
From: Rodda, Jeffrey <JRodda@coj.net>
Sent: Wednesday, October 30, 2019 2:43 PM
To: Wannemacher, Ryan F. - Chief Financial Officer; Hall, Sherry L.
Cc: Billy, Kyle; Reber, Heather; Taylor, Kim; Peterson, Phillip
Subject: Questions for PUPs.

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Ryan,

You have these from before, but I am sending them again just in case.

Here are our questions:

1. What is the purpose of the PUP?
2. What makes PUPs a legal form of compensation for public employees in Florida?
3. What form of compensation are they (bonus, regular wages, etc.)?
4. How will any gains or losses be reported to the IRS?
5. Is there a limit on how many PUPs an employee can purchase? What is the maximum?
6. Is there a distribution plan that provides each employee first right of refusal to a specified number of PUPs before their allotment is made available for other employees to purchase?
7. Can PUPs be granted to an employee at no cost?
8. Can a PUP be purchased by a Board member?
9. Is there a ceiling on the redemption value of a PUP?
10. What is the reason for limiting PUP purchases to payroll deductions only?
11. Can the PUP purchase payment be deducted pre-tax?
12. What will JEA do with money paid in by employees to purchase PUPs?
13. Assuming there is not a recapitalization event, does it take 4 years for a PUP to vest?
14. How will the funds from the purchase(s) and the value of the PUPs be shown in the financial statements?
15. Are the nitrogen credits considered an in-kind contribution to the City? If so, how/when is the value determined?
16. What is the assumed likelihood that PUPs will be paid in 2022?
17. Has any modeling been done to examine what the value might be at redemption?
18. What is the maximum cost to JEA?
19. If an employee breaks the covenants do they have to repay PUP payouts from previous performance periods?
20. What other local government entities/municipal utilities use PUPs?
21. What is the JEA Group?
22. What is the reason for including COJ OGC Attorney's assigned to JEA as eligible participants?

Regards,

Jeff Rodda

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