FINANCE COMMITTEE

AGENDA PACKAGE

DECEMBER 9, 2020
3:00 p.m.
Dial-in Info 877-668-4493 or 650-479-3208
Meeting Number 735 881 035#
Password 8553

Committee Members

Karen Nelson, Jacksonville Beach – Chairwoman
Jody Young, Bushnell
Barbara Mika, Fort Pierce
Howard McKinnon, Havana
Barbara Quiñones, Homestead
Jack Wetzler, Key West
Larry Mattern, Kissimmee
Jim Williams, Leesburg
Steve Langley, Mount Dora
Dallas Lee, Newberry
Marie Brooks, Ocala
James Braddock, Wauchula

Meeting Location
Florida Municipal Power Agency 8553
Commodity Circle Orlando, FL 32819

(407) 355-7767

Linda S. Howard, CPA, CTP
Chief Financial Officer

MEMORANDUM

TO: FMPA Finance Committee

FROM: Linda S. Howard

DATE: December 1, 2020

SUBJECT: FMPA Finance Committee Meeting
December 9, 2020 at 3:00pm

PLACE: Florida Municipal Power Agency Board Room
8553 Commodity Circle,
Orlando, FL 32819

DIAL-IN INFORMATION: 877-668-4493 or 650-479-3208, Meeting 735 881 035 # PASSWORD 8553
(If you have trouble connecting via phone or internet, please call 407-355-7767)

Chairperson Karen Nelson, Presiding

AGENDA

LSH/pm

One or more participants in the above referenced public meeting may participate by telephone. At the above location there will be a speaker telephone so that any interested person can attend this public meeting and be fully informed of the discussions taking place either in person or by telephone communication. If anyone chooses to appeal any decision that may be made at this public meeting, such person will need a record of the proceedings and should accordingly ensure that a verbatim record of the proceedings is made, which includes the oral statements and evidence upon which such appeal is based. This public meeting may be continued to a date and time certain, which will be announced at the meeting. Any person requiring a special accommodation to participate in this public meeting because of a disability, should contact FMPA at (407) 355-7767 or 1-(888)-774-7606, at least two (2) business days in advance to make appropriate arrangements.

AGENDA ITEM 1 - CALL TO ORDER, ROLL CALL, DECLARATION OF QUORUM

Finance Committee Meeting
December 9, 2020

AGENDA ITEM 2 – RECOGNITION OF GUESTS

Finance Committee Meeting
December 9, 2020

AGENDA ITEM 3 – PUBLIC COMMENTS (Individual Public Comments Limited to 3 Minutes)

Finance Committee Meeting
December 9, 2020

AGENDA ITEM 4 – SET AGENDA (By Vote)

Finance Committee Meeting
December 9, 2020

AGENDA ITEM 5 – APPROVAL OF MINUTES

a. **Approval of Minutes – Finance Committee Minutes – Meeting Held November 18, 2020**

Finance Committee Meeting
December 9, 2020

CLERKS DULY NOTIFIED……………………………………………………November 11, 2020
AGENDA PACKAGE SENT TO MEMBERS…………………………………..November 10, 2020

MINUTES
FINANCE COMMITTEE MEETING
WEDNESDAY, NOVEMBER 18, 2020
FLORIDA MUNICIPAL POWER AGENCY
8553 COMMODITY CIRCLE
ORLANDO, FL

PARTICIPANTS	Karen Nelson, Jacksonville Beach (telephone) Barbara Mika, Fort Pierce (telephone) Howard McKinnon, Havana Barbara Quinones, Homestead Jack Wetzler, Key West (telephone) Larry Mattern, Kissimmee (telephone) Jim Williams, Leesburg (telephone) Steve Langley, Mount Dora (telephone) Dallas Lee, Newberry (telephone) Marie Brooks, Ocala (telephone) James Braddock, Wauchula (telephone)
ABSENT PARTICIPANTS	Jody Young, Bushnell
OTHERS PRESENT VIA TELEPHONE	Craig Dunlap, Dunlap & Associates, Inc. Michael Mace, Public Financial Management
STAFF PRESENT	Jacob Williams, General Manager and CEO Ken Rutter, Chief Operating Officer and COO Jody Finklea, General Counsel and CLO Linda Howard, Chief Financial Officer Mark McCain, AGM of Public Relations and Member Services Sharon Adams, HR Director Rich Popp, Treasurer and Risk Director Jason Wolfe, Financial Planning Rates and Budget Director Danyel Sullivan – Marrero, Controller Denise Fuentes, Financial Analyst Ed Nunez, Assistant Treasurer – Debt Isabel Montoya, IT Specialist Liyuan Woerner, Audit Manager Paige Arnett, HR Assistant Ryan Dumas, PR Specialist Melisa Inanc, PR Specialist Sue Utley, Executive Assistant to CEO/Asst. Sec. Bd. Dir.

ITEM 1 – Call to Order, Roll Call and Declaration of Quorum

Howard McKinnon, Havana, called the FMPA Finance Committee Meeting to order by telephone at 2:02 pm on Wednesday, November 18, 2020. A speaker telephone was present for public attendance and participation in the Fredrick M. Bryant Board Room, at FMPA, 8553 Commodity Circle, Orlando, Florida. The roll was taken, and a quorum was declared, with 11 of 12 members present.

Chairperson Karen Nelson, Jacksonville Beach, joined the meeting at 2:04 pm and proceeded to chair the meeting.

ITEM 2 – RECOGNITION OF GUESTS

None.

ITEM 3 – PUBLIC COMMENTS (INDIVIDUAL PUBLIC COMMENTS LIMITED TO 3 MINUTES)

None.

ITEM 4 – SET AGENDA (BY VOTE)

MOTION: Barbara Quinones, Homestead, moved approval of the agenda as presented. Howard McKinnon, Havana, seconded the motion. Motion carried 11-0.

ITEM 5 – APPROVAL OF THE MINUTES

a. **Approval of Minutes – Finance Committee Minutes – Meeting Held October 14, 2020**

MOTION: Larry Mattern, Kissimmee, moved the approval of the minutes presented for the meeting held October 14, 2020. Howard McKinnon, Havana, seconded the motion. Motion carried 11-0.

ITEM 6 – CHAIRPERSON'S REMARKS

None.

ITEM 7 – CFO REPORT

Linda Howard presented on the following items.

1. Attended the virtual JP Morgan Investor Conference with Jacob Williams on October 22nd.
2. Disclosure training is scheduled for December 7, 2020 and is required for the Executive Committee, Board of Directors, Finance Committee members and designated staff. The training is also offered for alternates, but not required.

ITEM 8 – ACTION ITEMS

a. **Approval of Asset Management & Operations Policy Changes**

Rich Popp presented on the asset management and operations policy changes for approval. The six sections recommended for change are Peak Unit Testing, Fuel Oil Testing, Generation Unity Availability Metrics, Regulatory Adherence, Regulatory Report and administrative updates throughout.

MOTION: Barbara, Quinones, Homestead, moved approval of the proposed changes to the Asset Management and Operations Policy and to recommend the same be submitted to the Board of Directors and Executive Committee for approval. Howard McKinnon, Havana seconded the motion. Motion carried 11-0.

b. Approval of Charter Change(s)

Jody Finklea, presented on the charter changes for approval. The changes would allow the individual from each member organizationto designate another individual, who is an employee, elected or appointed official or other representative of the same organization to serve as her or his alternate member of the committee when not able to attend.

MOTION: Jack Wetzler, Key West, moved to approve the proposed charter changes to be submitted to the Board of Directors and Executive Committee for approval. James Braddock, Wauchula, seconded the motion. Motion carried 11-0.

c. Approval of Procurement Audit Report

Liyuan Woerner, presented on the procurement audit report for approval. Vendor categories are recommended to be understood and consistently applied. In addition, it was explained that verbal quotes are recorded somehow in writing by FMPA staff.

Howard McKinnon, Havana suggested to adjust language for clarification on verbal quotes when the policy comes back for approval.

MOTION: Barbara Quinones, moved the approval of the Procurement Audit Report. Jack Wetzler, Key West, seconded the motion. Motion carried 11-0.

ITEM 9 – INFORMATION ITEMS

a. Recommended Debt Transactions

Linda Howard presented on the recommended debt transactions.

Discussion ensued with the following consensus reached by the Committee: provide an Executive Committee information item on the $40 million new money deal for December, with further information and details also provided to the Finance Committee in December.

b. Review of Risk Policy Compliance Report(s)

Liyuan Woerner presented on the risk policy reports. There was one exception identified and one annual fuel oil reliability testing was not done at TCEC due to mechanical issues.

c. Annual Debt Report 2020

Rich Popp presented on the annual debt report 2020. The information presented was based on September 30, 2020 data. FMPA reduced debt by $116.2 million.

Barbara Quinones, Homestead commended the finance team on the excellent job they have done on reducing the debt.

ITEM 10 – REPORTS

a. **FGU October Report**
b. **Procurement Process Worksheet**

The reports were provided for information only.There were no questions.

ITEM 11 – COMMENTS

ITEM 12 – ADJOURNMENT

There being no further business, the meeting was adjourned at 3:24 pm.

Approved: ______________ Date_____________LM/pm

AGENDA ITEM 6 – CHAIRPERSON'S REMARKS

Finance Committee Meeting
December 9, 2020

AGENDA ITEM 7 – CFO REPORT

Finance Committee Meeting
December 9, 2020

CFO Report

Finance Committee

December 9, 2020

Items of Note

Upcoming

- Discussion on
  - Reduction of R&R funding
  - Rate Protection Account
- Disclosure training date
- Debt transaction
  - Information item to EC in January with possible approval in February
  - RFP issued for new money and letter of credit; responses due on 12/23/2020

AGENDA ITEM 8 – ACTION ITEMS

a. Approval of 2021 Meeting Calendar

Finance Committee Meeting
December 9, 2020

8a - Approval of 2021 Meeting Schedule

Finance Committee

December 9, 2020

Proposed Calendar Year 2021 Meeting Dates

Finance Committee

Meeting Date	Meeting Date
January 20	July (No meeting -- FMEA Annual Conference)
February 16 (APPA Legislative Rally March 1 & 2)	August 18
March 17	September 15
April 14	October 20
May 5 (budget)*	November 17 (Subject to cancelation)
May 19 (budget)*	December 8 (2nd Wednesday due to holidays)
June 9 (APPA National Conference June 18-23)	

FMPA MUNICIPAL POWER

NOTE: Additional dates may be scheduled, if needed

Recommended Motion

- Move approval of the recommended calendar year 2021 meeting schedule.

AGENDA ITEM 9 – INFORMATION ITEMS

a. Preliminary Financial Highlights September 30, 2020

Finance Committee Meeting December 9, 2020

9a – Preliminary Financial Results September 30, 2020

Finance Committee

December 9, 2020

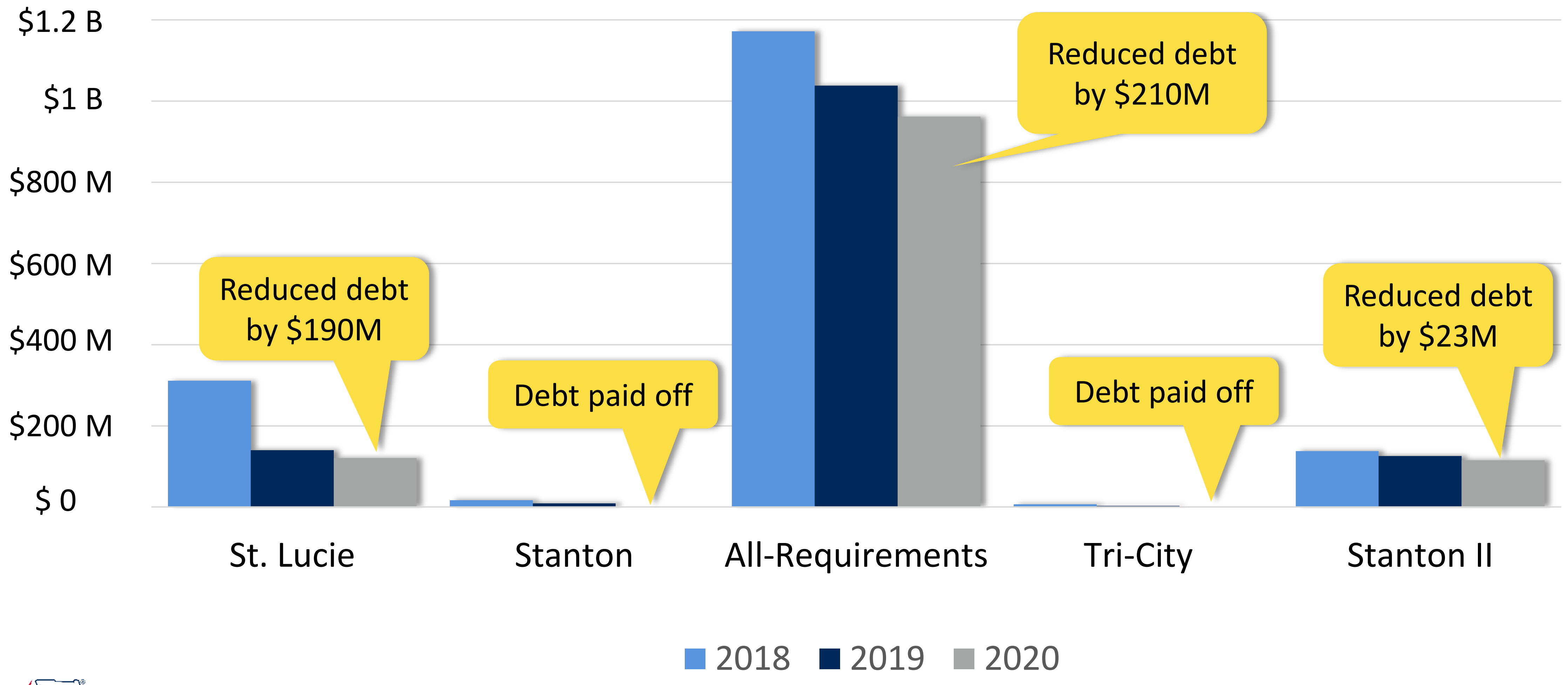
FMPA Financial Highlights

Fiscal Year 2020

- **Long-Term Debt**: Reduced by $108.4 M, Stanton &Tri-City Paid Off
- **Swaps eliminated**: November 2019
- **St. Lucie:** $28 million funded in excess of value included in 2015 decommissioning study – Updated Study Expected this month
- **Expenses**: Expenses below budget for all projects
- **Due to participants:** Net due $9.598 M; Fiscal 2019 Net due $7.789 M
- **Rates:** Remain very low

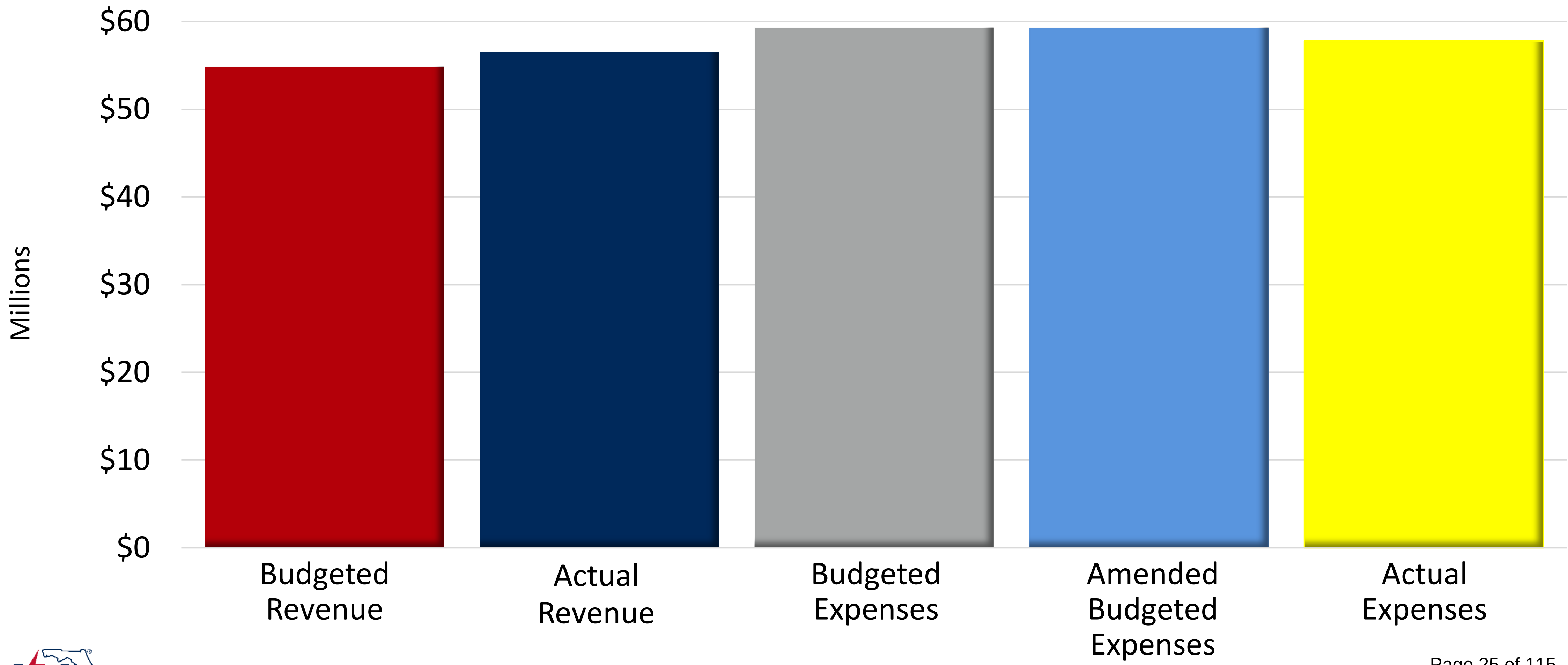
Long-Term Debt by Project

Two-Year Reduction of $446 Million Since Fiscal 2018



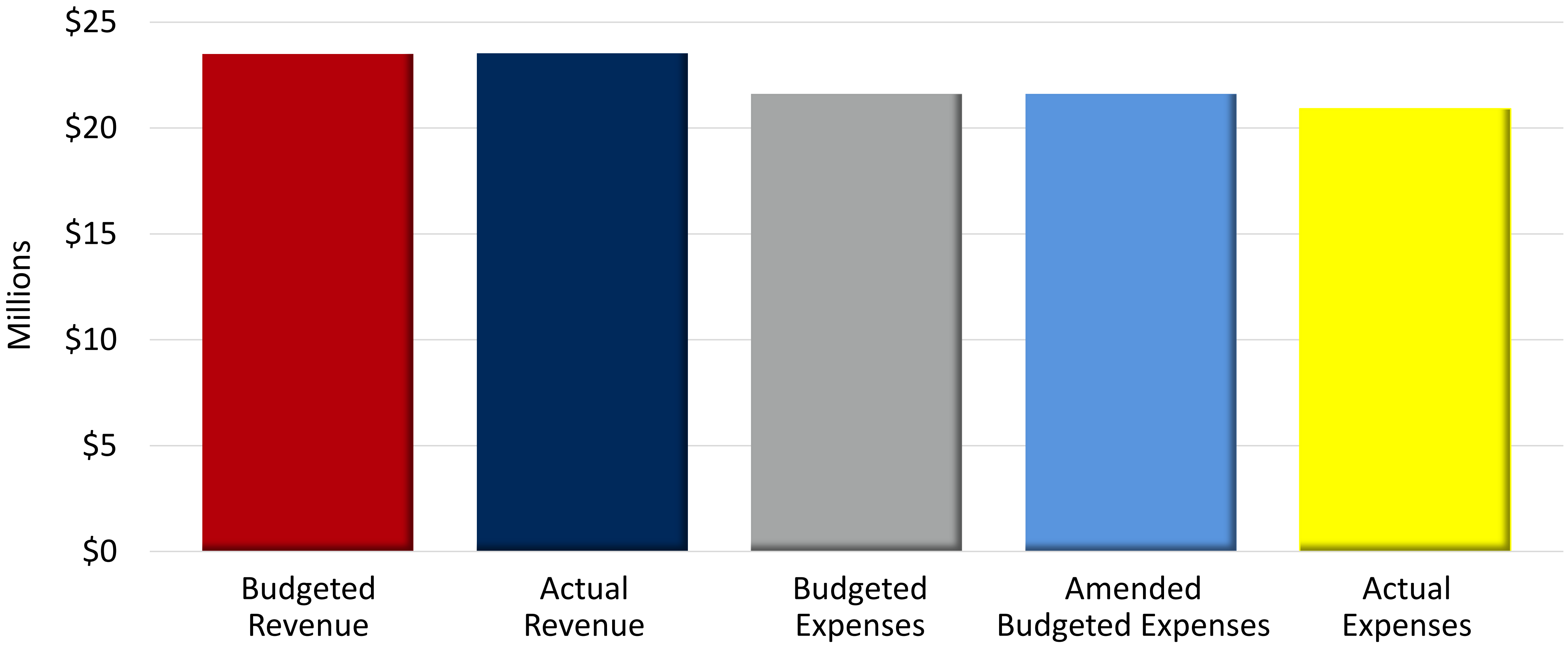
St. Lucie Project

Participants to Receive $3.116M



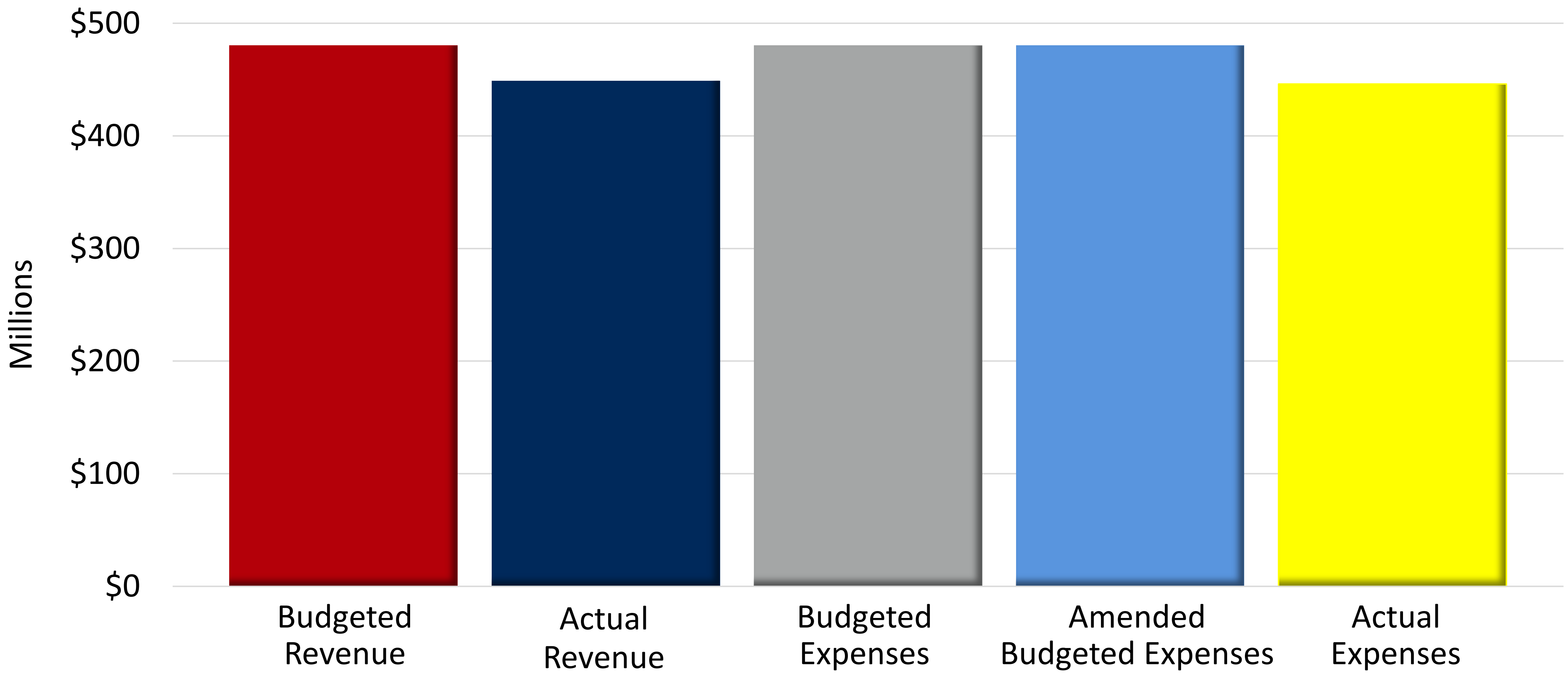
Stanton Project

Participants to Receive $708,000



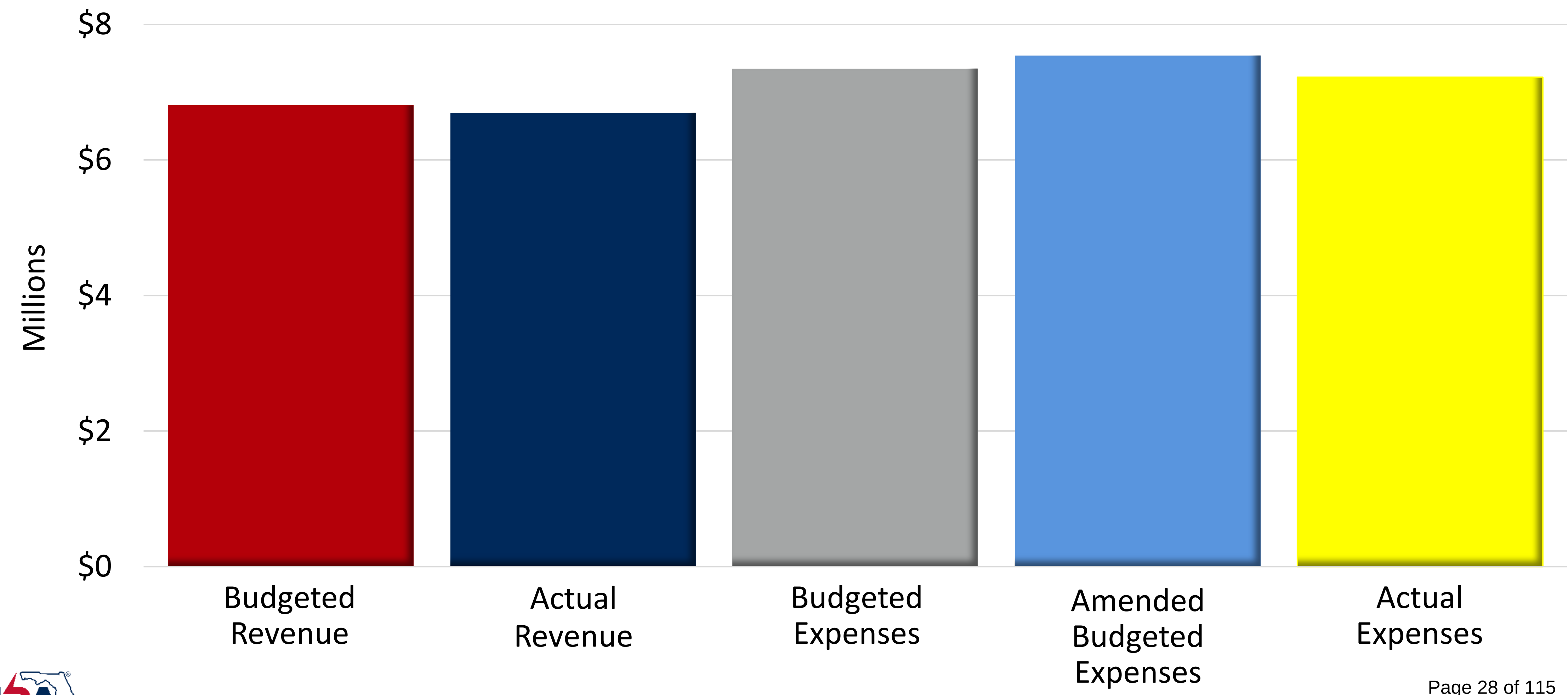
All-Requirements Project

Participants to Receive $2.7 Million



Tri-City Project

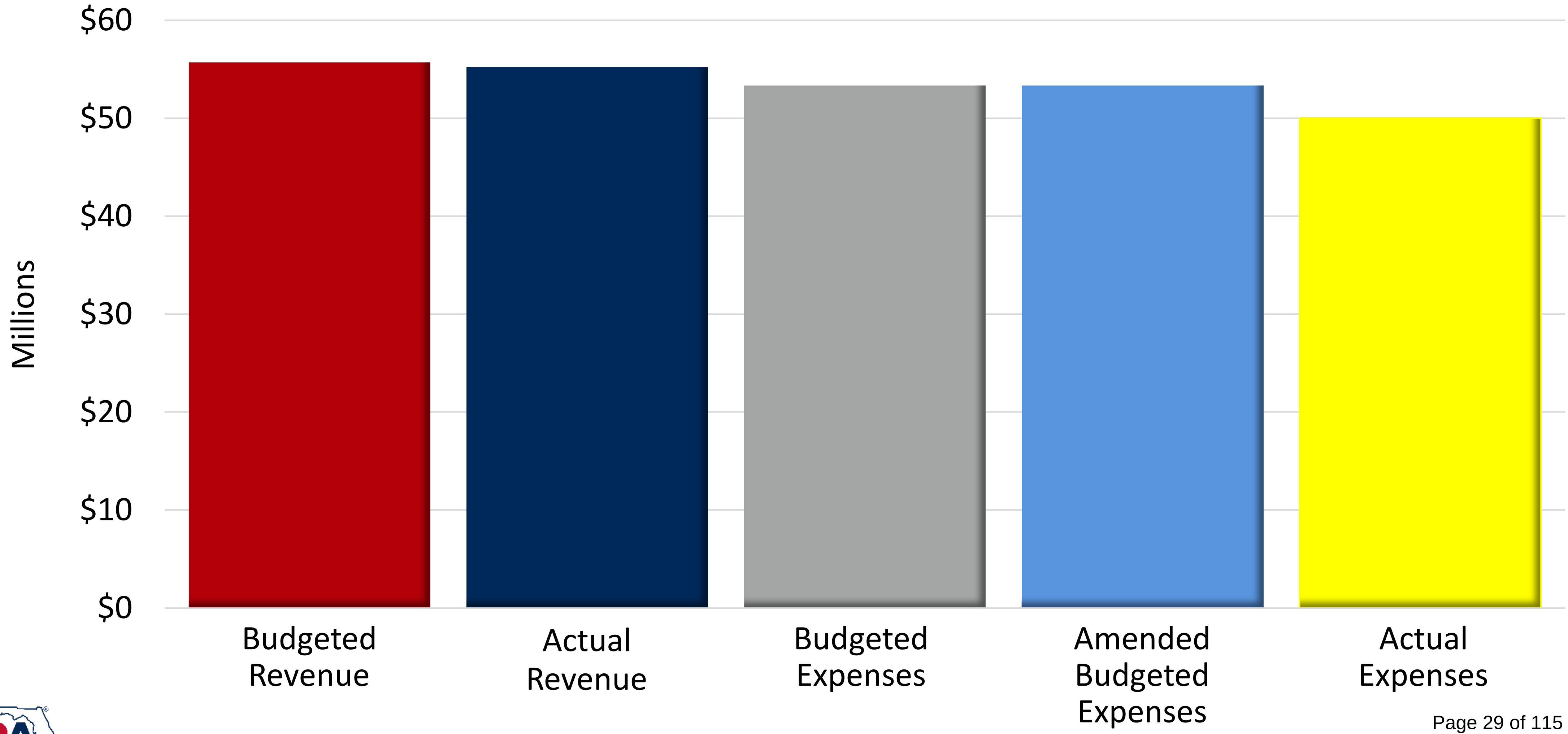
Participants to Receive $207,000



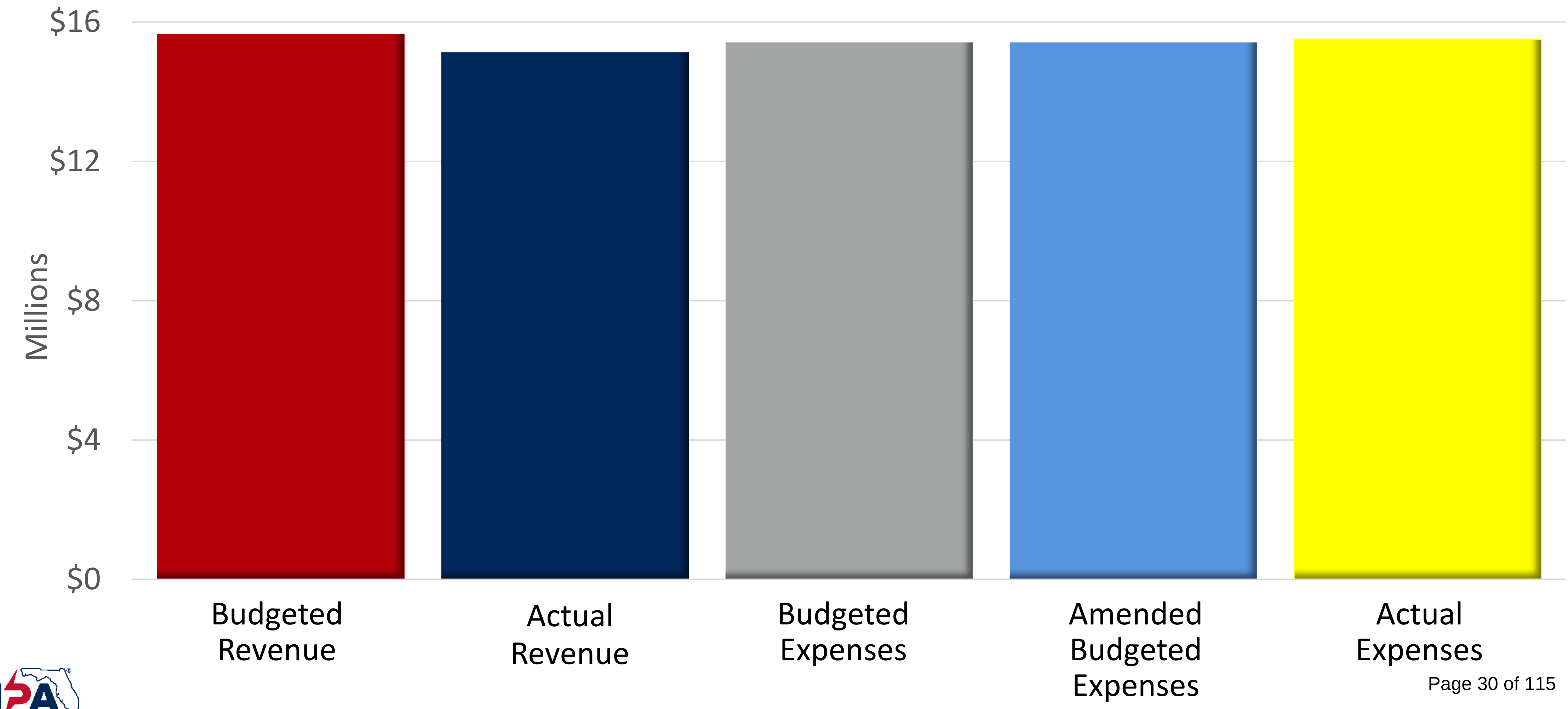
FMPA MUNICIPAL POWER

Stanton II Project

Participants to Receive $2.8 Million

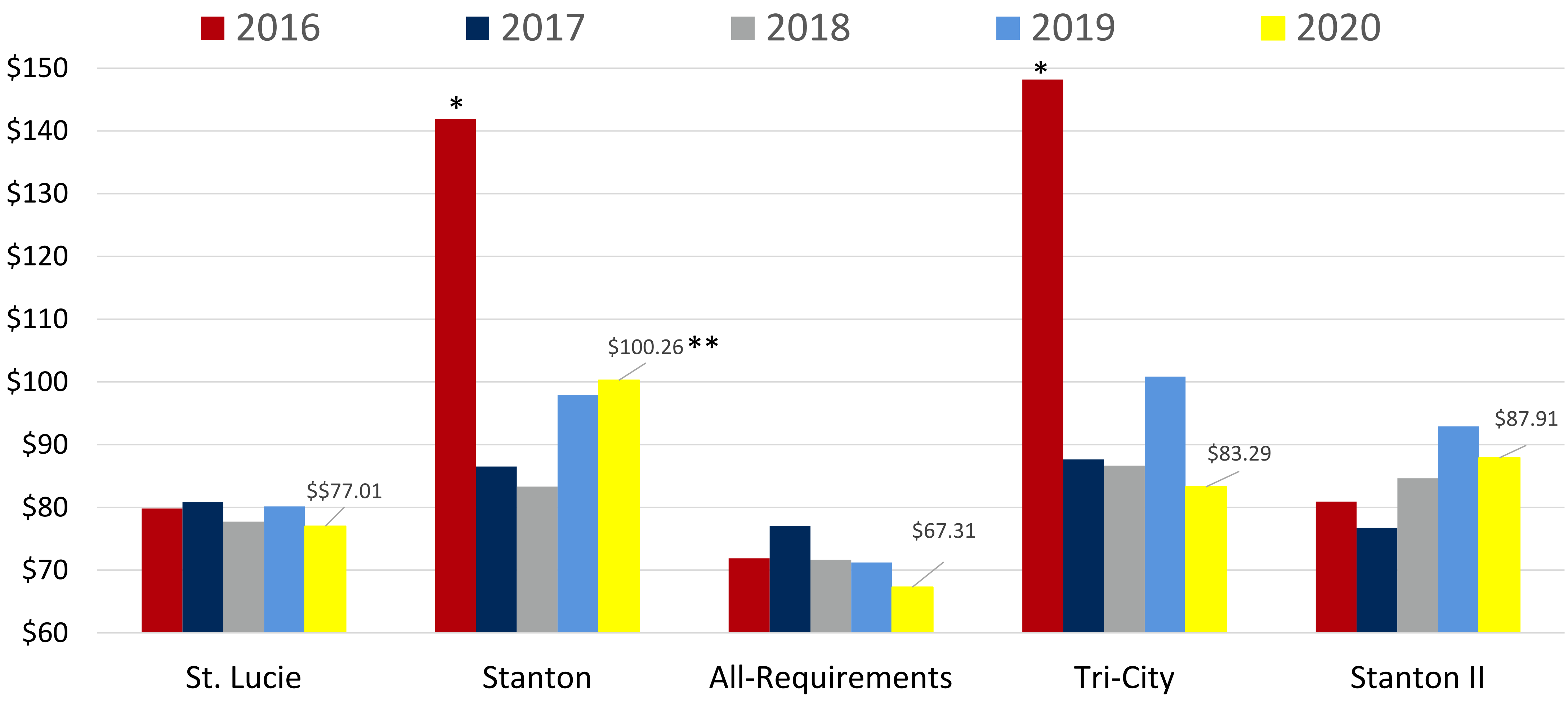


Agency
Spending $472,000 Below Budget



Average Dollars Per Megawatt Hour Billed

By Project Years 2016 - 2020



* Due to extended outage at Stanton

** Increase due to lower capacity factor

Next Steps to Finalize Fiscal 2020 Financials

- Final leadership review of Financial Statements
- Final Review by external auditors Purvis Gray & Company
- Auditors to provide auditor report and opinion letter
- January 2020 – Provide Financial Statements & Audit Report to Board of Directors & Executive Committee for approval

FMPA MUNICIPAL POWER

AGENDA ITEM 9 – INFORMATION ITEMS

b. Review of the 2020 Governance Letter

Finance Committee Meeting
December 9, 2020

FMPA
MUNICIPAL POWER

9b – Review of the Governance Letter For the Fiscal Year Ended September 30, 2020

Finance Committee

December 9, 2020

GOVERNANCE LETTER

Board of Directors and Executive Committee
Florida Municipal Power Agency
Orlando, Florida

We have audited the financial statements of the business-type activity and each major fund of Florida Municipal Power Agency (the Agency) for the year ended September 30, 2020. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our Audit Engagement Letter to you dated _________. Professional standards also require that we communicate to you the following information related to our audit:

Qualitative Aspects of Accounting Practices
Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Agency are described in Note I to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2020. We noted no transactions entered into by the Agency during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Agency's financial statements are:

- **Nuclear Decommissioning Costs, Asset Retirement Obligations, and Landfill**
  As discussed in the notes to the financial statements, the Agency is a partial owner in the St. Lucie nuclear power plant and, accordingly, has recorded its share of the future decommissioning of the plant as a liability in its financial statements. Additionally, the Agency has recorded certain asset retirement obligations in the ARP, Stanton I, Stanton II, and Tricity projects. The liabilities are based upon engineering estimates and contains significant estimates concerning the future cost as well as the future date of the decommissioning or retirement. We believe that the Agency's calculation of its

share of these costs is reasonable based upon current engineering estimates. Also, the Agency has recorded landfill closure costs related to fly ash at the Stanton Energy Center. The liabilities contain significant estimates concerning the future cost as well as the future date of the closure provided by the owner/operator. We believe that the Agency's calculation of its share of these costs is reasonable based upon these estimate.

- **Capital Assets, Accumulated Depreciation, and Depreciation Expense**
  As discussed in the notes to the financial statements, capital assets are stated at costs at the time of purchase or construction. Management estimates accumulated depreciation and depreciation expense for such assets by utilizing the straight-line method of depreciation and by determining estimated useful lives based on the classes of depreciable property described in Note I to the financial statements. We evaluated the key factors and assumptions used to develop the capital asset and depreciation expense in determining that it is reasonable in relation to the financial statements taken as a whole.

- **Fair Market Value of Financial Instruments**
  As discussed in the notes to the financial statements, the Agency uses third-party valuations for determining the fair value of its financial instruments. We evaluated the key assumptions embodied in these valuations and determined that they are reasonable. Certain thinly traded municipal bonds can have varying values depending upon the pricing model used.

- **Prepaid Natural Gas—Public Gas Partners, Inc. (PGP)**
  During 2019, the ARP recorded an impairment write down of $42 million in its prepaid natural gas investment in PGP pools 1 and 2. The remaining prepaid gas balance of $16.5 million, after the write down, is being amortized over the 2020 and 2021 fiscal year ends with approximately $9 million remaining at the end of 2020. We evaluated the key assumptions embodied in remaining valuation and amortization and determined that they are reasonable.

- **Other Postemployment Benefits**
  As described in the notes to the financial statements, the actuarially calculated net OPEB Obligation is based upon the alternative measurement method permitted by Governmental Accounting Standards Board (GASB) Statement No. 75 for employers in plans with fewer than one hundred plan participants. We evaluated the key assumptions used in the calculation and determined them to be reasonable.

- **Net Costs to be Recovered/Refunded**
  As discussed in the notes to the financial statements, the Agency utilizes the provisions of GASB Statement No. 62, paragraphs 476-500 Regulated Operations. The effect of this method allows for the deferral of revenues and expenses to future periods in which the revenues are earned or the expenses are recovered through the rate-making process. These deferrals are recorded as Net Costs Recoverable From or Refundable to Future Participant Billings in the financial statements. We believe that the Agency's use of this method is appropriate and reasonable. Certain Projects have now matured to the point where the effects of Regulatory Operations now result in amounts owed to rather than from the members.

Board of Directors and Executive Committee
Florida Municipal Power Agency
Orlando, Florida

GOVERNANCE LETTER

Certain financial statement disclosures and transactions are particularly sensitive because of their significance to financial statement users. In addition to the matters discussed above, the most sensitive disclosures and transactions affecting the financial statements were:

- **COVID-19**
  The outbreak of COVID-19, a respiratory virus which was first reported in China, has since spread to other countries, including the United States, and is considered a Public Health Emergency of International Concern by the World Health Organization. On April 1, 2020, the Governor issued a mandatory "safer at home" order for the entire State which was effective from April 3, 2020 through April 30, 2020. Subsequently phased reopening's began allowing for businesses to open. Many cities and counties where Participants are located have issued a number of emergency orders that supplement and are, in some cases, more restrictive than the Governor's Orders.

  As a result of COVID-19, the Agency has implemented precautionary measures including limiting access to plants, restricting access to control rooms, requesting operators limit travel, prepping plant and staff for quarantine and screening contractors coming onsite with questionnaire and thermal scans. Some the Agency's Members have implemented suspended disconnects, provided flexible payment plans, waived late payment fees, supported financial assistance programs for customers, and referred customers to federal, state and local assistance programs.

  While the effects of COVID-19 may be temporary, it has altered the behavior of businesses and people in a manner resulting in negative impacts on global and local economies. Due to the unprecedented nature of the spread of COVID-19, the duration and extent of the impact of COVID-19 on the Agency's revenues, expenses and cash flow or ratings are uncertain and cannot be quantified at this time. Although not all impacts on the Agency are known at this time, all the Agency's Members are current with their payments to the Agency. The Agency will continue to monitor the impacts of COVID-19 and will address such impacts, as necessary.

- **Vero Beach Transaction**
  The Vero Beach transaction closed in December of 2018, providing funding that the ARP used to pay off certain variable rate debt and related interest rate swaps (a portion of the series 2008C's) totaling $74 million, with the remaining $32 million deposited to a member rate protection account to buffer future costs associated with the transaction. The accounting treatment defers the entire $105 million of proceeds from the transaction which will be recognized over future years. As of September 30, 2020, approximately $15 million of the initial deferral has been recognized in revenue, leaving a remaining balance of approximately $90 million to be recognized over future years.

- **ARP Bond Refunding and SWAP Terminations**
  During November of 2019, the ARP issued the 2019A and 2019B series Refunding Revenue Bonds. The proceeds, along with other available funds, were used to redeem the remaining balance of the 2008C and 2009A variable rate bonds and terminate the related interest rate swaps associated with these bonds. The total bonds redeemed as a part of this initiative total $86 million and interest rate swap terminations totaled $$15 million. At the conclusion of this transaction no variable rate bonds and interest rate swaps remain in any of the Agency projects.

Board of Directors and Executive Committee
Florida Municipal Power Agency
Orlando, Florida

GOVERNANCE LETTER

- **Pooled Loan Program**
  During the 2019 year, the Agency reestablished its Pooled Loan Program to provide members with access to low cost financing by using the credit rating and borrowing power of the Agency. The program calls for the issuance of Conduit Debt on behalf of a member, which the Agency legal counsel has indicated is not a liability of the Agency and, therefore, does not appear as such in the Agency's financial statements. During 2020, the Stanton II project issued $3.9 million of debt through the Pooled Loan Program and the Agency expects to use the program for additional financing in the future.

- **Solar Program**
  During 2020 the ARP's Solar Program became operational, with 1 of the 4 sites producing power. The remaining sites are expected to become operational in 2023. During 2020 the program produced 32,505 MwH's of energy resulting in $373,626 of sales to members for ultimate distribution to the retail customer.

- **Member Services Billing and Agency Cost Allocations**
  The Agency has made significant efforts over the last couple of years to improve and increase the level of non-purchased power services ("member services") that are provided to the members. Our review of this area in 2019 indicated that official policies dealing with how these services will be billed to a member had not been updated in many years and may not have address the current level of services provided.

  During 2020 the Agency adopted new policies and software to address this area which have helped to standardize and optimize member service activity.

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit
We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements
Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management
For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Board of Directors and Executive Committee
Florida Municipal Power Agency
Orlando, Florida

GOVERNANCE LETTER

Management Representations
We have requested certain representations from management that are included in the management representation letter dated ________.

Management Consultations with Other Independent Accountants
In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Agency's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Agency's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

<u>Other Matters</u>

We applied certain limited procedures to the management's discussion and analysis, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were not engaged to report on the Schedule of Amounts Due To (From) Participants and Five-Year Trend Analysis, which accompany the financial statements but are not RSI. We did not audit or perform other procedures on this other information and we do not express an opinion or provide any assurance on it.

Restriction on Use
This information is intended solely for the information and use of the Board of Directors, Executive Committee, Finance Committee, and management of the Agency, and is not intended to be, and should not be, used by anyone other than these specified parties.

____
Ocala, Florida

AGENDA ITEM 10 – REPORTS

a. **Draft of the 2020 Audited Financial Statements and Report**

Finance Committee Meeting
December 9, 2020

10a - Draft Financial Statements
For the Fiscal Year Ended September 30, 2020

December 9, 2020

Financial Statements

For The Fiscal Year Ended September 30, 2020

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Member Cities

- Alachua
- Bartow
- Blountstown
- Bushnell
- Chattahoochee
- Clewiston
- Fort Meade
- Fort Pierce
- Gainesville
- Green Cove Springs
- Havana
- Homestead
- Jacksonville Beach
- Key West
- Kissimmee
- Lake Worth Beach
- Lakeland
- Leesburg
- Moore Haven
- Mount Dora
- New Smyrna Beach
- Newberry
- Ocala
- Orlando
- Quincy
- St. Cloud
- Starke
- Tallahassee
- Wauchula
- Williston
- Winter Park

Table of Contents

Place holder for auditor's report

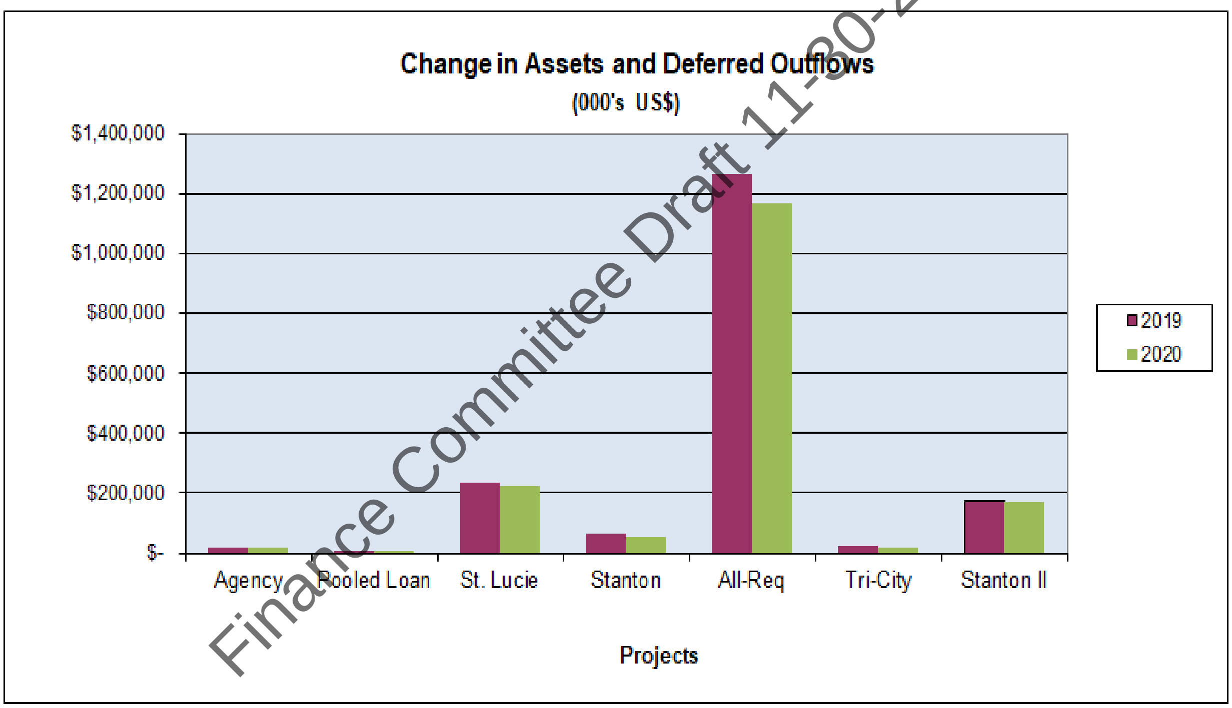
Place holder for auditor's report

This discussion and analysis is intended to serve as an introduction to Florida Municipal Power Agency's (FMPA's) basic financial statements, which are comprised of individual project or fund financial statements and the notes to those financial statements.

FMPA's financial statements are designed to provide readers with a broad overview of FMPA's financial condition in a manner similar to a private-sector business. It is important to note that, due to contractual arrangements which are the basis of each power project, no monies are shared among the projects, except that, as of the sale of the Vero Beach electric system to FPL in December 2018, the ARP has taken a transfer and assignment of Vero Beach's interests , as a project participant, in the Stanton, Stanton II and St. Lucie Projects.

FINANCIAL HIGHLIGHTS

Total Assets and Deferred Outflows at September 30, 2020, of FMPA's Agency Fund and other projects decreased $123.0 million from the prior year. Decreases included $72.1 million of depreciation and amortization of Plant Assets. Increases in total plant included $32.4 million of new depreciable assets.



Change in Assets and Deferrred Outflows (000's US$)								
Year	Agency	Pooled Loan	St. Lucie	Stanton	All-Req	Tri-City	Stanton II	Total
2019	$ 17,646	$ 86	$ 235,863	$ 62,403	$ 1,265,991	$ 21,241	$ 170,021	$1,773,251
2020	$ 17,928	$ 3,960	$ 220,606	$ 55,644	$ 1,163,954	$ 16,635	$ 171,548	$1,650,275
Variance	$282	$3,874	($15,257)	($6,759)	($102,037)	($4,606)	$1,527	($122,976)

FINANCIAL HIGHLIGHTS (CONTINUED)

Total Liabilities and Deferred Inflows at September 30, 2020, for FMPA's Agency Fund and other projects decreased by $123.0 million during the current fiscal year. The decrease in total liabilities is mainly due to bond principal payments.

Long-Term Liability balance outstanding at September 30, 2020, for FMPA's Agency Fund and Projects was $1.2 billion, a decrease of $108.4 million during the current fiscal year.

Long-Term Bonds balance, less current portion, was $1,020 million, including All-Requirements balance of $737 million.

Total Revenue for Agency and all projects decreased by $51.7 million for the current fiscal year, primarily due to decreased natural gas prices.

Comparative years' Assets, Liabilities and Net Position, as well as Revenues, Expenses are summarized on the following pages.

FINANCIAL HIGHLIGHTS (CONTINUED)

Statement of Net Position
Proprietary funds
September 30, 2020
(000's US$)

2020	Agency Fund	Pooled Loan Fund	St. Lucie Project	Stanton Project	All-Requirements Project	Tri-City Project	Stanton II Project	Totals
	Business-Type Activities- Proprietary Funds							
Assets:								
Capital Assets, Net	$ 3,045	$ -	$ 26,455	$ 27,044	$ 588,537	$ 10,350	$ 91,952	$ 747,383
Current Unrestricted Assets	14,348	533	69,177	22,173	241,256	3,314	62,012	412,813
Non-Current Restricted Assets	166	3,481	119,560	5,425	33,106	2,612	8,146	172,496
Other Non Current Assets	369	(54)	792	-	260,888	-	-	261,995
Deferred Outflows of Resources	-	-	4,622	1,002	40,167	359	9,438	55,588
Total Assets & Deferred Outflows	$ 17,928	$ 3,960	$ 220,606	$ 55,644	$ 1,163,954	$ 16,635	$ 171,548	$ 1,650,275
Liabilities:								
Long-Term Liabilities	$ 6,426	$ 3,498	$ 191,331	$ 1,159	$ 933,813	$ 415	$ 105,633	$ 1,242,275
Current Liabilities	2,109	462	29,275	1,656	139,704	569	17,354	191,129
Deferred Inflows of Resources	-	-	-	52,829	90,437	15,651	48,561	207,478
Total Liabilities & Deferred Inflows	$ 8,535	$ 3,960	$ 220,606	$ 55,644	$ 1,163,954	$ 16,635	$ 171,548	$ 1,640,882
Net Position:								
Investment in capital assets	$ 3,286	$ -	$ (90,272)	$ 28,046	$ (346,898)	$ 10,709	$ (14,972)	$ (410,101)
Restricted	12	39	29,012	5,424	51,416	2,612	10,021	98,536
Unrestricted	6,095	(39)	61,260	(33,470)	295,482	(13,321)	4,951	320,958
Total Net Position	$ 9,393	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,393

Statement of Net Position
Proprietary funds
September 30, 2019
(000's US$)

2019	Agency Fund	Pooled Loan Fund	St. Lucie Project	Stanton Project	All-Requirements Project	Tri-City Project	Stanton II Project	Totals
	Business-Type Activities- Proprietary Funds							
Assets:								
Capital Assets, Net	$ 3,092	$ -	$ 20,554	$ 27,079	$ 635,185	$ 10,460	$ 93,918	$ 790,288
Current Unrestricted Assets	13,926	106	60,848	30,339	276,394	7,748	56,225	445,586
Non-Current Restricted Assets	246	39	120,241	3,983	26,496	2,674	8,615	162,294
Other Non Current Assets	382	(59)	28,298	-	274,998	-	-	303,619
Deferred Outflows of Resources	-	-	5,922	1,002	52,918	359	11,263	71,464
Total Assets & Deferred Outflows	$ 17,646	$ 86	$ 235,863	$ 62,403	$ 1,265,991	$ 21,241	$ 170,021	$ 1,773,251
Liabilities:								
Long-Term Liabilities	$ 5,907	$ -	$ 218,342	$ 1,123	$ 1,007,611	$ 402	$ 117,323	$ 1,350,708
Current Liabilities	2,046	86	17,521	11,843	161,153	4,243	16,071	212,963
Deferred Inflows of Resources	-	-	-	49,437	97,227	16,596	36,627	199,887
Total Liabilities & Deferred Inflows	$ 7,953	$ 86	$ 235,863	$ 62,403	$ 1,265,991	$ 21,241	$ 170,021	$ 1,763,558
Net Position:								
Investment in capital assets	$ 3,092	$ -	$ (113,837)	$ 18,094	$ (371,485)	$ 7,170	$ (22,679)	$ (479,645)
Restricted	7	39	42,212	12,968	91,006	5,963	19,361	171,556
Unrestricted	6,594	(39)	71,625	(31,062)	280,479	(13,133)	3,318	317,782
Total Net Position	$ 9,693	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,693

MANAGEMENT'S DISCUSSION & ANALYSIS

For Fiscal Year Ended September 30, 2020

FINANCIAL HIGHLIGHTS (CONTINUED)

Statements of Revenues, Expenses and Changes in Fund Net Position

Proprietary Funds

For Fiscal Year Ended September 30, 2020

2020	Business-Type Activities- Proprietary Funds							
	Agency Fund	Pooled Loan Fund	St. Lucie Project	Stanton Project	All-Requirements Project	Tri-City Project	Stanton II Project	Totals
Revenues:								
Billings to participants	$ 14,936	$ 18	$ 53,687	$ 22,955	$ 390,242	$ 6,480	$ 54,223	$ 542,541
Sales to others			2,284	378	46,539	135	592	49,928
Amounts to be recovered from (refunded to) participants		40	(3,116)	(708)	(2,775)	(207)	(2,792)	(9,558)
Investment Income (loss)	183	1	7,662	401	(2,521)	97	1,059	6,882
Total Revenue	$ 15,119	$ 59	$ 60,517	$ 23,026	$ 431,485	$ 6,505	$ 53,082	$ 589,793
Expenses:								
Operation, Maintenance & Nuclear Fuel Amortization	$ -	$ -	$ 13,235	$ 5,384	$ 82,078	$ 1,938	$ 7,834	$ 110,469
Purchased power, Transmission & Fuel Costs			3,302	9,223	224,717	3,331	20,399	260,972
Administrative & General	15,047	41	2,700	1,342	23,510	766	1,885	45,291
Depreciation & Decommissioning	372		8,216	3,685	58,395	1,416	5,738	77,822
Interest & Amortization	0	19	5,559	0	35,965	0	5,294	46,837
Gain/Loss on Ineffective Swaps			0					0
Write down of PGP to Net Future Cash Flow					0			0
Total Expense	$ 15,419	$ 60	$ 33,012	$ 19,634	$ 424,665	$ 7,451	$ 41,150	$ 541,391
Change in net position before regulatory asset adjustment	$ (300)	$ (1)	$ 27,505	$ 3,392	$ 6,820	$ (946)	$ 11,932	$ 48,402
Net cost recoverable/future Participant billings	-	1	(27,505)	(3,392)	(6,820)	946	(11,932)	(48,702)
Change in Net Positon After Regulatory Adj	$ (300)	$ -	$ -	$ -	$ -	$ -	$ -	$ (300)
Net position at beginning of year	9,693							9,693
Net position at end of year	$ 9,393	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,393

Statements of Revenues, Expenses and Changes in Fund Net Position

Proprietary Funds

For Fiscal Year Ended September 30, 2019

(000's US$)

2019	Business-Type Activities- Proprietary Funds							
	Agency Fund	Pooled Loan Fund	St. Lucie Project	Stanton Project	All-Requirements Project	Tri-City Project	Stanton II Project	Totals
Revenues:								
Billings to participants	$ 14,760	$ -	$ 54,748	$ 32,521	$ 419,721	$ 12,296	$ 47,171	$ 581,217
Sales to others			2,892	360	43,166	129	565	47,112
Amounts to be recovered from (refunded to) participants			(4,777)	(1,319)	889	(429)	(2,200)	(7,836)
Investment Income (loss)	343	-	10,676	549	6,650	138	2,637	20,993
Total Revenue	$ 15,103	$ 0	$ 63,539	$ 32,111	$ 470,426	$ 12,134	$ 48,173	$ 641,486
Expenses:								
Operation, Maintenance & Nuclear Fuel Amortization	$ -	$ -	$ 12,932	$ 5,134	$ 79,383	$ 1,836	$ 8,634	$ 107,919
Purchased power, Transmission & Fuel Costs			3,466	12,302	254,330	4,538	18,731	293,367
Administrative & General	14,234	81	2,722	1,562	23,922	837	2,221	45,579
Depreciation & Decommissioning	445		6,743	3,569	58,599	1,359	5,556	76,271
Interest & Amortization	5		17,757	509	41,680	145	5,555	65,651
Gain/Loss on Ineffective Swaps			921					921
Write down of PGP to Net Future Cash Flow					41,733			41,733
Total Expense	$ 14,684	$ 81	$ 44,541	$ 23,076	$ 499,647	$ 8,715	$ 40,697	$ 631,441
Change in net position before regulatory asset adjustment	$ 419	$ (81)	$ 18,998	$ 9,035	$ (29,221)	$ 3,419	$ 7,476	$ 10,045
Net cost recoverable/future Participant billings	-	81	(18,998)	(9,035)	29,221	(3,419)	(7,476)	(9,626)
Change in Net Positon After Regulatory Adj	$ 419	$ -	$ -	$ -	$ -	$ -	$ -	$ 419
Net position at beginning of year	9,274							9,274
Net position at end of year	$ 9,693	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,693

OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to FMPA's basic financial statements, which are comprised of two components: (1) individual project or fund financial statements and (2) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

FMPA's **Entity-Wide Financial Statements** are designed to provide readers with a broad overview of FMPA's finances in a manner similar to a private-sector business. It is very important to note that, due to contractual arrangements that are the basis of each power project, no monies can be shared among projects, except that, as of the sale of the Vero Beach electric system to FPL in December 2018, the ARP has taken a transfer and assignment of Vero Beach's interests , as a project participant, in the Stanton, Stanton II and St. Lucie Projects.

The cash flow of one power project, although presented with all others in the financial statement presentation as required by financial reporting requirements, cannot and should not be considered available for any other project. Management encourages readers of this report, when evaluating the financial condition of FMPA, to remember that each power project or fund is a financially independent entity.

The **Statements of Net Position** presents information on all of FMPA's assets and liabilities with the differences between the two reported as Net Position. As a result of a decision by the governing bodies of FMPA, billings and revenues in excess (deficient) of actual costs are returned to (collected from) the participants in the form of billing credits (charges). The assets within the Agency Fund represent those required for staff operations, which coordinate all of the power projects described herein.

The **Statements of Revenues, Expenses and Changes in Fund Net Position** present information regarding how FMPA's net position has changed during the fiscal year ended September 30, 2020. All changes in net position are reported as the underlying event giving rise to the change as it occurs, regardless of the timing of related cash flows. Therefore, some revenues and expenses that are reported in these statements for some items will only result in cash flows in future fiscal periods, such as unrealized gains or losses from investment activities, uncollected billings and earned but unused vacation.

The **Statements of Cash Flows** provide information about FMPA's Agency Fund and each project's cash receipts and disbursements during the fiscal year. These statements report cash receipts, cash payments and net changes in cash resulting from operating, investing and capital & related financing activities.

All of the activities of FMPA are of a business type, as compared to governmental activities. FMPA has no component units to report. The Financial Statements can be found on pages 12 through 14 of this report.

The **Fund Financial Statements** are comprised of a grouping of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. FMPA, like governments and other special agencies or districts, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of FMPA are reported on the proprietary basis.

FMPA maintains only one type of Proprietary Fund, the Enterprise Fund type. Enterprise Funds are used to report the same functions presented as business-type activities in the financial statements. FMPA uses enterprise funds to account for all of its power projects, as well as the Agency business operations. Each of the funds is considered a "major fund" according to specific accounting rules. A summary of FMPA's activities for years 2020 and 2019 is shown on pages 6 and 7. A more detailed version of the major fund proprietary financial statements can be found on pages 12 through 14 of this report.

The Notes to Financial Statements provide additional information that is essential to understanding the data provided in both the government-wide and fund financial statements. The Notes to the Financial Statements can be found on pages 15 through 53 of this report.

ENTITY-WIDE FINANCIAL ANALYSIS

As noted earlier, when readers use the financial presentations to evaluate FMPA's financial position and results of operations, it is essential to remember the legal separation that exists among the projects. Nevertheless, broad patterns and trends may be observed at this level that should lead the reader to study carefully the financial statements of each fund and project. For example, total revenues decreased $51.7 million primarily due to decreased natural gas prices.

FINANCIAL ANALYSIS OF FMPA'S FUNDS AND PROJECTS

FMPA uses fund accounting, Federal Energy Regulatory Commission accounting and special utility industry terminology to ensure and demonstrate compliance with finance-related legal requirements. The projects and funds are presented below and in the financial statements in the order in which they were established.

The **Agency Fund** accounts for the administrative activities of FMPA. The expenses incurred while operating the projects and administrative activities are allocated to the power projects, net of any miscellaneous receipts. Total General and Administrative expenses increased $.8 million from fiscal year 2019 to fiscal year 2020.

The **Pooled Loan Fund** was re-established during the 2019 fiscal year and made one loan to a member during September 2019. As required by the Governmental Accounting Standards Board Statement 91 it is recognized as conduit debt and the corresponding receivable and payable are not included on the statement of Net Position. The Pooled loan fund made one loan to an FMPA Project (Stanton II) which is included on the statement of Net Position.

The **St. Lucie Project** consists of an 8.806% undivided ownership interest in St. Lucie Unit 2. This unit is a nuclear power plant primarily owned and operated by Florida Power & Light (FPL). FPL requested and received a 20-year extension of the operating license from the Nuclear Regulatory Commission (NRC) for Units 1 and 2. The license will allow Unit 1 to operate until 2035 and Unit 2 to operate until 2043.

The Project billed 697,116 Megawatt-hours (MWh) in fiscal year 2020. The average all-inclusive billing rate, which includes budgeted Demand, Energy and Transmission expenses, decreased 3.9% to $77.01 in fiscal year 2020.

The **Stanton Project** derives its power from a 14.8193% ownership interest in Stanton Unit 1, a 441 Megawatt coal-fired power plant operated by its primary owner, Orlando Utilities Commission (OUC).

The Project billed 228,947 MWh in fiscal year 2020. The average all-inclusive billing rate, which includes budgeted Demand, Energy and Transmission expenses increased 2.4% to $100.26 per MWh in fiscal year 2020 due to a lower capacity factor for the plant.

The **All-Requirements Project** (ARP) consists of 13 active participants. The ARP energy resources are part of the Florida Municipal Power Pool (FMPP), a consortium of three municipal energy suppliers - ARP, Lakeland Electric and OUC - which have agreed to dispatch resources on an economic cost and availability basis in order to meet combined loads. The average all-inclusive billed rate to ARP member cities was $67.31 per MWh in fiscal year 2020, which is all-inclusive of Energy, Demand and Transmission expenses. The billed Megawatt hours for fiscal year 2020 were 5,797,669.

The All-Requirements participant net cost of power decreased to $66.85 per MWh in fiscal year 2020, a 6.3% decrease from fiscal year 2019. This decrease was primarily due to lower fuel expenses. The fuel supply mix was 80.3% for natural gas, 13.6% for coal, 3.7% for purchases 1.4% nuclear and 1.0% for renewables.

FINANCIAL ANALYSIS OF FMPA'S FUNDS AND PROJECTS (CONTINUED)

After consideration of amounts to be refunded to or recovered from Project participants, the net position of the All-Requirements Project was zero (by design) again in fiscal year 2020. The All-Requirements project adjusts the Demand, Energy, and Transmission rates each month based on the current expenses, estimated future expenses, and over/under collections to meet its 60-day cash target. The over/under collection amounts are shown in the Statements of Revenues, Expenses and Changes in Fund Net Position as an addition or reduction to "Billings to Participants" and as "Due from Participants" or "Due to Participants" in the accompanying Statement of Net Position.

The **Tri-City Project** consists of a 5.3012% ownership interest in Stanton Unit 1. The Project billed 77,805 MWh in fiscal year 2020. The average all-inclusive billing rate, which includes budgeted Demand, Energy and Transmission expenses, decreased 17.4% to $83.29 per MWh during fiscal year 2020 due to decreased net operating revenues needed to build reserve funds.

The **Stanton II Project** consists of a 23.2367% ownership interest in Stanton Unit 2, a coal-fired power plant operated by its primary owner; Orlando Utilities Commission (OUC). The Project billed 616,808 MWh in fiscal year 2020. The average all-inclusive billing rate, which includes budgeted Demand, Energy, and Transmission expenses, decreased by 5.4% to $87.91 per MWh in fiscal year 2020. This was caused by a increase in MWh Sales related to an increased capacity factor for the plant.

BUDGETARY HIGHLIGHTS

The FMPA Board of Directors approves the non All-Requirements Project budgets, and the Executive Committee approves the Agency and All-Requirements Project budgets, establishing legal boundaries for expenditures. For fiscal year 2020, the Tri-City budget was amended at the end of the fiscal year to increase expenditures $.2 million. This was due to higher than anticipated fuel expense.

CAPITAL ASSETS AND LONG-TERM DEBT

FMPA's investment in **Capital Assets,** as of September 30, 2020, was $747 million, net of accumulated depreciation and inclusive of work-in-process and development projects. This investment in capital assets includes operational and construction projects in progress of generation facilities, transmission systems, land, buildings, improvements, and machinery and equipment.

FMPA's investment in capital assets for fiscal year 2020 decreased by 5.4% or $42.9 million. This was caused primarily by depreciation of plant assets.

At September 30, 2020, FMPA had **Long-term debt** of $1.1 billion in notes, loans and bonds payable. The remaining principal payments on Long-term debt less current portion, net of unamortized premium and discount, and deferred outflows are as follows:

Project	Amount (000's US$)
Agency Fund	$ -
Pooled Loan Fund	3,498
St. Lucie Project	98,029
Stanton Project	-
All-Requirements Project	913,713
Tri-City Project	-
Stanton II Project	103,795
Total	$ 1,119,035

See **Note VIII** to the Notes to Financial Statements for further information.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Multi-year operational and financial modeling was conducted to arrive at the fiscal year 2020 budget. Expenses were estimated using current market conditions for fuel and estimated member loads which take into consideration the member cities' economies that have shown varying impacts on loads in both demand and energy due to current economic conditions. Rates are set in order to cover all costs and based on the member loads. Additionally, All-Requirements rates are adjusted monthly to maintain cash at a 60 day target as approved by the Executive Committee.

SIGNIFICANT EVENTS

A. Refinancing of the 2008C and 2013A All-Requirements Project Bonds

On November 07, 2019, the All-Requirements project issued the 2019A and 2019B bonds with a face amount of $81.9 million at a premium and used the $102 million of cash to retire the 2008C and the 2013A bonds with a total face value of $85.7 million, terminate associated swaps at a cost of $15.5 million and pay closing costs. This transaction eliminated all variable rate debt and all associated swaps of the Project.

B. Solar Purchased Power Agreements

Five of the All-Requirements participants subscribed to the output of a solar farm that came online in July of 2020. This is the first of four solar farms that FMPA will participate in taking energy from under long term contracts.

REQUEST FOR INFORMATION

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the *Chief Financial Officer, Florida Municipal Power Agency, 8553 Commodity Circle, Orlando, FL 32819.*

FLORIDA MUNICIPAL POWER AGENCY

STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2020
(000's US$)

	Business-Type Activities							
ASSETS & DEFERRED OUTFLOWS	**Agency Fund**	**Pooled Loan Fund**	**St. Lucie Project**	**Stanton Project**	**All-Requirements Project**	**Tri-City Project**	**Stanton II Project**	**Totals**
Current Assets:								
Cash and cash equivalents	$ 4,597	$ 243	$ 2,911	$ 5,436	$ 41,423	$ 1,286	$ 5,505	$ 61,401
Investments	7,032		37,935	13,594	47,185	1,099	37,699	144,544
Participant accounts receivable	1,695	40	1,972	2,089	37,275	578	4,238	47,887
Fuel stock and material inventory				977	43,507	350	1,512	46,346
Other current assets	1,024	(192)	285	77	5,066	1	192	6,453
Restricted assets available for current liabilities		442	26,074		66,800		12,866	106,182
Total Current Assets	$ 14,348	$ 533	$ 69,177	$ 22,173	$ 241,256	$ 3,314	$ 62,012	$ 412,813
Non-Current Assets:								
Restricted Assets:								
Cash and cash equivlents	$ 66	$ 2	$ 38,877	$ 815	$ 74,406	$ 319	$ 18,299	$ 132,784
Investments	100		106,675	4,562	25,369	2,267	2,692	141,665
Accrued Interest			82	48	131	26	21	308
Loans to Projects		3,921						3,921
Less: Portion Classified as Current	$ -	$ (442)	(26,074)		(66,800)		(12,866)	(106,182)
Total Restricted Assets	$ 166	$ 3,481	$ 119,560	$ 5,425	$ 33,106	$ 2,612	$ 8,146	$ 172,496
Utility Plant:								
Electric plant	$ -	$ -	$ 306,531	$ 94,919	$ 1,295,229	$ 37,734	$ 207,744	$ 1,942,157
General plant	9,612		28,871	20	5,004	36	91	43,634
Less accumulated depreciation and amortization	(6,567)		(309,943)	(67,895)	(711,696)	(27,420)	(115,883)	(1,239,404)
Net utility plant	$ 3,045	$ -	$ 25,459	$ 27,044	$ 588,537	$ 10,350	$ 91,952	$ 746,387
Construction work in progress			996					996
Total Utility Plant, net	$ 3,045	$ -	$ 26,455	$ 27,044	$ 588,537	$ 10,350	$ 91,952	$ 747,383
Other Assets:								
Net costs recoverable/future particpant billings	$ -	$ 79	$ 792	$ -	$ 251,840	$ -	$ -	$ 252,711
Prepaid natural Gas - PGP					9,036			9,036
Due from (to) other funds	128	(133)						(5)
Other	241				12			253
Total Other Assets	$ 369	$ (54)	$ 792	$ -	$ 260,888	$ -	$ -	$ 261,995
Total Assets	$ 17,928	$ 3,960	$ 215,984	$ 54,642	$ 1,123,787	$ 16,276	$ 162,110	$ 1,594,687
Deferred Outflows of Resources								
Deferred Outflows from Asset Retirement Obligations	$ -	$ -		$ 1,002	$ 1,116	$ 359	$ 1,572	$ 4,049
Unamortized Loss on Advanced Refunding			4,622	-	39,051	-	7,866	51,539
Total Deferred Outflows	$ -	$ -	$ 4,622	$ 1,002	$ 40,167	$ 359	$ 9,438	$ 55,588
Total Assets & Deferred Outflows	$ 17,928	$ 3,960	$ 220,606	$ 55,644	$ 1,163,954	$ 16,635	$ 171,548	$ 1,650,275

LIABILITIES, DEFERRED INFLOWS AND NET POSITION	**Agency Fund**	**Pooled Loan Fund**	**St. Lucie Project**	**Stanton Project**	**All-Requirements Project**	**Tri-City Project**	**Stanton II Project**	**Totals**
Current Liabilities:								
Payable from unrestricted assets:								
Accounts payable & Accrued Liabilities	$ 2,109	$ 20	$ 85	$ 948	$ 32,029	$ 362	$ 1,696	$ 37,249
Due to Participants			3,116	708	28,592	207	2,792	35,415
Line of Credit Payable								
Capital Lease and other Obligations					12,283			12,283
Total Current Liabilities Payable from Unrestricted Assets	$ 2,109	$ 20	$ 3,201	$ 1,656	$ 72,904	$ 569	$ 4,488	$ 84,947
Payable from Restricted Assets:								
Current portion of long-term revenue bonds	$ -	$ 423	$ 23,320	$ -	$ 48,490	$ -	$ 10,995	$ 83,228
Accrued interest on long-term debt		19	2,754		18,310		1,871	22,954
Total Current Liabilities Payable from Restricted Assets	$ -	$ 442	$ 26,074	$ -	$ 66,800	$ -	$ 12,866	$ 106,182
Total Current Liabilities	$ 2,109	$ 462	$ 29,275	$ 1,656	$ 139,704	$ 569	$ 17,354	$ 191,129
Long-Term Liabilities Payable from Restricted Assets:								
Held in Trust for Rate Stabilization	$ 154	$ -	$ -	$ -	$ -	$ -	$ -	$ 154
Accrued Decommissioning Liability			93,302					93,302
Total Liabilities Payable from Restricted Assets	$ 154	$ -	$ 93,302	$ -	$ -	$ -	$ -	$ 93,456
Long-Term Liabilities Less Current Portion:								
Long-term debt	$ -	$ -	$ 98,029	$ -	$ 913,713	$ -	$ 103,795	$ 1,115,537
Pooled Loan Fund Non-Conduit Debt		3,498						3,498
Other Post-employment Benefits	6,272							6,272
Landfill Closure & Asset Retirement Obligations				1,159	1,295	415	1,838	4,707
Advances from Participants					18,688			18,688
Derivative Instruments					117			117
Total Long-Term Liabilities	$ 6,272	$ 3,498	$ 98,029	$ 1,159	$ 933,813	$ 415	$ 105,633	$ 1,148,819
Deferred Inflows of Resources								
Net cost refundable/future participant billings	$ -			$ 52,829	$ -	$ 15,651	$ 48,561	$ 117,041
Acquisition Adjustment - Vero Beach Entitlements					90,437			90,437
Total Deferred Inflows of Resources	$ -	$ -	$ -	$ 52,829	$ 90,437	$ 15,651	$ 48,561	$ 207,478
Total Long-Term Liabilities & Deferred Inflows	$ 6,426	$ 3,498	$ 191,331	$ 53,988	$ 1,024,250	$ 16,066	$ 154,194	$ 1,449,753
Total Liabilities and Deferred Inflows	$ 8,535	$ 3,960	$ 220,606	$ 55,644	$ 1,163,954	$ 16,635	$ 171,548	$ 1,640,882
Net Position:								
Net Investment in Capital Assets	$ 3,286	$ -	$ (90,272)	$ 28,046	$ (346,898)	$ 10,709	$ (14,972)	$ (410,101)
Restricted	12	39	$ 29,012	$ 5,424	$ 51,416	$ 2,612	$ 10,021	98,536
Unrestricted	6,095	(39)	$ 61,260	$ (33,470)	$ 295,482	$ (13,321)	$ 4,951	320,958
Total Net Position	$ 9,393	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,393
Total Liabilities and Net Position	$ 17,928	$ 3,960	$ 220,606	$ 55,644	$ 1,163,954	$ 16,635	$ 171,548	$ 1,650,275

The accompanying notes are an integral part of these financial statements

FLORIDA MUNICIPAL POWER AGENCY

STATEMENT REVENUE, EXPENSES, AND CHANGE IN FUND NET POSITION

PROPRIETARY FUNDS

For the fiscal year ended September 30, 2020

(000's US$)

	Business-Type Activities							
	Agency Fund	Pooled Loan Fund	St. Lucie Project	Stanton Project	All-Requirements Project	Tri-City Project	Stanton II Project	Totals
Operating Revenue:								
Billings to participants	$ 14,936	$ 18	$ 53,687	$ 22,955	$ 390,242	$ 6,480	$ 54,223	$ 542,541
Interchange Sales					12,584			12,584
Sales to others			2,284	378	27,053	135	592	30,442
Amortization of Vero Beach Acquisition Adj.					6,790			6,790
Amounts to be recovered from (refunded to) participants		40	(3,116)	(708)	(2,775)	(207)	(2,792)	(9,558)
Total Operating Revenue	$ 14,936	$ 58	$ 52,855	$ 22,625	$ 433,894	$ 6,408	$ 52,023	$ 582,799
Operating Expenses:								
Operation and maintenance	$ -	$ -	$ 10,026	$ 5,384	$ 82,078	$ 1,938	$ 7,834	$ 107,260
Fuel expense				7,934	159,716	2,875	18,317	188,842
Nuclear fuel amortization			3,209					3,209
Purchased power			2,894		29,509			32,403
Transmission services			408	1,289	35,492	456	2,082	39,727
General and administrative	15,047	41	2,700	1,342	23,510	766	1,885	45,291
Interest Expense		19						19
Depreciation and amortization	372		2,458	3,685	58,395	1,416	5,738	72,064
Decommissioning			5,758					5,758
Total Operating Expense	$ 15,419	$ 60	$ 27,453	$ 19,634	$ 388,700	$ 7,451	$ 35,856	$ 494,573
Total Operating Income	$ (483)	$ (2)	$ 25,402	$ 2,991	$ 45,194	$ (1,043)	$ 16,167	$ 88,226
Non-Operating Income (Expense):								
Interest expense	$ -	$ -	$ (4,259)	$ -	$ (29,070)	$ -	$ (3,469)	$ (36,798)
Debt costs					(503)		9	(494)
Investment earnings (losses)	183	1	7,662	401	3,364	97	1,050	12,758
Loss on ineffective swaps								
Amortization of swap terminations					(5,885)			(5,885)
Amortization of Loss on Advanced Termination			(1,300)		(6,392)		(1,825)	(9,517)
Write down of PGP to Net Future Cash Flow								
Total Non-Operating Income (Expenses)	$ 183	$ 1	$ 2,103	$ 401	$ (38,486)	$ 97	$ (4,235)	$ (39,936)
Change in net assets before regulatory asset adjustment	$ (300)	$ (1)	$ 27,505	$ 3,392	$ 6,708	$ (946)	$ 11,932	$ 48,290
Net cost recoverable/future participant billings	$	$ 1	$ (27,505)	$ (3,392)	$ (6,708)	$ 946	$ (11,932)	$ (48,590)
Change in Net Position After Regulatory Adj	$ (300)	$	$	$	$	$	$	$ (300)
Net Postion at beginning of year	9,693							9,693
Net Position at end of year	$ 9,393	$ -	$ -	$ -	$ -	$ -	$ -	$ 9,393

The accompanying notes are an integral part of these financial statements

FLORIDA MUNICIPAL POWER AGENCY

Statement of Cash Flows
Proprietary Funds
For the fiscal year ended September 30, 2020
(000's US$)

	Business-Type Activities- Proprietary Funds							
	Agency Fund	Pooled Loan	St. Lucie Project	Stanton Project	All Requirements Project	Tri-City Project	Stanton II Project	Totals
Cash Flows From Operating Activities:								
Cash Received From Customers	$ 15,460	$ (67)	$ 51,622	$ 22,910	$ 425,530	$ 6,741	$ 51,706	$ 573,902
Cash Paid to Suppliers	(6,605)	152	(15,929)	(15,947)	(323,970)	(6,008)	(28,697)	(397,004)
Cash Paid to Employees	(7,994)							(7,994)
Net Cash Provided by (Used in) Operating Activities	$ 861	$ 85	$ 35,693	$ 6,963	$ 101,560	$ 733	$ 23,009	$ 168,904
Cash Flows From Investing Activities:								
Proceeds From Sales and Maturities Of Investments	$ 8,044	$ -	$ 1,160,907	$ 19,753	$ 272,248	$ 6,195	$ 44,862	$ 1,512,009
RSA Deposits and Interest Earnings	(85)							(85)
Purchases of Investments	(9,873)	(3,921)	(1,158,967)	(26,261)	(195,089)	(7,378)	(34,105)	(1,435,594)
Income received on Investments	106	3	12,586	74	2,459	36	(527)	14,737
Net Cash Provided by (Used in) Investment Activities	$ (1,808)	$ (3,918)	$ 14,526	$ (6,434)	$ 79,618	$ (1,147)	$ 10,230	$ 91,067
Cash Flows From Capital & Related Financing Activities:								
Proceeds from Issuance of Bonds & Loans	$ -	$ 3,921	$ -	$ -	$ 101,851	$ -	$ 3,921	$ 109,693
Debt Issuance Costs					(503)		9	(494)
Capital Expenditures - Utility Plant	(325)		(11,568)	(3,651)	(11,747)	(1,306)	(3,772)	(32,369)
Long Term Gas Pre Pay - PGP					(783)			(783)
Principal Payments - Long Term Debt			(17,715)	(8,985)	(166,043)	(3,290)	(14,987)	(211,020)
Line of Credit Advances								
Line of Credit Payments					(5,000)			(5,000)
Transferred (To) From Other Funds	12	(7)						5
Interest paid on Debt		19	(5,913)	(240)	(44,119)	(35)	(4,181)	(54,469)
Swap Termination Payments					(15,482)			(15,482)
Deferred Charges - Solar Project	1							1
Net Cash Provided (Used in) Capital & Related Financing Activities	$ (312)	$ 3,933	$ (35,196)	$ (12,876)	$ (141,826)	$ (4,631)	$ (19,010)	$ (209,918)
Net Increase (Decrease) in Cash and Cash Equivalents	$ (1,259)	$ 100	$ 15,023	$ (12,347)	$ 39,352	$ (5,045)	$ 14,229	$ 50,053
Cash and Cash Equivalents - Beginning	5,922	145	26,765	18,598	76,477	6,650	9,575	144,132
Cash and Cash Equivalents - Ending	$ 4,663	$ 245	$ 41,788	$ 6,251	$ 115,829	$ 1,605	$ 23,804	$ 194,185
Consisting of:								
Unrestricted	$ 4,597	$ 243	$ 2,911	$ 5,436	$ 41,423	$ 1,286	$ 5,505	$ 61,401
Restricted	66	2	38,877	815	74,406	319	18,299	132,784
Total	$ 4,663	$ 245	$ 41,788	$ 6,251	$ 115,829	$ 1,605	$ 23,804	$ 194,185
Reconciliation of Operating Income to Net Cash Provided by (Used in) Operating Activities:								
Operating Income (Loss)	$ (483)	$ (2)	$ 25,402	$ 2,991	$ 45,194	$ (1,043)	$ 16,167	$ 88,226
Adjustment to Reconcile Net Operating Income to Net Cash Provided by (Used In) Operating Activities:								
Depreciation	372		2,458	3,685	58,395	1,416	5,738	72,064
Asset Retirement Costs								
Decommissioning			5,758					5,758
Amortization of Nuclear Fuel			3,209					3,209
Amortization of Pre Paid Gas - PGP					8,268			8,268
Amortization of Vero Exit Payment					(6,790)			(6,790)
Changes in Assests and Liabilities Which Provided (Used) Cash:								
Inventory				389	(1,329)	140	625	(175)
Receivables From (Payable to) Participants	524	(79)	(1,232)	285	(878)	332	(316)	(1,364)
Prepaids	(372)	192	83	(75)	(1,023)	(1)	10	(1,186)
Accounts Payable and Accrued Expense	820	19	15	(312)	(84)	(111)	785	1,132
Other Deferred Costs		(45)			(193)			(238)
Net Cash Provided By (Used In) Operating Activities	$ 861	$ 85	$ 35,693	$ 6,963	$ 101,560	$ 733	$ 23,009	$ 168,904
Noncash Investing, capital and financing activities:								
Increase (Decrease) in mark to market values								
Non-Trust Investments	$ 77	$ -	$ (4,930)	$ 281	$ 3,439	$ 33	$ 1,570	$ 470
Interest Rate Derivative Contracts								
Change in Effective Swaps					(2,919)			(2,919)

The accompanying notes are an integral part of these financial statements

I. Summary of Significant Accounting Policies

A. Reporting Entity

Florida Municipal Power Agency (FMPA or Agency) was created on February 24, 1978, pursuant to the terms of an Interlocal Agreement signed by the governing bodies of 25 Florida municipal corporations or utility commissions chartered by the State of Florida.

The Florida Interlocal Cooperation Act of 1969 authorizes local government units to enter together into mutually advantageous agreements which create separate legal entities for certain specified purposes. FMPA, as one such entity, was authorized under the Florida Interlocal Cooperation Act and the Joint Power Act to finance, acquire, construct, manage, operate or own electric power projects or to accomplish these same purposes jointly with other public or private utilities. An amendment to the Florida Interlocal Cooperation Act in 1985 and an amendment to the Interlocal Agreement in 1986 authorized FMPA to implement a pooled financing or borrowing program for electric, water, wastewater, waste refuse disposal, gas or other utility projects for FMPA and its members. FMPA established itself as a project-oriented agency.

This structure allows each member the option of whether to participate in a project, to participate in more than one project, or not to participate in any project. Each of the projects are financially independent from the others and the project bond resolutions specify that no revenues or funds from one project can be used to pay the costs of any other project, except that, as of the sale of the Vero Beach electric system to FPL, the ARP has taken a transfer and assignment of Vero Beach's interests , as a project participant, in the Stanton, Stanton II and St. Lucie Projects. As of September 30, 2020, FMPA has 31 members.

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The Agency Fund and each of the projects are maintained using the Governmental Accounting Standards Board (GASB), the Uniform System of Accounts of the Federal Energy Regulatory Commission (FERC) and Generally Accepted Accounting Principles of the United States (GAAP) using the economic resources measurement focus and the accrual basis of accounting. Application of the accounting methods for regulatory operations is also included in these financial statements. This accounting guidance relates to the deferral of revenues and expenses to future periods in which the revenues are earned or the expenses are recovered through the rate-making process, which is governed by the Executive Committee and the Board of Directors.

The Agency's General Bond Resolution requires that its rate structure be designed to produce revenues sufficient to pay operating, debt service and other specified costs. The Agency's Board of Directors, which is comprised of one representative from each member city, and Executive Committee, which is comprised of one representative from each of the active All-Requirements Project members, are responsible for reviewing and approving the rate structure. The application of a given rate structure to a given period's electricity sales may produce revenues not intended to pay that period's costs and conversely, that period's costs may not be intended to be recovered in that period's revenues. The affected revenues and/or costs are, in such cases, deferred for future recognition. The recognition of deferred items is correlated with specific future events, primarily payment of debt principal.

FMPA considers electric revenues and costs that are directly related to generation, purchases, transmission and distribution of electricity to be operating revenues and expenses. Revenues are recorded when they are earned and expenses are recorded when a liability is incurred, following GAAP.

I. Summary of Significant Accounting Policies (continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

1. Fund Accounting

FMPA maintains its accounts on a fund/project basis, in compliance with appropriate bond resolutions, and operates its various projects in a manner similar to private business. Operations of each project are accounted for as a proprietary fund and as such, inter-project transactions, revenues and expenses are not eliminated.

The Agency operates the following major funds:

- The Agency Fund, which accounts for general operations beneficial to all members and projects.
- The Pooled Loan Fund, was re-established during the fiscal year 2019 and will loan funds to member utilities or FMPA projects.
- The St. Lucie Project, which accounts for ownership interest in the St. Lucie Unit 2 nuclear generating facility.
- The Stanton Project and the Tri-City Project, which account for respective ownership interests in the Stanton Energy Center (SEC) Unit 1, a coal-fired generation facility,
- The All-Requirements Project, which accounts for ownership interests in Stanton Energy Center Unit 1, Stanton Energy Center Unit 2, Stanton Unit A, and Indian River Combustion Turbine Units A, B, C and D. Also included in the All-Requirements Project is the purchase of power for resale to the participants and 100% ownership or ownership cost responsibility (for jointly owned and participant-owned units) of Treasure Coast Energy Center, Cane Island Units 1, 2, 3 and 4, FMPA's Key West Combustion Turbine Units 1, 2, 3 and 4 and Key West Stock Island MS Units 1 & 2. The project also assumed the participant interest of Vero Beach in the St. Lucie, Stanton, and Stanton II Projects. Some of the All-Requirements participants subscribed to the output of a solar farm that came online in July of 2020.
- The Stanton II Project, which accounts for an ownership interest in SEC Unit 2.

Certain accounts within these funds are grouped and classified in the manner established by respective bond resolutions and/or debt instruments.

All funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary or business fund's principal on-going operations. The principal operating revenues of FMPA's proprietary or business funds are charges to participants for sales and services. Operating expenses for proprietary or business funds include the cost of sales and services, administrative expenses and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is FMPA's policy to use restricted funds for their intended purposes only, based on the bond resolutions. Unrestricted resources are used as they are needed in a hierarchical manner from the General Reserve accounts to the Operations and Maintenance accounts.

Certain direct and indirect expenses allocable to FMPA's fully owned and undivided ownership in the St. Lucie Project, the Stanton Project, the All-Requirements Project, the Tri-City Project and the Stanton II Project are capitalized as part of the cost of acquiring or constructing the respective utility plant. Direct and indirect expenses not associated with these projects are capitalized as part of the cost of Development Projects in Progress in the Agency Fund. Electric Plant in Service is depreciated using the straight-line method over the assets' respective estimated useful lives. Estimated useful lives for electric plant assets range from 23 years to 42 years.

I. Summary of Significant Accounting Policies (continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

2. Capital Assets

FMPA has adopted the policy of capitalizing net interest costs during the period of project construction (interest expense less interest earned on the investment of bond proceeds). Capitalized net interest cost on borrowed funds include amortization of bond discount and bond premium, interest expense and interest income. The cost of major replacements of assets in excess of $5,000 is capitalized to the utility plant accounts. The cost of maintenance, repairs and replacements of minor items are expensed as incurred.

3. Inventory

Coal, oil, and natural gas inventory is stated at weighted average cost. Parts inventory for the generating plants is also stated at weighted average cost. Nuclear fuel is carried at cost and is amortized on the units of production basis.

4. Cash & Cash Equivalents

FMPA considers the following highly liquid investments (including restricted assets) to be cash equivalents for the statement of cash flows:

- Demand deposits (not including certificates of deposits)
- Money market funds

5. Investments

Florida Statutes authorize FMPA to invest in the FL Local Government Surplus Funds Trust Fund, obligations of the U.S. Instrumentalities, Money Market Funds, U.S. Government and Agency Securities, Certificates of Deposit, commercial paper and repurchase agreements fully collateralized by all the items listed above. In addition to the above, FMPA's policy also authorizes the investment in certain corporate and municipal bonds, bankers' acceptances, prime commercial paper and repurchase agreements, guaranteed investment contracts and other investments with a rating confirmation issued by a rating agency.

Investments are stated at fair value based on quoted market prices and using third party pricing models for thinly traded investments that don't have readily available market values. Investment income includes changes in the fair value of these investments. Interest on investments is accrued at the Statement of Net Position date. All of FMPA's project and fund investments can be sold at any point due to cash flow needs, changes in market trends or risk management strategies.

6. Debt-Related Costs

Debt issuance costs are expensed as incurred. Gains and losses on the refunding of bonds are deferred and amortized over the life of the refunding bonds or the life of the refunded bonds, whichever is shorter, using the bonds outstanding method. This method is used for the St. Lucie Project, the Stanton Project, the All-Requirements Project, the Tri-City Project and the Stanton II Project.

7. Compensated Absences

Liabilities related to Compensated Absences are recognized as incurred in accordance with GASB Statement No. 16 and are included in accrued expenses. Regular, full-time employees in good standing, upon resignation or retirement, are eligible for vacation pay, and sick/personal pay. At September 30, 2020, the liability for unused vacation was $826,571 and $661,316 for unused sick/personal leave is accounted for in the Agency Fund.

I. Summary of Significant Accounting Policies (continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

8. Allocation of Agency Fund Expenses

General and administrative operating expenses of the Agency Fund are allocated based on direct labor hours of specific positions and certain other minimum allocations to each of the projects. Any remaining expenses are allocated to the All-Requirements Project.

9. Billing to Participants

Participant billings are designed to systematically provide revenue sufficient to recover costs. Rates and budgets can be amended by the Board of Directors or the Executive Committee at any time.

For the All-Requirements Project, energy rate adjustments are driven by the Project's Operation and Maintenance (O & M) Fund month-end cash balance and the cash balance needed to meet the targeted balance of 60 days of cash within the O & M Fund. If it is determined that the O & M Fund balance is over the 60 days O & M Fund cash balance target amount, the energy rate adjustment will result in a lower billing rate relative to projected expenses and thereby reduce the future O & M Fund balance. Likewise, if the O & M Fund balance is below the 60 day cash target, the energy rate adjustment will result in a higher billing rate relative to projected expenses and thereby increase the future O & M Fund balance.

Amounts due from participants are deemed to be entirely collectible and as such, no allowance for uncollectible accounts has been recorded.

For the St. Lucie Project, the Stanton Project, the Tri-City Project and the Stanton II Project, variances in current fiscal year billings and actual project costs are computed and compared to the current year budget target under or over recovery and under the terms of the project contract, net excesses or deficiencies are credited or charged to future participant billings or may be paid from the General Reserve Fund, as approved by the Board of Directors, or Executive Committee as appropriate.

10. Income Taxes

FMPA is a local governmental entity and therefore is exempt from federal and state income taxes.

11. Use of Estimates

The management of FMPA has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements in conformity with GAAP. Examples of major areas where estimates are used include the estimate for useful lives of property, plant and equipment and the estimate for the nuclear decommissioning liability. Other examples include using third party pricing models for pricing of thinly traded investments, amortization of Public Gas Partner gas based on estimated total reserves and use of estimates when computing the OPEB liability. Actual results could differ from those estimates.

12. Derivative Financial Investments

FMPA uses commodity futures contracts and options on forward contracts to hedge the effects of fluctuations in the price of natural gas storage. The contracts are held by Florida Gas Utility (FGU) and FMPA agrees to reimburse FGU for any loss on the contracts and FGU agrees to pay FMPA for any gain on the contracts. Previously, FMPA used interest rate swap contracts to hedge the fluctuations in the interest rate of variable-rate debt, however, with the retirement of the 2008C All-Requirements bonds in November of 2019, all interest rate swaps have been terminated.

I. Summary of Significant Accounting Policies (continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

13. Deferred Inflows and Deferred Outflows

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. FMPA has two items that qualify for reporting in this category, the deferred portion of Asset Retirement Obligations and the Unamortized Loss on Refunding. The deferred Asset Retirement Obligation costs will be collected from participants as determined by the Board and Executive Committee during the budget process. A deferred Loss on Refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.FMPA has two items that qualify for reporting in this category, the Net Cost Refundable/Future Participant Billings and the Acquisition Adjustment- Vero Beach Entitlements. The net Costs Refundable/Future Participant Billings are recognized as a rate benefit in future periods through the rate-making process. The Acquisition Adjustment – Vero Beach Entitlements are being amortized to income to offset the additional annual costs to the All-Requirements project for the assumption of the Project obligations acquired.

14. Financial Reporting for Pension Plans

FMPA has a Defined Contribution Pension Plan and therefore the impacts of reporting for pension plans are minimal compared to entities that have a Defined Benefit Pension Plan. The impacts on accounting and reporting for FMPA are disclosured in footnote XII.A.

15. Financial Reporting for Postemployment Benefits Other Than Pensions

The Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB) was adopted by FMPA for reporting the employer's OPEB Plan Liability. The accounting and reporting for FMPA and additional disclosures are provided in footnote XII.B and in the Required Supplementary Information section.

16. Landfill Closure and Post Closure Maintenance Cost

In accordance with Governmental Accounting Standards Board Statement No. 18, Accounting for Landfill Closure and Post Closure Maintenance Cost was implemented beginning with the fiscal year ending September 30, 2018, for reporting the Stanton, Stanton II, Tri-City and All Requirements Projects liability for the fly ash landfill at the Stanton Energy Center.

I. Summary of Significant Accounting Policies (continued)

B. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

17. Fair Value Measurement and Application

Investments for FMPA are stated at fair value. The fair value framework uses a hierarchy that prioritizes the inputs to the valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurement) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described below:

- **Level 1 inputs**-are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date
- **Level 2 inputs**-are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. Agency Obligation securities are recorded at fair value based upon Bloomberg pricing models using observable inputs and as such are presented as level 2 in the GASB 72 hierarchy in footnote IV.
- **Level 3 inputs**-are unobservable inputs for an asset or liability. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs.

• Nuclear Decommissioning Liability

St. Lucie Project

The U.S. Nuclear Regulatory Commission (NRC) requires that each licensee of a commercial nuclear power reactor furnish to the NRC a certification of its financial capability to meet the costs of nuclear decommissioning at the end of the useful life of the licensee's facility. As a co-licensee of St. Lucie Unit 2, FMPA's St. Lucie Project is subject to these requirements and therefore has complied with the NRC regulations.

To comply with the NRC's financial capability regulations, FMPA established an external trust fund (Decommissioning Trust) pursuant to a trust agreement. Funds deposited, together with investment earnings in the Trust, are anticipated to result in sufficient funds in the Decommissioning Trust at the expiration of the license extension to meet the Project's share of the decommissioning costs. This is reflected in the St. Lucie Project's Statement of Net Position as Restricted Cash and Investments ($93.6 million) and Accrued Decommissioning Liability ($93.3 million) at September 30, 2020. These amounts are to be used for the sole purpose of paying the St. Lucie nuclear decommissioning costs. Based on a site-specific study approved by the Florida Public Service Commission in 2015, Unit 2's future net decommissioning costs are estimated to be $2.2 billion or $745 million in 2015 dollars, and FMPA's share of the future net decommissioning costs is estimated to be $197 million or $65 million in 2015 dollars. A new study will be completed and made available in December 2020. The Decommissioning Trust is irrevocable and funds may be withdrawn from the Trust solely for the purpose of paying the St. Lucie Project's share of costs for nuclear decommissioning. Also, under NRC regulations, the Trust is required to be segregated from other FMPA assets and outside FMPA's administrative control. FMPA has complied with these regulations.

• Landfill Closure and Post Closure Maintenance Liability and Asset Retirement Obligations

In accordance with Governmental Accounting Standard No. 18, the ownership share of the landfill closure and post closure maintenance costs the Stanton Energy Center Units 1 & 2, the proportionate closure and post closure maintenance costs of $627 thousand as of September 30, 2020, was recognized across FMPA's All Requirements, Stanton, Stanton II and Tri-City Projects. FMPA expects to recognize the remaining share of its estimated closure and post-closure costs of $324 thousand over the remaining useful life of the landfill. As of September 30, 2019 and 2020, 53.9% and 65.9%, respective of the total landfill capacity has been used. Three years remain on the landfill life.

In accordance with Governmental Accounting Standard No. 83, Asset Retirement Obligation have been calculated for each of the generating sites owned by FMPA. Significant assumptions used in the calculation of the Obligations are as follows:

There are no pollution events that need to be addressed. If a pollution event occurs it will be cleaned up as soon as practible and the expense will be recognized at the time of the event.

Scrap and salvage values for the natural gas plants exceed the cost to retire the units therefore, no obligation is accrued for these assets.

Coal plant retirement obligations are based on an EPRI study, removing costs for asbestos abatement. All ash disposal is included in the Landfill Closure Cost estimate.

The impact for each of FMPA Projects as of September 30, 2020 is:

	(000's US$)							
	Agency Fund	Pooled Loan Fund	St. Lucie Project	Stanton Project	All-Req Project	Tri-City Project	Stanton II Project	Total
Landfill Closure Costs								
Total Exposure	$ -	$ -	$ -	$ 235	$ 262	$ 84	$ 370	$ 951
Remaining Liability				(80)	(89)	(29)	(126)	(324)
Total Liability at September 30	$ -	$ -	$ -	$ 155	$ 173	$ 55	$ 244	$ 627
Closure Liability	$ -	$ -	$ -	$ 44	$ 51	$ 16	$ 77	$ 188
Post-Closure Liability				111	122	39	167	439
Asset Retirement Obligation				1,004	1,122	360	1,594	4,080
Total Landfill Closure and Asset Retirement Obligation	$ -	$ -	$ -	$ 1,159	$ 1,295	$ 415	$ 1,838	$ 4,707

IV. Capital Assets

A description and summary as of September 30, 2020, of Capital Assets by fund and project, is as follows:

The column labeled "Increases" reflects new capital undertakings and depreciation expense. The column labeled "Decreases" reflects retirements of those assets.

A. Agency Fund

The Agency Fund contains the general plant assets of the Agency that are not associated with specific projects. Depreciation of general plant assets is computed by using the straight-line method over the expected useful life of the asset. Expected lives of the different types of general plant assets are as follows:

• Capital Assets (continued)

a. Agency Fund (Continued)

- Structures & Improvements 25 years
- Furniture & Fixtures 8 years
- Office Equipment 5 years
- Automobiles and Computers 3 years

New capital undertakings are accounted for in the Development Projects in Progress account and included in the Other Assets section of the Statement of Net Position. Depending on whether these undertakings become a project, costs are either capitalized or expensed. The activity for the Agency's general plant assets for the year ended September 30, 2020 was as follows:

	September 30, 2020			
	Beginning Balance	*Increases**	*Decreases**	*Ending Balance*
		(000's US$)		
Land	$ 653	$ -	$ -	$ 653
General Plant	8,594	365	-	8,959
Construction work in process	40	(40)		-
General Plant in Service	$ 9,287	$ 325	$ -	$ 9,612
Less Accumulated Depreciation	(6,195)	(372)	-	(6,567)
General Plant in Service, Net	$ 3,092	$ (47)	$ -	$ 3,045

* Includes Retirements Less Salvage

B. St. Lucie Project

The St. Lucie Project consists of an 8.806% undivided ownership interest in St. Lucie Unit 2, a nuclear power plant primarily owned and operated by Florida Power & Light (FPL).

Depreciation was originally computed using the straight-line method over the expected useful life of the asset, which was originally computed to be 34.6 years. In FYE 2019, management extended the useful life to 41.6 years based on the extended operating license for St. Lucie Unit 2. Nuclear fuel is amortized on a units of production basis. St. Lucie plant asset activity for the year ended September 30, 2020, was as follows:

	September 30, 2020			
	Beginning Balance	*Increases*	*Decreases**	*Ending Balance*
		(000's US$)		
Land	$ 75	$ -	$ -	$ 75
Electric Plant	300,182	6,274		306,456
General Plant	1,209	-	-	1,209
Nuclear Fuel	22,388	5,274	-	27,662
Construction work in process	878	118	-	996
Electric Utility Plant in Service	$ 324,732	$ 11,666	$ -	$ 336,398
Less Accumulated Depreciation	(304,178)	(5,667)	(98)	(309,943)
Utility Plant in Service, Net	$ 20,554	$ 5,999	$ (98)	$ 26,455

* Includes Retirements Less Salvage

Construction work in process is recorded on an estimate basis and reversed 3 months later when actual amounts are determined.

IV. Capital Assets (continued)

C. Stanton Project

The Stanton Project consists of an undivided 14.8193% ownership in Stanton Energy Center Unit 1, a coal-fired power plant. Asset retirements and additions for the plant are decided by Orlando Utilities Commission (OUC), the primary owner and operator of the plant.

Depreciation of plant assets is computed using the straight-line method over the expected useful life of the different plant assets. Expected useful lives of the assets are as follows:

- Electric Plant — 40 years
- Computer Equipment — 9 years

Stanton Unit 1 plant asset activity for the year ended September 30, 2020, was as follows:

	September 30, 2020			
	Beginning Balance	*Increases*	*Decreases**	*Ending Balance*
		(000's US$)		
Land	$ 125	$ -	$ -	$ 125
Electric Plant	91,150	3,651	-	94,801
General Plant	13		-	13
Electric Utility Plant in Service	$ 91,288	$ 3,651	$ -	$ 94,939
Less Accumulated Depreciation	(64,209)	(3,686)	-	(67,895)
Utility Plant in Service, Net	$ 27,079	$ (35)	$ -	$ 27,044

* Includes Retirements Less Salvage

D. All-Requirements Project

The All-Requirements Project's current utility plant assets include varying ownership interests in Stanton Energy Center Units 1 and 2; Indian River Combustion Turbines A, B, C and D; and Stanton A. The All-Requirements Project's current utility plant assets also consist of 100% ownership in the Treasure Coast Energy Center, Cane Island Units 1, 2, 3 and 4, Key West Units 1, 2, 3 and 4, and Stock Island MSD Units 1 & 2, with the exception of the Key West and KUA – TARP Capital Lease Obligation. See footnote IX.A.4 for more detail on the Key West and KUA – TARP Capital Lease Obligations.

Retirements and additions for the All-Requirements Project assets are decided by the All-Requirements members.

Depreciation of plant assets and amortization of capital leases is computed using the straight-line method over the expected useful life of the asset. Expected lives of the different plant assets are as follows:

- Stanton Energy Center Units 1 and 2 — 40 years
- Stanton Energy Center Unit A — 35 years
- Treasure Coast Energy Center — 23 years
- Cane Island Unit 1 — 25 years
- Cane Island Units 2, 3 — 30 years
- Cane Island Unit 4 — 23 years
- Key West Units 1, 2 and 3 — 25 years
- Key West Stock Island Units 1 and 2 — 25 years
- Key West Stock Island Unit 4 — 23 years
- Indian River Units A, B, C and D — 23 years *
- Computer Equipment — 9 years

** Indian River Units A, B, C and D, reached the end of their useful lives. Management has extended the useful life by 5 years for new capital additions.*

IV. Capital Assets (continued)

D. All-Requirements Project (continued)

All-Requirements plant asset activity for the year ended September 30, 2020, was as follows:

	September 30, 2020			
	Beginning Balance	Increases	Decreases*	Ending Balance
	(000's US$)			
Land	$ 13,405	$ -	$ -	$ 13,405
Electric Plant	1,270,589	11,363	-	1,281,952
General Plant	4,492	384	-	4,876
CWIP	-	-	-	-
Electric Utility Plant in Service	$ 1,288,486	$ 11,747	$ -	$ 1,300,233
Less Accumulated Depreciation	(653,301)	(58,395)	-	(711,696)
Utility Plant in Service, Net	$ 635,185	$ (46,648)	$ -	$ 588,537

* Includes Retirements Less Salvage

E. Tri-City Project

The Tri-City Project consists of an undivided 5.3012% ownership interest in Stanton Unit 1, a coal-fired power plant. Retirements and additions for Stanton Unit 1 are determined by OUC, the primary owner and operator.

Depreciation of plant assets is computed using the straight-line method over the expected useful life of the different assets. Expected useful lives of the assets are as follows:

- Electric Plant 40 years
- Computer Equipment 9 years

Tri-City Project plant asset activity for the year ended September 30, 2020, was as follows:

	September 30, 2020			
	Beginning Balance	Increases	Decreases*	Ending Balance
	(000's US$)			
Land	$ 48	$ -	$ -	$ 48
Electric Plant	36,380	1,306	-	37,686
General Plant	36	-	-	36
Electric Utility Plant in Service	$ 36,464	$ 1,306	$ -	$ 37,770
Less Accumulated Depreciation	(26,004)	(1,416)		(27,420)
Utility Plant in Service, Net	$ 10,460	$ (110)	$ -	$ 10,350

* Includes Retirements Less Salvage

F. Stanton II Project

The Stanton II Project consists of an undivided 23.2367% ownership interest in Stanton Unit 2, a coal-fired power plant. Retirements and additions for Stanton Unit 2 are determined by OUC, the primary owner and operator.

Depreciation of plant assets is computed using the straight-line method over the expected useful life of the different assets. Expected useful lives of the assets are as follows:

- Electric Plant 40 years
- Computer Equipment 9 years

IV. Capital Assets (continued)

F. Stanton II Project (continued)

Stanton Unit 2 plant asset activity for the year ended September 30, 2020, was as follows:

	September 30, 2020			
	Beginning Balance	*Increases*	*Decreases**	*Ending Balance*
		(000's US$)		
Land	$ 217	$ -	$ -	$ 217
Electric Plant	203,755	3,772	-	207,527
General Plant	91	-	-	91
Electric Utility Plant in Service	$ 204,063	$ 3,772	$ -	$ 207,835
Less Accumulated Depreciation	(110,145)	(5,738)		(115,883)
Utility Plant in Service, Net	$ 93,918	$ (1,966)	$ -	$ 91,952

* Includes Retirements Less Salvage

V. Cash, Cash Equivalents and Investments

A. Cash and Cash Equivalents

At September 30, 2020, FMPA's Cash and Cash Equivalents consisted of demand deposit accounts and money market accounts which are authorized under FMPA bond resolutions. Cash and cash equivalents are held at two financial institutions. All of FMPA's demand deposits at September 30, 2020, were insured by Federal Depository Insurance Corporation (FDIC) or collateralized pursuant to the Public Depository Security Act of the State of Florida. Current unrestricted cash and cash equivalents are used in FMPA's funds' and projects' day-to-day operations.

B. Investments

FMPA adheres to a Board and Executive Committee-adopted investment policy based on the requirements of the bond resolutions. The policy requires diversification based upon investment type, issuing institutions, and duration. All of the fund and project accounts have specified requirements with respect to investments selected and the length of allowable investment.

Investments at September 30, 2020, were insured or registered and held by its agent in FMPA's name. Changes in the fair value of investments are reported in current period revenues and expenses. All of FMPA's fund and project investments can be sold at any point due to cash flow needs, changes in market trends or risk management strategies.

Foreign Currency Risk
FMPA's investments are not exposed to foreign currency risk.

Interest-Rate Risk
FMPA's investment policy requires that funds generally be invested to match anticipated cash flow. All fund and project accounts have a specified maximum maturity for investments and, the majority of FMPA's funds are required to be invested for less than five years. All project funds and accounts are monitored using weighted average maturity analysis as well as maturity date restrictions.

Concentration of Credit Risk
Each project is separate from the others, and as such, each project is evaluated individually to determine the credit and interest rate risk. FMPA's investment policy prohibits investments in commercial paper that exceed 50% of any of the projects' or the Agency's assets. All commercial paper must be rated in the highest rating category by a nationally recognized bond rating agency at the time of purchase. These investments must not exceed 50% for any of FMPA's projects. As of September 30, 2020, fixed income commercial paper investments, held by FMPA from any one issuer (investments issued or explicitly guaranteed by the US Government, investments in mutual funds, external investment pools and other pooled investments are excluded) are limited to 10% of the projects' investment assets. No project exceeded that limit.

V. Cash, Cash Equivalents and Investments (continued)

B. Investments (continued)

FMPA maintains all assets other than demand deposit accounts within a trust department of a bank. All cash and investments, other than demand deposit accounts, are held in the name of a custodian or a trustee for the Agency and its projects.

1. Agency Fund

Cash, cash equivalents and investments on deposit for the Agency at September 30, 2020, are as follows:

	September 30, 2020	Weighted Average Maturity (Days)	Credit Rating
Restricted	*(000's US$)*		
Cash and Cash Equivalents	$ 66		
US Gov't/Agency Securities	100	120	Aaa/AA+/AAA *
Commercial Paper *	-		P1/A1**
Total Restricted	$ 166		
Unrestricted			
Cash and Cash Equivalents	$ 4,597		
US Gov't/Agency Securities *	5,534	329	Aaa/AA+/AAA *
Commercial Paper	998	286	
Corporate Notes	500	1	
Total Unrestricted	$ 11,629		
Total	$ 11,795		

*The Municipal Bond ratings range from a best of AAA/AAA/AAA to a worst of A3/A-/A.
** Moody's/S&P/Fitch

Investments measured at Fair Value for the Agency at September 30, 2020, are as follows:

Investment Assets by Fair Value Level	Quoted Prices in Active Markets (Level 1) *(000's US$)*	Significant Other Observable Inputs (Level 2) *(000's US$)*	Significant Unobservable Inputs (Level 3) *(000's US$)*
Agency Obligations	$ -	$ 5,574	$ -
US Treasury Obligations	100		
Corporate Notes			
Brokered CDs		501	
Total By Level	$ 100	$ 6,075	$ -
Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure			
Cash Equivalents	$ 4,663		
Commercial Paper	998		
Total Money Market and Mutual Fund Instruments	$ 5,661		
Total Market Value of Assets	$ 11,836		
Accrued Interest(including portion within other current assets of Unrestricted Assets)	(41)		
Market value (less) Accrued Interest	$ 11,795		

V. Cash, Cash Equivalents and Investments (continued)

B. Investments (continued)

2. Pooled Loan Fund Fund

Cash, cash equivalents and investments on deposit for Pooled Loans at September 30, 2020, are as follows:

	September 30, 2020	Weighted Average Maturity (Days)	Credit Rating
Restricted	*(000's US$)*		
Cash and Cash Equivalents	$ 2		
Total Restricted	$ 2		
Unrestricted			
Cash and Cash Equivalents	$ 243		
Total Unrestricted	$ 243		
Total	$ 245		

Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure	
Cash Equivalents	$ 245
Total Money Market and Mutual Fund Instruments	$ 245
Total Market Value of Assets	$ 245
Accrued Interest(including portion within other current assets of Unrestricted Assets)	
Market value (less) Accrued Interest	$ 245

V. Cash, Cash Equivalents and Investments (continued)
B. Investments (continued)

3. St. Lucie Project

In addition to normal operational cash needs for the project, investments are being accumulated in order to pay-off the balloon maturity of the Project's debt in 2026. The primary investments being used for this are zero coupon municipal bonds. Cash, cash equivalents and investments for the St. Lucie Project at September 30, 2020, are as follows:

	September 30, 2020	Weighted Average Maturity (Days)	Credit Rating
Restricted	*(000's US$)*		
Cash and Cash Equivalents	$ 38,877		
US Gov't/Agency Securities	100,058	82	Aaa/AA+/AAA **
Municipal Bonds	2,888	210	*
Commercial Paper	3,498	102	P1/A1 **
Corporate Notes	231	213	
Total Restricted	$ 145,552		
Unrestricted			
Cash and Cash Equivalents	$ 2,911		
US Gov't/Agency Securities *	17,568	412	Aaa/AA+/AAA **
Municipal Bonds	5,252	1,076	
Commercial Paper	2,994	246	
Corporate Notes	12,121	1,113	
Total Unrestricted	$ 40,846		
Total	$ 186,398		

*The Municipal Bond ratings range from a best of AAA/AAA/AAA to a worst of A3/A-/A.
** Moody's/S&P/Fitch

Investments measured at Fair Value for the St. Lucie Project at September 30, 2020, are as follows:

Investment Assets by Fair Value Level	Quoted Prices in Active Markets (Level 1) *(000's US$)*	Significant Other Observable Inputs (Level 2) *(000's US$)*	Significant Unobservable Inputs (Level 3) *(000's US$)*
Agency Obligations	$ -	$ 27,648	$ -
US Treasury Obligations	90,145		
Municipal Bonds		8,202	
Corporate Notes		9,758	
Brokered CDs		2,705	
Total By Level	$ 90,145	$ 48,313	$ -
Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure			
Cash Equivalents	$ 12,697		
Commercial Paper	6,492		
Morgan Stanley Institutional	29,091		
Total Money Market and Mutual Fund Instruments	$ 48,280		
Total Market Value of Assets	$ 186,738		
Accrued Interest(including portion within other current assets of Unrestricted Assets)	(340)		
Market value (less) Accrued Interest	$ 186,398		

V. Cash, Cash Equivalents and Investments (continued)

B. Investments (continued)

4. Stanton Project

Cash, cash equivalents and investments for the Stanton Project at September 30, 2020, are as follows:

		September 30, 2020	Weighted Average Maturity (Days)	Credit Rating
Restricted		*(000's US$)*		
Cash and Cash Equivalents	$	815		
US Gov't/Agency Securities		1,502	268	Aaa/AA+/AAA **
Municipal Bonds		1,173	768	*
Commercial Paper		385	27	P1/A1 **
Corporate Notes		1,502	15	
Total Restricted	$	5,377		
Unrestricted				
Cash and Cash Equivalents	$	5,436		
US Gov't/Agency Securities		9,254	367	Aaa/AA+/AAA **
Municipal Bonds		2,018	366	*
Commercial Paper		1,299	78	P1/A1 **
Corporate Notes		1,023	358	
Total Unrestricted	$	19,030		
Total	$	24,407		

*The Municipal Bond ratings range from a best of AAA/AAA/AAA to a worst of A3+/A-/A.
** Moody's/S&P/Fitch

Investments measured at Fair Value for the Stanton Project at September 30, 2020, are as follows:

Investment Assets by Fair Value Level	Quoted Prices in Active Markets (Level 1) *(000's US$)*	Significant Other Observable Inputs (Level 2) *(000's US$)*	Significant Unobservable Inputs (Level 3) *(000's US$)*
Agency Obligations	$ -	$ 6,054	$ -
US Treasury Obligations	4,767		
Municipal Bonds		3,219	
Corporate Notes		2,556	
Total By Level	$ 4,767	$ 11,829	$ -
Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure			
Cash Equivalents	$ 6,251		
Commercial Paper	1,685		
Morgan Stanley Institutional	-		
	-		
Total Money Market and Mutual Fund Instruments	$ 7,936		
Total Market Value of Assets	$ 24,532		
Accrued Interest(including portion within other current assets of Unrestricted Assets)	(125)		
Market value (less) Accrued Interest	$ 24,407		

V. Cash, Cash Equivalents and Investments (continued)

B. Investments (continued)

i. All-Requirements Project

Cash, cash equivalents and investments for the All-Requirements Project at September 30, 2020, are as follows:

		September 30, 2020	Weighted Average Maturity (Days)	Credit Rating
Restricted		*(000's US$)*		
Cash and Cash Equivalents	$	74,406		
US Gov't/Agency Securities		7,399	1,667	Aaa/AA+/AAA **
Municipal Bonds		11,349	4,045	*
Commercial Paper		5,995	115	P1/A1 **
Corporate Notes		626	489	
Total Restricted	$	99,775		
Unrestricted				
Cash and Cash Equivalents	$	41,423		
US Gov't/Agency Securities		22,601	614	Aaa/AA+/AAA **
Municipal Bonds		3,609	525	*
Commercial Paper		10,984	188	P1/A1 **
Corporate Notes		9,991	480	
Total Unrestricted	$	88,608		
Total	$	188,383		

*The Municipal Bond ratings range from a best of AAA/AAA/AAA to a worst of Aa3/AA+/A-.
** Moody's/S&P/Fitch

Investments measured at Fair Value for the All-Requirements Project at September 30, 2020, are as follows:

Investment Assets by Fair Value Level		Quoted Prices in Active Markets (Level 1) *(000's US$)*		Significant Other Observable Inputs (Level 2) *(000's US$)*		Significant Unobservable Inputs (Level 3) *(000's US$)*
Agency Obligations	$	-	$	25,010	$	-
US Treasury Obligations		5,105				
Municipal Bonds				15,090		
Brokered CD's				6,089		
Corporate Notes				4,562		
Total By Level	$	5,105	$	50,751	$	-
Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure						
Cash Equivalents	$	45,112				
Commercial Paper		16,979				
Money Market Funds		70,717				
Total Money Market and Mutual Fund Instruments	$	132,808				
Total Market Value of Assets	$	188,664				
Accrued Interest(including portion within other current assets of Unrestricted Assets)		(281)				
Market value (less) Accrued Interest	$	188,383				

V. Cash, Cash Equivalents and Investments (continued)

B. Investments (continued)

6. Tri-City Project

Cash, cash equivalents and investments for the Tri-City Project at September 30, 2020, are as follows:

	September 30, 2020	Weighted Average Maturity (Days)	Credit Rating
Restricted	*(000's US$)*		
Cash and Cash Equivalents	$ 319		
US Gov't/Agency Securities	488	167	Aaa/AAA/AAA **
Municipal Bonds	1,229	250	*
Commercial Paper	-		
Corporate Notes	550	85	
Total Restricted	$ 2,586		
Unrestricted			
Cash and Cash Equivalents	$ 1,286		
US Gov't/Agency Securities	500	424	Aaa/AAA/AAA **
Municipal Bonds	-		*
Commercial Paper	249	271	P1/A1 **
Corporate Notes	350	22	
Total	$ 2,385		
Total	$ 4,971		

*The Municipal Bond ratings range from a best of AAA/AAA/AAA to a worst of Aa3/AAA/AA.
** Moody's/S&P/Fitch

Investments measured at Fair Value for the Tri-City Project at September 30, 2020, are as follows:

Investment Assets by Fair Value Level	Quoted Prices in Active Markets (Level 1) *(000's US$)*	Significant Other Observable Inputs (Level 2) *(000's US$)*	Significant Unobservable Inputs (Level 3) *(000's US$)*
Agency Obligations	$ -	$ 389	$ -
US Treasury Obligations	605		
Municipal Bonds		1,242	
Corporate Notes		908	
Total By Level	$ 605	$ 2,539	$ -
Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure			
Cash Equivalents	$ 1,605		
Commercial Paper	249		
Total Money Market and Mutual Fund Instruments	$ 1,854		
Total Market Value of Assets	$ 4,998		
Accrued Interest(including portion within other current assets of Unrestricted Assets)	(27)		
Market value (less) Accrued Interest	$ 4,971		

V. Cash, Cash Equivalents and Investments (continued)

B. Investments (continued)

7. Stanton II Project

Cash, cash equivalents and investments for the Stanton II Project at September 30, 2020, are as follows:

	September 30, 2020	Weighted Average Maturity (Days)	Credit Rating
Restricted	*(000's US$)*		
Cash and Cash Equivalents	$ 18,299		
US Gov't/Agency Securities	1,118	303	Aaa/AA+/AAA **
Municipal Bonds	-		*
Commercial Paper	500	71	P1/A1 **
Corporate Notes	1,074	317	
Total Restricted	$ 20,991		
Unrestricted			
Cash and Cash Equivalents	$ 5,505		
US Gov't/Agency Securities	9,883	421	Aaa/AA+/AAA **
Municipal Bonds	10,195	1,631	*
Commercial Paper	6,985	252	P1/A1 **
Corporate Notes	10,636	591	
Total Unrestricted	$ 43,204		
Total	$ 64,195		

*The Municipal Bond ratings range from a best of Aa1/AAA/AAA to a worst of Aa1/AAA/AAA.
** Moody's/S&P/Fitch

Investments measured at Fair Value for the Stanton II Project at September 30, 2020, are as follows:

Investment Assets by Fair Value Level	Quoted Prices in Active Markets (Level 1) *(000's US$)*	Significant Other Observable Inputs (Level 2) *(000's US$)*	Significant Unobservable Inputs (Level 3) *(000's US$)*
Agency Obligations	$ -	$ 5,814	$ -
US Treasury Obligations	5,237		
Municipal Bonds		10,273	
Brokered CD's		3,987	
Corporate Notes		7,808	-
Total By Level	$ 5,237	$ 27,882	$ -

Money Market and Mutual Fund Instruments Not Subject to Fair Value Disclosure	
Cash Equivalents	$ 6,937
Commercial Paper	7,485
Money Market	16,867
Total Money Market and Mutual Fund Instruments	$ 31,289
Total Market Value of Assets	$ 64,408
Accrued Interest(including portion within other current assets of Unrestricted Assets)	(213)
Market value (less) Accrued Interest	$ 64,195

VI. Derivative Financial Instruments

A. Swap Agreements

FMPA's All-Requirements project was party to interest rate swap agreements during the current fiscal year. In November 2019 with the retirement of the 2008C Bonds, all of the Swap agreements were terminated.

1. All-Requirements Project

Swaps Currently Effective
(000's US$)

Notional Amount	*Effective Date*	*Fixed Rate Paid*	*Variable Rate Received*	*Termination Date*	*Fair Value***	*Counterparty*	*Counterparty Credit Rating*
All Swaps were terminated in Noverber 2019 when the 2008C Debt was refunded							
Total Swap Terminaton Value					$ -		
Prior Year Termination Value of Effective Swaps and Hybrid Loans					$ (15,971)		
Change in Fair Market Value					$ 15,971		

*floating to fixed
** ( ) denotes that termination value payable to dealer if swap had been terminated 9/30/20

B. Natural Gas Futures, Contracts and Options

FMPA uses commodity futures contracts and options on forward contracts to hedge the effects of fluctuations in the price of natural gas storage. The contracts are held by Florida Gas Utility (FGU) and FMPA agrees to reimburse FGU for any loss on the contracts and FGU agrees to pay FMPA for any gain on the contracts. Any gain or loss of value in these futures contracts are ultimately rolled into the price of natural gas burned in the Project's electric generators. As of September 30, 2020 FMPA has 48 sales contracts outstanding for gas in storage, valued at $(117,205), which will expire in November 2020 and February 2021.

FMPA also uses fixed-price firm physical purchases of natural gas as a tool to establish the cost of natural gas that will be needed by the All-Requirements Project in the future. For fiscal year 2021, FMMPA has contracted for 11,085,000 mmbtu of natural gas (about one third of annual need) at an average price of $2.55/mmbtu.

VII. Regulatory Assets (Net Costs Refundable/Future Participant Billings)

FMPA has elected to apply the accounting methods for regulatory operations of GASB No. 62. Billing rates are established by the Board of Directors or Executive Committee and are designed to fully recover each project's costs over the life of the project, but not necessarily in the same year that costs are recognized under generally accepted accounting principles (GAAP). Instead of GAAP costs, annual participant billing rates are structured to systematically recover current debt service requirements, operating costs and certain reserves that provide a level rate structure over the life of the project which is equal to the amortization period. Accordingly, certain project costs are classified as deferred on the accompanying Statement of Net Position as a regulatory asset, titled "Net costs recoverable/future participant billings," until such time as they are recovered in future rates. Types of deferred costs include depreciation and amortization in excess of bond principal payments, and prior capital construction interest costs.

In addition, certain billings recovering costs of future periods have been recorded as a regulatory liability, titled "Net costs refundable/future participant billings", or as a reduction of deferred assets on the accompanying Statement of Net Position. Types of deferred revenues include billings for certain reserve funds and related interest earnings in excess of expenditures from those funds, and billings for nuclear fuel purchases in advance of their use.

VIII. Restricted Net Position

Bond resolutions require that certain designated amounts from bond proceeds and project revenues be deposited into designated funds. These funds are to be used for specific purposes and certain restrictions define the order in which available funds may be used. Other restrictions require minimum balances or accumulation of balances for specific purposes. At September 30, 2020, all FMPA projects were in compliance with requirements of the bond resolution.

Segregated restricted net position at September 30, 2020, are as follows:

	(000's US$)							
	Agency Fund	Pooled Loan Fund	St. Lucie Project	Stanton Project	All-Req Project	Tri-City Project	Stanton II Project	Total
Debt Service Funds	$ -	$ 39	$ 37,572	$ -	$ 71,718	$ 1	$ 17,181	$ 126,511
Reserve & Contingency Funds			14,485	5,424	28,188	2,611	3,835	54,543
Decomissioning Fund			93,577					93,577
Rate Stabilization Accounts	166							166
Accrued Interest on Long-Term Debt	-		(23,320)	-	(48,490)	-	(10,995)	(82,805)
Accrued Decommissioning Expenses			(93,302)					(93,302)
Rate Stabilization Accounts	(154)							(154)
Total Restricted Net Assets	$ 12	$ 39	$ 29,012	$ 5,424	$ 51,416	$ 2,612	$ 10,021	$ 98,536

Restrictions of the various bank funds are as follows:

- Debt service funds include the Debt Service Account, which is restricted for payment of the current portion of the bond principal and interest and the Debt Service Reserve Account, which includes sufficient funds to cover one half of the maximum annual principal and interest requirement of the specific fixed rate issues or 10% of the original bond proceeds.
- Reserve and Contingency Funds are restricted for payment of major renewals, replacements, repairs, additions, betterments and improvements for capital assets.

VIII. Restricted Net Position (continued)

- If, at any time, the Debt Service Fund is below the current debt requirement and there are not adequate funds in the General Reserve Fund to resolve the deficiency, funds will be transferred from the Reserve and Contingency Fund to the Debt Service Fund.
- Decommissioning Funds are restricted and are funded for the payment of costs related to the decommissioning, removal and disposal of FMPA's ownership on nuclear power plants.
- Project Funds are used for the acquisition, construction and capitalized interest, as specified by the participants.
- Revenue Funds are restricted under the terms of outstanding resolutions.

IX. Long-Term Debt

A. Debt

FMPA enters into Long-term debt to fund different projects. The type of Long-term debt differs among each of the projects. A description and summary of Long-term debt at September 30, 2020, is as follows:

1. Agency Fund

The Agency Fund paid off all long term debt during fiscal year ended September 30, 2019.

2. Pooled Loan Fund

	2020 (000's US$)				
Business-Type Activities	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Total Loan	$ 7,935	$ 3,921	$ (342)	$ 11,514	$ 742
Less Conduit Loan - Bushnell	(7,935)		342	(7,593)	(319)
Non-Conduit Pooled Loans	$ -	$ 3,921	$ -	$ 3,921	$ 423

Loan Payable to First Horizon Bank

The Pooled Loan was re-established in FY 2019 under a credit facility from First Horizon Bank fka Capital Bank. The credit facility will allow FMPA to sponsor loans to FMPA members or FMPA projects up to a maximum of $25 million. In September 2019 the City of Bushnell drew $7.9 million at 2.56% for 10 years. Loans to member cities are conduit debt instruments. In June 2020 the Stanton II project drew $3.9 million at 1.77% for 7.25 years.

IX. Long-Term Debt (continued)

A. Debt (continued)

3. St. Lucie Project

Business-Type Activities	2020 (000's US$) Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Revenue Bonds					
Bonds 2009A	$ 12,010	$	$ (12,010)	$ -	$
Bonds 2010A	6,330		(2,040)	4,290	2,110
Bonds 2011A	22,345		(2,415)	19,930	19,930
Bonds 2011B	24,305			24,305	
Bonds 2012A	58,870			58,870	
Bonds 2013A	10,990		(1,250)	9,740	1,280
Total Principal	$ 134,850	$ -	$ (17,715)	$ 117,135	$ 23,320
Deferred Premiums And Discounts	5,463		(1,249)	4,214	
Total Revenue Bonds	$ 140,313	$ -	$ (18,964)	$ 121,349	$ 23,320
Unamortized loss on advanced refunding	$ (5,922)	$ -	$ 1,300	$ (4,622)	$ -

The 2000 and 2002 bonds were variable rate bonds and were retired in December 2018. The 2009A bonds were retired in October 2019. The 2010A bonds have a fixed interest rate of 2.72% through 2021. The 2011A and 2011B bonds are fixed, and have a series of maturity dates through 2026. The rates for the 2011A bonds are 5.0%, and the rate for the 2011B bonds range from 4.375% to 5.0%. The 2012A bonds have a fixed interest rate of 5.0%, and mature in 2026. The 2013A bonds have a fixed interest rate of 2.73%, and mature in 2026.

The Series 2012 bonds are subject to redemption prior to maturity at the election of FMPA on or after October 1, 2022, at a call rate of 100%.

4. Stanton Project

Business-Type Activities	2020 (000's US$) Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Revenue Bonds					
Refunding 2008	$ 7,595	$ -	$ (7,595)	$ -	$ -
Bonds 2009A	1,390		(1,390)	-	
Total Principal	$ 8,985	$ -	$ (8,985)	$ -	$ -
Deferred Premiums And Discounts	-		-	-	
Total Bonds and Loans	$ 8,985	$ -	$ (8,985)	$ -	$ -
Unamortized loss on advanced refunding	$ -	$ -	$ -	$ -	$ -

The 2008 and 2009A revenue bonds were paid off on October, 1 2019.

IX. Long-Term Debt (continued)

A. Debt (continued)

5. All-Requirements Project

	2020 (000's US$)				
Business-Type Activities	**Beginning Balance**	**Increases**	**Decreases**	**Ending Balance**	**Amounts Due Within One Year**
Revenue Bonds					
Bonds 2008A	$ 38,515	$ -	$ (38,515)	$ -	$ -
Bonds 2008C	79,103		(79,103)	-	
Bonds 2009A	5,145		(5,145)		
Bonds 2009B	15,235		(15,235)	-	
Bonds 2013A	8,135		(8,135)	-	
Bonds 2015B	104,730		(5,940)	98,790	6,235
Bonds 2016A	424,120			424,120	38,415
Bonds 2017A	69,625			69,625	
Bonds 2017B	52,925			52,925	2,225
Bonds 2018A	57,790			57,790	
Bonds 2019A		75,220		75,220	
Bonds 2019B		6,670		6,670	1,615
Total Principal	$ 855,323	$ 81,890	$ (152,073)	$ 785,140	$ 48,490
Capital Leases and Other					
KUA - TARP	$ 114,043	$ -	$ (13,271)	$ 100,772	$ 12,225
Keys - TARP	644		(644)	-	
St. Lucie County	377		(55)	322	58
Total Other Liabilities	$ 115,064	$ -	$ (13,970)	$ 101,094	$ 12,283
Total Principal & Capital Lease	$ 970,387	$ 81,890	$ (166,043)	$ 886,234	$ 60,773
Deferred Premiums And Discounts	$ 93,038	$ 19,961	$ (24,747)	$ 88,252	$
Total Revenue Bonds & Capital Lease	$ 1,063,425	$ 101,851	$ (190,790)	$ 974,486	$ 60,773
Unamortized loss on advanced refunding	$ (51,912)	$ -	$ 12,861	$ (39,051)	$ -

The 2008C and 2013A bonds were the only variable rate bonds, and were retired November, 7 2019.

Portions of the Series 2008A, 2008C, 2009A, 2013A, 2015B, 2016A, 2017B and 2019A bonds are subject to redemption prior to maturity at the election of FMPA at a call rate of 100%. The Series 2008B, 2009B and 2017A bonds are not subject to redemption prior to maturity.

On April 1, 2019 $68.8 million of The All Requirements Series 2008C debt was retired early using a portion of the proceeds from the payment received from Vero Beach for taking over their FMPA Project obligations.

KUA – TARP Capital Lease Obligation

Effective October 1, 2008, the Capacity and Energy Sales Contract with KUA was revised and on July 1, 2019 was amended to provide additional payments with a present value of $10.7 million. Under the revised and amended contract, KUA receives agreed upon-fixed payments over preset periods.

IX. Long-Term Debt (continued)

A. Debt (continued)

5. All-Requirements Project (continued)

Payments remaining under the agreement at September 30, 2020, amount to $120.7 million and the present value of these payments is $100.8 million. The capital assets at September 30, 2020 include Facilities and Equipment of $228.8 million less Accumulated Depreciation of $162.4 million resulting in a net book value of $66.4 million.

Keys – TARP Capital Lease Obligation
Effective January 1, 2011, the Capacity and Energy Sales Contract with Keys Energy Services was revised. Under the contract, Keys Energy Services receives agreed-upon fixed payments over preset periods relating to each of their generating units. FMPA assumed all cost liability and operational management of the generating units. FMPA is accounting for this transaction as a capital lease. Total final payment under the agreement was made in December 2019. The capital assets at September 30, 2020 include Facilities and Equipment of $4.8 million less Accumulated Depreciation of $4.7 million resulting in a net book value of $.1 million.

St. Lucie County
As a condition of obtaining its conditional use permit for the construction and operation of the Treasure Coast Energy Center, the All-Requirements project agreed to pay St. Lucie County, Florida $75,000 a year for a period of 20 years. Upon commercial operation of the plant, the unpaid amounts were discounted at a rate of 5.3% and capitalized to plant. At September 30, 2020, five payments remain under this obligation with the final payment to be made September 30, 2025.

Refinancing of the 2008C and 2013A All-Requirements Project Bonds
On November 07, 2019, the All-Requirements project issued the 2019A and 2019B bonds with a face amount of $81.9 million at a premium and used the $102 million of cash to retire the 2008C and the 2013A bonds with a total face value of $85.7 million, terminate associated swaps at a cost of $15.5 million and pay closing costs. This transaction eliminates all variable rate debt and all associated swaps of the Project.

Line of Credit
The All-Requirements Project has two lines of credit - one from JPMorgan Chase in the amount of $75 million, and one from Wells Fargo Bank in the amount of $25 million. The JPMorgan Chase line expires in June 2021. The Wells Fargo line expires in November 2021.

6. Tri-City Project

	2020 (000's US$)				
Business-Type Activities	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Revenue Bonds					
Bonds 2009A	$ 410	$ -	$ (410)	$ -	$ -
Bonds 2013A	2,880		(2,880)	-	
Total Principal	$ 3,290	$ -	$ (3,290)	$ -	$ -
Deferred Premiums And Discounts	-		-	-	
Total Bonds and Loans	$ 3,290	$ -	$ (3,290)	$ -	$ -
Unamortized loss on advanced refunding	$ -	$ -	$ 0	$ -	$ -

All Tri-City Bonds were paid off October 1, 2019.

IX. Long-Term Debt (continued)

A. Debt (continued)

7. Stanton II Project

	2020 (000's US$)				
Business-Type Activities	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Revenue Bonds					
Bonds 2009A	$ 4,705	$ -	$ (4,705)	$ -	$ -
Refunding 2012A	51,410		(5,080)	46,330	5,310
Refunding 2017A	21,501		(387)	21,114	387
Refunding 2017B	45,185		(4,815)	40,370	4,875
Pooled Loan		3,921		3,921	423
Total Principal	$ 122,801	$ 3,921	$ (14,987)	$ 111,735	$ 10,995
Deferred Premiums And Discounts	3,487		(432)	3,055	
Total Bonds and Loans	$ 126,288	$ 3,921	$ (15,419)	$ 114,790	$ 10,995
Unamortized loss on advanced refunding	$ (9,691)	$	$ 1,825	$ (7,866)	$ -

The 2012A, 2017A and 2017B revenue bonds are fixed, and have a maturity date of 2027. The rates for the bonds range from 3.0% to 5.0%. The pooled loan has a fixed rate of 1.77% and a final maturity of 2027.

The Series 2012A bonds are subject to redemption prior to maturity at the election of FMPA at 100%, beginning October 1, 2022. The Series 2017A and 2017B subject to redemption in whole or part prior to maturity at the call rate of 100% and Cost of Prepayment. The 2009A bonds were retired in July 2020 with proceeds of the Pooled Loan and will result in a Net Present Value Savings of $463 thousand.

B. Major Debt Provisions (All Projects)

Principal and accrued interest payments on bonds may be accelerated on certain events of default. Events of default include failure to pay scheduled principal or interest payments and certain events of bankruptcy or insolvency of FMPA. Bond holders must give written notice of default and FMPA has 90 days to cure the default. The acceleration requires approval of holders of at least 25% of the principal amount of the outstanding bonds.

Bonds, which are special obligations of FMPA, are payable solely from (1) revenues less operating expenses (both as defined by the respective bond resolutions) and (2) other monies and securities pledged for payment thereof by the respective bond resolutions. The respective resolutions require FMPA to deposit into special funds all proceeds of bonds issued and all revenues generated as a result of the projects' respective Power Sales and Power Support Contracts or the Power Supply Contract. The purpose of the individual funds is also specifically defined in the respective bond resolutions.

Investments are generally restricted to those types described in Note I. Additional restrictions that apply to maturity dates are defined in the respective bond resolutions and FMPA's investment policy.

IX. Long-Term Debt (continued)

C. Annual Requirements

The annual cash flow debt service requirements to amortize the long term **bonded** debt outstanding as of September 30, 2020, are as follows:

(000's US$)

Fiscal Year Ending September	St. Lucie Project Principal	St. Lucie Project Interest Including Swaps, Net	Stanton Project Principal	Stanton Project Interest Including Swaps, Net	All-Req Project Principal	All-Req Project Interest Including Swaps, Net	Tri-City Project Principal	Tri-City Project Interest	Stanton II Project Principal	Stanton II Project Interest Including Swaps, Net	Totals
2021	$ 23,320	$ 4,981	$ -	$ -	$ 48,490	$ 35,119	$ -	$ -	$ 10,995	$ 3,624	$ 126,529
2022	3,495	4,389			55,280	33,145			11,449	3,236	110,994
2023	5,765	4,213			42,190	30,940			11,807	2,816	97,731
2024	6,020	3,950			43,985	29,008			12,171	2,378	97,512
2025	6,290	3,690			45,985	26,972			12,558	1,925	97,420
2026 - 2030	72,245	5,064			363,345	93,775			52,755	3,057	590,241
2031 - 2035					185,865	9,563					195,428
Total Principal & Interest	$ 117,135	$ 26,287	$ -	$ -	$ 785,140	$ 258,522	$ -	$ -	$ 111,735	$ 17,036	$ 1,315,855
Less:											
Interest		(26,287)		-		(258,522)		-		(17,036)	(301,845)
Unamortized Loss on refunding	(4,622)		-		(39,051)		-		(7,866)		(51,539)
Add:											
Unamortized Premium (Discount), net	4,214		-		88,252		-		3,055		95,521
Total Net Debt Service Requirement at September 30, 2020	$ 116,727	$ -	$ -	$ -	$ 834,341	$ -	$ -	$ -	$ 106,924	$ -	$ 1,057,992

C. Annual Requirements (continued)

The annual cash flow debt service requirements to amortize **all** long term debt outstanding as of September 30, 2020, are as follows:

(000's US$)

Fiscal Year Ending September	Agency Fund Principal	Agency Fund Interest Including Swaps, Net	St. Lucie Project Principal	St. Lucie Project Interest Including Swaps, Net	Stanton Project Principal	Stanton Project Interest	All-Req Project Principal	All-Req Project Interest Including Swaps, Net	Tri-City Project Principal	Tri-City Project Interest	Stanton II Project Principal	Stanton II Project Interest Including Swaps, Net	Totals
2021			$ 23,320	4,981	$	$	$ 60,773	$ 40,166	$	$	$ 10,995	$ 3,624	$ 143,859
2022			3,495	4,389			68,277	37,527			11,449	3,236	128,373
2023			5,765	4,213			55,942	34,617			11,807	2,816	115,160
2024			6,020	3,950			58,526	31,947			12,171	2,378	114,992
2025			6,290	3,690			61,375	29,115			12,558	1,925	114,953
2026 - 2030			72,245	5,064			395,476	95,609			52,755	3,057	624,206
2031 - 2032							185,865	9,563					195,428
Total Principal & Interest	$ 0	$ 0	$ 117,135	$ 26,287	$ 0	$ 0	$ 886,234	$ 278,544	$ 0	$ 0	$ 111,735	$ 17,036	$ 1,436,971

X. Commitments and Contingencies

A. Participation Agreements

FMPA has entered into participation agreements, and acquired through capital leases, individual ownership of generating facilities as follows:

Project	Operating Utility	Joint Ownership Interest	Commercial Operation Date
St. Lucie	Florida Power & Light	8.806% of St. Lucie Unit 2 nuclear plant	August 1983
Stanton*	Orlando Utilities Commission (OUC)	14.8193% of Stanton Energy Center (SEC) Unit 1 coal-fired plant	July 1987
All-Requirements*	OUC	11.3253% of SEC Unit 1	July 1987
Tri-City*	OUC	5.3012% of SEC Unit 1	July 1987
All-Requirements	OUC	51.2% of Indian River Units A & B combustion turbines	A - June 1989 B - July 1989
All-Requirements	OUC	21% of Indian River Units C & D combustion turbines	C - August 1992 D - October 1992
All-Requirements	OUC	5.1724% of SEC Unit 2 coal-fired plant	June 1996
Stanton II	OUC	23.2367% of SEC Unit 2	June 1996
All-Requirements	Southern Company	7% of Stanton Unit A combined cycle	October 2003

*OUC has the contractual right to unilaterally make any retirement decision for SEC Unit 1 beginning in 2017

Operational control of the electric generation plants rests with the operating utility and includes the authority to enter into long-term purchase obligations with suppliers. FMPA is liable under its participation agreements for its ownership interest of total construction and operating costs. Further contracts with Orlando Utilities Commission (OUC) include commitments for purchases of coal. According to information provided by OUC, such existing commitments are currently scheduled to terminate on December 31, 2025. Through participation with OUC, FMPA's estimated cost share of the existing purchases by project for the next five fiscal years is summarized below.

			000's US$		
Project	**2021**	**2022**	**2023**	**2024**	**2025**
Stanton Project	$ 4,564	$ 4,564	$ 3,585	$ 1,934	$ 1,934
All-Requirements Project	10,645	10,645	8,362	4,511	4,511
Tri-City Project	1,633	1,633	1,283	692	692
Stanton II Project	7,157	7,157	5,622	3,033	3,033

X. Commitments and Contingencies (continued)

B. Public Gas Partners, Inc.

Public Gas Partners, Inc. (PGP) is a nonprofit corporation of the State of Georgia, duly created and existing under the Georgia Nonprofit Corporation Code, O.C.G.A Sections 14-3-101 through 14-3-1703, as amended. Pursuant to its Articles of Incorporation and by-laws, PGP's purpose is to acquire and manage reliable and economical natural gas supplies through the acquisition of interests in natural gas producing properties and other long-term sources of natural gas supplies for the benefit of participating joint action agencies and large public natural gas and power systems.

On November 16, 2004, FMPA signed an agreement with six other public gas and electric utilities in five different states to form PGP. The initial members of PGP, along with FMPA, included Municipal Gas Authority of Georgia, Florida Gas Utility, Lower Alabama Gas District, Patriots Energy Group, Southeast Alabama Gas District and Tennessee Energy Acquisition Corporation. Florida Gas Utility has left the organization, and their interest was acquired by all members, except for FMPA and the Tennessee Energy Acquisition Corporation, as of May 2008. Lower Alabama Gas District has assigned its interest in each Pool to the Gas Authority effective October 2013.

FMPA has entered into two separate Production Sharing Agreements (PSAs) that obligate FMPA to pay as a component of gas operations expense its share of all costs incurred by the related PGP Pool until all related PGP or participant debt has been paid and the last volumes have been delivered. In addition, PGP has the option, with at least six month notice, to require FMPA to prepay for its share of pool costs, which may be financed by FMPA through the issuance of bonds or some other form of long-term financing. The PSAs include a step-up provision that could obligate FMPA to increase its participation share in the pool by up to 25% in the event of default by another member.

On November 1, 2004, FMPA entered into a PSA as a 22.04% participant of PGP Gas Supply Pool No. 1 (PGP Pool #1). PGP Pool #1 was formed by all of the participants. PGP Pool #1 had targeted an initial supply portfolio capable of producing 68,000 MMBtu per day of natural gas or 493 Bcf over a 20-year period. The acquisition period for PGP Pool #1 has closed after acquiring a supply currently estimated to be 140 Bcf. Current production from Pool #1 is approximately 10,428 MMBtu per day. FMPA's share of this amounts to 2,298 MMBtu per day.

On October 1, 2005, FMPA entered into a PSA as a 25.90% participant of PGP Gas Supply Pool No. 2 (PGP Pool #2). PGP Pool #2 was formed to participate in specific transactions that have different acquisition criteria than PGP Pool #1. PGP Pool #2 had a total expenditure limit of $200 million, with FMPA's share being $52 million as authorized by the Board (before step-up provisions which would increase ARP's commitment to a maximum of $65 million). The other members of PGP Pool #2, along with FMPA, include Municipal Gas Authority of Georgia, Patriots Energy Group, Southeast Alabama Gas District and Tennessee Energy Acquisition Corporation. FMPA entered into a separate agreement with Fort Pierce Utilities Authority whereby FMPA agreed to sell to FPUA 3.474903% of the benefits that FMPA receives from its participation in PGP Pool #2. The acquisition period for PGP Pool #2 has closed after acquiring a supply currently estimated to be 42 Bcf. Current production for PGP Pool #2 is approximately 2,971 MMBtu per day. FMPA's share of this amounts to 742 MMBtu per day.

FMPA's share of the total investment costs amounts to approximately $103 million for PGP Pool #1, and $29 million for PGP Pool #2 as of September 30, 2020. During the prior fiscal year the operating committees for Pool #1 and Pool #2 made the decision to sell the Pool 1 and 2 portfolios and close the Pools. Accordingly the project was written down to the estimated future cash flows of the assets totaling $16.5 million. Some sales were made during the current fiscal year and the current estimate of the remaining value of the pools exceeds the unamortized balance of $9.0 million.

X. Commitments and Contingencies (continued)

C. Contractual Service Agreements

The All-Requirements Project has signed, or accepted assignment of, Contractual Service Agreements (CSAs) with General Electric International, Inc. (GE) for the Treasure Coast Energy Center, Cane Island 3 and Cane Island 4 combustion turbines, steam turbines and generators. The CSAs cover specified monitoring and maintenance activities to be performed by GE over the contract term, which is the earlier of a specified contract end date, or a performance end date based on reaching certain operating milestones of either Factor Fired Hours or Factored Starts on the combustion turbines. GE or FMPA may terminate the agreements for the breach of the other party. The defaulting party pays the termination amount based on the performance metric specified in the contract.

On March 31, 2016 Cane Island Unit 2 CSA was transitioned to a Managed Maintenance Program (MMP). The MMP does not have a factored start or hours based payment, and maintenance is paid for at the time it's incurred at prenegotiated discounts.

The following is a summary of the contract status.

	Treasure Coast	Cane Island Unit 2	Cane Island Unit 3	Cane Island Unit 4
Original Effective Date	1/30/2007	3/31/2016	12/12/2003	12/22/2010
Last Amendment Effective Date	11/21/2017		11/21/2017	11/21/2017
Cumulative Factor Fired Hours	99,509	95,683	129,456	70,090
Term if hours based	~56,000		~78,000	~83,000
Cumulative Factored Starts				
Term if starts based				
Current Termination Amount (000's USD)	$1,791		$1,987	$1,899
Specified Contract End Date	11/21/2037	12/31/2019	11/21/2037	11/21/2037
Estimated Performance End Date	FYE 2026		FYE 2030	FYE 2029

In November 2017, FMPA and General Electric negotiated a revised CSA to combine Cane Island Units 3 & 4 and Treasure Coast under one service agreement.

D. Other Agreements

FMPA has entered into certain long-term contracts for transmission services for its projects. These amounts are recoverable from participants in the projects (except the All-Requirements Project) through the Power Sales and Project Support Contracts. FMPA has entered into Power Sales and Project Support Contracts with each of the project participants for entitlement shares aggregating 100% of FMPA's joint ownership interest. In the case of the All-Requirements Project, a Power Supply Contract was entered into providing for the participant's total power requirements (except for certain excluded resources). Revenues received under these individual project contracts are expected to be sufficient to pay all of the related project costs.

X. Commitments and Contingencies (continued)

D. Other Agreements (continued)

1. St. Lucie Project (continued)

- FMPA has entered into a Reliability Exchange Agreement and a Replacement Power Agreement with FPL. The Reliability Exchange agreement results in FMPA exchanging 50% of its share of the output from St. Lucie Unit 2 for a like amount from the St. Lucie Unit 1. This agreement's original expiration was on October 1, 2017. The Parties mutually agreed to extend the expiration date to October 1, 2022. The Replacement Power Agreement provides for replacement power and energy to be made available to FMPA if FPL voluntarily ceases to operate or reduces output from St. Lucie Unit 2 or St. Lucie Unit 1 for economic reasons or valley-load conditions, until each unit is retired from service or, in the case of St. Lucie Unit 1, if the Reliability Exchange Agreement terminates prior to the retirement date of that unit. Either party may terminate the agreement with 60 days written notice.

- The St. Lucie Project, a joint owner of St. Lucie Unit 2, is subject to the Price-Anderson Act, which limits the liability of nuclear reactor owners to the amount of insurance available from both private sources and an industry retrospective payment plan. In accordance with this Act, FPL maintains $450 million of private liability insurance for the St. Lucie Plant, which is the maximum obtainable, and participates in a secondary financial protection system, which provides up to $12.6 billion of liability insurance coverage per incident at any nuclear reactor in the U.S. Under the secondary financial protection system, St. Lucie Unit 2 is subject to retrospective assessments of up to approximately $127.3 million, plus any applicable taxes, per incident at any nuclear reactor in the U.S., payable at a rate not to exceed approximately $19.0 million per incident per year. FMPA is contractually liable for its ownership interest of any assessment made against St. Lucie Unit 2 under this plan.

- FPL further participates in a nuclear insurance mutual company that provides $2.75 billion of limited insurance coverage per occurrence per site for property damage, decontamination and premature decommissioning risks at the St. Lucie plant and a sublimit of $1.5 billion for non-nuclear perils. The proceeds from such insurance, however, must first be used for reactor stabilization and site decontamination before they can be used for plant repair. FPL also participates in an insurance program that provides limited coverage for replacement power costs if St. Lucie Unit 2 is out of service for an extended period of time because of an accident. In the event of an accident at one of FPL's or another participating insured's nuclear plants, St. Lucie Unit 2 could be assessed up to approximately $27 million, plus any applicable taxes, in retrospective premiums in a policy year. FPL is contractually entitled to recover FMPA's ownership share of any such assessment made against St. Lucie 2.

- On December 16, 1999, FMPA and J.P. Morgan Chase (formerly Chase Manhattan Bank) entered into a Forward Delivery Agreement for a portion of the St. Lucie Decommissioning Trust. The agreement provides that J.P. Morgan Chase deliver securities initially with a value not to be less than $10,225,000 for an equivalent payment. Upon maturity, the securities and the yield earned along with any cash delivered by J.P. Morgan Chase will be equivalent to 7.03% of the face value of the Agreement.

X. Commitments and Contingencies (continued)

D. Other Agreements (continued)

2. All-Requirements Project

- FMPA supplies all of the wholesale power needs, unless limited to a contract rate of delivery, of the All-Requirements Project participants (except for certain excluded resources). In addition to its ownership facilities, FMPA has entered into interchange and power purchase contracts with minimum future payments as detailed below.

Supplier	End of Contract		Minimum Contract Liability (000's US$)
Stanton Clean Energy LLP - Stanton A PPA	9/30/2023	$	26,638
Oleander Power Project LP, LLC - Unit 5 PPA	12/16/2027		62,907
Total Minimum Liability		$	89,545

- In October 2003, FMPA executed contracts for a $10 million investment in a brine water processing plant and other water facilities at the Stanton Energy Center in Orlando, Florida.

- The Stanton Unit A combined cycle generator receives cooling water treatment services from the brine plant and associated facilities. The owners of Stanton Unit A (Stanton Clean Energy LLC (formerly Southern Company Florida), FMPA, KUA and Orlando Utilities Commission) pay the owners of Stanton Energy Center Units 1 and 2 (including FMPA's Stanton, Stanton II, Tri-City and All-Requirements Projects) a fixed and a variable operation and maintenance charge for services received from this facility.

- The All-Requirements Project has several commitments/entitlements for natural gas transportation services to supply fuel to its owned and leased generation facilities. Below were the current commitments/entitlements during the past year.

Pipeline	Ave Daily Volume mmBtu/day)		Annual Cost (000's US$)	Expiration	Primary Delivery/Receiving Point
Fl Gas Transmission FTS-1	21,984	$	4,432	Various	Cane Island Treasure Coast
Fl Gas Transmission FTS-2	61,488		16,747	Various	Cane Island Treasure Coast
Fl Gas Transmission FTS-2 Stanton A	14,950		3,423	Various	Stanton A
Transco	50,000		1,811	4/30/2026	FGT
TECO-Peoples Gas	-		750	12/31/2033	Treasure Coast
TECO- Peoples Gas	-		750	12/31/2033	Cane Island/Oleander
		$	27,913		

- The All-Requirements Project has entered into a storage contract with SG Resources Mississippi LLC, for 1 million MMBtu of storage capacity in the Southern Pines Storage facility. The contract was effective August 1, 2008, for storage capacity of 500,000 MMBtu and revised April 1, 2011, to increase the storage capacity by 500,000 MMBtu. The contract expired July 31, 2019, for 500,000 MMBtu and will expire March 31, 2021, for the remaining 500,000 MMBtu.

X. Commitments and Contingencies (continued)

D. Other Agreements (continued)

2. All Requirements (continued)

- The All-Requirements Project is under a contractual arrangement to have generation facilities in Key West, Florida, at a minimum level of 60% of the island utility's weather normalized annual peak capacity requirements. With installed capacity of 112 MW located in the Key West service territory, the All-Requirements Project believes it has sufficient existing generating capacity to fulfill the 60% on-island generation requirement well beyond the next decade.

- FMPA has entered into the Florida Municipal Power Pool (FMPP) Agreement, as amended, with the FMPP members. Pursuant to Amendment 7 – the most recent Amendment, executed November of 2020 – the term of the agreement is three years, with automatically-renewed three-year term extensions. Any party wishing to withdraw from the agreement must provide at least three years notice to the other FMPP members. The FMPP Agreement documents, among other things, how FMPP operating costs are accounted for and allocated among the members, and liability between the FMPP members.

- In 2020 Florida Gas Utilities (FGU), on behalf of the All-Requirements Project (ARP), entered into thirty-year natural gas supply agreements with the Black Belt Energy Gas District (Black Belt Energy) and the Municipal Gas Authority of Georgia (MGAG) for the purchase of specified amounts of natural gas at discounted prices that FGU expects to supply to the ARP. The ARP's weighted average discount from the transactions involving MGAG is $0.32 per MMBtu on 13,250 MMBtu per Day. The ARP's weighted average discount from the transactions involving Black Belt Energy is $0.32 per MMBtu on 10,000 MMBtu per day.

- The All Requirements Project has signed contracts with Fort Pierce Utilities Authority (FPUA), Kissimmee Utility Authority (KUA) and Keys Energy Services (KES) to operate and maintain Treasure Coast Energy Center, Cane Island Power Park and Stock Island generation facilities, respectively. The contracts provide for reimbursement of direct and indirect costs incurred by FPUA, KUA and KES, for operating the plants. The All-Requirements Project, in consultation with FPUA, KUA and KES, sets staffing levels, operating and capital budgets, and operating parameters for the plants.

- In the amended and Restated Agreement Concerning Delivery and Use of treated Sewage Effluent with Toho Water Authority for the Cane Island Site dated September 24, 2008, in the event that peak demand requires the addition of some increased storage capacity for reclaimed water, FMPA will financially assist Toho Water Authority in the construction of reclaimed water storage to assist in providing the projected peak demand. Toho Water Authority and FMPA have separately agreed that the cost of such reclaimed water storage shall not exceed $2 million. In October 2019, TOHO called on and FMPA paid the $2 million financial assistance.

- The City of Vero Beach sold their system to Florida Power and Light and for a payment of $105.4 million the All-Requirements Project assumed Vero Beach's Power Project Entitlement Shares and has transferred remaining liability for 32.521%, 16.489% and 15.202% of Vero's participant entitlement shares of the Stanton, Stanton II and St. Lucie Projects, respectively.

- The City of Starke has given FMPA notice pursuant to Section 2 of the All-Requirements Power Supply Project Contract that the term of their contracts will stop renewing automatically each year. The terms of their contract is now fixed and terminates on September 30, 2035.

X. Commitments and Contingencies (continued)

D. Other Agreements (continued)

2. All Requirements (continued)

- The City of Lake Worth has limited its All-Requirements Service to a contract rate of delivery (CROD), as permitted in Section 3 of the All-Requirements Power Supply Contract. The limitation commenced January 1, 2014. The amount of capacity and energy the City is obligated to purchase under this conversion of their contract was determined to be zero in December 2013. Additionally, effective January 1, 2014, the Capacity and Energy Sales Contract between the City and FMPA terminated.

- The City of Fort Meade has limited its All-Requirements Service to a (CROD), as permitted in Section 3 of the All-Requirements Power Supply Contract. The limitation commenced January 1, 2015. Based on the city's usage between December 2013 and November 2014, and Executive Committee action in December 2014, the maximum hourly obligation was established at 10.360 MW. Concurrently with its notice of limitation, the City gave FMPA notice pursuant to Section 2 of the All-Requirements Power Supply Contract that the term of its contract will stop renewing automatically each year. The term of the City's contract is now fixed and will terminate on October 1, 2041. In March 2020, FMPA and Fort Meade entered into a Supplemental Power and Ancillary Services Agreement (Fort Meade Supplemental Agreement). Effective September 1, 2019, the ARP now serves Fort Meade with any additional power needed to serve its total requirements above its St. Lucie Project entitlement and CROD.

  The ARP also provides Fort Meade with transmission and ancillary services as if CROD had not been implemented. The effect of this arrangement is that Fort Meade is served and billed as if it was a full-requirements ARP Participant. The initial term of the Fort Meade Supplemental Agreement runs through September 30, 2027, and includes 5-year automatic renewals until the termination of Fort Meade's ARP contract. Concurrent with the approval of the Fort Meade Supplemental Agreement, the Executive Committee approved a reduction of Fort Meade's CROD amount from 10.360 MW to 9.009 MW. If the Fort Meade Supplemental Agreement is terminated prior to the termination of Fort Meade's ARP contract, Fort Meade will be served at the lower CROD amount.

- Green Cove Springs notified FMPA of its election to limit its All-Requirements Service, as permitted in Section 3 of the Power Supply Contract, to a CROD. Beginning January 1, 2020, and continuing for the term of the Power Supply Contract, the All-Requirements Power Supply Project will serve Green Cove Springs with a maximum hourly obligation which was calculated in December 2019 as 23.608 MW. Green Cove Springs has also given FMPA notice pursuant to Section 2 of the Power Supply Contract that the term of its contract will not automatically renew each year and the term of Green Cove Springs' contract is now fixed and will terminate on October 1, 2037. In 2019, Green Cove Springs approved a supplemental power sales agreement with the All-Requirements Power Supply Project, for a minimum of 10 years, such that the All-Requirements Power Supply Project will provide capacity and energy to Green Cove Springs as if Green Cove Springs had not effectuated CROD. The agreement may be extended beyond the initial 10-year term.

- The All-Requirements Project has entered into power sales agreement with the following cities with the indicated capacity and time periods indicated:
  City of Bartow, 20 MW peaking power, expires 2020.
  City of Bartow, full power supply requirements of approximately 65 MWs from 2021 through 2022.
  City of Winter Park, 10MW base load power supply through 2019.
  City of Winter Park, partial requirements of about 70MW from 2020 through 2027.
  City of Homestead, partial requirements of 15MW from 2020 through 2026.
  Other short term sales for which the Project does not receive a capacity payment.

- During 2008, the All-Requirements Project entered into a Revised, Amended and Restated Capacity and Energy Sales Contract for KUA whereby the All-Requirements Project has assumed all cost liability and operational management of all KUA-owned generation assets and will pay to KUA agreed-upon fixed payments over preset periods

X. Commitments and Contingencies (continued)

D. Other Agreements (continued)

2. All Requirements (continued)

- relating to each asset. On July 1, 2019 the agreement was amended to extend payments on the assets due to anticipated extension of the operating life of the assets.

- Effective January 1, 2011, the All-Requirements Project entered into a Revised, Amended and Restated Capacity and Energy Sales Contract for Key West whereby the All-Requirements Project has assumed all cost liability and operational management of all Key West owned generation assets and will pay to Key West fixed annual payments of $670,000 each January 1 from 2011 through 2020. The revised, amended, and restated contract provides the All-Requirements Project the right to retire Keys generation assets at any time during the term of the contract, subject to the 60% on-island capacity requirement, without shortening the fixed payment term.

- In December 2018, FMPA received notice pursuant to Section 768.28, Florida Statutes, of an intent to file suit against FMPA for unspecified personal injuries relating to FMPA's interest as a co-owner of the Stanton Energy Center. OUC and KUA also received similar notices. A lawsuit was filed against OUC in state court on December 20, 2018. Seeking class action status, the suit alleges certain property damage and takings claims due to pollution; the suit was removed to federal court, and the plaintiffs have failed to achieve class certification. On November 18, 2020 the US District Court dismissed the case with prejudice.

- In the normal course of its business, FMPA has had claims or assertions made against it. In the opinion of management, the ultimate disposition of these currently asserted claims are either not substantiated or will not have a material impact on FMPA's financial statements.

E. Solar Project

In March 2019, the FMPA Board of Directors approved the formation of the Solar Project, as a sixth FMPA power supply project, and for which FMPA approved a 20-year power purchase agreement for 57 MW-AC of solar energy on behalf of its participants as of the solar facilities' commercial operation date, which is expected to be in Summer of 2023. Also in March 2019, the FMPA Executive Committee approved a 20-year power purchase agreement (among other enabling agreements) for a total of 58 MW-AC of solar energy as an ARP resource. In coordination with these new endeavors, the Board of Directors has authorized the creation of a Solar Project Committee, which will be advisory to the Board of Directors on matters involving the Solar Project, and the Executive Committee has authorized the creation of an ARP Solar Project Advisory Committee, which is an Executive Committee subcommittee that will address matters involving ARP participants who have committed to pay for the costs of the ARP solar power purchase. Commercial operations began late June 2020 for the All-Requirements Project first solar facility.

F. Covid-19

The outbreak of COVID-19, a respiratory virus which was first reported in China, has since spread to other countries, including the United States, and is considered a Public Health Emergency of International Concern by the World Health Organization. On April 1, 2020, the Governor issued a mandatory "safer at home" order for the entire State which was effective from April 3, 2020 through April 30, 2020. Subsequently phased reopenings began allowing for businesses to open. Many cities and counties where Participants are located have issued a number of emergency orders that supplement and are, in some cases, more restrictive than the Governor's Orders.

As a result of COVID-19, the Agency has implemented precautionary measures including limiting access to plants, restricting access to control rooms, requesting operators limit travel, prepping plant and staff for quarantine, and screening contractors coming onsite with questionnaires and thermal scans. Some of the Agencys Members have implemented suspended disconnects, provided flexible payment plans, waived late payment fees, supported financial assistance programs for customers, and referred customers to federal, state and local assistance programs.

X. Commitments and Contingencies (continued)

F. Covid-19 (continued)

While the effects of COVID-19 may be temporary, it has altered the behavior of businesses and people in a manner resulting in negative impacts on global and local economies. Due to the unprecedented nature of the spread of COVID-19, the duration and extent of the impact of COVID-19 on FMPA's revenues, expenses and cash flow or ratings are uncertain and cannot be quantified at this time. Although not all impacts on FMPA are known at this time, all FMPA's Members are current with their payments to FMPA and for For the year ended September 30, 2020 sales were above budget by 2.0%. FMPA will continue to monitor the impacts of COVID-19 and will address such impacts, as necessary.

XI. Mutual Aid Agreement

The All-Requirements Project has agreed to participate in a mutual aid agreement with six other utilities for extended generator outages of defined base-load generating units. The parties of this agreement are the city of Tallahassee, Gainesville Regional Utilities, JEA, Lakeland Electric, Orlando Utilities Commission, and Municipal Electric Authority of Georgia. The All-Requirements Project has designated 120 MWs of Cane Island Unit 3, 140 MWs of Cane Island 4, and 200 MWs of the Treasure Coast Energy Center, 60 MW of Stanton Unit 1, and 60 MW of Stanton Unit 2. In the case of a qualifying failure, the All-Requirements Project will have the option to receive either 50% or 100% of the replacement of the designated MWs of the failed unit. The cost of replacement energy will be based on an identified gas index or coal index and heat rate in the agreement. In the event of any extended outage from any other participant, the All-Requirements Project would provide between 10 MWs and 53 MWs (based on the designation of the participant) for a maximum of nine months. The agreement term automatically renewed on October 1, 2017, and now has a term lasting until October 1, 2022, unless FMPA (1) has not received energy under the agreement during the current term, and (2) provides at least 90 days' notice prior to the end of the current term that it does not elect to renew it participation.

XII. Employment Benefits

A. Retirement Benefits

A Deferred Compensation Plan (in accordance with the Internal Revenue Code Section 457) and a Defined Contribution (money purchase) Plan (under the Internal Revenue Code Section 401(a)) are offered to the Agency's employees who are scheduled to work more than 1700 hours per year. The plan was established by the Board of Director's in 1984 and the Board of Directors has the authority to amend the plan. FMPA's contribution is 10% of the employee's gross base salary for the 401(a) plan. Total payroll for the year ended September 30, 2020, was $7.99 million, which approximates covered payroll. The 401(a) defined contribution plan has 71 active members with a plan balance.

The Agency's contribution may be made to either plan at the discretion of the employee. Additionally, an employee generally may contribute to the Deferred Compensation Plan, so that the combined annual contribution does not exceed the IRS annual maximum. Assets of both plans are held by ICMA Retirement Corporation, the Plan Administrator and Trustee.

Agency contributions to the Defined Contribution Plan resulted in expenses for the fiscal year 2020 of $797,607. Funds from these plans are not available to employees until termination or retirement, however funds from either plan can be made available, allowing an employee to borrow up to the lower of $50,000 or one half of their balance in the form of a loan.

XII. Employment Benefits (continued)

B. Post-Employment Benefits other than Retirement

The Agency's Retiree Health Care Plan (Plan) is a single-employer defined benefit post-employment health care plan that covers eligible retired employees of the Agency. The Plan, which is administered by the Agency, allows employees who retire and meet retirement eligibility requirements to continue medical insurance coverage as a participant in the Agency's plan. As of September 30, 2019 and 2020, the plan membership consisted of the following participants:

	September 30, 2019	September 30, 2020
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	15	16
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	0	0
Active Plan Members	17	16
	32	32

The Agency pays 100% of the cost of employee-only coverage for employees hired prior to October 1, 2004 who retire upon meeting the retirement eligibility requirement, which is that age combined with service must exceed 900 months. This subsidy applies to the healthcare plan premiums for Pre-65 retirees as well as any Medicare supplement plan purchased by Post-65 retirees.

The Agency also provides up to $3,000 in HRA funds to all eligible members for life. If those members elect to cover their spouse or have handicapped dependents, the HRA benefit limit is increased to $6,000. These funds are made available to cover retirees' out-of-pocket medical expenses, and therefore are included in the Agency's Pay-As-You-Go plan costs.

Employees hired after October 1, 2004 are ineligible for any Agency subsidies, nor are they allowed to continue to participate in the plan after retirement.

No implicit benefit was valued in this valuation.

The measurement date is September 30, 2020. The measurement period for the OPEB expense was October 1, 2019 to September 30, 2020. The reporting period is October 1, 2019 through September 30, 2020. The Sponsor's Total OPEB Liability was measured as of September 30, 2020.

The Sponsor's Total OPEB Liability for The Agency's ledger adjustment was measured as of September 30, 2020 using a discount rate of 2.14%.

Actuarial Assumptions:
Total OPEB Liability for The Agency's ledger adjustment was measured as of September 30, 2020 using a discount rate of 2.14%.

The Total OPEB Liability was determined by an actuarial valuation as of September 30, 2020 (measurement date) using the following actuarial assumptions:

Inflation	2.50%
Salary Increases	2.50%
Discount Rate	2.14%
Initial Trend Rate	7.00%

XII. Employment Benefits (continued)

B. Post-Employment Benefits other than Retirement (continued)

Ultimate Trend Rate	4.00%
Years to Ultimate	54

For all lives, mortality rates were RP-2000 Combined Healthy Mortality Tables projected to the valuation date using Projection Scale AA.

Discount Rate:
Given the Agency's decision not to establish a trust for the program, all future benefit payments were discounted using a high-quality municipal bond rate of 2.14 %. The high-quality municipal bond rate was based on the week closest but not later than the measurement date of the S&P Municipal Bond 20 Year High Grade Rate Index as published by S&P Dow Jones Indices. The S&P Municipal 20 Year High Grade Rate Index consists of bonds in the S&P Municipal Bond Index with a maturity of 20 Years. Eligible bonds must be rated at least AA by Standard and Poor's Ratings Services, Aa2 by Moody's or AA by Fitch. If there are multiple ratings, the lowest rating is used.
OPEB Expense:
For the year ended September 30, 2020, the Agency will recognize OPEB Cost of $859 thousand.

(000's US$)		
Fiscal Year Ending		9/30/2020
Service Cost	$	56
Interest		201
Recognition of Changes in Total OPEB Liability		599
Administrative Expenses		3
Total OPEB Expense/(Revenue)	$	859

Total OPEB Liability as of the Measurement Date is:

Description	(000's US$) Amount
Reporting Period Ending September 30, 2019	$ 5,668
Service Cost	56
Interest	201
Difference Between Expected and Actual Experience	(74)
Changes in Assumptions	674
Changes of Benefit Terms	-
Contributions - Employer	-
Benefits Payments	(253)
Other Changes	-
Reporting Period Ending September 30, 2020	$ 6,272

Changes of assumptions reflect a change in the discount rate from 3.58% for the reporting period ended September 30, 2019 to 2.14% for the reporting period ended September 30, 2020. Also reflected as assumption changes are updated health care costs and premiums based on plan experience and premiums in effect for the 2020 fiscal year, and updated health care cost trend rates.

XII. Employment Benefits (continued)

B. Post-Employment Benefits other than Retirement (continued)

Sensitivity of the Total OPEB Liability to changes in the Discount Rate:
The following presents the Total OPEB Liability of the Agency, as well as what the Agency's Total OPEB Liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

	1% Decrease	Current Discount Rate	1% Increase
	1.14%	2.14%	3.14%
Total OPEB Liability (000's US$)	$ 7,226	$ 6,273	$ 5,493

Sensitivity of the Total OPEB Liability to changes in the Healthcare Cost Trend Rates:
The following presents the Total OPEB Liability of the Agency, as well as what the Agency's Total OPEB Liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates	1% Increase
	3.00% - 6.00%	4.00% - 7.00%	5.00% - 8.00%
Total OPEB Liability (000's US$)	$5,724	$ 6,273	$ 6,933

Under GASB 75 as it applies to plans that qualify for the Alternative Measurement Method, changes in the Total OPEB Liability are not permitted to be included in deferred outflows of resources or deferred inflows of resources related to OPEB. These changes will be immediately recognized through OPEB Expense.

As of September 30, 2020, the most recent valuation date, the Total OPEB Plan Liability was $6.3 million, and assets held in trust were $0, resulting in a funded ratio of 0 percent. The covered payroll (annual payroll of active participating employees) was $2.1 million, and the ratio of the Total OPEB Plan Liability to the covered payroll was 295 percent.

The OPEB Plan contribution requirements of Florida Municipal Power Agency are established and may be amended through action of its Board of Directors.

XIII. Risk Management

The Agency is exposed to various risks of loss related to torts, theft, damage and destruction of assets, errors and omissions, injuries to employees and the public and damage to property of others. In addition, FMPA enters into contracts with third parties, some of whom are empowered to act as its agents in order to carry out the purpose of the contracts.

These contracts subject FMPA to varying degrees and types of risk. The Agency has purchased commercial insurance that management believes is adequate to cover these various risks. FMPA has elected to self-insure the Agency's risk for general liability. It is the opinion of general counsel that FMPA may enjoy sovereign immunity in the same manner as a municipality, as allowed by Florida Common Law. Under such Florida Law, the limit of liability for judgments by one person for tort is $200,000 or a maximum of $300,000 for the same incident or occurrence. At no point have settlements exceeded coverage in the past two fiscal years.

The Agency has established a Finance Committee (FC) made up of some of FMPA's Board of Directors and member's representatives, and has assigned corporate risk management to its Treasurer and Risk Director. The Treasurer and Risk Director is designated the Agency's Risk Manager, and oversees the Risk Management Department, which reports to the Chief Financial Officer. The objective of the Agency's Enterprise Risk Management program is to identify measure, monitor and report risks in order to minimize unfavorable financial and strategic impacts.

FMPA's Risk Management Policy addresses key risk areas including, but not limited to, fuel, generation, debt, investment, insurance, credit and contracts.

XIV. Related Party Transactions

A. Governing Members and Committees

Each of the members of FMPA appoints a director and one or more alternatives to serve on FMPA's Board of Directors. Tallahassee joined the Agency effective October 19th, 2018 and Vero Beach left the Agency on December 17, 2018 leaving 31 members of the Agency. The Board has responsibility for developing and approving FMPA's non All-Requirements Project budgets, hiring of the General Manager and General Counsel and establishing the Agency's bylaws, which govern how FMPA operates and the policies which implement such bylaws. The Board also authorizes all non-All-Requirements Project debt issued by FMPA and allocates the Agency Fund burden to each of the Projects. The Board elects an Agency Chairman, Vice-Chairman, Secretary and Treasurer.

The Executive Committee consists of representatives from the 13 active members of the All-Requirements Project. The Executive Committee elects a Chairman and Vice-Chairman. The Board's Secretary and Treasurer serve in the same capacity on the Executive Committee. The Executive committee has sole responsibility for developing and approving FMPA's Agency Fund and All-Requirements Project budgets, and authorizes all debt issued by the All-Requirements Project.

In order to facilitate the project decision-making process, there are project committees for the St. Lucie, Stanton, Stanton II, and Tri-City Projects which are comprised of one representative from each participant in a project. The project committees serve in an advisory capacity, and all decisions concerning the project are decided by the Board of Directors, except for the All-Requirements Project, in which all decisions are made by the Executive Committee.

The Board of Directors has authorized the creation of a Solar Project Committee, which will be advisory to the Board of Directors on matters involving the Solar Project. The Executive Committee has authorized the creation of an ARP Solar Project Advisory Committee, which is an Executive Committee subcommittee that will address matters involving ARP participants.

B. Florida Gas Utility (FGU)

The All-Requirements Project has a contractual agreement to purchase natural gas from Florida Gas Utility (FGU), which accounts for approximately 80-85% of FGU's total throughput of natural gas. FMPA and the following member cities have representatives on the FGU Board of Directors: Ft. Pierce, KUA, Leesburg and Starke.

XV. Subsequent Events

Required Supplementary Information (unaudited)

Schedule of Changes in Agency's Net OPEB Liability and Related Ratios
Last Ten Years
(000's US$)

Reporting Period Ending	9/30/2020	9/30/2019	9/30/2018
Measurement Date	9/30/2020	9/30/2019	9/30/2018
Total OPEB Liability			
Service Cost	$ 56	$ 47	$ 53
Interest	201	215	201
Changes in Assumptions	674	410	(374)
Benefit Payments	(326)	(233)	(214)
Net Change in Total OPEB Liability	$ 605	$ 439	$ (334)
Total OPEB Liability - Beginnning of Year	5,668	5,229	5,563
Total OPEB Liabilty - End of Year	$ 6,273	$ 5,668	$ 5,229
Trust Net Position			
Contributions - Employer	$ -	$ -	$ -
Contributions - Member	-	-	-
Net Investment Income	-	-	-
Administrative Expenses	-	-	-
Benefit Payments, Including Refunds	-	-	-
Other	-	-	-
Net Change in Net Position Held in Trust	$ -	$ -	$ -
Trust Fiduciary Net Position - Beginning of Year	-	-	-
Trust Fiduciary Net Position - End of Year	$ -	$ -	$ -
Agency Net OPEB Liability - Ending	$ 6,273	$ 5,668	$ 5,229
Trust Fiduciary Net Position as a % of Total OPEB Liability	0%	0%	0%
Covered Employee Payroll	2,126	2,321	2,167
Agency's Net OPEB Liability as a % of Covered Employee Payroll	295%	244%	241%

* GASB Statement 75 was implemented as of September 30, 2018. Information from 2009 - 2017 is not available and this schedule will be presented on a prospective basis.

Notes to Schedule:

Changes of Assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year Ending September 30, 2020: 2.14%
Fiscal Year Ending September 30, 2019: 3.58%
Fiscal Year Ending September 30, 2018: 4.18%

See footnote XII.B for further information.

Supplementary Information

(unaudited)

SCHEDULE OF AMOUNTS DUE TO (FROM) PARTICIPANTS

RESULTING FROM BUDGET/ACTUAL VARIANCES

YEAR ENDED SEPTEMBER 30, 2020

(000's US$)

	Amended Budget	Actual	Variance Favorable (Unfavorable)
Agency Fund			
Received from projects	$ 15,386	$ 14,857	$ (529)
Received from member assessments	28	50	22
Interest income	240	189	(51)
Other income		29	29
	$ 15,654	$ 15,125	$ (529)
General and administrative	$ 14,718	$ 15,048	$ (330)
Invested in Capital Assets	396	372	24
Principal on Debt	-	-	-
Other Adjustments	300	80	220
	$ 15,414	$ 15,500	$ (86)
Net Revenue	$ 240	$ (375)	$ (615)
St. Lucie Project			
Participant billing	$ 52,151	$ 52,151	$ -
Reliability exchange contract sales	2,031	3,820	1,789
Interest income	662	499	(163)
	$ 54,844	$ 56,470	$ 1,626
Operation and maintenance	$ 11,881	$ 9,849	$ 2,032
Purchased power	2,255	2,894	(639)
Transmission service	370	409	(39)
General and administrative	2,451	2,395	56
Deposit to renewal and replacement fund	7,500	7,500	-
Deposit to general reserve fund & FSA	-	-	-
Deposit to Nuclear Fuel Fund	6,000	6,000	-
Deposit to debt service fund	28,829	28,749	80
	$ 59,286	$ 57,796	$ 1,490
Net Due to (from) Participants Resulting from Budget/Actual Variances	$ (4,442)	$ (1,326)	$ 3,116

Note: These schedules are prepared on budgetary basis and as such do not present the results of operations in accordance with generally accepted accounting principles.

SCHEDULE OF AMOUNTS DUE TO (FROM) PARTICIPANTS

RESULTING FROM BUDGET/ACTUAL VARIANCES
YEAR ENDED SEPTEMBER 30, 2020
(000's US$)

	Amended Budget	Actual	Variance Favorable (Unfavorable)
Stanton Project			
Participant billing & sales to others	$ 23,408	$ 23,333	$ (75)
Interest income	91	185	94
	$ 23,499	$ 23,518	$ 19
Operation and maintenance, fuel	$ 13,469	$ 13,281	$ 188
Transmission service	1,291	1,290	1
General and administrative	1,842	1,342	500
Deposits to debt service and other funds	5,000	5,000	-
	$ 21,602	$ 20,913	$ 689
Net Due to (from) Participants Resulting from Budget/Actual Variances	$ 1,897	$ 2,605	$ 708
All-Requirements Project			
Participant billing & sales to others	$ 460,227	$ 429,878	$ (30,349)
Transfer from Rate Protection	19,236	16,718	(2,518)
Interest Income	948	2,368	1,420
	$ 480,411	$ 448,964	$ (31,447)
Member Capacity	$ 53,115	$ 49,418	$ 3,697
Contract Capacity	18,370	17,931	439
ARP Owned Capacity	42,276	39,836	2,440
Debt & Capital Leases	117,103	120,315	(3,212)
Direct Charges & Other	22,415	21,134	1,281
Gas Transportation	30,737	30,254	483
Fuels	157,968	119,942	38,026
Purchased Power	8,160	11,546	(3,386)
Transmission	30,267	35,813	(5,546)
	$ 480,411	$ 446,189	$ 34,222
Net Due to (from) Participants Resulting from Budget/Actual Variances	$ -	$ 2,775	$ 2,775

Note: These schedules are prepared on budgetary basis and as such do not present the results of operations in accordance with generally accepted accounting principles.

Schedule of
Amounts Due to (from) Participants
Resulting from Budget/Actual Variances
Year Ended September 30, 2020
(000's US$)

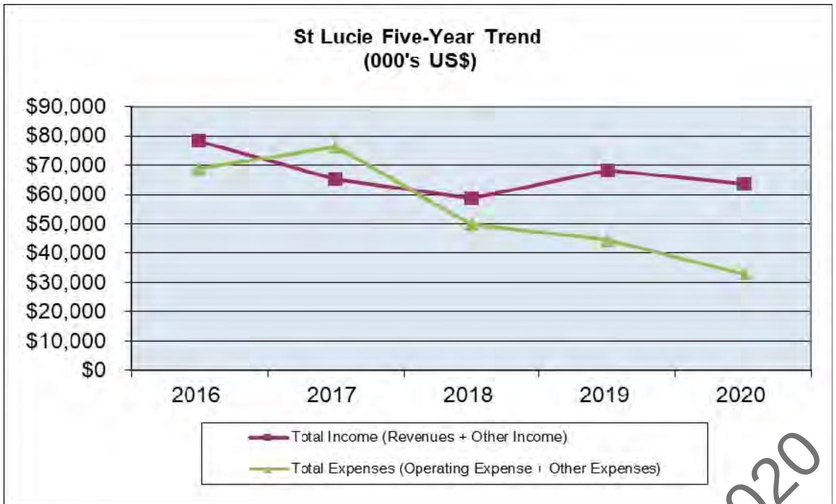
	Amended Budget	Actual	Variance Favorable (Unfavorable)
Tri-City Project			
Participant billing & sales to others	$ 6,750	$ 6,615	$ (135)
Interest income	56	77	21
	$ 6,806	$ 6,692	$ (114)
Operation and maintenance, fuel	$ 4,963	$ 4,800	$ 163
Transmission service	457	456	1
General and administrative	923	766	157
Deposits to debt service and other funds	1,200	1,200	0
	$ 7,543	$ 7,222	$ 321
Net Due to (from) Participants Resulting from Budget/Actual Variances	$ (737)	$ (530)	$ 207
Stanton II Project			
Participant billing & sales to others	$ 55,298	$ 54,815	$ (483)
Interest income	388	366	(22)
	$ 55,686	$ 55,181	$ (505)
Operation and maintenance, fuel	$ 28,843	$ 26,093	$ 2,750
Transmission service	2,085	2,082	3
General and administrative	2,400	1,885	515
Deposits to debt service and other funds	19,987	19,958	29
	$ 53,315	$ 50,018	$ 3,297
Net Due to (from) Participants Resulting from Budget/Actual Variances	$ 2,371	$ 5,163	$ 2,792

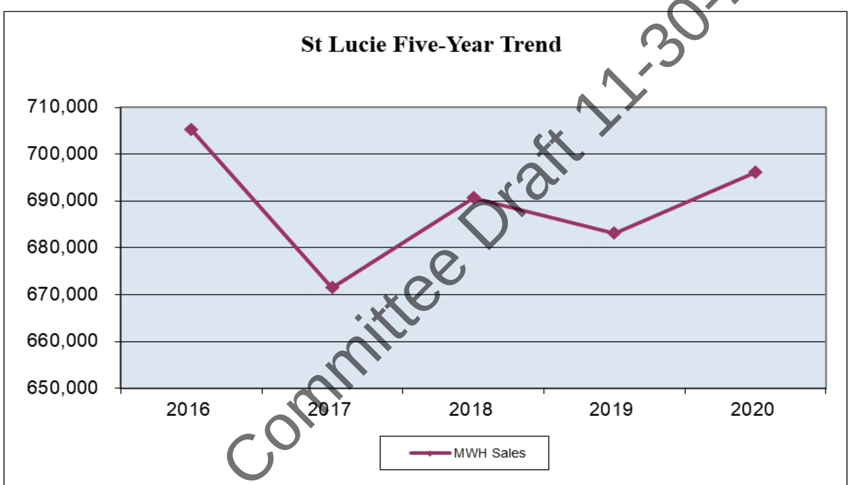
Note: These schedules are prepared on budgetary basis and as such do not present the results of operations in accordance with generally accepted accounting principles.

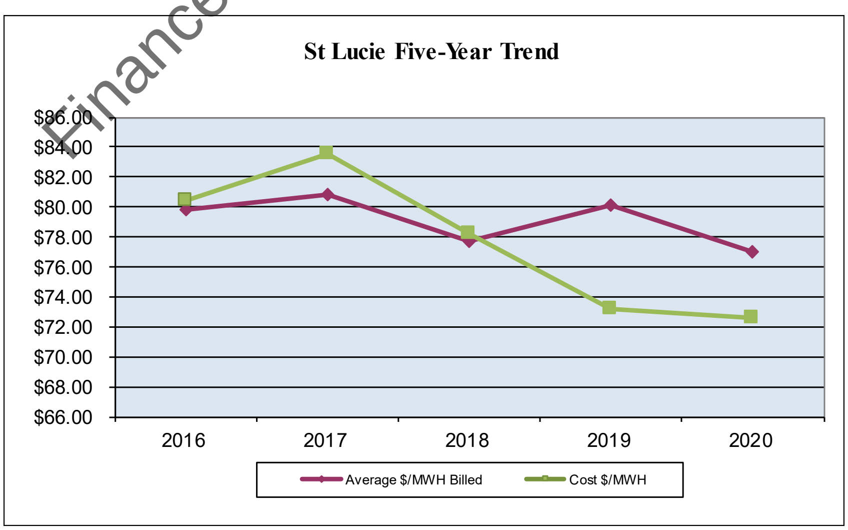
Five-Year Trend Analysis

	2016	2017	2018	2019	2020
(000's US$ except for MWH Sales and Average $/MWH)					
St. Lucie Project					
Capital Assets	$ 50,196	$ 23,656	$ 19,469	$ 20,554	$ 26,455
Total Assets & Deferred Outflows	$431,817	$ 418,281	$ 404,525	$ 235,863	$ 220,606
Long-Term Liabilities	$418,789	$ 403,457	$ 392,067	$ 130,798	$ 98,029
Total Liabilities & Deferred Inflows	$431,817	$ 418,281	$ 404,525	$ 235,863	$ 220,606
Billings to Participants	$ 56,287	$ 54,296	$ 53,678	$ 54,748	$ 53,687
Sales to Others	2,561	2,439	2,470	2,892	2,284
Total Operating Revenues	$ 58,848	$ 56,735	$ 56,148	$ 57,640	$ 55,971
Purchased Power	$ 3,874	$ 4,431	$ 3,540	$ 3,116	$ 2,894
Production-Nuclear O&M	9,727	12,087	10,953	7,594	10,026
Nuclear Fuel Amortization	5,963	5,270	4,799	5,338	3,209
Transmission	380	321	350	350	408
General & Administrative	2,486	3,248	3,278	2,722	2,700
Depreciation & Decommissioning	31,417	35,624	11,342	6,743	8,216
Total Operating Expenses	$ 53,847	$ 60,981	$ 34,262	$ 25,863	$ 27,453
Net Operating Revenues	$ 5,001	$ (4,246)	$ 21,886	$ 31,777	$ 28,518
Investment Income	$ 19,430	$ 8,553	$ 2,586	$ 10,676	$ 7,662
Total Other Income	$ 19,430	$ 8,553	$ 2,586	$ 10,676	$ 7,662
Interest Expense	$ 13,454	$ 13,759	$ 14,111	$ 11,675	$ 4,259
Amortization & Other Expense	1,544	1,579	1,613	7,003	1,300
Total Other Expenses	$ 14,998	$ 15,338	$ 15,724	$ 18,678	$ 5,559
Net Income (Loss)	$ 9,433	$ (11,031)	$ 8,748	$ 23,775	$ 30,621
Net Cost Recovered (Credited) in the Future	(9,862)	9,235	(9,080)	(18,998)	(27,505)
Due from (to) Participants	429	1,796	332	(4,777)	(3,116)
Total Income	$ -	$ -	$ -	$ -	$ -
MWH Sales	705,233	671,510	690,698	683,132	697,116
Average $/MWH Billed	$ 79.81	$ 80.86	$ 77.72	$ 80.14	$ 77.01
Cost $/MWH	$ 80.42	$ 83.53	$ 78.20	$ 73.15	$ 72.54

FIVE-YEAR TREND ANALYSIS



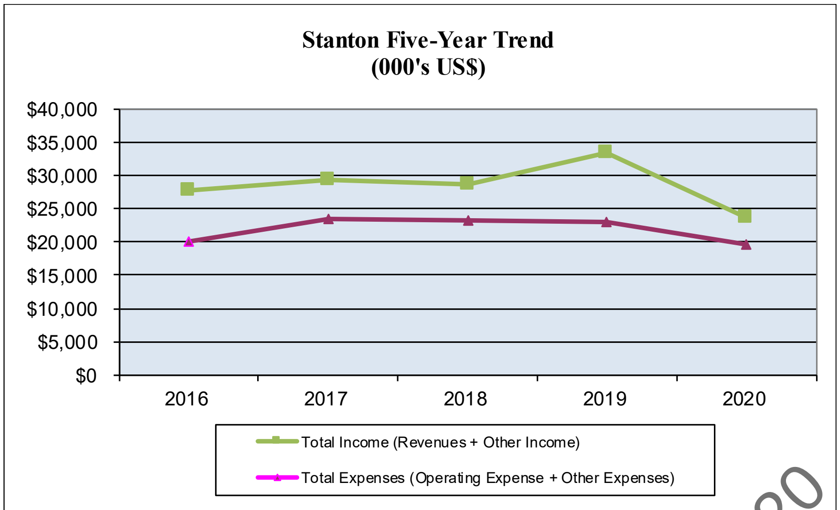


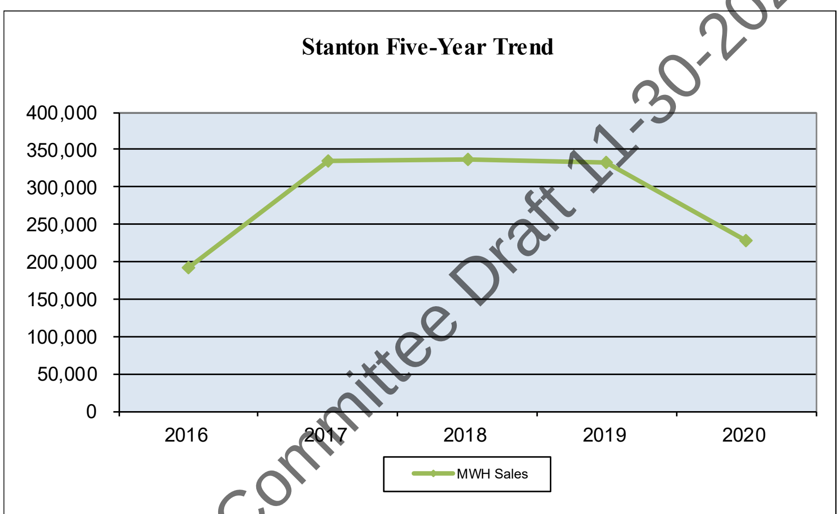


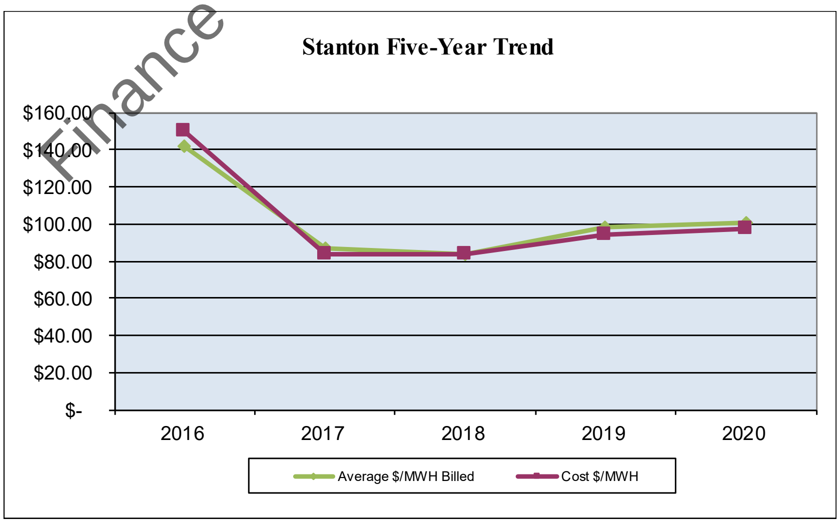
FIVE-YEAR TREND ANALYSIS

	2016	2017	2018	2019	2020
(000's US$ except for MWH Sales and Average $/MWH)					
Stanton Project					
Capital Assets	$ 30,536	$ 30,977	$ 28,797	$ 27,079	$ 27,044
Total Assets & Deferred Outflows	$ 63,579	$ 62,445	$ 59,299	$ 62,403	$ 55,644
Long-Term Debt	$ 25,299	$ 17,347	$ 9,091	$ 1,123	$ 1,159
Total Liabilities & Deferred Inflows	$ 63,579	$ 62,445	$ 59,299	$ 62,403	$ 55,644
Billings to Participants	$ 27,103	$ 28,909	$ 28,027	$ 32,521	$ 22,955
Sales to Others	327	356	352	360	378
Total Operating Revenues	$ 27,430	$ 29,265	$ 28,379	$ 32,881	$ 23,333
Production-Steam O&M	$ 5,520	$ 4,293	$ 4,702	$ 5,134	$ 5,384
Fuel Expense	7,400	12,392	11,625	11,132	7,934
Transmission	1,132	1,062	1,176	1,170	1,289
General & Administrative	1,287	1,304	1,382	1,562	1,342
Depreciation & Decommissioning	2,937	3,029	3,436	3,569	3,685
Total Operating Expenses	$ 18,276	$ 22,080	$ 22,321	$ 22,567	$ 19,634
Net Operating Revenues	$ 9,154	$ 7,185	$ 6,058	$ 10,314	$ 3,699
Investment Income	$ 251	$ 122	$ 209	$ 549	$ 401
Total Other Income	$ 251	$ 122	$ 209	$ 549	$ 401
Interest Expense	$ 1,680	$ 1,310	$ 911	$ 472	$ -
Amortization & Other Expense	112	86	58	37	0
Total Other Expenses	$ 1,792	$ 1,396	$ 969	$ 509	$ -
Net Income (Loss)	$ 7,613	$ 5,911	$ 5,298	$ 10,354	$ 4,100
Net Cost Recovered (Credited) in the Future	(9,121)	(5,042)	(5,474)	(9,035)	(3,392)
Due from (to) Participants	1,508	(869)	176	(1,319)	(708)
Total Income	$ -	$ -	$ -	$ -	$ -
MWH Sales	190,985	334,166	336,361	332,105	228,947
Average $/MWH Billed	$ 141.91	$ 86.51	$ 83.32	$ 97.92	$ 100.26
Cost $/MWH	$ 149.81	$ 83.91	$ 83.85	$ 93.95	$ 97.17

Five-Year Trend Analysis



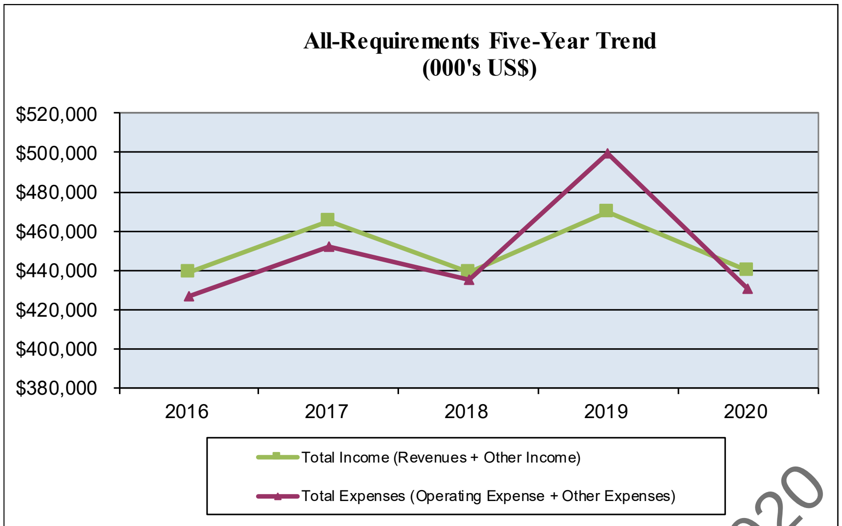


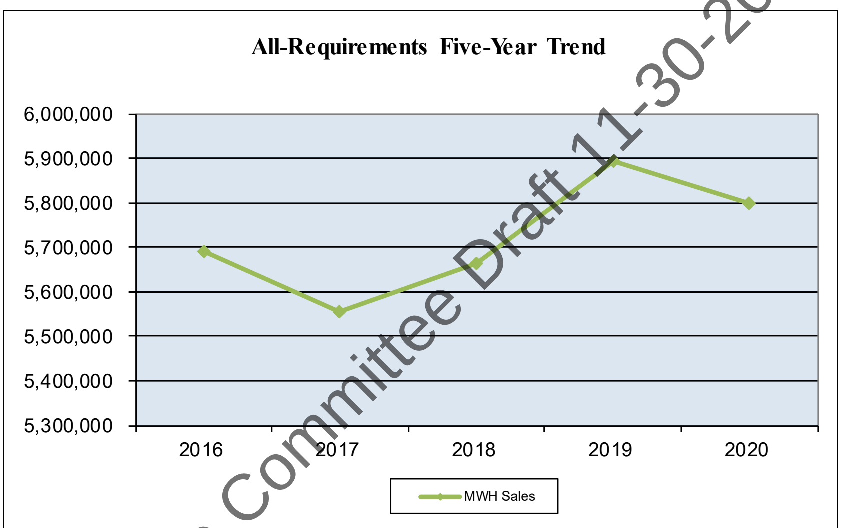


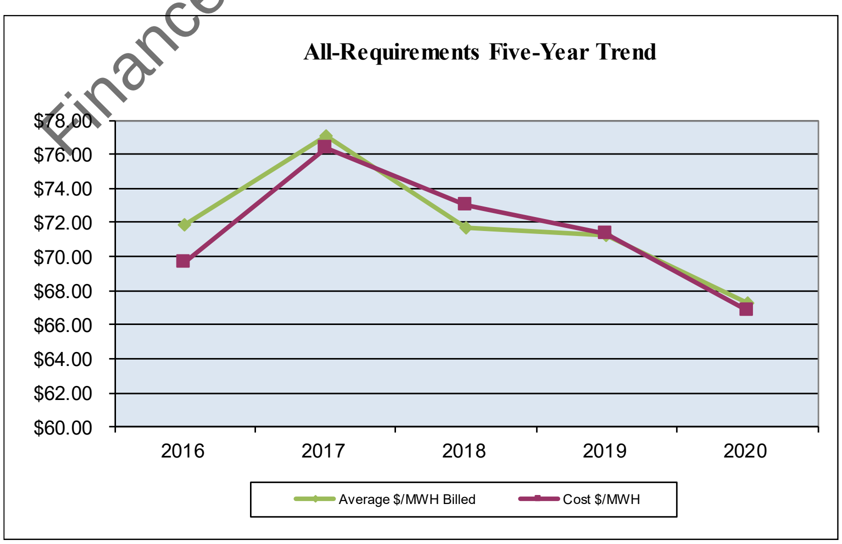
FIVE-YEAR TREND ANALYSIS

	2016	2017	2018	2019	2020
(000's US$ except for MWH Sales and Average $/MWH)					
All-Requirements Project					
Capital Assets	$ 777,532	$ 727,100	$ 674,858	$ 635,185	$ 588,537
Total Assets & Deferred Outflows	$ 1,471,708	$ 1,397,705	$ 1,307,621	$ 1,265,991	$ 1,163,954
Long-Term Liabilities	$ 1,331,563	$ 1,241,223	$ 1,157,636	$ 1,007,611	$ 933,813
Total Liabilities & Deferred Inflows	$ 1,471,708	$ 1,397,705	$ 1,307,621	$ 1,265,991	$ 1,163,954
Billings to Participants **	$ 409,104	$ 428,034	$ 406,073	$ 419,721	$ 390,242
Sales to Others	26,146	33,480	29,883	43,166	46,427
Total Operating Revenues	$ 435,250	$ 461,514	$ 435,956	$ 462,887	$ 436,669
Purchased Power	$ 25,546	$ 21,814	$ 23,561	$ 28,034	$ 29,509
O&M Production-Steam	67,270	65,550	61,398	79,383	82,078
Fuel Expense	170,762	205,925	194,661	196,638	159,716
Transmission	26,256	28,187	28,661	29,658	35,492
General & Administrative	22,349	21,841	22,029	23,922	23,510
Depreciation & Decommissioning	55,101	56,412	57,332	58,599	58,395
Total Operating Expenses	$ 367,284	$ 399,729	$ 387,642	$ 416,234	$ 388,700
Net Operating Revenues	$ 67,966	$ 61,785	$ 48,314	$ 46,653	$ 47,969
Investment Income	$ 3,805	$ 3,307	$ 2,657	$ 6,681	$ 3,364
Total Other Income	$ 3,805	$ 3,307	$ 2,657	$ 6,681	$ 3,364
Interest Expense	$ 56,843	$ 55,371	$ 51,785	$ 35,043	$ 29,070
Amortization & Other Expense	2,150	(3,203)	(4,265)	48,401	12,780
Total Other Expenses	$ 58,993	$ 52,168	$ 47,520	$ 83,444	$ 41,850
Net Income (Loss)	$ 12,778	$ 12,924	$ 3,451	$ (30,110)	$ 9,483
Net Cost Recovered (Credited) in the Future	(359)	(9,008)	(10,739)	29,221	(6,708)
Due from (to) Participants	(12,419)	(3,916)	7,288	889	(2,775)
Total Income	$ -	$ -	$ -	$ -	$ -
MWH Sales	5,691,752	5,553,937	5,664,825	5,893,412	5,797,669
Average $/MWH Billed	$ 71.88	$ 77.07	$ 71.68	$ 71.22	$ 67.31
Cost $/MWH	$ 69.69	$ 76.36	$ 72.97	$ 71.37	$ 66.83

FIVE-YEAR TREND ANALYSIS



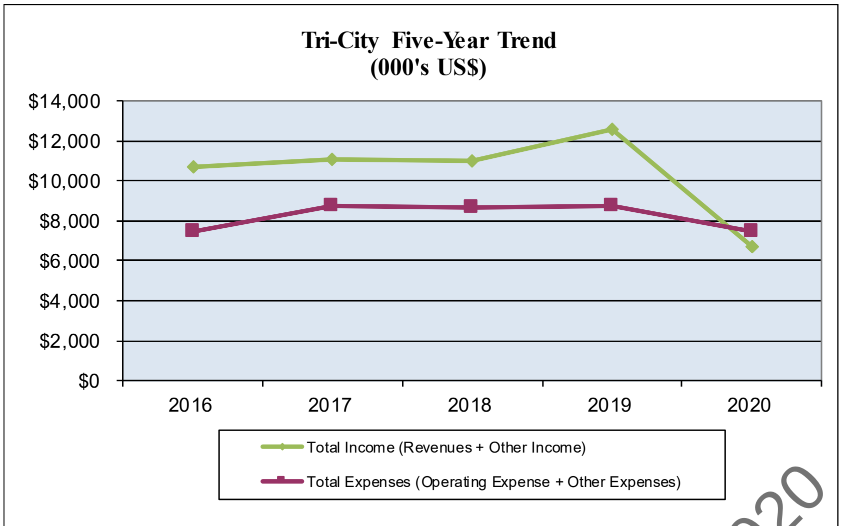


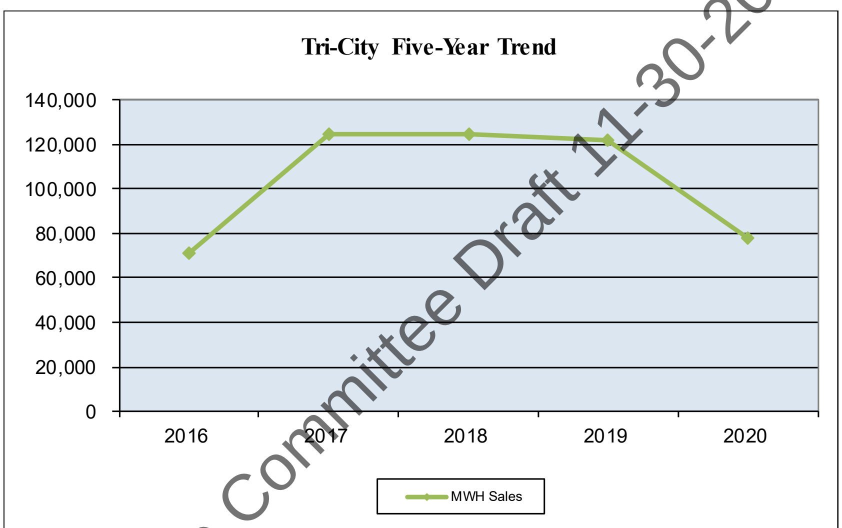


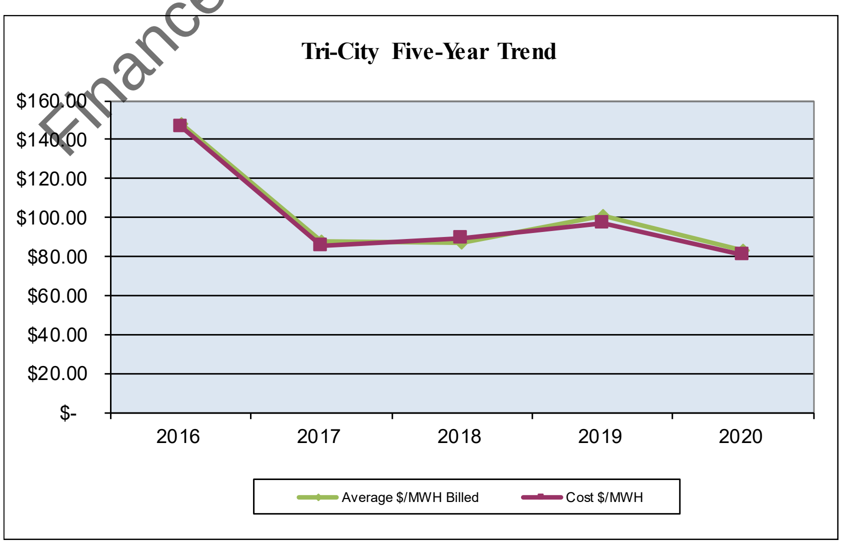
FIVE-YEAR TREND ANALYSIS

	2016	2017	2018	2019	2020
(000's US$ except for MWH Sales and Average $/MWH)					
Tri-City Project					
Capital Assets	$ 11,947	$ 12,019	$ 11,157	$ 10,460	$ 10,350
Total Assets & Deferred Outflows	$ 21,520	$ 20,864	$ 20,172	$ 21,241	$ 16,635
Long-Term Debt	$ 9,659	$ 6,508	$ 3,325	$ 402	$ 415
Total Liabilities & Deferred Inflows	$ 21,520	$ 20,864	$ 20,172	$ 21,241	$ 16,635
Billings to Participants	$ 10,548	$ 10,919	$ 10,794	$ 12,296	$ 6,480
Sales to Others	116	127	126	129	135
Total Operating Revenues	$ 10,664	$ 11,046	$ 10,920	$ 12,425	$ 6,615
Production-Steam O&M	$ 1,991	$ 1,536	$ 1,682	$ 1,836	$ 1,938
Fuel Expense	2,715	4,579	4,246	4,123	2,875
Transmission	427	382	415	415	456
General & Administrative	735	743	774	837	766
Depreciation & Decommissioning	1,134	1,168	1,312	1,359	1,416
Total Operating Expenses	$ 7,002	$ 8,408	$ 8,429	$ 8,570	$ 7,451
Net Operating Revenues	$ 3,662	$ 2,638	$ 2,491	$ 3,855	$ (836)
Investment Income	$ 44	$ 34	$ 73	$ 138	$ 97
Total Other Income	$ 44	$ 34	$ 73	$ 138	$ 97
Interest Expense	$ 266	$ 203	$ 139	$ 69	$ -
Amortization & Other Expense	190	144	97	76	0
Total Other Expenses	$ 456	$ 347	$ 236	$ 145	$ -
Net Income (Loss)	$ 3,250	$ 2,325	$ 2,328	$ 3,848	$ (739)
Net Cost Recovered (Credited) in the Future	(3,129)	(2,019)	(2,656)	(3,419)	946
Due from (to) Participants	(121)	(306)	328	(429)	(207)
Total Income	$ -	$ -	$ -	$ -	$ -
MWH Sales	71,172	124,588	124,558	121,919	77,805
Average $/MWH Billed	$ 148.20	$ 87.64	$ 86.66	$ 100.85	$ 83.29
Cost $/MWH	$ 146.50	$ 85.18	$ 89.29	$ 97.34	$ 80.62

FIVE-YEAR TREND ANALYSIS



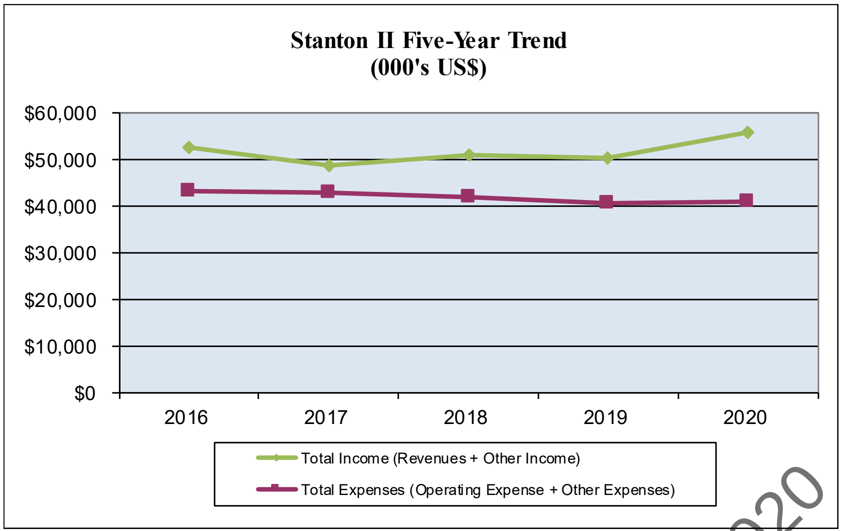


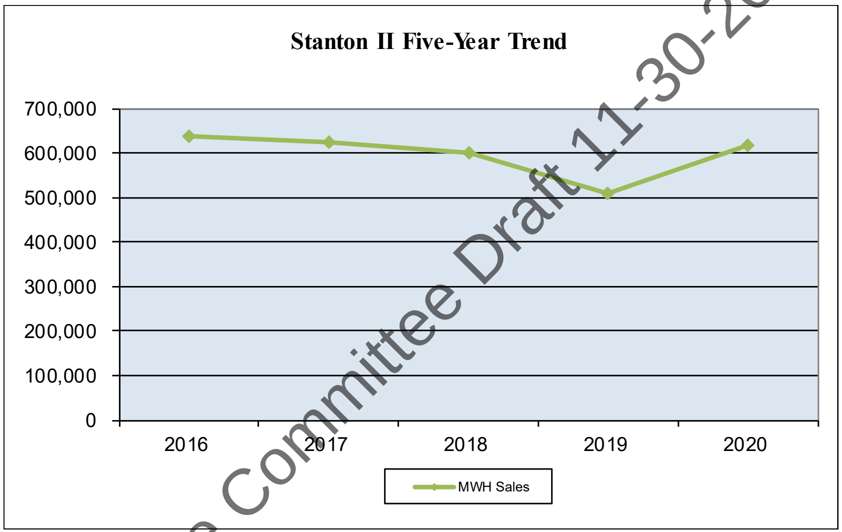


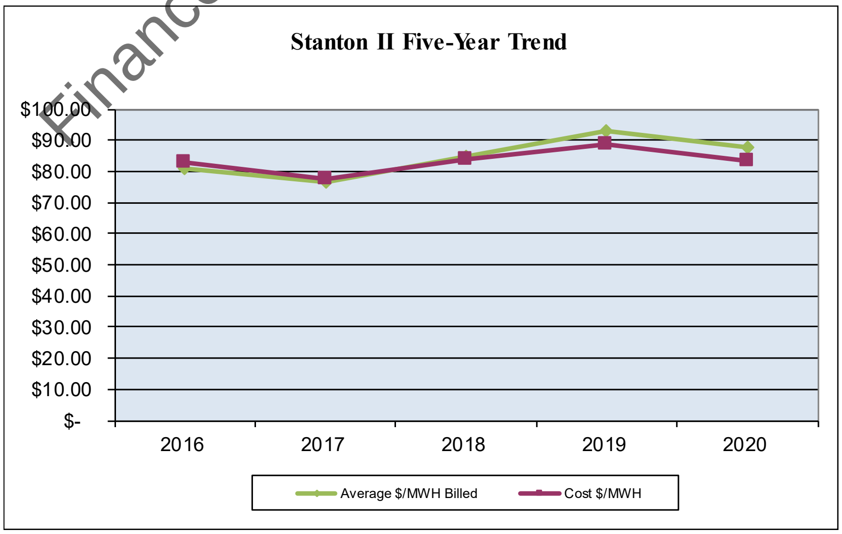
FIVE-YEAR TREND ANALYSIS

	2016	2017	2018	2019	2020
(000's US$ except for MWH Sales and Average $/MWH)					
Stanton II Project					
Capital Assets	$ 100,258	$ 96,589	$ 92,263	$ 93,918	$ 91,952
Total Assets & Deferred Outflows	$ 176,182	$ 166,748	$ 170,490	$ 170,021	$ 171,548
Long-Term Debt	$ 139,040	$ 138,885	$ 127,446	$ 117,323	$ 105,633
Total Liabilities & Deferred Inflows	$ 176,182	$ 166,748	$ 170,490	$ 170,021	$ 171,548
Billings to Participants	$ 51,463	$ 48,001	$ 50,933	$ 47,171	$ 54,223
Sales to Others	511	558	552	565	592
Total Operating Revenues	$ 51,974	$ 48,559	$ 51,485	$ 47,736	$ 54,815
Production-Steam O&M	$ 6,688	$ 7,363	$ 6,860	$ 8,634	$ 7,834
Fuel Expense	21,650	20,773	19,809	16,836	18,317
Transmission	1,750	1,677	1,895	1,895	2,082
General & Administrative	1,889	1,897	1,941	2,221	1,885
Depreciation & Decommissioning	5,336	5,392	5,535	5,556	5,738
Total Operating Expenses	$ 37,313	$ 37,102	$ 36,040	$ 35,142	$ 35,856
Net Operating Revenues	$ 14,661	$ 11,457	$ 15,445	$ 12,594	$ 18,959
Investment Income	$ 738	$ 113	$ (475)	$ 2,637	$ 1,050
Total Other Income	$ 738	$ 113	$ (475)	$ 2,637	$ 1,050
Interest Expense	$ 6,359	$ 6,295	$ 4,695	$ 3,295	$ 3,469
Amortization & Other Expense	(545)	(463)	1,260	2,260	1,816
Total Other Expenses	$ 5,814	$ 5,832	$ 5,955	$ 5,555	$ 5,285
Net Income (Loss)	$ 9,585	$ 5,738	$ 9,015	$ 9,676	$ 14,724
Net Cost Recovered (Credited) in the Future	(10,698)	(6,284)	(8,579)	(7,476)	(11,932)
Due from (to) Participants	1,113	546	(436)	(2,200)	(2,792)
Total Income	$ -	$ -	$ -	$ -	$ -
MWH Sales	635,926	625,514	601,691	507,678	616,808
Average $/MWH Billed	$ 80.93	$ 76.74	$ 84.65	$ 92.92	$ 87.91
Cost $/MWH	$ 82.68	$ 77.61	$ 83.93	$ 88.58	$ 83.38

FIVE-YEAR TREND ANALYSIS







Compliance Report

AGENDA ITEM 11 – COMMENTS

Finance Committee Meeting
December 9, 2020

AGENDA ITEM 12 – ADJOURNMENT

Finance Committee Meeting
December 9, 2020