

JEA[®]

Quarterly Analysis of
Financial Performance
December 2015





**Management's Discussion and Analysis of Financial Performance
for the Quarter Ended December 31, 2015**

JEA is a municipal utility operating in Jacksonville, Florida (Duval County) and parts of three adjacent counties. The operation is comprised of three enterprise funds: the Electric Enterprise Fund (Electric Enterprise), the Water and Sewer Enterprise Fund (W&S), and the District Energy System (DES). Electric Enterprise is comprised of the JEA Electric System, Bulk Power Supply System (Scherer), and St. Johns River Power Park System (SJRPP). Electric Enterprise, W&S, and DES are presented on a combined basis in the statements of net position, statements of revenue, expenses and changes in net position, and statements of cash flows.

Operating Revenues

Total Electric Enterprise operating revenues decreased approximately \$35 million, or 10.4 percent, over the prior year comparable quarter due to a \$27 million increase in fuel revenue transferred to the fuel stabilization fund and an \$8 million decrease in sales. Territorial MWh sales were down 11,789 megawatt hours (MWh), or 0.4%, this quarter compared to the prior year comparable quarter, driven by fewer degree days, and partially offset by a 1.9% increase in customers. Additional decreases of 78,618 MWh in SJRPP sales to Florida Power and Light and 23,378 MWh in off-system sales brought the total decrease in MWh sales to 113,785 MWh, or 3.3%.

Total W&S operating revenues increased approximately \$2 million, or 2.2 percent, over the prior year comparable quarter. Water revenues increased about \$1 million, or 1.5 percent, due to a 2.3 percent increase in customer accounts and a 2.0 percent increase in consumption. Water consumption increased 163,765 thousands of gallons (kgals) to 8,519,982 kgals. Sewer revenues increased about \$1 million, or 1.1 percent, primarily related to a 2.7 percent increase in sewer accounts and 1.2 percent increase in sales. Sewer sales increased 73,974 kgals to 6,239,826 kgals.

DES operating revenues decreased \$113 thousand, or 5.0 percent, over the prior year comparable quarter due primarily to a decrease in usage at one of its locations.

Operating Expenses

Total Electric Enterprise operating expenses decreased approximately \$39 million, or 14.3 percent, over the prior year comparable quarter.

Fuel and purchased power expense decreased about \$28 million due to a \$19 million decrease in generation cost, partially offset by a \$1 million increase in purchased power cost, and a \$10 million decrease in generation and purchased power MWh. The decrease in generation cost was due to lower solid fuels and natural gas prices. As commodity prices have fluctuated over these periods, the mix between generation and purchased power has shifted as JEA has taken advantage of the most economical source of power. Total MWh power volume decreased 0.9 percent over the prior year comparable quarter to 2,905,211 MWh, with an increase of 22.6 percent for MWh generated and a decrease of 24.8 percent for MWh purchased. JEA's power supply mix is detailed below.

	Quarter and Year-to-Date December	
	2015	2014
Coal	44.2%	64.9%
Natural gas	38.0%	25.4%
Petroleum coke	9.8%	4.1%
Other purchases	8.0%	5.6%
Total	100.0%	100.0%

Electric Enterprise operating expenses, other than fuel and purchased power, decreased approximately \$11 million. The primary drivers of this decrease were a \$4 million GE maintenance buyout agreement for Brandy Branch and \$4 million in boiler repairs in the prior comparable quarter and a \$3 million decrease in taxes due to lower revenues.

W&S operating expenses increased \$2 million, or 3.1 percent, over the prior year comparable quarter, due to an increase in salary and related benefits.

DES operating expenses decreased \$192 thousand, or 10.8 percent over the prior year comparable quarter due to lower interfund electric charges.

Nonoperating Expenses, Net

There was a decrease of approximately \$3 million, or 7.3 percent, in total nonoperating expenses, net. This decrease was driven by a \$4 million decrease in interest expense due to lower debt balances, \$1 million increase in allowance for funds used during construction, and \$1 million in timber sales. These items were partially offset by unrealized fair market value losses of approximately \$3 million in investment income.

Debt Administration

Debt outstanding at December 31, 2015, was \$4,652 million, a decrease of approximately \$361 million from the prior fiscal year.

The ratings for all JEA bonds, as detailed below, remained the same during the quarter.

	Fitch	Moody's	Standard & Poor's
JEA Electric System			
Senior	AA	Aa2	AA-
Subordinated	AA	Aa3	A+
SJRPP	AA	Aa2	AA-
Scherer	AA	Aa2	AA-
W&S			
Senior	AA	Aa2	AA
Subordinated	AA	Aa2	AA
DES	AA	Aa3	AA-

At the end of the quarter, there were \$3 million in outstanding bank draws under the revolving lines of credit.

The JEA Electric System senior debt service coverage ratio was 5.74x and 5.14x for the first quarter of fiscal years 2016 and 2015, respectively. The debt service coverage ratio for the JEA Electric System's combined senior and subordinated debt was 2.52x and 2.34x for the first quarter of fiscal years 2016 and 2015, respectively. The increase in the coverage amounts was due to increased net revenues and decreased debt service requirements.

The W&S senior debt service coverage ratio was 3.41x and 3.10x for the first quarter of fiscal years 2016 and 2015, respectively. The debt service coverage ratio for W&S combined senior and subordinated debt was 2.97x and 2.73x for the first quarter of fiscal years 2016 and 2015, respectively. The increases were due to increased net revenues and decreased debt service requirements.

Capital Assets

JEA's investment in capital assets was \$5,901 million (net of accumulated depreciation). This included \$3,320 million in Electric Enterprise assets, \$2,544 million in W&S assets, and \$37 million in DES assets. For the first quarter, capital expenditures were \$63 million, made up of approximately \$35 million in Electric Enterprise, \$28 million in W&S, and \$166 thousand in DES. JEA has ongoing capital improvement programs for Electric Enterprise and W&S. The cost of the capital improvement program is planned to be provided from revenues generated from operations and existing fund balances.


 Paul McElroy, Managing Director

Statements of Net Position
(in thousands - unaudited)

	December	
	2015	2014
Assets		
Current assets:		
Cash and cash equivalents	\$ 212,017	\$ 104,319
Investments	285,880	369,291
Accounts and interest receivable, less allowance for doubtful accounts of \$4,385 and \$4,658, respectively	195,122	203,535
Inventories, less reserve of \$221 and \$1,275, respectively:		
Fuel	73,654	57,864
Materials and supplies	65,810	69,068
Total current assets	<u>832,483</u>	<u>804,077</u>
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	54,825	42,103
Investments	758,626	798,135
Accounts and interest receivable	4,401	4,074
Total restricted assets	<u>817,852</u>	<u>844,312</u>
Costs to be recovered from future revenues	458,799	375,887
Investment in The Energy Authority	6,713	8,226
Other assets	19,747	21,115
Total noncurrent assets	<u>1,303,111</u>	<u>1,249,540</u>
Capital assets:		
Land and easements	164,063	160,275
Plant in service	10,721,223	10,581,891
Less accumulated depreciation	(5,169,736)	(4,704,500)
Plant in service, net	<u>5,715,550</u>	<u>6,037,666</u>
Construction work in progress	185,058	117,643
Net capital assets	<u>5,900,608</u>	<u>6,155,309</u>
Total assets	<u>8,036,202</u>	<u>8,208,926</u>
Deferred outflows of resources		
Unamortized deferred losses on refundings	151,281	164,990
Accumulated decrease in fair value of hedging derivatives	146,979	134,539
Unrealized pension contributions and losses	83,970	39,131
Total deferred outflows of resources	<u>382,230</u>	<u>338,660</u>
Total assets and deferred outflows of resources	<u>\$ 8,418,432</u>	<u>\$ 8,547,586</u>

Statements of Net Position
(in thousands - unaudited)

	December	
	2015	2014
Liabilities		
Current liabilities:		
Accounts and accrued expenses payable	\$ 89,373	\$ 95,932
Customer deposits	55,680	55,718
Total current liabilities	<u>145,053</u>	<u>151,650</u>
Current liabilities payable from restricted assets:		
Debt due within one year	181,525	188,510
Renewal and replacement reserve	81,738	89,515
Interest payable	44,177	47,781
Construction contracts and accounts payable	8,204	7,019
Total current liabilities payable from restricted assets	<u>315,644</u>	<u>332,825</u>
Noncurrent liabilities:		
Net pension liability	408,629	395,990
Other liabilities	50,685	43,001
Total other noncurrent liabilities	<u>459,314</u>	<u>438,991</u>
Long-term debt:		
Bonds payable and commercial paper payable, less current portion	4,470,195	4,824,225
Unamortized premium, net	162,641	185,827
Fair value of debt management strategy instruments	141,958	134,539
Total long-term debt	<u>4,774,794</u>	<u>5,144,591</u>
Total liabilities	<u>5,694,805</u>	<u>6,068,057</u>
Deferred inflows of resources		
Revenues to be used for future costs	489,456	452,707
Unrealized pension gains	29,795	-
Total deferred inflows of resources	<u>519,251</u>	<u>452,707</u>
Net position		
Net investment in capital assets	1,460,520	1,207,002
Restricted	398,442	414,788
Unrestricted	345,414	405,032
Total net position	<u>2,204,376</u>	<u>2,026,822</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 8,418,432</u>	<u>\$ 8,547,586</u>

Statements of Revenues, Expenses and Changes in Net Position
(in thousands - unaudited)

	Quarter and Year-to-Date	
	December	
	2015	2014
Operating revenues		
Electric	\$ 291,362	\$ 325,215
Water and sewer	95,184	93,567
District energy system	2,137	2,250
Other	8,494	8,220
Total operating revenues	<u>397,177</u>	<u>429,252</u>
Operating expenses		
Operations:		
Fuel	95,637	122,109
Purchased power	10,112	11,313
Other	64,076	59,692
Depreciation	91,932	92,468
Maintenance	22,518	30,592
State utility and franchise taxes	14,985	17,826
Recognition of deferred costs and revenues, net	(3,632)	(2,678)
Total operating expenses	<u>295,628</u>	<u>331,322</u>
Operating income	<u>101,549</u>	<u>97,930</u>
Nonoperating expenses, net		
Interest on debt	(45,871)	(49,629)
Investment income	1,079	3,506
Other nonoperating income, net	2,616	1,814
Allowance for funds used during construction	2,138	1,141
Loss on sale of asset	-	(123)
Earnings from The Energy Authority	133	35
Other interest, net	(214)	(16)
Total nonoperating expenses, net	<u>(40,119)</u>	<u>(43,272)</u>
Income before contributions and special item	<u>61,430</u>	<u>54,658</u>
Contributions (to) from		
General Fund, City of Jacksonville, Florida	(28,547)	(27,922)
Developers and other	13,054	13,062
Reduction of plant cost through contributions	(8,470)	(8,368)
Total contributions	<u>(23,963)</u>	<u>(23,228)</u>
Special item	-	151,490
Change in net position	37,467	182,920
Net position, beginning of year (restated)	2,166,909	1,843,902
Net position, end of period	<u>\$ 2,204,376</u>	<u>\$ 2,026,822</u>

Statements of Cash Flows
(in thousands - unaudited)

	Quarter and Year-to-Date	
	December	
	2015	2014
Operating activities		
Receipts from customers	\$ 430,688	\$ 482,440
Payments to suppliers	(192,269)	(223,207)
Payments to employees	(62,049)	(51,477)
Other receipts	10,795	8,537
Net cash provided by operating activities	187,165	216,293
Noncapital and related financing activities		
Contribution to General Fund, City of Jacksonville, Florida	(28,328)	(27,710)
Net cash used in noncapital and related financing activities	(28,328)	(27,710)
Capital and related financing activities		
Repayment of debt principal	(187,500)	(256,630)
Interest paid on debt	(93,787)	(98,887)
Acquisition and construction of capital assets	(63,107)	(46,433)
Developer and other contributions	4,583	4,694
Proceeds from issuance of debt, net	3,000	-
Gain (Loss) on disposal of assets	109	(22)
Proceeds from sale of property	48	13
Defeasance of debt	(17)	(137)
Net cash used in capital and related financing activities	(336,671)	(397,402)
Investing activities		
Purchase of investments	(557,330)	(521,443)
Proceeds from sale and maturity of investments	362,063	284,827
Investment income	2,957	2,355
Distributions from The Energy Authority	912	(120)
Net cash used in investing activities	(191,398)	(234,381)
Net increase (decrease) in cash and cash equivalents	(369,232)	(443,200)
Cash and cash equivalents at beginning of year	636,074	589,622
Cash and cash equivalents at end of period	\$ 266,842	\$ 146,422
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 101,549	\$ 97,930
Adjustments:		
Depreciation and amortization	92,296	92,849
Recognition of deferred costs and revenues, net	(3,632)	(2,678)
Gain on sale of noncore assets	809	-
Changes in noncash assets and noncash liabilities:		
Accounts and interest receivable	56,501	36,556
Accounts and interest receivable, restricted	1,493	250
Inventories	(9,889)	9,956
Other assets	(2,145)	(1,684)
Accounts and accrued expenses payable	(28,758)	(16,353)
Liabilities payable from restricted assets	(6,976)	(4,394)
Deferred credits and other liabilities	(14,083)	3,861
Net cash provided by operating activities	\$ 187,165	\$ 216,293
Noncash activity		
Contribution of capital assets from developers	\$ 8,470	\$ 8,368

Combining Statement of Net Position

(in thousands - unaudited) December 31, 2015

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Assets							
Current assets:							
Cash and cash equivalents	\$ 137,622	\$ 24,945	\$ -	\$ 162,567	\$ 45,351	\$ 4,099	\$ 212,017
Investments	254,754	14,410	-	269,164	16,716	-	285,880
Accounts and interest receivable, less allowance for doubtful accounts of \$4,385	156,604	14,696	(12,107)	159,193	35,447	482	195,122
Inventories, less reserve of \$221							
Fuel	42,569	31,085	-	73,654	-	-	73,654
Materials and supplies	2,118	20,146	-	22,264	43,546	-	65,810
Total current assets	593,667	105,282	(12,107)	686,842	141,060	4,581	832,483
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	139	50,654	-	50,793	734	3,298	54,825
Investments	266,098	195,072	-	461,170	297,456	-	758,626
Accounts and interest receivable	1,214	736	-	1,950	2,451	-	4,401
Total restricted assets	267,451	246,462	-	513,913	300,641	3,298	817,852
Costs to be recovered from future revenues	229,118	7,015	-	236,133	222,666	-	458,799
Investment in The Energy Authority	6,713	-	-	6,713	-	-	6,713
Other assets	10,153	-	-	10,153	9,594	-	19,747
Total noncurrent assets	513,435	253,477	-	766,912	532,901	3,298	1,303,111
Capital assets:							
Land and easements	95,177	6,660	-	101,837	59,175	3,051	164,063
Plant in service	5,132,085	1,360,359	-	6,492,444	4,175,162	53,617	10,721,223
Less accumulated depreciation	(2,545,797)	(821,773)	-	(3,367,570)	(1,782,070)	(20,096)	(5,169,736)
Plant in service, net	2,681,465	545,246	-	3,226,711	2,452,267	36,572	5,715,550
Construction work in progress	79,156	14,635	-	93,791	91,267	-	185,058
Net capital assets	2,760,621	559,881	-	3,320,502	2,543,534	36,572	5,900,608
Total assets	3,867,723	918,640	(12,107)	4,774,256	3,217,495	44,451	8,036,202
Deferred outflows of resources							
Unamortized deferred losses on refundings	83,930	18,798	-	102,728	48,336	217	151,281
Accumulated decrease in fair value of hedging derivatives	120,013	-	-	120,013	26,966	-	146,979
Unrealized pension contributions and losses	48,712	4,115	-	52,827	31,143	-	83,970
Total deferred outflows of resources	252,655	22,913	-	275,568	106,445	217	382,230
Total assets and deferred outflows of resources	\$ 4,120,378	\$ 941,553	\$ (12,107)	\$ 5,049,824	\$ 3,323,940	\$ 44,668	\$ 8,418,432

Combining Statement of Net Position
(in thousands - unaudited) December 31, 2015

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Liabilities							
Current liabilities:							
Accounts and accrued expenses payable	\$ 64,839	\$ 12,560	\$ (260)	\$ 77,139	\$ 12,211	\$ 23	\$ 89,373
Customer deposits	41,887	-	-	41,887	13,793	-	55,680
Total current liabilities	106,726	12,560	(260)	119,026	26,004	23	145,053
Current liabilities payable from restricted assets:							
Debt due within one year	102,240	43,785	-	146,025	33,875	1,625	181,525
Renewal and replacement reserve	-	81,738	-	81,738	-	-	81,738
Interest payable	22,363	5,329	-	27,692	16,136	349	44,177
Construction contracts and accounts payable	2,285	14,030	(11,847)	4,468	3,729	7	8,204
Total current liabilities payable from restricted assets	126,888	144,882	(11,847)	259,923	53,740	1,981	315,644
Noncurrent liabilities:							
Net pension liability	246,724	4,163	-	250,887	157,742	-	408,629
Other liabilities	39,669	1,038	-	40,707	9,925	53	50,685
Total other noncurrent liabilities	286,393	5,201	-	291,594	167,667	53	459,314
Long-term debt:							
Bonds payable, less current portion	2,369,215	450,215	-	2,819,430	1,612,640	38,125	4,470,195
Unamortized premium, net	80,177	22,426	-	102,603	60,085	(47)	162,641
Fair value of debt management strategy instruments	114,992	-	-	114,992	26,966	-	141,958
Total long-term debt	2,564,384	472,641	-	3,037,025	1,699,691	38,078	4,774,794
Total liabilities	3,084,391	635,284	(12,107)	3,707,568	1,947,102	40,135	5,694,805
Deferred inflows of resources							
Revenues to be used for future costs	295,742	168,486	-	464,228	25,228	-	489,456
Unrealized pension gains	16,446	2,835	-	19,281	10,514	-	29,795
Total deferred inflows of resources	312,188	171,321	-	483,509	35,742	-	519,251
Net position							
Net investment in capital assets	322,828	18,299	-	341,127	1,122,314	(2,921)	1,460,520
Restricted	179,655	20,833	11,847	212,335	183,158	2,949	398,442
Unrestricted	221,316	95,816	(11,847)	305,285	35,624	4,505	345,414
Total net position	723,799	134,948	-	858,747	1,341,096	4,533	2,204,376
Total liabilities, deferred inflows of resources, and net position	\$ 4,120,378	\$ 941,553	\$ (12,107)	\$ 5,049,824	\$ 3,323,940	\$ 44,668	\$ 8,418,432

**Combining Statement of Net Position
(in thousands - unaudited) December 31, 2014**

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Assets							
Current assets:							
Cash and cash equivalents	\$ 53,669	\$ 19,250	\$ -	\$ 72,919	\$ 27,343	\$ 4,057	\$ 104,319
Investments	288,728	64,238	-	352,966	16,325	-	369,291
Accounts and interest receivable, less allowance for doubtful accounts of \$4,658	160,887	15,924	(11,625)	165,186	37,911	438	203,535
Inventories, less reserve of \$1,275							
Fuel	39,530	18,334	-	57,864	-	-	57,864
Materials and supplies	2,101	20,014	-	22,115	46,953	-	69,068
Total current assets	544,915	137,760	(11,625)	671,050	128,532	4,495	804,077
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	134	37,682	-	37,816	855	3,432	42,103
Investments	273,286	218,283	-	491,569	306,566	-	798,135
Accounts and interest receivable	1,318	764	-	2,082	1,992	-	4,074
Total restricted assets	274,738	256,729	-	531,467	309,413	3,432	844,312
Cost to be recovered from future revenues	228,875	9,763	-	238,638	137,249	-	375,887
Investment in The Energy Authority	8,226	-	-	8,226	-	-	8,226
Other assets	9,833	-	-	9,833	11,282	-	21,115
Total noncurrent assets	521,672	266,492	-	788,164	457,944	3,432	1,249,540
Capital assets:							
Land and easements	88,310	6,660	-	94,970	62,254	3,051	160,275
Plant in service	5,050,479	1,387,296	-	6,437,775	4,091,700	52,416	10,581,891
Less accumulated depreciation	(2,361,268)	(797,812)	-	(3,159,080)	(1,527,613)	(17,807)	(4,704,500)
Plant in service, net	2,777,521	596,144	-	3,373,665	2,626,341	37,660	6,037,666
Construction work in progress	51,263	15,848	-	67,111	50,332	200	117,643
Net capital assets	2,828,784	611,992	-	3,440,776	2,676,673	37,860	6,155,309
Total assets	3,895,371	1,016,244	(11,625)	4,899,990	3,263,149	45,787	8,208,926
Deferred outflows of resources							
Unamortized deferred losses on refundings	89,426	24,420	-	113,846	50,919	225	164,990
Accumulated decrease in fair value of hedging derivatives	109,616	-	-	109,616	24,923	-	134,539
Unrealized pension contributions and losses	21,157	4,447	-	25,604	13,527	-	39,131
Total deferred outflows of resources	220,199	28,867	-	249,066	89,369	225	338,660
Total assets and deferred outflows of resources	\$ 4,115,570	\$ 1,045,111	\$ (11,625)	\$ 5,149,056	\$ 3,352,518	\$ 46,012	\$ 8,547,586

Combining Statement of Net Position
(in thousands - unaudited) December 31, 2014

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Liabilities							
Current liabilities:							
Accounts and accrued expenses payable	\$ 71,114	\$ 13,864	\$ (1,854)	\$ 83,124	\$ 12,791	\$ 17	\$ 95,932
Customer deposits	42,899	-	-	42,899	12,819	-	55,718
Total current liabilities	114,013	13,864	(1,854)	126,023	25,610	17	151,650
Current liabilities payable from restricted assets:							
Debt due within one year	99,905	50,815	-	150,720	36,180	1,610	188,510
Renewal and replacement reserve	-	89,515	-	89,515	-	-	89,515
Interest payable	23,908	6,331	-	30,239	17,189	353	47,781
Construction contracts and accounts payable	2,283	10,769	(9,771)	3,281	3,738	-	7,019
Total current liabilities payable from restricted assets	126,096	157,430	(9,771)	273,755	57,107	1,963	332,825
Noncurrent liabilities:							
Net pension liability	235,941	9,201	-	245,142	150,848	-	395,990
Other liabilities	32,262	1,166	-	33,428	9,520	53	43,001
Total noncurrent liabilities	268,203	10,367	-	278,570	160,368	53	438,991
Long-term debt:							
Bonds payable and commercial paper payable, less current portion	2,539,300	528,295	-	3,067,595	1,716,880	39,750	4,824,225
Unamortized premium, net	94,043	23,581	-	117,624	68,255	(52)	185,827
Fair value of debt management strategy instruments	109,616	-	-	109,616	24,923	-	134,539
Total long-term debt	2,742,959	551,876	-	3,294,835	1,810,058	39,698	5,144,591
Total liabilities	3,251,271	733,537	(11,625)	3,973,183	2,053,143	41,731	6,068,057
Deferred inflows of resources							
Revenues to be used for future costs	251,478	176,981	-	428,459	24,248	-	452,707
Total deferred inflows of resources	251,478	176,981	-	428,459	24,248	-	452,707
Net position							
Net investment in capital assets	214,440	(17,814)	-	196,626	1,013,599	(3,223)	1,207,002
Restricted	181,384	29,678	9,771	220,833	190,876	3,079	414,788
Unrestricted	216,997	122,729	(9,771)	329,955	70,652	4,425	405,032
Total net position	612,821	134,593	-	747,414	1,275,127	4,281	2,026,822
Total liabilities, deferred inflows of resources, and net position	\$ 4,115,570	\$ 1,045,111	\$ (11,625)	\$ 5,149,056	\$ 3,352,518	\$ 46,012	\$ 8,547,586

Combining Statement of Revenue, Expenses and Changes in Net Position
(in thousands - unaudited) for the quarter and year-to-date ended December 31, 2015

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues								
Electric	\$ 261,874	\$ 63,204	\$ (30,461)	\$ 294,617	\$ -	\$ -	\$ (3,255)	\$ 291,362
Water and sewer	-	-	-	-	95,326	-	(142)	95,184
District energy system	-	-	-	-	-	2,137	-	2,137
Other	6,423	-	-	6,423	2,612	-	(541)	8,494
Total operating revenues	268,297	63,204	(30,461)	301,040	97,938	2,137	(3,938)	397,177
Operating expenses								
Operations:								
Fuel	56,870	38,767	-	95,637	-	-	-	95,637
Purchased power	40,573	-	(30,461)	10,112	-	-	-	10,112
Other	33,647	5,980	-	39,627	27,615	772	(3,938)	64,076
Maintenance	15,391	3,260	-	18,651	3,630	237	-	22,518
Depreciation	47,736	10,689	-	58,425	32,935	572	-	91,932
State utility and franchise taxes	12,481	-	-	12,481	2,504	-	-	14,985
Recognition of deferred costs and revenues, net	(654)	(2,909)	-	(3,563)	(69)	-	-	(3,632)
Total operating expenses	206,044	55,787	(30,461)	231,370	66,615	1,581	(3,938)	295,628
Operating income	62,253	7,417	-	69,670	31,323	556	-	101,549
Nonoperating expenses, net								
Interest on debt	(23,297)	(6,634)	-	(29,931)	(15,587)	(353)	-	(45,871)
Investment income	397	67	-	464	609	6	-	1,079
Other nonoperating income, net	1,057	103	-	1,160	1,456	-	-	2,616
Allowance for funds used during construction	1,120	-	-	1,120	1,011	7	-	2,138
Earnings from The Energy Authority	133	-	-	133	-	-	-	133
Other interest, net	(169)	-	-	(169)	(45)	-	-	(214)
Total nonoperating expenses, net	(20,759)	(6,464)	-	(27,223)	(12,556)	(340)	-	(40,119)
Income before contributions	41,494	953	-	42,447	18,767	216	-	61,430
Contributions (to) from								
General Fund, City of Jacksonville, Florida	(22,930)	-	-	(22,930)	(5,617)	-	-	(28,547)
Developers and other	-	-	-	-	13,054	-	-	13,054
Reduction of plant cost through contributions	-	-	-	-	(8,470)	-	-	(8,470)
Total contributions	(22,930)	-	-	(22,930)	(1,033)	-	-	(23,963)
Change in net position	18,564	953	-	19,517	17,734	216	-	37,467
Net position, beginning of year (restated)	705,235	133,995	-	839,230	1,323,362	4,317	-	2,166,909
Net position, end of period	\$ 723,799	\$ 134,948	\$ -	\$ 858,747	\$ 1,341,096	\$ 4,533	\$ -	\$ 2,204,376

Combining Statement of Revenue, Expenses and Changes in Net Position
(in thousands - unaudited) for the quarter and year-to-date ended December 31, 2014

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues								
Electric	\$ 294,755	\$ 82,175	\$ (47,516)	\$ 329,414	\$ -	\$ -	\$ (4,199)	\$ 325,215
Water and sewer	-	-	-	-	93,699	-	(132)	93,567
District energy system	-	-	-	-	-	2,250	-	2,250
Other	6,700	-	-	6,700	2,148	-	(628)	8,220
Total operating revenues	301,455	82,175	(47,516)	336,114	95,847	2,250	(4,959)	429,252
Operating expenses								
Operations:								
Fuel	68,167	53,942	-	122,109	-	-	-	122,109
Purchased power	58,829	-	(47,516)	11,313	-	-	-	11,313
Other	30,982	6,259	-	37,241	26,440	970	(4,959)	59,692
Maintenance	23,308	3,954	-	27,262	3,096	234	-	30,592
Depreciation	48,585	10,689	-	59,274	32,625	569	-	92,468
State utility and franchise taxes	15,364	-	-	15,364	2,462	-	-	17,826
Recognition of deferred costs and revenues, net	(937)	(1,717)	-	(2,654)	(24)	-	-	(2,678)
Total operating expenses	244,298	73,127	(47,516)	269,909	64,599	1,773	(4,959)	331,322
Operating income	57,157	9,048	-	66,205	31,248	477	-	97,930
Nonoperating expenses, net								
Interest on debt	(24,658)	(8,008)	-	(32,666)	(16,607)	(356)	-	(49,629)
Investment income	1,536	733	-	2,269	1,236	1	-	3,506
Other nonoperating income, net	1,090	102	-	1,192	622	-	-	1,814
Allowance for funds used during construction	463	-	-	463	675	3	-	1,141
Loss on sale of asset	(123)	-	-	(123)	-	-	-	(123)
Earnings from The Energy Authority	35	-	-	35	-	-	-	35
Other interest, net	(16)	-	-	(16)	-	-	-	(16)
Total nonoperating expenses, net	(21,673)	(7,173)	-	(28,846)	(14,074)	(352)	-	(43,272)
Income before contributions and special item	35,484	1,875	-	37,359	17,174	125	-	54,658
Contributions (to) from								
General Fund, City of Jacksonville, Florida	(22,527)	-	-	(22,527)	(5,395)	-	-	(27,922)
Developers and other	-	-	-	-	13,062	-	-	13,062
Reduction of plant cost through contributions	-	-	-	-	(8,368)	-	-	(8,368)
Total contributions	(22,527)	-	-	(22,527)	(701)	-	-	(23,228)
Special item	34,667	-	-	34,667	116,823			151,490
Change in net position	47,624	1,875	-	49,499	133,296	125	-	182,920
Net position, beginning of year (restated)	565,197	132,718	-	697,915	1,141,831	4,156	-	1,843,902
Net position, end of period	\$ 612,821	\$ 134,593	\$ -	\$ 747,414	\$ 1,275,127	\$ 4,281	\$ -	\$ 2,026,822

Combining Statement of Cash Flows
(in thousands - unaudited) for the quarter and year-to-date ended December 31, 2015

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating activities								
Receipts from customers	\$ 291,566	\$ 63,204	\$ (25,206)	\$ 329,564	\$ 101,902	\$ 2,619	\$ (3,397)	\$ 430,688
Payments to suppliers	(143,347)	(56,577)	25,206	(174,718)	(20,603)	(886)	3,938	(192,269)
Payments to employees	(40,638)	(6,689)	-	(47,327)	(14,587)	(135)	-	(62,049)
Other receipts	7,934	-	-	7,934	3,402	-	(541)	10,795
Net cash provided by (used in) operating activities	115,515	(62)	-	115,453	70,114	1,598	-	187,165
Noncapital and related financing activities								
Contribution to General Fund, City of Jacksonville, Florida	(22,796)	-	-	(22,796)	(5,532)	-	-	(28,328)
Net cash used in noncapital and related financing activities	(22,796)	-	-	(22,796)	(5,532)	-	-	(28,328)
Capital and related financing activities								
Repayment of debt principal	(98,765)	(50,945)	-	(149,710)	(36,180)	(1,610)	-	(187,500)
Interest paid on debt	(48,309)	(11,438)	-	(59,747)	(33,335)	(705)	-	(93,787)
Acquisition and construction of capital assets	(35,168)	-	-	(35,168)	(27,773)	(166)	-	(63,107)
Developer and other contributions	-	-	-	-	4,583	-	-	4,583
Proceeds from issuance of debt, net	-	-	-	-	3,000	-	-	3,000
Gain on disposal of assets	109	-	-	109	-	-	-	109
Proceeds from sale of property	-	-	-	-	48	-	-	48
Defeasance of debt	(17)	-	-	(17)	-	-	-	(17)
Net cash used in capital and related financing activities	(182,150)	(62,383)	-	(244,533)	(89,657)	(2,481)	-	(336,671)
Investing activities								
Purchase of investments	(311,273)	(103,529)	-	(414,802)	(142,528)	-	-	(557,330)
Proceeds from sale and maturity of investments	220,283	100,446	-	320,729	41,334	-	-	362,063
Investment income	1,191	1,209	-	2,400	551	6	-	2,957
Distributions from The Energy Authority	912	-	-	912	-	-	-	912
Net cash provided by (used in) investing activities	(88,887)	(1,874)	-	(90,761)	(100,643)	6	-	(191,398)
Net change in cash and cash equivalents	(178,318)	(64,319)	-	(242,637)	(125,718)	(877)	-	(369,232)
Cash and cash equivalents at beginning of year	316,079	139,918	-	455,997	171,803	8,274	-	636,074
Cash and cash equivalents at end of period	\$ 137,761	\$ 75,599	\$ -	\$ 213,360	\$ 46,085	\$ 7,397	\$ -	\$ 266,842
Reconciliation of operating income to net cash provided by operating activities								
Operating income	\$ 62,253	\$ 7,417	-	69,670	\$ 31,323	\$ 556	\$ -	\$ 101,549
Adjustments:								
Depreciation and amortization	47,736	10,689	-	58,425	33,299	572	-	92,296
Recognition of deferred costs and revenues, net	(654)	(2,909)	-	(3,563)	(69)	-	-	(3,632)
Gain on sale of noncore assets	(21)	-	-	(21)	830	-	-	809
Changes in noncash assets and noncash liabilities:								
Accounts and interest receivable	48,937	5,995	-	54,932	1,086	483	-	56,501
Accounts and interest receivable, restricted	1,533	-	-	1,533	(40)	-	-	1,493
Inventories	(6,283)	(2,826)	-	(9,109)	(780)	-	-	(9,889)
Other assets	(1,760)	-	-	(1,760)	(385)	-	-	(2,145)
Accounts and accrued expenses payable	(16,686)	(11,161)	-	(27,847)	(902)	(9)	-	(28,758)
Current liabilities payable from restricted liabilities	-	(6,976)	-	(6,976)	-	-	-	(6,976)
Other noncurrent liabilities and deferred inflows	(19,540)	(291)	-	(19,831)	5,752	(4)	-	(14,083)
Net cash provided by (used in) operating activities	\$ 115,515	\$ (62)	\$ -	\$ 115,453	\$ 70,114	\$ 1,598	\$ -	\$ 187,165
Non-cash activity								
Contribution of capital assets from developers	\$ -	\$ -	\$ -	\$ -	\$ 8,470	\$ -	\$ -	\$ 8,470

Combining Statement of Cash Flows
(in thousands - unaudited) for the quarter and year-to-date ended December 31, 2014

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Elimination of intercompany transactions	Total JEA
Operating activities								
Receipts from customers	\$ 344,882	\$ 82,175	\$ (42,599)	\$ 384,458	\$ 99,601	\$ 2,712	\$ (4,331)	\$ 482,440
Payments to suppliers	(177,119)	(71,898)	42,599	(206,418)	(20,663)	(1,085)	4,959	(223,207)
Payments to employees	(33,417)	(5,807)	-	(39,224)	(12,129)	(124)	-	(51,477)
Other receipts	6,593	-	-	6,593	2,572	-	(628)	8,537
Net cash provided by operating activities	140,939	4,470	-	145,409	69,381	1,503	-	216,293
Noncapital and related financing activities								
Contribution to General Fund, City of Jacksonville, Florida	(22,295)	-	-	(22,295)	(5,415)	-	-	(27,710)
Net cash used in noncapital and related financing activities	(22,295)	-	-	(22,295)	(5,415)	-	-	(27,710)
Capital and related financing activities								
Repayment of debt principal	(78,615)	(132,085)	-	(210,700)	(44,325)	(1,605)	-	(256,630)
Interest paid on debt	(51,381)	(14,583)	-	(65,964)	(32,215)	(708)	-	(98,887)
Acquisition and construction of capital assets	(24,432)	-	-	(24,432)	(21,969)	(32)	-	(46,433)
Developer and other contributions	-	-	-	-	4,694	-	-	4,694
Loss on disposal of assets	(22)	-	-	(22)	-	-	-	(22)
Proceeds from sale of property	-	-	-	-	13	-	-	13
Defeasance of debt	-	(2)	-	(2)	(135)	-	-	(137)
Net cash used in capital and related financing activities	(154,450)	(146,670)	-	(301,120)	(93,937)	(2,345)	-	(397,402)
Investing activities								
Purchase of investments	(211,091)	(180,054)	-	(391,145)	(130,298)	-	-	(521,443)
Proceeds from sale and maturity of investments	122,494	110,184	-	232,678	52,149	-	-	284,827
Investment income	894	1,062	-	1,956	398	1	-	2,355
Distributions from The Energy Authority	(120)	-	-	(120)	-	-	-	(120)
Net cash provided by (used in) investing activities	(87,823)	(68,808)	-	(156,631)	(77,751)	1	-	(234,381)
Net change in cash and cash equivalents	(123,629)	(211,008)	-	(334,637)	(107,722)	(841)	-	(443,200)
Cash and cash equivalents at beginning of year	177,432	267,940	-	445,372	135,920	8,330	-	589,622
Cash and cash equivalents at end of period	\$ 53,803	\$ 56,932	\$ -	\$ 110,735	\$ 28,198	\$ 7,489	\$ -	\$ 146,422
Reconciliation of operating income to net cash provided by operating activities								
Operating income	\$ 57,157	\$ 9,048	\$ -	\$ 66,205	\$ 31,248	\$ 477	\$ -	\$ 97,930
Adjustments:								
Depreciation and amortization	48,585	10,689	-	59,274	33,006	569	-	92,849
Recognition of deferred costs and revenues, net	(937)	(1,717)	-	(2,654)	(24)	-	-	(2,678)
Changes in noncash assets and noncash liabilities:								
Accounts and interest receivable	39,528	(4,020)	-	35,508	586	462	-	36,556
Accounts and interest receivable, restricted	(116)	-	-	(116)	366	-	-	250
Inventories	(456)	11,594	-	11,138	(1,182)	-	-	9,956
Other assets	(1,255)	-	-	(1,255)	(429)	-	-	(1,684)
Accounts and accrued expenses payable	461	(16,570)	-	(16,109)	(234)	(10)	-	(16,353)
Current liabilities payable from restricted liabilities	-	(4,394)	-	(4,394)	-	-	-	(4,394)
Other noncurrent liabilities and deferred inflows	(2,028)	(160)	-	(2,188)	6,044	5	-	3,861
Net cash provided by operating activities	\$ 140,939	\$ 4,470	\$ -	\$ 145,409	\$ 69,381	\$ 1,503	\$ -	\$ 216,293
Non-cash activity								
Contribution of capital assets from developers	\$ -	\$ -	\$ -	\$ -	\$ 8,368	\$ -	\$ -	\$ 8,368

JEA
Electric System
Schedules of Debt Service Coverage
(in thousands - unaudited)

	Quarter and Year-to-Date	
	December	
	2015	2014
Revenues:		
Electric	\$ 261,874	\$ 294,755
Investment income (1)	1,085	628
Earnings from The Energy Authority	133	35
Other, net (2)	6,395	6,700
Total revenues	269,487	302,118
Operating expenses (3):		
Fuel	49,809	60,122
Purchased power (4)	55,882	72,659
Other operation and maintenance	43,540	50,982
State utility taxes and franchise fees	12,236	15,146
Total expenses	161,467	198,909
Net revenues	\$ 108,020	\$ 103,209
Debt service:	\$ 19,584	\$ 20,845
Less: investment income on sinking fund	(380)	(395)
Less: Build America Bonds subsidy	(379)	(377)
Debt service requirement	\$ 18,825	\$ 20,073
Senior debt service coverage (5) (min 1.20x)	5.74 x	5.14 x
Net revenues (from above):	\$ 108,020	\$ 103,209
Debt service requirement (from above):	18,825	20,073
Plus: aggregate subordinated debt service on outstanding subordinated bonds	24,532	24,578
Less: Build America Bonds subsidy	(521)	(521)
Total debt service requirement and aggregate subordinated debt service	42,836	44,130
Senior and subordinated debt service coverage (6) (min 1.15x)	2.52 x	2.34 x

(1) Excludes investment income on sinking funds.

(2) Excludes the Build America Bonds subsidy.

(3) Excludes depreciation.

(4) In accordance with the requirements of the Electric System Resolution, all the contract debt payments from the Electric System to the SJRPP and Bulk Power System with respect to the use by the Electric System of the capacity and output of the SJRPP and Bulk Power System are reflected as a purchased power expense on these schedules. These schedules do not include revenues of the SJRPP and Bulk Power System, except that the purchased power expense is net of interest income on funds maintained under the SJRPP and Bulk Power Supply Systems Resolutions.

(5) Net revenues divided by debt service requirement. Minimum annual coverage is 1.20x.

(6) Net revenues divided by total debt service requirement and aggregate subordinated debt service. Minimum annual coverage is 1.15x.

JEA
Bulk Power Supply System
Schedules of Debt Service Coverage
(in thousands - unaudited)

	Quarter and Year-to-Date	
	December	
	2015	2014
Revenues:		
JEA	\$ 15,310	\$ 13,830
Investment income	31	26
Total revenues	<u>15,341</u>	<u>13,856</u>
Operating expenses (1):		
Fuel	7,061	8,045
Other operations and maintenance	2,968	3,178
Total operating expenses	<u>10,029</u>	<u>11,223</u>
Net revenues	<u>\$ 5,312</u>	<u>\$ 2,633</u>
Aggregate debt service	\$ 2,690	\$ 2,450
Less: Build America Bonds subsidy	(184)	(191)
Aggregate debt service	<u>\$ 2,506</u>	<u>\$ 2,259</u>
Debt service coverage (2)	<u>2.12 x</u>	<u>1.17 x</u>

(1) Excludes all current expenses paid or accrued to the extent that such expenses are to be paid from revenues.

(2) Net revenues divided by aggregate debt service. Minimum annual coverage is 1.15x.

**St. Johns River Power Park System
Schedules of Debt Service Coverage - 1st Resolution
(in thousands - unaudited)**

	Quarter and Year-to-Date December	
	2015	2014
Revenues:		
JEA	\$ 28,950	\$ 43,494
FPL	32,743	34,660
Investment income	974	912
Total revenues	62,667	79,066
Operating expenses (1):		
Fuel	38,767	53,942
Other operations and maintenance	7,611	8,556
Total operating expenses	46,378	62,498
Net revenues	\$ 16,289	\$ 16,568
Aggregate debt service	13,031	13,256
Debt service coverage (2)	1.25 x	1.25 x

(1) Excludes depreciation.

(2) Net revenues divided by aggregate debt service. Semiannual minimum coverage is 1.25x.

JEA

**St. Johns River Power Park System
Schedules of Debt Service Coverage - 2nd Resolution
(in thousands - unaudited)**

	Year-to-Date December	
	2015	2014
Revenues:		
JEA	\$ 3,628	\$ 6,543
Total revenues	3,628	6,543
Operating expenses (1)	-	-
Net revenues	\$ 3,628	\$ 6,543
Aggregate debt service	\$ 3,243	\$ 5,778
Less: Build America Bonds subsidy	(103)	(102)
Aggregate debt service	\$ 3,140	\$ 5,676
Debt service coverage (2)	1.16 x	1.15 x

(1) Excludes all current expenses paid or accrued to the extent that such expenses are to be paid from revenues under the 1st resolution.

(2) Net revenues divided by aggregate debt service. Semiannual minimum coverage is 1.15x.

**Water and Sewer System
Schedules of Debt Service Coverage
(in thousands - unaudited)**

	Quarter and Year-to-Date	
	December	
	2015	2014
Revenues:		
Water, net of allowances and discounts	\$ 37,249	\$ 36,696
Water capacity fees (1)	1,650	1,633
Sewer, net of allowances and discounts	58,077	57,003
Sewer capacity fees (1)	2,918	2,874
Investment income	759	747
Other (2)	3,443	2,148
Total revenues	104,096	101,101
Operating & maintenance expenses:		
Operations and maintenance (3)	33,749	31,997
Total operating expenses	33,749	31,997
Net revenues	\$ 70,347	\$ 69,104
Aggregate debt service:	\$ 21,249	\$ 22,927
Less: Build America Bonds subsidy	(626)	(622)
Aggregate debt service:	\$ 20,623	\$ 22,305
Senior debt service coverage (4), (min 1.25x)	3.41 x	3.10 x
Net revenues (from above)	\$ 70,347	\$ 69,104
Aggregate debt service (from above):	\$ 20,623	\$ 22,305
Plus: aggregate subordinated debt service on outstanding subordinated debt	3,085	3,053
Total aggregate and aggregate subordinated debt service	\$ 23,708	\$ 25,358
Senior and subordinated debt service coverage (5)	2.97 x	2.73 x

(1) Effective October 1, 2001, the Water and Sewer Bond Resolution was amended to include capacity fees in total revenues. Had such capacity fees not been included in the calculation for the year-to-date periods ending December 2015 and 2014, then the debt service coverage would have been 2.77x and 2.55x.

(2) Excludes the Build America Bonds subsidy.

(3) Excludes depreciation.

(4) Net revenues divided by aggregate debt service. Annual minimum coverage is 1.25x.

(5) Net revenues divided by total aggregate debt service and aggregate subordinated debt service. Minimum annual coverage is either 1.00x aggregate debt service and aggregate subordinated debt service (excluding capacity charges) or the sum of 1.00x aggregate debt service and 1.20x aggregate subordinated debt service (including capacity charges). Based on the first requirement, minimum annual coverage is 2.77x and 2.55x. Based on the second requirement, net revenues must exceed 100% of aggregate debt service and 120% of aggregate subordinated debt service, or \$24,325 and \$25,969 for the year-to-date period ending December 2015 and 2014.

JEA
District Energy System
Schedule of Debt Service Coverage
(in thousands - unaudited)

	Quarter and Year-to-Date	
	December	
	2015	2014
Revenues:		
Service revenues	\$ 2,137	\$ 2,250
Investment income	6	1
Total revenues	<u>2,143</u>	<u>2,251</u>
Operating expenses: (1)		
Operations and maintenance	1,009	1,204
Total operating expenses	<u>1,009</u>	<u>1,204</u>
Net revenues	<u>1,134</u>	<u>1,047</u>
Aggregate debt service (2)	<u>756</u>	<u>755</u>
Debt service coverage (3) (min 1.15x)	<u>1.50 x</u>	<u>1.39 x</u>

(1) Excludes depreciation.

(2) On June 19, 2013, the closing date of the District Energy System Refunding Revenue Bonds, 2013 Series A, the JEA covenanted to deposit into the 2013 Series A Bonds Subaccount from Available Water and Sewer System Revenues and amount equal to the Aggregate DES Debt Service Deficiency that exists with respect to the 2013A Series Bond, in the event that the amount on deposit in the Debt Service Account in the Debt Service Fund in accordance with the District Energy System Resolution is less than Accrued Aggregate Debt Service as of the last business day of the then current month.

(3) Net Revenues divided by aggregate debt service. Minimum annual coverage is 1.15x.

Electric Enterprise Fund
Operating Statistics

	Quarter and Year-to-Date	
	December	
	2015	2014
Electric revenue sales (000's omitted)		
Residential	\$ 108,689	\$ 137,092
Commercial and industrial	125,810	157,747
Public street lighting	3,168	3,122
Sales for resale - territorial	5,019	6,746
Electric revenues - territorial	242,686	304,707
Saleback to Florida Power & Light	32,743	34,659
Sales for resale - off system	339	1,080
Electric revenues	275,768	340,446
Less: rate stabilization and recovery	19,245	(10,599)
Less: allowance for doubtful accounts	(396)	(433)
Net electric revenues	294,617	329,414
MWh sales		
Residential	1,069,450	1,115,267
Commercial and industrial	1,640,007	1,600,915
Public street lighting	20,094	22,926
Sales for resale - territorial	69,625	71,857
Total MWh sales - territorial	2,799,176	2,810,965
Saleback to Florida Power & Light	481,244	559,862
Sales for resale - off system	11,934	35,312
Total MWh sales	3,292,354	3,406,139
Number of accounts (1)		
Residential	393,799	386,072
Commercial and industrial	51,208	50,562
Public street lighting	3,615	3,509
Sales for resale	2	2
Total average accounts	448,624	440,145
Residential averages		
Revenue per account - \$	276.00	355.09
kWh per account	2,716	2,889
Revenue per kWh - ¢	10.16	12.29
Degree days		
Heating degree days	141	512
Cooling degree days	503	224
Total degree days	644	736
Degree days - 30 year average	775	

(1) The quarter column represents a quarterly average.

**Water and Sewer Enterprise Fund
Operating Statistics**

	Quarter and Year-to-Date December	
	2015	2014
Water		
<i>Revenues (000's omitted):</i>		
Residential	\$ 21,432	\$ 21,035
Commercial and industrial	11,445	11,139
Irrigation	7,684	7,742
Total water revenues	40,561	39,916
Less: rate stabilization environmental	(3,245)	(3,156)
Less: allowance for doubtful accounts	(67)	(64)
Net water revenues	\$ 37,249	\$ 36,696
<i>Kgal sales (000's omitted):</i>		
Residential	3,991,585	3,962,041
Commercial and industrial	3,291,059	3,132,792
Irrigation	1,237,338	1,261,384
Total kgals sales	8,519,982	8,356,217
<i>Number of accounts (1):</i>		
Residential	269,410	262,788
Commercial and industrial	24,240	23,846
Irrigation	36,164	35,895
Total average accounts	329,814	322,529
<i>Residential averages:</i>		
Revenue per account - \$	79.55	80.05
kgals per account	14.82	15.08
Revenue per kgals - \$	5.37	5.31
Reuse		
<i>Revenues (000's omitted):</i>		
Reuse revenues	\$ 2,050	\$ 1,585
<i>Kgal sales (000's omitted):</i>		
Reuse sales (kgals*)	489,973	406,490
<i>Number of accounts (1):</i>		
Reuse accounts	6,822	5,408
Sewer		
<i>Revenues (000's omitted):</i>		
Residential	\$ 32,395	\$ 32,105
Commercial and industrial	25,977	25,569
Total sewer revenues	58,372	57,674
Less: rate stabilization environmental	(2,245)	(2,160)
Less: allowance for doubtful accounts	(100)	(96)
Net sewer revenues	\$ 56,027	\$ 55,418
<i>Kgal sales (000's omitted):</i>		
Residential	3,412,732	3,418,868
Commercial and industrial	2,827,094	2,746,984
Total kgals sales	6,239,826	6,165,852
<i>Number of accounts (1):</i>		
Residential	237,129	230,660
Commercial and industrial	17,888	17,696
Total average accounts	255,017	248,356
<i>Residential averages:</i>		
Revenue per account - \$	136.61	139.19
kgals per account	14.39	14.82
Revenue per kgals - \$	9.49	9.39
Rainfall		
Normal	8.84	8.84
Actual	4.68	9.57
Rain Days	19	15

(1) The quarter column represents a fiscal quarter average.