

OFFICE OF THE COUNCIL AUDITOR
Suite 200, St. James Building



MEMORANDUM

Date:	December 2, 2019
To:	Council Member Randy DeFoor
From:	Kyle S. Billy, Council Auditor
Subject:	JEA Compensation Benefits

At the Finance Committee meeting on November 19, 2019, you asked for a breakdown of compensation for all employees at JEA currently and what would occur under a Recapitalization Event. The table below lists the value of compensation benefits for each scenario.

	Current Compensation Benefits	Compensation Benefits under a Recapitalization Event
Salaries ¹	\$161,702,570	\$0
Pay for Performance Plan ²	\$4,967,541	\$0
Employee Retention Payment ³	\$0	\$161,702,570
Employee Protection Benefit ⁴	\$0	\$485,107,710
Enhanced Pension Benefits ⁵	\$0	\$132,276,645
Senior Leadership Team (SLT) Termination Pay ⁶	\$1,481,928	\$1,481,928
SLT Consultant Pay ⁷	\$1,638,869	\$1,638,869
Totals	\$169,790,908	\$782,207,722

If you have additional questions, please contact me.

cc: All City Council Members
Sherry Hall, JEA

¹Annual salaries are as of 7/23/2019.

²The Pay for Performance Plan represents JEA's annual short-term incentive Plan.

³The Employee Retention Payment is based on salaries of employees employed at JEA as of 7/23/19.

⁴The Employee Protection Benefit is equivalent to three years of comparable salaries either through employment or payment if terminated. The amount reflected here is the total JEA payroll (as of 7/23/19) multiplied by three. This amount could be higher or lower depending on the salaries on the date of a Recapitalization Event.

⁵Pension Benefits represent the actuarial cost of crediting employees with years of service necessary to reach a normal retirement age if they are not eligible to retire at the time of a Recapitalization Event.

⁶SLT Termination Pay represents compensation that would be owed to members of the SLT should their employment be terminated under certain circumstances. This benefit would apply regardless of a Recapitalization Event.

⁷SLT Consultant Pay represents the compensation value to SLT members to serve as a consultant to JEA should their employment be terminated under certain circumstances. This benefit would apply regardless of a Recapitalization Event.