

JEA BOARD MEETING AGENDA

May 26, 2020 • 9:00 a.m.

WebEx **No physical location will be provided for this meeting.**



I.	WELCOME		
	A.	Call to Order	
	B.	Time of Reflection	
	C.	Introductions	
	D.	Adoption of the Agenda – Action	
	E.	Safety Briefing – Paul McElroy, Interim Managing Director/CEO	
	F.	Sunshine Law/Public Records Statement – Jody Brooks, Office of General Counsel	

II.	COMMENTS / PRESENTATIONS		
	Item(s)		Speaker/Title
	A.	Comments from the Public	Public
	B.	Council Liaison’s Comments	Council Member Danny Becton
	C.	Florida Water Resources Conference Awards Recognition	Deryle Calhoun, VP/GM Water Wastewater Systems

III.	CONSENT AGENDA		
	Definition: The Consent Agenda consists of agenda items that require Board approval but are routine in nature, or have been discussed in previous public meetings of the Board. The Consent Agenda items require no explanation, discussion or presentation, and are approved by one motion and vote.		
	Item(s)		Discussion Action/Information
	Appendix A:	Board Meeting Minutes April 28, 2020	Action
	Appendix B:	Special Board Meeting Minutes May 5, 2020	Action
	Appendix C:	Monthly FY20 Communications & Engagement Calendar and Plan Update	Information
	Appendix D:	Sole Source & Emergency Procurement/Procurement Appeals Board Report	Information

IV.	FOR BOARD CONSIDERATION			
	Item(s)		Speaker/Title	Discussion Action/Information
	A.	Monthly Operation and Financial Dashboard	Caren Anders, VP/GM Energy Systems Deryle Calhoun, VP/GM Water/Wastewater Systems	Information
	B.	Simplified Earnings Report - Monthly Financial Statements	Joe Orfano, Chief Financial Officer	Information
	C.	JEA Training Facility	Steve McInall, VP & Chief Energy & Water Planning	Action
	D.	JEA/FPL Electric Territory Swap	Steve McInall, VP & Chief Energy & Water Planning	Action
	E.	Sale of 9201 Atlantic Boulevard	Steve McInall, VP & Chief Energy & Water Planning	Action

	F.	Jacksonville Small and Emerging Business (JSEB) Report	John McCarthy, VP/Chief Supply Chain Officer	Information
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V. BOARD AND COMMITTEE REPORTS				
Item(s)		Speaker/Title		Discussion/Action/Information
A.	Finance & Audit Committee		Marty Lanahan, Chair	
1.	Adoption of Agenda			Information
2.	Approval of Minutes – December 9, 2019			Information
3.	FY2021 Budget Presentation			Information
4.	Quarterly Audit Services Update			Information
5.	Ethics Officer Quarterly Report			Information
6.	Electric System and Water and Sewer System Reserve Fund Quarterly Report			Information
7.	Municipal Capital Market Update			Information
8.	JEA Energy Market Risk Policy Report			Information
9.	Next Meeting, August 17, 2020, 8:00 AM – 10:00 AM			Information
10.	Committee Discussion Sessions a. Ernst & Young b. Director, Audit Services c. Council Auditor's Office			Information
B.	CEO Search Committee Report		John Baker, Chair	
A.	Procurement of Executive Recruiting Firm – Managing Director/CEO Recruitment			Action

VI. OTHER BUSINESS		
Item(s)		Speaker/Title
A.	Old Business	
B.	Other New Business	
C.	Open Discussion	
D.	Managing Director/CEO's Report	Paul McElroy, Interim Managing Director/CEO
E.	Chair's Report	John Baker, Chair

VII. CLOSING CONSIDERATIONS	
Item(s)	
A.	Announcements – Next Board Meeting June 23, 2020
B.	Adjournment

If a person decides to appeal any decision made by the JEA Board with respect to any matter considered at this meeting, that person will need a record of the proceedings, and, for such purpose, needs to ensure that verbatim record of the proceedings is made, which record includes the evidence and testimony upon which the appeal is to be based.

Board Calendar

Board Meetings: 9:00 a.m. – Fourth Tuesday of Every Month (exception(s): November 17, 2020 and December 15, 2020)
(Subject to Change Based on Board Action)

Committees: Finance & Audit Committee: August 17, 2020 (Subject to Change)

Other Committee Meetings TBD

A. If you have a disability that requires reasonable accommodations to participate in the above meeting, please call **665-7550** by **8:30 AM** the day before the meeting and we will provide reasonable assistance for you.

B. If a person decides to appeal any decision made by the JEA Board with respect to any matter considered at this meeting, that person will need a record of the proceedings, and, for such purpose, needs to ensure that verbatim record of the proceedings is made, which record includes the evidence and testimony upon which the appeal is to be based.

Florida's Government in the Sunshine Law
Office of General Counsel

This meeting is subject to Florida's Government in the Sunshine Law, §286.011, Florida Statutes, and shall be open to the public at all times.



INTER-OFFICE MEMORANDUM

May 13, 2020

SUBJECT: **FLORIDA WATER RESOURCES CONFERENCE AWARDS
RECOGNITION**

FROM: Paul McElroy, Interim Managing Director/CEO

TO: JEA Board of Directors

BACKGROUND:

JEA was recognized by the Florida Water Environment Association (FWEA) at their virtual awards ceremony, receiving the Earle B. Phelps Award for four of JEA's wastewater treatment facilities, the David W. York Water Reuse Award, and the JEA Project Manager for the Phase II Water Purification Project received the 2019 FWEA OneWater Professional of the Year Award.

DISCUSSION:

The Earle B. Phelps Award recognizes wastewater treatment facilities that have maintained the highest removal of major pollution-causing constituents prior to discharging treated effluent to receiving waters. Cedar Bay and Southwest were each recognized as runners-up in their categories, while Arlington East and Buckman received honorable mentions in theirs. The David W. York Water Reuse Project of the Year Award is the FWEA's highest award for reclaimed water providers. The OneWater Professional of the Year Award is the association's highest award for a professional advancing the concept of "OneWater" in Florida. The OneWater movement recognizes the scarcity of freshwater on the planet, and the fact that all water has been used and reused many times.

FINANCIAL IMPACT:

None

RECOMMENDATION:

No action by the Board is required. This item is submitted for information only.

Paul McElroy, Interim Managing Director/CEO

PEM/DIC

**JEA BOARD MINUTES
April 28, 2020**

The JEA Board met in regular session on Tuesday April 28, 2020, via WebEx. Pursuant to State of Florida Executive Order 20-69 (Emergency Management-COVID-19-Local Government Public Meetings), this meeting is permitted to be conducted by communications media technology. In attendance were John Baker, Joe DiSalvo, Dr. Zachary Faison, Dr. Leon Haley, Marty Lanahan, Bobby Stein, and Tom VanOsdol. Also in attendance was Jody Brook, Office of General Counsel.

Agenda Item I – Welcome

- A.** Jody Brooks opened the meeting at 9:02am. Shawn Eads, Chief Information Officer, provided WebEx instructions.
- B.** **Introductions** of new board members were made by Jody Brooks.
- C.** Jody Brooks walked the board through the Robert's Rules of Order to nominate a board chair. Bobby Stein and Zachary Faison nominated John Baker for Board Chair.

On ***motion*** by Marty Lanahan and seconded by Dr. Zachary Faison, John Baker was elected as Board Chair unanimously.

- D.** Chair John Baker called the meeting to order at 9:11am.
- E.** **Time of Reflection** was observed by all.
- F.** **Adoption of Agenda** – The agenda was approved on ***motion*** by Dr. Leon Haley and seconded by Marty Lanahan.
- G.** The **Safety Briefing** was given by Melissa Dykes.
- H.** **Sunshine Law/Public Records Statement** – Jody Brooks, Office of General Counsel (OGC), stated this Board Meeting is being held in compliance with Florida's Government in the Sunshine Law, §286.011. The complete statement can be found in section I. H. of the Board package.
- I.** **Adoption of Robert's Rules and Waiver of Bylaws for Election of Officers** was called by Chair Baker to elect the board officers.
- J.** On ***motion*** by Dr. Zachary Faison and seconded by Marty Lanahan, Bobby Stein was unanimously elected Vice Chair.

On ***motion*** by Dr. Leon Haley and seconded by Zachary Faison, Marty Lanahan was unanimously elected Secretary.

- K.** Chair Baker read an **Open Letter to JEA Employees**, from the Board of Directors, committing to work with JEA Leadership to ensure a financially stable future, selecting a CEO to lead the organization, and making sure that employees have the tools they need to perform the duties of their individual and collective jobs.

Agenda Item II – Comments / Presentations

- A. **Comments from the Public** – N/A
- B. **Comments from Council Liaison** – Council Member Becton thanked the new board for volunteering their services and wished them success in their service. CM Becton offered to provide council whenever needed.

Agenda Item III. Consent Agenda

- A. **Consent Agenda** – used for items that require no explanation, discussion or presentation and are approved by one motion and vote. On ***motion*** by Bobby Stein and seconded by Marty Lanahan the consent agenda was unanimously approved.

Appendix A: Board Meeting Minutes January 28, 2020 – approved

Appendix B: Special Board Meeting Minutes April 3, 2020 – approved

Appendix C: Monthly Financial Statements – information only

Appendix D: Monthly FY20 Communications & Engagement Calendar and Plan Update – information only

Agenda Item IV. For Board Consideration (some agenda items were deferred to be presented at a Special Board meeting)

- A. **Ethics Training** – Carla Miller, City of Jacksonville Ethics Officer, provided a brief update on ethics. She stated that she met with each board member separately and they have been provided with the Ethics guidelines.
- B. **Governance Training Resources: Webinar and Reference Materials** – Walette Stanford, Ethics Officer, stated what her role and responsibilities are at JEA. Ms. Stanford confirmed that all board members received the governance material.
This presentation was removed for information only.

- C. **Introduction to the JEA: the 2020 Rating Agency Presentation and Current Bond Market Opportunity** – Melissa Dykes, Interim Managing Director/CEO, opened the presentation stating that this information is being provided to the new Board as an overall introduction of JEA. Ms. Dykes began the presentation by highlighting the strong financial performance and how well positioned JEA is to take on future challenges. Ms. Dykes also reviewed the structure of independent authority, Board of Directors, JEA's Senior Leadership Team and an economic snapshot of JEA. Ms. Dykes introduced Kerri Stewart, Chief Customer Officer, whom reviewed the JEA Service Territory and the customer breakdowns for energy and water/wastewater systems. Caren Anders, VP/GM Energy, provided energy system highlights, the energy system infrastructure, and an energy system overview. Ms. Anders also reviewed the energy fuel mix, energy performance monitoring for T&D and generation, and capital needs funding. Steve McInall, Chief Energy & Water Planning, presented fleet optimization, solar expansion, an energy system summary, and an overview of Plant Vogtle.

Deryle Calhoun, VP/GM Water/Wastewater, opened part 4 of the presentation with water/wastewater highlights, infrastructure, and metrics. Mr. Calhoun also reviewed water/wastewater's resiliency framework as well as capital needs and funding sources.

Paul Steinbrecher, Chief Environmental Officer, highlighted the reduction in nitrogen to the St. Johns River, the water sustainability plan, the purified water project, and provided a water/wastewater summary.

Joe Orfano, Interim Chief Financial Officer, began part 5 of the presentation with a review of historical metrics. Additionally, Mr. Orfano provided key financial metrics, debt management, unit sales, average residential bills, residential bill projections, and financial projections for both the energy and water/wastewater systems. Herschel Vinyard, Chief Administrative Officer, started part 6 of the presentation with an overview of the Enterprise Risk Management program, the ERM heat map scoring and the current Top 12 risk for JEA. Shawn Eads, Chief Information Officer, covered part 7 of the presentation with an explanation of the strategic and holistic management of JEA assets and the Asset 360 Program. Ms. Stewart provided the impacts of COVID-19 on JEA in part 8 of the presentation. Ms. Dykes concluded the Rating Agency presentation by highlighting how JEA continues to demonstrate consistently superior financial and operational performance.

Mr. Orfano also added subject to prevailing market conditions, Staff expects to launch current refunding bond offerings for the Electric and Water and Sewer Systems.

This presentation was removed for information only.

D. Introduction to JEA Financial Statements – Deferred

- E. JEA Disclosure Policies and Procedures – Training** – Mike Watkins, Jean Wilson, and Melissa Rogers of Greenberg Traurig collaborated on a presentation introducing themselves to the new board and outlining their responsibilities as Disclosure Counsel. In addition, a brief primer in Federal Antifraud Laws and related matters was presented including, but not limited to: Provisions 10b-5 and Section 17(a)(2), how securities fraud differs from other kinds of fraud, definition of material, an explanation on what is counterintuitive about SEC enforcement actions, what strategies an issuer can use to manage liability under the antifraud provisions, and what strategies board members can use to manage liability under the antifraud provisions. Summaries of certain Federal Security Laws and Rules applicable to the issuance of municipal debt, U.S. Securities and Exchange Commission, selective disclosure concerns, public statements, and political influence, as well as disclosures policies and procedures were also presented by the Greenberg Traurig team.

This presentation was provided for information only.

F. Monthly Financials and Operations Dashboard: Introduction and Year-to-Date Performance – Deferred

G. Downtown Campus Update and Next Steps Value Engineering – Deferred

- H. Call for Shade Meeting to Discuss Plant Vogtle Litigation Matter** – Jody Brooks, Chief Legal Officer, stated that a Shade Meeting would be difficult to accomplish without the ability to meet in person. Ms. Brooks suggested that the meeting not be scheduled until a face to face meeting can be held. The board agreed to not call for a Shade Meeting at this time.

Agenda Item V – Board and Committee Reports

- A. Establishment of Committees and Committee Assignments** – The Board established the follow committee structures:

- **Finance and Audit:** Marty Lanahan (Chair), John Baker, Bobby Stein

- **Nominating:** Deferred to January 2021
 - **Compensation and CEO:** Per Chair Baker, this will be a committee of the whole and Bobby Stein will be the Committee Chair. Three board member will be chosen to complete the interviewing portion.
 - **Governance and Transparency:** Deferred
 - **Government and Real Estate:** Deferred
- B. Schedule of Future Board Meetings** – Chair Baker and the Board members chose to keep the remaining regular board meetings in 2020 as they are currently scheduled.
- C. Procurement of Executive Recruiting Firm – Managing Director/CEO Recruitment**
– John McCarthy, Chief Supply Chain Officer provided an overview of the process and timeline of the procurement of a recruiting firm for the Managing Director/CEO recruitment. Mr. McCarthy reviewed the selection criteria and stated it could take estimated three weeks and that a board member should be part of the process. Chair Baker recommended that when the Board meets as a whole again they talk through the scoring before sending the request for proposals.

Agenda Item VI– Other Business

- A. Old Business** – N/A
- B. Other New Business** – N/A
- C. Open Discussion** – In open discussion, Joe DiSalvo asked if JEA has rejoined FMEA. Ms. Dykes informed him that JEA were provisional members until an official vote by the FMEA board members at their July Board meeting. Dr. Leon Haley recommended finding ways to engage employees in the CEO search and Chair Baker recommended that Board members take JEA Facility tours and meet with employees in formal and informal settings.

Chair Baker stated the Board needs to determine if Melissa Dykes should remain CEO. Ms. Dykes was President/COO of an administration filled with impropriety and it's been made worse by the grand jury investigation. Chair Baker also stated that the CEO is the face of the company and he does not think it is appropriate to keep Melissa Dykes as CEO. Bobby Stein stated he feels Melissa and Staff are fantastic, but agrees that the Board has to show the community that they are making a new start. Marty Lanahan stated that removing Ms. Dykes would be the most likely next step because the citizens deserve a statement of change. Joe DiSalvo stated that the Board owes it to the JEA team and citizens to identify new leadership. Dr. Leon Haley agreed that this would be the correct decision but questioned the timing, recruitment, and who would lead in the interim. Tom VanOsdol stated that finding an interim replacement would be a comprehensive process. Chair Baker stated, based on the board governance, the interim should be the head of Electric or the CFO. Chair Baker also stated that he has spoken to Paul McElroy and he is willing to serve as interim and would be great. Mr. Baker also asked the Board if they had any other recommendations.

Chair Baker reviewed Aaron Zahn's termination process and stated it was not appropriate in this case. Chair Baker recommended Ms. Dykes be terminated without cause and OGC review the consultant portion of her contract. Sean Granat, Office of General, stated if Ms. Dykes is terminated without cause her contract constitutes 30 day notice, 20 weeks

of salary, vested, and the six month retention agreement. Mr. Granat also explained the termination with cause provision.

On ***motion*** by Marty Lanahan and seconded by Dr. Zachary Faison, the motion to terminate Melissa Dykes passed unanimously. On ***motion*** by Bobby Stein and seconded by Marty Lanahan, the motion to give Chair Baker delegated authority to choose the interim passed unanimously.

Chair Baker appointed Caren Anders, VP/GM Energy, to serve as Interim Managing Director/CEO.

The meeting was opened for Public Comment but there were none provided.

- D. Interim Managing Director/CEO's Report** – Melissa Dykes, Interim Managing Director/CEO stated she would have liked to work with the new Board and that she is grateful that the first action taken by board was focused on the employees and thanked employees for allowing her to lead them. Ms. Dykes highlighted the works of employees in several departments that have been providing excellent service during this time and JEA's commitment to safety and proud to have led them to their historic safety achievement. Ms. Dykes also stated that while leading through this transition she has been fully cooperative with all investigations. Ms. Dykes wished all of her 2000 teammates the best in their future endeavors and stated that they all have much to be proud. Ms. Dykes concluded with thanking Chair Baker for allowing her to do her last CEO report.

Jody Brooks stated effective immediately Melissa Dykes would be on Administrative Leave for 30 days and Caren Anders will be Interim Managing Director/CEO until the next meeting.

- E. Chair's Report** – N/A

Agenda Item VIII – Closing Considerations

- A. Announcements** – Next Board Meeting – May 26, 2020

- B. Adjournment**

With no further business claiming the attention of the Board, Chair Baker adjourned the meeting at 12:50 p.m.

APPROVED BY:

SECRETARY

DATE: _____

Board Meeting recorded by:

Madricka L. Jones, Executive Staff Assistant

**JEA BOARD MINUTES
May 5, 2020**

The JEA Board met in special session on Tuesday, May 5, 2020, via WebEx. Pursuant to State of Florida Executive Order 20-69 (Emergency Management-COVID-19-Local Government Public Meetings), this meeting is permitted to be conducted by communications media technology, Jacksonville, Florida. In attendance were John Baker, Joe DiSalvo, Dr. Zachary Faison, Dr. Leon Haley, Marty Lanahan, Bobby Stein, and Tom VanOsdol. Also in attendance was Jody Brook, Office of General Counsel.

Agenda Item I – Welcome

- A.** Chair Baker **called the meeting to order** at 1:02pm
- B.** A **moment of reflection** was acknowledged by all.
- C.** Chair John Baker completed a roll call of present Board members.
- D.** **Adoption of Agenda** – The agenda was amended to move Agenda Item IV. A. Procurement of Executive Recruiting Firm – Managing Director/CEO Recruitment to after comments from the Council Liaison. On ***motion*** by Bobby Stein and Marty Lanahan the amended agenda was approved.
- E.** The **Safety Briefing** was given by Caren Anders.
- F.** **Sunshine Law/Public Records Statement** – Jody Brooks, Office of General Counsel (OGC), stated this Board Meeting is being held in compliance with Florida's Government in the Sunshine Law, §286.011. The complete statement can be found in section I. F. of the Board package. Shawn Eads, Chief Financial Officer, provided WebEx instructions.

Agenda Item II – Comments/Presentations

- A.** **Public Comments** – N/A
- B.** **Council Liaison Comments** – N/A

Agenda Item IV – Board and Committee Reports

- A.** **Procurement of Executive Recruiting Firm – Managing Director/CEO Recruitment** – John McCarthy, VP/Chief Supply Chain Officer stated JEA staff prepared a Request for Proposal (RFP) to solicit responses from the leading executive recruiters in the industry to find and select the most qualified candidate for JEA's permanent Managing Director/Chief Executive Officer. Mr. McCarthy stated that historically a board member has been chosen to conduct scoring and provide recommendations for selection to the Board. Staff recommends the Board provide input and feedback on the RFP, particularly the scoring criteria. Staff also recommends the Board approve publishing the RFP, incorporating any Board recommendations, to solicit responses from the top executive recruiting firms in the Utility Industry and the Board designate a Board member to serve as the scorer for proposals received, or specify another scoring arrangement satisfactory to the Board in its selection of an executive recruiting firm.

On ***motion*** by Bobby Stein and seconded by Tom VanOsdol, the motion to release the RFP, with revisions, passed unanimously. As the Chair, Bobby Stein will conduct

scoring.

Agenda Item III. For Board Consideration

- A. Interim CEO/Managing Director Appointment** – Chair Baker invited Paul McElroy to the meeting. Mr. McElroy provided board member with some personal and professional background. He then spoke on three of his professional cultural transformations. Next, Mary Lanahan stated she worked with Mr. McElroy in the past and she likes the stability and focus he brings to JEA. Joe DiSalvo stated Mr. McElroy is the right man because he understands the criticalness of the situation. Tom VanOsdol commended the number of times Mr. McElroy referenced involving the employees and supporting community engagement.

Chair Baker asked Mr. McElroy why do you want to do this. Mr. McElroy stated that if a new board thought that there was something he could do to restore trust then he was open to help in any way he could. McElroy stated that he believes he can help the Board restore a culture of ethics and responsibility for public service; help the board restore trust and position JEA for the future; help the community by providing reassurance that JEA is a reliable and financially healthy public and safe utility; and help JEA employees by providing the dignity and trust that they deserve. Mr. Stein stated he appreciated Chair Baker getting a great interim as quickly as he did. Mr. Stein also stated he was excited to have Chair Baker and hopefully Mr. Elroy in the leadership roles. Dr. Faison asked Mr. McElroy's philosophy on diversity and leadership reflecting the community, particularly pointing out the lack of diversity in senior leadership at JEA. Mr. McElroy stated he believes the workforce of JEA should reflect the composition of the community. McElroy stated it is important that leadership ensure that it's recruiting, retention policies, and developmental policies for the team allow it to grow and flourish. Dr. Haley asked how will he address the lack of trust and how to gain trust from the community. Mr. McElroy stated trust is earned and JEA has to focus on all the positive attributes and build trust one day at a time.

Chair Baker stated that part of Mr. McElroy's pension is that he can only be employed for six months and then have to go to a part time status. Jody Brooks, Office of General Counsel, outlined Mr. McElroy's contract and stated his duties and responsibilities would stay the same and there will be no pension modifications.

On ***motion*** by Bobby Stein and seconded by Marty Lanahan, the motion to allow Chair Baker to execute Mr. McElroy's contract as amended unanimously passed.

- B. Introduction to JEA Financial Statements** – Joe Orfano, Chief Financial Officer, introduced John DiSanto of Ernst & Young who provided an high level overview of JEA Financial Statements. Mr. DiSanto began the presentation included in the City's Comprehensive Annual Financial Report and which follows the accounting standards of the Governmental Accounting Standards Board (GASB). Mr. DiSanto explained GASB, regulatory accounting, deferred inflows and outflows of resources, and the differences between GASB and FASB in statement of cash flows, balance sheets and income statements. Additionally, Mr. DiSanto reviewed footnote disclosures, upcoming accounting changes, GASB 84 - fiduciary activities, and GASB-87 – leases.

This presentation was received for information only.

- C. Monthly Financials and Operations Dashboard: Introduction and Year-to-Date Performance** – Kerri Stewart, VP/Chief Customer Officer started the presentation by explaining the dashboard is a spreadsheet used to track key performance on a monthly basis. Ms. Stewart stated that annual departmental level goals are set at the beginning of each fiscal year and asked for input from the Board of Directors and approval on what's important to track on a corporate level. Ms. Stewart also covered the metrics for customer and community. Caren Anders, VP/GM Energy, reviewed Energy metrics and Deryle Calhoun, VP/GM Water/Wastewater, reviewed water/wastewater metrics.

Dr. Haley asked are there any metrics impacted by COVID-19. Ms. Anders stated Staff is monitoring O&M budgets because some capital projects could float to O&M. Ms. Stewart stated that her department is monitoring accounts receivables closely due to potential write-offs.

- D. Downtown Campus Update and Next Steps on Value Engineering** – Nancy Kilgo, Director Special Projects, provided an overview of the presentation, building project rationale, building project historical timeline, and gave an introduction of the building project partners. Doug Dieck, Ryan Companies, provided an introduction to Ryan Companies there other presenters. Mike Harryman, Ryan Companies, began with an introduction of the Ryan team update on current project overview of public and government approvals and preconstruction and design. Stewart Green, Ryan Companies, presented on value engineering as a whole, possible programmatic changes, as well as the importance of a schedule from now moving forward. After the presentation the Board held open discussion on this matter.

Chair Baker asked that Bobby Stein handle the corporate campus valuation with assistance from Tom VanOsdol. Chair Baker will handle the CEO Search.

Jody Brooks, Office of General Counsel, stated Caren Anders is still the Interim Managing Director/CEO until Monday, May 11 when Mr. McElroy is seated.

Agenda Item V– Other Business

- A. Old Business** – N/A
- B. Other New Business** – N/A

Agenda Item VIII – Closing Considerations

- A. Announcements** – Next Board Meeting – May 26, 2020
- B. Adjournment**

With no further business claiming the attention of the Board, Chair Baker adjourned the meeting at 3:50 p.m.

APPROVED BY:

SECRETARY

DATE: _____

Board Meeting recorded by:

Madricka L. Jones, Executive Staff Assistant

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JEA Community Engagement Calendar March - April 2020

Date	Event/Activity	Location	Time	Type
Mar-20				
3/4/2020	Westside High Career Fair	5530 Firestone Rd	8am	Ambassador Event
3/5 - 3/8/2020	2020 Spring Home & Patio Show	Prime Osborn	10am - 9pm	Ambassador Event
3/5/2020	Robert E Lee High Career Fair	1200 McDuff Ave.	9am	Ambassador Event
3/5/2020	St Johns Tech	Mandarin Plant Tour	10:30am	Ambassador Facility Tour
3/6/2020	UNF Students	Buckman Tour	12pm	Ambassador Facility Tour
3/6/2020	Jacksonville Zoo & Gardens	Zoo Parkway	9am	Volunteer Activity
3/6 - 3/7/2020	GATE Expo	Jacksonville Fairgrounds	10am	Volunteer Activity
3/7/2020	JEA Water Station at the GATE River Run	Riverplace Blvd.	6am	Volunteer Activity
3/9/2020	Callahan Food Distribution	Nassau	12pm	Volunteer Activity
3/9/2020	USO No Dough Dinner	Mayport Blvd.	10am	Volunteer Activity
3/9/2020	The ARC	2300 Kingsley Ave	4pm	Ambassador Speaker
3/11/2020	The ARC	Buckman Plant Tour	12:30pm	Ambassador Facility Tour
3/12/2020	BEAM Food Bank	Jacksonville Beach	1:30pm	Volunteer Activity
3/12/2020	Jax Housing Authority Career Fair	761 Village Center Dr. N.	10am	Ambassador Event
3/13/2020	Catty Shack	Starratt Rd.	10am	Volunteer Activity
3/13/2020	HabiJax Builds	Hubbard St.	7:30am	Volunteer Activity
3/14/2020	San Mateo Neighborhood Fest	11452 Renne Dr.	11am	Ambassador Event - Cancelled
3/18/2020	Mayport Middle Career Fair	2600 Mayport Rd.	11am	Ambassador Event - Cancelled
3/19/2020	Farm Share	Northside	9am	Volunteer Activity - Cancelled
3/19/2020	American Patriot School	Spring Park Rd.	8am	Volunteer Activity - Cancelled
3/19/2020	Jefferson St VA Health Fair	1531 Jefferson St N	9:30am	Ambassador Event - Cancelled
3/19/2020	Darnell-Cookman Career Fair	1701 N Davis St	9am	Ambassador Event - Cancelled
3/20 - 3/21/2020	St. Johns River Cleanup	Multiple Sites	7:30am	Volunteer Activity - Cancelled

JEA Community Engagement Calendar March - April 2020

Date	Event/Activity	Location	Time	Type
3/20/2020	MathCounts State Competition	Hyatt Regency	7am	Volunteer Activity - Cancelled
3/23/2020	Callahan Food Distribution	Nassau	12pm	Volunteer Activity - Cancelled
3/23/2020	USO No Dough Dinner	Mayport Blvd.	10am	Volunteer Activity - Cancelled
3/24/2020	Dept Of Juvenile Justice Career Fair	1541 Hubbard St.	8:30am	Ambassador Event - Cancelled
3/24/2020	Morris Manor Apts.	9050 Norfolk St.	2pm	Ambassador Speaker - Cancelled
3/25/2020	Salvation Army Celebrity Chef Event Set-up	Prime Osborn	10am	Volunteer Activity - Cancelled
3/26/2020	Cathedral Terrace Café	Downtown	11am	Volunteer Activity - Cancelled
3/26/2020	Eden Gardens	Garden St.	8:30am	Volunteer Activity - Cancelled
3/26/2020	Barkin' Biscuits	Mill Creek Rd.	9am	Volunteer Activity - Cancelled
3/26/2020	PACE Center Career Fair	2933 University Blvd. N	9am	Ambassador Event - Cancelled
3/26/2020	Animal Control & Protective Services	Forrest St.	8:30am	Volunteer Activity - Cancelled
3/27/2020	Salvation Army Food Pantry	Adam St.	8:30am	Volunteer Activity - Cancelled
3/27/2020	Fish-A-Thon	Hanna Park	9am	Volunteer Activity - Cancelled
3/27/2020	Feeding NE FL Food Bank	Edgewood Ave.	8:30am	Volunteer Activity - Cancelled
3/27 - 3/28/2020	Abor Day Fest & Greenscape Tree Giveaway	Jacksonville Fairgrounds	9:30am	Volunteer Activity - Cancelled
Apr-20				
DUE TO COVID-19 JEA EMPLOYEE COMMUNITY PARTICIPATION EXCEPT VIRTUAL ACTIVITIES TITLED IN GREEN ARE SUSPENDED UNTIL FURTHER NOTICE				
4/1/2020	JAX Poetry Fest with Hope at Hand	Hemming Plaza	2pm	Volunteer Activity
4/2/2020	Jacksonville Arboretum & Gardens	Millcoe Rd.	8am	Volunteer Activity
4/3/2020	HabiJax Builds	Hubbard St.	7:30am	Volunteer Activity
4/3/2020	American Patriot School	Spring Park Rd.	8am	Volunteer Activity
4/8/2020	DLC Nurse & Learn Easter	Edgewood Ave.	10am	Volunteer Activity

JEA Community Engagement Calendar March - April 2020

Date	Event/Activity	Location	Time	Type
4/9/2020	City Rescue Mission Annual Easter Luncheon	New Life Inn	10:30am	Volunteer Activity
4/9/2020	Virtual Speaker - Communities in Schools	Communities in Schools	10am	Ambassador Speaker
4/10/2020	Virtual Speaker - Junior Achievement	Junior Achievement	11am	Ambassador Speaker
4/10/2020	Jacksonville Zoo & Gardens	Zoo Parkway	8:30am	Volunteer Activity
4/13/2020	Virtual Speaker - Communities in Schools	Communities in Schools	10am	Ambassador Speaker
4/13/2020	Virtual Speaker - Junior Achievement	Junior Achievement	11am	Ambassador Speaker
4/13/2020	USO No Dough Dinner	Mayport Blvd.	10am	Volunteer Activity
4/15/2020	Waverly Academy Career Fair	5710 Wesconnett Ave.	8:15am	Ambassador Event - Cancelled
4/16/2020	Animal Control & Protective Services	Forrest St.	8:30am	Volunteer Activity
4/16/2020	Virtual Speaker - Communities in Schools	Communities in Schools	10am	Ambassador Speaker
4/16/2020	Virtual Volunteer - Communities in Schools	Communities in Schools	10am	Volunteer Activity
4/16/2020	Virtual Speaker - Junior Achievement	Junior Achievement	11am	Ambassador Speaker
4/17/2020	Virtual Speaker - Communities in Schools	Communities in Schools	9am	Ambassador Speaker
4/17/2020	Virtual Speaker - Junior Achievement	Junior Achievement	12pm	Ambassador Speaker
4/17/2020	Catty Shack	Starratt Rd.	10am	Volunteer Activity
4/17/2020	Venetia Elem. Career Fair	4300 Timuquana Blvd.	9am	Ambassador Event
4/17/2020	The ARC Jax	UNF	10am	Ambassador Speaker - Cancelled
4/17/2020	Virtual Speaker - Communities in Schools	Communities in Schools	9am	Ambassador Speaker

JEA Community Engagement Calendar March - April 2020

Date	Event/Activity	Location	Time	Type
4/17/2020	Virtual Speaker - Junior Achievement	Junior Achievement	10am	Ambassador Speaker
4/20/2020	Virtual Volunteer - Communities in Schools	Communities in Schools	10am	Volunteer Activity
4/23/2020	Eden Gardens	Garden St.	8:30am	Volunteer Activity
4/23/2020	Barkin' Biscuits	Berry Good Farms	9am	Volunteer Activity
4/24/2020	Salvation Army Food Pantry	Adam St.	8:30	Volunteer Activity
4/24/2020	Feeding NE FL Food Bank	Edgewood Ave.	8:30am	Volunteer Activity
4/25/2020	Jacksonville Zoo Art & Garden Fest	Zoo Parkway	9am	Volunteer Activity
4/25/2020	Sweetwater Church of Christ Community Day	7009 Wilson Blvd.	10am	Ambassador Event - Cancelled
4/25/2020	Disaster Response & Emergency Prep Fair	Church of Jesus Christ of Latter-Day Saints - 461 Blanding Blvd.	12pm	Ambassador Event - Cancelled
4/27/2020	USO No Dough Dinner	Mayport Blvd.	10am	Volunteer Activity
4/27/2020	Virtual Volunteer - Communities in Schools	Communities in Schools	10am	Volunteer Activity
May-20				
5/12/2020	Virtual Speaker - Tiger Academy Virtual Career Fair	Tiger Academy	12pm	Ambassador Speaker



Improving Lives. Building Community.

**MAY
2020**

CUSTOMER & COMMUNITY ENGAGEMENT DEPARTMENT OVERVIEW AND UPDATE

The Customer & Community Engagement Team is responsible for developing employee communications, paid advertising campaigns, customer communications, digital/web communications, social media, videography, and community outreach/sponsorship opportunities.

To follow are this month's highlights of JEA messaging, communications campaigns and community outreach efforts.

CUSTOMER MESSAGING

'Stay Connected to What Matters Most' Campaign

In May, JEA launched a campaign focused on our commitment to helping customers stay connected to what matters most. The campaign assures them that even in a time filled with unknowns, one thing is certain: this is not the first storm we have weathered together. JEA's promise to provide reliable energy, safe water, and right now, financial relief to those who need it, remains our commitment.

Along with a 30-second TV commercial, we are sharing corresponding radio, 15-second paid social media pre-roll segments and video posts, and digital out-of-home billboards promoting the campaign.

Going forward, we are also creating a slightly different version of the TV spot and other assets targeting small businesses. Messaging for these marketing assets will transition into "providing payment options and support" to customers as we re-enter a more traditional business climate.

COVID-19 Updates and Messaging

- We have continued to communicate operational changes, our commitment to safe practices, and COVID-19 savings tips through social media, email, and bill inserts.



- The **jea.com** homepage continues to serve as a helpful link to additional information related to the pandemic. In May, we highlighted the work JEA is doing alongside Northeast Florida agencies to encourage customers to support struggling local families in need. The landing page **jea.com/give** allows site visitors to donate to Florida's First Coast Relief Fund, JEA Neighbor to Neighbor Fund and JEA Guest Pay. This is just one of several initiatives JEA has launched to support customers impacted by this unprecedented pandemic.



- In May we began incorporating messaging for COVID-19 into our storm preparedness/Restoration 1-2-3 process while assuring the community we are prepared and ready for any “storm” that comes our way.
- The topic of the May bill insert was safety. The insert underscored safety as our top priority, and that extends to our employees and customers. We shared electric and water safety tips for home and business, as well as how to avoid becoming a victim of phone scams.

Community Engagement

- While continuing to shelter in place, JEA's Volunteer Services team has transitioned from traditional face-to-face events to exclusively virtual learning opportunities. One such activity in May was the Tiger Academy Virtual Career Fair, in which a JEA Ambassador shared with students about the importance of the services JEA provides to the community as well as career opportunities.
- To date this fiscal year, 175 JEA Ambassadors have participated in 379 events. Volunteer hours total 3,013.



Employee Messaging

- Daily email updates sharing COVID-19 impacts and cases.
- Other COVID-related topics include:
 - > Stress management during the pandemic
 - > Working-from-home tips
 - > Return-to-work information
 - > Personal Protective Equipment (PPE) preparedness
- General topics communicated to employees include:
 - > The Employee Assistance Program (EAP) for work + life balance
 - > Tips for healthy living/mental health check
 - > Validating team storm assignments in preparation for hurricane season
 - > Third Quarter Ethics Newsletter
 - > Water and Wastewater Team honors awarded by FWEA
 - > Technology updates
 - > Summer camp and child care information





INTER-OFFICE MEMORANDUM

April 21, 2020

SUBJECT: **SOLE SOURCE & EMERGENCY PROCUREMENT/PROCUREMENT
APPEALS BOARD REPORT**

FROM: Paul McElroy, Interim Managing Director/CEO

TO: JEA Board of Directors

BACKGROUND:

Sections 1-113 and 1-114 of the JEA Purchasing Code require the Chief Procurement Officer to submit a report on all Sole Source and Emergency procurements and all Procurement Appeals Board decisions to the JEA Board on a quarterly basis.

DISCUSSION:

This report is submitted for the quarter ending March 31, 2020. Summary information for all awards is provided below. A detailed listing for the Formal Sole Source and Emergency Awards is attached. Detailed back-up information for all other awards is retained by the Chief Procurement Officer and is available upon request. There were no Procurement Appeals Board (PAB) actions this quarter.

Quarter Ending March 31, 2020

Formal Awards	Number	%	Dollar Amount	%
Total	47		\$70,880,235.25	
Sole Source Awards	0	0.00%	\$0.00	0.00%
Emergency Awards	1	2.13%	\$345,120.86	0.49%
Informal Awards	Number	%	Dollar Amount	%
Total	1982		\$18,363,491.00	
Sole Source Awards	0	0.00%	0.00	0.00%
Emergency Awards	3	0.15%	\$189,900.00	1.03%

RECOMMENDATION:

This item is submitted for information. No action by the Board is required.

Paul McElroy, Interim Managing Director/CEO

PEM/JPM/JGM

Formal Sole Source Awards by Department - Detailed Listing					
12 months ending March 31, 2020					
Sole Source Awards (2 Item totaling \$3,598,441.00)					
Award Date	Amount	Requesting Dept.	Vendor	Description	Sourcing Basis
10/3/2019	\$1,092,000.00	Kerri Stewart (Customer)	Fiserv	Customer eBill Distribution Implementation and Services	Sole Source: JEA has negotiated a five (5) year agreement with Fiserv for eBill distribution services to maximize customer paperless bill adoption and expand customer choice. This service will allow customers to use their existing banking services eBill feature to pay their JEA bill reaching customers beyond JEA's own website to augment paperless billing options and convenience for JEA customers. Fiserv has been selected as a sole source for new Customer Ebill Distributions services due to market monopolization strength and product capability. Fiserv is recognized as pioneer in digitization of bill pay solutions and sends 94% of all payment ebills delivered to U.S financial institutions. Fiserv has exclusive access to more than 4,000 financial institutions and 20 million customers. JEA extensively negotiated with Fiserv and compared other similar public contracts and pricing to ensure a competitive offer including no cost for implementation.
12/12/2019	\$2,506,441.00	Kerri Stewart (Customer)	Exceleron Software, LLC	Customer MyWay Pre-Paid Account Management Software Support	Sole Source: The scope of this request is for Customer Pre-Paid Account Management Software Support Services for JEA Customer MyWay Pre-Paid Accounts. JEA offers customers prepaid services to offer an alternative to traditional payment methods, and to accommodate JEA customer growth. Exceleron Customer MyWay Prepaid Software was originally competitively bid in 2012 and is now being awarded a new sole source contract for software support as a follow up service. Exceleron has provided JEA a high level of service since 2012 and is currently partnering with JEA to develop the prepaid version of the complex flex pricing billing regime which JEA is considering. Continuing a sole source contract with Exceleron requires no new implementation or integration costs which are estimated at \$2.7M and 18 months of JEA IT resources if JEA were to change vendors. Half of the original implementation cost was paid for by the federal government. In addition a limited number of companies offer prepaid software. JEA negotiated with Exceleron and received rate reductions of 2.5% in year 1, 6% in year 2, and 7% in year 3 in exchange for a new contract.
Total	\$3,598,441.00				
Formal Emergency Awards by Department - Detailed Listing					
12 months ending March 31, 2020					
Emergency Awards (2 Items totaling \$2,409,454.42)					
Award Date	Amount	Requesting Dept.	Vendor	Description	Sourcing Basis
10/3/2019	\$2,064,333.56	Deryle Calhoun (W/WW)	TB Landmark Construction, Inc.	Collins Road Force Main (FM) Relocation - Whispering Pines Dr. to Blanding Blvd.	Emergency: This request is to procure construction services for the installation of approximately 5,200 linear feet (LF) of 12-inch wastewater FM including 184 LF of flanged 316L stainless steel bridge-mounted river crossing with associated bridge hangers and approximately 5,016 LF of 12-inch DR-18 PVC FM with associated fittings and appurtenances. This project replaces a force main (pressurized sewer pipe) that has had several main breaks and sanitary sewer overflows (SSOs), requiring vacuum truck (Vactor) crews to stage along I-295 with accompanying maintenance of traffic and police presence to minimize the SSO and clean up the site. The project was competitively bid, but due to the emergency nature of the project, the advertising period was shortened to 21 days (including an extension due to Hurricane Dorian). Florida Statue 255.0525 requires advertising for 30 days for construction projects over \$500,000. JEA received five (5) Bids and TB Landmark Construction, Inc. was the lowest responsive and responsible bidder.
1/30/2020	\$345,120.86	Deryle Calhoun (W/WW)	A.W.A. Contracting Company, Inc.	San Diego Road and Ponte Vedra Blvd- Water and Sewer Replacement	Emergency: This is an emergency procurement to contract with A.W.A. Contracting Company for the construction of 385 feet of 12-inch PVC DR18, 390 feet of 8-inch PVC DR18, 77 feet of 6-inch PVC DR18 and 20 feet of 4-inch PVC DR18 water main by open-cut method along San Diego Rd and Ponte Vedra Blvd. Construction of 140 feet of 6-inch SDR21 PVC and 120 feet 4-inch SDR21 PVC vacuum sewer, and conflict structure along San Diego Rd and Ponte Vedra Blvd. The Project was competitively bid by Saint Johns County (SJC), however, a Master Agreement for Joint Projects is not yet in place with SJC, therefore the award is made as Emergency. JEA will be able to take advantage of the cost and time savings of the construction work currently planned in this area and avoid duplication of costs related to surveying, maintenance of traffic, mobilization/demobilization and other associated construction costs. Procurement Operational Procedures allow Emergency Procurements if it prevents curtailment of an essential service and can secure financial gain through timely action.
Total	\$2,409,454.42				

Total Sole Source & Emergency Procurement Actions

	FY19 Q3	FY19 Q4	FY20 Q1	FY20 Q2
Total Awards	\$134.34M	\$132.01M	\$219.19M	\$89.24M
Sole Source (\$)	\$0.23M	\$0.00M	\$3.74M	\$0.00M
Sole Source (%)	0.17%	0%	1.71%	0.00%
Emergency (\$)	\$0.02M	\$0.00M	\$2.09M	\$0.54M
Emergency (%)	0.02%	0.00%	0.95%	0.60%
Combined SS/E (%)	0.19%	0.00%	2.66%	0.60%



Corporate Metrics Dashboard

As of April 30, 2020

Metrics for FY20 Goals	2018 Actual	2019 Actual	2020 YTD	2020 Goal	Variance
Customer Value					
JDP Customer Satisfaction Index - Residential	2nd Quartile	1st Quartile	2nd Quartile	Top 1/2 of 2nd Quartile	Below
JDP Customer Satisfaction Index - Business	1st Decile	2nd Quartile	1st Quartile	Top 1/2 of 2nd Quartile	Meets
Overall First Contact Resolution	79.0%	79.3%	80.6%	>=80%	0.8%
Grid Performance: Average Outage Length (CAIDI)	45	47	59	50-54	-9%
Grid Performance: CEMi4	1.0%	0.4%	0.3%	1.5%-2.0%	86%
Water Unplanned Outages (% cust.)	5%	3%	2.4%	2%	-20%
Water Distribution System Pressure (avg min < 30 psi)	1.8	8.8	1.9	2.0	5%
Information Technology Mean Time to Recover	N/A	N/A	101	<=90 min	-12%
Community Impact Value					
Capital Invested (\$000)	\$374,456	\$497,341	\$198,904	\$381,695 - \$500,974	TBD
Safety: % of safety checks closed on time	N/A	N/A	92%	93%	-1%
Safety: % of work orders closed in a timely manner (* Energy Production, W/WW and Reuse Treatment, and Facilities only)	N/A	N/A	92%	TBD	TBD
JEA Volunteers	1,050 Activities	7,183	2,793	4,500-4,800 hours	TBD
JSEB Spend (\$000)	\$15,760	\$18,772	\$10,222	\$17,000	TBD
Employee Training Hours	N/A	N/A	39,414	50,000	TBD
Environmental Value					
Electric System Environmental Compliance (permit exceedances)	2	0	0	<4	100%
Consumptive Use Permit Compliance	Yes	Yes	Yes	Yes	Yes
Nitrogen to the River (tons)	550	396	183	466	61%
Sanitary Sewer Overflows (SSO's) (per 100 miles of pipe)	0.7	0.7	0.33	0.6	43%
Financial Value					
Generation Fleet Reliability (forced outages rate)	2%	5%	1.30%	2.25-2.50%	42.2%
Percent of Net O&M Budget	93%	94%	93%	97.5%	4.6%
Cost Reduction Metric (\$000)	\$10,495	\$15,131	\$7,158	\$5,300	35%

Metrics We Watch	2018 Actual	2019 Actual	2020 Forecast
Customer Value			
Innovation (# of Ideas Submitted)	N/A	N/A	569
Innovation (\$\$ of dollars: improvements)	N/A	N/A	\$781,129
Grid Performance: SAIDI *actual	67.39	60.04	71.11*
Grid Performance: SAIFI-2 *actual	3.61	2.97	2.51*
Grid Performance: SARFI ₈₀ *actual	37	30	36*
Pipeline Failures *actual	1,639	1,473	715*
Financial Value			
Net Write-Offs	0.13%	0.12%	TBD
Change in Net Position (\$000)	\$126,488	\$197,424	\$213,055
Debt to Capitalization	57%	52%	49%
City Contribution (\$000)	\$116,620	\$132,648	\$118,824
Electric sales (000's MWh)	12,364	12,366	12,197
Water Sales (000's kgal)	36,187	37,696	38,190
Sewer Sales (000's kgal)	26,340	27,727	27,768
Reclaim Sales (000's kgal)	3,120	3,884	4,263
Community Impact Value			
Renewable Energy Production (000's MWh)	173	171	171
Diverse Slate of Candidates (% of recruitments)	100%	100%	100%
Economic Development Program Participants	4	5	3
Organizational Sentiment	N/A	N/A	TBD
Safety: Recordable Incident Rate	1.5	1.5	0.58

Strategic Metrics - Long Term Influence	2018 Actual	2019 Actual	2020 Forecast
Customer Value			
Residential Electric Bill in FL (% of State Median)	98%	98.6%	98.6%
Residential Water/Sewer Bill in FL (% of State Median)	92%	90.3%	89.1%
Financial Value			
Consolidated Return on Equity	9%	11.0%	9.5%
Return on Net Assets	4%	5.0%	4.9%
Unlevered Free Cash Flow: EBITDA less CAPEX (\$000)	\$367,007	\$275,589	\$321,384
Net Position (Book Value of Equity) (\$000)	\$2,755,310	\$2,952,733	\$3,165,788
City Contribution NPV	\$1,998,311	\$1,998,311	\$1,998,311
Electric Credit Ratings	Aa2/A+/AA	A2/A+/AA	A2/A+/AA
W/WW Credit Ratings	Aa2/AAA/AA	A2/AAA/AA	A2/AA+/AA
Environmental Value			
CO ₂ Emissions (lbs/MWh), net basis, w/ Scherer	1,516	1,526	1,299
CO ₂ Emissions Mass(10 ³ Short Tons), w/ Scherer	7,731	7,329	7,527
Aquifer Withdrawal Limit	112	117	120
Residential Water Use Efficiency (gal. per capita per day)	75	78	81

MANAGEMENT DISCUSSION

Financial

Electric Enterprise:

- FY20 AprYTD sales down 0.4% compared to FY19 AprYTD
- FY20 AprYTD sales per customer down 2.1% compared to FY19 AprYTD
- FY20 AprYTD degree days up 1.6% compared to FY19 AprYTD
- FY20 AprYTD total customers up 1.9% compared to FY19 AprYTD
- Operating revenue decreased \$24m vs. FY19 due to contributions to the fuel stabilization fund, partially offset by withdrawals from the debt management stabilization fund to decrease debt.
- Operating expenses decreased \$63m vs. FY19 driven by lower fuel and purchased power costs.

Water and Sewer:

- FY20 AprYTD Water sales up 5.8% compared to FY19 AprYTD
 - FY20 AprYTD Sewer sales up 4.3% compared to FY19 AprYTD
 - FY20 AprYTD Reclaimed sales up 33.1% compared to FY19 AprYTD
 - FY20 AprYTD Sales per customer up 3.7% compared to FY19 AprYTD
 - FY20 AprYTD Rain Days down 18.2% (12 days) compared to FY19 AprYTD, FY20 AprYTD irrigation up 17.4% versus FY19 AprYTD
 - FY20 AprYTD Total customers up 2.7% compared to FY19 AprYTD
 - Operating revenues increased by \$25m vs. FY19 due to withdrawals from the debt management stabilization fund to decrease debt, higher sales, and new accounts.
 - Operating expenses increased \$7m vs. FY19 due to higher depreciation.
- * S&P downgraded Water and Sewer ratings to AA+ from AAA

DES:

- Stable, minimal change from FY19

Operations

Electric Enterprise:

- **CAIDI:** All of our reliability metrics including CAIDI were effected by a severe but localized storm on February 6th and 7th, resulting in a degradation in our reliability.
- **CEMI4:** Continues strong reliability with only 1,386 of our 486,260 customers served experienced more than 4 outages in the last 12 months.
- **Environmental Permit Exceedances:** Energy has experienced 0 permit exceedances.
- **EFOR:** The Generation EFOR remains below target but increased for the month of April due to multiple forced outages; Brandy Branch Combined Cycle facility attributed to a circulating water pump failure, as well as two separate forced outages at Northside Generating Station, the first due to a failure of a boiler “buckstay” support beam and the second from a super heat boiler tube failure.

Water and Sewer:

- **Unplanned Water Main Outages:** 6,411 customers experienced an unplanned outage in the month of April, primarily due to a 24" pipe break on Race Track Road caused by improper installation of a contractor.
 - Water Distribution System Pressure (avg min per monitor station < 30 psi): 1.9 YTD is the average minutes pressure dropped lower than <30 psi.
- **CUP:** Average daily flow of 114 MGD is 19% below CY20 limit of 140 MGD; reclaimed usage at 19 MGD
- **Nitrogen to River:** FY20 Forecast is 364 tons. JEA has a limit of 683 tons per year and provides the COJ with 37 tons.
- **SSO's Impacting Waters of the US:** 17 YTD, with 29% caused by excavators working in the right-of-way; root cause analysis is performed on each SSO.

Safety: 141/150 safety checks closed on time (not available till mid-month). 1 recordable for April



Corporate Metrics Dashboard

As of April 30, 2020									
Metrics for FY20 Goals									
Customer Value	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	
JDP Customer Satisfaction Index - Residential	4th Quartile	3rd Quartile	3rd Quartile	1st Quartile	2nd Quartile	1st Quartile	2nd Quartile	1st Quartile	
JDP Customer Satisfaction Index - Business	4th Quartile	4th Quartile	1st Quartile	1st Quartile	1st Quartile	1st Quartile	2nd Decile	2nd Quartile	
Overall First Contact Resolution	N/A	N/A	78.5%	80.9%	79.4%	79.4%	79.0%	79.3%	
Grid Performance: Average Outage Length (CAIDI)	35	40	52	51	54	64	45	47	
Grid Performance: CEM4	N/A	N/A	4.8%	5.1%	3.6%	3.2%	1.0%	0.4%	
Water Unplanned Outages (% cust.)	2%	3%	1%	2%	4%	3%	5%	3%	
Water Distribution System Pressure (avg min < 30 psi)	34.9	20.0	2.1	2.8	2.1	3.7	1.8	8.8	
Information Technology Mean Time to Recover	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Community Impact Value									
Capital Invested (\$500)	\$273,774	\$234,718	\$158,392	\$204,708	\$298,045	\$307,918	\$374,456	\$497,341	
Safety: % of safety checks closed on time	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Safety: % of work orders closed in a timely manner (* Energy Production, W/WW and Reuse Treatment, and Facilities only)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
JEA Volunteers	237 Activities	465 Activities	670 Activities	753 Activities	985 Activities	913 Activities	1,050 Activities	7,183	
IS&B Spend (\$500)	\$9,168	\$10,121	\$7,302	\$9,318	\$9,983	\$13,365	\$15,760	\$18,772	
Employee Training Hours	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Environmental Value									
Electric System Environmental Compliance (permit exceedances)	5	4	3	2	4	6	2	0	
Consumptive Use Permit Compliance	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
Nitrogen to the River (tons)	650	767	579	553	527	558	550	396	
Sanitary Sewer Overflows (SSO's) (per 100 miles of pipe)	0.6	0.6	0.7	0.6	0.7	1.2	0.7	0.7	
Financial Value									
Generation Fleet Reliability (forced outages rate)	1%	2%	3%	2%	2%	2%	2%	5%	
Percent of Net O&M Budget	92%	90%	88%	93%	93%	93%	93%	94%	
Cost Reduction Metric (\$500)	N/A	N/A	N/A	N/A	\$25,156	\$10,087	\$10,495	\$15,131	
Metrics We Watch									
Stakeholder Value	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	
Innovation (# of Ideas Submitted)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Innovation (\$\$ of dollars: improvements)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Grid Performance: SAIDI	*actual	83.86	68.05	70.83	98.81	70.94	99.48	67.39	60.04
Grid Performance: SAIFI-2	*actual	5.31	4.25	3.24	4.39	3.61	3.76	3.61	2.97
Grid Performance: SARFI ₉₅	*actual	47	46	38	44	43	40	37	30
Pipeline Failures	*actual	N/A	N/A	N/A	N/A	N/A	1,639	1,473	
Financial Value									
Net Write-Offs	0.19%	0.15%	0.15%	0.16%	0.14%	0.14%	0.13%	0.12%	
Change in Net Position (\$500)	\$182,642	\$79,975	\$156,269	\$323,008	\$210,016	\$254,620	\$126,488	\$197,424	
Debt to Capitalization	73%	71%	72%	67%	64%	59%	57%	52%	
City Contribution (\$500)	\$104,188	\$106,687	\$109,188	\$111,688	\$129,187	\$115,823	\$116,620	\$132,648	
Electric sales (000's MWh)	13,855	11,930	12,172	12,434	12,561	12,050	12,364	12,366	
Water Sales (000's kgal)	35,345	33,088	32,468	34,558	36,358	37,245	36,187	37,696	
Sewer Sales (000's kgal)	24,490	23,624	23,527	24,922	25,818	26,713	26,340	27,727	
Reclaim Sales (000's kgal)	1,330	1,110	1,301	1,784	2,644	3,290	3,120	3,884	
Community Impact Value									
Renewable Energy Production (000's MWh)	121	122	121	131	128	131	173	171	
Diverse Slate of Candidates (% of recruitments)	N/A	N/A	N/A	98%	99%	100%	100%	100%	
Economic Development Program Participants	N/A	0	0	1	0	0	4	5	
Organizational Sentiment	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Safety: Recordable Incident Rate	1.5	1.8	2.4	1.7	1.8	2.1	1.5	1.5	
Strategic Metrics - Long Term Influence									
Stakeholder Value	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Forecast
Residential Electric Bill in FL (% of State Median)	101%	101%	99%	99.5%	101%	100%	98%	98.6%	98.6%
Residential Water/Sewer Bill in FL (% of State Median)	110%	104%	102%	100%	96%	94%	92%	90.3%	89.1%
Financial Value									
Consolidated Return on Equity	13%	8%	10%	12%	13%	13%	9%	11.0%	9.5%
Return on Net Assets	4%	2%	3%	4%	5%	4%	4%	5.0%	4.9%
Unlevered Free Cash Flow: EBITDA less CAPEX (\$500)	\$606,131	\$532,872	\$632,212	\$591,925	\$547,897	\$573,259	\$367,007	\$275,589	\$321,384
Net Position (Book Value of Equity) (\$500)	\$1,991,311	\$2,071,286	\$2,196,006	\$2,166,909	\$2,376,928	\$2,631,545	\$2,755,310	\$2,952,733	\$3,165,788
City Contribution NPV	-	-	-	-	-	-	\$1,998,311	\$1,998,311	\$1,998,311
Electric Credit Ratings	Aa2/Aa-/Aa-	Aa2/Aa-/Aa-	Aa2/Aa-/Aa-	Aa2/Aa-/Aa-	Aa2/Aa-/Aa-	Aa2/Aa-/Aa-	Aa2/Aa-/Aa-	A2/A+/Aa-	A2/A+/Aa-
W/WW Credit Ratings	Aa2/Aa-/Aa-	Aa2/Aa-/Aa-	Aa2/Aa-/Aa-	Aa2/Aa-/Aa-	Aa2/Aa-/Aa-	Aa2/Aa-/Aa-	Aa2/Aa-/Aa-	A2/A+/Aa-	A2/A+/Aa-
Environmental Value									
CO ₂ Emissions (lbs/MWh), net basis, w/ Scherer	1,631	1,828	1,851	1,731	1,799	1,593	1,516	1,526	1,299
CO ₂ Emissions Mass(10*3 Short Tons), w/ Scherer	8,881	10,414	11,194	10,425	10,609	8,916	7,731	7,329	7,527
Aquifer Withdrawal Limit	104	100	103	107	112	114	112	117	120
Residential Water Use Efficiency (gal. per capita per day)	88	80	75	79	81	82	75	78	81

MANAGEMENT DISCUSSION

Financial

Electric Enterprise:

- FY20 AprYTD sales down 0.4% compared to FY19 AprYTD
- FY20 AprYTD sales per customer down 2.1% compared to FY19 AprYTD
- FY20 AprYTD degree days up 1.6% compared to FY19 AprYTD
- FY20 AprYTD total customers up 1.9% compared to FY19 AprYTD
- Operating revenue decreased \$24m vs. FY19 due to contributions to the fuel stabilization fund, partially offset by withdrawals from the debt management stabilization fund to decrease debt.
- Operating expenses decreased \$63m vs. FY19 driven by lower fuel and purchased power costs.

Water and Sewer:

- FY20 AprYTD Water sales up 5.8% compared to FY19 AprYTD
- FY20 AprYTD Sewer sales up 4.3% compared to FY19 AprYTD
- FY20 AprYTD Reclaimed sales up 33.1% compared to FY19 AprYTD
- FY20 AprYTD Sales per customer up 3.7% compared to FY19 AprYTD
- FY20 AprYTD Rain Days down 18.2% (12 days) compared to FY19 AprYTD
- FY20 AprYTD irrigation up 17.4% versus FY19 AprYTD
- FY20 AprYTD Total customers up 2.7% compared to FY19 AprYTD
- Operating revenues increased by \$25m vs. FY19 due to withdrawals from the debt management stabilization fund to decrease debt, higher sales, and new accounts.
- Operating expenses increased \$7m vs. FY19 due to higher depreciation.
- S&P downgraded Water and Sewer ratings to Aa+ from AAA

DES:

- Stable, minimal change from FY19

Operations

Electric Enterprise:

- CAIDI: All of our reliability metrics including CAIDI were effected by a severe but localized storm on February 6th and 7th, resulting in a degradation in our reliability.
- CEM4: Continues strong reliability with only 1,386 of our 486,260 customers served experienced more than 4 outages in the last 12 months.
- Environmental Permit Exceedances: Energy has experienced 0 permit exceedances.
- EFOR: The Generation EFOR remains below target but increased for the month of April due to multiple forced outages; Brandy Branch Combined Cycle facility attributed to a circulating water pump failure, as well as two separate forced outages at Northside Generating Station, the first due to a failure of a boiler "buckstay" support beam and the second from a super heat boiler tube failure.

Water and Sewer:

- Unplanned Water Main Outages: 6,411 customers experienced an unplanned outage in the month of April, primarily due to a 24" pipe break on Race Track Road caused by improper installation of a contractor.
- Water Distribution System Pressure (avg min per monitor station < 30 psi): 1.9 YTD is the average minutes pressure dropped lower than <30 psi.
- CUP: Average daily flow of 114 MGD is 19% below CY20 limit of 140 MGD; reclaimed usage at 19 MGD
- Nitrogen to River: FY20 Forecast is 364 tons. JEA has a limit of 683 tons per year and provides the COI with 37 tons.
- SSO's impacting Waters of the US: 17 YTD, with 29% caused by excavators working in the right-of-way; root cause analysis is performed on each SSO.

- Safety: 141/150 safety checks closed on time (not available till mid-month). 1 recordable for April

2020 Goal--Meets	2020 Goal--Exceeds
Top 1/2 of 2nd Quartile	1st Quartile
Top 1/2 of 2nd Quartile	1st Quartile
80%	>80%
50-54	<46
1.5%-2.0%	<1.5%
1.9-2.1%	<1.8%
2-3	<2
<90 min	<60 min
\$400,000 - \$450,000	\$450,000 - \$500,000
93%	>93%
80% w/in 1-2 weeks	90% w/in 1-2 weeks
4500-4800 hours	>4800 hours
\$15M-\$17M	>\$17M
50,000	60,000
4-6	<4
Yes	Yes
466-500	<466
0.58-0.68	<0.58
2.25%-2.5%	<2.25%
95-97.5%	>95%
\$3.85M-\$5.3M	>\$5.35M



INTER-OFFICE MEMORANDUM

May 19, 2020

SUBJECT: SIMPLIFIED EARNINGS REPORT – MONTHLY FINANCIAL STATEMENTS

FROM: Paul McElroy, Interim Managing Director/CEO

TO: JEA Board of Directors

BACKGROUND:

Each month, staff prepares a Simplified Earnings Report based on the monthly financial statements and financial forecasts. The purpose of this report is to update the Senior Leadership Team and the Board of Directors on the financial status of the current fiscal year.

DISCUSSION:

This presentation is submitted for the seven months ending April 30, 2020.

Items discussed are:

1. Year to date base revenues, operating expenses and operating income in comparison to last fiscal year
2. Year to date sales in comparison to last fiscal year
3. Year to date operating and maintenance budget performance and year end forecast
4. Year to date capital outlays and year end forecast

FINANCIAL IMPACT:

None

RECOMMENDATION:

This item is submitted for information. No action by the Board is required.

Paul McElroy, Interim Managing Director/CEO

PEM/JEO/JEC



APRIL 2020

FINANCIAL REVIEW

ENERGY SYSTEM OPERATING RESULTS

BASE REVENUES

AS DISPLAYED ON PAGE 12 OF THE MONTHLY FINANCIAL STATEMENTS

FY20: \$477,390,000

When compared to FY2019 AprYTD this is a
9.0% INCREASE

OPERATING EXPENSES

AS DISPLAYED ON PAGE 12 OF THE MONTHLY FINANCIAL STATEMENTS

FY20: \$516,437,000

When compared to FY2019 AprYTD this is a
10.9% DECREASE

OPERATING INCOME

AS DISPLAYED ON PAGE 12 OF THE MONTHLY FINANCIAL STATEMENTS

FY20: \$158,899,000

When compared to FY2019 AprYTD this is a
33.1% INCREASE



Our base revenues increase year over year, as displayed on our net income statement on page 12 of our monthly financial statements, is a little misleading. Currently, stabilization activity is acting as a significant base revenue boost. \$29,884,152 of our total increase is due to a withdrawal from the rate stabilization – debt management fund to facilitate phase 2 of the STAR plan. This is not a typical withdrawal and when this withdrawal is not considered our results look different (as shown below).

BASE REVENUES*

*ADJUSTED TO EXCLUDE THE DEBT MGMT- RATE STABILIZATION ACTIVITY

FY20: \$447,505,848

When compared to FY2019 AprYTD this is a
2.2% INCREASE

OPERATING EXPENSES*

*ADJUSTED TO EXCLUDE THE DEBT MGMT- RATE STABILIZATION ACTIVITY

FY20: \$516,437,000

When compared to FY2019 AprYTD this is a
10.9% DECREASE

OPERATING INCOME*

*ADJUSTED TO EXCLUDE THE DEBT MGMT- RATE STABILIZATION ACTIVITY

FY20: \$129,014,848

When compared to FY2019 AprYTD this is a
8.0% INCREASE



**FOR THE 7 MONTHS ENDING APRIL 30, 2020
TERRITORIAL KWH SALES DECREASED**

0.34%

WHEN COMPARED TO FY2019 AprYTD
(as displayed on page 26 of the monthly financial statements)

LET'S DIG A LITTLE DEEPER: BASE REVENUES

Base revenues, as shown on page 12 of the monthly financial statements, include more than the name suggests. This line item includes: customer sales, recognition of revenue due to stabilization fund(s) transfers, bad debt, and monies received from public service taxes and franchise fees collected.

If you are looking just for our sales collected from customer charges and usage fees, you want to review the base rate revenues line item on page 26 of our monthly financial statements. This is our budget page and under nonfuel related revenues you can review base rate revenues, conservation charge revenues, environmental charge revenues, natural gas revenue pass through and other revenues collected from customers to get a clearer picture of our sales. Page 26 also identifies KWH sold both territorial and off system.

Generally, for the Energy System, the prominent driver of sales is degree days. Usually, a higher number of degree days results in increased energy usage. This last March was one of the hottest in Jacksonville history resulting in a large uptick in cooling degree days (and total degree overall as a result). April's temperatures were close to average with little impact to the year over year increase in degree days. Despite an uptick in overall total degree days year over year, we did see a decrease in commercial & industrial demand likely due to COVID-19 related closures resulting in a slight decline in sales year over year overall. We will continue to monitor sales for COVID-19 related impacts moving forward.

DEGREE DAYS COMPARISON

	FY2020 AprYTD	FY2019 AprYTD	Variance
Heating Degree Days	820	972	▼ (152)
Cooling Degree Days	936	756	▲ 180
Total Degree Days	1,756	1,728	▲ 28

As displayed on page 17 of the monthly financial statements

LET'S DIG A LITTLE DEEPER: OPERATING EXPENSES

Operating Expenses refer to the ongoing costs necessary to run a business. As displayed on page 12 of the monthly financial statements, JEA's energy system's operating expenses include: fuel expenses, purchased power expenses, O&M expenses, depreciation expenses, utility and franchise tax expenses, and the net recognition of deferred costs and revenues.

When comparing our April year-to-date operating expenses for FY20 to FY19, we see a significant decrease in fuel expenses and purchased power expenses. Additional fuel cost information, to include fuel costs, consumption statistics, and cost per MWh can be found on page 23 of our monthly financial statements. Additional purchase power cost information can be found on page 24 of our monthly financial statements. Natural gas, coal, and petcoke prices continue to be lower year over year. Fuel oil prices have increased, but we have significantly reduced our consumption in response.

O&M Expenses are the Operating Expenses within our control. Across both systems, all other operating expenses are sales dependent. For example, a decrease in sales does result in a decrease in tax expenses. Our O&M expenditures are within our control and we can adjust our spend rate to align with our operating revenue trends. We will take a closer look at our O&M budget on the next slide.



**FOR THE 7 MONTHS ENDING APRIL 30, 2020
FUEL & PURCHASED POWER EXPENSES DECLINED**

24.9%

WHEN COMPARED TO FY2019 AprYTD
(as displayed on page 12 of the monthly financial statements)

TAKING A CLOSER LOOK AT THE ENERGY SYSTEM O&M BUDGET

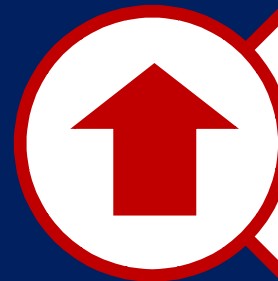
Our maintenance and operating expenses, as displayed on page 12 of the monthly financial statements, does not just include the O&M line items the business submits during budget season. This line item includes both Scherer unit 4 expenses and Plant Vogtle related expenses. These expenses are excluded from our internal O&M budget and are instead tracked as non-fuel purchase power expenses. The numbers on this slide represent O&M budget actuals, forecasts, and metrics.

CURRENT ENERGY O&M DRIVERS

▲	Salaries (Net of Capitalization) up \$2,333,325- all related to BU year over year
▼	Overtime (Net of Capitalization) down \$179,389 – All attributable to BU- Increased expense in FY19 due to Hurricane Michael (October 7, 2018 – October 16, 2018)
▲	Employee Benefits & Other Comp up \$2,010,798 – COVID-19 Stipends and Business Expenses (Appointed)
▲	Pension up \$2,077,775
▼	Health Insurance down \$1,038,437 (Dec FY19 \$1.2m extra payment to Self-Insurance)
▼	Direct Purchases down \$4,021,577 due to lower outage costs and doing work in house vs. contractors
▼	Industrial Services down \$4,215,916 due to lower outage costs and doing work in house vs. contractors
▼	Environmental Services down \$1,273,666 (consulting services in FY19)
▲	Water Billing Credit up \$2,069,585



FOR THE 7 MONTHS ENDING APRIL 30, 2020
O&M EXPENSES TOTAL
\$123,968,887
WHEN COMPARED TO FY2019 AprYTD THIS IS A
5.2% DECREASE



OUR CURRENT FORECASTED O&M EXPENSES
FOR FY2020 TOTAL
\$253,637,153
WHEN COMPARED TO FY2019 THIS IS A
16.4% INCREASE



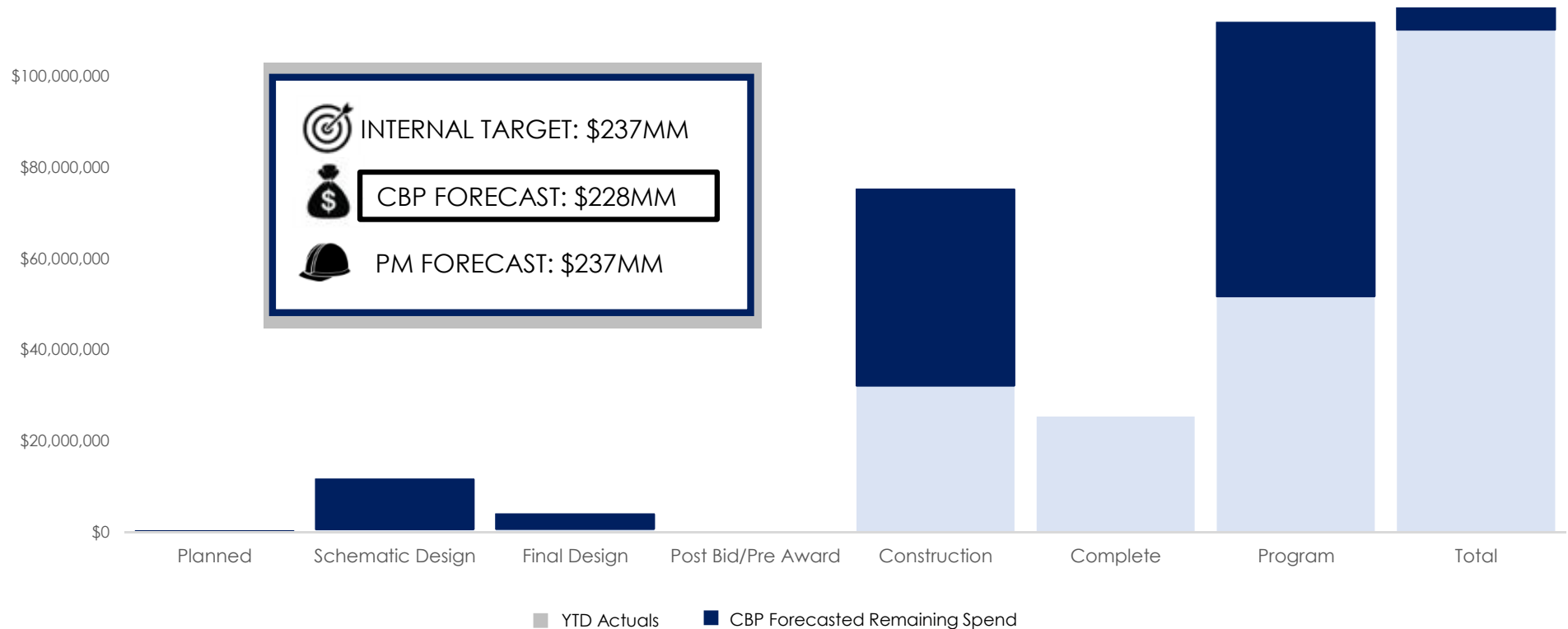
OUR TOTAL ENERGY SYSTEM O&M BUDGET
FOR FY2020 TOTALS
\$278,712,169
OUR TOTAL ENERGY SYSTEM O&M TARGET
SPEND FOR FY2020 IS
\$264,776,561



IF CURRENT TRENDS CONTINUE, WE ARE
EXPECTED TO HAVE A
91.0% SPEND RATE

TAKING A CLOSER LOOK AT THE ENERGY SYSTEM CAPITAL BUDGET

	Planned	Schematic Design	Final Design	Post Bid/ Pre Award	Construction	Complete	Program
COUNT	64	35	16	0	92	9	69
ACTUALS YTD	(\$21K)	\$543K	\$651K	\$0	\$32.1MM	\$25.3MM	\$51.7MM
FORECASTED REMAINING SPEND	\$230K	\$11.0MM	\$3.2MM	\$0	\$43.1MM	\$0	\$60.1MM



W/WW SYSTEM OPERATING RESULTS

BASE REVENUES

AS DISPLAYED ON PAGE 12 OF THE MONTHLY FINANCIAL STATEMENTS



FY20: \$273,848,000

When compared to FY2019 AprYTD this is a

10.3% INCREASE

OPERATING EXPENSES

AS DISPLAYED ON PAGE 12 OF THE MONTHLY FINANCIAL STATEMENTS



FY20: \$196,288,000

When compared to FY2019 AprYTD this is a

4.0% INCREASE

OPERATING INCOME

AS DISPLAYED ON PAGE 12 OF THE MONTHLY FINANCIAL STATEMENTS



FY20: \$87,102,000

When compared to FY2019 AprYTD this is a

30.1% INCREASE



Our base revenues increase year over year, as displayed on our net income statement on page 12 of our monthly financial statements, is a little misleading. Currently, stabilization activity is acting as a significant base revenue boost. \$14,206,250 of our total increase is due to a withdrawal from the rate stabilization – debt management fund to facilitate phase 2 of the STAR plan. This is not a typical withdrawal and when this withdrawal is not considered our results look different (as shown below).

BASE REVENUES*

*ADJUSTED TO EXCLUDE THE DEBT MGMT- RATE STABILIZATION ACTIVITY



FY20: \$259,641,750

When compared to FY2019 AprYTD this is a

4.6% INCREASE

OPERATING EXPENSES*

*ADJUSTED TO EXCLUDE THE DEBT MGMT- RATE STABILIZATION ACTIVITY



FY20: \$196,288,000

When compared to FY2019 AprYTD this is a

4.0% INCREASE

OPERATING INCOME*

*ADJUSTED TO EXCLUDE THE DEBT MGMT- RATE STABILIZATION ACTIVITY



FY20: \$72,895,750

When compared to FY2019 AprYTD this is a

8.9% INCREASE



**FOR THE 7 MONTHS ENDING APRIL 30, 2020
WATER & SEWER KGAL SALES INCREASED**

6.5%

WHEN COMPARED TO FY2019 AprYTD
(as displayed on page 27 of the monthly financial statements)

LET'S DIG A LITTLE DEEPER: BASE REVENUES

Base revenues, as shown on page 12 of the monthly financial statements, include more than the name suggests. This line item includes: customer sales, recognition of revenue due to stabilization fund(s) transfers, bad debt, and monies received from public service taxes and franchise fees collected.

If you are looking just for our sales collected from customer charges and usage fees, you want to review the base rate revenues line item on page 27 of our monthly financial statements. This is our budget page and under revenues you can review water & sewer revenues, capacity & extension fees, and other revenues collected from customers to get a clearer picture of our sales. Page 27 also identifies KGALs sold for both water and sewer.

Generally, for the Water System, the prominent driver of sales is rainfall and rain days. Usually, less rainfall and fewer rain days results in more water usage. Our increase in sales year over year is driven by an decrease in rain days and an increase in customer accounts. A rainfall comparison and number of customer accounts can be found on page 18 of our monthly financial statements. Despite an uptick in overall sales year over year, we did see a decrease in commercial & industrial demand likely due to COVID-19 related closures resulting in a slight decline in our improvement in sales year over year overall. We will continue to monitor sales for COVID-19 related impacts moving forward.

RAINFALL COMPARISON (IN INCHES)

	FY2020 AprYTD	FY2019 AprYTD	Variance
Normal	21.92	21.92	-
Actual	24.15	22.29	▲ 1.86
Rain Days	54	66	▼ (12)

As displayed on page 18 of the monthly financial statements

LET'S DIG A LITTLE DEEPER: OPERATING EXPENSES

Operating Expenses refer to the ongoing costs necessary to run a business. As displayed on page 12 of the monthly financial statements, JEA's water/wastewater system's operating expenses include: O&M expenses, depreciation expenses, utility and franchise tax expenses, and the net recognition of deferred costs and revenues.

When comparing our March year-to-date operating expenses for FY20 to FY19, we see that our operating expenses are pretty on top of each other with increases in depreciation expenses, state utility and franchise taxes (driven by higher sales), and maintenance and other operating expenses.

O&M Expenses are the Operating Expenses within our control. Across both systems, all other operating expenses are sales dependent. For example, a decrease in sales does result in a decrease in tax expenses. Our O&M expenditures are within our control and we can adjust our spend rate to align with our operating revenue trends. We will take a closer look at our O&M budget on the next slide.



**FOR THE 7 MONTHS ENDING APRIL 30, 2020
TOTAL OPERATING EXPENSES INCREASED**

4.0%

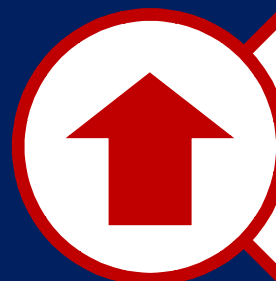
WHEN COMPARED TO FY2019 AprYTD
(as displayed on page 12 of the monthly financial statements)

TAKING A CLOSER LOOK AT THE W/WW SYSTEM O&M BUDGET

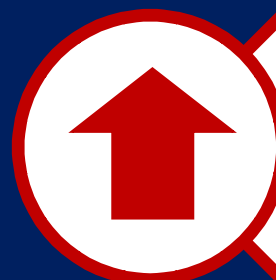
Our maintenance and operating expenses, as displayed on page 12 of the monthly financial statements, does not just include the O&M line items the business submits during budget season. Some differences between the two for the water system include: write-offs, terminal leave, amortization of prepaid sales fees for United Water and Nassau County, and interlocal payments. The numbers below represent **O&M budget actuals, forecasts, and metrics.**

CURRENT W/WW O&M DRIVERS

▲	Salaries (Net of Capitalization) up \$703,318- all related to BU year over year
▼	Overtime (Net of Capitalization) down \$127,403
▲	Employee Benefits & Other Comp up \$1,204,591 – COVID-19 Stipends and Business Expenses (Appointed)
▲	Pension up \$947,617
▼	Health Insurance down \$600,366 (Dec FY19 \$600,000 extra payment to Self-Insurance)
▼	Professional Services down \$628,405 due to decrease in Septic Tank Phase Out spend, resiliency has slowed and Septic Tank study is coming in lower than budgeted
▼	Industrial Services down \$1,340,494 due to team being conservative and spending on only necessary items. Savings seen in tank cleaning and painting
▼	Rental & Lease down \$283,909
▼	Supplemental Workforce down \$253,265 due to more capital work
▼	Interest on Customer Deposits down \$429,286
▲	Water Billing Credit up \$2,069,585



FOR THE 7 MONTHS ENDING APRIL 30, 2020
O&M EXPENSES TOTAL
\$90,165,855
WHEN COMPARED TO FY2019 AprYTD THIS IS A
1.5% INCREASE



OUR CURRENT FORECASTED O&M EXPENSES
FOR FY2020 TOTAL
\$168,594,001
WHEN COMPARED TO FY2019 THIS IS A
6.7% INCREASE



OUR TOTAL W/WW SYSTEM O&M BUDGET
FOR FY2020 TOTALS
\$185,838,461
OUR TOTAL W/WW SYSTEM O&M TARGET
SPEND FOR FY2020 IS
\$176,546,538



IF CURRENT TRENDS CONTINUE, WE ARE
EXPECTED TO HAVE A
90.7% SPEND RATE

TAKING A CLOSER LOOK AT THE WWW SYSTEM CAPITAL BUDGET

	Planned	Schematic Design	Final Design	Post Bid/ Pre Award	Construction	Complete	Program
COUNT	59	54	21	5	152	33	64
ACTUALS YTD	\$0	\$8.4MM	\$4.4MM	\$476K	\$43.1MM	\$690K	\$30.7MM
FORECASTED REMAINING SPEND	\$537K	\$26.5MM	\$8.9MM	\$2.1MM	\$67.2MM	\$0	\$37.0MM

\$90,000,000

\$80,000,000

\$70,000,000

\$60,000,000

\$50,000,000

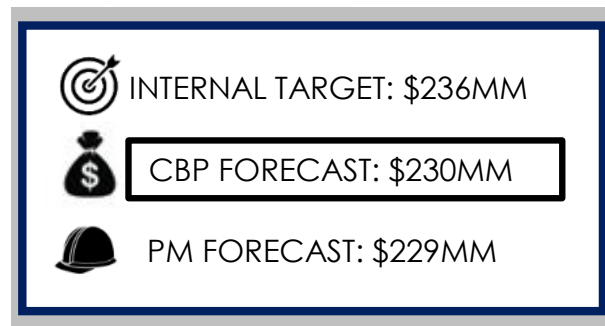
\$40,000,000

\$30,000,000

\$20,000,000

\$10,000,000

\$0



Planned

Schematic Design

Final Design

Post Bid/Pre Award

Construction

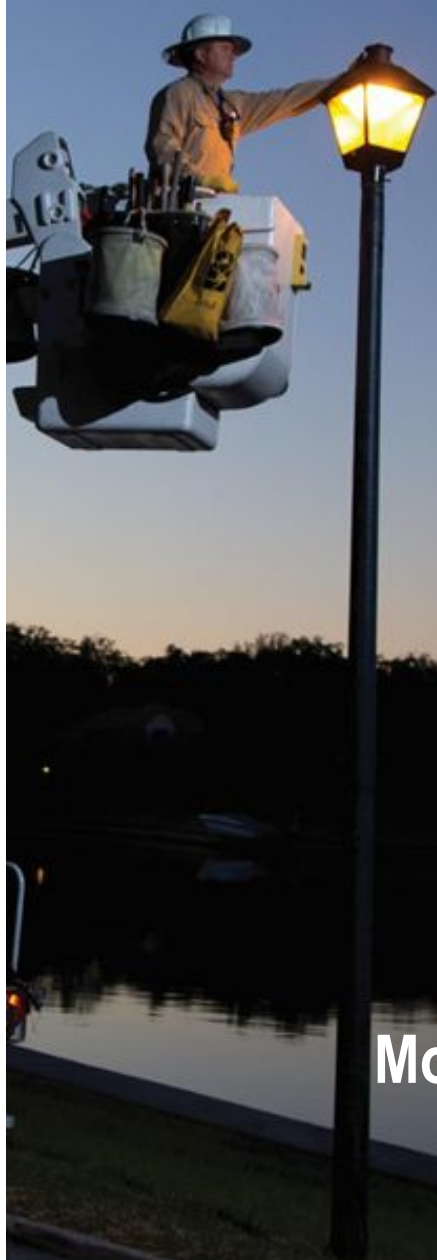
Complete

Program

■ YTD Actuals

■ CBP Forecasted Remaining Spend

THANK
YOU



Monthly Financial Statements

April 2020

Monthly Financial Statements

April 2020

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JEA
Statements of Net Position
(in thousands)

Page 2

	April 2020 (unaudited)	September 2019
Assets		
Current assets:		
Cash and cash equivalents	\$ 240,293	\$ 414,438
Investments	143,489	2,399
Customer accounts receivable, net of allowance (\$520 and \$1,341, respectively)	191,453	227,331
Inventories:		
Materials and supplies	61,562	58,962
Fuel	38,992	30,898
Other current assets	13,053	19,109
Total current assets	688,842	753,137
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	113,606	265,784
Investments	289,529	380,250
Accounts and interest receivable	1,073	1,071
Total restricted assets	404,208	647,105
Costs to be recovered from future revenues	827,232	851,046
Other assets	28,164	19,016
Total noncurrent assets	1,259,604	1,517,167
Capital assets:		
Land and easements	195,495	195,461
Plant in service	11,762,444	11,563,873
Less accumulated depreciation	(7,033,319)	(6,836,311)
Plant in service, net	4,924,620	4,923,023
Construction work in progress	540,886	542,421
Net capital assets	5,465,506	5,465,444
Total assets	7,413,952	7,735,748
Deferred outflows of resources		
Unrealized pension contributions and losses	131,554	131,554
Unamortized deferred losses on refundings	101,400	108,875
Accumulated decrease in fair value of hedging derivatives	191,896	161,485
Unrealized asset retirement obligations	49,030	50,329
Unrealized OPEB contributions and losses	9,100	9,100
Total deferred outflows of resources	482,980	461,343
Total assets and deferred outflows of resources	\$ 7,896,932	\$ 8,197,091

JEA
Statements of Net Position
(in thousands)

Page 3

	April 2020 (unaudited)	September 2019
Liabilities		
Current liabilities:		
Accounts and accrued expenses payable	\$ 67,103	\$ 53,813
Customer deposits and prepayments	70,010	73,974
Billings on behalf of state and local governments	20,702	26,292
Current portion of asset retirement obligations	17,771	18,884
Compensation and benefits payable	8,640	17,242
City of Jacksonville payable	10,473	10,269
Total current liabilities	194,699	200,474
Current liabilities payable from restricted assets:		
Debt due within one year	102,700	192,555
Interest payable	11,343	64,775
Renewal and replacement reserve	42,929	46,955
Construction contracts and accounts payable	16,239	66,775
Total current liabilities payable from restricted assets	173,211	371,060
Noncurrent liabilities:		
Net pension liability	566,372	566,372
Asset retirement obligations	31,259	31,445
Net OPEB liability	18,621	18,256
Other liabilities	54,411	59,840
Total noncurrent liabilities	670,663	675,913
Long-term debt:		
Debt payable, less current portion	3,231,885	3,428,080
Unamortized premium, net	101,894	118,125
Fair value of debt management strategy instruments	184,083	149,887
Total long-term debt	3,517,862	3,696,092
Total liabilities	4,556,435	4,943,539
Deferred inflows of resources		
Revenues to be used for future costs	180,494	238,690
Unrealized pension gains	50,880	50,880
Unrealized OPEB gains	11,249	11,249
Accumulated increase in fair value of hedging derivatives	6,202	-
Total deferred inflows of resources	248,825	300,819
Net position		
Net investment in capital assets	2,574,055	2,248,863
Restricted for:		
Capital projects	122,577	165,186
Debt service	59,092	193,063
Other purposes	43,736	42,005
Unrestricted	292,212	303,616
Total net position	3,091,672	2,952,733
Total liabilities, deferred inflows of resources, and net position	\$ 7,896,932	\$ 8,197,091

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

	Month April		Year-to-Date April	
	2020	2019	2020	2019
Operating revenues				
Electric - base	\$ 59,372	\$ 60,682	\$ 477,390	\$ 437,843
Electric - fuel and purchased power	22,232	33,163	174,116	238,171
Water and sewer	36,536	36,454	273,848	248,204
District energy system	595	619	4,393	4,396
Other	3,852	3,003	22,291	19,164
Total operating revenues	122,587	133,921	952,038	947,778
Operating expenses				
Operations and maintenance:				
Fuel	19,300	23,890	152,464	190,209
Purchased power	5,854	12,725	46,907	75,188
Maintenance and other operating expenses	34,995	35,401	237,084	231,923
Depreciation	30,456	29,931	212,707	213,071
State utility and franchise taxes	5,290	4,953	38,714	38,632
Recognition of deferred costs and revenues, net	2,890	1,751	17,456	11,597
Total operating expenses	98,785	108,651	705,332	760,620
Operating income	23,802	25,270	246,706	187,158
Nonoperating revenues (expenses)				
Interest on debt	(10,818)	(12,022)	(85,243)	(89,252)
Investment income	944	1,899	10,081	24,423
Allowance for funds used during construction	1,685	1,299	12,360	8,335
Other nonoperating income, net	584	697	4,336	4,551
Earnings from The Energy Authority	(225)	181	498	924
Other interest, net	787	(43)	735	(987)
Total nonoperating expenses, net	(7,043)	(7,989)	(57,233)	(52,006)
Income before contributions	16,759	17,281	189,473	135,152
Contributions (to) from				
General Fund, City of Jacksonville, Florida	(9,902)	(9,804)	(69,314)	(83,783)
Developers and other	8,608	11,509	55,769	51,538
Reduction of plant cost through contributions	(6,042)	(8,645)	(36,989)	(35,232)
Total contributions, net	(7,336)	(6,940)	(50,534)	(67,477)
Change in net position	9,423	10,341	138,939	67,675
Net position, beginning of period	3,082,249	2,812,643	2,952,733	2,755,309
Net position, end of period	\$ 3,091,672	\$ 2,822,984	\$ 3,091,672	\$ 2,822,984

Statement of Cash Flows
(in thousands - unaudited)

	Year-to-Date April	
	2020	2019
Operating activities		
Receipts from customers	\$ 939,714	\$ 948,284
Payments to suppliers	(377,589)	(439,568)
Payments for salaries and benefits	(149,143)	(137,860)
Other operating activities	28,938	21,930
Net cash provided by operating activities	441,920	392,786
Noncapital and related financing activities		
Contribution to General Fund, City of Jacksonville, Florida	(69,235)	(83,690)
Net cash used in noncapital and related financing activities	(69,235)	(83,690)
Capital and related financing activities		
Defeasance of debt	(93,495)	(195,045)
Proceeds received from debt	-	2,000
Acquisition and construction of capital assets	(248,763)	(246,049)
Repayment of debt principal	(192,555)	(185,790)
Interest paid on debt	(137,205)	(156,431)
Capital contributions	18,779	16,306
Other capital financing activities	(5,331)	(8,767)
Net cash used in capital and related financing activities	(658,570)	(773,776)
Investing activities		
Purchase of investments	(185,580)	(390,160)
Proceeds from sale and maturity of investments	137,261	587,166
Investment income	8,212	15,622
Distributions from The Energy Authority	(331)	1,051
Net cash provided by (used in) investing activities	(40,438)	213,679
Net change in cash and cash equivalents	(326,323)	(251,001)
Cash and cash equivalents at beginning of year	680,222	555,782
Cash and cash equivalents at end of period	\$ 353,899	\$ 304,781
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 246,706	\$ 187,158
Adjustments:		
Depreciation and amortization	213,393	213,790
Recognition of deferred costs and revenues, net	17,456	11,597
Other nonoperating income, net	334	481
Changes in noncash assets and noncash liabilities:		
Accounts receivable	40,590	52,615
Inventories	(10,695)	1,413
Other assets	(8,816)	(3,063)
Accounts and accrued expenses payable	(1,335)	(39,167)
Current liabilities payable from restricted assets	(2,982)	(3,251)
Other noncurrent liabilities and deferred inflows	(52,731)	(28,787)
Net cash provided by operating activities	\$ 441,920	\$ 392,786
Noncash activity		
Contribution of capital assets from developers	\$ 36,989	\$ 35,232
Unrealized investment fair market value changes, net	\$ 2,050	\$ 9,268

JEA
Combining Statement of Net Position
(in thousands - unaudited) April 2020

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	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	\$ 131,060	\$ 61,147	\$ -	\$ 192,207	46,858	\$ 1,228	\$ 240,293
Investments	134,906	2,978	-	137,884	5,605	-	143,489
Customer accounts receivable, net of allowance (\$520)	135,033	-	-	135,033	55,949	471	191,453
Inventories:							
Materials and supplies	2,327	-	-	2,327	59,235	-	61,562
Fuel	38,992	-	-	38,992	-	-	38,992
Other current assets	13,556	5,252	(9,184)	9,624	3,429	-	13,053
Total current assets	455,874	69,377	(9,184)	516,067	171,076	1,699	688,842
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	-	80,404	-	80,404	28,009	5,193	113,606
Investments	163,422	10,223	-	173,645	115,884	-	289,529
Accounts and interest receivable	1,052	14	-	1,066	7	-	1,073
Total restricted assets	164,474	90,641	-	255,115	143,900	5,193	404,208
Costs to be recovered from future revenues	333,993	246,373	-	580,366	246,832	34	827,232
Other assets	25,863	4,500	(4,500)	25,863	2,287	14	28,164
Total noncurrent assets	524,330	341,514	(4,500)	861,344	393,019	5,241	1,259,604
Capital assets:							
Land and easements	124,457	6,660	-	131,117	61,327	3,051	195,495
Plant in service	5,714,707	1,316,043	-	7,030,750	4,674,544	57,150	11,762,444
Less accumulated depreciation	(3,363,925)	(1,313,208)	-	(4,677,133)	(2,327,019)	(29,167)	(7,033,319)
Plant in service, net	2,475,239	9,495	-	2,484,734	2,408,852	31,034	4,924,620
Construction work in progress	195,487	-	-	195,487	343,594	1,805	540,886
Net capital assets	2,670,726	9,495	-	2,680,221	2,752,446	32,839	5,465,506
Total assets	3,650,930	420,386	(13,684)	4,057,632	3,316,541	39,779	7,413,952
Deferred outflows of resources							
Unrealized pension contributions and losses	78,089	3,539	-	81,628	49,926	-	131,554
Unamortized deferred losses on refundings	57,465	3,384	-	60,849	40,377	174	101,400
Accumulated decrease in fair value of hedging derivatives	151,811	-	-	151,811	40,085	-	191,896
Unrealized asset retirement obligations	32,093	16,937	-	49,030	-	-	49,030
Unrealized OPEB contributions and losses	5,551	-	-	5,551	3,549	-	9,100
Total deferred outflows of resources	325,009	23,860	-	348,869	133,937	174	482,980
Total assets and deferred outflows of resources	\$ 3,975,939	\$ 444,246	\$ (13,684)	\$ 4,406,501	\$ 3,450,478	\$ 39,953	\$ 7,896,932

Combining Statement of Net Position
(in thousands - unaudited) April 2020

	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	\$ 59,556	\$ 5,654	\$ (5,267)	\$ 59,943	\$ 7,152	\$ 8	\$ 67,103
Customer deposits and prepayments	52,828	-	-	52,828	17,182	-	70,010
Billings on behalf of state and local governments	16,758	(1)	-	16,757	3,945	-	20,702
Current portion of asset retirement obligations	834	16,937	-	17,771	-	-	17,771
Compensation and benefits payable	3,120	-	-	3,120	5,470	50	8,640
City of Jacksonville payable	8,388	-	-	8,388	2,085	-	10,473
Total current liabilities	141,484	22,590	(5,267)	158,807	35,834	58	194,699
Current liabilities payable from restricted assets:							
Debt due within one year	67,765	13,340	-	81,105	19,870	1,725	102,700
Interest payable	6,018	870	-	6,888	4,347	108	11,343
Renewal and replacement reserve	-	42,929	-	42,929	-	-	42,929
Construction contracts and accounts payable	3,688	4,902	(3,917)	4,673	11,095	471	16,239
Total current liabilities payable from restricted assets	77,471	62,041	(3,917)	135,595	35,312	2,304	173,211
Noncurrent liabilities:							
Net pension liability	343,046	4,001	-	347,047	219,325	-	566,372
Asset retirement obligations	31,259	-	-	31,259	-	-	31,259
Net OPEB liability	11,348	-	-	11,348	7,273	-	18,621
Other liabilities	46,196	4,500	(4,500)	46,196	8,157	58	54,411
Total noncurrent liabilities	431,849	8,501	(4,500)	435,850	234,755	58	670,663
Long-term debt:							
Debt payable, less current portion	1,681,045	251,765	-	1,932,810	1,267,665	31,410	3,231,885
Unamortized premium (discount), net	47,409	1,054	-	48,463	53,457	(26)	101,894
Fair value of debt management strategy instruments	143,998	-	-	143,998	40,085	-	184,083
Total long-term debt	1,872,452	252,819	-	2,125,271	1,361,207	31,384	3,517,862
Total liabilities	2,523,256	345,951	(13,684)	2,855,523	1,667,108	33,804	4,556,435
Deferred inflows of resources							
Revenues to be used for future costs	160,590	-	-	160,590	19,904	-	180,494
Unrealized pension gains	27,276	6,166	-	33,442	17,438	-	50,880
Unrealized OPEB gains	6,862	-	-	6,862	4,387	-	11,249
Accumulated increase in fair value of hedging derivatives	6,202	-	-	6,202	-	-	6,202
Total deferred inflows of resources	200,930	6,166	-	207,096	41,729	-	248,825
Net position							
Net investment in (divestment of) capital assets	959,615	(8,018)	-	951,597	1,623,026	(568)	2,574,055
Restricted for:							
Capital projects	55,213	-	-	55,213	63,285	4,079	122,577
Debt service	38,478	8,145	-	46,623	11,463	1,006	59,092
Other purposes	5,965	28,278	3,917	38,160	5,576	-	43,736
Unrestricted	192,482	63,724	(3,917)	252,289	38,291	1,632	292,212
Total net position	1,251,753	92,129	-	1,343,882	1,741,641	6,149	3,091,672
Total liabilities, deferred inflows of resources, and net position	\$ 3,975,939	\$ 444,246	\$ (13,684)	\$ 4,406,501	\$ 3,450,478	\$ 39,953	\$ 7,896,932

Combining Statement of Net Position
(in thousands) September 2019

	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	\$ 282,069	\$ 66,734	\$ -	\$ 348,803	\$ 64,146	\$ 1,489	\$ 414,438
Investments	-	2,399	-	2,399	-	-	2,399
Customer accounts receivable, net of allowance (\$1,341)	172,163	-	-	172,163	54,930	238	227,331
Inventories:							
Materials and supplies	2,219	106	-	2,325	56,637	-	58,962
Fuel	30,898	-	-	30,898	-	-	30,898
Other current assets	18,049	5,290	(8,638)	14,701	4,408	-	19,109
Total current assets	505,398	74,529	(8,638)	571,289	180,121	1,727	753,137
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	74,586	94,858	-	169,444	89,586	6,754	265,784
Investments	230,849	10,891	-	241,740	138,510	-	380,250
Accounts and interest receivable	1,053	11	-	1,064	7	-	1,071
Total restricted assets	306,488	105,760	-	412,248	228,103	6,754	647,105
Costs to be recovered from future revenues	343,247	253,706	-	596,953	254,059	34	851,046
Other assets	16,285	4,500	(4,500)	16,285	2,731	-	19,016
Total noncurrent assets	666,020	363,966	(4,500)	1,025,486	484,893	6,788	1,517,167
Capital assets:							
Land and easements	124,457	6,660	-	131,117	61,293	3,051	195,461
Plant in service	5,598,589	1,316,043	-	6,914,632	4,592,091	57,150	11,563,873
Less accumulated depreciation	(3,252,637)	(1,312,969)	-	(4,565,606)	(2,242,977)	(27,728)	(6,836,311)
Plant in service, net	2,470,409	9,734	-	2,480,143	2,410,407	32,473	4,923,023
Construction work in progress	203,901	-	-	203,901	337,716	804	542,421
Net capital assets	2,674,310	9,734	-	2,684,044	2,748,123	33,277	5,465,444
Total assets	3,845,728	448,229	(13,138)	4,280,819	3,413,137	41,792	7,735,748
Deferred outflows of resources							
Unrealized pension contributions and losses	78,089	3,539	-	81,628	49,926	-	131,554
Unamortized deferred losses on refundings	61,773	3,502	-	65,275	43,418	182	108,875
Accumulated decrease in fair value of hedging derivatives	130,219	-	-	130,219	31,266	-	161,485
Unrealized asset retirement obligations	32,282	18,047	-	50,329	-	-	50,329
Unrealized OPEB contributions and losses	5,551	-	-	5,551	3,549	-	9,100
Total deferred outflows of resources	307,914	25,088	-	333,002	128,159	182	461,343
Total assets and deferred outflows of resources	\$ 4,153,642	\$ 473,317	\$ (13,138)	\$ 4,613,821	\$ 3,541,296	\$ 41,974	\$ 8,197,091

JEA
Combining Statement of Net Position
(in thousands) September 2019

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	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	\$ 42,875	\$ 4,255	\$ (3,600)	\$ 43,530	\$ 10,156	\$ 127	\$ 53,813
Customer deposits and prepayments	56,714	-	-	56,714	17,260	-	73,974
Billings on behalf of state and local governments	22,406	(1)	-	22,405	3,887	-	26,292
Current portion of asset retirement obligations	837	18,047	-	18,884	-	-	18,884
Compensation and benefits payable	12,236	-	-	12,236	4,944	62	17,242
City of Jacksonville payable	8,186	-	-	8,186	2,083	-	10,269
Total current liabilities	143,254	22,301	(3,600)	161,955	38,330	189	200,474
Current liabilities payable from restricted assets:							
Debt due within one year	122,380	13,780	-	136,160	54,705	1,690	192,555
Interest payable	32,109	5,564	-	37,673	26,436	666	64,775
Renewal and replacement reserve	-	46,955	-	46,955	-	-	46,955
Construction contracts and accounts payable	24,589	3,859	(3,315)	25,133	41,481	161	66,775
Total current liabilities payable from restricted assets	179,078	70,158	(3,315)	245,921	122,622	2,517	371,060
Noncurrent liabilities:							
Net pension liability	343,046	4,001	-	347,047	219,325	-	566,372
Asset retirement obligations	31,445	-	-	31,445	-	-	31,445
Net OPEB liability	11,136	-	-	11,136	7,120	-	18,256
Other liabilities	51,373	6,223	(6,223)	51,373	8,438	29	59,840
Total noncurrent liabilities	437,000	10,224	(6,223)	441,001	234,883	29	675,913
Long-term debt:							
Debt payable, less current portion	1,796,880	265,105	-	2,061,985	1,332,960	33,135	3,428,080
Unamortized premium (discount), net	56,775	1,433	-	58,208	59,946	(29)	118,125
Fair value of debt management strategy instruments	118,621	-	-	118,621	31,266	-	149,887
Total long-term debt	1,972,276	266,538	-	2,238,814	1,424,172	33,106	3,696,092
Total liabilities	2,731,608	369,221	(13,138)	3,087,691	1,820,007	35,841	4,943,539
Deferred inflows of resources							
Revenues to be used for future costs	208,794	-	-	208,794	29,896	-	238,690
Unrealized pension gains	27,276	6,166	-	33,442	17,438	-	50,880
Unrealized OPEB gains	6,862	-	-	6,862	4,387	-	11,249
Total deferred inflows of resources	242,932	6,166	-	249,098	51,721	-	300,819
Net position							
Net investment in (divestment of) capital assets	773,119	(12,879)	-	760,240	1,490,121	(1,498)	2,248,863
Restricted for:							
Capital projects	83,017	-	-	83,017	77,771	4,398	165,186
Debt service	121,541	14,071	-	135,612	55,761	1,690	193,063
Other purposes	4,388	28,186	3,315	35,889	6,116	-	42,005
Unrestricted	197,037	68,552	(3,315)	262,274	39,799	1,543	303,616
Total net position	1,179,102	97,930	-	1,277,032	1,669,568	6,133	2,952,733
Total liabilities, deferred inflows of resources, and net position	\$ 4,153,642	\$ 473,317	\$ (13,138)	\$ 4,613,821	\$ 3,541,296	\$ 41,974	\$ 8,197,091

Combining Statement of Revenues, Expenses, and Changes in Net Position
(in thousands - unaudited) for the month ended April 2020

	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 - base	\$ 59,649	\$ -	\$ -	\$ 59,649	\$ -	\$ -	\$ (277)	\$ 59,372
Electric - fuel and purchased power	23,275	2,016	(2,017)	23,274	-	-	(1,042)	22,232
Water and sewer	-	-	-	-	36,553	-	(17)	36,536
District energy system	-	-	-	-	-	623	(28)	595
Other	1,325	-	-	1,325	2,716	-	(189)	3,852
Total operating revenues	84,249	2,016	(2,017)	84,248	39,269	623	(1,553)	122,587
Operating expenses								
Operations and maintenance:								
Fuel	19,300	-	-	19,300	-	-	-	19,300
Purchased power	7,871	-	(2,017)	5,854	-	-	-	5,854
Maintenance and other operating expenses	21,750	584	-	22,334	13,879	335	(1,553)	34,995
Depreciation	16,845	34	-	16,879	13,372	205	-	30,456
State utility and franchise taxes	4,368	-	-	4,368	922	-	-	5,290
Recognition of deferred costs and revenues, net	750	1,103	-	1,853	1,037	-	-	2,890
Total operating expenses	70,884	1,721	(2,017)	70,588	29,210	540	(1,553)	98,785
Operating income	13,365	295	-	13,660	10,059	83	-	23,802
Nonoperating revenues (expenses)								
Interest on debt	(5,907)	(844)	-	(6,751)	(3,958)	(109)	-	(10,818)
Investment income	443	227	-	670	274	-	-	944
Allowance for funds used during construction	585	-	-	585	1,095	5	-	1,685
Other nonoperating income, net	354	26	-	380	204	-	-	584
Earnings from The Energy Authority	(225)	-	-	(225)	-	-	-	(225)
Other interest, net	564	-	-	564	223	-	-	787
Total nonoperating expenses, net	(4,186)	(591)	-	(4,777)	(2,162)	(104)	-	(7,043)
Income before contributions	9,179	(296)	-	8,883	7,897	(21)	-	16,759
Contributions (to) from								
General Fund, City of Jacksonville, Florida	(7,823)	-	-	(7,823)	(2,079)	-	-	(9,902)
Developers and other	115	-	-	115	8,493	-	-	8,608
Reduction of plant cost through contributions	(115)	-	-	(115)	(5,927)	-	-	(6,042)
Total contributions, net	(7,823)	-	-	(7,823)	487	-	-	(7,336)
Change in net position	1,356	(296)	-	1,060	8,384	(21)	-	9,423
Net position, beginning of period	1,250,397	92,425	-	1,342,822	1,733,257	6,170	-	3,082,249
Net position, end of period	\$ 1,251,753	\$ 92,129	\$ -	\$ 1,343,882	\$ 1,741,641	\$ 6,149	\$ -	\$ 3,091,672

Combining Statement of Revenues, Expenses, and Changes in Net Position
(in thousands - unaudited) for the month ended April 2019

	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 - base	\$ 60,916	\$ -	\$ -	\$ 60,916	\$ -	\$ -	\$ (234)	\$ 60,682
Electric - fuel and purchased power	34,016	2,158	(2,131)	34,043	-	-	(880)	33,163
Water and sewer	-	-	-	-	36,472	-	(18)	36,454
District energy system	-	-	-	-	-	619	-	619
Other	1,973	161	-	2,134	1,146	-	(277)	3,003
Total operating revenues	96,905	2,319	(2,131)	97,093	37,618	619	(1,409)	133,921
Operating expenses								
Operations and maintenance:								
Fuel	23,760	130	-	23,890	-	-	-	23,890
Purchased power	14,856	-	(2,131)	12,725	-	-	-	12,725
Maintenance and other operating expenses	23,365	(136)	-	23,229	13,288	293	(1,409)	35,401
Depreciation	16,609	34	-	16,643	13,081	207	-	29,931
State utility and franchise taxes	4,075	-	-	4,075	878	-	-	4,953
Recognition of deferred costs and revenues, net	(133)	1,172	-	1,039	712	-	-	1,751
Total operating expenses	82,532	1,200	(2,131)	81,601	27,959	500	(1,409)	108,651
Operating income	14,373	1,119	-	15,492	9,659	119	-	25,270
Nonoperating revenues (expenses)								
Interest on debt	(6,658)	(869)	-	(7,527)	(4,383)	(112)	-	(12,022)
Investment income	1,103	288	-	1,391	495	13	-	1,899
Allowance for funds used during construction	479	-	-	479	818	2	-	1,299
Other nonoperating income, net	362	28	-	390	307	-	-	697
Earnings from The Energy Authority	181	-	-	181	-	-	-	181
Other interest, net	(42)	-	-	(42)	(1)	-	-	(43)
Total nonoperating expenses, net	(4,575)	(553)	-	(5,128)	(2,764)	(97)	-	(7,989)
Income before contributions	9,798	566	-	10,364	6,895	22	-	17,281
Contributions (to) from								
General Fund, City of Jacksonville, Florida	(7,746)	-	-	(7,746)	(2,058)	-	-	(9,804)
Developers and other	902	-	-	902	10,607	-	-	11,509
Reduction of plant cost through contributions	(902)	-	-	(902)	(7,743)	-	-	(8,645)
Total contributions, net	(7,746)	-	-	(7,746)	806	-	-	(6,940)
Change in net position	2,052	566	-	2,618	7,701	22	-	10,341
Net position, beginning of period, as restated	1,095,613	96,794	-	1,192,407	1,614,616	5,620	-	2,812,643
Net position, end of period	\$ 1,097,665	\$ 97,360	\$ -	\$ 1,195,025	\$ 1,622,317	\$ 5,642	\$ -	\$ 2,822,984

Combining Statement of Revenues, Expenses, and Changes in Net Position
(in thousands - unaudited) for the seven months ended April 2020

	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 - base	\$ 479,325	\$ -	\$ -	\$ 479,325	\$ -	\$ -	\$ (1,935)	\$ 477,390
Electric - fuel and purchased power	181,398	14,379	(14,380)	181,397	-	-	(7,281)	174,116
Water and sewer	-	-	-	-	273,979	-	(131)	273,848
District energy system	-	-	-	-	-	4,581	(188)	4,393
Other	14,450	164	-	14,614	9,411	-	(1,734)	22,291
Total operating revenues	675,173	14,543	(14,380)	675,336	283,390	4,581	(11,269)	952,038
Operating expenses								
Operations and maintenance:								
Fuel	152,464	-	-	152,464	-	-	-	152,464
Purchased power	61,287	-	(14,380)	46,907	-	-	-	46,907
Maintenance and other operating expenses	144,548	8,624	-	153,172	92,744	2,437	(11,269)	237,084
Depreciation	117,772	239	-	118,011	93,257	1,439	-	212,707
State utility and franchise taxes	32,449	-	-	32,449	6,265	-	-	38,714
Recognition of deferred costs and revenues, net	6,182	7,252	-	13,434	4,022	-	-	17,456
Total operating expenses	514,702	16,115	(14,380)	516,437	196,288	3,876	(11,269)	705,332
Operating income	160,471	(1,572)	-	158,899	87,102	705	-	246,706
Nonoperating revenues (expenses)								
Interest on debt	(47,132)	(5,911)	-	(53,043)	(31,434)	(766)	-	(85,243)
Investment income	5,993	1,497	-	7,490	2,540	51	-	10,081
Allowance for funds used during construction	4,745	-	-	4,745	7,589	26	-	12,360
Other nonoperating income, net	2,457	185	-	2,642	1,694	-	-	4,336
Earnings from The Energy Authority	498	-	-	498	-	-	-	498
Other interest, net	377	-	-	377	358	-	-	735
Total nonoperating expenses, net	(33,062)	(4,229)	-	(37,291)	(19,253)	(689)	-	(57,233)
Income before contributions	127,409	(5,801)	-	121,608	67,849	16	-	189,473
Contributions (to) from								
General Fund, City of Jacksonville, Florida	(54,758)	-	-	(54,758)	(14,556)	-	-	(69,314)
Developers and other	929	-	-	929	54,840	-	-	55,769
Reduction of plant cost through contributions	(929)	-	-	(929)	(36,060)	-	-	(36,989)
Total contributions, net	(54,758)	-	-	(54,758)	4,224	-	-	(50,534)
Change in net position	72,651	(5,801)	-	66,850	72,073	16	-	138,939
Net position, beginning of year	1,179,102	97,930	-	1,277,032	1,669,568	6,133	-	2,952,733
Net position, end of period	\$ 1,251,753	\$ 92,129	\$ -	\$ 1,343,882	\$ 1,741,641	\$ 6,149	\$ -	\$ 3,091,672

Combining Statement of Revenues, Expenses, and Changes in Net Position
(in thousands - unaudited) for the seven months ended April 2019

	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 - base	\$ 439,718	\$ -	\$ -	\$ 439,718	\$ -	\$ -	\$ (1,875)	\$ 437,843
Electric - fuel and purchased power	243,758	17,925	(16,459)	245,224	-	-	(7,053)	238,171
Water and sewer	-	-	-	-	248,507	-	(303)	248,204
District energy system	-	-	-	-	-	4,571	(175)	4,396
Other	13,226	618	-	13,844	7,264	3	(1,947)	19,164
Total operating revenues	696,702	18,543	(16,459)	698,786	255,771	4,574	(11,353)	947,778
Operating expenses								
Operations and maintenance:								
Fuel	185,629	4,580	-	190,209	-	-	-	190,209
Purchased power	91,647	-	(16,459)	75,188	-	-	-	75,188
Maintenance and other operating expenses	147,773	2,083	-	149,856	91,065	2,355	(11,353)	231,923
Depreciation	124,113	239	-	124,352	87,289	1,430	-	213,071
State utility and franchise taxes	32,593	-	-	32,593	6,039	-	-	38,632
Recognition of deferred costs and revenues, net	(1,034)	8,202	-	7,168	4,429	-	-	11,597
Total operating expenses	580,721	15,104	(16,459)	579,366	188,822	3,785	(11,353)	760,620
Operating income	115,981	3,439	-	119,420	66,949	789	-	187,158
Nonoperating revenues (expenses)								
Interest on debt	(49,911)	(6,088)	-	(55,999)	(32,467)	(786)	-	(89,252)
Investment income	13,621	2,176	-	15,797	8,540	86	-	24,423
Allowance for funds used during construction	2,873	-	-	2,873	5,442	20	-	8,335
Other nonoperating income, net	2,498	200	-	2,698	1,853	-	-	4,551
Earnings from The Energy Authority	924	-	-	924	-	-	-	924
Other interest, net	(916)	-	-	(916)	(71)	-	-	(987)
Total nonoperating expenses, net	(30,911)	(3,712)	-	(34,623)	(16,703)	(680)	-	(52,006)
Income before contributions	85,070	(273)	-	84,797	50,246	109	-	135,152
Contributions (to) from								
General Fund, City of Jacksonville, Florida	(54,222)	-	-	(54,222)	(29,561)	-	-	(83,783)
Developers and other	3,026	-	-	3,026	48,512	-	-	51,538
Reduction of plant cost through contributions	(3,026)	-	-	(3,026)	(32,206)	-	-	(35,232)
Total contributions, net	(54,222)	-	-	(54,222)	(13,255)	-	-	(67,477)
Change in net position	30,848	(273)	-	30,575	36,991	109	-	67,675
Net position, beginning of year, as restated	1,066,817	97,633	-	1,164,450	1,585,326	5,533	-	2,755,309
Net position, end of period	\$ 1,097,665	\$ 97,360	\$ -	\$ 1,195,025	\$ 1,622,317	\$ 5,642	\$ -	\$ 2,822,984

Combining Statement of Cash Flows

(in thousands - unaudited) for the seven months ended April 2020

	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	\$ 677,915	\$ 18,919	\$ (15,009)	\$ 681,825	\$ 263,076	\$ 4,348	\$ (9,535)	\$ 939,714
Payments to suppliers	(327,566)	(11,253)	15,009	(323,810)	(62,886)	(2,162)	11,269	(377,589)
Payments for salaries and benefits	(103,156)	(5,046)	-	(108,202)	(40,549)	(392)	-	(149,143)
Other operating activities	19,649	164	-	19,813	10,859	-	(1,734)	28,938
Net cash provided by operating activities	266,842	2,784	-	269,626	170,500	1,794	-	441,920
Noncapital and related financing activities								
Contribution to General Fund, City of Jacksonville, Florida	(54,681)	-	-	(54,681)	(14,554)	-	-	(69,235)
Net cash used in noncapital and related financing activities	(54,681)	-	-	(54,681)	(14,554)	-	-	(69,235)
Capital and related financing activities								
Defeasance of debt	(48,070)	-	-	(48,070)	(45,425)	-	-	(93,495)
Acquisition and construction of capital assets	(130,499)	-	-	(130,499)	(117,600)	(664)	-	(248,763)
Repayment of debt principal	(122,380)	(13,780)	-	(136,160)	(54,705)	(1,690)	-	(192,555)
Interest paid on debt	(71,054)	(10,786)	-	(81,840)	(54,052)	(1,313)	-	(137,205)
Capital contributions	-	-	-	-	18,779	-	-	18,779
Other capital financing activities	(4,227)	159	-	(4,068)	(1,263)	-	-	(5,331)
Net cash used in capital and related financing activities	(376,230)	(24,407)	-	(400,637)	(254,266)	(3,667)	-	(658,570)
Investing activities								
Purchase of investments	(156,482)	(11,846)	-	(168,328)	(17,252)	-	-	(185,580)
Proceeds from sale and maturity of investments	90,579	11,922	-	102,501	34,760	-	-	137,261
Investment income	4,708	1,506	-	6,214	1,947	51	-	8,212
Distributions from The Energy Authority	(331)	-	-	(331)	-	-	-	(331)
Net cash provided by (used in) investing activities	(61,526)	1,582	-	(59,944)	19,455	51	-	(40,438)
Net change in cash and cash equivalents	(225,595)	(20,041)	-	(245,636)	(78,865)	(1,822)	-	(326,323)
Cash and cash equivalents at beginning of year	356,655	161,592	-	518,247	153,732	8,243	-	680,222
Cash and cash equivalents at end of period	\$ 131,060	\$ 141,551	\$ -	\$ 272,611	\$ 74,867	\$ 6,421	\$ -	\$ 353,899
Reconciliation of operating income to net cash provided by operating activities								
Operating income	\$ 160,471	\$ (1,572)	\$ -	\$ 158,899	\$ 87,102	\$ 705	\$ -	\$ 246,706
Adjustments:								
Depreciation and amortization	117,772	239	-	118,011	93,943	1,439	-	213,393
Recognition of deferred costs and revenues, net	6,182	7,252	-	13,434	4,022	-	-	17,456
Other nonoperating income, net	72	-	-	72	262	-	-	334
Changes in noncash assets and noncash liabilities:								
Accounts receivable	40,596	65	-	40,661	162	(233)	-	40,590
Inventories	(8,203)	106	-	(8,097)	(2,598)	-	-	(10,695)
Other assets	(8,667)	-	-	(8,667)	(134)	(15)	-	(8,816)
Accounts and accrued expenses payable	(464)	1,399	-	935	(2,139)	(131)	-	(1,335)
Current liabilities payable from restricted assets	-	(2,982)	-	(2,982)	-	-	-	(2,982)
Other noncurrent liabilities and deferred inflows	(40,917)	(1,723)	-	(42,640)	(10,120)	29	-	(52,731)
Net cash provided by operating activities	\$ 266,842	\$ 2,784	\$ -	\$ 269,626	\$ 170,500	\$ 1,794	\$ -	\$ 441,920
Noncash activity								
Contribution of capital assets from developers	\$ 929	\$ -	\$ -	\$ 929	\$ 36,060	\$ -	\$ -	\$ 36,989
Unrealized investment fair market value changes, net	\$ 1,576	\$ (13)	\$ -	\$ 1,563	\$ 487	\$ -	\$ -	\$ 2,050

Combining Statement of Cash Flows

(in thousands - unaudited) for the seven months ended April 2019

	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	\$ 698,879	\$ 18,460	\$ (17,763)	\$ 699,576	\$ 253,074	\$ 5,040	\$ (9,406)	\$ 948,284
Payments to suppliers	(398,126)	(8,753)	17,763	(389,116)	(59,720)	(2,085)	11,353	(439,568)
Payments for salaries and benefits	(99,279)	41	-	(99,238)	(38,285)	(337)	-	(137,860)
Other operating activities	17,529	618	-	18,147	5,727	3	(1,947)	21,930
Net cash provided by operating activities	219,003	10,366	-	229,369	160,796	2,621	-	392,786
Noncapital and related financing activities								
Contribution to General Fund, City of Jacksonville, Florida	(54,099)	-	-	(54,099)	(29,591)	-	-	(83,690)
Net cash used in noncapital and related financing activities	(54,099)	-	-	(54,099)	(29,591)	-	-	(83,690)
Capital and related financing activities								
Defeasance of debt	(100,090)	-	-	(100,090)	(94,955)	-	-	(195,045)
Proceeds received from debt	-	-	-	-	2,000	-	-	2,000
Acquisition and construction of capital assets	(143,162)	-	-	(143,162)	(102,413)	(474)	-	(246,049)
Repayment of debt principal	(130,690)	(1,720)	-	(132,410)	(51,720)	(1,660)	-	(185,790)
Interest paid on debt	(82,459)	(11,165)	-	(93,624)	(61,462)	(1,345)	-	(156,431)
Capital contributions	-	-	-	-	16,306	-	-	16,306
Other capital financing activities	(5,954)	172	-	(5,782)	(2,985)	-	-	(8,767)
Net cash used in capital and related financing activities	(462,355)	(12,713)	-	(475,068)	(295,229)	(3,479)	-	(773,776)
Investing activities								
Purchase of investments	(234,322)	(85,713)	-	(320,035)	(70,125)	-	-	(390,160)
Proceeds from sale and maturity of investments	324,446	93,336	-	417,782	169,384	-	-	587,166
Investment income	8,654	2,130	-	10,784	4,752	86	-	15,622
Distributions from The Energy Authority	1,051	-	-	1,051	-	-	-	1,051
Net cash provided by investing activities	99,829	9,753	-	109,582	104,011	86	-	213,679
Net change in cash and cash equivalents	(197,622)	7,406	-	(190,216)	(60,013)	(772)	-	(251,001)
Cash and cash equivalents at beginning of year	285,814	139,953	-	425,767	123,061	6,954	-	555,782
Cash and cash equivalents at end of period	\$ 88,192	\$ 147,359	\$ -	\$ 235,551	\$ 63,048	\$ 6,182	\$ -	\$ 304,781
Reconciliation of operating income to net cash provided by operating activities								
Operating income	\$ 115,981	\$ 3,439	\$ -	\$ 119,420	\$ 66,949	\$ 789	\$ -	\$ 187,158
Adjustments:								
Depreciation and amortization	124,113	239	-	124,352	88,008	1,430	-	213,790
Recognition of deferred costs and revenues, net	(1,034)	8,202	-	7,168	4,429	-	-	11,597
Other nonoperating income (loss), net	74	-	-	74	407	-	-	481
Changes in noncash assets and noncash liabilities:								
Accounts receivable	58,253	(6,231)	-	52,022	124	469	-	52,615
Inventories	(1,585)	1,331	-	(254)	1,667	-	-	1,413
Other assets	(2,817)	-	-	(2,817)	(239)	(7)	-	(3,063)
Accounts and accrued expenses payable	(37,493)	868	-	(36,625)	(2,497)	(45)	-	(39,167)
Current liabilities payable from restricted assets	-	(3,251)	-	(3,251)	-	-	-	(3,251)
Other noncurrent liabilities and deferred inflows	(36,489)	5,769	-	(30,720)	1,948	(15)	-	(28,787)
Net cash provided by operating activities	\$ 219,003	\$ 10,366	\$ -	\$ 229,369	\$ 160,796	\$ 2,621	\$ -	\$ 392,786
Noncash activity								
Contribution of capital assets from developers	\$ 3,026	\$ -	\$ -	\$ 3,026	\$ 32,206	\$ -	\$ -	\$ 35,232
Unrealized investment fair market value changes, net	\$ 5,388	\$ 43	\$ -	\$ 5,431	\$ 3,837	\$ -	\$ -	\$ 9,268

Debt Service Coverage

April 2020

(unaudited)

	Month April		Year-to-Date April	
	2020	2019	2020	2019
Electric System				
Senior debt service coverage, (annual minimum 1.20x)	7.16 x	4.79 x	9.26 x	5.27 x
Senior and subordinated debt service coverage, (annual minimum 1.15x)	3.23 x	2.08 x	4.23 x	2.27 x
Bulk Power Supply System				
Debt service coverage, (annual minimum 1.15x)	2.41 x	3.66 x	2.21 x	2.46 x
St. Johns River Power Park, Second Resolution				
Debt service coverage, (semi-annual minimum 1.15x)	1.15 x	1.26 x	1.17 x	1.18 x
Water and Sewer System				
Senior debt service coverage, (annual minimum 1.25x)	5.47 x	3.55 x	5.82 x	3.30 x
Senior and subordinated debt service coverage excluding capacity fees ⁽¹⁾	4.43 x	2.66 x	4.67 x	2.53 x
Senior and subordinated debt service coverage including capacity fees ⁽¹⁾	4.89 x	2.97 x	5.14 x	2.78 x
District Energy System				
Debt service coverage, (annual minimum 1.15x)	1.14 x	12.21 x	1.25 x	2.86 x

⁽¹⁾ Annual minimum 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).

	Month April			Year-to-Date April		
	2020	2019	Variance	2020	2019	Variance
Electric revenues sales (000s omitted):						
Residential	\$ 43,891	\$ 42,872	2.38%	\$ 318,651	\$ 316,999	0.52%
Commercial	26,167	30,106	-13.08%	207,190	209,432	-1.07%
Industrial	14,202	15,530	-8.55%	108,207	108,978	-0.71%
Public street lighting	1,127	1,103	2.18%	7,843	7,634	2.74%
Electric revenues - territorial	85,387	89,611	-4.71%	641,891	643,043	-0.18%
Sales for resale - off system	469	294	59.52%	936	2,665	-64.88%
Electric revenues	85,856	89,905	-4.50%	642,827	645,708	-0.45%
Rate stabilization & recovery	(2,815)	5,141	-154.76%	18,363	38,536	-52.35%
Allowance for doubtful accounts	(117)	(114)	2.63%	(467)	(768)	-39.19%
Net electric revenues	82,924	94,932	-12.65%	660,723	683,476	-3.33%
MWh sales						
Residential	382,097	371,000	2.99%	2,765,843	2,752,049	0.50%
Commercial	267,521	307,237	-12.93%	2,106,898	2,130,633	-1.11%
Industrial	200,483	218,766	-8.36%	1,492,838	1,503,616	-0.72%
Public street lighting	4,606	4,883	-5.67%	32,428	33,831	-4.15%
Total MWh sales - territorial	854,707	901,886	-5.23%	6,398,007	6,420,129	-0.34%
Sales for resale - off system	954	4,089	-76.67%	15,620	64,735	-75.87%
Total MWh sales	855,661	905,975	-5.55%	6,413,627	6,484,864	-1.10%
Number of accounts (1)						
Residential	427,934	419,370	2.04%	425,272	416,909	2.01%
Commercial	53,586	53,058	1.00%	53,422	52,852	1.08%
Industrial	194	195	-0.51%	195	195	0.00%
Public street lighting	3,917	3,856	1.58%	3,924	3,832	2.40%
Total average accounts	485,631	476,479	1.92%	482,813	473,788	1.90%
Residential averages						
Revenue per account - \$	102.56	102.23	0.33%	749.29	760.36	-1.46%
kWh per account	893	885	0.93%	6,504	6,601	-1.48%
Revenue per kWh - ¢	11.49	11.56	-0.60%	11.52	11.52	0.02%
Degree days						
Heating degree days	12	39	(27)	820	972	(152)
Cooling degree days	178	172	6	936	756	180
Total degree days	190	211	(21)	1,756	1,728	28
Degree days - 30 year average	168			1,819		

(1) The year-to-date column represents a fiscal year-to-date average.

	Month			Year-to-Date		
	April			April		
	2020	2019	Variance	2020	2019	Variance
Water						
<i>Revenues (000s omitted):</i>						
Residential	\$ 8,481	\$ 7,940	6.81%	\$ 56,880	\$ 53,705	5.91%
Commercial and industrial	3,339	3,748	-10.91%	27,192	27,236	-0.16%
Irrigation	3,264	2,968	9.97%	19,258	17,295	11.35%
Total water revenues	15,084	14,656	2.92%	103,330	98,236	5.19%
Rate stabilization	(82)	(39)	110.26%	3,907	(975)	-500.72%
Allowance for doubtful accounts	(20)	(17)	17.65%	(129)	(111)	16.22%
Net water revenues	\$ 14,982	\$ 14,600	2.62%	\$ 107,108	\$ 97,150	10.25%
<i>Kgal sales (000s omitted)</i>						
Residential	1,649,234	1,492,052	10.53%	10,398,115	9,593,853	8.38%
Commercial and industrial	833,102	1,038,886	-19.81%	7,698,598	7,798,839	-1.29%
Irrigation	585,515	514,680	13.76%	3,162,776	2,694,427	17.38%
Total kgal sales	3,067,851	3,045,618	0.73%	21,259,489	20,087,119	5.84%
<i>Number of accounts (1):</i>						
Residential	300,036	292,769	2.48%	298,083	290,954	2.45%
Commercial and industrial	26,183	26,004	0.69%	26,139	25,903	0.91%
Irrigation	37,508	37,177	0.89%	37,396	37,112	0.77%
Total average accounts	363,727	355,950	2.18%	361,618	353,969	2.16%
<i>Residential averages:</i>						
Revenue per account - \$	28.27	27.12	4.24%	190.82	184.58	3.38%
Kgals per account	5.50	5.10	7.84%	34.88	32.97	5.79%
Revenue per kgals - \$	5.14	5.32	-3.38%	5.47	5.60	-2.32%
Sewer						
<i>Revenues (000s omitted):</i>						
Residential	\$ 12,756	\$ 12,085	5.55%	\$ 86,038	\$ 81,467	5.61%
Commercial and industrial	7,140	8,466	-15.66%	63,634	63,107	0.84%
Total sewer revenues	19,896	20,551	-3.19%	149,672	144,574	3.53%
Rate stabilization	(205)	(51)	301.96%	6,086	(1,520)	-500.39%
Allowance for doubtful accounts	(31)	(26)	19.23%	(194)	(166)	16.87%
Net sewer revenues	19,660	20,474	-3.98%	155,564	142,888	8.87%
<i>Kgal sales (000s omitted)</i>						
Residential	1,409,054	1,281,235	9.98%	9,041,629	8,382,744	7.86%
Commercial and industrial	683,500	897,207	-23.82%	6,785,389	6,788,163	-0.04%
Total kgal sales	2,092,554	2,178,442	-3.94%	15,827,018	15,170,907	4.32%
<i>Number of accounts (1):</i>						
Residential	266,617	259,596	2.70%	264,729	257,853	2.67%
Commercial and industrial	18,636	18,534	0.55%	18,612	18,467	0.79%
Total average accounts	285,253	278,130	2.56%	283,341	276,320	2.54%
<i>Residential averages:</i>						
Revenue per account - \$	47.84	46.55	2.77%	325.00	315.94	2.87%
kgals per account	5.28	4.94	6.88%	34.15	32.51	5.04%
Revenue per kgals - \$	9.05	9.43	-4.03%	9.52	9.72	-2.06%
Reuse						
<i>Revenues (000s omitted):</i>						
Reuse revenues	\$ 1,911	\$ 1,398	36.70%	\$ 11,307	\$ 8,469	33.51%
<i>Kgal sales (000s omitted)</i>						
Reuse sales (kgals)	394,987	300,173	31.59%	2,332,949	1,751,982	33.16%
<i>Number of accounts (1):</i>						
Reuse accounts	17,202	14,408	19.39%	16,466	13,679	20.37%
Rainfall						
	Diff in inches			Diff in inches		
Normal	2.64	2.64		21.92	21.92	
Actual	6.14	2.58	3.56	24.15	22.29	1.86
Rain Days	11	9	2	54	66	(12)

(1) The year-to-date column represents a fiscal year-to-date average.

Appendix

Schedule of Cash and Investments
(in thousands - unaudited) April 2020

	Electric System and Bulk Power Supply	SJRPP System	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Unrestricted cash and investments						
Operations	\$ 39,118	\$ 43,478	\$ 82,596	\$ 15,964	\$ 1,228	\$ 99,788
Rate stabilization:						
Fuel	72,563	-	72,563	-	-	72,563
Environmental	22,381	-	22,381	19,904	-	42,285
Purchased Power	46,056	-	46,056	-	-	46,056
DSM/Conservation	4,538	-	4,538	-	-	4,538
Total rate stabilization funds	145,538	-	145,538	19,904	-	165,442
Customer deposits	44,110	-	44,110	16,595	-	60,705
General reserve	-	20,647	20,647	-	-	20,647
Self insurance reserve funds:						
Self funded health plan	10,632	-	10,632	-	-	10,632
Property insurance reserve	10,000	-	10,000	-	-	10,000
Total self insurance reserve funds	20,632	-	20,632	-	-	20,632
Environmental liability reserve	16,568	-	16,568	-	-	16,568
Total unrestricted cash and investments	\$ 265,966	\$ 64,125	\$ 330,091	\$ 52,463	\$ 1,228	\$ 383,782
Restricted assets						
Renewal and replacement funds	\$ 53,916	\$ 42,929	\$ 96,845	\$ 35,269	\$ 4,079	\$ 136,193
Debt service reserve account	58,800	10,405	69,205	59,324	-	128,529
Debt service funds	44,496	9,015	53,511	15,715	1,114	70,340
Construction funds	-	-	-	28,009	-	28,009
Environmental funds	245	-	245	864	-	1,109
Subtotal	157,457	62,349	219,806	139,181	5,193	364,180
Unrealized holding gain (loss) on investments	5,965	96	6,061	4,712	-	10,773
Other funds	-	28,182	28,182	-	-	28,182
Total restricted cash and investments	\$ 163,422	\$ 90,627	\$ 254,049	\$ 143,893	\$ 5,193	\$ 403,135

JEA

Schedule of Cash and Investments
(in thousands) September 2019

	Electric System and Bulk Power Supply	SJRPP System	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Unrestricted cash and investments						
Operations	\$ 35,605	\$ 49,322	\$ 84,927	\$ 17,961	\$ 1,489	\$ 104,377
Rate stabilization:						
Fuel	47,152	-	47,152	-	-	47,152
Debt management	29,884	-	29,884	14,209	-	44,093
Environmental	25,632	-	25,632	15,687	-	41,319
Purchased Power	56,870	-	56,870	-	-	56,870
DSM/Conservation	4,363	-	4,363	-	-	4,363
Total rate stabilization funds	163,901	-	163,901	29,896	-	193,797
Customer deposits	44,785	-	44,785	16,289	-	61,074
General reserve	-	19,811	19,811	-	-	19,811
Self insurance reserve funds:						
Self funded health plan	11,210	-	11,210	-	-	11,210
Property insurance reserve	10,000	-	10,000	-	-	10,000
Total self insurance reserve funds	21,210	-	21,210	-	-	21,210
Environmental liability reserve	16,568	-	16,568	-	-	16,568
Total unrestricted cash and investments	\$ 282,069	\$ 69,133	\$ 351,202	\$ 64,146	\$ 1,489	\$ 416,837
Restricted assets						
Renewal and replacement funds	\$ 81,964	\$ 46,955	\$ 128,919	\$ 48,796	\$ 4,398	\$ 182,113
Debt service reserve account	65,433	10,973	76,406	63,441	-	139,847
Debt service funds	153,650	19,635	173,285	80,775	2,356	256,416
Construction funds	-	-	-	28,968	-	28,968
Environmental funds	-	-	-	1,891	-	1,891
Subtotal	301,047	77,563	378,610	223,871	6,754	609,235
Unrealized holding gain (loss) on investments	4,388	107	4,495	4,225	-	8,720
Other funds	-	28,079	28,079	-	-	28,079
Total restricted cash and investments	\$ 305,435	\$ 105,749	\$ 411,184	\$ 228,096	\$ 6,754	\$ 646,034

JEA
INVESTMENT PORTFOLIO REPORT
April 2020
(unaudited)
All Funds

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INVESTMENT	BOOK VALUE	YIELD	% OF TOTAL
* Treasuries	\$ 9,988,281	1.56%	1.27%
Federal Home Loan Bank	118,382,567	2.32%	15.02%
Municipal Bonds	143,712,419	3.05%	18.23%
Commercial Paper	150,144,741	1.67%	19.05%
U.S. Treasury Money Market Funds (1)	108,435,072	0.24%	13.75%
Agency Money Market Funds (2)	102,575,000	0.26%	13.01%
PALM Money Market Fund	25,500,000	0.98%	3.23%
Florida Prime Fund	72,068,000	0.95%	9.14%
Wells Fargo Bank Accounts (3)			
Electric, Scherer	38,547,628	0.06%	4.89%
SJRPP	9,101,251	0.06%	1.15%
Water & Sewer, DES	9,889,208	0.06%	1.25%
Total Portfolio	\$ 788,344,167	1.44%	100.00%

* Backed by Full Faith and Credit of U. S. Government

Weighted Avg. Annual Yield for April 2020, Excluding Bank & Money Market Funds: 2.32%

Weighted Avg. Annual Yield for April 2020, Including Bank & Money Market Funds: 1.44%

Some investments listed above may be classified as Cash Equivalents on the Statements of Net Position in accordance with generally accepted accounting principles.

- (1) Fidelity Treasury Fund
- (2) State Street Government Fund
- (3) Month-end bank balances

JEA
Schedule of Outstanding Indebtedness
April 2020

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	Interest Rates	Principal Payment Dates	Par Amount Principal Outstanding	Current Portion of Long-Term Debt
Electric Enterprise				
<i>Electric System</i>				
Fixed Rate Senior	3.000-6.056%	2020-2044	515,615,000	18,555,000
Fixed Rate Subordinated	3.000-6.406%	2020-2039	556,980,000	35,730,000
Variable Rate Senior	0.997-1.664%	2020-2040	454,935,000	6,505,000
Variable Rate Subordinated	0.393-1.687%	2021-2038	132,420,000	-
Total Electric System	<u>3.040% (wtd avg)</u>	<u>2020-2044</u>	<u>1,659,950,000</u>	<u>60,790,000</u>
<i>Bulk Power Supply System</i>				
Fixed Rate Senior	2.000-5.920%	2020-2038	88,860,000	6,975,000
<i>St. Johns River Power Park</i>				
Fixed Rate Senior	2.000-5.450%	2020-2039	265,105,000	13,340,000
Total Electric Enterprise	<u>3.188% (wtd avg)</u>	<u>2020-2044</u>	<u>2,013,915,000</u>	<u>81,105,000</u>
Water and Sewer System				
Fixed Rate Senior	2.000-6.310%	2020-2044	929,290,000	8,375,000
Fixed Rate Subordinated	2.750-5.000%	2023-2043	93,890,000	-
Variable Rate Senior	0.913-3.474%	2020-2042	156,220,000	9,195,000
Variable Rate Subordinated	0.197-0.957%	2020-2038	103,135,000	2,300,000
Other Obligations	2.120%	2021	5,000,000	-
Total Water and Sewer System	<u>3.419% (wtd avg)</u>	<u>2020-2044</u>	<u>1,287,535,000</u>	<u>19,870,000</u>
District Energy System				
Fixed Rate Senior	2.415 - 4.538%	2020-2034	33,135,000	1,725,000
Total JEA	<u>3.288% (wtd avg)</u>	<u>2020-2044</u>	<u>3,334,585,000</u>	<u>102,700,000</u>

JEA
Debt Ratio
April 2020

	Current YTD	Year End Target
Electric Enterprise	63.4%	62.1%
Water and Sewer System	43.0%	42.0%

JEA
Interest Rate Swap Position Report
April 2020
(unaudited)

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JEA Debt Management Swaps Variable to Fixed

ID	Dealer	Effective Date	Termination Date	Electric	Water/Sewer Allocation	Fixed Rate	Floating Rate (1)	Spread	Rate Cap	Index
				System Allocation						
1	Goldman Sachs	9/18/2003	9/16/2033	\$ 84,800,000	\$ -	3.717	0.669	3.048	n/a	68% 1 mth Libor
3	Morgan Stanley	1/27/2005	10/1/2039	82,575,000	-	4.351	0.897	3.454	n/a	SIFMA
4	JPMorgan	1/27/2005	10/1/2035	84,775,000	-	3.661	0.669	2.992	n/a	68% 1 mth Libor
6	JPMorgan	1/27/2005	10/1/2037	39,175,000	-	3.716	0.669	3.047	n/a	68% 1 mth Libor
7	Morgan Stanley	10/31/2006	10/1/2022	-	19,110,000	4.054	3.474	0.580	n/a	CPI
8	Morgan Stanley	1/31/2007	10/1/2031	62,980,000	-	3.907	0.897	3.010	n/a	SIFMA
9	Merrill Lynch	3/8/2007	10/1/2041	-	85,290,000	3.895	0.897	2.998	n/a	SIFMA
10	Goldman Sachs	1/31/2008	10/1/2036	51,680,000	-	3.836	0.897	2.939	n/a	SIFMA
Total				<u>\$ 405,985,000</u>	<u>\$ 104,400,000</u>	Wtd Avg Spread		<u>2.988</u>		

Note: (1) The "Floating Rate" column is the average of the floating rate for each instrument for this month.

	Month				Year-to-Date			
	April				April			
	2020	2019	Variance		2020	2019	Variance	
Generated power:								
Steam:								
<i>Fuel oil</i>								
Fuel expense	\$ -	\$ 22,737	-100.00%	\$	65,177	\$ 346,861	-81.21%	
Barrels #6 oil consumed	-	210	-100.00%		601	3,249	-81.50%	
\$/ per barrel consumed	\$ -	\$ 108.27	-100.00%	\$	108.45	\$ 106.76	1.58%	
kWh oil generated (1)	-	127,421	-100.00%		141,446	1,220,155	-88.41%	
Cost per MWh - oil	\$ -	\$ 178.44	-100.00%	\$	460.79	\$ 284.28	62.09%	
<i>Natural gas units #1-3</i>								
Gas expense - variable	\$ 3,828,568	\$ 6,267,916	-38.92%	\$	25,161,244	\$ 35,139,670	-28.40%	
MMBTU's consumed	2,064,798	2,163,391	-4.56%		11,730,527	10,301,915	13.87%	
\$/ per MMBTU consumed	\$ 1.85	\$ 2.90	-36.00%	\$	2.14	\$ 3.41	-37.12%	
kWh - gas generated (1)	190,386,143	208,464,392	-8.67%		1,081,221,122	959,797,541	12.65%	
Cost per MWh - gas	\$ 20.11	\$ 30.07	-33.12%	\$	23.27	\$ 36.61	-36.44%	
Cost per MWh - gas & oil - steam	\$ 20.11	\$ 30.16	-33.32%	\$	23.33	\$ 36.93	-36.82%	
<i>Coal</i>								
Coal expense	\$ 1,112,746	\$ 1,947,575	-42.87%	\$	8,956,183	\$ 15,202,617	-41.09%	
kWh generated	46,623,537	54,125,461	-13.86%		356,754,397	378,616,856	-5.77%	
Cost per MWh - coal	\$ 23.87	\$ 35.98	-33.67%	\$	25.10	\$ 40.15	-37.48%	
<i>Pet coke and limestone</i>								
Expense	\$ 1,973,158	\$ 3,330,308	-40.75%	\$	19,150,978	\$ 24,640,526	-22.28%	
kWh generated	80,940,734	98,383,168	-17.73%		784,616,061	679,939,022	15.40%	
Cost per MWh - pet coke and limestone	\$ 24.38	\$ 33.85	-27.98%	\$	24.41	\$ 36.24	-32.65%	
Cost per MWh - coal & petcoke - steam	\$ 24.19	\$ 34.61	-30.10%	\$	24.63	\$ 37.64	-34.57%	
Combustion turbine:								
<i>Fuel oil</i>								
Fuel expense	\$ 80,111	\$ 97,315	-17.68%	\$	1,059,066	\$ 1,018,682	3.96%	
Barrels #2 oil consumed	533	677	-21.27%		8,536	7,553	13.01%	
\$/ per barrel consumed	\$ 150.30	\$ 143.74	4.56%	\$	124.07	\$ 134.87	-8.01%	
kWh - oil generated	89,837	128,848	-30.28%		3,217,465	2,529,148	27.22%	
Cost per MWh - oil	\$ 891.74	\$ 755.27	18.07%	\$	329.16	\$ 402.78	-18.28%	
<i>Natural gas (includes landfill)</i>								
Gas expense Kennedy & landfill - variable	\$ 41,536	\$ 1,018,516	-95.92%	\$	1,416,083	\$ 3,013,199	-53.00%	
MMBTU's consumed	21,576	352,893	-93.89%		599,511	884,235	-32.20%	
\$/ per MMBTU consumed	\$ 1.93	\$ 2.89	-33.30%	\$	2.36	\$ 3.41	-30.68%	
kWh - gas generated (1)	1,561,073	32,037,525	-95.13%		50,240,206	76,785,912	-34.57%	
Cost per MWh - gas	\$ 26.61	\$ 31.79	-16.31%	\$	28.19	\$ 39.24	-28.17%	
Gas expense BB simple - variable	\$ 349,062	\$ 915,498	-61.87%	\$	1,345,133	\$ 3,040,761	-55.76%	
MMBTU's consumed	\$ 229,914	317,723	-27.64%		719,097	890,786	-19.27%	
\$/ per MMBTU consumed	\$ 1.52	\$ 2.88	-47.31%	\$	1.87	\$ 3.41	-45.20%	
kWh - gas generated (1)	21,843,701	29,279,080	-25.39%		74,875,387	79,332,147	-5.62%	
Cost per MWh - gas simple	\$ 15.98	\$ 31.27	-48.89%	\$	17.96	\$ 38.33	-53.13%	
Gas expense BB combined - variable	\$ 4,691,763	\$ 2,734	171508.01%	\$	40,721,967	\$ 43,655,875	-6.72%	
MMBTU's consumed	2,608,711	376	693706.12%		18,667,196	11,950,486	56.20%	
\$/ per MMBTU consumed	\$ 1.80	\$ 7.27	-75.27%	\$	2.18	\$ 3.65	-40.28%	
kWh - gas generated (1)	379,622,877	(1,005,509)	-37854.30%		2,795,995,853	1,745,614,027	60.17%	
Cost per MWh - gas combined	\$ 12.36	\$ (2.72)	-554.54%	\$	14.56	\$ 25.01	-41.76%	
Gas expense GEC simple - variable	\$ 1,303,901	\$ 2,101,835	-37.96%	\$	4,684,595	\$ 5,541,742	-15.47%	
MMBTU's consumed	631,372	729,050	-13.40%		2,031,220	1,846,603	10.00%	
\$/ per MMBTU consumed	\$ 2.07	\$ 2.88	-28.37%	\$	2.31	\$ 3.00	-23.15%	
kWh - gas generated	57,212,834	67,521,225	-15.27%		183,586,113	165,544,118	10.90%	
Cost per MWh - gas simple	\$ 22.79	\$ 31.13	-26.79%	\$	25.52	\$ 33.48	-23.77%	
Cost per MWh - gas & oil ct	\$ 14.05	\$ 32.32	-56.54%	\$	15.84	\$ 27.19	-41.74%	
Natural gas expense - fixed	\$ 2,962,795	\$ 2,685,279	10.33%	\$	22,362,675	\$ 23,217,419	-3.68%	
Total generated power:								
Fuels expense	\$ 16,343,640	\$ 18,389,713	-11.13%	\$	124,923,101	\$ 154,817,352	-19.31%	
kWh generated	778,280,736	489,061,611	59.14%		5,330,648,050	4,089,378,926	30.35%	
Cost per MWh	\$ 21.00	\$ 37.60	-44.15%	\$	23.43	\$ 37.86	-38.10%	

(1) Allocation of kWh generated is based upon a ratio of gas MBTU's (adjusted to oil equivalent - 95.5%) and oil MBTU's.

Cost of fuels								
Fuel oil #6	\$ -	\$ 22,737		\$	65,177	\$ 346,861		
Natural gas units #1-3 with landfill - variable	3,828,568	6,267,916			25,161,244	35,139,670		
Coal	1,112,746	1,947,575			8,956,183	15,202,617		
Petcoke	1,973,158	3,330,308			19,150,978	24,640,526		
Fuel oil #2	80,111	97,315			1,059,066	1,018,682		
Natural gas - simple cycle (BB & GEC) - variable	1,694,499	4,035,849			7,445,811	11,595,702		
Natural gas - combined (BB) - variable	4,691,763	2,734			40,721,967	43,655,875		
Natural gas - fixed	2,962,795	2,685,279			22,362,675	23,217,419		
Total	\$ 16,343,640	\$ 18,389,713		\$	124,923,101	\$ 154,817,352		

	Month April			Year-to-Date April		
	2020	2019	Variance	2020	2019	Variance
Production Statistics (Continued)						
Purchased power:						
<i>Plant Scherer</i>						
Purchases	\$ 3,446,680	\$ 7,619,737	-54.77%	\$ 27,419,623	\$ 39,960,288	-31.38%
kWh purchased	235,000	110,715,000	-99.79%	332,088,000	835,446,000	-60.25%
Cost per MWh	\$ 14,666.72	\$ 68.82	21210.79%	\$ 82.57	\$ 47.83	72.62%
<i>TEA & other</i>						
Purchases	\$ 5,853,789	\$ 12,724,491	-54.00%	\$ 46,906,633	\$ 75,187,370	-37.61%
kWh purchased	129,328,807	337,413,369	-61.67%	987,558,414	1,810,388,247	-45.45%
Cost per MWh	\$ 45.26	\$ 37.71	20.02%	\$ 47.50	\$ 41.53	14.37%
<i>SJRPP</i>						
Purchases	\$ 2,016,651	\$ 2,131,418	-5.38%	\$ 14,380,131	\$ 16,459,426	-12.63%
kWh purchased	-	-		-	-	
Cost per MWh						
Total purchased power:						
Purchases	\$ 11,317,120	\$ 22,475,646	-49.65%	\$ 88,706,387	\$ 131,607,084	-32.60%
kWh purchased	129,563,807	448,128,369	-71.09%	1,319,646,414	2,645,834,247	-50.12%
Cost per MWh	\$ 87.35	\$ 50.15	74.16%	\$ 67.22	\$ 49.74	35.14%
Subtotal - generated and purchased power:	\$ 27,660,760	\$ 40,865,359	-32.31%	\$ 213,629,488	\$ 286,424,436	-25.42%
Fuel interchange sales	(469,189)	(240,892)	94.77%	(830,416)	(2,309,310)	-64.04%
Earnings of The Energy Authority	225,150	(181,331)	-224.17%	(498,341)	(926,766)	-46.23%
EPA Allowance Purchases	500	-		(17,000)	-	
Realized and Unrealized (Gains) Losses	1,581,000	134,540	1075.12%	8,344,780	(3,741,840)	-323.01%
Fuel procurement and handling	994,527	1,516,579	-34.42%	7,587,195	7,890,165	-3.84%
By product reuse	395,252	641,925	-38.43%	2,242,117	4,105,244	-45.38%
Total generated and net purchased power:						
Cost, net	30,388,000	42,736,180	-28.89%	230,457,823	291,441,929	-20.92%
kWh generated and purchased	907,844,543	937,189,980	-3.13%	6,650,294,464	6,735,213,173	-1.26%
Cost per MWh	\$ 33.47	\$ 45.60	-26.60%	\$ 34.65	\$ 43.27	-19.92%
Reconciliation:						
Generated and purchased power per above	\$ 30,388,000	\$ 33.47		\$ 230,457,823	\$ 34.65	
SJRPP operating expenses:						
SJRPP O & M	-	-		520	0.00	
SJRPP debt service	(1,772,204)	(1.95)		(12,669,519)	(1.91)	
SJRPP R & R	(244,447)	(0.27)		(1,711,132)	(0.26)	
Scherer operating expenses:						
Scherer power production	(1,647,571)	(1.81)		(6,547,003)	(0.98)	
Scherer R & R	(1,162,495)	(1.28)		(7,001,922)	(1.05)	
Scherer transmission	(541,255)	(0.60)		(3,675,374)	(0.55)	
Scherer taxes	(110,140)	(0.12)		(811,624)	(0.12)	
Florida and other capacity	(645,553)	(0.71)		(6,668,324)	(1.00)	
MEAG	(1,459,320)	(1.61)		(10,813,835)	(1.63)	
Rounding	-	-		(1)	(0.00)	
Energy expense per budget page	\$ 22,805,015	\$ 25.12		\$ 180,559,609	\$ 27.15	

Electric System	Month				Prior Year Month	
	ANNUAL BUDGET		BUDGET		ACTUAL	
	2019-20		2019-20		2018-19	
Budget vs. Actual				Variance %		Variance %
April 2020 and 2019 (unaudited)						
Fuel Related Revenues & Expenses						
Fuel Rate Revenues	\$ 410,912,768	\$ 28,560,075	\$ 27,532,894	-3.60%	\$ 29,052,585	-5.23%
Fuel Expense and Purchased Power:						
Fuel Expense - Electric System	297,844,914	21,907,178	19,314,920		20,682,757	
Other Purchased Power	94,282,216	5,876,855	3,490,095		13,088,869	
Subtotal Energy Expense	392,127,130	27,784,033	22,805,015	17.92%	33,771,626	32.47%
Transfer to (from) Rate Stabilization, Net	18,169,269	724,678	4,687,887		(4,760,648)	
Fuel Related Uncollectibles	616,369	51,364	39,992		41,607	
Total	410,912,768	28,560,075	27,532,894	3.60%	29,052,585	5.23%
Fuel Balance	-	-	-		-	
Nonfuel Related Revenues						
Base Rate Revenues	791,145,587	54,987,771	52,947,500		55,988,607	
Conservation Charge Revenue	768,600	53,421	32,195		16,710	
Environmental Charge Revenue	7,814,100	543,111	523,948		549,817	
Investment Income	11,378,365	948,197	443,112		1,102,840	
Natural Gas Revenue Pass Through	1,000,000	83,333	44,603		57,262	
Other Revenues	51,779,028	2,209,093	1,613,706		2,265,880	
Total	863,885,680	58,824,926	55,605,064	-5.47%	59,981,116	-7.30%
Nonfuel Related Expenses						
Non-Fuel O&M	267,651,025	18,249,956	16,195,277		17,654,291	
DSM / Conservation O&M	8,072,869	677,841	553,033		359,258	
Environmental O&M	2,027,284	165,743	36,144		62,879	
Rate Stabilization - DSM	(899,269)	(74,375)	(78,302)		85,571	
Rate Stabilization - Environmental	5,786,816	482,102	(335,022)		486,938	
Natural Gas Expense Pass Through	960,991	78,841	48,010		60,506	
Debt Principal - Electric System	60,790,000	5,065,833	5,065,833		9,685,833	
Debt Interest - Electric System	77,259,892	6,438,324	5,873,258		6,588,395	
Bond Buy-Back Principal - Electric System	25,269,913	-	-		-	
R&R - Electric System	65,623,650	5,468,637	5,468,637		5,370,642	
Operating Capital Outlay	175,125,724	7,000,000	7,000,000		-	
Operating Capital Outlay - Environmental	-	-	822,826		-	
City Contribution Expense	93,870,968	7,822,581	7,822,581		7,746,012	
Taxes & Uncollectibles	1,399,517	116,626	94,308		97,583	
Emergency Reserve	5,000,000	-	-		-	
<i>Nonfuel Purchased Power:</i>						
* SJRPP D/S Principal	13,340,000	1,111,667	1,111,667		1,148,333	
* SJRPP D/S Interest	10,444,195	870,350	843,913		898,688	
** Other Non-Fuel Purchased Power	52,162,105	4,162,849	5,009,675		6,755,214	
Total Nonfuel Expenses	863,885,680	57,636,975	55,531,838	3.65%	57,000,143	2.58%
Non-Fuel Balance	-	1,187,951	73,226		2,980,973	
Total Balance	-	1,187,951	73,226		2,980,973	
Total Revenues	1,274,798,448	87,385,001	83,137,958	-4.86%	89,033,701	-6.62%
Total Expenses	1,274,798,448	86,197,050	83,064,732	3.63%	86,052,728	3.47%
KWH Sold - Territorial	12,810,000,000	890,346,000	854,707,676	-4.00%	901,886,099	-5.23%
KWH Sold - Off System	-	-	954,000		4,089,000	
	12,810,000,000	890,346,000	855,661,676	-3.90%	905,975,099	-5.55%

* Gross debt service

** Includes transmission capacity, SJRPP and Scherer R & R, O & M and Investment Income.

Electric System		Year-to-Date				Prior Year-to-Date	
Budget vs. Actual	ANNUAL BUDGET	BUDGET	ACTUAL	Variance		ACTUAL	Variance
April 2020 and 2019 (unaudited)	2019-20	2019-20	2019-20	%		2018-19	%
Fuel Related Revenues & Expenses							
Fuel Rate Revenues	\$ 410,912,768	\$ 215,616,480	\$ 206,132,769	-4.40%	\$	206,772,956	-0.31%
Fuel Expense and Purchased Power:							
Fuel Expense - Electric System	297,844,914	158,456,589	143,080,193			163,070,921	
Other Purchased Power	94,282,216	50,801,511	37,479,416			78,354,876	
Subtotal Energy Expense	392,127,130	209,258,100	180,559,609	13.71%		241,425,797	25.21%
Transfer to (from) Rate Stabilization, Net	18,169,269	5,998,831	25,410,915			(34,929,310)	
Fuel Related Uncollectibles	616,369	359,549	162,245			276,469	
Total	410,912,768	215,616,480	206,132,769	4.40%		206,772,956	0.31%
Fuel Balance	-	-	-			-	
Nonfuel Related Revenues							
Base Rate Revenues	791,145,587	415,134,403	399,399,565			399,966,710	
Conservation Charge Revenue	768,600	403,304	220,067			259,909	
Environmental Charge Revenue	7,814,100	4,100,259	3,919,694			3,929,101	
Investment Income	11,378,365	6,637,379	4,417,625			8,230,620	
Natural Gas Revenue Pass Through	1,000,000	583,333	406,781			422,031	
Other Revenues	51,779,028	40,733,564	39,349,933			123,968,906	
Total	863,885,680	467,592,242	447,713,665	-4.25%		536,777,277	-16.59%
Nonfuel Related Expenses							
Non-Fuel O&M	267,651,025	153,260,186	119,721,933			126,141,243	
DSM / Conservation O&M	8,072,869	4,672,469	3,317,141			2,736,610	
Environmental O&M	2,027,284	1,175,169	478,733			1,466,246	
Rate Stabilization - DSM	(899,269)	(520,627)	174,589			812,911	
Rate Stabilization - Environmental	5,786,816	3,376,024	(3,250,624)			2,462,855	
Natural Gas Expense Pass Through	960,991	556,855	451,080			474,461	
Debt Principal - Electric System	60,790,000	35,460,833	35,460,833			67,800,833	
Debt Interest - Electric System	77,259,892	45,068,270	42,795,449			49,229,228	
Bond Buy-Back Principal - Electric System	25,269,913	25,269,913	55,154,065			108,694,829	
Rate Stabilization - Debt Management	-	-	(29,884,152)			-	
R&R - Electric System	65,623,650	38,280,462	38,280,463			37,594,492	
Operating Capital Outlay	175,125,724	75,000,000	75,000,000			35,000,000	
Operating Capital Outlay - Environmental	-	-	6,691,586			-	
City Contribution Expense	93,870,968	54,758,065	54,758,065			54,222,086	
Taxes & Uncollectibles	1,399,517	816,385	439,215			657,697	
Emergency Reserve	5,000,000	-	-			-	
* SJRPP D/S Principal	13,340,000	7,781,667	7,781,667			8,038,333	
* SJRPP D/S Interest	10,444,195	6,092,447	5,907,390			6,290,814	
** Other Non-Fuel Purchased Power	52,162,105	31,347,857	33,496,433			34,338,032	
Total Nonfuel Expenses	863,885,680	482,395,975	446,773,866	7.38%		535,960,670	16.64%
Non-Fuel Balance	-	(14,803,733)	939,799			816,607	
Total Balance	-	(14,803,733)	939,799			816,607	
Total Revenues	1,274,798,448	683,208,722	653,846,434	-4.30%		743,550,233	-12.06%
Total Expenses	1,274,798,448	698,012,455	652,906,635	6.46%		742,733,626	12.09%
KWH Sold - Territorial	12,810,000,000	6,721,736,000	6,398,006,490	-4.82%		6,420,128,824	-0.34%
KWH Sold - Off System	-	-	15,620,000			64,735,000	
	12,810,000,000	6,721,736,000	6,413,626,490	-4.58%		6,484,863,824	-1.10%

* Gross debt service

** Includes transmission capacity, SJRPP and Scherer R & R, O & M and Investment Income.

Water and Sewer System

Budget vs. Actual April 2020 and 2019 (unaudited)	Month				Prior Year Month	
	ANNUAL BUDGET 2019-20	BUDGET 2019-20	ACTUAL 2019-20	Variance %	ACTUAL 2018-19	Variance %
REVENUES						
Water & Sewer Revenues	\$ 450,736,934	\$ 37,887,794	\$ 35,968,827		\$ 35,727,432	
Capacity & Extension Fees	27,600,000	2,608,813	2,565,510		2,863,818	
Capital Contributions	-	-	-		-	
Investment Income	4,308,356	359,030	274,427		495,454	
Other Income	45,792,672	907,451	862,507		3,919,682	
Total	528,437,962	41,763,088	39,671,271	-5.01%	43,006,386	-7.75%
EXPENSES						
O & M Expenses	185,838,461	14,421,228	13,402,402		13,103,446	
Debt Principal - Water & Sewer	19,870,000	1,655,833	1,655,833		4,558,750	
Debt Interest - Water & Sewer	58,666,036	4,888,836	4,404,368		4,893,924	
Bond Buy-Back - Water & Sewer	33,986,631	-	-		-	
Rate Stabilization - Environmental	-	-	287,119		90,014	
R&R - Water & Sewer	25,138,950	2,094,913	2,094,913		1,962,696	
Operating Capital Outlay	136,914,124	11,712,602	11,712,602		12,192,287	
Operating Capital Outlay - Capacity/Extension	27,600,000	2,300,000	2,565,510		2,863,818	
Operating Capital Outlay - Contributions	-	-	-		-	
Operating Capital Outlay - Environmental	13,393,063	1,134,197	1,036,154		712,521	
City Contribution Expense	24,953,042	2,079,420	2,079,420		2,057,949	
Uncollectibles & Fees	540,884	45,074	51,661		43,273	
Interlocal Agreements	536,771	-	-		-	
Emergency Reserve	1,000,000	-	-		-	
Total Expenses	528,437,962	40,332,103	39,289,982	2.58%	42,478,678	7.51%
Total Balance	\$ -	\$ 1,430,985	\$ 381,289		\$ 527,708	
Sales kgals						
Water	39,900,000	3,414,780	3,067,851	-10.16%	3,045,618	0.73%
Sewer	33,180,000	2,777,597	2,487,541	-10.44%	2,478,615	0.36%
Total	73,080,000	6,192,377	5,555,392	-10.29%	5,524,233	0.56%

Budget vs. Actual April 2020 and 2019 (unaudited)	Year-To-Date				Prior Year to Date	
	ANNUAL BUDGET 2019-20	BUDGET 2019-20	ACTUAL 2019-20	Variance %	ACTUAL 2018-19	Variance %
REVENUES						
Water & Sewer Revenues	\$ 450,736,934	\$ 254,637,305	\$ 258,043,388		\$ 245,239,787	
Capacity & Extension Fees	27,600,000	14,361,782	18,729,160		16,275,846	
Capital Contributions	-	-	50,000		29,759	
Investment Income	4,308,356	2,513,208	2,050,818		4,701,015	
Other Income	45,792,672	41,250,811	42,595,389		122,403,434	
Total	528,437,962	312,763,106	321,468,755	2.78%	388,649,841	-17.29%
EXPENSES						
O & M Expenses	185,838,461	105,899,999	90,165,855		88,840,690	
Debt Principal - Water & Sewer	19,870,000	11,590,833	11,590,834		31,911,250	
Debt Interest - Water & Sewer	58,666,036	34,221,854	31,962,914		36,469,892	
Bond Buy-Back - Water & Sewer	33,986,631	33,986,631	48,195,881		99,188,560	
Rate Stabilization - Debt Management	-	-	(14,209,250)		-	
Rate Stabilization - Environmental	-	-	4,216,303		2,494,897	
R&R - Water & Sewer	25,138,950	14,664,388	14,664,388		13,738,871	
Operating Capital Outlay	136,914,124	94,588,211	94,588,211		62,524,870	
Operating Capital Outlay - Capacity/Extension	27,600,000	16,100,000	18,729,160		16,275,846	
Operating Capital Outlay - Contributions	-	-	50,000		29,759	
Operating Capital Outlay - Environmental	13,393,063	7,722,075	4,021,599		4,429,346	
City Contribution Expense	24,953,042	14,555,941	14,555,941		14,405,643	
Uncollectibles & Fees	540,884	315,516	322,793		276,985	
Interlocal Agreements	536,771	536,771	536,771		15,521,392	
Emergency Reserve	1,000,000	-	-		-	
Total Expenses	528,437,962	334,182,219	319,391,400	4.43%	386,108,001	17.28%
Total Balance	\$ -	\$ (21,419,113)	\$ 2,077,355		\$ 2,541,840	
Sales kgals						
Water	39,900,000	22,122,540	21,259,489	-3.90%	20,087,119	5.84%
Sewer	33,180,000	18,615,274	18,159,967	-2.45%	16,922,889	7.31%
Total	73,080,000	40,737,814	39,419,456	-3.24%	37,010,008	6.51%

District Energy System

Budget vs. Actual April 2020 and 2019 (unaudited)	Month				Prior Year Month	
	ANNUAL BUDGET	BUDGET	ACTUAL	Variance	ACTUAL	Variance
	2019-20	2019-20	2019-20	%	2018-19	%
REVENUES						
Revenues	\$ 9,044,699	\$ 676,079	\$ 623,220		\$ 619,233	
Investment Income	-	-	154		13,315	
Total	9,044,699	676,079	623,374	-7.80%	632,548	-1.45%
EXPENSES						
O & M Expenses	5,164,460	404,073	333,049		292,242	
Debt Principal - Water & Sewer	1,725,000	143,750	143,750		140,833	
Debt Interest - Water & Sewer	1,295,550	107,963	107,963		110,871	
Rate Stabilization - Debt Management	-	-	-		(2,737,164)	
R&R - Water & Sewer	589,200	49,100	49,100		36,913	
Operating Capital Outlay	270,489	-	-		2,737,164	
Total Expenses	9,044,699	704,886	633,862	10.08%	580,859	-9.12%
Total Balance	\$ -	\$ (28,807)	\$ (10,488)		\$ 51,689	

Budget vs. Actual April 2020 and 2019 (unaudited)	Year-To-Date				Prior-Year-to-Date	
	ANNUAL BUDGET	BUDGET	ACTUAL	Variance	ACTUAL	Variance
	2019-20	2019-20	2019-20	%	2018-19	%
REVENUES						
Revenues	\$ 9,044,699	\$ 4,862,917	\$ 4,581,038		\$ 4,573,670	
Investment Income	-	-	50,794		86,309	
Total	9,044,699	4,862,917	4,631,832	-4.75%	4,659,979	-0.60%
EXPENSES						
O & M Expenses	5,164,460	2,979,971	2,428,865		2,350,711	
Debt Principal - Water & Sewer	1,725,000	1,006,250	1,006,250		985,833	
Debt Interest - Water & Sewer	1,295,550	755,738	755,738		776,095	
Rate Stabilization - Debt Management	-	-	-		(2,737,164)	
R&R - Water & Sewer	589,200	343,700	343,700		258,388	
Operating Capital Outlay	270,489	-	-		2,737,164	
Total Expenses	9,044,699	5,085,659	4,534,553	10.84%	4,371,027	-3.74%
Total Balance	\$ -	\$ (222,742)	\$ 97,279		\$ 288,952	



INTER-OFFICE MEMORANDUM

May 19, 2020

SUBJECT: JEA TRAINING FACILITY

FROM: Paul E. McElroy, Interim Managing Director/CEO

TO: JEA Board of Directors

BACKGROUND:

In support of JEA's Training Department, Real Estate Services has negotiated the acquisition of two parcels and associated improvements in fee simple title from Industrial Cleaning Technology Properties, Inc., for a centralized JEA training facility. The two parcels are adjacent and total approximately six acres. The proposed purchase would provide for all technical JEA training at one site, easily accessible from the 295 beltway and adjacent to the Northside Generating Station (NGS).

DISCUSSION:

JEA's technical training programs are critical to the safety and well-being of its employees. Since the closure of the St. Johns River Power Park, JEA's technical training department has been temporarily located at NGS in addition to other outlying locations, creating strain on user accessibility. JEA recognized that a more permanent solution would be needed and believes the proposed site and existing improvements are well-suited to meet the needs of JEA.

Beyond its intended use as a training facility, this acquisition would provide additional buffer for existing JEA properties and the proposed Merchant Organic Recycling Facility. Further, this purchase will alleviate space constraints at other JEA facilities. JEA has performed significant due diligence on the site and found no major issues.

FINANCIAL IMPACT:

JEA received an independent appraisal on the subject real property in the amount of \$3,100,000. A negotiated purchase price for the real property rights has been reached with the seller in the amount of \$3,000,000.

RECOMMENDATION:

That the Board of Directors approve the purchase of real property as outlined in Resolution 2020-03.

Paul E. McElroy, Interim Managing Director/CEO

PEM/SGM/JAP

Attachments:
Resolution 2020-03
Location Map

RESOLUTION 2020-03

A RESOLUTION TO DELEGATE AUTHORITY TO NEGOTIATE AND EXECUTE A PURCHASE AGREEMENT TO THE INTERIM CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR IN ACCORDANCE WITH JEA CHARTER SECTION 21.10.

WHEREAS, JEA Staff has recommended the construction of a new training facility to provide for all technical JEA training at one site;

WHEREAS, the JEA Charter, Section 21.10, provides that the JEA Board may delegate the authority to an officer, agent or employee of JEA by resolution to execute purchase and sale agreements;

WHEREAS, the Real Estate Services Procurement Directive dated May 26, 2016 requires Board Approval for all real estate purchases of more than \$500,000.00;

WHEREAS, JEA Staff has negotiated, and OGC has approved, acceptable terms and conditions for the purchase of a six acre parcel of real estate and associated improvements located near New Berlin Road and the I-295 Beltway and adjacent to the Northside Generating Station and more particularly described in the purchase agreement and property description attached hereto as **Exhibit A** (the “Subject Property”);

WHEREAS, an independent appraisal of the Subject Property (assembled) has estimated the property value to be \$3,100,000.00; and

WHEREAS, JEA Real Estate Services has requested and the Seller has agreed to a purchase price of three million dollars (\$3,000,000).

BE IT RESOLVED by the JEA Board of Directors that:

1. The Board hereby approves the Purchase Agreement between Industrial Cleaning Technology Properties, Inc., a Florida corporation and JEA in substantially the form attached hereto as **Exhibit A** (the “Agreement”);
2. The Board hereby delegates to the Chief Executive Officer and Managing Director or his designee to execute the Agreement in its substantial form and any and all documents in connection with the Agreement and all other documentation as may be reasonably required to consummate the real estate transaction for the new JEA Training Facility.
3. The purchase price for the Subject Property shall not exceed three million dollars (\$3,000,000) without additional approval by the JEA Board of Directors.

Dated this _____ day of May 2020.

JEA

By: _____
_____, Chair

Secretary

Form Approved:

By: _____
Office of General Counsel

VOTE: In Favor: ____ Opposed: ____ Abstained: ____

EXHIBIT A

Project: New Berlin
RE Parcel #: 109103-0000 and 109103-0600

PURCHASE AGREEMENT (Fee Simple)

THIS PURCHASE AGREEMENT ("Agreement") is made and entered as of the date on which the latter of the parties hereto executes this Agreement (the "Effective Date") by and between **JEA**, a body politic and corporate ("Buyer"), and **INDUSTRIAL CLEANING TECHNOLOGY PROPERTIES, INC.**, a Florida corporation ("Seller").

W I T N E S S E T H:

In consideration of the mutual undertakings of the parties set forth in this Agreement and of other valuable considerations, the receipt and sufficiency of which the parties hereby acknowledge the parties hereby agree as follows:

1. General Outline of Transaction. Seller is the owner in fee simple of that certain tract of land located in Duval County, Florida described on Exhibit A attached hereto and made a part hereof, together with all appurtenances, hereditaments and improvements located thereon (the "Property"). Buyer intends to purchase the Property from Seller, together with all of Seller's development rights, permits, approvals, and other rights or privileges pertaining to the Property, upon the terms and conditions hereafter set forth.

2. Purchase Price and Earnest Money.

a. Purchase Price. Under the terms of this Agreement, Seller hereby agrees to sell, assign and convey the Property to Buyer and Buyer agrees to pay for and purchase the Property from Seller. In consideration of the conveyance of the Property from Seller to Buyer, Buyer shall pay to Seller at Closing, as hereinafter defined, an amount equal to \$3,000,000.00 (the "Purchase Price"), plus or minus net adjustments as set forth in this Agreement.

b. Earnest Money. Within ten (10) business days after Buyer and Seller have executed this Agreement, Buyer shall deliver to Edwards Cohen, as escrow agent ("Escrow Agent"), by cashier's check or wired funds, a deposit in an amount equal to \$100,000.00 (the "Earnest Money"), to be deposited by the Escrow Agent in an IOTA trust account. If the sale of the Property is consummated pursuant to the terms of this Agreement, the Earnest Money shall be paid to Seller and applied to the payment of the Purchase Price.

3. Survey, Title, Buyer's Review, Environmental Reports and Inspection.

a. Survey. Buyer shall within sixty (60) days after the Effective Date, at Buyer's cost and expense, obtain a boundary survey of the Property (the "Survey"), prepared by a licensed Florida land surveyor.

b. Title. Buyer shall within thirty (30) days after the Effective Date, at Buyer's cost and expense, obtain an owner's title insurance commitment issued by a licensed title insurance company ("Title Insurer"), committing to insure Buyer's fee simple title to the Property in the total amount of the Purchase Price ("Commitment"). The Commitment shall show Seller to have good and insurable title to the Property, in fee simple, and free and clear of all liens and encumbrances except taxes for the year of conveyance and subsequent years. The policy, when issued, shall insure in Buyer good and insurable title to the Property, in fee simple, free and clear of all liens and encumbrances, subject to such other matters appearing in the Commitment which

Buyer has approved or accepted as title exceptions under Section 3(c).

c. Buyer's Review. Buyer shall have thirty (30) days after receipt of the Commitment and Survey, whichever is received last, in which to examine the Survey and Commitment and to determine the nature of any defects in title to the Property and in those matters or facts disclosed by the Survey. If either the Commitment or Survey reveals any encroachments, overlaps, easements, restrictions, covenants, conditions, liens, encumbrances, other title defects, or other matters that are unacceptable to Buyer, Buyer shall give written notice to Seller of such defects prior to the expiration of the said thirty (30) day period, and Seller shall have the right, but no obligation to remedy or remove any such objectionable matters prior to the Closing Date. If Seller does not, prior to the Closing Date, cure such defects of which it has been notified, Buyer may, at its option, either (i) terminate this Agreement upon written notice to Seller and the parties shall thereafter be relieved of all further obligations under this Agreement which do not specifically survive its termination, and the Earnest Money shall be returned to Buyer; or (ii) accept the uncured defects and take title as it then exists without reduction in the Purchase Price.

d. Environmental Reports. Buyer may within the Inspection Period (hereinafter defined), at Buyer's cost and expense, obtain a Phase I environmental site assessment with respect to the Property, which meets the standard of practice of the American Society of Testing Materials. Buyer shall use the services of a competent, professional consultant with expertise in the environmental site assessing process. If the Findings and Conclusions section of the Phase I environmental site assessment reports evidence of recognized environmental conditions, then, at Buyer's option, a Phase II environmental site assessment shall be performed, at Buyer's cost and expense, to address any suspicions raised in the Phase I environmental site assessment and to confirm the presence of contaminants on the Property (and the Inspection Period shall be extended as set forth in Section 3.e below). If, after review of the environmental site assessment(s), Buyer, in its sole discretion, determines the Property is not acceptable, Buyer shall have the right to terminate this Agreement by written notice to Seller during the Inspection Period, whereupon the parties shall be relieved of all further obligations under this Agreement which do not specifically survive its termination, and the Earnest Money shall be returned to Buyer.

e. Inspection. Buyer and its agents shall, at their own risk and expense, at any time prior to Closing, have the right and privilege to enter upon any portion of the Property to inspect, examine, survey and otherwise perform or conduct such tests, inspections, studies, audits, or other evaluations as Buyer may deem necessary in conjunction with Buyer's acquisition of the Property, including, but not limited to, final determination of wetlands, environmental testing, and an engineering feasibility study which may include topographic surveys, core borings, soil test pits and load bearing tests, as may be required by Buyer to determine the physical characteristics of the substrata of the Property. Following Buyer's inspection of the Property, Buyer shall restore the Property to its original condition, normal wear and tear excepted. Subject to the provisions and limitations of Section 768.28, Florida Statutes, which are neither waived, expanded, or altered hereby, Buyer shall indemnify and hold Seller harmless from and against any and all claims, costs, expenses and damages to persons and/or property incurred by, through, or out of the Buyer's entry and inspections on the Property, unless caused by preexisting conditions of the Property or Seller's negligence. Seller shall deliver to Buyer, within thirty (30) days of the Effective Date, copies of all engineering studies, zoning information, soil investigations and reports, water and sewer studies, topographic maps, platting materials, site plans, permits, approvals, if any, and applications for permits and approvals, and any other materials presently in existence concerning the Property which materials will be returned by Buyer if this Agreement does not close. Seller acknowledges that Buyer may conduct its own investigation regarding the Property and the accuracy of any representations and warranties of Seller contained herein. Seller authorizes Buyer to consult with Seller's attorneys, engineers, surveyors and other agents pertaining to the Property and, at Buyer's expense, to consult those governmental agencies having jurisdiction over approvals or permits relating to the

Property.

If any inspections disclose matters unsatisfactory to Buyer in Buyer's sole and absolute discretion, Buyer may cancel this Agreement and, if such cancellation occurs on or before sixty (60) days after the Effective Date ("Inspection Period"), receive a refund of the Earnest Money. Buyer agrees that all inspection reports, documents and other materials generated as a result of Buyer's inspection during the Inspection Period that copies of all such documents shall be delivered to Seller, without warranties or guaranties.

In the event that Buyer does not terminate this Agreement prior to the end of the Inspection Period, then the Earnest Money shall be deemed non-refundable to Buyer (but fully applicable against the Purchase Price) unless this Agreement is terminated under the following circumstances (each, a "Refundability Event"):

i. Seller defaults hereunder and Buyer elects to terminate this Agreement and receive the return of the Earnest Money in accordance with Section 6;

ii. the title defects and objections of Buyer are not removed by Seller in accordance with Section 3 and Buyer elects to terminate this Agreement and receive the return of the Earnest Money in accordance with Section 3;

iii. there is a condemnation or casualty with respect to the Property and Buyer elects to terminate this Agreement and receive the return of the Earnest Money in accordance with Section 5;

iv. Buyer determines the Property is not acceptable after review of environmental site assessments and Buyer elects to terminate the Agreement and receive a return of the Earnest Money pursuant to Section 3(d); or

v. there is any material adverse environmental condition of the Property arising subsequent to the Inspection Period, but prior to the Closing.

f. Time for Closing. The parties acknowledge that this Purchase and Sale Agreement shall close no later than thirty (30) days after expiration of the Buyer's Inspection Period.

4. Deed of Conveyance. Seller shall convey to Buyer good and insurable title to the Property in fee simple by transferable and recordable fee simple special warranty deed, free and clear of all liens and encumbrances, except such matters appearing in the Commitment which Buyer has approved or accepted as title exceptions.

5. Casualty and Eminent Domain. Risk of any casualty to or loss of the Property occurring prior to Closing shall be borne by Seller. Notwithstanding the foregoing, if all or any portion of the Property or access thereto shall be damaged by fire or other casualty or taken by public authority, or notice of such proposed taking be obtained prior to the Closing Date, then Seller shall provide immediate written notice thereof to Buyer and, at Buyer's option, (i) this Agreement shall terminate and the parties shall be relieved of all further obligations under this Agreement which do not specifically survive its termination and the Earnest Money shall be returned to Buyer, or (ii) Buyer may consummate the sale, pay the full Purchase Price and have assigned to it all claims and right of recovery for such casualty or taking. Buyer shall make election in writing within ten (10) days after Seller shall have notified Buyer in writing of such taking or proposed taking or casualty damage and the Closing shall be extended if necessary to accommodate this notice period.

6. Default and Remedies.

a. Notice of Default. In the event either party is in default of any provision hereof, the non-defaulting party, as a condition precedent to the exercise of its remedies, shall be required to give the defaulting party written notice of the same. The defaulting party shall have ten (10) business days from the receipt of such notice to cure the default. If the defaulting party timely cures the default, the default shall be deemed waived and this Agreement shall continue in full force and effect. If the defaulting party does not timely cure such default, the non-defaulting party shall be entitled to pursue its remedies as set forth in this Section 6 below, as applicable.

b. Remedies of Seller. If Buyer shall default in the performance of any of the terms and conditions of this Agreement, or if the Closing shall not occur through the fault of Buyer, Seller shall as its sole remedy, retain the Earnest Money as liquidated damages and this Agreement shall be canceled.

c. Remedies of Buyer. If Seller shall default in the performance of any of the terms and conditions of this Agreement, or if the Closing shall not occur through the fault of Seller, Buyer may terminate this Agreement in which case the Escrow Agent is irrevocably instructed to return the Earnest Money to Buyer, and Buyer may also recover from the Seller any and all reasonable expenses paid or incurred by Buyer in connection with this Agreement, and this Agreement shall be canceled. In the alternative, Buyer may pursue any other legal or equitable remedies available to Buyer including, but not limited to, specific performance.

7. Real Estate Commission. Both parties represent and warrant to the other that it has not entered into any agreement or taken any other action which would result in a real estate brokerage commission, finder's fee or other similar charge being payable on account of this Agreement or the Closing of the Property. Each party hereby agrees to indemnify, defend and hold harmless the other party from any and all claims, demands or the cost and expense of, including reasonable attorneys' fees, arising out of any brokerage commission or fee or other compensation due or alleged to be due in connection with the transaction contemplated by this Agreement based upon any agreement alleged to have been made or other action alleged to have been taken by the indemnifying party. This indemnification shall survive the Closing of the Property or the termination of this Agreement.

8. Seller's Representations and Warranties. Seller hereby represents and warrants that as of the date hereof:

a. Seller has no knowledge of any violations of city, county, state, federal, building, land use, fire, health, safety, environmental, hazardous materials or other governmental or public agency codes, ordinances, regulations, or orders with respect to the Property, or any lands adjacent to the Property.

b. No litigation is pending, threatened or likely with respect to the Property, Seller's interest therein, or which would inhibit Buyer obtaining clear title to the Property.

c. There are no unrecorded leases, arrangements, agreements, understandings, options, contracts, or rights of first refusal affecting or relating to the Property in any way.

d. The individual signing this Agreement on behalf of Seller has the authority to bind the Seller to the agreements set forth herein.

e. Seller has not, and has no knowledge of any other person who has caused any release, threatened release, or disposal of any hazardous material at the Property in material quantity; to the knowledge of the Seller, the Property is not adversely affected by any release, threatened release, or disposal of a hazardous material originating or emanating from any other property;

f. To the best of Seller's knowledge, the Property does not contain and has

not contained any: (i) underground storage tank; (ii) material amounts of asbestos containing building material; (iii) any landfills or dumps; (iv) hazardous waste management facility as defined pursuant to the Resource Conservation and Recovery Act, as amended, 42 U.S.C. §6901, *et. seq.* (RCRA) or any comparable state law; or (v) a site on or nominated for the National Priority List promulgated pursuant to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. §9601, *et. seq.* (CERCLA) or any state remedial priority list promulgated or published pursuant to any comparable state law;

g. Seller has not used a material quantity of any hazardous material on the Property and has conducted no hazardous material activity at the Property;

h. To the best of Seller's knowledge, Seller has no material liability for response or corrective action, natural resource damage, or other harm pursuant to CERCLA, RCRA, or any comparable state law; to the best of Seller's knowledge, Seller is not subject to, has no notice or knowledge of, and is not required to give any notice of any environmental claim involving the Seller or the Property; to the best of Seller's knowledge, there are no conditions or occurrences at the Property which could reasonably be anticipated to form the basis for an environmental claim against the Seller or the Property;

i. The Property is not subject to any, and the Seller has no knowledge of any imminent restriction on the ownership, occupancy, use, or transferability of the Property in connection with any (i) environmental law or (ii) release, threatened release, or disposal of a hazardous material.

j. The representations and warranties contained in this Section 8 shall be true and correct as of the Closing Date and shall survive the Closing.

9. Closing. The consummation of the transaction contemplated hereby for the purchase of the Property (the "Closing") shall take place on or before thirty (30) days after the expiration of the Inspection Period (as the same may have been extended). The Closing shall take place at the offices of Escrow Agent, or at such other place as may be mutually selected by Buyer and Seller.

10. Documents to be Delivered at Closing. On or before Closing, Seller shall deliver to Buyer the following documents:

a. Special Warranty Deed conveying to Buyer fee simple title to the Property in form and content specified in Section 4 hereof;

b. Affidavit of Seller in form reasonably satisfactory to Buyer and the Title Insurer, evidencing that there have been no improvements or repairs made to the Property within ninety (90) days preceding the Closing, and sufficient in form and content to cause the Title Insurer to eliminate any exception for mechanics liens from the title policy. Such affidavit shall also evidence that Seller is in sole possession of the Property, and shall contain a certification that Seller is not a foreign person for purposes of Section 1445, Internal Revenue Code and such other certifications as may be sufficient for the Title Insurer to insure the "gap" at Closing;

c. A properly completed and executed beneficial interest affidavit and disclosure statement as required by Section 286.23, Florida Statutes, if applicable;

d. Any and all other documentation as may be reasonably required to consummate the transactions contemplated in this Agreement.

11. Possession. Possession of the Property shall be delivered to Buyer on the Closing Date.

12. Closing Costs.

a. At Closing, Buyer shall pay for (i) recording fees of the deed; (ii) all engineering and environmental studies obtained by Buyer, pursuant to Section 3(e), if any; (iii) Buyer's attorneys' fees; (iv) the Survey; (v) environmental site assessments described in Section 3(d).; and (vi) the owner's title policy issued pursuant to the Commitment described in Section 3(b).

b. At Closing, Seller shall pay for (i) Seller's attorneys' fees; (ii) documentary stamp taxes on the deed; and (iii) recording fees for curative title documents.

13. Taxes and Assessments. All real estate taxes and assessments which are or which may become a lien against the Property shall be satisfied of record by Seller at Closing. In the event the Buyer acquires fee title to the Property between January 1 and November 1, Seller shall, in accordance with Section 196.295, Florida Statutes, place in escrow with the tax collector an amount equal to the current taxes prorated to the Closing Date, based upon the current assessment and millage rates on the Property. In the event the Buyer acquires fee title to the Property on or after November 1, Seller acknowledges that all sums due the Tax Collector at closing shall be withheld, and Buyer shall transmit said taxes to the Tax Collector for the period of time for which Seller owned the property. Seller shall pay to the tax collector an amount equal to the taxes that are determined to be legally due and payable by the tax collector.

14. Notices. Any notice, demand, consent, authorization, request, approval or other communication (collectively, "Notice") that any party is required, or may desire, to give to or make upon the other party pursuant to this Agreement shall be effective and valid only if in writing, signed by the party giving such notice, and delivered personally to the other party or sent by express 24-hour guaranteed courier or delivery service, by facsimile transmission with telephone confirmation or certified mail of the United States Postal Service, postage prepaid and return receipt requested, addressed to the other party as follows (or such other place as any party may by Notice to the other specify):

To Buyer: JEA, Real Estate
21 W. Church Street (CC-6)
Jacksonville, Florida 32202
Attention: Director, Real Estate Services

With copies to: Edwards, Cohen, Dawson, Noble & Dawes, P.A
200 W. Forsyth St., Suite 1300
Jacksonville, FL 32202
Attention: Brian Dawes, Esq.
bdawes@edcolaw.com

Office of General Counsel
117 W. Duval Street, Suite 480
Jacksonville, Florida 32202
Attention: Miriam R. Hill, Assistant General Counsel
hillmr@jea.com

To Seller: Industrial Cleaning Technology Properties, Inc.
10855 New Berlin Road
Jacksonville, FL 32226
Attention: Janet Thomas
Email: tankhunt@industrialcleaningtech.com

With copy to: Bernard E. (Barney) Smith
Smith & Young Co.

3517 U.S. Highway 17, Suite B
Fleming Island, Florida 32003
Email: barney@smithyoungco.com

And copy to: Lawrence C. Rolfe, Esquire
Rolfe & Lobello, P.A.
Post Office Box 4400
Jacksonville, Florida 32201-4400
Email: lcr@rolfelaw.com

To Escrow Agent: Edwards, Cohen, Dawson, Noble & Dawes, P.A.
200 W. Forsyth St., Suite 1300
Jacksonville, FL 32202
Attention: Brian Dawes, Esq.
bdawes@edcolaw.com

Notice shall be deemed given when received, except that if delivery is not accepted, Notice shall be deemed given on the date of such non-acceptance.

15. State Required Disclosure. The following disclosure is required to be made by the laws of the State of Florida if the Property is located within the State of Florida:

“RADON GAS” Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guideline have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.”

16. Governing Law. The parties hereto expressly agree that the terms and conditions hereof, and the subsequent performance hereunder, shall be construed and controlled in accordance with the laws of the State of Florida.

17. Entire Agreement. This Agreement contains the entire Agreement between the parties hereto and no statement or representation of the respective parties hereto, their agents or employees, made outside this Agreement, and not contained herein, shall form any part hereof or be binding upon the other party hereto. This Agreement shall not be changed or modified except by written instrument signed by the parties hereto.

18. Captions. Captions used in this Agreement are for convenience of reference only and shall not affect the construction of any provision of this Agreement. Whenever used, the singular shall include the plural, the plural shall include the singular, and the neuter gender shall include all genders.

19. Assignment. This Agreement shall inure to the benefit of and be binding upon and is intended solely for the benefit of the parties hereto and their respective heirs, personal representatives, successors and assigns; and no third party will have any rights, privileges or other beneficial interest herein or hereunder.

20. Time is of the Essence. Time is of the essence of this Agreement. If any date referenced herein falls on a Saturday, Sunday or legal holiday, then such date automatically is extended to the next business day.

21. Interpretation. Should any of the provisions of this Agreement require interpretation, the party or parties interpreting or construing the same shall not apply a presumption that the terms herein shall be more strictly construed against on party by reason of

the rule of construction that a document is to be construed more strictly against the party who itself or through its agents prepared the same, it being agreed that the agents of all parties participated in the preparation hereof.

22. Waiver. The waiver by one party of the performance of any covenant or condition herein shall not invalidate this Agreement, nor shall it be considered to be a waiver by such party of any other covenant or condition herein. The waiver by either or both parties of the time for performing any act shall not constitute a waiver at the time for performing any other act or any identical act required to be performed at a later time. No waiver hereunder shall be effective unless it is in writing.

23. Governmental Permits and Approvals. If, at any time prior to Closing, Buyer determines that it will be unable to obtain any federal, state or local governmental permits or approvals required for its intended use of the Property, Buyer may terminate this Agreement by providing written notice thereof to Seller and the parties shall thereafter be relieved of all further obligations under this Agreement which do not specifically survive its termination, and the Earnest Money shall be returned to Buyer.

24. Board Approval Contingency. This Agreement and purchase is wholly contingent upon Buyer being able to obtain approval from Buyer's Board of Directors for the purchase of the Property. It is understood that Buyer shall notify Seller prior to Closing of the decision of the Board of Directors. If the decision is "yes" this Agreement shall continue in full force and effect. If the decision is "no" Buyer shall deliver written notice of termination and Escrow Agent is irrevocably instructed to return the Earnest Money and any interest earned thereon to Buyer and this Agreement shall terminate and neither party shall have any further obligations under the terms thereof.

25. Escrow Provisions. Escrow Agent signs this Agreement for the sole purpose of accepting its engagement as escrow agent pursuant to the terms of this Agreement and agreeing to be bound by the applicable terms hereof. It is agreed that the duties of Escrow Agent with respect to the Earnest Money are only as herein specifically provided and purely ministerial in nature, and Escrow Agent shall incur no liability whatever except for willful misconduct or gross negligence, as long as Escrow Agent has acted in good faith. Buyer and Seller each release Escrow Agent from any act done or omitted to be done by Escrow Agent in good faith in the performance of its duties hereunder, except the parties shall not release Escrow Agent from willful misconduct or gross negligence. Escrow Agent is acting as stakeholder only with respect to the Earnest Money and any other monies or documents to the extent delivered to Escrow Agent pursuant to this Agreement. Escrow Agent agrees that at such time as either party alleges that there is a default entitling the other party to the Earnest Money or a document, then Escrow Agent shall send notice to Seller and Buyer advising that the other party has made demand on Escrow Agent for such Earnest Money or document. If the party alleged to be in default does not dispute Escrow Agent disbursing the Earnest Money or document within ten (10) business days of receipt of notice that Escrow Agent intends to disburse the Earnest Money or document or Escrow Agent notifies the parties that it intends to disburse a portion of the Earnest Money or a document and neither of the parties disputes such disbursement within five (5) business days after written notice that Escrow Agent intends to disburse all or a portion of such Earnest Money or the document, then Escrow Agent is authorized to disburse the Earnest Money or document as set forth in Escrow Agent's notice. If there is any valid dispute as to whether Escrow Agent is obligated to deliver the Earnest Money or the cash or documents to close or as to whom the Earnest Money, or cash or documents to close is to be delivered, Escrow Agent shall not make any delivery, but in such event, Escrow Agent shall hold same until receipt by it of an authorization in writing, directing the disposition of same executed by Buyer and Seller or in the absence of such authorization, Escrow Agent shall hold the Earnest Money and/or the cash or documents to close until final determination of the rights of the parties in the appropriate proceedings. If such written authorization is not given or proceedings for such determination are not begun within thirty (30) days of written demand by Escrow Agent to Seller and Buyer and

diligently continued, Escrow Agent may bring an appropriate action or proceeding to interplead such deposits or documents. Any such interpleader action must be brought in the County in which the Property is located. Escrow Agent shall be reimbursed for all costs and expenses of such action or proceeding, including, without limitation, reasonable attorneys' fees and disbursements, by the party determined to have wrongfully disputed Escrow Agent's authority to disburse. Upon making delivery of the Earnest Money and/or the cash or documents to close, Escrow Agent shall have no further liability unless such delivery constituted willful misconduct or gross negligence.

Buyer may at any time remove the Escrow Agent and appoint a successor. The Escrow Agent may resign at any time from its obligations hereunder by providing written notice to the Seller and Buyer. Such resignation shall be effective on the date set forth in such written notice, which shall be no earlier than ten (10) business days after such written notice has been furnished. In such event, the Buyer shall promptly appoint a mutually acceptable successor escrow agent. In the event no successor escrow agent has been appointed on or prior to the date such resignation is to become effective, the Escrow Agent shall be entitled to tender into the custody of any court of competent jurisdiction all funds and other property then held by the Escrow Agent hereunder and the Escrow Agent shall thereupon be relieved of all further duties and obligations hereunder. The Escrow Agent shall have no responsibility for the appointment of a successor escrow agent hereunder.

The provisions of this Section shall survive Closing or any earlier termination of this Agreement.

IN WITNESS WHEREOF, Buyer and Seller have caused these presents to be signed in their names on the day and year set forth below

EXECUTION ON FOLLOWING PAGE(S)

BUYER:

JEA, a body politic and corporate

By: _____
Jordan Pope
Director, Economic Development
and Real Estate

Date: _____

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing agreement was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 2020, by Jordan Pope, as Director of Economic Development and Real Estate of JEA, a body politic and corporate, on behalf of the JEA. He is ☐ personally known to me, or ☐ produced _____ as identification.

(seal)

Notary Public, State of Florida

SELLER:

**INDUSTRIAL CLEANING
TECHNOLOGY PROPERTIES, INC.**, a
Florida corporation

By: _____
Janet K. Thomas, President

Date: _____

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing agreement was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ____ day of _____, 2020, by Janet K. Thomas, as President of Industrial Cleaning Technology Properties, Inc., a Florida corporation, on behalf of the corporation. She is ☐ personally known to me, or ☐ produced _____ as identification.

(seal)

Notary Public, State of Florida

Escrow Agent has executed this Agreement in order to confirm that the Escrow Agent has received and shall hold the Earnest Money in escrow, and shall disburse the Earnest Money pursuant to the provisions of Section 25.

Edwards, Cohen, Dawson, Noble & Dawes, P.A.

By: _____
Print: _____
Its: _____
Date: _____

EXHIBIT A

DESCRIPTION OF PROPERTY

RE# 109103-0600

PARCEL 1:

A PART OF LOT 21, SUBDIVISION OF THE DOMINGO FERNANDEZ GRANT, SECTIONS 38 AND 39, TOWNSHIP 1 SOUTH, RANGE 27 EAST, AS RECORDED IN PLAT BOOK 1, PAGE 18, FORMER PUBLIC RECORDS OF DUVAL COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

FOR A POINT OF COMMENCEMENT BEGIN AT THE NORTHEAST CORNER OF SAID SECTION 38 (SAID CORNER LYING ON THE WESTERLY LINE OF SECTION 12); THENCE SOUTH 15°07'52" EAST, ALONG THE EASTERLY LINE OF SAID SECTION 38, A DISTANCE OF 432.48 FEET TO THE NORTHERLY RIGHT OF WAY LINE OF A 100 FOOT WIDE ACCESS ROAD DESCRIBED IN OFFICIAL RECORDS VOLUME 3247, PAGE 1197 OF THE CURRENT PUBLIC RECORDS OF SAID COUNTY; THENCE SOUTH 75°05'09" WEST, ALONG SAID NORTHERLY RIGHT OF WAY LINE, A DISTANCE OF 1149.28 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE SOUTH 75°05'09" WEST, ALONG SAID NORTHERLY RIGHT OF WAY LINE, A DISTANCE OF 886.00 FEET TO THE EASTERLY RIGHT OF WAY LINE OF NEW BERLIN ROAD (A 60 FOOT RIGHT OF WAY AS NOW ESTABLISHED); THENCE NORTH 23°52'20" EAST, ALONG SAID EASTERLY RIGHT OF WAY LINE, A DISTANCE OF 450.00 FEET; THENCE NORTH 75°05'09" EAST, A DISTANCE OF 604.11 FEET; THENCE SOUTH 14°54'51" EAST, A DISTANCE OF 350.77 FEET TO THE POINT OF BEGINNING.

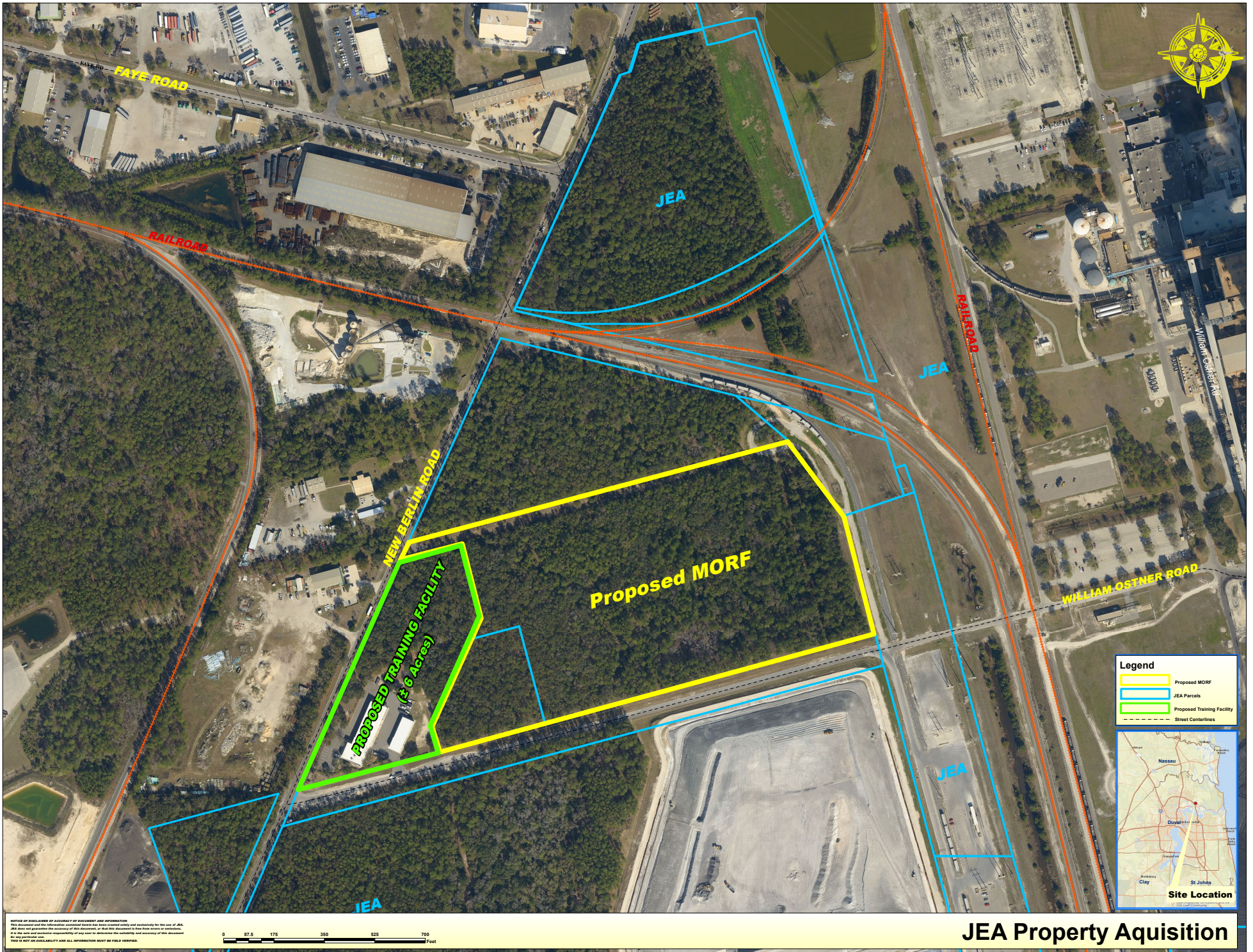
LESS AND EXCEPT THOSE LANDS CONVEYED IN OFFICIAL RECORDS BOOK 9261, PAGE 2392, PUBLIC RECORDS OF DUVAL COUNTY, FLORIDA.

RE# 109103-0000

PARCEL 2:

A PART OF LOT 21, SUBDIVISION OF THE DOMINGO FERNANDEZ GRANT, SECTIONS 38 AND 39, TOWNSHIP 1 SOUTH, RANGE 27 EAST, AS RECORDED IN PLAT BOOK 1, PAGE 18, FORMER PUBLIC RECORDS OF DUVAL COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

FOR A POINT OF REFERENCE COMMENCE AT THE INTERSECTION OF THE EASTERLY RIGHT OF WAY LINE OF NEW BERLIN ROAD (A 60 FOOT RIGHT OF WAY) WITH THE NORTHERLY RIGHT OF WAY LINE OF WILLIAM OSTNER ROAD (A 100 FOOT WIDE PRIVATE ACCESS ROAD) DESCRIBED IN OFFICIAL RECORDS VOLUME 3247, PAGE 1197, CURRENT PUBLIC RECORDS OF SAID COUNTY; THENCE NORTH 23 DEGREES 52 MINUTES 03 SECONDS EAST, ALONG SAID EASTERLY RIGHT OF WAY LINE, A DISTANCE OF 449.79 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE NORTH 23 DEGREES 52 MINUTES 03 SECONDS EAST, ALONG SAID EASTERLY LINE, A DISTANCE OF 411.61 FEET; THENCE NORTH 74 DEGREES 36 MINUTES 08 SECONDS EAST, DEPARTING SAID EASTERLY LINE, A DISTANCE OF 219.20 FEET; THENCE SOUTH 15 DEGREES 24 MINUTES 53 SECONDS EAST, A DISTANCE OF 248.73 FEET; THENCE SOUTH 23 DEGREES 52 MINUTES 03 SECONDS WEST, A DISTANCE OF 94.73 FEET; THENCE SOUTH 75 DEGREES 03 MINUTES 56 SECONDS WEST, A DISTANCE OF 419.84 FEET TO THE POINT OF BEGINNING.



JEA Property Aquisition



INTER-OFFICE MEMORANDUM

May 18, 2020

SUBJECT: JEA/FPL ELECTRIC TERRITORY SWAP

FROM: Paul E. McElroy, Interim Managing Director/CEO

TO: JEA Board of Directors

BACKGROUND:

JEA staff and Florida Power & Light have agreed to an electric territory swap in the Nocatee area of St. Johns County. The proposed swap is the third amendment JEA and FPL will have executed in the Nocatee area since 2012.

DISCUSSION:

JEA and FPL have an existing territorial agreement that traverses the Nocatee area where private development continues to expand in St. Johns County, FL. Previous amendments aligned the territorial boundaries between JEA and FPL over certain parcels and now the parties desire to amend the territorial agreement to finalize the territorial boundary adjustments that are necessary to accommodate the development. This third amendment will avoid uneconomic duplication of services and provide the cost effective provision of service to utility customers.

JEA will gain ~13.43 acres of service territory from FPL. JEA will cede ~8.87 acres of service territory to FPL.

Should the Board approve the territorial swap, the proposed territorial boundary amendment will be submitted to the Florida Public Service Commission for its approval.

FINANCIAL IMPACT:

The proposed amendment would provide ~64 future residential customers to JEA in a development currently under construction while providing FPL with undeveloped commercial property. JEA's revenue analysis of the proposed swap given the potential for development on the commercial site indicates an equitable exchange.

RECOMMENDATION:

That the Board of Directors approve the territorial swap as outlined in the attached territorial swap documents in their substantial form.

Paul E. McElroy, Interim Managing Director/CEO

PEM/SGM/JAP

Attachments:

Joint Petition for Approval of Amendment to Territorial Agreement

Third Amendment to Territorial Agreement between Florida Power & Light Company and JEA

Territory exchange legal descriptions and sketches

DOT Map

Location Map

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Joint Petition for Approval of Amendment to Territorial Agreement between Florida Power & Light Company, a Florida Corporation, and JEA, a body politic and corporate organized and existing under the laws of the State of Florida

Docket No. 2020_____

Filed: __/__/____

**JOINT PETITION FOR APPROVAL OF
AMENDMENT TO TERRITORIAL AGREEMENT**

Florida Power & Light Company (“FPL”) and JEA jointly petition the Florida Public Service Commission (“Commission”) for approval of an agreement, entered into by and between FPL and JEA (hereinafter referred to as “Joint Petitioners” or “Parties”) on __/__/__, amending their existing territorial agreement (the “2020 Amendment”). A copy of the 2020 Amendment, attached hereto as Appendix “A,” is hereby submitted for approval.

1. The Joint Petitioners’ names and addresses are:

Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408-0420
Attention: Manuel B. Miranda, Senior Vice President, Power Delivery

and

JEA
21 W. Church Street
Jacksonville, FL 32202-3155
Attention: Caren Anders, VP and General Manager, Energy

2. The Joint Petitioners request that any pleading, motion, notice, order or other document filed or submitted in this proceeding be served upon the following individuals:

For Florida Power & Light Company

Kenneth A. Hoffman
Vice President, Regulatory Affairs
Florida Power & Light Company
134 West Jefferson Street
Tallahassee, FL 32301-1713
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For JEA

Caren Anders
VP and General Manager, Energy
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21 W. Church Street
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Jody Brooks
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Office of General Counsel
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Jacksonville, FL 32202
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Fax: 904-665-4238
Email: broojl@jea.com

3. The Commission has jurisdiction pursuant to Section 366.04(2)(d), Florida Statutes, to approve territorial agreements between electric utilities. This Petition is filed pursuant to Rules 25-6.0439 and 25-6.0440, Florida Administrative Code (“F.A.C.”).

4. FPL is a corporation organized and existing under the laws of the State of Florida and is an electric utility as defined in Section 366.02(2), Florida Statutes.

5. JEA is a body politic and corporate organized and existing under the laws of the State of Florida that owns and operates its own electric utility system. JEA is an electric utility as defined in Section 366.02(2), Florida Statutes.

6. FPL and JEA have previously entered into a number of territorial agreements and amendments thereto.

- 1965 – The territorial boundary between the two utilities was first approved by the Commission.

- 1980 – The territorial boundary was re-affirmed by the Commission.¹
- 1996 – As a result of a territorial dispute, FPL and JEA entered into a new territorial agreement that replaced the prior agreement in its entirety.²
- 1998 – FPL and JEA entered into a new territorial agreement after discovering an inconsistency between the 1996 agreement and a territorial agreement between JEA and Clay Electric Cooperative. The 1998 agreement between FPL and JEA replaced the 1996 agreement.³

7. The current territorial boundary between FPL and JEA traverses an area where an expanding private development is planned in northeast St. Johns County, Florida. The expanding development lies just northwest of, and is contiguous with, the current territorial boundary between FPL and JEA. Beginning in 2012, FPL and JEA entered into various amendments to their territorial agreement to accommodate the expanding development.

- 2012 – FPL and JEA entered into an amendment of their existing territorial agreement that altered a segment of the territorial boundaries between the parties so that a single utility could serve the electric needs of a new private development planned for in an undeveloped area (“2012 Amendment”). The 2012 Amendment was the first modification of the Territorial Agreement to allow a single electric utility to serve in this then undeveloped area.⁴

¹ Order No. 9363, issued May 9, 1980, in Docket No. 790886-EU, In re: Petition of Jacksonville Electric Authority for approval of a territorial agreement between JEA and Florida Power and Light Company.

² Order No. PSC-96-0212-FOF-EU, issued February 14, 1996 and finalized by Order No. PSC-96-0755-FOF-EU, issued June 10, 1996, in Docket No. 950307-EU, In re: Petition of Jacksonville Electric Authority to Resolve a Territorial Dispute With Florida Power & Light Company in St. Johns County.

³ Order No. PSC-98-1687-FOF-EU, issued December 14, 1998, in Docket No. 980755-EU, In re: Joint petition for approval of new territorial agreement between Florida Power & Light Company and Jacksonville Electric Authority.

⁴ Order No. PSC-12-0561-PAA-EU, issued October 22, 2012, in Docket No. 120171-EU, In re: Joint petition for approval of amendment to territorial agreement in St. Johns County between Florida Power & Light Company, a Florida corporation, and JEA, a Florida municipal corporation.

- 2014 – FPL and JEA entered into a second amendment of their existing territorial agreement that altered the territory between the parties in a manner designed to align territorial boundaries more closely with planned road ways and accommodate new development (“2014 Amendment”). The 2014 Amendment was the second modification of the territorial agreement to allow a single electric utility to serve in this expanding area.⁵

8. The 2012 Amendment and 2014 Amendment aligned the territorial boundaries between FPL and JEA over certain parcels that will be included in the expanding development. The proposed 2020 Amendment finalizes the territorial boundary adjustments between FPL and JEA that are necessary to accommodate the development.

9. Under the proposed 2020 Amendment, FPL and JEA have agreed to swap certain parcels within their respective territories with respect to the right and obligation to serve customers located or to be located within those parcels.

10. The first parcel is located within FPL’s bounded service territory northwest of the intersection of Preservation Trail and Crestview Drive and is approximately 13.43 acres (“Swap Parcel 4”).⁶ A legal description and sketch of Swap Parcel 4 is attached to the 2020 Amendment as Exhibit “A.”

11. The second parcel is located within JEA’s bounded service territory south of the intersection of Palm Valley Road and Preservation Trail and is approximately 0.50 acres (“Swap

⁵ Order No. PSC-14-0469-PAA-EU, issued August 29, 2014, in Docket No. 140130-EU, In re: Joint petition for approval of amendment to territorial agreement between Florida Power & Light Company and JEA.

⁶ Under prior amendments to their territorial agreement, FPL and JEA exchanged a total of three parcels. Accordingly, the first parcel to be exchanged under this proposed transaction is labelled “Swap Parcel 4.” The other parcels described herein adopt the same numbering convention.

Parcel 5”). A legal description and sketch of Swap Parcel 5 is attached to the 2020 Amendment as Exhibit “B.”

12. The third parcel is located within JEA’s bounded service territory north of Park Lake Drive and Tavernier Drive and is approximately 0.55 acres (“Swap Parcel 6”). A legal description and sketch of Swap Parcel 6 is attached to the 2020 Amendment as Exhibit “C.”

13. The fourth parcel is located within JEA’s bounded service territory north of Nocatee Parkway, south of Palm Valley Road, and is bordered on the west by Crosswater Parkway, and is approximately 7.82 acres (“Swap Parcel 7”). A legal description and sketch of Swap Parcel 7 is attached to the 2020 Amendment as Exhibit “D.”

14. In order to better align territorial boundaries more closely with planned roadways and facilitate the provision of electric service for the expanding development by one utility, the parties have agreed to modify the territorial boundary to place Swap Parcel 4 such that customers located and to be located within Swap Parcel 4 shall receive electric service from JEA.

15. The Parties have further agreed to modify the territorial boundary to place Swap Parcel 5, Swap Parcel 6, and Swap Parcel 7 such that customers located and to be located within Swap Parcels 5, 6, and 7 shall receive electric service from FPL. Although there is no current development plan for the areas within those parcels (i.e., Swap Parcels 5, 6, and 7), the Parties agree that FPL will be in a better position to provide electric service in the future to any development within this area.

16. The Parties entered into the 2020 Amendment after consideration of the best interests of electric consumers and the residents of the areas served by both Parties. The 2020 Amendment is intended to avoid unnecessary duplication of services in the area covered by the

2020 Amendment. Accordingly, it is the Parties' position that the 2020 Amendment is in the best interest of the public.

17. Pursuant to Rule 25-6.0440(1)(f), F.A.C., attached hereto as Appendix "B" is an official Florida Department of Transportation ("DOT") General Highway County map, as well as two more detailed maps, for each affected county depicting the boundary lines established by the territorial agreement, as amended by the 2020 Amendment.

18. Because the areas covered by the 2020 Amendment are currently undeveloped, no customer accounts will be transferred between the Parties and no written notice to customers is required.

19. The Parties recognize that upon approval of the 2020 Amendment, any additional modifications, changes or amendments must be approved by the Commission.

20. The Parties represent that approval of this 2020 Amendment will not cause a decrease in the reliability of electrical service to the existing or future members of either utility, and there is a reasonable likelihood that this Amendment will eliminate the uneconomic duplication of facilities and will promote the Commission's stated policy of encouraging territorial agreements between and among Florida's electric utilities.

WHEREFORE, FPL and JEA respectfully request that the Commission enter an order approving the 2020 Amendment to the territorial agreement between the Parties.

Respectfully submitted this ____ day of _____, 2020.

Florida Power & Light Company

JE A

Jason A. Higginbotham
Senior Attorney
Florida Power & Light Company
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Juno Beach, Florida 33408-0420
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Appendix “A”

Amendment to Territorial Agreement between Florida Power & Light Company and JEA

**THIRD AMENDMENT TO TERRITORIAL AGREEMENT
BETWEEN
FLORIDA POWER & LIGHT COMPANY
AND
JEA**

This Third Amendment to the Territorial Agreement, dated _____, 2020, (“2020 Amendment”) is entered into by Florida Power & Light Company a corporation organized and existing under the laws of the State of Florida (“FPL”) and JEA, a body politic and corporate created by Charter (collectively, the “Parties”), and each of which is an electric utility as defined in Section 366.02(2), Florida Statutes.

W I T N E S S E T H

1. **WHEREAS**, FPL and JEA have an existing Territorial Agreement entered into in 1998, as amended by that certain Amendment to Territorial Agreement between FPL and JEA, dated May 25, 2012 (“2012 Amendment”), and by that certain Second Amendment to Territorial Agreement between FPL and JEA, dated March 13, 2014 (“2014 Amendment”) (such agreement and amendments are collectively referred to as the “Territorial Agreement”);
2. **WHEREAS**, the current territorial boundary between FPL and JEA traverses an area where an expanding private development is planned in northeast St. Johns County, Florida;
3. **WHEREAS**, the 2012 Amendment and 2014 Amendment aligned the territorial boundaries between FPL and JEA over certain parcels that will be included in the development, and the Parties now desire to amend the Territorial Agreement to finalize the territorial boundary adjustments between FPL and JEA that are necessary to accommodate the development; and

4. **WHEREAS**, amending the territorial boundary in the Territorial Agreement will avoid uneconomic duplication of services and provide for the cost effective provision of service to utility customers;
5. **NOW THEREFORE**, in consideration of the following mutual covenants and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto, subject to and upon the terms and conditions herein set forth, do hereby agree to amend the Territorial Agreement as follows:
 1. Territorial Exchange. The Parties agree to amend the boundaries in the Territorial Agreement in order to exchange four parcels within their respective retail service territories.
 - a) The first parcel is located within FPL's bounded service territory northwest of the intersection of Preservation Trail and Crestview Drive and is approximately 13.43 acres ("Swap Parcel 4"). A legal description and sketch of Swap Parcel 4 is attached as Exhibit "A." Upon approval of this 2020 Amendment by the Florida Public Service Commission ("FPSC"), Swap Parcel 4 will be transferred from FPL to JEA.
 - b) The second parcel is located within JEA's bounded service territory south of the intersection of Palm Valley Road and Preservation Trail and is approximately 0.50 acres ("Swap Parcel 5"). A legal description and sketch of Swap Parcel 5 is attached as Exhibit "B." Upon approval of this 2020 Amendment by the FPSC, Swap Parcel 5 will be transferred from JEA to FPL.

- c) The third parcel is located within JEA's bounded service territory north of Park Lake Drive and Tavernier Drive and is approximately 0.55 acres ("Swap Parcel 6"). A legal description and sketch of Swap Parcel 6 is attached as Exhibit "C." Upon approval of this 2020 Amendment by the FPSC, Swap Parcel 6 will be transferred from JEA to FPL.
- d) The fourth parcel is located within JEA's bounded service territory north of Nocatee Parkway, south of Palm Valley Road, and is bordered on the west by Crosswater Parkway, and is approximately 7.82 acres ("Swap Parcel 7"). A legal description and sketch of Swap Parcel 7 is attached as Exhibit "D." Upon approval of this 2020 Amendment by the FPSC, Swap Parcel 7 will be transferred from JEA to FPL.

2. Transition. There are currently no existing customers or electric facilities within Swap Parcel 4, Swap Parcel 5, Swap Parcel 6, or Swap Parcel 7. Thus, no transition of electric service is required.

3. Condition Precedent. The approval of this 2020 Amendment by the FPSC without modification, unless otherwise agreed to by the Parties, shall be an absolute condition precedent to the validity, enforceability and applicability hereof. This 2020 Amendment shall have no effect whatsoever until such approval has been granted by the FPSC, and the date of the FPSC's order, if any, granting such approval shall be deemed to be the effective date of the 2020 Amendment.

4. Existing Territorial Agreement. All other parts of the Territorial Agreement shall remain in effect.

IN WITNESS WHEREOF, this 2020 Amendment has been caused to be executed by FPL in its name by its Senior Vice President, and by JEA in its name by its interim Chief Executive Officer, on the day and year first written above.

FLORIDA POWER & LIGHT COMPANY

By: _____

Date: _____

Name: Manuel B. Miranda

Title: Senior Vice President, Power Delivery

JE A

By: _____

Date: _____

Name: Paul McElroy

Title: Interim Chief Executive Officer

Exhibit “A”

Legal description and sketch of Swap Parcel 4 in accordance with Rule 25-6.0440, F.A.C.

January 7, 2020

Work Order No. 19-316.00
File No. 126A-30.00A**Territory Exchange 4**

A portion of Section 31, Township 4 South, Range 29 East, together with a portion of Section 6, Township 5 South, Range 29 East, St. Johns County, Florida, being more particularly described as follows:

For a Point of Beginning, commence at the intersection of the Southerly terminus of and the centerline of Crestview Drive, a variable width right of way, as depicted on Town Center Roads Phase III, recorded in Map Book 74, pages 62 through 67, of the Public Records of said county; thence South $21^{\circ}32'44''$ West, along the Southerly prolongation of said centerline of Crestview Drive, 123.30 feet to its intersection with the centerline of Preservation Trail, a variable width right of way as presently established; thence Northwesterly along said centerline of Preservation Trail the following 3 courses: Course 1, thence Northwesterly along the arc of curve concave Northeasterly having a radius of 2550.00 feet, through a central angle of $10^{\circ}02'10''$, an arc length of 446.66 feet to the point of tangency of said curve, said arc being subtended by a chord bearing and distance of North $63^{\circ}26'11''$ West, 446.09 feet; Course 2, thence North $58^{\circ}25'07''$ West, 327.46 feet to the point of curvature of a curve concave Southwesterly having a radius of 881.00 feet; Course 3, thence Northwesterly along the arc of said curve, through a central angle of $04^{\circ}08'39''$, an arc length of 63.72 feet to its intersection with the former centerline of Palm Valley Road, a former 100 foot right of way as vacated by Resolution No. 2008-13, recorded in Official Records Book 3101, page 739, of said Public Records, said arc being subtended by a chord bearing and distance of North $60^{\circ}29'26''$ West, 63.71 feet; thence North $55^{\circ}19'25''$ East, departing said centerline of Preservation Trail and along said former centerline of Palm Valley Road, 1528.71 feet to its intersection with said centerline of Crestview Drive; thence Southerly along said centerline of Crestview Drive the following 4 courses: Course 1, thence South $21^{\circ}32'44''$ West, departing said former centerline, 675.58 feet to the point of curvature of a curve concave Northwesterly having a radius of 2026.00 feet; Course 2, thence Southwesterly along the arc of said curve, through a central angle of $06^{\circ}02'13''$, an arc length of 213.47 feet to a point of reverse curvature, said arc being subtended by a chord bearing and distance of South $24^{\circ}33'50''$ West, 213.37 feet; Course 3, thence Southwesterly along the arc of a curve concave Southeasterly having a radius of 1580.40 feet, through a central angle of $06^{\circ}02'13''$, an arc length of 166.52 feet to the point of tangency of said curve, said arc being subtended by a chord bearing and distance of South $24^{\circ}33'50''$ West, 166.44 feet; Course 4, thence South $21^{\circ}32'44''$ West, 197.40 feet to the Point of Beginning.

Containing 13.43 acres, more or less.

Exhibit “B”

Legal description and sketch of Swap Parcel 5 in accordance with Rule 25-6.0440, F.A.C.

January 7, 2020

Work Order No. 19-316.00
File No. 126A-30.00B

Territory Exchange 5

A portion of Section 31, Township 4 South, Range 29 East, St. Johns County, Florida, being more particularly described as follows:

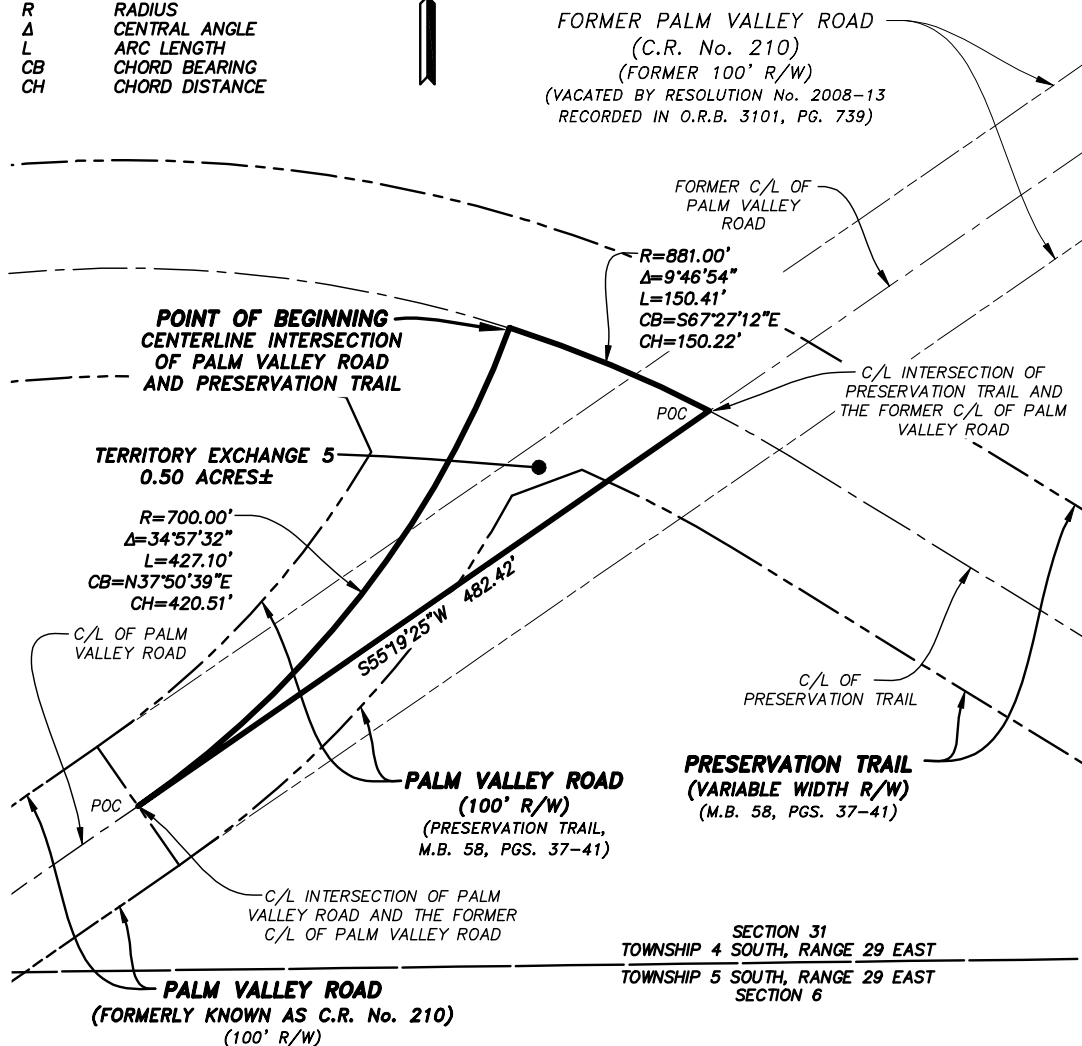
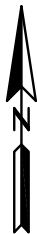
For a Point of Beginning, commence at the centerline intersection of Palm Valley Road, a 100 foot right of way, and Preservation Trail, a variable width right of way, both as depicted on Preservation Trail, recorded in Map Book 58, pages 37 through 41, of the Public Records of said county; thence Southeasterly along said centerline of Preservation Trail and along the arc of a curve concave Southwesterly having a radius of 881.00 feet, through a central angle of $09^{\circ}46'54''$, an arc length of 150.41 feet to its intersection with the former centerline of former Palm Valley Road, a former 100 foot right of way vacated by Resolution No. 2008-13, recorded in Official Records Book 3101, page 739, of said Public Records, said arc being subtended by a chord bearing and distance of South $67^{\circ}27'12''$ East, 150.22 feet; thence South $55^{\circ}19'25''$ West, departing said centerline of Preservation Trail and along said former centerline, 482.42 feet to its intersection with said centerline of Palm Valley Road; thence Northeasterly, departing said former centerline, along said centerline of Palm Valley Road and along the arc of a curve concave Northwesterly having a radius of 700.00 feet, through a central angle of $34^{\circ}57'32''$, an arc length of 427.10 feet to the Point of Beginning, said arc being subtended by a chord bearing and distance of North $37^{\circ}50'39''$ East, 420.51 feet.

Containing 0.50 acres, more or less.

SKETCH TO ACCOMPANY DESCRIPTION OF
A PORTION OF SECTION 31, TOWNSHIP 4 SOUTH, RANGE 29 EAST,
ST. JOHNS COUNTY, FLORIDA,
BEING MORE PARTICULARLY DESCRIBED IN SEPARATE ATTACHMENT.

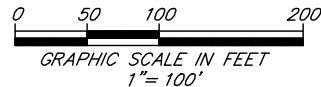
LEGEND:

M.B. MAP BOOK
O.R.B. OFFICIAL RECORDS BOOK
PG. PAGE
C.R. COUNTY ROAD
R/W RIGHT OF WAY
C/L CENTERLINE
POC POINT ON CURVE
R RADIUS
 Δ CENTRAL ANGLE
L ARC LENGTH
CB CHORD BEARING
CH CHORD DISTANCE



GENERAL NOTES:

- 1) THIS IS NOT A SURVEY.
- 2) BEARINGS BASED ON THE FORMER CENTERLINE OF PALM VALLEY ROAD AS BEING SOUTH 55°19'25" WEST.



ETM

Surveying & Mapping, Inc.

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14775 Old St. Augustine Road, Jacksonville, FL. 32258
Tel: (904) 642-8550 Fax: (904) 642-4165
Certificate of Authorization No.: LB 3624

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SIGNATURE MUST BE VERIFIED ON ANY ELECTRONIC COPIES.

SCALE: 1"=100'
DATE: JANUARY 7, 2020

DAMON J. KELLY
PROFESSIONAL SURVEYOR AND MAPPER
STATE of FLORIDA LS No. 6284

Exhibit “C”

Legal description and sketch of Swap Parcel 6 in accordance with Rule 25-6.0440, F.A.C.

January 7, 2020

Work Order No. 19-316.00
File No. 126A-30.00C

Territory Exchange 6

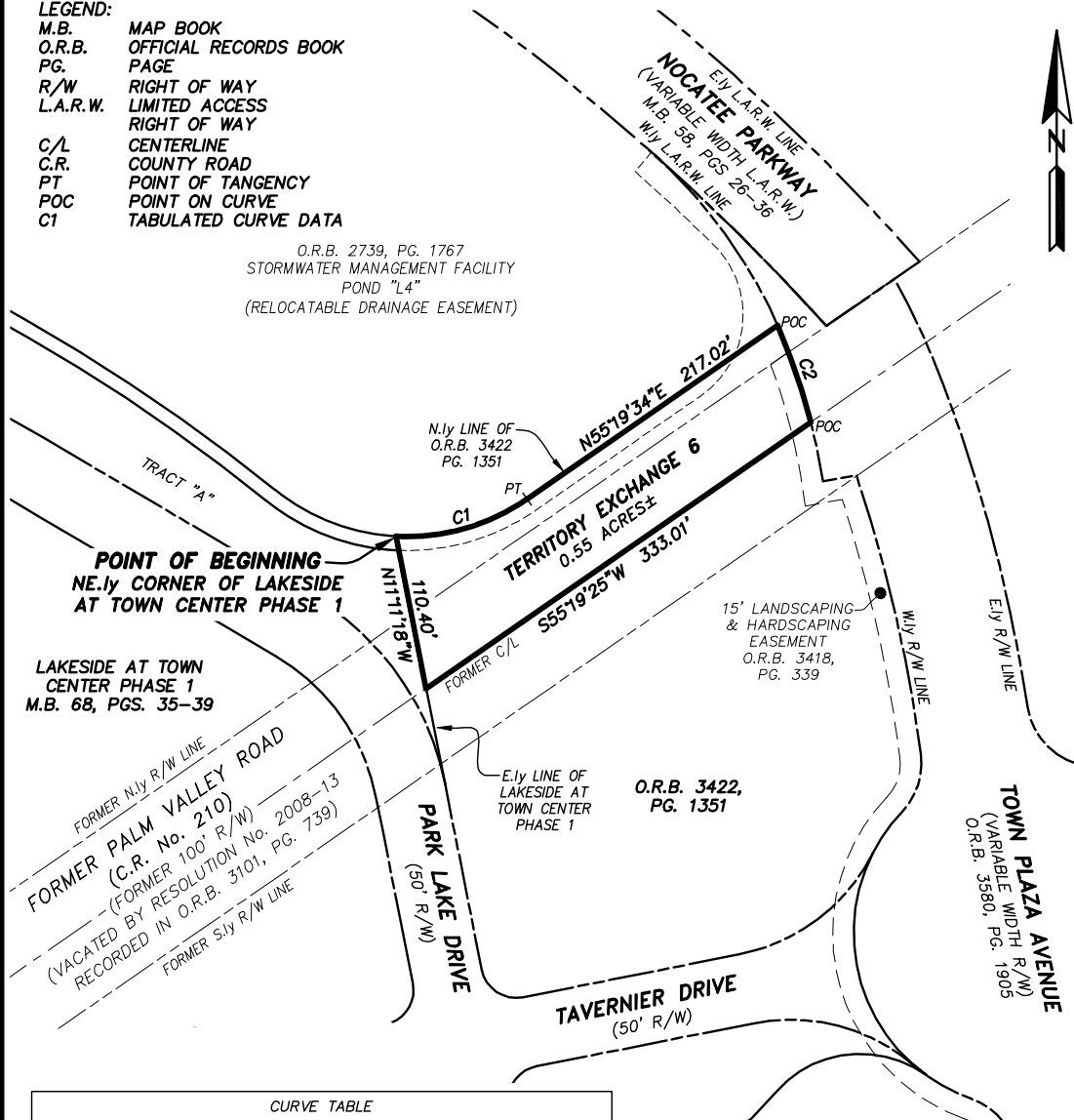
A portion of Section 31, Township 4 South, Range 29 East, St. Johns County, Florida, being a portion of those lands described and recorded in Official Records Book 3422, page 1351, of the Public Records of said county, being more particularly described as follows:

For a Point of Beginning, commence at the Northeasterly corner of Lakeside at Town Center Phase 1, a plat recorded in Map Book 68, pages 35 through 39, of said Public Records, said corner lying on the Northerly line of said Official Records Book 3422, page 1351; thence Easterly along said Northerly line and along the arc of a curve concave Northerly having a radius of 150.00 feet, through a central angle of $37^{\circ}40'21''$, an arc length of 98.63 feet to the point of tangency of said curve, said arc being subtended by a chord bearing and distance of North $74^{\circ}09'45''$ East, 96.86 feet; thence North $55^{\circ}19'34''$ East, continuing along said Northerly line, 217.02 feet to a point lying on the Westerly right of way line of Town Plaza Avenue, a variable width right of way as described and recorded in Official Records Book 3580, page 1905, of said Public Records; thence Southerly, departing said Northerly line, along said Westerly right of way line and along the arc of a curve concave Westerly having a radius of 448.00 feet, through a central angle of $09^{\circ}18'20''$, an arc length of 72.76 feet to its intersection with the former centerline of Palm Valley Road, a former 100 foot right of way vacated by Resolution No. 2008-13, recorded in Official Records Book 3101, page 739, of said Public Records, said arc being subtended by a chord bearing and distance of South $18^{\circ}58'14''$ East, 72.68 feet; thence South $55^{\circ}19'25''$ West, departing said Westerly right of way line and along said former centerline, 333.01 feet to a point lying on the Easterly line of said Lakeside at Town Center Phase 1; thence North $11^{\circ}11'18''$ West, departing said former centerline and along said Easterly line, 110.40 feet to the Point of Beginning.

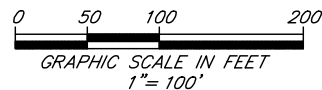
Containing 0.55 acres, more or less.

**SKETCH TO ACCOMPANY DESCRIPTION OF
A PORTION OF SECTION 31, TOWNSHIP 4 SOUTH, RANGE 29 EAST,
ST. JOHNS COUNTY, FLORIDA, BEING A PORTION OF THOSE LANDS
DESCRIBED AND RECORDED IN OFFICIAL RECORDS BOOK 3422,
PAGE 1351, OF THE PUBLIC RECORDS OF SAID COUNTY,
BEING MORE PARTICULARLY DESCRIBED IN SEPARATE ATTACHMENT.**

LEGEND:
M.B. MAP BOOK
O.R.B. OFFICIAL RECORDS BOOK
PG. PAGE
R/W RIGHT OF WAY
L.A.R.W. LIMITED ACCESS
RIGHT OF WAY
C/L CENTERLINE
C.R. COUNTY ROAD
PT. POINT OF TANGENCY
POC POINT ON CURVE
C1 TABULATED CURVE DATA



CURVE TABLE					
CURVE	RADIUS	CENTRAL ANGLE	ARC LENGTH	CHORD BEARING	CHORD DISTANCE
C1	150.00'	37°40'21"	98.63'	N74°09'45"E	96.86'
C2	448.00'	9°18'20"	72.76'	S18°58'14"E	72.68'



GENERAL NOTES:

- 1) THIS IS NOT A SURVEY.
- 2) BEARINGS BASED ON THE EASTERLY LINE OF LAKESIDE AT TOWN CENTER PHASE 1 AS BEING NORTH 11°11'18" WEST.

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Tel: (904) 642-8550 Fax: (904) 642-4165
Certificate of Authorization No.: LB 3624

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DATE: JANUARY 7, 2020

DAMON J. KELLY
PROFESSIONAL SURVEYOR AND MAPPER
STATE OF FLORIDA LS No. 6284

Exhibit “D”

Legal description and sketch of Swap Parcel 7 in accordance with Rule 25-6.0440, F.A.C.

January 7, 2020

Work Order No. 19-316.00
File No. 126A-30.00D**Territory Exchange 7**

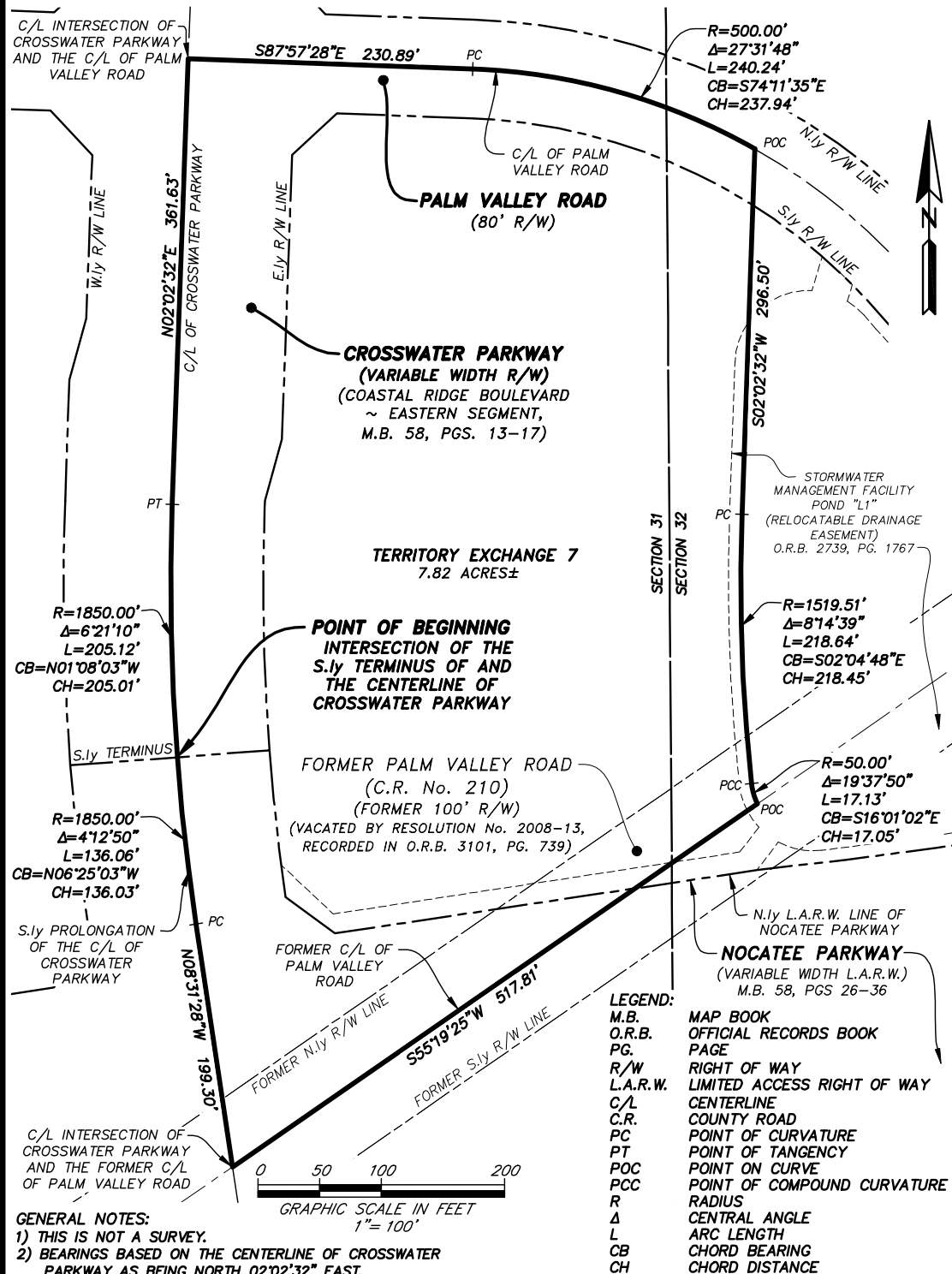
A portion of Sections 31 and 32, Township 4 South, Range 29 East, St. Johns County, Florida, being more particularly described as follows:

For a Point of Beginning, commence at the intersection of the Southerly terminus of and the centerline of Crosswater Parkway, a variable width right of way, as depicted on Coastal Ridge Boulevard ~ Eastern Segment, recorded in Map Book 58, pages 13 through 17 of the Public Records of said county; thence Northerly, along said centerline of Crosswater Parkway and along the arc of a curve concave Easterly having a radius of 1850.00 feet, through a central angle of $06^{\circ}21'10''$, an arc length of 205.12 feet to the point of tangency of said curve, said arc being subtended by a chord bearing and distance of North $01^{\circ}08'03''$ West, 205.01 feet; thence North $02^{\circ}02'32''$ East, continuing along said centerline, 361.63 feet to its intersection with the centerline of Palm Valley Road, an 80 foot right of way as presently established; thence South $87^{\circ}57'28''$ East, departing said centerline of Crosswater Parkway and along said centerline of Palm Valley Road, 230.89 feet to the point of curvature of a curve concave Southerly having a radius of 500.00 feet; thence Easterly continuing along said centerline and along the arc of said curve, through a central angle of $27^{\circ}31'48''$, an arc length of 240.24 feet to a point on said curve, said arc being subtended by a chord bearing and distance of South $74^{\circ}11'35''$ East, 237.94 feet; thence South $02^{\circ}02'32''$ West, departing said centerline, 296.50 feet to the point of curvature of a curve concave Easterly having a radius of 1519.51 feet; thence Southerly along the arc of said curve, through a central angle of $08^{\circ}14'39''$, an arc length of 218.64 feet to a point of compound curvature, said arc being subtended by a chord bearing and distance of South $02^{\circ}04'48''$ East, 218.45 feet; thence Southerly along the arc of a curve concave Easterly having a radius of 50.00 feet, through a central angle of $19^{\circ}37'50''$, an arc length of 17.13 feet to a point lying on the former centerline of Palm Valley Road (County Road No. 210), a former 100 foot right of way vacated by Resolution No. 2008-13, recorded in Official Records Book 3101, page 739, of said Public Records, said arc being subtended by a chord bearing and distance of South $16^{\circ}01'02''$ East, 17.05 feet; thence South $55^{\circ}19'25''$ West, along said former centerline, 517.81 feet; thence North $08^{\circ}31'28''$ West, departing said former centerline of Palm Valley Road, 199.30 feet to the point of curvature of a curve concave Easterly having a radius of 1850.00 feet, lying on the Southerly prolongation of said centerline of Crosswater Parkway; thence Northerly, along said Southerly prolongation and along the arc of said curve, through a central angle of $04^{\circ}12'50''$, an arc length of 136.06 feet to the Point of Beginning, said arc being subtended by a chord bearing and distance of North $06^{\circ}25'03''$ West, 136.03 feet.

Containing 7.82 acres, more or less.

SKETCH TO ACCOMPANY DESCRIPTION OF

A PORTION OF SECTIONS 31 AND 32, TOWNSHIP 4 SOUTH,
RANGE 29 EAST, ST. JOHNS COUNTY, FLORIDA,
BEING MORE PARTICULARLY DESCRIBED IN SEPARATE ATTACHMENT.



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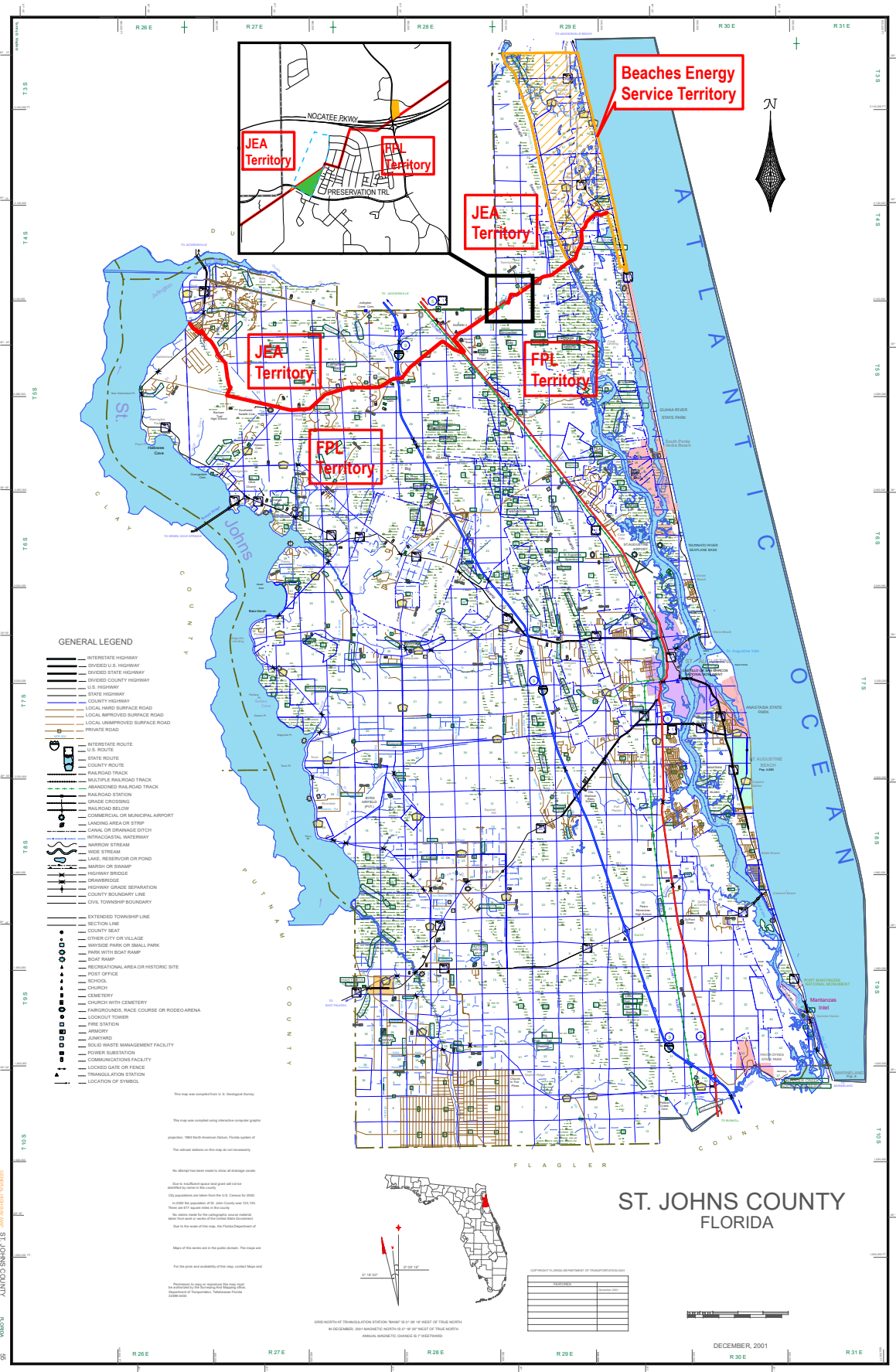
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SCALE: 1"=100'
DATE: JANUARY 7, 2020

DAMON J. KELLY
PROFESSIONAL SURVEYOR AND MAPPER
STATE OF FLORIDA LS No. 6284

Appendix “B”

Official Florida Department of Transportation (“DOT”) General Highway County map, as well as two more detailed maps, for each affected county depicting the boundary lines established by the territorial agreement, in accordance with Rule 25-6.0440, F.A.C.

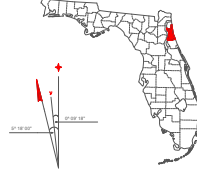


GENERAL LEGEND

- INTERSTATE HIGHWAY
- DIVIDED U.S. HIGHWAY
- DIVIDED COUNTY HIGHWAY
- U.S. HIGHWAY
- COUNTY HIGHWAY
- LOCAL IMPROVED SURFACE ROAD
- LOCAL UNIMPROVED SURFACE ROAD
- PRIVATE ROAD
- INTERSTATE ROUTE
- U.S. ROUTE
- COUNTY ROUTE
- RAILROAD TRACK
- RAILROAD RIGHT-OF-WAY
- RAILROAD CROSSING
- RAILROAD BELOW
- COMMERCIAL OR MUNICIPAL AIRPORT
- LANDING AREA OR STRIP
- CANAL OR DRAINAGE DITCH
- INTRACASTAL WATERWAY
- NARROW STREAM
- WIDE STREAM
- LAKE, RESERVOIR OR POND
- MARSH OR SWAMP
- HIGHWAY BRIDGE
- RAILROAD BRIDGE
- HIGHWAY GRADE SEPARATION
- COUNTY BOUNDARY LINE
- CIVIL TOWNSHIP BOUNDARY
- EXTENDED TOWNSHIP LINE
- SECTION LINE
- COUNTY SEAT
- OTHER CITY OR VILLAGE
- WAYSIDE PARK OR SMALL PARK
- PARK WITH BOAT RAMP
- BOAT RAMP
- RECREATIONAL AREA OR HISTORIC SITE
- POST OFFICE
- SCHOOL
- CHURCH
- CEMETERY
- FOUNDED WITH CEMETERY
- FARMLAND, RACE COURSE OR RODEO ARENA
- LOOKOUT TOWER
- FIRE STATION
- ARMORY
- LANDFILL
- SOLID WASTE MANAGEMENT FACILITY
- POWER SUBSTATION
- COMMUNICATIONS FACILITY
- LOCKED GATE OR FENCE
- TRIANGULATION STATION
- LOCATION OF SYMBOL

This map was compiled from U.S. Geological Survey
topographic, 1987 North American Datum. Please refer to
the legend for details on this map's data sources.

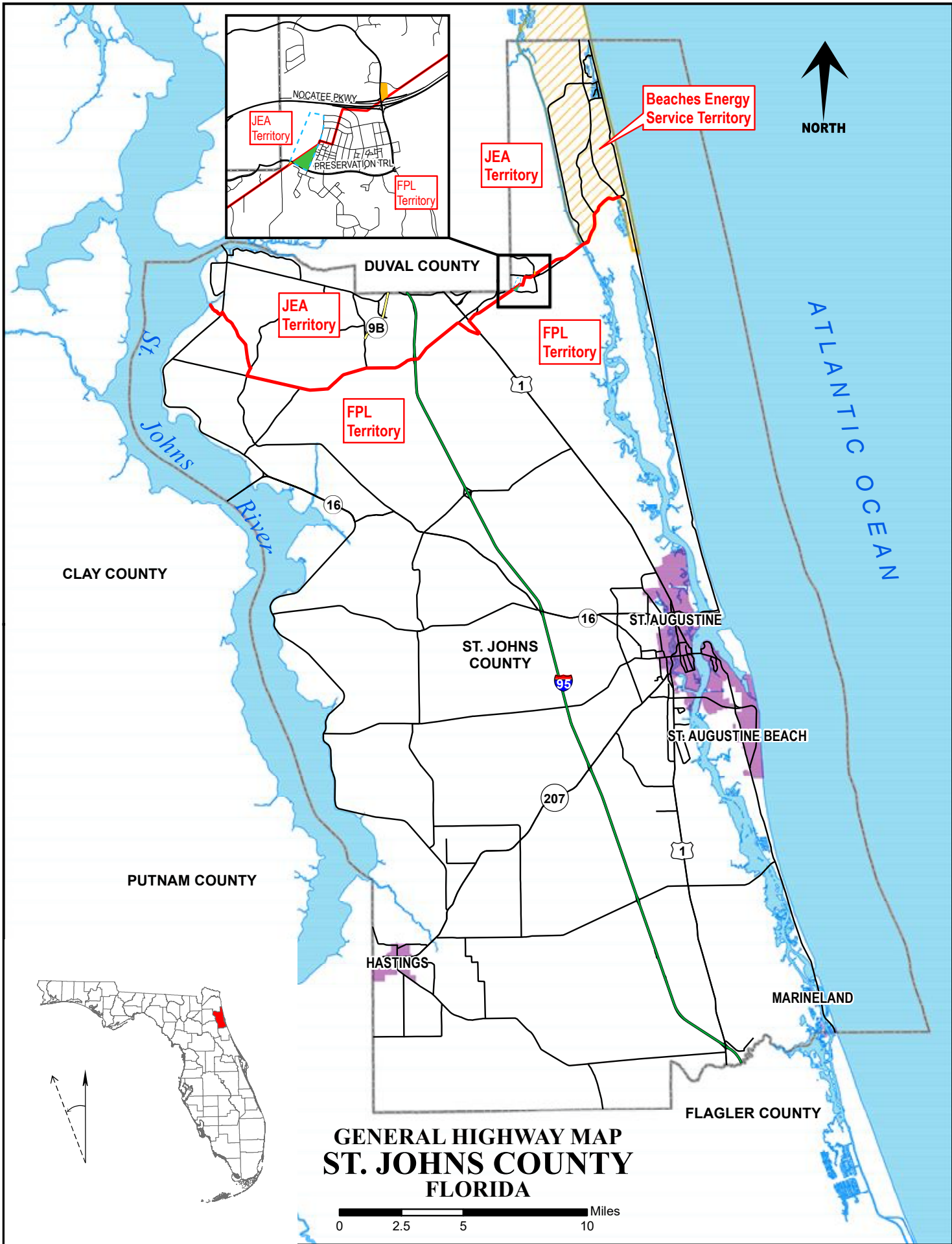
This map has been revised to show all changes since
the last edition. It is not a reprint of the last edition.
City boundaries are shown from the U.S. Census for 2000.
For more information on this map, please call 1-800-368-5848.
For more information on this map, please call 1-800-368-5848.
For more information on this map, please call 1-800-368-5848.



ST. JOHNS COUNTY
FLORIDA

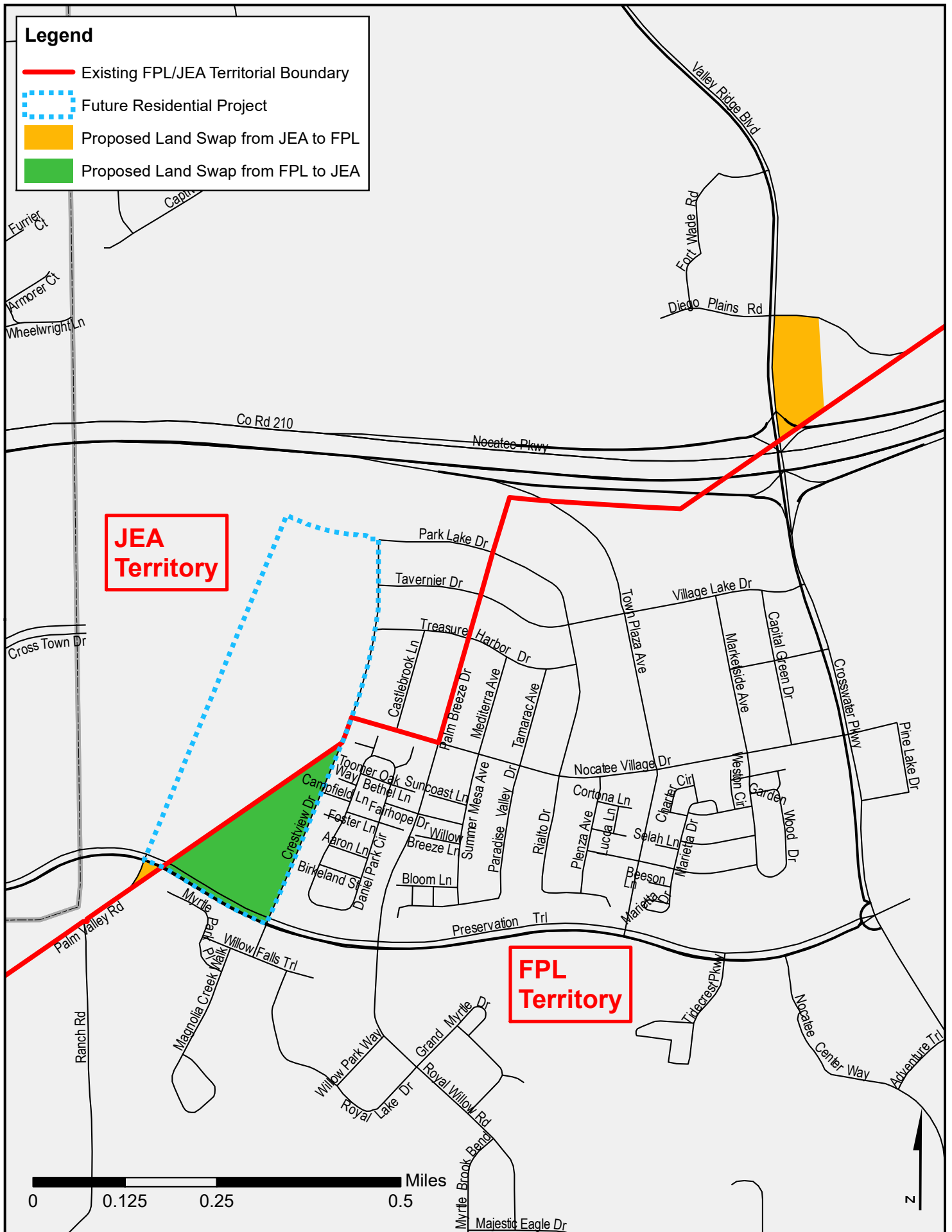
REVISION	DATE

DECEMBER, 2001



Legend

- Existing FPL/JEA Territorial Boundary
- Future Residential Project
- Proposed Land Swap from JEA to FPL
- Proposed Land Swap from FPL to JEA



Printed: May 13, 2020 - 11:18am

J:\1915-01-0002 TC West Single Family Design\Design Map (19-01-0002) Elec. Brd.dwg



JEA/FPL BOUNDARY LINE PROPOSED CHANGE				
PARCEL #	ACRES	RESIDENTIAL LOTS**	ROADWAY (L.F.)	COMMERCIAL (SQ. FT.)*
PREVIOUS LAND SWAPS				
1	16.92 ±	22	482'	5600 SF
2	3.56 ±	15	232'	0
3	0.34 ±	0	0	0
PROPOSED LAND SWAPS				
4	13.43 ±	64	2383'	0
5	0.50 ±	0	0	0
6	7.80 ±	0	0	54400 SF*

* NOTE: FOR COMMERCIAL PROPERTY SQ. FT. IS CALCULATED BY:
ACRES MULTIPLIED BY 10,000 SQ. FT./ACRE
** RESIDENTIAL LOT UTILITY PROVIDER DETERMINED BY REVIEW OF THE ABOVE ELECTRICAL TERRITORY MAP AND CREDITED TO THE UTILITY PROVIDER WITH TERRITORY COVERING OVER 50% OF THE RESIDENTIAL LOT AREA

Connelly & Wicker Inc.
Engineering · Landscape Architecture
10060 Stoner Lake Drive, Suite 500 Jacksonville, Florida 32246
(904) 265-3000 FAX: (904) 265-3031 www.cweng.com
Florida Registry: 3650 L.A. Number LC20000311

TC WEST RESIDENTIAL
ST JOHNS COUNTY
NOCCO CO. LLC

JUSTIN ELLERY WILLIAMS
P.E.
Reg. Engineer

NOCATÉE TC
ELECTRICAL TERRITORY
MAP

Project No.: 19-01-0002
Designed: J.T.S.
Checked: J.A.B.
Date: OCTOBER 1, 2019
Scale: 1" = 250'

Sheet 1 OF 1

THIS DRAWING IS THE PROPERTY OF CONNELLY & WICKER INC. AND IS NOT TO BE REPRODUCED OR COPIED IN WHOLE OR IN PART. IT IS NOT TO BE USED ON ANY OTHER PROJECT AND IS TO BE RETURNED ON REQUEST.



INTER-OFFICE MEMORANDUM

May 19, 2020

SUBJECT: SALE OF 9201 ATLANTIC BOULEVARD

FROM: Paul E. McElroy, Interim Managing Director/CEO

TO: JEA Board of Directors

BACKGROUND:

JEA owns the property located at 9201 Atlantic Boulevard (Parcel No. 123041-0000) which is at the northeast corner of the intersection of Southside Boulevard and Atlantic Boulevard. The parcel was acquired for the construction, mobilization, and pipeline installation of the Total Water Management Plan (TWMP) in 2011. The 5.088 acre parcel is improved with concrete block and metal buildings, and was previously a car dealership. The TWMP project is complete and JEA has no need to retain ownership of the property. Beyond its intended purchase for TWMP, JEA also utilized the site for the installation of a sewer force main, staging area for smart meter change-out, and tree-trimming contractor parking. Twenty percent of the parcel, or approximately one acre, will be retained by JEA as a utility easement for the operation and maintenance of a 30" water line and 24" sewer force main.

DISCUSSION:

The JEA Real Estate Procurement Directive requires Board of Directors approval for any sale or purchase of real property exceeding \$500,000. JEA received a high bid of \$3,210,000 for the subject property through a public bid process on July 16, 2019. The high bidder did not close on the property within the allotted timeframe. As allowed by the procurement directive, JEA staff has directly negotiated with potential purchasers and reached an agreement to sell the real property in the amount of \$3,150,000 to Circle K Stores Inc., subject to Board approval.

FINANCIAL IMPACT:

The property has a Just (Market) Value of \$2,388,212 per the Duval County Property Appraiser. JEA received an updated appraisal on the subject property in May 2020 in the amount of \$3,234,350. Per JEA policy, the parcel was offered to the City of Jacksonville and other governmental agencies before the public bid process and no agency declared a need for the property.

RECOMMENDATION:

That the Board of Directors approve the sale of real property as outlined in Resolution 2020-04.

Paul E. McElroy, Interim Managing Director/CEO

PEM/SGM/JAP

Attachments:
Resolution 2020-04
Location Map

RESOLUTION 2020-04

A RESOLUTION TO DELEGATE AUTHORITY TO NEGOTIATE AND EXECUTE A PURCHASE AND SALE AGREEMENT TO THE INTERIM CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR IN ACCORDANCE WITH JEA CHARTER SECTION 21.10.

WHEREAS, JEA desires to sell and Circle K Stores Inc. (the “Seller”) desires to purchase a parcel of JEA owned real property located at 9201 Atlantic Boulevard and as more particularly described in attached Exhibit A (the “Property”) ;

WHEREAS, the JEA Charter, Section 21.04(b) (4) authorizes JEA to dispose of real property if it determines it is in the best interest of JEA to do so;

WHEREAS, the JEA Charter, Section 21.10, provides that the JEA Board may delegate the authority to an officer, agent or employee of JEA by resolution to execute purchase and sale agreements;

WHEREAS, the Real Estate Services Procurement Directive dated May 26, 2016 requires Board Approval for all real estate purchases and sales of more than \$500,000.00;

WHEREAS, an analysis of current and future operational needs with regard to the Property has determined it may be sold without impairing JEA’s operations;

WHEREAS, consistent with JEA policy, the Property has been offered to the City of Jacksonville and other governmental agencies and no agency has declared a need for the Property;

WHEREAS, JEA and the Seller have agreed to a sales price of \$3,150,000.00;

BE IT RESOLVED by the JEA Board of Directors that:

1. The Board hereby declares the real property identified in Exhibit A surplus to the needs of JEA and a sale is hereby approved to the Seller;
2. The Board hereby delegates to the interim Chief Executive Officer and Managing Director or his designee to execute a purchase and sale agreement and all other documentation as may be reasonably required to consummate the real estate transaction.
3. The purchase price for the Property shall not be less than \$3,150,000 without additional approval by the JEA Board of Directors.

Dated this _____ day of May 2020.

JEA

By: _____
_____, Chair

Secretary

Form Approved:

By: _____
Office of General Counsel

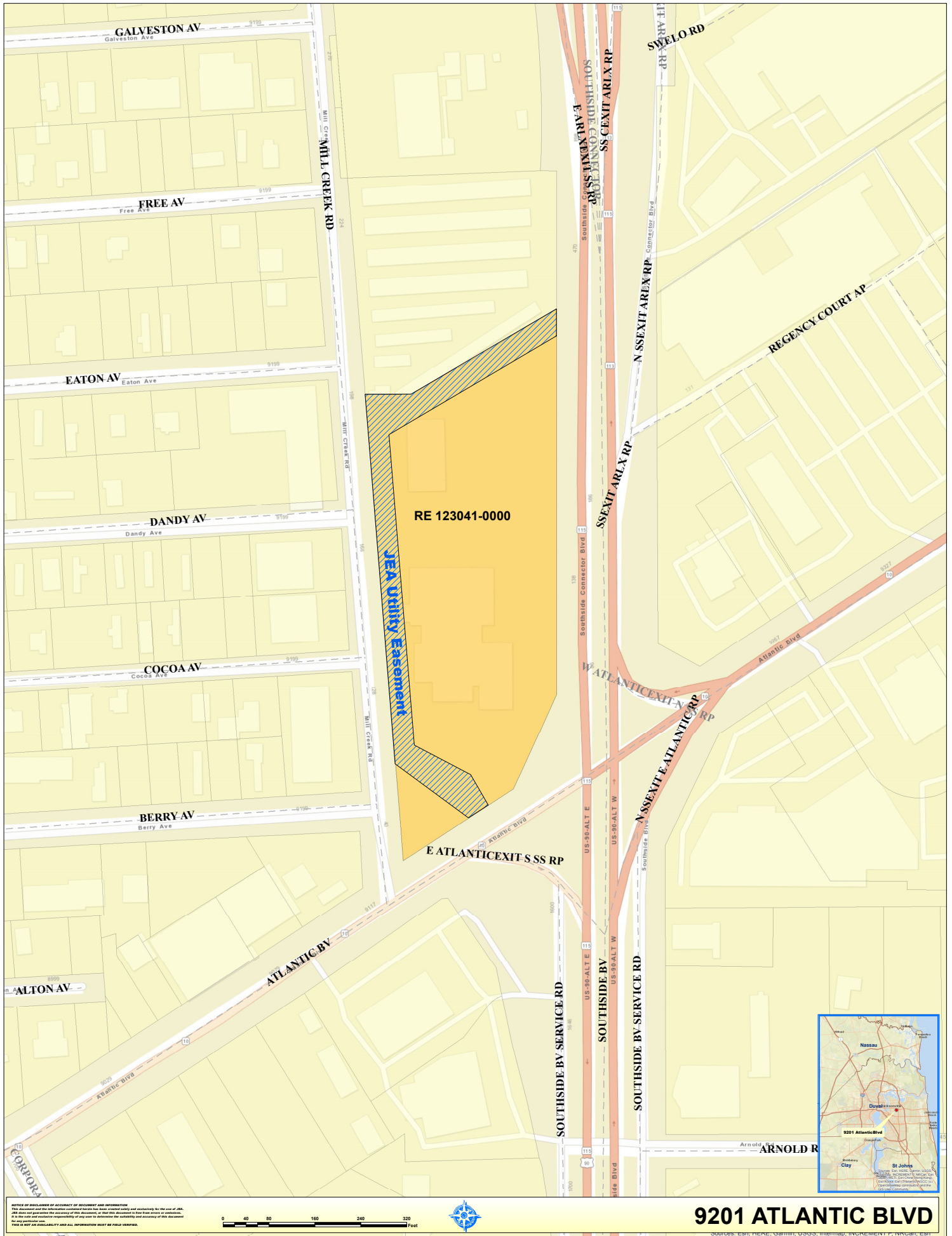
VOTE: In Favor: ____ Opposed: ____ Abstained: ____

Exhibit A

That certain tract or parcel of land being all of Lots 1 through 8, Inclusive, a portion of Lots 9 through 12, inclusive, and all of lots 13 through 48, inclusive, together with that portion of vacated Stuart Avenue and Hunt Street adjacent to said Lots and Streets as shown on Plat of Pinebreeze Heights, as recorded in Plat Book 9, Page 2, of the Public Records of Duval County, Florida; together with a portion of Section 24 and the F. Richard Mill Grant, Section 52, all in Township 2 South, Range 27 East, of said County, and being more particularly described as follows:

Begin at the intersection of the Northerly right-of-way line of Atlantic Boulevard (a 100.00 foot right of way as now established) with the Easterly right-of-way line of Mill Creek Road (a 60.00 foot right of way, formerly known as 28th Street); thence North $04^{\circ}52'52''$ West along said Easterly right-of-way line, 804.23 feet to the Northwestern corner of those lands described and recorded in Official Records Volume 2663, Page 653 of the current public records of said County; thence North $89^{\circ}04'50''$ East along the Northerly line of those lands thereof and departing from said Easterly right of way line, 63.19 feet to a point situate on the line dividing said Sections 24 and 52; thence North $56^{\circ}54'16''$ East along the Westerly prolongation of the Northerly property line of said Lot 48 and along said Northerly property line of Lot 48 and the Easterly prolongation thereof, 298.59 feet to a point situate on the Westerly right-of-way line of Southside Boulevard (a 200.00 foot right-of-way as now established, also known as Alternate U.S. Highway 1); thence South $00^{\circ}15'00''$ East along said Westerly right-of-way line, 700.07 feet to a point situate on said Westerly right-of-way line; thence South $27^{\circ}52'20''$ West departing from said Westerly right of way line, 174.59 feet to a point situate on the aforementioned Northerly right of way line of Atlantic Boulevard; thence South $56^{\circ}17'21''$ West along said Northerly right-of-way line, 199.96 feet to the Point of Beginning.

Lands thus described being the same lands as described and recorded in Official Records Volume 2923, pages 1072 through 1078, inclusive, Official Records Volume 4257, pages 600 through 602, inclusive, and Official Records Volume 6331 pages 2353 through 2355, inclusive, less and except Parcel "C", all being of the current Public Records of Duval County, Florida.



9201 ATLANTIC BLVD

NOTICE OF DISCLAIMER OF ACCURACY OF DOCUMENT AND INFORMATION
This document and the information contained herein has been created solely and exclusively for the use of JEA.
JEA does not guarantee the accuracy of this document, or that the information is true, valid, or complete.
It is the user's sole and exclusive responsibility to verify the accuracy and reliability of this document
for any particular use.
THIS IS NOT AN AVAILABILITY AND ALL INFORMATION MUST BE FIELD VERIFIED.

SOURCES: CMT, FEA, GMA, USGS, Intermap, INCORPORATED, F, RACIAL, CMT



INTER-OFFICE MEMORANDUM

May 12, 2020

SUBJECT: **JEA'S JACKSONVILLE SMALL AND EMERGING BUSINESS (JSEB)
PROGRAM REPORT**

FROM: Paul McElroy, Interim Managing Director/CEO

TO: JEA Board of Directors

BACKGROUND:

A report on JEA's FY20 Q2 JSEB performance is provided to the JEA Board of Directors for review.

DISCUSSION:

JEA's JSEB performance after the first seven months of FY20 is on track to achieve our annual goals. Details are provided in the attachment and summary information is provided below.

- FY20 JSEB annual spend goal is \$17,000,000
 - The FY20 JSEB annual spend goal is 25% of the available spend.
 - After the first seven months of FY20, JEA has achieved a JSEB spend of \$10M, or 60% of our annual goal.
- JEA's goal is to contract with 10 new JSEB companies during FY20
 - JEA has identified potential areas for JSEB opportunities and is working with key stakeholders on targeted outreach efforts to further grow capacity.
 - After the first seven months of FY20, JEA has contracted with 6 new JSEB companies that did not provide services to JEA in FY19.

FINANCIAL IMPACT:

N/A

RECOMMENDATION:

No action is required by the Board. This item is presented for information only.

Paul McElroy, Interim Managing Director/CEO

PEM/JPM/JGM/RLS



JSEB PROGRAM FY20 Q2 REPORT



What is JSEB?

Jacksonville Small and Emerging Business ("JSEB") program is a race and gender neutral, local small business program, which has been in existence since 2004 which allows: sheltered markets for JSEB companies, JSEB subcontracting goals in open market solicitations and RFP evaluation criteria favoring JSEB companies

City Ordinance 2004-602-E requires City Agencies to allocate 18% to 20% of their available spend with JSEB certified firms

COJ manages the application process for JSEB certification. There are currently 300 certified JSEB Vendors

JSEB Requirements

- Owner must either be a resident in Duval County for a minimum twelve (12) consecutive month period immediately preceding the JSEB application date OR have an established business headquartered in Duval County for a minimum of 3 years, and be a resident in Duval, St. Johns, Nassau, Baker or Clay County for at least one year
- Personal net worth of \$1,325,000 or less, excluding personal residence
- 3 year average gross receipts do not exceed \$12M
- Own and control more than 51% of business
- Be a for-profit and small business

FY19 RESULTS JSEB SCORECARD

JSEB Sheltered Markets



Available Project Spend

AVAILABLE SPEND

\$65,000,000

GOAL = 23%

\$15,000,000

JSEB SPEND

\$18,772,933

QTR1 JSEB SPEND

\$5,154,836

QTR2 JSEB SPEND

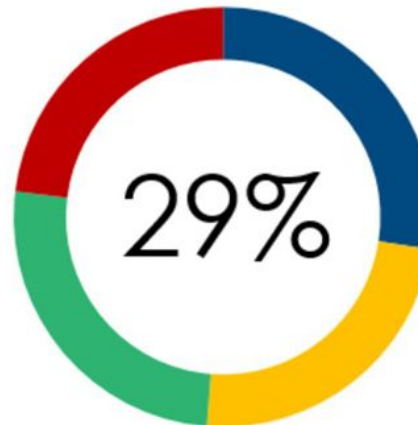
\$4,468,138

QTR3 JSEB SPEND

\$4,825,048

QTR4 JSEB SPEND

\$4,324,912



Available Project Spend

AVAILABLE SPEND

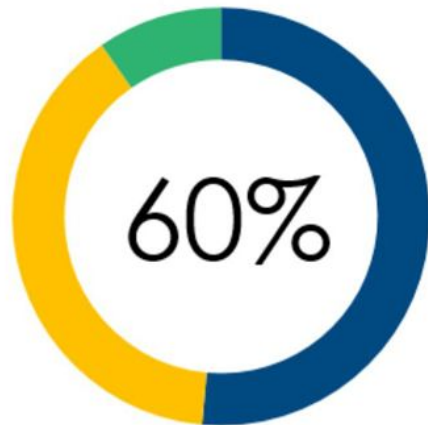
\$67,000,000

SPEND GOAL = 25%

\$17,000,000

JSEB ACTUAL SPEND

\$10,222,580



QTR1 JSEB SPEND

\$5,259,994

QTR2 JSEB SPEND

\$3,971,537

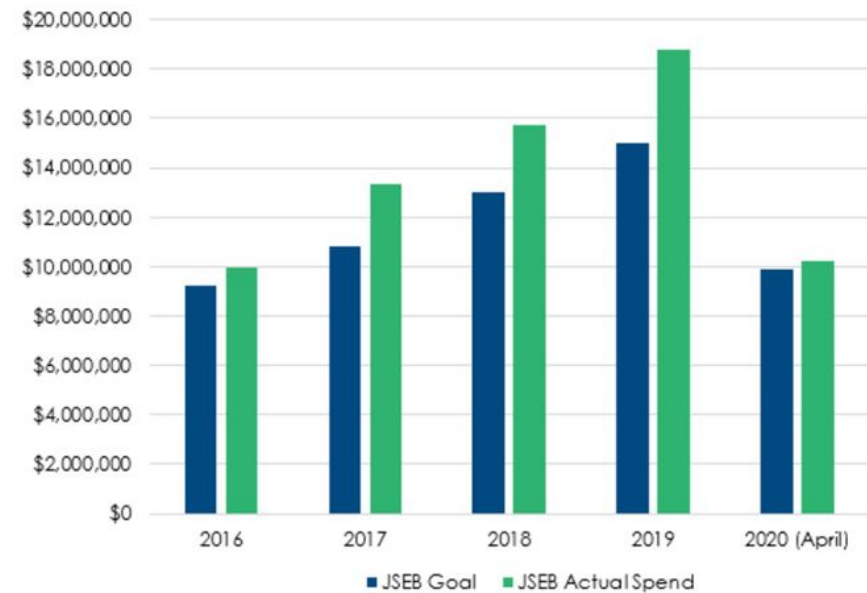
QTR3 JSEB SPEND

\$991,050

QTR4 JSEB SPEND

\$0

Past 5 Years - JSEB Goal vs. Actual Spend





FY20 RESULTS THRU APRIL

JSEB SCORECARD

JSEB Target Outreach



**FY20 Q1
JSEB OUTREACH**

Q1 JSEB Outreach

October 9, 2019

Meeting with Councilman Terrance Freeman

October 14, 2019

Speed Networking Meet & Greet Hosted by JAA

October 30, 2019

2nd Annual Jacksonville SMSA/SAME Industry Day Hosted by Jacksonville Post of the Society of American Military Engineers

November 4-8, 2019

MED-WEEK – Minority enterprise Development Week Hosted by First Coast Business Alliance

November 20, 2019

COMTO Week Hosted by JTA

3rd Thursday of the Month

Doing Business with JEA Workshop



Currently
hosting via
WebEx



FY20 Q2 JSEB OUTREACH

Q2 JSEB Outreach

**January
15, 2020**

Subcontractor
Outreach Event
for the New JEA
Headquarters
Hosted by Ryan
Companies



**February
4, 2020**

Small Business
Appreciation Day
Hosted by
Jaxport



**February
13, 2020**

African American
Small Business
Forum
Hosted by
Jacksonville
Business Journal
/ Florida Blue

**February
27, 2020**

NABWIC Kick-Off
Meeting
Hosted by
National
Association of
Black Women In
Construction



**March 9,
2020**

JAA Table Top
Networking Event
Hosted by
Jacksonville
Aviation Authority



Eversafe Building Maintenance Corp



- JSEB since 2012
 - Owner: J.R. Meadows
- Prime Contractor with JEA providing Janitorial Services at Generating Stations, Substations and Lift Stations – 5 Year Contract
 - One of JEA's top 10 JSEB Vendors
- Critical vendor during COVID-19 Pandemic
 - Disinfecting/Janitorial Services

JEA
FINANCE & AUDIT COMMITTEE AGENDA

DATE: May 18, 2020
TIME: 8:00 – 10:00 AM
PLACE: WebEx (No physical location was provided for this meeting.)

			Responsible Person	Action (A) Info (I)	Total Time
I.	OPENING CONSIDERATIONS		Marty Lanahan		
	A.	Call to Order			
	B.	Adoption of Agenda		A	
	C.	Approval of Minutes – December 9, 2019	Melissa Perez	A	
II.	NEW BUSINESS				
	A.	FY2021 Budget Presentation	Juli Crawford	I	45 min.
	B.	Quarterly Audit Services Update	Steve Tuten	I	5 min.
	C.	Ethics Officer Quarterly Report	Walette Stanford	I	5 min.
	D.	Electric System and Water and Sewer System Reserve Fund Quarterly Report	Joe Orfano	I	5 min.
	E.	Municipal Capital Market Update	Joe Orfano	I	5 min.
	F.	JEA Energy Market Risk Policy Report	Caren Anders	I	5 min.
	G.	Announcements			
	1.	Next Meeting, August 17, 2020, 8:00 AM – 10:00 AM			
	H.	Committee Discussion Sessions			
	1.	Ernst & Young	John DiSanto	I	5 min.
	2.	Director, Audit Services	Steve Tuten	I	5 min.
	3.	Council Auditor's Office	Jeff Rodda	I	5 min.
	I.	Adjournment			

JEA FINANCE & AUDIT COMMITTEE MINUTES
December 9, 2019

The Finance & Audit Committee of JEA met on Monday, December 9, 2019 in the 8th Floor Conference Room, JEA Plaza Tower, 21 W. Church Street, Jacksonville, Florida.

Agenda Item I – Opening Considerations

- A. Call to Order – Committee Chair Kelly Flanagan called the meeting to order at 2:05pm. Board Chair April Green also in attendance. Others in attendance were Aaron Zahn, Ted Hobson, Ryan Wannemacher, Miriam Hill, Steve Tuten, Walette Stanford, Dan Mishra, Julie Moore, Joe Orfano, Caren Anders, Valerie Gutterao, Gina Kyle, Laura Gutteridge and Russell Caffey. John DiSanto and Russ Jeans, Ernst & Young, were also in attendance.
- B. Adoption of Agenda – The agenda was adopted on motion by Board Member Flanagan and second by Board Chair Green.
- C. Approval of Minutes – Due to lack of quorum, the August 19, 2019 Minutes were deferred to Board.

Agenda Item II – New Business

- A. Ernst & Young FY2019 External Audit Report - John DiSanto, Managing Director, Ernst & Young, presented the results of the September 30, 2019 financial statement audit. Mr. DiSanto highlighted the key points of the 2019 audit results which are outlined in the Executive Summary. This presentation was received for information.
- B. Audit Services – Quarterly Audit Services Update – Steve Tuten, Director, Audit Services, introduced Julie Moore, Manager, Forensic Audit & Investigations (FAI). Mr. Tuten discussed the corporate objective for the reduction of the Enterprise Risk Management Top Corporate Risk financial exposure, including the use of key risk and process indicators, and also presented internal audit highlights, a summary of completed audits and projects, and open audit report issues. Ms. Moore highlighted new FAI initiatives and reporting, and historical trend analyses of investigative cases. This presentation was received for information.
- C. JEA Identity Theft Protection Program Annual Risk Assessment – Dan Mishra, Director, CIP Compliance, provided an overview of the JEA Identity Theft Protection Program and of the Annual Risk Assessment, highlights of the 2018 identity theft summary results, data loss prevention and process improvements. This presentation was received for information.
- D. Ethics Officer Quarterly Report – Walette Stanford, Ethics Officer provided highlights of 2019 year in review, ethics cases and inquiries, quarterly newsletters, business ethics updates, annual business ethics training and the use of Policy Tech. This presentation was received for information.
- E. Treasury
 - 1. Electric System and Water and Sewer Reserve Fund Quarterly Report – Joe Orfano, Treasurer, stated this report is provided for full disclosure about all of JEA’s reserve funds. Mr. Orfano provided highlights from the Electric System and Water and Sewer Reserve Fund Quarterly Report, which was received for information.
 - 2. STAR Plan Early Debt Retirement Phase 2 Update – Joe Orfano, Treasurer, provided highlights for the STAR Plan Early Debt Retirement Phase 2 Update, which was received

for information. Phase 2 of the STAR plan early debt retirement was completed on October 11th and total JEA debt was reduced by approximately 48% since FY2010. Mr. Orfano stated that there are currently no additional defeasances scheduled for 2020 and cash balances will continue to be monitored for further opportunities, particularly at St. Johns River Power Park.

3. Investment Policy Revision – Joe Orfano, Treasurer, reviewed the highlights of the Investment Policy Revision. Mr. Orfano stated that JEA fell out of compliance for one day, and recommends eliminating the 30% requirement on March 30th and September 30th due to the funding of the debt service payments. The recommendation will be presented to the Board for action.

F. JEA Energy Market Risk Management Policy Report – Caren Anders, Vice President/General Manager, Energy, reviewed highlights of the Energy Market Risk Management Policy Report.

G. Announcements

1. The next Finance and Audit Committee meeting will be held on March 16, 2020, at 8AM.

H. Committee Discussion Sessions

1. Ernst & Young – At 3:16 PM, Committee Chair Flanagan dismissed staff and the Committee held a general conversation with Mr. DiSanto.
2. Director, Audit Services – At 3:32 PM, Committee Chair Flanagan and the Committee held a general conversation with Steve Tuten, Director, Audit Services.
3. Council Auditor's Office – There was no discussion with the Council Auditor.

Closing Considerations

With no further business claiming the attention of this Committee, the meeting was declared adjourned at 3:43 PM.

APPROVED BY:

Kelly Flanagan, Committee Chair
Date: _____

Submitted by:

Melissa Perez
Executive Assistant



INTER-OFFICE MEMORANDUM

May 5, 2020

SUBJECT: FY2021 BUDGET PRESENTATION

FROM: Paul E. McElroy, Interim Managing Director/CEO

TO: JEA Finance and Audit Committee

Marty Lanahan, Chair
John Baker
Robert Stein

BACKGROUND:

Annually, JEA staff recommends and, after the JEA Board's review and action, transmits JEA's recommended Energy System, Water and Wastewater System, and District Energy System operating and capital budgets to the Jacksonville City Council for final action. By charter, JEA must submit its proposed budget to the City Council by July 1, 2020.

DISCUSSION:

Staff will present key strategic initiatives and major budget assumptions for the FY2021 operating and capital budgets. Budget assumptions include: no rate adjustments for Energy or Water and Wastewater systems; and financial metrics that are within Pricing Policy targets. The proposed budgets include considerable internal funding for the capital programs with potential issuance of new bonds and/or utilization of the revolving credit facility advance for the Water Wastewater System. The Energy System capital programs will continue to support the "pay-go" philosophy for all recurring capital expenditures. The proposed budgets address key strategic initiatives that support the quality of service delivery, regulatory compliance, workforce readiness, communications, conservation, sewer resiliency, septic tank phase-out, and customer satisfaction initiatives. In addition, the budget includes a record high contribution to the City of Jacksonville General Fund in the amount of \$120.0 million. The operating and capital budget schedules that will be transmitted to the City Council upon JEA Board approval are attached as Schedules A and B. As required by the City of Jacksonville, JEA transmits its Five-Year Capital Improvement Program during the annual budget process and is attached as Schedule C.

The proposed budgets include the following:

1. Consolidated Operating Budget and Capital Budget Schedules

The proposed budgets include considerable internal funding for the capital program. The Energy System decreased \$12.3 million from FY2020 and will continue to support the "pay-go" philosophy for all recurring capital expenditures. The Water and Wastewater System increased \$140.0 million from FY2020 and will utilize internal funding and issue new bonds and/or utilize the revolving credit facility advance if needed.

2. Energy System

There are no planned rate increases in FY2021. The FY2021 operating budget includes a \$2.4 million decrease from FY2020. Budget assumptions include a \$15.9 million decrease in Operating and Maintenance along with stable Non-Fuel Purchased Power.

3. Water and Wastewater System

There are no planned rate increases in FY2021. The FY2021 operating budget includes a \$17.9 million increase from FY2020. Operating revenues and expenses have increased due to an estimated higher volume of sales for the Water, Wastewater, and Reclaimed Water Systems.

4. Government Transfers

The budget includes a record high contribution to the City of Jacksonville General Fund in the amount of \$120.0 million.

5. Regulatory Accounting

In connection with the Pricing Policy, the budget was prepared using the Utility Basis, resulting in the inclusion of regulatory accounting items such as Pension, Demand-side Management (DSM)/Conservation, Debt Management, Environmental, Fuel, Purchased Power and Self-Funded Health Plan.

On January 5, 2018 the St. Johns River Power Park (SJRPP) was decommissioned. The JEA Board will continue to approve the annual operating budget for JEA's ownership interest in SJRPP. The SJRPP budget is not approved by the City Council. Schedule D, attached, summarizes JEA's share of the proposed FY2021 operating budget for SJRPP, which includes debt service costs.

JEA owns a 23.64 percent interest in Unit 4 of the Robert W. Scherer Electric Generating Plant (Scherer Unit 4). As with SJRPP, JEA's share of the operating and capital budgets for this unit is a component of the JEA Energy System fuel and purchased power expense. Decisions regarding the operation of Unit 4 are made by majority vote of the co-owners. The JEA Board approves JEA's share of the annual budget for Scherer Unit 4, but the City Council does not review or approve the Plant Scherer budget. Schedule D, attached, summarizes JEA's share of the FY2021 operating and capital budgets for Plant Scherer. Note that this budget is subject to approval by the other co-owners.

RECOMMENDATION:

Staff recommends that the Finance and Audit Committee provide feedback and direction regarding the key strategic issues and major budget assumptions used in preparing the FY2021 operating and capital budgets including revenue, O&M expense levels, interest rates and debt structure, financial metrics, and regulatory accounting items. Staff also recommends that the Finance and Audit Committee provide feedback and direction, in its report or staff presentation to the Board, at the May 2020 meeting for final Board approval at the June 2020 meeting.

Paul E. McElroy, Interim Managing Director/CEO

PEM/JEO/JEC



FY2021 Budget



FY2021 BUDGET AGENDA

Part One: Budget Process Summary

Part Two: Budget Summary & Consolidated Schedules

Part Three: Energy System Budget Assumptions

Part Four: Water/Wastewater Budget Assumptions

Part Five: District Energy Budget Assumptions

Part Six: Rate Stabilization Funds

Part Seven: Budget Timeline & Action Items

Part Eight: Supplemental Schedules

1 BUDGET PROCESS SUMMARY

Budget Process Summary:

Overview

- ▶ JEA budget development is a continuous process where the annual budget is constructed for the following fiscal year beginning each fall, a full year prior to the budget being in effect
- ▶ The annual budget process follows the timeline to the right, with many ongoing activities occurring intermittently throughout the process
- ▶ JEA's CEO, CFO, Legislative Affairs Team and Director of Financial Planning and Analysis meet individually with the Council Finance Committee members to review JEA's Financial Plan and proposed JEA Board approved budget



2

BUDGET SUMMARY & CONSOLIDATED SCHEDULES

FY2021 Budget Snapshot

Energy System					
Revenue	FY2021B	FY2020B	Δ	FY20F	
(in millions)	\$1,247	\$1,250	-\$3	\$1,166^	
Unit Sales Growth					
▶ Flat system sales from FY2020B to keep sales aligned with growth assumptions and trends					
▶ 5.0% weather contingency					
COJ Transfer	FY08	FY18	FY19	FY20F	FY21P
Total (\$ in millions)	\$121	\$195	\$198	\$197	\$198
O&M Expenses					
Decreases by \$15.1m or 5% versus prior year's budget					
▶ Includes bargaining unit step increases per contractual agreements and estimated general increases.					
▶ Includes funding for strategic initiatives and enterprise risk management					
Capital (millions)	FY20F	FY21*	FY22	FY23	
Depreciation	\$198	\$198	\$205	\$212	
Expenditures	\$237	\$249	\$178	\$156	
Funding	FY20F	FY21*			
R&R	\$66	\$64			
OCO	\$165	\$203			
Environmental OCO	\$13	\$10			
Prior	-\$7	-\$28			
Debt	<u>\$0</u>	<u>\$0</u>			
	\$237	\$249			
*FY21 Budget Includes 10% budget reserve					
Metrics	FY21B	Pricing Policy			
Coverage	4.3x	≥ 2.2x			
Debt to Asset	54.9%	≤ 60%			
Days of Liquidity	300	150-250 days			
Total Debt**	\$1.83bn	--			
Change in Debt**	(\$232m)	--			

^Does not include \$25m net bond buyback revenue adjustment

**Total debt and change in debt assumes \$100m defeasance of SJRPP Issue 3 debt

Water/Wastewater System					
Revenue	FY2021B	FY2020B	Δ	FY20F	
(in millions)	\$499	\$494	\$5	\$497^	
Unit Sales Growth					
▶ 2.7% unit sales increase to properly align sales with growth assumptions and trends					
▶ 5.0% weather contingency					
COJ Transfer	FY07	FY18	FY19	FY20F	FY21P
Total (\$ in millions)	\$27	\$50	\$50	\$51	\$52
O&M Expenses					
Decreases by \$2.9m or 1.5% versus prior year's budget					
▶ Includes bargaining unit step increases per contractual agreements and estimated general increases.					
▶ Includes funding for strategic initiatives and DSM/Environmental					
Capital (millions)	FY20F	FY21*	FY22	FY23	
Depreciation	\$155	\$156	\$162	\$170	
Expenditures	\$236	\$400	\$377	\$294	
Funding	FY20F	FY21*			
R&R	\$25	\$27			
OCO/Capacity	\$185	\$195			
Environmental	\$11	\$16			
Prior	\$15	\$12			
Debt**	<u>\$0</u>	<u>\$150</u>			
	\$236	\$400			
*FY21 Budget Includes 10% budget reserve					
Metrics	FY21B	Pricing Policy			
Coverage	5.2x	≥1.8 x			
Debt to Asset	43.4%	≤ 50%			
Days of Liquidity	250	--			
Total Debt	\$1.27bn	--			
Change in Debt	(\$65m)	--			

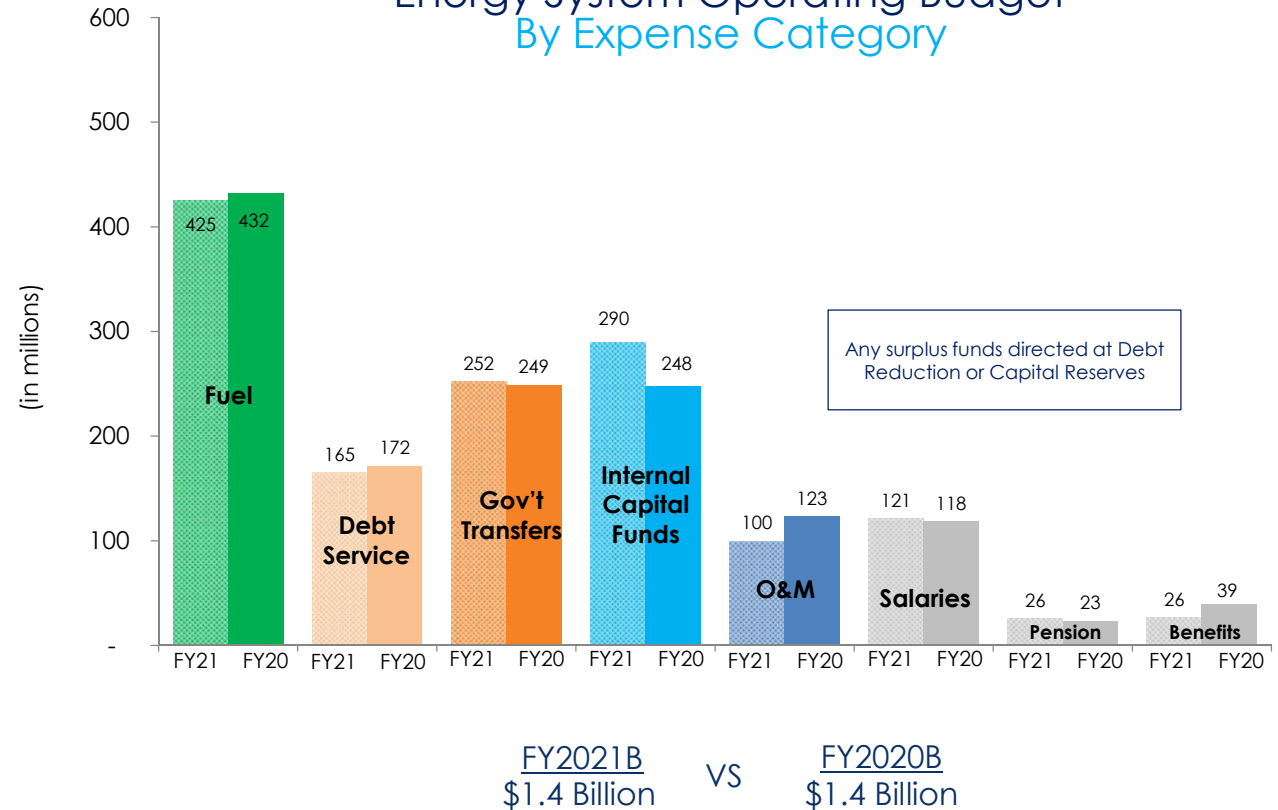
^Does not include \$34m net bond buyback revenue adjustment

**New money debt requirement from either revolving credit facility advance or new bond proceeds

FY2021 Budget: Energy System Operating Budget

- ▶ Fuel includes Scherer transmission and capacity expenses
- ▶ SJRPP and Scherer non-fuel purchased power expenses included in Debt Service and Internal Capital. Scherer also included in O&M
- ▶ O&M Salaries, Benefits, and Pension are net of capital
- ▶ FY2021 O&M includes \$1M Natural Gas retail sale operations
- ▶ Internal Capital Funds include JEA Energy System R&R and OCO, SJRPP R&R, and Scherer R&R, no new debt is required
- ▶ Internal capital funds for FY2021 are greater than annual depreciation but less than the estimated capital budget for FY21 of \$249m
- ▶ Any surplus funds directed at debt reduction or capital reserves

Energy System Operating Budget By Expense Category



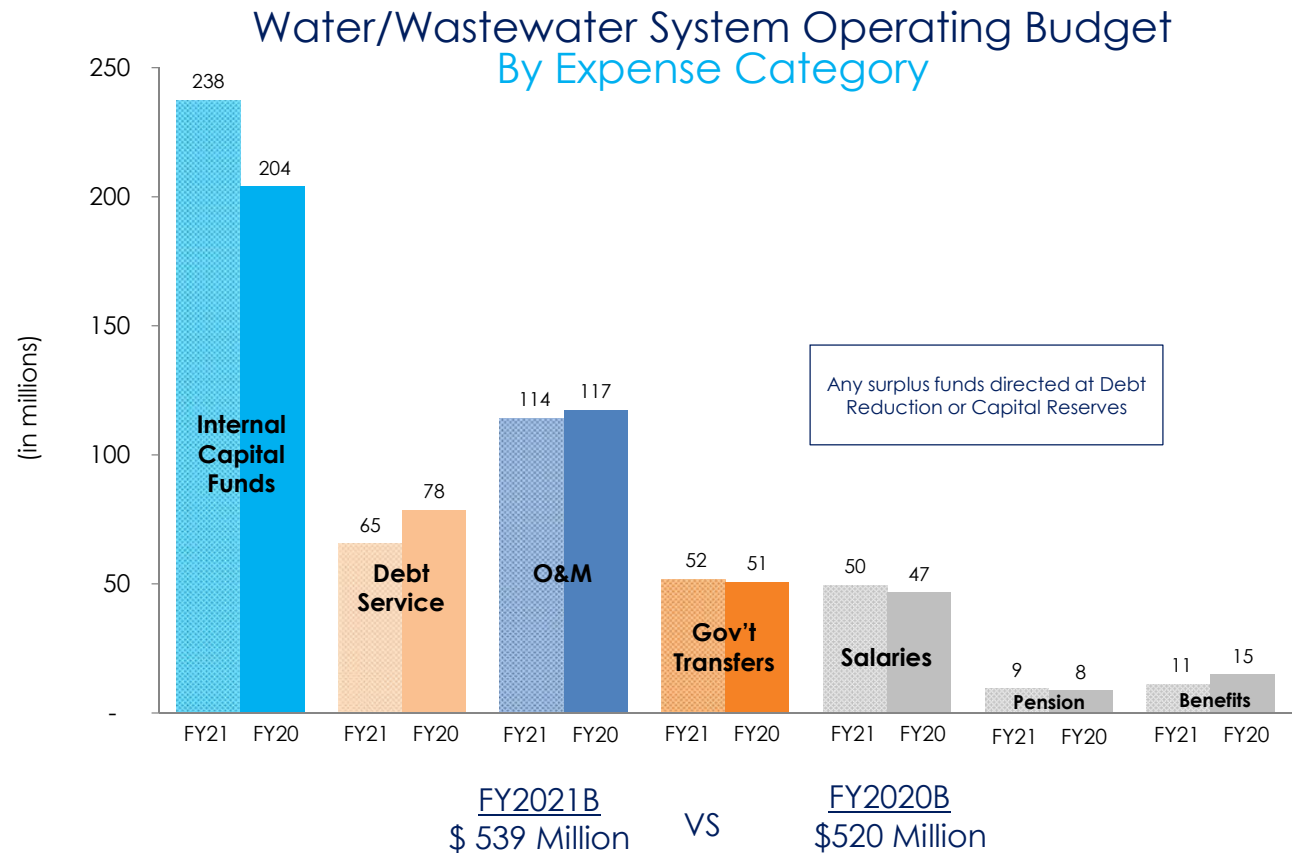
FY2021 ENERGY SYSTEM BUDGET

Non-Fuel Purchased Power

SJRPP <small>(Shut down 1/5/18)</small>	FY2021	FY2020	Variance	Explanation
Debt Service	\$23,780,931	\$23,467,292	\$313,639	
R&R	2,972,616	2,933,411	\$39,205	
<i>Subtotal SJRPP</i>	<i>\$26,753,547</i>	<i>\$26,400,703</i>	<i>\$352,844</i>	
Scherer	FY2021	FY2020	Variance	Explanation
O&M	\$7,509,000	\$11,867,990	-\$4,358,990	Decreased outage costs
Debt Service	10,029,775	10,099,696	-\$69,921	
R&R	9,450,249	4,436,000	5,014,249	Increased capital costs
Transmission	6,100,000	5,500,000	\$600,000	
<i>Subtotal Scherer</i>	<i>\$33,089,024</i>	<i>\$31,903,686</i>	<i>\$1,185,338</i>	
Other	FY2021	FY2020	Variance	Explanation
Other Capacity	\$7,800,000	\$15,434,000	-\$7,634,000	Expired Wansley PPA
Vogtle Administration	5,000,000	0	5,000,000	Vogtle legal costs
Vogtle Debt Service	36,501,372	21,607,556	14,893,816	Planned D/S payment
Rate Stabilization	-36,501,372	-21,607,556	-14,893,816	
<i>Subtotal Other</i>	<i>\$12,800,000</i>	<i>\$15,434,000</i>	<i>-\$2,634,000</i>	
Total	\$72,642,571	\$73,738,389	-\$1,095,818	

FY2021 Budget: Water/Wastewater System Operating Budget

- ▶ Government Transfers include City Contribution, COJ Public Service Tax, and COJ Franchise Fee
- ▶ O&M Salaries, Benefits, and Pension are net of capital
- ▶ The FY2021 capital program is partially funded by \$238m in internal capital funds
- ▶ Internal capital funds for FY2021 are greater than annual depreciation but less than the estimated capital budget for FY2021 of \$400m
- ▶ Any surplus funds directed at debt reduction or capital reserves



FY2021 Budget: Total JEA Labor Costs

Discussion & Analysis

- ▶ Base payroll expense for FY2021 increases 10.2% vs FY2020 budget
- ▶ Benefits includes \$15m in decreases for total market compensation
- ▶ Payroll Expense includes Bargaining Unit step increases per contractual agreements and estimated general increases
 - Bargaining union contracts have currently been negotiated through FY2022

(\$ in millions)	FY2019	Budget FY2020	Budget FY2021	Budget FY2021 vs FY2020
Payroll Expense ¹	\$189.2	\$193.3	\$213.1	10.2 % ²
Benefits ³	39.9	58.9	40.8	-30.7 %
Subtotal	\$229.1	\$252.2	\$253.9	0.7 %
Pension	37.2	36.3	40.4	11.3 %
Subtotal	\$266.3	\$288.5	\$294.3	2.0 %

Current JEA Salary Adjustment Summary ⁴						
	General Increase – Prior Period			General Increase – Current Contract		
Unit	FY17	FY18	FY19	FY20	FY21	FY22
IBEW	4.5%	4.5%	4.5%	3.5%	3.5%	3.5%
JSA	3.0%	3.0%	3.0%	3.5%	3.5%	3.5%
LIUNA	4.5%	5.0%	4.5%	3.5%	3.5%	3.5%
AFSCME	2.5%	2.5%	3.0%	3.5%	3.5%	3.5%
M&C	3.0%	3.0%	2.5%	2.9%	3.0%	3.0%
PEA	5.0%	3.0%	3.0%	2.0%	2.0%	2.0%
Appointed	0.0%-5.0%, avg 3.0%	0.0%-4.3%, avg 3.0%	0.0%-5.5%, avg 2.7%	0.0%-5.0%, avg 3.35%	3.0%	3.0%

Notes

1) Payroll expense includes salary, wages, temporary and contract for the Energy, Water and DES systems. Does not include Succession Planning of \$3.1m FY2016; and \$3.6m in FY2017 through FY2021

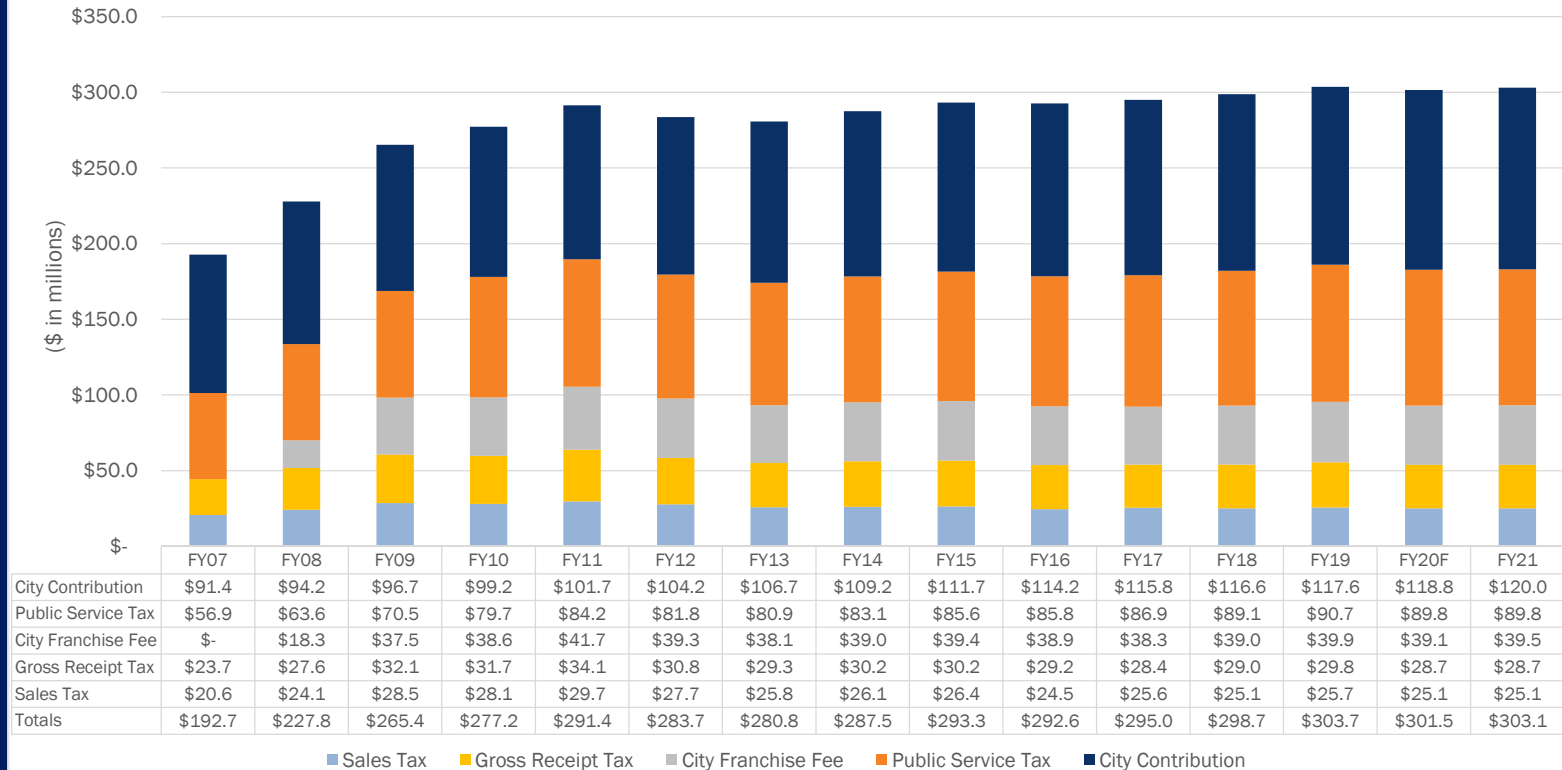
2) At the time of budget approval for FY2020, bargaining unit contracts had not been settled. The increase reflects both retroactive FY2020 and contracted FY2021 general increases

3) Benefits includes a \$15m reduction in total market compensation, \$10.3m was on the Energy side, while \$4.7m was Water/Wastewater

4) Total JEA salary adjustments are for both Energy and Water/Wastewater Systems, appointed adjustments per market study. Percentage increases for M&C and Appointed are estimated for FY2021 and FY2022

FY2021 Budget Government Transfers Via the JEA Bill

- ▶ Paid to COJ:
 - City Contribution
 - Public Service Tax
 - City Franchise Fee
- ▶ Paid to State of Florida:
 - Gross Receipt Tax
- ▶ Paid to COJ & State:
 - Sales Tax
- ▶ JEA transfers to the City of Jacksonville have increased to \$249 million
- ▶ FY2021 shows a 57% increase in total contributions as compared to FY2007
- ▶ The City Contribution Agreement has been extended through FY2023



3 ENERGY SYSTEM BUDGET ASSUMPTIONS

**JEA
ENERGY SYSTEM
OPERATING BUDGET**

	FY2021 Budget	FY2020 Budget	Change	FY2020 Forecast
FUEL RELATED REVENUES & EXPENSES:				
FUEL REVENUES:				
Fuel Revenues	\$ 410,912,768	\$ 410,912,768	\$ -	\$ 364,810,763
FUEL EXPENSES:				
Fuel & Purchased Power	\$ 410,912,768	\$ 410,912,768	\$ -	\$ 364,810,763
FUEL SURPLUS/(DEFICIT)	\$ -	\$ -	\$ -	\$ -
BASE RELATED REVENUES & EXPENSES				
BASE OPERATING REVENUES:				
Base Rate Revenues	\$ 793,579,491	\$ 791,145,587	\$ 2,433,904	\$ 756,954,893
Environmental Charge Revenue	7,814,100	7,814,100	-	7,450,260
Conservation Charge & Demand Side Revenue	768,600	768,600	-	586,676
Other Revenues	25,141,212	26,509,115	-1,367,903	50,990,785
Natural Gas Pass Through Revenue	967,784	1,000,000	-32,216	862,176
Total Base Related Revenues	\$ 828,271,187	\$ 827,237,402	\$ 1,033,785	\$ 816,844,790
BASE OPERATING EXPENSES:				
Operating and Maintenance	\$ 253,940,017	\$ 269,858,935	\$ -15,918,918	\$ 242,622,803
Environmental	1,891,598	2,019,444	-127,846	1,460,448
Conservation & Demand-side Management	8,910,045	8,034,640	875,405	6,842,350
Natural Gas Pass Through Expense	1,057,344	960,991	96,353	886,048
Non-Fuel Purchased Power	72,642,571	73,738,390	-1,095,819	77,089,431
Non-Fuel Uncollectibles & PSC Tax	1,242,354	1,399,517	-157,163	1,031,615
Emergency Contingency	5,000,000	5,000,000	-	5,000,000
Total Base Related Expenses	\$ 344,683,929	\$ 361,011,917	\$ -16,327,988	\$ 334,932,695
BASE OPERATING INCOME:	\$ 483,587,258	\$ 466,225,485	\$ 17,361,773	\$ 481,912,095

**JEA
ENERGY SYSTEM
OPERATING BUDGET**

	FY2021 Budget	FY2020 Budget	Change	FY2020 Forecast
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NON-OPERATING REVENUE:

Investment Income	7,962,574	11,378,365	-3,415,791	9,663,694
Total Non Operating Revenues	\$ 7,962,574	\$ 11,378,365	\$ -3,415,791	\$ 9,663,694

NON-OPERATING EXPENSES:

Debt Service	131,173,417	138,049,892	-6,876,475	160,741,628
Demand-side Management - Rate Stabilization	-1,736,445	-861,040	-875,405	-78,097
Environmental - Rate Stabilization	-9,782,967	5,794,656	-15,577,623	-6,866,402
Total Non Operating Expenses	\$ 119,654,005	\$ 142,983,508	\$ -23,329,503	\$ 153,797,129

BASE INCOME BEFORE TRANSFERS

	\$ 371,895,827	\$ 334,620,342	\$ 37,275,486	\$ 337,778,660
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City Contribution Expense	94,809,678	93,870,968	938,710	93,870,968
Interlocal Payments	-	-	-	-
Renewal and Replacement Fund	64,012,472	64,000,000	12,472	65,623,650
Operating Capital Outlay	203,073,677	176,749,374	26,324,303	165,427,831
Environmental Capital Outlay	10,000,000	-	10,000,000	12,856,211
Contingencies & Working Capital	-	-	-	-
Total Non-Fuel Expenses	\$ 371,895,827	\$ 334,620,342	\$ 37,275,485	\$ 337,778,660

SURPLUS/(DEFICIT)

	\$ -	\$ -	\$ -	\$ -
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TOTAL REVENUES

	\$ 1,247,146,529	\$ 1,249,528,535	\$ -2,382,006	\$ 1,191,319,247
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TOTAL APPROPRIATIONS

	\$ 1,247,146,529	\$ 1,249,528,535	\$ -2,382,006	\$ 1,191,319,247
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BUDGETED EMPLOYEE POSITIONS

	1,527	1,527	-	1,527
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BUDGETED TEMPORARY HOURS

	104,000	104,000	-	104,000
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**JEA
ENERGY SYSTEM
CAPITAL BUDGET**

	FY2021 Budget	FY2020 Budget	Change	FY2020 Forecast
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CAPITAL FUNDS:

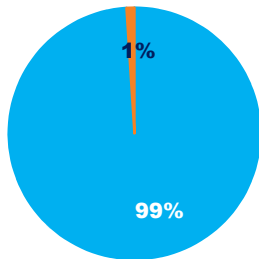
Renewal & Replacement Deposits	\$ 64,012,472	\$ 64,000,000	\$ 12,472	\$ 65,623,650
Operating Capital Outlay	203,073,677	176,749,374	26,324,303	165,427,831
Environmental Capital Outlay	10,000,000	-	10,000,000	12,856,211
Debt Proceeds	-	-	-	-
Other Proceeds	-28,413,149	20,250,626	-48,663,775	-6,607,692
Total Capital Funds	\$ 248,673,000	\$ 261,000,000	\$ -12,327,000	\$ 237,300,000

CAPITAL PROJECTS:

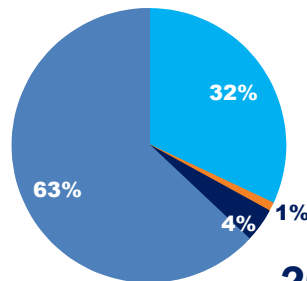
Generation Projects	\$ 35,952,000	\$ 68,740,000	\$ -32,788,000	\$ 55,000,000
Transmission and Distribution Projects	150,954,000	140,556,000	10,398,000	132,300,000
Other Projects	61,767,000	51,704,000	10,063,000	50,000,000
Total Capital Projects	\$ 248,673,000	\$ 261,000,000	\$ -12,327,000	\$ 237,300,000

Energy Fuel Mix

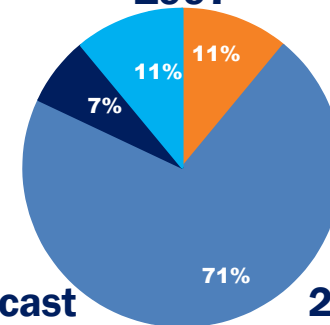
1977



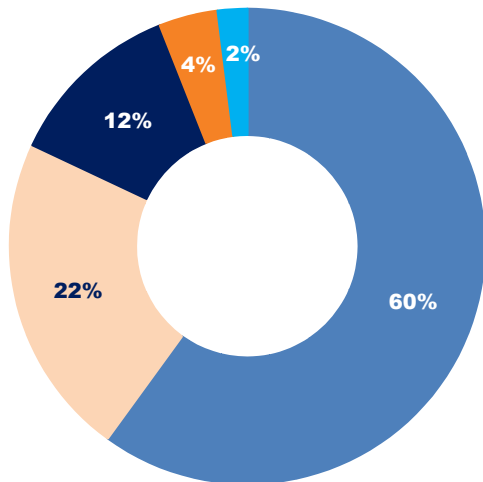
1987



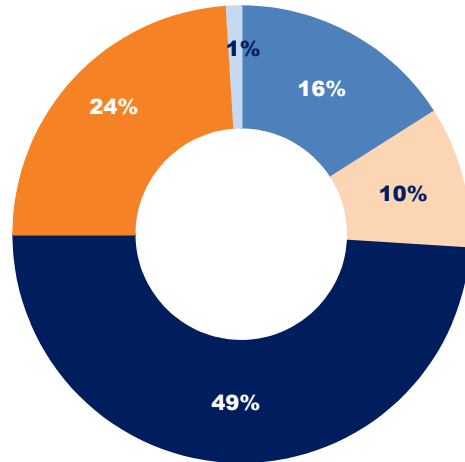
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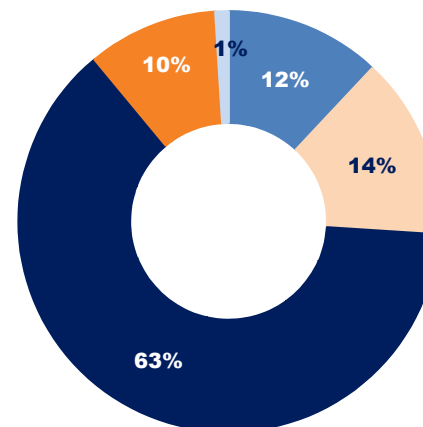
2007



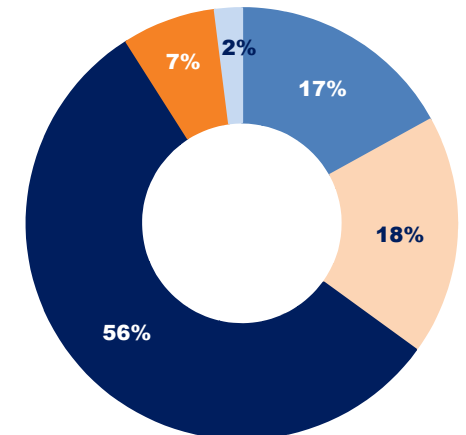
2019



2020 Forecast



2021 Budget



Coal Pet Coke Purchased Power Renewables Gas Oil

Fuel Rate per MWh

Variable Fuel Rate per MWh	FY2019	FY2020F	FY2021B
Fuel Rate Budgeted per \$/MWh	\$32.50	\$32.50	\$32.50
Reserve as a % of Target Expense	9%	17%	25%
Annual Fuel Cost (millions)	\$426	\$334	\$375

Discussion and Analysis

- ▶ The Fuel Fund Rate Stabilization Reserve is currently at 15% of the maximum fiscal year fuel cost in the preceding five fiscal years. The FY20 forecasted Fuel Fund Rate Stabilization Reserve is 17%.
- ▶ Fuel expense projections are based on market price forecasts that have taken into account the current state of pandemic-related effects on the economy.

ENERGY SYSTEM

Operating Expenses

Strategic Issues Included in Budget:

FOR FY2021

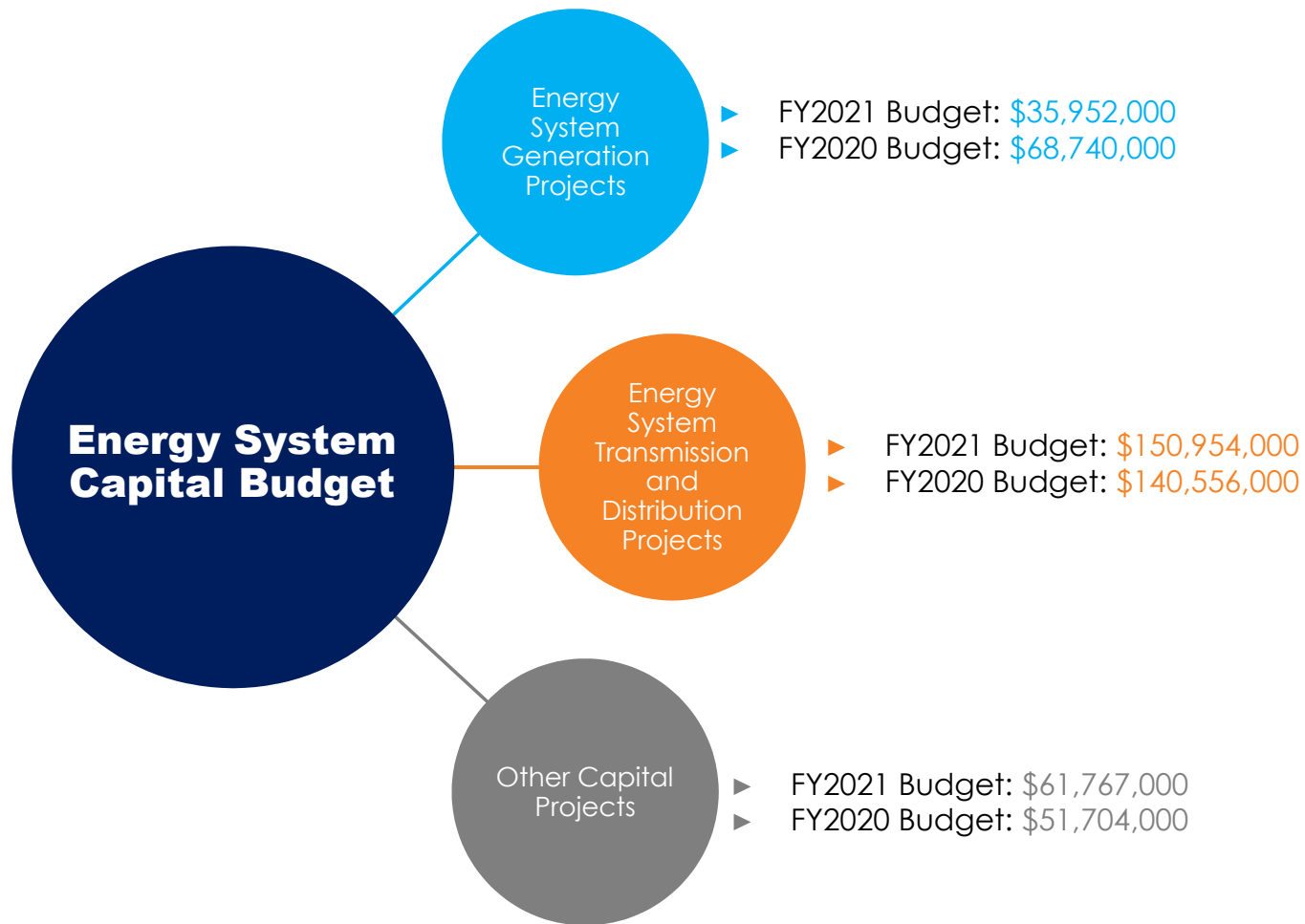
Generating Unit Outages	6.1
Succession Planning Staffing Risks	2.6
Enterprise Risk Management Initiatives	3.0
5 to 5 Innovation Incentive Program	1.5
Enterprise Asset Management	1.0
Total	\$14.2

FOR FY2020

Generating Unit Outages	14.0
Succession Planning Staffing Risks	2.6
Enterprise Asset Management	3.0
5 to 5 Innovation Incentive Program	1.5
Corporate Strategy and Innovation	3.6
Total Market Compensation Strategy	10.3
Total	\$35.0

(\$ in millions)	FY2021 Budget ¹	FY2020 Budget ¹	Variance	Explanation
Salaries	\$141.8	\$135.2	\$6.6	Includes bargaining unit step increases per contractual agreements and estimated general increases.
Benefits	60.1	69.3	-9.2	Removal of \$10.3m in long-term compensation for FY21
Other Services	133.9	140.5	-6.6	Decrease in legal costs, decrease in outage costs
Materials & Supplies	18.8	17.1	1.7	Increases in Fleet fuels costs, reductions in Returns to Inventory credit
Other	18.9	20.8	-1.9	Decrease in Interest on Customer Deposits
Credits – Shared Services	-63.9	-63.6	-0.3	Increase to Motor Pool credits
Credits – Capitalization	-43.6	-34.6	-9.0	Higher overall capitalization percentages
Credits – Other	-12.1	-14.8	2.7	No SJRPP Service Level Agreement, Decrease in Fuel Procurement and Handling credit, Decrease in miscellaneous credits
Total	\$253.9	\$269.9	-\$16.0	

¹Excludes Customer Benefit, Environmental, and Retail Natural Gas.



ENERGY SYSTEM

FY2021 Capital Budget

Sources of Funds

- ▶ **\$175**
MILLION OTHER CAPITAL OUTLAY
- ▶ **\$64**
MILLION RENEWAL & REPLACEMENT
- ▶ **\$10**
MILLION ENVIRONMENTAL RATE
STABILIZATION

Uses of Funds

- ▶ **\$212**
MILLION SYSTEM MAINTENANCE
 - Renewal & Replacement
 - Distribution
 - Facilities, Fleet, & Technology
- ▶ **\$27**
MILLION SYSTEM EXPANSION
 - New or Expanded Generation
 - New Transmission Lines
 - New or Expanded Substations
- ▶ **\$10**
MILLION ENVIRONMENTAL
 - Solar Projects
 - Nox Emissions Reductions

Total FY2021 Budget: \$249 Million

ENERGY SYSTEM

Capital Budget Discussion & Analysis



FY2020 capital plan budget was \$261.0 million, current forecast is \$237.3 million

FY2021 capital funding plan utilizes existing capital cash balances to fund qualifying projects, resulting in no new debt issuance for FY2021



FY2021 capital program is projected to be \$249 million

FY2021 key projects include \$11.3m for a 69 kV – 663 line rebuild, \$9.2m for the General Administration Building, and \$8.8m for the Eagle Substation



DEBT SERVICE PRINCIPAL

FY21 **\$59.1**

FY20	\$60.8	↓ -\$1.7
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DEBT SERVICE INTEREST

FY21 **\$72.1**

FY20	\$77.2	↓ -\$5.1
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DEBT SERVICE TOTAL

FY21 **\$131.2**

FY20	\$138.0	↓ -\$6.8
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DEBT SERVICE COVERAGE

FY21 **4.3x**

FY20F	4.2x	↑ 0.1x
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DEBT TO ASSET RATIO[^]

FY21 **54.9%**

FY20F	60.3%	↓ 5.4%
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VARIABLE RATE DEBT GROSS[^]

FY21 **31.7%**

FY20F	29.2%	↑ 2.5%
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VARIABLE RATE DEBT NET OF SWAPS[^]

FY21 **9.7%**

FY20F	9.0%	↑ 0.7%
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DAYS OF LIQUIDITY

FY21 **300**

FY20F	313	↓ 13
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[^]Assumes \$100m defeasance of SJRPP Issue 3 debt

Energy System Bond Rating: A2/A+/AA

4 WATER/WASTEWATER SYSTEM BUDGET ASSUMPTIONS

JEA
WATER AND WASTEWATER SYSTEM
OPERATING BUDGET

FY2021 Budget FY2020 Budget Change FY2020 Forecast

BASE RELATED REVENUES & EXPENSES

BASE OPERATING REVENUES:

Base Rate Revenues	\$ 437,545,588	\$ 423,697,334	\$ 13,848,254	\$ 421,427,115
Environmental Charge Revenue	27,777,750	27,039,600	738,150	26,108,548
Other Revenues	14,600,000	11,806,041	2,793,959	47,182,194
Total Base Related Revenues	\$ 479,923,338	\$ 462,542,975	\$ 17,380,363	\$ 494,717,857

BASE OPERATING EXPENSES:

Operating and Maintenance	\$ 179,484,736	\$ 180,791,924	\$ -1,307,188	\$ 165,018,569
Environmental CUP - DSM	3,267,638	4,829,231	-1,561,593	3,274,968
Non-Fuel Uncollectibles & PSC Tax	558,388	540,884	17,504	690,333
Emergency Contingency	1,000,000	1,000,000	-	-
Total Base Related Expenses	\$ 184,310,762	\$ 187,162,039	\$ -2,851,277	\$ 168,983,870

BASE OPERATING INCOME:

\$ 295,612,576	\$ 275,380,936	\$ 20,231,640	\$ 325,733,987
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NON-OPERATING REVENUE:

Investment Income	2,975,171	4,308,356	-1,333,185	3,930,572
Capacity Fees	29,388,151	27,600,000	1,788,151	32,377,300
Total Non Operating Revenues	\$ 32,363,322	\$ 31,908,356	\$ 454,966	\$ 36,307,872

JEA
WATER AND WASTEWATER SYSTEM
OPERATING BUDGET

	FY2021 Budget	FY2020 Budget	Change	FY2020 Forecast
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NON-OPERATING EXPENSES:

Debt Service	65,436,531	78,536,036	-13,099,505	109,350,097
Demand-side Management - Rate Stabilization	-	-	-	-
Environmental - Rate Stabilization	-	-	-	-
Total Non Operating Expenses	\$ 65,436,531	\$ 78,536,036	\$ -13,099,505	\$ 109,350,097

BASE INCOME BEFORE TRANSFERS

	\$ 262,539,367	\$ 228,753,256	\$ 33,786,111	\$ 252,691,762
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City Contribution Expense	25,202,572	24,953,042	249,530	24,953,042
Interlocal Payments	-	-	-	536,771
Renewal and Replacement Fund	26,551,286	25,263,781	1,287,505	25,138,950
Operating Capital Outlay	165,487,246	137,326,064	28,161,182	152,815,572
Operating Capital Outlay - Environmental	15,910,112	13,610,369	2,299,743	14,282,360
Capacity Fees	29,388,151	27,600,000	1,788,151	32,377,300
Contingencies & Working Capital	-	-	-	-
Total Non-Fuel Expenses	\$ 262,539,367	\$ 228,753,256	\$ 33,786,111	\$ 250,103,995

SURPLUS/(DEFICIT)

	\$ -	\$ -	\$ -	\$ 2,587,767
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TOTAL REVENUES

	\$ 512,286,660	\$ 494,451,331	\$ 17,835,329	\$ 531,025,729
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TOTAL APPROPRIATIONS

	\$ 512,286,660	\$ 494,451,331	\$ 17,835,329	\$ 528,437,962
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BUDGETED EMPLOYEE POSITIONS	625	599	26	625
BUDGETED TEMPORARY HOURS	20,800	20,800	0	20,800

JEA
WATER AND WASTEWATER SYSTEM
CAPITAL BUDGET

	FY2021 Budget	FY2020 Budget	Change	FY2020 Forecast
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CAPITAL FUNDS:

Renewal & Replacement Deposits	\$ 26,551,286	\$ 25,263,781	\$ 1,287,505	\$ 25,138,950
Operating Capital Outlay	165,487,245	137,326,064	28,161,181	152,815,572
Environmental Capital Outlay	15,910,112	13,610,369	2,299,743	10,492,522
Capacity Fees	29,388,151	27,600,000	1,788,151	32,377,300
Debt Proceeds	150,000,000	-	150,000,000	-
Other Proceeds	12,663,206	56,199,786	-43,536,580	15,575,656
Total Capital Funds	\$ 400,000,000	\$ 260,000,000	\$ 140,000,000	\$ 236,400,000

CAPITAL PROJECTS:

Water Projects	116,523,000	74,581,000	41,942,000	77,000,000
Sewer Projects	255,982,000	161,716,000	94,266,000	133,400,000
Other Projects	27,495,000	23,703,000	3,792,000	26,000,000
Total Capital Projects	\$ 400,000,000	\$ 260,000,000	\$ 140,000,000	\$ 236,400,000

Water/Wastewater System Operating Expenses

Strategic Issues Included in Budget:

FOR FY2021

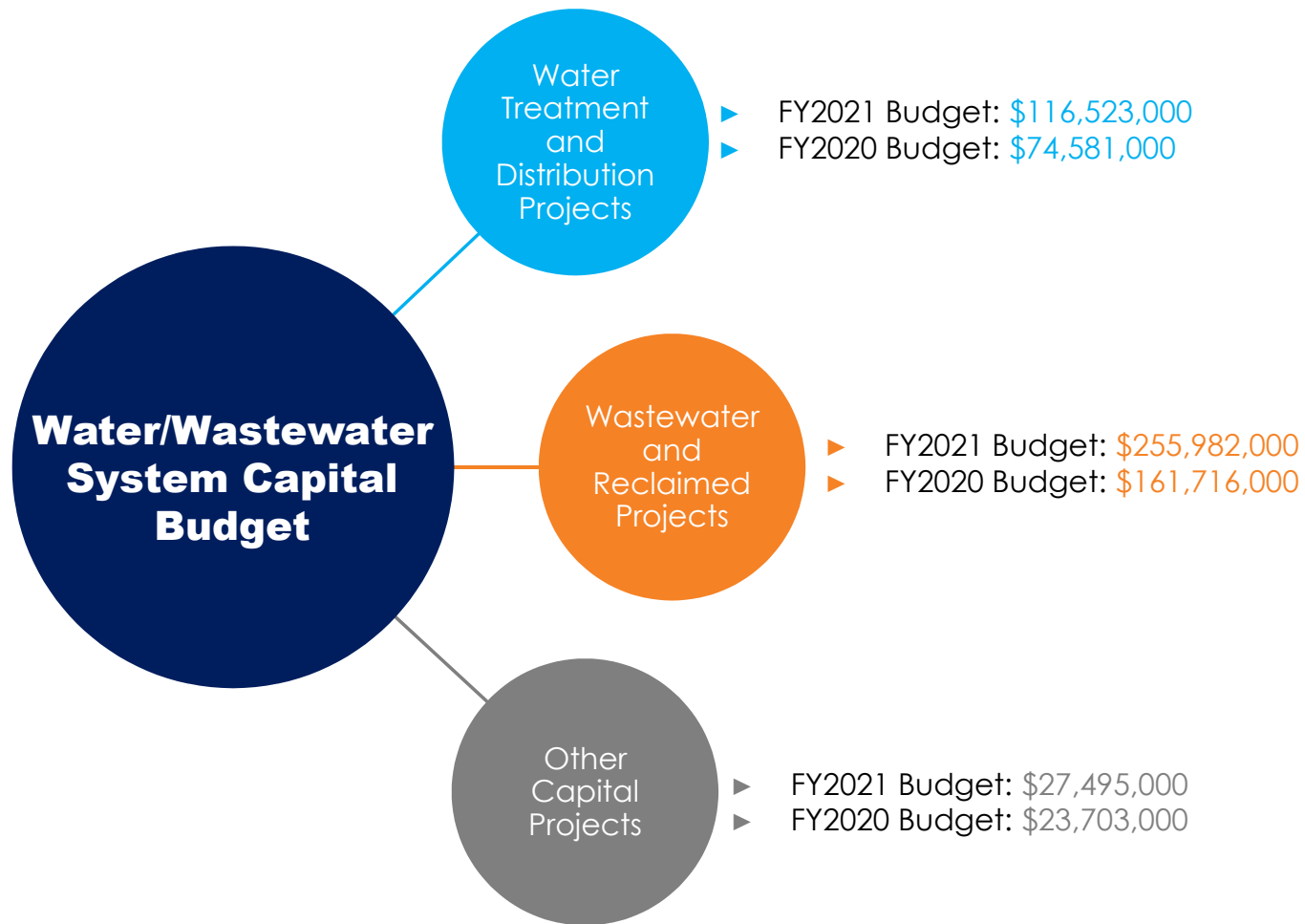
Storm Generators and Pumps	\$1.3
Succession Planning Staffing Risks	1.0
Innovative Wastewater Treatment Program	0.6
Sewer Preventive Maintenance Cleaning	0.3
Septic Tank Phase Out Engineering	0.8
Total	\$4.0

FOR FY2020

Integrated Water Resource Plan/Water Purification	\$0.8
Succession Planning Staffing Risks	1.0
Enterprise Asset Management	1.0
Storm Generators and Pumps	1.3
Storm Resiliency Assessment	1.2
Total Market Compensation Strategy	4.7
Total	\$10.0

(\$ in millions)	FY2021 Budget ¹	FY2020 Budget ¹	Variance	Explanation
Salaries	\$58.5	\$54.7	\$3.8	Includes bargaining unit step increases per contractual agreements and estimated general increases.
Benefits	23.7	27.9	-4.2	Primarily due to a reduction of total market compensation strategy
Other Services	32.4	34.5	-2.1	Includes reduction of storm resiliency program costs
Materials & Supplies	15.7	15.1	0.6	Increased cost of supplies and materials
Shared Services	63.8	63.5	0.3	Increase to Water Billing Credit Expense
Other	4.5	4.0	0.5	Insurance premium increase
Credits – Capitalization	-19.1	-18.9	-0.2	Greater capitalization
Total	\$179.5	\$180.8	-\$1.3	

¹Excludes Customer Benefit, Environmental, and Retail Natural Gas



WATER/WASTEWATER SYSTEM

FY2021 Capital Budget

Sources of Funds

▶ \$12 MILLION	CARRYOVER INTERNAL FUNDS
▶ \$150 MILLION	DEBT PROCEEDS
▶ \$195 MILLION	OTHER CAPITAL OUTLAY
▶ \$27 MILLION	RENEWAL & REPLACEMENT
▶ \$16 MILLION	ENVIRONMENTAL

Uses of Funds

▶ \$195 MILLION	SYSTEM MAINTENANCE <ul style="list-style-type: none">• Renewal & Replacement• Distribution• Facilities, Fleet, & Technology
▶ \$169 MILLION	SYSTEM EXPANSION <ul style="list-style-type: none">• New or Expanded Treatment• New Transmission Lines• New or Expanded Master Pumps
▶ \$36 MILLION	ENVIRONMENTAL <ul style="list-style-type: none">• BMAP*/TMDL**/Reclaim• Total Water Management Plan• Major Environmental Initiatives <p><small>*Basin Management Action Plan **Total Maximum Daily Limit of Nitrogen</small></p>

Total FY2021 Budget: \$400 Million

WATER/WASTEWATER SYSTEM

Capital Budget Discussion & Analysis



FY2020 capital plan budget was \$260.0 million, current forecast is \$236.4 million

FY2021 capital funding plan utilizes existing capital cash balances to fund qualifying projects, but may also require up to \$150m in new debt issuance for FY2021



FY2021 capital program is projected to be \$400 million

FY2021 includes \$42.7m in funding for the Greenland Water Reclamation Facility (WRF)

Funding is also included for the Buckman and Southwest WRFs, at \$21.2 and \$18.5m, respectively



DEBT SERVICE PRINCIPAL

FY21 **\$9.4**

FY20	\$19.9	↓ \$10.5
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DEBT SERVICE INTEREST

FY21 **\$56.0**

FY20	\$58.6	↓ -\$2.6
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DEBT SERVICE TOTAL

FY21 **\$65.4**

FY20	\$78.5	↓ -\$13.1
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DEBT SERVICE COVERAGE

FY21 **5.2x***

FY20F	4.5x	↑ 0.7x
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DEBT TO ASSET RATIO

FY21 **43.4%***

FY20F	42.2%	↑ -1.2%
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VARIABLE RATE DEBT GROSS

FY21 **19.9%**

FY20F	20.5%	↓ 0.6%
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VARIABLE RATE DEBT NET OF SWAPS

FY21 **12.4%**

FY20F	12.4%	↑ 0.0%
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DAYS OF LIQUIDITY[^]

FY21 **250***

FY20F	280	↓ -30
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[^]Days of liquidity is being positively impacted by revolver

W/WW System Bond Rating: A2/AA+/AA

*Based on FY21 budget Mgal sales of 40,425 water, 29,925 wastewater, and 4,725 reuse

5 DISTRICT ENERGY SYSTEM BUDGET ASSUMPTIONS

**JEA
DISTRICT ENERGY SYSTEM
OPERATING BUDGET**

	FY2021 Budget	FY2020 Budget	Change	FY2020 Forecast
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BASE RELATED REVENUES & EXPENSES

BASE OPERATING REVENUES:

Base Rate Revenues	\$ 9,328,327	\$ 9,044,699	\$ 283,628	\$ 8,746,267
Total Base Related Revenues	\$ 9,328,327	\$ 9,044,699	\$ 283,628	\$ 8,746,267

BASE OPERATING EXPENSES:

Operating and Maintenance	\$ 5,267,217	\$ 5,164,460	\$ 102,757	\$ 4,677,942
Total Base Related Expenses	\$ 5,267,217	\$ 5,164,460	\$ 102,757	\$ 4,677,942

BASE OPERATING INCOME:

	\$ 4,061,110	\$ 3,880,239	\$ 180,871	\$ 4,068,325
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NON-OPERATING EXPENSES:

Debt Service	3,023,891	3,020,550	3,341	3,020,550
Demand-side Management - Rate Stabilization	-	-	-	-
Environmental - Rate Stabilization	-	-	-	-
Total Non Operating Expenses	\$ 3,023,891	\$ 3,020,550	\$ 3,341	\$ 3,020,550

BASE INCOME BEFORE TRANSFERS

	\$ 1,037,219	\$ 859,689	\$ 177,530	\$ 1,047,774
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City Contribution Expense	-	-	-	-
Renewal and Replacement Fund	437,313	435,426	1,887	589,200
Operating Capital Outlay	599,906	424,263	175,643	458,574
Total Non-Fuel Expenses	\$ 1,037,219	\$ 859,689	\$ 177,530	\$ 1,047,774

SURPLUS/(DEFICIT)

	\$ -	\$ -	\$ -	\$ -
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TOTAL REVENUES

	\$ 9,328,327	\$ 9,044,699	\$ 283,628	\$ 8,746,267
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TOTAL APPROPRIATIONS

	\$ 9,328,327	\$ 9,044,699	\$ 283,628	\$ 8,746,267
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BUDGETED EMPLOYEE POSITIONS	6	6	0	6
BUDGETED TEMPORARY HOURS	0	0	0	0

**JEA
DISTRICT ENERGY SYSTEM
CAPITAL BUDGET**

	FY2021 Budget	FY2020 Budget	Change	FY2020 Forecast
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CAPITAL FUNDS:

Renewal & Replacement Deposits	\$ 437,313	\$ 435,426	\$ 1,887	\$ 589,200
Operating Capital Outlay	599,906	424,263	175,643	458,574
Other Proceeds	1,538,925	2,970,311	-1,431,386	2,114,991
Total Capital Funds	\$ 2,576,144	\$ 3,830,000	\$ -1,253,856	\$ 3,162,766

CAPITAL PROJECTS:

District Energy Projects	2,576,144	3,830,000	-1,253,856	3,162,766
Total Capital Projects	\$ 2,576,144	\$ 3,830,000	\$ -1,253,856	\$ 3,162,766

6 RATE STABILIZATION FUNDS

Rate Stabilization Funds

	FY2019	Forecast FY2020			Budget FY2021		
(\$ in thousands)	Ending Balance	Deposits	Withdrawals	Ending Balance	Deposits	Withdrawals	Ending Balance
Energy System							
DSM/Conservation	\$4,363	\$6,729	-\$6,807	\$4,285	\$7,174	-\$8,910	\$2,549
Debt Management	29,884	-	-29,884	-	-	-	-
Environmental ¹	25,632	7,450	-14,317	18,765	7,814	-17,597	8,982
Fuel	47,152	51,293	-20,681	77,764	36,205	-	113,969
Purchased Power	56,870	-	-20,158	36,712	-	-36,501	211
Self Funded Health Plan	11,210	32,053	-32,411	10,852	32,031	-34,105	8,778
Water Wastewater System							
Debt Management	\$14,209	\$ -	-\$14,209	\$ -	\$ -	\$ -	\$ -
Environmental ²	12,914	26,108	-\$19,122	\$19,900	27,778	-27,778	\$19,900

¹Includes \$1.9m million in Environmental O&M costs, \$10m in Environmental capital project costs, and \$5.7m in Environmental payback

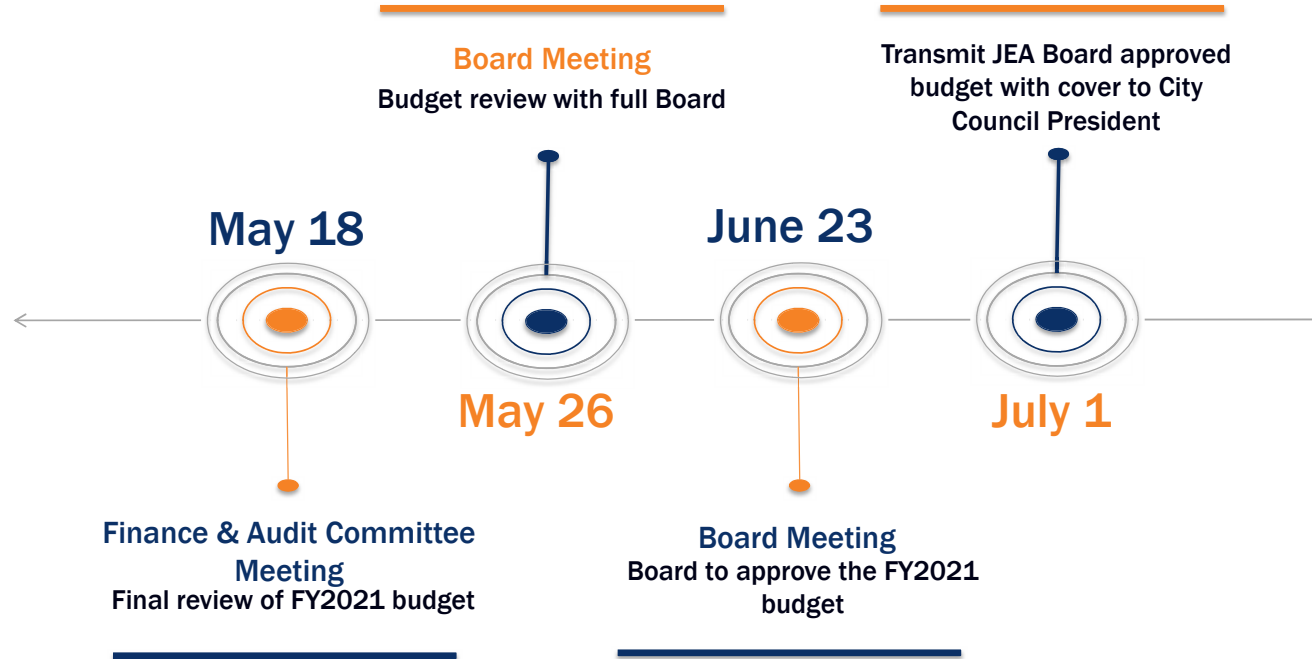
²Includes \$19.4 million in Environmental O&M and capital projects and \$8.6 million in funds repaid to the Water/Wastewater System R&R fund

7

BUDGET TIMELINE
& ACTION ITEMS

FY2021 Budget Timeline

Board Review & Approval Schedule



Next Step Action Items

Finance and Audit Committee

- ▶ Provide feedback and direction regarding the FY2021 Budget specifically covering:
 - Revenue
 - O&M Expense Levels
 - Debt Structure
 - Financial Metrics
- ▶ Provide feedback and direction for staff to present the Proposed Budget to the full Board

JEA Staff

- ▶ Prepare Draft Budget, as well as related agenda items for review at the June Board Meeting
- ▶ Prepare budget package for approval at the June Board meeting
- ▶ Communicate with the Council Auditor
- ▶ Begin communication plan for other key stakeholders

8

SUPPLEMENTAL
SCHEDULES

Energy Project Title	FY21 Proposed ('000)	FY22 Proposed ('000)	FY23 Proposed ('000)	FY24 Proposed ('000)	FY25 Proposed ('000)	FY21-FY25 Total ('000)
GENERATION						
Greenland Energy - CT1 - Hot Gas Path Inspection #1	5,850	0	0	0	0	5,850
Northside Generating - Energy Project Management Capital Improvement Projects	5,750	6,000	6,000	6,000	6,000	29,750
Northside Generating - Generation Support Capital Improvements	4,000	4,000	4,000	4,000	4,000	20,000
Northside Generating - CT3 Major Inspection	3,200	0	0	0	0	3,200
Potential Gas Line Capacity Upgrades	2,000	3,000	0	0	0	5,000
Brandy Branch Generating - General Capital Improvements	2,000	2,000	2,000	2,000	2,000	10,000
Brandy Branch Generating - B52, B53 Transition Duct Liner	1,995	0	0	0	0	1,995
Brandy Branch Generating - B50 Personnel Elevators	1,525	0	0	0	0	1,525
Compression Upgrade to Baldwin-Brandy Branch	1,500	6,000	0	0	0	7,500
Northside Generating - N00 Chain, Buckets, and Sprocket Replacement	1,011	0	0	0	0	1,011
Greenland Energy - MarkVIe Full Migration and Security Software	864	0	0	0	0	864
Northside Generating - N01, N02, N03 Control System Server Replacement and Software Upgrade	795	0	0	0	0	795
Northside Generating - N01 Impulse Cleaning System Installation	663	0	0	0	0	663
Kennedy Generating - Control Room Upgrade	657	0	0	0	0	657
Northside Generating - N03 Circulating Water Pump Replacement	620	0	0	0	0	620
Northside Generating - N03 River Water Booster Pump Replacement	448	0	0	0	0	448
Northside Generating - N33, N34, N35, N36 Control System Upgrade	424	392	392	455	0	1,663
Northside Generating - N33, N34, N35, N36 Electrical Equipment Upgrades	382	380	310	0	0	1,072
Northside Generating - N01, N02 Fan Silencer Replacement	366	670	0	0	0	1,036
Northside Generating - N01, N02 Expansion Joints Installation	352	0	0	0	0	352
Northside Generating - N01 N02 UPS Replacement	334	73	0	0	0	407
Northside Generating - N03 Turbine Inspection	295	3,090	0	0	0	3,385
Northside Generating - N02 INTREX East Wall Refractory Replacement	290	0	0	0	0	290
Northside Generating - N02 Valve Actuator Overhaul	271	0	0	0	0	271
Kennedy Generating - CT7 - Hot Gas Path Inspection #3	250	5,318	0	0	0	5,568
Northside Generating - N03 Turbine Valve Inspection	60	1,246	0	0	0	1,306
Northside Generating - N03 Turbine Inspection	50	850	0	0	0	900
Kennedy Generating - CT7 - Rotor Replacement	0	10,000	0	0	0	10,000
Northside Generating - CT4 Major Inspection	0	2,000	0	0	0	2,000

Energy Project Title	FY21 Proposed ('000)	FY22 Proposed ('000)	FY23 Proposed ('000)	FY24 Proposed ('000)	FY25 Proposed ('000)	FY21-FY25 Total ('000)
GENERATION						
Northside Generating - Byproduct Storage Area II	0	1,800	11,855	5,400	0	19,055
Brandy Branch Generating - CT2 - Hot Gas Path Inspection #6	0	250	5,745	0	0	5,995
Brandy Branch Generating - CT3 - Hot Gas Path Inspection #6	0	250	5,745	0	0	5,995
Brandy Branch Generating - B52, B53 Catalyst Replacement	0	0	500	437	0	937
Brandy Branch Generating - CT1 - Hot Gas Path Inspection #3	0	0	250	6,550	0	6,800
Greenland Energy - 2X1 Combined Cycle Completion	0	0	0	4,981	10,000	14,981
Northside Generating - Intake and Discharge Flume Concrete Repair	0	0	0	1,678	0	1,678
Brandy Branch Generating - CT2 - Hot Gas Path Inspection #7	0	0	0	300	6,156	6,456
Brandy Branch Generating - CT3 - Hot Gas Path Inspection #7	0	0	0	300	6,156	6,456
Northside Generating - CT5 Major Inspection	0	0	0	0	2,000	2,000
GENERATION SUBTOTAL	35,952	47,320	36,797	32,101	36,312	188,482
TRANSMISSION AND DISTRIBUTION						
Electric Distribution Maintenance Capital Upgrades	12,500	12,500	12,500	12,500	12,500	62,500
New Electric Service Additions	11,500	11,500	12,000	12,500	13,000	60,500
69kv - 663 line rebuild	11,334	954	0	0	0	12,288
Development Driven Projects	9,250	9,250	9,750	10,250	10,750	49,250
SAIDI Improvement Plan (SIP)	9,070	0	0	0	0	9,070
Eagle LNG 138-13.8 kV Substation	8,750	2,000	0	0	0	10,750
Greenland Energy to Mayo Substation 230kV Transmission Corridor Purchase	5,870	0	0	0	0	5,870
Replacement of T1 and the Low Side Bus	5,500	0	0	0	0	5,500
Dinsmore Solar Feeders 423, 424	5,330	0	0	0	0	5,330
Pole Replacement Program	4,200	4,200	4,200	4,200	4,200	21,000
CEMI-5 Electric Distribution Betterment	3,000	3,000	3,000	3,000	3,000	15,000
General Underground Network and Commercial Repair, Replace, and Upgrades	3,000	3,000	3,000	3,000	3,000	15,000
Forest Substation 217 Feeder - Electric Distribution	2,980	288	0	0	0	3,268
Park and King 4kV Substation Rebuild	2,832	37	0	0	0	2,869
Brandy Branch Solar Feeders 356, 357	2,511	0	0	0	0	2,511
Joint Participation Electric Relocation Projects	2,000	2,000	2,000	2,000	2,000	10,000

Energy Project Title	FY21 Proposed ('000)	FY22 Proposed ('000)	FY23 Proposed ('000)	FY24 Proposed ('000)	FY25 Proposed ('000)	FY21-FY25 Total ('000)
TRANSMISSION AND DISTRIBUTION						
Underground Network Improvement Plan	1,988	1,988	1,988	1,988	1,988	9,940
Electric Meters - Growth	1,760	1,760	1,760	1,760	1,760	8,800
Electric Distribution System Improvements	1,650	1,664	1,664	1,664	1,664	8,306
Normandy Substation Protection Improvement	1,614	0	0	0	0	1,614
230kV Breaker Replacement	1,600	1,600	800	0	0	4,000
Transmission Circuit 832/835/836/839 Angle Pole Replacement	1,596	0	0	0	0	1,596
Cecil Commerce Center North Solar Feeders 371, 372	1,587	0	0	0	0	1,587
Substation Repair and Replace Projects - Transformer Replacements	1,400	1,400	1,400	1,400	1,400	7,000
Church St Feeders 181-186 13kV Reconductor from Substation to Riverside Ave	1,340	0	0	0	0	1,340
Kennedy Substation Control Cable and Protection System Replacement	1,224	0	0	0	0	1,224
Nocatee 230 - 26 kV Substation	1,219	0	0	0	0	1,219
Pipe-Type Cable Pothead Replacements – Kennedy Circuit 682 and Hunter Rd. Circuit 688	1,179	0	0	0	0	1,179
230kV Circuit 915 Partial Rebuild	1,054	0	0	0	0	1,054
St Johns 4kV Substation Rebuild	1,000	1,500	500	0	0	3,000
Distribution System - Pole Removal	1,000	1,000	1,000	1,000	1,000	5,000
Eagle LNG 138-13.8 kV Substation - Protection and Controls	900	100	0	0	0	1,000
Fulton Cut Crossing- Feasibility Study	900	0	0	0	0	900
Transmission Line Relay Replacement Project	885	0	0	0	0	885
Northside Substation Improvements	870	0	0	0	0	870
26kV Feeder Circuit Breaker Replacement	854	754	754	754	754	3,870
Greenland Energy to Bartram 230 kV Circuit 909 Addition	853	0	0	0	0	853
Transmission Circuit 692 Underground Cable Replacement - Part A	820	2,780	0	0	0	3,600
Nocatee 230 kV Circuit 909/917 SS Interconnect	815	0	0	0	0	815
Westlake Solar Feeders 339, 340	800	0	0	0	0	800
Circuit 679 Underground Cable Reconductor	800	0	0	0	0	800
General Distribution Improvements	750	750	750	750	750	3,750
Transmission and Substation Class Circuit Breaker Replacement Program	750	750	750	750	750	3,750
Transmission Capacitor Bank Controls Replacement	746	0	0	0	0	746
Transmission Outdoor Potential Device Replacement	741	541	541	541	541	2,905

Energy Project Title	FY21 Proposed ('000)	FY22 Proposed ('000)	FY23 Proposed ('000)	FY24 Proposed ('000)	FY25 Proposed ('000)	FY21-FY25 Total ('000)
TRANSMISSION AND DISTRIBUTION						
Electric Meters - Replacement	740	740	740	740	740	3,700
853 Pole Replacement	729	850	0	0	0	1,579
General Substation Improvements	700	700	700	700	700	3,500
Transmission Circuit 838 Structures 5 - 11 Replacement	699	0	0	0	0	699
Circuit 649 Underground 69kV Reconductor Project	672	796	0	0	0	1,468
West Jax Substation Protection Improvement	666	0	0	0	0	666
Transmission Circuit 677 Structure 45 and 62 Replacement	657	0	0	0	0	657
Transmission Circuit 830 Structures 30, 31, 32, 42, 43, and 44 Replacement	653	0	0	0	0	653
230kV Breaker Replacement - Protection and Controls	650	450	225	0	0	1,324
Preliminary Study - Durbin 230-26KV Substation Property	600	0	0	0	0	600
Nocatee Substation Distribution Feeders	600	0	0	0	0	600
Nocatee 230 - 26 kV Substation - Protection and Controls	589	0	0	0	0	589
69kv - 663 line rebuild - Protection and Controls	566	46	0	0	0	612
Eagle Liquid Natural Gas 138kV Circuit 847 Interconnect	558	50	0	0	0	608
Park and King 4kV Distribution Feeder Getaway Rebuild	558	2	0	0	0	560
Bartram 298: Feeder Extension in Transmission Right-Of-Way from Substation to Bartram Park Bv	530	0	0	0	0	530
Church Street - Pipe Type Cable Pump Replacement	523	0	0	0	0	523
Steelbald Solar Center - Protection and Controls	522	0	0	0	0	522
Mill Cove - Pipe Type Cable Pump Replacement	521	0	0	0	0	521
Underground Cable Replacement Program - Existing Developments	500	500	500	500	500	2,500
4kV Rehabilitation – Distribution Projects	500	500	500	500	500	2,500
230KV-138KV-69kV Insulator Refurbishment	500	500	500	500	500	2,500
230KV-138KV-69kV Pole Refurbishment	500	300	300	300	300	1,700
Energy Management System - Base Upgrade Project	335	240	200	130	130	1,035
General Transmission Improvements	300	300	300	300	300	1,500
Park and King 4kV Substation Rebuild - Protection and Controls	300	100	0	0	0	400
Westlake Solar Center - Protection and Controls	300	0	0	0	0	300
Bartram 230 kV Circuit 909 Interconnect	300	0	0	0	0	300
Cecil Commerce Center North Solar- Protection and Controls	280	0	0	0	0	280

Energy Project Title	FY21 Proposed ('000)	FY22 Proposed ('000)	FY23 Proposed ('000)	FY24 Proposed ('000)	FY25 Proposed ('000)	FY21-FY25 Total ('000)
TRANSMISSION AND DISTRIBUTION						
Automatic Recloser Deployment	235	235	235	235	235	1,175
Capital Tools and Equipment - Underground Network and Service Centers	220	220	220	220	220	1,100
Brandy Branch Sub Solar T2 Addition - Protection and Controls	206	0	0	0	0	206
St Johns 4kV Substation Rebuild - Protection and Controls	200	200	100	0	0	500
Steelbald Solar Feeders 344, 345	185	0	0	0	0	185
Bartram 230 kV Bay and Breaker Addition for Circuit 909 - Protection and Controls	176	0	0	0	0	176
Ortega Bv North - Overhead to Underground - Electric Conversion	171	0	0	0	0	171
Circuit 679 Underground Cable Reconductor - Protection and Controls	165	0	0	0	0	165
Energy Management System - RTU Upgrade Project	155	50	50	50	50	355
Dinsmore 230 - 26 kV Substation - Protection and Controls	152	0	0	0	0	152
General Protection System Improvements Transmission	150	150	150	150	150	750
Southside GIS 69kV Controller Replacement	150	0	0	0	0	150
Center Park Substation Protection Improvements	150	0	0	0	0	150
General Transmission Improvements	100	100	100	100	100	500
GEC 230 kV Bay and Breaker Addition for Circuit 909	84	0	0	0	0	84
Capital Tools and Equipment - Transmission and Substation Maintenance	80	80	80	80	80	400
Bartram 230 kV Bay and Breaker Addition for Circuit 909	80	0	0	0	0	80
Westlake Sub Solar T3 Addition - Substation Project	76	0	0	0	0	76
Mayo Clinic 230 - 26kV Substation Property	70	0	0	0	0	70
Dinsmore 230 - 26 kV Substation	65	0	0	0	0	65
Overhead to Underground Conversion in Neighborhoods	60	60	60	60	60	300
Electric Customer Service Response Tools and Equipment	55	55	55	55	55	275
St Johns 4kV Distribution Feeder Getaway Rebuild	50	100	50	0	0	200
Forest Sub 217 Feeder - Protection and Controls	29	0	0	0	0	29
Transmission Circuit 692 Underground Cable Replacement- Part B - Protection and Controls	20	70	0	0	0	90
Grid Overhead and Underground Unit Price	1	1	1	1	1	5
Substation Repair and Replace Projects	0	3,000	3,000	3,000	3,000	12,000
Transmission Repair and Replace Projects	0	2,500	2,500	2,500	2,500	10,000
Energy Management System - Outage Management System Integration	0	1,300	200	0	0	1,500

Energy Project Title	FY21 Proposed ('000)	FY22 Proposed ('000)	FY23 Proposed ('000)	FY24 Proposed ('000)	FY25 Proposed ('000)	FY21-FY25 Total ('000)
TRANSMISSION AND DISTRIBUTION						
Mayo Clinic 230 - 26kV Substation	0	995	6,000	4,000	0	10,995
Greenland Energy to Mayo 230kV Circuit 908 Addition	0	300	6,500	8,500	900	16,200
Mayo Clinic 230/138/26kV Substation - Protection and Controls	0	150	700	50	0	900
Greenland Energy 230kV Bay and Breaker Addition for Circuit 908	0	100	300	700	100	1,200
Mayo Substation Distribution Feeders	0	50	200	50	0	300
Mayo Substation 138kV Transmission Interconnects	0	12	288	200	0	500
Greenland Energy 230kV Bay and Breaker Addition for Circuit 908 - Protection and Controls	0	10	180	300	10	500
SouthWest Substation - Transmission	0	0	0	5,000	5,000	10,000
SouthWest Substation - Substation	0	0	0	2,000	7,000	9,000
SJRPP Substation - 26 kV Substation	0	0	0	1,500	3,500	5,000
New Nocatee T-2 TX	0	0	0	1,500	1,000	2,500
69kv - 665 line rebuild	0	0	0	1,000	2,000	3,000
SJRPP Substation Distribution Feeders	0	0	0	600	1,400	2,000
SouthWest Substation - Distribution	0	0	0	300	400	700
Pecan Park Area Transmission	0	0	0	0	5,000	5,000
Pecan Park Area Substation	0	0	0	0	1,000	1,000
Pecan Park Area Distribution	0	0	0	0	500	500
TRANSMISSION AND DISTRIBUTION SUBTOTAL	150,954	81,127	83,291	93,878	96,988	506,237
ENERGY OTHER						
Technology Services Projects	18,493	8,945	12,075	13,025	12,875	65,413
Capital Administrative Overhead	11,400	11,400	11,400	11,400	11,400	57,000
Facilities - General Administration Office Building	9,200	11,000	0	0	0	20,200
Fleet - Replacement	7,799	7,800	8,800	7,900	8,100	40,399
Streetlight Improvements - Phase 3	4,400	0	0	0	0	4,400
Facilities - Southside Service Center Renovations - Phase II	2,749	751	0	0	0	3,500
Facilities - Industrial Training Center	1,432	0	0	0	0	1,432
Facilities - Southside Service Center - Asphalt Pavement Upgrade	1,200	300	0	0	0	1,500
Fleet - Expansion	880	600	600	600	600	3,280

Energy Project Title	FY21 Proposed ('000)	FY22 Proposed ('000)	FY23 Proposed ('000)	FY24 Proposed ('000)	FY25 Proposed ('000)	FY21-FY25 Total ('000)
ENERGY OTHER						
Security - General improvements	690	650	650	650	650	3,290
Security - Operation and Controls Center - Security Enhancements	592	0	0	0	0	592
Facilities - Westside Service Center - Building 5 Glove Lab Upgrades	475	0	0	0	0	475
Facilities - Roof Replacements	450	450	450	450	450	2,250
Facilities - Heating, Ventilation, and Air	430	430	430	430	430	2,150
Facilities - Commonwealth Service Center - Admin Upgrades	300	4,500	0	0	0	4,800
Security - Fencing	260	260	260	260	260	1,300
Facilities - Paving and Site Improvements	250	250	250	250	250	1,250
Facilities - DCPS Photovoltaic System Removal	250	0	0	0	0	250
Facilities - General Building Upgrades	200	200	200	200	200	1,000
Facilities - Plumbing and Fire System Upgrades	100	100	100	100	100	500
Facilities - Lighting	100	100	100	100	100	500
Facilities - Brandy Branch and Greenland Energy Ops and DC Power Generator Backup Units	62	1,213	0	0	0	1,275
Utility Locate Group - Capital Equipment	50	50	50	50	50	250
Facilities - Generators	1	200	150	250	1	602
Laboratory Equipment Upgrades	1	75	75	75	75	301
Facilities - Elevators	1	1	1	1	1	5
Security - Fire System Sprinklers	1	1	1	1	1	5
Facilities - Kennedy Generating - Pump Shop Building Demolition	1	250	0	0	0	251
ENERGY OTHER SUBTOTAL	61,767	49,526	35,592	35,742	35,543	218,170
ENERGY GRAND TOTAL	248,673	177,973	155,680	161,721	168,843	912,889

Water/Wastewater Project Title	FY21 Proposed ('000)	FY22 Proposed ('000)	FY23 Proposed ('000)	FY24 Proposed ('000)	FY25 Proposed ('000)	FY21-FY25 Total ('000)
WATER						
St Johns Water Mgmt District - Water Purification Project	15,256	4,045	0	0	0	19,301
Advanced Treatment System at Highlands Water Treatment Plant	11,936	6,481	0	0	0	18,417
Water Meters - Replacement	6,500	6,500	6,500	6,500	6,500	32,500
RiverTown Water Treatment Plant - New 6.0 MGD Water Treatment Plant	5,871	9,327	100	0	0	15,298
Water Delivery System Repair and Replace	5,000	5,000	5,000	5,000	5,500	25,500
US1 Booster Pump Station - Old St Augustine Rd to US1 Booster Pump Station - New	5,096	4,319	307	0	0	9,722
Main St Water Treatment Plant - 1st St to Franklin St - Transmission - New	5,020	4,703	200	0	0	9,923
Well Rehabilitation and Replacement Program	5,195	7,000	13,000	13,000	13,000	51,195
Pages Dairy Rd - Felmor Rd to Chester Ave - Transmission	3,967	0	0	0	0	3,967
Beverly Hills Water Main Replacement	3,929	560	0	0	0	4,489
Ponte Vedra Blvd 6" Cast Iron Replacement	3,971	8	0	0	0	3,979
Greenland - Southside Blvd - Deerwood 3 to Greenland	3,722	336	22,400	22,400	0	48,858
E 1st St Main St to E 4th St - Raw Water - New	3,660	2,400	200	0	0	6,260
Greenland Water Treatment Plant - Expansion from 6.0 to 9.0 MGD	3,441	125	0	0	0	3,566
Lofton Oaks Water Treatment Plant - Improvements	3,168	72	0	0	0	3,239
Bartram - US1 - Old St Augustine Rd to US1	2,736	0	0	0	0	2,736
Martin Luther King: Fairfax to Brentwood Water Main Replacement	2,641	3,185	0	0	0	5,826
Water Meters - Growth	2,250	2,350	2,450	2,030	2,030	11,110
FDOT - Lane Ave S Replacement - Distribution	2,249	156	0	0	0	2,406
Deerwood - Southside Blvd Intertie to Deerwood III Water Treatment Plant - New	2,204	3,454	16,454	8,454	0	30,565
Water Meters - Large Water Meter Replacement	1,925	2,030	2,030	0	0	5,985
103rd St (Cecil Field) Water Main Replacement - Cecil Commerce Ctr Pkwy to Aviation Ave	1,882	3,024	0	0	0	4,906
Development Driven Projects	1,399	200	200	200	200	2,199
Jammes Rd - Wilson Blvd to Harlow Blvd	1,293	0	0	0	0	1,293
Nassau Burgess Blvd - US 17 to Miner Rd - New	1,158	2,392	0	0	0	3,550
Palm Avenue Water Main Replacement	1,106	0	0	0	0	1,106
Boulevard St Water Main Replacement - 7th St to 11th St	1,093	0	0	0	0	1,093
Galvanized Pipe Replacement	1,000	1,000	1,000	1,000	1,000	5,000

Water/Wastewater Project Title	FY21 Proposed ('000)	FY22 Proposed ('000)	FY23 Proposed ('000)	FY24 Proposed ('000)	FY25 Proposed ('000)	FY21-FY25 Total ('000)
WATER						
Main Extensions and Taps	1,000	825	825	825	825	4,300
Owens Rd - Ranch Rd to Max Leggett Pkwy - New	803	0	0	0	0	803
Water Treatment Plants - Capital Renewal and Replacement	750	750	750	750	750	3,750
Well Field Repair and Replace	700	700	700	700	700	3,500
Joint Participation Projects	700	700	700	700	700	3,500
St Johns Forest Wells	550	1,000	0	0	0	1,550
New World Av - Waterworks Ave to Chaffee Rd - Transmission - New	507	4,050	243	0	0	4,800
Hampton Falls Dr Electrical Easement - San Pablo to Suni Pines Connection - Replacement	465	0	0	0	0	465
Harbor Island Drive Water Main Replacement	400	0	0	0	0	400
Pritchard Rd - Old Plank Rd to Cisco Dr W - Transmission - New	358	1,240	1,073	0	0	2,671
Water Treatment Plants - Sodium Hypochlorite Storage Tank Upgrades	250	250	200	200	100	1,000
Mandarin Road Loop Connection - Transmission	212	0	0	0	0	212
Nocatee South Water Repump	200	800	3,000	1,000	0	5,000
Well Rehabilitation and Maintenance - McDuff Wells	144	0	0	0	0	144
Water Treatment Plant Reservoir Repair and Replace	100	100	100	100	100	500
Grid - Cost Participation - New	100	100	100	100	100	500
Lovegrove Well #1 - Well Rehabilitation Project	84	0	0	0	0	84
Integrated Water Supply Testing Evaluation and Rehabilitation (iWATER)	78	0	0	0	0	78
McDuff Water Treatment Plant - Refurbishment Project	62	2,216	1,976	0	0	4,254
Norwood Water Treatment Plant - Rehabilitation	62	2,048	1,343	0	0	3,453
Southeast Well #1 - Well Rehabilitation Project	57	0	0	0	0	57
JTA - San Pablo Rd - Beach Blvd to Atlantic Blvd	55	0	0	0	0	55
Royal Lakes Well #3B - Well Rehabilitation Project	55	0	0	0	0	55
FDOT - 103rd St. (SR134) - Firestone to Wesconnett - Water Main Improvements	44	0	0	0	0	44
Nassau Regional Water Treatment Plant - Well #3	21	0	0	0	0	21
Royal Lakes Well #2A - Well Rehabilitation Project	20	0	0	0	0	20
Oakridge Well #6 - Well Rehabilitation Project	20	0	0	0	0	20
JTA - 5th St - Huron Ave to Melson Ave	20	0	0	0	0	20
Deerwood Well #7 - Well Rehabilitation Project	19	0	0	0	0	19

Water/Wastewater Project Title	FY21 Proposed ('000)	FY22 Proposed ('000)	FY23 Proposed ('000)	FY24 Proposed ('000)	FY25 Proposed ('000)	FY21-FY25 Total ('000)
WATER						
JTA - 8th St Water Main Replacement - Mt Herman St to Boulevard St	10	0	0	0	0	10
JTA - Alta Drive Roadway Improvements	8	0	0	0	0	8
Water Pipeline Crossings Resiliency	1	1	1	1	1	5
Water Treatment Plants - Large Capital Improvements	0	2,470	12,700	7,500	7,425	30,095
FDOT - Chaffee Rd - Westmeadows Dr S to Samaritan Way - Transmission - New	0	730	1,987	0	0	2,717
Lakeshore Water Treatment Plant - Reservoir Rehabilitation	0	610	2,028	0	0	2,638
FDOT - I95 and MLK Interchange - Replacement	0	480	0	0	0	480
Ft. Caroline Rd - McCormick Rd to Fulton Rd - Distribution - New	0	210	805	1,695	0	2,710
Main St Water Treatment Plant - Ozone Generator - Addition	0	200	2,800	0	0	3,000
Southeast Water Treatment Plant - Ground Storage Tank	0	50	2,000	500	0	2,550
Oakridge Water Treatment Plant - High Service Pump Expansion	0	50	300	1,500	0	1,850
Royal Lakes Water Treatment Plant High Service Pump Expansion	0	50	300	1,500	0	1,850
Lovegrove Water Treatment Plant - High Service Pump and Building Replacement - Expansion	0	50	40	2,500	500	3,090
Water Transmission Replacement	0	0	3,766	2,000	2,000	7,766
Julington Creek Water Treatment Plant - Storage Tank Rehabilitation	0	0	400	0	0	400
Jones Rd - Teague Rd to Prichard Rd - Transmission - New	0	0	250	1,000	4,050	5,300
Cisco Dr - Westlake Water Treatment Plant to Garden St - Transmission - New	0	0	220	850	1,895	2,965
Beacon Hills Water Treatment Plant - Ground Storage Tank	0	0	50	530	5,500	6,080
Oakridge - Saints Rd - St Johns Bluff to Oakridge Water Treatment Plant	0	0	0	560	5,800	6,360
N Main St Dr - Setzer Rd to Gun Club Rd - Transmission - New	0	0	0	280	1,100	1,380
Westlake Water Treatment Plant - Well #4 and Raw Water Main	0	0	0	276	2,003	2,279
Trout River Blvd - US1 to Sibald Ave - Transmission - New	0	0	0	150	580	730
Brierwood Water Treatment Plant - High Service Pump Expansion	0	0	0	50	300	350
Westlake Water Treatment Plant - Expansion from 3.0 to 7.0 MGD	0	0	0	50	150	200
Blount Island Fire Protection System - Repair and Replace	0	0	0	0	4,300	4,300
Ridenour - Cortez to Ridenour Water Treatment Plant - New	0	0	0	0	840	840
Southeast - T-Line to Southeast Water Treatment Plant	0	0	0	0	840	840
103rd St - Pressure Sustaining Valve - Addition	0	0	0	0	562	562
WATER SUBTOTAL	116,523	88,347	108,498	83,901	69,351	466,619

Water/Wastewater Project Title	FY21 Proposed ('000)	FY22 Proposed ('000)	FY23 Proposed ('000)	FY24 Proposed ('000)	FY25 Proposed ('000)	FY21-FY25 Total ('000)
SEWER						
Greenland Water Reclamation Facility - 6.0 MGD	42,716	70,833	29,345	0	0	142,894
Buckman Water Reclamation Facility - Biosolids Conversion - Process Facility	21,203	25,760	17,986	158	0	65,107
Southwest Water Reclamation Facility - Expansion from 14 to 18 MGD	18,500	25,000	17,000	0	0	60,500
US1 - Greenland Water Reclamation Facility to CR 210 - Transmission - New	13,835	10,743	665	0	0	25,243
Nocatee South - Reclaim Water Storage Tank and Booster Pump Station	9,950	126	0	0	0	10,076
Southwest - 5104 118th St - Class III/IV - Pump Upgrades	9,904	95	0	0	0	9,999
Buckman Water Reclamation Facility - Biosolids Conversion - Renewable Natural Gas	9,218	1,544	0	0	0	10,762
5th St W - Imeson Rd to Melson Ave - Transmission - New	8,604	3,598	0	0	0	12,202
Greenland - Burnt Mill Pump Station to Greenland Energy - Transmission	7,954	6,719	429	0	0	15,102
Arlington East Water Reclamation Facility Upgrades - Odor Control	6,536	0	0	0	0	6,536
Nassau Regional Water Reclamation Facility - Expansion to 4 MGD	5,758	14,815	14,374	6,000	0	40,947
Buckman Water Reclamation Facility - Blower System Improvements	5,566	4,566	0	0	0	10,132
Twin Creeks - Reclaim Water Storage Tank and Booster Pump Station	5,509	1,193	0	0	0	6,702
Southwest - 6217 Wilson Bv - Class III/IV - Pump Upgrades	4,600	78	0	0	0	4,678
Pumping Stations - Capital Equipment Replacement	4,500	4,500	4,500	4,500	4,500	22,500
Arlington East Water Reclamation Facility Upgrades - Aeration Basin and Blowers	4,394	8,489	722	0	0	13,605
Walnut St Trunkline Replacement: 32nd St Pump Station to 16th St E	4,120	0	0	0	0	4,120
Sewer Collection System Repair and Replace	4,000	4,000	4,000	4,000	4,500	20,500
Arlington East Water Reclamation Facility Upgrades - Influent Structure	3,914	8,721	1,431	0	0	14,066
Nassau - Radio Av - Reclaim Water Storage Tank and Booster Pump Station	3,168	400	0	0	0	3,568
Cedar Bay Backup Power System	3,100	0	0	0	0	3,100
4511 Spring Park Rd Lift Station	3,067	2,749	0	0	0	5,815
Sewer Collection System Trenchless Repair and Replace	3,000	3,000	3,000	3,000	3,000	15,000
Southwest - 4881 Timuquana Rd - Class III/IV - Pump Upgrades	2,979	0	0	0	0	2,979
Arlington East Water Reclamation Facility - Sludge Line and Appurtenances	2,700	4,600	4,600	500	0	12,400
District II - Robena Rd Booster Pump Station	2,565	911	0	0	0	3,476
Gate Parkway to Burnt Mill Rd - Transmission	2,515	0	0	0	0	2,515
Water Reclamation Facilities - Capital Equipment Replacement	2,500	2,500	2,500	2,500	2,500	12,500
Buckman - 5307 Buffalo Ave - Class III/IV - Pump Rehabilitation	2,478	0	0	0	0	2,478

Water/Wastewater Project Title	FY21 Proposed ('000)	FY22 Proposed ('000)	FY23 Proposed ('000)	FY24 Proposed ('000)	FY25 Proposed ('000)	FY21-FY25 Total ('000)
SEWER						
Davis - Gate Pkwy to RG Skinner - Transmission	2,050	5,993	1,107	0	0	9,150
Bradley Road Pump Station Improvements	2,016	0	0	0	0	2,016
Arlington East Water Reclamation Facility - Secondary MCC Replacement	1,841	0	0	0	0	1,841
Holiday Road Master Pump Station Rehabilitation - Phases 1 and 2	1,762	0	0	0	0	1,762
Monterey Water Reclamation Facility Improvements	1,707	3,580	7,433	768	0	13,488
Monterey - 3254 Townsend Rd - Class III/IV - Pump Rehabilitation	1,656	1,687	0	0	0	3,343
Nassau - Radio Ave - Class III/IV - New Pump Station	1,503	1,400	0	0	0	2,903
District II - 10800 Key Haven Bv - Class III/IV - Reconstruction to Submersible	1,473	2,410	0	0	0	3,883
Nicholson Rd Cured in Place Piping: Olive St to Utah Ave	1,425	0	0	0	0	1,425
SJC - CR210 - South Hampton to Ashford Mills - Transmission	1,275	1,858	0	0	0	3,132
Talleyrand Pump Station - Valves and Screens	1,221	0	0	0	0	1,221
Monterey - 5838 Pompano - Class III/IV - Pump Upgrade	1,204	1,619	0	0	0	2,823
Supervisory Control and Data Acquisition Remote Terminal Units and Control Panel Upgrades	1,200	1,500	1,500	1,500	1,500	7,200
Boulevard St FM Replacement - Boulevard Pump Station to 16th St	1,139	0	0	0	0	1,139
Monterey - 7732 Merrill Rd - Class III/IV - Pump Upgrade	1,067	319	0	0	0	1,386
Development Driven Projects - Reclaim	959	200	200	200	200	1,759
Buckman Water Reclamation Facility Outfall Improvements - Phase 1	925	8,250	0	0	0	9,175
District II - 11308 Harts Rd - Class III/IV - Rehabilitation	909	0	0	0	0	909
Eastport Rd - Emuness Rd to Sara Dr - Distribution - New	881	0	0	0	0	881
Buckman Water Reclamation Facility - Primary Clarifier Rehabilitation	842	0	0	0	0	842
Mandarin Water Reclamation Facility - Filter Feed Pumps (2) Replacement	833	0	0	0	0	833
Force Main Extensions and Taps	820	725	725	725	725	3,720
District II - Pulaski Rd Booster Pump Station	805	410	0	0	0	1,215
Buckman Water Reclamation Facility - Biosolids Process Renewal and Replacement	800	740	740	740	740	3,760
Ductile Iron Force Main Replacement	524	1,518	681	3,000	3,000	8,723
Ponte Vedra Water Reclamation Facility - Ultraviolet Disinfection System Improvements	497	0	0	0	0	497
Buckman Water Reclamation Facility - Fine Screen Replacement	471	3,169	60	0	0	3,700
Southwest Service Area Infiltration and Inflow Analysis and Remediation	450	500	500	500	500	2,450
Development Driven Projects - Pump Stations	430	200	200	200	200	1,230

Water/Wastewater Project Title	FY21 Proposed ('000)	FY22 Proposed ('000)	FY23 Proposed ('000)	FY24 Proposed ('000)	FY25 Proposed ('000)	FY21-FY25 Total ('000)
SEWER						
District II Water Reclamation Facility - South Headwork Rehabilitation	420	744	0	0	0	1,164
Joint Participation Projects - Sewer	400	400	400	400	400	2,000
Harbor Island Drive - Force Main Replacement	400	0	0	0	0	400
Timawatha Ave - Force Main Replacement	357	0	0	0	0	357
Mandarin Water Reclamation Facility - Sludge Holding Tanks Rehabilitation	315	2,547	1,161	0	0	4,023
Development Driven Projects - Sewer	314	200	200	200	200	1,114
Julington Creek and Ponte Vedra Water Reclamation Facilities - Electrical Grounding/Lightning Improvements	311	0	0	0	0	311
CR210 - Longleaf Pine Pkwy to Ashford Mills Rd - Transmission	250	2,050	2,619	0	0	4,919
Wastewater Odor Control - All Plants and Pump Stations	250	250	250	250	250	1,250
Arlington East - 9247 Baymeadows Rd - Class III/IV - Pump Upgrade	210	529	824	0	0	1,563
Supervisory Control and Data Acquisition - Renewal and Replacement	150	150	150	150	150	750
District II Water Reclamation Facility - Primary Clarifiers #2 and #3 - Rehabilitation	141	0	0	0	0	141
Diesel-driven Backup Pump Repair and Replace	100	100	100	100	100	500
Waste Water Pumping Station Safety Improvements - Guard Rail Installation	100	100	100	100	100	500
Grid - Cost Participation - New - Reclaim	100	100	100	100	100	500
Grid - Cost Participation - New - Force Main	100	100	100	100	100	500
Large Diameter - Gravity Sewer Replacement	100	0	0	0	0	100
JTA - 5th St - Huron Ave to Melson Ave - Sewer	80	0	0	0	0	80
Air Relief Valves Repair and Replace	70	70	70	70	70	350
Manhole Supervisory Control and Data Acquisition - Repair and Replace	50	50	50	50	50	250
Reuse Facility - Capital Equipment Replacement	50	50	50	50	50	250
Reuse Delivery Repair and Replace	50	50	50	50	50	250
COJ - Old Middleburg Rd - Argyle Forest Blvd to Maynard PI - Transmission - New - Force Main	44	2,056	0	0	0	2,100
FDOT - 103rd St. (SR134) - Firestone to Wesconnett - Sewer Main Improvements	44	0	0	0	0	44
Buckman - Biosolids Conversion - Operations/Maintenance/Warehouse Bldgs	20	20	1,539	2,809	0	4,388
District II - New Berlin Rd - Yellow Bluff Rd to Eastport Rd - New - Force Main	10	740	3,897	400	0	5,047
JTA - Alta Drive Roadway Improvements - Sewer	8	0	0	0	0	8
Large Diameter Sewer Pipeline Crossings Resiliency	1	1	1	1	1	5
Wastewater Large Capital Improvements	0	4,300	12,970	24,510	22,390	64,170

Water/Wastewater Project Title	FY21 Proposed ('000)	FY22 Proposed ('000)	FY23 Proposed ('000)	FY24 Proposed ('000)	FY25 Proposed ('000)	FY21-FY25 Total ('000)
SEWER						
Large Diameter Cured in Place Piping	0	1,499	1,500	1,785	1,500	6,284
FDOT - I95 and MLK Interchange Force main Replacement	0	606	0	0	0	606
Large Diameter South Shores Sub-Aqueous Force Main Rehabilitation	0	600	600	0	0	1,200
Arlington East - 8331 Princeton Sq - Class III/IV - Pump Upgrade	0	498	2,890	1,146	0	4,534
Arlington East - 8751 Bayleaf Dr - Class III/IV - Pump Upgrade	0	340	2,064	1,224	0	3,628
SR200 - William Burgess Blvd to Police Lodge Rd - Transmission - Reclaim	0	300	2,100	1,400	0	3,800
Nocatee South Reclaim Water Improvements	0	300	1,360	100	0	1,760
Southwest - 7703 Blanding Bv - Class III/IV - Rehabilitation	0	210	68	0	0	278
Southwest - Robitzsch Lane - Class III/IV - New Pump Station	0	195	1,602	245	0	2,042
Greenbriar Rd - Longleaf Pine Pkwy to Spring Haven Dr - Transmission - Reclaim	0	100	660	2,540	1,462	4,762
Ridenour Water Treatment Plant - Storage and Repump - Reclaim	0	50	1,821	4,640	4,640	11,151
RiverTown Water Treatment Plant - New Storage and Pumping System - Reclaim	0	50	400	1,000	2,500	3,950
Mandarin - 106 Twin Creeks - Class III/IV - Pump Upgrade	0	0	828	1,308	520	2,655
1638 Talleyrand Av - Class III/IV - Rehabilitation	0	0	469	855	3,156	4,480
Buckman Water Reclamation Facility - Aeration Basin Air Header and Diffuser Replacement	0	0	400	500	1,250	2,150
US1 - Twin Creeks Master Pump Station to Alphons St - Transmission - Force Main	0	0	300	2,500	3,500	6,300
Monterey - 8043 Carlotta Rd - Class III/IV - Pump Upgrade	0	0	250	750	0	1,000
Mandarin - 4181 Lavista Cr - Class III/IV - Pump Upgrade	0	0	250	750	0	1,000
Arlington East - 420 Tresca Rd - Class III/IV - Pump Upgrade	0	0	250	250	0	500
Large Diameter - Busch Dr - Balmoral Dr to Harts Rd - Transmission - Force Main	0	0	20	400	130	550
Buckman - Bionutrient Reduction - Phase 2	0	0	0	3,000	12,500	15,500
District II Water Reclamation Facility - Effluent Outfall Land Acquisition	0	0	0	1,185	0	1,185
T-Line - Park Ave to Pulaski Rd Master Pump Station - Easement Acquisitions	0	0	0	500	0	500
Nassau Regional - SR200 West of I-95 RW Storage Tank and Booster Pump Station - Reclaim	0	0	0	375	3,000	3,375
T-Line - Brandy Branch to Beaver St - Distribution - New - Force Main	0	0	0	360	1,300	1,660
Veterans Pkwy - Longleaf Pine Pkwy to CR210 - Transmission - Reclaim	0	0	0	300	3,000	3,300
Nocatee North Reclaim Water Storage Tank	0	0	0	300	2,000	2,300
Monument Rd - Arlington East to St Johns Bluff Rd - Transmission - New - Reclaim	0	0	0	300	1,200	1,500
CR210 - Twin Creeks to Russell Sampson Rd - Transmission - Reclaim	0	0	0	300	1,080	1,380

Water/Wastewater Project Title	FY21 Proposed ('000)	FY22 Proposed ('000)	FY23 Proposed ('000)	FY24 Proposed ('000)	FY25 Proposed ('000)	FY21-FY25 Total ('000)
SEWER						
Arlington East Water - Reclaim Filter - Increase Capacity from 8 to 12 MGD	0	0	0	250	1,500	1,750
Russell Sampson Rd - St. Johns Pkwy to CR210 - Transmission - Reclaim	0	0	0	200	920	1,120
T-Line - Amelia Concourse to Amelia National - Transmission - Reclaim	0	0	0	144	510	654
Lenox Ave - Fouraker Rd to Palisades Dr - Distribution - New - Force Main	0	0	0	115	461	576
CR210 - St Johns Pkwy to Leo Maguire Pkwy - Transmission - New - Reclaim	0	0	0	100	409	509
St Johns Bluff Rd - UNF to Bradley MPS - Transmission - Rehab Parallel Force Main	0	0	0	100	300	400
Station Creek Rd - Beach Bv to Hunt Club Rd N - Transmission - New - Reclaim	0	0	0	50	225	275
Bartram Trail High School - Longleaf Pine Pkwy - Transmission - New - Reclaim	0	0	0	50	193	243
Newcomb Rd - T-Line - Transmission - New - Force Main	0	0	0	20	150	170
Deercreek Club Rd - Southside Bv to Waterton Lane - Distribution - New - Force Main	0	0	0	12	144	156
Buckman - Disinfection System Replacement	0	0	0	0	4,270	4,270
118th St - Kinkaid Rd to Ricker Rd - Transmission - New - Force Main	0	0	0	0	961	961
District II - Hypochlorite Feed System Replacement	0	0	0	0	751	751
Glen Kernan Pkwy - Kernan Bv to Royal Troon Lane - Transmission - New - Reclaim	0	0	0	0	50	50
SEWER SUBTOTAL	255,982	260,373	156,161	86,684	98,958	858,157
WATER OTHER						
Technology Services Projects	12,000	6,730	7,950	7,950	8,850	43,480
Capital Administrative Overhead	5,700	5,700	5,700	5,700	5,700	28,500
Fleet - Replacement	5,054	5,534	5,352	5,310	5,300	26,550
General Security Improvements	690	650	650	650	650	3,290
Security - Buckman Security Enhancements	579	0	0	0	0	579
Facilities - Heating, Ventilation, and Air	520	520	520	520	520	2,600
Facilities - Roof Replacements	435	435	435	435	435	2,175
Facilities - Building Upgrades	400	400	400	400	400	2,000
Facilities - Electric and Lighting Systems	400	400	400	400	400	2,000
Facilities - Plumbing Upgrades	250	250	250	250	250	1,250
Facilities - Paving and Site Improvements	250	250	250	250	250	1,250
Security - Fencing	200	200	200	200	200	1,000
Fleet - Expansion	195	800	800	800	800	3,395

Water/Wastewater Project Title	FY21 Proposed ('000)	FY22 Proposed ('000)	FY23 Proposed ('000)	FY24 Proposed ('000)	FY25 Proposed ('000)	FY21-FY25 Total ('000)
WATER OTHER						
Laboratory Equipment Upgrades	188	100	100	100	100	588
Real Estate - Easement Location and Acquisitions	150	150	150	150	150	750
Facilities - Blacksford Water Reclamation Facility New Parking and Storage Building	133	7	1,486	0	0	1,626
Facilities - Mandarin Water Reclamation Facility - Facility Parking and Storage Building	100	1,587	0	0	0	1,687
Facilities - Elevators	100	100	250	250	1	701
Facilities - JEA Tower - Building Renovations	100	50	0	0	0	150
Utility Locate Group - Capital Equipment	50	50	50	50	50	250
Security - Fire Alarm and Sprinkler Systems	1	1	1	1	1	5
Facilities - Generators	0	3,725	2,253	10,977	4,535	21,490
Facilities - DII Water Reclamation Facility - New Warehouse and Site Upgrades	0	150	1,415	0	0	1,565
Facilities - Main St Lab Emergency Generator Project	0	0	1,093	0	0	1,093
Facilities - Buckman - Street Lighting and Paving Upgrades	0	0	0	1,000	0	1,000
WATER OTHER SUBTOTAL	27,495	27,789	29,705	35,393	28,592	148,973
WATER/WASTEWATER GRAND TOTAL	400,000	376,509	294,363	205,977	196,901	1,473,750

DES Project Title	FY21 Proposed ('000)	FY22 Proposed ('000)	FY23 Proposed ('000)	FY24 Proposed ('000)	FY25 Proposed ('000)	FY21-FY25 Total ('000)
DES - Downtown - Chilled Water Extension - New JEA Office & Ed Ball Building	1,674	0	0	0	0	1,674
DES - General Repair and Replace Improvements	530	200	475	790	980	2,975
DES - Security - General Improvements	150	150	50	50	50	450
DES - Springfield - Additional Back-up Generator	222	0	0	0	0	222
DES - Downtown Plant Expansion - New Chiller & Cooling Tower	0	3,000	0	0	0	3,000
DES - Springfield - Replace Chiller - 1	0	0	0	920	0	920
DES - Springfield - Replace Chiller - 4	0	0	0	920	0	920
DES - Springfield - Replace Chiller - 3	0	0	0	0	950	950
DES - Springfield - Replace Chiller - 5	0	0	0	0	950	950
DES GRAND TOTAL	2,576	3,350	525	2,680	2,930	12,061

ENERGY	Description	Explanation
N00, N01, N02, etc	specific steam turbine units	
CT1, CT2, etc	specific gas turbine units	
B50, B51, etc	specific steam turbine units at Brandy Branch Generating	
SAIDI	System Average Interruption Duration Index	Indicates the total duration of interruptions for the average customer across the electric system during a predefined period of time such as a month or a year. It is commonly measured in minutes or hours of interruption.
CEMI-5	Customers Experiencing More than 5 Interruptions	CEMI-5 is a software report and metric that stands for Customers Experiencing More Than Five Outages of one minute or more in the past year. The new report has helped us improve on our already unbeatable performance of low extended outage frequency and duration rates. CEMI-5 directs JEA's engineers and field personnel to the specific addresses of customers who've experienced six or more extended outages (of one minute or more) over the last 12 months
RTU	Remote Terminal Unit	A remote terminal unit (RTU) is a microprocessor-controlled electronic device that interfaces objects in the physical world to a distributed control system or SCADA (supervisory control and data acquisition) system by transmitting telemetry data to a master system, and by using messages from the master supervisory system to control connected objects
DCPS	Duval County Public Schools	
UPS	Universal Power Supply	
WATER	Description	Explanation
MCC	Motor control center	
SJC	St Johns County	
MGD	Million Gallons per Day	the max amount of volume a water or wastewater plant can process
Class III/IV	the size/processing capability of a sewage pump station	Class III - 1,000 Gallons per Minute (GPM) to 2,000 GPM / Class IV - Over 2,000 GPM

THANK
YOU

**JEA
CONSOLIDATED OPERATING BUDGET
FISCAL YEAR 2021**

	Energy System	Water & Wastewater System	District Energy System	Total
FUEL RELATED REVENUES & EXPENSES:				
FUEL REVENUES:	\$ 410,912,768	\$ -	\$ -	\$ 410,912,768
Total Net Revenues	\$ 410,912,768	\$ -	\$ -	\$ 410,912,768
FUEL EXPENSES:				
Fuel & Purchased Power	\$ 410,912,768	\$ -	\$ -	\$ 410,912,768
FUEL SURPLUS/(DEFICIT)	\$ -	\$ -	\$ -	\$ -
BASE RELATED REVENUES & EXPENSES				
BASE OPERATING REVENUES:				
Base Rate Revenues	\$ 793,579,491	\$ 437,545,588	\$ 9,328,327	\$ 1,240,453,406
Environmental Charge Revenue	7,814,100	27,777,750	-	35,591,850
Conservation Charge & Demand Side Revenue	768,600	-	-	768,600
Other Revenues	25,141,212	14,600,000	-	39,741,212
Natural Gas Pass Through Revenue	967,784	-	-	967,784
Total Base Related Revenues	\$ 828,271,187	\$ 479,923,338	\$ 9,328,327	\$ 1,317,522,852
BASE OPERATING EXPENSES:				
Operating and Maintenance	\$ 253,940,017	\$ 179,484,736	\$ 5,267,217	\$ 438,691,970
Environmental	1,891,598	3,267,638	-	5,159,236
Conservation & Demand-side Management	8,910,045	-	-	8,910,045
Natural Gas Pass Through Expense	1,057,344	-	-	1,057,344
Non-Fuel Purchased Power	72,642,571	-	-	72,642,571
Non-Fuel Uncollectibles & PSC Tax	1,242,354	558,388	-	1,800,742
Emergency Reserve	5,000,000	1,000,000	-	6,000,000
Total Base Related Expenses	\$ 344,683,929	\$ 184,310,762	\$ 5,267,217	\$ 534,261,908
BASE OPERATING INCOME:	\$ 483,587,258	\$ 295,612,576	\$ 4,061,110	\$ 783,260,944
NON-OPERATING REVENUE:				
Investment Income	7,962,574	2,975,171	-	10,937,745
Transfer To/From Fuel Recovery	-	-	-	-
Capacity Fees	-	29,388,151	-	29,388,151
Total Non Operating Revenues	\$ 7,962,574	\$ 32,363,322	\$ -	\$ 40,325,896
NON-OPERATING EXPENSES:				
Debt Service	131,173,417	65,436,531	3,023,891	199,633,839
Demand-side Management - Rate Stabilization	-1,736,445	-	-	-1,736,445
Environmental - Rate Stabilization	-9,782,967	-	-	-9,782,967
Total Non Operating Expenses	\$ 119,654,005	\$ 65,436,531	\$ 3,023,891	\$ 188,114,427
BASE INCOME BEFORE TRANSFERS	\$ 371,895,827	\$ 262,539,367	\$ 1,037,219	\$ 635,472,413
City Contribution Expense	94,809,678	25,202,572	-	120,012,250
Interlocal Payments	-	-	-	-
Renewal and Replacement Fund	64,012,472	26,551,286	437,313	91,001,071
Operating Capital Outlay	203,073,677	165,487,246	599,906	369,160,829
Environmental Capital Outlay	10,000,000	15,910,112	-	25,910,112
Capacity Fees	-	29,388,151	-	29,388,151
Operating Contingency	-	-	-	-
Total Non-Fuel Expenses	\$ 371,895,827	\$ 262,539,367	\$ 1,037,219	\$ 635,472,413
SURPLUS/(DEFICIT)	\$ -	\$ -	\$ -	\$ -
TOTAL REVENUES	\$ 1,247,146,529	\$ 512,286,660	\$ 9,328,327	\$ 1,768,761,516
TOTAL APPROPRIATIONS	\$ 1,247,146,529	\$ 512,286,660	\$ 9,328,327	\$ 1,768,761,516
BUDGETED EMPLOYEE POSITIONS	1,527	625	6	2,158
BUDGETED TEMPORARY HOURS	104,000	20,800	0	124,800



INTER-OFFICE MEMORANDUM

May 7, 2020

SUBJECT: QUARTERLY AUDIT SERVICES UPDATE

FROM: Paul McElroy, Interim Managing Director/CEO

TO: JEA Finance and Audit Committee

Marty Lanahan, Chair
John Baker
Robert Stein

BACKGROUND:

The Quarterly Audit Services Update provides the JEA Board of Directors with information on the current activities of the three groups within Audit Services: (1) Forensic Audit & Investigations; (2) Enterprise Risk Management; and (3) Internal Audit. The Forensic Audit & Investigations Group conducts internal investigations of confidential reports into JEA's Ethics Hotline (EHL) and from other sources. JEA's Enterprise Risk Management (ERM) Program identifies, assesses, measures, monitors and actively manages risk. The Internal Audit Group reviews internal control processes and ensures that departments maintain compliance with operating procedures and regulations.

DISCUSSION:

This update will provide an assessment of how JEA is managing risk and monitoring controls to reduce and/or prevent adverse impact to its business operations.

RECOMMENDATION:

No action required, as this update is for information only.

Paul McElroy, Interim Managing Director/CEO

PEM/HTV/SVT

Audit Services Quarterly Update - May 2020



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Audit Services Groups

- ✓ **Forensic Audit & Investigations (FAI) – Pp. 3-7**
- ✓ **Enterprise Risk Management (ERM) – Pp. 8–14**
- ✓ **Internal Audit – Pp. 15-22**

Forensic Audit & Investigations (FAI)



FAI Highlights



- ✓ Since January 7, Julie Moore, Manager, Forensic Audit & Investigations, and Terry Lund, Senior Forensic Auditor, have assisted with Corporate Records Compliance with the backlog of public records requests.
- ✓ FAI has an active recruitment for a Senior Forensic Auditor. This position has been open since Julie was promoted to Manager last fall. The response to this recruitment has been very good.
- ✓ Our Ethics Hotline (EHL) system is independently hosted by Navex Global, a best-in-class ethics/compliance software solution. JEA's recent EHL reporting volume has trended below our historical averages.
- ✓ COJ's City Ordinance Code requires that Independent Agencies' fraud/waste/abuse cases must be initially reported to the Office of Inspector General (OIG), which has the discretion of conducting the related investigations. In such cases, the investigations are usually an OIG/JEA-FAI collaboration.

May 2020



Investigative Case Statistics – 1Q/2Q FY20

Open Cases 10/1/2019	Cases Opened Q1/Q2 FY20	Cases Closed Q1/Q2 FY20	Open Cases 3/31/2020
9	9	8	10
Categories For Cases Opened During Q1/Q2 FY20			
Discrimination / Harassment			4
General Inquiries			2
Conflict of Interest / Ethics Matters			2
Fraud / Theft / Abuse			1
Total			9

Summary of Closed Cases – 1Q/2Q FY20

Reporting Source	Allegation	Investigation Results
Internal/ EHL	JEA-17-01-0002 – In conjunction with a review involving an accident of a JEA employee's assigned vehicle, management requested an investigation into the employee's time and attendance records and vehicle usage.	An employee wrecked a JEA truck and damaged a JEA light pole after work hours. In addition, he falsified his JEA Timecard on multiple occasions, used his JEA assigned vehicle for personal use, did not report his Secondary Business, and did not tell the truth during a Fact Finding. The employee was officially charged with a felony. He was terminated and subsequently paid \$13,769.30 in restitution for damage to the truck and light pole; and, for the falsified wages for which he was arrested.
EHL	JEA-19-04-0001 and JEA-19-04-0002 – Two employees may have not reported a side business which is in violation of JEA's Secondary Employment Policy.	Based on the facts found during the investigation, it was concluded there was not sufficient evidence to show the two employees were actively working on a personal secondary business.
EHL	JEA-19-05-0001 – An allegation was made that a director and a manager were both showing favoritism and discrimination.	An inquiry was performed by a third-party investigator. The charges of discrimination and favoritism were found to be unsubstantiated.

May 2020



Summary of Closed Cases – 1Q/2Q FY20

Reporting Source	Allegation	Investigation Results
EHL	JEA-19-08-0001 – An allegation was made that managers will hire low-bidding contractors knowing that change order requests will be submitted that the managers will then approve.	An investigation could not be performed as the number of JEA contracts is substantial. The caller would not provide pertinent information. Without details identifying the specific area in question, it was determined that an investigation was not feasible.
EHL	JEA-19-08-0002 and JEA-19-08-0003 – An incident between two employees was reported which was believed to be based on racial prejudice.	Labor Relations' conducted an investigation and concluded there was no evidence that the incident was motivated by, or the result of racial prejudice.
EHL	JEA-19-10-0001 – An allegation was made that three employees were tossing a football around in the warehouse receiving area.	The issue was discussed with Management who handled the incident with a verbal discussion with two of the employees and a group meeting with the entire storeroom group, including the third employee.

May 2020



Enterprise Risk Management (ERM)



ERM Corporate Risks - Heat Map Scoring

The risk score is a factor of the risk impact x likelihood, which helps us evaluate the criticality of the risks and the need for mitigation. The impact and likelihood criteria include the following additional variables, each of which enhances our ability in determining risk criticality:

1. Financial impact identifies the out-of-pocket/deductible financial impact after insurance coverage payments.
2. Reputational impact of a risk event occurring.
3. Velocity - Time frame of the risk event occurring.
4. Influence – Our ability to influence the impact and/or likelihood of the risk event occurring.
5. Preparedness - Assesses how prepared we are if the risk event occurs by assessing the effectiveness of current mitigations that reduce the impact and/or likelihood.

Likelihood	Almost Certain >90	5	5	10	15	20	25
	Likely 65-90%	4	4	8	12	16	20
	Possible 35-65%	3	3	6	9	12	15
	Unlikely 5-35%	2	2	4	6	8	10
	Rare <5%	1	1	2	3	4	5
			1	2	3	4	5
			Minor	Moderate	Significant	Major	Severe
			Impact				

Score Criticality Ranges based on established risk tolerance levels.

Tier 1	10 - 14	15 - 25
Tier 2	7 - 9	
Tier 3	1 - 3	4 - 6

- The heat map is based on Risk Management Standards/Best Practices, is widely used among all industries, and is supported by various external control organizations such as the IIA, COSO, and Deloitte.
- The scoring methodology is based on recent best practices recommendations from the Gartner Group and is used by several LPPC utilities.

May 2020

ERM

Our Current Top Risks

Risk #	Risk Title
C08	Black Swan (High Impact/Low Probability Event)
E01	Carbon Emission Mitigation/Renewable Energy Standards
E05	Cooling Water Intake Structures 316(b)
T03	Cyber Security Business Disruption
C03	Disruptive Technologies/Long-term Planning
E10	Nuclear Power Portfolio
C17	Physical Security/Terrorism
H02	Staffing/Work Environment
C18	Supply Chain Management
C19	Surface Water Discharge Risk
W01	Water Supply Management/Long Term Planning
C16	Weather & Climate Change Impact Resiliency Efforts

* New Top Corporate Risk

These represent the current Top Corporate Risks, based on their financial and reputational impact; as well as their potential to negatively impact reliability and operational effectiveness.

(Listed in alphabetical order)

May 2020

ERM

Current Top Risks Criteria

Black Swan (High Impact/Low Probability Event) - JEA would be negatively impacted if certain major catastrophic events occur which would result in the inability to maintain Electric and/or Water/Sewer service for an extended period of time. This would result in significant cost to rebuild our infrastructure, as well as negatively impacting our reputation. The primary factor is the inability to provide essential services for a significant period of time. These events include physical destruction of portions of our infrastructure, severe weather events, such as Category 2+ storms, and pandemics.

Carbon Emission Mitigation/Renewable Energy Standards - The risk is based on the premise that in the short term (next 5 years) some form of carbon tax will be implemented. The most recent proposal would place a \$10 per ton tax on emissions. Based on JEA's current emissions, the estimated tax would be approximately \$75M/yr. This may accelerate the need to replace existing higher carbon emitting generation units with more renewables; resulting in stranded assets and significantly increase the financial impact of replacing our current generation units. This risk is a subset and impacts the "Disruptive Technologies/Long Term Planning Risk."

Cooling Water Intake Structures 316(b) - The EPA promulgated a revised rule for cooling water systems at power plants such as Northside Generation Station and Plant Scherer. The rule is intended to reduce the environmental impact of cooling systems on aquatic life. The rule may require a modified water intake structure and/or cooling tower upgrades. The upgrades necessary will be determined by a peer review panel and federal agencies. The biological studies are still in progress for the NGS plant, and a full peer review submittal to the regulatory agency is not expected to be completed until 2023. Cooling water system upgrades for Units 1 and 2 could be as low as improved fish screens (~\$10M) to as high as mechanical cooling tower retrofit (~75M). These costs will not be known until review by the regulatory agency in the 2024/2025 NPDES permit renewal cycle. The implementation phase for any needed improvements is expected to be in the 2025-2030 time period.

Cyber Security Business Disruption - Unauthorized intrusion into JEA's critical systems and network may occur, resulting in possible Denial of Service (DOS), grid intrusions, and ransomware threats. Although JEA has cyber insurance that would minimize the financial impact, the time frame to recover may still cause disruption of services, the inability to meet operational and customer needs, non-compliance with regulatory requirements, and significant negative reputational impact.

May 2020

ERM

Current Top Risks Criteria

Disruptive Technologies/Long-Term Planning - Emerging new technologies are providing some customers with an increasing number of options for reducing energy and water usage, and/or using alternative energy sources. Decreased revenues from these customers could increase costs to the customers who are not participating in these new technologies. In addition, JEA's investment in new technologies and maintaining the existing infrastructure while in a period of declining revenues may have a significant negative impact on JEA's financials. For example, new technologies may include alternate power generation (e.g. solar, wind, advanced battery power), increasingly efficient appliances, customer interaction applications (e.g. smart metering), and industrial/commercial generation.

Nuclear Power Portfolio - JEA's decision to expand into nuclear power generation ownership and/or PPAs poses significant financial, reputational and regulatory risks. Plant Vogtle 3 & 4 units are still under construction, the cost and schedule overruns pose a severe financial burden on JEA. Additional cost overruns may still occur. Total project cost now estimated to be in excess of \$30B with MEAG Project costs of approximately \$2.9B. The project is approximately 85% complete and expected to meet the November 2021, (U3) 2022 (U4) in service dates. As such, the likelihood for additional excessive cost overruns has significantly been diminished. In addition, Georgia Power has allocated an additional \$110 Million as contingency funding to cover any potential additional cost overruns. In the eventuality the full potential additional cost overruns occur, JEA's portion would be \$75 millions.

Physical Security/Terrorism - JEA may be a primary target for an act of terrorism, based upon its designation as critical infrastructure for the City of Jacksonville. The potential types of terrorism include, but are not limited to, suicide bombers, vehicle-borne explosive devices, improvised explosive devices, sabotage, or a mass killing event. This risk may result in loss/damage to JEA property, injury/death to employees/civilians, and lawsuits. While JEA has an inherent risk of an act of terrorism occurring that involves its personnel and property, the financial/reputational risk values are based upon a terrorist event that caused significant damage to JEA operations. This is an inherent risk is based on the unpredictability of a terrorist event, the inability to completely monitor/ protect all assets in a cost-effective manner, and the difficulty in preventing or predicting a major terrorist events.

May 2020

ERM

Current Top Risks Criteria

Staffing/Workforce Management - Adequate and qualified staff may not be in place to enable JEA to meet current and future basic utility objectives. The risk may be aggravated by the lack of a flexible staffing model that could maximize workforce skillsets, tight labor markets, job security, inadequate succession planning, and/or increased personnel turnover driven by an aging workforce. In addition, volatility of major internal/external issues causing drastic change and instability on the organization may have a direct impact on the effectiveness and behaviors of the employees, and in turn negatively impact operational effectiveness. This may result in the deterioration of assets and services, increased human resource costs, increased maintenance costs, dissatisfied customers, unsafe conditions for employees and customers, and regulatory non-compliance.

Supply Chain Management - A long-term disruption in goods and services from critical vendors, and/or reliance on sole-source vendors may result in the inability to provide certain critical services, and/or disrupt our ability to obtain parts for critical repairs/maintenance requirements. This could result in long-term reliability issues in both water/wastewater and electric services, disruption of online services (such as customer bill payments), as well as significant negative reputational damage.

Surface Water Discharge - JEA may be negatively impacted by proposed State law changes requiring significant discharge reduction to surface waters. The Florida Legislature is considering statutory changes to further restrict the discharge of treated effluent to surface waters by requiring the effluent be used for aquifer recharge, potable reuse, conventional reuse, or ecological restoration. The legislation considered in 2020 (which did not pass) would have compelled utilities to reduce most surface water discharges by 2027, as a state water supply resource initiative designed to reduce ground water withdrawals. The legislation is expected to be reintroduced next year, and has a high probability of passing. The current Florida Legislature has made environmental issues one of its priorities, with strong support from both major political parties. JEA produces approximately 80 mgd of highly treated effluent, of which 20 mgd is currently being reused. The proposed legislation would require the remaining 60 mgd to be subject to reuse as well, which could require JEA to invest from \$600M to \$1.1B, rather than the a \$0.4B JEA projects to spend by 2030.

May 2020

ERM

Current Top Risks Criteria

Water Supply Management/Long Term Planning - Accurate long-term planning is becoming increasingly complex due to the inherent difficulty in predicting the impact of changing variables (e.g., regulatory compliance, demand/growth, capital requirements, revenues), sustaining current water/reclaimed infrastructure, and meeting certain provisions of the Consumptive Use Permit (CUP). Revised or new minimal flows and levels (MFLs) may place more stringent limits on JEA's aquifer withdrawals; and proposed new legislation may require a substantial increase in reuse. This may result in the inability to meet future water needs, possibly causing: decreased services to customers; significantly increased costs for alternate water sources, such as reclaimed; and/or regulatory non-compliance.

Mitigation efforts focus on developing a Water Management plan to identify long term water needs to serve future growth. Including but limited to continued expansion of reclaimed water usage and development of alternate water sources. In addition, processes have been established to verify compliance with the Consumptive Use Permit, (e.g., commitments to expand reclaimed water usage). Revised MFLs and/or potential reductions in our aquifer withdrawal limits from the water management district, have the potential to force JEA to accelerate investment in alternative water techniques, reuse, and/or to require participation in regional MFL projects.

Weather & Climate Change Impact Resiliency Efforts - Weather patterns and/or short-term or seasonal extreme weather may negatively impact long-term planning, financial and reliability performance, reputation and decreased customer satisfaction. Impacts may include:

*Short Term: Unforeseen revenue and budget fluctuations; increased debt and subsequent changes to credit ratings; rate increases; the inability to meet peak demands; decreased reliability; difficulty meeting seasonal or annual environmental limits; and increased expenses from severe storms.

*Long Term: Longer-term outages and reliability issues; increased difficulty in load forecasting and planning; and the need to protect our infrastructure from the potential impact of severe climate change (e.g. encroachment from rising river water levels, rising shallow groundwater, severe storms; temperature variances). The timeframe for significant impact from climate change may be in excess of 20+ years.

May 2020

ERM

Internal Audit



Internal Audit Highlights



- ✓ In January, Internal Audit, in collaboration with P-Card Services, presented opportunities and challenges related to P-Cards to the ECRC (Enterprise Corporate Risk Committee).
- ✓ In March, presentation of the FY20 The Energy Authority (TEA) Member Review to TEA's Finance & Audit Committee. This is the second year of our three-year in-charge engagement.
- ✓ In mid-March, the Internal Audit Staff paused most of its audit work to assist Corporate Records Compliance with the backlog of public records requests. This assignment is expected to continue for the foreseeable future.
- ✓ Planning has begun for the FY2021 Audit Plan and the annual Green-e Agreed-Upon Procedures Engagement.

May 2020

FY20 Audit Calendar

	1Q (Oct – Dec)		2Q (Jan – Mar)		3Q (Apr – Jun)		4Q (Jul – Sept)	
Internal Audits	Leadership and Development	✓	Procurement	●	POP Process Follow-Up	●	Meter Operations Follow-Up	●
	Business Development & Community Project Management	✓	Software Licensing	●	NGS Generation	●	Bulk Power and Customer Service Response	●
	P-Cards	✓	Black Belts	●	Cloud Computing	●	Fleet Services	●
					Risk Management	●	Air & Lab Permitting and Compliance	●
					W/WW Planning	●		
Special Projects	JEA Performance Pay Audit	✓			2021 Annual Risk Assessments	●		
	TEA Audit	✓			Green-e Agreed-Upon Procedures Engagement	●		
	Cyber Program Assessment	●						

Not Started	●	In Progress	●	Report in Draft	✓	Final Report Issued	✓
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May 2020

Summary of Completed Audits & Projects

	Audit Name	Report Rating	# of Issues	Description of Significant or Greater Issue(s)
Internal Audits	P-Cards	SATISFACTORY	8	Significant opportunities for improvement include the following: <ul style="list-style-type: none"> • Policy and Procedural Noncompliance of Transactions; • P-Card Audit Sampling and Review Optimization; • Outdated Management Directive; and • Segregation of Duties for P-Card Setup.
	Business Development & Community Project Management	SATISFACTORY	4	Significant opportunities for improvement include the following: <ul style="list-style-type: none"> • Aggregated Data for Key Customers; and • Lack of Procedures.
	Leadership and Development	Excellent	2	No significant issues identified.
Special Project	TEA Member Review	SATISFACTORY	6	Significant opportunities for improvement include the following: <ul style="list-style-type: none"> • Lack of Social Engineering Testing.

May 2020

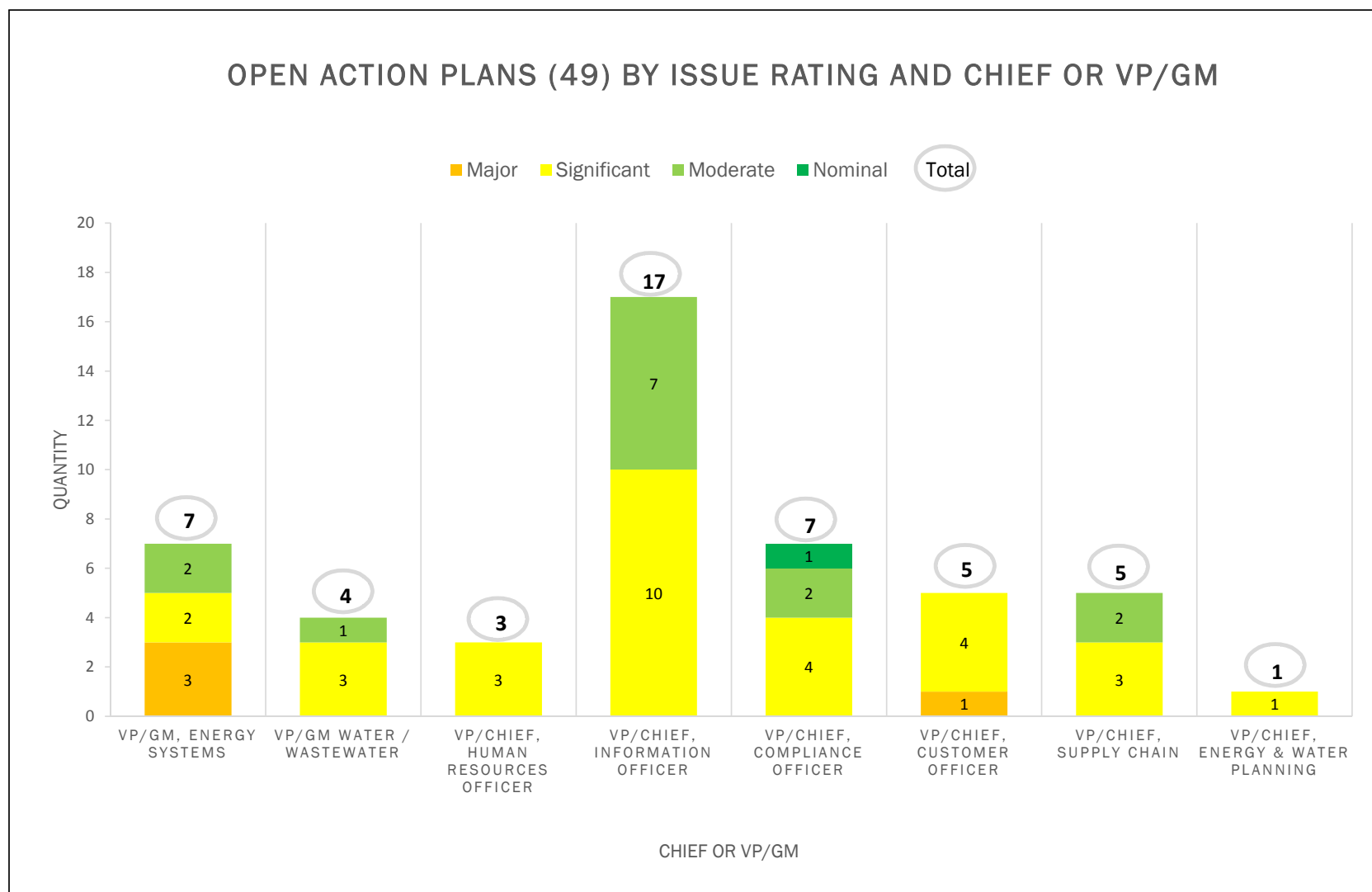
Proposed FY20 Audit Plan Postponements



- ✓ We recommend the postponement of the following audits, due to the noted operational changes/events:
 - ✓ Procurement - Management is in process of approving and implementing a new Purchasing (P)-code.
 - ✓ Black Belts - Originally selected as part of IA's focus on innovation for the FY20 Plan, this area is modifying its project processes by assigning its Black Belts to specific business areas.
 - ✓ Fleet Services - A delay in the implementation of the new vehicle GPS system, which was ranked as a high risk initiative during our annual risk assessment process.
 - ✓ Meter Operations Follow-Up - The second scheduled follow-up audit for this area, as the initial follow-up audit also resulted in a "Needs Improvement" rating. Along with other extenuating circumstances, there are still four (4) action plans open from the previous audit, which have resulted in management's multiple requests for action plan due date extensions.

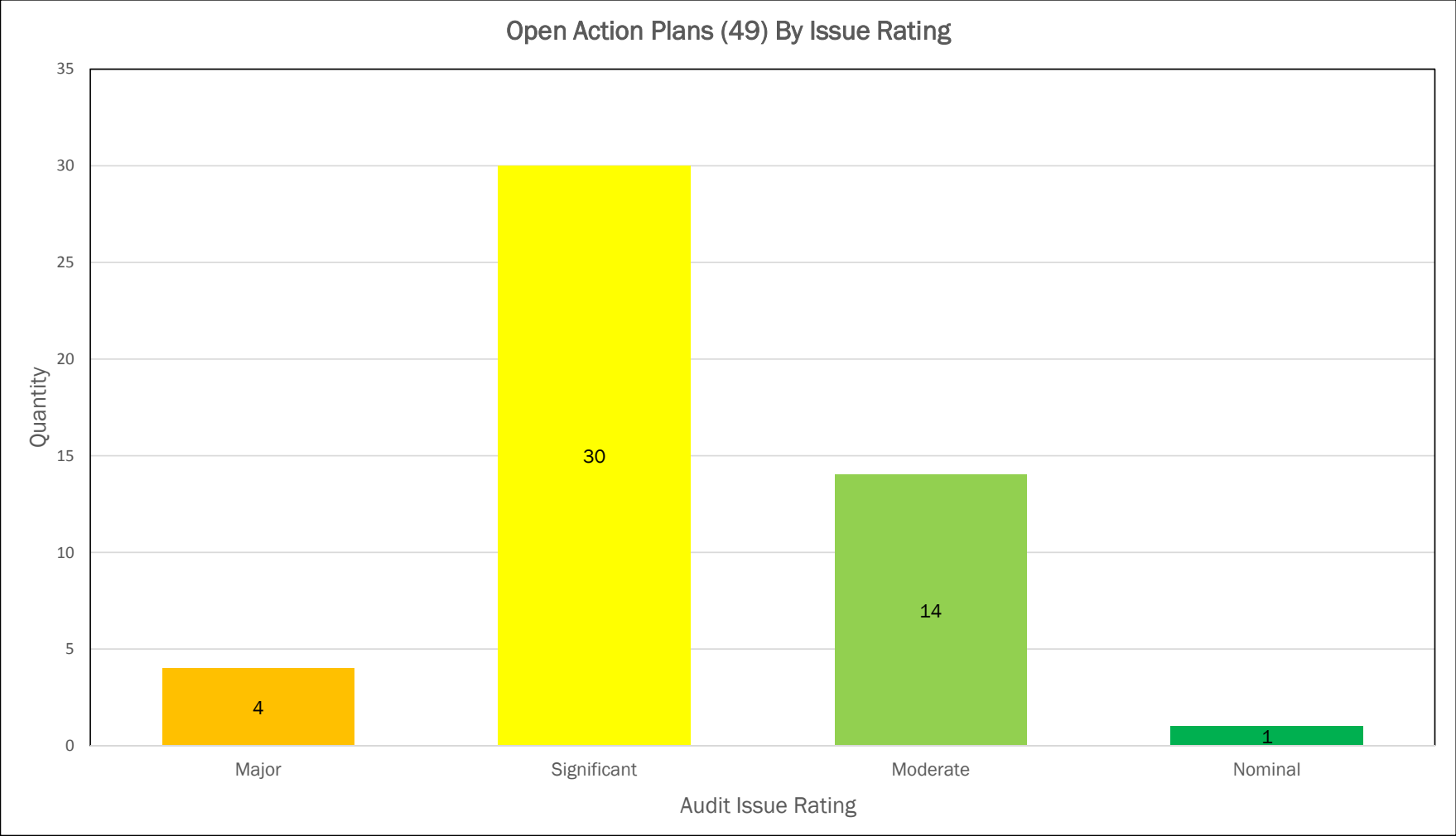
May 2020

Open Audit Report Issues



May 2020

Open Audit Report Issues



May 2020

Open Audit Report Issues with Major Rating

VP/Chief	Director / (Audit Name)	Issue Observation	Action Plan	Current Due Date	Action Plan Status Comments
VP/GM, Energy	Director, Electric Systems Asset Management	Audit noted a lack of asset data governance.	Asset Management will develop Governance program, utilize Asset 360 barcoding project as part of the solution, review asset data completeness, assist in developing automated As-Built and complete the Asset Creation project.	9/30/20	Asset 360 Proof of Concept (POC) is complete and first wave of assets listed are currently being published in the Tibco database. Asset data from all system of records are currently being tied together with a single source of data. Xtensible is developing a data governance for asset data based on these assets.
VP/GM, Energy	Director, Electric Systems Asset Management	Audit noted no process for identifying assets under warranty, including replacement while under warranty.	Asset Creation project currently under development within the scope of the TS EIM project will require the vendor/ manufacturer provide warranty data. This data will publish to the TS EIM foundational data base and will be identified on crew work orders.	12/31/20	The eAM mobile application POC is completed. Assets have been identified and published in the JEA JIM model. Developing asset standards plans to duplicate work done with GE Prolec.
VP/GM, Energy	Director, Electric Systems Asset Management	Audit noted that there is no process for evaluation of an asset to determine if it should be replaced or refurbished.	Asset Lifecycle data will be published using Tableau visualizations. TS EIM Asset 360 project will publish asset lifecycle data to asset records including asset health and risk scoring. This view of the asset will assist Asset Management and O&M personnel in determining repair or replace decisions.	6/30/20	Technology Services has developed an asset visualization model and is adding first wave of assets. Once exposed, Asset management will develop individual asset dashboards.
VP/GM, Customer	Director, Customer Field & Meter Services	Audit noted a lack of sewer flow meter standards, accurate count of current sewer flow meters and controls over customer installed meters.	Four phased approach to creating standards, counting meters and monitoring/documenting customer installed meters.	2/1/21	Due to safety concerns, the sewer-flow audit process has been placed on hold due to the ongoing pandemic. Expects deadlines for all phases to be impacted by the current Covid-19 situation by at least 1-2 months, perhaps more.

May 2020



INTER-OFFICE MEMORANDUM

May 4, 2020

SUBJECT: ETHICS OFFICER REPORT

FROM: Paul McElroy, Interim Managing Director/CEO

TO: JEA Finance and Audit Committee

Marty Lanahan, Chair
John Baker
Robert Stein

BACKGROUND:

Per Ordinance 2011-197-E, JEA is required to appoint an Ethics Officer to represent the agency on ethics matters and to participate in a citywide Ethics Coordination Council. The Finance and Audit Committee will receive an update from the Ethics Officer.

DISCUSSION:

JEA Ethics Officer ensures information is shared and advice given regarding issues and questions. This role manages ethical concerns for the organization and ensure compliance with business and governmental regulations.

RECOMMENDATION:

This item is for information only.

Paul McElroy, Interim Managing Director/CEO

CBA/HTV/WMS



JEA ETHICS OFFICER REPORT

Walette Stanford



MAY 2020



Walette Stanford
JEA Ethics Officer

(904) 665-4282
Ethicsofficer@jea.com



- Conduct periodic meetings with the JEA Board, Senior Management, and employees to assess risk areas and to provide advice on ethics issues and to work to instill an ethical culture at JEA.
- Assist in the receipt of ethics, fraud, waste and corruption complaints from employees and the general public.
- Ensure all company policies and procedures comply with regulatory rules at the city, state, and federal level.
- Develop JEA's Code of Conduct.
- Respond to all Ethics inquiries, both internal and external.
- Oversee Ethics representatives appointed by SLT.
- Participate in the Citywide Ethics Coordination Council.

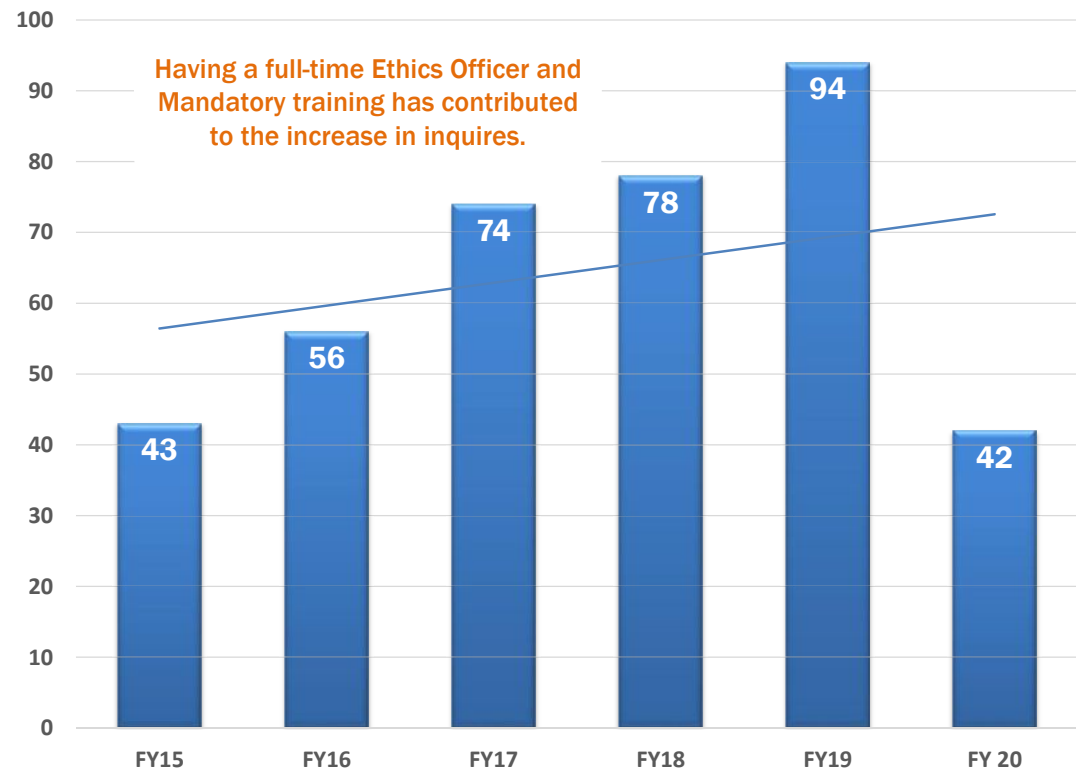
Create a Culture of Open and Honest Communication

At JEA everyone should feel comfortable to speak his or her mind, particularly with respect to ethics concerns.

Managers have a responsibility to create an open and supportive environment where employees feel comfortable raising such questions. We all benefit tremendously when employees exercise their power to prevent mistakes or wrongdoing by asking the right questions at the right times.

ETHICS OFFICER CASES

Ethics Cases by Year



Where Can I Go to Ask a Question?

At times, we may face situations in which the right choice is unclear. If you are ever unsure about a business action or decision, you should ask yourself the following questions:

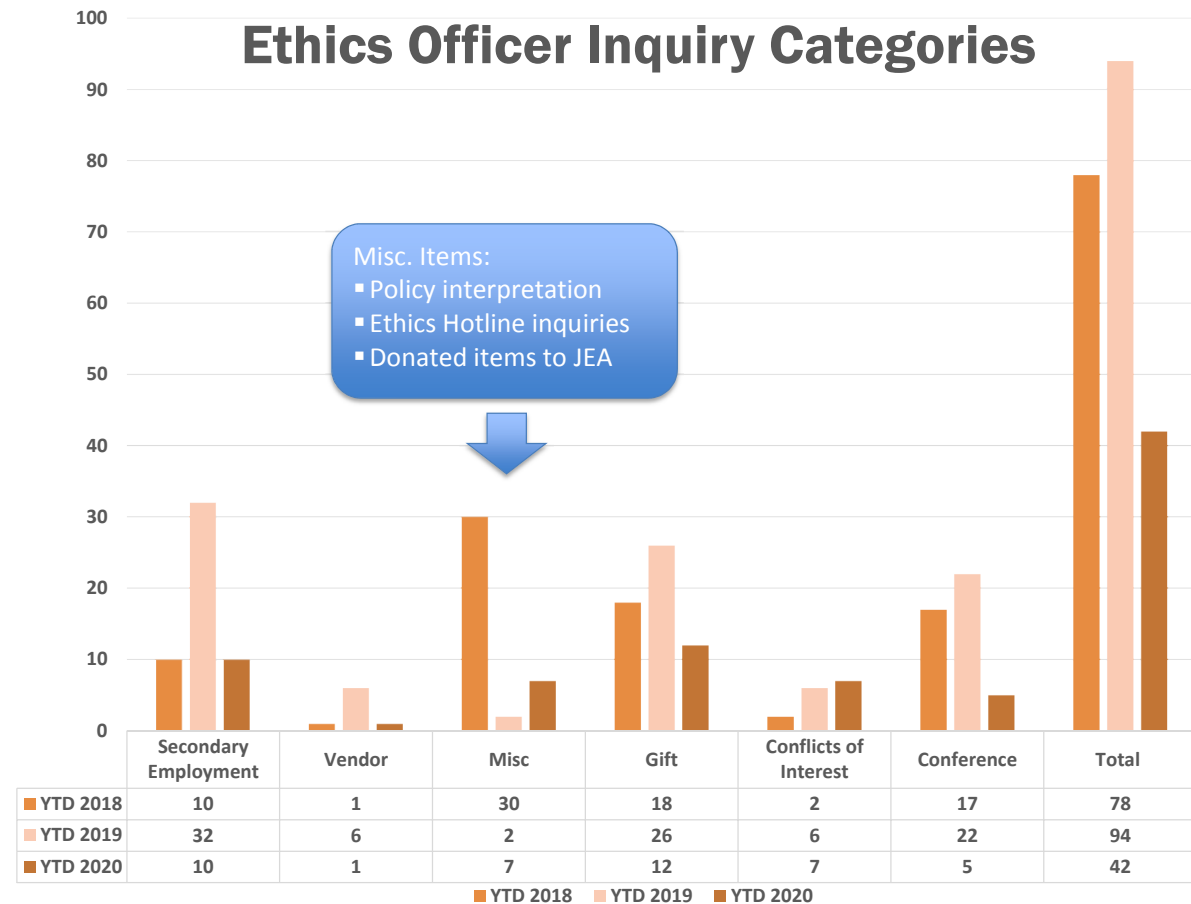
Does it comply with the Code and Company policy?

Is it the right thing to do?

Would it uphold the Company's reputation?

Would I feel comfortable if it was reported in the news or to someone I respect ?

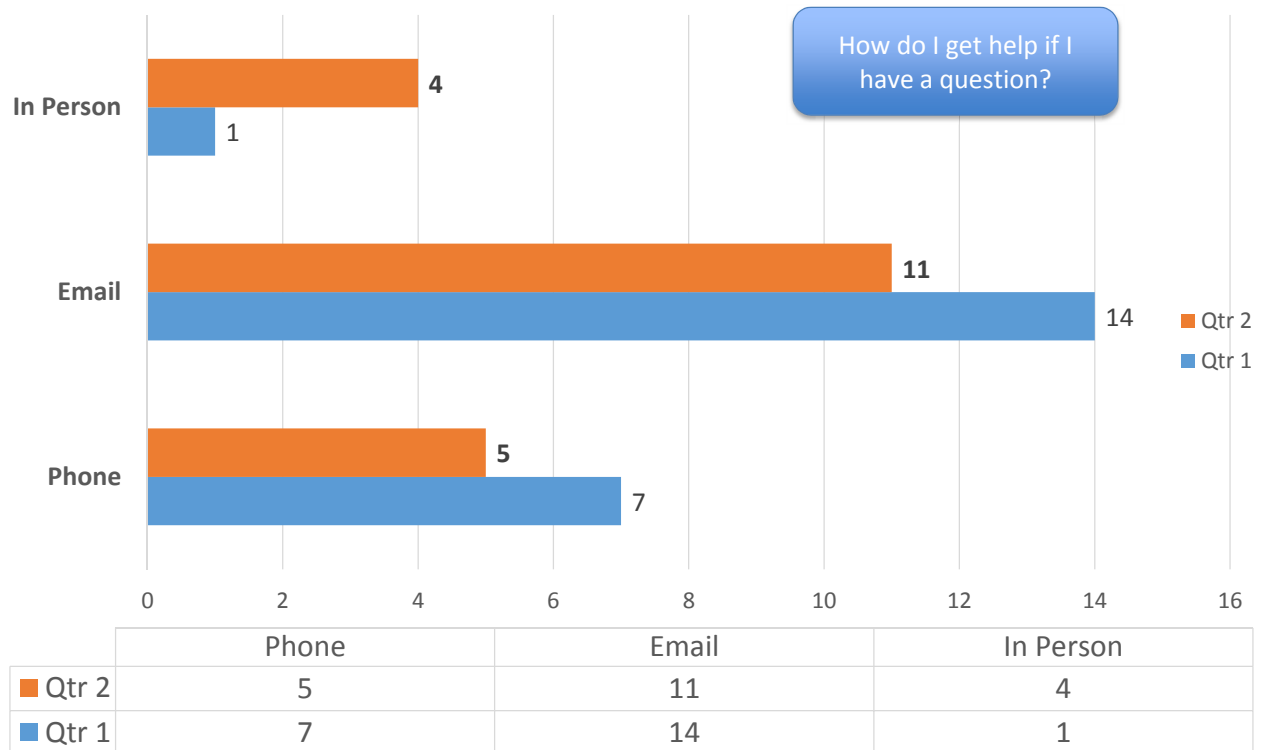
ETHICS OFFICER CASES

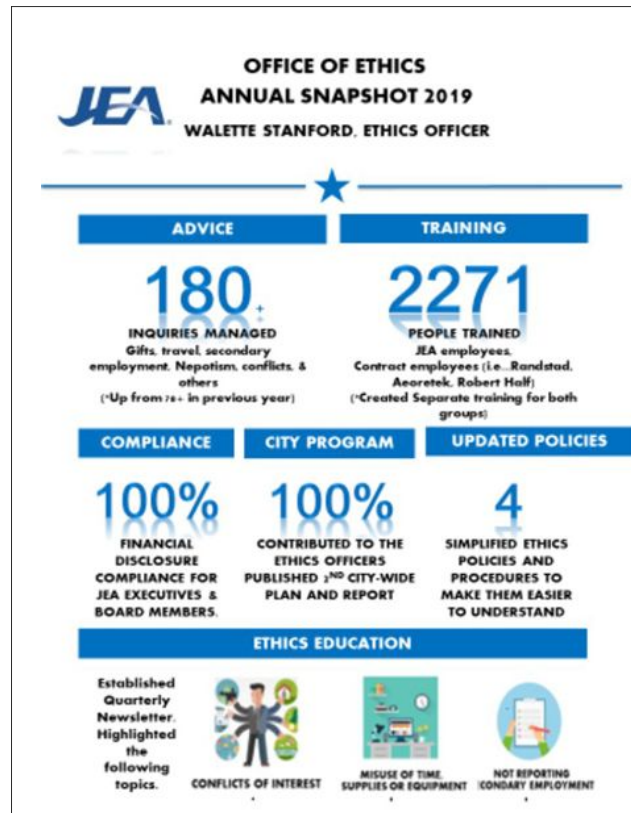




REPORT ON ETHICS ADVICE

FY 2020 Reporting Categories





JEA
 Building Communities
OCTOBER
ETHICS

JEA BUSINESS ETHICS

PREVENTING CONFLICTS, PROMOTING FAIRNESS
 More on the JEA BUSINESS Ethics Page on the Grid

GIFTS OVER \$100 OR ASKING FOR THINGS	NOT REPORTING SECONDARY EMPLOYMENT	TRAVEL PAID BY 3 RD PARTY
MISUSE OF TIME, SUPPLIES OR EQUIPMENT	CONFLICTS OF INTEREST	MISUSE OF POSITION
SUNSHINE VIOLATIONS	HIRING OR PROMOTING RELATIVES	DESTROYING PUBLIC RECORDS

IF YOU SEE SOMETHING, SAY SOMETHING
ETHICS HOTLINE 1-800-805-3569

TRAINING & EDUCATION

3rd Quarter
Topic

Oversight Responsibility

Build Trust and Credibility

The success of our business is dependent on the trust and confidence we earn from our employees, customers and shareholders.

- Companywide Annual Business Ethics Training completed on March 31st; we are at 99% compliance.
- Secondary employment review of employees conducted last month with no findings.
- Environmental contractor audit conducted on six companies.
- Continue to assist with public records request.



INTER-OFFICE MEMORANDUM

May 06, 2020

SUBJECT: **ELECTRIC SYSTEM AND WATER AND SEWER SYSTEM RESERVE
FUND QUARTERLY REPORT**

FROM: Paul E. McElroy, Interim Managing Director and CEO

TO: JEA Finance and Audit Committee

Marty Lanahan, Chair
John Baker
Robert Stein

BACKGROUND:

At the May 7, 2012 Finance and Audit Committee meeting, JEA staff presented schedules reflecting historical and projected activity in JEA's Electric System and Water and Sewer System unrestricted and restricted fund balances. Many of these reserves are required under the respective System's bond resolutions or under Board approved policies such as Pricing Policy or Debt Management Policy. JEA staff also stated that these schedules would be provided to the JEA Board on a quarterly basis beginning August 2012.

DISCUSSION:

Attached are the reserve fund schedules referenced above for the period ending March 31, 2020.

RECOMMENDATION:

No action required; provided for information only.

Paul E. McElroy, Interim Managing Director and CEO

PEM/JEO/THM



Quarterly Reserve Report

**For the Second Quarter Ending
March 2020**



Electric System and Water & Sewer System Reserve and Fund Balances (1)

For the Years Ending September 30
(In Thousands of Dollars)

Electric System

	<u>Actual</u> <u>Fiscal Year</u> <u>2017</u>	<u>Actual</u> <u>Fiscal Year</u> <u>2018</u>	<u>Actual</u> <u>Fiscal Year</u> <u>2019</u>	<u>Projected</u> <u>Fiscal Year</u> <u>2020</u>	<u>Detail</u> <u>Page #</u>
Unrestricted					
Operations/Revenue Fund	\$ 54,800	\$ 85,482	\$ 34,611	\$ 20,167	
Debt Management Strategy Reserve	-	-	-	-	
Self Insurance Reserve Fund					
• Property	10,000	10,000	10,000	10,000	3
• Employee health insurance	9,214	8,138	11,210	10,852	4
Rate Stabilization					
• Fuel	131,716	74,376	47,152	77,764	5
• DSM/conservation	3,695	3,470	4,363	4,286	6
• Environmental	36,417	42,163	25,632	18,765	7
• Debt Management	29,884	29,884	29,884	-	8
• Non-Fuel Purchased Power	25,189	53,493	56,870	36,712	9
Environmental	17,672	16,818	16,568	16,568	10
Customer Deposits	42,105	44,242	44,785	44,580	11
Total Unrestricted	<u>360,692</u>	<u>368,066</u>	<u>281,075</u>	<u>239,694</u>	
Days of Cash on Hand (2)	234	218	146	136	
Days of Liquidity (3)	337	316	308	310	
Restricted					
Debt Service Funds (Sinking Funds)	167,087	159,656	145,520	86,674	12
Debt Service Reserve Funds	60,582	60,582	60,582	53,949	13
Renewal and Replacement Funds/OCO	201,368	189,922	81,964	84,283	14
Environmental Fund [Capital Projects]	-	-	-	250	15
Construction Funds	-	203	-	-	16
Total Restricted	<u>429,037</u>	<u>410,363</u>	<u>288,066</u>	<u>225,156</u>	
Total Electric System	<u>\$ 789,729</u>	<u>\$ 778,429</u>	<u>\$ 569,141</u>	<u>\$ 464,850</u>	

Water and Wastewater System

Unrestricted					
Operations/Revenue Fund	\$ 69,232	\$ 43,461	\$ 44,479	\$ 23,880	
Rate Stabilization					
• Debt Management	14,209	14,209	14,209	-	17
• Environmental	5,214	12,914	15,687	19,900	18
Customer Deposit	15,086	15,616	16,289	16,989	19
Total Unrestricted	<u>103,741</u>	<u>86,200</u>	<u>90,664</u>	<u>60,769</u>	
Days of Cash on Hand (2)	496	434	186	117	
Days of Liquidity (3)	596	527	334	289	
Restricted					
Debt Service Funds (Sinking Funds)	82,208	81,241	80,775	44,149	20
Debt Service Reserve Funds	107,488	102,850	63,441	59,323	21
Renewal and Replacement Funds	150,319	141,415	48,796	3,905	22
Environmental Fund [Capital Projects]	1,839	1,159	1,891	1,927	23
Construction Funds	15	284	28,968	19,593	24
Total Restricted	<u>341,869</u>	<u>326,949</u>	<u>223,871</u>	<u>128,897</u>	
Total Water & Sewer System	<u>\$ 445,610</u>	<u>\$ 413,149</u>	<u>\$ 314,535</u>	<u>\$ 189,666</u>	

(1) This report does not include Scherer, SJRPP, DES or funds held on behalf of the City of Jacksonville.

(2) Days of Cash on Hand includes R&R Fund in the cash balances, and includes the Contribution to the City of Jacksonville General Fund with the Operating Expenses net of Depreciation.

(3) Days of Liquidity includes R&R Fund in the cash balances, and includes the Contribution to the City of Jacksonville General Fund with the Operating Expenses, net of Depreciation. Revolving credit facility is allocated between Electric and Water & Sewer Systems based on their portion of the Operating Expenses, net of Depreciation.

Funds Established Per the Bond Resolutions

Fund/Account Description	Electric System	Water and Sewer System
Revenue Fund	Net Revenues (i.e. Revenues minus Cost of Operation and Maintenance), pledged to bondholders, balance available for any lawful purpose after other required payments under the bond resolution have been made.	Pledged to bondholders; balance available for any lawful purpose after other required payments under the bond resolution have been made, however, revenues representing impact fees may only be used to finance costs of expanding the system or on the debt service on bonds issued for such expansion purposes.
Rate Stabilization Fund	Not pledged to bondholders; available for any lawful purpose.	Pledged to bondholders; able to transfer to any other fund or account established under the resolution or use to redeem Bonds.
Subordinated Rate Stabilization Fund	Pledged to bondholders; available for any lawful purpose.	Pledged to bondholders; available for any lawful purpose.
Debt Service Account	Pledged to bondholders; used to pay debt service on bonds.	Pledged to bondholders; used to pay debt service on bonds.
Debt Service Reserve Account	Pledged to bondholders; used to pay debt service on bonds in the event revenues were insufficient to make such payments.	Pledged to bondholders; used to pay debt service on bonds in the event revenues were insufficient to make such payments.
Renewal and Replacement Fund	Not pledged to bondholders but required amounts deposited into this Fund pursuant to the bond resolution are limited as to what they can be spent on (e.g. capital expenditures and, bond redemptions) .	Pledged to bondholders; but required amounts deposited into this Fund pursuant to the bond resolution are limited as to what they can be spent on (e.g. capital expenditures and, bond redemptions).
Construction Fund	Pledged to bondholders; applied to the payment of costs of the system.	Pledged to bondholders; applied to the payment of costs of the system.
Subordinated Construction Fund	Pledged to bondholders; applied to the payment of costs of the system	Pledged to bondholders; applied to the payment of costs of the system
Construction Fund - Construction Reserve Account	Pledged to bondholders; applied to fund downgraded reserve fund sureties.	Pledged to bondholders; applied to fund downgraded debt service reserve fund sureties.
General Reserve Fund	Not pledged to bondholders; available for any lawful purpose.	n/a

Regardless of whether the Funds/Accounts are designated as pledged, in the event that monies in the Debt Service Account are insufficient to pay debt service on the bonds, pursuant to the respective bond resolutions, amounts in the various Funds/Accounts are required to be transferred to the respective Debt Service Accounts and used to pay debt service.

Electric System Self Insurance - Property

For the Second Quarter Ending March 31, 2020

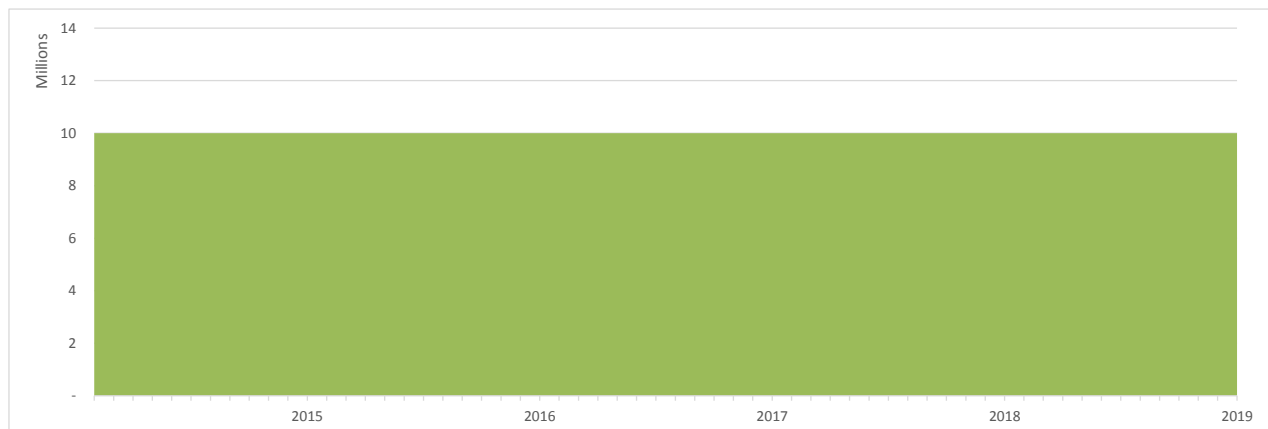
Definitions and Goals

JEA's self-insurance fund is for catastrophic damage to JEA's electric lines (transmission and distribution) caused by the perils of hurricanes, tornadoes, and ice storms. This fund was established in October, 1992, as an alternative to JEA's procurement of commercial property insurance.

(In Thousands)	Current Activity		Projected Activity		
	Quarter-End	Year -to-Date	2020	2021	2022
Opening Balance	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Additions:					
Contributions					
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawals					
Ending Balance	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000

Historical Activity

	2015	2016	2017	2018	2019
Opening Balance	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Additions:					
Contributions	-	-	-	-	-
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawals					
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Ending balance	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000



Observations

- Reserve/Fund Authorization: Budget Appropriation.

Electric System Self Insurance - Employee Health Insurance

For the Second Quarter Ending March 31, 2020

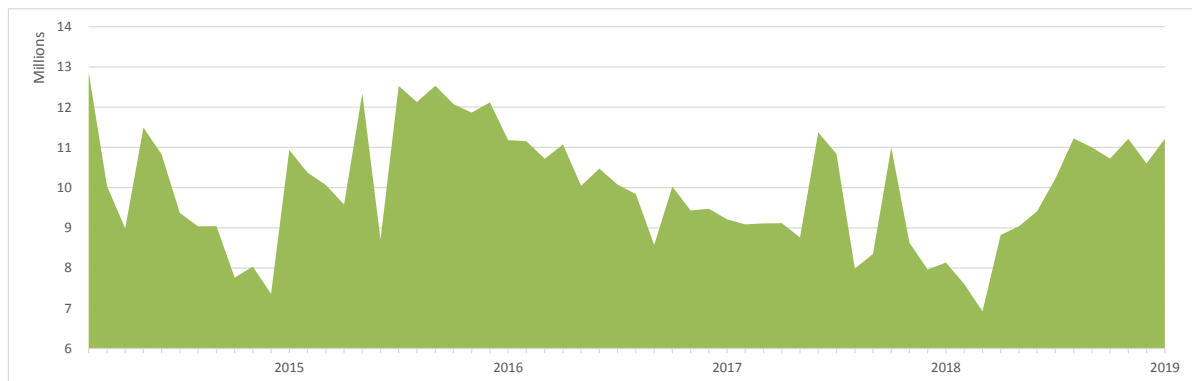
Definitions and Goals

This reserve fund is a requirement under Florida Statute 112.08 that requires self insured government plans to have enough money in a reserve fund to cover the Incurred But Not Reimbursed (IBNR) claims and a 60 day surplus of claims. The IBNR claims are claims that would still need to be paid if the company went back to a fully insured plan or dropped coverage all together. An actuary calculates this amount annually.

(In Thousands)	Current Activity		Projected Activity		
	Quarter-End	Year -to-Date	2020	2021	2022
Opening Balance	\$ 10,617	\$ 11,210	\$ 11,210	\$ 10,852	\$ 8,778
Additions:					
Employee Contributions	1,635	3,275	6,878	7,015	7,155
Retiree & Other Contributions	2,247	3,517	7,386	7,533	7,684
Employer Contributions	4,770	9,492	22,054	17,483	21,861
Sub-total	\$ 8,652	\$ 16,284	\$ 36,317	\$ 32,031	\$ 36,700
Withdrawals:					
Payments for Claims	8,382	15,989	33,908	31,255	33,765
Actuary & Other Payments	663	1,281	2,767	2,850	2,935
Sub-total	\$ 9,045	\$ 17,270	\$ 36,675	\$ 34,105	\$ 36,700
Ending Balance	\$ 10,224	\$ 10,224	\$ 10,852	\$ 8,778	\$ 8,778

Historical Activity

	2015	2016	2017	2018	2019
Opening Balance	\$ 10,749	\$ 10,937	\$ 11,179	\$ 9,214	\$ 8,138
Additions:					
Employee Contributions	5,447	5,460	5,862	6,158	6,423
Retiree & Other Contributions	5,141	5,694	6,443	7,273	8,270
Employer Contributions	22,220	24,231	19,004	18,378	20,662
Sub-total	\$ 32,808	\$ 35,385	\$ 31,309	\$ 31,809	\$ 35,355
Withdrawals:					
Payments for Claims	30,408	32,946	30,994	30,933	29,860
Actuary & Other Payments	2,212	2,197	2,280	1,952	2,423
Sub-total	\$ 32,620	\$ 35,143	\$ 33,274	\$ 32,885	\$ 32,283
Ending balance	\$ 10,937	\$ 11,179	\$ 9,214	\$ 8,138	\$ 11,210



Maximum Balance: 12,860
Minimum Balance: 6,922

Average Balance: 10,035

Observations

- Self Insurance for Employee Health Insurance began in July 2009.

Electric System Rate Stabilization - Fuel Management

For the Second Quarter Ending March 31, 2020

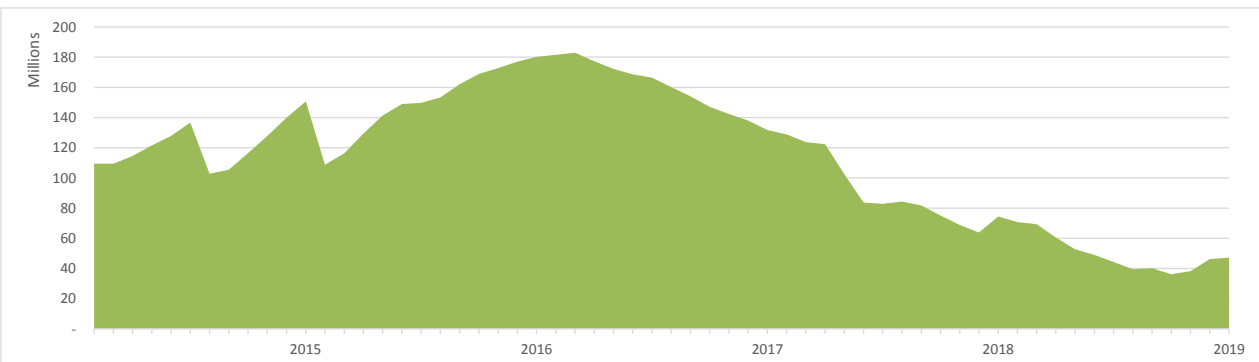
Definitions and Goals

The Electric System Bond Resolution authorizes the establishment of a Rate Stabilization Fund in which contributions or withdrawals shall be made as set forth in the current annual budget or an amount otherwise determined by an authorized officer of JEA. The Rate Stabilization Fund provides a means to minimize the year-to-year impact to customer charges and support financial metrics by providing consistent revenue collection for expenditures impacted by external factors such as fuel, debt management and regulatory requirements or initiatives. Established pursuant to the section VII and Section IX of the Pricing Policy, the Fuel Reserve target is 15% of the greater of (i) the maximum fiscal year fuel cost in the preceding five fiscal years or (ii) the projected fiscal year fuel cost. Withdrawals from the Rate Stabilization Fund for fuel stabilization are limited to the following purposes: (a) to reduce the variable fuel rate charge to the customers for a determined period of time; (b) to reduce the excess of the actual fuel and purchased power expense for the fiscal year over the variable fuel rate revenues; (c) to be rebated back to the customers as a credit against the electric bill; and/or (d) to reimburse the costs associated with any energy risk management activities.

(In Thousands)	Current Activity		Projected Activity		
	Quarter-End	Year -to-Date	2020	2021	2022
Opening Balance	\$ 55,953	\$ 47,152	\$ 47,152	\$ 77,764	\$ 113,969
Additions:					
Contributions	11,921	20,828	30,718	36,205	9,535
Sub-total	\$ 11,921	\$ 20,828	\$ 30,718	\$ 36,205	\$ 9,535
Withdrawals:					
Withdrawals	-	106	106	0	0
Sub-total	\$ -	\$ 106	\$ 106	\$ -	\$ -
Ending Balance	\$ 67,874	\$ 67,874	\$ 77,764	\$ 113,969	\$ 123,504

Historical Activity

	2015	2016	2017	2018	2019
Opening Balance	\$ 105,457	\$ 150,742	\$ 180,115	\$ 131,716	\$ 74,376
Additions:					
Contributions	95,224	85,979	2,845	-	11,597
Sub-total	\$ 95,224	\$ 85,979	\$ 2,845	\$ -	\$ 11,597
Withdrawals:					
Withdrawals			51,244	57,340	38,821
Fuel Rebate Credit	49,939	56,606			
Sub-total	\$ 49,939	\$ 56,606	\$ 51,244	\$ 57,340	\$ 38,821
Ending balance	\$ 150,742	\$ 180,115	\$ 131,716	\$ 74,376	\$ 47,152



Maximum Balance: 182,960
Minimum Balance: 36,191

Average Balance: 111,704

Observations

- Actual and historical numbers reflect fuel recovery contributions and withdrawals on a gross basis. Forecast and projected numbers reflected on a net basis. The fuel recovery charge ended 12/31/11.

Electric System Rate Stabilization - Demand Side Management (DSM)

For the Second Quarter Ending March 31, 2020

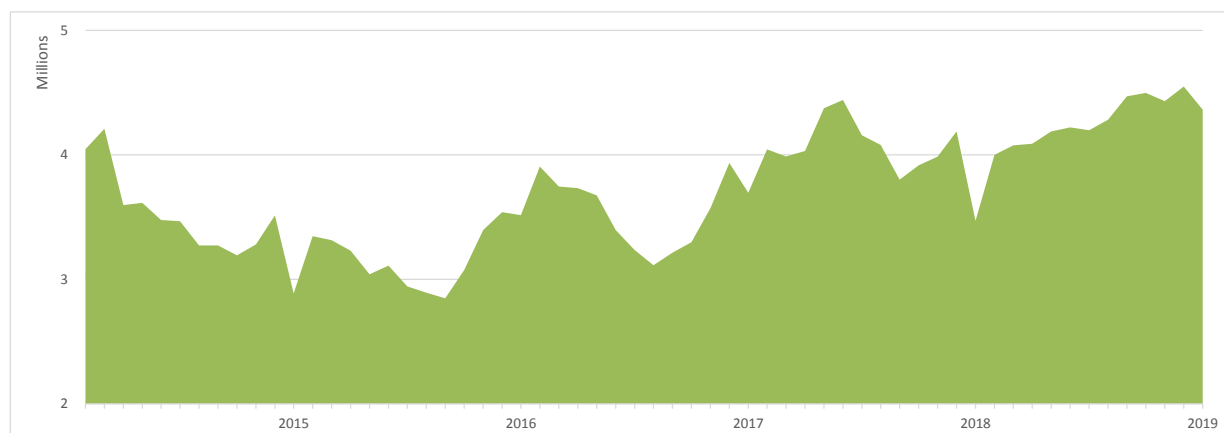
Definitions and Goals

The Electric System Bond Resolution authorizes the establishment of a Rate Stabilization Fund in which contributions or withdrawals shall be made as set forth in the current annual budget or an amount otherwise determined by an authorized officer of JEA. The Rate Stabilization Fund provides a means to minimize the year-to-year impact to customer charges and support financial metrics by providing consistent revenue collection for expenditures impacted by external factors such as fuel, debt management and regulatory requirements or initiatives. Pursuant to section VII of the Pricing Policy, \$0.50 per 1,000 kWh plus \$0.01 per kWh residential conservation charge for consumption greater than 2,750 kWh monthly. These revenue sources are to fund demand side management and conservation programs.

(In Thousands)	Current Activity		Projected Activity		
	Quarter-End	Year-to-Date	2020	2021	2022
Opening Balance	\$ 4,624	\$ 4,363	\$ 4,363	\$ 4,286	\$ 2,549
Additions:					
Contributions	1,435	3,007	6,729	7,174	6,619
Sub-total	\$ 1,435	\$ 3,007	\$ 6,729	\$ 7,174	\$ 6,619
Withdrawals:					
Withdrawals	1,443	2,754	6,806	8,911	6,598
Sub-total	\$ 1,443	\$ 2,754	\$ 6,806	\$ 8,911	\$ 6,598
Ending Balance	\$ 4,616	\$ 4,616	\$ 4,286	\$ 2,549	\$ 2,570

Historical Activity

	2015	2016	2017	2018	2019
Opening Balance	\$ 3,570	\$ 2,886	\$ 3,515	\$ 3,695	\$ 3,470
Additions:					
Contributions	7,059	7,232	6,685	7,088	7,042
Sub-total	\$ 7,059	\$ 7,232	\$ 6,685	\$ 7,088	\$ 7,042
Withdrawals:					
Withdrawals	7,743	6,603	6,505	7,313	6,149
Sub-total	\$ 7,743	\$ 6,603	\$ 6,505	\$ 7,313	\$ 6,149
Ending balance	\$ 2,886	\$ 3,515	\$ 3,695	\$ 3,470	\$ 4,363



Maximum Balance: 4,793
Minimum Balance: 2,848

Average Balance: 3,757

Observations

- Rate Stabilization Fund for Demand Side Management began in April 2009.

Electric System Rate Stabilization - Environmental

For the Second Quarter Ending March 31, 2020

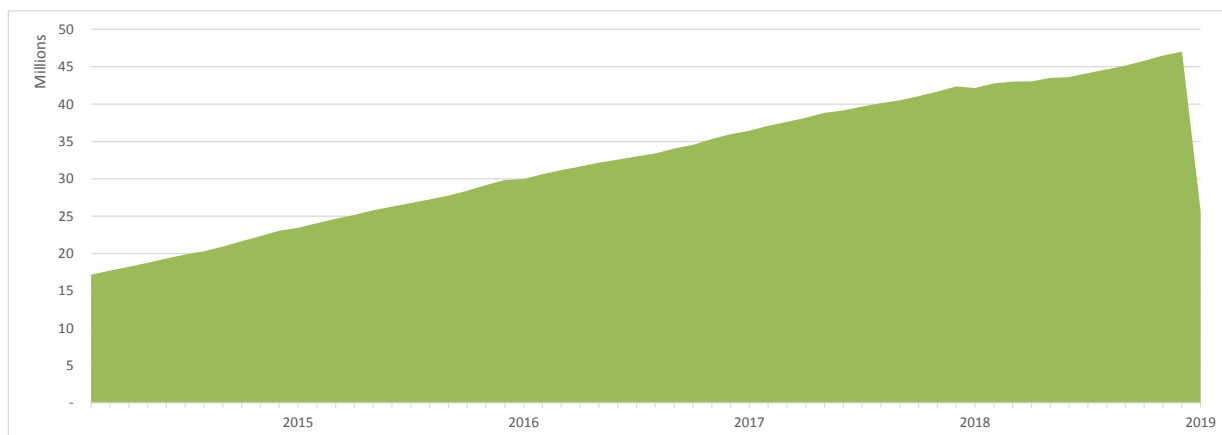
Definitions and Goals

The Electric System Bond Resolution authorizes the establishment of a Rate Stabilization Fund in which contributions or withdrawals shall be made as set forth in the current annual budget or an amount otherwise determined by an authorized officer of JEA. The Rate Stabilization Fund provides a means to minimize the year-to-year impact to customer charges and support financial metrics by providing consistent revenue collection for expenditures impacted by external factors such as fuel, debt management and regulatory requirements or initiatives. Deposits to this fund began in fiscal year 2010 for amounts representing the Electric System Environmental Charge (\$0.62 per 1000 kWh). Withdrawals from this reserve will represent payments for regulatory initiatives such as the premium cost of renewable energy generation which is considered available for JEA's capacity plans.

(In Thousands)	Current Activity		Projected Activity		
	Quarter-End	Year -to-Date	2020	2021	2022
Opening Balance	\$ 24,139	\$ 25,632	\$ 25,632	\$ 18,765	\$ 8,982
Additions:					
Contributions	1,674	3,396	7,450	7,814	7,320
Sub-total	\$ 1,674	\$ 3,396	\$ 7,450	\$ 7,814	\$ 7,320
Withdrawals:					
Withdrawals	3,096	6,311	14,317	17,597	11,074
Ending Balance	\$ 22,717	\$ 22,717	\$ 18,765	\$ 8,982	\$ 5,228

Historical Activity

	2015	2016	2017	2018	2019
Opening Balance	\$ 16,639	\$ 23,430	\$ 29,975	\$ 36,417	\$ 42,163
Additions:					
Contributions	7,586	7,700	7,384	7,572	7,578
Sub-total	\$ 7,586	\$ 7,700	\$ 7,384	\$ 7,572	\$ 7,578
Withdrawals:					
Withdrawals	795	1,155	942	1,827	24,109
Sub-total	\$ 795	\$ 1,155	\$ 942	\$ 1,827	\$ 24,109
Ending balance	\$ 23,430	\$ 29,975	\$ 36,417	\$ 42,163	\$ 25,632



Maximum Balance: 47,018
Minimum Balance: 17,155

Average Balance: 32,694

Observations

- Rate Stabilization Fund for Environmental began in June 2010.

Electric System Rate Stabilization - Debt Management

For the Second Quarter Ending March 31, 2020

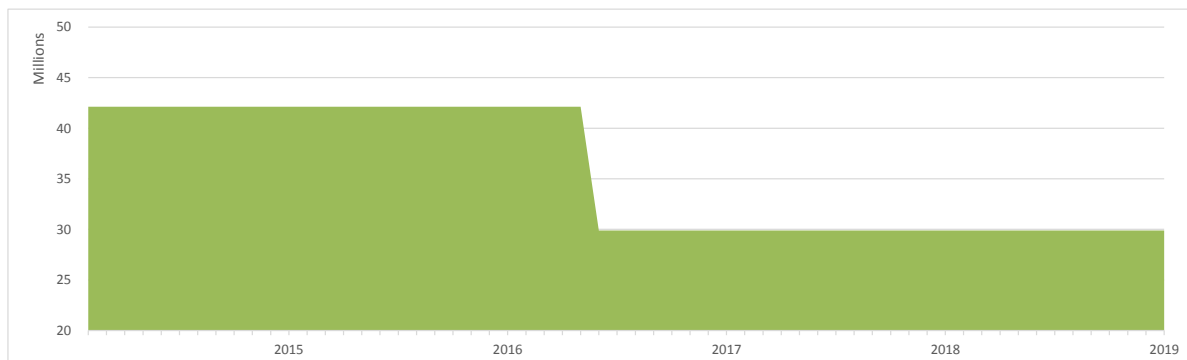
Definitions and Goals

The Electric System Bond Resolution authorizes the establishment of a Rate Stabilization Fund in which deposits or withdrawals shall be made as set forth in the current annual budget or an amount otherwise determined by an authorized officer of JEA. Deposits are made to this Rate Stabilization Fund for the purpose of managing JEA's debt portfolio. Deposits to this reserve reflect the difference in the actual interest rates for interest expense on the unhedged variable rate debt as compared to the budgeted assumptions for interest expense on the unhedged variable rate debt. Additionally, deposits can be made from excess debt service budget over the actual debt service expense for any fiscal year. However, the total amounts deposited (in addition to actual debt service costs for the fiscal year) cannot exceed the total amount of the budgeted debt service for any fiscal year. At a minimum, 50% of the calculated reserve contribution, if any, will be recorded and deposited each fiscal year. Debt and Investment Committee will review and record at their option an additional contribution amount, up to the full value of the calculated reserve contribution (the remaining 50%). The reserve contributions will be calculated on a system by system basis; however, based on the calculation, any mandatory deposit will exclude the District Energy System. The reserve contributions shall cease in the event the reserve balance exceeds the cap of five percent of the par amount of the total outstanding variable rate debt of all systems. Withdrawals from the Rate Stabilization Fund for Debt Management Strategy can be made for expenses related to market disruption in the capital markets, disruption in availability of credit or unanticipated credit expenses, or to fund variable interest costs in excess of budget. Funds used in October 2019 for defeasance of debt.

(In Thousands)	Current Activity		Projected Activity		
	Quarter-End	Year-to-Date	2020	2021	2022
Opening Balance	\$ -	\$ 29,884	\$ 29,884	\$ -	\$ -
Additions:					
Contributions	-	-			
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawals:					
Withdrawals	-	29,884	29,884		
Sub-total	\$ -	\$ 29,884	\$ 29,884	\$ -	\$ -
Ending Balance	\$ -	\$ -	\$ -	\$ -	\$ -

Historical Activity

	2015	2016	2017	2018	2019
Opening Balance	\$ 42,126	\$ 42,126	\$ 42,126	\$ 29,884	\$ 29,884
Additions:					
Contributions					
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawals:					
Withdrawals			12,242		
Sub-total	\$ -	\$ -	\$ 12,242	\$ -	\$ -
Ending balance	\$ 42,126	\$ 42,126	\$ 29,884	\$ 29,884	\$ 29,884



Maximum Balance: 42,126
Minimum Balance: -

Average Balance: 33,902

Observations

- Rate Stabilization Fund for Debt Management began in May 2009. Funds used for defeasances in October 2019.

Electric System Rate Stabilization - Non-Fuel Purchased Power

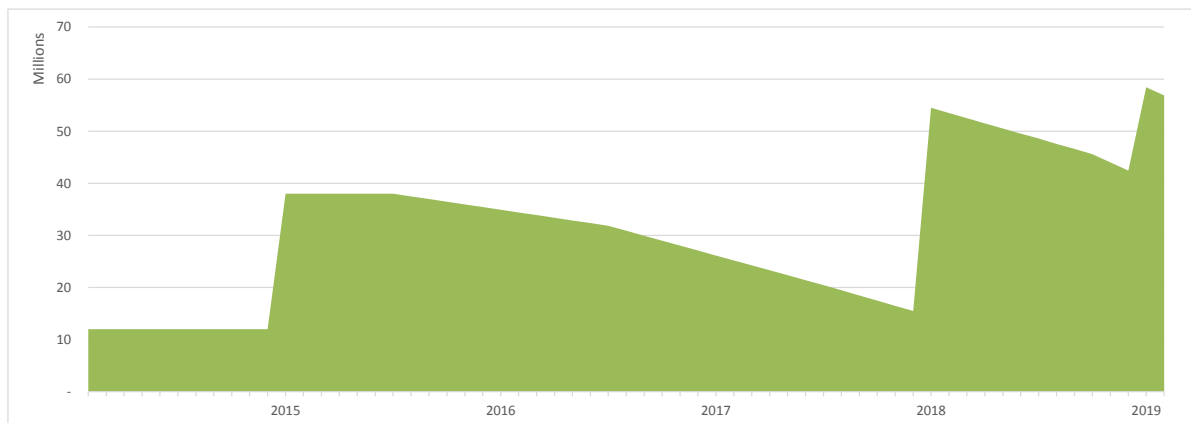
For the Second Quarter Ending March 31, 2020

Definitions and Goals

The Electric System Bond Resolution authorizes the establishment of a Rate Stabilization Fund in which deposits or withdrawals shall be made as set forth in the current annual budget or an amount otherwise determined by an authorized officer of JEA. The Rate Stabilization Funds provide a means to minimize the year-to-year impact to customer charges and support financial metrics by providing consistent revenue collection for expenditures impacted by external factors such as fuel, debt management and regulatory requirements or initiatives. Deposits to the Rate Stabilization Fund for Non-Fuel Purchased Power Stabilization during the fiscal year are made with the approval of the CEO or CFO, provided such deposits are not in excess of JEA's total operating budget for the current fiscal year. Withdrawals from the Rate Stabilization Fund for Non-Fuel Purchased Power are to reimburse the costs associated with any non-fuel purchased power activities. Withdrawals can be made as necessary during the fiscal year and requires the approval of the CEO or the CFO.

(In Thousands)	Current Activity		Projected Activity		
	Quarter-End	Year-to-Date	2020	2021	2022
Opening Balance	\$ 52,199	\$ 56,870	\$ 56,870	\$ 36,712	\$ 211
Additions:					
Contributions	-	-			
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawals:					
Withdrawals	4,684	9,355	20,158	36,501	211
Ending Balance	\$ 47,515	\$ 47,515	\$ 36,712	\$ 211	\$ -

Historical Activity					
	2015	2016	2017	2018	2019
Opening Balance	\$ 12,000	\$ 38,000	\$ 34,400	\$ 25,189	\$ 53,493
Additions:					
Contributions	26,000			40,000	17,566
Sub-total	\$ 26,000	\$ -	\$ -	\$ 40,000	\$ 17,566
Withdrawals:					
Withdrawals		3,600	9,211	11,696	14,189
Sub-total	\$ -	\$ 3,600	\$ 9,211	\$ 11,696	\$ 14,189
Ending balance	\$ 38,000	\$ 34,400	\$ 25,189	\$ 53,493	\$ 56,870



Maximum Balance: 58,436
Minimum Balance: 12,000

Average Balance: 32,709

Observations

- The Non-Fuel Purchased Power Rate Stabilization Fund began in FY 2014.

Electric System Environmental Reserve

For the Second Quarter Ending March 31, 2020

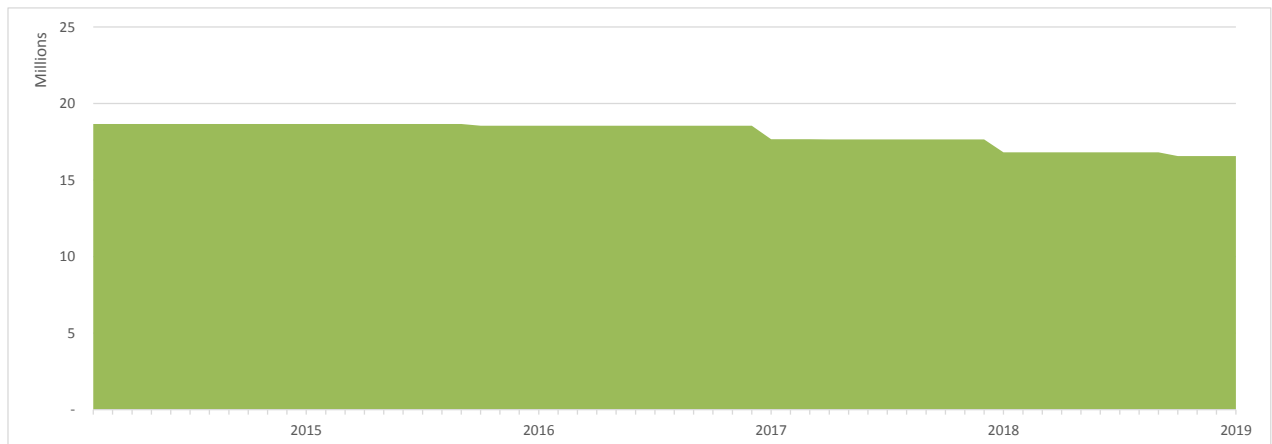
Definitions and Goals

This reserve represents the initial amounts collected from the Electric System Environmental Charge and will be deposited until the balance in this reserve equals the balance in the environmental liability account. Withdrawals from this account will represent payments for these liabilities.

(In Thousands)	Current Activity		Projected Activity		
	Quarter-End	Year -to-Date	2020	2021	2022
Opening Balance	\$ 16,568	\$ 16,568	\$ 16,568	\$ 16,568	\$ 16,068
Additions:					
Contributions	-	-			
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawals:					
Withdrawals	-	-		500	5,000
Ending Balance	\$ 16,568	\$ 16,568	\$ 16,568	\$ 16,068	\$ 11,068

Historical Activity

	2015	2016	2017	2018	2019
Opening Balance	\$ 18,662	\$ 18,662	\$ 18,556	\$ 17,672	\$ 16,818
Additions:					
Contributions					
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawals:					
Withdrawals		106	884	854	250
Sub-total	\$ -	\$ 106	\$ 884	\$ 854	\$ 250
Ending balance	\$ 18,662	\$ 18,556	\$ 17,672	\$ 16,818	\$ 16,568



Maximum Balance: 18,662
Minimum Balance: 16,568

Average Balance: 17,948

Observations

- The Environmental Reserve began in FY 2008.

Electric System Customer Deposits

For the Second Quarter Ending March 31, 2020

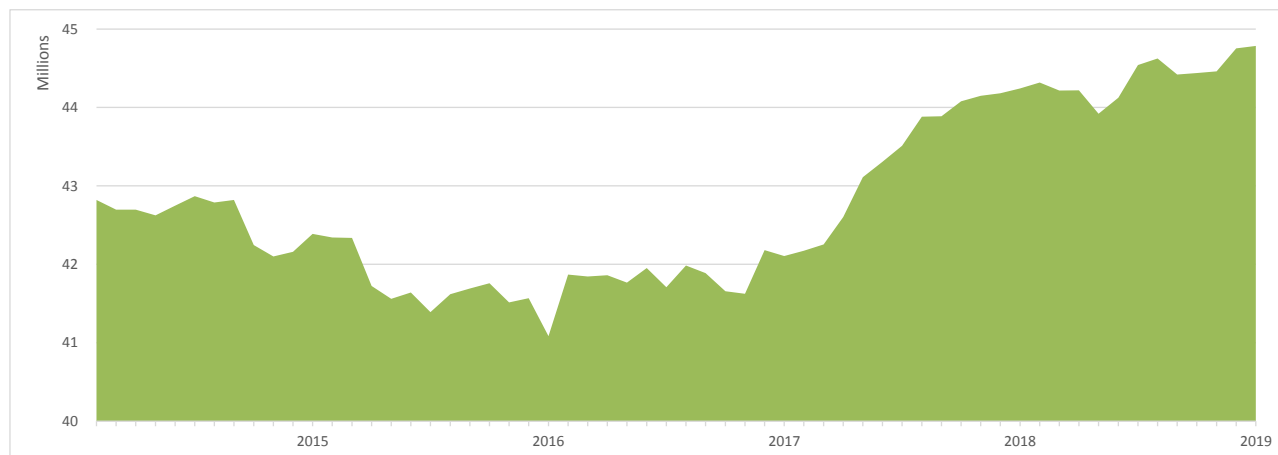
Definitions and Goals

Pursuant to internal procedure CR40400 MBC302 Credit and Collections, JEA accesses customers a deposit that may be used to offset any future unpaid amounts during the course of providing utility service to a customer.

(In Thousands)	Current Activity		Projected Activity		
	Quarter-End	Year -to-Date	2020	2021	2022
Opening Balance	\$ 44,795	\$ 44,785	\$ 44,785	\$ 44,580	\$ 45,814
Additions:					
Net Customer Activity	32	108	350	1,234	1,305
Sub-total	\$ 32	\$ 108	\$ 350	\$ 1,234	\$ 1,305
Withdrawals:					
Net Customer Activity	489	555	555		
Ending Balance	\$ 44,338	\$ 44,338	\$ 44,580	\$ 45,814	\$ 47,118

Historical Activity

	2015	2016	2017	2018	2019
Opening Balance	\$ 42,688	\$ 42,389	\$ 41,084	\$ 42,105	\$ 44,242
Additions:					
Net Customer Activity			1,021	2,137	543
Sub-total	\$ -	\$ -	\$ 1,021	\$ 2,137	\$ 543
Withdrawals:					
Net Customer Activity	299	1,305			
Sub-total	\$ 299	\$ 1,305	\$ -	\$ -	\$ -
Ending balance	\$ 42,389	\$ 41,084	\$ 42,105	\$ 44,242	\$ 44,785



Maximum Balance: 44,795
Minimum Balance: 41,084

Average Balance: 42,890

Observations

Electric System Debt Service Sinking Fund

For the Second Quarter Ending March 31, 2020

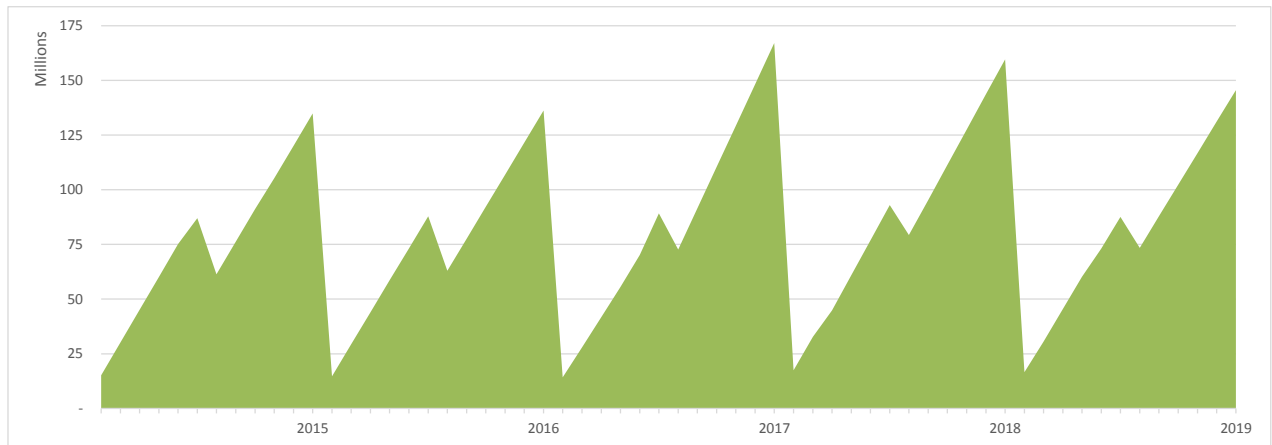
Definitions and Goals

JEA is required monthly to fund from revenues an amount equal to the aggregate of the Debt Service Requirement for senior and subordinated bonds for such month into this account. On or before such interest payment date, JEA shall pay out of this account to the paying agents the amount required for the interest and principal due on such date.

(In Thousands)	Current Activity		Projected Activity		
	Quarter-End	Year -to-Date	2020	2021	2022
Opening Balance	\$ 28,318	\$ 145,520	\$ 145,520	\$ 86,674	\$ 83,902
Additions:					
Revenue Fund Deposits	30,294	60,137	121,479	120,699	109,311
Sub-total	\$ 30,294	\$ 60,137	\$ 121,479	\$ 120,699	\$ 109,311
Withdrawals:					
Principal and Int Payments	2,076	149,121	180,325	123,471	124,471
Ending Balance	\$ 56,536	\$ 56,536	\$ 86,674	\$ 83,902	\$ 68,742

Historical Activity

	2015	2016	2017	2018	2019
Opening Balance	\$ 120,458	\$ 134,927	\$ 136,232	\$ 167,087	\$ 159,656
Additions:					
Revenue Fund Deposits	181,006	177,847	209,450	201,359	186,135
Sub-total	\$ 181,006	\$ 177,847	\$ 209,450	\$ 201,359	\$ 186,135
Withdrawals:					
Principal and Int Payments	166,537	176,542	178,595	208,790	200,271
Sub-total	\$ 166,537	\$ 176,542	\$ 178,595	\$ 208,790	\$ 200,271
Ending balance	\$ 134,927	\$ 136,232	\$ 167,087	\$ 159,656	\$ 145,520



Maximum Balance: 167,087
Minimum Balance: 9,945

Average Balance: 77,699

Observations

- September 30th ending balances are used to pay the October 1st interest and principal payments.
- This report does not include any Scherer debt service sinking funds.
- Timing differences occur due to the accrual of debt service during one fiscal year and the payment in the following fiscal year (primarily fixed rate principal and interest on October 1st of the following fiscal year).
- Projections are based on the debt outstanding as of March 31, 2020.

Electric System Debt Service Reserve Account

For the Second Quarter Ending March 31, 2020

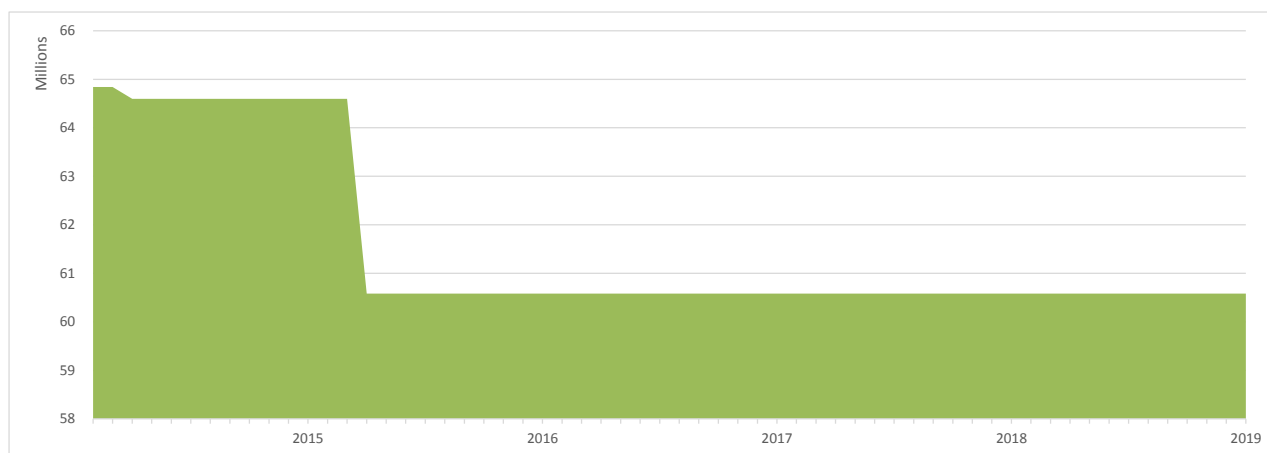
Definitions and Goals

This reserve will be funded, maintained and held for the benefit of bondholders as specified in the Supplemental Resolution authorizing the sale of the bonds to pay principal and/or interest on the bonds should revenues from operations not be sufficient for such purpose in accordance with the appropriate bond resolution. It is JEA's current practice to fund this reserve account with cash from the sale of bonds; however, revenues may be utilized to fund this reserve if necessary.

(In Thousands)	Current Activity		Projected Activity		
	Quarter-End	Year -to-Date	2020	2021	2022
Opening Balance	\$ 53,949	\$ 60,582	\$ 60,582	\$ 53,949	\$ 53,949
Additions:					
Proceeds from Bonds					
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawals:					
Release to Revenue Fund					
Release for STAR Plan Defeasance		6,633	6,633		
Ending Balance	\$ 53,949	\$ 53,949	\$ 53,949	\$ 53,949	\$ 53,949

Historical Activity

	2015	2016	2017	2018	2019
Opening Balance	\$ 64,841	\$ 64,595	\$ 60,582	\$ 60,582	\$ 60,582
Additions:					
Proceeds from Bonds					
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawals:					
Release to Revenue Fund	246	4,013			
Sub-total	\$ 246	\$ 4,013	\$ -	\$ -	\$ -
Ending balance	\$ 64,595	\$ 60,582	\$ 60,582	\$ 60,582	\$ 60,582



Maximum Balance: 64,841
Minimum Balance: 53,949

Average Balance: 61,166

Observations

- This report does not include any Scherer debt service reserves.

Electric System Renewal and Replacement (R&R) / Operating Capital Outlay (OCO)

For the Second Quarter Ending March 31, 2020

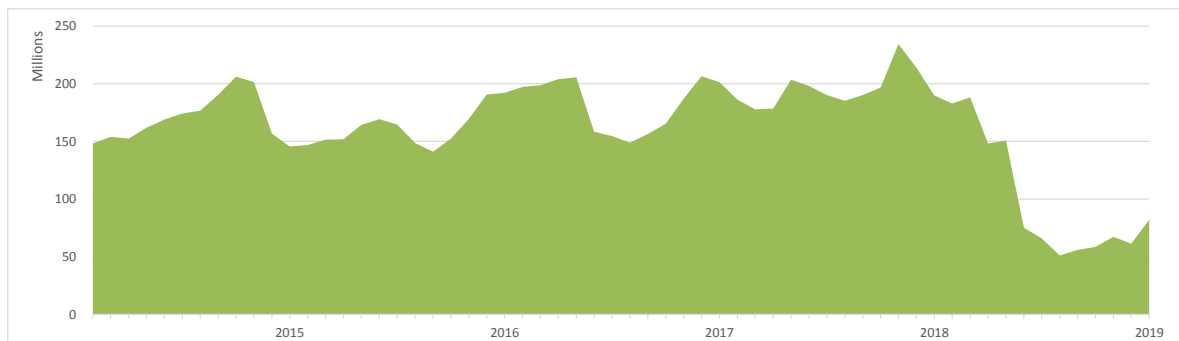
Definitions and Goals

Pursuant to the bond resolution and Article 21 of the City of Jacksonville Charter, JEA is required to deposit from the revenue fund annually an amount for Renewal and Replacement of system assets. According to the bond resolutions the amount is equal to the greater of 10% of the prior year defined annual net revenues or 5% of the prior year defined gross revenues. The funds shall be used for the purposes of paying the cost of extensions, enlargements or additions to, or the replacement of capital assets. In addition, as a portion of the base rate, JEA will recover from current revenue a formula driven amount for capital expenditures known as Operating Capital Outlay. This amount is calculated separately from the R&R deposit and may be allocated for use between capacity or non-capacity related expenditures based on the most beneficial economic and tax related financing structure incorporating the use of internal and bond funding.

(In Thousands)	Current Activity		Projected Activity		
	Quarter-End	Year -to-Date	2020	2021	2022
Opening Balance	\$ 43,840	\$ 81,964	\$ 81,964	\$ 84,283	\$ 102,518
Additions:					
R&R/OCO Contribution	45,404	100,810	240,442	235,134	177,023
Transfers betw Capital Fds					
Other	4,583	6,647	10,899	-	-
Sub-total	\$ 49,987	\$ 107,457	\$ 251,341	\$ 235,134	\$ 177,023
Withdrawals:					
Capital Expenditures	36,335	113,292	230,385	216,899	178,871
Transfers betw Capital Fds					
Debt Defeasance	-	18,637	18,637		
Other					
Sub-total	\$ 36,335	\$ 131,929	\$ 249,022	\$ 216,899	\$ 178,871
Ending Balance	\$ 57,492	\$ 57,492	\$ 84,283	\$ 102,518	\$ 100,670

Historical Activity

	2015	2016	2017	2018	2019
Opening Balance	\$ 146,910	\$ 145,711	\$ 192,179	\$ 201,368	\$ 189,922
Additions:					
R&R/OCO Contribution	110,351	200,692	196,589	148,105	197,623
Loans betw Capital Fds					
Other	970	3,744	5,074	35,675	39,521
Sub-total	\$ 111,321	\$ 204,436	\$ 201,663	\$ 183,780	\$ 237,144
Withdrawals:					
Capital Expenditures	112,483	157,201	113,987	181,263	275,042
Transfers/loans b/w Capital Fds	37	765	37,200		
Debt Defeasance					70,000
Other		2	41,287	13,963	60
Sub-total	\$ 112,520	\$ 157,968	\$ 192,474	\$ 195,226	\$ 345,102
Ending balance	\$ 145,711	\$ 192,179	\$ 201,368	\$ 189,922	\$ 81,964



Maximum Balance: 234,504
Minimum Balance: 43,840

Average Balance: 156,712

Observations

- Other includes Sale of Property and miscellaneous billings.

Electric System Environmental Fund - Capital Projects

For the Second Quarter Ending March 31, 2020

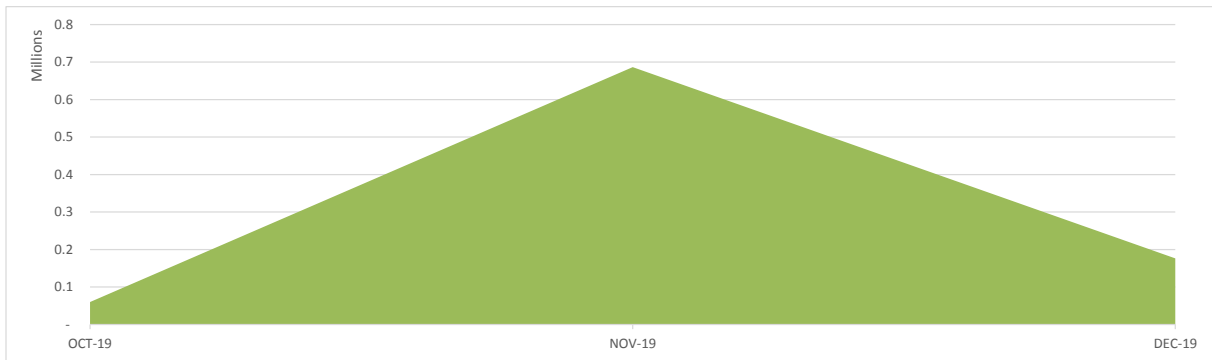
Definitions and Goals

The Environmental Charge will be applied to all kWh consumption and structured to provide funding for major specific environmental and regulatory program needs. The Environmental Charge is designed to recover from customers all costs of environmental remediation and compliance with new and existing environmental regulations, excluding the amount already collected in the Environmental Liability Reserve, as specified in the Pricing Policy for specific environmental and regulatory programs. This fund represents the amounts collected from the Electric System Environmental Charge and used on expenditures for capital projects.

(In Thousands)	Current Activity		Projected Activity		
	Quarter-End	Year -to-Date	2020	2021	2022
Opening Balance	\$ 176	\$ -	\$ -	\$ 250	\$ 250
Additions:					
Environmental Contributions	1,393	2,260	7,138	9,167	8,000
Transfers betw Capital Fds					
Other					
Sub-total	\$ 1,393	\$ 2,260	\$ 7,138	\$ 9,167	\$ 8,000
Withdrawals:					
Capital Expenditures	1,208	1,899	6,888	9,167	8,000
Transfers betw Capital Fds					
Other					
Sub-total	\$ 1,208	\$ 1,899	\$ 6,888	\$ 9,167	\$ 8,000
Ending Balance	\$ 361	\$ 361	\$ 250	\$ 250	\$ 250

Historical Activity

	2015	2016	2017	2018	2019
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Additions:					
Bond Proceeds					
Loans betw Capital Fds					
Other					
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawals:					
Capital Expenditures					
Transfers/loans b/w Capital Fds					
Other					
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Ending balance	\$ -	\$ -	\$ -	\$ -	\$ -



Maximum Balance: 686
Minimum Balance: 60

Average Balance: 308

Observations

- The Environmental Construction Fund began in October 2019.

Electric System Construction / Bond Fund

For the Second Quarter Ending March 31, 2020

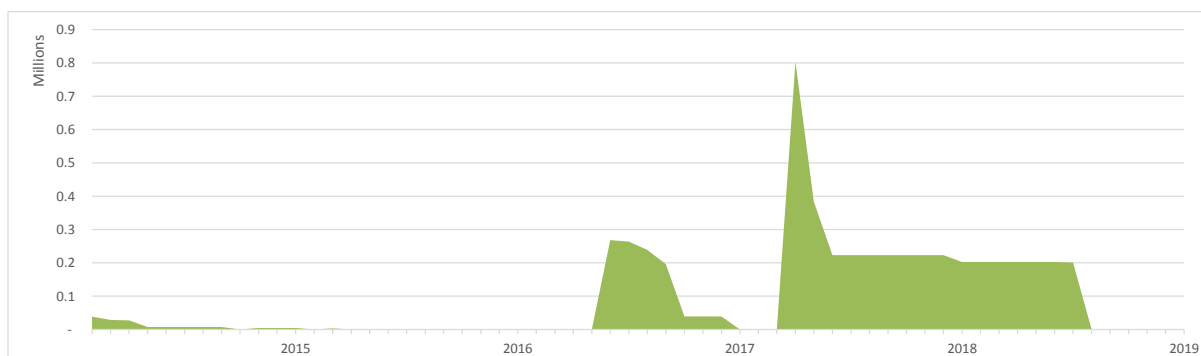
Definitions and Goals

JEA maintains a senior and subordinated construction fund of which bonds proceeds are deposited and used for the payment of the costs of additions, extensions and improvements to the Electric System. The senior construction fund is limited to the costs of additions, extension and improvements relating to non-generation capital expenditures. The subordinated construction fund is used for capital projects relating to all categories of capital expenditures but primarily targeted to fund generation capital expenditures.

	Current Activity		Projected Activity		
	Quarter-End	Year -to-Date	2020	2021	2022
(In Thousands)					
Opening Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Additions:					
Bond Proceeds					
Loans betw Capital Fds					
Other					
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawals:					
Transfers betw Capital Fds					
Other					
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Balance	\$ -	\$ -	\$ -	\$ -	\$ -

Historical Activity

	2015	2016	2017	2018	2019
Opening Balance	\$ 42	\$ 4	\$ -	\$ -	\$ 203
Additions:					
Bond Proceeds			429	805	
Loans betw Capital Fds					
Other	37	2			
Sub-total	\$ 37	\$ 2	\$ 429	\$ 805	\$ -
Withdrawals:					
Capital Expenditures	75	6			
Transfers/loans b/w Capital Fds					201
Other			429	602	2
Sub-total	\$ 75	\$ 6	\$ 429	\$ 602	\$ 203
Ending balance	\$ 4	\$ -	\$ -	\$ 203	\$ -



Maximum Balance: 803
Minimum Balance: -

Average Balance: 86

Observations

- JEA's philosophy has been to borrow bond funds on a "just-in-time" basis. Staff has used revolving credit facility borrowings and loans between capital funds to decrease borrowing costs.

Water and Sewer System Rate Stabilization - Debt Management

For the Second Quarter Ending March 31, 2020

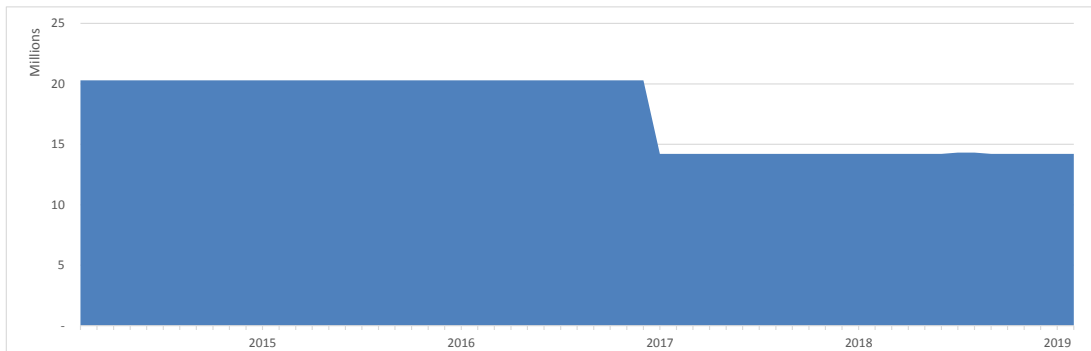
Definitions and Goals

The Water & Sewer System Bond Resolution authorizes the establishment of a Rate Stabilization Fund ("RSF") in which deposits or withdrawals shall be made as set forth in the current annual budget or an amount otherwise determined by an authorized officer of JEA. The Rate Stabilization Funds provide a means to minimize the year-to-year impact to customer charges and support financial metrics by providing consistent revenue collection for expenditures impacted by external factors such as fuel, debt management and regulatory requirements or initiatives. Deposits are made to this RSF for the purpose of managing JEA's debt portfolio. Deposits to this reserve reflect the difference in the actual interest rates for interest expense on the unhedged variable rate debt as compared to the budgeted assumptions for interest expense on the unhedged variable rate debt. Additionally, deposits can be made from excess debt service budget over the actual debt service expense for any fiscal year. However, the total amounts deposited (in addition to actual debt service costs for the fiscal year) cannot exceed the total amount of the budgeted debt service for any fiscal year. At a minimum, 50% of the calculated reserve contribution, if any, will be recorded and deposited each fiscal year. Debt and Investment Committee will review and record at their option an additional contribution amount, up to the full value of the calculated reserve contribution (the remaining 50%). The reserve contributions will be calculated on a system by system basis; however, based on the calculation, any mandatory deposit will exclude the District Energy System. The reserve contributions shall cease in the event the reserve balance exceeds the cap of five percent of the par amount of the total outstanding variable rate debt of all systems. Withdrawals from the Rate Stabilization Fund for Debt Management Strategy can be made for expenses related to market disruption in the capital markets, disruption in availability of credit or unanticipated credit expenses, or to fund variable interest costs in excess of budget.

	Current Activity		Projected Activity		
	Quarter-End	Year -to-Date	2020	2021	2022
(In Thousands)					
Opening Balance	\$ 14,209	\$ 14,209	\$ 14,209	\$ -	\$ -
Additions:					
Contributions					
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawals:					
Withdrawals	14,209	14,209	14,209		
Sub-total	\$ 14,209	\$ 14,209	\$ 14,209	\$ -	\$ -
Ending Balance	\$ -	\$ -	\$ -	\$ -	\$ -

Historical Activity

	2015	2016	2017	2018	2019
Opening Balance	\$ 20,290	\$ 20,290	\$ 20,290	\$ 14,209	\$ 14,209
Additions:					
Contributions					
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawals:					
Withdrawals			6,081		
Sub-total	\$ -	\$ -	\$ 6,081	\$ -	\$ -
Ending balance	\$ 20,290	\$ 20,290	\$ 14,209	\$ 14,209	\$ 14,209



Maximum Balance: 20,290
Minimum Balance: -

Average Balance: 16,818

Observations

- Contributions began in June 2009. Funds used for defeasances in October 2019.

Water & Sewer System Rate Stabilization - Environmental

For the Second Quarter Ending March 31, 2020

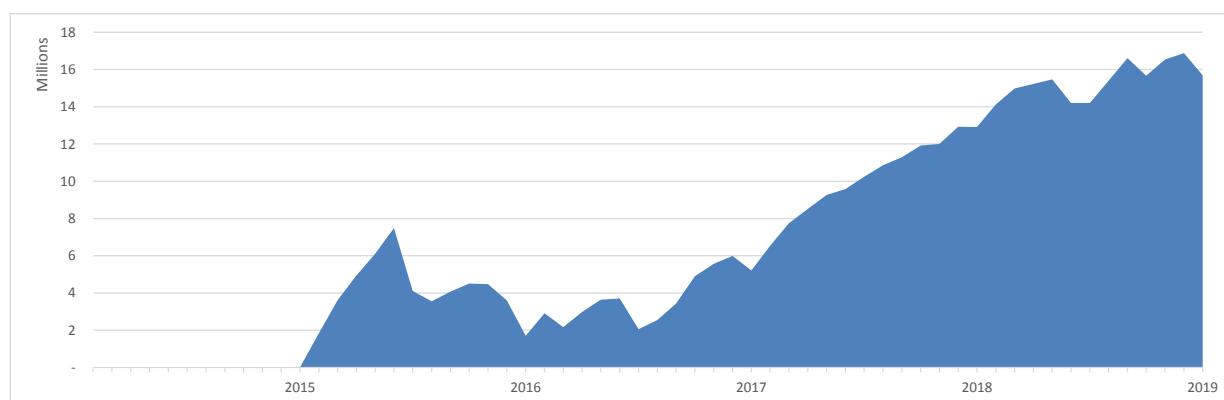
Definitions and Goals

The Water & Sewer System Bond Resolution authorizes the establishment of a Rate Stabilization Fund in which contributions or withdrawals shall be made as set forth in the current annual budget or an amount otherwise determined by an authorized officer of JEA. The Rate Stabilization Fund provides a means to minimize the year-to-year impact to customer charges and support financial metrics by providing consistent revenue collection for expenditures impacted by external factors such as debt management and regulatory requirements or initiatives.

	Current Activity		Projected Activity		
(In Thousands)	Quarter-End	Year -to-Date	2020	2021	2022
Opening Balance	\$ 18,101	\$ 15,687	\$ 15,687	\$ 19,900	\$ 7,318
Additions:					
Contributions	6,151	12,302	26,530	25,895	37,834
Sub-total	\$ 6,151	\$ 12,302	\$ 26,530	\$ 25,895	\$ 37,834
Withdrawals:					
Withdrawals	4,635	8,372	22,317	38,477	45,152
COJ Septic Tank Agreement			-		
Sub-total	\$ 4,635	\$ 8,372	\$ 22,317	\$ 38,477	\$ 45,152
Ending Balance	\$ 19,617	\$ 19,617	\$ 19,900	\$ 7,318	\$ -

Historical Activity

	2015	2016	2017	2018	2019
Opening Balance	\$ -	\$ -	\$ 1,699	\$ 5,214	\$ 12,914
Additions:					
Contributions		23,635	24,362	23,829	25,099
Sub-total	\$ -	\$ 23,635	\$ 24,362	\$ 23,829	\$ 25,099
Withdrawals:					
Withdrawals		21,936	20,847	16,129	22,326
Sub-total	\$ -	\$ 21,936	\$ 20,847	\$ 16,129	\$ 22,326
Ending balance	\$ -	\$ 1,699	\$ 5,214	\$ 12,914	\$ 15,687



Maximum Balance: 18,101
Minimum Balance: 1,699

Average Balance: 8,957

Observations

- Rate Stabilization Fund for Environmental began in June 2010.

Water and Sewer System Customer Deposits

For the Second Quarter Ending March 31, 2020

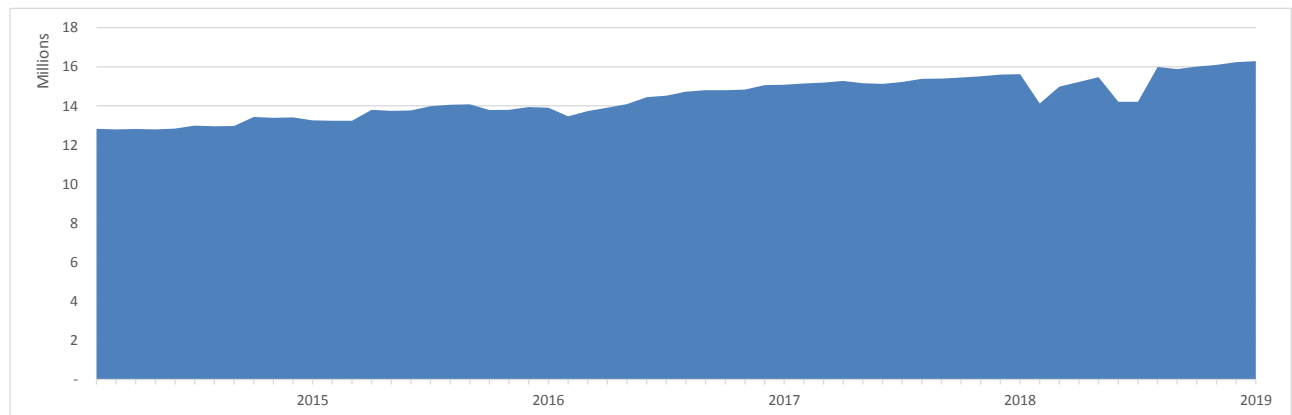
Definitions and Goals

Pursuant to internal procedure CR40400 MBC302 Credit and Collections, JEA accesses customers a deposit that may be used to offset any future unpaid amounts during the course of providing utility service to a customer.

	Current Activity		Projected Activity		
(In Thousands)	Quarter-End	Year -to-Date	2020	2021	2022
Opening Balance	\$ 16,555	\$ 16,289	\$ 16,289	\$ 16,989	\$ 17,225
Additions:					
Allocated from Electric	98	364	700	236	239
Sub-total	\$ 98	\$ 364	\$ 700	\$ 236	\$ 239
Withdrawals:					
Allocated from Electric			-		
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Balance	\$ 16,653	\$ 16,653	\$ 16,989	\$ 17,225	\$ 17,464

Historical Activity

	2015	2016	2017	2018	2019
Opening Balance	\$ 12,787	\$ 13,255	\$ 13,910	\$ 15,086	\$ 15,616
Additions:					
Allocated from Electric	468	655	1,176	530	673
Sub-total	\$ 468	\$ 655	\$ 1,176	\$ 530	\$ 673
Withdrawals:					
Allocated from Electric					
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Ending balance	\$ 13,255	\$ 13,910	\$ 15,086	\$ 15,616	\$ 16,289



Maximum Balance: 16,554
Minimum Balance: 12,619

Average Balance: 14,253

Observations

Water and Sewer System Debt Service Sinking Fund

For the Second Quarter Ending March 31, 2020

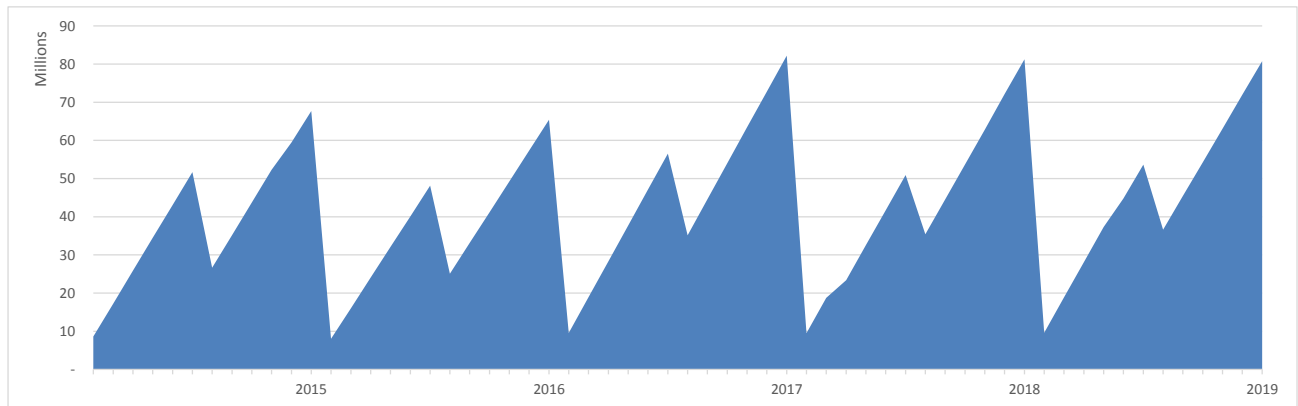
Definitions and Goals

JEA is required monthly to fund from revenues an amount equal to the aggregate of the Debt Service Requirement for senior and subordinated bonds for such month into this account. On or before such interest payment date, JEA shall pay out of this account to the paying agents the amount required for the interest and principal due on such date.

(In Thousands)	Current Activity		Projected Activity		
	Quarter-End	Year -to-Date	2020	2021	2022
Opening Balance	\$ 17,098	\$ 80,775	\$ 80,775	\$ 44,149	\$ 33,437
Additions:					
Revenue fund deposits	17,871	35,560	71,966	62,647	64,960
Sub-total	\$ 17,871	\$ 35,560	\$ 71,966	\$ 62,647	\$ 64,960
Withdrawals:					
Principal and interest payments	699	82,065	108,592	73,359	64,441
Sub-total	\$ 699	\$ 82,065	\$ 108,592	\$ 73,359	\$ 64,441
Ending Balance	\$ 34,270	\$ 34,270	\$ 44,149	\$ 33,437	\$ 33,956

Historical Activity

	2015	2016	2017	2018	2019
Opening Balance	\$ 75,019	\$ 67,720	\$ 65,410	\$ 82,208	\$ 81,241
Additions:					
Revenue fund deposits	102,789	97,077	114,873	113,636	112,251
Sub-total	\$ 102,789	\$ 97,077	\$ 114,873	\$ 113,636	\$ 112,251
Withdrawals:					
Principal and interest payments	110,088	99,387	98,075	114,603	112,717
Sub-total	\$ 110,088	\$ 99,387	\$ 98,075	\$ 114,603	\$ 112,717
Ending balance	\$ 67,720	\$ 65,410	\$ 82,208	\$ 81,241	\$ 80,775



Maximum Balance: 82,208
Minimum Balance: 8,019

Average Balance: 42,113

Observations

- September 30th ending balances are used to pay Oct 1st interest and principal payments.
- Timing differences occur due to the accrual of debt service during one fiscal year and the payment in the following fiscal year (primarily fixed rate principal and interest on Oct 1st of the following fiscal year).
- Projections are based on the debt outstanding as of March 31, 2020.

Water and Sewer System Debt Service Reserve Account

For the Second Quarter Ending March 31, 2020

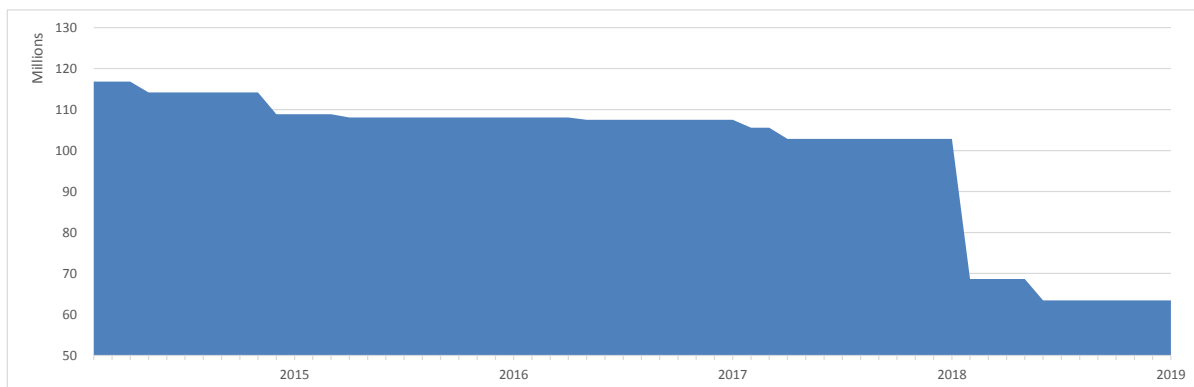
Definitions and Goals

This reserve will be funded, maintained and held for the benefit of bondholders as specified in the Supplemental Resolution authorizing the sale of the bonds to pay principal and/or interest on the bonds should revenues from operations not be sufficient for such purpose in accordance with the appropriate bond resolution. It is JEA's current practice to fund this reserve account with cash from the sale of bonds; however, revenues may be utilized to fund this reserve if necessary.

(In Thousands)	Current Activity		Projected Activity		
	Quarter-End	Year -to-Date	2020	2021	2022
Opening Balance	\$ 59,323	\$ 63,441	\$ 63,441	\$ 59,323	\$ 59,323
Additions:					
Construction reserves/bond issues					
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawals:					
Revenue fund		1,327	1,327		
Release for STAR Plan Defeasance		2,791	2,791		
Construction fund					
Sub-total	\$ -	\$ 4,118	\$ 4,118	\$ -	\$ -
Ending Balance	\$ 59,323	\$ 59,323	\$ 59,323	\$ 59,323	\$ 59,323

Historical Activity

	2015	2016	2017	2018	2019
Opening Balance	\$ 116,829	\$ 108,849	\$ 108,086	\$ 107,488	\$ 102,850
Additions:					
Construction reserves/bond issues					
Revenue fund					
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawals:					
Revenue fund	7,980	763	598	4,638	5,525
Construction fund					33,884
Sub-total	\$ 7,980	\$ 763	\$ 598	\$ 4,638	\$ 39,409
Ending balance	\$ 108,849	\$ 108,086	\$ 107,488	\$ 102,850	\$ 63,441



Maximum Balance: 116,829
Minimum Balance: 59,324

Average Balance: 97,737

Observations

- In 2008, debt service reserve sureties downgraded and JEA began replacing those downgraded sureties with cash/investments as required by the bond resolutions. Sureties of \$149.8 million are still outstanding but are not eligible to be utilized as debt service reserve deposits per the Bond Resolutions.
- 2018 Bond Resolution amendment will allow the use of \$33 million AA+ rated Berkshire Hathaway Assurance surety policy to be included in Debt Service Reserve Fund funding calculation which allowed the release of \$33.8 million to the Construction Fund.

Water and Sewer System Renewal and Replacement (R&R) / Operating Capital Outlay (OCO)

For the Second Quarter Ending March 31, 2020

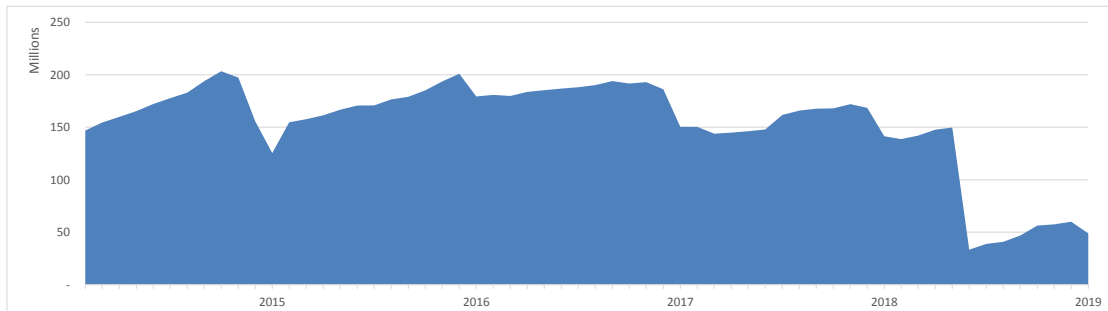
Definitions and Goals

Pursuant to the Water and Sewer System bond resolutions and Article 21 of the City of Jacksonville Charter, JEA is required to deposit from the revenue fund annually an amount for Renewal and Replacement of system assets. According to the bond resolutions the amount is equal to the greater of 10% of the prior year defined annual net revenues or 5% of the prior year defined gross revenues. The funds shall be used for the purposes of paying the cost of extensions, enlargements or additions to, or the replacement of capital assets of the Electric System. In addition, as a portion of the base rate, JEA will recover from current revenue a formula driven amount for capital expenditures which is referred to as Operating Capital Outlay. This amount is calculated separately from the R&R deposit. In accordance with the Pricing Policy, by 2013, the objective is to fund an amount equal to all non-capacity capital expenditures with current year internally generated funds. Capacity fees are charged to customers as a one-time fee for a new connection to the Water System and a one-time fee for a new connection to the Sewer System. Capacity charges may be used and applied for the purpose of paying costs of expansion of the Water and Sewer System or paying or providing for the payment of debt that was issued for the same purpose.

(In Thousands)	Current Activity		Projected Activity		
	Quarter-End	Year -to-Date	2020	2021	2022
Opening Balance	\$ 21,201	\$ 48,796	\$ 48,796	\$ 3,905	\$ 20,000
Additions:					
R&R/OCO Contribution	44,285	91,170	163,938	164,905	187,105
Capacity Fees	7,835	16,163	32,012	33,640	32,967
Transfer from Capital Fds			-	-	-
Other	2,956	7,387	11,611	9,658	9,051
Sub-total	\$ 55,076	\$ 114,720	\$ 207,561	\$ 208,203	\$ 229,123
Withdrawals:					
Capital Expenditures	36,907	92,950	221,256	192,108	229,123
Debt Defeasance	-	31,196	31,196		
Other			-		-
Sub-total	\$ 36,907	\$ 124,146	\$ 252,452	\$ 192,108	\$ 229,123
Ending Balance	\$ 39,370	\$ 39,370	\$ 3,905	\$ 20,000	\$ 20,000

Historical Activity

	2015	2016	2017	2018	2019
Opening Balance	\$ 136,182	\$ 128,249	\$ 179,431	\$ 150,319	\$ 141,415
Additions:					
R&R/OCO Contribution	62,793	124,574	108,119	153,372	150,171
Capacity Fees	19,579	21,995	24,777	28,002	29,389
Loans betw Capital Fds	22		137		268
Other (incl septic tank)	904	31,041	8,050	6,383	16,390
Sub-total	\$ 83,298	\$ 177,610	\$ 141,083	\$ 187,757	\$ 196,218
Withdrawals:					
Capital Expenditures	91,231	126,322	165,242	196,637	189,626
Loan Repayment					99,189
Transfer to Constr. Fund		106			
Other (incl septic tank)	-	-	4,953	24	22
Sub-total	\$ 91,231	\$ 126,428	\$ 170,195	\$ 196,661	\$ 288,837
Ending balance	\$ 128,249	\$ 179,431	\$ 150,319	\$ 141,415	\$ 48,796



Maximum Balance: 203,406
Minimum Balance: 12,847

Average Balance: 146,531

Observations

- Other includes the Septic Tank Phase-out project, Sale of Property, and the transfer of RSF - Environmental in FY 2016 - 2025.

Water and Sewer System - Environmental Fund [Capital Projects]

For the Second Quarter Ending March 31, 2020

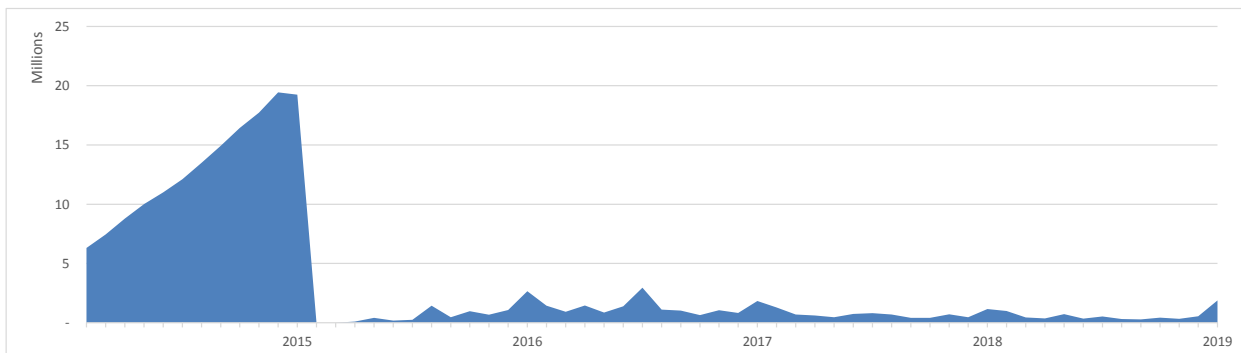
Definitions and Goals

The Environmental Charge will be applied to all water, sewer, irrigation and non bulk user reclaimed consumption. The environmental charge revenue will be collected from customers to partially offset current and future environmental and regulatory needs as specified in the Pricing Policy for specific environmental and regulatory programs.

(In Thousands)	Current Activity		Projected Activity		
	Quarter-End	Year -to-Date	2020	2021	2022
Opening Balance	\$ 446	\$ 1,891	\$ 1,891	\$ 1,927	\$ 1,000
Additions:					
Environmental Contributions	1,882	2,985	9,439	32,019	24,372
Loans betw Capital Fds					
Other					
Sub-total	\$ 1,882	\$ 2,985	\$ 9,439	\$ 32,019	\$ 24,372
Withdrawals:					
Capital Expenditures	1,753	4,301	9,403	32,946	24,372
Other					
Sub-total	\$ 1,753	\$ 4,301	\$ 9,403	\$ 32,946	\$ 24,372
Ending Balance	\$ 575	\$ 575	\$ 1,927	\$ 1,000	\$ 1,000

Historical Activity

	2015	2016	2017	2018	2019
Opening Balance	\$ 5,299	\$ -	\$ 2,659	\$ 1,839	\$ 1,159
Additions:					
Environmental Contributions	22,056	15,539	12,394	6,691	10,656
Loans betw Capital Fds					
Other					
Sub-total	\$ 22,056	\$ 15,539	\$ 12,394	\$ 6,691	\$ 10,656
Withdrawals:					
Capital Expenditures	7,318	12,880	13,214	7,370	9,924
Septic Tank Phase Out	203				
Other	19,834			1	
Sub-total	\$ 27,355	\$ 12,880	\$ 13,214	\$ 7,371	\$ 9,924
Ending balance	\$ -	\$ 2,659	\$ 1,839	\$ 1,159	\$ 1,891



Maximum Balance: 19,439
Minimum Balance: -

Average Balance: 3,137

Observations

Water and Sewer System - Construction / Bond Fund

For the Second Quarter Ending March 31, 2020

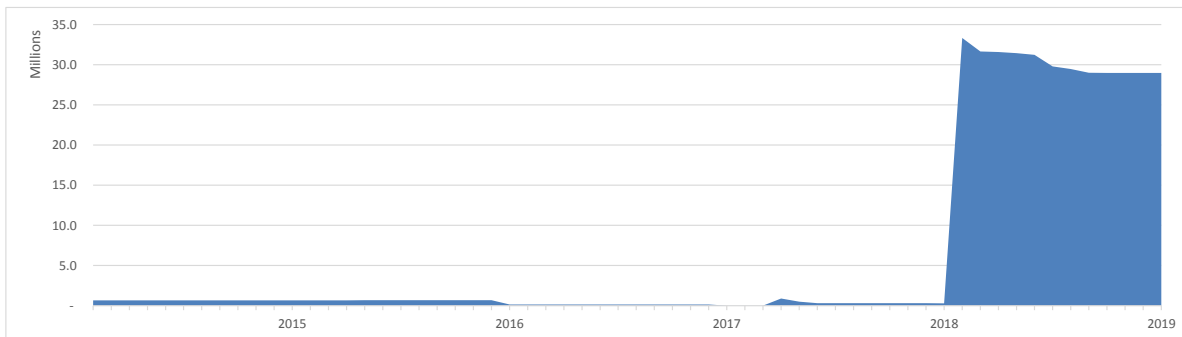
Definitions and Goals

JEA maintains a senior and subordinated construction fund of which bonds proceeds are deposited and used for the payment of the costs of additions, extensions and improvements to the Water and Sewer System.

(In Thousands)	Current Activity		Projected Activity		
	Quarter-End	Year -to-Date	2020	2021	2022
Opening Balance	\$ 28,716	\$ 28,968	\$ 28,968	\$ 19,593	\$ -
Additions:					
Bond Proceeds			-	132,080	123,014
Revolving credit facility					
Other	131	293	294		
Sub-total	\$ 131	\$ 293	\$ 294	\$ 132,080	\$ 123,014
Withdrawals:					
Capital Expenditures / Bond Issue Costs	516	930	9,669	151,673	123,014
Other					
Sub-total	\$ 516	\$ 930	\$ 9,669	\$ 151,673	\$ 123,014
Ending Balance	\$ 28,331	\$ 28,331	\$ 19,593	\$ -	\$ -

Historical Activity

	2015	2016	2017	2018	2019
Opening Balance	\$ 326	\$ 664	\$ 152	\$ 15	\$ 284
Additions:					
Bond Proceeds				894	33,884
Revolving credit facility					
Loans/transfers b/w Capital Fds					
Other	344	17			
Sub-total	\$ 344	\$ 17	\$ -	\$ 894	\$ 33,884
Withdrawals:					
Capital Expenditures	6			623	4,930
Bond Proceeds					
Loans/trnsf btw CapFds					
Other		529	137	2	270
Sub-total	\$ 6	\$ 529	\$ 137	\$ 625	\$ 5,200
Ending balance	\$ 664	\$ 152	\$ 15	\$ 284	\$ 28,968



Maximum Balance: 33,333
Minimum Balance: 15

Average Balance: 7,474

Observations

- JEA's philosophy has been to borrow bond funds on a "just-in-time" basis. Staff has used revolving credit facility borrowings and loans between capital funds to decrease borrowing costs. Release of Debt Service Reserve Funds in Oct 2018.



INTER-OFFICE MEMORANDUM

May 11, 2020

SUBJECT: MUNICIPAL CAPITAL MARKETS UPDATE

FROM: Paul E. McElroy, Interim Managing Director and CEO

TO: JEA Finance and Audit Committee

Marty Lanahan, Chair
John Baker
Robert Stein

BACKGROUND AND DISCUSSION:

The municipal capital markets have recently experienced significant disruption caused by the COVID-19 pandemic. The attached Municipal Capital Markets presentation addresses the spike in variable interest rates and almost immediate recovery, JEA's current unhedged variable rate debt portfolio, the mix of senior versus subordinated debt in the portfolio, near-term plans to refinance Electric and Water and Sewer System currently callable bonds and key components contained in existing refunding bond delegation resolutions.

RECOMMENDATION:

No action required; provided for information only.

Paul E. McElroy, Interim Managing Director and CEO

PEM/JEO



MUNICIPAL CAPITAL MARKETS UPDATE

JEA Finance and Audit Committee
Meeting
May 18, 2020



MUNICIPAL VARIABLE RATE DEBT MARKET

- Coronavirus pandemic caused a significant market disruption in the municipal variable rate debt market
- JEA's daily rate and commercial paper flex mode variable rate debt obligations ("VRDOs") were repricing north of 9% in mid March
- SIFMA's weekly variable rate index peaked at 5.20% on March 18th, prior to that date, the SIFMA index had averaged 1.07%
- U.S. Bank provided JEA one and two-year taxable fixed rate loan proposals to refinance several series of daily rate and commercial paper VRDOs

MUNICIPAL VARIABLE RATE DEBT MARKET (CONTINUED)

- We elected to pass on the U.S. Bank proposal, as the Fed Stimulus facilities quickly stabilized the VRDO market
- Unlike the 2008/2009 recession, when the Auction Rate Securities market disintegrated and never returned, the improvement in liquidity-backed VRDOs was swift
- The SIFMA weekly index is currently .19% and JEA's daily rate VRDOs have recently repriced below .10%, with weekly rates in the range of .20% to .39% on April 30th

JEA'S VARIABLE RATE DEBT PORTFOLIO

April 30, 2020

Electric System
(*\$ in millions*)

Variable rate debt	\$587
Fixed rate debt	1,427
Total debt	<u>\$2,014</u>

Variable rate % of total debt	29.1%
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Unhedged variable rate debt	\$181
-----------------------------	-------

Unhedged var. % of total debt	9.0%
-------------------------------	------

Water & Sewer System
(*\$ in millions*)

Variable rate debt	\$264
Fixed rate debt	1,024
Total debt	<u>\$1,288</u>

Variable rate % of total debt	20.5%
-------------------------------	-------

Unhedged variable rate debt	\$155
-----------------------------	-------

Unhedged var. % of total debt	12.0%
-------------------------------	-------

- The unhedged variable rate debt balances of \$181 million and \$155 million for the Electric and Water and Sewer Systems, respectively, are considered to be quite manageable
- Fixing the various series of unhedged VRDOs would cost a total of approximately \$8 million annually in incremental interest expense

JEA'S VARIABLE RATE DEBT PORTFOLIO (CONTINUED)

- With Water and Sewer System estimated borrowings of approximately \$400 million during the next four fiscal years, the unhedged variable rate percentage is expected to decline to 9% by FYE2024, in line with the Electric System percentage
- We will continue to monitor our variable debt portfolio and consider fixing out unhedged debt balances should rates approach 3% on a sustained basis

JEA'S SENIOR VS. SUBORDINATED DEBT

April 30, 2020

Electric System (\$ in millions)

Senior debt	\$1,325
Subordinated debt	689
Total debt	<u>\$2,014</u>

Senior debt % of total debt	65.8%
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Sub. debt % of total debt	34.2%
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Water & Sewer System (\$ in millions)

Senior debt	\$1,091
Subordinated debt	197
Total debt	<u>\$1,288</u>

Senior debt % of total debt	84.7%
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Sub. debt % of total debt	15.3%
---------------------------	-------

- Senior debt represents approximately 66% and 85% of total debt for the Electric and Water and Sewer Systems, respectively
- We do not have any current plans to issue additional subordinated debt for either System

PROPOSED BOND REFUNDING OPPORTUNITIES

- Subject to prevailing market conditions, we expect to launch current refunding bond offerings for the Electric and Water and Sewer Systems
- Based upon analyses provided by PFM, the refunding transactions would generate in excess of \$3 million in annual debt service savings
- Bond refunding delegation resolutions are in place through calendar year end to allow a launch as early as the first week in June

	ENERGY	WATER	J
Refunding Par Amount	\$262	\$158	\$420
Net PV Savings	\$31	\$23	\$54

In millions of dollars

REFUNDING DELEGATION RESOLUTION KEY COMPONENTS

- Resolutions allowing the Managing Director and CEO to authorize the pricing and execution of bond offerings pertain only to tax-exempt refunding transactions
 - New money, taxable, or new synthetic fixed rate financings and variable-to-variable rate refundings, would continue to be brought to the Board on a deal-by-deal basis for approval
- Bond refunding parameters are as follows:
 - Net present value savings for fixed-to-fixed refundings are based on refunded bond maturities
 - Less than one year: Positive savings
 - One to less than three years: 3%
 - Three years to less than nine years: 4%
 - Nine years or more: 5%
 - In lieu of the above targets: 5%, measured on an aggregate basis

REFUNDING DELEGATION RESOLUTION KEY COMPONENTS (CONTINUED)

- Bond refunding parameters (continued):
 - Weighted average life no greater than the weighted average life of the refunded bonds plus one year
 - For variable rate bonds being refunded by fixed bonds, true interest cost for the fixed rate bonds shall not exceed 5%
 - If subject to optional redemption, optional redemption price shall not exceed 101% of the principal amount and the optional redemption date shall not be less than four years nor more than ten years from the date of issuance



INTER-OFFICE MEMORANDUM

May 7, 2020

SUBJECT: JEA ENERGY MARKET RISK MANAGEMENT POLICY REPORT

FROM: Paul McElroy, Interim Managing Director/CEO

TO: JEA Finance and Audit Committee

Marty Lanahan
John Baker
Robert Stein

BACKGROUND:

The JEA Board approved the Energy Market Risk Management (EMRM) Policy in March 2014. The Policy was developed to codify the risk, governance, limits, and criteria associated with managing energy market exposure, and to comply with requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act. The reporting section of the Policy requires a quarterly report on JEA's financial and physical fuel and power transactions. This report includes physical transactions one year or greater and all financial transactions.

DISCUSSION:

The Policy governs JEA's wholesale energy market risk management and allows JEA to execute certain physical and financial transactions. The attached report is provided to the Board Finance and Audit Committee and satisfies the requirements of the reporting section of the EMRM Policy. The costs of financial transactions are reflected in comparison to market indices. The benefits include establishment of a stable fuel price for the future.

RECOMMENDATION:

None required. The report is required by the EMRM Policy and is provided as information.

Paul McElroy, Interim Managing Director/CEO

PM/CBA/WGB

Energy Market Risk Management: Physical and Financial Positions

Summary as of 5/1/2020		
Projected FY20 Fuel Expense (Budget = \$373M)	\$337M	😊
Projected FY20 Fuel Fund Ending Balance (Target = \$68M)	\$75M	😊
Projected FY21 Fuel Expense (Proposed Budget = \$357M)	\$364M	😞
Proposed FY21 Fuel Fund Ending Balance (Target = \$68M)	\$103M	😊
EMRM Compliance	Yes	😊
Counterparty Credit Limit Exceptions	No	😊
Any Issues of Concern	No	😊

Table 1: Physical Counterparties (Contracts One Year or Greater) as of 5/1/2020

Generating Unit	Fuel Type	Supplier/Counterparty	Contract Type	Remaining Contract Value	Remaining Contract Term
Scherer 4	Coal	CY20 Blackjewel - Eagle Butte - 001	Fixed Price	\$2,324,142	18 months
Scherer 4	Coal	CY20 Peabody Caballo - 019	Fixed Price	\$567,310	18 months
Scherer 4	Coal	CY20 Buckskin - 006	Fixed Price	\$239,323	14 months
Scherer 4	Coal	CY20 Cloud Peak Cordero Rojo - 013	Fixed Price	\$325,087	8 months
Scherer 4	Coal	CY20 Peabody NARM North - 014	Fixed Price	\$301,464	12 months
Scherer 4	Coal	CY21 Blackjewel - Eagle Butte - 002	Fixed Price	\$691,264	12 months
Scherer 4	Coal	CY21 Peabody Caballo - 003	Fixed Price	\$616,200	12 months
Scherer 4	Coal	CY21 Peabody Caballo - 004	Fixed Price	\$367,785	12 months
Scherer 4	Coal	CY21 Blackjewel - Eagle Butte - 005	Fixed Price	\$276,500	12 months
Scherer 4	Coal	CY22 Blackjewel - Eagle Butte - 001	Fixed Price	\$426,657	12 months
Scherer 4	Coal	CY22 Peabody Caballo - 002	Fixed Price	\$315,968	12 months
Scherer 4	Coal	CY22 Peabody Caballo - 004	Fixed Price	\$471,630	12 months
Scherer 4	Coal	CY22 Blackjewel - Eagle Butte - 005	Fixed Price	\$568,800	12 months
Scherer 4	Coal	CY22 Peabody Caballo - 007	Fixed Price	\$314,420	12 months
NS CFB	Limestone	CY17-CY21 Vulcan	Fixed Price	\$15,249,816	1.67 years
NG Fleet	Natural Gas	Shell Energy	Index w/Fixed Price Option	\$592,990,323	11.08 years
NG Fleet	Natural Gas	Main Street/MGAG	Index w/Discount	\$109,746,435	28.91 years
NG Fleet	Natural Gas	Main Street/MGAG	Index w/Discount	\$101,952,644	29.08 years
NG Fleet	Natural Gas	Main Street/MGAG	Index w/Discount	\$65,534,347	18.91 years
NG Fleet	Natural Gas	Main Street/MGAG	Index w/Discount	\$98,814,134	29.16 years

* New this report

Table 2: Financial Positions as of 5/1/2020

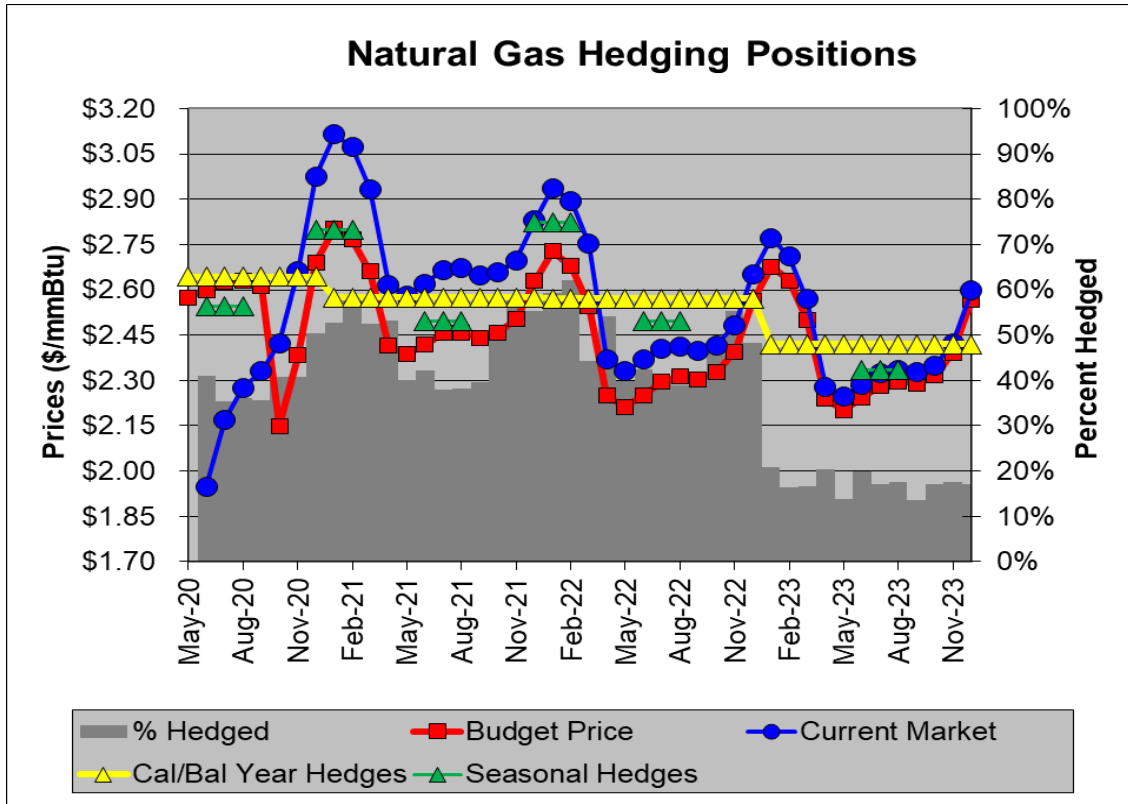
Year	Commodity	Physical Volume (mmBtu)	Hedged Volume (mmBtu)	Percent Hedged	Unhedged Cost	Hedge Type	Hedge Price	Mark-to-Market Value	Counter Party
FY20	Natural Gas	22,288,951	8,240,000	37.0%	\$ 2.18	Swap	\$ 2.63	\$ 3,760,210	Wells Fargo & RBC
FY21	Natural Gas	53,268,920	23,720,000	44.5%	\$ 2.75	Swap	\$ 2.60	\$ (3,774,850)	Wells Fargo & RBC
FY22	Natural Gas	50,171,074	23,720,000	47.3%	\$ 2.59	Swap	\$ 2.58	\$ (283,500)	Wells Fargo & RBC
FY23	Natural Gas	48,143,298	11,900,000	24.7%	\$ 2.45	Swap	\$ 2.48	\$ 279,540	Wells Fargo & RBC
FY24	Natural Gas	48,668,450	1,840,000	3.8%	\$ 2.46	Swap	\$ 2.42	\$ (68,740)	Wells Fargo & RBC

Table 3: Fuel & Purchase Power Procurement as of 5/1/2020

Fuel Type	Natural Gas	Coal	Petcoke	Limestone	Purchased Power	Oil/Diesel	Renewables	Vogle
FY20 Remaining / Energy Mix	58%	15%	17%	N/A	9%	0%	1%	-
Expected Spend (\$)	66.3M	21.9M	15.7M	3.9M	14.8M	1.1M	6.9M	-
% Procured	41%	54%	9%	100%	0%	100%	100%	-
% Hedged	40%	54%	0%	100%	0%	100%	100%	-
FY21 Budget / Energy Mix	54%	18%	19%	N/A	7%	0%	2%	-
Expected Spend (\$)	146.9M	61.1M	45.1M	9.3M	29.0M	1.6M	16.4M	-
% Procured	53%	42%	0%	100%	0%	100%	100%	-
% Hedged	42%	42%	0%	100%	0%	100%	100%	-
FY22 Projection / Energy Mix	52%	15%	17%	N/A	6%	0%	5%	6%
Expected Spend (\$)	132.9M	53.3M	43.4M	8.4M	20.4M	1.7M	27.2M	13.9M
% Procured	56%	35%	0%	24%	0%	100%	100%	100%
% Hedged	46%	35%	0%	24%	0%	100%	100%	100%

Supporting Notes:

- Renewable purchase power agreements are not included in Table 1
- Solid fuel procurement - annually at Scherer CY2019-2022 and quarterly at Northside
- Table 3: FY Energy Mix based on MWH; the procured percent relates to inventory on hand, or contracted and the percent hedged is inventory on hand or contracted with fixed pricing or financial hedges
- Renewables in Table 3 represent signed agreements and an estimated cost for pending contracts
- Table 1: Natural Gas discount; Municipal Gas Authority of Georgia (MGAG) issues municipal bonds to prepay for gas, allowing them to offer discounts to JEA for qualified use



as of 5/1/2020