

JEA COMPENSATION COMMITTEE MINUTES  
January 5, 2016

The Compensation Committee of JEA met on Tuesday, January 5, 2016, in the 8<sup>th</sup> Floor Conference Room, JEA Plaza Tower, 21 W. Church Street, Jacksonville, Florida.

**Agenda Item I – Opening Considerations**

- A. Call to Order – Committee Chair Delores Kesler called the meeting to order at 11:02 AM with Members Tom Petway and Kelly Flanagan in attendance. Also present were Paul McElroy, Angie Hiers, Jane Upton, Judi Spann, Melissa Dykes, Jody Brooks, Office of General Counsel and Robert Campbell, Office of the Council Auditor.  
Committee Chair Kesler thanked Angie Hiers, Chief Human Resources Officer, and her team for their hard work in putting together the information for today's meeting.
- B. Adoption of Agenda – The Agenda was adopted on **motion** by Mr. Petway and second by Ms. Flanagan.
- C. Approval of Minutes – The December 15, 2015 meeting minutes were approved on **motion** by Ms. Flanagan and second by Mr. Petway.


**Agenda Item II – New Business**

- A. Committee Charter Draft – Paul McElroy, Managing Director/Chief Executive Officer, provided the Committee with a final draft of the Charter for the Compensation Committee. On **motion** by Mr. Petway and second by Ms. Flanagan the Charter was approved.
- B. Market Definition – Angie Hiers, Chief Human Resources Officer, presented the committee with information related to JEA's defined market. Ms. Hiers communicated that JEA's various job descriptions and comparable skill sets are matched up to those from local utilities, similar industries in the local area, other municipalities and utilities in the neighboring states. JEA positions compensation at the 50<sup>th</sup> percentile, with the exception of some appointed personnel who may receive more due to experience. Ms. Hiers also indicated that the members of the bargaining units are on a step progression and will begin the process below the 50<sup>th</sup> percentile and progress to that level. Members of the International Brotherhood of Electric Workers (IBEW) 2358 are matched up to data points provided by the Large Public Power Council (LPPC) and American Public Power Association (APPA). Ms. Hiers advised the Committee that JEA undergoes a robust survey process to ensure that JEA has valid data, remains competitive, retains valuable employees and recruits the best new talent to the organization.
- C. FY2016 Pay for Performance Plan: Goals and Compensation – Angie Hiers, Chief Human Resources Officer, shared that the previous Pay for Performance Plan had been adjusted to incorporate previous recommendations. Ms. Hiers shared two different versions of the plan with the Committee. The first version summarizes the goals and payout amounts. The second version converts the payout as a percentage of the respective salaries. The Committee then held discussions regarding the goals and the funding of a payout. Mr. McElroy pointed to a new formula incorporated into the memo, which indicates that there must be sufficient cash from revenues to cover any payout. On **motion** by Ms. Flanagan and second by Mr. Petway, the FY2016 Pay for Performance Plan was approved. It will be presented to the full Board for a vote at the January 19, 2016 Board Meeting. The Committee and Mr. McElroy held further discussion on how information will be presented to the full Board.
- D. FY2016 CEO Goals – Mr. McElroy presented an overview of the FY2016 CEO goals. 1) The Committee held discussions regarding the CEO scorecard process. Chair Kesler requested that

staff review and create scoring definitions. Mr. McElroy and Ms. Brooks indicated that the goals could be approved by the Committee and scoring techniques could be incorporated at a later date. On motion by Mr. Petway and second by Ms. Flanagan, the FY2016 CEO Goals were approved. The goals will be presented to the full board for a vote at the January 19, 2016 Board Meeting.

- E. Announcements – Mr. Petway advised the Committee that the January 19, 2016 Board Meeting will begin at noon. Mr. McElroy provided an update on how the Mayor’s recently announced plan for pension reform may impact JEA.
  - 1. The next meeting will be scheduled as needed.
- F. Adjournment – With no further business claiming the attention of this Committee, the meeting was adjourned at 12:20 PM.

APPROVED BY:

  
Delores Kesler, Committee Chair  
Date: 2-17-16

Submitted by:

  
Cheryl Mock  
Executive Assistant