriters (and the fees of Underwriters' Counsel) are each contingent upon the issuance of the Series 2025 Bonds.

### **ANNUAL FINANCIAL REPORTS**

The information in the Basic Financial Statements for the Fiscal Year ended September 30, 2024 (the "Basic Financial Statements") included in the City's Annual Comprehensive Financial Report for such Fiscal Year (the "Annual Comprehensive Financial Report") is an integral part of this Official Statement and is hereby incorporated by reference thereto. Copies of the Annual Comprehensive Financial Report may be obtained from the City upon request to the Chief Financial Officer, Director of Finance, 117 West Duval Street, Suite 300, Jacksonville, Florida 32202, telephone number (904) 255-5354, or from the City's website at <https://www.coj.net/departments/finance/accounting/comprehensive-annual-financial-reports>.

The Basic Financial Statements have been audited by Carr, Riggs & Ingram, LLC, independent certified public accountants (the "Auditor"), as stated in their report dated June 20, 2025 appearing therein (the "Report"). The consent of the Auditor to incorporate such report was not requested and such report is provided only as a publicly available document. The Auditor has not been engaged to perform and has not performed, since the date of the Report, any procedures on the financial statements addressed in the Report. The Auditor also has not performed any procedures relating to this Official Statement.

EXCEPT FOR THE BASIC FINANCIAL STATEMENTS, NONE OF THE REMAINDER OF THE ANNUAL COMPREHENSIVE FINANCIAL REPORT OR OTHER INFORMATION CONTAINED ON THE CITY'S WEBSITE IS INCLUDED BY REFERENCE INTO THIS OFFICIAL STATEMENT. The physical appearance of the printed version of the Annual Comprehensive Financial Report may differ from the electronic version available on the City's website for various reasons including electronic transmission difficulties or particular user equipment. Users relying on the electronic version assume the risk of resulting discrepancies between it and the printed version.

### **CONTINUING DISCLOSURE**

To assist the Underwriters in complying with Rule 15c2-12 promulgated by the Securities and Exchange Commission and as in effect on the date hereof (the "Rule"), simultaneously with the issuance of

the Series 2025 Bonds, the City will enter into, for the benefit of the Beneficial Owners, the Continuing Disclosure Agreement (the "Disclosure Agreement"), the form of which is attached hereto as "APPENDIX E – FORM OF CONTINUING DISCLOSURE AGREEMENT."

Pursuant to the Rule, the City, as an "obligated person" with respect to the Series 2025 Bonds, has covenanted in the Disclosure Agreement to file certain annual financial information and operating data and the City's audited financial statements with EMMA or such other electronic format prescribed by the MSRB, as required by the Rule. Such covenant shall apply only as long as the Series 2025 Bonds remain outstanding. The covenant shall also cease upon the termination of the continuing disclosure requirements of the Rule by legislative, judicial or administration action. The specific nature of the financial information, operating data, and of the type of events which trigger a disclosure obligation and other details of the City's undertaking is more fully described in the form of the Disclosure Agreement attached hereto as APPENDIX E.

The following disclosure is being provided by the City for the sole purpose of assisting the Underwriters in complying with the Rule: The City previously entered into continuing disclosure undertakings, as an "obligated person" under the Rule, with respect to bonds issued by the City (the "Undertakings"). In the previous five year period beginning in July, 2020 and ending in July, 2025 (the "Compliance Period"), due to administrative oversight and disparate provisions regarding the information required to be provided and the nature, timing and availability of required information, the City has, on several instances during the Compliance Period, failed to comply with certain provisions of the Undertakings, specifically: failing to timely file (a) its Annual Comprehensive Financial Report for Fiscal Years 2020, 2021 and 2022 as a direct result of a combination of challenges including auditor delays, the City's implementation of a new accounting system, the mandatory stay at home measures associated with COVID-19 emergency, as well as delays in receipt of component unit audited financials; (b) a notice on incurrence of a financial obligation with respect to that certain financial obligation issued on August 12, 2021, (c) a notice of an incurrence of a financial obligation with respect to that certain financial obligation issued July 7, 2022 and (d) a notice of an incurrence of a financial obligation with respect to that certain financial obligation issued August 1, 2023. As of the date hereof, all such failures have been cured. The City has engaged Digital Assurance Certification, L.L.C. as its dissemination agent to monitor and provide continuing disclosure services and has adopted written policies and procedures in order to assist the City in compliance with the requirements of the Rule that are applicable to its bond portfolio.

#### **DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS**

Pursuant to Section 517.051, Florida Statutes, as amended, the City is required to provide full and fair disclosure as to bonds or other debt obligations that it has issued or guaranteed and that are or have been in default as to principal or interest at any time since December 31, 1975, as provided by rule of the Florida Department of Financial Services (the "Department"). Pursuant to Rule 69W-400.003, Florida Administrative Code, the Department has required that such disclosure include information concerning the dates, amounts and types of defaults, any legal proceedings resulting from such, whether a trustee or receiver has been appointed over the assets of the City, and certain additional defaults and financial information, unless the City believes in good faith that such information would not be considered material by a reasonable investor. The City is not and has not since December 31, 1975 been in default as to principal or interest on its bonds or other debt obligations. The City has, however, received notices of default with respect to certain bonds for which the City has acted as a conduit issuer, which bonds are payable from the revenues of private commercial enterprises. The City in good faith believes that any additional disclosure of information concerning any such default or defaults with respect to bonds which are payable from the

revenues of a private commercial enterprise would not be considered material by a reasonable investor in the Series 2025 Bonds, because the City is not obligated to pay debt service with any public funds of the City.

There are several dependent or independent authorities, some or all of the governing bodies of which are appointed by the City, which are separate legal entities in Duval County and which have issued their own conduit debt. None of them is authorized to pledge any revenues or assets of the City for its debt. These authorities have issued debt as conduits for private entities, which debt is payable solely from specific revenues or assets derived from the private entities. From time to time, certain of such conduit debt may be in technical or payment default or under investigation as to tax-exempt status of interest on such debt. The City in good faith believes that disclosures of such defaults or investigations would not be considered material by a reasonable investor in the Series 2025 Bonds.

### **MISCELLANEOUS**

The references, excerpts and summaries of all documents referred to herein do not purport to be complete statements of the provisions of such documents and reference is directed to all such documents for full and complete statements of all matters of fact relating to the Series 2025 Bonds, the security for and the source for repayment for the Series 2025 Bonds and the rights and obligations of the Holders thereof. Copies of such documents may be obtained as specified under the caption "INTRODUCTION" herein.

The information contained in this Official Statement has been compiled from official and other sources deemed to be reliable and is believed to be correct as of this date.

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Official Statement nor any statement which may have been made verbally or in writing is to be construed as a contract with the Holders of the Series 2025 Bonds.

### **AUTHORIZATION OF AND CERTIFICATION CONCERNING OFFICIAL STATEMENT**

This Official Statement has been authorized by the City of Jacksonville, Florida. Concurrently with the delivery of the Series 2025 Bonds, the Mayor and other officers of the City will furnish their certificates to the effect that, to the best of their knowledge, this Official Statement, as of its date and as of the date of delivery of the Series 2025 Bonds, does not contain any untrue statement of a material fact or omit to state a material fact which should be included herein for the purposes for which this Official Statement is to be used, or which is necessary to make the statements contained herein, in the light of the circumstances in which they were made, not misleading.

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**EXECUTION**

The execution and delivery of this Official Statement has been duly authorized by the City Council.

**CITY OF JACKSONVILLE, FLORIDA**

By: \_\_\_\_\_  
Mayor

By: \_\_\_\_\_  
Chief Financial Officer, Director of Finance

## **APPENDIX A**

### **GENERAL INFORMATION ON THE CITY OF JACKSONVILLE, FLORIDA**

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## **APPENDIX A**

### **GENERAL INFORMATION ON THE CITY OF JACKSONVILLE, FLORIDA**

The City of Jacksonville, Florida (the "City") has provided all of the information set forth below.

#### **Government**

The City established a consolidated government on October 1, 1968, which extends throughout the county land area, except that the cities of Atlantic Beach, Neptune Beach, Jacksonville Beach (the "Beaches Communities") and the Town of Baldwin retain their local governments for the performance of certain municipal functions. As a result of the consolidation, the City grew from 39 square miles to 874 square miles, making it the largest city by land area in the contiguous United States.

The territory of the consolidated government is divided into a General Services District, consisting of the total area of Duval County, and five urban services districts consisting of the areas within each of the Beaches Communities, the Town of Baldwin and the territory of the pre-consolidation former City. The consolidated government furnishes certain services in the General Services District, including airports, courts, electricity, fire protection, hospital, libraries, police protection, recreation and parks, schools, streets and highways and welfare; and all of the usual municipal services in the First Urban Services District (the pre-consolidation former City) and the former unincorporated area of Duval County, but specifically excluding the Beaches Communities and the Town of Baldwin.

The charter for the consolidated government provides for the following elected officials: a mayor, 19 council members (14 elected by districts and five at-large but residing in specified districts) who form the City's legislative body (the "Council"), seven school board members (elected by district), a sheriff as chief law enforcement officer, a property appraiser, a tax collector, a clerk of the circuit and county courts, and a supervisor of elections. The Mayor is the chief executive and administrative officer of the consolidated government and is responsible for the appointment of city department heads who must be confirmed by the Council. The Council has legislative powers, which are subject to veto by the Mayor.

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Population Growth

The following record of population is for the entire area of Duval County, which is now the area of the City, the Beaches Communities and the Town of Baldwin.

Year	Population
2015	905,574
2016	923,647
2017	936,811
2018	952,861
2019	970,672
2020	982,080
2021	1,016,809
2022	1,033,533
2023	1,051,278
2024	1,062,593

Source: City of Jacksonville, Florida Annual Comprehensive Financial Report Fiscal Year ended September 30, 2024 and City of Jacksonville, Florida.

Nearly 100 million U.S. consumers live within a day's drive of the City.

Downtown City of Jacksonville ("Downtown")

Downtown is the heart of the arts, history, business, innovation and civic engagement in the North Florida region and is situated on the St. Johns River. "I Dig Jax" is a campaign the City has implemented to highlight any future updates and progress throughout Downtown's future development, including the City's investment of approximately \$1.7 billion in public infrastructure and private development projects.

In 2012, the City established the Downtown Investment Authority (the "DIA") as the economic development agency and the community redevelopment agency for Downtown. This newly empowered agency streamlines the redevelopment and economic development processes for the downtown area as well as provides targeted financial incentives to foster new development and continuing growth for the City.

In fiscal year 2023-2024, the DIA disbursed \$3,683,550.00 against 10 projects with a combined total capital investment of \$404,537,317.00. The DIA has refined numerous incentive programs to attract diverse retail, commercial tenants, affordable and market-rate multi-family housing, and hotels. To achieve revitalization goals, the DIA updated criteria to existing programs and added a variety of new incentive programs, such as the Affordable Housing Support Loan and Commercial Revitalization Program. These changes provide greater certainty to developers regarding applicable criteria, adjust incentives to updated market condition by Downtown neighborhood and provide a greater menu of off-the-shelf programs with predetermined criteria to reduce time and cost involved with extensive underwriting reviews.

To enhance the Downtown environment, the DIA invests in infrastructure improvements such as public art, free Wi-Fi, urban park space, public parking and street lighting. To shape the future of Downtown, the DIA has commissioned studies on pedestrian walkability, riverfront design standards,



convention center feasibility, parking and development strategies for publicly controlled assets. And, since 2016, to support investor-driven parking demand, the DIA has overseen the Office of Public Parking. The DIA released a Request for Proposal in January 2021 for the redesigning of the Northbank site where the Jacksonville Landing stood for decades. Perkins & Will was named the winning architect of the Riverfront Plaza. The park redesign is set to take place in two phases. Phase 1A started in July 2023 with the removal of a portion of Independent Drive. Along with construction of the playground and splash pad, Phase 1B will also include the infrastructure work along the riverwalk and bulkhead. Phase 1, including a park café and office building, playground, event lawn, plaza connecting to Center for Performing Arts, is expected to be completed in 2025 with an investment of \$33 million and Phase 2, which includes a beer and rain garden and pedestrian connection to Main Street Bridge, will begin shortly after Phase 1 is complete.

A Four Seasons Hotel and Residences will be built on the Northbank of the St. Johns River. It will feature 176 hotel rooms with 25 private residences. This project also includes a 156,000 square foot Class A office tower. Total investment is expected to be approximately \$388 million, including approximately \$130 million from the City.

In the summer of 2021, the City and Groundwork Jacksonville broke ground on the Emerald Trail to create a 30-mile network of bicycle and pedestrian trails, parks and restored creeks connecting 14 neighborhoods and Downtown. The Emerald Trail is estimated to cost \$431 million, plus land acquisition. In May 2024, the first leg of the Emerald Trail opened, which includes a 1.3 mile route called the LaVilla Link.

Downtown is the largest sub-market in the region and has over 8.4 miles of riverfront. Pursuant to the 2023-2024 State of Downtown Report, there are approximately 4,707 units, with nearly 7,657 total residents (including single-family units, transitional housing and other residents). There are 2,131 units under construction and 3,139 units in review. Affordability index, the percentage of the median home price that can be purchased with the median household income in the market, is 3.0% higher in the City than the national average. Downtown has over 2,400 businesses with approximately 55,000 employees, including three of the City's Fortune 500 companies – CSX, FIS and Fidelity National Financial. Other leading companies, such as EverBank, Black Knight Financial Services, Haskell and Suddath, have headquarters in the urban core, giving Downtown a strong work culture with a diverse employee base. The City was named the second best city for technology (outside of California and New York) and recognized as a top U.S. logistics hub, both in 2017. In 2020, the U.S. Census Bureau ranked the City among 14 U.S. cities to grow by 100,000 or more from 2010 to 2020. In the last ten years, Downtown has seen 100% increase in multifamily residential units. The number of residents has grown by more than 50% in the past five years. Downtown's 4,707 residential units boast a 96% average occupancy rate. Investors are taking note of Downtown's quick growth with many projects incorporating amenities and retail into mixed use projects. In turn, these new amenities will drive demand, attracting and retaining even more residents.

In June 2017, the Council approved a \$9.8 million incentive package for the redevelopment of four historic and long-vacant structures in the center of Downtown. In 2019, in the central core, Southeast Development Group completed the renovation of the historic 18-story Barnett Building. The mixed-use building now houses 100 working class-to-market rate apartments, including the University of North Florida's Coggin College of Business Satellite campus and Entrepreneurship Center, which held its grand opening in February 2019.

The National Football League's Jacksonville Jaguars and the City unveiled a design for the Stadium of the Future to enhance EverBank Stadium, home to the Jaguars. The design creates an iconic, accessible

community nexus that ties together the surrounding neighborhoods and riverfront. The venue will celebrate the City's natural landscape and climate, offering a park-like ambiance enriched by the latest amenities, engaging social spaces and state of the art technology. The Stadium of the Future design meets the evolving needs of all stadium stakeholders, which include the Jacksonville Jaguars, the annual University of Florida-University of Georgia college football game, the TaxSlayer Gator Bowl, international sporting events, major music festivals/tours and the thousands of fans and guests in attendance at each event which provide significant spikes in sales tax revenue and tourism to Downtown. On June 25, 2024, the City Council approved the Stadium of the Future with a total estimated cost of \$1.45 billion, a portion of which the City will be responsible for paying. Pursuant to Ordinance 2024-0904, the project includes approximately \$775 million in public funding from the City (including \$150 million of additional investment by City into existing repairs) and \$625 million from the Jaguars. The \$1.45 billion package of legislation included funding for the stadium's makeover, a 30-year lease, a non-relocation agreement and \$56 million in spending on riverfront parks and the stadium-adjacent flex field. A portion of the proceeds of the Series 2025 Bonds are being used to finance the renovations to EverBank Stadium. Renovations began in February 2025 and are estimated to be complete by 2028 NFL Season.

The City also finalized a Community Benefits Agreement. The City will invest \$150 million and an additional \$150 million will come from the Jaguars. These funds will be used to fund workforce development, affordable housing and homelessness funding.

Daily's Place Amphitheater opened in May 2017 with a concert line-up of more than two dozen national acts. Daily's Place is fully integrated into EverBank Stadium, creating a cohesive environment for events and festivals to utilize the entire stadium premises.

A long-awaited project, RiversEdge broke ground in May 2021 on the Southbank Riverfront. RiversEdge will encourage a healthy lifestyle and diversity and its development will bring 1,170 residential units, 200 hotel rooms, 200,000 square feet of office space, 121,400 square feet of retail, 4 public parks and a 125-slip marina to the long-vacant, 30-acre JEA site, and more than 4 acres of public park spaces. Residents began moving into residential units in April 2025.

Gateway Jax's project, Pearl Square, located at Pearl and Ashley Streets broke ground in the Fall 2024. When completed, Pearl Square will include 1,250 multifamily units, 200,000 square feet of retail space, a 100-key boutique hotel, on-site parking and public park space. Investment in this project includes approximately \$750 in private investments and approximately \$99 million from the City.

Downtown has seen an explosion of public art in recent years, with the addition of more than 80 pieces, including murals, sculptures, mosaics, seating and bike rack installations and traffic signal cabinet art in the past decade alone. The Cultural Council of Greater Jacksonville's Art in Public Places program oversees the selection, installation and conservation of a wide range of art on City-owned property and administers the DIA's Urban Arts Project, infusing multiple art pieces into targeted areas. The privately funded Art Republic has curated murals on private property since 2016, while Friends of James Weldon Johnson Park (formerly Friends of Hemming Park) added its own Sculpture Garden in 2019.

Downtown Vision hosts an Art Walk the first Wednesday of every month. This family-friendly event brings people to the cultural and historical center of the city and showcases the City's deep and energetic pool of creative talent. It is estimated that, on average, 5,000 art enthusiasts attend each month to see more than 100 artists exhibiting at the Art Walk. It is a great way to meet fellow artists, buy and appreciate their work, and be part of the City's rapidly growing art scene. Additionally, the City and

Cultural Council of Greater Jacksonville have launched a pilot program to invest in local artists who are helping create a quality of life in the City, which includes providing grants of \$10,000 for artists in any discipline.

### **JAXUSA Partnership**

JAXUSA Partnership ("JAXUSA"), a private, nonprofit division of the Jacksonville Chamber of Commerce, is the City's regional economic development initiative. JAXUSA focuses on recruiting and expanding companies generating more high-quality jobs, increasing private capital investment, resulting in a higher standard of living and a better quality of life for residents of the seven counties that comprise the region – Baker, Clay, Duval, Flagler, Nassau, Putnam, and St. Johns. JAXUSA has created more than 100,000 jobs in the City to date and has assisted in the City being voted three times the "Number one city for expansion and relocation in America" by Expansion Management Magazine and consistently named a supernova city by Urban Land Institute.

### **Intermodal Transportation**

The City's central location, with access to road, rail, sea and air transportation, has made it a significant intermodal of the Southeast. As the city farthest west on the eastern seaboard, the City has easy access to the Southeastern United States, as well as Latin America, the Caribbean and the rest of North America. The City's central location has contributed to it rapidly becoming a significant international trade center as witnessed by the major presence of Amazon, Wayfair, BMW North America, TOTE Maritime, UPS and CSX. Amazon continues its expansion in the City with a 180,000-square-foot package delivery hub in South Jacksonville that is being built-out for \$40 million, and a 155,819-square-foot package delivery station in Northwest Jacksonville planned for \$16 million, their eleventh facility in Northeast Florida.

Jacksonville Port Authority ("JAXPORT") offers two intermodal container transfer facilities ("ICTF") – one on-dock ICTF at the Talleyrand Marine Terminal and one near dock ICTF at the Dames Point Marine Terminal.

The State of Florida (the "State") is the nation's third most populous state, behind California and Texas, with more than 98 million U.S. consumers with same day access to the City's port.

### **Rail Service**

The City is a railroad center and has multiple daily train departures via three railroads: CSX, Norfolk Southern and Florida East Coast Railway. Florida East Coast Railway Company (headquarters in the City) and Norfolk Southern have terminals in the City. The headquarters for CSX Corporation and its principal operating company, CSX Transportation, are located in the City.

### **Air Service**

The Jacksonville Aviation Authority ("JAA") owns and manages the Jacksonville Airport System. The Jacksonville Airport System is a diversified airport system that serves the commercial, business and recreational aviation needs of the City, Northeast Florida and Southeast Georgia and is composed of Jacksonville International Airport ("JIA"), Jacksonville Executive at Craig Airport, Herlong Recreational Airport and Cecil Airport. The organization consists of approximately 270 full-time employees in a structure that includes administration, airport management and operations, and police.

JIA is a growing medium hub airport serving Northeast Florida and Southeast Georgia. It is approximately 8,374 acres located in the northern portion of the City, approximately 18 miles north of Downtown just off of Interstate 95. Construction of a new parking garage began in the summer of 2024 and is scheduled to be completed in June 2026. Construction on a new Concourse B began in July 2024. The estimated \$344 million project will add six additional gates and is expected to be complete in 2026. Scheduled service is provided by eight of the nation's major carriers including Allegiant, American, Breeze, Delta, Frontier, JetBlue, Southwest and United. Passenger enplanements at JIA for the fiscal year ended September 30, 2024 totaled 3.8 million, an increase of approximately 5% from the prior fiscal year.

### **Port Cargo Service**

JAXPORT is governed by a seven-member board; three appointed by Florida's Governor and four appointed by the City's Mayor and confirmed by the Council. JAXPORT, a dependent special district of the City, is composed of three separate port locations in the City, with a diverse mix of cargo including containers, automobiles, bulk and cruise operations. Approximately two thirds of revenues are generated by containers and automobiles. The remaining lines of business include breakbulk, drybulk, liquid cargo, and cruise.

In fiscal year 2024, JAXPORT reported operating revenue of \$70 million—an increase of approximately 7% from fiscal year 2023. JAXPORT's operating expenses were \$47.4 million in fiscal year 2024.

As of September 30, 2024, JAXPORT's net position was \$778,252 compared to \$695,952 for fiscal year 2023. Operating income before depreciation was \$22.6 million, compared to \$21.9 million in 2023. Depreciation expense was \$33.8 million in 2024, compared to \$32.8 million in prior year. JAXPORT's operations are also supported by state and federal grants, as well as an interlocal agreement with the City. State and federal grants in aid of construction of were \$48.5 million for fiscal year 2024.

More than 1.3 million twenty-foot equivalent units ("TEUs") moved through JAXPORT in fiscal year 2024. Breakbulk tonnage volumes were down 11% from prior year. These results reflect the scheduled construction and modernization of 93 acres to accommodate international cargo volumes at deep-water berths, a multi-year project with expected completion in 2025. Additionally, JAXPORT has 88 acres under construction for a new auto processing facility. Scheduled completion of the auto facility is late 2025. In fiscal year 2024, auto units totaled 509,091 compared to 505,665 units in fiscal year 2023. Auto revenues for fiscal year 2024 were \$15,014,000, an increase of 3% from prior year revenues. Cruise revenues totaled \$7,258,000 in 2024, up 12%, reflecting an all-time record number of cruise passengers at 206,720, compared to 190,872 passengers in 2023, with revenues totaling \$6,501,000.

Northeast Florida continued to be a national leader in the use of Liquefied Natural Gas ("LNG") as fuel for the maritime industry with the successful fueling and operations of the world's first LNG-powered container ships. As demand for LNG continues to grow, JAXPORT has served as a hub for LNG expansion and development for the shipping industry and is the only U.S. East Coast port to offer on-dock and near-dock LNG fueling capabilities.

In May 2022, the Jacksonville Harbor Deepening Project was completed through Blount Island, providing a 47 foot channel depth for vessels. The \$420 million project deepened the City shipping channel from its previous depth of 40 feet. The project included construction of a vessel turning basin that now allows larger ships to turn around at Blount Island berths. A deeper harbor is essential to meet the needs

of larger cargo ships transiting the Suez and Panama canals as those vessels deliver cargo to JAXPORT terminals. A 47-foot depth for the federal channel positions JAXPORT as the first U.S. East Coast port of call for fully loaded post-Panamax class vessels. In coordination with deepening, JAXPORT has also completed \$100 million in berth enhancements to enable the SSA Jacksonville Container Terminal at Blount Island to simultaneously accommodate two post-Panamax ships.

Additionally, JAXPORT and the city of Jacksonville are collaborating with JEA to raise power lines near Blount Island Terminal to accommodate larger ships. The project involves raising six high-voltage transmission lines by 50 feet, from 175 feet to 225 feet, above the St. Johns River. This will allow larger cargo ships to access JAXPORT.

### **Motor Freight**

Major transportation and logistics services companies, including Landstar System, Inc., are headquartered in the City. More than 100 trucking and drayage firms operate in and around the City's port to take advantage of the City's highway system, anchored by I-95, I-10 and I-75, which is a major hub of the Interstate highway network in Florida. The City's location and port facilities have caused it to become a "break-bulk" center. The development of "piggyback" (or double-stacked) transportation has also benefited the City. Many piggyback shipments move into the area via rail cars or ships, after which the trailers are unloaded and forwarded by highway. More than 509,061 vehicles moved through JAXPORT during the year 2024. The City is one of the nation's busiest ports for total vehicle handling.

### **Industry and Employment**

The multiple military installations (see "Military" herein) in the region provide employment to more than 50,000 active duty, reserve and civilian men and women. Of the personnel who exit the military each year, more than 3,000 choose to remain in the region, providing a steady stream of skilled workers for area businesses.

The automotive parts and accessories industry is attracted to the City's logistical network of activity and was selected as the site of Southeast Toyota, the largest distributor in the United States, and a distribution center for General Motors Corp. that serves Georgia, South Carolina and Florida. AMPORTS leased 22.4 new acres of property for auto processing and storage space at JAXPORT's Dames Point Marine Terminal. The company now leases more than 170 acres from JAXPORT. This growth is in addition to more than 100 acres under lease in the City to auto processors Wallenius Wilhelmsen Solutions and Southeast Toyota Distributors which combine with AMPORTS to form one of the largest vehicle handling centers in the United States. JAXPORT welcomed the Mitsui O.S.K. Lines next-generation car carrier Orca Ace during the vessel's maiden call to the City. The 6,800 car capacity Orca Ace is one of MOL's new FLEXIE series vessels, featuring a larger number of flexible interior decks than traditional car carriers.

Aircraft manufacturing and maintenance, repair, and overhaul (MRO) services are key industries in the City. In addition to the U.S. Navy's Fleet Readiness Center S.E., aviation-related industrial companies with a significant presence in the area include Northrop Grumman, Flightstar Aircraft Services, Unison Industries, and Kaman. Pulp and paper also play important roles in the local economy as Georgia Pacific Corp. and Rayonier are two of the area's largest manufacturers. Construction equipment and building materials are another key segment with Ring Power Corp., U.S. Gypsum, and Vulcan Materials being among the top manufacturing employers in the region. Other large manufacturers are Anheuser-Busch,

Johnson & Johnson Vision Care, BAE Systems Southeast, Medtronic, Colomer USA, Safariland, and Bacardi Bottling Corp.

The following table illustrates the broad base of non-agricultural employment in the Jacksonville Metropolitan Statistical Area (the "Jacksonville MSA") for the fiscal year ended September 30, 2024.

<b>Industry Segment</b>	
Trade, transportation, and utilities	21.20%
Education and health services	16.35
Professional and business services	14.92
Leisure and hospitality	11.58
Government	10.32
Financial activities	9.12
Construction	6.64
Manufacturing	4.47
Other services	3.57
Information	1.78
Mining and logging	0.05

Source: City of Jacksonville, Florida.

The following table lists the largest employers in the Jacksonville MSA and the approximate size of their respective work forces for the fiscal year ended September 30, 2024.

<b>Name of Employer</b>	<b>Product or Service</b>	<b>Employees</b>
Naval Air Station Jacksonville	U.S. Navy	14,390
Baptist Health	Health Care	12,000
Duval County Public Schools	Public Education	12,000
Naval Station Mayport	U.S. Navy	10,600
UF Health Jacksonville	Health System	9,951
Mayo Clinic	Multi-Specialty Health Care	8,450
Amazon	Major Fulfillment Centers	8,000
Bank of America	Banking and Investments	8,000
City of Jacksonville	Municipal Government	7,908
Southeastern Grocers	Corporate HQ & Grocery Distribution Center	5,700
Florida Blue	Health Insurance State Headquarters	5,700

Source: City of Jacksonville, Florida.

The following table sets forth the civilian labor force, employment and unemployment figures for the Jacksonville MSA and comparative unemployment for the State and the United States over the last 10 years.

Calendar Year	Labor Force	Employment	Unemployment		Unemployment Rate	
			Total	Rate	Florida	U.S.
2015	722,937	683,745	39,192	5.4	5.5	5.3
2016	738,827	704,144	34,683	4.7	4.9	4.9
2017	752,108	721,215	30,893	4.1	4.3	4.4
2018	766,719	739,813	26,906	3.5	3.7	3.9
2019	779,889	745,917	24,972	3.2	3.3	3.7
2020	777,024	725,930	51,094	6.6	8.2	8.1
2021	800,061	767,454	32,607	4.1	4.7	5.4
2022	832,239	808,776	23,463	2.8	2.9	3.6
2023	847,996	822,867	25,129	3.0	2.9	3.7
2024	855,958	826,415	29,543	3.5	3.4	4.1

Source: United States Department of Labor, Bureau of Labor Statistics; Federal Reserve Economic Data

The City was recently named the number two hottest job market by the *Wall Street Journal* and has more Fortune 500 companies than any other city in the State. In addition, the City boasts several Fortune 1000 companies and over 150 corporate, regional and divisional headquarters. There has been over \$3 billion in private investment, bringing more than 6,400 jobs to the City since January 2020. The City also boasts a world-class health care system with more than 20 high-profile health care facilities and is home to one of three Mayo Clinics and one of seven Baptist MD Anderson Cancer Center partnerships.

The following table illustrates the household median income for the City, the State and the United States.

Calendar Year	City of Jacksonville	Florida	U.S.
2013	\$47,557	\$46,956	\$53,046
2014	46,768	47,212	53,482
2015	46,764	47,507	53,889
2016	48,256	48,900	55,322
2017	50,555	50,883	57,652
2018	52,576	53,267	60,293
2019	54,701	55,660	68,703
2020	55,531	57,703	64,994
2021	58,263	61,777	70,784
2022	64,138	67,917	75,149
2023	66,981	71,711	80,610

Source: United States Department of Labor, Bureau of Labor Statistics.

## **Insurance**

The City is headquarters for Florida Blue's Health Insurance State Headquarters. The City is also regional headquarters for Allstate, Aetna, U.S. Healthcare and Citizen's Property Insurance Corp., the State property and casualty insurer. The following companies have regional or corporate offices in the City: Brightway Insurance, Fortegra Financial, The Main Street America Group, First Professionals Insurance and Craig/is Ltd.

## **Banking and Finance**

The region has enjoyed a healthy growth to its base of financial companies, including the recent expansions and business relocations by major firms such as Deutsche Bank, Fidelity Investments, FIS, Bank of America, N.A., JP Morgan Chase & Co., and EverBank. Other notable financial services companies with a significant presence in the City include Wells Fargo, Citibank, Ally Financial, VyStar Credit Union, CIT, PNC Financial Services Group, Ameris Bank, Black Knight Financial Services, Truist Bank, TD Bank, U.S. Bank and SoFi. The City is also home to the Federal Reserve Bank of Atlanta, Jacksonville Branch. Over 64,000 people are employed in the City's financial services industry. Approximately 20 major banks, insurance and investment services firms on the Forbes Global 500 list have operation centers in the City. In 2022, FIS opened its new 386,000-square-foot global headquarters along Downtown's riverfront, which expansion will include the addition of 500 new jobs by 2029.

The City is also a leader in the mortgage banking industry. JPMorgan Chase & Co. maintains a large mortgage servicing operation in the City. In addition, the mortgage industry's largest provider of data processing services, Fidelity National Financial, Inc., has its headquarters in the City.

## **Tourism**

The City area has 68 miles of beaches, over 70 golf courses and outstanding outdoor recreation opportunities. Annual events include the PGA Tour's The Players Championship at Sawgrass, the Georgia vs. Florida Football Classic, the TaxSlayer Gator Bowl and the Greater Jacksonville Kingfish Tournament. The City has hosted Super Bowl XXXIX, early rounds of the NCAA Men's Basketball Tournament and the ACC Football Championships, and is the home of the NFL's Jacksonville Jaguars, the Jacksonville Symphony Orchestra and the Jacksonville Zoo. In 2024, the Atlantic Sun Conference moved its headquarters from Atlanta, Georgia to the City. Additionally, the Jacksonville Jumbo Shrimp are a Minor League Baseball team located in the City and are the Triple-A affiliate of the Miami Marlins. Lastly, the Jacksonville Icemen are a minor league ice hockey team located in the City that began play in the 2017–18 season. The team is affiliated with the Buffalo Sabres of the National Hockey League and plays their home games at VyStar Veterans Memorial Arena.

## **Military**

Naval Submarine Base Kings Bay is located just outside the Jacksonville region in southeast Georgia. The Florida National Guard Headquarters is located in St. Augustine and utilizes Camp Blanding as an active training base. The City is home to multiple military facilities, including Naval Air Station Jacksonville, Naval Station Mayport, Marine Corps Blount Island Command and the Fleet Readiness Center, combining to make the City the second largest Naval Complex on the East Coast.

The military accounts for 24% of the economic output in the City. The largest of the local military installations, Jacksonville Naval Air Station, covers 3,800 acres on the west bank of the St. Johns River and



employs approximately 20,000 active and civilian personnel. Naval Station Mayport employs approximately 10,030 active duty and civilian personnel. Its Naval Aviation Depot, renamed Naval Air Depot ("NADEP") Jacksonville in 2001, covers over 100 acres of land on the St. Johns River and is the largest industrial employer in northeast Florida. Naval Station Mayport covers more than 3,400 acres and is homeport for guided missile cruisers, destroyers, guided missile destroyers, guided missile frigates, the newly designed littoral combat ships, and is capable of accommodating 34 ships. The base is unique in its operational composition as it also has an 8,000 foot runway capable of handling any aircraft in the Department of Defense inventory.

## **Education**

The public educational system is administered on a County-wide basis. Duval County Public Schools ("DCPS") is the 18<sup>th</sup> largest school district in the United States, with over 130,000 students enrolled during the 2023-24 fiscal year. During the 2023-24 school year, DCPS operated 197 schools, including 44 charter schools. The other schools are composed of 97 elementary schools, 2 kindergarten through eighth grade (K-8) schools, 2 middle/senior high schools, 23 middle schools, 19 high schools, 4 alternative centers, 4 exceptional centers, and 1 virtual school.

In addition, higher education facilities are provided by Jacksonville University, a private four-year liberal arts college; Jacksonville University College of Law, a private law school, Edward Waters University, a four-year historically Black college/university; Florida State College at Jacksonville, with four campuses, a public institution; the University of North Florida, a State university; and the Art Institute of Jacksonville, a private college.

The City Council unanimously endorsed a redevelopment agreement with the University of Florida ("UF") to build a graduate campus and Florida Semiconductor Institute in LaVilla, which included approximately \$100 million of City investment and \$200 million in State/private investments. The endorsement moved the City toward providing UF with approximately 25 acres in the historic Downtown neighborhood. Initial classes are scheduled to begin in the Fall 2025, with a full launch in the Fall 2026. Degrees will include artificial intelligence, engineering, biomedical and computer sciences.

## **Medical Facilities**

Medical facilities in the City include several general hospitals, and many special clinics and laboratories. Because of the large and growing number of medical specialists located in the City, the City is recognized throughout the southeast as a major medical center.

UF Health Jacksonville is an urban campus extension of the University of Florida ("UF") and provides extensive medical education and comprehensive care. UF Health Jacksonville was created in 2013 after Shands Jacksonville, Shands Healthcare, UF, University Medical Center and Methodist Medical Center merged. UF Health Jacksonville employed more than 600 UF faculty physicians who practice in approximately 75 areas of specialty care. UF Health Jacksonville is a 715 licensed bed facility, and the campus is home to the State's first and region's only Level I adult and pediatric trauma program, Trauma One.

UF Health Jacksonville offers immediate access to specially trained trauma surgeons and support staff. UF Health Proton Therapy Institute is one of few facilities in the United States equipped to treat cancer

with protons. Proton therapy greatly reduces the damage to surrounding tissue, which is a significant improvement over traditional radiation therapy.

In 2023, U.S. News & World Report recognized UF Health Jacksonville for high performance in seven procedures and conditions: chronic obstructive pulmonary disease, diabetes, heart attack, heart failure, kidney failure, pneumonia and stroke.

The UF Health North Campus is a full-service hospital near JIA. UF Health North has a 168-bed hospital, adult and pediatric emergency room and an outpatient medical office building that houses more than 30 specialty services and employs approximately 682 full time employees.

The Mayo Clinic of Rochester, Minnesota chose the City for its first satellite clinic, which opened in October 1986. Mayo Clinic is a Comprehensive Stroke Center and a 304-bed hospital that offers care in more than 40 adult medical and surgical specialties. In the City, 350 staff physicians in more than 40 medical specialties provide diagnosis, medical treatment and surgery.

Baptist Health has served the City community for over 50 years. It currently has over 12,400 team members and operates through six nationally accredited hospitals with more than 1,700 beds combined: Baptist Jacksonville, Baptist Beaches, Baptist Nassau, Baptist South, Baptist Medical Center Clay and Wolfson Children's Hospital. Baptist Medical Center Jacksonville serves as the central hub of the Baptist Health system and provides the highest level of medical and surgical care using the latest technologies, including robotic-assisted da Vinci® Surgical System, is the only dedicated Heart Hospital and the region's only Stroke & Cerebrovascular Center that provides the latest minimally invasive treatments for stroke and other life-threatening conditions of the brain.

Immediately adjacent to Downtown Baptist MD Anderson Cancer Center. The 330,000 square foot, nine-story institutional specializes in utilizing the latest technologies to combat 10 general forms of cancer.

Baptist Medical Center Beaches is a 146-bed hospital designated as a primary stroke center meaning it follows national standards shown to significantly improve patient outcomes. Baptist Medical Center Nassau is a 62-bed acute care hospital located in Amelia Island. It recently opened a new medical office building, with an inpatient community hospice center, Baptist Heart specialists, a new sleep lab, urology and pulmonary services. Wolfson Children's Hospital is a 240-bed facility currently serving the needs of children throughout Northeast Florida. Wolfson Children's Hospital has been nationally recognized among America's Best Children's Hospitals by U.S. News & World Report year after year and has received the Magnet™ status and is nationally recognized for excellence in patient care. Baptist Medical Center South is the City's first hospital of the 21<sup>st</sup> century. It is an all-digital 291-bed hospital with a family friendly, hotel-like design.

Originally founded in 1916 by the Daughters of Charity, St. Vincent's HealthCare is a 528-bed hospital and is part of Ascension Health, the nation's largest non-profit health system and largest Catholic health system. In 2016, the hospital celebrated 100 years of service to the community. The hospital system operates several facilities, including the St. Catherine Laboure Manor, a 240-bed long-term nursing center. In 2019, all facilities were rebranded to include the Ascension name. Ascension St. Vincent's Riverside Hospital is home to the City's leading cardiovascular program and first in the City to be accredited by the National Accreditation Program for Breast Centers.

Ascension St. Vincent's has four Joint Commission centers of excellence designations in hip, knee, shoulder and spine care in the Jacksonville area. Ascension St. Vincent's Southside was the first hospital in the nation to receive Center of Excellence status from the Joint Commission for spine, knee, hip and shoulder surgeries. Ascension St. Vincent's is also well known for excellence in cardiology and was the first in the region to offer Transcatheter Aortic Valve Replacement to frail patients who had previously been deemed inoperable. Ascension St. Vincent's cancer program is the only one in the region to offer Gamma Knife therapy, which is a single day, outpatient treatment for brain tumors. In April 2008, Ascension St. Vincent's expanded its services when St. Luke's Hospital, the City's first hospital established over 135 years ago, transitioned into the Ascension St. Vincent's Healthcare system.

### **Public Safety**

The City recently provided for the funding of 80 new police officers and 18 non-uniformed officers. Additionally, the City has strengthened investment in public safety by building new fire stations, renovating multiple fire stations, on-boarding new classes of firefighters and police officers and investing in the purchase or refurbishment of first responder equipment and technology.

The City also launched its "Jacksonville Journey Forward" program. The Jacksonville Journey Forward initiative is a community-driven effort designed to reduce violence, strengthen neighborhoods, and improve the overall quality of life in the City. Led by an 11-member Board of Directors, this initiative brings together public safety experts, education leaders, public health professionals, and community advocates to implement comprehensive solutions that address the root causes of crime.

### **Ad Valorem Taxation**

The following information regarding millage rates, assessed value, ad valorem tax revenues and ten largest taxpayers for the fiscal year ended September 30, 2024 is provided for informational purposes.

#### **Millage Rates – Fiscal Year Ended September 30, 2024**

<b>Taxing Entity:</b>	<b>Mills</b>
General Government (GSD)	11.3169
Florida Inland Navigational District	0.0288
Schools	6.3400
Water Management District	0.1793
<b>TOTAL – GENERAL SERVICES DISTRICT</b>	<b>17.8650</b>

Source: City of Jacksonville, Florida.

**City of Jacksonville, Florida**  
**Total Taxable Assessed Value**

<b>Fiscal Year</b>	<b>Total Taxable Assessed Value</b>
2015	\$47,579,191
2016	49,946,100
2017	53,213,500
2018	57,384,440
2019	62,194,122
2020	66,872,806
2021	71,906,018
2022	82,067,377
2023	92,836,000
2024	98,956,772

**Ad Valorem Taxes – Fiscal Year Ended September 30, 2024**

	<u>Levied</u>	<u>Collected</u>	<u>Percent Collected</u>
General Fund	\$1,087,039,296	\$1,076,430,494	99.0%
Duval County <sup>(1)</sup>	1,933,707,745	1,927,377,494	99.7

<sup>(1)</sup> Values include all of Duval County (including Beach Communities and Town of Baldwin).  
Source: Tax Collector's Office.

**Ten Largest Taxpayers – Fiscal Year Ended September 30, 2024**

	<u>Total 2024 Assessments</u>	<u>Percentage Total Assessments</u>
Johnson & Johnson Vision Care Inc. / Vistakon	\$498,738,860	0.46%
St.John's Town Center LLC	326,141,800	0.30
Amazon.com Services LLC	240,343,187	0.22
United Parcel Service Inc.	194,275,393	0.18
Bellsouth Telecommunications/AT&T	194,226,208	0.18
Comcast of Greater Florida/Georgia Inc.	182,729,944	0.17
Fidelity Information Services LLC	152,444,711	0.14
Blue Cross & Blue Shield of Florida Inc.	146,960,700	0.13
Metal Container Corporation	145,710,292	0.13
Anheuser Busch Inc.	<u>124,736,635</u>	<u>0.11</u>
<b>TOTAL</b>	<u>\$2,206,307,730</u>	<u>2.02%</u>

Source: City of Jacksonville, Florida.

## **APPENDIX B**

### **SUMMARY OF CERTAIN PROVISIONS OF THE SPECIAL REVENUE BOND ORDINANCE**

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## **SUMMARY OF CERTAIN PROVISIONS OF THE SPECIAL REVENUE BOND ORDINANCE**

The following are brief summaries of certain provisions of the Special Revenue Bond Ordinance. This summary does not purport to be complete and reference is made to the Special Revenue Bond Ordinance for a full and complete statement of such provisions. The Special Revenue Bond Ordinance is referred to in this Appendix B as the "Bond Ordinance."

### **Definitions of Certain Terms**

As used in this Summary:

"Act" means Section 159.11, Florida Statutes and Chapters 125 and 166, Florida Statutes, Article VIII, Section 2, Constitution of the State of Florida, the Charter and other applicable provisions of law.

"Additional Bonds" means additional obligations issued in compliance with the terms, conditions and limitations contained in the Bond Ordinance which are payable on a parity with, and rank equally in all other respects with the Bonds originally issued thereunder, including, without limitation, Commercial Paper Obligations.

"Aggregate Budgeted Expenditures" means for any Fiscal Year, the aggregate of the budgeted total expenditures, plus transfers out of the General Fund as provided in the Annual Budget for such Fiscal Year.

"Amortization Certificate" means the certificate of the City delivered concurrently with the issuance of Non-Self Sufficient Debt setting forth the principal amount of such Non-Self Sufficient Debt to be paid or redeemed prior to maturity in accordance with the requirements of the Bond Ordinance, as the same may be modified in accordance with the Bond Ordinance.

"Amortization Installment" means the funds required to be deposited in the Debt Service Account in a given Bond Year for the payment at maturity or redemption of a portion of a Series of Term Bonds on the next succeeding April 1 or October 1, as established by the City at or before the delivery of that Series of Term Bonds.

"Annual Budget" means the budget, as amended and supplemented from time to time, prepared by the City for each Fiscal Year in accordance with the laws of the State of Florida.

"Authorized Depository" means any bank, trust company, national banking association, savings and loan association, savings bank or other banking association selected by the City as a depository under the Bond Ordinance.

"Average Annual Debt Service Requirement" means the sum of the amounts determined by calculating separately with respect to each Series of Non-Self Sufficient Debt then outstanding and then proposed to be issued, the amount equal to the aggregate of the Debt Service Requirement with respect to such Series of Non-Self Sufficient Debt for each Bond Year divided by the number of years (including fractional years) from the date of calculation to the date of final scheduled maturity of such Non-Self Sufficient Debt.

"Bond Counsel" means counsel designated by the City and experienced in matters relating to the validity of, and the exclusion from gross income for federal income tax purposes of interest on, obligations of states and their political subdivisions.

"Bonds" means all bonds issued and outstanding and any Additional Bonds issued under the Bond Ordinance.

"Bondholder," "Registered Owner," "Holder" and "Owner" means the registered owner (or its authorized representative) of a Bond.

"Bond Year" means the annual period beginning on the first day of October of each year and ending on the last day of September of the following year; provided that when such term is used to describe the period during which deposits are to be made pursuant to the Bond Ordinance to amortize principal and interest on the Bonds maturing or becoming subject to redemption, or pursuant to similar provisions with respect to other Non-Self Sufficient Debt, interest and principal maturing or becoming subject to redemption on October 1 of any year shall be deemed to mature or become subject to redemption on the last day of the preceding Bond Year.

"Capital Transfer" means any interfund transfer from the General Fund to another fund of the City, designated for a specific capital project (and not for debt service with respect to debt incurred for such capital project).

"Certified Interest Rate" shall mean the rate of interest, not greater than the maximum amount permitted by law or the applicable agreement, determined by the City's financial advisor to be: (i) in the case of Variable Rate Debt, the higher of (a) the actual rate on the date of calculation, (b) if the indebtedness has been outstanding for at least 12 months, the average rate for the 12-months immediately preceding the calculation date, or (c) if tax exempt, the most recently published Bond Buyer "Revenue Bond Index" or, if the Bond Buyer "Revenue Bond Index" is no longer published, an equivalent successor index selected by the City or the City's financial advisor, or if taxable, the yield on direct U.S. Treasury Obligations with comparable maturities, and (ii) in the case of Designated Maturity Debt and Commercial Paper Obligations, if tax-exempt, the most recently published Bond Buyer "Revenue Bond Index" or, if the Bond Buyer "Revenue Bond Index" is no longer published, an equivalent successor index selected by the City or the City's financial advisor, at the time of pricing, or if taxable, the yield on direct 10-year U.S. Treasury Obligations plus 1.0%, except for the final scheduled maturity wherein the actual rate will be applied whether tax-exempt or taxable.

"Charter" means Chapter 92-341, Laws of Florida, Special Acts of 1992, as amended and supplemented.

"Chief Financial Officer" means the Director of Administration and Finance of the City or such other officer of the City serving as its chief financial officer as defined in Section 218.403, Florida Statutes.

"City" means the City of Jacksonville, Florida.

"Code" means the Internal Revenue Code of 1986, as amended, or any applicable corresponding provisions of any future laws of the United States of America relating to federal



income taxation, and except as otherwise provided herein or required by the context hereof, includes interpretations thereof contained or set forth in the applicable regulations of the Department of Treasury (including applicable final regulations and temporary regulations), the applicable rulings of the Internal Revenue Service (including published Revenue Rulings and private letter rulings) and applicable court decisions.

"Commercial Paper Obligations" means all of the Bonds (which may be designated as notes or other obligations) of a Series or a proportionate maturity thereof with a maturity of less than 271 days so designated by the City prior to the issuance thereof.

"Cost" or "Cost of the Project," with respect to each Project authorized pursuant to the terms of the Bond Ordinance, shall include, without limiting the items of cost permitted under the Act the following items to the extent they relate to a Project: (a) all direct costs of the Project items described in the plans and specifications for the Project; (b) all costs of planning, designing, acquiring, constructing, financing and start-up costs of the Project; (c) all costs of issuance of Bonds issued to finance such Project or to refund indebtedness issued for such purposes, including the cost of any municipal bond insurance, fees and expenses of Bond Counsel, disclosure counsel, underwriters and underwriters' (or dealers') counsel, special tax counsel and financial advisors, printing costs, rating agency fees, initial acceptance fees of paying agents, broker-dealers, auction agents, remarketing agents, trustees, depositories and all fees and costs of the Credit Facility Provider providing the Credit Facility and of other financial institutions providing special credit or liquidity facilities with respect to the Bonds; (d) the cost of acquisition, by purchase or condemnation, of any lands, structures, improvements, rights-of-way, franchises, easements or interests therein and all of the properties tangible or intangible, deemed necessary or convenient for the maintenance and operation of the Project; (e) all engineering, legal and financial costs and expenses; (f) all expenses for estimates of costs and of revenues; (g) costs of obtaining governmental and regulatory permits, licenses and approvals; (h) all fees of special advisors and consultants associated with one or more aspects of the Project; (i) interest on Bonds prior to and during acquisition or construction of such Project for which such Bonds were issued, and for such additional periods as the City may reasonably determine to be necessary for the placing of such Project in operation; (j) the reimbursement to the City of all such Costs of such Project that have been advanced by the City from its available funds before the delivery of a Series of Bonds issued to finance such costs to the extent such reimbursements do not, in the opinion of Bond Counsel, adversely affect the exclusion of interest on the Bonds other than Taxable Bonds from gross income for federal income tax purposes; (k) those amounts required to be rebated to the United States of America in order to preserve the exclusion from gross income for federal income tax purposes of interest on the Bonds issued with the intent that such interest be so excluded to the extent the City elects to pay such amounts from the Project Account; and (l) such other costs and expenses which shall be necessary or incidental to the financing herein authorized and the construction and acquisition or undertaking of the Project and the placing of same in operation or other implementation of the undertaking to be financed with proceeds of Bonds issued under the Bond Ordinance.

"Covenant Revenues" means those revenues of the City that are deposited to the credit of the City's General Fund derived from any source whatsoever that are legally available for the payment of the obligations of the City under the Bond Ordinance, inclusive of operating transfers from other funds into the General Fund but exclusive of revenues derived from ad valorem

taxation. It shall be assumed for purposes of calculating Covenant Revenues and Self-Sufficient Debt that amounts required to be transferred from the City's General Fund to community redevelopment trust funds pursuant to Section 163.387, Florida Statutes or for other purposes for which tax increment revenues are pledged or committed, will come from revenues derived from ad valorem taxation and not from Covenant Revenues.

"Debt Service Account" means the accounts established by that name pursuant to the Bond Ordinance.

"Debt Service Requirement" means for a given Bond Year the remainder, after subtracting any accrued and capitalized interest for that Bond Year that has been deposited into the Debt Service Account or a separate subaccount in the Project Account for that purpose with respect to Bonds outstanding under the Bond Ordinance or that has been deposited in a similar account established with respect to Non-Self Sufficient Debt not issued as Bonds under the Bond Ordinance, from the sum of:

(a) The amount required to pay the interest coming due on Non-Self Sufficient Debt during that Bond Year,

(b) The amount required to pay the principal of Non-Self Sufficient Debt, including the principal of Serial Bonds and the principal of Term Bonds, maturing in that Bond Year that are not included in the Amortization Installments for such Term Bonds or in mandatory sinking fund redemption requirements with respect to other Non-Self Sufficient Debt,

(c) The Amortization Installments for all Series of Term Bonds for that Bond Year and the mandatory sinking fund redemption requirements with respect to other Non-Self Sufficient Debt, including such payments as may be required pursuant to the City's Amortization Certificate(s) and the Bond Ordinance, and

(d) The premium, if any, payable on all Bonds and other Non-Self Sufficient Debt required to be redeemed in that Bond Year in satisfaction of the Amortization Installment or mandatory sinking fund redemption requirements with respect to other Non-Self Sufficient Debt or in accordance with the City's Amortization Certificate(s) and the Bond Ordinance.

For purpose of determining the Debt Service Requirement, unless the interest rate is fixed for the duration of the applicable Bond Year(s), in which case the actual interest rate shall be used, the interest rate on Variable Rate Debt outstanding or proposed to be issued shall be calculated at the greater of (i) the actual rate of interest borne by such Variable Rate Debt or (ii) the Certified Interest Rate with respect thereto as of the date of calculation.

If a Series of Variable Rate Debt is subject to purchase by the City pursuant to a mandatory or optional tender by the holder, the "tender" date or dates shall be ignored and the stated maturity dates thereof shall be used for purposes of this calculation. The interest rate for Bonds and Additional Bonds issued as Variable Rate Debt for purposes of determining the amount, if any, to be deposited into a subaccount in the Reserve Account for such Variable Rate Debt (other than the

Composite Reserve Subaccount) shall be as required by the supplemental ordinance or resolution authorizing the issuance of such Variable Rate Debt.

For purposes of issuing Non-Self Sufficient Debt, the Debt Service Requirement shall be calculated assuming that the principal amount of each Series of Designated Maturity Debt shall have a final maturity of not later than thirty (30) years from the date of original issuance thereof and shall be amortized in accordance with the Amortization Certificate provided by the City, assuming such Designated Maturity Debt bears interest at the Certified Interest Rate determined based upon such amortization.

To the extent that the City has entered into a Qualified Hedge Agreement with respect to any Outstanding Non-Self Sufficient Debt, or intends to enter into a Qualified Hedge Agreement in connection with the issuance of Additional Bonds or other Non-Self Sufficient Debt, and notwithstanding the provisions of clauses (a) and (b) above, while the Qualified Hedge Agreement is in effect and so long as the counterparty has not defaulted thereunder (including without limitation, under a credit support annex or comparable agreement related thereto), for the purpose of determining the Debt Service Requirement, the interest rate with respect to the principal amount of such Bonds or other Non-Self Sufficient Debt equal to the "notional" amount specified in the Qualified Hedge Agreement shall be assumed to be (a) if the City's payment obligations under the Qualified Hedge Agreement are computed based on a fixed rate of interest, the actual rate of interest upon which the City's payment obligations are computed under such Qualified Hedge Agreement, (b) if the City's payment obligations under the Qualified Hedge Agreement are computed based upon a variable rate of interest, the interest rate on such Bonds or other Non-Self Sufficient Debt shall be determined in accordance with the provisions of this definition with respect to calculation of interest on Variable Rate Debt as if such Bonds or other Non-Self-Sufficient Debt were Variable Rate Debt, plus in either case (c) any interest rate differential or basis differential between the rate payable by the counterparty under the Qualified Hedge Agreement and the interest rate payable by the City on the Bonds or other Non-Self Sufficient Debt to which the Qualified Hedge Agreement pertains, as determined by the Authorized Issuer Representative. The interest coming due on Bonds or other Non-Self-Sufficient Debt for which as Qualified Hedge Agreement is in place for purposes of this definition shall be the net aggregate amount each applicable period, taking into account (i) the actual interest borne by such Bonds or other Non-Self Sufficient Debt for such period (using the assumptions described above for Variable Rate Debt, if applicable), (ii) the Qualified Hedge Receipts for such period and (iii) the Qualified Hedge Payments for such period, with the payments described in clauses (ii) and (iii) of this sentence being calculated on the applicable notional amount.

For purposes of calculating the Annual Debt Service with respect to Commercial Paper Obligations or other Non-Self Sufficient Debt issued in the form of commercial paper notes, only the interest component of such Commercial Paper Obligations or other Non-Self Sufficient Debt and the principal component of the Commercial Paper Obligations or other Non-Self Sufficient Debt that the City reasonably expects to retire and not to pay with the proceeds of roll-over Commercial Paper Obligations or other Non-Self Sufficient Debt in such Bond Year (as reflected in the Amortization Certificate) shall be included in the calculation of the Debt Service Requirement. The interest rate on the Commercial Paper Obligations or other Non-Self Sufficient Debt issued in the form of commercial paper notes shall be computed in the same manner as the

computation of interest on Variable Rate Debt as described above, assuming a principal amortization as provided in the Amortization Certificate.

If two Series of Variable Rate Debt, or one or more maturities within a Series, are issued simultaneously with inverse floating interest rates providing a composite fixed interest rate for such Bonds or other Non-Self Sufficient Debt taken as a whole, such composite fixed rate shall be used in determining the Debt Service Requirement with respect to such Bonds or other Non-Self Sufficient Debt.

"Deputy Registrar and Paying Agent" means any Authorized Depositary designated by the City to serve as Deputy Registrar and Paying Agent or place of payment for any one or more Series of Bonds issued under the Bond Ordinance that shall have agreed to arrange for the timely payment of the principal of, interest on and redemption premium, if any, with respect to the Bonds to the registered owners thereof, from funds made available by the City, and any successors designated pursuant to the Bond Ordinance.

"Designated Maturity Debt" means all Non-Self Sufficient Debt of a Series, or a particular maturity thereof, with a stated maturity of fifteen (15) years or less, designated as such by the City prior to the issuance thereof, for which either (a) no Serial maturities or Amortization Installments (with respect to Bonds issued under the Bond Ordinance) or mandatory sinking fund redemption installments (with respect to other Non-Self Sufficient Debt) have been established or (b) the aggregate of such Serial maturities and Amortization Installments or mandatory sinking fund redemption installments that have been established is less than the principal amount of such Non-Self Sufficient Debt.

"Direct Obligations" means non-callable direct obligations of the United States of America and securities fully and unconditionally guaranteed as to the timely payment of principal and interest by the United States of America, provided, that the full faith and credit of the United States of America must be pledged to any such direct obligation or guarantee.

"Federal Securities" means direct obligations of the United States of America or obligations the payment of the principal of and interest on which when due is unconditionally guaranteed by the United States of America.

"Fiscal Year" means the period commencing on October 1 of each year and ending on the succeeding September 30, or such other consecutive 12-month period as may be designated as the Fiscal Year of the City pursuant to general law.

"Fitch" means Fitch Ratings, a corporation organized and existing under the laws of the State of New York, its successors and assigns and, if such corporation shall no longer perform the functions of a security rating agency, "Fitch" shall be deemed to refer to any other nationally recognized securities rating agency designated by the City.

"General Fund" means the City's General Fund as reported in the City's Comprehensive Annual Financial Report.

"Governing Body" means the Council of the City.

"Investment Obligations" means, to the extent permitted by law (a) Federal Securities, or (b) direct obligations of the Federal Intermediate Credit Banks, Federal Land Banks, Federal Farm Credit System, Federal Home Loan Banks or Banks for Cooperatives, or (c) certificates of deposit or other interest bearing obligations of any bank, savings and loan association or trust company (including any Authorized Depository) authorized to engage in the banking business, either fully insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation or fully collateralized by obligations described in (a) or (b) above having a fair market value (determined at least quarterly) equal to the principal amount of such certificates of deposit or other interest bearing obligations, or (d) repurchase agreements with any authorized depository or primary reporting government dealer, in each case having a capital and surplus or net capital of not less than \$100,000,000, and having senior debt obligations rated at least A by at least one nationally recognized rating service, secured by collateral of the type and in the amount described in (c) above, or (e) general obligation or full faith and credit bonds, notes or obligations of any state or any municipality or political subdivision of any state, or any revenue bonds, notes or obligations of any such entities, or any agency or authority thereof, if such obligations are rated by at least one nationally recognized rating service in either of the two highest classifications approved by the Comptroller of the Currency for the investment of funds of national banks, or (f) any other obligations in which surplus municipal funds may be invested under the laws of the State of Florida, or any ordinance of the City authorized thereunder and as shall comply with the City's investment policy, as the same may be amended from time to time, including without limitation, the Local Government Surplus Funds Trust Fund created and established pursuant to Part IV, Chapter 218, Florida Statutes, as amended.

"Maximum Annual Debt Service" with respect to Non-Self Sufficient Debt means, as of any particular date of calculation, the largest Debt Service Requirement for any remaining Bond Year except that the amount of principal coming due on the final maturity date with respect to Non-Self Sufficient Debt shall be reduced by (a) the aggregate principal amount of such Non-Self Sufficient Debt to be redeemed from Amortization Installments to be made in prior Bond Years and (b) the aggregate principal amount of Non-Self Sufficient Debt to be paid or redeemed in prior Bond Years pursuant to the City's Amortization Certificate.

"Mayor" means the Mayor of the City or, in his absence or inability to perform, the alternate officer authorized by ordinance of the City.

"Moody's" means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns and, if such corporation shall no longer perform the function of a securities rating agency, "Moody's" shall be deemed to refer to such other nationally recognized rating agency as the City shall designate.

"Municipal Obligations" means any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which at the time of purchase are rated "AAA" by S&P and/or Fitch and/or and "Aaa" by Moody's.

"Non-Ad Valorem Expenditures" means all expenditures from the General Fund (including debt service payments with respect to the Bonds), net of expenditures funded with ad valorem tax revenues deposited into the General Fund.

"Non-Self Sufficient Debt" means any indebtedness of the City for the payment of borrowed money other than Self Sufficient Debt.

"Outstanding Bonds" or "Bonds outstanding" or "Outstanding" in reference to Bonds means all Bonds which have been issued pursuant to the Bond Ordinance, except:

(a) Bonds cancelled after purchase in the open market or because of payment at or redemption prior to maturity;

(b) Bonds for the payment or redemption of which cash funds or Refunding Securities or any combination thereof shall have been theretofore irrevocably set aside in a special account with the Deputy Registrar and Paying Agent (whether upon or prior to the maturity or redemption date of any such Bonds) in an amount which, together with earnings on such Refunding Securities, will be sufficient to pay the principal of and interest on such Bonds at maturity or upon their earlier redemption; provided that, if such Bonds are to be redeemed before the maturity thereof, notice of such redemption shall have been given according to the requirements of the Bond Ordinance or irrevocable instructions directing the timely publication of such notice and directing the payment of the principal of and interest on all Bonds at such redemption dates shall have been given to the Deputy Registrar and Paying Agent; and

(c) Bonds which are deemed paid upon being called for redemption in accordance with the Bond Ordinance or mutilated, destroyed, stolen or lost Bonds in lieu of which other Bonds have been issued under Section 6.04 of the Bond Ordinance.

With respect to Non-Self Sufficient Debt other than Bonds, "Outstanding" or "outstanding" means all such Non-Self Sufficient Debt issued by the City except:

(x) Non-Self Sufficient Debt cancelled after purchase in the open market or because of payment at or redemption prior to maturity;

(y) Non-Self Sufficient Debt that has been defeased in accordance with the terms thereof, and

(z) Non-Self Sufficient Debt that is deemed to no longer be outstanding under and for purposes of the ordinance, resolution or other authorizing instrument under which such Non-Self Sufficient Debt is issued.

"Projects" means the construction or acquisition of additions, extensions and improvements to various capital improvements or other governmental undertakings of the City for municipal purposes under the Act, described from time to time by supplemental ordinance or resolution of the City, and the refunding of indebtedness issued to finance any such Projects.

"Qualified Hedge Agreement" means an agreement such as an interest rate swap, collar, cap or other functionally similar agreement, between the City and a counterparty whose long-term unsecured debt at the time of entering into such agreement is rated, or whose obligations are guaranteed by an entity whose long-term unsecured debt at the time of entering into such agreement is rated, in one of the two highest rating categories (without regard to gradations) by at

least two nationally recognized securities rating agencies, which agreement requires that if such counterparty or guarantor, as the case may be, does not maintain a rating in one of the three highest rating categories (without regard to gradations) from at least two securities rating agencies, one of the following shall occur (a) such counterparty shall provide a new guarantor, or some form of credit enhancement from any entity, whose long-term unsecured debt is then rated in one of the three highest rating categories or above (without regard to gradations), or (b) such counterparty shall be obligated to post collateral for the benefit and protection of the City under the terms of a credit support annex or comparable agreement, and which agreement is entered into by the City as a debt management tool with respect to the Bonds or a portion thereof issued under the Bond Ordinance or other Non-Self Sufficient Debt, and is designated by the City as a Qualified Hedge Agreement for purposes of the Bond Ordinance.

"Qualified Hedge Payments" means the net payment obligation of the City arising under a Qualified Hedge Agreement, which are calculated on the basis of interest on a notional amount which may correspond with all, or any portion of, the principal amount of certain Bonds issued under the Bond Ordinance or other Non-Self Sufficient Debt or a particular Series or maturity thereof, based upon a fixed or a variable rate index or formula. Qualified Hedge Payments include only regularly scheduled payments under a Qualified Hedge Agreement determined by reference to interest on a notional amount and shall not include any other payments under such agreement (for example, any termination fee, fee for extension, indemnification obligations or other fees payable under the Qualified Hedge Agreement).

"Qualified Hedge Receipts" means the net payment obligation of the counterparty to the City arising under a Qualified Hedge Agreement, which are calculated on the basis of interest on a notional amount which may correspond with all, or any portion of, the principal amount of certain Bonds issued under the Bond Ordinance or other Non-Self Sufficient Debt or a particular Series or maturity thereof, based upon a fixed or a variable rate index or formula. Qualified Hedge Receipts include only regularly scheduled payments under a Qualified Hedge Agreement determined by reference to interest on a notional amount and shall not include any other payments under such agreement (for example, any termination fee, fee for extension, indemnification obligations or other fees payable under the Qualified Hedge Agreement).

"Rating Agency" means Moody's, Fitch and S&P and any other nationally recognized rating agency, to the extent they have in effect a rating on any of the Bonds outstanding under the Bond Ordinance at the request of the City.

"Rebate Account" means the Rebate Account created and established pursuant to the Bond Ordinance.

"Rebate Amount" means, with respect to each Series of Bonds issued under the Bond Ordinance that are not Taxable Bonds, the excess of the amount earned on all non-purpose investments (as defined in Section 148(f)(6) of the Code, as amended) over the amount which would have been earned if such non-purpose investments were invested at a rate equal to the yield on such Series of Bonds, plus any income attributable to such excess but shall not include any amount exempted by Section 148(f) of the Code from payment to the United States.

"Refunding Securities" means Federal Securities and Municipal Obligations.

"Reserve Account" means the respective accounts by that name established pursuant to the Bond Ordinance.

"Reserve Product" means bond insurance, a surety bond or a letter of credit or other credit facility used in lieu of a cash deposit in the Reserve Account and meeting the terms and conditions of the Bond Ordinance.

"Reserve Product Provider" means a nationally recognized bond insurance provider or a bank or other financial institution providing a Reserve Product, and meeting any other requirements imposed pursuant to the supplemental ordinance or resolution pursuant to which the Series of Bonds to be insured by such Reserve Product is authorized.

"Reserve Requirement" means, with respect to the Composite Reserve Subaccount, the Composite Reserve Requirement; and with respect to each Series of Bonds issued under the Bond Ordinance that is not secured by the Composite Reserve Subaccount, the amount of money, if any, or available amount of a Reserve Product, if any, or a combination thereof, required by supplemental ordinance or resolution enacted or adopted or otherwise designated by the City prior to the issuance of such Series of Bonds to be maintained in the subaccount in the Reserve Account with respect to such Series of Bonds pursuant to the Bond Ordinance; provided that the amount so designated by the City shall not cause any existing rating on any Bonds or Series of Bonds Outstanding under the Bond Ordinance to be lowered, suspended or withdrawn with respect to each Series of Bonds issued under the Bond Ordinance.

"S&P" means Standard & Poor's, a division of the McGraw Hill Companies, Inc., a corporation organized and existing under the laws of the State of New York, its successors and assigns and, if such corporation shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the City.

"Self Sufficient Debt" means any indebtedness of the City for borrowed money that is either (a) secured by or payable exclusively from a source of revenues other than Covenant Revenues, or (b) primarily payable from revenues of the type described in clause (a) above and secondarily from Covenant Revenues if the Covenant Revenues have not been used (or, as provided below, deemed to have been used) to pay any portion of such indebtedness for the three Fiscal Years preceding the date of determination and if the City projects that the Covenant Revenues will not be so used during the next two Fiscal Years; and either (c) that is secured by a revenue source that has been in effect for at least three Fiscal Years and that would have provided coverage of at least 125% of the average annual debt service on such obligations secured by such revenue source in each of the three preceding Fiscal Years or, (d) if the revenue source has not been in existence for at least three Fiscal Years, that is secured by a revenue source that would have provided coverage of at least 150% of the average annual debt service on such obligations secured by such revenue source in at least the last full Fiscal Year preceding the issuance of such obligations and that is projected to provide at least 150% debt service coverage (based on revenue and debt service projections by the City) in each of the three ensuing Fiscal Years; and (e) in any such case, in the three preceding Fiscal Years, no debt service on which has been paid (or, as provided below, deemed to have been paid) from Covenant Revenues. For purposes of calculating the coverage requirements described in this definition, the historical and projected receipts of a



particular revenue source shall be adjusted retroactively to the initial date of the calculation period to reflect changes in rates, levies or impositions enacted prior to the date of calculation. For purposes of this definition, Covenant Revenues will be deemed to have been used to pay debt service on any debt if Covenant Revenues have been transferred in the relevant period, other than pursuant to a Capital Transfer, to a fund or account used to pay debt service on such debt.

"Serial Bonds" means all Bonds of a Series other than Term Bonds.

"Series" means any portion of the Bonds or of other Non-Self Sufficient Debt of an issue authenticated and delivered in a single transaction, payable from an identical source of revenue and identified pursuant to the supplemental ordinance or resolution authorizing such Bonds or the authorizing instrument with respect to such other Non-Self Sufficient Debt as a separate Series of Bonds or indebtedness, regardless of variations in maturity, interest rate, Amortization Installments or other provisions, and any Bonds or other Non-Self Sufficient Debt thereafter authenticated and delivered in lieu of or in substitution of a Series of Bonds or other Non-Self Sufficient Debt.

"Supplemental Revenues" shall mean (i) any revenues other than Covenant Revenues that are available for, and have been pledged to, the payment of debt service with respect to one or more Series of Bonds Outstanding hereunder or outstanding Non-Self Sufficient Debt, and (ii) reasonably projected receipts of any new source of Covenant Revenues that have been levied to the extent not fully reflected in the most recent audited financial statements.

"Taxable Debt" means Bonds or other Non-Self Sufficient Debt, the interest on which is not intended at the time of issuance thereof to be excluded from the gross income of the owners thereof for federal income tax purposes.

"Term Bonds" means Bonds of a Series for which Amortization Installments are established, and such other Bonds of a Series so designated by supplemental ordinance or resolution of the City adopted or otherwise designated by the City on or before the date of delivery of such Bonds.

"Variable Rate Debt" means Bonds or other Non-Self Sufficient Debt issued with a variable, auction reset, adjustable, convertible or other similar interest rate which is not fixed in percentage for the remaining term thereof.

#### **Bond Ordinance Constitutes a Contract**

The Bond Ordinance shall be deemed to be and shall constitute a contract between the City and the respective Bondholders. The covenants and agreements set forth in the Bond Ordinance to be performed by the City shall be for the equal benefit, protection and security of the Bondholders and all Bonds shall be of equal rank and without preference, priority, or distinction over any other thereof, except as expressly provided in the Bond Ordinance.

### **Bonds Mutilated, Destroyed, Stolen or Lost**

If any Bond is mutilated, destroyed, stolen or lost, the City or its agent may, in its discretion (a) deliver a duplicate replacement Bond, or (b) pay a Bond that has matured or is about to mature. A mutilated Bond shall be surrendered to and cancelled by the Deputy Registrar and Paying Agent with respect to the applicable Series of Bonds. The Bondholder must furnish the City or its agent proof of ownership of any destroyed, stolen or lost Bond; post satisfactory indemnity; comply with any reasonable conditions the City or its agent may prescribe; and pay the City's or the agent's reasonable expenses.

### **Project Account**

The Bond Ordinance creates the "Special Revenue Bond Project Account" (the "Project Account") as part of the Special Revenue Bond Fund created under the Bond Ordinance. Proceeds of the Bonds shall be deposited into the Project Account for the payment of the Cost of each Project to be financed under the Bond Ordinance as designated by supplemental ordinance or resolution of the City.

The City shall establish separate subaccounts in the Project Account for each Project to be financed by one or more Series of Bonds issued under the Bond Ordinance. Each such subaccount in the Project Account shall be kept separate and apart from all other accounts and subaccounts of the City, and the funds on deposit therein shall be withdrawn, used and applied by the City solely for the payment of the acquisition and construction costs of such Project and purposes incidental thereto as set forth in the Bond Ordinance.

Any funds on deposit in the Project Account that, in the opinion of the City, are not immediately necessary for expenditure, as hereinabove provided, shall be held and may be invested, in the manner provided by law, in Investment Obligations pursuant to the Bond Ordinance. All income derived from investments of funds in the Project Account shall be deposited in the appropriate subaccount therein to which such investment income is attributable.

### **Budgetary Debt Service on Variable Rate Bonds and Commercial Paper Obligations**

If Bonds constituting Variable Rate Debt or Commercial Paper Obligations are outstanding under the Bond Ordinance in any Fiscal Year, the amounts to be included in the Debt Service Requirement with respect to such Variable Rate Debt or Commercial Paper Obligations shall be initially determined in accordance with the assumptions provided in the definition of "Debt Service Requirement;" provided, however, that for the initial budget for a Fiscal Year, such assumptions shall be applied and the assumed interest rates shall be calculated using the interest rates and Certified Interest Rate determined as of May 31 preceding the commencement of such Fiscal Year. During each Fiscal Year in which Bonds constituting Variable Rate Debt or Commercial Paper Obligations are outstanding, the City shall monitor the actual interest rates applicable thereto in order to determine the sufficiency of the amounts budgeted and appropriated in accordance with such assumed rates. If for any two consecutive calendar months the actual average rate of interest on such Bonds constituting Variable Rate Debt or Commercial Paper Obligations, if continued to the end of such Fiscal Year, would cause the average rate of interest on such Bonds or Commercial Paper Obligations for such Fiscal Year to exceed the assumed interest rate, the City shall, in

accordance with and subject to budgetary procedures and limitations imposed by applicable law, initiate proceedings to amend the Annual Budget to increase the amount of the Covenant Revenues budgeted and appropriated pursuant to the Bond Ordinance for such Fiscal Year based upon a revised assumed interest rate for such Bonds constituting Variable Rate Debt or Commercial Paper Obligations equal to 110% of the average rate of interest on such Bonds or Commercial Paper Obligations, as the case may be, during such preceding calendar month; provided, however, that if the actual Variable Rate is fixed for the remainder of the Fiscal Year, such amendment shall be based upon 110% of the actual Variable Rate.

### **Deposits Constitute Trust Funds**

All funds or other property which at any time may be owned or held in the possession of or deposited with the City in the Special Revenue Bond Fund under the provisions of the Bond Ordinance shall be held in trust, applied only in accordance with the provisions of the Bond Ordinance, and shall not be subject to lien or attachment by any creditor of the City.

### **Investment of Moneys**

Moneys held for the credit of the funds and accounts created under the Bond Ordinance shall be invested and reinvested by the City in Investment Obligations. Such investments or reinvestments shall mature not later than the respective dates, as estimated by the City, that the moneys held for the credit of said funds or accounts will be needed for the purposes of such funds or accounts. Investment earnings shall be applied as provided in the Bond Ordinance.

### **Tax Covenants**

The City intends that the interest on each Series of Bonds issued under the Bond Ordinance that are not Taxable Debt be and remain excluded from gross income for federal income tax purposes. The City represents to and covenants with the Holders of the Bonds issued under the Bond Ordinance that are not Taxable Debt that it will comply with the requirements applicable to it contained in Section 103 and Part IV of Subchapter B of Subpart A of Chapter 1 of the Code to the extent necessary to preserve the exclusion of interest on each Series of Bonds from gross income for federal income tax purposes.

### **Funding Sources for General Fund**

The City covenants and agrees that as long as any Bonds are Outstanding under the Bond Ordinance, it shall continue to deposit to the credit of the City's General Fund those revenue sources that are deposited to the credit of the General Fund as provided in the City's Annual Budget for Fiscal Year 2005-06, excluding, however, any increases in revenues resulting from increases in rates or levies or expansions in rates or levies or new revenue sources that are designated by the City to be deposited other than in the General Fund.

### **Annual Audits and Reports**

The City shall within one hundred eighty (180) days after the close of each Fiscal Year, cause the financial statements of the City to be properly audited by a recognized independent certified public accountant or recognized independent firm of certified public accounts, and shall

require such accountants to complete their report on the annual financial statements in accordance with applicable law. Such annual financial statements shall contain, but not be limited to, a balance sheet, a statement of revenues, expenditures and changes in fund balance, and any other statements as required by law or accounting convention, and a report by such accountants disclosing any material default on the part of the City of any covenant or agreement in the Bond Ordinance which is disclosed by the audit of the financial statements. The annual financial statement shall be prepared in conformity with generally accepted accounting principles.

The City shall also require its Chief Financial Officer to file with the City within one hundred eighty (180) days after the end of each Fiscal Year a written report certifying that all payments, deposits and credits to and payments, transfers and withdrawals from each fund and account created under the Bond Ordinance have been made in strict compliance with the terms of the Bond Ordinance.

The Governing Body shall require its duly authorized officer to file with the City any special financial reports as requested at any time by a written document signed by Bondholders owning more than fifty percent (50%) of the aggregate principal amount of the Bonds then outstanding.

The Chief Financial Officer shall, with respect to each Series of Non-Self Sufficient Debt issued on or after the date of issuance of the first Series of Bonds under the Bond Ordinance for which Amortization Installments or serial maturities have not been established, file with the Governing Body prior to the beginning of each Fiscal Year, commencing with the Fiscal Year beginning five (5) years prior to commencement of the required amortization of such Series of Non-Self Sufficient Debt pursuant to the Bond Ordinance, a report setting forth a plan for the amortization of such Series of Non-Self Sufficient Debt in accordance with the requirements of the Bond Ordinance.

A copy of each report of the Chief Financial Officer, together with the comprehensive annual financial report as certified according to the requirements stated above, shall be available for inspection at the offices of the City and shall be promptly furnished to the managing underwriter of each Series of Bonds and mailed to any Bondholder requesting the same upon payment by such Bondholder of the cost of reproduction and mailing.

### **Annual Budget**

The City covenants and agrees to prepare and adopt for each Fiscal Year an Annual Budget for the City in the manner provided and in accordance with applicable law.

### **Qualified Hedge Agreements**

The City may, to the extent permitted by law, enter into one or more Qualified Hedge Agreements concurrently with the issuance of Non-Self Supporting Debt under the Bond Ordinance, provided that the financial tests described in the Bond Ordinance are complied with applying the assumptions and provisions relating to Qualified Hedge Agreements set forth in the definition of "Debt Service Reserve Requirement." In addition, the City may, to the extent permitted by law, enter into one or more Qualified Hedge Agreements with respect to Non-Self Sufficient Debt previously issued and outstanding; provided that, as estimated by the Chief

Financial Officer, (i) entering into the Qualified Hedge Agreement would provide a present value net interest cost savings to the City versus the present value net interest cost to the City on such Non-Self Sufficient Debt if such Qualified Hedge Agreement were not entered into, or (ii) entering into such Qualified Hedge Agreement would be permitted under the financial tests described in the Bond Ordinance applying the assumptions and provisions relating to Qualified Hedge Agreements set forth in the definition of "Debt Service Reserve Requirement" and, if such Qualified Hedge Agreement relates to Bonds issued under the Bond Ordinance that are not Taxable Debt, there is provided to the City an opinion of Bond Counsel that the City's execution, delivery and performance of the Qualified Hedge Agreement will not, in and of themselves cause the interest on such Bonds not be excludable from gross income for federal income tax purposes.

Unless the counterparty to any Qualified Hedge Agreement associated with Bonds issued under the Bond Ordinance shall agree that Qualified Hedge Payments with respect thereto shall be subordinate to payments on the Bonds or shall be unsecured, Qualified Hedge Payments under such Qualified Hedge Agreement shall be on parity with payments on Bonds, all in the manner and to the extent specified in the Bond Ordinance. Qualified Hedge Payments under any Qualified Hedge Agreement associated with Bonds issued under the Bond Ordinance shall only be paid in the manner and to the extent specified in the Bond Ordinance. Neither Qualified Hedge Payments nor other payments due under any Qualified Hedge Agreement shall be secured by funds on deposit in the Reserve Account or funds on deposit in the Project Account.

#### **Events of Default**

The Bond Ordinance provides that each of the following events is an "event of default:"

(a) payment of principal of any Bond shall not be made when the same shall become due and payable, either at maturity or on required payment dates by proceedings for redemption or otherwise; or

(b) payment of any installment of interest shall not be made when the same shall become due and payable; or

(c) payment of any Qualified Hedge Payment associated with Bonds outstanding under the Bond Ordinance shall not be made when the same shall become due and payable and any applicable grace or notice period provided in the applicable Qualified Hedge Agreements shall have lapsed; or

(d) the City shall fail to make any cash deposits required to be made under the Bond Ordinance and such failure shall continue unremedied for a period of five (5) days after the occurrence thereof; or

(e) the City shall fail to comply with any of the covenants and obligations of the City under the Bond Ordinance (other than with respect to making required cash deposits) and such failure shall continue unremedied for a period of thirty (30) days after the occurrence thereof; or

(f) an order or decree shall be entered, with the consent or acquiescence of the City, appointing a receiver or receivers of the City, or the filing of a petition by the City for relief under federal bankruptcy laws or any other applicable law or statute of the United States of America or

the State of Florida, which shall not be dismissed, vacated or discharged within thirty (30) days after the filing thereof; or

(g) any proceedings shall be instituted, with the consent or acquiescence of the City, for the purpose of effecting a composition between the City and its creditors or for the purpose of adjusting the claims of such creditors, pursuant to any federal or state statutes now or hereafter enacted, if the claims of such creditors are under any circumstances payable from amounts deposited in the General Fund.

In determining whether a default has occurred pursuant to (a), (b) or (c) above, no effect shall be given to payments made under any Bond Insurance Policy. Notwithstanding the foregoing, with respect to the events described in clause (e) above, the City shall not be deemed in default under the Bond Ordinance if such default can be cured within a reasonable period of time and if the City in good faith institutes appropriate curative action and diligently pursues such action until the default has been corrected.

### **Enforcement of Remedies**

Upon the happening and continuance of any event of default, then and in every such case the Owners of not less than 25% of the principal amount of Bonds then Outstanding, may appoint any state bank, national bank, trust company or national banking association qualified to transact business in Florida to serve as trustee for the benefit of the Holders of all Bonds then outstanding (the "Trustee"). Notice of such appointment, together with evidence of the requisite signatures of the Holders of 25% of the principal amount of Bonds Outstanding and the trust instrument under which a trustee shall have agreed to serve shall be filed with the City and such Trustee and notice of such appointment shall be published in a financial journal of general circulation in the City of New York, New York. After the appointment of the first Trustee under the Bond Ordinance no further Trustees may be appointed; however, the Holders of a majority of the principal amount of Bonds then Outstanding may remove the Trustee initially appointed and appoint a successor and subsequent successors at any time. If the default for which the Trustee was appointed is cured or waived pursuant to the Bond Ordinance the appointment of the Trustee shall terminate with respect to such default.

After a Trustee has been appointed pursuant to the foregoing, the Trustee may proceed, and upon the written request of owners of 25% of the principal amount of Bonds Outstanding shall proceed, to protect and enforce the rights of the Bondholders under the laws of the State of Florida, including the Act, and under the Bond Ordinance by such suits, actions or special proceedings in equity or at law, or by proceedings in the office of any board, body or officer having jurisdiction, either for the specific performance of any covenant or agreement contained therein or in aid of execution of any power therein granted or for the enforcement of any proper legal or equitable remedy, all as the Trustee, being advised by counsel, shall deem most effectual to protect and enforce such rights.

### **Effect of Discontinuing Proceedings**

In case any proceeding taken by the Trustee or any Bondholder on account of any default shall have been discontinued or abandoned for any reason or shall have been determined adversely to the Trustee or such Bondholder, then and in every such case the City, the Trustee and Bondholders shall be restored to their former positions and rights under the Bond Ordinance and all rights, remedies and powers of the Trustee shall continue as though no such proceeding had been taken.

### **Directions to Trustee as to Remedial Proceedings**

Notwithstanding anything in the Bond Ordinance to the contrary, the Holders of a majority of the principal amount of Bonds then Outstanding shall have the right, by an instrument or concurrent instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings to be taken by the Trustee under the Bond Ordinance, provided that such direction shall not be otherwise than in accordance with law or the provisions of the Bond Ordinance and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondholders not parties to such direction.

### **Restrictions on Actions by Individual Bondholders**

No Bondholder shall have any right to institute any suit, action or proceeding in equity or at law for the execution of any trust under the Bond Ordinance or for any other remedy thereunder unless such Bondholder previously shall have given to the Trustee written notice of the event of default on account of which such suit, action or proceeding is to be taken, and unless the Holders of not less than 25% of the principal amount of Bonds then Outstanding shall have made written request of the Trustee after the right to exercise such powers or right of action, as the case may be, shall have accrued, and shall have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted under the Bond Ordinance or to institute such action, suit or proceeding in its or their name, and unless, also, there shall have been offered to the Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, including the reasonable fees of its attorneys (including fees on appeal), and the Trustee shall have refused or neglected to comply with such request within a reasonable time; and such notification, request and offer of indemnity are declared in every such case, at the option of the Trustee, to be conditions precedent to the execution of the powers and trusts of the Bond Ordinance or for any other remedy thereunder. It is understood and intended that no one or more Owners of the Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the security of the Bond Ordinance, or to enforce any right thereunder, except in the manner therein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the manner therein provided and for the benefit of all Bondholders, and that any individual rights of action or any other right given to one or more of such Owners by law are restricted by the Bond Ordinance to the rights and remedies therein provided.

Nothing contained in the Bond Ordinance, however, shall affect or impair the right of any Bondholder, individually, to enforce the payment of the principal of and interest on his Bond or

Bonds at and after the maturity thereof, at the time, place, from the source and in the manner provided in the Bond Ordinance.

### **Remedies Cumulative**

No remedy in the Bond Ordinance conferred upon or reserved to the Bondholders is intended to be exclusive of any other remedy or remedies, and each and every such remedy will be cumulative and in addition to every other remedy given under the Bond Ordinance or now or hereafter existing at law or in equity or by statute.

### **Waiver of Default**

No delay or omission of any Bondholder to exercise any right or power accruing upon any default will impair any such right or power or will be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy provided under the Bond Ordinance to the Bondholders may be exercised from time to time, and as often as may be deemed expedient.

### **Application of Moneys after Default**

If an Event of Default shall happen and shall not have been remedied, the City or a trustee or receiver appointed for the purpose shall apply all amounts, available under the Bond Ordinance (except for amounts in the subaccounts of the Reserve Account which shall be applied solely to the payment of the Series of Bonds for which they were established) as follows and in the following order:

(a) To the payment of the reasonable and proper charges, expenses and liabilities of the trustee or receiver, Deputy Registrar and Paying Agent hereunder and all fees due any provider of a Reserve Product; and

(b) To the payment of the interest and principal or Redemption Price, if applicable, then due on the Bonds and Qualified Hedge Payments then due, as follows:

(1) Unless the principal of all the Bonds shall have become due and payable, all such moneys shall be applied:

FIRST: to the payment to the Persons entitled thereto of all installments of interest then due, in the order of the maturity of such installments, and Qualified Hedge Payments then due, and, if the amount available shall not be sufficient to pay in full any particular installment and Qualified Hedge Payment, then to the payment ratably, according to the amounts due on such installment and Qualified Hedge Payment, to the Persons entitled thereto, without any discrimination or preference;

SECOND: to the payment to the Persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due at maturity or upon mandatory redemption prior to maturity (other than Bonds called for redemption for the payment of which moneys are held in escrow for the defeasance under the Bond Ordinance), in the order of their due dates, with interest upon such Bonds from the respective dates upon which they became due, and, if the amount available shall not be sufficient to pay in full Bonds due on any



particular date, together with such interest, then to the payment first of such interest, ratably according to the amount of such interest due on such date, and then to the payment of such principal, ratably according to the amount of such principal due on such date, to the Persons entitled thereto without any discrimination or preference; and

THIRD: to the payment of the Redemption Price of any Bonds called for optional redemption pursuant to the provisions of the Bond Ordinance.

(2) If the principal of all the Bonds shall have become due and payable, all such moneys shall be applied to the payment of the principal of and interest on the Bonds, and Qualified Hedge Payments then due and unpaid, with interest thereon as aforesaid, without preference or priority of principal over interest or Qualified Hedge Payments or of interest or Qualified Hedge Payments over principal, or of any installment of interest over any other installment of interest, or any Qualified Hedge Payment over any other Qualified Hedge Payment, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto without any discrimination or preference.

#### **Modification or Amendment**

*Without Bondholders' Consent.* The City, from time to time and at any time, may enact such supplemental or amendatory ordinances or resolutions without the consent of the Bondholders, for any of the following purposes:

(a) To cure any ambiguity or formal defect or omission or to correct any inconsistent provisions in the Bond Ordinance or to clarify any matters or questions arising under the Bond Ordinance.

(b) To grant to or confer upon the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondholders.

(c) To add to the conditions, limitations and restrictions on the issuance of Bonds under the provisions of the Bond Ordinance other conditions, limitations and restrictions thereafter to be observed.

(d) To permit coupon Bonds as provided by the Bond Ordinance.

(e) To add to the covenants and agreements of the City in the Bond Ordinance other covenants and agreements thereafter to be observed by the City or to surrender any right or power in the Bond Ordinance reserved to or conferred upon the City.

(f) To authorize the issuance of Additional Bonds in accordance with the requirements of the Bond Ordinance.

(g) To make any other change that, in the opinion of the City, would not materially adversely affect the security for the Bonds. In making such determination, the City shall not take into consideration any Bond Insurance Policy.

Copies of any proposed supplemental or amendatory ordinance shall be provided by the City to any nationally recognized securities rating agency then maintaining a rating of any Bonds Outstanding under the Bond Ordinance prior to the effective date thereof.

*With Bondholders' Consent.* Subject to the terms and provisions contained in the Bond Ordinance, the Holder or Holders of not less than a majority of the principal amount of Bonds then Outstanding shall have the right, from time to time, anything contained in the Bond Ordinance to the contrary notwithstanding, to consent to and approve the enactment or adoption of such supplemental or amendatory ordinance or resolution as shall be deemed necessary or desirable by the City for the purpose of supplementing, modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in the Bond Ordinance; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any specified Series or maturity remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under the Bond Ordinance. Any supplemental or amendatory ordinance or resolution which is adopted in accordance with the provisions of the Bond Ordinance shall also require the written consent of the Insurer of any Bonds which are Outstanding at the time such supplemental or amendatory ordinance or resolution affecting such Bonds shall take effect. No supplemental or amendatory ordinance or resolution may be approved or adopted which shall permit or require (a) an extension of the maturity of the principal of or the payment of the interest on any Bond issued under the Bond Ordinance, (b) reduction in the principal amount of any Bond or the redemption price or the rate of interest thereon, (c) a preference or priority of any Bond or Bonds over any other Bond or Bonds, or (d) a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental or amendatory ordinance or resolution. Nothing in the Bond Ordinance contained, however, shall be construed as making necessary the approval by Bondholders or the Insurer of the enactment or adoption of any supplemental or amendatory ordinance or resolution as authorized in the Bond Ordinance.

If at any time the City shall determine that it is necessary or desirable to adopt any supplemental or amendatory ordinance or resolution pursuant to the Bond Ordinance, the City shall cause the Deputy Registrar and Paying Agent to give notice of the proposed adoption of such supplemental or amendatory ordinance or resolution and the form of consent to such adoption to be mailed, postage prepaid, to all Bondholders at their addresses as they appear on the registration books. Such notice shall briefly set forth the nature of the proposed supplemental or amendatory ordinance or resolution and shall state that copies thereof are on file at the offices of the City and the Deputy Registrar and Paying Agent for inspection by all Bondholders. The City shall not, however, be subject to any liability to any Bondholder by reason of its failure to cause the notice required by the Bond Ordinance to be mailed and any such failure shall not affect the validity of such supplemental or amendatory ordinance or resolution when consented to and approved as provided in the Bond Ordinance.

Whenever there shall be delivered to and filed with the City an instrument or instruments in writing purporting to be executed by the Holders of not less than a majority of the principal amount of Bonds then Outstanding, which instrument or instruments shall refer to the proposed supplemental or amendatory ordinance or resolution described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred

to in such notice, thereupon, but not otherwise, the City may adopt such supplemental or amendatory ordinance or resolution in substantially such form, without liability or responsibility to any Holder of any Bond, whether or not such Holder shall have consented thereto.

If the Holders of not less than a majority of the principal amount of Bonds Outstanding at the time of the enactment or adoption of such supplemental or amendatory ordinance or resolution shall have consented to and approved the adoption thereof as provided in the Bond Ordinance, no Holder of any Bond shall have any right to object to the enactment or adoption of such supplemental or amendatory ordinance or resolution, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the enactment or adoption thereof, or to enjoin or restrain the City from adopting the same or from taking any action pursuant to the provisions thereof.

Upon the enactment or adoption of any supplemental or amendatory ordinance or resolution pursuant to the provisions of the Bond Ordinance, the Bond Ordinance shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under the Bond Ordinance of the City and all Holders of Bonds then Outstanding shall thereafter be determined, exercised and enforced in all respects under the provisions of the Bond Ordinance as so modified and amended.

Copies of any proposed supplemental or amendatory ordinance or resolution shall be provided by the City to any nationally recognized securities rating agency then maintaining a rating of any Bonds Outstanding under the Bond Ordinance prior to the effective date thereof.

#### **Defeasance and Release of Bond Ordinance**

If, at any time after the date of issuance of the Bonds, (a) any Bonds secured by the Bond Ordinance, shall have become due and payable in accordance with their terms or otherwise as provided in the Bond Ordinance or shall have been duly called for redemption, or the City gives the Deputy Registrar and Paying Agent irrevocable instructions directing the payment of the principal of, premium, if any, and interest on such Bonds at maturity or at any earlier redemption date d by the City, or any combination thereof, and (b) the whole amount of the principal, premium, if any, and the interest so due and payable upon all of such Bonds then outstanding, at maturity or upon redemption, shall be paid, or sufficient moneys shall be held by the Deputy Registrar and Paying Agent or an escrow agent, in irrevocable trust for the benefit of such Bondholders (whether or not held in any accounts created under the Bond Ordinance and if not in accounts created by the Bond Ordinance, under an escrow deposit agreement in a form reasonably acceptable to the Insurer of any Bonds being defeased) which, as verified by a report of a nationally recognized independent certified public accountant or nationally recognized firm of independent certified public accountants, when invested in Refunding Securities maturing not later than the maturity or redemption dates of such principal, premium, if any, and interest will, together with the income realized on such investments, be sufficient to pay all such principal, premium, if any, and interest on said Bonds at the maturity thereof or the date upon which such Bonds are to be called for redemption prior to maturity, then and in that case the right, title and interest of such Bondholders under the Bond Ordinance and the pledge of and lien on the amounts in the funds and accounts established under the Bond Ordinance, and all other pledges and liens created thereby or pursuant to the Bond Ordinance, with respect to such Bondholders shall thereupon cease, determine and

become void, and if such conditions have been satisfied with respect to all Bonds issued thereunder and then outstanding, all balances remaining in any other funds or accounts created by the Bond Ordinance other than moneys held for redemption or payment of Bonds and to pay all other sums payable by the City thereunder shall be distributed to the City for any lawful purpose; otherwise the Bond Ordinance shall be, continue and remain in full force and effect.

## **APPENDIX C**

### **FORM OF BOND TERMS AGREEMENT**

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**BOND TERMS AGREEMENT**

**Relating to**

**\$ \_\_\_\_\_  
CITY OF JACKSONVILLE, FLORIDA  
SPECIAL REVENUE BONDS,  
SERIES 2025**

**Dated as of August 1, 2025**

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## **BOND TERMS AGREEMENT**

This **BOND TERMS AGREEMENT** is executed and delivered by the undersigned Mayor and Corporation Secretary of the City of Jacksonville, Florida (together with its successors and assigns, the "Issuer") pursuant to Section 14 of Ordinance 2006-888-E, and Section 14 of Ordinance 2025-329-E, of the Issuer for the purpose of providing the terms of the \$\_\_\_\_\_ City of Jacksonville, Florida Special Revenue Bonds, Series 2025 (the "Series 2025 Bonds").

### **BACKGROUND:**

The Council of the Issuer enacted Ordinance 2006-888-E (as amended and supplemented, the "Bond Ordinance"), which repealed and superseded Ordinance 2005-1086-E, providing for the issuance by the Issuer of its Special Revenue Bonds for the purpose of financing the construction and acquisition of additions, extensions and improvements to, and the repair of, municipal capital improvements and for other governmental undertakings authorized from time to time and the refunding of indebtedness of the Issuer issued for such purposes, as authorized from time to time. The City Council has enacted Ordinance 2025-0329-E (the "2025 Supplemental Ordinance") which supplemented the Bond Ordinance and authorized the issuance of Special Revenue Bonds of the Issuer in one or more series for the purpose, among other things, of financing and refinancing the acquisition and construction of certain capital equipment and improvements for the Issuer and to pay the costs of issuance related thereto (the "Series 2025 Project"). Portions of the Series 2025 Project have been previously financed through the Issuer's commercial paper program.

Section 14 of the Bond Ordinance and Section 14 of the 2025 Supplemental Ordinance authorize the Mayor and the Corporation Secretary of the Issuer to execute and deliver one or more Bond Terms Agreements to implement the Bond Ordinance and to specify the terms of Special Revenue Bonds authorized thereby. In accordance with the Bond Ordinance, the Mayor has determined that it is in the best interest of the Issuer to issue the Series 2025 Bonds in the aggregate principal amount of \$\_\_\_\_\_ authorized to be issued under and pursuant to the Bond Ordinance and the 2025 Supplemental Ordinance for the purpose of (i) financing and reimbursing a portion of the Series 2025 Project, (ii) refunding certain commercial paper notes issued pursuant to the Issuer's commercial paper program, and (iii) paying the costs of issuance related to the Series 2025 Bonds.

Due to the complexity of the financing and volatile market conditions which affect the sizing of the proposed bonds, an expeditious sale of the Series 2025 Bonds through a negotiated sale has also been determined to be in the best interest of the Issuer.

**NOW, THEREFORE**, the Mayor and Corporation Secretary execute and deliver this Bond Terms Agreement for the purpose of supplementing the Ordinance and providing the terms of the Series 2025 Bonds.

## ARTICLE I

### DEFINITIONS

**Section 1.01. Definitions.** All terms used herein in capitalized form and not otherwise defined herein or in the appendices hereto shall have the meanings ascribed to such terms in the Bond Ordinance. In addition, the following capitalized terms as used in this Bond Terms Agreement, the Series 2025 Bonds and any certificate or document executed in connection therewith shall have the following meanings (or are defined elsewhere in this Bond Terms Agreement as indicated below) unless the context otherwise indicates:

"Beneficial Owner" means any Person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2025 Bond (including any Person holding a Series 2025 Bond through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 2025 Bond for federal income tax purposes.

"Bondholder" or "Holder" means, as of any time, the registered owner of any Series 2025 Bond as shown in the register kept by the Deputy Registrar and Paying Agent.

"Business Day" means any day other than a Saturday, Sunday or other day on which the New York Stock Exchange is closed or on which banks are authorized or required to be closed in the City of Jacksonville, Florida or the City of New York, New York.

"Closing Date" means the date of delivery of the Series 2025 Bonds to the Underwriters against payment therefor.

"Fitch" means Fitch Ratings, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

"Issuer" means the City of Jacksonville, Florida and its successors and assigns.

"KBRA" means Kroll Bond Rating Agency, LLC, a limited liability company organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such limited liability company shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, shall be deemed to refer to any other national recognized securities rating agency designated by the Issuer.

"Moody's" means Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

"Notice Address" means:

- (a) As to the Issuer: City of Jacksonville, Florida  
117 W. Duval Street  
City Hall, Suite 300  
Jacksonville, Florida 32202  
Attention: Chief Financial Officer  
Telephone: (904) 630-1298
- (b) As to the Deputy Registrar and Paying Agent: Computershare Trust Company, N.A.  
1505 Energy Park Drive  
St. Paul, MN 55108  
Attention: Corporate Trust Services  
Telephone: (612) 667-4676

or, in each case, such other address or addresses as any such Person shall designate by notice actually received by the addressor.

"Participant" means, with respect to DTC or another Securities Depository, a member of or participant in DTC or such other Securities Depository, respectively.

"Person" means a corporation, association, partnership, limited liability company, joint venture, trust, organization, business, individual or government or any governmental agency or political subdivision thereof.

"Principal Office" means, with respect to the Deputy Registrar and Paying Agent, the address of the Deputy Registrar and Paying Agent identified as its Notice Address in this Bond Terms Agreement or otherwise notified in writing by the Deputy Registrar and Paying Agent to the Issuer.

"Purchase Contract" means that certain Bond Purchase Contract, dated August \_\_, 2025 between the Issuer and the Underwriters.

"Rating Agency" means, as of any date, each of Moody's, if such Series 2025 Bonds are then rated by Moody's, Fitch, if such Series 2025 Bonds are then rated by Fitch, S&P, if such Series 2025 Bonds are then rated by S&P, and KBRA, if such Series 2025 Bonds are then rated by KBRA.

"Securities Depository" means DTC or, if applicable, any successor securities depository appointed pursuant to the third to last paragraph of Section 2.03 of this Bond Terms Agreement.

"Series 2025 Bonds" means the Issuer's Special Revenue Bonds, Series 2025 issued hereunder in the original aggregate principal amount of \$\_\_\_\_\_.

"S&P" means S&P Global Ratings, a business of Standard & Poor's Financial Services LLC, a limited liability company organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such entity shall be dissolved or liquidated or shall no longer

perform the functions of a securities rating agency, shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer.

"State" means the State of Florida.

"Underwriters" means collectively, Samuel A. Ramirez & Co., Inc., as senior manager of the underwriting group, and the following syndicate members: BofA Securities, Inc., Raymond James and TD Securities.

**Section 1.02. Certain References.** Any reference in this Bond Terms Agreement to the Issuer or the Deputy Registrar and Paying Agent shall include those Persons who succeed to their functions, duties or responsibilities pursuant to or by operation of law or who are lawfully performing their functions. Any reference in this Bond Terms Agreement to any statute or law or chapter or section thereof shall include all amendments, supplements or successor provisions thereto.

**Section 1.03. Timing of Actions.** If the date for making any payment or the last day for the performance of any act or the exercise of any right provided in this Bond Terms Agreement shall not be a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day with the same force and effect as if done on the nominal date provided in this Bond Terms Agreement, except as otherwise specifically provided herein.

## ARTICLE II

### THE SERIES 2025 BONDS

**Section 2.01. Issuance of Bonds, Dates, Maturities and Interest.**

(a) **Issuance.** A single Series of Bonds shall be issued in accordance with the terms hereof and shall be designated "City of Jacksonville, Florida Special Revenue Bonds, Series 2025." The Series 2025 Bonds shall constitute Additional Bonds under the Bond Ordinance.

(1) The Series 2025 Bonds shall be issued in the original aggregate principal amount of \$\_\_\_\_\_. The Series 2025 Bonds are issued under and pursuant to the 2025 Supplemental Ordinance and the Bond Ordinance.

(2) The Series 2025 Bonds shall be substantially in the form attached hereto as Exhibit A, with such variations, omissions and insertions as are permitted or required hereby.

(3) The Series 2025 Bonds shall be numbered consecutively from one upward, preceded by the letter "R-." The Series 2025 Bonds shall be issued as registered bonds in the denomination of \$5,000 each, or any integral multiple thereof.

(4) [A portion of the Series 2025 Bonds maturing on October 1, 20\_\_ through and including 20\_\_ are hereby designated as Designated Maturity Debt under the Bond Ordinance.]

(b) Dates. The Series 2025 Bonds shall be dated as of the date of their delivery.

(c) Maturities and Interest Rates.

The Series 2025 Bonds shall mature on October 1 in the years and in the principal amount or amounts, and shall bear interest, calculated based on a 360-day year consisting of twelve 30-day months, payable semiannually on April 1 and October 1 of each year (each an "Interest Payment Date"), commencing April 1, 2023, at the rates set forth below:

<u>Date</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Date</u> <u>(October 1)</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
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\$ \_\_\_\_\_ Series 2025 Term Bond Due October 1, 20\_\_ at an interest rate of \_\_\_\_\_%

\$ \_\_\_\_\_ Series 2025 Term Bond Due October 1, 20\_\_ at an interest rate of \_\_\_\_\_%

**Section 2.02. Method and Place of Payment.** The principal and premium, if any, and interest on the Series 2025 Bonds shall be payable in lawful money of the United States of America. Interest on the Series 2025 Bonds shall be paid by check or draft drawn upon the Deputy Registrar and Paying Agent and mailed to the Bondholders at the addresses as they appear on the registration books maintained by the Deputy Registrar and Paying Agent at the close of business on the fifteenth (15th) day (whether or not a Business Day) of the month next preceding the Interest Payment Date (the "Record Date"), irrespective of any transfer or exchange of such Series 2025 Bonds subsequent to such Record Date and prior to such Interest Payment Date, unless the Issuer shall be in default in the payment of interest due on such Interest Payment Date. In the event of any such default, such defaulted interest shall be payable to the persons in whose names such Series 2025 Bonds are registered at the close of business on a special record date for the payment of such defaulted interest as established by notice deposited in the U.S. Mail, postage prepaid, by the Issuer to the Registered Owners of Series 2025 Bonds not less than fifteen (15) days preceding such special record date. Such notice shall be mailed to the persons in whose names the Series 2025 Bonds are registered at the close of business on the fifth (5th) day (whether or not a Business Day) preceding the date of mailing. Notwithstanding the foregoing, except that in the case of such Bondholders of \$1,000,000 or more in aggregate principal amount of such Series 2025 Bonds, upon the written request of such Bondholders (unless such Bondholder shall be DTC in which case no written request shall be required) to the Deputy Registrar and Paying Agent, specifying the

account or accounts to which such payment shall be made, such payments shall be made by wire transfer of immediately available funds on the applicable Interest Payment Date following such Record Date. Any request referred to in the preceding sentence shall remain in effect until revoked or revised by such Bondholders by an instrument in writing delivered to the Deputy Registrar and Paying Agent.

**Section 2.03. Exchange and Transfer of Series 2025 Bonds; Book-Entry System.** Upon surrender of Series 2025 Bonds at the Principal Office of the Deputy Registrar and Paying Agent, together with an assignment duly executed by the Bondholder or his attorney or legal representative in such form and with such guaranty of signature as shall be satisfactory to the Deputy Registrar and Paying Agent, a Series 2025 Bond may be exchanged for a fully registered Series 2025 Bond of the same series and maturity, aggregating in an amount equal to the then unpaid principal amount of such Series 2025 Bonds surrendered, of authorized denominations.

As to any Series 2025 Bond, the Bondholder shall be deemed and regarded as the absolute owner thereof for all purposes and neither of the Issuer or the Deputy Registrar and Paying Agent shall be affected by any notice, actual or constructive, to the contrary.

Any Series 2025 Bonds may be registered as transferred upon the books kept for the registration and transfer of the Series 2025 Bonds only upon surrender thereof to the Deputy Registrar and Paying Agent, together with an assignment duly executed by the Bondholder or his attorney or legal representative in such form and with such guaranty of signature as shall be satisfactory to the Deputy Registrar and Paying Agent; provided, that the Deputy Registrar and Paying Agent shall not be obligated to make any exchange or registration of transfer during the period between a Record Date and the corresponding Interest Payment Date. Upon the registration of transfer of any such Series 2025 Bonds and on request of the Deputy Registrar and Paying Agent, the Issuer shall execute, and the Deputy Registrar and Paying Agent shall authenticate and deliver, a new Series 2025 Bond, registered in the name of the transferee or transferees, of the same series and maturity, aggregating in an amount equal to the then unpaid principal amount of the Series 2025 Bond surrendered, of authorized denominations.

In all cases in which Series 2025 Bonds shall be exchanged for or in replacement of other Series 2025 Bonds, the Series 2025 Bonds to be issued shall be signed and sealed on behalf of the Issuer and authenticated by the Deputy Registrar and Paying Agent, all as provided in Section 6.03 of the Bond Ordinance. The obligations of the Issuer and the rights of the Bondholders with respect to such Series 2025 Bonds shall be the same as with respect to the Series 2025 Bonds being exchanged or replaced. Such registrations of transfer or exchange of Series 2025 Bonds shall be without charge to the Bondholders, except that any taxes or governmental charges required to be paid with respect to the same shall be paid by the Bondholder requesting such registration of transfer or exchange as a condition precedent to the exercise of such privilege.

Whenever any Outstanding Series 2025 Bond shall be delivered to the Deputy Registrar and Paying Agent for cancellation pursuant to this Bond Terms Agreement, or for exchange or registration of transfer pursuant to this Section 2.03, such Series 2025 Bonds shall be promptly canceled and destroyed by the Deputy Registrar and Paying Agent (subject to applicable record retention requirements) and counterparts of a certificate of destruction evidencing such destruction

shall be retained by the Deputy Registrar and Paying Agent and, if requested by the Issuer, shall be furnished by the Deputy Registrar and Paying Agent to the Issuer.

The foregoing provisions of this Section 2.03 to the contrary notwithstanding, the Series 2025 Bonds will be issued initially as one fully registered bond for each maturity of each series of the Series 2025 Bonds in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), and deposited in the custody of DTC. The Beneficial Owners will not receive physical delivery of the Series 2025 Bonds. Individual purchases of the Series 2025 Bonds may be made in book-entry form only in principal amounts equal to authorized denominations thereof. Payments of principal and interest on the Series 2025 Bonds will be made to DTC or its nominee as Bondholder.

DTC shall pay interest to the Beneficial Owners of record through its Participants as of the close of business on the Record Date.

Transfer of ownership interests in the Series 2025 Bonds shall be made by DTC and its Participants, acting as nominees of the Beneficial Owners, in accordance with rules specified by DTC and its Participants.

Bond certificates will be issued directly to owners of such Series 2025 Bonds other than DTC, or its nominee, upon the occurrence of the following events (subject, however, to operation of the two sentences following clause (c) below):

(a) DTC determines not to continue to act as securities depository for the Series 2025 Bonds; or

(b) the Issuer has advised DTC of its determination that DTC is incapable of discharging its duties; or

(c) the Issuer has determined that it is in the best interest of the Bondholders not to continue the book-entry system of transfer or that interests of the Beneficial Owners of the Series 2025 Bonds might be adversely affected if the book-entry system of transfer is continued.

Upon occurrence of the event described in (a) or (b) above, the Issuer shall attempt to locate another qualified Securities Depository. If the Issuer fails to locate another qualified Securities Depository to replace DTC, the Deputy Registrar and Paying Agent shall authenticate and deliver Series 2025 Bonds in certificated form. In the event the Issuer makes the determination noted in (b) or (c) above (as to which the Issuer undertakes no obligation to make any investigation to determine the occurrence of any events that would permit the Issuer to make any such determination), and has made provisions to notify the Beneficial Owners of the Series 2025 Bonds of the availability of Series 2025 Bond certificates by mailing an appropriate notice to DTC, the Issuer shall cause the Deputy Registrar and Paying Agent to authenticate and deliver the Series 2025 Bonds in certificated form to DTC's Participants (as requested by DTC) in appropriate amounts. Principal of and interest on the Series 2025 Bonds shall be payable as otherwise provided in the Ordinance.

Neither the Issuer nor the Deputy Registrar and Paying Agent will have any responsibility or obligations to the Participants or the Beneficial Owners with respect to (i) the accuracy of any

records maintained by DTC or any Participant; (ii) the payment by DTC or any Participant of any amount due to any Beneficial Owner in respect of the principal amount or interest on the Series 2025 Bonds; (iii) the delivery by DTC or any Participant of any notice to any Beneficial Owner or to the Deputy Registrar and Paying Agent or other party which is required or permitted under the terms of this Bond Terms Agreement to be given to or by the Bondholders; or (iv) any consent given or other action taken by Cede & Co. as the nominee of DTC, as registered owner.

So long as Cede & Co. is the Registered Owner of the Series 2025 Bonds, as nominee of DTC, references herein and in the Ordinance to the Bondholders or the Holders of the Series 2025 Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the Series 2025 Bonds.

**Section 2.04. Application of Bond Proceeds.** The proceeds from the sale of the Series 2025 Bonds shall be applied simultaneously with the issuance of the Series 2025 Bonds as follows:

- (1) \$\_\_\_\_\_ shall be deposited in the Series 2025 Subaccount of the Project Account of the Special Revenue Bond Fund (which is hereby created) to finance or reimburse the acquisition and construction of the 2025 Project and to refund certain commercial paper notes issued pursuant to the City's commercial paper program;
- (2) \$\_\_\_\_\_ shall be applied by the Issuer to pay costs of issuance of the Series 2025 Bonds.

**Section 2.05. No Reserve Requirement.** The Series 2025 Bonds shall **not** be secured by the Reserve Account or any Subaccount therein referred to in the Special Revenue Bond Ordinance.

### ARTICLE III

#### REDEMPTION OF SERIES 2025 BONDS BEFORE MATURITY

**Section 3.01. Redemption of Series 2025 Bonds.**

**Optional Redemption**

The Series 2025 Bonds maturing prior to October 1, 20\_\_\_\_ are not subject to optional redemption prior to maturity. The Series 2025 Bonds maturing on and after October 1, 20\_\_\_\_ shall be subject to redemption prior to their stated dates of maturity, at the option of the Issuer, in whole or in part, on any date on or after October 1, 20\_\_\_\_, in such maturities as the Issuer shall in its discretion select or by lot within a maturity if less than a full maturity, at a redemption price equal to 100% of the principal amount of the Series 2025 Bonds to be redeemed plus accrued interest to the redemption date, but without premium.

**Mandatory Sinking Fund Redemption**

The Series 2025 Bonds maturing on October 1, 20\_\_\_\_ are subject to mandatory sinking fund redemption in part on October 1, in each year listed below at a redemption price equal to



100% of the principal amount redeemed plus accrued interest thereon to the redemption date, in the principal amount set forth below:

October 1 of the Year	Amortization Installment
	\$

\*

---

\*Maturity.

The Series 2025 Bonds maturing on October 1, 20\_\_ are subject to mandatory sinking fund redemption in part on October 1, in each year listed below at a redemption price equal to 100% of the principal amount redeemed plus accrued interest thereon to the redemption date, in the principal amount set forth below:

October 1 of the Year	Amortization Installment
	\$

\*

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\*Maturity.

**Section 3.02. Notice of Redemption.** Notice of redemption will be given by mail by the Deputy Registrar and Paying Agent not more than sixty (60) days nor less than thirty (30) days prior to the Redemption Date to all Registered Owners of the Series 2025 Bonds to be redeemed at their addresses as they appear on the registration books of the Deputy Registrar and Paying Agent as of the date that is at least forty-five (45) days prior to the Redemption Date; provided, however, that failure to so file or mail any such notice of redemption shall not affect the validity of the proceedings for such redemption with respect to Registered Owners of the Series 2025 Bonds to whom notice was mailed. The Deputy Registrar and Paying Agent must send a second notice of redemption by certified mail return receipt requested to any registered Holder who has not submitted Bonds called for redemption 30 days after the redemption date; provided, however, that the failure to give any second notice by mailing, or any defect in such notice, will not affect the validity of any proceedings for the redemption of any of the Series 2025 Bonds and the Deputy Registrar and Paying Agent shall not be liable for their failure to send any second notice. Interest shall cease to accrue on the redemption date on any Series 2025 Bonds duly called for redemption, if payment for the redemption price has been duly provided.

The Series 2025 Bonds in denominations greater than a minimum Authorized Denomination shall be deemed to be an equivalent number of Series 2025 Bonds in the denomination of a minimum Authorized Denomination. If a Series 2025 Bond is of a

denomination larger than a minimum Authorized Denomination, a portion of such Series 2025 Bond may be redeemed, in the amount of such minimum Authorized Denomination or integral multiples thereof.

Notice of any redemption of Series 2025 Bonds shall either (i) explicitly state that the proposed redemption is conditioned on there being on deposit in the applicable fund or account on the redemption date sufficient money to pay the full redemption price of the Series 2025 Bond to be redeemed or (ii) be sent only if sufficient money to pay the full redemption price of the Series 2025 Bonds to be redeemed is on deposit in the applicable fund or accounts.

For so long as a book-entry only system of registration is in effect with respect to the Series 2025 Bonds, the Deputy Registrar and Paying Agent will mail notices of redemption to DTC or its successor. Any failure of DTC to convey such notice to any DTC Participants or any failure of DTC Participants to convey such notice to any Beneficial Owner will not affect the sufficiency or the validity of the redemption of the Series 2025 Bonds.

Notwithstanding the foregoing, notice of optional redemption may be conditioned upon the occurrence or non-occurrence of such event or events as shall be specified in such notice of optional redemption and may also be subject to rescission by the Issuer if expressly set forth in such notice.

**Section 3.03. Effect of Notice of Redemption.** Notice having been given in the manner and under the conditions provided for herein and upon the satisfaction of any conditions to such redemption specified in such notice, the Series 2025 Bonds or portions of Series 2025 Bonds so called for redemption shall, on the redemption date designated in such notice, become and be due and payable at the redemption price provided for redemption of such Series 2025 Bonds or portions of such Series 2025 Bonds on such date. On the date so designated for redemption, moneys for payment of the redemption price being held in separate accounts by the Deputy Registrar and Paying Agent in trust for the Registered Owners of the Series 2025 Bonds or portions thereof to be redeemed, all as provided in the Special Revenue Bond Ordinance, interest and, if applicable, principal, on the Series 2025 Bonds or portions of Series 2025 Bonds so called for redemption shall cease to accrue, such Series 2025 Bonds and portions of Series 2025 Bonds shall cease to be entitled to any lien, benefit or security under the Special Revenue Bond Ordinance, and the Registered Owners of such Series 2025 Bonds or portions of Series 2025 Bonds shall have no right in respect thereof except to receive payment of the redemption price thereof and, to the extent provided in the Special Revenue Bond Ordinance, to receive Bonds for any unredeemed portions of the Series 2025 Bonds.

## ARTICLE IV

### DEPUTY REGISTRAR AND PAYING AGENT

**Section 4.01. Deputy Registrar and Paying Agent.** Computershare Trust Company, N.A., St. Paul, Minnesota, is hereby designated as the Deputy Registrar and Paying Agent with respect to the Series 2025 Bonds for purposes of the Ordinance and hereof.

## ARTICLE V

### SALE OF SERIES 2025 BONDS

**Section 5.01. Purchase Contract.** The Issuer hereby determines that due to the complexity of the financing and volatile market conditions which affect the sizing of the proposed bonds, an expeditious sale of the Series 2025 Bonds through a negotiated sale is in the best interest of the Issuer. The Series 2025 Bonds shall be sold to the Underwriters upon the terms and conditions hereof and of the Purchase Contract through a negotiated sale. The Purchase Contract shall expressly incorporate the terms of this Bond Terms Agreement.

**Section 5.02. Official Statement.** The form and content of the Preliminary Official Statement dated August \_\_, 2025 for the Series 2025 Bonds (the "POS") are hereby approved, and the POS is "deemed final," subject to permitted omissions, on behalf of the Issuer for purposes of Rule 15c2-12 of the Securities and Exchange Commission. The circulation of the POS is hereby ratified. The form and content of a final Official Statement dated August \_\_, 2025 (the "Official Statement") in substantially the form of the POS, with the addition of the marketing terms contained in this Bond Terms Agreement are approved, and the distribution of the Official Statement is authorized in connection with the issuance and sale of the Series 2025 Bonds.

**IN WITNESS WHEREOF**, each of the Mayor and Corporation Secretary of the City of Jacksonville, Florida has caused this Bond Terms Agreement to be executed and delivered as a sealed instrument in all as of August 1, 2025.

---

Donna Deegan, Mayor

(SEAL)  
Attest:

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James R. McCain, Jr.,  
Corporation Secretary

**EXHIBIT A  
TO  
BOND TERMS AGREEMENT  
[FORM OF SERIES 2025 BOND]**

No. R - \_\_\_\_

\$ \_\_\_\_\_

**UNITED STATES OF AMERICA  
STATE OF FLORIDA  
CITY OF JACKSONVILLE, FLORIDA  
SPECIAL REVENUE BONDS, SERIES 2025**

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Original Dated Date</u>	<u>CUSIP</u>
		August ____, 2025	

Registered Holder:    CEDE & CO.

Principal Amount:        \_\_\_\_\_ DOLLARS

The City of Jacksonville, Florida (hereinafter called the "Issuer"), for value received, hereby promises to pay to the Registered Holder identified above, or to registered assigns or legal representatives, but solely from the Covenant Revenues budgeted and appropriated and deposited pursuant to the Ordinance as hereinafter described, on the Maturity Date identified above (or earlier as hereinafter provided), the Principal Amount identified above, upon presentation and surrender hereof at the designated office of Computershare Trust Company, N.A., St. Paul, Minnesota, or its successors, as Deputy Registrar and Paying Agent (the "Registrar"), and to pay, solely from such special revenues, interest on the principal sum from the date hereof, or from the most recent interest payment date to which interest has been paid, at the Interest Rate per annum identified above, until payment of the principal sum, or until provision for the payment thereof has been duly provided for, such interest being payable semiannually on the first day of April and the first day of October of each year, commencing on April 1, 2026. Interest will be paid by check or draft mailed (or delivered by wire transfer as provided in the Bond Ordinance) to the Registered Holder hereof at his address as it appears on the registration books of the Issuer maintained by the Registrar at the close of business on the 15th day (whether or not a business day) of the month next preceding the interest payment date (the "Record Date"), irrespective of any transfer or exchange of such Bond subsequent to such Record Date and prior to such interest payment date, unless the Issuer shall be in default in payment of interest due on such interest payment date. In the event of any such default, such defaulted interest shall be payable to the person in whose name such Bond is registered at the close of business on a special record date for the payment of such defaulted interest as established by notice by deposit in the U.S. mail, postage prepaid, by the Issuer to the Registered Holders of Bonds not less than fifteen days preceding such special record date. Such notice shall be mailed to the persons in whose names the Bonds are registered at the close of business on the fifth (5th) day (whether or not a business day) preceding the date of mailing.

This Bond and the interest hereon is payable solely from and secured by a lien upon and pledge of certain revenues of the Issuer held in the funds and accounts created pursuant to Ordinance No. 2006-888-E enacted by the Issuer on September 12, 2006 (the "Bond Ordinance"), as amended and supplemented from time to time, particularly as amended by Ordinance 2012-620-E (the "Amendatory Ordinance") and particularly as supplemented by Ordinance 2025-0329-E (the "2025 Supplemental Ordinance" and together with the Amendatory Ordinance and the Bond Ordinance, collectively, the "Ordinance") and certain other funds and investment earnings thereon, all in the manner and to the extent provided in the Ordinance. All terms used herein in capitalized form and not otherwise defined shall have the meanings ascribed thereto in the Ordinance. Pursuant to the Ordinance, the Issuer has covenanted and agreed, to the extent permitted by and in accordance with applicable law and budgetary processes, to prepare, approve and appropriate in its Annual Budget for each Fiscal Year, by amendment, if necessary and to deposit to the credit of the Revenue Account established pursuant to the Ordinance, Covenant Revenues of the Issuer in an amount which, together with other legally available funds budgeted and appropriated for such purpose, is equal to the Debt Service Requirement with respect to all Bonds outstanding under the Ordinance (excluding any other Non-Self Sufficient Debt) for the applicable Fiscal Year, plus an amount sufficient to satisfy all other payment obligations of the Issuer under the Ordinance for the applicable Fiscal Year. "Covenant Revenues" is defined in the Ordinance to mean those revenues of the Issuer that are deposited to the credit of the Issuer's General Fund derived from any source whatsoever that are legally available for the payment of the obligations of the Issuer under the Ordinance, inclusive of operating transfers from other funds into the General Fund, but exclusive of revenues derived from ad valorem taxation. It shall be assumed for purposes of calculating Covenant Revenues and Self Sufficient Debt that amounts required to be transferred from the Issuer's General Fund to community redevelopment trust funds pursuant to Section 163.387, Florida Statutes or for other purposes for which tax increment revenues are pledged or committed, will come from revenues derived from ad valorem taxation and not from Covenant Revenues. Such covenant and agreement on the part of the Issuer to budget and appropriate sufficient amounts of Covenant Revenues shall be cumulative, and shall continue until such Covenant Revenues in amounts, together with any other legally available revenues budgeted and appropriated for such purposes, sufficient to make all required payments under the Ordinance as and when due, including any delinquent payments, shall have been budgeted, appropriated and actually paid into the appropriate funds and accounts under the Ordinance; provided, however, that such covenant shall not constitute a lien, either legal or equitable, on any of the Issuer's Covenant Revenues or other revenues, nor shall it preclude the Issuer from pledging in the future any of its Covenant Revenues or other revenues to other obligations, nor shall it give the Bondholders a prior claim on the Covenant Revenues. Anything herein or in the Ordinance to the contrary notwithstanding, all obligations of the Issuer under the Ordinance shall be secured only by the Covenant Revenues and other legally available funds actually budgeted and appropriated and deposited into the funds and accounts created under the Ordinance, as provided for therein. The Issuer may not expend moneys not appropriated or in excess of its current budgeted revenues. The obligation of the Issuer to budget, appropriate and make payments hereunder from its Covenant Revenues is subject to the availability of Covenant Revenues in the General Fund of the Issuer after satisfying funding requirements for obligations having an express lien on or pledge of such revenues and after satisfying funding requirements for essential governmental services of the Issuer.

Reference is hereby made to the Ordinance for the provisions, among others, relating to the terms, lien and security of the Bonds, the custody and application of the proceeds of the Bonds, the rights and remedies of the Registered Holders of the Bonds, the extent of and limitations on the Issuer's rights, duties and obligations, and the provisions permitting the issuance of additional parity indebtedness, to all of which provisions the Registered Holder hereof for himself and his successors in interest assents by acceptance of this Bond.

This Bond shall not be deemed to constitute a debt or a pledge of the faith and credit or taxing power of the Issuer, the State of Florida or any political subdivision thereof within the meaning of any constitutional, legislative or charter provision or limitation. Nothing herein or in the Ordinance shall be deemed to create a pledge of or lien on Covenant Revenues, the ad valorem tax revenues or any other revenues of the Issuer, or permit or constitute a mortgage or lien upon any assets owned by the Issuer. It is expressly agreed by the Registered Holder of this Bond that such Registered Holder shall never have the right, directly or indirectly, to require or compel the exercise of the ad valorem taxing power of the Issuer or any other political subdivision of the State of Florida or taxation in any form on any real or personal property for any purpose, including, without limitation, for the payment of the principal of and interest or premium on this Bond or for the payment of any other amounts provided for in the Ordinance, nor shall the Bonds constitute a charge, lien or encumbrance, either legal or equitable, on any property, assets or funds of the Issuer.

This Bond is one of an authorized issue of Bonds in the aggregate principal amount of \$\_\_\_\_\_, of like date, tenor and effect, except as to number, maturity and optional redemption provisions, and interest rate, issued to finance and reimburse a portion of the Series 2025 Project and to refund certain commercial paper notes issued pursuant to the Issuer's commercial paper program, and pay the costs of issuance thereof, pursuant to the authority of and in full compliance with the Constitution and laws of the State of Florida, including particularly the Ordinance, Article VIII, Section 2, Constitution of the State of Florida, Sections 159.11 and Chapters 125 and 166, Florida Statutes, and the Issuer's Charter. This Bond is also subject to the terms and conditions of the Ordinance.

No Reserve. The Series 2025 Bonds shall **not** be secured by the Reserve Account or any Subaccount therein referred to in the Special Revenue Bond Ordinance.

Optional Redemption. The Bonds maturing prior to October 1, 20\_\_\_\_ are not subject to optional redemption prior to maturity. The Bonds maturing on and after October 1, 20\_\_\_\_ shall be subject to redemption prior to their stated dates of maturity, at the option of the Issuer, in whole or in part, on any date on or after October 1, 20\_\_\_\_, in such maturities as the Issuer shall in its discretion select or by lot within a maturity if less than a full maturity, at a redemption price equal to 100% of the principal amount of the Bonds to be redeemed plus accrued interest to the redemption date, but without premium.

Mandatory Sinking Fund Redemption. The Series 2025 Bonds maturing on October 1, 20\_\_\_\_ are subject to mandatory sinking fund redemption in part on October 1, in each year listed below at a redemption price equal to 100% of the principal amount redeemed plus accrued interest thereon to the redemption date, in the principal amount set forth below:

October 1 of the Year	Amortization Installment
	\$

\*

---

\*Maturity.

The Series 2025 Bonds maturing on October 1, 20\_\_ are subject to mandatory sinking fund redemption in part on October 1, in each year listed below at a redemption price equal to 100% of the principal amount redeemed plus accrued interest thereon to the redemption date, in the principal amount set forth below:

October 1 of the Year	Amortization Installment
	\$

\*

---

\*Maturity.

Notice of Redemption. Notice of redemption will be given by mail by the Registrar not more than sixty (60) days nor less than thirty (30) days prior to the Redemption Date to all Registered Owners of the Bonds to be redeemed at their addresses as they appear on the registration books of the Registrar as of the date that is at least forty-five (45) days prior to the Redemption Date; provided, however, that failure to so file or mail any such notice of redemption shall not affect the validity of the proceedings for such redemption with respect to Registered Owners of the Bonds to whom notice was mailed. The Registrar must send a second notice of redemption by certified mail return receipt requested to any registered Holder who has not submitted Bonds called for redemption 30 days after the redemption date, provided, however, that the failure to give any second notice by mailing, or any defect in such notice, will not affect the validity of any proceedings for the redemption of any of the Bonds and the Registrar shall not be liable for their failure to send any second notice. Interest shall cease to accrue on the Redemption Date on any Bonds duly called for redemption, if payment for the redemption price has been duly provided.

The Bonds in denominations greater than a minimum Authorized Denomination shall be deemed to be an equivalent number of Bonds in the denomination of a minimum Authorized Denomination. If a Bond is of a denomination larger than a minimum Authorized Denomination, a portion of such Bond may be redeemed, in the amount of such minimum Authorized Denomination or integral multiples thereof.

Notice of any redemption of this Bond shall either (i) explicitly state that the proposed redemption is conditioned on there being on deposit in the applicable fund or account on the



redemption date sufficient money to pay the full redemption price of this Bond to be redeemed, or (ii) be sent only if sufficient money to pay the full redemption price of this Bond is on deposit in the applicable fund or accounts.

For so long as a book-entry only system of registration is in effect with respect to this Bond, the Registrar will mail notices of redemption to DTC or its successor. Any failure of DTC to convey such notice to any DTC Participants or any failure of DTC Participants to convey such notice to any Beneficial Owner will not affect the sufficiency or the validity of the redemption of this Bond. Notwithstanding the foregoing, notice of optional redemption may be conditioned upon the occurrence or non-occurrence of such event or events as shall be specified in such notice of optional redemption and may also be subject to rescission by the Issuer if expressly set forth in such notice.

The registration of this Bond may be transferred upon the registration books upon delivery to the designated office of the Registrar accompanied by a written instrument or instruments of transfer in form and with guaranty of signature satisfactory to the Registrar, duly executed by the Holder of this Bond or by his attorney-in-fact or legal representative, containing written instructions as to the details of transfer of this Bond, along with the social security number or federal employer identification number of the transferee. In all cases of a transfer of a Bond, the Registrar shall at the earliest practical time in accordance with the provisions of the Ordinance enter the transfer of ownership in the registration books and shall deliver in the name of the new transferee or transferees a new fully registered Bond or Bonds of the same maturity and of authorized denomination or denominations, for the same aggregate principal amount and payable from the same source of funds. The Issuer and the Registrar may charge the Holder of such Bond for the registration of every such transfer of a Bond an amount sufficient to reimburse them for any tax, fee or any other governmental charge required (other than by the Issuer) to be paid with respect to the registration of such transfer, and may require that such amounts be paid before any such new Bond shall be delivered.

If the date for payment of the principal of, premium, if any, or interest on this Bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the city where the designated corporate trust office of the Registrar is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to close, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen, and to be performed precedent to and in the issuance of this Bond exist, have happened and have been performed in regular and due form and time as required by the laws and Constitution of the State of Florida applicable hereto, and that the issuance of the Bonds of this Series does not violate any constitutional or statutory limitation or provision.

Neither the members of the governing body of the Issuer nor any person executing the Bonds shall be liable personally on the Bonds by reason of their issuance.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Ordinance until the Certificate of Authentication endorsed hereon shall have been signed by the Registrar.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

**IN WITNESS WHEREOF**, the City of Jacksonville, Florida, has issued this Bond and has caused the same to be signed by its Mayor and attested to and countersigned by its Corporation Secretary, either manually or with their facsimile signatures, and its corporate seal or a facsimile thereof to be reproduced hereon, all as of the Original Dated Date set forth above.

**CITY OF JACKSONVILLE, FLORIDA**

By: \_\_\_\_\_  
Donna Deegan, Mayor

[SEAL]

Attested and Countersigned:

By: \_\_\_\_\_  
James R. McCain, Jr.  
Corporation Secretary

## **CERTIFICATE OF AUTHENTICATION**

This Bond is one of the Bonds designated in and executed under the provisions of the within mentioned Ordinance.

**COMPUTERSHARE TRUST  
COMPANY, N.A.**

By: \_\_\_\_\_  
Authorized Officer

Date of Authentication:

August \_\_, 2025

## ASSIGNMENT

FOR VALUE RECEIVED, the undersigned \_\_\_\_\_ (the "Transferor), hereby sells, assigns and transfers unto (the \_\_\_\_\_ (the "Transferee)

### PLEASE INSERT SOCIAL SECURITY OR OTHER IDENTIFYING NUMBER OF TRANSFeree

The within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_ as attorney to register the transfer of the within Bond on the books kept for registration and registration of transfer thereof, with full power of substitution in the premises.

Date: \_\_\_\_\_

\_\_\_\_\_  
Signature Guaranteed:

**NOTICE:** Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

**NOTICE:** No transfer will be registered and no new Bond will be issued in the name of the Transferee, unless the signature(s) to this assignment correspond(s) with the name as it appears upon the face of the within Bond in every particular without alteration or enlargement or any change whatever and the Social Security or Federal Employer Identification Number of the Transferee is supplied.

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## **APPENDIX D**

### **FORM OF BOND COUNSEL OPINION**

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*Upon delivery of the Series 2025 Bonds in definitive form, Bond Counsel, proposes to issue its final approving opinion in substantially the following form.*

[Date of Delivery]

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

**Re:   \$\_\_\_\_\_ City of Jacksonville, Florida Special Revenue Bonds, Series  
2025**

Ladies and Gentlemen:

We have served as Bond Counsel to the City of Jacksonville, Florida (the "City") in connection with the issuance and sale by the City of its \$\_\_\_\_\_ Special Revenue Bonds, Series 2025 (the "Series 2025 Bonds") pursuant to and under the authority of the Constitution and laws of the State of Florida, particularly Section 159.11, Florida Statutes, Chapters 125 and 166, Florida Statutes, Article VIII, Section 2 of the Constitution of the State of Florida, Chapter 92-341, Laws of Florida, Special Acts of 1992, as amended and supplemented, and other applicable provisions of law (collectively, the "Act"), Ordinance 2006-888-E, enacted on September 12, 2006, as supplemented and amended from time to time, particularly as amended by Ordinance 2012-620-E, enacted on November 13, 2012, and particularly as supplemented by Ordinance 2025-0329-E enacted on June 10, 2025 (collectively, the "Bond Ordinance") and a Bond Terms Agreement dated as of August 1, 2025, relating to the Series 2025 Bonds (the "Bond Terms Agreement"). Capitalized terms not otherwise defined herein shall have the meanings set forth in the Bond Ordinance or the Bond Terms Agreement, as applicable.

The Series 2025 Bonds will be issued by the City for the purpose of (i) financing a portion of the acquisition and construction of certain capital equipment and improvements, (ii) refinancing certain commercial paper notes issued pursuant to the City's commercial paper program and (iii) paying the costs of issuance related to the Series 2025 Bonds. In our capacity as Bond Counsel, we have examined such law and certified proceedings, certifications and other documents as we have deemed necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the City contained in the Bond Ordinance and in the certified proceedings and other certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation. We have not undertaken an independent audit, examination, investigation or inspection of such matters and have relied solely on the facts, estimates and circumstances described in such proceedings and certifications. We have assumed the genuineness of signatures

on all documents and instruments, the authenticity of documents submitted as originals and the conformity to originals of documents submitted as copies.

In rendering this opinion, we have examined and relied upon the opinion of even date herewith of the Office of General Counsel of the City, as to the due creation and valid existence of the City, the due enactment of the Bond Ordinance, the due execution and delivery of the Series 2025 Bonds and the Bond Terms Agreement as well as the compliance by the City with all conditions (other than conditions to the issuance of additional bonds) contained in ordinances of the City precedent to the issuance of the Series 2025 Bonds.

The Series 2025 Bonds are payable from those revenues of the City that are deposited to the credit of the City's General Fund derived from any source whatsoever that are legally available for the payment of the obligations of the City under the Bond Ordinance, inclusive of operating transfers from other funds into the General Fund, but exclusive of revenues derived from ad valorem taxation (the "Covenant Revenues"). The lien upon and pledge of the Covenant Revenues are on parity and equal status with Additional Bonds heretofore issued under the Bond Ordinance in the manner and to the extent provided in the Bond Ordinance. Pursuant to the terms, conditions and limitations contained in the Bond Ordinance, the City has reserved the right to issue Additional Bonds in the future which shall have a lien on the Covenant Revenues equal to that of the Series 2025 Bonds and any then outstanding Additional Bonds.

The opinions set forth below are expressly limited to, and we opine only with respect to, the laws of the State of Florida and the federal income tax laws of the United States of America.

Based upon and subject to the foregoing, we are of the opinion that:

(i) The Bond Ordinance constitutes a valid and binding obligation of the City, enforceable against the City in accordance with its terms.

(ii) The Series 2025 Bonds are valid and legally binding limited obligations of the City, payable solely from the Covenant Revenues and other legally available revenues of the City actually budgeted and appropriated for payment thereof and deposited in the funds and accounts created pursuant to the Bond Ordinance, all in the manner and to the extent provided in the Bond Ordinance. The Series 2025 Bonds have been issued in full compliance with the provisions of the Bond Ordinance authorizing the issuance of Additional Bonds.

Nothing in the Bond Ordinance shall be deemed to create a pledge of or lien on the Covenant Revenues (until such funds are budgeted, appropriated and deposited into the funds and accounts created thereunder), the ad valorem tax revenues, or any other revenues or funds of the City, or to permit or constitute a mortgage or lien upon any assets owned by the City. No Bondholder shall ever have the right to compel any exercise of the ad valorem taxing power of the City for any purpose, including, without limitation, to pay the principal of or interest or premium, if any, on the Series 2025 Bonds or to make any other payment required under the Bond Ordinance or to maintain or continue any of the activities of the City which generate user service charges,

regulatory fees or any other Covenant Revenues, nor shall the Series 2025 Bonds constitute a charge, lien or encumbrance, either legal or equitable, on any property, assets or funds of the City. The Series 2025 Bondholders will not have a lien on or a pledge of the Covenant Revenues until such funds are budgeted, appropriated and deposited into the funds and accounts created thereunder. The obligation of the City to budget, appropriate and make payments under the Bond Ordinance from its Covenant Revenues is subject to the availability of Covenant Revenues in the General Fund after satisfaction of the funding requirements for obligations having an express lien on or pledge of such revenues and the funding requirements for essential governmental services of the City.

(iii) Under existing statutes, regulations, rulings and court decisions, subject to the assumptions stated herein, interest on the Series 2025 Bonds is excludable from gross income for federal income tax purposes. Furthermore, interest on the Series 2025 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. In the case of the alternative minimum tax imposed by Section 55(b)(2) of the Code on applicable corporations (as defined in Section 59(k) of the Code), interest on the Series 2025 Bonds is not excluded from the determination of adjusted financial statement income. We express no opinion regarding other federal tax consequences resulting from the ownership, receipt or accrual of interest on or disposition of the Series 2025 Bonds.

(iv) The Series 2025 Bonds and the income thereon are not subject to taxation under the laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, as amended, on interest, income or profits on debt obligations owned by corporations as defined therein.

This opinion is qualified to the extent that the enforcement of the Series 2025 Bonds or the Bond Ordinance may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting generally the enforcement of creditors' rights now or hereafter in effect, or by the exercise of judicial discretion in accordance with general principles of equity.

In rendering the opinion set forth in Paragraph (iii) above, we have assumed the accuracy of the certifications and representations of the City and the continuing compliance by the City with the requirements of the Internal Revenue Code of 1986, as amended, and applicable regulations thereunder that must be met after the delivery of the Series 2025 Bonds in order that interest on the Series 2025 Bonds be and remain excludable from gross income for federal income tax purposes. The failure by the City to meet such requirements may cause interest on the Series 2025 Bonds to be included in gross income for federal income tax purposes retroactively to the date of delivery of the Series 2025 Bonds. The City has covenanted to comply with such requirements.

Except as stated in Paragraphs (iii) and (iv) above, we express no opinion as to any other tax consequences regarding the Series 2025 Bonds.

In our capacity as Bond Counsel, we have not been engaged or undertaken to review or verify and, therefore, express no opinion herein regarding the accuracy, adequacy, fairness, or

Mayor and City Council Members of the  
City of Jacksonville, Florida  
[Date of Delivery]  
Page 4

completeness of the Official Statement or any other offering material relating to the Series 2025 Bonds, except as may be otherwise set forth in our supplemental opinion delivered to the initial purchasers of the Series 2025 Bonds. This opinion should not be construed as offering material, an offering circular, prospectus or official statement and is not intended in any way to be a disclosure statement used in connection with the sale or delivery of the Series 2025 Bonds. Furthermore, we are not passing on the accuracy or sufficiency of any CUSIP numbers appearing on the Series 2025 Bonds. In addition, other than as expressly set forth herein, we have not been engaged to and, therefore, express no opinion as to compliance by the City or the underwriters with any federal or state statute, regulation or ruling with respect to the registration, sale and distribution of the Series 2025 Bonds or regarding the perfection or priority of the lien on the Covenant Revenues created by the Bond Ordinance.

Our opinions expressed herein are predicated upon present law, facts and circumstances, and we assume no affirmative obligation to update, revise or supplement the opinions expressed herein if such laws, facts or circumstances change after the date hereof.

This opinion is furnished solely for the information and benefit of the addressees hereof and may not be relied upon by any other person except as specifically authorized by the undersigned firm.

Respectfully submitted,

## **APPENDIX E**

### **FORM OF CONTINUING DISCLOSURE AGREEMENT**

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**CONTINUING DISCLOSURE AGREEMENT**

**by and between**

**CITY OF JACKSONVILLE, FLORIDA**

**and**

**DIGITAL ASSURANCE CERTIFICATION, L.L.C.**

**relating to:**

**\$\_[ ]**

**CITY OF JACKSONVILLE, FLORIDA  
SPECIAL REVENUE BONDS,  
SERIES 2025**

**Dated as of [ ], 2025**

This **CONTINUING DISCLOSURE AGREEMENT** (this "Disclosure Agreement") dated as of [\_\_\_\_], 2025, is executed and delivered by the **CITY OF JACKSONVILLE, FLORIDA** (the "City") and **DIGITAL ASSURANCE CERTIFICATION, L.L.C.**, a limited liability company duly organized and existing under the laws of the State of Florida, and any successor dissemination agent serving hereunder pursuant to Section 11 hereof (the "Dissemination Agent" or "DAC").

#### **RECITALS:**

**A.** Contemporaneously with the execution and delivery of this Disclosure Agreement, the City authorized the issuance and delivery of its \$[\_\_\_\_] Special Revenue Bonds, Series 2025 (the "Series 2025 Bonds") pursuant to the Section 159.11, Florida Statutes and Chapters 125 and 166, Florida Statutes, Article VIII, Section 2 of the Constitution of the State of Florida, Chapter 92-341, Laws of Florida, Special Acts of 1992, as amended and supplemented, and other applicable provisions of law, Ordinance 2006-888-E, enacted on September 12, 2006, as supplemented and amended from time to time, particularly as amended by Ordinance 2012-620-E, enacted on November 13, 2012, and particularly as supplemented by Ordinance 2025-0329-E enacted on June 10, 2025 (collectively, the "Bond Ordinance") and a Bond Terms Agreement dated as of August 1, 2025 executed by the City in connection with the Series 2025 Bonds.

**B.** The Series 2025 Bonds are being issued by the City for the purpose of (i) financing a portion of the acquisition and construction of certain capital equipment and improvements, (ii) refinancing certain commercial paper notes issued pursuant to the City's commercial paper program and (iii) paying the costs of issuance related to the Series 2025 Bonds.

**C.** The City has authorized the preparation and distribution of the Preliminary Official Statement dated [\_\_\_\_], 2025 with respect to the Series 2025 Bonds (the "Preliminary Official Statement") and, on or before the date of the Preliminary Official Statement, the City deemed that the Preliminary Official Statement was final within the meaning of the Rule (as defined herein).

**D.** Upon the initial sale of the Series 2025 Bonds to the Participating Underwriter (as defined herein), the City authorized the preparation and distribution of the Official Statement dated [\_\_\_\_], 2025 with respect to the Series 2025 Bonds (the "Official Statement").

**E.** As a condition precedent to the initial purchase of the Series 2025 Bonds by the Participating Underwriter in accordance with the terms of the Purchase Contract dated [\_\_\_\_], 2025 by and among the City and Samuel A. Ramirez & Co., Inc. (the "Senior Managing Underwriter"), acting on behalf of itself and the underwriters listed on the cover page of the Official Statement (collectively, the "Underwriters"), in each of their respective capacity as a Participating Underwriter, and in compliance with such Participating Underwriter's obligations under the Rule (as defined herein), the City has undertaken to provide certain annual financial information and notice of certain events on an ongoing basis for so long as the Series 2025 Bonds remain outstanding as set forth herein and in the continuing disclosure undertakings of the City.



NOW THEREFORE, in consideration of the purchase of the Series 2025 Bonds by the Participating Underwriter and the mutual promises and agreements made herein, the receipt and sufficiency of which consideration is hereby mutually acknowledged, the City and the Dissemination Agent do hereby certify and agree as follows:

**Section 1. Incorporation of Recitals.** The above recitals are true and correct and are incorporated into and made a part hereof.

**Section 2. Definitions.**

(a) For the purposes of this Disclosure Agreement, all capitalized terms used, but not otherwise defined herein shall have the meanings ascribed thereto in the Bond Ordinance and the Official Statement, as applicable.

(b) In addition to the terms defined elsewhere herein, the following terms shall have the following meanings for the purposes of this Disclosure Agreement:

**"Annual Filing"** means any annual report provided by the City, pursuant to and as described in Sections 4 and 6 hereof.

**"Annual Filing Date"** means the date, set forth in Sections 4(a) and 4(e) hereof, by which the Annual Filing is to be filed with the MSRB.

**"Annual Financial Information"** means annual financial information as such term is used in paragraph (f)(9) of the Rule and specified in Section 6(a) hereof.

**"Audited Financial Statements"** means the financial statements of the City for the prior Fiscal Year, certified by an independent auditor and prepared in accordance with generally accepted accounting principles, as in effect from time to time, and audited by an independent certified public accountant in conformity with generally accepted accounting principles, as modified by applicable State of Florida requirements and the governmental accounting standards promulgated by the Government Accounting Standards Board.

**"Beneficial Owner"** means any beneficial owner of the Series 2025 Bonds. Beneficial ownership is to be determined consistent with the definition thereof contained in Rule 13d-3 of the SEC, or, in the event such provisions do not adequately address the situation at hand (in the opinion of nationally recognized bond counsel), beneficial ownership is to be determined based upon ownership for federal income tax purposes.

**"Business Day"** means a day other than a Saturday or a Sunday or a day on which banks are authorized or required by law to close.

**"Disclosure Representative"** means the Chief Financial Officer, Director of Finance of the City or his or her designee, or such other person as the City shall designate in writing to the

Dissemination Agent from time to time as the person responsible for providing Information to the Dissemination Agent.

**"Dissemination Agent"** means Digital Assurance Certification, L.L.C., acting in its capacity as initial Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the City pursuant to Section 11 hereof.

**"EMMA"** means the Electronic Municipal Market Access system, a service of the MSRB, or any successor thereto.

**"Filing"** means, as applicable, any Annual Filing, Notice Event Filing, Voluntary Report or any other notice or report made public under this Disclosure Agreement.

**"Financial Obligations"** means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii) above. The term Financial Obligation shall not include municipal securities, as to which a final official statement has been provided to the MSRB consistent with the Rule.

**"Fiscal Year"** means the fiscal year of the City, which currently is the twelve-month period beginning October 1 and ending on September 30 of the following year or any such other twelve-month period designated by the City, from time to time, to be its fiscal year.

**"Information"** means the Annual Financial Information, the Audited Financial Statements (if any), the Notice Event Filings, and the Voluntary Reports.

**"MSRB"** means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934, as amended.

**"Notice Event"** means an event listed in Sections 5(a) and 5(b) hereof.

**"Notice Event Filing"** shall have the meaning specified in Section 5(c) hereof.

**"Obligated Person"** means the City and any person who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Series 2025 Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities). The City confirms that as of the date hereof, it is the only Obligated Person with respect to the Series 2025 Bonds.

**"Participating Underwriter"** means collectively the original purchasers of the Series 2025 Bonds required to comply with the Rule in connection with the offering of the Series 2025 Bonds.

**"Repository"** means each entity authorized and approved by the SEC from time to time to act as a repository for purposes of complying with the Rule. The repositories currently approved by the SEC may be found by visiting the SEC's website at

<http://www.sec.gov/info/municipal/nrmsir.htm>. As of the date hereof, the only Repository recognized by the SEC for such purpose is the MSRB, which currently accepts continuing disclosure filings through its EMMA website at <http://emma.msrb.org>.

"**Rule**" means Rule 15c2-12 of the SEC promulgated pursuant to the Securities Exchange Act of 1934, as the same may be amended from time to time.

"**SEC**" means the United States Securities and Exchange Commission.

"**Third-Party Beneficiary**" shall have the meaning specified in Section 3(b) hereof.

"**Unaudited Financial Statements**" means the financial statements (if any) of the City for the prior Fiscal Year which have not been certified by an independent auditor.

"**Voluntary Report**" means the information provided to the Dissemination Agent by the City pursuant to Section 8 hereof.

### **Section 3. Scope of this Disclosure Agreement.**

(a) The City has agreed to enter into this Disclosure Agreement and undertake the disclosure obligations hereunder, at the request of the Participating Underwriter and as a condition precedent to the Participating Underwriter's original purchase of the Series 2025 Bonds, in order to assist the Participating Underwriter with compliance with the Rule. The disclosure obligations of the City under this Disclosure Agreement relate solely to the Series 2025 Bonds. Such disclosure obligations are not applicable to other securities issued or to be issued by the City, nor to any other securities issued by or on behalf of the City.

(b) Neither this Disclosure Agreement, nor the performance by the City or the Dissemination Agent of their respective obligations hereunder, shall create any third-party beneficiary rights, shall be directly enforceable by any third-party, or shall constitute a basis for a claim by any person except as expressly provided herein and except as required by law, including, without limitation, the Rule; provided, however, the Participating Underwriter and each Beneficial Owner are hereby made third-party beneficiaries hereof (collectively, and each respectively, a "Third-Party Beneficiary") and shall have the right to enforce the obligations of the parties hereunder pursuant to Section 9 hereof.

(c) This Disclosure Agreement shall terminate upon: (i) the defeasance, redemption or payment in full of all Series 2025 Bonds, in accordance with the Bond Ordinance, as amended, or (ii) the delivery of an opinion of counsel expert in federal securities laws retained by the City to the effect that continuing disclosure is no longer required under the Rule as to the Series 2025 Bonds.

#### **Section 4. Annual Filings.**

(a) The City shall provide, annually, an electronic copy of the Annual Filing to the Dissemination Agent on or before the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Filing, the Dissemination Agent shall provide the Annual Filing to the Repository, in an electronic format as prescribed by the MSRB. Not later than the June 30th immediately following the preceding Fiscal Year ended September 30, commencing with the Fiscal Year ending September 30, 2025, shall be the Annual Filing Date. If June 30th falls on a day that is not a Business Day, the Annual Report will be due on the first Business Day thereafter. Such date and each anniversary thereof is the Annual Filing Date. The Annual Filing may be submitted as a single document or as separate documents composing a package, and may cross-reference other information as provided in Section 6 hereof.

(b) If on the second Business Day prior to the Annual Filing Date, the Dissemination Agent has not received a copy of the Annual Filing, the Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by email) to remind the City of its undertaking to provide the Annual Filing pursuant to Section 4(a) hereof. Upon such reminder, the Disclosure Representative shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Filing no later than 6:00 p.m. on the Annual Filing Date (or if such Annual Filing Date is not a Business Day, then the first Business Day thereafter), or (ii) instruct the Dissemination Agent in writing as to the status of the Annual Filing within the time required under this Disclosure Agreement, and state the date by which the Annual Filing for such year is expected to be provided. If the Dissemination Agent has not received either (i) the Annual Filing by 6:00 p.m. on the Annual Filing Date, or (ii) evidence from the City that it has delivered the Annual Filing to the Repository by 11:59 p.m. on the Annual Filing Date, the City hereby irrevocably directs the Dissemination Agent, and the Dissemination Agent agrees, to immediately send a notice to the Repository the following Business Day in substantially the form attached to this Disclosure Agreement as Exhibit A without reference to the anticipated filing date for the Annual Filing.

(c) If the Audited Financial Statements are not available prior to the Annual Filing Date, the City shall provide the Unaudited Financial Statements and when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Dissemination Agent for filing with the Repository.

(d) The Dissemination Agent shall:

(i) upon receipt, and no later than the Annual Filing Date, promptly file each Annual Filing received under Section 4(a) hereof with the Repository in an electronic format as prescribed by the MSRB;

(ii) upon receipt, and no later than the Annual Filing Date, promptly file each Audited Financial Statement or Unaudited Financial Statement received under Section 4(a) hereof with the Repository in an electronic format as prescribed by the MSRB;

(iii) provide the City evidence of the filings of each of the above when made, which shall be made by means of the DAC system, for so long as DAC is the Dissemination Agent under this Disclosure Agreement.

(e) The City may adjust the Annual Filing Date upon change of its Fiscal Year by providing written notice of such change and the new Annual Filing Date to the Dissemination Agent and the Repository; provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(f) Each Annual Filing shall contain the information set forth in Section 6 hereof.

**Section 5. Reporting of Notice Events.**

(a) In accordance with the Rule, the City or the Dissemination Agent shall file a Notice Event Filing with the Repository, in the appropriate format required by the MSRB and in a timely manner not in excess of ten (10) Business Days after the occurrence of any of the following Notice Events with respect to the Series 2025 Bonds:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2025 Bonds, or other material events affecting the tax status of the Series 2025 Bonds;
- (vii) Modifications to rights of holders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution or sale of property securing repayment of the Series 2025 Bonds, if material;
- (xi) Rating changes;

(xii) Bankruptcy, insolvency, receivership, or a similar proceeding on the part of an Obligated Person. Such an event is considered to have occurred when there is an appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person;

(xiii) The consummation of a merger, consolidation, or acquisition involving an Obligated Person, or the sale of all or substantially all of the assets of an Obligated Person other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) Incurrence of a Financial Obligation of an Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a Financial Obligation of an Obligated Person, any of which affect Holders, if material; or

(xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of an Obligated Person, any of which reflect financial difficulties.

(b) In accordance with the Rule, the City or the Dissemination Agent shall file a Notice Event Filing with the Repository, in the appropriate format required by the MSRB and in a timely manner, after the occurrence of a failure of the City to provide the Annual Filing on or before the Annual Filing Date.

(c) The City shall promptly notify the Dissemination Agent in writing of the occurrence of a Notice Event; provided, however, to the extent any such Notice Event has been previously and properly disclosed to the Repository by or on behalf of the City, the City shall not be required to provide such additional notice of such Notice Event in accordance with this subsection. Such notice shall instruct the Dissemination Agent to immediately report the occurrence pursuant to Section 5(e) hereof. Such notice shall be accompanied with the text of the disclosure that the City desires to make (each a "Notice Event Filing"), the written authorization of the City for the Dissemination Agent to disseminate such information, and the date on which the City desires for the Dissemination Agent to disseminate the information.

(d) The Dissemination Agent is under no obligation to notify the City or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will instruct the Dissemination Agent that: (i) a Notice Event has not occurred and no filing is to be made, or (ii) a Notice Event has occurred and provide the Dissemination Agent with the Notice Event Filing and the date the Dissemination Agent should file the Notice Event Filing.

(e) The Dissemination Agent shall upon receipt, and no later than the required filing date, promptly file each Notice Event Filing received under Section 5(a) and (b) hereof with the Repository in an electronic format as prescribed by the MSRB;

**Section 6. Content of Annual Filings.** Each Annual Filing shall contain the following:

(a) updates of the financial information set forth in the Official Statement in: (i) the table captioned "CITY OF JACKSONVILLE, FLORIDA GENERAL FUND SCHEDULE OF REVENUES AND EXPENDITURES" under the section entitled "GENERAL FUND"; (ii) the table captioned "CITY OF JACKSONVILLE, FLORIDA NON-SELF SUFFICIENT DEBT TABLE" under the section entitled "ADDITIONAL DEBT – Outstanding Non-Self Sufficient Debt"; and (iii) the table captioned "CITY OF JACKSONVILLE CALCULATION OF ANTI-DILUTION TEST" under the section entitled "ADDITIONAL DEBT – Calculation of Covenant Revenues and Anti-Dilution Test Limitation"; and

(b) if available at the time of such filing, the Audited Financial Statements for the prior Fiscal Year. If the Audited Financial Statements are not available by the time the Annual Filing is required to be filed pursuant to Section 4(a) hereof, the Annual Filing shall contain Unaudited Financial Statements of the City prepared in accordance with generally accepted accounting principles, as in effect from time to time, and the Audited Financial Statements shall be filed in the same manner as the Annual Filing when they become available. The Audited Financial Statements (if any) will be provided pursuant to Section 4(c) hereof.

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the City is an Obligated Person, which have been previously filed with the Repository or the SEC. If the document incorporated by reference is a final official statement, it must be available from the Repository. The City will clearly identify each such document so incorporated by reference.

**Section 7. Responsibility for Content of Reports and Notices.**

(a) The City shall be solely responsible for the content of each Filing (or any portion thereof) provided to the Dissemination Agent pursuant to this Disclosure Agreement. The Dissemination Agent shall not be responsible for reviewing or verifying the accuracy or completeness of any such Filings.

(b) Each Filing distributed by the Dissemination Agent pursuant to Section 4 or 5 hereof shall be in a form suitable for distributing publicly and shall contain the CUSIP numbers

of the Series 2025 Bonds. Each Notice Event Filing shall be in substantially the form set forth in Exhibit A attached hereto. If an item of information contained in any Filing pursuant to this Disclosure Agreement would be misleading without additional information, the City shall include such additional information as a part of such Filing as may be necessary in order that the Filing will not be misleading in light of the circumstances under which it is made.

(c) Any report, notice or other filing to be made public pursuant to this Disclosure Agreement may consist of a single document or separate documents composing a package and may incorporate by reference other clearly identified documents or specified portions thereof previously filed with the Repository or the SEC; provided that any final official statement incorporated by reference must be available from the Repository.

(d) Notwithstanding any provision herein to the contrary, nothing in this Disclosure Agreement shall be construed to require the City or the Dissemination Agent to interpret or provide an opinion concerning information made public pursuant to this Disclosure Agreement.

#### **Section 8. Voluntary Reports.**

(a) The City may instruct the Dissemination Agent to file information with the Repository, from time to time (a "Voluntary Report").

(b) Nothing in this Disclosure Agreement shall be deemed to prevent the City from disseminating any other information through the Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Filing, Annual Financial Statement, Voluntary Report or Notice Event Filing, in addition to that required by this Disclosure Agreement. If the City chooses to include any information in any Annual Filing, Annual Financial Statement, Voluntary Report or Notice Event Filing in addition to that which is specifically required by this Disclosure Agreement, the City shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Filing, Annual Financial Statement, Voluntary Report or Notice Event Filing.

(c) Notwithstanding the foregoing provisions of this Section 8, the City is under no obligation to provide any Voluntary Report.

(d) The Dissemination Agent shall upon receipt promptly file each Voluntary Filing received under Section 8 hereof with the Repository in an electronic format as prescribed by the MSRB.

#### **Section 9. Defaults; Remedies.**

(a) A party shall be in default of its obligations hereunder if it fails or refuses to carry out or perform its obligations hereunder for a period of five (5) Business Days following notice of default given in writing to such party by any other party hereto or by any Third-Party Beneficiary hereof, unless such default is cured within such five (5) Business Day notice period. An extension of such five (5) Business Day cure period may be granted for good cause (in the reasonable



judgment of the party granting the extension) by written notice from the party who gave the default notice.

(b) If a default occurs and continues beyond the cure period specified above, any non-defaulting party or any Third-Party Beneficiary may seek specific performance of the defaulting party's obligations hereunder as the sole and exclusive remedy available upon any such default; excepting, however, that the party seeking such specific performance may recover from the defaulting party any reasonable attorneys' fees and expenses incurred in the course of enforcing this Disclosure Agreement as a consequence of such default. Each of the parties hereby acknowledges that monetary damages will not be an adequate remedy at law for any default hereunder, and therefore agrees that the exclusive remedy of specific performance shall be available in proceedings to enforce this Disclosure Agreement.

(c) Notwithstanding any provision of this Disclosure Agreement or the Bond Ordinance to the contrary, no default under this Disclosure Agreement shall constitute a default or event of default under the Bond Ordinance.

#### **Section 10. Amendment or Modification.**

(a) This Disclosure Agreement shall not be amended or modified except as provided in this Section 10. No modification, amendment, alteration or termination of all or any part of this Disclosure Agreement shall be construed to be, or operate as, altering or amending in any way the provisions of the Bond Ordinance.

(b) Notwithstanding any other provision of this Disclosure Agreement, the City may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if: (i) such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the obligor on the Series 2025 Bonds, or type of business conducted by such obligor; (ii) such amendment or waiver does not materially impair the interests of the Beneficial Owners of the Series 2025 Bonds, as determined either by an unqualified opinion of counsel expert in federal securities laws retained by the City or by the approving vote of a majority of the Beneficial Owners of the Series 2025 Bonds outstanding at the time of such amendment or waiver; and (iii) such amendment or waiver is supported by an opinion of counsel expert in federal securities laws retained by the City, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule, as well as any change in circumstances.

(c) If any provision of Section 6 hereof is amended or waived, the first Annual Filing containing any amended, or omitting any waived, operating data or financial information shall explain, in narrative form, the reasons for the amendment or waiver and the impact of the change in the type of operating data or financial information being provided.

(d) If the provisions of this Disclosure Agreement specifying the accounting principles to be followed in preparing the City's financial statements are amended or waived, the Annual Filing for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to the beneficial owners of the Series 2025 Bonds to enable them to evaluate the ability of the City to meet its obligations. To the extent reasonably feasible, the comparison shall also be quantitative. The City will file a notice of the change in the accounting principles with the Repository on or before the effective date of any such amendment or waiver.

(e) Notwithstanding the foregoing, the Dissemination Agent shall not be obligated to agree to any amendment expanding its duties or obligations hereunder without its consent thereto.

(f) The City shall prepare or cause to be prepared a notice of any such amendment or modification and shall direct the Dissemination Agent to make such notice public in accordance with Section 8 hereof.

#### **Section 11. Agency Relationship.**

(a) The Dissemination Agent agrees to perform such duties, but only such duties, as are specifically set forth in this Disclosure Agreement, and no implied duties or obligations of any kind shall be read into this Disclosure Agreement with respect to the Dissemination Agent. The Dissemination Agent may conclusively rely, as to the truth, accuracy and completeness of the statements set forth therein, upon all notices, reports, certificates or other materials furnished to the Dissemination Agent pursuant to this Disclosure Agreement, and in the case of notices and reports required to be furnished to the Dissemination Agent pursuant to this Disclosure Agreement, the Dissemination Agent shall have no duty whatsoever to examine the same to determine whether they conform to the requirements of this Disclosure Agreement.

(b) The Dissemination Agent shall not be liable for any error of judgment made in good faith by a responsible officer or officers of the Dissemination Agent unless it shall be proven that the Dissemination Agent engaged in negligent conduct or willful misconduct in ascertaining the pertinent facts related thereto.

(c) The Dissemination Agent shall perform its rights and duties under this Disclosure Agreement using the same standard of care as a prudent person would exercise under the circumstances, and the Dissemination Agent shall not be liable for any action taken or failure to act in good faith under this Disclosure Agreement unless it shall be proven that the Dissemination Agent was negligent or engaged in willful misconduct.

(d) The Dissemination Agent may perform any of its duties hereunder by or through attorneys or agents selected by it with reasonable care, and shall be entitled to the advice of

counsel concerning all matters arising hereunder, and may in all cases pay such reasonable compensation as it may deem proper to all such attorneys and agents. The Dissemination Agent shall be responsible for the acts or negligence of any such attorneys, agents or counsel.

(e) None of the provisions of this Disclosure Agreement or any notice or other document delivered in connection herewith shall require the Dissemination Agent to advance, expend or risk its own funds or otherwise incur financial liability in the performance of any of the Dissemination Agent's duties or rights under this Disclosure Agreement.

(f) Except as expressly provided herein, the Dissemination Agent shall not be required to monitor the compliance of the City with the provisions of this Disclosure Agreement or to exercise any remedy, institute a suit or take any action of any kind without indemnification satisfactory to the Dissemination Agent.

(g) The Dissemination Agent may resign at any time by giving at least ninety (90) days prior written notice thereof to the City. The Dissemination Agent may be removed for good cause at any time by written notice to the Dissemination Agent from the City; provided that such removal shall not become effective until a successor dissemination agent has been appointed by the City under this Disclosure Agreement.

(h) In the event the Dissemination Agent shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of the Dissemination Agent for any reason, the City shall promptly appoint a successor. Notwithstanding any provision to the contrary in this Disclosure Agreement or elsewhere, the City may appoint itself to serve as Dissemination Agent hereunder.

(i) Any company or other legal entity into which the Dissemination Agent may be merged or converted or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which the Dissemination Agent may be a party or any company to whom the Dissemination Agent may sell or transfer all or substantially all of its agency business shall be the successor dissemination agent hereunder without the execution or filing of any paper or the performance of any further act and shall be authorized to perform all rights and duties imposed upon the Dissemination Agent by this Disclosure Agreement, anything herein to the contrary notwithstanding.

(j) The Dissemination Agent shall not be deemed to be acting in any fiduciary capacity for the City, the Holders of the Series 2025 Bonds or any other party.

## **Section 12. Miscellaneous.**

(a) Each of the parties hereto represents and warrants to each other party that it has (i) duly authorized the execution and delivery of this Disclosure Agreement by the officers of such party whose signatures appear on the execution pages hereto, (ii) that it has all requisite power and authority to execute, deliver and perform this Disclosure Agreement under applicable law and any resolutions, ordinances, or other actions of such party now in effect, (iii) that the

execution and delivery of this Disclosure Agreement, and performance of the terms hereof, does not and will not violate any law, regulation, ruling, decision, order, indenture, decree, agreement or instrument by which such party or its property or assets is bound, and (iv) such party is not aware of any litigation or proceeding pending, or, to the best of such party's knowledge, threatened, contesting or questioning its existence, or its power and authority to enter into this Disclosure Agreement, or its due authorization, execution and delivery of this Disclosure Agreement, or otherwise contesting or questioning the issuance of the Series 2025 Bonds.

(b) This Disclosure Agreement shall be governed by and interpreted in accordance with the laws of the State of Florida and applicable federal law.

(c) If any provision hereof shall be held invalid or unenforceable by a court of competent jurisdiction, the remaining provisions hereof shall survive and continue in full force and effect.

(d) This Disclosure Agreement may be executed in one or more counterparts, each and all of which shall constitute one and the same instrument.

**Section 13. Identifying Information.** All documents provided to the Repository pursuant to this Disclosure Agreement shall be accompanied by identifying information as prescribed by the MSRB.

**Section 14. Severability.** In case any part of this Disclosure Agreement is held to be illegal or invalid, such illegality or invalidity shall not affect the remainder or any other section of this Disclosure Agreement. This Disclosure Agreement shall be construed or enforced as if such illegal or invalid portion were not contained therein, nor shall such illegality or invalidity of any application of this Disclosure Agreement affect any legal and valid application.

[SIGNATURE PAGES TO FOLLOW]

**SIGNATURE PAGE TO CONTINUING DISCLOSURE AGREEMENT**

**CITY OF JACKSONVILLE, FLORIDA  
SPECIAL REVENUE BONDS,  
SERIES 2025**

**IN WITNESS WHEREOF**, the City and the Dissemination Agent have each caused this Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

**CITY OF JACKSONVILLE, FLORIDA**

By: \_\_\_\_\_  
Mayor

[SEAL]

By: \_\_\_\_\_  
Corporation Secretary

[SIGNATURES CONTINUED ON FOLLOWING PAGE]

**SIGNATURE PAGE TO CONTINUING DISCLOSURE AGREEMENT**

**CITY OF JACKSONVILLE, FLORIDA  
SPECIAL REVENUE BONDS,  
SERIES 2025**

**IN WITNESS WHEREOF**, the City and the Dissemination Agent have each caused their duly authorized officers to execute this Continuing Disclosure Agreement to be effective as of the day and year so specified hereinabove.

**DIGITAL ASSURANCE CERTIFICATION,  
L.L.C., as Dissemination Agent**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**EXHIBIT A**

**NOTICE TO REPOSITORY OF THE OCCURRENCE OF  
[INSERT THE NOTICE EVENT]**

**Relating to**

**\$\_[\_\_\_\_\_]**

**CITY OF JACKSONVILLE, FLORIDA  
SPECIAL REVENUE BONDS,  
SERIES 2025**

**Originally Issued on August [\_\_], 2025**

**CUSIP NUMBERS: [\_\_\_\_\_]**

Notice is hereby given by the City of Jacksonville, Florida (the "City"), as obligated person with respect to each of the above-referenced Series 2025 Bonds issued by the City, under the Securities and Exchange Commission's Rule 15c2-12, that **[\*\*INSERT THE NOTICE EVENT\*\*]** has occurred. **[\*\*DESCRIBE NOTICE EVENT AND MATERIAL CIRCUMSTANCES RELATED THERETO\*\*]**.

This Notice is based on the best information available to the City at the time of dissemination hereof and is not guaranteed by the City as to the accuracy or completeness of such information. The City will disseminate additional information concerning **[\*\*NOTICE EVENT\*\*]**, as and when such information becomes available to the City, to the extent that the dissemination of such information would be consistent with the requirements of Rule 15c2-12 and the City's obligation under that certain Continuing Disclosure Agreement dated as of August [\_\_], 2025. **[\*\*Any questions regarding this notice should be directed in writing only to the City. However, the City will not provide additional information or answer questions concerning [\*\*NOTICE EVENT\*\*] except in future written notices, if any, disseminated by the City in the same manner and to the same recipients as this Notice\*\*]**.

**DISCLAIMER:** All information contained in this Notice has been obtained by the City from sources believed to be reliable as of the date hereof. Due to the possibility of human or mechanical error as well as other factors, however, such information is not guaranteed as to the accuracy, timeliness or completeness. Under no circumstances shall the City have any liability to any person or entity for (a) any loss, damage, cost, liability or expense in whole or in part caused by, resulting from or relating to this Notice, including, without limitation, any error (negligent or otherwise) or other circumstances involved in procuring, collecting, compiling, interpreting, analyzing, editing, transcribing, transmitting, communicating or delivering any information

contained in this Notice, or (b) any direct, indirect, special, consequential or incidental damages whatsoever related thereto.

Dated: [\_\_\_\_\_], 2024

**CITY OF JACKSONVILLE, FLORIDA**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_





