FINANCE, GOVERANCE, & AUDIT COMMITTEE MINUTES
January 22, 2025

The Finance, Governance, and Audit Committee of the JEA Board met at 1:00 pm on Thursday, January 22, 2025 on the 7th Floor, 225 North Pearl Street, Jacksonville, Florida. The meeting was properly noticed as a virtual only meeting, and the public was invited to attend this meeting virtually. Due to Winter Storm Enzo, a quorum was not physically present for the meeting.

WELCOME

Meeting Called to Order – Committee Chair Bobby Stein called the meeting to order at 1:00 pm. Committee members MG Orender and Kawanza Humphrey were not in attendance. Board members General Joseph DiSalvo and Rick Morales attended virtually. A quorum of the committee was not physically present for the meeting.

Others in attendance were Vickie Cavey, Managing Director/CEO; Ted Phillips, Chief Financial Officer; Jody Brooks, Chief Administrative Officer; Kurt Wilson, Chief of Staff; Brad Krol, Chief Information Officer; Regina Ross, Chief Legal Officer, Office of General Counsel; Joe Orfano, Deputy Chief Financial Officer; Sheree Brown, Executive Assistant to the CEO; and Melissa Dalton, Manager, Board Services.

Adoption of the Agenda – Due to the lack of quorum, this item was received for information.

Adoption of the Minutes – Due to the lack of quorum, this item was deferred to the Board for approval at the January 28, 2025 meeting.

Safety Briefing – Ted Phillips, Chief Financial Officer, provided a safety briefing.

Comments from the Public – There were no public comments.

FOR COMMITTEE CONSIDERATION

DELIVERING BUSINESS EXCELLENCE

FY2024 EY Audit Results – John DiSanto, Managing Director, EY, provided an overview on the executive summary; accounting standards taking effect next fiscal year; areas of emphasis; JEAs Water and Sewer and DES bond issuance; and uniform guidance audit for 2024. This presentation was received for information.

Quarterly Financial Review – Joe Orfano, Deputy Chief Financial Officer and Treasurer, provided an overview on the electric and water system revenue and expenditures; cost per MWh; base revenues; operating expenses; electric and water system O&M, capital budget, and cash and investments; and financial metrics. This presentation was received for information.

St. Johns River Power Park Surplus Declaration – Jordan Pope, Director, Administrative Services, provided background information on the former St. Johns River Power Park parcels designated under the rules and procedures of a prior Real Estate Services Procurement Directive; potential utility use for future operational needs; and noted which parcels could be offered to the market for sale. Due to the lack of quorum, this item was deferred to the Board for approval at the January 28, 2025 meeting.

Economic Development Program Riders – Jordan Pope, Director, Administrative Services, provided background information on the purpose of the Economic Development Program riders and the proposed administrative updates to include modifications and updates to definitions of targeted industries and clarification on operational procedures. This presentation was received for information.

Electric, Water and Sewer Call for Rate Hearing – Ted Phillips, Chief Financial Officer, provided an update on the rate recommendation timeline and noted additional material is in the supplemental section of the committee package. Due to the lack of quorum, this item was deferred to the Board for approval at the January 28, 2025 meeting.

Supplemental District Energy System (DES) Delegation of Authority Resolution – Debt Authorization – A.J. Souto, Manager, Debt Capital Markets, provided background information on the purpose of the supplemental District Energy System (DES) delegation of authority; the proposal which consists of adding two components necessary for the taxable debt issuance of the system; and noted the action the committee was recommending the Board approve. Committee Chair Stein expressed his appreciation to the Finance team. Due to the lack of quorum, this item was deferred to the Board for approval at the January 28, 2025 meeting.

Storm Stock Analysis – Jenny McCollum, Director, Procurement Services, provided highlights on storm stock analysis and service coordination to include the annual reviews, new decision-making approach, and key decisions. Rodney Lovgren, Senior Manager, Procurement Support, provided information on key assumptions and baseline data for new analysis; baseline to develop an approach; provided analysis results on storms Ian, Idalia, Matthew to include the usage based on data and views; and the takeaways based on the revised approach. This presentation was received for information.

CLOSING CONSIDERATIONS

Old and Other New Business/Open Discussion – Committee Chair Stein expressed his appreciation to Ms. Cavey and staff on the bond refunding and storm restoration efforts.

Announcements – None

Adjournment – With no further business coming before the Committee, Chair Stein declared the meeting adjourned at 1:47 pm.

APPROVED BY:

Committee Chair

Date: 2-18-25

Submitted by:

Allison S Hickok

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