



IMPROVING LIVES. BUILDING COMMUNITY. to be the best utility in the nation

# JEA BOARD OF DIRECTORS MEETING

JEA Headquarters | 1<sup>st</sup> Floor | Room 120-A&B | 225 North Pearl Street, Jacksonville, FL 32202  
September 24, 2024 | 9:00 am – 12:00 pm

## WELCOME

Meeting Called to Order  
Time of Reflection  
Introductions  
Adoption of Agenda ([Action](#))

General Joseph DiSalvo, Chair

## [Values Moment](#)

Naline McMillan, Human Resources Business Partner

## COMMENTS / PRESENTATIONS

Comments from the Public

Public

Council Liaison’s Comments

Council Member Michael Boylan

Interim Managing Director / CEO Comments

Vickie Cavey, Interim Managing Director / CEO

JEA Performance Update

Juli Crawford, Director, Enterprise Planning & Analytics

- [Corporate Scorecard](#)

## ITEMS FOR BOARD CONSIDERATION AND COMMITTEE REPORTS

Consent Agenda ([Action](#))

Board and Closed Meeting Minutes – August 27, 2024

Amended and Restated Voting Agreements – The Energy Authority and The Energy Authority Solutions, Inc.

General Joseph DiSalvo, Chair

Memorandum of Understanding Between JEA and City Neptune Beach to Provide Sampling and Laboratory Analysis Services  
FY24 Budgetary Amendment

## EARNING CUSTOMER LOYALTY

[Fiscal Year To Date Customer Satisfaction](#)

Sheila Pressley, Chief Customer Experience Officer

## DEVELOPING AN UNBEATABLE TEAM

[Florida Blue Renewal](#) ([Action](#))

Ted Phillips, Chief Financial Officer

## DELIVERING BUSINESS EXCELLENCE

[Board By-Laws and Policy Manual](#)

Jody Brooks, Chief Administrative Officer

## OTHER BUSINESS AND CLOSING CONSIDERATION

Old and Other New Business/Open Discussion

- Succession Plan Review
- Appointment of Vickie Cavey as the Managing Director/Chief Executive Officer

Chair’s Report

Announcements

- Rates Workshop – October 24, 2024
- Finance, Governance, & Audit Committee – October 24, 2024
- Board Meeting – October 29, 2024

Adjournment

## INFORMATIONAL MATERIAL

[Appendix A: Board Meeting Minutes – August 27, 2024](#)

[Appendix B: Amended and Restated Voting Agreements – The Energy Authority and The Energy Authority Solutions, Inc.](#)

[Appendix C: Memorandum of Understanding between JEA and City of Neptune Beach to Provide Sampling and Laboratory Analysis Services](#)

[Appendix D: Florida Blue Renewal](#)

[Appendix E: Board By-Laws and Policy Manual](#)

[Appendix F: Energy Market Risk Management Report](#)

[Appendix G: Reserve Fund Report](#)

[Appendix H: Financial Statements – August 2024](#)

[Appendix I: FY24 Budgetary Amendment](#)

## BOARD CALENDAR

2024 Board Meetings – October 29, November 19

Electric, Water, Wastewater Rates Workshop – October 24

Finance, Governance, & Audit Committee – October 24

Capital Projects Committee – November 7

2025 Board Meetings – January 28, February 25, March 25, April 22, May 27, June 24, July 22, August 26, September 23, October 28, November 18, and December 16



# BOARD OF DIRECTORS MEETING

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SEPTEMBER 24, 2024

IMPROVING LIVES...BUILDING COMMUNITY



## Values Moment

Naline McMillan  
Human Resources Business Partner

Improving Lives...Building Community





# Safety Briefing Headquarters

In the event of an emergency, JEA Security will call 911 and coordinate any required evacuation

Emergency Evacuation Route: Exit building via Pearl Street main entrance/exit or Monroe Street exit to the left of the American flag

Assembly Point: Front of Duval County Clerk of Courts (NW corner of Adams St. & Clay St.)

Evacuation or Medical Assist: Notify JEA Security Officer

Hazard & Situational Awareness

Cell Phone & Computer Etiquette



**Pearl Street Exit**



**Monroe Street Exit  
Left of the American Flag**



**County Courthouse Lawn**



# RESPECT

We treat others with courtesy and respect, seeking diverse perspectives and helping to bring out the best in everyone.

# Comments From The Public

General Joseph DiSalvo, Chair



Improving Lives... Building Community



# Council Liaison's Comments

Council Member Michael Boylan



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# Interim Managing Director/CEO Comments

Vickie Cavey, Interim Managing Director/CEO



## Collaboration to support female athletes pursuing STEM degrees



# Employee Engagement

## Weekly Food Trucks



## All Employee Town Hall September 20, 2024



## Return of Leadership Meetings October 9, 2024



**Steven Jackson**  
Senior Vice President and COO  
MEAG Power



**FSCJ** Florida State College  
at Jacksonville  
Downtown Auditorium

# Electric System Bond Issuance

## Refund Outstanding Debt and De-Risk of the Electric System Portfolio



# Board Member Education

Kawanza Humphrey, JEA Board Secretary



## Buckman Water Reclamation Facility



# Julia Landon College Preparatory & Leadership Development School - Friday, August 30th



General DiSalvo, Board Chair



Emma, Daughter of Shay Hill, Government Relations Specialist

Brianna, Daughter of Melinda Ruiz, Manager,  
Water/Wastewater Business Operations



# JEA Performance Update

## Corporate Scorecard

Juli Crawford, Director, Enterprise Planning & Analytics

Improving Lives...Building Community





# FY24 Corporate Performance Scorecard

Data Through: 8/31/24

Metric Category	FY23 EOY Value	FY24 Quartile Benchmark Goal	Quartile Target Value	FY24 Quartile YTD	FY24 Value YTD	12-Month Trend
<b>Unbeatable Team</b>						
Safety - Lost Time Incident Rate (LTIR)	.31	1st	.40	1st	● .37	
Employee Engagement (GLINT)	80	1st	74	1st	● 83	
<b>Customer Loyalty</b>						
Customer Satisfaction - Residential	714	2nd	711	1st	● 739	
Customer Satisfaction - Commercial	777	2nd	762	2nd	● 772	
<b>Business Excellence</b>						
Electric Reliability (SAIDI)	61.4	1st	70.0	2nd	● 78.24	
Water Reliability - Pressure <30 PSI (avg. min.)	5.2	1st	2.8		● 4.03	
Wastewater Reliability - Sanitary Sewer Overflows	.52	1st	.59	1st	● .44	
Total Spend - Variance	1.0%		+/-5%		● -1.7%	
Total Customer Bill (avg. monthly)	\$210.41	1st	\$219.08	1st	● \$208.07	
Clean Energy Composition	4%		10%		● 13%	



# Consent Agenda

## Action

- ✓ **Board and Closed Meeting Minutes – August 27, 2024**
- ✓ **Amended and Restated Voting Agreements – The Energy Authority and The Energy Authority Solutions, Inc.**
- ✓ **Memorandum of Understanding between JEA and City of Neptune Beach to Provide Sampling and Laboratory Analysis Services**
- ✓ **FY24 Budgetary Amendment**





# Fiscal Year to Date Customer Satisfaction


Sheila Pressley, Chief Customer Experience Officer

**EARNING CUSTOMER LOYALTY**

# Electric Utility Residential Customer Satisfaction 2024 FYTD

Ranked 36<sup>th</sup> of 152 utilities nationally

1<sup>st</sup> Quartile YTD



## What JEA does well...



“They are **prepared for emergencies**, provide consistent service, good customer relations.”

“**Reliable** service in all types of weather.”

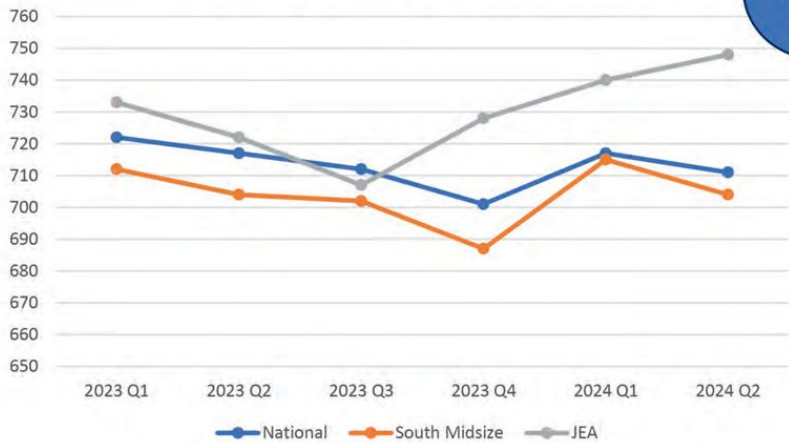
## What does JEA need to improve?

“**Notify ahead of time** when the bill is significantly above normal.”

“Require executives to live in the area **and focus on infrastructure improvement.**”

Residential Customer Satisfaction Trend

JEA  
748



JD Power 2024 U.S. Electric Utility Residential Customer Satisfaction Study

# Electric Utility Business Customer Satisfaction 2024 FY Final

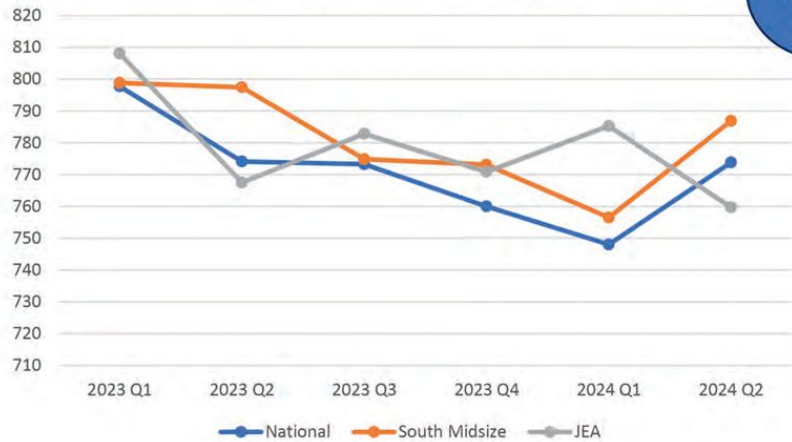
Ranked 28<sup>th</sup> of 76 utilities nationally

2<sup>nd</sup> Quartile YTD



Customer Satisfaction Trend

JEA 787



JD Power 2024 U.S. Electric Utility Business Customer Satisfaction Study

## What JEA does well...



“Keeps me informed of any and all updates regarding my business.”

“Very few interruptions in power, many good energy saving resources.”

“Consistency in billing / usage. I like to see the charts showing usage over 6 months, and good explanation of bills.”

## What does JEA need to improve...

Stability of executive staffing and prices.

More friendly interface for mobile users.

## Concierge Service for our Largest Customers



- ▶ Top 150 commercial and industrial customers – 25 percent of sales
- ▶ 24 x 7 service and support
- ▶ Account Executives earned the American Public Power Association Key Accounts Certification
- ▶ 96 percent satisfaction, with 90 percent extremely satisfied

# Empowering Smart Energy and Water Decisions

*"Tell me ahead of time when my bill is trending higher."*



## Daily Consumption Alert

- ▶ Daily consumption alerts to 3,000 low-income customers
- ▶ Alerts in dollars for ease of understanding
- ▶ Reduction in calls from the control group by approximately 25 percent
- ▶ 75 percent of customers report satisfaction with the alert

## High Consumption Alert

- ▶ For customers who have significantly higher consumption at the bill cycle midpoint
- ▶ Gives customers opportunity to adjust consumption prior to bill - 76 percent report leveraging the alerts to lower consumption
- ▶ Spike in **jea.com** log-ins the day of alerts
- ▶ 80 percent report overall satisfaction

# FY24 Comparative Pricing Awareness Campaign

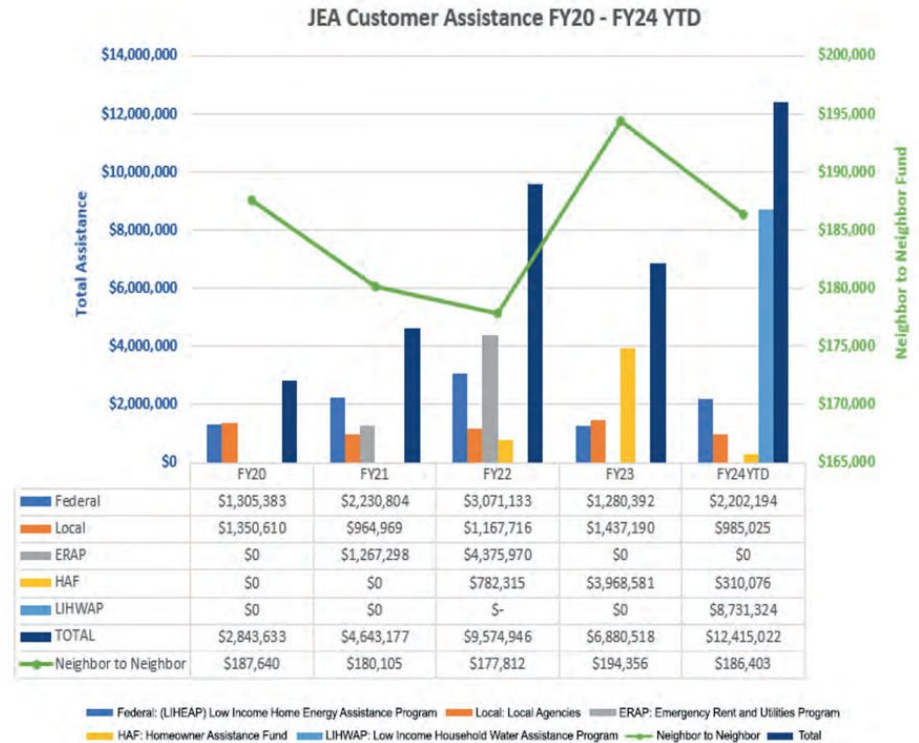
- ▶ **Campaign Dates:** July – September
- ▶ **Campaign Channels:** Online Ads, Social Media, Digital-Out-Of-Home Signage, Email
- ▶ **Campaign Highlights:**
  - ▶ JEA has the lowest monthly bills among major metro cities in Florida.
  - ▶ Demonstrates efforts to keep costs down

The collage features several promotional elements:

- Social Media Post:** A sponsored post from JEA with a photo of a man in an orange safety vest. The text reads: "WE'RE DEDICATED TO KEEPING COSTS DOWN." Below the photo are fields for "Headline" and "Description", and buttons for "Learn more", "Comment", and "Share".
- Digital Billboards:** Three identical billboards with a blue background. The text on each reads: "JEA RESIDENTIAL BILLS ARE THE LOWEST IN FLORIDA'S MAJOR METROS. We're dedicated to keeping costs down." Below this is the slogan "YOUR COMMUNITY. YOUR UTILITY." and the JEA logo. The middle billboard also includes the URL "JEA.COM/LOWERBILLS".
- Visuals:** The billboards are accompanied by images of a woman shaking hands with a man, hands holding a document, and a man in a blue polo shirt at a computer.
- Logo:** The JEA logo with the tagline "Building Community" is positioned in the bottom right corner on a green background.

# Affordability Measures

- ▶ Payment due date extensions – 21k monthly
- ▶ Rebates and incentives for efficiency measures
- ▶ The Budget Billing Program provides predictability for monthly payments
- ▶ The Pay-As-You-Go program eliminates deposits for credit challenged customers
- ▶ Targeted support for low-income seniors through partnerships with Jacksonville Transportation Authority, Catholic Charities, the City of Jacksonville Senior Services and others
- ▶ In home energy and water efficiency audits for residential and business customers
- ▶ High usage alerts and notifications
- ▶ Weatherization partnerships





## New Digital Tools: Video Billing

- ▶ Dynamically generated personalized video bill explanations
- ▶ **Notable results:**
  - 92 percent surveyed found explanation easy to understand
  - 70 percent open rate
  - 12 percent click-through rate

### CUSTOMER FEEDBACK:



"Thank you for this video, I had actually been wondering what we were doing at home that increased our bill. Very informative!"

"I really appreciate that the bill was individually directed with our personal use. Excellent!"

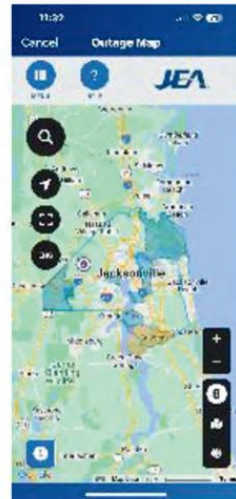
"Thank you for the video! I appreciate the easy explanation, and I didn't have to log into my account to see it."

**Four Month Pilot  
(June-September)  
~20,000 customers**



# New Digital Tools: 'My JEA' Customer App

- ▶ JEA's first-ever smartphone app debuted this month on Apple App Store and Google Play.
- ▶ My JEA allows customers to view and pay bills, view consumption, request payment assistance, report outages/service issues, update account information, and access customer service.
- ▶ Provides foundation for future enhancements as JEA and industry technologies advance.
- ▶ Visit [jea.com/app](http://jea.com/app) to download.



# Serving Our Community



2024 DISABILITY EXPO



2024 BLACK EXPO



BEACH CLEANUP



POWER PALS



Building Community

JEA Customer Care Advisors

# Florida Blue Renewal

Ted Phillips, Chief Financial Officer

Action

DEVELOPING AN UNBEATABLE TEAM



# Florida Blue Renewal



## Background

JEA offers a self-insured medical plan, funded by both JEA and employee premiums, with Stop Loss insurance to limit financial risk.



## Premium Costs

JEA covers 74%-100% of the premium costs, with employees contributing the remainder through payroll deductions.



## Florida Blue Wins Bid

In 2022, JEA sought bids for medical and pharmaceutical claims administration, and after evaluation, chose to continue with Florida Blue, the incumbent provider since 2009.



## Plan's Offset Costs

The plan's costs are offset by pharmacy rebates and Stop Loss reimbursements, helping to manage high-cost claims.



## Services Provided

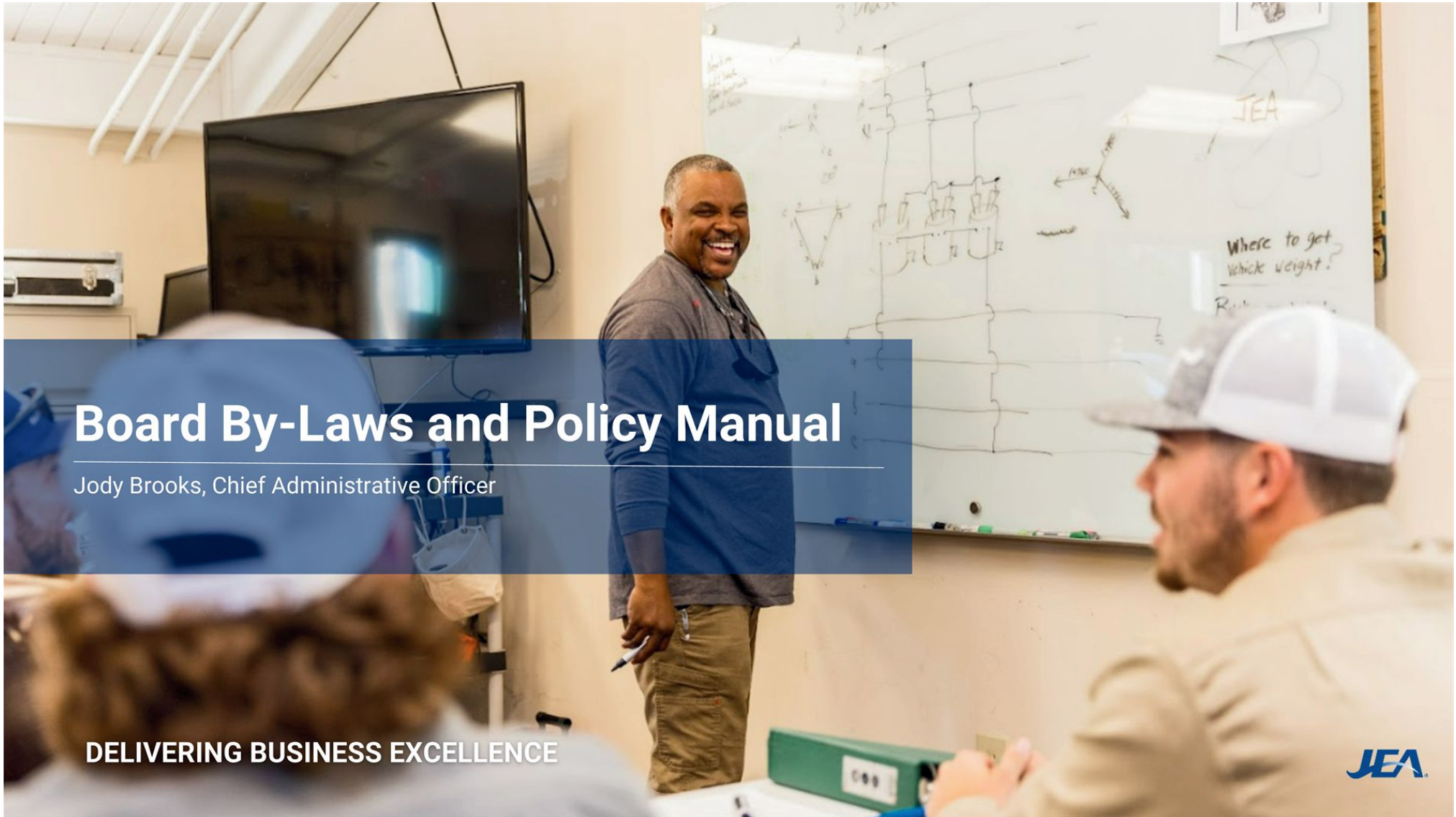
Florida Blue administers claims, negotiates discounts with providers, and manages pharmacy benefits for employees and retirees.



## 2023 Total Claims

For 2023, total claims were \$32.9 million, with offsets of \$3.5 million from rebates and reimbursements.

**Staff requests the Board approve to utilize a one year renewal for calendar year 2025, with a projected cost of \$32.2 million and a 5% contingency for provider negotiations, totaling \$33.9 million**



# Board By-Laws and Policy Manual

Jody Brooks, Chief Administrative Officer

DELIVERING BUSINESS EXCELLENCE



# Board Bylaws and Policy Manual

## Article 21 JEA Charter Section 21.03c

### Charter Requirements

“The governing body of JEA shall adopt governing documents, including, but not limited to, a board policy manual, and such other rules and regulations not inconsistent with this Article, the charter or general law.

Unless otherwise provided herein, the governing body of JEA shall annually review and update its governing documents.

JEA's bylaws, board policy manual, and other governing documents, including any amendments thereto, shall be posted on JEA's website in a conspicuous manner for the public to view.”



# Board Governance Documents



## August 2022

Under prior leadership, the Board By-Laws and Policy Manual were condensed and approved by the Board at the August 10, 2022 Board Retreat.



## November 2020/2021

JEA Board By-Laws & Policy Manual were approved by the Governance Committee on November 10, 2020 and by the Board on November 17, 2020.

Additional revisions were approved by the Board on November 16, 2021 regarding meeting cadence and policy language to align with Article 21.



## November 7, 2023

Board approved revisions to the Board By-Laws and Policy Manual that were included on the Consent Agenda of the November 7, 2023 Board meeting.



# Chair's Report

General Joseph DiSalvo, Board Chair



Improving Lives...Building Community



# Old and Other New Business / Open Discussion

General Joseph DiSalvo, Chair

Improving Lives...Building Community



# Announcements

**Rates Workshop - October 24, 2024**

**Finance, Governance, & Audit Committee - October 24, 2024**

**Board Meeting - October 29, 2024**

**JEA**



Building Community®

# BOARD OF DIRECTORS MEETING

SUPPLEMENTAL  
MATERIAL

IMPROVING LIVES...BUILDING COMMUNITY

JEA BOARD OF DIRECTORS AND  
CLOSED MEETING MINUTES  
August 27, 2024

The JEA Board met in regular session at 9:00 am on Tuesday, August 27, 2024, on the 1<sup>st</sup> Floor, 225 North Pearl Street, Jacksonville, Florida. The meeting was properly noticed, and the public was invited to attend this meeting in-person at the physical location and virtually via live stream on jea.com.

**WELCOME**

**Meeting Called to Order** – Board Chair General Joseph DiSalvo called the meeting to order at 9:00 am. Board members in attendance were Vice Chair Rick Morales, John Baker, and MG Orender. Board member Bobby Stein attended the meeting virtually. Board Secretary Kawanza Humphrey and Dr. Zachary Faison, Jr. were not in attendance.

Others in attendance were Vickie Cavey, Interim Managing Director/CEO; Sheila Pressley, Chief Customer Experience Officer; Ted Phillips, Chief Financial Officer; Jody Brooks, Chief Administrative Officer; David Emanuel, Chief Human Resources Officer; Raynetta Curry Marshall, Chief Operating Officer; Joe Orfano, Deputy Chief Financial Officer; Kurt Wilson, Chief of Staff; Brad Krol, Chief Information Officer; Michael Boylan, Council Member; Regina Ross, Chief Legal Officer, Office of General Counsel; Sheree Brown, Executive Assistant to the CEO; and Melissa Dalton, Manager, Board Services.

**Time of Reflection** – A moment of reflection was observed by all.

**Adoption of the Agenda** – On *motion* by Vice Chair Morales and seconded by Mr. Baker, the agenda was approved.

**Values Moment** – Sara Goodwin, Manager, Operating Budgets, provided a values moment on safety.

**COMMENTS / PRESENTATIONS**

**Comments from the Public:**

**In-Person Public Comments:**

Logan Cross, representing the Sierra Club Northeast Florida Group, spoke to the Board advocating for JEA to modernize its energy generating processes.

Jennifer Bacmeister – Project Administrator for JEA, shared the retirement of Randy Hilton and thanked him for his service and leadership.

Josh Melko spoke to the Board regarding renewable energy and new greenhouse gas regulations.

John Nooney spoke to the Board regarding public access to the waterways.

**Council Liaison's Comments** – Council Member Michael Boylan shared with the Board the JEA FY25 budget is currently going through the approval process within City Council.

**Managing Director / CEO Report** – Vickie Cavey, Interim Managing Director/CEO, provided an update on Florida Line Worker Appreciation Day and extended appreciation to each of them for all they do for

JEA and the community; acknowledged the Northside Generating Station Byproduct Storage Team for achieving five years without a recordable incident and the Northside Generating Station Process Chemistry Team for achieving 10 years without a recordable incident; and Procurement Services hosted the annual Jacksonville Small and Emerging Business and Supplier Diversity Summit. Ms. Cavey also noted the company reorganization was put in to place on July 15, 2024; return to Headquarters began last week, and final approval for a remote work policy is in process.

### **JEA Performance Update**

Corporate Scorecard – Juli Crawford, Vice President, Enterprise Strategy & Planning, presented the JEA performance update through July 31, 2024, to include electric reliability; total spend; fuel spending; capital spending; customer bill; and clean energy. This report was received for information.

Financial Review – Ted Phillips, Chief Financial Officer, provided an overview on the electric and water system operating budgets; capital budget; Operation & Maintenance (O&M) budget; base revenues; operating expenses; and the water system O&M budget forecast. Mr. Phillips presented the FY2024 Q3 electric and water financial metrics. This report was received for information.

General DiSalvo requested that Vice Chair Morales serve as acting secretary for today's Board meeting.

## **BOARD AND COMMITTEE REPORTS AND ITEMS FOR CONSIDERATION**

### **CONSENT AGENDA**

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.

On *motion* by Vice Chair Morales and seconded by Mr. Baker, all Consent Agenda items were approved.

**Board Meeting Minutes – June 25, 2024**

**Board Workshop Meeting Minutes – June 14, 2024**

**Surplus Property – Former Headquarters**

**Surplus Property – Baldwin Point**

**Florida Municipal Power Agency Solar Resource Purchase**

**Amendment No. 2 to the 2022 Southwest Power Pool Inc., Guaranty**

**FY24 Budgetary Amendment**

### **DELIVERING BUSINESS EXCELLENCE**

**Capital Projects Committee Report** – John Baker, Committee Chair, provided highlights of the August 12, 2024 Capital Projects Committee meeting including an overview of the Southside Integrated Piping System.

On *motion* by Mr. Orender and seconded by Vice Chair Morales, the Board unanimously approved Interim Managing Directing / CEO or her designee to execute an amendment to the original contract, as amended, increasing the total maximum indebtedness thereunder to an amount not to exceed sixty-three million five hundred seventy-one thousand one hundred sixty-seven dollars and ninety-seven cents (\$63,571,167.97) and adopted Resolution 2024-41.

Committee Chair Baker provided an overview of the H2.0 Program Overview and Purification Center.

On *motion* by Committee Chair Baker and seconded by Board Vice Chair Morales, the Board unanimously approved the Interim Managing Director/CEO or her designee to execute an amendment to the original contract, as amended, increasing the total maximum indebtedness thereunder to an amount not to exceed eighty-three million five-hundred six thousand seven hundred seventy-two dollars and thirty-seven cents. (\$83,506,772.37) and adopted Resolution 2024-42.

Committee Chair Baker provided an overview on Arlington East Water Reclamation Facility expansion; Northwest Water Reclamation Facility; Combined Cycle Update; Transmission Study; and major capital projects list. These items were provided for information.

**Finance, Governance, and Audit Committee Report** – Bobby Stein, Committee Chair, provided an overview of the Finance, Governance, and Audit Committee meeting on August 12, 2024 to include the FY24 External Audit Plan; Internal Audit update; Ethics update; quarterly financial review; electric system debt portfolio de-risking opportunity; and continuing services contracts including Wesco Distribution Inc. and Managed Services Provider for action.

On *motion* by Mr. Orender and seconded by Board Vice Chair Morales, the Board unanimously approved to increase the dollar amount of the existing contract for Managed Services Provider and Vendor Management Solutions for contingent workforce and authorizing the Interim Managing Director/CEO to execute an amendment to increase JEA maximum indebtedness under the contract to an amount not to exceed ninety-seven million two hundred six thousand two hundred sixteen and 75/100 dollars (\$97,206,216.75) and adopted Resolution 2024-44.

The Board also unanimously approved to increase the dollar amount of the existing contract for three-phase, single phase pad mounted, pole mounted and miscellaneous transformers for inventory stock and authorizing the interim Managing Director/CEO to execute an amendment to increase JEA maximum indebtedness under the contract to an amount not to exceed one hundred twenty-three million seven hundred eighty-one thousand two hundred seven and 30/100 dollars (\$123,781,207.30) and adopted Resolution 2024-43.

**401(a) Defined Contribution Retirement Plan to Remove Employee Pre-Tax Deferrals for New Participants** – Pat Maillis, Director, Employee Services, provided an overview of proposed removal of pick-up contributions for new participants and the position the Internal Revenue Service has taken in regard to when the contribution must be made.

On *motion* by Mr. Orender and seconded by Mr. Baker, the Board unanimously approved to amend the plan to remove the pick-up contribution feature for participants effective October 1, 2024 and adopted Resolution 2024-40.

**Business Excellence Consultant Selection Process** – Regina Ross, Chief Legal Officer, Office of General Counsel, explained the rules of engagement for the business excellence consultant selection process.

*General DiSalvo recessed the regular Board meeting at 10:02 am and the Board members transitioned to the 7<sup>th</sup> Floor Pearl Conference Room for the Closed Meeting.*

**Meeting Called to Order** – General DiSalvo called the closed meeting to order at 10:02 am.

**Introductions** – JEA Board members and staff introduced themselves to the Deloitte Consulting group.

**Safety Briefing** – Jenny McCollum, Chief Procurement Officer, provided a safety briefing.

**Deloitte Consulting** – Presentation began at 10:10 am with introductions of Sandy Jones, Kelly Skinner, Christina Grant and Tom Kinrade; spoke to history with JEA and past results; discussed current approach which would be tailored to JEA needs; and provided a breakdown of the team structure needed. Discussions were had on O&M; capital; regulations; staffing; and lessons learned from past work with JEA. The Deloitte Consulting presentation ended at 11:20 am.

Board Chair DiSalvo called for a brief recess at 11:20 am and reconvened the closed meeting at 11:35 am.

**Introductions** – JEA Board members and staff introduced themselves to the K3 Strategies group.

**K3 Strategies, LLC** – Following introductions of Bill Kemp, Wally Buran, Rob Patrylak, Christine Kozlosky, and Chuck Hadden, presentations began at 11:39 am. K3 Strategies, LLC provided personal and professional background on each of the team members; defined the scope of work; presented the firms qualifications; provided a program roadmap; and presented their proposed approach and deliverables, including benefits for JEA. Discussions were had on O&M; capital; timeline; staffing; and lessons learned from past work with JEA. Presentation ended at 12:52 pm.

**Board Discussion** – Jenny McCollum, Chief Procurement Officer, discussed the scoring matrices with the Board members. Regina Ross, Chief Legal Officer, Office of General Counsel, provided direction on adjourning the closed meeting.

**Adjournment** – General DiSalvo adjourned the closed meeting at 1:02 pm.

*Board members and staff transitioned to the first floor and General DiSalvo reconvened the regular meeting at 1:05 pm.*

General DiSalvo thanked Deloitte Consulting and K3 Strategies for their preparation and presentations. Board members held discussions on O&M; scheduling and Board touchpoints. Procurement conducted a roll call and tally of scores for both Deloitte Consulting and K3 Strategies.

On *motion* by Mr. Orender and seconded by Mr. Baker, the Board unanimously approved awarding JEA solicitation number 1411645246, Invitation to Negotiate for Business Excellence Consulting Services to K3 Strategies, LLC and adopted Resolution 2024-52.

*Council Member Michael Boylan departed the meeting at 1:14 pm.*

## **OTHER BUSINESS AND CLOSING CONSIDERATION**

**Old and Other New Business / Open Discussion** – General DiSalvo requested Board members to review the Board By-Laws and Policy Manual and submit comments, concerns, or changes to Jody Brooks, Chief Administrative Officer, by the next Board meeting on September 24, 2024.

**Chair's Report** – General DiSalvo thanked staff for their response to Hurricane Debbie; General DiSalvo also extended his appreciation to Mr. Baker and Mr. Stein for chairing the Capital Projects and Finance, Governance, and Audit Committees noting the results stemming from these meetings.

**Announcements** – The next Board meeting will be held September 24, 2024.

**Adjournment** – With no further business coming before the Board, Chair General Joseph DiSalvo declared the meeting adjourned at 1:28 pm.



JEA Board Meeting Minutes

August 27, 2024

Page 5

APPROVED BY:

\_\_\_\_\_  
Rick Morales, Acting Board Secretary

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

Board Meeting Recorded by:

*Allison S Hickok*  
\_\_\_\_\_  
Allison S Hickok  
Executive Staff Assistant

# JEA Board Agenda

# MEMORANDUM



## Amended and Restated Voting Agreements – The Energy Authority and The Energy Authority Solutions, Inc.

Board Meeting Date: September 24, 2024

Outcome:  INFORMATION ONLY  ACTION  FUTURE BOARD CONSIDERATION

If Action, Provide a Recommended Motion:

Board authorization is needed to ratify the Interim Managing Director / CEO's execution of the documents on behalf of JEA.

Consent Agenda Item:  Yes  No

Presenter: N/A - Consent Agenda/Supplemental

Chief: Jody Brooks, Chief Administrative Officer / Regina Ross, Chief Legal Officer, Office of General Counsel

Strategic Focus Area:  DEVELOPING AN UNBEATABLE TEAM  DELIVERING BUSINESS EXCELLENCE  EARNING CUSTOMER LOYALTY

Background Information & Analysis: In May 2024, pursuant to requirements of the Georgia Nonprofit Corporation (the Code), The Energy Authority, Inc. (TEA) and TEA Solutions, Inc. amended and revised their respective voting agreements to address the election/removal of Board of Director members. Accordingly, TEA members are required to execute the attached voting agreements. Here, staff requests that the Board approve the agreements, and ratify their execution.

Financial Impact: N/A

Committee/Board Meeting/Workshop & Date Previously Presented: N/A

Appendix:  
 Resolution 2024-59  
 Second Amended and Restated Voting Agreement for The Energy Authority, Inc. - Exhibit 1  
 First Amended and Restated Voting Agreement for The Energy Authority Solutions, Inc. - Exhibit 2



**BOARD RESOLUTION NO.: 2024-59**

September 24, 2024

**A RESOLUTION BY THE BOARD RATIFYING EXECUTION OF THE ENERGY AUTHORITY, INC. SECOND AMENDED AND RESTATED VOTING AGREEMENT ON BEHALF OF JEA; PROVIDING FOR CORRECTION OF ERRORS; AND PROVIDING FOR AN EFFECTIVE DATE**

RECITALS:

WHEREAS, in May 2024, pursuant to the requirements of the Georgia Nonprofit Corporation Code (“the Code”), The Energy Authority, Inc. (TEA) and TEA Solutions, Inc. amended and revised their respective voting agreements to address the election and removal of board members; and

WHEREAS, as a member agency, JEA is required to approve and execute such amendments.

**THEREFORE, BE IT RESOLVED** by the JEA Board of Directors that:

1. The recitals stated above are hereby incorporated into and made part of this Resolution, and such recitals shall serve as findings of fact.
2. The Board hereby approves and ratifies execution of the Energy Authority, Inc. Second Amended and Restated Voting Agreement attached hereto as Exhibit 1 and incorporated herein.
3. The Board hereby approves and ratifies execution of the TEA Solutions, Inc. First Amended and Restated Voting Agreement attached hereto as Exhibit 2 and incorporated herein.
4. To the extent that there are any typographical and/or scrivener’s errors contained herein that do not change to tone, tenor or purpose of this Resolution, then such errors may be administratively corrected with no further action required by the Board.
5. This Resolution shall be effective upon approval by the Board.

Dated this 24<sup>th</sup> day of September 2024.

\_\_\_\_\_  
JEA Board Chair

\_\_\_\_\_  
JEA Board Secretary

Form approved by:

\_\_\_\_\_  
Office of General Counsel

VOTE	
In Favor	
Opposed	
Abstained	

EXHIBIT 1

Proprietary and Confidential

**THE ENERGY AUTHORITY, INC.  
SECOND AMENDED AND RESTATED VOTING AGREEMENT**

THIS SECOND AMENDED AND RESTATED VOTING AGREEMENT (the “Agreement”) is effective as of May 30, 2024, by and among the undersigned members and any future members who become a party to the Agreement (the “Members”) of The Energy Authority, Inc., a Georgia nonprofit corporation (“TEA”). Capitalized terms used herein and not otherwise defined shall have the meanings as defined in the bylaws of TEA in effect at the time of the execution and delivery hereof.

As provided by the Georgia Nonprofit Corporation Code (the “Code”), certain Members of TEA previously entered into a Restated and Amended Voting Agreement dated as of September 22, 2011 (the “Prior Agreement”) to address certain matters relating to the corporate governance of TEA in connection with the election to or removal of persons from TEA’s Board of Directors. The Members desire to amend and restate the Prior Agreement to reflect certain revisions made to TEA’s bylaws.

Accordingly, in consideration of the mutual benefits to be derived from the covenants and agreements herein contained, the receipt and sufficiency of such consideration is hereby acknowledged, the parties to this Agreement agree as follows:

1. Voting Agreement. In connection with the votes for the election or removal of directors of TEA (which votes may be in person or by proxy and at a meeting or by written consent without a meeting, all as provided by the bylaws of TEA), the Members hereby agree that until May 30, 2044:

(a) each Member shall nominate only its chief executive officer or highest-ranking executive (including any acting or interim chief executive officer or person appointed by the board of directors or other governing body of such Member to assume the duties, responsibilities, and authority of the chief executive officer of such Member) to serve as a director;

(b) each Member shall vote affirmatively for those persons nominated in accordance with the provisions hereof for the position of director;

(c) in the case of the request by a Member to remove a director that it nominated, each Member shall vote affirmatively for the removal of such director;

(d) in no case shall Members vote to remove a director unless such removal is requested by a Member that nominated such director;

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(e) in the event of a death, resignation, inability to serve, or disqualification of a director prior to the expiration of his or her term, to fill the resulting vacancy each Member shall vote affirmatively only for a person nominated by the Member that nominated the director whose position has been vacated; and

(f) in the event of a vacancy in the position of a director, each Member agrees to attend in person or by remote communication a meeting of the Members duly called for the purpose of filling any such vacancy and to promptly vote or execute a written consent to elect a person determined by the provisions hereof to fill such vacancy.

After the date set out in the introductory paragraph of this Section 1, this Agreement shall be of no force or effect except that a party hereto shall be entitled to remedies for any breach of this Agreement that occurs while it is in effect.

2. Scope. This Agreement shall only apply to voting by the Members in the election or removal of persons to TEA's Board of Directors.

3. Authority. Each Member represents and warrants that the execution and delivery of, and performance of its obligations under, this Agreement comply with all applicable legal limitations applicable to the Member and have been duly authorized by all necessary actions under law and the organizational and governing documents of the Member. This Agreement constitutes a valid and legally binding obligation of each Member enforceable in accordance with its terms. The execution, delivery and performance by each Member of this Agreement will not conflict with or result in the violation or breach of any agreement or instrument to which the Member is a party or by which it is bound.

4. Future Members and Departing Members. Future Members of TEA agreeing to the provisions hereof shall be bound by the terms of this Agreement by executing an instrument substantially in the form of Annex I attached hereto and made a part hereof. Upon the execution and delivery by any future Member of TEA of an instrument substantially similar to Annex I, such future Member shall be deemed a party to this Agreement. Upon the effective date of a Member's resignation or expulsion, such Member shall no longer be a party to this Agreement (other than to pay any damages owed pursuant to Section 6).

5. Renewal. The Members of TEA at a future date may renew this Agreement for a period not in excess of 20 years from the date of renewal by agreement of all such Members or, if permitted by Georgia law, a later date, by executing an instrument substantially in the form of Annex II attached hereto and made a part hereof.

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6. Remedies. Each Member acknowledges that any breach or violation of this Agreement cannot be sufficiently remedied by money damages alone and, accordingly, a Member will be entitled, in addition to damages and any other remedies provided by law, to specific performance (as provided by the Code), injunctive and other equitable relief in connection with any such violation.

7. Entire Agreement; Amendments. This instrument contains the entire understanding of the parties with respect to the election or removal of persons to TEA's Board of Directors pursuant to TEA's bylaws, supersedes all other agreements (including the Prior Agreement) between or among any of the Members with respect to the election or removal of directors and cannot be altered, otherwise amended or terminated prior to the expiration of its term except upon written agreement of each Member.

8. Severability. In case any provision of this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

9. Counterparts. This Agreement may be executed in any number of counterparts, and this Agreement shall be binding upon all of the Members with the same force and effect as if all the Members had signed the same document. Signatures may be manual, facsimile, conformed, or electronic signatures, including signatures made through an electronic platform such as DocuSign.

10. Governing Law. This Agreement shall be interpreted under the laws of the State of Georgia without reference to its principles of conflicts of law.

11. No Representation of Skill or Competence. No Member shall be deemed to have represented or warranted as to the skill or competence of any person by virtue of the nomination of or affirmative vote for such person in accordance with this Agreement.

[SIGNATURES APPEAR ON FOLLOWING PAGES.]

Proprietary and Confidential

Approved as to Form:

JEA

By   
Name: Regina Ross  
Title: Chief Legal Officer

By   
Name: Vickie Cavey  
Title: Interim Managing Director and  
Chief Executive Officer

*Signature Page to Second Amended and Restated Voting Agreement of  
the Members of The Energy Authority, Inc.*

EXHIBIT 2

Proprietary and Confidential

**TEA SOLUTIONS, INC.  
FIRST AMENDED AND RESTATED VOTING AGREEMENT**

THIS FIRST AMENDED AND RESTATED VOTING AGREEMENT (this "Agreement") is effective as of May 30, 2024, by and among the undersigned members and any future members who become a party to the Agreement (the "Members") of TEA Solutions, Inc., a Georgia nonprofit corporation ("Solutions"). Capitalized terms used herein and not otherwise defined shall have the meanings as defined in the bylaws of Solutions in effect at the time of the execution and delivery hereof.

As provided by the Georgia Nonprofit Corporation Code (the "Code"), certain Members of Solutions previously entered into a Voting Agreement dated as of October 1, 2013 (the "Prior Agreement"), to address certain matters relating to the corporate governance of Solutions in connection with the election to or removal of persons from the Solutions Board of Directors. The Members now desire to amend and restate the Prior Agreement to reflect certain revisions made to Solutions' bylaws.

Accordingly, in consideration of the mutual benefits to be derived from the covenants and agreements herein contained, the receipt and sufficiency of such consideration is hereby acknowledged, the parties to this Agreement agree as follows:

1. Voting Agreement. In connection with the votes for the election or removal of directors of Solutions (which votes may be in person or by proxy and at a meeting or by written consent without a meeting, all as provided by the bylaws of Solutions), the Members hereby agree that until May 30, 2044:

(a) each Member shall nominate only its chief executive officer or highest-ranking executive (including any acting or interim chief executive officer or person appointed by the board of directors or other governing body of such Member to assume the duties, responsibilities, and authority of the chief executive officer of such Member) to serve as a director;

(b) each Member shall vote affirmatively for those persons nominated in accordance with the provisions hereof for the position of director;

(c) in the case of the request by a Member to remove a director that it nominated, each Member shall vote affirmatively for the removal of such director;

(d) in no case shall Members vote to remove a director unless such removal is requested by a Member that nominated such director;

(e) in the event of a death, resignation, inability to serve, or disqualification of a director prior to the expiration of his or her term, to fill the resulting vacancy each Member shall



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vote affirmatively only for a person nominated by the Member that nominated the director whose position has been vacated; and

(f) in the event of a vacancy in the position of a director, each Member agrees to attend in person or by remote communication a meeting of the Members duly called for the purpose of filling any such vacancy and to promptly vote or execute a written consent to elect a person determined by the provisions hereof to fill such vacancy.

After the date set out in the introductory paragraph of this Section 1, this Agreement shall be of no force or effect except that a party hereto shall be entitled to remedies for any breach of this Agreement that occurs while it is in effect.

2. Scope. This Agreement shall only apply to voting by the Members in the election or removal of persons to Solutions' Board of Directors.

3. Authority. Each Member represents and warrants that the execution and delivery of, and performance of its obligations under, this Agreement comply with all applicable legal limitations applicable to the Member and have been duly authorized by all necessary actions under law and the organizational and governing documents of the Member. This Agreement constitutes a valid and legally binding obligation of each Member enforceable in accordance with its terms. The execution, delivery and performance by each Member of this Agreement will not conflict with or result in the violation or breach of any agreement or instrument to which the Member is a party or by which it is bound.

4. Future Members and Departing Members. Future Members of Solutions agreeing to the provisions hereof shall be bound by the terms of this Agreement by executing an instrument substantially in the form of Annex I attached hereto and made a part hereof. Upon the execution and delivery by any future Member of Solutions of an instrument substantially similar to Annex I, such future Member shall be deemed a party to this Agreement. Upon the effective date of a Member's resignation or expulsion, such Member shall no longer be a party to this Agreement (other than to pay any damages owed pursuant to Section 6).

5. Renewal. The Members of Solutions at a future date may renew this Agreement for a period not in excess of 20 years from the date of renewal by agreement of all such Members or, if permitted by Georgia law, a later date, by executing an instrument substantially in the form of Annex II attached hereto and made a part hereof.

6. Remedies. Each Member acknowledges that any breach or violation of this Agreement cannot be sufficiently remedied by money damages alone and, accordingly, a Member will be entitled, in addition to damages and any other remedies provided by law, to specific performance (as provided by the Code), injunctive and other equitable relief in connection with any such violation.

7. Entire Agreement; Amendments. This instrument contains the entire understanding of the parties with respect to the election or removal of persons to Solutions' Board of Directors

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pursuant to Solutions' bylaws, supersedes all other agreements (including the Prior Agreement) between or among any of the Members with respect to the election or removal of directors and cannot be altered, otherwise amended or terminated prior to the expiration of its term except upon written agreement of each Member.

8. Severability. In case any provision of this Agreement shall be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

9. Counterparts. This Agreement may be executed in any number of counterparts, and this Agreement shall be binding upon all of the Members with the same force and effect as if all the Members had signed the same document. Signatures may be manual, facsimile, conformed, or electronic signatures, including signatures made through an electronic platform such as DocuSign.

10. Governing Law. This Agreement shall be interpreted under the laws of the State of Georgia without reference to its principles of conflicts of law.

11. No Representation of Skill or Competence. No Member shall be deemed to have represented or warranted as to the skill or competence of any person by virtue of the nomination of or affirmative vote for such person in accordance with this Agreement.


[SIGNATURES APPEAR ON FOLLOWING PAGES.]

Proprietary and Confidential

Approved as to Form:

JEA

By   
Name: Regina Ross  
Title: Chief Legal Officer

By   
Name: Vickie Cavey  
Title: Interim Managing Director and  
Chief Executive Officer

*Signature Page to First Amended and Restated Voting Agreement of  
the Members of TEA Solutions, Inc.*

# JEA Board Agenda

# MEMORANDUM



## Memorandum of Understanding Between JEA and Neptune Beach to Provide Sampling and Laboratory Analysis Services

Board Meeting Date: September 24, 2024

Outcome:  INFORMATION ONLY  ACTION  FUTURE BOARD CONSIDERATION

If Action, Provide a Recommended Motion: Staff requests the Board approve the terms and conditions of the attached Memorandum of Understanding between JEA and the City of Neptune Beach, and delegates to the Interim Managing Director/Chief Executive Officer or her designee the authority to execute the Memorandum of Understanding in substantially the same form as attached hereto.

Consent Agenda Item:  Yes  No

Presenter: N/A

Chief: Jody Brooks, Chief Administrative Officer

Strategic Focus Area:  DEVELOPING AN UNBEATABLE TEAM  DELIVERING BUSINESS EXCELLENCE  EARNING CUSTOMER LOYALTY

Background Information & Analysis: Neptune Beach Utilities approached JEA Lab Services to assume testing of their Water and Wastewater permit and regulatory samples.

Financial Impact: Neptune Beach will pay for services rendered.

Committee/Board Meeting/Workshop & Date Previously Presented: N/A

Appendix: Resolution 2024-50  
Memorandum of Understanding



**BOARD RESOLUTION: 2024-50**

September 24, 2024

**A RESOLUTION AUTHORIZING THE INTERIM MANAGING DIRECTOR/CHIEF EXECUTIVE OFFICER TO EXECUTE A MEMORANDUM OF UNDERSTANDING BETWEEN JEA AND THE CITY OF NEPTUNE BEACH FOR THE PERFORMANCE OF REGULATORY AND PROCESS LABORATORY ANALYSIS BY JEA FOR CITY WATER AND WASTEWATER FACILITIES**

**WHEREAS**, both JEA and the City of Neptune Beach (the City) are required by the Florida Department of Environmental Protection (DEP) to provide certain sampling and laboratory analysis activities with respect to their water and wastewater systems; and

**WHEREAS**, the City desires to engage JEA to perform such sampling and laboratory analysis activities on its behalf at its laboratory facilities; and

**WHEREAS**, JEA is authorized under Section 21.04(p) of its Charter to provide, supply, transfer, sell, finance, or lease services, products, by-products, and activities developed or used by JEA incident to the exercise of the powers conferred under the Charter, subject to authorization by the JEA Board of Directors; and

**WHEREAS**, the Board has determined that it is desirable for JEA to provide sampling and laboratory analysis services to the City subject to the terms and conditions set forth in the Memorandum of Understanding attached hereto as Exhibit A.

BE IT RESOLVED by JEA’s Board of Directors that:

1. The above recitals are incorporated by reference into the body of this resolution and are adopted as findings of fact.
2. The Board approves the terms and conditions of the attached Memorandum of Understanding between JEA and the City of Neptune Beach, and delegates to the Interim Managing Director/Chief Executive Officer or her designee the authority to execute the Memorandum of Understanding in substantially the same form as attached hereto.
3. To the extent there are typographical, clerical, or administrative errors that do not effect the tone, tenor, or context of this resolution, such errors may be corrected without further Board authorization.
4. This resolution shall be effective immediately upon passage.

Dated this 24th day of September, 2024.

\_\_\_\_\_  
JEA Board Chair

\_\_\_\_\_  
JEA Board Secretary

Form Approved by

\_\_\_\_\_  
Office of General Counsel

VOTE	
In Favor	
Opposed	
Abstained	

**EXHIBIT A**

**Memorandum of Understanding**

**MEMORANDUM OF UNDERSTANDING  
BETWEEN  
JEA AND CITY OF NEPTUNE BEACH**

This Memorandum of Understanding (MOU) is entered into this \_\_\_\_ day of \_\_\_\_\_, 2024 between JEA and the City of Neptune Beach (the City) regarding the performance of regulatory and process laboratory analyses by JEA for City water and wastewater facilities.

**WHEREAS**, both JEA and the City are required by the Florida Department of Environmental Protection (DEP) to provide certain sampling and laboratory analysis activities with respect to their water and wastewater systems; and

**WHEREAS**, the City desires to engage JEA to perform such sampling and laboratory analysis activities on its behalf at its laboratory facilities; and

**WHEREAS**, JEA is authorized under Section 21.04(p) of its Charter to provide, supply, transfer, sell, finance, or lease services, products, by-products, and activities developed or used by JEA incident to the exercise of the powers conferred under the Charter, subject to authorization by the JEA Board of Directors; and

**WHEREAS**, the parties have determined that it is desirable for JEA to provide sampling and laboratory analysis services to the City subject to the terms and conditions set forth herein.

**NOW THEREFORE**, in consideration of the terms and conditions set forth herein, the receipt and sufficiency of which is hereby mutually acknowledged, the parties agree as follows:

**1. Description of Services**

- a) JEA shall perform regulatory and process analysis services required under Chapters 62-550, 62-555, and 62-620 of the Florida Administrative Code for the City's water and wastewater facilities, including distribution and collection systems (the Routine Analyses). The City may request that JEA provide additional sampling and analysis services on a case by case basis (the Additional Sampling or Analyses). JEA's agreement to perform the Additional Sampling or Analyses shall be contingent upon the availability of JEA laboratory resources to perform the services in a timely manner.
- b) For Additional Sampling or Analyses, a minimum of two weeks' notification shall be provided to JEA .
- c) Services performed under this MOU shall be conducted at JEA's Springfield Laboratory except as otherwise provided herein. The City shall be responsible for all sampling and transportation of the samples to the Springfield Laboratory. JEA, in its

sole discretion, may send City samples to a subcontracted laboratory facility if JEA is unable to conduct the analyses in a timely manner at the Springfield Laboratory.

## **2. Compensation**

- a) The City shall compensate JEA for services performed under this MOU at the rates set forth in Exhibit A, attached hereto and incorporated herein.
- b) JEA shall submit invoices to the City for services performed under this MOU on a monthly basis. If the City requires additional information in connection with an invoice, it shall submit a written request to JEA, and the time for payment shall be extended for the amount of time that it takes for JEA to provide the requested information. Invoices submitted under this MOU shall be paid in accordance with the provisions of the Florida Local Government Prompt Payment Act.
- c) The City's maximum indebtedness under this MOU shall not exceed the amount budgeted by the City for such purpose in any given fiscal year.

## **3. Term and Renewal**

This MOU shall commence as of the date set forth above (the Effective Date) and shall remain in effect for five years from the Effective Date unless terminated as provided herein. This MOU may be renewed for additional one-year renewal terms upon mutual agreement of the parties.

## **4. Termination**

- a) Either party may terminate this MOU for convenience upon submission of no less than thirty (30) days' written notice to the non-terminating party. In the event this MOU is terminated for convenience, the City shall compensate JEA for all services performed up to the termination date.
- b) Either party may terminate this MOU for cause if the non-terminating party commits a breach of its material obligations under this MOU and fails to remedy such breach within thirty (30) days after receipt of written notice specifying the breach and stating the actions required to remedy it.

## **5. Notice**

Every notice, approval, consent or other communication authorized or required by this MOU shall not be effective unless same shall be in writing and sent via email (delivery receipt requested), certified mail (return receipt requested), or by other delivery with confirmation of



receipt, directed to the other party at its address provided below or such other address as either party may designate by notice from time to time in accordance herewith:

As to JEA:

As to the City:

## **6. Miscellaneous**

a) All sections and headings are used for convenience only and do not affect construction or interpretation of this MOU.

b) The parties expressly acknowledge that it is not their intent to create or confer any rights or obligations in or upon any third party under this MOU. Nothing herein shall be construed as consent by an agency or political subdivision of the State of Florida to be sued by third parties in any manner arising out of this MOU.

c) Each party is an independent contractor under this MOU, and nothing herein shall be deemed to constitute a partnership, joint venture, agency, or fiduciary relationship between the parties. It is understood and agreed that neither party shall be bound by any representation, act, or omission of the other.

d) This MOU (including any exhibits) represents the entire agreement between the parties and may only be amended by a written agreement signed by both parties. This MOU supersedes all prior or contemporaneous oral or written agreements and understanding with respect to the matters covered by this MOU.

e) Should any provision of this MOU be determined by the courts to be illegal, in conflict with any law of the State of Florida, or otherwise unenforceable, the validity of the remaining provisions will not be impaired.

f) A delay or omission by either party to exercise any right or power under this MOU shall not be construed as a waiver thereof. A waiver by either party of any right under this MOU shall not be effective unless it is in writing and signed by such party.

g) Any provision of this MOU that, by its nature, is applicable to circumstances arising after the termination or expiration of this MOU shall survive such termination or expiration and remain in effect.

h) Each party represents and warrants to the other party that it has full right and authority to execute and perform its obligations under this MOU, and each party and the person(s) signing this MOU on its behalf represent and warrant to the other party that such person(s) are duly authorized to execute this MOU without further consent or approval by anyone. Each party shall deliver to the other party promptly upon request all documents reasonably requested to evidence such authority.

**IN WITNESS WHEREOF**, JEA and the City have duly executed or caused this MOU to be executed in counterparts, each of which shall be considered an original executed copy of this MOU, as of the day and year set forth above.

ATTEST:

**JEA**

\_\_\_\_\_  
Signature

By \_\_\_\_\_  
Signature

\_\_\_\_\_  
Print or Type Name

\_\_\_\_\_  
Print or Type Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

**CITY OF NEPTUNE BEACH**

ATTEST:

\_\_\_\_\_  
Signature

By \_\_\_\_\_  
Signature

\_\_\_\_\_  
Print or Type Name

\_\_\_\_\_  
Print or Type Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

**EXHIBIT A**

**Cost of Services**

JEA shall provide the laboratory sampling and analysis services to the City at the rates provided below. Prices shall be adjusted annually based on the Consumer Price Index.

CHARGE	PART	PART_DESC
\$ 7.00	110.2Color	SM 2120B Color
\$ 5.00	120.1WCond	SM 2510B Conductivity
\$ 31.00	140.1ODOR	SM 2150B Odor
\$ 5.00	150.1WpH	SM 4500H+B pH
\$ 6.00	160.1WTDS	SM 2540C TDS
\$ 6.00	160.2WTSS	SM 2540D TSS
\$ 6.00	160.5WSS	SM 2540F Settleable Solids
\$ 68.00	1631E Hg	EPA 1631E Low Level Hg
\$ 82.00	1664ALL	EPA 1664A Oil and Grease
\$ 41.00	1664HEM	EPA 1664A HEM
\$ 41.00	1664SGT	EPA 1664A HEM-SGT
\$ 7.00	180.1WTurb	Turbidity
\$ 71.00	200.7	EPA 200.7 ICP Analysis
\$ 71.00	200.7D	EPA 200.7 ICP Analysis Dissolved
\$ 72.00	200.8	EPA 200.8 ICPMS Analysis
\$ 72.00	200.8D	EPA 200.8 ICPMS Analysis Dissolved
\$ 69.00	245.1 Hg	EPA 245.1 Mercury
\$ 69.00	245.1A Hg	EPA 245.1A Hg Low Level
\$ 7.00	300.1	IC EPA 300.0
\$ 7.00	300.1BrO3	EPA 300.1 Bromate
\$ 6.00	310.2_ALK	EPA 310.2 Alkalinity
\$ 7.00	350.1NH3	EPA 350.1 Ammonia
\$ 13.00	351.2TKN	EPA 351.2 TKN
\$ 13.00	351.2TKNS	EPA 351.2 TKN Solids
\$ 5.00	353.2(NO3)	Nitrate Only
\$ 5.00	353.2NO2	Nitrite Only
\$ 5.00	353.2NO3	Nitrate/Nitrite
\$ 5.00	353.2NO3S	Nitrate/Nitrite Solids
\$ 7.00	365.1P_O	EPA 365.1 Ortho Phos
\$ 12.00	365.4P_T	EPA 365.4 Total Phos
\$ 12.00	365.4P_TS	EPA 365.4 Total Phos Solids
\$ 9.00	376.1WS	SM 4500 S2F Sulfide
\$ 4.00	410.4COD	EPA 410.4 COD
\$ 39.00	504.1	EPA 504.1 Analysis EDB/DBCP

\$ 16.00	5210bCBOD	SM 5210B CBOD
\$ 26.00	524.2	EPA 524.2 THM Analysis
\$ 26.00	524.2ALL	EPA 524.2 Volatile Analysis
\$ 46.00	552.2	EPA 552.2 HAA Analysis
\$ 236.00	6010B	SW846-6010B ICP Soil
\$ 71.00	6010W	SW846-6010W ICP Water
\$ 37.00	624	EPA 624.1 GCMS Volatiles
\$ 37.00	624ALLUnP	EPA 624.1 GCMS Volatiles Unpreserved
\$ 109.00	625	EPA 625.1 GCMS Semi-Volatiles
\$ 109.00	625BNA+T25	EPA 625.1 GCMS Semi-Volatiles + TIC
\$ 109.00	625PAH	EPA 625.1 GCMS Semi-Volatiles, PAH
\$ 109.00	7471	SW846-7471 Hg Solids
\$ 83.00	7473_S	SW846-7473 Hg Solids
\$ 5.00	9045pH_S	SW846-9045 pH Solids
\$ 23.00	ALKVOA	VFA Alkalinity
\$ 12.00	EColi_MPN	SM 9223B E. coli Quantitray MPN
\$ 17.00	ENTEROLERT	Enterococci MPN by Quantitray
\$ 7.00	Fecal_MPN	SM 9223B Fecal Coliform MPN Quantitray
\$ 5.00	MIXLIQUOR	Mixed Liquors
\$ 6.00	S2320WALK	SM 2320B Alkalinity
\$ 6.00	S2450DVSS	SM 2540D VSS
\$ 14.00	S9221WFCoE	SM 9222B Fecal coliform MF
\$ 6.00	S9223UV	SM 9223B TC/EC PA
\$ 6.00	SM4500CI-E	SM 4500 CI-E Chloride
\$ 17.00	SM5310TOC	SM 5310C TOC
\$ 11.00	SUBOUT	Admin cost for subcontract sample
\$ 1,911.00	b7ddamg	Mysid Chronic
\$ 2,253.00	b7ddcdr	Chronic Dubia
\$ 1,922.00	b7ddfhg	Chronic Promelas
\$ 1,875.00	b7ddmbg	Chronic Berylina
\$ 1,603.00	b96dfcer	Acute Dubia
\$ 971.00	b96dfcyp	Acute Leedsi
\$ 988.00	b96dfmen	Acute Berylina
\$ 934.00	b96dfmys	Acute Mysid
\$ 22.00	335.4	Cyanide
\$ 792.00	various	Annual Reuse subout parameters
\$ 2,734.00	1623.1 w/field sampling	Giardia/Cryptosporidium (every 5 years)
	*Pace estimated rates, as of 9/5/2024	

# JEA Board Agenda

# MEMORANDUM



## Florida Blue Renewal

Board Meeting Date: September 24, 2024

Outcome:  INFORMATION ONLY  ACTION  FUTURE BOARD CONSIDERATION

If Action, Provide a Recommended Motion:  
Staff requests the Board to approve utilizing one renewal and to add \$33,862,015.95 to the contract for Medical Administrative Services Only, Pharmacy Benefit Management Services, Stop Loss, and Chronic Condition Management Services for a new not-to-exceed amount of \$98,918,592.95.

Consent Agenda Item:  Yes  No

Presenter: Ted Phillips, Chief Financial Officer

Chief: Ted Phillips, Chief Financial Officer

Strategic Focus Area:  DEVELOPING AN UNBEATABLE TEAM  DELIVERING BUSINESS EXCELLENCE  EARNING CUSTOMER LOYALTY

### Background Information & Analysis:

JEA offers a self-insured medical plan, funded through contributions from both JEA and employee premiums, and protected by Stop Loss insurance coverage. On May 25, 2022, JEA sought bids from carriers to find suppliers capable of providing Administrative Services Only (ASO) for medical and pharmaceutical services. This includes processing claims at discounted rates, Stop Loss insurance, and chronic condition management for JEA employees and retirees. After evaluating responses in partnership with Gallagher Benefit Services, JEA chose to continue with Florida Blue, the incumbent provider, as they were the only respondent and have been providing services since July 2, 2009.

This contract is part of an Employer-Sponsored Self-Funded program, where JEA is responsible for all fixed and claims costs. Employees cover approximately 26% of their annual premium, while retirees pay their full premium. Florida Blue, acting as a third-party administrator, negotiates discounts with medical providers and manages pharmacy benefits. Total funding includes administrative costs for claims processing, provider discounts, and pharmacy management. An annual Stop Loss policy helps mitigate the financial risk of high, catastrophic claims. Plan costs are offset by negotiated pharmacy rebates and Stop Loss reimbursements for claims exceeding the deductible. Administrative service fees are based on the number of enrolled participants and are estimated based on the previous year's claims and fees paid to Florida Blue. Actual claims paid in calendar year 2023 were \$29,916,312.93, the administrative fee paid to Florida Blue was \$1,276,007.02. Stop Loss insurance premiums paid was \$ 1,805,942.94 for a total of \$32,998,262.89. This total is offset by pharmacy rebates and stop loss reimbursements in the amount of \$3,338,935.76 and \$197,729.31, respectively.

## JEA Board Agenda

# MEMORANDUM



### Florida Blue Renewal

#### Background Information & Analysis:

This request is to utilize one (1) of the remaining three (3) renewals and to add the funds needed for the 2025 Benefit Period (1/1/2025 - 12/31/2025) which is estimated, using Gallagher's actuarial forecast of \$32,249,539.00 and a contingency of 5% to cover negotiations with healthcare providers, for a total of \$33,862,015.95. Contingency funds will not be spent unless needed.

Current Project Encumbrance Update: N/A - No purchase orders - pass through. FY24 spend to date - \$19,399,465.50 Claims \$17,992,248.93, admin fee YTD \$770,419.70. Stop Loss premium paid \$636,796.87.

#### Financial Impact:

TBD at a later date

#### Committee/Board Meeting/Workshop & Date Previously Presented:

Finance, Governance, & Audit Committee for information - August 20, 2024

#### Appendix:

Resolution 2024-49  
Florida Blue - Board Summary Document  
Florida Blue Summary  
JEA Self-Funded Plan\_2023 Calendar Year Total



**BOARD RESOLUTION: 2024-43**

September 24, 2024

**A RESOLUTION TO INCREASE THE DOLLAR AMOUNT OF THE EXISTING JEA CONTRACT FOR MEDICAL ASO, PHARMACY BENEFIT MANAGEMENT SERVICES, STOP LOSS AND CHRONIC CONDITION MANAGEMENT SERVICES AND TO AUTHORIZE THE INTERIM CHIEF EXECUTIVE OFFICER/MANAGING DIRECTOR TO EXECUTE AN AMENDMENT TO THE AGREEMENT BETWEEN JEA AND BLUE CROSS BLUE SHIELD OF FLORIDA, INC. TO INCREASE JEA'S MAXIMUM INDEBTEDNESS UNDER THE CONTRACT TO AN AMOUNT NOT TO EXCEED NINETY EIGHT MILLION NINE HUNDRED TWENTY EIGHT THOUSAND FIVE HUNDRED NINETY TWO AND 95/100 DOLLARS (\$98,928,592.95).**

**WHEREAS**, JEA issued a **Solicitation 1410694646** for **Participation in an Invitation to Negotiate For Medical Administrative Services Only (ASO), Pharmacy Benefit Management Services, Stop Loss and Chronic Condition Management Services**, (the "ITN"); and

**WHEREAS**, in a publicly noticed meeting, on March 20, 2023, the JEA Awards Committee awarded **BLUE CROSS BLUE SHIELD OF FLORIDA, INC.** (BCBS) a contract under the ITN, which was renewed for a 1-year term ending **December 31, 2024**; and

**WHEREAS**, on **March 20, 2023**, JEA and **BCBS** entered into JEA Contract No. JEA 10464/197453 (the Original Contract) for **Participation in an Invitation to Negotiate For Medical Administrative Services Only, Pharmacy Benefit Management Services, Stop Loss and Chronic Condition Management Services**, attached hereto and incorporated herein, with a maximum indebtedness of **THIRTY ONE MILLION NINE HUNDRED SEVENTY FOUR THOUSAND SEVENTY SEVEN AND 00/100 DOLLARS (\$31,974,077.00)**; and

**WHEREAS**, on **November 20, 2023**, JEA and BCBS executed Amendment #1 to the Original Contract, attached hereto and incorporated herein, to increase **THIRTY-THREE MILLION EIGHTY-TWO THOUSAND FIVE HUNDRED AND 00/100 DOLLARS (\$33,082,500.00)**, as approved by the JEA Awards Committee on November 30, 2023, for a new Maximum Indebtedness of **SIXTY-FIVE MILLION FIFTY-SIX THOUSAND FIVE HUNDRED SEVENTY-SEVEN AND 00/100 DOLLARS (\$65,056,577.00)**; and

**WHEREAS**, on **May 31, 2024**, JEA and BCBS agreed to revise Attachment E of the Original agreement to incorporate certain pricing that was inadvertently omitted from the original Agreement; and

**WHEREAS**, JEA now desires to renew the Agreement for an additional one-year term, increasing the Maximum Indebtedness by **THIRTY-THREE MILLION EIGHT HUNDRED SIXTY TWO THOUSAND FIFTEEN AND 95/100 DOLLARS (\$33,862,015.95)** for a new total Maximum Indebtedness of **NINETY-EIGHT MILLION NINE HUNDRED EIGHTEEN THOUSAND FIVE HUNDRED NINETY-TWO AND 95/100 DOLLARS (\$98,918,592.95)**.

**WHEREAS**, the Board of Directors has determined that it is in the best interests of JEA to approve the increase to the Contract and amend the Original Contract to increase the maximum indebtedness as provided herein.

NOW THEREFORE, BE IT RESOLVED by the JEA Board of Directors that:

1. The above recitals are incorporated by reference into the body of this resolution and are incorporated as findings of fact.
2. The Board of Directors hereby accepts the increase of the contract with BCBS and authorizes the Interim Chief Executive Officer/Managing Director or her designee to execute an amendment to the Original Contract, as amended, increasing the total maximum indebtedness thereunder to an

amount not to exceed ninety-eight million nine hundred eighteen thousand five hundred ninety-two and 95/100 dollars (\$98,918,592.95).

3. To the extent there are typographical, clerical, or administrative errors that do not affect the tone, tenor, or context of this resolution, such errors may be corrected without further authorization from the Board of Directors.
4. This Resolution shall be effective immediately upon passage.

Dated this 24th day of September, 2024.

\_\_\_\_\_  
JEA Board Chair

\_\_\_\_\_  
JEA Board Secretary

Form Approved by

\_\_\_\_\_  
Office of General Counsel

VOTE	
In Favor	
Opposed	
Abstained	



EXHIBIT A

Original Contract & Amendments

JEA Board Review of Large Continuing Services Contracts Greater than \$50M						
ACTION REQUIRED						
Contract # Short Description	Contracted Supplier	Funding Source	Term (Projected) Start Date - End Date	Original Contract Amount	Amendments (Date : Amount : New NTE)	Current Not-to-Exceed
JEA11204 - Medical ASO, Pharmacy Benefit Management Services, Stop Loss and Chronic Condition Management Services	Blue Cross and Blue Shield of Florida, Inc. dba Florida Blue	O&M	One (1) Year w/ Four (4) -1 Yr. Renewals Three (3) Remaining Start: 01/01/2023 End: 12/31/2024	\$31,974,077.00	11/30/2023 : \$33,082,500.00 : \$65,056,577.00	\$65,056,577.00
<p>JEA offers a self-insured medical plan, funded through contributions from both JEA and employee premiums, and protected by Stop Loss insurance coverage. On May 25, 2022, JEA sought bids from carriers to find a supplier capable of providing Administrative Services Only (ASO) for medical and pharmaceutical administration and claims services. This includes processing claims at discounted rates, Stop Loss insurance, and chronic condition management for JEA employees and retirees. After evaluating responses in partnership with Gallagher Benefit Services, JEA chose to continue with Florida Blue, the incumbent provider, as they were the only respondent and have been providing services since July 2, 2009.</p> <p>This contract is part of an Employer-Sponsored self-funded medical insurance plan, where JEA is responsible for all fixed and claims costs up to the Stop Loss deductible. Employees and Retirees share in the funding of the plan through collection of bi-weekly premiums via payroll deductions. JEA contributes between 74% - 100% of the premium cost, while the employee is responsible for the remaining amount used to pay plan expenses. Florida Blue, acting as a third-party administrator, negotiates discounts with medical providers and manages pharmacy benefits. Total funding includes administrative costs for claims processing, provider discounts, and pharmacy management. An annual Stop Loss policy helps mitigate the financial risk of high, catastrophic claims. Plan costs are offset by negotiated pharmacy rebates and Stop Loss reimbursements for claims exceeding the deductible. Administrative service fees are based on the number of enrolled participants and are estimated based on the previous year. Actual claims paid in calendar year 2023 were \$29,916,312.93, the administrative fee paid to Florida Blue was \$1,276,007.02, Stop Loss insurance premium paid was \$ 1,805,942.94 for a total of \$32,998,262.89. This total is offset by pharmacy rebates and stop loss reimbursements in the amount of \$3,338,935.76 and \$197,729.31, respectively.</p> <p style="text-align: right;">This request is to</p> <p>utilize one (1) of the remaining three (3) renewals and to add the funds needed for the 2025 Benefit Period (1/1/2025 - 12/31/2025) which is estimated, using Gallagher's actuarial forecast of \$32,249,539.00 and a contingency of 5% to cover negotiations with healthcare providers, for a total of \$33,862,015.95. Contingency funds will not be spent unless needed.</p> <p>Current Project Encumbrance Update: N/A - No purchase orders - pass through. FY24 spend to date - \$19,399,465.50 Claims \$17,992,248.93, Admin Fee ytd \$770,419.70, Stop Loss premium paid \$636,796.87.</p>						
<p><b>ACTION REQUESTED: Request to utilize one renewal and add \$33,862,015.95 to the Contract for Medical ASO, Pharmacy Benefit Management Services, Stop Loss and Chronic Condition Management Services for a new not-to-exceed amount of \$98,918,592.95.</b></p>						



## Medical ASO, Pharmacy Benefit Management Services, Stop Loss and Chronic Condition Management Services Contract – Board Report

Originally Awarded at JEA Awards Committee on September 15, 2022.

**Project Title:** Medical ASO, Pharmacy Benefit Management Services, Stop Loss and Chronic Condition Management Services

**JEA Business Contract Owner:** Becker, Carl R. - Manager Benefits Services

**Original Scope of Work:** This scope of work is to identify a vendor who can provide a comprehensive Medical Benefit Plan, Medical Administrative Services Only (ASO), Chronic Condition Management administrative services, Pharmacy Benefits and Stop Loss coverage to the covered employees and retirees of JEA.

**Current Project Update:** The contract is working as planned with no issues. The totals below represent the JEA total funding.

**Current Encumbrance Update:**

2023 - \$29,916,312.93-claims, \$1,276,007.02 - admin fee, \$1,805,942.94 Stop Loss premium = \$32,998,262.89 minus \$3,338,935.76 pharmacy rebates and \$197,729.31, Stop Loss Reimbursement for a total of \$29,461,597.82.

2024 to date- \$19,399,465.50 Claims \$17,992,248.93, admin fee \$770,419.70, Stop Loss premium paid \$636,796.87.

Name	Address	Amount
BLUE CROSS AND BLUE SHIELD OF FLORIDA, INC. DBA FLORIDA BLUE	4800 Deerwood Campus Parkway, Jacksonville, FL 32246	\$65,056,577.00

**Original amount of Contract/PO:** \$31,974,077.00  
**Amendment 1 11/30/2023:** \$33,082,500.00  
**Renewal Amount:** \$33,862,015.95  
**New Not to Exceed Amount:** \$98,928,592.95  
**Length of Contract/PO Term:** One (1) Year w/Four (4) – 1 Yr. Renewals  
**Begin Date (mm/dd/yyyy):** 01/01/2023  
**End Date (mm/dd/yyyy):** 12/31/2024  
**Renewal Options:** Three (3) – 1 Yr. Renewals Remaining  
**JSEB Requirement:** N/A – No JSEBs identified

Respondents:

Name	Annual Amount	Rank
BLUE CROSS AND BLUE SHIELD OF FLORIDA, INC.	\$31,974,077.00	1

Amendment Date	Amendment Amount
1/1/2024	\$33,082,500.00

**Original Background/Recommendations:** JEA offers a self-insured medical plan, funded through contributions from both JEA and employee premiums and protected by Stop Loss insurance coverage. On May 25, 2022, JEA sought bids from carriers to find a supplier capable of providing Administrative Services Only (ASO) for medical and pharmaceutical administration and claims services. This includes processing claims at discounted rates, Stop Loss insurance, and chronic condition management for JEA employees and retirees. After evaluating responses in partnership with Gallagher Benefit Services, JEA chose to continue with Florida Blue, the incumbent provider, as they were the only respondent and have been providing services since July 2, 2009.

This contract is part of an Employer-Sponsored Self-Funded medical insurance plan, where JEA is responsible for all fixed and claims costs up to the Stop Loss deductible. Employees and Retirees share in the funding of the plan through collection of bi-weekly premiums via payroll deductions. JEA contributes between 74% - 100% of the premium cost, while the employee is responsible for the remaining amount used to pay plan expenses. Florida Blue, acting as a third-party administrator, negotiates discounts with medical providers and manages pharmacy benefits. Total funding includes administrative costs for claims processing, provider discounts, and pharmacy management. An annual Stop Loss policy helps mitigate the financial risk of high, catastrophic claims. Plan costs are offset by negotiated pharmacy rebates and Stop Loss reimbursements for claims exceeding the deductible. Administrative service fees are based on the number of enrolled participants and are estimated based on the previous year. Actual claims paid in calendar year 2023 were \$29,916,312.93, the administrative fee paid to Florida Blue was \$1,276,007.02, Stop Loss insurance premium paid was \$ 1,805,942.94 for a total of \$32,998,262.89. This total is offset by pharmacy rebates and stop loss reimbursements in the amount of \$3,338,935.76 and \$197,729.31, respectively.

Request to utilize one renewal and add \$33,862,015.95 to the Contract for Medical ASO, Pharmacy Benefit Management Services, Stop Loss and Chronic Condition Management Services for a new not-to-exceed amount of \$98,918,592.95.

Current Project Encumbrance Update: N/A - No purchase orders - pass through. FY24 spend to date - \$19,399,465.50, Claims \$17,992,248.93, Admin Fee ytd \$770,419.70, Stop Loss premium paid \$636,796.87.

**JEA Self-funded 2023 Calendar Year Totals**

	<b>Claims Payment (SF10)</b>	<b>Claims Admin Payment (SF11)</b>	<b>Stop Loss Payment (SF13)</b>	<b>Stop Loss Reimbursement (SF04)</b>	<b>Prescription Rebates (SF05)</b>
01/31/23	2,986,757.99	103,652.20	147,496.02	-93,252.02	20,000.00
02/28/23	2,260,656.59	105,380.48	147,944.03	-1,591.99	0.00
03/31/23	1,848,447.22	104,651.72	148,536.99	-1,358.19	-1,313,364.10
04/30/23	2,227,386.58	105,516.96	148,790.42	-4,778.59	-3,764.14
05/31/23	2,242,813.75	105,881.64	148,720.38	-1,036.71	-9,149.40
06/30/23	2,271,592.69	105,061.76	149,469.48	0.00	-667,836.21
07/31/23	2,568,592.21	105,790.32	150,701.61	0.00	-677,185.75
08/31/23	2,231,187.29	106,200.36	151,477.96	0.00	0.00
09/30/23	2,474,492.63	107,248.24	151,973.63	0.00	0.00
10/31/23	2,901,977.56	110,259.20	152,588.97	0.00	-672,698.03
11/30/23	3,015,963.44	107,977.20	153,601.24	0.00	0.00
12/31/23	2,886,444.98	108,386.94	154,642.21	-95,711.81	-14,938.13
Totals	29,916,312.93	1,276,007.02	1,805,942.94	-197,729.31	-3,338,935.76
	32,998,262.89				

# JEA Board Agenda

# MEMORANDUM



## Board By-Laws and Policy Manual

Board Meeting Date: September 24, 2024

Outcome:  INFORMATION ONLY  ACTION  FUTURE BOARD CONSIDERATION

If Action, Provide a Recommended Motion: N/A

Consent Agenda Item:  Yes  No

Presenter: Jody Brooks, Chief Administrative Officer

Chief: Jody Brooks, Chief Administrative Officer

Strategic Focus Area:  DEVELOPING AN UNBEATABLE TEAM  DELIVERING BUSINESS EXCELLENCE  EARNING CUSTOMER LOYALTY

Background Information & Analysis: In accordance with Article 21 – JEA Charter, the Board is required to review and update its governance documents annually. The current Board Policy Manual adopted on August 10, 2022 has been reviewed and this Board has indicated that it would like to revert to the prior Board Policy Manual that was adopted on November 16, 2021 with a few suggested edits.

Financial Impact: N/A

Committee/Board Meeting/Workshop & Date Previously Presented: August 27, 2024 JEA Board Meeting

Appendix: November 16, 2021 Board By-Laws and Policy Manual

***JEA Board Policy Manual***

**JEA  
Board Policy  
Manual**

Dated this \_\_\_\_\_ day of May 2021.

\_\_\_\_\_  
JEA Board Chair

\_\_\_\_\_  
JEA Board Secretary

Adopted in its entirety by the JEA Board on February 16, 2010  
and as Amended and Adopted by the JEA Board on May 25, 2021.

# ***JEA Board Policy Manual***

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## ***JEA Board Policy Manual***

### **POLICY TYPE: GOVERNANCE PROCESS**

#### **POLICY 1.0**

#### **POLICY TITLE: *BY-LAWS OF JEA***

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### **ARTICLE I - OFFICES**

The principal office of JEA shall be located in Jacksonville, Florida. Branch offices of JEA may be established at such places as JEA may designate from time to time.

### **ARTICLE II - MEMBERS OF JEA GOVERNING BODY**

**Section 1. General Powers.** The affairs of JEA shall be managed by the JEA governing body ("Board") as provided in Article 21, Charter of the City of Jacksonville, as amended, and other applicable laws.

**Section 2. Appointment, Number, Tenure, and Expense Reimbursement.** The membership of the JEA Board shall be constituted in number, qualifications, manner of appointment and tenure as provided in Article 21, Charter of the City of Jacksonville, as amended. Members of the JEA Board shall receive reimbursement for all expenses incurred which are reimbursable by law.

### **ARTICLE III - OFFICERS**

**Section 1. Elections.** The Officers of the JEA Board shall be a Chair, Vice-Chair, and a Secretary who shall be elected by the members and who shall serve as such officers for one year or until a successor is chosen. The Chair may serve for two consecutive one-year terms, which shall not include any period served as replacement Chair during the unexpired portion of the predecessor's term. Elections of Officers shall be conducted at the first regular meeting in March which may be preceded by a meeting of the nominating committee composed of the JEA Board acting as a whole or such other membership as the Chair may designate.

**Section 2. Vacancies.** A vacancy in any office because of death, illness, removal or otherwise, may be filled by the remaining members for the unexpired term.

**Section 3. Chair.** The Chair shall preside at all meetings of the JEA Board unless the Chair delegates otherwise. The Chair shall designate from time to time such special committees as the Chair deems appropriate and shall designate the subject matter assigned to each committee for consideration. In the event of the Chair's prolonged absence or disability, the Vice-Chair shall exercise all functions of the Chair for a period of up to thirty (30) days, at the expiration of which a special election shall be conducted by the JEA Board and a permanent Chair elected.

**Section 4. Vice-Chair.** The Vice-Chair shall perform such duties as are assigned by the Chair in addition to the functions for which the Vice-Chair is responsible under Section 3 above.

**Section 5. Secretary.** The Secretary has oversight of the procedures used by the JEA Staff to accurately produce Minutes of all Board and Committee meetings and submission for public record. The Secretary shall perform such other duties as from time to time may be assigned by the Chair.

### **ARTICLE IV - COMMITTEES**

**Section 1. Ordinary Committees.**

(a) **Standing Committees.** The Chair may appoint standing committees from time to time which shall be composed of as many members of the JEA Board as determined by the Chair. The Chair

Adopted in its entirety by the JEA Board on February 16, 2010  
and as Amended and Adopted by the JEA Board on May 25, 2021

## **JEA Board Policy Manual**

**POLICY TYPE: GOVERNANCE PROCESS**

**POLICY 1.0**

**POLICY TITLE: BY-LAWS OF JEA**

shall name one of the committee members as committee chair and one as committee vice-chair. A standing committee shall continue until such time as it is terminated by the Chair.

(b) **Special Committees.** The Chair may appoint special committees from time to time, and the Chair may specify that one or more individuals who are not members of the JEA Board shall work with and assist the special committee. The Chair shall name one of the committee members as committee chair and one as committee vice-chair; both positions must be filled by current members of the JEA Board. When a special committee has fulfilled its function or when the best interests of JEA have been served, the committee shall be terminated without formal action.

**Section 2. Term of Committee Members.** Each member of a committee shall serve until the expiration of his/her term of office as a JEA Board member, until that member's successor is appointed and has accepted such appointment, or until the committee is terminated.

**Section 3. Powers of the Committee and the Committee Chair.** The committee chair, or vice-chair in the absence of the chair, shall have the power and authority to call meetings of the committee upon reasonable verbal or written notice to the members, and to set the date, time and place of such meetings. This function may also be performed by a majority of the remaining members of the committee upon inaction by the chair. A committee secretary may be designated by the committee chair. A committee may submit reports to the Chair and members of the JEA Board in writing as determined by the committee chair. Committee reports shall contain both majority and minority reports of committee members. A committee may by motion recommend to the JEA Board that action be taken on matters under consideration by the committee. Matters under consideration by the committee may include resolutions or other proposed actions presented to the committee by the JEA Managing Director.

**Section 4. Committee Vacancies.** The Chair shall fill vacancies in the membership of any committee. Should the Chair of the JEA Board fail to fill a vacancy within a reasonable length of time after such a vacancy occurs, then such vacancy may be filled by a majority of the members of the JEA Board acting in any regular or special meeting.

**Section 5. Conduct of Committee Business.** A majority of the entire membership of the committee shall constitute a quorum, and an act of the majority of the committee present at any meeting shall constitute the act of the committee. Should a quorum not be present at a scheduled meeting, the committee chair, or vice-chair in the absence of the chair, may appoint as many JEA Board members as necessary to constitute a quorum. Such appointment is for the purpose of that meeting only. All JEA Board members may attend and participate in any committee meeting, but only committee members have the right to make motions and to vote. Except as provided otherwise herein, Roberts Rules of Order shall govern the conduct of committee business, unless the majority of the committee present at such meeting shall elect to utilize other rules or procedures consistent with applicable law and these By-Laws.

**ARTICLE V - CONDUCT OF AUTHORITY BUSINESS**

**Section 1. Regular Meetings.** Regular meetings shall be held at least monthly at the principal offices of JEA in the City of Jacksonville, or at such other public place within the City of Jacksonville as may be determined by the Chair, and at such times as the Chair or a majority of the members may designate. More frequent regular meetings may be held at the pleasure of a majority of the members.

**Section 2. Special Meetings.** Special meetings of the members may be called by the Chair or by any three (3) members and shall be held at the principal offices of JEA in the City of Jacksonville, or at such other public place within the City of Jacksonville as may be determined by the Chair.

Adopted in its entirety by the JEA Board on February 16, 2010  
and as Amended and Adopted by the JEA Board on May 25, 2021

## ***JEA Board Policy Manual***

### **POLICY TYPE: GOVERNANCE PROCESS**

#### **POLICY 1.0**

#### **POLICY TITLE: *BY-LAWS OF JEA***

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**Section 3. Notice of Special Meetings and Purpose.** Notice of each special meeting of the members shall be given by the Chair or by the three (3) members who may have called such special meeting. Such notice shall be in writing and shall be provided to every member not less than seven days before the meeting and shall state the purpose, time and place of the special meeting. Attendance by a member at a special meeting shall constitute waiver of notice. A member may, however, appear at a meeting for the sole purpose of objecting to the transaction of any business on the ground that the meeting was not lawfully called without losing the right to object to improper notice. No business shall be transacted at any special meeting other than the purpose specified in the notice unless a majority of the members in attendance at such special meeting agree to transact other business.

**Section 4. Teleconference or Videoconference Meetings.** The Chair may allow Board member(s) to attend a regular or special meeting by teleconference or videoconference, provided that all JEA Board members attending the meeting and all other persons participating in the meeting may hear each other. Whenever any Board member attends a meeting by teleconference or videoconference, the Chair shall conduct the meeting in a manner so as to allow, to the fullest extent possible, simultaneous communication. A Board member or other person wishing to speak must first identify himself/herself to the Chair and request recognition from the Chair before speaking. Visual presentations shall be described in detail for any Board member attending by teleconference who is unable to view the presentation. It is the Board's preference that meetings be held with a quorum physically present except, on occasion, when the Board needs to transact business for a special matter typically conducted at a special meeting.

**Section 5. Quorum and Votes Required for Action.** The majority of the Board members shall constitute a quorum for the purpose of meeting and transacting business. Four (4) affirmative votes shall be required to accomplish an act of business. Pursuant to Chapter 286, Florida Statutes, no member who is present at any Board meeting may abstain from voting except when there is, or appears to be, a possible conflict of interest. In such case, the abstaining Board member shall comply with the disclosure requirements of Chapter 112, Florida Statutes.

**Section 6. Vacancies.** Any vacancy occurring in the office of a member of the JEA Board shall be filled for the unexpired term in the manner provided in Article 21, Charter of the City of Jacksonville, as amended.

**Section 7. Rules and Procedures.** Except as provided otherwise herein, Robert's Rules of Order shall govern the conduct of the JEA Board business, unless the majority of members shall elect to utilize other rules or procedures consistent with applicable law and these By-Laws.

### **ARTICLE VI - AMENDMENTS TO BY-LAWS**

These By-Laws may be amended, repealed or altered, in whole or in part, by the affirmative votes of four (4) members at any regular or special meeting, provided such subject has been included in an agenda item.

## ***JEA Board Policy Manual***

**POLICY TYPE: GOVERNANCE PROCESS**

**POLICY 1.0**

**POLICY TITLE: *BY-LAWS OF JEA***

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### **ARTICLE VII - EFFECT OF BY-LAWS**

Noncompliance with these By-Laws shall not operate to invalidate any JEA Board action otherwise valid under applicable law.

Adopted in its entirety by the JEA Board on February 16, 2010  
and as Amended and Adopted by the JEA Board on May 25, 2021

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## ***JEA Board Policy Manual***

### **POLICY TYPE: GOVERNANCE PROCESS**

#### **POLICY 1.1**

#### **POLICY TITLE: *JEA BOARD MISSION, VISION, VALUES, GOALS AND OBJECTIVES***

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##### **Mission**

The JEA Board will exercise ownership, management and operate utilities systems for the City of Jacksonville and rate payers.

##### **Vision**

Make JEA the best in class for public utilities in the United States.

##### **Values**

- Leadership – Make the tough calls.
- Selfless Service – Do what is right for the community.
- Competency – Have a strategic understanding of the public utilities industry.
- Integrity – Adhere to a strict moral and ethical code and total transparency.

##### **Goals & Objectives**

- Be proactive in issuing important guidance and making timely decisions.
  - Objective: Maintain a planning horizon that is forward looking and anticipate key decisions to be made.
- Act in the best interest of the JEA workforce, rate payers and the citizens of Jacksonville.
  - Objective: Utilize the expertise of board members to enhance the ability of the board to act as a collective body.
- Exercise due diligence so well- informed decisions are made.
  - Objective: Use sound business judgement consistent with JEA's legislative charter.
- Secure the trust and confidence of the Jacksonville community and rate payers.
  - Objective: Strict adherence to Sunshine laws, JEA Charter, Florida & Jacksonville City Ethics Codes and JEA Code of Conduct.

Adopted in its entirety by the JEA Board on February 16, 2010  
and as Amended and Adopted by the JEA Board on May 25, 2021

## **JEA Board Policy Manual**

**POLICY TYPE: GOVERNANCE PROCESS**

**POLICY 1.2**

**POLICY TITLE: GLOBAL GOVERNANCE PROCESS**

*The mission of the JEA Board is to exercise ownership, management and operate utilities systems for the City of Jacksonville and rate payers and make JEA the best in class for public utilities in the United States.*

- 1.2.1 **Governing Style:** The Board will govern in accordance with legal requirements, with an emphasis on (a) outward vision rather than internal preoccupation, (b) encouragement of diversity in viewpoints, (c) strategic leadership more than administrative detail, (d) clear distinction of Board and chief executive roles, (e) collective rather than individual decisions, (f) future more so than past or present, and (g) proactivity rather than reactivity.
- 1.2.2 **Board Job Description:** Specific responsibilities of the Board are those that ensure appropriate organizational performance.
- 1.2.3 **Agenda Planning:** To accomplish its responsibilities with a governance style consistent with Board policies, the Board will follow an annual agenda that (a) reviews the MOEs (measures of effectiveness) and (b) continually improves Board performance through education and deliberation.
- 1.2.4 **Board Officers:** Board officers assure the integrity of the Board's process and record's. Board officers are: Chair, Vice-Chair and Secretary.
- 1.2.5 **Rules of Order:** Board meetings will be conducted in an orderly and fair process consistent with the requirements of Florida law, Ordinances of the City of Jacksonville, the JEA Charter and these governance policies. Meetings will be led by the Chair, or, in the absence of the Chair, the Vice-Chair, or, in the absence of both, by the Chair's designee.
- 1.2.6 **Board Member's Code of Conduct:** The Board commits itself to lawful, ethical and businesslike conduct, following all requirements of Florida Law, Ordinances of the City of Jacksonville, and the JEA Charter including proper use of its authority and appropriate decorum when acting as Board members.
- 1.2.7 **Board Member's Individual Responsibility:** The leadership success of the Board is a direct result of the individual and collegial participation of its members. Board members will commit to preparation for all JEA related meetings and activities.
- 1.2.8 **Board Committee Principles:** Board committees, when used, will be assigned so as to reinforce the wholeness of the Board's job and not to interfere with delegation from the Board to the CEO.
- 1.2.9 **Board Committee Structure:** A committee is a Board committee only if its existence and charge come from the Board, regardless of whether Board members sit on the committee. The only Board committees are those which are set forth in in this policy. Unless otherwise stated, a committee ceases to exist as soon as its task is complete. The CEO will attend meetings of each committee, but shall not have a vote.
- 1.2.10 **New Board Members On-Boarding Requirements:** Coordinate with the JEA Executive Staff Assistant for exact requirements. Generally new board members will a) execute a facilities orientation; b) receive a JEA email account; c) file financial disclosure Form 1; d) get a JEA photograph and JEA employee access pass; e) execute Technology Services agreement, General Security Awareness Training; and f) ethics brief by the City's Office of Ethics, Compliance, and Oversight.
- 1.2.11 **JEA Board Evaluation:** Done annually as per App A3.

Adopted in its entirety by the JEA Board on February 16, 2010  
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## ***JEA Board Policy Manual***

### **POLICY TYPE: GOVERNANCE PROCESS**

#### **POLICY 1.3**

#### **POLICY TITLE: GOVERNING STYLE**

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*The Board will govern in accordance with legal requirements, observing the principles of the Policy Governance model, with an emphasis on (a) outward vision rather than internal preoccupation, (b) encouragement of diversity in viewpoints, (c) strategic leadership more than administrative detail, (d) clear distinction of Board and chief executive roles, (e) collective rather than individual decisions, (f) future more so than past or present, and (g) proactivity rather than reactivity.*

Accordingly,

- 1.3.1 Unique Requirements of Florida Law for Public Boards: In conducting its duties as a Board in Florida, the Board is required to comply with the Florida Sunshine Law, which prohibits any two or more members of the Board from meeting unless the meeting has been properly noticed and conducted in accordance with the legal requirements. In addition, Florida Law contains requirements regarding Public Records, conflicts of interest and voting which must be followed in the conduct of the Board's business.
- 1.3.2 The Board will cultivate a sense of group responsibility and will be a proactive Board versus a reactive Board. The Board, not the staff, will be responsible for excellence in governing. The Board will be the initiator of policy, not merely a reactor to staff initiatives.
- 1.3.3 Although the Board can change its Governance Process policies at any time, it will diligently observe those currently in force.
- 1.3.4 Continual Board development will include orientation of new Board members in the Board's governance process and an annual Board discussion of governance process improvement.
- 1.3.5 The Board will allow no officer, individual, or committee of the Board to hinder or serve as an excuse for the Board not fulfilling its commitments.
- 1.3.6 Each member of the Board will respect the final determination of the Board concerning any particular matter, regardless of the member's personal position concerning such matter.

Adopted in its entirety by the JEA Board on February 16, 2010  
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## ***JEA Board Policy Manual***

### **POLICY TYPE: GOVERNANCE PROCESS**

#### **POLICY 1.4**

#### **POLICY TITLE: *BOARD JOB DESCRIPTION***

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*Specific responsibilities of the Board are those that ensure appropriate organizational performance.*

Accordingly,

- 1.4.1 The Board is the authoritative link between the organization and the ownership.
- 1.4.2 The Board will provide governing policies that realistically address the broadest levels of all organizational decisions and situations:
  - a. Governance Process: Specification of how the Board develops, carries out, and monitors its own responsibilities
  - b. Board-Management Delegation: Specification of how power is delegated and its proper use monitored; clarity on the CEO's role, authority, and accountability.
  - c. Executive Mandates: Constraints on executive authority that establish the prudence and ethics boundaries within which all executive activity and decisions must take place.
  - d. Measures of Effectiveness: The organizational outcomes to its recipients including the relative worth of such outcomes in cost or priority.
- 1.4.3 This CEO annual evaluation will be done formally in person with the CEO and full board. CEO evaluation criteria as per Appendix A1 (with CEO core competencies)
- 1.4.4 The Board will evaluate its own performance annually as per App A3.
- 1.4.5 Board members will respect their fiduciary responsibilities to protect and enhance the value of JEA as a citizen-owned enterprise with due diligence using sound business judgment consistent with JEA's legislative charter.

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## ***JEA Board Policy Manual***

### **POLICY TYPE: GOVERNANCE PROCESS**

#### **POLICY 1.5**

#### **POLICY TITLE: AGENDA PLANNING**

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*To accomplish its responsibilities with a governance style consistent with Board policies, the Board will follow an annual agenda that (a) completes a re-exploration of the Measures of Effectiveness (MOEs) policies at least annually and (b) continually improves Board performance through education and deliberation.*

Accordingly,

- 1.5.1 The Board will establish its annual agenda during an annual retreat to be scheduled around March of each year.
  - a. The Board will review the MOEs as often as necessary, but minimally once a year.
  - b. Consultations with selected groups in the ownership, or other methods of gaining ownership input, will be scheduled as part of the annual agenda.
  - c. Governance education and education related to the MOEs (presentations by futurist, demographers, advocacy groups, staff, etc.) will be scheduled as part of the annual agenda.
- 1.5.2 The agenda for the Board's monthly meeting will be established through consultation with the Chair and the CEO.
  - a. The agenda along with supporting item documentation will be made available to Board members and the city auditor (as per Art 21.03(e) minimally seven days prior to monthly Board meetings and committee meetings.
  - b. A Board member may bring up new business at the appropriate time on the agenda during any meeting, however, if a formal response or presentation is necessary, a request should be made to the CEO no later than two weeks before the Board meeting to allow others on the Board to receive information 7 days in advance.

## ***JEA Board Policy Manual***

### **POLICY TYPE: GOVERNANCE PROCESS**

#### **POLICY 1.6**

#### **POLICY TITLE: BOARD OFFICERS**

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*Board officers assure the integrity of the Board's process and record's. Board officers are: Chair, Vice-Chair, and Secretary.*

Accordingly,

1.6.1 The Chair, a specially empowered member of the Board, ensures the integrity of the Board's process and, secondarily, occasionally represents the Board to outside parties.

a. The Chair's role is to see that the Board behaves consistently within its own rules and those rules and regulations imposed upon it from outside the organization.

(1) Meeting discussion content will consist of issues that clearly belong to the Board to decide or to monitor according to Board policy.

(2) Deliberation will be fair, open, and thorough but also timely, orderly, and kept to the point.

b. The authority of the Chair consists in making decisions that fall within topics covered by Board policies on Governance Process and Board-Management Delegation, with the exception of (a) employment or termination of the CEO and (b) areas where the Board specifically delegates portions of this authority to others. The Chairman is authorized to use any reasonable interpretation of provisions in these policies.

(1) The Chair is empowered to chair Board meetings with all the commonly accepted powers of that position, such as ruling and recognizing.

(2) The Chair may represent the Board to outside parties in announcing Board-stated positions and in stating the Chair's decisions and interpretations within the area delegated to that role.

(3) The Chair may delegate this authority but remains accountable for its use.

(4) The Chair may appoint members and a Chair for each Board Committee, unless otherwise stipulated by Board policies.

1.6.2 The Vice-Chair, or in the absence of the Vice-Chair, the immediate Past Chair will serve as Chair in the absence of the current Chair.

1.6.3 The Board Secretary is an officer of the Board whose purpose is to exercise oversight of the procedures used by the JEA Staff to accurately produce Minutes of all Board and Committee meetings and submission for public record within. Minutes from board and committee meetings will be posted on the JEA website within a reasonable period of time after the meeting concludes (which entails board/committee actioning approval of the minutes before posting). The Secretary shall perform such other duties as from time to time may be assigned by the Chair Note, refer to other reporting requirements contained in Article 21.04 section.

1.6.4 All Board officers are accountable to the Chair unless otherwise determined by Board policy.

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## ***JEA Board Policy Manual***

### **POLICY TYPE: GOVERNANCE PROCESS**

#### **POLICY 1.7**

#### **POLICY TITLE: *RULES OF ORDER***

---

*Board meetings will be conducted in an orderly and fair process consistent with the requirements of Florida Law, Ordinances of the City of Jacksonville, the JEA Charter, Bylaws and these governance policies. Meetings will be led by the Chair, or, in the absence of the Chair, the Vice-Chair, or, in the absence of both, by the Chair's designee.*

Accordingly,

- 1.7.1 Board meetings will be conducted with punctuality and order.
- a. Board meetings shall be called to order at the time specified in the notice of meeting and upon satisfaction of a quorum.
  - b. Meeting order shall be maintained and all members treated with dignity, respect, courtesy, and fairness during discussion and debate and in all other respects.
  - c. Board members must keep their comments relevant to the issue under consideration.
  - d. In order to conduct business, a quorum of four (4) board members must be present. Four affirmative votes are required to decide all motions before the Board regardless of number in attendance.
- 1.7.2 Board meetings will be conducted at a level of informality considered appropriate by the Chair, yet with predictable discipline.
- a. Discussion of a matter not on the previously distributed agenda may occur only after Board consent that the matter be heard.
  - b. Proposals that the Board take action, or decide a particular matter, shall (unless otherwise agreed to by unanimous consent) be made by main motion of a Board member, discussed, and then voted on. Motions require a second to proceed to discussion and subsequent vote.
  - c. The Chair may not make motions but can engage in debate and is required to vote.
  - d. A motion to amend a main motion may be amended but third level amendments are not to be heard.
  - e. A motion to refer to a committee, postpone, or table, may be made with respect to a pending main motion, shall take precedence over the pending motion and, if carried, shall set the main motion (the initial proposal) aside accordingly.
  - f. Board members may speak to a pending motion on as many occasions, and at such length, as the Chair may reasonably allow.
  - g. A vote on a motion shall be taken when discussion ends, but any Board member may, during the course of debate, move for an immediate vote (close debate or call the question) which, if carried, shall end discussion and the vote on the main motion shall then be taken. Votes may be made by voice vote or by roll call. All members of the Board are required to vote unless a conflict of interest is declared.

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## ***JEA Board Policy Manual***

**POLICY TYPE: GOVERNANCE PROCESS**

**POLICY 1.7**

**POLICY TITLE: *RULES OF ORDER***

---

- h. A motion to adjourn a Board meeting may be offered by any Board member or, on the conclusion of all business, adjournment of the meeting may be declared by the Chair.
- 1.7.3 When further rules of order are to be developed by the Board, the Board will consider the Standard Code of Parliamentary Procedure (Robert's Rules of Order) as a resource guide. The representative from the Office of General Council may serve the Board as a resource on Parliamentary Procedure.

## ***JEA Board Policy Manual***

### **POLICY TYPE: GOVERNANCE PROCESS**

#### **POLICY 1.8**

#### **POLICY TITLE: BOARD MEMBER'S CODE OF CONDUCT**

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*The Board commits itself to lawful, ethical and businesslike conduct, following all requirements of Florida Law, Ordinances of the City of Jacksonville, and the JEA Charter including proper use of its authority and appropriate decorum when acting as Board members.*

Accordingly,

- 1.8.1 Members are expected to represent the interests of the ownership. This accountability supersedes any conflicting loyalty such as that to advocacy or interest groups and membership on other Boards or staffs. It also supersedes the personal interest of any Board member acting as a consumer of the organization's services.
- 1.8.2 Members must avoid conflict of interest with respect to their fiduciary responsibility. Such conflicts of interest include but are not limited to the following:
  - a. There will be no self-dealing or business by a board member with any entity that might be reasonably seen as representing a conflict of interest.
  - b. When the Board is to decide upon an issue about which a member has an unavoidable conflict of interest, that member shall announce and declare publicly any conflict of interest and withdraw without comment not only from the vote but also from the deliberation.
  - c. No board member will have an individual contractual relationship with JEA (directly or indirectly) during their board tenure and for 2 years following member's date of termination from board membership.
- 1.8.3 Members may not attempt to exercise individual authority over the organization except as explicitly set forth in Board policies.
  - a. Members' interaction with the CEO or with staff must recognize the lack of authority vested in individuals except when explicitly authorized by the Board.
  - b. Members' interaction with the public, the press, or other entities must recognize the same limitation and the inability of any Board member to speak for the Board except to repeat explicitly stated Board decisions.
  - c. Except for participation in Board deliberation about whether the CEO has achieved any reasonable interpretation of Board policy, members will not express individual judgments of negative performance of employees or the CEO.
- 1.8.4 Members are expected to support the legitimacy and authority of the final determination of the Board on any matter, without regard to the member's personal position on the issue.
- 1.8.5 Members who have any question about the appropriateness of their conduct should consult with the Office of General counsel or appropriate Ethics offices for information.

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## ***JEA Board Policy Manual***

### **POLICY TYPE: GOVERNANCE PROCESS**

#### **POLICY 1.9**

#### **POLICY TITLE: *DIRECTORS' INDIVIDUAL RESPONSIBILITY***

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*The leadership success of the Board is a direct result of the individual and collegial participation of its members.*

Accordingly, each Board member is expected to participate in the following ways:

1.9.1 Time Investment to Accomplish Board Responsibilities - As Board contemplation, deliberation and decision-making are processes which require wholeness, collaboration and participation, attendance at Board meetings is expected of Board members.

a. Expected Commitments:

- (1) Monthly Board Meetings
- (2) Annual Team Building (to include professional education)
- (3) Annual CEO evaluation and Board Self-Assessment (4) Bond Rating Agency Trip, 3 days (Board Chair is expected to attend).

b. Optional Involvement:

- (1) Internal educational meetings with staff upon request
- (2) Industry related seminars and conferences
- (3) Visit other utilities and related industries

1.9.2 Preparation and Participation - Board members will prepare for Board and committee meetings and will participate productively in discussions, always within the boundaries of discipline established by the Board. Each member will contribute his or her own knowledge, skills and expertise to the Board's efforts to fulfill its responsibilities.

1.9.3 Members as Individuals - The CEO is accountable only to the Board as an organization, and not to individual Board members. Accordingly, the relationship between the CEO and individual members of the Board, including the Chair, is collegial, not hierarchical.

## ***JEA Board Policy Manual***

### **POLICY TYPE: GOVERNANCE PROCESS**

#### **POLICY 1.10**

#### **POLICY TITLE: *BOARD COMMITTEE PRINCIPLES***

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*Board committees, when used, will be assigned so as to reinforce the wholeness of the Board's job and not to interfere with delegation from the Board to the CEO.*

Accordingly,

- 1.10.1 Board committees are to help the Board accomplish its responsibilities and are not assigned to perform staff functions. Committees ordinarily will assist the Board by preparing policy alternatives and implications for Board deliberation. In keeping with the Board's broader focus, Board committees will normally not have direct dealings with current staff operations unless specifically outlined in committee objectives.
- 1.10.2 Board committees may not speak or act for the Board except when formally given such authority for specific purposes. Expectations and authority will be carefully stated in order to prevent conflict with authority delegated to the CEO.
- 1.10.3 Board committees cannot exercise authority over staff. The CEO works for the full Board, and will therefore not be required to obtain the approval of a Board committee before an executive action.
- 1.10.4 Committees will be formed for a specific purpose only. Its purpose and function will be documented in a written charge. All committees are accountable to the Board as a whole.
- 1.10.5 This policy applies to any group that is formed by Board action, whether or not it is called a committee and regardless of whether the group includes Board members, it does not apply to committees formed under the authority of the CEO.

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## ***JEA Board Policy Manual***

### **POLICY TYPE: GOVERNANCE PROCESS**

#### **POLICY 1.11**

#### **POLICY TITLE: BOARD COMMITTEE STRUCTURE**

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*A committee is a Board committee only if its existence and charge come from the Board, regardless of whether Board members sit on the committee. The only standing Board committees are those which are set forth in this policy. Unless otherwise stated, a committee ceases to exist as soon as its task is complete. The CEO will attend meetings of each committee, but shall not have a vote.*

Accordingly,

1.11.1 Nominating Committee: The purpose of the Nominating committee is to recommend Board officers for election by the Board as a whole.

- a. The Nominating Committee will be comprised of three members. The current Chair (who shall serve as Chair of the committee) and the two most immediate past Chairs still remaining on the Board will constitute the Committee. If one or more past Chairs is no longer serving on the Board, the Chair shall select Board members to fill out a committee of three.
- b. The Nominating Committee shall be formed no later than January of each year and will make its recommendation to the Board for action at its March meeting.

1.11.2 Finance and Audit Committee: The purpose of the Finance and Audit Committee is to assist the Board in fulfilling its oversight responsibilities by reviewing financial information, systems of internal controls, and audit process, including a high level review of the operating and capital budgets. The committee will provide an open avenue of communication between the Board, Management, Audit Services, and external auditors.

- a. The Finance and Audit Committee will be comprised of three members appointed annually by the Chair and confirmed by the Board. Two members will constitute a quorum.
- b. The Committee will meet at least four times per year. A schedule of regular meetings will be established by the committee annually. Special meetings may be called by any Committee member. Meeting dates, times and location will be announced to the entire Board.
- c. The Committee shall oversee:
  - (1) Internal controls and risk assessment
  - (2) Audit Services
  - (3) Compliance with laws, regulations and code of conduct
  - (4) Financial reporting
- d. The Committee will oversee the External Auditor.

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## ***JEA Board Policy Manual***

**POLICY TYPE: GOVERNANCE PROCESS**

**POLICY 1.11**

**POLICY TITLE: *BOARD COMMITTEE STRUCTURE***

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1.11.3 Governance Committee: The purpose of Governance Committee is to assist the Board in updating the JEA Board documents, primarily the Board Policy Manual (which includes the JEA By-Laws).

- a. The Governance Committee will be comprised of at least three members appointed annually by the Chair. The Board Chair shall appoint one of the Committee members as Chairperson.
- b. The Committee will meet at least once per year. Special meetings may be called by any Committee member. Meeting dates, times and location will be announced to the entire Board.
- c. The Committee will work with JEA Staff Compliance Officer to oversee compliance of all applicable provisions in City Council Article 21.

1.11.4 Other Committees may be established as designated by the Chair.

## ***JEA Board Policy Manual***

### **POLICY TYPE: GOVERNANCE PROCESS**

#### **POLICY 1.12**

#### **POLICY TITLE: COST OF GOVERNANCE**

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*The Board will invest in continuous improvement in its governance capacity.*

Accordingly,

- 1.12.1 The Board will use appropriate methods to improve its governing skills.
  - a. Training and retraining will be used liberally to orient new members as well as to maintain and increase existing members' skills and understandings.
  - b. Outside monitoring assistance can be arranged so that the Board can exercise confident control over organizational performance. This includes but is not limited to a financial audit.
  - c. Outreach mechanisms can be used as needed to ensure the Board's ability to listen to owner viewpoints and values.
  - d. Knowledgeable industry experts can be made available to the Board in various ways to continuously improve the Board's awareness of emerging utility industry issues.
- 1.12.2 Costs for appropriate Board governance will be included during annual budget preparations. Any expenditure required will be in accordance with JEA procurement policies. Items may include but not be limited to the following as annually decided by the Board:
  - a. Training
  - b. Attendance at conferences, industry site visits and Rating Agency presentations
  - c. Audit and other third-party monitoring of organizational performance
  - d. Surveys, focus groups, opinion analysis, and meeting costs

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**POLICY TYPE: BOARD MANAGEMENT DELEGATION**

**POLICY 2.0**

**POLICY TITLE: GLOBAL BOARD-MANAGEMENT DELEGATION**

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*The Board's sole official connection to the operational organization, its achievements, and conduct will be through a chief executive officer titled Managing Director / CEO, referred to within this document simply as CEO.*

Accordingly,

- 2.0.1 **Unity of Control:** Only officially passed motions of the Board are binding on the CEO.
- 2.0.2 **Accountability of the CEO:** The CEO is the Board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the Board is concerned, is considered the authority and accountability of the CEO.
- 2.0.3 **Delegation to the CEO:** The Board will instruct the CEO through written policies that prescribe the organizational MOEs (measures of effectiveness) to be achieved and describe organizational situations and actions to be avoided, allowing the CEO to use any reasonable interpretation of these policies.
- 2.0.4 **CEO Remuneration:** Salary and benefits and other terms of employment for the CEO will be determined by contract.
- 2.0.5 **Core Competencies:** Executive Core Competencies are included in the Appendix.

**TYPE: BOARD MANAGEMENT DELEGATION**

**POLICY 2.1**

**POLICY TITLE: *UNITY OF CONTROL***

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*Only officially passed motions of the Board are binding on the CEO.*

Accordingly,

- 2.1.1 Decisions or instructions of individual Board members, officers, or committees are not binding on the CEO.
- 2.1.2 In the case of Board members or committees requesting information or assistance without Board authorization, the CEO can refuse such requests that require, in the CEO's opinion, a material amount of staff time or funds, or are disruptive. The CEO shall promptly inform the Board if requests from Board members or committees are refused.

**POLICY TYPE: BOARD MANAGEMENT DELEGATION**

**POLICY 2.2**

**POLICY TITLE: ACCOUNTABILITY OF CEO**

---

*The CEO is the Board's only link to operational achievement and conduct, so that all authority and accountability of staff, as far as the Board is concerned, is considered the authority and accountability of the CEO.*

Accordingly,

- 2.2.1 The Board as a body and individual board members will never give instructions to persons who report directly or indirectly to the CEO.
- 2.2.2 The Board will not evaluate, either formally or informally, any staff other than the CEO. However, the CEO will discuss his evaluation with the Board of the executives identified as potential interim CEO successors (refer to Policy 3.5.1).

**POLICY TYPE: BOARD MANAGEMENT DELEGATION**

**POLICY 2.3**

**POLICY TITLE: *DELEGATION TO THE CEO***

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*The Board will instruct the CEO through written policies that prescribe the organizational (Measures of Effectiveness) MOEs to be achieved and describe organizational situations and actions to be avoided, allowing the CEO to use any reasonable interpretation of these policies.*

Accordingly,

- 2.3.1 The Board will develop policies instructing the CEO to achieve specified results, for specified recipients, at a specified cost. These policies will be developed systematically from the broadest, most general level to more defined levels and will be captured in the MOEs.
- 2.3.2 Should the CEO violate a Board policy, he or she shall promptly inform the Board. Informing is simply to guarantee no violation may be intentionally kept from the Board, not to request approval. Board response, either approving or disapproving, does not exempt the CEO from subsequent Board judgment of the action nor does it curtail any executive decision.

**POLICY TYPE: BOARD MANAGEMENT DELEGATION**

**POLICY 2.4**

**POLICY TITLE: *MONITORING CEO PERFORMANCE***

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*Board evaluation of the CEO will be done annually and based on App A1, Executive Core competencies and CEO evaluation criteria.*



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**POLICY TYPE: BOARD MANAGEMENT DELEGATION**

**POLICY 2.5**

**POLICY TITLE: CEO REMUNERATION**

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*Salary and benefits and others terms of employment for the CEO will be determined by contract.*

- 2.5.1 The governing body of JEA shall employ and fix the compensation of the CEO, who shall serve at the pleasure of JEA.
- 2.5.2 The entire working time of the CEO shall be devoted to the performance of the duties and office and the CEO shall have no outside employment or business.
- 2.5.3 The CEO shall be a graduate of an accredited college or university, and have at least 5 years of executive experience within the utilities industry.
- 2.5.4 The CEO shall have a fiduciary duty of loyalty, fidelity, and allegiance to act at all times in the best interest of JEA and will act in a manner consistent with the responsibilities of City Council's Article 21 and other policies, rules, and regulations established by JEA regarding the conduct of JEA employees.
- 2.5.5 The CEO's contract term, including any renewal term, shall not exceed five (5) years.
- 2.5.6 The amount of severance pay, if any, shall not exceed the amounts allowed under Florida law and shall not be permitted if the CEO is terminated for cause.
- 2.5.7 The contract shall not contain a mandatory consulting, separation and transition, or similar agreement that is triggered due to the CEO's termination under the contract.
- 2.5.8 JEA shall not be required to release, indemnify or hold harmless the CEO against any claims except as otherwise required by law.
- 2.5.9 JEA shall not be required to pay for or provide legal counsel to the CEO beyond the legal counsel required of the Office of General Counsel pursuant to the City Charter of Florida law.
- 2.5.10 The contract shall contain a provision that the CEO serves at the pleasure of the JEA members and may be terminated with or without cause.
- 2.5.11 All compensation terms shall be reasonable and customary and similar to other public utilities comparable to JEA when taking into account the size of JEA's territory area, employee size, and utility systems.
- 2.5.12 The contract must be reviewed and approved as to form and substance by the Office of General Counsel.

**POLICY TYPE: EXECUTIVE MANDATES**

**POLICY 3.0**

**POLICY TITLE: GENERAL EXECUTIVE OVERSIGHT AND ASSURANCES**

---

*The CEO shall oversee and ensure that organizational practices, activities, decisions, and circumstances are lawful, prudent, and not in violation of commonly accepted business and professional ethics and practices.*

- 3.0.1 **Treatment of Consumers:** With respect to interactions with consumers or those applying to be consumers, the CEO shall oversee and ensure conditions, procedures, and decisions that are safe, timely, dignified, and not unnecessarily intrusive.
- 3.0.2 **Treatment of Staff:** With respect to the treatment of staff, the CEO shall oversee and ensure conditions that are fair, safe, dignified, organized, and clear.
- 3.0.3 **Financial Planning/Budgeting:** The CEO shall oversee and ensure financial planning for any fiscal year or the remaining part of any fiscal year will not deviate materially from the Board's MOEs priorities, risk financial jeopardy, and will be derived from a multiyear plan.
- 3.0.4 **Financial Condition and Activities:** With respect to the actual, ongoing financial conditions and activities, the CEO shall oversee and ensure actual expenditures that will not result in financial jeopardy or materially deviate from Board priorities established in MOEs policies.
- 3.0.5 **Workforce Readiness and Succession Planning:** The CEO shall oversee and ensure a workforce that is prepared to meet current or future business demands.
- 3.0.6 **Asset Protection:** The CEO shall oversee and ensure corporate assets are protected, adequately maintained and not unnecessarily risked.
- 3.0.7 **Compensation and Benefits:** With respect to employment, compensation, and benefits to employees, consultants, contract workers, and volunteers, the CEO shall oversee and ensure no impairments to financial integrity or to public image.
- 3.0.8 **Communication and Support to Board:** The CEO shall oversee and ensure that the Board is informed and supported in its work.
- 3.0.9 **Regulatory/Legislative Requirements:** The CEO shall oversee and ensure regulatory and legislative actions that are favorable to the organization.
- 3.0.10 **Enterprise Risk Management:** The CEO shall oversee and ensure conditions, procedures and decisions that will identify, measure, monitor and manage, within established risk tolerances, potential events that may affect achievement of the MOEs.
- 3.0.11 **Procurement Activities:** The CEO shall oversee and ensure the development of procurement policies and procedures that adhere to all applicable federal, state and local laws and ordinances and provide for increased public confidence in the procurement activities of JEA.

**POLICY TYPE: EXECUTIVE MANDATES**

**POLICY 3.1**

**POLICY TITLE: *TREATMENT OF CONSUMERS***

---

*With respect to interactions with consumers or those applying to be consumers, the CEO shall oversee and ensure conditions, procedures, or decisions that are safe, timely, dignified, and not unnecessarily intrusive.*

Accordingly, the CEO will:

- 3.1.1 Elicit information for which there is a clear necessity.
- 3.1.2 Use methods of collecting, reviewing, transmitting, or storing client information that will protect against improper access.
- 3.1.3 Operate facilities with appropriate accessibility and privacy.
- 3.1.4 Articulate to consumers a clear understanding of what they can expect from services offered.
- 3.1.5 Operate with clearly established and updated Customer Service procedures and published rules and regulations for service.
- 3.1.6 Operate with mechanisms for collecting consumer complaints that provide for resolution at the lowest staff level and also include prompt response when warranted.

**POLICY TYPE: EXECUTIVE MANDATES**

**POLICY 3.2**

**POLICY TITLE: *TREATMENT OF STAFF***

---

*With respect to the treatment of paid and volunteer staff, the CEO shall oversee and ensure conditions that are fair, safe, dignified, organized, and clear.*

Accordingly, the CEO will:

- 3.2.1 Operate with written personnel rules and regulations that:
  - a. clarify rules for staff
  - b. provide for effective handling of grievances
  - c. protect against wrongful conditions such as nepotism and grossly preferential treatment for personal reasons.
  - d. allow for volunteerism in the community
  - e. require high ethical standards
  - f. recognize the need for work/life balance
- 3.2.2 Operate with written job descriptions and performance requirements and reviews that
  - a. characterize the nature of work to be performed
  - b. identify technical, behavioral and physical skills required
  - c. identify clear standards of responsibilities, accountability and associated authorities.
- 3.2.3 Provide a safe work environment.
- 3.2.4 Identify and provide training necessary to accomplish the quality of work expected.
- 3.2.5 Not allow discrimination or retaliation against any staff member for non-disruptive expression of dissent.
- 3.2.6 Acquaint staff with the CEO's interpretation of their protections under this policy.
- 3.2.7 Allow staff to be prepared to deal with emergency situations.
- 3.2.8 Insure that the company's Core Values are routinely communicated and reinforced to all employees.

**POLICY TYPE: EXECUTIVE MANDATES**

**POLICY 3.3**

**POLICY TITLE: FINANCIAL PLANNING/BUDGETING**

---

*The CEO shall oversee and ensure financial planning for any fiscal year or the remaining part of any fiscal year will not deviate materially from the Board's MOEs priorities, risk financial jeopardy, and will be derived from a multiyear plan.*

Accordingly, the CEO will:

- 3.3.1 Prevent the risk of incurring those situations or conditions described as unacceptable in the Board policy "Financial Condition and Activities (refer to Policy 3.4)."
- 3.3.2 Include credible projection of revenues and expenses, separation of capital and operational items, cash flow, and disclosure of planning and budgeting assumptions.
- 3.3.3 Identify the source for capital expenditures (e.g. internally generated cash, new debt, carry over funds from previous fiscal year).
- 3.3.4 Adhere to approved tariff rates and fees.
- 3.3.5 Set and follow an annual budgeting process that results in a final budget submittal to City Council by July 1 proceeding the budgeted fiscal year.
- 3.3.6 Not provide less for Board prerogatives during the year than is set forth in the "Cost of Governance" policy (refer to Policy 1.12).

**POLICY TYPE: EXECUTIVE MANDATES**

**POLICY 3.4**

**POLICY TITLE: *FINANCIAL CONDITION AND ACTIVITIES***

---

*With respect to the actual, ongoing financial conditions and activities, the CEO shall oversee and ensure actual expenditures that will not result in financial jeopardy or materially deviate from Board priorities established in MOEs policies.*

Accordingly, the CEO will:

- 3.4.1 Operate within the budget established for the fiscal year.
- 3.4.2 Not make budget transfers in excess of \$5,000,000 without Board approval.
- 3.4.3 Inform the Board in monitoring reports when reserves are required to meet current expenditures.
- 3.4.4 Maintain financial and accounting separation between electric, water and wastewater, and District Energy funds as required by regulatory agencies and bond covenants.
- 3.4.5 Operate within established financial parameters and will engage the Board when established parameters are considered inadequate to affect a desired bond rating.

Current financial parameters:

- a. Debt Service Coverage
  - b. Fixed Charge coverage
  - c. Cash on Hand
  - d. Working Capital
  - e. Line of Credit
  - f. Fuel Rate Reserve
- 3.4.6 Not operate in violation of JEA's Debt Management Policies.
  - 3.4.7 Settle payroll and debts in a timely manner.
  - 3.4.8 Ensure tax payments or other government-ordered payments or filings are not overdue or inaccurately filed.
  - 3.4.9 Establish reasonable security measures to protect against loss of receivables.
  - 3.4.10 Aggressively pursue receivables after a reasonable grace period.

**POLICY TYPE: EXECUTIVE MANDATES**

**POLICY 3.5                      POLICY TITLE: *WORKFORCE READINESS AND SUCCESSION PLANNING***

---

*The CEO shall oversee and ensure a workforce that is prepared to meet current or future business demands.*

Accordingly, the CEO will:

- 3.5.1 Ensure that no fewer than two other executives are sufficiently familiar with Board and CEO issues and processes, which will enable either to take over with reasonable proficiency as an interim successor to protect the Board from sudden loss of CEO services.
- 3.5.2 Prepare for long-term CEO succession.
- 3.5.3 Prepare for Executive Team succession.
- 3.5.4 Operate with strategic and tactical plans to have and maintain the right people, in the right place, with the right talent, skills and knowledge.
- 3.5.5 Develop a workforce that recognizes the value of cultural diversity in internal operations and in serving customers.

**POLICY TYPE: EXECUTIVE MANDATES**

**POLICY 3.6**

**POLICY TITLE: ASSET PROTECTION**

---

*The CEO shall oversee and ensure that corporate assets are protected, adequately maintained, and not unnecessarily risked.*

Accordingly, the CEO will:

- 3.6.1 Insure adequately against theft and casualty and against liability and losses to Board members, staff, and the organization itself.
- 3.6.2 Not allow personnel who are not bonded to have access to material amounts of funds.
- 3.6.3 Not subject facilities and equipment to improper wear and tear or insufficient maintenance.
- 3.6.4 Not unnecessarily expose the organization, the Board, or its staff to claims of liability.
- 3.6.5 Operate with written claims policies that address fair treatment of claimants, legal liability, ratepayer costs and sound business practices.
- 3.6.6 Protect corporate assets including, but not limited to, property rights, corporate image, physical assets, intangible assets, intellectual property, information, and files from loss or significant damage.
- 3.6.7 Receive, process, or disburse funds with sufficient controls.
- 3.6.8 Invest funds that are not in violation of JEA's Investment Policies.
- 3.6.9 Ensure that all employees and outsourced contract service providers understand their responsibility to comply with all applicable laws and regulations and JEA's Code of Ethics.



**POLICY TYPE: EXECUTIVE MANDATES**

**POLICY 3.7**

**POLICY TITLE: *COMPENSATION AND BENEFITS***

---

*With respect to employment, compensation, and benefits to employees, consultants, contract workers, and volunteers, the CEO shall oversee and ensure no impairments to financial integrity or to public image.*

Accordingly, the CEO will:

- 3.7.1 Not change the CEO's own compensation and benefits, except as those benefits are consistent with a package for other appointed employees.
- 3.7.2 Not promise or imply unconditional permanent or guaranteed employment.
- 3.7.3 Promote a compensation philosophy that is complementary to JEA's compensation philosophy of providing a total rewards package that encompasses salary/wages, retirement benefits, incentives, and health and welfare benefits. Salary/wages will meet the market (50th percentile), which is where the majority of companies in the geographic area reside. The 50th percentile pays competitively for behavior that meets expectations. Additional consideration will be given to behaviors that exceed expectations which are typically rewarded at the 75th percentile. Internal equity will be achieved by evaluating differences in skill, effort, responsibility, and working conditions among jobs.

**POLICY TYPE: EXECUTIVE MANDATES**

**POLICY 3.8**

**POLICY TITLE: *COMMUNICATION AND SUPPORT TO BOARD***

---

*The CEO shall oversee and ensure that the Board is informed and supported in its work.*

Accordingly, the CEO will ensure:

- 3.8.1 Submission of monitoring data required by the Board in Board-Management Delegation policy “Monitoring CEO Performance” in a timely, accurate, and understandable fashion, directly addressing provisions of Board policies being monitored, and including CEO interpretations consistent with Board-Management Delegation policy “Delegation to the CEO,” as well as relevant data (refer to Policy 2.4).
- 3.8.2 The Board is aware of any actual or anticipated noncompliance with any MOEs or Executive Mandates policy of the Board regardless of the Board’s monitoring schedule.
- 3.8.3 The Board receives decision information required periodically by the Board and keeps the Board aware of relevant trends.
- 3.8.4 The Board is aware of any significant incidental information it requires, including anticipated media coverage, threatened or pending lawsuits, and material internal and external changes.
- 3.8.5 The Board is aware that, in the CEO’s opinion, the Board is not in compliance with its own policies on Governance Process and Board-Management Delegation, particularly in the case of Board behavior that is detrimental to the work relationship between the Board and the CEO (refer to Policy 2.0).
- 3.8.6 Information is not in an unnecessarily complex or lengthy form, or in a form that fails to differentiate among information of three types: monitoring, decision preparation, and other.
- 3.8.7 The Board is provided a workable mechanism for official Board, officer, or committee communications.
- 3.8.8 Dealings with the Board do not favor or privilege certain Board members over others, except when (a) fulfilling individual requests for information; or (b) responding to officers or committees duly charged by the Board.
- 3.8.9 Submission to the Board of a consent agenda containing items delegated to the CEO yet required by law, regulation, or contract to be Board-approved, along with applicable monitoring information.
- 3.8.10 Providing a process to retain relevant background information on previous Board policy decisions.

**POLICY TYPE: EXECUTIVE MANDATES**

**POLICY 3.9**

**POLICY TITLE: *REGULATORY/LEGISLATIVE REQUIREMENTS***

---

*The CEO shall oversee and ensure regulatory and legislative actions that are favorable to the organization.*

**POLICY TYPE: EXECUTIVE MANDATES**

**POLICY 3.10**

**POLICY TITLE: *ENTERPRISE RISK MANAGEMENT***

---

*The CEO shall oversee and ensure conditions, procedures and decisions that will identify, measure, monitor and manage within established risk tolerances, potential events that may affect achievement of the MOEs.*

Accordingly, the CEO will:

- 3.10.1 Establish and maintain a written Enterprise Risk Management (ERM) Plan and an ERM program that includes management-level policies, procedures and process controls to help ensure that the enterprise-wide business risk exposures are properly identified, managed and, when appropriate, reported to the Board.

**POLICY TYPE: EXECUTIVE MANDATES**

**POLICY 3.11**

**POLICY TITLE: *PROCUREMENT ACTIVITIES***

---

*The CEO shall oversee and ensure the development of procurement policies and procedures in accordance with applicable federal, state and local laws and ordinances, and that provide for increased public confidence in the procurement activities of JEA.*

Accordingly, the CEO will:

- 3.11.1 Develop and disseminate simple, clear and up-to-date rules for all procurement.
- 3.11.2 Ensure the fair and equitable treatment of all persons who deal with the JEA procurement system.
- 3.11.3 Provide increased economy in all procurement activities and to maximize to the fullest extent practicable the purchasing value of JEA funds.
- 3.11.4 Foster effective, broad-based competition within the free enterprise system.
- 3.11.5 Provide safeguards for the maintenance of the procurement system, quality and integrity.
- 3.11.6 Provide a clear and timely administrative remedy process to all those aggrieved during any phase of the procurement process.
- 3.11.7 Provide effective access for Small and Emerging Local Businesses.

**POLICY TYPE: EXECUTIVE MANDATES**

**POLICY 3.12**

**POLICY TITLE: ECONOMIC DEVELOPMENT**

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*The CEO will develop and implement an Economic Development Policy intended to promote, encourage and facilitate the development of responsible and properly planned initiatives within our service area in order to help expand and strengthen the local economy.*

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**POLICY TYPE: MEASURES OF EFFECTIVENESS (MOEs)**

**POLICY 4.0**

**POLICY TITLE: MOEs**

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*JEA exists to provide clean, safe, reliable, and reasonably priced electric, water and sewer services to the citizens of Jacksonville and portions of surrounding counties while remaining environmentally sound and financially strong while providing revenue for the City of Jacksonville.*

- 4.0.1 **Quality of Electric Service:** Provide clean, safe and reliable electric service to all prescribed consumers.
- 4.0.2 **Quality of Water Service:** Provide clean, safe and reliable water service to all prescribed consumers.
- 4.0.3 **Quality of Sewer Services:** Provide clean, safe and reliable sewer services to all prescribed consumers.
- 4.0.4 **Cost of Service:** Provide all utility services at a reasonable and accurate cost.
- 4.0.5 **Environmentally Sound:** Provide all utility services in a manner that is environmentally sound and sustainable.
- 4.0.6 **Informative Communication:** Effectively communicate with consumers and other stakeholders.
- 4.0.7 **Safety Standards:** Compliance is measured using OSHA's Recordable Incident Rate (RIR) calculation. JEA aspires to zero incidents, but also establishes an annual RIR target below average industry rates. Related preventive controls are validated by timely safety checks and closing of work orders.
- 4.0.8 **Financial Integrity:** Sections V and VI of the JEA Pricing Policy require ensuring the financial integrity of the Electric and Water/Sewer Systems respectively by establishing minimum annual total debt service coverage ratios and days of liquidity, maximum debt to asset ratios, and the maintenance of stabilization funds. Achieving these fiscal targets will help attain AA-level credit ratings.

**POLICY TYPE: MEASURES OF EFFECTIVENESS (MOEs)**

**POLICY 4.1**

**POLICY TITLE: *QUALITY OF ELECTRIC SERVICE***

---

*Provide clean, safe and reliable electric service to all prescribed consumers.*

Accordingly,

- 4.1.1 Annually update an Electric Integrated Resource Supply Plan (IRP) to ensure consumers' future electricity supply needs are met at the lowest evaluated total lifecycle cost while maintaining fuel diversity.
- 4.1.2 Minimize the frequency of electric distribution system outages and report status through the System Average Interruption Frequency Index (SAIFI).
- 4.1.3 Minimize the frequency of electric distribution system voltage sags and report status through the System Average Root Mean Square Frequency Index (SARFI-80).
- 4.1.4 Minimize the duration of electric distribution system outages and report status through the System Average Interruption Duration Index (SAIDI).
- 4.1.5 Focus on reducing individual customer outages and report status through the customers experiencing more than five interruptions (CEMi-5).



**POLICY TYPE: MEASURES OF EFFECTIVENESS (MOEs)**

**POLICY 4.2**

**POLICY TITLE: *QUALITY OF WATER SERVICE***

---

*Provide clean, safe and reliable water service to all prescribed consumers.*

Accordingly,

- 4.2.1 Annually update an Integrated Water Resource Plan (IWRP) to ensure consumers' future water supply needs are met at the lowest evaluated cost while also ensuring water resources are available for future generations. This includes a thorough evaluation of water supply alternatives.
- 4.2.2 Minimize the duration of water distribution system low pressure events and report status of the number of cumulative minutes water pressure drops below 30 pounds per square inch (psi) for all existing water distribution system pressure monitoring points.
- 4.2.3 Conduct water testing in accordance with the standards of the Florida Department of Environmental Protection (FDEP) and the Environmental Protection Agency (EPA) and report testing results to all water consumers and stakeholders.
- 4.2.4 Ensure compliance with JEA's Consumption Use Permit (CUP).

**POLICY TYPE: MEASURES OF EFFECTIVENESS (MOEs)**

**POLICY 4.3**

**POLICY TITLE: *QUALITY OF SEWER SERVICE***

---

*Provide clean, safe and reliable sewer service to all prescribed consumers.*

Accordingly,

- 4.3.1 Minimize the frequency of sewer back-ups and overflows and report status by:
  - a. the number of Sanitary Sewer Overflows (SSO's) per 100 miles of existing sewer pipe.
  - b. the total number of sewer system cave-ins.
- 4.3.2 Limit the total amount of nutrients discharged into the St. John's River from all wastewater treatment facilities.
  - a. Reduce the total nutrient discharge into the St. John's River to meet JEA's Florida Department of Environmental Protection (FDEP) Total Maximum Daily Load (TMDL) allocation.
  - b. Increase the production and distribution of reclaimed water.

**POLICY TYPE: MEASURES OF EFFECTIVENESS (MOEs)**

**POLICY 4.4**

**POLICY TITLE: *COST OF SERVICE***

---

*Provide all utility services at a reasonable and accurate cost.*

Accordingly,

- 4.4.1 All utility services are to be reasonably priced.
  - a. Pricing for all utility services is to be frequently benchmarked against other state and regional utilities to demonstrate competitiveness.
  - b. Pricing for each utility service for all classes of consumers is to be based on the cost to serve each consumer class. Cost of service studies are to be conducted in no more than five year intervals.
- 4.4.2 Minimize the number of consumer bills that are inaccurate, are estimated due to the lack of a current meter reading, or are untimely. The expectation is 99.9% accurate and timely.

**POLICY TYPE: MEASURES OF EFFECTIVENESS (MOEs)**

**POLICY 4.5**

**POLICY TITLE: ENVIRONMENTALLY SOUND**

---

*Provide all utility services in a manner that is environmentally sound and sustainable.*

Accordingly,

- 4.5.1 The CEO is expected to comply with all existing environmental regulations that apply.
- 4.5.2 Conservation: Pursue all options to communicate and incentivize customer conservation and efficiency while avoiding excessive customer cost.
  - a. Electric System: Maintain the electric conservation fund by collecting an additional one cent per kwh for every kwh over 2750 on monthly residential consumption and by allocating 50 cents per mwh of base rate revenues (a total of approximately 0.5% of electric gross revenues.) The funds are to be spent for customer conservation initiatives and incentives only.
- 4.5.3 Renewable Energy Supply: Explore all options for renewable electric energy supply while avoiding excessive customer cost since a state or federal Renewable Electricity Standard (RES) is yet to be established and the timing for setting a standard remains uncertain.
- 4.5.4 Incorporate in generation planning and other utility operations strategies and actions to reduce greenhouse gases.

**POLICY TYPE: MEASURES OF EFFECTIVENESS (MOEs)**

**POLICY 4.6**

**POLICY TITLE: INFORMATIVE COMMUNICATION**

---

*Effectively communicate with consumers and other stakeholders.*

Accordingly,

- 4.6.1 To enable and encourage public dialogue on electric, water, and sewer issues at the local, state and national levels.
- 4.6.2 To inform consumers of potential or pending charges being considered for utility services or charges.
- 4.6.3 To inform consumers of the potential financial and consumption impact of conservation incentives and other activities under consideration.
- 4.6.4 Maintain top quartile JD Power ratings for all customer and communication categories.

## APPENDIX

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- A1 Executive Core Competencies
- A2 JEA Charter (Article 21 City of Jacksonville Ordinance Code)
- A3 JEA Board Evaluation Criteria

## **A1 - EXECUTIVE CORE COMPETENCIES**

### **Models Integrity**

- Demonstrates high ethical and moral standards and models important values for others to follow.
- Behaves and expresses oneself in an open and honest manner; is consistent in word and deed
- Represents information accurately and completely
- Assumes responsibility and accountability for own behavior; admits to mistakes

### **Makes Quality Decisions**

- Prioritizes decisions and initiatives in ways that ensures the highest value for the organization
- Makes high-quality strategic decisions for the organization even when the consequences may be controversial
- Seeks the input of others to ensure that decisions made will be best for the organization and will minimize conflict with other initiatives
- Takes appropriate risks that weighs the positive and negative impact of each decision on the organization

### **Takes Initiative**

- Reacts quickly to address problems that threaten organizational objectives
- Seeks out opportunities to extend or expand upon the organization's position in the market place
- Is passionate, highly engaged and highly energetic
- Forward looking; anticipates potential issues and mitigation measures.

### **Communicates Effectively**

- Listens actively to ensure understanding of each person's point of view
- Clearly articulates (through speech or in writing) own knowledge and ideas so they are easily understood and applied to others
- Addresses difficult problems and perceptions that, if left untreated, could undermine the success of the organization
- Ensures regular, consistent, and meaningful communication throughout the organization

### **Drives Results**

- Seeks to achieve improved or even unprecedented results and demonstrates personal accountability for outcomes
- Creates a positive environment in which results flow from a desire to achieve
- Sets strategic goals and measurable performance expectations for defining success
- Demonstrates ownership for performance of entire organization, and holds self and organization accountable for decisions and results
- Takes appropriate action when a mistake is made (analyze what went wrong and preventative measures to preclude repeated the same mistake.

## **A1- EXECUTIVE CORE COMPETENCIES**

### **Focuses on the Customer**

- Places high priority on identifying and meeting customer needs
- Ensures that customers understand and receive the fullest value possible from the products and services of the organization
- Utilizes follow-up procedures to ensure consistency and determine where improvements can be made to maintain high customer satisfaction

### **Fosters Teamwork**

- Shares relevant expertise and knowledge to ensure team members have adequate information to make decisions and achieve objectives
- Contributes to inclusive culture by valuing others' viewpoints, encouraging others to share ideas, and treating others in an accepting, respectful manner
- Recognizes and capitalizes on the strengths of others to accomplish organizational objectives
- Directly confronts behaviors that undermine team effectiveness
- Exemplifies selfless service.
- Ensures the entire JEA team knows "why" JEA exists, and not just "what" JEA does and how it executes its mission.

### **Manages and Supports Change**

- Effectively copes with changing environments, tasks and responsibilities
- Encourages others to embrace change and use it as an opportunity to be creative and improve performance
- Ensures that change initiatives are aligned with strategic initiatives, values, and mission of the organization
- Leverages resources to promote and sustain change efforts

### **Visionary Strategist**

- Develops the strategies and actions needed to make JEA the best in class for public utilities in the U.S.
- Communicates the organization's vision in a way that is meaningful and actionable for employees
- Collaborates with Executive Team and Board of Directors to determine vision and strategy, and ensures support throughout the organization
- Reviews the planning, organization, and direction of initiatives to ensure support of the mission statement and values
- Accurately anticipates the implications of events or decisions for various stakeholders in the organization and plans strategy accordingly

### **Manages Performance**

- Motivates others to achieve results by getting buy in on JEA's mission and establishing an environment where everyone can make a positive impact.



- Provides the team with constructive feedback, guidance, and coaching for improving performance

## **A1- EXECUTIVE CORE COMPETENCIES**

- Sets clear performance expectations and standards, regularly monitors performance, and provides accurate and timely feedback

### **Delegates to Others**

- Does not micromanage the staff; allows those with responsibilities to do their job. Provides others with the resources, authority, and support to complete delegated tasks successfully
- Develops employees for assuming additional responsibilities; anticipates talent gaps and accelerates development plans to fill gaps

### **Maintains Positive Public Relations**

- Seeks and builds relationships with external constituencies (e.g., elected officials, government agencies, other utility leaders, trustees, investment bankers) to strengthen the organization's impact and reputation in the community
- Represents JEA with credibility and transparency to the media.
- Ensures all communications are honest and candid, and resolves discrepancies expeditiously.

### **Actively Supports Board of Directors**

- Keeps Board of Directors informed on progress towards implementing strategic initiatives and other important information
- Updates the Board on large-scale progress of the organization towards its objectives
- Shows an appreciation for the unique role of a Board member and treats all Board members equally.
- Educates the Board on the strategies and priorities that balance the needs of customers with operational needs
- Keeps Board members informed on important issues – “no surprises”
- Provide Board members preparatory materials at least seven (7) days prior to meetings so members can properly digest.

### **Leads Others Effectively**

- Is a servant-leader who puts the team's welfare above their own?
- Builds trusting, collaborative relationships across organizational boundaries to achieve goals
- Leads with integrity and values, and a focus at all times on the mission of the organization
- Challenges and motivates others in a way that is inclusive, tactful, empowering, and inspires superior performance
- Assumes full ownership and accountability for own performance
- Not afraid to make the tough calls.

### **Leverages Industry Acumen**

- Monitors and analyzes financial data and key cost drivers) to evaluate options and make decisions
- Understands overall financial and operational performance of JEA in order to effectively position it in the marketplace

## **A1- EXECUTIVE CORE COMPETENCIES**

- Follows appropriate legal and fiduciary requirements when reconciling and reporting financial transactions
- Grows continuously in business knowledge and experience
- Identifies metrics and other documentation to help board members responsibly monitor JEAs performance.

### **Plans for the Future**

- Develops a proposed long term strategic plan based on the interests of all stakeholders and priorities of the board.
- Identifies and balances risks and benefits when developing plans
- Identifies need for and ensures contingency plans are developed
- Aligns and allocates resources and time according to strategic priorities and company interests
- Develops a CEO succession plan that results in qualified personnel to step up and successfully perform the duties of the CEO on short notice.

### **Embraces Diversity**

- Promotes the active recruiting of diverse individuals
- Does not tolerate any form of discrimination (gender, ethnic, religious, sexual orientation, etc.).Demonstrates visible support for programs that remove barriers (e.g., stereotypes) between diverse individuals and affords all personnel consideration for upward mobility opportunities.
- Actively monitors organization to ensure equality and fairness for all members; objectively allocates compensation, rewards, and opportunities
- Promotes an inclusive culture where different viewpoints are valued and encouraged

### **Negotiates Collaboratively**

- Strives to understand each party's position by asking in-depth questions and probing for specific needs and issues
- Discloses appropriate and important information to establish openness and trust
- Keeps arguments or disputes issue-oriented rather than personal
- Maintains flexibility in negotiating style, adapting style to the specific needs of a given situation

## **A1 - Executive Core Competencies**

### **CEO Evaluation Criteria**

1. CEO maintains safety as a top priority and executes an effective risk mitigation plan.
2. KPAs and associated KPIs as per Policy Category IV MOEs.
3. CEO ensures read-ahead materials are distributed to board members in a timely manner before all meetings to facilitate board meeting preparedness (7 days).
4. CEO complies with all applicable legal & fiduciary responsibilities.
5. CEO establishes a positive environment where diversity is embraced, and the workforce is proud to be a member of JEA, knows their mission, and trusts the CEO and his senior leadership team.
6. CEO maintains a candid dialogue with the board and is completely transparent on all issues associated with JEA.
7. CEO has a viable succession plan.
8. CEO keeps JEA on the right strategic path based on the most current strategic plan.
9. CEO maintains 100% compliance with respect to Article 21 applicable provisions.
10. Complies with executive core competencies (as per app 1).

## A3 – JEA Charter (Article 21)

### ARTICLE 21. JEA

#### Section 21.01. JEA created and continued; audits.

(a) *Creation.* There is hereby created and established a body politic and corporate to be known as JEA, which is authorized to own, manage and operate for the benefit of the City of Jacksonville the utilities systems within and without the City of Jacksonville. JEA is created for the express purpose of acquiring, constructing, operating, financing and otherwise having plenary authority with respect to electric, water, sewer, natural gas and such other utility system as may be under its control now or in the future. The utilities systems may be owned, operated or managed by JEA for the benefit of the City of Jacksonville separately or in such combined or consolidated manner as JEA may determine and JEA may use such name or names in the conduct of its business in connection therewith as it may determine. It is the specific purpose of this Article to repose in JEA all powers with respect to electric, water, sewer, natural gas and such other utility system which are now, in the future could be, or could have been but for this Article, exercised by the City of Jacksonville. JEA created and established by this Article is the same Jacksonville Electric Authority previously created and established by Chapter 67-1569, Laws of Florida, as amended, (including as added to Chapter 67-1320, Laws of Florida by Chapter 78-538, Laws of Florida and, as amended and readopted by Chapters 80-515, and 92-341, Laws of Florida) and, except as otherwise provided or authorized by this Article, JEA shall continue to function under this Article the same as it previously functioned under Chapter 67-1569, Laws of Florida, as amended (including as added to Chapter 67-1320, Laws of Florida by Chapter 78-538, Laws of Florida and, as amended and readopted by Chapters 80-515 and 92-341, Laws of Florida).

(b) *Audits.* JEA shall be subject to the council auditor's authority set forth in Section 5.10 of the Charter.

(Laws of Fla., Ch. 78-538, § 1; Laws of Fla., Ch. 80-515, § 1; Ord. 84-1307-754, § 25; Laws of Fla., Ch. 92-341, § 1; Ord. 93-82-1385, § 1; Ord. 97-12-E, § 2; Ord. 98-253-E, § 1; Ord. 2020-419-E, § 2)

#### Section 21.02. Definitions.

In the interpretation of this Article, unless the context otherwise requires:

- (a) The term "utilities systems" means the electric utility system and the water and sewer utility system now operated by JEA which shall include, except where inconsistent with Chapter 80-513, Laws of Florida, as amended, or where the context otherwise requires, any "system" or "project" authorized pursuant to the provisions of Chapter 80-513, Laws of Florida, as amended and any natural gas utility system to be operated in the future by JEA together with any other additional utility system as may be hereafter designated as a part of the utilities systems operated by JEA as provided in Section 21.04(v) herein.
- (b) The term "member" means an individual confirmed by the council to serve on the governing body of JEA pursuant to this Article.
- (c) The term "managing director" means the chief executive officer of JEA.
- (d) The term "utility system" shall mean any separate utility system operated by JEA such as its electric utility system, its water utility system, its wastewater utility system, its natural gas utility system or any other additional utility system as may be hereafter designated as a part of the utilities systems operated by JEA as provided in Section 21.04(v) herein.
- (e) The terms "sewer utility system" and "wastewater utility system" shall each have the same meaning as the other and these terms shall be interpreted as meaning the same.

(f) The term "district energy system" or "DES" shall mean a system of centrally located chillers designed to provide chilled or heated water via pipes for the purposes of providing heating and cooling within a designated area.

(g) The term "governing body of JEA" means the governing body of JEA consisting of seven members.

(Laws of Fla., Ch. 78-538, § 1; Laws of Fla., Ch. 80-515, § 1; Ord. 84-1307-754, § 25; Laws of Fla., Ch. 92-341, § 1; Ord. 93-82-1385, § 1; Ord. 97-12-E, § 2; Ord. 98-253-E, § 1; Ord. 2015-764-E, § 2; Ord. 2020-419-E, § 2)

### **Section 21.03. Composition; compensation; officers; meetings.**

(a) *Composition; qualifications; removal.* The governing body of JEA shall consist of seven members, each of whom shall serve for a term of four years or until such member's successor has been appointed and has qualified. Four members shall be nominated by the council president and confirmed by the council, and three members shall be appointed by the mayor and shall be confirmed by the council. With regard to one member appointed by council through open application, the council president shall nominate an applicant who has one of the following qualifications: was a former JEA employee, or person recommended by an employee, union or group of current or former JEA employees. To the extent feasible and regarding member appointments generally, individuals who have demonstrated corporate, executive or administrative experience working in public or private organizations, including, but not limited to, non-profit and government organizations, are preferred, but not required, to serve on the governing body of JEA. Each member shall have been a resident and elector of the city for at least six consecutive months prior to such member's appointment. No member shall hold any other public office or position. If at any time during a member's tenure on the governing body of JEA, such member shall cease to possess the qualifications required for membership on the governing body of JEA, such member shall cease to be a member and a vacancy shall exist on JEA. Any vacancy on the governing body of JEA, however created, shall be filled for the unexpired term in the same manner as the position was originally filled, and the person filling the vacancy shall have and shall retain all the qualifications prescribed for membership on JEA. Any member appointed to the governing body of JEA for two consecutive full terms shall not be eligible for the succeeding term. The members appointed by the mayor may be removed by the mayor at any time with or without cause, but a removal must be approved by a two-thirds vote of the council. The members appointed by the council may be removed by the council at any time with or without cause, but a removal must be approved by a two-thirds vote of the council.

(b) *Compensation; applicable laws.* Members shall not be entitled to pension or other retirement benefits on account of service on the governing body of JEA, but members shall be entitled to payment or reimbursement for reasonable expenses incurred (e.g., travel expenses) as prescribed by the council by ordinance. Members shall be subject to the provisions of F.S. § 286.012, as amended, relating to voting at meetings of JEA, and the provisions of F.S. §§ 112.311 through 112.3175, as amended, relating to financial disclosure and conflicts of interest. Additionally, Members shall be subject to all other relevant and applicable laws and ordinances, including but not limited to, F.S. Ch. 286 (Public Business: Miscellaneous Provisions), as amended; F.S. Ch. 112, Part III (Code of Ethics for Public Officers and Employees), as amended; and F.S. Ch. 119 (Public Records), as amended, and Chapter 602 (Jacksonville Code of Ethics), Ordinance Code of the City of Jacksonville, as amended.

(c) *Officers; meetings; quorum; governing documents.* The governing body of JEA shall elect a chairperson, vice-chairperson and secretary of JEA and may elect one or more assistant secretaries of JEA, each of whom shall serve for one year or until such officer's successor is chosen. JEA may meet at such times and places designated by the governing body of JEA and shall hold regular meetings as necessary. Generally, JEA shall meet once a month, but in no event less than eight (8) times a year. Special meetings may be held upon the call of the chairperson or any three (3) members. JEA meetings shall be subject to F.S. § 286.011 (Florida Open Meetings Laws), as amended. A majority of the membership shall constitute a quorum for the purpose

of meeting and transacting business. Each member shall have one vote. The governing body of JEA shall adopt governing documents, including, but not limited to, bylaws, a board policy manual, and such other rules and regulations not inconsistent with this Article, the charter or general law. Unless otherwise provided herein, the governing body of JEA shall annually review and update its governing documents. JEA's bylaws, board policy manual, and other governing documents, including any amendments thereto, shall be posted on JEA's website in a conspicuous manner for the public to view.

- (d) *Office-holding; oath.* JEA membership shall be considered an office and limited by the office holding provisions as provided for under the Florida Constitution. No member shall be eligible to serve as a member while holding another office or being an employee of JEA. Members shall be required to take an oath of office consistent with the oath of office taken by other public officials serving on city boards and commissions.
- (e) *Transparency in meetings.* JEA should hold its meetings in the most open and transparent manner practicable for the benefit of the public and citizens of the City of Jacksonville. JEA shall adopt procedural rules regarding the publication of meeting agendas, meeting materials, meeting minutes, and public participation during all meetings, including regular, special and committee meetings, where action by the governing body of JEA or committee is contemplated. To the greatest extent feasible, JEA is encouraged to adhere to best practices and recommendations regarding openness and transparency contained in the latest published edition of Florida's Government-In-the Sunshine Law Manual prepared by the Office of the Attorney General. At a minimum, such procedural rules should require JEA to (i) publish an agenda and any meeting materials for its regular, special and committee meetings in a conspicuous manner on JEA's official website; (ii) promptly post meeting minutes generally within 72 hours after each meeting; and (iii) provide the timeframe for when an agenda and any meeting materials must be made available to the public in advance of such meetings. Such procedural rules should also require JEA to deliver copies of its meeting agendas, including regular, special and committee meeting agendas, and any meeting materials related thereto, to the council auditor in substantially the same timeframe and content as provided to members. Nothing in this subsection shall prohibit JEA from amending previously published meeting agendas and meeting materials in accordance with its bylaws, board policy manual, or other applicable governing documents.

(Ord. No. 2020-100-E , § 2 (Referendum of November 3, 2020); Ord. 2020-419-E , §§ 1, 2)

Editor's note(s)—Ord. 2020-419-E Editor's note(s)—, §§ 1 and 2, amended the Charter by repealing former § 21.03Editor's note(s)— in its entirety and adding a new § 21.03Editor's note(s)—. Former § 21.03Editor's note(s)— pertained to similar subject matter, and derived from Laws of Fla., Ch. 75-538, § 1; Laws of Fla., Ch. 80-515, § 1; Ord. 83-693-582, § 1; Ord. 84-1307-754, § 2Editor's note(s)—; Laws of Fla., Ch. 92-341, § 1; Ord. 93-82-1385, § 1; Ord. 98-253-E, § 1; and Ord. 2016-764-E Editor's note(s)—, § 2. Amendments made by Ord. 2020-100-E Editor's note(s)—, § 2, were retained and incorporated into Ord. 2020-419-E Editor's note(s)—.

#### **Section 21.04. Powers.**

JEA shall have the following powers, in addition to powers otherwise conferred:

- (a) To construct, own, acquire, establish, improve, extend, enlarge, reconstruct, reequip, maintain, repair, finance, manage, operate, and promote the utilities systems.
- (b) To acquire for the use of the utilities systems by grant, purchase, gift, devise, condemnation by eminent domain proceedings, exchange, lease or in any other manner, all property, real or personal, or any estate or interest therein, including without limitation, property used:
  - (1) In connection with the generation, transmission and distribution of electric power and energy;

- (2) In connection with the collection, storage, treatment, processing, disposal, transmission and distribution of water and wastewater including, but not limited to, raw water, potable water, non-potable water, chilled water and reused water; however, JEA shall have no power or authority for the function of stormwater runoff and drainage management;
- (3) In connection with the production, procurement, extraction, manufacture, transmission, transportation, distribution, and storage of natural gas; and
- (4) In connection with the production of steam, the mining, extraction, development, production, manufacture, procurement, transportation, handling, storage, processing or reprocessing of fuel of any kind, to likewise acquire any facility or rights with respect to the supply of water, any rights with respect to minerals, including but not limited to coal, petroleum coke, natural gas and oil and bio-mass facilities for the processing of by-products derived from the operation of the utilities systems, solid waste disposal and environmental protection facilities, communication and computer facilities, and any other property, equipment, facilities or property rights whatsoever determined by JEA to be necessary or convenient in connection with the operation, promotion, financing, construction, management, improvement, extension, enlargement, reconstruction, re-equipment, maintenance, repair, decommissioning or disposal of the utilities systems or any part thereof, and to sell, lease or otherwise transfer, with or without consideration, any such property when in JEA's discretion it is no longer needed or useful, or such sale, lease or transfer otherwise is in the best interest of JEA, all upon such terms and conditions as JEA shall by resolution fix and determine.

The right of eminent domain conferred herein shall be exercised by JEA in the manner provided by law. If JEA leases any real property to another agency, firm, corporation, entity, or individual, it shall cause a memorandum of said lease to be recorded in the official records with the clerk of the circuit court where the property is located. For any real property that exceeds either an assessed value or just market value of \$50,000 as determined by the property appraiser of the county where the real property is located, JEA shall not sell such real property for less than the appraised value as certified by an MAI certified appraiser, unless approved by the council.

Regarding any real property interests acquired or disposed of by JEA pursuant to this subsection, the governing body of JEA shall approve real estate rules and procedures and any amendments thereto governing the reporting, acquisition, sale, purchase, lease, license, transfer, and disposition of real property. Such real estate rules and procedures shall not be inconsistent with this Article, including, but not limited to, the express prohibitions set forth in Section 21.11 herein. The governing body of JEA shall review its real estate rules and procedures no less than biennially. The governing body of JEA shall not delegate its approval authority of such real estate rules and procedures, including any amendments thereto, to the managing director or any other officer, employee or agent of JEA. JEA shall post such real estate rules and procedures, including any amendments thereto, on JEA's website in a conspicuous manner for the public to view.

- (c) To furnish electricity, water, sanitary sewer service, natural gas and other utility services as authorized herein to any person or entity, public or private, within or without the city and for said purposes shall have the right to construct and maintain electric lines, pipelines, water and sewer mains, natural gas lines and related facilities in and along all public highways and streets within or without the city.
- (d) To sell power and energy, water, sanitary sewer service, natural gas and other utility services as authorized herein at wholesale and retail and/or to provide transmission or other services of any kind to any person or entity, public or private, within or without the State of Florida, directly by JEA, indirectly through other entities and jointly through associations with other utilities or entities engaged in these activities.

- (e) To enter into contracts with any person or entity, public or private, deemed necessary or desirable by JEA in connection with carrying out its powers and duties, except as otherwise prohibited in this Article or the charter.
- (f) To fix, pledge to establish or establish, levy, regulate, impose and collect rates, assessments, fees and charges for the use or benefit of the utilities system and to alter and amend same from time to time, which rates, assessments, fees and charges shall result in JEA receiving or possessing an amount which, together with accumulated balances from prior years available therefore is not less than is required to operate and maintain a self-liquidating or self-sustaining utilities system. When establishing or altering rates, assessments, fees or charges for retail service, JEA shall first give notice of and hold a public hearing in the City of Jacksonville. The notice shall be published not less than one (1) week in advance in at least one (1) newspaper of general circulation in the city. Said notice shall be at least one-fourth page in size, inviting the public to be present and heard. JEA shall have the power to impose sanctions to enforce compliance with any rule or regulation which JEA may adopt in the management and operation of, or the sale or use of any utility service provided by JEA from the utilities system including, without limitation, electricity, water, sewer and natural gas services. The city and other public bodies shall be required to pay for any utility services provided by JEA upon the same basis as other users.
- (g) To sue and be sued, implead and be impleaded, complain and defend in all courts, to adopt and use a corporate seal, to apply for, hold and own patents and copyrights, to sell or license patents, copyrights, patented or copyrighted materials to other public or private entities. Prices or fees for such sales or licensing may be based upon market considerations. JEA may designate how proceeds from such sales or licensing shall be used. Prices or fees for the sale of copyrighted data processing software, as defined in F.S. § 119.011, shall be established pursuant to § 119.084, as amended.
- (h) To make or cause to be made such surveys, investigations, studies, borings, maps, drawings and estimates of cost and revenues as it may deem necessary, and to prepare and adopt a comprehensive plan or plans for the location, relocation, construction, improvement, revision and development of the utilities system.
- (i) (1) To issue revenue bonds or revenue certificates of JEA for the purpose of financing or refinancing the utilities system, including without limitation the financing of any one or more enlargements, expansions, developments, replacements, acquisitions or modernization of the utilities system, any expenses of the utilities system, any reserves deemed necessary or desirable by JEA and any other purpose not otherwise prohibited by law, and retiring any bond, note or revenue certificate issued under this Article, or any bond, note or revenue certificate issued by or on behalf of the city to finance the water and sewer utilities previously owned or operated by the city, and for any combination of one or more such purposes in any single issue of revenue bonds or revenue certificates. At the discretion of JEA, such bonds or revenue certificates may be issued for any one or more of the several utility systems of JEA (or any combination thereof).
- (2) The bonds or revenue certificates of each issue shall be authorized by resolution of JEA, which resolution shall contain such provisions relating to the protection and security of the holders of the bonds or revenue certificates, including their rights and remedies, and the rights, powers, privileges, duties and obligations of JEA with respect to the same. Such resolution may also contain provisions providing for the pledge of all or any part of the revenues of the utilities system, to which may, at JEA's discretion, be limited to the revenues of one or more of the several utility systems, to secure the payment of the bonds or revenue certificates of any issue and may provide for the pledge of other funds and accounts of JEA. Such resolution also shall determine the timing and manner of sale, which may be public or private; maturities; rate or rates of interest, which may be fixed or may vary at such time or times as provided or in accordance with a specified formula or method of determination (subject to any legal limitations on interest, as established by F.S. § 215.84, or according to said Section as it may from time to



time be amended); and other terms and conditions of the bonds or revenue certificates, provided that JEA may delegate to the chairperson, managing director or other officer or employee of JEA designated by JEA the power to determine any such terms or conditions. However, the amounts and maturities of such bonds or revenue certificates and the interest rate or rates of such bonds or revenue certificates shall be within the limits prescribed by JEA and its resolution delegating to the chairperson, managing director or such other officer or employee of JEA the power to authorize the issuance and sale of such bonds or revenue certificates, and, in the case of the total aggregate amount of bonds or revenue certificates issued by JEA, within the limits prescribed by ordinance of the council. In case any officer whose signature or facsimile of whose signature shall appear on any bonds or revenue certificates shall cease to be such officer before the delivery of such bonds or revenue certificates, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery. All bonds and revenue certificates issued under the provisions of this Article shall have and are hereby declared to have all the qualities and incidents of negotiable instruments under the negotiable instruments law of the state. The issuance of such bonds and revenue certificates shall not be subject to any limitations or conditions contained in any other law.

- (3) Bonds or revenue certificates and refunding bonds or refunding revenue certificates issued pursuant to this Article if sold by bid shall be sold to the bidder whose bid produces the lowest true interest cost to JEA. JEA may restrict the bidders in any sale by pre-qualification or otherwise and may reserve the right to reject any or all bids. Prior to any sale by bid of bonds or revenue certificates JEA shall cause notice to be given in such manner and at such time as JEA shall determine. Said notice shall specify such matters relating to the bonds or revenue certificates offered for sale as JEA shall determine and shall state the manner in which bids shall be given. JEA may reserve the right to waive any informalities or irregularities if JEA determines that such actions are in its best interest. In no event shall said bonds or revenue certificates be sold at a net interest cost to JEA in excess of the legal limit, as established by F.S. § 215.84, or according to said Section as it may from time to time be amended.
- (4) In no event shall general obligation bonds be issued hereunder.
- (5) Bonds or revenue certificates may be issued by resolution of JEA, subject only to the approval by ordinance of the council of the aggregate principal amount of such bonds or revenue certificates.
- (j) To borrow money and to issue notes for any purpose or purposes for which bonds or revenue certificates may be issued under the provisions of this Article, in accordance with the provisions of this Article relating to the issuance of bonds or revenue certificates, and to refund the same and to issue notes in anticipation of the receipt of the proceeds of the sale of any such bonds or revenue certificates.
- (k) To borrow money from the city, for any period not to exceed one year, to provide JEA with working capital to meet routine or emergency cash requirements and to maintain adequate inventories, at such interest rates and upon such conditions concerning the method of borrowing, the time and manner of payment and the maximum amount that may be on loan at any time, as are determined by ordinance of the council; to lend money from one of its utilities operations to another of its utilities operations for such period, at such interest rates and upon such other conditions concerning the method of borrowing, the time and manner of payment and the maximum amount that may be on loan at any time, all as determined by JEA; and to borrow money from lending institutions, including, without limitation, borrowing as part of a commercial paper or other short-term note financing program which may include provision for payment upon demand by the purchaser or purchasers, as authorized by resolution of JEA. When authorized by resolution of JEA, such notes, including renewals thereof, may be sold or placed by officers of JEA at public or private sale and delivered by such officers to the purchaser or purchasers thereof within the limitations and restrictions contained in such resolution.

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Such loans between utility systems and such borrowings from lending institutions, or between one or more of the utility systems, including borrowing as part of a commercial paper or other short-term note financing program, will not require the approval of the council.

- (l) To enter into contracts determined by JEA to be necessary or desirable for the prudent management of JEA's funds, debt or fuels, and any and all other commodities used for the several utility systems including, without limitation, interest rate swaps, option contracts, futures contracts, contracts for the future delivery or price management of power, energy, natural gas or other related commodities, hedging contracts, other risk management techniques, securities lending agreements and forward purchase contracts.
- (m) To invest money of JEA not required for immediate use, including proceeds from the sale of any bonds, revenue certificates or notes, in such obligations, securities, and other investments as JEA shall deem prudent, subject to any agreement with bondholders, revenue certificate holders or note holders.
- (n) To enter into joint project agreements as provided by Part II of F.S. Ch. 361, as amended, for the purpose of implementing a project, as such term is defined in Part II of F.S. Ch. 361. A copy of all such joint project agreements shall be filed with the council, the council auditor, and the mayor at least thirty days prior to the effective date of the agreement. Anything in this provision to the contrary notwithstanding, (i) any joint project agreement that involves a transfer of the electric system, function or operation that is subject to the requirements and limitations of Section 21.11 herein or (ii) any joint project agreement that involves the issuance of debt not previously authorized by Section 21.04(i)(2) herein, shall require prior approval of the council.
- (o) To enter into agreements with one or more other electric utilities, public or private, and related contracts with respect to joint electric power projects as provided in Section 2 of Chapter 80-513, Laws of Florida, as amended. The provisions of said Chapter 80-513 shall govern and control JEA in all respects in the carrying out of a joint electric power project authorized thereunder notwithstanding any provision of the charter or of the Ordinance Code of the City of Jacksonville which may be in conflict therewith.
- (p) To provide, supply, transfer, sell, finance, or lease services, products, by-products, and activities developed or used by JEA incident to the exercise of the powers conferred by this Article in the delivery of the utilities systems in the following manner:
  - (1) *JEA governing body approval.* The governing body of JEA shall approve in advance all services, products, by-products or activities developed or used by JEA in accordance with this subsection (p) at a duly noticed meeting. The governing body of JEA shall not delegate its approval authority under this subsection to the managing director or any other officer, employee or agent of JEA.
  - (2) *Permitted services, products, by-products and activities.* The services, products, by-products and activities expressly permitted to be developed or used by JEA pursuant to this subsection (p) shall include providing, supplying, transferring, selling, financing or leasing the following: (i) energy performance contracting; (ii) water, sewer and natural gas (and any other utility service hereafter provided by JEA) contracting; (iii) power marketing services; (iv) testing and maintenance of customer-owned facilities such as transformers, capacitors, lighting, HVAC systems, water cooling and heating systems, energy management systems, etc.; (v) temporary leasing of JEA facilities such as oil storage tanks; (vi) steam or other thermal energy services and contracting; (vii) services regarding specially conditioned power on the premises of customers; (viii) services or products to build, transfer, lease, finance, operate or sell cogeneration facilities, small power production facilities, specially conditioned power, energy conservation, energy efficiency and dispersed generation to other electric utilities both within and without the state or to any wholesale or retail customers of JEA, upon such terms and conditions as JEA shall by resolution

fix and determine; and (ix) financing, testing, maintenance and operation of customer owned facilities used in water, wastewater and natural gas functions.

- (3) *Required notice of additional services or products not expressly listed in subsection (p)(2) above.* JEA may provide "additional services or products" not listed in subsection (p)(2) above. However, JEA shall not provide, supply, transfer, sell, finance or lease any additional service, product, by-product or activity not expressly listed in subsection (p)(2)(i)—(ix) above ("additional service or product") to any person or entity under this subsection without first providing written notice as provided herein of such additional service or product to the council auditor no less than 60 days prior to such date that the governing body of JEA is scheduled to approve such additional service or product in accordance with subsection (p)(1). JEA's required written notice to the council auditor shall include the following information regarding such additional service or product: (i) an express reference in the notice that the notice is being provided pursuant to this subsection; (ii) a detailed description of the additional service or product; (iii) a copy of any applicable business plans; (iv) a copy of any proposed contracts or contract forms; (v) a financial analysis, including projected revenues and expenses; and (vi) any other information developed by JEA or third parties regarding the additional service or product. Any action by JEA to provide, supply, transfer, sell, finance or lease an additional service or product pursuant to this subsection shall be void without the required prior approval of the governing body of JEA and prior notice to the council auditor as provided herein. JEA shall provide the mayor and council with a notice containing the information in items (i) and (ii) above regarding such additional service or product concurrent with the required council auditor notice provided herein.
  - (4) *Annual report.* JEA shall provide a comprehensive annual written report to the mayor, council, and council auditor regarding all services, products, or by-products developed or used by JEA pursuant to this subsection (p). JEA shall post such written report on JEA's website in a conspicuous manner for the public to view.
  - (5) *Prohibition.* JEA shall not exercise any powers pursuant to this subsection (p) that are expressly prohibited in the charter or this Article, including, but not limited to, the express prohibitions set forth in Section 21.11 herein.
- (q) To implement giving programs in the following manner:
- (1) Upon approval of the governing body of JEA, to collect from customers and ratepayers monthly or one-time voluntary contributions to be deposited into an elderly and/or handicapped or low-income customer emergency trust fund administered by JEA. The proceeds of such trust fund may be expended periodically by JEA for the purpose of providing financial assistance to elderly and/or handicapped or otherwise needy low-income residents living within the service area of JEA for the payment of their utilities needs. The method of administration of such trust fund, including the collection and distribution thereof, shall be as provided by ordinance of the council. The results of such giving program shall be reported annually each July 1st to the council.
  - (2) Upon approval of the governing body of JEA, to collect monthly or one-time voluntary contributions from customers and ratepayers, for a charitable, scholastic, or public service community giving program. Contributions from any such program shall be passed through to an appropriate non-profit entity for administration and distribution and shall not be administered by JEA. The results of such giving program shall be reported annually each July 1st to the council.
  - (3) Upon approval of the governing body of JEA, to collect monthly or one-time voluntary contributions from customers, ratepayers or other contributors for other customer assistance programs directly related to services or utilities provided by JEA. Contributions from any such program shall be passed through to an appropriate non-profit entity for administration and

distribution and shall not be administered by JEA. The results of any such giving program shall be reported annually each July 1st to the council.

- (r) To jointly or separately plan, finance, operate, use, share costs of, sponsor, publicize or otherwise participate in projects, systems, programs or measures to promote or implement electric and natural gas energy, electrotechnologies, water, wastewater and natural gas conservation and efficiency, power conditioning and load management, including, but not limited to, energy, water and wastewater conservation, energy efficiency and conditioning or load reducing or load shaping modifications to the maintenance and operating procedures and facilities of a building or facility or in the installation therein; energy, water and wastewater conserving and energy efficiency modifications to windows and doors, pipes, pumps and motors; caulking and weatherstripping; insulation; automatic energy control systems; load management systems; hot water systems; replacements or modifications of lighting fixtures; and energy recovery and recycling systems; and research and development relating thereto within or without the state.
- (s) Except as otherwise prohibited herein, to delegate any act authorized pursuant to this Article to any officer, employee or agent of JEA as it may deem necessary or desirable for the prudent management of JEA.
- (t) To do all acts and deeds necessary, convenient or desirable, incidental to the exercise and performance of the powers and duties granted to JEA in this Article.
- (u) Express authority is given JEA to enter into any contracts, leases or other agreements with other governmental bodies (either local, state or federal) for the purpose of carrying out any of the provisions, powers or purposes of this Article. JEA is expressly prohibited from appropriating or expending any of its funds for payments, contributions or transfer to any non-profit organization or any other group, association or entity other than those whose primary purpose directly involves the electric, water, wastewater and natural gas utility, (or any other utility which may, in the future, be operated by JEA) industries, or electric energy, water, wastewater and natural gas (or any other utility which may, in the future, be operated by JEA) related matters.
- (v) If JEA determines that it is necessary or appropriate for it to provide, operate or maintain any other utility system or function other than electric, water wastewater and natural gas, JEA shall by resolution identify such additional utility system or systems or function or functions and indicate its desire to provide such utility service or services or function or functions to the council. Sixty days prior to JEA filing the JEA resolution via legislation with the council, JEA shall provide written notice to the council auditor regarding the additional utility system, function, or utility service that JEA desires to provide, operate and maintain. Such notice to the council auditor shall include the following information regarding such additional utility system, function, or utility service: (i) an express reference in the notice that the notice is being provided pursuant to this subsection; (ii) a detailed description of the additional utility system, function or utility service; (iii) a copy of any applicable business plans; (iv) a copy of any proposed contracts or contract forms; (v) a financial analysis, including projected revenues and expenses; and (vi) any other information developed by JEA or third parties regarding the additional utility system, function, or utility service. The JEA resolution to be provided to council via legislation for adoption and approval by the council shall address relative real property tax treatment of JEA providing, operating or maintaining the additional utility system and shall include the information listed in (i)-(vi) above. Upon the adoption and approval of this resolution by JEA and the council, voting as separate entities, JEA, with respect to the specified system or systems, shall be vested with all powers set forth herein or in general law that would, but for the provisions of this Article, apply to such specified utility system or systems.
- (w) To exercise all powers granted to the city with regard to sewage collection and disposal and to water supply pursuant to F.S. Chs. 170 and 180, including the issuance of bonds or notes in anticipation thereof payable from special assessments under said F.S. Ch. 170.

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- (x) To coordinate carefully with the Department of Public Works of the City of Jacksonville, the Jacksonville Transportation Authority, and other independent agencies, the planning and execution of engineering and construction projects involving underground work and streets and highways to seek to minimize the total cost of such projects and to reduce disruption to the citizens of the city to the maximum extent possible.
  - (y) To expend JEA funds up to one (1%) percent of the prior year's gross revenues to promote the efficient use of JEA's services through public education including exhibits, conferences, displays, tours and other events customary to the utilities industry and also to publicize, advertise and promote the objectives of this Article and to promote the objectives of JEA all in the manner set forth by resolution of JEA. Accordingly, JEA may expend its funds to make known to the users, potential users and public in general the advantages, facilities, resources, products, attractions and attributes of the services provided by JEA and to further create a favorable climate of opinion concerning the activities and projects authorized and indicated by this Article. JEA may also, to the extent permitted by the laws of the State of Florida, expend funds in cooperative efforts to and with other agencies, both public and private, in accomplishing the purposes enumerated and indicated by this Article; and in furtherance thereof. JEA may also authorize reasonable expenditures for any and all of the purposes herein enumerated, including but not limited to, reasonable food and beverage expenditures in the interest of promoting and engendering good will toward the activities and projects herein authorized. Whenever an expenditure of funds for any of the foregoing purposes is made by a member or employee of JEA, JEA may reimburse such member or employee therefor, but only after such expenditures have been duly authorized by JEA or its managing director if so delegated to do so. JEA will provide a list of proposed promotional expenditures for the current fiscal year to the council auditors on or before December 31<sup>st</sup> of each fiscal year. The spending limitation on promotional expenditures set forth in this subsection shall not apply to a newly approved utility system, function or utility service under subsection (v) herein and newly approved additional services or products under subsection (p) herein. For purposes of this subsection "newly approved" shall mean within seven years of the approval date by council for matters subject to the provisions of subsection (v) or by the governing body of JEA for matters subject to the provisions of subsection (p), as applicable. All funds expended by JEA as reimbursement for travel expenses shall be subject to Chapter 106, Part 7, of the Ordinance Code of the City of Jacksonville, as amended. JEA shall not exercise any powers pursuant to this subsection to promote the privatization, sale, transfer or reorganization of JEA as expressly prohibited in Section 21.11 herein or otherwise in this Article or the charter.
  - (z) To allocate costs between the electric, water, sewer, natural gas and any other utility system operated now or in the future by JEA on a cost accounted basis.
  - (aa) To assist the City of Jacksonville and any of its departments and independent agencies in the development of joint financing programs for the purpose of financing capital improvement programs for the City of Jacksonville and any of its departments and independent agencies.
  - (bb) To enter into such interlocal agreements authorized by, and to become a member of such separate legal entity or entities created pursuant to F.S. Ch. 163, as JEA shall determine by resolution are necessary or desirable to accomplish the purposes enumerated and indicated by this Article; and, to the extent permitted by the laws of the State of Florida, to enter into such joint ventures, partnerships, joint ownership arrangements, or other similar arrangements with other persons or entities, public or private, as JEA shall determine by resolution are necessary or desirable to accomplish the purposes enumerated and indicated by this Article.
  - (cc) To allocate and allot the sums appropriated by the council in JEA's annual budget for more specific purposes and to transfer from time to time during the fiscal year, without further council approval, appropriated funds including capital outlay funds from one of the purposes for which funds are appropriated to another of such purposes, if, in the discretion of JEA, such transfer is necessary to carry

out all of the purposes for which funds were appropriated, subject to applicable law; provided however, nothing in this Section shall authorize JEA to transfer appropriated funds from its operating budget to its capital outlay budget or vice versa, without prior approval of the council. This includes the financing of power conditioning and energy conservation equipment for both residential and nonresidential customers providing that the receivables at any point in time will not exceed ten (10) percent of the prior year's utilities system's revenues. A written summary of all budget transfers shall be provided to the council auditor at the end of each quarter.

- (dd) To the extent permitted by the laws of the State of Florida, to have ownership and membership in separate organization entities, including but not limited to corporations, to conduct utility related activities and functions. A copy of all such ownership agreements, and any amendments thereto, shall be filed with the council and the mayor at least thirty (30) days prior to the effective date of the agreement.
- (ee) (1) To shut off and discontinue the supplying of services of one utility system, to any and all users of the utilities system, for the nonpayment, when due, of the rates, assessments, fees or charges, for facilities or services of that particular utility system, or for facilities or services of any other utility system.
- (2) To deny any application for services of one utility system, to any and all users or potential users of the utilities system for the nonpayment, when due, of rates, assessments, fees or charges for facilities or services of that particular utility system, or for facilities or services of any other utility system.
- (ff) Subject to the prior approval of the governing body of JEA, to:
  - (1) Transfer to an entity by sale, lease, assignment or other disposition of up to, but not more than, the net capital assets calculation (as defined in Section 21.11) of an included system, or the management, function, or operation of any portion of an included system which comprises more than the net capital assets calculation of such included system;
  - (2) Explore, investigate or consummate a reorganization of JEA, or JEA's governance structure in a manner that would affect JEA's ownership or management control of up to, but not more than, the net capital assets calculation (as defined in Section 21.11) of an included system;
  - (3) Sell, lease, assign or otherwise transfer less than .01 or one percent (1%) of the service territory (as calculated in Section 21.11(d)) of a JEA included system to any entity; and
  - (4) Sell, lease, assign or otherwise transfer less than .01 or one percent (1%) of JEA's electric, water, or wastewater, customer accounts (as calculated in Section 21.11(d)) based on the latest available JEA monthly financial statements.

For purposes of this subsection and as applicable, terms and phrases used in this subsection shall have the meaning ascribed to them in Section 21.11 herein. This subsection (ff) is subject to the limitations and prohibitions on privatization, sale, reorganization, and service territory transfers set forth in Section 21.11

(Laws of Fla., Ch. 78-538, § 1; Laws of Fla., Ch. 80-515, § 1; Laws of Fla., Ch. 82-312, § 15; Ord. 84-1307-754, § 25; Ord. 86-164-454, § 1; Ord. 86-1458-879, § 1; Laws of Fla., Ch. 92-341, § 1; Ord. 93-82-1385, § 1; Ord. 94-1268-757, § 1; Ord. 97-12-E, § 2; Ord. 98-253-E, § 1; Ord. 2005-1032, § 1; Ord. 2015-764-E, § 2; Ord. 2018-142-E, § 1; Ord. 2020-419-E, § 2)

### **Section 21.05. Construction.**

In addition to the express powers granted in this Article, JEA shall have all implied powers necessary or incidental to carrying out the expressed powers and the expressed purposes for which JEA is created. The express

powers granted to JEA in this Article shall be strictly construed, and the implied powers granted to JEA in this Section shall be strictly construed in relation to the relevant and applicable express power granted to JEA in this Article. The fact that this Article specifically states that JEA possesses a certain power does not mean that JEA must exercise such power unless this Article specifically so requires. JEA's power to levy special assessments shall not be deemed to be the power to levy taxes.

(Ord. 93-82-1385, § 1; Ord. 97-12-E, § 2; Ord. 98-253-E, § 1; Ord. 2020-419-E, § 2)

**Section 21.06. Bonds and revenue certificates eligible for legal investments.**

Notwithstanding any provisions of any other law or laws to the contrary, all revenue bonds and revenue certificates including refunding bonds and refunding revenue certificates, issued pursuant to this Article shall constitute legal investments for savings banks, trust companies, executors, administrators, trustees, guardians, and other fiduciaries, and for any board, body, agency or instrumentality of the State of Florida, or of any county, municipality, or other political subdivision of the State of Florida; and shall be eligible as security for deposits of state, county, municipal and other public funds.

(Laws of Fla., Ch. 78-538, § 1; Laws of Fla., Ch. 80-515, § 1; Ord. 84-1307-754, § 25; Ord. 93-82-1385, § 1)

Editor's note(s)—Former § 21.06Editor's note(s)—, relative to transfer of property by the city, was deleted by § 1 of Ord. 93-82-1385, and former § 21.05Editor's note(s)— was subsequently renumbered as s. 21.06Editor's note(s)—. The provisions of former § 21.06Editor's note(s)— derived from Laws of Fla., Ch. 78-538, § 1; Laws of Fla., Ch. 80-515, § 1; Ord. 84-1307-754, § 25Editor's note(s)— and Laws of Fla., Ch. 92-341, § 1.

**Section 21.07. Fiscal and budgetary functions.**

JEA shall have fiscal and budgetary functions, subject to the limitations herein expressed:

- (a) The fiscal year of JEA shall commence on October 1 of each year and end on the following September 30.
- (b) JEA shall prepare and submit its budget for the ensuing year to the city on or before July 1 of each year, setting forth its estimated gross revenues and other available funds, and estimated requirements for operations and maintenance expenses, capital outlay, debt service, and depreciation and reserve account. The council and the mayor shall approve or disapprove such budget in the manner provided in Article 14 for budgets of independent agencies.
- (c) As consideration for the unique relationship between the City of Jacksonville and JEA, as a tax-exempt entity within the consolidated government, and in recognition of the shared attributes with the consolidated City of Jacksonville in connection with its electric, water, and sewer distribution systems, there shall be assessed upon JEA in each fiscal year, for the uses and purposes of the city, from the revenues of the electric system and the water and sewer system operated by JEA available after the payment of all costs and expenses incurred by JEA in connection with the operation of such electric system and water and sewer system (including, without limitation, all costs of operation and maintenance, debt service on all obligations issued by JEA in connection with such electric system and water and sewer system and required reserves therefore and the annual deposit to the depreciation and reserve account required pursuant to Section 21.07(g)), an amount as provided herein. Effective October 1, 2016, consistent with the provisions of this Section 21.07(c), JEA shall pay the city combined assessment for the electric system and the water and sewer system. The combined assessment for the electric system and the water and sewer system shall equal, but not exceed the greater of (A) the sum of (i) the amount calculated by multiplying 7.468 mills by the gross kilowatt-hours delivered by JEA to retail users of electricity in JEA's service area and to wholesale customers under firm contracts having

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an original term of more than one year (other than sales of energy to Florida Power and Light Company from JEA's St. Johns River Power Park System, exception ending December 31, 2017) during the twelve-month period ending on April 30 of the fiscal year immediately preceding the fiscal year for which such assessment is applicable plus (ii) the amount calculated by multiplying 389.20 mills by the number of K-Gals (1=1000 gallons) potable water and sewer service, excluding reclaimed water service, provided to consumers during the twelve-month period ending on April 30 of the fiscal year immediately preceding the fiscal year for which such assessment is applicable, or (B) a minimum calculated amount which increases by 1% per year from fiscal year 2016-2017 through fiscal year 2022-2023 using the fiscal year 2015-16 combined assessment of \$114,187,538 as the base year. The amounts applicable to clause (B) above are: for fiscal year 2016-2017 - \$115,329,413; for fiscal year 2017-2018 - \$116,482,708; for fiscal year 2018-2019 - \$117,647,535; for fiscal year 2019-2020 - \$118,824,010; for fiscal year 2020-2021 - \$120,012,250; for fiscal year 2021-2022 - \$121,212,373; and for fiscal year 2022-2023 - \$122,424,496.

- (d) The assessment calculations for the electric system and the water and sewer system shall be in effect until September 30, 2023. The council may reconsider the assessment calculations after October 1, 2022 and changes, if any, shall become effective October 1, 2023. The council may change the assessment calculations by ordinance within the provisions of this Section 21.07. Should the council not reconsider the assessment calculations, the assessments shall be calculated using the existing formulas specified in Section 21.07(c), including a minimum calculated amount in clause (B) therein, which increases by one percent per year for each fiscal year computed as provided in Section 21.07(c). In addition to the annual assessment as calculated in Section 21.07(c), JEA pursuant to the terms of an Interagency Agreement (as amended) with the City, agreed to provide total nitrogen water quality credit to the City to assist the City in meeting its Basin Management Action Plan load reduction goal (BMAP Credit). If JEA cannot provide the BMAP Credit pursuant to the terms of the Interagency Agreement dated March 22, 2016 (as amended), council and JEA shall work cooperatively to address the BMAP Credit shortfall or council may reconsider the assessment calculations.
- (e) The council shall have the power to appropriate annually a portion of the available revenues of each utility system (other than the electric, water and sewer systems) operated by JEA for the uses and purposes of the city. This appropriation shall be based on a formula to be agreed upon by JEA and the council. Any covenants or pledges to lenders associated with such proposed additional utility system which impair council's ability to appropriate revenues from that additional utility system, other than a pledge of gross revenues to bondholders, shall be included in the JEA resolution required in s. 21.04(v) or any future resolution allowing for financing of activities associated with that additional utility system.
- (f) JEA shall pay over to the city (i) the amounts assessed upon JEA pursuant to Section 21.07(c) and (ii) such portions of the funds actually appropriated by the council pursuant to Section 21.07(e) at such time as the council may request, but not in advance of collection. Although the calculation for (i) the amounts assessed upon JEA pursuant to Section 21.07(c) and (ii) the annual transfer of available revenue from JEA to the city pursuant to Section 21.07(e) is based upon formulas that are applied specifically to the respective utility systems operated by JEA, JEA, in its sole discretion, may utilize any of its revenues regardless of source to satisfy its total annual obligation to the city mandated by said Sections 21.07(c) and (e).
- (g) JEA shall be required to set aside each year in a depreciation and reserve account established for each utility system it operates, an amount equal to not less than 10 percent of its annual net revenues for the previous year attributable to each such system. For such purpose, "annual net revenue" shall mean annual gross revenues derived by JEA from the operation of such system reduced by expenses for operation and maintenance allocable to such system and debt service allocable to such system. Funds set aside in each such depreciation and reserve account shall be used exclusively for enlargements, extensions, improvements and replacements of capital assets of the utility system for which such account was established or to pay or provide for the payment of JEA's bonds, notes or revenue



certificates relating specifically to such system; provided, however, that if JEA by resolution determines that it is in the best interests of JEA to use all or any portion of the funds set aside in the depreciation and reserve account established with respect to a particular utility system for the purposes of another utility system, then such funds may be so applied.

- (h) JEA shall not be required to utilize the personnel, motor pool, purchasing, communication or information systems services of the city. By mutual agreement of JEA and the city such services may be provided from one party to the other but only on a cost-accounted basis. JEA shall be required to use the legal services of the city on a cost-accounted basis except in those cases when the chief legal officer of the city determines that the city legal staff cannot or should not provide legal services in the required legal area. JEA shall appropriate the funds necessary to meet the obligations for outside legal services as determined by the general counsel of the city. The general counsel shall consult with JEA before he or she selects outside counsel.
- (i) Unless otherwise determined by JEA, all revenues and service charges receivable by JEA as payment for the sale of utilities services shall be collected and received by the tax collector. The tax collector shall deposit to the account of or otherwise turn over to JEA such funds at such times and in such manner as JEA may from time to time designate by resolution. JEA may provide for the collection of such revenues and service charges directly by JEA, provided that the council auditor shall be notified in writing of any proposed change from the current collection process utilizing the Tax Collector and that such change shall not take place until the next fiscal year after such notice is given.
- (j) Reserved.
- (k) JEA is authorized to pay over to other local governmental units outside the city annually a portion of available revenues derived from operations in such local governmental units' territories, for the uses and purposes of such local governmental units, an amount not to exceed that which would be calculated using the procedures in Sections 21.07(c) and (e), but only to the extent that JEA is able to, and does, include in the rates imposed only upon the customers in such local governmental units' territories the total amounts in respect of such payments.
- (l) In addition to all other sums paid by JEA to the City of Jacksonville, JEA shall pay to the City of Jacksonville a franchise fee in an amount equal to three percent (3%) of the revenues of the electric system and the water and sewer system as set forth in Section 21.07(c) herein. The franchise fee will commence for revenues derived effective April 1, 2008 and shall be paid monthly with the first payment payable on June 1, 2008. The franchise fee shall be limited to (1) revenues derived within Duval County not including Urban Service Districts 2-5, and (2) per customer, total water and sewer rate revenues, and (3) up to a per customer maximum of \$2,400,000 per fiscal year of electric rate revenues. The franchise fee shall be calculated each month by multiplying three percent (3%) by the sum of JEA's base rate electric revenues, fuel rate revenues, water rate revenues and sewer rate revenues for that month excluding unbilled revenues and uncollectible accounts. The franchise fee shall be calculated on revenues derived from the sale of gross kilowatt-hours and number of cubic feet of potable water and cubic feet of sewer service as set forth in Section 21.07(c). Notwithstanding the foregoing, no franchise fee shall be paid on franchise fees, state utility taxes, fuel related interchange sales, sales for resale, City of Jacksonville accounts, JEA accounts, investment income and other revenues. JEA shall be authorized to pass-through the amount of the franchise fees set forth herein and associated charges resulting from the stated three percent (3%) franchise fee calculation on rate revenues notwithstanding the \$2,400,000 limit set forth herein to the customers of JEA, in accordance with the customers' proportionate share of rate revenues as calculated above. This franchise fee is in consideration of the administrative costs incurred by the City to coordinate functions and services with JEA, for the exclusive right to serve electric, water and sewer customers, for use by JEA of the public rights-of-way used by it in connection with its electric distribution system and its water and sewer distribution and collection system, and in further consideration of the unique relationship of JEA and

the City, in which JEA is a wholly owned public utility, and such other good and valuable consideration that has been agreed to between JEA and the City of Jacksonville. The gross franchise fee and the amount of the pass-through set forth herein may be increased by ordinance, initiated by the Mayor and approved by two-thirds supermajority of the City Council, but the franchise fee shall not exceed six percent (6%) of the gross utility revenues as calculated above. The JEA and the City shall enter into a Franchise Fee Agreement for the administration of the Franchise Fee.

- (m) When JEA is in receipt of a request for information from the council auditor pursuant to the authority of the council auditor under Section 5.10 of the charter, it shall, within two business days of receipt of the request, 1) acknowledge receipt of the request by electronic mail to the council auditor, and 2) submit to the council auditor an estimated timeframe for which the information requested will be available to the council auditor for review. If the information requested by the council auditor is not within the purview of JEA or JEA is unsure of the request or unfamiliar with the information that is requested, it should provide such explanation in its response to the council auditor.

(Laws of Fla., Ch. 78-538, § 1; Laws of Fla., Ch. 80-515, § 1; Ord. 81-921-490, § 1; Ord. 84-1307-754, § 25; Ord. 89-1001-632, § 1; Laws of Fla., Ch. 92-341, § 1; Ord. 93-82-1385, § 1; Ord. 97-12-E, § 2; Ord. 98-253-E, § 1; Ord. 2003-1320-E, § 1; Ord. 2007-838-E, § 1; Ord. 2007-1132-E, § 1; Ord. 2015-764-E, § 2; Ord. 2018-747-E, § 2; Ord. No. 2020-40-E, § 1; Ord. 2020-419-E, § 2)

**Sec. 21.08. Employees generally; managing director; employment contract restrictions.**

- (a) *Generally.* All employees of the utilities systems shall be employees of JEA and shall be subject to Articles 16 and 17 of the charter unless otherwise provided by the council, which shall be and continue to be the legislative body as provided in F.S. § 447.203(10), as amended. JEA shall be fully responsible for the administration and operation of all utility services as set out in this Article and in order to meet its administrative and operational responsibilities, JEA shall have full and independent authority to hire, transfer, promote, discipline, terminate and evaluate employees engaged to provide any and all of the utilities services for which it is responsible and accordingly, consistent with the provisions of Article 17 of the charter, JEA may establish employment policies relating to hiring, promotion, discipline and termination, and other terms and conditions of employment, and enter into negotiations with employee organizations with respect to wages, hours and terms and conditions of employment and take such other employment related action as needed to assure effective and efficient administration and operation of the utilities systems. In order to effectively implement the foregoing, JEA shall perform all functions with regard to its own employees that are performed by the City department or division which oversees city employees in regard to personnel matters. JEA, at its expense, shall provide accidental death benefits for all employees engaged in hazardous duty as determined by JEA, in the amount of \$50,000 payable to the beneficiary named by the employee, or as otherwise provided, in the event said employee dies as a result of an accident occurring to any employee in the course of his/her employment. Nothing contained in this Section shall be construed to supersede or repeal any provision of Section 12 of Chapter 80-513, Laws of Florida, as amended.
- (b) *Managing Director.* The governing body of JEA shall employ and fix the compensation of the managing director, who shall serve at the pleasure of the governing body of JEA. The managing director shall manage the affairs of the utilities systems under the supervision of the governing body of JEA. The entire working time of such managing director shall be devoted to the performance of the duties of such office and the managing director shall have no outside employment. Subject to the approval of the governing body of JEA, the managing director may engage in or have unrelated business interests so long as such business interests do not interfere with the managing director's duties as provided herein. The managing director shall be a graduate of an accredited college or university, and have at least five years executive experience within the utilities industry. The managing director shall have a fiduciary duty of loyalty, fidelity, and allegiance to act at all times in the best interests of JEA and will act in a manner consistent with the responsibilities of this Article

and other policies, rules and regulations governing the conduct of JEA employees. The managing director's employment agreement, if any, shall be subject to the provisions of subsection (d) below.

- (c) *Other Employees.* The governing body of JEA may appoint and fix the compensation of staff assistants to the managing director, to serve at the pleasure of the governing body of JEA. JEA shall employ and fix the compensation of the department heads, deputy directors of departments, division chiefs and assistant division chiefs of the utilities systems. JEA may adopt position titles different from those recited herein, consistent with utility industry practice. The managing director, department heads, deputy directors of departments, staff assistants, division chiefs and assistant division chiefs shall not be included within the civil service system of the city. The managing director may employ such certified public accountants, consultants and other employees for special purposes, not within the civil service system, as it may require, and fix and pay their compensation. Whenever used in this Section 21.08, "compensation" shall mean both salary and benefits, exclusive of any city retirement benefits pursuant to Article 16 of the charter.
- (d) *Employment contract restrictions.* JEA may have an employment contract with the managing director only. The managing director's employment contract shall be approved by the governing body of JEA. Nothing in this subsection, or in any employment agreement entered into pursuant to this subsection, may be construed as a guarantee of employment for the managing director at any time, or for any length of time. At a minimum, the managing director's employment contract shall satisfy the following requirements:
- (1) The contract term, including any renewal term, shall not exceed five (5) years;
  - (2) The amount of severance pay, if any, shall not exceed the amounts allowed under Florida law and shall not be permitted if the managing director is terminated for cause or terminated for misconduct, as defined in F.S. § 443.036(29), as amended;
  - (3) The contract shall not contain a mandatory consulting, separation and transition, or similar agreement that is operative due to the managing director's termination without cause under the contract;
  - (4) JEA shall not be required to release, indemnify or hold harmless the managing director against any claims except as otherwise permitted by law;
  - (5) JEA shall not be required to pay for or provide legal counsel to the managing director beyond the legal counsel required of the Office of General Counsel pursuant to the charter or general law;
  - (6) The contract shall contain a provision that the managing director serves at the pleasure of the governing body of JEA and may be terminated without cause at any time, and such provision may provide for not more than 30 days advance notice to the managing director of such termination without cause;
  - (7) The contract may contain a provision for termination of the managing director for cause, provided that "cause" shall be defined consistent with the definition of cause as contained in Rule 9.05(a) of the Civil Service and Personnel Rules and Regulations of the City of Jacksonville;
  - (8) All compensation terms shall be reasonable and customary and similar to other public utilities comparable to JEA when taking into account the size of JEA's territory area, employee workforce, and utility systems; and
  - (9) Any such other terms as may be in the best interest of JEA and not inconsistent with this section.

Any managing director employment contract entered into by JEA that does not satisfy the minimum requirements above shall be null and void.

- (e) *Pension Plan; Defined Contribution Plan; Deferred Compensation Plan.* All personnel appointed by JEA pursuant to this Section shall participate in one of the city's retirement plans, as governed by the rules and requirements of such retirement plans and in the same manner as other JEA employees who participate in such plan. JEA is authorized to maintain a separate single tax-qualified defined contribution program

pursuant to Section 401(a) of the Internal Revenue Code of 1986, as amended, for its employees that is supplemental to any city defined contribution program. Additionally, JEA is authorized to maintain a separate single eligible deferred compensation program pursuant to Section 457(b) of the Internal Revenue Code of 1986, as amended, for its employees that is supplemental to any city deferred compensation program. Such programs shall be approved by the governing body of JEA and shall be subject to and comply with all federal and state laws applicable to deferred compensation and defined contribution programs for public or government employees, including, but not limited to, the Internal Revenue Code of 1986, as amended, F.S. § 112.215, as amended, and Part VII of F.S. Ch. 112. JEA shall periodically provide the council auditor with a written report regarding such deferred compensation and defined contribution programs. JEA shall post such written report on JEA's website in a conspicuous manner for the public to view.

- (f) *Employee Bonus Program.* JEA may implement or adopt an employee bonus plan or program ("bonus program") for JEA employees pursuant to F.S. § 215.425(3), as amended, subject to the prior approval of the governing body of JEA. The governing body of JEA shall approve such bonus program annually for each fiscal year, and if a bonus program is implemented in any fiscal year without first obtaining the approval of the governing body of JEA, such program shall be void. The governing body of JEA shall not delegate its approval authority regarding a bonus program under this subsection to the managing director or any other officer, employee or agent of JEA. Such bonus program must comply with F.S. § 215.425(3), as amended, the charter, and other applicable laws. The governing body of the JEA shall establish rules, procedures, and standards regarding such bonus program. Additionally, JEA shall include a budget line item and specific detailed plan regarding such bonus program as an exhibit to its annual budget submission to council. JEA shall also provide the council auditor with an annual end of fiscal year written report on or before December 31<sup>st</sup> of each fiscal year regarding the disbursements related to the bonus program. JEA shall post such written report on JEA's website in a conspicuous manner for the public to view.

(Ord. 2020-419-E , §§ 1, 2)

Editor's note(s)—Ord. 2020-419-E Editor's note(s)—, §§ 1 and 2, amended the Charter by repealing former § 21.08 Editor's note(s)— and adding a new § 21.08 Editor's note(s)—. Former § 21.08 Editor's note(s)— pertained to employees, and derived from Laws of Fla., Ch. 78-538, § 1; Laws of Fla., Ch. 80-515, § 1; Ord. 84-1307-754, § 25 Editor's note(s)—; Ord. 87-203-345, § 1; Laws of Fla., Ch. 92-341, § 1; Ord. 97-12-E, § 2; Ord. 98-253-E, § 1; Ord. 2011-732-E; and Ord. 2015-764-E Editor's note(s)—, § 3. Additionally, Ordinance 2007-839-E, § 18, authorized updated department/division names pursuant to reorganization.

## **Sec. 21.09. Procurement generally; contracts generally.**

- (a) *Applicability.* Unless otherwise provided herein, this Section shall apply to contracts entered into by JEA pursuant to this Article.
- (b) *Procurement generally.*
- (1) *Open and Fair Competition.* To the greatest extent reasonably practicable, JEA shall use open, fair, competitive, and generally accepted government procurement methods that seek to encourage the most competition and best price for the purchase of supplies, construction, professional and other contractual services. JEA should adhere to all applicable state procurement laws, including, but not limited to, laws governing the purchase of construction services and professional design services.
  - (2) *Procedures; governing body approval.* JEA shall not be required to follow the City's procurement procedures. JEA may establish its own procurement procedures regarding the purchase of goods, supplies, equipment, and services, subject to applicable state law. JEA's procurement procedures, including any amendments thereto, shall be reviewed and approved by the governing body of JEA. The governing body of JEA may not delegate its approval of the procurement procedures, including any amendments thereto, to the managing director or any other officer, employee or agent of JEA. In the

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absence of JEA established procurement procedures, JEA shall follow the city's procurement procedures. JEA shall adhere to its procurement procedures in entering into procurement contracts, including but not limited to, contracts relating to the construction, reconstruction, repair, operation or maintenance of the utilities systems or the purchase of supplies, equipment, machinery and materials for the utilities systems or the contracting or otherwise purchasing for any advisory, professional or other services necessary or incidental to the operation of the utilities systems.

- (3) *Jacksonville Small Emerging Business (JSEB) Program; Minority Business Enterprises.* JEA shall adhere to the city's Jacksonville Small Emerging Business (JSEB) Program, or successor city program, in its procurement procedures. Subject to applicable federal, state and local laws, JEA is authorized to implement and to take all actions necessary to administer a race-conscious purchasing and procurement program to remedy the present effects of past discrimination by JEA, if any, in the awarding of contracts. Any such race-conscious program implemented by JEA to remedy the present effects of past discrimination by JEA, if any, in the awarding of contracts must be supported by evidence and based on the required criteria and standards as set forth in applicable federal and state laws.
- (4) *Certain solicitation specifications and standards prohibited; rejection of bids, proposals, and replies.* JEA should not develop solicitation specifications that are so narrowly tailored to an entity or entities that other qualified entities (i.e., bidders, respondents and vendors) are precluded from participating in such solicitation. Additionally, JEA should not develop standards that limit open competition and preclude qualified entities (i.e., bidders, respondents and vendors) from participating in solicitations. JEA shall have the right to reject any and all bids, proposals, or replies, in whole or in part, in the best interests of JEA.
- (5) *Annual survey.* JEA shall annually conduct a survey of actual, interested and prospective bidders, respondents, and vendors to obtain feedback on JEA's procurement process. Such survey shall be on a form approved by JEA and participation in the survey shall be open to actual, interested and prospective bidders, respondents, and vendors. Survey topics may include, without limitation, various aspects of JEA's procurement process such as information transparency and accessibility, pre-conferences, bid submittal packages, evaluations, and awards. JEA shall consider such survey results during JEA's biennial review of its procurement code.
- (6) *Transparency in procurement governing documents.* The procurement code and any procurement policies, operating procedures, rules, directives, standards, and other procurement governing documents, including any amendments thereto, shall be posted on JEA's website in a conspicuous manner for the public to view.
- (7) *Biennial review; annual report.* JEA shall biennially review its procurement procedures. JEA shall also prepare and deliver a written report to the council and mayor on or before December 31st of each fiscal year summarizing the procurement contract awards for the immediately prior fiscal year. Such written report shall contain at a minimum the following information:
  - (i) The number of contract awards for the reporting fiscal year;
  - (ii) A detailed listing of all contract awards categorized by service type (e.g., construction, professional, supplies, professional design services), award type (e.g., single source, emergency, request for proposal, invitation to negotiate, piggyback, etc.) and a brief description of each contract award containing the contractor name, contract amount and procurement method used;
  - (iii) The number of JSEB contract awards categorized by service type (e.g., construction, engineering, supplies, professional), award type (e.g., single source, emergency, request for proposal, invitation to negotiate, piggyback, etc.), and a brief description of each contract award containing the JSEB contractor name, contract amount and procurement method used;

(iv) The number of bid protests for the reporting fiscal year and the outcome of each protest (i.e., whether JEA prevailed); and

(v) The annual survey results pursuant to the survey requirement in subsection (b) above.

JEA shall post such written report on JEA's website in a conspicuous manner for the public to view.

(8) *Prohibition.* JEA shall not exercise any powers pursuant to this Section to explore, investigate or consummate a privatization, sale, transfer or reorganization of JEA as expressly prohibited in Section 21.11 herein or this Article.

(c) *Contracts Generally.*

(1) *Maximum indebtedness.* Unless otherwise provided herein or by law, all contracts of any kind entered into by JEA pursuant to this Article, including, but not limited to, procurement contracts, joint project contracts, and interlocal agreements shall contain a provision clearly specifying a fixed, maximum monetary indebtedness of JEA thereunder. Such contracts may, however, provide for a lesser variable indebtedness of JEA upon a reasonable basis, subject to such fixed, maximum monetary indebtedness.

(2) *Public records; ethics training.* All contracts and related documents entered into by JEA shall contain a provision clearly stating that such vendor or contractor shall comply with the provisions of F.S. Ch. 119 (Public Records Law), as amended. All senior-level employees, including the managing director and senior-level officers, directors and managers of JEA, shall be trained by the Office of General Counsel, in consultation with the Ethics Office, at least annually on Florida's open meetings laws, public records and ethics laws in accordance with policies and procedures established by JEA.

(3) *Audit.* JEA shall require a person or entity providing contractual services (e.g., construction services, professional design services, or other contractual services) purchased by JEA to agree and be deemed to have agreed by virtue of doing business under contract with JEA to be subject to audit by the council auditor's office pursuant to Article 5 of the charter, as applicable. Additionally, JEA shall include a provision in any contract entered into pursuant to this Article that such vendor or contractor shall comply with all applicable federal, state and local laws, rules and regulations as the same exist or as may be amended from time to time.

(4) *Confidentiality agreements.* The use of confidentiality, nondisclosure or similar agreements by government agencies are contrary to open and transparent government. Except regarding information or records deemed by JEA to be confidential or exempt information or records by law, JEA should not enter into confidentiality or nondisclosure agreements with third parties and should use confidentiality, nondisclosure or similar agreements sparingly in the conduct and operation of the utilities systems. Additionally, JEA should not require a member, officer or employee of JEA to execute any type of confidentiality or nondisclosure agreement that would require such member, officer or employee to maintain the confidentiality of information or records that is not confidential or exempt by law.

(5) *No financial interest.* Except for an employment contract or agreement executed pursuant to Section 21.08, no member, officer or employee of JEA shall either directly or indirectly be a party to, or be in any manner interested in, any contract or agreement with JEA for any matter, cause or thing whatsoever in which such member shall have a financial interest or by reason whereof any liability or indebtedness shall in any way be created against JEA. If any contract or agreement shall be made in violation of the provisions of this Section the same shall be null and void and no action shall be maintained thereon against JEA.

(d) *No limitation.* Unless otherwise provided herein, nothing in this Section shall be construed to limit the power of JEA to construct, repair, or improve the utilities systems or any part thereof, or any addition, betterment or extension thereto.

(Ord. 2020-419-E , §§ 1, 2)

Editor's note(s)—Ord. 2020-419-E Editor's note(s)—, §§ 1 and 2, amended the Charter by repealing former § 21.09 Editor's note(s)— and adding a new § 21.09 Editor's note(s)—. Former § 21.09 Editor's note(s)— pertained to awards of contracts, and derived from Laws of Fla., Ch. 78-538, § 1; Laws of Fla., Ch. 80-515, § 1; Ord. 80-113-169, § 1; Ord. 81-921-490, § 2; Ord. 84-1307-754, § 25 Editor's note(s)—; Ord. 84-229-307, § 1; Ord. 86-1475-875, § 1; Ord. 88-989-705, § 1; Ord. 91-678-447, § 1; Laws of Fla., Ch. 92-341, § 1; Ord. 93-82-1385, § 1; Ord. 97-12-E, § 2; and Ord. 98-253-E, § 1.

**Section 21.10. Execution of instruments; examination of claims; funding through revenue bonds or revenue certificates.**

All instruments in writing necessary to be signed by JEA shall be executed by the chairperson and secretary or assistant secretary, or by such officer, agent or employee of JEA as it may by resolution designate. JEA shall provide for the examination of all payrolls, bills, and other claims and demands against JEA to determine before the same are paid that they are duly authorized, in proper form, correctly computed, legally due and payable, and that JEA has funds on hand to make payment. Funds on hand to make payment shall be deemed to have been provided when revenue bonds or revenue certificates of JEA (or notes issued in anticipation thereof) to finance the acquisition and construction of plants and facilities for the production and/or transmission of electricity, the production and transmission of water, the transmission and treatment of wastewater and the transmission of natural gas, costing in excess of \$10,000,000.00 have been duly authorized as provided in this Article whereupon JEA may enter into instruments in writing for the acquisition and construction of such plants and facilities and may sell such revenue bonds or revenue certificates (or notes issued in anticipation thereof) in the manner provided in this Article in installments to provide funds as obligations of JEA under such instruments in writing become due.

(Laws of Fla., Ch. 78-538, § 1; Laws of Fla., Ch. 80-515, § 1; Ord. 84-1307-754, § 25; Laws of Fla., Ch. 92-341, § 1; Ord. 93-82-1385, § 1; Ord. 97-12-E, § 2; Ord. 98-253-E, § 1)

**Sec. 21.11. Privatization, sale, reorganization, service territory transfers prohibited.**

(a) *Definitions.* For purposes of this section, the following definitions shall apply:

"entity" shall mean any person or entity, public or private.

"net capital assets" shall mean the net capital assets based on the Combining Statement of Net Position in latest available JEA annual financial statements for the appropriate Enterprise Fund for each included system.

"net capital assets calculation" shall mean the net capital assets for each included system multiplied by .10 or 10%. For purposes of this section, the initial net capital asset calculation for each included system shall be established based on the September 30, 2020, audited financial statements. The net capital assets calculation shall reset every five years thereafter.

"calculation period" shall mean the five year period after the net capital assets calculation is established during which the cumulative impact on the net capital assets of the sale, lease, assignment, other disposition, or the assignment of the management function or operation of such portion of an included system, shall be recorded.

"service territory" shall mean the geographically defined areas in which JEA is the utility provider.

"included system" shall mean the electric system and bulk power supply system, and the water and sewer utility system reported on the financial statements as the water and sewer Enterprise Fund, owned, operated and managed by JEA.

"excluded system" shall mean JEA's district energy system, and the St. Johns River Power Park system.

- (b) *Prohibition on privatization, sale, reorganization and transfer of management.* JEA shall not directly, or indirectly through a consultant or advisor, explore, investigate or consummate a privatization or transfer to an entity by sale, lease, assignment or other disposition of the net capital assets of an included system, or the management, function, or operation of any portion of an included system which cumulatively comprises more than the net capital assets calculation during the calculation period, without obtaining approval of the council in advance by amending this Section to permit such action by JEA; provided, however, that no final approval of such disposition by the council shall become effective without subsequent referendum approval of the terms and conditions of the disposition, lease, or other assignment of the management, function or operation of such portion of a included system. Additionally, JEA shall not directly or indirectly through a consultant or advisor, explore, investigate or consummate a reorganization of JEA, or JEA's governance structure in a manner that would affect JEA's ownership or management control of the net capital assets of an included system which cumulatively comprises more than the net capital assets calculation during the calculation period, without obtaining approval of the council in advance by amending this Section to permit such action by JEA. Upon approval by the council for JEA to explore or investigate a privatization, transfer, or reorganization of JEA, council may in its discretion prescribe by ordinance budget restrictions related to professional consultants, legal engagements, promotional expenses, and other expenses anticipated by JEA during such exploration or investigation. The terms "explore" and "investigate" as used in this subsection shall include, but not be limited to, exploring or investigating in connection with any strategic planning process undertaken by JEA or any of its consultants or advisors.
- (c) *Reports.* JEA shall report to the council auditor within 30 days of the issuance of the annual audited financial statements the change in net capital assets for each included system for the period covered by the financial statements. JEA shall also report the cumulative impact of the change in net capital assets for each included system during the calculation period. Both reports will include supporting documentation as requested by the council auditor.
- (d) *Prohibited service territory transfers.* Any sale, lease, assignment or other transfer of the service territory of a JEA included system to any entity that will result in a total net loss of .01 or 1% or more of the service territory or any sale, lease, assignment, or transfer to any entity that will result in a total net loss of .01 or 1% or more of JEA's electric, water, or wastewater, customer accounts based on the latest available JEA monthly financial statements shall require council approval in advance. JEA shall not enter into any agreement, contract, memorandum of understanding, letter of intent or other arrangement that would exceed the .01 or 1% or more threshold without obtaining council approval in advance.
- (e) *Interlocal Agreements with St. Johns and Nassau Counties.* Nothing in this Section shall prevent JEA from complying with the terms and conditions of the interlocal agreements with St. Johns County and Nassau County executed by the parties prior to January 1, 2020, which include, but are not limited to, an option to purchase the assets and service territory of JEA within the respective counties without council or referendum approval.

(Ord. 2020-419-E , § 2)

Editor's note(s)—Ord. 2020-419-E Editor's note(s)—, § 2, amended the Charter by renumbering former §§ 21.11Editor's note(s)— and 21.12Editor's note(s)— as new 21.13Editor's note(s)— and 21.14Editor's note(s)—, and adding a new §§ 21.11Editor's note(s)— and 21.12Editor's note(s)—.

### **Sec. 21.12. Public engagement.**

JEA should seek to fully engage and inform its ratepayers, the public, interested stakeholders, and other interested parties in any future planning discussions, including, but not limited to short-term and long-term plans, objectives and goals, regarding the future of JEA to enable its ratepayers, the public, interested stakeholders and



other interested parties to fully participate in such planning discussions to the greatest extent reasonably practicable. Examples of ways for JEA to fully engage and inform its ratepayers, the public, interested stakeholders, and other interested parties pursuant to this Section may include, but not be limited to, hosting town hall meetings and JEA workshops and proactively making information regarding such discussions available to its ratepayers, the public, and other interested parties.

(Ord. 2020-419-E , § 2)

Note(s)—See editor's note, § 21.11Note(s)—.

### **Section 21.13. Legislative authority of council.**

Notwithstanding any provision of this charter to the contrary, the council may repeal or amend any portion of this Article, by two-thirds vote of the membership of the council. A public hearing on the adoption of the ordinance shall be advertised in substantially the same manner as the council is required to advertise its intention pursuant to F.S. § 200.065, and held not earlier than 30 days after the introduction of the ordinance into the council. The council shall take final action on the ordinance only after the expiration of 60 days after the advertised public hearing, and no ordinance shall be enacted except by a two-thirds vote of the entire council. If the mayor disapproves the ordinance, the council may enact it notwithstanding such disapproval only by a four-fifths vote of the entire council.

(Laws of Fla., Ch. 78-538, § 1; Laws of Fla., Ch. 80-515, § 1; Ord. 84-1307-754, § 25; Laws of Fla., Ch. 92-341, § 1; Ord. 2020-419-E , § 2)

Note(s)—Former § 21.11Note(s)—. See editor's note, § 21.11Note(s)—.

## ***JEA Board Policy Manual***

### **Section 21.14. Severability.**

If any provisions of this Article or the application thereof to any person or circumstance is held invalid by a court of competent jurisdiction, the invalidity shall not affect other provisions or applications of this Article which can be given effect without the invalid provision or application, and to this end the provisions of this Article are declared to be severable.

(Ord. 93-82-1385, § 1; Ord. 2020-419-E , § 2; Ord. 2020-419-E , § 2)

Note(s)—Former § 21.12Note(s)—. See editor's note, § 21.11Note(s)—.

Adopted in its entirety by the JEA Board on February 16, 2010  
and as Amended and Adopted by the JEA Board on May 25, 2021.

### A3 - JEA BOARD EVALUATION CRITERIA

The JEA Board self- assess annually as per the Self-Assessment Form below. JEA’s Compliance Office will be the third party facilitator to assist board members in discussing survey results and deciding what is actionable.

No.	Statements (Please rate the following statements based on your perception of the Board's Performance)	Ratings 1 (Strongly Disagree) 2 (Disagree) 3 (Undecided) 4 (Agree) 5 (Strongly Agree)	Comments
<b>Board Members...</b>			
1	Receive a comprehensive orientation to prepare them to perform their roles and responsibilities.		
2	Are prepared for and participate in monthly Board meetings.		
3	Understand and fulfill the Board's roles and responsibilities.		
4	Understand and support JEA's mission and strategic objectives.		
5	Understand and adhere to the JEA Charter, Bylaws, Board Policies, and applicable Florida Statutes and City Ordinances.		
6	Understand JEA's MOEs so accurate assessments can be made.		
7	Understand and discuss JEA's financial reports and annual budget.		
8	Work together to make good decisions.		
9	Have a strong working relationship with the CEO.		
10	Understand CEO evaluation criteria.		
11	Respect the confidentiality of Board matters in accordance with public records laws.		
12	Reflect behavior consistent with JEA's Code of Conduct and Code of Ethics.		
13	Are knowledgeable about JEA's programs and services.		
14	Follow industry trends and important developments related to JEA, and understand key corporate risks.		
15	Actively self-educate and stay current with industry trends.		
16	Work in coordination with the CEO on succession plan.		
17	Actively look to improve processes.		
18	Act as goodwill ambassadors for JEA in the community.		

Adopted in its entirety by the JEA Board on February 16, 2010 and as Amended and Adopted by the JEA Board on May 25, 2021.

Board Meetings...			
19	Are generally well-run, make good use of members' time, and are of an optimal length.		
20	Board briefing packets are complete and issued at least 7 days in advance of meetings.		
The Board...			
21	Is represented with the necessary skills, stakeholders, and diversity.		
22	Demonstrates the principle of transparency in its governance activities.		
23	Delegates sufficient authority to the CEO to lead the organization.		
24	Reviews CEO performance and compensation annually.		
<b>Total Score</b>		0	
<b>Average Score</b>		0.00	

**General Comments (if any):**

JEA Board Agenda

# MEMORANDUM



**Energy Market Risk Management Policy Report**

Board Meeting Date: September 24, 2024

Outcome:  INFORMATION ONLY  ACTION  FUTURE BOARD CONSIDERATION

If Action, Provide a Recommended Motion: N/A

Consent Agenda Item:  Yes  No

Presenter: Supplemental Information

Chief: Raynetta Curry Marshall, Chief Operations Officer

Strategic Focus Area:  DEVELOPING AN UNBEATABLE TEAM  DELIVERING BUSINESS EXCELLENCE  EARNING CUSTOMER LOYALTY

Purpose of Agenda Item: To provide JEA's financial and physical fuel and power transactions and satisfy the requirements of the reporting section of the Energy Market Risk Management Policy.

Background Information & Analysis: The JEA Board approved the Energy Market Risk Management (EMRM) Policy in March 2014 and approved a revised version in January 2024. 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 Policy governs JEA's wholesale energy market risk management and allows JEA to execute certain physical and financial transactions. 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. The costs of financial transactions are reflected in comparison to market indices.

Financial Impact: Establishing a stable fuel price for the future.

Committee/Board Meeting/Workshop & Date Previously Presented: JEA Board of Directors Meeting – Information only; June 25, 2024

Appendix: *List appendix items provided*  
Energy Market Risk Management Policy Report

**Energy Market Risk Management: Physical and Financial Positions**

Summary as of 8/1/2024	
FY24 Fuel Expense (Budget \$446M)	\$449M
EMRM Compliance	Yes
Counterparty Credit Limit Exceptions	No
Any Issues of Concern	No

**Table 1: Physical Counterparties (Contracts One Year or Greater) as of 8/1/2024**

Generating Unit	Fuel Type	Supplier/Counterparty	Contract Type	Remaining Contract Value	Remaining Contract Term
NS CFB	Limestone	CY23-CY24 Vulcan	Fixed Price	\$1,203,188	0.42 years
NG Fleet	Natural Gas	Shell Energy	Index w/Fixed Price Option	\$522,213,426	6.83 years
NG Fleet	Natural Gas	Main Street/MGAG	Index w/Discount	\$128,536,962	24.66 years
NG Fleet	Natural Gas	Main Street/MGAG	Index w/Discount	\$70,438,847	14.66 years
NG Fleet	Natural Gas	Main Street/MGAG	Index w/Discount	\$119,310,930	29.25 years
NG Fleet	Natural Gas	Main Street/MGAG	Index w/Discount	\$120,285,674	24.91 years
NG Fleet	Natural Gas	Main Street/MGAG	Index W/Discount	\$197,799,151	28.25 years
NG Fleet	Natural Gas	Main Street/MGAG	Index W/Discount	\$263,086,403	28.75 years
NG Fleet	Natural Gas	Main Street/MGAG	Index W/Discount	\$324,531,888	28.83 years
NG Fleet	Natural Gas	Main Street/MGAG	Index W/Discount	\$353,005,623	29.66 years
NG Fleet	Natural Gas	Main Street/MGAG	Index W/Discount	\$176,899,913	30 years
NG Fleet	Natural Gas	Main Street/MGAG	Index W/Discount	\$176,352,263	30 years

\*New this Report

**Table 2: Financial Positions as of 8/1/2024**

Year	Commodity	Physical Volume (mmBtu)	Hedged Volume (mmBtu)	Percent Hedged	Unhedged Cost	Hedge Type	Hedge Price	Mark-to-Market Credit/(Cost)	Counterparty
FY24	Natural Gas	5,118,527	3,889,533	76.0%	\$ 2.04	Swap	\$ 3.20	\$ (4,531,205)	Wells Fargo & RBC
FY25	Natural Gas	57,200,633	36,366,788	63.6%	\$ 3.00	Swap	\$ 3.60	\$ (23,282,696)	Wells Fargo & RBC
FY26	Natural Gas	52,799,721	24,920,583	47.2%	\$ 3.51	Swap	\$ 3.97	\$ (11,662,750)	Wells Fargo & RBC
FY27	Natural Gas	48,812,987	14,880,376	30.5%	\$ 3.64	Swap	\$ 4.29	\$ (10,142,418)	Wells Fargo & RBC
FY28	Natural Gas	46,237,706	4,552,000	9.8%	\$ 3.60	Swap	\$ 4.03	\$ (1,706,783)	RBC
CY23-31	Nat.Gas-PPA	87,856,429	61,499,500	70.0%	\$ 3.46	Swap	\$ 2.59	\$ 51,091,797	Nextera

**Table 3: Fuel & Purchase Power Procurement as of 8/1/2024**

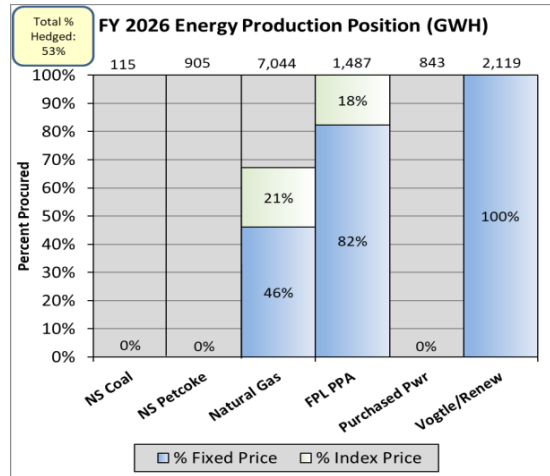
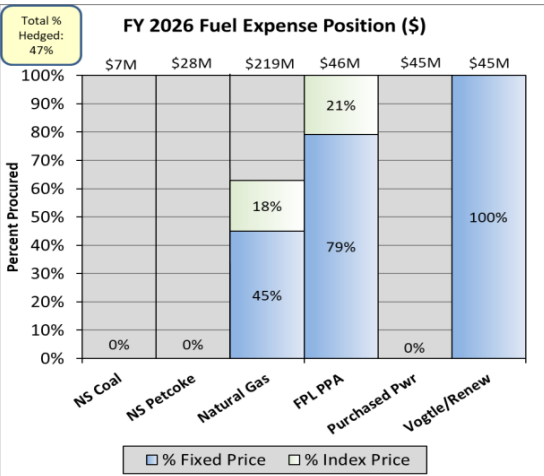
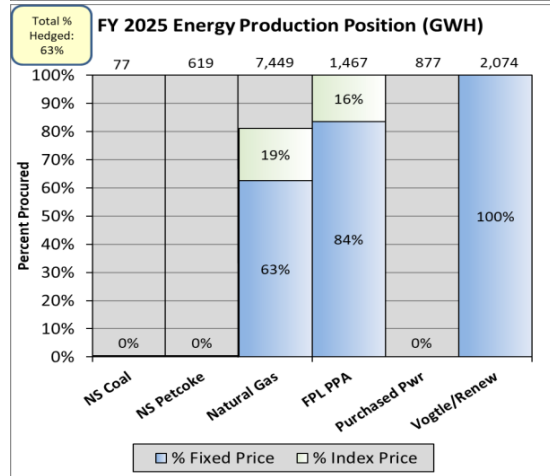
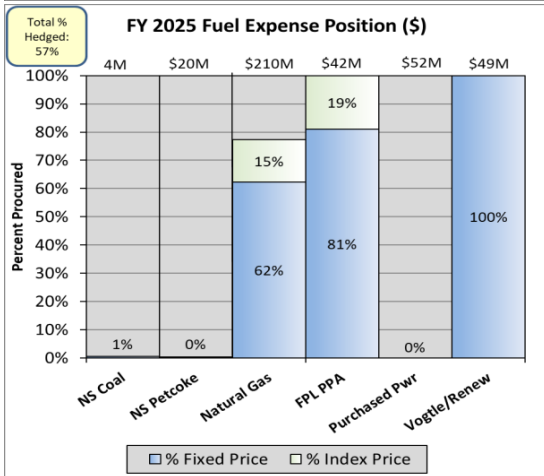
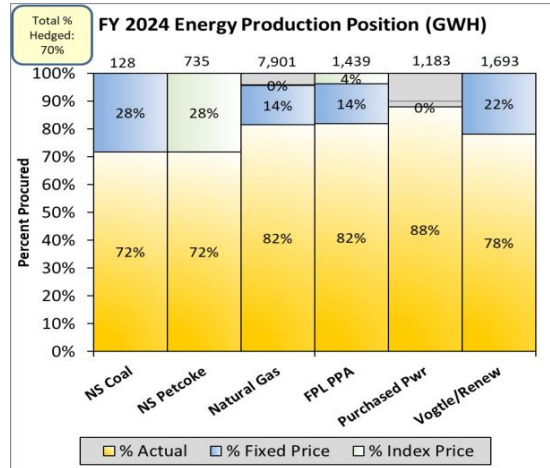
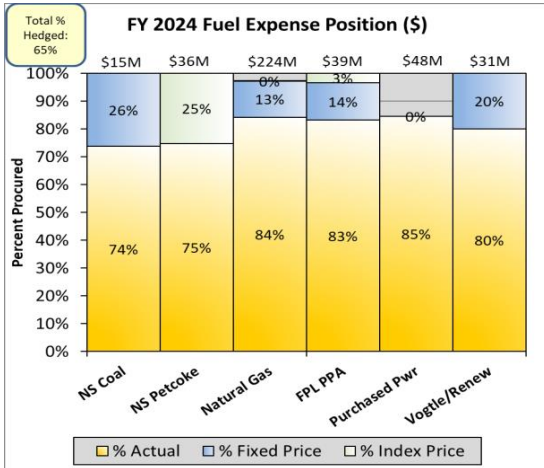
Fuel Type	Natural Gas	Coal	Petcoke	Limestone	FPL PPA	PurchPwr	Oil/Diesel	Renewables	Vogtle
FY24 Remaining / Energy Mix	59%	1%	8%	N/A	10%	6%	0%	4%	11%
Expected Spend (\$)	35.2M	3.9M	9M	1.2M	6.5M	7.4M	0.1M	4.7M	1.5M
% Procured	82%	100%	100%	100%	100%	0%	100%	100%	100%
% Hedged	82%	100%	0%	100%	80%	0%	100%	94%	100%
FY25 Projection / Energy Mix	59%	1%	5%	N/A	12%	7%	0%	4%	12%
Expected Spend (\$)	210.3M	4.4M	19.8M	2.9M	42.2M	52M	5.2M	28.3M	20.6M
% Procured	77%	1%	0%	0%	100%	0%	100%	100%	100%
% Hedged	62%	1%	0%	0%	81%	0%	100%	91%	100%
FY26 Projection / Energy Mix	56%	1%	7%	N/A	12%	7%	0%	4%	13%
Expected Spend (\$)	219.3M	6.7M	28.2M	4.2M	45.7M	44.6M	4.7M	27.6M	17.8M
% Procured	63%	0%	0%	0%	100%	0%	100%	100%	100%
% Hedged	45%	0%	0%	0%	79%	0%	100%	86%	100%

**Supporting Notes:**

- Renewable purchase power agreements are not included in Table 1
- 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
- Table 1: MGAG prepay agreement remaining contract values are based on current discounts, future discounts are subject to change
- Table 1: Limestone contract value is based on current contract pricing; due to supply disruption this price is expected to increase
- 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
- Solar purchase power agreement with FPL reported as renewable in Table 3
- Placeholders for new solar deals included in FY26 projections in Table 3
- Table 3: Vogtle Expected Spend (\$) includes the Buyers Additional Compensation and the Production Tax Credit

Energy Market Risk Management Policy Quarterly Report

8/21/2024





# **Reserve Report**

**For the Third Quarter Ending  
June 2024**



**Electric System and Water 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>2021</u>	<u>Actual</u> <u>Fiscal Year</u> <u>2022</u>	<u>Actual</u> <u>Fiscal Year</u> <u>2023</u>	<u>Projected</u> <u>Fiscal Year</u> <u>2024</u>	<u>Detail</u> <u>Page #</u>
<b>Unrestricted</b>					
Operations/Revenue Fund	\$ 55,662	\$ 2,140	\$ 2,841	\$ 2,663	
Self Insurance Reserve Fund					
• Property	10,000	10,000	10,000	10,000	3
• Employee health insurance	14,272	14,145	20,134	22,569	4
Rate Stabilization					
• Fuel	41,767	-	-	-	5
• DSM / Conservation	7,232	8,823	5,975	235	6
• Environmental	19,756	20,728	14,612	10,475	7
• Non-Fuel Purchased Power	10,513	55,000	246,000	246,000	8
Environmental	16,568	15,797	14,713	-	9
Customer Deposits	45,179	45,044	46,838	49,872	10
<b>Total Unrestricted</b>	<b>220,949</b>	<b>171,676</b>	<b>361,114</b>	<b>341,813</b>	
<b>Days of Cash on Hand (2)</b>	166	126	148	121	
<b>Days of Liquidity (3)</b>	331	254	236	207	
<b>Restricted</b>					
Debt Service Funds (Sinking Funds)	80,988	66,706	38,818	51,303	11
Debt Service Reserve Funds	50,993	50,993	50,993	50,993	12
Renewal and Replacement Funds/OCO	183,800	233,018	135,033	55,691	13
Environmental Fund [Capital Projects]	83	-	922	-	14
Construction Funds	286	111	-	-	15
<b>Total Restricted</b>	<b>316,150</b>	<b>350,828</b>	<b>225,767</b>	<b>157,988</b>	
<b>Total Electric System</b>	<b>\$ 537,099</b>	<b>\$ 522,504</b>	<b>\$ 586,880</b>	<b>\$ 499,801</b>	

**Water System**

<b>Unrestricted</b>					
Operations/Revenue Fund	\$ 28,517	\$ 27,055	\$ 1,392	\$ 9,092	
Rate Stabilization					
• Environmental	30,077	26,094	-	-	16
Customer Deposit	17,044	14,711	15,386	17,792	17
<b>Total Unrestricted</b>	<b>75,638</b>	<b>67,860</b>	<b>16,778</b>	<b>26,884</b>	
<b>Days of Cash on Hand (2)</b>	297	252	23	47	
<b>Days of Liquidity (3)</b>	459	370	109	132	
<b>Restricted</b>					
Debt Service Funds (Sinking Funds)	30,006	32,499	75,477	85,230	18
Debt Service Reserve Funds	55,665	56,606	57,587	62,614	19
Renewal and Replacement Funds	97,066	112,930	946	11,528	20
Environmental Fund [Capital Projects]	3,118	4,400	2,039	-	21
Construction Funds	14,266	646	242	-	22
<b>Total Restricted</b>	<b>200,121</b>	<b>207,081</b>	<b>136,291</b>	<b>159,372</b>	
<b>Total Water &amp; Sewer System</b>	<b>\$ 275,759</b>	<b>\$ 274,941</b>	<b>\$ 153,069</b>	<b>\$ 186,256</b>	

- (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 Third Quarter Ending June 30, 2024**

**Definitions and Goals**

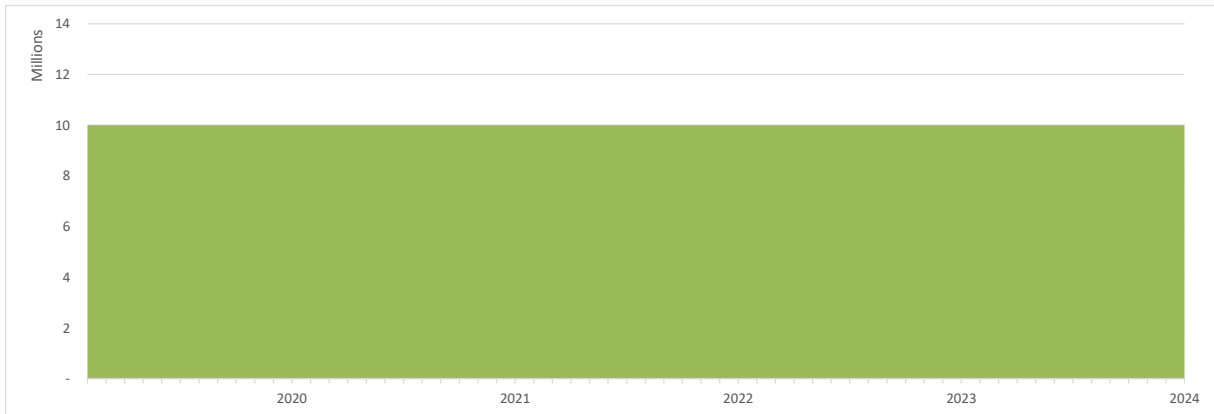
JEA's self-insurance fund is for catastrophic damage to JEA's electric lines (transmission and distribution) caused by the perils of hurricanes, tornadoes, and ice storms. This fund was established in October, 1992, as an alternative to JEA's procurement of commercial property insurance.

**Current Activity**

<i>(In Thousands)</i>	Quarter-End	<u>2024</u>
Opening Balance	\$ 10,000	\$ 10,000
Additions:		
Contributions		
Sub-total	\$ -	\$ -
Withdrawals		
Sub-total	\$ -	\$ -
Ending Balance	<u>\$ 10,000</u>	<u>\$ 10,000</u>

**Historical Activity**

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Opening Balance	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
Additions:					
Contributions	-	-	-	-	-
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawals					
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Ending balance	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>	<u>\$ 10,000</u>



**Observations**

- Reserve/Fund Authorization: Budget Appropriation.

**Electric System Self Insurance - Employee Health Insurance**

**For the Third Quarter Ending June 30, 2024**

**Definitions and Goals**

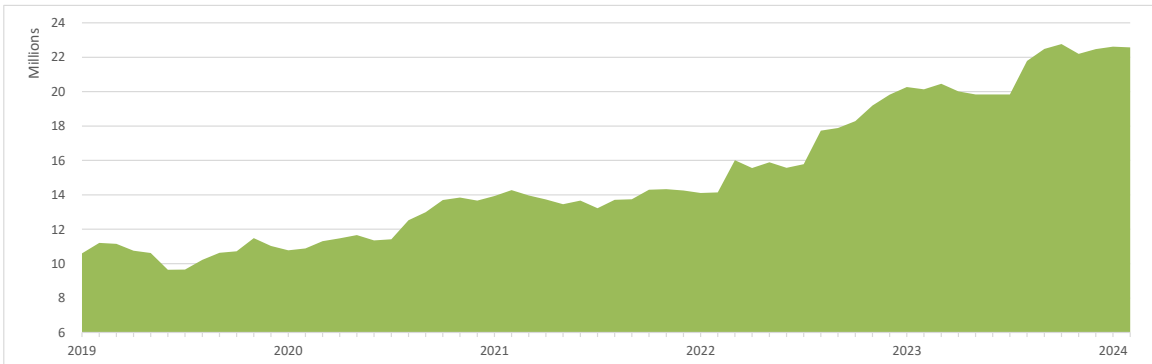
This reserve fund is a requirement under Florida Statute 112.08 that requires self insured government plans to have enough money in a reserve fund to cover the Incurred But Not Reimbursed (IBNR) claims and a 60 day surplus of claims. The IBNR claims are claims that would still need to be paid if the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

**Current Activity**

(In Thousands)	Quarter-End	2024
Opening Balance	\$ 21,788	\$ 20,134
Additions:		
Employee Contributions	1,326	6,496
Retirees and Other	1,537	7,743
Employer Contributions	5,313	20,165
Sub-total	\$ 8,176	\$ 34,404
Withdrawals:		
Payments for Claims	7,170	29,507
Actuary & Other Payments	601	2,463
Other		
Sub-total	\$ 7,771	\$ 31,970
Ending Balance	\$ 22,193	\$ 22,569

**Historical Activity**

	2020	2021	2022	2023	2024
Opening Balance	\$ 11,210	\$ 10,890	\$ 14,272	\$ 14,145	\$ 20,134
Additions:					
Employee Contributions	6,534	6,596	6,714	6,179	6,496
Retiree & Other Contributions	6,914	7,518	5,713	9,998	7,743
Employer Contributions	18,900	19,635	20,688	22,875	20,165
Sub-total	\$ 32,348	\$ 33,749	\$ 33,115	\$ 39,052	\$ 34,404
Withdrawals:					
Payments for Claims	30,387	28,408	30,819	30,057	29,507
Actuary & Other Payments	2,281	1,959	2,423	3,006	2,463
Sub-total	\$ 32,668	\$ 30,367	\$ 33,242	\$ 33,063	\$ 31,970
Ending balance	\$ 10,890	\$ 14,272	\$ 14,145	\$ 20,134	\$ 22,569



Maximum Balance: 22,765      Average Balance: 15,190  
 Minimum Balance: 9,647

**Observations**

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

**Electric System Rate Stabilization - Fuel Management**

**For the Third Quarter Ending June 30, 2024**

**Definitions and Goals**

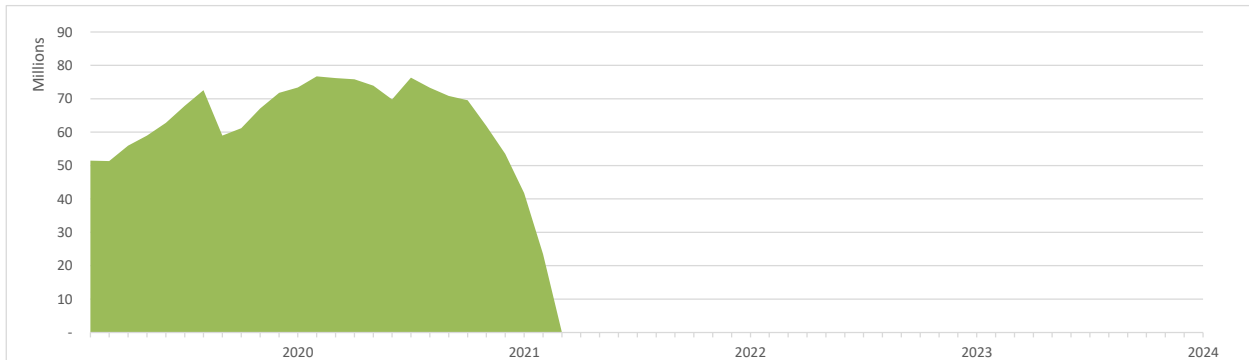
The Electric System Bond Resolution had authorized the establishment of a Rate Stabilization Fund in which contributions or withdrawals shall be made as set forth in the current annual budget or an amount otherwise determined by an authorized officer of JEA. In October 2021, the JEA Board approved the revision of the Pricing policy that states the Fuel Charge will be set monthly and is based on the energy cost projection for the billing month to fully recover all expected fuel-related costs. The monthly adjustments became effective December 2021.

**Current Activity**

(In Thousands)	Quarter-End	2024
Opening Balance	\$ -	\$ -
Additions:		
Contributions	-	-
Sub-total	\$ -	\$ -
Withdrawals:		
Withdrawals	-	-
Sub-total	\$ -	\$ -
Ending Balance	\$ -	\$ -

**Historical Activity**

	2020	2021	2022	2023	2024
Opening Balance	\$ 47,152	\$ 73,347	\$ 41,767	\$ -	\$ -
Additions:					
Contributions	44,553	9,945	-	-	-
Sub-total	\$ 44,553	\$ 9,945	\$ -	\$ -	\$ -
Withdrawals:					
Withdrawals	18,358	41,525	41,767	-	-
Fuel Rebate Credit					
Sub-total	\$ 18,358	\$ 41,525	\$ 41,767	\$ -	\$ -
Ending balance	\$ 73,347	\$ 41,767	\$ -	\$ -	\$ -



Maximum Balance: 76,719  
 Minimum Balance: -

Average Balance: 28,011

**Observations**

**Electric System Rate Stabilization - DSM / Conservation**

**For the Third Quarter Ending June 30, 2024**

**Definitions and Goals**

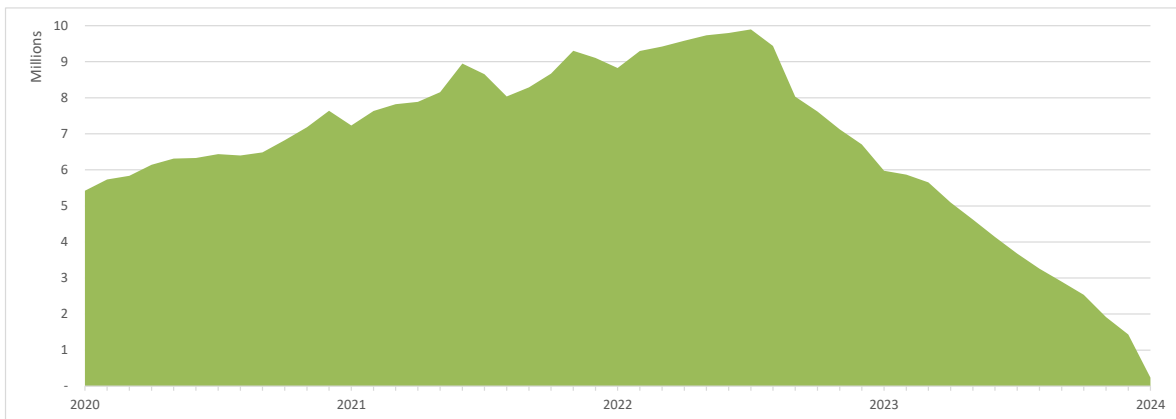
The Electric System Bond Resolution authorizes the establishment of a Rate Stabilization Fund in which contributions or withdrawals shall be made as set forth in the current annual budget or an amount otherwise determined by an authorized officer of JEA. The Rate Stabilization Fund provides a means to 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. Effective April 1, 2023, the Environmental charge and Conservation charges were eliminated for all rate classes and incorporated into the energy charge.

**Current Activity**

(In Thousands)	Quarter-End	2024
Opening Balance	\$ 3,678	\$ 5,976
Additions:		
Contributions	-	1
Sub-total	\$ -	\$ 1
Withdrawals:		
Withdrawals	1,144	5,742
Sub-total	\$ 1,144	\$ 5,742
Ending Balance	\$ 2,534	\$ 235

**Historical Activity**

	2020	2021	2022	2023	2024
Opening Balance	\$ 4,363	\$ 5,423	\$ 7,233	\$ 8,824	\$ 5,976
Additions:					
Contributions	6,969	6,929	7,164	2,959	1
Sub-total	\$ 6,969	\$ 6,929	\$ 7,164	\$ 7,164	\$ 1
Withdrawals:					
Withdrawals	5,909	5,119	5,573	5,807	5,742
Sub-total	\$ 5,909	\$ 5,119	\$ 5,573	\$ 5,807	\$ 5,742
Ending balance	\$ 5,423	\$ 7,233	\$ 8,824	\$ 5,976	\$ 235



Maximum Balance: 9,897      Average Balance: 6,374  
 Minimum Balance: 235

**Observations**

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

**Electric System Rate Stabilization - Environmental**

**For the Third Quarter Ending June 30, 2024**

**Definitions and Goals**

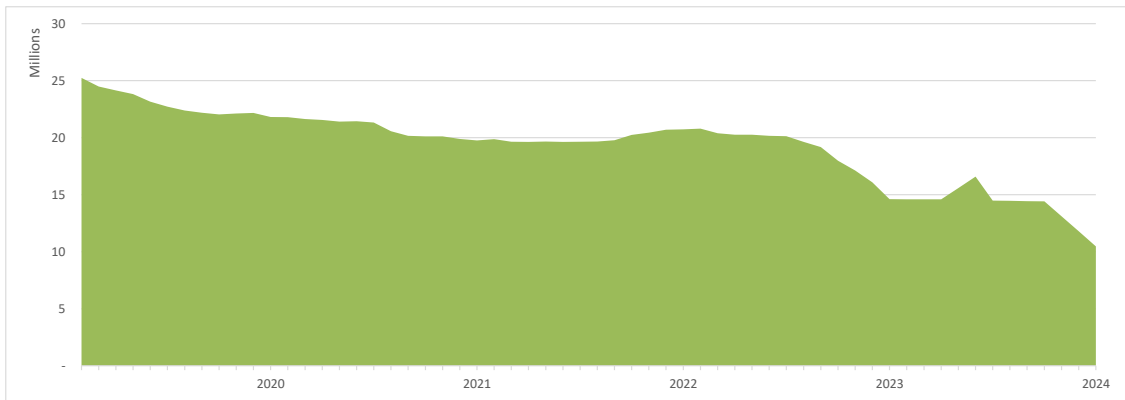
The Electric System Bond Resolution authorizes the establishment of a Rate Stabilization Fund in which contributions or withdrawals shall be made as set forth in the current annual budget or an amount otherwise determined by an authorized officer of JEA. The Rate Stabilization Fund provides a means to 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 are limited to potential environmental expenditures approved by the Board, and may include initiatives such as the cost of acquisition of renewable energy capacity. Costs directly required to operate and maintain the environmentally driven or regulatory required assets can also be funded from this revenue source. Effective April 1, 2023, the Environmental charge and Conservation charges were eliminated for all rate classes and incorporated into the energy charge. Basic monthly charges for each rate class were raised to more closely represent the cost to serve each class of customer.

**Current Activity**

(In Thousands)	Quarter-End	2024
Opening Balance	\$ 14,476	\$ 14,612
Additions:		
Contributions	0	-
Sub-total	<u>\$ 0</u>	<u>\$ -</u>
Withdrawals:		
Withdrawals	62	4,137
Sub-total	<u>\$ 62</u>	<u>\$ 4,137</u>
Ending Balance	<u>\$ 14,415</u>	<u>\$ 10,475</u>

**Historical Activity**

	2020	2021	2022	2023	2024
Opening Balance	\$ 25,632	\$ 21,818	\$ 19,756	\$ 20,728	\$ 14,612
Additions:					
Contributions	7,469	7,497	7,619	3,111	-
Sub-total	<u>\$ 7,469</u>	<u>\$ 7,497</u>	<u>\$ 7,619</u>	<u>\$ 3,111</u>	<u>\$ -</u>
Withdrawals:					
Withdrawals	11,283	9,559	6,647	9,227	4,137
Sub-total	<u>\$ 11,283</u>	<u>\$ 9,559</u>	<u>\$ 6,647</u>	<u>\$ 9,227</u>	<u>\$ 4,137</u>
Ending balance	<u>\$ 21,818</u>	<u>\$ 19,756</u>	<u>\$ 20,728</u>	<u>\$ 14,612</u>	<u>\$ 10,474</u>



Maximum Balance:	25,245	Average Balance:	19,358
Minimum Balance:	10,474		

**Observations**

- Rate Stabilization Fund for Environmental began in June 2010.

**Electric System Rate Stabilization - Non-Fuel Purchased Power**

**For the Third Quarter Ending June 30, 2024**

**Definitions and Goals**

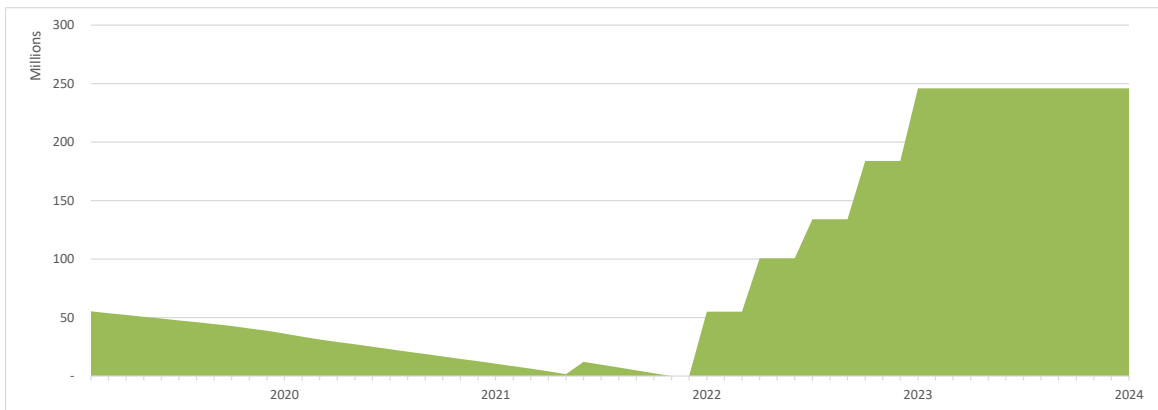
The Electric System Bond Resolution authorizes the establishment of a Rate Stabilization Fund in which deposits or withdrawals shall be made as set forth in the current annual budget or an amount otherwise determined by an authorized officer of JEA. The Rate Stabilization Funds provide a means to minimize 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.

**Current Activity**

(In Thousands)	Quarter-End	2024
Opening Balance	\$ 246,000	\$ 246,000
Additions:		
Contributions	-	-
Sub-total	\$ -	\$ -
Withdrawals:		
Withdrawals	-	-
Ending Balance	\$ 246,000	\$ 246,000

**Historical Activity**

	2020	2021	2022	2023	2024
Opening Balance	\$ 56,870	\$ 36,326	\$ 10,513	\$ 55,000	\$ 246,000
Additions:					
Contributions	-	-	72,731	191,000	-
Sub-total	\$ -	\$ -	\$ 72,731	\$ 191,000	\$ -
Withdrawals:					
Withdrawals	20,544	25,813	28,244	-	-
Sub-total	\$ 20,544	\$ 25,813	\$ 28,244	\$ -	\$ -
Ending balance	\$ 36,326	\$ 10,513	\$ 55,000	\$ 246,000	\$ 246,000



Maximum Balance: 246,000      Average Balance: 91,033  
 Minimum Balance: -

**Observations**

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





**Electric System Customer Deposits**

**For the Third Quarter Ending June 30, 2024**

**Definitions and Goals**

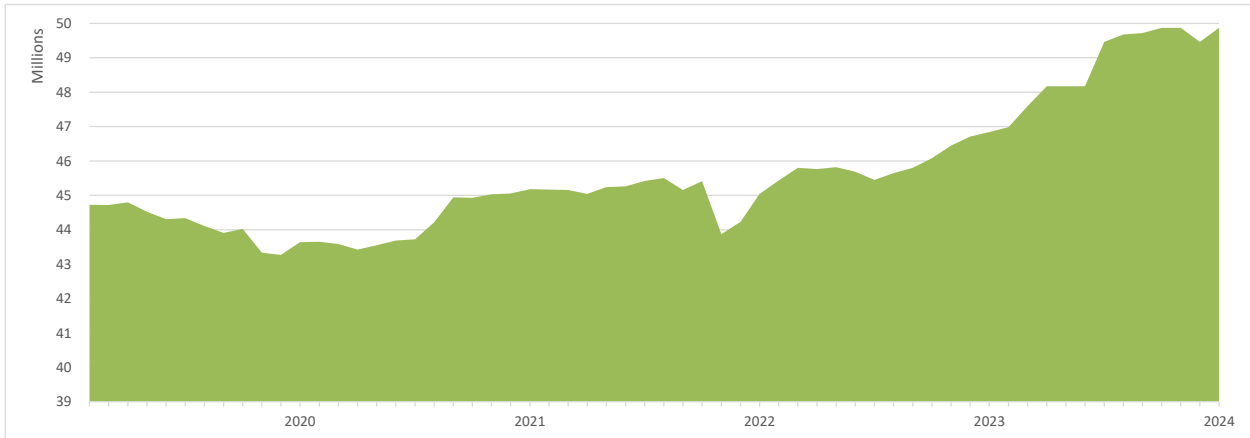
Pursuant to internal procedure CR40400 MBC302 Credit and Collections, JEA accesses customers a deposit that may be used to offset any future unpaid amounts during the course of providing utility service to a customer.

**Current Activity**

(In Thousands)	Quarter-End	<u>2024</u>
Opening Balance	\$ 49,463	\$ 46,838
Additions:		
Net Customer Activity	408	3,440
Sub-total	<u>\$ 408</u>	<u>\$ 3,440</u>
Withdrawals:		
Net Customer Activity	-	406
Sub-total	<u>\$ -</u>	<u>\$ 406</u>
Ending Balance	<u>\$ 49,872</u>	<u>\$ 49,872</u>

**Historical Activity**

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Opening Balance	\$ 44,242	\$ 44,785	\$ 43,641	\$ 45,044	\$ 46,838
Additions:					
Net Customer Activity	543	596	3,666	2,194	3,440
Sub-total	<u>\$ 543</u>	<u>\$ 596</u>	<u>\$ 3,666</u>	<u>\$ 2,194</u>	<u>\$ 3,440</u>
Withdrawals:					
Net Customer Activity		1,740	2,263	400	406
Sub-total	<u>\$ -</u>	<u>\$ 1,740</u>	<u>\$ 2,263</u>	<u>\$ 400</u>	<u>\$ 406</u>
Ending balance	<u>\$ 44,785</u>	<u>\$ 43,641</u>	<u>\$ 45,044</u>	<u>\$ 46,838</u>	<u>\$ 49,872</u>



Maximum Balance:	49,872	Average Balance:	45,662
Minimum Balance:	43,271		

**Observations**

**Electric System Debt Service Sinking Fund**

**For the Third Quarter Ending June 30, 2024**

**Definitions and Goals**

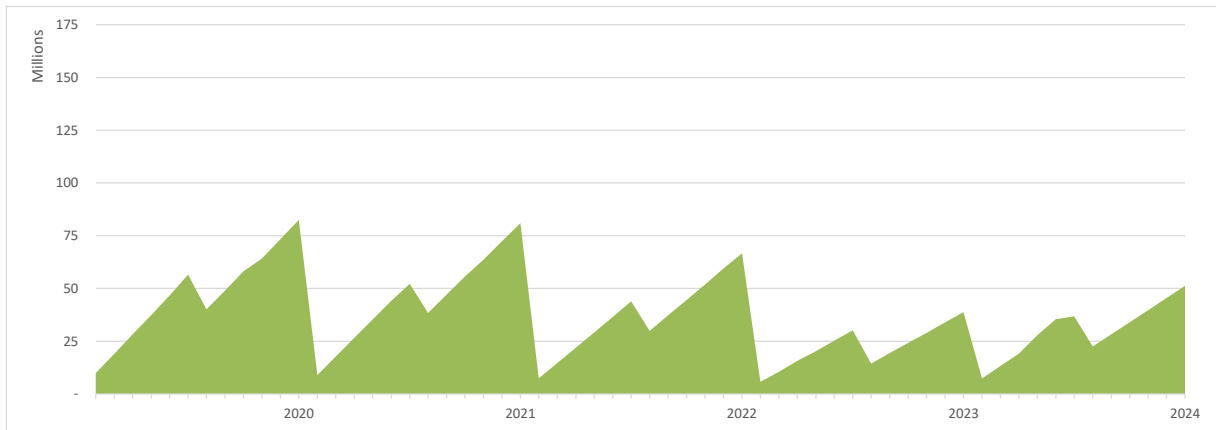
JEA is required monthly to fund from revenues an amount equal to the aggregate of the Debt Service Requirement for senior and subordinated bonds for such month into this account. On or before such interest payment date, JEA shall pay out of this account to the paying agents the amount required for the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

**Current Activity**

<i>(In Thousands)</i>	Quarter-End	<u>2024</u>
Opening Balance	\$ 38,732	\$ 38,818
Additions:		
Revenue Fund Deposits	22,116	93,581
Sub-total	<u>\$ 22,116</u>	<u>\$ 93,581</u>
Withdrawals:		
Principal and Int Payments	24,910	81,296
Sub-total	<u>\$ 24,910</u>	<u>\$ 81,296</u>
Ending Balance	<u>\$ 35,937</u>	<u>\$ 51,103</u>

**Historical Activity**

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2024</u>
Opening Balance	\$ 144,215	\$ 81,220	\$ 80,988	\$ 66,705	\$ 38,818
Additions:					
Revenue Fund Deposits	116,826	107,672	91,059	73,191	93,581
Sub-total	<u>\$ 116,826</u>	<u>\$ 107,672</u>	<u>\$ 91,059</u>	<u>\$ 73,191</u>	<u>\$ 93,581</u>
Withdrawals:					
Principal and Int Payments	179,821	107,904	105,342	101,079	81,296
Sub-total	<u>\$ 179,821</u>	<u>\$ 107,904</u>	<u>\$ 105,342</u>	<u>\$ 101,079</u>	<u>\$ 81,296</u>
Ending balance	<u>\$ 81,220</u>	<u>\$ 80,988</u>	<u>\$ 66,705</u>	<u>\$ 38,818</u>	<u>\$ 51,103</u>



Maximum Balance:	82,525	Average Balance:	36,335
Minimum Balance:	5,778		

**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 the quarter-end referenced above.

**Electric System Debt Service Reserve Account**

**For the Third Quarter Ending June 30, 2024**

**Definitions and Goals**

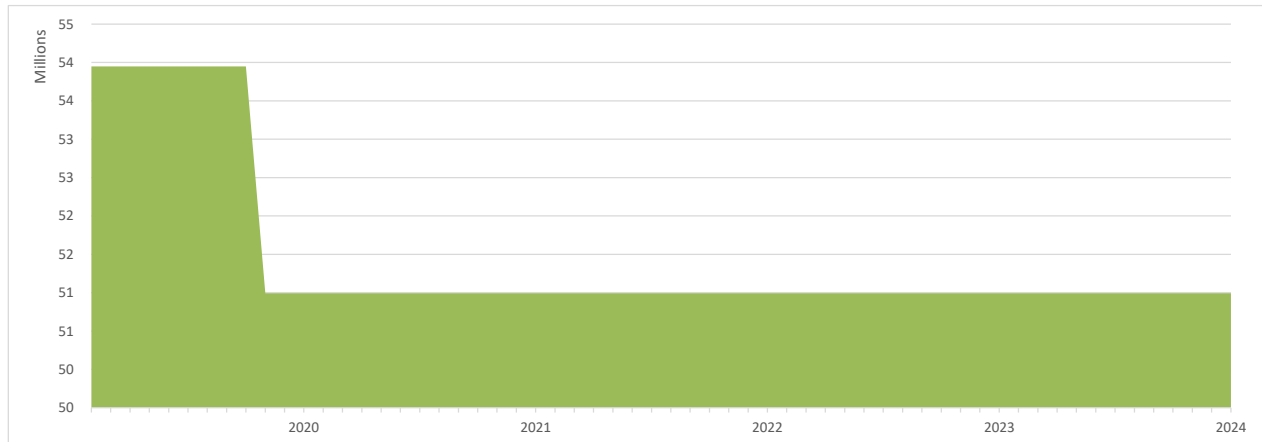
This reserve will be funded, maintained and held for the benefit of bondholders as specified in the Supplemental Resolution authorizing the sale of the bonds to pay principal and/or interest on the bonds should revenues from operations not be sufficient for such purpose in accordance with the appropriate 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 when necessary.

**Current Activity**

(In Thousands)	Quarter-End	2024
Opening Balance	\$ 50,993	\$ 50,993
Additions:		
Proceeds from Bonds	-	-
Sub-total	\$ -	\$ -
Withdrawals:		
	-	-
Ending Balance	<u>\$ 50,993</u>	<u>\$ 50,993</u>

**Historical Activity**

	2020	2021	2022	2023	2024
Opening Balance	\$ 60,582	\$ 50,993	\$ 50,993	\$ 50,993	\$ 50,993
Additions:					
Proceeds from Bonds					
Sub-total	\$ -	\$ -	\$ -	\$ -	\$ -
Withdrawals:					
Release to Revenue Fund	2,956				
Release for Defeasance	6,633				
Sub-total	\$ 9,589	\$ -	\$ -	\$ -	\$ -
Ending balance	<u>\$ 50,993</u>	<u>\$ 50,993</u>	<u>\$ 50,993</u>	<u>\$ 50,993</u>	<u>\$ 50,993</u>



Maximum Balance:	53,949	Average Balance:	51,587
Minimum Balance:	50,993		

**Observations**

- This report does not include any Scherer debt service reserves.
- Projections are based on the debt outstanding as of the quarter-end referenced above.

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

**For the Third Quarter Ending June 30, 2024**

**Definitions and Goals**

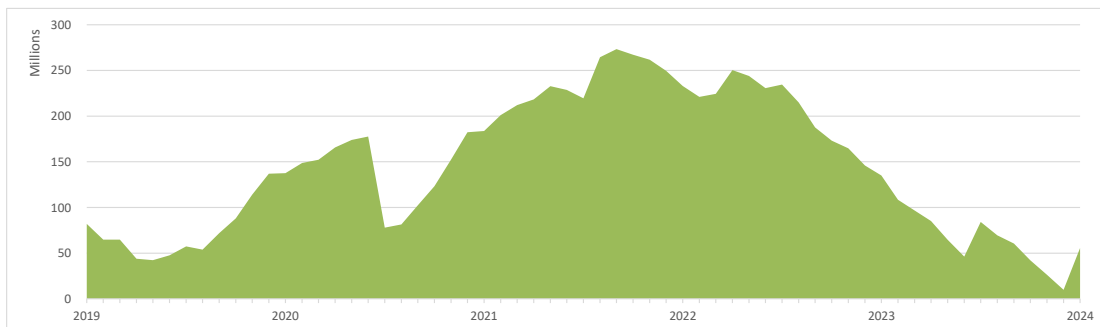
Pursuant to the bond resolution and Article 21 of the City of Jacksonville Charter, JEA is required to deposit from the revenue fund annually an amount for Renewal and Replacement of system assets. According to the bond resolutions the amount is equal to the greater of 10% of the prior year defined annual 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.

**Current Activity**

(In Thousands)	Quarter-End	2024
Opening Balance	\$ 84,235	\$ 135,034
Additions:		
R&R/OCO Contribution	31,956	198,527
Transfers betw Capital Fds		
Other		1,097
Sub-total	\$ 31,956	\$ 199,624
Withdrawals:		
Capital Expenditures	66,714	278,967
Transfers betw Capital Fds		
Debt Reduction	-	-
Other	7,389	-
Sub-total	\$ 74,103	\$ 278,967
Ending Balance	\$ 42,088	\$ 55,691

**Historical Activity**

	2020	2021	2022	2023	2024
Opening Balance	\$ 81,964	\$ 137,643	\$ 183,800	\$ 233,019	\$ 135,034
Additions:					
R&R/OCO Contribution	272,342	296,824	240,825	143,458	198,527
Loans betw Capital Fds					
Other	8,389	11,668	6,031	12,774	1,097
Sub-total	\$ 280,731	\$ 308,492	\$ 246,856	\$ 156,232	\$ 199,624
Withdrawals:					
Capital Expenditures	206,415	155,486	197,637	234,217	278,967
Transfers/loans b/w Capital Fds					
Debt Defeasance	18,637	106,849	-	20,000	-
Other	-	-	-	-	-
Sub-total	\$ 225,052	\$ 262,335	\$ 197,637	\$ 254,217	\$ 278,967
Ending balance	\$ 137,643	\$ 183,800	\$ 233,019	\$ 135,034	\$ 55,691



Maximum Balance: 273,391      Average Balance: 143,722  
 Minimum Balance: 9,930

**Observations**

- Other includes Sale of Property and miscellaneous billings.

**Electric System Environmental Fund - Capital Projects**

**For the Third Quarter Ending June 30, 2024**

**Definitions and Goals**

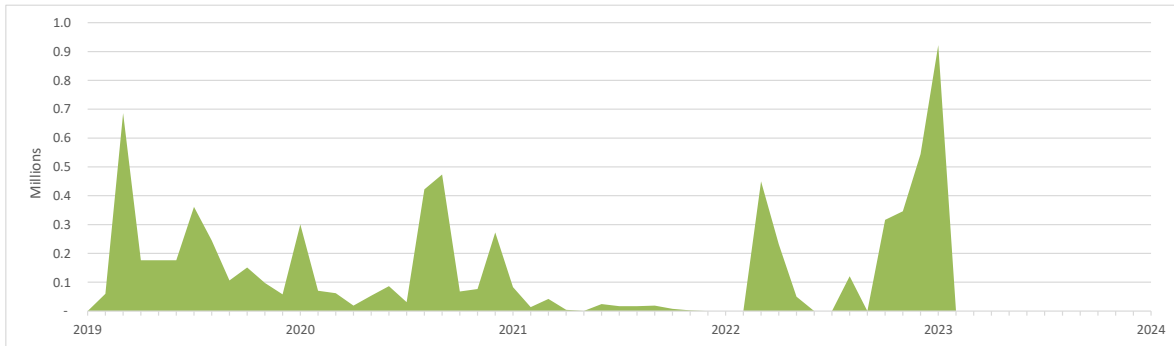
The Environmental Charge will be applied to all kWh consumption and structured to provide funding for major specific environmental and regulatory program needs. The Environmental Charge is designed to recover from customers all costs of environmental remediation and compliance with new and existing environmental 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.

**Current Activity**

(In Thousands)	Quarter-End	2024
Opening Balance	\$ -	\$ 922
Additions:		
Environmental Contributions	-	-
Transfers betw Capital Fds		
Other		
Sub-total	\$ -	\$ -
Withdrawals:		
Capital Expenditures	-	922
Transfers betw Capital Fds		
Other		
Sub-total	\$ -	\$ 922
Ending Balance	\$ -	\$ -

**Historical Activity**

	2020	2021	2022	2023	2024
Opening Balance	\$ -	\$ 301	\$ 83	\$ -	\$ 922
Additions:					
Environmental Contributions	4,389	2,769	503	3,088	-
Loans betw Capital Fds					
Other					
Sub-total	\$ 4,389	\$ 2,769	\$ 503	\$ 3,088	\$ -
Withdrawals:					
Capital Expenditures	4,088	2,987	586	2,166	922
Transfers/loans b/w Capital Fds					
Other					
Sub-total	\$ 4,088	\$ 2,987	\$ 586	\$ 2,166	\$ 922
Ending balance	\$ 301	\$ 83	\$ -	\$ 922	\$ -



Maximum Balance: 922  
Minimum Balance: -

Average Balance: 135

**Observations**

- The Environmental Construction Fund began in October 2019.

**Electric System Construction / Bond Fund**

**For the Third Quarter Ending June 30, 2024**

**Definitions and Goals**

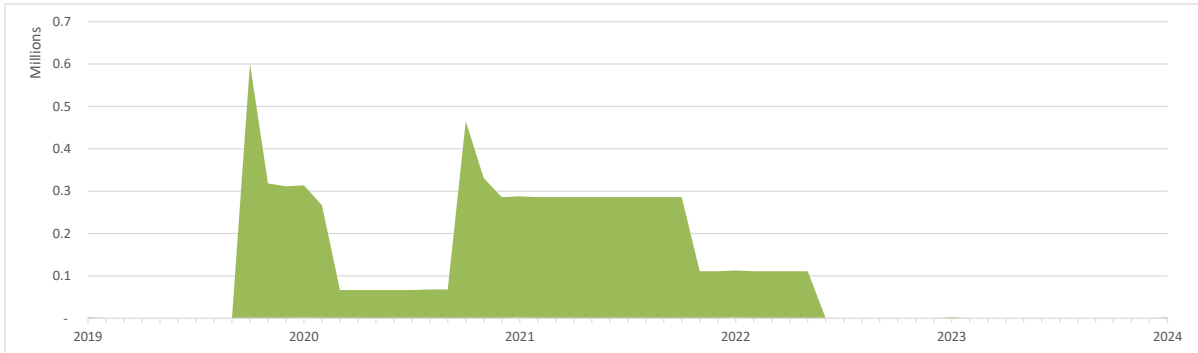
JEA maintains a senior and subordinated construction fund of which bonds proceeds are deposited and used for the payment of the costs of additions, extensions and improvements to the Electric System. The senior construction fund is limited to the costs of additions, extension and improvements relating 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**

<i>(In Thousands)</i>	Quarter-End	<u>2024</u>
Opening Balance	\$ -	\$ -
Additions:		
Bond Proceeds	-	-
Loans betw Capital Fds		
Other		
Sub-total	<u>\$ -</u>	<u>\$ -</u>
Withdrawals:		
Capital Expenditures	-	-
Transfers betw Capital Fds		
Other		
Sub-total	<u>\$ -</u>	<u>\$ -</u>
Ending Balance	<u>\$ -</u>	<u>\$ -</u>

**Historical Activity**

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Opening Balance	\$ 2	\$ 314	\$ 286	\$ 111	\$ -
Additions:					
Bond Proceeds	601	397	-	-	-
Loans betw Capital Fds					
Other					
Sub-total	<u>\$ 601</u>	<u>\$ 397</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Withdrawals:					
Capital Expenditures	289	425	175	111	-
Transfers/loans b/w Capital Fds					
Other					
Sub-total	<u>\$ 289</u>	<u>\$ 425</u>	<u>\$ 175</u>	<u>\$ 111</u>	<u>\$ -</u>
Ending balance	<u>\$ 314</u>	<u>\$ 286</u>	<u>\$ 111</u>	<u>\$ -</u>	<u>\$ -</u>



Maximum Balance: 601      Average Balance: 123  
 Minimum Balance: -

**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 System Rate Stabilization - Environmental**

**For the Third Quarter Ending June 30, 2024**

**Definitions and Goals**

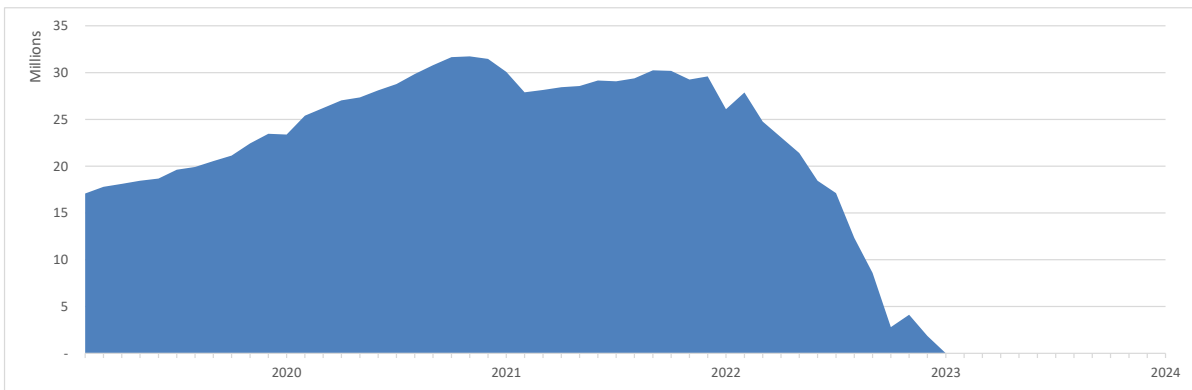
The Water System Bond Resolution authorizes the establishment of a Rate Stabilization Fund in which contributions or withdrawals shall be made as set forth in the current annual budget or an amount otherwise determined by an authorized officer of JEA. The Rate Stabilization Fund provides a means to minimize 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. Effective April 1, 2023, the Environmental charge and Conservation charges were eliminated for all rate classes. Basic monthly charges for each rate class were raised to more closely represent the cost to serve each class of customer.

**Current Activity**

(In Thousands)	Quarter-End	<u>2024</u>
Opening Balance	\$ -	\$ -
Additions:		
Contributions	-	-
Sub-total	<u>\$ -</u>	<u>\$ -</u>
Withdrawals:		
Withdrawals	-	-
COJ Septic Tank Agreement	-	-
Sub-total	<u>\$ -</u>	<u>\$ -</u>
Ending Balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**Historical Activity**

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Opening Balance	\$ 15,687	\$ 23,372	\$ 30,077	\$ 26,094	\$ -
Additions:					
Contributions	25,677	25,198	27,434	12,842	-
Sub-total	<u>\$ 25,677</u>	<u>\$ 25,198</u>	<u>\$ 27,434</u>	<u>\$ 12,842</u>	<u>\$ -</u>
Withdrawals:					
Withdrawals	17,992	18,493	31,417	38,936	-
Sub-total	<u>\$ 17,992</u>	<u>\$ 18,493</u>	<u>\$ 31,417</u>	<u>\$ 38,936</u>	<u>\$ -</u>
Ending balance	<u><u>\$ 23,372</u></u>	<u><u>\$ 30,077</u></u>	<u><u>\$ 26,094</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>



Maximum Balance:	31,730	Average Balance:	19,290
Minimum Balance:	-		

**Observations**

- Rate Stabilization Fund for Environmental began in June 2010.



**Water System Customer Deposits**

**For the Third Quarter Ending June 30, 2024**

**Definitions and Goals**

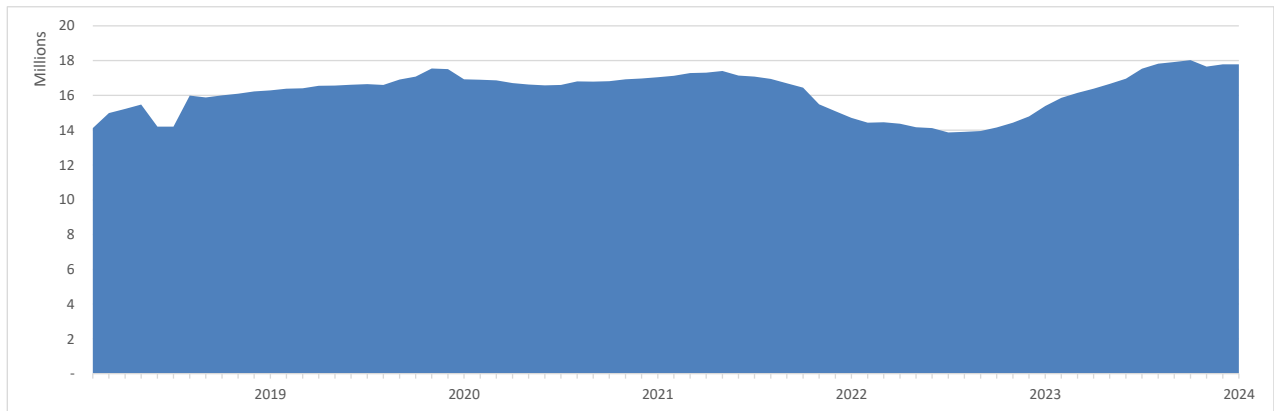
Pursuant to internal procedure CR40400 MBC302 Credit and Collections, JEA accesses customers a deposit that may be used to offset any future unpaid amounts during the course of providing utility service to a customer.

**Current Activity**

<i>(In Thousands)</i>	Quarter-End	<u>2024</u>
Opening Balance	\$ 17,541	\$ 15,386
Additions:		
Allocated from Electric	487	2,941
Sub-total	<u>\$ 487</u>	<u>\$ 2,941</u>
Withdrawals:		
Allocated from Electric	-	535
Sub-total	<u>\$ -</u>	<u>\$ 535</u>
Ending Balance	<u>\$ 18,028</u>	<u>\$ 17,792</u>

**Historical Activity**

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Opening Balance	\$ 16,289	\$ 16,926	\$ 17,043	\$ 14,710	\$ 15,386
Additions:					
Allocated from Electric	1,318	480	356	1,544	2,941
Sub-total	<u>\$ 1,318</u>	<u>\$ 480</u>	<u>\$ 356</u>	<u>\$ 1,544</u>	<u>\$ 2,941</u>
Withdrawals:					
Allocated from Electric	681	363	2,689	868	535
Sub-total	<u>\$ 681</u>	<u>\$ 363</u>	<u>\$ 2,689</u>	<u>\$ 868</u>	<u>\$ 535</u>
Ending balance	<u>\$ 16,926</u>	<u>\$ 17,043</u>	<u>\$ 14,710</u>	<u>\$ 15,386</u>	<u>\$ 17,792</u>



Maximum Balance: 18,028  
 Minimum Balance: 13,864

Average Balance: 16,344

**Observations**

**Water System Debt Service Sinking Fund**

**For the Third Quarter Ending June 30, 2024**

**Definitions and Goals**

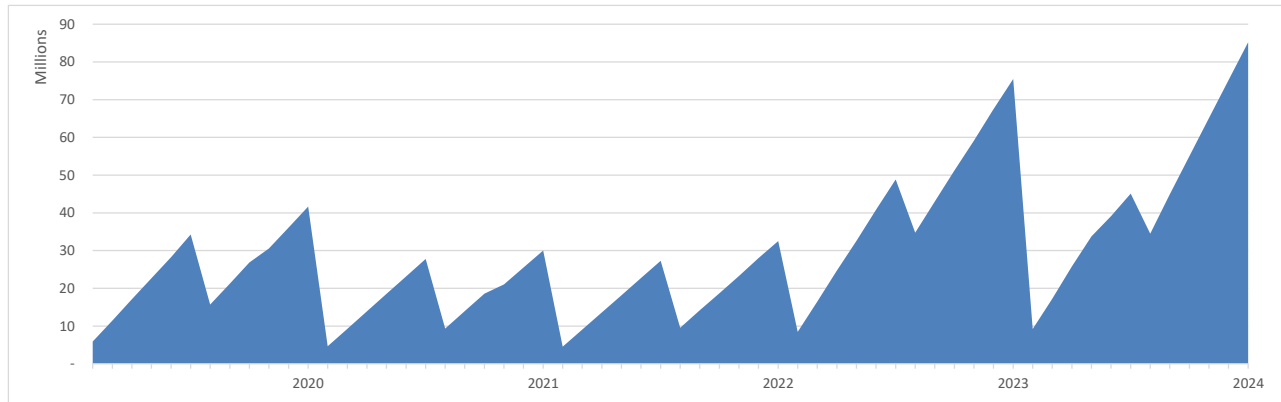
JEA is required monthly to fund from revenues an amount equal to the aggregate of the Debt Service Requirement for senior and subordinated bonds for such month into this account. On or before such interest payment date, JEA shall pay out of this account to the paying agents the amount required for the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

**Current Activity**

<i>(In Thousands)</i>	Quarter-End	<u>2024</u>
Opening Balance	\$ 45,111	\$ 75,477
Additions:		
Revenue fund deposits	33,165	136,955
Sub-total	<u>\$ 33,165</u>	<u>\$ 136,955</u>
Withdrawals:		
Principal and interest payments	23,197	127,202
Sub-total	<u>\$ 23,197</u>	<u>\$ 127,202</u>
Ending Balance	<u>\$ 55,078</u>	<u>\$ 85,230</u>

**Historical Activity**

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Opening Balance	\$ 80,775	\$ 41,660	\$ 30,006	\$ 32,499	\$ 75,477
Additions:					
Revenue fund deposits	69,515	59,573	55,811	105,245	136,955
Sub-total	<u>\$ 69,515</u>	<u>\$ 59,573</u>	<u>\$ 55,811</u>	<u>\$ 105,245</u>	<u>\$ 136,955</u>
Withdrawals:					
Principal and interest payments	108,630	71,227	53,318	62,267	127,202
Sub-total	<u>\$ 108,630</u>	<u>\$ 71,227</u>	<u>\$ 53,318</u>	<u>\$ 62,267</u>	<u>\$ 127,202</u>
Ending balance	<u>\$ 41,660</u>	<u>\$ 30,006</u>	<u>\$ 32,499</u>	<u>\$ 75,477</u>	<u>\$ 85,230</u>



Maximum Balance:	85,230	Average Balance:	29,768
Minimum Balance:	4,545		

**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 the quarter referenced above plus projected new money issuance.

**Water System Debt Service Reserve Account**

**For the Third Quarter Ending June 30, 2024**

**Definitions and Goals**

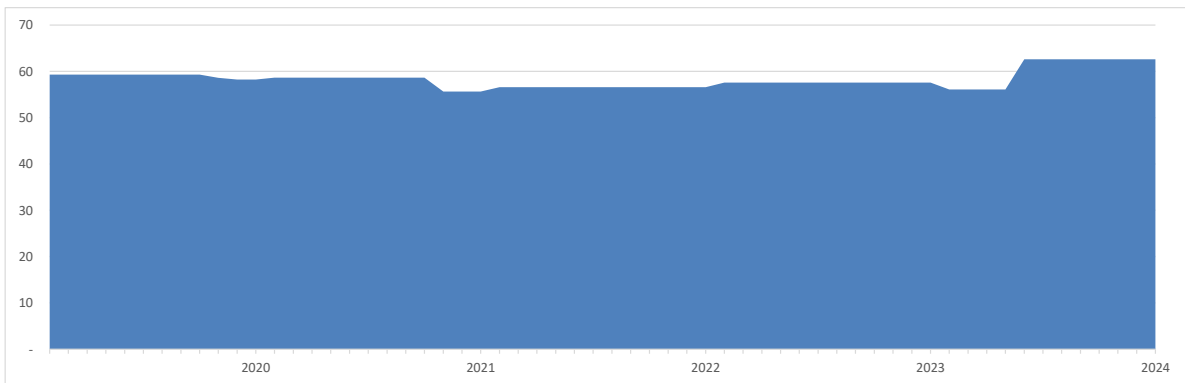
This reserve will be funded, maintained and held for the benefit of bondholders as specified in the Supplemental Resolution authorizing the sale of the bonds to pay principal and/or interest on the bonds should revenues from operations not be sufficient for such purpose in accordance with the appropriate 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 when necessary.

**Current Activity**

(In Thousands)	Quarter-End	2024
Opening Balance	\$ 62,614	\$ 57,587
Additions:		
Bond Issue		
Revenue Fund	-	6,535
Sub-total	\$ -	\$ 6,535
Withdrawals:		
Revenue Fund	-	1,508
Release to Refunding Defeasance		
Sub-total	\$ -	\$ 1,508
Ending Balance	\$ 62,614	\$ 62,614

**Historical Activity**

	2020	2021	2022	2023	2024
Opening Balance	\$ 63,441	\$ 58,228	\$ 55,665	\$ 56,606	\$ 57,587
Additions:					
Bond Issue	737				
Revenue Fund		435	941	981	6,535
Sub-total	\$ 737	\$ 435	\$ 941	\$ 981	\$ 6,535
Withdrawals:					
Revenue Fund	1,689	795	-	-	1,508
Release to Construction Fund					
Release for Defeasance	2,791	2,203			
Release to Refunding Defeasance	1,470				
Sub-total	\$ 5,950	\$ 2,998	\$ -	\$ -	\$ 1,508
Ending balance	\$ 58,228	\$ 55,665	\$ 56,606	\$ 57,587	\$ 62,614



Maximum Balance: 62,614      Average Balance: 58,308  
 Minimum Balance: 55,665

**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 allows 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.
- Projections are based on the debt outstanding as of the quarter referenced above.

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

**For the Third Quarter Ending June 30, 2024**

**Definitions and Goals**

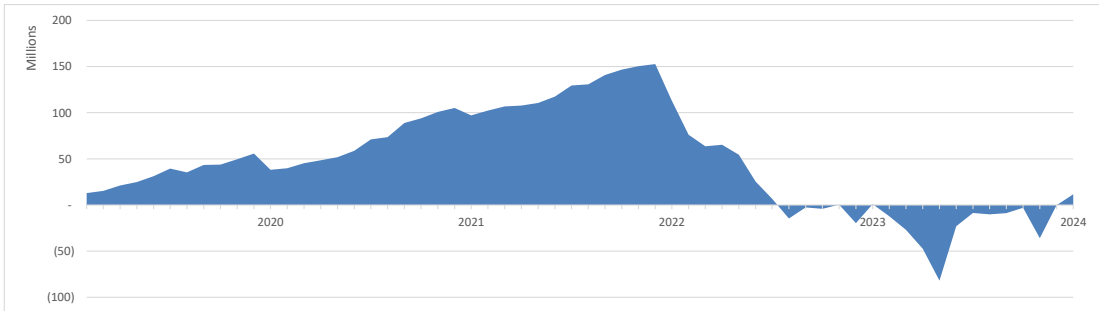
Pursuant to the Water System bond resolutions and Article 21 of the City of Jacksonville Charter, JEA is required to deposit from the revenue fund annually an amount for Renewal and Replacement of system assets. According to the bond resolutions the amount is equal to the greater of 10% of the prior 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 Water Reclamation System. Capacity charges may be used and applied for the purpose of paying costs of expansion of the Water System or paying or providing for the payment of debt that was issued for the same purpose.

**Current Activity**

(In Thousands)	Quarter-End	2024
Opening Balance	\$ (8,544)	\$ 946
Additions:		
R&R/OCO Contribution	33,488	78,199
Capacity Fees	22,897	84,148
Debt Issue	72,562	347,396
Other	76	963
Sub-total	\$ 129,022	\$ 510,706
Withdrawals:		
Capital Expenditures	120,963	500,103
Debt Defeasance		
Other	2,536	21
Sub-total	\$ 123,499	\$ 500,124
Ending Balance	\$ (3,021)	\$ 11,528

**Historical Activity**

	2020	2021	2022	2023	2024
Opening Balance	\$ 48,796	\$ 38,131	\$ 97,066	\$ 112,930	\$ 946
Additions:					
R&R/OCO Contribution	166,107	193,071	197,357	108,060	78,199
Capacity Fees	32,857	39,930	48,027	64,535	84,148
Debt Issue				127,072	347,396
Other (incl septic tank)	12,654	7,571	18,654	20,497	963
Sub-total	\$ 211,618	\$ 240,572	\$ 264,038	\$ 320,164	\$ 510,706
Withdrawals:					
Capital Expenditures	191,087	181,637	234,775	426,329	500,103
Loan Repayment	31,196			-	-
Transfer to Constr. Fund					
Other (incl septic tank)			13,399	5,819	21
Sub-total	\$ 222,283	\$ 181,637	\$ 248,174	\$ 432,148	\$ 500,124
Ending balance	\$ 38,131	\$ 97,066	\$ 112,930	\$ 946	\$ 11,528



Maximum Balance: 152,710      Average Balance: 47,236  
 Minimum Balance: (81,983)

**Observations**

- Other includes the Septic Tank Phase-out project, Sale of Property, and the transfer of RSF - Environmental in FY 2016 - 2024.

**Water System - Environmental Fund [Capital Projects]**

**For the Third Quarter Ending June 30, 2024**

**Definitions and Goals**

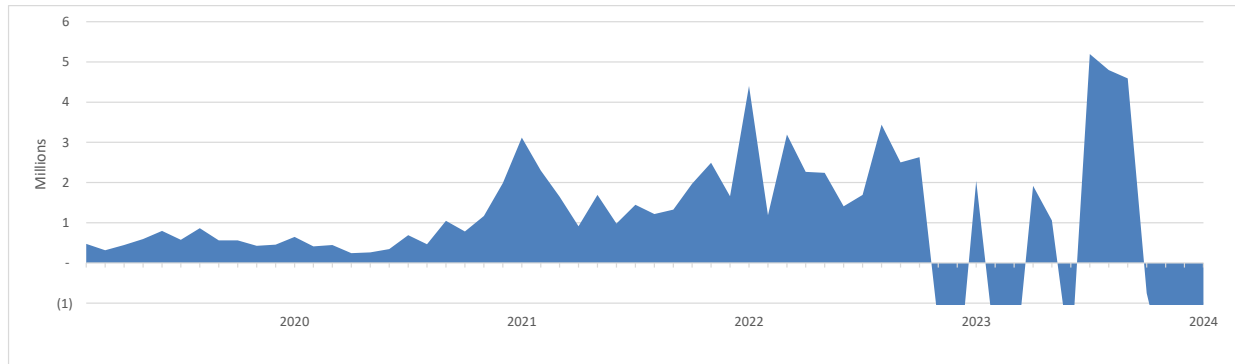
The Environmental Charge will be applied to all water, water reclamation, irrigation and non bulk user reclaimed consumption. The environmental charge revenue will be collected from customers to partially offset current and future environmental and regulatory needs as specified in the Pricing Policy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

**Current Activity**

(In Thousands)	Quarter-End	2024
Opening Balance	\$ 5,196	\$ 2,039
Additions:		
Environmental Contributions	-	-
OCO Contribution	12,355	6,239
Other		30,525
Sub-total	<u>\$ 12,355</u>	<u>\$ 36,764</u>
Withdrawals:		
Capital Expenditures	18,304	38,803
Other	-	
Sub-total	<u>\$ 18,304</u>	<u>\$ 38,803</u>
Ending Balance	<u>\$ (753)</u>	<u>\$ -</u>

**Historical Activity**

	2020	2021	2022	2023	2024
Opening Balance	\$ 1,891	\$ 648	\$ 3,118	\$ 4,400	\$ 2,039
Additions:					
Environmental Contributions	6,649	9,743	15,918	21,595	-
OCO Contribution					6,239
Other					30,525
Sub-total	<u>\$ 6,649</u>	<u>\$ 9,743</u>	<u>\$ 15,918</u>	<u>\$ 21,595</u>	<u>\$ 36,764</u>
Withdrawals:					
Capital Expenditures	7,892	7,273	14,636	23,956	38,803
Septic Tank Phase Out					
Other					
Sub-total	<u>\$ 7,892</u>	<u>\$ 7,273</u>	<u>\$ 14,636</u>	<u>\$ 23,956</u>	<u>\$ 38,803</u>
Ending balance	<u>\$ 648</u>	<u>\$ 3,118</u>	<u>\$ 4,400</u>	<u>\$ 2,039</u>	<u>\$ -</u>



Maximum Balance:	5,196	Average Balance:	987
Minimum Balance:	(4,512)		

**Observations**

**Water System - Construction / Bond Fund**

**For the Third Quarter Ending June 30, 2024**

**Definitions and Goals**

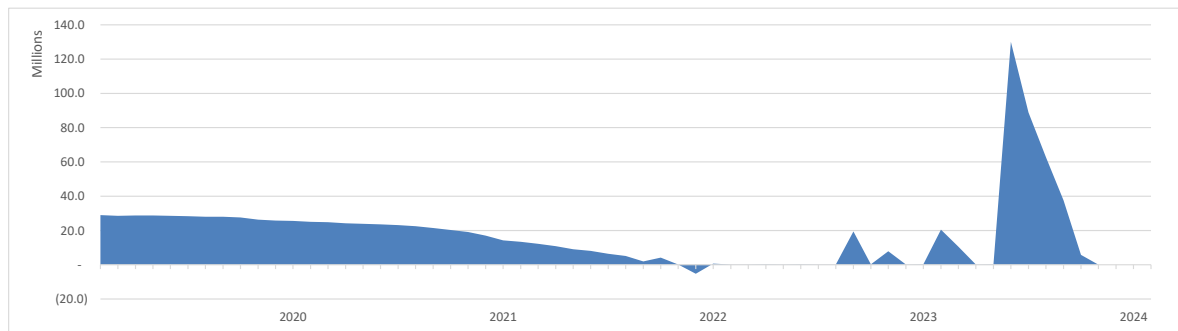
JEA maintains a senior and subordinated construction fund of which bonds proceeds are deposited and used for the payment of the costs of additions, extensions and improvements to the Water System.

**Current Activity**

(In Thousands)	Quarter-End	2024
Opening Balance	\$ 88,879	\$ 242
Additions:		
Bond Proceeds	-	206,622
Revolving credit facility	-	170,000
Other	1,425	2,089
Sub-total	<u>\$ 1,425</u>	<u>\$ 378,711</u>
Withdrawals:		
Capital Expenditures/Bond Issue Costs	84,293	377,921
Other	215	1,032
Sub-total	<u>\$ 84,508</u>	<u>\$ 378,953</u>
Ending Balance	<u>\$ 5,797</u>	<u>\$ -</u>

**Historical Activity**

	2020	2021	2022	2023	2024
Opening Balance	\$ 28,968	\$ 25,541	\$ 14,266	\$ 646	\$ 242
Additions:					
Bond Proceeds	506	520	7,304		206,622
Revolving credit facility				127,000	170,000
Loans/transfers b/w Capital Fds					
Other	837	34	-	-	2,089
Sub-total	<u>\$ 1,343</u>	<u>\$ 554</u>	<u>\$ 7,304</u>	<u>\$ 127,000</u>	<u>\$ 378,711</u>
Withdrawals:					
Capital Expenditures	4,770	11,829	20,924	127,404	378,953
Bond Proceeds					
Loans/transf btw CapFds					
Other	-	-	-	-	-
Sub-total	<u>\$ 4,770</u>	<u>\$ 11,829</u>	<u>\$ 20,924</u>	<u>\$ 127,404</u>	<u>\$ 378,953</u>
Ending balance	<u>\$ 25,541</u>	<u>\$ 14,266</u>	<u>\$ 646</u>	<u>\$ 242</u>	<u>\$ -</u>



Maximum Balance: 130,101      Average Balance: 17,219  
 Minimum Balance: (5,260)

**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.



# Monthly Financial Statements

## August 2024

Monthly Financial Statements

August 2024

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## JEA

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**Statements of Net Position**  
**(in thousands)**

	<b>August 2024</b>		<b>September 2023</b>
	<b>(unaudited)</b>		
<b>Assets</b>			
Current assets:			
Cash and cash equivalents	\$ 183,371	\$	278,483
Investments	214,838		106,701
Customer accounts receivable, net of allowance (\$2,700 and \$2,241, respectively)	263,657		252,861
Inventories:			
Materials and supplies	142,137		103,057
Fuel	53,362		56,131
Prepaid assets	31,028		23,847
Other current assets	12,148		22,476
Total current assets	<u>900,541</u>		<u>843,556</u>
Noncurrent assets:			
Restricted assets:			
Cash and cash equivalents	127,255		100,129
Investments	168,681		288,132
Other restricted assets	923		991
Total restricted assets	<u>296,859</u>		<u>389,252</u>
Costs to be recovered from future revenues	895,830		865,083
Hedging derivative instruments	50,142		93,219
Other assets	39,766		36,070
Total noncurrent assets	<u>1,282,597</u>		<u>1,383,624</u>
Capital assets:			
Land and easements	233,946		223,954
Plant in service	13,456,413		13,064,743
Lease asset	93,313		93,313
Less accumulated depreciation	<u>(8,758,359)</u>		<u>(8,392,624)</u>
Plant in service, net	5,025,313		4,989,386
Construction work in progress	1,135,256		899,574
Net capital assets	<u>6,160,569</u>		<u>5,888,960</u>
Total assets	<u>8,343,707</u>		<u>8,116,140</u>
<b>Deferred outflows of resources</b>			
Unrealized pension contributions and losses	290,610		290,610
Accumulated decrease in fair value of hedging derivatives	54,275		39,157
Unamortized deferred losses on refundings	62,833		73,433
Unrealized asset retirement obligations	31,431		36,276
Unrealized OPEB contributions and losses	15,943		15,943
Total deferred outflows of resources	<u>455,092</u>		<u>455,419</u>
Total assets and deferred outflows of resources	<u>\$ 8,798,799</u>	\$	<u>8,571,559</u>

**JEA**  
**Statements of Net Position**  
**(in thousands)**

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	<b>August 2024</b>	<b>September 2023</b>
	<b>(unaudited)</b>	
<b>Liabilities</b>		
Current liabilities:		
Accounts and accrued expenses payable	\$ 94,766	\$ 100,645
Customer deposits and prepayments	92,870	85,651
Billings on behalf of state and local governments	30,823	28,535
Compensation and benefits payable	12,686	16,237
City of Jacksonville payable	10,453	10,366
Asset retirement obligations	2,817	2,623
Total current liabilities	<u>244,415</u>	<u>244,057</u>
Current liabilities payable from restricted assets:		
Debt due within one year	106,305	89,375
Interest payable	46,895	48,304
Construction contracts and accounts payable	64,549	137,793
Renewal and replacement reserve	6,787	4,581
Total current liabilities payable from restricted assets	<u>224,536</u>	<u>280,053</u>
Noncurrent liabilities:		
Long-term debt:		
Debt payable, less current portion	2,873,745	2,705,510
Unamortized premium, net	177,353	149,503
Fair value of debt management strategy instruments	26,143	18,368
Total long-term debt	<u>3,077,241</u>	<u>2,873,381</u>
Net pension liability	958,534	958,534
Lease liability	89,463	89,463
Asset retirement obligations	28,614	33,653
Compensation and benefits payable	44,269	40,142
Net OPEB liability	8,245	7,971
Other liabilities	57,491	50,409
Total noncurrent liabilities	<u>4,263,857</u>	<u>4,053,553</u>
Total liabilities	<u>4,732,808</u>	<u>4,577,663</u>
<b>Deferred inflows of resources</b>		
Revenues to be used for future costs	297,821	300,455
Accumulated increase in fair value of hedging derivatives	50,142	93,218
Unrealized OPEB gains	16,343	16,343
Unrealized pension gains	22,391	22,391
Total deferred inflows of resources	<u>386,697</u>	<u>432,407</u>
<b>Net position</b>		
Net investment in capital assets	3,200,826	3,042,666
Restricted for:		
Capital projects	36,135	138,245
Debt service	96,919	90,582
Other purposes	(7,973)	594
Unrestricted	353,387	289,402
Total net position	<u>3,679,294</u>	<u>3,561,489</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 8,798,799</u>	<u>\$ 8,571,559</u>

**JEA**

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

	Month		Year-to-Date	
	August		August	
	2024	2023	2024	2023
<b>Operating revenues</b>				
Electric - base	\$ 94,001	\$ 92,013	\$ 835,371	\$ 664,231
Electric - fuel and purchased power	47,846	54,550	414,489	548,942
Water and sewer	44,196	48,677	465,014	478,449
District energy system	1,237	1,246	10,917	10,759
Other operating revenues	3,261	3,295	37,865	33,712
Total operating revenues	190,541	199,781	1,763,656	1,736,093
<b>Operating expenses</b>				
Operations and maintenance:				
Maintenance and other operating expenses	48,854	47,871	491,064	437,223
Fuel	44,107	38,147	329,026	407,423
Purchased power	29,996	23,447	305,874	238,720
Depreciation	33,617	36,702	375,119	391,587
State utility and franchise taxes	8,131	8,031	71,418	75,954
Recognition of deferred costs and revenues, net	948	1,858	18,224	35,929
Total operating expenses	165,653	156,056	1,590,725	1,586,836
Operating income	24,888	43,725	172,931	149,257
<b>Nonoperating revenues (expenses)</b>				
Interest on debt	(8,772)	(9,136)	(102,968)	(99,074)
Earnings from The Energy Authority	2,042	3,279	10,471	21,105
Allowance for funds used during construction	3,922	2,688	37,711	22,778
Other nonoperating income, net	531	534	5,919	5,972
Investment income	2,548	1,650	28,753	25,126
Other interest, net	(486)	(116)	(3,071)	(3,888)
Total nonoperating expenses, net	(215)	(1,101)	(23,185)	(27,981)
Income before contributions	24,673	42,624	149,746	121,276
<b>Contributions (to) from</b>				
General Fund, City of Jacksonville, Florida	(10,304)	(10,203)	(113,344)	(112,223)
Developers and other	15,143	19,543	191,818	154,515
Reduction of plant cost through contributions	(7,354)	(11,834)	(110,415)	(94,551)
Total contributions, net	(2,515)	(2,494)	(31,941)	(52,259)
<b>Special item</b>	-	-	-	11,135
Change in net position	22,158	40,130	117,805	80,152
Net position, beginning of period	3,657,136	3,624,914	3,561,489	3,584,892
Net position, end of period	\$3,679,294	\$3,665,044	\$3,679,294	\$3,665,044

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**Statement of Cash Flows**  
**(in thousands - unaudited)**

	Year-to-Date	
	August	
	2024	2023
<b>Operating activities</b>		
Receipts from customers	\$ 1,713,887	\$ 1,838,418
Payments to suppliers	(932,392)	(936,132)
Payments for salaries and benefits	(306,563)	(263,727)
Other operating activities	46,991	45,991
Net cash provided by operating activities	521,923	684,550
<b>Noncapital and related financing activities</b>		
Contribution to General Fund, City of Jacksonville, Florida	(113,243)	(112,122)
Net cash used in noncapital and related financing activities	(113,243)	(112,122)
<b>Capital and related financing activities</b>		
Acquisition and construction of capital assets	(731,528)	(670,459)
Defeasance of debt	(171,295)	-
Proceeds received from debt	503,835	-
Interest paid on debt	(124,489)	(120,760)
Repayment of debt principal	(89,375)	(74,070)
Capital contributions	81,403	59,964
Revolving credit agreement withdrawals	119,000	88,000
Revolving credit agreement repayments	(177,000)	-
Other capital financing activities	65,530	4,507
Net cash used in capital and related financing activities	(523,919)	(712,818)
<b>Investing activities</b>		
Proceeds from sale and maturity of investments	360,547	372,148
Purchase of investments	(345,567)	(514,804)
Distributions from The Energy Authority	8,045	19,003
Investment income	24,228	19,362
Net cash provided by (used in) investing activities	47,253	(104,291)
Net change in cash and cash equivalents	(67,986)	(244,681)
Cash and cash equivalents at beginning of year	378,612	520,690
Cash and cash equivalents at end of period	\$ 310,626	\$ 276,009
<b>Reconciliation of operating income to net cash provided by operating activities</b>		
Operating income	\$ 172,931	\$ 149,257
Adjustments:		
Depreciation and amortization	375,119	391,587
Recognition of deferred costs and revenues, net	18,224	35,929
Other nonoperating income, net	(3,145)	7,246
Changes in noncash assets and noncash liabilities:		
Accounts receivable	(10,795)	44,123
Inventories	(36,310)	(33,473)
Other assets	1,960	20,775
Accounts and accrued expenses payable	(92)	(38,488)
Current liabilities payable from restricted assets	2,613	(1,138)
Other noncurrent liabilities and deferred inflows	1,418	108,732
Net cash provided by operating activities	\$ 521,923	\$ 684,550
<b>Noncash activity</b>		
Contribution of capital assets from developers	\$ 110,415	\$ 94,551
Unrealized investment fair market value changes, net	\$ 3,663	\$ 4,411

**JEA**  
**Combining Statement of Net Position**  
**(in thousands - unaudited) August 2024**

	<b>Electric System and Bulk Power Supply System</b>	<b>SJRPP System</b>	<b>Elimination of Intercompany transactions</b>	<b>Total Electric Enterprise Fund</b>	<b>Water and Sewer Enterprise Fund</b>	<b>District Energy System Fund</b>	<b>Total JEA</b>
<b>Assets</b>							
Current assets:							
Cash and cash equivalents	\$ 150,844	\$ 3,317	\$ -	\$ 154,161	27,250	\$ 1,960	\$ 183,371
Investments	213,543	1,295	-	214,838	-	-	214,838
Customer accounts receivable, net of allowance (\$2,700)	203,581	-	-	203,581	59,756	320	263,657
Inventories:							
Materials and supplies	2,466	-	-	2,466	139,671	-	142,137
Fuel	53,362	-	-	53,362	-	-	53,362
Prepaid assets	30,216	8	-	30,224	791	13	31,028
Other current assets	9,501	91	(832)	8,760	3,388	-	12,148
<b>Total current assets</b>	<b>663,513</b>	<b>4,711</b>	<b>(832)</b>	<b>667,392</b>	<b>230,856</b>	<b>2,293</b>	<b>900,541</b>
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	-	24,965	-	24,965	95,387	6,903	127,255
Investments	113,611	1,582	-	115,193	53,488	-	168,681
Other restricted assets	911	12	-	923	-	-	923
<b>Total restricted assets</b>	<b>114,522</b>	<b>26,559</b>	<b>-</b>	<b>141,081</b>	<b>148,875</b>	<b>6,903</b>	<b>296,859</b>
Costs to be recovered from future revenues	471,744	56,033	-	527,777	367,642	411	895,830
Hedging derivative instruments	50,142	-	-	50,142	-	-	50,142
Other assets	39,750	3,725	(3,725)	39,750	16	-	39,766
<b>Total noncurrent assets</b>	<b>676,158</b>	<b>86,317</b>	<b>(3,725)</b>	<b>758,750</b>	<b>516,533</b>	<b>7,314</b>	<b>1,282,597</b>
Capital assets:							
Land and easements	139,007	6,660	-	145,667	85,228	3,051	233,946
Plant in service	6,524,783	1,316,043	-	7,840,826	5,538,907	76,680	13,456,413
Lease asset	93,313	-	-	93,313	-	-	93,313
Less accumulated depreciation	(4,374,702)	(1,314,984)	-	(5,689,686)	(3,028,517)	(40,156)	(8,758,359)
Plant in service, net	2,382,401	7,719	-	2,390,120	2,595,618	39,575	5,025,313
Construction work in progress	221,707	-	-	221,707	905,350	8,199	1,135,256
<b>Net capital assets</b>	<b>2,604,108</b>	<b>7,719</b>	<b>-</b>	<b>2,611,827</b>	<b>3,500,968</b>	<b>47,774</b>	<b>6,160,569</b>
<b>Total assets</b>	<b>3,943,779</b>	<b>98,747</b>	<b>(4,557)</b>	<b>4,037,969</b>	<b>4,248,357</b>	<b>57,381</b>	<b>8,343,707</b>
<b>Deferred outflows of resources</b>							
Unrealized pension contributions and losses	149,475	32,894	-	182,369	108,241	-	290,610
Accumulated decrease in fair value of hedging derivatives	49,378	-	-	49,378	4,897	-	54,275
Unamortized deferred losses on refundings	36,941	786	-	37,727	24,984	122	62,833
Unrealized asset retirement obligations	31,431	-	-	31,431	-	-	31,431
Unrealized OPEB contributions and losses	9,247	-	-	9,247	6,696	-	15,943
<b>Total deferred outflows of resources</b>	<b>276,472</b>	<b>33,680</b>	<b>-</b>	<b>310,152</b>	<b>144,818</b>	<b>122</b>	<b>455,092</b>
<b>Total assets and deferred outflows of resources</b>	<b>\$ 4,220,251</b>	<b>\$ 132,427</b>	<b>\$ (4,557)</b>	<b>\$ 4,348,121</b>	<b>\$ 4,393,175</b>	<b>\$ 57,503</b>	<b>\$ 8,798,799</b>

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**Combining Statement of Net Position  
(in thousands - unaudited) August 2024**

	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
<b>Liabilities</b>							
<b>Current liabilities:</b>							
Accounts and accrued expenses payable	\$ 71,122	\$ 81	\$ (81)	\$ 71,122	\$ 23,603	\$ 41	\$ 94,766
Customer deposits and prepayments	64,877	-	-	64,877	27,993	-	92,870
Billings on behalf of state and local governments	26,642	-	-	26,642	4,181	-	30,823
Compensation and benefits payable	9,317	-	-	9,317	3,342	27	12,686
City of Jacksonville payable	8,065	-	-	8,065	2,388	-	10,453
Asset retirement obligations	2,817	-	-	2,817	-	-	2,817
<b>Total current liabilities</b>	<b>182,840</b>	<b>81</b>	<b>(81)</b>	<b>182,840</b>	<b>61,507</b>	<b>68</b>	<b>244,415</b>
<b>Current liabilities payable from restricted assets:</b>							
Debt due within one year	32,515	16,445	-	48,960	55,415	1,930	106,305
Interest payable	19,097	1,170	-	20,267	26,063	565	46,895
Construction contracts and accounts payable	6,333	750	(751)	6,332	58,066	151	64,549
Renewal and replacement reserve	-	6,787	-	6,787	-	-	6,787
<b>Total current liabilities payable from restricted assets</b>	<b>57,945</b>	<b>25,152</b>	<b>(751)</b>	<b>82,346</b>	<b>139,544</b>	<b>2,646</b>	<b>224,536</b>
<b>Noncurrent liabilities:</b>							
<b>Long-term debt:</b>							
Debt payable, less current portion	1,297,500	60,405	-	1,357,905	1,471,815	44,025	2,873,745
Unamortized premium (discount), net	70,892	(99)	-	70,793	106,565	(5)	177,353
Fair value of debt management strategy instruments	21,246	-	-	21,246	4,897	-	26,143
<b>Total long-term debt</b>	<b>1,389,638</b>	<b>60,306</b>	<b>-</b>	<b>1,449,944</b>	<b>1,583,277</b>	<b>44,020</b>	<b>3,077,241</b>
Net pension liability	553,168	4,796	-	557,964	400,570	-	958,534
Lease liability	89,463	-	-	89,463	-	-	89,463
Asset retirement obligations	28,614	-	-	28,614	-	-	28,614
Compensation and benefits payable	31,288	-	-	31,288	12,901	80	44,269
Net OPEB liability	4,777	-	-	4,777	3,468	-	8,245
Other liabilities	57,491	3,725	(3,725)	57,491	-	-	57,491
<b>Total noncurrent liabilities</b>	<b>2,154,439</b>	<b>68,827</b>	<b>(3,725)</b>	<b>2,219,541</b>	<b>2,000,216</b>	<b>44,100</b>	<b>4,263,857</b>
<b>Total liabilities</b>	<b>2,395,224</b>	<b>94,060</b>	<b>(4,557)</b>	<b>2,484,727</b>	<b>2,201,267</b>	<b>46,814</b>	<b>4,732,808</b>
<b>Deferred inflows of resources</b>							
Revenues to be used for future costs	284,088	13,733	-	297,821	-	-	297,821
Accumulated increase in fair value of hedging derivatives	50,142	-	-	50,142	-	-	50,142
Unrealized OPEB gains	9,479	-	-	9,479	6,864	-	16,343
Unrealized pension gains	4,655	14,365	-	19,020	3,371	-	22,391
<b>Total deferred inflows of resources</b>	<b>348,364</b>	<b>28,098</b>	<b>-</b>	<b>376,462</b>	<b>10,235</b>	<b>-</b>	<b>386,697</b>
<b>Net position</b>							
Net investment in (divestment of) capital assets	1,243,548	(10,061)	-	1,233,487	1,965,132	2,207	3,200,826
<b>Restricted for:</b>							
Capital projects	16,242	-	-	16,242	15,324	4,569	36,135
Debt service	29,731	15,365	-	45,096	50,054	1,769	96,919
Other purposes	(3,878)	335	751	(2,792)	(5,181)	-	(7,973)
Unrestricted	191,020	4,630	(751)	194,899	156,344	2,144	353,387
<b>Total net position</b>	<b>1,476,663</b>	<b>10,269</b>	<b>-</b>	<b>1,486,932</b>	<b>2,181,673</b>	<b>10,689</b>	<b>3,679,294</b>
<b>Total liabilities, deferred inflows of resources, and net position</b>	<b>\$ 4,220,251</b>	<b>\$ 132,427</b>	<b>\$ (4,557)</b>	<b>\$ 4,348,121</b>	<b>\$ 4,393,175</b>	<b>\$ 57,503</b>	<b>\$ 8,798,799</b>

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**Combining Statement of Net Position  
(in thousands) September 2023**

	<b>Electric System and Bulk Power Supply System</b>	<b>SJRPP System</b>	<b>Elimination of Intercompany transactions</b>	<b>Total Electric Enterprise Fund</b>	<b>Water and Sewer Enterprise Fund</b>	<b>District Energy System Fund</b>	<b>Total JEA</b>
<b>Assets</b>							
Current assets:							
Cash and cash equivalents	\$ 256,800	\$ 2,972	\$ -	\$ 259,772	\$ 16,802	\$ 1,909	\$ 278,483
Investments	105,855	846	-	106,701	-	-	106,701
Customer accounts receivable, net of allowance (\$2,241)	194,282	-	-	194,282	58,458	121	252,861
Inventories:							
Materials and supplies	2,292	-	-	2,292	100,765	-	103,057
Fuel	56,131	-	-	56,131	-	-	56,131
Prepaid assets	23,348	6	-	23,354	487	6	23,847
Other current assets	10,472	187	(425)	10,234	12,242	-	22,476
<b>Total current assets</b>	<b>649,180</b>	<b>4,011</b>	<b>(425)</b>	<b>652,766</b>	<b>188,754</b>	<b>2,036</b>	<b>843,556</b>
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	-	22,659	-	22,659	73,900	3,570	100,129
Investments	225,063	3,159	-	228,222	59,910	-	288,132
Other restricted assets	958	33	-	991	-	-	991
<b>Total restricted assets</b>	<b>226,021</b>	<b>25,851</b>	<b>-</b>	<b>251,872</b>	<b>133,810</b>	<b>3,570</b>	<b>389,252</b>
Costs to be recovered from future revenues	460,923	70,580	-	531,503	333,259	321	865,083
Hedging derivative instruments	93,219	-	-	93,219	-	-	93,219
Other assets	36,045	3,812	(3,812)	36,045	25	-	36,070
<b>Total noncurrent assets</b>	<b>816,208</b>	<b>100,243</b>	<b>(3,812)</b>	<b>912,639</b>	<b>467,094</b>	<b>3,891</b>	<b>1,383,624</b>
Capital assets:							
Land and easements	132,817	6,660	-	139,477	81,426	3,051	223,954
Plant in service	6,330,880	1,316,043	-	7,646,923	5,341,288	76,532	13,064,743
Lease Asset	93,313	-	-	93,313	-	-	93,313
Less accumulated depreciation	(4,177,236)	(1,314,608)	-	(5,491,844)	(2,863,482)	(37,298)	(8,392,624)
Plant in service, net	2,379,774	8,095	-	2,387,869	2,559,232	42,285	4,989,386
Construction work in progress	204,605	-	-	204,605	693,969	1,000	899,574
<b>Net capital assets</b>	<b>2,584,379</b>	<b>8,095</b>	<b>-</b>	<b>2,592,474</b>	<b>3,253,201</b>	<b>43,285</b>	<b>5,888,960</b>
<b>Total assets</b>	<b>4,049,767</b>	<b>112,349</b>	<b>(4,237)</b>	<b>4,157,879</b>	<b>3,909,049</b>	<b>49,212</b>	<b>8,116,140</b>
<b>Deferred outflows of resources</b>							
Unrealized pension contributions and losses	149,475	32,894	-	182,369	108,241	-	290,610
Accumulated decrease in fair value of hedging derivatives	36,525	-	-	36,525	2,632	-	39,157
Unamortized deferred losses on refundings	41,135	997	-	42,132	31,168	133	73,433
Unrealized asset retirement obligations	36,276	-	-	36,276	-	-	36,276
Unrealized OPEB contributions and losses	9,247	-	-	9,247	6,696	-	15,943
<b>Total deferred outflows of resources</b>	<b>272,658</b>	<b>33,891</b>	<b>-</b>	<b>306,549</b>	<b>148,737</b>	<b>133</b>	<b>455,419</b>
<b>Total assets and deferred outflows of resources</b>	<b>\$ 4,322,425</b>	<b>\$ 146,240</b>	<b>\$ (4,237)</b>	<b>\$ 4,464,428</b>	<b>\$ 4,057,786</b>	<b>\$ 49,345</b>	<b>\$ 8,571,559</b>

**JEA**  
**Combining Statement of Net Position**  
**(in thousands) September 2023**

	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
<b>Liabilities</b>							
Current liabilities:							
Accounts and accrued expenses payable	\$ 82,995	\$ 114	\$ (114)	\$ 82,995	\$ 17,211	\$ 439	\$ 100,645
Customer deposits and prepayments	58,791	-	-	58,791	26,860	-	85,651
Billings on behalf of state and local governments	24,496	-	-	24,496	4,039	-	28,535
Compensation and benefits payable	12,006	-	-	12,006	4,199	32	16,237
City of Jacksonville payable	8,096	-	-	8,096	2,270	-	10,366
Asset retirement obligations	2,623	-	-	2,623	-	-	2,623
<b>Total current liabilities</b>	<b>189,007</b>	<b>114</b>	<b>(114)</b>	<b>189,007</b>	<b>54,579</b>	<b>471</b>	<b>244,057</b>
Current liabilities payable from restricted assets:							
Debt due within one year	19,275	15,865	-	35,140	52,365	1,870	89,375
Interest payable	22,820	1,720	-	24,540	23,129	635	48,304
Construction contracts and accounts payable	27,345	343	(311)	27,377	109,721	695	137,793
Renewal and replacement reserve	-	4,581	-	4,581	-	-	4,581
<b>Total current liabilities payable from restricted assets</b>	<b>69,440</b>	<b>22,509</b>	<b>(311)</b>	<b>91,638</b>	<b>185,215</b>	<b>3,200</b>	<b>280,053</b>
Noncurrent liabilities:							
Long-term debt:							
Debt payable, less current portion	1,330,015	76,850	-	1,406,865	1,261,690	36,955	2,705,510
Unamortized premium (discount), net	79,917	(41)	-	79,876	69,637	(10)	149,503
Fair value of debt management strategy instruments	15,736	-	-	15,736	2,632	-	18,368
<b>Total long-term debt</b>	<b>1,425,668</b>	<b>76,809</b>	<b>-</b>	<b>1,502,477</b>	<b>1,333,959</b>	<b>36,945</b>	<b>2,873,381</b>
Net pension liability	553,168	4,796	-	557,964	400,570	-	958,534
Lease Liability	89,463	-	-	89,463	-	-	89,463
Asset retirement obligations	33,653	-	-	33,653	-	-	33,653
Compensation and benefits payable	28,619	-	-	28,619	11,454	69	40,142
Net OPEB liability	4,623	-	-	4,623	3,348	-	7,971
Other liabilities	50,409	3,812	(3,812)	50,409	-	-	50,409
<b>Total noncurrent liabilities</b>	<b>2,185,603</b>	<b>85,417</b>	<b>(3,812)</b>	<b>2,267,208</b>	<b>1,749,331</b>	<b>37,014</b>	<b>4,053,553</b>
<b>Total liabilities</b>	<b>2,444,050</b>	<b>108,040</b>	<b>(4,237)</b>	<b>2,547,853</b>	<b>1,989,125</b>	<b>40,685</b>	<b>4,577,663</b>
<b>Deferred inflows of resources</b>							
Revenues to be used for future costs	286,722	13,733	-	300,455	-	-	300,455
Accumulated increase in fair value of hedging derivatives	93,218	-	-	93,218	-	-	93,218
Unrealized OPEB gains	9,479	-	-	9,479	6,864	-	16,343
Unrealized pension gains	4,655	14,365	-	19,020	3,371	-	22,391
<b>Total deferred inflows of resources</b>	<b>394,074</b>	<b>28,098</b>	<b>-</b>	<b>422,172</b>	<b>10,235</b>	<b>-</b>	<b>432,407</b>
<b>Net position</b>							
Net investment in (divestment of) capital assets	1,167,090	(9,943)	-	1,157,147	1,881,290	4,229	3,042,666
Restricted for:							
Capital projects	135,992	-	-	135,992	1,188	1,065	138,245
Debt service	19,204	15,865	-	35,069	53,643	1,870	90,582
Other purposes	-	283	311	594	-	-	594
Unrestricted	162,015	3,897	(311)	165,601	122,305	1,496	289,402
<b>Total net position</b>	<b>1,484,301</b>	<b>10,102</b>	<b>-</b>	<b>1,494,403</b>	<b>2,058,426</b>	<b>8,660</b>	<b>3,561,489</b>
<b>Total liabilities, deferred inflows of resources, and net position</b>	<b>\$ 4,322,425</b>	<b>\$ 146,240</b>	<b>\$ (4,237)</b>	<b>\$ 4,464,428</b>	<b>\$ 4,057,786</b>	<b>\$ 49,345</b>	<b>\$ 8,571,559</b>



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**Combining Statement of Revenues, Expenses, and Changes in Net Position  
(in thousands - unaudited) for the month ended August 2024**

	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
<b>Operating revenues</b>								
Electric - base	\$ 95,249	\$ -	\$ -	\$ 95,249	\$ -	\$ -	\$ (1,248)	\$ 94,001
Electric - fuel and purchased power	48,693	1,684	(1,684)	48,693	-	-	(847)	47,846
Water and sewer	-	-	-	-	44,257	-	(61)	44,196
District energy system	-	-	-	-	-	1,315	(78)	1,237
Other operating revenues	1,940	-	-	1,940	2,078	-	(757)	3,261
Total operating revenues	145,882	1,684	(1,684)	145,882	46,335	1,315	(2,991)	190,541
<b>Operating expenses</b>								
Operations and maintenance:								
Maintenance and other operating expenses	26,333	202	-	26,535	24,708	602	(2,991)	48,854
Fuel	44,107	-	-	44,107	-	-	-	44,107
Purchased power	31,680	-	(1,684)	29,996	-	-	-	29,996
Depreciation	18,624	34	-	18,658	14,699	260	-	33,617
State utility and franchise taxes	7,138	-	-	7,138	993	-	-	8,131
Recognition of deferred costs and revenues, net	(409)	1,312	-	903	45	-	-	948
Total operating expenses	127,473	1,548	(1,684)	127,337	40,445	862	(2,991)	165,653
Operating income	18,409	136	-	18,545	5,890	453	-	24,888
<b>Nonoperating revenues (expenses)</b>								
Interest on debt	(4,649)	(258)	-	(4,907)	(3,662)	(203)	-	(8,772)
Earnings from The Energy Authority	2,042	-	-	2,042	-	-	-	2,042
Allowance for funds used during construction	784	-	-	784	3,125	13	-	3,922
Other nonoperating income, net	312	16	-	328	203	-	-	531
Investment income	1,775	118	-	1,893	599	56	-	2,548
Other interest, net	(474)	-	-	(474)	(12)	-	-	(486)
Total nonoperating expenses, net	(210)	(124)	-	(334)	253	(134)	-	(215)
Income before contributions	18,199	12	-	18,211	6,143	319	-	24,673
<b>Contributions (to) from</b>								
General Fund, City of Jacksonville, Florida	(7,934)	-	-	(7,934)	(2,370)	-	-	(10,304)
Developers and other	489	-	-	489	14,654	-	-	15,143
Reduction of plant cost through contributions	(489)	-	-	(489)	(6,865)	-	-	(7,354)
Total contributions, net	(7,934)	-	-	(7,934)	5,419	-	-	(2,515)
Change in net position	10,265	12	-	10,277	11,562	319	-	22,158
Net position, beginning of period	1,466,398	10,257	-	1,476,655	2,170,111	10,370	-	3,657,136
Net position, end of period	\$ 1,476,663	\$ 10,269	\$ -	\$ 1,486,932	\$ 2,181,673	\$ 10,689	\$ -	\$ 3,679,294

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**Combining Statement of Revenues, Expenses, and Changes in Net Position  
(in thousands - unaudited) for the month ended August 2023**

	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
<b>Operating revenues</b>								
Electric - base	\$ 93,173	\$ -	\$ -	\$ 93,173	\$ -	\$ -	\$ (1,160)	\$ 92,013
Electric - fuel and purchased power	55,414	1,755	(1,755)	55,414	-	-	(864)	54,550
Water and sewer	-	-	-	-	48,746	-	(69)	48,677
District energy system	-	-	-	-	-	1,329	(83)	1,246
Other operating revenues	2,006	-	-	2,006	1,869	(7)	(573)	3,295
Total operating revenues	150,593	1,755	(1,755)	150,593	50,615	1,322	(2,749)	199,781
<b>Operating expenses</b>								
Operations and maintenance:								
Maintenance and other operating expenses	27,884	212	-	28,096	21,913	611	(2,749)	47,871
Fuel	38,147	-	-	38,147	-	-	-	38,147
Purchased power	25,202	-	(1,755)	23,447	-	-	-	23,447
Depreciation	18,880	34	-	18,914	17,531	257	-	36,702
State utility and franchise taxes	7,054	-	-	7,054	977	-	-	8,031
Recognition of deferred costs and revenues, net	586	1,272	-	1,858	-	-	-	1,858
Total operating expenses	117,753	1,518	(1,755)	117,516	40,421	868	(2,749)	156,056
Operating income	32,840	237	-	33,077	10,194	454	-	43,725
<b>Nonoperating revenues (expenses)</b>								
Interest on debt	(4,722)	(303)	-	(5,025)	(3,953)	(158)	-	(9,136)
Earnings from The Energy Authority	3,279	-	-	3,279	-	-	-	3,279
Allowance for funds used during construction	583	-	-	583	2,101	4	-	2,688
Other nonoperating income, net	312	19	-	331	203	-	-	534
Investment income	1,256	45	-	1,301	330	19	-	1,650
Other interest, net	(98)	-	-	(98)	(18)	-	-	(116)
Total nonoperating expenses, net	610	(239)	-	371	(1,337)	(135)	-	(1,101)
Income before contributions	33,450	(2)	-	33,448	8,857	319	-	42,624
<b>Contributions (to) from</b>								
General Fund, City of Jacksonville, Florida	(7,958)	-	-	(7,958)	(2,245)	-	-	(10,203)
Developers and other	1,199	-	-	1,199	18,344	-	-	19,543
Reduction of plant cost through contributions	(1,199)	-	-	(1,199)	(10,635)	-	-	(11,834)
Total contributions, net	(7,958)	-	-	(7,958)	5,464	-	-	(2,494)
Change in net position	25,492	(2)	-	25,490	14,321	319	-	40,130
Net position, beginning of period	1,557,167	10,287	-	1,567,454	2,048,928	8,532	-	3,624,914
Net position, end of period	\$ 1,582,659	\$ 10,285	\$ -	\$ 1,592,944	\$ 2,063,249	\$ 8,851	\$ -	\$ 3,665,044

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**Combining Statement of Revenues, Expenses, and Changes in Net Position  
(in thousands - unaudited) for the 11 months ended August 2024**

	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
<b>Operating revenues</b>								
Electric - base	\$ 847,948	\$ -	\$ -	\$ 847,948	\$ -	\$ -	\$ (12,577)	\$ 835,371
Electric - fuel and purchased power	422,576	18,979	(18,979)	422,576	-	-	(8,087)	414,489
Water and sewer	-	-	-	-	465,643	-	(629)	465,014
District energy system	-	-	-	-	-	11,606	(689)	10,917
Other operating revenues	22,154	-	-	22,154	23,473	2	(7,764)	37,865
Total operating revenues	1,292,678	18,979	(18,979)	1,292,678	489,116	11,608	(29,746)	1,763,656
<b>Operating expenses</b>								
Operations and maintenance:								
Maintenance and other operating expenses	279,515	2,247	-	281,762	233,901	5,147	(29,746)	491,064
Fuel	329,026	-	-	329,026	-	-	-	329,026
Purchased power	324,853	-	(18,979)	305,874	-	-	-	305,874
Depreciation	204,197	376	-	204,573	167,688	2,858	-	375,119
State utility and franchise taxes	60,858	-	-	60,858	10,560	-	-	71,418
Recognition of deferred costs and revenues, net	3,415	14,427	-	17,842	375	7	-	18,224
Total operating expenses	1,201,864	17,050	(18,979)	1,199,935	412,524	8,012	(29,746)	1,590,725
Operating income	90,814	1,929	-	92,743	76,592	3,596	-	172,931
<b>Nonoperating revenues (expenses)</b>								
Interest on debt	(53,128)	(2,846)	-	(55,974)	(45,155)	(1,839)	-	(102,968)
Earnings from The Energy Authority	10,471	-	-	10,471	-	-	-	10,471
Allowance for funds used during construction	6,970	-	-	6,970	30,644	97	-	37,711
Other nonoperating income, net	3,456	180	-	3,636	2,283	-	-	5,919
Investment income	23,952	904	-	24,856	3,722	175	-	28,753
Other interest, net	(2,898)	-	-	(2,898)	(173)	-	-	(3,071)
Total nonoperating expenses, net	(11,177)	(1,762)	-	(12,939)	(8,679)	(1,567)	-	(23,185)
Income before contributions	79,637	167	-	79,804	67,913	2,029	-	149,746
<b>Contributions (to) from</b>								
General Fund, City of Jacksonville, Florida	(87,275)	-	-	(87,275)	(26,069)	-	-	(113,344)
Developers and other	5,142	-	-	5,142	186,676	-	-	191,818
Reduction of plant cost through contributions	(5,142)	-	-	(5,142)	(105,273)	-	-	(110,415)
Total contributions, net	(87,275)	-	-	(87,275)	55,334	-	-	(31,941)
Change in net position	(7,638)	167	-	(7,471)	123,247	2,029	-	117,805
Net position, beginning of year	1,484,301	10,102	-	1,494,403	2,058,426	8,660	-	3,561,489
Net position, end of period	\$ 1,476,663	\$ 10,269	\$ -	\$ 1,486,932	\$ 2,181,673	\$ 10,689	\$ -	\$ 3,679,294

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**Combining Statement of Revenues, Expenses, and Changes in Net Position  
(in thousands - unaudited) for the 11 months ended August 2023**

	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
<b>Operating revenues</b>								
Electric - base	\$ 673,406	\$ -	\$ -	\$ 673,406	\$ -	\$ -	\$ (9,175)	\$ 664,231
Electric - fuel and purchased power	560,382	19,371	(19,371)	560,382	-	-	(11,440)	548,942
Water and sewer	-	-	-	-	478,921	-	(472)	478,449
District energy system	-	-	-	-	-	11,503	(744)	10,759
Other operating revenues	22,232	-	-	22,232	16,844	-	(5,364)	33,712
Total operating revenues	1,256,020	19,371	(19,371)	1,256,020	495,765	11,503	(27,195)	1,736,093
<b>Operating expenses</b>								
Operations and maintenance:								
Maintenance and other operating expenses	255,947	380	-	256,327	203,080	5,011	(27,195)	437,223
Fuel	407,423	-	-	407,423	-	-	-	407,423
Purchased power	258,091	-	(19,371)	238,720	-	-	-	238,720
Depreciation	202,377	376	-	202,753	186,195	2,639	-	391,587
State utility and franchise taxes	65,619	-	-	65,619	10,335	-	-	75,954
Recognition of deferred costs and revenues, net	10,347	13,987	-	24,334	11,595	-	-	35,929
Total operating expenses	1,199,804	14,743	(19,371)	1,195,176	411,205	7,650	(27,195)	1,586,836
Operating income	56,216	4,628	-	60,844	84,560	3,853	-	149,257
<b>Nonoperating revenues (expenses)</b>								
Interest on debt	(53,594)	(3,334)	-	(56,928)	(40,638)	(1,508)	-	(99,074)
Earnings from The Energy Authority	21,105	-	-	21,105	-	-	-	21,105
Allowance for funds used during construction	4,917	-	-	4,917	17,706	155	-	22,778
Other nonoperating income, net	3,530	209	-	3,739	2,233	-	-	5,972
Investment income	17,486	441	-	17,927	7,120	79	-	25,126
Other interest, net	(3,404)	-	-	(3,404)	(484)	-	-	(3,888)
Total nonoperating expenses, net	(9,960)	(2,684)	-	(12,644)	(14,063)	(1,274)	-	(27,981)
Income before contributions	46,256	1,944	-	48,200	70,497	2,579	-	121,276
<b>Contributions (to) from</b>								
General Fund, City of Jacksonville, Florida	(87,534)	-	-	(87,534)	(24,689)	-	-	(112,223)
Developers and other	6,986	-	-	6,986	147,529	-	-	154,515
Reduction of plant cost through contributions	(6,986)	-	-	(6,986)	(87,565)	-	-	(94,551)
Total contributions, net	(87,534)	-	-	(87,534)	35,275	-	-	(52,259)
<b>Special item</b>								
	11,135	-	-	11,135	-	-	-	11,135
Change in net position	(30,143)	1,944	-	(28,199)	105,772	2,579	-	80,152
Net position, beginning of year	1,612,802	8,341	-	1,621,143	1,957,477	6,272	-	3,584,892
Net position, end of period	\$ 1,582,659	\$ 10,285	\$ -	\$ 1,592,944	\$ 2,063,249	\$ 8,851	\$ -	\$ 3,665,044

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**Combining Statement of Cash Flows**  
(in thousands - unaudited) for the 11 months ended August 2024

	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
<b>Operating activities</b>								
Receipts from customers	\$ 1,259,563	\$ 18,979	\$ (19,385)	\$ 1,259,157	\$ 465,306	\$ 11,406	\$ (21,982)	\$ 1,713,887
Payments to suppliers	(790,900)	364	19,385	(771,151)	(186,254)	(4,733)	29,746	(932,392)
Payments for salaries and benefits	(215,572)	-	-	(215,572)	(90,178)	(813)	-	(306,563)
Other operating activities	22,096	31	-	22,127	32,626	2	(7,764)	46,991
Net cash provided by operating activities	275,187	19,374	-	294,561	221,500	5,862	-	521,923
<b>Noncapital and related financing activities</b>								
Contribution to General Fund, City of Jacksonville, Florida	(87,299)	-	-	(87,299)	(25,944)	-	-	(113,243)
Net cash used in noncapital and related financing activities	(87,299)	-	-	(87,299)	(25,944)	-	-	(113,243)
<b>Capital and related financing activities</b>								
Acquisition and construction of capital assets	(254,185)	-	-	(254,185)	(469,452)	(7,891)	-	(731,528)
Defeasance of debt	-	-	-	-	(171,295)	-	-	(171,295)
Proceeds received from debt	-	-	-	-	503,835	-	-	503,835
Interest paid on debt	(61,326)	(3,124)	-	(64,450)	(58,147)	(1,892)	-	(124,489)
Repayment of debt principal	(19,275)	(15,865)	-	(35,140)	(52,365)	(1,870)	-	(89,375)
Capital contributions	-	-	-	-	81,403	-	-	81,403
Revolving credit agreement withdrawals	-	-	-	-	110,000	9,000	-	119,000
Revolving credit agreement repayments	-	-	-	-	(177,000)	-	-	(177,000)
Other capital financing activities	5,566	213	-	5,779	59,751	-	-	65,530
Net cash used in capital and related financing activities	(329,220)	(18,776)	-	(347,996)	(173,270)	(2,653)	-	(523,919)
<b>Investing activities</b>								
Proceeds from sale and maturity of investments	315,061	1,841	-	316,902	43,645	-	-	360,547
Purchase of investments	(308,905)	(598)	-	(309,503)	(36,064)	-	-	(345,567)
Distributions from The Energy Authority	8,045	-	-	8,045	-	-	-	8,045
Investment income	21,175	810	-	21,985	2,068	175	-	24,228
Net cash provided by investing activities	35,376	2,053	-	37,429	9,649	175	-	47,253
Net change in cash and cash equivalents	(105,956)	2,651	-	(103,305)	31,935	3,384	-	(67,986)
Cash and cash equivalents at beginning of year	256,800	25,631	-	282,431	90,702	5,479	-	378,612
Cash and cash equivalents at end of period	\$ 150,844	\$ 28,282	\$ -	\$ 179,126	\$ 122,637	\$ 8,863	\$ -	\$ 310,626
<b>Reconciliation of operating income to net cash provided by operating activities</b>								
Operating income	\$ 90,814	\$ 1,929	\$ -	\$ 92,743	\$ 76,592	\$ 3,596	\$ -	\$ 172,931
Adjustments:								
Depreciation and amortization	204,197	376	-	204,573	167,688	2,858	-	375,119
Recognition of deferred costs and revenues, net	3,415	14,427	-	17,842	375	7	-	18,224
Other nonoperating income, net	(2,972)	-	-	(2,972)	(173)	-	-	(3,145)
Changes in noncash assets and noncash liabilities:								
Accounts receivable	(9,299)	-	-	(9,299)	(1,297)	(199)	-	(10,795)
Inventories	2,595	-	-	2,595	(38,905)	-	-	(36,310)
Other assets	(7,032)	150	-	(6,882)	8,849	(7)	-	1,960
Accounts and accrued expenses payable	(6,459)	(33)	-	(6,492)	6,803	(403)	-	(92)
Current liabilities payable from restricted assets	-	2,613	-	2,613	-	-	-	2,613
Other noncurrent liabilities and deferred inflows	(72)	(88)	-	(160)	1,568	10	-	1,418
Net cash provided by operating activities	\$ 275,187	\$ 19,374	\$ -	\$ 294,561	\$ 221,500	\$ 5,862	\$ -	\$ 521,923
<b>Noncash activity</b>								
Contribution of capital assets from developers	\$ 5,142	\$ -	\$ -	\$ 5,142	\$ 105,273	\$ -	\$ -	\$ 110,415
Unrealized investment fair market value changes, net	\$ 2,391	\$ 114	\$ -	\$ 2,505	\$ 1,158	\$ -	\$ -	\$ 3,663

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Combining Statement of Cash Flows

(in thousands - unaudited) for the 11 months ended August 2023

	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
<b>Operating activities</b>								
Receipts from customers	\$ 1,406,971	\$ 19,372	\$ (19,449)	\$ 1,406,894	\$ 442,817	\$ 10,538	\$ (21,831)	\$ 1,838,418
Payments to suppliers	(805,699)	(1,809)	19,449	(788,059)	(170,989)	(4,279)	27,195	(936,132)
Payments for salaries and benefits	(187,163)	-	-	(187,163)	(75,856)	(708)	-	(263,727)
Other operating activities	33,049	27	-	33,076	18,279	-	(5,364)	45,991
Net cash provided by operating activities	447,158	17,590	-	464,748	214,251	5,551	-	684,550
<b>Noncapital and related financing activities</b>								
Contribution to General Fund, City of Jacksonville, Florida	(87,455)	-	-	(87,455)	(24,667)	-	-	(112,122)
Net cash used in noncapital and related financing activities	(87,455)	-	-	(87,455)	(24,667)	-	-	(112,122)
<b>Capital and related financing activities</b>								
Acquisition and construction of capital assets	(236,592)	-	-	(236,592)	(422,913)	(10,954)	-	(670,459)
Interest paid on debt	(62,505)	(3,749)	-	(66,254)	(52,948)	(1,558)	-	(120,760)
Repayment of debt principal	(47,120)	(15,285)	-	(62,405)	(9,850)	(1,815)	-	(74,070)
Capital contributions	-	-	-	-	59,964	-	-	59,964
Revolving credit agreement withdrawals	-	-	-	-	80,000	8,000	-	88,000
Other capital financing activities	2,989	114	-	3,103	1,404	-	-	4,507
Net cash used in capital and related financing activities	(343,228)	(18,920)	-	(362,148)	(344,343)	(6,327)	-	(712,818)
<b>Investing activities</b>								
Proceeds from sale and maturity of investments	271,164	586	-	271,750	100,398	-	-	372,148
Purchase of investments	(429,830)	(586)	-	(430,416)	(84,388)	-	-	(514,804)
Distributions from The Energy Authority	19,003	-	-	19,003	-	-	-	19,003
Investment income	13,972	337	-	14,309	4,974	79	-	19,362
Net cash provided by (used in) investing activities	(125,691)	337	-	(125,354)	20,984	79	-	(104,291)
Net change in cash and cash equivalents	(109,216)	(993)	-	(110,209)	(133,775)	(697)	-	(244,681)
Cash and cash equivalents at beginning of year	327,733	24,864	-	352,597	163,282	4,811	-	520,690
Cash and cash equivalents at end of period	\$ 218,517	\$ 23,871	\$ -	\$ 242,388	\$ 29,507	\$ 4,114	\$ -	\$ 276,009
<b>Reconciliation of operating income to net cash provided by operating activities</b>								
Operating income	\$ 56,216	\$ 4,628	\$ -	\$ 60,844	\$ 84,560	\$ 3,853	\$ -	\$ 149,257
Adjustments:								
Depreciation and amortization	202,377	376	-	202,753	186,195	2,639	-	391,587
Recognition of deferred costs and revenues, net	10,347	13,987	-	24,334	11,595	-	-	35,929
Other nonoperating income (loss), net	7,730	-	-	7,730	(484)	-	-	7,246
Changes in noncash assets and noncash liabilities:								
Accounts receivable	50,689	-	-	50,689	(5,601)	(965)	-	44,123
Inventories	(24)	-	-	(24)	(33,449)	-	-	(33,473)
Other assets	18,695	877	-	19,572	1,205	(2)	-	20,775
Accounts and accrued expenses payable	(31,534)	(187)	-	(31,721)	(6,818)	51	-	(38,488)
Current liabilities payable from restricted assets	-	(1,138)	-	(1,138)	-	-	-	(1,138)
Other noncurrent liabilities and deferred inflows	132,662	(953)	-	131,709	(22,952)	(25)	-	108,732
Net cash provided by operating activities	\$ 447,158	\$ 17,590	\$ -	\$ 464,748	\$ 214,251	\$ 5,551	\$ -	\$ 684,550
<b>Noncash activity</b>								
Contribution of capital assets from developers	\$ 6,986	\$ -	\$ -	\$ 6,986	\$ 87,565	\$ -	\$ -	\$ 94,551
Unrealized investment fair market value changes, net	\$ 2,644	\$ 115	\$ -	\$ 2,759	\$ 1,652	\$ -	\$ -	\$ 4,411

**JEA**  
**Debt Service Coverage**  
**August 2024**  
**(unaudited)**

	Month		Year-to-Date	
	August	August	August	August
	2024	2023	2024	2023
<b>Electric System</b>				
Senior debt service coverage, (annual minimum 1.20x)	9.11 x	16.10 x	6.89 x	8.72 x
Senior and subordinated debt service coverage, (annual minimum 1.15x)	5.66 x	9.42 x	4.25 x	4.98 x
<b>Bulk Power Supply System</b>				
Debt service coverage, (annual minimum 1.15x)	2.92 x	1.64 x	2.12 x	2.15 x
<b>St. Johns River Power Park, Second Resolution</b>				
Debt service coverage, (annual minimum 1.15x)	1.13 x	1.13 x	1.15 x	1.15 x
<b>Water and Sewer System</b>				
Senior debt service coverage, (annual minimum 1.25x)	3.02 x	5.04 x	3.64 x	4.51 x
Senior and subordinated debt service coverage excluding capacity fees <sup>(1)</sup>	1.96 x	3.28 x	2.38 x	3.11 x
Senior and subordinated debt service coverage including capacity fees <sup>(1)</sup>	2.68 x	4.18 x	3.16 x	3.76 x
<b>District Energy System</b>				
Debt service coverage	3.06 x	2.90 x	2.40 x	2.37 x

<sup>(1)</sup> 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).

JEA

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## Electric System

## Operating Statistics

## August 2024 and 2023 (unaudited)

	Month			Year-to-Date		
	2024	2023	Variance	2024	2023	Variance
<b>Electric revenues sales (000s omitted):</b>						
Residential	\$ 81,296	\$ 82,328	-1.25%	\$ 669,931	\$ 691,076	-3.06%
Commercial	41,639	43,203	-3.62%	386,559	426,086	-9.28%
Industrial	19,543	20,692	-5.55%	196,865	227,200	-13.35%
Public street lighting	1,262	1,251	0.88%	13,564	14,169	-4.27%
Electric revenues - territorial	143,740	147,474	-2.53%	1,266,919	1,358,531	-6.74%
Sales for resale - off system	284	452	-37.17%	2,560	2,174	17.76%
Electric revenues	144,024	147,926	-2.64%	1,269,479	1,360,705	-6.70%
Regulatory	294	1,468	-79.97%	4,216	(122,188)	-103.45%
Allowance for doubtful accounts	(376)	(807)	-53.41%	(3,171)	(4,729)	-32.95%
<b>Net electric revenues</b>	<b>143,942</b>	<b>148,587</b>	<b>-3.13%</b>	<b>1,270,524</b>	<b>1,233,788</b>	<b>2.98%</b>
<b>MWh sales</b>						
Residential	656,631	654,707	0.29%	5,359,245	5,088,579	5.32%
Commercial	403,791	396,333	1.88%	3,706,405	3,599,550	2.97%
Industrial	240,731	244,413	-1.51%	2,448,278	2,445,946	0.10%
Public street lighting	4,717	4,431	6.45%	50,954	50,101	1.70%
Total MWh sales - territorial	1,305,870	1,299,884	0.46%	11,564,882	11,184,176	3.40%
Sales for resale - off system	3,420	6,458	-47.04%	72,512	50,806	42.72%
Total MWh sales	1,309,290	1,306,342	0.23%	11,637,394	11,234,982	3.58%
<b>Average number of accounts</b>						
Residential	472,394	459,626	2.78%	466,734	455,184	2.54%
Commercial	56,837	56,050	1.40%	56,496	55,661	1.50%
Industrial	206	197	4.57%	201	199	1.01%
Public street lighting	4,081	4,022	1.47%	4,052	4,007	1.12%
<b>Total average accounts</b>	<b>533,518</b>	<b>519,895</b>	<b>2.62%</b>	<b>527,483</b>	<b>515,051</b>	<b>2.41%</b>
<b>Residential averages</b>						
Revenue per account - \$	172.09	179.12	-3.92%	1,435.36	1,518.23	-5.46%
kWh per account	1,390.01	1,424	-2.42%	11,482	11,179	2.71%
Revenue per kWh - ¢	12.38	12.57	-1.55%	12.50	13.58	-7.96%
<b>Degree days</b>						
Heating degree days	-	-	-	1,050	856	194
Cooling degree days	566	613	(47)	2,663	2,741	(78)
<b>Total degree days</b>	<b>566</b>	<b>613</b>	<b>(47)</b>	<b>3,713</b>	<b>3,597</b>	<b>116</b>
Degree days - 30 year average	530			3,615		



**JEA**  
**Water and Sewer System**  
**Operating Statistics**  
**August 2024 and 2023 (unaudited)**

	Month								
	Water			Sewer			Reuse		
	2024	2023	Variance	2024	2023	Variance	2024	2023	Variance
<b>Revenues (000s omitted):</b>									
Residential	\$ 9,542	\$ 10,173	-6.20%	\$ 14,332	\$ 15,283	-6.22%	\$ 1,943	\$ 1,887	2.97%
Commercial and industrial	4,478	4,683	-4.38%	10,231	10,545	-2.98%	838	745	12.48%
Irrigation	2,984	3,382	-11.77%	N/A	N/A	N/A	3	16	-81.25%
Gross revenues	17,004	18,238	-6.77%	24,563	25,828	-4.90%	2,784	2,648	5.14%
Rate stabilization	-	885	100.00%	-	1,254	100.00%	-	128	100.00%
Allowance for doubtful accounts	(37)	(92)	-59.78%	(51)	(130)	-60.77%	(6)	(13)	-53.85%
Net revenues	\$ 16,967	\$ 19,031	-10.85%	\$ 24,512	\$ 26,952	-9.05%	\$ 2,778	\$ 2,763	0.54%
<b>Kgal sales (000s omitted)</b>									
Residential	1,704,863	1,815,155	-6.08%	1,521,120	1,603,715	-5.15%	351,312	355,232	-1.10%
Commercial and industrial	1,353,660	1,371,215	-1.28%	1,138,694	1,144,105	-0.47%	180,631	161,799	11.64%
Irrigation	482,960	575,564	-16.09%	N/A	N/A	N/A	37,326	33,529	11.32%
Total kgals sales	3,541,483	3,761,934	-5.86%	2,659,814	2,747,820	-3.20%	569,269	550,560	3.40%
<b>Average number of accounts:</b>									
Residential	335,687	328,763	2.11%	302,287	295,201	2.40%	28,255	25,777	9.61%
Commercial and industrial	27,713	27,385	1.20%	19,647	19,459	0.97%	1,026	923	11.16%
Irrigation	38,843	38,590	0.66%	N/A	N/A	N/A	43	43	0.00%
Total average accounts	402,243	394,738	1.90%	321,934	314,660	2.31%	29,324	26,743	9.65%
<b>Residential averages:</b>									
Revenue per account - \$	28.43	30.94	-8.11%	47.41	51.77	-8.42%	68.77	73.20	-6.05%
Kgals per account	5.08	5.52	-7.97%	5.03	5.43	-7.37%	12.43	13.78	-9.80%
Revenue per kgals - \$	5.60	5.60	0.00%	9.42	9.53	-1.15%	5.53	5.31	4.14%

	Year-to-Date								
	Water			Sewer			Reuse		
	2024	2023	Variance	2024	2023	Variance	2024	2023	Variance
<b>Revenues (000s omitted):</b>									
Residential	\$ 102,653	\$ 99,593	3.07%	\$ 153,930	\$ 150,288	2.42%	\$ 18,072	\$ 16,666	8.44%
Commercial and industrial	46,632	46,029	1.31%	105,486	105,728	-0.23%	7,656	6,728	13.79%
Irrigation	32,052	31,076	3.14%	N/A	N/A	N/A	145	201	-27.86%
Gross revenues	181,337	176,698	2.63%	259,416	256,016	1.33%	25,873	23,595	9.65%
Rate stabilization	-	9,379	100.00%	-	13,622	100.00%	-	1,242	100.00%
Allowance for doubtful accounts	(382)	(631)	-39.46%	(546)	(914)	-40.26%	(55)	(86)	-36.05%
Net revenues	\$ 180,955	\$ 185,446	-2.42%	\$ 258,870	\$ 268,724	-3.67%	\$ 25,818	\$ 24,751	4.31%
<b>Kgal sales (000s omitted)</b>									
Residential	18,499,948	18,014,390	2.70%	16,318,565	15,899,912	2.63%	3,163,370	2,838,267	11.45%
Commercial and industrial	13,199,693	13,222,997	-0.18%	11,339,456	11,467,995	-1.12%	1,640,580	1,433,487	14.45%
Irrigation	5,219,695	5,099,021	2.37%	N/A	N/A	N/A	256,132	484,560	-47.14%
Total kgals sales	36,919,336	36,336,408	1.60%	27,658,021	27,367,907	1.06%	5,060,082	4,756,314	6.39%
<b>Average number of accounts:</b>									
Residential	332,705	325,822	2.11%	299,236	292,187	2.41%	27,228	24,727	10.11%
Commercial and industrial	27,583	27,251	1.22%	19,566	19,374	0.99%	979	891	9.88%
Irrigation	38,697	38,464	0.61%	N/A	N/A	N/A	43	43	0.00%
Total average accounts	398,985	391,537	1.90%	318,802	311,561	2.32%	28,250	25,661	10.09%
<b>Residential averages:</b>									
Revenue per account - \$	308.54	305.67	0.94%	514.41	514.36	0.01%	663.73	674.00	-1.52%
Kgals per account	55.60	55.29	0.56%	54.53	54.42	0.20%	116.18	114.78	1.22%
Revenue per kgals - \$	5.55	5.53	0.36%	9.43	9.45	-0.21%	5.71	5.87	-2.73%

	Month				Year-to-Date			
	2024	2023	Variance	30 Year Avg	2024	2023	Variance	30 Year Avg
Rainfall	12.44	4.98	7.46	6.88	58.32	41.07	17.25	45.84
Rain Days	18	8	10	15	113	91	22	102

# Appendix

**JEA**  
**Schedule of Cash and Investments**  
**(in thousands - unaudited) August 2024**

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	Electric System and Bulk Power Supply System	SJRPP System	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
<b>Unrestricted cash and investments</b>						
Operations	\$ 18,131	\$ 3,022	\$ 21,153	\$ 8,938	\$ 1,960	\$ 32,051
Rate stabilization:						
Environmental	14,395	-	14,395	-	-	14,395
Purchased Power	246,000	-	246,000	-	-	246,000
DSM/Conservation	1,977	-	1,977	-	-	1,977
Total rate stabilization funds	262,372	-	262,372	-	-	262,372
Customer deposits	50,359	-	50,359	18,312	-	68,671
General reserve	-	1,590	1,590	-	-	1,590
Self insurance reserve funds:						
Self funded health plan	21,715	-	21,715	-	-	21,715
Property insurance reserve	10,000	-	10,000	-	-	10,000
Total self insurance reserve funds	31,715	-	31,715	-	-	31,715
Environmental liability reserve	1,810	-	1,810	-	-	1,810
Total unrestricted cash and investments	\$ 364,387	\$ 4,612	\$ 368,999	\$ 27,250	\$ 1,960	\$ 398,209
<b>Restricted assets</b>						
Renewal and replacement funds	\$ 15,331	\$ 6,787	\$ 22,118	\$ 15,083	\$ 4,569	\$ 41,770
Debt service reserve account	53,352	2,890	56,242	62,614	-	118,856
Debt service funds	48,806	16,535	65,341	76,118	2,334	143,793
Construction funds	-	-	-	241	-	241
Environmental funds	-	-	-	(3,858)	-	(3,858)
Subtotal	117,489	26,212	143,701	150,198	6,903	300,802
Unrealized holding gain (loss) on investments	(3,878)	25	(3,853)	(1,323)	-	(5,176)
Other funds	-	310	310	-	-	310
Total restricted cash and investments	\$ 113,611	\$ 26,547	\$ 140,158	\$ 148,875	\$ 6,903	\$ 295,936
Total cash and investments	\$ 477,998	\$ 31,159	\$ 509,157	\$ 176,125	\$ 8,863	\$ 694,145

**JEA**  
**Schedule of Cash and Investments**  
**(in thousands) September 2023**

	Electric System and Bulk Power Supply System	SJRPP System	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
<b>Unrestricted cash and investments</b>						
Operations	\$ 4,382	\$ 2,914	\$ 7,296	\$ 1,416	\$ 1,909	\$ 10,621
Rate stabilization:						
Environmental	14,612	-	14,612	-	-	14,612
Purchased Power	246,000	-	246,000	-	-	246,000
DSM/Conservation	5,976	-	5,976	-	-	5,976
Total rate stabilization funds	266,588	-	266,588	-	-	266,588
Customer deposits	46,838	-	46,838	15,386	-	62,224
General reserve	-	904	904	-	-	904
Self insurance reserve funds:						
Self funded health plan	20,134	-	20,134	-	-	20,134
Property insurance reserve	10,000	-	10,000	-	-	10,000
Total self insurance reserve funds	30,134	-	30,134	-	-	30,134
Environmental liability reserve	14,713	-	14,713	-	-	14,713
Total unrestricted cash and investments	\$ 362,655	\$ 3,818	\$ 366,473	\$ 16,802	\$ 1,909	\$ 385,184
<b>Restricted assets</b>						
Renewal and replacement funds	\$ 135,034	\$ 4,581	\$ 139,615	\$ 946	\$ 1,065	\$ 141,626
Debt service reserve account	53,352	3,370	56,722	57,587	-	114,309
Debt service funds	42,024	17,585	59,609	75,477	2,505	137,591
Construction funds	-	-	-	242	-	242
Environmental funds	922	-	922	2,039	-	2,961
Subtotal	231,332	25,536	256,868	136,291	3,570	396,729
Unrealized holding gain (loss) on investments	(6,269)	(53)	(6,322)	(2,481)	-	(8,803)
Other funds	-	335	335	-	-	335
Total restricted cash and investments	\$ 225,063	\$ 25,818	\$ 250,881	\$ 133,810	\$ 3,570	\$ 388,261
Total cash and investments	\$ 587,718	\$ 29,636	\$ 617,354	\$ 150,612	\$ 5,479	\$ 773,445

**JEA**  
**INVESTMENT PORTFOLIO REPORT**  
**AUGUST 2024**  
**(unaudited)**

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<u>INVESTMENT</u>	<u>BOOK VALUE</u>	<u>YIELD</u>	<u>% OF TOTAL</u>
* Treasuries	\$ 58,511,914	5.08%	8.48%
<u>Agencies</u>			
Federal Farm Credit Bank	69,514,197	5.00%	10.07%
Federal Home Loan Bank	140,757,743	3.65%	20.39%
Federal National Mortgage Assoc.	12,051,000	5.34%	1.75%
Federal Home Loan Mortgage Corp.	8,412,326	5.25%	1.22%
Total	<u>230,735,266</u>	<u>4.20%</u>	<u>33.42%</u>
Municipal Bonds	<u>38,621,719</u>	<u>4.13%</u>	<u>5.59%</u>
Commercial Paper	<u>60,805,938</u>	<u>5.35%</u>	<u>8.81%</u>
U.S. Treasury Money Market Funds (1)	<u>87,450,300</u>	<u>5.17%</u>	<u>12.67%</u>
Agency Money Market Funds (2)	<u>53,950,000</u>	<u>5.25%</u>	<u>7.81%</u>
Florida Palm Fund	<u>40,500,000</u>	<u>5.32%</u>	<u>5.87%</u>
Florida Class Fund	<u>5,000,000</u>	<u>5.38%</u>	<u>0.72%</u>
Florida Prime Fund	<u>100,500,000</u>	<u>5.48%</u>	<u>14.56%</u>
Wells Fargo Bank Accounts (3)			
Electric, Scherer	<u>10,285,909</u>	<u>2.65%</u>	<u>1.49%</u>
SJRPP	<u>1,866,286</u>	<u>2.65%</u>	<u>0.27%</u>
Water & Sewer, DES	<u>2,145,978</u>	<u>2.65%</u>	<u>0.31%</u>
Total Portfolio	<u>\$ 690,373,309</u>	<u>4.81%</u>	<u>100.00%</u>

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

Weighted Avg. Annual Yield Excluding Bank & Money Market Funds: 4.51%

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

(1) Treasury Funds: Fidelity, Goldman Sachs, State Street

(2) Government Funds: State Street, Wells Fargo Allspring

(3) Month-end bank balances excluding sweep balances

**JEA**

**Schedule of Outstanding Indebtedness  
August 2024  
(unaudited)**

	<u>Interest Rates</u>	<u>Principal Payment Dates</u>	<u>Par Amount Principal Outstanding</u>	<u>Current Portion of Long-Term Debt</u>
<b>Electric Enterprise</b>				
<i>Electric System</i>				
Fixed Rate Senior	3.000-6.056%	2026-2044	\$ 423,430,000	\$ -
Fixed Rate Subordinated	3.375-6.406%	2024-2039	414,015,000	7,805,000
Variable Rate Senior	3.423-3.853%	2024-2040	422,960,000	18,265,000
Variable Rate Subordinated	3.270-3.469%	2024-2038	47,340,000	3,865,000
<b>Total Electric System</b>	<b>3.865% (wtd avg)</b>	<b>2024-2044</b>	<b>1,307,745,000</b>	<b>29,935,000</b>
<i>Bulk Power Supply System</i>				
Fixed Rate Senior	5.400-5.920%	2024-2030	22,270,000	2,580,000
<i>St. Johns River Power Park</i>				
Fixed Rate Senior	3.000-5.450%	2024-2028	76,850,000	16,445,000
<b>Total Electric Enterprise</b>	<b>3.838% (wtd avg)</b>	<b>2024-2044</b>	<b>1,406,865,000</b>	<b>48,960,000</b>
<b>Water and Sewer System</b>				
Fixed Rate Senior	3.000-6.310%	2024-2044	1,167,775,000	42,790,000
Fixed Rate Subordinated	2.750-5.000%	2024-2040	72,245,000	6,455,000
Variable Rate Senior	3.367-3.374%	2024-2042	133,075,000	4,420,000
Variable Rate Subordinated	3.202-3.506%	2024-2038	94,135,000	1,750,000
Other Obligations	5.22%	2027	60,000,000	-
<b>Total Water and Sewer System</b>	<b>3.736% (wtd avg)</b>	<b>2024-2044</b>	<b>1,527,230,000</b>	<b>55,415,000</b>
<b>District Energy System</b>				
Fixed Rate Senior	3.394-4.538%	2024-2034	25,955,000	1,930,000
Other Obligations	6.42%	2027	20,000,000	-
<b>Total District Energy System</b>	<b>5.266% (wtd avg)</b>	<b>2024-2034</b>	<b>45,955,000</b>	<b>1,930,000</b>
<b>Total JEA</b>	<b>3.806% (wtd avg)</b>	<b>2024-2044</b>	<b>2,980,050,000</b>	<b>106,305,000</b>

**JEA**

**Debt Ratio  
(unaudited)**

	<u>Current YTD</u>
Electric Enterprise	43.4%
Water and Sewer System	40.1%

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**Interest Rate Swap Position Report  
August 2024  
(unaudited)**

**JEA Debt Management Swaps Variable to Fixed**

ID	Dealer	Effective Date	Termination Date	Allocation	Fixed Rate	Floating Rate (1)	Spread	Rate Cap	Index
<i>Electric System</i>									
1	Goldman Sachs	9/18/2003	9/16/2033	\$ 84,800,000	3.717	3.714	0.003	n/a	68% 1 mth Libor fallback (SOFR)
3	Morgan Stanley	1/27/2005	10/1/2039	82,575,000	4.351	3.419	0.932	n/a	SIFMA
4	JPMorgan	1/27/2005	10/1/2035	72,750,000	3.661	3.714	(0.053)	n/a	68% 1 mth Libor fallback (SOFR)
6	JPMorgan	1/27/2005	10/1/2037	39,175,000	3.716	3.714	0.002	n/a	68% 1 mth Libor fallback (SOFR)
8	Morgan Stanley	1/31/2007	10/1/2031	59,755,000	3.907	3.419	0.488	n/a	SIFMA
10	Goldman Sachs	1/31/2008	10/1/2036	51,680,000	3.836	3.419	0.417	n/a	SIFMA
			Total	<u>390,735,000</u>					
<i>Water/Sewer System</i>									
9	Merrill Lynch	3/8/2007	10/1/2041	81,255,000	3.895	3.419	0.476	n/a	SIFMA
			Total	<u>81,255,000</u>					
			Grand Total	<u>\$ 471,990,000</u>		Wtd Avg Spread	<u>0.345</u>		

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

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Electric System

Production Statistics

August 2024 and 2023 (unaudited)

	Month			Year-to-Date		
	2024	2023	Variance	2024	2023	Variance
<b>Generated power:</b>						
<b>Steam:</b>						
<i>Fuel oil #6</i>						
Fuel expense	\$ -	\$ 529,858	-100.00%	\$ 592,830	\$ 5,606,818	-89.43%
Barrels consumed	-	4,740	-100.00%	5,303	47,943	-88.94%
\$/ per barrel consumed	\$ -	\$ 111.78	-100.00%	\$ 111.79	\$ 116.95	-4.41%
kWh generated (1)	-	2,721,121	-100.00%	2,347,918	26,806,427	-91.24%
Cost per MWh	\$ -	\$ 194.72	-100.00%	\$ 252.49	\$ 209.16	20.72%
<i>Natural gas units #1-3</i>						
Fuel expense - variable	\$ 7,214,797	\$ 8,122,137	-11.17%	\$ 61,907,220	\$ 78,638,959	-21.28%
MMBTUs consumed	7,227,347	2,543,465	184.15%	26,219,871	20,436,121	28.30%
\$/ per MMBTU consumed	\$ 1.00	\$ 3.19	-68.74%	\$ 2.36	\$ 3.85	-38.64%
kWh generated (1)	255,933,740	230,497,898	11.04%	1,895,088,458	1,813,920,459	4.47%
Cost per MWh	\$ 28.19	\$ 35.24	-20.00%	\$ 32.67	\$ 43.35	-24.65%
<i>Biomass units #1-2</i>						
Fuel expense	\$ 60,123	\$ 127,012	-52.66%	\$ 876,088	\$ 1,043,688	-16.06%
kWh generated	1,965,449	6,001,684	-67.25%	30,121,290	38,941,083	-22.65%
Cost per MWh	\$ 30.59	\$ 21.16	44.55%	\$ 29.09	\$ 26.80	8.52%
<i>Coal</i>						
Fuel expense	\$ 3,825,610	\$ 838,735	356.12%	\$ 14,991,917	\$ 28,484,228	-47.37%
kWh generated	31,606,423	8,678,167	264.21%	123,256,813	318,308,874	-61.28%
Cost per MWh	\$ 121.04	\$ 96.65	25.24%	\$ 121.63	\$ 89.49	35.92%
<i>Pet coke and limestone</i>						
Fuel expense	\$ 7,848,558	\$ 6,662,520	17.80%	\$ 41,478,164	\$ 75,634,538	-45.16%
kWh generated	149,242,766	118,836,532	25.59%	676,491,132	1,013,941,231	-33.28%
Cost per MWh	\$ 52.59	\$ 56.06	-6.20%	\$ 61.31	\$ 74.59	-17.80%
<b>Combustion turbine:</b>						
<i>Fuel oil #2</i>						
Fuel expense	\$ 98,797	\$ 254,942	-61.25%	\$ 1,633,871	\$ 1,969,335	-17.03%
Barrels consumed	338	1,955	-82.71%	10,748	14,502	-25.89%
\$/ per barrel consumed	\$ 292.30	\$ 130.41	124.15%	\$ 152.02	\$ 135.80	11.94%
kWh generated	43,927	592,287	-92.58%	3,410,934	5,237,596	-34.88%
Cost per MWh	\$ 2,249.13	\$ 430.44	422.52%	\$ 479.01	\$ 376.00	27.40%
<i>Natural gas (includes landfill)</i>						
Fuel expense Kennedy & landfill - variable	\$ 367,752	\$ 762,676	-51.78%	\$ 4,127,265	\$ 7,235,882	-42.96%
MMBTUs consumed	368,588	238,788	54.36%	1,598,002	1,937,475	-17.52%
\$/ per MMBTU consumed	\$ 1.00	\$ 3.19	-68.76%	\$ 2.58	\$ 3.73	-30.84%
kWh generated (1)	13,378,718	21,146,024	-36.73%	117,265,929	171,434,635	-31.60%
Cost per MWh	\$ 27.49	\$ 36.07	-23.79%	\$ 35.20	\$ 42.21	-16.61%
Fuel expense BB simple - variable	\$ 878,513	\$ 1,323,807	-33.64%	\$ 6,190,974	\$ 18,485,963	-66.51%
MMBTUs consumed	\$ 878,167	381,049	130.46%	2,725,505	4,956,089	-45.01%
\$/ per MMBTU consumed	\$ 1.00	\$ 3.47	-71.20%	\$ 2.27	\$ 3.73	-39.10%
kWh generated (1)	28,937,000	35,378,699	-18.21%	194,206,783	470,960,619	-58.76%
Cost per MWh	\$ 30.36	\$ 37.42	-18.86%	\$ 31.88	\$ 39.25	-18.78%
Fuel expense BB combined - variable	\$ 8,979,551	\$ 11,340,214	-20.82%	\$ 92,782,548	\$ 129,007,625	-28.08%
MMBTUs consumed	9,001,056	2,989,380	201.10%	36,807,477	26,066,216	41.21%
\$/ per MMBTU consumed	\$ 1.00	\$ 3.79	-73.70%	\$ 2.52	\$ 4.95	-49.07%
kWh generated (1)	430,084,473	426,949,328	0.73%	4,437,238,693	3,765,150,843	17.85%
Cost per MWh	\$ 20.88	\$ 26.56	-21.39%	\$ 20.91	\$ 34.26	-38.97%
Fuel expense GEC simple - variable	\$ 2,760,442	\$ 3,028,325	-8.85%	\$ 20,689,061	\$ 27,775,992	-25.51%
MMBTUs consumed	2,687,348	854,658	214.44%	8,520,700	6,508,306	30.92%
\$/ per MMBTU consumed	\$ 1.03	\$ 3.54	-71.01%	\$ 2.43	\$ 4.27	-43.11%
kWh generated	89,868,683	77,694,190	15.67%	618,121,590	592,836,320	4.27%
Cost per MWh	\$ 30.72	\$ 38.98	-21.19%	\$ 33.47	\$ 46.85	-28.56%
Natural gas expense - fixed	\$ 3,591,948	\$ 3,897,522	-7.84%	\$ 34,595,146	\$ 36,225,007	-4.50%
<b>Total generated power:</b>						
Fuel expense	\$ 35,626,091	\$ 36,887,750	-3.42%	\$ 279,865,083	\$ 410,108,034	-31.76%
kWh generated	1,001,061,179	928,495,930	7.82%	8,097,549,540	8,217,538,087	-1.46%
Cost per MWh	\$ 35.59	\$ 39.73	-10.42%	\$ 34.56	\$ 49.91	-30.75%

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

**JEA**  
**Electric System**  
**Production Statistics (Continued)**  
**August 2024 and 2023 (unaudited)**

	Month			Year-to-Date		
	2024	2023	Variance	2024	2023	Variance
<b>Cost of fuels</b>						
Natural gas	\$ 23,793,002	\$ 28,474,682	-16.44%	\$ 220,292,213	\$ 297,369,428	-25.92%
Petcoke	7,848,558	6,662,520	17.80%	41,478,164	75,634,538	-45.16%
Coal	3,825,610	838,735	356.12%	14,991,917	28,484,228	-47.37%
Fuel oil #2	98,797	254,942	-61.25%	1,633,871	1,969,335	-17.03%
Fuel oil #6	-	529,858	-100.00%	592,830	5,606,818	-89.43%
Biomass	60,123	127,012	-52.66%	876,088	1,043,688	-16.06%
Total	<u>\$ 35,626,091</u>	<u>\$ 36,887,750</u>	<u>-3.42%</u>	<u>\$ 279,865,083</u>	<u>\$ 410,108,034</u>	<u>-31.76%</u>
<b>Purchased power:</b>						
<i>TEA &amp; other</i>						
Purchases	\$ 25,000,973	\$ 16,860,382	48.28%	\$ 252,050,867	\$ 177,314,027	42.15%
kWh purchased	83,939,575	285,883,358	-70.64%	1,517,856,123	1,981,951,070	-23.42%
Cost per MWh	\$ 466.38	\$ 60.20	674.67%	\$ 197.50	\$ 93.07	112.20%
<i>FPL</i>						
Purchases	\$ 4,223,349	\$ 5,493,648	-23.12%	\$ 48,355,087	\$ 60,292,667	-19.80%
kWh purchased	124,370,000	142,095,000	-12.47%	1,303,659,000	1,421,086,000	-8.26%
Cost per MWh	\$ 33.96	\$ 38.66	-12.17%	\$ 37.09	\$ 42.43	-12.58%
<i>Plant Scherer</i>						
Purchases	\$ 1,295,630	\$ 493,215	162.69%	\$ 7,370,210	\$ 8,660,382	-14.90%
<i>SJRPP</i>						
Purchases	\$ 1,683,938	\$ 1,754,720	-4.03%	\$ 18,978,818	\$ 19,370,846	-2.02%
<i>Plant Vogtle</i>						
Purchases	\$ 770,928	\$ 1,092,719	-29.45%	\$ 5,467,858	\$ 1,113,497	391.05%
kWh purchased	150,562,000	75,308,000	99.93%	1,078,906,000	76,740,000	1305.92%
Cost per MWh	\$ 5.12	\$ 14.51	-64.71%	\$ 5.07	\$ 14.51	-65.07%
<b>Total purchased power:</b>						
Purchases	<u>\$ 32,974,818</u>	<u>\$ 25,694,684</u>	<u>28.33%</u>	<u>\$ 332,222,841</u>	<u>\$ 266,751,420</u>	<u>24.54%</u>
kWh purchased	<u>358,871,575</u>	<u>503,286,358</u>	<u>-28.69%</u>	<u>3,900,421,123</u>	<u>3,479,777,070</u>	<u>12.09%</u>
Cost per MWh	<u>\$ 91.88</u>	<u>\$ 51.05</u>	<u>79.98%</u>	<u>\$ 85.18</u>	<u>\$ 76.66</u>	<u>11.11%</u>
Subtotal - generated and purchased power:	\$ 68,600,909	\$ 62,582,434	9.62%	\$ 612,087,924	\$ 676,859,454	-9.57%
Fuel interchange sales	(284,348)	(451,693)	-37.05%	(2,372,540)	(2,173,343)	9.17%
Earnings of The Energy Authority	(1,932,919)	(3,271,456)	-40.92%	(10,052,369)	(20,732,105)	-51.51%
EPA Allowance Purchases	-	-	-	(29,500)	-	-
Realized and Unrealized (Gains) Losses	6,103,441	(284,775)	-2243.25%	31,219,952	(22,476,295)	-238.90%
Fuel procurement and handling	1,889,182	1,294,985	45.88%	14,122,591	13,243,041	6.64%
Byproduct reuse	488,085	249,624	95.53%	3,847,627	6,543,039	-41.20%
Total generated and net purchased power:	<u>74,864,351</u>	<u>60,119,118</u>	<u>24.53%</u>	<u>648,823,686</u>	<u>651,263,791</u>	<u>-0.37%</u>
Cost, net	<u>1,359,932,754</u>	<u>1,431,782,288</u>	<u>-5.02%</u>	<u>11,997,970,663</u>	<u>11,697,315,157</u>	<u>2.57%</u>
kWh generated and purchased	<u>\$ 55.05</u>	<u>\$ 41.99</u>	<u>31.11%</u>	<u>\$ 54.08</u>	<u>\$ 55.68</u>	<u>-2.87%</u>
<b>Reconciliation:</b>						
Generated and purchased power per above	\$ 74,864,351	55.05		\$ 648,823,685	54.08	
SJRPP debt service	\$ (1,485,412)	(1.09)		\$ (16,795,027)	(1.40)	
SJRPP R & R	\$ (198,527)	(0.15)		\$ (2,183,791)	(0.18)	
Scherer power production	\$ (814,038)	(0.60)		\$ (4,107,090)	(0.34)	
Scherer R & R	\$ (481,592)	(0.35)		\$ (3,255,219)	(0.27)	
Scherer taxes	\$ -	-		\$ (7,901)	(0.00)	
MEAG Debt Service	\$ (19,330,523)	(14.21)		\$ (165,665,383)	(13.81)	
MEAG-Prepaid Fuel	\$ 101,899	0.07		\$ (445,241)	(0.04)	
FPL Capacity	\$ (1,400,000)	(1.03)		(15,400,000)	(1.28)	
TEA Solar Capacity	\$ (497,770)	(0.37)		(5,088,601)	(0.42)	
TEA and Other Capacity	\$ (1,690,038)	(1.24)		(16,462,351)	(1.37)	
Energy expense per budget page	<u>\$ 49,068,351</u>	<u>\$ 36.08</u>		<u>\$ 419,413,080</u>	<u>\$ 34.96</u>	



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Electric System		Month			Prior Year Month	
Budget vs. Actual	ANNUAL BUDGET	BUDGET	ACTUAL	Variance	ACTUAL	Variance
August 2024 and 2023 (unaudited)	2023-24	2023-24	2023-24	%	2022-23	%
<b>Fuel Related Revenues &amp; Expenses</b>						
Fuel Rate Revenues	\$ 446,124,788	\$ 45,775,232	\$ 48,542,635	6.05%	\$ 55,279,893	-12.19%
Fuel Expense and Purchased Power:						
Fuel Expense - Electric System	329,050,928	34,419,571	44,106,799		38,147,583	
Other Purchased Power	116,227,831	11,268,853	4,961,552		17,452,258	
Subtotal Energy Expense	445,278,759	45,688,424	49,068,351	-7.40%	55,599,841	11.75%
Transfer to (from) Other Regulatory Funds,	-	-	(659,316)		(637,598)	
Fuel Related Uncollectibles	846,029	86,808	133,600		317,650	
Total	446,124,788	45,775,232	48,542,635	-6.05%	55,279,893	12.19%
Fuel Balance	-	-	-		-	
<b>Nonfuel Related Revenues</b>						
Base Rate Revenues	821,792,000	84,285,168	88,075,439		85,160,603	
Environmental Charge Revenue	-	-	-		(139)	
Investment Income	18,602,575	1,432,173	1,775,748		1,256,002	
Natural Gas Revenue Pass Through	1,130,738	94,228	76,301		43,933	
Other Revenues	41,207,575	3,433,965	5,219,437		2,494,359	
Total	882,732,888	89,245,534	95,146,925	6.61%	88,954,758	6.96%
<b>Nonfuel Related Expenses</b>						
Non-Fuel O&M	288,294,396	26,635,025	22,274,453		26,711,831	
DSM / Conservation O&M	6,918,790	553,722	292,769		420,897	
Environmental O&M	18,684,000	2,282,183	2,914,886		225,318	
Rate Stabilization - DSM	(6,203,870)	(516,989)	(292,769)		(420,897)	
Rate Stabilization - Environmental	(1,323,637)	(110,303)	(606)		(1,047,194)	
Natural Gas Expense Pass Through	1,295,200	106,773	87,198		65,041	
Debt Principal - Electric System	29,935,000	2,494,583	2,494,583		1,398,333	
Debt Interest - Electric System	61,199,660	5,099,972	4,938,215		5,022,757	
R&R - Electric System	68,838,850	5,736,571	5,736,571		6,945,100	
Operating Capital Outlay	72,930,113	-	-		-	
Operating Capital Outlay - Environmental	-	-	-		1,028,060	
City Contribution Expense	95,209,531	7,934,128	7,934,128		7,957,592	
Taxes & Uncollectibles	1,769,039	147,420	260,740		519,598	
<i>Nonfuel Purchased Power:</i>						
* SJRPP D/S Principal	16,445,000	1,370,417	1,370,417		1,322,083	
* SJRPP D/S Interest	2,808,319	234,027	217,795		267,676	
** Other Non-Fuel Purchased Power	225,932,497	20,077,707	24,709,163		16,732,363	
Total Nonfuel Expenses	882,732,888	72,045,236	72,937,543	-1.24%	67,148,558	-8.62%
Non-Fuel Balance	-	17,200,298	22,209,382		21,806,200	
<b>Total Balance</b>	\$ -	\$ 17,200,298.00	\$ 22,209,382.00		\$ 21,806,200.00	
<b>Total Revenues</b>	<b>1,328,857,676</b>	<b>135,020,766</b>	<b>143,689,560</b>	6.42%	<b>144,234,651</b>	-0.38%
<b>Total Expenses</b>	<b>1,328,857,676</b>	<b>117,820,468</b>	<b>121,480,178</b>	-3.11%	<b>122,428,451</b>	0.77%
<b>KWH Sold - Territorial</b>	<b>12,200,000,000</b>	<b>1,251,298,272</b>	<b>1,305,869,565</b>	4.36%	<b>1,299,884,529</b>	0.46%
<b>KWH Sold - Off System</b>	<b>-</b>	<b>-</b>	<b>3,420,000</b>		<b>6,458,000</b>	
	<b>12,200,000,000</b>	<b>1,251,298,272</b>	<b>1,309,289,565</b>	4.63%	<b>1,306,342,529</b>	0.23%

\* Gross debt service

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

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Electric System	Year-to-Date				Prior Year-to-Date		
	Budget vs. Actual	ANNUAL BUDGET	BUDGET	ACTUAL	Variance	ACTUAL	Variance
August 2024 and 2023 (unaudited)	2023-24	2023-24	2023-24	%	2022-23	%	
<b>Fuel Related Revenues &amp; Expenses</b>							
Fuel Rate Revenues	\$ 446,124,788	\$ 408,353,787	\$ 421,313,280	3.17%	\$ 560,139,600	-24.78%	
Fuel Expense and Purchased Power:							
Fuel Expense - Electric System	329,050,928	302,382,759	329,025,753		407,417,820		
Other Purchased Power	116,227,831	105,196,627	90,387,327		149,987,642		
Subtotal Energy Expense	445,278,759	407,579,386	419,413,080	-2.90%	557,405,462	24.76%	
Transfer to (from) Other Regulatory Funds, Net	-	-	790,730		803,394		
Fuel Related Uncollectibles	846,029	774,401	1,109,470		1,930,744		
Total	446,124,788	408,353,787	421,313,280	-3.17%	560,139,600	24.78%	
Fuel Balance	-	-	-		-		
<b>Nonfuel Related Revenues</b>							
Base Rate Revenues	821,792,000	745,073,286	785,108,592		729,670,684		
Conservation Charge Revenue	-	-	1,017		211,812		
Environmental Charge Revenue	-	-	(7)		3,111,502		
Investment Income	18,602,575	17,177,996	21,529,230		14,839,731		
Natural Gas Revenue Pass Through	1,130,738	1,036,510	959,134		787,182		
Other Revenues	41,207,575	37,773,610	66,379,173		97,241,778		
Total	882,732,888	801,061,402	873,977,139	9.10%	845,862,689	3.32%	
<b>Nonfuel Related Expenses</b>							
Non-Fuel O&M	288,294,396	261,071,994	251,469,911		241,904,530		
DSM / Conservation O&M	6,918,790	5,655,385	3,999,942		5,077,850		
Environmental O&M	18,684,000	16,047,817	13,139,016		1,280,090		
Rate Stabilization - DSM	(6,203,870)	(5,686,881)	(3,998,925)		(2,118,504)		
Rate Stabilization - Environmental	(1,323,637)	(1,213,334)	(216,230)		(4,650,411)		
Natural Gas Expense Pass Through	1,295,200	938,685	1,092,821		921,272		
Debt Principal - Electric System	29,935,000	27,440,417	27,440,417		15,381,667		
Debt Interest - Electric System	61,199,660	56,099,688	56,398,833		56,903,909		
R&R - Electric System	68,838,850	63,102,279	63,102,279		76,396,100		
Operating Capital Outlay	72,930,113	41,000,000	69,156,901		60,116,772		
Operating Capital Outlay - Environmental	-	-	5,488		7,382,840		
City Contribution Expense	95,209,531	87,275,403	87,275,403		87,533,515		
Taxes & Uncollectibles	1,769,039	1,621,619	2,329,256		(1,176,501)		
Nonfuel Purchased Power:							
* SJRPP D/S Principal	16,445,000	15,074,583	15,074,583		14,542,917		
* SJRPP D/S Interest	2,808,319	2,574,292	2,394,784		2,944,432		
** Other Non-Fuel Purchased Power	225,932,497	220,854,790	221,948,604		222,003,663		
Total Nonfuel Expenses	882,732,888	791,856,737	810,613,083	-2.37%	784,444,141	-3.34%	
Non-Fuel Balance	-	9,204,665	63,364,056		61,418,548		
<b>Total Balance</b>	<b>\$ -</b>	<b>\$ 9,204,665.00</b>	<b>\$ 63,364,056.00</b>		<b>\$ 61,418,548.00</b>		
<b>Total Revenues</b>	<b>1,328,857,676</b>	<b>1,209,415,189</b>	<b>1,295,290,419</b>	<b>7.10%</b>	<b>1,406,002,289</b>	<b>-7.87%</b>	
<b>Total Expenses</b>	<b>1,328,857,676</b>	<b>1,200,210,524</b>	<b>1,231,926,363</b>	<b>-2.64%</b>	<b>1,344,583,741</b>	<b>8.38%</b>	
<b>KWH Sold - Territorial</b>	<b>12,200,000,000</b>	<b>11,061,437,223</b>	<b>10,259,012,096</b>	<b>-7.25%</b>	<b>11,184,176,475</b>	<b>-8.27%</b>	
<b>KWH Sold - Off System</b>	<b>-</b>	<b>-</b>	<b>69,092,000</b>		<b>50,806,000</b>		
	<b>12,200,000,000</b>	<b>11,061,437,223</b>	<b>10,328,104,096</b>	<b>-6.63%</b>	<b>11,234,982,475</b>	<b>-8.07%</b>	

\* Gross debt service

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

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**Water and Sewer System**

Budget vs. Actual August 2024 and 2023 (unaudited)	Month				Prior Year Month	
	ANNUAL BUDGET 2023-24	BUDGET 2023-24	ACTUAL 2023-24	Variance %	ACTUAL 2022-23	Variance %
<b>REVENUES</b>						
Water & Sewer Revenues	\$ 491,982,718	\$ 44,339,454	\$ 43,357,981		\$ 45,737,133	
Capacity & Extension Fees	97,624,133	9,672,178	7,788,411		7,708,245	
Investment Income	4,745,432	481,358	598,964		329,827	
Other Income	18,369,380	1,530,782	2,280,178		2,071,951	
<b>Total</b>	<b>612,721,663</b>	<b>56,023,772</b>	<b>54,025,534</b>	<b>-3.57%</b>	<b>55,847,156</b>	<b>-3.26%</b>
<b>EXPENSES</b>						
O & M Expenses	236,127,787	23,496,000	22,397,490		21,858,356	
Debt Principal - Water & Sewer	55,675,000	4,639,583	5,332,178		4,363,750	
Debt Interest - Water & Sewer	64,024,774	5,335,398	5,893,227		4,781,524	
Rate Stabilization - Environmental	-	-	(11,784)		(2,278,919)	
R&R - Water & Sewer	30,459,050	2,538,254	2,538,254		2,504,975	
Operating Capital Outlay	67,153,723	-	-		12,267,369	
Operating Capital Outlay - Capacity/Extension	97,624,133	9,672,178	7,788,411		7,708,245	
Operating Capital Outlay - Environmental	25,015,281	2,084,607	11,784		11,784	
City Contribution Expense	28,439,210	2,369,934	2,369,934		2,244,449	
Uncollectibles & Fees	983,965	81,997	95,854		249,128	
Interlocal Agreements	7,218,740	-	45,891		-	
<b>Total Expenses</b>	<b>612,721,663</b>	<b>50,217,951</b>	<b>46,461,239</b>	<b>7.48%</b>	<b>53,710,661</b>	<b>13.50%</b>
<b>Total Balance</b>	<b>\$ -</b>	<b>\$ 5,805,821</b>	<b>\$ 7,564,295</b>		<b>\$ 2,136,495</b>	
<b>Sales kgals</b>						
<b>Water</b>	40,584,236	3,570,108	3,541,483	-0.80%	3,761,934	-5.86%
<b>Sewer</b>	36,507,787	3,227,852	3,229,083	0.04%	3,298,380	-2.10%
<b>Total</b>	<b>77,092,023</b>	<b>6,797,960</b>	<b>6,770,566</b>	<b>-0.40%</b>	<b>7,060,314</b>	<b>-4.10%</b>

Budget vs. Actual August 2024 and 2023 (unaudited)	Year-To-Date				Prior Year to Date	
	ANNUAL BUDGET 2023-24	BUDGET 2023-24	ACTUAL 2023-24	Variance %	ACTUAL 2022-23	Variance %
<b>REVENUES</b>						
Water & Sewer Revenues	\$ 491,982,718	\$ 452,242,438	\$ 456,074,518		\$ 445,973,824	
Capacity & Extension Fees	97,624,133	87,730,508	81,402,669		59,964,054	
Investment Income	4,745,432	4,247,117	2,561,607		5,465,999	
Other Income	18,369,380	16,838,599	41,295,898		19,074,484	
<b>Total</b>	<b>612,721,663</b>	<b>561,058,662</b>	<b>581,334,692</b>	<b>3.61%</b>	<b>530,478,361</b>	<b>9.59%</b>
<b>EXPENSES</b>						
O & M Expenses	236,127,787	214,683,902	223,606,170		197,616,856	
Debt Principal - Water & Sewer	55,675,000	51,035,417	50,082,818		48,001,246	
Debt Interest - Water & Sewer	64,024,774	58,689,376	61,081,513		49,740,557	
Rate Stabilization - Environmental	-	-	(565,632)		(24,786,598)	
R&R - Water & Sewer	30,459,050	27,920,796	27,920,796		27,554,725	
Operating Capital Outlay	67,153,723	43,060,665	43,060,665		101,386,289	
Operating Capital Outlay - Capacity/Extension	97,624,133	87,730,508	81,402,669		59,964,054	
Operating Capital Outlay - Environmental	25,015,281	22,930,674	565,632		12,138,595	
City Contribution Expense	28,439,210	26,069,276	26,069,276		24,688,940	
Uncollectibles & Fees	983,965	901,968	1,375,217		1,773,940	
Interlocal Agreements	7,218,740	7,218,740	7,278,212		3,338,268	
<b>Total Expenses</b>	<b>612,721,663</b>	<b>540,241,322</b>	<b>521,877,336</b>	<b>3.40%</b>	<b>501,416,872</b>	<b>-4.08%</b>
<b>Total Balance</b>	<b>\$ -</b>	<b>\$ 20,817,340</b>	<b>\$ 59,457,356</b>		<b>\$ 29,061,489</b>	
<b>Sales kgals</b>						
<b>Water</b>	40,584,236	37,262,218	36,919,336	-0.92%	36,336,408	1.60%
<b>Sewer</b>	36,507,787	33,426,665	32,718,103	-2.12%	32,124,221	1.85%
<b>Total</b>	<b>77,092,023</b>	<b>70,688,883</b>	<b>69,637,439</b>	<b>-1.49%</b>	<b>68,460,629</b>	<b>1.72%</b>

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District Energy System		Month			Prior Year Month		
		ANNUAL BUDGET	BUDGET	ACTUAL	Variance	ACTUAL	Variance
Budget vs. Actual		2023-24	2023-24	2023-24	%	2022-23	%
August 2024 and 2023 (unaudited)							
<b>REVENUES</b>							
Revenues	\$	12,561,440	\$ 1,289,130	\$ 1,314,767		\$ 1,321,497	
Investment Income		-	-	56,339.00		19,172.00	
Total		12,561,440	1,289,130	1,371,106	6.36%	1,340,669	2.27%
<b>EXPENSES</b>							
O & M Expenses		5,839,564	512,294	587,366		614,452	
Debt Principal - District Energy System		1,930,000	160,833	160,833		155,833	
Debt Interest - District Energy System		1,954,242	162,854	201,445		156,537	
R&R - District Energy System		643,050	53,588	53,588		37,550	
Operating Capital Outlay		2,194,584	-	-		-	
Total Expenses		12,561,440	889,569	1,003,232	-12.78%	964,372	-4.03%
<b>Total Balance</b>	\$	-	\$ 399,561	\$ 367,874		\$ 376,297	

Budget vs. Actual		Year-To-Date			Prior-Year-to-Date		
		ANNUAL BUDGET	BUDGET	ACTUAL	Variance	ACTUAL	Variance
August 2024 and 2023 (unaudited)		2023-24	2023-24	2023-24	%	2022-23	%
<b>REVENUES</b>							
Revenues	\$	12,561,440	\$ 11,271,260	\$ 11,607,606		\$ 11,502,854	
Investment Income		-	-	175,039.00		78,865.00	
Total		12,561,440	11,271,260	11,782,645	4.54%	11,581,719	1.73%
<b>EXPENSES</b>							
O & M Expenses		5,839,564	5,358,021	5,134,387		5,034,508	
Debt Principal - District Energy System		1,930,000	1,769,167	1,769,167		1,714,167	
Debt Interest - District Energy System		1,954,242	1,791,389	1,822,920		1,492,483	
R&R - District Energy System		643,050	589,463	589,463		413,050	
Operating Capital Outlay		2,194,584	1,805,617	1,805,617		2,100,000	
Total Expenses		12,561,440	11,313,657	11,121,554	1.70%	10,754,208	-3.42%
<b>Total Balance</b>	\$	-	\$ (42,397)	\$ 661,091		\$ 827,511	

# JEA Board Agenda

# MEMORANDUM



## FY24 Budgetary Amendment

Board Meeting Date: September 24, 2024

Outcome:  INFORMATION ONLY  ACTION  FUTURE BOARD CONSIDERATION

If Action, Provide a Recommended Motion: Staff recommends that the Board approve the attached Resolution 2024-60, which is a replacement of Resolution 2024-47 approved on August 27, 2024.

Consent Agenda Item:  Yes  No

Presenter: Located within Consent Agenda

Chief: Ted Phillips, Chief Financial Officer

Strategic Focus Area:  DEVELOPING AN UNBEATABLE TEAM  DELIVERING BUSINESS EXCELLENCE  EARNING CUSTOMER LOYALTY

Purpose of Agenda Item:

The update is a result of discussions with the City Council Auditor's Office who have recommended substantial changes to the initially proposed amendment. Recommendations include for the amendment be limited to appropriating the use of the FY2023 Budget Surplus Funds for Electric and Water and use of previous year revenue in the form of higher than budgeted withdrawals from Stabilization Funds. The amendment for District Energy System Base Revenue has also been removed, per request of the City Council Auditor's Office. In consideration of these substantial changes, the Office of General Counsel advised for the JEA Board to review and approve the proposed Amendment as revised before legislation can be filed for City Council approval.

Resolution 2024-60 authorizes the Interim Managing Director/CEO to make a budgetary amendment after the close of the fiscal year to appropriate revenues exceeding the approved budget, adjust expense budget for unbudgeted withdrawals of stabilization funds, and appropriate capital expenses. This includes authorizing the Managing Director/CEO to update Schedules A and B with amended budget values, seek legislative approval for the budget amendment through the City of Jacksonville Office of General Counsel, and notify the City Council President of intent to, reason for, and action of seeking legislative approval.

JEA Board Agenda

# MEMORANDUM



## FY24 Budgetary Amendment

**Background Information & Analysis:**

JEA's Operating and Capital Budgets are typically approved in September prior to October 1st of the new fiscal year. JEA's Operating and Capital budgets for Fiscal Year 2024 were approved by the City of Jacksonville in September of 2023. JEA is seeking a budgetary amendment after the close of the fiscal year to appropriate FY23 surplus revenues, adjust expense budget for unbudgeted withdrawals of stabilization funds, appropriate additional revenues, and appropriate capital expenses. See below tables for amended budget values:

**SCHEDULES A & B**

Electric System – Schedule A	Original Budget	Amended Budget	Change
Other Revenues	41,207,575	69,364,476	28,156,901
Environmental – Rate Stabilization	(1,323,637)	(3,400,000)	(2,076,363)
Operating Capital Outlay <sup>1</sup>	71,993,225	102,226,489	30,233,264

**Total Schedule A budget increases from \$1,328,857,676 to \$1,357,014,577**

Water & Wastewater System – Schedule A	Original Budget	Amended Budget	Change
Other Revenues	18,369,380	34,430,045	16,060,665
Environmental – Rate Stabilization	-	(650,000)	(650,000)
Operating Capital Outlay <sup>1</sup>	66,039,093	82,749,758	16,710,665

**Total Schedule A budget increases from \$612,721,663 to \$628,782,328**

District Energy System – Schedule A	Original Budget	Amended Budget	Change
Investment Income	-	200,000	200,000
Operating Capital Outlay <sup>1</sup>	2,204,643	2,404,643	200,000

**Total Schedule A budget increases from \$12,561,440 to \$12,761,440**

<sup>1</sup> Original Budget does not include Funds Transfers performed throughout Fiscal Year 2024 and reflects budget as approved in September 2023.

Electric System - Schedule B Capital Funds	Original Budget	Amended Budget	Change
Operating Capital Outlay <sup>1</sup>	71,993,225	102,226,489	30,233,264
Other Proceeds	129,155,037	107,048,722	(22,106,315)

Water System - Schedule B Capital Funds	Original Budget	Amended Budget	Change
Operating Capital Outlay <sup>1</sup>	66,039,093	82,749,758	16,710,665
Debt Proceeds	294,220,813	292,944,953	(1,275,860)

District Energy System - Schedule B	Original Budget	Amended Budget	Change
Operating Capital Outlay	2,204,643	2,404,643	200,000
Debt Proceeds	13,945,366	13,745,366	(200,000)

<sup>1</sup> Original Budget does not include Funds Transfers performed throughout Fiscal Year 2024 and reflects budget as approved in September 2023.

Electric System Capital Projects - Schedule B	Original Budget	Amended Budget	Change
Generation Projects	48,084,000	51,776,988	3,692,988
Transmission & Distribution Projects	160,727,000	166,785,218	6,058,218
Other Projects	62,113,000	60,488,743	(1,624,257)

**Total Schedule B Budget Electric System Capital Projects increases from \$270,924,000 to \$279,050,949**

JEA Board Agenda

# MEMORANDUM



**FY24 Budgetary Amendment**

**Background Information & Analysis:**

Water System Capital Projects - Schedule B	Original Budget	Amended Budget	Change
Water Projects	133,995,000	169,434,170	35,439,170
Sewer Projects	332,425,000	319,117,506	(13,307,494)
Other Projects	48,053,000	41,356,129	(6,696,871)
<b>Total Schedule B Budget Water System Capital Projects increases from \$514,473,000 to \$529,907,805</b>			

**Financial Impact:**

**Electric System:** Environmental Rate Stabilization withdrawals have been adjusted to reflect the projected end of year actual withdrawal. Projected higher than budgeted O&M expense related to Kennedy Generating Station Remediation has increased the value of the projected withdrawal.

In addition, the Other Revenue category has been adjusted to reflect the additional \$28.2M contribution to Operating Capital Outlay that was carried over from a remaining surplus in FY2023.

**Water System:** Due to unbudgeted withdrawals from the Environmental Rate Stabilization Fund, the FY2024 expense budget is being adjusted to reflect the total withdrawal from the fund.

In addition, the Other Revenue category has been adjusted to reflect the additional \$16.1M contribution to Operating Capital Outlay that was carried over from a remaining surplus in FY2023.

The offsetting adjustments are to Operating Capital Outlay for a balanced budget.

**District Energy System:** Due to increased Investment Income, total District Energy System revenues are projected to exceed the original budget. The resulting additional overall revenue has been contributed to the Operating Capital Outlay for a balanced revenue and expense budget.

**Electric Capital:** The Electric System Fiscal Year 2024 Capital Budget is projected to exceed the original projected budget of \$271M. The amended amount is \$279M and accommodates the final fiscal expenses for over 200 total Electric System projects.

**Water Capital:** The Water System Fiscal Year 2024 Capital Budget is projected to exceed the original projected budget of \$514M. The amended amount is \$530M and accommodates the final fiscal expenses for over 200 total Water System projects.

**Committee/Board Meeting/Workshop & Date Previously Presented:**

JEA Board of Directors Meeting – August 27, 2024

**Appendix:**

Original Schedules A & B  
 Amended Schedules A & B  
 Resolution 2024-60



**BOARD RESOLUTION: 2024-60**

September 24, 2024

**A RESOLUTION REPEALING JEA BOARD RESOLUTION 2024-47 AND AUTHORIZING THE INTERIM MANAGING DIRECTOR/CEO TO PERFORM A BUDGETARY AMENDMENT AT THE CLOSE OF FISCAL YEAR 2024 FOR JEA, APPROPRIATE REVENUES THAT EXCEED THE APPROVED BUDGET, ADJUST EXPENSES FOR UNBUDGETED WITHDRAWALS OF STABILIZATION FUNDS, APPROPRIATE CAPITAL EXPENSES, AND SEEK LEGISLATIVE APPROVAL THROUGH OFFICE OF GENERAL COUNSEL**

WHEREAS, each year, the City Council approves the JEA Budget and;

WHEREAS, at its August 27, 2024 meeting, the JEA Board of Directors (the Board) adopted JEA Board Resolution 2024-47 authorizing the Interim Managing Director/CEO to perform a budgetary amendment to JEA's annual budget at the close of Fiscal Year 2024, adjust certain budgetary expenses, appropriate certain capital expenditures (collectively, the "Budgetary Amendments), and to seek legislative approval for the Budgetary Amendments through the City of Jacksonville's Office of General Counsel; and

WHEREAS, subsequent to the Board's adoption of Resolution 2024-47, the Jacksonville Council Auditor's Office recommended substantial changes to the Budgetary Amendments; and

WHEREAS, the Council Auditor's recommendations include (i) limiting the amendment to appropriating the use of Fiscal Year 2023 Budget Surplus Funds for Electric and Water and use of previous year revenue in the form of higher than budgeted withdrawals from Stabilization Funds and (ii) removing the amendment for DES Base Revenue; and

WHEREAS, due to the substantive changes proposed by the Council Auditor's Office, it is necessary for the Board to repeal JEA Board Resolution 2024-47 and re-authorize the Interim Managing Director/CEO to perform the Budgetary Amendments based on the amended Schedules A and B attached hereto as Exhibit A;

NOW THEREFORE, BE IT RESOLVED by the JEA Board of Directors that:

1. JEA Board Resolution 2024-47 is hereby repealed.
2. The Interim Managing Director/CEO is authorized to perform a budgetary amendment to appropriate revenues exceeding the approved budget; adjust expenses for unbudgeted withdrawals of stabilization funds; appropriate capital expenses for Fiscal Year 2024; and update Schedules A and B substantially in the same form attached hereto as Exhibit A to reflect amended budget values.
3. After the close of Fiscal Year 2024, the Interim Managing Director/CEO is authorized to take the necessary steps to seek legislative approval for the budget amendment through the City of Jacksonville Office of General Counsel.
4. To the extent there are typographical, clerical, or administrative errors that do not affect the tone, tenor, or context of this resolution, such errors may be corrected without further authorization from the Board of Directors.
5. This Resolution shall be effective immediately upon passage.

Dated this 24<sup>th</sup> day of September, 2024.



\_\_\_\_\_  
JEA Board Chair

\_\_\_\_\_  
JEA Board Secretary

Form Approved by

\_\_\_\_\_  
Office of General Counsel

VOTE	
In Favor	
Opposed	
Abstained	

**EXHIBIT A**  
**SCHEDULES A & B**

<b>Electric System – Schedule A</b>	<b>Original Budget</b>	<b>Amended Budget</b>	<b>Change</b>
Other Revenues	41,207,575	69,364,476	28,156,901
Environmental – Rate Stabilization	(1,323,637)	(3,400,000)	(2,076,363)
Operating Capital Outlay <sup>1</sup>	71,993,225	102,226,489	30,233,264

**Total Schedule A budget increases from \$1,328,857,676 to \$1,357,014,577**

<b>Water &amp; Wastewater System – Schedule A</b>	<b>Original Budget</b>	<b>Amended Budget</b>	<b>Change</b>
Other Revenues	18,369,380	34,430,045	16,060,665
Environmental – Rate Stabilization	-	(650,000)	(650,000)
Operating Capital Outlay <sup>1</sup>	66,039,093	82,749,758	16,710,665

**Total Schedule A budget increases from \$612,721,663 to \$628,782,328**

<b>District Energy System – Schedule A</b>	<b>Original Budget</b>	<b>Amended Budget</b>	<b>Change</b>
Investment Income	-	200,000	200,000
Operating Capital Outlay <sup>1</sup>	2,204,643	2,404,643	200,000

**Total Schedule A budget increases from \$12,561,440 to \$12,761,440**

<sup>1</sup> Original Budget does not include Funds Transfers performed throughout Fiscal Year 2024 and reflects budget as approved in September 2023.

<b>Electric System - Schedule B Capital Funds</b>	<b>Original Budget</b>	<b>Amended Budget</b>	<b>Change</b>
Operating Capital Outlay <sup>1</sup>	71,993,225	102,226,489	30,233,264
Other Proceeds	129,155,037	107,048,722	(22,106,315)

<b>Water System - Schedule B Capital Funds</b>	<b>Original Budget</b>	<b>Amended Budget</b>	<b>Change</b>
Operating Capital Outlay <sup>1</sup>	66,039,093	82,749,758	16,710,665
Debt Proceeds	294,220,813	292,944,953	(1,275,860)

<b>District Energy System - Schedule B</b>	<b>Original Budget</b>	<b>Amended Budget</b>	<b>Change</b>
Operating Capital Outlay	2,204,643	2,404,643	200,000
Debt Proceeds	13,945,366	13,745,366	(200,000)

<sup>1</sup> Original Budget does not include Funds Transfers performed throughout Fiscal Year 2024 and reflects budget as approved in September 2023.

<b>Electric System Capital Projects - Schedule B</b>	<b>Original Budget</b>	<b>Amended Budget</b>	<b>Change</b>
Generation Projects	48,084,000	51,776,988	3,692,988
Transmission & Distribution Projects	160,727,000	166,785,218	6,058,218
Other Projects	62,113,000	60,488,743	(1,624,257)

**Total Schedule B Budget Electric System Capital Projects increases from \$270,924,000 to \$279,050,949**

<b>Water System Capital Projects - Schedule B</b>	<b>Original Budget</b>	<b>Amended Budget</b>	<b>Change</b>
Water Projects	133,995,000	169,434,170	35,439,170
Sewer Projects	332,425,000	319,117,506	(13,307,494)
Other Projects	48,053,000	41,356,129	(6,696,871)

**Total Schedule B Budget Water System Capital Projects increases from \$514,473,000 to \$529,907,805**

**JEA  
CONSOLIDATED OPERATING BUDGET  
FISCAL YEAR 2024**

**AMENDED BUDGET**

	<b>Electric System</b>	<b>Water System</b>	<b>District Energy System</b>	<b>Total</b>
<b>FUEL RELATED REVENUES &amp; EXPENSES:</b>				
<b>FUEL REVENUES:</b>	\$ 446,124,788	\$ -	\$ -	\$ 446,124,788
Total Net Revenues	<u>\$ 446,124,788</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 446,124,788</u>
<b>FUEL EXPENSES:</b>				
Fuel & Purchased Power	\$ 446,124,788	\$ -	\$ -	\$ 446,124,788
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>FUEL SURPLUS/(DEFICIT)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>BASE RELATED REVENUES &amp; EXPENSES</b>				
<b>BASE OPERATING REVENUES:</b>				
Base Rate Revenues	\$ 821,792,000	\$ 491,982,718	\$ 12,561,440	\$ 1,326,336,158
Environmental Charge Revenue	-	-	-	-
Conservation Charge & Demand Side Revenue	-	-	-	-
Other Revenues	69,364,476	34,430,045	-	103,794,521
Natural Gas Pass Through Revenue	1,130,738	-	-	1,130,738
Total Base Related Revenues	<u>\$ 892,287,214</u>	<u>\$ 526,412,763</u>	<u>\$ 12,561,440</u>	<u>\$ 1,431,261,417</u>
<b>BASE OPERATING EXPENSES:</b>				
Operating and Maintenance	\$ 290,294,396	\$ 236,127,787	\$ 5,839,564	\$ 532,261,747
Environmental	16,684,000	-	-	16,684,000
Conservation & Demand-side Management	6,918,790	-	-	6,918,790
Natural Gas Pass Through Expense	1,295,200	-	-	1,295,200
Non-Fuel Purchased Power	245,185,816	-	-	245,185,816
Non-Fuel Uncollectibles & PSC Tax	1,769,039	983,965	-	2,753,004
Emergency Reserve	-	-	-	-
Total Base Related Expenses	<u>\$ 562,147,241</u>	<u>\$ 237,111,752</u>	<u>\$ 5,839,564</u>	<u>\$ 805,098,557</u>
<b>BASE OPERATING INCOME:</b>	<u>\$ 330,139,973</u>	<u>\$ 289,301,011</u>	<u>\$ 6,721,876</u>	<u>\$ 626,162,860</u>
<b>NON-OPERATING REVENUE:</b>				
Investment Income	18,602,575	4,745,432	200,000	23,548,007
Transfer To/From Fuel Recovery	-	-	-	-
Capacity Fees	-	97,624,133	-	97,624,133
Total Non Operating Revenues	<u>\$ 18,602,575</u>	<u>\$ 102,369,565</u>	<u>\$ 200,000</u>	<u>\$ 121,172,140</u>
<b>NON-OPERATING EXPENSES:</b>				
Debt Service	91,134,660	119,699,774	3,884,242	214,718,676
Demand-side Management - Rate Stabilization	-6,203,870	-	-	-6,203,870
Environmental - Rate Stabilization	-3,400,000	-650,000	-	-4,050,000
Total Non Operating Expenses	<u>\$ 81,530,790</u>	<u>\$ 119,049,774</u>	<u>\$ 3,884,242</u>	<u>\$ 204,464,806</u>
<b>BASE INCOME BEFORE TRANSFERS</b>	<u>\$ 267,211,758</u>	<u>\$ 272,620,802</u>	<u>\$ 3,037,634</u>	<u>\$ 542,870,194</u>
City Contribution Expense	95,209,531	28,439,210	-	123,648,741
Interlocal Payments	-	7,218,740	-	7,218,740
Renewal and Replacement Fund	69,775,738	31,573,680	632,991	101,982,409
Operating Capital Outlay	102,226,489	82,749,758	2,404,643	187,380,890
Environmental Capital Outlay	-	25,015,281	-	25,015,281
Capacity Fees	-	97,624,133	-	97,624,133
Operating Contingency	-	-	-	-
Total Non-Fuel Expenses	<u>\$ 267,211,758</u>	<u>\$ 272,620,802</u>	<u>\$ 3,037,634</u>	<u>\$ 542,870,194</u>
<b>SURPLUS/(DEFICIT)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>TOTAL REVENUES</b>	<u>\$ 1,357,014,577</u>	<u>\$ 628,782,328</u>	<u>\$ 12,761,440</u>	<u>\$ 1,998,558,345</u>
<b>TOTAL APPROPRIATIONS</b>	<u>\$ 1,357,014,577</u>	<u>\$ 628,782,328</u>	<u>\$ 12,761,440</u>	<u>\$ 1,998,558,345</u>
BUDGETED EMPLOYEE POSITIONS	1,646	750	6	2,402
BUDGETED TEMPORARY HOURS	104,000	20,800	0	124,800

**JEA  
CONSOLIDATED CAPITAL BUDGET  
FISCAL YEAR 2024**

**AMENDED BUDGET**

	<b>Electric System</b>	<b>Water System</b>	<b>District Energy System</b>	<b>Total</b>
<b>CAPITAL FUNDS:</b>				
Renewal & Replacement Deposits	\$ 69,775,738	\$ 31,573,680	\$ 632,991	\$ 101,982,409
Operating Capital Outlay	102,226,489	82,749,758	2,404,643	187,380,890
Environmental Capital Outlay	-	25,015,281	-	25,015,281
Capacity Fees	-	97,624,133	-	97,624,133
Debt Proceeds	-	292,944,953	13,745,366	306,690,319
Other Proceeds	107,048,722	-	-	107,048,722
Total Capital Funds	<u>\$ 279,050,949</u>	<u>\$ 529,907,805</u>	<u>\$ 16,783,000</u>	<u>\$ 825,741,754</u>
<b>CAPITAL PROJECTS:</b>				
Generation Projects	\$ 51,776,988	-	-	\$ 51,776,988
Transmission & Distribution Projects	166,785,218	-	-	166,785,218
District Energy Projects	-	-	16,783,000	16,783,000
Water Projects	-	169,434,170	-	169,434,170
Sewer Projects	-	319,117,506	-	319,117,506
Other Projects	60,488,743	41,356,129	-	101,844,872
Total Capital Projects Subtotal	<u>\$ 279,050,949</u>	<u>\$ 529,907,805</u>	<u>\$ 16,783,000</u>	<u>\$ 825,741,754</u>
Capital Reserve	-	-	-	-
Total Capital Projects	<u>\$ 279,050,949</u>	<u>\$ 529,907,805</u>	<u>\$ 16,783,000</u>	<u>\$ 825,741,754</u>

**JEA  
CONSOLIDATED OPERATING BUDGET  
FISCAL YEAR 2024**

**ORIGINAL BUDGET**

	<b>Electric System</b>	<b>Water System</b>	<b>District Energy System</b>	<b>Total</b>
<b>FUEL RELATED REVENUES &amp; EXPENSES:</b>				
<b>FUEL REVENUES:</b>	\$ 446,124,788	\$ -	\$ -	\$ 446,124,788
Total Net Revenues	<u>\$ 446,124,788</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 446,124,788</u>
<b>FUEL EXPENSES:</b>	\$ 446,124,788	\$ -	\$ -	\$ 446,124,788
Fuel & Purchased Power	<u>\$ 446,124,788</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 446,124,788</u>
<b>FUEL SURPLUS/(DEFICIT)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>BASE RELATED REVENUES &amp; EXPENSES</b>				
<b>BASE OPERATING REVENUES:</b>				
Base Rate Revenues	\$ 821,792,000	\$ 491,982,718	\$ 12,561,440	\$ 1,326,336,158
Environmental Charge Revenue	-	-	-	-
Conservation Charge & Demand Side Revenue	-	-	-	-
Other Revenues	41,207,575	18,369,380	-	59,576,955
Natural Gas Pass Through Revenue	1,130,738	-	-	1,130,738
Total Base Related Revenues	<u>\$ 864,130,313</u>	<u>\$ 510,352,098</u>	<u>\$ 12,561,440</u>	<u>\$ 1,387,043,851</u>
<b>BASE OPERATING EXPENSES:</b>				
Operating and Maintenance	\$ 290,294,396	\$ 236,127,787	\$ 5,839,564	\$ 532,261,747
Environmental	16,684,000	-	-	16,684,000
Conservation & Demand-side Management	6,918,790	-	-	6,918,790
Natural Gas Pass Through Expense	1,295,200	-	-	1,295,200
Non-Fuel Purchased Power	245,185,816	-	-	245,185,816
Non-Fuel Uncollectibles & PSC Tax	1,769,039	983,965	-	2,753,004
Emergency Reserve	-	-	-	-
Total Base Related Expenses	<u>\$ 562,147,241</u>	<u>\$ 237,111,752</u>	<u>\$ 5,839,564</u>	<u>\$ 805,098,557</u>
<b>BASE OPERATING INCOME:</b>	<u>\$ 301,983,072</u>	<u>\$ 273,240,346</u>	<u>\$ 6,721,876</u>	<u>\$ 581,945,294</u>
<b>NON-OPERATING REVENUE:</b>				
Investment Income	18,602,575	4,745,432	-	23,348,007
Transfer To/From Fuel Recovery	-	-	-	-
Capacity Fees	-	97,624,133	-	97,624,133
Total Non Operating Revenues	<u>\$ 18,602,575</u>	<u>\$ 102,369,565</u>	<u>\$ -</u>	<u>\$ 120,972,140</u>
<b>NON-OPERATING EXPENSES:</b>				
Debt Service	91,134,660	119,699,774	3,884,242	214,718,676
Demand-side Management - Rate Stabilization	-6,203,870	-	-	-6,203,870
Environmental - Rate Stabilization	-1,323,637	-	-	-1,323,637
Total Non Operating Expenses	<u>\$ 83,607,153</u>	<u>\$ 119,699,774</u>	<u>\$ 3,884,242</u>	<u>\$ 207,191,169</u>
<b>BASE INCOME BEFORE TRANSFERS</b>	<u>\$ 236,978,494</u>	<u>\$ 255,910,137</u>	<u>\$ 2,837,634</u>	<u>\$ 495,726,265</u>
City Contribution Expense	95,209,531	28,439,210	-	123,648,741
Interlocal Payments	-	7,218,740	-	7,218,740
Renewal and Replacement Fund	69,775,738	31,573,680	632,991	101,982,409
Operating Capital Outlay	71,993,225	66,039,093	2,204,643	140,236,961
Environmental Capital Outlay	-	25,015,281	-	25,015,281
Capacity Fees	-	97,624,133	-	97,624,133
Operating Contingency	-	-	-	-
Total Non-Fuel Expenses	<u>\$ 236,978,494</u>	<u>\$ 255,910,137</u>	<u>\$ 2,837,634</u>	<u>\$ 495,726,265</u>
<b>SURPLUS/(DEFICIT)</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>TOTAL REVENUES</b>	<u>\$ 1,328,857,676</u>	<u>\$ 612,721,663</u>	<u>\$ 12,561,440</u>	<u>\$ 1,954,140,779</u>
<b>TOTAL APPROPRIATIONS</b>	<u>\$ 1,328,857,676</u>	<u>\$ 612,721,663</u>	<u>\$ 12,561,440</u>	<u>\$ 1,954,140,779</u>
BUDGETED EMPLOYEE POSITIONS	1,646	750	6	2,402
BUDGETED TEMPORARY HOURS	104,000	20,800	0	124,800

**JEA  
CONSOLIDATED CAPITAL BUDGET  
FISCAL YEAR 2024**

**ORIGINAL BUDGET**

	<b>Electric System</b>	<b>Water System</b>	<b>District Energy System</b>	<b>Total</b>
<b>CAPITAL FUNDS:</b>				
Renewal & Replacement Deposits	\$ 69,775,738	\$ 31,573,680	\$ 632,991	\$ 101,982,409
Operating Capital Outlay	71,993,225	66,039,093	2,204,643	140,236,961
Environmental Capital Outlay	-	25,015,281	-	25,015,281
Capacity Fees	-	97,624,133	-	97,624,133
Debt Proceeds	-	294,220,813	13,945,366	308,166,179
Other Proceeds	129,155,037	-	-	129,155,037
Total Capital Funds	<u>\$ 270,924,000</u>	<u>\$ 514,473,000</u>	<u>\$ 16,783,000</u>	<u>\$ 802,180,000</u>
<b>CAPITAL PROJECTS:</b>				
Generation Projects	\$ 48,084,000	\$ -	\$ -	\$ 48,084,000
Transmission & Distribution Projects	160,727,000	-	-	160,727,000
District Energy Projects	-	-	16,783,000	16,783,000
Water Projects	-	133,995,000	-	133,995,000
Sewer Projects	-	332,425,000	-	332,425,000
Other Projects	62,113,000	48,053,000	-	110,166,000
Total Capital Projects Subtotal	<u>\$ 270,924,000</u>	<u>\$ 514,473,000</u>	<u>\$ 16,783,000</u>	<u>\$ 802,180,000</u>
Capital Reserve	-	-	-	-
Total Capital Projects	<u>\$ 270,924,000</u>	<u>\$ 514,473,000</u>	<u>\$ 16,783,000</u>	<u>\$ 802,180,000</u>