

BOARD MEETING PACKAGE



BOARD MEETING AGENDA ITEMS

For the JEA Board of Directors Meeting

Tuesday, November 27, 2018

12:00 PM

19th Floor, JEA Tower

Melissa Charleroy
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CEO & Board of Directors
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JEA BOARD MEETING AGENDA

November 27, 2018 • 12:00 p.m.

21 W. Church Street, 19th Floor



I.	WELCOME	
	A.	Call to Order
	B.	Time of Reflection
	C.	Pledge to Flag
	D.	Adoption of the Agenda – Action
	E.	Safety Briefing – Aaron Zahn, Interim Managing Director/CEO
	F.	Sunshine Law/Public Records Statement – Jody Brooks, Vice President & Chief Legal Officer

II.	COMMENTS / PRESENTATIONS	
	Item(s)	Speaker/Title
	A.	Comments from the Public Public
	B.	Council Liaison’s Comments Council Member Matt Schellenberg

III.	OPERATIONS (DISCUSSION / ACTION)		
	Definition: The “Operations” section of the Board Meeting is for business matters requiring Board discussion and action.		
	Item(s)	Speaker/Title	Discussion Action/Information
	A.	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. The Consent Agenda items require no explanation, discussion or presentation, and are approved by one motion and vote.	
	Consent Agenda Reference Material (Provided in Appendices)		
	Appendix A:	Board Meeting Minutes October 16, 2018	Action
	Appendix B:	Fiscal Year 2018 Pay For Performance Program	Information
	Appendix C:	Fiscal Year 2018 Operating Budget Line Item Transfers	Action
	Appendix D:	St. Johns Power Park Regulatory Accounting	Action
	Appendix E:	Monthly Financial and Operations Dashboard	Information
	Appendix F:	Monthly Financial Statements	Information
Appendix G:	Monthly FY18 Communications & Engagement Calendar and Plan Update	Information	

IV.	STRATEGY (DISCUSSION ONLY)	
	Definition: The “Strategy” section of the Board Meeting is <u>only</u> for discussion & feedback to management on strategic initiatives of and for JEA.	
	A.	N/A N/A

V. SUBJECT MATTER EXPLORATION (OPPORTUNITIES & RISKS – PRESENTATION)			
Definition: The “Subject Matter Exploration” section of the Board Meeting will be used to brief the Board Members on market, environment, business or other generally important matters. Staff and/or 3 rd party experts will provide presentations on a specific subject and the Board will be afforded an opportunity for Q&A at the end.			
Item(s)		Speaker/Title	
A.	N/A	N/A	

VI. CEO SEARCH AND SELECTION			
Item(s)		Speaker/Title	Discussion/Action/Information
A.	Search Committee Report on Actions To Date	Husein Cumber, Committee Chair	Information
	1. Approval of Minutes – July 16, 2018		Action
B.	CEO Interviews – Presentation Followed by Board Question and Answer Session - <i>Candidates will be randomly selected at the Board Meeting to determine presentation order.</i>	Alan Howard, Board Chair	Information
	1. Cris Eugster		Information
	2. Pamela Hill		Information
	3. Aaron Zahn		Information
C.	CEO Selection	Alan Howard, Board Chair	Action

VII. OTHER BUSINESS			
Item(s)		Speaker/Title	
A.	Old Business		
B.	Other New Business		
C.	Open Discussion		
D.	Chair’s Report	Alan Howard, Board Chair	

VIII. CLOSING CONSIDERATIONS			
Item(s)			
A.	Announcements – Next Board Meeting December 11, 2018		
B.	Adjournment		

Board Calendar

Board Meetings: 12:00 p.m. – December 11, 2018

Committees: Finance & Audit Committee: March 18, 2019

Compensation Committee: TBD

Government Affairs Committee: TBD

Nominating Committee: TBD

I. F.

Sunshine Law/Public Records Statement

[Return to
Agenda](#)

I. F.
11/27/2018

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

This meeting is being held in compliance with Florida's Government in the Sunshine Law, §286.011, Florida Statutes, and shall be open to the public at all times. Official acts of the JEA Board may be conducted at this meeting that will be considered binding on the JEA. Reasonable notice has been provided and minutes of this meeting shall be taken and promptly recorded.

VI. A. 1.

CEO Search Committee Meeting
Minutes – July 16, 2018

JEA's CEO Search Committee met in a noticed meeting on Monday, July 16, 2018 in the 8th Floor Conference Room, 21 W. Church Street, Jacksonville, Florida 32202. Present were Committee Chair Husein Cumber, Board Chair Alan Howard and April Green. Also in attendance were Jody Brooks, Vice President & Chief Legal Officer and Angie Hiers, Vice President and Chief Human Resources Officer.

Mr. Cumber called the meeting to order at 12:03 PM and reviewed the items to be covered at today's meeting including: Managing Director/Chief Executive Officer Position Specification, CEO search timeline and salary.

Mr. Cumber turned the meeting over to Kay Fuhrman, Partner, Heidrick & Struggles and noted Ms. Fuhrman previously conducted one-on-one calls with Committee Members. Ms. Fuhrman reviewed the draft CEO Position Specification. Committee Members reviewed and provided feedback on each section of the Position Specification. At the request of Committee Chair Cumber, Ms. Fuhrman will make a notation of each call with Committee and Board Members as a matter of public record.

Ms. Fuhrman and Sean O'Neal, Engagement Manager at Heidrick & Struggles reviewed salary information with the Committee. Committee Members held discussions regarding the interview processes including: assessments, background checks, review of education credentials, and character reviews from previous employers and Board Members.

The CEO Search Committee reviewed and discussed a proposed timeline that will be presented for action at the July 30, 2018 Board meeting. The "JEA CEO Search Timeline" is attached and made a part of these minutes.

Mr. Cumber thanked Ms. Fuhrman and Mr. O'Neal for their work. As a follow-up item, Ms. Fuhrman will provide an updated version of the Position Specification to Ms. Hiers for inclusion in the July 30, 2018 JEA Board Meeting package. Melissa Charleroy, Executive Assistant, will be reaching out to Committee Members to begin placing a hold on calendars in the beginning to mid-October to conduct the first round of interviews.

With no further business claiming the attention of this Committee, the meeting was adjourned at 1:09 PM.

APPROVED BY:

Husein Cumber
CEO Search Committee Chair

DATE: _____

Recorded by:

Melissa Charleroy
Executive Assistant

CEO Search Timeline

Date	Action
July 30	Board Approve Position Specification
August 1 – September 15	Position Specification is publicly published
September 15	H&S Interviews – Search Committee to work with H&S to create a qualified candidate list
October 1 – Mid October (Note: Will Need 3 Days Minimum)	Present Long List to the Committee – Interviews take place after list is narrowed – Melissa Charleroy to hold calendars for the Search Committee for full days for interview dates (1-on-1 interviews). 3 Members + 1 TBD (sending email on 7/27/18)
Mid - End of October	Narrow down list of candidates - Melissa Charleroy to hold calendars for the CEO Search Committee discussion to narrow the list (sending email on 7/27/18)
Beginning of November	Narrowed list interviewed by all 7 Board Members in 1-on-1 interviews
November Board Meeting	Full Board Meeting Interview – Public
November Board Meeting or Early December in a special Board Meeting	Board to make final decision to appoint MD/CEO

VI. B. 1.

CEO Interviews

Cris Eugster

Cris Eugster, PhD

203 Belvidere Drive San Antonio, TX 78212 | 832-689-2100 | eugster2@gmail.com |

Forward-thinking utility industry executive grounded in science, with experience in both the private and public sectors, and a track record of improving financial/operational performance and core business transformation through the integration of clean energy solutions and new, sustainable technologies. Strengths include the ability to bring a high-tech culture to the utilities sector and drive change; outstanding communication and analytics-based/pragmatic decision-making skills; uncompromised personal integrity; thought leadership, and Board experience. Seeking to lead a utility on a path of transformation and innovation to fundamentally improve the community and the environment it serves. Utilities can and should be a positive force.

Work History

CPS Energy, San Antonio, TX

May 2009 – Present

Largest municipally-owned electric and gas utility in the US with over 820,000 electric customers and 340,000 gas customers. Revenue of \$2.4 billion, \$11 billion in assets, AA+ credit rating, and 3200 employees. Over the past 7 years, instrumental in leading the transformation of CPS Energy from a fossil-fuel focused, traditional utility into a leading, cutting edge “utility of the future” while maintaining among the lowest rates in the top 20 largest US cities. CPS has deployed 500MW+ of solar, 1000MW+ of wind, 200MW of demand response while standing up a New Energy Economy with 600+ new jobs and \$100M+ in capital invested by partner companies, leading to \$1B+ of annual economic impact for the community it serves.

Chief Operating Officer

Aug 2016 – Present

Responsible for operations and strategy across the company with oversight of Power Generation, Electric Delivery, Gas Delivery, Trading Operations, Corporate Strategy, New Products and Services, Technology and Innovation, Environmental & Climate Action. Oversee ~\$1.6B budget including O&M, Capital, Fuels and 2000 employees.

- Key areas of focus
 - Striving for excellence in Safety, Reliability, and Environmental leadership
 - Grid of the Future roll-out with benefit realization for customer and utility
 - New products and services including innovative roof-top solar, community solar, electric vehicles, resiliency services, energy efficiency and demand response
 - Driving the transition to a low carbon future for our community

Group Executive Vice President, Chief Generation & Strategy Officer

Aug 2013 – Aug 2016

Responsible for 7500MW of generation assets including nuclear, natural gas, coal, renewables (\$500M+ annual budget, 820 employees, 8 executive direct reports). Oversee power generation, trading operations, corporate strategy, the gas business, and environmental, nuclear, and regulatory policy.

- Successfully led group to achieve strong performance including
 - Record safety achievement (recordable injury rate reduced from 1.67 to 0.19)
 - Record wholesale margin (\$140M+ achieved in soft ERCOT market)
 - Leaning of nuclear asset (achieved significant cost savings, maintained safety/reliability standards)
 - Rebalanced generation mix to low-carbon (retiring 2 coal units 15 years early, replacing with gas and renewables)
 - Deployment of AMI network, bringing 21st century distribution grid to San Antonio
 - New innovative products including roof-top solar, battery storage, home energy management services.

Executive Vice President, Chief Strategy & Technology Officer **Sep 2012 – Jul 2013**

Responsible for overall corporate strategy and technology development. Oversaw strategic energy plan, new programs and services, business development and partnerships, and new technology deployment and integration.

- Led development and execution of largest solar deal for 400MW with significant economic development component that has brought multiple companies and jobs to San Antonio
- Developed innovative, new products and services including residential and commercial demand response programs with 100,000 participating customers.

Executive Vice President, Chief Sustainability Officer **May 2009 – Aug 2012**

Developed CPS Energy's overall strategy to transform it into a sustainable, clean energy utility focused on creating and delivering value to customers.

- Strategy included establishing Vision 2020 goals to have 1500MW or 20% of capacity from renewables, a comprehensive energy efficiency program saving 771MW equivalent to not having to build a power plant, and a goal of 65% low carbon generation
- Vision 2020 served as the launch pad to transition utility from fossil fuel focus and position it as a major player in solar, wind, energy efficiency, and demand response.

City of Houston, Houston, TX **Feb 2007 – Apr 2009**

Chief Officer for Sustainable Growth, Mayor's Office

Appointed by Mayor Bill White to newly-created position, led energy policy and sustainability initiatives.

- Working closely with General Services, Public Works, Solid Waste departments and others, stood up innovative programs:
 - Renewable energy purchases that supported city facilities (EPA ranked City #1 in renewables)
 - Performance based contracts for large scale energy efficiency retrofits at city facilities
 - Weatherization program for low-income neighborhoods (5000+ homes weatherized)
 - Single stream recycling (successful early pilots have resulted in city-wide service)
 - Clean air initiatives (voluntary Benzene reduction program for Houston Ship Channel participants)
- Received DOE Solar America City designation (solar deployed at the convention center, code enforcement building, City Hall Annex).

Entrepreneur and Investor, Houston, TX **Dec 2002 – Jan 2007**

Parlayed newly-learned investment skills acquired at Koch into starting own investment consulting company.

Investor in/executive for several high tech early stage companies with technologies that included algorithmic optimization for workforce deployment (based on skill set, preferences, and demand profiles); and internet-based architecture for remote monitoring of field assets. Actively managed investments in equity, debt, and real estate with successful multi-year portfolio returns.

Koch Industries, Houston, TX **Jul 2002 – Nov 2002**

Second-largest US private company and also a conglomerate.

Vice President of Koch Capital Markets

Recruited to be part of newly formed billion dollar internal investment group. Brought into sharper focus Company's risk tolerance.

McKinsey and Company, Houston, TX **Jul 1993 – Jun 2002**

\$10B leading management consulting firm with 20,000 employees in 105 offices, 55 countries, providing strategic and operational counsel to top management of diverse global corporations and institutions.

Partner **Dec 1998 – Jun 2002**

Senior counselor to CEOs and other C-level executives at Fortune 100 companies in the high tech, energy and waste management industries. Helped build clients into dominant companies in the marketplace by creating significant shareholder value through growth and innovation.

- Established financial trading and risk management capabilities for utilities (start of power trading)
- Provided comprehensive organizational, strategy, M&A and LOB services, growing with clients and eventually becoming part of the client leadership team.
 - Established new products/lines of business for small computing company that became a major industry player, resulting in multiple billion dollar businesses. Company was acquired for \$25B in 1999.
 - Transitioned waste management company into major recycling line of business (largest in the country)
- Part of leadership team:
 - For recruiting/developing talent for TX Office talent (Firm is often cited as best future CEO leadership pipeline)
 - In the Technology and Telecom industry practices.

Associate

Jul 1993 – Dec 1998

- Helped build the Texas office into the largest technology practice within the Firm.
- Provided counsel to senior executives for Fortune 100 in technology, telecom and financial services sectors.
- Worked with a dynamic high tech company to grow it into one of the world's largest computing companies.

Education

- **Massachusetts Institute of Technology**
 - PhD in Electrical Engineering with Minor in Finance, May 1993.
 - Thesis work studied quantum effects of electron transport in semiconductor nanostructures. Received patent for first quantum semiconductor transistor. Published 15+ papers in refereed journals, presented at 20+ international conferences, including several invited talks.
 - MS in Electrical Engineering
 - Thesis work studied a novel x-ray imaging device using quantum well structures in semiconductors. Received patent for x-ray imaging device.
- **Texas A&M University**, BS in Electrical Engineering, *Magna cum Laude*, Sep 1983 – May 1987.

Boards and Professional Organizations

Current Boards

Smart Electric Power Association SEPA (Chairman of the Board) | Puerto Rico Transformation Advisory Council (Co-Chair) | EPIcenter Innovation Center (Chairman of the Board) | South Texas Nuclear Project Owners Committee (Chairman) | United Way of San Antonio (Board Member) | Association of Edison Illuminating Companies | Trinity University Business School Advisory Council (Executive Committee)

Past Boards

Texas Renewable Energy Industry Association | Solar San Antonio | Build San Antonio Green | DOE Energy Advisory Board | EPRI Research Advisory Council | Mission Verde Alliance | NREL EE Advisory Board | AIA Houston Chapter

Task Force

Selected to be on the Southern States Energy Board (SSEB) Blue Ribbon Task Force in partnership with the DOE to advise on the evaluation of energy public policy and the regulatory framework to transform the energy system in Puerto Rico.

VI. B. 2.
CEO Interviews
Pamela Hill

Pamela Hill
919 N. Market Street, Suite 950
Wilmington, DE 19801
Cell: 404-735-3025 Email: PamHill.PA@gmail.com

SUMMARY

Pam Hill has worked for more than twenty years in the energy industry, in both competitive energy and utility markets in the U.S., United Kingdom, Latin America and the Caribbean. She has a track record of organizational transformation, and has significant experience in the finance, sales, marketing, regulatory and operations arenas.

EMPLOYMENT

POWERSECURE (subsidiary of Southern Company)
Senior Vice President, PowerSecure International

May 2016- Present

- Lead market research, due diligence and business case development of energy services and integrated utility opportunities internationally.
- Led operational plan and deployment of 200-person crew to assess and restore Florida Power and Light's transmission and distribution system post Hurricane Irma.

Chief Executive Officer: Bahamas Power and Light (under a contract PowerSecure had with the Government of the Bahamas to operate and manage the utility)

CEO of Bahamas Power and Light (BPL), an \$800 million, 1,000 employee, 400MW, integrated electric utility serving 100,000 customers across 16 islands. Key results include:

- Significantly increased cash flow through rightsizing \$400 million in debt, cutting past due receivables in half and improving vendor management.
- Improved fleet and grid performance, resiliency and cost-effectiveness through implementation of an integrated procurement, inventory and benchmarking program.
- Quick and effective restoration of power following the devastating impact of Hurricane Matthew, a Category 4 hurricane striking Nassau and development of a comprehensive disaster recovery and media communication plan.
- Developed and successfully worked with the unions on a comprehensive, metric-based operational improvement plan.
- Led development and implementation of a solar strategy.

EXELON

2008 - 2016

CONSTELLATION

2013 - 2016

Vice President: Retail Sales and Services; Wholesale Business Operations and Systems

Led department of 200 employees in implementation of strategic, process and system enhancements to drive retail and wholesale customer retention and growth. Key results include:

- Increased customer retention and stickiness by partnering with Analytics to create customized energy reports based on load profile, forward curve and industry data.
- Improved market positioning by developing and implementing a program to mine compliance data for trends, insights and recommendations.
- Significantly optimized spend, tightened variances and improved the robustness of the \$100 million Wholesale budget by revamping the planning and reporting processes.

EXELON GENERATION- POWERTEAM (Constellation predecessor)

2010-2013

Chief of Staff to President

Advised President and senior leadership team on strategic initiatives. Key results:

- Evolved the Retail and Wholesale organization as well as the sales and trading departments toward a more nimble, cohesive team, as part of leading the employee integration component of the Exelon-Constellation merger.
- Developed and led implementation of an integrated retail/wholesale competitive market strategy, as part of the value accretion component of the merger.
- Developed and led Board presentation of the annual Wholesale budget and monthly reports.

Director, Structured Transactions for C&I Sales

2009 - 2010

Led structuring of 100+ complex long-term energy transactions and investment opportunities encompassing varying pricing and opportunity types. Key results:

- Improved profitability, strengthened transaction analysis and structured load-following, indexed and derivative-linked wholesale and retail transactions in ERCOT, MISO, PJM, NYISO, ISO-NE.
- Set the foundation for Exelon's creation of a transmission subsidiary through analysis and development of a merchant transmission strategy.
- Ramped up employee engagement and inclusion through implementation of a commercially-focused speaker series, and expansion of educational seminars on competitive markets.

Director, Financial Evaluation- Capital Projects

2007 –2009

Led financial modeling/analysis of 30+ new-build and capital optimization opportunities in excess of \$2 billion. Key results:

- Developed financial model and financing structure and led bank/Department of Energy discussions on Exelon's nuclear new-build program.
- Led financial analysis and received Board approval on Exelon's low-emissions strategy.
- Led financial modeling, analysis and challenge of 20+ merchant generation and capital optimization projects.

INDEPENDENT CONSULTANT

2006 –2007

- Worked with an Atlanta business development company and Andretti Green Racing Inc. to develop an IndyCar Series street circuit event in Atlanta.
- Advised CEO of *Cable & Wireless Jamaica* on company's financial operations and improved the company's cash forecasting model, customer collection policies and financial reports.

SOUTHERN COMPANY and MIRANT (former Southern subsidiary)

1993 - 2006

Chief Financial Officer: Jamaica Public Service Company (JPS)

2003-2006

CFO of Mirant subsidiary, JPS, an integrated utility serving Jamaica. Reporting departments: Treasury, Accounting, Budgeting and Planning, Risk Controls. Responsible for annual revenues totaling \$700 million. Prepared JPS materials for Mirant financial reporting, and roadshow materials supporting Mirant's emergence from bankruptcy. Key results:

- Improved JPS's profitability from -\$2 million to +\$30million.
- Developed and implemented the company's first Sarbanes-Oxley compliance program.
- Improved the company's working capital position through enhanced financing terms and implementation of a rolling 27-week cash forecast to manage cash at a granular level.
- Led company's first rate case in Jamaica. Outcomes included:
 - Obtained tariff that recovered \$150 million in generation and T&D spend and provided for capital investment expansion.
 - Negotiated a pass-through mechanism for fuel cost, exchange rate and purchased power changes (a risk that the Company had previously borne).
 - Established a reserve fund for hurricane restoration costs.

Manager: Rate Design & Marketing Strategy: Georgia Power Company 2001-2003

Led market research on Southern Company's 3 million residential and small commercial customers, and led design and implementation of innovative rate solutions for Georgia Power's residential customers. Key accomplishments:

- Strengthened the company's customer segmentation methodology.
- Improved profitability of Georgia Power's 'flatbill' tariff product for residential customers.
- Developed company's first-ever renewable energy tariff. Testified and received PSC approval for tariff, and shaped marketing strategy of tariff to residential customers.

Director: Regulatory Strategy: Mirant 1998-2001

Led development, implementation and communication of Mirant's policy stance on electric regulatory issues in the U.S. Key results include:

- Increased Mirant's policy development role and profile in energy lobbying associations.
- Improved cohesion between Mirant's regulatory and commercial objectives.

Manager: C&I Sales: Georgia Power 1996-1998

Managed department responsible for winning competitive load for Georgia Power. During tenure, increased Georgia Power's market share from 60% to 75% and tripled profit margins.

Project Finance Manager: Latin America, Mirant 1993-1996

Led team of financial analysts and investment advisors in evaluating, structuring, securing project financing and winning bids for transactions in Brazil and Chile. Also led deal and project finance analysis for projects in Bolivia, Jamaica, Mexico and Peru.

U.S. FEDERAL GOVERNMENT 1989-1993

Finance Officer: Overseas Private Investment Corporation (OPIC)

Evaluated project opportunities and structuring financing for projects in Asia and Europe.

Fellow: The U.S. Presidential Management Fellowship Program (PMF)

The PMF program is a highly selective government rotational program. Rotations were at U.S. Agency for International Development (Pakistan and DC office- focus: privatizations), the World Bank (China and DC office- focus: foreign investment), and OPIC.

EDUCATION

Harvard University, John F. Kennedy School of Government 1989

Masters in Public Policy. Concentration: International Finance and Development.

Johns Hopkins-Nanjing Institute of Sino-American Studies 1987

Fluency in Mandarin required as papers, exams and lectures were in Chinese. Core subjects: U.S.-China foreign trade, Chinese economy, Chinese politics, Chinese history.

Dartmouth College 1986

B.A. Sociology/Political science. Language studies in Mandarin Chinese.

BOARD MEMBERSHIPS / COMMUNITY OUTREACH

- Clinton Foundation, Women in Renewable Energy, Chair of the Advisory Council
- Center for Urban Families; Baltimore, MD: Board member
- United Way, Constellation: Chair
- 'Leadership Baltimore'- Leadership class 2013
- Chester County, PA: Chamber of Commerce: Board member & Fundraising Chair
- The Atlanta's Inn for Children. Board member and Fundraising Chair

VI. B. 3.
CEO Interviews
Aaron Zahn

MANAGING DIRECTOR - CHIEF EXECUTIVE OFFICER

Strategic and visionary senior executive with consistent track record delivering operational and financial results through strategic planning and a focus on execution. Diverse leadership experience within public, private and government organizations.

- **Operational Experience:** Start-ups, High-Growth, Mature Companies, Joint Ventures and Business Turnarounds
- **Industry Experience:** Energy, Water, Telecommunications, Real Estate, Finance, Infrastructure, Government
- **Investment & Capital Markets Experience:** Venture / Growth Equity Capital, Mid and Large Cap Equity and Credit, Infrastructure and Asset Backed Securities, Derivatives
- **Areas of Expertise:** Corporate Strategy Development & Execution, Business Development, Public Policy, Talent Recruitment & Team Development, Sales Management, Theory of Constraints (TOC), Investment Analysis & Management, Platform Speaker, Merger & Acquisitions Execution and Integration, R&D Management, Strategic Partnership Development

PROFESSIONAL EXPERIENCE

JEA, Jacksonville, FL

2018 - Present

Power, water and wastewater utility for Jacksonville and Northeast Florida. JEA is the eighth largest public power company in the US and one of the Top 20 water and wastewater companies in the US. As one of the largest utilities in the United States, JEA proudly serves an estimated ~475,000 electric, ~350,000 water and ~275,000 sewer customers.

Interim Managing Director and Chief Executive Officer

Primary Responsibilities:

General Business: Board, City Council and Mayoral Alignment; Strategic Business Planning and Execution; Performance Management; Strategic Partnerships

Financial: Strategic Financial Planning; Enterprise Value Improvement; Rating Agency Relationship Management; Revenue Enhancement; Profitability Improvement

Operational: Management Transition; Organizational & Culture Change; Business Process Engineering; Productivity Enhancement; Change Management Programs

Significant Accomplishments:

- Designed and executed an organizationally and situationally complex CEO transition with key external and internal stakeholders while maintaining exceptional utility operating performance.
- Established alignment around corporate direction and valuation methods for JEA with Board of Directors, City Council, Mayor, Executive Team as well as other internal and external stakeholders within 4 months.
- Established and coordinated JEA's commercial, political, public relations and legal approach to managing financial and operational risks associated with Plant Vogtle nuclear project.
- Designed Board meeting structure to establish transparency and empower Board to discuss strategic and sensitive corporate initiatives with public oversight.
- Initiated, led and built consensus around strategic plan foundation for Vision, Mission, Key Metrics, Cultural Values and Core Competencies to drive corporate strategy and focus to a customer, profitability and value-based model.
- Established corporate innovation process to evaluate, plan and launch corporate growth initiatives including: (1) JEA telecom and dark fiber; (2) integrated distributed energy resources; (3) electrification programs (e.g. electric vehicles, demand response, etc.); (4) non-core real estate asset monetization; and (5) an innovation hub for evaluating new systems and tools to drive value in JEA's core electric and water business.
- Launched "Management Listening Tour" with employee feedback tools to enable cultural change / improvements, as well as to set foundation for JEA's next strategic planning process.
- Implemented operational and financial reporting and forecasting standards (Dashboard and consolidated FASB financial reporting) to enable executive management to make data driven decisions around profitability, as well as to clearly communicate JEA's performance and direction to Board, employees and key stakeholders.
- Initiated new integrated fuel strategy including gas pre-pays, hedging and 250MW fixed price 20+ year solar PPA.
- Designed and implemented a corporate performance and objectives management system with key metrics / results aligned from top to bottom of organization to ensure clarity of purpose for the Board and all employees.
- Drove ~\$8M in annualized operating cost savings within 1 month of assuming role.
- Closed \$18.8M divestiture of non-core real estate asset to generate proceeds for water and wastewater expansion.
- Negotiated City contribution agreement extension to provide stable capital policy for JEA through 2023.
- Established JEA as regional thought leader in solving City of Jacksonville's \$2.5B septic tank problem.

BCR Environmental Corporation, Jacksonville, FL

2009 – 2017

U.S. based clean-technology company focused on the water, wastewater and waste markets. BCR develops, patents and deploys industry-revolutionizing solutions that treat the primary output streams from water and wastewater plants into reusable products.

Chairman and Chief Executive Officer

Primary Responsibilities:

General Business: Strategic Business Planning and Execution; Executive Team Development and Recruitment; New Business Development and Sales; Strategic Partnerships; Emerging & Advanced Technologies Development and Commercialization; Corporate Development

Financial: Strategic Financial Planning; Equity and Debt Capital Markets Management; Banking Relationship Management; Revenue Enhancement; Capital Profitability Improvement; Mergers and Acquisitions

Operational: Organizational Change; Infrastructure Development; Business Process Reengineering; Productivity Enhancement; Cost Control Programs; Change Management Programs; Project Management; Quality Control Management

Significant Accomplishments:

- Grew business from pre-revenue to ~\$18M in annual sales within 5 years.
- Expanded company from 1 installation in Clay County, FL to >40 technology installations throughout United States.
- Implemented corporate strategy to obtain long-term recurring revenue contracts with 3 x industry standard durations and built contracted revenue backlog from \$0 to >\$150M.
- Drove gross profit margins to 2 x industry standards by deploying technology advantage in a solution sale model.
- Attracted >\$20M of private equity capital to fund corporate growth.
- Developed owned waste recycling facilities in Florida with annual capacity of 200,000+ tons / year.
- Successfully implemented ~\$200M of public-private-partnerships.
- Led efforts to become only company in the world to ever achieve nationwide approval from U.S. Environmental Protection Agency for 2 new technologies for treatment of human waste to recycled materials.
- Led research and development around global patent portfolio and trade secrets while commercializing 4 separate product lines.
- Executed 2 technology licenses to deploy BCR technology in tangential and international markets.
- Recruited, trained and managed Board of Directors, Science Advisory Board and executive team, including a replacement Chairman and replacement CEO in 2017 when company pivoted from utility operations platform to a technology and equipment supply firm.

Garrison Investment Group, LP, New York, NY

2007 – 2008

Credit opportunity investment fund focused on middle market corporate, real estate and structured finance investments.

Vice President

Primary Responsibilities: Investment Analysis & Execution; Underwriting & Due Diligence; Documentation & Structuring; Investment Monitoring & Management; Investment Origination

Significant Accomplishments:

- Negotiated and structured acquisition of a \$50M middle market consumer finance company.
- Negotiated and structured a \$150M revolving and term corporate credit facility for a transaction processing company.
- Negotiated and executed primary and secondary market transactions for middle market corporate credit facilities.

Sandelman Partners, LP, New York, NY

2005 – 2007

Multi-strategy investment management firm with \$4.0B+ of equity under management. Member of the Private Finance team since the inception of the fund in 2005 and developed initial strategy for corporate credit and real estate portfolio at inception.

Portfolio Manager – Private Finance

Primary Responsibilities: Portfolio Management; Investment Analysis & Execution; Underwriting & Due Diligence; Documentation & Structuring; Investment Monitoring & Management; Investment Origination

Significant Accomplishments:

- Managed >\$1.8B portfolio of 100+ corporate and real estate debt and equity investments.
- Significant contributor to fund performance with a managed portfolio generating high-teens annual returns with low single digit volatility and low S&P 500 correlation.

- Negotiated and provided initial seed capital investment in 3rd party collateral manager that grew to manage >\$2B of assets. Managed a 144A offering for the collateral manager to establish permanent investment capital for the platform and monetize the initial investment.
- Managed amendment and restructuring process for distressed credits.
- Negotiated, marketed and closed an array of financing vehicles to optimize fund leverage.
- Developed and expanded trading platform for corporate and real estate credit. Identified and recruited front and middle office staff.

General Growth Properties, Chicago, IL

2003 – 2005

General Growth Properties, Inc. was a publicly traded Real Estate Investment Trust (REIT), and listed on the NYSE under the ticker symbol GGP.

Senior Manager – Capital Markets

Primary Responsibilities: Equity and Debt Capital Markets; Investor Relations; Mergers and Acquisitions; Commercial Real Estate Development; Risk Management

Significant Accomplishments:

- Member of team responsible for executing The Rouse Company acquisition (approximately \$13.6B and, at the time, one of the largest real estate corporate transactions in history)
- Managed >\$3B in Bridge, Acquisition, First Lien Mortgage, and Mezzanine Loan Transactions.
- Participant on a team that closed >\$10B of debt and equity transactions over 2-year period. Managed restructuring >\$1B corporate debt obligations. Coordinated and negotiated with Rating Agencies, Trustee, Servicer, and Lenders.
- Led a team of 10 Financial Analysts who performed development and leasing analysis.
- Developed foreign currency hedging strategies on equity investments in Europe and Central America.
- Managed financial projections and feasibility analyses of >\$200M in regional mall re-developments.

Baring Asset Management / Babson (BAM), Charlotte, NC

2000 – 2003

Global financial services firm with \$288B+ of assets under management and 600+ investment professionals.

Associate Director – Portfolio Management

Primary Responsibilities: Equity and Debt Capital Markets; Portfolio Management; Investment Analysis & Execution

Significant Accomplishments:

- Part of initial 20-person team to grow assets under management from >\$1B to >\$6.4B.

PUBLIC POLICY & BOARD EXPERIENCE

University of Florida, Gainesville, Florida

2015 - Present

Member, Board of Advisors for Bob Graham Center for Public Service

Bob Graham Center for Public Service is a community of students, scholars and citizens who share a commitment to training the next generation of public and private sector leaders for Florida, the United States and the international community.

Young Presidents Organization (YPO)

2014 - Present

Member and Board Member of YPO Florida Chapter

YPO is the world's premier peer network of chief executives and business leaders. Founded in 1950, YPO connects 22,000 business leaders in more than 125 countries around a shared mission: Better Leaders Through Education and Idea Exchange.

Essentia

2016 - 2017

Member of Board of Directors

Essentia is an advanced telecommunications development company focused on small cell and fiberoptic solutions.

City of Jacksonville Mayor Lenny Curry Transition Team, Jacksonville, Florida

2015

Member, Committee for Economic Development

Committee for Economic Development with specific focus on economic expansion and a specific focus to: 1) Establish an "accountability matrix" for recipients of public funding to grow jobs or expand businesses, 2) Process map the relationships

between city agencies and independent authorities, JAXPORT, JAX Chamber, Visit Jacksonville and the Jacksonville Sports Council to eliminate redundancies and evaluate priorities of agency initiatives, and 3) Evaluate necessary human resources to ensure appropriate staffing levels and expertise exist throughout the impacted agencies.

Connect Florida Statewide Leadership Institute, Florida
Member, Class IV

2013 – 2014

Leadership Florida is an organization that takes a statewide view of the conditions and challenges that face our great state. Leadership Florida offers a leadership continuum that expands the impact of community leaders across the state. Leadership Florida builds a sense of statewide community by identifying and training individuals.

Florida Governor Rick Scott Transition Team, Florida
Member, Committee for Economic Development

2010

Committee for Economic Development of the State of Florida with focus on economic expansion around: 1) emerging technologies, 2) infrastructure (water / energy), 3) capital markets, 4) higher market-based education, and 5) R&D.

EDUCATION

Bachelor of Arts (B.A.), Philosophy and Psychology, focus in Philosophy of Law, Yale University, New Haven, CT, 2001

AWARDS

2016 Florida Governor's Business Ambassador Award - Award given to individuals for their efforts in creating jobs and opportunities for Florida families.

2016 Jacksonville 40 Under 40 - Jacksonville Business Journal honors 40 of the city's up-and-coming leaders under the age of 40.

2015 University of Florida Bob Graham Center Young Floridian Award – Award presented to an individual that has used their professional expertise and leadership to help improve the quality of life in State of Florida

2015 Environmental Excellence Award - Award honoring the 1 company in Florida leading in the following categories: 1) innovation of environmental technologies to address current and future headline issues facing the State's environmental and water resources, 2) regulatory compliance and practices, and 3) positive impact on the State's environmental resources.

2013 Biosolids Excellence Program Award – Florida Water Association's Biosolids / Residuals Program Excellence Award recognizes excellence in all areas of biosolids management including programs with sound management, effective communication to stakeholders and community-friendly practices.

VI. C

CEO Selection

This item was added after the distribution of the Board package.

Compensation Committee Members

Kelly Flanagan (Chair)
Alan Howard
Husein Cumber
April Green

CEO Search Committee Members:

Husein Cumber (Chair)
Alan Howard
April Green
John Campion

Date	Action
<p>April 17, 2018 (Board Meeting)</p>	<p>At the direction of the Board, Compensation Committee Chair Flanagan was requested to begin the request for proposal process to select an executive search firm.</p>
<p>May 14, 2018 (Compensation Committee)</p>	<p><i>This meeting was open to the public, but was not streamed. Committee Meetings historically are not streamed.</i></p> <p>Compensation Committee met for the purpose of reviewing the selection of an executive search firm for the recruitment of the permanent MD/CEO.</p>
<p>May 15, 2018 (Board Meeting)</p>	<p>At the Board Meeting, Compensation Committee Chair Flanagan reviewed the May 14th Compensation Committee Meeting, and stated upon receipt of the proposals she narrowed the list down and conducted interviews with Heidrick & Struggles, Russell Reynolds, and ZRG. She identified two important criteria including the firm’s benchmarking and success statistics of hiring at the President/CEO, Board of Directors and senior management level, with the second criteria being fee structure. Committee Chair Flanagan stated that based on their experience at hiring at the President/CEO level, she recommends Heidrick & Struggles to conduct the search for the permanent position of the Managing Director/CEO. In transparency, she noted H&S has the highest fee structure of the three firms with 33% of the total compensation, Russell Reynolds at 30% with \$120K minimum, and ZRG at 29% with an \$89K maximum. Based on this structure, and for the purposes of understanding the materiality of the contract, Heidrick & Struggles could cost \$132K based on a \$400K salary for the Managing Director/CEO. Committee Chair Flanagan noted that Heidrick & Struggles’ experience outweighs the cost differential and noted Heidrick & Struggles is the recommendation as approved by the Compensation Committee at the May 14, 2018 meeting. Committee Chair Flanagan shared with the Board the final scoring for each firm: Heidrick & Struggles – 72 points, Russell Reynolds – 62 points, and ZRG – 65 points. Board Chair Howard called for a Board Workshop prior to the June Board Meeting to develop a process and timeline for the permanent CEO position. Board Members held discussions regarding the selection of the CEO search firm. Upon motion by Committee Chair Flanagan and second by Mr. Cumber, to engage Heidrick & Struggles as the executive search firm, the Chair requested a roll call vote: Cumber – Yes,</p>

	<p>Flanagan – Yes, Green – No, Newbill – Yes and Chair Howard – Yes. The motion passed and direction was provided to Ms. Hiers to begin working with Heidrick & Struggles to provide a contract to Ms. Brooks.</p> <p>Chair Howard requested staff to schedule a workshop with the purpose to formulate a process and timeline for the permanent MD/CEO position.</p>
<p>June 19, 2018 Board Workshop</p>	<p>The purpose of the workshop is to discuss the search process for the permanent CEO position. Kay Fuhrman and Sean O’Neal with the executive search firm Heidrick & Struggles (H&S) were in attendance. Angie Hiers reviewed the Request for Proposal process to select the executive search firm. Kay Fuhrman and Sean O’Neal provided an overview of their firm and the process. Additionally, the committee worked to calibrate the profile for the ideal candidate, and to establish a target process timeline for the search activities. Ms. Fuhrman provided a more in-depth review of the phases during a general Managing Director/CEO search including: Developing Key Criteria; Identifying and Reviewing; Interviewing and Presenting; Selection and Presentation of Offer; and Closure, Transition and Follow-up. To calibrate the success profile of the CEO candidate, Ms. Fuhrman presented questions and requested Board Member’s individual feedback. The questions included:</p> <ol style="list-style-type: none"> 1. Describe the key priorities you expect the CEO will have when they step into the role. 2. Is operational utility experience required or preferred? 3. Board Members held discussions related to the Chief Operations Officer’s (COO) role. Ms. Fuhrman highlighted the importance of understanding the COO role as it may be used to assist in clarifying the role of the Managing Director/CEO. 4. Would the Board expect the candidate to step in with prior CEO experience, holding full profit and loss accountability for a large team and a large scale of complexity? 5. Is there a targeted timeframe that the Board is expecting or prefers to move from the interim structure to the permanent CEO position? 6. What are the positive selling points of a candidate joining JEA as the Managing Director/CEO? <p>Chair Howard stated the next step will include H&S collaborating with the CEO Search Committee to formulate a job description to be proposed for the Board’s consideration at the July Board Meeting.</p> <p>Council Member Schellenberg was in attendance.</p>
<p>July 30, 2018 (Board Meeting)</p>	<p>A. CEO Search Committee Chair Husein Cumber Committee Chair Cumber provided the timeline for the CEO search process concluding with having a permanent Managing Director/CEO in position on January 1, 2019. Mr. Cumber provided information on the various assessments and background checks candidates will need to go through.</p> <p>B. Managing Director/Position Specification was included in the Board package and required approval prior to Heidrick & Struggles posting the position specification. Committee Chair noted the CEO Search Committee made revisions to the original draft during the July 16, 2018 meeting. On</p>

	motion by Ms. Johnson and second by Committee Chair Cumber, Board Members held discussions and unanimously approved the position specification.
August 1 – 21, 2018	Position Specification to be publicly published
August 21, 2018 (Board Meeting)	CEO Search Committee Chair Cumber provided an update on the CEO Search Committee, stating interviews have been scheduled for the week of October 7, 2018 with a follow-up meeting on October 17, 2018
September 15 – October 1, 2018	Search Committee worked with H&S to create a qualified candidate list
Sept. 18, 2018 (Board Meeting)	Board Vice Chair and CEO Search Committee Chair Cumber provided an update on the CEO Search process stating Committee Members will individually conduct interviews on October 9-11, 2018. The Committee will then meet on October 17, 2018 to narrow the list of candidates. Prior to the interviews, Committee Members will receive a list of questions to assist in guiding the interview process. Following the October 17, 2018 Committee Meeting, Board Members will then individually conduct phone interviews with the narrowed list of candidates. The November 27, 2018 JEA Board Meeting will consist of public interviews of the remaining candidates with an abbreviated Board agenda.
Prior to October 9, 2018	Candidate dropped from the process.
Oct. 9 – 11, 2018 In-person interviews	<p><i>These interviews were not publicly noticed because Board Members met with candidates individually.</i></p> <p>Short list of candidates were interviewed by CEO Search Committee at the DoubleTree Hotel.</p> <p>Candidates included: Cris Eugster, PhD, Pamela Hill, Frankie McDermott, Aaron Zahn, Michael Deggendorf, Gordon Gillette, Mark Ianni, Terrance Naulty, Andrew Serri</p> <p>Due to a family emergency Board Chair Howard interviewed candidates in-person on October 9th, but conducted the interviews scheduled on October 10-11th at a later date via video conference.</p> <p>Due to a flight cancellation due to weather, Cris Eugster conducted all interviews via video conference</p> <p><i>The October 17, 2018 CEO Search Committee was rescheduled for October 31, 2018 to allow Chair Howard additional time to conduct interviews.</i></p>
October 12, 2018	Currents sent to employees providing the names and resumes of the candidates including: Aaron Zahn, Andrew M. Serri, Terrance Naulty, Frankie McDermott, Mark Ianni, Pamela Hill, Gordon Gillette, Cris Eugster, Michael L Deggendorf
October 24, 2019	Gordon Gillette removed himself from the process.
October 25, 2018	Currents went out to employees providing the October 31 st CEO Search Committee meeting agenda and minutes from the July 16, 2018 committee, as well as the timeline for the CEO search.
October 31, 2018 CEO Search Committee	<p><i>This meeting was open to the public, but was not streamed. Committee Meetings historically are not streamed.</i></p> <p>Each Committee Member provided comments on the quality of the candidates. Committee Chair Cumber called upon each Committee Member to provide individual comments regarding each candidate including: Michael L. Deggendorf,</p>

	<p>Cris Eugster, Pamela Hill, Mark Ianni, Frankie McDermott, Terrance P. Naulty, Andrew M. Serri and Aaron F. Zahn.</p> <p>Committee Chair Cumber noted candidate numbers 3 and 9 dropped from the interview process. Board Members held additional discussions about the process going forward and noted November 13, 2018 will be held for individual Board Member meetings with the candidates and November 27, 2018 will include interviews with the finalists. Committee Members discussed each candidate individually. On motion by Mr. Howard, seconded by Ms. Green, the Committee voted to recommend to the Board the short list of Cris Eugster, Pamela Hill, Frankie McDermott and Aaron Zahn.</p>
November 13, 2018	<p>Cris Eugster, Pamela Hill, Frankie McDermott and Aaron Zahn met individually with Alan Howard, Husein Cumber, Frederick Newbill, John Campion, April Green, Kelly Flanagan. Due to a business scheduling conflict, Camille Johnson met with the candidate via video conference (also on November 13th).</p>
November 20, 2018	<p>CEO Candidate Frankie McDermott withdrew.</p>
November 27, 2018 (Board Meeting)	<p>Cris Eugster, Pamela Hill, Frankie McDermott and Aaron Zahn will draw lots before the Board Meeting to determine the order of interviews. At the Board meeting, they will appear individually before the Board, give a short presentation, then be publicly interviewed by the Board. Board Members will have time for Q&A. Board Members will narrow the candidates down to two via ballot and then have an open discussion on the final two candidates. This item will be for action for the Board to select the permanent MD/CEO. The Board does have the option to defer a decision to the regularly scheduled December 11, 2018 JEA Board Meeting.</p>

III. A.

Appendix A

Board Meeting Minutes October 16, 2018

The JEA Board met in regular session on Tuesday, October 16, 2018, on the 19th Floor, 21 W. Church Street, Jacksonville, Florida. Present were Alan Howard, Husein Cumber, Frederick Newbill, Kelly Flanagan, April Green, Camille Johnson and John Campion.

Agenda Item I – Welcome

- A. The meeting was **called to order** at 12:01 PM by Chair Howard.
- B. A **Moment of Reflection** was observed by all.
- C. The **Pledge of Allegiance** was led by Chair Howard.
- D. **Adoption of Agenda** – The amended agenda was approved on **motion** by Secretary Newbill and second by Vice Chair Cumber.
- E. The **Safety Briefing** was given by Aaron Zahn, Interim Managing Director/Chief Executive Officer.
- F. **Sunshine Law/Public Records Statement** – Jody Brooks, Office of General Counsel (OGC), stated this Board Meeting is being held in compliance with Florida’s Government in the Sunshine Law, §286.011. The complete statement can be found in section I. F. of the Board package.

Agenda Item II – Presentations and Comments

- A. **Comments from the Public** – Mr. David Bruderly addressed the Board regarding the CEO search process.
- B. **Council Liaison’s Comments** – The Honorable Matt Schellenberg thanked Mr. Zahn for the invitation to the Innovation Summit and provided comments related to the Rating Agency reports.

Agenda Item III – Operations (Discussion / Action)

- A. **Consent Agenda** – used for items that require no explanation, discussion or presentation and are approved by one motion and vote. On **motion** by Ms. Green and second by Secretary Newbill, Appendix A was unanimously approved and Appendix B through E were received for information.

Appendix A: Board Workshop Minutes September 18, 2018 – approved

Appendix B: Sole Source & Emergency Procurement Report – received for information

Appendix C: Monthly Financial Statements – received for information

Appendix D: Monthly Financial and Operational Detail – received for information

Appendix E: Monthly FY18 Communications & Engagement Calendar and Plan Update – received for information

- B. **Monthly Financial and Operations Dashboard** – Melissa Dykes, President/Chief Operations Officer, presented the revised supplemental dashboard, which was provided at the Board Member’s seat. Ms. Dykes reviewed the fiscal year 2018 year end results for financial and operational performance results in electric systems and

- water/wastewater systems. Ms. Dykes reviewed the metrics are grouped based on the corporate values including: customer value, financial value, community impact value and environmental value. Ms. Dykes highlighted additional metrics as they relate to the Pay for Performance program. Chair Howard and Mr. Zahn commended the finance team, as well as the Senior Leadership Team on their work. This presentation was received for information.
- C. Contribution Agreement Extension** – Aaron Zahn, Interim Managing Director/CEO presented on June 12, 2018, the Board received a letter outlining an area of consideration for the usage of proceeds from the sale of the Southside Generating Station. The topic was discussed at the July 30, 2018 Board Meeting and at the September 18, 2018 Board Meeting, the Board unanimously approved a resolution authorizing the Interim Managing Director/CEO to negotiate final terms with the City of Jacksonville (COJ). Mr. Zahn stated the current COJ contribution agreement expires in 2021. An extension of the agreement would preserve the same terms and conditions as the existing agreement, while changing the expiration date to 2023. An amendment to the Interagency Agreement with COJ will provide for an additional one-time contribution of \$15,155,000 to COJ for the purposes of septic tank phase out and improvement of COJ infrastructure. Mr. Zahn stated the proposed use of proceeds will benefit the COJ by solving a long-standing problem around water and wastewater for underserved citizens of COJ. Mr. Zahn added this action could provide benefits to the COJ and JEA for septic tank phase-out and more stability around the contribution agreement. On **motion** by Secretary Newbill and second by Vice Chair Cumber, Board Members held discussions. Chair Howard called upon Paul Steinbrecher, Vice President & Chief Environmental Services Officer to discuss water quality trading credits. Council Liaison Schellenberg provided comments and thanked JEA for their assistance with the water quality credits. Chair Howard added this proposed action also demonstrates JEA's new bold initiatives to help find solutions for complex public problems. At the conclusion of discussions, the Board unanimously approved the draft documents; subject to final authorization by the COJ.
- D. Approval of Resolution: FY2019 Budgetary Transfers** – Ryan Wannemacher, Chief Financial Officer, presented this is an administrative item that is brought before the Board each year. Consistent with past practices and Board delegation of authority, the Managing Director is authorized to approve FY2019 budget transfers up to \$5.0 million. Mr. Wannemacher added there is an occasional need to make transfers during the fiscal year between budget line items. On **motion** by Vice Chair Cumber and second by Mr. Champion, and the Board unanimously approved Resolution 2018-11, which allows the Managing Director to process budget transfers within JEA budget for FY2019. This authorization is limited to \$5.0 million per transfer, except in the event of an emergency or year-end adjustments, where transfers over \$5.0 million will be brought to the Board for ratification.
- E. Revolving Credit Facility for Operational/Capital Purposes and Liquidity** – Ryan Wannemacher, Chief Financial Officer, presented JEA currently has a revolving credit agreement of \$300 million with JPMorgan Chase Bank. Mr. Wannemacher added that JPMorgan Chase Bank received credit approval and provided a commitment to increase JEA's current revolving credit facilities from \$300 million to \$500 million, in the aggregate, and to amend the existing revolver with JPMorgan Chase Bank, National Association to increase borrowing capacity to \$500 million with the same terms and conditions. Mr. Wannemacher highlighted this action demonstrates the confidence from the lender in our ability and our willingness to pay our obligations. Mr. Wannemacher

recognized Mr. Mark Widener and Ms. Heather Talbott with JPMorgan Chase Bank. Mr. Widener stated that JPMorgan appreciates the opportunity to support JEA in a meaningful way. In support of the longstanding relationship, JPMorgan has agreed to an increase in the capital commitment to JEA on the same terms. We place great confidence in JEA. On **motion** by Vice Chair Cumber and second by Secretary Newbill, Board Members held discussions and unanimously approved and adopted Resolution 2018-14 to execute one or more revolver(s) subject to the \$500 million limit. This resolution also delegates to the Managing Director/CEO, or his designee to extend, amend, renew or substitute such new credit agreement(s) with the incumbent bank(s) or other bank(s) or financial institution(s).

Agenda Item IV – Strategy (Discussion Only)

- A. 2018/2019 Corporate Goals** – Melissa Dykes, President/Chief Operations Officer, provided Board Members with a revised dashboard which includes the draft goals as set by the Senior Leadership Team for FY2019. Ms. Dykes stated the goals are consistent with the Strategic Framework that was approved by the Board at the August 21, 2018 JEA Board Meeting. Ms. Dykes reviewed the process stating at the Executive Leadership Team workshop on October 1, 2018, these goals were cascaded to all JEA Directors, who each set their own goals aligned both vertically and horizontally to drive corporate performance. At a separate workshop on October 17, 2018, the process was repeated with managers, ensuring alignment throughout the organization for the next fiscal year. Ms. Dykes highlighted the goals are to increase the value of JEA now and in the future by increasing customer value, financial value, community impact value and environmental value. Ms. Dykes provided a review of the goals and highlighted that the goals have been set below budget, permit compliance requirements and staff continues to set aggressive goals for operations. Board Members provided feedback and direction on JEA's proposed FY2019 corporate goals. This presentation was provided for information only.
- B. Fuel Strategy – Gas Prepay Parameters & Solar Purchase Power Agreements**
- Ryan Wannemacher, Chief Financial Officer and Steve McInall, Director, Electric Production Resource Planning, presented this as a follow-up to the Fuel Strategy presentation at the September 18, 2018 JEA Board Meeting. Mr. McInall presented that JEA is currently implementing natural gas hedge strategies for 2020 and 2021 targeting up to 50% of average annual expected volume, with plans to execute in 2019 when economic. Mr. McInall also noted the strategy includes targeting gas prices at or below the basis for the current Fuel Charge. Mr. Wannemacher reviewed gas prepayments and noted they are the best tools that municipal utilities have to lower the cost of natural gas and allow utilities to use tax-exempt financing to lock-in a long-term energy supply at below market pricing. Staff believes these transactions can save JEA more than \$5 million annually. Mr. Wannemacher stated staff is investigating gas prepay arrangements, which allow municipal utilities to contract for long-term supplies of natural gas and could offer potential savings. Mr. Wannemacher provided an overview of gas prepayments, municipal natural gas prepayments from 2003 to present and tax-exempt prepayment transaction timeline. Mr. Wannemacher noted that savings are based on market conditions and are driven by five key variables including: tax-exempt funding rate, supplier discount rate, gas prices, overall interest rates and the terms of the contract. Mr. Wannemacher stated many utilities are taking the portfolio approach to gas prepayments and is contemplating asking the Board for a delegated resolution to allow for gas prepayments under certain parameters, including: issuer vs. participant role,

varying supplier counterparties and funding structures, threshold for minimum savings, maximum individual supplier exposure and maximum prepaid volumes. Mr. Wannemacher offered to meet individually with Board Members to offer additional information. Mr. McInall reviewed the solar purchase power agreements under negotiation. Staff has secured, or contracted for, property to host the five solar facilities at Cecil Commerce Solar Center, Beaver Street Solar Center, Deep Creek Solar Center, Westlake Solar Center and Forest Trail Solar Center. Mr. McInall reviewed the procurement process and noted EDF Renewables North America won the award. This presentation was provided for information. When complete, the contracts will be brought to the Board for approval.

- C. Corporate Headquarters – Downtown Campus Update** – Nancy Kilgo, Director, Government Relations, provided Board Members with a handout and gave a brief update on the corporate headquarters stating on October 15, 2018, CBRE issued a solicitation to the development and real estate community. The pre-bid meeting will be held on November 7, 2018; interested parties may send in questions by December 14, 2018 and responses to the solicitation are due to JEA and CBRE by January 8, 2019. Responses will be evaluated by JEA and CBRE against the criteria developed by the Board. JEA and CBRE will provide a thorough quantitative and qualitative analysis of the solutions submitted and the expectation was that a short list of the top ranked respondents would be presented at the January 22, 2019 JEA Board Meeting. Board Members held discussions and called upon Michael Harrell and Stewart Green, CBRE regarding timelines. Upon discussion, the Board decided to extend the presentation of the shortlist to the February 26, 2019 JEA Board Meeting or consider a special board meeting in February. This presentation was provided for information.
- D. Transition Update and Draft Guiding Principles** – Aaron Zahn, Interim Managing Director/CEO, presented a follow-up on the transition plan and stated the plan is complete, three months earlier than anticipated. Mr. Zahn highlighted two open items including: identify a liaison to provide governance of strategic planning process and the hiring of a permanent CEO. Mr. Zahn reviewed the Guiding Principles document is intended to be a starting point for the Strategic Planning process to start in December 2018. Mr. Zahn added building upon the Board's Strategic Framework document, the Senior Leadership Team (SLT) and approximately 400 Directors and Managers have built a consensus on the draft Guiding Principles document. Mr. Zahn thanked the Board for their guidance, as well as the SLT, Directors and Managers for their support over the last six months. This presentation was received for information.

Agenda Item V – Subject Matter Exploration (Opportunities & Risks – Presentation)

- A. Electrification – An Emerging Market** – Kerri Stewart, Vice President & Chief Customer Officer, presented the purpose to today's presentation is to provide Board Members with an understanding of electrification and what it means for today, highlight JEA's existing program and to highlight the ability to scale the opportunities for JEA and its customers. Ms. Stewart provided Board Members with a review of electrification, why electrification is important to JEA, and JEA's strategy to date for the on-road and off-road electrification programs. Ms. Stewart introduced Mr. David Pickles, Senior Vice President – Commercial Energy with ICF. Mr. Pickles provided an introduction to ICF including their services provided and current utility and non-utility clients. Mr. Pickles reviewed the business drivers of Beneficial Electrification (BE), the power of improving system utilization (load factor) by increasing off-peak sales, JEA

system loadshape, possible expanded approaches to BE, considerations in electrification short-term opportunities and next steps. This presentation was received for information.

Agenda Item VI – Committee Report

A. CEO Search Committee Report – Committee Chair Cumber thanked the Committee Members for their time investment, as well as Ms. Flanagan for her work with the assistance of selecting Heidrick & Struggles to conduct the executive search. Committee Chair Cumber provided an update to the CEO search timeline highlighting the following events:

- Committee Members interviewed candidates on October 9-11, 2018.
- The Committee revised the initial timeline and will now meet on October 31, 2018 to discuss and narrow the list of candidates.
- The remaining Board Members will individually interview the finalists on November 13, 2018.
- The finalist will then come back to interview publicly before the full Board at the regularly scheduled Board Meeting on November 27, 2018.

Agenda Item VII – Other Business

A. Old Business – Chair Howard stated Paul McElroy’s transitions service agreement carried the terms of the agreement to September 30, 2018. Chair Howard stated he received from Mr. McElroy, a written notification of resignation effective September 29, 2018, which is one day prior to the contract end date. Chair Howard noted there is a financial benefit to Mr. McElroy resigning one day early in the amount of approximately \$8,000 pension value, with additional value rolling forward. Chair Howard noted he was advised by legal counsel that to accept the resignation would require a Board vote. On **motion** by Vice Chair Cumber and second by Secretary Newbill, the Board unanimously approved Mr. McElroy’s resignation date of September 29, 2018.

B. Other New Business – Ms. Brooks recognized her colleague, Gayle Petrie, Office of General Counsel who passed away the week prior. Ms. Brooks stated Mr. Petrie worked on many projects for JEA and that he will be missed.

Secretary Newbill commended the senior management, especially Mr. Zahn and Ms. Dykes, on their transition from April to date. Secretary Newbill commended management on their bold initiatives.

C. Open Discussion – Chair Howard stated a report on the Request for Proposal for the new JEA Headquarters will be provided at the October 16, 2018 meeting.

D. Interim Managing Director/CEO’s Report – Mr. Zahn, Interim Managing Director/CEO Mr. Zahn thanked Chair Howard for his partnership, the entire Board for their collaboration and professional input and to the entire JEA management team who has performed at high levels in their day-to-day jobs, while driving corporate change over the last six months. Mr. Zahn highlighted JEA’s accomplishments over the last six months including: Designed and executed on an organizational and situationally complex transition, while continuing to maintain an exceptionally run operation, worked together to debate, deliberate and unify around a strategic framework, Guiding Principles document which creates significant alignment for JEA, management team, Board of Directors, City Council, Mayor, and internal and external stakeholders

on how we measure performance, faced head on significant issues without blame concerning significant issues related to Plant Vogtle, privatization and corporate culture. Mr. Zahn added we established the corporate innovation process around telecom and dark fiber, integrated distributed energy resources, electrification, non-core real estate assets, innovation hubs, becoming a water and wastewater leader by solving a decades old problem of septic tank phase out, launched management listening tours in June 2018 meeting and cataloged and prioritized JEA employee ideas. The management team has undertaken a comprehensive fuel strategy, and managing risks around the single largest expense item, JEA new headquarters, concept of negotiation contribution agreement, to address septic tank phaseout and providing 5 years of stability for JEA should not be overlooked. Mr. Zahn added as a team we have implemented corporate controls in increasing transparency for the public, city council and the city administration, as well as customers, focused on a results-based approach by driving value and profitability. As a profitability and value driven organization, it is logical for JEA to optimize its balance sheet and restructure. Mr. Zahn invited Mr. Wannemacher, Chief Financial Officer to the table, and stated upon reviewing JEA's balance sheet has compiled a corporate efficiency and risk management plan that looks at the next four years.

Mr. Wannemacher stated JEA is an \$8 billion utility, comprised of approximately 2000 employees and serves over a million people in four counties, generates approximately \$800 million per year in net free cash flow from operations. Since 2010, JEA has paid off over \$2.5 billion in debt and invested nearly \$2.4 billion in capital projects in our community. Mr. Wannemacher reviewed that today, the Board approved to extend the proposed contribution agreement with the City of Jacksonville by an additional 2 years. The extension provides JEA a 5-year window of certainty on city contributions, while demonstrating JEA's thought leadership relative to septic tank phaseout. Mr. Wannemacher stated JEA recently obtained a commitment to increase the capacity of the revolving credit facility by \$200 million with the same terms, which demonstrates the confidence by a key lender and our ability and willingness to pay our obligations. The next step is to optimize the utilization of JEA's assets and reducing debt. Mr. Wannemacher presented a proposed plan and highlighted the following:

- JEA will repay over \$600 million in debt in 2019 and over \$1 billion by 2020.
- Continue to invest \$1.6 billion in the system over the next 4 years with no new debt and no base rate increases.
- Under this plan, operating free cash flow will increase by \$100 million per year.
- JEA will maintain strong financial metrics of liquidity and coverage.
- Will demonstrate JEA's financial strength, commitment to value and a focus on profitability.
- Demonstrates that an entire management team is dedicated to increasing the operational efficiency and reducing corporate risk.
- With this plan, JEA will have paid off over half of its debt since hitting an all-time high in 2010.

Mr. Wannemacher reviewed the electric debt and revenue history and proposal, and noted by the end of 2022, JEA's electric debt will be the lowest it has been in nearly 40 years, since 1983. Mr. Wannemacher reviewed the electric debt ratio, current versus proposed and added that this plan will continue to fund JEA's capital investments and

drive lower leverage ratios. Mr. Wannemacher highlighted the electric restructuring impacts and noted this plan increases the operating free cash flow by over \$260 million over the next 4 years. Mr. Wannemacher also covered the water debt and revenue history and proposal, water debt ratio current vs. proposed and the capital improvement plan and noted no base rate increase is needed to execute on the water plan. Mr. Wannemacher also covered the water restructuring impacts and stated JEA will experience an increase in operating cash flow by over \$140 million over the next four years, which will be reinvested into capital projects. Mr. Wannemacher concluded that these actions demonstrate JEA's credit and our willingness to pay. Board Members held discussions and Chair Howard suggested Board Members reach out to staff to obtain further information. This presentation was provided for information. Staff will bring this item back to the Board a future meeting for action.

- E. Chair's Report** – Chair Howard stated JEA sent approximately 150 team members to restore electric, water and wastewater services in the Tallahassee area in response to Hurricane Michael. Chair Howard thanked Mr. Zahn, Ms. Gina Kyle and staff for leading the Innovation Summit. Chair Howard stated staff did a great job in connection with the Jacksonville Chamber of Commerce and the Jacksonville Transportation Authority. Chair Howard thanked the members of the CEO Search Committee for their investment of time in interviewing the candidates. Mr. Howard added this national search has attracted some of the most attractive candidates. Chair Howard provided comments related to the Moody's action.

Agenda Item VIII – Closing Considerations

- A. Announcements** – Next Board Meeting – November 27, 2018
- B. Adjournment**

With no further business claiming the attention of the Board, Chair Howard adjourned the meeting at 2:21 PM.

APPROVED BY:

SECRETARY

DATE: _____

Board Meeting recorded by:

Melissa M. Charleroy
Executive Assistant

III. A.

Appendix B

Fiscal Year 2018 Pay for Performance
Program

October 24, 2018

SUBJECT:	FISCAL YEAR 2018 PAY FOR PERFORMANCE PROGRAM
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Purpose:	<input checked="" type="checkbox"/> Information Only	<input type="checkbox"/> Action Required	<input type="checkbox"/> Advice/Direction
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Issue: The JEA Pay for Performance program focuses employees and managers on key corporate measures and objectives and fosters a continuous improvement culture at JEA. The FY18 program results were reviewed at the October Board meeting and the incentive is scheduled to be paid on Friday, November 30, 2018. On December 12, 2017, the JEA Board of Directors approved a resolution that affirmed the Chief Executive Officer's authority to establish total compensation for JEA, in accordance with JEA Board Policy 2.7.3, including a performance pay program.

Significance: The JEA Pay for Performance Program was introduced in 1990. JEA's program is modeled to combine both company and individual performance metrics that incent and recognize a highly engaged, high performing workforce.

Effect: The entire JEA workforce is eligible for this program.

Cost or Benefit: JEA's program delivers an incentive when goals are achieved and O&M cost savings are realized to pay for the program. This program is designed to incent employees to achieve and exceed established goals, as well as to focus on being good stewards of resources, which in turn maximizes value to customers. The FY2018 estimated O&M cost savings were \$16.9M. The earned incentive for FY2018 is \$3.6m, or 2.3% of FY2018 salaries.

Recommended Board action: No action required. Results shared for information only.

For additional information, contact: Angie Hiers, 665-4747

Submitted by: ARH/AFZ

MISSION	VISION	VALUES
		
Energizing our community through high-value energy and water solutions.	JEA is a premier service provider, valued asset and vital partner in advancing our community.	<ul style="list-style-type: none"> • Safety • Service • Growth? • Accountability • Integrity

Commitments to Action

- 1** Earn Customer Loyalty
- 2** Deliver Business Excellence
- 3** Develop an Unbeatable Team

MEMORANDUM

October 24, 2018

SUBJECT: FISCAL YEAR 2018 PAY FOR PERFORMANCE PROGRAM

FROM: Aaron Zahn, Interim Managing Director/CEO

TO: JEA Board of Directors

BACKGROUND:

Pay for Performance Programs were introduced at JEA in 1990¹. The program has successfully served to focus employees and managers on key corporate measures and objectives, as well as foster a continuous improvement culture with resulting operational excellence.

OVERVIEW:

On December 12, 2017, the JEA Board of Directors approved a resolution that affirmed the Chief Executive Officer's authority to establish total compensation for JEA, in accordance with JEA Board Policy 2.7.3, including a performance pay program.

The fiscal year 2017-2018 JEA Pay for Performance Program was communicated and administered per Procedure HUMR JEA Pay for Performance Program.

JEA 2018 performance results have been audited and confirmed. The following is a review of 2018 performance goals and results as previously communicated to the Board in prior board meetings.

➤ Customer Satisfaction

JEA measures customer satisfaction using the J.D. Power survey. JEA has continued its company-wide focus on customer satisfaction, which has been a strategic goal since 2012. In 2012, JEA's customer satisfaction scores were among the lowest in the nation and JEA has consistently had the highest year-over-year improvements in customer satisfaction scores since 2012. For the commercial segment, JEA received a score of 808 on the J.D. Power Commercial Customer Satisfaction survey, thus placing JEA fourth nationally and first in the South Midsize region. The commercial results exceeded the corporate target set for FY2018. For the residential segment, JEA's score fell 10 points to an index score of 737, which placed JEA 44th nationally out of 138 utilities and 5th in the South Midsize segment out of 19 brands. The residential satisfaction score was extremely strong, but the residential results did not meet the corporate goals set forth for FY2018 (i.e. the 1st quartile).

➤ Safety

JEA believes that our employees are our greatest asset. We emphasize safety as a part of everything we do. This continued focus on safety has resulted in JEA maintaining an OSHA recordable incident rate (RIR) for FY2018 well below the average for Public Sector Utilities of 5.3 injuries per 100 employees. However, in setting corporate goals for the fiscal year – and most especially in the area of safety – “good” is not good enough. We set a best-in-class safety goal

¹ Due to the economic downturn and subsequent austerity measures taken, JEA's performance pay program was suspended in 2007 until 2012 when it was reinstated.

with a baseline of 1.4 RIR and a 1.2 RIR rate as an excellent ranking for the fiscal year. JEA achieved a final RIR for FY2018 of 1.48 RIR, which does not meet the corporate safety goal for the fiscal year. Despite not meeting our goal, the safety metric achieved does put JEA as a leader in the industry.

➤ **Cost Control**

JEA is committed to holding firm on costs as the cornerstone of our ability to provide affordable service to our community. Cost control goals require each and every employee to manage our customers' money wisely, working more effectively and efficiently and using materials prudently. JEA staff worked diligently throughout the year to deliver excellence to our customers and community. For electric, actual FY2018 costs were \$55.34 per MWh, which is the level of "Exceeds". For water, the actual FY2018 cost per Kgal of \$4.65 was not low enough to meet the corporate target of \$4.40 per Kgal. In addition, the actual FY2018 wastewater cost of \$10.07 per Kgal did not meet the target of \$9.85.

Overall, JEA total O&M savings for FY2018 compared to budget was \$16.9 million.

Based on the performance described above, the actual payout to employees is \$3,680,001.32 or 2.30% of base salaries as of October 1, 2018. This will be paid to employees on November 30, 2018.

ARH/AZ

Aaron Zahn, Interim Managing Director/CEO



FY 2018 Performance Program Summary

Summary of Corporate Performance Factors

Safety

OSHA Recordable Incident Rate (RIR)
 FY12 Results: 1.48 RIR
 FY13 Results: 1.78 RIR
 FY14 Results: 2.4 RIR
 FY15 Results: 1.56 RIR
 FY16 Results: 1.82 RIR
 FY17 Results: 2.01 RIR
 FY18 Results: 1.48 RIR

RIR		Non-Appointed	Incentive Opportunity				
			Appointed / Managerial				
		All CBU	Grade E-G	Grade H	Grade I	Grade J	Grade K
RIR > 1.4	Does Not Meet	\$0	\$0	\$0	\$0	\$0	\$0
RIR < 1.4	Meets	\$300	\$600	\$850	\$1,000	\$1,375	\$1,625
RIR < 1.2	Exceeds	\$500	\$1,000	\$1,410	\$1,700	\$2,290	\$2,705

Customer Satisfaction

JD Power Residential Electric Industry Customer Satisfaction Survey: Total Industry

Customer Satisfaction - Residential Electric

FY12 Results: No Metric for Customer Satisfaction
 FY13 Results: Top of the Third Quartile
 FY14 Results: Top 25% of the Third Quartile
 FY15 Results: First Quartile; Score of 692; Position 30
 FY16 Results: Top 25% of Second Quartile; Score of 703; Position 37
 FY17 Results: 1st Quartile Nationally; Position 21
 FY18 Results: 2nd Quartile Nationally; Score 737; Position 44

SURVEY RANKING		Non-Appointed	Incentive Opportunity				
			Appointed / Managerial				
		CS CBU	Grade E - G	Grade H	Grade I	Grade J	Grade K
1st Quartile Nationally	Does Not Meet	\$0	\$0	\$0	\$0	\$0	\$0
1st Quartile Nationally	Meets	\$150	\$300	\$425	\$500	\$690	\$815
1st Quartile Nationally & 10 Positions or Better than 2015 Performance	Exceeds	\$250	\$500	\$705	\$835	\$1,150	\$1,355

Customer Satisfaction - Commercial Electric

FY17 Results: #12
 FY18 Results: #4 Nationally; #1 South Midsize

SURVEY RANKING		Non-Appointed	Incentive Opportunity				
			Appointed / Managerial				
		All CBU	Grade E - G	Grade H	Grade I	Grade J	Grade K
Below Top Decile Nationally	Does Not Meet	\$0	\$0	\$0	\$0	\$0	\$0
Top Decile Nationally	Meets	\$150	\$300	\$425	\$500	\$690	\$815
# 3 Nationally or #1 South Midsize	Exceeds	\$250	\$500	\$705	\$835	\$1,150	\$1,355

Cost Control: Electric Mwh

Cost per Mwh
 FY12 Baseline: \$54.73
 FY13 Results: \$53.92
 FY14 Results: \$49.81
 FY15 Results: \$49.44
 FY16 Results: \$48.35
 FY17 Results: \$52.50
 FY18 Results: \$55.34

COST/Mwh		Non-Appointed	Incentive Opportunity				
			Appointed / Managerial				
		All CBU	Grade E-G	Grade H	Grade I	Grade J	Grade K
Cost > \$56.88	Does Not Meet	\$0	\$0	\$0	\$0	\$0	\$0
Cost ≤ \$56.88	Meets	\$300	\$600	\$850	\$1,000	\$1,375	\$1,625
Cost ≤ \$55.60	Exceeds	\$500	\$1,000	\$1,410	\$1,700	\$2,290	\$2,705

Cost Control: Water Kgal

Cost per Kgal
 FY12 Baseline: \$4.47
 FY13 Results: \$4.49
 FY14 Results: \$4.07
 FY15 Results: \$3.98
 FY16 Results: \$4.08
 FY17 Results: \$4.57
 FY18 Results: \$4.65

COST/KGL		Non-Appointed	Incentive Opportunity				
			Appointed / Managerial				
		All CBU	Grade E-G	Grade H	Grade I	Grade J	Grade K
Cost > \$4.40	Does Not Meet	\$0	\$0	\$0	\$0	\$0	\$0
Cost ≤ \$4.40	Meets	\$150	\$300	\$425	\$500	\$690	\$815
Cost < \$4.30	Exceeds	\$250	\$500	\$705	\$835	\$1,150	\$1,355

Cost Control: Wastewater Kgal

Cost per Kgal

FY12 Baseline: \$7.96
 FY13 Results: \$7.53
 FY14 Results: \$7.34
 FY15 Results: \$7.26
 FY16 Results: \$7.12
 FY17 Results: \$9.20
FY18 Results: \$10.07

COST/KGL		Incentive Opportunity					
		Non-Appointed	Appointed / Managerial				
		All CBU	Grade E-G	Grade H	Grade I	Grade J	Grade K
Cost > \$9.85	Does Not Meet	\$0	\$0	\$0	\$0	\$0	\$0
Cost ≤ \$9.85	Meets	\$150	\$300	\$425	\$500	\$690	\$815
Cost ≤ \$9.47	Exceeds	\$250	\$500	\$705	\$835	\$1,150	\$1,355

Example Overall Payout Opportunity at Meets

Example of FY18 Payout: Company Performance Meets

JEA Actual Payout	All CBU	Grade E-G	Grade H	Grade I	Grade J	Grade K
Safety	\$300	\$600	\$850	\$1,000	\$1,375	\$1,625
Customer Satisfaction - Residential Electric	\$150	\$300	\$425	\$500	\$690	\$815
Customer Satisfaction Commercial Electric	\$150	\$300	\$425	\$500	\$690	\$815
Cost Control: Electric	\$300	\$600	\$850	\$1,000	\$1,375	\$1,625
Cost Control: Water	\$150	\$300	\$425	\$500	\$690	\$815
Cost Control: Wasterwater	\$150	\$300	\$425	\$500	\$690	\$815
Total Estimated Payout for Corporate Results	\$1,200	\$2,400	\$3,400	\$4,000	\$5,510	\$6,510

Appointed / Managerial:

Example of FY18 Appointed / Managerial Individual Performance Opportunity²

Employee Performance	All CBU	Grade E-G	Grade H	Grade I	Grade J	Grade K
Does Not Meet	N/A	\$0	\$0	\$0	\$0	\$0
Meets	N/A	\$2,400	\$3,400	\$4,000	\$5,510	\$6,510
Exceeds	N/A	\$4,000	\$5,640	\$6,740	\$9,180	\$10,830

²Individual Performance Results for Appointed / Managerial employees comprises 50% of overall incentive opportunity

Total Estimated Cost for FY 2018 Pay for Performance Program

Corporate Results	No. Emp.	Amount
SLT	11	\$59,652.89
Appointed	385	\$868,588.22
Non-Appointed	1558	\$1,135,876.25
TOTAL	1954	\$2,064,117.36

Individual Performance Results	No. Emp.	Amount
SLT	11	\$145,932.30
Appointed	385	\$1,468,951.67
TOTAL	396	\$1,614,883.96

Total FY18 Pay for Performance

Estimated Payout	No. Emp.	Amount
SLT	11	\$205,585.19
Appointed	385	\$2,337,539.88
Non-Appointed	1558	\$1,135,876.25
TOTAL	1954	\$3,679,001.32

The total amount represents 2.30% of salaries

III. A.

Appendix C

Fiscal Year 2018 Operating Budget Line Item
Transfers



Building Community

AGENDA ITEM SUMMARY

November 14, 2018

SUBJECT:	FISCAL YEAR 2018 OPERATING BUDGET LINE ITEM TRANSFERS
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Purpose:	<input type="checkbox"/> Information Only	<input checked="" type="checkbox"/> Action Required	<input type="checkbox"/> Advice/Direction
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Issue: JEA is required to have a balanced budget and ensure at year-end actual individual expenditure line items do not exceed their respective budgeted line item amounts. The Managing Director/CEO is authorized to make transfers up to \$5.0 million per transfer and has the authority to approve budget transfers exceeding \$5.0 million.

Significance: High. Transfer required to comply with city ordinance to have a balanced budget.

Effect: The transfers will provide balanced budgets in FY2018 for the Electric System and Water and Sewer Systems, as required by city ordinance.

Cost or Benefit: N/A

Recommended Board action: Staff recommends that the Board ratify the FY2018 year-end budget line item transfers of:

- Electric System
- \$40 million to Rate Stabilization – Non-Fuel Purchased Power (NFPP); \$13 million to SJRPP Operating and Maintenance; \$2 million to Scherer Renewal and Replacement; \$0.8 million to Debt Service – Principal; and \$0.4 million to SJRPP Debt Service Investment Credits from Operating Capital Outlay; Operations and Maintenance; and Emergency Reserve
- Water and Sewer System
- \$8 million to Rate Stabilization – Environmental; \$7 million to Capacity Fees expense; and \$0.3 million to Interlocal Agreements from Operating Capital Outlay – Environmental; Operating & Maintenance; and Debt Service – Interest

For additional information, contact: Ryan Wannemacher

Submitted by: AFZ/RFW/ KMQ

MISSION Energizing our community through high-value energy and water solutions.	VISION JEA is a premier service provider, valued asset and vital partner in advancing our community.	VALUES <ul style="list-style-type: none">• Safety• Service• Growth?• Accountability• Integrity
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Commitments to Action

- 1 Earn Customer Loyalty**
- 2 Deliver Business Excellence**
- 3 Develop an Unbeatable Team**



INTER-OFFICE MEMORANDUM

November 14, 2018

SUBJECT: FISCAL YEAR 2018 OPERATING BUDGET LINE ITEM TRANSFERS
FROM: Aaron F. Zahn, Interim Managing Director/CEO
TO: JEA Board of Directors

BACKGROUND

Last month the Board of Directors approved the agenda item for FY19 Budgetary Transfers authorizing the Managing Director/CEO to make certain transfers within the budget. This authorization allows the Managing Director/CEO to make transfers up to \$5.0 million during a budget year. Transfers in excess of \$5.0 million during the fiscal year and/or to close the books at the end of the fiscal year are brought to the Board of Directors for authorization after the fact. This agenda item requests authorization from the Board of Directors for FY18 transfers needed to close the books and are now brought back to the Board of Directors for ratification. The transfers are summarized in the tables below.

JEA provides the Council Auditor a final end-of-year revised budget by November 30th of each year. The revised budget includes budget transfers necessary to ensure JEA maintains a balanced budget and that line item expenditures do not exceed their respective budget.

DISCUSSION

Opportunities existed in FY2018 to transfer funds to budget line items to support JEA's financial objectives, to reduce debt outstanding and to reduce the need for additional debt by funding current year capital requirements with current year revenues on both the Electric and Water and Sewer Systems.

Electric System

Lower than budgeted expenses for Operating Capital Outlay and Operations & Maintenance coupled with an unused Emergency Reserve generated the ability to deposit an additional \$40.0 million to the Rate Stabilization – Non-Fuel Purchased Power; \$12.8 million to SJRPP Operating & Maintenance; \$2.4 million to Scherer Renewal & Replacement; \$0.8 million to Debt Service Principal; and \$0.4 million to SJRPP Debt Service Investment Credits.

During FY2018, \$40.0 million was deposited in the Rate Stabilization – NFPP, which is set up for the purpose of funding expenses related to Plant Vogtle prior to commercial operation. This stabilization fund is an important component of our credit analysis by the rating agencies. It demonstrates that Plant Vogtle does not represent a financial hardship for our customers prior to commercial operation. The following end-of-year budget line item transfers for FY2018 support JEA's financial objectives and maintains a balanced budget.

Electric System			
<u>Transfer From</u>		<u>Transfer To</u>	
Operating Capital Outlay	\$ 34.0	Rate Stabilization - NFPP	\$ 40.0
Operations & Maintenance	17.4	SJRPP Operating & Maintenance	12.8
Emergency Reserve	5.0	Scherer Renewal & Replacement	2.4
		Debt Service Principal	0.8
		SJRPP Debt Service Investment Credits	0.4
	<u>\$ 56.4</u>		<u>\$ 56.4</u>

Water and Sewer System

Lower than budgeted expenses for Operating Capital Outlay and Operations & Maintenance, coupled with an unused Emergency Reserve generated the ability to deposit an additional \$7.7 million into the Rate Stabilization – Environmental; an additional \$7.0 million into Capacity Fees; and \$0.3 million into Interlocal Agreements.

The FY2018 Water and Sewer System budget for Capacity Fees was \$21.0 million. However, Capacity Fee revenue was \$28.0 million, which required additional funds be transferred to the Capacity Fee budget line item.

Water and Sewer System			
<u>Transfer From</u>		<u>Transfer To</u>	
Operating Capital Outlay – Environmental	\$ 7.7	Rate Stabilization - Environmental	\$ 7.7
Operations & Maintenance	7.0	Capacity Fees	7.0
Debt Service - Interest	0.3	Interlocal Agreements	0.3
	<u>\$ 15.0</u>		<u>\$ 15.0</u>

RECOMMENDATION

Staff recommends that the Board ratify the FY2018 year-end budget line item transfers of:

Electric System

- \$40 million to Rate Stabilization – Non-Fuel Purchased Power; \$13 million to SJRPP Operating and Maintenance; \$2 million to Scherer Renewal and Replacement; \$0.8 million to Debt Service – Principal; and \$0.4 million to SJRPP Debt Service Investment Credits from Operating Capital Outlay; Operations; and Maintenance and Emergency Reserve

Water and Sewer System

- \$8 million to Rate Stabilization – Environmental; \$7 million to Capacity Fees expense; and \$0.3 million to Interlocal Agreements from Operating Capital Outlay – Environmental; Operating & Maintenance; and Debt Service – Interest

Aaron F. Zahn, Interim Managing Director/CEO

AFZ/RFW/KMQ

JEA
FY 17/18 FUNDS TRANSFER

District Energy System
Operating Budget

TRANSFER FROM ACCOUNT	DESCRIPTION	AMOUNT
Credit		
091-Z0000-2001	Operating & Maintenance	\$ 269,588
	Total	\$ 269,588

TRANSFER TO ACCOUNT	DESCRIPTION	AMOUNT
Debit		
091-Z0000-5501	Operating Capital Outlay	\$ 269,588
	Total	\$ 269,588

JUSTIFICATION:	Adjustment of operating expense budget due to savings in Operating & Maintenance. These savings will offset increases in Operating Capital Outlay.
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APPROVALS:

APPROVED: _____ *Director, Financial Planning and Analysis* _____ DATE

APPROVED: _____ *Chief Financial Officer* _____ DATE

APPROVED: _____ *Interim Managing Director/CEO* _____ DATE

Forwarded to Council Auditor: Date: _____

JEA
FY 18/19 FUNDS TRANSFER

Electric System
Operating Budget

TRANSFER FROM ACCOUNT	DESCRIPTION	AMOUNT
Credit		
021-Z0000-5201	Renewal and Replacement	\$ 1,052,300
	Total	\$ 1,052,300

TRANSFER TO ACCOUNT	DESCRIPTION	AMOUNT
Debit		
021-Z0000-5501	Operating Capital Outlay	\$ 1,052,300
	Total	\$ 1,052,300

JUSTIFICATION: Adjustment of Renewal and Replacement deposit based on FY18 actual revenues.

APPROVALS:

APPROVED: _____
Director, Financial Planning and Analysis DATE

APPROVED: _____
Chief Financial Officer DATE

APPROVED: _____
Interim Managing Director/CEO DATE

Forwarded to Council Auditor: Date: _____

JEA
FY 18/19 FUNDS TRANSFER

**Water and Sewer System
Operating Budget**

TRANSFER FROM ACCOUNT	DESCRIPTION	AMOUNT
Credit		
071-Z0000-5201	Renewal and Replacement	\$ 1,352,260
	Total	\$ 1,352,260

TRANSFER TO ACCOUNT	DESCRIPTION	AMOUNT
Debit		
071-Z0000-5501	Operating Capital Outlay	\$ 1,352,260
	Total	\$ 1,352,260

JUSTIFICATION:	Adjustment of Renewal and Replacement deposit based on FY18 actual revenues.
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APPROVALS:

APPROVED: _____
Director, Financial Planning and Analysis _____
DATE

APPROVED: _____
Chief Financial Officer _____
DATE

APPROVED: _____
Interim Managing Director/CEO _____
DATE

Forwarded to Council Auditor: Date: _____

JEA
FY 17/18 FUNDS TRANSFER

Water and Sewer System
Operating Budget

TRANSFER FROM ACCOUNT	DESCRIPTION	AMOUNT
Credit		
<u>071-Z0000-5511</u>	<u>Operating Capital Outlay - Environmental</u>	<u>\$ 7,701,048</u>
<u>071-Z0000-2001</u>	<u>Operating & Maintenance (Non-DSM/Environmental)</u>	<u>\$ 5,878,559</u>
<u>071-10002-2001</u>	<u>Operating & Maintenance (DSM)</u>	<u>\$ 860,203</u>
<u>071-Z0000-5102</u>	<u>Debt Service - Interest</u>	<u>\$ 341,348</u>
<u>071-20450-2001</u>	<u>Operating & Maintenance (Environmental)</u>	<u>\$ 155,142</u>
<u>071-40310-2001</u>	<u>Operating & Maintenance (Environmental)</u>	<u>\$ 110,037</u>
<u>071-30130-2001</u>	<u>Operating & Maintenance (Environmental)</u>	<u>\$ 44,400</u>
Total		<u>\$ 15,090,737</u>

TRANSFER TO ACCOUNT	DESCRIPTION	AMOUNT
Debit		
<u>071-Z0000-5605</u>	<u>Rate Stabilization - Environmental</u>	<u>\$ 7,701,048</u>
<u>071-Z0000-5503</u>	<u>Capacity Fees</u>	<u>\$ 7,042,962</u>
<u>071-Z0000-5615</u>	<u>Interlocal Agreements</u>	<u>\$ 346,727</u>
Total		<u>\$ 15,090,737</u>

JUSTIFICATION:	Adjustment of operating expense budget due to savings in Operating & Maintenance, Debt Service Interest, and Operating Capital Outlay - Environmental. These savings will offset increases in Capacity Fees, Interlocal Agreements, and the Environmental Rate Stabilization Fund.
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APPROVALS:

APPROVED: _____
Director, Financial Planning and Analysis DATE

APPROVED: _____
Chief Financial Officer DATE

APPROVED: _____
Interim Managing Director/CEO DATE

Forwarded to Council Auditor: Date: _____

JEA
FY 18/19 FUNDS TRANSFER

District Energy System
Operating Budget

TRANSFER FROM ACCOUNT	DESCRIPTION	AMOUNT
Credit		
091-Z0000-5201	Renewal and Replacement	\$ 167
	Total	\$ 167

TRANSFER TO ACCOUNT	DESCRIPTION	AMOUNT
Debit		
091-Z0000-5501	Operating Capital Outlay	\$ 167
	Total	\$ 167

JUSTIFICATION: Adjustment of Renewal and Replacement deposit based on FY18 actual revenues.

APPROVALS:

APPROVED: _____
Director, Financial Planning and Analysis DATE

APPROVED: _____
Chief Financial Officer DATE

APPROVED: _____
Interim Managing Director/CEO DATE

Forwarded to Council Auditor: Date: _____

III. A.

Appendix D

St. Johns Power Park Regulatory Accounting

November 2, 2018

SUBJECT:	ST. JOHNS POWER PARK REGULATORY ACCOUNTING
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Purpose:	<input type="checkbox"/> Information Only	<input checked="" type="checkbox"/> Action Required	<input type="checkbox"/> Advice/Direction
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Issue: As JEA's regulator, the Board regularly approves costs to be recovered in future periods. These costs are recorded on JEA's balance sheet as an asset. From time to time, changes in the business change the costs that need to be recovered.

Significance: High

Effect: The shutdown of SJRPP is a change to the business that has impacted these cost to be recovered. The net benefit to JEA was \$250 million net present value over 10 years.

Cost or Benefit: With the shutdown of SJRPP, certain costs will no longer be incurred and/or have already been collected through the settlement payment from FPL.

Recommended Board action: Staff recommends authorizing the cost to be recovered be established at \$259.2 million.

For additional information, contact: Janice Nelson, 665-6442.

Submitted by: AFZ/RFW/JRN

MISSION  Energizing our community through high-value energy and water solutions.	VISION  JEA is a premier service provider, valued asset and vital partner in advancing our community.	VALUES  <ul style="list-style-type: none">• Safety• Service• Growth²• Accountability• Integrity
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Commitments to Action

-  **Earn Customer Loyalty**
-  **Deliver Business Excellence**
-  **Develop an Unbeatable Team**



INTER-OFFICE MEMORANDUM

November 2, 2018

SUBJECT: ST. JOHNS POWER PARK REGULATORY ACCOUNTING

FROM: Aaron F. Zahn, Interim Managing Director/CEO

TO: JEA Board of Directors

BACKGROUND:

As JEA's regulator, the Board regularly approves costs to be recovered in future periods. These costs are recorded on JEA's balance sheet as an asset. From time to time, changes in the business change the costs that need to be recovered. The shutdown of SJRPP is a change to the business that has impacted these costs to be recovered. The net benefit of the shutdown to JEA was \$250 million net present value over 10 years.

DISCUSSION:

As a result of the shutdown in January 2018, the benefit outlined above is expected to remain consistent but certain regulatory accounting entries are required to reflect changes in the business. The appropriate accounting treatment would establish cost to be recovered at \$259.2 million, which consists primarily of remaining debt obligations to be recovered from customers.

RECOMMENDATION:

Staff recommends authorizing the cost to be recovered be established at \$259.2 million.

Aaron F. Zahn, Interim Managing Director/CEO

AFZ/RFW/JRN

**St. Johns River Power Park
Regulatory Schedule - Costs to be Recovered**

Fiscal Year	Capital Asset Depreciation	Amortization			Debt Service Reserve Releases	Bond Principal Payments	Recognition of Deferred Costs	Regulatory Balance Remaining
		Original Issue (Premium) Discount	Cost of Refundings	Bond Issue Costs				
2018								259,165,082
2019	409,878	(1,040,533)	211,520	138,153	-	13,780,000	(14,060,982)	245,104,100
2020	409,878	(650,137)	211,520	138,153	-	13,340,000	(13,230,586)	231,873,514
2021	409,878	(451,683)	211,520	138,153	-	14,175,000	(13,867,132)	218,006,382
2022	409,878	(289,052)	211,520	138,153	-	15,285,000	(14,814,501)	203,191,881
2023	409,878	(157,299)	211,519	138,153	-	15,865,000	(15,262,749)	187,929,132
2024	409,878	(57,522)	211,520	138,153	-	16,445,000	(15,742,971)	172,186,161
2025	409,878	58,383	211,519	138,153	-	17,105,000	(16,287,067)	155,899,094
2026	409,878	40,720	211,520	138,153	-	17,565,000	(16,764,729)	139,134,365
2027	204,936	23,054	211,519	138,153	-	18,060,000	(17,482,338)	121,652,027
2028	-	9,242	211,520	138,153	-	18,580,000	(18,221,085)	103,430,942
2029	-	17,629	211,519	120,723	-	15,725,000	(15,375,129)	88,055,813
2030	-	14,003	211,520	120,723	-	16,245,000	(15,898,754)	72,157,059
2031	-	13,245	211,519	120,723	-	16,815,000	(16,469,513)	55,687,546
2032	-	7,554	211,520	120,722	-	10,280,000	(9,940,204)	45,747,342
2033	-	1,127	211,519	72,776	-	9,035,000	(8,749,578)	36,997,764
2034	-	(7,986)	211,520	32,545	-	10,100,000	(9,863,921)	27,133,843
2035	-	(6,349)	211,519	32,545	-	10,495,000	(10,257,285)	16,876,558
2036	-	(3,132)	211,520	32,545	-	10,900,000	(10,659,067)	6,217,491
2037	-	105	211,519	32,545	-	11,530,000	(11,285,831)	(5,068,340)
2038	-	3,372	82,935	22,201	-	3,705,000	(3,596,492)	(8,664,832)
2039	-	1,685	82,935	22,201	12,413,011	3,855,000	8,664,832	-
TOTAL	3,483,960	(2,473,574)	4,184,742	2,111,779	12,413,011	278,885,000	(259,165,082)	

III. A.

Appendix E

Monthly Financial and Operations Dashboard



Corporate Metrics Dashboard

As of October 31, 2018

Metrics for FY19 Goals	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual
Customer Value							
JDP Customer Satisfaction Index - Residential	4th Quartile	3rd Quartile	3rd Quartile	1st Quartile	2nd Quartile	1st Quartile	2nd Quartile
JDP Customer Satisfaction Index - Business	4th Quartile	4th Quartile	1st Quartile	1st Quartile	1st Quartile	1st Quartile	1st Decile
Customer Response Time (min.): W/WW System	70	69	67	69	67	68	76
Overall First Contact Resolution Index	N/A	N/A	0.79	0.81	0.79	0.79	0.79
Estimated Time of Restoration Accuracy	-	-	88%	85%	89%	82%	80%
Grid Performance: Frequency (outages/year)	2.4	1.7	1.7	1.7	1.4	1.6	1.4
Grid Performance: Outage Duration (minutes/year)	84	68	71	99	71	99.5	67
Grid Performance: CEM15 (% cust. > 5 outages/year)	n/a	n/a	2.34	2.10	1.40	1.07	0.40
Water Unplanned Outages (% cust.)	2%	1%	1%	2%	4%	1%	5%
Water Distribution System Pressure (avg min < 30 psi)	34.9	20.0	2.1	2.8	2.1	3.7	1.8
Financial Value							
Net Write-Offs	0.19%	0.15%	0.15%	0.16%	0.14%	0.14%	0.13%
Generation Fleet Reliability (forced outages rate)	0.7%	1.6%	3.0%	1.8%	2.0%	2.2%	2.1%
Percent of Net O&M Budget	92%	90%	88%	93%	93%	93%	93%
Cost Reduction Metric (\$000)	n/a	n/a	n/a	n/a	\$25,156	\$10,087	\$10,495
Community Impact Value							
Capital Invested (\$000)	\$273,774	\$234,718	\$158,392	\$204,708	\$298,045	\$307,918	\$374,456
Safety (RIR)	1.48	1.84	2.38	1.65	1.82	2.10	1.48
JEA Volunteers	237 Activities	465 Activities	670 Activities	753 Activities	985 Activities	913 Activities	760 Activities
JSEB Spend (\$000)	\$9,168	\$10,121	\$7,302	\$9,318	\$9,983	\$13,365	\$15,760
Environmental Value							
Electric System Environmental Compliance (permit exceedances)	5	4	3	2	4	6	2
Consumptive Use Permit Compliance	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Nitrogen to the River (tons)	650	767	579	556	524	556	552
Sanitary Sewer Overflows (SSO's) (per 100 miles of pipe)	0.58	0.55	0.68	0.52	0.61	1.07	0.63

2019 YTD	2019 Goal	Variance
2nd Quartile	Top Decile or Trophy	-
NA- Data in Jan	Top Five or Trophy	-
71	65	9%
0.83	0.80	4%
81%	80%	1%
1.2	1.6	-25%
57	75	-24%
0.80	1.00	-20%
0.1%	2%	-94%
1.0	2.0	-48%
0.1%	0.2%	-33%
0.3%	2.0%	-85%
93%	95%	-2%
\$52	\$9,100	TBD
\$15,494	\$437,774 – \$574,578	TBD
1.14	1.40	-19%
359 Hours	4,800 Hours	TBD
\$1,343	\$13,000	TBD
0	4	TBD
Yes	Yes	Yes
29	616	TBD
0.07	0.58	TBD

Metrics We Watch	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual
Financial Value							
Change in Net Position (\$000)	\$182,642	\$79,975	\$156,269	\$323,008	\$210,016	\$254,620	\$156,556
Debt to Capitalization	75%	73%	70%	69%	66%	63%	59%
City Contribution (\$000)	\$104,188	\$106,687	\$109,188	\$111,688	\$129,187	\$115,823	\$116,620
Electric sales (000's MWh)	13,855	11,930	12,172	12,434	12,561	12,050	12,364
Water Sales (000's kgal)	35,345	33,088	32,468	34,558	36,358	37,245	36,187
Sewer Sales (000's kgal)	24,490	23,624	23,527	24,922	25,818	26,713	26,340
Reclaim Sales (000's kgal)	1,330	1,110	1,301	1,784	2,644	3,290	3,120
Community Impact Value							
Utility Scale Solar Energy (000's MWh)	21	21	20	21	21	26	55
New Partnerships and Student Programs	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Voluntary Attrition	46	36	44	32	33	35	35
Diverse Slate of Candidates (% of recruitments)	N/A	N/A	N/A	97.6%	98.6%	100%	100%
Economic Development Program Participants	N/A	0	0	1	0	0	4
Environmental Value							
Reclaimed Water Customer Growth*	35%	40%	43%	31%	27%	25%	22%

2019 Forecast
\$145,725
57%
\$117,648
12,591
39,773
27,819
4,967
74
2
0
95%
1
22%

Strategic Metrics - Long Term Influence	2012 Actual	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual
Customer Value							
Residential Electric Bill in FL (% of State Median)	101%	101%	99%	99.5%	101%	100%	98%
Residential Water/Sewer Bill in FL (% of State Median)	110%	104%	102%	100%	96%	94%	92%
Financial Value							
Consolidated Return on Equity	13%	8%	10%	12%	13%	13%	9%
Return on Net Assets	3%	1%	2%	5%	3%	4%	3%
Unlevered Free Cash Flow: EBITDA less CAPEX (\$000)	\$606,131	\$532,872	\$632,212	\$591,925	\$547,897	\$573,259	\$351,976
Net Position (Book Value of Equity) (\$000)	\$1,991,311	\$2,071,286	\$2,196,006	\$2,166,909	\$2,376,928	\$2,631,545	\$2,740,279
City Contribution NPV	-	-	-	-	-	-	\$1,998,311
Electric Credit Ratings	Aa2/AA-/AA-	Aa2/AA-/AA	Aa2/AA-/AA	Aa2/AA-/AA	Aa2/AA-/AA	Aa2/AA-/AA	Aa2/A+/AA
W/WW Credit Ratings	Aa2/AA/AA	Aa2/AA/AA	Aa2/AA/AA	Aa2/AA/AA	Aa2/AAA/AA	Aa2/AAA/AA	Aa2/AAA/AA
Community Impact Value							
Employee engagement (survey)	-	71%	-	74%	72%	79%	81%
Environmental Value							
CO ₂ Emissions (lbs/MWh), net basis	1,381	1,498	1,642	1,475	1,558	1,358	1,474
Aquifer Withdrawal Limit	104	100	103	107	112	114	112
Residential Water Use Efficiency (gal. per capita per day)	88	80	75	79	81	82	75

*May contain reclaimed customers temporarily supplied with potable water

MANAGEMENT DISCUSSION

Financial

Electric Enterprise:

- FY19 sales down 4.4% compared to Oct FY18
- Sales per customer are down 6.2% compared to Oct FY18
- Degree days are down 10.3% compared to Oct FY18
- Total customers are up 1.9% compared to Oct FY18
- Revenues decreased \$12m vs. FY18 driven by SJRPP decreases.
- Expenses decreased \$4m vs. FY18 with decreases in fuel and depreciation, being partially offset by the increases in Scherer R&R, purchased power volume, and stabilization.
- Fuel and purchased power down \$5m due to lower costs, partially offset by higher net volume.

Water and Sewer:

- Water sales are up 2.2% compared to Oct FY18
- Sewer sales are up 2.6% compared to Oct FY18
- Reclaimed sales are up 23.5% compared to Oct FY18
- Sales per customer are up 6.2%
- Rain days are up 25%(2 days) compared to Oct FY18, irrigation up 10.2% versus Oct FY18
- Total customers are up 2.7% compared to Oct FY18
- Revenues increased by \$4m vs. FY18 due to higher sales.
- Expenses increased \$3m vs. FY18 driven by an increase in overhead and compensation.

DES

- Stable, minimal change from FY18

FEMA reimbursement:

- Matthew - \$2.2m of \$11m received
- Irma - \$0m of \$19m received

Operations

Two (2) OSHA recordables safety incident for JEA in the month of October.

Electric:

- JEA launched a new program last year aimed at reducing outage duration.
- The JEA fleet Forced Outage Rate has been running in line with prior 7-year performance and performed slightly better than the target.
- A number of planned outages are currently underway this fall.
- High unit reliability contributes to lower fuel and non-fuel expenses.

Water/Sewer:

- Unplanned Water Main Outages: 409 customers experienced an outage in the month of October
- CUP: Average daily flow of 113 MGD was 16% below CY limit of 135 MGD; reclaimed usage at 17 MGD
- Nitrogen to River: FY19 Forecast is 557 tons this includes 45 additional tons possible during the aeration basin project at Buckman. JEA has a limit of 683 tons per year and provides the COJ with 37 tons.
- SSO's Impacting Waters of the US: 4, root cause analysis is performed on each SSO

III. A.
Appendix F
Monthly Financial Statements



Monthly Financial
Statements

October 2018

Monthly Financial Statements

October 2018

Index

	Page
Statements of Net Position - Assets and Deferred Outflows of Resources	2
Statements of Net Position - Liabilities, Deferred Inflows of Resources, and Net Position	3
Combining Statement of Net Position - Assets and Deferred Outflows of Resources Current Year	4
Combining Statement of Net Position - Liabilities, Deferred Inflows of Resources and Net Position Current Year	5
Combining Statement of Net Position - Assets and Deferred Outflows of Resources Prior Year	6
Combining Statement of Net Position - Liabilities, Deferred Inflows of Resources and Net Position Prior Year	7
Schedules of Cash and Investments	8
Regulatory Accounting Balances	9
Statements of Revenues, Expenses and Changes in Net Position	10
Combining Statements of Revenues, Expenses and Changes in Net Position - Current Month	11
Combining Statements of Revenues, Expenses and Changes in Net Position - Prior Month	12
Statement of Cash Flow	13
Combining Statements of Cash Flow - Current Year	14
Combining Statements of Cash Flow - Prior Year	15
Changes in Debt Service, R & R and Construction Funds - Electric System and Plant Scherer	16
Changes in Debt Service, R & R and Construction Funds - Water and Sewer System	17
Electric Revenues and Expenses for the Month - Budget versus Actual	18
Electric Revenues and Expenses Year-to-Date - Budget versus Actual	19
Water and Sewer Revenues and Expenses - Budget versus Actual	20
District Energy System - Budget versus Actual	21
Schedules of Debt Service Coverage - Electric System	22
Schedules of Debt Service Coverage - Bulk Power System Supply	23
Schedules of Debt Service Coverage - SJRPP	23
Schedules of Debt Service Coverage - Water and Sewer	24
Schedules of Debt Service Coverage - District Energy System	24
Schedule of Outstanding Indebtedness - Electric	25
Schedule of Outstanding Indebtedness - Water and Sewer	26
Schedule of Outstanding Indebtedness - District Energy System	26
Investment Portfolio - All Funds	27
Interest Rate Swap Position Report	28
Operating Statistics - Electric System	29
Operating Statistics - Water and Sewer	30
Production Statistics - Electric System	31
SJRPP Sales and Purchased Power	33

Statements of Net Position**(in thousands - unaudited) October 2018 and 2017**

	2018	2017 restated*
Assets		
Current assets:		
Cash and cash equivalents	\$ 240,156	\$ 273,799
Investments	299,316	256,348
Customer accounts receivable, net of allowance (\$1,897 in 2018 and \$2,007 in 2017 restated*)	207,476	205,245
Miscellaneous accounts receivable	10,145	17,275
Interest receivable	3,111	2,113
Inventories:		
Fuel inventory - Electric System	26,891	67,360
Fuel inventory - Plant Scherer	5,332	4,119
Materials and supplies - Water and Sewer	55,100	49,837
Materials and supplies - Electric System	663	19,297
Materials and supplies - Plant Scherer	2,180	2,112
Total current assets	<u>850,370</u>	<u>897,505</u>
Noncurrent assets:		
Restricted assets:		
Cash and cash equivalents	103,144	41,285
Investments	501,715	721,688
Accounts and interest receivable	76	931
Total restricted assets	<u>604,935</u>	<u>763,904</u>
Costs to be recovered from future revenues	806,070	540,140
Investment in The Energy Authority	7,135	6,307
Other assets	15,241	16,656
Total noncurrent assets	<u>1,433,381</u>	<u>1,327,007</u>
Capital assets:		
Land and easements	194,552	194,580
Plant in service	11,392,845	11,167,041
Less accumulated depreciation	(6,547,294)	(5,765,101)
Plant in service, net	<u>5,040,103</u>	<u>5,596,520</u>
Construction work in progress	329,615	212,215
Net capital assets	<u>5,369,718</u>	<u>5,808,735</u>
Total assets	<u>7,653,469</u>	<u>8,033,247</u>
Deferred outflows of resources		
Unrealized pension contributions and losses	171,367	173,578
Unamortized deferred losses on refundings	142,813	132,228
Accumulated decrease in fair value of hedging derivatives	89,064	125,269
Unrealized asset retirement obligation	27,606	-
Unrealized OPEB contributions and losses	4,078	5,240
Total deferred outflows of resources	<u>434,928</u>	<u>436,315</u>
Total assets and deferred outflows of resources	<u>\$ 8,088,397</u>	<u>\$ 8,469,562</u>

*Restated to reflect the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*

Statements of Net Position**(in thousands - unaudited) October 2018 and 2017**

	2018	2017 restated*
Liabilities		
Current liabilities:		
Accounts and accrued expenses payable	\$ 110,361	\$ 98,071
Customer deposits	60,016	57,414
City of Jacksonville payable	9,809	9,759
Utility taxes and fees payable	10,018	9,473
Compensated absences due within one year	2,659	2,221
Total current liabilities	<u>192,863</u>	<u>176,938</u>
Current liabilities payable from restricted assets:		
Debt due within one year	192,555	223,990
Renewal and replacement reserve	53,844	82,772
Interest payable	13,386	14,586
Construction contracts and accounts payable	22,622	29,059
Total current liabilities payable from restricted assets	<u>282,407</u>	<u>350,407</u>
Noncurrent liabilities:		
Net pension liability	544,203	554,337
Asset retirement obligation	20,204	-
Compensated absences due after one year	27,211	31,146
Net OPEB liability	19,160	39,848
Environmental liabilities	16,818	17,672
Other liabilities	5,413	4,056
Total noncurrent liabilities	<u>633,009</u>	<u>647,059</u>
Long-term debt:		
Bonds payable and commercial paper payable, less current portion	3,621,125	3,948,170
Unamortized premium, net	150,832	110,429
Fair value of debt management strategy instruments	86,356	125,269
Total long-term debt	<u>3,858,313</u>	<u>4,183,868</u>
Total liabilities	<u>4,966,592</u>	<u>5,358,272</u>
Deferred inflows of resources		
Revenues to be used for future costs	283,825	441,770
Unrealized pension gains	50,124	11,960
Unrealized OPEB gains	8,712	659
Total deferred inflows of resources	<u>342,661</u>	<u>454,389</u>
Net position		
Net investment in capital assets	2,028,508	1,884,741
Restricted	395,505	371,609
Unrestricted	355,131	400,551
Total net position	<u>2,779,144</u>	<u>2,656,901</u>
Total liabilities, deferred inflows of resources, and net position	<u>\$ 8,088,397</u>	<u>\$ 8,469,562</u>

*Restated to reflect the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Assets							
Current assets:							
Cash and cash equivalents	\$ 142,968	\$ 66,289	\$ -	\$ 209,257	27,212	\$ 3,687	\$ 240,156
Investments	241,098	2,096	-	243,194	56,122	-	299,316
Customer accounts receivable, net of allowance (\$1,897)	154,694	-	-	154,694	51,949	833	207,476
Miscellaneous accounts receivable	8,828	1,044	(2,006)	7,866	2,279	-	10,145
Interest receivable	1,934	16	-	1,950	1,161	-	3,111
Inventories:							
Fuel inventory - Electric System	26,160	731	-	26,891	-	-	26,891
Fuel inventory - Plant Scherer	5,332	-	-	5,332	-	-	5,332
Materials and supplies - Water and Sewer	-	-	-	-	55,100	-	55,100
Materials and supplies - Electric System	-	663	-	663	-	-	663
Materials and supplies - Plant Scherer	2,180	-	-	2,180	-	-	2,180
Total current assets	583,194	70,839	(2,006)	652,027	193,823	4,520	850,370
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	203	68,454	-	68,657	33,333	1,154	103,144
Investments	261,783	23,277	-	285,060	216,655	-	501,715
Accounts and interest receivable	7	61	-	68	8	-	76
Total restricted assets	261,993	91,792	-	353,785	249,996	1,154	604,935
Costs to be recovered from future revenues	301,685	260,094	-	561,779	244,264	27	806,070
Investment in The Energy Authority	7,135	-	-	7,135	-	-	7,135
Other assets	10,954	-	-	10,954	4,250	37	15,241
Total noncurrent assets	581,767	351,886	-	933,653	498,510	1,218	1,433,381
Capital assets:							
Land and easements	123,626	6,660	-	130,286	61,215	3,051	194,552
Plant in service	5,507,391	1,316,043	-	6,823,434	4,513,036	56,375	11,392,845
Less accumulated depreciation	(3,089,695)	(1,312,593)	-	(4,402,288)	(2,119,249)	(25,757)	(6,547,294)
Plant in service, net	2,541,322	10,110	-	2,551,432	2,455,002	33,669	5,040,103
Construction work in progress	105,870	-	-	105,870	222,584	1,161	329,615
Net capital assets	2,647,192	10,110	-	2,657,302	2,677,586	34,830	5,369,718
Total assets	3,812,153	432,835	(2,006)	4,242,982	3,369,919	40,568	7,653,469
Deferred outflows of resources							
Unrealized pension contributions and losses	83,649	34,238	-	117,887	53,480	-	171,367
Unamortized deferred losses on refundings	84,505	4,167	-	88,672	53,948	193	142,813
Accumulated decrease in fair value of hedging derivatives	72,811	-	-	72,811	16,253	-	89,064
Unrealized asset retirement obligation	-	27,606	-	27,606	-	-	27,606
Unrealized OPEB contributions and losses	2,488	-	-	2,488	1,590	-	4,078
Total deferred outflows of resources	243,453	66,011	-	309,464	125,271	193	434,928
Total assets and deferred outflows of resources	\$ 4,055,606	\$ 498,846	\$ (2,006)	\$ 4,552,446	\$ 3,495,190	\$ 40,761	\$ 8,088,397

Combining Statement of Net Position
(in thousands - unaudited) October 2018

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Liabilities							
Current liabilities:							
Accounts and accrued expenses payable	\$ 86,019	\$ 8,599	\$ (838)	\$ 93,780	\$ 16,448	\$ 133	\$ 110,361
Customer deposits	44,350	-	-	44,350	15,666	-	60,016
City of Jacksonville payable	7,746	-	-	7,746	2,063	-	9,809
Utility taxes and fees payable	10,018	-	-	10,018	-	-	10,018
Compensated absences due within one year	1,622	-	-	1,622	1,014	23	2,659
Total current liabilities	149,755	8,599	(838)	157,516	35,191	156	192,863
Current liabilities payable from restricted assets:							
Debt due within one year	122,380	13,780	-	136,160	54,705	1,690	192,555
Renewal and replacement reserve	-	53,844	-	53,844	-	-	53,844
Interest payable	7,155	928	-	8,083	5,192	111	13,386
Construction contracts and accounts payable	3,113	2,949	(1,168)	4,894	17,676	52	22,622
Total current liabilities payable from restricted assets	132,648	71,501	(1,168)	202,981	77,573	1,853	282,407
Noncurrent liabilities:							
Net pension liability	321,885	16,523	-	338,408	205,795	-	544,203
Asset retirement obligation	-	20,204	-	20,204	-	-	20,204
Compensated absences due after one year	19,579	-	-	19,579	7,616	16	27,211
Net OPEB liability	11,681	-	-	11,681	7,479	-	19,160
Environmental liabilities	16,818	-	-	16,818	-	-	16,818
Other liabilities	5,112	-	-	5,112	301	-	5,413
Total noncurrent liabilities	375,075	36,727	-	411,802	221,191	16	633,009
Long-term debt:							
Bonds payable and commercial paper payable, less current portion	1,896,970	265,105	-	2,162,075	1,425,915	33,135	3,621,125
Unamortized premium (discount), net	75,668	2,387	-	78,055	72,810	(33)	150,832
Fair value of debt management strategy instruments	70,103	-	-	70,103	16,253	-	86,356
Total long-term debt	2,042,741	267,492	-	2,310,233	1,514,978	33,102	3,858,313
Total liabilities	2,700,219	384,319	(2,006)	3,082,532	1,848,933	35,127	4,966,592
Deferred inflows of resources							
Revenues to be used for future costs	244,868	10,624	-	255,492	28,333	-	283,825
Unrealized pension gains	26,250	7,091	-	33,341	16,783	-	50,124
Unrealized OPEB gains	5,314	-	-	5,314	3,398	-	8,712
Total deferred inflows of resources	276,432	17,715	-	294,147	48,514	-	342,661
Net position							
Net investment in capital assets	670,139	1,517	-	671,656	1,356,673	179	2,028,508
Restricted	189,405	25,652	1,168	216,225	178,236	1,044	395,505
Unrestricted	219,411	69,643	(1,168)	287,886	62,834	4,411	355,131
Total net position	1,078,955	96,812	-	1,175,767	1,597,743	5,634	2,779,144
Total liabilities, deferred inflows of resources, and net position	\$ 4,055,606	\$ 498,846	\$ (2,006)	\$ 4,552,446	\$ 3,495,190	\$ 40,761	\$ 8,088,397

JEA
Combining Statement of Net Position
(in thousands - unaudited) October 2017 restated*

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Assets							
Current assets:							
Cash and cash equivalents	\$ 143,300	\$ 47,918	\$ -	\$ 191,218	\$ 78,413	\$ 4,168	\$ 273,799
Investments	225,071	4,493	-	229,564	26,784	-	256,348
Customer accounts receivable, net of allowance (\$2,007)	155,309	-	-	155,309	49,617	319	205,245
Miscellaneous accounts receivable	24,294	8,442	(16,984)	15,752	1,523	-	17,275
Interest receivable	1,094	11	-	1,105	1,008	-	2,113
Inventories:							
Fuel inventory - Electric System	32,539	34,821	-	67,360	-	-	67,360
Fuel inventory - Plant Scherer	4,119	-	-	4,119	-	-	4,119
Materials and supplies - Water and Sewer	-	-	-	-	49,837	-	49,837
Materials and supplies - Electric System	-	19,297	-	19,297	-	-	19,297
Materials and supplies - Plant Scherer	2,112	-	-	2,112	-	-	2,112
Total current assets	587,838	114,982	(16,984)	685,836	207,182	4,487	897,505
Noncurrent assets:							
Restricted assets:							
Cash and cash equivalents	-	40,087	-	40,087	15	1,183	41,285
Investments	269,932	182,877	-	452,809	268,879	-	721,688
Accounts and interest receivable	20	899	-	919	12	-	931
Total restricted assets	269,952	223,863	-	493,815	268,906	1,183	763,904
Costs to be recovered from future revenues	297,106	4,009	-	301,115	238,998	27	540,140
Investment in The Energy Authority	6,307	-	-	6,307	-	-	6,307
Other assets	10,463	-	-	10,463	6,178	15	16,656
Total noncurrent assets	583,828	227,872	-	811,700	514,082	1,225	1,327,007
Capital assets:							
Land and easements	123,611	6,660	-	130,271	61,258	3,051	194,580
Plant in service	5,396,616	1,316,279	-	6,712,895	4,398,381	55,765	11,167,041
Less accumulated depreciation	(2,884,917)	(854,334)	-	(3,739,251)	(2,001,560)	(24,290)	(5,765,101)
Plant in service, net	2,635,310	468,605	-	3,103,915	2,458,079	34,526	5,596,520
Construction work in progress	61,062	1,881	-	62,943	147,809	1,463	212,215
Capital assets, net	2,696,372	470,486	-	3,166,858	2,605,888	35,989	5,808,735
Total assets	3,868,038	813,340	(16,984)	4,664,394	3,327,152	41,701	8,033,247
Deferred outflows of resources							
Unrealized pension contributions and losses	95,814	16,505	-	112,319	61,259	-	173,578
Unamortized deferred losses on refundings	77,873	10,519	-	88,392	43,633	203	132,228
Accumulated decrease in fair value of hedging derivatives	101,350	-	-	101,350	23,919	-	125,269
Unrealized OPEB contributions and losses	3,197	-	-	3,197	2,043	-	5,240
Total deferred outflows of resources	278,234	27,024	-	305,258	130,854	203	436,315
Total assets and deferred outflows of resources	\$ 4,146,272	\$ 840,364	\$ (16,984)	\$ 4,969,652	\$ 3,458,006	\$ 41,904	\$ 8,469,562

*Restated to reflect the implementation of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions

JEA
Combining Statement of Net Position
(in thousands - unaudited) October 2017 restated*

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Liabilities							
Current liabilities:							
Accounts and accrued expenses payable	\$ 68,403	\$ 16,781	\$ (3,782)	\$ 81,402	\$ 16,589	\$ 80	\$ 98,071
Customer deposits	42,265	-	-	42,265	15,149	-	57,414
City of Jacksonville payable	7,623	-	-	7,623	2,136	-	9,759
Utility taxes and fees payable	9,473	-	-	9,473	-	-	9,473
Compensated absences due within one year	1,115	798	-	1,913	304	4	2,221
Total current liabilities	128,879	17,579	(3,782)	142,676	34,178	84	176,938
Current liabilities payable from restricted assets:							
Debt due within one year	129,895	40,715	-	170,610	51,720	1,660	223,990
Renewal and replacement reserve	-	82,772	-	82,772	-	-	82,772
Interest payable	7,630	1,438	-	9,068	5,405	113	14,586
Construction contracts and accounts payable	6,317	13,623	(13,202)	6,738	22,207	114	29,059
Total current liabilities payable from restricted assets	143,842	138,548	(13,202)	269,188	79,332	1,887	350,407
Noncurrent liabilities:							
Net pension liability	330,025	13,312	-	343,337	211,000	-	554,337
Compensated absences due after one year	21,024	1,346	-	22,370	8,734	42	31,146
Net OPEB liability	24,311	-	-	24,311	15,537	-	39,848
Environmental liabilities	17,672	-	-	17,672	-	-	17,672
Other liabilities	2,929	-	-	2,929	1,127	-	4,056
Total noncurrent liabilities	395,961	14,658	-	410,619	236,398	42	647,059
Long-term debt:							
Bonds payable and commercial paper payable, less current portion	2,041,410	368,170	-	2,409,580	1,503,765	34,825	3,948,170
Unamortized premium (discount), net	54,479	10,794	-	65,273	45,194	(38)	110,429
Fair value of debt management strategy instruments	101,350	-	-	101,350	23,919	-	125,269
Total long-term debt	2,197,239	378,964	-	2,576,203	1,572,878	34,787	4,183,868
Total liabilities	2,865,921	549,749	(16,984)	3,398,686	1,922,786	36,800	5,358,272
Deferred inflows of resources							
Revenues to be used for future costs	274,299	146,732	-	421,031	20,739	-	441,770
Unrealized pension gains	4,867	3,981	-	8,848	3,112	-	11,960
Unrealized OPEB gains	402	-	-	402	257	-	659
Total deferred inflows of resources	279,568	150,713	-	430,281	24,108	-	454,389
Net position							
Net investment in capital assets	579,810	45,550	-	625,360	1,259,750	(369)	1,884,741
Restricted	196,889	(1,706)	13,202	208,385	162,154	1,070	371,609
Unrestricted	224,084	96,058	(13,202)	306,940	89,208	4,403	400,551
Total net position	1,000,783	139,902	-	1,140,685	1,511,112	5,104	2,656,901
Total liabilities, deferred inflows of resources, and net position	\$ 4,146,272	\$ 840,364	\$ (16,984)	\$ 4,969,652	\$ 3,458,006	\$ 41,904	\$ 8,469,562

*Restated to reflect the implementation of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions

JEA
Schedule of Cash and Investments
(in thousands - unaudited) October 2018

Page 8

	Electric System and Bulk Power Supply	SJRPP System	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Unrestricted cash and investments						
Operations	\$ 102,740	\$ 49,891	\$ 152,631	\$ 39,335	\$ 950	\$ 192,916
Rate stabilization:						
Fuel	70,761	-	70,761	-	-	70,761
Debt management	29,884	-	29,884	14,209	2,737	46,830
Environmental	42,783	-	42,783	14,124	-	56,907
Purchased Power	52,499	-	52,499	-	-	52,499
DSM/Conservation	4,001	-	4,001	-	-	4,001
Total rate stabilization funds	199,928	-	199,928	28,333	2,737	230,998
Customer deposits	44,318	-	44,318	15,666	-	59,984
General reserve	-	18,494	18,494	-	-	18,494
Self insurance reserve funds:						
Self funded health plan	10,262	-	10,262	-	-	10,262
Property insurance reserve	10,000	-	10,000	-	-	10,000
Total self insurance reserve funds	20,262	-	20,262	-	-	20,262
Environmental liability reserve	16,818	-	16,818	-	-	16,818
Total unrestricted cash and investments	\$ 384,066	\$ 68,385	\$ 452,451	\$ 83,334	\$ 3,687	\$ 539,472
Restricted assets						
Renewal and replacement funds	\$ 183,075	\$ 52,084	\$ 235,159	\$ 138,779	\$ 903	\$ 374,841
Debt service reserve account	65,433	11,307	76,740	68,648	-	145,388
Debt service funds	16,577	2,203	18,780	9,585	251	28,616
Environmental funds	-	-	-	990	-	990
Construction funds	203	-	203	33,333	-	33,536
Subtotal	265,288	65,594	330,882	251,335	1,154	583,371
Unrealized holding gain (loss) on investments	(3,302)	66	(3,236)	(1,347)	-	(4,583)
Other funds	-	26,071	26,071	-	-	26,071
Total restricted cash and investments	\$ 261,986	\$ 91,731	\$ 353,717	\$ 249,988	\$ 1,154	\$ 604,859

JEA
Schedule of Cash and Investments
(in thousands - unaudited) October 2017

	Electric System and Bulk Power Supply	SJRPP System	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
Unrestricted cash and investments						
Operations	\$ 65,340	\$ 27,558	\$ 92,898	\$ 69,309	\$ 1,431	\$ 163,638
Rate stabilization:						
Fuel	128,842	-	128,842	-	-	128,842
Debt management	29,884	-	29,884	14,209	2,737	46,830
Environmental	37,087	-	37,087	6,530	-	43,617
Purchased Power	24,241	-	24,241	-	-	24,241
DSM/Conservation	4,043	-	4,043	-	-	4,043
Total rate stabilization funds	224,097	-	224,097	20,739	2,737	247,573
Customer deposits	42,174	-	42,174	15,149	-	57,323
General reserve	-	24,853	24,853	-	-	24,853
Self insurance reserve funds:						
Self funded health plan	9,088	-	9,088	-	-	9,088
Property insurance reserve	10,000	-	10,000	-	-	10,000
Total self insurance reserve funds	19,088	-	19,088	-	-	19,088
Environmental liability reserve	17,672	-	17,672	-	-	17,672
Total unrestricted cash and investments	\$ 368,371	\$ 52,411	\$ 420,782	\$ 105,197	\$ 4,168	\$ 530,147
Restricted assets						
Renewal and replacement funds	\$ 186,303	\$ 82,621	\$ 268,924	\$ 150,420	\$ 932	\$ 420,276
Debt service reserve account	65,433	140,610	206,043	105,574	-	311,617
Debt service funds	17,446	3,808	21,254	9,471	251	30,976
Construction funds	-	-	-	15	-	15
Environmental funds	-	-	-	1,281	-	1,281
Subtotal	269,182	227,039	496,221	266,761	1,183	764,165
Unrealized holding gain (loss) on investments	750	(4,082)	(3,332)	2,133	-	(1,199)
Other funds	-	7	7	-	-	7
Total restricted cash and investments	\$ 269,932	\$ 222,964	\$ 492,896	\$ 268,894	\$ 1,183	\$ 762,973

DESCRIPTION	Electric System and Bulk Power		Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JEA
	Supply System	SJRPP System				
Unfunded pension costs	264,486	-	264,486	169,097	-	433,583
SJRPP and Scherer	5,280	257,994	263,274	-	-	263,274
Water environmental projects	-	-	-	59,146	-	59,146
Unfunded OPEB costs	14,316	-	14,316	9,154	-	23,470
Storm costs to be recovered	14,402	-	14,402	4,537	27	18,966
Debt issue costs	3,201	2,100	5,301	2,330	-	7,631
Costs to be recovered from future revenues	301,685	260,094	561,779	244,264	27	806,070
Fuel stabilization	70,761	-	70,761	-	-	70,761
Environmental	42,782	-	42,782	14,124	-	56,906
Nonfuel purchased power	52,499	-	52,499	-	-	52,499
Debt management stabilization	29,884	-	29,884	14,209	-	44,093
Scherer	37,341	-	37,341	-	-	37,341
Excess pension contributions	-	10,624	10,624	-	-	10,624
Self-insurance medical reserve	7,600	-	7,600	-	-	7,600
Customer benefit stabilization	4,001	-	4,001	-	-	4,001
Revenues to be used for future costs	244,868	10,624	255,492	28,333	-	283,825

JEA
Regulatory Accounting Balances
(in thousands - unaudited) October 2017 restated*

DESCRIPTION	Electric System and Bulk Power		Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Total JFA
	Supply System	SJRPP System				
Unfunded pension costs	239,078	788	239,866	152,853	-	392,719
Scherer	10,731	-	10,731	-	-	10,731
Water environmental projects	-	-	-	67,697	-	67,697
Unfunded OPEB costs	21,305	-	21,305	13,622	-	34,927
Storm costs to be recovered	23,377	-	23,377	4,595	27	27,999
Debt issue costs	2,615	3,221	5,836	231	-	6,067
Costs to be recovered from future revenues	297,106	4,009	301,115	238,998	27	540,140
Fuel stabilization	128,841	-	128,841	-	-	128,841
Environmental	37,087	-	37,087	6,530	-	43,617
Nonfuel purchased power	24,241	-	24,241	-	-	24,241
SJRPP and Scherer	41,115	146,732	187,847	-	-	187,847
Debt management stabilization	29,884	-	29,884	14,209	-	44,093
Self-insurance medical reserve	9,088	-	9,088	-	-	9,088
Customer benefit stabilization	4,043	-	4,043	-	-	4,043
Revenues to be used for future costs	274,299	146,732	421,031	\$ 20,739	-	441,770

*Restated to reflect the implementation of GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions

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

	Month	
	2018	2017 restated*
Month		
October		
Operating revenues		
Electric - base	\$ 69,877	\$ 71,803
Electric - fuel and purchased power	36,779	47,652
Water and sewer	39,984	36,086
District energy system	833	812
Other	3,097	2,727
Total operating revenues	<u>150,570</u>	<u>159,080</u>
Operating expenses		
Operations and maintenance:		
Fuel	32,753	40,401
Purchased power	8,617	5,570
Maintenance and other operating expenses	31,946	26,199
Depreciation	29,157	34,330
Utility taxes and fees	7,053	6,536
Recognition of deferred costs and revenues, net	1,226	(1,187)
Total operating expenses	<u>110,752</u>	<u>111,849</u>
Operating income	<u>39,818</u>	<u>47,231</u>
Nonoperating revenues (expenses)		
Interest on debt	(11,504)	(13,021)
Debt management strategy	(942)	(1,252)
Investment income, net	1,930	1,461
Allowance for funds used during construction	1,300	873
Other nonoperating income, net	598	601
Earnings from The Energy Authority	349	280
Other interest, net	(264)	(362)
Total nonoperating expenses, net	<u>(8,533)</u>	<u>(11,420)</u>
Income before contributions and special items	<u>31,285</u>	<u>35,811</u>
Contributions (to) from		
General Fund, City of Jacksonville, Florida	(9,804)	(9,719)
Developers and other	9,706	4,694
Reduction of plant cost through contributions	(7,352)	(2,707)
Total contributions	<u>(7,450)</u>	<u>(7,732)</u>
Change in net position	23,835	28,079
Net position, beginning of period, as restated	<u>2,755,309</u>	<u>2,628,822</u>
Net position, end of period, as restated	<u>\$ 2,779,144</u>	<u>\$ 2,656,901</u>

*Restated to reflect the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*

Combining Statement of Revenues, Expenses and Changes in Net Position
(in thousands - unaudited) for the month ended October 2018

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues								
Electric - base	\$ 70,175	\$ -	\$ -	\$ 70,175	\$ -	\$ -	\$ (298)	\$ 69,877
Electric - fuel and purchased power	37,471	3,238	(2,810)	37,899	-	-	(1,120)	36,779
Water and sewer	-	-	-	-	40,052	-	(68)	39,984
District energy system	-	-	-	-	-	874	(41)	833
Other	2,199	158	-	2,357	1,017	-	(277)	3,097
Total operating revenues	109,845	3,396	(2,810)	110,431	41,069	874	(1,804)	150,570
Operating expenses								
Operations and maintenance:								
Fuel	31,704	1,049	-	32,753	-	-	-	32,753
Purchased power	11,427	-	(2,810)	8,617	-	-	-	8,617
Maintenance and other operating expenses	19,204	1,281	-	20,485	12,789	476	(1,804)	31,946
Depreciation	16,940	34	-	16,974	11,980	203	-	29,157
Utility taxes and fees	6,101	-	-	6,101	952	-	-	7,053
Recognition of deferred costs and revenues, net	(132)	1,172	-	1,040	186	-	-	1,226
Total operating expenses	85,244	3,536	(2,810)	85,970	25,907	679	(1,804)	110,752
Operating income	24,601	(140)	-	24,461	15,162	195	-	39,818
Nonoperating revenues (expenses)								
Interest on debt	(6,096)	(870)	-	(6,966)	(4,426)	(112)	-	(11,504)
Debt management strategy	(776)	-	-	(776)	(166)	-	-	(942)
Investment income, net	1,206	160	-	1,366	550	14	-	1,930
Allowance for funds used during construction	438	-	-	438	858	4	-	1,300
Other nonoperating income, net	363	29	-	392	206	-	-	598
Earnings from The Energy Authority	349	-	-	349	-	-	-	349
Other interest, net	(201)	-	-	(201)	(63)	-	-	(264)
Total nonoperating expenses, net	(4,717)	(681)	-	(5,398)	(3,041)	(94)	-	(8,533)
Income before contributions	19,884	(821)	-	19,063	12,121	101	-	31,285
Contributions (to) from								
General Fund, City of Jacksonville, Florida	(7,746)	-	-	(7,746)	(2,058)	-	-	(9,804)
Developers and other	280	-	-	280	9,426	-	-	9,706
Reduction of plant cost through contributions	(280)	-	-	(280)	(7,072)	-	-	(7,352)
Total contributions	(7,746)	-	-	(7,746)	296	-	-	(7,450)
Change in net position	12,138	(821)	-	11,317	12,417	101	-	23,835
Net position, beginning of year	1,066,817	97,633	-	1,164,450	1,585,326	5,533	-	2,755,309
Net position, end of period	\$ 1,078,955	\$ 96,812	\$ -	\$ 1,175,767	\$ 1,597,743	\$ 5,634	\$ -	\$ 2,779,144

Combining Statement of Revenues, Expenses and Changes in Net Position
(in thousands - unaudited) for the month ended October 2017 restated*

	Electric System and Bulk Power Supply System	SJRPP System	Elimination of Intercompany transactions	Total Electric Enterprise Fund	Water and Sewer Enterprise Fund	District Energy System Fund	Eliminations	Total JEA
Operating revenues								
Electric - base	\$ 72,106	\$ -	\$ -	\$ 72,106	\$ -	\$ -	\$ (303)	\$ 71,803
Electric - fuel and purchased power	37,474	23,974	(12,655)	48,793	-	-	(1,141)	47,652
Water and sewer	-	-	-	-	36,117	-	(31)	36,086
District energy system	-	-	-	-	-	853	(41)	812
Other	2,146	-	-	2,146	798	-	(217)	2,727
Total operating revenues	111,726	23,974	(12,655)	123,045	36,915	853	(1,733)	159,080
Operating expenses								
Operations and maintenance:								
Fuel	23,630	16,771	-	40,401	-	-	-	40,401
Purchased power	18,225	-	(12,655)	5,570	-	-	-	5,570
Maintenance and other operating expenses	14,927	2,815	-	17,742	9,741	449	(1,733)	26,199
Depreciation	18,082	3,563	-	21,645	12,487	198	-	34,330
Utility taxes and fees	5,646	-	-	5,646	890	-	-	6,536
Recognition of deferred costs and revenues, net	(227)	(900)	-	(1,127)	(60)	-	-	(1,187)
Total operating expenses	80,283	22,249	(12,655)	89,877	23,058	647	(1,733)	111,849
Operating income	31,443	1,725	-	33,168	13,857	206	-	47,231
Nonoperating revenues (expenses)								
Interest on debt	(6,310)	(1,786)	-	(8,096)	(4,811)	(114)	-	(13,021)
Debt management strategy	(1,008)	-	-	(1,008)	(244)	-	-	(1,252)
Investment income, net	594	411	-	1,005	453	3	-	1,461
Allowance for funds used during construction	280	-	-	280	588	5	-	873
Other nonoperating income, net	362	31	-	393	208	-	-	601
Earnings from The Energy Authority	280	-	-	280	-	-	-	280
Other interest, net	(269)	-	-	(269)	(93)	-	-	(362)
Total nonoperating expenses, net	(6,071)	(1,344)	-	(7,415)	(3,899)	(106)	-	(11,420)
Income before contributions	25,372	381	-	25,753	9,958	100	-	35,811
Contributions (to) from								
General Fund, City of Jacksonville, Florida	(7,623)	-	-	(7,623)	(2,096)	-	-	(9,719)
Developers and other	89	-	-	89	4,605	-	-	4,694
Reduction of plant cost through contributions	(89)	-	-	(89)	(2,618)	-	-	(2,707)
Total contributions	(7,623)	-	-	(7,623)	(109)	-	-	(7,732)
Change in net position	17,749	381	-	18,130	9,849	100	-	28,079
Net position, beginning of year as restated	983,034	139,521	-	1,122,555	1,501,263	5,004	-	2,628,822
Net position, end of period	\$ 1,000,783	\$ 139,902	\$ -	\$ 1,140,685	\$ 1,511,112	\$ 5,104	\$ -	\$ 2,656,901

*Restated to reflect the implementation of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*

Statement of Cash Flows
(in thousands - unaudited)

	Month October	
	2018	2017
Operating activities		
Receipts from customers	\$ 173,382	\$ 207,069
Payments to suppliers	(65,021)	(99,202)
Payments to employees	(27,973)	(18,261)
Other operating activities	5,314	(1,296)
Net cash provided by operating activities	<u>85,702</u>	<u>88,310</u>
Noncapital and related financing activities		
Contribution to General Fund, City of Jacksonville, Florida	(9,729)	(9,643)
Net cash used in noncapital financing activities	<u>(9,729)</u>	<u>(9,643)</u>
Capital and related financing activities		
Acquisition and construction of capital assets	(48,838)	(53,973)
Interest paid on debt	(73,892)	(82,375)
Repayment of debt principal	(185,790)	(229,095)
Capital contributions	2,354	1,987
Other capital financing activities	144	379
Net cash used in capital and related financing activities	<u>(306,022)</u>	<u>(363,077)</u>
Investing activities		
Purchase of investments	(63,560)	(95,050)
Proceeds from sale and maturity of investments	79,469	78,843
Investment income, net	1,634	1,415
Distributions from The Energy Authority	24	252
Net cash provided by (used in) investing activities	<u>17,567</u>	<u>(14,540)</u>
Net change in cash and cash equivalents	(212,482)	(298,950)
Cash and cash equivalents, beginning of year	555,782	614,034
Cash and cash equivalents, end of period	<u>\$ 343,300</u>	<u>\$ 315,084</u>
Reconciliation of operating income to net cash provided by operating activities		
Operating income	\$ 39,818	\$ 47,231
Adjustments:		
Depreciation and amortization	29,262	34,440
Recognition of deferred costs and revenues, net	1,226	(1,187)
Other nonoperating income, net	21	3
Changes in noncash assets and noncash liabilities:		
Accounts receivable	30,597	37,382
Inventories	5,908	(229)
Other assets	(1,321)	(2,252)
Accounts and accrued expenses payable	(15,536)	(18,086)
Current liabilities payable from restricted assets	681	(10,574)
Other noncurrent liabilities and deferred inflows	(4,954)	1,582
Net cash provided by operating activities	<u>\$ 85,702</u>	<u>\$ 88,310</u>
Noncash activity		
Contributions of capital assets	\$ 7,352	\$ 2,707
Unrealized losses on fair value of investments, net	\$ -	\$ -

**Electric System and Plant Scherer
Changes in Debt Service, R & R and Construction Funds
(in thousands - unaudited) for the month ended October 2018 and October 2017**

	October 2018			October 2017		
	Debt service funds	Renewal and replacement funds	Construction funds	Debt service funds	Renewal and replacement funds	Construction funds
Beginning balance	\$ 232,915	\$ 212,051	\$ 203	\$ 239,961	\$ 225,985	\$ -
Additions:						
Revenue transfers for debt service	16,589	-	-	17,430	-	-
R & R and OCO	-	17,371	-	-	25,467	-
Proceeds from property sales	-	144	-	-	29	-
Total additions	16,589	17,515	-	17,430	25,496	-
Deductions:						
Debt service payments	167,494	-	-	174,512	-	-
Increase in utility plant	-	11,615	-	-	26,967	-
Decrease in accounts payable	-	13,483	-	-	9,906	-
Total deductions	167,494	25,098	-	174,512	36,873	-
Ending balance	\$ 82,010	\$ 204,468	\$ 203	\$ 82,879	\$ 214,608	\$ -
Recap:						
Renewal and replacement fund:						
Cash & investments		\$ 183,075			\$ 186,303	
Storm costs to be recovered		14,402			23,377	
Accounts / notes receivable:						
Accounts receivable		6,984			4,908	
Street light & other customer loans		7			20	
		<u>\$ 204,468</u>			<u>\$ 214,608</u>	
Construction fund:						
Generation projects			\$ 101			\$ -
T&D and other capital projects			102			-
			<u>\$ 203</u>			<u>\$ -</u>

JEA
Water and Sewer System
Changes in Debt Service, R & R and Construction Funds
(in thousands - unaudited) for the month ended October 2018 and October 2017

	October 2018				October 2017			
	Debt service funds	Renewal and replacement funds	Construction funds	Environmental funds	Debt service funds	Renewal and replacement funds	Construction funds	Environmental funds
Beginning balance	\$ 184,091	\$ 146,728	\$ 284	\$ 1,160	\$ 189,696	\$ 155,284	\$ 15	\$ 1,838
Additions:								
R & R and OCO	-	17,223	-	-	-	14,752	-	-
Revenue transfers for debt service	9,594	-	-	-	9,483	-	-	-
Contribution in aid of construction	-	2,354	-	-	-	1,987	-	-
Bond proceeds	-	-	33,884	-	-	-	-	-
Total additions	9,594	19,577	33,884	-	9,483	16,739	-	-
Deductions:								
Debt service payments	81,250	-	-	-	82,220	-	-	-
Increase in utility plant	-	4,297	835	-	-	1,125	-	-
Debt service reserve releases	34,202	-	-	-	1,914	-	-	-
Decrease in accounts payable	-	18,040	-	170	-	15,471	-	557
Total deductions	115,452	22,337	835	170	84,134	16,596	-	557
Ending balance	\$ 78,233	\$ 143,968	\$ 33,333	\$ 990	\$ 115,045	\$ 155,427	\$ 15	\$ 1,281
Renewal and replacement fund:								
Cash & investments		\$ 138,779				\$ 150,420		
Storm costs to be recovered		4,537				4,595		
Accounts / notes receivable:								
Accounts receivable		644				400		
Notes receivable		8				12		
		<u>\$ 143,968</u>				<u>\$ 155,427</u>		
Construction fund:								
Project funds			\$ 33,333			\$ 15		
			<u>\$ 33,333</u>			<u>\$ 15</u>		
Environmental fund:								
Cash & investments			\$ 990				\$ 1,281	
			<u>\$ 990</u>				<u>\$ 1,281</u>	

Electric System	Month				Prior Year Month	
	ANNUAL BUDGET	BUDGET	ACTUAL	Variance	ACTUAL	Variance
Budget vs. Actual	2018-19	2018-19	2018-19	%	2017-18	%
Fuel Related Revenues & Expenses						
Fuel Rate Revenues	\$ 422,782,362	\$ 33,008,828	\$ 32,812,208	-0.60%	\$ 34,324,697	-4.41%
Fuel Expense and Purchased Power:						
Fuel Expense - Electric System	327,822,632	23,819,950	28,647,187		20,421,446	
Fuel Expense - SJRPP	1,554,666	518,222	-		10,146,982	
Other Purchased Power	108,921,904	9,614,879	7,728,340		6,625,873	
Subtotal Energy Expense	438,299,202	33,953,051	36,375,527	-7.13%	37,194,301	2.20%
Transfer to (from) Rate Stabilization, Net	(16,151,013)	(997,071)	(3,614,972)		(2,873,047)	
Fuel Related Uncollectibles	634,173	52,848	51,653		3,443	
Total	422,782,362	33,008,828	32,812,208	0.60%	34,324,697	4.41%
Fuel Balance	-	-	-		-	
Nonfuel Related Revenues						
Base Rate Revenues	812,153,353	63,409,056	63,744,430		65,979,168	
Conservation Charge Revenue	1,000,000	78,075	84,418		59,339	
Environmental Charge Revenue	8,039,817	627,711	623,444		653,307	
Investment Income	11,600,594	966,716	1,205,727		592,502	
Natural Gas Revenue Pass Through	2,464,374	205,365	57,873		31,239	
Other Revenues	28,263,290	2,355,274	2,490,500		2,437,548	
Total	863,521,428	67,642,197	68,206,392	0.83%	69,753,103	-2.22%
Nonfuel Related Expenses						
Non-Fuel O&M	221,286,372	21,901,155	14,176,354		13,006,177	
DSM / Conservation O&M	8,126,797	713,744	132,444		258,690	
Environmental O&M	2,271,529	161,292	3,226		(16,250)	
Rate Stabilization - DSM	(536,783)	(44,732)	530,878		348,095	
Rate Stabilization - Environmental	5,768,288	378,556	620,218		669,557	
Natural Gas Expense Pass Through	2,418,255	205,538	59,496		39,804	
Debt Principal - Electric System	116,230,000	9,685,833	9,685,833		10,348,750	
Debt Interest - Electric System	87,438,843	7,286,570	6,927,384		7,375,076	
R&R - Electric System	64,447,700	5,370,642	5,370,642		5,467,400	
Operating Capital Outlay	183,115,980	12,000,000	12,000,000		20,000,000	
City Contribution Expense	92,952,147	7,746,012	7,746,012		7,622,650	
Taxes & Uncollectibles	1,437,599	119,800	116,747		22,519	
<i>Nonfuel Purchased Power:</i>						
* SJRPP D/S Principal	13,780,000	1,148,333	1,148,333		2,174,323	
* SJRPP D/S Interest	11,127,870	927,323	898,688		1,218,083	
** Other Non-Fuel Purchased Power	48,656,831	4,054,736	8,267,611		963,470	
Total Nonfuel Expenses	858,521,428	71,654,802	67,683,866	5.54%	69,498,344	2.61%
Non-Fuel Balance	5,000,000	(4,012,605)	522,526		254,759	
Total Balance	5,000,000	(4,012,605)	522,526		254,759	
Total Revenues	1,286,303,790	100,651,025	101,018,600	0.37%	104,077,800	-2.94%
Total Expenses	1,281,303,790	104,663,630	100,496,074	3.98%	103,823,041	3.20%
KWH Sold - Territorial	13,180,028,000	1,029,033,696	1,018,614,554	-1.01%	1,065,925,000	-4.44%
KWH Sold - Off System	-	-	29,393,000		7,579,000	
	13,180,028,000	1,029,033,696	1,048,007,554	1.84%	1,073,504,000	-2.38%

* Gross debt service

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

Electric System	Year-to-Date				Prior Year-to-Date		
	Budget vs. Actual	ANNUAL BUDGET	BUDGET	ACTUAL	Variance	ACTUAL	Variance
October 2018 and 2017	2018-19	2018-19	2018-19	%	2017-18	%	
Fuel Related Revenues & Expenses							
Fuel Rate Revenues	\$ 422,782,362	\$ 33,008,828	\$ 32,812,208	-0.60%	\$ 34,324,697	-4.41%	
Fuel Expense and Purchased Power:							
Fuel Expense - Electric System	327,822,632	23,819,950	28,647,187		20,421,446		
Fuel Expense - SJRPP	1,554,666	518,222	-		10,146,982		
Other Purchased Power	108,921,904	9,614,879	7,728,340		6,625,873		
Subtotal Energy Expense	438,299,202	33,953,051	36,375,527	-7.13%	37,194,301	2.20%	
Transfer to (from) Rate Stabilization, Net	(16,151,013)	(997,071)	(3,614,972)		(2,873,047)		
Fuel Related Uncollectibles	634,173	52,848	51,653		3,443		
Total	422,782,362	33,008,828	32,812,208	0.60%	34,324,697	4.41%	
Fuel Balance	-	-	-		-		
Nonfuel Related Revenues							
Base Rate Revenues	812,153,353	63,409,056	63,744,430		65,979,168		
Conservation Charge Revenue	1,000,000	78,075	84,418		59,339		
Environmental Charge Revenue	8,039,817	627,711	623,444		653,307		
Investment Income	11,600,594	966,716	1,205,727		592,502		
Natural Gas Revenue Pass Through	2,464,374	205,365	57,873		31,239		
Other Revenues	28,263,290	2,355,274	2,490,500		2,437,548		
Total	863,521,428	67,642,197	68,206,392	0.83%	69,753,103	-2.22%	
Nonfuel Related Expenses							
Non-Fuel O&M	221,622,401	21,901,155	14,176,354		13,006,177		
DSM / Conservation O&M	8,126,797	713,744	132,444		258,690		
Environmental O&M	1,935,500	161,292	3,226		(16,250)		
Rate Stabilization - DSM	(536,783)	(44,732)	530,878		348,095		
Rate Stabilization - Environmental	5,768,288	378,556	620,218		669,557		
Natural Gas Expense Pass Through	2,418,255	205,538	59,496		39,804		
Debt Principal - Electric System	116,230,000	9,685,833	9,685,833		10,348,750		
Debt Interest - Electric System	87,438,843	7,286,570	6,927,384		7,375,076		
R&R - Electric System	64,447,700	5,370,642	5,370,642		5,467,400		
Operating Capital Outlay	183,115,980	12,000,000	12,000,000		20,000,000		
City Contribution Expense	92,952,147	7,746,012	7,746,012		7,622,650		
Taxes & Uncollectibles	1,437,599	119,800	116,747		22,519		
Nonfuel Purchased Power:							
* SJRPP D/S Principal	13,780,000	1,148,333	1,148,333		2,174,323		
* SJRPP D/S Interest	11,127,870	927,323	898,688		1,218,083		
** Other Non-Fuel Purchased Power	48,656,831	4,054,736	8,267,611		963,470		
Total Nonfuel Expenses	858,521,428	71,654,802	67,683,866	5.54%	69,498,344	2.61%	
Non-Fuel Balance	5,000,000	(4,012,605)	522,526		254,759		
Total Balance	5,000,000	(4,012,605)	522,526		254,759		
Total Revenues	1,286,303,790	100,651,025	101,018,600	0.37%	104,077,800	-2.94%	
Total Expenses	1,281,303,790	104,663,630	100,496,074	3.98%	103,823,041	3.20%	
KWH Sold - Territorial	13,180,028,000	1,029,033,696	1,018,614,554	-1.01%	1,065,925,000	-4.44%	
KWH Sold - Off System	-	-	29,393,000		7,579,000		
	13,180,028,000	1,029,033,696	1,048,007,554	1.84%	1,073,504,000	-2.38%	

* Gross debt service

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

Water and Sewer System

Budget vs. Actual October 2018 and 2017	Month				Prior Year Month	
	ANNUAL BUDGET	BUDGET	ACTUAL	Variance	ACTUAL	Variance
	2018-19	2018-19	2018-19	%	2017-18	%
REVENUES						
Water & Sewer Revenues	\$ 457,315,688	\$ 38,728,544	\$ 40,354,814		\$ 36,594,426	
Capacity & Extension Fees	24,500,000	1,671,911	2,353,881		1,977,069	
Capital Contributions	-	-	-		9,920	
Investment Income	6,318,534	526,544	549,777		449,718	
Other Income	40,244,423	2,899,907	3,258,212		1,009,409	
Total	528,378,645	43,826,906	46,516,684	6.14%	40,040,542	16.17%
EXPENSES						
O & M Expenses	161,824,556	14,233,570	12,936,094		9,215,646	
Debt Principal - Water & Sewer	54,705,000	4,558,750	4,558,750		4,310,000	
Debt Interest - Water & Sewer	65,430,545	5,452,545	5,245,291		5,461,557	
Rate Stabilization - Environmental	-	-	1,209,248		1,316,684	
R&R - Water & Sewer	23,552,350	1,962,696	1,962,696		2,039,483	
Operating Capital Outlay	156,553,034	15,260,436	15,260,436		12,712,602	
Operating Capital Outlay - Capacity/Extension	24,500,000	2,041,666	2,353,881		1,977,069	
Operating Capital Outlay - Contributions	-	-	-		9,920	
Operating Capital Outlay - Environmental	15,431,798	1,283,056	186,495		(59,800)	
City Contribution Expense	24,695,388	2,057,949	2,057,949		2,095,668	
Uncollectibles & Fees	685,974	57,164	46,000		50,000	
Emergency Reserve	1,000,000	-	-		-	
Total Expenses	528,378,645	46,907,832	45,816,840	2.33%	39,128,829	-17.09%
Total Balance	\$ -	\$ (3,080,926)	\$ 699,844		\$ 911,713	
Sales kgs						
Water	42,000,000	3,611,563	3,212,304	-11.06%	2,992,215	7.36%
Sewer	34,650,000	3,021,099	2,663,695	-11.83%	2,397,983	11.08%
Total	76,650,000	6,632,662	5,875,999	-11.41%	5,390,198	9.01%

Budget vs. Actual October 2018 and 2017	Year-To-Date				Prior Year to Date	
	ANNUAL BUDGET	BUDGET	ACTUAL	Variance	ACTUAL	Variance
	2018-19	2018-19	2018-19	%	2017-18	%
REVENUES						
Water & Sewer Revenues	\$ 457,315,688	\$ 38,728,544	\$ 40,354,814		\$ 36,594,426	
Capacity & Extension Fees	24,500,000	1,671,911	2,353,881		1,977,069	
Capital Contributions	-	-	-		9,920	
Investment Income	6,318,534	526,544	549,777		449,718	
Other Income	40,244,423	2,899,907	3,258,212		1,009,409	
Total	528,378,645	43,826,906	46,516,684	6.14%	40,040,542	16.17%
EXPENSES						
O & M Expenses	161,824,556	14,233,570	12,936,094		9,215,646	
Debt Principal - Water & Sewer	54,705,000	4,558,750	4,558,750		4,310,000	
Debt Interest - Water & Sewer	65,430,545	5,452,545	5,245,291		5,461,557	
Rate Stabilization - Environmental	-	-	1,209,248		1,316,684	
R&R - Water & Sewer	23,552,350	1,962,696	1,962,696		2,039,483	
Operating Capital Outlay	156,553,034	15,260,436	15,260,436		12,712,602	
Operating Capital Outlay - Capacity/Extension	24,500,000	2,041,666	2,353,881		1,977,069	
Operating Capital Outlay - Contributions	-	-	-		9,920	
Operating Capital Outlay - Environmental	15,431,798	1,283,056	186,495		(59,800)	
City Contribution Expense	24,695,388	2,057,949	2,057,949		2,095,668	
Uncollectibles & Fees	685,974	57,164	46,000		50,000	
Emergency Reserve	1,000,000	-	-		-	
Total Expenses	528,378,645	46,907,832	45,816,840	2.33%	39,128,829	-17.09%
Total Balance	\$ -	\$ (3,080,926)	\$ 699,844		\$ 911,713	
Sales kgs						
Water	42,000,000	3,611,563	3,212,304	-11.06%	2,992,215	7.36%
Sewer	34,650,000	3,021,099	2,663,695	-11.83%	2,397,983	11.08%
Total	76,650,000	6,632,662	5,875,999	-11.41%	5,390,198	9.01%

District Energy System

Budget vs. Actual October 2018 and 2017	Month				Prior Year Month	
	ANNUAL BUDGET	BUDGET	ACTUAL	Variance	ACTUAL	Variance
	2018-19	2018-19	2018-19	%	2017-18	%
REVENUES						
Revenues	\$ 9,256,655	\$ 896,068	\$ 874,636		\$ 853,343	
Investment Income	-	-	14,298		3,340	
Total	9,256,655	896,068	888,934	-0.80%	856,683	3.76%
EXPENSES						
O & M Expenses	5,127,648	441,655	474,296		445,082	
Debt Principal - DES	1,690,000	140,833	140,833		138,333	
Debt Interest - DES	1,330,449	110,871	110,871		113,257	
R&R - DES	442,950	36,913	36,913		36,404	
Operating Capital Outlay	665,608	-	-		-	
Total Expenses	9,256,655	730,272	762,913	-4.47%	733,076	-4.07%
Total Balance	\$ -	\$ 165,796	\$ 126,021		\$ 123,607	

Budget vs. Actual October 2018 and 2017	Year-To-Date				Prior-Year-to-Date	
	ANNUAL BUDGET	BUDGET	ACTUAL	Variance	ACTUAL	Variance
	2018-19	2018-19	2018-19	%	2017-18	%
REVENUES						
Revenues	\$ 9,256,655	\$ 896,068	\$ 874,636		\$ 853,343	
Investment Income	-	-	14,298		3,340	
Total	9,256,655	896,068	888,934	-0.80%	856,683	3.76%
EXPENSES						
O & M Expenses	5,127,648	441,655	474,296		445,082	
Debt Principal - DES	1,690,000	140,833	140,833		138,333	
Debt Interest - DES	1,330,449	110,871	110,871		113,257	
R&R - DES	442,950	36,913	36,913		36,404	
Operating Capital Outlay	665,608	-	-		-	
Total Expenses	9,256,655	730,272	762,913	-4.47%	733,076	-4.07%
Total Balance	\$ -	\$ 165,796	\$ 126,021		\$ 123,607	

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

	Month October	
	2018	2017
Revenues		
Electric	\$ 104,188	\$ 106,779
Investment income ⁽¹⁾	1,025	469
Earnings from The Energy Authority	349	280
Other, net ⁽²⁾	2,215	2,157
Plus: amount paid from the rate stabilization fund into the revenue fund	4,742	4,080
Less: amount paid from the revenue fund into the rate stabilization fund	(1,284)	(1,279)
Total revenues	<u>111,235</u>	<u>112,486</u>
Operating expenses ⁽³⁾		
Fuel	28,647	20,421
Purchased power ⁽⁴⁾	20,483	22,640
Other operations and maintenance	14,099	14,640
State utility taxes and fees	5,998	5,500
Total operating expenses	<u>69,227</u>	<u>63,201</u>
Net revenues	<u>\$ 42,008</u>	<u>\$ 49,285</u>
Debt service	\$ 6,864	\$ 5,886
Less: investment income on sinking fund	(181)	(125)
Less: Build America Bonds subsidy	(127)	(127)
Debt service requirement	<u>\$ 6,556</u>	<u>\$ 5,634</u>
Senior debt service coverage ⁽⁵⁾, (min 1.20x)	<u>6.41 x</u>	<u>8.75 x</u>
Net revenues (from above)	\$ 42,008	\$ 49,285
Debt service requirement (from above)	\$ 6,556	\$ 5,634
Plus: aggregate subordinated debt service on outstanding subordinated bonds	8,882	10,715
Less: Build American Bonds subsidy	(167)	(170)
Total debt service requirement and aggregate subordinated debt service	<u>\$ 15,271</u>	<u>\$ 16,179</u>
Senior and subordinated debt service coverage ⁽⁶⁾, (min 1.15x)	<u>2.75 x</u>	<u>3.05 x</u>
Fixed charge coverage ⁽⁷⁾	<u>2.05 x</u>	<u>2.25 x</u>

⁽¹⁾ Excludes investment income on sinking funds.

⁽²⁾ Excludes the Build America Bonds subsidy.

⁽³⁾ Excludes depreciation and recognition of deferred costs and revenues, net.

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

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

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

⁽⁷⁾ Net revenues plus JEA's share of SJRPP's and Bulk Power Supply System's debt service less city contribution divided by the sum of the adjusted debt service requirement and JEA's share of SJRPP's and Bulk Power Supply System's debt service.

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

	Month October	
	2018	2017
Revenues		
Operating	\$ 9,056	\$ 4,415
Investment income	8	11
Total revenues	9,064	4,426
Operating expenses ⁽¹⁾		
Fuel	3,057	3,209
Other operations and maintenance	874	1,061
Total operating expenses	3,931	4,270
Net revenues	\$ 5,133	\$ 156
Aggregate debt service	\$ 842	\$ 829
Less: Build America Bonds subsidy	(52)	(56)
Aggregate debt service	\$ 790	\$ 773
Debt service coverage ⁽²⁾	6.50 x	0.20 x

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

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

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

	Month October	
	2018	2017
Revenues		
Operating	\$ 3,363	\$ 1,046
Investment income	160	20
Total revenues	3,523	1,066
Operating expenses	1,049	-
Net revenues	\$ 2,474	\$ 1,066
Aggregate debt service	\$ 2,076	\$ 1,077
Less: Build America Bonds subsidy	(29)	(31)
Aggregate debt service	\$ 2,047	\$ 1,046
Debt service coverage ⁽¹⁾	1.21 x	1.02 x

⁽¹⁾ Net revenues divided by aggregate debt service. Semiannual minimum coverage is 1.15x.

JEA
Water and Sewer
Schedule of Debt Service Coverage
(in thousands - unaudited)

	Month October	
	2018	2017
Revenues		
Water	\$ 16,751	\$ 15,183
Water capacity fees	816	700
Sewer	24,510	22,251
Sewer capacity fees	1,538	1,278
Investment Income	550	453
Other ⁽¹⁾	1,017	798
Plus: amounts paid from the rate stabilization fund into the revenue fund	919	662
Less: amounts paid from the revenue fund into the rate stabilization fund	(2,128)	(1,979)
Total revenues	<u>43,973</u>	<u>39,346</u>
Operating expenses		
Operations and maintenance ⁽²⁾	13,741	10,631
Total operating expenses	<u>13,741</u>	<u>10,631</u>
Net revenues	<u>\$ 30,232</u>	<u>\$ 28,715</u>
Aggregate debt service	\$ 8,094	\$ 8,036
Less: Build America Bonds subsidy	(207)	(208)
Aggregate debt service	<u>\$ 7,887</u>	<u>\$ 7,828</u>
Senior debt service coverage ⁽³⁾, (min 1.25x)	<u>3.83 x</u>	<u>3.67 x</u>
Net revenues (from above)	<u>\$ 30,232</u>	<u>\$ 28,715</u>
Aggregate debt service (from above)	\$ 7,887	\$ 7,828
Plus: aggregate subordinated debt service on outstanding subordinated debt	1,493	1,475
Total aggregate debt service and aggregate subordinated debt service	<u>\$ 9,380</u>	<u>\$ 9,303</u>
Senior and subordinated debt service coverage excluding capacity fees ⁽⁴⁾	<u>2.97 x</u>	<u>2.87 x</u>
Senior and subordinated debt service coverage including capacity fees ⁽⁴⁾	<u>3.22 x</u>	<u>3.09 x</u>
Fixed charge coverage	<u>3.00 x</u>	<u>2.86 x</u>

⁽¹⁾ Excludes the Build America Bonds subsidy.

⁽²⁾ Excludes depreciation and recognition of deferred costs and revenues, net.

⁽³⁾ Net revenues divided by aggregate debt service. Minimum annual coverage is 1.25x.

⁽⁴⁾ Net revenues divided by total aggregate debt service and aggregate subordinated debt service. Minimum annual coverage is either 1.00x aggregate debt service and aggregate subordinated debt service (excluding capacity charges) or the sum of 1.00x aggregate debt service and 1.20x aggregate subordinated debt service (including capacity charges).

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

	Month October	
	2018	2017
Revenues		
Service revenues	\$ 874	\$ 853
Investment income	14	3
Total revenues	<u>888</u>	<u>856</u>
Operating expenses ⁽¹⁾		
Operations and maintenance	476	449
Total operating expenses	<u>476</u>	<u>449</u>
Net revenues	<u>\$ 412</u>	<u>\$ 407</u>
Aggregate debt service ⁽²⁾	<u>\$ 252</u>	<u>\$ 252</u>
Debt service coverage ⁽³⁾, (min 1.15x)	<u>1.63 x</u>	<u>1.62 x</u>

⁽¹⁾ Excludes depreciation.

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

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

Issue/Average Coupon Rate	Interest Rates	Principal Payment Dates	Par Amount Principal Outstanding	Current Portion of Long-Term Debt
Electric System - Fixed Rate Bonds				
Series Three 2004 A	5.000%	2039	\$ 5,000	\$ -
Series Three 2005 B	4.750%	2033	100,000	-
Series Three 2009 D - BABs	6.056%	2033-2044	45,955,000	-
Series Three 2010 A	4.000%	2019	5,070,000	5,070,000
Series Three 2010 C	4.125 - 4.500%	2026-2031	1,950,000	-
Series Three 2010 D	4.250 - 5.000%	2020-2038	1,205,000	-
Series Three 2010 E - BABs	5.350 - 5.482%	2028-2040	34,255,000	-
Series Three 2012A	4.000 - 4.500%	2023-2033	16,995,000	-
Series Three 2012B	2.000 - 5.000%	2019-2039	85,615,000	725,000
Series Three 2013A	3.000 - 5.000%	2019-2026	65,765,000	8,990,000
Series Three 2013B	3.000 - 5.000%	2026-2038	7,500,000	-
Series Three 2013C	4.600 - 5.000%	2019-2030	15,040,000	1,700,000
Series Three 2014A	3.400 - 5.000%	2019-2034	10,810,000	1,285,000
Series Three 2015A	2.750 - 5.000%	2019-2041	69,830,000	155,000
Series Three 2015B	3.375 - 5.000%	2019-2031	17,225,000	6,945,000
Series Three 2017A	5.000%	2019	18,670,000	18,670,000
Series Three 2017B	3.375 - 5.000%	2026-2039	198,095,000	-
Total Fixed Rate Senior Bonds			594,085,000	43,540,000
2009 Series F - BABs	4.900 - 6.406%	2019-2034	62,155,000	1,560,000
2009 Series G	4.000 - 5.000%	2019-2019	14,665,000	14,665,000
2010 Series B	4.000 - 5.000%	2019-2024	3,680,000	960,000
2010 Series D - BABs	4.150 - 5.582%	2019-2027	42,050,000	2,705,000
2012 Series A	3.250 - 5.000%	2019-2033	56,490,000	2,655,000
2012 Series B	3.250 - 5.000%	2019-2037	50,415,000	2,215,000
2013 Series A	3.000 - 5.000%	2019-2030	43,055,000	2,780,000
2013 Series B	3.000 - 5.000%	2019-2026	18,535,000	2,870,000
2013 Series C	1.375 - 5.000%	2019-2038	77,155,000	885,000
2013 Series D	4.000 - 5.250%	2019-2035	74,535,000	20,830,000
2014 Series A	4.000 - 5.000%	2019-2039	110,330,000	14,635,000
2017 Series A	3.000 - 5.000%	2019-2019	1,290,000	1,290,000
2017 Series B	3.375 - 5.000%	2019-2034	184,950,000	1,055,000
Total Fixed Rate Subordinated Bonds			739,305,000	69,095,000
Total Fixed Rate Electric System Bonds/4.558%			1,333,390,000	112,635,000
Electric System - Variable Rate Bonds				
	Current Interest Rates (1)			
Series Three 2008 A - Weekly	1.638%	2027-2036	51,680,000	-
Series Three 2008 B-1 - Weekly	1.958%	2019-2040	59,620,000	425,000
Series Three 2008 B-2 - Weekly	1.638%	2025-2040	41,900,000	-
Series Three 2008 B-3 - Weekly	1.638%	2024-2036	37,000,000	-
Series Three 2008 B-4 - Weekly	1.958%	2019-2036	49,010,000	425,000
Series Three 2008 C-1 - Weekly	1.599%	2024-2034	44,145,000	-
Series Three 2008 C-2 - Weekly	1.599%	2024-2034	43,900,000	-
Series Three 2008 C-3 - Flex	1.770%	2030-2038	25,000,000	-
Series Three 2008 D-1 - Weekly	1.958%	2019-2036	106,275,000	2,745,000
Total Variable Rate Senior Bonds			458,530,000	3,595,000
Series 2000 A - Flex	1.710%	2021-2035	30,965,000	-
Series 2000 F-1 - Flex	1.752%	2026-2030	37,200,000	-
Series 2000 F-2 - Flex	1.740%	2026-2030	24,800,000	-
Series 2008 D - Daily	1.622%	2024-2038	39,455,000	-
Total Variable Rate Subordinated Bonds			132,420,000	-
Total Variable Rate Bonds			590,950,000	3,595,000
Total Electric System Bonds			1,924,340,000	116,230,000
St. Johns River Power Park - Fixed Rate Bonds				
Issue 3 Series 1	4.500%	2037	100,000	-
Issue 3 Series 2	5.000%	2034-2037	29,370,000	-
Issue 3 Series 4 - BABs	4.700 - 5.450%	2019-2028	20,690,000	1,775,000
Issue 3 Series 6	2.375 - 5.000%	2019-2037	91,330,000	5,680,000
Issue 3 Series 7	2.000 - 5.000%	2019-2033	79,500,000	4,120,000
Issue 3 Series 8	2.000 - 5.000%	2019-2039	57,895,000	2,205,000
Total Fixed Rate St. Johns River Power Park Bonds/4.014%			278,885,000	13,780,000
Bulk Power Supply System, Scherer 4 Project - Fixed Rate Bonds				
Series 2010A - BABs	4.800 - 5.920%	2019-2030	34,355,000	2,140,000
Series 2014A	2.000 - 4.125%	2019-2038	60,655,000	4,010,000
Total Fixed Rate Bulk Power Supply System Bonds/4.324%			95,010,000	6,150,000
Weighted Average Cost(2) / Total Outstanding Debt		3.421%	\$ 2,298,235,000	\$ 136,160,000

(1) Current month interest rate excluding variable debt fees.

(2) Weighted Average Cost of debt is net of BABs subsidy, original issue premiums/discounts and excludes variable debt liquidity/restructuring fees and interest rate swap payments.

	Current YTD	Prior YTD	Year End Target
• Debt Ratio - Electric Enterprise Func	70.9%	65.3%	66.0%
	Electric System	Power Park	Issue Three
• Remaining New Money Authorization	\$ 465,160,992	103,865,000	
• Remaining Senior Refunding Authorizator	\$ 1,022,837,381	250,810,000	
• Remaining Subordinated Refunding Authorizator	\$ 634,898,000	n/a	

Issue/Average Coupon Rate	Interest Rates	Principal Payment Dates	Par Amount Principal Outstanding	Current Portion of Long-Term Debt
Fixed Rate Bonds				
2009 Series B	3.750 - 5.000%	2019	\$ 8,915,000	\$ 8,915,000
2010 Series A - BABs	6.210 - 6.310%	2026-2044	83,115,000	-
2010 Series B - Taxable	5.200 - 5.700%	2019-2025	12,110,000	1,730,000
2010 Series C	5.000%	2020	3,000,000	-
2010 Series D	4.000 - 5.000%	2019-2039	38,625,000	5,015,000
2010 Series E	4.000 - 5.000%	2021-2039	11,865,000	-
2010 Series F - BABs	3.900 - 5.887%	2019-2040	42,095,000	2,395,000
2012 Series A	3.000 - 5.000%	2019-2041	162,430,000	1,070,000
2012 Series B	2.000 - 5.000%	2019-2037	74,600,000	1,280,000
2013 Series A	4.500 - 5.000%	2019-2027	51,720,000	12,580,000
2014 Series A	2.000 - 5.000%	2019-2040	212,960,000	5,625,000
2017 Series A	3.125 - 5.000%	2020-2041	378,220,000	-
Total Fixed Rate Senior Bonds			1,079,655,000	38,610,000
2010 Series A	5.000%	2019-2022	5,620,000	2,790,000
2010 Series B	3.000 - 5.000%	2020-2025	3,255,000	-
2012 Series A	3.000%	2021	1,440,000	-
2012 Series B	3.250 - 5.000%	2030-2043	29,685,000	-
2013 Series A	2.125 - 5.000%	2019-2029	31,730,000	5,365,000
2017 Series A	2.750 - 5.000%	2021-2034	58,940,000	-
Total Fixed Rate Subordinated Bonds			130,670,000	8,155,000
Total Fixed Rate Bonds/4.531%			1,210,325,000	46,765,000
Variable Rate Bonds				
	Current Interest Rates (1)			
2006 Series B - CPI Bonds	3.931% (2)	2019-2022	24,850,000	5,740,000
2008 Series A-2 - Weekly	1.533%	2028-2042	51,820,000	-
2008 Series B - Weekly	1.604%	2023-2041	85,290,000	-
Total Variable Rate Senior Bonds			161,960,000	5,740,000
2008 Series A-1 - Daily	1.535%	2019-2038	48,850,000	2,200,000
2008 Series A-2 - Weekly	1.565%	2030-2038	25,600,000	-
2008 Series B-1 - Weekly	1.571%	2030-2036	30,885,000	-
Total Variable Rate Subordinated Bonds			105,335,000	2,200,000
Total Variable Rate Bonds			267,295,000	7,940,000
Other Obligations				
Revolving Credit Agreement	3.394%	2021	3,000,000	-
Total Other Obligations			3,000,000	-
Weighted Average Cost(3) / Total Outstanding Debt		3.613%	\$ 1,480,620,000	\$ 54,705,000

(1) Current month interest rate excluding variable debt fees.

(2) Designated swap obligation. The rate shown is the weighted average of the variable CPI Index rates for the 6 month re-set period.

(3) Weighted Average Cost of debt is net of BABs subsidy, original issue premiums/discounts and excludes variable debt liquidity/remarketing fees and interest rate swap payments.

	Current YTD	Prior YTD	Year End Target
• Debt Ratio - Water and Sewer	50.6%	53.0%	48.2%
• Remaining New Money Authorization	\$ 218,078,023		
• Remaining Refunding Authorization	\$ 794,813,942		

JEA
District Energy System
Principal Amount of Debt Outstanding and Average Interest Rates
October 2018

Issue/Average Coupon	Interest Rates	Principal Payment Dates	Par Amount Principal Outstanding	Current Portion of Long-Term Debt
Fixed Rate Bonds				
2013 Series A/4.184%	2.065 - 4.538%	2019-2034	\$ 34,825,000	\$ 1,690,000
Weighted Average Cost(1) / Total Outstanding Debt		4.188%	\$ 34,825,000	\$ 1,690,000

(1) Weighted Average Cost of debt is net of original issue premiums/discounts.

• Remaining New Money Authorization	\$ 54,321,245
• Remaining Refunding Authorization	\$ 106,670,000

JEA
INVESTMENT PORTFOLIO REPORT
October 2018
All Funds

<u>INVESTMENT</u>	<u>BOOK VALUE</u>	<u>YIELD</u>	<u>% OF TOTAL</u>	<u>LAST MONTH</u>	<u>6 MONTH AVERAGE</u>
* Treasuries	\$ 194,663,828	2.24%	16.95%	12.35%	14.43%
<u>Agencies</u>					
Federal Farm Credit Bank	57,372,254	1.81%	5.00%	4.17%	5.77%
Federal Home Loan Bank	238,195,992	2.21%	20.74%	17.33%	19.31%
Total	295,568,246	2.13%	25.74%	21.50%	25.08%
Municipal Bonds	207,143,068	2.68%	18.04%	16.23%	17.12%
Commercial Paper	130,679,397	2.39%	11.38%	9.68%	14.28%
U.S. Treasury Money Market Funds (1)	82,538,445	2.11%	7.19%	1.42%	6.43%
Agency Money Market Funds (2)	23,425,000	2.09%	2.04%	0.25%	1.52%
FEITF Money Market Fund	7,500,000	2.29%	0.65%	4.18%	3.25%
Florida Prime Fund	160,900,000	2.92%	14.01%	9.96%	8.10%
<u>Wells Fargo Bank Accounts (3)</u>					
Electric, Scherer	25,261,189	2.08%	2.20%	14.11%	4.38%
SJRPP	15,580,755	2.08%	1.36%	4.09%	3.79%
Water & Sewer, DES	5,008,185	2.08%	0.44%	6.21%	1.64%
Total Portfolio	\$ 1,148,268,113	2.40%	100.00%	100.00%	100.00%

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

Weighted Avg. Annual Yield for October 2018, Excluding Bank & Money Market Funds: 2.34%

Weighted Avg. Annual Yield for October 2018, Including Bank & Money Market Funds: 2.40%

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

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

**JEA
Interest Rate Swap Position Report
October 2018**

JEA Debt Management Swaps Variable to Fixed

ID	Dealer	Effective Date	Termination Date	Electric		Fixed Rate	Floating Rate (1)	Spread	Rate Cap	Index
				System Allocation	Water/Sewer Allocation					
1	Goldman Sachs	9/18/2003	9/18/2033	\$ 84,800,000	\$ -	3.717	1.534	2.183	n/a	68% 1 mth Libor
3	Morgan Stanley	1/27/2005	10/1/2039	82,575,000	-	4.351	1.558	2.793	n/a	SIFMA
4	JPMorgan	1/27/2005	10/1/2035	85,200,000	-	3.661	1.534	2.127	n/a	68% 1 mth Libor
6	JPMorgan	1/27/2005	10/1/2037	39,175,000	-	3.716	1.534	2.182	n/a	68% 1 mth Libor
7	Morgan Stanley	10/31/2006	10/1/2022	-	24,850,000	4.039	3.931	0.108	n/a	CPI
8	Morgan Stanley	1/31/2007	10/1/2031	62,980,000	-	3.907	1.558	2.349	n/a	SIFMA
9	Merrill Lynch	3/8/2007	10/1/2041	-	85,290,000	3.895	1.558	2.337	n/a	SIFMA
10	Goldman Sachs	1/31/2008	10/1/2036	51,680,000	-	3.836	1.558	2.278	n/a	SIFMA
Total				<u>\$ 406,410,000</u>	<u>\$ 110,140,000</u>	Wtd Avg Spread		2.227		

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

	Month October		Variance
	2018	2017	
Electric revenues sales (000's omitted):			
Residential	\$ 53,885	\$ 52,834	1.99%
Commercial	32,449	33,678	-3.65%
Industrial	15,766	17,636	-10.60%
Public street lighting	1,098	1,074	2.23%
Sales for resale - territorial	48	1,281	-96.25%
Electric revenues - territorial	103,246	106,503	-3.06%
Sales for resale - off system	1,094	276	296.38%
Electric revenues	104,340	106,779	-2.28%
Less: rate stabilization & recovery	3,458	2,801	-23.46%
Less: allowance for doubtful accounts	(152)	-	
Net electric revenues	107,646	109,580	-1.76%
MWh sales			
Residential	470,528	462,228	1.80%
Commercial	329,702	342,648	-3.78%
Industrial	213,428	243,993	-12.53%
Public street lighting	4,957	5,033	-1.51%
Sales for resale - territorial	-	12,023	-100.00%
Total MWh sales - territorial	1,018,615	1,065,925	-4.44%
Sales for resale - off system	29,393	7,579	287.82%
Total MWh sales	1,048,008	1,073,504	-2.38%
Number of accounts (1)			
Residential	414,533	406,549	1.96%
Commercial	52,714	52,077	1.22%
Industrial	197	199	-1.01%
Public street lighting	3,817	3,753	1.71%
Sales for resale	1	2	-50.00%
Total average accounts	471,262	462,580	1.88%
Residential averages			
Revenue per account - \$	129.99	129.96	0.02%
kWh per account	1,135	1,137	-0.18%
Revenue per kWh - ¢	11.45	11.43	0.17%
Degree days			
Heating degree days	11	32	(21)
Cooling degree days	303	318	(15)
Total degree days	314	350	(36)
Degree days - 30 year average	225		

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

	Month October		Variance
	2018	2017	
Water			
<i>Revenues (000's omitted):</i>			
Residential	\$ 9,294	\$ 8,157	13.94%
Commercial and industrial	4,217	4,068	3.66%
Irrigation	3,258	2,978	9.40%
Total water revenues	16,769	15,203	10.30%
Less: rate stabilization	(1,292)	(1,202)	7.49%
Less: allowance for doubtful accounts	(18)	(20)	-10.00%
Net water revenues	\$ 15,459	\$ 13,981	10.57%
<i>Kgal sales (000s omitted)</i>			
Residential	1,540,949	1,366,487	12.77%
Commercial and industrial	1,130,344	1,134,700	-0.38%
Irrigation	541,011	491,028	10.18%
Total kgals sales	3,212,304	2,992,215	7.36%
<i>Number of accounts (1):</i>			
Residential	289,359	282,350	2.48%
Commercial and industrial	25,837	25,560	1.08%
Irrigation	37,124	36,971	0.41%
Total average accounts	352,320	344,881	2.16%
<i>Residential averages:</i>			
Revenue per account - \$	32.12	28.89	11.18%
Kgals per account	5.33	4.84	10.12%
Revenue per kgals - \$	6.03	5.97	1.01%
Sewer			
<i>Revenues (000's omitted):</i>			
Residential	\$ 13,566	\$ 11,907	13.93%
Commercial and industrial	9,443	9,146	3.25%
Total sewer revenues	23,009	21,053	9.29%
Less: rate stabilization	83	(115)	-172.17%
Less: allowance for doubtful accounts	(28)	(30)	-6.67%
Net sewer revenues	23,064	20,908	10.31%
<i>Kgal sales (000s omitted)</i>			
Residential	1,359,136	1,161,000	17.07%
Commercial and industrial	973,069	964,880	0.85%
Total kgals sales	2,332,205	2,125,880	9.71%
<i>Number of accounts (1):</i>			
Residential	256,310	249,600	2.69%
Commercial and industrial	18,415	18,256	0.87%
Total average accounts	274,725	267,856	2.56%
<i>Residential averages:</i>			
Revenue per account - \$	52.93	47.70	10.96%
kgals per account	5.30	4.65	13.98%
Revenue per kgals - \$	9.98	10.26	-2.73%
Reuse			
<i>Revenues (000's omitted):</i>			
Reuse revenues	\$ 1,529	\$ 1,228	24.51%
<i>Kgal sales (000s omitted)</i>			
Reuse sales (kgals)	331,490	272,103	21.83%
<i>Number of accounts (1):</i>			
Reuse accounts	12,927	10,468	23.49%
Rainfall			
			Diff in inches
Normal	3.93	3.93	
Actual	1.30	4.01	(2.71)
Rain Days	8	10	(2)

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

	Month October		
	2018	2017	Variance
Generated power:			
Steam:			
<i>Fuel oil</i>			
Fuel expense	\$ -	\$ -	
Barrels #6 oil consumed	-	-	
\$/ per barrel consumed	\$ -	\$ -	
kWh oil generated (1)	-	-	
Cost per MWh - oil	\$ -	\$ -	
<i>Natural gas units #1-3</i>			
Gas expense - variable	\$ 8,690,472	\$ 3,117,925	178.73%
MMBTU's consumed	2,301,730	907,397	153.66%
\$/ per MMBTU consumed	\$ 3.78	\$ 3.44	9.88%
kWh - gas generated (1)	219,646,075	80,279,591	173.60%
Cost per MWh - gas	\$ 39.57	\$ 38.84	1.87%
Cost per MWh - gas & oil - steam	\$ 39.57	\$ 38.84	1.87%
<i>Coal</i>			
Coal expense	\$ 926,719	\$ 1,676,655	-44.73%
kWh generated	47,426,854	54,632,772	-13.19%
Cost per MWh - coal	\$ 19.54	\$ 30.69	-36.33%
<i>Pet coke and limestone</i>			
Expense	\$ 4,366,102	\$ 3,406,146	28.18%
kWh generated	97,132,189	101,045,839	-3.87%
Cost per MWh - pet coke and limestone	\$ 44.95	\$ 33.71	33.35%
Cost per MWh - coal & petcoke - steam	\$ 36.61	\$ 32.65	12.14%
Combustion turbine:			
<i>Fuel oil</i>			
Fuel expense	\$ 201,334	\$ 51,234	292.97%
Barrels #2 oil consumed	1,586	173	816.76%
\$/ per barrel consumed	\$ 126.94	\$ 296.15	-57.14%
kWh - oil generated	667,909	48,481	1277.67%
Cost per MWh - oil	\$ 301.44	\$ 1,056.79	-71.48%
<i>Natural gas (includes landfill)</i>			
Gas expense Kennedy & landfill - variable	\$ 319,130	\$ 105,605	202.19%
MMBTU's consumed	80,385	32,100	150.42%
\$/ per MMBTU consumed	\$ 3.97	\$ 3.29	20.67%
kWh - gas generated (1)	6,884,211	2,337,018	194.57%
Cost per MWh - gas	\$ 46.36	\$ 45.19	2.59%
Gas expense BB simple - variable	\$ 537,252	\$ 141,943	278.50%
MMBTU's consumed	171,304	47,698	259.14%
\$/ per MMBTU consumed	\$ 3.14	\$ 2.98	5.39%
kWh - gas generated (1)	15,338,082	4,157,764	268.90%
Cost per MWh - gas simple	\$ 35.03	\$ 34.14	2.60%
Gas expense BB combined - variable	\$ 8,357,514	\$ 6,890,193	21.30%
MMBTU's consumed	2,639,212	2,431,620	8.54%
\$/ per MMBTU consumed	\$ 3.17	\$ 2.83	11.76%
kWh - gas generated (1)	374,229,238	346,661,864	7.95%
Cost per MWh - gas combined	\$ 22.33	\$ 19.88	12.36%
Gas expense GEC simple - variable	\$ 810,191	\$ 661,016	22.57%
MMBTU's consumed	511,006	298,460	71.21%
\$/ per MMBTU consumed	\$ 1.59	\$ 2.21	-28.41%
kWh - gas generated	46,977,650	27,284,261	72.18%
Cost per MWh - gas simple	\$ 17.25	\$ 24.23	-28.81%
Cost per MWh - gas & oil ct	\$ 23.03	\$ 20.63	11.60%
Natural gas expense - fixed	\$ 3,174,128	\$ 3,136,054	1.21%
Total generated power:			
Fuels expense	\$ 27,382,842	\$ 19,186,771	42.72%
kWh generated	808,302,208	616,447,590	31.12%
Cost per MWh	\$ 33.88	\$ 31.12	8.84%
(1) Allocation of kWh generated is based upon a ratio of gas MBTU's (adjusted to oil equivalent - 95.5%) and oil MBTU's			
Cost of fuels			
Fuel oil #6	\$ -	\$ -	
Natural gas units #1-3 with landfill - variable	8,690,472	3,117,925	
Coal	926,719	1,676,655	
Petcoke	4,366,102	3,406,146	
Fuel oil #2	201,334	51,234	
Natural gas - simple cycle (BB & GEC) - variable	1,666,573	908,564	
Natural gas - combined (BB) - variable	8,357,514	6,890,193	
Natural gas - fixed	3,174,128	3,136,054	
Total	\$ 27,382,842	\$ 19,186,771	

	Month October		
	2018	2017	Variance
Production Statistics (Continued)			
Purchased power:			
<i>Plant Scherer</i>			
Purchases	\$ 8,265,287	\$ 3,642,297	126.93%
kWh purchased	114,424,000	120,317,000	-4.90%
Cost per MWh	\$ 72.23	\$ 30.27	138.61%
<i>TEA & other</i>			
Purchases	\$ 8,617,305	\$ 5,569,401	54.73%
kWh purchased	187,510,671	112,885,383	66.11%
Cost per MWh	\$ 45.96	\$ 49.34	-6.85%
<i>SJRPP</i>			
Purchases	\$ 2,809,509	\$ 12,655,426	-77.80%
kWh purchased	-	242,259,000	-100.00%
Cost per MWh		\$ 52.24	
Total purchased power:			
Purchases	\$ 19,692,101	\$ 21,867,124	-9.95%
kWh purchased	301,934,671	475,461,383	-36.50%
Cost per MWh	\$ 65.22	\$ 45.99	41.81%
Subtotal - generated and purchased power:	\$ 47,074,943	\$ 41,053,895	14.67%
Fuel interchange sales	(1,093,637)	(275,656)	296.74%
Earnings of The Energy Authority	(351,293)	(287,967)	21.99%
Realized and Unrealized (Gains) Losses	(684,320)	-	
Fuel procurement and handling	1,197,553	564,579	112.11%
By product reuse	751,112	670,096	12.09%
Total generated and net purchased power:			
Cost, net	46,894,358	41,724,947	12.39%
kWh generated and purchased	1,110,236,879	1,091,908,973	1.68%
Cost per MWh	\$ 42.24	\$ 38.21	10.53%
Reconciliation:			
Generated and purchased power per above	\$ 46,894,358	\$ 42.24	
SJRPP operating expenses:			
SJRPP O & M	(653,579)	(0.59)	
SJRPP debt service	(1,900,301)	(1.71)	
SJRPP R & R	(255,629)	(0.23)	
SCHERER operating expenses:			
Scherer power production	(473,932)	(0.43)	
Scherer R & R	(4,333,785)	(3.90)	
Scherer transmission	(297,289)	(0.27)	
Scherer taxes	(103,051)	(0.09)	
Florida and other capacity	(1,506,624)	(1.36)	
MEAG	(994,641)	(0.90)	
Energy expense per budget page	\$ 36,375,527	\$ 32.76	

	Month October	
	2018	2017
MWh sales		
JEA	-	242,259
FPL saleback	-	157,604
FPL direct portion	-	99,966
Total MWh sales	<u>-</u>	<u>499,829</u>
Fuel costs	\$ 655,570	\$ 10,161,074
(Includes fuel handling expenses)		
Less interest credits: inventory bank	(1,899)	(12,648)
Plus (less): true-up interest	(742)	(1,444)
Total	<u>652,929</u>	<u>10,146,982</u>
Cost per MWh		\$ 41.88
Operating and maintenance expenses	650	1,491,141
Less: operations bank interest	-	(3,544)
Total	<u>650</u>	<u>1,487,597</u>
Cost per MWh		\$ 6.14
Debt service contribution		
Principal	1,148,333	2,174,323
Interest	927,322	1,248,704
Less credits:		
Reserve Issue 2	-	(196,521)
Reserve Issue 3	(14,110)	(16,674)
Debt service Issue 2	-	(5,456)
Debt service Issue 3	(4,630)	-
General reserve Issue 2	(411)	(16,182)
General reserve Issue 3	(32,322)	(3,584)
Build America Bonds subsidy	(28,635)	(30,621)
Inventory carrying costs	-	(61,822)
Total	<u>1,995,547</u>	<u>3,092,167</u>
Cost per MWh		\$ 12.76
R & R contribution	255,629	293,240
Less: interest credit	(95,246)	(154,560)
Less: cumulative capital recovery amount	-	(2,210,000)
Total	<u>160,383</u>	<u>(2,071,320)</u>
Cost per MWh		\$ (8.55)
Debt service coverage	-	-
Transfer to JEA	-	-
Total	<u>-</u>	<u>-</u>
Cost per MWh		\$ -
Total	<u>\$ 2,809,509</u>	<u>\$ 12,655,426</u>
kWh purchased	-	242,259,000
Cost per MWh		\$ 52.24

III. A.

Appendix G

Monthly FY18 Communications & Engagement Calendar and Plan Update

	A	B	C	D	E
1	Date	Event/Activity	Location	Time	Type
2	Oct-18				
3	10/1/2018	JU Conservation Ecology Class	Arlington East Wastewater Plant Tour	1:30pm	Ambassador Facility Tour
4	10/3/2018	Senior Games - Bowling	1838 Cassat Ave.	9am	Volunteer Activity
5	10/6/2018	Northwest Jax Comm. Develop. Corp.	3416 Moncrief Ave.	9am	Ambassador Speaker
6	10/8/2018	JU Conservation Ecology Class	Jax Solar Tour	2pm	Ambassador Facility Tour
7	10/8/2018	United Way Golf Tournament	St Johns Golf Club	9am	Volunteer Activity
8	10/8/2018	American Heritage Girl Scouts	Christ the Kung School - 742 Arlinton Exp. Way	6:30pm	Ambassador Instructor
9	10/11/2018	Eden Gardens	9179 Garden St.	8am	Volunteer Activity
10	10/11/2018	JU Marine Science Institute	Main St Lab Tour	11am	Ambassador Facility Tour
11	10/12/2018	Barkin' Biscuits at BGF	223 Mill Creek Rd.	9am	Volunteer Activity
12	10/12/2018	Berry Good Farms	223 Mill Creek Rd.	9am	Volunteer Activity
13	10/12/2018	Lighthouse Christian School	6801 Merrill Rd.	9am	Ambassador Speaker
14	10/15/2018	Cub Scout Pack 23	Main St Lab Tour	9:30am	Ambassador Facility Tour
15	10/15/2018	USO	2560 Mayport Rd.	10am	Volunteer Activity
16	10/15 - 18/2018	Careers in Energy Week	Raines, Ribualt, Jackson and Sandalwood High Schools	7:40am	Ambassador Speakers
17	10/16/2018	Christ the King Career fair	6522 Larkin Rd.	10am	Ambassador Event
18	10/17/2018	Timberlin Creek Elem.	555 Pine Tree Lane	4pm	Ambassador Instructors
19	10/18/2018	Non-Profit Breakfast	JEA Tower	7:30am	Ambassador Event
20	10/18/2018	Farm Share	Jessie St.	9am	Volunteer Activity
21	10/18/2018	Communities in Schools	Woodland Acres	9am	Volunteer Activity
22	10/18/2018	Jaguar Landrover Roll Out	11211 Atlantic Blvd.	6:30pm	Ambassadors Event
23	10/19/2018	Catty Shack Wildlife Refuge	1860 Starratt Rd.	10am	Volunteer Activity
24	10/19/2018	Lutheran Social Serv. Head Start	1095 A Philip Randolph	10am	Volunteer Activity

JEA Community Engagement Calendar - October - December 2018

	A	B	C	D	E
25	10/19/2018	Providence Preschool Career Day	3115 Discovery Way	8am	Ambassasdor Event
26	10/18 - 21/2018	Southern Women's Show	Prime Osborn	10am - 9pm	Ambassador Event
27	10/22/2018	JU Conservation Ecology Class	NGS Tour	2pm	Ambassador Facility Tour
28	10/22/2018	Girl Scout Troop	Ed White High	6:30pm	Ambassador Instructor
29	10/23/2018	Carpenter's Shop	1601 University Blvd. North	6:30pm	Ambassador Event
30	10/25/2018	Cathedral Terrace Café	601 N Newman St	11am	Volunteer Activity
31	10/25/2018	Recovered Treasures CRM	5343 Normandy Blvd.	10am	Volunteer Activity
32	10/25/2018	Habijax Builds	2404 Hubbard St	7:30am	Volunteer Activity
33	10/25/2018	Salvation Army Toy Assembly	900 W Adams St	8am	Volunteer Activity
34	10/25/2018	UNF Comm. Class	UNF Campus	4:30pm	Ambassador Speakers
35	10/26/2018	Catholitic Charities Food Pantry	134 E Church St	9:30am	Volunteer Activity
36	10/26/2018	CRM Lunch Service	234 W Stae St	11:30am	Volunteer Activity
37	10/26/2018	Feeding NE FL Food Bank	1116 Edgewood Ave.	8:30am	Volunteer Activity
38	10/26/2018	DLC Nurse & Learn Fall Carnival	4101 College St.	9am	Volunteer Activity
39	10/26/2018	South Jax Prebyterian Preschool	2137 Hendricks Ave.	12pm	Ambassador Speaker
40	10/26/2018	UNF Engineering Students	Ridenour Plant Tour	1pm	Ambassador Facility Tour
41	10/28/2018	Bethel Baptist Fall Fest	Bethel Church	11:30am	Ambassador Event
42	10/29/2018	Lutheran Social Serv. Head Start	1314 Union St West	10am	Ambassador Instructor
43					
44	Nov-18				
45	11/2/2018	UNF Engineering Students	Buckman Plant Tour	8:45am	Ambassador Facility Tour
46	11/9/2018	Tulsa Welding School	Blair Rd Solar Tour	9:30am	Ambassador Facility Tour
47	11/9/2018	UNF Engineering Students	Buckman Plant Tour	8:45am	Ambassador Facility Tour
48	11/10/2018	Lutheran Presbyterian Event	1901 Philips Highway	10am	Ambassador Event
49	11/12/2018	Vaterans Day Parade	Downtown Jax	11:01am	Ambassador Event
50	11/13/2018	Science Extravaganza	Lake Lucina Elem.	5:30pm	Ambassador Event
51	11/14/2018	Girl Scouts	Main St Lab Tour	2pm	Ambassador Facility Tour

JEA Community Engagement Calendar - October - December 2018

	A	B	C	D	E
52	11/14/2018	Jr Achievement JAGirls	Waverly Academy	8am	Ambassador Instructors
53	11/16/2018	UNF Engineering Students	Buckman Plant Tour	8:45am	Ambassador Facility Tour
54	11/27/2018	Hillard Senior High	Buckman Plant Tour	9:30am	Ambassador Facility Tour
55	11/30/2018	Bartram Sprgs. Careers on Wheels	Bartram Elem.	8am	Ambassador Event
56	11/30/2018	FSCJ Engineering Students	Buckman Plant Tour	1:15pm	Ambassador Facility Tour
57					
58					
59	Dec-18				
60	12/1/2018	Marine Science Inst.	2800 University Blvd. N	1pm	Ambassador Speaker
61	12/19/2018	Junior Achievement School Takeover	Biscayne Elem.	8:30am	Ambassador Instructors
62	12/20/2018	Junior Achievement School Takeover	Oceanway Elem.	9am	Ambassador Instructors
63					
64					
65					
66					
67					
68					



FY19 Customer & Community Engagement Overview and November Update

Each month, we update the board on Customer & Community Engagement activities for the previous and current months. The purpose is to keep you apprised on these activities so that you are knowledgeable about JEA's efforts to keep our customers informed, assist them in the management of their utility services and be a good corporate citizen.

Customer Communications

In October, we concluded the Restoration 1-2-3 educational campaign. The campaign reached customers through TV, radio, online ads, digital billboards as well as social media, print ads and JEA bill inserts. After Hurricane Michael hit the panhandle, our social media team visited a JEA electric crew providing mutual aid in Tallahassee to give our customers a glimpse of the support JEA provides other utilities in time of need. The team documented the electric crew's efforts through pictures and Facebook live. Our Multimedia Productions Team also created a Hurricane Michael mutual aid video that highlighted our water and wastewater crews that were sent to assist the panhandle. We also focused messages on seasonal topics such as reporting streetlights outages, scams, and fall energy savings tips.

The new Alerts and Preference Center on jea.com went live in October. Customers can now enroll in a variety of alerts ranging from energy/water usage alerts to outage notifications. At time of enrollment, customers can choose whether they want to be alerted by voice, email, or text and have the option to choose a different method for each alert they sign up for.

Community Engagement

JEA employees participated in numerous Ambassador events and Volunteer activities throughout the month of October, with Ambassadors participating in 35 activities and 53 volunteers serving 359 hours in the community.

JEA Ambassadors

In October, JEA Ambassadors participated in the 2018 Southern Women's Show. At the show, Ambassadors reached over 30,000 customers and helped answer questions regarding bills, how to conserve energy and water, and ways to save money each month. Ambassadors also conducted six facility tours and delivered eleven presentations to groups including Northwest Jax Community Development Corporation and Lighthouse Christian School. Students at Timberlin Creek Elementary and Southside Presbyterian School were taught the Power Pals Program by our Ambassadors where they learned the importance of safety around electricity.

Employee Volunteerism

In October, 53 JEA employees volunteered in the community, connecting with customers and assisting with numerous nonprofit projects and activities. From volunteering at Jacksonville Senior Games to helping clean-up Catty Shack Ranch Wildlife Sanctuary, JEA employees gave generously of their time and talents for the benefit of our community. JEA employees also volunteered time at Barkin' Biscuits, Recovered Treasures, HabiJax, Catholic Charities, Feeding Northeast Florida Food Bank, and DLC Nurse & Learn Fall Carnival.

Last month, JEA employee volunteers assisted with many United Way events including the annual motorcycle ride and charity golf tournament. The two events raised over \$25,000 for the United Way.

JEA employees take great pride in the Ambassador and Volunteer programs, which are a tangible demonstration for our customers and our community of the "Heart of JEA."

Communications Contacts* Generated Year to Date	11,922,015
• Paid Communications Contacts (Radio, Television, Out of Home, Online, Print)	7,525,167
• Other Communications Contacts (Bill Insert, Bill Envelop, Brochure, etc.)	1,082,675
• E-communications Contacts (jea.com Visitors, Email, Social Media, Videos)	3,304,411
• Community Engagement Communications Contacts (Events, Public Speaking, Presentations, Training, Workshops, etc.)	9,762

*Communications Contacts are the opportunities JEA has to communicate information to our customers.