



Annual Continuing Disclosure Supplement

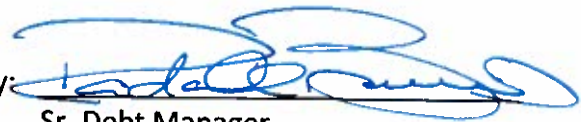
Fiscal Year Ending September 30, 2016

Disclosure Overview

This Annual Continuing Disclosure Supplement (this "Supplement") is being filed by the City of Jacksonville, Florida (the "City") to provide an overview of the City's borrowing programs, as well as to provide certain financial and operating information required pursuant to the City's continuing disclosure obligations related to its various borrowing programs. In addition, this Supplement includes a description of the pledge and a listing of the outstanding debt for each program.

The information in this Supplement has been compiled from sources believed to be reliable. The City certifies that the information provided in this Supplement has been prepared and reviewed with due care. However, no warranties or guarantees as to the accuracy or completeness of the information contained in this Supplement are provided. Furthermore, the information set forth herein is provided as of the date set forth herein and there is no assurance that such information has not changed after the date hereof.

Prepared by:



Sr. Debt Manager

Reviewed by:



Investment Officer

Approved by:



Treasurer

I: Special Revenue (Covenant) Pledge

The City's "Covenant Revenues" are defined 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 (Covenant) Bond Ordinance, inclusive of operating transfers from other funds into the General Fund, but exclusive of revenues derived from ad valorem taxation.

The table below summarizes the outstanding bonds issued under the City's covenant program.

Special Revenue (Covenant) Bonds **Bonds Outstanding** *(in thousands)*

	Issue Date	Issued	9/30/2016 Outstanding¹	10/1/2016 Repayment	10/1/2016 Outstanding²
Series 2008	9/24/2008	\$ 54,215	\$ 10,030	\$ (3,210)	\$ 6,820
Series 2009B-1A	9/30/2009	52,090	9,120	(2,155)	6,965
Series 2009B-1B	9/30/2009	55,925	55,925	0	55,925
Series 2009C-2	12/15/2009	37,310	37,310	(7,980)	29,330
Series 2010A	9/29/2010	94,945	52,890	(4,035)	48,855
Series 2010B	9/16/2010	100,205	61,680	0	61,680
Series 2010C-1	12/21/2010	27,205	18,225	(3,300)	14,925
Series 2011A	6/10/2011	108,880	102,340	(2,485)	99,855
Series 2011B	6/17/2011	86,600	58,475	(2,425)	56,050
Series 2012A	9/28/2012	4,040	1,025	(1,025)	0
Series 2012C	12/13/2012	183,980	167,540	(14,280)	153,260
Series 2012D	12/13/2012	11,840	8,485	(900)	7,585
Series 2012E	12/13/2012	34,340	34,340	(5,205)	29,135
Series 2013A	9/16/2013	54,035	52,560	(785)	51,775
Series 2013B	9/16/2013	35,145	29,605	(3,760)	25,845
Series 2013C	9/16/2013	31,565	31,565	0	31,565
Series 2014	11/19/2014	100,160	100,160	0	100,160
Series 2016A	9/15/2016	92,215	92,215	0	92,215
Series 2016B	9/15/2016	58,645	58,645	0	58,645
		\$ 1,223,340	\$ 982,135	\$ (51,545)	\$ 930,590

¹ Cash basis

² Accrual basis

Special Revenue Bonds issued in the covenant program are repaid from Covenant Revenues, which include certain revenues that are also pledged to repay bonds issued under the City's other bond programs (together, the City's "Non-Self Sufficient Debt"). Bond programs that constitute Non-Self Sufficient Debt are the Excise Taxes Revenue Bonds, the Local Government Sales Tax Revenue Bonds, the Capital Improvement Revenue Bonds, the Capital Projects Revenue Bonds, Commercial Paper Notes, and Commercial Lines of Credit.

Annual Financial Information and Operating Data

Special Revenue (Covenant) Pledge

The continuing disclosure undertakings with respect to the City's Special Revenue (Covenant) Bonds require the City to annually report certain agreed upon financial information and operating data. One of the required disclosures, the Anti-Dilution Test Limitation, establishes limits on debt service for bonds issued under the covenant program similar to the way an additional bonds test limits how much debt can be issued for specific revenue pledges.

The Calculation of Covenant Revenues and Anti-Dilution Test Limitation for each of the previous five fiscal years follow:

Calculation of Covenant Revenues and Anti-Dilution Test

(in thousands)

Covenant Revenues	2012	2013	2014	2015	2016
Total General Fund Revenues	\$ 954,602	\$ 924,728	\$ 1,012,919	\$ 1,016,728	\$ 1,069,321
Less: Property Tax Revenues	(450,571)	(431,622)	(488,455)	(512,359)	(539,881)
Total Covenant Revenues	<u>\$ 504,031</u>	<u>\$ 493,106</u>	<u>\$ 524,464</u>	<u>\$ 504,369</u>	<u>\$ 529,440</u>
35% Limitation ⁽¹⁾	\$ 176,411	\$ 172,587	\$ 183,562	\$ 176,529	\$ 185,304
45% Limitation ⁽²⁾	226,814	221,898	236,009	226,966	238,248
Maximum Annual Debt Service ⁽³⁾	157,098	145,623	147,413	144,825	141,904
% of Limit ⁽⁴⁾	89.1%	84.4%	80.3%	82.0%	76.6%

Note: Revenue collections are audited through 2015. Revenues and Debt Service are reported on an accrued basis.

⁽¹⁾ The percentage is 35% of the available Covenant Revenues if the year in which the Maximum Annual Debt Service on Non-Self Sufficient Debt occurs is less than six years from the date of calculation.

⁽²⁾ The percentage is 45% of the available Covenant Revenues if the year in which the Maximum Annual Debt Service on Non-Self Sufficient Debt occurs is more than six years from the date of calculation.

⁽³⁾ Maximum Annual Debt Service on all Outstanding Non-Self Sufficient Debt. No adjustment was made to the interest on the Series 2009B-1B Bonds or on the Series 2009C-2 Bonds for any direct payments expected to be received by the City from the federal government with respect thereto. It is anticipated that such direct payments will, upon receipt, be deposited to the credit of the General Fund and will constitute a component of Covenant Revenues. Debt Service on the Series 2010A Bonds is estimated based on an actual par amount of \$52,890,000 with a portion of maturities 2018 through 2019 constituting Designated Maturity Debt with an assumed amortization through October 1, 2029 and at a certified interest rate (calculated as of September 30, 2016) of 3.172%. Debt Service on the Series 2010B Bonds is estimated based on an actual par amount of \$61,680,000 with a portion of maturities 2018 through 2021 constituting Designated Maturity Debt with an assumed amortization through October 1, 2026 at a certified interest rate (calculated as of September 30, 2016) of 1.5%. Debt Service on the Series 2011B Bonds is estimated based on an actual par amount of \$58,475,000 with a portion of maturities 2018 through 2021 constituting Designated Maturity Debt with an assumed amortization through October 1, 2028 at a certified interest rate (calculated as of September 30, 2016) of 2.189%. For purposes of this table, debt service on the Excise Taxes Revenue Bonds Reserve Account Facility is calculated based on an aggregate principal amount of \$9,806,925 and an estimated all-in true interest cost (calculated as of September 30, 2016) of 3.373%. Debt service on the Series 2008 Capital Project Revenue Bonds is estimated based on current par amount outstanding of \$112,190,000 and an assumed interest rate (calculated as of September 30, 2016) of 3.50%. Debt service on the Commercial Paper is calculated based on assumed Certified Rate. Debt service for the long term take-out of commercial paper issued for interim financing is included at certified rates for the lien of the anticipated refinancing bonds.

⁽⁴⁾ The 35% limit applies because the estimated Maximum Annual Debt Service occurs within 6 years.

An Amendatory Ordinance to the Special Revenue Bond Ordinance became effective during FY 2016 which provides for a new Anti-Dilution Test. The new test calculates Maximum Annual Debt Service coverage of Non-Self Sufficient Debt, with the limitation that no new Non-Self Sufficient Debt may be issued unless the total amount of Covenant Revenues, plus any applicable Supplemental Revenues, is equal to or greater than 2.00 times. The

Amendatory Ordinance also defined the “Supplemental Revenues” and revised the definition of “Certified Interest Rate.” Below is the new Anti-Dilution Test, as contemplated by the Amendatory Ordinance:

Calculation of the Estimated Anti-Dilution Test Limitation as Contemplated by Amendatory Ordinance

(in thousands)

Covenant & Supplemental Revenues	2016
Total General Fund Revenues	\$ 1,069,321
Less: Property Tax Revenues	(539,881)
Total Covenant Revenues	\$ 529,440
Supplemental Revenues ⁽¹⁾	17,444
Total Covenant Revenues and Supplemental Revenues	\$ 546,884
Maximum Annual Debt Service ⁽²⁾	\$ 142,560
Coverage ⁽³⁾	3.84x

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

⁽¹⁾ The Supplemental Revenues shown above consist of the Infrastructure Sales Tax revenues remaining after payment of the Fiscal Year 2016 debt service on the Senior BJP Obligations that are available for and pledged to the payment of debt service on the Special Revenue (BJP) Bonds.

⁽²⁾ Maximum Annual Debt Service on all Outstanding Non-Self Sufficient Debt calculated as shown in “CALCULATION OF COVENANT REVENUES AND ANTI-DILUTION TEST”; provided, however that debt service calculations made with respect to Variable Rate Debt and Designated Maturity Debt are based on the amended definition of “Certified Interest Rate.”

⁽³⁾ As amended by the Amendatory Ordinance, the Special Revenue Bond Ordinance would prohibit 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.

The Maximum Annual Debt Service used in the anti-dilution calculations above includes debt service for all Non-Self Sufficient Debt. The following table lists all of the City’s Non-Self Sufficient Debt outstanding as of the 2016 fiscal year end.

City of Jacksonville, FL Non Self-Sufficient Debt

Non-Self Sufficient Debt:	FYE 9/30/16 Outstanding
Special Obligation Bonds Payable:	
Capital Improvement Refunding Revenue Bonds, Series 2012	\$ 104,215,000
Capital Project Revenue Refunding Bonds, Series 2008A	56,095,000
Capital Project Revenue Refunding Bonds, Series 2008B	56,095,000
Excise Taxes Revenue Bonds, Taxable Series 2006C	11,770,000
Excise Taxes Revenue Bonds, Taxable Series 2007	2,725,000
Excise Taxes Revenue Bonds, Taxable Series 2009A	33,170,000
Excise Taxes Revenue Bonds, Taxable Series 2009B	10,105,000
Excise Taxes Revenue Bonds, Taxable Series 2009C	3,780,000
Local Government Sales Tax Refunding Revenue Bonds, Series 2001	21,405,000
Total Special Obligation	\$ 299,360,000
Bonds & Notes Payable from Internal Service Operations	
Special Revenue Bonds, Series 2008	10,030,000
Special Revenue Bonds, Series 2009C	37,309,000
Special Revenue Bonds, Series 2010A	52,890,000
Special Revenue Bonds, Series 2010C-1	18,225,000
Special Revenue Bonds, Series 2011A	102,340,000
Special Revenue Bonds, Series 2012A	1,025,000
Special Revenue Refunding Bonds, Series 2012C	167,540,000
Special Revenue Refunding Bonds, Series 2012D	8,485,000
Special Revenue Refunding Bonds, Taxable Series 2012E	34,340,000
Special Revenue and Refunding Bonds, Series 2013A	52,560,000
Special Revenue and Refunding Bonds, Taxable Series 2013B	29,605,000
Special Revenue and Refunding Bonds, Series 2014	100,160,000
Special Revenue and Refunding Bonds, Series 2016A	92,215,000
Commercial Paper Notes	44,660,000
Commercial Lines of Credit	31,708,000
Total Bonds & Notes Payable from Internal Service Operations	\$ 783,092,000
Special Revenue (Covenant) Bonds Supported by BJP Revenues ¹:	
Special Revenue Bonds, Series 2009B-1	65,045,000
Special Revenue Bonds, Series 2010B	61,680,000
Special Revenue Bonds, Series 2011B	58,475,000
Special Revenue and Refunding Bonds, Series 2013C	31,565,000
Special Revenue and Refunding Bonds, Series 2016B	58,645,000
Total Special Revenue (Covenant) Bonds Supported by BJP Revenues	\$ 275,410,000
TOTAL NON-SELF SUFFICIENT DEBT	\$ 1,357,862,000

¹ These Special Revenue Bonds are supported by BJP Revenues, to the extent available, in addition to Covenant Revenues.

The General Fund Schedule of Revenues and Expenditures for the previous five fiscal years follows (in thousands):

City of Jacksonville, FL
General Fund Schedule of Revenues & Expenditures
Fiscal Years 2012 through 2016
(in thousands)

	2012	2013	2014	2015	2016
Revenue:					
Property taxes	\$ 450,571	\$ 431,622	\$ 488,455	\$ 512,359	\$ 539,881
Utility service taxes	123,132	123,785	122,733	124,006	123,118
Licenses, permits and fees	48,986	46,989	47,507	43,708	43,385
Intergovernmental	125,711	129,011	138,968	148,440	157,179
Charges for services	71,505	58,580	63,331	51,703	56,997
Fines and forfeitures	2,459	2,174	2,044	2,098	1,873
JEA Contribution	104,188	106,688	109,188	111,688	114,188
Interest	12,412	3,916	7,026	0	6,403
Other	15,638	21,963	33,667	22,726	26,297
Total Revenue	\$ 954,602	\$ 924,728	\$ 1,012,919	\$ 1,016,728	\$ 1,069,321
Expenditures & Encumbrances:					
Central Operations	\$ 8,807	-	-	-	-
City Council	7,939	\$ 7,787	\$ 8,765	\$ 9,095	\$ 8,980
Clerk of the Courts	2,940	3,009	3,448	3,953	3,733
Courts	864	563	4,244	4,181	4,240
Downtown Investment Authority	-	7	964	1,070	1,134
Employee Services	6,016	5,980	5,954	4,751	5,042
Environmental Resource Management	16,891	-	-	-	-
Office of Ethics	114	107	182	233	245
Finance	6,222	6,448	7,028	7,067	8,789
Fire/Rescue	156,599	181,368	196,546	204,651	218,331
General Counsel	534	180	186	157	738
Health Administrator	926	966	1,350	1,444	771
Inspector General	-	-	-	139	623
Intra-Governmental Service	-	4,344	4,875	5,257	2,489
Jacksonville Childrens Commission	5,980	5,849	1,010	643	1,547
Jacksonville Human Rights Commission	857	864	900	586	589
Mayor	3,177	3,784	4,539	4,005	4,204
Mayor's Boards and Commissions	425	386	417	422	468
Medical Examiner	2,439	2,601	3,377	3,481	3,624
Military Affairs, Vet & Disabled Svcs	1,118	1,394	1,206	1,033	1,122
Neighborhoods	-	14,889	-	-	-
Office of Economic Development	-	12,667	7,460	2,839	2,243
Parks & Recreation	-	20,002	25,495	38,710	38,956
Planning and Development	5,783	5,347	5,869	6,414	4,888
Property Appraiser	8,667	8,557	8,857	9,207	10,148
Public Defender	1,309	1,454	373	1,858	1,833
Public Libraries	37,328	34,261	32,966	30,051	31,180
Public Works	77,121	56,737	37,805	37,833	41,621
Recreation & Community Services	24,680	-	-	-	-
Regulatory Compliance	-	-	14,470	14,900	17,056
Sheriff	332,071	352,116	379,103	393,951	393,902
Special Services	-	12,424	9,862	-	-
Sports & Entertainment	-	-	-	3,345	3,730
State Attorney	187	141	1,758	2,107	1,661
Supervisor of Elections	7,459	6,457	5,057	7,678	6,195
Tax Collector	14,439	14,537	14,680	15,654	16,040
Contribution to Shands-Jacksonville	23,776	23,776	26,276	26,276	26,276
Jacksonville Misc. Citywide Activities	69,412	60,763	74,035	71,990	77,801
Total Expenditures & Encumbrances	\$ 824,080	\$ 849,765	\$ 889,057	\$ 914,981	\$ 940,199
Excess of Revenue					
Over (Under) Expenditures	\$ 130,522	\$ 74,963	\$ 123,862	\$ 101,747	\$ 129,122
Other Financing Sources (Uses):					
Transfers In	\$ 11,104	\$ 38,135	\$ 5,904	\$ 7,037	\$ 19,434
Transfers Out	(122,775)	(89,065)	(122,679)	(114,083)	(122,657)
Long Term Debt Issued	2,349	1,057	-	-	5,931
Total Other Financing Sources (Uses)	(\$ 109,322)	(\$ 49,873)	(\$ 116,775)	(\$ 107,046)	(\$ 97,292)
Excess (Deficiency) of Revenue					
Over (Under) Expenditures	\$ 21,200	\$ 25,090	\$ 7,087	(\$5,299)	\$ 31,830

Note: Due to reorganizations, certain administrative functions are summarized under different line items from previous years.

II: Excise Tax Revenue Pledge

The City's Excise Tax Revenue Bonds are payable solely from and secured by a lien upon and pledge of the proceeds of the Utilities Services Taxes, Fuel Oil Tax and the Occupational License Taxes imposed, collected, and received by the City. Such Utilities Services Taxes, Fuel Oil Tax and Occupational License Taxes are collectively referred to as the "Excise Taxes."

Excise Taxes Revenue Bonds **Bonds Outstanding** *(in thousands)*

Bond Series	Issue Date			9/30/2016	10/1/2016	10/1/2016
		Issued		Outstanding¹	Repayment	Outstanding²
Series 2006C	12/29/2006	\$ 23,555	\$	11,770	\$ (2,725)	\$ 9,045
Series 2007	9/19/2007	42,245		2,725	(1,335)	1,390
Series 2009A	9/30/2009	39,585		33,170	(1,170)	32,000
Series 2009B	9/30/2009	29,010		10,105	(3,685)	6,420
Series 2009C	9/30/2009	23,730		3,780	(3,780)	-
		\$ 158,125	\$	61,550	\$ (12,695)	\$ 48,855

¹ Cash basis

² Accrual basis

Annual Financial Information and Operating Data

Excise Tax Revenue Pledge

The continuing disclosure undertakings with respect to the City's Excise Taxes Revenue Bonds require the City to annually report certain agreed upon financial information and operating data. The following presents a summary of the collection of the Utilities Services Taxes, Fuel Oil Tax and the Occupational License Taxes which comprise the "Excise Taxes" and Pledged Revenues coverage and maximum annual debt service coverage for each of the previous five fiscal years:

City of Jacksonville, FL
Excise Tax Revenue Pledge
Revenues & Debt Service Coverage
(in thousands)

	2012	2013	2014	2015	2016
Utility Services Tax:					
JEA Electric	\$ 67,280	\$ 68,284	\$ 70,076	\$ 70,781	\$ 73,025
JEA Water	13,505	13,347	13,200	13,766	14,264
Telecommunications	33,410	32,941	30,532	30,784	27,714
Peoples Gas	548	551	578	593	533
Miscellaneous	2,466	2,816	2,925	2,622	2,667
Total Utility Services Tax Revenue	\$ 117,209	\$ 117,939	\$ 117,311	\$ 118,546	\$ 118,203
Fuel Oil Tax	28	33	34	27	24
Occupational License Taxes	7,356	7,129	7,085	7,324	7,172
Total Excise Taxes Pledged Revenues	\$ 124,593	\$ 125,101	\$ 124,430	\$ 125,897	\$ 125,399
Maximum Annual Debt Service	\$ 44,211	\$ 29,986	\$ 29,986	\$ 17,034	\$ 9,807
Pledged Revenue Coverage	2.82 x	4.17 x	4.15 x	7.39 x	12.79 x

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

III: Local Government Sales Tax Revenue Pledge

The City's Local Government Sales Tax Revenue Bonds are payable from the Local Government Half-Cent Sales Tax distributed to the City from the Local Government Half-Cent Sales Tax Clearing Trust Fund as described in Part VI, Chapter 218, Florida Statutes.

Local Government Sales Tax Revenue Bonds

Bonds Outstanding

(in thousands)

Bond Series	Issue Date	Issued	9/30/2016 Outstanding ¹	10/1/2016 Repayment	10/1/2016 Outstanding ²
Series 2001	2/23/1993 \$	43,605 \$	21,405 \$	(6,760) \$	14,645

¹ Cash basis

² Accrual basis

Annual Financial Information and Operating Data

Local Government Sales Tax Revenue Pledge

The continuing disclosure undertakings with respect to the City's Local Government Sales Tax Revenue Bonds require the City to annually report certain agreed upon financial information and operating data. The schedule of Actual Half-Cent Sales Tax Distributions and Combined Debt Service Coverage follows:

City of Jacksonville, FL

Local Government Half-Cent Sales Tax

Distributions & Debt Service Coverage

(in thousands)

Fiscal Year	Distribution to City	% Change Prior Year	Annual Debt Service ¹	Pledged Revenue Coverage	Maximum Annual Debt Service(MADS) ¹	MADS Coverage
2012	\$ 72,636	4.63%	\$ 17,246	4.13 x	\$ 17,362	4.18 x
2013	77,657	6.91%	12,086	4.21 x	17,362	4.18 x
2014	81,240	4.61%	12,059	6.74 x	12,145	6.69 x
2015	87,046	7.15%	7,878	11.05 x	7,928	10.98 x
2016	89,912	3.29%	7,874	11.42 x	7,924	11.35 x

Note: Debt Service is presented on an accrual basis.

¹ Maximum Annual Debt Service and Annual Debt Service are computed inclusive of a reduction for investment earnings and presented on an accrual basis. For the purpose of this computation, historical interest is reported net of actual interest earned, however, interest on future debt is reduced for investment earnings based upon an assumed rate of 1.25% per annum for the Debt Service Reserve Account and 0.25% for the Debt Service Account.

The Local Government Half-Cent Sales Tax Distribution Factor for the fiscal year ending September 30, 2016 follows:

Municipality	Local Government Half-Cent Sales Tax Distribution Factor
Consolidated City of Jacksonville	95.26%
Jacksonville Beach	2.44%
Atlantic Beach	1.39%
Neptune Beach	0.76%
Town of Baldwin	0.15%

Source: State of Florida, Department of Revenue

The Direct Debt Statement for the fiscal year ending September 30, 2016 follows:

City of Jacksonville, FL
Direct Debt Statement
Fiscal Year Ending September 30, 2016

Direct Debt:	Non Self-Supporting Revenue Bonds	Self-Supporting Revenue Bonds
Capital Improvement Refunding Revenue Bonds, Series 2012	\$ 104,215,000	
Capital Project Revenue Refunding Bonds, Series 2008A	56,095,000	
Capital Project Revenue Refunding Bonds, Series 2008B	56,095,000	
Commercial Paper Notes	44,660,000	
Commercial Line of Credit	31,708,000	
Excise Taxes Revenue Bonds, Taxable Series 2006C	11,770,000	
Excise Taxes Revenue Bonds, Taxable Series 2007	2,725,000	
Excise Taxes Revenue Bonds, Taxable Series 2009A	33,170,000	
Excise Taxes Revenue Bonds, Taxable Series 2009B	10,105,000	
Excise Taxes Revenue Bonds, Taxable Series 2009C	3,780,000	
Local Government Sales Tax Refunding Revenue Bonds, Series 2001	21,405,000	
Special Revenue and Refunding Bonds, Series 2013A	52,560,000	
Special Revenue and Refunding Bonds, Taxable Series 2013B	29,605,000	
Special Revenue Bonds, Series 2008	10,030,000	
Special Revenue Bonds, Series 2009B-1	65,045,000	
Special Revenue Bonds, Series 2009C	37,310,000	
Special Revenue Bonds, Series 2010A	52,890,000	
Special Revenue Bonds, Series 2010B	61,680,000	
Special Revenue Bonds, Series 2010C-1	18,225,000	
Special Revenue Bonds, Series 2011A	102,340,000	
Special Revenue Bonds, Series 2011B	58,475,000	
Special Revenue Bonds, Series 2012A	1,025,000	
Special Revenue Refunding Bonds, Series 2012C	167,540,000	
Special Revenue Refunding Bonds, Series 2012D	8,485,000	
Special Revenue Refunding Bonds, Series 2013C	31,565,000	
Special Revenue Refunding Bonds, Series 2014	100,160,000	
Special Revenue Refunding Bonds, Taxable Series 2012E	34,340,000	
Special Revenue Refunding Bonds, Series 2016A	92,215,000	
Special Revenue Refunding Bonds, Series 2016B	58,645,000	
Better Jacksonville Sales Tax Revenue Bonds, Series 2008		12,135,000
Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2011		57,355,000
Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2012		251,685,000
Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2012A		114,890,000
Better Jacksonville Sales Tax Revenue Refunding Bonds, Series 2016		67,070,000
State Infrastructure Bank Loan #1		17,340,368
State Infrastructure Bank Loan #2		18,835,427
Transportation Revenue Bonds, Series 2008B		81,455,000
Transportation Revenue Refunding Bonds, Series 2012A		151,660,000
Transportation Revenue Refunding Bonds, Series 2012B		43,665,000
Transportation Revenue Refunding Bonds, Series 2015		197,295,000
DCSB Certificate of Participation, Series 2003-QZAB	5,667,000	
DCSB Certificate of Participation, Series 2005-QZAB	1,015,000	
DCSB Certificate of Participation, Series 2007A	2,560,000	
DCSB Certificate of Participation, Series 2009B-QSCB	16,600,000	
DCSB Certificate of Participation, Series 2010A-QSCB	33,074,000	
DCSB Certificate of Participation, Series 2010B	25,590,000	
DCSB Certificate of Participation, Series 2012-QZAB	29,000,000	
DCSB Certificate of Participation, Series 2013A	15,005,000	
DCSB Certificate of Participation, Series 2014A Refunding	34,312,678	
DCSB Certificate of Participation, Series 2014B-QZAB	50,000,000	
DCSB Certificate of Participation, Series 2015A Refunding	14,887,137	
DCSB Certificate of Participation, Series 2015B Refunding	121,850,000	
DCSB Certificate of Participation, Series 2016A Refunding	45,095,000	
DCSB Revenue Anticipation Note	1,254,239	
Total Direct Debt	\$ 1,753,773,054	\$ 1,013,385,795

Note: This statement includes debt issued by the Duval County School Board (DCSB), but the City is not legally responsible for school board debt. The above schedule does not include debt for the following entities: Jacksonville Electric Authority (JEA), Jacksonville Transportation Authority (JTA), Jacksonville Housing Finance Authority (JHFA), Jacksonville Health Facilities Authority, or Jacksonville

For required financial information pertaining to the Jacksonville Electric Authority (JEA), please see JEA's Comprehensive Annual Financial Report (CAFR). The JEA CAFR can be accessed electronically on the JEA's issuer homepage found on the Municipal Securities Rulemaking Board's Electronic Municipal Marketplace Access system (<http://emma.msrb.org>).

IV: Capital Improvement Revenue Pledge

The City's Capital Improvement Revenue Bonds are payable from the following "Pledged Revenues":

- (i) Convention Development Tax Revenues, which are authorized by Section 212.0305, Florida Statutes. The Tax is levied at 2% of transient rental accommodations including hotels, motels, mobile home parks, recreational vehicle parks, and condominiums;
- (ii) Franchise Fees Revenues, which were originally authorized by Ordinance 93-977-1392. Subsequent legislation replaced portions of the original franchise fees with a portion of the local option tax on communications services;
- (iii) Professional Sports Facility Tourist Development Tax Revenues, which are authorized by Section 125.0104(3)(1), Florida Statutes, permitting the imposition of a 1% tax on transient rentals to be used only for debt service on bonds used to construct or renovate a professional sports franchise facility; and
- (iv) Professional Sports Facility Sales Tax Rebate Revenues, which are authorized by Section 212.20, Florida Statutes, providing for certain amounts to be distributed to certified applicants for the attracting or retaining a professional sports facility franchise. This distribution will terminate in May 2024.

Capital Improvement Revenue Bonds

Bonds Outstanding

(in thousands)

Bond Series	Issue Date	Issued	9/30/2016 Outstanding¹	10/1/2016 Repayment	10/1/2016 Outstanding²
Series 2012	12/13/2012	\$ 118,005	\$ 104,215	\$ (5,240)	\$ 98,975

¹ Cash basis

² Accrual basis

Annual Financial Information and Operating Data

Capital Improvement Revenue Pledge

The continuing disclosure undertakings with respect to the City's Capital Improvement Revenue Bonds requires the City to annually report certain agreed upon financial information and operating data. The Pledged Revenue Collections and Debt Service Coverage for the previous five fiscal years follow:

City of Jacksonville, FL
Capital Improvement Revenue Pledge
Revenues & Net Debt Service Coverage
(in thousands)

	Fiscal Year 2012	Fiscal Year 2013	Fiscal Year 2014	Fiscal Year 2015	Fiscal Year 2016
Peoples Gas Franchise Fee	\$ 1,253	\$ 1,233	\$ 1,399	\$ 1,365	\$ 1,182
Other Franchise Fees	19	14	-	48	16
Total Franchise Fees	\$ 1,272	\$ 1,247	\$ 1,399	\$ 1,413	\$ 1,198
Pledged Discretionary Communications Services Tax	\$ 5,896	\$ 5,813	\$ 5,388	\$ 5,432	\$ 4,891
Convention Center Development Tax	4,670	4,995	5,502	6,004	6,687
Sports Facility Sales Tax Rebate	2,000	2,000	2,000	2,000	2,000
Professional Sports Facility Tourist Tax	5,022	5,390	5,892	6,538	7,217
Total Pledged Revenue	<u>\$ 18,860</u>	<u>\$ 19,445</u>	<u>\$ 20,181</u>	<u>\$ 21,387</u>	<u>\$ 21,993</u>
Annual Debt Service ⁽¹⁾	\$ 11,208	\$ 9,857	\$ 9,959	\$ 10,015	\$ 10,050
Pledged Revenue Coverage	1.68x	1.97x	2.03x	2.14x	2.19x
Maximum Annual Debt Service ⁽¹⁾	\$ 11,551	\$ 10,234	\$ 10,234	\$ 10,234	\$ 10,234
Pledged Revenue Coverage	1.63x	1.90x	1.97x	2.09x	2.15x

¹ Maximum Annual Debt Service and Annual Debt Service are computed inclusive of a reduction for investment earnings and presented on an accrual basis. For the purpose of this computation, the reduction for investment earnings were based upon an assumed rate of 1.25% per annum for the Debt Service Reserve Account and 0.25% for the Debt Service Account.

V. Transportation Sales Tax Revenue Pledge

The City's Transportation Sales Tax Revenue Bonds are payable from the following "Pledged Revenues":

- (i) the Discretionary Sales Surtax authorized by Section 212.055(1), Florida Statutes. The surtax does not apply to that portion of sales that exceeds \$5,000 of any tangible personal property or on communications services.
- (ii) the Gas Tax authorized under the Florida Constitution and implemented by Sections 206.41 and 206.47, Florida Statutes. The use of the Gas Tax is limited to acquisition, construction, and maintenance of roads.

The City's levy of the Transportation Sales Tax at a rate of 0.5% was approved by voter referendum in March 1988, effective January 1, 1989, with no stated expiration date.

Transportation Sales Tax Revenue Bonds

Bonds Outstanding

(in thousands)

	Issue Date		Issued		9/30/2016 Outstanding¹		10/1/2016 Repayment		10/1/2016 Outstanding²
Series 2008B	5/14/2008	\$	121,740	\$	81,455	\$	(8,915)	\$	72,540
Series 2012A	3/29/2012		151,660		151,660		-		151,660
Series 2012B	3/29/2012		57,730		43,665		(3,350)		40,315
Series 2015	12/15/2015		197,295		197,295		(14,285)		183,010
		\$	528,425	\$	474,075	\$	(26,550)	\$	447,525

¹ Cash basis

² Accrual basis

Annual Financial Information and Operating Data

Transportation Sales Tax Revenue Pledge

The continuing disclosure undertakings with respect to the City's Transportation Sales Tax Revenue Bonds require the City to annually report certain agreed upon financial information and operating data.

The following table is included solely in order to comply with the City's continuing disclosure obligations; however, the information in this table involves projected revenue collection and debt service coverage data which is dependent upon several assumptions (see footnotes below) which may or may not reflect actual future results.

City of Jacksonville, FL **Transportation Sales Tax & Gas Tax** Revenues & Net Debt Service Coverage

Period Ending October 1	Transportation Sales Tax Distribution to City ^{1,2}	Gas Tax Distribution to City ^{1,3}	Total Pledge Revenues	Parity Bonds Debt Service ⁴	Earnings on Sinking Funds ⁵	Combined Net Debt Service	Net Debt Service Coverage
2016	82,876,082	8,821,126	91,697,208	45,384,899	781,712	44,603,187	2.06x
2017	82,876,082	8,821,126	91,697,208	32,468,061	345,949	32,122,112	2.85x
2018	82,876,082	8,821,126	91,697,208	34,399,590	351,320	34,048,269	2.69x
2019	82,876,082	8,821,126	91,697,208	34,139,091	352,689	33,786,401	2.71x
2020	82,876,082	8,821,126	91,697,208	34,244,961	354,625	33,890,336	2.71x
2021	82,876,082	8,821,126	91,697,208	32,004,251	353,795	31,650,456	2.90x
2022	82,876,082	8,821,126	91,697,208	32,109,504	354,352	31,755,152	2.89x
2023	82,876,082	8,821,126	91,697,208	32,030,270	354,684	31,675,587	2.89x
2024	82,876,082	8,821,126	91,697,208	41,411,445	366,872	41,044,573	2.23x
2025	82,876,082	8,821,126	91,697,208	41,522,518	367,797	41,154,721	2.23x
2026	82,876,082	8,821,126	91,697,208	45,995,557	374,215	45,621,342	2.01x
2027	82,876,082	8,821,126	91,697,208	46,082,254	375,329	45,706,925	2.01x
2028	82,876,082	8,821,126	91,697,208	46,504,969	376,908	46,128,060	1.99x
2029	82,876,082	8,821,126	91,697,208	46,562,219	378,150	46,184,068	1.99x
2030	82,876,082	8,821,126	91,697,208	46,627,969	379,463	46,248,505	1.98x
2031	82,876,082	8,821,126	91,697,208	46,705,069	380,618	46,324,451	1.98x
2032	82,876,082	8,821,126	91,697,208	22,041,181	350,840	21,690,341	4.23x
2033	82,876,082	8,821,126	91,697,208	7,679,356	333,299	7,346,058	12.48x
2034	82,876,082	8,821,126	91,697,208	7,677,944	333,429	7,344,515	12.49x
2035	82,876,082	8,821,126	91,697,208	7,679,706	333,568	7,346,139	12.48x
2036	82,876,082	8,821,126	91,697,208	7,680,650	333,715	7,346,935	12.48x
2037	82,876,082	8,821,126	91,697,208	7,679,700	333,871	7,345,829	12.48x

¹ Amounts are net of administrative charges of the State or State Board of Administration, if any.

² The City's projected Gross Transportation Sales Tax revenues are based on the City's collection of Gross Transportation Sales Tax revenues for the twelve-month period ended September 30, 2015 and assume that the Gross Transportation Sales Tax collections will equal that amount and will remain constant through the Bond Year ending October 1, 2037.

³ The City's projected Gross Gas Tax revenues are based on the City's collection of Gross Gas Tax revenues for the twelve-month period ended September 30, 2015 and assume that the Gross Gas Tax collections will equal that amount and will remain constant through the Bond Year ending October 1, 2037.

⁴ Actual debt service on City's 2012A Bonds, 2012B Bonds, and 2015 Bonds; interest rate on the 2008B Bonds is based upon the interest rate payable under the 2003 Hedge Agreement (4.01%) and 2004 Hedge Agreement (3.455%), respectively.

⁵ Assumes investment earnings on funds in Debt Service Reserve Accounts at 1.25% per annum and on funds in the Debt Service Account at 0.25% per annum.

The schedule of Collection and Distribution of Transportation Sales Tax and Gross Gas Tax with Parity Debt Service Coverage follows:

City of Jacksonville, FL
Transportation Sales Tax & Gross Gas Tax
Revenues & Net Debt Service Coverage
(in thousands)

	2012	2013	2014	2015	2016
Gross Transportation Sales Tax Collections	\$ 66,650	\$ 70,531	\$ 74,334	\$ 80,097	\$ 82,876
Distribution of Gross Gas Tax	8,286	8,155	8,385	8,743	8,821
Total Pledged Revenues	<u>\$ 74,936</u>	<u>\$ 78,687</u>	<u>\$ 82,719</u>	<u>\$ 88,840</u>	<u>\$ 91,697</u>
Debt Service on Bonds:					
State of Florida Bonds	\$ 12,811	\$ -	\$ -	\$ -	\$ -
Series 2007	7,844	7,841	7,841	7,842	-
Series 2008A	242	1,547	11,365	11,946	4
Series 2008B	4,839	6,286	6,369	6,598	9,511
Series 2012A	3,776	7,469	7,469	7,469	7,469
Series 2012B	1,262	12,172	4,508	4,422	5,500
Series 2015	-	-	-	-	20,171
Net Swap Interest	3,571	3,428	3,222	3,056	2,728
Less Earnings on Debt Service Accounts	(981)	(198)	(799)	(566)	(782)
Aggregate Parity Debt Service, Net	<u>\$ 33,364</u>	<u>\$ 38,545</u>	<u>\$ 39,975</u>	<u>\$ 40,767</u>	<u>\$ 44,601</u>
Pledged Revenue Coverage	2.25 x	2.04 x	2.07 x	2.18 x	2.06 x

For required financial information pertaining to the City of Jacksonville public employee retirement systems, please see Section 9 – Pension Plans and Section 10 - Post Employment Benefits Other Than Pension (OPEB) within the Notes to the Financial Statements provided in the City’s Comprehensive Annual Financial Report (CAFR). The CAFR can be accessed on the City’s issuer homepage found on the Municipal Securities Rulemaking Board’s Electronic Municipal Marketplace Access system (<http://emma.msrb.org>).

VI. Better Jacksonville Infrastructure Sales Tax Revenue Pledge

The City's Better Jacksonville Sales Tax Revenue Bonds are payable from the discretionary sales surtax authorized by Section 212.055(2), Florida Statutes (the "Infrastructure Sales Tax"). The Infrastructure Sales Tax does not apply to that portion of sales that exceeds \$5,000 of any tangible personal property or on communications services. The City's levy of the Infrastructure Sales Tax at a rate of 0.5% was approved by voter referendum in September, 2000, effective January 1, 2001. The Infrastructure Sales Tax is effective for thirty years, terminating December 31, 2030.

BJP Infrastructure Sales Tax Revenue Bonds

Bonds Outstanding

(in thousands)

Bond Series	Issue Date	Issued	9/30/2016 Outstanding¹	10/1/2016 Repayment	10/1/2016 Outstanding²
Series 2008	9/16/2008	\$ 105,470	\$ 12,135	\$ (3,850)	\$ 8,285
Series 2011	7/22/2011	79,220	57,355	(6,025)	51,330
Series 2012	3/29/2012	280,050	251,685	(12,235)	239,450
Series 2012A	8/30/2012	114,890	114,890	-	114,890
Series 2016	3/24/2016	67,070	67,070	-	67,070
		\$ 646,700	\$ 503,135	\$ (22,110)	\$ 481,025

¹ Cash basis

² Accrual basis

Annual Financial Information and Operating Data

Better Jacksonville Infrastructure Sales Tax Revenue Pledge

The continuing disclosure undertaking with respect to the City's Infrastructure Sales Tax Revenue Bonds require the City to annually report certain agreed upon financial information and operating data.

The following table is included solely in order to comply with the City's continuing disclosure obligations; however, the information in this table involves projected revenue collection and debt service coverage data which is dependent upon several assumptions (see footnotes below) which may or may not reflect actual future results.

City of Jacksonville, FL BJP Infrastructure Sales Tax Revenues & Net Debt Service Coverage

Period Ending October 1	Infra. Sales Tax Distribution to City¹	Parity Bonds Debt Service²	Earnings on Sinking Funds³	Net Debt Service	Net Debt Service Coverage
2016	\$ 80,290,229	\$ 45,254,883	\$ 1,125,086	\$ 44,129,797	1.82x
2017	80,290,229	46,647,869	626,493	46,021,376	1.74x
2018	80,290,229	46,647,619	627,218	46,020,401	1.74x
2019	80,290,229	46,358,494	622,409	45,736,085	1.76x
2020	80,290,229	46,359,619	623,071	45,736,548	1.76x
2021	80,290,229	46,357,619	623,759	45,733,860	1.76x
2022	80,290,229	46,355,819	624,473	45,731,346	1.76x
2023	80,290,229	46,360,319	623,898	45,736,421	1.76x
2024	80,290,229	46,360,069	626,980	45,733,089	1.76x
2025	80,290,229	46,358,069	626,447	45,731,622	1.76x
2026	80,290,229	46,360,569	627,319	45,733,250	1.76x
2027	80,290,229	46,357,919	628,240	45,729,679	1.76x
2028	80,290,229	43,810,250	626,367	43,183,883	1.86x
2029	80,290,229	43,809,350	627,304	43,182,046	1.86x
2030	80,290,229	84,273,250	47,450,518	36,822,732	2.18x

¹ The City's Infrastructure Sales Tax Revenues are based on the City's collections of the Infrastructure Sales Tax revenues

² Actual Debt Service on outstanding Parity Bonds.

³ Assumes investment earnings on funds in Debt Service Reserve Accounts at 1.25% per annum and on funds in the Debt Service Accounts at 0.25% per annum, as well as the release of the Debt Service Reserve Account as a credit against

The schedule of Infrastructure Sales Tax Distributed to the City and Parity Debt Service Coverage follows:

City of Jacksonville, FL
BJP Infrastructure Sales Tax
Revenues & Net Debt Service Coverage
(in thousands)

	2012	2013	2014	2015	2016
Total Infrastructure Sales Tax Collections	\$ 66,653	\$ 70,738	\$ 74,246	\$ 80,095	\$ 82,876
Distribution Factor	96.88%	96.88%	96.88%	96.88%	96.88%
Infrastructure Sales Tax Distributed to City	<u>\$ 64,573</u>	<u>\$ 68,531</u>	<u>\$ 71,930</u>	<u>\$ 77,596</u>	<u>\$ 80,290</u>
Debt Service on Bonds ¹ :					
Senior Lien:					
Series 2001 ²	\$ 1,699	\$ -	\$ -	\$ -	\$ -
Series 2003 ²	9,849	5,699	-	-	-
Series 2004 ²	9,245	-	-	-	-
Series 2008	7,966	4,454	4,455	7,963	4,457
Series 2011	8,865	8,865	8,867	8,866	8,864
Series 2012	6,853	18,991	24,691	24,688	24,684
Series 2012A	6,239	6,239	5,745	5,745	5,745
Series 2016	-	-	-	-	1,505
Less Earnings on Debt Service Accounts ³	(1,492)	(1,451)	(1,222)	(927)	(1,125)
Net Senior Lien Debt Service	<u>\$ 49,224</u>	<u>\$ 42,797</u>	<u>\$ 42,536</u>	<u>\$ 46,335</u>	<u>\$ 44,130</u>
Pledged Revenue Coverage	1.31 x	1.60 x	1.69 x	1.67 x	1.82 x
Maximum Annual Debt Service Coverage ⁴ :					
Maximum Annual Debt Service	\$ 47,408	\$ 47,408	\$ 47,408	\$ 47,635	\$ 46,021
Maximum Annual Debt Service Coverage	1.38 x	1.45 x	1.52 x	1.63 x	1.74 x

¹ Debt Service is computed inclusive of a reduction for actual investment earnings realized.

² The Series 2001 bonds, Series 2003 bonds, and Series 2004 bonds are no longer outstanding.

³ Earnings on Debt Service Accounts are inclusive of Sinking Funds and Debt Service Reserve Funds.

⁴ MADS is computed inclusive of a reduction for investment earnings, as well as the release of the Debt Service Reserve Account as a credit against the final debt service payment. For the purpose of this computation, the reduction for investment earnings were based upon an assumed rate of 1.25% per annum for the Debt Service Reserve Account and 0.25% per annum for the Debt Service Account.

For required financial information pertaining to the City of Jacksonville public employee retirement systems, please see Section 9 – Pension Plans and Section 10 – Post Employment Benefits Other Than Pension (OPEB) within the Notes to the Financial Statements provided in the City’s Comprehensive Annual Financial Report (CAFR). The City’s latest CAFR can be accessed on the City’s issuer homepage found on the Municipal Securities Rulemaking Board’s Electronic Municipal Marketplace Access system (<http://emma.msrb.org>).

VII. Capital Projects Revenue Pledge

The City's Capital Projects Bonds are payable from the annual contribution of the JEA appropriated to the City from available electric revenues and available water and sewer revenues as calculated pursuant to Section 21.07 of the City Charter.

Capital Projects Revenue Bonds Bonds Outstanding (in thousands)

Bond Series	Issue Date	9/30/2016		10/1/2016	10/1/2016
		Issued Outstanding ¹		Repayment	Outstanding ²
Series 2008A	7/1/2008	\$ 67,285	\$ 56,095	\$ (2,075)	\$ 54,020
Series 2008B	7/1/2008	67,285	56,095	(2,075)	54,020
		<u>\$ 134,570</u>	<u>\$ 112,190</u>	<u>\$ (4,150)</u>	<u>\$ 108,040</u>

¹ Cash basis

² Accrual basis

Exemption from Disclosure

Capital Projects Revenue Pledge

The City is not required to provide a written continuing disclosure undertaking with respect to this pledge due to an exemption under Rule 15c2-12 of the Securities and Exchange Act of 1934 (the "Rule") until such time the bonds are converted to an interest rate period subject to the Rule. However, the City elects to provide the following Schedule of Pledged Revenue and Debt Service Coverage consistent with the information contained in the original offering document.

City of Jacksonville, FL Capital Projects Revenue Bonds Revenues & Debt Service Coverage (in thousands)

	2012	2013	2014	2015	2016
JEA Electric	\$ 83,038	\$ 83,970	\$ 87,318	\$ 90,109	\$ 91,720
JEA Water and Sewer	21,150	22,718	21,870	21,579	22,467
Total Pledged JEA Contribution	<u>\$ 104,188</u>	<u>\$ 106,688</u>	<u>\$ 109,188</u>	<u>\$ 111,688</u>	<u>\$ 114,187</u>
Debt Service on Bonds ¹ :					
Series 2008A	\$ 1,431	\$ 1,707	\$ 1,737	\$ 1,810	\$ 2,226
Series 2008B	3,111	3,388	3,417	3,453	3,151
Combined Debt Service	<u>\$ 4,542</u>	<u>\$ 5,095</u>	<u>\$ 5,154</u>	<u>\$ 5,263</u>	<u>\$ 5,377</u>
Pledged Revenue Coverage	22.94x	20.94x	21.19x	21.22x	21.24x

¹ Debt service is reported on an accrued basis.