

FINANCE, GOVERNANCE, & AUDIT COMMITTEE MINUTES
February 22, 2024

The Finance, Governance, and Audit Committee of the JEA Board met at 9:00 am on Thursday, February 22, 2024 on the 1st Floor, 225 North Pearl Street, Jacksonville, Florida. The meeting was properly noticed, and the public was invited to attend this meeting in-person at the physical location and virtually via WebEx.

WELCOME

Meeting Called to Order – Attending the meeting virtually, Committee Chair General Joseph DiSalvo called the meeting to order at 9:00 am. Attending the meeting in person were committee members Rick Morales and Kawanza Humphrey. Board members Bobby Stein and John Baker also attended in person. Board Member Marty Lanahan attended the meeting virtually.

Others in attendance in-person were Jay Stowe, Managing Director/CEO; Laura Schepis, Chief External Affairs Officer; Ted Phillips, Chief Financial Officer; Regina Ross, Chief Legal Officer, Office of General Counsel; and Melissa Dalton, Board Services Manager.

Adoption of the Agenda – On *motion* by Mr. Morales and seconded by Ms. Humphrey, the agenda was approved.

Values Moment – Chris Pruitt, Senior Manager, Generation Support, provided a values moment on respect.

Comments from the Public – There were no in-person, virtual, or emailed public comments.

FOR COMMITTEE CONSIDERATION

MAKE DOING BUSINESS WITH JEA EASY

Contract Ratification – Laura Schepis, Chief External Affairs Officer, provided background information on the contract ratification process as well as process improvements for large contracts. Ms. Schepis also provided updates on each contract to be ratified including Greenland Water Reclamation Facility, Greenland Water Reclamation Facility Pipelines and Mains, Southwest Water Reclamation Facility Expansion; Buckman Biosolids Conversion, Nassau Water Reclamation Facility Upgrade, and GE Long Tern Service Agreement.

Committee and Board members requested additional information from staff. The contract ratification was deferred to March 26, 2024 Board meeting for approval.

Compliance with JEA's Disclosure Policy & Procedures / Annual Disclosure Reports – Randall Barnes, Treasurer, provided the committee with JEA and Board member requirements in relation to the filing of the annual disclosure reports. Mr. Barnes highlighted the proposed timeline and requested the committee recommend Board approval of the Annual Disclosure Reports at the March 26, 2024 Board meeting. This presentation was received for information.

Internal Audit & Ethics Update – Lee Montanez, Director, Internal Audit, provided an update to include the Quality Assurance Improvement program and audit software; internal audit charter updates to include an update to the Board Committees; audit staff title changes; and updating outdated information. Mr. Montanez provided an update on the audit and action plan status. Walette Stanford, Director, Ethics, provided an update on business ethics and open government training; highlights from ethics hotline cases and ethics inquiries from employees.

On *motion* by Mr. Morales and seconded by Ms. Humphrey, the Internal Audit Charter updates were approved and the remainder of the presentation was received for information.

DEEPEN CUSTOMER & COMMUNITY ENGAGEMENT

Rating Agency Presentation – Ted Phillips, Chief Financial Officer, provided background information on the process for presenting information to the three rating agencies. Joe Orfano, Vice President, Financial Services, and Randall Barnes, Treasurer, highlighted the consolidated historical financial metrics; electric and water systems debt management; financial results; unit sales; revenue requirements; capital funding sources and uses; and financial metrics.

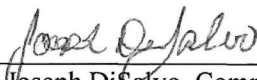
CLOSING CONSIDERATIONS

Old and Other New Business/Open Discussion – None

Announcements – None

Adjournment – With no further business coming before the Committee, Chair General DiSalvo declared the meeting adjourned at 10:43 am.

APPROVED BY:



General Joseph DiSalvo, Committee Chair

Date: 27 August 2024

Submitted by:



Allison S Hickok
Executive Staff Assistant