



Committee Members will meet on the 8th Floor
Other Board Members may join via conference call
by dialing 904-665-7100 - No password is needed.

COMPENSATION COMMITTEE AGENDA

DATE: December 15, 2015
TIME: 11:00 – 12:00 PM
PLACE: 21 W. Church Street
8th Floor

	Responsible Person	Action (A) Info (I)	Total Time
I. OPENING CONSIDERATIONS	Delores Kesler		
A. Call to Order			
B. Adoption of Agenda		A	
II. NEW BUSINESS			
A. Committee Charter Draft	Paul McElroy	I	5 mins.
B. JEA Compensation Review	Angie Hiers	I	30 mins.
C. Open Discussion			15 mins.
D. Announcements			
1. Schedule Next Meeting as Appropriate			
E. Adjournment			

JEA Board of Directors Compensation Committee Charter

Role of the Compensation Committee

The Compensation Committee is appointed by, and is a standing Committee of, the Board of Directors of JEA. The Committee's primary function is to assist the Board in fulfilling its oversight responsibilities by reviewing JEA's compensation strategies. In conjunction with its primary function, it is the responsibility of the Committee to provide an open avenue of communication between the Board and Management. The Committee will report to the Board on a _____ basis to keep the full Board apprised. The Compensation Committee shall review and approve various agenda items and make recommendations to the JEA Board for final approval.

Membership

The Committee shall consist of three Board members, appointed annually by the Board Chair. The Board Chair shall appoint one of the Committee members as Chairperson. The Chief Human Resources Officer shall have direct access to the members' of the Compensation Committee.

Meetings

The Committee will meet at least _____ () times per year, and on an as needed basis. The Committee may invite members of Management and/or others to attend meetings and provide pertinent information, as necessary. A schedule of regular meetings will be established by the Committee annually. Special meetings may be called by the Committee Chair. Meetings shall be subject to open meetings and public information laws.

Responsibilities

The Committee shall:

- Report Committee actions and recommendations to the Board.
- Annually review and approve the Committee's Charter, updating as needed.
- Establish, monitor, review and revise, at least annually, performance guidelines for the CEO.
- Assist the Board in assessing and evaluating the CEO's performance.
- Review and recommend the CEO's compensation, including salary and incentives
- On the recommendation of the CEO, approve the appointment of, and compensation plans for each member of senior management, including salary and incentives.
- Review and approve annual pay for performance program relative to establishing goals, structure and payout amounts.
- Approval of proposed wages (related to negotiations) to be presented to legislative body for final approval.

Compensation Committee Pre-Work

December 15, 2015



JEA Compensation Committee Pre-Work

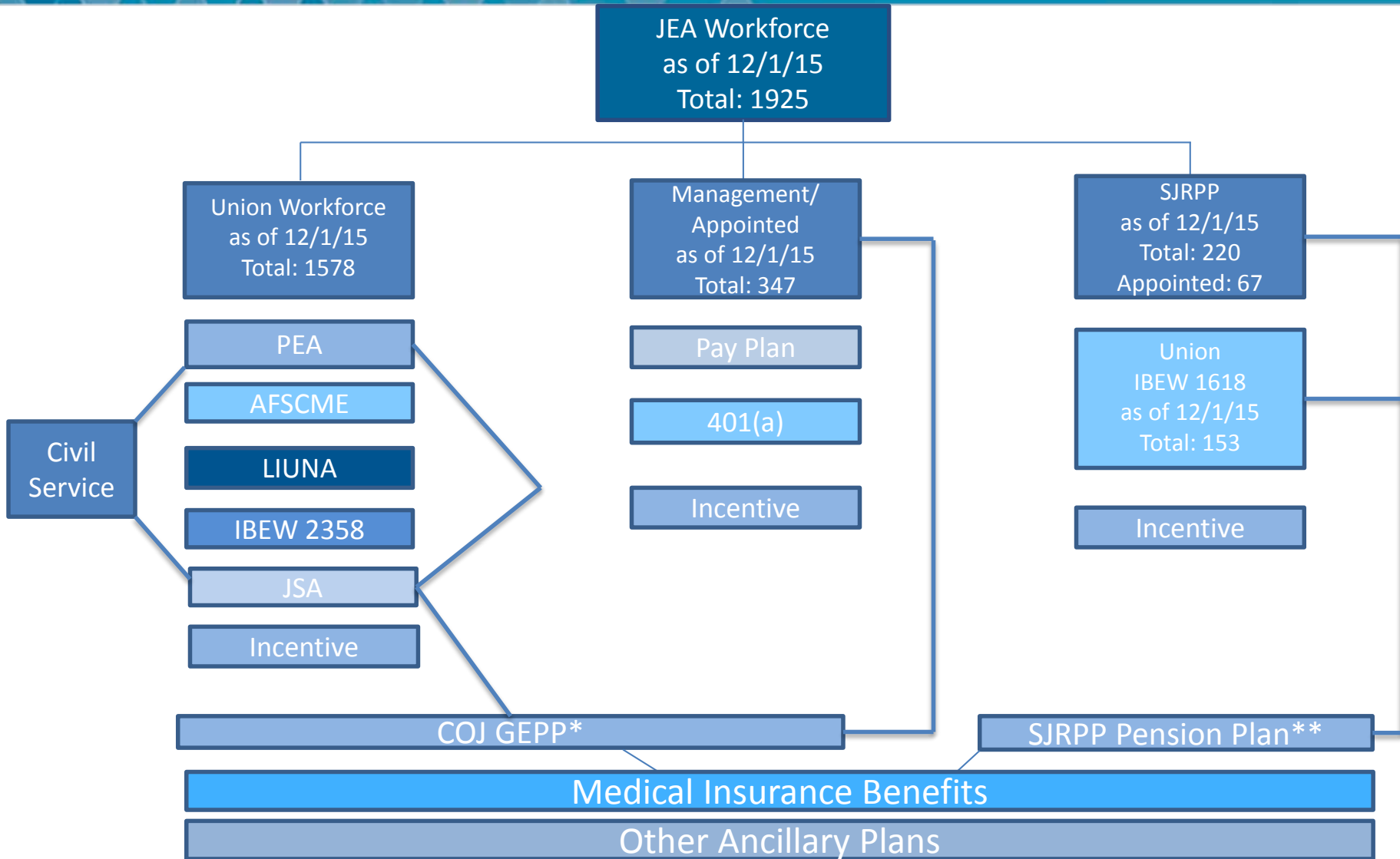
December 8, 2015

LISTING OF ITEMS FOR REFERENCE

1. Introduction to JEA's Workforce
2. JEA's Compensation Policy Adopted by JEA Board
3. JEA Compensation Market Analysis 2015
4. 2015 Market Resources (Inclusive of Benchmarked Jobs and Titles)
5. Appointed Pay (Tri-Tile Approach)
6. CEO Contract & Market Analysis
7. Senior Leadership Team (SLT) Market Analysis
8. Pay for Performance (PFP Program) Benchmark Study
9. Industry Performance Pay Practice Data (Relevancy to JEA)



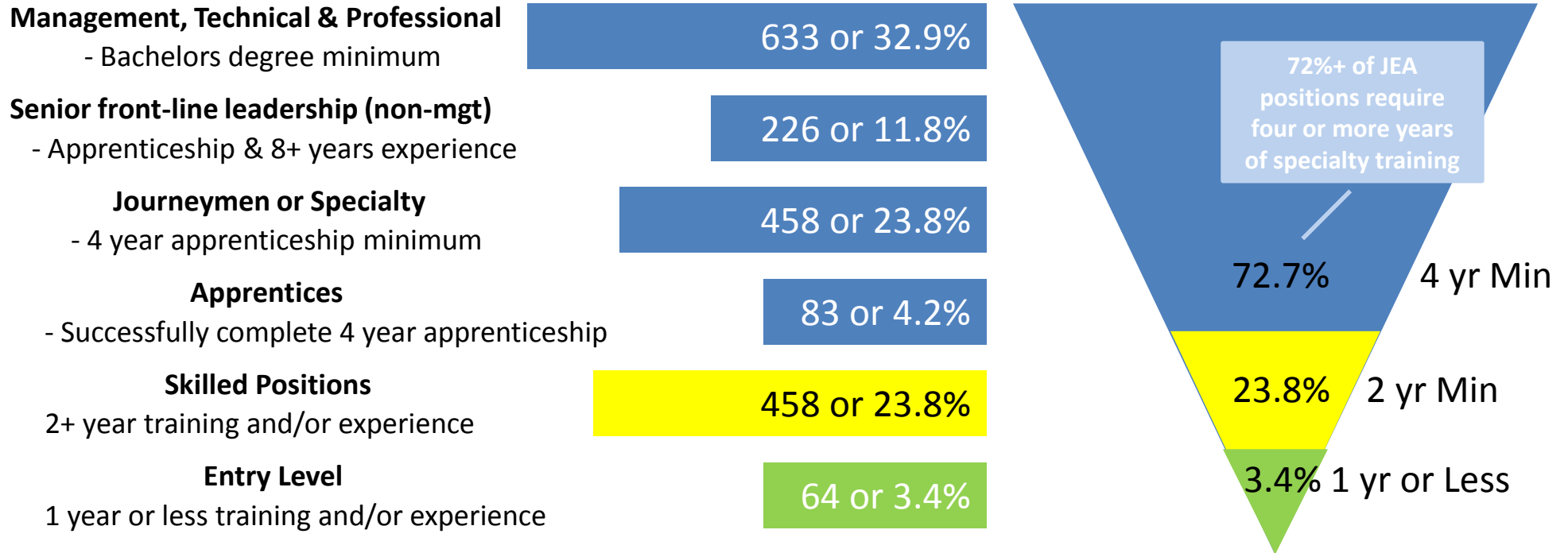
JEA Workforce



*Defined Benefit
Defined Compensation

**Match for 457 Deferred
Compensation

JEA Highly Technical Workforce



Replacement Costs:

- Estimated average recruitment and on-boarding costs: \$7,700/Professional & \$4,900/O&M
- Estimated average cost to pay and train an apprentice to reach a journeymen level over a four year program is \$275,000 each



JEA's Compensation Philosophy Adopted by JEA Board

From JEA Board Policy Manual, revision adopted by JEA Board on June 17, 2014

“With respect to employment, compensation, and benefits to employees, consultants, contract workers, and volunteers, the CEO shall not cause or allow jeopardy to financial integrity or to public image.

Accordingly, the CEO will not” ...

“Promote a compensation philosophy that is contradictory to JEA’s compensation philosophy of providing a total rewards package that encompasses salary/wages, retirement benefits, incentives, and health and welfare benefits. Salary/wages will meet the market (50th percentile), which is where the majority of companies in the geographical area reside. The 50th percentile pays competitively for behavior that meets expectations. Additional consideration will be given to behaviors that exceeds expectations which are typically rewarded at the 75th percentile. Internal equity will be achieved by evaluating differences in skill, effort, responsibility and working conditions among jobs.”



JEA Compensation Market Analysis 2015

JEA's Compensation Philosophy

JEA employs a total compensation philosophy for all team members that drives our ability to attract, retain, and reward a highly technical and specialized workforce while ensuring compensation is:

- Internally equitable
- Externally competitive and appropriate for the market JEA operates within
- Driven by excellence in performance and safety
- Delivered based on the company's financial ability to pay

Introduction

JEA job structure is designed to support a variety of jobs ranging from managerial, professional, paraprofessional, technical, trades and clerical. JEA and SJRPP combined currently have 588 unique job titles. This job structure is further differentiated by six bargaining units; IBEW 1618, IBEW 2358, AFSME, JSA, PEA, LIUNA. JEA periodically reviews the job structures to determine if pay rates, steps, ranges, grades and job content are current.

Summary

JEA employs a variety of methodologies to determine if pay is appropriate, to include but not limited to: internal equity studies, custom benchmark analysis, participation in national, regional and local salary surveys, and job analysis to obtain benchmark information. Benchmark jobs are defined as positions that match another organization's position based on standard and consistent responsibilities in job description. JEA uses benchmark data to guide the design of pay structures and pay decisions. This ensures JEA maintains an appropriate position compared to the external market while maintaining the ability to attract and retain a highly technical workforce. JEA has identified a total of 316 benchmark jobs. JEA has two types of pay structures: step plans and ranges. The top step is designed to reflect full proficiency in the job functions. Once this level is achieved, the rate of pay is commensurate with that of a fully trained incumbent and pay will stabilize until the market changes. Jobs that are assigned pay ranges are designed to reward and recognize employees for performance. Movement through the range is based on timing of increases and performance. The pay ranges for these jobs are designed around the median base pay practices in the market place. The 50th percentile is utilized in determining competitive positioning.

JEA utilizes nationally recognized principles to maintain a competitive salary positioning. Market analysis is used to ensure structures align with projected base pay movement in the market. Market analysis is also used to verify jobs are appropriately graded and validate job placement in a grade or structure. Periodic analysis may be conducted.

Note: Marketplace: the universe of jobs in similar job content, the location of the job, the supply and demand for the skill sets, the size or scope of the job

JEA/SJRPP currently has 2,165 employees:

Breakdown of Employees:	# of Employees:
Non-Bargaining Unit/Appointed/Managerial	368
AFSCME	197
IBEW 2358	534
JEA M&C	9
JSA	217
LIUNA	343
PEA	293
SJRPP M&C	44
SJRPP IBEW 1618	153
Other	7

Between July 2014 and September 2015, JEA conducted a number of customer analysis to obtain benchmark data used to assess whether current structures needed to be adjusted. Included in this summary is the following:

- 2015 Market Resources
 - National and regional sources
 - FL municipals
 - FL utilities
- All benchmarked titles
- Management strategy compensation analysis
 - All six bargaining units
 - Summary graphs

Management Strategy Summary Analysis:

Bargaining Unit:	# of Jobs:	#of Jobs Selected for Analysis:	% of Jobs Represented:	% of BU Represented:	Market Analysis:
AFSCME	22	12	55%	91%	10 Above Market 2 At Market
IBEW 1618	22	10	45%	33%	All 10 At Market
IBEW 2358	45	24	53%	79%	All 5 At Market
JSA	37	10	27%	40%	All 10 At Market
LIUNA	17	7	41%	70%	All 7 At Market
PEA	70	60	86%	91%	5 Above Market 46 At Market 7 Below Market

2015 Market Resources

National and Regional Sources

- Radford High Tech Survey
- Towers Watson Energy
- Towers Watson General Industry
- Mercer
- Independent Energy Human Resources Association (IEHRA)
- America Public Power Association (APPA)
- American Water Works Association (AWWA)

FL Municipals

- City of Lakeland
- City of Ocala
- City of Orlando
- City of St. Petersburg
- City of Tallahassee
- Daytona Beach
- Hillsborough County
- Seminole County
- Miami Dade County
- Orange County

FL Utilities

- Emerald Coast Utility Authority
- Fort Pierce Utility
- Gainesville Regional Utility
- Kissimmee Utility Authority
- Orlando Utilities Commission
- TOHO (Tallahassee) Water

Additionally used investor owned utilities with FL operations, in FL border states, and in the southeast U.S. were referred where available.

Compensation Committee - II. New Business

All Benchmarked Titles:				
OCC (job code)	ORG	Group	JOB TITLE	PAY GRADE
A001	JEA	AFSCME	Account Clerk	6
A011	JEA	AFSCME	Account Clerk Senior	8
L026	JEA	AFSCME	Construction Inspector II	14
2502	JEA	AFSCME	Customer Care Consultant	25
2530	JEA	AFSCME	Customer Care Specialist	26
2241	JEA	AFSCME	Laboratory Scientist	15
2242	JEA	AFSCME	Laboratory Scientist Senior	16
2240	JEA	AFSCME	Laboratory Technician	4
2250	JEA	AFSCME	Office Support Associate	7
2901	JEA	AFSCME	Payroll Practitioner	10
2002	JEA	AFSCME	Purchasing Agent	15
2000	JEA	AFSCME	Purchasing Assistant	10
6401	JEA	Appt	Account Executive Customer Accounts	H
6500	JEA	Appt	Black Belt	H
6501	JEA	Appt	Black Belt Candidate	F
6471	JEA	Appt	Bond Administration Specialist	I
6405	JEA	Appt	Bond Compliance Specialist	I
4501	JEA	Appt	Certified Public Accountant	G
6456	JEA	Appt	CFB Operations Specialist	I
6406	JEA	Appt	Communications Coordinator	F
6409	JEA	Appt	Community Engagement Coordinator	G
6469	JEA	Appt	Compensation Analyst	F
6485	JEA	Appt	Compensation Specialist	G
2410	JEA	Appt	Compensation Specialist Senior	H
6449	JEA	Appt	Compliance Specialist	I
6411	JEA	Appt	Conservation & Efficiency Specialist	H
6403	JEA	Appt	Continuous Monitoring Analyst & Systems Administrator	F
6412	JEA	Appt	Contract Administration Specialist	G
6850	JEA	Appt	Controller	J
6691	JEA	Appt	Customer Experience Application Program Mgr (BA work)	H
6414	JEA	Appt	Debt Financial Analyst	H
6851	JEA	Appt	Dir Audit Services	J
6900	JEA	Appt	Dir Commercial Customer Relationships	J
6856	JEA	Appt	Dir Corporate Applications	J
6857	JEA	Appt	Dir Corporate Data Integration	J
6852	JEA	Appt	Dir Customer and Community Engagement	J
6861	JEA	Appt	Dir Electric Compliance	K
6899	JEA	Appt	Dir Electric Distribution Construction Maintenance	J
6863	JEA	Appt	Dir Electric Production	K
6917	JEA	Appt	Dir Electric Production Resource Planning	K
6853	JEA	Appt	Dir Electric Systems Operations	K
6858	JEA	Appt	Dir Electric T&D Planning	J
6884	JEA	Appt	Dir Electric T&D Projects	J
6915	JEA	Appt	Dir Emergency Preparedness & Business Continuity	J
6912	JEA	Appt	Dir Emerging Workforce Strategies	J

Compensation Committee - II. New Business

6865	JEA	Appt	Dir Enterprise Architecture	J
6902	JEA	Appt	Dir Enterprise Business Intelligence	J
6866	JEA	Appt	Dir Environmental Programs	J
6874	JEA	Appt	Dir Government Affairs	J
6871	JEA	Appt	Dir Information Security	J
6872	JEA	Appt	Dir IT Project Mgmt Services	J
6873	JEA	Appt	Dir Laboratory & Water Services	J
6898	JEA	Appt	Dir Meter Reading & Billing	J
6897	JEA	Appt	Dir Operational Suppt Customer Relationships	J
6881	JEA	Appt	Dir Organizational Performance Improvement	K
6882	JEA	Appt	Dir Permitting & Regulatory Conformance	J
6886	JEA	Appt	Dir Risk Mgmt Services	I
6587	JEA	Appt	Dir Security Fire & Corporate Records Compliance	J
6889	JEA	Appt	Dir Strategy Development & Execution	J
6883	JEA	Appt	Dir Supply Chain Management	J
6892	JEA	Appt	Dir Technology Infrastructure	J
6887	JEA	Appt	Dir Training & Workforce Development	J
6894	JEA	Appt	Dir W/WW & Reuse Treatment	K
6666	JEA	Appt	Electric Compliance Program Manager	J
6458	JEA	Appt	Environmental & Economic Dvpt Specialist	G
6460	JEA	Appt	Executive Assistant	E
6418	JEA	Appt	Financial Analysis Specialist	H
6452	JEA	Appt	Financial Analysis Specialist Planning & Rates	H
4100	JEA	Appt	Financial Analyst Budget	G
6419	JEA	Appt	Financial Analyst Revenue Cycle	G
6461	JEA	Appt	Financial Analyst Senior Capital Budget Planning	G
6421	JEA	Appt	Fleet Specialist	G
6422	JEA	Appt	Government Relations Coordinator	F
6459	JEA	Appt	Information Technology Auditor	G
6423	JEA	Appt	Integration Service Specialist	H
6481	JEA	Appt	Labor Relations Analyst	F
6426	JEA	Appt	Labor Relations Specialist	H
6487	JEA	Appt	Leadership Development Solutions Specialist	G
6482	JEA	Appt	Learning and Development Technology Specialist	G
6428	JEA	Appt	Legislative Affairs Specialist	H
6649	JEA	APPT	Manager Benefits Services	H
6684	JEA	Appt	Manager Professional Employees Development Programs	H
6683	JEA	Appt	Manager Revenue Cycle Analysis	H
6502	JEA	APPT	Master Black Belt	I
6430	JEA	Appt	Media Relations Coordinator	H
6512	JEA	Appt	Mgr Audit Services	I
6649	JEA	Appt	Mgr Benefits Services	H
6629	JEA	Appt	Mgr Billing Support Services	H
6514	JEA	Appt	Mgr Building Operations & Maint Facilities	I
6515	JEA	Appt	Mgr Bulk Power Operations	J
6519	JEA	Appt	Mgr Business Analyst GIS	H
6517	JEA	Appt	Mgr Business Analyst Maximo	H
6520	JEA	Appt	Mgr Business Analyst NMR	H
6518	JEA	Appt	Mgr Business Analyst Oracle	H

Compensation Committee - II. New Business

6625	JEA	Appt	Mgr Business Client Relationships Key Accounts	I
6678	JEA	Appt	Mgr Business Support Center	G
6521	JEA	Appt	Mgr Capital Budget Planning	I
6667	JEA	Appt	Mgr Cash & Investments	J
6538	JEA	Appt	Mgr Combustion Turbines Ops & Maint	I
6689	JEA	Appt	Mgr Corporate Communications	I
6528	JEA	Appt	Mgr Corporate Research	I
6682	JEA	Appt	Mgr Customer Assistance Programs	G
6526	JEA	Appt	Mgr Customer Conservation & Efficiency	I
6530	JEA	Appt	Mgr Customer Contacts	G
6653	JEA	Appt	Mgr Customer Experience Advocacy & Resolution	H
6688	JEA	Appt	Mgr Customer Experience Strategy Support and Implementation	I
6531	JEA	Appt	Mgr Customer Relationship Systems	I
6665	JEA	Appt	Mgr Debt Capital Markets	J
6659	JEA	Appt	Mgr Digital Communications	I
6534	JEA	Appt	Mgr Distribution Maintenance	I
6709	JEA	Appt	Mgr District Energy Operations	H
6532	JEA	Appt	Mgr DSM Programs	H
6532	JEA	Appt	Mgr DSM Support Services	I
6589	JEA	Appt	Mgr Electric Production Maintenance	I
6536	JEA	Appt	Mgr Electric Service Response	I
6537	JEA	Appt	Mgr Electric Services	I
6888	JEA	Appt	Mgr Electric System Support Services	I
6620	JEA	Appt	Mgr Electrical Group	I
6542	JEA	Appt	Mgr Employee & Leadership Development	H
6544	JEA	Appt	Mgr Enterprise Risk Mgmt	I
6546	JEA	Appt	Mgr Facilities Operations	I
6628	JEA	Appt	Mgr Field Services	H
6547	JEA	Appt	Mgr Financial Accounting & Reporting	I
6548	JEA	Appt	Mgr Financial Planning & Rates	I
6869	JEA	Appt	Mgr Fleet Services	I
6870	JEA	Appt	Mgr Fuels Mgmt Services	J
6549	JEA	Appt	Mgr GIS & Engineering Systems	I
6686	JEA	Appt	Mgr Information Security	I
6543	JEA	Appt	Mgr Internal Communications	G
6553	JEA	Appt	Mgr Investment Recovery Operations	G
6554	JEA	Appt	Mgr Jax Small Emerging Business Programs	G
6555	JEA	Appt	Mgr Laboratory Section Analytical	H
6558	JEA	Appt	Mgr Maintenance Planning	I
6559	JEA	Appt	Mgr Material Handling E & I	I
6624	JEA	Appt	Mgr Meter Data Collection & Analysis	I
6598	JEA	Appt	Mgr Network & Telecommunications Services	I
6561	JEA	Appt	Mgr NGS Material Handling Operations	I
6563	JEA	Appt	Mgr NGS Operations	I
6564	JEA	Appt	Mgr Northside Generating Station	I
6565	JEA	Appt	Mgr Operating Budgets	I
6622	JEA	Appt	Mgr Operational Suppt Training & Communication	H
6623	JEA	Appt	Mgr Operational Suppt Workforce Admin	G
6566	JEA	Appt	Mgr Operations & Help Desk Support	I

Compensation Committee - II. New Business

6631	JEA	Appt	Mgr Organizational Development	I
6650	JEA	Appt	Mgr Payroll Services	G
6685	JEA	Appt	Mgr Physical Security	H
6551	JEA	Appt	Mgr Pollution Prevention Programs	H
6552	JEA	Appt	Mgr Process Chemistry	I
6571	JEA	Appt	Mgr Process Controls	I
6573	JEA	Appt	Mgr Procurement Accounts Payable	G
6574	JEA	Appt	Mgr Procurement Contract Administration	H
6572	JEA	Appt	Mgr Procurement Contract Services & Awards	I
6575	JEA	Appt	Mgr Procurement Inventory Control	H
6577	JEA	Appt	Mgr Project Accounting	I
6579	JEA	Appt	Mgr Project Mgmt	I
6885	JEA	Appt	Mgr Real Estate Services	I
6626	JEA	Appt	Mgr Receivables & Collection Services	H
6580	JEA	Appt	Mgr Recruitment Services	H
6627	JEA	Appt	Mgr Revenue Assurance Services	H
6586	JEA	Appt	Mgr Sampling & Support Services	H
6591	JEA	Appt	Mgr Substation Maintenance	I
6876	JEA	Appt	Mgr Supply Chain Operations (prev Mgr Material Distr)	I
6670	JEA	Appt	Mgr System Protection & Control Projects	I
6594	JEA	Appt	Mgr T&D Preventative Maintenance	I
6595	JEA	Appt	Mgr Tax Administration	I
6616	JEA	Appt	Mgr Technical Utility Training Services	I
6596	JEA	Appt	Mgr Technology Project Mgmt	I
6600	JEA	Appt	Mgr UG Network & Commercial Maintenance	I
6602	JEA	Appt	Mgr Utility Locate Services	H
6671	JEA	Appt	Mgr W/WW Reuse Delivery & Coll Maint Planning & Eng	I
6605	JEA	Appt	Mgr Warehouse Power Production	F
6604	JEA	APPT	Mgr Water & Sewer Preventative Maintenance	I
6621	JEA	Appt	Mgr Water Meter Services	H
6609	JEA	Appt	Mgr Water Treatment	I
6668	JEA	Appt	Mgr WW Treatment & Reuse West Grid	I
6612	JEA	Appt	Mgr WW Treatment Reuse Buckman Plant	I
6613	JEA	Appt	Mgr WW Treatment Reuse East Grid	I
6614	JEA	Appt	Mgr WW Treatment Reuse North Grid	I
6615	JEA	Appt	Mgr WW Treatment Reuse South Grid	I
6568	JEA	Appt	Performance Management Coordinator	G
6453	JEA	Appt	Physical Access/Security Compliance Specialist	H
6431	JEA	Appt	Portfolio Specialist	I
6433	JEA	Appt	Procurement Project Coordinator	F
6704	JEA	Appt	Procurement Vendor Specialist	F
6435	JEA	Appt	Real Estate Coordinator	H
6477	JEA	Appt	Retirement Plans Specialist	F
6475	JEA	Appt	Safety & Health Process Coordinator	G
6424	JEA	Appt	Senior Auditor	H
6803	JEA	Appt	Sr Mgr Electric Production Eng & Outage Services	J
6801	JEA	Appt	Sr Mgr Electric Production Maintenance	J
6802	JEA	Appt	Sr Mgr Electric Production Operations	J
6800	JEA	Appt	Sr Mgr NGS Bulk Material Handling	J

Compensation Committee - II. New Business

6483	JEA	Appt	Talent Acquisition Specialist	F
6484	JEA	Appt	Talent Acquisition Specialist Senior	G
6893	JEA	Appt	Treasurer	K
6975	JEA	Appt	VP/GM Water Wastewater Systems	X
5307	SJRPP	IBEW	Instrument and Control Technician	523
5367	SJRPP	IBEW	Mechanical Technician Cert ASME Welder	524
5363	SJRPP	IBEW	Mechanical Technician Cert HVAC	524
5357	SJRPP	IBEW	Mechanical Technician Cert Machinist	524
5148	SJRPP	IBEW	Power Plant Operator AQCS-RL	520
5108	SJRPP	IBEW	Power Plant Operator PB-RL	520
5402	SJRPP	IBEW	Station Operator	521
1307	SJRPP	IBEW	Storekeeper	516
5149	SJRPP	IBEW	Unit Operator AQCS	525
5109	SJRPP	IBEW	Unit Operator PB	526
2216	JEA	JSA	Arborist	510
2198	JEA	JSA	Construction and Maintenance Working Foreman	525
2196	JEA	JSA	Emergency Dispatcher	525
1028	JEA	JSA	GIS CAD Technician III	515
G111	JEA	JSA	Land Surveyor Senior	510
2317	JEA	JSA	Meter Specialist Foreman	520
2035	JEA	JSA	Meter Working Foreman	525
2071	JEA	JSA	Operating Engineer	525
2190	JEA	JSA	Substation Foreman	525
2072	JEA	JSA	Unit Operator	520
3400	JEA	JSA	Water Wastewater Reuse Treatment Maintenance Coordinator	525
1091	JEA	LIUNA	Apprentice Electrical & Instrument Technician	413
1061	JEA	LIUNA	Control Systems Technician	433
3303	JEA	LIUNA	Maintenance Mechanic - Utility Installer Services	421
1088	JEA	LIUNA	Wastewater Mechanic	428
1086	JEA	LIUNA	Wastewater Operator Maintainer	428
1084	JEA	LIUNA	Water Operator Maintainer	428
1093	JEA	LIUNA	Water Wastewater Reuse Treatment	419
2267	JEA	M&C	Benefits Analyst	4
3711	SJRPP	M&C	Benefits Associate I	1
3712	JEA	M&C	Benefits Associate II	2
B091	JEA	M&C	Budget Analyst Senior	3
2277	JEA	M&C	HR Assistant	1
2278	JEA	M&C	Human Resources Consultant	2
2279	JEA	M&C	Human Resources Consultant II	3
2281	JEA	M&C	Industrial Analyst	4
A026	JEA	PEA	Accountant I	600
A031	JEA	PEA	Accountant II	610
A036	JEA	PEA	Accountant III	630
2299	JEA	PEA	Application Analyst Senior	650
2298	JEA	PEA	Applications Analyst	640
2297	JEA	PEA	Applications Analyst Associate	620
2224	JEA	PEA	Associate Engineer	630
2270	JEA	PEA	Business Analyst	630
2345	JEA	PEA	Communications Analyst	630

Compensation Committee - II. New Business

2344	JEA	PEA	Communications Analyst Assoc	620
2346	JEA	PEA	Communications Analyst Senior	650
2417	JEA	PEA	Communications Tech Associate-RL	310
2418	JEA	PEA	Communications Technician	600
2419	JEA	PEA	Communications Technician Senior	620
2306	JEA	PEA	Construction Specialist	640
3700	JEA	PEA	Contracts Associate	610
2355	JEA	PEA	Corporate Applications Specialist	660
2342	JEA	PEA	Data Warehouse Analyst	640
2341	JEA	PEA	Data Warehouse Analyst Associate	610
2343	JEA	PEA	Data Warehouse Analyst Sr	660
2001	JEA	PEA	Database Administrator	640
2410	JEA	PEA	Database Administrator Senior	660
2228	JEA	PEA	Electric Distribution Engineer	660
2230	JEA	PEA	Electric Systems Engineer	660
2423	JEA	PEA	Enterprise Architect	660
2234	JEA	PEA	Environmental Engineer	660
2221	JEA	PEA	Environmental Scientist	620
2223	JEA	PEA	Environmental Scientist Senior	640
2220	JEA	PEA	Environmental Technician	610
2219	JEA	PEA	Forester	640
2161	JEA	PEA	Fuels Administrator Senior	650
2413	JEA	PEA	IT Services Tech Senior	620
2412	JEA	PEA	IT Services Technician	600
2284	JEA	PEA	Market Research Analyst Senior	650
2348	JEA	PEA	Network Administrator	640
2347	JEA	PEA	Network Administrator Assoc	620
2349	JEA	PEA	Network Administrator Senior	650
2097	JEA	PEA	Operations Analyst	630
2159	JEA	PEA	Operations Analyst Senior	640
1054	JEA	PEA	Physical Security Analyst	630
2291	JEA	PEA	Professional Engineer-RL	340
2210	JEA	PEA	Project Administrator Asst Construction	620
2211	JEA	PEA	Project Administrator Construction	640
2212	JEA	PEA	Project Administrator Senior Construction	650
2304	JEA	PEA	Project Cost Specialist	630
2303	JEA	PEA	Project Cost Specialist Senior	650
2003	JEA	PEA	Purchasing Agent Senior	640
2296	JEA	PEA	Rate Analyst	630
2294	JEA	PEA	Rate Analyst Senior	650
2046	JEA	PEA	Risk Management Technician	600
2043	JEA	PEA	Safety & Health Specialist	630
2351	JEA	PEA	Security Analyst	630
2352	JEA	PEA	Security Analyst Senior	650
2353	JEA	PEA	Security Team Leader	660
2225	JEA	PEA	Staff Engineer	640
2415	JEA	PEA	System Administrator	640
2414	JEA	PEA	System Administrator Associate	620
2416	JEA	PEA	System Administrator Senior	650

Compensation Committee - II. New Business

2421	JEA	PEA	Technology Project Leader	640
2422	JEA	PEA	Technology Project Leader Senior	660
2232	JEA	PEA	Water Wastewater Engineer	660
1039	JEA	IBEW	Apprentice Electrical Technician	209
1050	JEA	IBEW	Apprentice I & C Technician	209
1048	JEA	IBEW	Apprentice Line Maintainer	206B
1059	JEA	IBEW	Apprentice Network and Cablesplicing Technician	206B
1015	JEA	IBEW	Apprentice Power Plant Operator	210B
1008	JEA	IBEW	Assistant Process Chemistry Technician	209A
1060	JEA	IBEW	Electric Troubleshooter	220A
1040	JEA	IBEW	Electrical Technician	218A
2016	JEA	IBEW	Engineer Technician	215A
1051	JEA	IBEW	Instrument and Control Technician	218A
1053	JEA	IBEW	Line Maintainer	219
2313	JEA	IBEW	Maintenance Planner	218A
3320	JEA	IBEW	Material Handling Operator Maintainer I	216B
3321	JEA	IBEW	Material Handling Operator Maintainer II	222
1047	JEA	IBEW	Mechanical Technician	217
2315	JEA	IBEW	Meter Specialist	214B
1080	JEA	IBEW	Meter Technician	218A
1082	JEA	IBEW	Meter Technician Trainee	209A
1055	JEA	IBEW	Network and Cablesplicing Technician	219
1016	JEA	IBEW	Power Plant Operator	217
1009	JEA	IBEW	Process Chemistry Technician	218
5531	JEA	IBEW	Protection & Controls System Technician II	230
2326	JEA	IBEW	Technical Trainer II	221

Appointed Pay Tri-Tile Approach

- ❑ Each pay band is divided into three equal segments, called Tri-tiles. As a general guideline, typically:
 - Employees place in the first (lower) tri-tile if they are:
 - ✓ newly hired or promoted and learning/developing in their roles while progressing to job proficiency or
 - ✓ lower performers who only occasionally meet performance expectations
 - Employees place in the second (middle) tri-tile:
 - ✓ when they are fully competent in their job and consistently meet performance expectations;
 - ✓ although there is not an exact time frame, it usually takes approximately 5 years of consistent job performance to attain this level of proficiency.
 - Employees place in the third (top) tri-tile if they:
 - ✓ possess highly specialized knowledge or skill set not readily available in the external marketplace or
 - ✓ consistently exceed performance objectives and expectations by a wide margin.



**EMPLOYMENT AGREEMENT
FOR CHIEF EXECUTIVE OFFICER/MANAGING DIRECTOR**

THIS AGREEMENT is made and entered into in duplicate on this 21 day of August 2015, by and between JEA, a body politic and corporate under the laws of the State of Florida and an independent agency of the Consolidated City of Jacksonville, hereinafter referred to as JEA, and Paul E. McElroy, an individual currently residing in Jacksonville, Florida, hereinafter referred to as Employee or CEO.

WITNESSETH:

WHEREAS, JEA is a community-owned, not-for-profit utility providing electricity to more than 438,000 customers in Jacksonville and the surrounding areas in northeastern Florida;

WHEREAS, JEA, founded in 1968, manages an electric system that dates back to 1895, and now owns and operates an electric system with five generating plants, transmission and distribution facilities, including 745 miles of transmission lines and 6,625 miles of distribution lines; is part owner and full operator of a sixth generating plant; produces energy from two methane-fueled generating facilities and owns a 12.6-megawatt solar project placing JEA's total generating capacity at approximately 3,757 megawatts;

WHEREAS, JEA also provides water and wastewater services to approximately 321,000 water customers and 247,000 wastewater customers;

WHEREAS, JEA's water system consists of 136 artesian wells tapping the Floridian aquifer, distributing water through 37 water treatment plants and 4,352 miles of water lines and with a sewer system of more than 3,760 miles of collection lines and seven regional and seven non-regional sewer treatment plants;

WHEREAS, JEA owns and operates the District Energy System a separate utility system that provides chilled water to 13 locations in Jacksonville;

WHEREAS, the JEA governing body is made up of a seven-member Board of Directors appointed by the Mayor and confirmed by the City Council;

WHEREAS, the JEA Board of Directors is tasked with appointing a CEO to operate the eighth largest community-owned electric utility company in the United States and the largest in Florida, with total assets of \$7.5 billion (2010), total equity of \$1.5 billion (2010), and approximately 2000 employees (2010);

WHEREAS, this Agreement is a three year extension of an existing employment agreement with Employee;

WHEREAS, after reviewing data concerning similarly situated public power industry chief executive officers, Employer, in an effort to move toward offering a comparable market salary range to the extent possible, has negotiated with Employee a revised salary, including a one-time five percent

market adjustment to the currently existing base salary as adjusted pursuant to the terms of Employee's existing agreement and a three percent increase to the adjusted base salary;

WHEREAS, JEA is desirous of employing Employee as Chief Executive Officer pursuant to the terms and conditions and for the consideration set forth in this Agreement, and Employee is desirous of entering into the employ of JEA pursuant to such terms and conditions and for consideration.

NOW, THEREFORE, for and in consideration of the mutual promises, covenants, and obligations contained herein, JEA and Employee agree as follows:

SECTION I – EMPLOYMENT AND DUTIES:

- 1.1 **Engagement.** JEA agrees to employ Employee and Employee agrees to be employed by JEA, beginning as of October 1, 2015, and terminating, unless earlier terminated in accordance with this Agreement, as of September 30, 2018, subject to the terms and conditions of this Agreement.
- 1.2 **Terms and Duties.** Beginning October 1, 2015, Employee shall be employed as Chief Executive Officer and Managing Director of JEA (hereinafter collectively "CEO"). Employee agrees to serve in this position and to perform diligently and to the best of Employee's abilities the duties and services required by such a position as determined by JEA's Board of Directors (the "Board"), as well as such duties that may from time to time be directed by the Board. Such duties include, but are not limited to, exercising the full authority, responsibility and duties commensurate with the laws establishing JEA to manage the affairs of JEA and to manage and direct staff, business, and operations of JEA.
- 1.3 **Compliance with Policies and Procedures.** Employee shall at all times comply with and be subject to such policies and procedures as the Board may establish.
- 1.4 **Diligence to Position.** Employee shall devote his full business time, energy, and best efforts to the business of Employer; provided, however, that it is agreed that this obligation, shall not preclude Employee from engaging in appropriate civic, charitable or religious activities or, with the consent of the Board, from serving on the boards of directors of companies that are not competitors to JEA, as long as the activities do not materially interfere or conflict with your responsibilities to or your ability to perform your duties of employment at JEA, within the sole discretion of the Board. Subject to the foregoing, Employee may not engage, directly or indirectly, in any other business, investment, or activity that interferes with Employee's performance of his duties, is directly contrary to JEA's interests, or requires any significant portion of Employee's business time. His authority, responsibilities and duties are generally described in the Position Profile for Managing Director and Chief Executive Officer which may be amended from time to time and which is attached hereto as Exhibit A and by reference made a part hereof.
- 1.5 **Fiduciary Obligations.** Employee acknowledges and agrees that Employee owes a fiduciary duty of loyalty, fidelity, and allegiance to act at all times in the best interests of Employer, and

to do no act which would intentionally injure the direct or indirect interests in, in connection with, or benefit from any outside activities, which interests might conflict with JEA, or upon discovery thereof, allow such a conflict to continue. Moreover, Employee agrees to disclose to the Board Chairman, any facts which might involve a possible conflict of interest.

SECTION II – COMPENSATION AND BENEFITS:

- 2.1 **Annual Base Salary.** Employee shall be paid a salary of Four Hundred Thirty Seven Thousand One Hundred Seventy Two Dollars (\$437,172) per annum (Base Salary), which shall be paid in accordance with JEA's standard payroll practice, including deductions for all legally applicable taxes and withholdings, with accrual commencing with the pay period beginning October 1, 2015. The annual Base Salary shall increase by three (3%) per annum, effective on October 1 of 2016 and 2017.
- 2.2 **Performance Compensation.** Employee will be eligible to receive annual Performance Compensation of up to fifteen (15%) of his Base Salary based on (i) annual goals and objectives to be established by the Board, and (ii) an annual overall evaluation by the Board. The Board's annual evaluation shall be based upon each fiscal year's established goals and objectives. The evaluation period for the annual Performance Compensation shall begin with the fiscal year beginning October 1, 2015. The evaluation shall be completed and any Performance Compensation shall be paid within ninety (90) days of the end of the fiscal year.
- 2.3 **Vehicle.** Employee will have the use of an appropriately equipped JEA vehicle at the expense of JEA to supplement Employee's personal vehicle. In lieu of having use of a JEA vehicle, Employee may, at Employee's option, be provided a monthly automobile allowance of \$850, payable on the first bi-weekly pay period of each month subject to withholding. It is specifically intended and understood that this allowance shall be provided for unreimbursed expenses incurred by the Employee within the territorial limits of the JEA service territory and receipt of this allowance shall not prevent the Employee from claiming and being reimbursed for travel expenses resulting from travel by him outside the JEA service territory in the manner provided by the Ordinance Code the City of Jacksonville.
- 2.4 **Business Allowance.** Employee will be provided a monthly allowance in the amount of \$1,000 for telephone and other business expenses incurred in Employee's efforts to promote and represent JEA beyond those identified in JEA employee policies. The business allowance shall be payable on the first bi-weekly pay period of each month, subject to withholding.
- 2.5 **Annual Leave.** Employee will be provided annual leave in accordance with JEA's existing policies and procedures. Without limiting the generality of the foregoing, Employee shall be entitled to 280 hours of leave during each year of employment commencing on October 1, 2015.
- 2.6 **Fringe Benefits.** Employee shall be allowed to participate, on the same basis generally as other employees of JEA, in all general employee benefit plans and programs, including improvements or modifications of same, which on the effective date or thereafter are made

available by JEA to all or substantially all of JEA's executive employees. Such benefits, plans, and programs may include, without limitation, medical, health, and dental care, life insurance, disability protection, and the pension plans including JEA's Supplemental Executive Retirement Plan including any amendments thereto. Except as specifically provided herein, nothing in this Agreement is to be construed or interpreted to provide greater rights, participation, coverage, or benefits under the benefit plans or program than provided to executive employees pursuant to the terms and conditions of such benefit plans and programs. JEA shall not by reason of this Section II be obligated to institute, maintain, or refrain from changing, amending, or discontinuing, any incentive compensation or employee benefit program or plan, so long as such actions are similarly applicable to covered employees generally.

SECTION III – TERMINATION AND EXTENSION:

- 3.1 **Termination.** Employee's employment with JEA shall be terminated (i) on September 30, 2018 unless earlier terminated, extended pursuant to this Section III or otherwise by agreement between Employer and Employee, (ii) upon Employee's death, (iii) upon Employee's physical or mental incapacity to perform the usual duties as an employee (with such condition likely to remain continuously and permanently, (iv) by JEA, without cause, upon 30 days advance notice to Employee, or (v) immediately for cause as defined herein in Section 3.1.2.
- 3.1.1 If Employee's employment is terminated with or without cause, all future compensation to which Employee is otherwise entitled and all future benefits for which Employee is eligible shall cease and terminate as of the date of termination, except as specifically provided in this Section 3.1.1. Upon termination without cause, JEA shall pay Employee a lump sum payment equal to one year of the current Annual Base Salary, less applicable taxes and deductions.
- 3.1.2 No severance shall be due to Employee if Employee resigns his employment or if Employee's employment is terminated by JEA for cause. For purposes of the Agreement, termination for "cause" shall include: (a) willful breach of material duties, obligations and policies of JEA; (b) gross negligence or gross neglect of duties and obligations required in performance of Employee's duties; or willful misconduct (c) continued violation of written rules and policies of the Board after written notice of same and opportunity to cure; (d) commission of any criminal act (felony); (e) commission of any dishonest act in a public or private capacity such as theft, fraud, misappropriation of embezzlement of funds; or (f) engagement in an act of disruption or violence or any other activity which would constitute grounds for immediate dismissal of any employee by JEA under JEA policies.
- 3.2 **Extension.** This Agreement may only be extended by action of the Board along with Employee's concurrence, with the legal formalities accompanying the execution of this Agreement. The Board Chairman shall notify Employee on or before March 1, 2018 of an intent to bring a request to the Employee and the Board to extend this Agreement. Such notification need not include terms, and need not be in writing. This provision requiring notice may be waived by agreement of the Chairman and Employee following March 1, 2018.

SECTION IV - MISCELLANEOUS:

- 4.1 **Eligibility to Work in the United States.** Employee has provided previously to JEA the appropriate documentation to verify his authorization to work in the United States.
- 4.2 **Governing Law; Binding Effect; Amendment.** This Agreement shall be interpreted and enforced in accordance with the laws of the State of Florida, with venue to lie in Duval County, and shall be binding on JEA's successors and assigns. No amendment or modification shall be effective unless in writing by the parties, including the approval of the Board.
- 4.3 **Savings Clause.** Employee's present benefits and rights are preserved, including but not limited to accrued service credits, accrued leave, and accrued incentive compensation carried forward in accordance with existing policies and procedures.
- 4.4 **Public Records and Open Meetings (Sunshine) Requirements.** Employee will familiarize himself generally with the assistance of JEA's staff and JEA's legal counsel with the unique obligations and parameters of the State of Florida's public records and sunshine act laws, in order that JEA maintain its record of compliance with such laws.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement on the day and year above first written.

ATTEST:

Melissa Houskamp Dykes

WITNESSES:

Melissa Houskamp Dykes
Jody Z. Brooks

JEA

Helen Heim Albee, Chairman

Date: 8/24/15

Paul E. McElroy

Paul E. McElroy, Employee

Date: AUGUST 31, 2015

I hereby certify that the expenditure contemplated by the foregoing Agreement has been duly authorized, and provision has been made for the payment of the moneys provided therein to be paid.

Melissa Houskamp Dykes
Melissa Houskamp Dykes
Chief Financial Officer, JEA

Approved:
Jody Z. Brooks
Office of General Counsel

Compensation Committee - II. New Business



Executive Market Analysis Worksheet
December 9, 2015

Paul McElroy

Managing Director / CEO

	Base Salary	Actual Incentive Amount	Target Incentive Percent	Total Cash Compensation (TCC)	Long Term Incentive	Total Direct Compensation (TDC)
Employee Base Salary Compared to the Mkt 50th Percentile	\$ 437,174	\$ 33,066	15%	\$ 470,240	\$ -	\$ 470,240
Market Data*	\$ 620,870	\$ 665,407	100%	\$ 1,414,972	\$ 2,254,711	\$ 3,920,983
Difference in Actual Compensation to Market	\$ (183,696)	\$ (632,341)	-85%	\$ (944,731)	\$ (2,254,711)	\$ (3,450,743)

*Represents the 50th percentile of market

JEA uses a combination of national industry surveys which consists of data from public and investor owned utilities and energy companies with revenues between \$1 - 3B. This study takes into account only the compensation components for each individual to include: base salary, short- and long-term incentives. The following market data points are calculated in each survey as independent factors. When multiple data points are used, JEA further aggregates each of these data points. The data points include:

- base salary,
- actual incentive amount,
- target incentive percent,
- total cash compensation (consists of base salary and short term incentive),
- long term incentive, and
- total direct compensation (consists of base salary, short term and long term incentives).

Survey Data:

2015 Towers Watson Executive Energy Survey (Revenue - \$1B to \$3B)						
Chief Executive Officer (AAA000-EX)						
<ul style="list-style-type: none"> • Manages the profitability and growth of the organization • Accountable to the Board of Directors for all activities of the organization • Directs the organization in establishing long-range plans, strategy and policy 						
Market Range:	\$ 596,400.00	\$ 757,500.00	\$ 861,200.00			

2015 IEHRA Energy Industry Compensation Survey (Corporate Cut)						
Chief Executive Officer - Corporate						
Accountable for the strategic direction, general management, and control of the affairs and property of the company. Responsible for establishing short-term and long-range objectives, plans, and policies. Reviews the general progress of the company to assure achievement of goals and objectives. Directs the business of the company with the objective of providing maximum profit and return on investment capital. Responsible for establishing and maintaining satisfactory partner, community, and government relations. Typically reports to the Board of Directors.						
Market Range:	\$ 463,500.00	\$ 700,000.00	\$ 1,023,400.00			

2015 LPPC Executive Salary Survey (Total Sample)						
Chief Operating Officer						
Reports to the Board of Directors. Provides leadership and strategic direction for all company operations.						
Market Range:	-	\$ 405,111.00	-			

Compensation Committee - II. New Business



Executive Market Analysis Worksheet
December 9, 2015

Mike Brost

VP/GM Electric Systems Services

	Base Salary	Actual Incentive Amount	Target Incentive Percent	Total Cash Compensation (TCC)	Long Term Incentive	Total Direct Compensation (TDC)
Employee Base Salary Compared to the Mkt 50th Percentile	\$ 272,002.00	\$ 29,000.00	12%	\$ 301,002.00	\$ -	\$ 301,002.00
Market Data*	\$ 281,730.00	\$ 99,100.00	55%	\$ 401,600.00	\$ 823,400.00	\$ 489,800.00
Difference in Actual Compensation to Market	\$ (9,728.00)	-	-43.00%	\$ (100,598.00)	\$ (823,400.00)	\$ (188,798.00)

*Represents the 50th percentile of market

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- base salary,
- actual incentive amount,
- target incentive percent,
- total cash compensation (consists of base salary and short term incentive),
- long term incentive, and
- total direct compensation (consists of base salary, short term and long term incentives).

Survey Data:

2015 Towers Watson Executive Energy Survey (Total Sample)						
Top Power Generation and Delivery Executive (EGD000-EX)						
<ul style="list-style-type: none"> ● Is the highest-level operations executive responsible for generation, transmission and substations ● Responsible for all engineering, construction or construction project management, maintenance and operations, and all levels of electrical system planning ● May also be responsible for environmental science/affairs and fuel procurement ● This position is not responsible for division/district operations. In companies that have both fossil and nuclear power plants, this position is responsible for both 						
Market Range:	\$ 258,800.00	\$ 314,000.00	\$ 620,500.00			

2015 LPPC Executive Salary Survey (Total Sample)						
Chief Operating Officer						
In compliance with goals, policies and objectives established by the Chief Executive Officer, directs, coordinates and administers all aspects of company operations and/or subsidiary operations through subordinates. Assists in the strategic development of corporate policies that encompass such areas as human resources, company operations, financial performance, company expansion efforts and overall strategic direction.						
Market Range:	-	\$ 249,460.00	-			

Compensation Committee - II. New Business



Executive Market Analysis Worksheet
December 9, 2015

Monica Whiting

Chief Customer Officer

	Base Salary	Actual Incentive Amount	Target Incentive Percent	Total Cash Compensation (TCC)	Long Term Incentive	Total Direct Compensation (TDC)
Employee Base Salary Compared to the Mkt 50th Percentile	\$ 195,000.00	\$ 24,066.90	12%	\$ 219,066.90	\$ -	\$ 219,066.90
Market Data*	\$ 206,421.00	-	-	\$ 228,900.00	-	\$ 297,500.00
Difference in Actual Compensation to Market	\$ (11,421.00)	-	-	\$ (9,833.10)	-	\$ (78,433.10)

*Represents the 50th percentile of market

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- base salary,
- actual incentive amount,
- target incentive percent,
- total cash compensation (consists of base salary and short term incentive),
- long term incentive, and
- total direct compensation (consists of base salary, short term and long term incentives).

Survey Data:

2015 Towers Watson Executive Energy Survey (Revenue Cut - \$1B - \$3B)

Top Customer Service / Operations Executive (AMS000-EX)

- Has primary responsibility for designing, developing and implementing the customer relations programs of the organization in order to maintain high levels of customer service and satisfaction
- Oversees and directs customer service operations to ensure that customer claims, inquires and complaints are handled fairly and effectively
- Establishes customer service policies and procedures, in accordance with any relevant regulations
- Typically has responsibility for all aspects of post-sales service and support, including contact/call center management

Market Range: \$ 197,500.00 \$ 212,100.00 \$ 229,600.00

2015 LPPC Executive Salary Survey (Total Sample)

Customer Service Executive (10)

Has executive-level responsibility to design and implement the programs needed to maintain good relations with the organization's customers by providing services to handle customer billing, customer accounting, customer inquiries, meter reading, and credit and collection. Also serves as a liaison with sales, marketing and other line personnel.

Market Range: - \$ 200,742.00 -

Compensation Committee - II. New Business



Executive Market Analysis Worksheet
December 9, 2015

Melissa Dykes

Chief Financial Officer

	Base Salary	Actual Incentive Amount	Target Incentive Percent	Total Cash Compensation (TCC)	Long Term Incentive	Total Direct Compensation (TDC)
Employee Base Salary Compared to the Mkt 50th Percentile	\$ 259,604.80	\$ 29,000.00	12%	\$ 288,604.80	\$ -	\$ 288,604.80
Market Data*	\$ 324,594.33	\$ 205,283.00	53%	\$ 539,256.00	\$ 507,364.00	\$ 1,160,926.00
Difference in Actual Compensation to Market	\$ (64,989.53)	-	-40.50%	\$ (250,651.20)	\$ (507,364.00)	\$ (872,321.20)

*Represents the 50th percentile of market

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- base salary,
- actual incentive amount,
- target incentive percent,
- total cash compensation (consists of base salary and short term incentive),
- long term incentive, and
- total direct compensation (consists of base salary, short term and long term incentives).

Survey Data:

2015 Towers Watson Executive Energy Survey (Revenue Cut - \$1B - \$3B)			
CFO / Top Financial Officer (AFA000-EX)			
<ul style="list-style-type: none"> ● Establishes, implements, and maintains the financial plans and policies of the organization, including fiscal controls, preparation and interpretation of financial reports, and safeguarding of the organization's assets ● Develops and maintains overall accounting policies and controls ● Establishes and maintains good corporate relations with the investment and banking communities ● Assists in long-range planning and advises management on financial affairs ● May manage one or more significant staff functions, but primary focus is the management of the organization's finances 			
Market Range:	\$ 339,000.00	\$ 395,000.00	\$ 435,500.00

2015 IEHRA Energy Industry Compensation Survey (Corporate Cut)			
Top Financial - Corporate (102C)			
Responsible for securing funds to finance company operations and projects. Maintains relationship with lending/financial institutions and other potential investors. Responsible for financial reporting both internally and externally and is typically responsible for the company's accounting, tax, and treasury functions. May also be responsible for risk management. Typically reports to the Chief Executive Officer - Corporate.			
Market Range:	\$ 262,827.00	\$ 310,000.00	\$ 401,503.00

2015 LPPC Executive Salary Survey (Total Sample)			
Top Financial Executive (CFO) (6)			
Has senior executive responsibility for the financial plans and policies of the organization, including establishment and maintenance of fiscal controls, preparation and interpretation of financial reports, and safeguarding of the organization's assets. Develops and maintains overall accounting policies and controls. Ensures the effective short and long term financial management of the entire utility organization including investment activities.			
Market Range:	-	\$ 268,783.00	-

Compensation Committee - II. New Business



Executive Market Analysis Worksheet
December 9, 2015

Angie Hiers

Chief Human Resources Officer

	Base Salary	Actual Incentive Amount	Target Incentive Percent	Total Cash Compensation (TCC)	Long Term Incentive	Total Direct Compensation (TDC)
Employee Base Salary Compared to the Mkt 50th Percentile	\$ 200,012.80	\$ 24,085.45	12%	\$ 224,098.25	\$ -	\$ 224,098.25
Market Data*	\$ 221,976.67	\$ 94,500.00	42%	\$ 345,076.00	\$ 192,093.00	\$ 595,857.00
Difference in Actual Compensation to Market	\$ (21,963.87)	-	-29.50%	\$ (120,977.75)	\$ (192,093.00)	\$ (371,758.75)

*Represents the 50th percentile of market

JEA uses a combination of national industry surveys which consists of data from public and investor owned utilities and energy companies with revenues between \$1 - 3B. This study takes into account only the compensation components for each individual to include: base salary, short- and long-term incentives. The following market data points are calculated in each survey as independent factors. When multiple data points are used, JEA further aggregates each of these data points. The data points include:

- base salary,
- actual incentive amount,
- target incentive percent,
- total cash compensation (consists of base salary and short term incentive),
- long term incentive, and
- total direct compensation (consists of base salary, short term and long term incentives).

Survey Data

2015 Towers Watson Executive Energy Survey (Revenue Cut - \$1B - \$3B)

Top Human Resources Executive (AHR000-EX)

- Has primary responsibility for designing, developing and implementing all human resource policies and programs including labor relations, if applicable
- For noncorporate positions, this position is typically responsible for the execution and administration of policies within a segment of the organization
- In highly-decentralized organizations, responsibilities could also include policy design at the segment level

Market Range: \$ 196,300.00 \$ 245,900.00 \$ 296,800.00

2015 IEHRA Energy Industry Compensation Survey (Corporate Cut)

Top Human Resources - Corporate (136C)

Top HR position in the organization that has direct responsibility for the overall corporate HR function with direct or indirect responsibility for the HR functions at the business unit or subsidiary level. Responsible for developing, recommending, and implementing HR policies and procedures for the company. Manages and directs the activities of the HR department including staffing and relocation, compensation and benefits administration, training and employee development, HRIS, international programs, and employee/labor relations. May also be responsible for security, safety, and OSHA. Typically reports to the CEO/President or Top Administrative Executive.

Market Range: \$ 201,656.00 \$ 238,888.00 \$ 307,850.00

2015 LPPC Executive Salary Survey (Total Sample)

Human Resources Executive (12)

Has executive-level responsibility for design and implementation of all human resource policies. May or may not include labor relations.

Market Range: - \$ 181,142.00 -

Compensation Committee - II. New Business



Executive Market Analysis Worksheet
December 9, 2015

Ted Hobson

Chief Compliance Officer

	Base Salary	Actual Incentive Amount	Target Incentive Percent	Total Cash Compensation (TCC)	Long Term Incentive	Total Direct Compensation (TDC)
Employee Base Salary Compared to the Mkt 50th Percentile	\$ 186,180.80	\$ 22,410.16	12%	\$ 208,590.96	\$ -	\$ 208,590.96
Market Data*	\$ 205,784.00	\$ 63,558.00	29%	\$ 264,578.50	\$ 123,100.00	\$ 396,000.00
Difference in Actual Compensation to Market	\$ (19,603.20)	-	-17.00%	\$ (55,987.54)	-	\$ (187,409.04)

*Represents the 50th percentile of market

JEA uses a combination of national industry surveys which consists of data from public and investor owned utilities and energy companies with revenues between \$1 - 3B. This study takes into account only the compensation components for each individual to include: base salary, short- and long-term incentives. The following market data points are calculated in each survey as independent factors. When multiple data points are used, JEA further aggregates each of these data points. The data points include:

- base salary,
- actual incentive amount,
- target incentive percent,
- total cash compensation (consists of base salary and short term incentive),
- long term incentive, and
- total direct compensation (consists of base salary, short term and long term incentives).

Survey Data:

2015 Towers Watson Executive Energy Survey (Corporate / Total Sample)

Top Regulatory Affairs and Compliance Executive (ACA050-EX)

- Has primary responsibility for managing the relationship with regulatory commissions/authorities and ensuring that the policies and procedures of the organization comply with all applicable laws and regulations
- Oversees the review and interpretation of new pending laws and regulations, which potentially affect the organization's business practices, and coordinates the development or revision of policies, procedures, contracts, and agreements to ensure compliance

Market Range: \$ 197,700.00 \$ 235,000.00 \$ 294,700.00

2015 IEHRA Energy Industry Compensation Survey (Corporate Cut)

Top Compliance - NERC Corporate (145C)

Accountable for development of NERC Reliability Standards to maintain and enhance the organization's competitive positioning. Ability to recognize and resolve potential deviation of compliance and ensure adherence to national and regional compliance standards. Maintain working relationships with the regulatory agency, management and industry stakeholders. Provide expertise and perspectives on regulations and policies. Ensure policy revisions and business protocols are accurate and complete. Typically reports to Top Government/Regulatory Affairs - Corporate.

Market Range: \$ 166,912.00 \$ 176,568.00 \$ 185,192.00

Compensation Committee - II. New Business



Executive Market Analysis Worksheet
December 9, 2015

Mike Hightower

Chief Public Affairs Officer

	Base Salary	Actual Incentive Amount	Target Incentive Percent	Total Cash Compensation (TCC)	Long Term Incentive	Total Direct Compensation (TDC)
Employee Base Salary Compared to the Mkt 50th Percentile	\$ 198,910.40	\$ -	12%	\$ 198,910.40	\$ -	\$ 198,910.40
Market Data*	\$ 201,870.50	\$ 100,945.00	38%	\$ 329,756.00	\$ 142,938.00	\$ 437,023.00
Difference in Actual Compensation to Market	\$ (2,960.10)	-	-25.50%	\$ (130,845.60)	\$ (142,938.00)	\$ (238,112.60)

*Represents the 50th percentile of market

JEA uses a combination of national industry surveys which consists of data from public and investor owned utilities and energy companies with revenues between \$1 - 3B. This study takes into account only the compensation components for each individual to include: base salary, short- and long-term incentives. The following market data points are calculated in each survey as independent factors. When multiple data points are used, JEA further aggregates each of these data points. The data points include:

- base salary,
- actual incentive amount,
- target incentive percent,
- total cash compensation (consists of base salary and short term incentive),
- long term incentive, and
- total direct compensation (consists of base salary, short term and long term incentives).

Survey Data:

2015 Towers Watson Executive Energy Survey (Revenue Cut - \$1B - \$3B)						
Top Government Relations Executive (ACA070-EX)						
<ul style="list-style-type: none"> • Has primary responsibility for representing the organization in legislative and regulatory matters with national, region and local governments and quasi-government agencies by providing policy direction, coordinating operating unit government affairs initiatives, and lobbying for the organization's interests 						
Market Range:	\$ 198,500.00	\$ 210,000.00	\$ 218,100.00			
2015 IEHRA Energy Industry Compensation Survey (Corporate Cut)						
Top Government/Regulatory Affairs - Corporate (133C)						
Represents the organization in matters involving federal, state, and local governments by providing policy direction and coordinating efforts of operating divisions, both domestic and foreign.						
Market Range:	\$217,000	\$251,172	\$264,679			
2015 LPPC Executive Salary Survey (Total Sample)						
Government Relations Executive (14)						
Has executive-level responsibility for representing the organization in legislative and regulatory matters with federal, state and local governments by providing policy direction, coordinating operating unit government affairs initiatives and lobbying for the organization's interests.						
Market Range:	-	\$ 179,994.00	-			
2015 LPPC Executive Salary Survey (Total Sample)						
Environmental Affairs Executive (15)						
Has executive-level responsibility to ensure that the organization is in compliance with all local, state, and federal regulations affecting the environment. This includes establishing corporate-wide policies and programs that comply with regulations and ensuring overall compliance at all sites and laboratories.						
Market Range:	-	\$ 166,316.00	-			



Executive Market Analysis Worksheet
December 9, 2015

Brian Roche

VP/GM Water Wastewater Services

	Base Salary	Actual Incentive Amount	Target Incentive Percent	Total Cash Compensation (TCC)	Long Term Incentive	Total Direct Compensation (TDC)
Employee Base Salary Compared to the Mkt 50th Percentile	\$ 205,005.00	\$ 22,841.63	12%	\$ 227,846.63	\$ -	\$ 227,846.63
Market Data*	\$ 197,107.00	-	-	-	-	-
Difference in Actual Compensation to Market	\$ 7,898.00	-	-	-	-	-

*Represents the 50th percentile of market

JEA uses a combination of national industry surveys which consists of data from public and investor owned utilities and energy companies. This role was only detailed in the national Water/Wastewater Survey, AWWA. This study takes into account only the compensation components for each individual to include: base salary, short- and long-term incentives. The following market data points are calculated in each survey as independent factors. When multiple data points are used, JEA further aggregates each of these data points. The data points include:

- base salary,
- actual incentive amount,
- target incentive percent,
- total cash compensation (consists of base salary and short term incentive),
- long term incentive, and
- total direct compensation (consists of base salary, short term and long term incentives).

Survey Data:

2015 American Water Works Association (AWWA) (Population over 1M)						
Top Executive (1)						
Under general direction of the city, managing Board of Directors, mayor, or Board of Water Commissioners is responsible for managing, planning, coordinating and administering all activities of the Water Department and/or water company.						
Market Range:	-	\$ 197,107.00	-			

PFP Program Benchmark Study

- Benchmark Studies conducted: An external analysis of incentive compensation pay practices was conducted in 2014 and again in 2015 to determine if JEA's Target Incentive Opportunity was appropriate for salaried exempt versus hourly non-exempt employees.
- Nationally recognized survey sources were utilized to obtain data. JEA uses a combination of benchmark data from the general industry, energy and utility industry and companies with similar revenues of \$1-3B. Survey sources included:
 - 2014 WorldatWork Incentive Pay Practices: Non-Profit/ Government Organizations
 - 2015 Towers Watson Energy Compensation Survey
 - 2015 Towers Watson General Industry Compensation Survey
 - 2015 AON Hewitt Independent Energy Human Resources Association (IEHRA) Compensation Survey



FY2015 PFP Program Design

- Results:

- 78% of non-profit and government organizations utilize some form of short-term incentive to reward and recognize employees
- 76% of non-profit and government organizations reported having an Annual Incentive Plan (a plan that is designed to reward the accomplishment of specific results)
- 75% of non-profit and government organizations use some form of performance to measure success (corporate, unit, individual)
- Salaried employees: Appointed and Management:
 - Directors (pay grades K and J): 10% - 23% of base pay; average 17.8%
 - Managers (pay grades I and H): 9% - 21% of base pay; average 12.8%
 - Managers/Specialists (pay grades G-E): 0% - 13.5% of base pay; average 9.5%
- Hourly employees:
 - Professional CBU: * 7% - 15% of base pay; average 10.1%
 - All other CBU: 0% - 11% of base pay; average 7.7%



*Collective Bargaining Unit

Industry Performance Pay Practice Data

Introduction:

JEA employs a variety of methodologies to guide the design of total compensation, to include but not limited to: internal equity studies, custom benchmark analysis, and participation in national, regional and local compensation surveys to obtain benchmark information. This ensures JEA maintains an appropriate position compared to the external market while maintaining the ability to attract and retain a highly technical workforce. JEA's Compensation Philosophy is:

JEA employs a total compensation philosophy for all team members that drive our ability to attract, retain, and reward a highly technical and specialized workforce while ensuring compensation is:

- *Internally equitable*
- *Externally competitive and appropriate for the market JEA operates within*
- *Driven by excellence in performance and safety*
- *Delivered based on the company's financial ability to pay*

External Analysis of Incentive Pay Practices:

External analysis of incentive pay practices conducted utilizing 2015 Benchmark data (Target Incentive Opportunities for US utility and energy companies with revenues of \$1 – 3 billion) indicate the following for employees of the same levels at JEA:

- a. Salaried employees: Appointed and Management:
 - Pay Grades J and K varies from 8% - 26% of base pay; average = 17.6%
 - Pay Grades H and I varies from 7% - 18% of base pay; average = 11.8%
 - Pay Grades E, F & G varies from 0% - 15% of base pay; average = 9.3%
- b. Hourly employees: 5% - 10% of base pay; average = 8.2%

Relevancy to JEA's Pay for Performance Program

In keeping with JEA's compensation philosophy and pay practices, the following would be applicable:

- c. Salaried employees: Appointed and Management:
 - Pay Grades J and K varies from 8% - 20% of base pay; average = 17.6%
 - Pay Grades H and I varies from 7% - 15% of base pay; average = 11.8%
 - Pay Grades E, F & G varies from 0% - 10% of base pay; average = 9.3%
- d. Hourly employees: 3% of base pay

Pay for Performance Distribution

All JEA employees are evaluated annually. Non-appointed (BU) employees are evaluated on or around the anniversary of their hire date. Appointed (managerial) employees are evaluated at the end of each fiscal year.

Appointed employees are evaluated based on goals and objectives on which they and their manager have collectively agreed. Once final scores have been calculated, based on self and managerial scoring, appointed employees are subsequently ranked against their peers. The complexities of an employee's goals are compared to other employees' of similar levels within the business unit. An employee with a higher numerical performance score could be ranked lower than an employee with a lesser numerical performance score, if the employee with the lesser score had goals that were more complex and created more value to the organization.

Employees are ranked and placed in the following categories for payout distribution opportunities.

- Exceeds
- Meets High
- Meets
- Meets Low
- Below