
From: Hiers, Angelia R. - VP & Chief Human Resources Officer <hierar@jea.com>
Sent: Wednesday, March 27, 2019 11:26 AM
To: Maillis, Patricia L. - Director, Employee Services; Davis, Michael A. - Sr Mgr NGS Bulk Material Handling
Subject: FW: Follow up

Pat,
I believe you had a question about the budget for the LTIP. The budget is whatever the amount is that will have us attain the 50th percentile.

From: Wannemacher, Ryan F. - Chief Financial Officer
Sent: Wednesday, March 27, 2019 11:25 AM
To: david.wathen@willistowerswatson.com
Cc: Hiers, Angelia R. - VP & Chief Human Resources Officer ; Maillis, Patricia L. - Director, Employee Services
Subject: Follow up

David,

Per our conversation last week, we did some work on a strawman of what a LTIP might look like. We are still working on the exact vehicle (performance units or some kind of bond security) but generally we are thinking of something that has a redemption value based on book value and distribution based on the city contribution.

The attached spreadsheet kind of gives you an illustration of this structure. These numbers are hypothetical and based on 2016-2018 results to show how these grants would work over a series of years. The terms of the vesting schedule and redemption would still need to be determined. I think that your recommendation about the 3 year rolling program makes sense. Please review and then give me a call if you have any questions or comments.

Thanks,
Ryan

Ryan Wannemacher
Chief Financial Officer
Direct: (904) 665-7223